

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

DENSO

Crafting the Core

FY2022

**Financial Results
(2021/4-2022/3)**

Apr. 28 , 2022

DENSO CORPORATION

A decorative graphic on the right side of the slide consists of several overlapping, diagonal bands of color. The colors include light blue, red, and pink, creating a dynamic, abstract background element.

Overview of FY2022 Financial Results

1. Both revenue and operating profit increased compared to the previous year due to recovery of vehicle sales from COVID-19 and profit improvements, though semiconductor shortages and other challenging business conditions occurred.
2. DENSO forecast for the next fiscal year 6,350.0 billion yen in revenue and 560.0 billion yen in operating income.
While it is difficult to project how the business environment might change, we will expand ADAS and Electrification product sales, make gains through profit improvements and enhance our management foundation, strengthening our ability to cope with market changes.
3. Dividends per share in 22/3 is 165 yen (+5 yen from the previous announcement), forecast in 23/3 is 180 yen (both interim and year-end are 90 yen).
DENSO continue to improve level of dividends per share stable and long-term.

FY2022 Financial Results (2021/4-2022/3)

P/L (IFRS)

	(Ratio to Revenue)		[Unit: Billions of Yen, %]	
	2020/4-2021/3	2021/4-2022/3	Change	
Revenue	4,936.7	5,515.5	+578.8	+11.7%
Operating Profit	(3.1%) 155.1	(6.2%) 341.2	+186.1	+120.0%
Profit before Income Taxes	(3.9%) 193.8	(7.0%) 384.8	+191.1	+98.6%
Profit (*)	(2.5%) 125.1	(4.8%) 263.9	+138.8	+111.0%

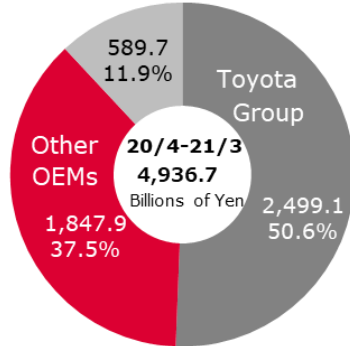
* Profit attributable to owners of the parent company□

		[Unit: Millions of Units]			
Precondition	Foreign Exchange Rate	JPY 106.1/USD	JPY 112.4/USD	+6.3 JPY	-
		JPY 123.7/EUR	JPY 130.6/EUR	+6.9 JPY	-
		JPY 15.7/CNY	JPY 17.5/CNY	+1.8 JPY	-
	Domestic Vehicle Production	7.88	7.33	-0.55	-6.9%
	Overseas Vehicle Production of Japanese Manufacturers	15.85	17.22	+1.37	+8.7%

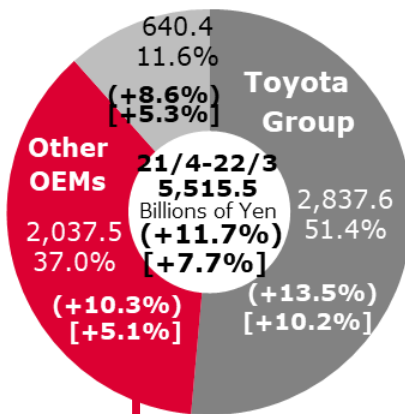
FY2022 Consolidated Revenue (By Customer)

(Unit: Billions of Yen)
 () :vs 21/4Q (12 months basis)
 INCR/DECR
 [] :vs 21/4Q (12 months basis)
 INCR/DECR excluding FX diff.
 * :vs 21/4Q (3 months basis)
 INCR/DECR excluding FX diff.

After-market,
 Non-Automotive Business etc.



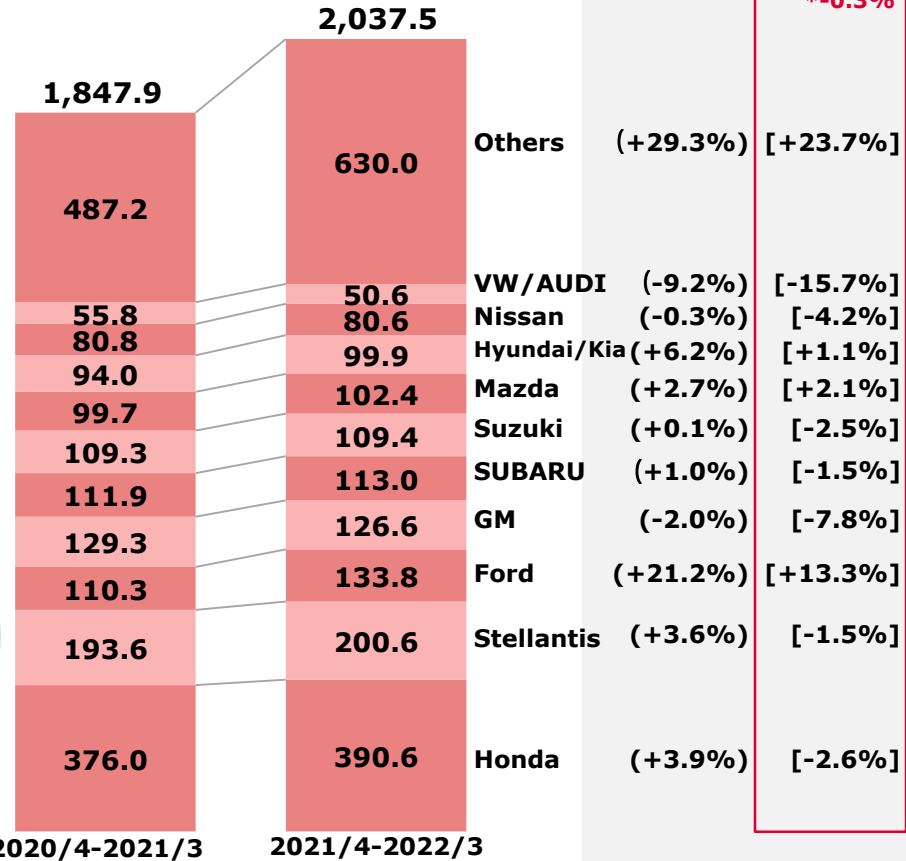
After-market,
 Non-Automotive Business etc.



