

Financial Data

Operating and Financial Review

Sales Revenue

Honda's consolidated sales revenue for the fiscal year ended March 31, 2019, increased by ¥527.4 billion, or 3.4%, to ¥15,888.6 billion from the fiscal year ended March 31, 2018, due mainly to increased sales revenue in all business operations. Honda estimates that by applying Japanese yen exchange rates of the previous fiscal year to the current fiscal year, sales revenue for the year would have increased by approximately ¥787.0 billion, or 5.1%, compared to the increase as reported of ¥527.4 billion, which includes negative foreign currency translation effects.

Operating Costs and Expenses

Operating costs and expenses increased by ¥634.6 billion, or 4.4%, to ¥15,162.2 billion from the previous fiscal year. Cost of sales increased by ¥580.3 billion, or 4.8%, to ¥12,580.9 billion from the previous fiscal year, due mainly to an increase in costs attributable to increased consolidated sales revenue in all business operations, the impact to Europe related to changes of the global automobile production network and capability. Selling, general and administrative expenses totaled to ¥1,774.3 billion basically unchanged from the previous fiscal year, due mainly to the impact to Europe related to changes of the global automobile production network and capability, which was partially offset by the loss related to the settlement of multidistrict class action litigation in the previous fiscal year. Research and development expenses increased by ¥55.0 billion, or 7.3%, to ¥806.9 billion from the previous fiscal year.

Operating Profit

Operating profit decreased by ¥107.1 billion, or 12.9%, to ¥726.3 billion from the previous fiscal year, due mainly to the impact to Europe related to changes of the global automobile production network and capability as well as negative foreign currency effects, which was partially offset by continuing cost reduction and the loss related to the settlement of multidistrict class action litigation in the previous fiscal year. Honda estimates that by excluding negative foreign currency effects of approximately ¥160.3 billion, operating profit would have increased by approximately ¥53.1 billion.

With respect to the discussion above of the changes, management identified factors and used what it believes to be a reasonable method to analyze the respective changes in such factors. Management analyzed changes in these factors at the levels of the Company and its material consolidated subsidiaries. "Foreign currency effects" consist of "translation adjustments", which come from the translation of the currency of foreign subsidiaries' financial statements into Japanese yen, and "foreign currency adjustments", which result from foreign-currency-denominated transaction. With respect to "foreign currency adjustments", management analyzed foreign currency adjustments primarily related to the following currencies: U.S. dollar, Japanese yen and others at the level of the Company and its material consolidated subsidiaries. The estimates excluding the foreign currency effects are not on the same base as Honda's consolidated financial statements, and do not conform to IFRS. Furthermore, Honda does not believe that these measures are substitute for the disclosure required by IFRS. However, Honda believes that such estimates excluding the foreign currency effects provide financial statements users with additional useful information for understanding Honda's results.

Profit before Income Taxes

Profit before income taxes decreased by ¥135.5 billion, or 12.2%, to ¥979.3 billion. The main factors behind this decrease, except factors relating to operating profit, are as follows:

Share of profit of investments accounted for using the equity method had a negative impact of ¥18.8 billion, due mainly to a decrease in profit at affiliates and joint ventures in Asia.

Finance income and finance costs had a negative impact of ¥9.5 billion, due mainly to effect from gains or losses on derivatives.

Income Tax Expense

Income tax expense increased by ¥316.7 billion to ¥303.0 billion from the previous fiscal year, due mainly to the impacts of the enactment of the Tax Cuts and Jobs Act in the United States in the previous fiscal year. The average effective tax rate increased by 32.1 percentage points to 30.9% from the previous fiscal year.

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Profit for the Year

Profit for the year decreased by ¥452.3 billion, or 40.1%, to ¥676.2 billion from the previous fiscal year, due mainly to the impacts of the enactment of the Tax Cuts and Jobs Act in the United States in the previous fiscal year.

Profit for the Year Attributable to Owners of the Parent

Profit for the year attributable to owners of the parent decreased by ¥449.0 billion, or 42.4%, to ¥610.3 billion from the previous fiscal year.

