

Financial Results For the Year Ended March 31, 2020
[Japanese Accounting Standards] (Consolidated)
(Unaudited)

June 17, 2020

NTN Corporation
Security Code: 6472
Listings: Tokyo Stock Exchange
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Scheduled date of annual shareholders' meeting: July 30, 2020
Scheduled commencement date of dividend payment: -
Scheduled submission date of financial statements: July 31, 2020
Supplementary material of the financial results: Prepared
Investor meeting: Scheduled

1. Consolidated Financial Results for the Year Ended March 31, 2020
(April 1, 2019 to March 31, 2020)

(Amounts rounded down to the nearest million yen)

(1) Operating Results

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders (parent company)	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2020	651,495	-11.2	7,056	-73.8	-1,698	—	-43,992	—
Year ended March 31, 2019	733,569	-1.5	26,945	-32.0	22,231	-28.9	-6,958	—

Note: comprehensive income: Year ended March 31, 2020: -68,523 million yen (-%)
Year ended March 31, 2019: -14,631 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, 2020	-82.83	—	-22.8	-0.2	1.1
Year ended March 31, 2019	-13.10	—	-2.9	2.6	3.7

Note: Equity method investment gains or losses: Year ended March 31, 2020: -1,210 million yen
Year ended March 31, 2019: 72 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, 2020	757,822	168,378	20.6	294.00
Year ended March 31, 2019	840,750	246,404	27.4	433.32

Note: Shareholders' equity Year ended March 31, 2020: 156,157 million yen
Year ended March 31, 2019: 230,154 million yen

(3) Cash Flows

	Cash flows from operating activities	Cash flows from 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, 2020	43,749	-61,807	7,413	71,165
Year ended March 31, 2019	43,224	-65,614	20,745	83,474

2. Dividends

	Dividends per share					Total dividends paid (full year) million yen	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			
Year ended March 31, 2019	—	7.50	—	7.50	15.00	7,974	—	3.3
Year ended March 31, 2020	—	5.00	—	0.00	5.00	2,658	—	1.4
Year ending March 31, 2021 (forecast)	—	—	—	—	—	—	—	—

Note: Forecast of dividends for the fiscal year ending March 2021 is not decided

3. Forecast of Consolidated Earnings for the Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

Consolidated earnings forecast for the year ending March 31, 2021 has not been determined because a reasonable earnings forecast cannot be calculated at the present time due to the effects of the new coronaviruses. For details, please refer to "1. Overview of Operating Results, etc., (1) Explanation regarding Consolidated Operating Results (Outlook for the Next Fiscal Year)" on page 3 of the attached document.

*Notes

- (1) Significant changes in subsidiaries during the period (Scope of consolidation): Yes
 New: - Exclude: 1 company, NTN-LYC (LUOYANG) BEARING CORP.
- (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, 2020: 532,463,527 shares
 Year ended March 31, 2019: 532,463,527 shares
 2) Number of treasury stock at end of the period:
 Year ended March 31, 2020: 1,314,946 shares
 Year ended March 31, 2019: 1,320,628 shares
 3) Average number of shares outstanding:
 Year ended March 31, 2020: 531,147,461 shares
 Year ended March 31, 2019: 531,107,252 shares

Reference: Overview of Financial Results on Non-Consolidated basis

For the Year Ended March 31, 2020 – Non-consolidated

1. Financial Results for the Year Ended March 31, 2020 (April 1, 2019 – March 31, 2020)

(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, 2020	330,158	-4.9	-1,299	—	7,835	106.1	-17,535	—
Year ended March 31, 2019	347,154	1.4	-5,354	—	3,801	-52.3	6,963	-6.1

	Net income per share	Diluted net income per share
	yen	yen
Year ended March 31, 2020	-33.01	—
Year ended March 31, 2019	13.11	—

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 31, 2020	569,705	139,143	24.4	261.97
Year ended March 31, 2019	595,658	170,247	28.6	320.53

Note: Shareholders' equity Year ended March 31, 2020: 139,143 million yen
 Year ended March 31, 2019: 170,247 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) Analysis of Operating Results(Forecast for the Year Ending March 31, 2021)" from page 3

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1. Operating Results and Analysis of Financial Position

(1) Explanation regarding Consolidated Operating Results

We would like to send our sincere condolences to people who have lost their lives of a new coronavirus infectious disease and their families and express our heartfelt condolences to people affected by the disease. We would also like to take this opportunity to express our deep appreciation to healthcare professionals and those who are working for supporting infrastructure.

The Japanese economy gradually recovered mainly due to improvements in the employment and income environment, but weakness continued mainly in exports. U.S. economy deteriorated due to the increased tension in trade issues between U.S. and China. The European economy showed signs of weakness due to Brexit. In Asia and other countries, the Chinese economy slowed down moderately due to trade frictions with U.S., and other emerging economies showed signs of weakness. In addition to such environment, the economic activity in each region deteriorated sharply due to the novel coronavirus disease at the end of the fiscal year under review.

In this environment, under the 3-year Medium-Term Management Plan "DRIVE NTN100" started in April 2018, NTN is taking initiatives to "Developing innovative technologies, products, and services," "Variable cost reformation," "Achieving the world's highest productivity and quality and improved efficiency in asset management," by combining the latest digital technologies with the management resources we have cultivated. We have implemented various measures to achieve these goals and accelerated the reform of our business structure. However, our result of operations for the fiscal year under review was not at the level of the previous fiscal year.

Net sales for the fiscal year under review were 651,495 million yen (down 11.2% year on year). In terms of profit and loss, operating income was 7,056 million yen (down 73.8% year on year), ordinary loss was 1,698 million yen (ordinary income in 22,231 million in the previous fiscal year). Also we recorded 1,980 million yen of extraordinary profit such as 1,353 million yen of gain on sale of investment securities and 34,231 million yen of extraordinary loss such as 29,001 million yen of impairment loss. As a result, the net loss attributable to parent company was 43,992 million yen (net loss of 6,958 in the previous fiscal year).

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

(1) Japan

Sales in aftermarket applications decreased for industrial machinery aftermarket. Sales in industrial machinery market decreased mainly in construction machinery and other applications and sales in automotive applications decreased due to decreased customer demand. As a result, net sales was 329,097 million yen (down 6.8% year on year). Despite a decline in fixed cost, segment income/loss was loss of 1,282 million yen (segment income of 681 million yen in the previous fiscal year) due to a decline in sales volume and other factors.

(2) Americas

Sales in aftermarket applications decreased in industrial machinery aftermarket. Sales in industrial machinery applications decreased in construction machinery and wind turbines. Sales in automotive applications also decreased due to decreased customer demand. As a result, net sales were 171,072 million yen (down 13.7% year on year). Despite a decrease in fixed cost and other factors, segment income/loss was loss of 6,438 million yen (segment income of 4,344 million yen in the previous fiscal year) due to a decrease in sales volume and other factors.

