

# Tokyo Motor Show Investors Conference



*X-LANDER  
HEV concept model  
based on the "Jimny"*

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**SUZUKI MOTOR CORPORATION**

19 November 2013

# Business review

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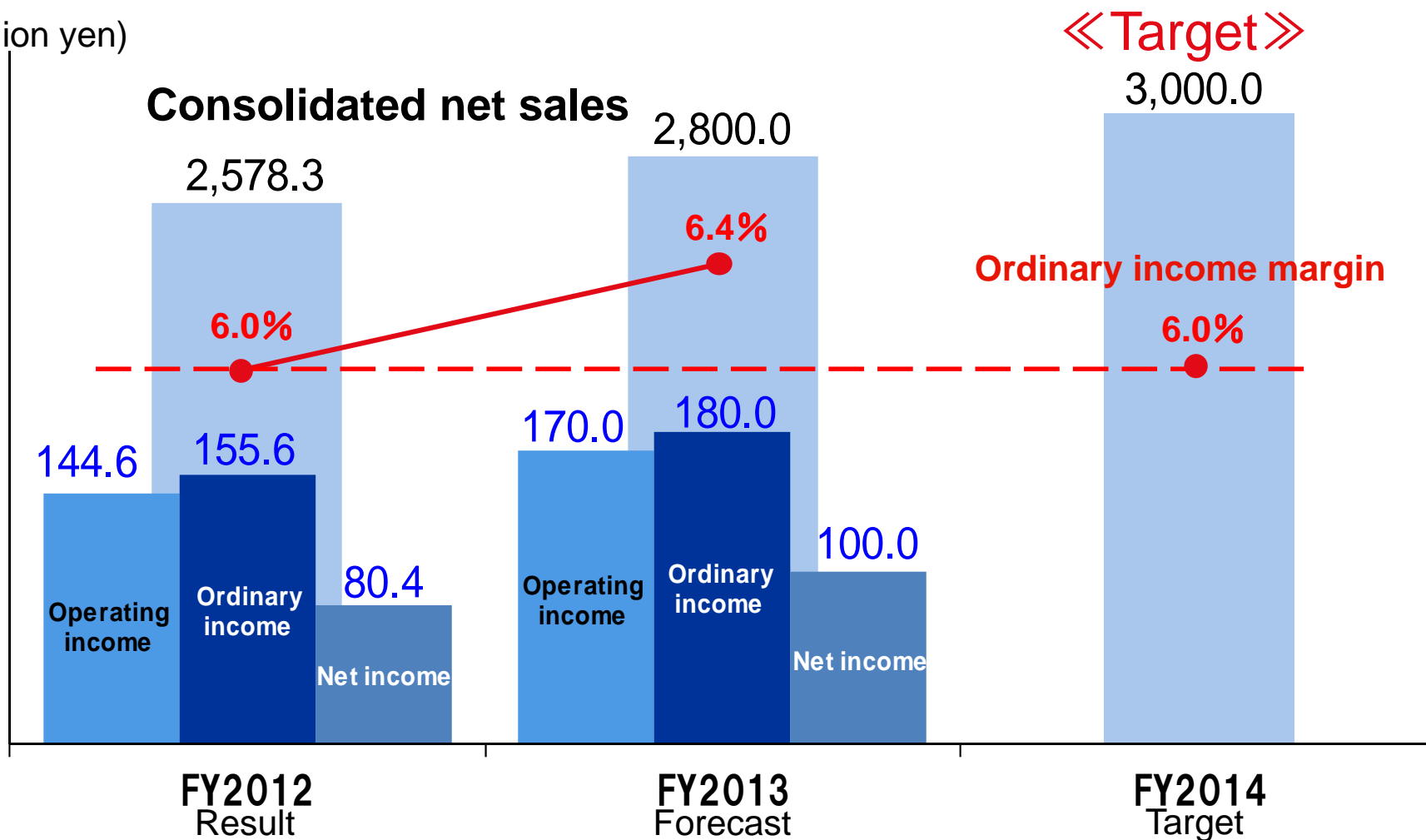
*Recursion*



The Compact roadster which strikes a balance between the running performance of a large displacement motorcycle and the easy handling and economy of a middle displacement motorcycle.

Suzuki achieved ordinary income margin target of 6% in FY2012. Target for FY2014 is “net sales of 3 trillion yen”.

