

# SANDEN CORPORATION

Feb 14, 2025

## SUMMARY OF CONSOLIDATED FINANCIAL RESULTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024 (Under Japanese GAAP)

### SANDEN CORPORATION

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Scheduled date of annual general meeting of shareholders: March 28, 2025  
Scheduled date to file annual securities report: March 28, 2025  
Scheduled date to commence dividend payments: -  
Preparation of supplementary material on financial results: Yes  
Holding of financial results briefing: Yes (for securities analysts and institutional investors)

(Fractions less than ¥1 million omitted)

### 1. Consolidated Financial Results For The Fiscal Year Ended December 31, 2024 (January 1, 2024- December 31, 2024)

(1) Consolidated operating results (%: percentage change from previous fiscal year)

	Net sales (Millions of ¥, %)		Operating income (Millions of ¥, %)		Ordinary income (Millions of ¥, %)		Net income (Millions of ¥, %)	
Fiscal year ended December 31, 2024	183,848	2.5	(6,446)	-	(176)	-	(777)	-
Fiscal year ended December 31, 2023	179,279	2.0	(11,018)	-	(8,382)	-	(3,359)	-

Notes: Equity in Comprehensive Income: For the fiscal year ended December 31, 2024: ¥ 2,788million -%  
For the fiscal year ended December 31, 2023: ¥ (2,530)million -%

	Net income per share basic (¥)	Net income per share diluted (¥)	Net income over equity ratio (%)	Ordinary income over total assets ratio (%)	Operating income over sales ratio (%)
Fiscal year ended December 31, 2024	(6.98)	-	(3.6)	(0.1)	(3.5)
Fiscal year ended December 31, 2023	(30.15)	-	(15.7)	(5.2)	(6.1)

Notes: Equity in earnings (losses) of affiliates: For the fiscal year ended December 31, 2024: ¥ 4,698million  
For the fiscal year ended December 31, 2023: ¥ 4,339million

### (2) Consolidated financial position

(Fractions less than ¥1 million omitted)

	Total assets (Millions of ¥)	Net assets (Millions of ¥)	Equity Ratio of equity over total assets (%)	Net assets per share (¥)
As of December 31, 2024	175,459	23,582	12.9	203.03
As of December 31, 2023	162,539	20,836	12.4	181.18

Notes: Equity capital As of December 31, 2024: ¥ 22,628million  
As of December 31, 2023: ¥ 20,192million

### (3) Consolidated cash flows

(Millions of ¥; Fractions less than ¥1 million omitted)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended December 31, 2024	(4,465)	(12,790)	9,484	14,929
Fiscal year ended December 31, 2023	9,371	(11,602)	5,794	21,620

## 2.Dividends

	Dividend per share (¥)					Total annual dividends (Millions of ¥)	Dividend payout ratio (Consolidated) (%)	Ratio of dividend payout over net assets (Consolidated) (%)
	1Q	2Q	3Q	4Q	Total			
Fiscal year ended December 31, 2023	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ended December 31, 2024	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending December 31, 2025 (Forecast)	-	0.00	-	0.00	0.00		-	

### 3. Forecast of business results for the next fiscal year (Jan 1, 2025-December 31, 2025)

(%: percentage change from the same period of the previous fiscal year)

	Net sales (Millions of ¥, %)		Operating income (Millions of ¥, %)		Ordinary income (Millions of ¥, %)		Net income (Millions of ¥, %)		Net income per share basic (¥)
Fiscal year ending December 31, 2025	184,700	0.5	(6,000)	-	(2,600)	-	(300)	-	(2.69)

#### \*Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (a) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (b) Changes other than in (a): None
- (c) Changes in accounting estimates: None
- (d) Restatement: None

- (3) Number of issued shares (common stock, shares)

(a) Issued shares (including treasury shares)	As of December 31, 2024:	111,693,313	As of December 31, 2023:	111,693,313
(b) Treasury shares	As of December 31, 2024:	243,577	As of December 31, 2023:	243,057
(c) Average number of shares outstanding during the period (cumulative)	As of December 31, 2024:	111,450,013	As of December 31, 2023:	111,450,389