Profit for the Year Attributable to Non-controlling Interests

Profit for the year attributable to non-controlling interests decreased by ¥3.3 billion, or 4.8%, to ¥65.9 billion from the previous fiscal year.

Operating segments and geographic segments in financial data

Segment	Principal products and services	Functions
Motorcycle Business	Motorcycles, all-terrain vehicles (ATVs), side-by-sides (SxS) and relevant parts	Research and development, Manufacturing, Sales and related services
Automobile Business	Automobiles and relevant parts	Research and development, Manufacturing, Sales and related services
Financial Services Business	Financial services	Retail loan and lease related to Honda products, Others
Power Product and Other Businesses	Power products and relevant parts, and others	Research and development, Manufacturing, Sales and related services, Others

• Operating segments are defined as the components of Honda for which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The accounting policies used for these reportable segments are consistent with the accounting policies used in the Company's consolidated financial statements.

Area	Major countries or regions
North America	United States, Canada, Mexico
Europe	United Kingdom, Germany, Belgium, Turkey, Italy
Asia	Thailand, Indonesia, China, India, Vietnam
Other Regions	Brazil, Australia

• Segmentation by country and region is based on geographical proximity.

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Motorcycle Business

Honda Group Unit Sales* (thousands)

	FY18	FY19	Change	%
Total	19,554	20,238	684	3.5
Japan	167	207	40	24.0
North America	313	301	(12)	(3.8)
Europe	234	249	15	6.4
Asia	17,720	18,224	504	2.8
Other Regions	1,120	1,257	137	12.2

Consolidated Unit Sales* (thousands)

	FY18	FY19	Change	%
Total	12,954	13,215	261	2.0
Japan	167	207	40	24.0
North America	313	301	(12)	(3.8)
Europe	234	249	15	6.4
Asia	11,120	11,201	81	0.7
Other Regions	1,120	1,257	137	12.2

*Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries.

Total demand for motorcycles in Asia*¹ increased around 6% from the previous year to approximately 44,270 thousand units in calendar year 2018. Looking at market conditions by country, in calendar year 2018, demand in India increased about 13% from the previous year to approximately 21,620 thousand units. Demand in China decreased around 11% from the previous year to approximately 7,040 thousand units. Demand in Indonesia increased around 7% from the previous year to approximately 6,300 thousand units. Demand in Vietnam increased around 2% from the previous year to approximately 3,340 thousand units. Demand in Pakistan increased around 7% from the previous year to approximately 2,100 thousand units. Demand in Thailand decreased around 1% from the previous year to approximately 1,790 thousand units. Honda's consolidated unit sales in Asia increased 0.7% from the previous fiscal year to 11,201 thousand units in fiscal year 2019. This was mainly due to an increase in sales of scooter models such as the Vision in Vietnam, among other factors, despite a decrease in India due to the impact of revisions to the mandatory vehicle liability insurance requirement. Honda's consolidated unit sales do not include sales by P.T. Astra Honda Motor in Indonesia, which is accounted for using the equity method. P.T. Astra Honda Motor's unit sales for fiscal year 2019 increased around 13.3% from the previous fiscal year to approximately 4,970 thousand units due mainly to increases in sales of the PCX and Scoopy models.

Total demand for motorcycles in Brazil*², the principal market within Other Regions, increased about 18% from the previous year to approximately 950 thousand units in calendar year 2018. In Other Regions (including South America, the Middle East, Africa, Oceania and other areas), Honda's consolidated unit sales increased 12.2% from the previous fiscal year to 1,257 thousand units in fiscal year 2019 due mainly to an increase in sales of the CG160 in Brazil.

*¹ Based on Honda research. Only includes the following eight countries: Thailand, Indonesia, Malaysia, the Philippines, Vietnam, India, Pakistan and China.

