



FY2014 Financial Results ended March 31, 2014

April 25, 2014

DENSO CORPORATION

1. Sales and Income increased from the previous year.

2. Annual dividend increased by 41 yen to 105 yen from previous year.

3. Sales to increase and income to decrease in FY2015 due to investment for future competitiveness .

FY2014 Financial Results

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	(Ratio to Sales)		(Unit: Billions of Yen)	
	FY2014	FY2013	Change	
Sales	4,095.9	3,580.9	+ 515.0	+14.4%
Operating Income	(9.2%) 377.7	(7.3%) 262.4	+115.3	+44.0%
Income before Income Taxes	(10.2%) 418.6	(7.9%) 281.9	+136.7	+48.5%
Net Income	(7.0%) 287.4	(5.1%) 181.7	+105.7	+58.2%

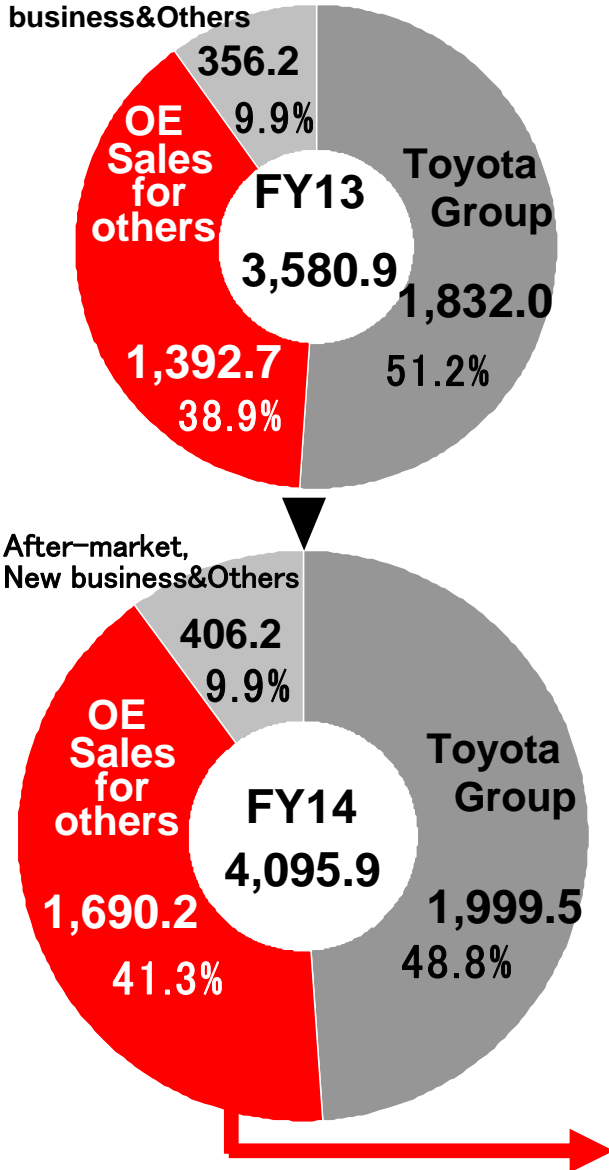
			(Unit: Millions of Units)	
Foreign Exchange Rate	JPY 100/\$ JPY 134/Euro	JPY 83/\$ JPY107/Euro	+JPY 17 +JPY 27	
Domestic Car Production	9.49	9.13	+ 0.36	+3.9%
Overseas Car Production of Japanese Manufacturers (North America)	17.70 (5.43)	16.63 (5.02)	+ 1.07 (+0.41)	+6.4% (+8.2%)

Change in FY2014 Consolidated Sales

By Customer

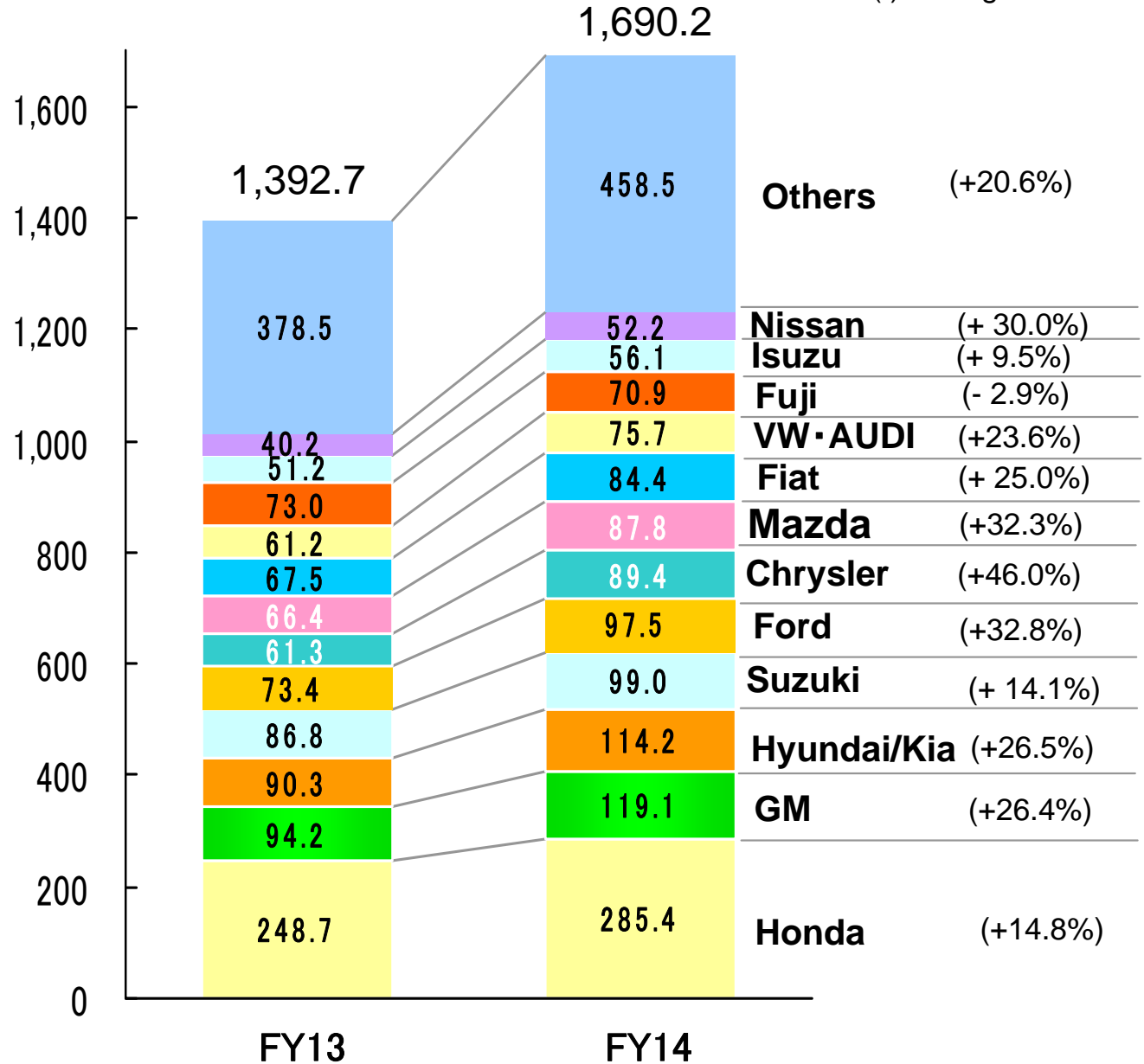
(Unit: Billions of Yen)

