

FY2021

Financial results briefing materials

February 28, 2022
Sanden Corporation

Corporate Officer & GM of Corp. Financial Mgmt. Div.

Junya Takahashi

Agenda

1. Financial results for the fiscal year ending December 2021
2. Forecast for the fiscal year ending December 2022

Agendas

Financial results for the fiscal year ending December 2021

1. Points of the financial results
2. Summary of consolidated financial results
3. Sales by region from the automotive systems business segment
4. Operating income (Year-on-year comparison)
5. Extraordinary gain & loss and net assets
6. Consolidated balance sheet(Year-on-year comparison)

1 . Points of the financial results

1

Since the fiscal has been changed from the fiscal year ending March to ending December, fiscal year 2021 is be the nine-month settlement from April to December.
As a result, the gap between the company, which had previously closed in December are eliminated. In order to eliminate the period of the transition, china and Mexico front reflect the yearly results from January to December on the yearly results of the fiscal year ended December 31,2021

2

According to the completion of the ADR procedure, on May 31, 21.4 billion yen was paid from Hisense Japan Automotive Air-conditioning Systems Corporation and 63 billion yen was exempted from debt from financial institutions.
PL recorded debt forgiveness gain of 63 billion yen as special income, and BS's net assets increased by 84.4 billion yen (including capital of 10.7 billion yen). Japanese bank debt balances after the debt waiver have been fully repaid on July 28.

3

Sales were affected by a decrease in production, mainly in Europe due to a shortage of semiconductors, but Sales increased by 27%. Operating income includes 7.5 billion yen loss due to structural reforms. On a real basis, excluding this: Operating loss of 4.9 billion yen and a recovery trend are on a recovery trend, but they are still in the deficit due to higher logistics costs and higher raw material costs.
It is necessary to continue to pay close attention to the effects of the semiconductor shortage.

2. Summary of consolidated financial results

[In 100 million yen]

| | | Fy 2020 Apr~Dec 2020 Results | Fy 2021 Apr~Dec 2021 Results | Ver Previous year | | Fy 2021 Apr~Dec 2021 Forecast | Ver Forecast | |
|---|------|------------------------------------|------------------------------------|-------------------|---------|-------------------------------------|--------------|---------|
| | | | | Difference | Ratioed | | Difference | Ratioed |
| Sales | | 945 | 1,196 | 251 | 26.6% | 1,200 | △4 | △0.3% |
| Operating Profit | | △97 | △125 | △28 | △28.6% | △120 | △5 | △3.8% |
| Ordinary Profit | | △160 | △117 | 43 | 26.7% | △140 | 23 | 16.2% |
| Net income attributable to owners of the parent company Ordinary Profit | | △168 | 159 | 327 | - | 165 | △6 | △3.7% |
| Exchange | US\$ | 106yen | 111yen | 5yen | | 107yen | 5yen | |
| | EUR | 122yen | 131yen | 8yen | | 127yen | 4yen | |

