FY2019 1st Half Financial Results (2018/4-9)

Oct. 31, 2018
DENSO CORPORATION
1. Closing results
Overview of FY2019 1st Half Financial Results

1. Despite natural disasters, revenue increased due to the increase in global car production and the subsidiaries DENSO TEN which was consolidated on the last November. Operating profit decreased due to transient profit in the last fiscal year, variance of periods in collecting expenses and increase in investment for future growth.

2. Upward revision to full-year forecast considering the first-half financial results and the latest movement in the foreign exchange markets.

3. Annual dividend payment will be 140 yen, a 5 yen increase from the previous forecast on each of interim and fiscal year-end payment.
### FY2019 1st Half Financial Results (2018/4-9)

<table>
<thead>
<tr>
<th></th>
<th>2018/4-9</th>
<th>2017/4-9</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>2,625.0</td>
<td>2,363.5</td>
<td>+261.5</td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>152.4</td>
<td>204.4</td>
<td>-52.1</td>
</tr>
<tr>
<td><strong>Finance income/costs &amp; others(*)1</strong></td>
<td>17.8</td>
<td>22.3</td>
<td>-4.5</td>
</tr>
<tr>
<td><strong>Profit before Income Taxes Profit(*)2</strong></td>
<td>170.2</td>
<td>226.8</td>
<td>-56.6</td>
</tr>
<tr>
<td></td>
<td>114.1</td>
<td>154.2</td>
<td>-40.1</td>
</tr>
</tbody>
</table>

(Unit: Billions of Yen, %)

<table>
<thead>
<tr>
<th></th>
<th>2018/4-9</th>
<th>2017/4-9</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Foreign Exchange Rate</strong></td>
<td>JPY 110/$</td>
<td>JPY 111/$</td>
<td>-1 JPY</td>
</tr>
<tr>
<td></td>
<td>JPY 130/Euro</td>
<td>JPY 126/Euro</td>
<td>+4 JPY</td>
</tr>
<tr>
<td><strong>Domestic Car Production</strong></td>
<td>4.47</td>
<td>4.54</td>
<td>-0.07</td>
</tr>
<tr>
<td><strong>Overseas Car Production of Japanese (North America)</strong></td>
<td>10.23</td>
<td>9.89</td>
<td>+0.35</td>
</tr>
<tr>
<td></td>
<td>2.90</td>
<td>3.01</td>
<td>(-0.11)</td>
</tr>
</tbody>
</table>

(Unit: Millions of Units)

※1 Finance income, Finance costs, Foreign exchange gains/loss, Share of the profit of associates accounted for using the equity method

※2 Profit attributable to owners of the parent company
FY2019 1st Half Consolidated Revenue (By Customer)

(Unit: Billions of Yen)

After-market, Non-Automotive Business

Toyota Group

OEM Revenue for others

17/4-9
2,363.5
1,048.4
44.3%
11.5%

1,043.6
44.2%

271.5
11.4%

18/4-9
2,625.0
1,195.2
45.5%

(+11.1%)

43.1%

(+8.3%)

DENSO TEN : 166.6
(113.0 for Toyota included)

OEM Revenue for others

Toyota Group

17/4-9
2,363.5
1,048.4
44.3%

11.5%

271.5
11.4%

18/4-9
2,625.0
1,195.2
45.5%

(+11.1%)

(+11.3%)

(+14.0%)

(+14.5%)

( ) Change from 17/4-9
[ ] Change from 17/4-9
excludes FX difference

OEM Revenue for others

1,043.6
260.0
232.7
17.7

18/4-9
1,130.7

(+8.3%)

([+8.3%])

Others

(+11.7%) [+10.4%]

Volvo (+17.2%) [+14.3%]

Isuzu (+11.6%) [+10.2%]

VW-AUDI (+10.8%) [+7.9%]

Nissan (+7.3%) [+7.0%]

SUBARU (+11.2%) [+11.4%]

Suzuki (+5.0%) [+7.5%]

Mazda (+6.6%) [+6.2%]

Hyundai (-4.0%) [-5.6%]

Kia

Ford (-5.4%) [-5.0%]

GM (+23.5%) [+24.0%]

[+3.0%]

* excludes DENSO TEN (+2.6%)

FCA (+0.8%) [+2.6%]

بتایه

Honda (+10.9%) [+11.5%]

[+5.0%]

* excludes DENSO TEN (+4.4%)
FY2019 1st Half Consolidated Revenue (By Product)

(Unit: Billions of Yen)

