

The DENSO logo is written in a bold, italicized, red sans-serif font.

***DENSO***

Crafting the Core

**FY2022 2<sup>nd</sup> Quarter  
Financial Results  
(2021/4-2021/9)**

October 29 , 2021

DENSO CORPORATION

A decorative graphic on the right side of the slide consists of several overlapping, semi-transparent diagonal bands in shades of red and light blue, creating a dynamic, layered effect.

# Overview of FY2022 2nd Quarter Financial Results

1. Both revenue and operating profit increased due to recovery of vehicle sales from COVID-19 and because of profit improvements from the previous year, although the semiconductor shortage has occurred recently.
2. While it is difficult to project how the business environment might change due to factors like the lengthening of the semiconductor shortage, DENSO secured our full-year forecast from the previous announcement. Revenue is 5,540.0 billion yen and operating profit is 440.0 billion yen. DENSO has achieved these results by strengthening our ability to cope with environmental changes and increasing profit.
3. DENSO raised our interim dividend and year-end dividend forecast from 70 yen to 80 yen, then total full-year dividend forecast is 160 yen. (Up 20 yen from previous forecast)

# FY2022 2nd Quarter Financial Results (2021/4-2021/9)

## P/L (IFRS)

(Ratio to Revenue)

[Unit: Billions of Yen, %]

	(Ratio to Revenue)		[Unit: Billions of Yen, %]	
	2020/4-2020/9	2021/4-2021/9	Change	
<b>Revenue</b>	2,074.7	<b>2,582.9</b>	+508.2	+24.5%
<b>Operating Profit</b>	( - ) -69.6 (6.2%)	<b>159.3</b>	+228.9	—
<b>Profit before Income Taxes</b>	( - ) -55.4 (7.1%)	<b>182.9</b>	+238.3	—
<b>Profit (*)</b>	( - ) -71.1 (4.4%)	<b>112.7</b>	+183.9	—

\* Profit attributable to owners of the parent company

[Unit: Millions of Units]

Precondition	Foreign Exchange Rate	JPY 106.9/USD	JPY 109.8/USD	+2.9 JPY	-
		JPY 121.3/EUR	JPY 130.9/EUR	+9.6 JPY	-
		JPY 15.3/CNY	JPY 17.0/CNY	+1.7 JPY	-
	Domestic Vehicle Production	3.34	3.54	+0.20	+5.8%
	Overseas Vehicle Production of Japanese Manufacturers	6.25	8.45	+2.20	+35.3%

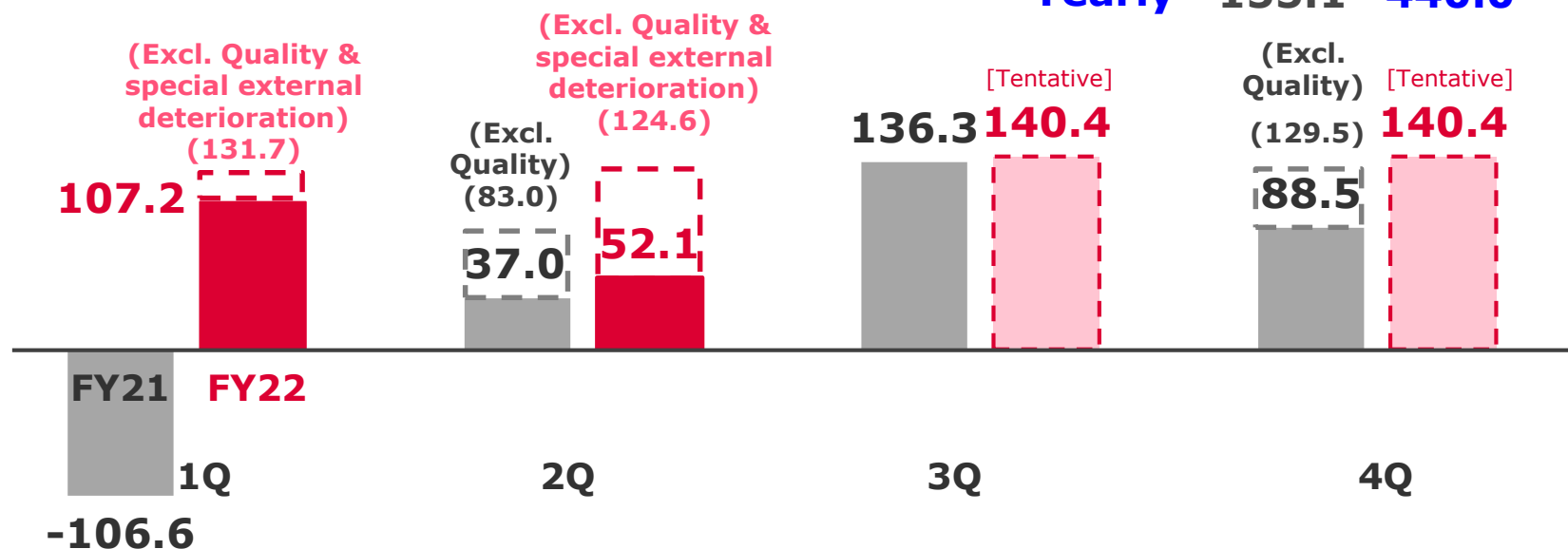
# Quarterly Sales revenue & Operating Profit Trends

(Unit: Billions of yen)

## Revenue

1Q		2Q		3Q		4Q		
FY21	FY22	FY21	FY22	FY21	FY22	FY21	FY22	
765.1	1,356.9	1,309.6	1,226.1	1,433.9	1,478.6	1,428.1	1,478.6	
[100]	[177]	[100]	[94]	[100]	[103]	[100]	[104]	
						<b>Yearly</b>	<b>4,936.7</b>	<b>5,540.0</b>
							[100]	[112]

