

The DENSO logo is written in a bold, italicized, red sans-serif font.

DENSO

Crafting the Core

FY2022 1st Quarter Financial Results (2021/4-2021/6)

July 30 , 2021

DENSO CORPORATION

Overview of FY2022 1st Quarter Financial Results

1. Revenue increased due to recovery of vehicle sales from the previous year. Operating profit increased due to higher production volume and profit improvements created by corporate reform from the previous year.

2. Although it is difficult to project how the business environment might change, DENSO have achieved a favorable result in our first quarter and raised our full-year forecast . Revenue is 5,540.0 billion yen (up 80.0 billion yen from previous forecast). Operating profit is 440.0 billion yen (up 27.0 billion yen from the previous forecast).

3. DENSO decided repurchase of treasury stock to achieve shareholder return.

FY2022 1st Quarter Financial Results (2021/4-2021/6)

(Ratio to Revenue)

(Unit: Billions of Yen)

| | (Ratio to Revenue) | | (Unit: Billions of Yen) | |
|-----------------------------------|---------------------|----------------|-------------------------|--------|
| | 2020/4-2020/6 | 2021/4-2021/6 | Change | |
| Revenue | 765.1 | 1,356.9 | +591.8 | +77.3% |
| Operating Profit | (-) -106.6 (7.9%) | 107.2 | +213.8 | - |
| Profit before Income Taxes | (-) -92.2 (9.7%) | 131.6 | +223.8 | - |
| Profit (*) | (-) -90.1 (6.6%) | 89.3 | +179.4 | - |

* Profit attributable to owners of the parent company □

(Unit: Millions of Units)

| | | | | | |
|--------------|---|---------------|---------------|-----------|-----------|
| Precondition | Foreign Exchange Rate | JPY 107.6/USD | JPY 109.5/USD | +1.9 JPY | - |
| | | JPY 118.5/EUR | JPY 132.0/EUR | +13.5 JPY | - |
| | | JPY 15.2/CNY | JPY 17.0/CNY | +1.8 JPY | - |
| | Domestic Vehicle Production | 1.30 | 1.89 | +0.59 | +45.9% |
| | Overseas Vehicle Production of Japanese Manufacturers | 1.90 | 4.42 | +2.52 | +132.4% |
| | (North America) | (0.49) | (1.28) | (+0.79) | (+163.9%) |

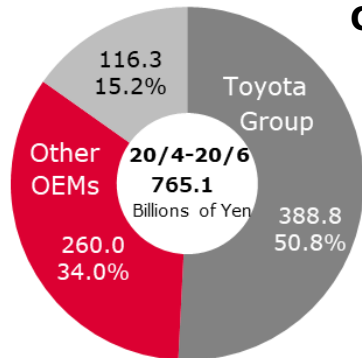
FY2022 1st Quarter Consolidated Revenue (By Customer)

(Unit: Billions of Yen)

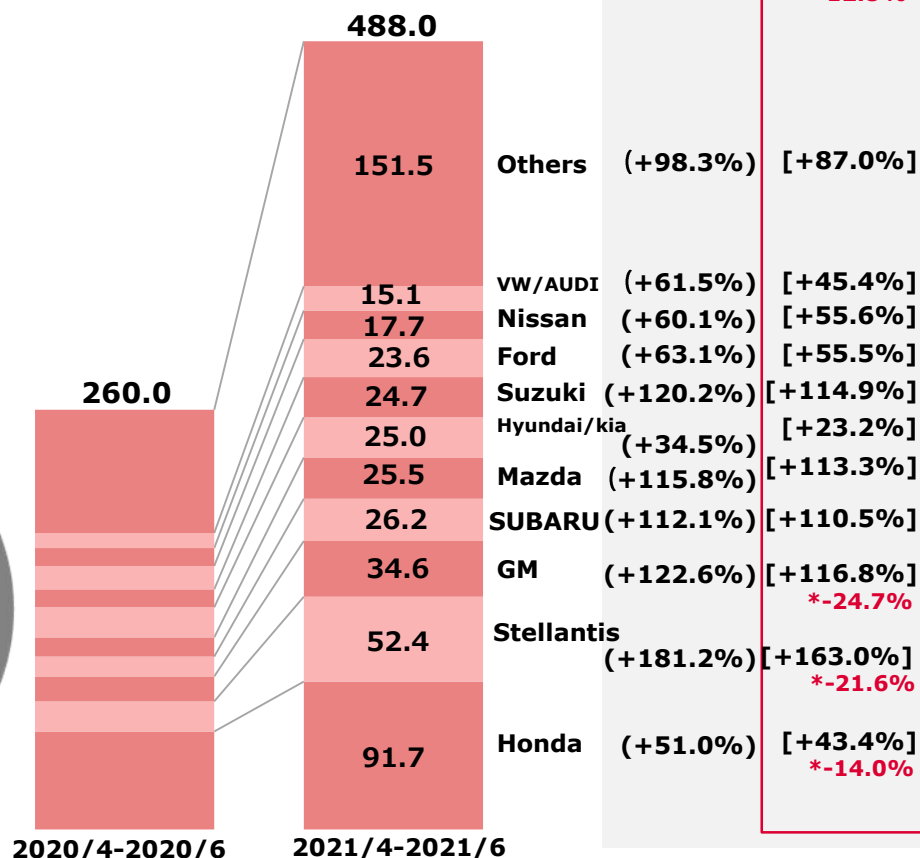
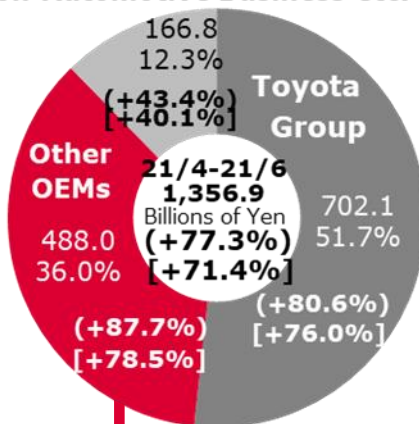
(): Change from previous year
 []: Change from previous year excludes FX difference
 *: vs 19/1Q INCR/DECR excludes FX diff