Revenue 4,936.7 ⇒ 5,515.5 (+11.7%) [+7.7%]
 *+1.3%

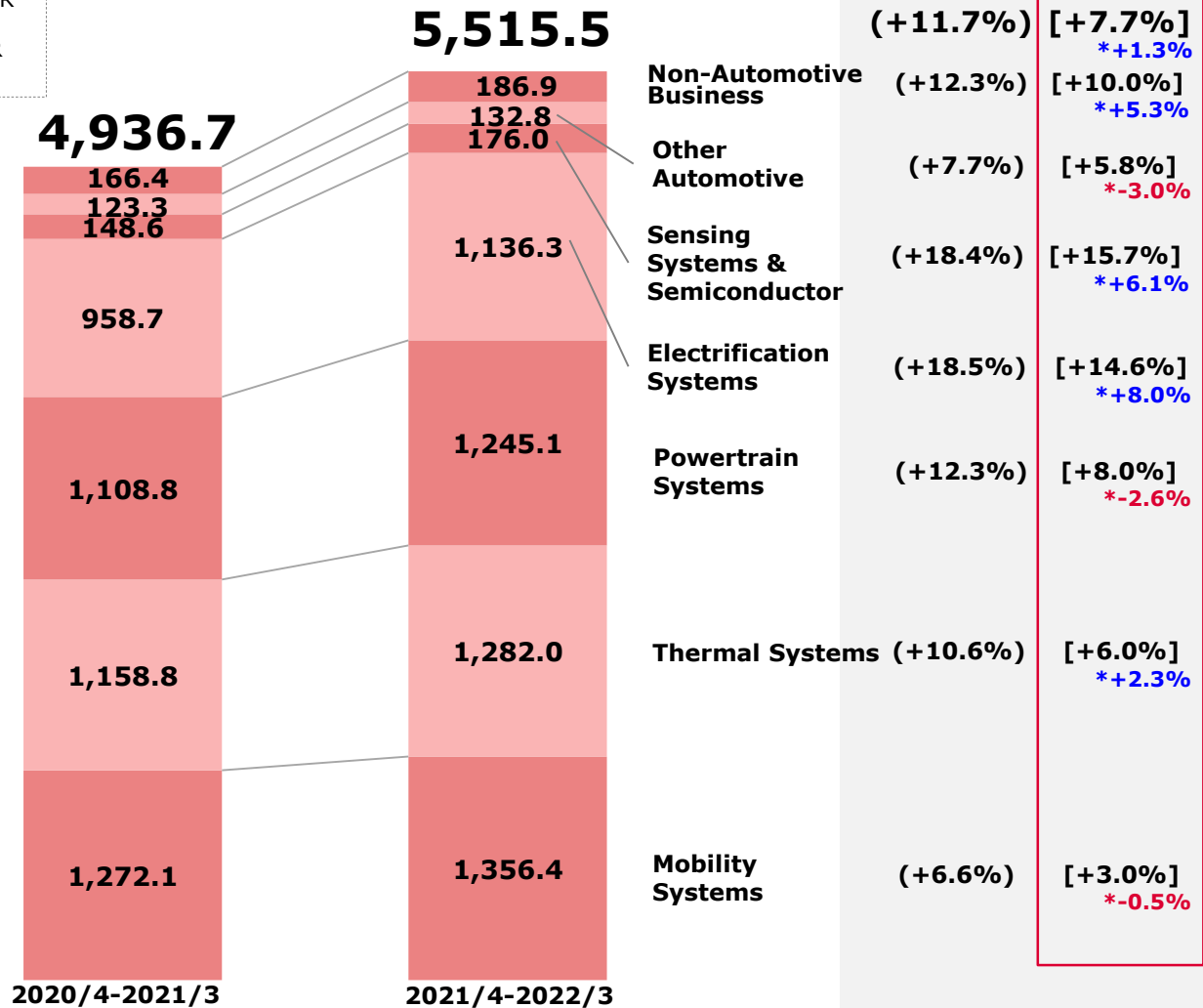
• **Toyota group** 2,499.1 ⇒ 2,837.6 (+13.5%) [10.2%]
 *+3.7%

• **Other OEMs** 1,847.9 ⇒ 2,037.5 (+10.3%) [+5.1%]
 *-0.3%



FY2022 Consolidated Revenue (By Product)

(Unit: Billions of Yen)
 () :vs 21/4Q (12 months basis) INCR/DECR
 [] :vs 21/4Q (12 months basis) INCR/DECR
 excluding FX diff.
 * :vs 21/4Q (3 months basis) INCR/DECR
 excluding FX diff.

