Financial Results For the Year Ended March 31, 2022
[Japanese Accounting Standards] (Consolidated)
(Unaudited)

May 13, 2022

NTN Corporation
Security Code: 6472
Listings: Tokyo Stock Exchange
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Scheduled date of annual shareholders' meeting: July 21, 2022
Scheduled commencement date of dividend payment: -
Scheduled submission date of financial statements: July 22, 2022
Supplementary material of the financial results: Prepared
Investor meeting: Scheduled

1. Consolidated Financial Results for the Year Ended March 31, 2022
(April 1, 2021 to March 31, 2022)

(Amounts rounded down to the nearest million yen)

(1) Operating Results (Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2022	642,023	14.1	6,880	—	6,815	—	7,341	—
Year ended March 31, 2021	562,847	-13.7	-3,138	—	-5,742	—	-11,641	—

Note: Comprehensive income: Year ended March 31, 2022: 30,983 million yen (113.2%)
Year ended March 31, 2021: 14,529 million yen (-%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income/ Total assets	Operating income/ Net sales
	yen	yen	%	%	%
Year ended March 31, 2022	13.83	—	4.0	0.8	1.1
Year ended March 31, 2021	-21.92	—	-7.1	-0.7	-0.6

Note: Equity method investment gains or losses: Year ended March 31, 2022: 1,099 million yen
Year ended March 31, 2021: 343 million yen

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 31, 2022	855,483	216,425	23.1	372.70
Year ended March 31, 2021	836,563	183,751	20.4	321.04

Note: Shareholders' equity Year ended March 31, 2022: 197,850 million yen
Year ended March 31, 2021: 170,526 million yen

(3) Cash Flows

	Cash flows from operating activities	Cash flows used in investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Year ended March 31, 2022	8,956	2,512	-41,300	121,460
Year ended March 31, 2021	36,473	-17,938	54,671	147,249

2. Dividends

	Dividends per share					Total dividends paid (full year)	Dividend payout ratio (consolidated)	Dividends on net assets (consolidated)
	at 1st quarter end	at 2nd quarter end	at 3rd quarter end	at fiscal year end	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Year ended March 31, 2021	—	0.00	—	0.00	0.00	0	—	0.0
Year ended March 31, 2022	—	0.00	—	0.00	0.00	0	—	0.0
Year ending March 31, 2023 (forecast)	—	2.50	—	2.50	5.00		26.5	

3. Forecast of Consolidated Earnings for the Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full Year	720,000	12.1	23,000	234.3	20,000	193.5	10,000	36.2	18.84

*Notes
(1) Significant changes in subsidiaries during the period (scope of consolidation): None

(2) Changes in accounting policy, changes in accounting estimates and retrospective restatements
1) Changes in accounting principles due to amendment to accounting standards: Yes
2) Changes in accounting policy other than above: None
3) Changes in accounting estimates: None
4) Retrospective restatements: None

(3) Number of shares issued and outstanding (common stock)
1) Number of shares issued and outstanding at end of the period (treasury stock included):
Year ended March 31, 2022: 532,463,527 shares
Year ended March 31, 2021: 532,463,527 shares
2) Number of treasury stock at end of the period:
Year ended March 31, 2022: 1,599,787 shares
Year ended March 31, 2021: 1,299,641 shares
3) Average number of shares outstanding:
Year ended March 31, 2022: 530,982,436 shares
Year ended March 31, 2021: 531,159,613 shares

Reference: Overview of Financial Results on Non-Consolidated Basis
For the Year Ended March 31, 2022 – Non-consolidated
1. Financial Results for the Year Ended March 31, 2022 (April 1, 2021 – March 31, 2022)
(1) 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	%
Year ended March 31, 2022	314,917	18.1	6,589	—	10,834	—	21,629	—
Year ended March 31, 2021	266,678	-20.1	-9,432	—	-5,204	—	-9,382	—

	Net income per share	Diluted net income per share
	yen	yen
Year ended March 31, 2022	40.74	—
Year ended March 31, 2021	-17.66	—

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 31, 2022	614,231	147,279	24.0	277.43
Year ended March 31, 2021	628,701	133,183	21.2	250.74

Note: Shareholders' equity Year ended March 31, 2022: 147,279 million yen
Year ended March 31, 2021: 133,183 million yen

* This financial result report is exempt from review.

* Notes:
All descriptions about the future of the Company contained herein including earnings forecasts are prepared on the basis of data and information currently in our possession as well as certain assumptions that are deemed reasonable, and therefore are not meant to have us committed to their achievement. Various factors may cause actual results to substantially differ from those described herein. For matters related to the above forecast, please refer to "1. Operating Results and Analysis of Financial Position (1) Explanation regarding Consolidated Operating Results (Forecast for the Year Ending March 31, 2023)" from page 6.

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1. Operating Results and Analysis of Financial Position
(1) Explanation regarding Consolidated Operating Results

Regarding the global economy in the last quarter of the current fiscal year (from April 1, 2021 to March 31, 2022), economic conditions remained severe although there was a significant recovery compared to the same period of the previous fiscal year, when conditions were extremely severe due to the spread of the new coronavirus. As for the Japanese economy, production and capital investment continued to recover although there were still effects of the new coronavirus and the semiconductor shortage. The U.S. economy, the European economy and the economy of other emerging countries in Asia and others continued to recover. However, the global economy remained severe due to the rebound of the new coronavirus and confusion in supply chain. From the end of the second half, uncertainty in the global economy increased due to the situation in Ukraine.

Under these business environment, the Company will steadily implement the measures in the New Medium-term Management Plan “DRIVE NTN100” Phase 2 which started in April, 2021, accelerate the transformation of our business structure, strengthen our financial position and organization, and aim to build a business structure that can flexibly respond to changes in the business environment.

Net sales for current period drastically increased compared to the same period of the previous fiscal year when the situation was severe and amounted to 642,023 million yen (up 14.1% year on year). Regarding profit and loss, even though there was a rise of the steel price and increase of fixed cost, operating income was 6,880 million yen (loss of 3,138 million yen in the same period of the previous fiscal year), ordinary income was 6,815 million yen (loss of 5,742 million yen in the same period of the previous fiscal year), and inocme attributable to owners of parent was 7,341 million yen (loss attributable to owners of parent of 11,641 million yen in the same period of the previous fiscal year) by reflecting effects of an increase in sales volume.

Operating results by reporting segment (company location) were as follows:

(1) Japan

Sales in the aftermarket applications increased in industrial machinery aftermarket applications. Sales in the industrial machinery applications increased in construction machinery and gearboxes, and decreased in aircrafts and railway rolling stocks. Sales in automotive applications increased due to increased customer demand and other factors. As a result, net sales increased significantly compared to the same period of the previous fiscal year when sales drastically decreased due to the effect of the spread of new coronavirus. However, the sales decreased compared to the first forecast due to the semiconductor shortage and amounted to 321,115 million yen (up 20.3% year on year). Segment income was 7,621 million yen (loss of 10,792 million yen in the same period of the previous fiscal year) due to an increase in sales volume and other factors.

(2) Americas

Sales in the aftermarket applications increased in industrial machinery and automotive aftermarket applications. Sales in industrial machinery applications increased in construction machinery and agricultural machinery. Sales in automotive applications also increased due to increased customer demand. As a result, net sales increased significantly compared to the same period of the previous fiscal year when sales drastically decreased due to the effect of the spread of new coronavirus. However, the sales decreased compared to the first forecast due to the semiconductor shortage and amounted to 178,643 million yen (up 25.0% year on year). Despite an increase in sales volume and other factors, segment loss was 7,427 million yen (loss of 2,803 million yen in the same period of the previous fiscal year) due to an increase in fixed cost and the rise of steel price.

(3) Europe

Sales in the aftermarket applications increased in industrial machinery and automotive aftermarket applications. Sales in industrial machinery applications increased in aircrafts and gearboxes, and decreased in wind turbines. Sales in automotive applications decreased due to decreased customer demand. As a result, net sales increased significantly compared to the same period of the previous fiscal year when sales drastically increased due to the effect of the spread of new coronavirus. However the sales decreased compared to the first forecast due to the semiconductor shortage and amounted to 143,447 million yen (up 11.0% year on year). Despite an increase in sales volume and

other factors, segment loss was of 4,265 million yen (loss of 2,427 million yen in the same period of the previous fiscal year) due to an increase in fixed cost and the rise of steel price.

