



# Financial Results of 1st Quarter for the Year Ending December 31, 2023

May 2023

## Sanden Corporation

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## Financial Results of First Quarter for the Fiscal Year Ending December 31, 2023

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# 1 . Points of the financial results

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- 1** Net sales increased by 2.0-billion-yen year-on-year. Excluding the foreign exchange impact of +2.8 billion yen, net sales actually decreased by 0.8 billion yen.  
In real terms, sales in Europe increased due to growth in aftermarket and truck sales, and sales in Asia increased in real terms due to growth in the Indian market. Sales in other regions declined slightly.
- 2** Operating income decreased by 600 million yen YoY.  
Although the company was able to reduce cost of sales, SG&A expenses, and exchange rate effects, it was not able to fully cover fixed costs at its plants in Thailand and France due to unstable production caused by fluctuating customer demand.  
Net income increased ¥0.1 billion. Reversal of allowance for doubtful accounts due to partial collection of receivables of long-term receivables contributed to the increase.
- 3** In Europe, semiconductor shortages continue for both customers and parts suppliers. Financial instability is rising globally, and while policies by central banks in various countries are calming things down, the impact of vehicle sales due to financial institution failures, etc. needs to be monitored closely.

## 2. Summary of consolidated financial results

[In 100 million yen]

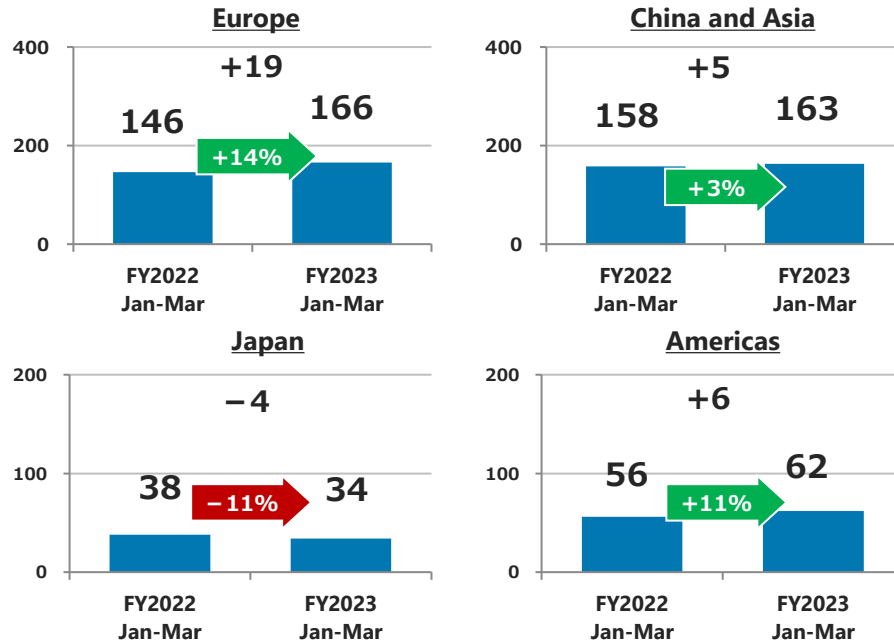
|   |      | FY2022<br>Jan~Mar 2022<br>results | FY2023<br>Jan~Mar 2023<br>results | Ver Previous year |         | FY2022<br>Oct~Dec2022 | Ver Previous<br>year |
|---|------|-----------------------------------|-----------------------------------|-------------------|---------|-----------------------|----------------------|
|   |      |                                   |                                   | Difference        | Ratioed |                       | Difference           |
| Sales   |      | 407                               | 427                               | 20                | 4.9%    | 477                   | (49)                 |
| Operating Profit  |      | (10)                              | (16)                              | (6)               | -65.6%  | (2)                   | (14)                 |
| Ordinary Profit   |      | 6                                 | 0                                 | (5)               | 96.5%   | (12)                  | 13                   |
| Net income attributable to owners of the parent company Ordinary Profit |      | 4                                 | 5                                 | 1                 | -37.6%  | 8                     | (3)                  |
| Excahnge  | US\$ | 116 yen                           | 132 yen                           | 16 yen            |         | 142 yen               | -                    |
|   | EUR  | 130 yen                           | 142 yen                           | 12 yen            |         | 144 yen               | -                    |

\*Exchange rate: Average market rate

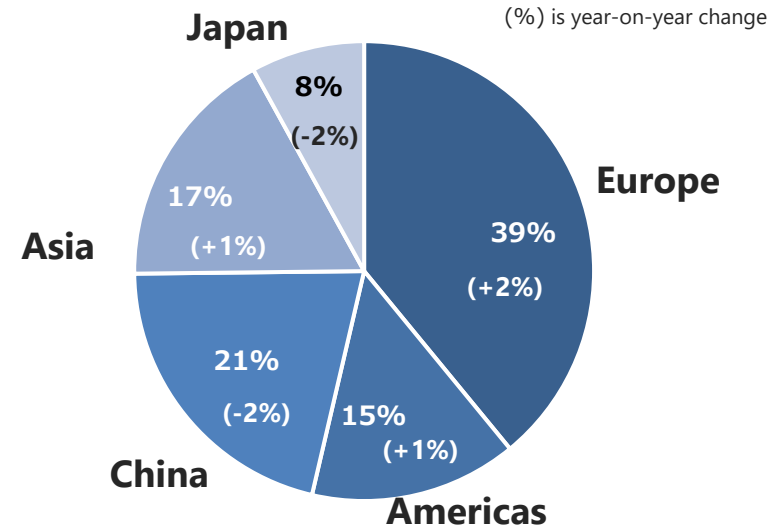
### 3. Sales by region from the automotive systems business segment

