

DENSO
Crafting the Core

NOTICE OF THE 98TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Date: 10 a.m., Tuesday, June 22, 2021

Place: Head Office, DENSO CORPORATION
1-1, Showa-cho, Kariya, Aichi, Japan

Stock Code: 6902
DENSO CORPORATION

The DENSO Creed

“Be trustworthy and responsible.”

“Cherish modesty, sincerity, and cooperation.”

“Be pioneering, innovative, and creative.”

“Provide quality products and services.”

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To prevent the spread of COVID-19, this year we will not be presenting souvenirs, no factory tour will be held after the Meeting, and no products/panels will be exhibited. We will appreciate your understanding.

Message from the President

I am deeply grateful for the support we have received from all our shareholders.

I would like to offer my condolences to the families and friends of those who have passed away due to the COVID-19 pandemic and extend my thoughts and prayers to all those who are still unwell. Furthermore, I would like to express my deepest gratitude to medical professionals and those working to maintain critical social infrastructure.

In addition, as we do business amid the COVID-19 pandemic, we recognized afresh how much DENSO, a member of the 5.5 million people working in the automotive industry in Japan, is supported by many people. I am deeply grateful to everyone involved in DENSO's business for their relationships and support.

At last year's General Meeting of Shareholders, I stated my resolve to transform DENSO amid a quality-related issue that caused inconvenience and concerns to you and an unprecedented crisis brought about by the COVID-19 pandemic and to take this situation as a last opportunity for transformation. In the last 12 months, we made a company-wide effort and concentrated on rebuilding our foundation, including reestablishment of the foundation of quality, strengthening of the financial structure, and ensuring supply amid the COVID-19 pandemic.

In fiscal 2021, while working to solidify the foundation, we will accelerate and expand initiatives to contribute to happiness of people and society by providing values of "Green" and "Peace of Mind."

We are determined to do everything DENSO can do to demonstrate the spirit of the DENSO Creed, "Provide quality products and services," by being considerate to our shareholders and all other stakeholders.

While a seesaw battle against COVID-19 continues, health comes first and so I wish to extend my best wishes to all our shareholders. Please take good care of yourselves and stay safe. I sincerely appreciate your ongoing support.

May 2021

President & CEO
Koji Arima

(TRANSLATION ONLY)

Stock Code: 6902

May 24, 2021



Koji Arima
President & CEO
DENSO CORPORATION
1-1, Showa-cho, Kariya, Aichi, Japan

To Those Shareholders with Voting Rights

NOTICE OF THE 98TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby inform you of the 98th Ordinary General Meeting of Shareholders of DENSO CORPORATION (the “Company”) to be held as follows.

If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet, etc. Please read the attached REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS and exercise your voting rights before 5:40 p.m. on Monday, June 21, 2021.

1. Date: 10 a.m., Tuesday, June 22, 2021

2. Place: Head Office, DENSO CORPORATION
1-1, Showa-cho, Kariya, Aichi, Japan

3. Objectives of the Meeting:

Reports:

- (1) Business Report and Consolidated Financial Statements, as well as Results of the Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 98th Fiscal Term (from April 1, 2020, to March 31, 2021)**
- (2) Non-Consolidated Financial Statements for the 98th Fiscal Term (from April 1, 2020, to March 31, 2021)**

Agenda:

Proposal No. 1: Election of Eight (8) Members of the Board due to the Expiration of the Term of Office of All the Current Members of the Board

Proposal No. 2: Election of Two (2) Audit & Supervisory Board Members

Proposal No. 3: Election of One (1) Substitute Audit & Supervisory Board Member

- Any amendment to the REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS or the Attachment will be disclosed on our website.
- Of the documents that have been audited by the Accounting Auditors and the Audit & Supervisory Board Members, namely, the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements except for “(reference)”, the documents below are not included in this NOTICE but posted on our website (<https://www.denso.com/jp/ja>) in accordance with the relevant laws and regulations and Article 16 of the Articles of Incorporation.

Business Report: Accounting Auditor, Summary of the Systems and of Operational Status thereof to Ensure the Propriety of Business Operations

Consolidated Financial Statements: The Consolidated Statement of Changes in Equity, The Notes to the Consolidated Financial Statements

Non-Consolidated Financial Statements: The Non-Consolidated Statement of Changes in Equity, the Notes to the Non-Consolidated Financial Statements.

- The Notice of the Resolutions regarding the Proposals approved by the Meeting will be posted on our website after the conclusion of the Meeting.

<Our website: <https://www.denso.com/global/en/>>

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Measures for Preventing the Spread of COVID-19 at the General Meeting of Shareholders

We are implementing the measures described below to prevent the spread of COVID-19.

We request our shareholders' understanding and cooperation.

1. Our measures against COVID-19

■ To reduce the risk of contagion, we will **not** provide a **courtesy bus service between Kariya Station and the venue of the General Meeting of Shareholders, souvenirs, factory tours, or product/panel exhibitions.**

■ The Meeting may finish in a shorter period of time than an average year.

2. Requests for shareholders

■ We request shareholders to exercise their voting rights in writing or via the Internet as described in this Notice and refrain from attending the General Meeting of Shareholders.

■ In particular, we request those who are of advanced age, those with underlying health conditions, those who are pregnant, and those who do not feel well to refrain from attending the General Meeting of Shareholders.

3. Requests for shareholders attending the Meeting

■ We may check your body temperature at the reception desk. Please note that those who have a high temperature or who appear to be in ill health will not be allowed to enter the venue.

■ You are requested to wear a mask at the venue and cooperate with alcohol-based disinfection at the reception desk.

■ Please be advised that you may not be admitted to the venue if all the seats are occupied.

4. Distribution of the content of the Meeting in later days

■ For our shareholders who refrained from attending the Meeting, a video of part of the Meeting will be made available on our website in later days.

Guide to Exercising Voting Rights

If you are attending the Meeting:

Date and time of the Meeting: 10 a.m., June 22, 2021

Mailing:

Deadline for exercising voting rights: Must be received by 5:40 p.m., June 21, 2021

Internet:

Deadline for exercising voting rights: Until 5:40 p.m., June 21, 2021

If you exercise your voting rights using a smartphone, **you do not need to input “Login ID” and “Temporary Password” on your first login.**

If you use the “Net de Shoshu (online convocation)” app, it is easy to scan a QR code.

A QR code scanner is in place for smooth QR code scanning.

Points to consider when attending the Meeting:

- Please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting. To save paper resources, please bring this NOTICE with you.
- As the entrance to the venue for the meeting will be crowded immediately before the meeting, please arrive early.

REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and References

Proposal No. 1: Election of Eight (8) Members of the Board due to the Expiration of the Term of Office of All the Current Members of the Board

The terms of office of all the eight (8) current Members of the Board expire at the conclusion of this 98th Ordinary General Meeting of Shareholders. Accordingly, we hereby propose that you elect eight (8) Members of the Board.

The nominees for Members of the Board are as follows:

Nominee No.	Name		Current posts in the Company	Years of incumbency
1	Koji Arima	Reappointment	President & CEO Member of the Board	6 years
2	Yukihiro Shinohara	New appointment	Senior Executive Officer	-
3	Kenichiro Ito	New appointment	Senior Executive Officer	-
4	Yasushi Matsui	New appointment	Senior Executive Officer	-
5	Akio Toyoda	Reappointment	Member of the Board	2 years
6	George Olcott	Reappointment Outside Member of the Board Independent Director	Member of the Board	7 years
7	Shigeki Kushida	Reappointment Outside Member of the Board Independent Director	Member of the Board	2 years
8	Yuko Mitsuya	Reappointment Outside Member of the Board Independent Director	Member of the Board	2 years

Election Policy and Procedure for Determining Nominees (Matters related to Proposals No. 1, 2 and 3)

<Election Policy>

The composition of the Board of Directors reflects consideration of the balance of the board in terms of diversity (nationality, gender, etc.), experience, capabilities and specialties of the members so as to ensure accurate and swift decision-making.

Nominees for Members of the Board shall be persons who are well versed in the Company's business management and pressing issues and capable of contributing to formulation of business strategies for enhancing corporate value over the medium to long term and to accurate and effective management oversight.

Nominees for Audit & Supervisory Board Members shall be persons who have knowledge of business management, finances, accounting, and legal affairs and are capable of contributing to appropriate management audit.

<Determination Procedure>

The President & CEO and the Member of the Board responsible for executive assignment will take the lead in

selecting nominees for Members of the Board and nominees for Audit & Supervisory Board Members. They will hear opinions from appropriate persons from various quarters and select persons who are suitable to serve as Members of the Board or as Audit & Supervisory Board Members by comprehensively taking into account their past records, personality, insights and other factors. The “Executive Nomination and Remuneration Council,” a body where an independent Outside Member of the Board serves as chairperson and a majority of the members are independent Outside Members of the Board, will draw up the draft of nominees for the current year.

The draft of appointments is determined after deliberations at a general meeting of shareholders taking into account the resolution on informal appointment at the Board of Directors. For the draft of appointments for Audit & Supervisory Board Members, an approval of the Audit & Supervisory Board shall be additionally obtained.

1. Koji Arima (February 23, 1958) 63 years old
President & CEO, Member of the Board

Reappointment

■ Brief personal history	
April 1981	Joined DENSO CORPORATION
June 2008	Executive Director, DENSO CORPORATION
June 2014	Senior Executive Director, DENSO CORPORATION
June 2015	President & CEO, DENSO CORPORATION (current position)
■ Number of the Company's shares owned	31,200
■ Years of incumbency	6
■ Reason for having appointed him as a Member of the Board After joining the Company, Koji Arima engaged in production promotion departments and the electric component business. After having served as the President of a locally incorporated company in Italy from October 2005, he was assigned to the Electric Component Business Group from June 2009 and was in charge of the production promotion departments from June 2012. He has been serving as the President & CEO (current position) since June 2015. The Company has appointed him as a nominee for a Member of the Board in the expectation that his excellent management prowess and leadership will continue to be applied in the Company's management.	

2. Yukihiro Shinohara (March 9, 1960) 61 years old

New appointment

Senior Executive Officer

Current assignments in the Company: CCRO (Chief Corporate Revolution Officer); CQO (Chief Quality Officer); Safety, Quality & Environment Center

■ Brief personal history	
April 1982	Joined DENSO CORPORATION
June 2011	Executive Director, DENSO CORPORATION
April 2018	Senior Executive Director, DENSO CORPORATION
April 2019	Senior Executive Officer, DENSO CORPORATION (current position)
■ Important posts concurrently held at other corporations Board Member, BluE Nexus Corporation	
■ Number of the Company's shares owned	11,300
■ Reason for having appointed him as a Member of the Board After joining the Company, Yukihiro Shinohara engaged in R&D and the powertrain business. He served as the Head of the Electrification Business Group from January 2017 and is currently responsible for the DENSO Revolution Plan (Reborn21) as CCRO (Chief Corporate Revolution Officer) and in charge of the Safety, Quality & Environment Center as CQO (Chief Quality Officer). The Company has appointed him as a nominee for a Member of the Board in the expectation that he will exercise strong leadership for corporate revolution by utilizing his knowledge gained through his abundant experience in business operations and experience in promoting the corporate project.	

3. Kenichiro Ito (October 1, 1962) 58 years old

New appointment

Senior Executive Officer

Current assignments in the Company: CHRO (Chief Human Resources Officer); General Administration and Human Resource Center

■ Brief personal history	
April 1985	Joined DENSO CORPORATION
June 2012	Executive Director, DENSO CORPORATION
April 2019	Senior Executive Officer, DENSO CORPORATION (current position)
■	Number of the Company's shares owned 6,900
■ Reason for having appointed him as a Member of the Board After joining the Company, Kenichiro Ito engaged in the thermal systems business and the corporate planning department. He assumed the post of the President of a subsidiary of the Company as the Head of North America in June 2016. He is currently in charge of General Administration and Human Resource Center as CHRO (Chief Human Resources Officer). The Company has appointed him as a nominee for a Member of the Board in the expectation that he will promote reform of human resources and the corporate culture, which will be the foundation of corporate revolution, by utilizing his knowledge gained through his experience in corporate departments and regional management.	

4. Yasushi Matsui (July 3, 1964) 56 years old

New appointment

Senior Executive Officer

Current assignments in the Company: CRO (Chief Risk Officer); CFO (Chief Financial Officer); Corporate Strategy Center

■ Brief personal history	
April 1987	Joined DENSO CORPORATION
June 2014	Executive Director, DENSO CORPORATION
April 2019	Senior Executive Officer, DENSO CORPORATION (current position)
■	Important posts concurrently held at other corporations Audit & Supervisory Board Member, BluE Nexus Corporation
■	Number of the Company's shares owned 3,100
■ Reason for having appointed him as a Member of the Board After joining the Company, Yasushi Matsui engaged in the thermal systems business and the electrification business. He was in charge of the purchasing department from June 2014. In addition to his responsibilities as CFO (Chief Financial Officer) and the Head of the Corporate Strategy Center, he is currently leading the Company's efforts to strengthen its company-wide risk management system as CRO (Chief Risk Officer). The Company has appointed him as a nominee for a Member of the Board in the expectation that he will lead corporate and financial strategies, which will be the foundation of corporate revolution, by utilizing his broad perspective and foresight gained through his wide-ranging experience in functional and operating departments.	

5. Akio Toyoda (May 3, 1956) 65 years old

Reappointment

Member of the Board

■ Brief personal history	
April 1984	Joined Toyota Motor Corporation
June 2000	Member of the Board of Directors, Toyota Motor Corporation
June 2002	Managing Director, Toyota Motor Corporation
June 2003	Senior Managing Director, Toyota Motor Corporation
June 2005	Executive Vice President, Toyota Motor Corporation Outside Member of the Audit & Supervisory Board, Koyo Seiko Co., Ltd. (currently, JTEKT CORPORATION)
June 2006	Outside Audit & Supervisory Board Member, TOYOTA BOSHOKU CORPORATION
June 2009	President, Toyota Motor Corporation (current position)
May 2018	Chairman, Japan Automobile Manufacturers Association, Inc. (current position)
June 2019	Member of the Board, DENSO CORPORATION (current position)
■ Important posts concurrently held at other corporations	
President, Toyota Motor Corporation	
Chairman, Japan Automobile Manufacturers Association, Inc.	
Director, HAMANAKODENSO CO., LTD.	
■ Number of the Company's shares owned	50,000
■ Years of incumbency	2
■ Reason for having appointed him as a Member of the Board	
Akio Toyoda is an unchallenged industry leader representing the car industry who serves as President, Toyota Motor Corporation (current position) and Chairman, Japan Automobile Manufacturers Association, Inc. (current position). The Company has appointed him as a nominee for a Member of the Board in the expectation that he will continue to contribute to accelerating the realization of a next-generation mobility society from a broader perspective taking a wide view of the overall car industry.	