17/4-9 18/4-9

Non-Automotive Business (FA and agriculture, etc.)
- Change from 17/4-9: +11.1%
- Change from 17/4-9 excludes FX difference: +11.3%

Other Automotive
- Change from 17/4-9: +58.0%
- Change from 17/4-9 excludes FX difference: +59.1%

Electronic Systems
- Change from 17/4-9: +9.9%
- Change from 17/4-9 excludes FX difference: +10.4%

Mobility Systems
- Change from 17/4-9: +50.1%
- Change from 17/4-9 excludes FX difference: +49.6%

Electrification Systems
- Change from 17/4-9: +3.1%
- Change from 17/4-9 excludes FX difference: +3.0%

Powertrain Systems
- Change from 17/4-9: +5.0%
- Change from 17/4-9 excludes FX difference: +4.7%

Thermal Systems
- Change from 17/4-9: -0.2%
- Change from 17/4-9 excludes FX difference: +0.7%

Other Automotive
- Change from 17/4-9: +67.9%
- Change from 17/4-9 excludes FX difference: +72.0%

Electronics Systems
- Change from 17/4-9: +10.4%
- Change from 17/4-9 excludes FX difference: +9.9%

* excludes DENSO TEN

DENSO TEN: 166.6 (Mobility Systems 123.6, Others, etc. 43.0)
Change in FY2019 1st Half Operating Profit

(Unit: Billion of Yen)

-19.0 Expense
-12.0 Depreciation
-9.0 Labor cost
-8.0 Raw material cost
-33.5 Others (Product Mix etc.)
-15.1 Other income/expense increase
+17.0 Production volume
+0.5 Variable cost reduction

17/4-9 Operating profit 204.4
18/4-9 Operating profit 152.4

※1 -13.0 in Others is from the variance of periods in recording expense/profit and will decrease by the end of this fiscal year. -12.0 is from the transient profit in the last fiscal year.

※2 -12.0 in Other income/expense is from the gain on revaluation of TD mobile securities which was consolidated in the last fiscal year.
1st Half Geographical Segments by Company Location (Local Currency Base)

Revenue

Operating Profit (Unit: Billions of Yen) [ ]: Ratio to Revenue
### FY2019 Financial Forecast

<table>
<thead>
<tr>
<th></th>
<th>As of June 2018</th>
<th>19/3 Revised</th>
<th>18/3 Actual</th>
<th>Change from June 2018</th>
<th>Change from March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Ratio</td>
<td>Amount</td>
<td>Ratio</td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>5,400.0</td>
<td>(7.2%)</td>
<td>5,400.0</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>390.0</td>
<td>(7.2%)</td>
<td>393.0</td>
<td>+3.0</td>
<td>+0.8%</td>
</tr>
<tr>
<td>Finance income/</td>
<td>37.0</td>
<td>-</td>
<td>37.0</td>
<td>0.0</td>
<td>-0.2</td>
</tr>
<tr>
<td>costs &amp; others(※1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before</td>
<td>427.0</td>
<td>(7.9%)</td>
<td>430.0</td>
<td>+3.0</td>
<td>+0.7%</td>
</tr>
<tr>
<td>Income Taxes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit (※2)</td>
<td>303.0</td>
<td>(5.6%)</td>
<td>305.0</td>
<td>+2.0</td>
<td>+0.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Precondition</th>
<th>As of June 2018</th>
<th>19/3 Revised</th>
<th>18/3 Actual</th>
<th>Change from June 2018</th>
<th>Change from March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign Exchange</td>
<td>JPY 106/$</td>
<td>110/$</td>
<td>+4 JPY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rate</td>
<td>JPY 130/Euro</td>
<td>130/Euro</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic Car</td>
<td>9.58</td>
<td>9.57</td>
<td>-0.01</td>
<td>-0.1%</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Production</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overseas Car</td>
<td>20.95</td>
<td>20.69</td>
<td>-0.26</td>
<td>-1.2%</td>
<td>-2.7%</td>
</tr>
<tr>
<td>Production of</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japanese Manufacturers</td>
<td>(5.94)</td>
<td>(5.92)</td>
<td>(-0.02)</td>
<td>(-0.3%)</td>
<td>(-1.8%)</td>
</tr>
<tr>
<td>(North America)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

※1  Finance income, Finance costs, Foreign exchange gains/loss, Share of the profit of associates accounted for using the equity method  
※2  Profit attributable to owners of the parent company
Change in FY2019 Operating Profit

(Unit: Billion of Yen)