| | | | |
|---------------------|------------------------|-----------------|----------------------------|
| Revenue | 765.1 ⇒ 1,356.9 | (+77.3%) | [+71.4%] *+0.5% |
| Toyota group | 388.8 ⇒ 702.1 | (+80.6%) | [+76.0%] *+9.1% |
| Other OEMs | 260.0 ⇒ 488.0 | (+87.7%) | [+78.5%] *-12.8% |

After-market, Non-Automotive Business etc.



After-market, Non-Automotive Business etc.



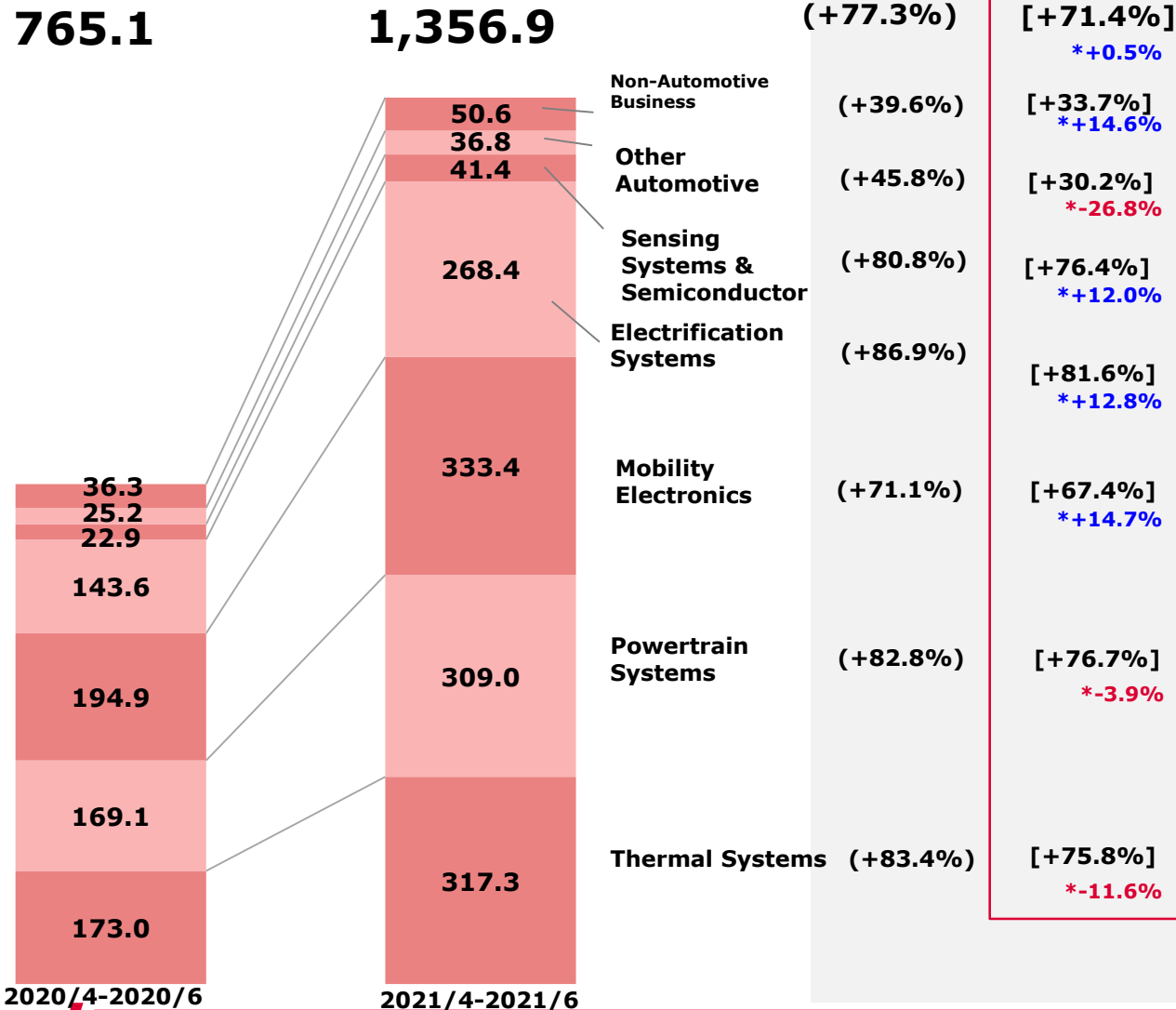
FY2022 1st Quarter Consolidated Revenue (By Product)