(3) Europe

Sales in aftermarket applications decreased in both industrial machinery and automotive aftermarket. Sales in industrial machinery applications decreased due to decreased sales mainly in wind turbines and gearboxes. Sales in automotive applications decreased due to decreased customer demand. As a result, net sales were 155,640 million yen (down 15.4% year on year). Despite a decreased in fixed cost, segment income/loss was income of 402 million yen (down 57.9% year on year) due to a decline in sales volume and other factors.

(4) Asia and Others

Sales in aftermarket applications increased in industrial machinery aftermarket applications. Sales in industrial machinery applications increased in wind turbines, but decreased in construction machinery and other applications, resulted in a decline in overall sales. Sales in automotive applications also decreased due to decreased customer demand and other factors. As a whole, net sales were 134,929 million yen (down 13.3% year on year). Despite a decreased in fixed cost and other factors, segment income/loss was income of 11,418 million yen (down 33.7% year on year) due to a decline in sales volume and other factors.

Operating results by business sector were as follows.
 Year ended March 31, 2019 (April 1, 2018 - March 31, 2019)

(In million yen)

	Aftermarket applications	Industrial machinery applications	Automotive applications	Total
Sales to external customers	118,849	123,397	491,322	733,569
Operating income	15,183	3,106	8,655	26,945

Year ended March 31, 2020 (April 1, 2019 - March 31, 2020)

(In million yen)

	Aftermarket applications	Industrial machinery applications	Automotive applications	Total
Sales to external customers	109,416	105,071	437,006	651,495
Operating income	12,738	-2,001	-3,680	7,056

(1) Aftermarket applications

Net sales were 109,416 million yen (down 7.9% year on year) due to decreased customer demand. Operating income was 12,738 million yen (down 16.1% year on year) mainly due to the effect of decreased sales despite a decline of fixed cost.

(2) Industrial machinery applications

Net sales were 105,071 million yen (down 14.9% year on year) due to the decreased sales for construction machinery. Despite the decrease in fixed cost, operating loss was 2,001 million yen (3,106 million of operating income in the previous fiscal year) mainly due to the effect of decreased sales.

(3) Automotive applications

Net sales were 437,006 million yen (down 11.1% year on year) due to the decreased customer demand. Despite the decreased fixed cost, operating loss was 3,680 million yen (8,655 million yen of operating income in the previous fiscal year) due to the effect of decreased sales.

(Forecast for the Year Ending March 31, 2021)

For consolidated earnings forecast for the year ending March 31, 2021, it is difficult to reasonably assume the impact on business results due to the worldwide spread of the novel coronavirus disease (COVID-19). Therefore, we have not yet decided on consolidated earnings forecast at this time. We will disclose the information as soon as possible.

(2) Explanation regarding Consolidated Financial Position

(Assets, Liabilities, and Net assets)

Total current assets decreased 49,480 million yen (down 10.9%) from the previous fiscal year and end to 405,799 million yen. This is mainly due to a decrease of 25,571 million yen in notes and accounts receivable-trade, decrease of 12,675 million yen in cash and bank deposits, and decrease of 6,492 million yen in work in process. Fixed assets decreased 33,449 million yen (down 8.7%) from the previous fiscal year and end to 352,022 million yen. This is mainly due to a decrease of 17,407 million yen in investment securities, decrease of 17,220 million yen in property, plant and equipment, and decrease of 6,091 million yen in intangible fixed assets. As a result, total assets decreased 82,928 million yen (down 9.9%) from the previous fiscal year and end to 757,822 million yen.

Total Current liabilities decreased 2,734 million yen (down 0.9%) from the previous consolidated fiscal year and end to 286,963 million yen. This was mainly due to a decrease of 11,296 million yen in notes and accounts payable-trade, decrease of 4,503 million yen in electronically recorded monetary claims, decrease of 6,986 million yen in other items such as facility-related notes payable, and an increase of 20,845 million yen in short-term loan. Fixed liabilities decreased 2,169 million yen (down 0.7%) from the previous consolidated fiscal year and end to 302,479 million yen. This was mainly due to a decrease of 8,772 million yen decrease in long-term loans and a increase of 4,837 million yen of liabilities in retirement benefits. As a result, total liabilities decreased 4,903 million yen (down 0.8%) from the previous consolidated fiscal year and end to 589,443 million yen.

Total net assets decreased 78,026 million yen (down 31.7%) from the previous fiscal year and end to 168,378 million yen. This is mainly due to a decrease of 50,639 million yen in retained earnings and decrease of 12,727 million yen in translation adjustments.

(Cash flows)

Net cash provided by operating activities was 43,749 million yen (increase of 525 million yen, or up 1.2% year on year). Major item is proceeds from depreciation and amortization of 37,306 million yen, 29,001 million yen of impairment loss, decrease of 25,144 million yen of trade receivables, and expenditure for 33,949 million yen of income before income taxes and equity and in earnings of affiliated companies and 13,681 million yen of decrease of purchase liabilities.

Net cash provided by investing activities was 61,807 million yen (decrease of 3,807 million yen, or down 5.8% year on year). This was mainly due to expenditure for purchase of property, plant and equipment of 59,009 million yen and purchase of intangible fixed assets of 10,074 million yen.

Net cash provided by financing activities was 7,413 million yen (decrease of 13,332 million yen, or down 64.3% year on year). This was mainly due to an income of 29,794 million yen in long-term loans and 6,213 million yen of net increase in short-term loan payable, expenditure for 19,145 million yen of repayment of long-term loans and 6,645 million yen of dividend paid.

After adding an increase of 1,595 million yen in translation adjustments, and decrease of 68 million yen in cash and cash equivalents from exclusion of subsidiaries from consolidation, cash and cash equivalents as of the end of the fiscal year under review end to 71,165 million yen, a decrease of 12,308 million yen (down 14.7 %) from the previous fiscal year end.

(Reference) Cash flow indicators

	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2020
Shareholders' equity ratio (%)	28.8	30.2	27.4	20.6
Shareholders' equity ratio based on current market value (%)	36.9	28.1	20.7	13.2
Cash flows to interest-bearing debt ratio (annual)	5.1	5.2	8.1	8.3
Interest coverage ratio (times)	14.5	15.6	11.1	11.1

- 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 these 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 statements 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 provide 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 that the year-end dividend will be 0.0 yen and the year-end dividends will be 5.0 yen per share because our business performance deteriorated sharply and our forecast is uncertain due to the worldwide spread of the novel coronavirus disease (COVID-19). Regarding the total dividends in next fiscal year, we have not decided yet at the present time because it is difficult to estimate the impact of the novel coronavirus infection on our business result. We will disclose it once we could disclose it.

2. The Group Overview

The NTN Group consists of NTN Corporation (the Company), 72 subsidiaries, and 18 affiliated companies (as of March 31, 2020). 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 the 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.

