

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

DENSO

Crafting the Core

**FY2023 3rd Quarter
Financial Results
(2022/4-2022/12)**

Feb. 3 , 2023

DENSO CORPORATION

Overview of FY2023 3rd Quarter Financial Results

1. Revenue in the third quarter increased compared to the previous year due to sales recovery, sales expansion and foreign exchange gains.
Operating profit increased compared to the previous year due to sales recovery, exchange gains and profit improvements.

2. We have revised our revenue and operating profit forecasts for the year based on changing foreign exchange preconditions and current vehicle production losses, adjusting our revenue projection to 6,200.0 billion yen and our operating profit projection to 420.0 billion yen.

FY2023 3rd Quarter Financial Results (2022/4-2022/12)

P/L (IFRS)

	(Ratio to Revenue)		[Unit: Billions of Yen, %]	
	2021/4-2021/12	2022/4-2022/12	Change	
Revenue	4,009.0	4,635.7	+626.6	+15.6%
Operating Profit	(6.4%) 256.3	(5.8%) 267.9	+11.7	+4.6%
Profit before Income Taxes	(7.4%) 296.5	(6.4%) 298.2	+1.6	+0.5%
Profit (*)	(4.8%) 193.4	(4.3%) 197.8	+4.4	+2.3%

* Profit attributable to owners of the parent company

		[Unit: Millions of Units]			
Precondition	Foreign Exchange Rate	JPY 111.1/USD	JPY 136.5/USD	+25.4 JPY	-
		JPY 130.6/EUR	JPY 140.6/EUR	+10.0 JPY	-
		JPY 17.2/CNY	JPY 19.9/CNY	+2.7 JPY	-
	Domestic Vehicle Production	5.43	5.72	+0.29	+5.3%
	Overseas Vehicle Production of Japanese Manufacturers	12.74	12.83	+0.09	+0.7%

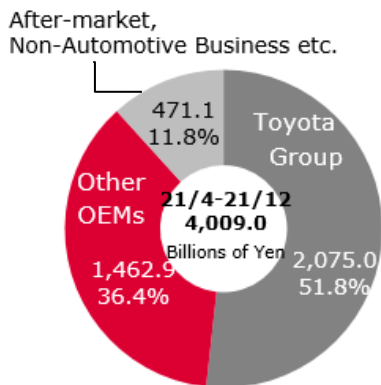
FY2023 3rd Quarter Consolidated Revenue (By Customer)

(Unit: Billions of Yen)

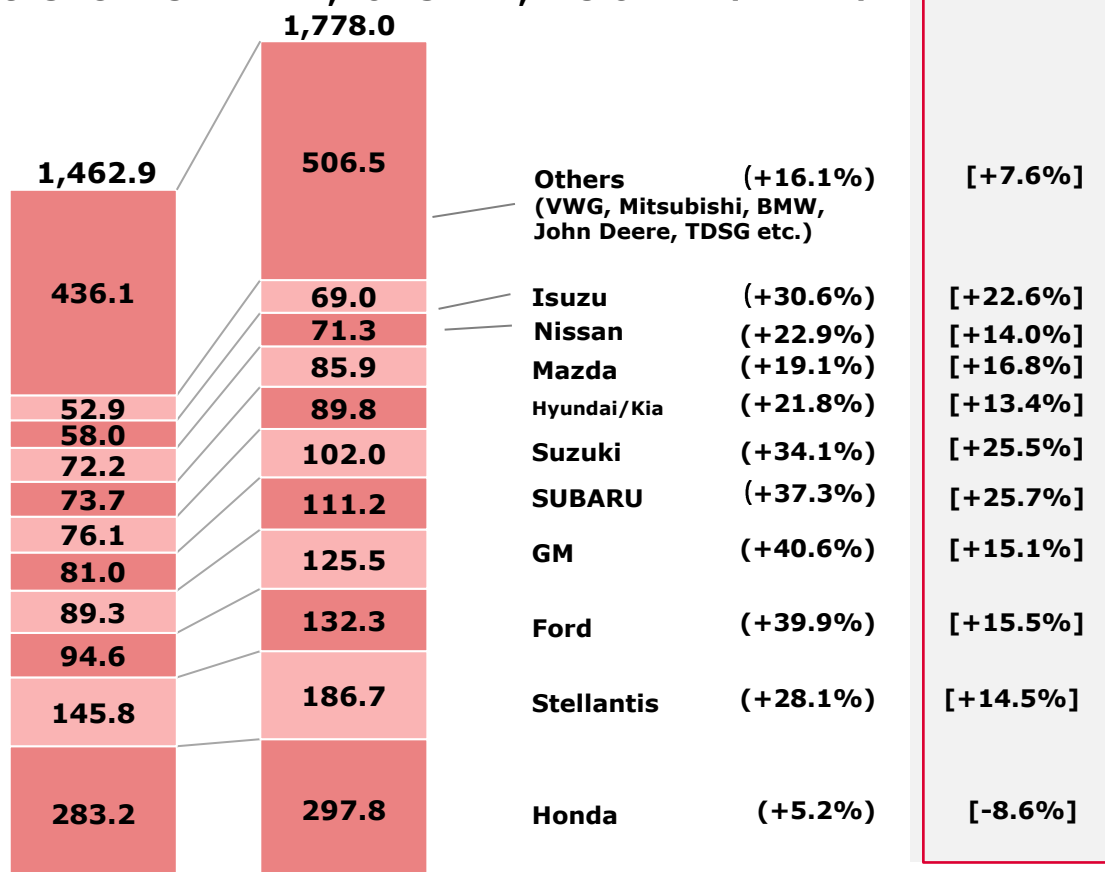
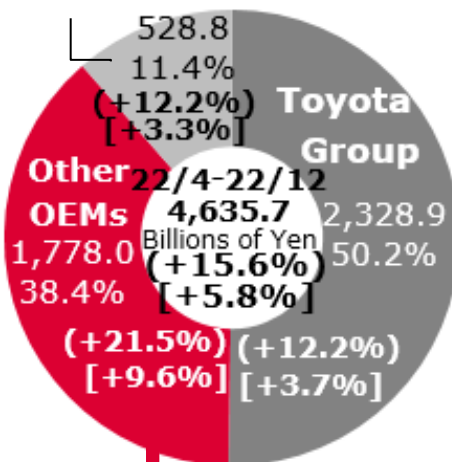
():vs 21/3Q
(9 months basis)
INCR/DECR