**Net sales 42.5 billion yen Increase 2.6 billion yen**  
**(Up 7% year-on-year)** (Increase by 2.8 billion yen due to currency effects)

#### ■ Regional sales [In 100 million yen]



#### ■ Composition by regions



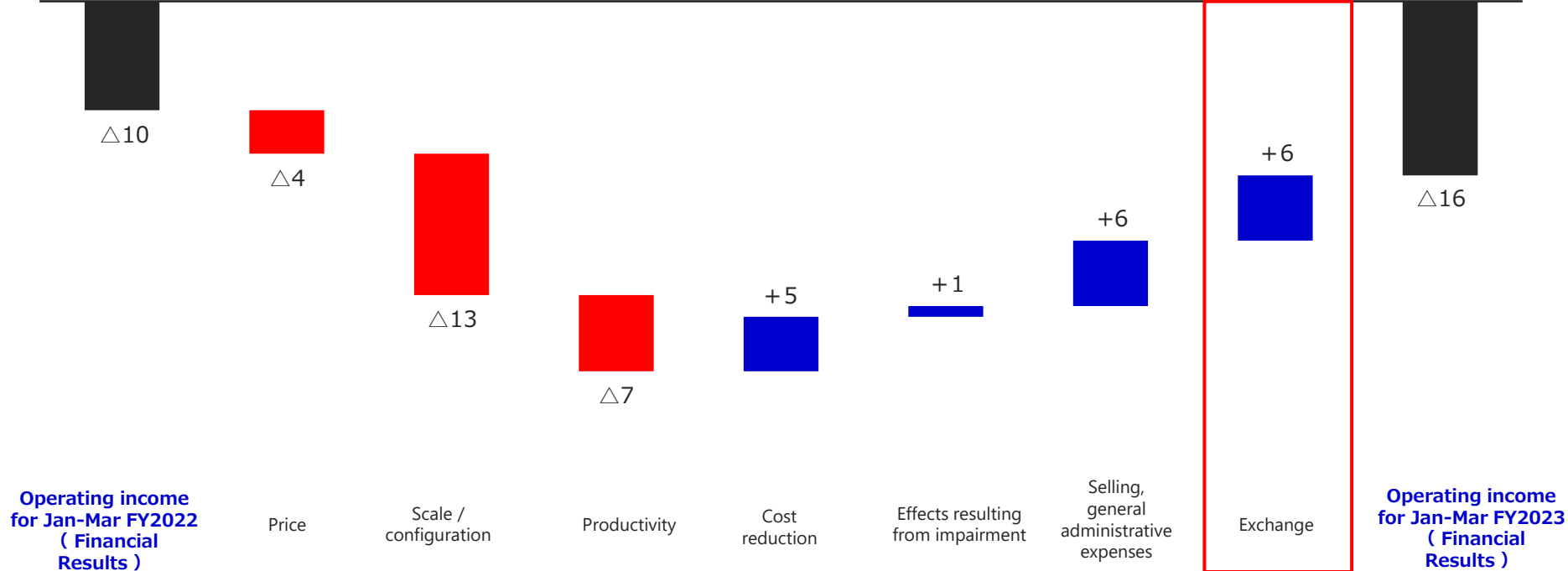
## 4. Operating income (Year-on-year comparison)

### Jan-Mar FY2022 comparison

In 100 million yen

|                  | Previous FY | Current FY | Difference |
|------------------|-------------|------------|------------|
| Net Sales        | 407         | 427        | +20        |
| Operating Income | (10)        | (16)       | (6)        |

- Profitability declined due to price reductions of electric composite products and deterioration in product mix, but this was offset by cost reductions, reductions in external procurement costs, and control of SG&A expenses by holding down distribution costs, etc.
- Productivity deteriorated due to lower production volume in Thailand caused by the shortage of semiconductors in the U.S. market (including the impact of higher utility and depreciation costs) and lower production volume in France (manufacturing costs remained flat).

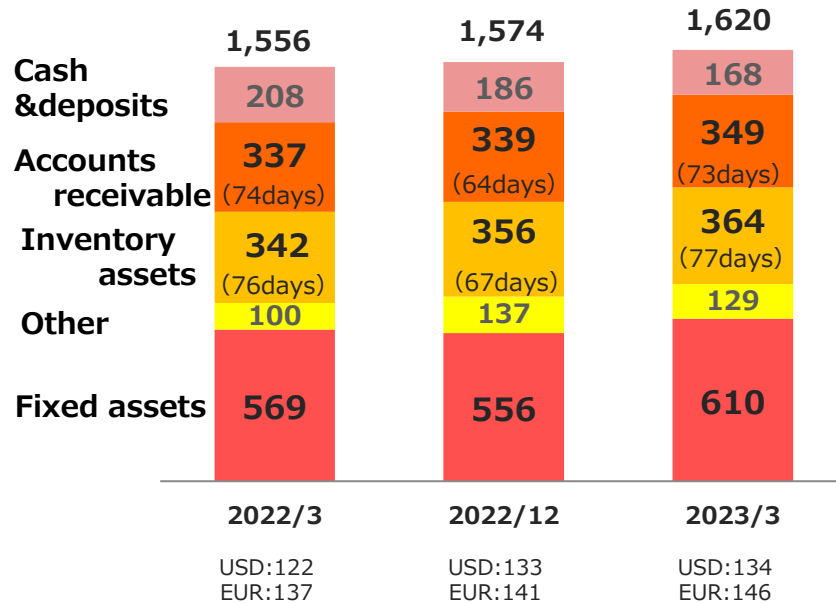


## 6. Operating income (Year-on-year comparison)

\*Days are based on ending balance and sales in the last 3 months.

[In 100 million yen]

### Assets



### Liabilities & Net Assets