(Unit: Billions of Yen)

(): Change from previous year

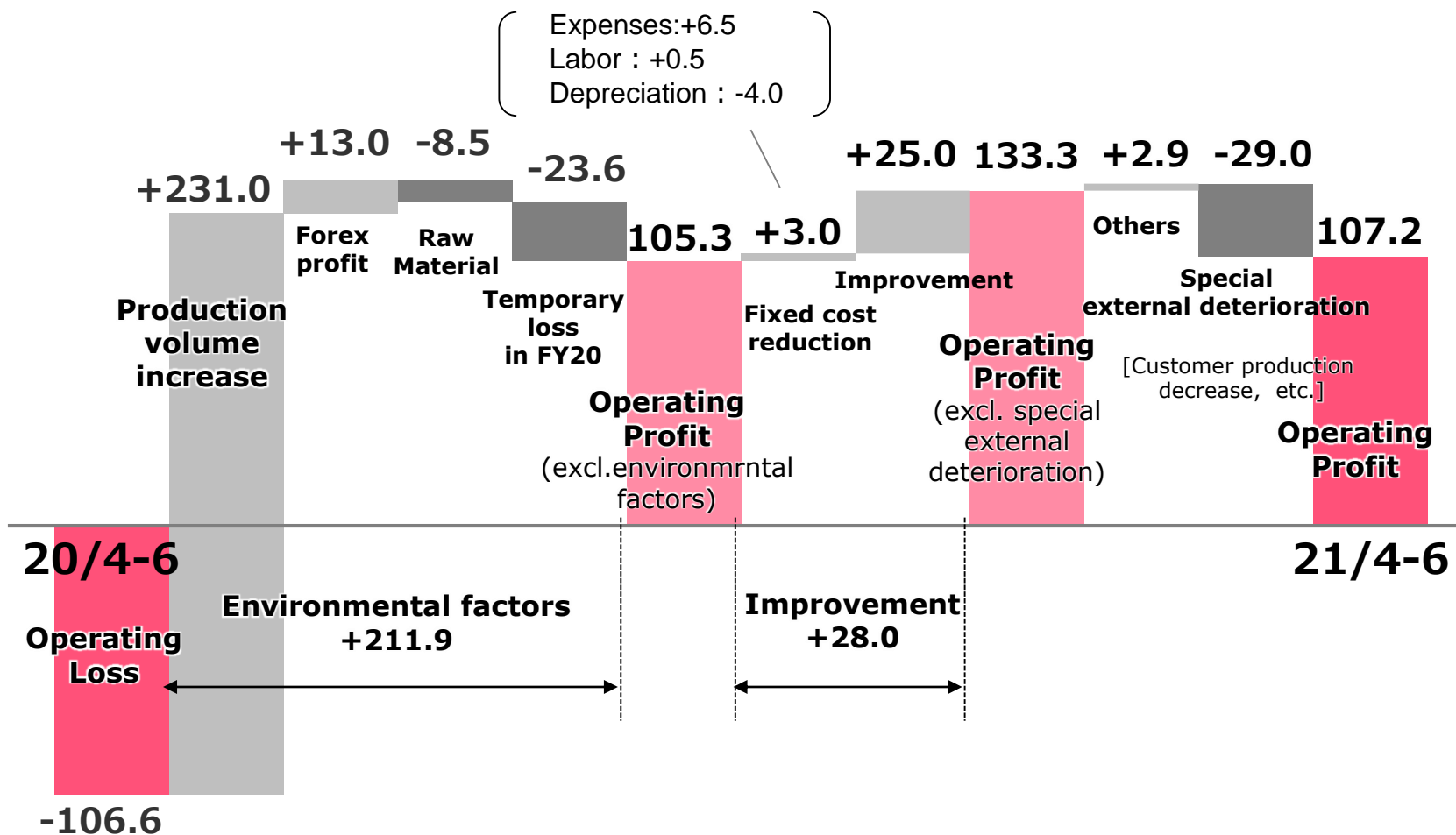
[]: Change from previous year excludes FX difference

*: vs 19/1Q INCR/DECR excludes FX diff



Change in FY2022 1st Quarter Operating Profit

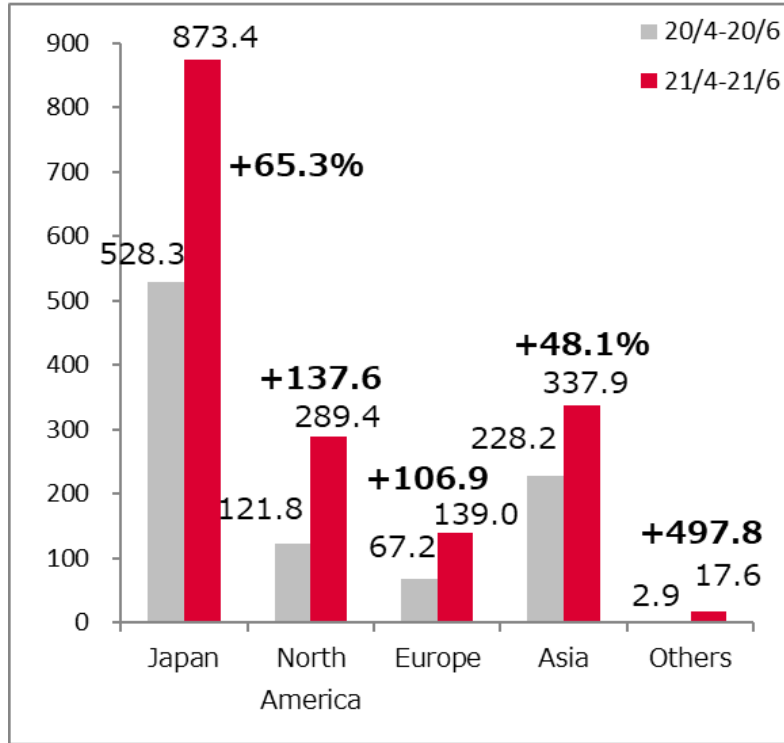
(Unit: Billions of Yen)



