

GS Yuasa Corporation
Consolidated Earnings Report for the
Six Months ended September 30, 2019
(Japanese GAAP)

Stock listing: Tokyo Stock Exchange Securities code: 6674
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Scheduled dates
 Filing of statutory quarterly financial report (*Shihanki hokokusho*): November 6, 2019
 Dividend payout: December 2, 2019

Supplementary materials to quarterly earnings report available: Yes
 Quarterly earnings presentation held: Yes (targeted at institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Six Months ended September 30, 2019
(April 1, 2019 to September 30, 2019)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Six Months ended September 30, 2019	190,414	(2.6)	7,549	8.5	8,424	12.4	4,774	38.2
Six Months ended September 30, 2018	195,415	6.1	6,956	16.2	7,492	16.2	3,454	35.5

Note: Comprehensive income: Six Months ended September 30, 2019: ¥540 million, -90.8%
 Six Months ended September 30, 2018: ¥5,888 million, -10.8%

	Profit per share	Diluted profit per share
	yen	yen
Six Months ended September 30, 2019	58.63	-
Six Months ended September 30, 2018	42.02	39.12

Note: Operating income before amortization of goodwill:
 Six Months ended September 30, 2019: ¥8,678 million, 5.3%
 Six Months ended September 30, 2018: ¥8,239 million, 16.6%

The Company uses "operating income before amortization of goodwill" as an important indicator for management. On October 1, 2018, the Company carried out a 1-for-5 reverse stock split. "Profit per share" and "diluted profit per share" were calculated assuming that the reverse stock split was effected at the beginning of the fiscal year ended March 31, 2018 (April 1, 2017).

Diluted profit per share for the Six Months ended September 30, 2019 is not provided here, as there are no residual securities.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
September 30, 2019	383,913	202,220	45.2
March 31, 2018	384,243	207,708	46.4

Reference: Total equity: As of September 30, 2019: ¥173,702 million
 As of March 31, 2019: ¥178,320 million

2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Total
	yen	yen	yen	yen	yen
Year ended March 31, 2019	-	3.00	-	35.00	-
Year ending March 31, 2020	-	15.00			
Year ending March 31, 2020 (forecast)			-	35.00	50.00

Note: No revision has been made to the latest dividends forecast.

For the year ended March 31, 2019, the effect of the reverse stock split is reflected in the year-end dividend per share, and the total annual dividend is presented as “-.”

3. Earnings Forecast for the Year ending March 31, 2020 (April 1, 2019 to March 31, 2020)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2020	415,000	0.5	20,000	(11.7)	22,000	(11.0)	12,000	(11.3)	147.37

Note: No revision has been made to the latest earnings forecast.

*Notes

- (1) Changes affecting the status of material subsidiaries (scope of consolidation): None
- (2) Use of accounting procedures specific to preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
 - 1) Changes in accordance with revisions to accounting and other standards: Yes
 - 2) Changes other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None

(4) Number of shares issued (common stock)

	September 30, 2019	March 31, 2019
1) Number of shares issued (including treasury stock)	82,714,942	82,714,942
2) Number of shares held in treasury	1,579,096	880,229

	Six Months ended September 30, 2019	Six Months ended September 30, 2018
3) Average number of shares outstanding during the period	81,427,943	82,197,062

On October 1, 2018, the Company carried out a 1-for-5 reverse stock split. The “average number of shares outstanding during the period” was calculated assuming that the reverse stock split was effected at the beginning of the fiscal year ended March 31, 2018 (April 1, 2017).

*Quarterly financial reports are not subject to audit procedures to be conducted by certified public accountants or an audit firm.

*Appropriate Use of Earnings Forecast and Other Important Information

The above forecasts are based on the assumptions of management in light of information available as of the release date of this report. GS Yuasa Corporation makes no assurances as to the actual results, which may differ from forecasts due to various factors such as changes in the business environment.

4. Qualitative Information on Quarterly Financial Results

(1) Results of Operations

1) Overview

Looking at the global economy during the first six months of the fiscal year ending March 31, 2020, favorable employment and income environments in the United States supported firm consumer spending, but the Chinese economy slowed, in part due to the impact of US-China trade issues. Consumer spending was also firm in Europe, buoyed by an improving employment environment. The outlook, however, remains clouded by uncertainties related to Brexit. The Japanese economy meanwhile remained on a moderate recovery trend, supported by improved employment and income environments. The domestic outlook, however, also lacks clarity amid concerns about a slowdown in the global economy.

