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Consolidated Financial Results for the Six-Month Period Ended September 30, 2019 (IFRS Basis)

October 30, 2019

Listed company name : Keihin Corporation Stock exchange listing: Tokyo
 Securities code : 7251 URL: <https://www.keihin-corp.co.jp>
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 Scheduled date of filing Quarterly Securities Report : November 6, 2019
 Scheduled date of dividend payment : November 29, 2019
 Supplementary materials prepared for financial results : Yes
 Financial results briefing session : Yes (For analysts and for institutional investors)

(Amounts are rounded to the nearest million yen)

1. Consolidated Financial Results for the Six-month Period Ended September 30, 2019 (April 1, 2019 to September 30, 2019)

(1) Consolidated Operating Results (% represents change from the same period of the previous year)

	Revenue		Operating Profit		Profit before tax		Profit for the period		Profit attributable to owners of the parent		Total comprehensive income for the period	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six-month period ended September 30, 2019	164,127	(5.2)	6,597	(50.7)	5,591	(55.6)	2,974	(65.9)	1,790	(76.2)	(2,093)	—
Six-month period ended September 30, 2018	173,126	3.0	13,370	7.6	12,597	(0.7)	8,714	5.3	7,512	5.3	11,354	0.9

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six-month period ended September 30, 2019	24.20	—
Six-month period ended September 30, 2018	101.57	—

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
As of September 30, 2019	309,548	217,848	193,743	62.6
As of March 31, 2019	315,189	223,187	198,353	62.9

2. Dividends

	Dividends per share				
	First quarter end	Second quarter-end	Third quarter end	Fiscal Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2019	—	22.00	—	23.00	45.00
Fiscal year ending March 31, 2020	—	23.00			
Fiscal year ending March 31, 2020 (Forecast)			—	0.00	23.00

Note: Revision of forecasts on the dividends: Yes

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2020 (April 1, 2019 to March 31, 2020)

(% represents change from the previous year)

	Revenue		Operating profit		Profit before tax		Profit for the year		Profit attributable to owners of the parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	328,000	(6.1)	15,000	(42.9)	12,500	(49.5)	6,500	(63.6)	4,600	(70.7)	62.20

Note: Revision of financial results forecast from recent announced figures: Yes

* Notes

(1) Changes in significant subsidiaries during the period

(Changes in specified subsidiaries accompanying changes in the scope of consolidation): None

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS : Yes

(ii) Changes in accounting policies other than (i) above : None

(iii) Changes in accounting estimates : None

(Note) For details, please refer to Section (7) "Notes to Interim Condensed Consolidated Financial Statements, 3. Significant Accounting Policies" under 2. "Interim Condensed Consolidated Financial Statements and Significant Notes Thereto" on page 11 of the attached material.

(3) Number of shares issued (Common stock)

(i) Number of shares issued (including treasury stock)

As of September 30, 2019	73,985,246 Shares
As of March 31, 2019	73,985,246 Shares

(ii) Number of treasury stock

As of September 30, 2019	27,332 Shares
As of March 31, 2019	27,205 Shares

(iii) Weighted average number of shares outstanding during the period

Six-Month Period Ended September 30, 2019	73,957,978 Shares
Six-Month Period Ended September 30, 2018	73,958,306 Shares

* These Interim Condensed Consolidated Financial Results are not subject to the interim review procedures conducted by certified public accounts or an audit firm.

* Note to the forecasts of the financial results and other important information.

The forecast statements shown in these materials are based on information available to the management at the time of announcement. Actual financial and other results may differ materially from the forecast statements due to various uncertainties. For assumptions based on which forecast was made, please refer to page 3 of the attached file for "1. Overview of business results for the current period (3) Notes to the forecasts for the fiscal year ending March 31, 2020

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1. Overview of business results

(1) Overview of interim business results

Revenue for the six-month period ended September 30, 2019 (from April 1st 2019 to September 30th 2019) has decreased by ¥8,999 million compared to the same period of previous fiscal year to ¥164,127 million. In motorcycle and power product business, revenue has decreased by ¥1,250 million compared to the same period of previous year to ¥49,256 million, and in automobile product business, revenue has decreased by ¥7,749 million compared to the same period of previous fiscal year to ¥114,871 million. In profits, despite the rationalization effect, operating income has decreased by ¥ 6,773 million to ¥ 6,597 million due to decrease of sales, increases in R&D expenses and negative impact of foreign exchange conversion, etc. Profit attributable to owners of the parent has decreased by ¥ 5,722 million to ¥ 1,790 million.