Geographical Segments by Company Location

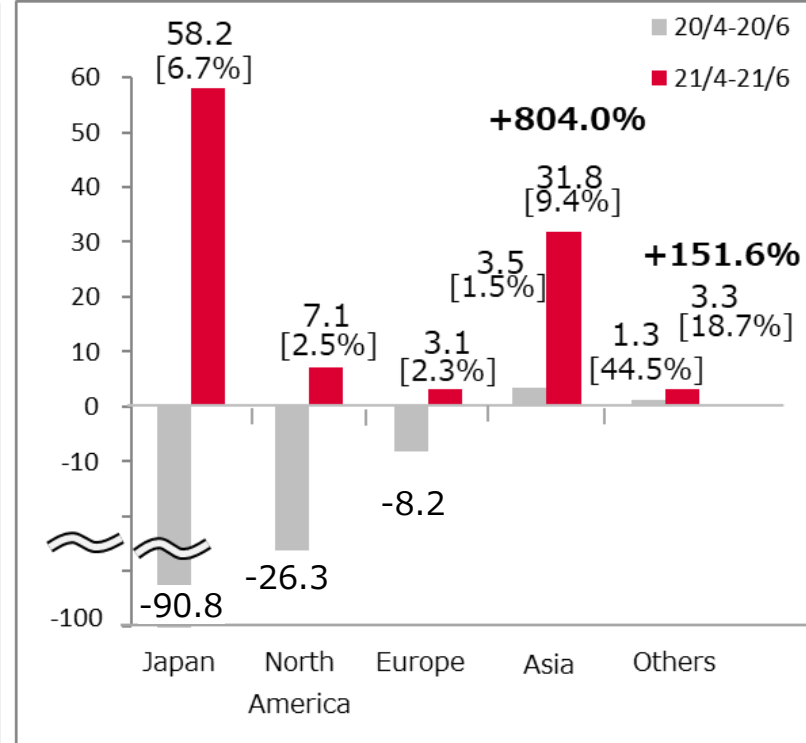
Local currency basis excludes FX difference
 (107.6JPY/1USD, 118.5JPY/1EUR, 15.2JPY/1CNY)