*² Source: ABRACICLO (the Brazilian Association of Motorcycle, Moped, and Bicycle Manufacturers)

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Automobile Business

Honda Group Unit Sales* (thousands)

	FY18	FY19	Change	%
Total	5,199	5,323	124	2.4
Japan	696	719	23	3.3
North America	1,902	1,954	52	2.7
Europe	183	169	(14)	(7.7)
Asia	2,166	2,233	67	3.1
Other Regions	252	248	(4)	(1.6)

Consolidated Unit Sales* (thousands)

	FY18	FY19	Change	%
Total	3,689	3,748	59	1.6
Japan	627	643	16	2.6
North America	1,902	1,954	52	2.7
Europe	183	169	(14)	(7.7)
Asia	725	734	9	1.2
Other Regions	252	248	(4)	(1.6)

*Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries. Certain sales of automobiles that are financed with residual value type auto loans by our Japanese finance subsidiaries and sold through our consolidated subsidiaries are accounted for as operating leases in conformity with IFRS and are not included in consolidated sales revenue to the external customers in our Automobile business. Accordingly, they are not included in Consolidated Unit Sales, but are included in Honda Group Unit Sales of our Automobile business.

Total demand for automobiles in Japan*¹ increased around 1% from the previous fiscal year to approximately 5,260 thousand units in fiscal year 2019. Honda's consolidated unit sales in Japan increased 2.6% from the previous fiscal year to 643 thousand units*² in fiscal year 2019. This was mainly due to the effect of launching the new model N-VAN and an increase in sales of the N-BOX. Honda's unit production of automobiles in Japan increased 10.0% from the previous fiscal year to 912 thousand units in fiscal year 2019. This was mainly due to increases in export volume and domestic sales volume.

Total industry demand for automobiles in the United States*³, the principal market within North America, remained basically unchanged from the previous year at approximately 17,270 thousand units in calendar year 2018. This result reflected a continued increase for light trucks, which offset decreased demand for passenger cars. Honda's consolidated unit sales in North America increased 2.7% from the previous fiscal year to 1,954 thousand units in fiscal year 2019. This increase was mainly attributable to the effect of a full model change of the Insight model and an increase in sales of the CR-V model, despite the restrictions on supply caused by the impact of flooding in Mexico. Honda manufactured 1,802 thousand units in fiscal year 2019, a decrease of 3.4% from the previous fiscal year, mainly reflecting the impact of flooding in Mexico.

Total demand for automobiles in China, the largest market within Asia, decreased around 3% from the previous year to approximately 28,030 thousand units*⁴ in calendar year 2018. Total demand for automobiles in other countries in Asia increased about 8% from the previous calendar year to approximately 8,560 thousand units*⁵. This was mainly due to increases in demand in India and Thailand. Honda's consolidated unit sales in Asia increased 1.2% from the previous fiscal year to 734 thousand units in fiscal year 2019. This increase was mainly attributable to the effect of a full

model change of the Amaze model in India and an increase in sales of the Jazz model in Thailand, despite a decline in sales in Indonesia among other factors. Honda's consolidated unit sales do not include unit sales of Dongfeng Honda Automobile Co., Ltd. and GAC Honda Automobile Co., Ltd., both of which are joint ventures accounted for using the equity method in China. Unit sales in China increased 3.9% from the previous fiscal year to 1,499 thousand units in fiscal year 2019. The increase was mainly attributable to an increase in sales of the Civic model and the effect of a full model change of the Crider model. Honda's unit production by consolidated subsidiaries in Asia increased 0.5% from the previous fiscal year to 802 thousand units*⁶ in fiscal year 2019. Meanwhile, unit production by Chinese joint ventures Dongfeng Honda Automobile Co., Ltd. and GAC Honda Automobile Co., Ltd. increased 2.8% from the previous fiscal year to 1,491 thousand units in fiscal year 2019.