After-market, New business&Others



OE Sales for others

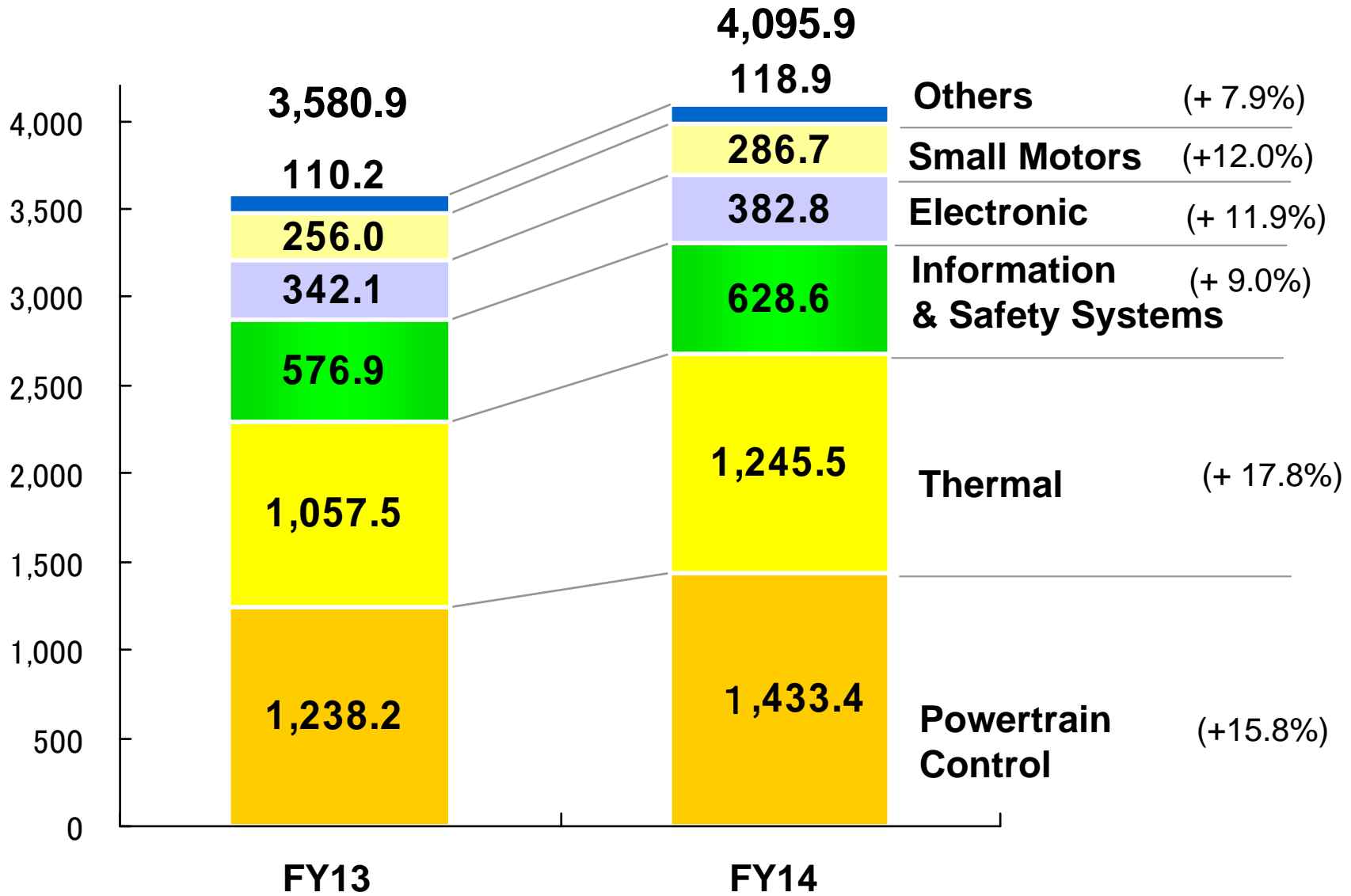
():Change from FY13



Change in FY2014 Consolidated Sales

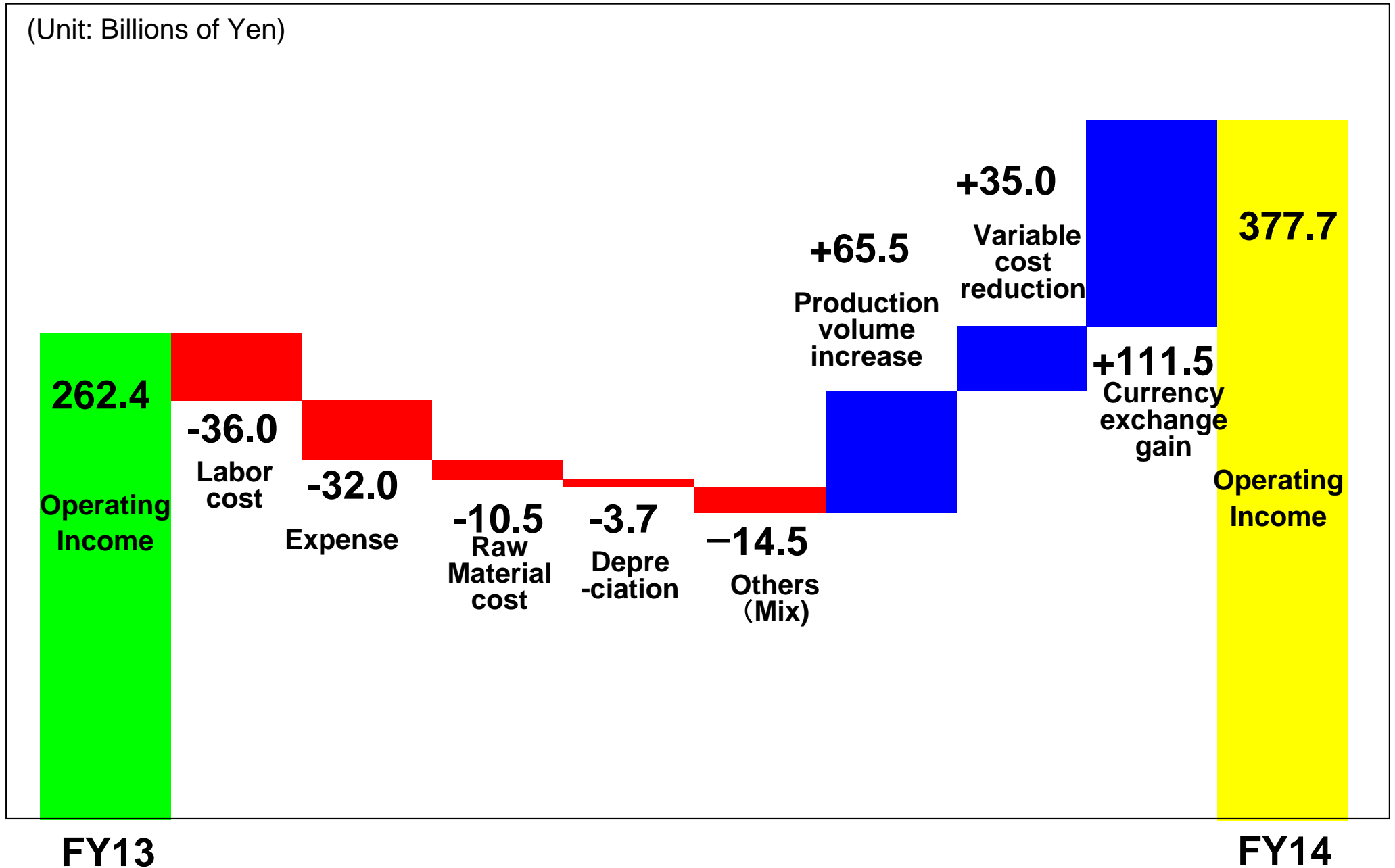
By Business Segment

(Unit: Billions of Yen)
(): Change from FY13



Change in FY2014 Operating Income

(Unit: Billions of Yen)

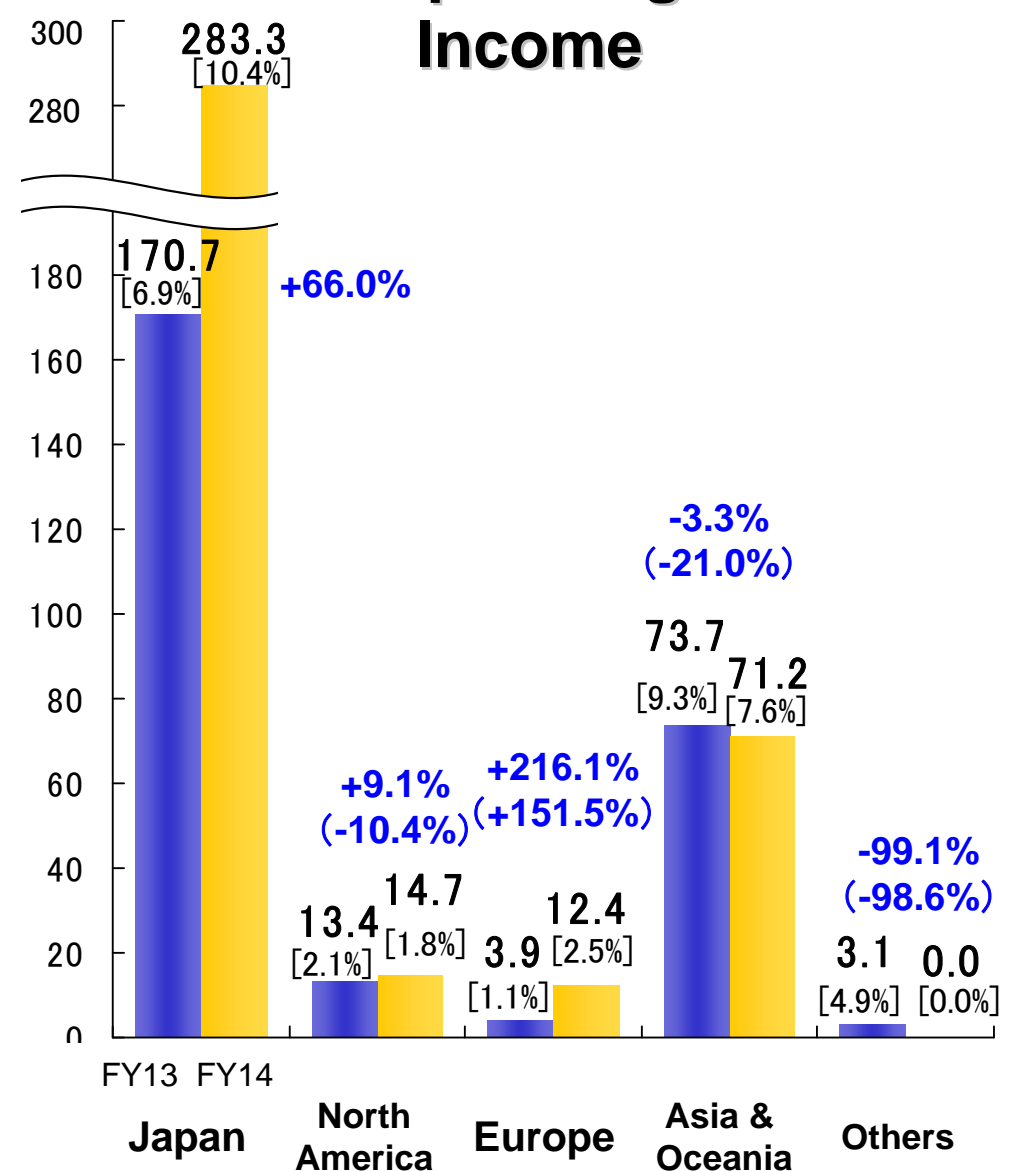
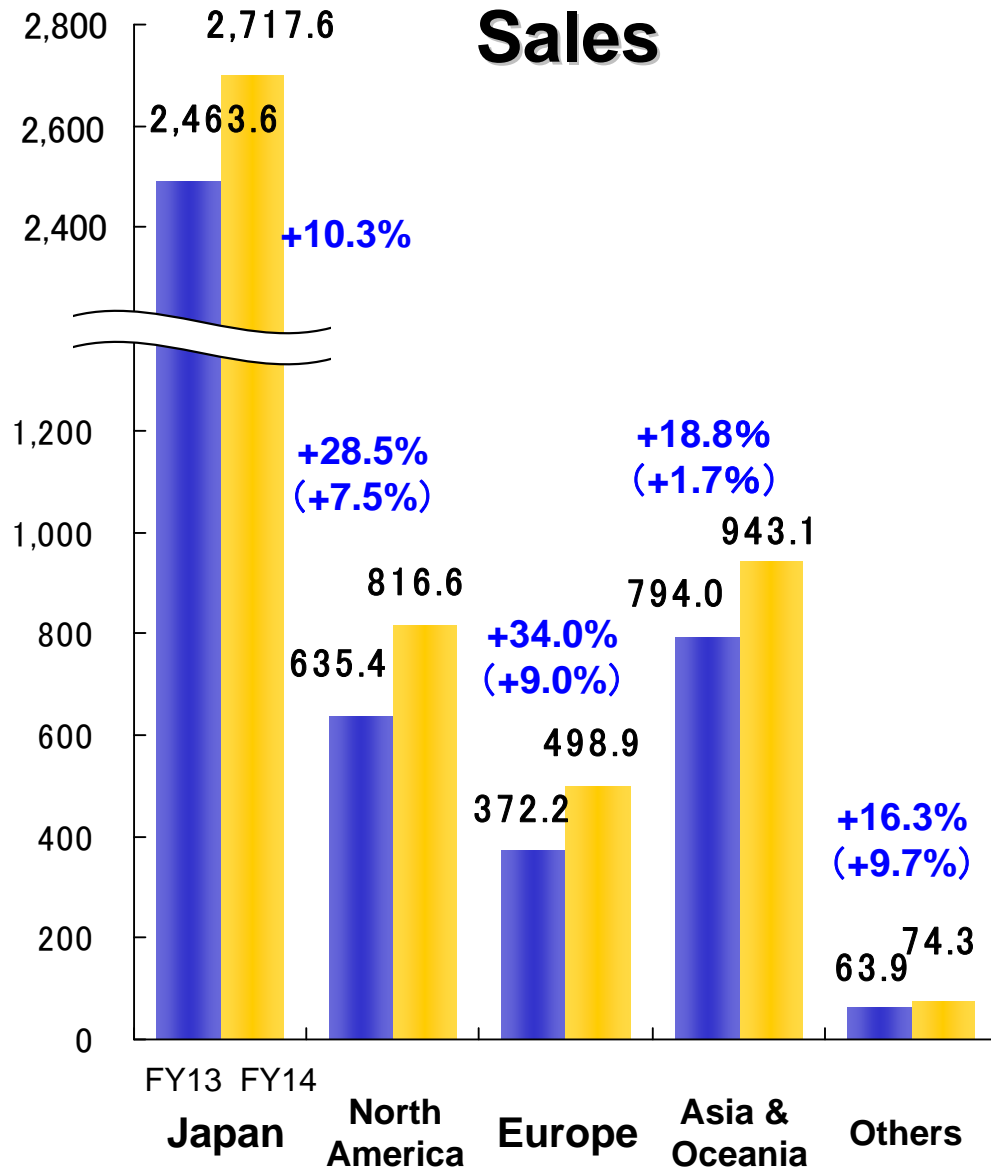


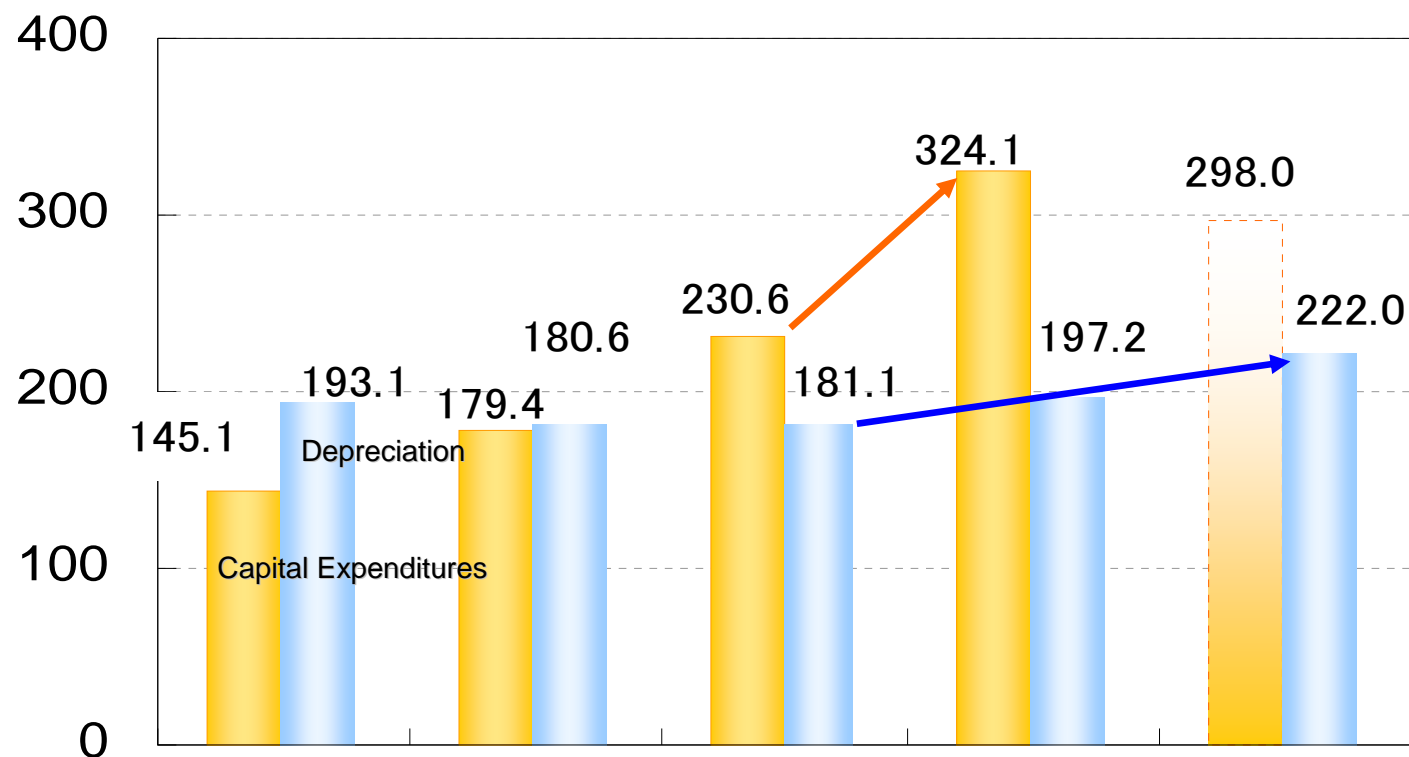
Geographical Segments by Company Location