(Billion yen)



## Solid sales due to launch of new models

- Suzuki's registration figures from Apr. to Sep.: 302 thousand units (103% y/y)



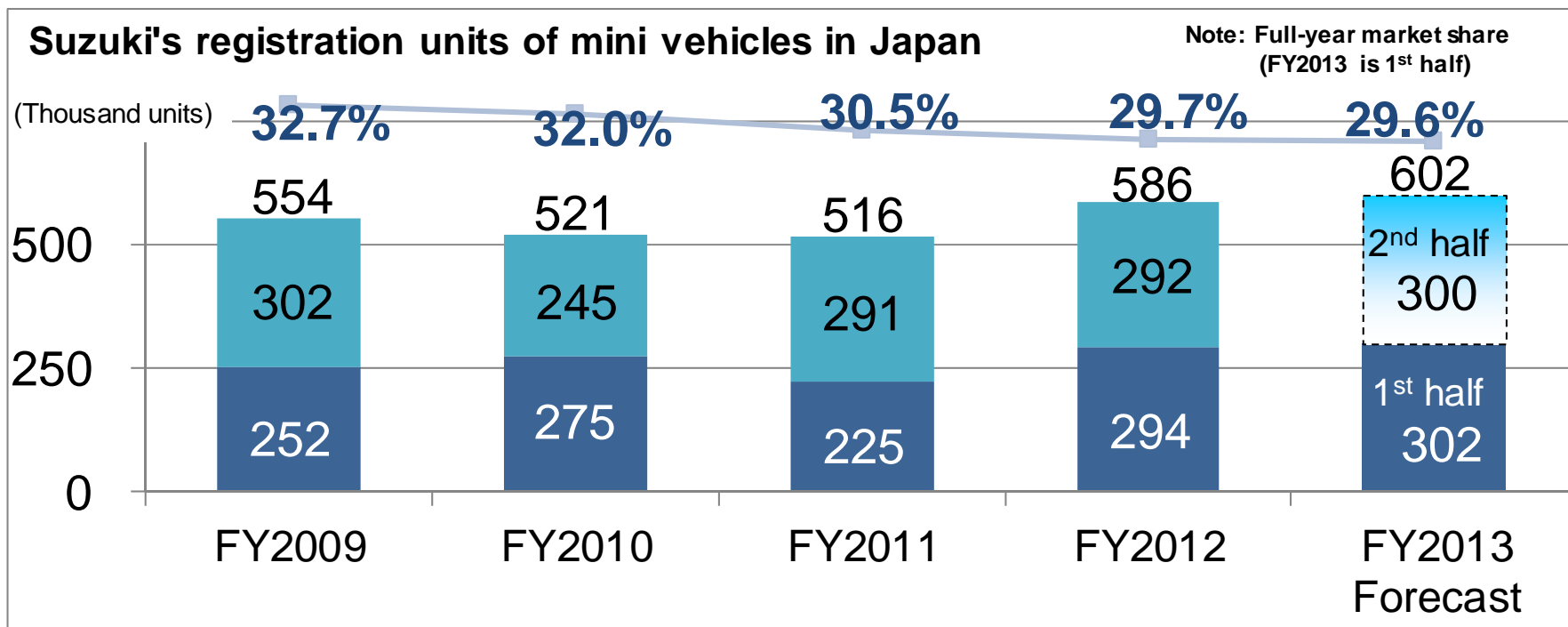
Lapin Chocolat



Spacia Custom



New Carry

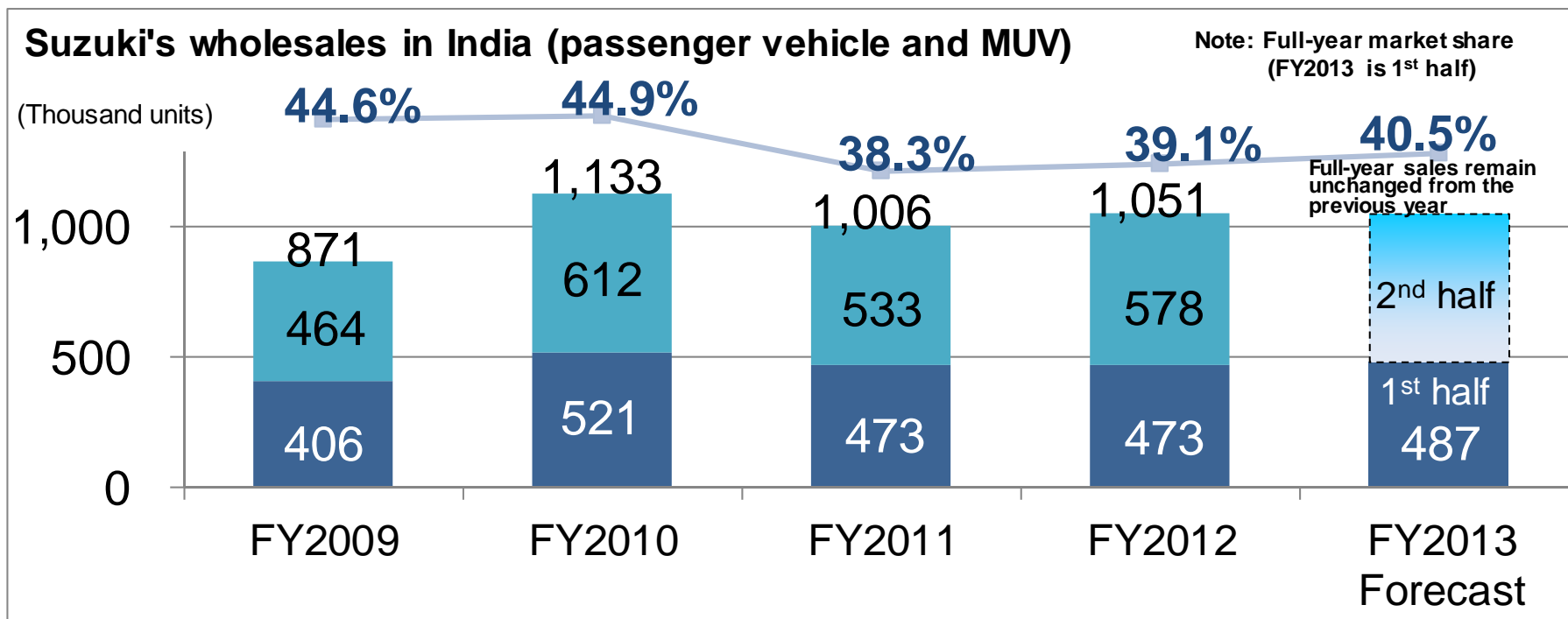


## Impact of economic stagnation and rising fuel prices

- Suzuki's wholesales from Apr. to Sep.: 487 thousand units (103% y/y)