*1 Source: JAMA (Japan Automobile Manufacturers Association), as measured by the number of regular vehicle registrations (661cc or higher) and mini vehicles (660cc or lower)

*2 Certain sales of automobiles that are financed with residual value type auto loans by our Japanese finance subsidiaries and sold through our consolidated subsidiaries are accounted for as operating leases in conformity with IFRS and are not included in consolidated sales revenue to external customers in the Automobile business. Accordingly, they are not included in consolidated unit sales.

*3 Source: Autodata

*4 Source: CAAM (China Association of Automobile Manufacturers)

*5 The total is based on Honda research and includes the following eight countries: Thailand, Indonesia, Malaysia, the Philippines, Vietnam, Taiwan, India and Pakistan.

*6 The total includes the following nine countries: China, Thailand, Indonesia, Malaysia, the Philippines, Vietnam, Taiwan, India and Pakistan.

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Power Product and Other Businesses

Honda Group Unit Sales/Consolidated Unit Sales* (thousands)

	FY18	FY19	Change	%
Total	6,262	6,301	39	0.6
Japan	300	336	36	12.0
North America	3,012	3,049	37	1.2
Europe	1,022	984	(38)	(3.7)
Asia	1,512	1,559	47	3.1
Other Regions	416	373	(43)	(10.3)

*Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed power products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed power products of Honda and its consolidated subsidiaries. In Power Product business, there is no discrepancy between Honda Group Unit Sales and Consolidated Unit Sales since no affiliate and joint venture accounted for using the equity method was involved in the sale of Honda power products.

Honda's consolidated unit sales in North America increased 1.2% from the previous fiscal year to 3,049 thousand units in fiscal year 2019 mainly attributable to an increase in sales of OEM engines*, despite a decline in sales of generators.

Honda's consolidated unit sales in Europe decreased 3.7% from the previous fiscal year to 984 thousand units in fiscal year 2019 mainly due to decreases in sales of lawnmowers and trimmers.

Honda's consolidated unit sales in Asia increased 3.1% from the previous fiscal year to 1,559 thousand units in fiscal year 2019. This was mainly due to an increase in sales of OEM engines.

*OEM (Original Equipment Manufacturer) engines: refers to engines installed on products sold under a third-party brand.

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Consolidated Statements of Financial Position

March 31, 2018 and 2019

	Yen (millions)	
Assets	2018	2019
Current assets:		
Cash and cash equivalents	¥2,256,488	¥2,494,121
Trade receivables	800,463	793,245
Receivables from financial services	1,840,699	1,951,633
Other financial assets	213,177	163,274
Inventories	1,523,455	1,586,787
Other current assets	291,006	358,234
Total current assets	6,925,288	7,347,294
Non-current assets:		
Investments accounted for using the equity method	679,517	713,039
Receivables from financial services	3,117,364	3,453,617
Other financial assets	436,555	417,149
Equipment on operating leases	4,088,133	4,448,849
Property, plant and equipment	3,062,433	2,981,840
Intangible assets	741,514	744,368
Deferred tax assets	129,338	150,318
Other non-current assets	169,022	162,648
Total non-current assets	12,423,876	13,071,828
Total assets	¥19,349,164	¥20,419,122

	Yen (millions)	
Liabilities and Equity	2018	2019
Current liabilities:		
Trade payables	¥1,224,627	¥1,184,882
Financing liabilities	2,917,261	3,188,782
Accrued expenses	404,719	476,300
Other financial liabilities	115,405	132,910
Income taxes payable	53,595	49,726
Provisions	305,994	348,763
Other current liabilities	602,498	599,761
Total current liabilities	5,624,099	5,981,124
Non-current liabilities:		
Financing liabilities	3,881,749	4,142,338
Other financial liabilities	60,005	63,689
Retirement benefit liabilities	404,401	398,803
Provisions	220,625	220,745
Deferred tax liabilities	629,722	727,411
Other non-current liabilities	294,468	319,222
Total non-current liabilities	5,490,970	5,872,208
Total liabilities	11,115,069	11,853,332
Equity:		
Common stock	86,067	86,067
Capital surplus	171,118	171,460
Treasury stock	(113,271)	(177,827)
Retained earnings	7,611,332	7,973,637
Other components of equity	178,292	214,383
Equity attributable to owners of the parent	7,933,538	8,267,720
Non-controlling interests	300,557	298,070
Total equity	8,234,095	8,565,790
Total liabilities and equity	¥19,349,164	¥20,419,122