6. George Olcott (May 7, 1955) 66 years old Reappointment/Outside Member of the Board/Independent Director

Member of the Board

■ Brief personal history	
July 1986	Joined S.G. Warburg & Co., Ltd.
February 1999	President, UBS Asset Management (Japan) President, Japan UBS Brinson
June 2000	Managing Director, Equity Capital Market, UBS Warburg Tokyo
September 2001	Judge Business School, University of Cambridge
March 2005	FME Teaching Fellow, Judge Business School, University of Cambridge
March 2008	Senior Fellow, Judge Business School, University of Cambridge
April 2014	Guest Professor, Keio University Faculty of Business and Commerce (current position)
June 2014	Member of the Board, DENSO CORPORATION (current position)
October 2016	Outside Director, Dai-ichi Life Holdings, Inc. (current position)
March 2020	Outside Director, Kirin Holdings Company, Limited (current position)
■ Important posts concurrently held at other corporations	
Outside Director, Dai-ichi Life Holdings, Inc. Outside Director, Kirin Holdings Company, Limited	
■ Independence	
No special interest exists between George Olcott and the Group. The Company judges that no conflict of interests is likely to occur between him and general shareholders.	
■ Number of the Company's shares owned	2,300
■ Years of incumbency	7
■ Reason for having appointed him as a Member of the Board and expected roles	
George Olcott has managerial experience in foreign-capital companies, including his experience as the Head of Tokyo Branch of a U.K.-based investment advisory company. He currently serves as the Guest Professor, Keio University Faculty of Business and Commerce, as a specialist in human resources development and corporate governance in global management. The Company has appointed him as a nominee for a Member of the Board in the expectation that he will supervise the Company's overall management utilizing his global perspective based on his abundant experience and knowledge in Japan and overseas.	

7. Shigeki Kushida (June 8, 1958) 63 years old Reappointment/Outside Member of the Board/Independent Director

Member of the Board

■ Brief personal history	
April 1981	Joined Bank of Japan
May 2004	Branch Manager, Kochi Branch, Bank of Japan
March 2009	Director-General, Personnel and Corporate Affairs Department, Bank of Japan
June 2010	Director-General, Planning Department, Bank of Japan
May 2011	Branch Manager, Nagoya Branch, Bank of Japan
March 2013	Executive Director, Bank of Japan
	Entrusted Branch Manager, Nagoya Branch and Osaka Branch, Bank of Japan
April 2017	Senior Advisor, American Family Life Assurance Company (currently Aflac Life Insurance Japan Ltd.)
June 2019	Director, Representative Executive Officer & President, Japan Securities Finance Co., Ltd. (current position)
	Member of the Board, DENSO CORPORATION (current position)
■ Important posts concurrently held at other corporations	
Director, Representative Executive Officer & President, Japan Securities Finance Co., Ltd.	
■ Independence	
No special interest exists between Shigeki Kushida and the Group. The Company judges that no conflict of interests is likely to occur between him and general shareholders.	
■ Number of the Company's shares owned	500
■ Years of incumbency	2
■ Reason for having appointed him as a Member of the Board and expected roles	
Shigeki Kushida has the experience of having led diverse activities toward the development and stability of the Japanese economy at Japan's central bank by filling the posts of Director-General and Executive Director, Bank of Japan. He currently serves as Director, Representative Executive Officer & President, Japan Securities Finance Co., Ltd. The Company has appointed him as a nominee for a Member of the Board in the expectation that he will supervise the Company's overall management utilizing his broad expertise in global monetary economy.	

8. Yuko Mitsuya (July 29, 1958) 62 years old Reappointment/Outside Member of the Board/Independent Director

Member of the Board

■ Brief personal history	
April 1981	Joined Hitachi, Ltd.
July 2007	Representative Director, Cipher Co., Ltd.
March 2014	Outside Audit & Supervisory Board Member, ASICS Corporation
March 2015	Outside Director, Fujita Kanko Inc.
April 2015	Outside Director, Paloma Co., Ltd.
June 2016	President, Japan Basketball Association (current position)
March 2018	Representative Director, SORA Corporation (current position)
June 2018	Outside Director, The Fukui Bank, Ltd. (current position)
June 2019	Outside Director (Audit and Supervisory Committee Member), JXTG Holdings, Inc. (currently ENEOS Holdings, Inc.) (current position) Member of the Board, DENSO CORPORATION (current position)
■ Important posts concurrently held at other corporations	
Representative Director, SORA Corporation	
Outside Director, The Fukui Bank, Ltd.	
Outside Director (Audit and Supervisory Committee Member), ENEOS Holdings, Inc.	
President, Japan Basketball Association	
■ Independence	
The Company received subsidies from the Japan Basketball Association, where Yuko Mitsuya serves as the President, for activities of the Company's female basketball team. However, in view of its scale and nature, the Company judges that no conflict of interests is likely to occur between her and general shareholders.	
■ Number of the Company's shares owned	200
■ Years of incumbency	2
■ Reason for having appointed her as a Member of the Board and expected roles	
Yuko Mitsuya has abundant experience and knowledge in many fields, having long been in management at several corporations and associations and filling the posts of officer and committee member at several sports associations. She currently serves as Outside Director, The Fukui Bank, Ltd., Outside Director (Audit and Supervisory Committee Member), ENEOS Holdings, Inc., and President, Japan Basketball Association and so forth. The Company has appointed her as a nominee for a Member of the Board in the expectation that she will supervise the Company's overall management utilizing her abundant expertise in corporate management.	

Notes:

1. The brief personal history and the important posts concurrently held at other corporations are as of the dispatch date of this notice.
2. The age and years of incumbency of each nominee are as of the conclusion of this 98th Ordinary General Meeting of Shareholders.
3. Toyota Motor Corporation, at which Akio Toyoda currently serves as President, and the Company have transactions such as sales of products. Other nominees have no special interest in the Company unless stated otherwise in Proposal No. 1.
4. Akio Toyoda is not an executive Member of the Board, but he does not satisfy the requirements of Outside Members of the Board (outside directors), as stipulated in Article 2, Paragraph 15, of the Companies Act, because he currently serves as Director, HAMANAKODENSO CO., LTD, which is a subsidiary of the Company.
5. The Company has entered into a liability limitation agreement with Akio Toyoda, which limits his liability to the minimum amount stipulated in Article 425, Paragraph 1, of the Companies Act, with regard to the liability for damages stipulated in Article 423, Paragraph 1, of the said Act.
6. George Olcott, Shigeki Kushida and Yuko Mitsuya are the nominees for Outside Members of the Board (outside directors), as stipulated in Article 2, Paragraph 3, Item 7, of the Ordinance for Enforcement of the Companies Act. The matters related to the three persons are as follows:
 - (1) The Company has notified Tokyo Stock Exchange, Inc. (TSE), of the three persons as independent director as per the TSE Regulations. The three persons satisfy the requirements of independent directors/auditors as per the TSE Regulations. Accordingly, if their reelection as Outside Members of the Board is approved at the Meeting, the Company intends to notify the TSE of such status as independent

director for these nominees.

- (2) The Company has entered into a liability limitation agreement with each of the three persons, which limits his/her liability to the minimum amount stipulated in Article 425, Paragraph 1, of the Companies Act, with regard to the liability for damages stipulated in Article 423, Paragraph 1, of the said Act.
7. The Company has entered into a directors and officers liability insurance contract with an insurance company. The insurance covers damages and litigation expenses in the event that a claim for damages is made against the insured due to an act committed (including failure to act) by the insured in his/her capacity as a director or officer of the Company. The insurance premiums for all the insured are fully borne by the Company. If this proposal is approved and each nominee assumes office as Member of the Board, they will be included in the insured under the said insurance contract. During their term of office, the Company intends to renew the said insurance contract with the same content.
8. At Hitachi Chemical Company, Ltd. (currently, Showa Denko Materials Co., Ltd.), where George Olcott, a nominee for an Outside Member of the Board, served as Outside Director until June 2020, improper inspections for some of its products and other problems were revealed in June 2018. A special investigating committee was established to determine the cause of the trouble and promote the examination of measures to prevent similar incidents. Although George Olcott had not recognized the fact until the incident emerged, he took responsibility by appropriately pointing out his honest opinions with regard to the implementation of measures to prevent a recurrence.

Proposal No. 2: Election of Two (2) Audit & Supervisory Board Members

Standing Audit & Supervisory Board Member Atsuhiko Shimmura will resign and Standing Audit & Supervisory Board Member Motomi Niwa will complete his the term of office at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, we hereby propose that you elect two (2) Audit & Supervisory Board Members. As Shingo Kuwamura, a candidate for Audit & Supervisory Board Member, will replace Atsuhiko Shimmura, his term of office will be the remaining term of office of Atsuhiko Shimmura in accordance with the provisions of the Company's Articles of Incorporation. The Audit & Supervisory Board has given its prior consent to this Proposal.

The nominees for Audit & Supervisory Board Members are as follows:

- | | |
|-------------------------------------------------------------------------------|-----------------|
| 1. Shingo Kuwamura (August 16, 1959) 61 years old
Senior Executive Officer | New appointment |
|-------------------------------------------------------------------------------|-----------------|

■	Brief personal history
April 1982	Joined DENSO CORPORATION
June 2009	Executive Director, DENSO CORPORATION
April 2017	Senior Executive Director, DENSO CORPORATION
April 2019	Senior Executive Officer, DENSO CORPORATION (current position)
■	Number of the Company's shares owned 12,900
■	Reason for having appointed him as an Audit & Supervisory Board Member After joining the Company, Shingo Kuwamura engaged in the production engineering and production planning departments. He served as Executive Director from June 2009, supervising the Production Promotion Center. After having served as the President of a subsidiary of the Company in North America, President of a subsidiary in Japan, and been in charge of the Purchasing Group, he has served as CEO of Asia-Oceania from April 2019. In addition to his abundant managerial experience as Executive Director and Senior Executive Director, he is well versed in management of overseas subsidiaries and Japanese subsidiaries and has broad knowledge and experience particularly in manufacturing. The Company has appointed him as a nominee for an Audit & Supervisory Board Member in the expectation that he will promote strengthening of supervision of and guidance to Members of the Board and CxOs in addition to ensuring thorough compliance and enhancement of corporate governance systems of the DENSO Group.

2. Motomi Niwa (November 3, 1962) 58 years old Reappointment
 Standing Audit & Supervisory Board Member

■ Brief personal history	
April 1985	Joined DENSO CORPORATION
April 2007	Head of Functional Products Planning Division (currently Mechatronics Components Planning Department, Mechatronics Components Business Unit), DENSO CORPORATION
January 2013	Director, Human Resources Division, DENSO CORPORATION
August 2014	Vice President, DENSO MANUFACTURING TENNESSEE, INC.
June 2018	Standing Audit & Supervisory Board Member, DENSO CORPORATION (current position)
■ Number of the Company's shares owned	7,100
■ Years of incumbency	3
■ Reason for having appointed him as an Audit & Supervisory Board Member After joining the Company, Motomi Niwa engaged in the purchasing, business planning and human resources departments. After having served as the Vice President of a subsidiary of the Company in the United States from August 2014, he has been serving as Audit & Supervisory Board Member of the Company (current position) since June 2018. He has been supporting thorough compliance and the improvement of high-quality corporate governance systems of the DENSO Group through auditing activities based on his broad expertise in both functional and operating departments as well as his experience in the management of an overseas subsidiary. The Company has appointed him as a nominee for an Audit & Supervisory Board Member in the expectation that he will continue to reflect his expertise in the Company's audits.	

Notes:

1. The brief personal history is as of the dispatch date of this notice.
2. The age and years of incumbency of each nominee are as of the conclusion of this 98th Ordinary General Meeting of Shareholders.
3. The nominees have no special interest in the Company.
4. The Company has entered into a directors and officers liability insurance contract with an insurance company. The insurance covers damages and litigation expenses in the event that a claim for damages is made against the insured due to an act committed (including failure to act) by the insured in his/her capacity as a director or an officer of the company. The insurance premiums for all the insured are fully borne by the Company. If this proposal is approved and each nominee assumes office as Audit & Supervisory Board Member, they will be included in the insured under the said insurance contract. During their term of office the Company intends to renew the said insurance contract with the same content.

(Reference)

The Audit & Supervisory Board Members will be as follows:

Name		Current posts in the Company	Years of incumbency
Shingo Kuwamura	New appointment	Senior Executive Officer	-
Motomi Niwa	Reappointment	Standing Audit & Supervisory Board Member	3 years
Yasuko Gotoh	Incumbent Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	Audit & Supervisory Board Member	2 years
Haruo Kitamura	Incumbent Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	Audit & Supervisory Board Member	2 years

Proposal No. 3: Election of One (1) Substitute Audit & Supervisory Board Member

In case the number of Audit & Supervisory Board Members falls short of that required by laws and regulations, we hereby propose that you elect one (1) Substitute Audit & Supervisory Board Member. If this proposal is approved, the nominee below will be a Substitute Audit & Supervisory Board Member for incumbent members Yasuko Gotoh and Haruo Kitamura. If the nominee takes office of Audit & Supervisory Board Member replacing one of the incumbent members above, the nominee will serve the remaining term of the incumbent member leaving the post before his/her full term of office expires. The Audit & Supervisory Board has given its prior consent to this proposal.

The nominee for Substitute Audit & Supervisory Board Member is as follows:

Hiromi Kitagawa (November 4, 1962) 58 years old

Reappointment/Outside Audit & Supervisory Board Member/Independent Auditor

■ Brief personal history	
April 1996	Registered as a lawyer Joined Nankan Law Office (currently, Nankan Kitagawa Kimura)
July 2003	Partner lawyer, Nankan & Kitagawa (currently, Nankan Kitagawa Kimura) (current position)
April 2014	Director, Chubu Federation of Bar Associations
April 2016	Vice Chairman, Aichi Bar Association
April 2017	Professor, Nanzan Graduate School of Law (current position)
■ Important posts concurrently held at other corporations Partner lawyer, Nankan Kitagawa Kimura	
■ Number of the Company's shares owned 0	
■ Reason for having appointed her as a Substitute Outside Audit & Supervisory Board Member Hiromi Kitagawa has long and wide-ranging experience in the legal field, having filled the posts of Vice Chairman, Aichi Bar Association, and university professor in addition to her abundant career as a lawyer. She currently serves as Partner lawyer, Nankan Kitagawa Kimura, and Professor, Nanzan Graduate School of Law. The Company has appointed her as a nominee for a substitute Audit & Supervisory Board Member in the expectation that her abundant legal experience will be applied in the Company's audits. Although she has never been in corporate management except as an outside officer in the past, the Company judges that she will appropriately execute her duties as an Audit & Supervisory Board Member of the Company because of the aforementioned grounds.	

