

# Consolidated Financial Summary for FY2021 (1 April 2021 – 31 March 2022)

## [Japanese GAAP]

11 May 2022

Company Name : SUZUKI MOTOR CORPORATION Listings : The Prime Market of Tokyo Stock Exchange  
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Date of the Ordinary General Meeting of Shareholders : 29 June 2022  
 Start of Payment of Cash Dividends : 30 June 2022  
 Date of Filing Annual Securities Report : 29 June 2022  
 Preparation of Supplementary Explanatory Materials : Yes  
 Holding of Presentation Meeting on Financial Results : Yes

(Amounts less than one million yen are rounded down)

### 1. Consolidated Operating Results for FY2021 (1 April 2021 – 31 March 2022)

#### (1) Consolidated Management Results

(Percentage indicates change from the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY 2021	3,568,380	12.3	191,460	-1.5	262,917	5.9	160,345	9.5
FY 2020	3,178,209	-8.9	194,432	-9.6	248,255	1.2	146,421	9.1

[Note] Comprehensive income: FY2021 289,176 Million Yen (-2.1%) FY2020 295,287 Million Yen (683.5%)

	Profit per share, Basic	Profit per share, Diluted	Return on shareholders' equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
FY 2021	330.20	330.18	9.0	6.4	5.4
FY 2020	301.65	301.61	9.2	6.7	6.1

[Reference] Share of profit (loss) of entities accounted for using equity method: FY2021 9,244 Million Yen FY2020 7,900 Million Yen

[Note] "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March 31, 2020), etc. have been applied from the beginning of FY2021. Net sales and profit for FY2021 are the figures after the application.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million Yen	Million Yen	%	Yen
FY 2021	4,155,153	2,263,672	45.2	3,867.67
FY 2020	4,036,360	2,031,964	41.8	3,475.34

[Reference] Shareholders' equity (Net assets excluding non-controlling interests and share acquisition rights):

FY2021 1,878,227 Million Yen FY2020 1,687,478 Million Yen

[Note] "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March 31, 2020), etc. have been applied from the beginning of FY2021. The figures for FY 2021 are the ones after the application.

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million Yen	Million Yen	Million Yen	Million Yen
FY 2021	221,259	-153,515	-154,624	857,996
FY 2020	415,439	-232,985	302,633	924,392

### 2. Cash Dividends

	Cash dividends per share					Total amount (Annual)	Payout ratio (Consolidated)	Ratio of total amount of cash dividends to shareholders' equity (Consolidated)
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million Yen	%	%
FY2020	-	37.00	-	53.00	90.00	43,700	29.8	2.8
FY2021	-	45.00	-	46.00	91.00	44,199	27.6	2.5
FY2022(Forecast)	-	45.00	-	46.00	91.00		32.7	

### 3. Forecasts for Consolidated Operating Results of FY2022 (1 April 2022 – 31 March 2023)

(Percentage indicates change from the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Full Year	3,900,000	9.3	195,000	1.8	220,000	-16.3	135,000	-15.8	277.99

#### \*Notes

(1) Changes in significant subsidiaries during period

(Changes in specified subsidiaries that accompany with a change in the scope of consolidation): None

(2) Changes in Accounting Principles, Changes in Accounting Estimates, and Retrospective Restatements

1) Changes in accounting principles due to the revision of the accounting standards : Yes

2) Changes in accounting principles other than 1) : Yes

3) Changes in accounting estimates : None

4) Retrospective restatements : None

(Note) For details, please refer to "3. Consolidated Financial Statement and Significant Notes (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies)" on page 11.

(3) Number of outstanding shares (common stock)

(Shares)

1) Number of outstanding shares at the end of period (Including treasury shares)	FY2021	491,122,300	FY2020	491,098,300
2) Number of treasury shares at the end of period	FY2021	5,500,056	FY2020	5,540,488
3) Average number of outstanding shares during period	FY2021	485,604,323	FY2020	485,411,163

#### [Reference] Summary of Non-consolidated Results

#### Non-consolidated Operating Results for FY2021 (1 April 2021 – 31 March 2022)

##### (1) Non-consolidated Management Results

(Percentage indicates change from the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY 2021	1,690,761	-1.0	77,976	19.9	93,071	5.4	82,953	3.1
FY 2020	1,707,133	-4.8	65,061	-10.5	88,291	-9.0	80,431	3.0

	Profit per share, Basic		Profit per share, Diluted	
	Yen		Yen	
FY 2021	170.80		170.79	
FY 2020	165.67		165.65	

##### (2) Non-consolidated Financial Position

	Total assets		Net assets		Shareholders' equity ratio		Net assets per share	
	Million Yen		Million Yen		%		Yen	
FY 2021	2,222,479		834,410		37.5		1,717.86	
FY 2020	2,273,758		766,257		33.7		1,577.60	

[Reference] Shareholders' equity (Net assets excluding share acquisition rights):

FY2021 834,368 Million Yen FY2020 766,142 Million Yen

**\* This financial result is not required to be audited by certified public accountants or audit firm.**

#### \* Explanation regarding the appropriate use of forecasts for operating results, other information

(Cautions For Forward-looking Statement)

The forward-looking statements are based on currently available information and assumptions, contain risks and uncertainty, and do not constitute guarantees of future achievement. Please note that the future results may greatly vary by the changes of various factors.

