The items published on the Internet Website upon the Notice of Convocation of the 155th Ordinary General Meeting of Shareholders

Notes to Consolidated Financial Statements
&
Notes to Non-Consolidated Financial Statements

(1 April 2020 – 31 March 2021)

Suzuki Motor Corporation

We provide shareholders with the Notes to Consolidated Financial Statements and the Notes to Non-Consolidated Financial Statements on our website (http://www.globalsuzuki.com/ir) in accordance with the laws and regulations and Article 16 of the Articles of Incorporation.

Notes to Consolidated Financial Statements

1. Notes to Basic Significant Matters for Preparing Consolidated Financial Statements

(1) Scope of consolidation

1) Number of consolidated subsidiaries and name of main consolidated subsidiaries

Number of consolidated subsidiaries 120 companies

Name of main consolidated subsidiaries

Domestic......... Suzuki Auto Parts Mfg. Co., Ltd.
Suzuki Motor Sales Kinki Inc.

Overseas......... Magyar Suzuki Corporation Ltd.
Suzuki Deutschland GmbH
Maruti Suzuki India Ltd.
Suzuki Motor Gujarat Private Ltd.
Suzuki Motorcycle India Private Limited
Pak Suzuki Motor Co., Ltd.
PT. Suzuki Indomobil Motor

2) Change in the scope of consolidation

Decrease 7 companies

3) Name of unconsolidated subsidiaries

Name of main unconsolidated subsidiaries .... Suzuki Motor Co., Ltd.

Reason for exclusion:

Because these unconsolidated subsidiaries are small, and total influence by their total assets, net sales, net income or loss (the amounts equivalent to the Company's interest in the companies) and retained earnings (the amounts equivalent to the Company's interest in the companies) on the consolidated financial statements are insignificant.

(2) Application of the equity methods

1) Number of companies accounted for using equity method and name of main companies accounted for using equity method

Number of companies accounted for using equity method 31 companies

Name of main companies accounted for using equity method Krishna Maruti Ltd.

2) Change in the scope of application of the equity method

Increase 3 companies

3) Name of unconsolidated subsidiaries and entities that are not accounted for using equity method

Name of main unconsolidated subsidiaries and associates that are not accounted for using equity method.......... Suzuki Motor Co., Ltd.

Reason for non-application:

In terms of net income or loss and retained earnings (the amounts equivalent to the Company's interest in the companies), influence of these companies on consolidated financial statements is insignificant even if equity method is not applied to the companies, and it is not important as a whole.

(3) Fiscal year and others of consolidated subsidiaries

1) The number of consolidated subsidiaries for which the account settlement date is different from the consolidated account settlement date (31 March) is as follows.

31 December .... 14, including Magyar Suzuki Corporation Ltd.

30 September .... 2, including SUZUKI (MYANMAR) MOTOR CO., LTD.

2) The above consolidated subsidiaries are consolidated based on the financial statements on the provisional settlement of accounts on the consolidated account settlement date.

(4) Accounting policy

1) Evaluation standards and evaluation methods of significant assets

(a) Securities

Available-for-sale securities

.... Securities for which market quotations are available:

Fair value method based on the market values as of the consolidated account settlement date (The evaluation differences shall be reported as a component of net assets, and sales costs shall be calculated mainly by the moving average method)

Securities for which market quotations are unavailable:

Cost method by a moving average method

(b) Derivatives.......................... Fair value method

(c) Inventories......................... Cost method mainly by the gross average method (figures on the consolidated balance sheet are calculated by the method of book devaluation based on the reduction of profitability)

2) Method of depreciation and amortization of significant depreciable assets

(a) Property, plant and equipment (excluding lease assets)

.... Mainly declining balance method

(b) Intangible assets (excluding lease assets)

.... Straight line method

(c) Lease assets

Finance lease which transfer ownership

.... The same method as depreciation and amortization of self-owned non-current assets

Finance lease which do not transfer ownership

.... Straight-line method with the lease period as the durable years. With regard to lease assets with guaranteed residual value under lease agreement, remaining value is the guaranteed residual value. And with regard to other lease assets, remaining value would be zero.