Revenue

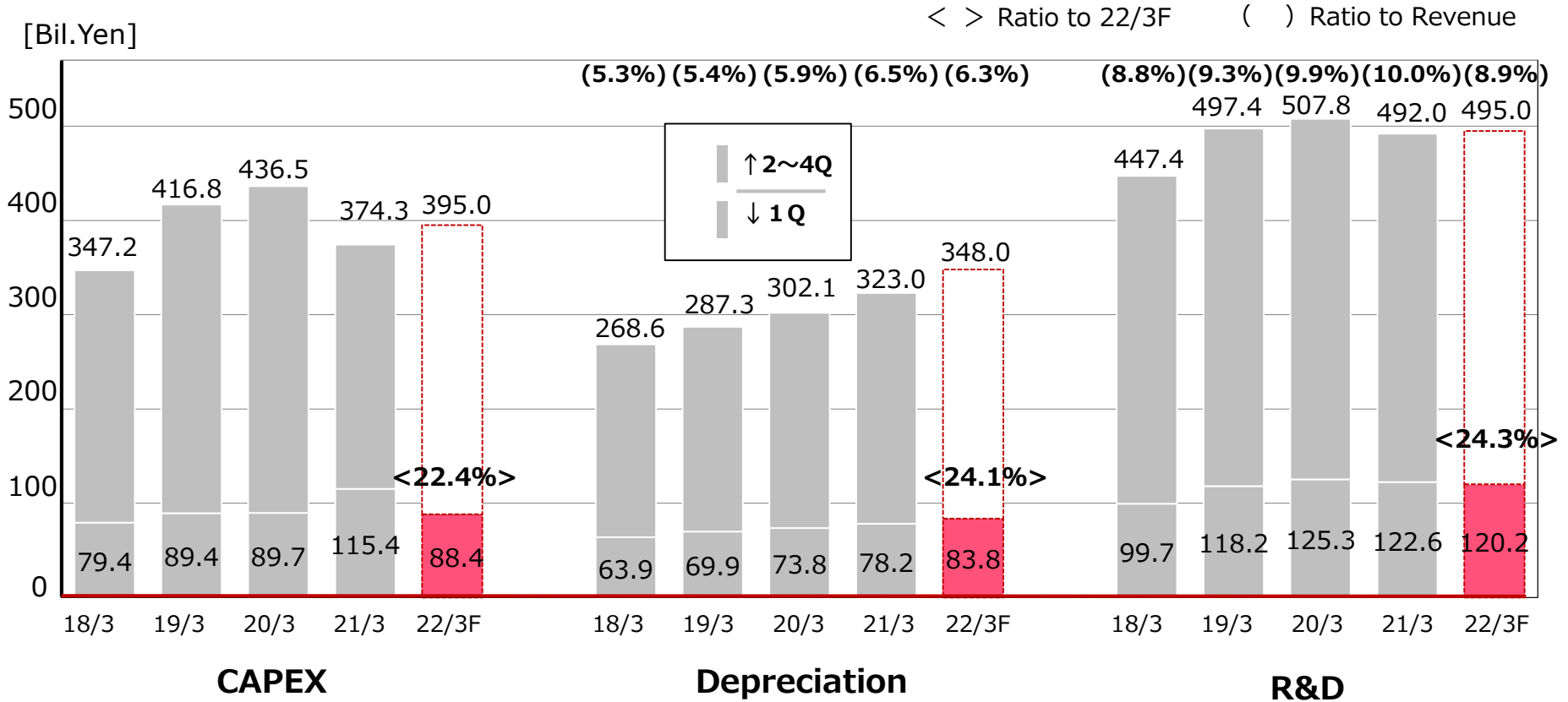


Operating Profit

(Unit: Billions of Yen)
 []: Ratio to Revenue



Trend of Capital Expenditures, Depreciation and R&D Expenditures



FY2022 Financial Forecast

(Ratio to Revenue)

(Unit: Billions of Yen)

| | Forecast as of Mar. 2021 | | 2022/3 Revised | | Change from previous forecast | | 2021/3 Actual | | Change from Mar. 2021 | |
|-----------------------------------|--------------------------|---------|----------------|----------------|-------------------------------|-------|---------------|---------|-----------------------|---------|
| | | | | | | | | | | |
| Revenue | | 5,460.0 | | 5,540.0 | +80.0 | +1.5% | | 4,936.7 | +603.3 | +12.2% |
| Operating Profit | (7.6%) | 413.0 | (7.9%) | 440.0 | +27.0 | +6.5% | (3.1%) | 155.1 | +284.9 | +183.7% |
| Profit before Income Taxes | (8.3%) | 451.0 | (8.7%) | 481.0 | +30.0 | +6.7% | (3.9%) | 193.8 | +287.2 | +148.3% |
| Profit (*1) | (5.8%) | 317.0 | (6.1%) | 336.0 | +19.0 | +6.0% | (2.5%) | 125.1 | +210.9 | +168.7% |

*1 Profit attributable to owners of the parent company

[Unit: Millions of Units]

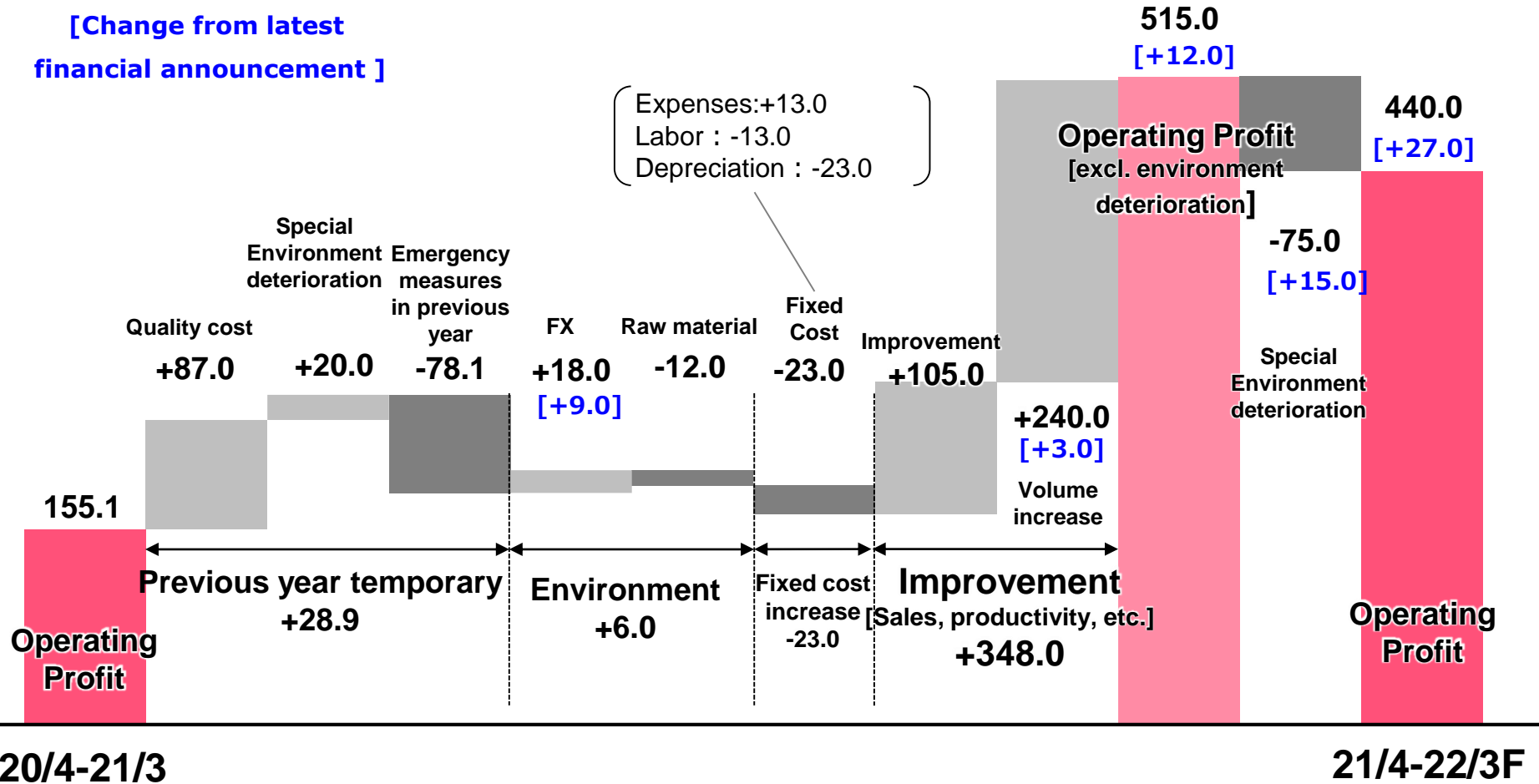
| | | | | | | | | | |
|--------------|--|-----|-----------|-----|-----------|----------|---|-----|-----------|
| Precondition | Foreign Exchange Rate | JPY | 105.0/USD | JPY | 106.1/USD | +1.1 JPY | — | JPY | 106.1/USD |
| | | JPY | 125.0/EUR | JPY | 126.7/EUR | +1.7 JPY | — | JPY | 123.7/EUR |
| | | JPY | 16.1/CNY | JPY | 16.3/CNY | +0.2 JPY | — | JPY | 15.7/CNY |
| | Domestic Vehicle Production (*2) | | 9.09 | | 8.82 | — | — | | 7.88 |
| | Overseas Vehicle Production of Japanese Manufacturers (*2) | | 19.07 | | 19.60 | — | — | | 15.85 |
| | (North America) (*2) | | (5.46) | | (5.45) | — | — | | (4.50) |