Those factors, which may influence the future results, include economic conditions and the trend of demand in major markets and the fluctuations of foreign exchange rates (mainly US dollar/Yen rate, Euro/Yen rate and Indian Rupee/Yen rate).

(Financial Results Supplementary Explanatory Materials)

Financial Results Supplementary Explanatory Materials will be available on our website

(<https://www.globalsuzuki.com>) on 11 May 2022.

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# 1. Summary of Management Results, etc.

## (1) Summary of Management Results and Financial Positions

### (Management results of FY2021)

The business environment surrounding our group during this fiscal year was severe due to a shortage of parts supplies, including semiconductors, soaring raw material prices and the impact of COVID-19.

Under these circumstances, we have tried to deliver as many cars as possible to customers by securing parts and reviewing production plans. In addition, we have implemented measures such as sales efforts and austerity budget through a year as part of our efforts to improve earnings.

From April 2021 to March 2022, net sales increased by ¥390.2 billion (12.3%) to ¥3,568.4 billion compared to the previous year, when the business performance declined due to the COVID-19 pandemic. Operating profit decreased by ¥2.9 billion (1.5%) to ¥191.5 billion year-on-year (YoY), mainly owing to increase in raw material prices. Ordinary profit increased by ¥14.6 billion (5.9%) to ¥262.9 billion YoY, mainly owing to improvement of financial revenue. Profit attributable to owners of parent increased by ¥13.9 billion (9.5%) to ¥160.3 billion YoY.

### (Management results of FY2021 last three months)

In January-March period, net sales decreased by ¥8.6 billion (0.9%) to ¥994.1 billion YoY, owing to decrease in sales units in countries including Japan and India, owing to production decrease due to parts shortage including semiconductors. Operating profit decreased by ¥10.8 billion (19.5%) to ¥44.8 billion YoY, mainly owing to increase in raw material prices such as steel. Ordinary profit decreased by ¥14.4 billion (19.5%) to ¥59.0 billion YoY, and profit attributable to owners of parent decreased by ¥8.7 billion (26.0%) to ¥24.5 billion YoY.

### - Operating results by Segment

#### 1) Automobile Business

Amid the continuing impact of production decrease, net sales decreased by ¥21.4 billion (2.3%) to ¥893.4 billion YoY, and operating profit decreased by ¥8.3 billion (18.2%) to ¥37.1 billion YoY, mainly owing to increase in raw material prices.

#### 2) Motorcycle Business

Net sales increased by ¥8.7 billion (14.1%) to ¥69.8 billion YoY, mainly owing to expanded sales of higher range models such as the new Hayabusa. However, operating profit decreased by ¥2.3 billion (59.5%) to ¥1.7 billion YoY, mainly owing to increase in raw material prices.

#### 3) Marine Business

Net sales increased by ¥4.1 billion (17.3%) to ¥27.9 billion YoY, owing to the continued strong sales of outboard motors in North America. However, operating profit decreased by ¥0.3 billion (5.9%) to ¥5.2 billion YoY, mainly owing to increase in raw material prices.

#### 4) Other Business

Net sales is almost same as FY 2020, ¥3.0 billion YoY, and operating profit increased by ¥0.1 billion (24.4%) to ¥0.8 billion YoY.

### - Operating results by Geographical Region

In Japan, profit increased YoY, mainly owing to reduction in expenses and the positive foreign exchange. In Other regions, profit increased YoY, due to an increase in sales units mainly in Africa. On the other hand, profit decreased YoY in Asia and Europe.

## (Financial Positions of FY2021)

### - Assets, liabilities and net assets

With respect to the financial positions at the end of FY2021 total assets were ¥4,155.2 billion (increased by ¥118.8 billion from the end of the previous consolidated fiscal year). Total liabilities were ¥1,891.5 billion (decreased by ¥112.9 billion from the end of the previous consolidated fiscal year). Total net assets were ¥2,263.7 billion (increased by ¥231.7 billion from the end of the previous consolidated fiscal year).

As for the borrowings of ¥400.0 billion in FY2020 first three months, the Company will intend to maintain the current borrowing level for the time being owing to the impact of parts shortage including semiconductors. The shareholders' equity ratio at the end of FY2021 recovered to the level at the end of FY2019, to 45.2%.

## - Cash flows

The balance of cash and cash equivalents at the end of FY2021 amounted to ¥858.0 billion (¥66.4 billion of negative from the end of the previous consolidated fiscal year). Cash flows for FY2021 are as follows.

