

Unaudited Condensed Interim Consolidated Statement of Changes in Equity

[For the six-month period ended September 30, 2024]

(Unit: Millions of yen)

	Equity attributable to owners of the parent company					
	Capital stock	Capital surplus	Treasury stock	Other components of equity		
				Net fair value gain on equity instruments designated as FVTOCI	Remeasurements of defined benefit pension plans	Exchange differences on translating foreign operations
As of April 1, 2023	187,457	273,664	(252,270)	660,038	–	300,274
Profit for the period	–	–	–	–	–	–
Other comprehensive income (loss)	–	–	–	449,122	42	182,214
Comprehensive income (loss) for the period	–	–	–	449,122	42	182,214
Acquisition of treasury stock	–	–	(19)	–	–	–
Disposal of treasury stock	–	43	153	–	–	–
Dividends	–	–	–	–	–	–
Changes in the ownership interest in subsidiaries without a loss of control	–	4	–	–	–	–
Transfer to retained earnings	–	–	–	1,200	(42)	–
Transfer to other comprehensive income associated with assets held for sale	–	–	–	–	–	–
Other	–	–	–	–	–	–
Total transactions with the owners	–	47	134	1,200	(42)	–
As of September 30, 2023	187,457	273,711	(252,136)	1,110,360	–	482,488
As of April 1, 2024	187,457	273,481	(452,140)	1,301,445	–	518,254
Profit for the period	–	–	–	–	–	–
Other comprehensive (loss) income	–	–	–	(533,686)	13	(77,150)
Comprehensive (loss) income for the period	–	–	–	(533,686)	13	(77,150)
Acquisition of treasury stock	–	–	(2)	–	–	–
Disposal of treasury stock	–	59	147	–	–	–
Dividends	–	–	–	–	–	–
Changes in the ownership interest in subsidiaries without a loss of control	–	(354)	–	–	–	–
Transfer to retained earnings	–	–	–	(131,760)	(13)	–
Transfer to other comprehensive income associated with assets held for sale	–	–	–	124,661	–	–
Other	–	–	1	–	–	–
Total transactions with the owners	–	(295)	146	(7,099)	(13)	–
As of September 30, 2024	187,457	273,186	(451,994)	760,660	–	441,104

(Unit: Millions of yen)

	Equity attributable to owners of the parent company					Non-controlling interests	Total equity
	Other components of equity		Other comprehensive income associated with assets held for sale	Retained earnings	Total		
	Cash flow hedges	Total					
As of April 1, 2023	(4,483)	955,829	–	3,212,248	4,376,928	202,783	4,579,711
Profit for the period	–	–	–	168,923	168,923	16,678	185,601
Other comprehensive income (loss)	(1,006)	630,372	–	–	630,372	8,828	639,200
Comprehensive income (loss) for the period	(1,006)	630,372	–	168,923	799,295	25,506	824,801
Acquisition of treasury stock	–	–	–	–	(19)	–	(19)
Disposal of treasury stock	–	–	–	–	196	–	196
Dividends	–	–	–	(71,141)	(71,141)	(28,426)	(99,567)
Changes in the ownership interest in subsidiaries without a loss of control	–	–	–	–	4	(5)	(1)
Transfer to retained earnings	–	1,158	–	(1,158)	–	–	–
Transfer to other comprehensive income associated with assets held for sale	–	–	–	–	–	–	–
Other	–	–	–	2	2	28	30
Total transactions with the owners	–	1,158	–	(72,297)	(70,958)	(28,403)	(99,361)
As of September 30, 2023	(5,489)	1,587,359	–	3,308,874	5,105,265	199,886	5,305,151

As of April 1, 2024	(4,141)	1,815,558	258,936	3,451,694	5,534,986	211,519	5,746,505
Profit for the period	–	–	–	190,837	190,837	14,719	205,556
Other comprehensive (loss) income	1,823	(609,000)	–	–	(609,000)	1,048	(607,952)
Comprehensive (loss) income for the period	1,823	(609,000)	–	190,837	(418,163)	15,767	(402,396)
Acquisition of treasury stock	–	–	–	–	(2)	–	(2)
Disposal of treasury stock	–	–	–	–	206	–	206
Dividends	–	–	–	(87,327)	(87,327)	(24,924)	(112,251)
Changes in the ownership interest in subsidiaries without a loss of control	–	–	–	–	(354)	(391)	(745)
Transfer to retained earnings	–	(131,773)	–	131,773	–	–	–
Transfer to other comprehensive income associated with assets held for sale	–	124,661	(124,661)	–	–	–	–
Other	–	–	–	–	1	36	37
Total transactions with the owners	–	(7,112)	(124,661)	44,446	(87,476)	(25,279)	(112,755)
As of September 30, 2024	(2,318)	1,199,446	134,275	3,686,977	5,029,347	202,007	5,231,354

Unaudited Condensed Interim Consolidated Statement of Cash Flows

[For the six-month period ended September 30, 2024]

(Unit: Millions of yen)

