

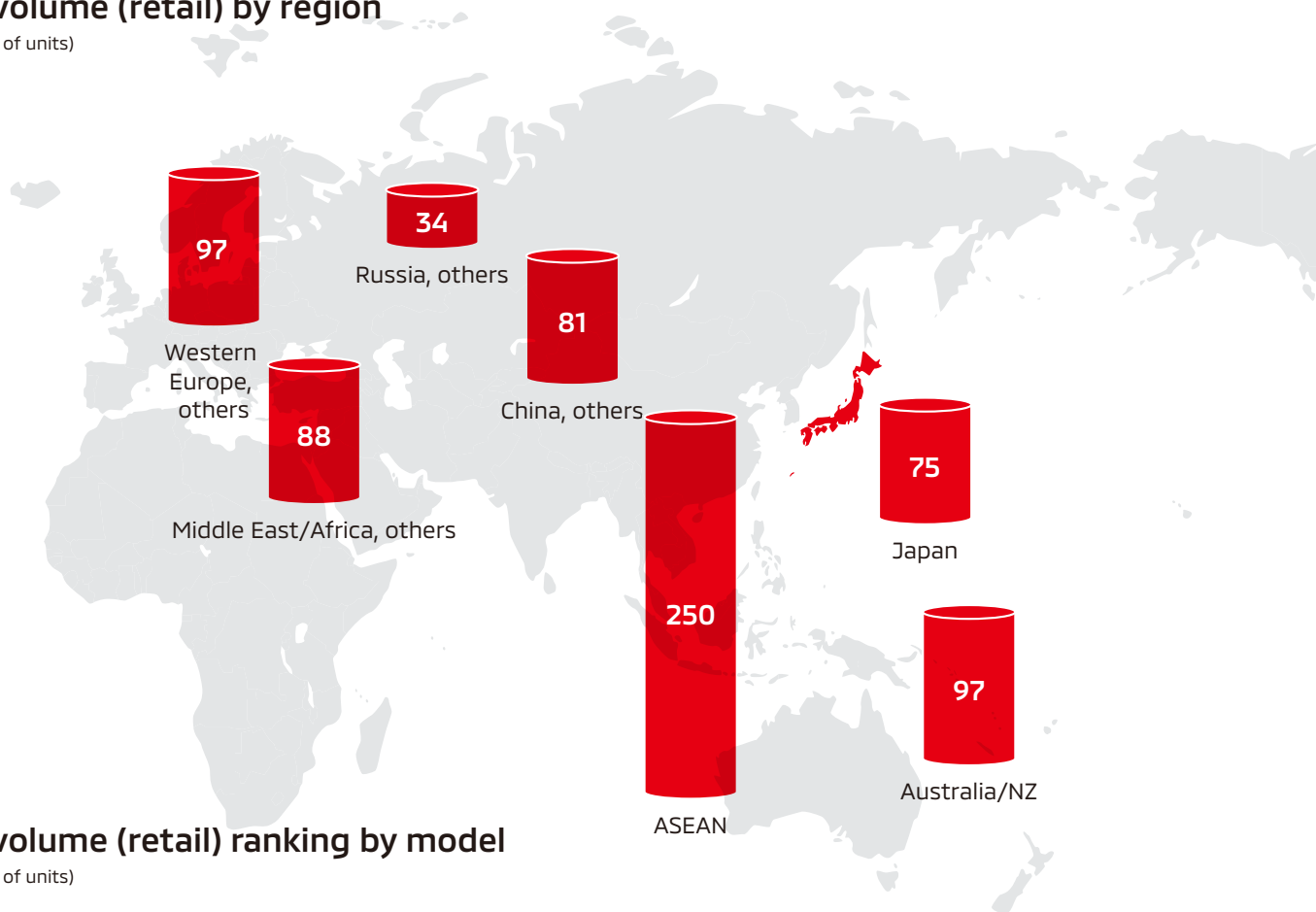
Business and Financial Condition

Sales and Production Data

Fiscal 2021 Sales volume (retail): **937,000** units;
production volume: **1,025,000** units

