

FY2022 Third Quarter Consolidated Financial Results (Japan GAAP)

(April 1, 2021 through December 31, 2021)

English Translation of the Original Japanese-Language Document



February 10, 2022

Company name : ISUZU MOTORS LIMITED
 Stock exchange on which the shares are listed : Tokyo Stock Exchange in Japan
 Code number : 7202
 URL : <https://www.isuzu.co.jp/world/company/investor/>
 Representative : Masanori Katayama, President
 Contact : Takuo Maeda, General Manager,
 PR and Government Relations Department Tel. (03)5471-1138
 Scheduled date for submission of quarterly financial statements : February 14, 2022
 Expected starting date for distribution of cash dividends : -
 The supplement materials of the quarterly financial results : Yes
 Holding of the quarterly financial results meeting : Yes

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Highlights (April 1, 2021 through December 31, 2021)

<1> Consolidated Financial Results

(% indicates increase/decrease from previous 3rd quarter.)

	Net Sales		Operating Income		Ordinary Income		Net Income attributable to owners of parent	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2022 3rd Quarter	1,783,801	36.4	148,616	135.8	159,858	141.0	104,669	267.6
FY2021 3rd Quarter	1,308,191	(13.8)	63,036	(44.5)	66,331	(43.5)	28,477	(57.8)

[Note] Comprehensive Income
 FY2022 3rd Quarter 143,444 millions of yen 133.0%
 FY2021 3rd Quarter 61,554 millions of yen (19.5)%

	Net Income per Share	Net Income per Share after Dilution of Potential Stock
	yen	yen
FY2022 3rd Quarter	135.11	-
FY2021 3rd Quarter	38.61	-

[Note] The Accounting Standard for Revenue Recognition (ASBJ Statement No.29, March 31, 2020) has been adopted from the beginning of the 1st quarter of the current fiscal year (FY2022 ending on March 31, 2022). Though the figures for the 3rd quarter of the current fiscal year have reflected the adoption of the said Accounting Standard, the influence of the adoption on the figures is minor, allowing us to show the year-on-year comparison.

<2> Consolidated Financial Position

	Total Assets	Net Assets	The Capital adequacy ratio
	millions of yen	millions of yen	%
FY2022 3rd Quarter	2,717,577	1,339,056	42.2
FY2021	2,244,970	1,205,013	45.5

[Note] Total Amount of Shareholders' Equity
 FY2022 3rd Quarter 1,145,556 millions of yen
 FY2021 1,021,782 millions of yen

[Note] The Accounting Standard for Revenue Recognition (ASBJ Statement No.29, March 31, 2020) has been adopted from the beginning of the 1st quarter of the current fiscal year. Consequently, the figures for the 3rd quarter of the current fiscal year have reflected the adoption of the said Accounting Standard.

2. Cash Dividends

	Dividend per Share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-End	Total
	yen	yen	yen	yen	yen
FY2021	-	10.00	-	20.00	30.00
FY2022	-	29.00	-	-	-
FY2022(Forecast)	-	-	-	29.00	58.00

[Note] Revision to the projected dividend for FY2022: None

3. Consolidated Financial Forecast for FY2022 (April 1, 2021 through March 31, 2022)

(% indicates increase/decrease from previous term.)

	Net Sales		Operating Income		Ordinary Income		Net Income attributable to owners of parent		Net Income per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
FY2022	2,500,000	31.0	170,000	77.6	175,000	67.8	110,000	157.6	149.14

[Note] Revision to Consolidated Financial Forecast for FY2022: None

*Notes

<1> Changes in significant subsidiaries during this period : Yes
Newly consolidated : UD Trucks Corporation
Excluded from the scope of consolidation : -

Note: This item indicates whether there were changes in significant subsidiaries affecting the scope of consolidation during this period.

