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## Financial Results for the Second Quarter of FY2010 (1 April - 30 September 2010)

### [All financial information has been prepared in accordance with G.A.A.P. in Japan] (Consolidated)

2 November 2010

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 Code No.: 7269  
 Representative: Osamu Suzuki, Chairman & CEO  
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 Date of Filing Quarterly Securities Report: 12 November 2010  
 Preparation of Supplementary Explanatory Material: Yes  
 Holding of Presentation Meeting on Quarterly Financial Results: Yes

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Start of Payment of Cash Dividends: 30 November 2010

(Amounts less than one million yen have been omitted)

### 1. Consolidated operating results for FY2010 first half of FY2010 (1 April - 30 September 2010)

#### (1) Consolidated management results (Cumulative) (Percentage indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY 2010 first half	1,318,760	11.6	68,814	116.1	74,936	91.8	30,411	143.0
FY 2009 first half	1,181,559	(31.3)	31,842	(47.5)	39,078	(43.2)	12,514	(63.4)

	Net income per share, Basic	Net income per share, Diluted
	Yen	Yen
FY 2010 first half	54.36	49.95
FY 2009 first half	28.79	25.12

#### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million Yen	Million Yen	%	Yen
FY 2010 first half	2,314,216	1,078,777	40.9	1,688.85
FY 2009	2,381,314	1,089,757	40.0	1,708.16

[Reference] Net assets excluding minority interests (*Jikoshihon*): FY2010 first half 947,397 million yen  
 FY2009 951,983 million yen

### 2. Cash dividends

	Annual cash dividends				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2009	-	5.00	-	7.00	12.00
FY 2010	-	6.00	-	-	-
FY 2010 (Forecast)	-	-	-	6.00	12.00

[Note] Revision of forecast for cash dividends during this quarter: None

### 3. Forecasts for consolidated operating results of FY 2010 (1 April 2010 - 31 March 2011)

(Percentage indicates change from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Full year	2,550,000	3.3	100,000	26.0	110,000	17.2	35,000	21.0	62.49

[Note] Revisions of forecast for consolidated results during this quarter: Yes

**4. Others** (Please refer to the “2. Other Information” on page 4 of the “Attachment” for details.)

(1) Changes in significant subsidiaries during this quarter: None

[Note] Changes in specified subsidiaries (*Tokuteikogaisha*) that accompany with a change in the scope of consolidation during this quarter.

(2) Application of simplified accounting treatment and specific accounting treatment: Yes

[Note] Application of simplified accounting treatment and accounting treatment specific to preparation of consolidated quarterly financial statements.

(3) Change in accounting principles, procedures and indication methods

1) Changes due to the revision of the accounting standards: Yes

2) Changes other than 1): None

[Note] Change in accounting principles, procedures and indication methods for preparing consolidated quarterly financial statements mentioned in “Change in important basic matter for preparing quarterly consolidated financial statements”.

(4) Number of outstanding shares (common stock)

(Shares)

1) Number of outstanding shares at end of period (including treasury stock)

FY2010 2Q	561,047,304	FY2009	557,387,304
FY2010 2Q	74,046	FY2009	73,245
FY2010 2Q	559,404,983	FY2009 2Q	434,634,051

2) Number of treasury stock at end of period

3) Average number of outstanding shares during period (consolidated cumulative quarters)

**\* Indication regarding the status of the implementation of quarterly review procedure**

This quarterly financial report is exempt from the quarterly review procedure under the Financial Instruments and Exchange Act of Japan. At the time of disclosure of this report, the quarterly review procedure is in progress.

**\* Explanation regarding the appropriate use of forecasts for operating results, other information**

The forward-looking statements are calculated based on currently available information and assumptions and contain risks and uncertainty. Please note that the future results may greatly vary by the changes of various factors. Those factors, which may influence the future results, include economic conditions and the trend of demand in major markets and the fluctuations of foreign exchange rates (mainly Yen/US dollar rate, Yen/Euro rate).