(Unit: Billions of Yen)

(): Local Currency Base

Operating Income []: Ratio to Sales





	FY11	FY12	FY13	FY14	FY15F
Capital Expenditures	145.1	179.4	230.6	324.1	298.0
Depreciation	193.1	180.6	181.1	197.2	222.0
R&D Expenditures	290.1	298.4	335.5	368.7	390.0
(Ratio to Sales)	(9.3)	(9.5)	(9.4)	(9.0)	(9.4)

FY2015 Financial Forecast

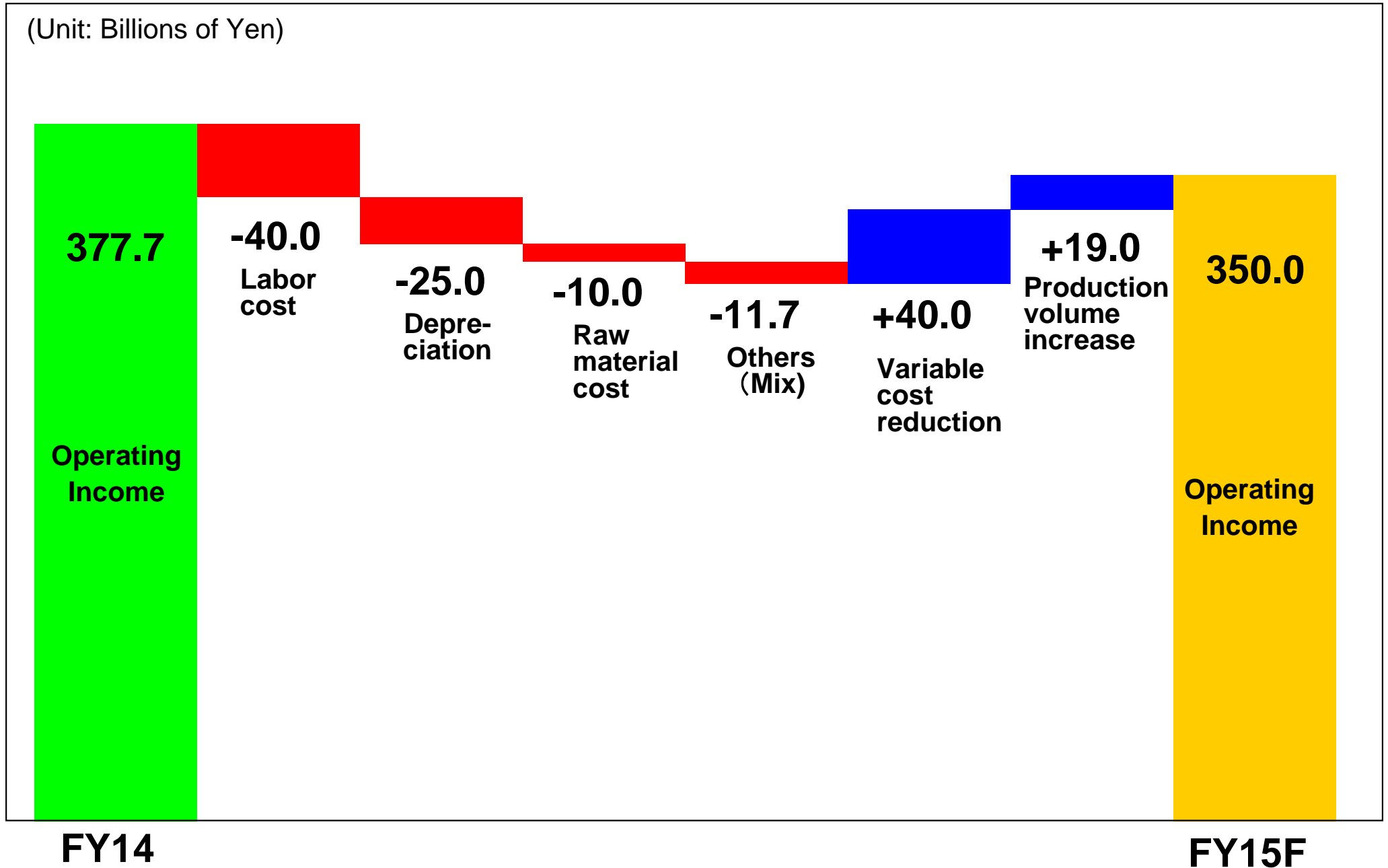
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	(Ratio to Sales)		(Unit: Billions of Yen)	
	FY2015	FY2014	Change	
Sales	4,140.0	4,095.9	+ 44.1	+1.1%
Operating Income	(8.5%) 350.0	(9.2%) 377.7	- 27.7	-7.3%
Income before Income Taxes	(9.1%) 378.0	(10.2%) 418.6	- 40.6	-9.7%
Net Income	(6.0%) 248.0	(7.0%) 287.4	- 39.4	-13.7%

			(Unit: Millions of Units)	
Foreign Exchange Rate	JPY 100/\$ JPY135/Euro	JPY 100/\$ JPY134/Euro	JPY 0 +JPY 1	
Domestic Car Production	9.18	9.49	- 0.31	-3.3%
Overseas Car Production of Japanese Manufacturers (North America)	19.98 (6.22)	17.70 (5.43)	+ 2.28 (+0.79)	+12.9% (+14.5%)

Change in FY2015 Operating Income Forecast

(Unit: Billions of Yen)



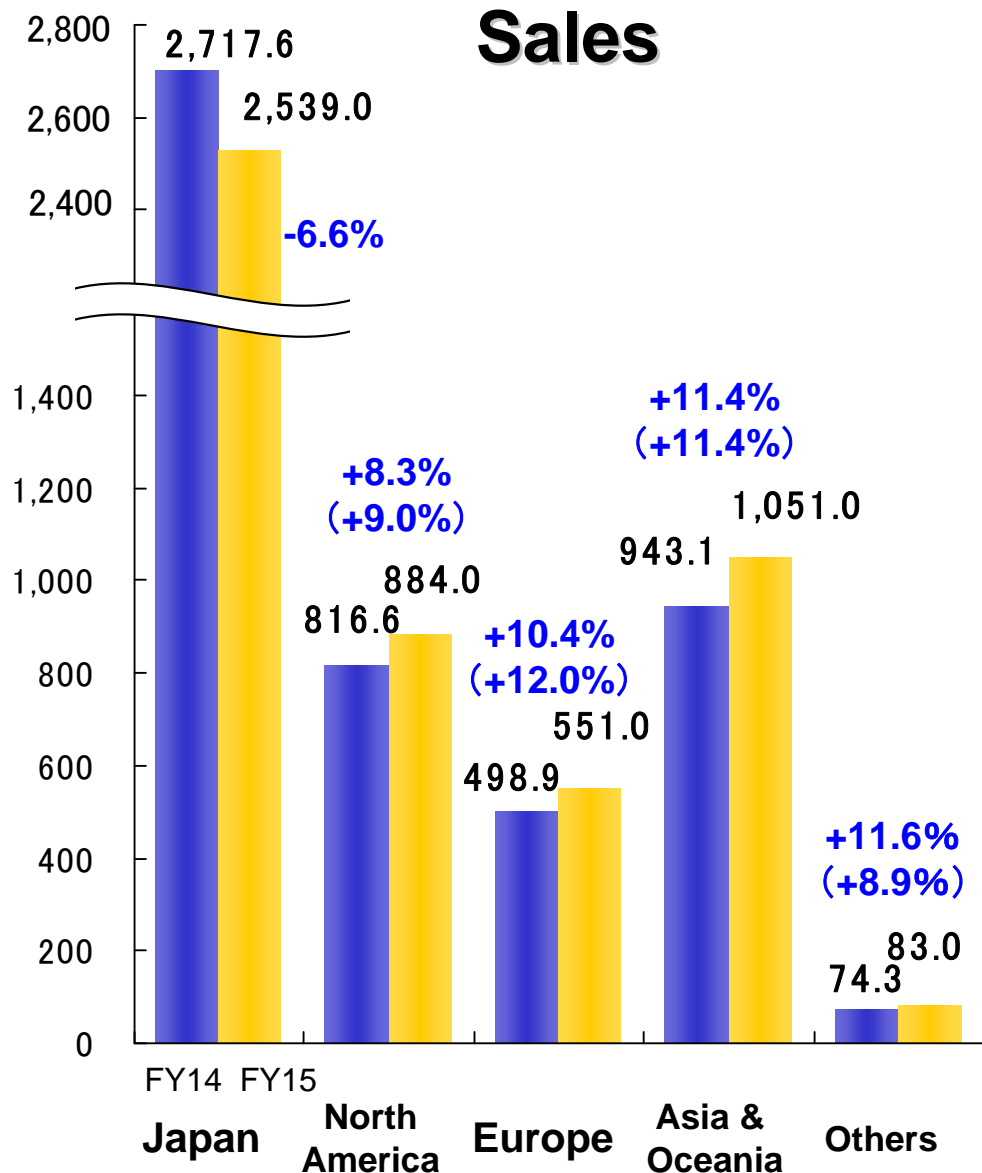
Change in FY2015 Geographical Segments by Company Location Forecast

(Unit: Billions of Yen)

