

DENSO

Crafting the Core

FY2024 3rd Quarter Financial Results (2023/4-2023/12)

February 2nd , 2024

DENSO CORPORATION



Overview of FY2024 3rd Quarter Financial Results

1. Revenue in the third quarter increased compared to the previous year due to the strong vehicle sales mainly in Japan and North America, foreign exchange gains and expansion of products for electrification, safety and peace of mind areas.

Operating profit in the third quarter decreased compared to the previous year due to the continuing rise in the cost of materials, especially electronic components, and the adding provision for quality, though production volume, foreign exchange gains and improvement.
2. In this fiscal year, we forecast 7,120.0 billion yen in revenue and 495.0 billion yen in operating profit.

Forecast of revenue will be based on actuals of foreign exchange gains in the third quarter and forecast in the fourth quarter.

Forecast of operating profit will be based on the adding provision for quality.

FY2024 3rd Quarter Consolidated Financial Results (2023/4-2023/12)

【Unit : Billions of Yen, %】
(Ratio to Revenue)

	2022/4-2022/12		2023/4-2023/12		Change	
Revenue		4,635.7		5,354.9	+719.2	+15.5%
Operating Profit	(5.8%)	267.9	(4.5%)	238.6	-29.4	-11.0%
Profit before Income Taxes	(6.4%)	298.2	(5.4%)	288.7	-9.4	-3.2%
Profit (*1)	(4.3%)	197.8	(3.3%)	175.6	-22.2	-11.2%

