

IMMEDIATE RELEASE

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DENSO Announces First-half Financial Results -- DENSO's revises up full-year financial results forecast--

KARIYA (Japan) —Global automotive supplier DENSO Corporation today announced its global financial results for the first half of the fiscal year that ends March 31, 2018:

- Consolidated revenue totaled 2,363.5 billion yen (US\$21.0 billion), a 8.6 percent increase from the previous year.
- Consolidated operating profit totaled 204.4 billion yen (US\$1.8 billion), a 43.3 percent increase from the previous year.
- Consolidated profit attributable to owners of the parent company totaled 154.2 billion yen (US\$1.4 billion), a 58.2 percent increase from the previous year.
- Annual dividend payment will be 130 yen per one stock, a 5 yen increase from the previous forecast on each of interim and fiscal year-end payment.

"DENSO's revenue increased due to an increase in vehicle production, as well as sales expansion. DENSO's operating profit also saw an increase due to the production volume increase and company cost reduction efforts," said Koji Arima, president and CEO of DENSO Corporation.

In Japan, a rise in vehicle production resulted in an increase in revenue to 1,406.9 billion yen (US\$12.5 billion), an 8.9 percent growth from the previous year. As a result of the increase in production volume and cost reduction efforts, the operating profit totaled 105.5 billion yen (US\$935.8 million), a 100.7 percent increase from the previous year.

In North America, a sales expansion led to an increase in revenue to 548.1 billion yen (US\$4.9 billion), a 6.1 percent increase from the previous year. On the other hand, the operating profit totaled 20.8 billion yen (US\$184.5 million), which resulted in a 29.5 percent decrease from the previous year due, which is attributed to depreciation increases.

In Europe, the slight rise in vehicle production by the moderate recovery of the market led to an increase in revenue to 309.9 billion yen (US\$2.7 billion), a 10.6 percent increase from the previous year. Due to depreciation increases, operating profit decreased to 8.9 billion yen (US\$78.7 million), a 5.1 percent decrease from the previous year.

In Asia, an increase in both vehicle production and sales expansion resulted in an increase in revenue to 619.2 billion yen (US\$5.5 billion), a 14.8 percent rise from the previous year. As a result of the increase in production volume, an operating profit totaled 62.8 billion yen (US\$557.5 million), a 36.3 percent growth from the previous year.

In other areas, mainly the South American region, including Brazil and Argentina, revenue totaled 40.4 billion yen (US\$358.7 million), a 32.7 percent increase from the previous year. The operating profit totaled 7.1 billion yen (US\$62.8 million).

“After considering our first-half financial results, and the latest movement in the foreign exchange markets, we have revised up our full-year financial result forecasts. We also revised up dividend payment for both of interim and fiscal year-end,” said Koji Arima.

(Foreign exchange rates used for the full-year are US\$= 111 yen, Euro= 126 yen)

Forecast for Fiscal Year Ending March 31, 2018

	Full-Year Forecast (Original)	Full-Year Forecast (Revised)
Revenue	4,740 billion yen [US\$42.0 billion]	5,000 billion yen [US\$44.4 billion]
Operating profit	353 billion yen [US\$3.1 billion]	390 billion yen [US\$3.5 billion]
Profit before income taxes	388 billion yen [US\$3.4 billion]	430 billion yen [US\$3.8 billion]
Profit attributable to owners of the parent company	280 billion yen [US\$2.5 billion]	300 billion yen [US\$2.7 billion]

About DENSO in North America

DENSO is a leading global automotive supplier of advanced technology, systems and components in the areas of thermal, powertrain control, electronics and information and safety. With its North American headquarters located in Southfield, Michigan, DENSO employs more than 23,000 people at 28 consolidated subsidiaries and 4 affiliates across the North American region. Of these, 25 are manufacturing facilities located in the United States, Canada and Mexico. In the United States alone, DENSO employs more than 17,000 people in Alabama, Arkansas, California, Iowa, Georgia, Kentucky, Michigan, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee and Texas. DENSO's North American consolidated sales totaled US\$9.6 billion for the fiscal year ending March 31, 2017. For more information, go to www.denso.com/us-ca/en. Connect with DENSO on Facebook at www.facebook.com/DENSOinNorthAmerica.

DENSO Worldwide

DENSO Corp., headquartered in Kariya, Aichi prefecture, Japan has more than 200 subsidiaries and affiliates in 38 countries and regions (including Japan) and employs more than 150,000 people worldwide. Consolidated global sales for the fiscal year ending March 31, 2017, totaled US\$40.4 billion. Last fiscal year, DENSO spent 8.8 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.denso.com, or visit our media website at www.denso.com/global/en/news/media-center/

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