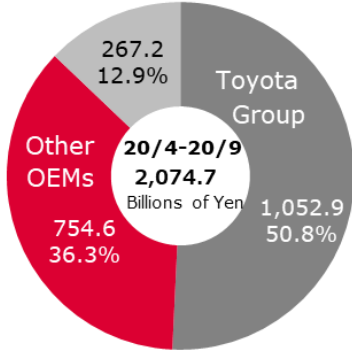
## Operating profit



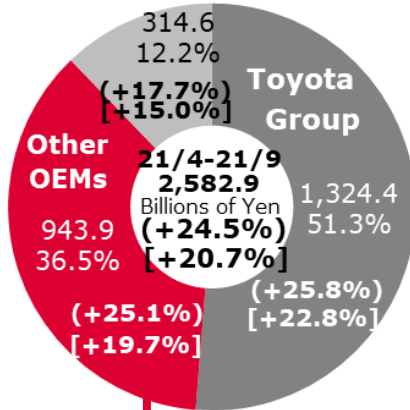
# FY2022 2nd Quarter Consolidated Revenue (By Customer)

(Unit: Billions of Yen)  
 ( ): vs 20/4-9 (6 months basis)  
 INCR/DECR  
 [ ] : vs 20/4-9 (6 months basis)  
 INCR/DECR excluding FX diff.  
 \* : vs 20/7-9 (3months basis)  
 INCR/DECR excluding FX diff.

After-market,  
 Non-Automotive Business etc.



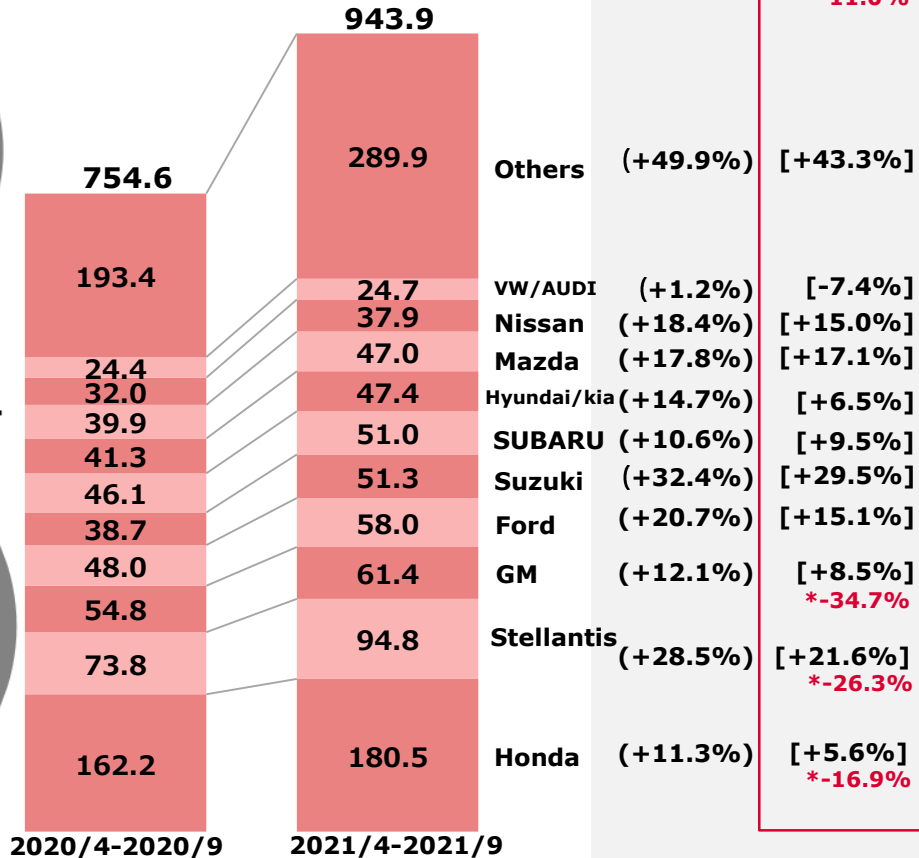
After-market,  
 Non-Automotive Business etc.