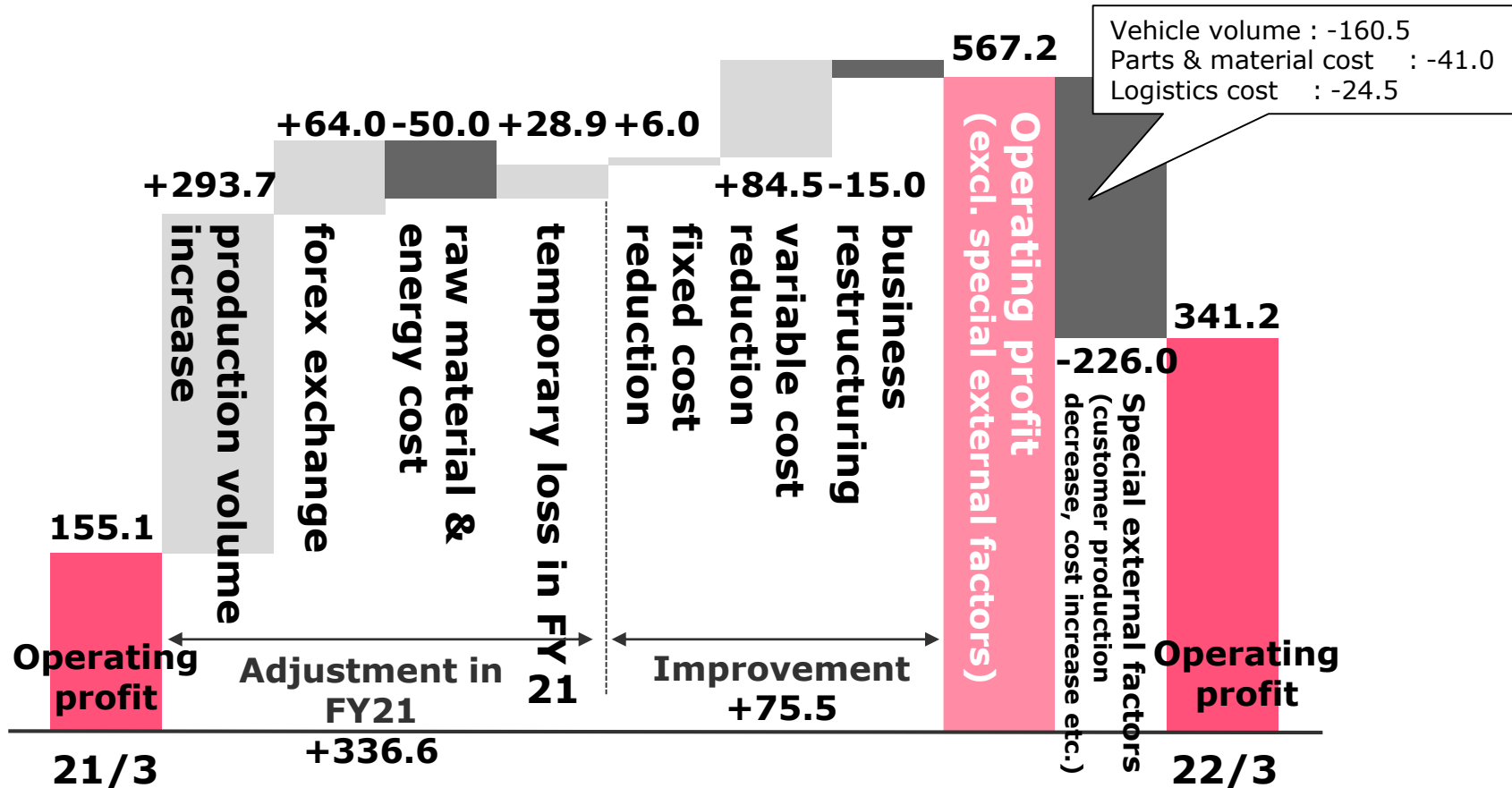


Change in FY2022 Operating Profit

(Unit: Billions of Yen)

Both revenue and operating profit increased compared to the previous year due to recovery of vehicle sales from COVID-19 and profit improvements.

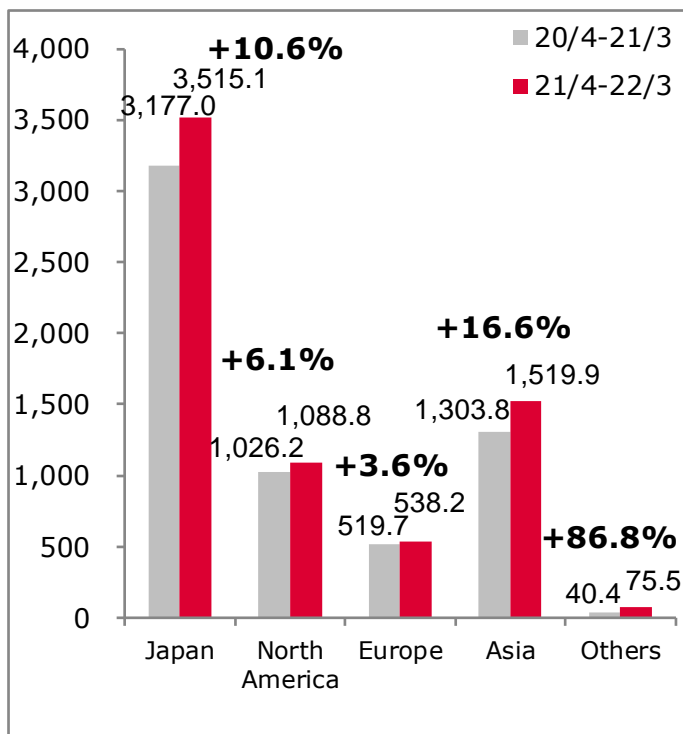
Though vehicle production decrease (-160.5), parts & material cost increase (-65.5) due to the shortage of semiconductors and raw material & energy cost increase (-50.0) occurred .