3) Accounting treatment for deferred assets

.... They are treated as expenses at the time of expenditure.

4) Basis for significant allowances and provisions

(a) Allowance for doubtful accounts

In order to allow for loss from bad debts, estimated uncollectible amount based on actual ratio of bad debt is appropriated as to general receivable. With regard to specific receivable with higher default possibility, possibility of collection is estimated respectively and uncollectible amount is appropriated.

(b) Allowance for investment loss
The differences between the book value and the fair value of securities and investment not quoted at an exchange are determined and appropriated as reserve in order to allow for losses from these investments.

(c) Provision for product warranties
The provision is recorded into this account based on the warranty agreement, laws and regulations and past experience in order to allow for expenses related to the maintenance service of products sold.

(d) Provision for bonuses for directors
In order to pay bonuses for directors and audit & supervisory board members, estimated amount of such bonuses is appropriated.

(e) Provision for retirement benefits for directors
The amount to be paid at the end of year had been posted pursuant to the Company's regulations on the retirement allowance of directors and audit & supervisory board members. However, the Company's retirement benefit system for them was abolished at the closure of the ordinary general shareholders' meeting held on 29 June 2006. And it was approved at the shareholders' meeting that reappointed directors and audit & supervisory board members were paid their retirement benefit at the time of their retirement, based on their years of service. Estimated amount of such retirement benefits is appropriated.
Furthermore, for the directors and audit & supervisory board members of some consolidated subsidiaries, the amount to be paid at the end of the year was posted pursuant to their regulation on the retirement allowance of directors and audit & supervisory board members.

(f) Provision for disaster
Reasonably estimated amount is appropriated for anticipated loss mainly caused by relocation of plants and facilities located in the Ryuyo Region in Iwata City, Shizuoka Prefecture where massive tsunami damages caused by Tokai and Tonankai Earthquake are anticipated.

(g) Provision for product liabilities
With regards to the products exported to North American market, to prepare for the payment of compensation, not covered by "Product Liability Insurance" the anticipated amount to be borne by the Company is computed and provided on the basis of actual results in the past.

(h) Provision for recycling expenses
The provision is appropriated for an estimated expenses related to the recycle of products of the Company based on number of vehicles owned in the market, etc.

5) Accounting treatment pertaining to retirement benefits

(a) Method of attributing expected benefit to periods
With regard to calculation of retirement benefit obligations, benefit formula basis method was used to attribute expected benefit to period up to the end of this fiscal year.

(b) Method to recognize actuarial gains or losses and past service costs as expenses
With regard to past service costs, they are treated as expense on a straight line basis over the certain years within the period of average length of employees' remaining service years at the time when it occurs.
With regard to the actuarial gains or losses, the amounts, prorated on a straight line basis over the certain years within the period of average length of employees' remaining service years in each year in which the differences occur, are respectively treated as expenses from the next term of the year in which they arise.

6) Recognition of important revenue and expense
Revenue recognition of finance lease transaction:
Net sales and costs of sales are recognized when due for payment of lease fees has come.

7) Standards for translation of significant assets or liabilities in foreign currencies into the Japanese currency
Receivable and payable in foreign currencies are translated into yen on the spot exchange rate of the consolidated account settlement date, and the exchange difference shall be processed as gain or loss. Further, assets and liabilities of foreign consolidated subsidiaries and others shall be translated into yen by the spot exchange rate as of the consolidated account

settlement date, profits and expenses are translated into yen by the average exchange rate during the year, and exchange differences shall be recorded to foreign currency translation adjustment and non-controlling interests of the net assets.

8) Method of significant hedge accounting

The deferred hedge processing is mainly applied. If foreign currency forward contracts meet certain criteria, exceptional hedge accounting is applied and these contracts are handled together with hedged items. If interest rate swap contracts meet certain criteria, special exceptional hedge accounting is applied and these contracts are handled together with hedged items.