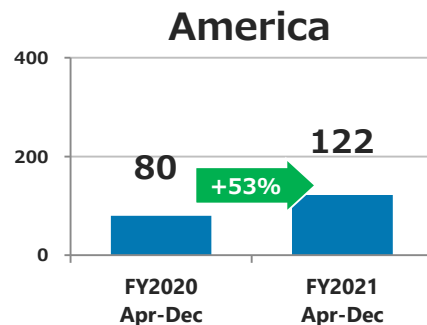
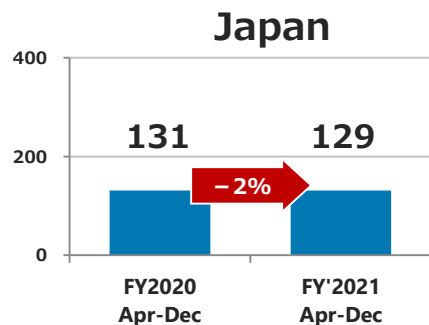
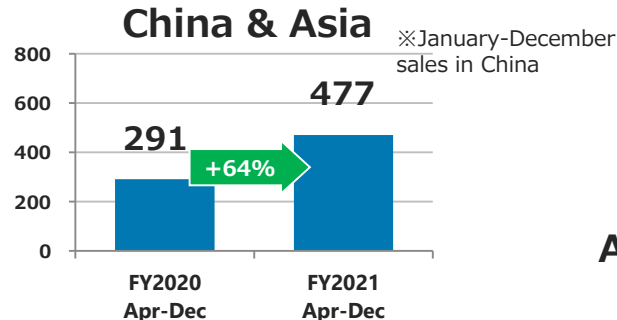
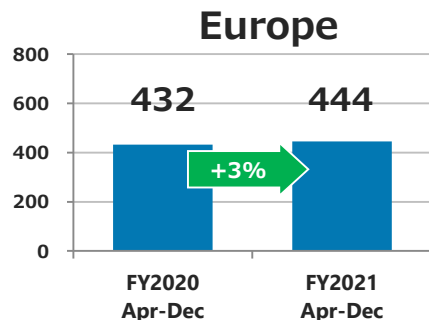
Exchange: Average market rate

3. Sales by region from the automotive systems business segment

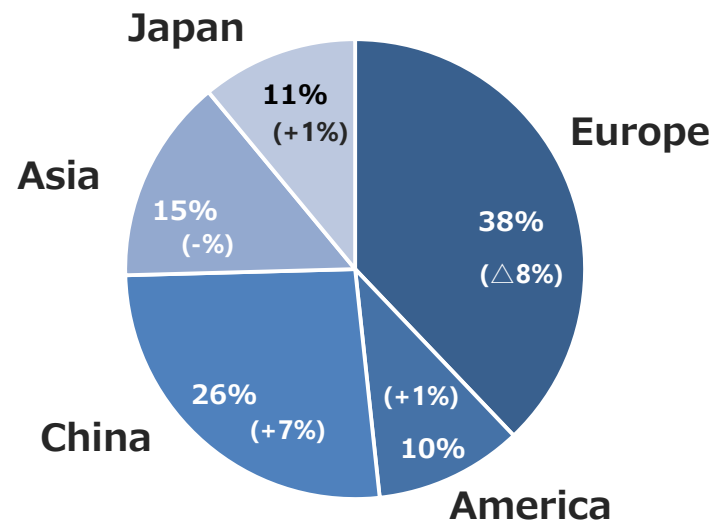
Net sales 117.2 billion yen +23.8 billion yen (year on year +30%)

■ Sales by region

[In 100 million yen]