- Operating profit: 412.7
  - Operating profit: -29.0
  - Depreciation: -26.0
  - Labor cost: -18.0
  - Currency exchange loss: -15.0
  - Raw material cost: -11.0
  - Variable cost reduction: -2.5
  - Production volume increase: +41.0
  - Other income/expenses: +40.0
  - Others (Product Mix etc.): +0.8

- Operating profit: 393.0

17/4-18/3

18/4-19/3
Return to Shareholders

Policy of shareholders return
DENSO intends to allocate retained earnings not only to the capital investment, R&D investment and M&A required to maintain Long-term business development but also to,

1. We will continue to pay dividends sustainably with taking into accounts our consolidated results, consolidated dividend payout ratio, and dividend amount.
2. We continue to repurchase our own shares adapting flexibly to environmental changes and considering finance status.

A resolution was adopted at the board of directors meeting held today, October 31st, to acquire own shares.

• Purpose of the stock purchase:
  To increase returns to shareholders and improve capital efficiency.
• Total number of shares to be purchased:
  Up to 6 million shares or 30 billion yen

• Resolution was adopted to cancel 6.12 million of its own shares.
Return to Shareholders

FY19 Annual Dividend per Share: 140 yen

Cash Dividends per Share and Dividend Payout Ratio

- Full year
- First-half

Dividend Payout Ratio

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Cash Dividends per Share (yen)</th>
<th>Dividend Payout Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>16/3</td>
<td>60</td>
<td>39.1%</td>
</tr>
<tr>
<td>17/3</td>
<td>60</td>
<td>36.8%</td>
</tr>
<tr>
<td>18/3</td>
<td>65</td>
<td>31.7%</td>
</tr>
<tr>
<td>19/3F</td>
<td>70</td>
<td>35.8%</td>
</tr>
</tbody>
</table>

Total Dividend Amount and Total Return Ratio

- Amount of Treasury Stock Acquired
- Total Dividend Amount
- Total Return Ratio

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Total Dividend Amount (Billions of yen)</th>
<th>Total Return Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>16/3</td>
<td>27.7</td>
<td>50.4%</td>
</tr>
<tr>
<td>17/3</td>
<td>30.0</td>
<td>48.4%</td>
</tr>
<tr>
<td>18/3</td>
<td>26.5</td>
<td>39.9%</td>
</tr>
<tr>
<td>19/3F</td>
<td>30.0</td>
<td>45.7%</td>
</tr>
</tbody>
</table>
II. Progress
(1) DENSO Group Long Term Policy 2030

Bringing hope for the future for our planet, society and all people

Our Goal for 2030

A company that continuously generates value to enrich mobility that achieves sustainability, happiness and peace of mind for everyone

Green

Lasting vitality for the environment

Peace of mind

Providing a sense of well-being

Inspiring

Making a difference
(2) DENSO Group Mid-term Policy 2021

1. Creating new kinds of value
   (1) Assert leadership in electrification and in automated driving by establishing de facto standards that straddle product sectors in integrated vehicle platforms.
   (2) Create and propagate business models for spawning new value in mobility services and leaps in convenience.
   (3) Position factory automation and agriculture as pillars of new-business development and work through strategic alliances and other bold measures to assert a strong presence in those sectors.
   (4) Connect with brilliant minds at centers of innovation worldwide to increase our agility in nurturing a continuing stream of new products.

2. Strengthening profitability in support of future growth
   (1) Increase our management agility globally by reworking our organization on the lines of a downsized headquarters and performance-oriented business units and subsidiaries worldwide.
   (2) Advance the performance of key products, such as motors, ECU, semiconductor devices, and sensors, with leading-edge technology, and reinforce the basis of our competitiveness through a commitment to asserting key product standards.
   (3) In our core product sectors, generate unprecedented workplace performance by pressing ahead with measures for achieving further advances in dantotsu ("best by far") plants and for animating our plants through the Factory Internet of Things.
   (4) Accelerate product development and achieve high profitability by working with partners and independently to revolutionize processes.
3. Transforming Our Business Foundation

(1) Honor the spirit of the DENSO Creed in laying a foundation of uncompromising safety and quality that will support peace of mind for customers in traditional sectors and in new sectors, such as intelligent and information-based functions.

(2) Tap the full potential of each team member and maximize our workplace vitality and our responsiveness to challenges and opportunities by nurturing a motivational workplace and by making the most of advanced information technology.

(3) Shape a lean production system throughout our supply chain and maximize our *monozukuri* competitiveness.

