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SHOWA Philosophy

Corporate Culture

Our Corporate Principle

Policies of Conduct

Our Fundamental Beliefs

— Our Fundamental Beliefs —

Respect for the individuals

Trust/Fairness/Independence

— Our Corporate Principle —

With the aim of becoming a global company trusted by customers worldwide, we are committed to making continuous innovations to provide superior products of the best technology and the highest quality to meet users’ needs.

— Policies of Conduct —

1. Let actions be driven by ideals and visions
2. Value time and ideas, and approach problems based on fundamentals and principles
3. Place value on communications and understand the situation of others
4. Maintain operational transparency and soundness
5. Always be aware of environmental preservation, and make contributions to the community and society
Dear Shareholders

We would like to express our sincere appreciation for your continued support.
You are cordially invited to attend the 111th Annual General Meeting of Shareholders of SHOWA Corporation, for the fiscal year covering the period from April 1, 2018 to March 31, 2019.

In October 2018, we celebrated the 80th anniversary of our founding. We would like to take this opportunity to sincerely thank our shareholders and each one of our stakeholders for continued support and patronage. We at SHOWA will continue working toward next milestones in the 90th, 100th, and even later anniversaries of our founding.

In the fiscal year ended March 31, 2019, sales revenue fell year-on-year as the increase in sales of motorcycle products could not cover the decline in steering product sales and the effects of forex exchange loss. On the profit front, operating profit, pre-tax income, and net income attributable to owners of the parent grew year-on-year owing to cost reduction measures and provisions for product warranties booked in the previous fiscal year (which contributed to favorable year-on-year comparisons).

Regarding year-end dividends, upon comprehensive consideration of our consolidated earnings results and future business developments from a long-term perspective, we have decided to propose a year-end dividend of 19 yen per share at the 111th Annual General Meeting of Shareholders to express our gratitude for your support. Hence, with the interim dividend of 17 yen per share (including a commemorative dividend of 2 yen per share), we intend to pay an annual dividend of 36 yen per share for the fiscal year ended March 31, 2019.

We kindly ask for your continued support and understanding.

October 2019

Nobuyuki Sugiyama
President
Status of our group

Overview of consolidated earnings

In the fiscal year ended March 31, 2019, the business environment surrounding our company group was characterized by a gradual slowdown of the Chinese economy while the Japanese and US economies recovered; overall, the global economy made a gradual recovery. In the automobile market, sales declined year-on-year in China, but grew year-on-year in the US and Japan.

Under such circumstances, SHOWA aimed to become a proposal-based systems supplier to differentiate our company group from mega suppliers. Based on our medium- to long-term policies, we worked on promoting the following initiatives: realization of highly efficient and stable production, optimization of production allocation, reinforcement of measures for dealing with next-generation automobiles and development of high value-added products, enhancement of price competitiveness through optimized procurement, and strengthening of quality guarantee systems worldwide to achieve uniformly high quality standards.

In the fiscal year under discussion, sales of motorcycle products increased, but it was not enough to offset the decline in steering product sales and the effect of foreign exchange loss. As a result, sales revenue fell 5,296 million yen (-1.8%) year-on-year to 286,692 million yen. Operating profit increased 4,845 million yen (+19.2%) year-on-year to 30,142 million yen thanks to the effects of cost reduction measures and provisions for product warranties booked in the previous fiscal year (which contributed to favorable year-on-year comparisons). Pre-tax income was up 3,920 million yen (+15.1%) year-on-year to 29,963 million yen. Net income attributable to owners of the parent increased 5,197 million yen (+37.5%) year-on-year to 19,052 million yen.

Earnings results by segments are as follows.

Motorcycle and Hydraulic Components segment
Sales of motorcycle products grew year-on-year mainly due to expanding sales in Asia. Sales revenue of the Motorcycle and Hydraulic Components segment rose 3,689 million yen (+4.5%) year-on-year to 86,367 million yen thanks to higher sales of motorcycle products. Operating profit rose 540 million yen (+4.4%) year-on-year to 12,679 million yen.

Automotive Components segment
Sales of automotive components grew year-on-year driven by higher sales in North America. Sales revenue of the Automotive Components segment fell 1,456 million yen (-1.6%) year-on-year to 90,752 million yen despite an increase in sales of automotive components, due to changes in the sales mix. Operating profit rose 1,204 million yen (+20.2%) year-on-year to 7,174 million yen.

