

[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 Nine Months Ended December 31, 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 nine months ended December 31, 2015 (from April 1, 2015 to December 31, 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2015	3,370,941	6.6	243,143	2.3	274,664	0.3	203,401	1.2
December 31, 2014	3,161,700	—	237,723	—	273,958	—	200,971	—

	Profit attributable to owners of the parent company		Comprehensive income for the period		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Nine months ended						
December 31, 2015	191,345	1.9	112,204	(75.8)	240.42	240.41
December 31, 2014	187,803	—	462,974	—	235.52	235.45

**(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	%
December 31, 2015	5,263,989	3,442,499	3,309,893	62.9
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 fiscal year 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	4,480,000	3.9	332,000	0.2	370,000	(0.5)	248,000	(4.0)	312.82

# Consolidated Statement of Financial Position

(Unit: Millions of yen)

	As of Mar. 31, 2015	As of Dec. 31, 2015
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	792,414	409,868
Trade and other receivables	807,669	786,244
Inventories	479,527	491,324
Other financial assets	183,580	616,932
Other current assets	69,019	63,639
<b>Total current assets</b>	<b>2,332,209</b>	<b>2,368,007</b>
<b>Non-current assets</b>		
Property, plant and equipment	1,395,706	1,428,356
Intangible assets	19,637	20,397
Other financial assets	1,302,739	1,241,740
Investments accounted for using the equity method	71,819	71,396
Retirement benefit assets	92,676	69,700
Deferred tax assets	44,457	40,609
Other non-current assets	24,014	23,784
<b>Total non-current assets</b>	<b>2,951,048</b>	<b>2,895,982</b>
<b>Total assets</b>	<b>5,283,257</b>	<b>5,263,989</b>

(Unit: Millions of yen)

	As of Mar. 31, 2015	As of Dec. 31, 2015
Liabilities and equity		
Current liabilities		
Bonds and borrowings	98,959	283,886
Trade and other payables	804,816	738,834
Other financial liabilities	11,695	12,238
Income tax payables	14,182	23,542
Provisions	51,737	70,526
Other current liabilities	47,299	65,033
Total current liabilities	1,028,688	1,194,059
Non-current liabilities		
Bonds and borrowings	348,241	216,379
Other financial liabilities	12,204	10,137
Retirement benefit liabilities	219,173	222,904
Provisions	1,066	823
Deferred tax liabilities	181,304	159,425
Other non-current liabilities	18,370	17,763
Total non-current liabilities	780,358	627,431
Total liabilities	1,809,046	1,821,490
Equity		
Capital stock	187,457	187,457
Capital surplus	268,611	267,653
Treasury stock	(218,942)	(246,476)
Other components of equity	699,938	623,717
Retained earnings	2,390,874	2,477,542
Equity attributable to owners of the parent company	3,327,938	3,309,893
Non-controlling interests	146,273	132,606
Total equity	3,474,211	3,442,499
Total liabilities and equity	5,283,257	5,263,989

## Consolidated Statement of Income

(Unit: Millions of yen)

	Nine months ended Dec. 31, 2014	Nine months ended Dec. 31, 2015
Revenue	3,161,700	3,370,941
Cost of revenue	(2,607,877)	(2,792,243)
Gross profit	553,823	578,698
Selling, general and administrative expenses	(295,815)	(307,585)
Other income	8,386	8,965
Other expenses	(28,671)	(36,935)
Operating profit	237,723	243,143
Finance income	25,327	32,672
Finance costs	(7,801)	(7,116)
Foreign exchange gains	14,827	1,727
Share of the profit of associates accounted for using the equity method	3,882	4,238
Profit before income taxes	273,958	274,664
Income tax expenses	(72,987)	(71,263)
Profit for the period	200,971	203,401
Attributable to:		
Owners of the parent company	187,803	191,345
Non-controlling interests	13,168	12,056

(Unit: Yen)

Earnings per share		
Basic	235.52	240.42
Diluted	235.45	240.41

## Consolidated Statement of Other Comprehensive Income

(Unit: Millions of yen)