Please refer to the “(3) Qualitative Information on Forecasts for Consolidated Operating Results” on page 4 of the “Attachment” for detail such as precondition of the above-mentioned forecast.

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# 1. Qualitative Information on Consolidated Operating Results for the Quarterly Period

## (1) Qualitative Information on Consolidated Management Results

### - Management results of this first half

The management environment of the Group for this first half continues to be in a severe situation such as the continuation of high unemployment rates in Europe and the US although the global economy has gradually recovered because of the economic recoveries mainly in Asia and economic stimulus measures by each government. The domestic economy had been on a gradual recovery trend supported by the overseas economic expansion and the influences of economic measures, but it has become an increasingly severe situation by the slowdown in current economic climate by the sharp fluctuation in exchange rates and decelerated effect of economic stimulus measures as well as the continued high unemployment rates.

Under these circumstances, consolidated net sales of this first half increased by ¥137.2 billion (11.6%) to ¥1,318.8 billion year-on-year because of the increased sales of automobiles in Japan and the increased sales of motorcycles and automobiles in Asia even though the sales in North America and Europe were below sales during the same period of the previous fiscal year. As for the consolidated profits, the reduced profits caused by the exchange influences and the increase in various expenses, R & D expenses and depreciation expenses were covered by the sales increase and the cost reduction. Operating income was ¥68.8 billion (up ¥37.0 billion y-o-y), ordinary income was ¥74.9 billion (up ¥35.8 billion y-o-y), and net income was ¥30.4 billion (up ¥17.9 billion y-o-y).

### <The operating results by segmentation>

#### (Motorcycle)

Sales of the motorcycle business decreased by ¥11.3 billion (8.0%) to ¥131.2 billion year-on-year due to the sales decline in North America, Europe and Japan although the sales increased in Asia. As for profits, operating loss was reduced by ¥1.4 billion year-on-year because of improvement of operating results in Asia, but operating loss was ¥4.1 billion on account of the continued sales slowdown of large-size motorcycles for Europe and the US.

#### (Automobile)

Domestic sales exceeded that of the same period of the previous fiscal year because of favorable sales of new “ALTO,” all the types of which fit the preferential tax treatment for environmentally friendly vehicles, and the “PALLETE”. Overseas sales also exceeded that of the same period of the previous fiscal year because of the sales increase in emerging countries centering on Asia such as India and Indonesia. As a result, sales of the automobile business increased by ¥140.7 billion (13.7%) to ¥1,168.5 billion year-on-year. Operating income also increased by ¥36.1 (111.8%) billion to ¥68.4 billion year-on-year.

#### (Marine and Power products, etc.)

Sales of marine and power products, etc. business increased by ¥2.4 billion (11.4%) to ¥24.2 billion year-on-year because of the sales increase mainly in Europe, Asia and Oceania. Operating income also increase by ¥0.7 billion (27.2%) to ¥3.6 billion year-on-year.

#### (Financial Services)

Sales of financial services business decreased by ¥8.9 billion (23.5%) to ¥29.3 billion year-on-year and operating income decreased by ¥0.5 billion (27.4%) to ¥1.5 billion year-on-year.

## <The operating results by geographical areas>

### (Japan)

Sales increased by ¥131.5 billion (19.3%) to ¥813.4 billion year-on-year because of the increase in domestic sales of automobiles and their export to Europe, Asia and Central and South America despite the sales decrease of motorcycles. Operating income increased by ¥27.8 billion to ¥36.7 billion year-on-year because reduced profits by the foreign exchange rates affections were covered by the sales increase and the cost reduction.

### (Europe)

Sales decreased by ¥57.2 billion (25.7%) to ¥165.5 billion year-on-year on account of the influences by the termination of the car scrapping scheme of each government. Operating income also decreased by ¥1.8 billion (49.4%) to ¥1.8 billion year-on-year.

### (North America)

On account of the reduced sales of motorcycles and automobiles, sales decreased by ¥33.4 billion (42.3%) to ¥45.5 billion year-on-year. As for profits, operating loss was reduced by ¥6.8 billion to ¥2.1 billion year-on-year because of the reduction in various expenses.