Steering Systems Components segment
Sales of steering products fell year-on-year, mainly due to lower sales in China and North America. Sales revenue at the Steering Systems Components segment declined 7,995 million yen (-7.8%) year-on-year to 94,045 million yen owing to a decrease in steering products sales. Operating profit dropped 2,343 million yen (-15.5%) year-on-year to 12,766 million yen.

Gas Springs segment
Sales revenue at the Gas Springs segment was down 305 million yen (-9.4%) year-on-year to 2,940 million yen. The operating loss shrunk to 881 million yen (versus an operating loss of 8,397 million yen in the previous fiscal year).

Other segment
Sales revenue at the Other segment rose 771 million yen (+6.5%) year-on-year to 12,587 million yen. Operating profit was up 28 million yen (+6.1%) year-on-year to 504 million yen.
From the previous fiscal year, our group has made a switch from Japanese accounting standards to voluntary application of International Financial Reporting Standards (IFRS). The 106th reports are based on Japanese standards, and the 107th, 108th, and 109th on IFRS.
Review of Operations

(Numerical unit of bar graph: 1 million yen)

* From the previous fiscal year, our group has made a switch from Japanese accounting standards to voluntary application of International Financial Reporting Standards (IFRS), and therefore, 107th and 108th reports are based on IFRS.

5.4%

Gas springs segment/Others

Sales revenue 15,527 million
(3.1% increase from the previous fiscal year)

Operating Profit △377 million
(Operating loss in the previous fiscal year was 7,922 million yen)

Motorcycle and Hydraulic components segment

Sales revenue 86,367 million
(4.5% increase from the previous fiscal year)

Operating Profit 12,679 million
(4.4% increase from the previous fiscal year)

30.1%

Steering systems components segment

Sales revenue 94,045 million
(7.8% decrease from the previous fiscal year)

Operating Profit 12,766 million
(15.5% decrease from the previous fiscal year)

Automotive components segment

Sales revenue 90,752 million
(1.6% decrease from the previous fiscal year)

Operating Profit 7,174 million
(20.2% increase from the previous fiscal year)

32.8%

Sales revenue by Operational Segment Total 286,692 million

31.7%

Segment results

<table>
<thead>
<tr>
<th>Segment</th>
<th>Main cause</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motorcycle and Hydraulic components segment</td>
<td>Although sales of motorcycle products decreased mainly in South America, overall sales increased over the previous fiscal year due to sales increase in Asia.</td>
</tr>
<tr>
<td>Automotive components segment</td>
<td>Overall sales of automotive products decreased compared with the previous fiscal year mainly due to a decline in sales in North America.</td>
</tr>
<tr>
<td>Steering components segment</td>
<td>Overall sales of steering products increased over the previous fiscal year mainly due to an increase in sales in North America and China.</td>
</tr>
</tbody>
</table>
# Consolidated Financial Statements

## Consolidated Balance Sheet (Summary)

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen 2018</th>
<th>Millions of yen 2019</th>
<th>Thousands of U.S. dollars 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>119,846</td>
<td>129,455</td>
<td>1,167,945</td>
</tr>
<tr>
<td>Noncurrent assets</td>
<td>82,120</td>
<td>80,819</td>
<td>729,150</td>
</tr>
<tr>
<td>Total assets</td>
<td>201,967</td>
<td>210,275</td>
<td>1,897,104</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>74,219</td>
<td>67,182</td>
<td>606,117</td>
</tr>
<tr>
<td>Noncurrent liabilities</td>
<td>18,089</td>
<td>16,558</td>
<td>149,387</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>85,680</td>
<td>83,740</td>
<td>755,503</td>
</tr>
<tr>
<td><strong>shareholders’ equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common stock</td>
<td>12,698</td>
<td>12,698</td>
<td>114,562</td>
</tr>
<tr>
<td>Capital surplus</td>
<td>13,417</td>
<td>13,420</td>
<td>121,075</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>68,679</td>
<td>85,502</td>
<td>771,400</td>
</tr>
<tr>
<td>Treasury stock</td>
<td>-54</td>
<td>-55</td>
<td>-496</td>
</tr>
<tr>
<td>Other components of shareholders’ equity</td>
<td>1,335</td>
<td>1,749</td>
<td>15,780</td>
</tr>
<tr>
<td>Equity attributable to owners of the parent company</td>
<td>96,075</td>
<td>113,316</td>
<td>1,022,339</td>
</tr>
<tr>
<td>Noncontrolling interest</td>
<td>13,582</td>
<td>13,218</td>
<td>119,253</td>
</tr>
<tr>
<td>Total shareholders’ equity</td>
<td>109,658</td>
<td>126,534</td>
<td>1,141,591</td>
</tr>
<tr>
<td>Total liabilities and shareholders’ equity</td>
<td>201,967</td>
<td>210,275</td>
<td>1,897,104</td>
</tr>
</tbody>
</table>

Assets, liabilities, and shareholders’ equity: As of March 31, 2019, net assets were 210,275 million yen, up 8,307 million yen year-on-year.

