

[This is an English translation prepared for the convenience of non-resident shareholders. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.]

**Consolidated Financial Results  
for the Fiscal Year Ended March 31, 2022  
<under IFRS>**

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Scheduled date of the general meeting of shareholders : June 21, 2022

Scheduled date of commencement of dividend payment : May 25, 2022

(URL <https://www.denso.com/global/en/>)

DATE: April 28, 2022

DENSO CORPORATION

CODE: 6902

Listed on the Tokyo and  
Nagoya Stock Exchanges

(Millions of yen, except per share figures)

**1. Consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)**

**(1) Consolidated operating results**

(Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before income taxes		Profit for the year	
Year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2022	5,515,512	11.7	341,179	120.0	384,808	98.6	288,754	95.0
March 31, 2021	4,936,725	(4.2)	155,107	153.9	193,753	116.2	148,095	75.0

	Profit attributable to owners of the parent company		Comprehensive income for the year		Basic earnings per share	Diluted earnings per share
Year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
March 31, 2022	263,901	111.0	655,525	3.1	342.77	—
March 31, 2021	125,055	83.6	635,886	—	161.39	—

	Ratio of profit to equity attributable to owners of the parent company	Ratio of profit before income taxes to total assets	Ratio of operating profit to revenue
Year ended	%	%	%
March 31, 2022	6.4	5.4	6.2
March 31, 2021	3.4	3.1	3.1

Reference: Share of the profit of associates and joint ventures accounted for using the equity method:

Fiscal year ended March 31, 2022: ¥5,759 million; Fiscal year ended March 31, 2021: ¥1,801 million

**(2) Consolidated financial position**

	Total assets	Total equity	Equity attributable to owners of the parent company	Ratio of equity attributable to owners of the parent company to total assets	Equity attributable to owners of the parent company per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2022	7,432,271	4,489,526	4,299,357	57.8	5,632.38
March 31, 2021	6,767,684	4,076,717	3,891,012	57.5	5,021.52

**(3) Consolidated cash flows**

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of year
Year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2022	395,637	(301,579)	(159,536)	867,808
March 31, 2021	437,235	(395,903)	238,657	897,395

**2. Cash dividends**

	Annual dividends per share					Total amount of dividends (total)	Payout ratio (consolidated)	Ratio of dividends to equity attributable to owners of the parent company (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	—	70.00	—	70.00	140.00	108,486	86.7	3.0
Year ended March 31, 2022	—	80.00	—	85.00	165.00	126,508	48.1	3.1
Year ending March 31, 2023 (Forecast)	—	90.00	—	90.00	180.00		31.7	

**3. Consolidated earnings forecasts for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)**

(Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before income taxes		Profit for the year		Profit attributable to owners of the parent company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	6,350,000	15.1	560,000	64.1	603,000	56.7	461,000	59.7	434,000	64.5	568.56

# Consolidated Statement of Financial Position

(Unit: Millions of yen)

	As of Mar. 31, 2021	As of Mar. 31, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	897,395	867,808
Trade and other receivables	1,028,821	1,120,781
Inventories	726,159	1,032,161
Other financial assets	15,527	17,730
Other current assets	121,834	107,696
Subtotal	2,789,736	3,146,176
Non-current assets held for sale	—	22,638
<b>Total current assets</b>	2,789,736	3,168,814
<b>Non-current assets</b>		
Property, plant and equipment	1,875,763	1,912,607
Right-of-use assets	47,834	45,394
Intangible assets	143,960	155,580
Other financial assets	1,681,582	1,861,373
Investments accounted for using the equity method	106,734	113,580
Retirement benefit assets	63,446	111,351
Deferred tax assets	36,951	36,871
Other non-current assets	21,678	26,701
<b>Total non-current assets</b>	3,977,948	4,263,457
<b>Total assets</b>	6,767,684	7,432,271

(Unit: Millions of yen)