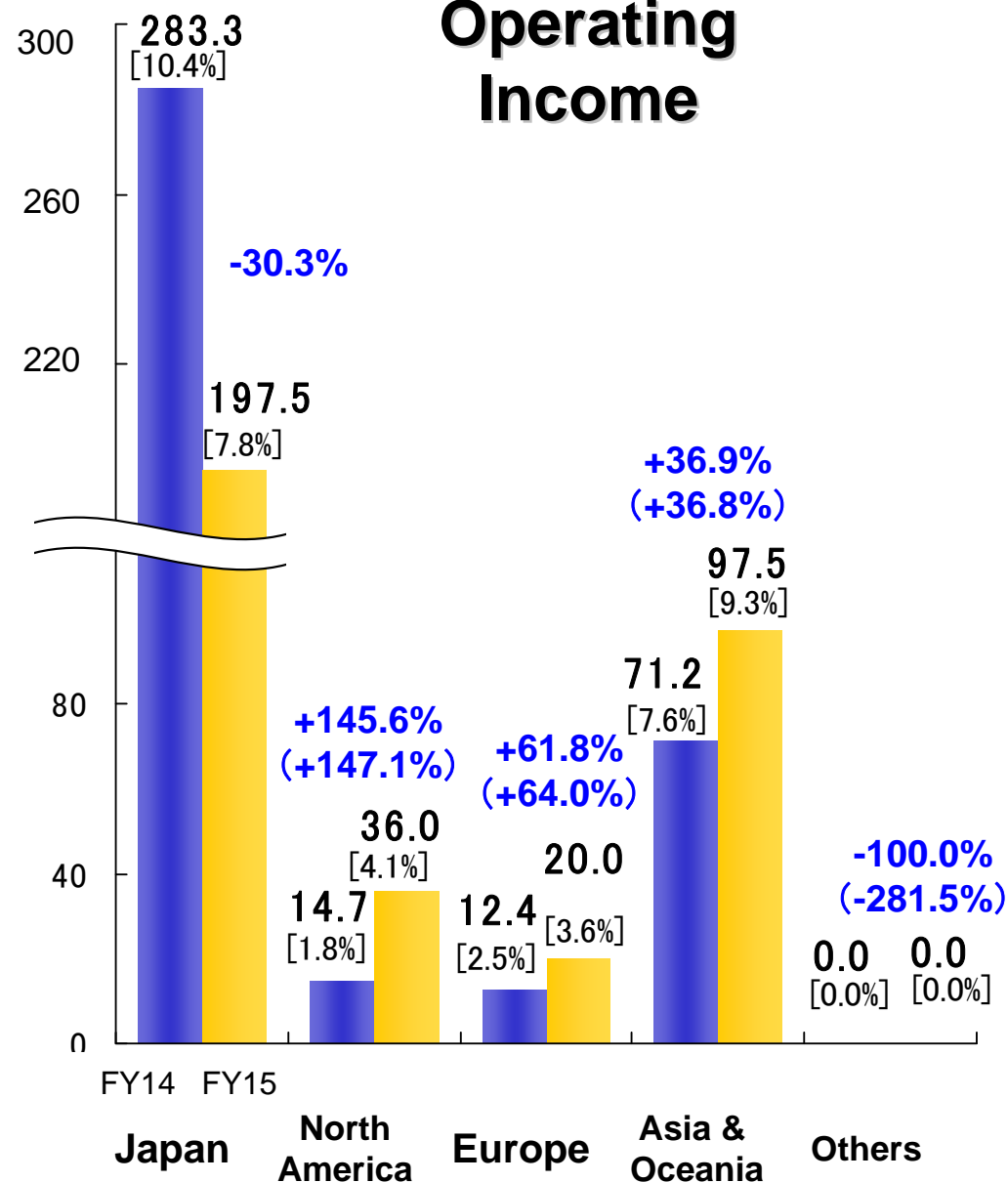
(): Local Currency Base

[]: Ratio to Sales

Sales



Operating Income



- 1. Global Mid-term Policy**
- 2. On-going Technology Developments**
 - (1) Fuel Saving Products**
 - (2) Driving Assist and Safety Products**
- 3. Strengthen Cost Competitiveness**
- 4. DENSO's Product Network**
- 5. New Business**

Position of Global Mid-term Policy

12 13 14 15 16 17 18 19 20

Philosophy

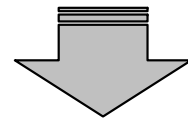
DENSO Philosophy

Long-term Policy

DENSO Group Long-term Policy 2020

“Protecting lives, Preserving the planet, and
Preparing a bright future for generations to come.”

Mid-term Policy



**2015 Global
Mid-term Policy**

(FY2013~FY2016)

- Advanced technology development
- Innovation in “Monozukuri”
- Develop aftermarket and new business

**2018 Global
Mid-term Policy**

(FY2016~FY2019)

Establish “2018 Global Mid-term Policy” in FY2015

Technology Innovations for Fuel Efficiency/CO2 Reduction

Smaller

Fuel-efficient Compact Car
Smaller and Lighter Components

Electrification

Hybrid
Electric Vehicle

System Approach

Fuel Saving through
System Collaboration

- Higher Output Internal Combustion Engine
 - Gasoline Direct injection
 - Common Rail System
- Stop -Start System
 - Improve Starter's Starting Efficiency and Durability
 - Fuel Saving System
- Smaller and Lighter Hybrid Components
 - Improvement of Inverter
 - Motor Generator
- Energy Management Systems
 - Heat Energy and Electric Management

Higher Output Internal Combustion Engine Gasoline / Diesel

Fuel / Ignition Components

【Gasoline Direct Injection】



【Diesel】



ECU



System Components

Air Intake Components

Air Flow Meter, Electronic Throttle Body, Manifold Absolute Pressure Sensor

Exhaust Emission Control Components

Air-Fuel Ratio Sensor, Oxygen Sensor

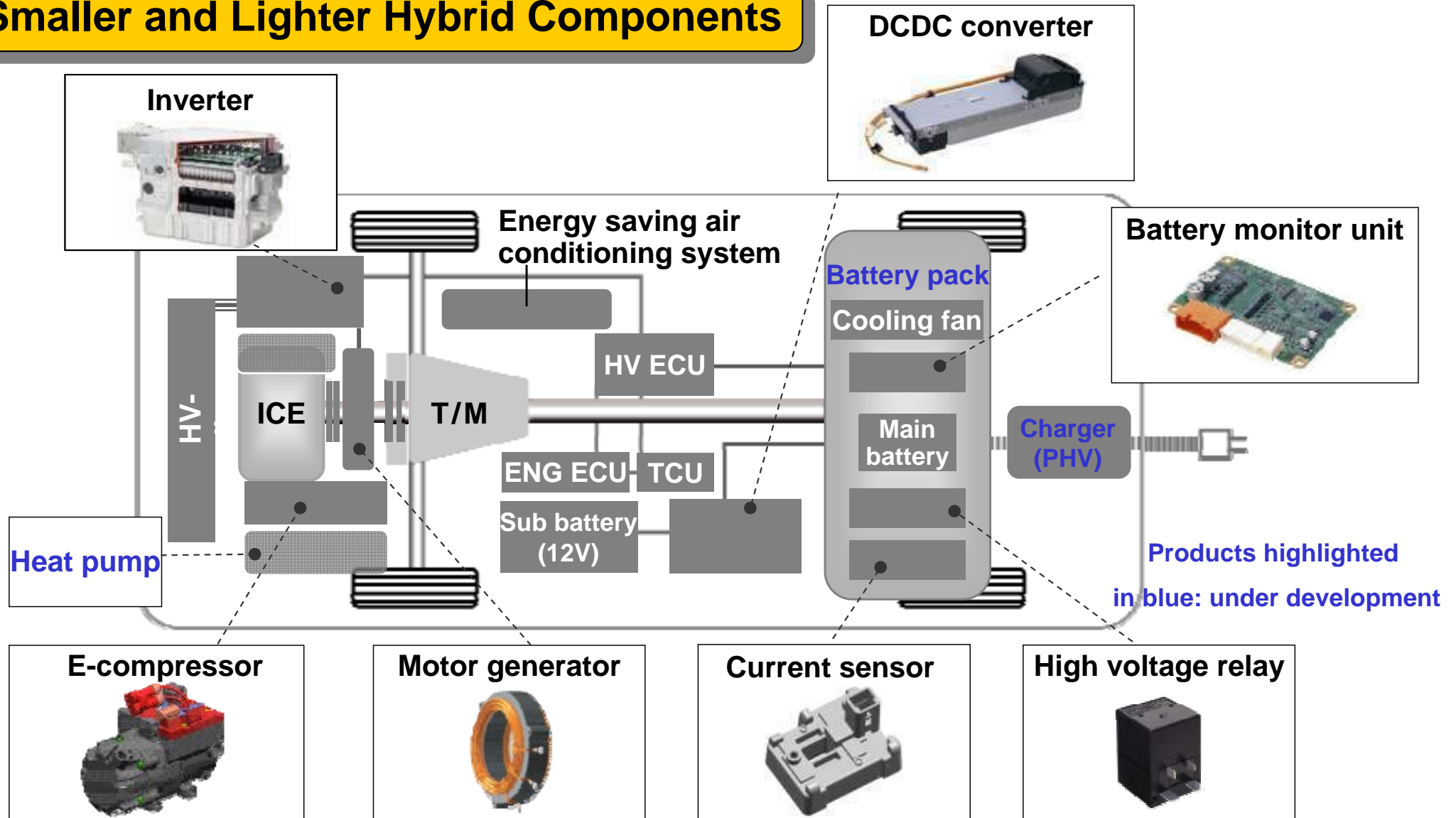
Sensor

Coolant Temperature Sensor, Knock Sensor, Cam Position Sensor, Crank Position Sensor

- The World's Highest level Injection Pressure (Gasoline 20MPa, Diesel 250MPa)
- Modify the fuel injection quantity and timing of each injector automatically for cleaner exhaust emission gas and fuel efficiency (Diesel)
- Less development cost by highly standardized engine, components, control system between gasoline and diesel

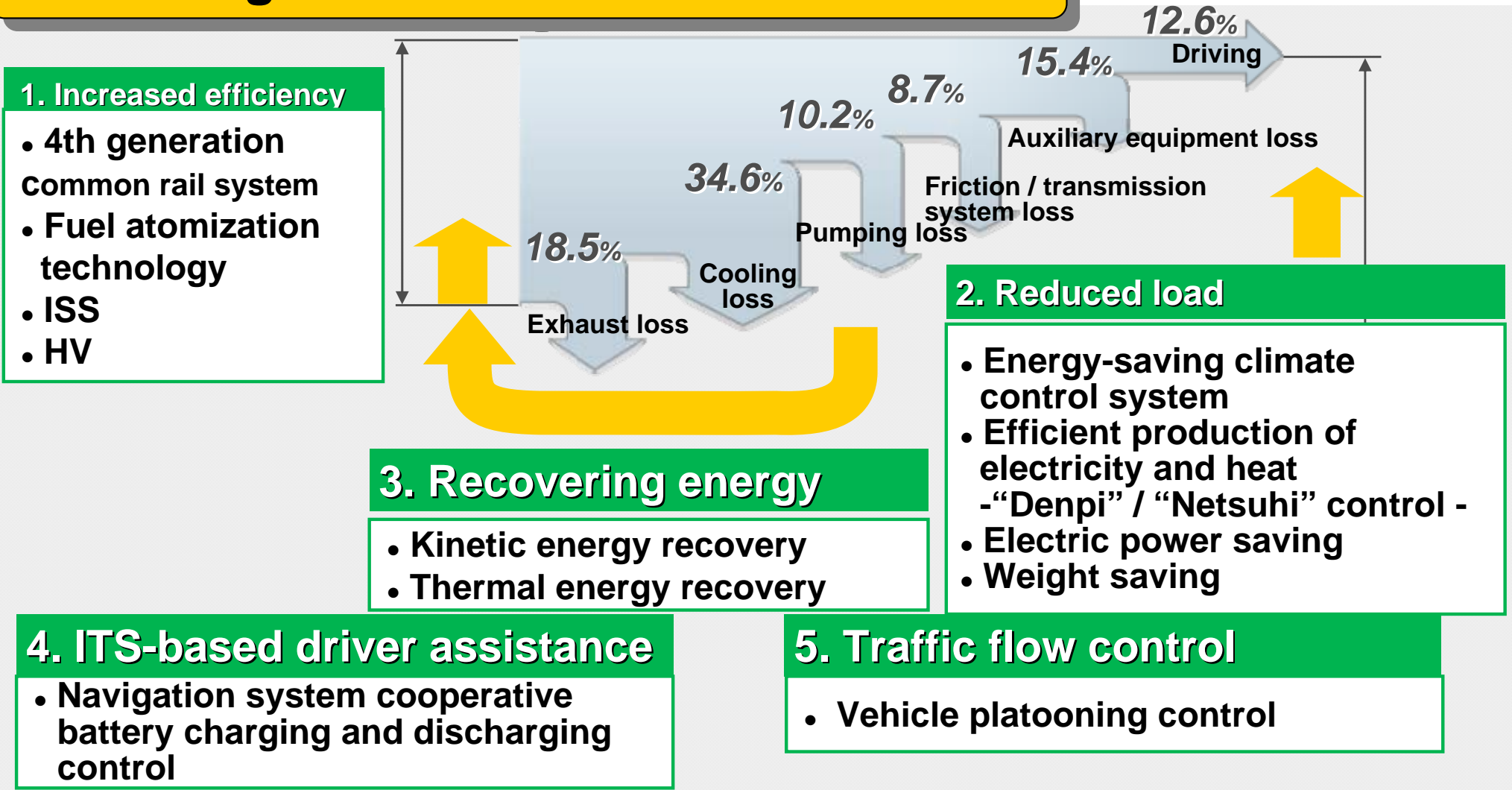
Engine Control System is installed on Volvo new powertrain 「DRIVE-E」