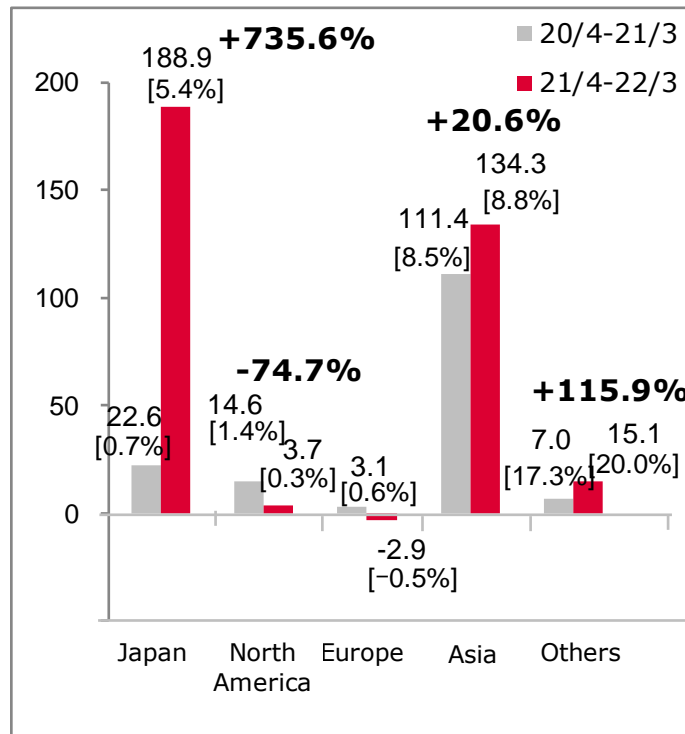
Geographical Segments by Company Location

Local currency basis excludes FX difference
 (106.1JPY/1USD, 123.7JPY/1EUR, 15.7JPY/1CNY)

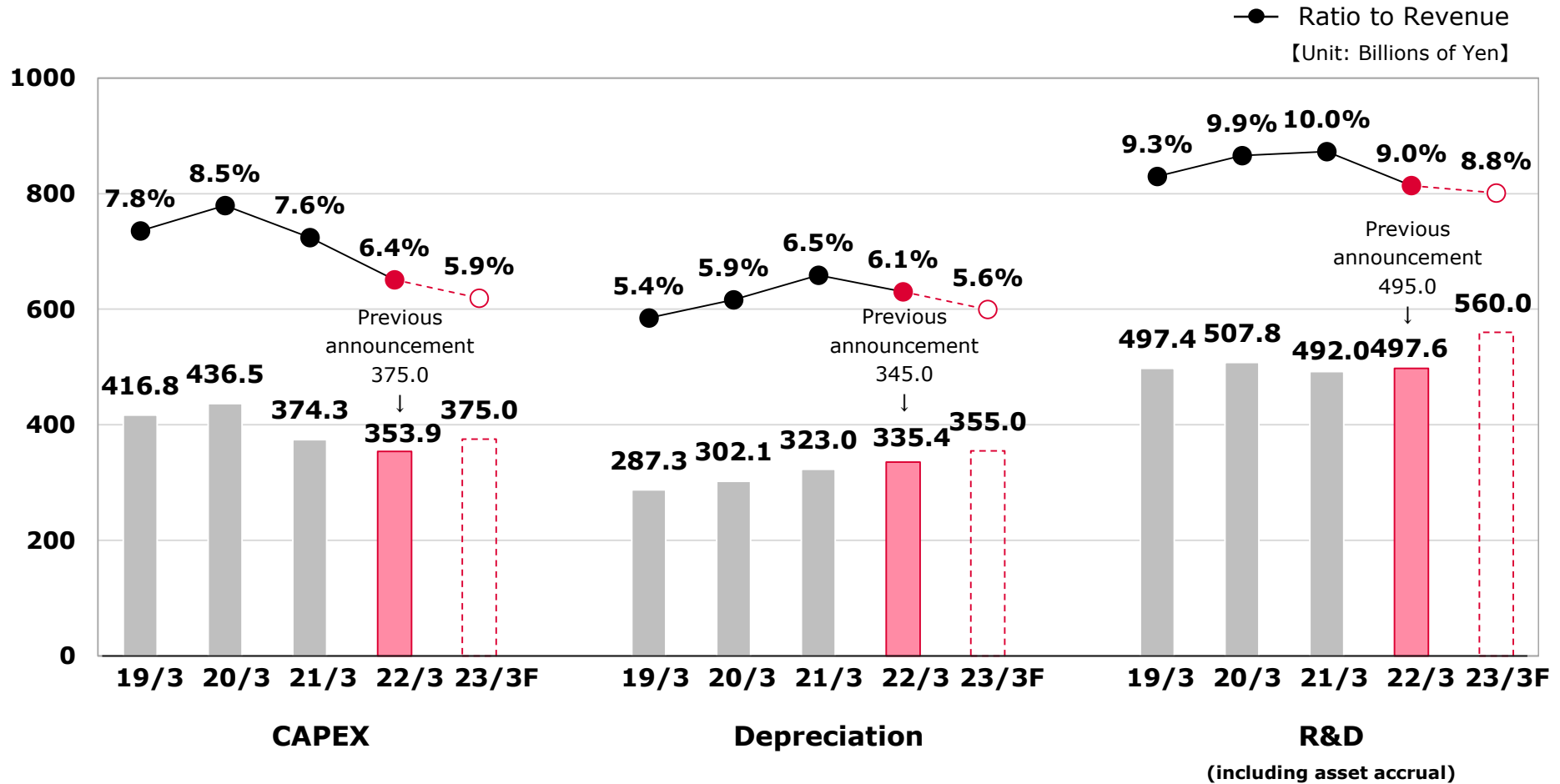
Revenue



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



Trend of Capital Expenditures, Depreciation and R&D Expenditures



FY2023 Financial Forecast

P/L (IFRS)

