

Financial Results of 2nd Quarter for the Year Ending December 31, 2022

August 2022

Sanden Corporation

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Financial Results of Second Quarter for the Fiscal Year Ending December 31, 2022

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1 . Points of the financial results

1

The fiscal year 2021 is a nine-month accounting period from April to December due to the change of the fiscal year end from March to December.

Therefore, the figures for the same period of the previous year (January-June) are calculated and compared as company-calculated figures. The figures for China and Mexico companies for the period from October to December 2008 are included.

2

In the period from January to June 2021, the company posted a gain on debt forgiveness of 63.0 billion yen as extraordinary income, following the disposal of 69.4 billion yen in losses associated with ADR and the forgiveness of 63.0 billion yen in debt from financial institutions with which the company does business following the completion of the procedures. In addition, on 5/31, Hisense Japan Automotive AirConditioning Systems Corporation paid in 21.4 billion yen in capital, which together increased net assets by 84.4 billion yen (of which 10.7 billion yen was capital).

3

Net sales were affected by the shortage of semiconductors and the situation in Ukraine, but remained almost flat excluding the impact of the change in fiscal year end. Operating income increased ¥0.4 billion YoY in real terms, excluding special factors. Although the company's structure is on a recovery trend, it is still in the red due to the impact of soaring raw material costs and other factors.

The effects of soaring raw material costs, semiconductor shortages, and the situation in Ukraine will continue to require close monitoring.

2. Summary of consolidated financial results

Financial Results for
2Q FY12/2022

[In 100 million yen]

		Fy 2021 Jan~Jun 2021 results	Fy 2022 Jan~Jun 2022 results	Ver Previous year		Fy 2021 Jan~Jun 2021 Excluding special factors	Ver Previous year Difference
				Difference	Ratioed		
Sales		879	824	-55	-6.3%	816	7
Operating Profit		(182)	(35)	148	81.0%	(38)	4
Ordinary Profit		(170)	(16)	155	90.8%	(28)	13
Net income attributable to owners of the parent company Ordinary Profit		(80)	(19)	61	76.2%	(78)	59
Exchange	US\$	108 yen	123 yen	15 yen		108 yen	-
	EUR	130 yen	134 yen	4 yen		130 yen	-

*Exchange rate: Average market rate

*Figures for Jan-Jun 2021 are not officially announced figures, but company-calculated figures.

*Special factors: Losses associated with ADR procedures and gains on forgiveness of debts from financial institutions upon completion of the procedures.

3. Sales by region from the automotive systems business segment

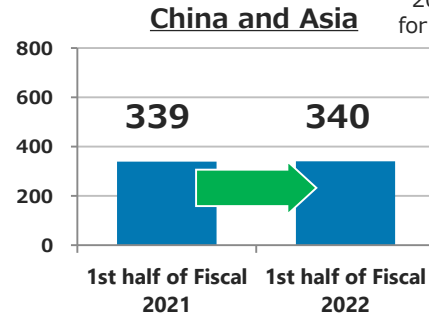
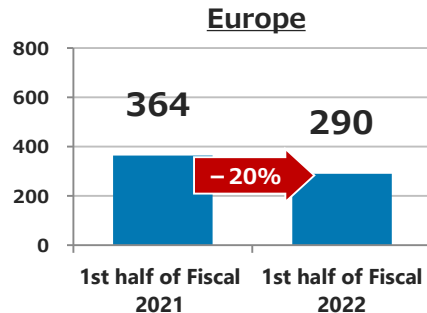
Financial Results for
2Q FY12/2022

Net sales 807 billion yen , Decrease 50billion yen

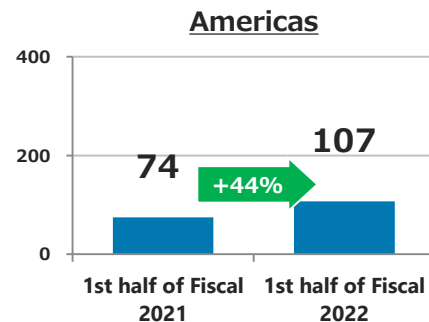
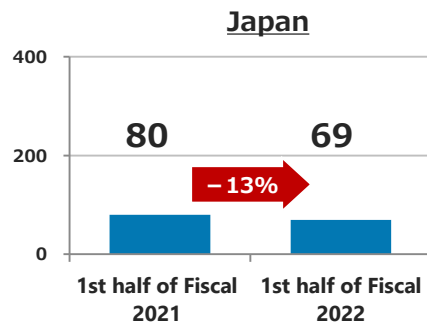
(Down 6% year-on-year) (Increase by 47 billion yen due to currency effects)

■ Regional sales

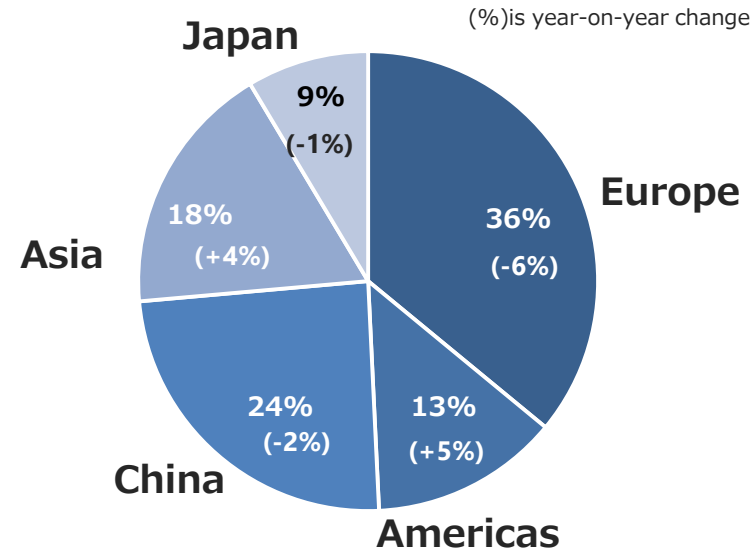
[In 100 million yen]