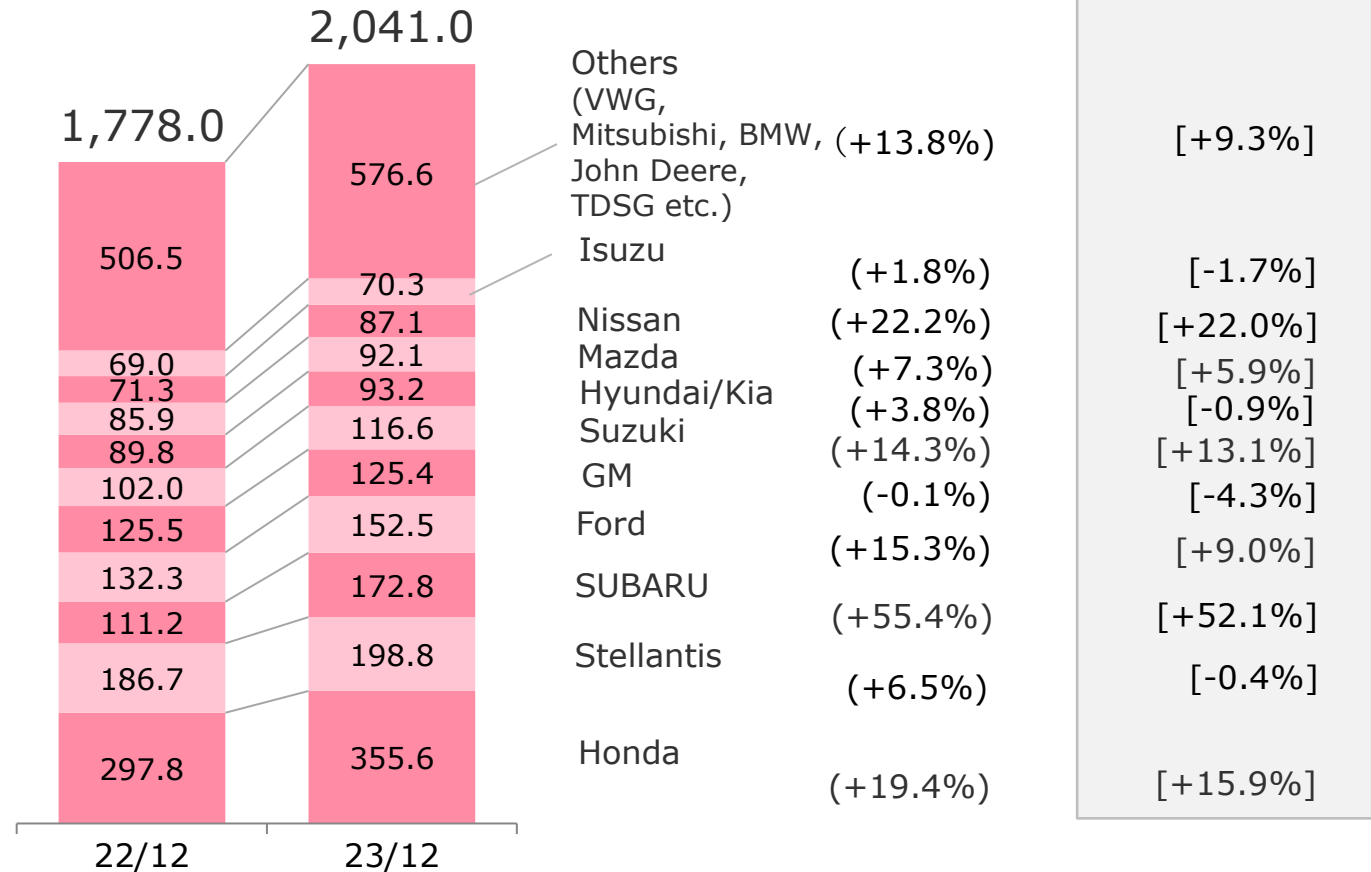
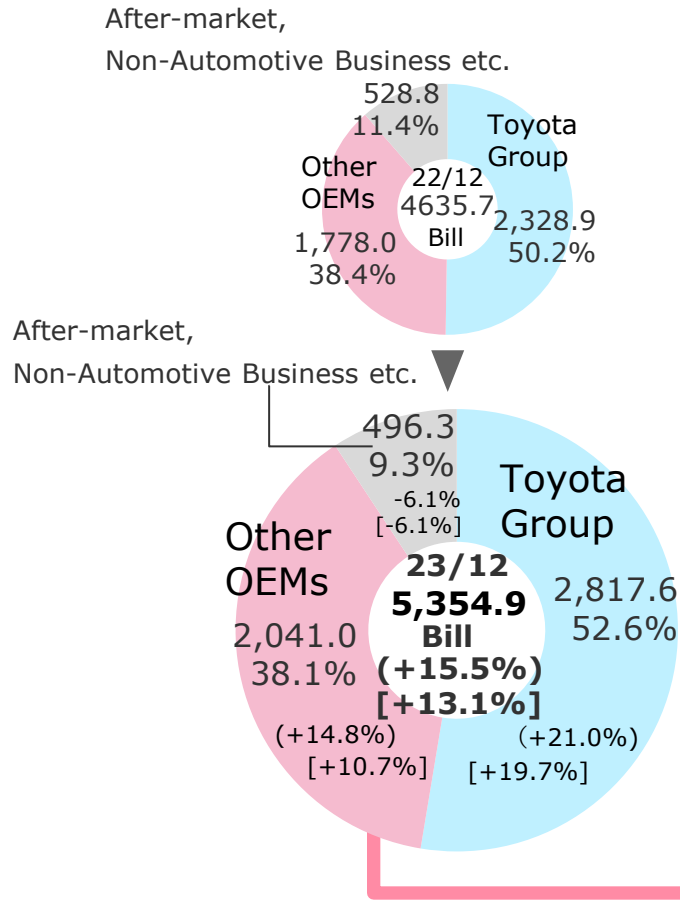
Precondition	Foreign Exchange Rate	JPY	136.5/USD	JPY	143.3/USD	+6.8 JPY	-
		JPY	140.6/EUR	JPY	155.3/EUR	+14.7 JPY	-
		JPY	19.9/CNY	JPY	20.0/CNY	+0.1 JPY	-
	Domestic Vehicle Production		5.72Mil		6.63Mil	+0.91Mil	+15.9%
	Overseas Vehicle Production of Japanese Manufacturers		12.78Mil		13.64Mil	+0.86Mil	+6.7%

(*1) Profit attributable to owners of the parent company

FY2024 3rd Quarter Consolidated Revenue (By Customer)

