

FY2020 2nd Quarter Financial Results ended Sep 30, 2019

HIGH-LIGHT

- Despite the market slowdown in Asia especially in China and India, revenue not including foreign exchange fluctuations increased due to the production increase in Japan and North America. However foreign exchange fluctuations led to slight decrease in revenue. Operating profit decreased due to an increase in investment for future growth and currency exchange loss.
- Downward revision to full-year forecast considering the market slowdown and foreign exchange loss.
- Annual dividend payment will be 140 yen, which is same as the original forecast.

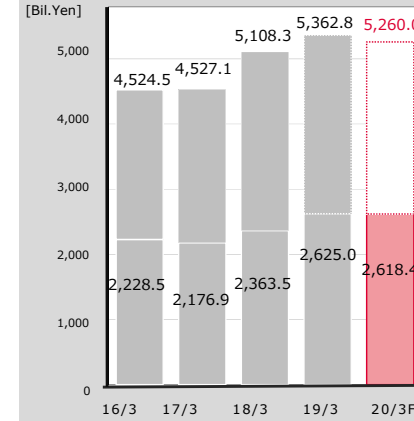
1.Consolidated Financial Results (IFRS)

Account	2018/4-9		2019/4-9		Change		(Ratio to Revenue) [Unit:Billions of Yen, %]					
							19/4-20/3 Forecast		Change from June			
	Amount	Percent	Amount	Percent	Amount	Percent	Forecast as of Jul.31	Forecast as of Oct. 31	Amount	Percent		
Revenue	(100.0)	2,625.0	(100.0)	2,618.4	-6.6	-0.2	(100.0)	5,500.0	(100.0)	5,260.0	-240.0	-4.4
Operating profit	(5.8)	152.4	(5.1)	134.0	-18.4	-12.0	(6.9)	380.0	(6.1)	320.0	-60.0	-15.8
Profit before income tax	(6.5)	170.2	(5.8)	151.2	-19.0	-11.2	(7.8)	429.0	(6.9)	361.0	-68.0	-15.9
Profit for the period (※)	(4.3)	114.1	(4.0)	104.2	-9.9	-8.6	(5.5)	305.0	(4.9)	257.0	-48.0	-15.7
Foreign Exchange Rate (US\$)		110 Yen		109 Yen				110 Yen		107 Yen		
Foreign Exchange Rate (Euro)		130 Yen		121 Yen				125 Yen		118 Yen		
Domestic Car Production		4.47 Mil units		4.69 Mil units				9.61 Mil units		9.52 Mil units		
Overseas Car Production of Japanese Manufacturers		10.20 Mil units		9.61 Mil units				20.46 Mil units		19.44 Mil units		

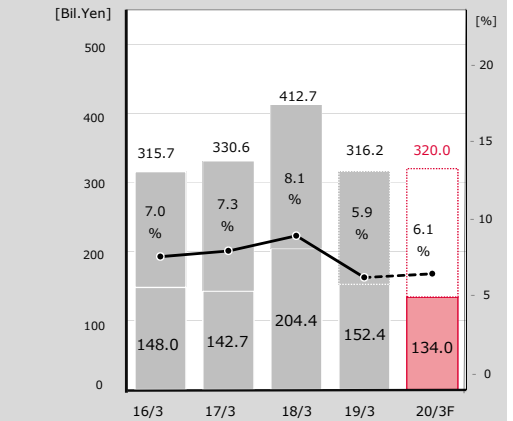
※ Profit attributable to owners of the parent company

Reference

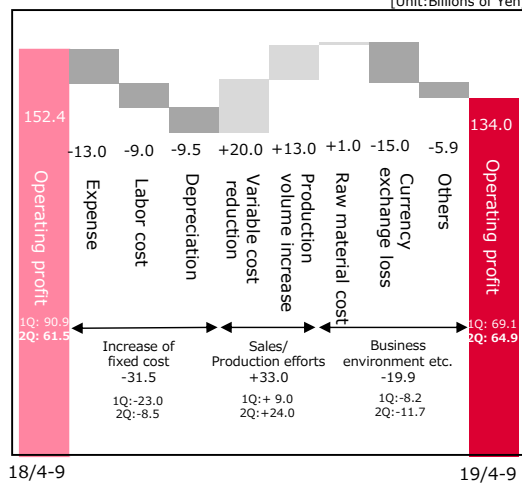
① Revenue



② Operating Profit



2.Changes in Operating Profit



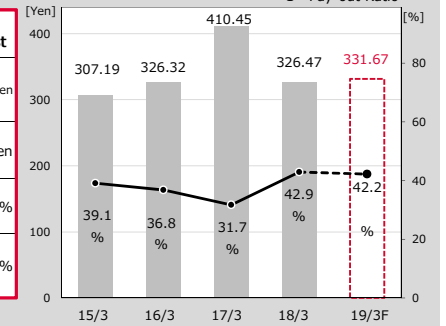
3. Geographic Segments By Company Location

