

Investor's Guide

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1. Basic Information

- Company Overview
- Philosophy
- History

Company Overview

- Company name: SANYO DENKI CO., LTD.
- Founded in: August 1927
- Capital: ¥9.9 billion (as of March 31, 2024)
- Head Office location: 3-33-1 Minami-Otsuka, Toshima-ku, Tokyo 170-8451
- Number of employees: 3,705 (consolidated, as of March 31, 2024)
- Our businesses: The design, manufacture, and sale of cooling fans, uninterruptible power supplies (UPS), PV inverters, servo motors, stepping motors, servo amplifiers, and stepping drivers.



Chairman of the Board & CEO
Shigeo Yamamoto



President & COO
Nobumasa Kodama

Philosophy

We at SANYO DENKI Group Companies aim to help all people achieve happiness, and work with people to make their dreams come true.

We consider it important and critical for the management of our group to actively engage in two-way dialogue with all stakeholders and to build strong partnerships with them. We aim to coexist and prosper together with our stakeholders and create new value that will lead to solutions to social issues.

For Society and the Environment

We will conduct management that contributes to conserving the global environment and enhancing human prosperity through our corporate activities.

For Customers and Users

We will conduct management that realizes the creation of new value for customers and users through our technologies, products, and services.

For Suppliers and Business Partners

We will conduct management aimed at mutual technical development and prosperity through deals of parts and materials, production contracting, and joint development.

For Investors and Financial Institutions

We will conduct management that increases our investment worth and credit through sound and constructive management and the provision of easily understandable information.

For Competitor Companies

We will conduct management that co-creates industrial and technological developments through technical alliances and competition.

For Employees

We will conduct management aimed at the self-realization of employees through their work and corporate activities.

History

1927

1950

1980

1990

2000

2020

Leadership

1927

Hideo Yamamoto
Sanyo Shokai established

1964

Chairman: Hideo Yamamoto
President: Hiroshi Yamamoto

1986

Chairman:
Hiroshi Yamamoto
President: Shinjiro Yokosawa

1994

President: Shigeo Yamamoto

2020

Chairman: Shigeo Yamamoto
President: Nobumasa Kodama

Products

1927 Started an import and distribution business of electrical components.

1932

Radio
Power
Generator



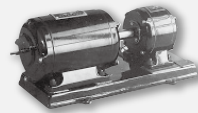
1951

Hand
Gener-
ator

1955 Uninterruptible Power Supply

1995 PV Inverter

1952 AC and DC Servo Motors



1959 Stepping Motor

1974 Servo Amplifier/Driver



1965 Cooling Fan

Production sites

1944 Ueda factories established in Ueda, Nagano

1990 Fujiyama Works

1997 Technology Center

2000 SANYO DENKI PHILIPPINES, INC.

2009 Kangawa Works

2019 Technology Center
(SANYO DENKI PHILIPPINES, INC.)

Main production sites



Fujiyama Works



SANYO DENKI PHILIPPINES, INC.

