VCCS (Vehicle Communication Comfort & Safety)

Automotive and MaaS Markets

Shaping strategic value at a pivotal juncture in the automotive industry

—Toward achieving safe and comfortable mobility services—

Katsuhei Yanagisawa
Director, Managing Executive Officer/General Manager, VCCS Business Division
VCCS Overseas Business Management/Chief Officer, Administration Management H.Q
General Manager, Tomioka Plant

Today, the automotive industry is undergoing an unprecedented wave of transformation. The business environment is undergoing a rapid shift, propelled by advances in Connected, Autonomous, Shared, and Electric (CASE), Advanced Driver Assistance Systems (ADAS), Software-Defined Vehicles (SDV), the swift growth of the EV market, and environmental initiatives targeting a reduction in greenhouse gas (GHG) emissions. Yokowo perceives these changes as fresh growth opportunities rather than mere threats, speeding up the development of more advanced and higher-value products. At the same time, we are working to build a stable revenue-generating system through thorough reforms ranging from product costs to the business structure.

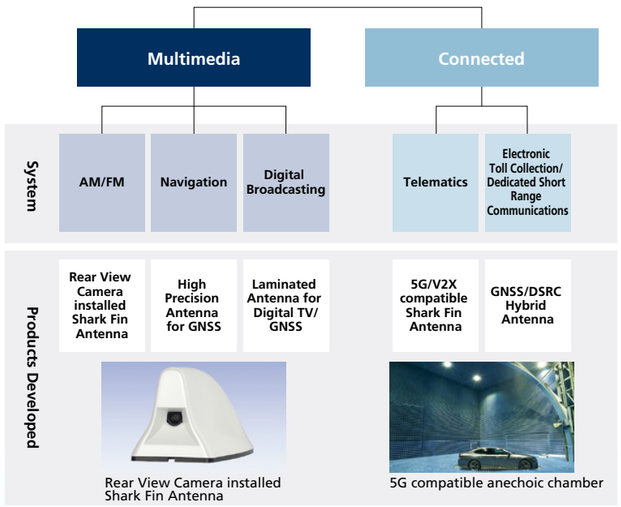
Achieving Safe and Comfortable Mobility with World-class Vehicle Antennas

The VCCS (Vehicle Communication Comfort & Safety) business unit develops and manufactures vehicle antennas that enable safe and comfortable mobility services. Our shark fin antenna, a leading product, offers full-frequency coverage from low to high, addressing automotive manufacturers' advanced communication requirements.

Leveraging decades of accumulated antenna and microwave technology, the automotive antenna has evolved into a cutting-edge product line that meets the demands of next-generation communications, thanks to the integration of modular design principles. In product development, we employ cutting-edge development and measurement tools such as electromagnetic field simulators and 5G-compatible anechoic chambers for measuring millimeter-wave frequencies, enabling us to deliver products of the highest global standard.

Our products are produced mainly at bases in China, Vietnam, and the Philippines, with more than 90% of manufacturing occurring overseas. Moreover, roughly 70% of our customer base is in international markets, and we mainly target Japanese automotive manufacturers across the U.S., ASEAN nations, and worldwide.

VCCS Segment Business Domain



Rear View Camera installed Shark Fin Antenna

5G compatible anechoic chamber

Addressing the Accelerating Pace of Automotive Development

The speed of development at auto manufacturers has risen dramatically over recent years. What used to be a four-to-five-year cycle for model changes is now shortening toward a two-year span. With development speeding up and growing in sophistication and complexity, strengthening the organization has become imperative. To ensure swift action, we are enhancing our infrastructure and intensifying advanced development efforts. Furthermore, more intensive coordination than before is necessary, and matching proactive proposal skills are crucial for establishing trust as a development partner. We continuously engage in close discussions with leading automobile manufacturers from the initial development stage, delving deeply into the technologies and specifications expected in the future.

Especially when it comes to frontier fields like integrating telematics control units (TCUs) with antennas, partnering intimately with automotive manufacturers is paramount to further boost safety and performance. We are strengthening technical coordination with leading manufacturers to boost on-site understanding and deepen trust.

Rebuilding the Revenue Structure and Strengthening Global Production Systems

The business restructuring, now in its fifth year, has significantly contributed to enhancing revenue and making the production framework multi-layered by simultaneously cutting fixed costs while transferring production from China to Vietnam and further to the Philippines. This endeavor is not a one-off fix but a commitment to continual improvement. To cement the reform outcomes, we will persistently push for optimal production arrangements while preparing for any potential situations that may arise.

