

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

DENSO

Crafting the Core

FY2024 1st Quarter Financial Results (2023/4-2023/6)

July 28th, 2023
DENSO CORPORATION

Overview of FY2024 1st Quarter Financial Results

1

Revenue in the first quarter increased compared to the previous year due to the easing of the semiconductor shortage, vehicle production increase, foreign exchange gains and expansion of products for electrification, safety and peace of mind areas. Operating profit in the first quarter increased compared to the previous year due to production volume, foreign exchange gains and improvement, though the continuing rise in the cost of materials, especially electronic components.

2

In this fiscal year, we forecast 6,700.0 billion yen in revenue and 600.0 billion yen in operating profit. Revenue and operating profit will be based on strong sales actuals in the first quarter and forecast of foreign exchange gains and sales expansions in the second quarter.

3

The shares of common stock owned by shareholders will be split into 4 shares per share(*). The annual dividend for the concluded fiscal year will be 200 yen as pre-stock split conversion. We will increase the dividend by a 5 yen in the second quarter and at the end of the fiscal year from the previous forecast.

* Record date : September 30th, 2023

FY2024 1st Quarter Financial Results (2023/4-2023/6)

P/L (IFRS)

(Ratio to Revenue) 【 Unit: Billions of Yen, % 】

	2022/4-2022/6		2023/4-2023/6		Change	
Revenue		1,415.0		1,712.9	+297.9	+21.0%
Operating Profit	(4.5%)	63.6	(5.5%)	94.4	+30.7	+48.3%
Profit before Income Taxes	(5.8%)	82.6	(7.5%)	129.3	+46.7	+56.6%
Profit (*)	(3.7%)	51.9	(5.0%)	85.5	+33.6	+64.7%

* Profit attributable to owners of the parent company

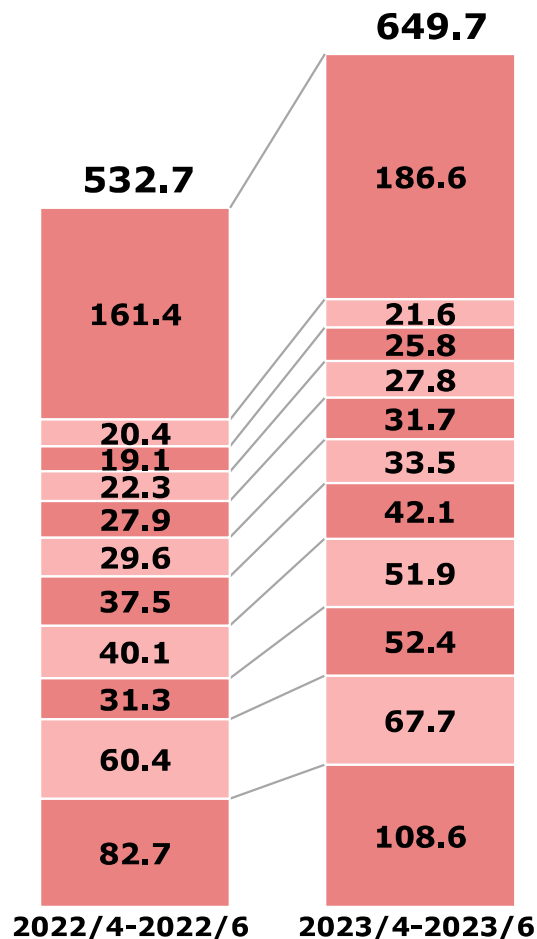
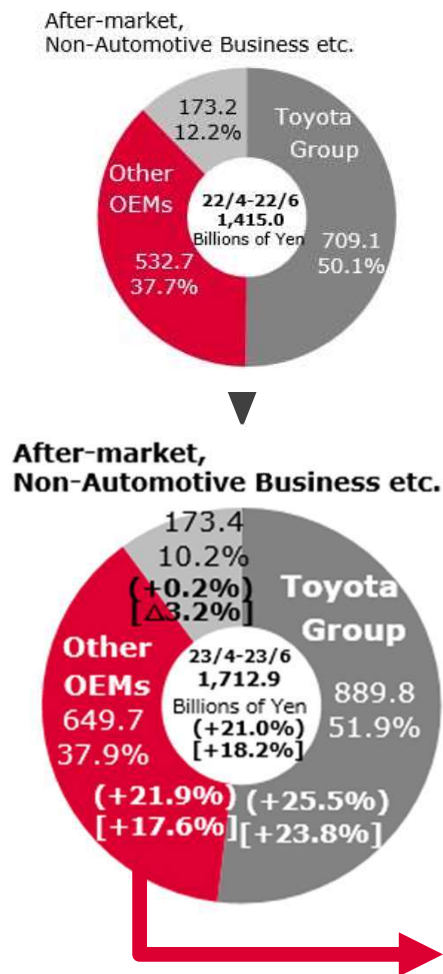
【 Unit: Millions of Units】

Precondition	Foreign Exchange Rate	JPY	129.6/USD	JPY	137.4/USD	+7.8 JPY	-
		JPY	138.1/EUR	JPY	149.5/EUR	+11.4 JPY	-
		JPY	19.6/CNY	JPY	19.6/CNY	—	-
	Domestic Vehicle Production		1.63		2.06	+0.42	+25.9%
	Overseas Vehicle Production of Japanese Manufacturers		4.01		4.35	+0.33	+8.2%

FY2024 1st Quarter Consolidated Revenue (By Customer)

(Unit: Billions of Yen)
 ():vs 22/4-6 (3 months basis)
 INCR/DECR
 []:vs 22/4-6 (3 months basis)
 INCR/DECR
 excluding FX diff.