If cross currency interest rate swap contracts meet certain criteria, integration method (special exceptional method and exceptional method) is applied and these contracts are handled together with hedged items.

9) Method for amortization of goodwill and terms of amortization

They are amortized by the straight-line method for five years.

10) Other significant matters for preparing consolidated financial statements

(a) Processing method of consumption taxes

The tax exclusion method is applied.

(b) Application of consolidated tax payment

Consolidated tax payment is applied.

2. Notes to Changes in Presentation

(1) Consolidated Balance Sheets

Future recall expenses for which measures had already been implemented of ¥71,915 million were presented as “Accrued expenses” in the previous consolidated fiscal year. Future recall expenses which were not included in “Accrued expenses” and future warranty expenses, were presented as “Provision for product warranties” in the previous consolidated fiscal year. However, in the current fiscal year, these are presented in “Provision for product warranties” in “Current liabilities” to present the financial positions more clearly.

(2) Consolidated Statements of Income

“Loss on valuation of securities” and “Contribution,” which were presented as separate accounts in “Non-operating expenses” in the previous consolidated fiscal year, are included in “Other” in the current fiscal year because they became insignificant in terms of account balance.

(3) The adoption of the “Accounting Standard for Disclosure of Accounting Estimates”

The company adopted the “Accounting Standard for Disclosure of Accounting Estimates” (ASBJ Statement No.31, 31 March 2020) from the consolidated financial statements for the end of the current fiscal year, and Notes to Accounting Estimates are included in the Notes to Consolidated Financial Statements.

3. Notes to Accounting Estimates

(1) Provision for product warranties

1) Amount recorded in the consolidated financial statements for the current fiscal year

(Amount: Millions of yen)

	End of the current consolidated fiscal year
Balance at beginning of the period	315,835
Amount paid during the period	(89,725)
Transferred amount	30,004
Other (Increase / decrease in consolidated subsidiaries, etc.)	(2,038)
Balance at end of the period	254,076

2) Information regarding the details of the accounting estimate for the identified item

The Group recognizes provision for product warranties for costs related with future product warranties.

Costs related to product warranty include (i) free repair costs based on the product warranty, and (ii) free repair costs based on notification to a government agency. (i) Free repair costs based on the product warranty are recognized at the time the product is sold. Regarding (ii) free repair costs based on notifications to a government agency, if there is a high possibility that costs will be incurred and the amount can be reasonably estimated, the provision will be recognized based on comprehensive and individual estimates based on past occurrences.

The amount of these provisions is estimated and calculated regarding the estimated number of units and the cost per forecasted units based on currently available information, such as past sales, repairs, and experience, and reflects the amount expected to be recovered by claiming compensation from the supplier. Provision for product warranties contain uncertainties as it is calculated by estimation. Therefore, the actual repair cost may differ from the estimate.

(2) Retirement benefits asset and retirement benefits liability

1) Amount recorded in the consolidated financial statements for the current fiscal year

Retirement benefits asset	4,261 Million Yen
Retirement benefits liability	62,081 Million Yen

2) Information regarding the details of the accounting estimate for the identified item

The Group's retirement benefit expenses and retirement benefit obligations are calculated based on various assumptions such as discount rate, expected rate of return on long-term investment, revaluation rate, salary increase rate, mortality rate, etc. Of these, the discount rate is determined based on safe long-term bond yields and the expected rate of return on long-term investment is determined based on the pension asset management policy of each pension plan.

The decline in long-term bond yields will reduce the discount rate and adversely affect the calculation of retirement benefit costs. However, in the cash-balanced pension system adopted by the Company, the revaluation rate, which is one of the basic rates, has the effect of reducing the adverse effects of a decrease in the discount rate.

Additionally, if the investment yield of pension assets is lower than the expected rate of return on long-term investment, it will adversely affect the calculation of retirement benefit costs, but the impact on our corporate pension and the Group's corporate pension fund, which strive for stable management, is minor.

The difference between these assumptions and the actual results is expensed by the straight-line method over a fixed number of years within the average remaining service period of the employee at the time of occurrence.

