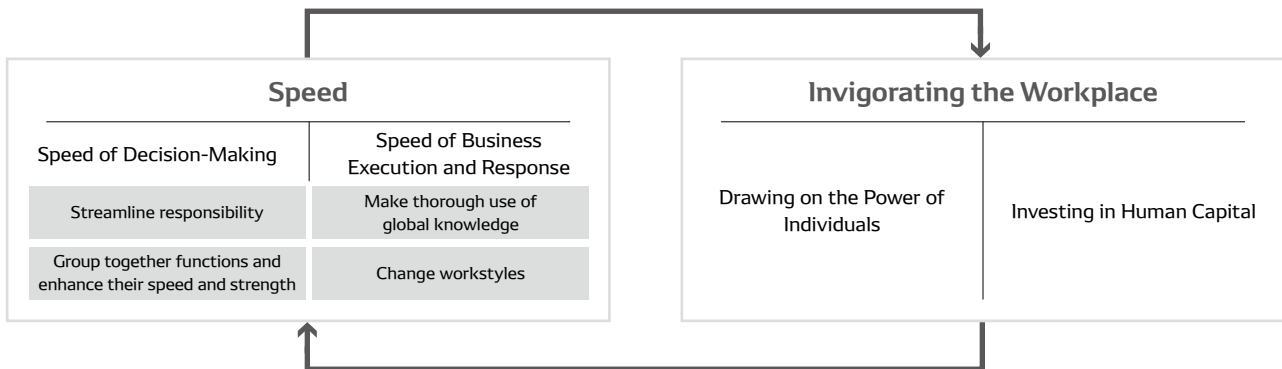


The Five Pillars of Management Reform

To reach the growth targets adopted in its Long-term Plan, DENSO must transition to an organization that acts with unprecedented levels of speed and can invigorate the workplace. To that end, DENSO has adopted the Five Pillars of Management Reform and is working to realize significant change in its management structure to enhance its organizational capabilities and compete in a challenging business environment.



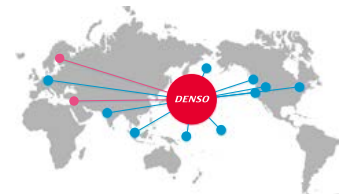
1. Enhancement of Vehicle Perspective and Streamlining of Technological Development □ P.29

To effectively develop complex systems for automated driving and other technologies, we need to optimize our development from the perspective of vehicle-based systems. We are therefore reorganizing our businesses to accomplish just that. Also, as part of our strategy to achieve overwhelmingly high levels of differentiation in terms of components and systems, we are streamlining the technological development of our four key devices: ECUs, semiconductors, sensors, and motors, so that we can realize growth in new business domains and enhance the profitability of existing in-vehicle technology business.



2. Advanced R&D Function to Realize Agile Development Globally

We have established satellite R&D teams in Finland, Israel, and other epicenters of innovation in order to promote the development of highly competitive products that meet the needs of customers. Through these teams, we will collaborate with various local partners, such as universities, research institutions, and start-up companies, as we form alliances under shared goals. We will also promote new technological development that leverages the unique characteristics of local regions.



3. Business Unit Evolution and Smaller but Stronger Headquarters

We will increase the responsibility and authority of each business unit in an effort to increase the speed of our management and bolster our competitiveness. We will also streamline our head office by revising our personnel allocation from a "zero-based" perspective. At the same time, we will aim to transition to an organization that can create new value at unprecedented speeds.



4. Global Management with Optimal Use of Group and Regional Power

Our regional supervisors, who are responsible for achieving regional business targets, make proactive efforts through regionally independent management at a speed that best fits their individual region. Their efforts will help us transform into an organization that can realize faster decision-making and business execution on a global scale.



5. Way of Working with Tremendous Speed and Efficiency

We will establish an environment in which employees can work without being bound by the constraints of location and time while working to reform our various business processes, thereby ensuring productivity and realizing a work-life balance for our employees. In these ways, we aim to become a company with incomparable front-line capabilities and where employees can work with passion and a smile.