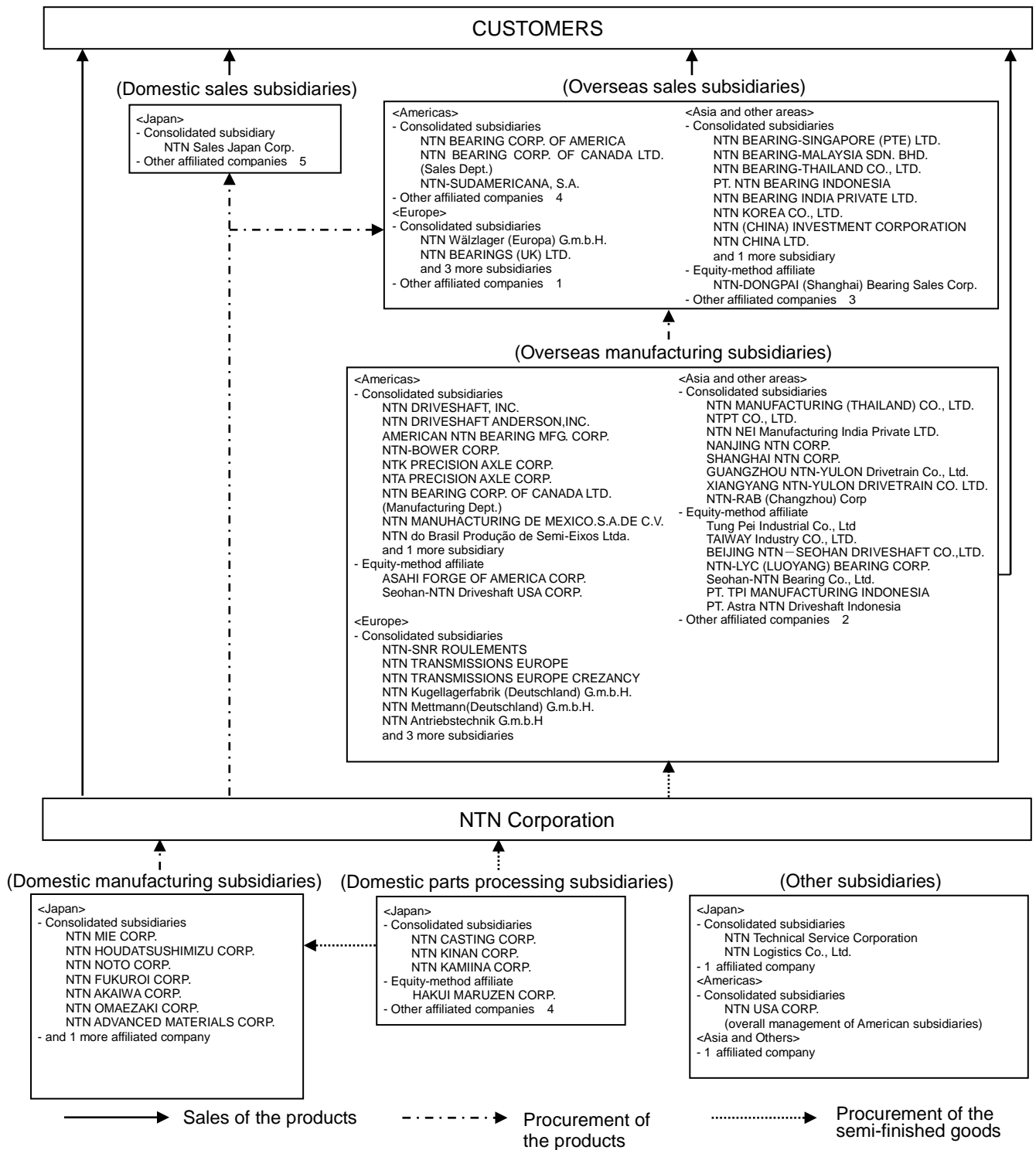
Accordingly, the NTN Group consists of the head office and business segments in different regions based on general managers' departments. Its four reporting segments are "Japan," "Americas," "Europe" and "Asia and other areas."

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.

The Company established PT. Astra NTN Driveshaft Indonesia in May, 2019 as company accounted for using the equity method.

Also, the Company excluded, NTN-LYC (LUOYANG) BEARING CORP. from its subsidiaries as the Company did not control it based on the control approach and include it in the scope of the equity method.



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).

5. Consolidated Financial Statements
(1) Balance Sheets

(In million yen)

	As of Mar. 31, 2019	As of Mar. 31, 2020
Assets		
Current assets		
Cash and bank deposits	90,243	77,568
Notes and accounts receivable-trade	128,805	103,234
Electronically-recorded monetary claims	9,505	4,787
Finished goods & purchased goods	102,676	96,616
Work in process	55,419	48,927
Raw materials & supplies	36,409	37,379
Short-term loans receivable	71	2,651
Other	33,274	35,694
Allowance for doubtful accounts	-1,125	-1,061
Total current assets	455,279	405,799
Fixed assets		
Property, plant and equipment		
Buildings and structures	207,862	214,620
Accumulated depreciation	-127,799	-130,300
Buildings and structures, net	*2 80,062	*2 84,319
Machinery, equipment and vehicles	731,820	706,395
Accumulated depreciation	-602,470	-598,042
Machinery, equipment and vehicles, net	*2 129,349	*2 108,352
Land	*2 32,399	*2 32,370
Construction in progress	30,421	30,518
Other	61,634	61,013
Accumulated depreciation	-54,004	-53,930
Other, net	*2 7,630	*2 7,082
Total property, plant and equipment	279,863	262,643
Intangible fixed assets	31,339	37,430
Investments and other assets		
Investment securities	*1 59,191	*1 41,784
Deferred tax assets	10,241	6,035
Other	5,065	4,340
Allowance for doubtful accounts	-230	-213
Total investments and other assets	74,267	51,948
Total fixed assets	385,471	352,022
Total assets	840,750	757,822

(In million yen)

	As of Mar. 31, 2019	As of Mar. 31, 2020
Liabilities		
Current liabilities		
Notes and accounts payable-trade	59,971	48,675
Electronically-recorded monetary claims	73,187	68,684
Short-term loans	96,431	117,276
Accrued income taxes	2,503	1,827
Accrued bonuses for directors and statutory auditors	161	43
Other	57,441	50,455
Total current liabilities	289,697	286,963
Long-term liabilities		
Bonds	30,000	30,000
Long-term loans	223,912	215,140
Reserve for product defect compensation	1,107	1,118
Liabilities for retirement benefits	41,889	46,726
Other	7,738	9,494
Total long-term liabilities	304,648	302,479
Total liabilities	594,346	589,443
Net assets		
Shareholders' equity		
Common stock	54,346	54,346
Additional paid-in capital	67,970	67,970
Retained earnings	112,777	62,138
Treasury stock	-789	-787
Total shareholders' equity	234,305	183,668
Accumulated other comprehensive income		
Net unrealized holding gain on other securities	12,020	5,094
Translation adjustments	-7,271	-19,998
Accrued retirement benefits adjustments	-8,899	-12,607
Total accumulated other comprehensive income	-4,150	-27,511
Non-controlling shareholders' equity	16,249	12,221
Total net assets	246,404	168,378
Total liabilities and net assets	840,750	757,822