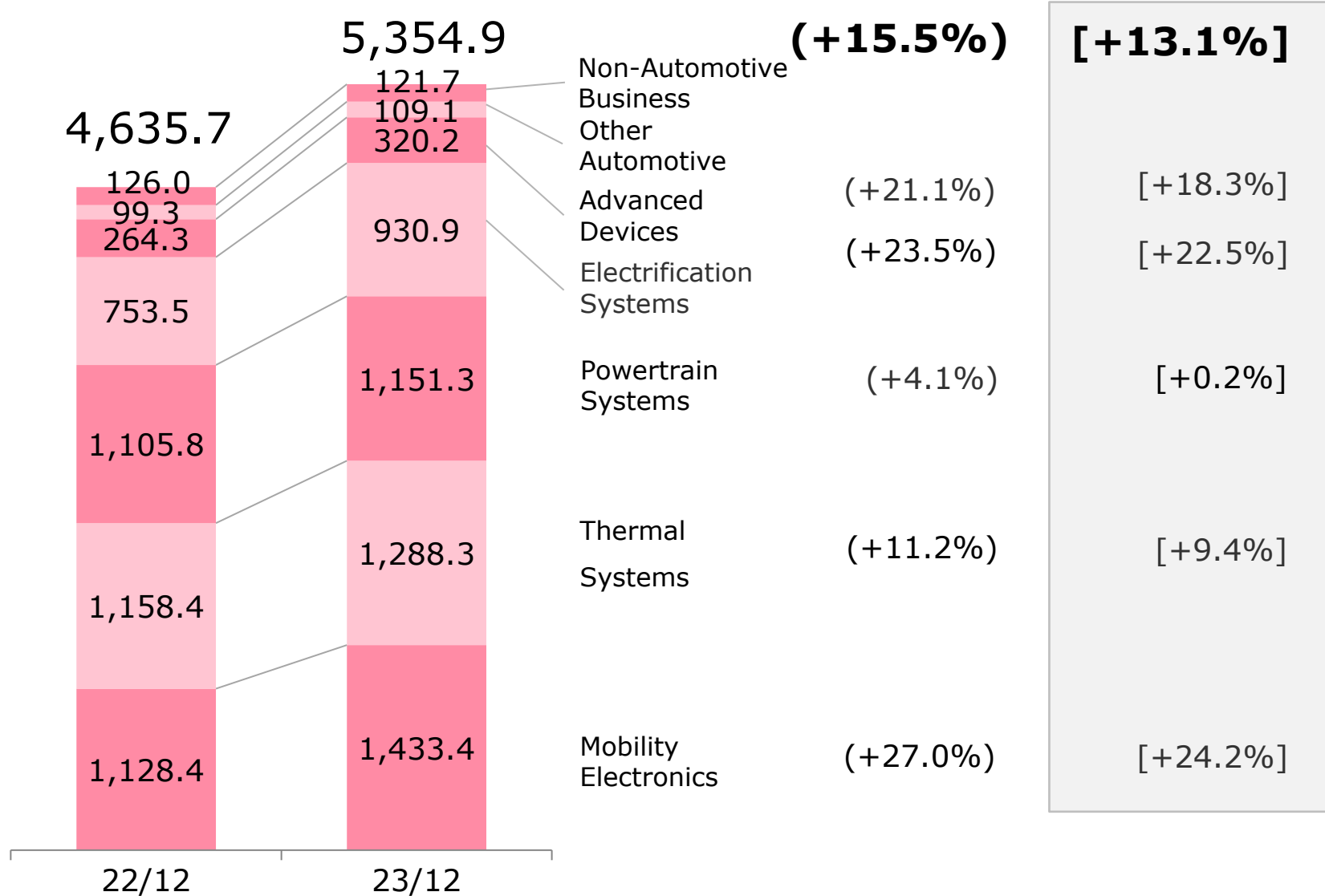
(Unit: Billions of Yen)
 (vs 22/12 (9 months basis)
 INCR/DECR)
 [vs 22/12 (9 months basis)
 INCR/DECR excluding FX diff.]

Revenue	4,635.7	⇒	5,354.9	(+15.5%)	[+13.1%]
·Toyota group	2,328.9	⇒	2,817.6	(+21.0%)	[+19.7%]
·Other OEM s	1,778.0	⇒	2,041.0	(+14.8%)	[+10.7%]



