

# JAPAN

ASEAN@50: The evolving economic relations between Southeast Asia and Japan



## Bringing prestigious products to discerning women across Southeast Asia

Meticulous and dedicated, the Japanese are legendary craftsmen who strive for perfection. While numerous Japanese products have gained domestic recognition, in recent years, social media and growing tourist numbers have enabled foreigners to gain a better understanding of quality Japanese products and traditional techniques that have yet to make it to their own shores.

Shoichi Kobayashi, CEO of Albion Co. Ltd., a leading Japanese manufacturer of premium cosmetics, headquartered in Ginza, Tokyo, explains, "We celebrated our sixtieth anniversary last year and have experienced tremendous growth recently. Last year alone, with increasing numbers of tourists from Southeast Asia and China, our sales grew by nine billion Yen (USD 79 million)".

Albion's iconic products include 'Milk', 'Chiffon' (foundation), 'Herbal Oil', 'La Poudre' (pressed powder) and 'Skin Conditioner', a popular skin lotion sold since 1974.



**Shoichi Kobayashi**, President and Chief Executive Officer, Visiting Professor, Tokyo University of Agriculture, Albion Co. Ltd.



Albion's 'Skin Conditioner' is a popular skin lotion sold since 1974

In Southeast Asia, the luxury cosmetics brand has two branches in Singapore and two in Malaysia.

"Our main priority was to concentrate on the Japanese market and to be the leading company in all major department stores before reaching out to Southeast Asia," says Kobayashi.

Currently, Albion holds the number one position in six out of the eight major department stores in Japan and is ranked second in the remaining two stores.

"Since accomplishing our goal of becoming a leader in Japan, we are now focusing on key markets in Southeast Asia," says Kobayashi.

The company's approach to product placement lies in its commitment to showcasing products in luxury and high-end department stores and shops in Japan. This is the same approach Kobayashi is driving across Asia.

"In order to engage with new customers, we plan to significantly expand our network across Asia and ensure our products are available in high-end stores across the region", says Kobayashi.

The company's own lifestyle branded stores, 'Albion Dresser' showcase the company's products alongside fashionable accessories.

"Our goal is to open between 100-150 such stores in Japan and we plan to open

our first 'Albion Dresser' store in Southeast Asia in the next couple of years," Kobayashi explains.

As a leading brand, Albion only uses superior ingredients in its products.

"I travel the world seeking original ingredients and quality raw materials to use in Albion products", Kobayashi states proudly. "In Sri Lanka, we established the 'Institute of Traditional Plants' in collaboration with Tokyo University of Agriculture, at which I am a visiting professor, to contribute to the development of the country and the industry there".

In Japan, the company cultivates forty five types of plants at a 27,000 square meter company owned farm. Albion also sources ingredients from seven locations across Japan, including Sea Salt from the sea of Okhotsk in the western Pacific Ocean.

"Albion products are highly-valued by the medical and academic communities, however with the shrinking Japanese population, it is important for us as a company to reach out to Southeast Asian markets", concludes Kobayashi. "We have been successful in Japan, and as Japanese women have similar tastes to women from Southeast Asia; these new markets will be our focus in the future. We look forward to bringing our prestigious products to discerning women across the region." [www.albion-cosmetics.com/global/](http://www.albion-cosmetics.com/global/)

## ASEAN - Encouraging business partnerships, trade and investment for fifty years

This year sees the Association of Southeast Nations (ASEAN) celebrate its fiftieth anniversary. The Association's founding members (Singapore, Malaysia, Philippines, Thailand and Indonesia) believed that creating unity across the Asian region would lead to strengthened cross-cultural ties and economic growth.

Singapore emerged from this initiative as the wealthiest country in the region per capita and continues to see its role within the region flourish but other countries are on their respective paths towards development.

Brunei became the sixth ASEAN member country in 1984 and the Association has grown over the years with

Cambodia, Laos, Vietnam and Myanmar joining ASEAN to create a ten-nation-strong regional economic community



**Masataka Fujita**, Secretary General, ASEAN-Japan Centre

with a combined population of 625 million. The regional pact's combined economy is currently growing at seven per cent per annum and is ranked closely behind the USA, China, Japan, India and Germany by

nominal GDP. By 2023, the combined ASEAN economy is predicted to be larger than that of Japan.

"In 2015, the ASEAN Economic Community (AEC) was established to further strengthen the ASEAN-vision of a fully integrated region", says Masataka Fujita, Secretary General, of the ASEAN Promotion Centre on Trade, Investment and Tourism (ASEAN-Japan Centre). "This sent a strong message to the world that the regional integration we had already seen will continue to provide economic transparency, instill investor confidence and encourage 'intra-nation' trade".