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

(In million yen)

	Year ended Mar. 31, 2019 (Apr. 1, 2018 – Mar. 31, 2019)		Year ended Mar. 31, 2020 (Apr. 1, 2019 – Mar. 31, 2020)	
Net sales		733,569		651,495
Cost of sales		*2 603,082		*2 549,397
Gross profit		130,486		102,097
Selling, general and administrative expenses		*1,*2 103,541		*1,*2 95,041
Operating income		26,945		7,056
Non-operating income				
Interest income		791		988
Dividend income		1,173		1,084
Equity in earnings of unconsolidated subsidiaries		72		—
Other		3,651		2,965
Total non-operating income		5,689		5,037
Non-operating expenses				
Interest expenses		3,882		3,952
Loss of equity method investments		—		1,210
Foreign exchange losses		3,031		3,826
Other		3,489		4,804
Total non-operating expenses		10,403		13,792
Ordinary income/ loss(-)		22,231		-1,698
Extraordinary income				
Gains on sales of investment securities		—		1,353
Gains on sales of property, plant and equipment		—		627
Total extraordinary income		—		1,980
Extraordinary losses				
Impairment loss		*3 16,963		*3 29,001
Loss on sales of investment securities		—		2,388
Special factory operating loss		—		*5 2,096
Loss related to Anti-Monopoly Act		*4 2,108		*4 745
Loss on sales of stock of the consolidated subsidiary		220		—
Total extraordinary losses		19,292		34,231
Income/loss(-) before income taxes and equity in earnings of affiliated companies		2,938		-33,949
Income and other taxes		5,750		3,219
Income and other taxes adjustment		3,354		6,925
Income and other taxes		9,105		10,144
Net income/loss(-)		-6,166		-44,094
Net loss attributable to shareholder (non-controlling shareholder)		792		-101
Net loss attributable to shareholder (parent company)		-6,958		-43,992

(Consolidated Statement of Comprehensive Income)

(In million yen)

	Year ended Mar. 31, 2019 <small>(Apr. 1, 2018 – Mar. 31, 2019)</small>	Year ended Mar. 31, 2020 <small>(Apr. 1, 2019 – Mar. 31, 2020)</small>
Net loss	-6,166	-44,094
Other comprehensive income		
Net unrealized holding gain on other securities	-4,360	-6,925
Translation adjustments	-1,841	-13,710
Accrued retirement benefits adjustments	-1,265	-3,749
Equity in equity-method affiliates	-998	-44
Total other comprehensive income	* -8,465	* -24,429
Comprehensive income	-14,631	-68,523
(Breakdown)		
Comprehensive income attributable to owners of parent company	-15,124	-67,353
Comprehensive income related to non-controlling shareholders	493	-1,170

(3) Statement of Changes in Shareholders' Equity

Previous consolidated accounting year (April 1, 2018 to March 31, 2019)

(In million yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance on April 1, 2018	54,346	67,970	127,886	-816	249,387
Cumulative effects of changes in accounting policies			-176		-176
Balance on April 1, 2018 reflecting changes in accounting policies	54,346	67,970	127,710	-816	249,211
Changes during the current period					
Distribution of retained earnings			-7,974		-7,974
Net loss attributable to shareholder (parent company)			-6,958		-6,958
Purchase of treasury stock				-0	-0
Sales of shares				27	27
Net changes in items other than shareholders' equity during the period					
Total changes during the period	—	—	-14,932	26	-14,905
Balance on March 31, 2019	54,346	67,970	112,777	-789	234,305

	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, 2018	16,380	-4,681	-7,683	4,015	16,356	269,759
Cumulative effects of changes in accounting policies						-176
Balance on April 1, 2018 reflecting changes in accounting policies	16,380	-4,681	-7,683	4,015	16,356	269,583
Changes during the current period						
Distribution of retained earnings						-7,974
Net loss attributable to shareholder (parent company)						-6,958
Purchase of treasury stock						-0
Sales of shares						27
Net changes in items other than shareholders' equity during the period	-4,360	-2,589	-1,216	-8,166	-106	-8,273
Total changes during the period	-4,360	-2,589	-1,216	-8,166	-106	-23,179
Balance on March 31, 2019	12,020	-7,271	-8,899	-4,150	-16,249	246,404

Current consolidated accounting year (April 1, 2019 to March 31, 2020)

(In million yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance on April 1, 2019	54,346	67,970	112,777	-789	234,305
Cumulative impact due to change in accounting			-0		-0
Balance on April 1, 2019 reflecting change in accounting	54,346	67,970	112,776	-789	234,304
Changes during the period					
Distribution of retained earnings			-6,645		-6,645
Net income attributable to shareholder (parent company)			-43,992		-43,992
Purchase of treasury stock				-0	-0
Sales of treasury stock				2	2
Net changes in items other than shareholders' equity during the period					
Total changes during the period	—	—	-50,638	1	-50,636
Balance on March 31, 2020	54,346	67,970	62,138	-787	183,668

	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, 2019	12,020	-7,271	-8,899	-4,150	16,249	246,404
Cumulative impact due to change in accounting						-0
Balance on April 1, 2019 reflecting change in accounting	12,020	-7,271	-8,899	-4,150	16,249	246,403
Changes during the period						
Distribution of retained earnings						-6,645
Net income attributable to shareholder (parent company)						-43,992
Purchase of treasury stock						-0
Sales of treasury stock						2
Net changes in items other than shareholders' equity during the period	-6,925	-12,727	-3,707	-23,360	-4,028	-27,388
Total changes during the period s	-6,925	-12,727	-3,707	-23,360	-4,028	-78,025
Balance on March 31, 2020	5,094	-19,998	-12,607	-27,511	12,221	168,378

(4) Statements of Cash Flows

(In million yen)