*2021 China sales
for Oct-Jun



■ Composition by regions



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

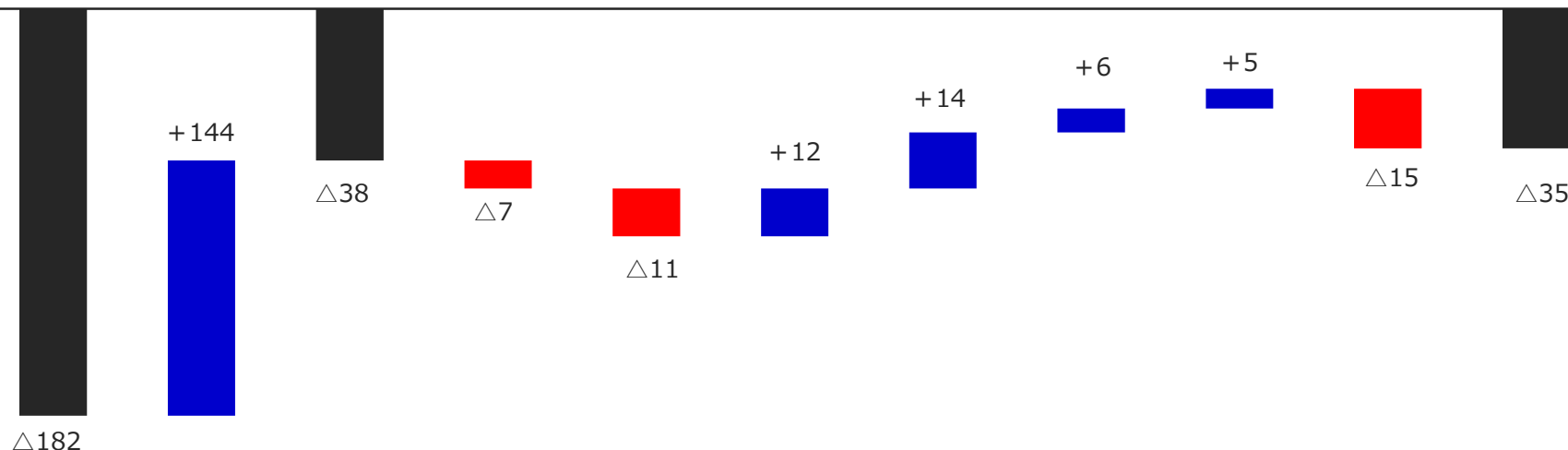
Financial Results for
2Q FY12/2022

1st half of FY2021 comparison

	Previous FY	Current FY	Difference
Net Sales	879	824	(55)
Operating Income	(182)	(35)	+148

Struggled to improve profitability due to continuing changes in the external environment, including semiconductor shortages and soaring raw material prices.

In 100 million yen



Operating income
for the 1st half of
FY2021
(Financial
Results)

ADR
closing
processing

Operating
income for the
1st half of
FY2021
(Substance)

Sales &
sales
mix

Selling,
general
administrative
expenses

Cost
reduction

Effects
resulting from
impairment

Productivity

Exchange

Raw
material

Operating income
for the 1st half of
FY2022
(Financial
Results)

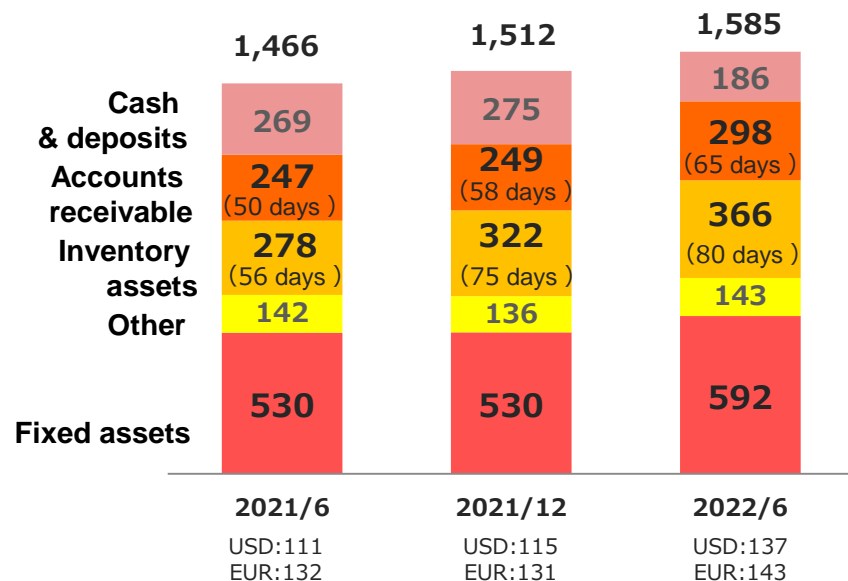
5. Consolidated balance sheet(Year-on-year comparison)

Financial Results for
2Q FY12/2022

*Days are based on ending balance and sales in the last 3 months.
Allowance for receivables to Middle East is shown net of trade receivables
21/6: 170, 21/12: 175, 22/6: 192

[In 100 million yen]

Assets



Liabilities & Net Assets

