

A Message from the President

Over a century has passed since the advent of automobiles powered by internal combustion engines. These automobiles have played a pivotal role in moving products and people around the world as well as having contributed to the development of industry and the enhancement of people's lives. At the same time, gasoline and diesel vehicles create a burden on the environment in terms of global warming due in part to exhaust emissions as well as air pollution and waste-related problems, from their development to their usage and disposal.

DENSO is one of Japan's leading automotive component manufacturers and is keenly aware of these facts. We place top priority on attaining harmony between economic development and environmental protection. Reducing environmental impact is a focus in all our operations, particularly in product development and production processes.

We are contributing to the prevention of global warming through product development that creates smaller and lighter components as well as applies technologies that reduce fuel consumption by more efficient combustion. In line with this, we are making products easier to recycle to cut down on waste and developing products to clean exhaust emissions. DENSO is contributing to reducing harmful emissions while pursuing the necessary technologies for electric cars and other vehicles to run on alternative energy sources.

DENSO is promoting a range of activities in the manufacturing field as well. We are conserving energy by deploying cogeneration systems, reducing waste through the 3R

(Reduce, Reuse, and Recycle) Action Plan and implementing voluntary guidelines for water- and air-quality management that are stricter than those mandated by law.

Furthermore, we are engaged in the development of the Electronic Toll Collection System (ETC) and navigation systems for Intelligent Transport Systems (ITS). DENSO is also involved in areas of environmental protection that incorporate a wider view of the entire automotive transportation system.

DENSO will develop innovative technologies and systems and reduce the environmental impact of all its operations to help the automotive industry continue to grow as one of the world's major industries in the 21st century. We will contribute to the happiness of people worldwide and balance the needs of both economic prosperity and environmental protection.

DENSO has published its *Environmental Report 1999*, which introduces DENSO's activities with regard to environmental protection, particularly in fiscal 1998, ended March 31, 1999. Through this report, DENSO hopes to provide readers with an understanding of both its view on environmental protection and specific activities that it has been implementing. We would appreciate hearing your frank opinions regarding this report, as they are valuable in shaping our future activities.



Hiromu Okabe

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President