	Six-month period ended September 30, 2023	Six-month period ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	247,663	281,734
Depreciation	186,990	188,659
Decrease in retirement benefit liabilities	(2,159)	(574)
Decrease (increase) in retirement benefit assets	1,041	(285)
Interest and dividend income	(36,888)	(43,684)
Interest expenses	7,098	6,403
Foreign exchange (gains) losses	(9,742)	1,031
Share of the profit of associates and joint ventures accounted for using the equity method	(10,160)	(1,380)
Losses (gains) on sales or disposal of property, plant and equipment	3,484	(17,982)
Decrease in trade receivables	71,842	56,478
Decrease (increase) in inventories	26,749	(41,763)
(Decrease) increase in trade payables	(30,842)	2,233
Increase (decrease) in provisions	30,443	(27,763)
Other	71,006	49,230
Subtotal	556,525	452,337
Interest received	13,529	15,433
Dividends received	23,254	30,035
Interest paid	(7,480)	(6,311)
Income taxes paid	(84,741)	(98,619)
Net cash provided by operating activities	501,087	392,875
Cash flows from investing activities		
Decrease in time deposits	23,213	13,903
Purchases of property, plant and equipment	(194,410)	(194,290)
Proceeds from sales of property, plant and equipment	6,937	31,586
Purchases of intangible assets	(23,977)	(31,905)
Purchases of equity instruments	(21,035)	(3,225)
Purchases of debt instruments	(133)	(152)
Proceeds from sales of equity instruments	746	391,551
Proceeds from sales and redemption of debt instruments	247	425
Payments for acquisition of subsidiaries or other businesses	(11,110)	–
Payment for sales of subsidiaries or other businesses	9,451	3,208
Other	(894)	(3,794)
Net cash (used in) provided by investing activities	(210,965)	207,307
Cash flows from financing activities		
Net decrease in short-term borrowings	(52,703)	(73,945)
Proceeds from borrowings	84,141	503
Repayments of long-term borrowings	(54,156)	(134,397)
Repayments of lease liabilities	(20,046)	(16,701)
Issuance of bonds	–	71,800
Dividends paid	(71,141)	(87,327)
Dividends paid to non-controlling interests	(28,426)	(26,071)
Purchase of treasury shares	(19)	(2)
Other	(2,445)	2,928
Net cash used in financing activities	(144,795)	(263,212)
Foreign currency translation adjustments on cash and cash equivalents	45,974	(19,974)
Net increase in cash and cash equivalents	191,301	316,996
Cash and cash equivalents at beginning of period	733,850	789,390
Cash and cash equivalents included in assets held for sales	(6,185)	–
Cash and cash equivalents at end of period	918,966	1,106,386

Notes to Unaudited Condensed Interim Consolidated Financial Statements

Assumption for Going Concern

There are no applicable items.

Segment information

(1) Outline of reportable segments

In the six-month period ended September 30, 2024, there were no material changes to the method used to identify the reportable segments, the business activities carried out by each reportable segment, or the measurement standards used to determine segment profits.

(2) Revenue, profit/loss for each reportable segment

[For the six-month period ended September 30, 2023]

(Unit: Millions of yen)

	Reportable segment					Others (Note)	Eliminations	Consolidated	
	Japan	North America	Europe	Asia	Total				
Revenue									
Customers	1,439,068	847,078	337,376	830,622	3,454,144	59,354	–	3,513,498	
Intersegment	622,129	9,513	35,428	143,404	810,474	925	(811,399)	–	
Total	2,061,197	856,591	372,804	974,026	4,264,618	60,279	(811,399)	3,513,498	
Segment profit	85,188	14,180	13,879	88,200	201,447	11,499	(1,126)	211,820	
Finance income									37,202
Finance costs									(11,550)
Foreign exchange gains									31
Share of the profit of associates and joint ventures accounted for using the equity method									10,160
Profit before income taxes									247,663

(Note) "Others" is an operating segment that is not included in the reportable segments, such as business activities of subsidiaries in South America.

[For the six-month period ended September 30, 2024]

(Unit: Millions of yen)

	Reportable segment					Others (Note)	Eliminations	Consolidated	
	Japan	North America	Europe	Asia	Total				
Revenue									
Customers	1,377,659	916,739	329,094	792,856	3,416,348	58,504	–	3,474,852	
Intersegment	652,865	7,589	36,628	145,019	842,101	67	(842,168)	–	
Total	2,030,524	924,328	365,722	937,875	4,258,449	58,571	(842,168)	3,474,852	
Segment profit	116,557	36,450	5,870	76,665	235,542	12,203	3,482	251,227	
Finance income									44,617
Finance costs									(17,042)
Foreign exchange gains									1,552
Share of the profit of associates and joint ventures accounted for using the equity method									1,380
Profit before income taxes									281,734

(Note) "Others" is an operating segment that is not included in the reportable segments, such as business activities of subsidiaries in South America.

Subsequent events

Repurchase of shares

At the meeting of the Board of Directors held on October 31, 2024, Denso corporation (hereinafter referred to as the "Company") resolved to conduct repurchase of a number of its shares pursuant to the provisions of Article 156 of the Companies Act, which are applied by the deemed replacement of terms pursuant to the provisions of Article 165, Paragraph 3 of the Companies Act.

For more information, please refer to "Notice Concerning the Repurchase of Shares" released on October 31, 2024.

Cancellation of Own Shares

At the meeting of the Board of Directors held on October 31, 2024, the Company resolved to conduct cancellation of a number of its shares pursuant to the provisions of Article 178 of the Companies Act.

For more information, please refer to "Notice Concerning the Cancellation of Own Shares" released on October 31, 2024.