Smaller and Lighter Hybrid Components



Inverters are installed mainly on TOYOTA and started on NISSAN and MAZDA

Technologies to Reduce CO2 Emissions

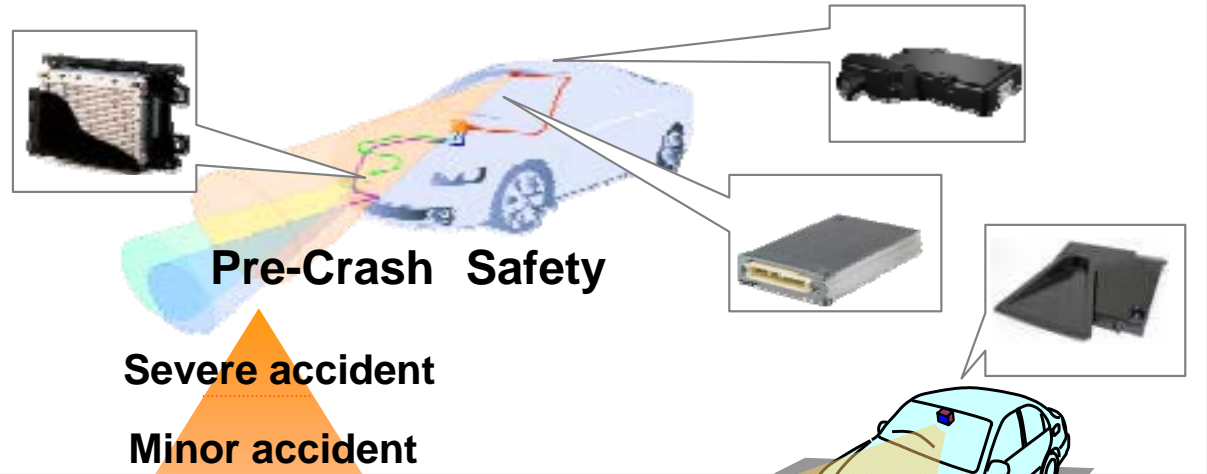


Increase energy efficiency throughout the vehicle to maximize fuel savings and reduce environmental impact

Safety System

Extraordinary Safety

Help ensure safety in case of emergency
(Damage reduction in case of the car crash)



Everyday confidence

Give you peace of mind each time you drive

Anxiety, uncomfortable feeling

Lane departure warning



Night View System with Pedestrian Detection Function



Driver Monitoring System

2. On-going Technology Developments (Driving Assist and Safety Products)

Analysis of accidents

Trend of laws, regulations and ratings (NCAP)

Customer's needs

Suggest three preventive safety product packages

Premium

AEB
Autonomous Emergency Braking (Intersection Assist)



Road Departure Prevention



Standard

AEB
Autonomous Emergency Braking (vehicle in front, pedestrians)



LKA
Lane Keeping Assist



FSRA
Full Speed Range ACC (Adaptive Cruise Control)



Entry

TSR
Traffic Sign Recognition



AHB
Auto High Beam



Low-speed AEB
Autonomous Emergency Braking (vehicle in front)

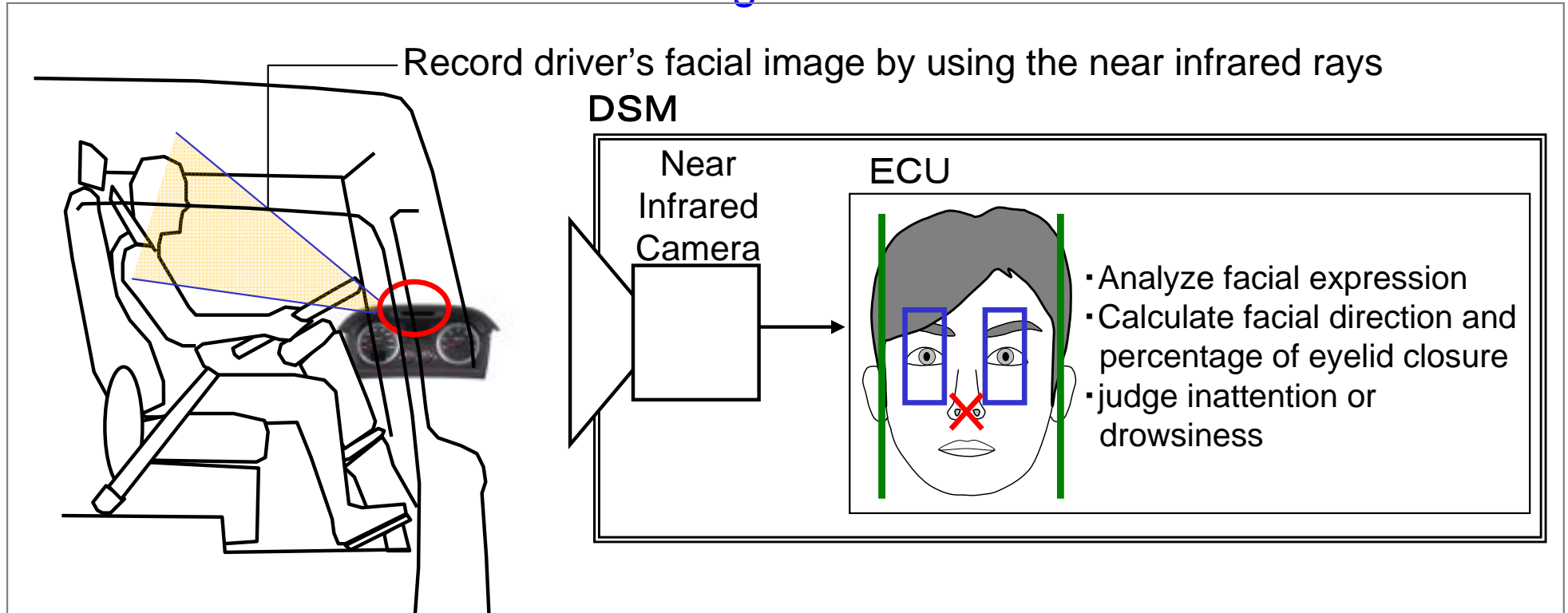


LDW
Lane Departure Warning



Example : DSM (Driver Status Monitor)

Detect the driver's inattention or drowsiness and warn the driver to focus on driving



Installed on Hino Motors for large-sized trucks and buses

Contribute to driving safety along with millimeter-wave radar and ECU for Pre-crash Safety

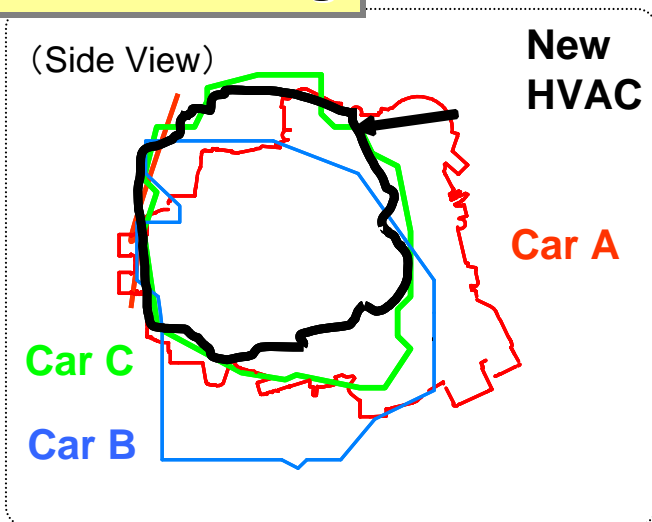
3. Strengthen Cost Competitiveness

(Example) Highly Standardized Automotive Climate Control Unit(HVAC)



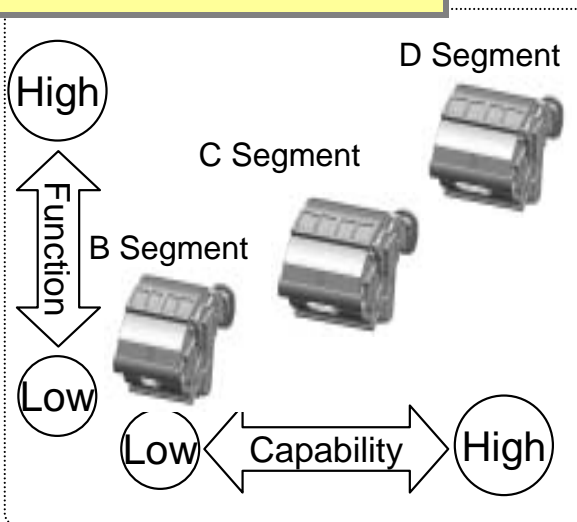
Achieve cost competitiveness by downsizing and increasing production volume

① Downsizing



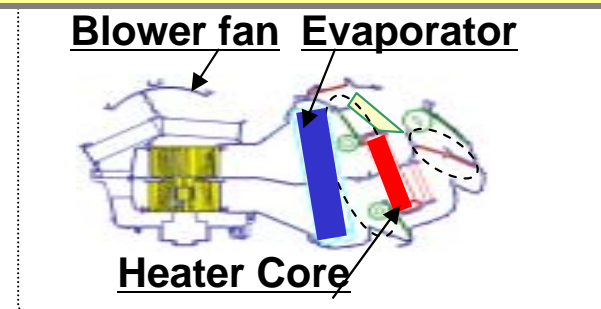
• Downsizing by 20% from conventional model enable HVAC to be installed in vehicles ranging from compact to luxury cars.

② New Structure



A new structure which enabled to standardize components while realizing required performance.

③ Replaceable blower fan / heat exchanger



Applied to different powertrain (HV, PHV, EV, ISS)

④ Cost Competitive

Cost competitive by downsizing, standardizing and innovation in production

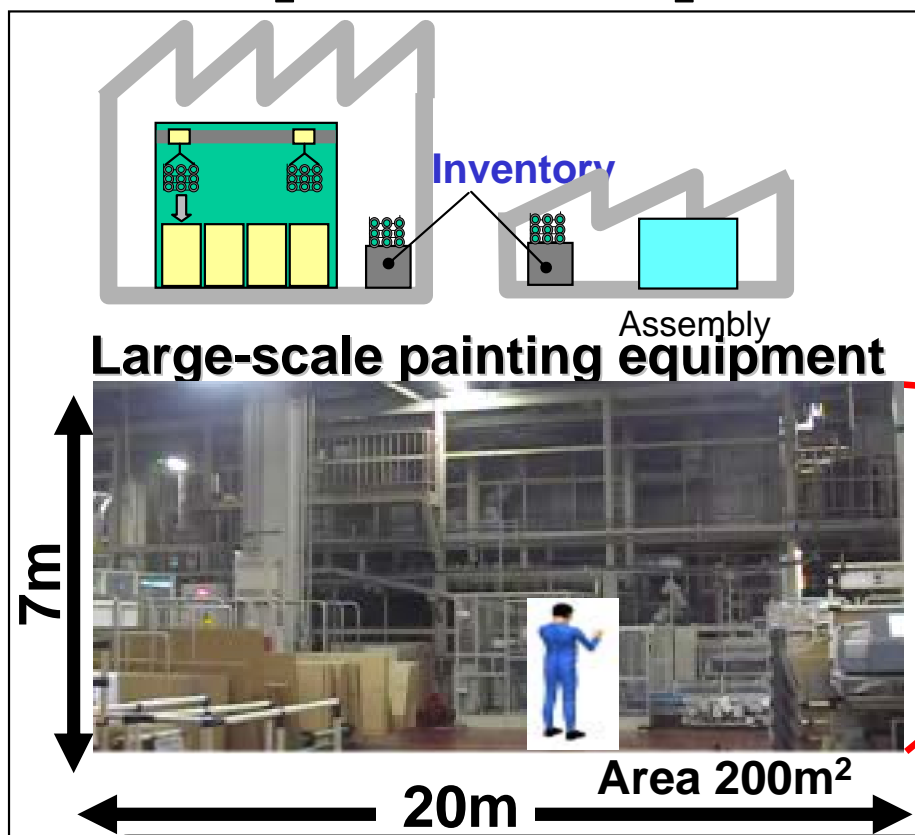
Installed on TOYOTA Harrier and NOAH/ VOXY
Expanding to other car makers for a wide variety of vehicles