■ Composition



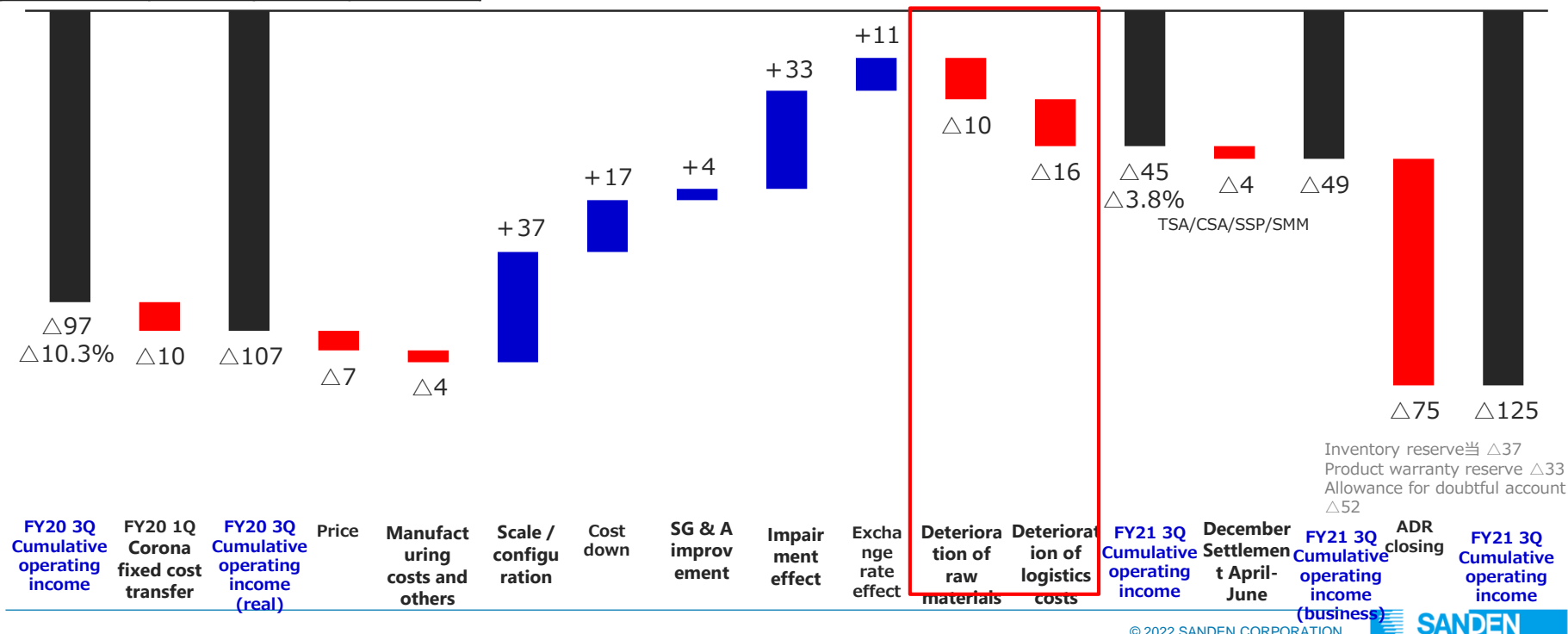
4. Operating income (Year-on-year comparison)

Third quarter year-on-year comparison (cumulative)

| | P.year | Results | Difference |
|------------------|--------|---------|------------|
| Net sales | 945 | 1,196 | +251 |
| Operating income | △97 | △125 | △28 |

