



[Translation]

Date: November 9, 2020

For immediate release

Company name: Sanden Holdings Corporation
Representative: Katsuya Nishi, Representative Director &
President
(Securities code: 6444 TSE First Section)
Inquiries: Toru Akima, Director & Corporate Officer,
Division General Manager of Finance &
Accounting Division
Tel: (03)-5209-3341

**Notice Concerning Recording of Non-operating Expenses Including Exchange Loss
and Investment Loss on Equity Method**

We hereby provide notice concerning recording of the non-operating expenses including exchange loss and investment loss on equity method for the consolidated cumulative 2nd quarter of Fiscal 2021 started on April 1 and ended on September 30, 2020. The details are as follows.

1. Details of non-operating expenses including exchange loss and investment loss on equity method

(1) Recording of non-operating expenses – Exchange loss

Due mainly to the revaluation of foreign currency deposit held in Iran by SANDEN INTERNATIONAL (SINGAPORE) PTE. LTD., a consolidated subsidiary, the exchange loss of approximately 1.4 billion yen was recorded as non-operating expenses for the consolidated cumulative 2nd quarter of Fiscal 2020.

(2) Recording of non-operating expenses – Investment loss on equity method

Due mainly to the revaluation of foreign currency debts of IRANIAN SANDEN INDUSTRIES, an equity-method affiliate in Iran, an investment loss on equity method of approximately 2.3 billion yen was recorded as non-operating expenses for the consolidated cumulative 2nd quarter of Fiscal 2020.

2. Impacts on business performance

The non-operating expenses mentioned in this notice are reflected in the ‘Summary of Quarterly Consolidated Financial Statements as of September 30, 2020 (Japanese GAAP)’.

End