



FY2016 3rd Quarter Financial Results ended December 31, 2015

Feb 3, 2016

DENSO CORPORATION

DENSO

© DENSO CORPORATION All rights reserved.
This information is the exclusive property of DENSO CORPORATION. Without their consent, it may not be reproduced or given to third parties.

1. Revenue increased due to overseas production volume increase and the growth in sales as well as the depreciation of yen.

Operating profit increased due to the depreciation of yen and cost reduction efforts.

2. Downward revision to the full-year forecast mainly due to the change in foreign exchange rate.

FY2016 3rd Quarter Financial Results

2 / 19

	(Ratio to Revenue)		(Unit:Billions of Yen)	
	FY16 3Q	FY15 3Q	Change	
Revenue	3,370.9	3,161.7	+209.2	+6.6%
Operating Profit (Excludes other income/ expenses)	(8.0%) 271.1	(8.2%) 258.0	+13.1	+5.1%
Other income/ expenses	Δ 28.0	Δ 20.3	-7.7	
Operating Profit Finance income/ costs & others(※1)	(7.2%) 243.1	(7.5%) 237.7	+5.4	+2.3%
Profit before Income Taxes	(8.1%) 274.7	(8.7%) 274.0	+0.7	+0.3%
Profit (※2)	(5.7%) 191.3	(5.9%) 187.8	+3.5	+1.9%

(Unit:Millions of Units)						
Foreign Exchange Rate	JPY	122/\$	JPY	107/\$	+15 JPY	
	JPY	134/Euro	JPY	140/Euro	-6 JPY	
Domestic Car Production		6.60		6.83	-0.23	-3.4%
Overseas Car Production of Japanese Manufacturers (North America)		14.02		13.83	+0.19	+1.4%
		(4.63)		(4.51)	(+0.12)	(+2.7%)

※1 Finance income, Finance costs, Foreign exchange gains/loss, Share of the profit of associates accounted for using the equity method

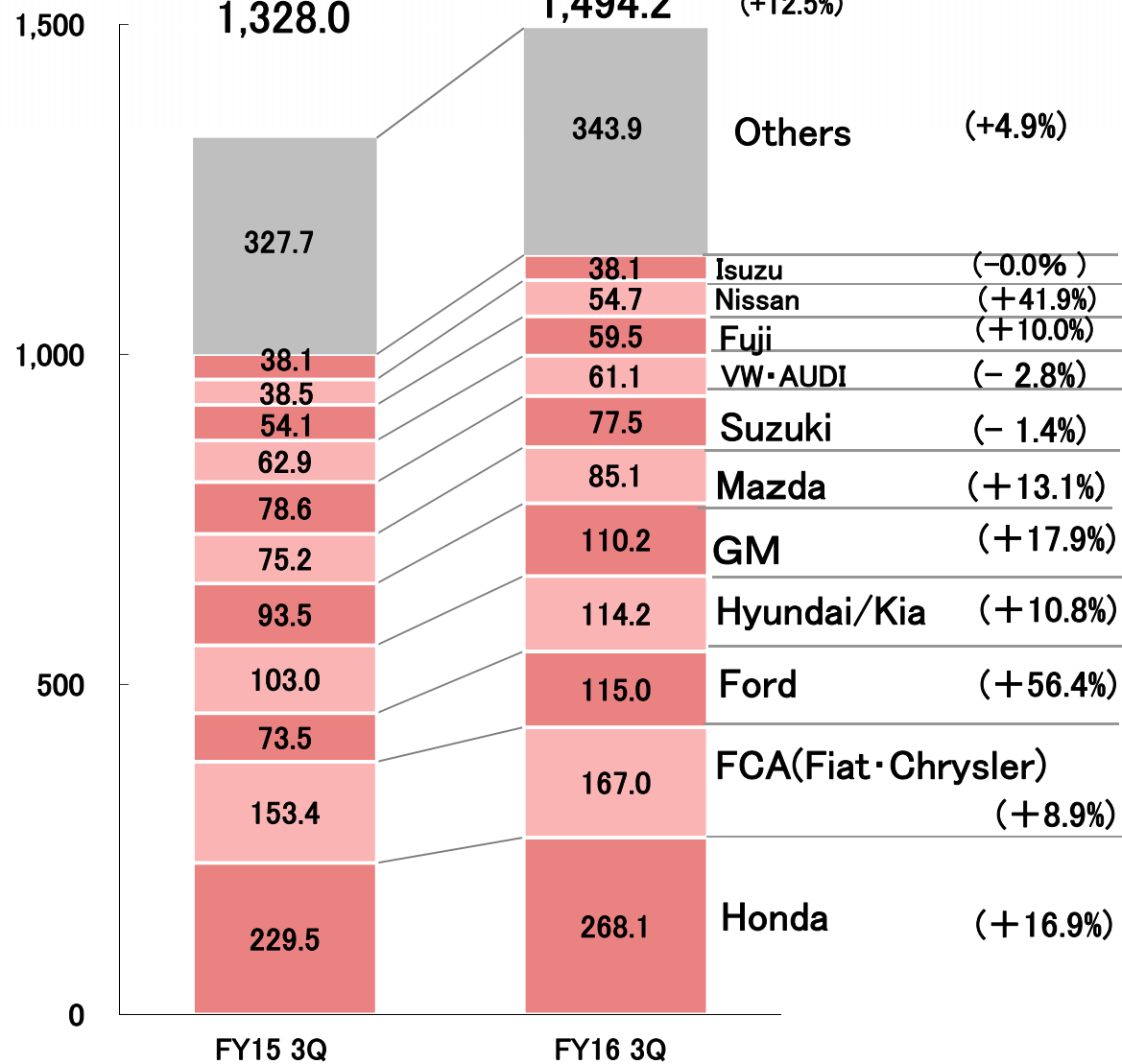
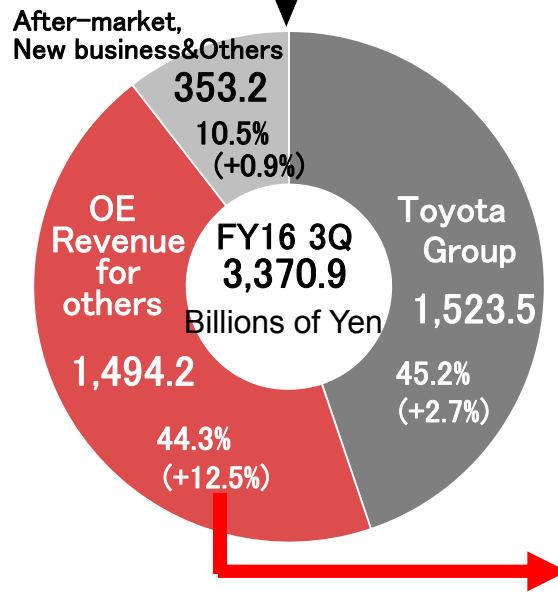
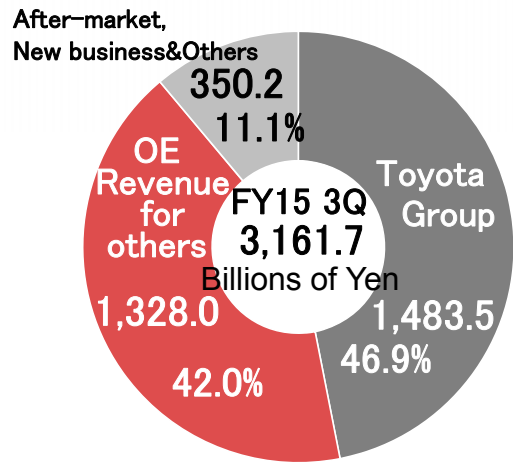
※2 Profit attributable to owners of the parent company

FY2016 3rd Quarter Consolidated Revenue (By Customer)

(Unit: Billions of Yen)

