

Financial and Non-Financial Highlights

Financial Highlights

NSK Ltd. and Consolidated Subsidiaries

		JP-GAAP			
		2011	2012	2013	2014
Years ended March 31					
Financial Data	Sales	710,431	733,192	732,842	871,742
	[By segment]				
	Industrial Machinery Business	259,095	255,835	216,142	242,969
	Automotive Business	424,157	444,585	490,545	590,545
	Others/Adjustments	27,178	32,772	26,154	38,226
	[By region]				
	(Based on customer location)				
	Japan	354,542	363,754	333,348	329,136
	The Americas	85,466	86,267	103,352	134,483
	Europe	102,176	107,958	102,667	124,590
	Asia (excluding Japan)	168,246	175,213	193,473	283,532
	China	82,587	89,068	91,442	167,239
	Other Asia	85,658	86,143	102,030	116,293
	Operating income	43,524	44,417	32,361	68,049
	Ordinary income	38,572	42,004	30,310	66,785
Net income attributable to owners of the parent	26,110	28,514	15,739	31,167	
Capital expenditures	41,294	54,619	48,025	45,448	
Depreciation and amortisation	34,943	35,807	34,598	35,079	
R&D expenses	10,515	10,373	10,432	9,919	
Net cash provided by operating activities (A)	64,973	57,158	53,797	70,342	
Net cash used in investing activities (B)	(33,348)	(56,090)	(45,262)	(42,402)	
Free cash flows (A) + (B)	31,625	1,068	8,534	27,940	
Dividends paid	5,950	6,491	5,943	8,650	
Acquisition of treasury shares	—	—	—	—	
Total equity attributable to owners of the parent (Shareholders' equity)	257,012	280,312	319,286	359,201	
Total assets	788,626	845,073	882,547	1,000,932	
Interest-bearing debt	274,585	296,750	305,102	315,532	
Per Share Data (Yen)	Earnings (Net income)	48.30	52.75	29.14	57.70
	Equity attributable to owners of the parent (Shareholders' equity)	475.45	518.56	591.36	664.74
	Cash dividends	11.0	12.0	11.0	16.0
Financial Indices	Operating income margin (%)	6.1	6.1	4.4	7.8
	Return on average shareholders' equity (ROE) (%)	10.3	10.6	5.2	9.2
	Return on average assets (ROA) (%)	3.3	3.5	1.8	3.3
	Ratio of equity attributable to owners of the parent to total assets (%)	32.6	33.2	36.2	35.9
	Net D/E ratio (Times)	0.60	0.58	0.51	0.41
	Dividend payout ratio (%)	22.8	22.7	37.7	27.7
	Total return ratio (%) ^{*4}	22.8	22.7	37.7	27.7
	Period-end share price (Yen)	717	637	715	1,062
	Price earnings ratio (PER) (Times)	14.8	12.1	24.5	18.4
	Price book-value ratio (PBR) (Times)	1.5	1.2	1.2	1.6
	Dividend yield (%)	1.5	1.9	1.5	1.5
Exchange Rate Data	US\$1	85.63	79.02	83.10	100.24
	€1	112.92	109.40	107.14	134.37

*1 In accordance with segment changes in the business domains (part of operations transferred from the Industrial Machinery Business to the Automotive Business) in the fiscal year ended March 31, 2017, data from the fiscal year ended March 31, 2016, to the fiscal year ended March 31, 2018, are presented under the changed categories.

*2 In accordance with segment changes in the business domains (part of operations transferred from the Automotive Business to the Industrial Machinery Business) in the fiscal year ended March 31, 2021, data from the fiscal year ended March 31, 2020, onward, are presented under the new categories.

*3 The breakdown of the ¥38.0 per share dividend paid in the fiscal year ended March 31, 2017, is a normal dividend of ¥28.0 per share and a ¥10.0 per share dividend to commemorate the 100th anniversary of the Company's founding.

*4 Total return ratio = (Dividends paid + Acquisition of treasury shares) ÷ Net income attributable to owners of the parent.