- Overall market from Apr. to Sep. was 95% y/y, but Suzuki's sales increased compared to the previous 1<sup>st</sup> half which had a negative impact of the violence.



Stingray



# Indonesia: Sales situation of automobiles

## Growth exceeding the overall demand owing to strong sales of the "Ertiga"

- Suzuki's wholesales from Apr. to Sep.: 85 thousand units (127% y/y)
- Continuing strong sales of the "Ertiga"

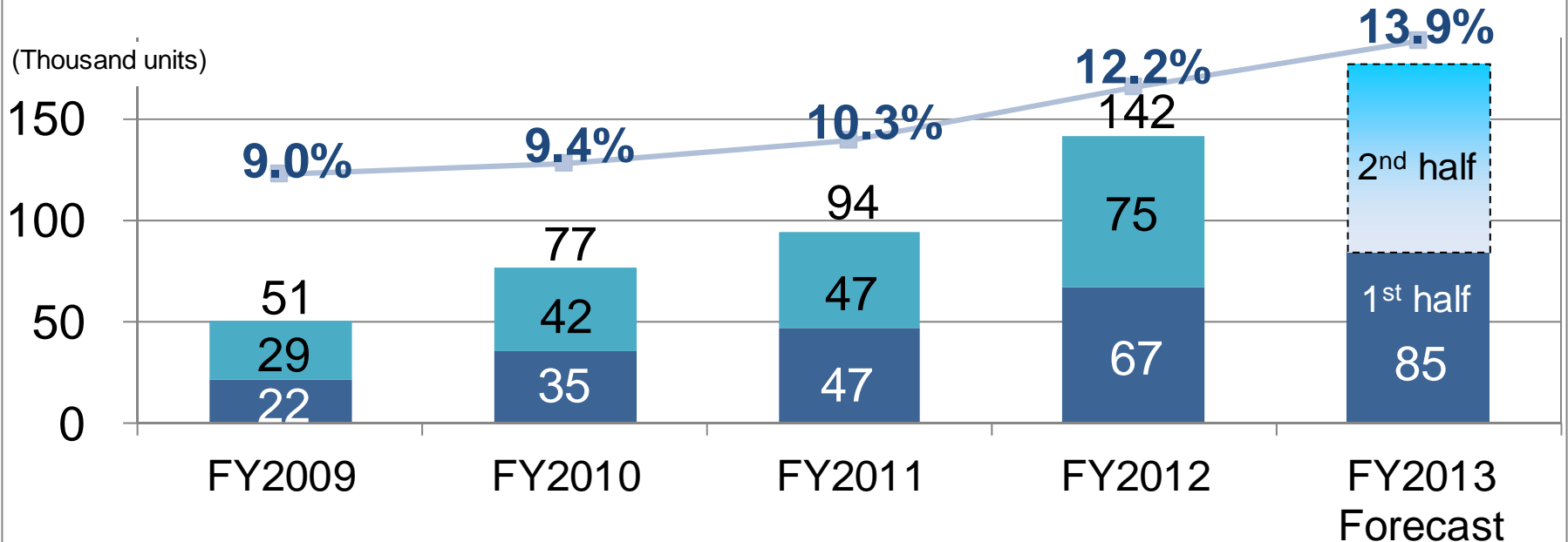
Automatic transmission type was added in May to enhance its marketability