Today, Japanese foreign direct investment (FDI) remains one of the largest in the region. From 2013 to 2015, Japanese FDI to ASEAN member coun-

tries stood at \$19.2 billion and represented 15.4 per cent of total inbound investment into ASEAN markets.

"Over the last two decades just as Japan has increased its trade ties with ASEAN member countries, investment into Japan from Southeast Asian based companies has increased. Opportunities in the Japanese market across a range of industries continue to attract investment from our neighbors", says Fujita. "Business between Japan and ASEAN member countries is today, truly bilateral. We intend to work even closer with our friends across the region to encourage business partnerships, trade and investment". **Please visit [www.synergymediaspecialists.com](http://www.synergymediaspecialists.com) for the complete article.**

## Delivering quality, total-solution logistics services to Southeast Asia

The Association of Southeast Asian Nations (ASEAN) aims to accelerate the economic growth, social progress and cultural development of its ten member countries.

In 2015, the ASEAN Economic Community (AEC) was established to further strengthen economic integration across the region and facilitate the free-flow of goods, services, labor, investment and capital.



Nippon Express' Crossborder Truckage scene at national border between Thailand and Cambodia.

Logistics lies at the very heart of bringing the region together. Nippon Express, the leading logistics company in Japan with a global network with 662 offices in 261 cities across 42 countries, has positioned itself as the preferred total-logistics provider in Southeast Asia.

"With China's economy slowing down and 'Brexit' affecting Europe, we see Asia as the company's most important

region," says Shinjiro Takezoe, General Manager of Global Business Administration Division (International Business Headquarters) of Nippon Express. "The growth of the region's population is leading to rising spending-power and consumption we are investing in ASEAN member countries in order to expand our footprint across the region."

In December of last year, the company established in a 'Global Logistics Innovation

region," says Shinjiro Takezoe.

Nippon Express has twenty seven group companies in 14 Countries in Southeast Asia including its Singapore based regional headquarters for South Asia and Oceania. "We will aggressively expand our service network in this region," says Yasunori Takahashi, South Asia & Oceania Region Managing Director.

"Singapore is important both as a shipping and logistics hub and as a market-driver due to the significant number of multinationals with regional headquarters in the City-State," says Yuichi Nakagawa, Group General Manager of Nippon Express' Global Business Planning Group. "While Thailand remains our largest market in the region, we also see growth opportunities in Indonesia and the Philippines".

Within the region, Nippon Express provides clients with the 'SS7000' cross-border trucking service - a 7000-kilometer transportation link between Shanghai and Singapore linking Myanmar, Cambodia and Vietnam through a hub in Bangkok.

"As we focus on 'consolidated trucking service', we recently improved the service between Hanoi to Bangkok and Bangkok to Kuala Lumpur



**Yasunori Takahashi**, Managing Director, Nippon Express (South Asia & Oceania) Pte. Ltd.

in March 2017. Now we are serving our clients with simplified pricing and tracing on the web on the fixed day schedule," says Takahashi.

"We intend to become the leading logistics company in the region by offering total-logistics solutions to our Southeast Asian customers," Nakagawa adds.

Nippon Express is striving to provide green logistics. "We are working towards the development of eco-friendly services such as our 'eco-drive' initiative and will continuously roll-out more environmentally-friendly vehicles," says Nakagawa. "While we grow our business, we also want to be the driving force for social development, not only in Japan but across Southeast Asia," says Takazoe. "Throughout the region, we want to earn our customer's respect and ensure our partners associate the 'Nippon Express' brand with quality, total-solution logistics services". [www.nipponexpress.com](http://www.nipponexpress.com)

## Developing strong partnerships with local players across Southeast Asia

Last year, Nagoya-based INOAC Corporation celebrated ninety years since its founding as Inoue Rubber Co. Initially a bicycle tire and inner tube manufacturer, the company has evolved into an international conglomerate supplying a range of polyurethane, rubber, plastic and new material products and technologies.

The company's first overseas joint venture was established in Sri Lanka in 1959 and Chairman and CEO, Soichi Inoue (son of the founder) has continued to internationalize the company over the last six decades.

Today, INOAC Corporation has production facilities in four-



**Soichi Inoue**, Chairman and CEO, INOAC Corporation.

teen countries, eighteen group companies in the Americas, thirty in East Asia and twenty-seven in Southeast Asia.

"I am proud that the factory we opened in Sri Lanka continues to operate today", says

Inoue. "Our business in Southeast Asia began in Thailand in the 1960s and the success we have seen across the region continues to be based on the strong partnerships and joint ventures we have established".