(3) Deferred tax assets

1) Amount recorded in the consolidated financial statements for the current fiscal year

Deferred tax assets	140,922 Million Yen
Deferred tax liabilities	5,802 Million Yen

2) Information regarding the details of the accounting estimate for the identified item

We are examining whether the recoverability of deferred tax assets has an effect of reducing future tax burdens, etc. for some or all of the deductible temporary differences, loss carryforwards and tax credits carried forward.

The appraisal of recoverability of deferred tax assets takes into account elimination of taxable temporary differences, estimation of future taxable income, and tax planning.

Regarding this estimate, in the event of a changes in future market trends, business activity status, or other assumptions related to the Group, it may affect the amount of deferred tax assets and income taxes-deferred from the next fiscal year onward.

4. Notes to Consolidated Balance Sheets

(1) Assets pledged as collateral and secured liabilities

1) Assets pledged as collateral

Buildings and structures	447 Million Yen

2) Secured liabilities

Other non-current liabilities	284 Million Yen

(2) Accumulated depreciation of property, plant and equipment 2,041,447 Million Yen

(3) Guarantee obligations

The Group guarantees borrowing from financial institution etc. by other companies which are not consolidated subsidiaries.

1,920 Million Yen

(4) The Company has the commitment line contract with 6 banks for effective financing.

The outstanding balance of the contract at the end of the current consolidated fiscal year is as follows.

Commitment line contract total	300,000 Million Yen
Actual loan balance	-
Variance	300,000 Million Yen

5. Notes to Consolidated Statements of Income

(1) Loss on COVID-19

¥15,542 million equivalent to fixed expenses related to production suspension due to lockdown in countries including India and Hungary to prevent the spread of the new coronavirus pandemic was recorded as extraordinary losses.

(2) Impairment loss

The Group recorded impairment loss in the following group of assets.

(Amount: Millions of yen)

Application	Location	Type	Amount
Assets for rent	Japan	Land	5,245
Idle assets	Japan	Land	78
Total			5,323

The assets are grouped mainly in units of business facilities, and divided into the assets for business and for rent respectively. With respect to the assets which are decided to be disposed and idle assets which are not expected to be used in the future, the necessity of recording of impairment losses is judged based on individual assets.

With respect to assets for rent and idle assets, the Company has reduced the book value of the asset group whose market value has particularly fallen to the recoverable amount and recorded impairment loss as extraordinary losses.

The recoverable amount is measured by the net realizable value or the value in use, and the land value is evaluated by the real estate appraised value, etc.

6. Notes to Consolidated Statements of Changes in Net Assets

(1) Type and number of outstanding shares

(Shares)

Type of shares	Number of shares at beginning of current fiscal year	Increased number of shares during the period	Decreased number of shares during the period	Number of shares at end of current fiscal year
Common stock	491,067,800	30,500	–	491,098,300

[Notes] The increase of 30,500 shares of common stock consists of issuance of new shares as restricted stock compensation based on resolution of a board of directors' meeting held on 16 July 2020.

(2) Dividends

1) Dividends paid

Resolution	Type of shares	Total amount of dividends	Dividends per share	Record date	Effective date
Ordinary general shareholders' meeting held on 26 June 2020	Common stock	23,299 Million Yen	48.00 Yen	31 March 2020	29 June 2020
Meeting of the board of directors held on 5 November 2020	Common stock	17,961 Million Yen	37.00 Yen	30 September 2020	30 November 2020

[Notes] Dividends per share resolved at the ordinary general shareholders' meeting held on 26 June 2020 include a commemorative dividend of ¥11.00 for the 100th anniversary of foundation.

2) Dividends, which record date is during the current consolidated fiscal year, with their effective date in the next consolidated fiscal year

The following dividends are proposed as a matter of resolution at the ordinary general shareholders' meeting scheduled to be held on 25 June 2021.