#### [Reference] Overview of non-consolidated financial results

##### Non-consolidated financial results for the fiscal year ended December 31, 2024 (January 1, 2024 – December 31, 2024)

- (1) Non-consolidated operating results

(Percentage figures represent year on year changes)

	Net Sales		Operating income		Ordinary income		Net income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Fiscal year ended December 31, 2024	69,829	(2.9)	(12,831)	-	(5,729)	-	(2,108)	-
Fiscal year ended December 31, 2023	71,946	(4.2)	(13,790)	-	(7,932)	-	(6,715)	-

	Net income per share (Basic)		Net income per share (Diluted)	
	Yen		Yen	
Fiscal year ended December 31, 2024	(18.92)		-	
Fiscal year ended December 31, 2023	(60.26)		-	

- (2) Non-consolidated financial Position

	Total assets	Net assets	Equity Ratio	Net assets per share
	Million Yen	Million Yen	%	Yen
As of December 31, 2024	106,043	9,450	8.9	84.79
As of December 31, 2023	104,058	11,548	11.1	103.62

#### Reference: Shareholders' equity

As of December 31, 2024:	¥ 9,450million
As of December 31, 2023:	¥ 11,548million

\* This report is exempt from audit conducted by certified public accountants or an audit firm.

\* Cautionary statement regarding forecasts of operating results and special notes (Notes to the forward-looking statements and others)  
Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. These statements are not promised by the Company regarding future performance. Actual results may differ significantly from these statements for a number of reasons. For information about the forecasts, please see "1. Results of Operations (4) Outlook" on page 3.

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## 1. Results of Operations

### (1) Overview of operating results

The activities of Sanden Group are guided by the vision of “becoming the global leader in the fields of automotive compressors and integrated thermal management systems.” Under the medium-term management plan that Sanden Corporation announced in February 2024, Sanden Corporation set out to transform from a supplier of components to a “supplier of full solution systems” and achieve sustainable growth as a leading company in integrated thermal management systems. With the automobile industry currently in the midst of a period of enormous changes, we are focusing on the new energy vehicle (NEV) market. We are working to provide competitive, flexible integrated thermal management system solutions by utilizing our electric compressor manufacturing capabilities. Our priority will always be our customers.

During the current consolidated fiscal year, the global economy showed a gradual recovery trend, with inflation subsiding across regions and monetary policies becoming less restrictive. However, the outlook remained uncertain due to ongoing geopolitical risks such as the prolonged conflict in Ukraine and escalating tensions in the Middle East.

In the current consolidated fiscal year, the Group's sales were 183,848 million yen (up 2.5% year on year), supported by stable global automobile production volumes and the impact of the weakening of the yen, despite the instability of the currency markets. Operating loss was 6,446 million yen (operating loss of 11,018 million yen in the previous year), due to factors such as the price hike of raw materials and an increase in R&D expenses (up 14.4% year on year) due to the acquisition of new commercial rights for medium- to long-term growth, despite the improvement in profitability due to the impact of the depreciation of the yen on currency products and various measures such as cost reduction. The ordinary loss was 176 million yen (compared to an ordinary loss of 8,382 million yen in the same period of the previous year), due to factors such as equity method investment income and valuation gains on foreign currency-denominated receivables. Income before income taxes and minority interests was 494 million yen (compared to a loss before income taxes and minority interests of 4,093 million yen in the same period of the previous year), due to factors such as a reversal of the provision for loss on compensation for damages. Consequently, the net loss attributable to owners of the parent was 777 million yen (compared to a net loss attributable to owners of the parent of 3,359 million yen in the same period of the previous year).

Segment information is omitted because the Group operates a single segment of Automotive Systems Business.

### (2) Overview of financial position

As of the end of the current consolidated fiscal year, total assets amounted to 175,459 million yen, an increase of 12,920 million yen from the previous fiscal year-end. This increase was primarily attributable to higher tangible fixed assets from capital investments and increased inventory assets due to extended marine transport lead times and currency effects.

Total liabilities increased by 10,173 million yen compared to the end of the previous consolidated fiscal year, to 151,877 million yen, mainly due to an increase in short-term loans payable.

Net assets rose by 2,746 million yen to 23,582 million yen, primarily reflecting an increase in the foreign currency translation adjustment account due to yen depreciation.