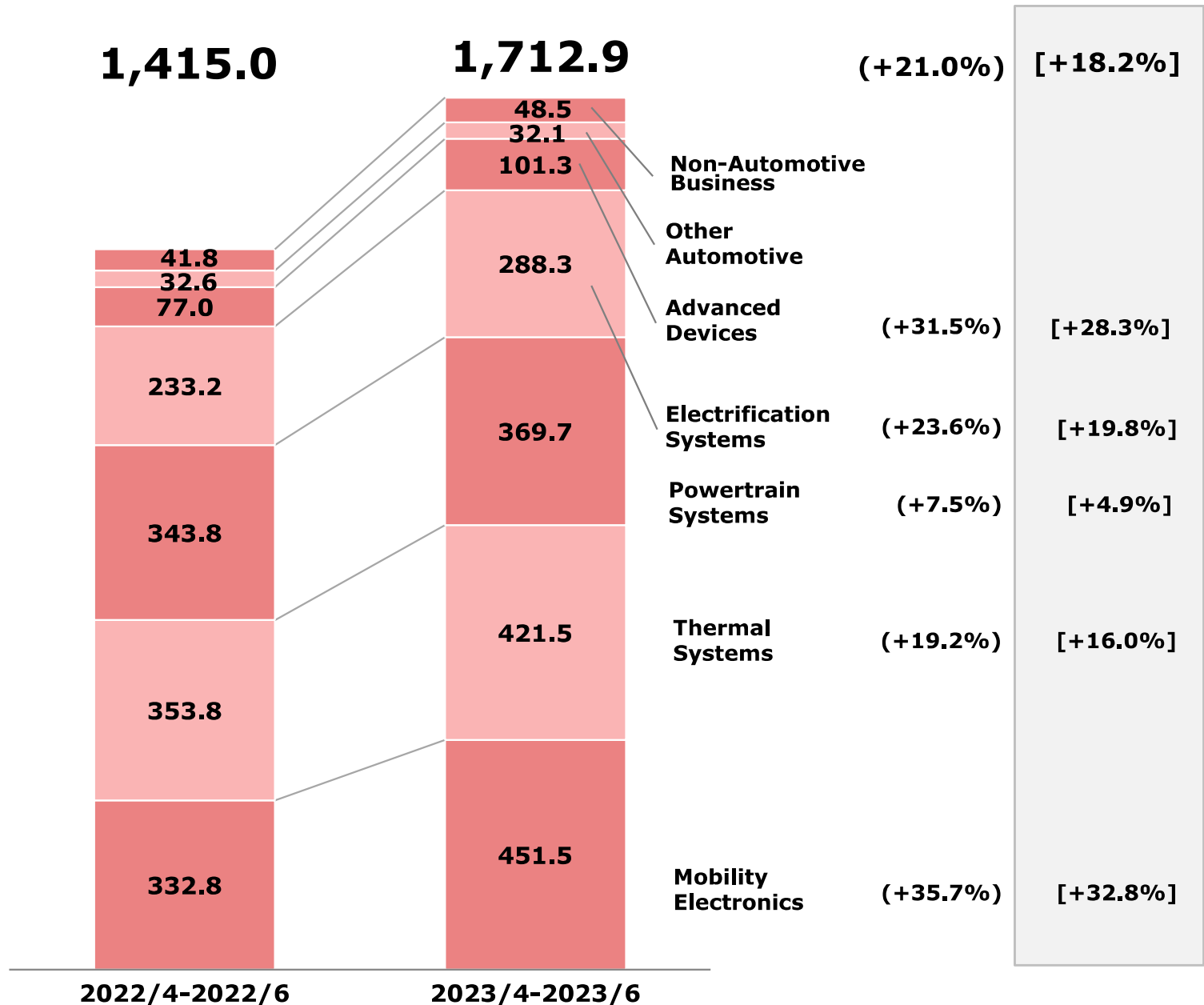
Revenue	1,415.0	⇒	1,712.9	(+21.0%)	[+18.2%]
▪ Toyota group	709.1	⇒	889.8	(+25.5%)	[+23.8%]
▪ Other OEMs	532.7	⇒	649.7	(+21.9%)	[+17.6%]



