

February 13, 2019
Sumitomo Electric Industries, Ltd.
Aquantia Corp.

Aquantia and Sumitomo Electric Announce Strategic Partnership to Deliver Multi-Gigabit Ethernet Connectivity Solutions to the Global Automotive Market

San Jose, Calif. & Osaka, Japan – February 12, 2019 – Sumitomo Electric Industries, Ltd. (TSE:5802) and Aquantia Corp. (NYSE: AQ), today announced a strategic partnership for Sumitomo Electric to deliver Multi-Gig Ethernet connectivity products to global manufacturers of autonomous vehicles. Sumitomo Electric solutions span a wide range of technical capabilities with extensive deployment in Japan, as well as other major geographies. This Tier 1 technology supplier provides the global automotive market with a broad range of products¹ and is focused on helping to create an automotive ecosystem characterized by safety, comfort and environmental responsibility.

The resulting products, Sumitomo Electric connectors, cables and subsystem capabilities combined with Aquantia AQcelerate automotive PHYs, are targeted at In-Vehicle Networks (IVNs) that enable new levels of autonomous driving. The agreement will allow the two companies to co-develop new capabilities for Aquantia AQcelerate devices that meet the needs of Sumitomo Electric's global customers.

“By including Aquantia’s Multi-Gig capabilities with our automotive product offerings, Sumitomo Electric is making a landmark contribution to the autonomous vehicle ecosystem,” said Toshiaki Kakii, Managing Executive Officer of Sumitomo Electric. “A Multi-Gig IVN ensures the highest level of safety for drivers, passengers and anyone else sharing the road. Autonomous driving requires massive amounts of data transfers within the vehicle, and the combination of Sumitomo Electric and Aquantia will make it seamless for Original Equipment Manufacturer (OEM) customers to create a safe, enjoyable in-car

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experience.”

“Aquantia is honored to work with Sumitomo Electric – a Tier 1 supplier with a long history of technical innovation and tremendous depth of international experience in automotive system integration,” said Faraj Aalaei, Chairman and CEO of Aquantia. “Going forward, this partnership offers a full network and connectivity platform that are essential to the future of autonomous vehicles. The Sumitomo Electric - Aquantia design will take autonomy to the next level and provide an in-vehicle ‘nervous system’ – connecting all the critical functions to support true self-driving capabilities and smart-cockpit functionality. The partnership also accelerates and amplifies Aquantia’s reach to the various design teams at Japanese OEMs.”

Sumitomo Electric’s Automotive business segment yielded \$15.5 billion USD in revenue in 2018² and has shown steady, sequential growth. The partnership with Aquantia is aligned with the Sumitomo Electric mission to expand global market share and strengthen product development capabilities through collaboration with technology leaders to meet the needs for upcoming autonomous vehicles.³ At the same time, this partnership will give Aquantia increased exposure to Sumitomo Electric’s large Japanese and international customer base.

About Aquantia:

Aquantia is a leader in the design, development and marketing of advanced, high-speed communications ICs for Ethernet connectivity in the Data Center, Enterprise Infrastructure, Access and Automotive markets. Aquantia’s products are designed to cost-effectively deliver leading-edge data speeds for use in the latest generation of communications infrastructure to alleviate network bandwidth bottlenecks caused by the growth of global IP traffic. Aquantia is located in Silicon Valley. www.aquantia.com

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About Sumitomo Electric Industries:

Sumitomo Electric Industries, Ltd. is a recognized global technology leader with over 250,000 employees working at more than 390 group companies in 40 countries. Building on over 120 years of innovation, today Sumitomo Electric is engaged in diversified business activities that support people's daily lives and industries in five business segments: automotive, infocommunications, electronics, environment & energy, and industrial materials.

¹ <https://global-sei.com/products/automotive.html>

² https://sei.co.jp/ir/library/pdf/fb2018_3.pdf

³ <https://global-sei.com/ir/library/pdf/ar2018.pdf>

■ Reference

Sumitomo Electric's Website

<https://sumitomoelectric.com/>