

DENSO Announces Year-end Financial Results

APR 28 | 2015

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KARIYA (Japan) – DENSO Corp. today announced its global financial results for the fiscal year ending March 31, 2015:

- Consolidated net sales totaled 4,308.8 billion yen (US\$35.9 billion), a 5.2 percent increase from the previous year.
- Consolidated operating income totaled 355.1 billion yen (US\$3.0 billion), a 6.0 percent decrease from the previous year.
- Consolidated net income totaled 293.1 billion yen (US\$2.4 billion), a 2.0 percent increase from the previous year.

“DENSO’s sales increased due to an overseas production volume increase,” said Nobuaki Katoh, president and CEO of DENSO Corp.. “However, despite cost reduction efforts, an increase in production volume, R&D expenditures, and investment costs to strengthen future growth, there was a decrease in operating income.”

In Japan, the market shift towards compact cars and the decrease of export sales led to a decrease in sales to 2,663.5 billion yen (US\$22.2 billion), a 2.0 percent decrease from the previous year. The decrease in production volume and the increase in labor costs, and other expenses led to an operating income of 225.2 billion yen (US\$1.9 billion), a 20.5 percent decrease from the previous year.

In North America, an increase in car production, boosted by the steady economic growth, led to an increase in sales to 966.5 billion yen (US\$8.0 billion), an 18.4 percent increase from the previous year. As a result of the increase in production volume, the operating income totaled 38.7 billion yen (US\$321.9 million), a 163.9 percent increase from the previous year. In Europe, car production increased due to the recovery of the economic slump, which led to an increase in sales to 554.8 billion yen (US\$4.6 billion), a 11.2 percent increase from the previous year.

Due to the increase in production volume, the operating income totaled 16.9 billion yen (US\$140.5 million), a 36.6 percent increase from the previous year.

In Asia and Oceania, the increase of car production, mainly in China, resulted in a sales increase of 1,049.7 billion yen (US\$8.7 billion), a 11.3 percent increase from the previous year. The increase in labor costs and the expenditure on production and R&D capability to strengthen future growth led to an operating income of 74.7 billion yen (US\$621.8 million), a 4.9 percent increase from the previous year.

In other areas, mainly the South American region, including Brazil and Argentina, sales totaled 73.8 billion yen (US\$614.2 million), a 0.7 percent decrease from the previous year. The operating income totaled 0.4 billion yen (US\$3.4 million).

“For the new fiscal year, we expect sales and income to increase from the previous year. This is due to the increase in production volume overseas.” said Katoh.

(Foreign exchange rates used for the next fiscal year are US\$= 115 yen, Euro= 125yen) (International Financial Reporting Standards are adopted from the forecast for the next fiscal year)

Forecast for Fiscal Year Ending March 31, 2016

	Half-Year Forecast	FY Forecast
Revenue	2,160.0 billion yen, [US\$18.0 billion]	4,470.0 billion yen, [US\$37.2 billion]
Operating income	160.0 billion yen, [US\$1.3 billion]	380.0 billion yen, [US\$3.2 billion]
Profit before income taxes	175.0 billion yen, [US\$1.5 billion]	407.0 billion yen, [US\$3.4 billion]
Owners of the parent company	118.0 billion yen, [US\$0.1 billion]	275.0 billion yen, [US\$2.3 billion]

About DENSO

DENSO Corp., headquartered in Kariya, Aichi prefecture, Japan, is a leading global automotive supplier of advanced technology, systems and components in the areas of thermal, powertrain control, electronics and information and safety. Its customers include all the world’s major carmakers. Worldwide, the company has more than 200 subsidiaries and affiliates in 38 countries and regions (including Japan) and employs

more than 140,000 people. Consolidated global sales for the fiscal year ending March 31, 2015, totaled US\$35.9 billion. Last fiscal year, DENSO spent 9.2 percent of its global consolidated sales on research and development. DENSO common stock is traded on the Tokyo and Nagoya stock exchanges. For more information, go to www.globaldenso.com, or visit our media website at www.densomediacycenter.com.

About DENSO in North America

Currently, in North America, DENSO employs more than 17,000 people at 33 consolidated companies and affiliates. Of these, 28 are manufacturing facilities located in the United States, Canada and Mexico. In the U.S. alone, DENSO employs more than 14,000 people in California, Alabama, Michigan, North Carolina, South Carolina, Tennessee, Kentucky, Georgia, Iowa, Ohio, Arkansas and Pennsylvania. DENSO's North American consolidated sales totaling \$8.0 billion for the fiscal year ending March 31, 2015.

(Notes)

The above forecasts are created based on the information obtained by the date of this announcement and the actual results may differ due to various causes in the future. U.S. dollar amounts have been translated, for convenience only, at the rate of 120.17 yen = US\$1, the approximate exchange rate prevailing in the Tokyo Foreign Exchange Market on March 31, 2015. Billion is used in the American sense of one thousand million.

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