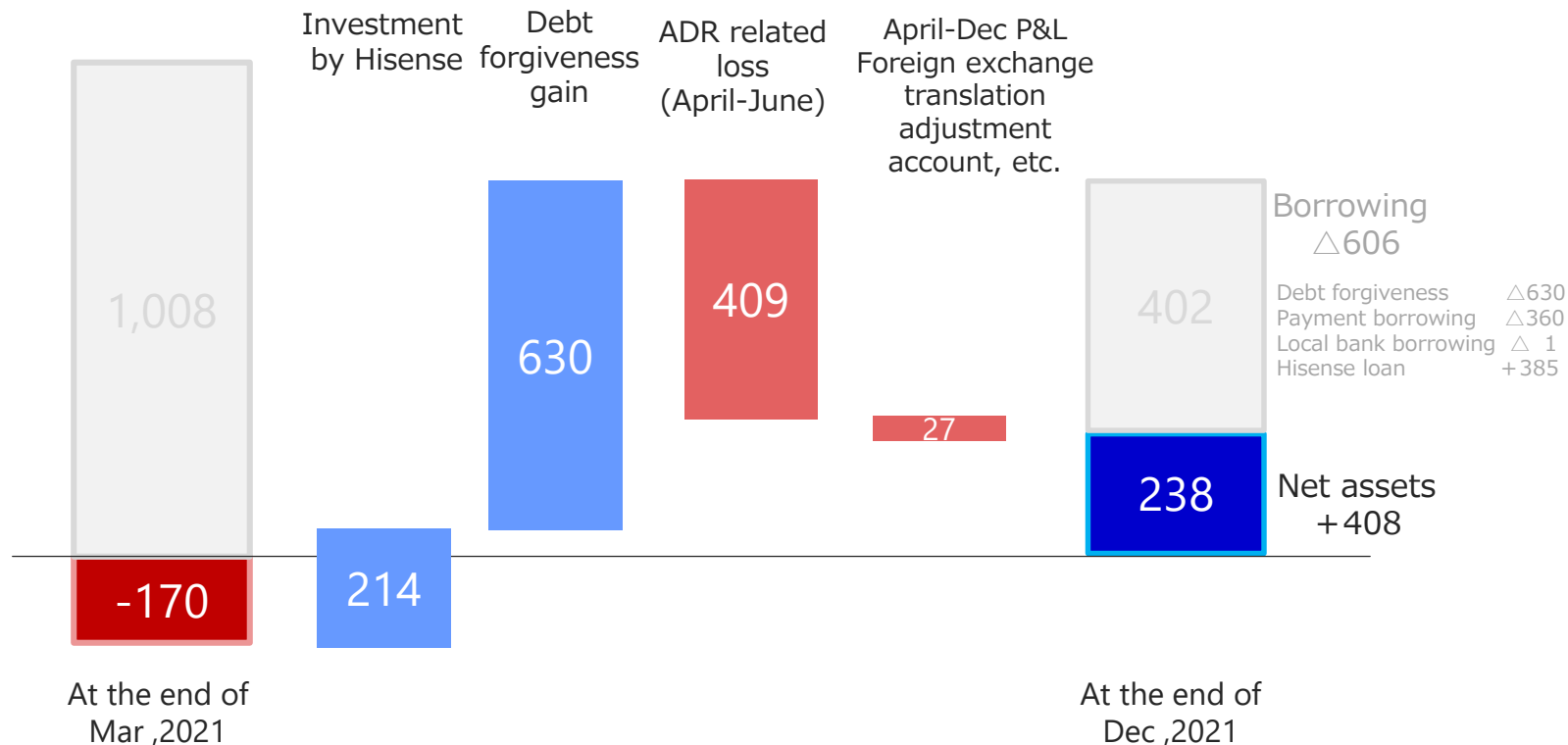
✓ We are trying to expand sales and reduce costs and expenses, but the profit level has not yet recovered due to high raw materials price and soaring logistics costs.

[In 100 million yen]



5. Extraordinary gain & loss and net assets

[In 100 million yen]