### (Asia)

Sales increased by ¥100.6 Billion (27.7%) to ¥463.7 billion year-on-year because of the sales increase of motorcycles and automobiles in various countries such as India, Indonesia, Pakistan and Thailand. As for profits, operating income decreased by ¥0.9 billion (3.7%) to ¥24.5 billion year-on-year.

### (Other areas)

Sales increased by ¥9.0 billion (29.8%) to ¥39.2 billion year-on-year because of the sales increase in automobiles in various areas such as Central and South America, Oceania and Africa. Operating income also increased by ¥1.7 billion to ¥2.2 billion year-on-year.

## (2) Qualitative Information on Consolidated Financial Position

### 1) Assets, liabilities and net assets

As for the financial position at the end of this consolidated second quarter, total assets were ¥2,314.2 billion (decreased by ¥67.1 billion from the end of previous fiscal year), total liabilities were ¥1,235.4 billion (decreased by ¥56.1 billion from the end of previous fiscal year) and total net assets were ¥1,078.8 billion (decreased by ¥11.0 billion from the end of previous fiscal year).

### 2) Cash flows

Cash flow from operating activities for the first half increased by ¥166.0 billion (a fund increase of ¥156.5 billion for the same period of previous fiscal year), and the fund of ¥106.8 billion was used for the acquisition of property, plant and equipment and investments in the investing activities (a fund decrease of ¥69.5 billion for the same period of previous fiscal year). As a result, free cash flow increased by ¥59.2 billion (a fund increase of ¥87.0 billion for the same period of previous fiscal year). Although a fund increased due to the capital increase by third party allotment, the fund of ¥41.4 billion decreased for the financing activities because of repayment of borrowings (a fund decrease of ¥16.3 billion for the same period of previous fiscal year).

As a result, the balance of cash and cash equivalents at the end of this consolidated second quarter was ¥585.4 billion and up ¥1.9 billion from the end of previous fiscal year.

### **(3) Qualitative Information on Forecasts for Consolidated Operating Results**

Taking the situation of FY2010 first half into account, the Group has revised the consolidated business full year forecast, as follows.

Although the future economic conditions and foreign exchange rates are still uncertain, the Group will expand its business activities in concerted efforts by implementing reforms in every field to achieve business results that reach or exceed the forecast.

#### **(Forecasts for Consolidated Operating Results – Full Year)**

Net Sales	¥2,550 billion	(up 3.3% y-o-y)
Operating income	¥100 billion	(up 26.0% y-o-y)
Ordinary income	¥110 billion	(up 17.2% y-o-y)
Net income	¥35 billion	(up 21.0% y-o-y)
ForEx rates	¥84/US\$ (1st half: ¥89, 2nd half: ¥80)	
	¥112/Euro (1st half: ¥114, 2nd half: ¥110)	

\* The forecasts for consolidated operating results are calculated based on currently available information and assumptions and contain risks and uncertainty. Please note that the future results may greatly vary by the changes of various factors. Those factors, which may influence the future results, include economic conditions and the trend of demand in major markets and the fluctuation of foreign exchange rates (mainly Yen/US dollar rate, Yen/Euro rate).

## **2. Other Information**

### **(1) Outline of Changes in Significant Subsidiaries**

None

### **(2) Outline of Application of Simplified Accounting Treatment and Specific Accounting Treatment**

#### **1) Simplified accounting treatment**

There is no important matter regarding the simplified methods applied.

#### **2) Accounting treatment specific to preparation of quarterly consolidated financial statements**

[Calculation of income taxes]

As for income taxes, the effective tax rates were reasonably estimated after applying the tax effect accounting to the income before income taxes of the consolidated fiscal year including this consolidated second quarter, and the income before income taxes were multiplied by this estimated effective tax rate. Further, the “income taxes-current” and “income taxes-deferred” were indicated as the “income taxes”.

