

DENSO CORPORATION and Consolidated Subsidiaries

Consolidated Financial Results of the fiscal year ended March 31, 2000

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 DENSO CORPORATION
 CODE: 6902
 Listed on the Tokyo, Nagoya
 and Osaka stock exchanges

Results of the fiscal year ended March 31, 2000 (From April 1, 1999 to March 31, 2000)

(1) Operating Results

(Millions of yen, except per share figures)

	Year ended March 31, 2000	Year ended March 31, 1999
Net sales.....	1,883,407	1,758,842
% change from the previous corresponding period.....	7.1%	5.5%
Operating income.....	116,682	101,663
% change from the previous corresponding period.....	14.8%	(9.9%)
Income before income taxes.....	108,908	106,732
% change from the previous corresponding period.....	2.0%	(19.5%)
Net income.....	61,913	58,969
% change from the previous corresponding period.....	5.0%	(17.1%)
Earnings per share.....	68.15 yen	65.46 yen
Fully diluted earnings per share	66.73 yen	63.51 yen
Return on shareholders' equity.....	4.9 %	5.4 %

Notes: 1. Equity in earnings of affiliates Year ended March 31, 2000 : 3,221 millions of yen
 Year ended March 31, 1999 : 3,682 millions of yen
 2. "Earnings per share" is based upon the average number of shares outstanding.

(2) Financial Position

(Millions of yen, except per share figures)

	As of March 31, 2000	As of March 31, 1999
Total assets.....	2,154,251	1,917,192
Shareholders' equity.....	1,304,400	1,121,171
Equity-to-asset ratio.....	60.6 %	58.5 %
Shareholders' equity per share.....	1,426.70 yen	1,238.33 yen

Note: "Shareholders' equity per share" is based upon the number of shares outstanding as of the respective balance sheet dates.

(3) Cash Flows

(Millions of yen)

	Year ended March 31, 2000
Net cash provided by operating activities.....	196,020
Net cash used in investing activities.....	(182,116)
Net cash used in financing activities.....	(21,674)
Cash and Cash Equivalents at End of Year.....	283,925

(4) Consolidation Scope

Number of consolidated subsidiaries : 122
 Number of non-consolidated subsidiaries : 1
 Number of affiliates : 24 (Affiliates accounted for under the equity method : 24)

(5) Changes in Accounting Method

(a) Consolidation scope and application of the equity method

Consolidated subsidiaries

Added : 21

Excluded : 3

Companies accounted for under the equity method

Added : 4

Excluded : 4

(b) Accounting standards and procedures : Nil

Consolidated Statements of Income

	Year ended March 31, 2000	Year ended March 31, 1999	Millions of yen Increase (Decrease)
Net Sales	1,883,407	1,758,842	124,565
Cost of Sales	1,581,856	1,483,085	
Gross profit	301,551	275,757	25,794
Selling, General and Administrative Expenses	184,869	174,094	
Operating income	116,682	101,663	15,019
Other Income (Expenses):			
Interest and dividend income	13,455	13,895	
Interest expense	(6,194)	(5,214)	
Equity in earnings of affiliates	3,221	3,682	
Other, net	(18,256)	(7,294)	
Income before income taxes	108,908	106,732	2,176
Income Taxes			
Current	59,175	47,258	
Deferred	(12,595)	-	
Minority Interests in Income	415	505	
Net income	61,913	58,969	2,944

Consolidated Balance Sheets

Assets	Millions of yen		
	As of March 31, 2000	As of March 31, 1999	Increase (Decrease)
Current Assets:			
Cash and cash equivalents	283,925	298,438	
Short term investments	205,771	224,176	
Notes and accounts receivable, less allowance for doubtful accounts	353,024	301,392	
Inventories	155,309	146,866	
Deferred tax assets	25,721		
Other current assets	39,666	33,131	
Total current assets	1,063,416	1,004,003	59,413
Investments and Advances	319,990	211,004	108,986
Property, Plant and Equipment, at Cost:			
Buildings and structures	463,093	446,683	
Machinery and equipment	1,479,677	1,402,423	
	1,942,770	1,849,106	
Less: Accumulated depreciation	(1,437,075)	(1,366,832)	
	505,695	482,274	
Construction in progress	63,142	69,913	
Land	108,547	104,738	
Net property, plant and equipment	677,384	656,925	20,459
Excess of cost of investments over equity in net assets acquired	8,560	111	8,449
Foreign Currency Translation Adjustments	84,901	45,149	39,752
Total Assets	2,154,251	1,917,192	237,059

Liabilities and Shareholders' Equity	Millions of yen		
	As of March 31, 2000	As of March 31, 1999	Increase (Decrease)
Current Liabilities:			
Short-term borrowings	23,687	34,969	
Convertible bonds due within one year	-	14,336	
Notes and accounts payable	259,255	225,728	
Income taxes payable	25,754	19,192	
Accrued expenses	67,125	57,541	
Accrued bonuses to employees	40,752	39,354	
Reserve for after-care guarantee	5,853	4,477	
Other current liabilities	45,783	54,313	
Total current liabilities	468,209	449,910	18,299
Long-term Liabilities:			
Long-term debt	12,145	8,905	
Straight bonds and convertible bonds	129,318	129,328	
Accrued retirement benefits	166,329	152,413	
Other long-term liabilities	5,875	5,023	
Total long-term liabilities	313,667	295,669	17,998
Minority Interests	67,975	50,442	17,533
Shareholders' Equity:			
Common stock, par value ¥50 per share	173,098	165,926	
Additional paid-in capital	251,643	244,480	
Retained earnings	879,659	710,766	
Less: Treasury stock	(0)	(1)	
Total shareholders' equity	1,304,400	1,121,171	183,229
Total Liabilities and Shareholders' Equity	2,154,251	1,917,192	237,059

