

# FY2021 2<sup>nd</sup> Quarter Financial Results ended September 30, 2020

## HIGH-LIGHT

- A decline in vehicle sales due to COVID-19 in the 1st quarter impacted significant decrease in revenue. Although revenue have been on a recovery trend since the 2nd quarter, overall revenue in the 1st half decreased year-on-year. Operating income was positive in the 2nd quarter, but was negative in the 1st half.
- The forecast for '20/Apr - '21/Mar, with sales of 4.54 trillion yen and operating income of 100 billion yen, remains unchanged due to uncertain outlook. Year-end dividend forecast is 70 yen based on long-term stable dividend policy.

**DENSO**

Crafting the Core

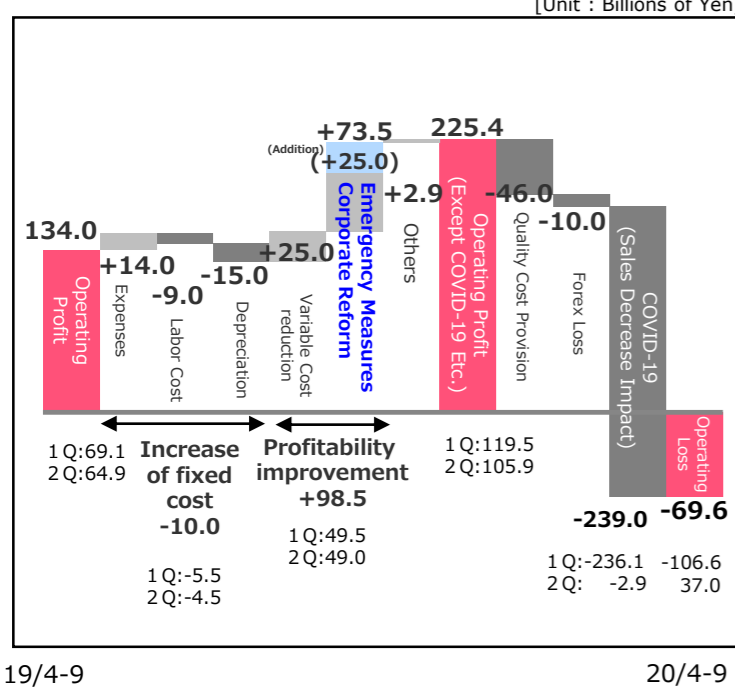
October 29, 2020

### 1. Consolidated Financial Results (IFRS)

Account	2019/4-9		2020/4-9		Change		20/4-21/3 Forecast		Change	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Revenue	( 100.0 )	2,618.4	( 100.0 )	2,074.7	-543.7	-20.8	( 100.0 )	4,540.0	-11.9	
Operating profit	( 5.1 )	134.0	( - )	-69.6	-203.6	-	( 2.2 )	100.0	63.7	
Profit before income taxes	( 5.8 )	151.2	( - )	-55.4	-206.6	-	( 2.9 )	131.0	46.2	
Profit for the period(※)	( 4.0 )	104.2	( - )	-71.1	-175.3	-	( 1.7 )	75.0	10.1	
Foreign Exchange Rate (US\$)		109 Yen		107 Yen				106 Yen		
Foreign Exchange Rate (Euro)		121 Yen		121 Yen				120 Yen		
Car Production in Japan		4.68 Mil units		3.34 Mil units				76.4 Mil units		
Overseas Car Production of Japanese Manufacturers		9.61 Mil units		6.25 Mil units				156.5 Mil units		