The company's overseas business represents two thirds of its total revenue with the Southeast Asian region generating thirty percent of this business.

Products manufactured by the company can be found in a range of applications from automotive parts to insulation for housing and building materials.

"Automotive is one of the largest sectors we serve but today, bedding and furniture make up significant portions of

our business", says Inoue. "We also supply various products such as polyurethane system for the shoe manufacturing industry, insulation materials for cold-storage and consumer products across Southeast Asia while serving many other industries".

INOAC Corporation maintains a strong philosophy towards localization.

"We have developed strong technical know-how with many of our products and we work closely with local partners to assist them as they grow their business," says Inoue. "We will further develop and assist in localization across Southeast Asia as we are building in their 'backyard'". [www.inoac.co.jp](http://www.inoac.co.jp)



Tokyo Century

## Tokyo Century Corporation

### Your Financing Partners

#### Singapore

Tokyo Century Leasing (Singapore) Pte. Ltd.  
CSI Leasing, Inc.

#### Thailand

TISCO Tokyo Leasing Co., Ltd.  
TC Car Solutions (Thailand) Co., Ltd.  
TC Advanced Solutions (Thailand) Co., Ltd.  
HTC Leasing Co., Ltd.

#### Indonesia

PT. Century Tokyo Leasing Indonesia  
PT. TCT Indonesia  
PT. Hexa Finance Indonesia

#### Malaysia

Tokyo Century Capital (Malaysia) Sdn. Bhd.  
CSI Leasing, Inc.

#### Philippines

BPI Finance Tokyo Lease & Finance Corporation



# Working closely with customers to create success stories across Southeast Asia

**Real GDP growth rates across Southeast Asia are expected to remain robust for the foreseeable future, with an average growth rate of 6.2 over the next five years. Southeast Asia is seen as today's most dynamic economic region with opportunities across key industrial sectors.**

Through its regional headquarters in Singapore, Toshiba Mitsubishi-Electric Industrial Systems Corporation in Asia (TMEIC Asia Pte. Ltd.), has expanded and is further increasing its network across other regions of Southeast Asia. Leveraging its expertise in the design, development and engineering of advanced automation systems, variable speed drives and large rotating machinery, TMEIC is continuously securing new businesses across the region.

"The recent opening of our office in Thailand has allowed us to grow our business, particularly in the oil and gas and power related industries," says Stefano Poli, outgoing President and Managing Director of TMEIC Asia. "We are also working with customers in the sugar mills and water treatment industries."

The company's expansion into Indonesia is also beginning to bear fruit.

"In September of last year we secured a significant contract with a pulp and paper compa-

ny", says Poli. "We are simultaneously developing our activities in key industries in Indonesia and our business is growing".

Renewable energy is an important growth sector in Southeast Asia. As the world's leading industrial system integrator with three decades of manufacturing, research and development experience in renewable energy, TMEIC's solar power solutions are in demand. The company's Solar Ware® Samurai 1500VDC photovoltaic (PV) inverter offers customers the highest level of power conversion efficiency,



TMEIC's SOLAR WARE 630, redefines the PV utility scale solar inverter solution in reliability, efficiency and productivity.

maximizing output power capacity and significantly reducing operating costs.

"In relation to this product, we have received Frost & Sullivan's 'Company of the Year' award

for three consecutive years for 'revolutionizing PV utility-scale solar inverter solutions in terms of market reliability, efficiency and productivity'," says Poli.



The TM21-G Series motor, another product being marketed across the region, requires minimal maintenance, offers exceptional reliability and is compliant with global standards.

"Thailand and Indonesia are important markets for our company and sales of our products," explains Hiroki Nagasaka, the newly appointed President and Managing Director of TMEIC Asia. "The TM21-G Series motors are designed for small to medium sized facilities and are cost-efficient".

With a center of excellence established in Thailand and a growing business in Indonesia, Nagasaka is exploring opportunities across the rest of the region.

"From our operations in Thailand, we are looking in particular at the mining sector in Laos and the power sector in Myanmar", says Nagasaka. "Our next target market will be the Philippines as the current administration is very pro-business and we see the number of investment projects increasing, including material handling, renewable energy and

mining. We are establishing strong relationships in the Philippines and intend to open a branch office in the Philippines later this year to serve a range of industrial sectors."

As the company continues to strengthen its position across the region, its localization strategy is guided by TMEIC's President, Masahiko Yamawaki's vision of 'Acting Agile by Taking a Customer First Approach' – an initiative echoed by Nagasaka as he expands his company's capabilities in the region.

