

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

DENSO

Crafting the Core

**FY2022 3rd Quarter
Financial Results
(2021/4-2021/12)**

Feb. 2 , 2022

DENSO CORPORATION

Overview of FY2022 3rd Quarter Financial Results

1. Both revenue and operating profit in the third quarter decreased from the same period last year due to semiconductor shortages and other business conditions, although DENSO made profit improvements. However, revenue and operating profit through three quarters of this fiscal year increased compared to the previous year due to recovery of vehicle sales from COVID-19 and profit improvements.
2. We have revised our full-year forecast based on third quarter results, adjusting our revenue projection to 5,480.0 billion yen and operating profit projection to 400.0 billion yen, while it is difficult to project how the business environment might change due to factors like semiconductor shortages, we keep our fourth quarter forecast unchanged and aim to achieve these projections with strong fourth quarter performance.

FY2022 3rd Quarter Financial Results (2021/4-2021/12)

	(Ratio to Revenue)		[Unit: Billions of Yen, %]	
	2020/4-2020/12	2021/4-2021/12	Change	
Revenue	3,508.6	4,009.0	+500.5	+14.3%
Operating Profit	(1.9%) 66.6	(6.4%) 256.3	+189.6	+284.6%
Profit before Income Taxes	(2.8%) 99.1	(7.4%) 296.5	+197.4	+199.2%
Profit (*)	(1.2%) 43.1	(4.8%) 193.4	+150.3	+348.9%

* Profit attributable to owners of the parent company□

		[Unit: Millions of Units]			
Precondition	Foreign Exchange Rate	JPY 106.1/USD	JPY 111.1/USD	+5.0 JPY	-
		JPY 122.4/EUR	JPY 130.6/EUR	+8.2 JPY	-
		JPY 15.4/CNY	JPY 17.2/CNY	+1.8 JPY	-
	Domestic Vehicle Production	5.66	5.45	-0.21	-3.7%
	Overseas Vehicle Production of Japanese Manufacturers	11.20	12.77	+1.57	+14.0%

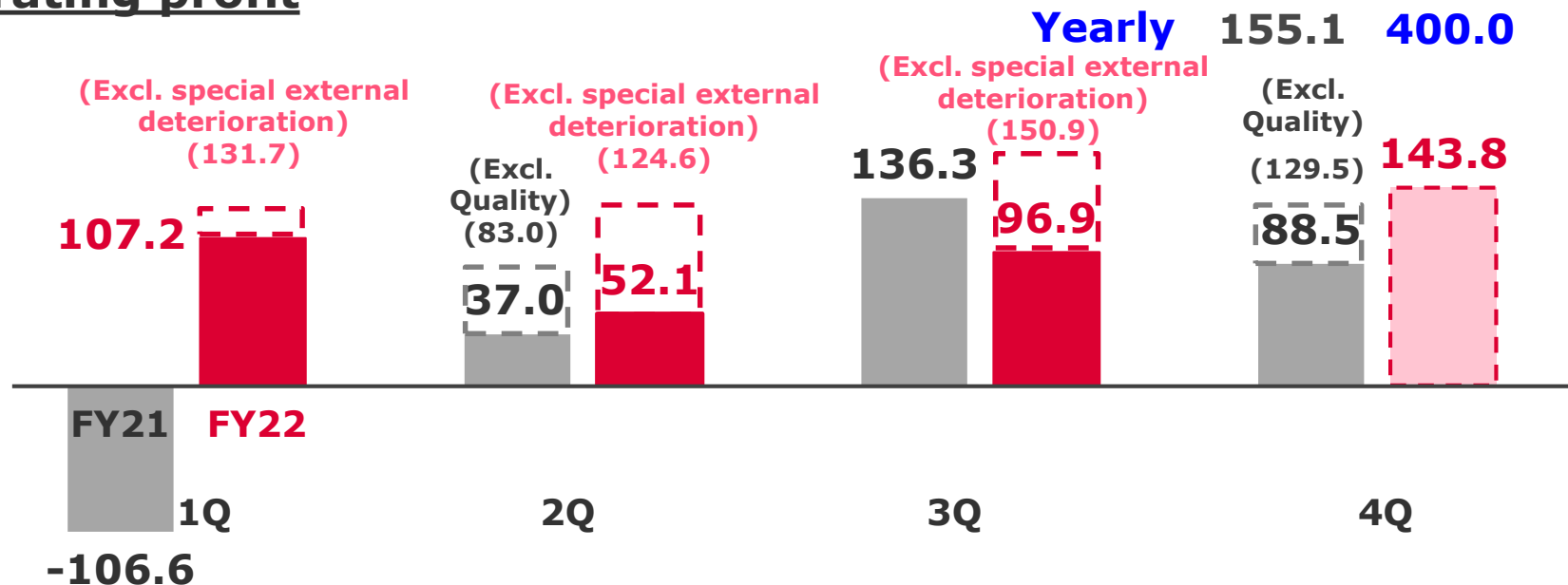
Quarterly Sales revenue & Operating Profit Trends

(Unit: Billions of yen)