In this economic environment, the GS Yuasa Group's consolidated net sales for the first six months of the fiscal year totaled ¥190,414 million, about ¥5,000 million or 2.6% less than in the same period of the previous fiscal year. The main reasons for the decline in Group sales were the automotive battery business's lowering of product prices to reflect the fall in the price of lead and the negative impact from a strong yen. Despite lower overall sales, profit growth was achieved as strong sales of power supply systems and the lower price of lead helped boost operating income to ¥7,549 million (¥8,678 million before goodwill amortization), a year-on-year increase of ¥592 million or 8.5%. Ordinary income totaled ¥8,424 million, up ¥932 million or 12.4%. These gains filtered through to profit attributable to owners of parent, which rose to ¥4,774 million (¥5,902 million before goodwill amortization), a year-on-year increase of ¥1,319 million, or 38.2%.

2) Business Segment Results

Business reportable segments have changed from the first quarter of the fiscal year under review. The year-on-year comparisons below are made by restating the previous year's results according to the new segments.

(Automotive Batteries)

Net sales in Japan totaled ¥40,891 million in the first six months of the fiscal year, a year-on-year decline of ¥528 million, or 1.3%. Although sales volumes were solid for new automobile batteries and for replacement batteries, selling prices fell as product prices were lowered to reflect the fall in the price of lead. Domestic segment income (before goodwill amortization) totaled ¥2,080 million, ¥580 million or 21.8% less than a year earlier, owing to the product price cuts noted above and higher expenses.

Overseas net sales totaled ¥81,728 million, ¥5,756 million or 6.6% less than a year earlier owing to continued difficult market conditions in China and the negative impact on sales from a stronger yen. Overseas segment income totaled ¥4,920 million, a year-on-year increase of ¥251 million, or 5.4%, as the lower price of lead and other factors offset the decline in sales.

As a result of the above factors, the automotive batteries segment's combined net sales in Japan and overseas in the first half of the fiscal year totaled ¥122,620 million, ¥6,285 million or 4.9% less than in the first half of the previous fiscal year. Overall automotive batteries segment income (before goodwill amortization) came to ¥7,000 million, ¥329 million or 4.5% less than a year earlier.

(Industrial Batteries and Power Supplies)

Net sales in the industrial batteries and power supplies segment in the first half of the fiscal year totaled ¥37,621 million, a year-on-year increase of ¥3,266 million or 9.5%, driven mainly by strong sales of power supply systems. Segment income expanded to ¥2,322 million, an increase of ¥1,566 million, or 207.3% over the previous fiscal year's first-half result. The profit growth mainly reflects the segment's increased sales and the positive impact of the fall in the price of lead.

(Automotive Lithium-ion Batteries)

Net sales in the automotive lithium-ion batteries segment in the first six months of the fiscal year totaled ¥21,397 million, a year-on-year decrease of ¥618 million, or 2.8%, primarily due to lower sales of lithium-ion

batteries used in electric vehicles. The segment posted an operating loss of ¥733 million, a year-on-year deterioration of ¥442 million, primarily owing to the decline in sales and an increase in costs accompanying the startup of the 12V lithium-ion battery business.

(Other)

Net sales in the other segment in the first half of the fiscal year totaled ¥8,775 million, a year-on-year decline of ¥1,362 million, or 13.4%. Segment income after adjustments for corporate expenses, etc., came to ¥89 million, ¥355 million or 79.8% less than a year earlier owing to lower sales and other factors.

(2) Financial Condition

Total assets as of September 30, 2019, amounted to ¥383,913 million, ¥330 million less than at the end of the previous fiscal year. The decline reflects progress in the collection of trade accounts receivable, the depreciation of fixed assets, and a drop in the market valuation of owned shares, which outweighed an increase in right-of-use assets on the balance sheet resulting from overseas subsidiaries' application of the IFRS accounting standard for leases, IFRS 16 "Leases".

Liabilities increased to ¥181,692 million, up ¥5,157 million from the end of the previous fiscal year. A decrease in trade accounts payable and other liabilities was offset by increases in lease obligations owing to the application of IFRS 16 "Leases" by overseas subsidiaries and advances received for a large project order received by the Industrial Batteries and Power Supplies segment.