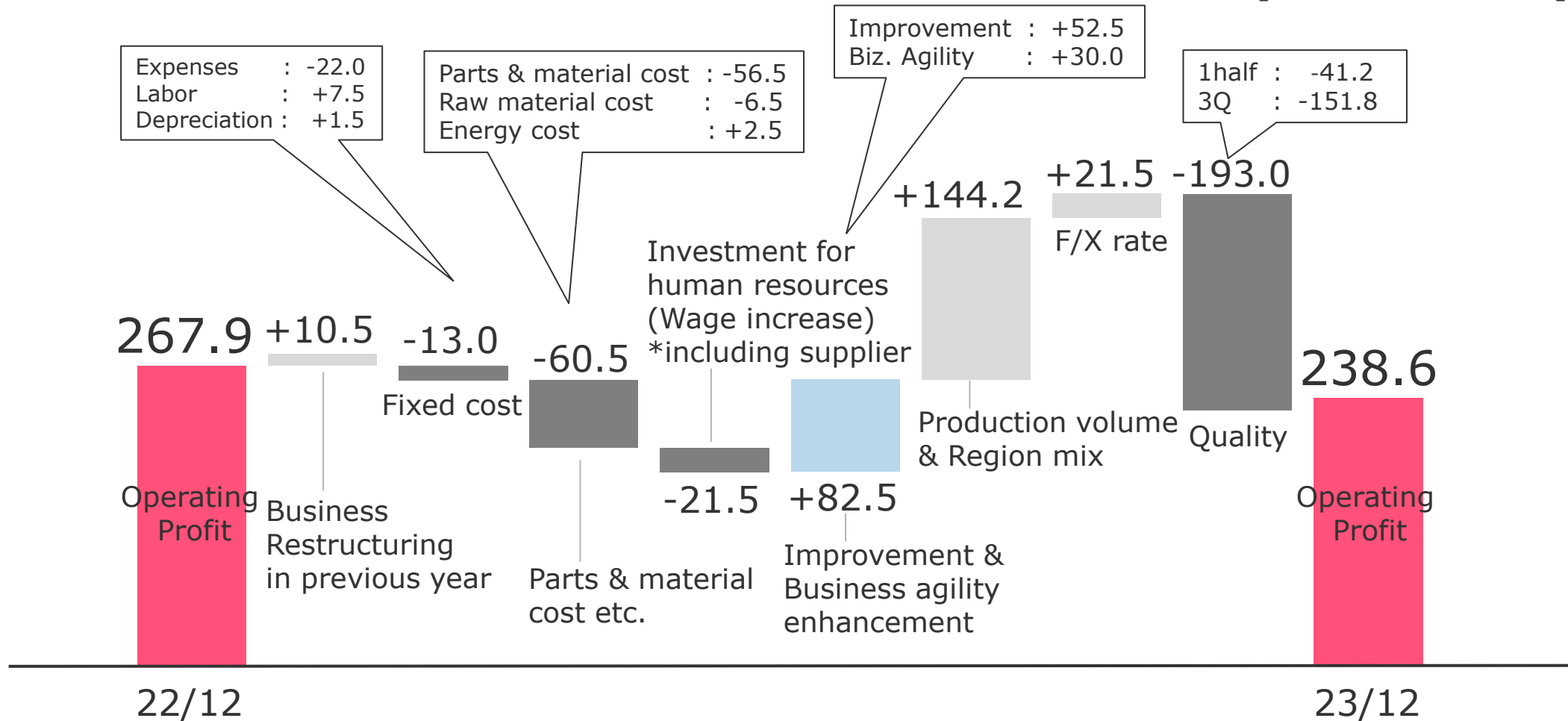
FY2024 3rd Quarter Consolidated Revenue (By Product)

(Unit: Billions of Yen)
 (vs 22/12 (9 months basis)
 INCR/DECR)
