

**DENSO CORPORATION and Consolidated Subsidiaries**  
**Consolidated Financial Results for the Second Quarter Ended September 30, 2014**

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

Results for the second quarter ended September 30, 2014 (From April 1, 2014 to September 30, 2014)

**(1) Operating Results**

(Millions of yen, except per share figures)

	6 months ended Sep. 30, 2014	6 months ended Sep. 30, 2013	Year ended Mar. 31, 2014
Net sales.....	2,070,985	1,987,862	4,095,925
% change from the previous corresponding period.....	4.2%	14.7%	14.4%
Operating income.....	161,335	192,187	377,696
% change from the previous corresponding period.....	( 16.1%)	41.0%	44.0%
Income before income taxes and minority interests.....	175,191	214,591	418,637
% change from the previous corresponding period.....	( 18.4%)	56.2%	48.5%
Net Income.....	122,364	150,082	287,388
% change from the previous corresponding period.....	( 18.5%)	92.2%	58.2%
Basic net income per share.....	153.46 yen	188.52 yen	360.85 yen
Diluted net income per share .....	153.42 yen	188.39 yen	360.60 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 Sep. 30, 2014	As of Mar. 31, 2014	As of Sep. 30, 2013
Total assets.....	4,565,635	4,442,507	4,294,893
Total equity.....	2,991,215	2,823,346	2,655,109
Equity ratio.....	62.6 %	60.6 %	59.0 %
Equity per share.....	3,586.11 yen	3,376.06 yen	3,180.92 yen

Note: "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 : 188  
 Number of unconsolidated subsidiary : 2  
 Number of affiliates : 34 ( Affiliates accounted for by the equity method : 34 )

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

Consolidated subsidiaries  
 Added : 3  
 Excluded : 0  
 Companies accounted for by the equity method  
 Added : 1  
 Excluded : 1

## Consolidated Balance Sheets

	Millions of yen		
Assets	As of Sep. 30, 2014	As of Mar. 31, 2014	Increase (Decrease)
<b>Current Assets:</b>			
Cash and cash equivalents	566,301	641,694	
Short-term investments	382,922	392,414	
Notes and accounts receivable, less allowance for doubtful accounts	694,456	688,147	
Inventories	457,209	422,425	
Deferred tax assets	67,431	68,688	
Other current assets	130,626	128,279	
<b>Total current assets</b>	<b>2,298,945</b>	<b>2,341,647</b>	<b>(42,702)</b>
<b>Property, Plant and Equipment:</b>			
Land	178,368	175,244	
Buildings and structures	845,520	811,575	
Machinery and equipment	3,099,484	2,987,757	
Construction in progress	136,115	126,089	
	<b>4,259,487</b>	<b>4,100,665</b>	
Less: Accumulated depreciation	(3,137,806)	(3,056,989)	
<b>Net property, plant and equipment</b>	<b>1,121,681</b>	<b>1,043,676</b>	<b>78,005</b>
<b>Investments and Other Assets</b>	<b>1,145,009</b>	<b>1,057,184</b>	<b>87,825</b>
<b>Total</b>	<b>4,565,635</b>	<b>4,442,507</b>	<b>123,128</b>
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Liabilities and Equity	As of Sep. 30, 2014	As of Mar. 31, 2014	Increase (Decrease)
<b>Current Liabilities:</b>			
Short-term borrowings	10,949	22,774	
Current portion of long-term debt	26,177	104,391	
Notes and accounts payable	506,359	493,933	
Income taxes payable	25,207	73,855	
Accrued expenses	237,139	233,676	
Other current liabilities	106,726	102,387	
<b>Total current liabilities</b>	<b>912,557</b>	<b>1,031,016</b>	<b>(118,459)</b>
<b>Long-term Liabilities:</b>			
Long-term debt	347,832	308,578	
Liabilities for retirement benefits to employees, directors, corporate auditors and managing officers	202,159	201,940	
Deferred tax liabilities	89,661	58,272	
Other long-term liabilities	22,211	19,355	
<b>Total long-term liabilities</b>	<b>661,863</b>	<b>588,145</b>	<b>73,718</b>
<b>Shareholders' Equity:</b>			
Common stock	187,457	187,457	
Capital surplus	269,834	269,497	
Retained earnings	2,260,362	2,184,238	
Treasury stock - at cost	(219,456)	(220,120)	
<b>Total shareholders' equity</b>	<b>2,498,197</b>	<b>2,421,072</b>	<b>77,125</b>
<b>Variance of the Estimate/Conversion:</b>			
Unrealized gain on available-for-sale securities	363,367	307,687	
Deferred loss on derivatives under hedge accounting	(417)	(113)	
Foreign currency translation adjustments	8,280	(27,380)	
Remeasurements of defined benefit plans	(9,536)	(9,775)	
<b>Total variance of the estimate/conversion</b>	<b>361,694</b>	<b>270,419</b>	<b>91,275</b>
<b>Stock Acquisition Rights</b>	<b>316</b>	<b>488</b>	<b>(172)</b>
<b>Minority Interests</b>	<b>131,008</b>	<b>131,367</b>	<b>(359)</b>
<b>Total equity</b>	<b>2,991,215</b>	<b>2,823,346</b>	<b>167,869</b>
<b>Total</b>	<b>4,565,635</b>	<b>4,442,507</b>	<b>123,128</b>