### 1) Cash flows from operating activities

Net cash provided by (used in) operating activities for FY2021 amounted to ¥221.3 billion of positive. Although profit before income taxes increased YoY, net cash was ¥194.1 billion of negative compared to ¥415.4 billion of positive in the same period of the previous fiscal year due to decreasing of trade payables.

### 2) Cash flows from investing activities

Net cash provided by (used in) investing activities for FY2021 amounted to ¥153.5 billion of negative. It was ¥79.5 billion of positive compared to ¥233.0 billion of negative in the same period of the previous fiscal year. It was mainly caused by increase in proceeds from the sale of property, plant and equipment such as the former Toyokawa Plant site exceeded purchases of property, plant and equipment.

As a result, free cash flow amounted to ¥67.8 billion of positive (¥114.6 billion of negative compared to 182.4 billion of positive in the same period of the previous fiscal year.)

### 3) Cash flows from financing activities

Net cash provided by (used in) financing activities for FY2021 amounted to ¥154.6 billion of negative. (It is ¥457.2 billion of negative compared to ¥302.6 billion of positive caused by financing in light of the spread of COVID-19.)

## (2) Forecasts for the next fiscal year

Although concerns over the procurement of parts including semiconductors and the future of global situation are uncertain, the Company outlined full-year forecast for FY2022, which includes net sales to be ¥3,900 billion, mainly owing to an increase in sales units, improvement in unit prices, and the depreciation of yen. Operating profit is expected to be ¥195 billion (Operating margin 5.0%), reflecting the impact of increase in raw material prices and increase in costs associated with CASE initiatives such as EV development.

(Forecasts of full-year financial results for FY2022)

Net sales	¥3,900.0 billion	(up 9.3 % YoY)
Operating profit	¥195.0 billion	(up 1.8 % YoY)
Ordinary profit	¥220.0 billion	(down 16.3 % YoY)
Profit attributable to owners of parent	¥135.0 billion	(down 15.8 % YoY)
(Foreign Exchange Rate)	¥120/US\$, ¥130/Euro, ¥1.60/Indian Rupee	

\* The forward-looking statements are based on currently available information and assumptions, contain risks and uncertainty, and do not constitute guarantees of future achievement. Please note that the future results may greatly vary by the changes of various factors.

Those factors, which may influence the future results, include economic conditions and the trend of demand in major markets and the fluctuations of foreign exchange rates (mainly US dollar/Yen rate, Euro/Yen rate and Indian Rupee/Yen rate).

## (3) Basic Dividend Policy and Dividends for Current and Next Fiscal Year

As for dividends, the company hold the basic policy to pay dividends continuously and stably with a target payout ratio of 30% as announced in the "Mid-Term Management Plan (April 2021 to March 2026) ~ "Sho-Sho-Kei-Tan-Bi" ~".

Although the business environment surrounding the Company continues to be severe due to supply shortages of components including semiconductors and soaring raw material prices, we consider that the annual dividend for the current fiscal year be 91 yen per share, an increase of 1 yen from the previous fiscal year, in consideration of the balance between growth investments such as CASE and carbon neutrality, and shareholder returns.

As a result, we will propose 46 yen per share as year-end dividend, as an interim dividend was paid out by 45 yen per share.

For the next fiscal year, we plan to pay an annual dividend of 91 yen per share (of which, interim dividend of 45 yen), the same amount as the current fiscal year, in order to ensure stable dividends.

## 2. Basic Policy on the Selection of Accounting Standard

The Group is preparing for implementation of the International Financial Reporting Standards (IFRS) in the future. Concrete timing of the implementation is currently under examination.

### 3. Consolidated Financial Statement and Significant Notes

#### (1) Consolidated Balance Sheets

(Amount: Millions of yen)

	FY2020 (As of 31 March 2021)	FY2021 (As of 31 March 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	1,024,553	964,315
Notes and accounts receivable-trade	448,601	—
Notes receivable-trade	—	783
Accounts receivable-trade	—	433,222
Securities	201,549	122,314
Merchandise and finished goods	246,567	214,471
Work in process	46,298	66,619
Raw materials and supplies	63,045	88,358
Other	132,315	167,924
Allowance for doubtful accounts	(4,138)	(6,790)
Total current assets	2,158,793	2,051,219
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	202,409	219,897
Machinery, equipment and vehicles, net	270,729	317,333
Tools, furniture and fixtures, net	61,065	78,427
Land	317,813	337,326
Construction in progress	126,897	84,989
Total property, plant and equipment	978,916	1,037,975
Intangible assets	2,351	3,396
Investments and other assets		
Investment securities	704,305	852,269
Long-term loans receivable	545	1,245
Retirement benefit asset	4,261	8,366
Deferred tax assets	140,922	143,346
Other	46,825	57,808
Allowance for doubtful accounts	(329)	(301)
Allowance for investment loss	(232)	(174)
Total investments and other assets	896,298	1,062,563
Total non-current assets	1,877,566	2,103,934
Total assets	4,036,360	4,155,153