- **Current assets**: Up 9,609 million yen from March 31, 2018 thanks to an increase in cash and cash equivalents despite a decline in operating and other receivables.
- **Noncurrent assets**: Down 1,301 million yen from March 31, 2018 on a decline in property, plant and equipment.
- **Current liabilities**: Down 7,037 million yen from March 31, 2018 due to lower short-term interest bearing debt and provisions.
- **Noncurrent liabilities**: Down 1,531 million yen from March 31, 2018, mainly owing to a decline in long-term interest bearing debt.
- **Shareholders’ equity**: Up 16,876 million yen versus March 31, 2018, as a result of higher retained earnings.
## Profit and loss calculator (Summary)

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales revenue</strong></td>
<td>291,989</td>
<td>286,692</td>
<td>2,586,539</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>(223,885)</td>
<td>(220,169)</td>
<td>(1,986,359)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>68,103</td>
<td>66,524</td>
<td>600,180</td>
</tr>
<tr>
<td>Selling, general and administrative expenses</td>
<td>(42,362)</td>
<td>(34,608)</td>
<td>(312,234)</td>
</tr>
<tr>
<td>Other income</td>
<td>2,147</td>
<td>864</td>
<td>7,795</td>
</tr>
<tr>
<td>Other expense</td>
<td>(2,592)</td>
<td>(2,638)</td>
<td>(23,800)</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>25,296</td>
<td>30,142</td>
<td>271,942</td>
</tr>
<tr>
<td>Finance income</td>
<td>736</td>
<td>632</td>
<td>5,702</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(532)</td>
<td>(1,112)</td>
<td>(10,032)</td>
</tr>
<tr>
<td>Gains and losses on equity method investment</td>
<td>542</td>
<td>301</td>
<td>2,716</td>
</tr>
<tr>
<td><strong>Income before income taxes</strong></td>
<td>26,042</td>
<td>29,963</td>
<td>270,327</td>
</tr>
<tr>
<td><strong>Corporate income tax</strong></td>
<td>(7,704)</td>
<td>(6,775)</td>
<td>(61,124)</td>
</tr>
<tr>
<td><strong>Current net income</strong></td>
<td>18,338</td>
<td>23,187</td>
<td>209,193</td>
</tr>
<tr>
<td><strong>Attributable net income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owners of the parent</td>
<td>13,855</td>
<td>19,052</td>
<td>171,887</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>4,483</td>
<td>4,135</td>
<td>37,306</td>
</tr>
</tbody>
</table>

## Cash flow (Summary)

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net cash provided by (used in) operating activities</strong></td>
<td>24,921</td>
<td>29,108</td>
<td>262,613</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) investing activities</strong></td>
<td>(4,287)</td>
<td>(8,037)</td>
<td>(72,510)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) financial activities</strong></td>
<td>(11,669)</td>
<td>(10,078)</td>
<td>(90,924)</td>
</tr>
<tr>
<td><strong>Effect of exchange rate change on cash and cash equivalents</strong></td>
<td>(596)</td>
<td>234</td>
<td>2,111</td>
</tr>
<tr>
<td><strong>Net increase cash and cash equivalents (△:decrease)</strong></td>
<td>8,367</td>
<td>11,226</td>
<td>101,281</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at Beginning of Year</strong></td>
<td>30,215</td>
<td>38,583</td>
<td>348,096</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at End of Year</strong></td>
<td>38,583</td>
<td>49,809</td>
<td>449,377</td>
</tr>
</tbody>
</table>

Cash flow status: The balance of cash and cash equivalents (hereinafter capital) as of March 31, 2019 was 49,809 million yen, up 11,226 million yen year-on-year.