*2 Risk of external environment deterioration is not reflected to Forecast as of Mar. 2021 and 2022/2 Revised.

Change in FY2022 Operating Profit

(Unit: Billions of Yen)

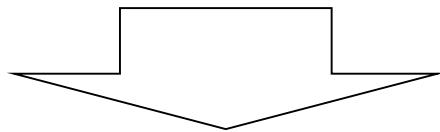
[Change from latest financial announcement]



Return to Shareholders

■ Policy of shareholders return

Execute and strengthen the shareholder return policy that consider the cost of capital to control the increase of shareholder's equity ratio.



A resolution was adopted at the board of directors meeting held today, July 30th to acquire own shares.

- Purpose of the stock purchase:
To increase returns to shareholders and improve capital efficiency.
- Total number of shares to be purchased: Up to 100 billion yen or 12 million shares .

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Crafting the Core

Appendix

- Pre-Conditions (Foreign Exchange Rate/Car Production)
- Consolidated Revenue by Customer
- Consolidated Revenue by Product
- Geographical Segments by Company Location
- Capital Expenditures, Depreciation and R&D Expenditures
- Return to Shareholders

Pre-Conditions (Foreign Exchange Rate/Car Production)

| | | FY2022 Full Year | | | | | | |
|--|---------------|------------------|--------|----------|------------|---------------------|--------------------|---------|
| | | 1Q | | | | | | |
| | | Prior Year | Actual | Change | Prior Year | Forecast (Original) | Forecast (Revised) | Change |
| Foreign Exchange Rate (Yen) | USD | 107.6 | 109.5 | + 1.9 | 106.1 | 105.0 | 106.1 | - |
| | EUR | 118.5 | 132.0 | + 13.5 | 123.7 | 125.0 | 126.7 | + 3.0 |
| | CNY | 15.2 | 17.0 | + 1.8 | 15.7 | 16.1 | 16.3 | + 0.6 |
| Forex Impact on Operating Income per Yen (Billions of Yen) | USD | | | | 2.1 | 2.8 | 3.0 | + 0.9 |
| | EUR | | | | 0.8 | 0.9 | 1.0 | + 0.2 |
| | CNY | | | | 15.4 | 15.8 | 19.2 | + 3.8 |
| Car Production of Japanese Manufacturers (Millions of Units) | Domestic | 1.30 | 1.89 | + 45.9% | 7.88 | * 9.09 | * 8.82 | + 11.9% |
| | North America | 0.49 | 1.28 | + 163.9% | 4.50 | * 5.46 | * 5.45 | + 21.0% |
| | Overseas | 1.90 | 4.42 | + 132.4% | 15.85 | * 19.07 | * 19.60 | + 23.7% |

* Risk of external environment deterioration is not reflected to Forecast.