 [vs 22/12 (9 months basis)
 INCR/DECR excluding FX diff.]



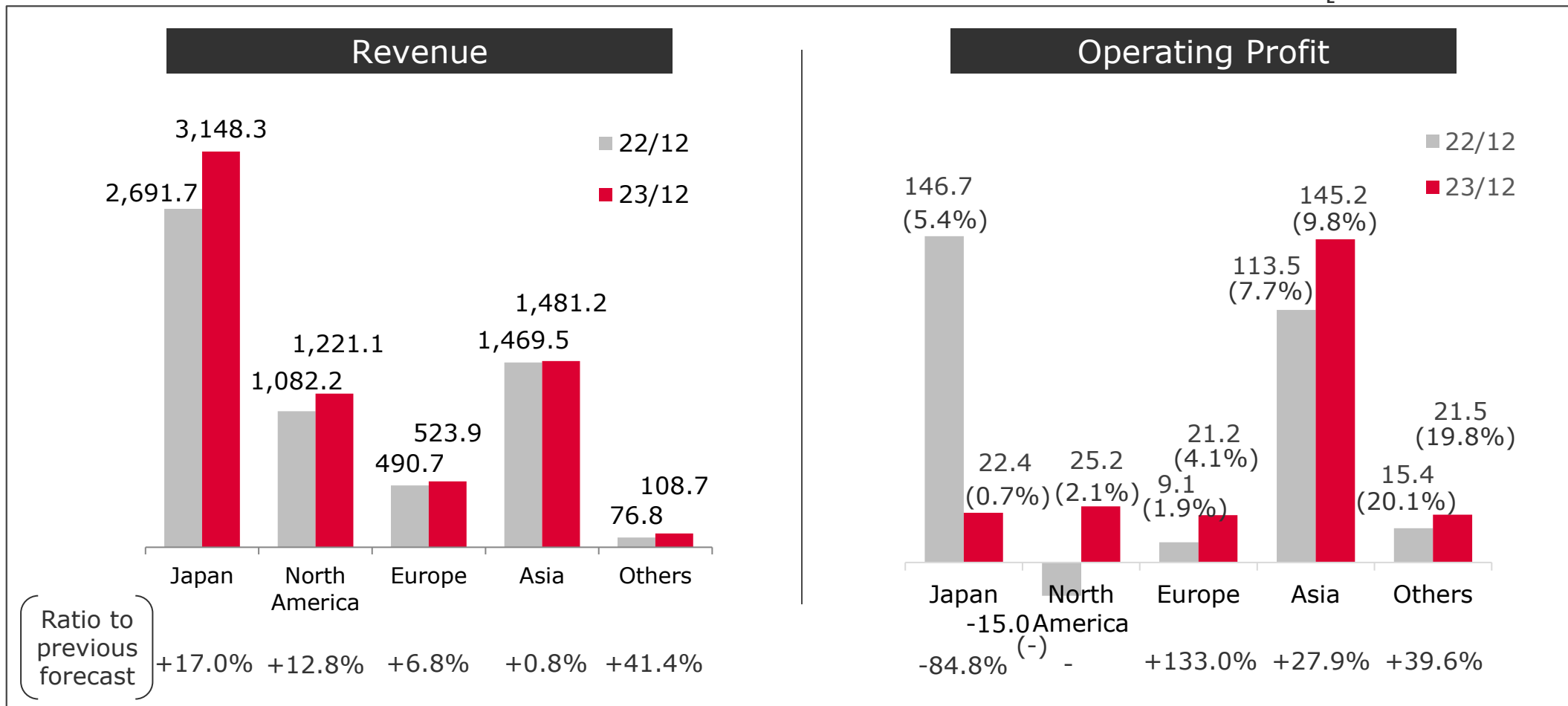
Change in FY2024 3rd Quarter Consolidated Operating Profit