### (3) Overview of cash flows

Cash and cash equivalents at the end of the current consolidated fiscal year decreased by 6,691 million yen from the previous fiscal year-end to 14,929 million yen.

Cash flows from operating activities were -4,465 million yen (a decrease of 13,837 million yen from the previous year) primarily due to an increase in inventories.

Cash flows from investing activities were -12,790 million yen (an increase of 1,187 million yen in cash outflow from the previous year), primarily due to factors such as capital expenditure of 9,538 million yen on the acquisition of tangible fixed assets.

Net cash provided by financing activities was 9,484 million yen (an increase of 3,689 million yen in cash inflow from the previous year), primarily due to factors such as an increase in short-term and long-term borrowing.

Cash flow indicators are as follows.

	Fiscal year ended December 2023	Fiscal year ended December 2024
Equity ratio (%)	12.4	12.9
Equity ratio (market cap-based, %)	13.6	9.4
Interest-bearing debt to cash flow ratio (X)	6.6	—
Interest coverage ratio (X)	7.2	—

Equity ratio is shareholders' equity divided by total assets.

Equity ratio (market cap-based) is market capitalization divided by total assets.

Interest-bearing debt to cash flow ratio is interest-bearing debt divided by operating cash flows.

Interest coverage ratio is operating cash flows divided by interest expenses.

Notes: 1 All figures are based on consolidated financial data.

2 Market capitalization is calculated based on the number of shares issued after deducting treasury shares.

3 Operating cash flows are cash flows from operating activities in the consolidated statements of cash flows.

4 Interest-bearing debt is the sum of all interest-bearing liabilities on the consolidated balance sheets.

5 Interest expenses are interest paid as shown in the consolidated statements of cash flows.

6 Interest-bearing debt to cash flow ratio and interest coverage ratio are not shown for the fiscal periods that ended in December 2024 because there were negative operating cash flows.

#### (4) Outlook

The consolidated results forecast for the fiscal year ending December 31, 2025 is as shown below.

The Group expects that net sales will come to 184,700 million yen in consideration of the start of supply based on new commercial rights in the US and China and growth in Indian market, although there are uncertain factors such as reduced vehicle production due to economic slowdown in the European market and the impact of the new U.S. administration's policies.

In terms of profitability, the Group expects to post an operating loss of 6,000 million yen, taking into consideration the need to further enhance investment for future growth.

Ordinary loss and loss attributable to owners of parent are expected to be 2,600 million yen and 300 million yen, respectively, including the share of profit of entities accounted for using equity method.

The assumed foreign exchange rates for the fiscal year ending December 31, 2025 are 151.20 yen against the U.S. dollar and 155.10 yen against the euro.

	(Million yen)	
	Fiscal year ended December 2024 (Actual)	Fiscal year ending December 2025 (Forecast)
Net sales	183,848	184,700
Operating profit (loss)	(6,446)	(6,000)
Ordinary profit (loss)	(176)	(2,600)
Profit (Loss) attributable to owners of parent	(777)	(300)

(5) Fundamental policy for allocation of earnings and dividends for the current fiscal year and next year

The Company positions the return of profit to shareholders as one of its key management priorities and its basic policy is to distribute profit according to consolidated financial results while simultaneously maintaining stable and continuous dividends.

However, in consideration of posting a loss attributable to owners of parent in the fiscal year under review, it has regrettably decided not to pay year-end dividends for the fiscal year ended December 31, 2024.

In addition, the Company has decided to refrain from paying any dividends for the fiscal year ending December 31, 2025 and to continue investing in growth to strengthen its financial base and respond to an accelerated shift to electric vehicles in the future.

Going forward, the Company will improve its profitability and financial conditions to achieve business growth based on the new medium-term plan announced today while also making its best efforts to resume dividend payments at the earliest possible time.

2. Basic Position concerning Selection of Accounting Standards

The Group is in the process of organizing its accounting policies and considering the timing for adopting them to prepare for the application of International Financial Reporting Standards (IFRS) in the future.

