

# Consolidated Financial Summary for the First Nine Months Ended 31 December 2021

## [Japanese GAAP]

4 February 2022

Company name : SUZUKI MOTOR CORPORATION  
 Code No. : 7269 Listings : The First Section of Tokyo Stock Exchange  
 Representative : Toshihiro Suzuki, President URL : <https://www.globalsuzuki.com>  
 Contact Person : Toshiya Miki, Department General Manager, Corporate Strategy Department  
 TEL 053-440-2030  
 Date of Filing Quarterly Securities Report : 10 February 2022  
 Start of Payment of Cash Dividends : -  
 Preparation of Supplementary Explanatory Materials : Yes  
 Holding of Presentation Meeting on Quarterly Financial Results : Yes

(Amounts less than one million yen are rounded down)

### 1. Consolidated Operating Results for FY2021 first nine months (1 April – 31 December 2021)

#### (1) Consolidated Management Results

(Percentage indicates change from the same period of the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY 2021 first nine months	2,574,330	18.3	146,659	5.7	203,869	16.6	135,786	19.9
FY 2020 first nine months	2,175,532	-17.2	138,777	-18.6	174,887	-10.2	113,249	-2.8

[Note] Comprehensive income  
 FY2021 first nine months 174,027 Million Yen (9.3%)  
 FY2020 first nine months 159,206 Million Yen (35.4%)

	Profit per share, Basic	Profit per share, Diluted
	Yen	Yen
FY 2021 first nine months	279.63	279.61
FY 2020 first nine months	233.33	233.30

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

#### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of Yen	Millions of Yen	%
FY 2021 third quarter	3,993,218	2,148,476	44.9
FY 2020	4,036,360	2,031,964	41.8

[Reference] Shareholders' equity (Net assets excluding non-controlling interests and share acquisition rights):  
 FY2021 third quarter 1,791,392 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 first quarter. The figures for FY 2021 first nine months are the ones after the application.

### 2. Cash Dividends

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2020	-	37.00	-	53.00	90.00
FY2021	-	45.00	-	-	-
FY2021 (Forecast)	-	-	-	-	-

[Note] 1 Revision of the latest forecasts of cash dividends announced: None  
 2 The forecasts of cash dividends for FY2021 is undetermined at this moment.

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

(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	3,400,000	7.0	170,000	-12.6	230,000	-7.4	150,000	2.4	308.89

[Note] Revisions of the latest forecasts for consolidated operating results announced: Yes

## \* Notes

(1) Changes in significant subsidiaries during the period

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

New - (Name) Exclusion - (Name)

(2) Application of accounting treatment specific to preparation of quarterly consolidated financial statements: Yes

(3) 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 restatement  | : None |

(4) Number of outstanding shares (common stock)

(Shares)

- 1) Number of outstanding shares at end of period (including treasury shares)
- 2) Number of treasury shares at the end of period
- 3) Average number of outstanding shares during period (First nine months)

FY2021 Q3	491,122,300	FY2020	491,098,300
FY2021 Q3	5,499,554	FY2020	5,540,488
FY2021 Q3	485,598,889	FY2020 Q3	485,367,150

\* **This quarterly financial report 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**

(Caution with respect to forward-looking statements)

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).

(Quarterly Results Supplementary Explanatory Materials)

Quarterly Results Supplementary Explanatory Materials will be available on our website (<https://www.globalsuzuki.com>) on 4 February 2022.