OE Revenue for others

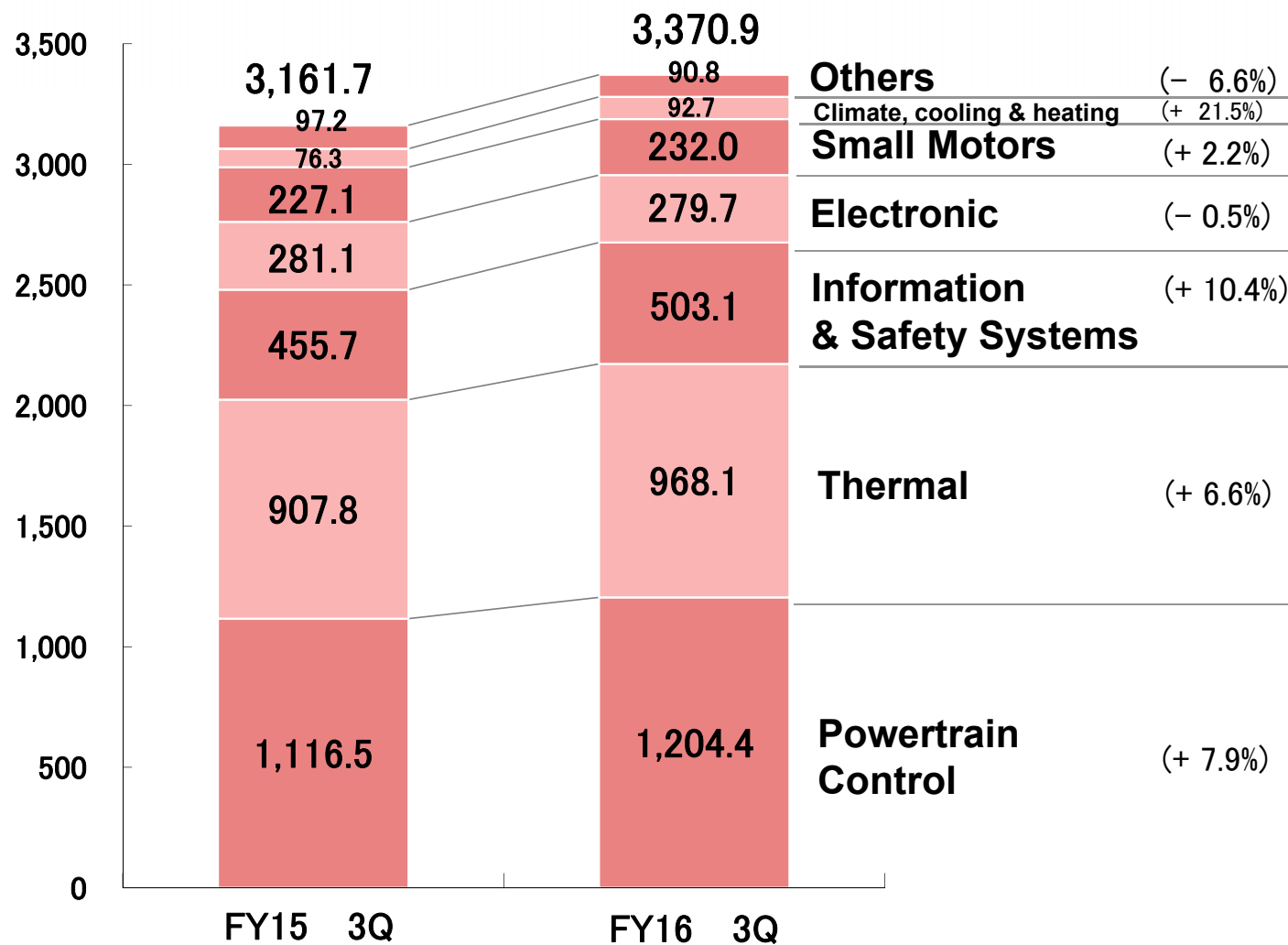
(): Change from FY15 3Q



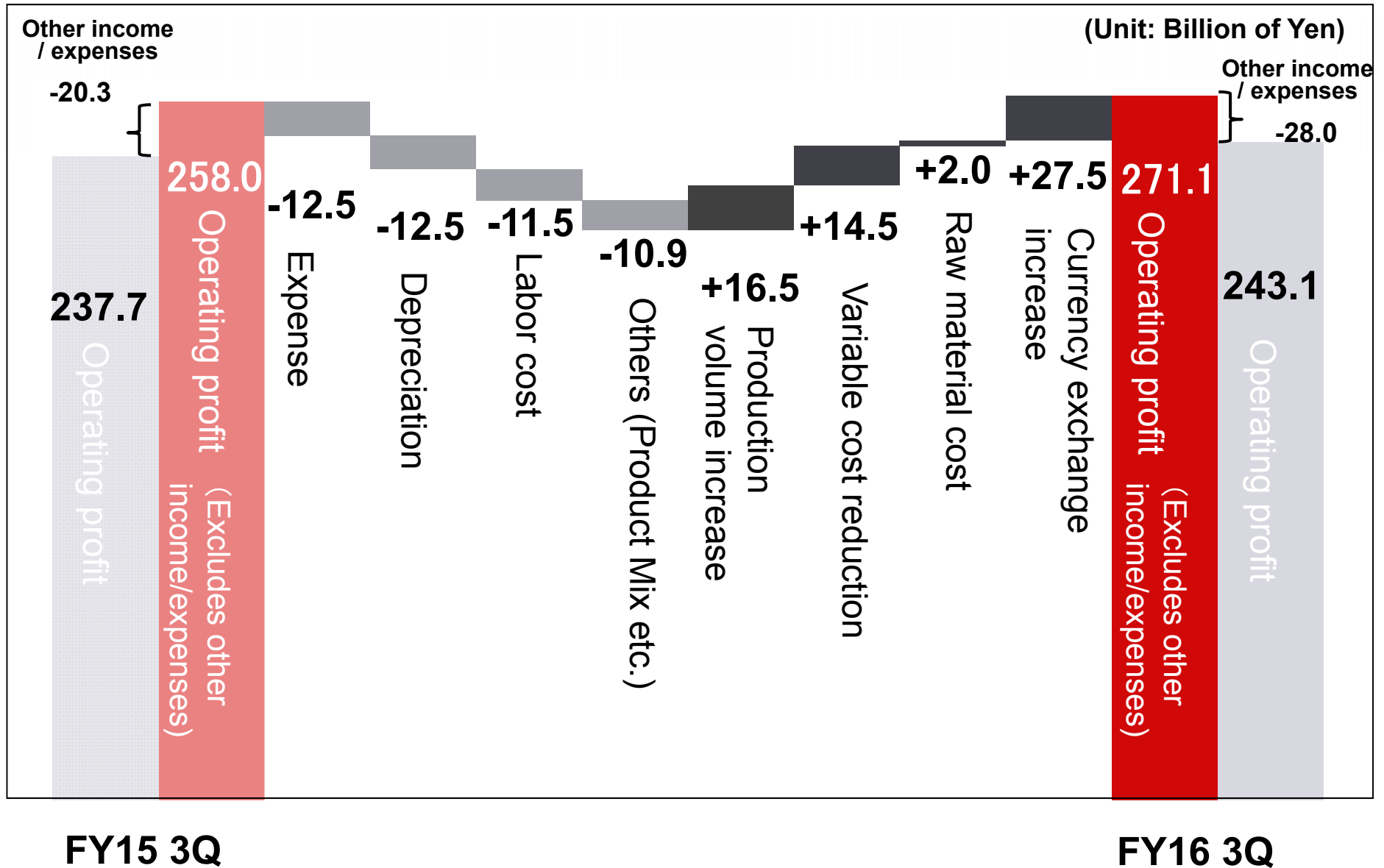
FY2016 3rd Quarter Consolidated Revenue (By Product)

(Unit: Billions of Yen)