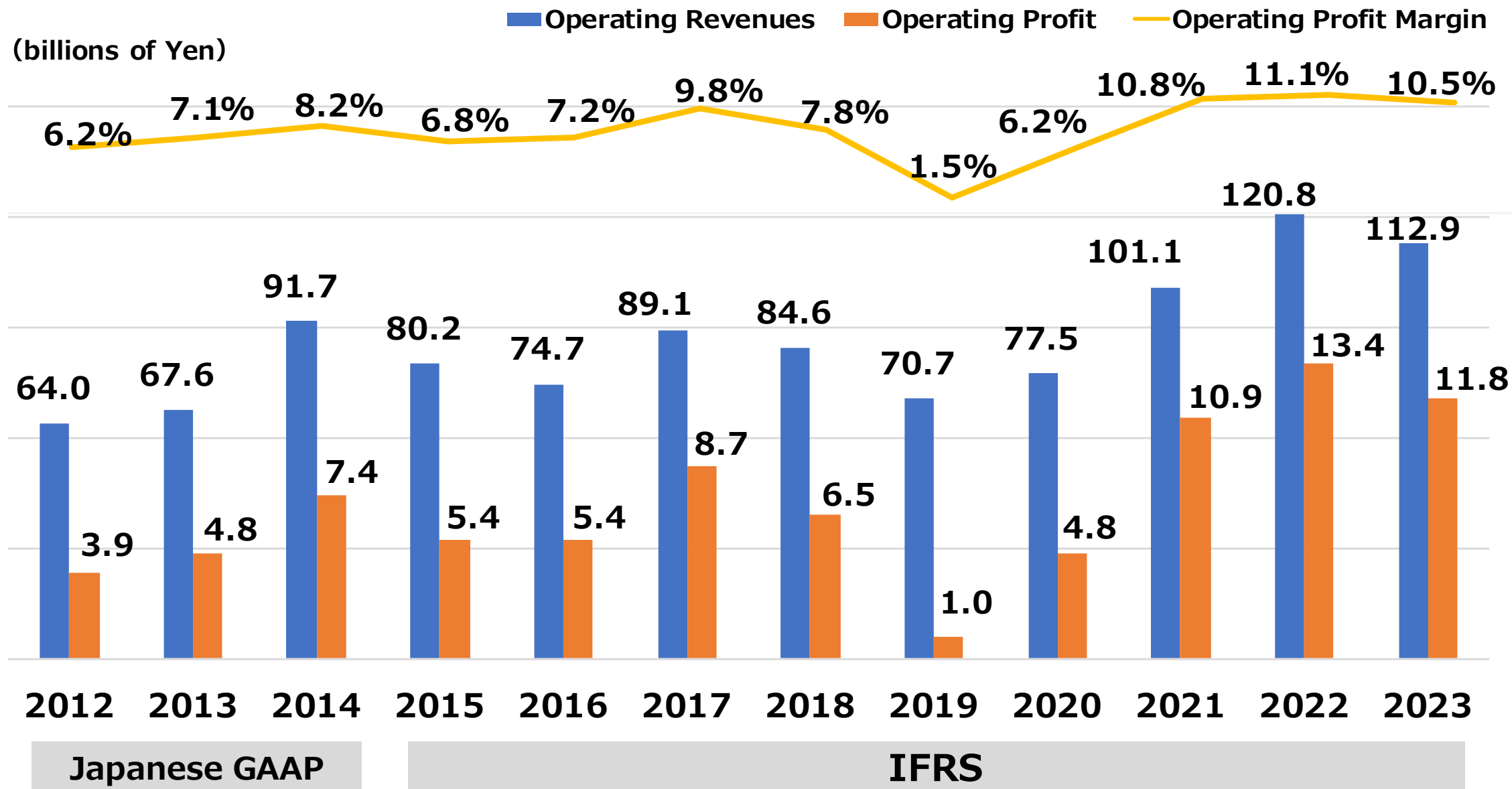


Kangawa Works

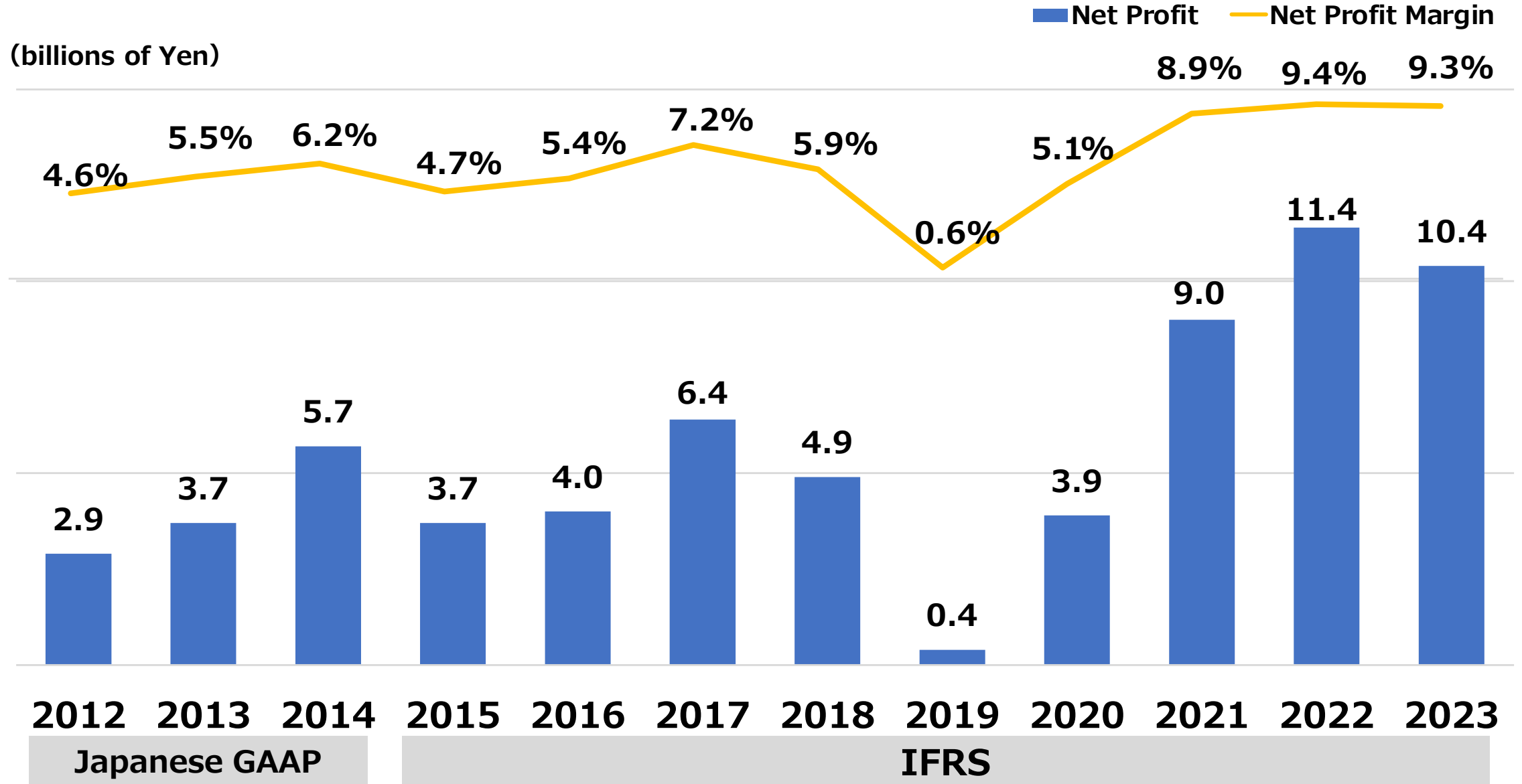
2. Our Businesses

- Operating Revenues/Operating Profit
- Net Profit / Net Profit Margin
- Revenue by Business Segment
- Revenue by Region
- Our Products
- Domestic Bases and Branches
- Global Network

Operating Revenues/Operating Profit



Net Profit* / Net Profit Margin

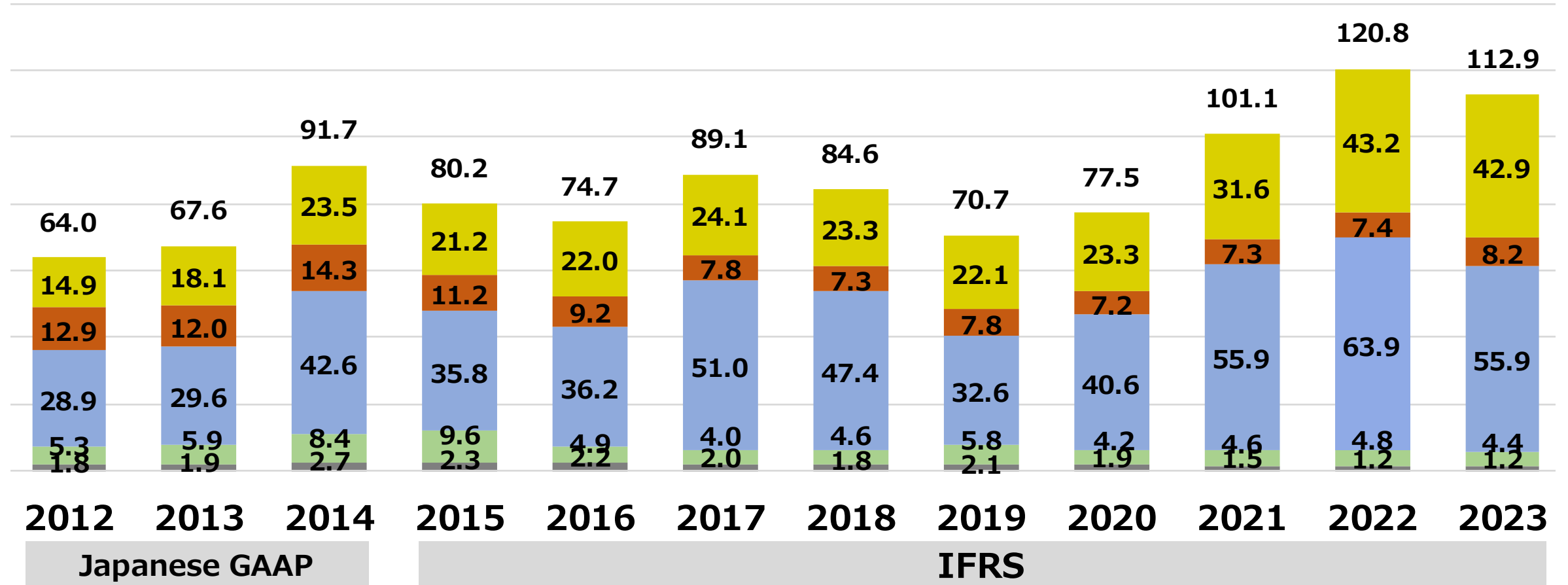


* Net profit attributable to owners of the parent

Revenue by Business Segment

- Cooling Systems Business(San Ace)
- Power Systems Business(SANUPS)
- Servo Systems Business(SANMOTION)
- Electrical Equipment Sales Business
- Electrical Works Contracting Business

