

FY2019 2Q Financial Results ended Sep 30, 2018

HIGH-LIGHT

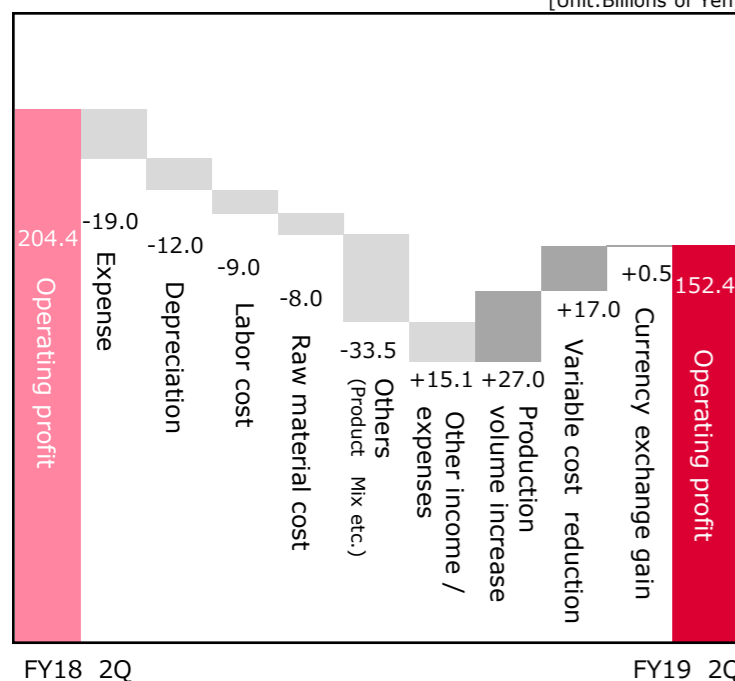
- Despite natural disasters, revenue increased due to the increase in global car production and the subsidiaries DENSO TEN which was consolidated on the last November. Operating profit decreased due to transient profit in the last fiscal year, variance of periods in collecting expenses and increase in investment for future growth.
- Upward revision to full-year forecast considering the first-half financial results and the latest movement in the foreign exchange markets.
- Annual dividend payment will be 140 yen, a 5 yen increase from the previous forecast on each of interim and fiscal year-end payment.

1. Consolidated Financial Results (IFRS)

Account	FY2019 2Q		FY2018 2Q		Change		(Ratio to Revenue) [Unit: Billions of Yen, %]					
							FY2019 Forecast		Change from June			
	Amount	Percent	Amount	Percent	Amount	Percent	Forecast as of Jul.31	Forecast as of Oct. 31	Amount	Percent		
Revenue	(100.0)	2,625.0	(100.0)	2,363.5	261.5	11.1	(100.0)	5,400.0	(100.0)	5,400.0	-	-
Operating profit	(5.8)	152.4	(8.7)	204.4	-52.1	-25.5	(7.2)	390.0	(7.3)	393.0	3.0	0.8
Profit before income tax	(6.5)	170.2	(9.6)	226.8	-56.6	-24.9	(7.9)	427.0	(8.0)	430.0	3.0	0.7
Profit for the period (※)	(4.3)	114.1	(6.5)	154.2	-40.1	-26.0	(5.6)	303.0	(5.6)	305.0	2.0	0.7
Foreign Exchange Rate (US\$)		110 Yen		111 Yen				106 Yen		110 Yen		
Foreign Exchange Rate (Euro)		130 Yen		126 Yen				130 Yen		130 Yen		
Domestic Car Production		4.47 Mil units		4.54 Mil units				9.58 Mil units		9.57 Mil units		
Overseas Car Production of Japanese Manufacturers		10.23 Mil units		9.89 Mil units				20.95 Mil units		20.69 Mil units		