<2> Adoption of specific accounting methods for presenting quarterly consolidated financial statements : None

<3> Changes in accounting policies, accounting estimates and retrospective restatement

Changes in accounting policies due to revisions of accounting standards : Yes
Changes in accounting policies due to factors other than revisions of accounting standards : None
Changes in accounting estimates : None
Retrospective restatement : None

Note: For more information, please refer to
"2. Notes on Consolidated Quarterly Financial Statements
(6) Changes in Accounting Policies"

<4> Number of shares issued (common stock)

Number of shares issued and outstanding	FY2022 3rd Quarter	777,442,069	Shares
at the end of the term (inclusive of treasury shares)	FY2021	777,442,069	Shares
Number of treasury shares at the end of the term	FY2022 3rd Quarter	2,305,233	Shares
	FY2021	39,883,956	Shares
Average number of shares issued	FY2022 3rd Quarter	774,702,291	Shares
	FY2021 3rd Quarter	737,543,566	Shares

Note: "Number of treasury shares at the end of the term" include stocks owned by the Company and by the fund whose beneficiaries are directors of the Company.
"Average number of shares issued" does not include stocks owned by the Company and by the fund whose beneficiaries are directors of the Company.

*Consolidated financial results (Japan GAAP) are not subject to audit procedures.

*Cautionary Statements with Respect to Forward-Looking Statements and Other Notes

•The financial forecast and other descriptions of the future presented in this document are based on currently available information and assumptions which are deemed reasonable at present. Consequently, the actual financial performance may vary significantly from the forecast due to various factors. For such assumptions and notes with respect to performance forecast, please refer to

"1. Qualitative Information Concerning Consolidated Financial Results for FY2022 Third Quarter

(3)Overview of Future Estimates such as Consolidated Financial Forecast”

•The Company has posted its financial results on its web site on February 10, 2022.

List of Contents of Attachments

1.	Qualitative Information Concerning Consolidated Financial Results for FY2022 Third Quarter.....	4
	(1) Overview of Consolidated Financial Results.....	4
	(2) Overview of Consolidated Financial Position.....	4
	(3) Overview of Future Estimates such as Consolidated Financial Forecast.....	5
2.	Notes on Consolidated Quarterly Financial Statements.....	6
	(1) Consolidated Quarterly Balance Sheets.....	6
	(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income.....	8
	(3) Notes on Premise of a Going Concern.....	10
	(4) Segment Information.....	10
	(5) Notes in the case of a Significant Change in Shareholders' Equity.....	10
	(6) Changes in Accounting Policies.....	10
	(7) Business Combinations.....	11
	(8) Important Subsequent Events.....	13
3.	Supplementary Information.....	14
	(1) Sales Condition.....	14
	Sales Results by Region.....	14
	Overseas Sales.....	15

1. Qualitative Information Concerning Consolidated Financial Results for FY2022 Third Quarter

(1) Overview of Consolidated Financial Results

Commercial vehicle demand for the current fiscal year's nine-month period ended on December 31, 2021 significantly recovered, especially in overseas markets, from the slowdown derived from the last fiscal year's COVID-19 pandemic. The total number of vehicles sold at home and abroad rose by 111,900 units (37.4%) compared with the same period last fiscal year to 411,169 units, although the Company's manufacturing operations were affected by disruptions in the supply chain.

Vehicle unit sales in Japan fell by 1,338 units (3.1%) over the same period last fiscal year to 41,798 units, due to production being affected by the disrupted supply chain, and those abroad increased by 113,238 units (44.2%) year-on-year to 369,371 units, thanks to increased sales volumes in many markets across the globe on the back of strong demand.

As regards sales amounts of products other than vehicles, sales of parts for overseas production grew by 19.2 billion yen (96.7%) year-over-year to 39.0 billion yen, engine and component sales rose by 27.5 billion yen (27.4%) year-on-year to 128.1 billion yen, and other sales climbed by 93.4 billion yen (30.0%) year-over-year to 404.9 billion yen, thanks to growth in the vehicle life-cycle management business, among other things.

Consequently, net sales rose by 475.6 billion yen (36.4%) compared with the same period last fiscal year to 1,783.8 billion yen, which comprised 638.9 billion yen posted for Japan, up 18.5% year-on-year, and 1,144.8 billion yen for the rest of the world, up 48.9% year-over-year.