Consolidated Revenue (By Customer)

(Unit: Billions of Yen)

| | 20/4-20/6 | | 21/4-21/6 | | Change | | Change excludes FX difference, etc. |
|---------------------------------------|--------------|--------------|----------------|--------------|---------------|--------------|--|
| | Amount | % to Total | Amount | % to Total | Amount | % | % |
| Toyota | 361.0 | 47.2 | 655.8 | 48.3 | +294.7 | +81.6 | +76.9 |
| Daihatsu | 17.2 | 2.2 | 32.3 | 2.4 | +15.1 | +87.7 | +84.8 |
| Hino | 10.5 | 1.4 | 14.0 | 1.0 | +3.5 | +33.2 | +32.3 |
| Toyota Group | 388.8 | 50.8 | 702.1 | 51.7 | +313.2 | +80.6 | +76.0 |
| Honda | 60.7 | 8.0 | 91.7 | 6.9 | +31.0 | +51.0 | +43.4 |
| Stellantis | 18.6 | 2.4 | 52.4 | 3.9 | +33.8 | +181.2 | +163.0 |
| (FCA) | 14.9 | 1.9 | 42.1 | 3.1 | +27.2 | +183.2 | +167.7 |
| (PSA) | 3.8 | 0.5 | 10.3 | 0.8 | +6.6 | +173.7 | +144.6 |
| GM | 15.5 | 2.0 | 34.6 | 2.5 | +19.1 | +122.6 | +116.8 |
| SUBARU | 12.3 | 1.6 | 26.2 | 1.9 | +13.9 | +112.1 | +110.5 |
| Mazuda | 11.8 | 1.5 | 25.5 | 1.9 | +13.7 | +115.8 | +113.3 |
| Hyundai/Kia | 18.6 | 2.4 | 25.0 | 1.8 | +6.4 | +34.5 | +23.2 |
| Suzuki | 11.2 | 1.5 | 24.7 | 1.8 | +13.5 | +120.2 | +114.9 |
| Ford | 14.5 | 1.9 | 23.6 | 1.7 | +9.1 | +63.1 | +55.5 |
| Isuzu | 7.4 | 1.0 | 18.3 | 1.4 | +10.9 | +148.8 | +144.8 |
| Nissan | 11.1 | 1.4 | 17.7 | 1.3 | +6.6 | +60.1 | +55.6 |
| VW·AUDI | 9.3 | 1.2 | 15.1 | 1.1 | +5.8 | +61.5 | +45.4 |
| BMW | 7.1 | 0.9 | 12.8 | 0.9 | +5.7 | +79.9 | +63.0 |
| Mitsubishi | 2.9 | 0.4 | 11.1 | 0.8 | +8.2 | +286.7 | +276.2 |
| Volvo | 5.9 | 0.8 | 7.9 | 0.6 | +2.0 | +32.3 | +18.8 |
| Daimler | 2.9 | 0.4 | 6.0 | 0.4 | +3.1 | +111.2 | +90.2 |
| OE Sales for others | 50.1 | 6.6 | 95.4 | 7.1 | +45.3 | +90.3 | +79.4 |
| OEM Total | 648.8 | 84.8 | 1,190.1 | 87.7 | +541.3 | +83.4 | +77.0 |
| Non-Automotive Business(*) | 116.3 | 15.2 | 166.8 | 12.3 | +50.5 | +43.4 | +40.1 |
| Total | 765.1 | 100.0 | 1,356.9 | 100.0 | +591.8 | +77.3 | +71.4 |

* Sales of industrial systems and consumer products, Sales for After Market, and Sales of property/equipment are included.

Consolidated Revenue (By Product)

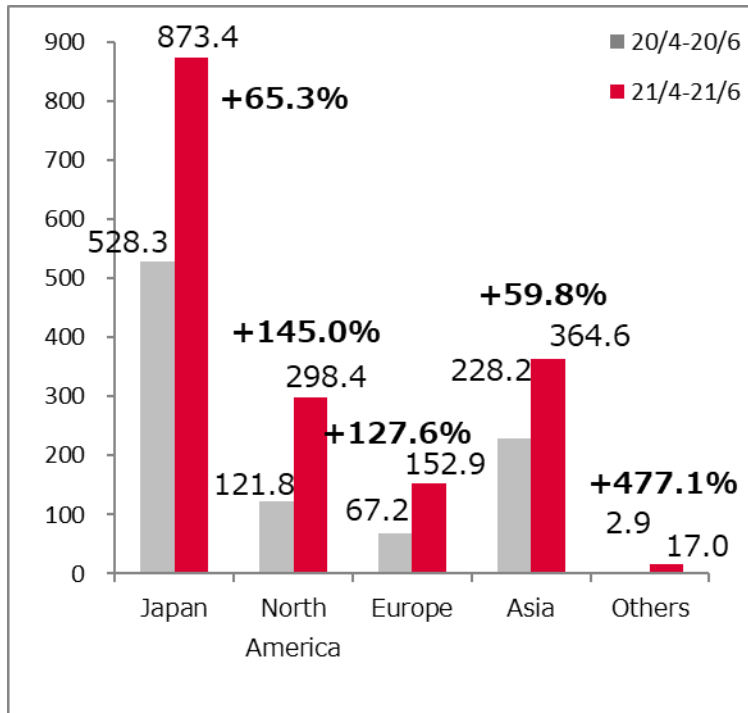
(Unit: Billions of Yen)