Others (VWG, Mitsubishi, BMW, John Deere, TDSG etc.)	(+15.6%)	[+11.0%]
Isuzu	(+6.1%)	[+3.1%]
Nissan	(+35.3%)	[+34.8%]
Mazda	(+24.8%)	[+23.4%]
Hyundai/Kia	(+13.4%)	[+11.7%]
Suzuki	(+13.3%)	[+13.0%]
GM	(+12.3%)	[+6.4%]
Ford	(+29.5%)	[+21.8%]
SUBARU	(+67.3%)	[+63.2%]
Stellantis	(+12.1%)	[+6.0%]
Honda	(+31.2%)	[+26.9%]

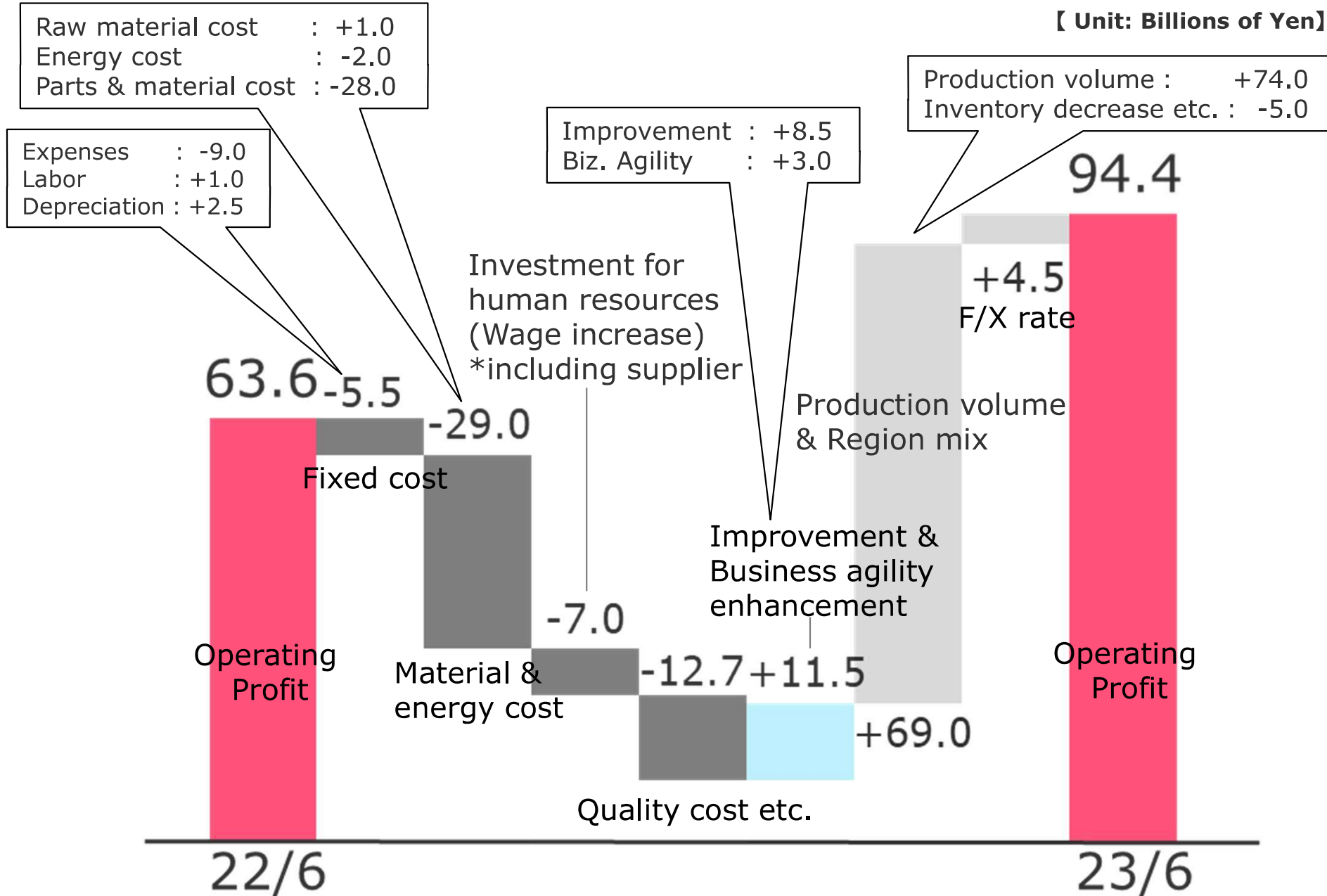
FY2024 1st Quarter Consolidated Revenue (By Product)

(Unit: Billions of Yen)
 ():vs 22/4-6 (3 months basis)
 INCR/DECR
 []:vs 22/4-6 (3 months basis)
 INCR/DECR
 excluding FX diff.