(a) Total amount of dividends 25,738 Million Yen
(b) Dividends per share 53.00 Yen
(c) Record date 31 March 2021
(d) Effective date 28 June 2021

Dividends will be paid from retained earnings.

7. Notes to Financial Instruments

(1) Matters for conditions of financial instruments

With regard to the fund management, the Group uses short-term deposits and securities, and with regard to the fund-raising, the Group uses borrowings from financial institutions such as banks and issuance of bonds.

The Group mitigates customers' credit risks from notes and accounts receivables-trade in line with our rules and regulations for credit control. The Group hedges risks of exchange-rate fluctuations from operating receivables denominated in foreign currency by forward exchange contract in principle. Investment securities are mainly stocks, and with regard to listed stocks, the Group quarterly identifies those fair values.

Applications of borrowings are operating capital (mainly short term) and fund for capital expenditures (long term). The Group uses interest-rate swaps or cross currency interest rate swap as hedge instruments for the risk of fluctuation in interest rate and foreign exchange rate of some long-term borrowings. In addition, the Group uses derivatives within the actual demand in accordance with our administrative rules.

(2) Matters for fair values of the financial instruments

Carrying amounts in the consolidated balance sheet, fair value and differences between them at 31 March 2021 (consolidated settlement date of current fiscal year) are as follows.

(Amount: Millions of yen)

	Carrying amount	Fair value	Difference
Assets			
(a) Cash and deposits	1,024,553	1,024,553	-
(b) Notes and accounts receivables-trade	448,601	449,995	1,393
(c) Securities and investment securities			
Available-for-sale securities	851,467	851,467	-
Stocks of associates	771	1,125	354
Liabilities			
(a) Accounts payable-trade	330,522	330,522	-
(b) Short-term borrowings	287,577	287,577	-
(c) Current portion of long-term borrowings	281,277	281,324	(46)
(d) Accrued expenses	228,726	228,726	-
(e) Bonds with share acquisition rights	8,560	10,751	(2,191)
(f) Long-term borrowings	193,413	192,663	749
Derivatives	(373)	(373)	-

(*) Assets or liabilities derived from derivatives are shown on a net basis and net liabilities are shown as ( ).

[Notes] 1. Matters for methods used to measure fair values of financial instruments

Assets

(a) Cash and deposits

Because fair values of deposits are approximately equal to the book values, book values are used as fair values.

(b) Notes and accounts receivables-trade

Fair values of sales finance receivables are calculated on the discount method by the expected rate applied to new loan contract, on each receivable classified into a certain term.

Notes and accounts receivables-trade except sales finance are settled in short term and those fair values are approximately equal to the book values. Therefore book values are used as fair values.

(c) Securities and investment securities

With regard to these fair values, fair values of stock are prices of exchanges. With regard to negotiable certificate of deposit and other types of securities, book values are used as fair values because they are settled in short term and those fair values are approximately equal to the book values.

Liabilities

(a) Accounts payable-trade, (b) Short-term borrowings, and (d) Accrued expenses

Since these are settled in short term and those fair values are approximately equal to the book values, such book values are used.

(c) Current portion of long-term borrowings and (f) Long-term borrowings

These fair values are measured by discounting. The discounting is based on the estimated interest rates at which similar new loans with same amount of principal and interest could have been borrowed.

(e) Bonds with share acquisition rights

With regard to fair values of bonds with share acquisition rights, they are calculated based on the prices offered by financial institutions, etc.

Derivatives

Calculation is based on prices offered by financial institutions, etc.

2. Unlisted stocks other than stocks of associates (carrying amount in the consolidated balance sheet ¥17,797 million), unlisted stocks of associates (carrying amount in the consolidated balance sheet ¥33,023 million) and other (carrying amount in the consolidated balance sheet ¥2,794 million) are not included in “(c) Securities and investment securities”. That is because those fair values are not available and future cash flows cannot be estimated, it is extremely difficult to identify those fair values.