(4) Asia and other areas

Sales in the aftermarket applications increased in industrial machinery and automotive aftermarket applications. Sales in industrial machinery applications increased in construction machinery and agricultural machinery but decreased in wind turbines. Sales in automotive applications increased mainly due to increased customer demand. As a result, net sales increased compared to the same period of the previous fiscal year. However, the sales drastically decreased due to the semiconductor shortage compared to the first forecast and amounted to 147,310 million yen (up 10.4% year on year). Segment income was 14,090 million yen (up 14.5% year on year) due to an increase in sales volume and other factors.

Operating results by business sector were as follows.
Year ended March 31, 2021 (April 1, 2020 - March 31, 2021)

(In million yen)

	Aftermarket applications	Industrial machinery applications	Automotive applications	Total
Sales to external customers	91,492	101,853	369,501	562,847
Operating income or loss(-)	8,904	354	-12,397	-3,138

Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)

(In million yen)

	Aftermarket applications	Industrial machinery applications	Automotive applications	Total
Sales to external customers	112,196	126,104	403,722	642,023
Operating income or loss(-)	14,668	4,074	-11,862	6,880

(1) Aftermarket applications

Due to an increase in customer demand and other factors, net sales amounted to 112,196 million yen (up 22.6% year on year). Operating income was 14,668 million yen (up 64.7% year on year) due to an increase in sales volume and other factors.

(2) Industrial machinery applications

Net sales amounted to 126,104million yen (up 23.8% year on year) due to increased sales of construction machinery and gearboxes. Operating income amounted to 4,074 million yen (operating income of 354 million yen in the same period of the previous fiscal year) due to an increase in sales volume and other factor.

(3) Automotive applications

Net sales increased compared to the same period of the previous fiscal year when many customers stopped the operation due to the effect of the new coronavirus and amounted to 403,722 million yen (up 9.3% year on year). However, the customer’s production decreased more than expected due to the semiconductor shortage. Despite an increase in sales volume, operating loss was 11,862 million yen (operating loss of 12,397 million yen in the same period of the previous fiscal year), because an increase in fixed cost, rise of steel price and the reduction in customer’s production were larger than expected.

(Forecast for the Year Ending March 31, 2023)

The global economy is expected to recover moderately although it is still in difficult situation due to the impact of the spread of the new coronavirus, situation in Ukraine, the shortage of semiconductor supply and other factors. However, events with high uncertainty such as the rebound of infection and the situation in Ukraine may become an important risk.

Under such circumstances, as our full-year earning forecast we expect, net sales of 720.0 billion yen, operating income of 23.0 billion yen, ordinary income of 20.0 billion yen and profit attributable to owners of parent of 10.0 billion yen. We are assuming exchange rates of ¥120/US$1.00 and ¥135/EUR1.00.

(2) Explanation regarding Consolidated Financial Position

(Assets, Liabilities, and Net assets)

Total current assets increased 26,275 million yen (up 5.4%) from the previous fiscal year and ended to 512,031 million yen. This is mainly due to increase of 16,992 million yen in raw materials, increase of 13,666 million yen in finished goods & purchased goods, increase of 8,903 million yen in notes and accounts receivable-trade, increase of 7,339 million yen in work in process and an decrease of 26,325 million yen in cash and bank deposits. Fixed assets decreased 7,355 million yen (down 2.1%) from the previous fiscal year and ended to 343,451 million yen. This is mainly due to a decrease of 19,157 million yen in investment securities and increase of 10,443 million yen in machinery, equipment and vehicles. As a result, total assets increased 18,920 million yen (up 2.3%) from the previous fiscal year and ended to 855,483 million yen.

Total current liabilities increased 28,859 million yen (up 9.9%) from the previous consolidated fiscal year and end to 321,205 million yen. This was mainly due to an increase of 12,393 million yen in in short-term bank loans, incrase of 10,422 milion yen in accrued payments and others and an increase of 5,565 million yen in notes and accounts payable-trade. Fixed liabilities decreased 42,613 million yen (down 11.8%) from the previous consolidated fiscal year and ended to 317,853 million yen. This was mainly due to a decrease of 41,165 million yen in long-term loan. As a result, total liliabilities decreased 13,754 million yen (down 2.1%) from the previous consolidated fiscal year and ended to 639,058 million yen.

Total net assets increased 32,674 million yen (up 17.8%) from the previous fiscal year and ended to 216,425 million yen. This is mainly due to an increase of 22,890 million yen in translation adjustments, increase of 7,341 million yen in retained earnings, increase of 5,350 million yen in non-controlling shareholders' equity, increase of 4,778 million yen in accured retirement benefit adjustment and decrease of 7,602 million yen in net unrealized holding gain on other securities.

(Cash flows)

Net cash provided by operating activities was 8,956 million yen (decrease of 27,517 million yen, or down 75.4% year on year). Major item was 37,898 million yen of proceeds from depreciation and amortization and increase of 25,300 million yen in inventories.

Net cash provided by investing activities was 2,512 million yen (expenditure of 17,938 million yen in the previous fiscal year). This was mainly due to proceeds of 17,052 million yen in sales of investment securities, 4,740 million yen in sales of property, plant and equipment, 2,780 million yen in decrease in time deposits, and expenditure of 16,336 million yen in purchase of property, plant and 5,534 million yen in purchase of intangible fixed assets.

Net cash used in financing activities was 41,300 million yen (proceeds of 54,671 million yen in the previous fiscal year). This was mainly due to expenditure of 52,330 million yen in long-term loans, and proceeds of 12,178 million yen in long-term loans, and 2,588 million yen in increase in short-term loans.

After adding 4,042 million yen in translation adjustments, cash and cash equivalents as of the end of the fiscal year under review ended to 121,460 million yen and decreased 25,788 million yen (down 17.5%) from the previous fiscal year end.

(Reference) Cash flow indicators

	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2022
Shareholders' equity ratio (%)	27.4	20.6	20.4	23.1
Shareholders' equity ratio based on current market value (%)	20.7	13.2	21.7	13.3
Cash flows to interest-bearing debt ratio (annual)	8.1	8.3	11.6	44.0
Interest coverage ratio (times)	11.1	11.1	10.5	2.1

Notes: Shareholders' equity ratio: Shareholders' equity / Total assets
Shareholders' equity ratio based on current market value: Market capitalization / Total assets
Cash flows to interest-bearing debt ratio: Interest-bearing debt /Operating cash flows
Interest coverage ratio: Operating cash flows / Interest payments

- Each of them was calculated based on the consolidated statements.
- Market value on the stock is calculated based on the closing stock price at the end of the respective accounting period above multiplied by the number of shares issued and outstanding as of the end of the respective accounting period above (after deducting treasury stock).
- Operating cash flow is taken from the cash flows from operating activities in the consolidated staements of cash flows. Interest-bearing debt refers to all debts included in the consolidated balance sheets for which interest is paid. The amount for Interest payments was taken from interest expenses paid in the consolidated statements of cash flows.

(3) Dividend policy and dividends for the current and next fiscal year

The Company considers rewarding its shareholders as an issue of foremost importance. Regarding dividends, the Company makes it a basic policy to first secure funds for research & development and capital expenditure for future growth, and then provides steady, sustainable dividends from a medium- and long-term perspective in accordance with its consolidated performance. Specifically, the Company will determine each dividend in consideration of its cash flow situation and the consolidated dividend payout ratio.

Regarding dividends for the current fiscal year, the Company regrets to announce the dividend will be 0.0 yen because we are still in the process of strengthening our financial position towards revitalization. Regarding the dividends in next fiscal year, We are planning that the total dividends in next fiscal year is 5.0 yen (interim dividends of 2.5 yen and year-end dividends of 2.5 yen) in considering business results and business environment for resumption of dividends.