Business results by segment are as follows:

Japan

In motorcycle and power products, sales of products have increased mainly due to increase in sales to India and Indonesia. In automobile products, sales to North America and in China have decreased.

As a result of the above, revenue has increased by ¥137 million compared with the same period of previous fiscal year to ¥77,821 million, although foreign exchange conversion had a negative impact on sales.

Americas

In motorcycle and power products, sales of products increased mainly in South America. In automobile products, sales of products mainly decreased in North America.

In addition, with the negative impact of foreign exchange conversion, revenue has decreased by ¥1,219 million compared with the same period of previous fiscal year to ¥44,202 million.

Asia

In motorcycle and power products, sales of products decreased mainly in India and Vietnam. In automobile products, sales of products decreased mainly in Thailand and Malaysia.

In addition, with the negative impact of foreign exchange conversion, revenue has decreased by ¥4,133 million compared with the same period of previous fiscal year to ¥53,622 million.

China

Sales of motorcycle and power products have increased while sales of automobile products have decreased.

In addition, with the negative impact of foreign exchange conversion, revenue has decreased by ¥2,113 million compared with the same period of previous fiscal year to ¥40,655 million.

(Note) Inter-segment sales are included in the sales by segment figures above.

(2) Overview of financial position

Overview of Assets, Liabilities and Equity:

Total assets at the end of the six-month period were ¥309,548 million, a decrease of ¥5,641 million from the end of the previous fiscal year.

The main attributions for each category are as follows.

Current assets

Current assets at the end of the six-month period were ¥163,795 million, a decrease of ¥10,891 million from the end of the previous fiscal year. This is mainly due to the decrease in cash and cash equivalents, trade and other current receivables despite of the increase of inventories.

Non-current assets

Non-current assets at the end of the six-month period were ¥145,752 million, an increase of ¥5,250 million from the end of the previous fiscal year. This is mainly due to the increase in property, plant and equipment and deferred tax assets.

Current liabilities

Current liabilities at the end of the six-month period were ¥66,181 million, a decrease of ¥1,399 million from the end of the previous fiscal year. This is mainly due to decrease in trade and other current payables, despite of increase in other current financial liabilities and short-term loans.

Non-current liabilities

Non-current liabilities at the end of the six-month period were ¥25,519 million, an increase of ¥1,098 million from the end of the previous fiscal year. This is mainly due to an increase in other non-current financial liabilities and retirement benefit liabilities despite of the decrease of deferred tax liabilities.

Equity

Equity at the end of the six-month period was ¥217,848 million, a decrease of ¥5,339 million from the end of the previous fiscal year. This is mainly due to decrease in other components of equity.

(3) Notes to Forecasts for the fiscal year ending March 31, 2020

The Company has revised its previously announced forecasts of the consolidated business results for the full fiscal year (from April 1 2019 to March 31 2020) as follows:

Forecasted revenue has decreased as a result of negative impact of foreign exchange conversion and the decrease of sales of motorcycle and power products in Asia. Profit forecast has decreased in line with sales decrease and other factors such as negative impact of foreign exchange conversion, etc.

For foreign exchange rate, the Company uses ¥106.96 per U.S. dollar as full-year average rate (¥105.00 per U.S. dollar from the third quarter) as a prerequisite of the forecast.

The forecast for consolidated financial results for the fiscal year ending March 31, 2020 is as follows:
(Full year)

			Millions of yen
Revenue	328,000	Increase(decrease) ratio compared to the previous fiscal year	(6.1%)
Operating profit	15,000	Increase(decrease) ratio compared to the previous fiscal year	(42.9%)
Profit before tax	12,500	Increase(decrease) ratio compared to the previous fiscal year	(49.5%)
Profit for the year	6,500	Increase(decrease) ratio compared to the previous fiscal year	(63.6%)
Profit attributable to the owners of the parent	4,600	Increase(decrease) ratio compared to the previous fiscal year	(70.7%)

