

DENSO Forms 50/50 Joint Venture with Chinese-based Refrigerator Manufacturer

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Contact: Bridgette LaRose

DENSO International America, Inc.

Phone: (248) 372-8266

bridgette-larose@denso-diam.com

Strengthening DENSO's refrigerator development and sales in the Chinese market

KARIYA (Japan) –DENSO Corporation has formed a 50/50 joint venture with Kingtec Technologies (Heyuan) Co., Ltd. (Kingtec), a Chinese-based company that develops, designs, manufacturers, and sells truck refrigeration in China and other parts of the world.

The joint venture company, named Guangdong KINGTEC DENSO Refrigeration Equipment Co., Ltd, will mainly provide products used in transportation vehicles, including trucks and trailers. It will also explore the possibility of providing products for storage and other services needed for transportation. The new company is capitalized at 30 million yuan or approximately \$4.8 million USD* half of which will be financed by DENSO (CHINA) Investment Co., Ltd., DENSO's regional headquarters in China. Production will begin in May 2016.

The purpose of the joint venture is to combine Kingtec's diversified product line and cost competitiveness with DENSO's outstanding technologies and unparalleled quality. This will enable DENSO to strengthen its refrigerator development and sales and contribute to improving food safety and reliability in China, as well as acquire the foothold it needs to expand its cold chain business worldwide.

In China, with increasing consumer awareness and concerns about food safety, a better cold chain is required to ensure the temperature control of food products being shipped to consumers after production. Because of this, the refrigerator market, including those for vehicles, is expected to continue to grow.

Profile of the joint venture

1. Name	Guangdong KINGTEC DENSO Refrigeration Equipment Co., Ltd.
2. Location	Heyuan City, Guangdong Province, People's Republic of China
3. Chairman/President	Chairman: Yuan Xudong; President: Toru Ikemoto
4. Establishment	March 2016
5. Capital	30 million yuan (approximately 4.8 million USD)
6. Ownership	50 percent owned by DENSO (CHINA) Investment Co., Ltd. and 50 percent by Kingtec
7. Employees	Approx. 140 (at the time of starting operations)
8. Business description	Designing, developing, manufacturing, and selling refrigerator

1. Location	Heyuan City, Guangdong Province, People's Republic of China
2. Chairman/President	Chairman: Yuan Xudong; President: Cui Jian
3. Establishment	October 2006
4. Capital	8 million USD
5. Employees	Approx. 230 (as of March 2016)
6. Business description	Designing, manufacturing, and selling refrigerator

Reference: Profile of Kingtec

* The foreign exchange rate used for this announcement is 18.5 yen to the Chinese yuan and 115 yen to the US dollar.

About DENSO:

DENSO Corp., headquartered in Kariya, Aichi prefecture, Japan, is a leading global automotive supplier of advanced technology, systems and components in the areas of thermal, powertrain control, electronics and information and safety. Its customers include all the world's major carmakers. Worldwide, the company has more than 200 subsidiaries and affiliates in 38 countries and regions (including Japan) and employs nearly 146,000 people. Consolidated global sales for the fiscal year ending March 31, 2015, totaled US\$35.9 billion. Last fiscal year, DENSO spent 9.2 percent of its global consolidated sales on research and development. DENSO common stock is traded on the Tokyo and Nagoya stock exchanges. For more information, go to www.globaldenso.com, or visit our media website at www.densomediacycenter.com.

About DENSO in North America: In North America, DENSO employs more than 22,000 people at 30 consolidated companies and affiliates. Of these, 25 are manufacturing facilities located in the United States, Canada and Mexico. In the United States alone, DENSO employs more than 14,000 people in California, Michigan, North Carolina, South Carolina, Tennessee, Kentucky, Georgia, Iowa, Ohio, Pennsylvania, Texas and Arkansas. DENSO's North American consolidated sales totaled US\$8.0 billion for the fiscal year ending March 31, 2015. For more information, go to www.densocorp-na.com.

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