### 3. Consolidated Financial Statements and Important Notes

#### (1) Consolidated balance sheet

(Million yen)

	Fiscal year ended December 2023 (As of December 31, 2023)	Fiscal year ended December 2024 (As of December 31, 2024)
<b>ASSETS</b>		
Current assets		
Cash and deposits	22,749	17,893
Notes and accounts receivable - trade, and contract assets	47,008	49,812
Merchandise and finished goods	13,450	15,479
Work in process	9,450	10,928
Raw materials	7,235	10,056
Other inventories	1,204	1,349
Accounts receivable - other	3,451	2,999
Consumption taxes receivable	2,443	2,839
Others	6,917	7,994
Allowance for doubtful accounts	(17,262)	(18,716)
Total current assets	96,647	100,636
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,782	14,148
Machinery, equipment and vehicles, net	12,828	15,757
Tools, furniture and fixtures, net	3,374	3,474
Land	6,600	6,713
Leased assets, net	1,779	1,565
Construction in progress	4,291	7,442
Total property, plant and equipment	42,657	49,101
Intangible assets		
Others	1,435	1,586
Total intangible assets	1,435	1,586
Investments and other assets		
Investment securities	20,276	22,642
Retirement benefit asset	100	99
Deferred tax assets	430	572
Other	3,684	3,746
Allowance for doubtful accounts	(2,693)	(2,924)
Total investments and other assets	21,799	24,135
Total non-current assets	65,892	74,823
Total assets	162,539	175,459

(Million yen)

	Fiscal year ended December 2023 (As of December 31, 2023)	Fiscal year ended December 2024 (As of December 31, 2024)
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable - trade	38,099	37,727
Short-term borrowings	56,102	65,514
Current portion of long-term borrowings	300	379
Accounts payable - other	8,680	11,783
Leased obligations	1,498	1,138
Income taxes payable	1,267	906
Provision for bonuses	1,966	2,554
Provision for product warranties	6,738	6,175
Provision for damage compensation	2,130	-
Allowance for structural reform	3,364	2,708
Others	11,285	10,904
Total current liabilities	131,434	139,792
Non-current liabilities		
Long-term borrowings	822	3,952
Leased obligations	3,403	2,387
Deferred tax liabilities	1,821	1,894
Retirement benefit liability	2,118	1,689
Provision for environmental measures	512	507
Others	1,589	1,653
Total non-current liabilities	10,269	12,085
Total liabilities	141,703	151,877
<b>NET ASSETS</b>		
Shareholders' equity		
Share capital	21,741	21,741
Capital surplus	14,081	14,039
Retained earnings	(20,125)	(20,903)
Treasury shares	(531)	(532)
Total shareholders' equity	15,165	14,345
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	60	75
Deferred gains or losses on hedges	(19)	22
Foreign currency translation adjustment	4,138	6,484
Remeasurements of defined benefit plans	847	1,700
Total accumulated other comprehensive income	5,027	8,282
Non-controlling interests	643	954
Total net assets	20,836	23,582
Total liabilities and net assets	162,539	175,459



## (2) Consolidated statements of income and comprehensive income

## Consolidated statement of income

(Million yen)

	Fiscal year ended December 2023 (Jan. 1, 2023 – Dec. 31, 2023)	Fiscal year ended December 2024 (Jan. 1, 2024 – Dec. 31, 2024)
Net sales	179,279	183,848
Cost of sales	157,476	157,137
Gross profit	21,803	26,711
Selling, general and administrative expenses	32,821	33,157
Operating profit (loss)	(11,018)	(6,446)
Non-operating income		
Interest income	130	271
Dividend income	35	43
Share of profit of investments accounted for using equity method	4,339	4,698
Foreign exchange gains	-	1,722
Rental income	798	842
Others	1,076	1,659
Total non-operating income	6,381	9,239
Non-operating expenses		
Interest expenses	1,299	1,402
Foreign exchange losses	392	-
Provision of allowance for doubtful accounts	32	8
Others	2,021	1,558
Total non-operating expenses	3,745	2,969
Ordinary profit (loss)	(8,382)	(176)
Extraordinary income		
Gain on sale of non-current assets	112	31
Reversal of allowance for doubtful accounts	1,061	23
Reversal of allowance for restructuring initiatives	5,805	151
Reversal of provision for damage compensation	-	1,185
Others	120	36
Total extraordinary income	7,100	1,428
Extraordinary losses		
Impairment losses	2,442	398
Loss on disposal of non-current assets	102	130
Others	265	227
Total extraordinary losses	2,811	756
Profit (loss) before income taxes	(4,093)	494
Income taxes - current	(208)	1,012
Income taxes - deferred	(236)	37
Total income taxes	(445)	1,050
Profit (loss)	(3,648)	(555)
Profit (loss) attributable to non-controlling interests	(288)	222
Profit (loss) attributable to owners of parent	(3,359)	(777)