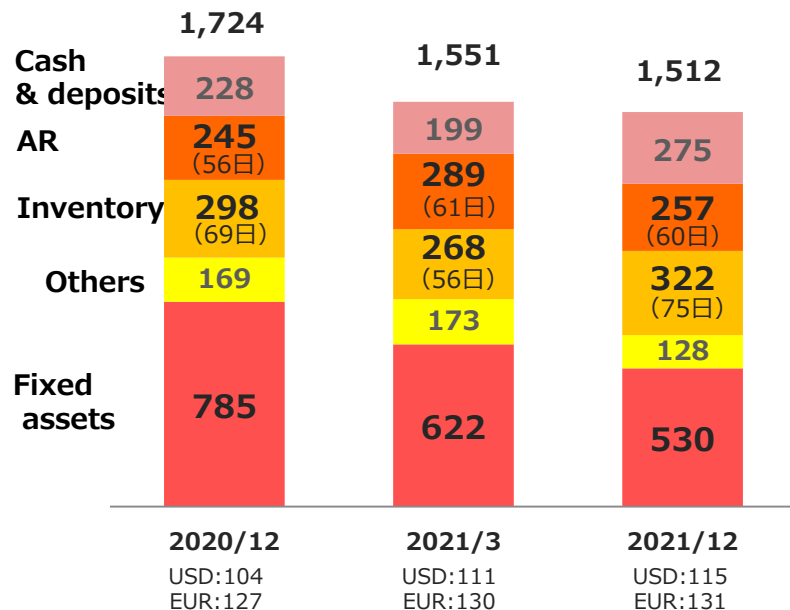


6. Consolidated balance sheet

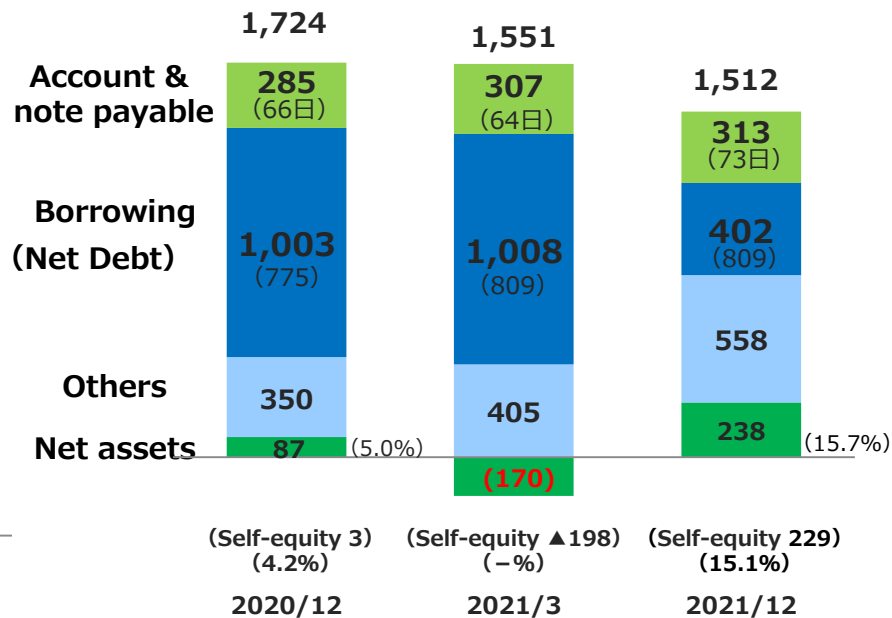
*The number of days is based on sales in the last 3 months
 Reserve for receivables for Iran is offset against trade receivables
 20/12 : 150、21/3 : 161、21/12 : 167

[In 100 million yen]

Assets



Liability & Net assets



Agenda

Forecast for the fiscal year ending December 2022

1. Summary of consolidated financial forecast
2. Sales by region from the automotive systems business segment
3. Operating income (Year-on-year comparison)

1. Summary of consolidated financial forecast

[In 100 million yen]

| | | Fy 2021 Apr~Dec 2021 Results | Fy 2022 Jan~Dec 2022 Forecast | Ver Previous year | |
|---|------|------------------------------------|-------------------------------------|-------------------|---------|
| | | | | Difference | Ratioed |
| Sales | | 1,196 | 1,610 | 414 | 34.6% |
| Operating Profit | | △125 | △50 | 75 | 59.9% |
| Ordinary Profit | | △117 | △35 | 82 | 70.2% |
| Net income attributable to owners of the parent company | | 159 | △37 | △196 | — |
| Exchange | US\$ | 111円 | 110円 | △1円 | |
| | EUR | 131円 | 130円 | △1円 | |

Exchange: Results : Average market rate
Forecast : Our assumption

| Fy 2021 Jan~Dec 2021 Results(reference) | CY21 vs Forecast | |
|---|------------------|---------|
| | Difference | Ratioed |
| 1,626 | △16 | △1.0% |
| △212 | 162 | 76.4% |
| △190 | 155 | 81.6% |
| △125 | 88 | 70.4% |
| 109円 | 1円 | |
| 129円 | 0円 | |

*The above sales includes 6.4 billion yen for Oct – Dec, 2020 of subsidiaries in China and Mexico

2. Sales by region from the automotive systems business segment

*FY2021 is 9 months officially due to a change in the accounting, but the sales in this page is 12 months to keep the comparison valid.