	(Ratio to Revenue)		[Unit: Billions of Yen, %]	
	2022/3 Actual	2023/3 Forecast	Change	
Revenue	5,515.5	6,350.0	+834.5	+15.1%
Operating Profit	(6.2%) 341.2	(8.8%) 560.0	+218.8	+64.1%
Profit before Income Taxes	(7.0%) 384.8	(9.5%) 603.0	+218.2	+56.7%
Profit (*1)	(4.8%) 263.9	(6.8%) 434.0	+170.1	+64.5%

*1 Profit attributable to owners of the parent company

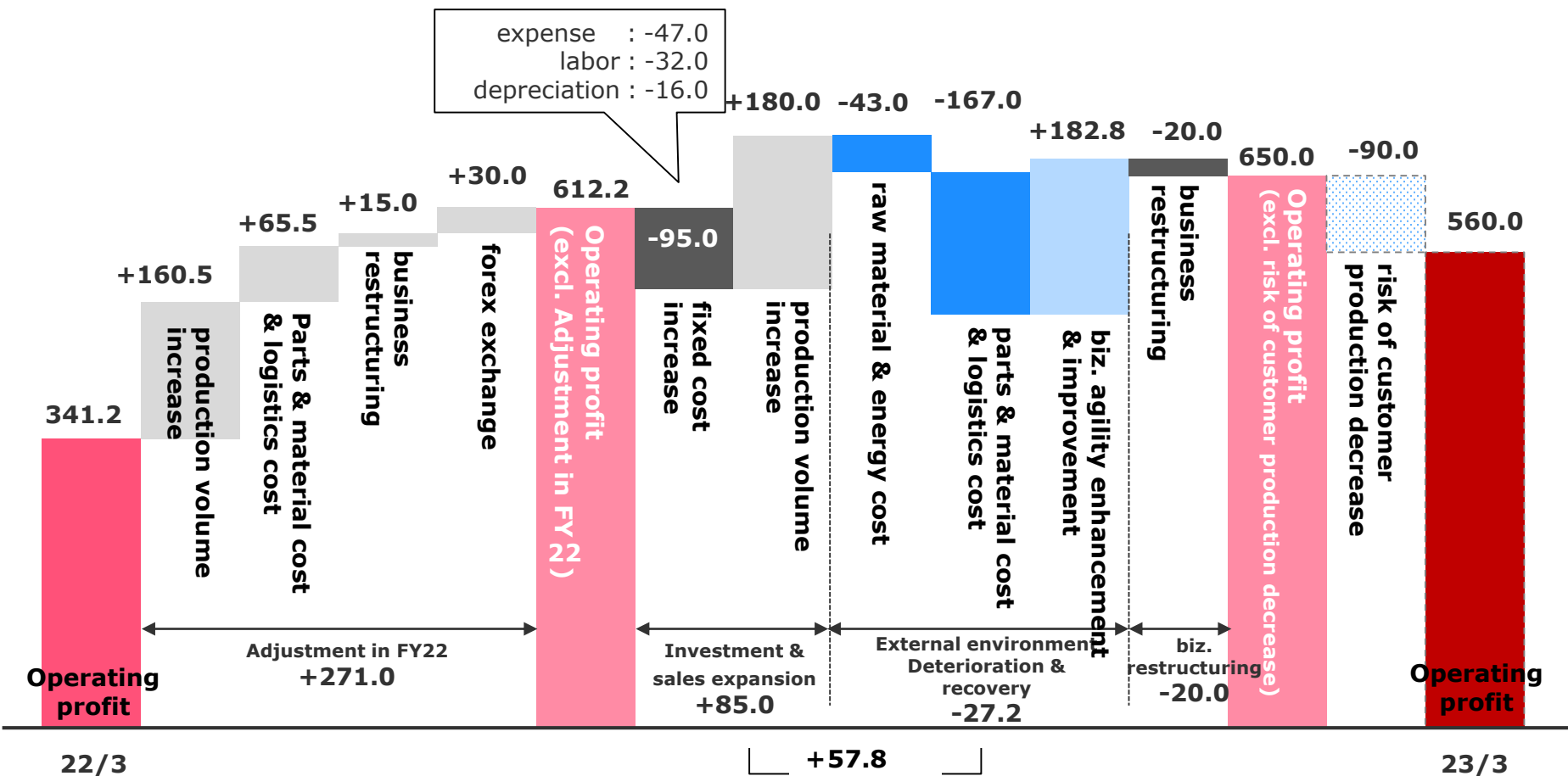
		[Unit: Millions of Units]					
Precondition	Foreign Exchange Rate	JPY	112.4/USD	JPY	115.0/USD	+2.6 JPY	—
		JPY	130.6/EUR	JPY	130.0/EUR	-0.6 JPY	—
		JPY	17.5/CNY	JPY	18.1/CNY	+0.6 JPY	—
	Domestic Vehicle Production (*2)		7.33		9.42	+2.09	+28.5%
	Overseas Vehicle Production of Japanese Manufacturers (*2)		17.22		21.56	+4.34	+25.2%

*2 Risk of external environment deterioration is not reflected to 2023/3 Forecast.