Change in FY2024 1st Quarter Operating Profit

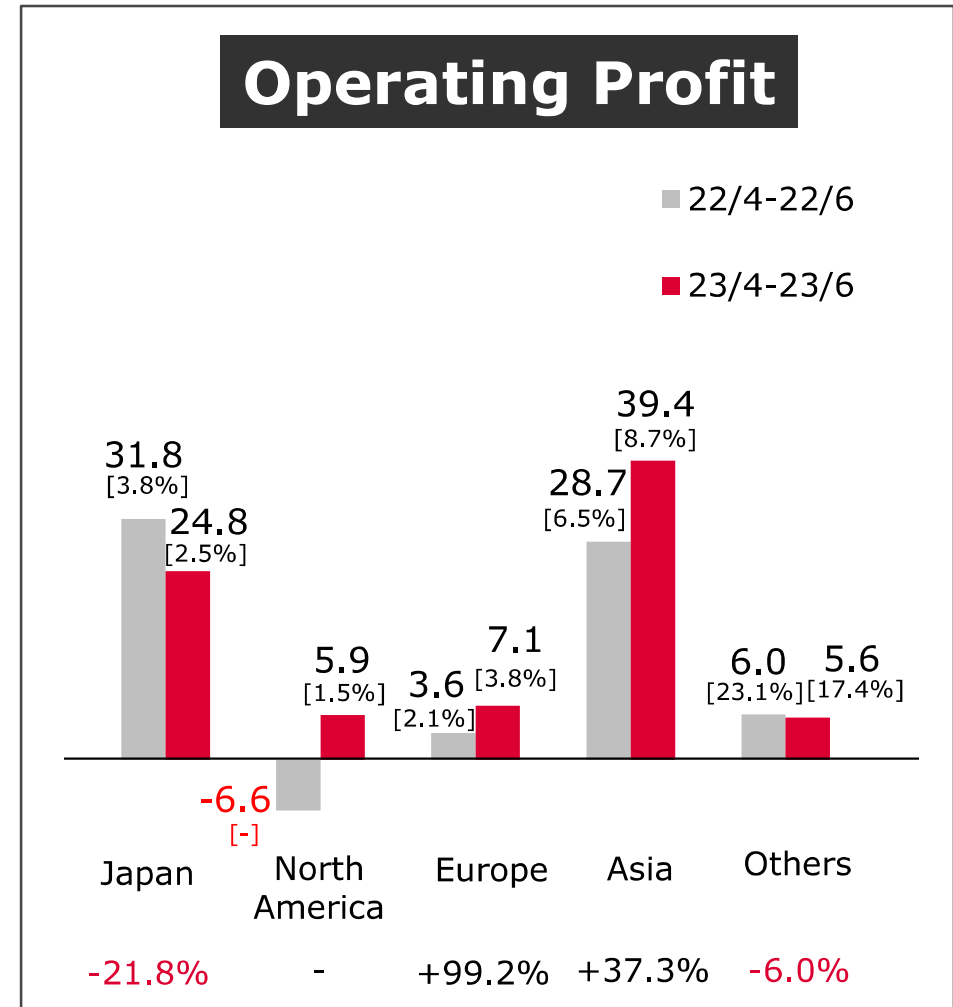
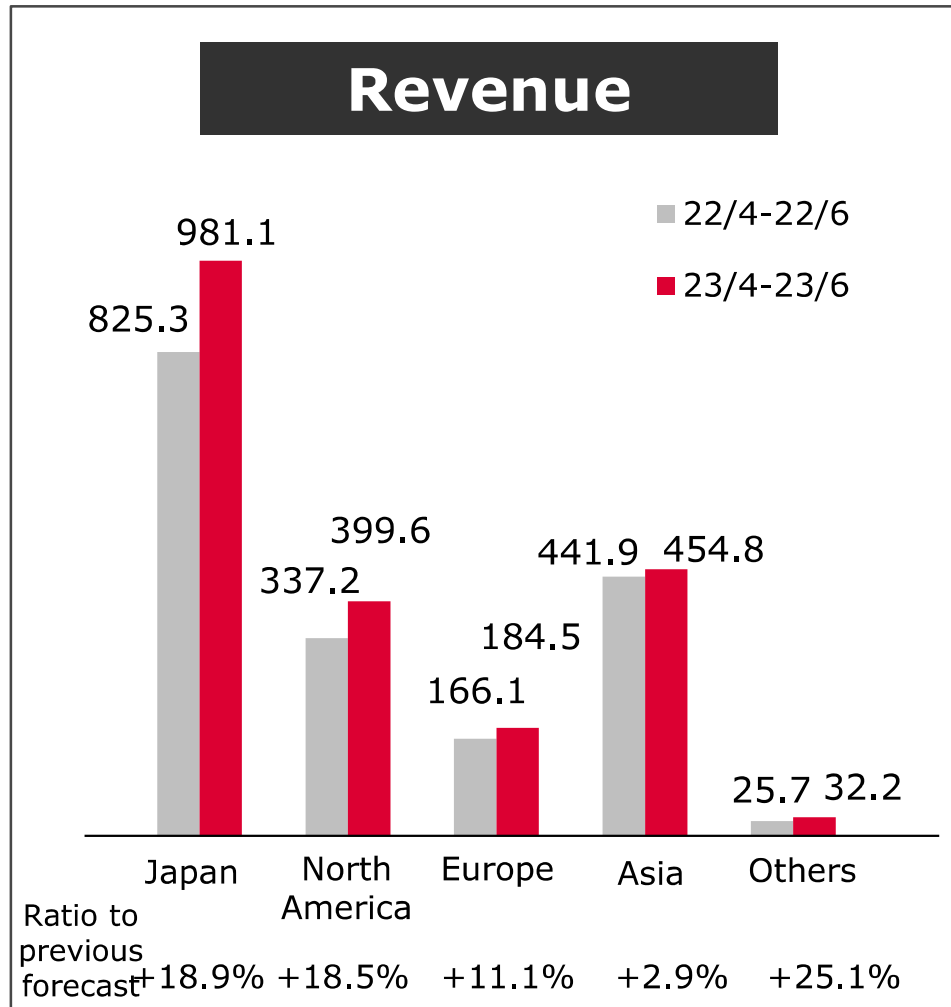
[Unit: Billions of Yen]