():Change from FY15 3Q

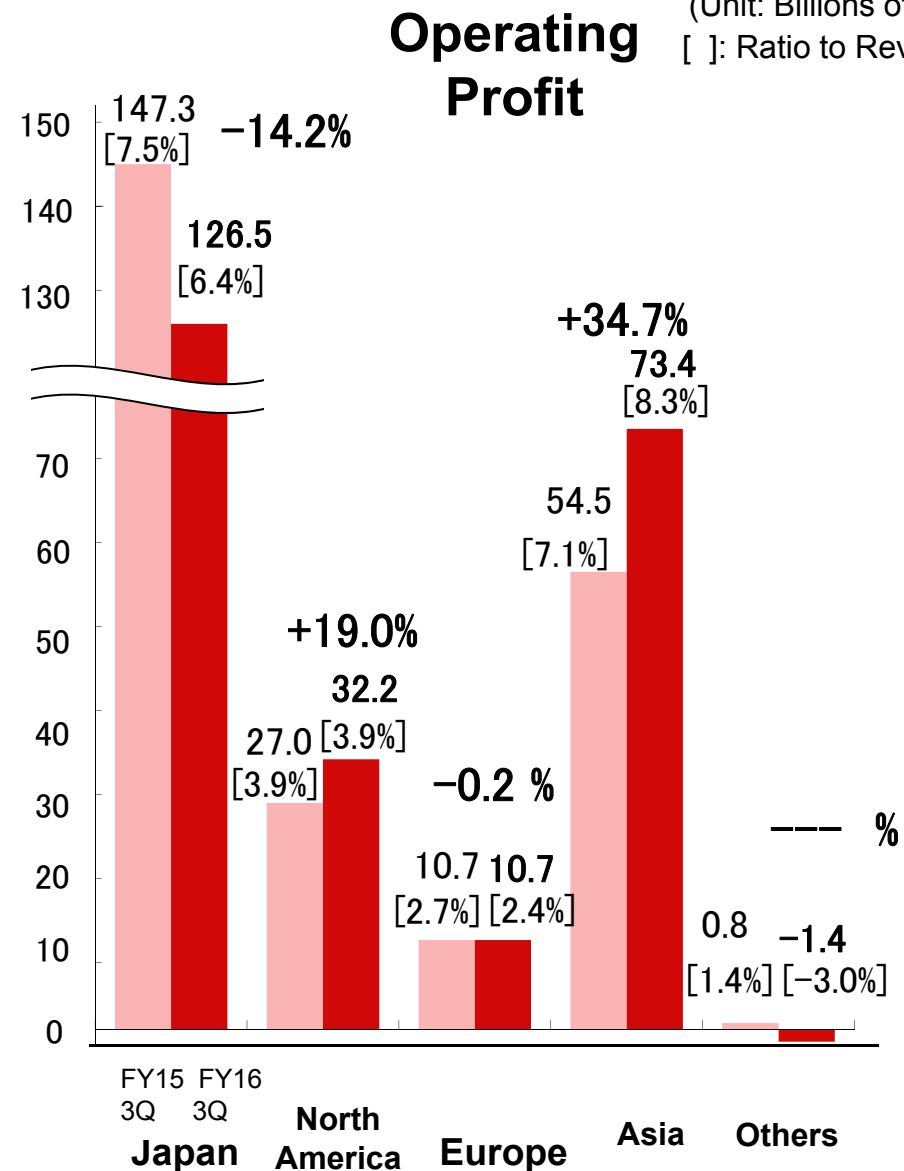
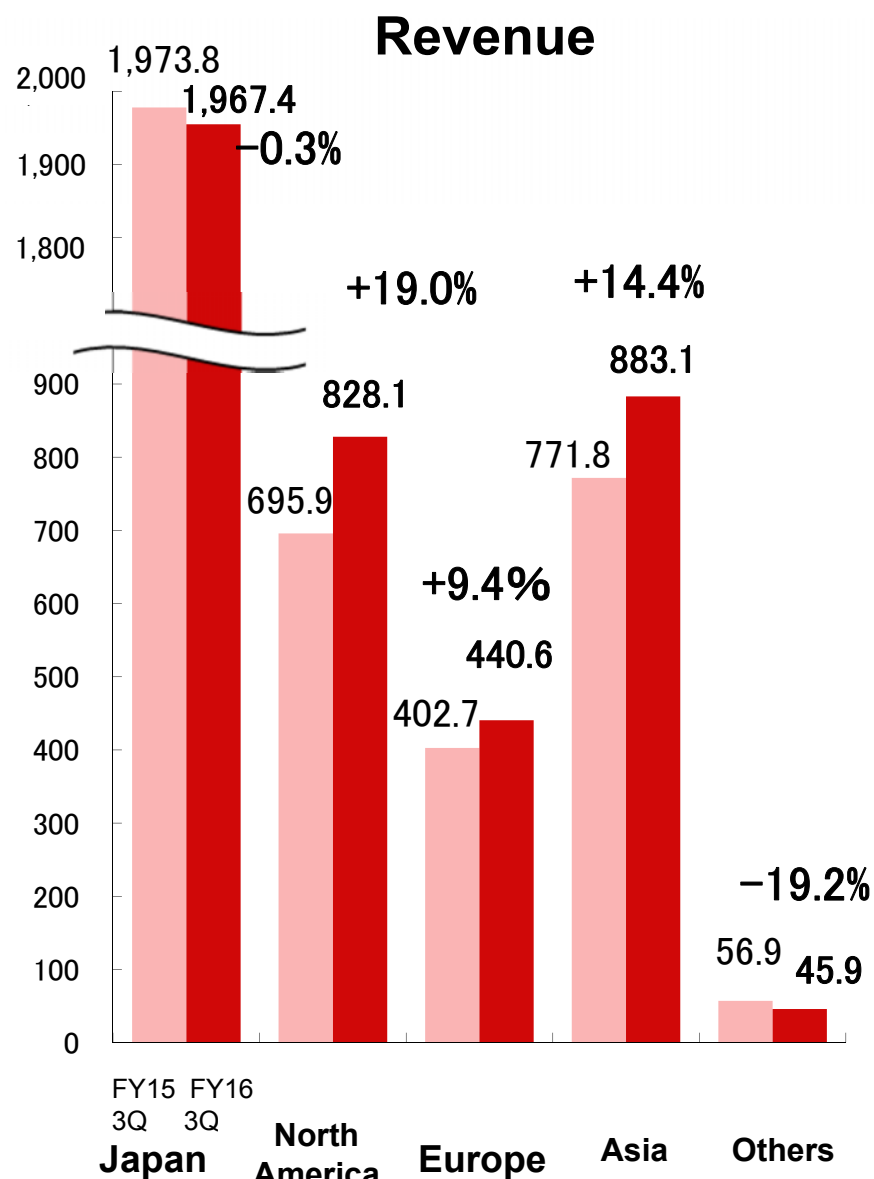


Change in 3rd Quarter Operating Profit



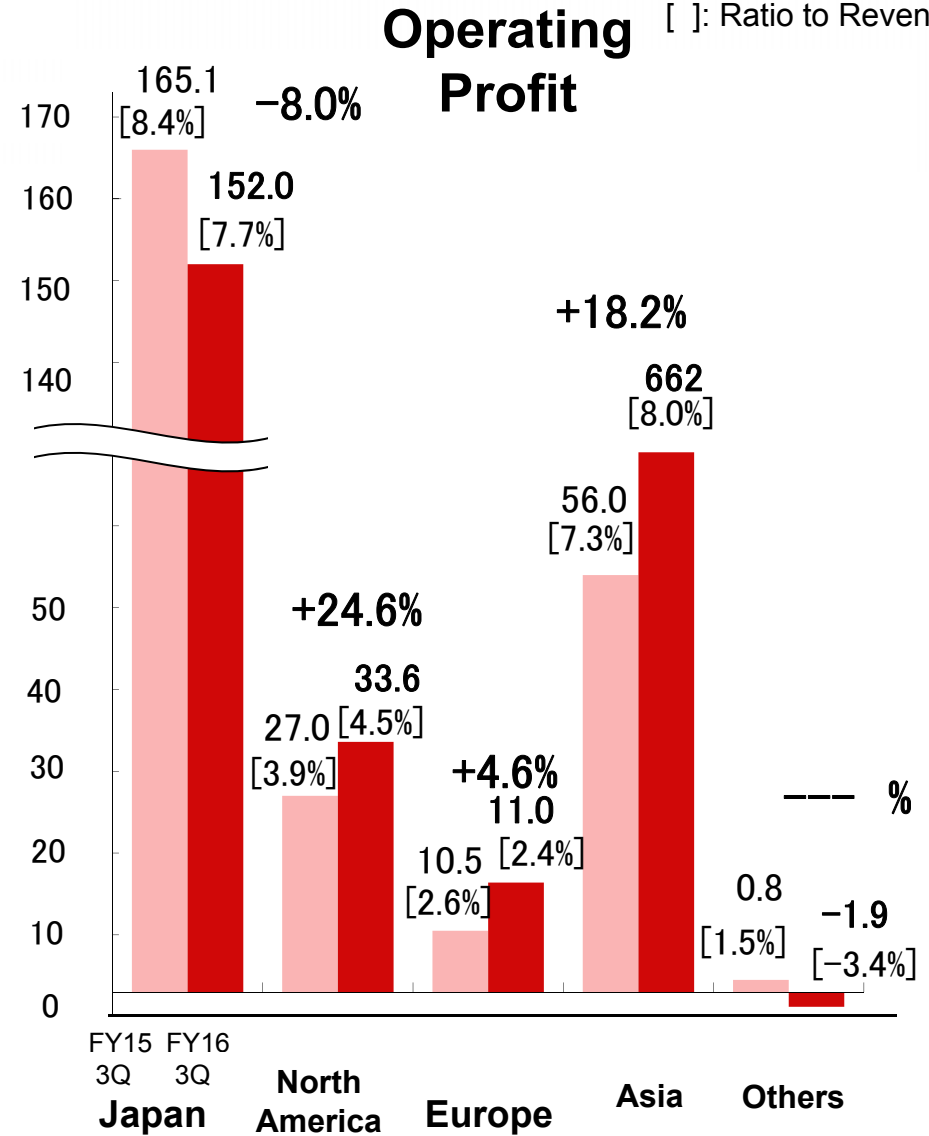
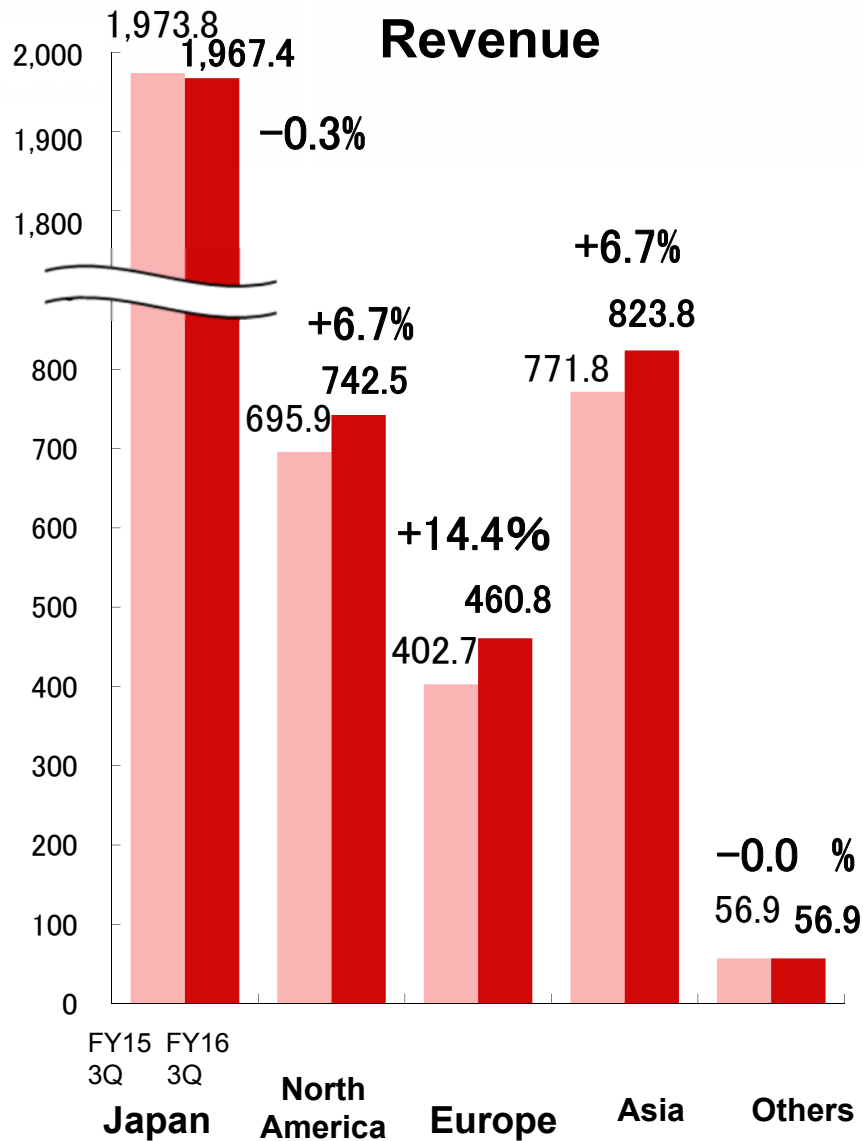
3rd Quarter Geographical Segments by Company Location