Revenue

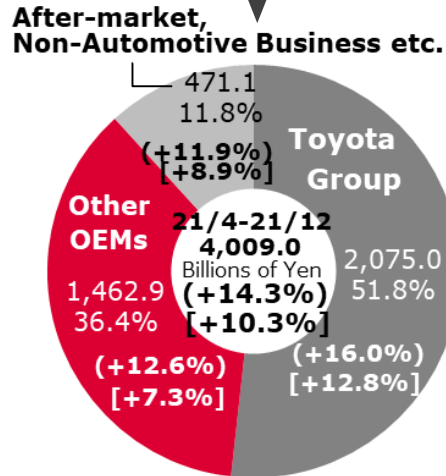
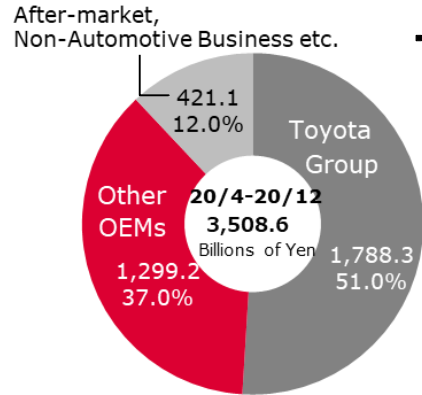
1Q		2Q		3Q		4Q	
FY21	FY22	FY21	FY22	FY21	FY22	FY21	FY22
765.1	1,356.9	1,309.6	1,226.1	1,433.9	1,426.1	1,428.1	1,471.0
[100]	[177]	[100]	[94]	[100]	[99]	[100]	[103]
Yearly						4,936.7	5,480.0
						[100]	[111]

Operating profit



FY2022 3rd Quarter Consolidated Revenue (By Customer)

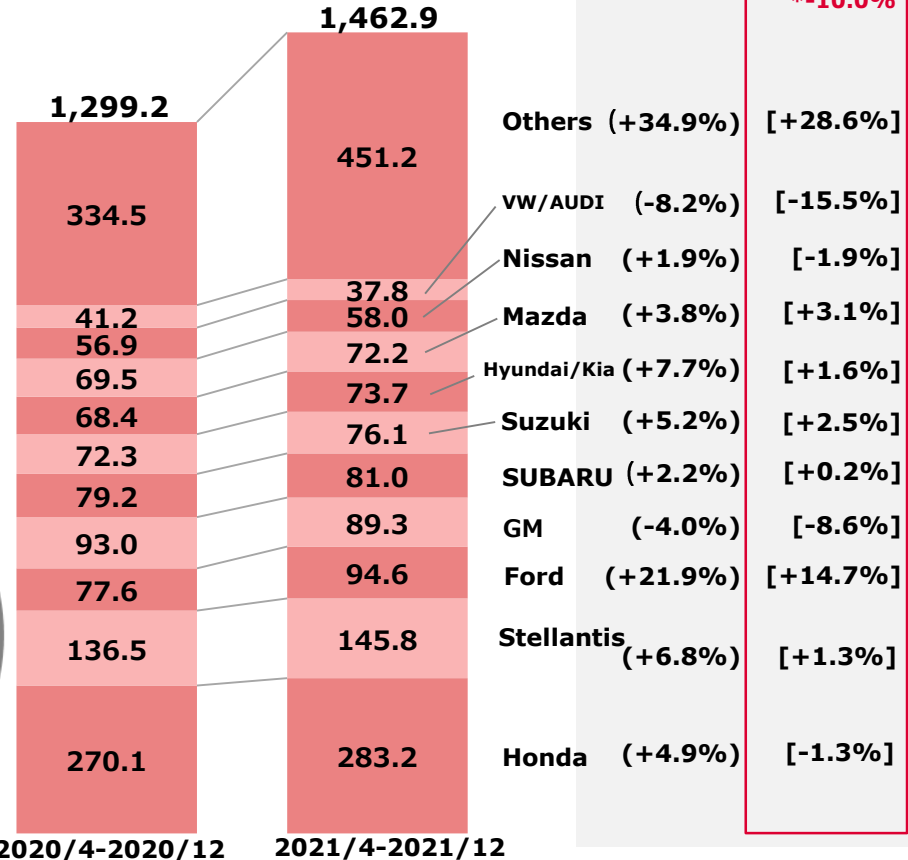
(Unit: Billions of Yen)
 ():vs 21/3Q (9 months basis)
 INCR/DECR
 []:vs 21/3Q (9 months basis)
 INCR/DECR excluding FX diff.
 * :vs 21/3Q (3 months basis)
 INCR/DECR excluding FX diff.