2. The Group Overview

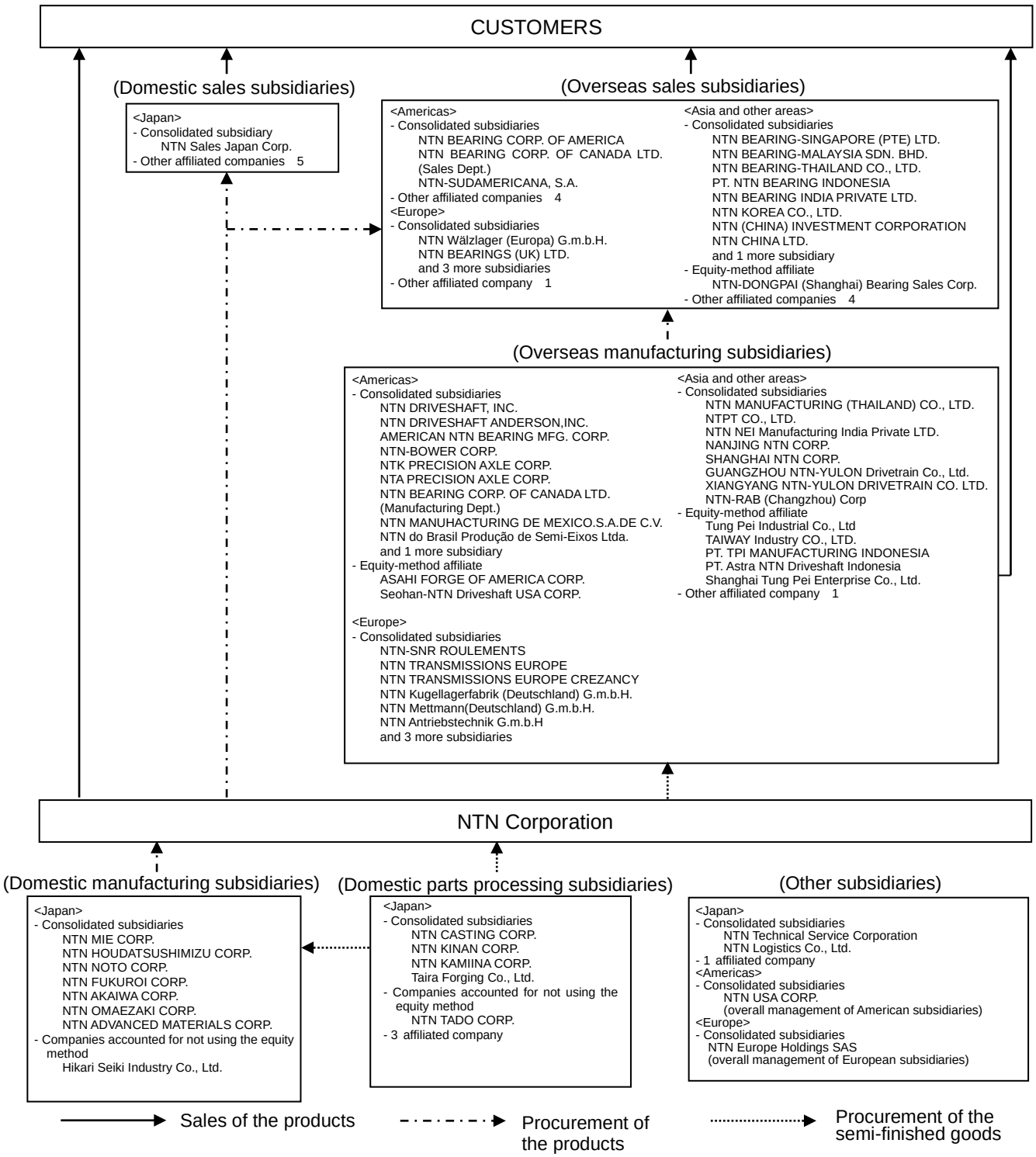
The NTN Group consists of NTN Corporation (the Company), 74 subsidiaries, and 14 affiliated companies (as of March 31, 2022). The Group's main business is the manufacturing and sale of bearings, driveshafts and precision equipment for aftermarket applications, industrial machinery applications, and automotive applications. Business activities in Japan are controlled by the Company (head office) and overseas activities of each region are controlled by the general managers' departments allocated to each region. Overseas subsidiaries in each region formulate independent business strategies and business plans and develop business activities while analyzing profitability and investment efficiency.

Accordingly, the NTN Group consists of the head office and business segments in different regions based on general managers' departments. Its four reporting segments are "Japan," "Americas," "Europe" and "Asia and other areas."

The main roles of each company within the Group are as follows in all segments.

- Domestic manufacturing is mainly handled by the Company, but some production is consigned to domestic affiliated companies, from whom the Company purchases products. Part of the Company's parts processing operation is also consigned to domestic affiliated companies.
- Domestic sales are mainly handled by the Company, but are also partly made through domestic affiliated companies.
- Overseas manufacturing is handled by the Company's overseas affiliates, with some semi-finished goods supplied by the Company.
- Overseas sales are conducted by the Company, by its overseas sales subsidiaries which procure goods from the Company or from its overseas manufacturing subsidiaries, and by its overseas manufacturing subsidiaries directly.

In June 2021, NTN acquired additional shares of Taira Forging Co.Ltd. which was the equity-method affiliate company. In July 2021, NTN Europe Holdings SAS was newly established and became a consolidated subsidiary.


CUSTOMERS
(Domestic sales subsidiaries)
<Japan>
- Consolidated subsidiary
NTN Sales Japan Corp.
- Other affiliated companies 5
(Overseas sales subsidiaries)
<Americas>
- Consolidated subsidiaries
NTN BEARING CORP. OF AMERICA
NTN BEARING CORP. OF CANADA LTD.
(Sales Dept.)
NTN-SUDAMERICANA, S.A.
- Other affiliated companies 4
<Europe>
- Consolidated subsidiaries
NTN Wälzlager (Europa) G.m.b.H.
NTN BEARINGS (UK) LTD.
and 3 more subsidiaries
- Other affiliated company 1
<Asia and other areas>
- Consolidated subsidiaries
NTN BEARING-SINGAPORE (PTE) LTD.
NTN BEARING-MALAYSIA SDN. BHD.
NTN BEARING-THAILAND CO., LTD.
PT. NTN BEARING INDONESIA
NTN BEARING INDIA PRIVATE LTD.
NTN KOREA CO., LTD.
NTN (CHINA) INVESTMENT CORPORATION
NTN CHINA LTD.
and 1 more subsidiary
- Equity-method affiliate
NTN-DONGPAI (Shanghai) Bearing Sales Corp.
- Other affiliated companies 4
(Overseas manufacturing subsidiaries)
<Americas>
- Consolidated subsidiaries
NTN DRIVESHAFT, INC.
NTN DRIVESHAFT ANDERSON,INC.
AMERICAN NTN BEARING MFG. CORP.
NTN-BOWER CORP.
NTK PRECISION AXLE CORP.
NTA PRECISION AXLE CORP.
NTN BEARING CORP. OF CANADA LTD.
(Manufacturing Dept.)
NTN MANUHACTURING DE MEXICO.S.A.DE C.V.
NTN do Brasil Produção de Semi-Eixos Ltda.
and 1 more subsidiary
- Equity-method affiliate
ASAHI FORGE OF AMERICA CORP.
Seohan-NTN Driveshaft USA CORP.
<Europe>
- Consolidated subsidiaries
NTN-SNR ROULEMENTS
NTN TRANSMISSIONS EUROPE
NTN TRANSMISSIONS EUROPE CREZANCY
NTN Kugellagerfabrik (Deutschland) G.m.b.H.
NTN Mettmann(Deutschland) G.m.b.H.
NTN Antriebstechnik G.m.b.H
and 3 more subsidiaries
<Asia and other areas>
- Consolidated subsidiaries
NTN MANUFACTURING (THAILAND) CO., LTD.
NTPT CO., LTD.
NTN NEI Manufacturing India Private LTD.
NANJING NTN CORP.
SHANGHAI NTN CORP.
GUANGZHOU NTN-YULON Drivetrain Co., Ltd.
XIANGYANG NTN-YULON DRIVETRAIN CO. LTD.
NTN-RAB (Changzhou) Corp
- Equity-method affiliate
Tung Pei Industrial Co., Ltd
TAIWAY Industry CO., LTD.
PT. TPI MANUFACTURING INDONESIA
PT. Astra NTN Driveshaft Indonesia
Shanghai Tung Pei Enterprise Co., Ltd.
- Other affiliated company 1
NTN Corporation
(Domestic manufacturing subsidiaries)
<Japan>
- Consolidated subsidiaries
NTN MIE CORP.
NTN HOUDATSUSHIMIZU CORP.
NTN NOTO CORP.
NTN FUKUROI CORP.
NTN AKAIWA CORP.
NTN OMAEZAKI CORP.
NTN ADVANCED MATERIALS CORP.
- Companies accounted for not using the equity method
Hikari Seiki Industry Co., Ltd.
(Domestic parts processing subsidiaries)
<Japan>
- Consolidated subsidiaries
NTN CASTING CORP.
NTN KINAN CORP.
NTN KAMIINA CORP.
Taira Forging Co., Ltd.
- Companies accounted for not using the equity method
NTN TADO CORP.
- 3 affiliated company
(Other subsidiaries)
<Japan>
- Consolidated subsidiaries
NTN Technical Service Corporation
NTN Logistics Co., Ltd.
- 1 affiliated company
<Americas>
- Consolidated subsidiaries
NTN USA CORP.
(overall management of American subsidiaries)
<Europe>
- Consolidated subsidiaries
NTN Europe Holdings SAS
(overall management of European subsidiaries)
Sales of the products
Procurement of the products
Procurement of the semi-finished goods

3. Basic Approach to Selecting Accounting Standards

NTN Group prepared its consolidated financial statements in accordance with Japanese Accounting Standards in order to improve the comparability of consolidated financial statements between different accounting periods and against different companies.