While expanding production bases and adding complexity to our supply chain will likely push up inventory levels, we are concurrently minimizing days of inventory held by raising on-site purchasing rates. The local procurement rate in China has hit 80%; while Vietnam is 40–50%, and the Philippines is still low, we plan to emphasize improving local sourcing as a key area moving forward.

In addition, capital expenditures are driven by advancing modularization and standardization and promoting investment efficiency with a minimum spend, guided by a "low-cost automation" concept, while simultaneously delivering productivity gains and flexible production capability through equipment sharing and generalization.

Outlook for Business Expansion and Communications Technology Development in 2025

Looking ahead, the development of all-in-one antennas and telematics control unit (TCU) modules will be a key technical area. This offering elevates vehicle communication equipment, forming a crucial tech foundation that aligns with the automotive industry's growing connectivity requirements. Similarly, Yokowo is looking beyond the classic automotive market to expand its business across the whole mobility arena, and we have already started to venture into new markets.

In order to support the rollout into these emerging areas, we are enhancing cooperation between the Incubation Center and the marketing team, and moving forward with the generation of new business by jointly assessing technology seeds and market demands. We are championing next-generation product proposals that keep pace with automotive evolution, and at the same time, setting up a revenue foundation anchored in standard products for emerging markets, notably China and India, where demand is projected to surge. In the Indian market, in particular, our presence is steadily increasing, with reliable growth outlooks for the future.

These efforts will drive new market creation and global expansion, anchoring the core of our strategy for future growth.

In contrast, improving software is essential to differentiate future products and services. We are positioning software as a strength that shapes our competitive edge through cooperation with TCU manufacturers. We expect that integrating software with hardware will create value that becomes central to our growth.

Changes in the Automotive Market and Yokowo's Next-Generation Readiness

Over the past few years, car sales have begun to hit a peak in select regions, and the move toward viewing mobility as a service rather than an asset is expected to quicken. Taking into account these changes in the market environment, building new business models that leverage connected technologies is becoming more important. VCCS is working to strengthen its responsiveness in the mobility services business to address this trend. Even in a future mobility society, we will realize new value creation through valuable technologies and services.

CTC (Circuit Testing Connector)

Semiconductor Testing Equipment Market

Introducing advanced precision technologies to underpin semiconductor testing

—Toward becoming a comprehensive test solution-type vendor—

Naoki Kawata
Executive Officer/General Manager, CTC Business Division

The Circuit Testing Connector (CTC) business unit leverages Yokowo's micro processing technology to manufacture contact probes and circuit testing connectors. We provide probe cards for the front-end process of semiconductor manufacturing, and sockets for the back-end, both engineered for precision and high performance.

Japan, Malaysia, and Vietnam are home to our production bases, with over 70% of manufacturing occurring overseas and more than 90% of sales directed abroad, underscoring our rapid global expansion. We are expanding production of post-process probes at the Malaysia Plant, and at the Yokowo Vietnam Plant established in 2022. At the Japan Plant, we have accommodated high-difficulty development and mass-production products by introducing automated assembly and inspection lines. We are pushing forward with production innovations that effectively respond to the rapid evolution of technology and market shifts.

Semiconductor Market Shifts and Approach of CTC

The semiconductor industry changes at an extremely rapid pace, and the lineup of major players often changes every one to two years. While growth from fiscal 2020 to 2022 was fueled by the demand for computer and smartphone semiconductors, fiscal 2023 experienced a sharp decline. On the other hand, fiscal 2024 is witnessing a rapid surge in new demand due to the widespread adoption of generative AI.

A key strength of the CTC business unit is its inspection jig's flexibility, as it can handle semiconductors with differing uses—such as CPU, GPU, and memory—using virtually the same product. Right now, our products are primarily catered to four key markets, each with a pivotal key device.

Target Market	Key Device
Data Center/Cloud	CPU
	GPU
Consumer	SoC／AP
	Wireless Transceiver
Car Electronics	Analog Device
Industrial Communication Equipment	Wireless Transceiver
	RF Front-End Device

When it comes to key device manufacturing in the four main markets, offering circuit testing connectors built for high-frequency applications that leverage our high-frequency capabilities is crucial.