2. Interim Condensed Consolidated Financial Statements and Significant Notes Thereto

(1) Interim Condensed Consolidated Statements of Financial Position

Keihin Corporation and Consolidated Subsidiaries

As of March 31, 2019 and as of September 30, 2019

	Notes	Millions of yen	
		As of March 31, 2019	As of September 30, 2019
Assets			
Current assets			
Cash and cash equivalents		61,047	55,923
Trade and other current receivables		56,548	49,345
Other current financial assets		1,675	43
Inventories		53,558	55,427
Other current assets		1,858	3,058
Total current assets		174,687	163,795
Non-current assets			
Property, plant and equipment		113,288	117,263
Intangible assets		7,560	7,903
Trade and other non-current receivables		245	226
Other non-current financial assets		5,056	5,568
Retirement benefit assets		2,768	2,688
Deferred tax assets		4,607	5,145
Other non-current assets		6,978	6,959
Total non-current assets		140,502	145,752
Total assets		315,189	309,548

	Notes	Millions of yen	
		As of March 31, 2019	As of September 30, 2019
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other current payables		57,741	53,434
Short-term loans		6,883	8,274
Other current financial liabilities		114	1,723
Income tax payables		1,361	1,480
Provisions		766	656
Other current liabilities		716	615
Total current liabilities		67,580	66,181
Non-current liabilities			
Long-term loans		14,787	14,791
Other non-current financial liabilities		1,555	3,094
Retirement benefit liabilities		2,720	3,002
Provisions		218	216
Deferred tax liabilities		4,275	3,555
Other non-current liabilities		867	860
Total non-current liabilities		24,421	25,519
Total liabilities		92,002	91,700
Equity			
Common stock		6,932	6,932
Capital surplus		9,258	9,258
Retained earnings		172,185	172,087
Treasury stock		(40)	(41)
Other components of equity		10,017	5,505
Equity attributable to owners of the parent		198,353	193,743
Non-controlling interests		24,834	24,105
Total equity		223,187	217,848
Total liabilities and equity		315,189	309,548

(3) Interim Condensed Consolidated Statements of Comprehensive Income

Keihin Corporation and Consolidated Subsidiaries

For the Six-Month Period ended September 30, 2018 and 2019

	Notes	Millions of yen	
		Six months ended September 30, 2018	Six months ended September 30, 2019
Profit for the period		8,714	2,974
Other comprehensive income			
Items that will not be reclassified to profit or loss, net of tax:			
Gains (losses) on financial assets measured at fair value through other comprehensive income		(209)	(195)
Total of items that will not be reclassified to profit or loss, net of tax		(209)	(195)
Items that may be reclassified to profit or loss, net of tax:			
Foreign currency translation adjustments		2,848	(4,872)
Total of items that may be reclassified to profit or loss, net of tax		2,848	(4,872)
Other comprehensive income for the period		2,639	(5,067)
Total comprehensive income for the period		11,354	(2,093)
Comprehensive income attributable to:			
Owners of the parent		9,497	(2,722)
Non-controlling interests		1,857	629
Comprehensive income for the period		11,354	(2,093)

(4) Interim Condensed Consolidated Statements of Changes in Equity

Keihin Corporation and Consolidated Subsidiaries
For the Six-Month Period ended September 30, 2018

	Notes	Millions of yen			
		Equity attributable to owners of the parent			
		Common stock	Capital surplus	Retained earnings	Treasury stock
As of April 1, 2018		6,932	9,258	159,623	(40)
Comprehensive income					
Profit for the period		—	—	7,512	—
Other comprehensive income		—	—	—	—
Total comprehensive income		—	—	7,512	—
Transactions with owners					
Dividends paid		—	—	(1,627)	—
Purchase of treasury stock		—	—	—	(0)
Total transactions with owners		—	—	(1,627)	(0)
As of September 30, 2018		6,932	9,258	165,507	(40)