(Unit: Billions of Yen)
[]: Ratio to Revenue



3rd Quarter Geographical Segments by Company Location (Local Currency Base ,excludes other income/expenses)

(Unit: Billions of Yen)
[]: Ratio to Revenue



FY2016 Financial Forecast

8 / 19

	(Ratio to Revenue)				(Unit:Billions of Yen)	
	FY2016 2Q Original	FY2016 3Q Revised	FY2015	Change		
Revenue	4,520.0	4,480.0	4,309.8	+170.2	+3.9%	
Operating Profit (Excludes other income/ expenses)	(8.2%) 370.0	(8.0%) 360.0	(8.3%) 358.1	+1.9	+0.5%	
Operating Profit	(7.7%) 350.0	(7.4%) 332.0	(7.7%) 331.4	+0.6	+0.2%	
Profit before Income Taxes	(8.5%) 383.0	(8.3%) 370.0	(8.6%) 371.9	-1.9	-0.5%	
Profit (※)	(5.8%) 260.0	(5.5%) 248.0	(6.0%) 258.4	-10.4	-4.0%	

	(Unit:Millions of Units)					
Foreign Exchange Rate	JPY 121/\$	JPY 120/\$	JPY 110/\$	+10 JPY		
	JPY 133/Euro	JPY 132/Euro	JPY 139/Euro	-7 JPY		
Domestic Car Production	9.01	9.08	9.21	-0.13	-1.5%	
Overseas Car Production of Japanese Manufacturers (North America)	18.37	18.56	18.34	+0.22	+1.2%	
	(6.27)	(6.21)	(6.00)	(+0.21)	(+3.4%)	

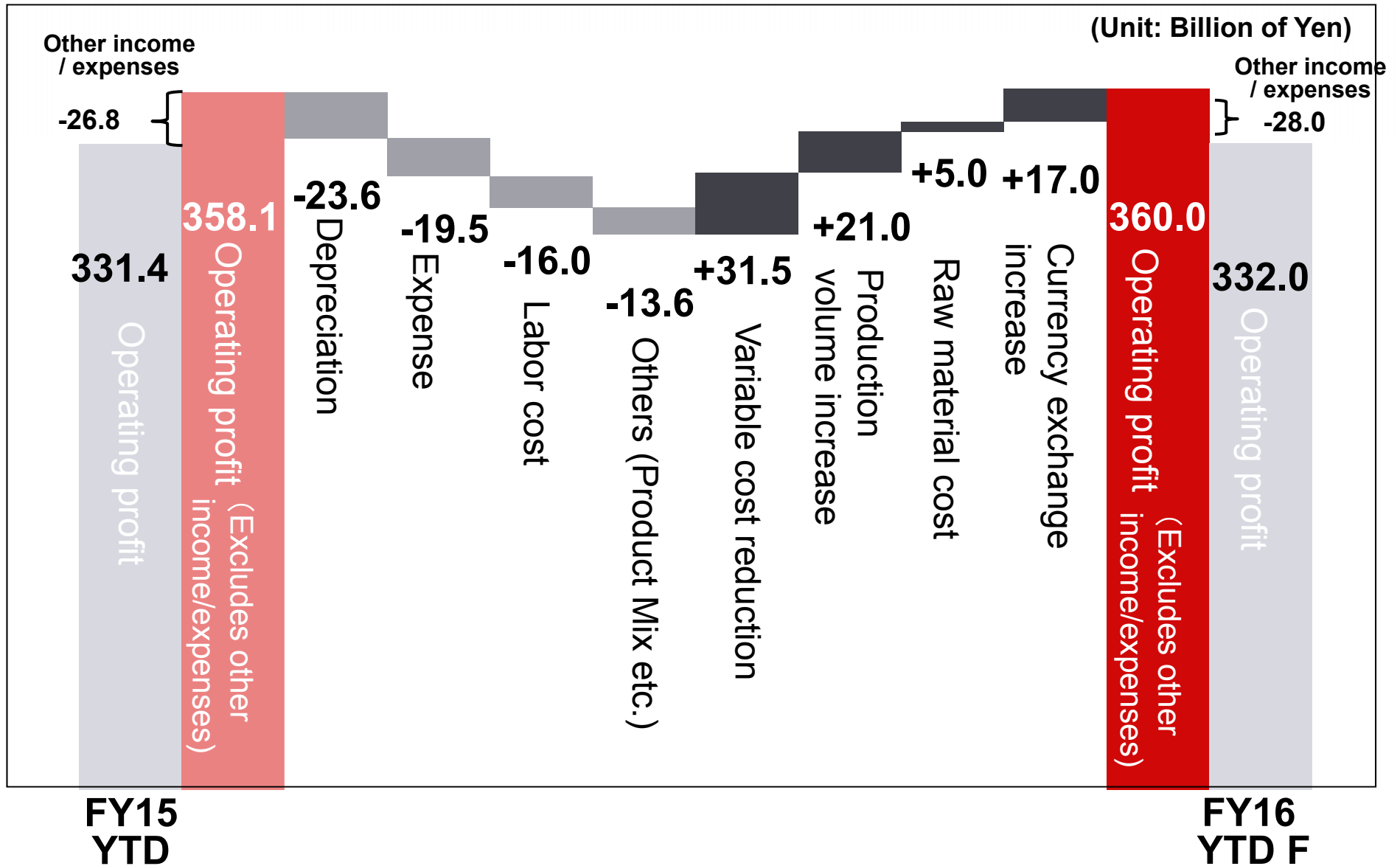
※ Profit attributable to owners of the parent company

DENSO

Appendix

- Change in FY2016 Operating Profit
- Change in FY2016 Geographical Segments by Company Location Forecast
- 3rd Quarter(3months) Geographical Segments
by Company Location
- Non-Consolidated Financial Results
- Pre-Conditions (Foreign Exchange Rate/Car Production)
- Consolidated Revenue by Customer
- Consolidated Revenue by Product
- Trend of Capital Expenditures, Depreciation and R&D Expenditures
- Capital Expenditures, Depreciation, and R&D Expenditures