"TMEIC values Southeast Asia as a market and the countries which make up the Association of Southeast Asian Nations (ASEAN) is becoming an increasingly important market in Asia," concludes Nagasaka. "The region has the most important coefficient of growth and we intend to remain customer-oriented by being responsive to market and client demands."

"We recognize Southeast Asia is a fast-growing market and our presence in Singapore allows us to coordinate our businesses across our current regional markets: Indonesia, Malaysia and Thailand. As we look towards future growth markets, such as the Philippines and Vietnam, we will work closely with our customers to create synergies which lead to success stories across the region".

[www.tmeic.com](http://www.tmeic.com)

# Contributing to the prosperity of Southeast Asia

**Tokyo Century Corporation (formerly Century Tokyo Leasing Corporation), a leading Japanese financial services company, is focused on developing its business across Southeast Asia.**



Yasushi Yoshino, Senior Managing Executive Officer (Department President, East Asia & ASEAN Business Department, Deputy Department President, Automobile Business Department), Tokyo Century Corporation.

"The decision to omit 'leasing' from the company's name reflects our resolve to develop our client offerings and advance our leasing and financial capabilities," explains Yasushi Yoshino, Senior Managing Executive Officer of Tokyo Century Corporation. (Yoshino is also the

President of the International Business Development Unit).

Today, Tokyo Century Corporation is investing in Southeast Asia and expanding its range of products.

"Our joint venture in Thailand, TISCO Tokyo Leasing Co., Ltd. (TTL), began using the 'Nippon Rent-A-Car' brand, one of Japan's largest car rental services, to develop our automobile leasing business," says Yoshino. "This also creates awareness of the brand for Thai tourists and businessmen who visit Japan. In addition, we successfully launched the brand in Malaysia this March".

The company's growing network across the region now includes TC Car Solutions (Thailand) Co., Ltd. "Acquiring the leasing operations of ACS Capital Corporation Ltd. enabled us to provide additional services and solutions for our clients", says Yoshino.

In November last year, the company established a business alliance with Lippo Group in Indonesia.

"Our partnership with Lippo Group in e-commerce and e-money allows us to diversify our business activities,"



Foo Siang Seng, Executive Officer International Business Unit, Chief Officer for ASEAN Region, Tokyo Century Corporation.

says Yoshino. "We are providing Lippo Group with our financial expertise as they expand their e-commerce web sites, electronic money services and point services to the public and private sectors".

With its regional headquarters located in Singapore and operations in Indonesia, Thailand, Malaysia and the Philippines, Tokyo Century Corporation has also established a partnership with 'Grab', Southeast Asia's leading ride-hailing platform.

"We are in the process of developing new leasing and rental car options for 'Grab' in all their Southeast Asian markets includ-

ing Vietnam," comments Yoshino. "Our collaborations with Lippo Group and 'Grab' create new business opportunities for us across the region".

Singapore remains at the heart of Tokyo Century Corporation's Asia strategy.

"Our Singapore business has been growing for the last ten years and we have maintained our reputation as a pioneer in the implementation of new IT computer financing products," says Foo Siang Seng, Executive Officer and Chief Officer for ASEAN Region of Tokyo Century Corporation.

"Tokyo Century Corporation is aiming to be the best financing partner in the region so business owners can grow their businesses and promote their products without any major financial constraints."

"There is a need for more dynamic financial products in Southeast Asia and we can deliver solutions", concludes Yoshino "I would like to congratulate ASEAN on its fiftieth anniversary and we look forward to contributing to the continued prosperity of Singapore and the rest of Southeast Asia".

[www.tokyocentury.co.jp/en/](http://www.tokyocentury.co.jp/en/)

# Spring-boarding from Singapore to Asia and the rest of the world

**As a leader in the development and production of electronic components, TOKIN Corporation (formerly NEC TOKIN) has transitioned into a fully-owned subsidiary of US based, KEMET Corporation. KEMET purchased thirty-four percent of the company's share and fifty-one percent of the company's voting rights in 2013 when it was still a subsidiary of NEC Corporation.**

"We have enjoyed a strong relationship with KEMET and previ-

ously promoted the expansion of our electrical device business together", says Shigenori Oyama, President of TOKIN Corporation. "When NEC Corporation exited from its hardware business, we



seized the opportunity to incorporate ourselves into the KEMET Group and have combined our strengths to reach out to the

market."

Streamlining the business has led to the sale of the company's electro-mechanical devices (EMD) business in order to focus on capacitors, electro-magnetic components (EMC), piezoelectric devices and sensor actuators.

The company's manufacturing capabilities are anchored by its facilities in Thailand and Vietnam which represent fifty percent of total production.