Suzuki's wholesales in Indonesia

Note: Full-year market share (FY2013 is 1st half)

(Thousand units)



# Thailand: Sales situation of automobiles

## Sales doubled on a year-over-year basis despite a declining overall demand

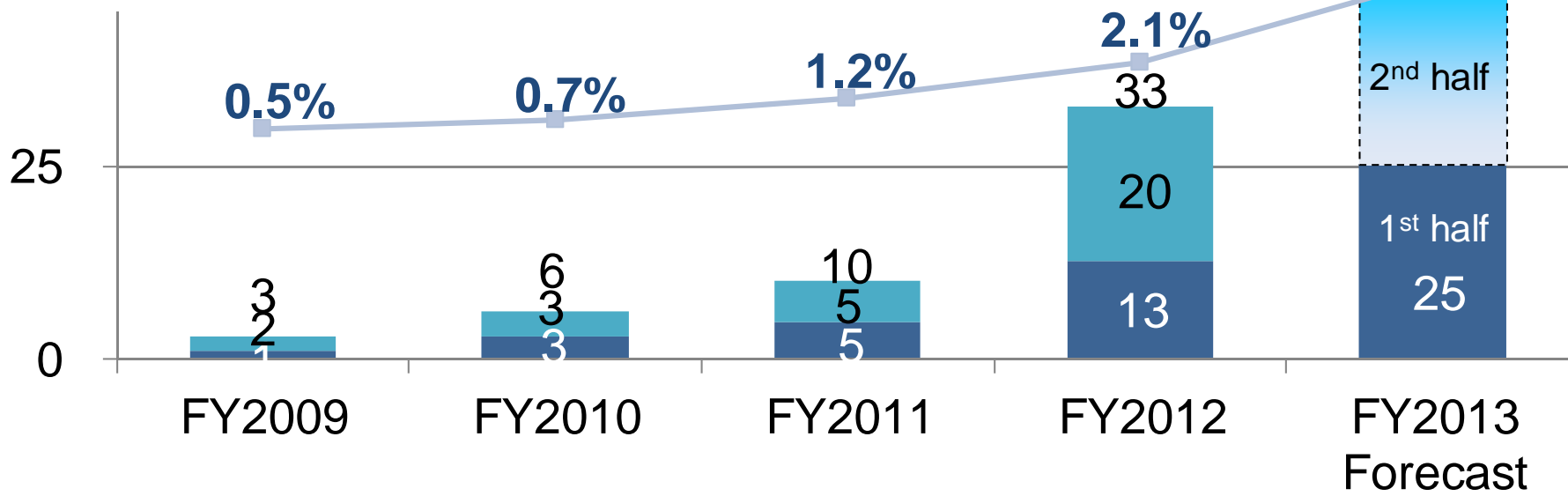
- Suzuki's retail sales from Apr. to Sep.: 25 thousand units (200% y/y)
- Sales of the "Swift" have increased toward eliminating back orders due to the first-time car buyer scheme (excise tax refund) in the previous year.
- Market condition is becoming severe (88% y/y from Apr. to Sep.) due to pre-consumption of future demand.