	Notes	Millions of yen					Total equity
		Equity attributable to owners of the parent					
		Other components of equity			Total equity attributable to owners of the parent	Non-controlling interests	
		Gains (losses) on financial assets measured at fair value through other comprehensive income	Foreign currency translation adjustments	Total			
As of April 1, 2018		3,412	5,326	8,738	184,512	23,691	208,203
Comprehensive income							
Profit for the period		—	—	—	7,512	1,203	8,714
Other comprehensive income		(209)	2,194	1,985	1,985	654	2,639
Total comprehensive income		(209)	2,194	1,985	9,497	1,857	11,354
Transactions with owners							
Dividends paid		—	—	—	(1,627)	(1,472)	(3,099)
Purchase of treasury stock		—	—	—	(0)	—	(0)
Total transactions with owners		—	—	—	(1,627)	(1,472)	(3,099)
As of September 30, 2018		3,203	7,520	10,723	192,381	24,076	216,457

Keihin Corporation and Consolidated Subsidiaries
For the Six-Month Period ended September 30, 2019

	Notes	Millions of yen			
		Equity attributable to owners of the parent			
		Common stock	Capital surplus	Retained earnings	Treasury stock
As of April 1, 2019 (Before adjustments)		6,932	9,258	172,185	(40)
Adjustments resulting from change of accounting policy		—	—	(187)	—
As of April 1, 2019 (After adjustments)		6,932	9,258	171,998	(40)
Comprehensive income					
Profit for the period		—	—	1,790	—
Other comprehensive income		—	—	—	—
Total comprehensive income		—	—	1,790	—
Transactions with owners					
Dividends paid		—	—	(1,701)	—
Purchase of treasury stock		—	—	—	(0)
Total transactions with owners		—	—	(1,701)	(0)
As of September 30, 2019		6,932	9,258	172,087	(41)

	Notes	Millions of yen					Total equity
		Equity attributable to owners of the parent					
		Other components of equity			Total equity attributable to owners of the parent	Non-controlling interests	
		Gains (losses) on financial assets measured at fair value through other comprehensive income	Foreign currency translation adjustments	Total			
As of April 1, 2019		2,843	7,175	10,017	198,353	24,834	223,187
Adjustments resulting from change of accounting policy		—	—	—	(187)	—	(187)
As of April 1, 2019 (After adjustments)		2,843	7,175	10,017	198,166	24,834	223,000
Comprehensive income							
Profit for the period		—	—	—	1,790	1,184	2,974
Other comprehensive income		(195)	(4,317)	(4,512)	(4,512)	(555)	(5,067)
Total comprehensive income		(195)	(4,317)	(4,512)	(2,722)	629	(2,093)
Transactions with owners							
Dividends paid		—	—	—	(1,701)	(1,358)	(3,059)
Purchase of treasury stock		—	—	—	(0)	—	(0)
Total transactions with owners		—	—	—	(1,701)	(1,358)	(3,060)
As of September 30, 2019		2,647	2,858	5,505	193,743	24,105	217,848

(5) Interim Condensed Consolidated Statements of Cash Flows

Keihin Corporation and Consolidated Subsidiaries

For the Six-Month Period Ended September 30, 2018 and 2019

	Notes	Millions of yen	
		Six Months ended September 30, 2018	Six Months ended September 30, 2019
Cash flows from operating activities:			
Profit before tax		12,597	5,591
Depreciation and amortization		8,634	8,970
Impairment		—	10
Interest and dividends income		(612)	(404)
Interest expense		535	606
(Gain) loss on sale of property, plant and equipment		(17)	(14)
Decrease (increase) in trade and other receivables		3,353	5,303
(Increase) decrease in inventories		(4,905)	(3,567)
Increase (decrease) in trade and payables		172	2,196
(Decrease) increase in provisions		(444)	(73)
Increase (decrease) in retirement and severance benefits		366	375
Other, net		(1,287)	(1,041)
Subtotal		18,391	17,951
Interest received		483	364
Dividends received		84	88
Interest paid		(517)	(658)
Income taxes paid		(3,470)	(3,413)
Net cash provided by operating activities		14,972	14,332
Cash flows from investing activities:			
Decrease (increase) in time-deposits, net		(438)	1,607
Purchase of property, plant and equipment and intangible assets		(11,849)	(17,949)
Proceeds from sale of property, plant and equipment and intangible assets		36	31
Increase in loan receivable		(170)	(129)
Collection of loans		169	161
Other, net		(561)	(1,142)
Net cash used in investing activities		(12,814)	(17,420)
Cash flows from financing activities:			
Increase (decrease) in short-term loans, net		583	1,576
Proceeds from long-term loans		14,783	—
Dividends paid to owners of the parent		(1,627)	(1,701)
Dividends paid to non-controlling interests		(1,472)	(1,270)
Purchase of treasury stock		(0)	(0)
Other, net		(224)	(741)
Net cash (used in)/ provided by financing activities		12,044	(2,137)
Foreign currency translation adjustments on cash and cash equivalents		1,715	100
Net (decrease) increase in cash and cash equivalents		15,917	(5,124)
Cash and cash equivalents at beginning of the period		50,914	61,047
Cash and cash equivalents at end of the period		66,831	55,923

(6) Notes on premise of going concern

Not applicable.