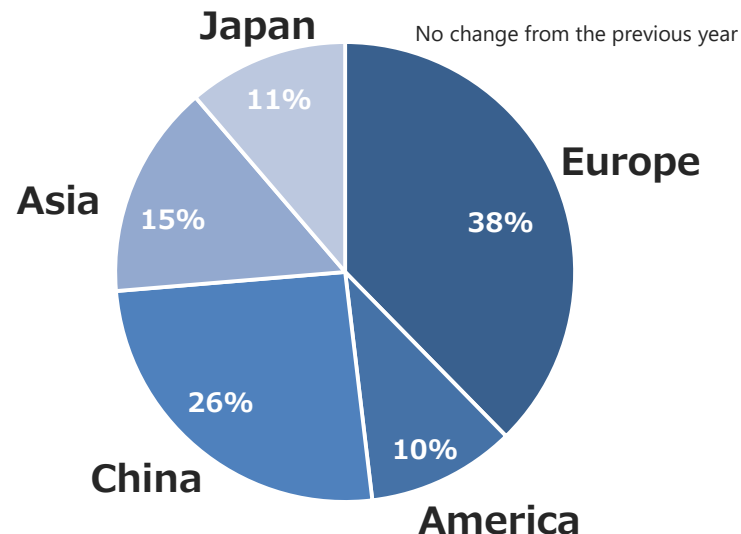
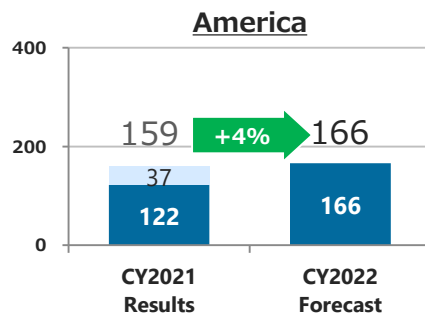
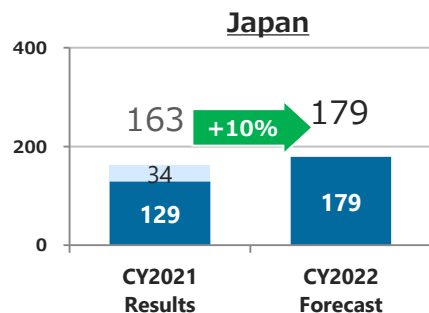
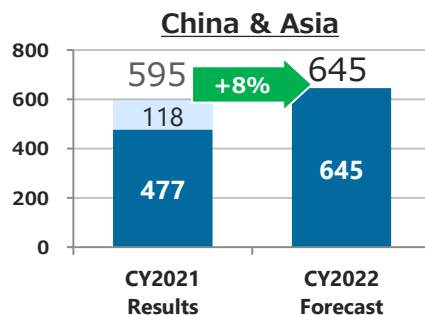
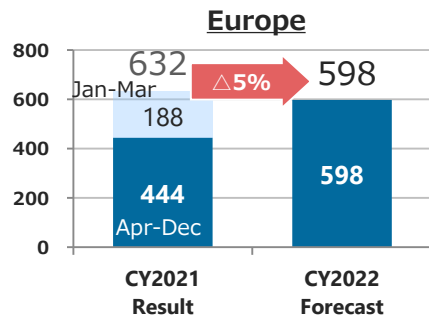
Net sales 158.8 billion yen +6.0 billion yen (year on year +3%)

Comparison of 9 months from the previous year +41.6 billion yen (year on year +35%)

■ Sales by region

[In 100 million yen]

■ Composition



4. Operating income (Year-on-year comparison)

| | P.year | Forecast | Difference |
|------------------|--------|----------|------------|
| Net sales | 1,626 | 1,610 | △16 |
| Operating income | △212 | △50 | +162 |

[In 100 million yen]