### Suzuki's retail sales in Thailand

Note: Full-year market share (FY2013 is 1<sup>st</sup> half)

(Thousand units)



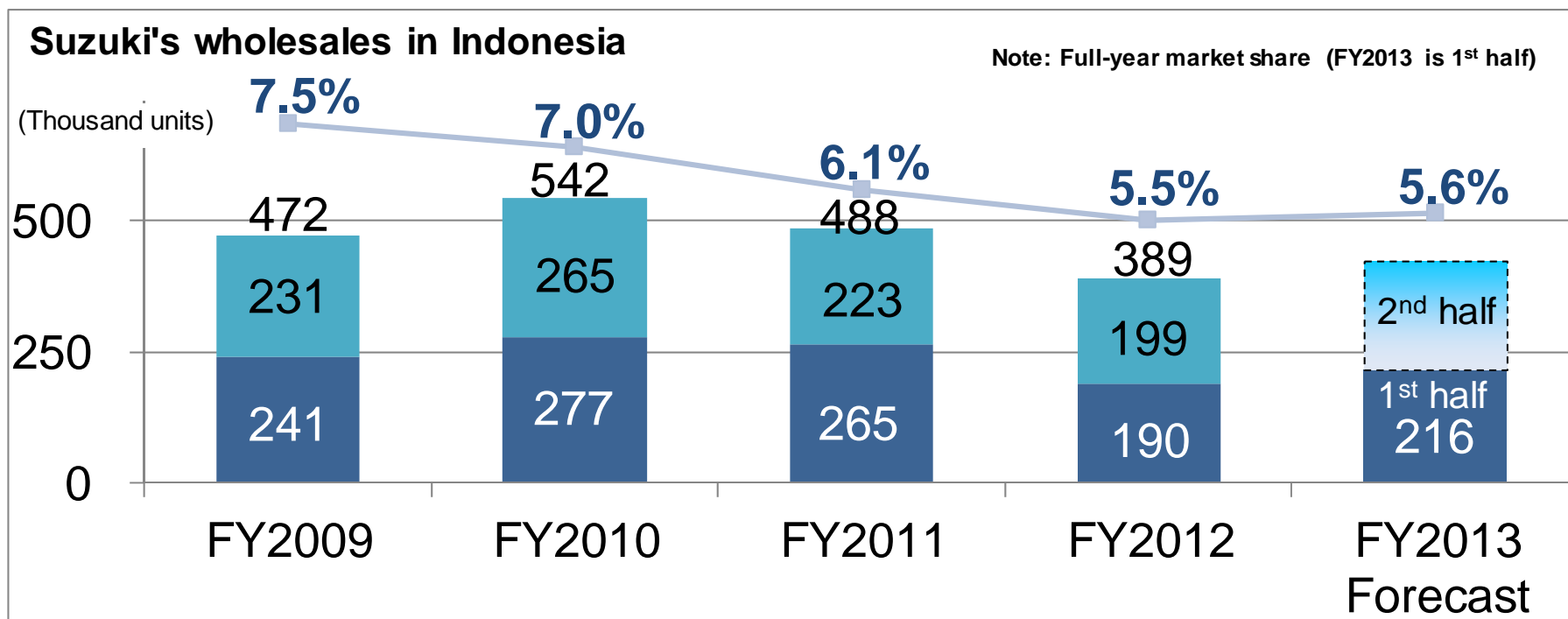
# Indonesia: Sales situation of motorcycles

Sales increased on a year-over-year basis owing to launch of new models

- Suzuki's wholesales from Apr. to Sep.: 216 thousand units (114% y/y)
- Improving sales due to launch of new models (the new "Shooter" in May, the new "Satria" in June)



The fully remodeled "Satria" launched on June 28





# India: Sales situation of motorcycles

Cumulative sales from Apr. to Sep. decreased on a year-over-year basis

- Suzuki's wholesales from Apr. to Sep.: 186 thousand units (90% y/y)