(7) Notes to Interim Condensed Consolidated Financial Statements

1. Reporting entity

Keihin Corporation (hereinafter referred to as “the Company”) is a company incorporated in Japan. The interim condensed consolidated financial statements for the six-month period ended September 30, 2019 consist of the financial statements of the Company and its consolidated subsidiaries (hereinafter “the Group”). The Group is primarily engaged in the manufacturing and sales of motorcycle and power products and automobile products.

2. Basis of preparation

(1) Compliance with IFRS

The consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standards (hereinafter referred to as “IFRS”) promulgated by the International Accounting Standards Board. The Company is qualified as a “Specified Company under the designated International Accounting Standards” according to the requirements set out in Article 1-2 of the Rules on Terminology, Formats and Compliance Methods of Interim Consolidated Financial Statements (Cabinet Office Ordinance No.64 of 2017), and therefore prepares the Interim Consolidated Financial Statements in accordance with IAS 34 “Interim Financial Reporting” under the provision of Article 93 of the aforementioned Ordinance. As the Interim Consolidated Financial Statement do not contain all the information required in yearly consolidated financial statements, it should be used in combination with the consolidated financial statements for the fiscal year ended March 31 2019.

(2) Basis of measurement

The consolidated financial statements of the Group have been prepared on a historical cost basis except for certain assets and liabilities, such as financial instruments measured at fair value.

(3) Functional currency and presentation currency

The consolidated financial statements of the Group are presented in Japanese yen, which is the Company’s functional currency, with amounts rounded to the nearest million yen.

3. Significant Accounting Policies

The significant accounting policies applied in the interim condensed consolidated financial statements are the same as the accounting policies applied in the consolidated financial statements for the previous fiscal year except for the following.

The Group has adopted IFRS 16 “Leases” (hereafter, “IFRS 16”) with April 1, 2019 as the application date.

In IFRS 16, at the commencement date, a lessee shall recognize a right-of-use asset and a lease liability.

Right-of-use assets are measured initially at an amount calculated by adjusting the initially measured amount of lease liabilities by initial direct cost etc. After the commencement date, cost model is used to measure the right-of-use assets. The right-of-use assets are depreciated on a straight line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset and the end of the lease term.

The useful life of right-of-use assets shall be determined using the same policy with the Group’s property, plant and equipment.

Lease term shall be determined as the non-cancellable period of a lease, together with both: periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; And periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

The lease liability is remeasured when there is a change in lease terms, etc.

When lease liabilities are remeasured, the amount of the remeasurement of the lease liability is recognized as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, a lessee shall recognize any remaining amount of the remeasurement in profit or loss.

Carrying amount of lease assets is decreased if the right-of-use asset is impaired and impairment loss is accounted for. At the commencement date, the lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease. If the interest rate implicit in the lease cannot be readily determined, incremental borrowing rate shall be used to measure the lease liability. Generally the Group uses incremental borrowing rate as the discount rate to measure the lease liability. After the commencement date, carrying amount of lease liability is increased to reflect the interest; carrying amount of lease liability is decreased to reflect the lease payments made. For short-term lease or leases for which the underlying asset is of low value, the Group elects not to recognize right-of-use assets and related lease liabilities. For those leases, lease expenses are recognized using straight-line method through the lease term. In cases where the Group acts as the lessor in a sub-lease, the sub-lease is classified as short-term lease if head lease is a short-term lease. In other cases, underlying assets in the sub-lease should be recognized as right-of-use assets arising from the head-lease contract.