Data Center/Cloud Market (CPUs/GPUs)

During fiscal 2024, the spike in demand for NVIDIA GPUs powering generative AI led to a swift rise in data center semiconductor sales. Even in fiscal 2025, the proliferation of generative AI implies that demand for high-end GPUs and AI accelerators will stay robust. The high power consumption and heat generation of these items mean that effective heat sinking and signal quality handling are essential. CTC is addressing these new inspection needs, advancing the development of the system-level testing market and expanding distribution channels.

Consumer Market (SoCs/APs/wireless transceivers)

In addition to smartphones, there is a growing demand for edge-AI-ready devices such as cutting-edge smart devices and wearables. This is accelerating the evolution of high-performance, low-power APs.

This business is anticipated to deliver the highest growth in the semiconductor industry going forward, and CTC plans to integrate new demand and push ahead with market development.

Car Electronics (Analog devices)

The push toward electric vehicles and autonomous driving is boosting demand for power semiconductors and sensor SoCs. There is a particular demand for highly reliable products designed to endure vehicle-specific conditions like elevated temperatures and high electrical currents.

By introducing novel materials and cutting-edge surface-finishing methods, CTC develops and supplies inspection solutions tailored for high-durability analog devices.

Industrial Communication Equipment (Wireless transceivers/RF front-end devices)

The growth of 5G and IoT is driving increased demand for communication semiconductors in real-time control settings at factories and plants. Low-power, highly reliable control ICs and sensors are essential.

CTC leverages its high-frequency technology to supply testing connectors for radio transceivers and RF front-end devices, building reliable trust.

Growth Driven by Expanding the Coverage of the Testing Process

In the CTC business unit, we aim for growth in the semiconductor inspection field and are expanding the scope of the testing process. We have traditionally focused on back-end testing areas, but are now advancing deployment to probe cards in front-end testing.

Semiconductors have entered the 2-nanometer generation, and chiplet implementation—where heterogeneous chips are integrated into a single package—is becoming increasingly mainstream. Accordingly, testing now needs to accommodate narrower pitch, higher frequency, higher precision, and faster signals.

To meet these technical requirements, Yokowo is advancing high-frequency and high-speed testing technologies, further enhancing in-house processing capabilities, and progressing external collaboration on MEMS technology to establish a system that can meet advanced needs.

Specifically, we are expanding products such as sockets for 5G devices and probe cards (YPX) for high-frequency electronic components, and we are also strengthening high-value-added proposals through turnkey solutions.

In particular, the front-end testing market is 2.5 to 3 times larger than the back-end testing market, and we view it as an opportunity for business expansions in light of many customer needs. Nonetheless, there is considerable competition, and securing a technological advantage is indispensable.

Semiconductor Testing Processes and Planned Entry Timing

	Front-end Testing Process			Middle-of-line Testing	Back-end Testing Process		
Inspection Stage	Wafer Test Before Rewiring	Water Test After Rewiring	Wafer Level Test (Including RF Test)		Final Test	System Level Test	Burn In Test
Planned Entry	2026	Expand Existing Business	Expand and Acquire New Testing Purposes			2025	2025
Technological Strategy	Electroformed Tube Spring Probe MEMS Probe/Sheet			High-Temperature, High-Current/Chiplet/Evolution to In-house Production			Molding Reinforcement
Target Device	DRAM/NAND		Logic SoC SAW/BAW	Logic SoC (built-in HBM memory)	Logic SoC/Chiplet		
Business Strategy	M&A/Alliance (Manufacturing) + Strengthened Manufacturing System (Labor Reduction)		Strengthened Field Support + Strengthened Manufacturing System (Labor Reduction)			M&A/Alliance Development + Strengthened Manufacturing System (Labor Reduction)	

Establishment of a Flexible Development and Production System to Meet New Testing Needs

In the CTC business unit, we are strengthening our ability to respond swiftly to changes in the semiconductor market by improving responsiveness to testing needs and accelerating development and production. The key is understanding each market's technology roadmap and cooperating with customers.

The industry sees fierce fluctuations each year as major players are replaced, and we are building a flexible business model to respond to that. For nearly four years, a cross-departmental project has been promoting inter-departmental collaboration and technology strategy, developing products and manufacturing technologies that meet the latest market demands.