3. Strengthen Cost Competitiveness

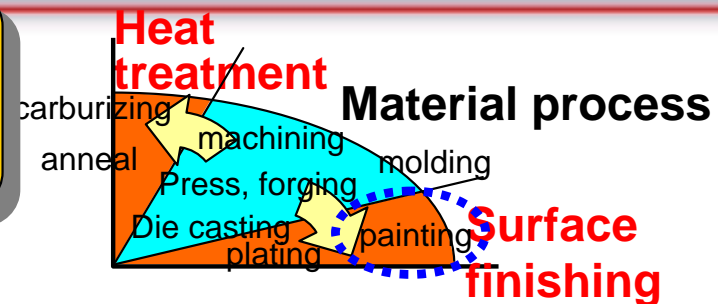
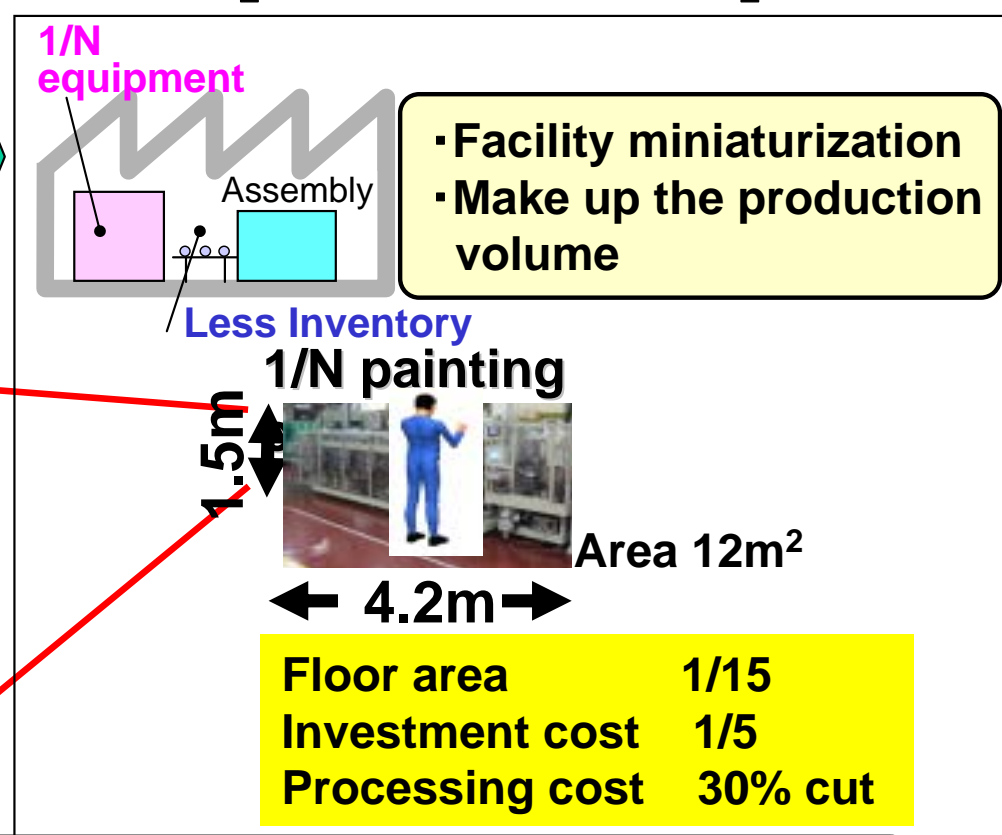
“Dantotsu” Plant is established by 1/N production equipment

Expanding activity to surface finishing

【Conventional】



【“Dantotsu” Plant】



Cut down production cost by “Dantotsu” 1/N production equipment and keep cost competitive

4. DENSO's Product Network

India

<HARYANA · Jhajjar Plant>

Investment : 2.7 billion rupees
(approx. US\$52.2 million)

Operation Start : FY13

Total floor area : 12,000m²

Business description : Manufacturing small motors ,engine cooling modules



Mexico < Silao Plant > Expand

Investment : approx. US\$108.4 million

Operation Start : November 2013, October 2014

Employees : 850 people by 2015

Total floor area : 56,200m²



Global Network
220 companies
(40 Countries and Area)

Indonesia <3rd Plant >

Investment: approx. 1,040 billion rupiah
(approx. US\$110 million)

Operation Start : March 2014 (Plug, SIFS)

Employees : approx. 1,300 (planned for March 2016)

Total floor area : 24,000 m²

Business description: Manufacturing ECUs, VCT systems, starters, and alternators

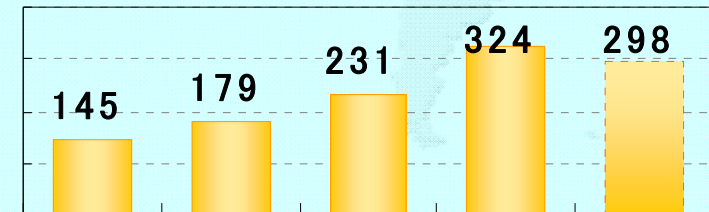


Capital Expenditures FY15

298 billion yen

(keep high level as previous year)

Unit: billions of yen

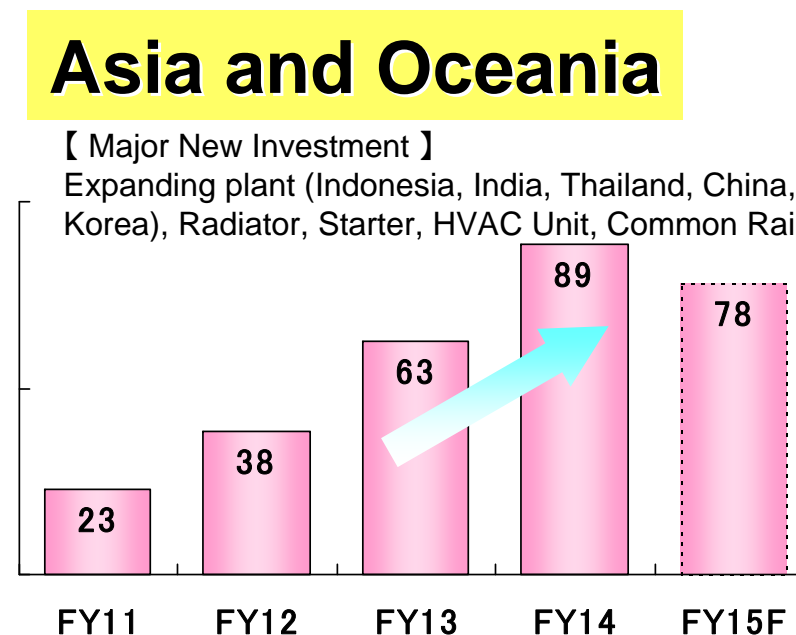
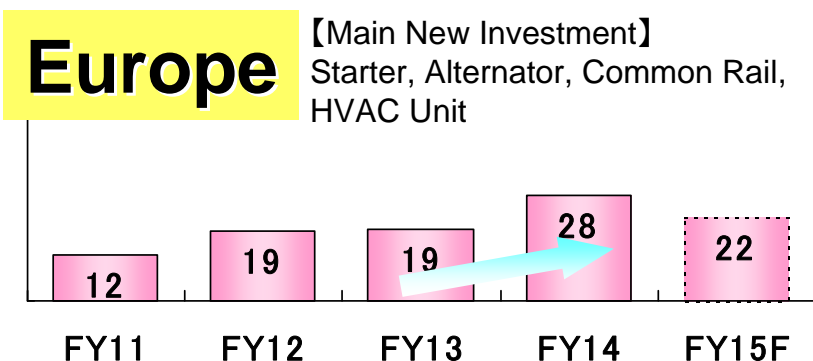
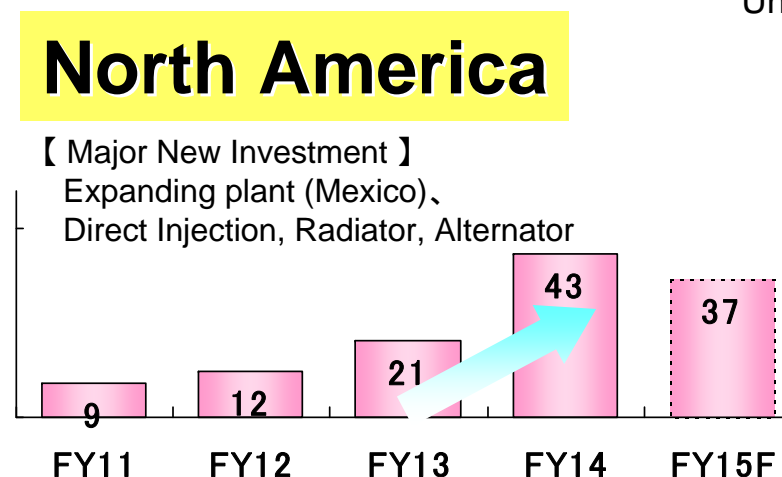
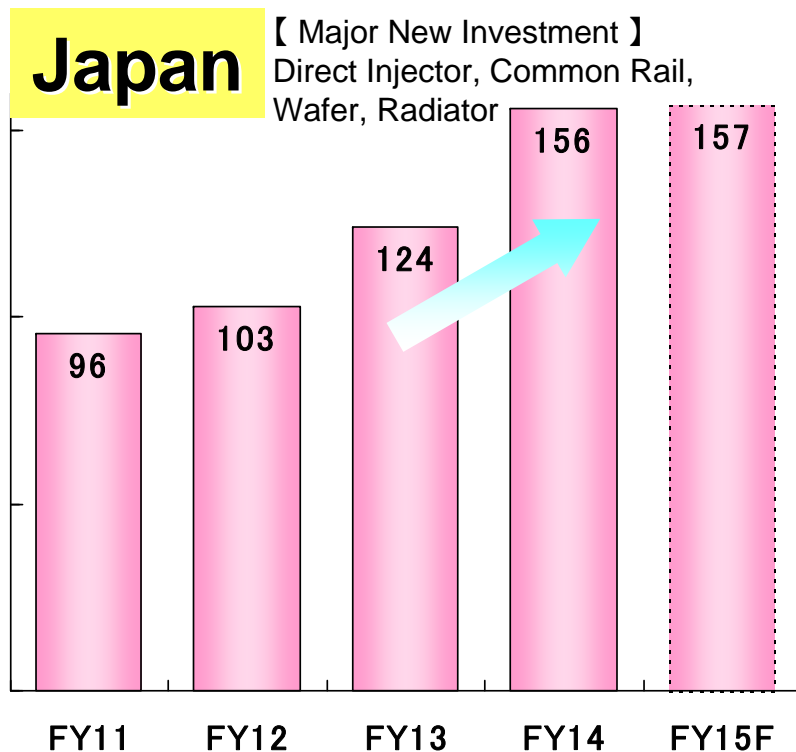