Net cash provided by (used in) operating activities: Cash inflows were mainly from pre-tax income of 29,963 million yen and depreciation and amortization expenses of 8,818 million yen. Cash outflows were largely due to a 3,424 million yen increase in provisions for product warranties and a 7,164 million yen in income tax paid.

Net cash provided by (used in) investing activities: Primary factors contributing to cash outflows were 6,796 million yen paid for the purchase of property, plant and equipment.

Net cash provided by (used in) financing activities: Cash outflows were largely due to dividends paid of 4,003 million yen to non-controlling shareholders, a net decline of 2,298 million yen in short-term interesting bearing debt, and dividends paid of 2,202 million yen.
Expanded the range of automobiles in which electric power steering DPA-EPS and shock absorber SFRD are installed

Our electric power steering DPA-EPS has been adopted by Honda Motor for their new CR-V (for the Japanese market), Insight (for the North American market), and Clarity (for the North American and Japanese markets).

In CR-V and Clarity, sensitive frequency response damper for automobiles SFRD has also been installed. We will continue working on expanding the range of automobile models in which our products are installed.

Initiated business with Italian motorcycle manufacturer Piaggio

We have begun doing business with our new client, the Italian motorcycle manufacturer Piaggio. SHOWA’s front fork is installed in Liberty 125, and we have commenced production of the product at SHOWA Auto-Parts Vietnam, Co., Ltd.

Going forward, we will engage in sales activities aimed at acquiring new clients.
Participated in the Automotive Engineering Exposition 2018

We exhibited our products at the Automotive Engineering Exposition 2018 Yokohama held from May 23 to 25, 2018. With the theme of “Performance, Pleasure, and Progress: Bringing ultimate comfort and excitement to all,” which was the same as last year’s, we showcased our achievements in the development of cooperative control for automotive steering and shock absorber and electronic control technologies such as variable damping force control systems for motorcycles, as well as core technologies to support such developments.

Overhaul of the Saitama Plant

With an aim of increasing production efficiency, we worked to improve the internal structure of our Saitama Plant. Through automation of manufacturing processes and streamlining of material flows, the production efficiency for mainstay products such as “SFRD” Sensitive Frequency Response Damper for automobiles and “IECAS” Intelligent Electronic Control Adaptive Suspension for automobiles has improved significantly. Further, with the addition of a new clean room, we were able to stabilize the product quality.

We will strive to further improve our production efficiency through applying expertise we have acquired through our efforts aimed at streamlining production at the Saitama Plant to overseas affiliates.
Presented new technologies of the SHOWA EERA Series at EICMA 2018 (Milan)

At EICMA 2018 (Milan), the world’s largest motorcycle show held in Milan, Italy from November 6 to 11, 2018, we introduced two new additions to the series of electronic control technologies for motorcycles SHOWA EERA (Electronically Equipped Ride Adjustment): SHOWA EERA® Steering and SHOWA EERA® HEIGHTFLEX®, the world’s first electronically controlled vehicle height adjustment system.

In addition to demo machines for visitors to experience these new technologies, motorcycles which won championship titles in the 2018 Superbike World Championship and FIM Endurance World Championship were on display. Also at the venue were optional parts developed with the state-of-the-art technologies we have cultivated through participating in races.
Signed sponsorship agreements with motorcycle race teams

We signed sponsorship agreements with both “Honda Asia Dream Racing with SHOWA”, which participates in the Asian Road Racing Championship, and “Kawasaki Racing Team”, which competes in the Superbike World Championship. In addition to supplying our front forks and rear cushions manufactured for race motorcycles, we intend to provide further support to these race teams upon signing of the sponsorship agreements.

Toward victory of our sponsored teams in the toughest races of commercial motorcycles, we aim to nurture entrepreneurial spirits and at the same time promote the superiority of our products around the world. We plan to feed back technologies we have cultivated through competing in races and reliability of our company brand into developing standardized products.

Held plant tours for individual shareholders, as well as for institutional investors and analysts

On March 1, 2019, we invited individual shareholders for a tour of the Asaba Plant; and on March 15, 2019, we welcomed institutional investors and analysts for a tour of the Saitama Plant. The plant tours were well received by participants. Going forward, through hosting such events, we seek to deepen mutual understanding and enhance communication with all our stakeholders including shareholders, institutional investors, and analysts.
SHOWA’s Global Network

As of 31st March 2019

Overview of Business

The SHOWA Group consists of our company, 15 subsidiaries and three affiliates, and our main businesses are the manufacture and sale of automotive parts.