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Consolidated Statements of Income

Years ended March 31, 2018 and 2019

Yen (millions)

	2018	2019
Sales revenue	¥15,361,146	¥15,888,617
Operating costs and expenses:		
Cost of sales	(12,000,581)	(12,580,949)
Selling, general and administrative	(1,775,151)	(1,774,393)
Research and development	(751,856)	(806,905)
Total operating costs and expenses	(14,527,588)	(15,162,247)
Operating profit	833,558	726,370
Share of profit of investments accounted for using the equity method	247,643	228,827
Finance income and finance costs:		
Interest income	41,191	48,618
Interest expense	(12,970)	(13,217)
Other, net	5,551	(11,223)
Total finance income and finance costs	33,772	24,178
Profit before income taxes	1,114,973	979,375
Income tax expense	13,666	(303,089)
Profit for the year	¥1,128,639	¥676,286
Profit for the year attributable to:		
Owners of the parent	¥1,059,337	¥610,316
Non-controlling interests	69,302	65,970
Earnings per share attributable to owners of the parent		
Basic and diluted	590.79	345.99

Consolidated Statements of Cash Flows

Years ended March 31, 2018 and 2019

Yen (millions)

	2018	2019
Cash flows from operating activities:		
Profit before income taxes	¥1,114,973	¥979,375
Depreciation, amortization and impairment losses excluding equipment on operating leases	713,093	721,695
Share of profit of investments accounted for using the equity method	(247,643)	(228,827)
Finance income and finance costs, net	13,218	(88,608)
Interest income and interest costs from financial services, net	(127,529)	(124,076)
Changes in assets and liabilities		
Trade receivables	(41,778)	9,344
Inventories	(202,916)	(60,906)
Trade payables	69,429	(11,816)
Accrued expenses	(2,700)	25,372
Provisions and retirement benefit liabilities	(28,945)	(1,590)
Receivables from financial services	(174,438)	(260,704)
Equipment on operating leases	(158,337)	(230,311)
Other assets and liabilities	11,602	11,045
Other, net	9,314	3,706
Dividends received	161,106	175,244
Interest received	245,095	270,776
Interest paid	(115,317)	(150,162)
Income taxes paid, net of refund	(250,556)	(263,569)
Net cash provided by operating activities	987,671	775,988

	2018	2019
Cash flows from investing activities:		
Payments for additions to property, plant and equipment	¥(415,563)	¥(420,768)
Payments for additions to and internally developed intangible assets	(156,927)	(187,039)
Proceeds from sales of property, plant and equipment and intangible assets	15,042	20,765
Payments for acquisitions of investments accounted for using the equity method	(2,450)	(2,401)
Payments for acquisitions of other financial assets	(280,236)	(506,431)
Proceeds from sales and redemptions of other financial assets	224,302	515,670
Other, net	719	2,649
Net cash used in investing activities	(615,113)	(577,555)
Cash flows from financing activities:		
Proceeds from short-term financing liabilities	8,106,505	8,435,249
Repayments of short-term financing liabilities	(8,004,620)	(8,213,698)
Proceeds from long-term financing liabilities	1,689,596	1,900,257
Repayments of long-term financing liabilities	(1,609,554)	(1,726,097)
Dividends paid to owners of the parent	(174,221)	(194,271)
Dividends paid to non-controlling interests	(48,332)	(66,872)
Purchases and sales of treasury stock, net	(87,082)	(64,556)
Other, net	(46,626)	(47,088)
Net cash provided by (used in) financing activities	(174,334)	22,924
Effect of exchange rate changes on cash and cash equivalents	(47,712)	16,276
Net change in cash and cash equivalents	150,512	237,633
Cash and cash equivalents at beginning of year	2,105,976	2,256,488
Cash and cash equivalents at end of year	¥2,256,488	¥2,494,121