Revenue 3,508.6 ⇒ 4,009.0 (+14.3%) [+10.3%]
 * -4.8%

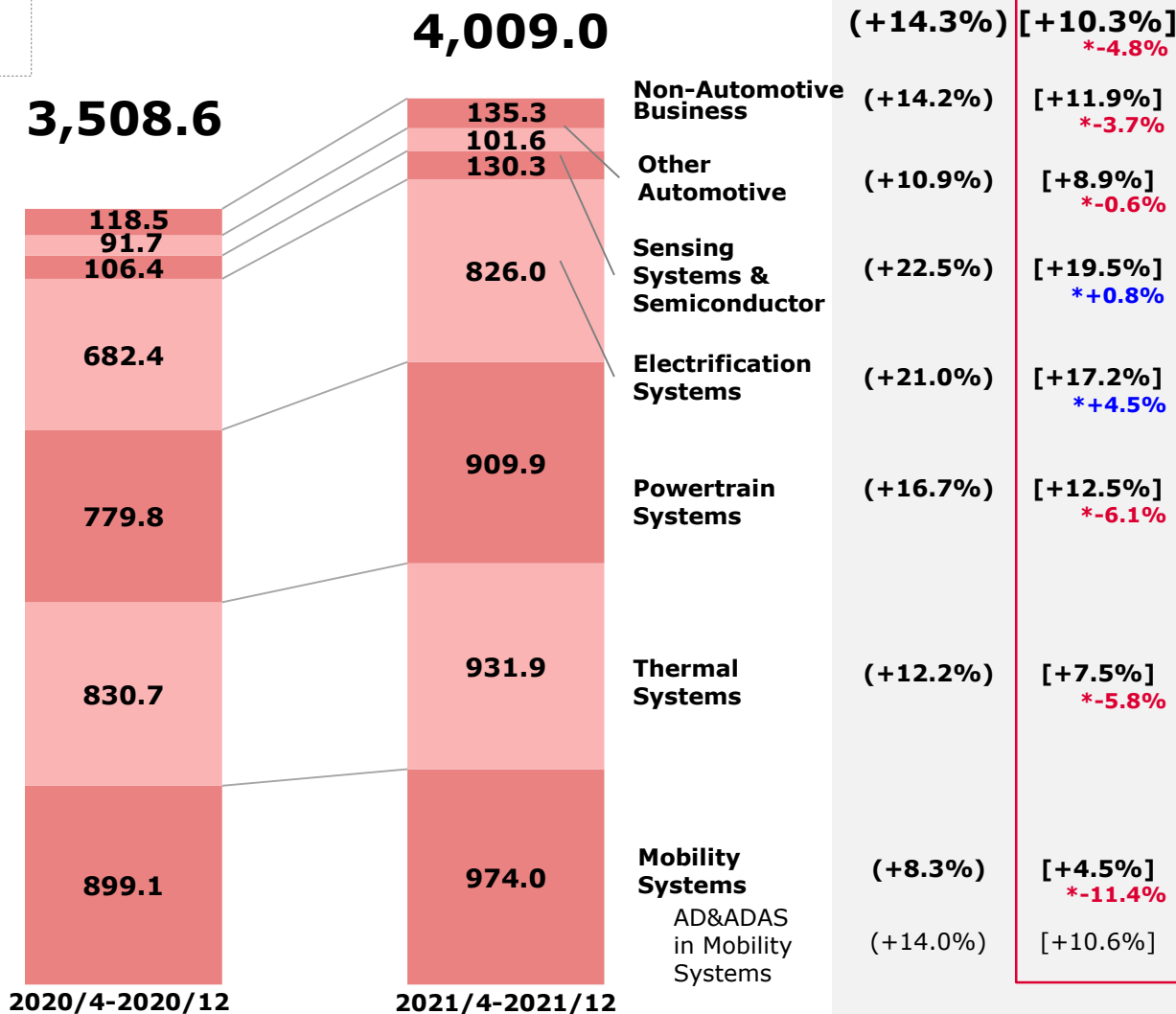
• **Toyota group** 1,788.3 ⇒ 2,075.0 (+16.0%) [+12.8%]
 * -1.6%