In addition, as the lead time for launching new semiconductor products shortens, Yokowo prioritizes a leadership stance rather than simply catching up, and has established a rapid development and mass production system that balances agility and flexibility.

Evolution into a Comprehensive Test Solution-Type Vendor and Global Expansion

The CTC business unit aims to provide comprehensive solutions for semiconductor inspection, flexibly balancing in-house production and alliances. Core technologies such as product miniaturization and product fine-tuning tailored to usage are in-house developed, emphasizing development control and knowledge accumulation. On the other hand, in situations where speed is critical, we have established a system to cooperate with external partners and that consistently provides value from development to manufacturing. We aim to be the core of an ecosystem that provides an end-to-end view of the entire supply chain by supplying probes, housings, expansion boards, and the like.

Our global expansion will hinge on a two-pole approach: the market in Asia, mainly India, spurred by population growth and heightened household-electronics demand, and the U.S. market, spearheading developments in generative AI and cutting-edge semiconductors. Furthermore, we introduced ROIC into business decision-making and promoted management that prioritizes investment efficiency. We embed a managerial perspective even in on-site decision making, establishing a swift and rational decision-making system. Moving forward, the CTC business unit will expand its portfolio of highly accurate and highly profitable products, simultaneously achieving stable growth and creating new markets.

FC (Fine Connector)

SPRING CONNECTOR™ Development and Provision

Developing and providing a micro SPRING CONNECTOR™ worldwide

—Evolution into a connector solution provider through creating customer value—

Fumiaki Ishibashi
Executive Officer/General Manager, FC Business Division

The FC (Fine Connector) business unit has been globally developing and supplying SPRING CONNECTOR™ for over 30 years, playing a core role in power supply and data transmission for electronic devices. Specifically, precision SPRING CONNECTOR™ that allow easy snap-on and snap-off are increasingly adopted for a variety of applications—from lightweight and miniaturized consumer devices like smartwatches and earphones to commercial, industrial, medical, and automotive uses.

Advanced Solutions for the Global Deployment of SPRING CONNECTOR™

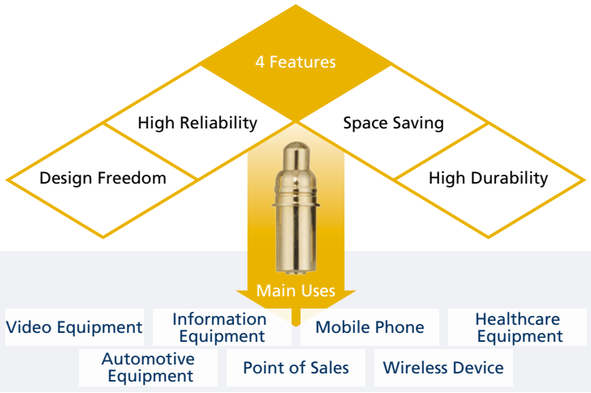
In the FC business unit, we have a product lineup that includes more than 400 standard items and over 5,000 custom products, enabling us to accurately meet rapidly changing needs such as miniaturization and wearables. In addition, we have strengthened our customization framework to flexibly meet special requirements related to shape, size, specifications, and design, while also accommodating the advancement of features such as waterproofing, high-speed transmission, and high-current capability.

SPRING CONNECTOR™

In response to increasingly specialized market needs, our independently developed SPRING CONNECTOR™ is compact yet high-performing, and it achieves a space-saving design that can also fit into limited board space. Combining flexible design capability tailored to complex shapes and functions, it is a highly reliable connector component installed in a wide range of electronic devices, and it has received high praise from customers.

The product is manufactured at three sites in Japan, Malaysia, and China, with overseas production accounting for over 80%. In addition, the product is supplied to a wide range of electronic equipment manufacturers both domestically and internationally, and the overseas sales ratio has reached over 80%.

Features and Main Uses of the SPRING CONNECTOR™



Advancing Efforts to Enhance Productivity and Quality While Simultaneously Boosting Competitiveness

The spring connector market has a unique structure compared to other electronic component markets. Although there are overarching market trends, each product requires a design tailored to its intended use, so there are virtually no generic ready-made items, and almost everything is custom-made to fit the customer's product design. Customer requests are diverse and wide-ranging, so to accurately understand specific needs, continuous and close communication with them is essential. Building such relationships has led to gaining trust and the creation of concrete business opportunities.