## **Table of Contents**

<b>1. Summary of Management Results, etc.....</b>	<b>2</b>
(1) Summary of Management Results and Financial Positions.....	2
(2) Forecasts for Consolidated Operating Results.....	3
<b>2. Quarterly Consolidated Financial Statements and Significant Notes .....</b>	<b>4</b>
(1) Quarterly Consolidated Balance Sheet .....	4
(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income .....	6
(3) Quarterly Consolidated Statement of Cash Flows .....	8
(4) Notes to Quarterly Consolidated Financial Statements .....	9
(Assumption for Going Concern) .....	9
(Significant Changes in the Amount of Shareholders' Equity).....	9
(Application of Accounting Treatment Specific to Preparation of Quarterly Consolidated Financial Statements).....	9
(Changes in Accounting Principles).....	9
(Notes to Quarterly Consolidated Statement of Income).....	10
(Segment Information).....	10
(Revenue Recognition) .....	13

# 1. Summary of Management Results, etc.

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

### (Management results of FY2021 first nine months)

In April-December period, net sales increased by ¥398.8 billion (18.3%) to ¥2,574.3 billion year-on-year (YoY), operating profit increased by ¥7.9 billion (5.7%) to ¥146.7 billion YoY, ordinary profit increased by ¥29.0 billion (16.6%) to ¥203.9 billion YoY, and profit attributable to owners of parent increased by ¥22.6 billion (19.9%) to ¥135.8 billion YoY.

The Group has applied the "Accounting Standard for Revenue Recognition", etc. from the beginning of FY2021 first quarter, therefore, net sales for FY2021 first nine months decreased by ¥94.9 billion, operating profit, ordinary profit and profit before income taxes decreased by ¥0.3 billion respectively. Please refer to "2. (4) Notes to Quarterly Consolidated Financial Statements - Changes in Accounting Principles" for details.

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

In October-December period, net sales decreased by ¥4.6 billion (0.5%) to ¥900.7 billion YoY, owing to production decrease due to parts shortage including semiconductors, despite unit price improvements and the depreciation of the Yen. Operating profit decreased by ¥16.3 billion (25.6%) to ¥47.6 billion YoY, mainly owing to increase in raw material prices and various expenses, in addition to production decrease. Ordinary profit decreased by ¥23.0 billion (29.3%) to ¥55.7 billion, and profit attributable to owners of parent decreased by ¥23.6 billion (40.2%) to ¥35.3 billion, compared to the same period of the previous year when gains on sales of investment securities of ¥11.9 billion was recorded.

## - Operating results by Segment

### 1) Automobile Business

Amid the continuing impact of production decrease, net sales decreased by ¥15.1 billion (1.8%) to ¥812.8 billion YoY, and operating profit decreased by ¥19.7 billion (34.4%) to ¥37.7 billion YoY, mainly owing to increase in raw material prices and increase of various expenses.

### 2) Motorcycle Business

Net sales increased by ¥8.4 billion (14.9%) to ¥64.7 billion YoY, mainly owing to expanded sales of higher range models such as the new Hayabusa and the depreciation of the Yen. However, operating profit became ¥2.3 billion, with an increased amount limited to ¥0.1 billion (7.8%) YoY, mainly owing to increase in raw material prices.

### 3) Marine Business

Net sales increased by ¥2.0 billion (10.9%) to ¥20.2 billion YoY, and operating profit increased by ¥3.0 billion (83.3%) to ¥6.6 billion YoY. They both marked record highs, owing to the continued strong sales of outboard motors in North America.

### 4) Other Business

Net sales increased by ¥0.1 billion (3.5%) to ¥3.0 billion YoY, and operating profit increased by ¥0.3 billion (31.8%) to ¥1.0 billion YoY.

## - Operating results by Geographical Region

Operating profit decreased YoY in Japan, Europe and Asia.

## (Financial Positions of FY2021 third quarter)

### - Assets, liabilities and net assets

With respect to the financial positions at the end of FY2021 third quarter, total assets were ¥3,993.2 billion (decreased by ¥43.1 billion from the end of the previous consolidated fiscal year). Total liabilities were ¥1,844.7 billion (decreased by ¥159.7 billion from the end of the previous consolidated fiscal year). Total net assets were ¥2,148.5 billion (increased by ¥116.5 billion from the end of the previous consolidated fiscal year).

The shareholders' equity ratio at the end of FY2021 third quarter was 44.9%. 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 and the uncertain outlook of COVID-19. The Company will continue to work for improving the shareholders' equity ratio by improving profitability.