(4) Contribute to social sustainability by devoting rigorous attention to sustainable development goals and to the threefold sustainability priorities of environment, society, and governance, as detailed in DENSO EcoVision 2025 and in our guidelines for health management.
(3) Field of “Inspiring”  Toyota group collaboration

Environmental change
- A once-in-a-century revolution
- Fast, severe competition in diverse business fields

Social issue

Global warming
Air pollution
Resource/Energy problems

To contribute to a sustainable society, 
Electrification must grow

Estimated number of traffic accident fatalities worldwide in 2020
1.90 million people*
Safe and secure transportation

Automated driving must grow
- Everyone can travel easily and safely
- Effective use of travel time

Combining the forces of Toyota group companies, we will help to create the future mobility by growing automated driving and electrification.

*Source: Report of the UN Commission for Global Road Safety (2011)
(3) Field of “Inspiring” Electrification

Overview of the joint venture for the development and sale of drive modules

Entrustment of production of components

Joint venture for development and sale of drive modules

Powertrain specifications of automobile Manufacturers (HV, PHV, FCV, EV, etc.)

Supply of components

System compatible function

Investment ratio

AISIN 50%

DENSO 50%

Sale of drive modules

The joint venture will help accelerate electrification and the creation of a sustainable society.
(3) Field of “Inspiring” Automated Driving

Overview of the joint venture for the development of integrated ECU software

- Joint venture to develop integrated ECU software
  - Control software
  - Investment ratio
    - DENSO: 65%
    - AISIN: 25%
    - ADVICS: 5%
    - JTEKT: 5%

- Entrust development of integrated ECU software

- Supply of integrated ECU software

- System specifications of automated driving etc.
  - Expressway level 2
  - Area-limited level 4 etc.

- System for automated driving etc. (Components + integrated ECU)

- Control software

- Integrated ECU
  - Sensor
  - Brake
  - Steering wheels

- System linkage among components

Contribute to realize automated driving that ensures safe and secure travel for everyone.
(4) Field of “Green” Market Trend

Market forecast by each powertrain

(Millions of vehicles)

Business environment

Electrification has been promoted steadily due to stricter regulations in respective countries.

While progress in electrification has been made, development needs have diversified for each OEM.

Demand for internal combustion engines will continue for inexpensive eco-friendly cars in emerging countries.

Source: Documents from the 1st Strategic Commission for the New Automotive Era, Ministry of Economy, Trade and Industry
(4) Field of “Green” Electrification

Initiative in Focus Fields

Value

Reduction of environmental loading and realization of high efficiency transportation (Economical Driving)

1. Lead of electrification by technology acquired over the years and supply achievement
   - Technological evolution (High-power, SiC etc.)
   - Standardization (MG, Inverter)
   - Global supply capability (Supply in Japan, US and China)

2. Development of internal combustion engine technology corresponding to the electrification
   - Heating efficiency improvement (Lean burn, low cooling loss, optimization with electric system)
   - Exhaust gas purification system (catalyst base material, system simplification)

3. Development of total energy management technology for vehicles
   - Thermal management (air conditioning, waste heat utilization)
   - Power management (charging, regeneration)
(4) Field of “Green”

Improve development efficiency by using common parts

Performance requirements in the market

Core technology

Contribute to expansion of product fields in the future

Core & customization

Core technology

Customization

Power cards (number of stages)

Interface

Terminal block

Connector

Direct connection to the motor generator

Cooling pipe

Maximize development efficiency by using common parts and contribute to customers.
We will pursue advances not only in electric vehicle systems but also in gasoline and diesel vehicle systems.

Powertrain System
Improve efficiency of ICE

Electrification System
Accelerate electrification

Expand our business combining both solutions.
(5) Field of “Peace of mind”  
Business environment

DENSO’S roadmap

<table>
<thead>
<tr>
<th>Driver assistance</th>
<th>2018</th>
<th>202X</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACC</td>
<td>Lane change</td>
<td>Full automated driving</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Active safety</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pedestrian AEB (day)</td>
<td>Pedestrian AEB (night)</td>
<td>Intersection AEB</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Blind intersection AEB (visible target)</td>
</tr>
<tr>
<td>Parking Assist</td>
<td>Remote Parking</td>
<td>Automated Parking</td>
</tr>
<tr>
<td>Steer Assist</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Realize a move in safe/secure manner without traffic accidents
(5) Field of “Peace of mind”  Advanced Safety and Automated Driving