(billions of Yen)

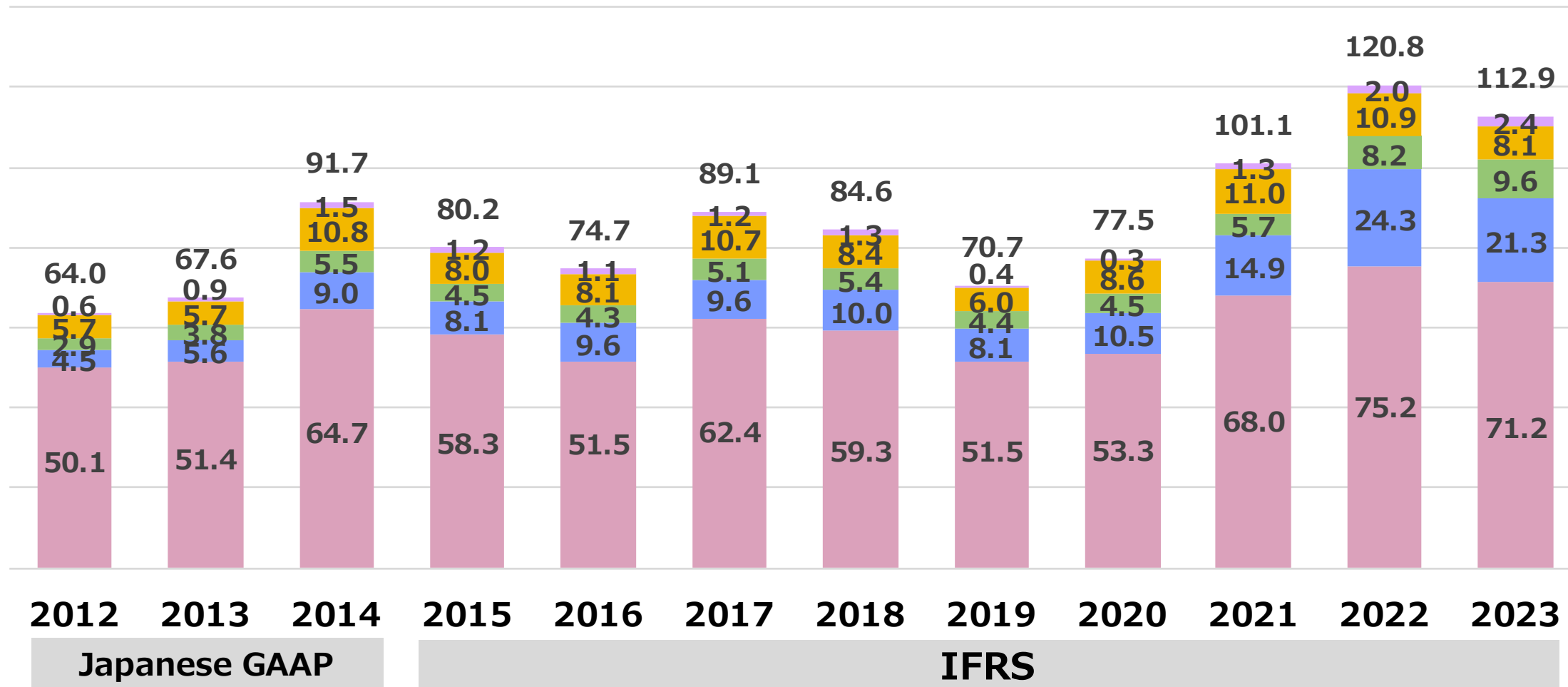


*After elimination of intersegment transactions

Revenue by Region

(billions of Yen)

■ Southeast Asia
 ■ East Asia
 ■ Europe
 ■ North America
 ■ Japan



*After elimination of intersegment transactions

Our Products

The Group has sincerely faced and addressed social issues through its products under the three brands: San Ace, SANUPS, and SANMOTION.

We will continue to create new value by developing products and providing services that have never been seen before.



San Ace



SANUPS



SANMOTION

San Ace



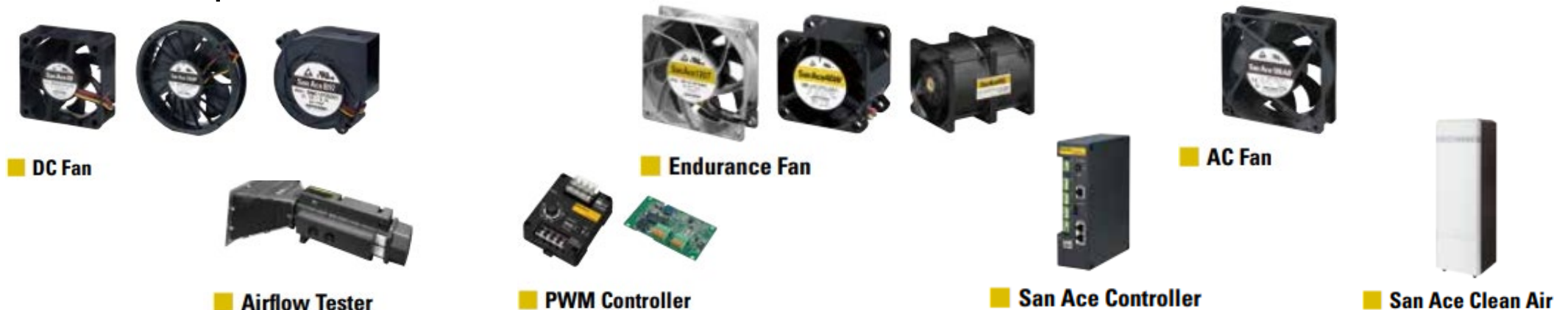
Features of San Ace Products

San Ace is a brand name for SANYO DENKI's cooling systems products, such as cooling fans and cooling fan units.