	FY2020 (As of 31 March 2021)	FY2021 (As of 31 March 2022)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	330,522	287,724
Electronically recorded obligations-operating	78,663	14,911
Short-term borrowings	287,577	95,246
Current portion of long-term borrowings	281,277	87,019
Current portion of bonds with share acquisition rights	—	8,560
Accrued expenses	228,726	201,841
Income taxes payable	32,138	55,155
Provision for product warranties	254,076	227,559
Provision for bonuses for directors	83	138
Other	195,397	278,360
<b>Total current liabilities</b>	<b>1,688,462</b>	<b>1,256,517</b>
<b>Non-current liabilities</b>		
Bonds with share acquisition rights	8,560	—
Long-term borrowings	193,413	483,333
Deferred tax liabilities	5,802	6,602
Provision for retirement benefits for directors	17	17
Provision for disaster	358	336
Provision for product liabilities	4,217	3,192
Provision for recycling expenses	12,363	13,144
Retirement benefit liability	62,081	64,449
Other	29,120	63,888
<b>Total non-current liabilities</b>	<b>315,932</b>	<b>634,963</b>
<b>Total liabilities</b>	<b>2,004,395</b>	<b>1,891,481</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	138,262	138,318
Capital surplus	143,400	143,369
Retained earnings	1,519,826	1,638,726
Treasury shares	(21,027)	(20,877)
<b>Total shareholders' equity</b>	<b>1,780,462</b>	<b>1,899,536</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	121,133	111,078
Deferred gains or losses on hedges	(484)	88
Foreign currency translation adjustment	(193,295)	(112,138)
Remeasurements of defined benefit plans	(20,337)	(20,337)
<b>Total accumulated other comprehensive income</b>	<b>(92,984)</b>	<b>(21,309)</b>
Share acquisition rights	115	41
Non-controlling interests	344,371	385,403
<b>Total net assets</b>	<b>2,031,964</b>	<b>2,263,672</b>
<b>Total liabilities and net assets</b>	<b>4,036,360</b>	<b>4,155,153</b>

**(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income  
(Consolidated Statement of Income)**

	(Amount: Millions of yen)	
	FY2020 (1 April 2020– 31 March 2021)	FY2021 (1 April 2021– 31 March 2022)
Net sales	3,178,209	*1 3,568,380
Cost of sales	2,311,592	2,711,947
Gross profit	866,617	856,433
Selling, general and administrative expenses	672,184	664,972
Operating profit	194,432	191,460
Non-operating income		
Interest income	36,221	66,872
Dividend income	5,282	4,285
Foreign exchange gains	7,196	1,693
Share of profit of entities accounted for using equity method	7,900	9,244
Other	11,942	12,267
Total non-operating income	68,543	94,364
Non-operating expenses		
Interest expenses	4,935	5,954
Expenses related to discontinuation of development	—	9,670
Other	9,784	7,282
Total non-operating expenses	14,720	22,907
Ordinary profit	248,255	262,917
Extraordinary income		
Gain on sale of non-current assets	741	19,507
Gain on sale of investment securities	14,173	1,521
Total extraordinary income	14,914	21,028
Extraordinary losses		
Loss on sale of non-current assets	1,238	1,067
Loss on sale of investment securities	1	913
Impairment losses	*2 5,323	*2 7,686
Loss on COVID-19	*3 15,542	—
Total extraordinary losses	22,106	9,668
Profit before income taxes	241,064	274,278
Income taxes-current	50,772	78,949
Income taxes-deferred	20,869	(4,428)
Income taxes	71,641	74,520
Profit	169,422	199,757
Profit attributable to non-controlling interests	23,000	39,411
Profit attributable to owners of parent	146,421	160,345



## (Consolidated Statement of Comprehensive Income)

(Amount: Millions of yen)

	FY2020 (1 April 2020 – 31 March 2021)	FY2021 (1 April 2021 – 31 March 2022)
Profit	169,422	199,757
Other comprehensive income		
Valuation difference on available-for-sale securities	47,078	(22,644)
Deferred gains or losses on hedges	(44)	637
Foreign currency translation adjustment	75,167	109,090
Remeasurements of defined benefit plans, net of tax	2,737	(169)
Share of other comprehensive income of entities accounted for using equity method	927	2,505
Total other comprehensive income	125,865	89,419
Comprehensive income	295,287	289,176
Comprehensive income attributable to:		
owners of parent	243,469	232,881
non-controlling interests	51,817	56,294

### (3) Consolidated Statement of Changes in Net Assets

FY2020 (1 April 2020 – 31 March 2021)

(Amount: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current fiscal year	138,202	146,490	1,414,665	(21,775)	1,677,583
Cumulative effects of changes in accounting policies					
Restated balance	138,202	146,490	1,414,665	(21,775)	1,677,583
Changes during period					
Issuance of new shares	60	60			120
Dividends of surplus			(41,261)		(41,261)
Profit attributable to owners of parent			146,421		146,421
Purchase of shares of consolidated subsidiaries		(2,400)			(2,400)
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		(749)		750	0
Net changes in items other than shareholders' equity					
Total changes during period	60	(3,089)	105,160	748	102,879
Balance at the end of current fiscal year	138,262	143,400	1,519,826	(21,027)	1,780,462

