Business Portfolio and Value Creation

DENSO operates seven core businesses in a range of domains, with particular emphasis on the mobility domain. With respective businesses resonating together, the Company works to maximize value creation by growing alongside the industry and partners, while focusing on the de-emphasis and discontinuation of certain products. To continue creating new value that resonates over the long term, we will continue transforming our business structure to align with the times. Moreover, reweighting our business portfolio is a priority strategy. Even in a volatile operating environment, a reweighted business portfolio will allow us to market products and services that reflect demand and to continue to grow.

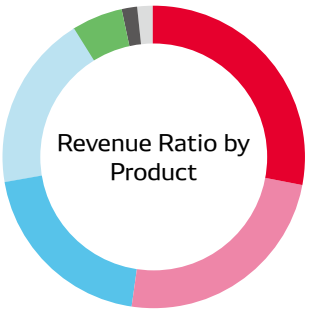
Business Composition

As a company trusted by automakers worldwide, DENSO supplies an extensive lineup of products and systems, mainly through its automotive businesses. We have five automotive businesses: the Electrification Systems Business, which is pivotal to the popularization of electric vehicles; the Powertrain Systems Business, developing and manufacturing powertrains for an array of different vehicles; the Thermal Systems Business, engaged in the manufacture of in-vehicle air-conditioning systems that account for the largest share of the global market; the Mobility Electronics Business, which aims to eliminate traffic accident fatalities through systems that realize advanced safety functions by incorporating high-performance sensors and radar; and the Advanced Devices Business, providing semiconductors and other devices that are essential for mobility-related development going forward. By promoting electric vehicle popularization, advanced safety, automated driving, and connected driving, these five automotive businesses are leading our progress toward the new mobility that society seeks. Our non-automotive businesses are leveraging technologies fostered in the automotive businesses to develop businesses in the fields of factory automation (FA) and food and agriculture (AgTech).

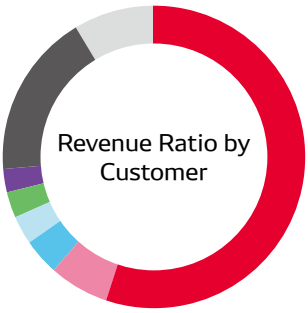
Relationship between Companywide Strategy and Business Strategies

Business strategies closely integrated with Companywide strategy are key to realizing the Mid-term Policy for 2025 and achieving green and peace of mind strategies. We are maximizing the value we provide to society by steadily reweighting our business portfolio based on a Companywide strategy—which also takes into consideration the advancement of the entire industry and entails ensuring growth through the de-emphasis and discontinuation of internal combustion engine products—and by accelerating the development and sales growth of green and peace of mind products. Further, we are enhancing efficiency through Companywide efforts to reduce fixed costs, reassign human resources, and promote dialogue that enhances engagement, quality, and workplace safety awareness.

In light of the current business environment and the progress of business strategies, DENSO annually reviews, deliberates, and revises short-, medium-, and long-term scenarios that envision leveraging the distinctive advantages and capital of each business to realize the Companywide strategy. The following pages focus on the progress of and accomplishments under the business strategies of each business, which are integrated with the Companywide Mid-term Policy for 2025.



Mobility Electronics	28.2%
Thermal Systems	24.1%
Powertrain Systems	20.1%
Electrification Systems	18.9%
Advanced Devices	5.4%
Non-automotive Businesses	1.7%
Other	1.6%



Toyota Group (Toyota Motor Corporation, Daihatsu Motor Co., Ltd., Hino Motors, Ltd.)	55.1%
Honda Motor Co., Ltd.	6.5%
SUBARU CORPORATION	3.8%
Stellantis N.V.	3.2%
Ford Motor Company	2.7%
Suzuki Motor Corporation	2.5%
Other car manufacturers	17.6%
Aftermarket and non-automotive businesses	8.6%

As of March 31, 2025

DENSO Integrated Report 2025
Overview by Product

Contribution Fields and Mainstay Products

Since its establishment as a manufacturer of electrical equipment and radiators, DENSO has reflected changes in society by extending the Company's business domain to encompass lifestyle-related and industrial equipment through the application of technologies that were originally developed for automotive components. With a focus on various solutions that create value for society in the mobility field, DENSO is currently utilizing technologies accumulated in the automotive field to develop a range of businesses that will support the society of the future.