Devices using electronic components do not operate properly without heat control solutions. Our San Ace products ensure stable operation of devices by efficiently cooling them.

Our product lineup offers a wide range of products featuring industry-leading performance and quality with excellent environmental durability. We also provide customization best tailored to customers' needs.

【Product lineup】



Major Applications of San Ace Products



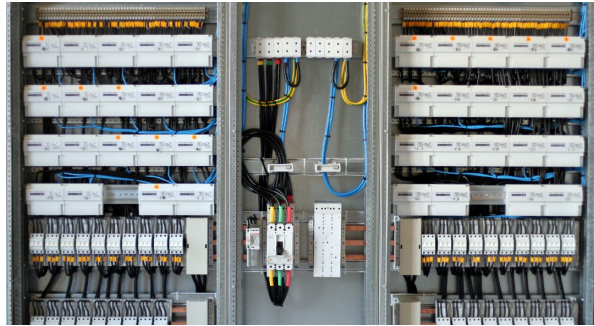
Telecom equipment



Servers



Switching power supplies



Controllers



Chargers/Dischargers



Medical and nursing equipment

SANUPS

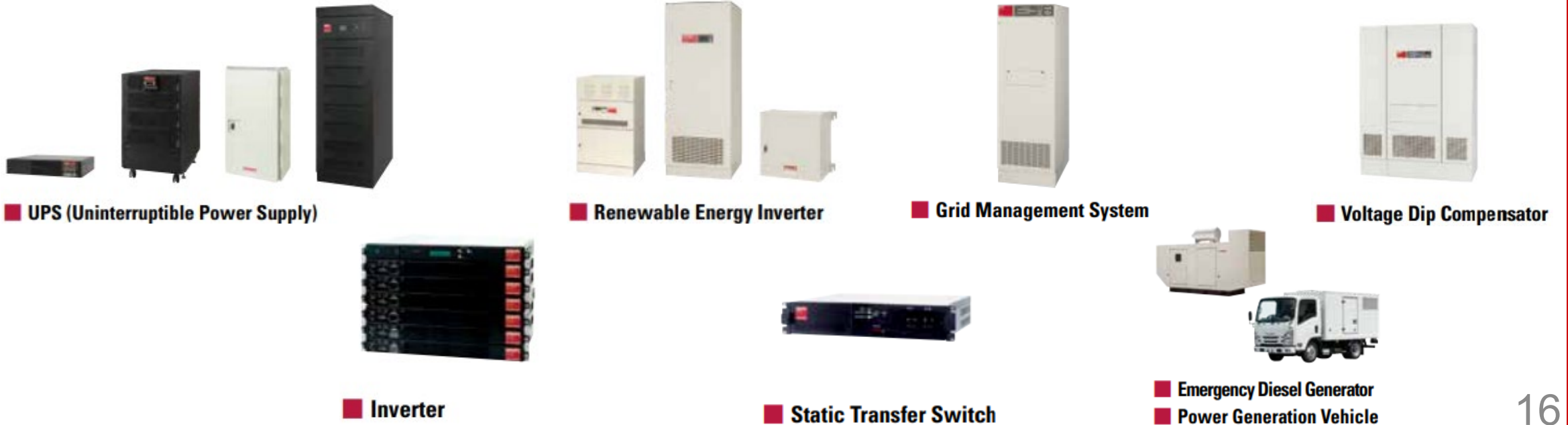


Features of SANUPS Products

SANUPS is a brand name for SANYO DENKI's power systems products such as uninterruptible power supplies (UPSs), inverters, engine generators, and renewable energy inverters.

The SANUPS products deliver reliable, high-quality power supply to customers' equipment, supporting public infrastructure including telecom, transportation, and production.

【Product lineup】



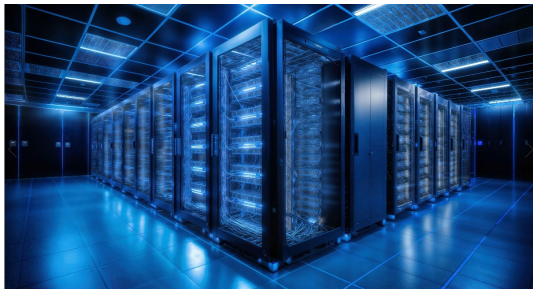
Major Applications of SANUPS Products



Telecom equipment



Emergency infrastructure



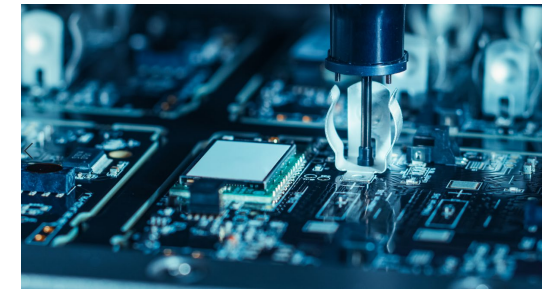
Servers



PV generation



Medical equipment and hospital facilities



Semiconductor manufacturing equipment

SANMOTION



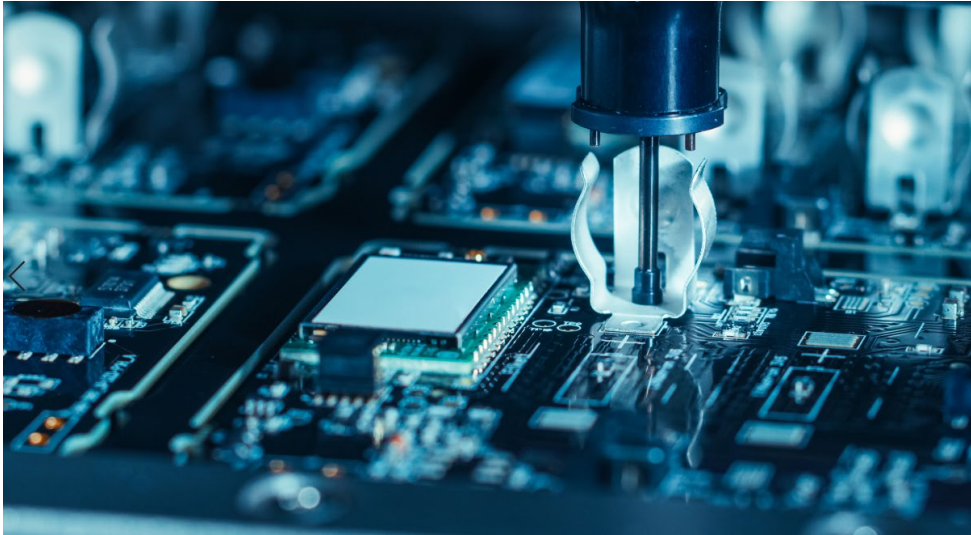
Features of SANMOTION Products

SANMOTION is a brand name for SANYO DENKI's servo systems products such as servo motors and amplifiers, stepping motors and drivers, and motion controllers. Being ideal for precise motion in production equipment, our SANMOTION products contribute to high-speed production of increasingly smaller and sophisticated parts through precise motion control. Our strength lies in our rich experience in customization.