(¥ Millions)

	IFRS						
	2015	2016	2017	2018	2019	2020	2021
	974,885	975,319	949,170	1,020,338	991,365	831,034	747,559
	276,361	243,395 ^{*1}	226,924	266,249	269,974	284,426 ^{*2}	275,226
	656,998	705,511	696,271	723,564	689,658	521,857	449,722
	41,525	26,411	25,974	30,524	31,732	24,750	22,611
	328,837	318,434	330,512	372,134	367,537	314,281	275,777
	164,821	183,652	165,177	155,498	157,581	139,249	107,829
	133,752	131,830	121,920	137,856	130,127	110,075	94,800
	347,475	341,403	331,559	354,849	336,119	267,427	269,153
	210,237	204,361	201,185	212,097	194,994	148,525	166,660
	137,238	137,042	130,373	142,752	141,124	118,902	102,492
	97,327	89,534	65,341	97,875	79,279	23,604	6,364
	91,002	—	—	—	—	—	—
	61,962	65,719	45,560	69,312	55,809	17,412	355
	49,197	54,996	58,602	68,788	81,102	54,927	37,303
	38,568	43,048	43,354	46,785	48,801	53,926	54,527
	10,660	11,155	13,858	17,059	19,023	18,265	16,820
	67,709	108,622	67,936	83,746	92,617	72,387	53,842
	(46,335)	(45,212)	(54,243)	(53,001)	(72,673)	(39,784)	(51,096)
	21,374	63,410	13,692	30,744	19,943	32,602	2,745
	15,161	18,425	20,174	21,245	20,737	15,550	10,367
	—	—	14,999	—	19,999	—	—
	456,046	454,661	461,350	537,175	536,676	505,505	554,375
	1,129,164	1,032,374	1,043,955	1,092,310	1,086,456	1,029,884	1,167,498
	326,400	278,152	267,399	250,908	274,780	279,170	332,440
	114.56	121.38	86.08	131.16	107.46	34.00	0.69
	842.69	839.56	873.11	1,016.30	1,048.18	987.01	1,081.60
	28.0	34.0	38.0 ^{*3}	40.0	40.0	30.0	20.0
	10.0	9.2	6.9	9.6	8.0	2.8	0.9
	15.3	14.3	9.9	13.9	10.4	3.3	0.1
	5.8	6.1	4.4	6.5	5.1	1.6	0.0
	40.4	44.0	44.2	49.2	49.4	49.1	47.5
	0.31	0.23	0.28	0.22	0.27	0.28	0.28
	24.4	28.0	44.1	30.5	37.2	88.2	2,885.8
	24.4	28.0	77.1	30.5	73.1	88.2	2,885.8
	1,758	1,030	1,592	1,426	1,037	694	1,135
	15.3	8.5	18.5	10.9	9.7	20.4	1,644.9
	2.1	1.2	1.8	1.4	1.0	0.7	1.0
	1.6	3.3	2.4	2.8	3.9	4.3	1.8
	109.93	120.14	108.42	110.86	110.91	108.75	106.06
	138.77	132.58	118.84	129.70	128.40	120.83	123.70