【Unit : Billions of Yen】



Geographical Segments by Company Location

【Unit : Billions of Yen】
 [Ratio to Revenue]

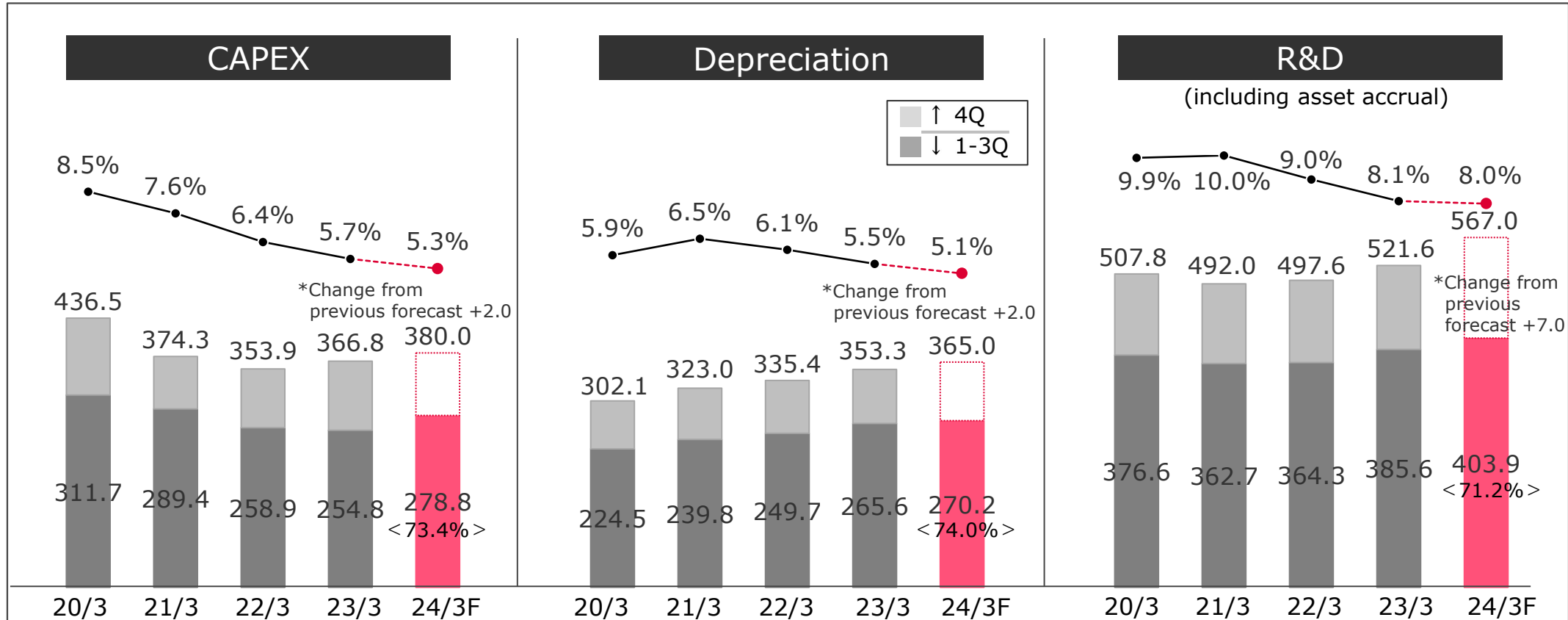


*Local currency basis excludes FX difference (136.5JPY/1USD, 140.6JPY/1EUR, 19.9JPY/1CNY)

Trend of Capital Expenditures, Depreciation and R&D Expenditures

● Ratio to Revenue [Unit : Billions of Yen]

< Ratio to 24/3F >



<Examples of recent investment and development >

- CAPEX : DENSO MANUFACTURING HUNGARY started mass production of inverters for TOYOTA.
- R&D : DENSO joined "Advanced SoC Research for Automotive" to conduct research and develop high-performance digital semiconductors(SoC) for use in automobiles.

FY2024 Financial Forecast

【Unit : Billions of Yen, %】
(Ratio to Revenue)

	Forecast as of Sep. 2023		2024/3 Forecast		Change from previous forecast		2023/3 Actual		Change from Mar. 2023	
Revenue		7,000.0		7,120.0	+120.0	+1.7%		6,401.3	+718.7	+11.2%
Operating Profit	(9.0%)	630.0	(7.0%)	495.0	-135.0	-21.4%	(6.7%)	426.1	+68.9	+16.2%
Profit before Income Taxes	(9.8%)	684.0	(7.7%)	548.0	-136.0	-19.9%	(7.1%)	456.9	+91.1	+19.9%
Profit (*1)	(6.7%)	470.0	(5.3%)	380.0	-90.0	-19.1%	(4.9%)	314.6	+65.4	+20.8%
Return on Equity		9.7%		8.1%	—	-1.6%		7%	—	+0.8%

Precondition	Foreign Exchange Rate	JPY 140.5/USD	(*3) 143.7/USD	+3.2 JPY	—	JPY 135.5/USD	+8.2 JPY	—
		JPY 151.7/EUR	(*3) 155.2/EUR	+3.5 JPY	—	JPY 141.0/EUR	+14.2 JPY	—
		JPY 19.6/CNY	(*3) 20.0/CNY	+0.4 JPY	—	JPY 19.7/CNY	+0.3 JPY	—
	Domestic Vehicle Production	(*2) 9.08Mil	8.81Mil	-0.27	-3.0%	7.92Mil	+0.89Mil	+11.2%
	Overseas Vehicle Production of Japanese Manufacturers	(*2) 18.52Mil	18.08Mil	-0.44	-2.4%	16.96Mil	+1.12Mil	+6.6%