Product lineup



Major Applications of SANMOTION Products



Semiconductor manufacturing equipment



Machine tools



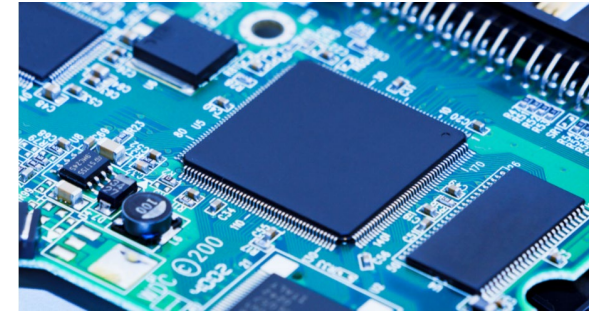
Robots



Injection molding machines



Sheet metal processing machines



Mounting machines (mounters, bonders)

Other Businesses

- Electrical Equipment Sales Business
- Electrical Works Contracting Business

Electrical Equipment Sales Business

The Electrical Equipment Sales Business engages in the sale of electrical equipment such as industrial electrical equipment, control equipment, and electrical materials.

To solve customers' problems, we provide them with the most suitable products from a wide range of products from various manufacturers, leveraging our electronic and electrical equipment trading experience and technical expertise.

Electrical Works Contracting Business

The Electrical Works Contracting Business engages in the planning, design, installation, and maintenance work of industrial control systems.

By handling all processes of industrial control systems, we provide optimal engineering services to our customers.

We provide effective one-stop shop services by leveraging our electronic and electrical equipment trading experience and system engineering technical expertise.

Domestic Bases and Branches

Ueda factories

Kangawa Works



Products produced:



Motor

Fujiyama Works



Products produced:



Fan



Cooling Systems Options



Renewable Energy Inverter



UPS



Generator



Driver/ Amplifier

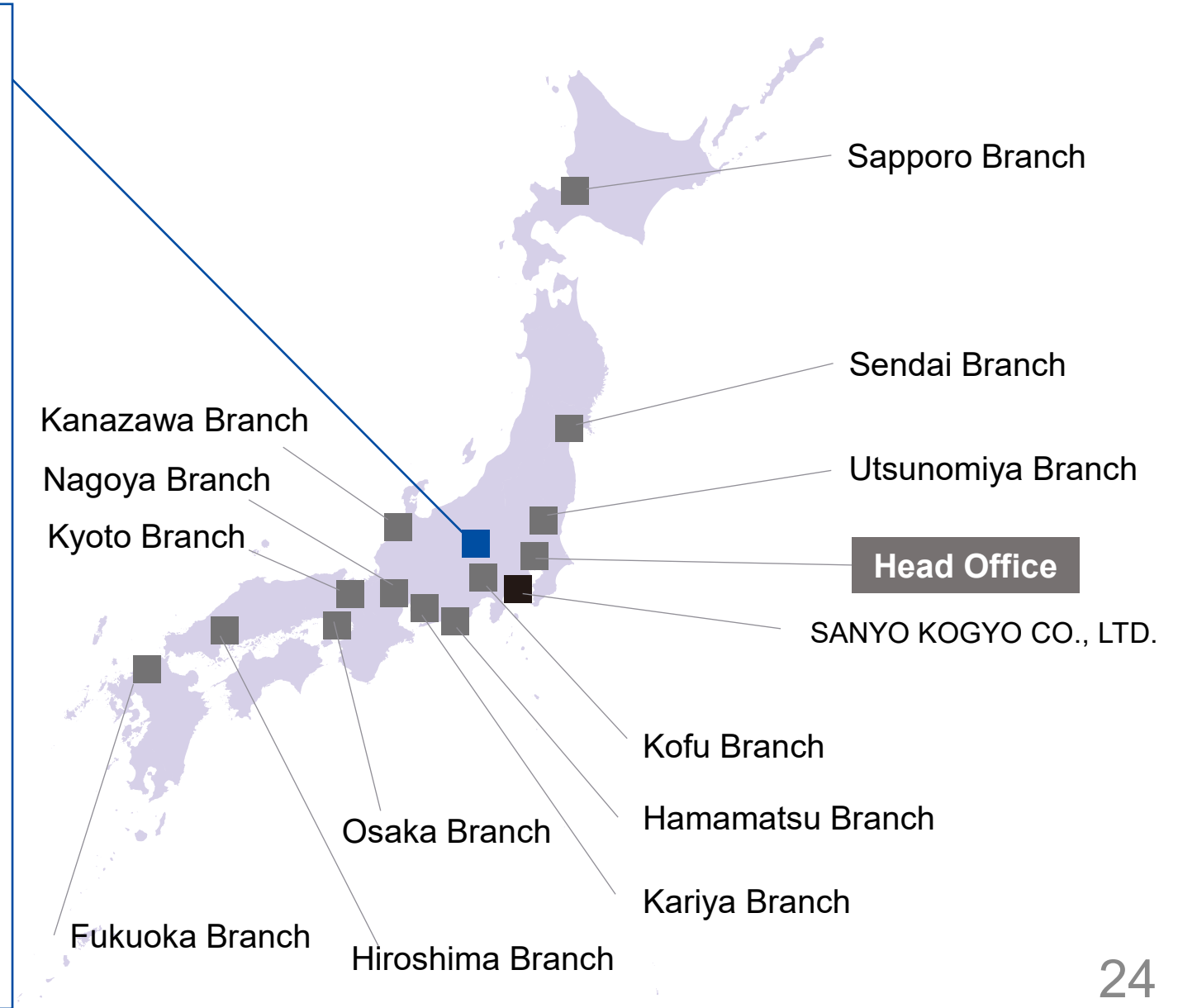


Motion Controller

Tsuji Works



Shioda Works



Global Network

SANYO DENKI GERMANY GmbH
(Germany)

SANYO DENKI ENGINEERING
(Shenzhen) CO., LTD. (China)

SANYO DENKI ENGINEERING
(Chengdu) CO., LTD. (China)

SANYO DENKI EUROPE S.A. (France)

SANYO DENKI (Zhongshan) CO., LTD. (China)



Products produced:



Cooling
Systems
Options

SANYO DENKI INDIA PRIVATE LIMITED
(India)

SANYO DENKI (THAILAND) CO., LTD.
(Thailand)

SANYO DENKI SHANGHAI CO., LTD. (China)

SANYO DENKI (Tianjin) CO., LTD. (China)

SANYO DENKI ENGINEERING (Shanghai) CO., LTD. (China)

SANYO DENKI KOREA CO., LTD. (Korea)

SANYO DENKI (Shenzhen) CO., LTD. (China)

SANYO DENKI TAIWAN CO., LTD. (Taiwan)

SANYO DENKI (H.K.) CO., LIMITED (Hong Kong)

SANYO DENKI PHILIPPINES, INC. (Philippines)



Products produced:



Fan



Renewable
Energy
Inverter



UPS



Motor



Amplifier

SANYO DENKI AMERICA, INC.
(U.S.A.)