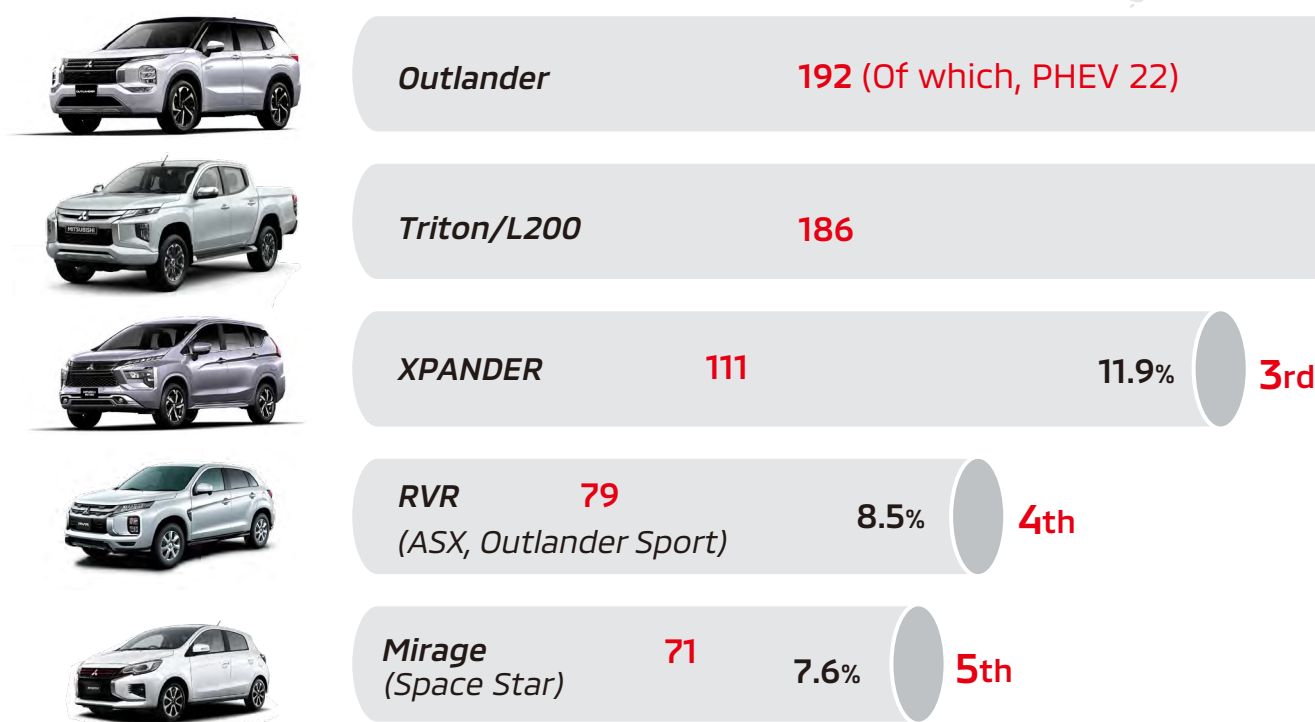
Sales volume (retail) by region

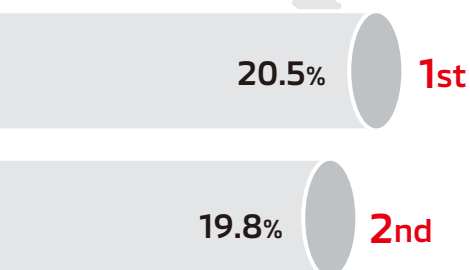
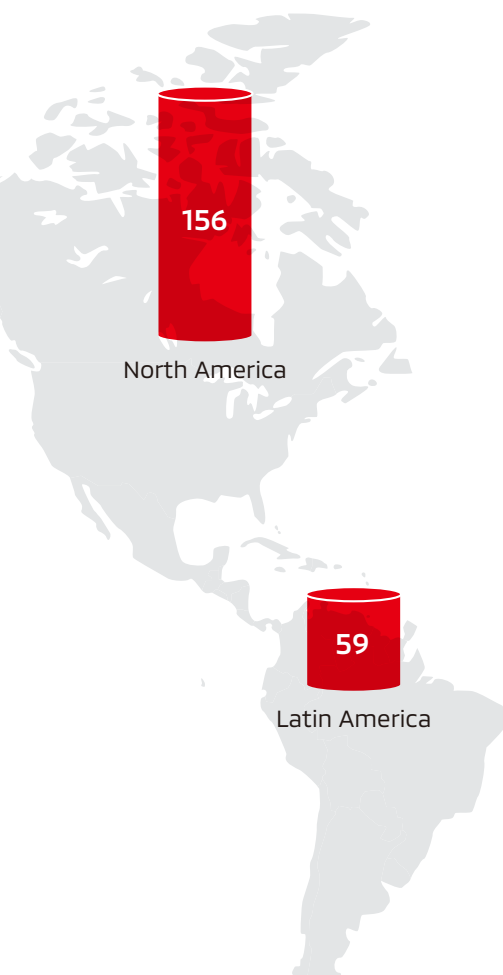
(Thousands of units)



Sales volume (retail) ranking by model

(Thousands of units)