	Year ended Mar. 31, 2019 <small>(Apr. 1, 2018 – Mar. 31, 2019)</small>	Year ended Mar. 31, 2020 <small>(Apr. 1, 2019 – Mar. 31, 2020)</small>
Cash flow from operating activities		
Income before income taxes and equity in earnings of affiliated companies	2,938	-33,949
Depreciation and amortization	38,926	37,306
Impairment loss	16,963	29,001
Special factory operating loss	—	2,096
Loss related to Anti-Monopoly Act	2,108	745
Income or loss(-) on sales of stock of the consolidated subsidiary	220	—
Increase/decrease(-) in allowance for doubtful accounts	156	-22
Increase/decrease(-) in accrued retirement benefits for directors and statutory auditors	-14	-118
Increase/decrease(-) in reserve for product defect compensation	-400	21
Increase/decrease(-) in liabilities in retirement benefits	600	1,753
Interest and dividend income	-1,964	-2,072
Interest expenses	3,882	3,952
Foreign currency translation adjustments / Foreign exchange losses/gains(-)	1,363	1,040
Equity in earnings (-) /losses of non-consolidated subsidiaries	-72	1,210
Gain/loss(-) on sale of tangible fixed assets	-22	-627
Gain/loss(-) on sale of investment securities	—	-1,353
Gain/loss(-) on varuation of investment securities	—	2,388
Decrease/increase(-) in trade receivables	10,533	25,144
Decrease/increase(-) in inventories	-16,183	3,994
Increase/decrease(-) in trade payables	197	-13,681
Other	487	-6,287
Subtotal	59,720	50,542
Interest and dividend income received	2,471	2,585
Interest paid	-3,893	-3,955
Loss related to Anti-Monopoly Act	-6,399	-1,233
Gain/loss on sale of investment securities	—	-1,546
Income taxes paid	-8,675	-2,644
Cash flow from operating activities	43,224	43,749
Cash flow from investing activities		
Increase in time deposits	-6,499	-175
Decrease in time deposits	2,235	33
Purchase of property, plant and equipment	-42,380	-59,009
Income on sale of tangible fixed assets	100	857
Purchase of intangible fixed assets	-10,845	-10,074
Incomes on sale of investment securities	—	2,410
Loss on purchase of stock of the consolidated subsidiary	-9,180	-497
Income on sales of stock of the consolidated subsidiary	1,144	4,301
Decrease / increase (-) in short-term loans receivable, net	7	0
Other	-195	345
Cash flow from investing activities	-65,614	-61,807
Cash flow from financing activities		
Increase/decrease(-) in short-term loans, net	13,642	6,213
Proceeds from long-term loans	74,297	29,794
Repayment of long-term loans	-58,359	-19,145
Dividend payment	-7,974	-6,645
Repayment of lease payable	-287	-1,369
Other	-573	-1,434
Cash flow from financing activities	20,745	7,413
Effect of exchange rate changes on cash and cash equivalents	-969	-1,595
Increase/decrease(-) in cash and cash equivalents	-2,613	-12,240
Cash and cash equivalents, at beginning of the year	86,087	83,474
Decrease in cash equivalents from exclusion of subsidiaries from consolidation	—	-68
Cash and cash equivalents at end of the year	* 83,474	* 71,165

Notes to Consolidated Financial Statements
 (Going Concern Assumption)
 None

(Changes in Accounting method)
 (IFRS 16, "Lease")

IFRS 16, "Lease," has been applied to consolidated subsidiaries overseas from the current fiscal year excluding certain consolidated subsidiaries.

With respect to the application of IFRS No. 16, the cumulative effect is adjusted to tangible fixed assets, intangible fixed assets, lease liability and retained earnings at the beginning of the fiscal year under review in accordance with the transitional treatment of IFRS No. 16. The effect of the adoption of this accounting standard on the consolidated financial statements is immaterial.

(Changes in Presentation Method)
 (Statement of Cash Flows)

"Profit/Loss on sales of property, plant and equipment" included in "Other" in "Net cash provided by operating activities" and "Income from sales of property, plant and equipment" included in "Other" in "Net cash provided by investing activities" are recorded independently based on the quantitative materiality. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, 465 million yen presented as "Other" in "Net cash provided by operating activities" have been reclassified as -22 million yen of "profit/loss on sales of property, plant and equipment" and 487 million yen of "Other" in "Net cash provided by operating activities". Also, -94 million yen of "Other" in "Net cash provided by investing activities" have been reclassified as 100 million yen of "income from sales of property, plant and equipment" and -195 million yen of "Other" in "Net cash provided by investing activities".

(Consolidated Balance Sheet)

*1 Notes on non-consolidated subsidiaries and affiliates are as follows.

(In million yen)

	Year ended March 31, 2019	Year ended March 31, 2020
Investment securities (stock)	24,949	20,861

*2 Reductions of value due to government subsidies received are as follows. These reductions of value are reflected on the Consolidated Balance Sheet.

(In million yen)

	Year ended March 31, 2019	Year ended March 31, 2020
Buildings and structures	410	404
Machinery, equipment and vehicles	91	70
Land	798	798
Other	0	0
Total	1,301	1,274

3 Contingency liabilities

(Lawsuits, etc.)

(1) There are ongoing investigations by the competition authorities into our consolidated subsidiaries in Brazil and elsewhere in relation to overseas sale of bearings, etc.

(2) The Company and its consolidated subsidiaries in the U.S. and Canada, etc. are defendants in a number of class action suits for suspected price-fixing of bearing sales with other businesses.

(3) 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 addition, a lawsuit has been filed against the Company and its two consolidated subsidiaries in Europe before the United Kingdom Commercial Court by Fiat Chrysler Automobiles N.V. and its group companies, which are seven in total (hereafter, "FCA"), seeking compensation for damages.

These lawsuits were filed by Renault and FCA 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.

(4) 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, 2019 (April 1, 2018 - March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 - March 31, 2020)
Salaries and benefit	36,118	33,269
Freight	16,295	15,057
Research and development	12,900	12,158
Rent expenses	4,055	5,462
Retirement benefits expenses	1,730	1,941

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

(In million yen)

	Year ended March 31, 2019 (April 1, 2018 - March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 - March 31, 2020)
	21,661	19,961

*3 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, 29,001 million yen of impairment loss in current consolidated accounting period and 16,963 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. 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, 2019 (April 1, 2018 - March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 - March 31, 2020)
Japan	Manufacturing facilities and other	Buildings and structures	3,113	4,360
		Machinery, equipment and vehicles	12,850	16,355
		Land	489	400
		Construction in progress	166	248
		Tangible fixed assets and others	328	555
		Intangible fixed assets	14	35
Americas	Manufacturing facilities	Machinery, equipment and vehicles	—	5,517
Europe	Manufacturing facilities and other	Buildings and structures	—	273
		Machinery, equipment and vehicles	—	1,220
		Tangible fixed assets	—	34
Total			16,963	29,001

*4 The Company has negotiated the compensation of damages with a part of customers in association with investigations by the authorities about the Anti-monopoly act. 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., we recorded 745 million yen as extraordinary loss in association with the Anti-monopoly act in the current consolidated fiscal year and 2,108 million yen in the previous consolidated fiscal year as extraordinary loss in association with the Anti-monopoly act.

*5 The Company recorded 2,096 million yen of special factory operating loss as an extraordinary loss. This is a fixed cost during the shutdown in some of overseas subsidiaries due to the worldwide spread of the novel coronavirus disease (COVID-19).