Notes:

1. The brief personal history of the nominee is as of the dispatch date of this notice.
2. The age and years of incumbency of the nominee are as of the conclusion of this 98th Ordinary General Meeting of Shareholders.
3. The nominee has no special interest in the Company.
4. Hiromi Kitagawa is the nominee for an Outside Audit & Supervisory Board Member, as stipulated in Article 2, Paragraph 3, Item 8, of the Ordinance for Enforcement of the Companies Act. The matters related to this person are as follows:
 - (1) She satisfies the requirements of independent directors/auditors as per the TSE Regulations. Accordingly, if she assumes the post of Outside Audit & Supervisory Board Member, the Company intends to notify the TSE of such status as independent auditor for the nominee.
 - (2) If she assumes the post of Outside Audit & Supervisory Board Member, the Company intends to enter into a liability limitation agreement with her, which limits her liability to the minimum amount stipulated in Article 425, Paragraph 1, of the Companies Act, with regard to the liability for damages stipulated in Article 423, Paragraph 1, of said Act.
5. The Company has entered into a directors and officers liability insurance contract with an insurance company. If this proposal is approved and Hiromi Kitagawa assumes office as Audit & Supervisory Board Member, she will be included in the insured under the said insurance contract. The overview of the insurance contract is described in Note 4 on Page 18 of this Reference Document.

BUSINESS REPORT (From April 1, 2020, to March 31, 2021)

1. CURRENT SITUATION OF THE DENSO GROUP

(1) Our Challenge toward Future Growth

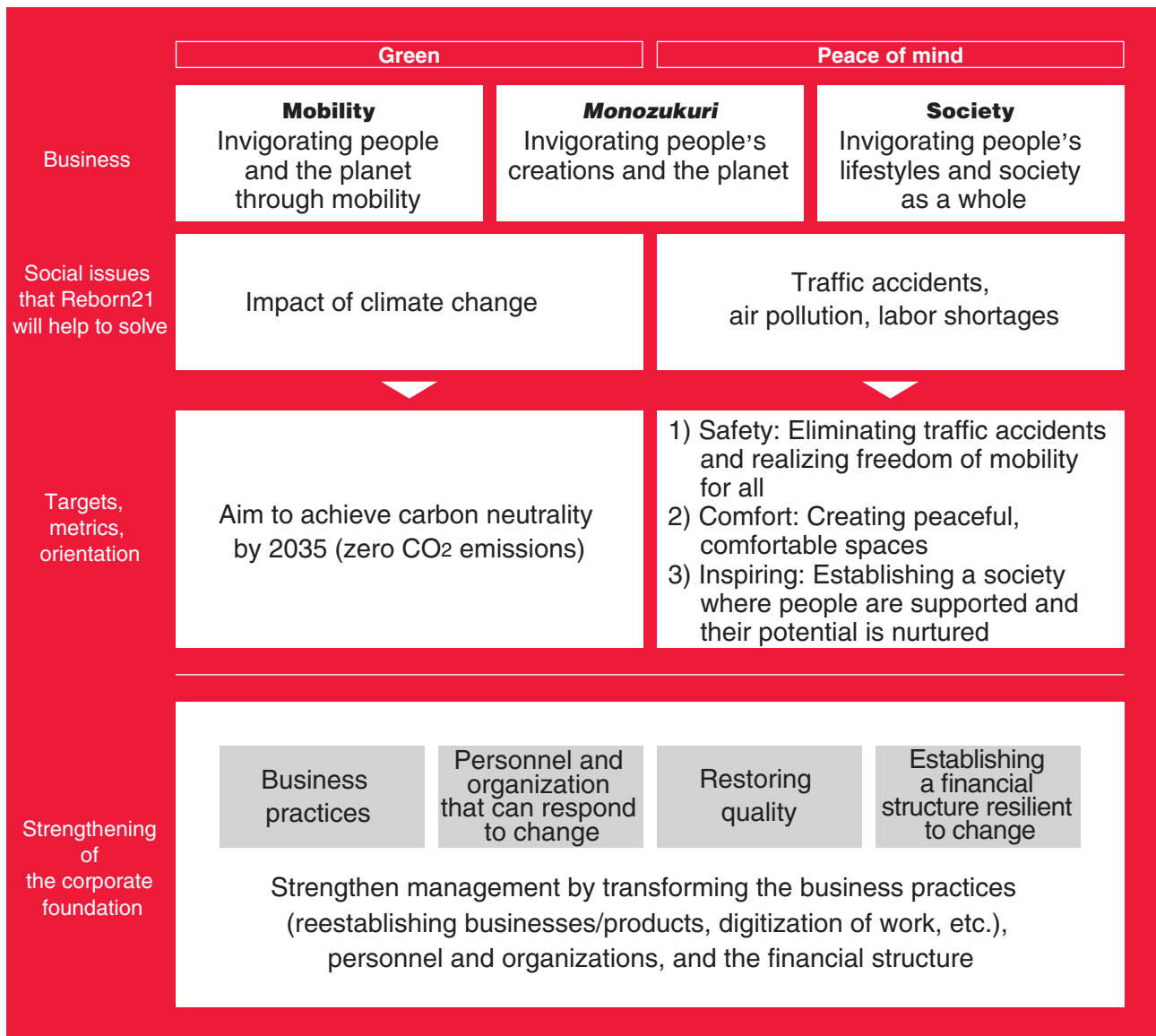
An increase in the global population, aging societies, advancing urbanization, global warming caused by CO₂ emissions and an increase in traffic accidents have emerged as pressing social issues. In these circumstances, the Company formulated Long-term Policy 2030 in fiscal 2017 and has been promoting activities to contribute to ensuring a society filled with smiling faces through the provision of new value that will be inspired by the Company's initiatives, in addition to maximizing the previous priority values of "Green" and "Peace of Mind."

However, the business environment surrounding the Company underwent dramatic changes. They included the occurrence of a quality-related issue, which shook the foundation of our management, and the impact of the COVID-19 pandemic, which put a halt to the Company's revenue growth in fiscal 2019 and fiscal 2020. Accordingly, the Company began implementation of the DENSO Revolution Plan "Reborn21," with the aim of making a new start as new DENSO by the end of fiscal 2021.

Since its establishment, the Company's mainstay business field has been automotive-related and the Company has conducted development and manufacturing of lifestyle and industrial-related equipment, applying the technologies it has cultivated in the automotive field. Expanding its business domains to encompass "Mobility," "Monozukuri" and "Society" and redefining its initiatives as "Green" and "Peace of Mind," the Company has formulated and is implementing a growth strategy. The Company seeks to generate profit by contributing to people's happiness and by offering solutions to social issues and establish such initiatives as sustainable business. Moreover, the Company will strengthen sustainability management, seeking to resolve social issues through its businesses. This involves strengthening of the corporate foundation through reform of business practices to provide customers with the best possible products and services faster, organizational reforms, establishment of a financial position resilient to change, and rebalancing of the business portfolio.



Overview of DENSO Revolution Plan “Reborn21”



Carbon neutral: A state in which the amount of CO₂ and other greenhouse gas emitted is the same as the amount offset throughout the lifecycle of a business or of an individual

Environmental Targets: Toward realization of carbon neutrality by 2035

Since its foundation, DENSO has been taking on the challenge of resolving social issues using cutting-edge technologies and created value.

In the 1950s, we developed electric cars to address global gasoline shortages. In the 1960s, we began research into fuel injection systems for gasoline engines to respond to the needs for exhaust gas purification while, at the same time, we ensured thorough compliance with environmental standards when constructing plants. In these ways, we have been addressing environmental issues.

From 2000 onward, the DENSO Eco Vision was formulated to share the environmental action guidelines globally. In DENSO Eco Vision 2025 announced in 2016, which is our action plan for environmental and energy issues, we set a target of halving CO₂ emissions. By further accelerating this effort, we aim to achieve carbon neutrality by 2035.

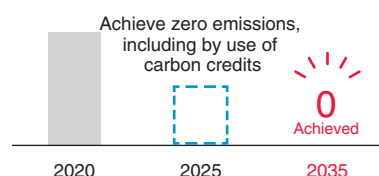
Initiatives for achievement of the target

1

Aim to be carbon neutral through manufacturing

We aim to realize carbon neutral plants by utilizing electricity derived from renewable energy that does not involve greenhouse gas emissions during power generation, such as large-scale photovoltaic power generation.

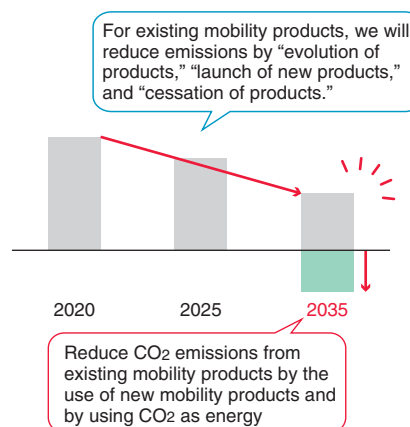
*Carbon credit: The amount of greenhouse gases reduced or offset by the introduction of energy-saving systems or renewables systems quantified in accordance with a predetermined method and made tradable



2

Minimize CO₂ emissions of mobility products

We will contribute to reduction of CO₂ emissions by offering a wide range of electrification products and products for use of hydrogen applicable to various mobility products and expanding their sales, and furthermore offer new products such as a system for supplying power to running vehicles.



3

Reduce CO₂ emissions below zero by using them as energy

We will contribute to carbon neutral energy use by developing a system for capturing and reusing CO₂ and by other means.

Reduce CO₂ emissions from existing mobility products by the use of new mobility products and by using CO₂ as energy

Initiatives of Anjo Plant

Anjo Plant is conducting R&D to manufacture electrification products in environmentally friendly plants and plan to expand to other factories in the future.

Manufacturing

Reduction of standby power by utilizing large-scale photovoltaic power generation and F-IoT (no idling)

Mobility products

Production of key components for electrified vehicles (invertors, motor generators, battery packs, etc.)

Energy use

Recovery of CO₂ to reuse as a resource

Energy use

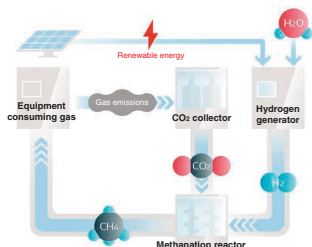
Testing of CO₂ circulation plant begins



CO₂ circulation plant

The CO₂ circulation plant* where testing has started is designed to capture CO₂ primarily generated by the plant and recycle it as an energy source for the facility and other uses. In the process, the plant synthesizes methane, which is made from CO₂ emitted by gas-fueled equipment, and hydrogen, which is produced by renewable electricity, and reused as a source of energy.

* This project is conducted in cooperation with Toyota Central R&D Labs, Inc.



Video of DENSO's CO₂ circulation plant:
<https://youtu.be/44NSfxH-bHA>



Electrification

Realizing the Future

The Company has long been engaged in the development of electrification technology. As a result, the Company has accumulated production achievements globally by achieving higher performance, more compactness and lower fuel consumption for major electrified products; these attributes are indispensable for hybrid vehicles. Going forward, by leveraging its broad range of businesses, the Company will endeavor to contribute to zero CO₂ emissions through further improvement of fuel economy and saving of electricity usage by connecting all the onboard systems and products and through efficient energy management in the vehicle.

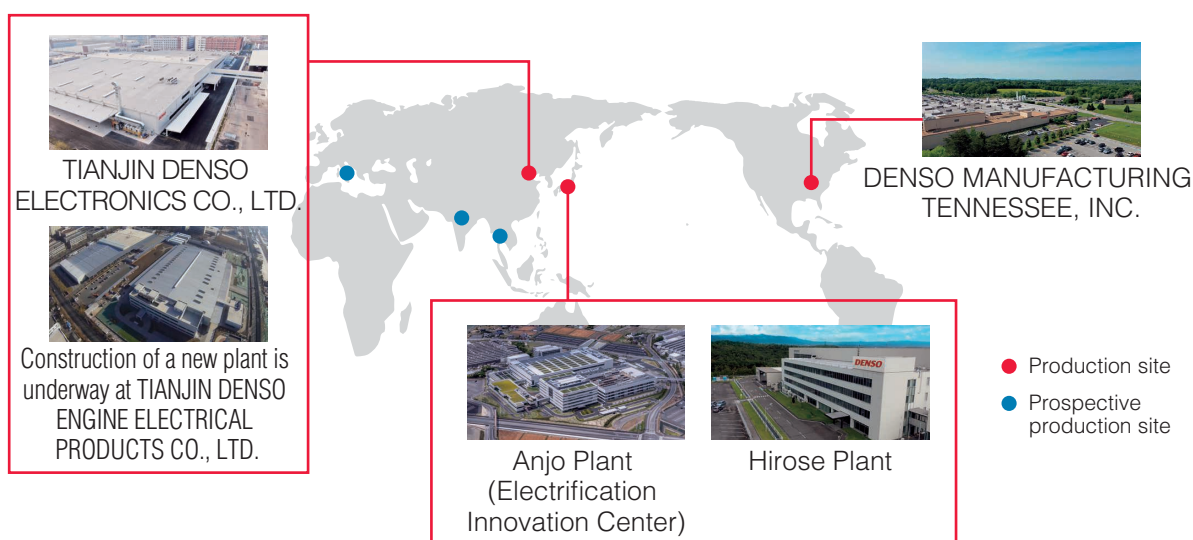
Relevant SDGs



Specific Initiatives

Global production sites for electrification products

DENSO manufactures electrification products in Japan (Anjo and Hirose), the United States (Tennessee), and China (Tianjin) to deliver products to customers. The Company established the Electrification Innovation Center within the Anjo Plant to speedily respond to the dramatically changing trend toward electrification by raising development efficiency. As well as strengthening production in southern China, we are considering production elsewhere in Asia and in Europe in order to respond to expanding demand for electrification-related products from now on.



Automated Driving

Realizing the Future

The Company aims to achieve Quality of Mobility in society without any traffic accidents and where everyone can travel freely and safely. To this end, the Company has been working continually to develop sensing technology with high quality and reliability. Going forward, the Company intends to deliver a future mobility society with high security through increasingly sophisticated Artificial Intelligence (AI) and software technologies.

Relevant SDGs



Specific Initiatives

Automakers adopt DENSO's acceleration control safety device

Contributing to reducing collision accidents of cars already sold

The Company's retrofittable acceleration control safety device has been adopted as a genuine component of the following automotive manufacturers: SUBARU, Mazda Motor, SUZUKI MOTOR, Nissan Motor, and MITSUBISHI MOTORS. This product suppresses acceleration depending on the pressure on the gas pedal applied by the driver while the vehicle is parked or stopped or while reversing. The Company aims to realize a safe and secure automotive society by contributing to reduction of collision accidents due to inadvertent operation of the brake pedal and the gas pedal.

Advanced driver assistance technology to improve vehicle sensing and safety

Realizing advanced driver assistance requires improvement of the performance to detect vehicle surroundings, accurate identification of the position of the vehicle itself, and fast processing of sensor information. The Company has developed advanced driver assistance technology that gives peace of mind to occupants and products that improve the safety of vehicles. These products were adopted for Advanced Drive featured on the new Lexus LS and the new Toyota Mirai released in Japan in April 2021.