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Segment Information

Segment information as of and for the years ended March 31, 2018 and 2019 is as follows:

As of and for the year ended March 31, 2018

Yen (millions)

	Motorcycle Business	Automobile Business	Financial Services Business	Power Product and Other Businesses	Segment Total	Reconciling Items	Consolidated
Sales revenue:							
External customers	¥2,038,712	¥10,852,171	¥2,123,194	¥347,069	¥15,361,146	—	¥15,361,146
Intersegment	—	193,038	14,071	24,097	231,206	(231,206)	—
Total	2,038,712	11,045,209	2,137,265	371,166	15,592,352	(231,206)	15,361,146
Segment profit (loss)	267,015	373,840	196,067	(3,364)	833,558	—	833,558
Segment assets	1,533,367	7,879,769	9,409,243	314,838	19,137,217	211,947	19,349,164
Depreciation and amortization	74,128	616,321	748,503	15,164	1,454,116	—	1,454,116
Capital expenditures	63,927	514,910	1,801,554	14,243	2,394,634	—	2,394,634

As of and for the year ended March 31, 2019

Yen (millions)

	Motorcycle Business	Automobile Business	Financial Services Business	Power Product and Other Businesses	Segment Total	Reconciling Items	Consolidated
Sales revenue:							
External customers	¥2,100,155	¥11,072,117	¥2,365,355	¥350,990	¥15,888,617	—	¥15,888,617
Intersegment	—	215,647	14,687	26,266	256,600	(256,600)	—
Total	2,100,155	11,287,764	2,380,042	377,256	16,145,217	(256,600)	15,888,617
Segment profit (loss)	291,642	209,694	235,945	(10,911)	726,370	—	726,370
Segment assets	1,523,817	7,923,802	10,236,066	328,870	20,012,555	406,567	20,419,122
Depreciation and amortization	66,680	603,124	784,683	14,198	1,468,685	—	1,468,685
Capital expenditures	74,024	525,419	2,041,735	16,074	2,657,252	—	2,657,252

Explanatory notes:

• Intersegment sales revenues are generally made at values that approximate arm's-length prices.

• Reconciling items include elimination of intersegment transactions and balances as well as unallocated corporate assets. Unallocated corporate assets included in reconciling items as of March 31, 2018 and 2019 amounted to ¥519,780 million and ¥682,842 million, respectively, which consist primarily of the Company's cash and cash equivalents and financial assets measured at fair value through other comprehensive income.

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Motorcycle Business

Sales revenue from external customers increased by ¥61.4 billion, or 3.0%, to ¥2,100.1 billion from the previous fiscal year, due mainly to increased consolidated unit sales. Operating profit increased by ¥24.6 billion, or 9.2%, to ¥291.6 billion from the previous fiscal year, due mainly to an increase in profit attributable to increased sales volume and model mix.

Automobile Business

Sales revenue from external customers increased by ¥219.9 billion, or 2.0%, to ¥11,072.1 billion from the previous fiscal year, due mainly to increased consolidated unit sales. Operating profit decreased by ¥164.1 billion, or 43.9%, to ¥209.6 billion from the previous fiscal year, due mainly to the impact to Europe related to changes of the global automobile production network and capability, which was partially offset by continuing cost reduction and the loss related to the settlement of multidistrict class action litigation in the previous fiscal year.

Financial Services Business

Sales revenue from external customers increased by ¥242.1 billion, or 11.4%, to ¥2,365.3 billion from the previous fiscal year, due mainly to increased revenues on disposition of lease vehicles and operating lease revenues. Operating profit increased by ¥39.8 billion, or 20.3%, to ¥235.9 billion from the previous fiscal year, due mainly to an increase in profit attributable to increased sales revenue.

