

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

***DENSO***

Crafting the Core

**FY2023 2<sup>nd</sup> Quarter  
Financial Results  
(2022/4-2022/9)**

October 28 , 2022

DENSO CORPORATION

# Overview of FY2023 2<sup>nd</sup> Quarter Financial Results

1. Revenue in the first half of our fiscal year increased compared to the previous year due to sales recovery, sales expansion and foreign exchange gains. Operating profit slightly decreased compared to the previous year due to challenging business conditions such as soaring parts and material, logistics costs, though sales recovery and foreign exchange gains occurred.
2. We have revised our revenue forecast for the full year based on changing foreign exchange preconditions, adjusting our revenue projection to 6,310.0 billion yen, and we have secured our operating profit forecast from the previous announcement for the full year to 480.0 billion yen, based on foreign exchange gains and profit improvements, though deterioration of our region mix has occurred.

# FY2023 2<sup>nd</sup> Quarter Financial Results (2022/4-2022/9)

## P/L (IFRS)

	(Ratio to Revenue)		[Unit: Billions of Yen, %]			
	2021/4-2021/9		2022/4-2022/9		Change	
<b>Revenue</b>		2,582.9		<b>3,020.1</b>	+437.2	+16.9%
<b>Operating Profit</b>	(6.2%)	159.3	(5.1%)	<b>155.4</b>	-3.9	-2.5%
<b>Profit before Income Taxes</b>	(7.1%)	182.9	(5.7%)	<b>170.6</b>	-12.2	-6.7%
<b>Profit (*)</b>	(4.4%)	112.7	(3.5%)	<b>105.8</b>	-6.9	-6.1%

\* Profit attributable to owners of the parent company□

		[Unit: Millions of Units]					
Precondition	Foreign Exchange Rate	JPY	109.8/USD	JPY	134.0/USD	+24.2 JPY	-
		JPY	130.9/EUR	JPY	138.7/EUR	+7.8 JPY	-
		JPY	17.0/CNY	JPY	19.9/CNY	+2.9 JPY	-
	Domestic Vehicle Production		3.53		3.58	+0.06	+1.6%
	Overseas Vehicle Production of Japanese Manufacturers		8.36		8.43	+0.06	+0.7%

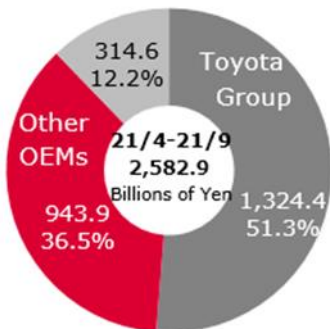
# FY2023 2<sup>nd</sup> Quarter Consolidated Revenue (By Customer)

(Unit: Billions of Yen)

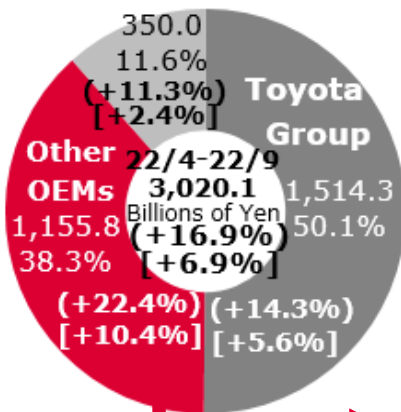
( ):vs FY22/2Q (6 month basis) INCR/DECR  
 [ ]:vs FY22/2Q (6 month basis) INCR/DECR excluding FX diff.

Revenue	2,582.9 ⇒ 3,020.1	(+16.9%)	[+6.9%]
• Toyota group	1,324.4 ⇒ 1,514.3	(+14.3%)	[+5.6%]
• Other OEMs	943.9 ⇒ 1,155.8	(+22.4%)	[+10.4%]
Others (VWG, Benz, TDSG, John Deere, Mitsubishi etc.)	332.5	(+18.8%)	[+9.4%]
Isuzu	44.9	(+29.0%)	[+22.1%]
Nissan	46.5	(+22.8%)	[+13.3%]
Mazda	53.6	(+14.0%)	[+12.1%]
Hyundai/Kia	55.4	(+17.0%)	[+9.6%]
Suzuki	67.0	(+30.7%)	[+21.9%]
SUBARU	70.3	(+37.7%)	[+26.8%]
GM	81.2	(+32.2%)	[+9.1%]
Ford	87.1	(+50.3%)	[+25.2%]
Stellantis	122.4	(+29.1%)	[+16.7%]
Honda	194.9	(+8.0%)	[-6.5%]

After-market, Non-Automotive Business etc.



After-market, Non-Automotive Business etc.