Consolidated statement of comprehensive income

(Million yen)

	Fiscal year ended December 2023 (Jan. 1, 2023 – Dec. 31, 2023)	Fiscal year ended December 2024 (Jan. 1, 2024 – Dec. 31, 2024)
Profit (loss)	(3,648)	(555)
Other comprehensive income		
Valuation difference on available-for-sale securities	63	10
Deferred gains or losses on hedges	(19)	41
Foreign currency translation adjustment	(224)	749
Remeasurements of defined benefit plans, net of tax	436	853
Share of other comprehensive income of associates accounted for using equity method	861	1,689
Total other comprehensive income	1,117	3,344
Comprehensive income	(2,530)	2,788
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,292)	2,477
Comprehensive income attributable to non-controlling interests	(238)	310

(3) Consolidated statement of changes in equity  
Fiscal year ended December 2023 (Jan. 1, 2023 – Dec. 31, 2023)

(Million yen)

	Shareholders' equity				Total shareholders' equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	
Balance at the beginning of period	21,741	14,081	(16,765)	(531)	18,525
Changes during period					
Profit (loss) attributable to owners of parent			(3,359)		(3,359)
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(3,359)	(0)	(3,359)
Balance at the end of period	21,741	14,081	(20,125)	(531)	15,165

  

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of period	(12)	-	3,561	410	3,959	881	23,366
Changes during period							
Profit (loss) attributable to owners of parent							(3,359)
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity							
Total changes during period	73	(19)	576	436	1,067	(238)	(2,530)
Balance at the end of period	60	(19)	4,138	847	5,027	643	20,836

Fiscal year ended December 2024 (Jan. 1, 2024 – Dec. 31, 2024)

(Million yen)

	Shareholders' equity				Total shareholders' equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares			
Balance at the beginning of period	21,741	14,081	(20,125)	(531)	15,165		
Changes during period							
Profit (loss) attributable to owners of parent			(777)		(777)		
Purchase of treasury shares				(0)	(0)		
Change in ownership interest of parent due to transactions with non-controlling interests		(42)			(42)		
Net changes in items other than shareholders' equity							
Total changes during period	-	(42)	(777)	(0)	(820)		
Balance at the end of period	21,741	14,039	(20,903)	(532)	14,345		
	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of period	60	(19)	4,138	847	5,027	643	20,836
Changes during period							
Profit (loss) attributable to owners of parent							(777)
Purchase of treasury shares							(0)
Change in ownership interest of parent due to transactions with non-controlling interests							(42)
Net changes in items other than shareholders' equity							
Total changes during period	14	41	2,346	853	3,255	310	3,566
Balance at the end of period	75	22	6,484	1,700	8,282	954	23,582

## (4) Consolidated statement of cash flows

(Million yen)