Financial and Non-Financial Highlights

Non-Financial Highlights

Years ended March 31			Scope	Unit	2017	2018	2019	2020	2021
Environment (E)	Environmentally friendly products ^{*1}	Number of products developed (cumulative)	NSK Group	Products	219	224	226	232	238
		Products that help reduce CO ₂ emissions	NSK Group	×10 ³ t-CO ₂	1,309	1,324	1,446	1,572	2,514
	Energy	Total energy usage	NSK Group	TJ	7,503	7,864	7,965	7,330	6,845^{*2}
		Fuel and gas	NSK Group	TJ	2,330	2,426	2,455	2,295	2,079
		Electricity and heat	NSK Group	TJ	5,173	5,439	5,509	5,035	4,767
		(Reference) Electricity and heat primary energy equivalent usage	NSK Group	TJ	13,986	14,747	14,815	13,577	12,860
		Rate of renewable energy use	NSK Group	%	0.02	0.3	1.0	2.8	9.6
		Rate of change in energy usage per unit of sales (baseline: FY18/3)	NSK Group	%	+2.6	0 (base year)	+4.2	+14.4	+18.8
	Greenhouse gases	GHG emissions (total for Scope 1 and Scope 2)	NSK Group	×10 ³ t-CO ₂ e	991	1,019	998	839	701^{*2}
		Scope 1	NSK Group	×10 ³ t-CO ₂ e	137	143	142	132	120^{*2}
Scope 2		NSK Group	×10 ³ t-CO ₂ e	854	876	856	708	581^{*2}	
(Reference) Scope 3		NSK Group	×10 ³ t-CO ₂ e	2,056	2,039	2,705	2,194	1,928^{*2}	
		Rate of change in emissions (baseline: FY18/3)	NSK Group	%	-	0 (base year)	-2.0	-17.6	-31.0
		Rate of change in emissions per unit of sales (baseline: FY18/3)	NSK Group	%	+2.7	0 (base year)	+3.5	+13.2	-6.1
Steel	Steel consumption	NSK Group	×10 ³ t	705	756	758	618	562	
Water	Total water withdrawal	NSK Group	×10 ³ m ³	4,716	4,713	4,700	4,308	3,977^{*2}	
	Groundwater	NSK Group	×10 ³ m ³	1,840	1,869	2,011	1,789	1,659	
	General water	NSK Group	×10 ³ m ³	2,274	2,325	2,194	2,028	1,922	
	Industrial water	NSK Group	×10 ³ m ³	601	519	495	490	396	
		Rate of change in water withdrawal per unit of sales (baseline: FY18/3)	NSK Group	%	+9.5	0 (base year)	+3.1	+13.0	+16.6
Waste and valuables	Total waste and valuables	NSK Group	×10 ³ t	212.3	223.5	227.8	200.2	180.6^{*2}	
	Landfill disposal volume	NSK Group	×10 ³ t	3.7	3.0	3.4	2.6	1.9	
	Recycling rate for waste	NSK Group	%	98.2	98.6	98.4	98.6	98.9	
		Rate of change in industrial waste per unit of sales (baseline: FY18/3)	NSK Group	%	+1.8	0 (base year)	+5.6	+15.8	+11.8
Air	Emissions of NOx	NSK Group	t	128	132	128	119	106	
	Emissions of SOx	NSK Group	t	48	50	42	38	39	
Water quality	Total discharged water	NSK Group	×10 ³ m ³	2,863	3,040	3,159	2,847	2,519	
	Rivers	NSK Group	×10 ³ m ³	704	453	729	591	575	
	Sewage system	NSK Group	×10 ³ m ³	2,159	2,587	2,430	2,256	1,944	
	BOD (biochemical oxygen demand)	NSK Group	t	2.3	1.3	1.4	1.2	1.2	
Environmentally harmful substances	Handling of PRTR-designated substances (materials and parts)	Group in Japan	t	488	490	464	395	316	
	Discharge/transfer of PRTR-designated substances	Group in Japan	t	96	105	72	78	73	
	Emissions of VOCs	NSK Group	t	162	154	151	145 ^{*3}	140^{*2}	
Biodiversity	Biodiversity conservation initiatives (social contribution initiatives) Number of initiatives implemented	Group in Japan	Initiatives	4	3	6	6	3	

*1 Newly developed products until the year ended March 31, 2008, that are consistent with the "Basic Policy for the Development of Environmentally Friendly Products," and from the year ended March 31, 2009, newly developed products with an NSK Eco-efficiency Indicators (Neco) score of 1.2 or higher.

*2 Third-party verification is performed. [▶ P. 83](#)

*3 Adjusted for the purpose of greater accuracy.