[]:vs 21/3Q
(9 months basis)
INCR/DECR excluding FX diff.

Revenue	4,009.0 ⇒ 4,635.7	(+15.6%)	[+5.8%]
Toyota group	2,075.0 ⇒ 2,328.9	(+12.2%)	[+3.7%]
Other OEMs	1,462.9 ⇒ 1,778.0	(+21.5%)	[+9.6%]



After-market, Non-Automotive Business etc.

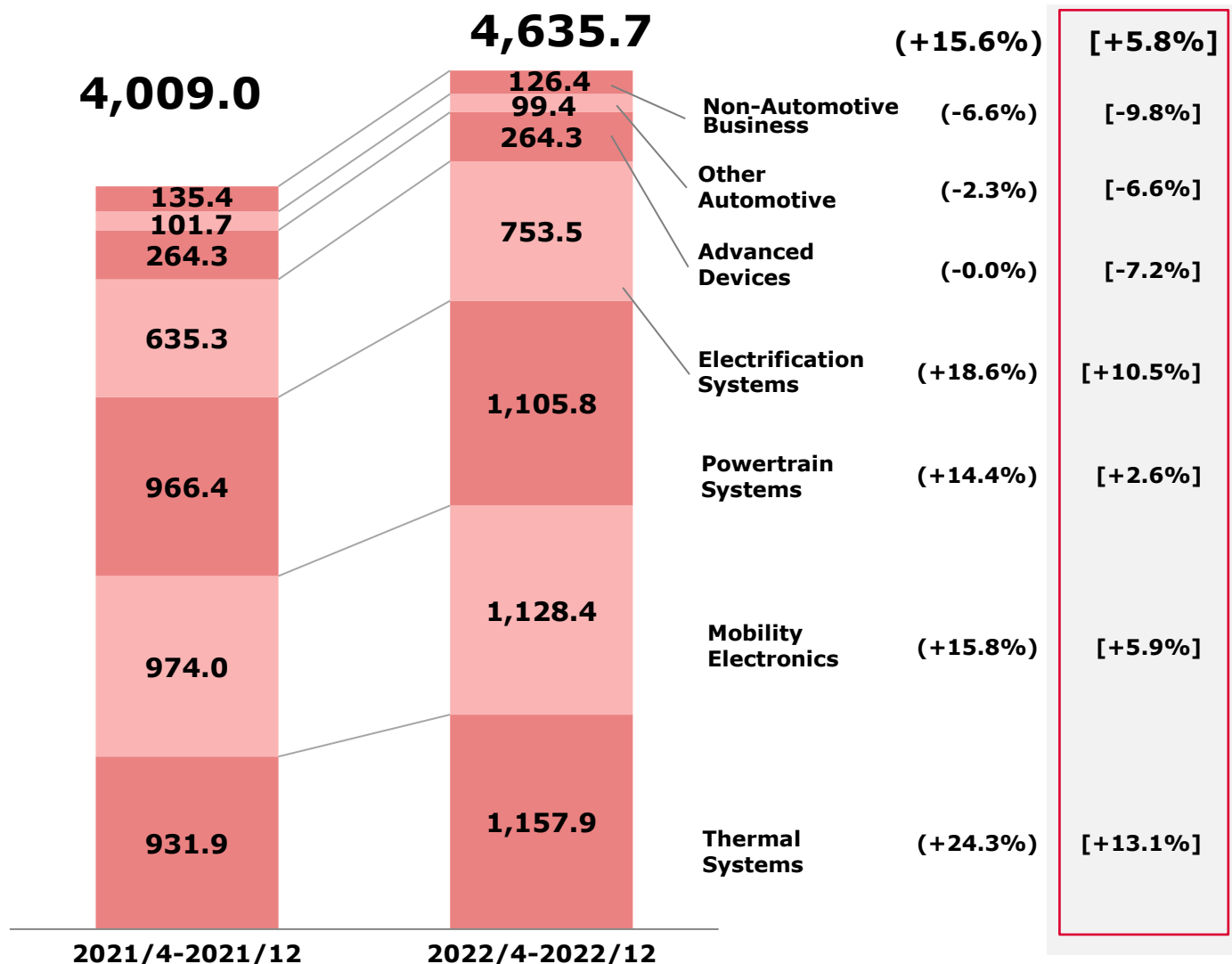