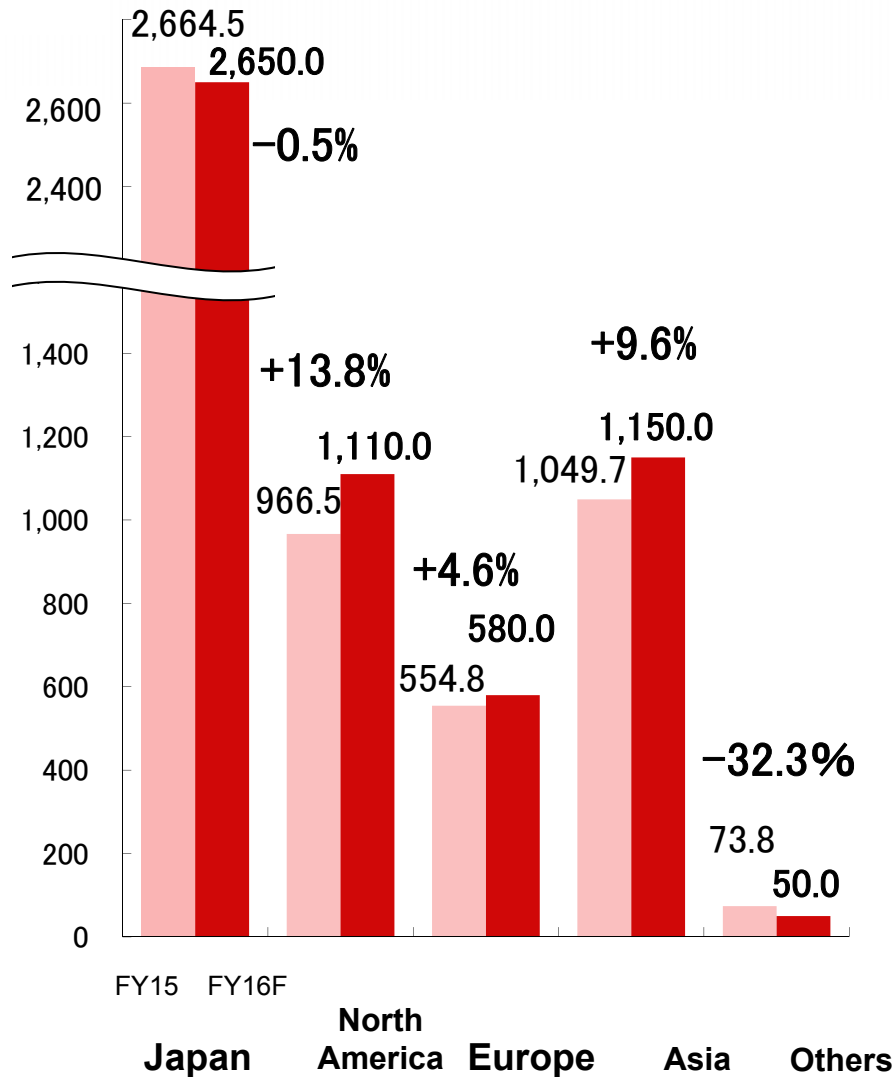
Change in FY2016 Operating Profit



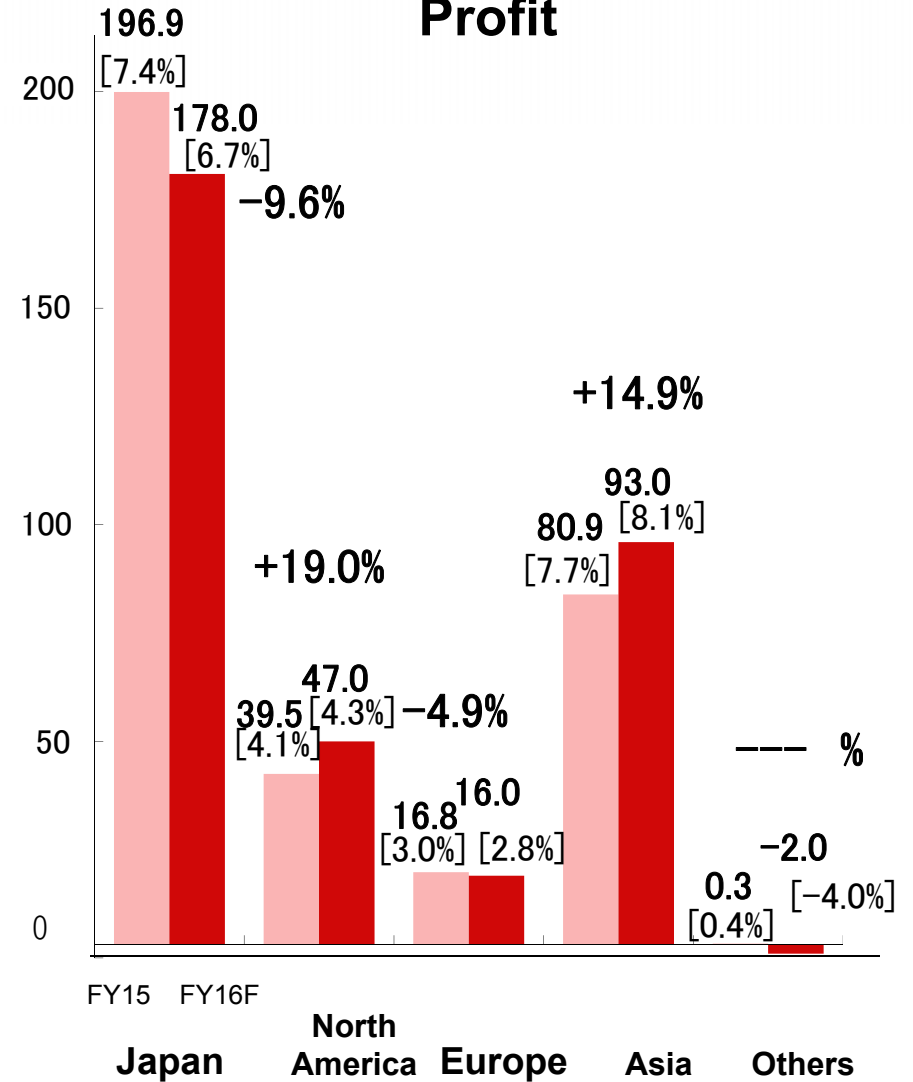
Change in FY2016 Geographical Segments by Company Location Forecast