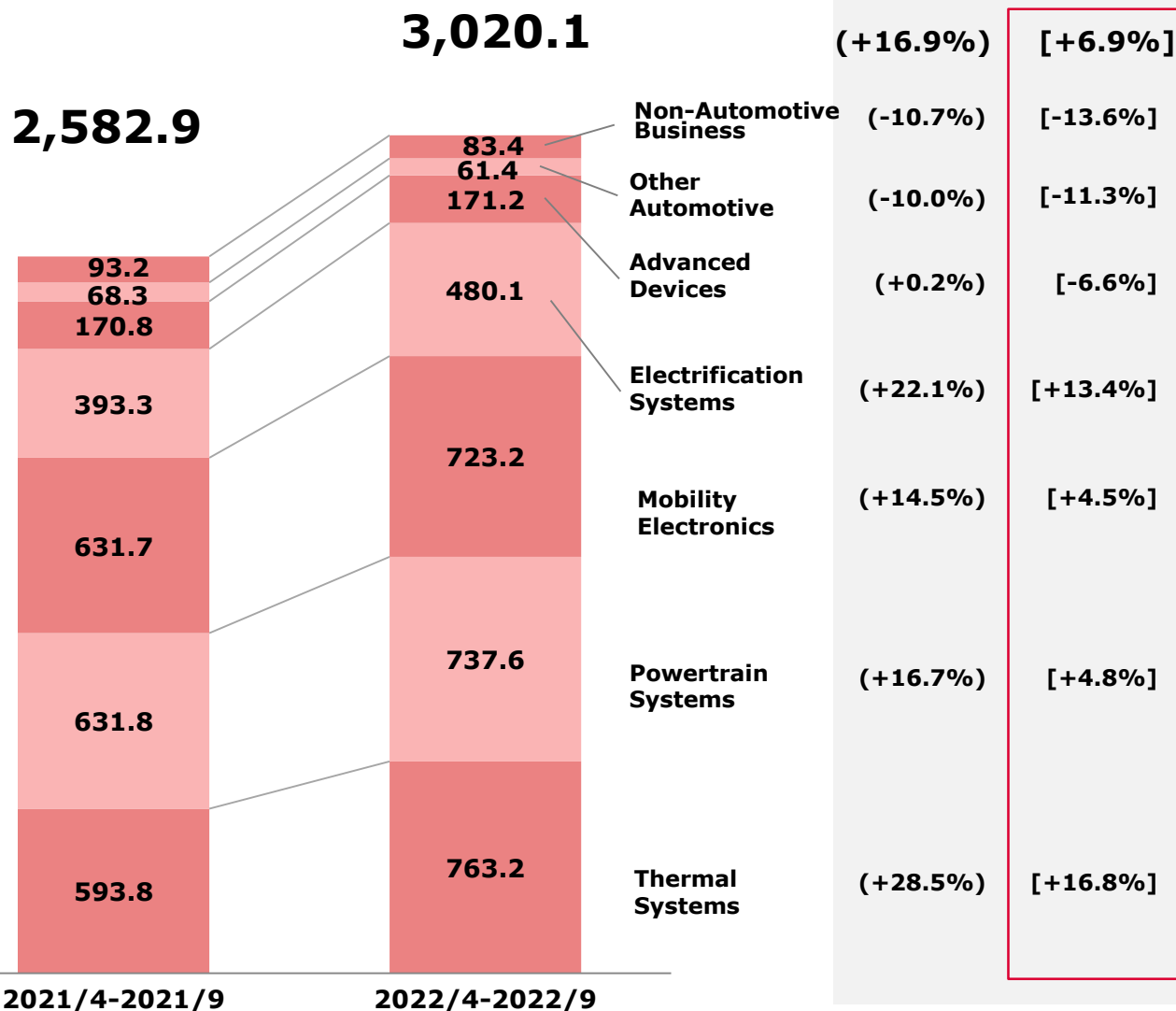


2021/4-2021/9      2022/4-2022/9

# FY2023 2<sup>nd</sup> Quarter Consolidated Revenue ( By Product )

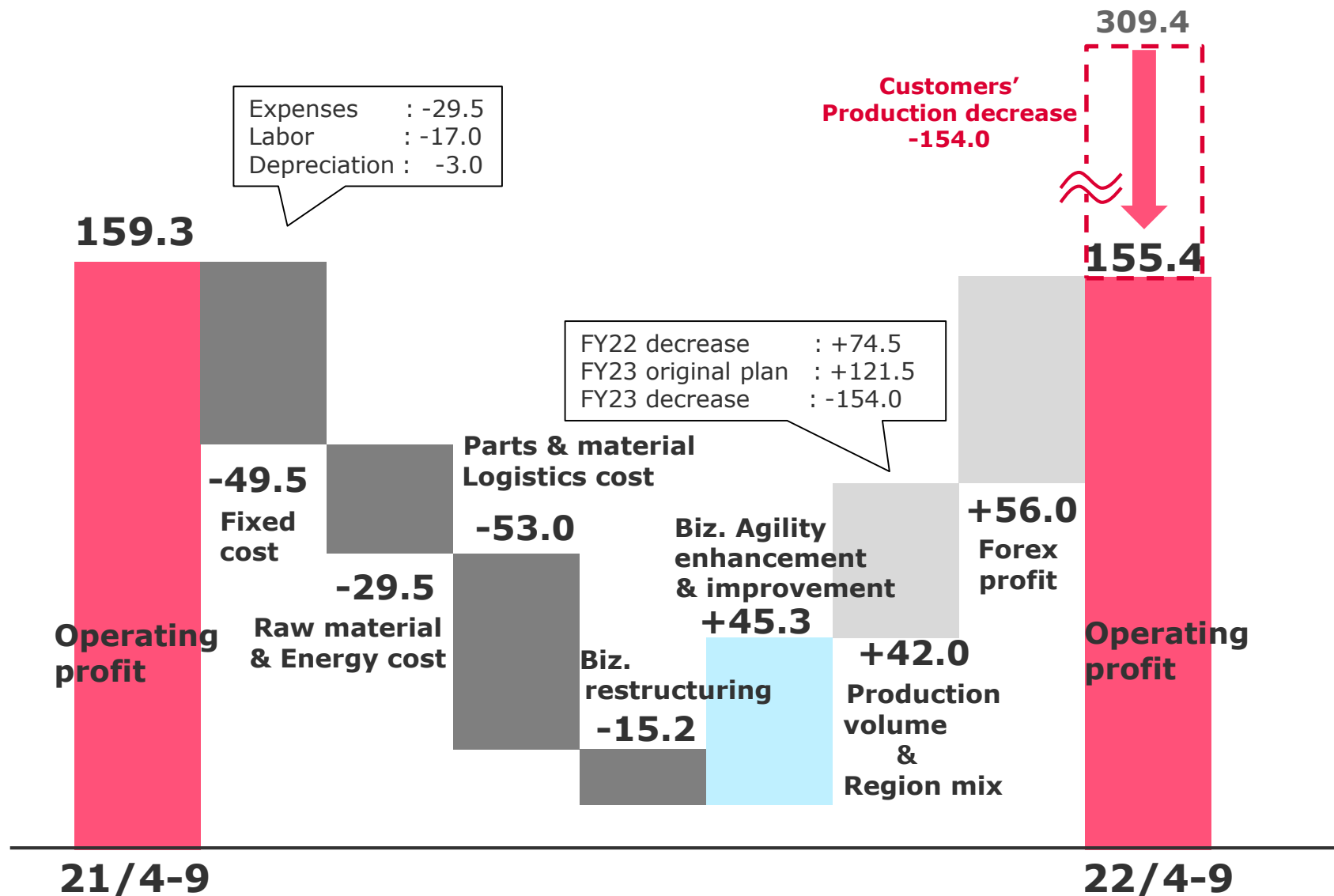
(Unit: Billions of Yen)