※ Profit attributable to owners of the parent company

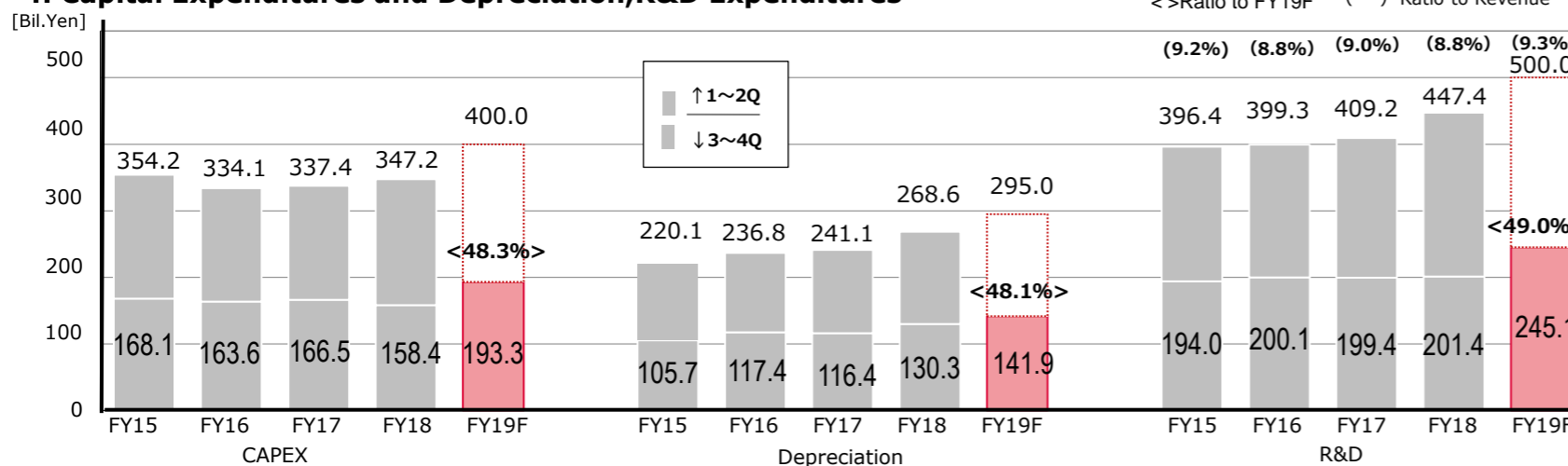
2. Changes in Operating Profit (FY18 2Q - FY19 2Q) [Unit: Billions of Yen]



3. Geographic Segments By Company Location [Unit: Billions of Yen]

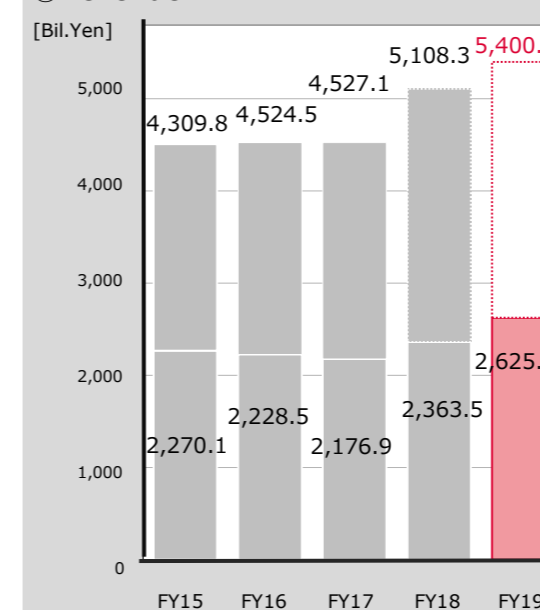
Revenue	FY2019 2Q		FY2018 2Q		Change	Local Currency	FY2019 Forecast
	Margin	Margin	Margin	Margin			
Japan	1,573.2	-	1,406.9	-	11.8%	11.8%	3,320.0
North America	604.1	-	548.1	-	10.2%	11.2%	1,187.0
Europe	332.4	-	309.9	-	7.3%	5.5%	677.0
Asia	718.1	-	619.2	-	16.0%	15.2%	1,422.0
Others	34.5	-	40.4	-	-14.6%	8.4%	68.0
Eliminations	-637.4	-	-561.1	-	-	-	-1,274.0
	2,625.0	-	2,363.5	-	11.1%	11.3%	5,400.0
Operating Profit							
Japan	53.3	3.4%	105.5	7.5%	-49.5%	-49.5%	183.0
North America	15.5	2.6%	20.8	3.8%	-25.5%	-23.8%	38.5
Europe	9.6	2.9%	8.9	2.9%	8.0%	6.4%	25.0
Asia	67.8	9.4%	62.8	10.1%	8.0%	6.3%	134.5
Others	5.5	16.0%	7.1	17.5%	-21.9%	0.6%	10.5
Eliminations	0.6	-	-0.6	-	-	-	1.5
	152.4	5.8%	204.4	8.7%	-25.5%	-25.1%	393.0