• **Other OEMs** 1,299.2 ⇒ 1,462.9 (+12.6%) [+7.3%]
 * -10.0%

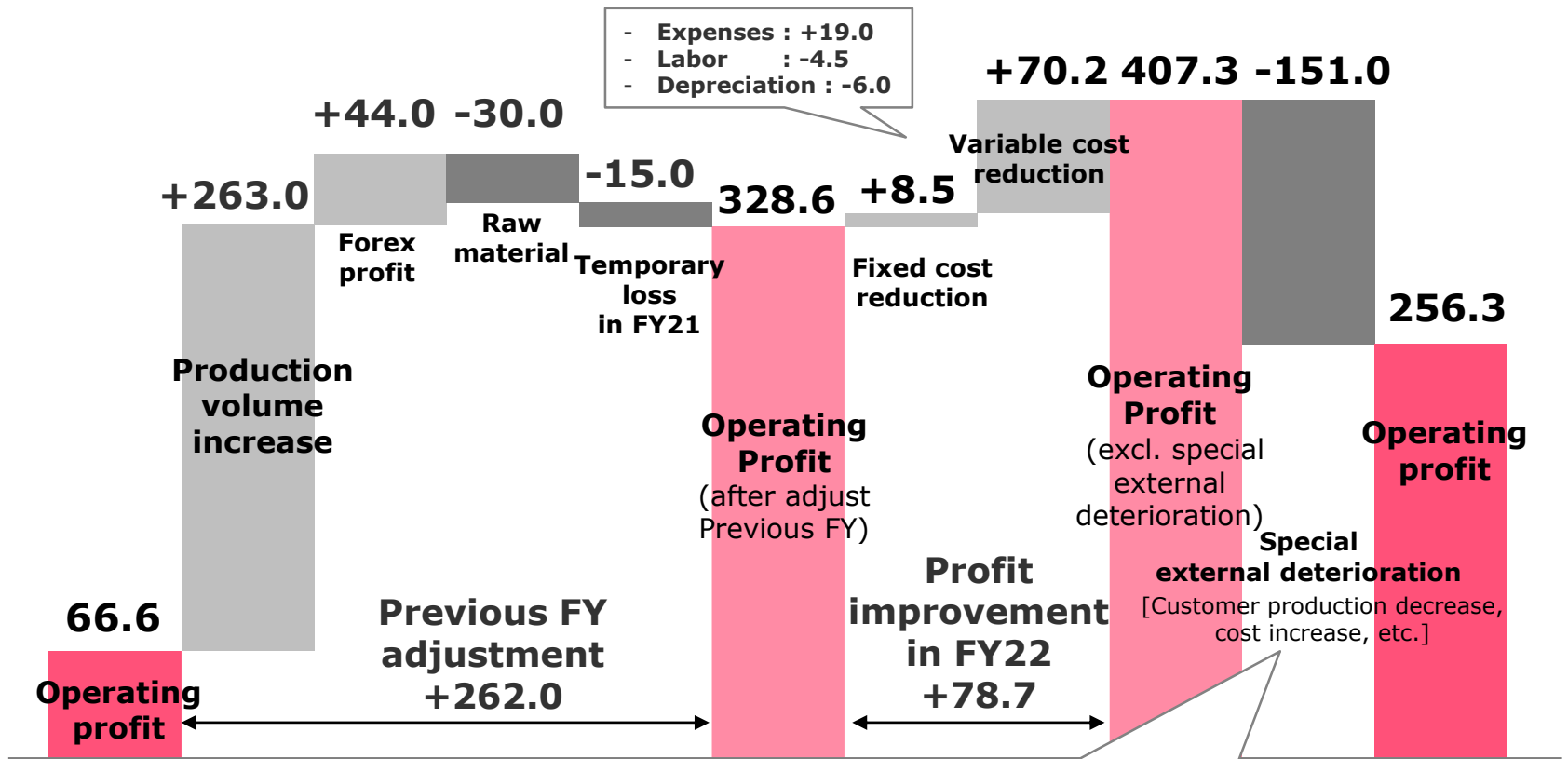


FY2022 3rd Quarter Consolidated Revenue (By Product)

(Unit: Billions of Yen)
 () :vs 21/3Q (9 months basis) INCR/DECR
 [] :vs 21/3Q (9 months basis) INCR/DECR
 excluding FX diff.
 * :vs 21/3Q (3 months basis) INCR/DECR
 excluding FX diff.



Change in FY2022 3rd Quarter Operating Profit



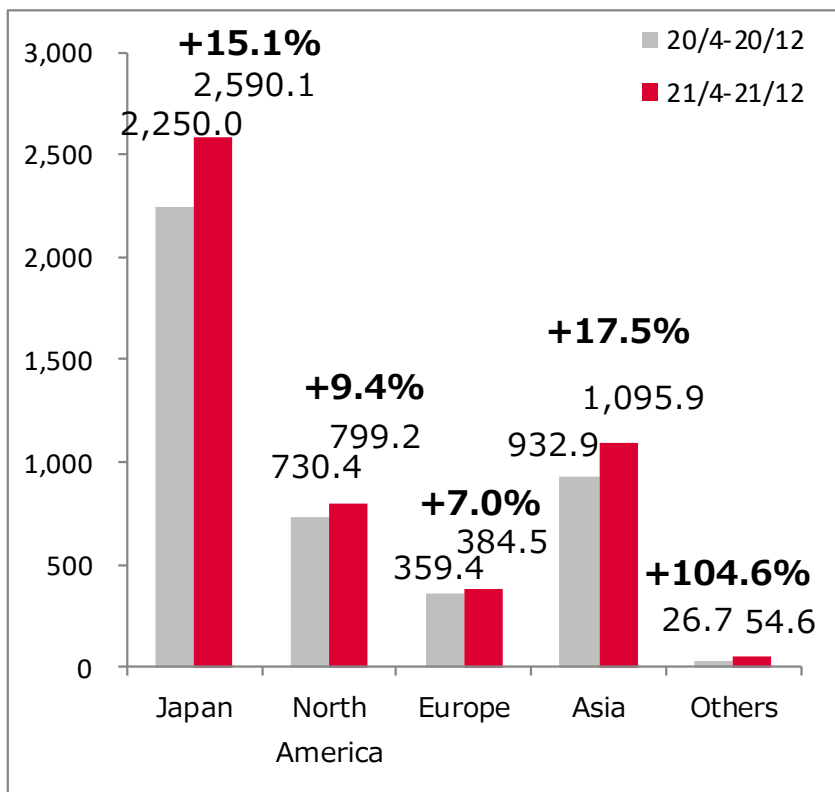
<Breakdown>

Item	1Q	2Q	3Q	Total
Production Volume	-14.0	-60.5	-36.0	-110.5
Cost increase	-5.0	-8.9	-14.0	-27.9
Logistics cost	-5.5	-3.1	-4.0	-12.6
Total	-24.5	-72.5	-54.0	-151.0

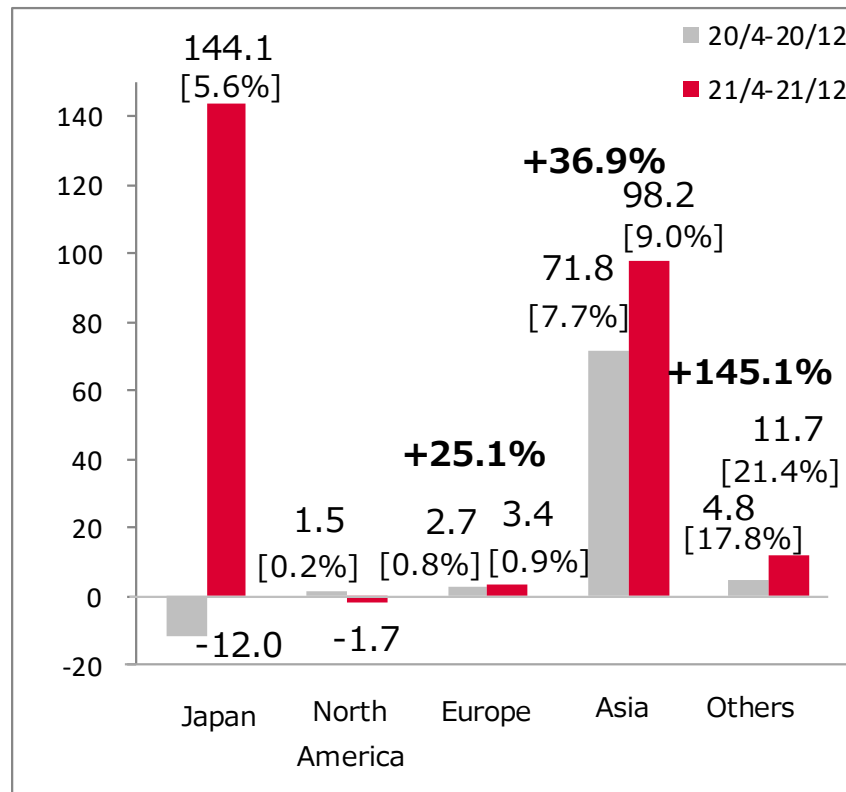
Geographical Segments by Company Location