On the profit and loss front, operating income amounted to 148.6 billion yen, up 135.8% year-on-year, and ordinary income reached 159.8 billion yen, up 141.0% year-over-year, thanks to the increased net sales, as well as favorable exchange rates and rationalization measures for cost-down, all of these more than offsetting rising raw material and logistics costs. Net income attributable to owners of the parent stood at 104.6 billion yen, up 267.6% year-on-year.

The Company has adopted the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) from the beginning of the 1st quarter of the current fiscal year. For more details, please refer to (6) Changes in Accounting Policies in 2. Notes on Consolidated Quarterly Financial Statements.

(2) Overview of Consolidated Financial Position

Total assets as of the end of the current fiscal year's third quarter rose by 472.6 billion yen from March 31, 2021 to 2,717.5 billion yen, mainly due to increases in inventories of 151.0 billion yen, land of 84.1 billion yen, and lease receivables and investments in leases of 53.3 billion yen, all of these mainly derived from the inclusion of UD Trucks Corp. and its 14 subsidiaries in the Company's consolidation scope following the acquisition of its stakes, as well as due to an increase in investment securities of 68.6 billion yen owing to a purchase of Toyota shares and a rise in market values of listed shares.

Liabilities increased by 338.5 billion yen from March 31, 2021 to 1,378.5 billion yen, mainly because of increases in interest-bearing liabilities of 260.0 billion yen, notes and accounts payable of 38.7 billion yen, and accrued expenses of 25.8 billion yen.

Net assets grew by 134.0 billion yen from March 31, 2021 to 1,339.0 billion yen, mainly because 104.6 billion yen was recorded as net income attributable to owners of the parent, while dividend payments worth 37.3 billion yen were made from retained earnings.

The capital adequacy ratio stood at 42.2%, compared with 45.5% as of March 31, 2021.

Interest-bearing liabilities climbed by 260.0 billion yen from March 31, 2021 to 576.5 billion yen.

(3) Overview of Future Estimates such as Consolidated Financial Forecast

There was no change to the full-year consolidated financial forecast released on May 13, 2021.

This forecast for the current fiscal year is one deemed rational by the Company based on information currently available, thus including risks and uncertainties such as global economic and market trends and exchange rate fluctuations. The Company's actual consolidated financial results may differ considerably from the forecast above, which therefore should not be the sole basis for any investment decisions.

2. Notes on Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets

(millions of yen)

	As of March 31, 2021	As of December 31, 2021
[ASSETS]		
CURRENT ASSETS		
Cash and deposits	404,754	353,811
Notes and accounts receivable	287,790	-
Notes and accounts receivable, and contract assets	-	309,265
Lease receivables and investments in leases	135,997	189,344
Merchandise and finished goods	182,328	250,518
Work in process	25,207	49,219
Raw materials and supplies	80,728	139,528
Other	67,793	90,217
Allowance for doubtful accounts	(1,253)	(1,847)
Total Current Assets	1,183,346	1,380,056
NON-CURRENT ASSETS		
Property, plant and equipment		
Buildings and structures, net	178,417	210,300
Machinery, equipment and vehicles, net	163,673	164,988
Land	284,836	369,013
Leased assets, net	4,684	6,749
Vehicles on operating leases, net	78,693	85,098
Construction in progress	28,301	34,512
Other, net	28,955	29,515
Total Property, Plant and Equipment	767,563	900,178
Intangible assets		
Goodwill	2,018	20,064
Other	16,945	62,433
Total Intangible Assets	18,964	82,498
Investments and other assets		
Investment securities	191,682	260,321
Long-term loans receivable	1,043	995
Retirement benefit asset	2,372	2,587
Deferred tax assets	43,854	45,258
Other	37,163	47,295
Allowance for doubtful accounts	(1,020)	(1,613)
Total Investments and Other Assets	275,096	354,844
Total Non-Current Assets	1,061,623	1,337,520
TOTAL ASSETS	2,244,970	2,717,577