	As of Mar. 31, 2021	As of Mar. 31, 2022
Liabilities and equity		
Current liabilities		
Bonds and borrowings	98,348	262,819
Trade and other payables	1,014,406	1,131,375
Other financial liabilities	48,647	51,034
Income tax payables	15,414	36,995
Provisions	248,517	144,560
Other current liabilities	73,327	75,286
Subtotal	1,498,659	1,702,069
Liabilities directly associated with assets held for sale	—	476
Total current liabilities	1,498,659	1,702,545
Non-current liabilities		
Bonds and borrowings	755,874	728,616
Other financial liabilities	36,153	33,860
Retirement benefit liabilities	282,332	265,188
Provisions	1,369	1,228
Deferred tax liabilities	102,095	197,122
Other non-current liabilities	14,485	14,186
Total non-current liabilities	1,192,308	1,240,200
Total liabilities	2,690,967	2,942,745
Equity		
Capital stock	187,457	187,457
Capital surplus	272,517	273,803
Treasury stock	(56,830)	(152,346)
Other components of equity	691,417	972,783
Retained earnings	2,796,451	3,017,660
Equity attributable to owners of the parent company	3,891,012	4,299,357
Non-controlling interests	185,705	190,169
Total equity	4,076,717	4,489,526
Total liabilities and equity	6,767,684	7,432,271

# Consolidated Statement of Income

(Unit: Millions of yen)

	Year ended Mar. 31, 2021	Year ended Mar. 31, 2022
Revenue	4,936,725	5,515,512
Cost of revenue	(4,275,239)	(4,714,024)
Gross profit	661,486	801,488
Selling, general and administrative expenses	(514,492)	(460,449)
Other income	29,477	39,161
Other expenses	(21,364)	(39,021)
Operating profit	155,107	341,179
Finance income	42,718	42,254
Finance costs	(7,330)	(8,403)
Foreign exchange gains	1,457	4,019
Share of the profit of associates and joint ventures accounted for using the equity method	1,801	5,759
Profit before income taxes	193,753	384,808
Income tax expenses	(45,658)	(96,054)
Profit for the year	148,095	288,754
Attributable to:		
Owners of the parent company	125,055	263,901
Non-controlling interests	23,040	24,853

(Unit: Yen)

Earnings per share		
Basic	161.39	342.77
Diluted	—	—

## Consolidated Statement of Other Comprehensive Income

(Unit: Millions of yen)

	Year ended Mar. 31, 2021	Year ended Mar. 31, 2022
Profit for the year	148,095	288,754
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Net fair value gain on equity instruments designated as FVTOCI	400,887	153,317
Remeasurements of defined benefit pension plans	4,763	44,904
Share of other comprehensive income of investments accounted for using the equity method	59	5
Total	405,709	198,226
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	81,115	165,770
Cash flow hedges	50	(2,819)
Share of other comprehensive income of investments accounted for using the equity method	917	5,594
Total	82,082	168,545
Total other comprehensive income	487,791	366,771
Comprehensive income for the year	635,886	655,525
Attributable to:		
Owners of the parent company	601,712	617,752
Non-controlling interests	34,174	37,773

# Consolidated Statement of Changes in Equity

(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 (loss) on equity instruments designated as FVTOCI	Remeasurements of defined benefit pension plans
<b>As of April 1, 2020</b>	187,457	272,375	(56,815)	273,576	—
Profit for the year	—	—	—	—	—
Other comprehensive income	—	—	—	400,452	2,770
Comprehensive income for the year	—	—	—	400,452	2,770
Acquisition of treasury stock	—	—	(15)	—	—
Disposal of treasury stock	—	(0)	0	—	—
Dividends	—	—	—	—	—
Changes in the ownership interest in subsidiaries without a loss of control	—	135	—	—	—
Changes by business combinations	—	—	—	—	—
Transfer to retained earnings	—	—	—	(9,123)	(2,770)
Transfer from retained earnings to capital surplus	—	0	—	—	—
Other	—	7	—	—	—
Total transactions with the owners	—	142	(15)	(9,123)	(2,770)
<b>As of March 31, 2021</b>	187,457	272,517	(56,830)	664,905	—