( ) :vs FY22/2Q (6 months basis) INCR/DECR  
 [ ] :vs FY22/2Q (6 months basis) INCR/DECR excluding FX diff.



# Change in FY2023 2<sup>nd</sup> Quarter Operating Profit

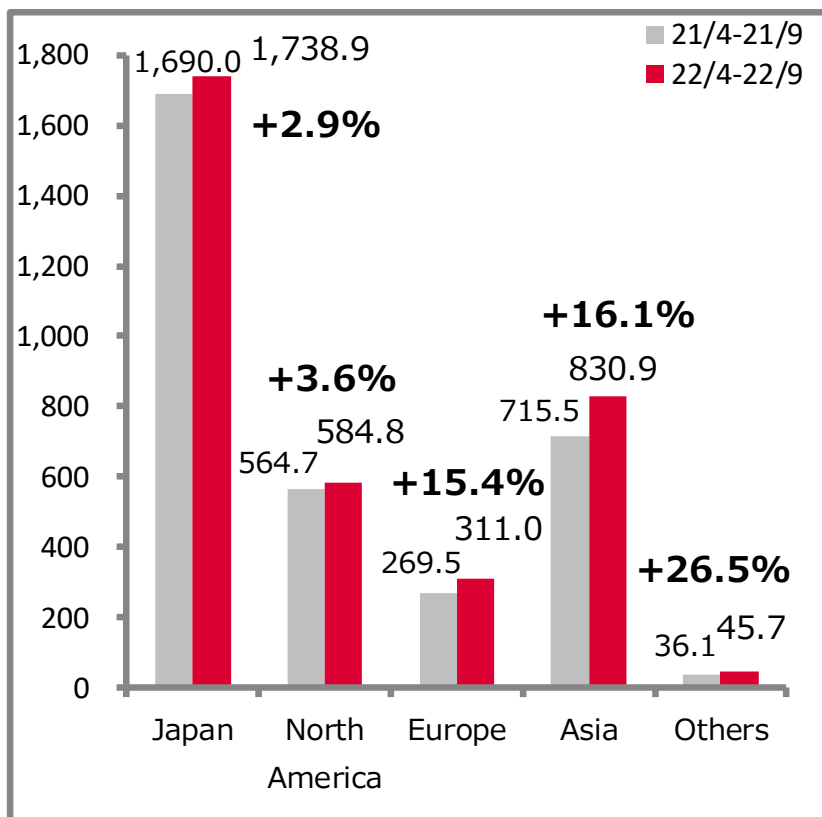
(Unit: Billions of Yen)