Corporate Head Office, Plants and R&D Facilities

Corporate Head Office

1-14-1, Fujiwara-cho, Gyoda, Saitama

Plants

Saitama Plant (Gyoda, Saitama),
Hadano Plant (Hadano, Kanagawa),
Gotemba Plant (Gotemba, Shizuoka),
Asaba Plant (Fukuroi, Shizuoka),

R&D Facilities

Automotive Parts R&D Centers (Haga, Tochigi / Gyoda, Saitama)
Motorcycle Parts R&D Center (Fukuroi, Shizuoka)

Japan

Honda Cars SAITAMAKITA
SHOWA SEIKO
Asaba Plant
Motorcycle Parts R&D Center (Asaba)
SHOWA KYUSHU

Shioya Proving Ground
Corporate Head Office / Saitama Plant
Automotive Parts R&D Center (Saitama)
Hadano Plant
Gotemba Plants (No.1 / No.2)
Overview of Subsidiaries and Affiliates

Consolidated Subsidiaries
- P.T. SHOWA INDONESIA MANUFACTURING
- AMERICAN SHOWA, INC.
- SHOWA DO BRAZIL LTDA.
- SHOWA KYUSHU CORPORATION
- SUMMIT SHOWA MANUFACTURING CO., LTD.
- SHOWA CANADA INC.
- SHOWA ADOMINISTRACAO, SERVICOS E COMERCIO LTDA.
- SHOWA SEIKO CO., LTD.
- GUANGZHOU SHOWA AUTOPARTS CO., LTD.
- SHOWA UK LTD
- SHANGHAI SHOWA AUTO PARTS CO., LTD.
- SHOWA INDIA PVT. LTD.
- SHOWA AUTOPARTS (THAILAND) CO., LTD.
- SHOWA AUTO-PARTS VIETNAM CO., LTD.
- Honda Cars SAITAMAKITA
- SHOWA REGIONAL CENTER (THAILAND) CO., LTD.
- PT. SHOWA AUTOPARTS INDONESIA
- SHOWA AUTOPARTS MEXICO, S.A. de C.V.
- SHOWA AUTOPARTS WUHAN CO., LTD.
- SHOWA (GUANGZHOU) AUTO PARTS R&D CO., LTD.
- SRT-Taiwan Trading Corporation

Equity Method Affiliates
- CHENGDU NINGJIANG SHOWA AUTOPARTS CO., LTD.
自动部件

减震器
减震器是汽车的重要部件，因为它们使汽车舒适，影响汽车的行驶和稳定。其优越的性能和质量，Showa品牌减震器赢得了全球的满意。Showa有着丰富的悬架模块经验，并也在开发与之相关的周边部件。

传动轴
传动轴的职责是将发动机的驱动力量传达到轮胎轴。其为长的圆柱形结构，高速旋转。其必须在保证高耐用性的同时，抑制振动和噪音。Showa提供尖端技术，我们的结构分析使得可实现更少的部件，更轻的重量。进一步地，我们通过摩擦焊接实现高精度，动态平衡和超强力的连接。

差速器
差速器的主要作用是在汽车转向时，吸收左右轮子的不同旋转。这些产品必须提供耐用性，传输效率和安静的操作。Showa的差速器在从紧凑型到SUV的各种车型中都有高表现。

气体弹簧
气体弹簧用于打开和关闭前盖和后门，通过气体反作用力。它具有速度调整装置，使操作者能够在最佳速度下打开和关闭引擎盖和后备箱。Showa开发各种产品以满足客户的不同需求。

方向盘系统
在所有汽车部件中，方向盘系统必须提供性能和可靠性。方向盘系统是人与机的接口，它将驾驶员的操作传递给汽车，并将汽车的运行状况信息传递给驾驶员。术语“助力系统”指的是一个帮助驾驶员操作的组件。

助力系统分类为液压助力系统（HPS），利用发动机动力作为驱动源，和电动助力系统（EPS），利用车辆电池。Showa拥有一整套的助力系统。

差速器
差速器的主要作用是在汽车转向时，吸收左右轮子的不同旋转。这些产品必须提供耐用性，传输效率和安静的操作。Showa的差速器在从紧凑型到SUV的各种车型中都有高表现。

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SHOWA’s Technology

Motorcycle Components

Shock Absorbers
Showa motorcycle shock absorbers are used extensively in motorcycle races around the world. From racing machines to scooters, we use our technology and experience to meet a wide variety of performance needs.