Taking into account the characteristics of such markets and products, Yokowo has established proprietary internal standards and inspection methods, and we practice management that clearly quantifies quality goals for maintaining and improving quality. Previously, there were parts that depended on manual labor in some stages, but since fiscal 2024 we have started earnest efforts toward automation and labor saving.

Moving forward, we aim to further elevate these initiatives by digitizing the expertise of seasoned professionals through the application of AI and related technologies, thereby enhancing knowledge sharing and utilization across the entire process to achieve additional gains in productivity and quality.

Venturing into Next-Generation Product Development

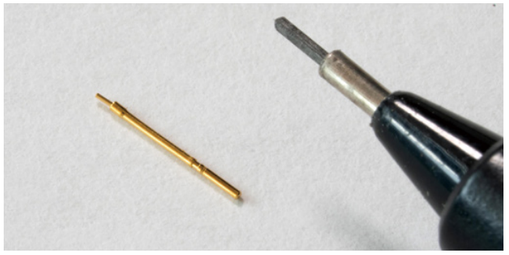
In the connector market, foreseeing customer requirements well before the final product is adopted directly ties to capturing market share. The FC business unit continues to propose a new range of products that leverage its proprietary technology, and is actively participating in and building collaborative structures for a variety of projects that cross academia, industry, and government. In particular, in the application development of wearable devices, it is working to create new markets in fields such as telemedicine, sports, and gaming.

In addition, in the AI and edge computing areas, where further growth is expected, there is a need to address challenges such as increased power consumption and heat generation. We are advancing development of next-generation connectors to meet these challenges. By applying wireless transmission and antenna technology, we are striving to achieve new connectivity solutions that overcome physical limitations.

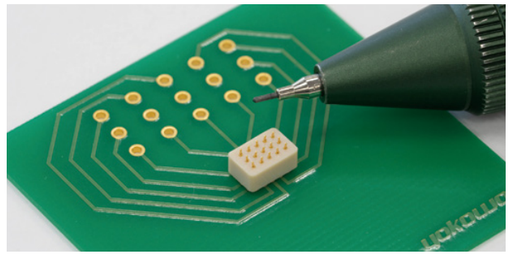
Supporting Next-Generation Smart Devices with the World's Smallest Class New SPRING CONNECTOR™

In the second half of fiscal 2024, the FC business unit developed a new SPRING CONNECTOR™ with a 0.35 mm diameter—the smallest class in the world—and began shipping samples. This product achieves a size reduction of approximately 60% compared to conventional products, while also offering high performance features such as high-speed transmission and high-current capability. In addition to enabling miniaturization and multipolarization, the custom connector design enables a significant reduction in the area occupied by the board assembly. This can significantly increase the customer's design flexibility. It also helps streamline peripheral board design, adding new value to the product design process.

This product applies the micro processing technology Yokowo has honed through the development of semiconductor testing probes. We have established an advanced production system built on years of technology accumulation, utilizing proprietary techniques that perform high-precision drilling inside an ultra-small tube with a diameter of 0.35 mm, gold-plating processing technology that achieves stable conductive performance, and semi-automated processes for accurately assembling miniature components.



0.35 mm diameter SPRING CONNECTOR™ thinner than the 0.5 mm core of a mechanical pencil



Connector utilizing 15 units of the new SPRING CONNECTOR™, featuring the world's smallest diameter

Progressing Toward Becoming a Connector Solution Provider

The FC business unit aims to evolve into a "connector solution provider" that goes beyond merely supplying parts, by establishing a competitive advantage through mastering its core micro precision processing technology and creating unique value that only Yokowo can deliver. By accurately capturing the diverse market needs and tailoring product planning and sales expansion strategies to the characteristics of the target market, we will roll out a higher level of user experience (UX) to the end users beyond our customer companies.

We firmly believe that, regardless of how volatile the market may be, we have the power to generate our own business prospects, and in the future we will keep delivering dependable connection solutions worldwide, built on our distinctive micro precision processing technology and outstanding customization strengths.