# Geographical Segments by Company Location

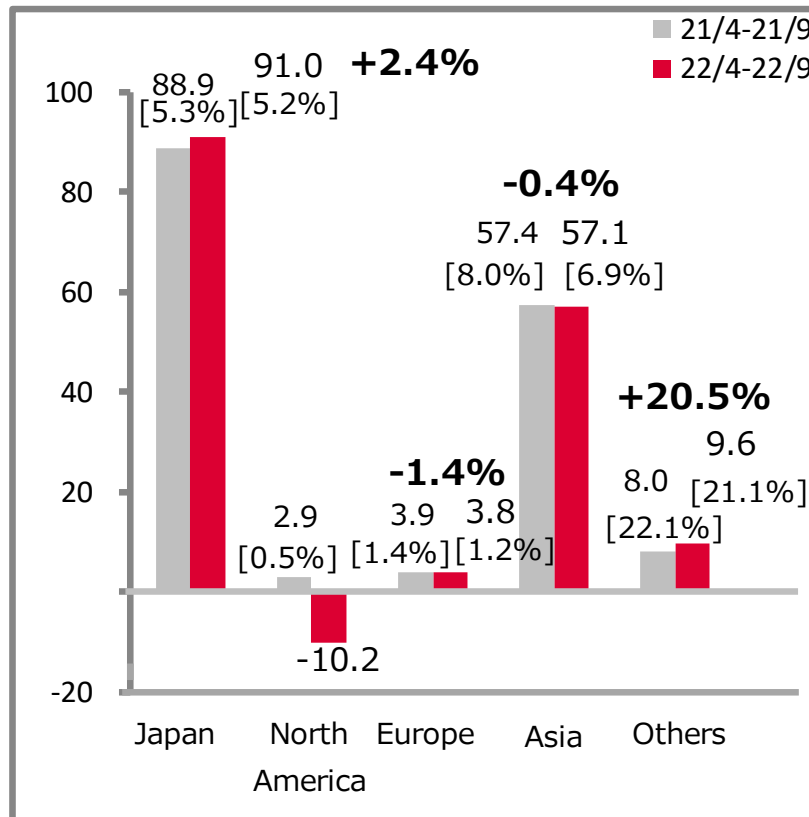
Local currency basis excludes FX difference  
 (109.8JPY/1USD, 130.9JPY/1EUR, 17.0JPY/1CNY)

