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Contact: Yu Matsuda

Natsumi Suzuki

DENSO CORPORATION

Phone: 81-566-55-9736

Fax: 81-566-25-4509

denso-pr@jp.denso.com

DENSO Reinforces Commitment to Sustainable Mobility in Company Direction Update

– Mobility supplier shares second quarter results, emphasizes sustainability's role in creating new value in mobility and providing society a better future –

KARIYA, (Japan) (Nov. 1, 2019) – [DENSO](#), the world's second largest mobility supplier, today announced its second quarter (July-September) [financial results](#) for its fiscal year 2019, as well as updates in its business strategy to create and inspire new value for the future of mobility. As part of this strategy, or its '[Second Founding](#),' DENSO continues to focus on vehicle electrification, automated driving and connected technology; invest in research and development (R&D) globally; and explore new business domains outside the automotive industry to bring about significant social change and benefits to all.

Sustainability and contributing to a greener world will be pivotal to DENSO's efforts.

"Since our founding 70 years ago, DENSO has revered sustainability and sought to improve it through our business activities," said Koji Arima, president and CEO of DENSO Corporation. "To achieve our [Long-Term Policy for 2030](#), it's critical we deliver solutions that are innovative, safeguard the environment and embrace society's broader needs. With this in mind, DENSO will continue to prioritize sustainability and aim to resolve social issues as we help transform mobility for all."

Increasing performance in electrification and automated driving

The automotive industry is betting big on autonomous and electrified vehicles. DENSO, noting the shift, has increased its focus on the technologies that will allow these cars to become more commonplace and make roads safer. Since the spring, the company has announced several major investments to advance the two areas:

- A [\\$1.6 billion investment](#) in its Japanese R&D and production facilities to boost development and output of electrified automotive products, systems and technologies.
- A [\\$1 billion investment](#), made collectively with Toyota and SoftBank Vision Fund, in Uber's self-driving car unit.

“To realize the aggressive safety and sustainability targets in our Long-Term Policy, vehicle electrification and autonomy will be key,” said Yoshifumi Kato, senior executive officer of global R&D at DENSO Corporation. “The progression of these technologies will also help us achieve efficient mobility for all, push us closer to an accident-free society and bolster our overall growth strategy.”

Innovating through global collaboration

DENSO continues to produce technologies and products that increase safety while lowering environmental impact through collaborative innovation and R&D. This drives groundbreaking developments in autonomous vehicles, electrification and other emerging areas. For example:

- [DENSO, AISIN, ADVICS and JTEKT established J-QuaD Dynamics](#), a new company focused on integrated control software for automated driving, vehicle motion control and other related functions.
- To amplify its electrification expertise further, [DENSO collaborated with AISIN to establish BluE Nexus](#), a new company that develops driving modules for electric vehicles.
- DENSO and Toyota Motor Corporation are establishing a [joint venture](#) for in-vehicle semiconductors. In a safe and sustainable mobility future, next-generation semiconductors are integral to connected cars, automated driving, shared mobility and electrification.
- DENSO joined the [Mobility Open Blockchain Initiative \(MOBI\) Consortium](#) to help standardize blockchain technology for mobility, a move that helps improve security, shared services, and data and payment management in transportation.
- An initial member of the new [Autonomous Vehicle Computing Consortium](#), DENSO is solving some of the biggest challenges to making fully self-driving vehicles a reality.
- At new research centers in [Seattle](#), [Montreal](#) and [Plano](#), Texas, DENSO is innovating new technologies in areas like connectivity and artificial intelligence, further strengthening its R&D structure in North America.

“In order to broadly deliver value to our customers and consumers around the world, we will continue to invest in leading edge R&D and seek new partners and technologies that keep us at the forefront of mobility,” said Kato.

Focusing on emerging areas to enhance mobility

The role of software in auto-related industries is growing more important by the day. That is why DENSO, by 2025, will increase the size of its global software developer team to 12,000 employees, who will develop next-generation software solutions for automotive technologies.

DENSO has also made expanding its software expertise a central focus in its partnerships with startups, venture-capital firms and large corporations as it advances new mobility solutions – both in and outside the automotive industry.

With DENSO’s expansion into software and new domains, such as in new mobility, mobility-as-a-service (MaaS) and social solutions, it recently announced partnerships with:

New Mobility

- Bond Mobility, a dock-less eBike service, for which DENSO led its [\\$20 million Series A funding round](#). The move helps DENSO accelerate its mobility-as-a-service model while protecting the environment.
- [Honeywell](#) (NYSE: HON), a Fortune 100 company and aerospace manufacturer, to develop hybrid-electric and fully-electric propulsion systems for [urban air mobility](#), a transportation mode that will help improve safety and decrease ground traffic within cities.

MaaS

- The city of Dublin, Ohio, where DENSO launched its first [Smart Mobility Ecosystem](#) to explore data-driven mobility services by investing \$1.42 million in infrastructure technology.
- Information Services International-Dentsu, ActiveScaler and Nara Kotsu, in a MaaS experiment in Nara, Japan. Through a mobile platform, Japanese tourists can search attractions, make reservations and complete payments on their smartphones while in a range of transportation modes, including airplanes, taxis and buses.

Social Solutions

- Beyond Next Ventures to [establish](#) OPEXPARK for medical IoT (the Internet of Medical Things) to realize a society where people can have the best medical care.
- [Global Mobility Service, Inc.](#), to test a new transport service in Indonesia incorporating small, refrigerated parcels to deliver fresh food and cold products to commercial facilities and households – a capability that is not widespread in the country.

“Agile development of software is vital for our customers as new mobility services, and developments outside automotive, continue to rapidly emerge. Our strategic collaborations allow us to act swiftly amid all this change and enable us to take on the biggest problems of today, like pollution, transportation efficiency, health management and mobility access,” said Kenichiro Ito, senior executive officer of DENSO Corporation and chief executive officer of DENSO’s North American headquarters.

About DENSO

DENSO is a \$48.3 billion global mobility supplier that develops advanced technology and components for nearly every vehicle make and model on the road today. With manufacturing at its core, DENSO invests in its 221 facilities in 35 countries to produce thermal, powertrain, mobility, electrification, & electronic systems, to create jobs that directly change how the world moves. The company's 170,000+ employees are paving the way to a mobility future that improves lives, eliminates traffic accidents, and preserves the environment. Globally headquartered in Kariya, Japan, DENSO spent 9.3 percent of its global consolidated sales on research and development in the fiscal year ending March 31, 2019. For more information about global DENSO, visit <https://www.denso.com/global>.

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