

[This is an English translation prepared for the convenience of non-resident shareholders. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.]

Consolidated Financial Results
for the Six Months Ended September 30, 2015
<under IFRS>

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 DENSO CORPORATION
 CODE: 6902
 Listed on the Tokyo and
 Nagoya Stock Exchanges

(Millions of yen, except per share figures)

1. Consolidated financial results for the six months ended September 30, 2015 (from April 1, 2015 to September 30, 2015)

(1) Consolidated operating results

(Percentages indicate the change of the same period of the previous year)

	Revenue		Operating profit		Profit before income taxes		Profit for the period	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2015	2,228,462	7.6	148,036	(1.2)	166,833	(0.9)	120,560	(0.0)
September 30, 2014	2,070,140	—	149,810	—	168,394	—	120,585	—

	Profit attributable to owners of the parent company		Comprehensive income for the period		Basic earnings per share	Diluted earnings per share
Six months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
September 30, 2015	113,050	0.9	(40,355)	—	141.82	141.81
September 30, 2014	112,049	—	220,544	—	140.52	140.48

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent company	Ratio of equity attributable to owners of the parent company to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2015	5,150,022	3,351,109	3,224,702	62.6
March 31, 2015	5,283,257	3,474,211	3,327,938	63.0

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2015	—	47.00	—	63.00	110.00
Year ending March 31, 2016	—	60.00			
Year ending March 31, 2016 (Forecast)			—	60.00	120.00

3. Consolidated earnings forecasts for the six months ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

(Percentages indicate the change of the same period of the previous year)

	Revenue		Operating profit		Profit before income taxes		Profit attributable to owners of the parent company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	4,520,000	4.9	350,000	5.6	383,000	3.0	260,000	0.6	326.92

Consolidated Statement of Financial Position

(Unit: Millions of yen)

	As of Mar. 31, 2015	As of Sep. 30, 2015
Assets		
Current assets		
Cash and cash equivalents	792,414	431,935
Trade and other receivables	807,669	789,880
Inventories	479,527	486,325
Other financial assets	183,580	631,249
Other current assets	69,019	57,407
Total current assets	2,332,209	2,396,796
Non-current assets		
Property, plant and equipment	1,395,706	1,413,039
Intangible assets	19,637	20,884
Other financial assets	1,302,739	1,088,354
Investments accounted for using the equity method	71,819	72,498
Retirement benefit assets	92,676	92,383
Deferred tax assets	44,457	41,756
Other non-current assets	24,014	24,312
Total non-current assets	2,951,048	2,753,226
Total assets	5,283,257	5,150,022

(Unit: Millions of yen)

	As of Mar. 31, 2015	As of Sep. 30, 2015
Liabilities and equity		
Current liabilities		
Bonds and borrowings	98,959	290,645
Trade and other payables	804,816	778,390
Other financial liabilities	11,695	13,346
Income tax payables	14,182	28,144
Provisions	51,737	63,218
Other current liabilities	47,299	49,043
Total current liabilities	1,028,688	1,222,786
Non-current liabilities		
Bonds and borrowings	348,241	202,198
Other financial liabilities	12,204	9,052
Retirement benefit liabilities	219,173	222,029
Provisions	1,066	911
Deferred tax liabilities	181,304	124,550
Other non-current liabilities	18,370	17,387
Total non-current liabilities	780,358	576,127
Total liabilities	1,809,046	1,798,913
Equity		
Capital stock	187,457	187,457
Capital surplus	268,611	268,453
Treasury stock	(218,942)	(232,548)
Other components of equity	699,938	549,308
Retained earnings	2,390,874	2,452,032
Equity attributable to owners of the parent company	3,327,938	3,224,702
Non-controlling interests	146,273	126,407
Total equity	3,474,211	3,351,109
Total liabilities and equity	5,283,257	5,150,022

Consolidated Statement of Income

(Unit: Millions of yen)

	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015
Revenue	2,070,140	2,228,462
Cost of revenue	(1,715,662)	(1,858,052)
Gross profit	354,478	370,410
Selling, general and administrative expenses	(193,957)	(203,196)
Other income	4,715	6,785
Other expenses	(15,426)	(25,963)
Operating profit	149,810	148,036
Finance income	15,444	19,319
Finance costs	(5,536)	(4,754)
Foreign exchange gains	6,305	777
Share of the profit of associates accounted for using the equity method	2,371	3,455
Profit before income taxes	168,394	166,833
Income tax expenses	(47,809)	(46,273)
Profit for the period	120,585	120,560
Attributable to:		
Owners of the parent company	112,049	113,050
Non-controlling interests	8,536	7,510

(Unit: Yen)