※ Profit attributable to owners of the parent company

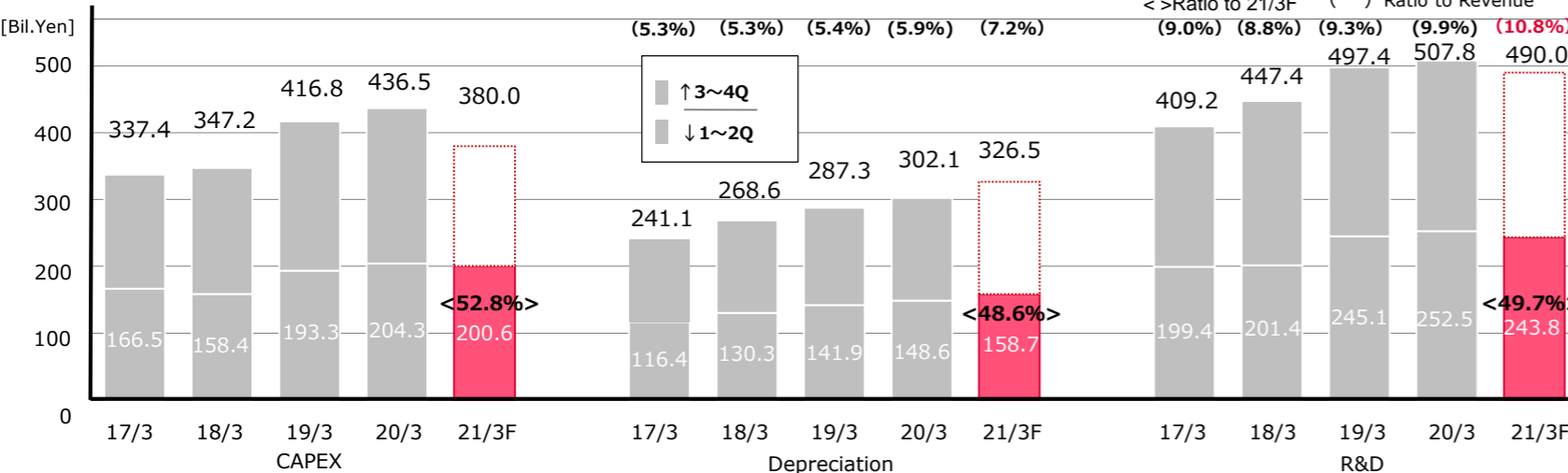
### 2. Changes in Operating Profit (19/9-20/9)



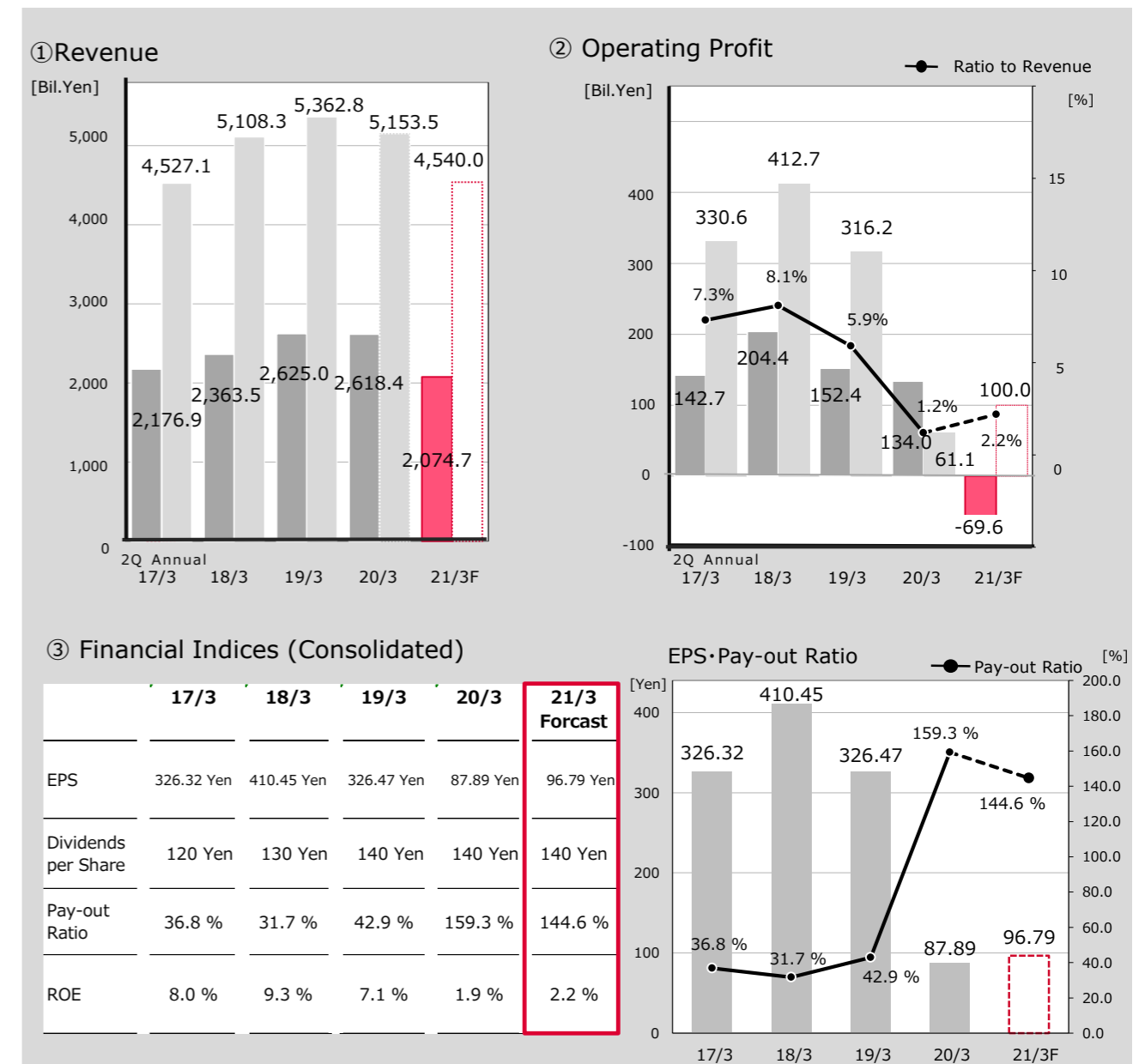
### 3. Geographic Segments By Company Location