4. Capital Expenditures and Depreciation, R&D Expenditures

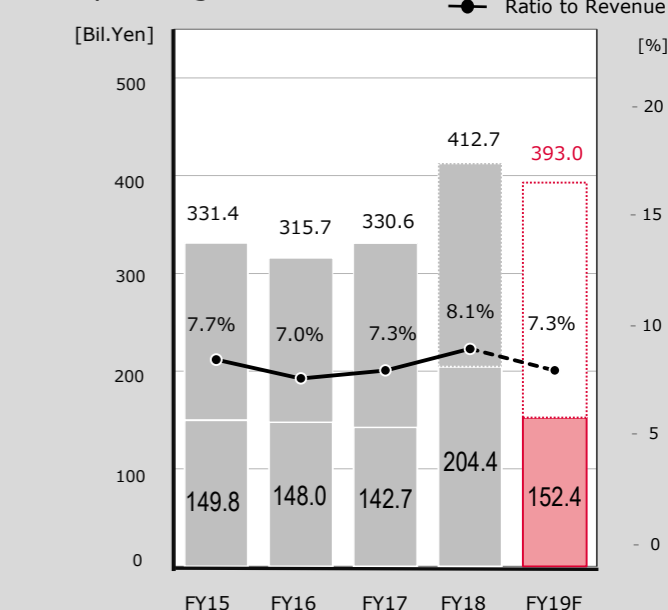


Reference

① Revenue [Bil. Yen]



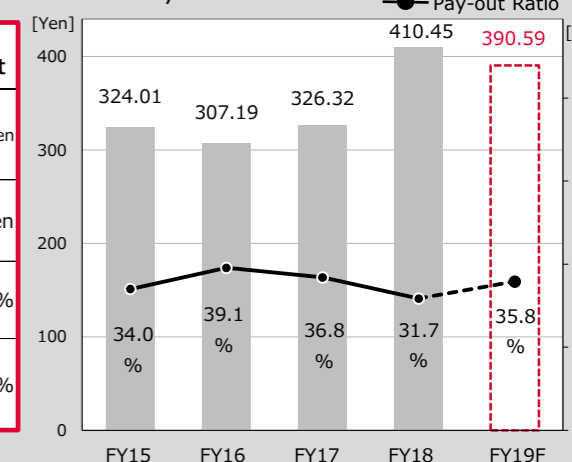
② Operating Profit [Bil. Yen]



③ Financial Indices (Consolidated)

	FY15	FY16	FY17	FY18	FY19 Forecast
EPS	324.01 Yen	307.19 Yen	326.32 Yen	410.45 Yen	390.59 Yen
Dividends per Share	110 Yen	120 Yen	120 Yen	130 Yen	140 Yen
Pay-out Ratio	34.0 %	39.1 %	36.8 %	31.7 %	35.8 %
ROE	8.4 %	7.6 %	8.0 %	9.3 %	8.2 %

EPS·Pay-out Ratio [Yen]



Sustainability Management Determination of Materiality

Environment

- Prevention of global warming
- Prevention of air pollution/Reduction of environmental burden
- Effective utilization of resources
- Conservation of water resources

Peace of Mind

- Development of safety related products → movement gaps cancellation
- Reduction of traffic accident
- Decreasing birthrate and aging population

Governance

- Promotion of diversity
- Work style reforms
- 6 other items