NTN Group intends to consider the future application of International Financial Reporting Standards (IFRS).

4. Consolidated Financial Statements
(1) Balance Sheets

(In million yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and bank deposits	*1 154,969	128,644
Notes and accounts receivable-trade	116,604	125,507
Electronically-recorded monetary claims	4,996	6,491
Finished goods & purchased goods	91,848	105,514
Work in process	48,600	55,939
Raw materials and supplies	36,397	53,389
Short-term loans receivable	68	57
Other	33,282	37,533
Alowance for doubtful accounts	-1,011	-1,045
Total current assets	485,756	512,031
Fixed assets		
Property, plant and equipment		
Buildings and structures	225,560	237,099
Accumulated depreciation	-138,245	-149,144
Buildings and structures, net	*1, *3 87,314	*1, *3 87,955
Machinery, equipment and vehicles	710,231	753,597
Accumulated depreciation	-598,067	-630,990
Machinery, equipment and vehicles, net	*3 112,164	*3 122,607
Land	*1, *3 32,442	*1, *3 33,563
Construction in progress	22,231	15,557
Other	62,495	65,498
Accumulated depreciation	-56,203	-59,385
Other, net	*3 6,291	*3 6,113
Total property, plant and equipment	260,443	265,797
Intangible fixed assets		
Goodwill	—	1,983
Other	40,363	42,046
Total intagible fixed assets	40,363	44,029
Investments and other assets		
Investment securities	*1, *2 43,836	*1, *2 24,679
Deferred tax assets	2,437	3,495
Assets for retirement benefits	—	1,555
Other	3,938	4,094
Alowance for doubtful accounts	-213	-200
Total investments and other assets	49,999	33,624
Total fixed assets	350,806	343,451
Total assets	836,563	855,483

(In million yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable-trade	55,468	61,033
Electronically-recorded monetary claims	62,815	60,881
Short-term loans	121,836	134,229
Accrued income taxes	2,125	4,544
Accrued bonuses for directors and statutory auditors	36	29
Other	50,064	60,486
Total current liabilities	292,346	321,205
Long-term liabilities		
Bonds	80,000	80,000
Long-term loans	*1 220,967	*1 179,802
Reserve for product defect compensation	1,082	408
Liabilities for retirement benefits	39,920	36,852
Other	18,495	20,790
Total long-term liabilities	360,466	317,853
Total liabilities	652,812	639,058
Net assets		
Shareholders' equity		
Common stock	54,346	54,346
Additional paid-in capital	67,970	67,970
Retained earnings	52,786	60,127
Treasury stock	-782	-866
Total shareholders' equity	174,321	181,578
Accumulated other comprehensive income		
Net unrealized holding gain on other securities	8,646	1,044
Translation adjustments	-6,865	16,025
Accured retirement benefits adjustments	-5,575	-797
Total accumulated other comprehensive income	-3,794	16,272
Non-controlling shareholders’ equity	13,224	18,574
Total net assets	183,751	216,425
Total liabilities and net assets	836,563	855,483

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

(In million yen)

	Year ended March 31, 2021 (April 1, 2020 – March 31, 2021)	Year ended March 31, 2022 (April 1, 2021– March 31, 2022)
Net sales	562,847	642,023
Cost of sales	*2 477,666	*2 536,070
Gross profit	85,180	105,953
Selling, general and administrative expenses	*1, *2 88,319	*1, *2 99,072
Operating income/loss (-)	-3,138	6,880
Non-operating income		
Interest income	852	866
Dividend income	568	605
Equity in earnings of unconsolidated subsidiaries	343	1,099
Foreign exchange gains	2,732	2,591
Gain on reversal of product defect compensation	—	1,213
Other	3,146	1,090
Total non-operating income	7,644	7,467
Non-operating expenses		
Interest expenses	3,505	4,277
Derivative transaction losses	2,918	812
Other	3,823	2,441
Total non-operating expenses	10,248	7,532
Ordinary income/loss (-)	-5,742	6,815
Extraordinary income		
Gain on sales of investment securities	5,699	10,483
Gain on sale of tangible fixed assets	—	*3 3,850
Proceeds from subsidy	*4 5,769	—
Total extraordinary income	11,468	14,333
Extraordinary losses		
Loss related to Anti-Monopoly Act	*5 1,176	*5 2,928
Impairment loss	*6 2,462	*6 601
Special factory operating loss	*7 3,343	—
Total extraordinary losses	6,982	3,529
Income/loss(-) before income taxes and equity in earings of affiliated companies	-1,256	17,619
Income and other taxes	3,220	5,071
Income and other taxes adjustment	6,113	3,451
Total income and other taxes	9,334	8,522
Net income/loss (-)	-10,590	9,096
Profit attributable to non-controlling shareholders	1,051	1,755
Profit/loss (-) attributable to owners of parent	-11,641	7,341

(Consolidated Statement of Comprehensive Income)

（In million yen）

	Year ended March 31, 2021 (April 1, 2020 – March 31, 2021)	Year ended March 31, 2022 (April 1, 2021– March 31, 2022)
Net income/loss (-)	-10,590	9,096
Other comprehensive income		
Net unrealized holding gain on other securities	3,552	-7,615
Translation adjustments	15,056	22,947
Accrued retirement benefits adjustments	7,024	4,795
Equity in equity-method affiliates	-513	1,759
Total other comprehensive income	* 25,119	* 21,886
Comprehensive income	14,529	30,983
(breakdown)		
Comprehensive income attributable to owners of parent company	12,268	27,407
Comprehensive income attributable to non-controlling shareholders	2,260	3,575

(3) Statement of Changes in Shareholders' Equity

Previous consolidated accounting year (April 1, 2020 to March 31, 2021)

(In million yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance on April 1, 2020	54,346	67,970	62,138	-787	183,668
Changes during the current period					
Loss attributable to owners of parent			-11,641		-11,641
Chenge in scope of consolidation			2,289		2,289
Purchase of treasury stock				-0	-0
Sales of treasury stock				5	5
Net changes in items other than shareholders' equity during the period					
Total changes during the period	—	—	-9,352	4	-9,347
Balance on March 31, 2021	54,346	67,970	52,786	-782	174,321

	Accumulated other comprehensive income				Minority interest	Total net assets
	Valuation and translation adjustment	Translation adjustments	Accumulated accrued retirement benefits adjustments	Total accumulated other comprehensive income		
Balance on April 1, 2020	5,094	-19,998	-12,607	-27,511	12,221	168,378
Changes during the current period						
Loss attributable to owners of parent						-11,641
Chenge in scope of consolidation						2,289
Purchase of treasury stock						-0
Sales of treasury stock						5
Net changes in items other than shareholders' equity during the period	3,552	13,133	7,031	23,716	1,003	24,720
Total changes during the period	3,552	13,133	7,031	23,716	1,003	15,372
Balance on March 31, 2021	8,646	-6,865	-5,575	-3,794	13,224	183,751

Current consolidated accounting year (April 1, 2021 to March 31, 2022)

(In million yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance on April 1, 2021	54,346	67,970	52,786	-782	174,321
Changes during the current period					
Profit attributable to owners of parent			7,341		7,341
Purchase of treasury stock				-92	-92
Sales of treasury stock				8	8
Net changes in items other than shareholders' equity during the period					
Total changes during the period	—	—	7,341	-83	7,257
Balance on March 31, 2022	54,346	67,970	60,127	-866	181,578

	Accumulated other comprehensive income				Minority interest	Total net assets
	Valuation and translation adjustment	Translation adjustments	Accumulated accrued retirement benefits adjustments	Total accumulated other comprehensive income		
Balance on April 1, 2021	8,646	-6,865	-5,575	-3,794	13,224	183,751
Changes during the current period						
Profit attributable to owners of parent						7,341
Purchase of treasury stock						-92
Sales of treasury stock						8
Net changes in items other than shareholders' equity during the period	-7,601	22,890	4,777	20,066	5,350	25,416
Total changes during the period	-7,601	22,890	4,777	20,066	5,350	32,674
Balance on March 31, 2022	1,044	16,025	-797	16,272	18,574	216,425

(3) Statements of Cash Flows

(In million yen)