Change in FY2023 Forecast Operating Profit

(Unit: Billions of Yen)

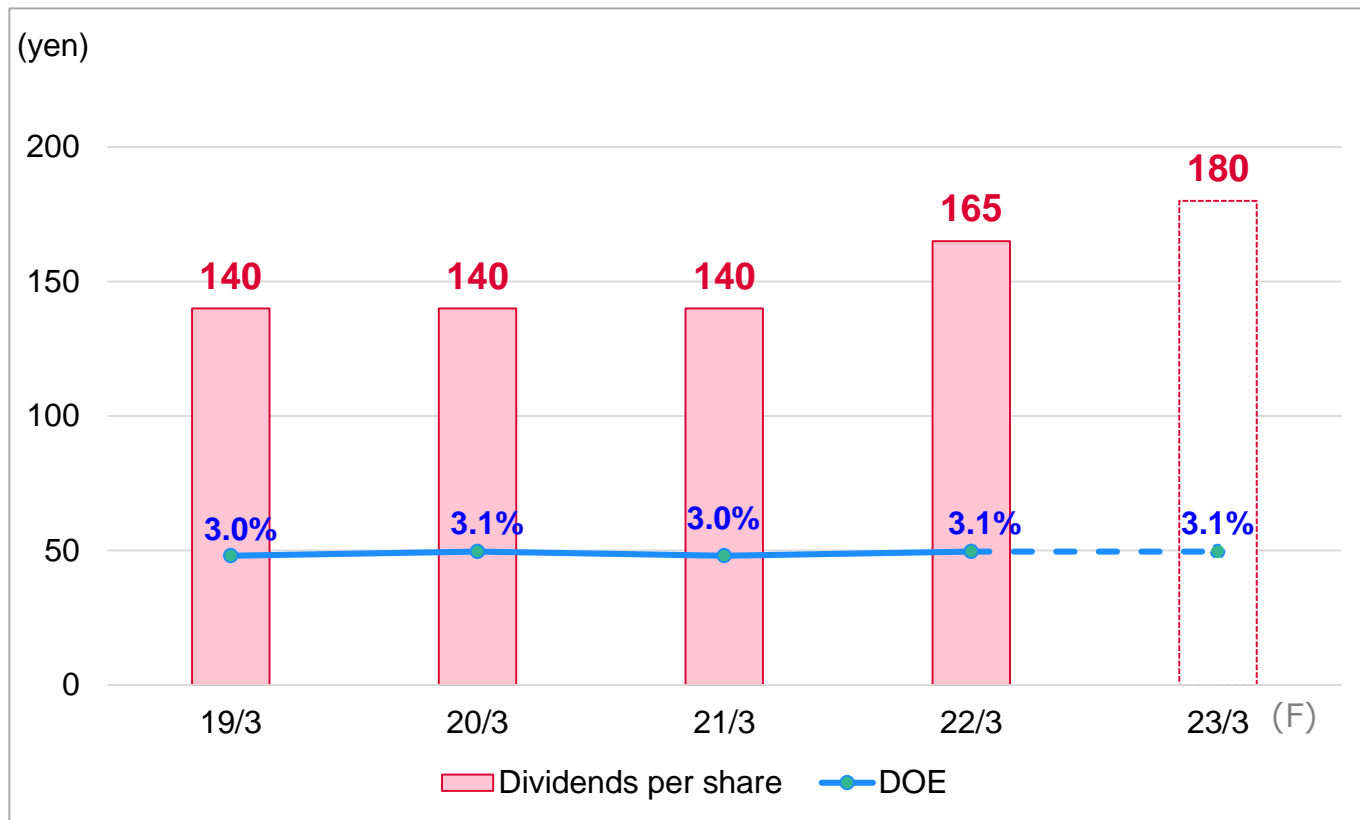
External environment is getting worse due to parts & material cost up and logistics cost up by semiconductor shortages(-167.0), raw material & energy cost up (-43.9) and labor cost up etc.
 Despite the risk of vehicle production decrease by customers, DENSO forecast for the next fiscal year 560.0 billion yen in operating income through profit improvements and strengthening our ability to cope with market changes.



Year-end Dividend

22/3 : 165 yen (+5 yen from the previous announcement)

23/3 forecast : 180 yen (interim 90 yen and year-end 90 yen)



DENSO

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Appendix

- Quarterly Revenue & Operating Profit Trends
- 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

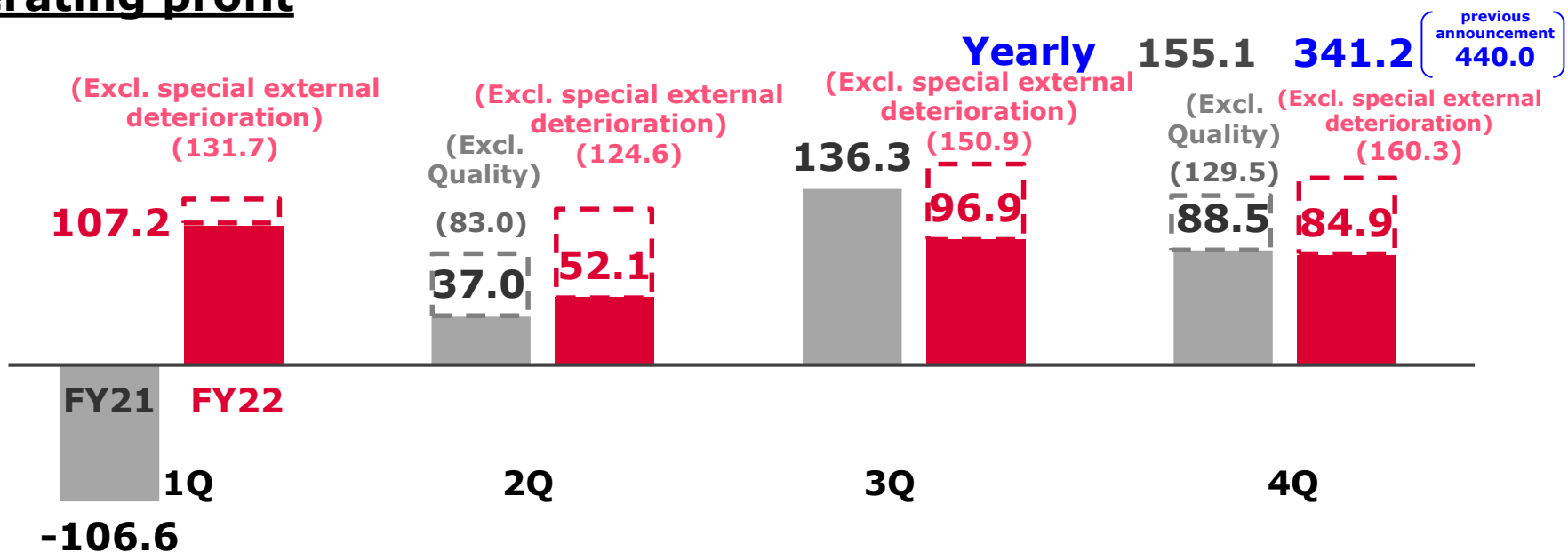
Quarterly Revenue & Operating Profit Trends