Years ended March 31			Scope	Unit	2017	2018	2019	2020	2021
Social (S)	Number of employees (consolidated)	Total	NSK Group	Persons	31,501	31,861	31,484	30,747	30,378
		Japan	Group in Japan	Persons	11,291	11,607	11,755	11,803	11,774
		The Americas	Group in the Americas	Persons	3,065	3,080	3,093	2,804	2,617
		Europe	Group in Europe	Persons	3,667	3,908	4,259	4,206	4,333
		Asia	Group in Asia	Persons	13,478	13,266	12,377	11,934	11,654
	Ratio of men/women employees	Men	NSK Group	%	82.4	82.4	80.9	81.0	82.0
		Women	NSK Group	%	17.6	17.6	19.1	19.0	18.0
	Average years of employment (average age)	Total	Group in Japan ^{*1}	Years (age)	15 (41)	16 (41)	16 (41)	17 (42)	17 (42)
		Men	Group in Japan ^{*1}	Years (age)	17 (42)	17 (42)	17 (42)	17 (42)	18 (43)
		Women	Group in Japan ^{*1}	Years (age)	10 (36)	10 (37)	11 (37)	12 (37)	12 (38)
	Number of employees who took childcare leave	Total	Group in Japan ^{*1}	Persons	75	69	109	162	227
		Men	Group in Japan ^{*1}	Persons	34	40	73	125	185
		Women	Group in Japan ^{*1}	Persons	41	29	36	37	42
	Employment rate of people with disabilities		Group in Japan ^{*1}	%	2.20	2.09	2.25	2.24	2.45
	Occupational safety	Lost time injury frequency rate	NSK Group	–	0.68	0.60	0.37	0.35	0.43^{*2}
	Health and wellness	Percentage of employees participating in the Specific Health Guidance program	Group in Japan ^{*1}	%	–	25.7	25.3	25.1	27.3
		Percentage of employees receiving stress checks	Group in Japan ^{*1}	%	–	93.8	95.9	94.9	95.9
		Percentage of employees who smoke	Group in Japan ^{*1}	%	–	39.1	37.6	36.6	33.8
	Human resource development	Number of participants in NSK Global Management College	NSK Group	Persons	13	14	13	12	0^{*3}
		Number of participants in NSK Japan Management College	Group in Japan ^{*1}	Persons	17	15	10	10	10
		Number of participants in NSK Institute of Technology	NSK Group	Persons	403	466	451	527	518
Number of employees who have attained a TOEIC score of 730 or higher (cumulative)		Group in Japan ^{*1}	Persons	507	536	563	631	660	
Rate of labor union participation	Non-management employees	Group in Japan ^{*1}	%	100	100	100	100	100	
	All employees including managers	Group in Japan ^{*1}	%	81	82	83	83	83	
Labor-management consultations	Number of labor-management consultations ^{*4}	Group in Japan ^{*1}	Meetings	6	7	7	7	5	
Employee engagement survey ^{*5}	Number of participants (officers and employees)	NSK Group	Persons	22,365	28,893	15,538	15,518	14,963	
Research and development	Number of patents held	NSK Group	Patents	6,430	6,987	7,499	8,052	8,172	

*1 NSK Ltd. and main group companies in Japan *2 The Company receives third-party assurances. ▶ P. 83 *3 Cancelled due to the spread of COVID-19
*4 Number of times Central Labor-Management Conference meetings held *5 Conducted as a compliance awareness survey until the fiscal year ended March 2018

As of June 30			Unit	2017/6	2018/6*	2019/6	2020/6	2021/6
Governance (G)	Composition of the Board of Directors	Number of directors	Persons	12	12	12	9	9
		Ratio of independent outside directors	%	33.3	41.7	41.7	55.6	55.6
		Ratio of males	%	100	91.7	91.7	88.9	88.9
		Ratio of females	%	0	8.3	8.3	11.1	11.1
Years ended March 31			Unit	2017	2018	2019	2020	2021
Attendance at Board of Directors meetings	Number of times convened	Meetings		10	10	10	10	10
	Average attendance rate	%		98	100	99	99	98
	Average attendance rate of independent outside directors	%		95	100	98	98	98

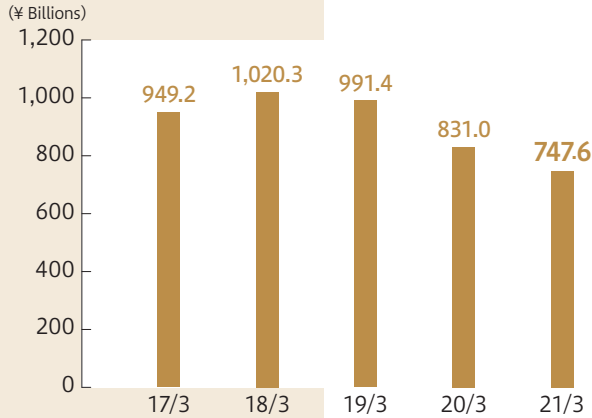
*The appointment of one independent outside director took place in July 2018.