Net assets totaled ¥202,220 million, a decrease of ¥5,488 million from the end of the previous fiscal year. The positive effect on net assets from the posting of increased profit attributable to owners of parent was offset by dividends paid, the purchase of treasury stock, a decrease in foreign currency translation adjustments due to forex rate fluctuations, and the decrease in net unrealized gain on available-for-sale securities caused by the fall in equity share prices.

[Cash Flows]

Cash and cash equivalents as of September 30, 2019, amounted to ¥24,656 million, an increase of ¥1,247 million, or 5.3%, from the previous fiscal year-end.

Net cash provided by operating activities during the first six months amounted to ¥15,055 million, compared with ¥10,193 in the first half of the previous fiscal year. The main contributors to the positive cash flow were profit before income taxes, depreciation and amortization, the collection of trade accounts receivable, and the advances received for a large project order received by the Industrial Batteries and Power Supplies segment. These inflows outweighed cash outflows such as income taxes paid.

Net cash used in investing activities during the first six months totaled ¥8,612 million, compared with net cash used of ¥8,869 million a year earlier. The main cash outflow from investments was the purchase of property, plant, and equipment.

Net cash used in financing activities during the first six months resulted in a net cash outflow of ¥5,155 million, compared with a net cash inflow of ¥1,631 million a year earlier. The main cash outflows were from the purchase of treasury stock and dividends paid, while borrowings were the main source of inflows.

(3) Note on Consolidated Earnings Forecast and Other Forward-looking Statements

The consolidated earnings forecast announced on May 13, 2019, has been revised to reflect the Company's recent earnings performance. For details, please see the Notice Regarding Revision to Earnings Forecast released on October 29, 2019.

5. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2019 Amount	As of September 30, 2019 Amount
Assets		
Current assets		
Cash and deposits	23,618	24,785
Notes and accounts receivable	70,225	64,696
Electronically recorded monetary claims	4,168	6,445
Merchandise and finished goods	37,069	37,818
Work in process	16,869	16,242
Raw materials and supplies	13,888	13,930
Other	10,467	9,241
Allowance for doubtful receivables	(316)	(295)
Total current assets	175,990	172,864
Fixed assets		
Property, plant, and equipment		
Buildings and structures, net	54,759	52,879
Machinery and equipment, net	33,383	30,717
Land	22,406	22,209
Lease assets, net	646	554
Right-of-use assets	-	4,677
Construction in progress	8,450	12,381
Other, net	4,555	4,422
Total property, plant, and equipment	124,202	127,843
Intangible assets		
Goodwill	3,347	2,671
Lease assets	1,098	1,087
Other	5,911	3,663
Total intangible assets	10,357	7,422
Investments and other assets		
Investment securities	56,062	53,458
Net defined benefit asset	11,668	13,365
Deferred tax assets	2,502	2,699
Lease receivables	-	2,505
Other	3,714	4,018
Allowance for doubtful receivables	(332)	(337)
Total investments and other assets	73,614	75,710
Total fixed assets	208,174	210,976
Deferred assets	78	71
Total assets	384,243	383,913

	As of March 31, 2019 Amount	(Millions of yen) As of September 30, 2019 Amount
Liabilities		
Current liabilities		
Notes and accounts payable	35,160	34,848
Electronically recorded obligation	17,115	14,798
Short-term borrowings	9,905	9,344
Commercial paper	3,000	4,500
Payables	10,823	9,324
Income taxes payable	3,247	2,213
Notes payable-facilities	1,036	236
Other	16,450	21,519
Total current liabilities	96,739	96,785
Long-term liabilities		
Bonds	20,000	20,000
Long-term debt	34,034	33,449
Lease obligations	1,239	5,937
Deferred tax liabilities	12,067	11,450
Deferred tax liabilities for land revaluation	928	928
Net defined benefit liability	4,274	4,323
Other	7,252	8,817
Total long-term liabilities	79,796	84,907
Total liabilities	176,535	181,692
Net assets		
Shareholders' equity		
Common stock	33,021	33,021
Capital surplus	55,313	55,313
Retained earnings	77,664	79,542
Less treasury stock, at cost	(2,315)	(3,691)
Total shareholders' equity	163,684	164,186
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	14,879	13,807
Deferred gain (loss) on derivatives under hedge accounting	(81)	(33)
Land revaluation surplus	2,137	2,137
Foreign currency translation adjustments	(488)	(4,673)
Remeasurements of defined benefit plans	(1,809)	(1,721)
Total accumulated other comprehensive income	14,635	9,516
Non-controlling interests	29,388	28,517
Total net assets	207,708	202,220
Total liabilities and net assets	384,243	383,913

