



[Translation]  
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News release

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**Notice Concerning Recognition of Extraordinary Loss on Expenses for Suspension of Operation**

Sanden Holdings Corporation (hereinafter referred to as the ‘Company’) reported the extraordinary loss on expenses for suspension of operation in the consolidated cumulative 1st quarter (April 1 to June 30, 2020) of the fiscal year ending March, 2021 as follows.

1. Extraordinary Loss on expenses for suspension of operation

The Company reported the extraordinary loss on expenses for suspension of operation of 957 million yen in the current consolidated cumulative 1st quarter.

The global pandemic of COVID-19 exercised a huge impact on the operation of the Company, such as suspension of operations at its manufacturing bases in Europe and Asia according to the instructions or requests made by the national or local governments, and the layoff at the bases in Japan and USA. (The manufacturing bases in Europe and Asia already restarted their operation.) The Company reported the expenditures incurred from such activities as mentioned above, mainly consisting of labor expenses and fixed costs including depreciation cost etc., as the extraordinary loss on Expenses for suspension of operation.

2. Impact on Company’s performance

The extraordinary loss mentioned above was reflected in the ‘Summary of Consolidated Financial Results for the 1st Quarter of the Fiscal Year Ending March 2021 (Japanese GAAP)’ released today.

End