Value Creation in Our Businesses

In accordance with the Long-term Policy for 2030, our seven core businesses are pursuing innovations in leading-edge technologies to maximize the value of green and peace of mind. In addition, we will utilize honed technologies to address social issues and create new value.

	Segment	Revenue (Billions of yen)	Value Creation	Core Products That Contribute to Green and Peace of Mind (● Green ● Peace of mind)
Automotive Businesses	**Electrification Systems** Development and manufacturing of products primarily related to electric vehicle drive components and battery control power systems P. 76	1,042.1 / 1,241.6 / 1,354.4 23 24 25 (FY)	We contribute to the realization of a sustainable, carbon-neutral society and the provision of safe, secure, and convenient mobility by electrifying next-generation vehicles to meet diversifying mobility needs.	● **Inverters** Appropriately control power between the batteries and motors of BEVs and HEVs ● **Motor generators** Help improve fuel efficiency as the main power sources for HEVs during driving and as generators during braking ● **ESU (Electricity supply unit)** Integrates charging control, AC charger, and voltage regulation into a single unit ● **Battery ECU** Controls batteries safely and with high precision and helps improve fuel efficiency and extend driving distance
	Powertrain Systems Development and manufacturing of products primarily related to combustion, intake, exhaust, valve train, and starting systems for gasoline and diesel internal combustion engine vehicles P. 77	1,489.3 / 1,518.6 / 1,438.6 23 24 25 (FY)	It is our chief responsibility to continue delivering safe and secure products to customers who will continue to rely on internal combustion engine vehicles in certain regions for the foreseeable future. If a company continues operating in its current form, there is a risk that it may gradually lose significance, making it difficult to sustain services in the long term. We aim to avoid such outcomes by ensuring the competitiveness and long-term stable supply of internal combustion engine products, while also accelerating business development in growth areas.	● **Common rail systems and gasoline direct injectors** Realize stable combustion through optimally controlled fuel injection ● **Ignition coils and spark plugs** Enable ignition and efficient combustion in gasoline engines ● **Exhaust systems (including exhaust sensors)** Detect oxygen concentration and adjust the opening and closing of intake and exhaust valves, etc. ● **Starters and alternators** Start engines and control power generation and charging
	Thermal Systems Development and production of thermal systems, including air-conditioning products that create a comfortable in-vehicle environment and thermal management systems that address vehicle heat issues P. 78	1,585.6 / 1,730.8 / 1,728.5 23 24 25 (FY)	With our proprietary thermal management technologies, including the world's first heat pump for automobiles, we maximize the use of ambient heat and vehicle waste heat to enhance both energy efficiency and comfort during vehicle use, contributing to higher value for vehicles. We also make carbon-neutral *Monozukuri* a possibility through the use of recycled materials and innovations in production technologies.	● ● **HVAC** Our HVAC units, the world's smallest, improve forward visibility and enable a more spacious cabin ● ● **Thermal management systems** Utilize ambient heat and car exhaust heat for air-conditioning, extending driving distances ● **Inverter cooling systems** Proprietary double-sided cooling that enables high performance and downsizing of power semiconductors ● ● **Everycool®** Provides air-conditioning even when the engine is off, improving work environments for people