Geographical Segments by Company Location

【Unit : Billions of Yen】

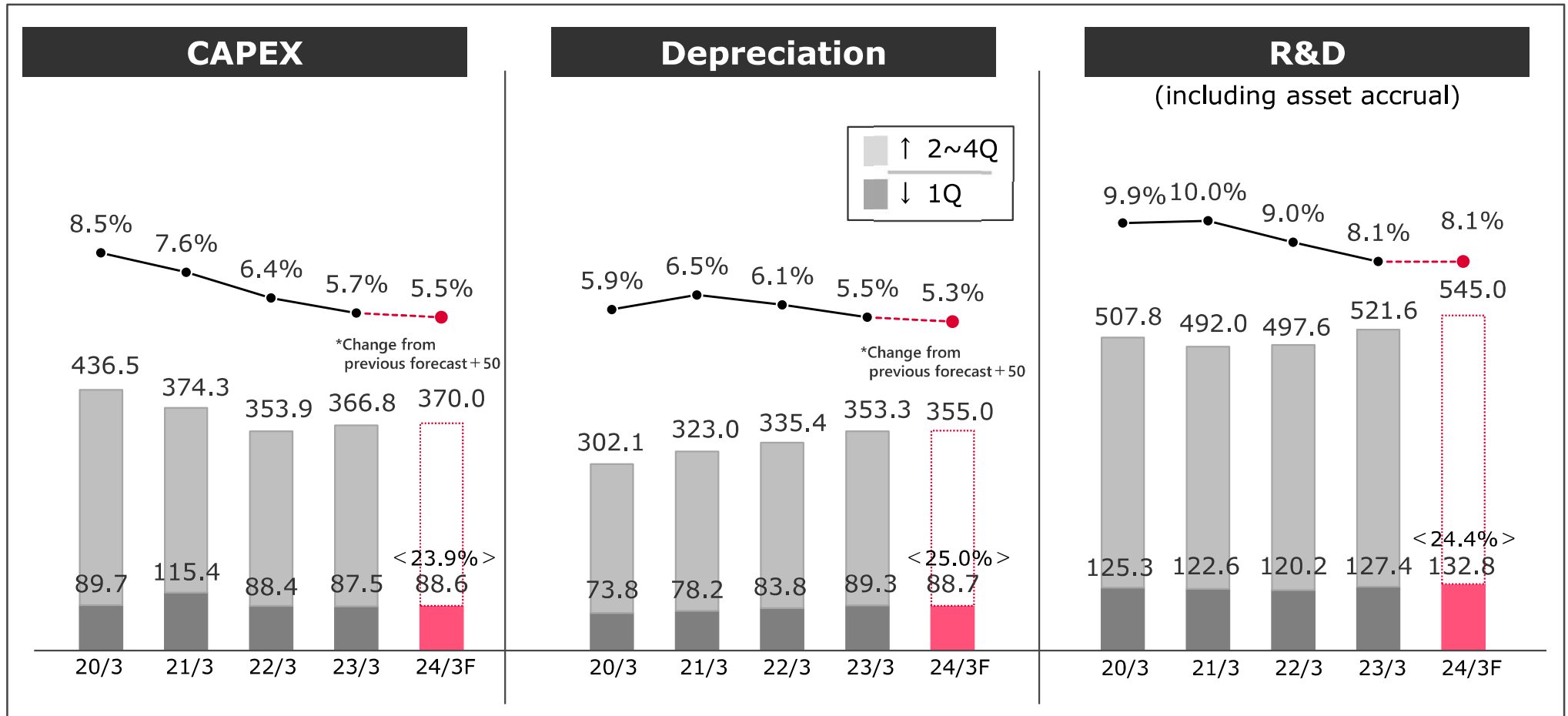
[] Ratio to Revenue



*Local currency basis excludes FX difference (129.6JPY/1USD, 138.1JPY/1EUR, 19.6JPY/1CNY)

Trend of Capital Expenditures, Depreciation and R&D Expenditures

● Ratio to Revenue [Unit: Billions of Yen]
 < > Ratio to 24/3F



FY2024 Financial Forecast

P/L (IFRS)

(Ratio to Revenue) 【 Unit: Billions of Yen, % 】

	Forecast as of Mar. 2023	2024/3 Forecast	Change from previous forecast	
Revenue	6,300.0	6,700.0	+400.0	+6.3%
Operating Profit	(8.1%) 510.0	(9.0%) 600.0	+90.0	+17.6%
Profit before Income Taxes	(8.8%) 555.0	(9.8%) 654.0	+99.0	+17.8%
Profit (*1)	(6.1%) 383.0	(6.6%) 444.0	+61.0	+15.9%
Return on Equity	8.5%	9.3%	—	+0.8%