8. Notes to Information about Per Share Amount

Net assets per share	3,475.34 Yen
Profit per share, Basic	301.65 Yen

9. Additional Information

In India, lockdown orders have been implemented excluding some areas and medical oxygen has been in shortage owing to the spread of the new coronavirus infection. They have been affecting production and sales activity of the group significantly. Due to many uncertain factors, the impact on business results in the future is uncertain.

Notes to Non-Consolidated Financial Statements

1. Notes to Significant Accounting Policies

(1) Evaluation standards and evaluation methods of assets

1) Securities

Stocks of subsidiaries and associates
.... Cost method by a moving average method

Available-for-sale securities
.... Securities for which market quotations are available:
Fair value method based on the market values as of the account settlement date (The evaluation differences shall be reported as a component of net assets, and sales costs shall be calculated by the moving average method)
Securities for which market quotations are unavailable:
Cost method by a moving average method

2) Derivatives ....Fair value method

3) Inventories.......................Cost method mainly by the gross average method (figures on the balance sheet are calculated by the method of book devaluation based on the reduction of profitability)

(2) Method of depreciation and amortization of non-current assets

1) Property, plant and equipment (excluding lease assets)
.... Declining balance method

2) Intangible assets (excluding lease assets)
.... Straight line method

3) Lease assets

Finance lease which transfer ownership
.... The same method as depreciation and amortization of self-owned non-current assets

Finance lease which do not transfer ownership
.... Straight-line method with the lease period as the durable years. With regard to lease assets with guaranteed residual value under lease agreement, remaining value is the guaranteed residual value. And with regard to other lease assets, remaining value would be zero.

(3) Accounting treatment for deferred assets
.... They are treated as expenses at the time of expenditure.

(4) Allowances and provisions

1) Allowance for doubtful accounts
In order to allow for loss from bad debts, estimated uncollectible amount based on actual ratio of bad debt is appropriated as to general receivable. With regard to specific receivable with higher default possibility, possibility of collection is estimated respectively and estimated uncollectible amount is appropriated.

2) Allowance for investment loss
The differences between the book value and the fair value of securities and investment not quoted at an exchange are determined and appropriated as reserve in order to allow for losses from these investments.

3) Provision for product warranties
The provision is appropriated into this account based on the warranty agreement, laws and past experience in order to allow for expenses related to the maintenance service of products sold.

4) Provision for retirement benefits

In order to allow for payment of employees' retirement benefits, based on estimated amount of retirement benefits liabilities and pension assets at the end of current fiscal year is appropriated.

(a) Method of attributing expected benefit to periods

With regard to calculation of retirement benefit obligations, benefit formula basis method was used to attribute expected benefit to period up to the end of this fiscal year.

(b) Method to recognize actuarial gains or losses and past service costs as expenses

With regard to past service costs, they are treated as expense on a straight line basis over the certain years within the period of average length of employees' remaining service years at the time when it occurs.

With regard to the actuarial gains or losses, the amounts, prorated on a straight line basis over the certain years within the period of average length of employees' remaining service years in each year in which the differences occur, are respectively treated as expenses from the next term of the year in which they arise.

5) Provision for retirement benefits for directors

The amount to be paid at the end of year had been posted pursuant to the Company's regulations on the retirement allowance of directors and audit & supervisory board members. However, the Company's retirement benefit system for them was abolished at the closure of the ordinary general shareholders' meeting held on 29 June 2006. And it was approved at the shareholders' meeting that reappointed directors and audit & supervisory board members were paid their retirement benefit at the time of their retirement, based on their years of service. Estimated amount of such retirement benefits is appropriated.

6) Provision for product liabilities

With regards to the products exported to North American market, to prepare for the payment of compensation, not covered by "Product Liability Insurance" the anticipated amount to be borne by the Company is computed and provided on the basis of actual results in the past.

7) Provision for recycling expenses

The provision is recorded for an estimated expense related to the recycle of products of the Company based on number of vehicles owned in the market, etc.

(5) Standards for translation of significant assets and liabilities in foreign currencies into the Japanese currency

Receivable and payable in foreign currencies are translated into yen on the spot exchange rate of the account settlement date, and the translation difference shall be processed as gain or loss.