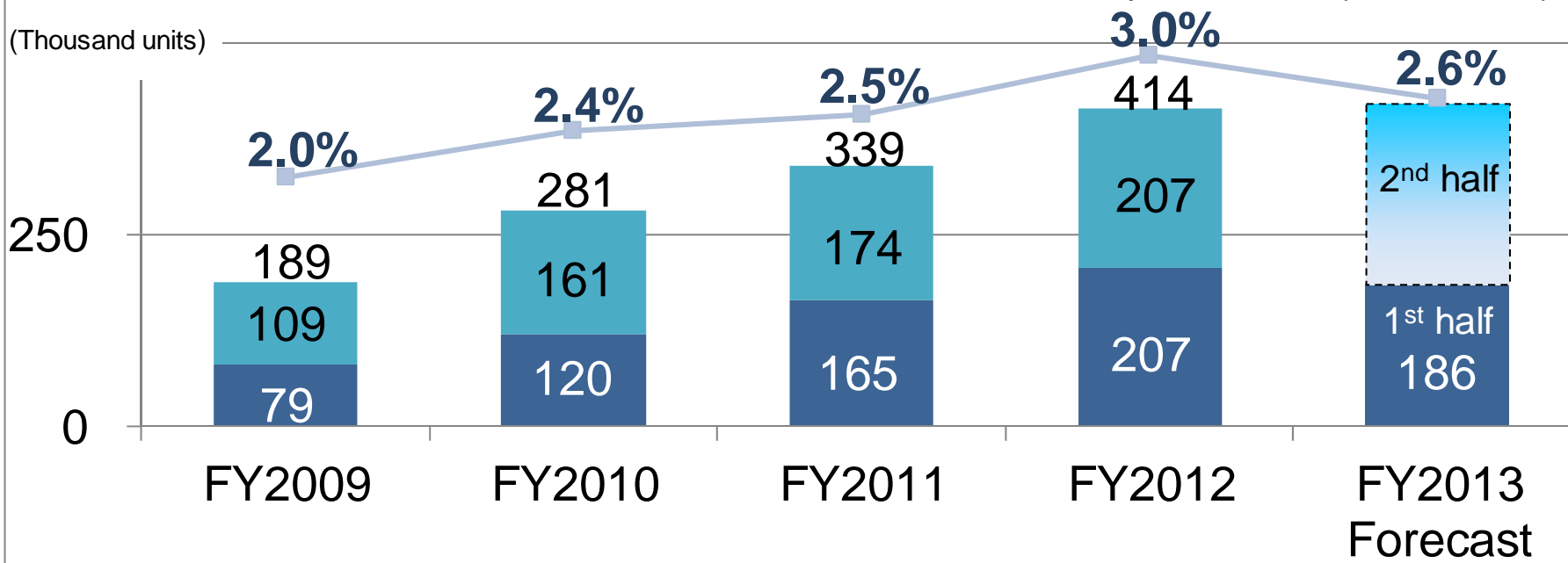
Special edition model was added to the "Access 125", flagship scooter in India



Suzuki's wholesales in India

Note: Full-year market share (FY2013 is 1<sup>st</sup> half)

(Thousand units)



# Major countries in Western Europe: Sales situation of motorcycles

Sales decreased on a year-over-year basis due to economic stagnation in Europe

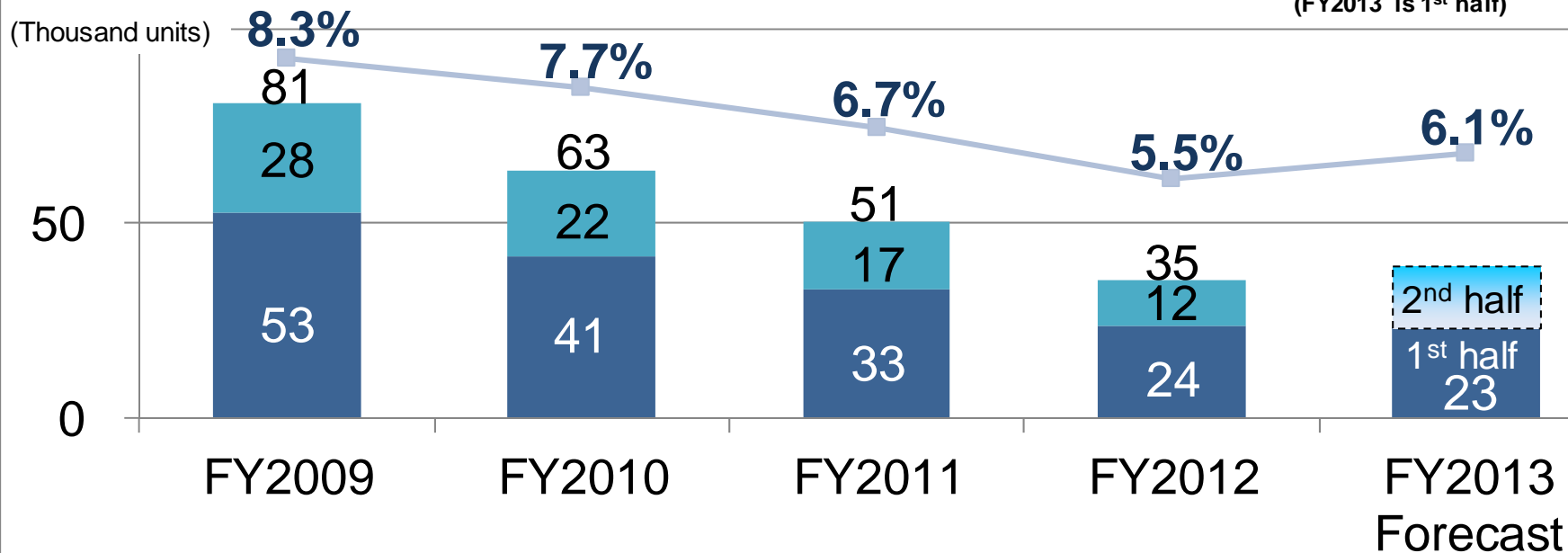
- Suzuki's retail sales from Apr. to Sep.: 23 thousand units (96% y/y)
- The new dual purpose "V-Strom 1000 ABS" will be launched in this 2<sup>nd</sup> half.