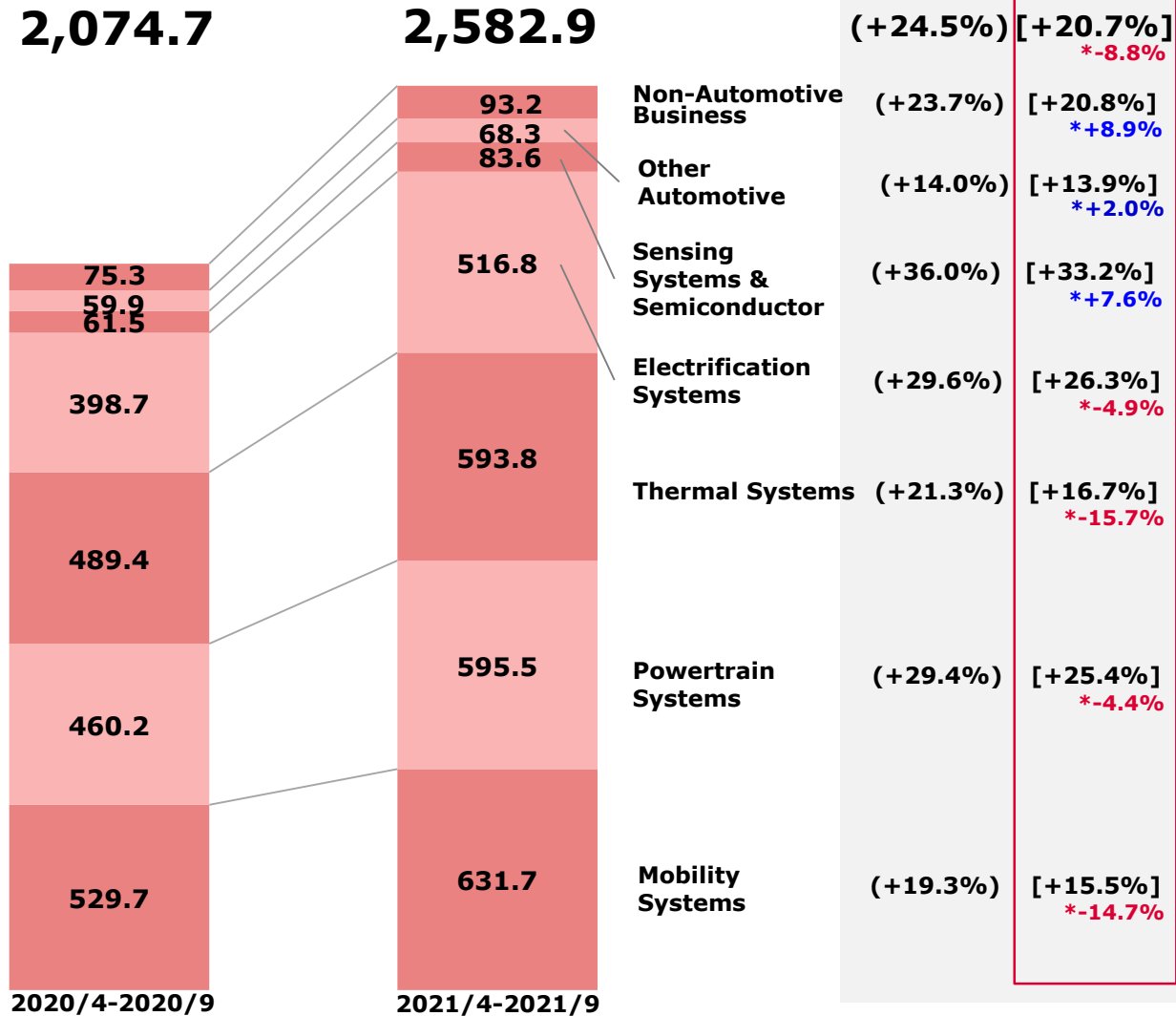
**Revenue** 2,074.7 ⇒ 2,582.9 (+24.5%) [+20.7%]  
 \*-8.8%

• **Toyota group** 1,052.9 ⇒ 1,324.4 (+25.8%) [+22.8%]  
 \*-8.3%

• **Other OEMs** 754.6 ⇒ 943.9 (+25.1%) [+19.7%]  
 \*-11.0%



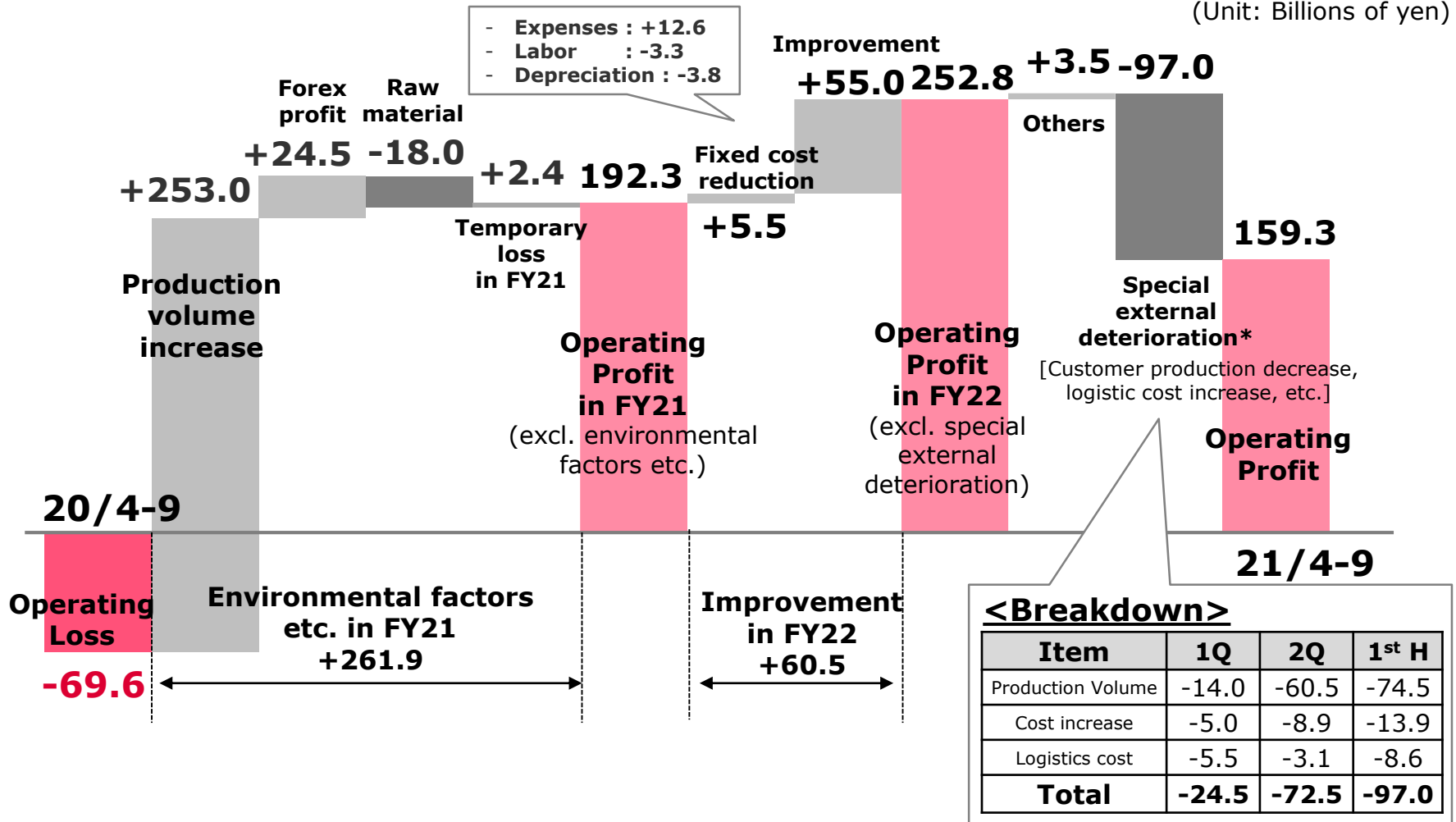
# FY2022 2nd Quarter Consolidated Revenue ( By Product )