(2) Process and Results of Operations of Our Group

1) Business environment

During the fiscal year ended March 31, 2021, the world economy began declining significantly in early 2020 owing to the spread of COVID-19. Having hit the bottom in April and May, corporate earnings and sentiments in Japan started recover in line with the step-by-step lifting of the state of emergency declared by the Japanese government in April. However, the outlook remained highly uncertain because of the COVID-19 pandemic. Automotive production in Japan and exports bottomed out in May and went on a recovery trend. However, vehicle production in the world and in Japan decreased compared with the previous year because of the unstable situation of the COVID-19 pandemic and also affected by the shortage of semiconductor devices and materials.

2) Summary of business

The Company formulated the DENSO Group Long-term Policy 2030 together with the slogan “Bringing hope for the future for our planet, society and all people.” Owing to the impact of the COVID-19 pandemic and occurrence of a quality-related issue, the Company faced an urgent need to restore quality, which is the basis for offering new value to society and customers and the foundation of its business and trust. To that end, the Company launched the DENSO Revolution Plan “Reborn21” in order to concurrently promote the formulation and implementation of the growth strategy in the fields of “green” and “peace of mind” and “transitioning to a firm and robust corporate structure” resilient to change in the business environment. DENSO continues to aim to become a company that is truly inspiring to society by making definite contribution in the fields of “green” and “peace of mind.”

3) Operating results for the fiscal year ended March 31, 2021

Revenue of the Group decreased by ¥216.8 billion or 4.2% to ¥4,936.7 billion for the year ended March 31, 2021. Vehicle sales greatly decreased in the first quarter owing to a significant market contraction caused by the impact of the spread of COVID-19 and subsequently turned to recovery, but shortage of semiconductors and raw materials also reduced revenue.

Operating profit increased by ¥94.0 billion or 153.9% to ¥155.1 billion, owing to accelerated reform of the corporate structure, such as implementation of emergency measures to cut expenditures and to improve R&D efficiency by introducing software development tools, despite decreased production volume due to the impact of the COVID-19 pandemic and provision for quality costs. Consequently, profit before income taxes increased by ¥104.1 billion or 116.2% to ¥193.8 billion, and profit attributable to owners of the parent company increased by ¥57.0 billion or 83.6% to ¥125.1 billion.

Revenue	¥4,936.7 billion	4.2% y/y decrease
Operating profit	¥155.1 billion	153.9% y/y increase
Profit attributable to owners of the parent company	¥125.1 billion	83.6% y/y increase

Revenue by geographical segment

Revenue	¥4936.7 billion
Japan	46.2%
North America	20.3%
Europe	9.8%
Asia	23.0%
Other	0.8%

(Ratio of sales to external customers)

(Billions of yen)

		97th Term (April 2019–March 2020)	98th Term (April 2020–March 2021)	Rate of change (%)
Japan		3,263.5	3,177.0	(2.7)
North America		1,176.3	1,026.2	(12.8)
Europe		583.3	519.7	(10.9)
Asia		1,278.5	1,303.8	2.0
Other		60.7	40.4	(33.5)
Total	Total	6,362.2	6,067.1	(4.6)
	Intersegment internal sales	(1,208.7)	(1,130.3)	—
	Sales to external customers	5,153.5	4,936.7	(4.2)

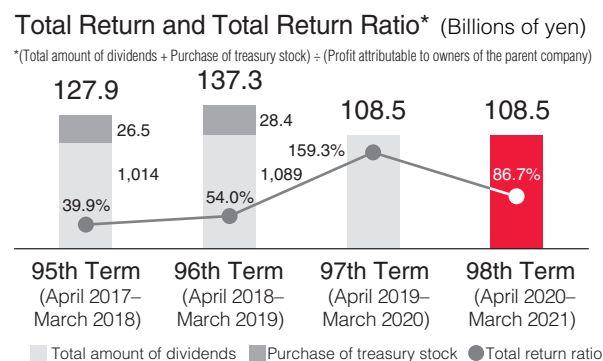
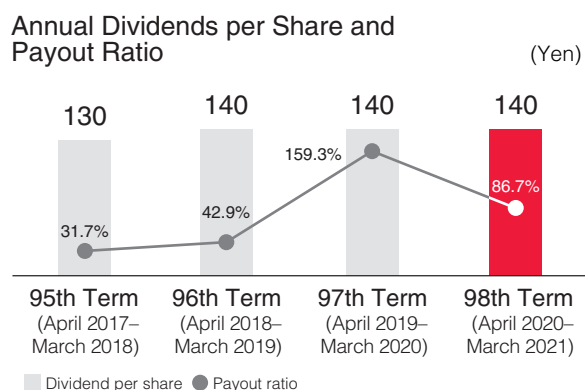
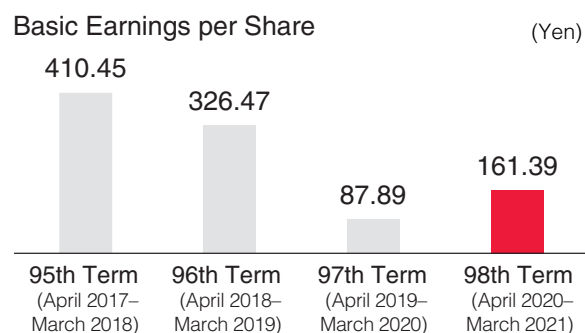
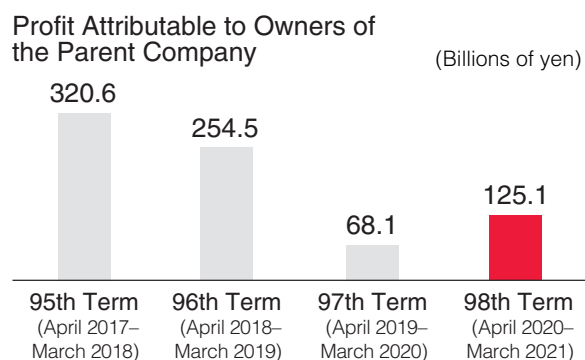
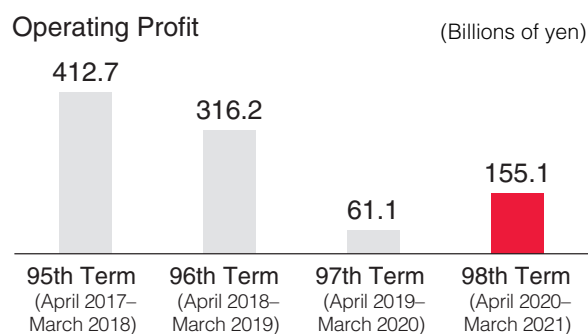
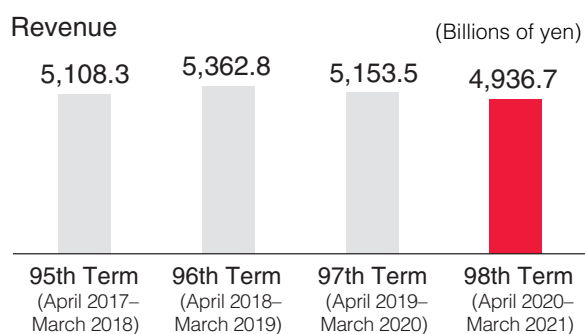
(3) Operating Results and Financial Position of the Group

(Millions of yen)

IFRS

Account Item	95th Term (April 2017– March 2018)	96th Term (April 2018– March 2019)	97th Term (April 2019– March 2020)	98th Term (April 2020– March 2021)
Revenue	5,108,291	5,362,772	5,153,476	4,936,725
Operating Profit	412,676	316,196	61,078	155,107
Profit before Income Taxes	449,903	356,031	89,631	193,753
Profit Attributable to Owners of the Parent Company	320,561	254,524	68,099	125,055
Basic Earnings per Share (yen)	410.45	326.47	87.89	161.39
Equity Attributable to Owners of the Parent Company	3,598,321	3,595,694	3,397,136	3,891,012
Total Assets	5,764,417	5,792,414	5,651,801	6,767,684

IFRS



(4) Initiatives during the Year

Green

Electrification Innovation Center opened

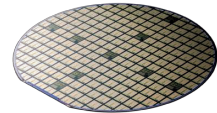
DENSO strengthens its ability to develop and manufacture products in the electrification field.



Started mass production of products equipped with silicon carbide (SiC) power semiconductors for fuel cell vehicles

The product equipped with the SiC power semiconductors is about 30% smaller in volume and provides roughly 70% less power loss compared to a conventional product equipped with Si power semiconductors, helping to improve vehicle fuel efficiency.

SiC power semiconductor wafer



Developed new generation battery-monitoring integrated circuit for lithium-ion batteries, a key component of battery ECUs

The IC improves the efficiency of battery consumption by electric and hybrid vehicles and extends driving range.



Developed an air purifier and an air cleanliness monitor to realize a safe space inside a vehicle

DENSO offered high-efficiency air purifiers for vehicles used for transportation* of COVID-19 patients. Moreover, we started sales of this air purifier for vehicle applications and an air cleanliness monitor for taxi and bus operators.

*Operated by Nihon Kotsu Co., Ltd. through the support of the Nippon Foundation.



Air purifier



Air cleanliness monitor



Hirose Plant opened

The plant's principal products are inverters in the electrification field.



Developed a prototype of a fruit harvesting robot

DENSO developed a prototype of a fruit harvesting robot in collaboration with the National Agriculture and Food Research Organization and Ritsumeikan University. Trial operations will be continued with a view to saving labor in fruit production.



Video of the prototype of a fruit harvesting robot

MIRISE Technologies established

The new company conducts R&D of next-generation in-vehicle semiconductors.

**Global R&D Tokyo, Haneda opened**

DENSO will create a system to seamlessly implement every phase of R&D for automated driving and other mobility technologies through to verification tests using cars.

DENSO and Yamato Transport developed D-mobico, a compact mobile refrigerator

Utilizing car air-conditioning technology, the two companies developed a compact and lightweight refrigerator. Compatible with a variety of thermal boxes depending on cargo size and amount, it can be loaded on any vehicle. This product meets the need to introduce refrigerated systems in line with the increasing demand for delivery of refrigerated or frozen goods, such as food and pharmaceutical products.

**New Articulated robot was launched**

DENSO will contribute to high productivity for various industries

**Pittsburgh Innovation Lab opened**

The lab will work in collaboration with local universities and companies in Pittsburgh to promote development of automated driving technology.

(5) Overview of Principal Businesses

The Company engages in the development, manufacturing and sale of products that contribute in the fields of “green” and “peace of mind.”

		Existing products	
Green	Mobility products	  <p>For gasoline and diesel vehicles Contributing to fuel efficiency improvement</p>	 <p>Inverter</p>
	Energy use	  <p>Cold storage evaporator Cool air is supplied in the cabin even while the engine is off in the no-idling state.</p>	 <p>Battery ECU</p>
Peace of mind	Safety	 <p>Airbag ECU Contributing to reducing the impact of a collision on passengers in the event of an accident</p>	 <p>Compact stereo vision sensor</p>
	Comfort	  <p>Touch display Controls for navigation, air conditioning and audio are all on a single screen to support comfortable driving.</p>	
	Inspiring	 <p>Handy terminal Contributing to enhancement of operational efficiency in various fields, including distribution, retail and healthcare services</p>	  <p>Articulated robot Tomato harvesting robot</p>

*1 SiC: Silicon carbide. Material for key devices that accelerate electrification

*2 LiDAR: Light Detection and Ranging

*3 HEMS: Home Energy Management System

*4 UAV: Unmanned Aerial Vehicle. Commonly called a "drone"

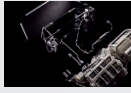
*5 AO: Artificial Intelligence

New products

Future technology



Motor generator



Heat pump system



Power semiconductor



Power module

Power module equipped with SiC*¹ power semiconductor

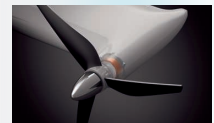
For HVs, EVs, and FCVs

Contributing to driving, air conditioning, and extension of the cruising distance of electrified vehicles

We are conducting a testing to capture CO₂ and use it as resource.



CO₂ Circulation Plant



Electric propulsion system for urban air mobility
(Joint development with Honeywell International, Inc.)

We are applying electrification and automated driving technologies to develop air mobility



Millimeter-wave radar



LiDAR*²

A device that detects the positions and shapes of objects around it precisely

The product supports safe driving.

Wireless charging system



AD sensor kit

We are developing a system for charging a vehicle battery by wirelessly receiving electricity from a power transmission pad located in a parking lot etc.

We are promoting development of an AD sensor kit, which consists of several surround monitoring sensors and ECUs to realize driver-less automated driving (autonomous driving level 4), with the aim of offering safety and freedom of mobility to all and to resolve the issue of labor shortages in response to rising demand for physical distribution.



HEMS*³



UAV*⁴ with variable pitch propellers for industrial application

Providing inspection services for bridges utilizing highly stable UAVs and AI*⁵

(6) Employees within the Group

Geographical Segment	Number of Employees
Japan	79,267 (14,994)
North America	24,516 (1,895)
Europe	15,324 (2,290)
Asia	46,476 (8,510)
Other Regions	2,808 (46)
Total	168,391 (27,735)

Note: “Number of Employees” indicates the number of persons working within the Group (i.e., exclusive of those loaned from outside the Group to within the Group and inclusive of those loaned from within the Group to outside the Group). The average yearly number of temporary employees (including fixed-term employees, temporary workers dispatched by personnel agencies, part-timers, contract employees, etc.) is indicated in parentheses.

(7) Capital Expenditures and Financing

During the fiscal year, capital expenditures of ¥374.3 billion were invested mainly to shift to highly cost-competitive next-generation products and further improve product quality and reliability.

The Company procured funds mainly by means of borrowings and issuance of bonds. The balance of loans payable at March 31, 2021 was ¥854.2 billion.

(8) Major Lenders

Name of Lender	Balance of Borrowings (Millions of yen)
MUFG Bank, Ltd.	187,000
Sumitomo Mitsui Banking Corporation	123,000
Mizuho Bank, Ltd.	75,000
The Norinchukin Bank	35,000
Shinkin Central Bank	20,000
The Bank of Kyoto, Ltd.	13,000
MUFG Bank, Ltd., Syndicate Loan	10,000
Resona Bank, Limited.	10,000
THE BANK OF NAGOYA, LTD.	9,000
The Juroku Bank, Ltd.	8,000
North Pacific Bank, Ltd.	8,000
Others	53,000
Total	551,000

Notes:

1. “Major lenders” of the DENSO Group above means the Company’s major lenders.
2. MUFG Bank, Ltd., Syndicate Loan refers to a syndicate loan involving several financial institutions, for which the lead manager is MUFG Bank, Ltd.