Financial and Non-Financial Highlights

Trends in Major Indices

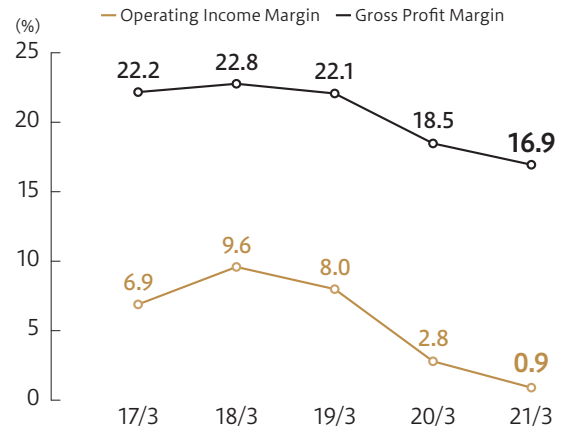
The comments under the charts apply to the actual results for the fiscal year ended March 2021.

Sales



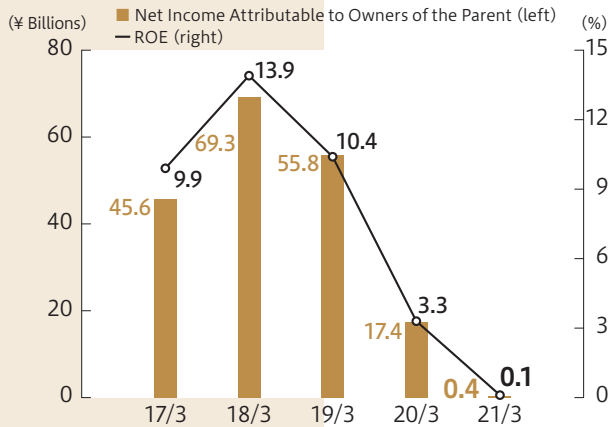
In FY21/3, sales totaled ¥747.6 billion, a decrease of 10.0% from the previous fiscal year due to the significant impact of lower demand amid the COVID-19 pandemic in the first half of the fiscal year.

Operating Income Margin/Gross Profit Margin



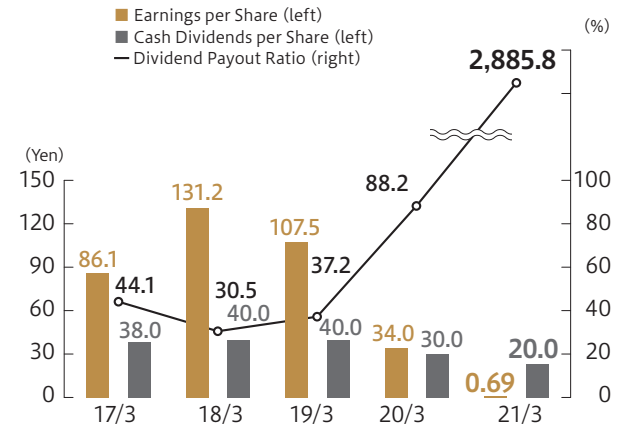
Despite efforts aimed at reducing costs centered on personnel expenses, the operating income margin declined to 0.9% (down 1.9 percentage points year on year). This was largely due to the downturn in sales.

Net Income Attributable to Owners of the Parent/ROE



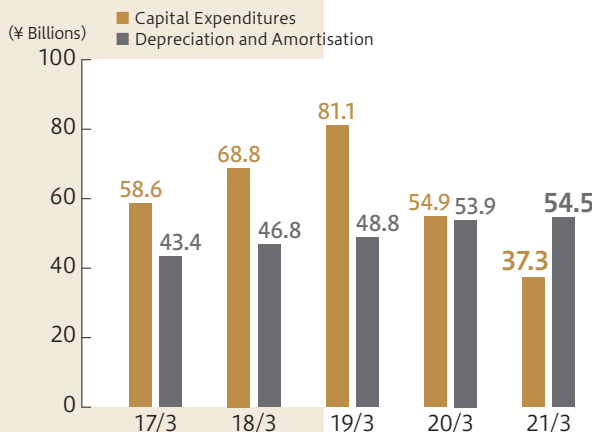
The ROE for FY21/3 came to 0.1% due to the decrease in net income attributable to owners of the parent as a result of the decrease in sales.

