

DENSO CORPORATION and Consolidated Subsidiaries

Consolidated Financial Results for the First Quarter Ended June 30, 2007

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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, 2007 (From April 1, 2007 to June 30, 2007)

(1) Operating Results

(Millions of yen, except per share figures)

	Three months ended June 30, 2007	Three months ended June 30, 2006	Year ended March 31, 2007
Net sales.....	984,275	856,227	3,609,700
% change from the previous corresponding period.....	15.0%	13.6%	13.2%
Operating income.....	93,338	82,538	303,068
% change from the previous corresponding period.....	13.1%	16.0%	13.7%
Income before income taxes and minority interests..	101,763	89,861	319,711
% change from the previous corresponding period.....	13.2%	36.6%	17.6%
Net income.....	67,343	58,547	205,170
% change from the previous corresponding period.....	15.0%	62.5%	20.9%
Basic net income per share.....	82.68 yen	70.93 yen	249.88 yen
Diluted net income per share	82.58 yen	70.83 yen	249.56 yen

Note: "Basic net income per share" is based upon the average number of shares outstanding.

(2) Financial Position

(Millions of yen, except per share figures)

	As of June 30, 2007	As of March 31, 2007	As of June 30, 2006
Total assets.....	3,894,746	3,765,135	3,347,555
Total equity.....	2,391,850	2,286,956	2,049,512
Equity ratio.....	58.4 %	57.7 %	58.4 %
Equity per share.....	2,790.88 yen	2,668.82 yen	2,378.91 yen

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

Notes to Consolidated Operation Results

- (1) Adoption of simplified accounting methods: None
- (2) Change in accounting policies: None
- (3) Changes in scope of consolidation and application of equity method: Yes
- | | | | | |
|----------------|----------|---|----------|---|
| Consolidation: | Increase | 2 | Decrease | 0 |
| Equity Method: | Increase | 1 | Decrease | 0 |

Consolidated Balance Sheets

				Millions of yen
Assets	As of June 30, 2007	As of March 31, 2007	Increase (Decrease)	As of June 30, 2006
Current Assets:				
Cash and cash equivalents	372,458	337,003		322,440
Short-term investments	39,314	33,440		71,334
Notes and accounts receivable, less allowance for doubtful accounts	670,065	658,143		575,147
Inventories	315,975	313,679		283,602
Deferred tax assets	49,199	60,646		44,165
Other current assets	99,965	99,932		82,624
Total current assets	1,546,976	1,502,843	44,133	1,379,312
Property, Plant and Equipment:				
Land	152,798	149,944		148,476
Buildings and structures	672,781	656,648		629,081
Machinery and equipment	2,418,881	2,337,584		2,147,884
Construction in progress	105,641	106,634		94,758
	3,350,101	3,250,810		3,020,199
Less: Accumulated depreciation	(2,232,423)	(2,164,831)		(2,034,920)
Net property, plant and equipment	1,117,678	1,085,979	31,699	985,279
Investments and Other Assets	1,230,092	1,176,313	53,779	982,964
Total	3,894,746	3,765,135	129,611	3,347,555

				Millions of yen
Liabilities and Equity	As of June 30, 2007	As of March 31, 2007	Increase (Decrease)	As of June 30, 2006
Current Liabilities:				
Short-term borrowings	78,257	82,552		102,149
Current portion of long-term debt	59,706	59,546		3,878
Notes and accounts payable	501,238	490,972		433,007
Income taxes payable	23,659	54,410		24,785
Accrued expenses	241,749	210,501		209,744
Other current liabilities	97,697	97,379		73,836
Total current liabilities	1,002,306	995,360	6,946	847,399
Long-term Liabilities:				
Long-term debt	145,863	144,671		169,382
Liabilities for retirement benefits to employees, directors, corporate auditors and managing officers	177,183	172,602		169,645
Deferred tax liabilities	160,970	150,751		97,086
Other long-term liabilities	16,574	14,795		14,531
Total long-term liabilities	500,590	482,819	17,771	450,644
Shareholders' Equity:				
Common stock	187,457	187,457		187,457
Capital surplus	266,466	266,463		266,232
Retained earnings	1,548,602	1,500,807		1,371,488
Treasury stock - at cost	(169,013)	(169,130)		(137,679)
Total shareholders' equity	1,833,512	1,785,597	47,915	1,687,498
Variance of the Estimate/Conversion:				
Unrealized gain on available-for-sale securities	395,402	374,060		287,629
Deferred gain (loss) on derivatives under hedge accounting	(1,995)	(905)		(2,077)
Foreign currency translation adjustments	46,360	14,962		(19,275)
Total variance of the estimate/conversion	439,767	388,117	51,650	266,277
Stock Acquisition Rights	404	294	110	-
Minority Interests	118,167	112,948	5,219	95,737
Total equity	2,391,850	2,286,956	104,894	2,049,512
Total	3,894,746	3,765,135	129,611	3,347,555

Consolidated Statements of Income

	Three months ended June 30, 2007	Three months ended June 30, 2006	Increase (Decrease)	Millions of yen Year ended March 31, 2007
Net Sales	984,275	856,227	128,048	3,609,700
Cost of Sales	808,246	704,801	103,445	2,990,370
Gross profit	176,029	151,426	24,603	619,330
Selling, General and Administrative Expenses	82,691	68,888		316,262
Operating income	93,338	82,538	10,800	303,068
Other Income (Expenses):				
Interest and dividend income	8,974	6,471		18,224
Interest expense	(1,949)	(1,316)		(5,709)
Equity in earnings of affiliates	1,238	562		1,469
Reversal of allowance-doubtful accounts	6	19		469
Gain on sales of property, plant and equipment	275	-		2,141
Loss on sales of property, plant and equipment	-	-		(517)
Impairment loss on long-lived assets	-	(79)		(1,044)
Impairment loss on investment securities	(43)	(280)		(1,807)
Cumulative effect of accounting change for retirement benefit to directors, corporate auditors and managing officers	(3,330)	-		-
Restructuring charges	-	-		(1,659)
Other, net	3,254	1,946		5,076
Income before income taxes and minority interests	101,763	89,861	11,902	319,711
Income Taxes:				
Current	21,238	22,494		115,162
Deferred	8,501	6,036		(15,194)
Minority Interests in Net Income	4,681	2,784		14,573
Net income	67,343	58,547	8,796	205,170

Segment Information

Geographical Segments (by company location)		Millions of yen		
		Three months ended June 30, 2007	Three months ended June 30, 2006	Year ended March 31, 2007
Sales	Japan	647,589	597,176	2,541,261
	The Americas	225,188	192,349	769,081
	Europe	157,086	124,968	519,299
	Asia & Oceania	147,335	108,274	480,201
	Eliminations	(192,923)	(166,540)	(700,142)
	Consolidated	984,275	856,227	3,609,700
Cost of sales & SG & A	Japan	594,773	538,571	2,325,944
	The Americas	211,022	183,757	739,893
	Europe	150,576	121,806	507,138
	Asia & Oceania	128,764	97,343	434,280
	Eliminations	(194,198)	(167,788)	(700,623)
	Consolidated	890,937	773,689	3,306,632
Operating Income	Japan	52,816	58,605	215,317
	The Americas	14,166	8,592	29,188
	Europe	6,510	3,162	12,161
	Asia & Oceania	18,571	10,931	45,921
	Eliminations	1,275	1,248	481
	Consolidated	93,338	82,538	303,068