(6) Method of hedge accounting

The deferred hedge processing is mainly applied. If foreign currency forward contracts meet certain criteria, exceptional hedge accounting is applied and these contracts are handled together with hedged items. If interest rate swap contracts meet certain criteria, special exceptional hedge accounting is applied and these contracts are handled together with hedged items.

If cross currency interest rate swap contracts meet certain criteria, integration method (special exceptional method and exceptional method) is applied and these contracts are handled together with hedged items.

(7) Other significant matters for preparing financial statements

1) Processing method of consumption taxes

The tax exclusion method is applied.

2) Application of consolidated tax payment

Consolidated tax payment is applied.

2. **Notes to Changes in Presentation**

(1) Non-Consolidated Balance Sheets

Future recall expenses for which measures had already been implemented of ¥71,915 million were presented as “Accrued expenses” in the previous consolidated fiscal year. Future recall expenses which were not included in “Accrued expenses” and future warranty expenses, were presented as “Provision for product warranties” in the previous consolidated fiscal year. However, in the current fiscal year, these are presented in “Provision for product warranties” in “Current liabilities” to present the financial positions more clearly.

(2) Non-Consolidated Statements of Income

“Provision of allowance for doubtful accounts” and “Contribution,” which were presented as separate accounts in “Non–operating expenses” in the previous fiscal year, are included in “Miscellaneous expenses” in the current fiscal year because they became insignificant in terms of account balance.

“Provision of allowance for investment loss”, which was included in “Miscellaneous expenses” under “Non-operating expenses” in the previous fiscal year, is presented as a separate account in the current fiscal year because it became significant in terms of account balance.

(3) The adoption of the “Accounting Standard for Disclosure of Accounting Estimates”

The company adopted the “Accounting Standard for Disclosure of Accounting Estimates” (ASBJ Statement No.31, 31 March 2020) from the financial statements for the end of the current fiscal year, and Notes to Accounting Estimates are included in the Notes to Non-Consolidated Financial Statements.

3. Notes to Accounting Estimates

(1) Provision for product warranties

1) Amount recorded in the non-consolidated financial statements for the current fiscal year

(Amount: Millions of yen)

	End of the current fiscal year
Balance at beginning of the period	295,212
Amount paid during the period	(89,725)
Transferred amount	30,004
Balance at end of the period	235,491

2) Information regarding the details of the accounting estimate for the identified item

The details are the same as described in “3. Notes to Accounting Estimates (1) Provision for product warranties” in the Notes to Consolidated Financial Statements.

(2) Prepaid pension costs and provision for retirement benefits

1) Amount recorded in the non-consolidated financial statements for the current fiscal year

Prepaid pension costs 23,540 Million Yen

Provision for retirement benefits 21,473 Million Yen

2) Information regarding the details of the accounting estimate for the identified item

The details are the same as described in “3. Notes to Accounting Estimates (2) Retirement benefits asset and retirement benefits liability” in the Notes to Consolidated Financial Statements.

(3) Deferred tax assets

1) Amount recorded in the non-consolidated financial statements for the current fiscal year

Deferred tax assets 135,176 Million Yen

2) Information regarding the details of the accounting estimate for the identified item

The details are the same as described in “3. Notes to Accounting Estimates (3) Deferred tax assets" in the Notes to Consolidated Financial Statements.

4. Notes to Non-Consolidated Balance Sheets

(1) Assets pledged as collateral and secured liabilities

1) Assets pledged as collateral

Buildings	81 Million Yen

2) Secured liabilities

Other non-current liabilities	38 Million Yen

(2) Monetary receivables from and payables to subsidiaries and associates

Short-term receivables	254,287 Million Yen
Short-term payables	278,082 Million Yen

(3) Accumulated depreciation of property, plant and equipment 883,347 Million Yen

(4) Guarantee obligations

The Company guarantees the other companies' borrowings from financial institutions.