(Unit: Billions of Yen)  
 ( ) :vs 20/4-9 (6 months basis) INCR/DECR  
 [ ] :vs 20/4-9 (6 months basis) INCR/DECR excluding FX diff.  
 \* :vs 20/7-9 (3months basis) INCR/DECR excluding FX diff.

# Change in FY2022 2nd Quarter Operating Profit

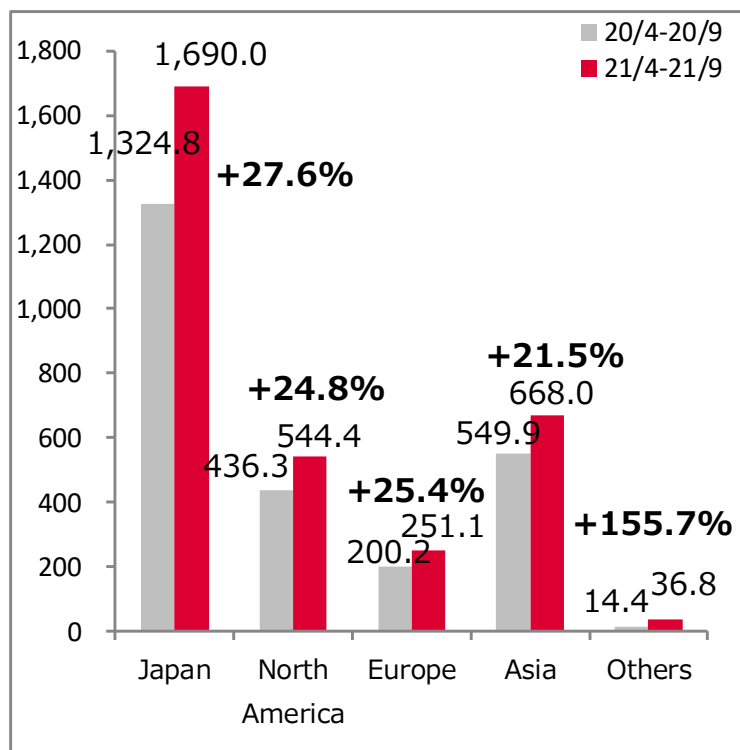
(Unit: Billions of yen)



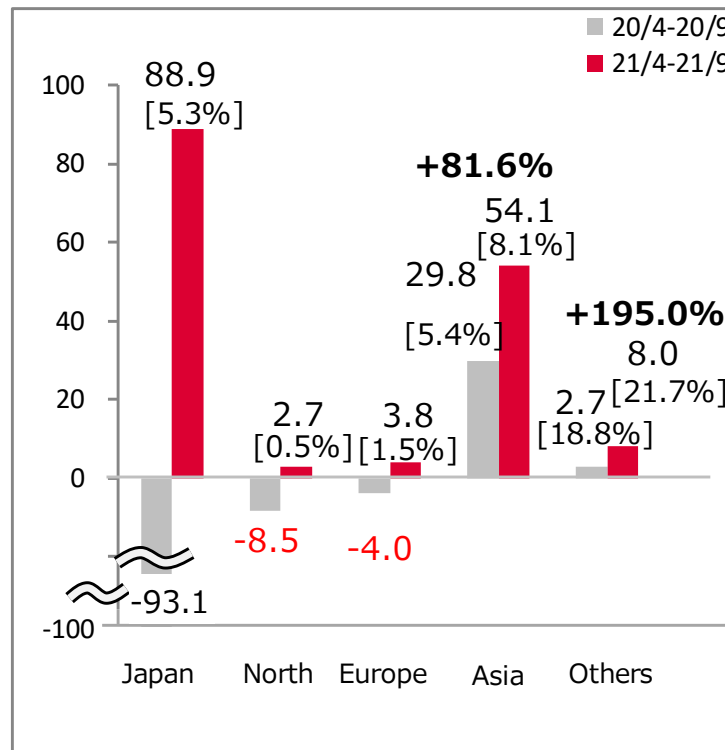
# Geographical Segments by Company Location

Local currency basis excludes FX difference  
 (106.9JPY/1USD, 121.3JPY/1EUR, 15.3JPY/1CNY)