### **(3) Outline of Change in Principles, Procedures and Indication Methods of Accounting Treatment**

#### **1) Application of the “Accounting Standard for Equity Method of Accounting for Investments” and the “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method”**

The “Accounting Standard for Equity Method of Accounting for Investments” (Accounting Standards Board of Japan; ASBJ Statement No.16, 10 March 2008) and the “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method” (ASBJ PITF No. 24, 10 March 2008) have been applied since this consolidated first quarter.

That application gave no influences on the quarterly consolidated financial statements.

## **2) Application of the “Accounting Standard for Asset Retirement Obligations”**

The “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No.18, 31 March 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21, 31 March 2008) have been applied since this consolidated first quarter.

Influences by this application on the quarterly consolidated financial statements are insignificant.

## **3) Application of the “Accounting Standard for Business Combinations” and related matters**

The “Accounting Standard for Business Combinations” (ASBJ Statement No.21, 26 December 2008), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22, 26 December 2008), the “Partial amendments to Accounting Standard for Research and Development Costs” (ASBJ Statement No.23, 26 December 2008), the “Revised Accounting Standard for Business Divestitures” (ASBJ Statement No.7, 26 December 2008), the “Revised Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No.16, 26 December 2008) and the “Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, 26 December 2008) have been applied since this consolidated first quarter.

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly Consolidated Balance Sheets

(Amount: Yen in million)

	FY2010 first half (As of 30 September 2010)	FY2009 (As of 31 March 2010)
<b>Assets</b>		
Current assets		
Cash and deposits	177,215	147,394
Notes and accounts receivables-trade	215,334	248,565
Short-term investment securities	617,377	602,388
Merchandise and finished goods	178,151	172,322
Work in process	20,097	19,380
Raw materials and supplies	44,190	44,492
Other	198,902	248,491
Allowance for doubtful accounts	(3,829)	(3,698)
Total current assets	1,447,439	1,479,336
Noncurrent assets		
Property, plant and equipment	535,051	565,853
Intangible assets	4,246	2,824
Investment and other assets		
Investment securities	157,723	152,080
Other	170,880	182,435
Allowance for doubtful accounts	(927)	(1,002)
Allowance for investment loss	(197)	(214)
Total investments and other assets	327,478	333,299
Total noncurrent assets	866,777	901,977
Total assets	2,314,216	2,381,314
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	369,614	391,874
Short-term loans payable	233,093	260,937
Income taxes payable	29,917	13,129
Provision for product warranties	57,727	60,715
Other	209,429	207,258
Total current liabilities	899,782	933,915
Noncurrent liabilities		
Bonds with subscription rights to shares	149,975	149,975
Long-term loans payable	117,460	136,104
Provision for retirement benefits	38,010	39,337
Other provision	8,131	8,565
Other	22,079	23,658
Total noncurrent liabilities	335,657	357,641
Total liabilities	1,235,439	1,291,556

(Amount: Yen in million)

	FY2010 first half (As of 30 September 2010)	FY2009 (As of 31 March 2010)
Net assets		
Shareholders' equity		
Capital stock	138,014	134,803
Capital surplus	144,364	141,153
Retained earnings	776,867	750,357
Treasury stock	(63)	(61)
Total shareholders' equity	1,059,183	1,026,251
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	13,279	16,546
Deferred gains or losses on hedges	1,902	910
Foreign currency translation adjustment	(126,967)	(91,725)
Total valuation and translation adjustments	(111,785)	(74,268)
Minority interests	131,379	137,774
Total net assets	1,078,777	1,089,757
Total liabilities and net assets	2,314,216	2,381,314

**(2) Quarterly Consolidated Statements of Income**  
**(First half for the six months ended September)**

(Amount: Yen in million)