(millions of yen)

	As of March 31, 2021	As of December 31, 2021
[LIABILITIES]		
CURRENT LIABILITIES		
Notes and accounts payable	329,540	356,887
Electronically recorded obligations - operating	58,382	69,809
Short-term borrowings	52,913	151,064
Lease obligations	5,918	6,671
Income taxes payable	17,507	16,972
Accrued expenses	57,800	83,677
Provision for bonuses	20,242	13,577
Provision for bonuses for directors	375	48
Provision for product warranties	5,921	5,019
Deposits received	4,353	9,636
Other	71,010	72,504
Total Current Liabilities	623,965	785,870
NON-CURRENT LIABILITIES		
Bonds payable	50,000	80,000
Long-term borrowings	193,210	322,671
Lease obligations	14,518	16,181
Deferred tax liabilities	582	2,219
Deferred tax liabilities for land revaluation	42,135	42,135
Provision for maintenance costs	4,432	5,173
Provision for share-based remuneration for directors	136	311
Net defined benefit liability	89,015	95,847
Provision for product warranties	-	4,890
Long-term deposits received	1,647	2,669
Other	20,313	20,551
Total Non-Current Liabilities	415,991	592,651
TOTAL LIABILITIES	1,039,956	1,378,521
[NET ASSETS]		
SHAREHOLDERS' EQUITY		
Share capital	40,644	40,644
Capital surplus	42,599	42,599
Retained earnings	849,673	906,919
Treasury shares	(54,090)	(3,288)
Total Shareholders' Equity	878,826	986,875
ACCUMULATED OTHER COMPREHENSIVE INCOME		
Valuation difference on available-for-sale securities	52,942	59,603
Deferred gains or losses on hedges	(796)	(516)
Revaluation reserve for land	83,881	83,881
Foreign currency translation adjustment	7,830	16,043
Remeasurements of defined benefit plans	(901)	(331)
Total Accumulated Other Comprehensive Income	142,955	158,681
NON-CONTROLLING INTERESTS	183,230	193,499
TOTAL NET ASSETS	1,205,013	1,339,056
TOTAL LIABILITIES AND NET ASSETS	2,244,970	2,717,577

(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income

Consolidated Quarterly Statements of Income

(millions of yen)

For the first nine months ended	FY2021 3rd Quarter December 31, 2020	FY2022 3rd Quarter December 31, 2021
Net sales	1,308,191	1,783,801
Cost of sales	1,102,078	1,445,054
GROSS PROFIT	206,113	338,746
Selling, general and administrative expenses	143,076	190,129
OPERATING INCOME	63,036	148,616
Non-operating income		
Interest income	2,245	2,481
Dividend income	1,531	3,277
Share of profit of entities accounted for using equity method	2,256	4,963
Foreign exchange gains	29	2,363
Other	3,342	2,913
Total non-operating income	9,404	15,998
Non-operating expenses		
Interest expenses	2,309	1,594
Litigation settlement	496	72
Compensation expenses	443	-
Currency option cost	224	184
Other	2,636	2,905
Total non-operating expenses	6,110	4,757
ORDINARY INCOME	66,331	159,858
Extraordinary income		
Gain on sales of non-current assets	155	172
Gain on sales of investment securities	617	754
Total extraordinary income	773	927
Extraordinary losses		
Loss on disposal of non-current assets	541	1,200
Impairment loss	209	287
Loss on sales of investment securities	38	36
Loss on valuation of investment securities	176	38
Loss on COVID-19	3,253	103
Total extraordinary losses	4,221	1,666
PROFIT BEFORE INCOME TAXES	62,884	159,118
Income taxes	25,349	32,701
PROFIT	37,534	126,417
Profit attributable to non-controlling interests	9,057	21,747
Profit attributable to owners of the parent	28,477	104,669

Consolidated Quarterly Statements of Comprehensive Income

(millions of yen)