2021/4-2021/12 2022/4-2022/12

FY2023 3rd Quarter Consolidated Revenue (By Product)

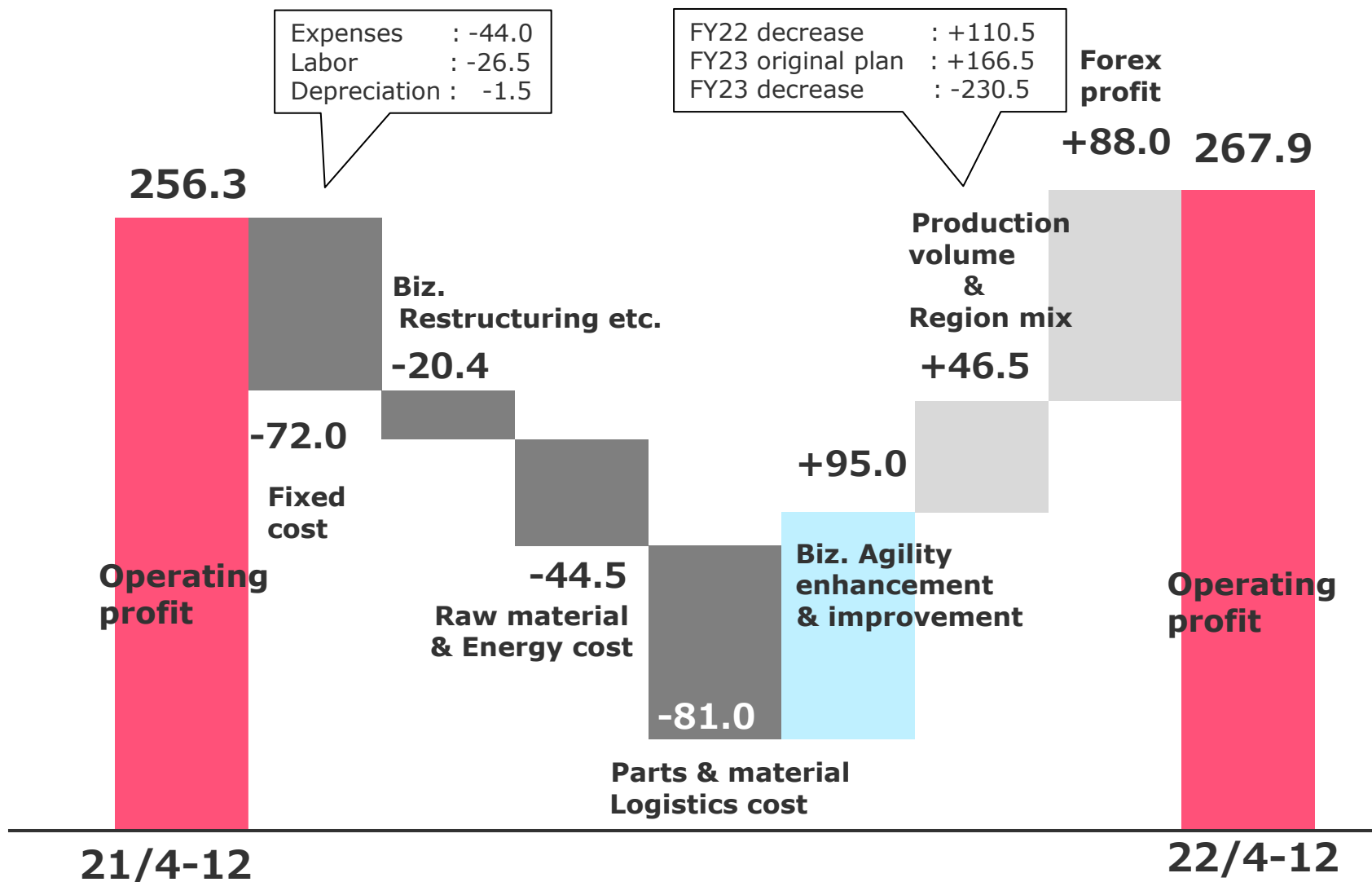
(Unit: Billions of Yen)

():vs 21/3Q (9 months basis) INCR/DECR
 []:vs 21/3Q (9 months basis) INCR/DECR excluding FX diff.