| | 21/4-21/6 | | 21/4-21/6 | | Change | | Change excludes FX difference |
|--|--------------|--------------|----------------|--------------|--------------|-------------|-------------------------------------|
| | Amount | % to Total | Amount | % to Total | Amount | % | % |
| Mobility Electronics | 194.9 | 25.5 | 333.4 | 24.6 | 138.5 | 71.1 | 67.4 |
| Thermal Systems | 173.0 | 22.6 | 317.3 | 23.4 | 144.3 | 83.4 | 75.8 |
| Powertrain Systems | 169.1 | 22.1 | 309.0 | 22.8 | 139.9 | 82.8 | 76.7 |
| Electrification Systems | 143.6 | 18.8 | 268.4 | 19.8 | 124.8 | 86.9 | 81.6 |
| Sensing Systems & Semiconductor | 22.9 | 3.0 | 41.4 | 3.1 | 18.5 | 80.8 | 76.4 |
| Others(*) | 25.2 | 3.3 | 36.8 | 2.6 | 11.6 | 45.8 | 30.2 |
| Automotive Total | 728.8 | 95.3 | 1,306.3 | 96.3 | 577.5 | 79.2 | 73.3 |
| Non-Automotive Business Total | 36.3 | 4.7 | 50.6 | 3.7 | 14.4 | 39.6 | 33.7 |
| Total | 765.1 | 100.0 | 1,356.9 | 100.0 | 591.8 | 77.3 | 71.4 |

* Revenue of equipment Repair parts, original brand products of subsidiaries

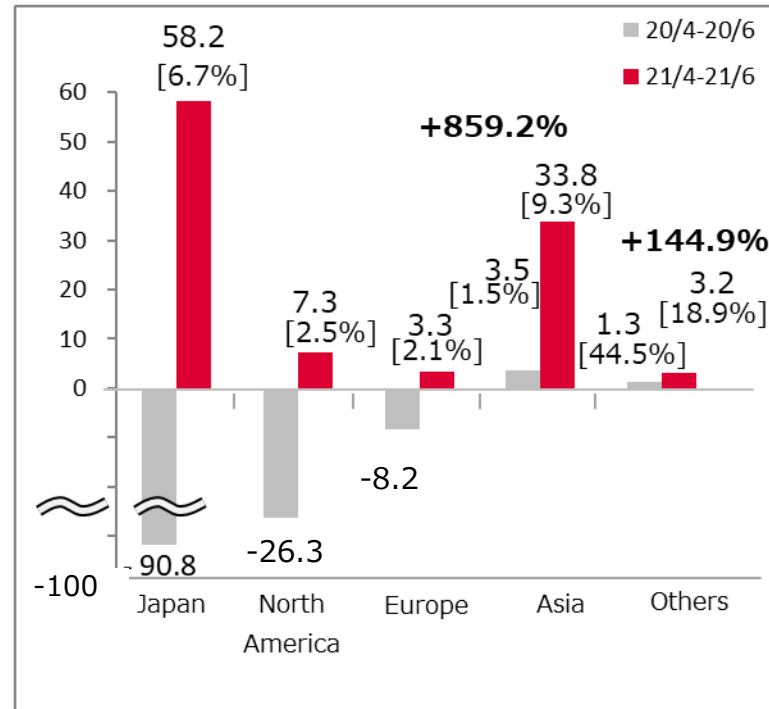
1st Quarter Geographical Segments by Company Location (Local Currency Base)

Revenue



Operating Profit

(Unit: Billions of Yen)
[]: Ratio to Revenue



Capital Expenditures, Depreciation and R&D Expenditures

(Unit: Billions of Yen)

| | | 21/3 | | 22/3F | | Change(%) | Progress to 22/3 Forecast |
|------------------------------------|---------------|---------------|---------------|--------------|--------------|-----------|---------------------------|
| | | 20/6 | | 21/6 | | | |
| Capital Expenditure | Japan | 86.9 | 257.6 | 59.3 | 250.0 | -31.8% | 23.7% |
| | North America | 9.3 | 34.3 | 10.6 | 40.0 | 14.0% | 26.5% |
| | Europe | 3.7 | 16.8 | 4.7 | 20.0 | 27.0% | 23.5% |
| | Asia | 15.1 | 63.5 | 13.2 | 82.0 | -12.6% | 16.1% |
| | Others | 0.4 | 2.1 | 0.6 | 3.0 | 50.0% | 20.0% |
| | | 115.4 | 374.3 | 88.4 | 395.0 | -23.4% | 22.4% |
| Depreciation | Japan | 49.5 | 205.7 | 52.5 | 217.0 | 6.1% | 24.2% |
| | North America | 9.9 | 39.5 | 10.3 | 43.0 | 4.0% | 24.0% |
| | Europe | 5.9 | 24.5 | 6.8 | 26.0 | 15.3% | 26.2% |
| | Asia | 12.5 | 51.9 | 13.8 | 60.0 | 10.4% | 23.0% |
| | Others | 0.4 | 1.4 | 0.4 | 2.0 | 0.0% | 20.0% |
| | | 78.2 | 323.0 | 83.8 | 348.0 | 7.2% | 24.1% |
| R&D Expenditure (Ratio to Revenue) | | 122.6 (16.0%) | 492.0 (10.0%) | 120.2 (8.9%) | 495.0 (8.9%) | -2.0% | 24.3% |

Return to Shareholders

Annual dividends per share and DOE