	18/4-9		19/4-9		Change	Local Currency	19/4-20/3 Forecast	
	Revenue	Margin	Revenue	Margin			Revenue	Margin
Japan	1,573.2	-	1,626.0	-	3.4%	3.4%	3,319.0	
North America	604.1	-	603.5	-	-0.1%	1.6%	1,188.0	
Europe	332.4	-	295.0	-	-11.3%	-4.8%	594.0	
Asia	718.1	-	660.0	-	-8.1%	-4.8%	1,330.0	
Others	34.5	-	34.5	-	-0.1%	16.9%	62.0	
Eliminations	-637.4	-	-600.6	-	-	-	-1,233.0	
Revenue	2,625.0	-	2,618.4	-	-0.2%	1.9%	5,260.0	
Japan	53.3	3.4%	56.4	3.5%	5.9%	5.9%	147.0	
North America	15.5	2.6%	11.2	1.9%	-27.6%	-27.2%	30.5	
Europe	9.6	2.9%	6.3	2.1%	-33.9%	-28.6%	19.0	
Asia	67.8	9.4%	50.4	7.6%	-25.7%	-23.7%	113.5	
Others	5.5	16.0%	6.3	18.2%	13.4%	30.4%	9.5	
Eliminations	0.6	-	3.4	-	-	-	0.5	
Operating Profit	152.4	5.8%	134.0	5.1%	-12.0%	-10.2%	320.0	

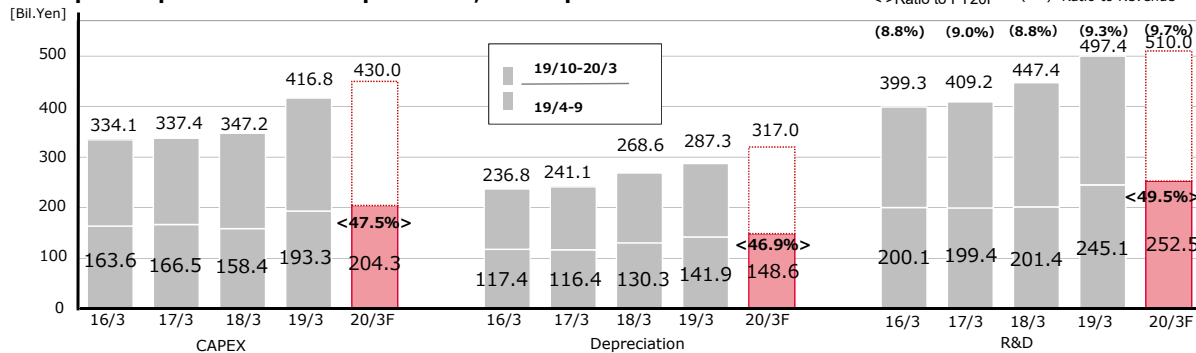
③ Financial Indices (Consolidated)

	FY16	FY17	FY18	FY19	FY20 Forecast
EPS	307.19 Yen	326.32 Yen	410.45 Yen	326.47 Yen	331.67 Yen
Dividends per Share	120 Yen	120 Yen	130 Yen	140 Yen	140 Yen
Pay-out Ratio	39.1 %	36.8 %	31.7 %	42.9 %	42.2 %
ROE	7.6 %	8.0 %	9.3 %	7.1 %	7.0 %

EPS·Pay-out Ratio



4. Capital Expenditures and Depreciation, R&D Expenditures



Denso's Materiality and SDGs

Denso's Materiality

The Environment

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

Peace of Mind

- Reduction of traffic accidents
- Provision of free and comfortable movement
- Provision of safe and secure products
- Response to decrease in birthrate and aging population

Corporate Foundation

- Compliance
- Strengthening of information security
- Promotion of the active role of human resources
- Occupational health and safety

- Workstyle reforms
- Protection of human rights
- Sustainable procurement
- Governance structure

Relevant SDGs to which DENSO primarily contributes through its overall corporate activities

Relevant SDGs to which DENSO primarily contributes through its products and services