	Accumulated other comprehensive income					Share acquisition rights	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 current fiscal year	87,455	(269)	(255,266)	(21,951)	(190,032)	115	305,990	1,793,657
Cumulative effects of changes in accounting policies								—
Restated balance	87,455	(269)	(255,266)	(21,951)	(190,032)	115	305,990	1,793,657
Changes during period								
Issuance of new shares								120
Dividends of surplus								(41,261)
Profit attributable to owners of parent								146,421
Purchase of shares of consolidated subsidiaries								(2,400)
Purchase of treasury shares								(1)
Disposal of treasury shares								0
Net changes in items other than shareholders' equity	33,678	(215)	61,971	1,613	97,048	—	38,380	135,428
Total changes during period	33,678	(215)	61,971	1,613	97,048	—	38,380	238,307
Balance at the end of current fiscal year	121,133	(484)	(193,295)	(20,337)	(92,984)	115	344,371	2,031,964

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current fiscal year	138,262	143,400	1,519,826	(21,027)	1,780,462
Cumulative effects of changes in accounting policies			6,150		6,150
Restated balance	138,262	143,400	1,525,976	(21,027)	1,786,612
Changes during period					
Issuance of new shares	55	55			110
Dividends of surplus			(47,595)		(47,595)
Profit attributable to owners of parent			160,345		160,345
Purchase of shares of consolidated subsidiaries					—
Purchase of treasury shares				(13)	(13)
Disposal of treasury shares		(86)		162	76
Net changes in items other than shareholders' equity					
Total changes during period	55	(30)	112,749	149	112,923
Balance at the end of current fiscal year	138,318	143,369	1,638,726	(20,877)	1,899,536

	Accumulated other comprehensive income					Share acquisition rights	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 current fiscal year	121,133	(484)	(193,295)	(20,337)	(92,984)	115	344,371	2,031,964
Cumulative effects of changes in accounting			861		861			7,011
Restated balance	121,133	(484)	(192,434)	(20,337)	(92,123)	115	344,371	2,038,975
Changes during period								
Issuance of new shares								110
Dividends of surplus								(47,595)
Profit attributable to owners of parent								160,345
Purchase of shares of consolidated subsidiaries								—
Purchase of treasury shares								(13)
Disposal of treasury shares								76
Net changes in items other than shareholders' equity	(10,055)	572	80,296	0	70,813	(73)	41,032	111,772
Total changes during period	(10,055)	572	80,296	0	70,813	(73)	41,032	224,696
Balance at the end of current fiscal year	111,078	88	(112,138)	(20,337)	(21,309)	41	385,403	2,263,672

#### (4) Consolidated Statement of Cash Flows

(Amount: Millions of yen)

	FY2020 (1 April 2020 – 31 March 2021)	FY2021 (1 April 2021 – 31 March 2022)
Cash flows from operating activities		
Profit before income taxes	241,064	274,278
Depreciation and amortization	136,545	161,505
Impairment losses	5,323	7,686
Increase (decrease) in allowance for doubtful accounts	801	2,264
Increase (decrease) in retirement benefit liability	(6,799)	1,997
Increase (decrease) in provision for product warranties	(62,750)	(19,255)
Interest and dividend income	(41,503)	(71,158)
Interest expenses	4,935	5,954
Foreign exchange losses (gains)	(7,146)	(1,801)
Share of loss (profit) of entities accounted for using equity method	(7,900)	(9,244)
Loss (gain) on sale of property, plant and equipment	496	(18,439)
Loss (gain) on sale of investment securities	(14,172)	(607)
Decrease (increase) in trade receivables	(5,547)	66,893
Decrease (increase) in inventories	22,145	9,521
Increase (decrease) in trade payables	63,593	(124,132)
Increase (decrease) in accrued expenses	15,451	(33,042)
Other, net	75,861	(36,964)
Subtotal	420,400	215,454
Interest and dividends received	41,826	71,223
Interest paid	(5,021)	(6,172)
Income taxes paid	(41,766)	(59,245)
Net cash provided by operating activities	415,439	221,259
Cash flows from investing activities		
Payments into time deposits	(128,363)	(179,709)
Proceeds from withdrawal of time deposits	97,598	181,099
Purchase of securities	(561,233)	(814,655)
Proceeds from sale and redemption of securities	463,488	906,824
Purchase of property, plant and equipment	(171,706)	(190,472)
Proceeds from sales of property, plant and equipment	3,188	22,475
Other, net	64,042	(79,078)
Net cash provided by investing activities	(232,985)	(153,515)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	153,355	(193,996)
Proceeds from long-term borrowings	285,118	379,001
Repayments of long-term borrowings	(80,166)	(282,992)
Purchase of bonds with share acquisition rights	(2,970)	—
Dividends paid	(41,254)	(47,589)
Dividends paid to non-controlling interests	(11,490)	(9,045)
Other, net	41	(1)
Net cash provided by financing activities	302,633	(154,624)
Effect of exchange rate changes on cash and cash equivalents	18,912	20,483
Net increase (decrease) in cash and cash equivalents	503,999	(66,396)
Cash and cash equivalents at the beginning of period	420,392	924,392
Cash and cash equivalents at the end of period	924,392	857,996

## (5) Notes to Consolidated Financial Statements

### (Assumption for Going Concern)

None

### (Changes in Accounting Principles)

[Application of Accounting Standard for Revenue Recognition, etc.]