"From a manufacturing and design standpoint, Southeast Asia is our most important market," explains Oyama. "In 1997, we became one of the first Japanese companies to establish operations in Vietnam and more recently, we shifted production of magnetic components from China to Vietnam."

From automotive electronics, industrial equipment, environment and energy and medical devices, TOKIN Corporation plans to serve some of the world's largest companies.



Shigenori Oyama, President, Tokin Corporation.

"While fifty percent of our customers are currently Japanese, our relationship with KEMET Group will allow us to access customers in Europe and the Americas", says Oyama.

Spring-boarding from the company's regional headquarters in Singapore, TOKIN Corporation remains committed to Asia.

"We see tremendous opportunity in Southeast Asia", says Oyama. "We are dedicated to strengthening our production and sales in our key markets across the region and will continue to meet the demands of our Asian and international customers."

[www.tokin.com](http://www.tokin.com)

# Bringing 'Creation and Innovation' to Southeast Asia

**Takatori Corporation is a leader in the development and production of semiconductor and panel display equipment. Active in high-brittle material cutting equipment (multi wire saw) and apparel and special-function fiber cutting machines (auto cutting system), the company is setting its sights on Southeast Asia.**

Takatori Corporation's motto of 'Creation and Innovation' has held true over six decades. In recent years, the company has succeeded in commercializing the production of equipment for the aerospace and medical industries.

As an equipment supplier to leading manufacturers around the world, Takatori's overseas sales strategy is based on trusted distributors. In Southeast Asia, Millice Pte. Ltd. and Toyo Adtec Pte. Ltd. represent the company.

"We benefit from our strong partnerships around the world,



Makoto Masuda, President and Representative Director, Takatori Corporation.

in particular with Toyo Adtec with whom we have been working with for almost twenty years," says Makoto Masuda, President and Representative Director of Takatori Corporation.

In Malaysia and the Philippines, Takatori Corporation's business lines focus on semiconductor and parts installed in automobile, smartphones, tablet devices, medical equipment, LED products, and various cutting-edge products. Member

countries of the Association of Southeast Asian Nations (ASEAN) remain important markets for the company's advanced technologies.

"Southeast Asia is vital to the growth of our business", says Masuda. "In the textiles and semiconductor industries, our high-precision machines deliver hugely competitive production rates. We contribute to our customers' production targets by stabilizing their operations and delivering quality after-sales service".

Takatori Corporation's ma-



TEAM 100ARF Automatic Wafer Protective Tape Lamination System



ATRM-2300 Fully Automatic Background Tape Removal System with the Tape-Saving Removal system



ATM-12000DR Automatic Wafer Mounter (with Detape function)

chines utilize the latest information on a comprehensive range of materials. By offering customers high-flexibility equipment and reduced modification costs, the company is gaining ground in Southeast Asian markets.

"As a company, we support Southeast Asian companies by providing world-class machines and technologies", Masuda concludes. "We look forward to continually introducing modern production systems and working in partnership with our friends across the region".

[www.takatori-g.co.jp](http://www.takatori-g.co.jp)

# Connecting to Singapore and the World

**Specializing in the manufacturing of connectors, Iriso Electronics was founded in Japan 51 years ago. In line with the company's 50th anniversary last year, the company moved up from the JASDAQ to the first section of the Tokyo Stock Exchange and is growing its business, global network and customer base.**

"We continue to express our gratitude to all our stakeholders and partners for supporting our fifty-year history," says Sadao Sato, Founder, Chairman and Chief Executive Officer. "Through our valued customers' patronage, our connectors, which are today mainly used within

the automotive sector, and the Iriso brand, have become synonymous with in-vehicle connectors".



While Iriso enjoys close relations with many overseas partners, Singapore was the company's starting point for its overseas operations with the establishment of IRS(S) Pte., Ltd. as a production and sales base.

"Back in those days, overseas expansion was a challenge because our sales were still far from large," says Sato. "However, without this first step into Singapore, and our partnerships with



Sadao Sato, Founder, Chairman and CEO, Iriso Electronics Co., Ltd.

Matsumita (Panasonic), Hitachi, and Toshiba, we could not have achieved global success. We are deeply grateful for people

in Singapore who worked hard and supported our production goals".

Today Iriso has operations in twelve countries with four manufacturing sites and two research and development facilities.

"Singapore remains our key center for sales to ASEAN member countries and we continue to provide high-quality connectors that play important functions within electronic devices", says Sato. "We will support innovative technologies including car electrification and Advanced Driver Assistance System for safer driving in addition to playing our part in the dynamic 'Internet of Things' evolution".

[www.iriso.co.jp/en/](http://www.iriso.co.jp/en/)



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