(*1) Profit attributable to owners of the parent company

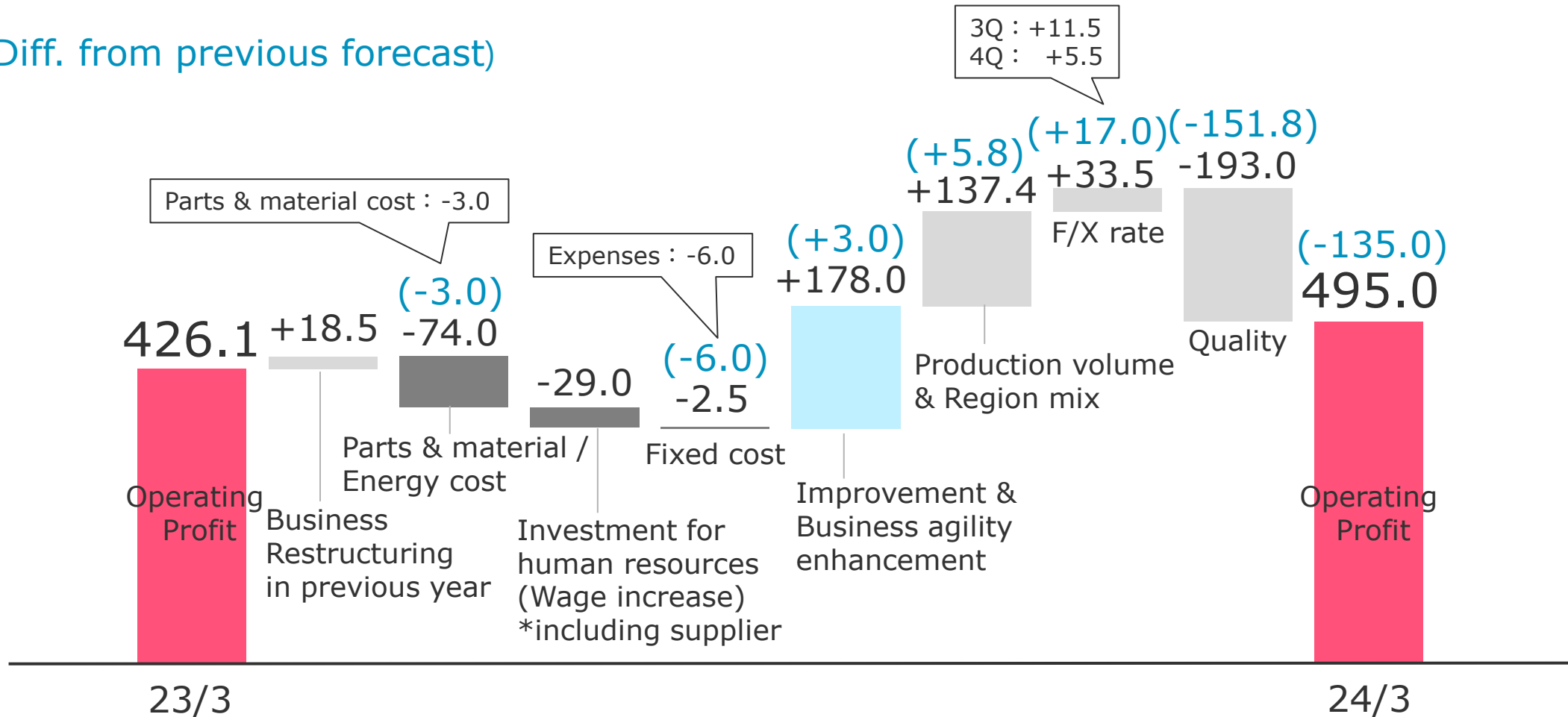
(*2) Risk of external environment deterioration is not reflected to Forecast for Mar, 2024.

(*3) Foreign exchange rate of forecast for the fourth quarter : JPY 145.0/USD, 155.0/EUR, 20.0/CNY

Change in FY2024 Forecast Operating Profit

【Unit : Billions of Yen】

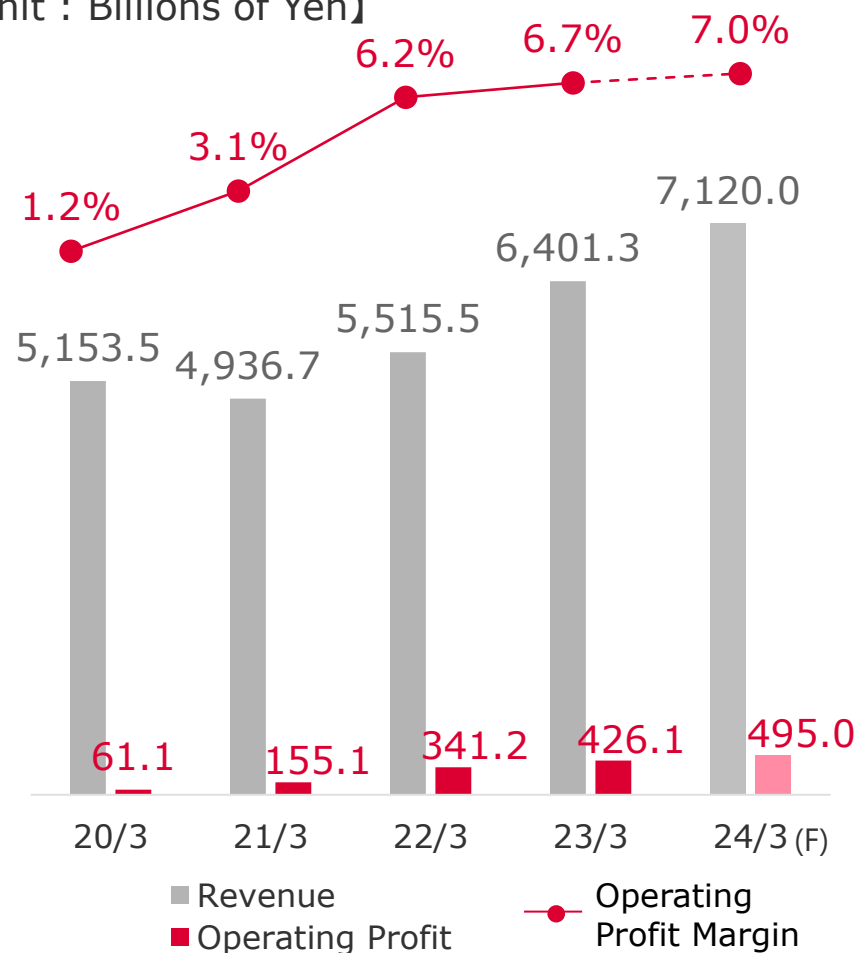
(Diff. from previous forecast)