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	Six Months ended September 30, 2018	Six Months ended September 30, 2019
	Amount	Amount
Net sales	195,415	190,414
Cost of sales	153,437	147,599
Gross profit	41,977	42,815
Selling, general and administrative expenses	35,021	35,266
Operating income	6,956	7,549
Non-operating income		
Interest and dividend income	428	468
Equity in earnings of equity method affiliates	995	1,471
Other	349	255
Total non-operating income	1,774	2,195
Non-operating expenses		
Interest expenses	350	387
Foreign exchange loss	389	488
Other	497	442
Total non-operating expenses	1,237	1,319
Ordinary income	7,492	8,424
Extraordinary income		
Gain on sales of fixed assets	214	2,213
Gain on sales of investment securities	8	14
Other	18	27
Total extraordinary income	242	2,255
Extraordinary loss		
Loss on disposal of fixed assets	239	235
Loss on sales of fixed assets	31	51
Loss on liquidation of subsidiaries and affiliates	-	1,400
Other	11	97
Total extraordinary loss	281	1,784
Profit before income taxes	7,453	8,895
Income taxes	2,663	2,751
Profit	4,790	6,144
Profit attributable to non-controlling interests	1,335	1,369
Profit attributable to owners of parent	3,454	4,774

Consolidated Statements of Comprehensive Income

	Six Months ended September 30, 2018	(Millions of yen) Six Months ended September 30, 2019
	Amount	Amount
Profit	4,790	6,144
Other comprehensive income		
Net unrealized gain (loss) on available-for-sale securities	3,083	(1,066)
Deferred gain (loss) on derivatives under hedge accounting	(37)	0
Foreign currency translation adjustments	785	(3,117)
Remeasurements of defined benefit plans	(312)	87
Share of other comprehensive income of equity method affiliates	(2,420)	(1,508)
Total other comprehensive income	1,098	(5,603)
Comprehensive income	5,888	540
Components:		
Comprehensive income attributable to owners of parent	4,458	(345)
Comprehensive income attributable to non-controlling interests	1,430	886

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six Months ended September 30, 2018	Six Months ended September 30, 2019
	Amount	Amount
Cash flows from operating activities		
Profit before income taxes	7,453	8,895
Depreciation and amortization	8,582	8,722
Amortization of goodwill	829	676
(Gain) loss on sales of investment securities	(8)	(14)
Loss on liquidation of subsidiaries and affiliates	-	1,400
Increase (decrease) in allowance for doubtful receivables	(176)	(0)
Change in net defined benefit asset/liability	(1,884)	(1,488)
Interest and dividend income	(428)	(468)
Interest expenses	350	387
Foreign exchange (gain) loss	114	(53)
(Gain) loss on sales of fixed assets	(183)	(2,162)
Loss on disposal of fixed assets	239	235
Equity in (earnings) loss of equity method affiliates	(995)	(1,471)
(Increase) decrease in trade accounts receivable	11,052	1,500
Increase (decrease) in advances received	(1,545)	6,503
(Increase) decrease in inventories	(6,170)	(3,576)
Increase (decrease) in trade accounts payable	(4,800)	(333)
Other – net	2,634	554
Sub total	15,064	19,306
Interest and dividends received	720	723
Interest paid	(344)	(387)
Income taxes paid	(5,247)	(4,586)
Net cash provided by operating activities	10,193	15,055
Cash flows from investing activities		
Purchase of property, plant, and equipment	(7,449)	(10,628)
Proceeds from sales of property, plant, and equipment	350	2,409
Purchase of intangible assets	(107)	(35)
Purchase of investment securities	-	(2)
Proceeds from sales of investment securities	602	35
Purchase of subsidiary's shares	(2,811)	-
Payments for investments in capital of subsidiaries and associates	-	(582)
Collection of loans receivable	53	136
Other - net	493	55
Net cash used in investing activities	(8,869)	(8,612)