Change in FY2023 3rd Quarter Operating Profit

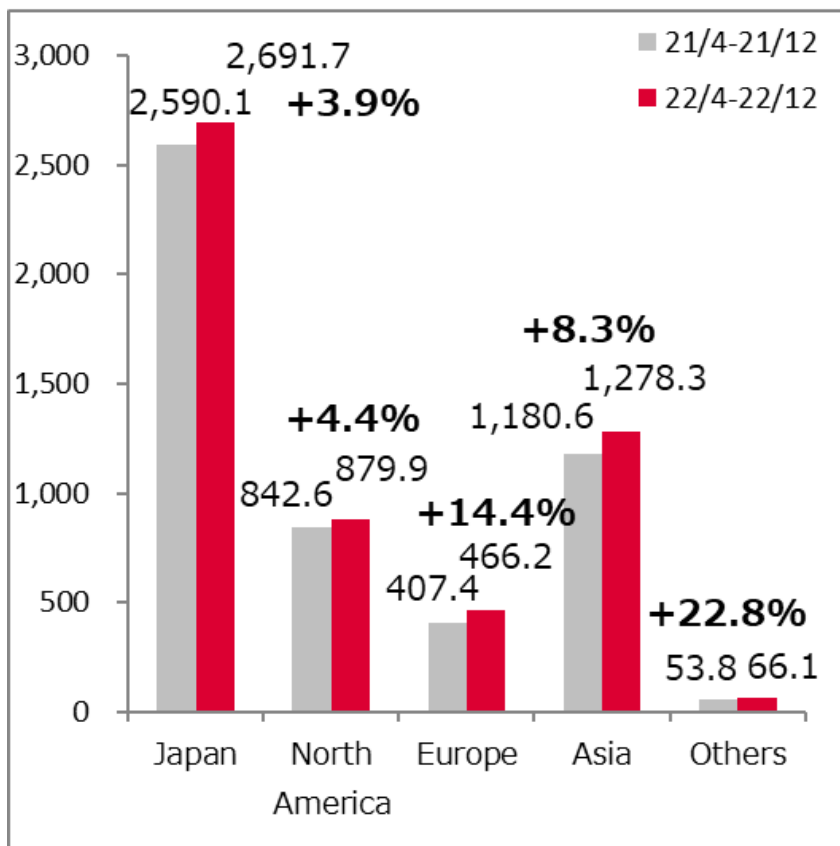
(Unit: Billions of Yen)



Geographical Segments by Company Location

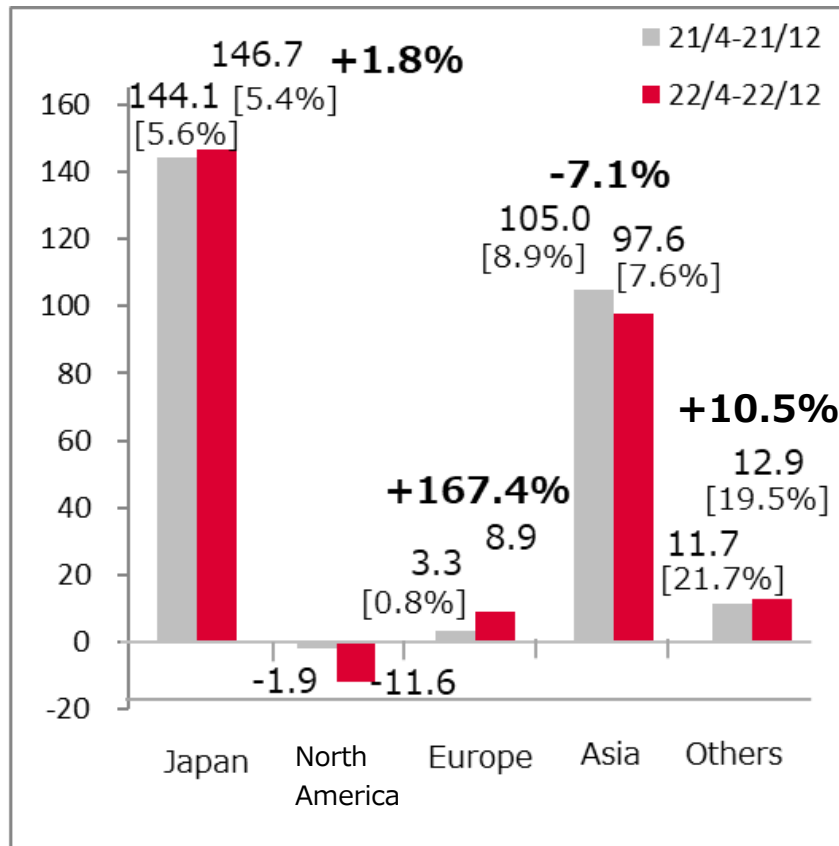
Local currency basis excludes FX difference
 (111.1JPY/1USD, 130.6JPY/1EUR, 17.2JPY/1CNY)

