

For Immediate Release

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DENSO Announces Year-end Financial Results

KARIYA (Japan) —DENSO Corporation today announced its global financial results for the fiscal year ending March 31, 2017:

- Consolidated revenue totaled 4,527.1 billion yen (US\$40.4 billion), a 0.1 percent increase from the previous year.
- Consolidated operating profit totaled 330.6 billion yen (US\$2.9 billion), an 4.7 percent increase from the previous year.
- Consolidated profit attributable to owners of the parent company totaled 257.6 billion yen (US\$2.3 billion), a 5.5 percent increase from the previous year.

"Despite the appreciation of the yen, DENSO's revenue increased due to production volume increase and sales expansion. Despite the appreciation of the yen, operating profit increased due to the production volume, cost reduction efforts and improved other income /expenses." said Koji Arima, president and CEO of DENSO Corporation.

In Japan, the production volume increase led to an increase in revenue to 2,686.0 billion yen (US\$23.9 billion), a 1.5 percent increase from the previous year. Despite the production volume increase and cost reduction effort, the impact of the exchange rate of export sales led to an operating profit of 130.2 billion yen (US\$1.2 billion), a 15.8 percent decrease from the previous year.

In North America, despite an increase in car production and sales expansion, boosted by the steady economic growth, impact of exchange rate led to a decrease in revenue to 1,077.2 billion yen (US\$9.6 billion), a 3.2 percent decrease from the previous year. As a result of the increase in production volume, the operating profit totaled 60.0 billion yen (US\$534.4 million), a 25.7 percent increase from the previous year.

In Europe, despite car production increase and sales expansion due to the recovery of the market, impact of exchange rate led to a decrease in revenue to 577.3 billion yen (US\$5.1 billion), a 2.7 percent decrease from the previous year. As a result of the increase in production volume, the operating profit totaled to 20.2 billion yen (US\$179.8 million), a 39.9 percent increase from the previous year.

In Asia, despite the increase of car production and sales expansion, impact of exchange rate resulted in a revenue decrease of 1,139.3 billion yen (US\$10.2 billion), an 1.9 percent decrease from the previous year. As a result of the increase in production volume, the operating profit totaled 112.7 billion yen (US\$1.0 billion), a 16.7 percent increase from the previous year.

In other areas, mainly the South American region, including Brazil and Argentina, revenue totaled 65.8 billion yen (US\$586.6 million), a 10.6 percent increase from the previous year. The operating profit totaled 6.9 billion yen (US\$61.4 million).

"For the new fiscal year, revenue will increase due to the increase of car production and sales expansion, despite the increase of car production and sales expansion, the operating profit will decrease due to impact of the other income /expenses. " said Arima.

(Foreign exchange rates used for the full-year are: US\$= 110 yen, Euro= 115 yen)

Forecast for Fiscal Year Ending March 31, 2018

	Full-Year Forecast	Changes from Previous FY
Revenue	4,610.0 billion yen [US\$41.1 billion]	82.9 billion yen (1.8 percent)
Operating profit	327.0 billion yen [US\$2.9 billion]	-3.6 billion yen (-1.1 percent)
Profit before income taxes	360.0 billion yen [US\$3.2 billion]	-0.9 billion yen (-0.2 percent)
Profit attributable to owners of the parent company	260.0 billion yen [US\$2.3 billion]	2.4 billion yen (0.9 percent)

About DENSO Corporation

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 150,000 people. Consolidated global sales for the fiscal year ending March 31, 2016, totaled US\$40.2 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/

(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 112.19 yen = US\$1, the approximate exchange rate prevailing in the Tokyo Foreign Exchange Market March 31, 2017. Billion is used in the American sense of one thousand million.

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