Cash flows from financing activities

Net increase (decrease) in short-term borrowings and commercial paper	(3,207)	437
Proceeds from long-term debt	12,696	1,548
Repayments of long-term debt	(3,536)	(848)
Purchase of treasury stock	(3)	(1,380)
Proceeds from disposal of treasury shares	3	4
Dividends paid	(2,878)	(2,865)
Dividends paid to non-controlling shareholders	(1,316)	(1,463)
Other - net	(125)	(587)
Net cash used in financing activities	1,631	(5,155)
Foreign currency translation adjustments on cash and cash equivalents	275	(252)
Net increase (decrease) in cash and cash equivalents	3,230	1,036
Cash and cash equivalents, beginning of term	19,776	23,408
Increase (decrease) in cash and cash equivalents resulting from changes to accounting periods of consolidated subsidiaries	1,093	-
Increase in cash and cash equivalents from newly consolidated subsidiary	24	211
Cash and cash equivalents, end of term	24,124	24,656

(4) Notes on the Consolidated Financial Statements

(Note on the going-concern assumption)

Not applicable

(Note on significant change in shareholders' equity)

(Share buyback)

The Company purchased 700,000 of its own shares based on a resolution made by the Board of Directors on May 13, 2019. As a result of purchase and disposal of treasury shares including the May 13 share buyback, treasury shares increased by 1,375 million yen during the first six months of the fiscal year ending March 31, 2020 and totaled 3,691 million yen as of the end of the period under review.

(Use of accounting procedures specific to preparation of quarterly consolidated financial statements)

The Company calculates tax expense by rationally estimating its effective tax rate after application of tax-effect accounting to profit before income taxes for the current fiscal year, which includes the first six months of the fiscal year under review, and multiplying profit before income taxes by said estimated effective tax rate.

(Changes in accounting policy)

From the first three months of the fiscal year ending March 31, 2020, overseas consolidated subsidiaries that apply IFRSs have adopted IFRS 16, "Leases."

In conjunction with this, for lessee lease transactions, right-of-use assets and lease obligations were recognized in principle. For lessor lease transactions (sublease), if a lease transfers nearly all of the risks and rewards incidental to ownership of an underlying asset, the lease is classified as a finance lease, then the underlying asset is derecognized and the net investment in the lease is recorded as lease receivables. As a result, in the Consolidated Balance Sheets for the Six Months ended September 30, 2019, "right-of-use assets" under fixed assets increased 4,677 million yen, "other" under current liabilities increased 968 million yen, "lease obligations" under long-term liabilities increased 4,793 million yen, while "other" under current assets that includes net investment in leases increased 242 million yen and "lease receivables" under fixed assets increased 2,505 million yen. In addition, land use rights of 1,609 million yen was transferred to "right-of-use assets (net)." For reference, this change has little impact on profit/loss for the Six Months ended September 30, 2019.

With the adoption of IFRS 16, these companies applied transitional measures that recognize the cumulative effects of adoption of IFRS 16 as of the date of adoption, as is permitted for first-time adopters. Right-of-use assets are measured using measurement of the cost of the lease liability adjusted with prepaid or accrued lease payments. This measurement has no impact on retained earnings at the beginning of the period.

(Segment and other information)
Segment Information

I. Six Months ended September 30, 2018 (April 1 to September 30, 2018)

1. Net sales and income/loss by reportable segment

(Millions of yen)

	Reportable segment							
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total	Other (note)	Total
	Japan	Overseas	Subtotal					
Net sales								
Sales to outside customers	41,420	87,485	128,905	34,355	22,016	185,277	10,138	195,415
Inter-segment sales and transfers	699	2,043	2,742	5,798	417	8,959	(8,959)	-
Total	42,119	89,528	131,648	40,154	22,433	194,236	1,178	195,415
Segment income (loss)	2,661	4,668	7,329	755	(291)	7,794	445	8,239

Notes: 1. "Other" comprises a) businesses that are not included in any of the reportable segments such as special batteries business and b) segment income adjustment. Segment income adjustment was minus 772 million yen, which includes minus 261 million yen elimination of inter-segment transactions and minus 510 million yen of unallocated corporate expenses. The main component of these unallocated corporate expenses is SG&A expenses that are not attributable to reportable segments.