Revenue

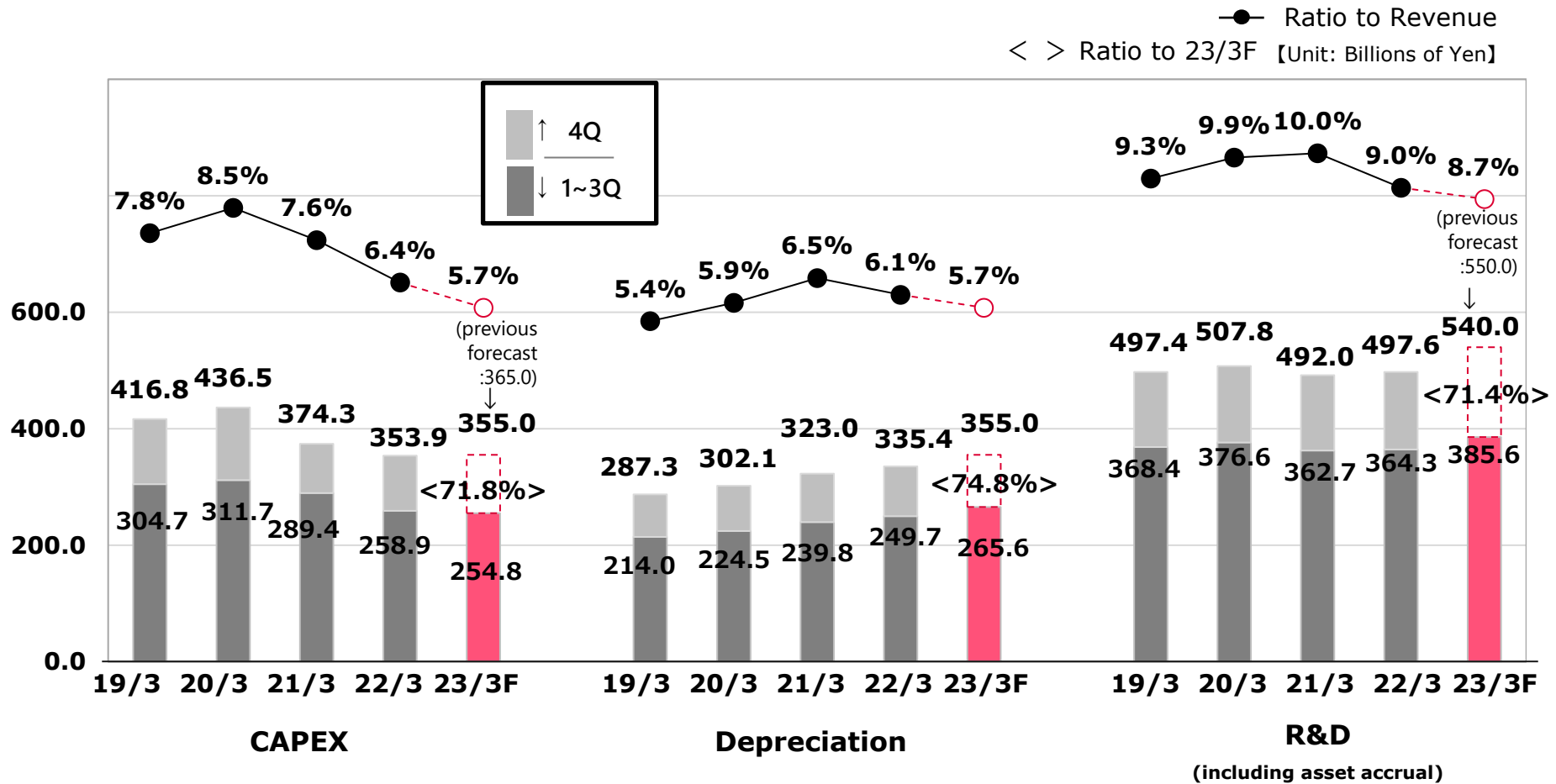


Operating Profit

(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 Sep. 2022	2023/3 Forecast	Change from previous forecast		2022/3 Actual	Change from Mar. 2022		
Revenue	6,310.0	6,200.0	-110.0	-1.7%	5,515.5	+684.5	+12.4%	
Operating Profit	(7.6%) 480.0	(6.8%) 420.0	-60.0	-12.5%	(6.2%) 341.2	+78.8	+23.1%	
Profit before Income Taxes	(8.3%) 523.0	(7.3%) 455.0	-68.0	-13.0%	(7.0%) 384.8	+70.2	+18.2%	
Profit (*1)	(6.0%) 378.0	(5.2%) 322.0	-56.0	-14.8%	(4.8%) 263.9	+58.1	+22.0%	