Drive Unit Products
For motorcycle and ATV drive unit products, Showa has achieved lighter weights through analysis of functions, shapes, and materials, while maintaining excellent durability, transmission efficiency and quiet operation.

Front Forks
The front fork is a key structural component of a motorcycle, holding the front wheel securely and providing the steering function. This vital part must be able to closely follow road contours through smooth operation and steady damping force, while retaining high rigidity.

Rear Cushions
The rear cushion is attached to the rear fork directly or through a link. By controlling the attitude and energy absorption of the motorcycle body, the rear cushion helps the rear wheel to follow road contours.

Outboard Marine Engine Components

Power Tilt and Trim Units
Power trim and tilt units change the angle of outboard engines and provide the following three functions. The trim function provides good screw efficiency and steady cruising by adjusting the angle of the outboard engine while running. The tilt function enables owners to prevent outboard engine damage from clinging shellfish by raising the engine above the water’s surface when moored. When driftwood or other objects strike the outboard engine while under way, shocks are absorbed, helping to prevent damage to the outboard engine and boat.
Outlook of Consolidated Business Performance

As of 31st March 2019

Status of Shares

<table>
<thead>
<tr>
<th>Total Number of Authorized Shares</th>
<th>180,000,000 shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of Issued Shares</td>
<td>76,020,019 shares</td>
</tr>
<tr>
<td>Number of Shareholders</td>
<td>4,282 persons</td>
</tr>
</tbody>
</table>

Major Shareholders

<table>
<thead>
<tr>
<th>Shareholder Name</th>
<th>Shares held (shares)</th>
<th>Investment ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honda Motor Co., Ltd.</td>
<td>25,447,856</td>
<td>33.5</td>
</tr>
<tr>
<td>Japan Trustee Services Bank, Ltd. (Trust Account)</td>
<td>3,659,100</td>
<td>4.9</td>
</tr>
<tr>
<td>The Master Trust Bank of Japan, Ltd. (Trust Account)</td>
<td>3,254,600</td>
<td>4.3</td>
</tr>
<tr>
<td>Japan Trustee Services Bank, Ltd. (Trust Account 9)</td>
<td>2,984,200</td>
<td>3.9</td>
</tr>
<tr>
<td>Showa Business Partners Shareholders’ Association</td>
<td>1,695,560</td>
<td>2.2</td>
</tr>
<tr>
<td>J.P.MORGAN BANK LUXEMBOURG S.A. 1300000</td>
<td>1,472,495</td>
<td>1.9</td>
</tr>
<tr>
<td>GOVERNMENT OF NORWAY</td>
<td>1,353,524</td>
<td>1.8</td>
</tr>
<tr>
<td>MUFG Bank, Ltd.</td>
<td>1,291,480</td>
<td>1.7</td>
</tr>
<tr>
<td>GOLDMAN SACHS INTERNATIONAL</td>
<td>1,121,339</td>
<td>1.5</td>
</tr>
<tr>
<td>THE BANK OF NEW YORK MELLON 140044</td>
<td>970,400</td>
<td>1.3</td>
</tr>
</tbody>
</table>

Note: Shareholding ratios are calculated after subtracting the number of treasury shares (54,348 shares) from the total number of outstanding shares.

Share Distribution by Shareholders

- Financial institutions: 25.16%
- Foreign Investors: 29.81%
- Other corporations: 36.13%
- Securities Traders: 1.52%
- Individuals / others: 7.38%

Board of Directors and Corporate Auditors

As of 21th June 2019

Representative Director President: Nobuyuki Sugiyama
Representative Director Executive Vice President: Hiroshi Ichimura
Director Senior Managing Officer: Narutoshi Wakiyama
Director Managing Officer: Tetsuya Matsumura
Director: Yosuke Mano
Director Audit and Supervisory Committee Member: Tsuneo Mizusawa
Director Audit and Supervisory Committee Member: Hikoyuki Miwa
Director Audit and Supervisory Committee Member: Shinya Takada

Senior Managing Officer: Takeshi Sekino
Managing Officer: Kazuhiro Nishioka
Managing Officer: Hidehiko Koyano
Operating Officer: Shinichi Miyajima
Operating Officer: Yuji Kumagai
Operating Officer: Yoshiaki Kawakami
Operating Officer: Takahiro Furuhashi
Operating Officer: Tetsuro Eguchi

*Outside Director