(9) Principal Offices and Plants

1) The Company

Name	Location (Prefecture)
Headquarters	Aichi
Tokyo Office	Tokyo
Tokyo Division	Tokyo
Osaka Division	Osaka
Hiroshima Division	Hiroshima
Anjo Plant	Aichi
Nishio Plant	Aichi
Takatana Plant	Aichi
Kota Plant	Aichi
Toyohashi Plant	Aichi
Hirose Plant	Aichi
Agui Plant	Aichi
Toyohashi Higashi Plant	Aichi
Zemmyo Plant	Aichi
Kosai Plant	Shizuoka
Daian Plant	Mie
Higashi Hiroshima Plant	Hiroshima
Advanced Research and Innovation Center	Aichi
Global R&D Tokyo	Tokyo
Global R&D Tokyo, Haneda	Tokyo

Note: The Higashi Hiroshima Plant was transferred to DENSO KYUSHU CORPORATION on April 1, 2021.

2) Subsidiaries

Refer to “(10) Significant Subsidiaries.”

(10) Significant Subsidiaries

Name	Capital Stock	The Company's Ratio of Voting Rights (%)	Principal Businesses
DENSO ELECTRONICS CORPORATION	JPY1,002 million	100.00	Manufacture and sale of automotive components
DENSO SOLUTION JAPAN CORPORATION	JPY175 million	100.00	Sale of automotive components, industrial products and consumer products
DENSO TEN Limited	JPY5,300 million	51.00	Manufacture and sale of automotive components, and R&D on automotive components
DENSO INTERNATIONAL AMERICA, INC.	USD503,816 thousand	100.00	— Regional headquarters for North America — Sale of and R&D on automotive components
DENSO MANUFACTURING MICHIGAN, INC.	USD125,000 thousand	100.00*	Manufacture and sale of automotive components
DENSO MANUFACTURING TENNESSEE, INC.	USD73,900 thousand	100.00*	Manufacture and sale of automotive components
DENSO MANUFACTURING ATHENS TENNESSEE, INC.	USD100 thousand	100.00*	Manufacture and sale of automotive components
DENSO SALES CANADA, INC.	CAD100 thousand	100.00	Sale of automotive components
DENSO MEXICO S.A. DE C.V.	MXN593,297 thousand	95.00*	Manufacture and sale of automotive components
DENSO EUROPE B.V.	EUR1,361 thousand	100.00*	Sale of automotive components
DENSO INTERNATIONAL ASIA PTE., LTD. (Singapore)	USD175,240 thousand	100.00	— Regional headquarters for Asia — Sale of aftermarket products
DENSO (THAILAND) CO., LTD.	THB200 million	51.65*	Manufacture and sale of automotive components
DENSO SALES (THAILAND) CO., LTD.	THB100 million	100.00*	Sale of automotive components
SIAM DENSO MANUFACTURING CO., LTD.	THB2,816 million	90.00*	Manufacture and sale of automotive components
PT. DENSO SALES INDONESIA	IDR9,975 million	100.00*	Sale of automotive components
DENSO (CHINA) INVESTMENT CO., LTD.	CNY2,150 million	100.00	Headquarters for China Sale of and R&D on automotive components
TIANJIN DENSO ELECTRONICS CO., LTD.	CNY446 million	93.46*	Manufacture and sale of automotive components

Note: An asterisk (*) indicates the ratio of ownership including shareholdings by any of the Company's subsidiaries.

2. SHARES OF THE COMPANY

(1) Total Number of Shares Authorized to Be Issued: 1,500,000,000 shares

(2) Total Number of Issued Shares: 774,900,899 shares (excluding treasury stock of 13,044,052 shares)

(3) Number of Shareholders: 68,561 persons

(4) Major Shareholders

Name of Shareholder	Investment in the Company	
	Number of Shares Held (Thousand shares)	Ratio of Voting Rights (%)
Toyota Motor Corporation	188,949	24.38
Toyota Industries Corporation	69,373	8.95
The Master Trust Bank of Japan, Ltd. (Trust account)	59,882	7.72
Custody Bank of Japan, Ltd. (Trust account)	33,787	4.36
Towa Real Estate Co., Ltd.	33,309	4.29
Nippon Life Insurance Company (Standing proxy: The Master Trust Bank of Japan, Ltd.)	21,645	2.79
DENSO Employees' Shareholding Association	13,950	1.80
Aisin Seiki Co., Ltd.	12,518	1.61
Custody Bank of Japan, Ltd. (Trust account 7)	8,150	1.05
Meiji Yasuda Life Insurance Company	7,967	1.02

Notes:

1. The Company holds treasury stock of 13,044 thousand shares, but is excluded from the list of major shareholders above.
2. "Ratio of Voting Rights" is calculated after excluding the treasury stock of 13,044 thousand shares.
3. "Investment in the Company" by Toyota Industries Corporation is stated after excluding the Company's 6,798 thousand shares (ratio of voting rights: 0.87%), which are contributed as a trust asset for employees' retirement benefits by Toyota Industries Corporation. (These shares are registered in the name of "Custody Bank of Japan, Ltd. (Trust Account of Toyota Industries Corporation Employees' Retirement Benefits for the Re-trust by Sumitomo Mitsui Trust Bank, Limited)," and Toyota Industries Corporation reserves the right of instruction in exercising the shares' voting rights.)
4. Aisin Seiki Co., Ltd. changed its trade name to AISIN CORPORATION on April 1, 2021.

3. OFFICERS OF THE COMPANY

(1) Members of the Board

Name	Position	Assignment in the Company and Important Posts Concurrently Held at Other Corporations
Koji Arima	President & CEO *	CEO (Chief Executive Officer)
Yasushi Yamanaka	Member of the Board *	(Important posts concurrently held at other corporations) Outside Director, Tokai Rika Co., Ltd.
Hiroyuki Wakabayashi	Member of the Board *	(Important posts concurrently held at other corporations) Outside Director, ADVICS CO., LTD. Outside Member of the Audit & Supervisory Board, JTEKT CORPORATION
Sadahiro Usui	Member of the Board Senior Executive Officer	CRO (Chief Risk Officer), Korea
Akio Toyoda	Member of the Board	(Important posts concurrently held at other corporations) President, Toyota Motor Corporation Chairman, Japan Automobile Manufacturers Association, Inc. Director, HAMANAKODENSO CO., LTD.
George Olcott	Member of the Board Outside Member of the Board Independent Director	(Important posts concurrently held at other corporations) Outside Director, Dai-ichi Life Holdings, Inc. Outside Director, Kirin Holdings Company, Limited
Shigeki Kushida	Member of the Board Outside Member of the Board Independent Director	(Important posts concurrently held at other corporations) Director, Representative Executive Officer & President, Japan Securities Finance Co., Ltd.
Yuko Mitsuya	Member of the Board Outside Member of the Board Independent Director	(Important posts concurrently held at other corporations) Representative Director, SORA Corporation Outside Director, The Fukui Bank, Ltd. Outside Director (Audit and Supervisory Committee Member), ENEOS Holdings, Inc. President, Japan Basketball Association

Notes:

1. The Members of the Board marked with an asterisk (*) are representative directors.
2. Members of the Board George Olcott, Shigeki Kushida and Yuko Mitsuya are Outside Members of the Board (outside directors), as stipulated in Article 2, Paragraph 15, of the Companies Act.
3. The Company has notified TSE of the names of Members of the Board George Olcott, Shigeki Kushida and Yuko Mitsuya as independent directors.
4. The Company has entered into a liability limitation agreement with Members of the Board Akio Toyoda, George Olcott, Shigeki Kushida and Yuko Mitsuya, which limits his/her liability to the minimum amount stipulated in Article 425, Paragraph 1, of the Companies Act, with regard to the liability for damages stipulated in Article 423, Paragraph 1, of the said Act.
5. Shoji Tsuzuki retired from the post of Member of the Board, due to the expiration of his term of office as of the conclusion of the 97th Ordinary General Meeting of Shareholders held on June 19, 2020.
6. Change in the assignment of Members of the Board by the dispatch date of this Notice is as follows:

Name	Position	Assignment in the Company
Sadahiro Usui	Member of the Board Senior Executive Officer	Korea

(2) Audit & Supervisory Board Members

Name	Position	Important Posts Concurrently Held at Other Corporations
Atsuhiko Shimmura	Standing Audit & Supervisory Board Member	Outside Audit & Supervisory Board Member, Jeco Co., Ltd. External Corporate Auditor, ADVICS CO., LTD.
Motomi Niwa	Standing Audit & Supervisory Board Member	
Yasuko Gotoh	Audit & Supervisory Board Member Outside Audit & Supervisory Board Member Independent Auditor	External Audit & Supervisory Committee Member, Shiseido Company, Limited
Haruo Kitamura	Audit & Supervisory Board Member Outside Audit & Supervisory Board Member Independent Auditor	Chief, Kitamura Certified Public Accountant Office Outside Director, MonotaRO Co., Ltd. Outside Corporate Auditor, LeTech CORPORATION

Notes:

1. Audit & Supervisory Board Members Yasuko Gotoh and Haruo Kitamura are outside Audit & Supervisory Board Members (outside corporate auditors), as stipulated in Article 2, Paragraph 16, of the Companies Act.
2. Audit & Supervisory Board Member Haruo Kitamura is qualified as a Certified Public Accountant and has substantial knowledge of finance and accounting.
3. The Company has notified TSE of the names of Audit & Supervisory Board Members Yasuko Gotoh and Haruo Kitamura as independent auditors.
4. The Company has entered into a liability limitation agreement with Audit & Supervisory Board Members Yasuko Gotoh and Haruo Kitamura, which limits his/her liability to the minimum amount stipulated in Article 425, Paragraph 1, of the Companies Act, with regard to the liability for damages stipulated in Article 423, Paragraph 1, of said Act.
5. MCUBS MidCity Investment Corporation, where Audit & Supervisory Board Member Haruo Kitamura concurrently held an important post, was absorbed by Japan Retail Fund Investment Corporation (currently Japan Metropolitan Fund Investment Corporation) and dissolved on March 1, 2021.

(3) Overview of the Directors and Officers Liability Insurance Contract**1) Scope of the insured**

The Company's Members of the Board, Audit & Supervisory Board Members, and Senior Executive Officers and directors and officers of the Company's subsidiaries are the insured.

2) Overview of the Insurance Contract

The insurance covers damages and litigation expenses in the event that a claim for damages is made against the insured due to an act committed (including failure to act) by the insured in his/her capacity as a director or officer of the Company or its subsidiaries stated in 1) above. However, damages caused as a result of any criminal act, such as bribery or willful misconduct, committed by a director or officer and imposed on the director or officer are outside the scope of the insurance coverage so as not to compromise the appropriateness of execution of duties by directors and officers. The insurance premiums for all the insured are fully borne by the Company.

(4) Remuneration, etc., Payable to Members of the Board and Audit & Supervisory Board Members for the Current Fiscal Year

1) Details concerning the amount of officer remuneration, etc. and the determination of the computation method and the method of determination

(a) Determination policy and determination process

At the Company, regarding the policy on determination concerning remuneration, etc. for Members of the Board (hereinafter referred to as the “determination policy”), a resolution is adopted by the Board of Directors based on the content of the deliberation by the Executive Nomination and Remuneration Council whose majority consists of independent Outside Members of the Board.

The Company’s compensation system for Members of the Board is designed to:

- Facilitate initiatives to achieve medium- to long-term enhancement of corporate value and management from the perspective of shareholders
- Incentivize eligible persons to enhance performance by linking the Company’s performance with individuals’ performance

Under the Company’s compensation system, compensation for Members of the Board (excluding non-executive Members of the Board and Outside Members of the Board; hereinafter collectively referred to as “Eligible Members of the Board”) consists of i) basic compensation (fixed amount), ii) bonus (short-term incentive), and iii) share-based compensation (medium- to long-term incentive in accordance with the resolution adopted by the 97th Ordinary General Meeting of Shareholders held on June 19, 2020). The ratios of basic compensation, bonus, and share-based compensation are set at roughly 60%, 30%, and 10%, respectively.

Compensation payable to non-executive Members of the Board and Outside Members of the Board comprises only basic compensation (fixed amount) in order to ensure independence from management.

Compensation payable to Audit & Supervisory Board Members also comprises only basic compensation (fixed amount) because their role includes the conduct of legal compliance audit.

Regarding compensation payable to Members of the Board of the Company, in accordance with the resolution adopted by the 97th Ordinary General Meeting of Shareholders held on June 19, 2020, the maximum amount of basic compensation is set at ¥1.0 billion per year (including compensation for Outside Members of the Board of up to ¥150 million) and the maximum amount of share-based compensation is set at ¥200 million per year. The number of Members of the Board as of the conclusion of the 97th Ordinary General Meeting of Shareholders was eight (including three Outside Members of the Board).

Regarding compensation payable to Audit & Supervisory Board Members of the Company, in accordance with the resolution adopted by the 91st Ordinary General Meeting of Shareholders held on June 19, 2014, the maximum amount is set at ¥15 million per month. The number of Audit & Supervisory Board Members as of the conclusion of the 91st Ordinary General Meeting of Shareholders was five (including three Outside Audit & Supervisory Board Members).

The amount of remuneration, etc. payable to Members of the Board of the Company and the system are determined by the Executive Nomination and Remuneration Council, which is chaired by an independent Outside Member of the Board and whose majority consists of independent Outside Members of the Board from the viewpoint of ensuring objectivity, fairness, and transparency. The Executive Nomination and Remuneration Council consists of five members: Independent Outside Member of the Board Shigeki Kushida (chair), Representative Director Koji Arima, Representative Director Yasushi Yamanaka, Independent Outside Member of the Board George Olcott, and Independent Outside Member of the Board Yuko Mitsuya.

The Board of Directors has adopted a resolution to entrust determination on the total amount of compensation for the current fiscal year and determination of the amount of compensation for each Member of the Board to the Executive Nomination and Remuneration Council. The Executive Nomination and Remuneration Council deliberates on the officer compensation system and determines the amount of compensation for each Member of the Board, considering factors such as the Company’s business results and the responsibilities and performance of the Member of the Board.

Compensation for Audit & Supervisory Board Members is determined through consultation by the Audit & Supervisory Board within the total amount of compensation in accordance with the resolution adopted by the General Meeting of Shareholders.

The meetings of the Executive Nomination and Remuneration Council held in July and October 2020 and in

February and April 2021 discussed determination of the amount of remuneration, etc. for the current fiscal year.

Compensation payable to Members of the Board was determined by the consent of all the members of the Executive Nomination and Remuneration Council.

The Board of Directors judges that the details of the determination are in accordance with the determination policy because the amount of compensation for each Member of the Board was determined by the Executive Nomination and Remuneration Council whose majority consists of independent Outside Members of the Board.

<Principal topics discussed by the Executive Nomination and Remuneration Council >

- Policy and approach of the officer compensation system
- The level of compensation according to posts and responsibilities
- Evaluation of the results of performance indicators in fiscal 2020
- Evaluation of individuals' performance assessment
- Determination of the amount of compensation for each Member of the Board

(b) Method of determination of each type of compensation

The level of compensation for Members of the Board and Audit & Supervisory Board Members is determined by referring to the levels of executive compensation paid by major manufacturers that are similar in size, industry, and business format to the Company according to the data of an executive compensation survey conducted by an external research agency and by confirming the appropriateness.