## Revenue

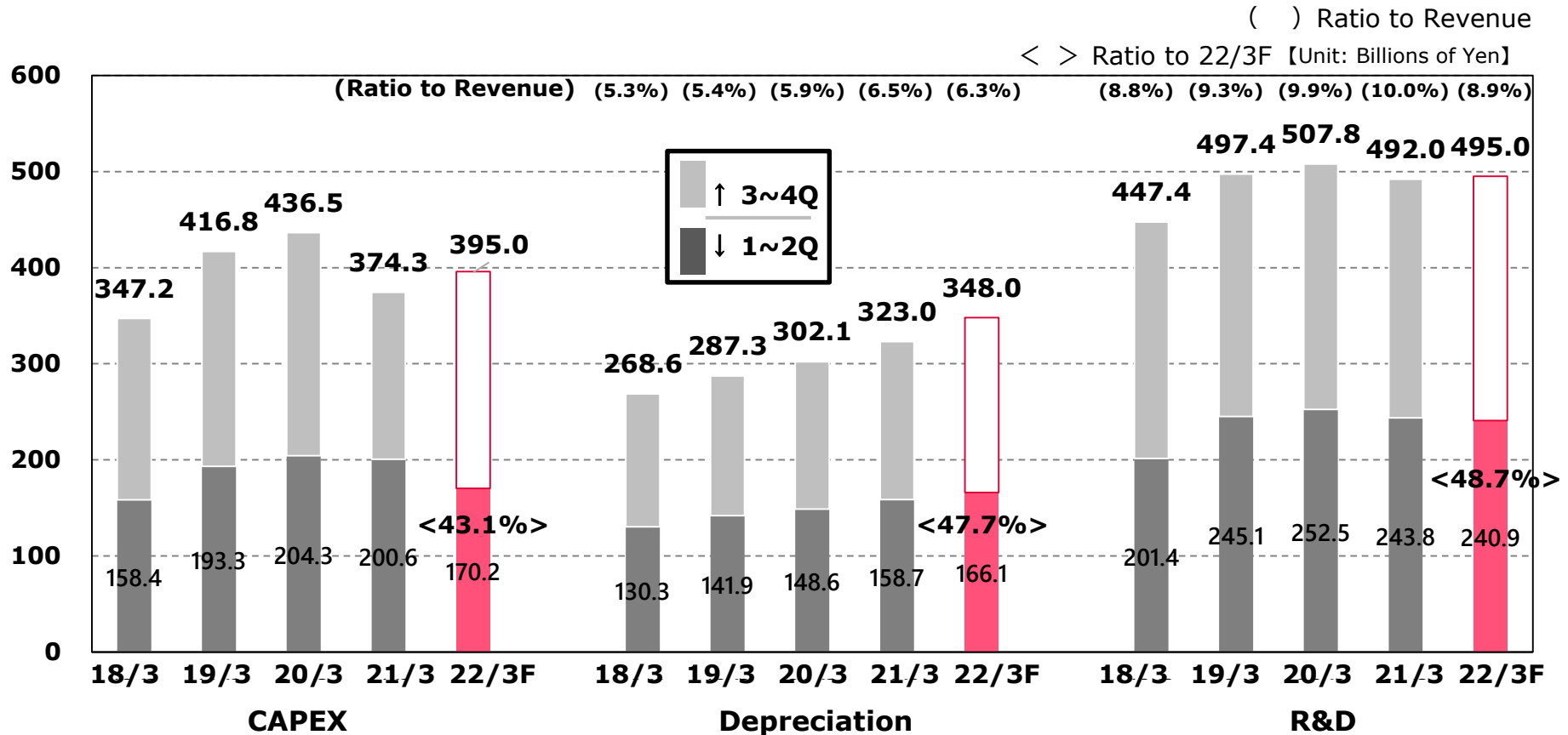


## Operating Profit (Unit: Billions of Yen) [ ]: Ratio to Revenue





# Trend of Capital Expenditures, Depreciation and R&D Expenditures



# FY2022 Financial Forecast

## P/L (IFRS)

	(Ratio to Revenue)				[Unit: Billions of Yen, %]				
	Forecast as of June 2021		<b>2022/3 Forecast</b>		Change from previous forecast		<b>2021/3 Actual</b>		Change from Mar. 2021
<b>Revenue</b>		5,540.0	<b>5,540.0</b>	0	—		4,936.7	+603.3	+12.2%
<b>Operating Profit</b>	(7.9%)	440.0	<b>(7.9%) 440.0</b>	0	—	(3.1%)	155.1	+284.9	+183.7%
<b>Profit before Income Taxes</b>	(8.7%)	481.0	<b>(8.7%) 481.0</b>	0	—	(3.9%)	193.8	+287.2	+148.3%
<b>Profit (*1)</b>	(6.1%)	336.0	<b>(6.1%) 336.0</b>	0	—	(2.5%)	125.1	+210.9	+168.7%