	Fiscal year ended December 2023 (Jan. 1, 2023 – Dec. 31, 2023)	Fiscal year ended December 2024 (Jan. 1, 2023 – Dec. 31, 2024)
Cash flows from operating activities		
Profit (loss) before income taxes	(4,093)	494
Depreciation	4,965	5,913
Increase (decrease) in provision for bonuses	217	513
Increase (decrease) in retirement benefit liability	(281)	(626)
Increase (decrease) in allowance for doubtful accounts	410	(512)
Increase (decrease) in provision for product warranties	1,844	(685)
Increase (decrease) in provision for environmental measures	(19)	(0)
Increase (decrease) in provision for damage compensation	(223)	(2,130)
Interest and dividend income	(166)	(315)
Interest expenses	1,299	1,402
Share of loss (profit) of entities accounted for using equity method	(4,339)	(4,698)
Gain on sale of non-current assets	(112)	(31)
Loss on disposal of non-current assets	102	130
Reversal of allowance for restructuring initiatives	(5,805)	(151)
Impairment losses	2,442	398
Decrease (increase) in trade receivables	3,642	736
Decrease (increase) in inventories	6,615	(4,354)
Decrease (increase) in accounts receivable – other	(17)	559
Decrease (increase) in consumption taxes refund receivable	2,357	(499)
Increase (decrease) in other non-current liabilities	(109)	(68)
Increase (decrease) in trade payables	1,353	(2,169)
Increase (decrease) in accounts payable - other	157	2,765
Increase (decrease) in accrued expenses	(228)	(7)
Decrease (increase) in other current assets	683	302
Increase (decrease) in other current liabilities	455	(746)
Other, net	(6,669)	(2,421)
Subtotal	4,480	(6,201)
Interest and dividends received	6,319	4,475
Interest paid	(1,296)	(1,279)
Income taxes refund (paid)	(131)	(1,460)
Net cash provided by (used in) operating activities	9,371	(4,465)

(Million yen)

	Fiscal year ended December 2023 (Jan. 1, 2023 – Dec. 31, 2023)	Fiscal year ended December 2024 (Jan. 1, 2024 – Dec. 31, 2024)
<b>Cash flows from investing activities</b>		
Purchase of securities	-	(959)
Purchase of property, plant and equipment	(11,224)	(9,538)
Proceeds from sales of property, plant and equipment	366	463
Purchase of intangible assets	(691)	(479)
Purchase of investment securities	(18)	(23)
Proceeds from withdrawal of time deposits	(0)	(2,246)
Payments into time deposits	18	-
Other, net	(52)	(7)
Net cash provided by (used in) investing activities	(11,602)	(12,790)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	7,320	8,409
Proceeds from long-term borrowings	1,140	3,201
Repayments of long-term borrowings	(688)	(260)
Repayments of leased obligations	(1,976)	(1,823)
Purchase of treasury shares	(0)	(0)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(42)
Other, net	(0)	0
Net cash provided by (used in) financing activities	5,794	9,484
Effect of exchange rate change on cash and cash equivalents	954	1,080
Net increase (decrease) in cash and cash equivalents	4,518	(6,691)
Cash and cash equivalents at beginning of period	17,102	21,620
Cash and cash equivalents at end of period	21,620	14,929

(5) Notes to the consolidated financial statements

(Notes on going concern assumption)

None

(Segment information)

I Previous fiscal period (January 1, 2023 – December 31, 2023)

Omitted because the Sanden Group has only the single reportable segment of Automotive Systems.

II Current fiscal year (January 1, 2024 – December 31, 2024)

Omitted because the Sanden Group has only the single reportable segment of Automotive Systems.

(Per-share information)

	Previous fiscal period (January 1, 2023 – December 31, 2023)	Current fiscal year (January 1, 2024 – December 31, 2024)
Net asset per share	181.18	203.03
Earnings (loss) per share	(30.15)	(6.98)

Notes: 1. Diluted earnings per share, which represents diluted loss per share, has not been presented because there was no dilution for the fiscal year.

2. Shares held by the Executive Compensation Board Incentive Plan (BIP) Trust is included in treasury shares which is excluded from the average number of shares in each period used to calculate the earnings (loss) per share, and is included in treasury shares which is excluded from the number of shares at the end of each period used to calculate the net assets per share.

The average number of shares held by this trust was 123,315 shares in the previous fiscal period and 123,315 shares in the current fiscal year. This trust held 123,315 shares as of December 31, 2023 and 123,315 shares as of December 31, 2024.

3. The basis for calculating earnings (loss) per share is as follows.

	Previous fiscal period (January 1, 2023 – December 31, 2023)	Current fiscal year (January 1, 2024 – December 31, 2024)
Profit (loss) attributable to owners of parent (million yen)	(3,359)	(777)
Profit not attributable to common shareholders (million yen)	-	-
Profit (loss) attributable to owners of parent related to common shares (million yen)	(3,359)	(777)
Average number of shares outstanding (shares)	111,450,389	111,450,013

(Significant subsequent event)

None