Local currency basis excludes FX difference
 (106.1JPY/1USD, 122.4JPY/1EUR, 15.4JPY/1CNY)

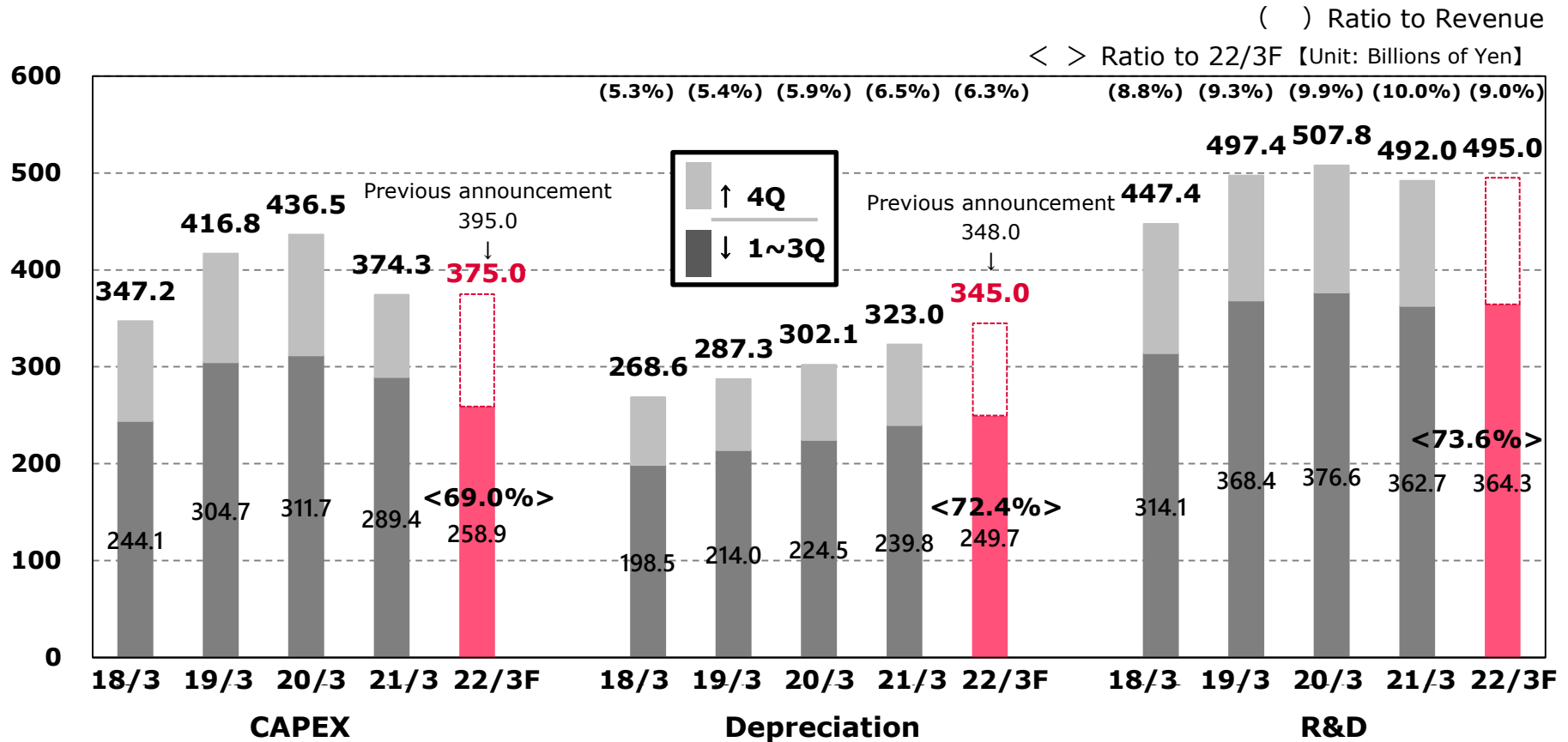
Revenue



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



Trend of Capital Expenditures, Depreciation and R&D Expenditures



FY2022 Financial Forecast

P/L (IFRS)