## Revenue

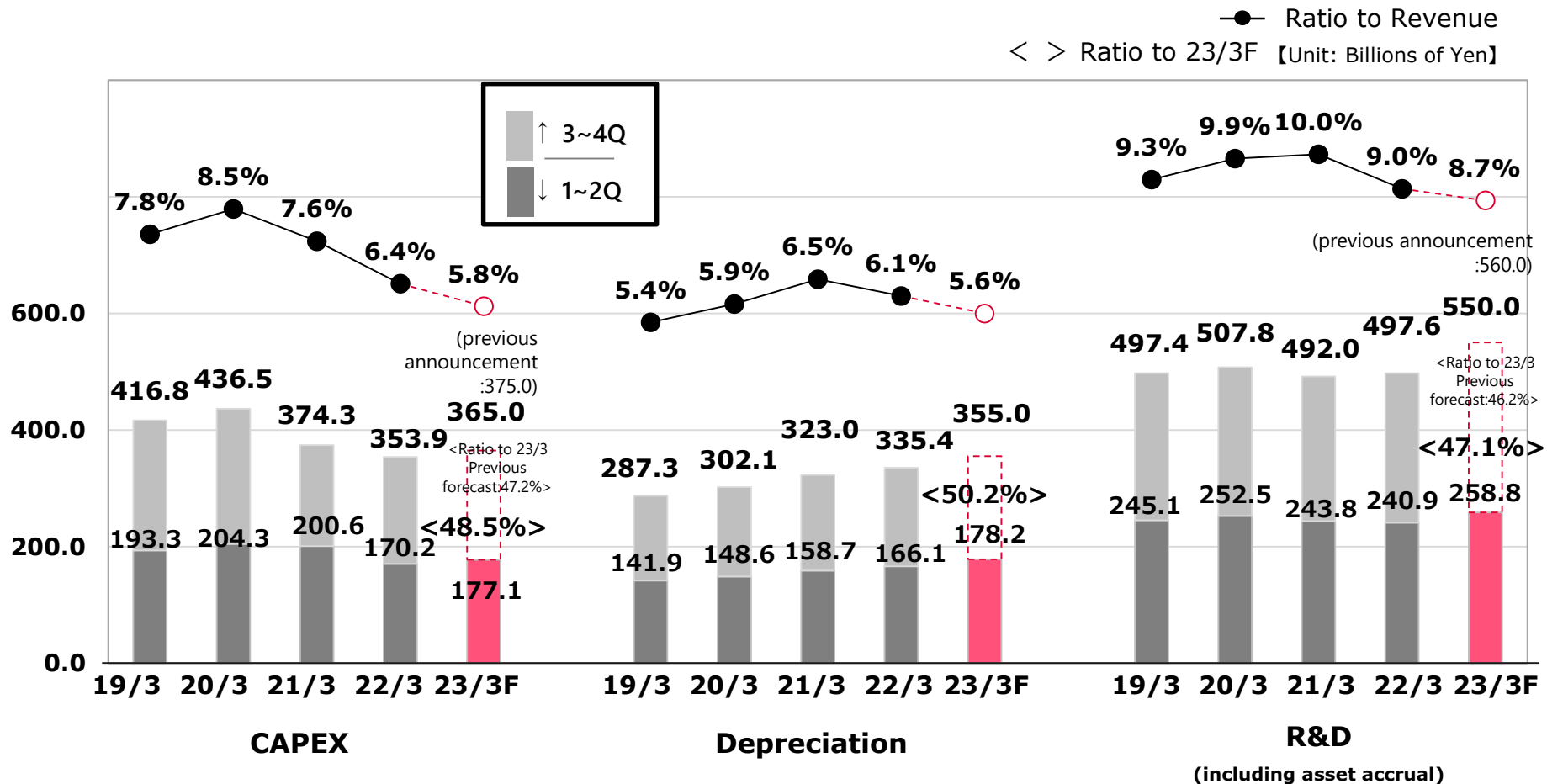


## Operating Profit

(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, %]					
	Forecast as of June 2022		<b>2023/3 Forecast</b>		Change from previous forecast		<b>2022/3 Actual</b>		Change from Mar. 2022	
<b>Revenue</b>		6,220.0		<b>6,310.0</b>	+90.0	+1.4%		5,515.5	+794.5	+14.4%
<b>Operating Profit</b>	(7.7%)	480.0	(7.6%)	<b>480.0</b>	0	—	(6.2%)	341.2	+138.8	+40.7%
<b>Profit before Income Taxes</b>	(8.4%)	523.0	(8.3%)	<b>523.0</b>	0	—	(7.0%)	384.8	+138.2	+35.9%
<b>Profit (*1)</b>	(6.1%)	378.0	(6.0%)	<b>378.0</b>	0	—	(4.8%)	263.9	+114.1	+43.2%