(Matters Related to Consolidated Statement of Comprehensive Income)

* Reclassification adjustment and tax effect on other comprehensive income

(In million yen)

	Year ended March 31, 2019 (April 1, 2018 - March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 - March 31, 2020)
Net unrealized holding gain on other securities:		
Amount arising in current fiscal year	-6,254	-8,526
Reclassification adjustment	—	-1,353
Before tax effect adjustment	-6,254	-9,879
Tax effect	1,894	2,954
Net unrealized holding gain on other securities	-4,360	-6,925
Translation adjustments:		
Amount arising in current fiscal year	-1,938	-13,710
Reclassification adjustment	97	—
Before tax effect adjustment	-1,841	-13,710
Tax effect	—	—
Translation adjustments	-1,841	-13,710
Accrued retirement benefits adjustments:		
Amount arising in current fiscal year	-2,114	-5,258
Reclassification adjustment	457	2,809
Before tax effect adjustment	-1,657	-2,448
Tax effect	391	-1,300
Accrued retirement benefits adjustments	-1,265	-3,749
Equity in equity-method affiliates:		
Amount arising in current fiscal year	-935	-44
Reclassification adjustment	-62	—
Equity in equity-method affiliates	-998	-44
Total other comprehensive income	-8,465	-24,429

(Consolidated Statements of Changes in Shareholders' Equity)

Year ended March 31, 2019(April 1, 2018- March 31, 2019

1. Type and total number of shares issued and outstanding and Treasury stock

	Number of shares as of April 1, 2018 (thousand shares)	Increase (thousand shares)	Decrease (thousand shares)	Number of shares as of March 31, 2019 (thousand shares)
Shares issued and outstanding				
Common stock	532,463	—	—	532,463
Total	532,463	—	—	532,463
Treasury stock				
Common stock *	1,405	1	87	1,320
Total	1,405	1	87	1,320

Note: The increase of 1,000 shares in common stock in treasury stock is due to the acquisition by purchasing the fractional unit share and decrease of 87,000 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" (566,000 shares as of April 1, 2018 479,000 shares as of March 31, 2019

2. Equity warrant and subscription right to treasury stock

N.A.

3. Dividends

(1) Dividend paid

(Date of approval)	Type of share	Total dividend paid (million yen)	Dividend per share (yen)	Record date	Payable date
Annual general meeting of shareholders on June 26, 2018	Common stock	3,987	7.5	March 31, 2018	June 27, 2018
Board of Directors on October 31, 2018	Common stock	3,987	7.5	September 30, 2018	December 3, 2018

Note 1)The total amount of dividend whose record date is March 31, 2018 includes 4 million yen for the Company's stock acquired by "BIP Trust."

2) The total amount of dividend whose record date is September 30, 2018 includes 3 million yen for the Company's stock acquired by "BIP Trust."

(2) Among the dividends for which the record date falls within the current consolidated accounting period under review, the portion of the dividend for which the effective date falls in the next consolidated accounting period

(Date of approval)	Type of share	Total dividend paid (million yen)	Dividend source	Dividend per share (yen)	Record date	Payable date
Annual general meeting of shareholders on June 25 2019	Common stock	3,987	Retained earnings	7.5	March 31, 2019	June 26, 2019

Note:The total amount of dividend whose record date is March 31, 2019 includes 3 million yen for the Company's stock acquired by "BIP Trust".

Year ended March 31, 2019 (April 1, 2019 - March 31, 2020)

1. Type and total number of shares issued and outstanding and Treasury stock

	Number of shares as of April 1, 2019 (thousand shares)	Increase (thousand shares)	Decrease (thousand shares)	Number of shares as of March 31, 2020 (thousand shares)
Shares issued and outstanding				
Common stock	532,463	-	-	532,463
Total	532,463	-	-	532,463
Treasury stock				
Common stock *	1,320	1	7	1,314
Total	1,320	1	7	1,314

Note: Note: The increase of 1,000 shares in common stock in treasury stock is due to the acquisition by purchasing the fractional unit share and decrease of 7,000 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" (479,000 shares as of April 1, 2019, 472,000 shares as of March 31, 2020)

2. Equity warrant and subscription right to treasury stock

N.A.

3. Dividends

(1) Dividend paid

(Date of approval)	Type of share	Total dividend paid (million yen)	Dividend per share (yen)	Record date	Payable date
Annual general meeting of shareholders on June 25 2019	Common stock	3,987	7.5	March 31, 2019	June 26, 2019
Board of Directors on October 31, 2019	Common stock	2,658	5.0	September 30, 2019	December 2, 2019

Note.1: The total amount of dividend whose record date is March 31, 2019 includes 3 million yen for the Company's stock acquired by "BIP Trust"

Note.2: The total amount of dividend whose record date is September 30, 2019 includes 2 million yen for the Company's stock acquired by "BIP Trust"

(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, 2019 (April 1, 2018- March 31, 2019)	Year ended March 31, 2019 (April 1, 2019- March 31, 2020)
Cash and bank deposits	90,243	77,568
Short-term loans receivable	71	2,651
Time deposits with original maturities of more than three months	-6,769	-6,403
Short-term loans receivable, excluding repurchase agreements	-71	-2,651
Cash and cash equivalents	83,474	71,165

(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, driveshafts 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, 2019 (April 1, 2018 - March 31, 2019)

(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	216,267	194,668	179,827	142,806	733,569	—	733,569
Inter-segment sales or transfers	136,803	3,634	4,176	12,771	157,386	(157,386)	—
Total	353,071	198,302	184,004	155,577	890,955	(157,386)	733,569
Segment income (Operating income)	681	4,344	954	17,218	23,200	3,745	26,945
Segment assets	609,258	176,903	143,804	173,682	1,103,649	(262,898)	840,750
Segment liabilities	417,715	107,031	110,503	45,417	680,668	(86,322)	594,346
Other items							
Depreciation and amortization	15,285	9,687	7,117	6,837	38,926	—	38,926
Increase in tangible and intangible fixed assets	27,252	13,599	9,366	5,146	55,364	(552)	54,812

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 -297,147 million yen and company-wide assets not allocated to specific segments of 34,248 million yen (major items include operating capital (deposits and marketable securities), and 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, 2020 (April 1, 2019 - March 31, 2020)

(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	205,371	169,879	152,581	123,663	651,495	—	651,495
Inter-segment sales or transfers	123,725	1,193	3,058	11,265	139,243	(139,243)	—
Total	329,097	171,072	155,640	134,929	790,739	(139,243)	651,495
Segment income (Operating income)	-1,282	-6,438	402	11,418	4,101	2,955	7,056
Segment assets	584,431	161,409	128,353	170,303	1,044,496	(286,674)	757,822
Segment liabilities	417,340	112,517	101,591	38,181	669,631	(80,187)	589,443
Other items							
Depreciation and amortization	13,424	9,718	7,362	6,801	37,306	—	37,306
Increase in tangible and intangible fixed assets	38,753	18,046	6,097	4,692	67,589	(40)	67,548

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 -307,596 million yen and company-wide assets not allocated to specific segments of 20,921 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, 2019 (April 1, 2018 - March 31, 2019)

1. Information related to products and services

(In million yen)

	Aftermarket applications	Industrial machinery applications	Automotive applications	Total
Sales to external customers	118,849	123,397	491,322	733,569

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
207,248	201,464	167,826	157,030	733,569

- 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 171,061 million yen.
 4. Of the sales classified as net sales to Asia and others, sales to China accounted for 79,886 million yen.