The Group has applied "Accounting Standard for Revenue Recognition"(ASBJ Statement No. 29, March 31, 2020. Hereinafter referred to as "Revenue Recognition Accounting Standard"), etc. from the beginning of FY2021, and recognized revenue in the amount that it expects to receive in exchange for promised goods or services when controls of those goods or services are transferred to customers.

The changes in accounting methods by application of Revenue Recognition Accounting Standard, etc. are as follows:

#### 1. Performance obligations satisfied over time

For royalties received in sales of vehicles, the Group used to recognize revenue when the amount was determined. However, the Group now recognize revenue by estimating the amount in line with vehicle sales.

For extended warranty services, the Group used to recognize revenue in a lump sum when the service was sold. However, if warranties provide customers with services except for the assurance that the products compile with agreed specifications, the Group now recognize revenue for the services over the warranty periods.

#### 2. Performance obligations satisfied at a point in time

The Group used to recognize revenue from sales of new vehicles accessories at the same time as sales of vehicles, however, the Group now recognize at the time of delivery to customers.

#### 3. Sales rebates

The Group used to record sales rebates as "Selling, general and administrative expenses", however, the Group now reduce them from the transaction price.

The application of the Revenue Recognition Accounting Standard, etc. is in accordance with the transitional treatment as provided in the proviso of Article 84 of the Revenue Recognition Accounting Standard. The cumulative effect by retroactively applying the standard prior to the beginning of FY2021 is added to or deducted from the retained earnings at the beginning of FY2021, and the new accounting policy is applied from such beginning balance.

"Notes and accounts receivable-trade" presented under "Current assets" in the consolidated balance sheet for the previous fiscal year is presented as "Notes receivable-trade" and "Accounts receivable-trade" for this fiscal year. However in accordance with the transitional treatment set forth in Article 89-2 of the Accounting Standard for Revenue Recognition, the previous consolidated fiscal year has not been reclassified using a new presentation method.

As a result, compared with before the application of "Accounting Standard for Revenue Recognition" for FY2021, net sales decreased by ¥131,819 million, cost of sales decreased by ¥2,656 million, and operating profit, ordinary profit and profit before income taxes decreased by ¥2,511 million respectively.

As cumulative effects of changes in accounting was reflected in net assets at the beginning of the FY2021, the balance of the retained earnings in consolidated statement of changes in net assets at the beginning of the FY2021 increased by ¥6,150 million.

Profit per share basic and profit per share diluted decreased by ¥5.12, respectively.

In accordance with the transitional treatment set forth in Article 89-3 of the Accounting Standard for Revenue Recognition, the notes to "Revenue Recognition" for the previous fiscal year are not stated.

[Application of Accounting Standard for Fair Value Measurement]

The Group has applied "Accounting Standard for Fair Value Measurement" (ASBJ Statement No.30, July 4, 2019. Hereinafter referred to as "Fair Value Accounting Standard"), etc. from the beginning of FY2021. In accordance with the transitional treatment as provided in Article 19 of Fair Value Accounting Standard and Article 44-2 of "Accounting Standard for Financial Instruments" (ASBJ Statement No.10, July 4, 2019), the Group has applied prospectively a new accounting policy prescribed by Fair Value Accounting Standards, etc. This has no effect on the consolidated financial statements.

[Change of principal methods for hedge accounting]

The Group used to apply deferred hedge accounting and exceptional hedge accounting to forward exchange contracts, however, from FY2021, the Group changed its method to measure at fair market value at the end of the period and recognizes the valuation difference as profit and loss for the period. In addition, the Group used to apply special exceptional hedge accounting and integration method if interest rate swap contracts and cross currency interest rate swap contracts had met certain criteria. However, from FY2021, the Group changed its method to apply deferred hedge accounting. These changes were owing to reflect the status of derivative contracts on consolidated financial statements more accurately.

This change in accounting policy is not retrospectively applied to past periods, as the effect of this change was immaterial. Moreover, the effect of this change on profit and loss for FY2021 is immaterial.

## (Notes to Consolidated Statement of Income)

### \*1 Revenue from Contracts with Customers

Revenue from contracts with customers and other revenue is not stated separately. The amount of revenue from contracts with customers is presented in "3. (5) Notes to Consolidated Financial Statements [Application of Accounting Standard for Revenue Recognition, etc.] "

### \*2 Impairment losses

The Group recorded impairment losses in the following group of assets.