2. The difference between the total segment income in the table above and operating income of 6,956 million yen on the consolidated statements of income represents amortization of goodwill and other intangible assets of 1,283 million yen. These goodwill and other intangible assets include identifiable assets acquired on the effective date of business combination.

II. Six Months ended September 30, 2019 (April 1 to September 30, 2019)

1. Net sales and income/loss by reportable segment

(Millions of yen)

	Reportable segment							
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total	Other (note)	Total
	Japan	Overseas	Subtotal					
Net sales								
Sales to outside customers	40,891	81,728	122,620	37,621	21,397	181,639	8,775	190,414
Inter-segment sales and transfers	663	2,060	2,724	5,841	413	8,979	(8,979)	-
Total	41,555	83,789	125,344	43,463	21,811	190,619	(204)	190,414
Segment income (loss)	2,080	4,920	7,000	2,322	(733)	8,588	89	8,678

Notes: 1. "Other" comprises a) businesses that are not included in any of the reportable segments such as special batteries business and b) segment income adjustment. Segment income adjustment was minus 1,122 million yen, which includes minus 615 million yen elimination of inter-segment transactions and minus 506 million yen of unallocated corporate expenses. The main component of these unallocated corporate expenses is SG&A expenses that are not attributable to reportable segments.

2. The difference between the total segment income in the table above and operating income of 7,549 million yen on the consolidated statements of income represents amortization of goodwill and other intangible assets of 1,129 million yen. These goodwill and other intangible assets include identifiable assets acquired on the effective date of business combination.

2. Changes to reportable segments

The Company reviewed its administrative segmentation to facilitate more accurate evaluation of segment results based on products. As a result, from the fiscal year ending March 31, 2020, some consolidated subsidiaries that were included in "Automotive Batteries-Overseas" have been reclassified to "Industrial Batteries and Power Supplies."

The segment information for the six months ended September 30, 2018 has been recast to conform to the revised presentation.

(Additional information)

(Material changes to the scope of consolidation)

In the second quarter of the fiscal year ending March 31, 2020, Siam GS Battery Myanmar Limited was consolidated due to an increase in materiality.

6. Supplementary Information

(1) Quarterly profit/loss

Fiscal year ending March 31, 2020 (April 1, 2019 to March 31, 2020)

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	90,082	100,331	-	-	190,414	-	-
Operating income	2,040	5,508	-	-	7,549	-	-
Ordinary income	2,873	5,551	-	-	8,424	-	-
Profit attributable to owners of parent	1,473	3,300	-	-	4,774	-	-

Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	96,256	99,158	110,230	107,442	195,415	305,646	413,089
Operating income	2,917	4,038	7,358	8,339	6,956	14,315	22,654
Ordinary income	3,165	4,327	8,308	8,927	7,492	15,800	24,728
Profit attributable to owners of parent	1,430	2,023	6,636	3,433	3,454	10,090	13,524

Fiscal year ended March 31, 2018 (April 1, 2017 to March 31, 2018)

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	87,805	96,402	112,776	113,966	184,208	296,984	410,951
Operating income	2,876	3,109	7,734	8,198	5,986	13,721	21,920
Ordinary income	3,273	3,174	7,763	7,176	6,447	14,210	21,387
Profit attributable to owners of parent	1,254	1,295	3,668	5,231	2,549	6,218	11,449

Fiscal year ended March 31, 2017 (April 1, 2016 to March 31, 2017)

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	75,364	83,535	95,428	105,277	158,899	254,328	359,605
Operating income	2,988	4,184	7,501	8,431	7,173	14,674	23,106
Ordinary income	2,875	3,774	8,007	7,887	6,650	14,657	22,545
Profit attributable to owners of parent	1,840	2,271	4,460	3,656	4,111	8,572	12,229

Fiscal year ended March 31, 2016 (April 1, 2015 to March 31, 2016)

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	81,642	89,507	94,159	100,301	171,149	265,308	365,610
Operating income	3,109	3,705	7,338	7,756	6,814	14,153	21,909
Ordinary income	3,044	4,004	7,220	7,146	7,049	14,269	21,416
Profit attributable to owners of parent	951	2,665	3,010	2,402	3,616	6,627	9,030