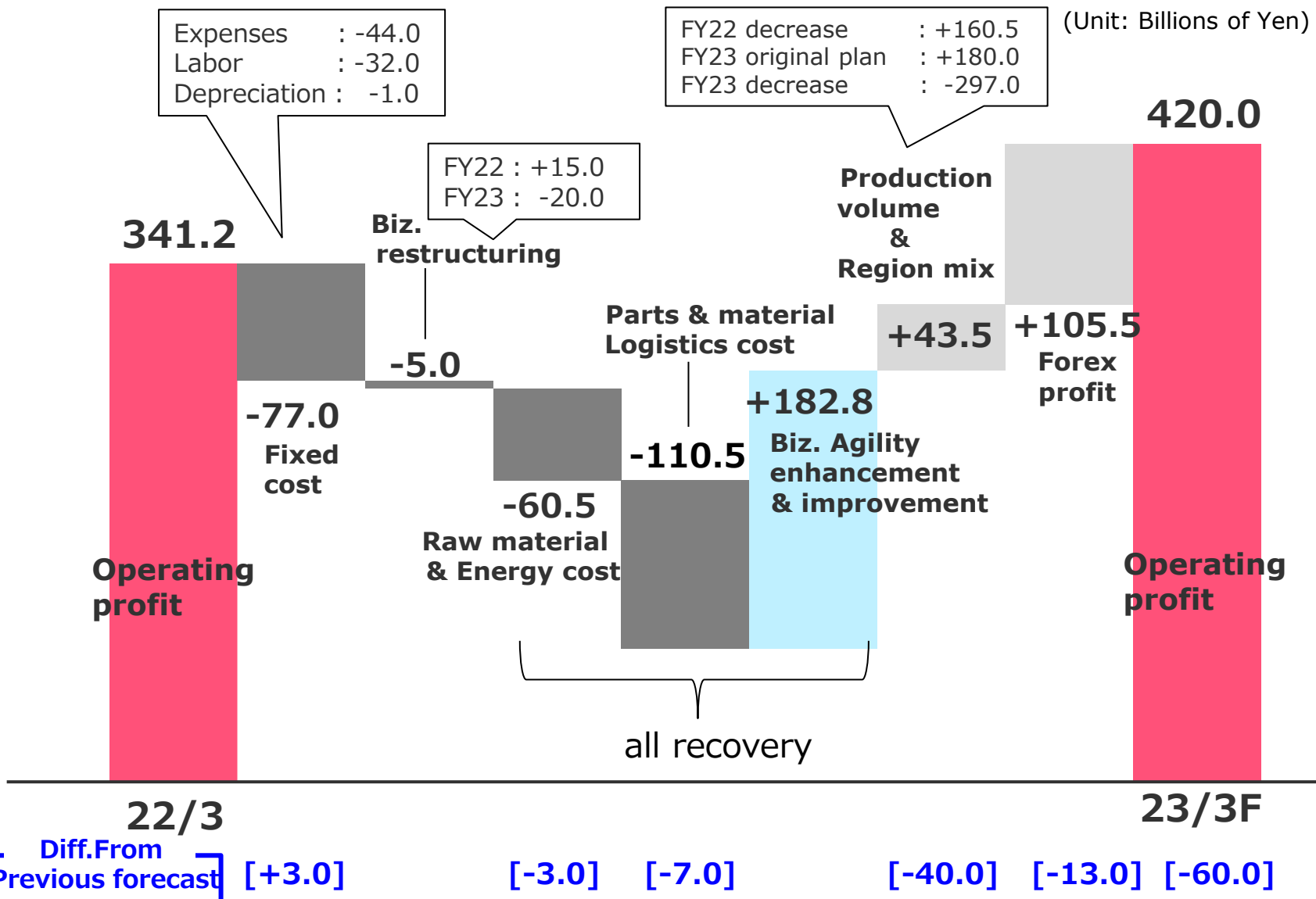
*1 Profit attributable to owners of the parent company

		[Unit:Millions of Units]						
Precondition	Foreign Exchange Rate	JPY 134.5/USD	JPY (*2) 133.6/USD	-0.9 JPY	-	JPY 112.4/USD	+21.2 JPY	-
		JPY 136.9/EUR	JPY (*2) 139.2/EUR	+2.3 JPY	-	JPY 130.6/EUR	+8.6 JPY	-
		JPY 19.9/CNY	JPY (*2) 19.7/CNY	-0.2 JPY	-	JPY 17.5/CNY	+2.2 JPY	-
	Domestic Vehicle Production	8.08	7.51	-0.57	-7.1%	7.33	+0.18	+2.5%
	Overseas Vehicle Production of Japanese Manufacturers	17.95	17.41	-0.54	-3.0%	17.21	+0.20	+1.1%

*2 Foreign Exchange Rate of Forecast for the 4th quarter : JPY 125.0/USD, 135.0/EUR, 19.0/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													
					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 as of 2Q	Forecast (Revised)	Change
Foreign Exchange Rate (Yen)	USD	109.8	134.0	+ 24.2	113.7	141.6	+ 27.9	116.2	125.0	8.8	115.0	135.0	133.3	+ 18.3	112.4	134.5	133.6	+21.2
	EUR	130.9	138.7	+ 7.8	130.1	144.4	+ 14.3	130.4	135.0	4.6	130.2	135.0	139.7	+ 9.5	130.6	136.9	139.2	+8.6
	CNY	17.0	19.9	+ 2.9	17.8	19.9	+ 2.1	18.3	19.0	0.7	18.0	20.0	19.4	+ 1.4	17.5	19.9	19.7	+2.2
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	22.6	22.6	+3.5		
Vehicle Production of Japanese Manufacturers (Millions of Units)	Domestic	3.53	3.58	+ 1.6%	1.90	2.13	+ 12.0%	1.90	1.79	- 5.4%	3.80	4.50	3.93	+ 3.3%	7.33	8.08	7.51	+ 2.5%
	Overseas	8.36	8.43	+ 0.7%	4.38	4.40	+ 0.6%	4.47	4.58	+ 2.4%	8.85	9.52	8.98	+ 1.5%	17.21	17.95	17.41	+ 1.1%