Each type of compensation for Eligible Members of the Board is outlined below.

i) Basic compensation

Monthly fixed compensation according to the posts is paid.

From April 2021, the amount is determined, reflecting individuals' performance assessment, which involves evaluation of performance and achievements of each officer.

ii) Bonus

A bonus is paid based on the "bonus table" determined according to the degree of achievement of consolidated operating profit for the current fiscal year for which the reference amount of ¥320.0 billion was set in 2012 as the amount of consolidated operating profit necessary for the Company's sustainable growth and based on the individuals' performance assessment, which involves evaluation of performance and achievements of each officer.

The "bonus table" is set such that if the degree of achievement of consolidated operating profit is 200% compared with the reference amount, the standard annual personal income will be roughly in the top 35% of the market and if the degree of achievement of consolidated operating profit is 50% compared with the reference amount, the standard annual personal income will be roughly in the bottom 25% of the market. Consolidated operating profit for the current fiscal year was ¥155.1 billion.

ii) Share-based compensation

The Board of Directors adopts a resolution on details of share-based compensation within the total amount of share-based compensation (up to ¥200 million per year) determined at the General Meeting of Shareholders held on June 19, 2020.

Eligible persons	Members of the Board of the Company (excluding non-executive Members of the Board and Outside Members of the Board)
Total amount of share-based compensation	Up to ¥200 million per year
Amount of share-based compensation for each Member of the Board	Determined each year considering factors such as the Company's business results and the responsibilities and performance of the Member of the Board
Class of shares to be allotted and method of allotment	Issue or disposal of shares of common stock (those with restrictions on transfer under the Allotment Agreement)
Total number of shares to be allotted	Up to a total of 100,000 shares per year to Eligible Members of the Board

Amount to be paid in	Determined by the Board of Directors of the Company based on the closing price of shares of common stock of the Company on the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution of the Board of Directors, within a range that is not particularly advantageous to Eligible Members of the Board
Transfer restriction period	During the period predetermined by the Board of Directors of the Company, ranging from three (3) years to 30 years from the allotment date under the Allotment Agreement, Eligible Members of the Board must not dispose of the shares of the Company's common stock by transferring or creating a security right on the shares of the Company's common stock allotted by the Allotment Agreement or other measures.
Condition 1 for removal of transfer restrictions	The restrictions will be removed upon the expiration of the transfer restriction period. However, the restrictions will be removed also in the event that the Eligible Member of the Board leaves the position due to expiry of his/her term of office, his/her death or other justifiable reasons.
Condition 2 for removal of transfer restrictions	If a proposal for restructuring, etc. of the Company, such as a merger agreement whereby the Company will be an absorbed company to the merger, or a share exchange agreement or a share transfer plan whereby the Company will become a wholly owned subsidiary of another party, is approved at the Company's General Meeting of Shareholders (or by the Company's Board of Directors if such organizational restructuring, etc. does not require approval of the Company's General Meeting of Shareholders) during the transfer restriction period, the Company shall remove, based on the resolution of the Company's Board of Directors, the transfer restriction of the allotted shares at a date prior to the effective date of such organizational restructuring, etc. The number of such allotted shares subject to removal of the transfer restriction shall be reasonably determined in light of the period from the date of the start of the transfer restriction period to the date of approval of such organizational restructuring, etc.
Acquisition by the Company without consideration	The Company will be able to acquire all allotted shares without consideration in the event of violations of laws and regulations or other reasons specified by the Company's Board of Directors during the transfer restriction period.

2) Total amount of remuneration, etc. by officer category, total amount by type of remuneration, etc., and the number of eligible officers

Officer Category	Amount of Remuneration, etc. (Millions of yen)	Total amount by type of remuneration, etc. (Millions of yen)			Number of Eligible Officers
		Fixed compensation	Performance-linked compensation		
		Basic compensation	Bonus	Share-based compensation	
Member of the Board	406	302	90	14	9
(Portion of Outside Member of the Board)	(46)	(46)	(-)	(1,900 shares) (-)	(3)
Audit & Supervisory Board Members	105	105	-	-	4
(Portion of Outside Audit & Supervisory Board Members)	(22)	(22)	(-)	(-)	(2)
Total	511	407	90	14 (1,900 shares)	13

Notes:

1. The amounts above include ¥68 million in remuneration, etc., payable to outside officers (three Members of the Board and two Audit & Supervisory Board Members).
2. The amounts above include the remuneration, etc. corresponding to Shoji Tsuzuki who retired from the post of Member of the Board at the conclusion of the 97th Ordinary General Meeting of Shareholders

held on June 19, 2020.

3. The amount of performance-linked compensation presented is the amounts based on the resolution adopted by the Board of Directors at its meeting held on May 17, 2021.
4. Based on the resolution by the Board of Directors at its meeting held on May 17, 2021, the number of shares calculated by dividing the amount of compensation presented by the closing price on the day before the adoption of the resolution of allotment of shares will be granted as share-based compensation.
* The number of shares stated above is the number of shares calculated using the share price on March 31, 2021 for reference.

(5) Outside Members of the Board and Audit & Supervisory Board Members

Category	Name	Major Activities and Fulfillment of Their Expected Role
Outside Members of the Board	George Olcott	He attended 13 of 13 Board of Directors meetings held in the fiscal year. At these meetings, he mainly remarked on the Company's global management based on his academic background and considerable experience and deep insight related to corporate management in Japan and overseas, while supervising overall management of the Company.
	Shigeki Kushida	He attended 13 of 13 Board of Directors meetings held in the fiscal year. At these meetings, he remarked on the Company's general management affairs based on his experience at the Bank of Japan and broad expertise in global monetary economy. As the chair of the Executive Nomination and Remuneration Council, he wrapped up the revision of the officer system and discussion on the succession plan.
	Yuko Mitsuya	She attended 13 of 13 Board of Directors meetings held in the fiscal year. At these meetings, she mainly remarked on the Company's general management affairs while supervising overall management of the Company based on her expertise in management of companies and institutions and considerable experience in various fields, including her service as a director or a member of various sports associations.
Outside Audit & Supervisory Board Members	Yasuko Gotoh	She attended 13 of 13 Board of Directors meetings and 15 of 15 Audit & Supervisory Board meetings held in the fiscal year. At these meetings, she remarked on the Company's general management affairs based on her broad experience in the public and private sectors and deep insight.
	Haruo Kitamura	He attended 13 of 13 Board of Directors meetings and 15 of 15 Audit & Supervisory Board meetings held in the fiscal year. At these meetings, he mainly remarked on the financial and accounting affairs of the Company based on his professional viewpoint as a Certified Public Accountant and a management consultant.

4. CORPORATE GOVERNANCE OF THE COMPANY

The Company believes that establishing a corporate governance system designed to strengthen Group competitiveness is the key to maintaining and improving long-term corporate performance in a quickly changing global market. Specifically, the Company has adopted an Audit & Supervisory Board Member system. In addition to the legal functions of statutory bodies such as the General Meeting of Shareholders, Board of Directors, Audit & Supervisory Board, and Accounting Auditor, the Company has developed various governance mechanisms. Furthermore, we are implementing highly sound, efficient and transparent management by continuously sharing information and conducting dialogues with shareholders and investors on the state of our business. This approach is reflected in the Company's Basic Policies on Corporate Governance.

Basic Policies on Corporate Governance

1. Securing the rights and equal treatment of shareholders

- We shall provide timely and accurate information needed for shareholders to exercise their rights. Concurrently, the Company shall make efforts to establish an environment in which shareholders can exercise their voting rights and give due attention to assuring the rights and equal treatment of various substantial shareholders that include foreign and minority shareholders.

2. Appropriate cooperation with stakeholders other than shareholders

- We shall strive to create a virtuous cycle whereby the Company earns the trust and empathy of stakeholders and continually grows and develops with them by dealing with social issues and actively working to find solutions.
- We shall place high value on dialogues with stakeholders and provide them with appropriate information to share values and cooperate with stakeholders.

3. Ensuring appropriate information disclosure and transparency

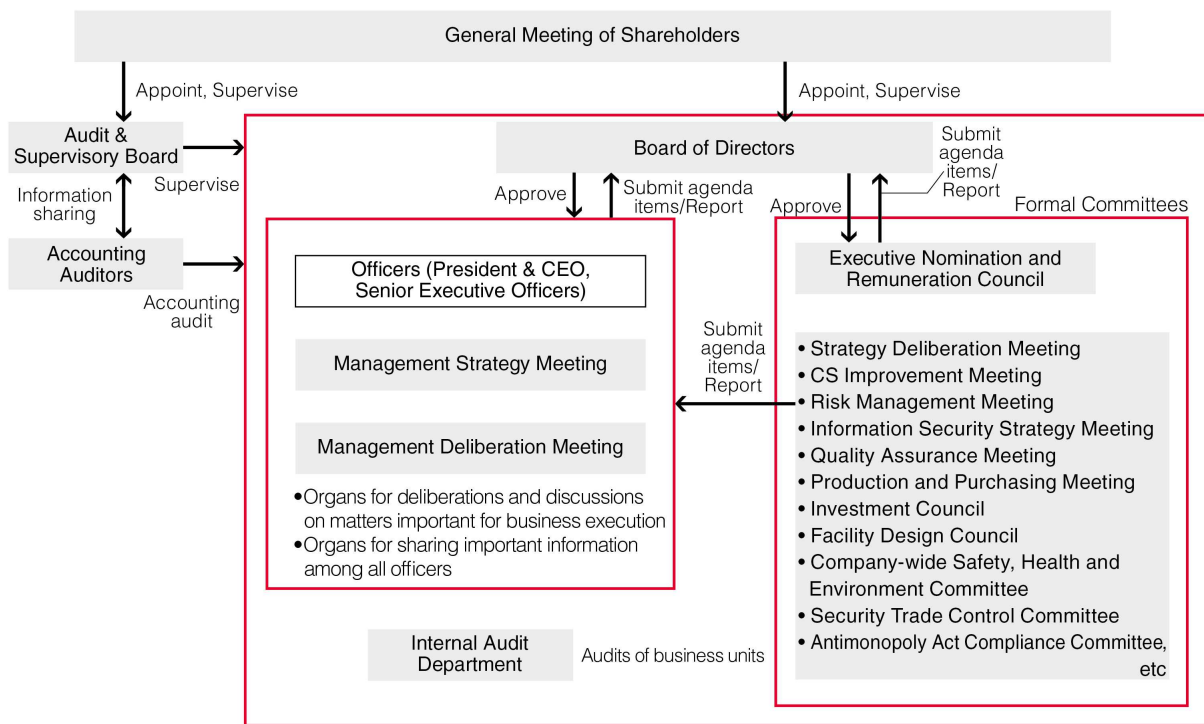
- We shall disclose its financial condition, operating results, and other financial information each quarter in compliance with the relevant laws and regulations as well as appropriately disclose management strategies and plans and other non-financial information each time they are formulated.
- We shall deploy various methods for disseminating non-financial information in particular, which include directly disseminating information through the Company's website and presentations as well as disseminating information to the mass media through press releases to obtain the understanding of the Company's stakeholders.

4. Execution of duties of the Board of Directors

- We shall, in keeping with the DENSO Philosophy, determine the strategic directions of the Company through the Long-term Policy, a management compass indicating the directions we will pursue over the next five to 10 years, and the Mid-term Policy, which contains strategies that give global concrete shape to our objectives and activities for the next three- to five-year period.
- We shall realize swift decision-making and business operations through a corporate officer system that separates and clarifies the roles between Members of the Board, who are responsible for management (decision-making and supervision), and Senior Executive Officers, who are responsible for the execution of business operations. Additionally, we shall, depending on the circumstances, have Members of the Board serve concurrently as Senior Executive Officers to ensure the balance of knowledge, experience, and capabilities of the Board of Directors as a whole.
- We shall emphasize objective and neutral management supervision from an outside perspective and shall utilize as Outside Members of the Board and Outside Audit & Supervisory Board Members those persons who can reflect their wealth of external experience and wide-ranging knowledge in the Company's decision-making and auditing.

5. Dialogue with shareholders

- We shall strive for good communication with the Company's shareholders and investors by providing enhanced information encompassing management strategies and financial information and actively holding dialogues with the participation of Members of the Board and Senior Executive Officers in charge. The results of the dialogues shall be reported to the Board of Directors and the opinions of shareholders shall be utilized in the Company's management.



5. POLICY REGARDING A DECISION OF DIVIDENDS FROM SURPLUS

As for dividends from surplus, the Company intends to improve the dividend level stably by comprehensively taking into account the consolidated operating results, the payout ratio and the amount of dividends. To this end, the Company will continue to strive to establish a business foundation capable of flexibly responding to change in the environment and to enhance financial performance.

Moreover, the Company intends to allocate retained earnings not only to the capital investment and R&D investment required to maintain long-term business development but also to the acquisition of treasury stock in the pursuit of distributing its profits to the shareholders while paying attention to the status of funds.

The Company stipulates in its Articles of Incorporation that it may distribute dividends from surplus upon resolution of the Board of Directors in accordance with Article 459 of the Companies Act without adopting a resolution at a general meeting of shareholders.

Accordingly, the Company, at its Board of Directors meeting held on April 28, 2021, resolved that the fiscal year-end dividend for the fiscal year ended March 31, 2021, be ¥70 per share of the Company's common stock (for a total of ¥54,243,062,930) and the date of commencement of dividend payment thereof be May 25, 2021. The annual dividend for the current fiscal year, including the interim dividend, is ¥140 per share.

Dividends per share

	(yen)
95th Term (April 2017–March 2018)	130
96th Term (April 2018–March 2019)	140
97th Term (April 2019–March 2020)	140
98th Term (April 2020–March 2021)	140

6. IMPORTANT MATTER REGARDING THE CURRENT SITUATION OF THE DENSO GROUP

The Company has been subject to the alleged violation of antitrust law or competition law in connection with certain past transactions regarding specific auto parts from the authorities in certain countries, coping with several lawsuits filed in the United States, etc., and engaged in settlement negotiations with certain automobile manufacturers.

Compliance with the Antitrust Laws is one of the Group's significant management priorities. The Company keeps endeavoring to strengthen more its Antitrust Laws compliance system to restore confidence.

The amounts stated in this Business Report are rounded off to the nearest unit.