*1 Profit attributable to owners of the parent company

【 Unit: Millions of Units】

	Precondition					
Foreign Exchange Rate	JPY	125.0/USD	JPY (*3)	131.8/USD	+6.8 JPY	—
	JPY	135.0/EUR	JPY (*3)	142.4/EUR	+7.4 JPY	—
	JPY	18.4/CNY	JPY (*3)	18.8/CNY	+0.4 JPY	—
Domestic Vehicle Production	(*2)	9.15		9.15	—	—
Overseas Vehicle Production of Japanese Manufacturers	(*2)	19.40		19.40	—	—

*2 Risk of external environment deterioration is not reflected to Forecast for Mar. 2024.

*3 Foreign exchange rate of forecast for the 2nd quarter and after : JPY 130.0/USD, 140.0/EUR, 18.5/CNY

Change in FY2024 Forecast Operating Profit

[Diff. from last financial forecast]

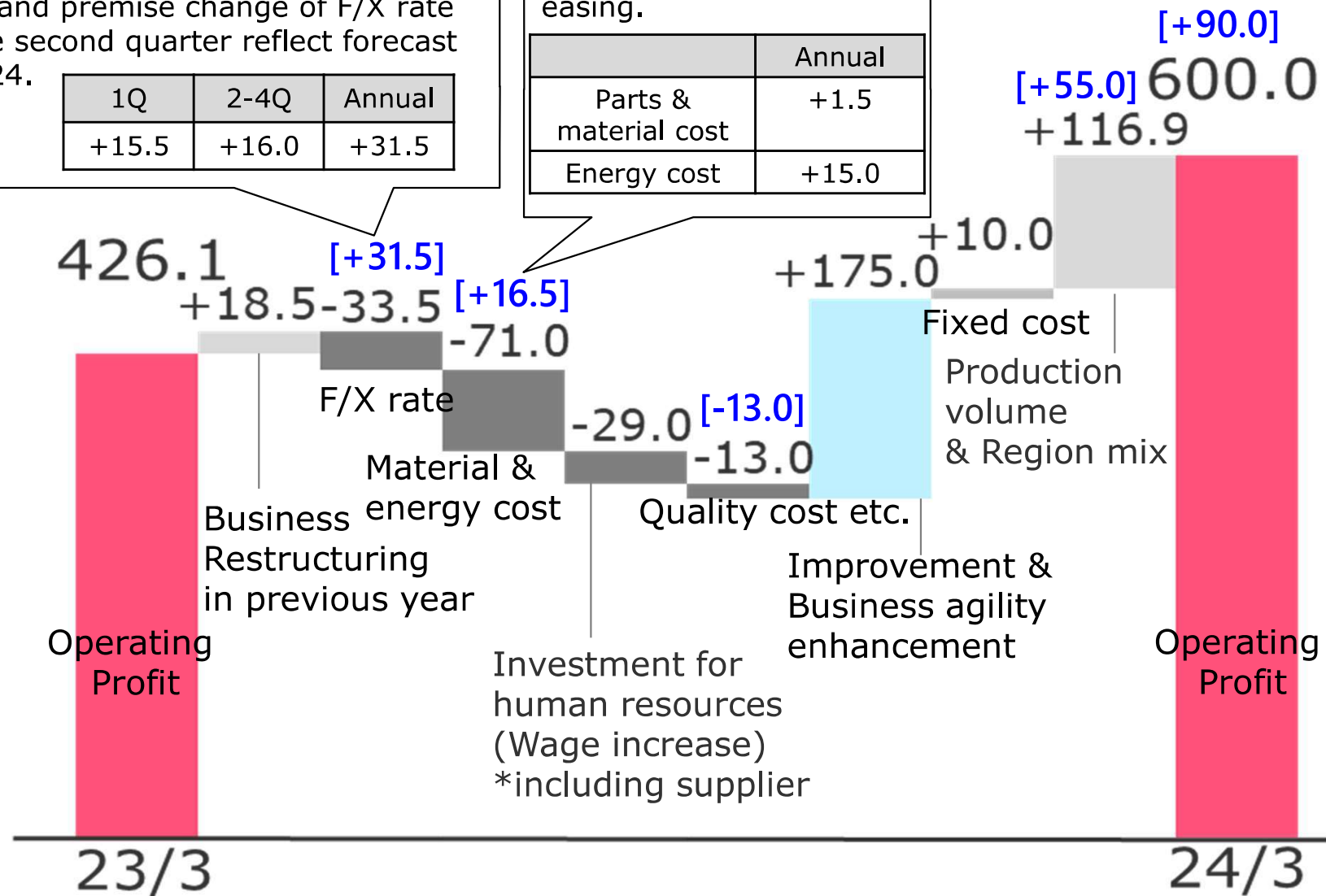
Foreign exchange gains in the first quarter and premise change of F/X rate from the second quarter reflect forecast in FY2024.

