

DENSO to Relocate R&D Group Company Nippon Soken Inc.

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Improving its R&D organization

KARIYA (Japan) – In an effort to improve its research and development (R&D) organization, DENSO Corp. will relocate Nippon Soken (SOKEN), a DENSO group company that conducts automotive product R&D. SOKEN, which is currently located in Nishio City in Aichi Prefecture, Japan, will be relocated to a new facility adjacent to DENSO Research Laboratories in Nisshin City in Aichi Prefecture. DENSO invested approximately 6 billion yen (approximately US\$50 million) for the purchase of the land and facilities, and also plans to increase the number of personnel to help strengthen its R&D organization.

For the relocation, DENSO purchased the building and land from NEC Corporation, which is adjacent from DENSO Research Laboratories. In addition to using these existing buildings, DENSO will construct facilities for prototype production and testing, and powertrain testing after preparations of construction.

The relocation of SOKEN, with its sophisticated measuring and analysis technologies to neighboring DENSO Research Laboratories, will enable the two organizations to work more closely, and improve their R&D on advanced technologies and products necessary to increase the safety, environmental performance, and comfort of motor vehicles. This aligns with DENSO's goal to help build a society where vehicles no longer cause environmental damage or road traffic accidents.

Background on DENSO R&D Companies

SOKEN was established in November 1970 to conduct R&D to meet the needs of society for cleaner exhaust emissions and greater vehicle safety. Since SOKEN was established as a joint venture between

DENSO and Toyota Motor Corporation in 1985, the company has focused its R&D mainly in five areas: powertrains, fuel cell, power electronics, information and safety, and thermal systems. Furthermore, SOKEN performs a variety of operations in-house, ranging from machining to tests and experiments, as part of its key technologies, which support its advanced R&D efforts.

At its Research Laboratories, DENSO conducts R&D on next-generation semiconductor devices, advanced functional materials, and other high-tech fields.

Profile of new SOKEN (after relocation)

1. Location: 500-1 Minamiyama, Komenoki-cho, Nisshin City, Aichi Prefecture, Japan
2. Site area: 59,000 m²
3. Total floor area: 31,000 m² (planned)
4. Start of relocation: April 2016

Reference: Profile of current SOKEN

1. Name: Nippon Soken Inc.
2. Location: 14, Iwaya, Shimohasumi-cho, Nishio City, Aichi Prefecture, Japan
3. President: Hiromi Tokuda
4. Establishment: November 1970
5. Capital: 2.7 billion yen (approximately US\$23 million)
6. Ownership: 75% owned by DENSO Corporation and 25% by Toyota Motor Corporation
7. Employees: Approx. 430 (as of March 2015)
8. Business description: R&D on automotive powertrains, fuel cells, power electronics, information and safety, and thermal systems
9. Site area: 39,000 m²
10. Total floor area: 32,000 m²

* Exchange rate used is 119 yen to the US one dollar, at the end of March 2015 for convenience only.

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 and employs nearly 140,000 people. Consolidated global sales for the fiscal year ending March 31, 2014, totaled US\$39.8 billion. Last fiscal year, DENSO spent 9 percent of its global consolidated sales on research and development. DENSO common stock is traded on the Tokyo and Nagoya stock exchanges.

About DENSO in North America:

Currently, in North America, DENSO employs more than 17,000 people at 33 consolidated companies and affiliates. Of these, 28 are manufacturing facilities located in the U.S., Canada and Mexico. In the U.S. alone, DENSO employs more than 14,000 people in California, Alabama, Michigan, North Carolina, South Carolina, Tennessee, Kentucky, Georgia, Iowa, Ohio, Arkansas, and Pennsylvania. DENSO's North American consolidated sales totaling US\$7.9 billion for the fiscal year ending March 31, 2014. Connect with us on Facebook: www.facebook.com/DENSOinNorthAmerica.

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