Initiative in Focus Fields

**Value**

Realize a move in a safe and secure manner without traffic accidents

1. Initiative at the system, strengthening of proposal capability
   - Advanced Driver Assistance Systems and Automated Driving
   - Cockpit system

2. Development by open innovation
   - Strengthen alliances of industry, government and academia
   - Sensors and Algorithm development for recognition and judgment
   - High performance semiconductor development

3. Enhancement of AI research
   - Algorithm development for onboard
   - Quality assurance
(5) Field of “Peace of mind” Approaches to R&D

DENSO conducts in-vehicle tests

<table>
<thead>
<tr>
<th>Expressway</th>
<th>Public road</th>
<th>Operational Design Domain Lv4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014 Minamichita Road, Nagoya Expressway</td>
<td>2017 Abashiri</td>
<td>2014 Kume island</td>
</tr>
<tr>
<td>2017 Michigan</td>
<td>2018 Kariya, Tokyo</td>
<td>2018 Narrow parking</td>
</tr>
<tr>
<td>2018 Munich</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Feedback tasks to R&D after in-vehicle tests in various fields
(5) Field of “Peace of mind”

To Achieve Next-generation Mobility

**Step 1**
Planning, development, and demonstration of advanced technologies and advanced mobility systems will be accelerated through collaboration with customers and partners to release advanced mobility systems early in the market.

- **April 2018**
  - Global R&D Tokyo opened

**Step 2**
Mobility systems will be developed and demonstrated (on public roads as well) in the Tokyo area.

- **June 2020**
  - A mobility systems development building and office (with a test course) will be opened in the No. 1 zone of the unused land of Haneda Airport.
(5) Field of “Peace of mind”

Conceptual drawing of new facility

Source: Kajima Corporation’s website

Develop prototype automated driving technologies and conduct in-vehicle tests by collaborating with manufacturers in Ota City
### (6) Sustainability Management

#### The Environment

**Goals and materiality**

Reduce environmental impact, achieve highly efficient mobility, and thereby help create an eco-friendly and sustainable society.

- Prevention of global warming
- Prevention of air pollution/reduction of environmental burden
- Effective utilization of resources
- Conservation of water resources

#### Peace of Mind

**Goals and materiality**

Realize a safe society free from traffic accidents and achieve comfortable and flexible mobility, and thereby help create a society where all people can live safely.

- Development of safety-related products
- Reduction of traffic accidents
- Coping with the declining birth rate and aging population

#### Inspiring (Corporate foundation)

**Goals and materiality**

- Fair and faithful conduct with the highest ethical standards
- Promotion of *hitozukuri* (human resource development), development of our organization, and creation of a positive environment so that employees can stay healthy and work actively and safely
- Business operations respecting the human rights of all stakeholders

- Compliance
- Enhancement of information security
- Sustainable procurement

- Promotion of diversity
- Industrial health and safety
- Workstyle reforms
- Protection of human rights

---

**Enrich mobility that achieves sustainability, happiness and peace of mind for everyone.**
Appendix

- Pre-Conditions (Foreign Exchange Rate/Car Production)
- Consolidated Revenue by Customer
- Consolidated Revenue by Product
- 1st Half Geographical Segments by Company Location
- Trend of Capital Expenditures, Depreciation and R&D Expenditures
- Capital Expenditures, Depreciation, and R&D Expenditures
## Pre-Conditions (Foreign Exchange Rate/Car Production)

<table>
<thead>
<tr>
<th>Foreign Exchange Rate (Yen)</th>
<th>FY2019 First-Half</th>
<th>FY2019 Second-Half</th>
<th>FY2019 Full Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Prior Year</td>
<td>Forecast (Original)</td>
<td>Forecast as of July 28</td>
</tr>
<tr>
<td>USD</td>
<td></td>
<td>111</td>
<td>105</td>
</tr>
<tr>
<td>EUR</td>
<td></td>
<td>126</td>
<td>130</td>
</tr>
<tr>
<td>Forex Impact on Operating Income per Yen (Billions of Yen)</td>
<td>USD</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>EUR</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Car Production of Japanese Manufacturers (Millions of Units)</td>
<td>Domestic</td>
<td>4.54</td>
<td>4.50</td>
</tr>
<tr>
<td></td>
<td>North America</td>
<td>3.01</td>
<td>3.01</td>
</tr>
<tr>
<td></td>
<td>Overseas</td>
<td>9.89</td>
<td>10.34</td>
</tr>
</tbody>
</table>
## Consolidated Revenue (By Customer)