V-Strom 1000 ABS

Suzuki's retail sales in major countries in Western Europe\*

Note: Full-year market share (FY2013 is 1<sup>st</sup> half)



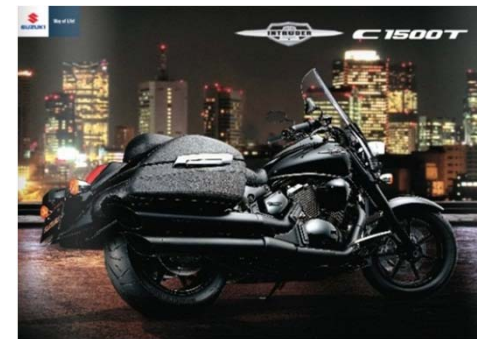
\* Total retail sales of motorcycles (excluding ATVs) in the United Kingdom, Germany, France, Italy and Spain

# North America: Sales situation of motorcycles

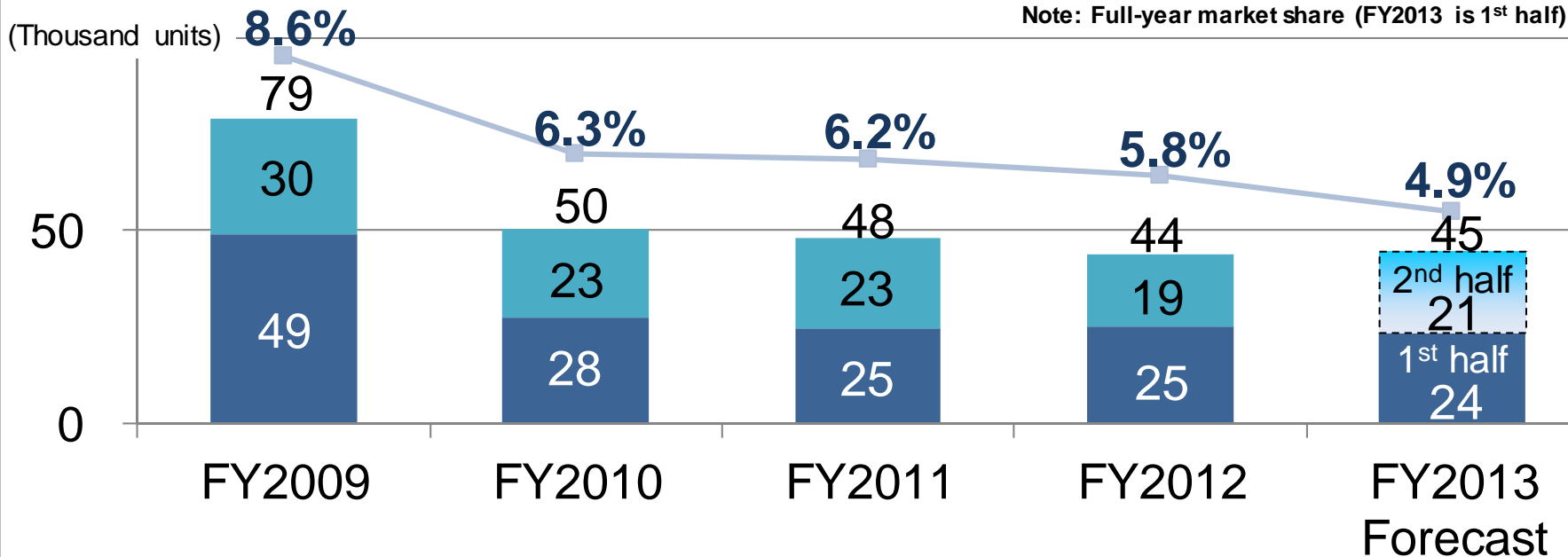
**Cumulative sales from Apr. to Sep. decreased slightly on a year-over-year basis**