On transition, the Group applies IFRS 16 using retrospective approach with cumulative effect of initially applying IFRS 16 recognized as an adjustment to the opening balance of retained earnings of the first quarter of consolidated fiscal year. On transition, the Group applies practical expedient under IFRS 16.C3. Contracts that were previously identified as leases applying IAS 17 Leases (hereinafter referred to as "IAS 17") and IFRIC 4 "Determining whether an Arrangement contains a Leases" are consistently recognized as leases and IFRS 16 is applied. The group applies the following practical expedients on the initial application of IFRS 16:

- As an alternative to performing impairment review, the Group relies on its assessment of whether leases are onerous applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application.
- The group uses hindsight in determining the lease term if the contract contains options to extend or terminate the lease.

As a result, in the consolidated statement of financial position at the beginning of the first quarter, right-of-use assets recognized in property, plant and equipment increased by ¥3,324 million, lease liabilities recognized under current liabilities and other non-current financial liabilities under non-current liabilities increased by ¥3,377 million. Trade and other current receivables increased by ¥129 million, other current assets increased by ¥679 million, while other non-current assets decreased by ¥943 million, retained earnings decreased by ¥187 million. The weighted average of the lessee's incremental borrowing rate is 1.2%, which is applied to recognize the lease liabilities on the interim condensed consolidated statement of financial position at the application date. The difference between i) the discounted present value of operating lease commitments disclosed applying IAS 17 at the end of the consolidated fiscal year preceding the date of initial application; and ii) lease liabilities recognized at the date of initial application, mainly arises from increase of lease liabilities under IFRS 16 where the excision of extension option can be reasonably certain.

4. Significant accounting estimates and associated judgments

The preparation of the consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses. However, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. The effects of changes in accounting estimates are recognized in the accounting period in which the estimates are changed and in future accounting periods affected by the changes.

Estimates and judgments that significantly affect the amounts in the interim consolidated financial statements made by management are consistent with those in the previous fiscal year.

5. Segment information

(1) Overview of reporting segments

The Company defines its reporting segments as units of the Company for which independent financial information is accessible and which are subject to periodic review by the Board of Directors to determine the allocation of management resources and to evaluate performance.

The Company is primarily engaged in the manufacture and sale of motorcycle and power products and automobile products and divides its activities into four region-specific reporting segments—Japan, Americas, Asia, and China—each with management systems and production and sales systems tailored to local characteristics.

The business in Europe is under control of the Japan headquarters without a regional headquarters. It is included in the Japan segment.

(2) Revenue, operating profit and other items by reporting segments

Revenue, operating profit and other items of the Group's reporting segments are as follows:

For the Six-month Period Ended September 30, 2018

	Millions of yen						Eliminations	Total
	Reporting Segments				Total			
	Japan	Americas	Asia	China	Total			
Revenue:								
Outside customers	41,493	41,626	51,812	38,196	173,126	—	173,126	
Intersegment	36,192	3,796	5,942	4,572	50,502	(50,502)	—	
Total	77,685	45,422	57,755	42,768	223,629	(50,502)	173,126	
Operating profit	1,404	680	7,702	3,518	13,305	65	13,370	
Finance income	—	—	—	—	—	—	2,549	
Finance costs	—	—	—	—	—	—	(3,321)	
Profit before tax	—	—	—	—	—	—	12,597	

- Notes:
1. Intersegment revenue is based on arm's length price.
 2. Revenue in the "Eliminations" column is intersegment revenue. Operating profit in the "Eliminations" column is related to the internal profit arising from transactions of inventories and property, plant and equipment.

For the Six-month Period Ended September 30, 2019

Millions of yen

	Reporting Segments					Eliminations	Total
	Japan	Americas	Asia	China	Total		
Revenue:							
Outside customers	39,529	41,746	46,514	36,338	164,127	—	164,127
Intersegment	38,292	2,456	7,108	4,317	52,173	(52,173)	—
Total	77,821	44,202	53,622	40,655	216,300	(52,173)	164,127
Operating profit(loss)	(622)	1,715	4,439	2,273	7,805	(1,208)	6,597
Finance income	—	—	—	—	—	—	1,518
Finance costs	—	—	—	—	—	—	(2,524)
Profit before tax	—	—	—	—	—	—	5,591

- Notes: 1. Intersegment revenue is based on arm's length price.
2. Revenue in the venue is based on arm's length price. The "Eliminations" column are the result of (loss) in the "Eliminations" column is related to the internal profit arising from transactions of inventories and property, plant and equipment.