(Units: Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>18/4-9</th>
<th>% to Total</th>
<th>17/4-9</th>
<th>% to Total</th>
<th>Amount</th>
<th>%</th>
<th>Change</th>
<th>Change excludes FX difference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Amount</strong></td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Toyota</td>
<td>1,103.6</td>
<td>42.0</td>
<td>967.3</td>
<td>40.9</td>
<td>136.3</td>
<td>14.1</td>
<td>14.6</td>
<td></td>
</tr>
<tr>
<td>Daihatsu</td>
<td>59.3</td>
<td>2.3</td>
<td>53.0</td>
<td>2.2</td>
<td>6.3</td>
<td>11.9</td>
<td>13.7</td>
<td></td>
</tr>
<tr>
<td>Hino</td>
<td>32.3</td>
<td>1.2</td>
<td>28.1</td>
<td>1.2</td>
<td>4.2</td>
<td>15.0</td>
<td>15.0</td>
<td></td>
</tr>
<tr>
<td><strong>Toyota Group</strong></td>
<td>1,195.2</td>
<td>45.5</td>
<td>1,048.4</td>
<td>44.3</td>
<td>146.7</td>
<td>14.0</td>
<td>14.5</td>
<td></td>
</tr>
<tr>
<td>Honda</td>
<td>199.2</td>
<td>7.7</td>
<td>179.6</td>
<td>7.6</td>
<td>19.5</td>
<td>10.9</td>
<td>11.5</td>
<td></td>
</tr>
<tr>
<td>FCA</td>
<td>114.7</td>
<td>4.4</td>
<td>113.8</td>
<td>4.8</td>
<td>0.9</td>
<td>0.8</td>
<td>2.6</td>
<td></td>
</tr>
<tr>
<td>GM</td>
<td>109.3</td>
<td>4.2</td>
<td>88.5</td>
<td>3.8</td>
<td>20.8</td>
<td>23.5</td>
<td>24.0</td>
<td></td>
</tr>
<tr>
<td>Ford</td>
<td>69.4</td>
<td>2.6</td>
<td>73.4</td>
<td>3.1</td>
<td>-3.9</td>
<td>-5.4</td>
<td>-5.0</td>
<td></td>
</tr>
<tr>
<td>Hyundai/Kia</td>
<td>64.4</td>
<td>2.5</td>
<td>67.1</td>
<td>2.8</td>
<td>-2.7</td>
<td>-4.0</td>
<td>-5.6</td>
<td></td>
</tr>
<tr>
<td>Mazda</td>
<td>59.0</td>
<td>2.2</td>
<td>55.4</td>
<td>2.4</td>
<td>3.6</td>
<td>6.6</td>
<td>6.2</td>
<td></td>
</tr>
<tr>
<td>Suzuki</td>
<td>58.5</td>
<td>2.2</td>
<td>55.8</td>
<td>2.4</td>
<td>2.8</td>
<td>5.0</td>
<td>7.5</td>
<td></td>
</tr>
<tr>
<td>SUBARU</td>
<td>52.8</td>
<td>2.0</td>
<td>47.5</td>
<td>2.0</td>
<td>5.3</td>
<td>11.2</td>
<td>11.4</td>
<td></td>
</tr>
<tr>
<td>Nissan</td>
<td>50.2</td>
<td>1.9</td>
<td>46.8</td>
<td>2.0</td>
<td>3.4</td>
<td>7.3</td>
<td>7.0</td>
<td></td>
</tr>
<tr>
<td>VW/AUDI</td>
<td>42.5</td>
<td>1.6</td>
<td>38.4</td>
<td>1.6</td>
<td>4.1</td>
<td>10.8</td>
<td>7.9</td>
<td></td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>30.6</td>
<td>1.2</td>
<td>24.2</td>
<td>1.0</td>
<td>6.4</td>
<td>26.7</td>
<td>25.8</td>
<td></td>
</tr>
<tr>
<td>Isuzu</td>
<td>30.0</td>
<td>1.1</td>
<td>26.9</td>
<td>1.1</td>
<td>3.1</td>
<td>11.6</td>
<td>10.2</td>
<td></td>
</tr>
<tr>
<td>BMW</td>
<td>21.9</td>
<td>0.8</td>
<td>20.5</td>
<td>0.9</td>
<td>1.3</td>
<td>6.4</td>
<td>4.0</td>
<td></td>
</tr>
<tr>
<td>Volvo</td>
<td>20.7</td>
<td>0.8</td>
<td>17.7</td>
<td>0.8</td>
<td>3.0</td>
<td>17.2</td>
<td>14.3</td>
<td></td>
</tr>
<tr>
<td>PSA</td>
<td>16.3</td>
<td>0.6</td>
<td>14.4</td>
<td>0.6</td>
<td>1.9</td>
<td>13.2</td>
<td>9.7</td>
<td></td>
</tr>
<tr>
<td>Benz</td>
<td>15.6</td>
<td>0.6</td>
<td>17.5</td>
<td>0.7</td>
<td>-1.9</td>
<td>-10.7</td>
<td>-12.9</td>
<td></td>
</tr>
<tr>
<td>OE Sales for others</td>
<td>175.6</td>
<td>6.7</td>
<td>156.3</td>
<td>6.6</td>
<td>19.3</td>
<td>12.4</td>
<td>11.6</td>
<td></td>
</tr>
<tr>
<td><strong>OEM Total</strong></td>
<td>2,325.8</td>
<td>88.6</td>
<td>2,092.0</td>
<td>88.5</td>
<td>233.9</td>
<td>11.2</td>
<td>11.4</td>
<td></td>
</tr>
<tr>
<td><strong>After-market, Non-Automotive Business(*)</strong></td>
<td>299.1</td>
<td>11.4</td>
<td>271.5</td>
<td>11.5</td>
<td>27.6</td>
<td>10.2</td>
<td>10.9</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,625.0</td>
<td>100.0</td>
<td>2,363.5</td>
<td>100.0</td>
<td>261.5</td>
<td>11.1</td>
<td>11.3</td>
<td></td>
</tr>
</tbody>
</table>