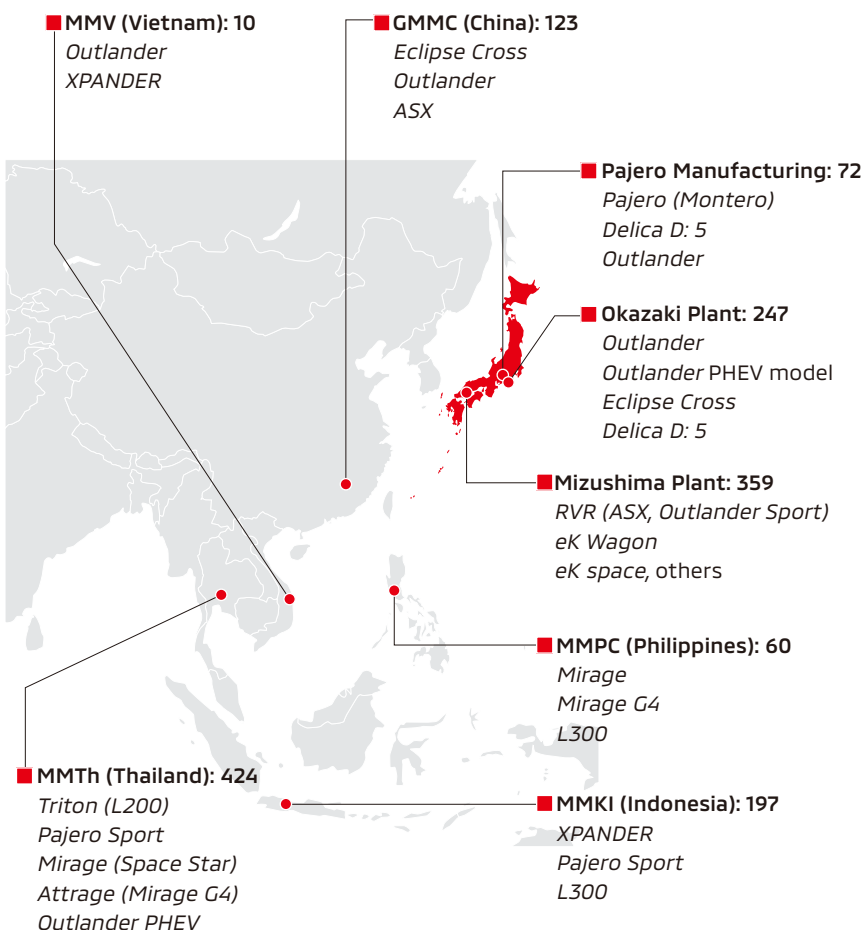


Production capacity

(Thousands of units)

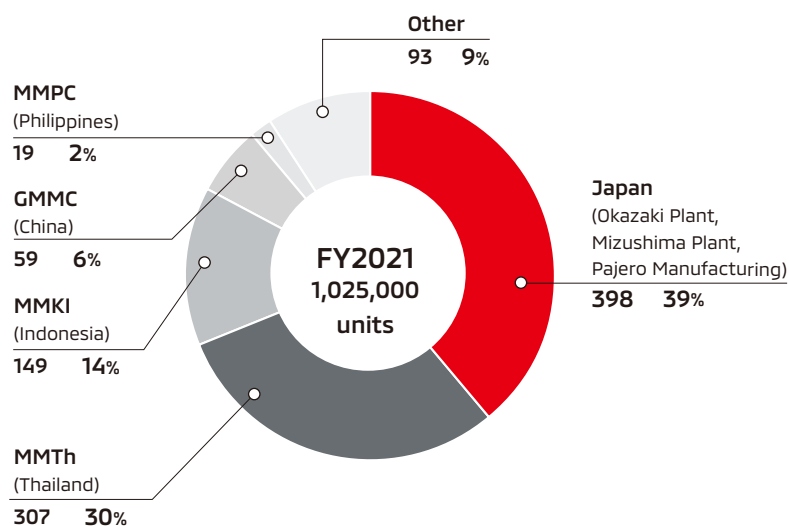
For fiscal 2021, based on standard operation

(Pajero Manufacturing's production ended in August 2021 and factories were closed down.)



Production results

(Thousands of units)



The count of the number of vehicles produced by plant is based on their site of final assembly, so statistical data may vary from that of the Japan Automobile Manufacturers Association.

Overview of Operations by Region

Sales Volume

(Thousands of units)

After changes in regional classifications*

	FY2019	FY2020	FY2021	FY2021	FY2022 (Forecast)
ASEAN	290	189	250	250	299
Oceania	88	72	97	97	97
Latin America/Middle East/Africa, others	136	105	147	159	142
China, others	143	105	81	81	77
Japan	95	73	75	75	101
North America	160	113	156	156	166
Europe	215	144	131	119	56
Total	1,127	801	937	937	938

Net Sales

(Billions of yen)

	FY2019	FY2020	FY2021	FY2021	FY2022 (Forecast)
ASEAN	551.9	317.7	466.1	466.1	595.0
Oceania	176.8	173.3	254.7	254.7	280.0
Latin America/Middle East/Africa, others	249.6	145.3	252.6	275.2	250.0
China, others	41.7	19.2	16.7	16.7	15.0
Japan	460.5	422.1	393.9	393.9	580.0
North America	315.1	194.6	397.2	397.2	520.0
Europe	474.7	183.3	257.7	235.1	110.0
Total	2,270.3	1,455.5	2,038.9	2,038.9	2,350.0

Operating Profit

(Billions of yen)

	FY2019	FY2020	FY2021
ASEAN	636	93	321
Oceania	(44)	(74)	286
Latin America/Middle East/Africa, others	40	(114)	127
China, others	(15)	(30)	27
Japan	(126)	(295)	(102)
North America	(182)	(333)	241
Europe	(181)	(200)	(27)
Total	128	(953)	873

* From fiscal 2022 some countries in Europe were reclassified to Middle East/Africa, others. Figures for fiscal 2021 have been revised to fit this classification.

ASEAN (Indonesia, Thailand, the Philippines, Vietnam, others)

Performance in the year ended March 31, 2022

In the ASEAN region, demand began to recover from the end of 2021, as restrictions on movement were eased due to policy changes in governments' measures to fight COVID-19. Sales volume in the region rose 61,000 units year on year to 250,000 units, reflecting a positive response to the all-new *XPANDER*, which we launched in Indonesia in November 2021.

Sales rose ¥148.4 billion year on year to ¥466.1 billion. Operating profit came to ¥32.1 billion, compared with ¥9.3 billion in the previous year.

Outlook for the year ending March 31, 2023

In the ASEAN market, which is in a period of recovery from COVID-19, we plan to roll out the all-new *XPANDER* (which was introduced in Indonesia in 2021 and has earned a favorable reputation) to Thailand, the Philippines, and Vietnam. As a result, we expect sales volume to increase by 49,000 units from fiscal 2021 to 299,000 units, and sales to grow ¥128.9 billion to ¥595.0 billion.