3. Sustainability

- Carbon Neutrality
 - (1) Initiatives for climate change
 - (2) Efforts for eco-design
 - (3) Awarded Good Design Award 2023
- Health and Productivity Management

Carbon Neutrality

(1) Initiatives for climate change

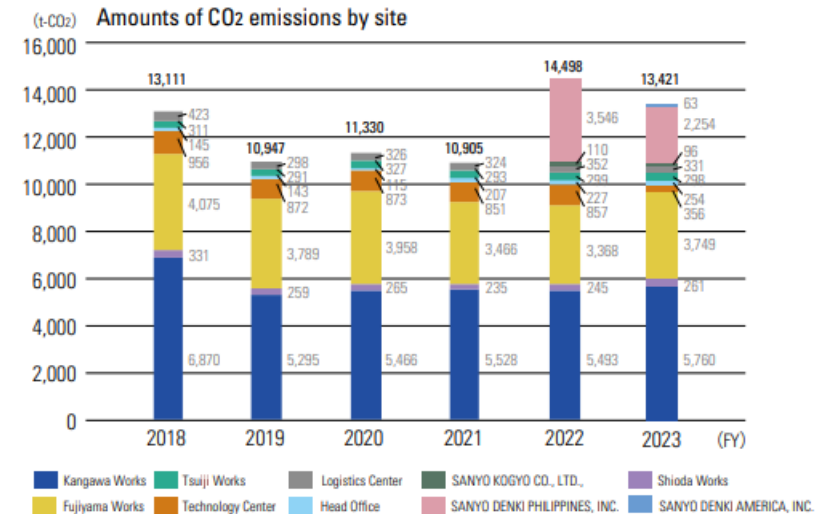
Formulated CO₂ emissions reduction initiatives over the medium and long term for achieving carbon neutrality

As part of our initiatives to address climate change, our group has set medium- to long-term targets for CO₂ emissions reduction: a 46% reduction (from FY 2017) by FY 2030, and net-zero emissions by FY 2050.

CO₂ emissions reduction targets* (Reference year: FY 2017)

FY 2030 targets	46% reduction
FY 2050 targets	Achieving carbon neutrality

* All domestic bases are applicable. The calculation took Scope 1 and 2 into account.



Note : From FY2021, CO₂ emissions will be counted as CO₂ emissions from Scope.

Target bases: all domestic bases, SANYO KOGYO CO., LTD., and SANYO DENKI PHILIPPINES, INC. were added in 2022. SANYO DENKI AMERICA, INC. was added in 2023.

Carbon Neutrality

(2) Efforts for eco-design

Eco Products—Compliant with Eco-design

In the design phase of product development, we incorporate the latest energy-saving technologies into new products.

The environmental impact of a product is assessed in each of the following stages: parts/materials procurement, manufacturing, distribution, use, recycling, and disposal.

Newly developed products are compared with commercially available and existing products and are certified as Eco Products (eco-design products) if they satisfy the specified evaluation standards.

In fiscal year 2023, 12 models were certified as Eco Products, raising the cumulative total to 370 models.

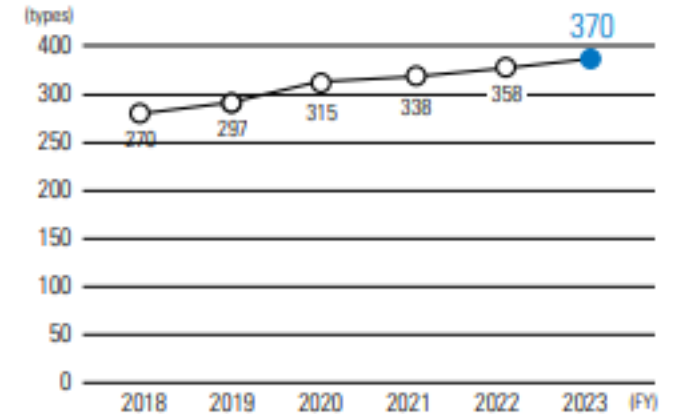
In addition, starting from FY 2024, we have established a new standard Eco Products Plus for those products with even lower environmental impact than Eco Products.



ECO PRODUCTS PLUS

Number of products certified as eco-products
(Total number of products in all divisions)

370 types



Eco-products sales ratio



Carbon Neutrality

(3) Awarded Good Design Award 2023

The SANMOTION G AC servo systems awarded Good Design Award 2023

The awarded product, the SANMOTION G AC servo systems, combines “powerful performance,” which increases manufacturing efficiency, and “eco- and user-friendliness.”

The award highly rated the user-friendly design and our commitment to and achievement of further performance improvements and environmental impact reductions.



Good Design Award is... Japan’s leading design award, held by Japan Institute of Design Promotion, for recognizing and promoting designs.

It is an internationally recognized design award to which many domestic and international companies and organizations aspire. It is held annually with the aim of contributing to improving the quality of life and addressing social issues through designs. Good Design Award official website: <https://www.g-mark.org/en>

Health and Productivity Management

The Group formulated the "SANYO DENKI Group Health Management Declaration" in August 2021 based on the idea that the promotion of health and productivity management will lead to medium- to long-term growth of the Group and society. SANYO DENKI CO., LTD. and its group company SANYO DENKI Techno Service CO., LTD. were certified for the third consecutive year as a "Health & Productivity Management Outstanding Organization (in the large enterprise category)."

SANYO DENKI Group Health Management Declaration

The Group will engage in health promotion activities and create a workplace where its employees can maintain and improve their physical and mental health. Further, through the products and technologies developed over the years, the Group is committed to helping the health of everyone involved and contributing to society.