(2) Property, plant and equipment

(In million yen)

Japan	Americas	Europe	Asia and other areas	Total
104,181	79,046	48,400	48,235	279,863

- Notes:
1. Of the property, plant and equipment classified under Americas, property, plant and equipment held in the U.S. accounted for 70,062 million yen.
 2. Of the property, plant and equipment classified under Europe, property, plant and equipment held in France accounted for 31,930 million yen.
 3. Of the property, plant and equipment classified under Asia and other areas, property, plant and equipment held in China accounted for 35,842 million yen.

Year ended March 31, 2020 (April 1, 2019 - March 31, 2020)

1. Information related to products and services

(In million yen)

	Aftermarket applications	Industrial machinery Applications	Automotive applications	Total
Net sales to external customers	109,416	105,071	437,006	651,495

(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
197,995	174,308	140,839	138,352	651,495

Note.1: Net sales are classified according to country or region based on the location of customers.

Note.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

Note.3: Of the sales classified as net sales to the Americas, sales to the U.S. accounted for 146,643 million yen.

(2) Property, plant and equipment

(In million yen)

Japan	Americas	Europe	Asia and other areas	Total
100,473	78,119	45,224	38,825	262,643

Note.1: Of the property, plant and equipment classified under Americas, property, plant and equipment held in the U.S.A accounted for 70,347 million yen.

Note.2: Of the property, plant and equipment classified under Europe, property, plant and equipment held in France accounted for 29,687 million yen.

Note.3: Of the property, plant and equipment classified under Asia and other areas, property, plant and equipment held in China accounted for 27,623 million yen.

[Information related to impairment loss on fixed assets by reporting segment]

Previous consolidated accounting period (April 1, 2018 – March 31, 2019)

(In million yen)

	Japan	Americas	Europe	Asia and other areas	Adjustment	Total
Impairment loss	16,963	—	—	—	—	16,963

Current consolidated accounting period (April 1, 2019 to March 31, 2020)

(In million yen)

	Japan	Americas	Europe	Asia and other areas	Adjustment	Total
Impairment loss	21,955	5,517	1,528	—	—	29,001

(Per share data)

	Year ended March 31, 2019 (April 1, 2018 - March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 - March 31, 2020)
Net assets per share (yen)	433.32	294.00
Net income per share or net loss (-) per share	-13.10	-82.83

Note.1: Diluted net income per share in the current consolidated accounting period is not reported because no residual securities existed.

Note.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 (479,000 shares for the previous consolidated accounting period, 472,000 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 (516,000 shares for the previous consolidated accounting period, 474,000 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, 2019 (April 1, 2018 - March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 - March 31, 2020)
Net loss attributable to shareholder (parent company) (million yen)	-6,958	-43,992
Amount not attributable common shareholders (million yen)	—	—
Net loss attributable to shareholders (parent company) for common stocks (million yen)	-6,958	-43,992
Average number of shares during the period (thousand shares)	531,107	531,147

(Significant Subsequent Events)

1. Shutdown of plants

The Company stops production in some of domestic and overseas plants even after April, 2020 due to the request of the government in each country and decreased customer demand. Also, it is difficult to estimate the impact on our financial position, business result and cash flow.

2. Borrowing large amount of funds

The Company made a commitment line contract below to prepare the liquidity risk due to the effect of novel coronavirus infection disease.

1. Purpose of funds: working capital

2. Bank: MUFG Bank, Ltd., Development Bank of Japan Inc.

3. Amount:

1) Borrow 30,000 million yen (rate will be decided based on the market interest rate)

2) Maximum amount: 70,000 million yen (no borrowing within the maximum amount at the moment)

4. Start from: May 18, 2020

5. Term: maximum 3 years

6. Pledged assets: Yes (land, building and structure and investments in securities)

(Additional Information)

1. Accounting estimates related to spread of novel coronavirus infection disease

The Company made the accounting estimate on the assumption that the effect of the worldwide spread of the novel coronavirus infection disease will remain during the certain period of the fiscal year ended March 31, 2021 because it is highly uncertain in its infection in the future and end.

1.1. Consolidated Financial Results

(In million yen)

		FY2015	FY2016	FY2017	FY2018	FY2019	
Consolidated operating results (Lower: Net sales ratio)	Net sales	716,996 100.0%	683,328 100.0%	744,372 100.0%	733,569 100.0%	651,495 100.0%	
	Operating income	47,770 6.7%	35,622 5.2%	39,608 5.3%	26,945 3.7%	7,056 1.1%	
	Ordinary income	38,211 5.3%	29,604 4.3%	31,250 4.2%	22,231 3.0%	-1,698 -0.3%	
	Extraordinary loss	-11,268 -1.6%	-14,714 -2.2%	-4,345 -0.6%	-19,292 -2.6%	-32,251 -5.0%	
	Net income attributable to shareholder (parent company)	15,037 2.1%	2,830 0.4%	20,373 2.7%	-6,958 -0.9%	-43,992 -6.8%	
Net sales by region (Lower: Net sales ratio)	Japan	189,556 26.4%	191,466 28.0%	204,324 27.4%	207,248 28.3%	197,995 30.4%	
	Americas	212,549 29.6%	194,765 28.5%	201,676 27.1%	201,464 27.5%	174,308 26.8%	
	Europe	169,039 23.6%	154,989 22.7%	175,598 23.6%	167,826 22.9%	140,839 21.6%	
	Asia and other areas	145,850 20.3%	142,107 20.8%	162,772 21.9%	157,030 21.4%	138,352 21.2%	
	Total	716,996 100.0%	683,328 100.0%	744,372 100.0%	733,569 100.0%	651,495 100.0%	
Net sales / Operating income by location	Japan	Net sales	337,685	320,834	347,322	353,071	329,097
		Operating income	24,149	4,461	8,015	681	-1,282
		Operating margin	7.2%	1.4%	2.3%	0.2%	-0.4%
	Americas	Net sales	208,378	191,393	198,546	198,302	171,072
		Operating income	5,774	8,286	7,091	4,344	-6,438
		Operating margin	2.8%	4.3%	3.6%	2.2%	-3.8%
	Europe	Net sales	183,548	169,016	192,516	184,004	155,640
		Operating income	3,100	3,310	2,800	954	402
		Operating margin	1.7%	2.0%	1.5%	0.5%	0.3%
	Asia and other areas	Net sales	148,159	142,302	161,952	155,577	134,929
		Operating income	12,619	14,522	19,600	17,218	11,418
		Operating margin	8.5%	10.2%	12.1%	11.1%	8.5%
	Deletion	Net sales	-160,775	-140,218	-155,965	-157,386	-139,243
		Operating income	2,126	5,041	2,100	3,745	2,955
	Total	Net sales	716,996	683,328	744,372	733,569	651,495
Operating income		47,770	35,622	39,608	26,945	7,056	
Operating margin		6.7%	5.2%	5.3%	3.7%	1.1%	