Expanding global production system

By Geographical Segments

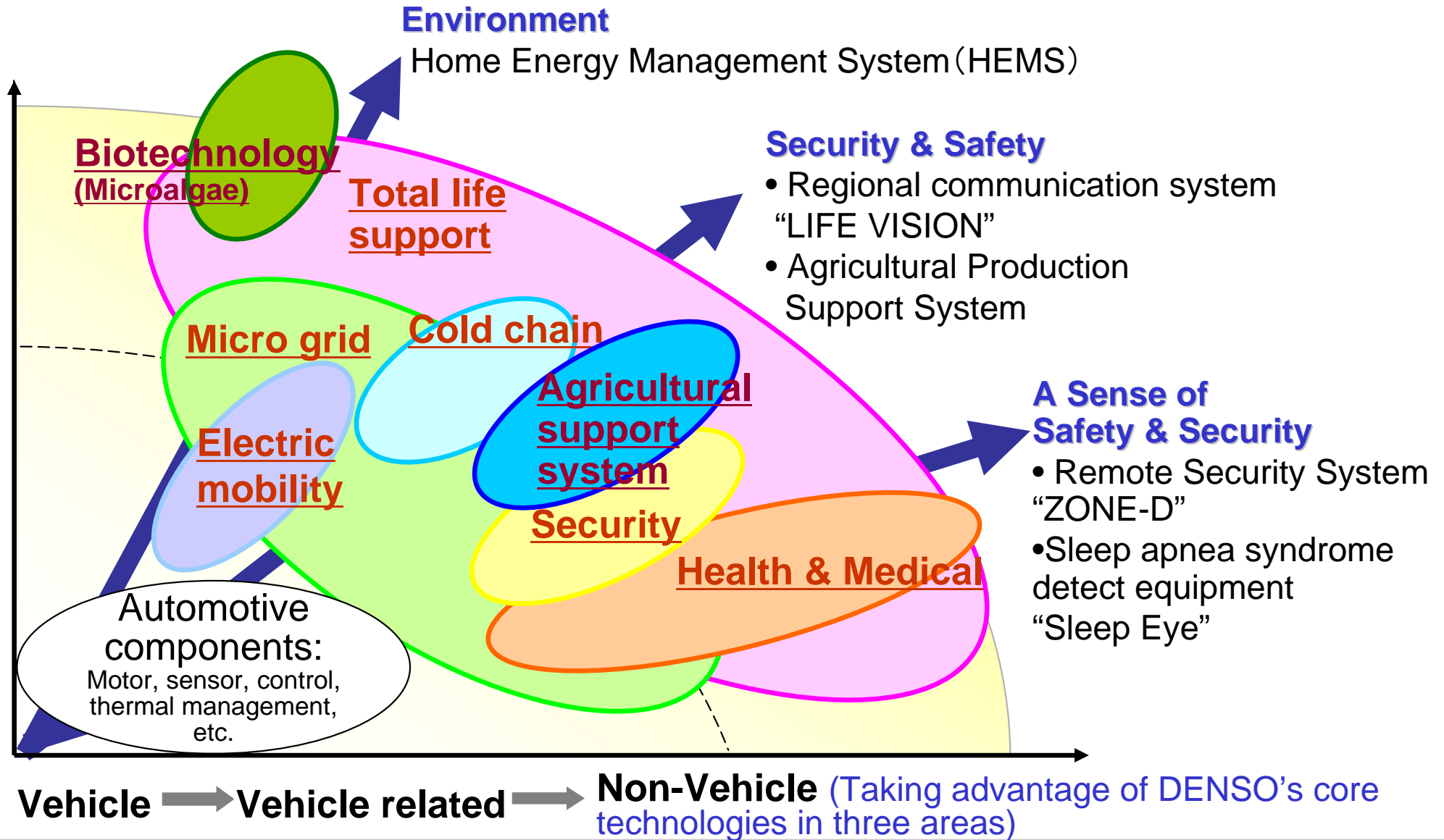
Keep high level in every region

Unit: billions of yen

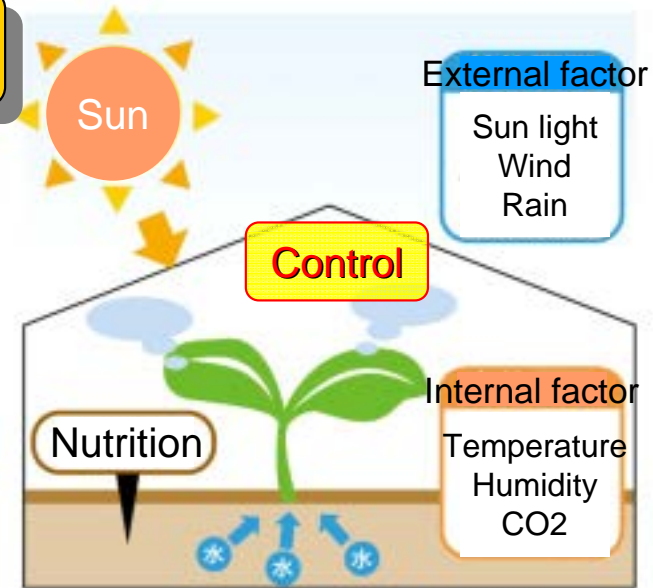


5. New Business

By using the technologies it has developed for automotive components, DENSO will become more familiar to people in their daily lives, and help to create a society where people can use desired services whenever needed.



(Example) Agricultural Support System

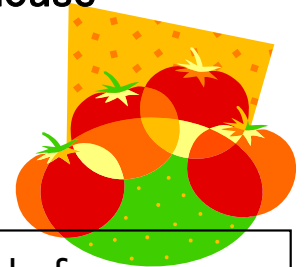


Experimental Greenhouse



Environmental control system

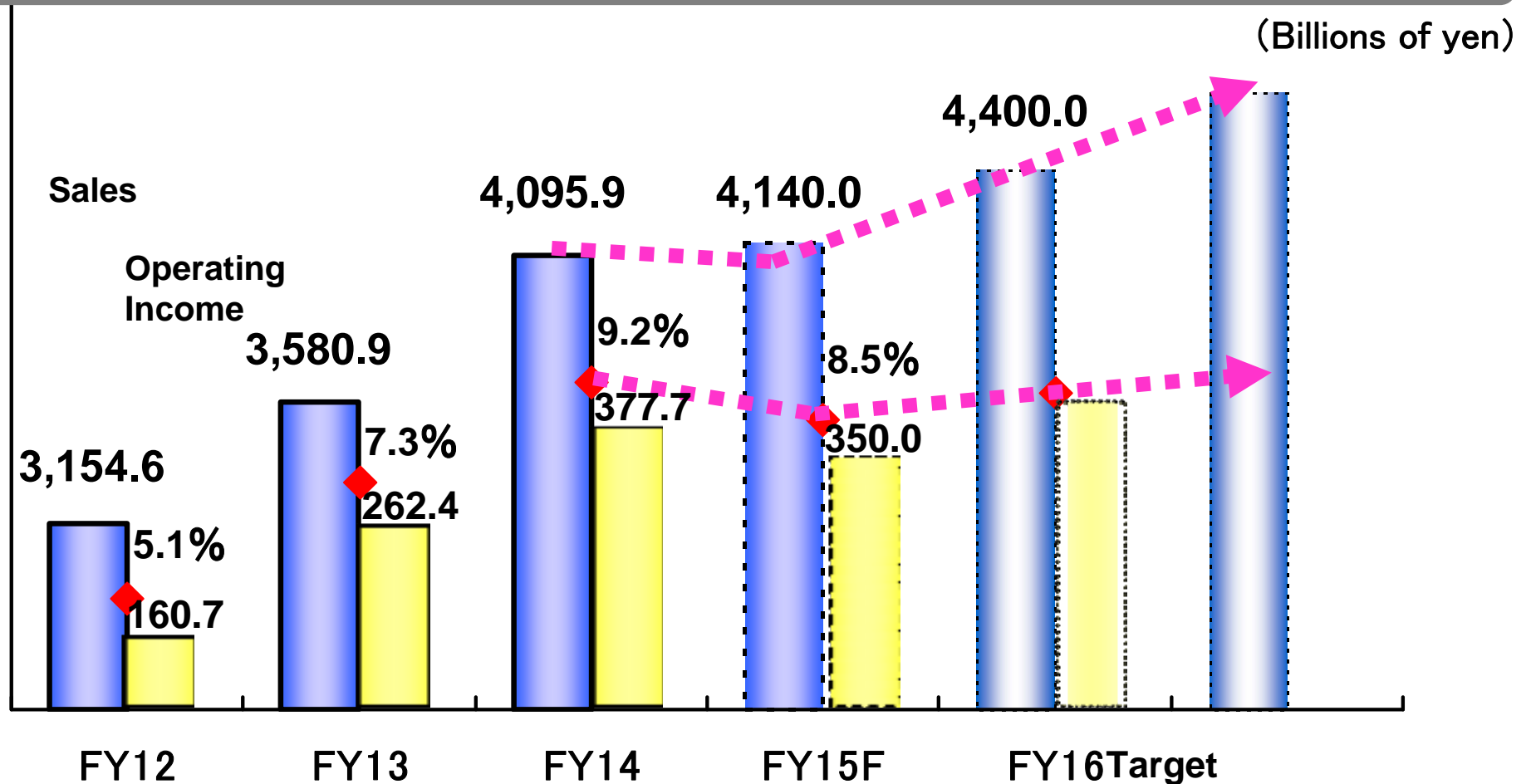
- Control temperature, humidity and CO2 concentration to optimal in the greenhouse and promote photosynthesis
- Provide optimal amount of fertilizer



- Stabilize the growth and double the yield of crops than without installing the system
- Halve the investment cost compared to imported system

Stabilize the growth and increase the yield of agricultural products

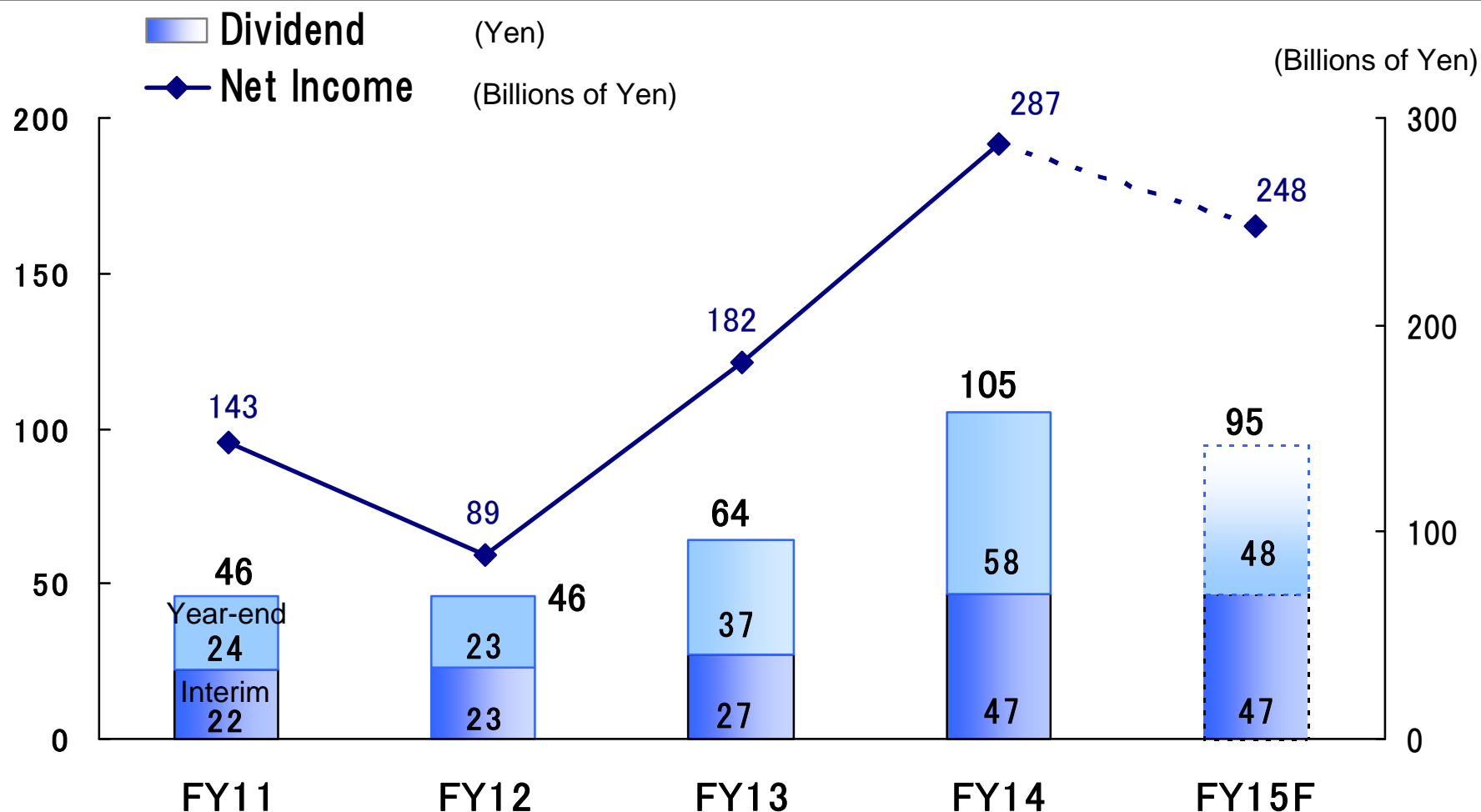
Trend of Sales, Operating Income, Operating Income Ratio



FY15: Production volume will decrease in Japan and investment cost for future competitiveness will increase
FY16~: Accelerating growth