	Year ended March 31, 2021 (April 1, 2020 – March 31, 2021)	Year ended March 31, 2022 (April 1, 2021– March 31, 2022)
Net cash provided by operating activities		
Income/loss(-) before income taxes and equity in earings of affiliated companies	-1,256	17,619
Depreciation and amortization	35,478	37,898
Impairment loss	2,462	601
Goodwill depreciation	—	160
Proceeds from subsidy	-5,769	—
Special factory operating loss	3,343	—
Loss related to Anti-Monopoly Act	1,176	2,928
Increase/decrease (-) in allowance for doubtful accounts	-148	-53
Increase/decrease (-) in accrued retirement benefits for directors and statutory auditors	-6	-7
Increase/decrease (-) in reserve for product defect compensation	-50	-684
Increase/decrease (-) in liabilities in retirement benefits	-187	1,605
Decrease/increase (-) in assets for retirement benefits	—	-1,555
Interest and dividend income	-1,421	-1,472
Interest expenses	3,505	4,277
Foreign currency translation adjustments / foreign exchange loses/gains (-)	-2,942	-1,067
Loss or gain (-) on derivative transactions	2,918	812
Equity in earnings (-) /loss of non-consolidated subsidiaries	-343	-1,099
Gain (-) or loss on sale of tangible fixed assets	—	-3,850
Gain (-) or loss on sales of investment securities	-5,699	-10,483
Decrease (-) / increase in trade receivables	-7,903	-2,165
Decrease (-) / increase in inventories	13,491	-25,300
Increase/decrease (-) in trade payables	-1,193	691
Other	2,259	-2,445
Subtotal	37,713	16,410
Interest and dividend income received	1,865	1,717
Interest paid	-3,488	-4,342
Subsidies received	4,895	898
Payment of special factory operating loss	-2,250	—
Loss related to Anti-Monopoly Act	-990	-3,125
Income taxes paid	-1,272	-2,601
Net cash provided by operating activities	36,473	8,956
Net cash used in investing activities		
Increase in time deposits	-4,830	-1,339
Decrease in time deposits	4,212	2,780
Purchases of property, plant and equipment	-21,900	-16,336
Proceeds from sale of property, plant and equipment	—	4,740
Purchase of intangible fixed assets	-7,724	-5,534
Proceeds from sales of investment securities	9,464	17,052
Loss on purchase of stock of the consolidated subsidiary	-31	—
Proceeds from purchase of subsidiaries' stock resulting in change in scope of consolidation	—	1,200
Decrease/increase (-) in short-term loans receivable, net	2,663	15
Other	206	-66
Net cash used in investing activities	-17,938	2,512

(In million yen)

	Year ended March 31, 2021 (April 1, 2020 – March 31, 2021)	Year ended March 31, 2022 (April 1, 2021– March 31, 2022)
Net cash provided by financing activities		
Increase/decrease (-) in short-term loans, net	-14,728	2,588
Proceeds from long-term loans	58,833	12,178
Repayment of long-term loans	-38,774	-52,330
Proceeds f rom bonds	50,000	—
Repayment of lease payable	-1,676	-2,122
Proceeds from sale and leaseback	2,270	—
Other	-1,252	-1,614
Net cash provided by financing activities	54,671	-41,300
Effect of exchange rate changes on cash and cash equivalents	2,878	4,042
Increase/decrease (-) in cash and cash equivalents	76,084	-25,788
Cash and cash equivalents at beginning of the year	71,165	147,249
Cash and cash equivalents at end of the year	* 147,249	* 121,460

(5)Notes to Consolidated Financial Statements
(Going Concern Assumption)
None

(Changes in accounting policies)
(Application of Accounting Standard for Revenue Recognition, etc.)
The Company applied “Accounting Standard for Revenue Recognition, etc.,” (ASBJ Statement No. 29, March 31, 2020; hereafter “Revenue Recognition Accounting Standard”) from the beginning of the first quarter of the current fiscal year and recognizes the revenue at the amount expected to be received in exchange when control of the promised goods or services is transferred to the customer.
The application of the Revenue Recognition Accounting Standard follows the transitional treatment prescribed in the proviso to paragraph 84 of the revenue recognition accounting standard but it has no impact on the opening balance of retained earnings. As a result of this application, net sales and cost of sales for the last quarter of the current fiscal year decreased by 5,005 million yen compared with the previous method, but operating income, ordinary income, and income/loss before income taxes and equity in earnings of affiliated companies were not affected.
In accordance with the transitional treatment stipulated in Paragraph 89-3 of the Revenue Recognition Accounting Standard, notes related to revenue recognition for the previous fiscal year are not presented.

(Application of Accounting Standard for Calculation of Fair Value, etc.)
The Company applied “Application of Accounting Standard for Measurement of Fair Value, etc. (ASBJ Statement No. 30, July 4, 2019) from the beginning of the first quarter of the current fiscal year and applied the new accounting standard prospectively with the transitional treatment prescribed in Paragraph 19 of the Accounting Standard for Measurement of Fair Value and Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019) There is no impact on the quarterly consolidated financial statements.

(Consolidated Balance Sheet)
*1 The assets pledged as collateral and the debts related to the collateral are as follows.

1.Assets and debt that ogives as security are as folllows

(In million yen)

	Year ended March 31, 2021	Year ended March 31, 2022
Buildings and structures	3,000	-
Machinery, equipment and vehicles	3,597	2,712
Land	7,191	7,180
Investment securities	21,075	1,372
Total	34,865	11,265

2. Debt that is related to security

	Year ended March 31, 2021	Year ended March 31, 2022
Long-term loan	30,000	27,000

*2 value related to non-consolidated subsidiary and related company are as follows.

	Year ended March 31, 2021	Year ended March 31, 2022
Investment secturities	20,871	18,632

*3 The reduction entry due to the acceptance of national treasury subsidies are as follows. The amount recorded on the consolidated balance sheet is deducted from this reduction entry.

	Year ended March 31, 2021	Year ended March 31, 2022
Buildings and structures	366	339
Machinery, equipment and vehicles	57	67
Land	773	773
Other	0	0
Total	1,198	1,180

4 Contingency liabilities

(Gurantee, etc)

The Company provides the following debt guarantees for loans from financial institutions of companies other than consolidated subsidiaries.

	Year ended March 31, 2021	Year ended March 31, 2022
PT. Astra NTN Driveshaft Indonesia	448	707

(Lawsuits, etc.)

(1)A lawsuit has been filed against the Company and its two consolidated subsidiaries in Europe before the France Tribunal de Commerce de Lyon by Renault S.A. and its group companies, which are 15 in total (hereafter, “Renault”), seeking compensation of 66.7 million euros (provisional amount) for damages. In December 2020, Renault changed the claiming amount for damages to 32.5 million euros (provisional amount). In April 2022, Renault changed the claiming amount for damages to 58.3 million euros (provisional amount). This lawsuit was filed by Renault alleging that they suffered damages in connection with the infringement of the European competition laws, which was subject of the decision adopted by the European Commission dated March 19, 2014.

(2)The NTN Group may be subject to claims for compensation for damages in connection with the violation of competition laws and continue to address these claims. However, it is currently difficult to make reasonable estimates of the future possible effects on the results of operations and financial position of the NTN Group.

(Consolidated Statement of Operation)

*1 Major items and amounts under “Selling, general and administrative expenses” are as follows.

(In million yen)

	Year ended March 31, 2021 (April 1, 2020 - March 31, 2021)	Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)
Salaries and benefit	30,927	34,926
Freight	12,700	16,161
Outsourcing expenses	9,882	11,023
Research and development	10,804	10,466
Retirement benefits expenses	1,752	1,526

*2 Total research and development expense included in general and administrative expense and current manufacturing costs

(In million yen)

Year ended March 31, 2021 (April 1, 2020 - March 31, 2021)	Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)
17,485	17,444

*3 3,850 million yen in gains from sale of tangible fixed assets was recorded as an extraordinary income in the last quarter of the consolidated fiscal year under review. This was the income of 3,729 million yen of land and building of headquarters and 120 million yen of others.

*4 5,769 million yen in proceeds from subsidy was recorded as an extraordinary income in the previous consolidated fiscal year. This was the income such as subsidies for employment adjustment during the suspension of operations in the Company and its consolidated subsidiaries due to the spread of the new coronavirus.

*5 In the previous consolidated fiscal year, the Company and its subsidiaries in the U.S. reached a settlement with the direct purchaser plaintiffs regarding a class-action in U.S. District Court for the Eastern District of Michigan in November 2020. By this settlement, all U.S. class actions were ended.

Also, on March 2021, the Conselho Administrativo de Defesa Econômica decided to impose fines of 9,318,311.31 Brazilian reais on our subsidiary in Brazil for its alleged violations of the Brazilian competition law with respect to sales made in Brazil and the subsidiary paid the fines on May 2021.