\*1 Profit attributable to owners of the parent company

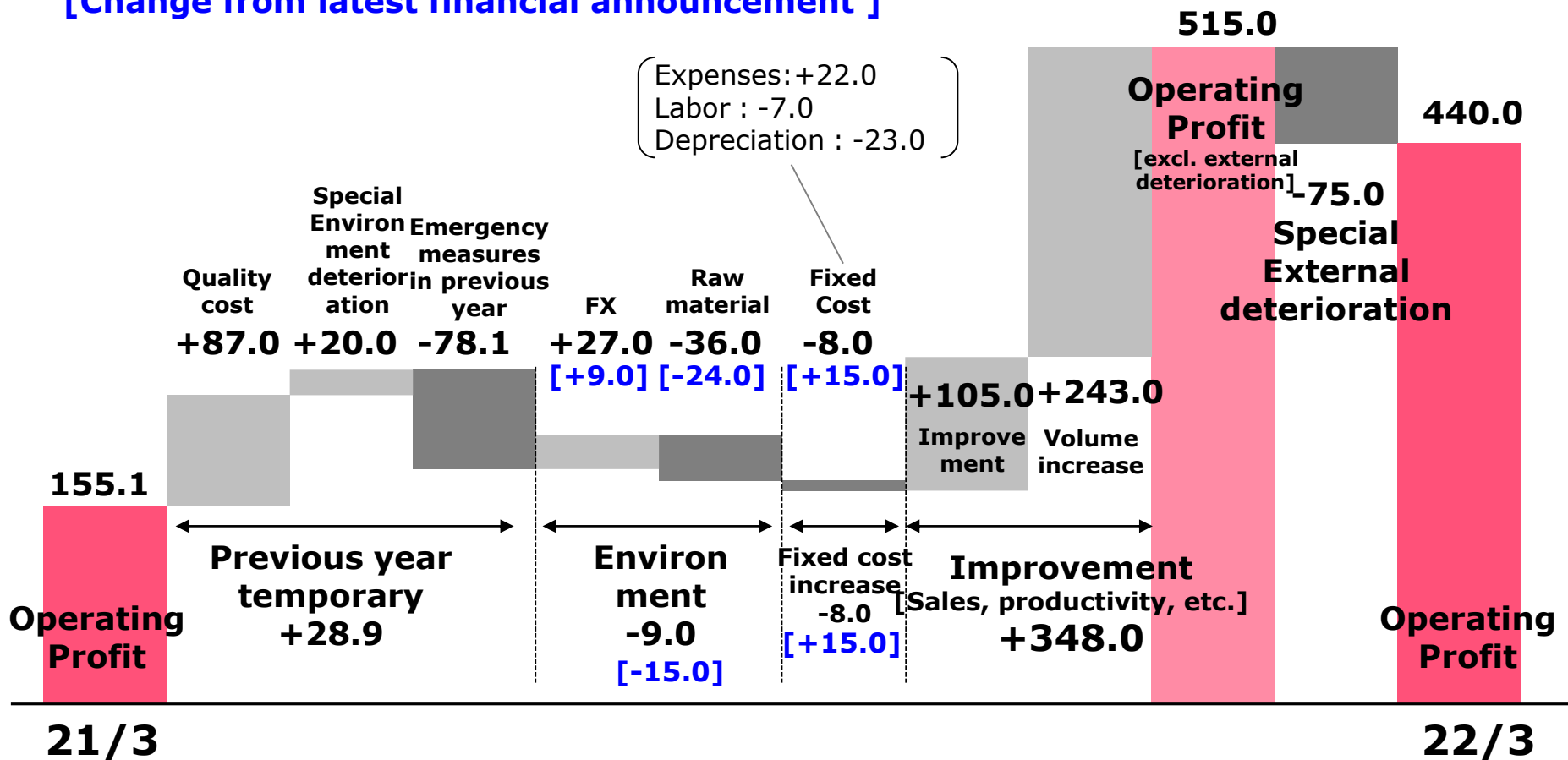
	[Unit: Millions of Units]							
	Precondition							
Foreign Exchange Rate	JPY	106.1/USD	JPY	107.4/USD	+1.3 JPY	—	JPY	106.1/USD
	JPY	126.7/EUR	JPY	127.9/EUR	+1.2 JPY	—	JPY	123.7/EUR
	JPY	16.3/CNY	JPY	16.6/CNY	+0.3 JPY	—	JPY	15.7/CNY
Domestic Vehicle Production	(*)	8.82		8.25	-0.57	-6.4%		7.88
Overseas Vehicle Production of Japanese Manufacturers	(*)	19.60		18.31	-1.29	-6.6%		15.85

\*2 Risk of external environment deterioration is not reflected.

# Change in FY2022 Operating Profit

(Unit: Billions of Yen)

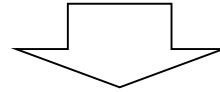
[Change from latest financial announcement]



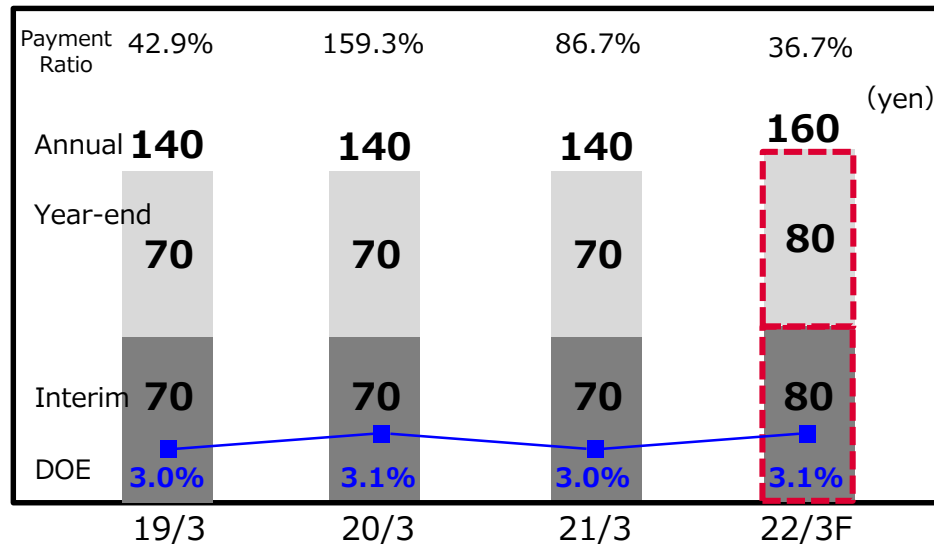
# Return to Shareholders

## <Policy>

Improve the dividend level in stable and long term



Interim dividend : 80 yen (Increased by 10 yen from the announcement of the beginning of the fiscal year)  
Year-end dividend (Forecast) : 80 yen (Increased by 10 yen and 20 yen a year same as the above)



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# Appendix

- Pre-Conditions (Foreign Exchange Rate/Car Production)
- Consolidated Revenue by Customer
- Consolidated Revenue by Product
- Geographical Segments by Company Location
- Capital Expenditures, Depreciation and R&D Expenditures