Power Product and Other Businesses

Sales revenue from external customers increased by ¥3.9 billion, or 1.1%, to ¥350.9 billion from the previous fiscal year, due mainly to increased consolidated unit sales in power products. Operating loss was ¥10.9 billion, an increase of ¥7.5 billion from the previous fiscal year, due mainly to an increase in research and development expenses as well as negative foreign currency effects. In addition, operating loss of aircraft and aircraft engines included in the Power product and other businesses segment was ¥40.2 billion, an improvement of ¥1.6 billion from the previous fiscal year.

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Financial Summary

Fiscal years ended March 31

	2009	2010	2011	2012	2013	2014	2015		2014	2015	2016	2017	2018	2019
	U.S. GAAP Yen (millions)								IFRS Yen (millions)					
Sales, income and dividends								Sales, income and dividends						
Net sales and other operating revenue	¥10,011,241	¥8,579,174	¥8,936,867	¥7,948,095	¥9,877,947	¥11,842,451	¥12,646,747	Sales revenue	¥12,506,091	¥13,328,099	¥14,601,151	¥13,999,200	¥15,361,146	¥15,888,617
Operating income	189,643	363,775	569,775	231,364	544,810	750,281	606,878	Operating profit	823,864	670,603	503,376	840,711	833,558	726,370
Operating margin	1.9%	4.2%	6.4%	2.9%	5.5%	6.3%	4.8%	Operating margin	6.6%	5.0%	3.4%	6.0%	5.4%	4.6%
Income before income taxes and equity in income of affiliates	161,734	336,198	630,548	257,403	488,891	728,940	644,809	Share of profit of investments accounted for using the equity method	130,916	96,097	126,001	164,793	247,643	228,827
Income taxes	109,835	146,869	206,827	135,735	178,976	252,662	235,204	Profit before income taxes	933,903	806,237	635,450	1,006,986	1,114,973	979,375
Equity in income of affiliates	99,034	93,282	139,756	100,406	82,723	132,471	126,570	Income tax expense	267,992	245,139	229,092	327,592	(13,666)	303,089
Net income attributable to non-controlling interests	(13,928)	(14,211)	(29,389)	(10,592)	(25,489)	(34,642)	(43,168)	Profit for the year	665,911	561,098	406,358	679,394	1,128,639	676,286
Net income attributable to Honda Motor Co., Ltd.	137,005	268,400	534,088	211,482	367,149	574,107	493,007	Profit for the year attributable to owners of the parent	624,703	509,435	344,531	616,569	1,059,337	610,316
Cash dividends paid during the period	139,724	61,696	92,170	108,138	129,765	142,381	158,601	Dividends paid to owners of the parent	142,381	158,601	158,601	162,205	174,221	194,271
Research and development	563,197	463,354	487,591	519,818	560,270	634,130	662,610	R&D expenditures	625,698	670,331	719,810	659,918	730,734	820,037
Interest expense	22,543	12,552	8,474	10,378	12,157	12,703	16,598	Interest expense	12,803	18,194	18,146	12,471	12,970	13,217
Assets, long-term debt and shareholders' equity								Assets, liabilities and equity						
Total assets	¥11,818,917	¥11,629,115	¥11,577,714	¥11,787,599	¥13,635,357	¥15,622,031	¥18,088,839	Total assets	¥16,048,438	¥18,425,837	¥18,229,294	¥18,958,123	¥19,349,164	¥20,419,122
Long-term debt	1,932,637	2,313,035	2,043,240	2,235,001	2,710,845	3,234,066	3,933,860	Financing liabilities (Non-current liabilities)	3,224,512	3,926,276	3,736,628	4,022,190	3,881,749	4,142,338
Total Honda Motor Co., Ltd. shareholders' equity	4,007,288	4,328,640	4,439,587	4,398,249	5,043,500	5,918,979	6,696,693	Equity attributable to owners of the parent	6,335,534	7,108,627	6,761,433	7,295,296	7,933,538	8,267,720
Capital expenditures (excluding purchase of operating lease assets)	633,913	348,981	326,620	424,413	630,408	782,027	714,502	Additions to property, plant and equipment	803,231	703,920	687,306	588,360	484,778	466,657
Depreciation (excluding property on operating leases)	441,868	401,743	377,272	345,105	335,536	442,318	490,375	Depreciation	419,022	451,052	486,410	484,133	513,455	499,036