All-new *XPANDER*



Pajero Sport

Oceania (Australia, New Zealand)

Performance in the year ended March 31, 2022

In fiscal 2021, a growing number of households in Australia and New Zealand used their surplus funds to purchase new cars while activities were restricted by COVID-19. Also, New Zealand's government introduced the Clean Car Discount Program, which stimulated demand for electric vehicles and led to a robust market. Under these circumstances, we recorded favorable sales, centering on the all-new *Outlander*. Sales volume for the region grew 25,000 units year on year to 97,000 units. In New Zealand, our sales volume reached a new high of 23,700 units. In fiscal 2021, our market share in the region reached an all-time record, rising to second place in New Zealand and third in Australia.

In line with the higher sales volume, sales rose ¥81.4 billion year on year to ¥254.7 billion. At the operating level, performance improved from a loss of ¥7.4 billion to a profit of ¥28.6 billion.

Outlook for the year ending March 31, 2023

We launched in Australia the all-new *Outlander* PHEV model, which has been well received since its introduction in New Zealand in fiscal 2021. Together with the *Triton* and other current popular models, we plan to achieve higher sales. In fiscal 2022, we expect sales volume of 97,000 units, on a par with fiscal 2021 levels. We forecast sales of ¥280.0 billion, up ¥25.3 billion.



All-new *Outlander* PHEV model



Triton

Latin America/Middle East/Africa, others

Performance in the year ended March 31, 2022

In fiscal 2021, the market recovered, centering on pickup trucks. Sales volume increased by 42,000 units year on year to 147,000 units.

Buoyed by the higher sales volume, sales grew ¥107.3 billion year on year to ¥252.6 billion. At the operating level, performance improved from a loss of ¥11.4 billion to a profit of ¥12.7 billion.

Outlook for the year ending March 31, 2023

Following reclassification, in fiscal 2022 we expect sales volume to decrease 17,000 units from the fiscal 2021 figure to 142,000 units. We forecast sales of ¥250.0 billion, down ¥25.2 billion.



Triton/L200

China, others

Performance in the year ended March 31, 2022

In fiscal 2021, sales volume decreased by 24,000 units from the previous year to 81,000 units, mainly due to being in a transitional point of the model cycle.

Following the decline in sales volume, sales fell ¥2.5 billion year on year to ¥16.7 billion. At the operating level, however, performance improved from a loss of ¥3.0 billion to a profit of ¥2.7 billion.

Outlook for the year ending March 31, 2023

We anticipate the full-fledged rollout of the *Airtrek*, a new electric vehicle we launched in the Chinese market in March 2022. In fiscal 2022, we expect sales volume of 77,000 units, down 4,000 units from the fiscal 2021 figure, and forecast sales of ¥15.0 billion, down ¥1.7 billion.



New EV Airtrek

Japan

Performance in the year ended March 31, 2022

Sales volume in fiscal 2021 increased by 2,000 units to 75,000 units, due to our focus on selling vehicles from inventory and the strong launch of the all-new *Outlander* PHEV model, despite a limited supply of vehicles available due to the semiconductor shortage.

Sales fell ¥28.2 billion to ¥393.9 billion, while the operating loss narrowed from ¥29.5 billion to ¥10.2 billion.

Outlook for the year ending March 31, 2023

In addition to last year's launch of the all-new *Outlander* PHEV model in the Japanese market, we expect to boost sales further with the launch of the *eK X EV*, our new Kei-class EV. Consequently, we expect sales volume to rise by 26,000 units from fiscal 2021 levels to 101,000 units. We anticipate sales of ¥580.0 billion, up ¥186.1 billion.



All-new Outlander PHEV model



New Kei-class EV eK X EV

North America (The United States, Canada, Mexico, others)

Performance in the year ended March 31, 2022

In fiscal 2021, sales volume rose 43,000 units year on year to 156,000 units, due to strong sales throughout the year of the all-new *Outlander*, which launched in April 2021.

The higher sales volume helped drive up sales ¥202.6 billion year on year to ¥397.2 billion. At the operating level, performance improved from a loss of ¥33.3 billion to a profit of ¥ 24.1 billion.

Outlook for the year ending March 31, 2023

In the North American market, we expect to introduce the all-new *Outlander* PHEV model, pushing up sales volume 10,000 units from fiscal 2021 levels to 166,000 units. We anticipate sales of ¥520.0 billion, up ¥122.8 billion.



All-new *Outlander*



Outlander Sport

Europe (Russia, Germany, the Netherlands, Spain, France, others)

Performance in the year ended March 31, 2022

Owing to business restructuring in fiscal 2021, the sales volume fell by 13,000 units year on year to 131,000 units.

Sales rose ¥74.4 billion to ¥257.7 billion, and the operating loss narrowed from ¥20.0 billion to ¥2.7 billion.

Outlook for the year ending March 31, 2023

Due to the suspension of exports of finished vehicles to Russia and suspension of operations at our plant in the country, we expect our post-reclassification sales volume in Europe to be 56,000 units in fiscal 2022, down 63,000 units year on year. We forecast sales of ¥110.0 billion, down ¥125.1 billion.