MD (Medical Device)

Medical Device

Establishing a competitive advantage in the cutting-edge medical device domain

—Venturing into the MD business powered by micro precision processing and startup collaboration—

Hiroshi Igahara
Managing Executive Officer / General Manager, MD Business Division
Chairperson, Business Risk Management Committee

In the MD (Medical Device) business unit, we leverage proprietary manufacturing technologies such as micro precision processing and electro-polishing to establish a competitive advantage in the medical device sector. Our strategic focus emphasizes forging innovation through startup collaborations and setting up a system for global rollout, including the acquisition of U.S. FDA 510(k) approval. We are advancing a multifaceted approach that includes precise compliance with domestic and international laws and regulations, leveraging the venture ecosystem, and accelerating development cycles through simulation.

Growth Strategy for the MD Business Unit in Advanced Medical Fields

Although orders for catheter components from major domestic medical device manufacturers are on the rise, sales of unit products remain strong and steady in the MD business unit. This enables us to establish a firm revenue base while positioning ourselves for the next wave of growth.

By harnessing Yokowo's core technologies in micro precision processing, coating, and assembly technologies, the unit has strengthened production capacity via state-of-the-art manufacturing equipment. When it comes to assembly products like guide wires and catheters, we seek to drive overseas and domestic sales growth and establish a global quality framework that considers the entire product lifecycle. Our business model framework includes (1) a self-sufficient model for in-house design, production, and sales, and (2) a venture ecosystem model that turns startup ideas into reality and supports them as manufacturing partners. By developing these two pillars as twin engines of growth, we aim to solidify our position as a project-based product developer and development-focused OEM supplier in the cutting-edge medical fields and pursue sustained business expansion.

Moreover, as part of our efforts to enter the U.S. market, after obtaining a Class I manufacturing and sales license domestically, we are positioning the acquisition of FDA 510(k) approval as the next important step. The U.S. market is structured so that product quality is fairly represented in price; by having our superior products recognized, we aim to capture additional growth opportunities.

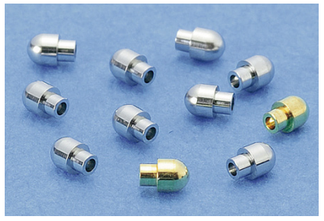
Accelerating Growth through Product Portfolio and Global Strategy

We are currently advancing the construction of a strategic product portfolio with a view toward global markets. Specifically, we clearly distinguish between high-end and low-end products. The former is launched into high-value markets through our in-house design and manufacturing/sales capabilities, primarily targeting the U.S. market, while also supplying in the Chinese market via trusted partners. We are manufacturing and distributing low-end products in collaboration with our Chinese partners, and moving forward with sales in Japan and the United States.

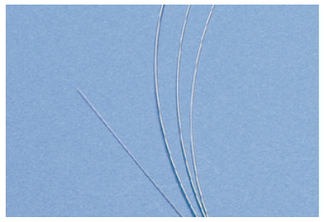
Establishing a Venture Ecosystem and Collaborative Framework with Startups

In building a venture ecosystem, we are currently collaborating with four startups, one of which was acquired by a major medical device manufacturer in December 2023, and that product launched in March 2025. Our stent, the first of its kind to be used in the product, has proven highly successful in social implementation and venture assistance, setting the stage for promising future sales expansion.

In December 2021, we founded the Japan Medical Start up Incubation Program (JMPR) alongside a group of dedicated comrades to support Japanese medical device startups. We contribute funds to JMPR to aid its operational continuity, and beyond providing management and operational assistance to startups that JMPR supports, we strive to develop medical devices crafted in Japan via the creation of new materials, coating solutions and other elemental technologies for medical devices, as well as structural image analysis simulations that will be detailed later. By swiftly transforming startup ideas into operational ventures, we strive to establish an internally proven innovation strategy. We will keep partnering with serial entrepreneurs, offering support to evolve medical technology and return value to the community.



Tip terminal of catheter



Guide wire

Part processing inside a cleanroom

Proprietary Technologies and Global Competitiveness in Medical Device Development

The MD business unit promotes high-level development of medical devices, including stents, grounded in micro precision processing technology. Moreover, the high-precision finishing technology achieved through electrolytic polishing and fluid polishing is a unique strength that we proudly present to the world, and by ensuring the smoothness of the stent surface used inside blood vessels, it contributes to reducing the risk of thrombosis. Especially noteworthy is that our organization alone worldwide possesses fluid polishing technology that can simultaneously refine both interior and exterior surfaces, underscoring the rarity that validates our technological superiority.

We also possess advanced joinery techniques for specialty metals that are essential to medical device manufacturing, and there are only a handful of companies worldwide that have comparable expertise. This advanced technological capability is further refined through collaboration with other business units, enhancing differentiation in our medical device business and strengthening our international competitiveness.