(TRANSLATION ONLY)

Consolidated Financial Statements

Consolidated Statement of Financial Position

(Millions of yen)

Account Item	98th Term (As of March 31, 2021)	(Reference) 97th Term (As of March 31, 2020)	Account Item	98th Term (As of March 31, 2021)	(Reference) 97th Term (As of March 31, 2020)
(Assets)			(Liabilities)		
Current assets	2,789,736	2,346,318	Current liabilities	1,498,659	1,423,067
Cash and cash equivalents	897,395	597,816	Bonds and borrowings	98,348	112,402
Trade and other receivables	1,028,821	885,461	Trade and other payables	1,014,406	891,949
Inventories	726,159	651,670	Other financial liabilities	48,647	53,436
Other financial assets	15,527	121,177	Income tax payables	15,414	22,839
Other current assets	121,834	90,194	Provisions	248,517	269,733
Non-current assets	3,977,948	3,305,483	Other current liabilities	73,327	72,708
Property, plant and equipment	1,875,763	1,758,233	Non-current liabilities	1,192,308	669,865
Right-of-use assets	47,834	47,254	Bonds and borrowings	755,874	352,970
Intangible assets	143,960	96,388	Other financial liabilities	36,153	34,166
Other financial assets	1,681,582	1,121,066	Retirement benefit liabilities	282,332	253,198
Investments accounted for using equity method	106,734	104,590	Provisions	1,369	4,429
Retirement benefit asset	63,446	38,298	Deferred tax liabilities	102,095	13,469
Deferred tax assets	36,951	117,856	Other non-current liabilities	14,485	11,633
Other non-current assets	21,678	21,798	Total liabilities	2,690,967	2,092,932
			(Equity)		
			Equity attributable to owners of the parent company	3,891,012	3,397,136
			Capital stock	187,457	187,457
			Capital surplus	272,517	272,375
			Treasury stock	(56,830)	(56,815)
			Other components of equity	691,417	226,653
			Retained earnings	2,796,451	2,767,466
			Non-controlling interests	185,705	161,733
			Total equity	4,076,717	3,558,869
Total assets	6,767,684	5,651,801	Total liabilities and equity	6,767,684	5,651,801

Consolidated Statement of Income

(Millions of yen)

Account Item	98th Term (From April 1, 2020, to March 31, 2021)	(Reference) 97th Term (From April 1, 2019, to March 31, 2020)
Revenue	4,936,725	5,153,476
Cost of revenue	(4,275,239)	(4,423,876)
Gross profit	661,486	729,600
Selling, general and administrative expenses	(514,492)	(668,509)
Other income	29,477	21,981
Other expenses	(21,364)	(21,994)
Operating profit	155,107	61,078
Finance income	42,718	47,250
Finance costs	(7,330)	(9,621)
Foreign exchange gains	1,457	(14,530)
Share of the profit of associates accounted for using the equity method	1,801	5,454
Profit before income taxes	193,753	89,631
Income tax expenses	(45,658)	(5,009)
Profit for the year	148,095	84,622
Profit attributable to:		
Owners of the parent company	125,055	68,099
Non-controlling interests	23,040	16,523

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheet

(Millions of yen)

Account Item	98th Term (As of March 31, 2021)	(Reference) 97th Term (As of March 31, 2020)	Account Item	98th Term (As of March 31, 2021)	(Reference) 97th Term (As of March 31, 2020)
(Assets)			(Liabilities)		
Current assets	1,542,426	1,283,031	Current liabilities	1,022,053	1,009,954
Cash and deposits	417,602	311,942	Accounts payable—trade	493,350	434,924
Notes receivable—trade	1,110	2,165	Current portion of bonds	10,000	20,000
Accounts receivable—trade	435,953	379,444	Current portion of long-term borrowings	36,000	31,503
Electronically recorded monetary claims—operating	86,190	76,247	Accounts payable—other	38,720	57,731
Marketable securities	15,000	—	Accrued expenses	83,939	78,177
Finished goods	69,512	56,359	Income taxes payable	—	9,863
Work in process	128,989	111,564	Deposits received	89,345	82,024
Raw materials and supplies	21,020	18,782	Accrued bonuses to employees	38,171	36,608
Advance payments	84,260	75,224	Accrued bonuses to directors and corporate auditors	103	61
Prepaid expenses	7,401	7,567	Reserve for product warranties	214,854	247,483
Short-term loans receivable from subsidiaries and associates	133,180	108,912	Provision for loss on antitrust issues	10,254	9,499
Accounts receivable—other	97,297	109,557	Provision for environmental measures	1,460	—
Other current assets	45,104	25,463	Other current liabilities	5,857	2,081
Allowance for doubtful accounts	(192)	(195)	Long-term Liabilities	985,003	545,370
Fixed assets	2,866,284	2,351,546	Straight bonds	240,001	200,000
Property, plant and equipment	610,984	548,075	Long-term borrowings	515,000	151,000
Buildings	134,071	95,875	Deferred tax liabilities	33,059	—
Structures	14,703	13,139	Liability for employees' retirement benefits	186,598	176,541
Machinery and equipment	206,881	198,717	Provision for loss on business of subsidiaries and associates	841	5,604
Vehicles and transportation equipment	3,101	3,029	Provision for environmental measures	733	3,829
Tools, furniture and fixtures	36,450	36,804	Other long-term liabilities	8,771	8,396
Land	126,524	121,378	Total liabilities	2,007,056	1,555,324
Construction in progress	89,254	79,133	(Equity)		
Intangible assets	61,653	20,928	Shareholders' equity	1,695,495	1,763,147
Software	17,119	16,243	Capital stock	187,457	187,457
Other intangible assets	44,534	4,685	Capital surplus	265,985	265,985
Investments and other assets	2,193,647	1,782,543	Additional paid-in capital	265,985	265,985
Investment securities	758,612	424,039	Other capital surplus	—	—
Investment in subsidiaries and associates	1,261,145	1,080,868	Retained earnings	1,298,872	1,366,509
Investments in equity	3,013	4,831	Legal reserve	43,274	43,274
Investments in equity of subsidiaries and associates	36,377	36,377	Other retained earnings	1,255,598	1,323,235
Long-term loans receivable from subsidiaries and associates	47,575	51,979	Reserve for special depreciation	18	33
Prepaid pension cost	78,778	73,141	Reserve for advanced depreciation of fixed assets	654	654
Deferred tax assets	—	102,039	General reserve	896,390	896,390
Other assets	8,147	9,320	Earned surplus carried forward	358,536	426,158
Allowance for doubtful accounts	(0)	(51)			

			Treasury stock, at cost	(56,819)	(56,804)
			Variance of the estimate/ conversion	706,159	316,106
			Net unrealized gain on available-for- sale securities	706,228	316,235
			Deferred gains on derivatives under hedge accounting	(69)	(129)
			Total equity	2,401,654	2,079,253
Total assets	4,408,710	3,634,577	Total liabilities and equity	4,408,710	3,634,577

Non-Consolidated Statement of Income

(Millions of yen)

Account Item	98th Term (From April 1, 2020, to March 31, 2021)	(Reference) 97th Term (From April 1, 2019, to March 31, 2020)
Net sales	2,820,349	2,884,051
Cost of sales	2,638,056	2,669,925
Gross profit	182,293	214,126
Selling, general and administrative expenses	234,282	367,751
Operating loss	(51,989)	(153,625)
Non-operating income	96,045	99,009
Interest and dividend income	71,232	83,099
Other non-operating income	24,813	15,910
Non-operating expenses	11,695	13,201
Interest expense	998	526
Foreign exchange losses	—	5,094
Loss on sales of non-current assets	3,101	1,686
Other non-operating expenses	7,596	5,895
Ordinary income (loss)	32,361	(67,817)
Extraordinary income	22,257	17,509
Gain on sales of non-current assets	2,770	297
Gain on sales of investment securities	18,680	11,862
Gain on sales of shares of subsidiaries and associates	—	5,350
Other	807	—
Extraordinary losses	14,513	79,399
Impairment loss on investment securities	4,010	79,289
Loss on valuation of shares of subsidiaries and associates	9,910	102
Other	593	8
Income (loss) before income taxes	40,105	(129,707)
Income taxes—current	1,009	29,348
Income taxes—deferred	(1,753)	(74,555)
Net income (loss)	40,849	(84,500)

(TRANSLATION)
Audit Reports

<Certified Copy of the Audit Report of the Accounting Auditors pertaining to the Consolidated Financial Statements>

INDEPENDENT AUDITOR'S REPORT

May 10, 2021

To the Board of Directors of
DENSO CORPORATION:

Nagoya Office,
Deloitte Touche Tohmatsu LLC

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Makoto Nishimatsu

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Yasuhiko Goto

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Naoki Kondo

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated statement of financial position as of March 31, 2021, of DENSO CORPORATION (the "Company") and consolidated subsidiaries, and the related consolidated statements of income and changes in equity for the fiscal year from April 1, 2020, to March 31, 2021, and the related notes.

In our opinion, the above-mentioned consolidated financial statements, prepared with the omission of some disclosure items required under the International Financial Reporting Standards in accordance with the provisions of the latter part of the first paragraph of Article 120 of the Regulation on Corporate Accounting, present fairly, in all material respects, the financial position and results of operations of the corporate group, which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in conformity with accounting principles generally accepted in Japan, prepared with the omission of a part of the disclosure required under International Financial Reporting Standards pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with a going concern assumption. If it is necessary to disclose matters relating to the going concern assumption in accordance with the provisions of the latter part of the first paragraph of Article 120 of the Regulation on Corporate Accounting, which allows companies to prepare consolidated financial statements with the omission of some disclosure items required under International Financial Reporting Standards, management is responsible to do so. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

The auditor's responsibility is to express an opinion on these consolidated financial statements based on its audit from an independent standpoint in an audit report, by obtaining reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement due to fraud or error. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements. We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the going concern assumption and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with the provisions of the latter part of the first paragraph of Article 120 of the Regulation on Corporate Accounting which allows companies to prepare consolidated financial statements with the omission of some disclosure items required under International Financial Reporting Standards, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries in order to express an opinion on the consolidated financial statements. The

auditor is responsible for instructing, supervising, and implementing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

Interest

Our firm and the engagement partners do not have any interest in the Company or its consolidated subsidiaries, for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

INDEPENDENT AUDITOR'S REPORT

May 10, 2021

To the Board of Directors of
DENSO CORPORATION:

Nagoya Office
Deloitte Touche Tohmatsu LLC

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Makoto Nishimatsu

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Yasuhiko Goto

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Naoki Kondo

Opinion

Pursuant to Item 1 of the second paragraph of Article 436 of the Companies Act, we have audited the financial statements, namely, the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the supplementary schedules (the “Financial Statements, etc.”) of DENSO CORPORATION (the “Company”) for the 98th fiscal year from April 1, 2020, to March 31, 2021, and the related notes.

In our opinion, the above-mentioned Financial Statements, etc., present fairly, in all material respects, the financial position and results of operations of the Company for the period covered by the Financial Statements, etc. in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in “Auditor’s Responsibility for the Audit of the Financial Statements, etc.” We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements, etc.

Management is responsible for the preparation and fair presentation of the Financial Statements, etc. in conformity with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the Financial Statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing Financial Statements, etc., management is responsible for assessing whether it is appropriate to prepare the Financial Statements, etc. in accordance with a going concern assumption. If it is necessary to disclose matters relating to the going concern assumption in accordance with accounting principles generally accepted in Japan, management is responsible to do so.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements, etc.

The auditor's responsibility is to express an opinion on the Financial Statements, etc. based on its audit from an independent standpoint in an audit report, by obtaining reasonable assurance about whether the Financial Statements, etc. as a whole are free from material misstatement due to fraud or error. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the Financial Statements, etc. We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the Financial Statements, etc. on the going concern assumption and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the Financial Statements, etc. in the audit report, or if the notes to the Financial Statements, etc. pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the Financial Statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the Financial Statements, etc. are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the Financial Statements, etc. including related notes, and whether the Financial Statements, etc. fairly present the transactions and accounting events on which they are based.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

Interest

Our firm and the engagement partners do not have any interest in the Company, for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

(TRANSLATION)

<Certified Copy of the Audit Report of the Audit & Supervisory Board>

AUDIT & SUPERVISORY BOARD MEMBERS' REPORT

Regarding the performance of duties by Members of the Board for the 98th Fiscal Term, which began April 1, 2020, and ended March 31, 2021, the Audit & Supervisory Board of DENSO CORPORATION (the "Company") hereby submits its audit report, which has been prepared through discussions based on the audit reports prepared by the respective Audit & Supervisory Board Members.

1. Auditing Methods Employed by Audit & Supervisory Board Members and the Audit & Supervisory Board and the Substance Thereof

(1) The Audit & Supervisory Board determined auditing policies, auditing plans and other guidelines; received reports about the progress and results of audits from each Audit & Supervisory Board Member; received reports on the execution of their duties; and requested explanations, as required, from the Members of the Board and the Accounting Auditor.

(2) In compliance with the audit standards specified by the Audit & Supervisory Board and based on the auditing policies, assigned tasks and other guidelines above, each Audit & Supervisory Board Member has communicated with the Members of the Board and other relevant personnel of the internal audit department and others to collect necessary information and improve the auditing environment, and, at the same time, conducted his/her audit in the following manner.

1) Each Audit & Supervisory Board Member has attended the meetings of the Board of Directors and other important meetings; heard about the execution of their duties from the Members of the Board and other relevant personnel; requested explanations therefrom, as required; examined important authorized documents and associated information; and studied the operations and financial position at the headquarters and principal offices. Moreover, the Audit & Supervisory Board Members have communicated and exchanged information with the Members of the Board, Audit & Supervisory Board Members and other relevant personnel of the subsidiaries and received reports on operations therefrom, as required.

2) Each Audit & Supervisory Board Member has supervised and verified the substance of the resolution adopted by the Board of Directors with regard to the improvement of the systems stipulated in Article 362, Paragraph 4, Item 6, of the Companies Act and in Article 100, Paragraphs 1 and 3, of the Ordinance for Enforcement of the Companies Act as the "Systems to Ensure Compliance of the Execution of Duties by Members of the Board with Laws, Regulations and the Articles of Incorporation" described in the Business Report, as well as the established and operational status of the in-house systems (internal control systems) that have been established pursuant to the resolution concerned.

3) Each Audit & Supervisory Board Member has supervised and verified whether the Accounting Auditor maintain independence and have done appropriate audits, and has received reports on the execution of their duties and requested explanations, as required, from the Accounting Auditor. The Audit & Supervisory Board was also notified by the Accounting Auditor of their appropriate development of arrangements enumerated in the items of Article 131 of the Ordinance on Company Accounting as constituting a "structure to ensure the proper execution of duties," and requested explanations, as required.

In the manner explained above, the Audit & Supervisory Board Members have examined the Business Report and supplementary schedules thereof; "financial statements," that is, the non-consolidated financial statements (Non-Consolidated Balance Sheet, Non-Consolidated Statement of Income, Non-Consolidated Statement of Changes in Equity and Notes to the Non-Consolidated Financial Statements) and supplementary schedules thereof; and the consolidated financial statements (Consolidated Statement of Financial Position, Consolidated Statement of Income, Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements), pertaining to the fiscal year ended March 31, 2021.