6. Earnings per share

Basic earnings per share and the basis for calculation are as follows.

There are no potential common shares that have a dilutive effect.

	Six months ended September 30, 2018	Six months ended September 30, 2019
Profit for the period attributable to owners of the parent (Millions of yen)	7,512	1,790
Weighted average number of ordinary shares outstanding during the period (Shares)	73,958,306	73,957,978
Basic earnings per share (Yen)	101.57	24.20

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Consolidated Financial Results for the Six-Month Period Ended September 30, 2019
(Reference Materials 1)

	Six months ended September 30, 2018	Six months ended September 30, 2019	Change	Percentage change	Year ended March 31, 2018	Year ended March 31, 2019 (Forecast)	Change	Percentage change
Revenue (Unit: 100 million yen)	1,731.3	1,641.3	△ 90.0	△5.2%	3,492.2	3,280.0	△ 212.2	△6.1%
Motorcycle and power products	505.1	492.6	△ 12.5	△2.5%	1,003.3	1,027.0	23.7	2.4%
Automobile products	1,226.2	1,148.7	△ 77.5	△6.3%	2,488.9	2,253.0	△ 235.9	△9.5%
Operating Profit (Unit: 100 million yen)	133.7	66.0	△ 67.7	△50.7%	262.6	150.0	△ 112.6	△42.9%
< Ratio to Revenue >	7.7%	4.0%			7.5%	4.6%		
Profit before tax (Unit: 100 million yen)	126.0	55.9	△ 70.1	△55.6%	247.6	125.0	△ 122.6	△49.5%
< Ratio to Revenue >	7.3%	3.4%			7.1%	3.8%		
Factors for Change in Operating Profit (Unit: 100 million yen)			△ 67.7				△ 112.6	
Revenue change, model mix, etc.,			△ 37.3				△ 90.2	
Cost reduction			29.8				73.5	
Raw material cost			△ 1.2				△ 3.8	
R&D expenses			△ 16.7				△ 10.4	
Depreciation, amortization and labor cost			△ 15.3				△ 49.7	
New model launching costs, expenses and others			△ 16.2				2.4	
Foreign exchange			△ 10.8				△ 34.4	
Factors for Change in Finance Income and Costs (Unit: 100 million yen)			△ 2.3				△ 10.0	
Foreign exchange			0.1				△ 3.1	
Others			△ 2.4				△ 6.9	
Exchange rate (Unit: 1 yen)								
1 U.S. Dollar	110.62		108.73		111.01		106.96	
1 Thai Baht	3.40		3.49		3.43		3.45	
1 Chinese Yuan	16.63		15.64		16.49		15.16	
1 Indian Rupee	1.61		1.56		1.60		1.52	
1 Indonesian Rupiah	0.77		0.76		0.77		0.75	
1 Brazilian Real	28.99		27.32		29.17		26.42	
* Indonesian Rupiah is (100-unit rate)								
Results by reporting segments								
Revenue (Unit: 100 million yen)	1,731.3	1,641.3	△ 90.0	△5.2%	3,492.2	3,280.0	△ 212.2	△6.1%
Japan	776.8	778.2	1.4	0.2%	1,591.8	1,583.0	△ 8.8	△0.6%
Americas	454.2	442.0	△ 12.2	△2.7%	925.7	825.0	△ 100.7	△10.9%
Asia	577.5	536.2	△ 41.3	△7.2%	1,132.0	1,096.0	△ 36.0	△3.2%
China	427.7	406.6	△ 21.1	△4.9%	856.2	798.0	△ 58.2	△6.8%
Eliminations	△ 505.0	△ 521.7	△ 16.7	—	△ 1,013.5	△ 1,022.0	△ 8.5	—
Operating Profit (Unit: 100 million yen)	133.7	66.0	△ 67.7	△50.7%	262.6	150.0	△ 112.6	△42.9%
Japan	14.0	△ 6.2	△ 20.3	—	25.1	41.0	15.9	63.6%
Americas	6.8	17.1	10.4	152.3%	17.2	27.0	9.8	56.9%
Asia	77.0	44.4	△ 32.6	△42.4%	141.6	91.0	△ 50.6	△35.8%
China	35.2	22.7	△ 12.4	△35.4%	66.5	41.0	△ 25.5	△38.4%
Eliminations	0.7	△ 12.1	△ 12.7	—	12.2	△ 50.0	△ 62.2	—