	(Ratio to Revenue)				【Unit: Billions of Yen, %】				
	Forecast as of Sep. 2021	2022/3 Forecast		Change from previous forecast		2021/3 Actual		Change from Mar. 2021	
Revenue	5,540.0	5,480.0	-60.0	-1.1%	4,936.7	+543.3	+11.0%		
Operating Profit	(7.9%) 440.0	(7.3%) 400.0	-40.0	-9.1%	(3.1%) 155.1	+244.9	+157.9%		
Profit before Income Taxes	(8.7%) 481.0	(8.1%) 442.0	-39.0	-8.1%	(3.9%) 193.8	+248.2	+128.1%		
Profit (*1)	(6.1%) 336.0	(5.5%) 301.0	-35.0	-10.4%	(2.5%) 125.1	+175.9	+140.7%		

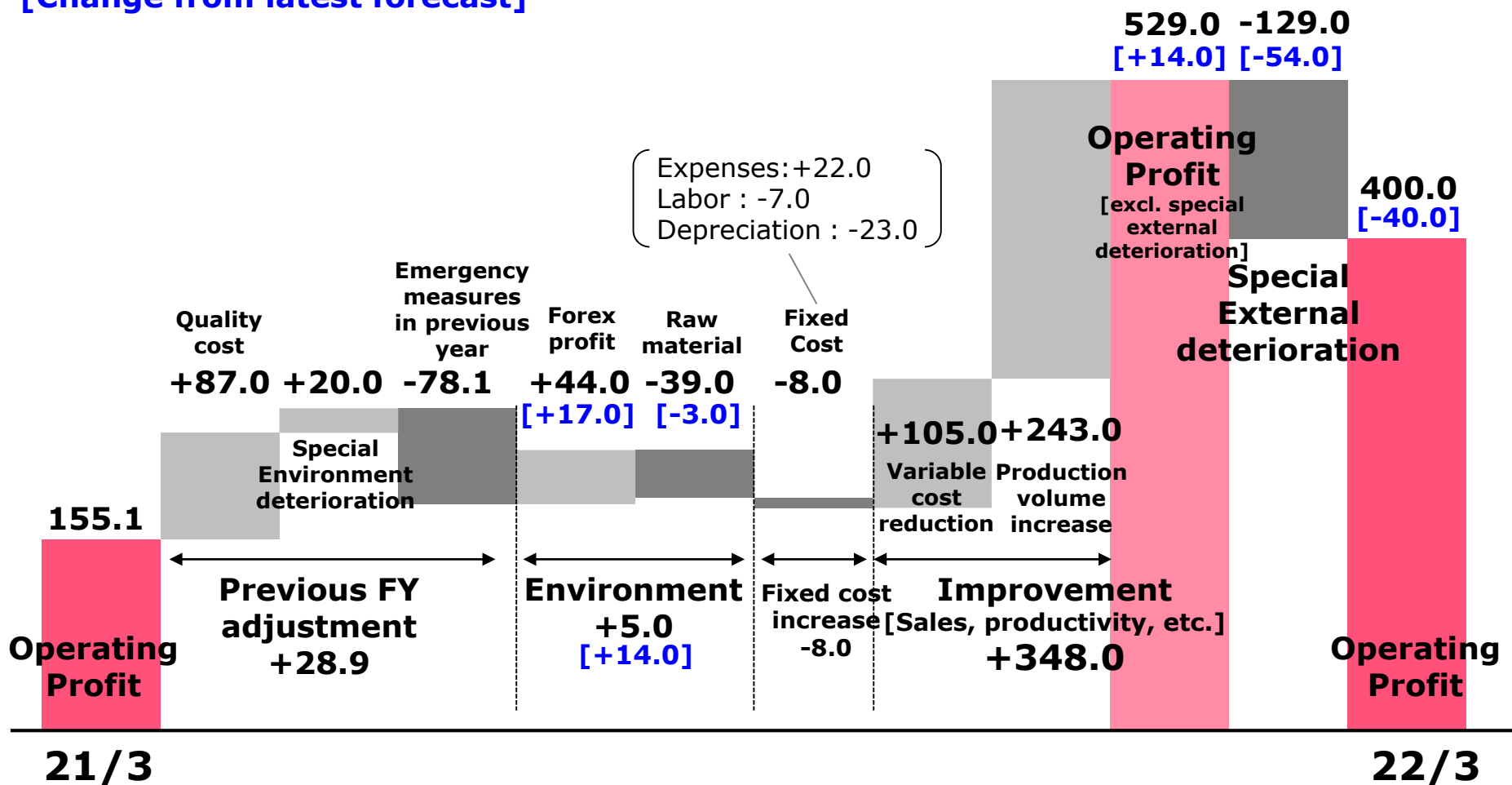
*1 Profit attributable to owners of the parent company

	[Unit: Millions of Units]							
	Precondition		Precondition		Precondition		Precondition	
Foreign Exchange Rate	JPY	107.4/USD	JPY	109.6/USD	+2.2 JPY	-	JPY	106.1/USD
	JPY	127.9/EUR	JPY	129.2/EUR	+1.3 JPY	-	JPY	123.7/EUR
	JPY	16.6/CNY	JPY	17.0/CNY	+0.4 JPY	-	JPY	15.7/CNY
Domestic Vehicle Production		8.25		7.81	-0.44	-5.4%		7.88
Overseas Vehicle Production of Japanese Manufacturers		18.31		17.70	-0.61	-3.4%		15.85

Change in FY2022 Forecast Operating Profit

(Unit: Billions of Yen)

[Change from latest forecast]



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Appendix

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

Pre-Conditions (Foreign Exchange Rate/Vehicle Production)