Revenue	19/4-19/9		20/4-20/9		Change		19/7-19/9		20/4-21/3 Forecast	
	Margin	Margin	Margin	Margin	Margin	Margin	Margin	Margin	Margin	
Japan	1,626.0	-	1,324.8	-	-18.5%	796.4	3,090.0			
North America	603.5	-	436.3	-	-27.7%	314.5	1,010.0			
Europe	295.0	-	200.2	-	-32.1%	133.0	470.0			
Asia	660.0	-	549.9	-	-16.7%	321.7	1,128.0			
Others	34.5	-	14.4	-	-58.4%	11.4	30.0			
Eliminations	-600.6	-	-450.8	-	-	-267.4	-1,188.0			
<b>Total</b>	<b>2,618.4</b>	<b>-</b>	<b>2,074.7</b>	<b>-</b>	<b>-20.8%</b>	<b>1,309.6</b>	<b>4,540.0</b>			
Operating Profit										
Japan	56.4	3.5%	-93.1	-	-	-2.3	5.0			
North America	11.2	1.9%	-8.5	-	-	17.8	23.0			
Europe	6.3	2.1%	-4.0	-	-	4.2	5.5			
Asia	50.4	7.6%	29.8	5.4%	-40.9%	26.3	66.0			
Others	6.3	18.2%	2.7	18.8%	-56.8%	1.4	0.5			
Eliminations	3.4	-	3.5	-	-	-10.4	0.0			
<b>Total</b>	<b>134.0</b>	<b>5.1%</b>	<b>-69.6</b>	<b>-</b>	<b>-</b>	<b>37.0</b>	<b>100.0</b>			

### 4. Capital Expenditures and Depreciation, R&D Expenditures



### Reference



### Denso's Materiality and SDGs

Denso's Materiality

Relevant SDGs to which DENSO primarily contributes through its overall corporate activities

**The Environment**

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

**Peace of Mind**

- Reduction of traffic accidents
- Provision of free and comfortable movement
- Provision of safe and secure products
- Response to decrease in birthrate and aging population

Relevant SDGs to which DENSO primarily contributes through its products and services

**Corporate Foundation**

- Compliance
- Strengthening of information security
- Promotion of the active role of human resources
- Occupational health and safety

- Workstyle reforms
- Protection of human rights
- Sustainable procurement
- Governance structure