Eclipse Cross PHEV model



Outlander PHEV

Financial and Non-Financial Summary

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
For the year:	(In billions of yen)					
Net sales	1,906.6	2,192.4	2,514.6	2,270.3	1,455.5	2,038.9
Operating profit (loss)	5.1	98.2	111.8	12.8	(95.3)	87.3
Ordinary profit (loss)	8.9	110.1	119.9	(3.8)	(105.2)	101.0
Profit (loss) attributable to owners of the parent	(198.5)	1,07.6	1,32.9	(25.8)	(312.3)	74.0
Sales volume (retail) (Thousands of units)	926	1,101	1,244	1,127	801	937
R&D expenses	89.0	102.5	124.3	130.9	101.4	90.7
Capital expenditures	58.1	99.9	137.7	103.9	76.4	62.7
Depreciation	46.2	52.0	61.6	74.8	65.9	53.6
Return on equity (ROE) (%)	(29.2)	14.6	16.1	(3.1)	(48.8)	13.3
Per share data:	(In yen)					
Earnings per share	(164.11)	72.23	89.26	(17.32)	(209.88)	49.76
Diluted earnings per share*1	—	72.20	89.18	—	—	49.74
Dividends per share	10.00	17.00	20.00	10.00	0.00	0.00
At year-end:	(In billions of yen)					
Total assets	1,484.4	1,655.3	2,010.3	1,938.1	1,856.3	1,928.4
Net assets	703.5	796.6	881.2	788.4	525.3	630.3
Cash and deposits	556.8	571.9	500.9	399.6	455.7	511.5
Interest-bearing debt	15.6	26.6	228.7	299.4	483.3	480.5
Equity ratio (%)	46.5	47.2	43.4	39.9	27.4	31.5
Number of shares outstanding (Thousands)	1,490,282	1,490,282	1,490,282	1,490,282	1,490,282	1,490,282
CO ₂ Emissions*2						
Scope 1 (direct emissions)*3 (x10 ³ t-CO ₂)	102	119	119	110	80	92
Scope 2 (indirect emissions)*3 (x10 ³ t-CO ₂)	359	436	469	416	285	319
Scope 3 (x10 ³ t-CO ₂ eq)	32,592	38,721	42,580	35,429	20,286	28,146
Energy input*2 (Primary and secondary energy) (PJ)	8.3	9.9	10.2	9.5	7.0	8.2
Generated waste*2 (x10 ³ t)	150	162	187	202	109	143
Withdrawn water volume*2 (x10 ³ m ³)	5,606	6,727	6,211	5,915	4,420	4,640
Number of female managers (Persons)*4	49	58	68	74	80	94
Ratio of annual paid leave taken (%)	81.6	82.6	86.6	100.6	99.2	89.5
Accident rate*5	0.54	0.60	0.41	0.42	0.30	0.20
Number of reports to or consultations with the internal employee consultation office (Instances)	153	170	194	166	112	109

(Note) Changes in accounting methods have not been retroactively applied to previous fiscal years.

*1 Diluted net income per share is not indicated for fiscal 2016, 2019 and 2020 because no dilutive shares existed.

*2 Target site: 22 management target companies (Including MITSUBISHI MOTORS. As of March 31, 2022)

*3 CO₂ emission factors are based on "Greenhouse Gas Emissions Conversion, Reporting, and Announcement System based on the Act on Promotion of Global Warming Countermeasures."

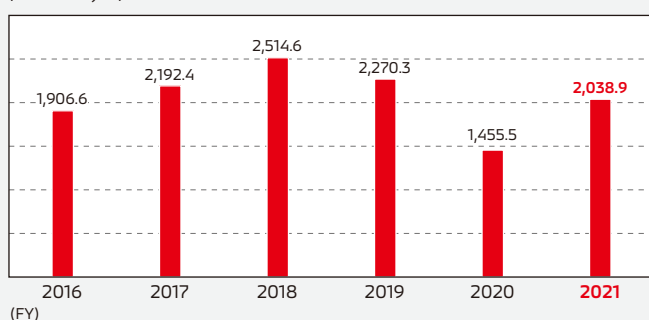
Overseas electric power conversion factors are provided by individual utilities. The IEA's "CO₂ Emissions from Fuel Combustion" of each year or "Emission Factors" are used for some locations.

*4 As of July from 2017 to 2022

*5 Number of accidents with or without loss of workdays per 1 million working hours

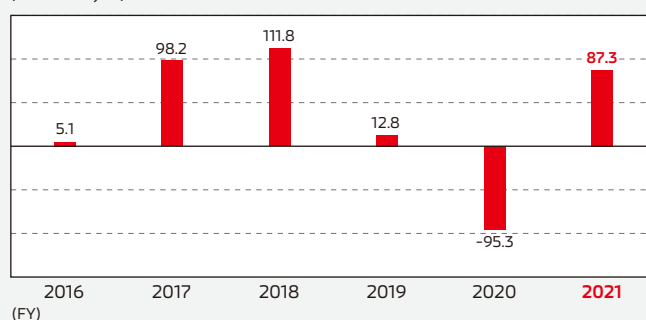
Net Sales

(Billions of yen)



Operating Profit

(Billions of yen)



Operational Review

Results of Operations

The COVID-19 pandemic, which has continued since 2020, has spread in repeated waves due to variant strains, striking a serious blow to the supply chains and sales. Then from the second half of fiscal 2021, cost increases due to soaring material and logistics costs also became apparent. In addition, geopolitical risks triggered by Russia's military invasion of Ukraine emerged, and the business environment surrounding the MMC Group became more uncertain and changed day by day.