For the first nine months ended	FY2021 3rd Quarter December 31, 2020	FY2022 3rd Quarter December 31, 2021
Profit (loss)	37,534	126,417
Other comprehensive income		
Valuation difference on available-for-sale securities	25,842	6,464
Deferred gains or losses on hedges	(210)	279
Foreign currency translation adjustment	(1,256)	4,953
Remeasurements of defined benefit plans, net of tax	1,200	612
Share of other comprehensive income of entities accounted for using equity method	(1,555)	4,716
Total other comprehensive income	24,019	17,026
Comprehensive income	61,554	143,444
Comprehensive income attributable to:		
owners of the parent	51,527	120,395
non-controlling interests	10,026	23,048

(3) Notes on Premise of a Going Concern

None

(4) Segment Information

The Company and its consolidated subsidiaries are composed of a single business segment, primarily engaged in manufacture and sale of vehicles and its components, industrial engines. Therefore the disclosure of segment information is omitted.

(5) Notes in the case of a Significant Change in Shareholders' Equity

The Company resolved, at its Board of Directors Meeting held on March 24, 2021, to dispose of its treasury stock through a third-party allotment, and the disposal of 39,000,000 treasury shares was completed on April 9, 2021. As a result, during this 3rd quarter period, retained earnings fell by 10,109 million yen to 906,919 million yen, and likewise treasury shares decreased by 52,931 million yen to 3,288 million yen, as of the end of this 3rd quarter period.

(6) Changes in Accounting Policies

(Adoption of Accounting Standard for Revenue Recognition)

The Company has adopted the Accounting Standard for Revenue Recognition (ASBJ Statement No.29, March 31, 2020, hereinafter referred to as the "Revenue Recognition Accounting Standard") from the beginning of the 1st quarter of the current fiscal year, according to which revenue is recognized when control of promised goods or services is transferred to customers, at the amounts expected to be received in exchange for those goods or services.

Consequently, part of consideration paid to customers, such as sales commissions previously recorded as selling, general and administrative expenses, is now reduced from transaction prices. As regards transactions done by the Company's subsidiaries as agents, the revenue was recognized as the total sum of consideration received from customers; however, the revenue is now recognized as the net amounts calculated by subtracting the amounts paid to suppliers from the amounts received from customers. Furthermore, as regards paid supply transactions, the paid supply materials were recognized as extinguished; however, where the Company is obliged to buy them back, they now are not recognized as extinguished.

As a result, in the 3rd quarter of the current fiscal year, net sales, cost of sales, and selling, general and administrative expenses fell by 6,725 million yen, 1,974million yen, and 4,750 million yen, respectively. On the other hand, inventories and other current liabilities rose by 5,027 million yen and 5,027 million yen, respectively.

Because the Revenue Recognition Accounting Standard has been adopted from the beginning of the 1st quarter of the current fiscal year, "Notes and accounts receivable", which was shown in the Current Assets section on the previous fiscal year's consolidated balance sheets, is now included in "Notes and accounts receivable, and contract assets" from this 1st quarter period. According to the transitional treatment provided in Paragraph 89-2 of the Revenue Recognition Accounting Standard, the previous fiscal year's consolidated balance sheets are not reclassified due to this change.

(Adoption of Accounting Standard concerning Fair Value Measurement)

The Company has adopted the Accounting Standard for Fair Value Measurement (ASBJ Statement No.30, July 4, 2019, hereinafter referred to as the "Fair Value Measurement Accounting Standard") from the beginning of the 1st quarter of the current fiscal year, applying new accounting policies defined in the Fair Value Measurement Accounting Standard over the future, according to the transitional treatment specified in Paragraph 19 of the Fair Value Measurement Accounting Standard and in Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No.10, July 4, 2019). This adoption has no influence on the Company's consolidated quarterly financial statements.

(7) Business Combinations

(Business combinations through acquisition)

The Company acquired all the shares in UD Trucks Corp. on April 1, 2021.