1Q	2-4Q	Annual
+15.5	+16.0	+31.5

The trends of bad effect of material and energy is easing.

	Annual
Parts & material cost	+1.5
Energy cost	+15.0

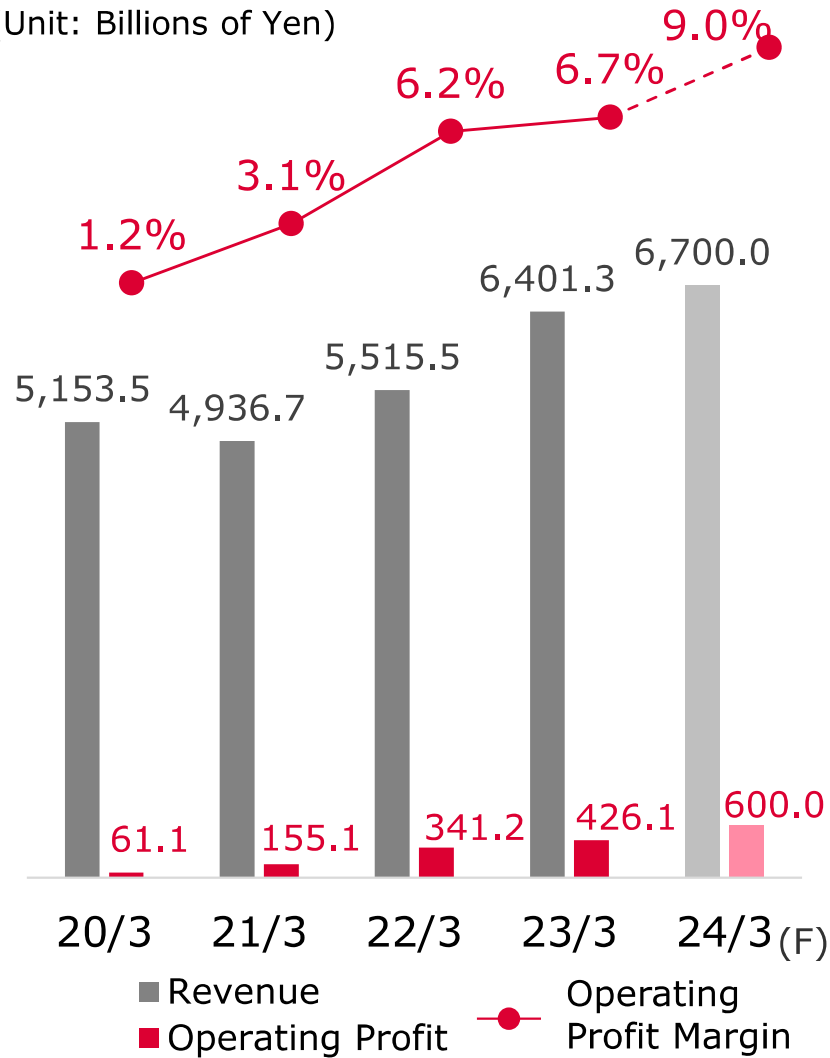
[Unit: Billions of Yen]



Major Financial Indicator

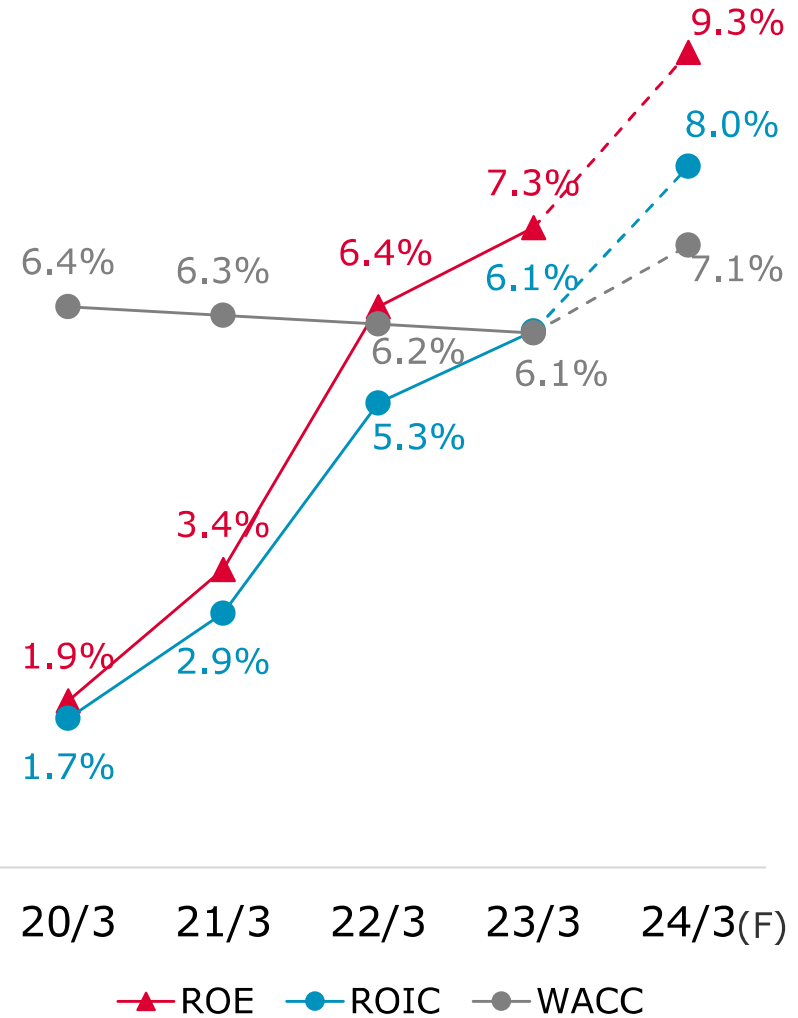
Revenue·Operating Profit· Operating Profit Margin