	FY2009 first half (1 April – 30 Sept. 2009)	FY2010 first half (1 April – 30 Sept. 2010)
Net sales	1,181,559	1,318,760
Cost of sales	912,130	993,460
Gross profit	269,428	325,299
Selling, general and administrative expenses	237,585	256,485
Operating income	31,842	68,814
Non-operating income		
Interest income	8,362	6,847
Dividends income	862	1,241
Equity in earnings of affiliates	-	1,159
Other	6,865	8,085
Total non-operating income	16,090	17,333
Non-operating expenses		
Interest expenses	4,367	2,798
Loss on valuation of securities	-	5,310
Equity in losses of affiliates	180	-
Other	4,307	3,102
Total non-operating expenses	8,855	11,211
Ordinary income	39,078	74,936
Extraordinary income		
Gain on sales of noncurrent assets	241	198
Gain on sales of investment securities	-	364
Total extraordinary income	241	563
Extraordinary loss		
Loss on sales of noncurrent assets	229	211
Loss on sales of investment securities	-	2
Impairment loss	0	1,579
Total extraordinary loss	229	1,793
Income before income taxes	39,090	73,707
Income taxes	16,154	33,202
Income before minority interests	-	40,504
Minority interests in income	10,420	10,093
Net income	12,514	30,411

### (3) Quarterly Consolidated Statements of Cash Flows

(Amount: Yen in million)

	FY2009 first half (1 April – 30 Sept. 2009)	FY2010 first half (1 April – 30 Sept. 2010)
Net cash provided by (used in) operating activities		
Income before income taxes	39,090	73,707
Depreciation and amortization	58,054	62,461
Impairment loss	0	1,579
Interest and dividends income	(9,225)	(8,088)
Interest expenses	4,367	2,798
Equity in (earnings) losses of affiliates	180	(1,159)
Loss (gain) on valuation of securities	-	5,310
Decrease (increase) in notes and accounts receivable-trade	30,958	24,714
Decrease (increase) in inventories	69,817	(19,903)
Increase (decrease) in notes and accounts payable-trade	(61,365)	(12,846)
Increase (decrease) in accrued expenses	(18,358)	18,176
Other, net	42,860	26,896
Subtotal	156,379	173,646
Interest and dividends income received	8,679	7,140
Interest expenses paid	(3,241)	(2,469)
Income taxes paid	(5,335)	(12,278)
Net cash provided by (used in) operating activities	156,481	166,038
Net cash provided by (used in) investing activities		
Payments into time deposits	(13,018)	(36,152)
Proceeds from withdrawal of time deposits	25,006	16,192
Purchase of short-term investment securities	(14,069)	(243,746)
Proceeds from sales of short-term investment securities	2,793	214,670
Purchases of property, plant and equipment	(70,995)	(46,169)
Proceeds from sales of property, plant and equipment	1,768	951
Purchase of intangible assets	(226)	(1,699)
Purchases of investment securities	(200)	(19,426)
Other, net	(608)	8,562
Net cash provided by (used in) investing activities	(69,549)	(106,816)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(70,968)	(33,223)
Proceeds from long-term loans payable	62,905	14,889
Repayment of long-term loans payable	(3,639)	(23,926)
Proceeds from issuance of common stock	-	6,423
Cash dividends paid	(3,469)	(3,899)
Cash dividends paid to minority shareholders	(1,109)	(1,675)
Other, net	19	(2)
Net cash provided by (used in) financing activities	(16,262)	(41,414)
Effect of exchange rate changes on cash and cash equivalents	(2,476)	(15,879)
Net increase (decrease) in cash and cash equivalents	68,193	1,927
Cash and cash equivalents at beginning of period	427,797	583,456
Cash and cash equivalents at end of period	495,990	585,384

#### (4) Assumption for Going Concern

None

#### (5) Segment Information

##### [Business Segments]

FY2009 first half (1 April – 30 September 2009)

(Amount: Yen in million)

	Motorcycle	Automobile	Marine & Power products, etc.	Financial Services	Total	Eliminations or corporate assets	Consolidated
Net Sales							
1) Net sales to external customers	142,542	1,002,454	21,681	14,880	1,181,559	-	1,181,559
2) Internal net sales or transfer among segments	-	25,313	65	23,365	48,744	(48,744)	-
Total	142,542	1,027,767	21,747	38,246	1,230,303	(48,744)	1,181,559
Operating income (loss)	(5,529)	32,288	2,874	2,057	31,691	151	31,842

- [Notes] 1. Segmentation is based on the similarity of their markets and sales method in consideration of the internally used classification.  
2. Main products in each business segment

Business segment	Main products
Motorcycle	Motorcycles, Motor-driven bicycles, All terrain vehicles
Automobile	Mini vehicle, Sub-compact vehicle, Standard-sized vehicle
Marine and Power products, etc	Outboard motors, Engines for snowmobiles, etc., Electro senior vehicle, Houses
Financial Services	Sales finance, etc.