FY2020 (1 April 2020- 31 March 2021)

(Amount: Millions of yen)

Use	Location	Classification	Amount
Assets for rent	Japan	Land	5,245
Idle assets	Japan	Land	78
Total			5,323

FY2021 (1 April 2021- 31 March 2022)

(Amount: Millions of yen)

Use	Location	Classification	Amount
Assets for rent	Japan	Land	7,404
Idle assets	Japan	Land	282
Total			7,686

The assets are grouped mainly in units of business facilities, and divided into the assets for business and for rent respectively. With respect to the assets which are decided to be disposed and idle assets which are not expected to be used in the future, the necessity of recording of impairment losses is judged based on individual assets.

With respect to assets for rent and idle assets, the Company has reduced the book value of the asset group whose market value has particularly fallen to the recoverable amount and recorded impairment losses as extraordinary losses. The recoverable amount is measured by the net realizable value or the value in use, and the land value is evaluated by the real estate appraised value, etc.

### \*3 Loss on COVID-19

FY2020 (1 April 2020- 31 March 2021)

¥15,542 million equivalent to fixed expenses related to production suspension due to lockdown in countries including India and Hungary to prevent the spread of the new coronavirus pandemic was recorded as extraordinary losses.

## (Segment Information and Others)

### [Segment Information]

#### 1. Outline of Reportable Segments

##### (1) The Way to Decide Reportable Segments

The reportable segments of the Company are the components of the Company business for which discrete financial information is available, and whose operating results are regularly reviewed by our decision-making body such as Board of Directors to make decisions about resources to be allocated to the segment and to assess its performance.

The Company has four reportable segments of “Automobile business”, “Motorcycle business”, “Marine business” and “Other business” based on the form of management organization and nature of products and services.

Main products and services of each segment are as follows:

Segment	Main products and services
Automobile business	Mini vehicles, Sub-compact vehicles, Standard-sized vehicles
Motorcycle business	Motorcycles, All terrain vehicles
Marine business	Outboard motors
Other business	Motorized wheelchairs, Solar power generation, Real estate

##### (2) The Change in Reportable Segments

The Group used to classify reportable segments into three, “Automobile business”, “Motorcycle business”, “Marine business, etc.”. To present the Group’s business operations more clearly, the Group classified Marine business and reportable segments have now been classified into four, “Automobile business”, “Motorcycle business”, “Marine business” and “Other business” from FY2021.

The results for FY2020 (1 April 2020– 31 March 2021) have been reclassified to conform with the new reportable segments.

#### 2. Information about Net Sales, Profit or Loss, Assets, Liabilities and Other Items by Reportable Segment

FY2020 (1 April 2020 – 31 March 2021)

(Amount: Millions of yen)

	Reportable Segments					Adjustment*2	Total
	Automobile business	Motorcycle business	Marine business	Other business	Total		
Net sales	2,876,601	206,530	83,411	11,666	3,178,209	—	3,178,209
Segment profit *1	172,066	2,575	17,099	2,692	194,432	—	194,432
Segment assets	2,823,212	219,262	58,180	15,413	3,116,067	920,292	4,036,360
Other items							
Depreciation and amortization	124,937	8,619	1,838	1,149	136,545	—	136,545
Impairment losses	5,277	25	20	0	5,323	—	5,323
The amount of investment in entities accounted for using equity method	38,477	8,395	455	17	47,346	—	47,346
Increase in property, plant and equipment	160,762	8,350	1,613	220	170,947	—	170,947

	Reportable Segments					Adjustment*2	Total
	Automobile business	Motorcycle business	Marine business	Other business	Total		
Net sales	3,204,877	253,458	97,981	12,064	3,568,380	—	3,568,380
Segment profit *1	152,832	10,859	24,017	3,750	191,460	—	191,460
Segment assets	2,970,346	257,509	70,278	15,763	3,313,896	841,255	4,155,153
Other items							
Depreciation and amortization	147,910	10,235	2,258	1,100	161,505	—	161,505
Impairment losses	7,587	98	0	0	7,686	—	7,686
The amount of investment in entities accounted for using equity method	45,239	14,956	333	12	60,541	—	60,541
Increase in property, plant and equipment	179,675	6,947	2,398	367	189,389	—	189,389

[Notes] \*1. Segment profit means operating profit in the consolidated statements of income.

\*2. For segment assets, unallocated company assets (¥920,292 million in FY2020 and ¥841,255 million in FY 2021) included in “Adjustment” are mainly funds for management of surplus funds by the Company (Cash and deposits, Securities) and long-term investment funds (Investment securities).

### 3. Information about Geographical Region

FY2020 (1 April 2020 – 31 March 2021)

(1) Net sales (Amount: Millions of yen)

Japan	India	Other	Total
1,174,034	966,721	1,037,453	3,178,209

[Note] Net sales are counted based on the country location of external customers and divided by countries.

