

DENSO CORPORATION and Consolidated Subsidiaries

Consolidated Financial Results for the First Quarter Ended June 30, 2004

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

Results for the First Quarter ended June 30, 2004 (From April 1, 2004 to June 30, 2004)

(1) Operating Results

(Millions of yen, except per share figures)

	Three months ended June 30, 2004	Three months ended June 30, 2003	Year ended March 31, 2004
Net sales.....	680,284	614,367	2,562,411
% change from the previous corresponding period.....	10.7%	-	9.8%
Operating income.....	59,954	51,724	188,659
% change from the previous corresponding period.....	15.9%	-	18.0%
Income before income taxes and minority interest.....	63,694	57,710	185,892
% change from the previous corresponding period.....	10.4%	-	(20.4%)
Net income.....	36,956	29,123	110,027
% change from the previous corresponding period.....	26.9%	-	(0.9%)
Basic net income per share.....	44.32 yen	34.53 yen	130.02 yen
Fully diluted net income per share	44.30 yen	- yen	130.01 yen

Notes: 1. % change from the previous corresponding period of June 30, 2003 data is omitted because quarterly financial statements started from previous fiscal term.

2. "Fully diluted net income per share" on the previous corresponding period is not disclosed because it is anti-dilutive.

(2) Financial Position

(Millions of yen, except per share figures)

	As of June 30, 2004	As of March 31, 2004	As of June 30, 2003
Total assets.....	2,596,081	2,526,502	2,362,189
Shareholders' equity.....	1,568,436	1,509,489	1,450,886
Shareholders' equity ratio.....	60.4 %	59.7 %	61.4 %
Shareholders' equity per share.....	1,880.91 yen	1,809.55 yen	1,720.38 yen

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

(3) Consolidation Scope

Number of consolidated subsidiaries : 164
 Number of unconsolidated subsidiaries : 1
 Number of affiliates : 28 (Affiliates accounted for by the equity method : 28)

(4) Changes in Consolidation Scope and Application of the Equity Method

Consolidated subsidiaries
 Added : 0
 Excluded : 0
 Companies accounted for by the equity method
 Added : 1
 Excluded : 0

Consolidated Statements of Income

	Three months ended June 30, 2004	Three months ended June 30, 2003	Increase (Decrease)	Millions of yen Year ended March 31, 2004
Net Sales	680,284	614,367	65,917	2,562,411
Cost of Sales	555,504	504,856		2,128,604
Gross profit	124,780	109,511	15,269	433,807
Selling, General and Administrative Expenses	64,826	57,787		245,148
Operating income	59,954	51,724	8,230	188,659
Other Income (Expenses):				
Interest and dividend income	3,337	2,987		8,311
Interest expense	(830)	(1,148)		(3,448)
Equity in earnings of affiliates	874	151		2,333
Gain on exemption from future pension obligation of the governmental program	-	1,429		1,429
Gain on transfer to defined contribution pension plans	-	379		667
Impairment loss on fixed assets	(1,004)	-		-
Impairment loss on investment securities	(62)	(150)		(361)
Loss on settlement of the substitutional portion of governmental pension program due to return of corresponding plan assets	-	-		(12,132)
Other, net	1,425	2,338		434
Income before income taxes and minority interests	63,694	57,710	5,984	185,892
Income Taxes:				
Current	15,726	18,380		88,990
Deferred	9,065	8,107		(20,579)
Minority Interests in Net Income	1,947	2,100		7,454
Net income	36,956	29,123	7,833	110,027