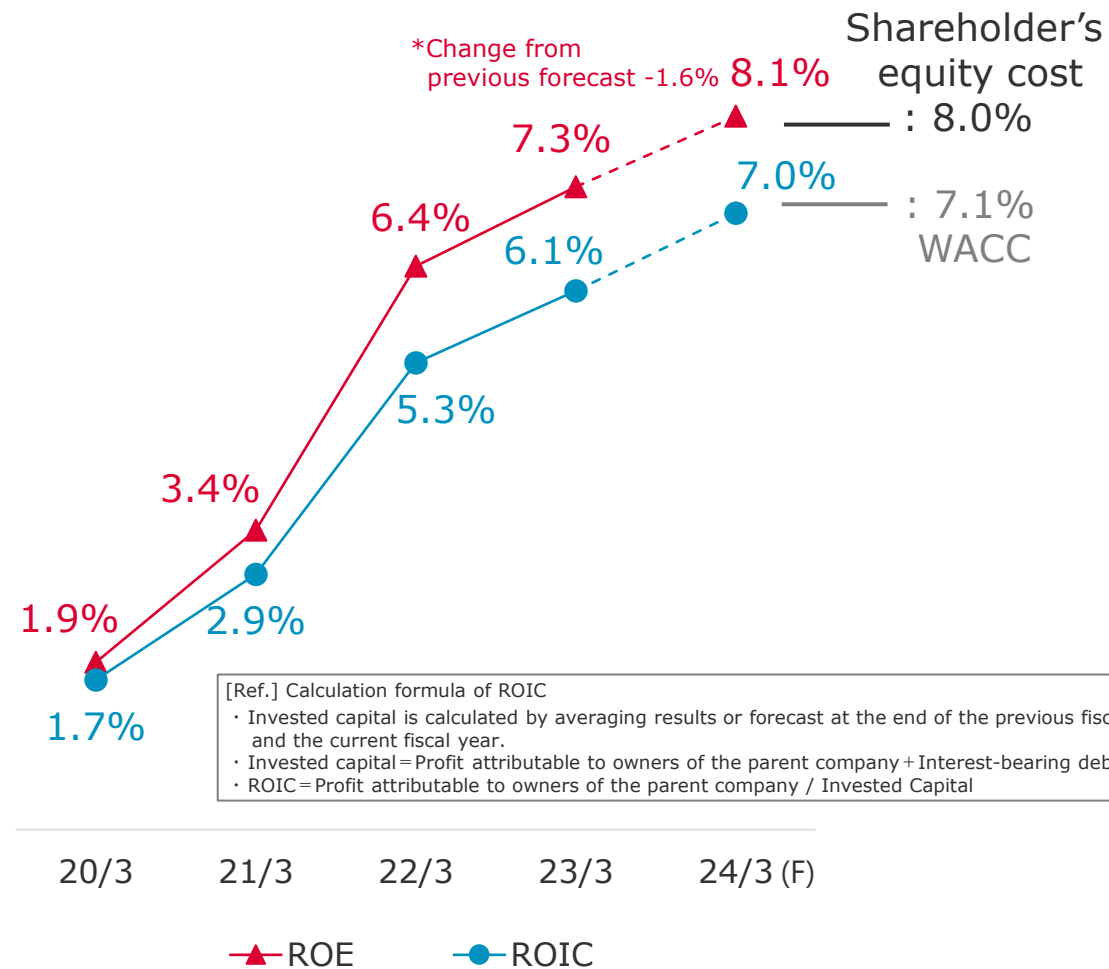
Major Financial Indicator

Revenue/Operating Profit/ Operating Profit Margin

【Unit : Billions of Yen】



ROE·ROIC



[Ref.] Calculation formula of ROIC
 · Invested capital is calculated by averaging results or forecast at the end of the previous fiscal year and the current fiscal year.
 · Invested capital = Profit attributable to owners of the parent company + Interest-bearing debt
 · ROIC = Profit attributable to owners of the parent company / Invested Capital

DENSO

Crafting the Core