1. Overview of the business combination

(1) Name of the acquired company and business description

Name of the acquired business: UD Trucks Corp. (hereinafter referred to as “UDT”)
Business description: Development, manufacture, export and sales of trucks; production and sales of parts for vehicles

(2) Main reason for the business combination

The auto industry has been facing a once-in-a-century upheaval, and particularly in the commercial vehicle segment, creation of new solutions including about advanced technologies is demanded to address various issues and challenges in the logistics industry, as well as to meet a wide variety of customer needs across the globe.

The Company, sharing these issues and challenges with Aktiebolaget Volvo (hereinafter “AB Volvo”, headquartered in Gothenburg, Sweden), executed agreements to form a strategic alliance with AB Volvo within the commercial vehicle segment on October 30, 2020, based on which the Company and AB Volvo will intend to closely collaborate with each other to deepen existing technologies and develop advanced ones, leveraging the two companies’ mutual complementarity of expertise, as well as using excellent technologies each has and a larger volume base created by this strategic alliance.

As the first step for this strategic alliance, the Company acquired all the shares owned by AB Volvo in UDT (hereinafter the “UDT Share Acquisition”), in order to further strengthen its heavy-duty truck business in Japan and abroad and to swiftly achieve results of the strategic collaboration.

The Company, together with UDT, will aim to create synergies in the long run and solve issues and challenges facing the logistics industry in the future, based on the stronger and closer relationship with AB Volvo.

(3) Date of the business combination

April 1, 2021

(4) Legal form of the business combination

Share acquisition with cash as the consideration

(5) Name of the acquired business after the business combination

No change

(6) Percentage of the voting rights acquired

100.0%

(7) Basis for determining the acquirer

The Company acquired all the shares in UDT with cash as the consideration.

(8) Other items related to the overview of the business combination

In the wake of the UDT Share Acquisition, 14 subsidiaries and three affiliated companies of UDT have become Isuzu Group companies.

2. Financial result period of the acquired business included in the consolidated quarterly statements of income for the cumulative nine-month period of the current fiscal year

From April 1, 2021 to September 30, 2021

3. Acquisition cost of the acquired business and breakdown by type of consideration

Consideration for the acquisition	Cash	56,898 million yen
Acquisition cost		56,898 million yen

(Note) The aforementioned consideration for the acquisition has reflected the transfer price adjustment according to the share transfer agreement for the UDT Share Acquisition. In addition, the said share transfer agreement includes an earn-out clause with 15,000 million yen as the upper limit to be paid. However, the aforementioned consideration for the acquisition does not include any amount to be paid according to the said earn-out clause.

The Company repaid in subrogation performance borrowings payable by UDT and its subsidiaries to AB Volvo Group companies (261,534 million yen). Consequently, the amount paid by the Company to AB Volvo for the UDT Share Acquisition amounted to 318,432 million yen, including the aforementioned consideration for the acquisition.

4. Descriptions and amounts of major acquisition-related costs

Advisory fees and commissions 1,810 million yen

5. Amount of goodwill generated, cause of the generation, and the amortization method & period

(1) Amount of goodwill generated

20,836 million yen

(Note) The allocation of the acquisition cost of UDT, on which provisional accounting treatments had been applied during the current fiscal year's first and second quarters based on information available at the time of production of those quarterly financial statements, was finally determined in this third quarter.

(2) Cause of the generation

This goodwill represents future excess earning power expected from future business development.

(3) Amortization method and period

Equal amortization over seven years

6. Breakdown of assets acquired and liabilities assumed at the date of the business combination and the corresponding amounts

Current assets	207,415 million yen
Non-current assets	206,156 million yen
Total assets	413,571 million yen
Current liabilities	353,245 million yen
Non-current liabilities	24,263 million yen
Total liabilities	377,508 million yen

7. Details of the earn-out clause in the business combination agreement and its accounting policy for the current fiscal year and beyond

The share transfer agreement for the UDT Share Acquisition includes the earn-out clause with 15,000 million yen as the upper limit to be paid. If any additional payment according to the said clause is made, the payment will be regarded as having been paid at the time of the acquisition of UDT, with the acquisition price and the amounts of goodwill and its amortization revised accordingly.