PT. Suzuki Finance Indonesia	504 Million Yen
Other	389 Million Yen
Total	894 Million Yen

(5) The Company has the commitment line contract with 6 banks for effective financing. The outstanding balance of the contract at the end of current fiscal year is as follows.

Commitment line contract total	300,000 Million Yen
Actual loan balance	-
Variance	300,000 Million Yen

5. Notes to Non-Consolidated Statements of Income

Amount of transactions with subsidiaries and associates

Amount of net sales	1,296,343 Million Yen
Amount of purchase	308,331 Million Yen
Amount of other operating transactions	166,766 Million Yen
Amount of transactions other than operating transactions	22,469 Million Yen

6. Notes to Non-Consolidated Statements of Changes in Net Assets

Type and number of treasury shares

(Shares)

Type of shares	Number of shares at beginning of current fiscal year	Increased number of shares during the period	Decreased number of shares during the period	Number of shares at end of current fiscal year
Common stock	5,654,806	378	195,225	5,459,959

[Notes] 1. The increase of 378 shares in treasury shares of common stock consists of purchase of odd stocks.
2. The decrease of 195,225 shares in treasury shares of common stocks consists of purchase of bonds with share acquisition rights.

7. **Notes to Tax Effect Accounting**

(1) Breakdown of deferred tax assets and deferred tax liabilities by their main occurrence causes

(Deferred tax assets)	
Impairment losses and Excess depreciation	45,861 Million Yen
Various reserves	84,277 Million Yen
Loss on valuation of securities	40,977 Million Yen
Others	45,371 Million Yen
Sub-total deferred tax assets	216,487 Million Yen
Valuation reserve	(54,649) Million Yen
Total deferred tax assets	161,838 Million Yen
(Deferred tax liabilities)	
Valuation difference on available-for-sale securities	(16,809) Million Yen
Prepaid pension costs	(7,029) Million Yen
Others	(2,823) Million Yen
Total deferred tax liabilities	(26,661) Million Yen
Deferred tax assets, net	135,176 Million Yen

(2) Details of differences which cause important differences between statutory tax rate and the effective tax rate after application of tax effect accounting

Statutory tax rate	29.9 %
(Adjustment)	
Valuation reserve	(0.4) %
Tax credit	(6.8) %
Tax-deductible of dividend income	(5.0) %
Others	0.1 %
Effective tax rate after application of tax effect accounting	17.8 %

8. **Notes to Related Party Transactions**

Subsidiaries and associates, etc.

Type	Name	Own (owned) voting right (%)	Relation with related parties	Details of transaction [Note] 1	Amounts of transaction (Million Yen) [Note] 2	Account	Balance at end of current fiscal year (Million Yen)
Subsidiary	Suzuki Finance Co., Ltd.	Owning direct 95.9	Financial services related to sale of products of the Company Loan transaction Concurrent post of Directors/Company auditors	Collection of credit	33,650	Other current assets	36,526
Subsidiary	Maruti Suzuki India Ltd.	Owning direct 56.4	Manufacture and sale of products of the Company Concurrent post of Directors/Company auditors	Dividend income	14,787	–	–
Subsidiary	TDS Lithium-ion Battery Gujarat Private Limited	Owning direct 50.0	Manufacture and sale of lithium-ion batteries for automobiles	Loans [Note] 3	3,550	Long-term loans receivable from subsidiaries and associates	23,120

[Notes] 1. Conditions of transaction are determined taking into consideration arms-length basis based on market prices.
2. Amounts of transaction with Suzuki Finance Co., Ltd. include consumption taxes. Amounts of transactions with others do not include consumption taxes.
3. The interest rates of loans are determined by taking the market interest rate into consideration.

9. **Notes to Information about Per Share Amount**

Net assets per share	1,577.60 Yen
Profit per share, Basic	165.67 Yen

10. **Additional Information**

In India, lockdown orders have been implemented excluding some areas and medical oxygen has been in shortage owing to the spread of the new coronavirus infection. They have been affecting production and sales activity of the group significantly. Due to many uncertain factors, the impact on business results in the future is uncertain.