In the current consolidated fiscal year, the Company has negotiated the compensation of damages with a part of customers in association with investigations by the authorities about competition laws. We considered the effects to our business by the long-term negotiation and reached the conclusion to pay the settlement amount to make the benefits for both parties by amicably and early resolution.

With regard to these settlements etc., the Company recorded 2,928 million yen in the current consolidated fiscal year and 1,176 million yen in the previous consolidated fiscal year as loss related to the Anti-monopoly act in the extraordinary loss.

*6 The NTN Group carries out grouping of assets. With regard to manufacturing assets, any plants etc. coming under managerial accounting business classifications are deemed to be the smallest unit creating cash flow. With regard to Head Office and business-use assets are grouped as corporate assets and the assets no longer used are grouped by individual asset.

In the case of the assets shown in the following table, there is no prospect for future use in the current consolidated accounting period and the previous consolidated accounting period and no possibility of recovery is found for the estimated period of future cash flows. For these reasons, 601 million yen of impairment loss in current consolidated accounting period and 2,462 million yen in the previous consolidated accounting period is recorded as the extraordinary loss. The recoverable amount has been measured using the net realizable value or the value in use. The recoverable amount is measured by fair value for U.S. subsidiaries and by net realizable value or value in use for other companies, and zero for assets that cannot be sold or otherwise converted. Fair value in accordance with U.S. GAAP is measured mainly by the income approach and calculated by discounting future cash flows at a certain discount rate. Assets, which are difficult to sell or alternatively use, have been given a value of 0. Value in use is calculated using a discount rate of 6% on future cash flows for each business segment.

Location	Applications	Type of asset	Impairment loss (million yen)	
			Year ended March 31, 2021 (April 1, 2020 - March 31, 2021)	Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)
Japan	Manufacturing facilities and other	Buildings and structures	—	12
		Machinery,equipment and vehicles	—	338
		Construction in progress	—	228
		Tangible fixed assets and others	—	21
Americas	Manufacturing facilities and other	Buildings and structures	470	—
		Machinery,equipment and vehicles	1,786	—
		Land	174	—
		Tangible fixed assets and others	30	—
Total			2,462	601

*7 In the previous consolidated fiscal year, we recorded 3,343 million yen of special factory operating loss as extraordinary losses. This was the amount of fixed cost during the shutdown of the Company and its subsidiaries by following the instructions and requests of governments due to the impact of the worldwide spread of the new coronavirus.

(Matters Related to Consolidated Statement of Comprehensive Income)

* Reclassification adjustment and tax effect on other comprehensive income

(In million yen)

	Year ended March 31, 2021 (April 1, 2020 - March 31, 2021)	Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)
Net unrealized holding gain on other securities:		
Amount arising in current fiscal year	10,765	−423
Reclassification adjustment	−5,699	−10,483
Before tax effect adjustment	5,065	−10,906
Tax effect	−1,513	3,291
Net unrealized holding gain on other securities	3,552	−7,615
Translation adjustments:		
Amount arising in current fiscal year	15,056	22,947
Reclassification adjustment	—	—
Before tax effect adjustment	15,056	22,947
Tax effect	—	—
Translation adjustments	15,056	22,947
Accrued retirement benefits adjustments:		
Amount arising in current fiscal year	7,437	3,701
Reclassification adjustment	1,364	1,267
Before tax effect adjustment	8,802	4,969
Tax effect	−1,778	−173
Accrued retirement benefits adjustments	7,024	4,795
Equity in equity-method affiliates:		
Amount arising in current fiscal year	29	1,759
Reclassification adjustment	−543	—
Equity in equity-method affiliates	−513	1,759
Total other comprehensive income	25,119	21,886

(Consolidated Statements of Changes in Shareholders' Equity)
Year ended March 31, 2021 (April 1, 2020- March 31, 2021)
1. Type and total number of shares issued and outstanding and Treasury stock

	Number of shares as of April 1, 2020 (thousand shares)	Increase (thousand shares)	Decrease (thousand shares)	Number of shares as of March 31, 2021 (thousand shares)
Shares issued and outstanding				
Common stock	532,463	—	—	532,463
Total	532,463	—	—	532,463
Treasury stock				
Common stock *	1,314	1	16	1,299
Total	1,314	1	16	1,299

Note: The increase of 1,000 shares in treasury stock in common stock is due to the acquisition by purchasing the fractional unit share and decrease of 16,000 shares is due to sales by “BIP Trust” as trust property of stock compensation scheme for directors. Also, number of treasury stocks in common stock includes the treasury stocks acquired by “BIP Trust” (472,000 shares as of April 1, 2020, 456,000 shares as of March 31, 2021)

2. Equity warrant and subscription right to treasury stock
N.A.

3. Dividend
N.A.

Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)
1. Type and total number of shares issued and outstanding and Treasury stock

	Number of shares as of April 1, 2021 (thousand shares)	Increase (thousand shares)	Decrease (thousand shares)	Number of shares as of March 31, 2022 (thousand shares)
Shares issued and outstanding				
Common stock	532,463	—	—	532,463
Total	532,463	—	—	532,463
Treasury stock				
Common stock *	1,299	326	26	1,599
Total	1,299	326	26	1,599

Note: Note: The increase of 326,000 shares in treasury stock in common stock is due to the acquisition by purchasing the fractional unit 1,000 shares and the acquisition by purchasing the fractional unit 325,000 shares by “BIP Trust” as trust property of stock compensation scheme for directors and decrease of 26,000 shares is due to sles by “BIP Trust”. Also, number of treasury stocks in common stock includes the treasury stocks acquired by “BIP Trust” (456,000 shares as of April 1, 2021, 754,000 shares as of March 31, 2022)

2. Equity warrant and subscription right to treasury stock
N.A.

3. Dividends
N.A

(Cash flows)

* Reconciliation of the amounts of cash and cash equivalents at end of the year stated in Consolidated Statements of Cash Flows to the amounts of accounts stated in Consolidated Balance Sheets

(In million yen)

	Year ended March 31, 2021 (April 1, 2020 - March 31, 2021)	Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)
Cash and bank deposits	154,969	128,644
Short-term loans receivable	68	57
Time deposits with original maturities of more than three months	−7,719	−7,183
Short-term loans receivable, excluding repurchase agreements	−68	−57
Cash and cash equivalents	147,249	121,460

(Segment Information, etc.)
[Segment information]
1.Description of reporting segments

It is possible to acquire financial information for the separate components making up the Company, and the Company's highest decision-making body (the Board of Directors) carries out regular investigations into the Company's reporting segments in order to decide the allocation of management resources and to assess results.

The Group's main business is the manufacturing and sale of bearings, drivesahfts and precision equipment for aftermarket applications, industrial machinery applications, and automotive applications. Business activities in Japan are controlled by the Company (Head Office), the activities of each region are controlled by the general managers' department overseas allocated to each region. Overseas subsidiaries in each region formulate independent business strategies and business plans and develop business activities while analyzing profitability and investment efficiency.

Accordingly, the NTN Group consists of the Head Office and business segments in different regions based on general managers' offices. Its four reporting segments are "Japan," "Americas," "Europe" and "Asia and other areas." Each segment carries out the manufacturing and sale of bearings, driveshafts and precision equipment.

2.Methods used to calculate and report sales, income or losses, assets, liabilities and other items for each reporting segment

The business segment accounting methods for each reporting segment are the same methods as those used in the consolidated financial statements. "Inter-segment sales or transfers" is calculated based on prevailing market prices.

3.Information related to sales, income or losses, assets, liabilities and other items for individual reporting segments

Year ended March 31, 2021 (April 1, 2020 - March 31, 2021)

(In million yen)

	Reporting segment					Adjustments (Note) 1	Balance sheet amount
	Japan	Americas	Europe	Asia and other areas	Total		
Net sales							
Sales to external customers	168,280	142,228	125,777	125,560	562,847	—	562,847
Inter-segment sales or transfers	98,690	705	2,420	7,859	109,676	(109,676)	—
Total	266,971	142,934	129,197	133,419	672,523	(109,676)	562,847
Segment income/loss(-) (Operating income)	-10,792	-2,803	-2,427	12,305	-3,717	579	-3,138
Segment assets	644,491	161,916	129,993	187,410	1,123,812	(287,248)	836,563
Segment liabilities	479,411	118,725	84,609	38,393	721,140	(68,327)	652,812
Other items							
Depreciation and amortization	12,875	8,930	7,232	6,439	35,478	—	35,478
Increase in tangible and intangible fixed assets	18,474	6,379	3,494	3,082	31,431	(0)	31,430

Note.1:"Adjustments" refers to elimination of all inter-segment transactions with the exception of segment assets. Also, adjustments under "segment assets" is made up of inter-segment eliminations of -313,207 million yen and company-wide assets not allocated to specific segments of 25,958 million yen (major items include long-term investment capital (marketable investment securities) etc.).