(Unit: Billions of Yen)
[]: Ratio to Revenue

Revenue



Operating Profit

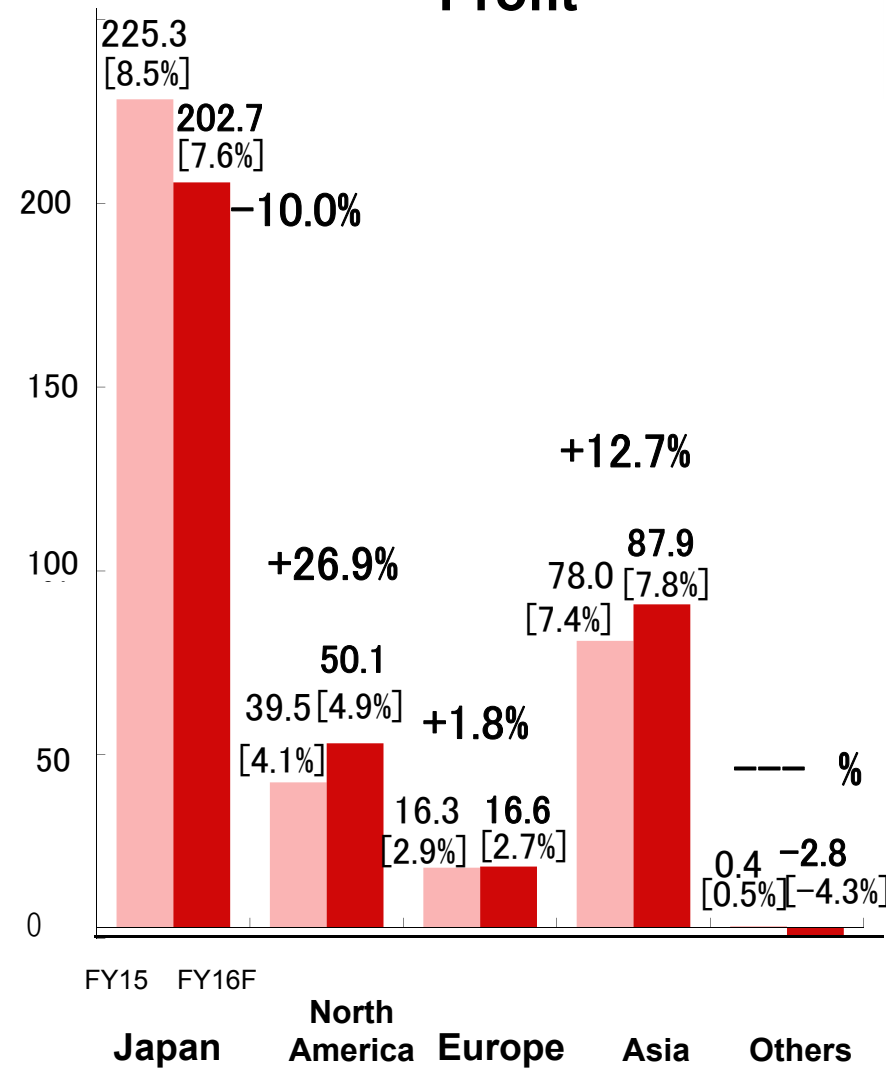
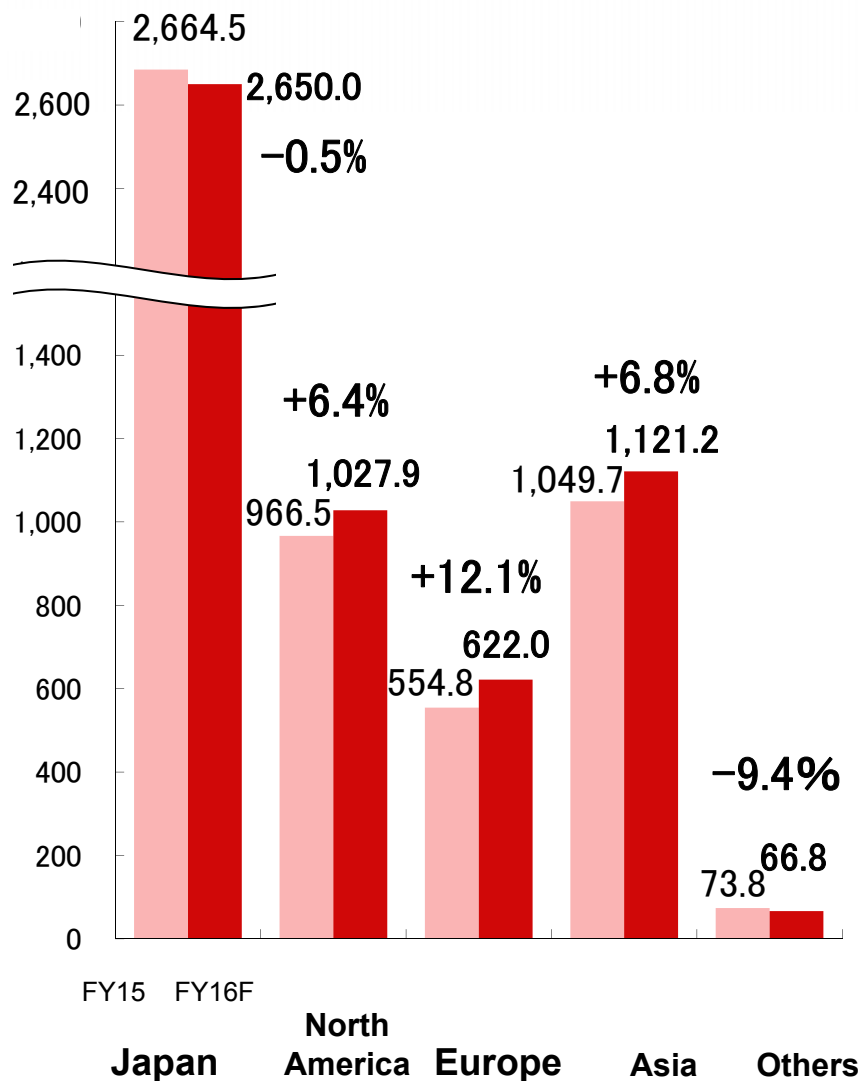


Change in FY2016 Geographical Segments by Company Location Forecast (Local Currency Base,excludes other income/expenses)

(Unit: Billions of Yen)

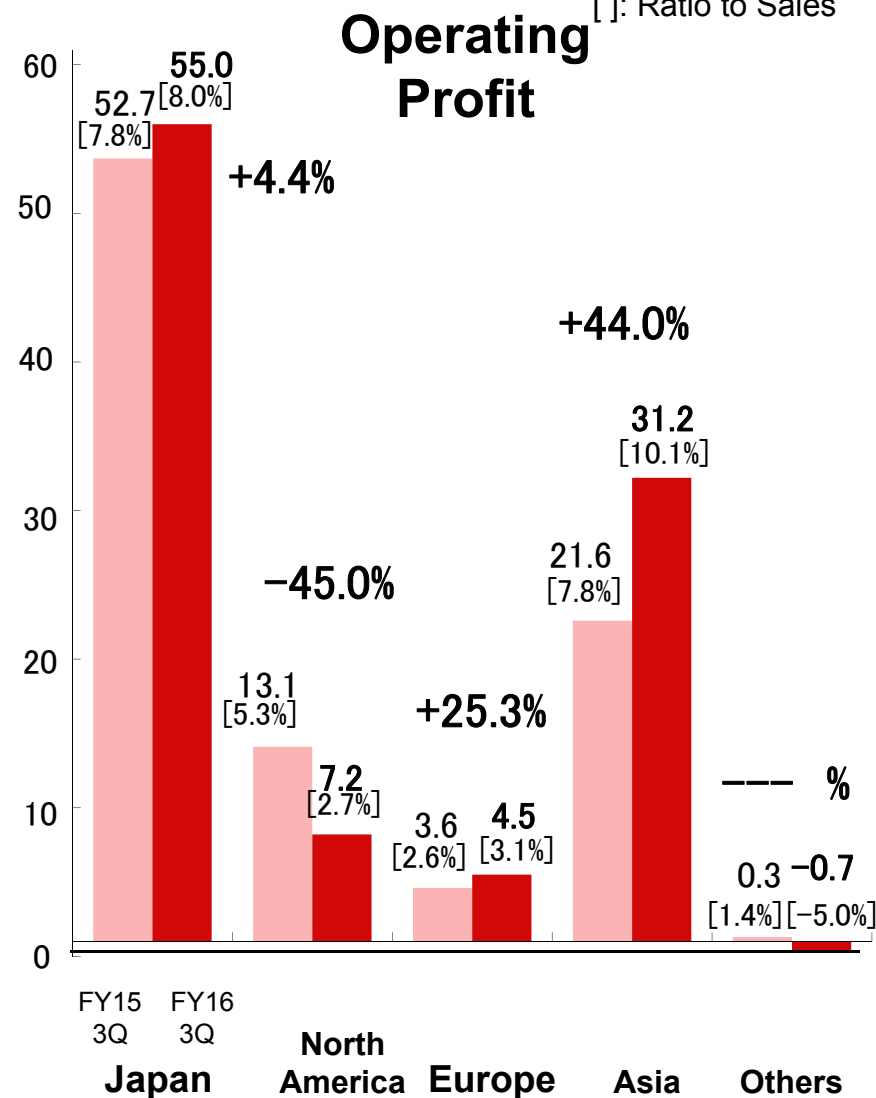
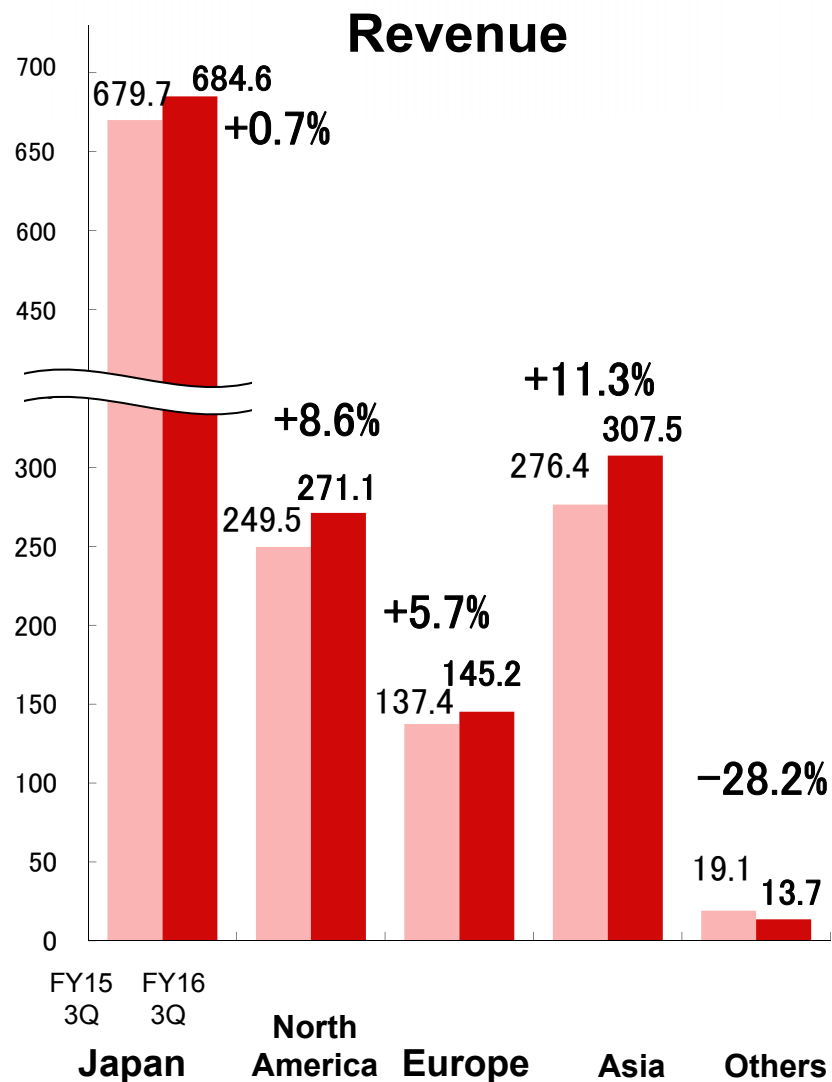
Operating Profit []: Ratio to Revenue