Despite the difficulties in navigating the difficult business environment, MMC's earnings are on a recovery track as a result of the flexible response to the changing environment by the entire MMC, in addition to many customers purchasing products such as all-new *Outlander* and all-new *XPANDER*.

As a result, full-year global sales volume was 937,000 units, up 17% from the previous fiscal year, and full-year net sales were ¥2,038.9 billion, up 40% from the previous fiscal year. Operating profit recovered to ¥87.3 billion (up ¥182.6 billion year on year) due to the increase in sales volume, and the effects of curbing price discounts and improving costs, in addition to the tailwind from exchange rates. The operating profit margin was 4.3%, an improvement of approximately 11 percentage points from the previous fiscal year. Ordinary profit was ¥101.0 billion (up ¥206.2 billion year on year), and profit attributable to owners of parent was ¥74.0 billion (up ¥386.3 billion year on year).

Financial position

Total assets as of March 31, 2022 amounted to ¥1,928.4 billion (up ¥72.1 billion from the end of the previous fiscal year). Cash and deposits amounted to ¥511.5 billion (up ¥55.8 billion from the end of the previous fiscal year). Total liabilities amounted to ¥1,298.1 billion (down ¥32.9 billion from the end of the previous fiscal year). Of total liabilities, the interest bearing debt balance was ¥480.5 billion (down ¥2.8 billion from the end of the previous fiscal year). Net assets as of March

31, 2022 amounted to ¥630.3 billion (up ¥105.0 billion from the end of the previous fiscal year).

Cash flows

Cash flows for the current fiscal year consisted of a net inflow of ¥118.1 billion from operating activities (up ¥159.6 billion year on year), a net outflow of ¥69.1 billion from investing activities (down ¥32.2 billion year on year), and a net outflow of ¥10.2 billion from financing activities (down ¥178.5 billion year on year). In addition, the balance of cash and cash equivalents at the end of the current fiscal year increased by ¥66.9 billion from the end of the previous fiscal year to ¥511.5 billion, partially due to an increase of ¥28.1 billion from exchange differences on translation of cash and cash equivalents and other factors.

Free cash flow for the current fiscal year ended up with a net inflow of ¥49.0 billion (up ¥191.8 billion year on year), due to an increase in inflow contributed by operating activities driven by higher sales volume.

Overview of Cash Flow

(FY)	2017	2018	2019	2020	2021
Shareholders' equity ratio (%) ^{*1}	47.2	43.4	39.9	27.4	31.5
Shareholders' equity ratio (fair value basis) ^{*2}	68.5	43.5	23.5	25.2	25.5
Cash flows/Interest-bearing debt ratio ^{*3}	0.2	1.6	15.9	(11.6)	4.1
Interest coverage ratio ^{*4}	34.1	38.9	4.8	(8.0)	23.2

^{*1} The shareholders' equity ratio is shareholders' equity divided by total assets.

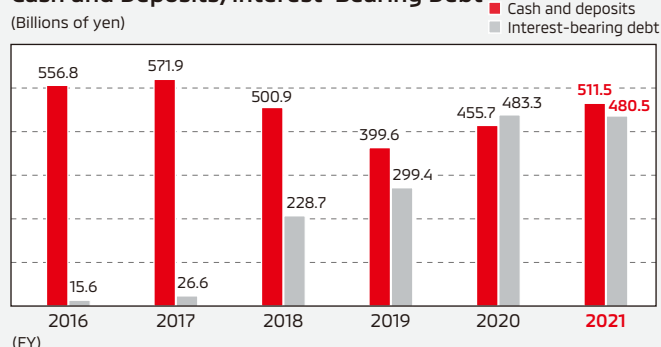
^{*2} The shareholders' equity ratio (fair value basis) is market capitalization divided by total assets.

^{*3} The cash flows/interest-bearing debt ratio is interest-bearing debt divided by cash flow.

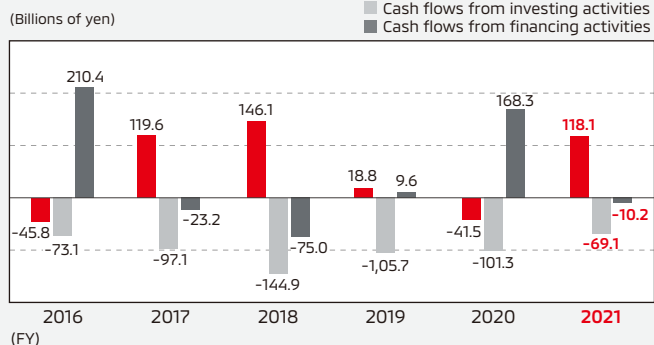
^{*4} The interest coverage ratio is cash flow divided by interest paid.
Notes:

- Each indicator is calculated from consolidated financial figures.
- Market capitalization is calculated based on the number of issued shares excluding treasury stock.
- Cash flow refers to operating cash flow.
- Interest-bearing debt includes all liabilities recorded on the consolidated balance sheet for which interest is paid. From fiscal 2018, lease obligations are included in this figure.