##### [Geographical Segments]

FY2009 first half (1 April – 30 September 2009)

(Amount: Yen in million)

	Japan	Europe	North America	Asia	Other areas	Total	Eliminations or corporate assets	Consolidated
Net Sales								
1) Net sales to external customers	510,773	218,223	77,964	344,447	30,151	1,181,559	-	1,181,559
2) Internal net sales or transfer among segments	171,140	4,446	909	18,643	0	195,140	(195,140)	-
Total	681,913	222,669	78,873	363,091	30,151	1,376,699	(195,140)	1,181,559
Operating income (loss)	8,866	3,558	(8,906)	25,452	509	29,480	2,362	31,842

- [Notes] 1. Segmentation is based on a geographical adjacency.  
2. The major countries or areas belonging to segments other than Japan:  
(1) Europe ..... Hungary, Great Britain and Germany  
(2) North America ..... USA and Canada  
(3) Asia ..... India, Indonesia and Pakistan  
(4) Other areas ..... Australia and Colombia

## [Overseas Net Sales]

FY2009 first half (1 April – 30 September 2009)

(Amount: Yen in million)

	Europe	North America	Asia	Other areas	Total
1. Overseas net sales	229,895	82,768	363,419	66,096	742,179
2. Consolidated net sales					1,181,559
3. % of overseas net sales in consolidated net sales	19.5	7.0	30.8	5.6	62.8

- [Notes]
1. Segmentation is based on a geographical adjacency.
  2. The major countries or areas belonging to each segment:
    - (1) Europe ..... Hungary, Great Britain and Germany
    - (2) North America ..... USA and Canada
    - (3) Asia ..... India, Indonesia and People's Republic of China
    - (4) Other areas ..... Australia and Colombia
  3. Overseas net sales are the net sales of the Company and its consolidated subsidiaries in countries or areas other than Japan.

## [Segment Information]

### 1. Outline of Reportable Segments

The reportable segments of the Company are the components of the Company business for which discrete financial information is available, and whose operating results are regularly reviewed by our decision-making body such as Board of Directors to make decisions about resources to be allocated to the segment and to assess its performance.

The Company has four reportable segments of "Automobile", "Motorcycle", " Marine and Power products, etc" and "Financial Services" based on the form of management organization and nature of products and services.

Main products and services of each segment are as follows:

Segment	Main products and services
Motorcycle	Motorcycles, All terrain vehicles
Automobile	Mini vehicle, Sub-compact vehicle, Standard-sized vehicle
Marine and Power products, etc	Outboard motors, Engines for snowmobiles, etc., Electro senior vehicle, Houses
Financial Services	Sales finance, etc.

### 2. Revenues and Profit (Loss) of Each Segment

FY2010 first half (1 April – 30 September 2010)

(Amount: Yen in million)

	Reportable Segments					Adjustment*1	Amount in the quarterly consolidated statements of income
	Motorcycle	Automobile	Marine & Power products, etc.	Financial Services	Total		
Net Sales							
1) Net sales to external customers	131,188	1,150,043	24,179	13,350	1,318,760	-	1,318,760
2) Internal net sales or transfer among segments	-	18,452	46	15,910	34,410	(34,410)	-
Total	131,188	1,168,496	24,225	29,261	1,353,171	(34,410)	1,318,760
Segment profit (loss) *2	(4,144)	68,379	3,656	1,494	69,385	(570)	68,814

[Notes] \*1. Adjustment of segment profit (loss) is a elimination of inter segment transactions.