Revenue



(Unit: Billions of Yen)

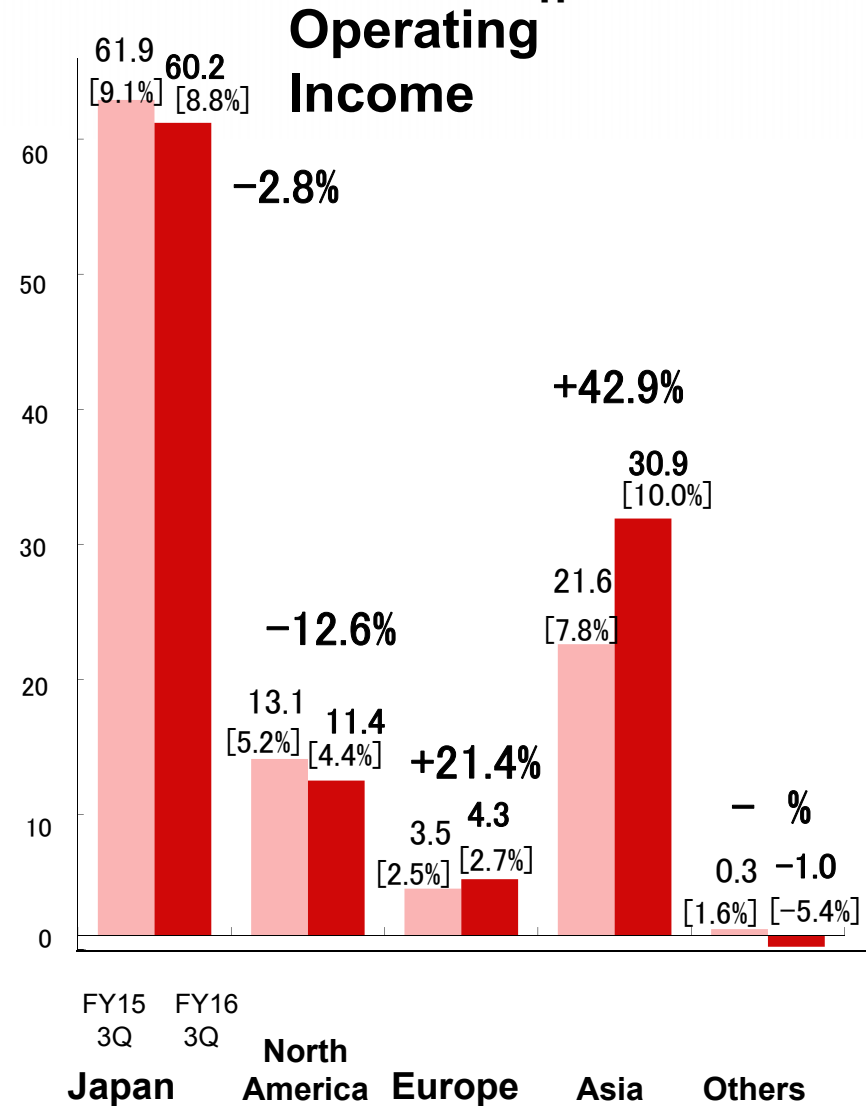
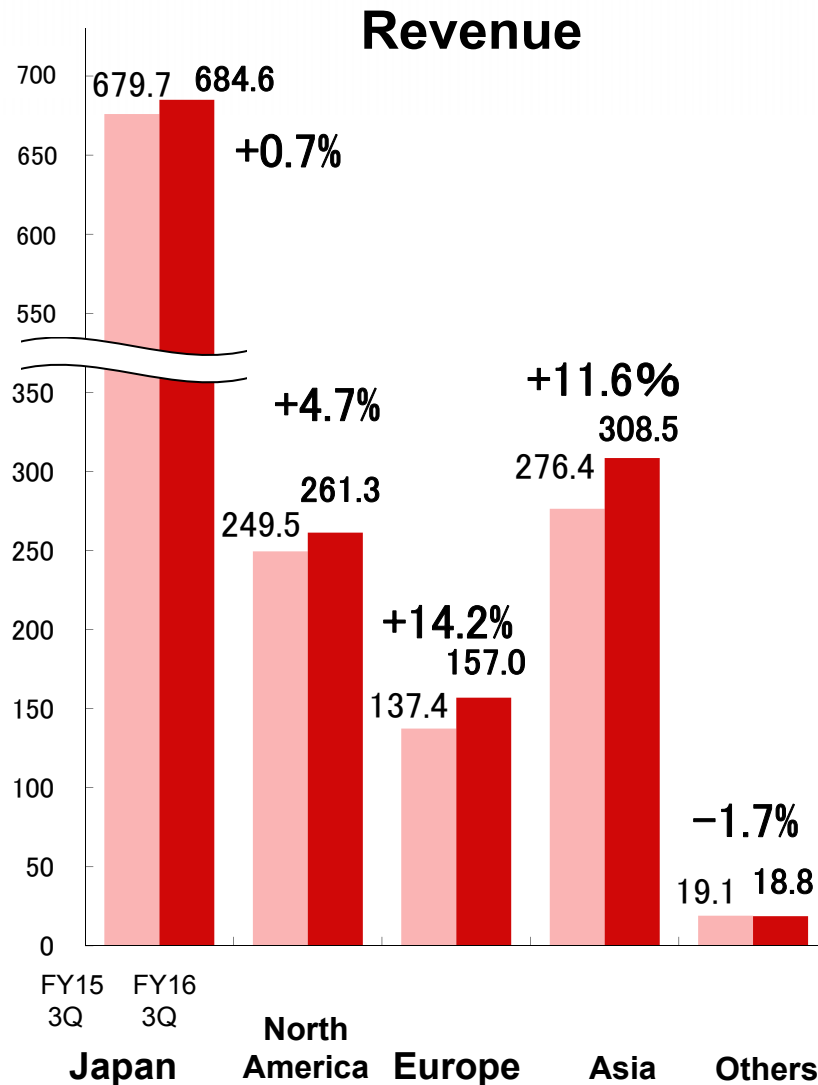
[]: Ratio to Sales



3rd Quarter (3months) Geographical Segments by Company

Location(Local Currency Base,excludes other income/expenses)

(Unit: Billions of Yen)
[]: Ratio to Sales



Income Statements(Japanese accounting standards)

(Ratio to Sales)

(Unit: Billions of Yen,%)

Account	FY2016 3Q		FY2015 3Q		Change	
	(Ratio)	Amount	(Ratio)	Amount	Amount	Percent
Net Sales	(100.0)	1,802.0	(100.0)	1,804.2	-2.2	-0.1
Operating Income	(6.0)	108.8	(6.8)	123.5	-14.7	-11.9
Income Before Income Taxes	(9.0)	161.3	(9.9)	179.0	-17.7	-9.9
Net Income	(7.4)	132.6	(8.1)	146.5	-13.9	-9.5

Pre-Conditions (Foreign Exchange Rate/Car Production)

15

		FY2016 First-Half													FY2016 Second-Half				FY2016 Full Year			
		FY2016 First-Half			FY2016 Second-Half						FY2016 Full Year											
					3Q			4Q														
		Prior Year	Actual	Change	Prior Year	Actual	Change	Prior Year	Revised Estimate	Change	Prior Year	Forecast as of Oct. 30	Forecast (Revised)	Change	Prior Year	Forecast as of Oct. 30	Forecast (Revised)	Change				
Foreign Exchange Rate (Yen)	USD	103	122	+ 18.8	115	122	+ 7.0	119	115	- 4.0	117	120	118	+ 1.4	110	121	120	+ 10.1				
	EUR	139	135	- 3.8	143	133	- 10.1	134	125	- 9.0	139	130	129	- 9.7	139	133	132	- 6.8				
Forex Impact on Operating Income per Yen (Billions of Yen)	USD											-	-	2.5	2.0	2.0	-0.5					
	EUR											-	-	0.7	0.7	0.7	0.0					
Car Production of Japanese Manufacturers (Millions of Units)	Domestic	4.59	4.32	- 6%	2.25	2.29	+ 2%	2.41	2.47	+ 3%	4.63	4.69	4.76	+ 3%	9.21	9.01	9.08	- 1%				
	North America	2.99	3.13	+ 5%	1.52	1.50	- 1%	1.60	1.58	- 1%	3.02	3.14	3.08	+ 2%	6.00	6.27	6.21	+ 3%				
	Overseas	9.13	9.27	+ 1%	4.69	4.75	+ 1%	4.63	4.54	- 2%	9.21	9.10	9.29	+ 1%	18.34	18.37	18.56	+ 1%				