*Sales of industrial systems and consumer products, Sales for After Market, and Sales of property/equipment are included.
## Consolidated Revenue (By Product)

(Unit: Billions of Yen, %)

<table>
<thead>
<tr>
<th></th>
<th>18/4-9</th>
<th></th>
<th>17/4-9</th>
<th></th>
<th>Change</th>
<th>Change excludes FX difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>% to Total</td>
<td>Amount</td>
<td>% to Total</td>
<td>Amount</td>
<td>%</td>
</tr>
<tr>
<td>Thermal Systems</td>
<td>709.8</td>
<td>27.0</td>
<td>711.1</td>
<td>30.1</td>
<td>-1.3</td>
<td>-0.2</td>
</tr>
<tr>
<td>Powertrain Systems</td>
<td>634.7</td>
<td>24.2</td>
<td>604.3</td>
<td>25.5</td>
<td>30.5</td>
<td>5.0</td>
</tr>
<tr>
<td>Electrification Systems</td>
<td>401.7</td>
<td>15.3</td>
<td>389.7</td>
<td>16.5</td>
<td>-1.2</td>
<td>-0.3</td>
</tr>
<tr>
<td>Mobility Systems</td>
<td>409.6</td>
<td>15.6</td>
<td>273.0</td>
<td>11.5</td>
<td>136.7</td>
<td>50.1</td>
</tr>
<tr>
<td>Electronic Systems</td>
<td>326.2</td>
<td>12.5</td>
<td>296.9</td>
<td>12.6</td>
<td>29.3</td>
<td>9.9</td>
</tr>
<tr>
<td>Others(*)</td>
<td>50.5</td>
<td>1.9</td>
<td>30.1</td>
<td>1.3</td>
<td>20.4</td>
<td>67.9</td>
</tr>
<tr>
<td>Automotive Total</td>
<td>2,532.5</td>
<td>96.5</td>
<td>2,305.0</td>
<td>97.5</td>
<td>227.6</td>
<td>9.9</td>
</tr>
<tr>
<td>Non-Automotive Business (FA and agriculture, etc.)</td>
<td>92.4</td>
<td>3.5</td>
<td>58.5</td>
<td>2.5</td>
<td>34.0</td>
<td>58.0</td>
</tr>
<tr>
<td>Total</td>
<td>2,625.0</td>
<td>100.0</td>
<td>2,363.5</td>
<td>100.0</td>
<td>261.5</td>
<td>11.1</td>
</tr>
</tbody>
</table>

* Revenue of equipment, Repair parts, original brand products of subsidiaries
1st Half Geographical Segments by Company Location

