

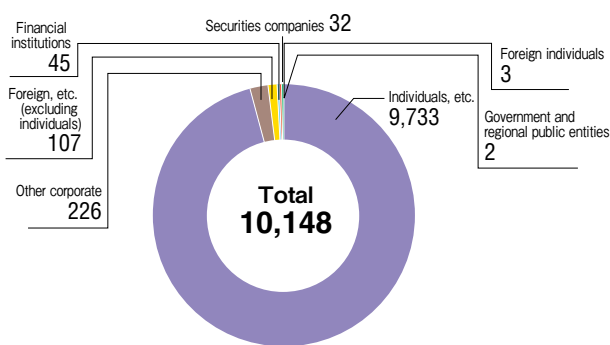
We will respond to the trust and expectations of our shareholders and investors by expanding the Sanden Group, enhancing our corporate value and making our management more transparent.

Relationship with Shareholders and Investors

■ Outstanding Shares and Shareholder Structure

As of March 31, 2009, Sanden had 140,331,565 outstanding shares and 10,148 registered shareholders. The number of shareholders by type of shareholder are shown in the exhibits below.

■ Number of Shareholders by Type of Shareholder (From p. 22: change figures)



■ Dividend Policy

For Sanden, providing shareholder returns is positioned as one of the top management priorities. The Company's fundamental objective is to maintain stable dividends while determining dividend levels based on a comprehensive assessment of its situation and due consideration of the consolidated performance situation.

■ IR Information Disclosure

To promote fairness, transparency, and expeditiousness in IR information disclosure, Sanden has established a specialized IR website. Financial information is disclosed through this website after each quarterly fiscal period, and we also organize performance explanation meetings after the end of interim fiscal periods and fiscal year-ends. Videos of the meetings and materials distributed at the meetings are also made available through the IR website.

■ Visits to Overseas Institutional Investors

Sanden has its top executives travel once each year to principal overseas business regions--Europe and Asia--to directly visit institutional investors based on those regions and carry out overseas IR tasks.

We will grow together with our suppliers as business partners who provide our customers with the best possible products, systems, and services on the basis of fair and transparent relationships.

Relationship with Suppliers

■ Research with Suppliers via MPS Meetings

Sanden has given its procurement sections the name MPS (Materials & Part Supply). Rather than considering procurement to be equivalent to purchasing, we view MPS as a broad field encompassing the reliable and efficient supply of competitive materials as well as parts from suppliers to Sanden factories as well as the supply of products to leading companies that are Sanden customers around the world.

In February 2008, we cooperated with our suppliers to organize a MPS Meeting to promote the research and resolution of diverse problems. At the meeting, suppliers formed separate groups for various themes, including "environment & health and safety," "increasing productivity," and "strengthening management bases." As they engage in research programs involving mutual efforts by the participating companies to promote innovation, these groups are submitting various suggestions to Sanden.

■ Direct Communication via CF Conferences

Each year, Sanden holds a CF Conference ("Create Future" Conference) to explain its management policies and tasks to our suppliers and promote suppliers' understanding

and cooperation. At the 2008 CF Conference, we explained our business environment and policies, requested measures to strengthen our partnerships with suppliers, and also presented such new initiatives as those involving our provision of support for suppliers.

In addition, each Sanden business facility organizes two Business Facility CF Conferences each year, at which the facilities explain their business development plans in detail and work to build even stronger relationships with suppliers based on mutual trust.

■ Σ127 Campaigns with Suppliers

To promote improvements such as those regarding productivity, quality, value analysis, and value engineering, Sanden's suppliers engage in Σ 127 (Sigma 127) small-group activities. Since 1993, when Σ 127 programs were initiated with the participation of 127 suppliers, 33 sessions of Σ 127 activities have been organized, with the objective of concertedly focusing suppliers' capabilities on the promotion of reforms. The scope of Σ 127 programs is not restricted to suppliers; outstanding groups from the programs participate in Sanden Group small-group activities, enabling them to promote reform measures in close cooperation with Sanden.