Consolidated Statements of Shareholders' Equity

	Millions of yen	
	Year ended March 31, 2000	Year ended March 31, 1999
Common Stock:		
Balance at beginning of period	165,926	151,167
Conversion of convertible bonds	7,172	14,759
Balance at end of period	173,098	165,926
 Additional Paid-in Capital:		
Balance at beginning of period	244,480	229,752
Conversion of convertible bonds	7,163	14,728
Balance at end of period	251,643	244,480
 Retained Earnings:		
Balance at beginning of period	710,766	676,256
Net income	61,913	58,969
Retirement of shares	-	(19,935)
Cash dividends	(13,590)	(13,409)
Bonuses to directors and corporate auditors	(449)	(468)
Adjustment of retained earnings for newly applied accounting for tax allocation	121,469	-
(Decrease)/Increase in retained earnings due to change of consolidation scope	(455)	9,281
Other	5	72
Balance at end of period	879,659	710,766
 Treasury Stock at End of Period	 (0)	 (1)
Total Shareholders' Equity at End of Period	1,304,400	1,121,171

Consolidated Statements of Cash Flows

	Millions of yen Year ended March 31, 2000
Operating Activities:	
Income before income taxes and minority interests	108,908
Adjustments for:	
Depreciation	134,706
Foreign exchange loss	4,126
Equity in earnings of affiliates	(3,221)
Net loss on sale or disposal of property, plant and equipment	4,482
Payment of income taxes	(52,609)
Other, net	10,898
Changes in assets and liabilities:	
Notes and accounts receivables	(58,430)
Inventories	(12,806)
Notes and accounts payable	49,479
Accrued retirement benefits	10,487
Net cash provided by operating activities	196,020
Investing Activities:	
Net decrease in short-term investments	25,057
Acquisitions of property, plant and equipment	(184,090)
Purchase of investment securities	(14,662)
Other, net	(8,421)
Net cash used in investing activities	(182,116)
Financing Activities:	
Net decrease in short-term borrowings	(10,556)
Proceeds from issuance of long-term debt	6,017
Repayments of long-term debt	(4,335)
Dividends paid	(13,853)
Other, net	1,053
Net cash used in financing activities	(21,674)
Effect of Exchange Rate Change on Cash and Cash Equivalents	(11,411)
Net Decrease in Cash and Cash Equivalents	(19,181)
Cash and Cash Equivalents at Beginning of Year	298,438
Cash and Cash Equivalents of Newly Consolidated Subsidiaries, Beginning of Year	4,668
Cash and Cash Equivalents at End of Year	283,925

Segment Information

1. Industry Segments

		Millions of yen	
		Year ended March 31, 2000	Year ended March 31, 1999
Sales:	Automotive	1,737,544	1,636,157
	New businesses and others	145,863	122,685
	Consolidated	1,883,407	1,758,842
Operating income:	Automotive	125,738	112,756
	New businesses and others	(9,056)	(11,093)
	Consolidated	116,682	101,663
Assets:	Automotive	1,574,640	1,359,773
	New businesses and others	102,772	83,552
	Corporate	476,839	473,867
	Consolidated	2,154,251	1,917,192
Depreciation:	Automotive	130,495	120,431
	New businesses and others	4,211	3,858
	Consolidated	134,706	124,289
Capital expenditures:	Automotive	163,696	203,881
	New businesses and others	6,257	8,864
	Consolidated	169,953	212,745

2. Geographical Segments (by company location)

			Millions of yen	
			Year ended March 31, 2000	Year ended March 31, 1999
Sales:	Japan	Sales to customers	1,192,778	1,145,119
		Intersegment sales	276,075	255,735
		Total sales	1,468,853	1,400,854
	The Americas	Sales to customers	432,111	431,868
		Intersegment sales	7,304	6,637
		Total sales	439,415	438,505
	Europe	Sales to customers	167,913	138,443
		Intersegment sales	572	598
		Total sales	168,485	139,041
	Asia & Oceania	Sales to customers	90,605	43,412
		Intersegment sales	7,501	826
		Total sales	98,106	44,238
	Eliminations		(291,452)	(263,796)
	Consolidated		1,883,407	1,758,842
	Operating income:	Japan	84,796	77,217
		The Americas	26,734	20,195
		Europe	2,299	2,594
Asia & Oceania		3,325	732	
Eliminations		(472)	925	
Consolidated		116,682	101,663	
Assets:	Japan	1,334,005	1,124,113	
	The Americas	230,146	239,968	
	Europe	130,641	122,869	
	Asia & Oceania	86,378	50,115	
	Corporate & eliminations	373,081	380,127	
	Consolidated	2,154,251	1,917,192	

3. Sales by Customer Location

	Millions of yen	
	Year ended March 31, 2000	Year ended March 31, 1999
Japan	1,161,016	1,104,579
	61.6%	62.8%
The Americas	436,710	437,284
	23.2%	24.9%
Europe	178,774	148,008
	9.5%	8.4%
Asia & Oceania	104,384	67,216
	5.6%	3.8%
Other Areas	2,523	1,755
	0.1%	0.1%
Net Sales	1,883,407	1,758,842