Business Development Carried out from a Medium-to-long Term Perspective

In the MD business unit, we prioritize business development based on medium-to-long-term growth rather than short-term annual results. Although starting a new business takes a certain period of time, sales are steadily on the rise at present, and we intend to raise profitability by fortifying both our manufacturing and sales capabilities going ahead.

Leveraging our strength in micro precision processing, we also embrace startup R&D capabilities and physician insights, driving product development through iterative structural analysis simulations, prototyping, and ongoing refinements. Structural analysis simulation refers to the practice of substituting part of animal testing or clinical trials with computer-based models, aiming to shorten development time and reduce costs. As a result, we have also received a leading evaluation in regulatory compliance, and our members' research findings are cited by entities such as the Pharmaceuticals and Medical Devices Agency (PMDA) and the U.S. Food and Drug Administration (FDA), thereby earning high trust both domestically and internationally. Looking ahead, we aim to develop a business model by offering this cutting-edge simulation technology to external customers and in joint-development projects, and we will investigate how to turn the technology and insights into viable businesses.

Manufacturing Edge and the Vision of Business Models Built on Data Utilization

The MD business unit is aiming to expand its business and build on its achievements toward fiscal 2025. The advanced manufacturing process that is Yokowo's hallmark gives it a key advantage, yet to expand further the company must construct a data-driven business model. In the future, the use of systems such as the Breakthrough Devices Program aimed at early approval of medical devices will be essential to establish a competitive advantage based on data.

In an age where product performance alone makes differentiation tough, forging new value through a blend of insights, data, and strategy is vital. We are exploring next-generation medical business models through collaboration with startups, accelerating innovations that fuse manufacturing with a knowledge ecosystem.

Incubation Center

Transforming Yokowo's Business Model
MaaS and IoT, Software

Pioneering new value creation

—Creating new businesses, innovating business models, and strengthening the talent pool—grounded in technological expertise—

Kenji Yokoo
Director/Senior Managing Executive Officer/General Manager, Incubation Center
In charge of Social Contribution/Representative Director of Yokowo Scholarship Foundation

In fiscal 2023, the Incubation Center became an independent functional division tasked with advancing technology development and business model innovation—key drivers in tackling increasingly complex and diverse societal challenges. In addition to the core technologies Yokowo has cultivated over many years—including micro precision processing, antenna, and microwave—the Incubation Center is focused on creating new technologies to meet evolving customer needs. It is also working to open up new markets and deliver fresh value through collaboration with external partners.

The Incubation Center is actively pioneering new application areas for Yokowo's technologies while flexibly integrating external expertise. This approach accelerates the development of products and services. Beyond traditional product sales, we are also transitioning toward value-oriented business—including subscription models—as part of a broader transformation of our business model.

Recognizing our relationships with existing clients as vital assets, we aim to unlock new business domains that drive sustainable growth across the Yokowo Group—pursuing strategic alliances, M&A opportunities, and co-creative partnerships that complement our technologies, human capital, and equipment.

Expanding Yokowo's Presence in MaaS and IoT

We are actively expanding our business in the fields of Mobility as a Service (MaaS) and the Internet of Things (IoT), which we have identified as key growth areas. In these areas, we are moving beyond conventional in-vehicle applications to introduce subscription-based business models tailored to a broader range of clients—including those outside the automotive manufacturing sector. Through this shift, we aim to deliver high value-added products and services.

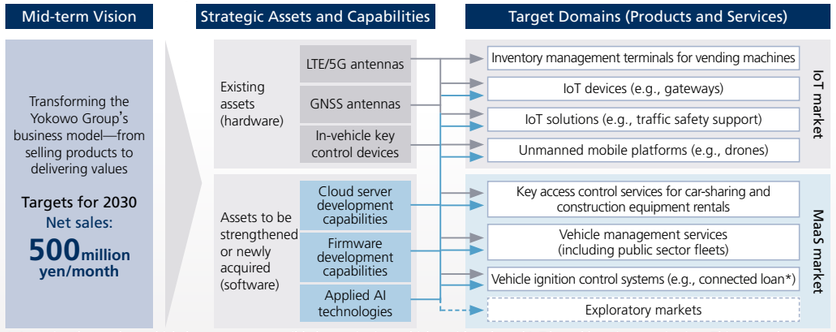
In fiscal 2024, we accelerated the rollout of advanced offerings such as MIMO antennas leveraging smart antenna technology, and in-vehicle key management solutions designed for rental and car-sharing fleets. These initiatives are driven not only by our proprietary technologies, but also through collaboration with external partners whose technological capabilities align with customer needs. By leveraging strategic alliances, M&A, and co-creative partnerships, we are working to cultivate new markets and build sustainable business models.