(2) Property, plant and equipment (Amount: Millions of yen)

Japan	India	Other	Total
484,686	384,179	110,050	978,916

FY2021 (1 April 2021 – 31 March 2022)

(1) Net sales (Amount: Millions of yen)

Japan	India	Other	Total
1,073,703	1,174,430	1,320,247	3,568,380

[Note] Net sales are counted based on the country location of external customers and divided by countries.

(2) Property, plant and equipment (Amount: Millions of yen)

Japan	India	Other	Total
505,401	422,780	109,792	1,037,975



(Reference information)

As reference information, operating results by geographical region are as follows:

### [Operating Results by Geographical Region]

FY2020 (1 April 2020 – 31 March 2021)

(Amount: Millions of yen)

	Japan	Europe	Asia	Other	Total	Eliminations	Consolidated
Net Sales							
1) Net sales to external customers	1,337,708	352,541	1,307,977	179,982	3,178,209	—	3,178,209
2) Internal net sales or transfer among geographical regions	562,817	145,984	87,319	375	796,498	(796,498)	—
Total	1,900,526	498,526	1,395,297	180,357	3,974,707	(796,498)	3,178,209
Operating profit	118,373	10,823	55,957	8,641	193,796	636	194,432

FY2021 (1 April 2021 – 31 March 2022)

(Amount: Millions of yen)

	Japan	Europe	Asia	Other	Total	Eliminations	Consolidated
Net Sales							
1) Net sales to external customers	1,305,150	352,831	1,658,301	252,096	3,568,380	—	3,568,380
2) Internal net sales or transfer among geographical regions	623,090	133,892	145,210	1,105	903,299	(903,299)	—
Total	1,928,240	486,724	1,803,511	253,202	4,471,679	(903,299)	3,568,380
Operating profit	121,018	12,561	43,765	14,361	191,706	(246)	191,460

[Notes] 1. Classification of countries or regions is based on a geographical adjacency.

2. The major countries or regions belonging to classifications other than Japan:

(1) Europe ..... Hungary, Germany, United Kingdom and France

(2) Asia ..... India, Pakistan, Indonesia and Thailand

(3) Other ..... United States, Australia, Mexico, Colombia and South Africa

3. Classification is counted based on the location of the Company and its consolidated subsidiaries.

**(Revenue Recognition)****[Breakdown of Revenue from Contracts with Customers]**

FY2021 (1 April 2021 – 31 March 2022)

(Amount: Millions of yen)

	Reportable Segments				Total
	Automobile business	Motorcycle business	Marine business	Other business	
Japan	1,010,726	22,460	3,241	12,064	1,048,492
Europe	366,704	29,442	21,932	—	418,079
Asia	1,446,613	125,346	10,486	—	1,582,445
Other	349,425	74,789	62,313	—	486,528
Revenue from contracts with customers	3,173,469	252,039	97,973	12,064	3,535,546
Other revenue* <sup>2</sup>	31,407	1,419	7	—	32,834
Net sales to external customers	3,204,877	253,458	97,981	12,064	3,568,380

[Notes] \*1. Revenue is classified by region based on the location of the customers.

2. Other revenue include lease revenue of the lessor, etc.

**(Information about Per Share Amount)**

(Yen)

	FY2020 (1 April 2020 – 31 March 2021)	FY2021 (1 April 2021 – 31 March 2022)
Net assets per share	3,475.34	3,867.67
Profit per share, Basic	301.65	330.20
Profit per share, Diluted	301.61	330.18

[Note] Basis of calculation

## 1. Net assets per share

	FY2020 (As of 31 March 2021)	FY2021 (As of 31 March 2022)
Total net assets (Million Yen)	2,031,964	2,263,672
Amount deducted from total net assets (Million Yen)	344,486	385,445
[of which share acquisition rights]	[115]	[41]
[of which non-controlling interests]	[344,371]	[385,403]
Net assets attributable to common stock at the end of period (Million Yen)	1,687,478	1,878,227
Number of outstanding shares (Common stock)	491,098,300	491,122,300
Number of treasury shares (Common stock)	5,540,488	5,500,056
Number of common stock used to calculate net assets per share	485,557,812	485,622,244

## 2. Profit per share, Basic and Profit per share, Diluted

	FY2020 (1 April 2020 – 31 March 2021)	FY2021 (1 April 2021 – 31 March 2022)
Profit per share, Basic		
Profit attributable to owners of parent (Million Yen)	146,421	160,345
Amount not attributable to common stock shareholders (Million Yen)	—	—
Profit attributable to owners of parent attributable to common stock (Million Yen)	146,421	160,345
Average number of outstanding shares during the period (Common stock)	485,411,163	485,604,323
Profit per share, Diluted		
Amount of Profit attributable to owners of parent adjustment (Million Yen)	—	—
Increase in number of common stock [of which share acquisition rights]	63,586 [63,586]	29,228 [29,228]
Outline of potential common stock not used to calculate Profit per share, Diluted because they do not have dilution effect	—	—

**(Significant Subsequent Event)**

None