	Nine months ended Dec. 31, 2014	Nine months ended Dec. 31, 2015
Profit for the period	200,971	203,401
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Net fair value gain on equity instruments designated as FVTOCI	142,767	(38,764)
Remeasurements of defined benefit pension plans	—	(5,083)
Total	142,767	(43,847)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	119,279	(47,279)
Cash flow hedges	(43)	(71)
Total	119,236	(47,350)
Total other comprehensive income	262,003	(91,197)
Comprehensive income for the period	462,974	112,204
Attributable to:		
Owners of the parent company	438,343	108,572
Non-controlling interests	24,631	3,632

# 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
<b>As of April 1, 2014</b>	187,457	263,607	(220,120)	488	324,866	—
Profit for the period	—	—	—	—	—	—
Other comprehensive income	—	—	—	—	142,639	—
Comprehensive income for the period	—	—	—	—	142,639	—
Acquisition of treasury stock	—	—	(22)	—	—	—
Disposal of treasury stock (includes exercising stock options)	—	393	800	(162)	—	—
Dividends	—	—	—	—	—	—
Changes in the ownership interest in subsidiaries without loss of control	—	5,353	—	—	—	—
Transfer to retained earnings	—	—	—	—	—	—
Other increase (decrease)	—	—	—	(49)	—	—
Total transactions with the owners	—	5,746	778	(211)	—	—
<b>As of December 31, 2014</b>	187,457	269,353	(219,342)	277	467,505	—
<b>As of April 1, 2015</b>	187,457	268,611	(218,942)	148	552,324	—
Profit for the period	—	—	—	—	—	—
Other comprehensive income	—	—	—	—	(38,709)	(5,083)
Comprehensive income for the period	—	—	—	—	(38,709)	(5,083)
Acquisition of treasury stock	—	—	(27,819)	—	—	—
Disposal of treasury stock (includes exercising stock options)	—	134	285	(89)	—	—
Dividends	—	—	—	—	—	—
Changes in the ownership interest in subsidiaries without loss of control	—	(1,092)	—	—	—	—
Transfer to retained earnings	—	—	—	—	1,617	5,083
Other increase (decrease)	—	—	—	(59)	—	—
Total transactions with the owners	—	(958)	(27,534)	(148)	1,617	5,083
<b>As of December 31, 2015</b>	187,457	267,653	(246,476)	—	515,232	—

(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				
<b>As of April 1, 2014</b>	61,576	(147)	386,783	2,182,188	2,799,915	132,586	2,932,501
Profit for the period	—	—	—	187,803	187,803	13,168	200,971
Other comprehensive income	107,944	(43)	250,540	—	250,540	11,463	262,003
Comprehensive income (loss) for the period	107,944	(43)	250,540	187,803	438,343	24,631	462,974
Acquisition of treasury stock	—	—	—	—	(22)	—	(22)
Disposal of treasury stock (includes exercising stock options)	—	—	(162)	—	1,031	—	1,031
Dividends	—	—	—	(83,725)	(83,725)	(7,814)	(91,539)
Changes in the ownership interest in a subsidiary without a loss of control	—	—	—	—	5,353	(7,625)	(2,272)
Transfer to retained earnings	—	—	—	—	—	—	—
Other increase (decrease)	—	—	(49)	—	(49)	(11)	(60)
Total transactions with the owners	—	—	(211)	(83,725)	(77,412)	(15,450)	(92,862)
<b>As of December 31 2014</b>	169,520	(190)	637,112	2,286,266	3,160,846	141,767	3,302,613

<b>As of April 1, 2015</b>	147,704	(238)	699,938	2,390,874	3,327,938	146,273	3,474,211
Profit for the period	—	—	—	191,345	191,345	12,056	203,401
Other comprehensive income	(38,910)	(71)	(82,773)	—	(82,773)	(8,424)	(91,197)
Comprehensive income (loss) for the period	(38,910)	(71)	(82,773)	191,345	108,572	3,632	112,204
Acquisition of treasury stock	—	—	—	—	(27,819)	—	(27,819)
Disposal of treasury stock (includes exercising stock options)	—	—	(89)	—	330	—	330
Dividends	—	—	—	(97,977)	(97,977)	(11,354)	(109,331)
Changes in the ownership interest in a subsidiary without a loss of control	—	—	—	—	(1,092)	(5,929)	(7,021)
Transfer to retained earnings	—	—	6,700	(6,700)	—	—	—
Other increase (decrease)	—	—	(59)	—	(59)	(16)	(75)
Total transactions with the owners	—	—	6,552	(104,677)	(126,617)	(17,299)	(143,916)
<b>As of December 31, 2015</b>	108,794	(309)	623,717	2,477,542	3,309,893	132,606	3,442,499



# Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
<b>Cash flows from operating activities</b>		
Profit before income taxes	273,958	274,664
Depreciation	161,084	177,268
Impairment losses	—	202
Increase in retirement benefit liabilities	2,301	4,348
(Increase) Decrease in retirement benefit assets	(6,330)	890
Interest and dividend income	(25,294)	(32,518)
Interest expenses	6,100	5,349
Foreign exchange losses	585	610
Share of the profit of associates accounted for using the equity method	(3,882)	(4,238)
Losses on sales or disposal of property, plant and equipment	1,035	2,822
Decrease in trade receivables	58,524	2,395
Increase in inventories	(37,742)	(22,285)
Decrease in trade payables	(45,382)	(10,225)
Other	(12,497)	15,618
Subtotal	372,460	414,900
Interest received	6,518	6,553
Dividends received	21,325	30,548
Interest paid	(6,051)	(5,247)
Income taxes paid	(143,398)	(53,461)
Net cash provided by operating activities	250,854	393,293
<b>Cash flows from investing activities</b>		
Decrease (Increase) in time deposits	6,217	(198,167)
Purchases of property, plant and equipment	(259,950)	(247,182)
Proceeds from sales of property, plant and equipment	5,047	5,902
Purchases of intangible assets	(4,988)	(5,872)
Purchases of investments in equity instruments	(1,835)	(25,675)
Purchases of investments in debt instruments	(324,608)	(514,787)
Proceeds from sales and redemption of investments in equity instruments	—	99
Proceeds from sales and redemption of investments in debt instruments	437,275	311,677
Other	968	(308)
Net cash used in investing activities	(141,874)	(674,313)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	2,092	(5,747)
Proceeds from borrowings	43,294	101,099
Repayments of long-term borrowings	(65,137)	(67,127)
Repayments of finance lease obligations	(6,854)	(7,537)
Issuance of bonds	20,000	30,000
Redemption of bonds	(40,000)	—
Dividends paid	(83,725)	(97,977)
Dividends paid to non-controlling interests	(8,522)	(11,354)
Purchase of treasury stock	(22)	(27,819)
Purchase of subsidiary's treasury stock	(4,551)	(7,254)
Other	775	5,744
Net cash used in financing activities	(142,650)	(87,972)
Foreign currency translation adjustments on cash and cash equivalents	16,191	(13,660)
Net decrease in cash and cash equivalents	(17,479)	(382,652)
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	625,067	409,868

## Segment information

For the Nine months ended December 31, 2014

(Unit: Millions of yen)

	Reportable segment					Others (Note)	Eliminations	Consolidated	
	Japan	North America	Europe	Asia	Total				
Revenue									
Customers	1,359,836	678,478	380,269	686,340	3,104,923	56,777	—	3,161,700	
Intersegment	613,953	17,412	22,411	85,431	739,207	107	(739,314)	—	
Total	1,973,789	695,890	402,680	771,771	3,844,130	56,884	(739,314)	3,161,700	
Segment profit or losses	147,323	27,014	10,739	54,511	239,587	798	(2,662)	237,723	
Finance income									25,327
Finance expense									(7,801)
Foreign exchange gains									14,827
Share of the profit of associates accounted for using the equity method									3,882
Profit before income taxes									273,958

(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 Nine months ended December 31, 2015

(Unit: Millions of yen)

	Reportable segment					Others (Note)	Eliminations	Consolidated	
	Japan	North America	Europe	Asia	Total				
Revenue									
Customers	1,325,392	803,742	422,216	773,965	3,325,315	45,626	—	3,370,941	
Intersegment	642,013	24,351	18,399	109,125	793,888	309	(794,197)	—	
Total	1,967,405	828,093	440,615	883,090	4,119,203	45,935	(794,197)	3,370,941	
Segment profit or losses	126,464	32,161	10,715	73,426	242,766	(1,374)	1,751	243,143	
Finance income									32,672
Finance expense									(7,116)
Foreign exchange gains									1,727
Share of the profit of associates accounted for using the equity method									4,238
Profit before income taxes									274,664

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