8. Amount posted as intangible assets other than goodwill, its breakdown by major items with their weighted average amortization periods

(1) Amount posted as intangible assets other than goodwill

46,755 million yen

(2) Breakdown by major items with their amortization periods

Trademark	20,513 million yen	Amortization period 10 years
Patent	20,342 million yen	Amortization period 8 years
Customer-related assets	5,900 million yen	Amortization period 20 years

9. Estimated amounts of influence on the consolidated quarterly statements of income for the cumulative nine-month period of the current fiscal year on the assumption that the business combination was completed at the beginning of the current fiscal year, and their calculation method

Net sales	67,047 million yen
Operating income	1,052 million yen

(Calculation method for the estimated amounts)

The estimated amounts of influence were calculated based on information on net sales, profits and losses of the acquired business from January 1, 2021 through March 31, 2021, a period until the date of the business combination on the assumption that the business combination was completed at the beginning of the current fiscal year. In addition, this calculation was done with the goodwill, etc. recognized at the time of the business combination regarded as having accrued at the beginning of the current fiscal year.

Please note that the aforementioned estimated amounts and their calculation method did not receive any audit certification.

(8) Important Subsequent Events

None

3. Supplementary Information

(1) Sales Condition

<Sales Results by Region>

		FY2021 (Fiscal year ending December 31, 2020)		FY2022 (Fiscal year ending December 31, 2021)		Change	
		Volume (units)	Amount (millions of yen)	Volume (units)	Amount (millions of yen)	Volume (units)	Amount (millions of yen)
	Japan	18,845	171,128	21,256	208,814	2,411	37,686
	Overseas	19,737	100,934	35,013	187,904	15,276	86,970
HD/MD vehicles		38,582	272,062	56,269	396,719	17,687	124,657
	Japan	24,291	93,874	20,542	79,666	(3,749)	(14,208)
	Overseas	236,396	510,325	334,358	735,223	97,962	224,898
LD vehicles, etc		260,687	604,200	354,900	814,890	94,213	210,690
	Japan	43,136	265,002	41,798	288,481	(1,338)	23,479
	Overseas	256,133	611,260	369,371	923,128	113,238	311,868
Total vehicles		299,269	876,262	411,169	1,211,609	111,900	335,347
	Overseas	-	19,864	-	39,082	-	19,218
	Parts for overseas production	-	19,864	-	39,082	-	19,218
	Japan	-	37,089	-	44,057	-	6,968
	Overseas	-	63,481	-	84,089	-	20,608
Engines / Components		-	100,571	-	128,146	-	27,575
	Japan	-	237,000	-	306,456	-	69,456
	Overseas	-	74,493	-	98,506	-	24,013
Other		-	311,493	-	404,962	-	93,469
	Japan	-	539,092	-	638,994	-	99,902
	Overseas	-	769,099	-	1,144,806	-	375,707
Sales amount		-	1,308,191	-	1,783,801	-	475,610

<Overseas Sales>

FY2021 (April 1, 2020 through December 31, 2020)

(millions of yen)

	North America	Asia	Other	Total
1 Overseas sales	87,672	397,191	284,235	769,099
2 Consolidated sales	-	-	-	1,308,191
3 Overseas sales per Consolidated sales	% 6.7	% 30.4	% 21.7	% 58.8

FY2022 (April 1, 2021 through December 31, 2021)

(millions of yen)

	North America	Asia	Other	Total
1 Overseas sales	109,791	494,214	540,800	1,144,806
2 Consolidated sales	-	-	-	1,783,801
3 Overseas sales per Consolidated sales	% 6.2	% 27.7	% 30.3	% 64.2

1. This segmentation is based on the geographical area.
2. Major countries or areas included
 - (1) North America--USA
 - (2) Asia---Thailand, China, Vietnam, Philippines
 - (3) Other---Saudi Arabia, Australia, Columbia, South Africa, Italy
3. Overseas sales are sales to all countries and areas excluding Japan
made by the parent company and consolidated subsidiaries.