Earnings per Share/Cash Dividends per Share, Dividend Payout Ratio



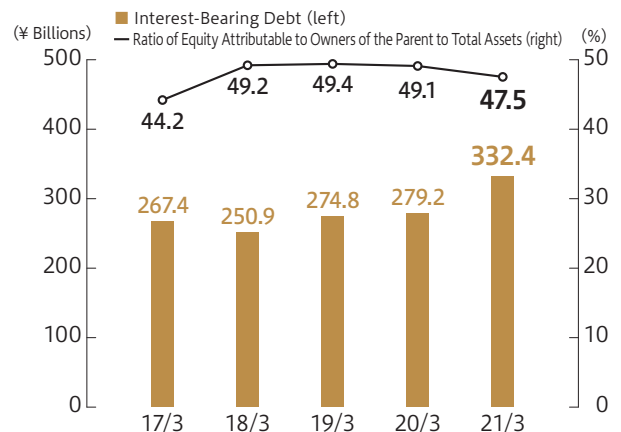
NSK set its cash dividend per share at ¥20 for FY21/3, down ¥10 from the previous fiscal year due to the downturn in earnings per share. From the perspective of continuously undertaking shareholder returns, however, the dividend payout ratio came in at 288.8%, well above the 6th MTP target of 30%–50%.

Capital Expenditures/Depreciation and Amortisation



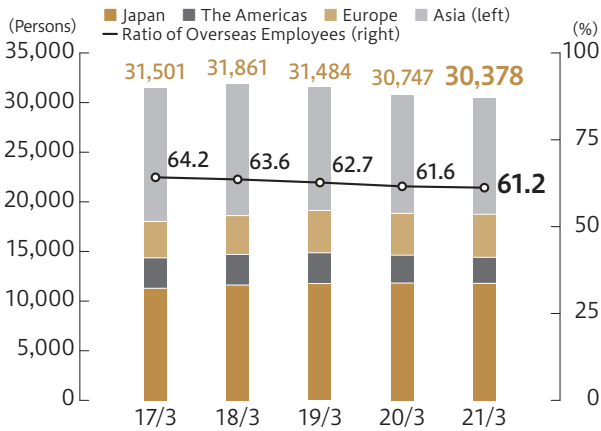
Against the backdrop of a weak global economy, NSK undertook investments in projects related to safety, quality, and the environment; essential projects aimed at improving productivity; and the replacement of equipment. In FY21/3, capital expenditures totaled ¥37.3 billion, down ¥17.6 billion from the previous fiscal year.

Interest-Bearing Debt/Ratio of Equity Attributable to Owners of the Parent to Total Assets



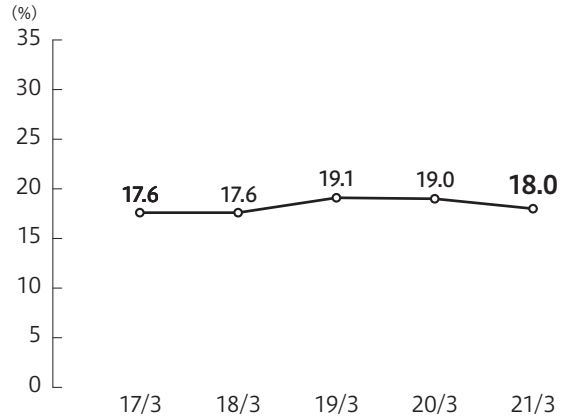
Interest-bearing debt increased in FY21/3 due to borrowing in preparation for liquidity risks from COVID-19 and other unforeseen events. However, it is not at a level that affects NSK's financial base, and the Company is working to realize both stable shareholder returns and financial soundness.