(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	1,506.5
[100]	[177]	[100]	[94]	[100]	[99]	[100]	[105]
Yearly						4,936.7	5,515.5
						[100]	[112]

Operating profit



Pre-Conditions (Foreign Exchange Rate/Vehicle Production)

		FY2022 Full Year									22/4-23/3	
		21/4-21/9			21/10-22/3							
		Prior Year	Actual	Change	Prior Year	Actual	Change from prior year	Prior Year	Actual	Change	Forecast	Change
Foreign Exchange Rate (Yen)	USD	106.9	109.8	+ 2.9	105.2	115.0	+ 9.8	106.1	112.4	+ 6.3	115.0	+2.6
	EUR	121.3	130.9	+ 9.6	126.1	130.2	+ 4.1	123.7	130.6	+ 6.9	130.0	- 0.6
	CNY	15.3	17.0	+ 1.7	16.1	18.0	+ 1.9	15.7	17.5	+ 1.8	18.1	+0.6
Forex Impact on Operating Income per Yen (Billions of Yen)	USD	/						2.1	3.3	+ 1.2	3.4	+0.1
	EUR	/						0.8	1.1	+ 0.3	0.8	- 0.3
	CNY	/						15.4	19.0	+ 3.6	22.3	+3.3
Vehicle Production of Japanese Manufacturers (Millions of Units)	Domestic	3.34	3.53	+ 5.5%	4.54	3.81	- 16.1%	7.88	7.33	- 6.9%	9.42	+ 28.5%
	Overseas	6.25	8.36	+ 33.9%	9.60	8.86	- 7.7%	15.85	17.22	+ 8.7%	21.56	+ 25.2%

Consolidated Revenue (By Customer)

(Unit: Billions of Yen)

	20/4-21/3		21/4-22/3		Change		Change excludes FX difference, etc. %
	Amount	% to Total	Amount	% to Total	Amount	%	
Toyota	2,331.0	47.2	2,642.5	47.9	+311.5	+13.4	+9.9
Daihatsu	120.4	2.4	139.5	2.5	+19.1	+15.8	+13.4
Hino	47.7	1.0	55.6	1.0	+7.9	+16.5	+16.1
Toyota Group	2,499.1	50.6	2,837.6	51.4	+338.5	+13.5	+10.2
Honda	376.0	7.7	390.6	7.1	+14.6	+3.9	-2.6
Stellantis	193.6	3.9	200.6	3.6	+7.0	+3.6	-1.5
(FCA)	151.9	3.1	159.9	2.9	+7.9	+5.2	+0.1
(PSA)	41.7	0.8	40.7	0.7	-1.0	-2.3	-7.4
Ford	110.3	2.2	133.8	2.4	+23.4	+21.2	+13.3
GM	129.3	2.6	126.6	2.3	-2.7	-2.0	-7.8
SUBARU	111.9	2.3	113.0	2.0	+1.1	+1.0	-1.5
Suzuki	109.3	2.2	109.4	2.0	+0.1	+0.1	-2.5
Mazuda	99.7	2.0	102.4	1.9	+2.7	+2.7	+2.1
Hyundai/Kia	94.0	1.9	99.9	1.8	+5.9	+6.2	+1.1
Nissan	80.8	1.6	80.6	1.5	-0.2	-0.3	-4.2
ISUZU	60.3	1.2	78.0	1.4	+17.7	+29.3	+28.8
VW·AUDI	55.8	1.1	50.6	0.9	-5.1	-9.2	-15.7
Mitsubishi	33.8	0.7	49.1	0.9	+15.3	+45.3	+42.9
BMW	47.7	1.0	49.1	0.9	+1.4	+3.1	-2.4
Volvo	28.1	0.6	27.7	0.5	-0.4	-1.5	-8.2
Daimler	20.4	0.4	26.3	0.5	+5.9	+28.8	+22.5
OE Sales for others	296.9	6.0	399.8	7.3	+103.0	+34.7	+27.7
OEM Total	4,347.0	88.1	4,875.1	88.4	+528.2	+12.1	+8.0
Non-Automotive Business(*)	589.7	11.9	640.4	11.6	+50.6	+8.6	+5.3
Total	4,936.7	100.0	5,515.5	100.0	+578.8	+11.7	+7.7

* Including revenue of industrial systems and consumer products, revenue for After Market, and revenue of property/equipment etc.