## - Cash flows

The balance of cash and cash equivalents at the end of FY2021 third quarter amounted to ¥899.7 billion (¥24.7 billion of negative from the end of the previous consolidated fiscal year). Cash flows for FY2021 first nine months are as follows.

### 1) Cash flows from operating activities

Net cash provided by (used in) operating activities for FY2021 first nine months amounted to ¥185.4 billion of positive. Although profit before income taxes increased YoY, net cash was ¥84.2 billion of negative compared to ¥269.6 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 first nine months amounted to ¥118.9 billion of negative. It was ¥22.0 billion of positive compared to ¥140.9 billion of negative in the same period of the previous fiscal year. It was mainly caused by increasing 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 ¥66.5 billion of positive (¥62.2 billion of negative compared to 128.7 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 first nine months amounted to ¥93.1 billion of negative. (It is ¥417.3 billion of negative compared to ¥324.2 billion of positive caused by financing in light of the spread of COVID-19.)

## (2) Forecasts for Consolidated Operating Results

With respect to the consolidated business forecasts, the Company has revised the previous forecasts, based on the results for April-December and future prospects as follows. While revisions to unit sales, R&D expenses and foreign exchange assumptions are expected to increase sales and profits, revisions considering increase in various expenses and raw material prices are expected to decrease profits. As a result of the revision, operating profit is kept unchanged from the previous forecast of ¥170 billion.

However, the consolidated business forecasts may fluctuate due to a number of uncertain circumstances, such as supply constraints due to the shortage of semiconductors and the re-expansion of the COVID-19.

(Forecasts of full-year financial results for FY2021)

Net sales	¥3,400.0 billion	(up 7.0% YoY, up ¥200.0 billion from the previous forecast)
Operating profit	¥170.0 billion	(down 12.6% YoY, unchanged from the previous forecast)
Ordinary profit	¥230.0 billion	(down 7.4% YoY, up ¥10.0 billion from the previous forecast)
Profit attributable to owners of parent	¥150.0 billion	(up 2.4% YoY, unchanged from the previous forecast)
(Foreign Exchange Rate)	¥112/US\$, ¥130/Euro, ¥1.51/Indian Rupee	

\*Forecasts for the consolidated operating results are based on currently available information and assumptions, contain risks and uncertainty and do not constitute guarantees of future achievement. Please note that the actual 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 U.S. dollar/Yen rate, Euro/Yen rate, Indian Rupee/Yen rate).

## 2. Quarterly Consolidated Financial Statements and Significant Notes

### (1) Quarterly Consolidated Balance Sheet

(Amount: Millions of yen)

	FY2020 (As of 31 March 2021)	FY2021 third quarter (As of 31 December 2021)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	1,024,553	1,010,093
Notes and accounts receivable-trade	448,601	394,649
Securities	201,549	100,631
Merchandise and finished goods	246,567	194,923
Work in process	46,298	59,722
Raw materials and supplies	63,045	78,387
Other	132,315	162,139
Allowance for doubtful accounts	(4,138)	(3,775)
<b>Total current assets</b>	<b>2,158,793</b>	<b>1,996,772</b>
<b>Non-current assets</b>		
Property, plant and equipment	978,916	1,002,452
Intangible assets	2,351	2,769
<b>Investments and other assets</b>		
Investment securities	704,305	799,513
Other	192,555	192,242
Allowance for doubtful accounts	(329)	(304)
Allowance for investment loss	(232)	(226)
<b>Total investments and other assets</b>	<b>896,298</b>	<b>991,224</b>
<b>Total non-current assets</b>	<b>1,877,566</b>	<b>1,996,446</b>
<b>Total assets</b>	<b>4,036,360</b>	<b>3,993,218</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	330,522	245,231
Electronically recorded obligations-operating	78,663	51,207
Short-term borrowings	568,855	303,062
Income taxes payable	32,138	27,112
Provision for product warranties	254,076	237,830
Other	424,207	404,162
<b>Total current liabilities</b>	<b>1,688,462</b>	<b>1,268,606</b>
<b>Non-current liabilities</b>		
Bonds with share acquisition rights	8,560	8,560
Long-term borrowings	193,413	421,420
Other provisions	16,956	17,231
Retirement benefit liability	62,081	60,522
Other	34,922	68,400
<b>Total non-current liabilities</b>	<b>315,932</b>	<b>576,135</b>
<b>Total liabilities</b>	<b>2,004,395</b>	<b>1,844,741</b>