Note.2:Major countries or regions in each segment:

Americas: U.S., Canada, South and Central America
Europe: Germany, France, United Kingdom, and others
Asia and other areas: China, Thailand, India, and others

Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)

(In million yen)

	Reporting segment					Adjustments (Note) 1	Balance sheet amount
	Japan	Americas	Europe	Asia and other areas	Total		
Net sales							
Sales to external customers	186,854	177,563	139,236	138,369	642,023	—	642,023
Inter-segment sales or transfers	134,260	1,080	4,211	8,941	148,493	(148,493)	—
Total	321,115	178,643	143,447	147,310	790,516	(148,493)	642,023
Segment income (Operating income)	7,621	-7,427	-4,265	14,090	10,019	(3,139)	6,880
Segment assets	659,756	196,793	133,621	206,808	1,196,979	(341,496)	855,483
Segment liabilities	460,061	134,499	92,127	36,546	723,235	(84,177)	639,058
Other items							
Depreciation and amortization	14,698	8,959	7,378	6,861	37,898	—	37,898
Increase in tangible and intangible fixed assets	14,507	3,254	4,047	3,590	25,399	—	25,399

Note1:“Adjustments” refers to elimination of all inter-segment transactions with the exception of segment assets. Also, adjustments under “segment assets” is made up of inter-segment eliminations of -347,521 million yen and company-wide assets not allocated to specific segments of 6,025 million yen (major items include long-term investment capital (marketable investment securities) etc.).

Note2:Major countries or regions in each segment:
Americas: U.S., Canada, South and Central America
Europe: Germany, France, United Kingdom, and others
Asia and other areas: China, Thailand, India, and others

[Related information]

Year ended March 31, 2021 (April 1, 2020 - March 31, 2021)

1. Information related to products and services

(In million yen)

	Aftermarket applications	Industrial machinery applications	Automotive applications	Total
Sales to external customers	91,492	101,853	369,501	562,847

Note:“Net sales to external customers” refers to sales in each product category based on similarity with sales markets.

2. Geographic information

(1) Net Sales

(In million yen)

Japan	Americas	Europe	Asia and other areas	Total
162,814	144,431	117,235	138,365	562,847

Notes:1. Net sales are classified according to country or region based on the location of customers.
2. Major countries or regions in each reporting segment:
Americas: U.S, Canada, South and Central America
Europe: Germany, France, United Kingdom, and others
Asia and other areas: China, Thailand, India, and others
3. Of the sales classified as net sales to the Americas, sales to the U.S. accounted for 123,095 million yen.
4. Of the sales classified as net sales to the Asia and others, sales to the China accounted for 79,534 million yen.

(2) Property, plant and equipment

(In million yen)

Japan	Americas	Europe	Asia and other areas	Total
100,947	75,696	44,943	38,855	260,443

Notes:1. Of the property, plant and equipment classified under Americas, property, plant and equipment held in the U.S. accounted for 67,760 million yen.
2. Of the property, plant and equipment classified under Europe, property, plant and equipment held in France accounted for 28,429 million yen.
3. Of the property, plant and equipment classified under Asia and other areas, property, plant and equipment held in China accounted for 27,655 million yen.

Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)
1. Information related to products and services

(In million yen)

	Aftermarket applications	Industrial machinery Applications	Automotive applications	Total
Net sales to external customers	112,196	126,104	403,722	642,023

(Note) “Net sales to external customers” refers to sales in each product category based on similarity with sales markets.

2. Geographic information
(1) Net Sales

(In million yen)

Japan	Americas	Europe	Asia and other areas	Total
180,756	181,214	127,056	152,996	642,023

Notes:1. Net sales are classified according to country or region based on the location of customers.
2. Major countries or regions in each reporting segment:
Americas: U.S., Canada, South and Central America
Europe: Germany, France, United Kingdom, and others
Asia and other areas: China, Thailand, India, and others
3. Of the sales classified as net sales to the Americas, sales to the U.S. accounted for 151,317 million yen.
4. Of the sales classified as net sales to the Asia and others, sales to China accounted for 77,115 million yen
(2) Property, plant and equipment

(In million yen)

Japan	Americas	Europe	Asia and other areas	Total
104,086	78,181	43,696	39,833	265,797

Notes.1. Of the property, plant and equipment classified under Americas, property, plant and equipment held in the U.S. accounted for 69,438 million yen.
2. Of the property, plant and equipment classified under Europe, property, plant and equipment held in France accounted for 27,322 million yen.
3. Of the property, plant and equipment classified under Asia and other areas, property, plant and equipment held in China accounted for 29,317 million yen.

[Information related to impairment loss on fixed assets by reporting segment]
Previous consolidated accounting period (April 1, 2020 – March 31, 2021)

(In million yen)

	Japan	Americas	Europe	Asia and other areas	Adjustment	Total
Impairment loss	—	2,462	—	—	—	2,462

Current consolidated accounting period (April 1, 2021 to March 31, 2022)

(In million yen)

	Japan	Americas	Europe	Asia and other areas	Adjustment	Total
Impairment loss	601	—	—	—	—	601

[Information on amortization and unamortized balance of goodwill by reportable segment]
Previous consolidated accounting period (April 1, 2020 – March 31, 2021)

(In million yen)

	Japan	Americas	Europe	Asia and other areas	Adjustment	Total
Amortization for the year	—	—	—	—	—	—
Balance at the end of the yeat	—	—	—	—	—	—

Current consolidated accounting period (April 1, 2021 to March 31, 2022)

(In million yen)

	Japan	Americas	Europe	Asia and other areas	Adjustment	Total
Amortization for the year	160	—	—	—	—	160
Balance at the end of the yeat	1,983	—	—	—	—	1,983

(Per share data)

	Year ended March 31, 2021 (April 1, 2020 - March 31, 2021)	Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)
Net assets per share (yen)	321.04	372.70
Net income per share or net loss (-) per share	-21.92	13.83

Notes: 1. Diluted net income per share in the current consolidated accounting period is not reported because no residual securities existed. Diluted net income per share in the previous consolidated accounting period is not reported because no residual securities existed and net assets per share was loss.

2. The Company has introduced an “Officer Remuneration BIP Trust” in the current consolidated accounting period, and recorded the Company’s shares held by such trust as treasury stock in consolidated financial statements. Accordingly, to calculate the “amount of net assets per share,” the Company’s shares held by the trust are included in treasury stock (456,000 shares for the previous consolidated accounting period, 754,000 shares for the current consolidated accounting period) that is excluded from the total number of shares issued and outstanding as of fiscal year end. In addition, to calculate the “amount of net income per share,” the Company’s shares held by the trust are included in treasury stock (461,000 shares for the previous consolidated accounting period, 636,000 shares for the current consolidated accounting period) that is excluded from the calculation of the average number of shares for the period.

3. The basic methods for calculating net income per share are as follows.

	Year ended March 31, 2021 (April 1, 2020 - March 31, 2021)	Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)
Loss (-) attributable to owners of parent (million yen)	-11,641	7,341
Amount not attributable to common shareholders (million yen)	—	—
Loss (-) attributable to owners of parent for common stocks (million yen)	-11,641	7,341
Average number of shares during the period (thousand shares)	531,159	530,982

(Significant Subsequent Events)

None

(Additional Information)

1. Application of tax effect accounting related to the transition from the consolidated tax payment system to the group total system

The Company and a part of domestic consolidated subsidiaries will shift to the group accounting system and the group accounting system established in the "Act for Partial Revision of Income Tax Law, etc." (Act No. 8 of 2nd year of Reiwa). For items for which the non-consolidated tax payment system has been reviewed, "Handling of application of tax effect accounting related to the transition from the consolidated tax payment system to the group total system" (Practical Response Report No. 39, March 31, 2020). Due to the handling of paragraph 3, the provisions of paragraph 44 of "Guidelines for Applying Accounting Standards for Tax Effect Accounting" (Corporate Accounting Standards Application Guideline No. 28, February 16, 2018) do not apply. The amount of deferred tax assets and deferred tax liabilities is based on the provisions of the tax law before the amendment.

2. Accounting estimates related to spread of new coronavirus infection

The Company made the accounting estimate on the assumption that the effect of the worldwide spread of the novel coronavirus infection disease will improve by the fiscal year ending March 31, 2022. However it is highly uncertain and its end is not assumed and it might be a important risk in the future.