## Consolidated Statements of Income

	6 months ended Sep. 30, 2014	6 months ended Sep. 30, 2013	Millions of yen Increase (Decrease)
<b>Net Sales</b>	<b>2,070,985</b>	1,987,862	83,123
Cost of Sales	1,715,107	1,620,490	94,617
<b>Gross Profit</b>	<b>355,878</b>	367,372	(11,494)
Selling, General and Administrative Expenses	194,543	175,185	
<b>Operating Income</b>	<b>161,335</b>	192,187	(30,852)
Other Income (Expenses):			
Interest and dividend income	15,424	11,051	
Interest expense	(3,736)	(3,508)	
Equity in earnings of affiliates	2,157	2,984	
Gain on sales of property, plant and equipment	893	862	
Gain on negative goodwill	4,328	-	
Loss on sales or disposal of property, plant and equipment	(1,281)	(1,595)	
Impairment loss on investment securities	(2)	(62)	
Loss on sales of investment securities	(1)	-	
Foreign exchange gain	6,772	6,211	
Loss on antitrust issues	(9,430)	-	
Loss on liquidation of business	(2,089)	-	
Other, net	821	6,461	
<b>Income before income taxes and minority interests</b>	<b>175,191</b>	214,591	(39,400)
Income Taxes:			
Current	40,554	60,457	
Deferred	3,850	(6,787)	
Minority Interests in Net Income	8,423	10,839	
<b>Net Income</b>	<b>122,364</b>	150,082	(27,718)

## Segment Information

<b>Geographical Segments (by company location)</b>		Millions of yen		
		6 months ended Sep. 30, 2014	6 months ended Sep. 30, 2013	Increase (Decrease)
Sales	Japan	1,294,915	1,329,803	(34,888)
	North America	446,378	402,785	43,593
	Europe	265,245	234,545	30,700
	Asia & Oceania	495,404	457,239	38,165
	Total	2,501,942	2,424,372	77,570
	Others	37,769	39,596	(1,827)
	Grand Total	2,539,711	2,463,968	75,743
Operating Income	Japan	105,780	143,652	(37,872)
	North America	13,483	9,312	4,171
	Europe	7,427	3,690	3,737
	Asia & Oceania	33,145	37,652	(4,507)
	Total	159,835	194,306	(34,471)
	Others	543	1,121	(578)
	Grand Total	160,378	195,427	(35,049)