	Mobility Electronics Development and manufacturing of products that include advanced driver assistance systems and in-vehicle ECUs that electronically control vehicles to ensure safe and comfortable mobility for all P. 79	1,615.5 / 1,941.8 / 2,017.3 23 24 25 (FY)	By combining our strengths in ADAS, HMI, and infrastructure integration in the development of advanced technologies, we aim to achieve a society free of traffic accidents and realize carbon neutrality through optimal integrated control of vehicle systems and improved energy efficiency and conservation. The software embedded in our systems and products facilitates advances in vehicle intelligence and continuous evolution, contributing to meeting user needs and solving social issues.	● ● **Advanced driver assistance systems (ADAS)** Support safe driving by using image sensors and millimeter-wave radar to recognize the surrounding environment ● ● **Integrated HMI systems** Cross-domain control that integrates multiple domains to provide information to the driver ● **Powertrain control ECUs** Optimally control powertrains for gasoline vehicles, HEVs, and BEVs to improve fuel efficiency and electric mileage ● ● **Software** Embedded in various systems, ECUs, and sensors, our software ensures control execution and automotive-grade quality and safety
	Advanced Devices Development and production of various semiconductors and automotive sensors used in inverters and in-vehicle ECUs P. 80	361.6 / 424.0 / 388.8 * 23 24 25 (FY)	By integrating the Group's core technologies in semiconductors (the brain), sensing (the eyes), and actuation (the hands and feet), we are able to creatively develop innovative devices and systems that contribute to green and peace of mind, enabling solutions that bring our customers' "wouldn't it be nice if" ideas to life.	● **HEAT-PRO (Highly efficient thermal management valves for BEVs)** Improves energy use efficiency by precisely controlling the cooling water of electric vehicles ● **Electrical current sensors** Help improve vehicle performance by improving electric mileage, etc., through measurement of the electrical currents of batteries ● **Power semiconductors** Switch strong electrical currents and high voltages on and off in inverters ● ● **Application-specific integrated circuits (ASICs)** Integrate a wide variety of complex in-vehicle controls in a single semiconductor
Non-automotive Businesses	**Factory Automation** Solutions that enable the sustainable evolution of customers' *Monozukuri* through standardization and digital technologies P. 81	176.5 / 144.8 / 120.5 23 24 25* (FY) * The year-on-year decline in revenue was due to the transfer of the cell phone sales and agency business.	Through automation concepts and standardization/digital technologies leveraging our strengths across the entire engineering chain, we help improve quality, reduce costs, and shorten lead times to resolve challenges faced by customers dealing with inadequate production technology. By staying connected with customers even after mass production commences, we accelerate standardization using on-site data and our know-how, supporting the continuous evolution of their *Monozukuri* capabilities.	● **Automated production lines** Optimized automated production lines tailored to customer needs ● **Production and logistics solutions** Combine people, goods, and processes to streamline everything from delivery to shipment ● **Industrial robots (Articulated and collaborative)** Contribute to productivity and safety ● **QR solution services** Create new value reflecting society's needs and befitting the manufacturer responsible for the development of the QR Code®
	Food Value Chain Solutions that provide food safety and security by introducing industrial technologies to food production and distribution processes P. 82		We support safe and secure agricultural production with fewer workers by building optimal growing conditions through high-efficiency agricultural greenhouses and fully automated harvesting robots like Artemy®, which feature an integration of our environmental control, digital transformation, and automation technologies. In addition, we help ensure the safe and secure delivery of food from producers to consumers using mobile freezing and refrigeration units and QR Codes®, addressing global concerns such as the declining agricultural workforce and food shortages caused by climate change.	● ● **Greenhouses for medium-sized and large farms** Adapt to producers' needs ● ● **Fully automated harvesting robot Artemy®** Fully automates the process of cherry truss tomato harvesting ● **Cold chain (Compact mobile freezing and refrigeration units)** Enables temperature-controlled delivery that is safe and reassuring ● ● **QR traceability systems** Facilitate secure, centralized data management encompassing supply chains from producers through to consumers

* Amounts equivalent to revenue from semiconductors manufactured in-house for other DENSO businesses have been excluded.