	FY2020 (As of 31 March 2021)	FY2021 third quarter (As of 31 December 2021)
<b>Net assets</b>		
Shareholders' equity		
Share capital	138,262	138,318
Capital surplus	143,400	143,366
Retained earnings	1,519,826	1,614,168
Treasury shares	(21,027)	(20,871)
Total shareholders' equity	1,780,462	1,874,981
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	121,133	111,489
Deferred gains or losses on hedges	(484)	(188)
Foreign currency translation adjustment	(193,295)	(176,122)
Remeasurements of defined benefit plans	(20,337)	(18,768)
Total accumulated other comprehensive income	(92,984)	(83,589)
Share acquisition rights	115	41
Non-controlling interests	344,371	357,042
Total net assets	2,031,964	2,148,476
Total liabilities and net assets	4,036,360	3,993,218

**(2) Quarterly Consolidated Statement of Income and  
Quarterly Consolidated Statement of Comprehensive Income  
(First nine months ended 31 December 2021)  
【Quarterly Consolidated Statement of Income】**

(Amount: Millions of yen)

	FY2020 first nine months (1 April – 31 December 2020)	FY2021 first nine months (1 April – 31 December 2021)
Net sales	2,175,532	2,574,330
Cost of sales	1,569,687	1,947,396
Gross profit	605,845	626,933
Selling, general and administrative expenses	467,067	480,274
Operating profit	138,777	146,659
Non-operating income		
Interest income	30,748	61,518
Dividend income	5,143	4,061
Share of profit of entities accounted for using equity method	4,912	6,589
Other	7,561	9,805
Total non-operating income	48,365	81,975
Non-operating expenses		
Interest expenses	3,408	3,184
Foreign exchange losses	952	2,062
Expenses related to discontinuation of development	-	13,359
Other	7,895	6,158
Total non-operating expenses	12,256	24,764
Ordinary profit	174,887	203,869
Extraordinary income		
Gain on sale of non-current assets	496	19,063
Gain on sale of investment securities	11,915	4
Total extraordinary income	12,411	19,067
Extraordinary losses		
Loss on sale of non-current assets	961	709
Impairment losses	1,079	9,514
Loss on COVID-19	※ 15,428	-
Total extraordinary losses	17,469	10,224
Profit before income taxes	169,828	212,712
Income taxes	43,666	44,982
Profit	126,161	167,729
Profit attributable to non-controlling interests	12,912	31,942
Profit attributable to owners of parent	113,249	135,786



# 【Quarterly Consolidated Statement of Comprehensive Income】

(Amount: Millions of yen)

	FY2020 first nine months (1 April – 31 December 2020)	FY2021 first nine months (1 April – 31 December 2021)
Profit	126,161	167,729
Other comprehensive income		
Valuation difference on available-for-sale securities	33,843	(22,789)
Deferred gains or losses on hedges	74	311
Foreign currency translation adjustment	(2,488)	26,214
Remeasurements of defined benefit plans, net of tax	1,598	1,245
Share of other comprehensive income of entities accounted for using equity method	17	1,316
Total other comprehensive income	33,045	6,297
Comprehensive income	159,206	174,027
Comprehensive income attributable to:		
owners of parent	140,815	146,042
non-controlling interests	18,391	27,984

### (3) Quarterly Consolidated Statement of Cash Flows

(Amount: Millions of yen)

