

# With Our Shareholders and Investors

## Improving Company Value and Returning Profits

DENSO is convinced that it is highly important for us not only to garner steady profits through healthy and transparent business operations and improve company value, but also to return our profits to shareholders and investors, and respond appropriately to their trust and expectations.

In fiscal 2005, thanks to the expanding global demand for vehicles, and due to our efforts in achieving the rationalization and efficiency of operations with concomitant cost reduction, we recorded consolidated net sales of 3,188.3 billion yen (an increase of 13.9 percent over last year) and operating income of 283.1 billion yen (an increase of 25.9 percent). This resulted in an increase of 6 yen per share in dividends over last year (to 38 yen per common share this fiscal year). In ROE (Return on Equity), an important index showing profitability relative to the investment of shareholders, we attained the mid-term target of 8 percent in fiscal 2004, and in fiscal 2005 registered ROE of 9.4 percent.

At the Annual General Meeting of Shareholders, we use a lot of visual materials, helping shareholders to better understand our business conditions. We also set up a display booth to explain our business operations and posted the video of the shareholders' meeting on our website.



The annual general meeting of shareholders

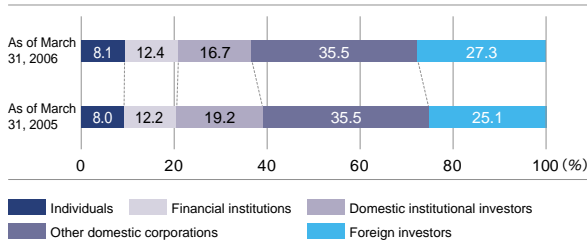


Exhibition at the lobby

## Common stock as of March 31, 2006

Authorized	1,426,942,000 shares
Issued	826,262,890 shares
Number of Shareholders	61,177 (except treasury stocks)

## Shareholders' breakdown



## Included in Socially Responsible Investment

In an investment trust market, SRI (Socially Responsible Investment) is receiving a great deal of attention. SRI is an index compiled after evaluating a company's commitment to social justice, ethics, consideration for the environment and human rights. DENSO qualified for inclusion on the international Dow Jones Sustainability Indexes (DJSI\*), a world-class index, for the sixth straight year, and we have also been included in the Ethibel Sustainability Indexes (ESI\*), a signature index in Europe. In addition, several SRI funds have invested in DENSO's stock.

### ※Dow Jones Sustainability Indexes

This is an index compiled by Dow Jones & Company, Inc. and SAM group, a Switzerland research company. Approximately 2,500 big firms in 34 countries are included in this index.

### ※Ethibel Sustainability Indexes

Ethibel, a Belgian non-profit organization, examines efforts in fulfilling social responsibilities on behalf of approximately 1,500 major companies in the world, from which they select 200 companies.



## DENSO's bond rating

Rating agency	Long-term bond rating	Short-term bond rating
Moody's Japan	Aa1	P-1
Standard & Poor's	AA+	A-1+
Rating and Investment Information, Inc.	AAA	a-1+

## Investor Relations (IR) Activities in FY2005

Month	4	7	8	9	10	11	12	1	2	3
For institutional investors	●	◆ Asia		★ Germany	★ Japan	◆ Europe			●	
For individual investors		■ Nagoya		■ Nagoya					■ Osaka	

● Announcement of financial statements ■ IR Fair  
◆ Overseas company orientation ★ A briefing session at auto shows

**URL** IR information  
<http://www.globaldenso.com/en/investors/>

**URL** Annual Report  
<http://www.globaldenso.com/en/investors/annual/2006/index.html>

### Promoting Investor Relations Activities at Home and Overseas

To provide more opportunities for investment, DENSO, as an open and transparent company, holds a briefing for institutional investors, individual investors and analysts, and operates a booth at IR\* exhibitions. In fiscal 2005, at auto shows held at home and overseas, and at announcements of financial statements, our President and Financial Manager introduced our new products and explained our business operations. At the IR exhibition for individual investors, our booth received approximately 3,000 visitors.

\*Investor Relations: Information dispatch for a company and investors to build good relations

### Focus on Quick and Fair Information Disclosure

We not only adhere to the required legal standard of information disclosure, but we quickly and fairly offer information via several kinds of media. Since fiscal 2003, we have announced quarterly financial settlements and posted them under investors' information on our website. We also send news emails via the Internet to those who request them and report financial information, as well as progress in business operations, in a timely way. Moreover, we provide detailed information about management policy, plans, and performance in the business report and the annual report (English edition), and strive for mutual communication with investors and shareholders by conducting questionnaires both in print and through our website.



Company orientation for shareholders (Tokyo)

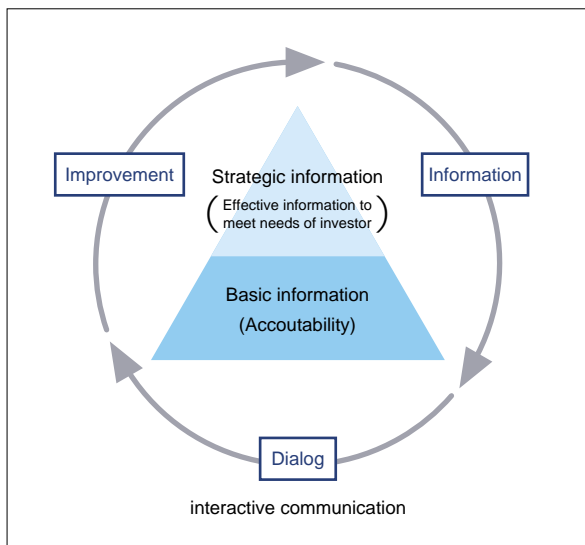


IR Fair



Company orientation for shareholders (London)

Structure of information flow from DENSO to shareholders and investors



6,500 Shareholders feedback in FY2005