(In million yen)

			FY2015	FY2016	FY2017	FY2018	FY2019	
Net sales / Operating income by business applications	Aftermarket	Net sales	113,628	104,500	116,695	118,849	109,416	
		Operating income	17,702	13,994	15,009	15,183	12,738	
		Operating margin	15.6%	13.4%	12.9%	12.8%	11.6%	
	Industrial machinery	Net sales	104,109	98,611	119,085	123,397	105,071	
		Operating income	5,618	1,622	2,796	3,106	-2,001	
		Operating margin	5.4%	1.6%	2.3%	2.5%	-1.9%	
	Automotive	Net sales	499,258	480,216	508,592	491,322	437,006	
		Operating income	24,448	20,005	21,803	8,655	-3,680	
		Operating margin	4.9%	4.2%	4.3%	1.8%	-0.8%	
	Total	Net sales	716,996	683,328	744,372	733,569	651,495	
		Operating income	47,770	35,622	39,608	26,945	7,056	
		Operating margin	6.7%	5.2%	5.3%	3.7%	1.1%	
Capital expenditures /Depreciation and amortization	Capital expenditures		36,300	35,398	37,589	45,172	57,675	
	Depreciation and amortization	Domestic	11,836	13,167	13,481	15,285	13,424	
		Overseas	26,441	23,461	24,023	23,641	23,882	
	Total		38,277	36,629	37,505	38,926	37,306	
R&D expenditures			18,480	19,196	21,007	21,661	19,961	
Ratio of R&D expenditures to net sales			2.6%	2.8%	2.8%	3.0%	3.1%	
Inventories			178,220	171,481	179,738	194,505	182,923	
Inventory turnover ratio (times)			4.0	4.0	4.1	3.8	3.6	
Interest- bearing debts	Loans		325,173	300,169	290,833	320,344	332,416	
	Bonds		—	20,000	30,000	30,000	30,000	
	Total		325,173	320,169	320,833	350,344	362,416	
Major management indicators	Ordinary income ratio to total assets		4.6%	3.7%	3.8%	2.6%	-0.2%	
	Return on assets (ROA)		1.8%	0.4%	2.5%	-0.8%	-5.5%	
	Return on equity (ROE)		6.3%	1.2%	8.4%	-2.9%	-22.8%	
	Shareholder's equity ratio		29.3%	28.8%	30.2%	27.4%	20.6%	
	Net assets per share (yen)		436.97	431.66	477.17	433.32	294.00	
	Net income per share (yen)		28.28	5.33	38.36	-13.10	-82.83	
Employees	Domestic	(persons)	8,145	8,420	8,546	8,648	8,718	
	Overseas	(persons)	15,964	16,245	16,947	16,340	15,481	
	Total	(persons)	24,109	24,665	25,493	24,988	24,199	
Exchange rates	Average	Dollar	(yen)	120.15	108.39	110.85	110.88	108.73
		Euro	(yen)	132.60	118.80	129.64	128.41	120.84
	At year end	Dollar	(yen)	112.68	111.85	106.49	110.64	107.85
		Euro	(yen)	127.70	119.48	131.00	124.21	119.13

1.2. Non-consolidated Financial Results

(In million yen)

		FY2015	FY2016	FY2017	FY2018	FY2019
Non-consolidated operating results (Lower: Net sales ratio)	Net sales	335,544	318,561	342,446	347,154	330,158
		100.0%	100.0%	100.0%	100.0%	100.0%
	Operating income	9,110	-7,681	-2,630	-5,354	-1,299
		2.7%	-2.4%	-0.8%	-1.5%	-0.4%
	Ordinary income	19,593	-2,522	7,965	3,801	7,835
	5.8%	-0.8%	2.3%	1.1%	2.4%	
	Extraordinary loss	-3,294	-6,180	-2,599	3,591	-19,284
		-1.0%	-1.9%	-0.8%	1.0%	-5.8%
	Net income	12,864	-7,936	7,413	6,963	-17,535
		3.8%	-2.5%	2.2%	2.0%	-5.3%
Net sales by region (Lower: Net sales ratio)	Japan	183,211	184,920	197,155	198,183	192,027
		54.6%	58.0%	57.6%	57.1%	58.2%
	Americas	57,448	51,615	54,609	57,895	53,149
		17.1%	16.2%	15.9%	16.7%	16.1%
	Europe	34,972	32,058	34,893	33,973	26,653
		10.4%	10.1%	10.2%	9.8%	8.1%
	Asia and other areas	59,912	49,966	55,787	57,102	58,327
		17.9%	15.7%	16.3%	16.4%	17.7%
	Total	335,544	318,561	342,446	347,154	330,158
		100.0%	100.0%	100.0%	100.0%	100.0%
Capital expenditures		8,019	7,047	9,325	14,313	26,550
Depreciation and amortization		6,851	7,599	7,864	9,924	10,882
R&D expenditures		13,044	14,006	15,507	16,636	15,032
Ratio of R&D expenditures to net sales		3.9%	4.4%	4.5%	4.8%	4.6%
Inventories		43,248	41,276	43,506	51,319	50,930
Inventory turnover ratio (times)		7.8	7.7	7.9	6.8	6.5
Interest-bearing debts	Loans	209,077	202,051	199,578	222,203	230,982
	Bonds	—	20,000	30,000	30,000	30,000
	Total	209,077	222,051	229,578	252,203	260,982
Major management indicators	Ordinary income ratio to total assets	3.6%	-0.5%	1.4%	0.6%	1.3%
	Return on assets (ROA)	2.3%	-1.4%	1.3%	1.2%	-3.0%
	Return on equity (ROE)	7.2%	-4.5%	4.3%	4.0%	-11.3%
	Shareholder's equity ratio	33.2%	30.2%	29.8%	28.6%	24.4%
	Net assets per share (yen)	339.41	323.80	330.65	320.53	261.97
	Net income per share (yen)	24.19	-14.94	13.96	13.11	-33.01
Employees (persons)		5,154	5,301	5,382	5,892	5,953