Sales performance
Net sales for the fiscal year ended March 31, 2020 was 651,495 million yen, a decrease of 82,073 million yen (down 11.2%) from the previous fiscal year. Considering the decrease of 17,150 million yen due to the effect of exchange rates there was an actual decrease of 4,924 million yen. Net sales overseas was 453,500 million yen, a decrease of 72.8% million yen (down 13.8%) from the previous fiscal year. Net sales overseas accounted for 69.6% of net sales (Americas 26.8%, Europe 21.6%, and Asia and other regions 21.2%), down 2.1 points from the previous fiscal year.

Net sales and incomes by business sector
In aftermarket applications, net sales was 119,417 million yen (down 7.9% year on year) due to the decreased customer demand and other factors. Despite a decline in fixed cost, operating income was 12,738 million yen (down 16.1% year on year) due to a decline in sales volume and other factors. In industrial machinery applications, net sales was 105,072 million yen (down 14.9% year on year) due to a decreased sales of construction machinery applications. Despite a decline in fixed cost, operating loss of 2,001 million yen (operating income of 3,106 million yen in the previous fiscal year) was recorded due to a decline in sales volume and other factors. In automotive applications, net sales was 437,007 million yen (down 11.1% year on year) to due to the decreased customer demand and other factors. Despite a decline in fixed cost, operating loss of 3,680 million yen (operating income of 6,655 million yen in the previous fiscal year) was recorded due to a decline in sales volume and other factors.

Net sales by region
Regarding sales in the Japanese market, sales for aftermarket applications amounted to 119,417 million yen, sales for industrial machinery applications amounted to 105,072 million yen, and sales for automotive applications amounted to 437,007 million yen. Net sales overseas was 138,333 million yen (down 11.9% year on year).

Sales for wind turbines increased, but sales for construction machinery and other applications decreased, resulting in a decrease in overall sales. Sales for automotive applications also decreased due to decreased customer demand and other factors. As a whole, net sales was 138,333 million yen (down 11.9% year on year).

Regarding sales in Asia and other countries, sales for aftermarket applications increased in industrial machinery application and industrial machinery applications, sales for wind turbines increased, but sales for construction machinery and other applications decreased, resulting in a decrease in overall sales. Sales for automotive applications also decreased due to decreased customer demand and other factors. As a whole, net sales was 138,333 million yen (down 11.9% year on year).

Cost of sales, selling, general and administrative expenses
Cost of sales was 549,318 million yen for the year, and its ratio to net sales was 84.3%, up 2.1 percentage points from the previous consolidated fiscal year. The amount of selling general and administrative expenses was 95,041 million yen, and its ratio to net sales was 14.6%, up 0.5 percentage points from the previous fiscal year.

Income
Although there was a factor that increases the profit such as a decline in personnel expenses and valuable cost, there was also a factor that decreases the profit such as the scale effect, selling price levels, and exchange rates. Consequently, operating income for the fiscal year under review was 7,056 million yen, down 19,889 million yen (73.8%) from the previous fiscal year. Ordinary profit margin was 1.1%, down 2.6 percentage points from the previous fiscal year. As for other revenues and expenses, 8,755 million yen of net expense was recorded. This is roughly broken down to 5,038 million yen of revenues including 1,084 million yen of dividend income, 988 million yen of interest income and 1,219 million yen of intersegment transfers, yen of expenses including 3,952 million yen of interest expense and 3,826 million yen of exchange loss. As a result, the Company recorded 1,998 million yen of ordinary loss, down 23,910 million yen from the previous fiscal year. Ordinary profit margin was 0.3%, down 3.3 percentage points year on year.

In addition to these amounts, we posted 1,353 million yen of gain on sales of investment securities, 1,981 million yen of extraordinary income, 14,232 million yen of extraordinary loss (including 29,001 million yen of impairment loss), and the net loss attributable to shareholders (parent company) was 43,992 million yen, up 37,035 million yen compared to the previous fiscal year. Also, net loss per share was loss of 82.83 yen.

Regarding annual dividends for the fiscal year under review, we set a year-end dividend of 0 yen per share, which, when added to our interim dividend of 5 yen per share, totals 5 yen per share for the full year.

R&D and capital expenditures
Groupwide R&D expenditures for the fiscal year under review amounted to 19,962 million yen (down 10.9% from the previous fiscal year and came to 405,890 million yen). This was mainly due to a decrease of 25,271 million yen in fiscal year. Also, net loss per share was loss of 82.83 yen.

Regarding annual dividends for the fiscal year under review, we set a year-end dividend of 0 yen per share, which, when added to our interim dividend of 5 yen per share, totals 5 yen per share for the full year.

R&D and capital expenditures
Groupwide R&D expenditures for the fiscal year under review amounted to 19,962 million yen (down 10.9% from the previous fiscal year and came to 405,890 million yen). This was mainly due to a decrease of 25,271 million yen in fiscal year. Also, net loss per share was loss of 82.83 yen.

Net sales overseas was 453,500 million yen, a decrease of 72.8% million yen (down 13.8%) from the previous fiscal year. Net sales overseas accounted for 69.6% of net sales (Americas 26.8%, Europe 21.6%, and Asia and other regions 21.2%), down 2.1 points from the previous fiscal year.

Net sales for the fiscal year ended March 31, 2020 was 651,495 million yen, a decrease of 82,073 million yen (down 11.2%) from the previous fiscal year. Considering the decrease of 17,150 million yen due to the effect of exchange rates there was an actual decrease of 4,924 million yen. Net sales overseas was 453,500 million yen, a decrease of 72.8% million yen (down 13.8%) from the previous fiscal year. Net sales overseas accounted for 69.6% of net sales (Americas 26.8%, Europe 21.6%, and Asia and other regions 21.2%), down 2.1 points from the previous fiscal year.

Net sales for the fiscal year ended March 31, 2020 was 651,495 million yen, a decrease of 82,073 million yen (down 11.2%) from the previous fiscal year. Considering the decrease of 17,150 million yen due to the effect of exchange rates there was an actual decrease of 4,924 million yen. Net sales overseas was 453,500 million yen, a decrease of 72.8% million yen (down 13.8%) from the previous fiscal year. Net sales overseas accounted for 69.6% of net sales (Americas 26.8%, Europe 21.6%, and Asia and other regions 21.2%), down 2.1 points from the previous fiscal year.