Consolidated Revenue (By Customer)

(Unit: Billions of Yen)

	21/4-21/12		22/4-22/12		Change		Change excludes FX difference, etc. %
	Amount	% to Total	Amount	% to Total	Amount	%	
Toyota	1,935.1	48.3	2,161.2	46.6	+226.1	+11.7	+2.9
Daihatsu	98.0	2.4	128.1	2.8	+30.0	+30.6	+23.7
Hino	41.9	1.0	39.6	0.9	-2.3	-5.4	-7.1
Toyota Group	2,075.0	51.8	2,328.9	50.2	+253.9	+12.2	+3.7
Honda	283.2	7.2	297.8	6.4	+14.6	+5.2	-8.6
Stellantis	145.8	3.6	186.7	4.0	+41.0	+28.1	+14.5
(FCA)	116.6	2.9	152.5	3.3	+35.9	+30.8	+15.8
(PSA)	29.2	0.7	34.2	0.7	+5.0	+17.3	+9.4
Ford	94.6	2.4	132.3	2.9	+37.8	+39.9	+15.5
GM	89.3	2.2	125.5	2.7	+36.2	+40.6	+15.1
SUBARU	81.0	2.0	111.2	2.4	+30.2	+37.3	+25.7
Suzuki	76.1	1.9	102.0	2.2	+26.0	+34.1	+25.5
Hyundai/Kia	73.7	1.8	89.8	1.9	+16.1	+21.8	+13.4
Mazuda	72.2	1.8	85.9	1.9	+13.8	+19.1	+16.8
Nissan	58.0	1.4	71.3	1.5	+13.3	+22.9	+14.0
ISUZU	52.9	1.3	69.0	1.5	+16.2	+30.6	+22.6
VW·AUDI	37.8	0.9	48.4	1.0	+10.6	+27.9	+15.5
Mitsubishi	34.9	0.9	41.1	0.9	+6.1	+17.5	+7.8
BMW	36.3	0.9	33.8	0.7	-2.6	-7.1	-14.8
Benz	18.1	0.5	26.0	0.6	+7.9	+43.8	+33.3
Volvo	20.7	0.5	22.4	0.5	+1.8	+8.6	-1.1
OE Sales for others	288.5	7.2	334.8	7.2	+46.2	+16.0	+8.4
OEM Total	3,538.0	88.2	4,106.9	88.6	+568.9	+16.1	+6.1
Non-Automotive Business(*)	471.1	11.8	528.8	11.4	+57.7	+12.2	+3.3
Total	4,009.0	100.0	4,635.7	100.0	+626.6	+15.6	+5.8

* 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)

	21/4-21/12		22/4-22/12		Change		Change excludes FX difference
	Amount	% to Total	Amount	% to Total	Amount	%	%
Thermal Systems	931.9	23.2	1,157.9	25.0	+226.0	+24.3	+13.1
Mobility Electronics	974.0	24.3	1,128.4	24.3	+154.4	+15.8	+5.9
Powertrain Systems	966.4	24.1	1,105.8	23.9	+139.4	+14.4	+2.6
Electrification Systems	635.3	15.8	753.5	16.3	+118.2	+18.6	+10.5
Advanced Devices	264.3	6.6	264.3	5.7	-0.0	- 0.0	-7.2
Others(*)	101.7	2.5	99.4	2.1	-2.3	- 2.3	-6.6
Automotive Total	3,873.6	96.6	4,509.3	97.3	+635.6	+16.4	+6.3
Non-Automotive Business Total	135.4	3.4	126.4	2.7	-8.9	- 6.6	-9.8
Total	4,009.0	100.0	4,635.7	100.0	+626.6	+15.6	+5.8

* Including revenue of equipment and repair parts etc.