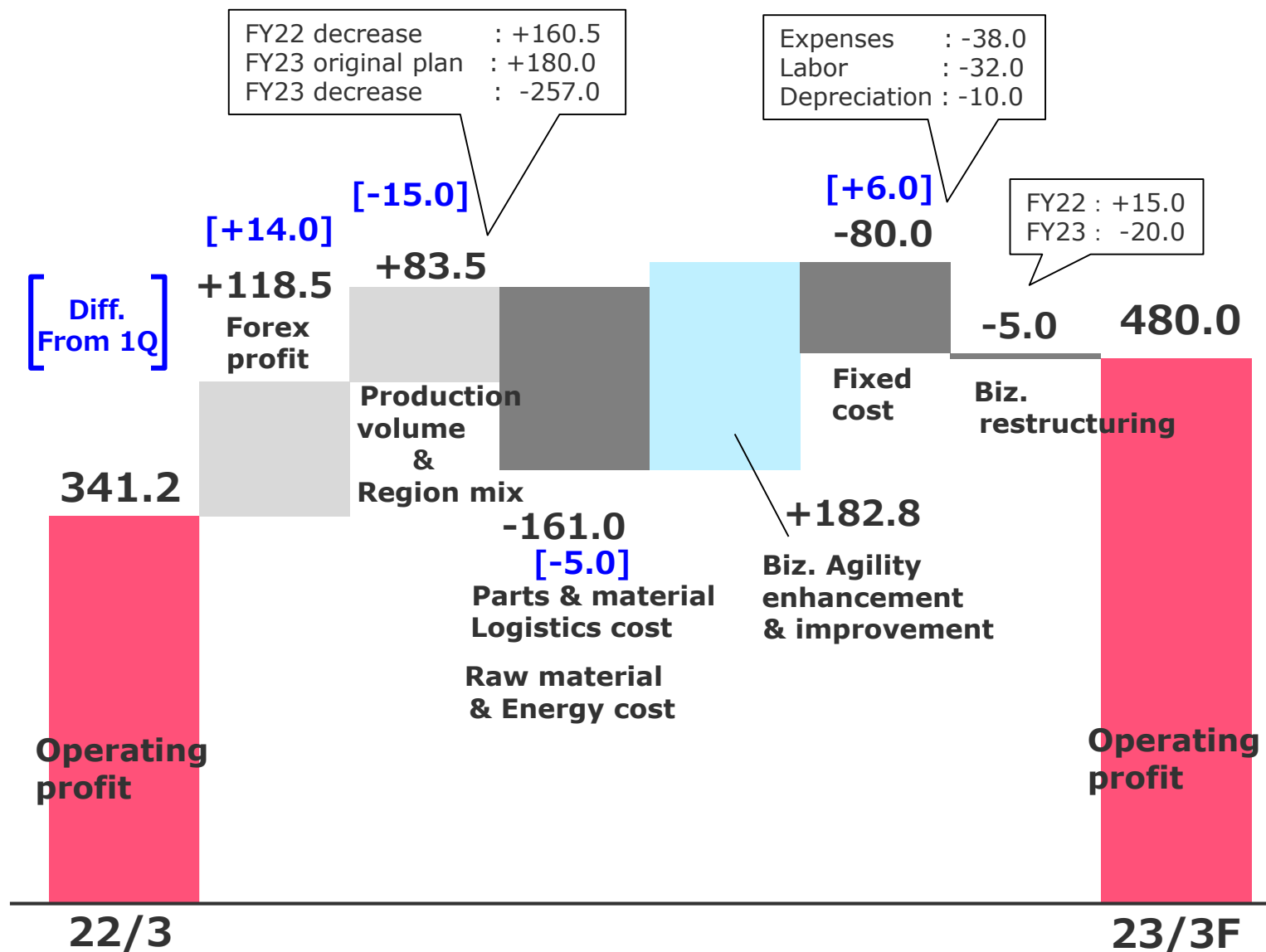
\*1 Profit attributable to owners of the parent company

		[Unit:Millions of Units]							
Precondition	Foreign Exchange Rate	JPY	129.9/USD	JPY (*2)	134.5/USD	+4.6 JPY	—	JPY	112.4/USD
		JPY	135.8/EUR	JPY (*2)	136.9/EUR	+1.1 JPY	—	JPY	130.6/EUR
		JPY	19.5/CNY	JPY (*2)	19.9/CNY	+0.4 JPY	—	JPY	17.5/CNY
	Domestic Vehicle Production		8.08		8.08	—	—		7.33
	Overseas Vehicle Production of Japanese Manufacturers		17.95		17.95	—	—		17.21

\*2 Foreign Exchange Rate of Forecast for the last half : JPY 135.0/USD, 135.0/EUR, 20.0/CNY

# Change in FY2023 Forecast Operating Profit

(Unit: Billions of Yen)



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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)

		FY2023 Full Year 22/4-23/3F									
		22/4-22/9			22/10-23/3F						
		Prior Year	Actual	Change	Prior Year	Revised Estimation	Change from prior year	Prior Year	Forecast (Original)	Forecast (Revised)	Change
Foreign Exchange Rate (Yen)	USD	109.8	134.0	+ 24.2	115.0	135.0	+ 20.0	112.4	129.9	134.5	+22.1
	EUR	130.9	138.7	+ 7.8	130.2	135.0	+ 4.8	130.6	135.8	136.9	+6.3
	CNY	17.0	19.9	+ 2.9	18.0	20.0	+ 2.0	17.5	19.5	19.9	+2.4
Forex Impact on Operating Income per Yen (Billions of Yen)	USD	/			/			3.3	3.3	3.3	-0.0
	EUR	/			/			1.1	0.9	0.9	- 0.2
	CNY	/			/			19.0	22.5	22.6	+3.6
Vehicle Production of Japanese Manufacturers (Millions of Units)	Domestic	3.53	3.58	+ 1.6%	3.80	4.50	+ 18.4%	7.33	8.08	8.08	+ 10.3%
	Overseas	8.36	8.43	+ 0.7%	8.85	9.52	+ 7.6%	17.21	17.95	17.95	+ 4.3%

# Consolidated Revenue (By Customer)

(Unit: Billions of Yen)