Shigeo Yamamoto
Chairperson of Health and Productivity Management Committee
Chairman of the Board & CEO
SANYO DENKI CO., LTD.



Health & Productivity Management Outstanding Organizations Recognition Program:

This recognition program recognizes enterprises that practice outstanding health and productivity management based on their efforts to address local community health challenges and the implementation of the health improvement initiatives promoted by the Nippon Kenko Kaigi.

Appendix

Introducing the Business Company System

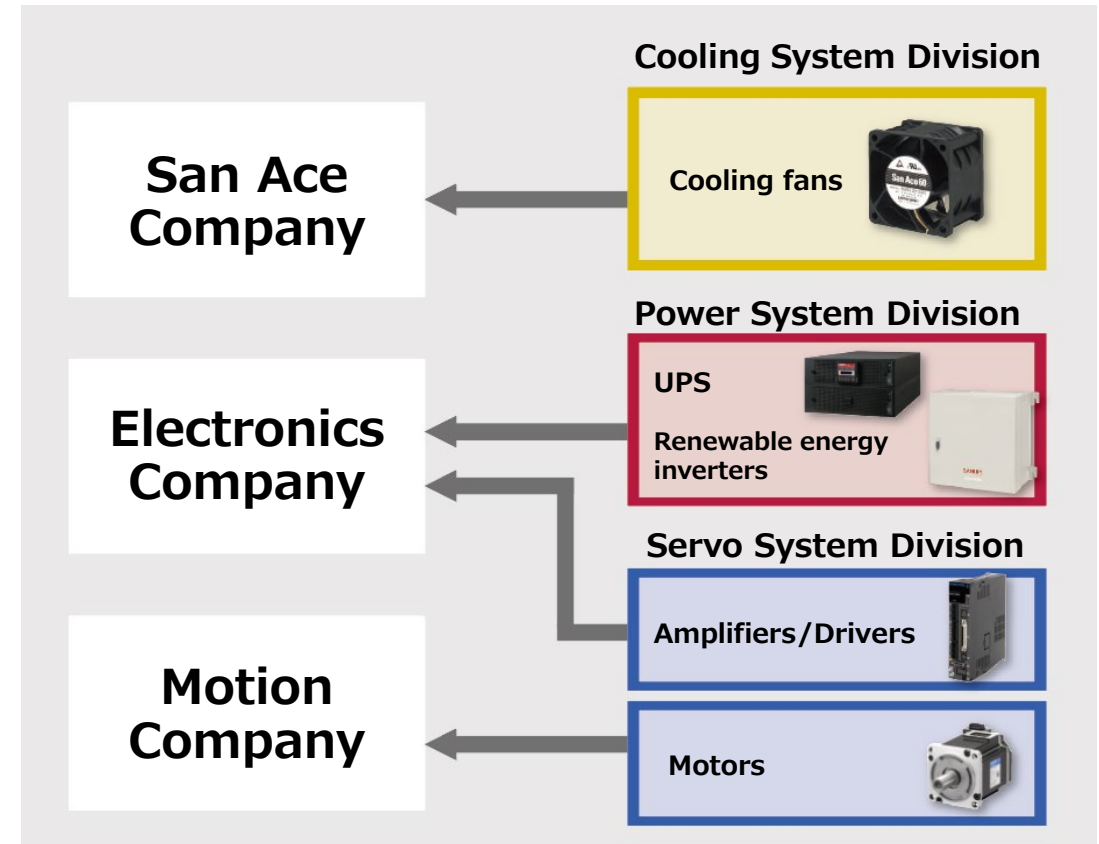
Introducing the business company system to enhance management capabilities

Aims

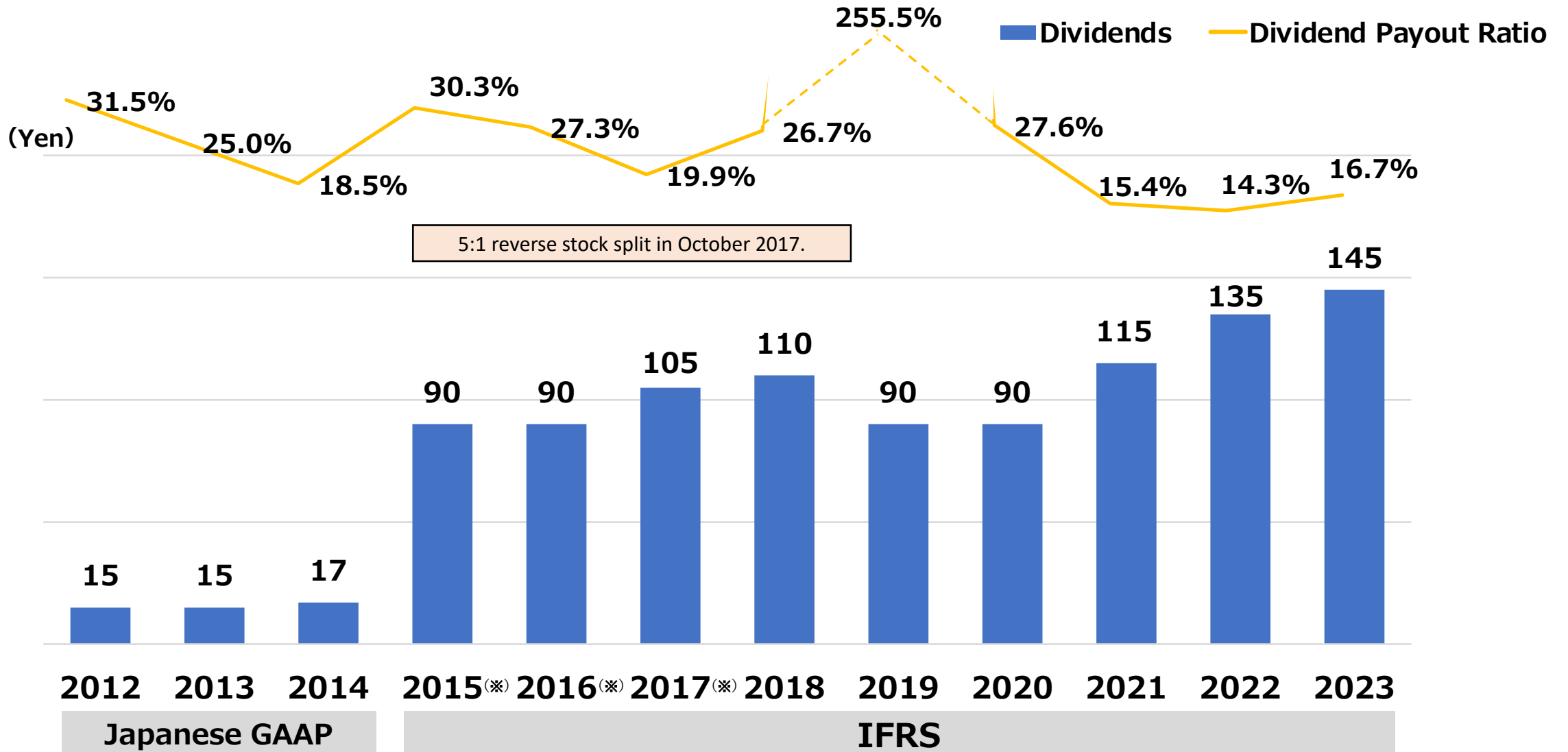
- Improve autonomy
- Optimize the use of capital and financial resources
- Expand into new markets by leveraging combined technologies
- Secure profits consistently