<b>As of April 1, 2021</b>	187,457	272,517	(56,830)	664,905	—
Profit for the year	—	—	—	—	—
Other comprehensive income	—	—	—	152,937	43,119
Comprehensive income for the year	—	—	—	152,937	43,119
Acquisition of treasury stock	—	—	(97,540)	—	—
Disposal of treasury stock	—	1,281	2,024	—	—
Dividends	—	—	—	—	—
Changes in the ownership interest in subsidiaries without a loss of control	—	5	—	—	—
Changes by business combinations	—	—	—	—	—
Transfer to retained earnings	—	—	—	(29,366)	(43,119)
Transfer from retained earnings to capital surplus	—	—	—	—	—
Other	—	—	—	—	—
Total transactions with the owners	—	1,286	(95,516)	(29,366)	(43,119)
<b>As of March 31, 2022</b>	187,457	273,803	(152,346)	788,476	—

(Unit: Millions of yen)

	Equity attributable to owners of the parent company					Non-controlling interests	Total equity
	Other components of equity			Retained earnings	Total		
	Exchange differences on translating foreign operations	Cash flow hedges	Total				
<b>As of April 1, 2020</b>	(46,913)	(10)	226,653	2,767,466	3,397,136	161,733	3,558,869
Profit for the year	–	–	–	125,055	125,055	23,040	148,095
Other comprehensive income	73,385	50	476,657	–	476,657	11,134	487,791
Comprehensive income for the year	73,385	50	476,657	125,055	601,712	34,174	635,886
Acquisition of treasury stock	–	–	–	–	(15)	–	(15)
Disposal of treasury stock	–	–	–	–	0	–	0
Dividends	–	–	–	(108,486)	(108,486)	(10,165)	(118,651)
Changes in the ownership interest in subsidiaries without a loss of control	–	–	–	–	135	(40)	95
Changes by business combinations	–	–	–	–	–	–	–
Transfer to retained earnings	–	–	(11,893)	11,893	–	–	–
Transfer from retained earnings to capital surplus	–	–	–	(0)	–	–	–
Other	–	–	–	523	530	3	533
Total transactions with the owners	–	–	(11,893)	(96,070)	(107,836)	(10,202)	(118,038)
<b>As of March 31, 2021</b>	26,472	40	691,417	2,796,451	3,891,012	185,705	4,076,717

<b>As of April 1, 2021</b>	26,472	40	691,417	2,796,451	3,891,012	185,705	4,076,717
Profit for the year	–	–	–	263,901	263,901	24,853	288,754
Other comprehensive income	160,614	(2,819)	353,851	–	353,851	12,920	366,771
Comprehensive income for the year	160,614	(2,819)	353,851	263,901	617,752	37,773	655,525
Acquisition of treasury stock	–	–	–	–	(97,540)	–	(97,540)
Disposal of treasury stock	–	–	–	–	3,305	–	3,305
Dividends	–	–	–	(115,865)	(115,865)	(39,518)	(155,383)
Changes in the ownership interest in subsidiaries without a loss of control	–	–	–	–	5	(23)	(18)
Changes by business combinations	–	–	–	–	–	6,309	6,309
Transfer to retained earnings	–	–	(72,485)	72,485	–	–	–
Transfer from retained earnings to capital surplus	–	–	–	–	–	–	–
Other	–	–	–	688	688	(77)	611
Total transactions with the owners	–	–	(72,485)	(42,692)	(209,407)	(33,309)	(242,716)
<b>As of March 31, 2022</b>	187,086	(2,779)	972,783	3,017,660	4,299,357	190,169	4,489,526



# Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Year ended Mar. 31, 2021	Year ended Mar. 31, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	193,753	384,808
Depreciation	335,578	346,526
Impairment losses	35	9,934
Increase in retirement benefit liabilities	1,020	(7,120)
Decrease in retirement benefit assets	6,158	823
Interest and dividend income	(39,259)	(40,111)
Interest expenses	4,510	4,699
Foreign exchange (gains)	(6,368)	(8,558)
Share of the (profit) of associates and joint ventures accounted for using the equity method	(1,801)	(5,759)
Losses on sales or disposal of property, plant and equipment	6,481	6,322
Decrease (Increase) in trade receivables	(104,405)	8,494
Increase in inventories	(45,320)	(239,972)
Increase in trade payables	71,880	8,280
(Decrease ) in provisions	(25,166)	(105,585)
Other	67,525	41,022
Subtotal	464,621	403,803
Interest received	7,095	6,059
Dividends received	32,495	36,616
Interest paid	(4,780)	(4,652)
Income taxes paid	(62,196)	(46,189)
Net cash provided by operating activities	437,235	395,637
<b>Cash flows from investing activities</b>		
Decrease in time deposits	101,834	3,429
Purchases of property, plant and equipment	(395,548)	(336,410)
Proceeds from sales of property, plant and equipment	13,576	20,648
Purchases of intangible assets	(39,133)	(35,734)
Purchases of equity instruments	(2,171)	(3,611)
Purchases of debt instruments	(218)	(250)
Proceeds from sales of equity instruments	26,755	55,012
Proceeds from sales and redemption of debt instruments	464	330
(Payment for) acquisition of subsidiaries and other businesses	(105,597)	(4,003)
Other	4,135	(990)
Net cash used in investing activities	(395,903)	(301,579)
<b>Cash flows from financing activities</b>		
Net (decrease) Increase in short-term borrowings	(10,694)	103,696
Proceeds from borrowings	908,306	25,395
Repayments of long-term borrowings	(540,939)	(58,234)
Repayments of lease liabilities	(30,919)	(26,773)
Issuance of bonds	50,001	55,960
Redemption of bonds	(20,000)	(10,000)
Dividends paid	(108,486)	(115,865)
Dividends paid to non-controlling interests	(10,165)	(39,518)
Purchase of treasury stock	(15)	(97,540)
Other	1,568	3,343
Net cash provided (used in) financing activities	238,657	(159,536)
Foreign currency translation adjustments on cash and cash equivalents	19,590	35,891
Net increase (decrease) in cash and cash equivalents	299,579	(29,587)
Cash and cash equivalents at beginning of year	597,816	897,395
Cash and cash equivalents at end of year	897,395	867,808

## Segment information

For the year ended March 31, 2021

(Unit: Millions of yen)

	Reportable segment					Others (Note)	Eliminations	Consolidated
	Japan	North America	Europe	Asia	Total			
Revenue								
Customers	2,280,650	999,901	482,282	1,134,088	4,896,921	39,804	–	4,936,725
Intersegment	896,303	26,285	37,420	169,734	1,129,742	602	(1,130,344)	–
Total	3,176,953	1,026,186	519,702	1,303,822	6,026,663	40,406	(1,130,344)	4,936,725
Segment profit	22,607	14,642	3,114	111,422	151,785	6,999	(3,677)	155,107
Finance income								42,718
Finance costs								(7,330)
Foreign exchange gains								1,457
Share of the profit of associates and joint ventures accounted for using the equity method								1,801
Profit before income taxes								193,753

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

For the year ended March 31, 2022

(Unit: Millions of yen)

	Reportable segment					Others (Note)	Eliminations	Consolidated
	Japan	North America	Europe	Asia	Total			
Revenue								
Customers	2,375,673	1,143,929	506,203	1,414,347	5,440,152	75,360	–	5,515,512
Intersegment	1,139,424	16,276	55,237	223,538	1,434,475	1,244	(1,435,719)	–
Total	3,515,097	1,160,205	561,440	1,637,885	6,874,627	76,604	(1,435,719)	5,515,512
Segment profit or losses	188,904	4,262	(3,354)	143,831	333,643	15,476	(7,940)	341,179
Finance income								42,254
Finance costs								(8,403)
Foreign exchange losses								4,019
Share of the profit of associates and joint ventures accounted for using the equity method								5,759
Profit before income taxes								384,808

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