		FY2022 Full Year													FY2022 Full Year		
		21/4-21/9			21/10-22/3												
					3Q			4Q									
		Prior Year	Actual	Change	Prior Year	Actual	Change	Prior Year	Revised Estimation	Change	Prior Year	Forecast as of 2Q	Revised Estimation	Change from prior year	Prior Year	Forecast (Revised)	Change
Foreign Exchange Rate (Yen)	USD	106.9	109.8	+ 2.9	104.5	113.7	+ 9.2	105.9	105.0	-0.9	105.2	105.0	109.4	+ 4.2	106.1	109.6	+ 3.5
	EUR	121.3	130.9	+ 9.6	124.5	130.1	+ 5.6	127.7	125.0	-2.7	126.1	125.0	127.5	+ 1.4	123.7	129.2	+ 5.5
	CNY	15.3	17.0	+ 1.7	15.8	17.8	+ 2.0	16.3	16.1	-0.2	16.1	16.1	17.0	+ 0.9	15.7	17.0	+ 1.3
Forex Impact on Operating Income per Yen (Billions of Yen)	USD											2.1	3.2	1.1			
	EUR											0.8	1.1	0.3			
	CNY											15.4	18.4	3.0			
Vehicle Production of Japanese Manufacturers (Millions of Units)	Domestic	3.34	3.53	+ 5.5%	2.31	1.92	- 16.9%	2.22	2.36	+ 6.1%	4.54	4.72	4.72	+ 3.9%	7.88	7.81	- 0.9%
	Overseas	6.25	8.36	+ 33.9%	4.95	4.40	- 11.1%	4.64	4.93	+ 6.1%	9.60	9.86	9.86	+ 2.7%	15.85	17.70	+ 11.7%

Consolidated Revenue (By Customer)

(Unit: Billions of Yen)

	20/4-20/12		21/4-21/12		Change		Change excludes FX difference, etc.
	Amount	% to Total	Amount	% to Total	Amount	%	%
Toyota	1,672.0	47.7	1,935.1	48.3	+263.1	+15.7	+12.4
Daihatsu	83.5	2.4	98.0	2.4	+14.5	+17.4	+14.9
Hino	32.8	0.9	41.9	1.0	+9.1	+27.6	+27.3
Toyota Group	1,788.3	51.0	2,075.0	51.8	+286.7	+16.0	+12.8
Honda	270.1	7.8	283.2	7.1	+13.1	+4.9	-1.3
Stellantis	136.5	3.9	145.8	3.6	+9.2	+6.8	+1.3
(FCA)	108.6	3.1	116.6	2.9	+8.0	+7.4	+2.1
(PSA)	27.9	0.8	29.2	0.7	+1.2	+4.5	-2.0
Ford	77.6	2.2	94.6	2.4	+17.0	+21.9	+14.7
GM	93.0	2.7	89.3	2.2	-3.7	-4.0	-8.6
SUBARU	79.2	2.3	81.0	2.0	+1.8	+2.2	+0.2
Suzuki	72.3	2.1	76.1	1.9	+3.7	+5.2	+2.5
Hyundai/Kia	68.4	2.0	73.7	1.8	+5.3	+7.7	+1.6
Mazuda	69.5	2.0	72.2	1.8	+2.7	+3.8	+3.1
Nissan	56.9	1.6	58.0	1.4	+1.1	+1.9	-1.9
ISUZU	39.3	1.1	52.9	1.3	+13.6	+34.5	+34.0
VW·AUDI	41.2	1.2	37.8	0.9	-3.4	-8.2	-15.5
BMW	33.1	0.9	36.3	0.9	+3.2	+9.8	+3.1
Mitsubishi	18.6	0.5	34.9	0.9	+16.3	+87.5	+84.3
Volvo	22.3	0.6	20.7	0.5	-1.7	-7.4	-14.6
Daimler	14.3	0.4	18.1	0.5	+3.8	+26.6	+18.2
OE Sales for others	206.7	5.9	288.5	7.2	+81.7	+39.5	+32.0
OEM Total	3,087.5	88.0	3,537.9	88.2	+450.4	+14.6	+10.5
Non-Automotive Business(*)	421.1	12.0	471.1	11.8	+50.0	+11.9	+8.9
Total	3,508.6	100.0	4,009.0	100.0	+500.5	+14.3	+10.3

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

Consolidated Revenue (By Product)

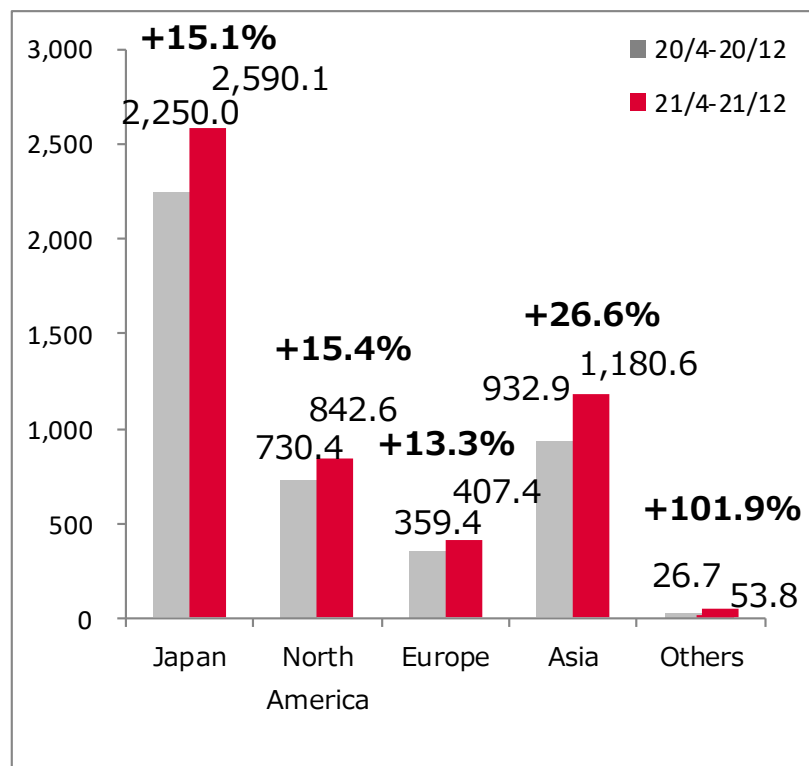
(Unit: Billions of Yen)