Cash and Deposits/Interest-Bearing Debt



Cash Flows



Consolidated Financial Statements

Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	455,716	511,502
Notes and accounts receivable - trade	154,253	—
Notes and accounts receivable - trade, and contract assets	—	119,829
Finance receivables	247,331	222,463
Merchandise and finished goods	182,713	192,292
Work in process	26,657	53,266
Raw materials and supplies	40,585	54,033
Short-term loans receivable	723	624
Other	117,880	111,367
Allowance for doubtful accounts	(1,921)	(9,459)
Total current assets	1,223,940	1,255,920
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	83,486	85,110
Machinery, equipment and vehicles, net	120,136	132,116
Tools, furniture and fixtures, net	57,167	64,638
Land	124,963	123,068
Construction in progress	25,227	24,521
Total property, plant and equipment	410,982	429,455
Intangible assets	33,918	38,273
Investments and other assets		
Investment securities	81,895	98,433
Long-term loans receivable	3,439	2,817
Retirement benefit asset	4,548	4,775
Deferred tax assets	40,689	43,669
Other	60,790	58,818
Allowance for doubtful accounts	(3,925)	(3,720)
Total investments and other assets	187,437	204,794
Total non-current assets	632,338	672,523
Total assets	1,856,279	1,928,443

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	307,704	324,091
Electronically recorded obligations - operating	77,222	56,612
Short-term borrowings	16,085	21,778
Commercial papers	32,500	43,000
Current portion of long-term borrowings	57,702	292,134
Lease obligations	3,533	3,751
Accounts payable - other, and accrued expenses	249,231	204,894
Income taxes payable	6,747	8,487
Provision for product warranties	48,308	50,029
Other	68,911	79,393
Total current liabilities	867,947	1,084,173
Non-current liabilities		
Long-term borrowings	347,978	95,768
Lease obligations	25,525	24,101
Deferred tax liabilities	16,044	17,127
Retirement benefit liability	28,593	32,240
Other	44,938	44,731
Total non-current liabilities	463,080	213,968
Total liabilities	1,331,027	1,298,142
Net assets		
Shareholders' equity		
Share capital	284,382	284,382
Capital surplus	199,950	199,837
Retained earnings	95,928	169,694
Treasury shares	(1,659)	(1,382)
Total shareholders' equity	578,602	652,531
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	511	1,111
Deferred gains or losses on hedges	(554)	(31)
Foreign currency translation adjustment	(63,035)	(32,571)
Remeasurements of defined benefit plans	(7,617)	(14,267)
Total accumulated other comprehensive income	(70,696)	(45,759)
Share acquisition rights	352	195
Non-controlling interests	16,993	23,334
Total net assets	525,251	630,301
Total liabilities and net assets	1,856,279	1,928,443

Consolidated statement of income

(Millions of yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Net sales	1,455,476	2,038,909
Cost of sales	1,299,021	1,676,459
Gross profit	156,454	362,450
Selling, general and administrative expenses		
Advertising and promotion expenses	34,891	39,147
Freight costs	29,112	49,849
Provision of allowance for doubtful accounts	624	1,834
Remuneration, salaries and allowances for directors (and other officers)	68,387	66,875
Retirement benefit expenses	4,959	3,781
Depreciation	14,898	12,715
Research and development expenses	55,990	57,507
Other	42,912	43,405
Total selling, general and administrative expenses	251,776	275,118
Operating profit (loss)	(95,321)	87,331
Non-operating income		
Interest income	1,846	1,942
Dividend income	596	567
Foreign exchange gains	3,784	9,241
Share of profit of entities accounted for using equity method	—	8,527
Subsidies for employment adjustment	6,048	919
Other	2,178	3,263
Total non-operating income	14,454	24,462
Non-operating expenses		
Interest expenses	5,375	5,085
Litigation expenses	2,581	1,586
Share of loss of entities accounted for using equity method	9,122	—
Financing expenses	1,603	1,476
Other	5,651	2,675
Total non-operating expenses	24,335	10,824
Ordinary profit (loss)	(105,203)	100,969
Extraordinary income		
Gain on sales of non-current assets	1,548	2,858
Gain on sales of investment securities	41	99
Gain on sales of investments in capital of subsidiaries and associates	1,543	2,791
Gain on reversal of asset retirement obligations	—	833
Other	488	548
Total extraordinary income	3,621	7,131
Extraordinary losses		
Loss on retirement of non-current assets	3,167	2,887
Loss on sales of non-current assets	104	23
Impairment losses	107,747	1,451
Loss related to Russian operations	—	8,220
COVID-19	2,489	—
Business restructuring expenses	70,286	—
Foreign withholding taxes on transfer pricing taxation adjustments	8,604	—
Other	4,306	827
Total extraordinary losses	196,707	13,411
Profit (loss) before income taxes	(298,289)	94,689
Income taxes - current	7,599	13,362
Income taxes for prior periods	(6,674)	—
Income taxes - deferred	10,215	2,177
Total income taxes	11,139	15,539
Profit (loss)	(309,428)	79,149
Profit (loss) attributable to non-controlling interests	2,888	5,112
Profit (loss) attributable to owners of parent	(312,317)	74,037

Consolidated statement of comprehensive income

(Millions of yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Profit (loss)	(309,428)	79,149
Other comprehensive income		
Valuation difference on available-for-sale securities	1,074	600
Deferred gains or losses on hedges	(407)	537
Foreign currency translation adjustment	23,775	26,521
Remeasurements of defined benefit plans, net of tax	26,679	(6,530)
Share of other comprehensive income of entities accounted for using equity method	(1,384)	6,477
Total other comprehensive income	49,737	27,607
Comprehensive income	(259,691)	106,757
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(264,122)	98,974
Comprehensive income attributable to non-controlling interests	4,431	7,782