Reportable segment change

Former segments	New segments	Main businesses
Japan	San Ace Company	Design, manufacture, and sale of cooling fans
North America	Electronics Company	Design, manufacture, and sale of power supply units, servo amplifiers, and stepping drivers
Europe		
East Asia	Motion Company	Design, manufacture, and sale of servo motors and stepping motors
Southeast Asia	Others	Sales of electrical equipment and electrical construction



Shareholder Return (Cash Dividends per Share)



Fan Basics

To learn more, visit [Tech Compass](#) introducing our products and case studies.



✓What cooling fans do

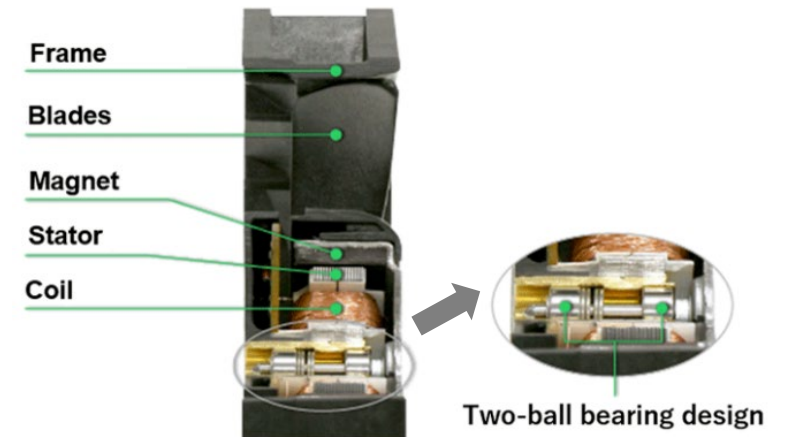
There are types of fans that are used in devices for cooling them. In recent years, fans have been increasingly used for purposes other than cooling, such as ventilation and air circulation.

✓Types of cooling fans

Fans are often classified by input power and shape. There are two types of input power: AC (alternate current) and DC (direct current); they are called AC fans and DC fans. When classified by fan shape, there are three main types: axial fans, centrifugal fans, and blowers. Fan manufacturers name their products differently, but there is no big difference in the classification.

✓Fan structure

A cooling fan basically consists of the parts shown in Fig. 1, of which the most important is the ball bearings. All SANYO DENKI fans use this two-ball bearing design. This reduces the bearing load, increasing the fan reliability and extending the service life.



UPS Basics

To learn more, visit [Tech Compass](#) introducing our products and case studies.



✓What is a UPS?

A UPS (uninterruptible power supply) is a device that continues to supply electricity for a certain period of time when a power outage occurs.

A UPS can protect computers, hard disk drives, servers, modems, routers, etc. from unexpected power outages, and ultimately protect important data and manufacturing equipment.

✓How does a UPS work?

Imagine an extension cord that is commonly used in offices and at home.

It is a cord that connects to a power source in the wall and has multiple outlets at the end, which send electricity to the devices connected to it. It is easy to understand if you think of a UPS as an extension cord with a storage function.

First, electricity is sent from the power source to the UPS. The electricity is then sent straight to the equipment connected to it, and at the same time the electricity is stored in a storage battery inside the UPS. Then, in the event of a power outage or other emergency, power is supplied from the storage battery to each device. This allows the supply of electricity to continue without even the slightest interruption.

Motor Basics

To learn more, visit [Tech Compass](#) introducing our products and case studies.



✓ What is a motor?

Motors are devices that convert electrical energy into mechanical energy. They are used in all kinds of devices that involve motion, ranging from home electronics such as washing machines, fans, and air conditioners to social infrastructure such as ATMs and automatic ticket gates. In addition to motors, there are other power sources that generate mechanical power, such as engines and steam engines. However, motors have three features that other power sources do not have.

1. High energy conversion efficiency

For example, the thermal efficiency of typical engines ranges from 30 to 40%. This means that only 30 to 40% of the energy input is converted into power, with the remaining 60 to 70% being wasted as heat. On the other hand, the energy conversion efficiency of a motor is over 80%. Thus, compared to an engine, energy can be converted into power without waste.

2. Simple structure for easy control

An engine is made up of many mechanical parts, each of which must be manufactured with high precision. In addition, many sensors are used to electronically control the engine, making the control complex. Compared to engines, motors have a simpler structure and can be powered directly by electricity, making them suitable for precise electrical control.

3. It's clean

An engine burns gasoline to convert it into power, which inevitably results in the emission of carbon dioxide (CO₂). In contrast, a motor does not emit any gases by itself.

Links

[Investor Relations \(IR\) Information](https://www.sanyodenki.com/ir/index.html) <https://www.sanyodenki.com/ir/index.html>

- [Financial Results Briefing Documents](https://www.sanyodenki.com/ir/events/fr_presentation.html) https://www.sanyodenki.com/ir/events/fr_presentation.html
- [Integrated Report](https://www.sanyodenki.com/ir/library/integrated.html) <https://www.sanyodenki.com/ir/library/integrated.html>
- [Environmental and Social Activities](https://www.sanyodenki.com/corporate/environmental_social/index.html) https://www.sanyodenki.com/corporate/environmental_social/index.html
- [Environmental Data Book](https://www.sanyodenki.com/corporate/environmental_social/data.html) https://www.sanyodenki.com/corporate/environmental_social/data.html
- [Stock Information](https://www.sanyodenki.com/ir/stock_information/index.html) https://www.sanyodenki.com/ir/stock_information/index.html
- [Company Profile](https://publish.sanyodenki.com/library/en/book/list?search%5Bhigh_category%5D=46) https://publish.sanyodenki.com/library/en/book/list?search%5Bhigh_category%5D=46

SANYO DENKI Investor's Guide

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Corporate Planning Department, SANYO DENKI CO., LTD.