(Unit: Billions of Yen)



ROE·ROIC·WACC

*Change from previous forecast +0.8%



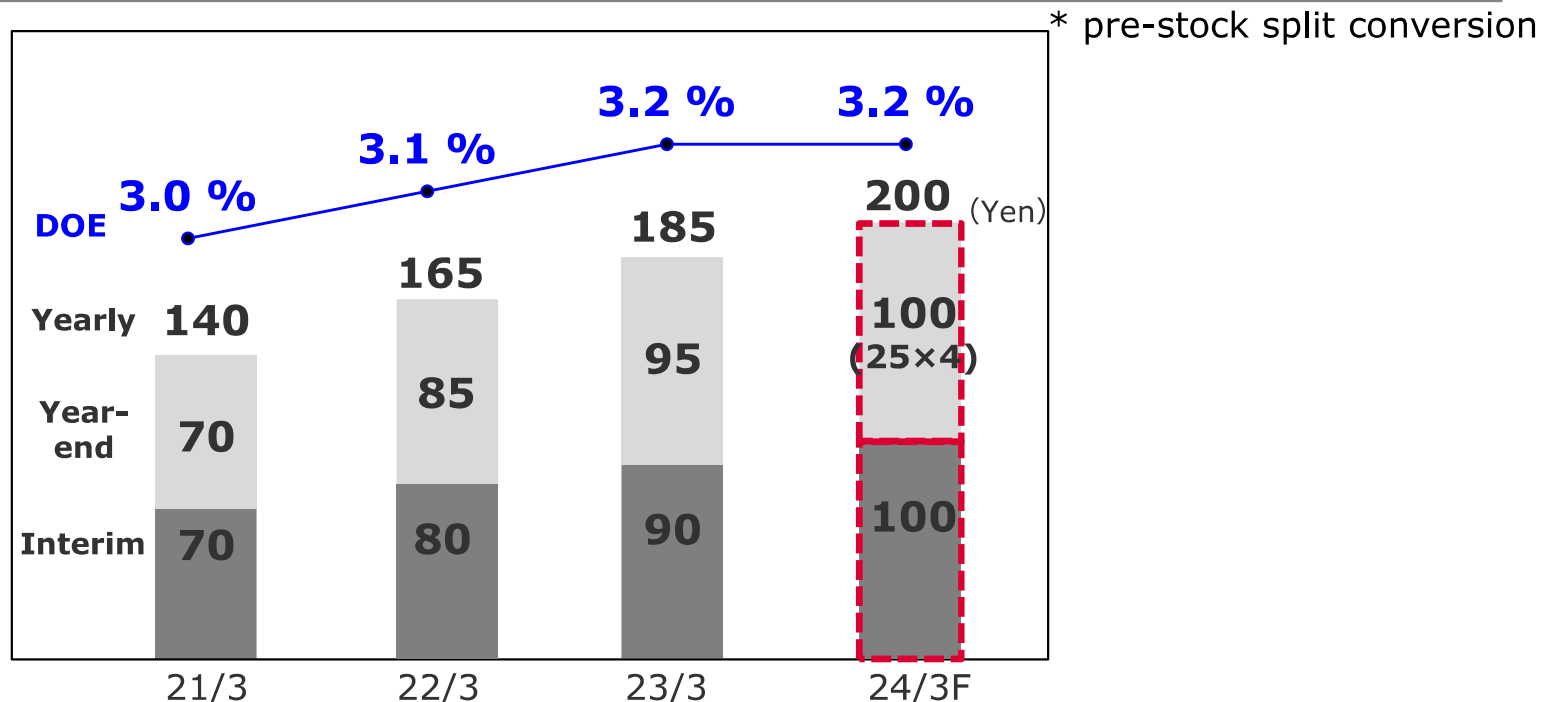
Stock split / Annual dividend

< Stock split >

On September 30th, 2023, as of record date, the shares of common stock owned by shareholders will be split into 4 shares per share.

< Annual dividend >

24/3F : 200 yen (interim 100 yen and year-end 100 yen)
25×4



DENSO

Crafting the Core

Regarding the data that has been posted after the main part so far, from this time, we have decided to convert it to Excel and post it separately on the website. Please check the website.