Consolidated statement of changes in net assets

(Millions of yen)

For the fiscal year ended March 31, 2021	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	284,382	200,072	407,547	(1,728)	890,273
Changes during period					
Profit (loss) attributable to owners of parent			(312,317)		(312,317)
Purchase of treasury shares				(254)	(254)
Disposal of treasury shares				2	2
Exercise of share acquisition rights		(131)		320	189
Change in scope of consolidation			(23)		(23)
Change in ownership interest of parent due to transactions with non-controlling interests		9			9
Change in scope of equity method			721		721
Net changes in items other than shareholders' equity					
Total changes during period		(121)	(311,619)	69	(311,671)
Balance at end of period	284,382	199,950	95,928	(1,659)	578,602

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	(562)	(99)	(82,731)	(34,216)	(117,610)	345	15,354	788,363
Changes during period								
Profit (loss) attributable to owners of parent								(312,317)
Purchase of treasury shares								(254)
Disposal of treasury shares								2
Exercise of share acquisition rights								189
Change in scope of consolidation								(23)
Change in ownership interest of parent due to transactions with non-controlling interests								9
Change in scope of equity method								721
Net changes in items other than shareholders' equity	1,074	(455)	19,695	26,598	46,914	7	1,638	48,560
Total changes during period	1,074	(455)	19,695	26,598	46,914	7	1,638	(263,111)
Balance at end of period	511	(554)	(63,035)	(7,617)	(70,696)	352	16,993	525,251

For the fiscal year ended March 31, 2022	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	284,382	199,950	95,928	(1,659)	578,602
Cumulative effects of changes in accounting policies			(271)		(271)
Restated balance	284,382	199,950	95,656	(1,659)	578,330
Changes during period					
Profit (loss) attributable to owners of parent			74,037		74,037
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				3	3
Exercise of share acquisition rights		(113)		273	160
Net changes in items other than shareholders' equity					
Total changes during period		(113)	74,037	276	74,201
Balance at end of period	284,382	199,837	169,694	(1,382)	652,531

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	511	(554)	(63,035)	(7,617)	(70,696)	352	16,993	525,251
Cumulative effects of changes in accounting policies								(271)
Restated balance	511	(554)	(63,035)	(7,617)	(70,696)	352	16,993	524,980
Changes during period								
Profit (loss) attributable to owners of parent								74,037
Purchase of treasury shares								(0)
Disposal of treasury shares								3
Exercise of share acquisition rights								160
Net changes in items other than shareholders' equity	600	523	30,464	(6,650)	24,937	(157)	6,341	31,120
Total changes during period	600	523	30,464	(6,650)	24,937	(157)	6,341	105,321
Balance at end of period	1,111	(31)	(32,571)	(14,267)	(45,759)	195	23,334	630,301

Consolidated statement of cash flows

(Millions of yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit (loss) before income taxes	(298,289)	94,689
Depreciation	65,917	53,630
Impairment losses	107,747	1,451
Loss on COVID-19	2,489	—
Business restructuring expenses	70,286	—
Loss related to Russian operations	—	8,220
Increase (decrease) in allowance for doubtful accounts	(1,051)	955
Increase (decrease) in retirement benefit liability	2,263	2,349
Interest and dividend income	(2,443)	(2,510)
Interest expenses	5,375	5,085
Foreign exchange losses (gains)	1,556	(6,160)
Share of loss (profit) of entities accounted for using equity method	9,122	(8,527)
Gain on sale of investments in capital of subsidiaries and associates	(1,543)	(2,791)
Loss (gain) on sale and retirement of non-current assets	1,724	53
Decrease (increase) in trade receivables	(7,579)	37,935
Decrease (increase) in finance receivables	21,121	24,744
Decrease (increase) in inventories	44,160	(13,104)
Increase (decrease) in trade payables	(20,436)	(42,322)
Increase (decrease) in accounts payable - other, and accrued expenses	21,630	(43,290)
Other, net	(50,572)	12,321
Subtotal	(28,518)	122,732
Interest and dividends received	6,247	3,196
Interest paid	(5,170)	(5,090)
Income taxes paid	(14,096)	(2,723)
Net cash provided by (used in) operating activities	(41,537)	118,114
Cash flows from investing activities		
Decrease (increase) in time deposits	(11,071)	11,071
Purchase of property, plant and equipment	(79,472)	(76,541)
Proceeds from sale of property, plant and equipment	2,128	4,816
Purchase of intangible assets	(12,388)	(10,650)
Other, net	(519)	2,181
Net cash provided by (used in) investing activities	(101,323)	(69,123)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(48,331)	4,201
Increase (decrease) in commercial papers	(25,800)	10,500
Proceeds from long-term borrowings	320,210	45,780
Repayments of long-term borrowings	(70,986)	(65,772)
Dividends paid	(35)	(21)
Dividends paid to non-controlling interests	(2,864)	(1,436)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(329)	—
Other, net	(3,572)	(3,485)
Net cash provided by (used in) financing activities	168,291	(10,234)
Effect of exchange rate change on cash and cash equivalents	19,473	28,098
Net increase (decrease) in cash and cash equivalents	44,903	66,854
Cash and cash equivalents at beginning of period	399,588	444,619
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	126	—
Cash and cash equivalents at end of period	444,619	511,473