Financial Data

Financial Summary (continued)

Fiscal years ended March 31

	2009	2010	2011	2012	2013	2014	2015		2014	2015	2016	2017	2018	2019
								U.S. GAAP Yen						IFRS Yen
Per common share									Per share					
Net income attributable to Honda Motor Co., Ltd.:									Profit for the year attributable to owners of the parent					
Basic	¥75.50	¥147.91	¥295.67	¥117.34	¥203.71	¥318.54	¥273.54		Basic	¥346.62	¥282.66	¥191.16	¥342.10	¥590.79
Diluted	75.50	147.91	295.67	117.34	203.71	318.54	273.54		Diluted	346.62	282.66	191.16	342.10	590.79
Dividends	63	38	54	60	76	82	88		Dividends	82	88	88	92	100
Honda Motor Co., Ltd. shareholders' equity	2,208.35	2,385.45	2,463.29	2,440.35	2,798.37	3,284.14	3,715.66		Equity attributable to owners of the parent	3,515.27	3,944.23	3,751.59	4,047.81	4,461.36
								Yen (millions)						4,698.74
Sales									Sales					
Sales amounts:*1									Sales revenue:*1					
Japan	¥1,446,541	¥1,577,318	¥1,503,842	¥1,517,927	¥1,652,995	¥1,912,504	¥1,810,283		Japan	¥1,920,114	¥1,800,439	¥1,754,167	¥1,799,772	¥1,919,130
	14%	18%	17%	19%	17%	16%	14%			15%	14%	12%	13%	12%
Overseas	8,564,700	7,001,856	7,433,025	6,430,168	8,224,952	9,929,947	10,836,464		Overseas	10,585,977	11,527,660	12,846,984	12,199,428	13,442,016
	86%	82%	83%	81%	83%	84%	86%			85%	86%	88%	87%	88%
Total	¥10,011,241	¥8,579,174	¥8,936,867	¥7,948,095	¥9,877,947	¥11,842,451	¥12,646,747		Total	¥12,506,091	¥13,328,099	¥14,601,151	¥13,999,200	¥15,361,146
	100%	100%	100%	100%	100%	100%	100%			100%	100%	100%	100%	100%
								Thousands						
Unit sales:*2									Unit sales:*2					
Motorcycles	10,114	9,639	18,331	15,061	15,494	17,021	17,765		Motorcycles	17,008	17,592	17,055	17,661	19,554
Automobiles	3,517	3,392	3,529	3,108	4,014	4,323	4,364		Automobiles	4,340	4,367	4,743	5,028	5,199
Power Products	5,187	4,744	5,509	5,819	6,071	6,036	6,001		Power Products	6,018	5,983	5,965	6,121	6,262
Number of employees	181,876	176,815	179,060	187,094	190,338	198,561	203,902		Number of employees	199,368	204,730	208,399	211,915	215,638
Exchange rate (yen amounts per U.S. dollar)									Exchange rate (yen amounts per U.S. dollar)					
Rates for the period-end	¥98	¥93	¥83	¥82	¥94	¥103	¥120		Rates for the period-end	¥103	¥120	¥113	¥112	¥106
Average rates for the period	101	93	86	79	83	100	110		Average rates for the period	100	110	120	108	111
														¥111
														111

*1 The geographic breakdown of sales amounts is based on the location of customers.

*2 Honda changed its counting method for unit sales as follows;

- 2009–2010: the total of unit sales of completed products of Honda and its consolidated subsidiaries, and sales of parts for local production at Honda's affiliates accounted for using the equity method
- 2011–2019: the total of unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for using the equity method (Honda Group Unit Sales)