\*2. Segment profit (loss) is a operating income in the quarterly consolidated statements of income.

### 3. Impairment Loss on Noncurrent Assets or Goodwill of Each Segment

FY2010 first half (1 April – 30 September 2010)

(Significant Impairment Loss on Noncurrent Assets)

Regarding the "automobile" segment, the book value of the asset group of marketing base of which market prices have dropped significantly was decreased to the recoverable amount and the corresponding amount of decrease was posted as an impairment loss in extraordinary loss. That decreasing amount was posted as the impairment loss ¥1,579 million during this first half.

(Significant Changes in Amount of Goodwill)

There is no significant change.

(Significant Gain on Negative Goodwill)

There is no significant gain on negative goodwill.

(Additional Information)

The “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (Accounting Standards Board of Japan; ASBJ Statement No.17, 27 March 2009) and the “Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20, 21 March 2008) have been applied since this consolidated first quarter.

(Reference)

As reference information, operating results by geographical areas were as follows:

### **[Operating Results by Geographical Areas]**

FY2010 first half (1 April – 30 September 2010)

(Amount: Yen in million)

	Japan	Europe	North America	Asia	Other areas	Total	Eliminations or corporate assets	Consolidated
Net Sales								
1) Net sales to external customers	621,793	162,416	43,939	451,460	39,151	1,318,760	-	1,318,760
2) Internal net sales or transfer among geographical areas	191,613	3,056	1,604	12,207	0	208,482	(208,482)	-
Total	813,406	165,473	45,543	463,667	39,151	1,527,243	(208,482)	1,318,760
Operating income (loss)	36,653	1,799	(2,075)	24,502	2,200	63,081	5,733	68,814

### **(6) Significant Changes in the Amount of Shareholders' Equity**

None

## 4. Supplementary Information

### Breakdown of Consolidated Sales

(Sales volume: Thousands and less than one thousand units have been omitted)

(Sales amount: Million yen and less than one million yen have been omitted)

		FY2009 first half (1 April – 30 Sept. 2009)		FY2010 first half (1 April – 30 Sept. 2010)		Increase (Decrease)	
		Sales volume	Sales amount	Sales volume	Sales amount	Sales volume	Sales amount
Motorcycle	Domestic	47	14,724	42	12,917	(4)	(1,807)
	Overseas	545	127,818	616	118,270	71	(9,547)
	Europe	46	36,765	45	31,702	(1)	(5,063)
	North America	40	31,601	7	8,246	(33)	(23,355)
	Asia	405	42,747	521	55,034	116	12,287
	Other areas	52	16,703	42	23,287	(9)	6,584
	Sum	592	142,542	659	131,188	66	(11,354)
Automobile	Domestic	319	401,201	380	458,144	61	56,942
	Overseas	721	601,253	880	691,898	159	90,645
	Europe	144	189,332	128	158,958	(16)	(30,373)
	North America	21	45,019	15	32,515	(5)	(12,504)
	Asia	514	319,119	668	418,134	154	99,014
	Other areas	40	47,780	69	82,289	28	34,509
	Sum	1,040	1,002,454	1,261	1,150,043	220	147,588
Marine & Power products, etc.	Domestic	-	8,592	-	8,632	-	40
	Overseas	-	13,089	-	15,546	-	2,457
	Europe	-	3,778	-	4,336	-	557
	North America	-	6,146	-	6,052	-	(93)
	Asia	-	1,552	-	2,203	-	651
	Other areas	-	1,611	-	2,954	-	1,342
	Sum	-	21,681	-	24,179	-	2,497
Subtotal	Domestic		424,518		479,694		55,176
	Overseas		742,160		825,715		83,555
	Europe		229,876		194,997		(34,879)
	North America		82,768		46,814		(35,953)
	Asia		363,419		475,372		111,953
	Other areas		66,096		108,531		42,435
	Sum		1,166,678		1,305,410		138,731
Financial Services	-	14,880	-	13,350	-	(1,530)	
Total		1,181,559		1,318,760		137,201	