	FY2020 first nine months (1 April-31 December 2020)	FY2021 first nine months (1 April-31 December 2021)
Cash flows from operating activities		
Profit before income taxes	169,828	212,712
Depreciation and amortization	96,782	105,936
Impairment losses	1,079	9,514
Increase (decrease) in allowance for doubtful accounts	83	(515)
Increase (decrease) in retirement benefit liability	(6,664)	(1,594)
Increase (decrease) in provision for product warranties	(63,443)	(8,491)
Interest and dividend income	(35,891)	(65,579)
Interest expenses	3,408	3,184
Foreign exchange losses (gains)	952	464
Share of loss (profit) of entities accounted for using equity method	(4,912)	(6,589)
Loss (gain) on sale of property, plant and equipment	465	(18,353)
Loss (gain) on sale of investment securities	(11,915)	(4)
Decrease (increase) in trade receivables	42,309	95,654
Decrease (increase) in inventories	2,500	25,065
Increase (decrease) in trade payables	48,534	(115,276)
Increase (decrease) in accrued expenses	(21,705)	(64,424)
Other, net	46,268	(6,145)
Subtotal	267,679	165,557
Interest and dividends received	36,196	65,913
Interest paid	(3,231)	(3,469)
Income taxes paid	(31,029)	(42,595)
Net cash provided by (used in) operating activities	269,615	185,406
Cash flows from investing activities		
Payments into time deposits	(64,228)	(103,028)
Proceeds from withdrawal of time deposits	74,733	94,799
Purchase of securities	(232,016)	(559,866)
Proceeds from sale and redemption of securities	227,703	612,621
Purchases of property, plant and equipment	(126,805)	(131,628)
Proceeds from sale of property, plant and equipment	2,053	23,404
Other, net	(22,362)	(55,230)
Net cash provided by (used in) investing activities	(140,922)	(118,928)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	165,267	(157,898)
Proceeds from long-term borrowings	266,567	304,712
Repayments of long-term borrowings	(52,052)	(183,363)
Purchase of bonds with share acquisition rights	(2,970)	-
Dividends paid	(41,259)	(47,592)
Dividends paid to non-controlling interests	(11,409)	(8,969)
Other, net	25	(3)
Net cash provided by (used in) financing activities	324,168	(93,114)
Effect of exchange rate changes on cash and cash equivalents	5,977	1,949
Net increase (decrease) in cash and cash equivalents	458,838	(24,686)
Cash and cash equivalents at the beginning of period	420,392	924,392
Cash and cash equivalents at the end of period	879,231	899,705

## (4) Notes to Quarterly Consolidated Financial Statements

(Assumption for Going Concern)

None

(Significant Changes in the Amount of Shareholders' Equity)

None

(Application of Accounting Treatment Specific to Preparation of Quarterly Consolidated Financial Statements)

[Calculation of income taxes]

With respect to income taxes, the effective tax rates were reasonably estimated after applying the tax effect accounting to the profit before income taxes of the consolidated fiscal year. And income taxes were calculated by multiplying the profit before income taxes by this estimated effective tax rate.

(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 first quarter, 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 first quarter is added to or deducted from the retained earnings at the beginning of FY2021 first quarter, and the new accounting policy is applied from such beginning balance.

As a result, for FY2021 first nine months, net sales decreased by ¥94,899 million, cost of sales decreased by ¥982 million, and operating profit, ordinary profit and profit before income taxes decreased by ¥300 million each. The retained earnings at the beginning of FY2021 increased by ¥6,150 million.

In accordance with the transitional treatment as provided in Article 28-15 of "Accounting Standard for Quarterly Financial Reporting"(ASBJ Statement No. 12, March 31, 2020), the Group has not noted breakdown of revenue from contracts with customers for FY2020 first nine months.

[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 first quarter. 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 quarterly 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 first quarter, 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 first quarter, 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 first nine months is immaterial.