	20/4-20/12		21/4-21/12		Change		Change excludes FX difference
	Amount	% to Total	Amount	% to Total	Amount	%	%
Mobility Electronics	899.1	25.6	974.0	24.3	+74.9	+8.3	+4.5
Thermal Systems	830.7	23.7	931.9	23.2	+101.2	+12.2	+7.5
Powertrain Systems	779.8	22.2	909.9	22.7	+130.1	+16.7	+12.5
Electrification Systems	682.4	19.4	826.0	20.6	+143.6	+21.0	+17.2
Sensing Systems & Semiconductor	106.4	3.0	130.3	3.2	+23.9	+22.5	+19.5
Others(*)	91.7	2.6	101.6	2.5	+10.0	+10.9	+8.9
Automotive Total	3,390.1	96.6	3,873.7	96.6	+483.6	+14.3	+10.2
Non-Automotive Business Total	118.5	3.4	135.3	3.4	+16.8	+14.2	+11.9
Total	3,508.6	100.0	4,009.0	100.0	+500.5	+14.3	+10.3

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

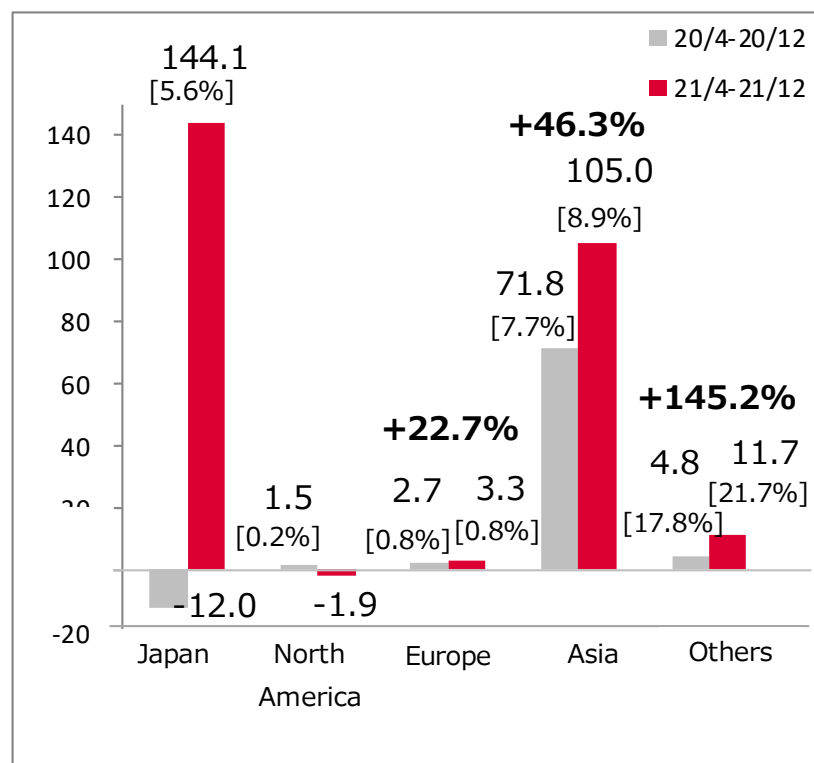
3rd Quarter Geographical Segments by Company Location

Revenue



Operating Profit

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



Capital Expenditures, Depreciation and R&D Expenditures

(Unit: Billions of Yen)

	20/12	21/3	22/3F		Change	Progress to 22/3 Forecast
			21/12	22/3F		
Japan	203.3	257.6	163.2	250.0	- 19.7%	65.3%
North America	25.4	34.3	30.3	40.0	+ 19.3%	75.8%
Europe	12.3	16.8	13.1	20.0	+ 6.5%	65.5%
Asia	47.1	63.5	50.2	82.0	+ 6.6%	61.2%
Others	1.3	2.1	2.1	3.0	+ 61.5%	70.0%
Suppression	-	-	-	-20.0	-	-
Capital Expenditure	289.4	374.3	258.9	375.0	- 10.5%	69.0%
Japan	153.3	205.7	157.3	217.0	+ 2.6%	72.5%
North America	29.4	39.5	30.5	43.0	+ 3.7%	70.9%
Europe	17.8	24.5	19.1	26.0	+ 7.3%	73.5%
Asia	38.3	51.9	41.6	60.0	+ 8.6%	69.3%
Others	1.0	1.4	1.2	2.0	+ 20.0%	60.0%
Suppression	-	-	-	-3.0	-	-
Depreciation	239.8	323.0	249.7	345.0	+ 4.1%	72.4%
R&D Expenditure (Ratio to Revenue)	362.7 (10.3%)	492.0 (10.0%)	364.3 (9.1%)	495.0 (9.0%)	+ 0.4%	73.6%