FY14 Annual Dividend per Share: Increase by 41 yen to 105 yen

FY15 Annual Dividend per Share: Decrease by 10 yen to 95 yen





Preserve the Planet

Security & Safety

Our mission in next 10 years



DENSO



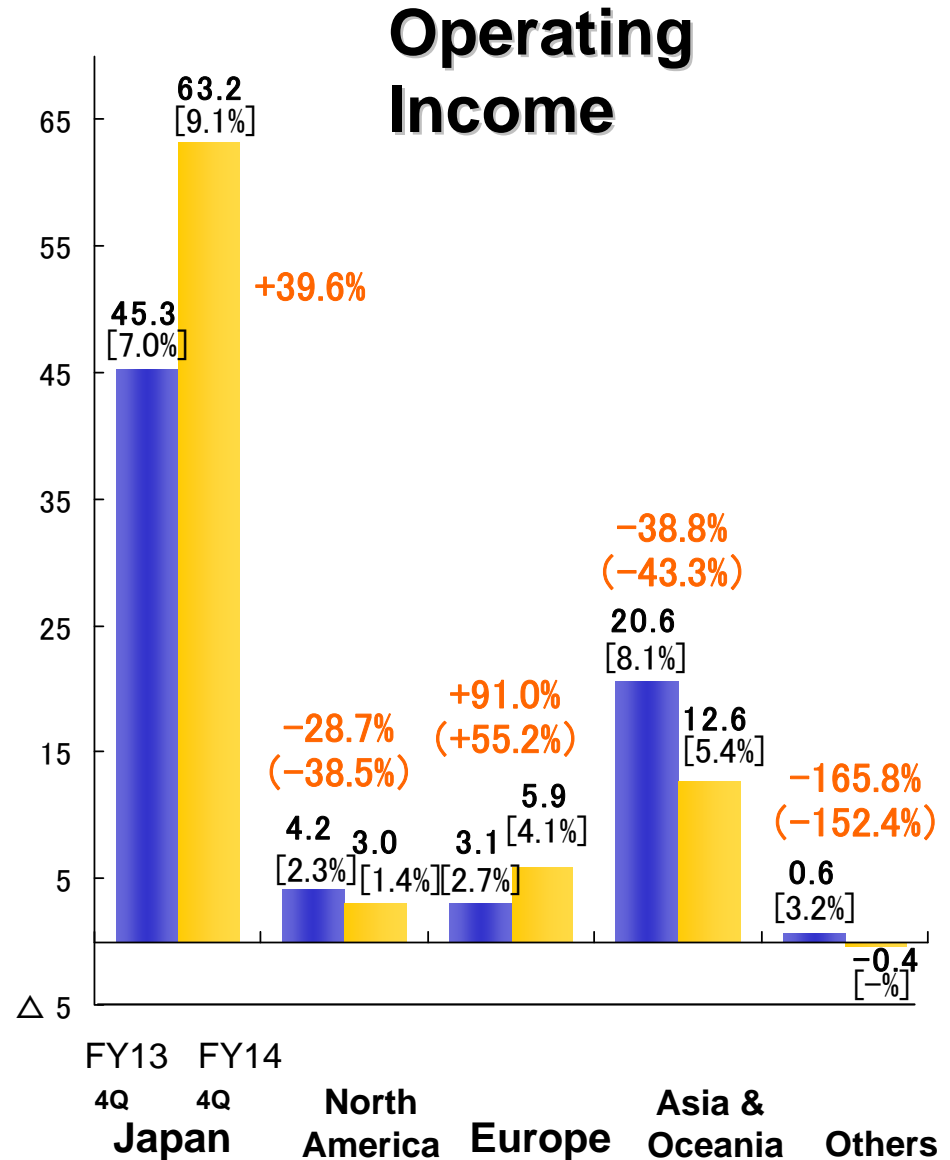
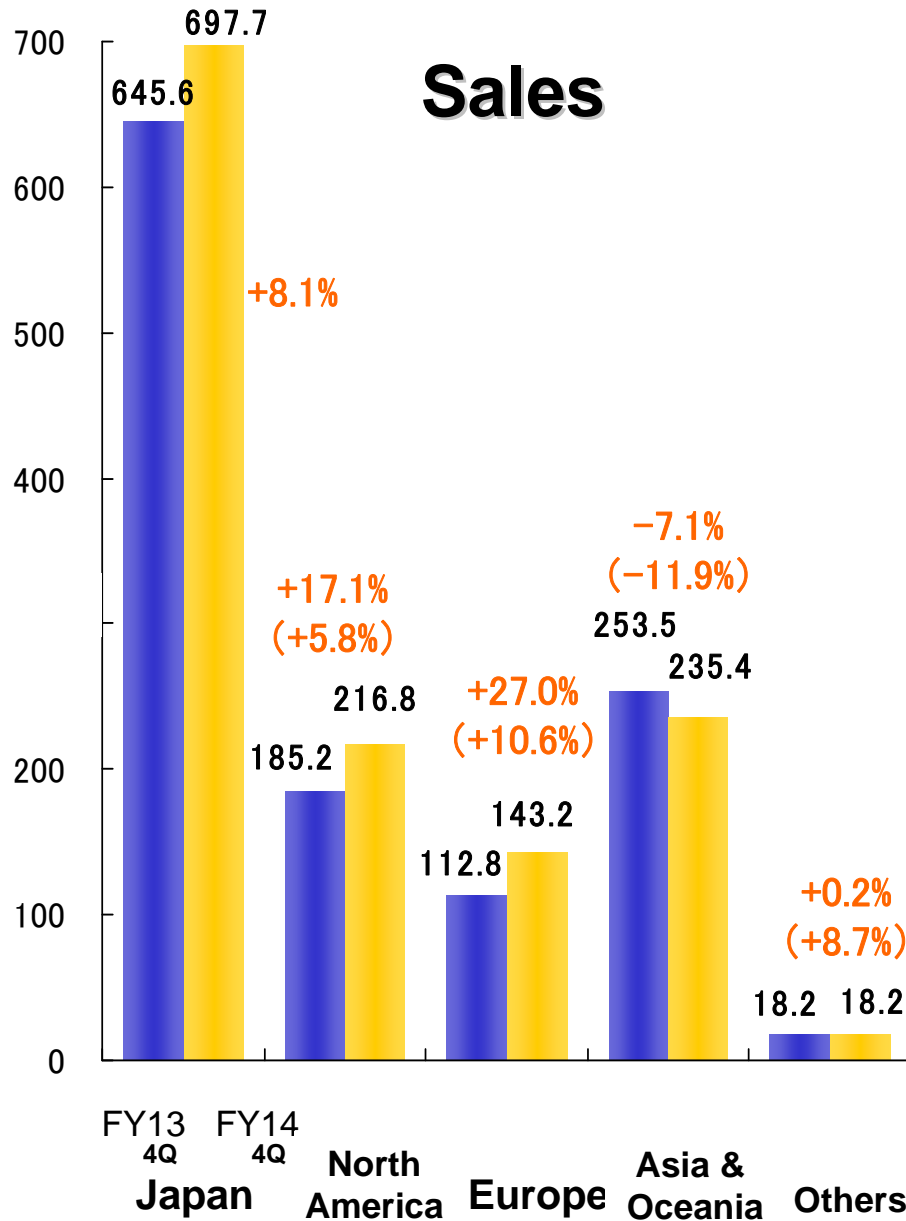
- 4th Quarter(3months) Geographical Segments by Company Location
- Non-Consolidated Financial Results
- Pre-Conditions (Foreign Exchange Rate/Car Production)
- Consolidated Sales by Customer
- Consolidated Sales by Business Segment
- Capital Expenditures, Depreciation, and R&D

(Unit: Billions of Yen)

(): Local Currency Base

(): Local Currency Base

[]: Ratio to Sales



Income Statements

(Ratio to Sales)

(Unit:Billions of Yen,%)

Account	FY2014		FY2013		Change		FY2015 Forecast		Change from FY14	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Net Sales	(100.0)	2,490.8	(100.0)	2,276.8	214.0	9.4	(100.0)	2,323.0	-167.8	-6.7
Cost of Sales	(84.7)	2,110.2	(88.1)	2,006.1	104.1					
SGA Expenses	(6.3)	157.2	(6.5)	147.1	10.2					
Operating Income	(9.0)	223.3	(5.4)	123.6	99.7	80.6	(6.4)	149.0	-74.3	-33.3
Non-Operating Income		76.0		72.2	3.8			64.0	-12.0	
Extraordinary Income (Loss)		-3.2		0.3	-3.5			0.0	3.2	
Income Before Income Taxes	(11.9)	296.1	(8.6)	196.1	100.0	51.0	(9.2)	213.0	-83.1	-28.1
Net Income	(8.8)	219.7	(6.4)	146.0	73.7	50.4	(6.8)	157.0	-62.7	-28.5

		FY2014 Full Year									FY2015 Full Year	
		FY2014 First-Half			FY2014 Second-Half							
		Prior Year	Actual	Change	Prior Year	Actual	Change	Prior Year	Actual	Change	Forecast	Change
Foreign Exchange Rate (Yen)	USD	79	99	+ 20	87	102	+ 15	83	100	+ 17	100	-
	EUR	101	130	+ 29	114	139	+ 25	107	134	+ 27	135	+ 1
Forex Impact on Operating Income per Yen (Billions of Yen)	USD	/					3.2	2.8	-0.4	2.5	- 0.3	
	EUR	/					0.7	0.8	+ 0.1	0.7	- 0.1	
Car Production of Japanese Manufacturers (Millions of Units)	Domestic	4.70	4.53	- 4%	4.43	4.96	+ 12%	9.13	9.49	+ 4%	9.18	- 3%
	North America	2.47	2.66	+ 8%	2.55	2.77	+ 9%	5.02	5.43	+ 8%	6.22	+ 15%
	Overseas	8.30	8.69	+ 5%	8.33	9.00	+ 8%	16.63	17.70	+ 6%	19.98	+ 13%

Consolidated Sales by Customer

(Unit: Billion of Yen)

	FY2014 Ended Mar. 31, 2014		FY2013 Ended Mar. 31, 2013		Change	
	Amount	% to Total	Amount	% to Total	Amount	%
Toyota	1,833.1	44.8	1,680.5	47.0	152.6	9.1
Daihatsu	112.3	2.7	100.7	2.8	11.6	11.6
Hino	54.1	1.3	50.8	1.4	3.3	6.5
Toyota Group	1,999.5	48.8	1,832.0	51.2	167.4	9.1
Honda	285.4	7.0	248.7	7.0	36.7	14.8
GM	119.1	2.9	94.2	2.6	24.9	26.4
Hyundai/Kia	114.2	2.8	90.3	2.5	23.9	26.5
Suzuki	99.0	2.4	86.8	2.4	12.3	14.1
Ford	97.5	2.4	73.4	2.1	24.1	32.8
Chrysler	89.4	2.2	61.3	1.7	28.2	46.0
Mazda	87.8	2.1	66.4	1.9	21.4	32.3
Fiat	84.4	2.1	67.5	1.9	16.9	25.0
VW/AUDI	75.7	1.8	61.2	1.7	14.4	23.6
Fuji	70.9	1.7	73.0	2.0	-2.1	-2.9
Isuzu	56.1	1.4	51.2	1.4	4.9	9.5
Nissan	52.2	1.3	40.2	1.1	12.0	30.0
Mitsubishi	48.8	1.2	45.4	1.3	3.4	7.5
BMW	33.8	0.8	29.4	0.8	4.4	15.0
Benz	31.7	0.8	24.8	0.7	6.8	27.4
PSA	21.8	0.5	14.6	0.4	7.3	50.1
Jaguar/Land Rover	16.0	0.4	14.9	0.4	1.1	7.2
OE Sales for others	306.5	7.5	249.5	7.0	57.0	22.8
OEM Total	3,689.7	90.1	3,224.7	90.1	465.0	14.4
After-market, New business & Others(*)	406.2	9.9	356.2	9.9	50.0	14.0
Total	4,095.9	100.0	3,580.9	100.0	515.0	14.4

* Sales of industrial systems and consumer products, Sales for After Market, and Sales of property/equipment are included.

(Unit: Billion of Yen)

	FY2014 Ended Mar. 31, 2014		FY2013 Ended Mar. 31, 2013		Change	
	Amount	% to Total	Amount	% to Total	Amount	%
Powertrain Control	1,433.4	35.0	1,238.2	34.6	195.2	15.8
Thermal	1,245.5	30.4	1,057.5	29.5	188.0	17.8
Information & Safety Systems	628.6	15.3	576.9	16.1	51.7	9.0
Electronic	382.8	9.4	342.1	9.6	40.8	11.9
Small Motors	286.7	7.0	256.0	7.2	30.7	12.0
Others(*)	57.5	1.4	51.7	1.4	5.7	11.0
Automotive Total	4,034.5	98.5	3,522.4	98.4	512.1	14.5
Industrial & Consumer Product	45.8	1.1	42.7	1.2	3.1	7.3
Others	15.6	0.4	15.8	0.4	-0.2	-1.3
New Business Total	61.4	1.5	58.5	1.6	2.9	5.0
Total	4,095.9	100.0	3,580.9	100.0	515.0	14.4

* Sales of equipment, Repair parts, original brand products of subsidiaries

(Unit: Billion of Yen)

	FY2013	FY2014	Change	FY2015F	Change
			Percent		Percent
Japan	124.3	156.0	25.5%	157.0	0.6%
North America	20.5	43.3	111.2%	36.5	-15.7%
Europe	19.1	27.9	46.1%	22.0	-21.1%
Asia & Oceania	62.6	88.6	41.5%	78.0	-12.0%
Others	4.1	8.3	102.4%	4.5	-45.8%
Capital Expenditures	230.6	324.1	40.5%	298.0	-8.1%
Japan	131.5	130.9	-0.5%	141.0	7.7%
North America	14.5	18.8	29.7%	23.0	22.3%
Europe	10.7	14.3	33.6%	17.0	18.9%
Asia & Oceania	22.2	30.2	36.0%	37.0	22.5%
Others	2.3	3.0	30.4%	4.0	33.3%
Depreciation	181.2	197.2	8.8%	222.0	12.6%
R&D Expenditure	335.5	368.7	9.9%	390.0	5.8%
(Ratio to Sales)	(9.4%)	(9.0%)		(9.4%)	