### Revenue (Unit: Billions of Yen)

<table>
<thead>
<tr>
<th>Geographical Segment</th>
<th>17/4-9</th>
<th>18/4-9</th>
<th>Ratio to Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>1,406.9</td>
<td>1,573.2</td>
<td>11.8%</td>
</tr>
<tr>
<td>North America</td>
<td>604.1</td>
<td>604.1</td>
<td>10.2%</td>
</tr>
<tr>
<td>Europe</td>
<td>309.9</td>
<td>332.4</td>
<td>7.3%</td>
</tr>
<tr>
<td>Asia</td>
<td>619.2</td>
<td>718.1</td>
<td>16.0%</td>
</tr>
<tr>
<td>Others</td>
<td>40.4</td>
<td>34.5</td>
<td>14.6%</td>
</tr>
</tbody>
</table>

### Operating Profit (Unit: Billions of Yen)

<table>
<thead>
<tr>
<th>Geographical Segment</th>
<th>17/4-9</th>
<th>18/4-9</th>
<th>Ratio to Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>105.5</td>
<td>67.8</td>
<td>8.0%</td>
</tr>
<tr>
<td>North America</td>
<td>53.3</td>
<td>62.8</td>
<td>9.4%</td>
</tr>
<tr>
<td>Europe</td>
<td>20.8</td>
<td>9.6</td>
<td>3.8%[2.6%]</td>
</tr>
<tr>
<td>Asia</td>
<td>15.5</td>
<td>8.9</td>
<td>2.9%[2.9%]</td>
</tr>
<tr>
<td>Others</td>
<td>7.1</td>
<td>5.5</td>
<td>17.5%[16.0%]</td>
</tr>
</tbody>
</table>
Trend of Capital Expenditures, Depreciation and R&D Expenditures

[Bil.Yen]

CAPEX

Depreciation

R&D

< >Ratio to 19/3F  ( ) Ratio to Revenue

(9.2%) (8.8%) (9.0%) (8.8%) (9.3%)

<48.3%>  <48.1%>  <49.0%>

↑18/10-19/3  ↓18/4-9

DENSO
Crafting the Core

Powerpoint presentation briefing / © DENSO CORPORATION All Rights Reserved.
## Capital Expenditures, Depreciation and R&D Expenditures

(Unit: Billions of Yen)

<table>
<thead>
<tr>
<th>Region</th>
<th>17/9</th>
<th>18/3</th>
<th>19/3F</th>
<th>Change(%)</th>
<th>Progress to 19/3 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>106.3</td>
<td>217.7</td>
<td>116.9</td>
<td>240.0</td>
<td>10.0%</td>
</tr>
<tr>
<td>North America</td>
<td>16.2</td>
<td>43.8</td>
<td>32.0</td>
<td>62.5</td>
<td>97.5%</td>
</tr>
<tr>
<td>Europe</td>
<td>13.8</td>
<td>30.8</td>
<td>11.4</td>
<td>32.0</td>
<td>-17.4%</td>
</tr>
<tr>
<td>Asia</td>
<td>21.3</td>
<td>52.7</td>
<td>31.7</td>
<td>63.0</td>
<td>48.8%</td>
</tr>
<tr>
<td>Others</td>
<td>0.8</td>
<td>2.2</td>
<td>1.3</td>
<td>2.5</td>
<td>62.5%</td>
</tr>
<tr>
<td>Capital Exp.</td>
<td>158.4</td>
<td>347.2</td>
<td>193.3</td>
<td>400.0</td>
<td>22.0%</td>
</tr>
<tr>
<td>Japan</td>
<td>75.2</td>
<td>154.7</td>
<td>82.6</td>
<td>172.5</td>
<td>9.8%</td>
</tr>
<tr>
<td>North America</td>
<td>15.9</td>
<td>32.4</td>
<td>18.1</td>
<td>35.5</td>
<td>13.8%</td>
</tr>
<tr>
<td>Europe</td>
<td>10.4</td>
<td>22.2</td>
<td>11.8</td>
<td>26.0</td>
<td>13.5%</td>
</tr>
<tr>
<td>Asia</td>
<td>27.4</td>
<td>56.4</td>
<td>28.3</td>
<td>58.5</td>
<td>3.3%</td>
</tr>
<tr>
<td>Others</td>
<td>1.5</td>
<td>2.8</td>
<td>1.0</td>
<td>2.5</td>
<td>-33.3%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>130.3</td>
<td>268.6</td>
<td>141.9</td>
<td>295.0</td>
<td>8.9%</td>
</tr>
<tr>
<td>R&amp;D Expenditure</td>
<td>201.4</td>
<td>447.4</td>
<td>245.1</td>
<td>500.0</td>
<td>21.7%</td>
</tr>
</tbody>
</table>