(2) Overview of Results for the Six Months ended September 30, 2019

(Millions of yen unless otherwise stated)

	Six months ended			Change (b) – (a)	Full year ended/ending		
	September 30, 2017	September 30, 2018 (a)	September 30, 2019 (b)		March 31, 2018	March 31, 2019	March 31, 2020 (forecast)
Net sales	184,208	195,415	190,414	(5,000)	410,951	413,089	415,000
Automotive Batteries-Japan	39,307	41,420	40,891	(528)	89,240	91,460	90,000
Automotive Batteries-Overseas	87,683	87,485	81,728	(5,756)	185,574	177,052	173,000
Industrial Batteries and Power Supplies	30,526	34,355	37,621	3,266	74,237	80,042	87,000
Automotive Lithium-ion Batteries	19,606	22,016	21,397	(618)	44,784	45,585	47,000
Other	7,084	10,138	8,775	(1,362)	17,113	18,947	18,000
Operating income	5,986	6,956	7,549	592	21,920	22,654	20,000
Operating income before amortization of goodwill	7,064	8,239	8,678	439	24,076	25,066	22,000
Automotive Batteries-Japan	2,040	2,661	2,080	(580)	6,143	7,766	5,500
Automotive Batteries-Overseas	3,799	4,668	4,920	251	8,960	9,926	9,000
Industrial Batteries and Power Supplies	1,091	755	2,322	1,566	7,364	7,827	8,500
Automotive Lithium-ion Batteries	225	(291)	(733)	(442)	1,320	300	(1,000)
Other	(91)	445	89	(355)	287	(754)	-
Ordinary income	6,447	7,492	8,424	932	21,387	24,728	22,000
Profit attributable to owners of parent	2,549	3,454	4,774	1,319	11,449	13,524	12,000
Profit attributable to owners of parent before amortization of goodwill	3,717	4,760	5,902	1,141	13,894	15,974	14,500
Profit per share (yen)	30.89	42.02	58.63	16.61	138.90	164.74	147.37
Interim (full-year) dividend per share (yen)	3.00	3.00	15.00	-	10.00	-	50.00
Purchase of treasury stock (plan for next fiscal year)	-	-	-	-	921	1,500	-
Capital investment	5,507	8,053	8,638	585	15,223	21,461	27,000
Depreciation/amortization	8,223	7,744	7,879	134	16,506	16,115	18,000
Research and development expenses	4,840	4,390	4,782	392	11,170	9,868	11,000
Cash flows from operating activities	3,985	10,193	15,055	4,862	21,934	31,493	-
Cash flows from investing activities	(13,681)	(8,869)	(8,612)	257	(20,810)	(17,570)	-
Cash flows from financing activities	8,021	1,631	(5,155)	(6,786)	(6,702)	(11,706)	-
Cash and cash equivalents, end of term	22,826	24,124	24,656	★ 1,247	19,776	23,408	-
Total assets	374,713	384,039	383,913	★ (330)	389,216	384,243	-
Net assets	191,022	202,966	202,220	★ (5,488)	205,638	207,708	-
Total debt	86,693	78,712	67,294	★ 354	75,153	66,940	-
Equity ratio (%)	43.8	45.7	45.2	★ (1.2)	45.2	46.4	-
Return on equity (%) (profit before amortization of goodwill)	-	-	-	-	8.2	9.0	-
Net assets per share (yen)	1,986.85	2,136.56	2,140.89	★ (38.14)	2,138.45	2,179.03	-
Overseas sales ratio (%)	51.6	52.2	49.1	★ (0.3)	49.9	49.4	-
Number of employees, end of term (persons)	14,857	14,275	14,417	★ 200	14,585	14,217	-
Number of consolidated subsidiaries	55	55	54	★ -	56	54	-
Japan	22	22	22	★ -	22	22	-
Overseas	33	33	32	★ -	34	32	-

* The asterisks indicate change over the end of the previous fiscal year (March 31, 2019).

Note: On October 1, 2018, the Company carried out a 1-for-5 reverse stock split. Profit per share and net assets per share were calculated assuming that the reverse stock split was effected at the beginning of the fiscal year ended March 31, 2018 (April 1, 2017). In addition, interim (full-year) dividend per share for the fiscal year ended March 31, 2019 is presented as "-."