■ Number of Employees Worldwide/Ratio of Overseas Employees



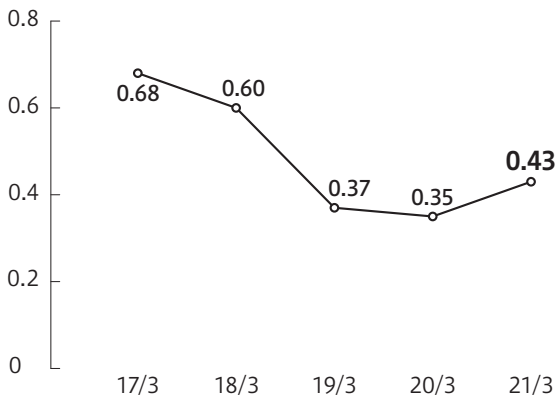
NSK made progress in adjusting its workforce to an optimal level that best suits its business activities. As a result, the number of employees worldwide at the end of FY21/3 was 30,378, a decrease of 369 from the end of the previous fiscal year. [▶ P. 50 Global Business Foundation](#)

■ Ratio of Female Employees



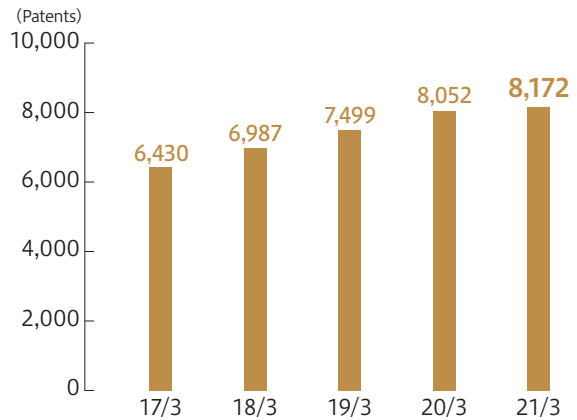
NSK continuously strives to expand work options and provide career advancement programs for female employees. Nevertheless, the ratio of female employees at NSK was 18.0% in FY21/3, down 1.0 percentage point year on year.

■ Lost Time Injury Frequency Rate



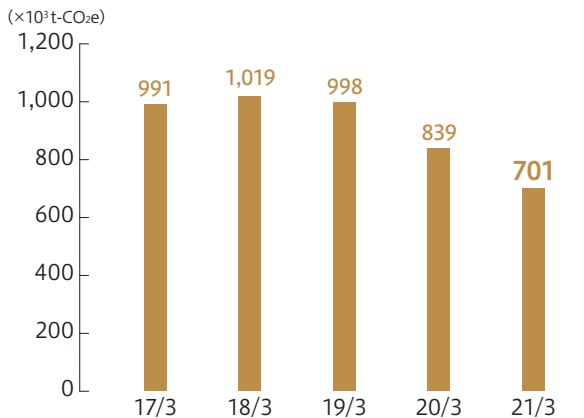
Although NSK has been strengthening its occupational safety initiatives Group-wide, the lost time injury frequency rate for FY21/3 increased slightly to 0.43 from the previous fiscal year. [▶ P. 38 Safety Management](#)

■ Number of Patents Held



NSK is focusing on R&D aimed at sustainable growth. The number of patents held in FY21/3 reached 8,172, an increase of 120 patents from the previous fiscal year. [▶ PP. 48-49 Core Technologies and Taking Up the Challenge of Creating New Collaborative Value](#)

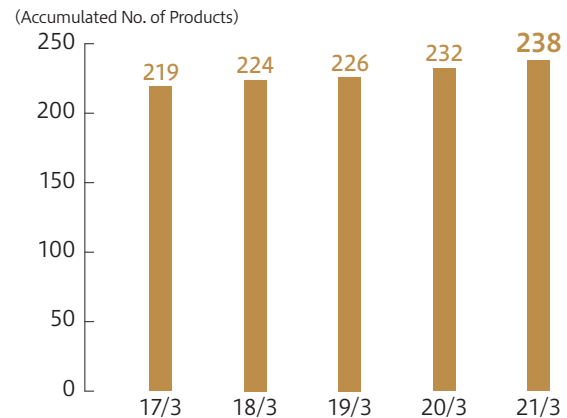
■ Greenhouse Gas Emissions



While production volume declined due to COVID-19, NSK steadily expanded the use of renewable energy sources, and emissions came to 701 thousand tons. [▶ P. 23 Reducing CO₂ Emissions from NSK Business Operations](#)

Note: Due to a change in calculation criteria, the data were recalculated.

■ Number of Environmentally Friendly Products Developed



Six new products were developed, bringing the total number of environmentally friendly products developed to 238. [▶ P. 21 Indicators for NSK Environmentally Friendly Products](#)

Note: Cumulative data from the year ended March 31, 2003.