(Notes to Quarterly Consolidated Statement of Income)

※:Loss on COVID-19

FY2020 first nine months (1 April – 31 December 2020)

¥15,428 million equivalent to fixed expenses related to production suspension due to lockdown in countries including India and Hungary to prevent the spread of COVID-19 pandemic was recorded as extraordinary losses.

(Segment Information)

I . Net sales and Profit (Loss) of Each Reportable Segment

1. FY2020 first nine months (1 April – 31 December 2020)

(Amount: Millions of yen)

	Reportable Segments				
	Automobile business	Motorcycle business	Marine business	Other business	Total
Net Sales	1,961,805	145,399	59,604	8,723	2,175,532
Segment profit (loss) *1	126,602	(1,447)	11,566	2,055	138,777

2. FY2021 first nine months (1 April – 31 December 2021)

(Amount: Millions of yen)

	Reportable Segments				
	Automobile business	Motorcycle business	Marine business	Other business	Total
Net Sales	2,311,472	183,692	70,053	9,112	2,574,330
Segment profit (loss) *1	115,659	9,230	18,809	2,958	146,659

[Notes] \*1. Segment profit (loss) is an operating profit in the quarterly consolidated statement of income.

2. 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

## II. 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 first quarter.

The results for FY2020 first nine months (1 April – 31 December 2020) have been reclassified to conform with the new reportable segments.

## III. Impairment Losses of Non-Current Assets or Goodwill, etc. of Each Reportable Segment

(Significant impairment losses of non-current assets)

### 1. FY2020 first nine months (1 April – 31 December 2020)

This information is not provided due to its low materiality.

### 2. FY2021 first nine months (1 April – 31 December 2021)

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

(Amount: Millions of yen)

Usage	Location	Classification	Impairment losses	Reportable Segments			
				Automobile business	Motorcycle business	Marine business	Other business
Assets for rent	Japan	Land	9,382	9,285	97	-	-
Idle assets	Japan	Land	131	129	1	0	0
Total			9,514	9,415	98	0	0

With regard to assets for rent and idle assets, the Group 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.

(Reference)

As reference information, operating results by geographic region are as follows;

### [Operating Results by Geographic Region]

FY2020 first nine months (1 April – 31 December 2020)

(Amount: Millions of yen)

	Japan	Europe	Asia	Other	Total	Eliminations	Consolidated
Net Sales							
1) Net sales to external customers	926,837	251,505	874,213	122,976	2,175,532	—	2,175,532
2) Internal net sales or transfer among geographic regions	395,201	90,086	54,314	456	540,058	(540,058)	—
Total	1,322,038	341,592	928,527	123,432	2,715,591	(540,058)	2,175,532
Operating profit	93,376	4,211	32,966	5,865	136,420	2,356	138,777

FY2021 first nine months (1 April – 31 December 2021)

(Amount: Millions of yen)

	Japan	Europe	Asia	Other	Total	Eliminations	Consolidated
Net Sales							
1) Net sales to external customers	963,105	272,735	1,162,661	175,827	2,574,330	—	2,574,330
2) Internal net sales or transfer among geographic regions	443,989	99,466	107,092	450	650,999	(650,999)	—
Total	1,407,095	372,202	1,269,753	176,278	3,225,330	(650,999)	2,574,330
Operating profit	85,956	10,267	33,888	11,058	141,170	5,488	146,659

[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 first nine months (1 April – 31 December 2021)

(Amount: Millions of yen)

	Reportable Segments				Total
	Automobile business	Motorcycle business	Marine business	Other business	
Japan	740,500	16,666	2,408	9,112	768,687
Europe	281,852	21,756	15,945	—	319,555
Asia	1,012,315	89,864	8,591	—	1,110,771
Other	253,288	54,289	43,103	—	350,681
Revenue from contracts with customers	2,287,956	182,577	70,048	9,112	2,549,694
Other revenue* <sup>2</sup>	23,515	1,115	4	—	24,635
Net sales to external customers	2,311,472	183,692	70,053	9,112	2,574,330

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

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