2. Audit Results

(1) Audit results regarding the Business Report and other documents audited

- i) In our opinion, the Business Report and the supplementary schedules thereof fairly represent the Company's conditions in accordance with the related laws and regulations and the Articles of Incorporation.
- ii) We have found no evidence of wrongful action or material violation of laws, regulations or the Articles of Incorporation by any Members of the Board with regard to the execution of their duties.
- iii) In our opinion, the substance of the resolution regarding the internal control systems is fair and reasonable. We have found no matters to remark with regard to the content of description as well as the execution of duties by the Members of the Board, concerning the internal control systems.

As for the Antitrust Law-related incidents described in the Business Report, the Audit & Supervisory Board has confirmed that the Company and the respective Group companies are endeavoring to further comply with laws and regulations, including Antitrust Laws.

(2) Audit results regarding the financial statements

In our opinion, the audit methods and results employed and rendered by the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

May 10, 2021

Audit & Supervisory Board of DENSO CORPORATION
Standing Audit & Supervisory Board Member
Atsuhiko Shimmura
Standing Audit & Supervisory Board Member
Motomi Niwa
Outside Audit & Supervisory Board Member
Yasuko Gotoh
Outside Audit & Supervisory Board Member
Haruo Kitamura

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

Guide to Stock-Related Procedures

To shareholders who receive your dividends at the Japan Post Bank offices, etc., with a dividend receipt:

It is recommended that you choose one of the following options to ensure the safe and secure receipt of your dividends.

Account for Dividend Receipt	Method of Receiving Dividends
1) Securities transaction account	The dividends will be remitted into the shareholder's accounts at the respective securities companies in proportion to the number of his/her shares deposited therewith. (Share number pro-rata distribution)
2) Bank account (common to all stock names)	The dividends for all the stock names will be remitted into the account of only one bank. (Japan Post Bank Co., Ltd. cannot be designated.) (Registered account receipt)
3) Bank account (individually designated by stock name)	The dividends will be remitted by stock name into the accounts designated in advance. (Japan Post Bank Co., Ltd., can be designated.) (Individual stock name designation)

To shareholders who wish to open an NISA account:

To be eligible for the tax exemption regarding your dividends, you need to choose option 1) above (Share number pro-rata distribution).

To shareholders who hold the Company's shares less than one unit (less than 100)

The share unit of the Company is 100, and the shares less than one unit cannot be sold or purchased in the market. However, the following procedures are available.

	Description of the System
Sale system	According to this program, the shares less than one share unit can be sold to the Company at the market price.
Additional purchase system	According to this program, the shares that would constitute one share unit (100) together with the shares less than one share unit that he/she holds can be purchased from the Company at the market price.

Fiscal year	From April 1 to March 31 of the next calendar year
Ordinary general meeting of shareholders	June
Fixed day on which shareholders for dividend payment are confirmed	March 31 If interim dividends are distributed, September 30
Share unit number	100 shares
Stock code	6902
Shareholder registry administrator	Mitsubishi UFJ Trust and Banking Corporation
Account management institution handling special accounts	Mitsubishi UFJ Trust and Banking Corporation

Guide to “My Number System” regarding shares

The My Number, which has been noticed from the jurisdictional municipality to each shareholder, has become a requirement in the tax-related procedures for shares. Accordingly, shareholders of the Company need to notify securities companies with which they have transactions, etc., of their “My Number.”

Inquiries about shares

- The contact for the designation (change) of dividend reception method, the demand for sale/additional purchase, an address change and other share-related procedures depend on the category of the account in which you have shares.

Account category for the shares you hold	Contact
Securities transaction account	Securities company with which you have opened an account
Special account (shareholders who do not hold the Company’s shares, through securities companies)	Securities Agency Division, Mitsubishi UFJ Trust and Banking Corporation Contact: 1, Nikkocho 1-chome, Fuchu, Tokyo 0120-232-711 (Toll free in Japan) Mailing Address: Securities Agency Division, Mitsubishi UFJ Trust and Banking Corporation P.O. Box #29, Shin-Tokyo Post Office (Japan Post), Tokyo 137-8081

Guide to the Company’s Web site and IR e-mail delivery service

To introduce DENSO’s initiatives to our shareholders and investors, we are active in information disclosure through the Web site below.

DENSO Site “INVESTORS”

www.denso.com/jp/ja/about-us/investors/

If you register your e-mail address with our IR e-mail delivery service, Investor News e-mails will be sent from the Company.

Page for registration: <https://www.denso.com/jp/ja/about-us/investors/individual-investors/>

DENSO's Response to COVID-19 Pandemic and Contribution

DENSO has been striving to prevent the spread of COVID-19, giving top priority to ensuring health and safety of local residents, customers, employees, and their families.

In-house production of face masks and distribution to local organizations and Group companies

In order to safeguard employees and contribute to alleviation of mask shortages in the market caused by the COVID-19 pandemic, DENSO produced face masks in house from April 2020 to January 2021. The entire mask production process from equipment design to production was conducted in house and we distributed the masks we produced to municipalities near our business sites, local organizations, and areas affected by torrential rain as well as in house and to Group companies. The cumulative number of masks produced by DENSO reached 10 million by the time production ended following the resolution of mask shortages in the market.



Supporting delivery of COVID-19 test kits for free in Indonesia

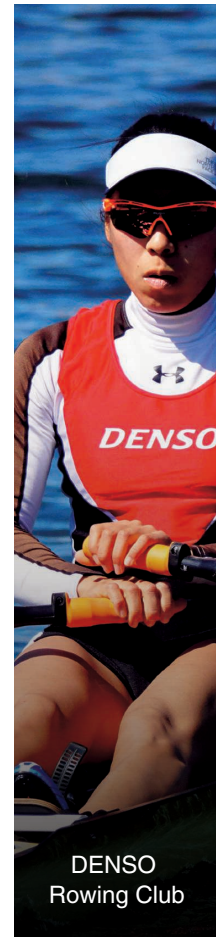
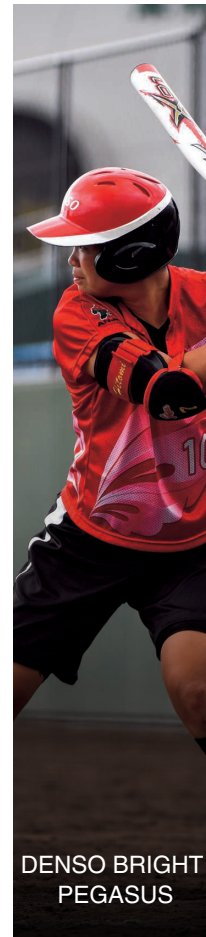
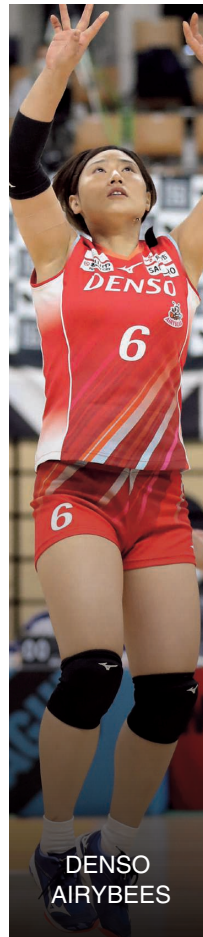
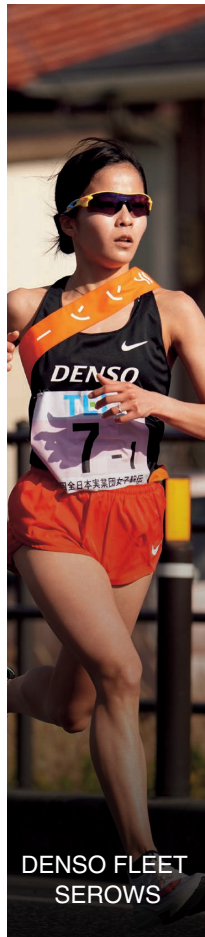
DENSO and Global Mobility Service Inc. (GMS), in which DENSO has an equity stake, supported the delivery of polymerase chain reaction (PCR) testing kits and the raw materials for the kits to medical institutions, testing organizations, and pharmaceutical companies in Indonesia by providing small refrigerated trucks. The two companies joined the project of the Indonesian Agency for Technology Evaluation and Application and provided support free of charge. This support has already been completed. Based on our track records of small refrigerated transport services, we are now working to promote diffusion of a cold chain in a market where refrigerated facilities are insufficient and are conducting new activities to support the provision of hygienic environments and the resolution of social issues.



DENSO's Sports Teams

Soon after the company's foundation, DENSO established sports clubs with the aim of "Generating energy in the workplace."

In fiscal 2020, our athletes participated in competitions and delivered cheerful news to DENSO and local communities, while exercising meticulous care to prevent infection.

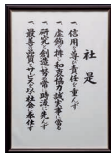


1949

1949
Nippon Electrical Equipments Co., Ltd, which later changed its name to NIPPONDENSO CO., LTD., established, as a spin-off from Toyota Motor Co., Ltd.

1953
Started technical cooperation with Robert Bosch GmbH of Germany.

1956
Established the DENSO Creed on which DENSO is founded.



1961
Received the Deming Prize, one of the most prestigious awards for quality control.

1966
Established a sales office in Chicago and branch offices in Los Angeles, USA.

1968
Established the IC Research Center.

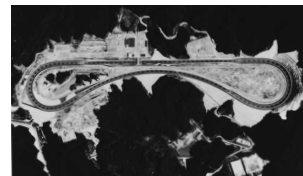


1971
Established NIPPONDENSO OF LOS ANGELES, INC., our first overseas sales company.



1977
Received our first WorldSkills Competition gold medal.

1984
Opened Nukata Testing Center.



1985
Established Nippondenso America, Inc. (currently, DENSO INTERNATIONAL AMERICA, INC.) in a suburb of Detroit, with our first technical center overseas.

1950s

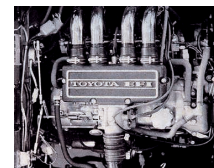
Released the electric car "DENSO-GO"



On constructing a factory, ensured thorough compliance with environmental standards. For water discharged from our factories, set internal standards more stringent than laws and regulations

1970s

Developed products corresponding to emission control regulations, such as electronic fuel injectors (EFIs), O₂ sensors, three-way catalyst systems, and high-performance plugs.



Commercialized multiple safety systems, such as anti-lock brake system.



1991
Opened DENSO
Research Laboratories.

1994
Adopted the DENSO
Philosophy and created
a new corporate song.

1994
Developed QR code
technology.



1996
Adopted our new corpo-
rate name, DENSO
CORPORATION.

2001
Opened DENSO
ABASHIRI TEST CENTER
CORPORATION.

2005
Established DENSO
Training Academy Thai-
land, our first overseas
regional training center.



2017
Created the DENSO
Group Long-term Policy
2030.

2019
Established BluE Nexus
Corporation, a joint ven-
ture with AISIN.

2019
Established J-QuAD DY-
NAMICS, Inc., a joint ven-
ture with AISIN, ADVICS
Co., Ltd. and JTEKT
Corporation

2020
Opened the Hirose
Plant.

2020
Established MIRISE
Technologies.

2020
Opened Global R&D
Tokyo, Haneda.

2020
Opened the Electrifica-
tion Innovation Center.

1990s

Achieved mass production of
common rail systems. Contributed
to reduction of smoke emissions
and engine noise, which were
issues of diesel vehicles.

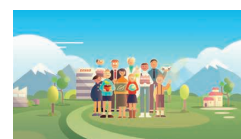


Became the world's first compa-
ny to develop an air-conditioning
system using an ejector for pas-
senger vehicles.
Significantly improved energy
consumption efficiency.



2010s

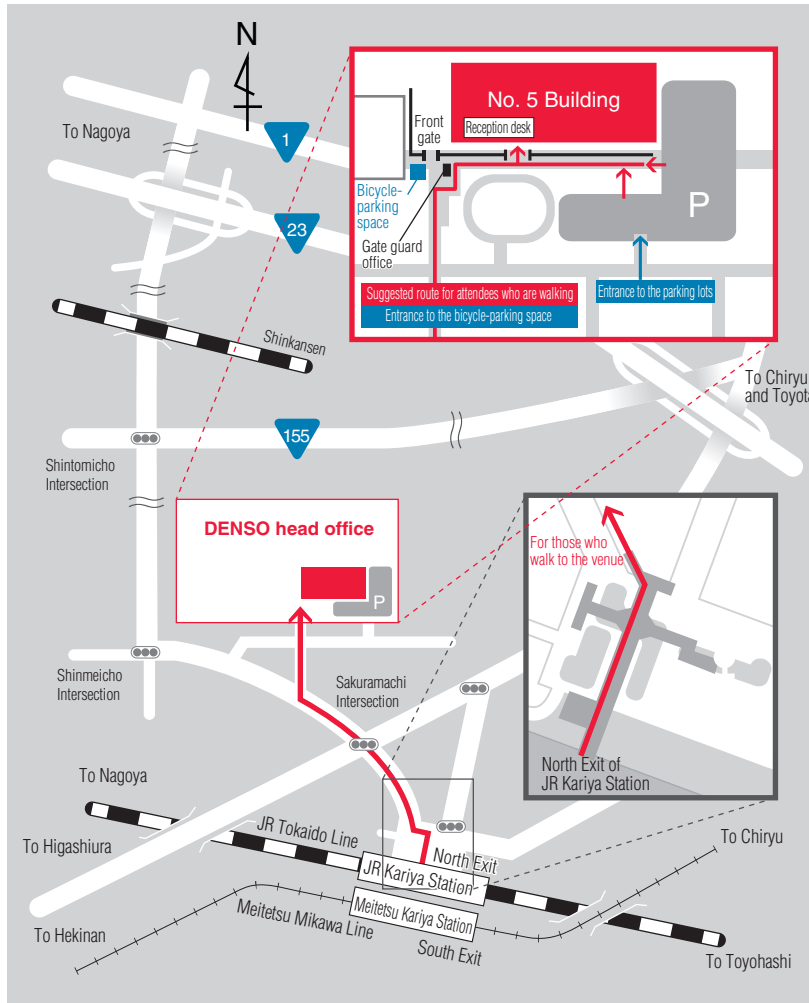
Formulated the Eco Vision
2025 with the aim of realiz-
ing a sustainable society by
2050.



Developed a comprehen-
sive driver assistance
system, which recognizes
bicycles, pedestrians in the
dark, etc., and supports
safe driving.



Access to the Venue of the General Meeting of Shareholders



Place

Head Office,
DENSO CORPORATION
(Event Hall of No. 5 Building)
1-1, Showa-cho, Kariya, Aichi



Traffic guide

In order to prevent the spread of COVID-19, we will not provide a courtesy bus service between Kariya Station and the venue of the General Meeting of Shareholders.

■ If you use a car, a two-wheeler or a bicycle:

Please park your car in the parking lots located at the south and east sides of the No. 5 Building, and your two-wheeler or bicycle in the bicycle parking space at the front gate.

* Please note that the number of parking lots available is limited.

■ If you come on foot:

Seven (7) minute walk from the North Exit of JR Kariya Station

DENSO CORPORATION