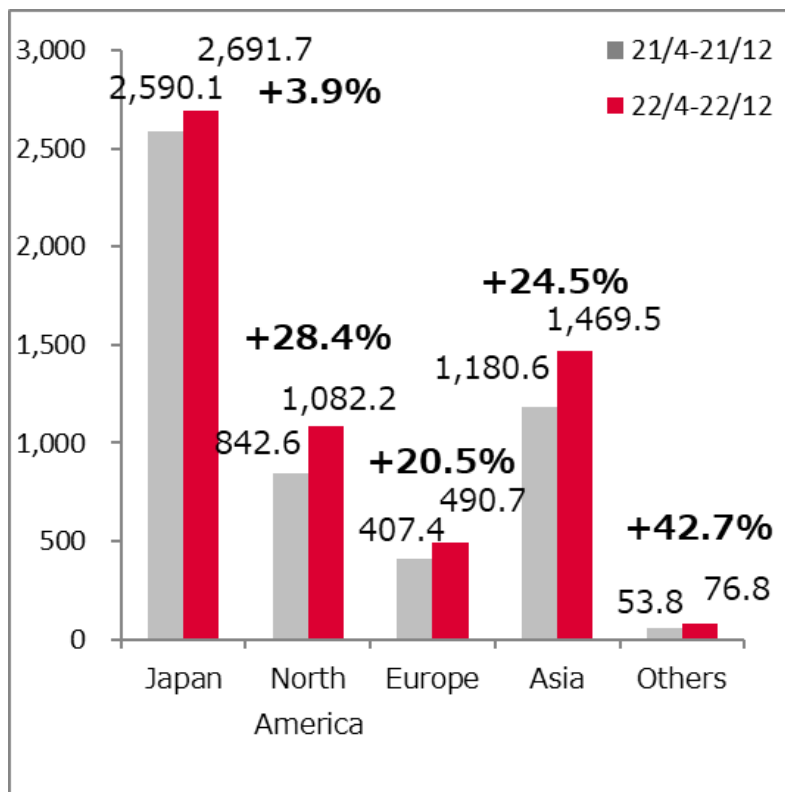
Geographical Segments by Company Location

JPY basis

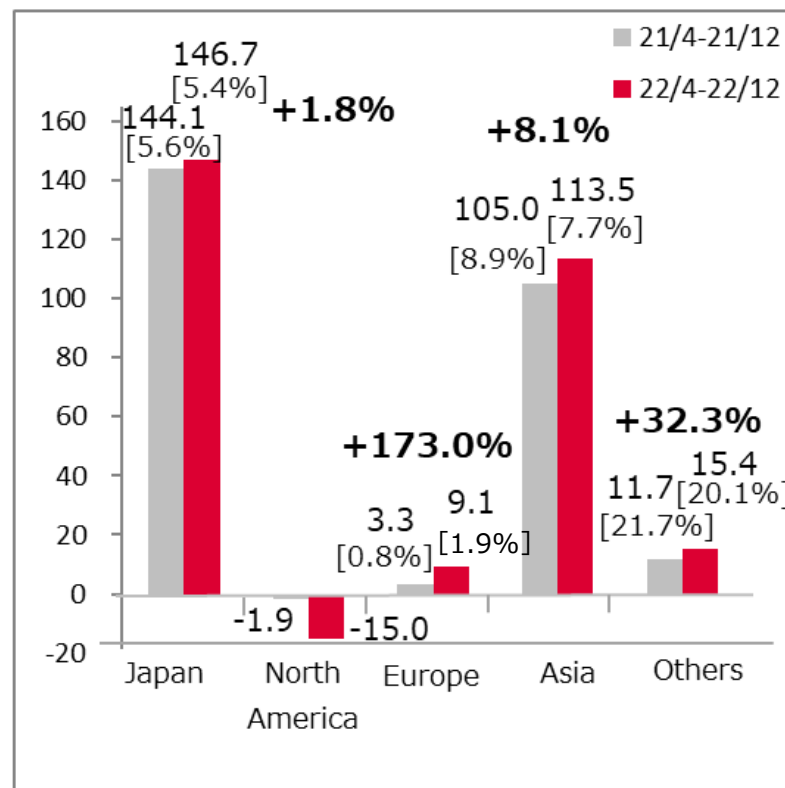
(Unit: Billions of Yen)

[]: Ratio to Revenue

Revenue



Operating Profit



Capital Expenditures, Depreciation and R&D Expenditures

(including asset accrual)

(Unit: Billions of Yen)

		22/3		23/3F		Change	Progress to 23/3 Forecast
		21/12	22/12	22/12	23/3F		
Japan	163.2	219.2	148.0	231.0	- 9.3%	64.1%	
North America	30.3	40.6	37.3	40.0	+23.1%	93.3%	
Europe	13.1	19.3	16.2	21.0	+23.7%	77.1%	
Asia	50.2	71.6	50.0	79.0	- 0.4%	63.3%	
Others	2.1	3.2	3.3	4.0	+57.1%	82.5%	
Suppression ※	-	-	-	-20.0	-	-	
Capital Expenditure	258.9	353.9	254.8	355.0	- 1.6%	71.8%	
Japan	157.3	211.6	159.3	219.0	+1.3%	72.7%	
North America	30.5	40.8	36.7	43.0	+20.3%	85.3%	
Europe	19.1	25.2	18.2	26.0	- 4.7%	70.0%	
Asia	41.6	56.2	49.6	64.0	+19.2%	77.5%	
Others	1.2	1.6	1.8	3.0	+50.0%	60.0%	
Depreciation	249.7	335.4	265.6	355.0	+6.4%	74.8%	
R&D Expenditure (Ratio to Revenue)	364.3 (9.1%)	497.6 (9.0%)	385.6 (8.3%)	540.0 (8.7%)	+5.8%	71.4%	

※ Suppress investment by examining each project strictly.