# Pre-Conditions (Foreign Exchange Rate/Car Production)

		FY2022 Full Year									
		21/4-21/9			21/10-22/3						
		Prior Year	Actual	Change	Prior Year	Forecast (Revised)	Change	Prior Year	Forecast as of June 2020	Forecast (Revised)	Change
Foreign Exchange Rate (Yen)	USD	106.9	109.8	+ 2.9	105.2	105.0	-0.2	106.1	106.1	107.4	+ 1.3
	EUR	121.3	130.9	+ 9.6	126.1	125.0	-1.1	123.7	126.7	127.9	+ 4.3
	CNY	15.3	17.0	+ 1.7	16.1	16.1	-	15.7	16.3	16.6	+ 0.9
Forex Impact on Operating Income per Yen (Billions of Yen)	USD							2.1	3.0	3.1	+ 1.0
	EUR							0.8	1.0	1.0	+ 0.2
	CNY							15.4	19.2	19.1	+ 3.7
Car Production of Japanese Manufacturers (Millions of Units)	Domestic	3.34	3.54	+ 5.8%	4.54	4.72	+ 3.9%	7.88	* 8.82	8.25	+ 4.8%
	Overseas	6.25	8.45	+ 35.3%	9.60	9.86	+ 2.7%	15.85	*19.60	18.31	+ 15.6%

\* Risk of external environment deterioration is not reflected to Forecast.

# Consolidated Revenue (By Customer)

(Unit: Billions of Yen)

	20/4-20/9		21/4-21/9		Change		Change excludes FX difference, etc. %
	Amount	% to Total	Amount	% to Total	Amount	%	
Toyota	983.1	47.4	1,237.5	47.9	+254.4	+25.9	+22.8
Daihatsu	48.8	2.4	58.7	2.3	+10.0	+20.5	+18.4
Hino	21.0	1.0	28.2	1.1	+7.1	+33.8	+33.3
<b>Toyota Group</b>	<b>1,052.9</b>	<b>50.8</b>	<b>1,324.4</b>	<b>51.3</b>	<b>+271.5</b>	<b>+25.8</b>	<b>+22.8</b>
Honda	162.2	7.9	180.5	7.0	+18.3	+11.3	+5.6
Stellantis	73.8	3.6	94.8	3.7	+21.0	+28.5	+21.6
(FCA)	59.4	2.9	76.1	2.9	+16.7	+28.2	+22.0
(PSA)	14.4	0.7	18.7	0.7	+4.3	+29.6	+19.9
GM	54.8	2.6	61.4	2.4	+6.6	+12.1	+8.5
Ford	48.0	2.3	58.0	2.2	+9.9	+20.7	+15.1
Suzuki	38.7	1.9	51.3	2.0	+12.5	+32.4	+29.5
SUBARU	46.1	2.2	51.0	2.0	+4.9	+10.6	+9.5
Hyundai/Kia	41.3	2.0	47.4	1.8	+6.1	+14.7	+6.5
Mazuda	39.9	1.9	47.0	1.8	+7.1	+17.8	+17.1
Nissan	32.0	1.5	37.9	1.5	+5.9	+18.4	+15.0
ISUZU	21.4	1.0	34.8	1.3	+13.4	+62.4	+61.4
VW·AUDI	24.4	1.2	24.7	1.0	+0.3	+1.2	-7.4
BMW	19.6	0.9	23.9	0.9	+4.2	+21.6	+13.5
Mitsubishi	9.2	0.4	22.0	0.9	+12.8	+139.0	+134.7
Daimler	8.6	0.4	11.4	0.4	+2.8	+33.0	+22.5
Volvo	13.5	0.7	12.8	0.5	-0.7	-5.4	-13.5
OE Sales for others	120.9	5.8	185.0	7.2	+64.2	+53.1	+45.8
<b>OEM Total</b>	<b>1,807.5</b>	<b>87.1</b>	<b>2,268.3</b>	<b>87.8</b>	<b>+460.8</b>	<b>+25.5</b>	<b>+21.5</b>
<b>Non-Automotive Business(*)</b>	<b>267.2</b>	<b>12.9</b>	<b>314.6</b>	<b>12.2</b>	<b>+47.4</b>	<b>+17.7</b>	<b>+15.0</b>
<b>Total</b>	<b>2,074.7</b>	<b>100.0</b>	<b>2,582.9</b>	<b>100.0</b>	<b>+508.2</b>	<b>+24.5</b>	<b>+20.7</b>

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



# Consolidated Revenue (By Product)

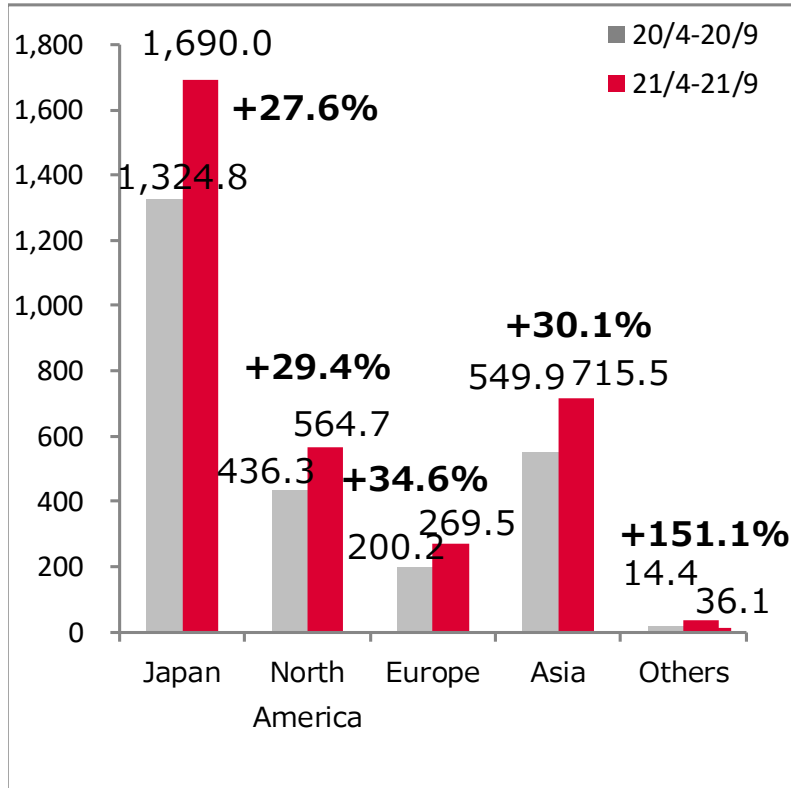
(Unit: Billions of Yen)