	21/4-21/9		22/4-22/9		Change		Change excludes FX difference, etc. %
	Amount	% to Total	Amount	% to Total	Amount	%	
Toyota	1,237.5	47.9	1,408.8	46.7	+171.3	+13.8	+4.9
Daihatsu	58.7	2.3	79.5	2.6	+20.7	+35.3	+27.5
Hino	28.2	1.1	26.0	0.9	-2.1	-7.6	-9.0
<b>Toyota Group</b>	<b>1,324.4</b>	<b>51.3</b>	<b>1,514.3</b>	<b>50.1</b>	<b>+189.9</b>	<b>+14.3</b>	<b>+5.6</b>
Honda	180.5	7.1	194.9	6.5	+14.4	+8.0	-6.5
Stellantis	94.8	3.7	122.4	4.1	+27.6	+29.1	+16.7
(FCA)	76.1	2.9	100.1	3.3	+24.0	+31.5	+17.7
(PSA)	18.7	0.7	22.3	0.7	+3.6	+19.1	+12.7
Ford	58.0	2.2	87.1	2.9	+29.2	+50.3	+25.2
GM	61.4	2.4	81.2	2.7	+19.8	+32.2	+9.1
SUBARU	51.0	2.0	70.3	2.3	+19.3	+37.7	+26.8
Suzuki	51.3	2.0	67.0	2.2	+15.7	+30.7	+21.9
Hyundai/Kia	47.4	1.8	55.4	1.8	+8.0	+17.0	+9.6
Mazuda	47.0	1.8	53.6	1.8	+6.6	+14.0	+12.1
Nissan	37.9	1.5	46.5	1.5	+8.6	+22.8	+13.3
ISUZU	34.8	1.3	44.9	1.5	+10.1	+29.0	+22.1
VW·AUDI	24.7	1.0	34.0	1.1	+9.3	+37.6	+24.6
Mitsubishi	22.0	0.9	26.8	0.9	+4.8	+21.8	+11.8
BMW	23.9	0.9	23.4	0.8	-0.4	-1.9	-9.0
Benz	11.4	0.4	18.1	0.6	+6.6	+57.9	+48.3
Volvo	12.8	0.5	14.3	0.5	+1.5	+11.6	+2.2
OE Sales for others	185.1	7.2	215.9	7.1	+30.8	+16.7	+7.6
<b>OEM Total</b>	<b>2,268.3</b>	<b>87.8</b>	<b>2,670.0</b>	<b>88.4</b>	<b>+401.7</b>	<b>+17.7</b>	<b>+7.6</b>
<b>Non-Automotive Business(*)</b>	<b>314.6</b>	<b>12.2</b>	<b>350.0</b>	<b>11.6</b>	<b>+35.4</b>	<b>+11.3</b>	<b>+2.4</b>
<b>Total</b>	<b>2,582.9</b>	<b>100.0</b>	<b>3,020.1</b>	<b>100.0</b>	<b>+437.2</b>	<b>+16.9</b>	<b>+6.9</b>

\* 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)

	21/4-21/9		22/4-22/9		Change		Change excludes FX difference
	Amount	% to Total	Amount	% to Total	Amount	%	%
Thermal Systems	593.8	23.0	763.2	25.3	+169.4	+28.5	+16.8
Powertrain Systems	631.8	24.5	737.6	24.4	+105.8	+16.7	+4.8
Mobility Electronics	631.7	24.5	723.2	23.9	+91.6	+14.5	+4.5
Electrification Systems	393.3	15.2	480.1	15.9	+86.8	+22.1	+13.4
Advanced Devices	170.8	6.6	171.2	5.7	+0.4	+0.2	-6.6
Others(*)	68.3	2.6	61.4	2.0	-6.8	-10.0	-11.3
<b>Automotive Total</b>	<b>2,489.7</b>	<b>96.4</b>	<b>2,936.8</b>	<b>97.2</b>	<b>+447.1</b>	<b>+18.0</b>	<b>+7.8</b>
<b>Non-Automotive Business Total</b>	<b>93.2</b>	<b>3.6</b>	<b>83.4</b>	<b>2.8</b>	<b>-9.9</b>	<b>-10.7</b>	<b>-13.6</b>
<b>Total</b>	<b>2,582.9</b>	<b>100.0</b>	<b>3,020.1</b>	<b>100.0</b>	<b>+437.2</b>	<b>+16.9</b>	<b>+6.9</b>

\* Including revenue of equipment and repair parts etc.