Consolidated Balance Sheets

	Millions of yen			
Assets	As of June 30, 2004	As of March 31, 2004	Increase (Decrease)	As of June 30, 2003
Current Assets:				
Cash and cash equivalents	241,051	244,509		225,994
Short-term investments	27,010	28,709		39,045
Notes and accounts receivable, less allowance for doubtful accounts	468,309	473,178		423,833
Inventories	215,385	214,751		203,445
Deferred income taxes	35,179	43,745		31,548
Other current assets	54,301	54,104		50,357
Total current assets	1,041,235	1,058,996	(17,761)	974,222
Property, Plant and Equipment:				
Buildings and structures	565,919	563,439		554,075
Machinery and equipment	1,793,870	1,766,964		1,726,178
	2,359,789	2,330,403		2,280,253
Less: Accumulated depreciation	(1,784,187)	(1,758,281)		(1,726,225)
	575,602	572,122		554,028
Land	141,982	142,858		140,224
Construction in progress	69,587	62,076		78,407
Net property, plant and equipment	787,171	777,056	10,115	772,659
Investments and Other assets	767,675	690,450	77,225	615,308
Total	2,596,081	2,526,502	69,579	2,362,189

	Millions of yen			
Liabilities and Shareholders' Equity	As of June 30, 2004	As of March 31, 2004	Increase (Decrease)	As of June 30, 2003
Current Liabilities:				
Short-term borrowings	41,428	49,996		31,452
Current portion of long-term debt	1,949	3,325		4,856
Notes and accounts payable	338,721	344,674		302,340
Income taxes payable	15,353	43,556		17,746
Accrued expenses	147,917	105,187		144,175
Accrued bonuses to employees	25,404	49,262		24,302
Other current liabilities	52,601	53,817		50,026
Total current liabilities	623,373	649,817	(26,444)	574,897
Long-term Liabilities:				
Long-term debt	140,559	122,826		108,293
Liability for employees' retirement benefits	145,025	143,160		140,488
Other long-term liabilities	45,846	29,275		17,434
Total long-term liabilities	331,430	295,261	36,169	266,215
Minority Interests	72,842	71,935	907	70,191
Shareholders' Equity:				
Common stock	187,457	187,457		187,457
Capital surplus	266,005	266,005		266,005
Retained earnings	1,106,564	1,080,996		1,009,377
Net unrealized gain on available-for-sale securities	171,674	142,588		98,268
Foreign currency translation adjustments	(66,275)	(70,577)		(32,662)
Less: Treasury stock at cost	(96,989)	(96,980)		(77,559)
Total shareholders' equity	1,568,436	1,509,489	58,947	1,450,886
Total	2,596,081	2,526,502	69,579	2,362,189

Segment Information

1. Geographical Segments (by company location)

			Millions of yen		
			Three months ended June 30, 2004	Three months ended June 30, 2003	Year ended March 31, 2004
Sales	Japan	Customers	380,172	336,936	1,469,552
		Intersegment	110,968	99,526	416,245
		Total	491,140	436,462	1,885,797
	The Americas	Customers	147,667	143,968	549,208
		Intersegment	2,087	2,302	8,532
		Total	149,754	146,270	557,740
	Europe	Customers	95,183	83,322	333,486
		Intersegment	1,704	924	4,809
		Total	96,887	84,246	338,295
	Asia & Oceania	Customers	57,262	50,141	210,165
		Intersegment	4,090	2,994	13,438
		Total	61,352	53,135	223,603
	Eliminations		(118,849)	(105,746)	(443,024)
	Consolidated		680,284	614,367	2,562,411
Operating Income (Loss)	Japan		48,595	36,536	153,473
	The Americas		9,025	10,731	24,833
	Europe		(707)	(289)	(4,250)
	Asia & Oceania		4,090	5,249	14,903
	Eliminations		(1,049)	(503)	(300)
	Consolidated		59,954	51,724	188,659

2. Sales by Customer Location

		Millions of yen		
		Three months ended June 30, 2004	Three months ended June 30, 2003	Year ended March 31, 2004
Japan		370,730	330,154	1,442,645
		54.5%	53.7%	56.3%
The Americas		150,071	145,713	557,035
		22.1%	23.7%	21.7%
Europe		95,281	83,313	332,019
		14.0%	13.6%	13.0%
Asia & Oceania		62,792	53,499	224,511
		9.2%	8.7%	8.8%
Others		1,410	1,688	6,201
		0.2%	0.3%	0.2%
Net Sales		680,284	614,367	2,562,411