Earnings per share		
Basic	140.52	141.82
Diluted	140.48	141.81

Consolidated Statement of Other Comprehensive Income

(Unit: Millions of yen)

	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015
Profit for the period	120,585	120,560
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Net fair value gain on equity instruments designated as FVTOCI	60,095	(117,417)
Remeasurements of defined benefit pension plans	—	—
Total	60,095	(117,417)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	39,904	(43,488)
Cash flow hedges	(40)	(10)
Total	39,864	(43,498)
Total other comprehensive income	99,959	(160,915)
Comprehensive income for the period	220,544	(40,355)
Attributable to:		
Owners of the parent company	207,537	(39,067)
Non-controlling interests	13,007	(1,288)

Consolidated Statement of Changes in Equity

(Unit: Millions of yen)

	Equity attributable to owners of the parent company					
	Capital stock	Capital surplus	Treasury stock	Other components of equity		
				Stock acquisition rights	Net fair value gain on equity instruments designated as FVTOCI	Remeasurements of defined benefit pension plans
As of April 1, 2014	187,457	263,607	(220,120)	488	324,866	—
Profit for the period	—	—	—	—	—	—
Other comprehensive income	—	—	—	—	60,036	—
Comprehensive income for the period	—	—	—	—	60,036	—
Acquisition of treasury stock	—	—	(14)	—	—	—
Disposal of treasury stock (includes exercising stock options)	—	337	678	(124)	—	—
Dividends	—	—	—	—	—	—
Changes in the ownership interest in subsidiaries without loss of control	—	4,461	—	—	—	—
Transfer to retained earnings	—	—	—	—	—	—
Other increase (decrease)	—	—	—	(49)	—	—
Total transactions with the owners	—	4,798	664	(173)	—	—
As of September 30, 2014	187,457	268,405	(219,456)	315	384,902	—
As of April 1, 2015	187,457	268,611	(218,942)	148	552,324	—
Profit for the period	—	—	—	—	—	—
Other comprehensive income	—	—	—	—	(117,322)	—
Comprehensive income for the period	—	—	—	—	(117,322)	—
Acquisition of treasury stock	—	—	(13,891)	—	—	—
Disposal of treasury stock (includes exercising stock options)	—	134	285	(89)	—	—
Dividends	—	—	—	—	—	—
Changes in the ownership interest in subsidiaries without loss of control	—	(292)	—	—	—	—
Transfer to retained earnings	—	—	—	—	1,635	—
Other increase (decrease)	—	—	—	(59)	—	—
Total transactions with the owners	—	(158)	(13,606)	(148)	1,635	—
As of September 30, 2015	187,457	268,453	(232,548)	—	436,637	—

(Unit: Millions of yen)

	Equity attributable to owners of the parent company					Non-controlling interests	Total equity
	Other components of equity			Retained earnings	Total		
	Exchange differences on translating foreign operations	Cash flow hedges	Total				
As of April 1, 2014	61,576	(147)	386,783	2,182,188	2,799,915	132,586	2,932,501
Profit for the period	—	—	—	112,049	112,049	8,536	120,585
Other comprehensive income	35,492	(40)	95,488	—	95,488	4,471	99,959
Comprehensive income (loss) for the period	35,492	(40)	95,488	112,049	207,537	13,007	220,544
Acquisition of treasury stock	—	—	—	—	(14)	—	(14)
Disposal of treasury stock (includes exercising stock options)	—	—	(124)	—	891	—	891
Dividends	—	—	—	(46,241)	(46,241)	(7,649)	(53,890)
Changes in the ownership interest in a subsidiary without a loss of control	—	—	—	—	4,461	(5,977)	(1,516)
Transfer to retained earnings	—	—	—	—	—	—	—
Other increase (decrease)	—	—	(49)	—	(49)	(14)	(63)
Total transactions with the owners	—	—	(173)	(46,241)	(40,952)	(13,640)	(54,592)
As of September 30, 2014	97,068	(187)	482,098	2,247,996	2,966,500	131,953	3,098,453

As of April 1, 2015	147,704	(238)	699,938	2,390,874	3,327,938	146,273	3,474,211
Profit for the period	—	—	—	113,050	113,050	7,510	120,560
Other comprehensive income	(34,785)	(10)	(152,117)	—	(152,117)	(8,798)	(160,915)
Comprehensive income (loss) for the period	(34,785)	(10)	(152,117)	113,050	(39,067)	(1,288)	(40,355)
Acquisition of treasury stock	—	—	—	—	(13,891)	—	(13,891)
Disposal of treasury stock (includes exercising stock options)	—	—	(89)	—	330	—	330
Dividends	—	—	—	(50,257)	(50,257)	(11,347)	(61,604)
Changes in the ownership interest in a subsidiary without a loss of control	—	—	—	—	(292)	(7,216)	(7,508)
Transfer to retained earnings	—	—	1,635	(1,635)	—	—	—
Other increase (decrease)	—	—	(59)	—	(59)	(15)	(74)
Total transactions with the owners	—	—	1,487	(51,892)	(64,169)	(18,578)	(82,747)
As of September 30, 2015	112,919	(248)	549,308	2,452,032	3,224,702	126,407	3,351,109

Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Cash flows from operating activities		
Profit before income taxes	168,394	166,833
Depreciation	105,728	117,446
Increase in retirement benefit liabilities	1,026	3,585
(Decrease) Increase in retirement benefit assets	(4,649)	293
Interest and dividend income	(15,425)	(19,108)
Interest expenses	3,736	3,706
Foreign exchange losses	1,438	3,226
Share of the profit of associates accounted for using the equity method	(2,371)	(3,455)
Losses on sales or disposal of property, plant and equipment	1,193	1,696
Increase in trade receivables	14,084	1,276
Decrease in inventories	(26,457)	(15,551)
Decrease in trade payables	(3,435)	(4,479)
Other	6,267	20,139
Subtotal	249,529	275,607
Interest received	4,380	4,339
Dividends received	13,271	17,589
Interest paid	(3,919)	(3,771)
Income taxes paid	(90,443)	(24,004)
Net cash provided by operating activities	172,818	269,760
Cash flows from investing activities		
Decrease in time deposits	(19,810)	(200,433)
Purchases of property, plant and equipment	(167,205)	(166,827)
Proceeds from sales of property, plant and equipment	2,887	5,535
Purchases of intangible assets	(3,473)	(4,337)
Purchases of investments in equity instruments	(1,485)	(490)
Purchases of investments in debt instruments	(274,293)	(349,606)
Proceeds from sales and redemption of investments in debt instruments	321,691	137,942
Other	(1,763)	1,785
Net cash used in investing activities	(143,451)	(576,431)
Cash flows from financing activities		
Net decrease in short-term borrowings	(5,926)	(2,642)
Proceeds from borrowings	41,324	45,521
Repayments of long-term borrowings	(64,505)	(28,573)
Repayments of finance lease obligations	(4,605)	(5,094)
Issuance of bonds	20,000	30,000
Redemption of bonds	(40,000)	—
Dividends paid	(46,241)	(50,257)
Dividends paid to non-controlling interests	(8,357)	(11,347)
Purchase of treasury stock	(14)	(13,891)
Purchase of subsidiary's treasury stock	(3,833)	(7,254)
Other	1,213	327
Net cash used in financing activities	(110,944)	(43,210)
Foreign currency translation adjustments on cash and cash equivalents	5,332	(10,704)
Net decrease in cash and cash equivalents	(76,245)	(360,585)
Cash and cash equivalents at beginning of period	641,694	792,414
Cash and cash equivalents of a newly consolidated subsidiary	852	106
Cash and cash equivalents at end of period	566,301	431,935

Segment information

For the Six months ended September 30, 2014

(Unit: Millions of yen)

	Reportable segment					Others (Note)	Eliminations	Consolidated	
	Japan	North America	Europe	Asia	Total				
Revenue									
Customers	903,103	435,046	250,560	443,726	2,032,435	37,705	—	2,070,140	
Intersegment	390,967	11,332	14,685	51,678	468,662	64	(468,726)	—	
Total	1,294,070	446,378	265,245	495,404	2,501,097	37,769	(468,726)	2,070,140	
Segment profit or losses	94,588	13,909	7,133	32,873	148,503	530	777	149,810	
Finance income									15,444
Finance expense									(5,536)
Foreign exchange gains									6,305
Share of the profit of associates accounted for using the equity method									2,371
Profit before income taxes									168,394

(Note) "Others" is a business segment that is not included in reportable segments. It includes business activities of subsidiaries in South America, etc.

For the Six months ended September 30, 2015

(Unit: Millions of yen)

	Reportable segment					Others (Note)	Eliminations	Consolidated	
	Japan	North America	Europe	Asia	Total				
Revenue									
Customers	869,151	540,445	283,220	503,644	2,196,460	32,002	—	2,228,462	
Intersegment	413,682	16,576	12,160	71,919	514,337	206	(514,543)	—	
Total	1,282,833	557,021	295,380	575,563	2,710,797	32,208	(514,543)	2,228,462	
Segment profit or losses	71,429	24,958	6,196	42,263	144,846	(682)	3,872	148,036	
Finance income									19,319
Finance expense									(4,754)
Foreign exchange gains									777
Share of the profit of associates accounted for using the equity method									3,455
Profit before income taxes									166,833

(Note) "Others" is a business segment that is not included in reportable segments. It includes business activities of subsidiaries in South America, etc.