(Amounts are rounded to the nearest million yen)

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Consolidated Financial Results for the Nine-Month Period Ended September 30, 2019
(Reference Materials 2)

Consolidated companies (30)

Japan (10→9)	Ratio of share holding at end of September 30, 2018	Ratio of share holding at end of September 30, 2019
Keihin Sakura Corporation	100.00%	- ※1
Keihin Nasu Corporation	100.00%	100.00%
Keihin Watari Corporation	100.00%	- ※1
Keihin Manufacturing Corporation	-	100.00% ※1
Keihin Electronics Technology, Inc.	100.00%	100.00%
Keihin Valve Corporation	51.00%	51.00%
Keihin Thermal Technology Corporation	100.00%	100.00%
Keihin-Grand Ocean Thermal Technology (Dalian) Co., Ltd.	55.00% ※2	55.00% ※2
Keihin Thermal Technology Czech s.r.o.	100.00% ※3	100.00% ※3
Keihin Europe Ltd.	100.00%	100.00%
Keihin Sales and Development Europe GmbH	100.00%	100.00%

Americas (7)	Ratio of share holding at end of September 30, 2018	Ratio of share holding at end of September 30, 2019
Keihin North America, Inc.	75.10%	75.10%
Keihin Carolina System Technology, LLC.	75.10% ※4	75.10% ※4
Keihin IPT Mfg., LLC.	75.10% ※4	75.10% ※4
Keihin Michigan Manufacturing, LLC.	75.10% ※4	75.10% ※4
Keihin Thermal Technology of America, Inc.	100.00% ※3	100.00% ※3
Keihin de Mexico S.A. de C.V.	100.00%	100.00%
Keihin Tecnologia do Brasil Ltda.	75.28%	75.28%

Asia (10)	Ratio of share holding at end of September 30, 2018	Ratio of share holding at end of September 30, 2019
Keihin Asia Bangkok Co., Ltd.	100.00%	100.00%
Keihin (Thailand) Co., Ltd.	57.02%	57.02%
Keihin Auto Parts (Thailand) Co., Ltd.	85.00% ※5	85.00% ※5
Keihin Thermal Technology (Thailand) Co., Ltd.	97.50% ※6	97.50% ※6
PT Keihin Indonesia	100.00%	100.00%
Keihin India Manufacturing Pvt. Ltd.	100.00% ※7	100.00% ※7
Keihin FIE Pvt. Ltd.	74.00%	74.00%
Keihin Vietnam Co., Ltd.	100.00% ※8	100.00% ※8
Taiwan Keihin Carburetor Co., Ltd.	51.00%	51.00%
Keihin Malaysia Manufacturing SDN. BHD	100.00% ※8	100.00% ※8

China (4)	Ratio of share holding at end of September 30, 2018	Ratio of share holding at end of September 30, 2019
Nanjing Keihin Carburetor Co., Ltd.	100.00%	100.00%
Dongguan Keihin Engine Management System Co., Ltd.	100.00%	100.00%
Keihin (Wuhan) Automotive Components Co., Ltd.	100.00% ※9	100.00% ※9
Keihin R&D China Co., Ltd.	100.00%	100.00%

- ※1 Keihin Watari Corporation was merged with Keihin Sakura Corporation in October 2018. The surviving company is Keihin Watari Corporation.
Keihin Watari Corporation changed its corporate name to Keihin Manufacturing Corporation.
- ※2 Keihin Thermal Technology Corporation holds 55% share.
- ※3 Keihin Thermal Technology Corporation holds 100% share.
- ※4 Keihin North America, Inc. holds 100% share.
- ※5 Keihin corporation holds 25% share, Keihin Asia Bangkok Co., Ltd. holds 60% share.
- ※6 Keihin Thermal Technology Corporation holds 97.5% share.
- ※7 Keihin corporation holds 5.6% share, Keihin Asia Bangkok Co., Ltd. holds 94.4% share.
- ※8 Keihin Asia Bangkok Co., Ltd. holds 100% share.
- ※9 Dongguan Keihin Engine Management System Co., Ltd. holds 100% share.