(Additional Information)

3.1. Consolidated Financial Results (in million yen)

			FY2017	FY2018	FY2019	FY2020	FY2021
Consolidated operating results (Lower: Net sales ratio)	Net sales		744,699	733,846	651,956	562,847	642,023
			100.0%	100.0%	100.0%	100.0%	100.0%
	Operating income/loss (-)		39,935	27,222	7,517	-3,138	6,880
			5.4%	3.7%	1.2%	-0.6%	1.1%
	Ordinary income/loss (-)		31,250	22,231	-1,698	-5,742	6,815
			4.2%	3.0%	-0.3%	-1.0%	1.1%
	Extraordinary income/loss (-)		-4,345	-19,292	-32,251	4,486	10,804
			-0.6%	-2.6%	-4.9%	0.8%	1.7%
	Profit/loss (-) attributable to owners of parent		20,373	-6,958	-43,992	-11,641	7,341
			2.7%	-0.9%	-6.7%	-2.1%	1.1%
Net sales by region (Lower: Net sales ratio)	Japan		204,500	207,400	198,100	162,814	180,756
			27.5%	28.3%	30.4%	28.9%	28.2%
	Americas		201,683	201,464	174,308	144,431	181,214
			27.1%	27.5%	26.7%	25.7%	28.2%
	Europe		175,598	167,826	140,839	117,235	127,056
			23.6%	22.9%	21.6%	20.8%	19.8%
	Asia and other areas		162,917	157,155	138,707	138,365	152,996
			21.9%	21.4%	21.3%	24.6%	23.8%
	Total		744,699	733,846	651,956	562,847	642,023
			100.0%	100.0%	100.0%	100.0%	100.0%
Net sales / Operating income by location	Japan	Net sales	351,096	356,816	332,517	266,971	321,115
		Operating income	11,789	4,427	2,138	-10,792	7,621
		Operating margin	3.4%	1.2%	0.6%	-4.0%	2.4%
	Americas	Net sales	198,546	198,302	171,072	142,934	178,643
		Operating income	7,091	4,344	-6,438	-2,803	-7,427
		Operating margin	3.6%	2.2%	-3.8%	-2.0%	-4.2%
	Europe	Net sales	192,532	184,022	155,651	129,197	143,447
		Operating income	2,816	973	413	-2,427	-4,265
		Operating margin	1.5%	0.5%	0.3%	-1.9%	-3.0%
	Asia and other areas	Net sales	161,952	155,577	134,929	133,419	147,310
		Operating income	19,600	17,218	11,418	12,305	14,090
		Operating margin	12.1%	11.1%	8.5%	9.2%	9.6%
	Deletion	Net sales	-159,428	-160,873	-142,214	-109,676	-148,493
		Operating income	-1,362	258	-14	579	-3,139
	Total	Net sales	744,699	733,846	651,956	562,847	642,023
		Operating income	39,935	27,222	7,517	-3,138	6,880
		Operating margin	5.4%	3.7%	1.2%	-0.6%	1.1%

(in million yen)

			FY2017	FY2018	FY2019	FY2020	FY2021
Net sales / Operating income by business application	Aftermarket	Net sales	116,707	118,861	109,428	91,492	112,196
		Operating income	15,022	15,195	12,750	8,904	14,668
		Operating margin	12.9%	12.8%	11.7%	9.7%	13.1%
	Industrial machinery	Net sales	119,262	123,552	105,210	101,853	126,104
		Operating income	2,973	3,260	-1,863	354	4,074
		Operating margin	2.5%	2.6%	-1.8%	0.3%	3.2%
	Automotive	Net sales	508,728	491,432	437,317	369,501	403,722
		Operating income	21,939	8,766	-3,369	-12,397	-11,862
		Operating margin	4.3%	1.8%	-0.8%	-3.4%	-2.9%
	Total	Net sales	744,699	733,846	651,956	562,847	642,023
		Operating income	39,935	27,222	7,517	-3,138	6,880
		Operating margin	5.4%	3.7%	1.2%	-0.6%	1.1%
Capital expenditures /Depreciation and amortization	Capital expenditures		37,589	45,172	57,675	23,817	19,809
	Depreciation and amortization	Domestic	13,481	15,285	13,424	12,875	14,698
		Overseas	24,023	23,641	23,882	22,602	23,200
		Total	37,505	38,926	37,306	35,478	37,898
R&D expenditures			21,007	21,661	19,961	17,485	17,444
Ratio of R&D expenditures to net sales			2.8%	3.0%	3.1%	3.1%	2.7%
Inventories			179,738	194,505	182,923	176,847	214,843
Inventory turnover ratio (times)			4.1	3.8	3.6	3.2	3.0
Interest-bearing debts	Loans		290,833	320,344	332,416	342,803	314,031
	Bonds		30,000	30,000	30,000	80,000	80,000
	Total		320,833	350,344	362,416	422,803	394,031
Major management indicators	Ordinary income ratio to total assets		3.8%	2.6%	-0.2%	-0.7%	0.8%
	Return on assets (ROA)		2.5%	-0.8%	-5.5%	-1.5%	0.9%
	Return on equity (ROE)		8.4%	-2.9%	-22.8%	-7.1%	4.0%
	Shareholder's equity ratio		30.2%	27.4%	20.6%	20.4%	23.1%
	Net assets per share (yen)		477.17	433.32	294.00	321.04	372.70
	Net income per share (yen)		38.36	-13.10	-82.83	-21.92	13.83
Employees	Domestic (persons)		8,546	8,648	8,718	8,735	8,579
	Overseas (persons)		16,947	16,340	15,481	14,557	14,804
	Total (persons)		25,493	24,988	24,199	23,292	23,383
Exchange rates Average	Dollar (yen)		110.85	110.88	108.73	106.01	112.34
	Euro (yen)		129.64	128.41	120.84	123.66	130.53
Exchange rates At term end	Dollar (yen)		106.49	110.64	107.85	110.36	121.89
	Euro (yen)		131.00	124.21	119.13	129.32	136.01

3.2. Non-consolidated Financial Results (in million yen)

		FY2017	FY2018	FY2019	FY2020	FY2021
Non-consolidated operating results (Lower: Net sales ratio)	Net sales	346,284	350,966	333,634	266,678	314,917
		100.0%	100.0%	100.0%	100.0%	100.0%
	Operating income/loss (-)	1,207	-1,543	2,176	-9,432	6,589
		0.3%	-0.4%	0.7%	-3.5%	2.1%
	Ordinary income/loss (-)	7,965	3,801	7,835	-5,204	10,834
		2.3%	1.1%	2.3%	-2.0%	3.4%
	Extraordinary income/loss (-)	-2,599	3,591	-19,284	1,715	11,682
		-0.8%	1.0%	-5.8%	0.6%	3.7%
	Net income/loss (-)	7,413	6,963	-17,535	-9,382	21,629
		2.1%	2.0%	-5.3%	-3.5%	6.9%
Net sales by region (Lower: Net sales ratio)	Japan	197,395	198,401	192,188	158,643	172,494
		57.0%	56.5%	57.6%	59.5%	54.8%
	Americas	56,455	59,866	54,903	39,867	54,092
		16.3%	17.1%	16.5%	14.9%	17.2%
	Europe	35,111	34,178	26,842	18,178	25,744
		10.1%	9.7%	8.0%	6.8%	8.2%
	Asia and other areas	57,322	58,519	59,699	49,989	62,586
		16.6%	16.7%	17.9%	18.7%	19.9%
	Total	346,284	350,966	333,634	266,678	314,917
		100.0%	100.0%	100.0%	100.0%	100.0%
Capital expenditures		9,325	14,313	26,550	9,727	6,317
Depreciation and amortization		7,864	9,924	10,882	11,691	12,917
R&D expenditures		15,507	16,636	15,032	12,429	12,287
Ratio of R&D expenditures to net sales		4.5%	4.7%	4.5%	4.7%	3.9%
Inventories		43,506	51,319	50,930	51,948	54,878
Inventory turnover ratio (times)		8.0	6.8	6.6	5.1	5.7
Interest-bearing debts	Loans	199,578	222,203	230,982	251,692	223,847
	Bonds	30,000	30,000	30,000	80,000	80,000
	Total	229,578	252,203	260,982	331,692	303,847
Major management indicators	Ordinary income ratio to total assets	1.4%	0.6%	1.3%	-0.9%	1.7%
	Return on assets (ROA)	1.3%	1.2%	-3.0%	-1.6%	3.5%
	Return on equity (ROE)	4.3%	4.0%	-11.3%	-6.9%	15.4%
	Shareholder's equity ratio	29.8%	28.6%	24.4%	21.2%	24.0%
	Net assets per share (yen)	330.65	320.53	261.97	250.74	277.43
	Net income per share (yen)	13.96	13.11	-33.01	-17.66	40.74
Employees (persons)		5,382	5,892	5,953	5,948	5,756