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News release



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Notice Concerning Results of Reshape Project of Labor Efficiency Associated with Structural Reform

As announced in the “Notice of Reshape Project of Labor Efficiency in Sanden Group” on December 2, 2021, Sanden Group has implemented the domestic labor efficiency activities as a part of structural reform measure, and the results are as follows:

1. Outline of Reshape project

(1) Target Group	Sanden Group employees in Japan
(2) Number of personnel applied	196 personnel
(3) Anticipated Resignation Date	December 31, 2021
(4) Preferential Treatment	Provision of regular and special severance benefits, outplacement services

2. Outlook for the Future

As announced in the “Notice Regarding Revisions of Consolidated Business Forecasts; Posting of Extraordinary Losses; Reversal of Deferred Tax Assets; and Posting of Deferred Tax Liabilities” on August 12, 2021, extraordinary losses for business reconstruction (structuring reform costs) of approximately 15 billion yen were posted for this fiscal year (April 1, 2021-December 31, 2021). As a result of the implementation of the labor efficiency measures, Sanden Group is to post additional extraordinary losses of approximately 0.9 billion yen.

The impact of this matter on annual business performance will be minimal, and no changes have been made to the forecast released in the “SUMMARY OF QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021” on November 8, 2021.