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Announcement Regarding the Sale of Investment Securities and Expected Posting of Extraordinary Gains in Non-Consolidated Results

DENSO CORPORATION (the “Company”) hereby announces that as of today it resolved to sell a portion of its investment securities holdings of Renesas Electronics Corporation (“Renesas Electronics”) (the “Sale”). As a result of the Sale, the posting of extraordinary gains (gains on the sale of the investment securities) is expected in the non-consolidated results for the financial year ending March 31, 2026, as detailed below:

1. Reason for the sale of a part of the shareholdings

The Company is working on the four initiatives of its financial strategy, which was renewed in the financial year ending March 31, 2022, to balance solving social issues and business growth: (i) reinforce profit structure, (ii) reduce low-profit assets, (iii) improve capital structure, and (iv) engage in dialogue with markets. Based on these financial strategies, the Company’s basic policy is to not hold strategic holding shares being low-profit assets unless a rationale for holding them is recognized.

In accordance with such policy, the Company has considered methods of the sale of Renesas Electronics shares and has decided to adopt the method of the sale described below and sell the remaining Renesas Electronics shares held by the Company.

From the time the Company invested in Renesas Electronics in 2013 and increased its stake in Renesas Electronics in 2018, the Company has established a business relationship that enables a stable procurement of in-vehicle semiconductors and it has achieved a certain level of results based on collaboration by accumulating the joint development of technologies and products related to competitive in-vehicle systems.

As a result of a comprehensive review from the perspective of the Company’s future semiconductor strategy and capital efficiency, and after examining the rationale for holding Renesas Electronics shares as well as considering the fact that the original purpose of the investment has been fulfilled to a certain extent, the Company has decided to sell the shares held by the Company, following the partial sale of the shares in 2024 in order to pursue investments that will contribute to its growth strategy.

Since maintaining and strengthening its business collaborative relationship with Renesas Electronics is essential for the sustainable enhancement of its corporate value, the Company will continue to hold a portion of the shares. Going forward, the Company will continue to consider the rationality of holding onto the remaining shares, taking into account the development of the business collaboration with Renesas Electronics, the positioning of each in-vehicle semiconductor in the automotive industry, which is undergoing a period of change, and its semiconductor strategy and capital efficiency.

After the Sale, the Company will continue to maintain and strengthen its business collaboration with Renesas Electronics.

2. Details of the sale of a part of the shareholdings

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| (1) Shares to be sold | Ordinary shares of Renesas Electronics Corporation |
| (2) Number of shares to be sold | 73,900,000 (4.1% of the issued shares excluding treasury shares) |

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| (3) Delivery completion date | May 15, 2025 |
| (4) Gains on the sale of the investment securities | Approximately 109.2 billion JPY (estimated)
*Please note that the amount of the gains on the sale of the investment securities is an estimated amount calculated based on the current stock price |
| (5) Method of the sale | Expected to be sold in the overseas markets with JPMorgan Securities Japan Co., Ltd. as bookrunner (provided that, in the U.S., the sales shall be made only to qualified institutional buyers as defined in the U.S. Securities Act of 1933), and in Japan. |

3. Impacts on financial results

The Company expects to post the gains on the sale of the investment securities as mentioned above resulting from the Sale as extraordinary gains in the non-consolidated results for the financial year ending March 31, 2026, and the Company will announce the actual amount of the extraordinary gains once it is determined.

As the Company has adopted the International Financial Reporting Standards (IFRS) and the gains on the Sale will be treated as other comprehensive income in the consolidated accounts, there will be no impact on the consolidated results.