Consolidated Revenue (By Product)

(Unit: Billions of Yen)

	20/4-21/3		21/4-22/3		Change		Change excludes FX difference
	Amount	% to Total	Amount	% to Total	Amount	%	%
Mobility Electronics	1,272.1	25.8	1,356.4	24.6	+84.3	+6.6	+3.0
Thermal Systems	1,158.8	23.5	1,282.0	23.2	+123.2	+10.6	+6.0
Powertrain Systems	1,108.8	22.5	1,245.1	22.6	+136.3	+12.3	+8.0
Electrification Systems	958.7	19.4	1,136.3	20.6	+177.6	+18.5	+14.6
Sensing Systems & Semiconductor	148.6	3.0	176.0	3.2	+27.4	+18.4	+15.7
Others(*)	123.3	2.5	132.8	2.4	+9.5	+7.7	+5.8
Automotive Total	4,770.3	96.6	5,328.6	96.6	+558.3	+11.7	+7.6
Non-Automotive Business Total	166.4	3.4	186.9	3.4	+20.5	+12.3	+10.0
Total	4,936.7	100.0	5,515.5	100.0	+578.8	+11.7	+7.7

* Including revenue of equipment and repair parts etc.

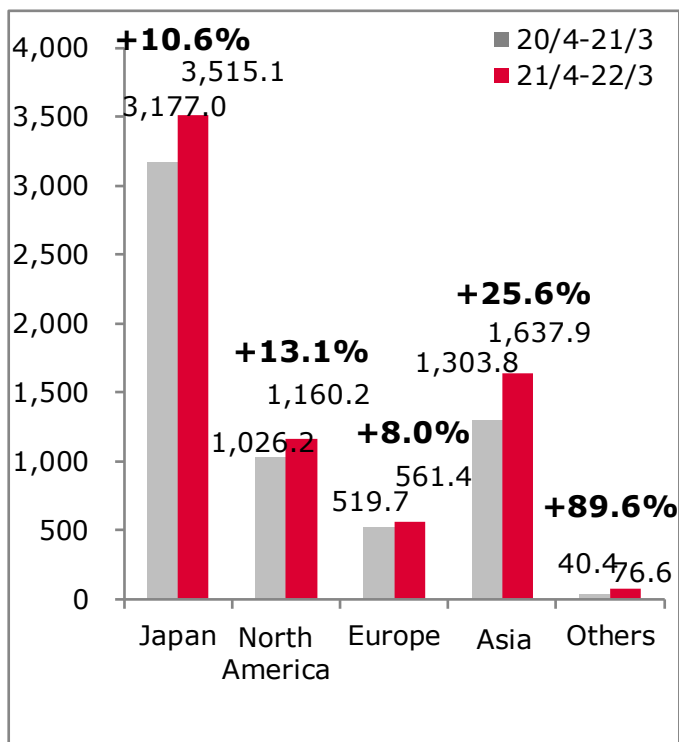
Geographical Segments by Company Location

JPY basis

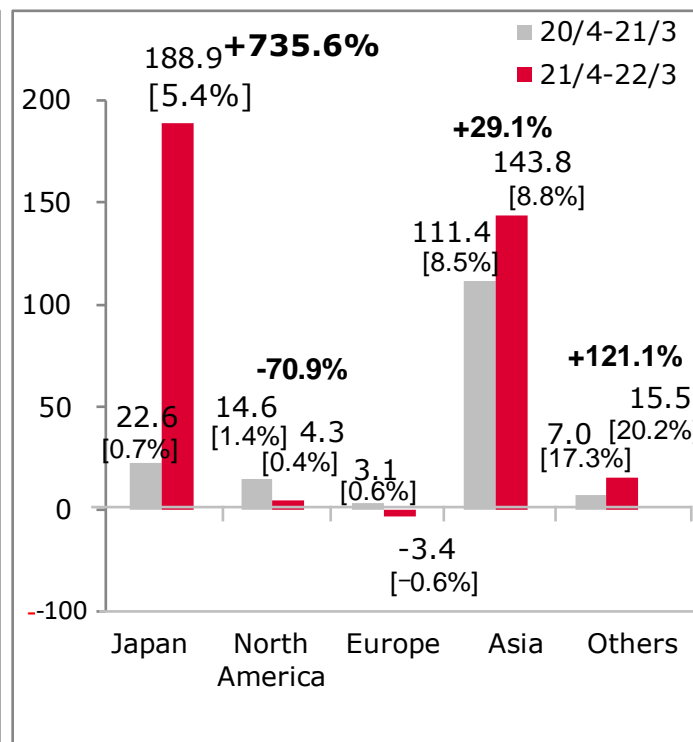
(Unit: Billions of Yen)

[]: Ratio to Revenue

Revenue



Operating Profit



Capital Expenditures, Depreciation and R&D Expenditures

(Unit: Billions of Yen)

	21/3	22/3	ratio to change	23/3F	ratio to change
Japan	257.6	219.2	-14.9%	231.0	+5.4%
North America	34.3	40.6	+18.4%	40.0	-1.5%
Europe	16.8	19.3	+14.9%	21.0	+8.8%
Asia	63.5	71.6	+12.8%	79.0	+10.3%
Others	2.1	3.2	+52.4%	4.0	+25.0%
Capital Expenditures	374.3	353.9	-5.5%	375.0	+6.0%
Japan	205.7	211.6	+2.9%	219.0	+3.5%
North America	39.5	40.8	+3.3%	43.0	+5.4%
Europe	24.5	25.2	+2.9%	26.0	+3.2%
Asia	51.9	56.2	+8.3%	64.0	+13.9%
Others	1.4	1.6	+14.3%	3.0	+87.5%
Depreciation	323.0	335.4	+3.8%	355.0	+5.8%
R&D Expenditure	492.0	497.6	+1.1%	560.0	+12.5%
(Ratio to Sales)	(10.0%)	(9.0%)		(8.8%)	

*R&D Expenditures includes asset accrual