To better understand global market needs and enhance our international presence, we continue to exhibit at trade shows in the United States and across the EU. These efforts accelerate our transition from traditional product sales to value-oriented business models.

GNSS Full Band Antennas

Private 5G Exclusive MIMO Antennas

Prioritizing Business Expansion in Key Growth Domains: MaaS and IoT



* A service that makes vehicle loans more accessible by equipping vehicles with onboard IoT-based location monitoring. This not only facilitates responses to theft or other abnormal events, but also is expect to allow more people to be approved for loans.

Positioning FY2025 as the First Year of Business Transformation—Accelerating the Foundation for Future Growth

The Incubation Center has designated fiscal 2025 as the first year of transition toward a new business model. Over the past two years, we have focused on strengthening our business foundation, building partnerships with collaborative enterprises, pursuing strategic M&A, and establishing overseas marketing frameworks. As we enter the next phase of growth, we will fully leverage the management resources gained through these initiatives.

We are continuing to make focused upfront investments with a view toward future growth and monetization in the IoT and MaaS domains. In particular, we are working to build a foundation for sustainable growth over the next five to ten years by strengthening collaboration with partner companies and expanding into the European and US markets.

As part of these efforts, we have made strategic investments in two venture firms. The first is aptpod, a provider of industrial IoT solutions with core strengths in middleware development for automated driving system. The company has already launched proof-of-concept trials with major automotive manufacturers in Japan. The second is ASF, which develops and sells electric vehicles. In addition to securing a large-scale contract for 3,000 units with a leading logistics company, ASF is also advancing deployment with a major drugstore chain. ASF's vehicles are equipped with our proprietary in-vehicle key management solution, contributing to the creation of new revenue models.

Another key focus of our current efforts is strengthening our sales network in North America. We are actively pursuing agreements with distributors tailored to regional characteristics, and have already received multiple inquiries. This network is expected to serve as a base for us to expand our sales channels and further scale up our business operations.

Initiatives to Bolster Our Software Development Framework

Until fiscal 2024, our software engineering team consisted of a limited number of personnel, primarily focused on the development and operation of existing systems. As a result, allocating resources to overseas expansion and new development remained a persistent challenge.

To address these issues, we executed an M&A with a company possessing strong development capabilities in fiscal 2024, and initiated the post-merger integration (PMI) process in fiscal 2025. This integration has brought us approximately 30 software engineers, laying the groundwork for both the creation of new businesses and the enhancement of our development framework.

A company-wide software team, led by top engineers, is slated for establishment within the next two years. While deploying operational units to the Incubation Center, we are also exploring external recruitment and M&A opportunities across other business divisions to expand our software talent pool and strengthen our technical capabilities on a company-wide basis.

Driving Our Evolution as a Technology-Oriented Enterprise

The Incubation Center plays a central role in sustaining Yokowo's strategic orientation as a technology-driven enterprise, while simultaneously fostering business model innovation through the creation of new businesses and external collaboration. It also cultivates software talent and drives a company-wide mindset shift to support this transformation.

Looking ahead, we will accelerate the transition from hardware-centric development and sales to a subscription-based business model that integrates software and services. Achieving this shift requires new perspectives and approaches, including enhanced marketing capabilities and a stronger focus on software development. A company-wide transformation in mindset will be essential.

Of particular importance is problem-sensing: the ability to identify latent challenges and translate them into viable products. The key to creating new value lies in cultivating on-the-ground awareness and responsiveness, enabling us to swiftly capture emerging customer needs.

Realizing this depends on each employee embracing change with a forward-looking mindset, free from conventional constraints. Engineers, in particular, are expected to take on new challenges with broader perspectives and greater flexibility, exploring emerging technologies and business domains.

Starting from the Incubation Center, we will pursue the development of sustainable business models and the cultivation of new markets that contribute to solving social issues—while maximizing synergies with our existing businesses.