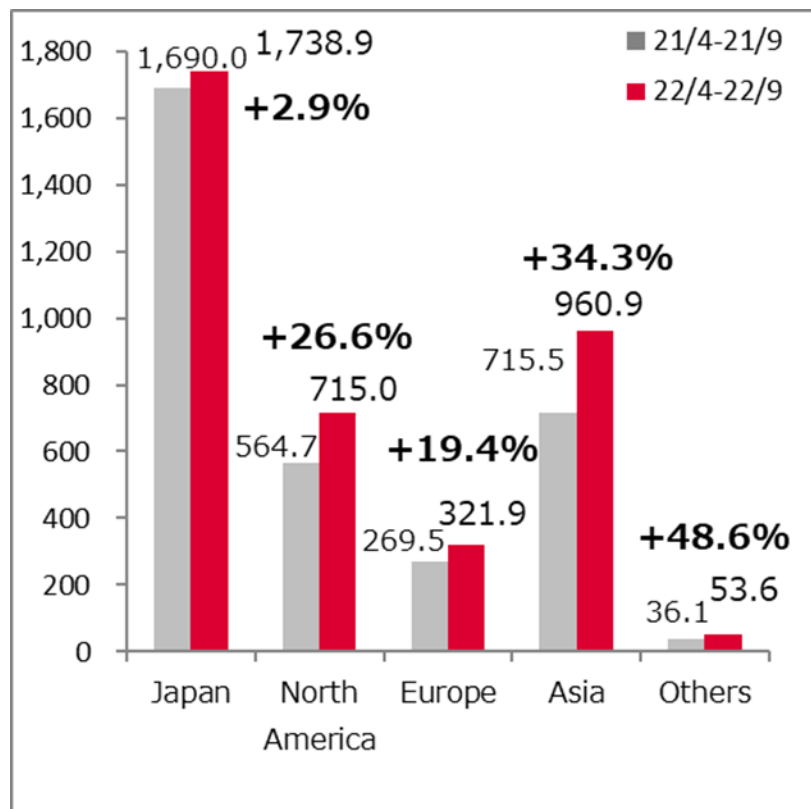
# Geographical Segments by Company Location

JPY basis

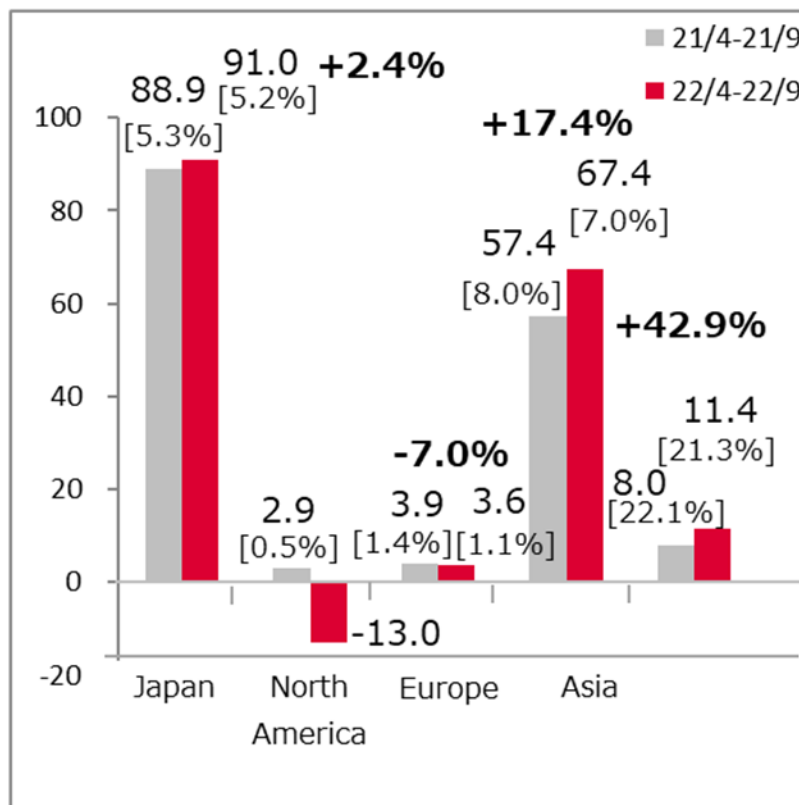
(Unit: Billions of Yen)

[ ]: Ratio to Revenue

## Revenue



## Operating Profit





# Capital Expenditures, Depreciation and R&D Expenditures

(Unit: Billions of Yen)

	21/9	22/3	23/3F		Change	Progress to 23/3 Forecast
			22/9	23/3F		
Japan	113.2	219.2	103.2	231.0	- 8.8%	44.7%
North America	20.3	40.6	27.9	40.0	+37.4%	69.8%
Europe	8.7	19.3	10.4	21.0	+19.5%	49.5%
Asia	26.7	71.6	33.5	79.0	+25.5%	42.4%
Others	1.3	3.2	2.1	4.0	+61.5%	52.5%
Suppression	-	-	-	-10.0	-	-
Capital Expenditure	170.2	353.9	177.1	365.0	+4.1%	48.5%
Japan	104.8	211.6	106.9	219.0	+2.0%	48.8%
North America	20.4	40.8	24.7	43.0	+21.1%	57.4%
Europe	12.8	25.2	12.9	26.0	+0.8%	49.6%
Asia	27.3	56.2	32.5	64.0	+19.0%	50.8%
Others	0.8	1.6	1.2	3.0	+50.0%	40.0%
Depreciation	166.1	335.4	178.2	355.0	+7.3%	50.2%
R&D Expenditure (Ratio to Revenue)	240.9 (9.3%)	497.6 (9.0%)	258.8 (8.6%)	550.0 (8.7%)	+7.4%	47.1%

\*R&D Expenditures includes asset accrual