	20/4-20/9		21/4-21/9		Change		Change excludes FX difference
	Amount	% to Total	Amount	% to Total	Amount	%	%
Mobility Electronics	529.7	25.5	631.7	24.5	102.0	19.3	15.5
Powertrain Systems	460.2	22.2	595.5	23.1	135.3	29.4	25.4
Thermal Systems	489.4	23.6	593.8	23.0	104.4	21.3	16.7
Electrification Systems	398.7	19.2	516.8	20.0	118.1	29.6	26.3
Sensing Systems & Semiconductor	61.5	3.0	83.6	3.2	22.1	36.0	33.2
Others(*)	59.9	2.9	68.3	2.6	8.4	14.0	13.9
<b>Automotive Total</b>	<b>1,999.4</b>	<b>96.4</b>	<b>2,489.7</b>	<b>96.4</b>	<b>490.4</b>	<b>24.5</b>	<b>20.5</b>
<b>Non-Automotive Business Total</b>	<b>75.3</b>	<b>3.6</b>	<b>93.2</b>	<b>3.6</b>	<b>17.9</b>	<b>23.7</b>	<b>20.8</b>
<b>Total</b>	<b>2,074.7</b>	<b>100.0</b>	<b>2,582.9</b>	<b>100.0</b>	<b>508.2</b>	<b>24.5</b>	<b>20.7</b>

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

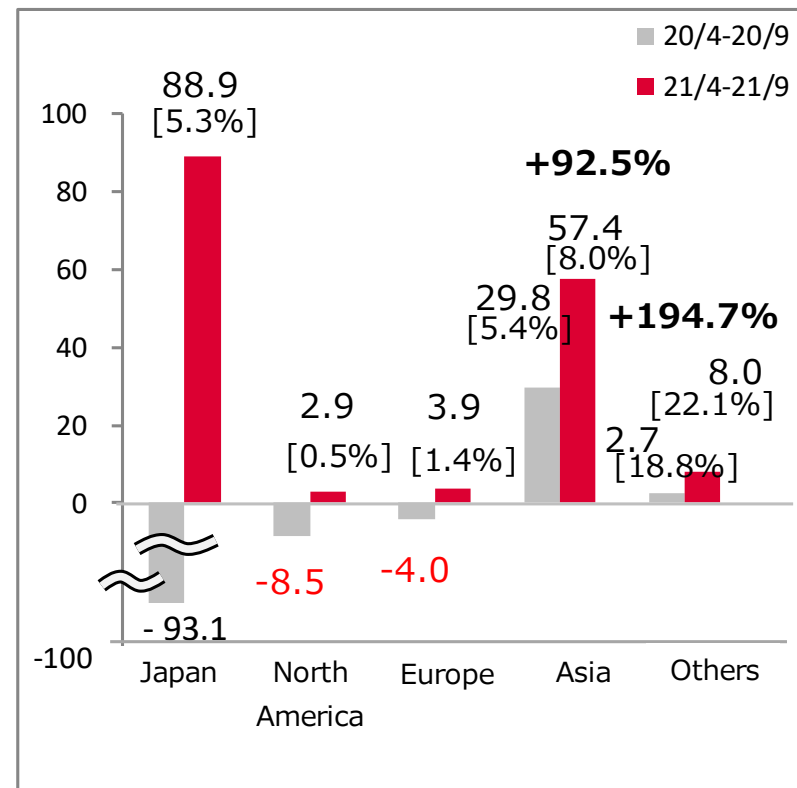
# 2nd Quarter Geographical Segments by Company Location (Local Currency Base)

## Revenue



## Operating Profit

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



# Capital Expenditures, Depreciation and R&D Expenditures

(Unit: Billions of Yen)

		21/3		22/3F		Change from 20/9 (%)	Progress to 22/3 Forecast
		20/9		21/9			
Capital Expenditure	Japan	143.7	257.6	113.2	250.0	- 21.2%	45.3%
	North America	17.5	34.3	20.3	40.0	+16.0%	50.8%
	Europe	7.4	16.8	8.7	20.0	+17.6%	43.5%
	Asia	31.2	63.5	26.7	82.0	- 14.4%	32.6%
	Others	0.8	2.1	1.3	3.0	+62.5%	43.3%
		200.6	374.3	170.2	395.0	- 15.2%	43.1%
Depreciation	Japan	101.3	205.7	104.8	217.0	+3.5%	48.3%
	North America	19.8	39.5	20.4	43.0	+3.0%	47.4%
	Europe	11.7	24.5	12.8	26.0	+9.4%	49.2%
	Asia	25.2	51.9	27.3	60.0	+8.3%	45.5%
	Others	0.7	1.4	0.8	2.0	+14.3%	40.0%
		158.7	323.0	166.1	348.0	+4.7%	47.7%
R&D Expenditure (Ratio to Revenue)		243.8 (11.7%)	492.0 (10.0%)	240.9 (9.3%)	495.0 (8.9%)	- 1.2%	48.7%