Consolidated Revenue (By Customer)

16

(Unit: Billions of Yen)

	FY2016 3Q		FY2015 3Q		Change	
	Amount	% to Total	Amount	% to Total	Amount	%
Toyota	1,420.0	42.1	1,365.6	43.2	54.4	4.0
Daihatsu	64.5	1.9	77.1	2.4	-12.6	-16.3
Hino	39.0	1.2	40.8	1.3	-1.8	-4.4
Toyota Group	1,523.5	45.2	1,483.5	46.9	40.0	2.7
Honda	268.1	8.0	229.5	7.3	38.7	16.9
FCA	167.0	5.0	153.4	4.8	13.6	8.9
Ford	115.0	3.4	73.5	2.3	41.5	56.4
Hyundai/Kia	114.2	3.4	103.0	3.3	11.1	10.8
GM	110.2	3.3	93.5	3.0	16.7	17.9
Mazda	85.1	2.5	75.2	2.4	9.9	13.1
Suzuki	77.5	2.3	78.6	2.5	-1.1	-1.4
VW/AUDI	61.1	1.8	62.9	2.0	-1.8	-2.8
Fuji	59.5	1.8	54.1	1.7	5.4	10.0
Nissan	54.7	1.6	38.5	1.2	16.1	41.9
Isuzu	38.1	1.1	38.1	1.2	0.0	-
Mitsubishi	35.3	1.0	36.4	1.1	-1.1	-3.0
BMW	34.4	1.0	30.3	1.0	4.2	13.7
Benz	27.5	0.8	25.6	0.8	1.9	7.4
PSA	19.6	0.6	14.2	0.4	5.3	37.4
Volvo	19.5	0.6	11.6	0.4	7.9	68.3
Jaguar/Land Rover	14.6	0.4	15.3	0.5	-0.7	-4.3
OE Sales for others	193.0	5.7	194.3	6.1	-1.4	-0.7
OEM Total	3,017.7	89.5	2,811.5	88.9	206.2	7.3
After-market, New business & Others(*)	353.2	10.5	350.2	11.1	3.0	0.9
Total	3,370.9	100.0	3,161.7	100.0	209.2	6.6

* Sales of industrial systems and consumer products, Sales for After Market, and Sales of property/equipment are included.

Consolidated Revenue (By Product)

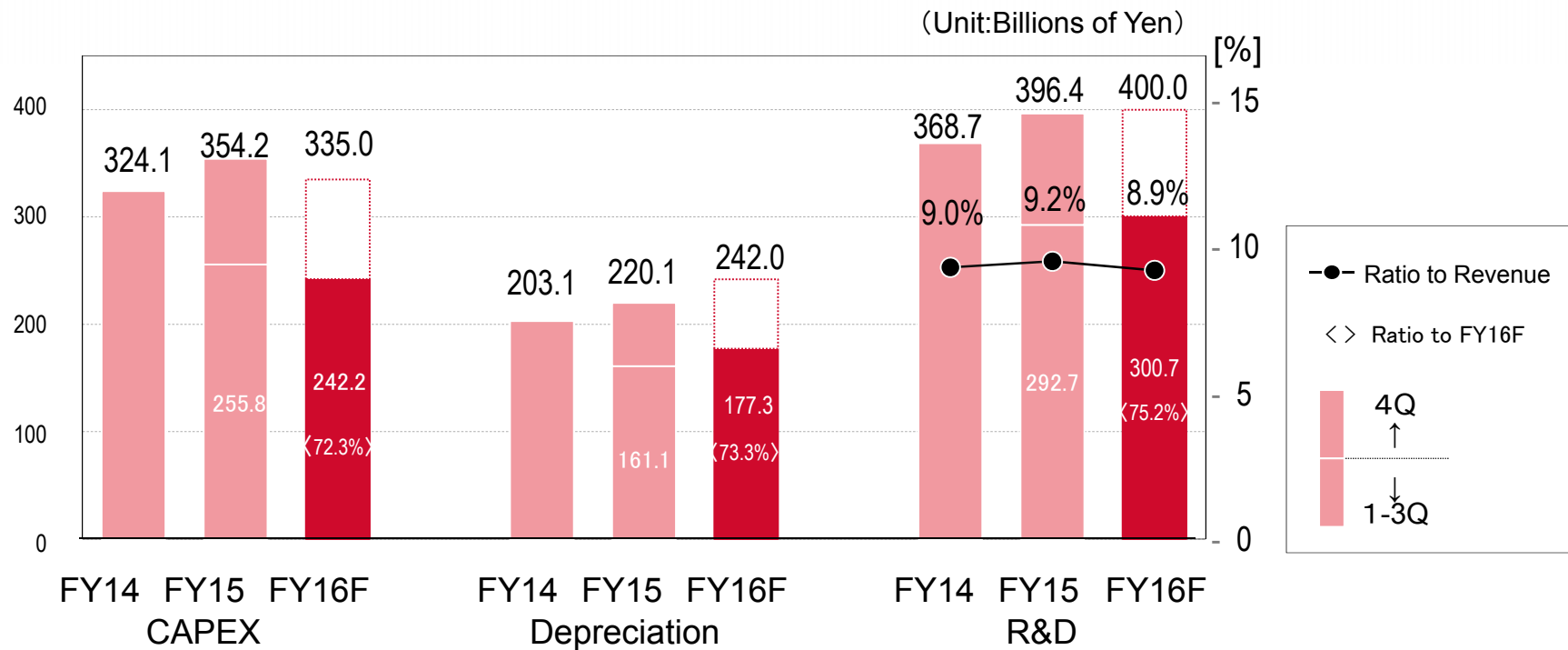
17

(Unit: Billions of Yen)

	FY2016 3Q		FY2015 3Q		Change	
	Amount	% to Total	Amount	% to Total	Amount	%
Powertrain Control	1,204.4	35.7	1,116.5	35.3	87.9	7.9
Thermal	968.1	28.7	907.8	28.7	60.3	6.6
Information & Safety Systems	503.1	14.9	455.7	14.4	47.4	10.4
Electronic	279.7	8.3	281.1	8.9	-1.4	-0.5
Small Motors	232.0	6.9	227.1	7.2	4.9	2.2
Climate, Cooling and Heating	92.7	2.8	76.3	2.4	16.4	21.5
Others(*2)	45.2	1.3	49.8	1.6	-4.5	-9.1
Automotive Total	3,325.3	98.6	3,114.3	98.5	210.9	6.8
Industrial & Consumer Product	43.8	1.3	44.6	1.4	-0.8	-1.8
Others	1.8	0.1	2.7	0.1	-0.9	-33.2
New Business Total	45.6	1.4	47.4	1.5	-1.7	-3.6
Total	3,370.9	100.0	3,161.7	100.0	209.2	6.6

* Revenue of equipment, Repair parts, original brand products of subsidiaries

Trend of Capital Expenditures, Depreciation and R&D Expenditures



Capital Expenditures, Depreciation and R&D Expenditures

19

(Unit: Billions of Yen)

	FY15		FY16 Forecast		3Q YTD Change from PY	Progress to FY16 Forecast
	3Q		3Q			
Japan	131.4	189.0	135.3	183.0	3.0%	73.9%
North America	35.9	48.5	32.6	45.0	-9.2%	72.4%
Europe	21.5	29.2	20.9	28.0	-2.8%	74.6%
Asia	64.3	83.1	52.2	76.0	-18.8%	68.7%
Others	2.6	4.4	1.3	3.0	-50.0%	43.3%
Capital Exp.	255.8	354.2	242.2	335.0	-5.3%	72.3%
Japan	98.8	133.3	100.4	137.8	1.7%	72.9%
North America	16.5	23.4	21.1	29.0	27.8%	72.7%
Europe	12.7	17.0	14.2	18.5	11.6%	76.8%
Asia	30.3	42.8	39.1	53.0	29.1%	73.9%
Others	2.8	3.6	2.4	3.7	-12.6%	65.7%
Depreciation	161.1	220.1	177.3	242.0	10.1%	73.3%
R&D Expenditure (Ratio to Revenue)	292.7 (9.7%)	396.4 (9.2%)	300.7 (8.9%)	400.0 (8.9%)	2.7%	75.2%