- Suzuki's retail sales from Apr. to Sep.: 25 thousand units (99% y/y)
- At their start in the US, the new company is working on strengthening the relationships and improving the quality of sales network.

*Intruder C1500T*



## Suzuki's retail sales in North America\*



\* Total retail sales of motorcycles and ATVs in the US and Canada

# Strategies for product and technology

## DUAL JET ENGINE

Developed the Dual Jet Engine which has thoroughly improved thermal efficiency.

- Realized an optimum compression ratio of 12.0 by utilizing optimum combustion chamber shape, dual injection system and cooled EGR system.
- Sought thermal efficiency to the utmost limit with low friction.
- Realized riding excitement and low-fuel consumption at a high level.
- Has been equipped on the “Swift” launched in July 2013.



## Concept of product development

- **Top class environmental performance**
  - Aim for the top environmental performance.
- **Offer products at affordable prices**
  - Offer mainly small cars at affordable prices for customers.
    - ... “Strive for lower cost”
- **Top class products which delight customers**
  - Not limited to environmental performance.
  - Develop products which satisfy customers’ driving pleasure, fun to use and proud of ownership.
  - Strive to continue developing valuable products for customers.

Driving pleasure

Fun to use

Proud of ownership

**Expected to release attractive new models  
in various regions.**

**Plan of products launches for FY2013 – FY2017 (5 years)**

Region	Models	Outline
Japan	16	Mini vehicles are of high importance and Suzuki will vigorously launch new products as well as existing models.
India	14	The most critical region to Suzuki and we will vigorously launch small cars and also new genre of cars such as SUV.
China	7	It is the world's largest market and Suzuki will continuously launch new products .
ASEAN	9	Market is expected to grow and Suzuki will vigorously launch new products.
Europe	7	Region with advanced design and environmental technologies, etc. and Suzuki will continuously launch new products.



*Hustler (Mini in Japan)*



*iV-4 (Concept)*



*SX4 S-CROSS*



*AUTHENTICS (Concept)*

## For efficient development

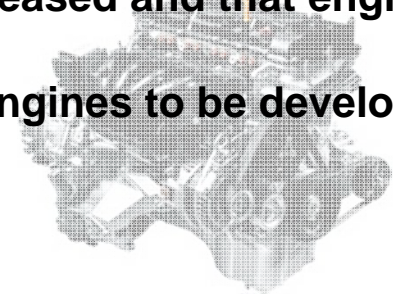
### Consolidation of automobile platforms

- New development will be consolidated into three new lightweight platforms (mini vehicle, A- and B-segment).
- Its development has been completed and it will be introduced starting from new models in 2014.
- Capable of being applied to various type of vehicles by utilizing modularization and a versatile platform.
  - ⇒ Realize shortening of developing period and cost reduction.



### Concentration of the development of gasoline engines

- New development of engines will be focused on 660cc, 1000cc, 1200cc and 1400cc.
- New 660cc engine has already been installed on mass produced cars (including mini truck).
- Compression ratio of compact vehicle engine has been increased and that engine has been installed on the “Swift”.
- Efficient introduction of new technology by narrowing the engines to be developed
- Continue to further improve thermal efficiency.



## New technologies to enhance the attractiveness

### Environmental technology

- Improvement of fuel efficiency
  - …Thorough improvement of thermal efficiency
  - Evolution of Suzuki Green Technology
- Electrification
  - …Hybrid system which is suitable for small cars
- Reduction of vehicle weight
  - …New platform



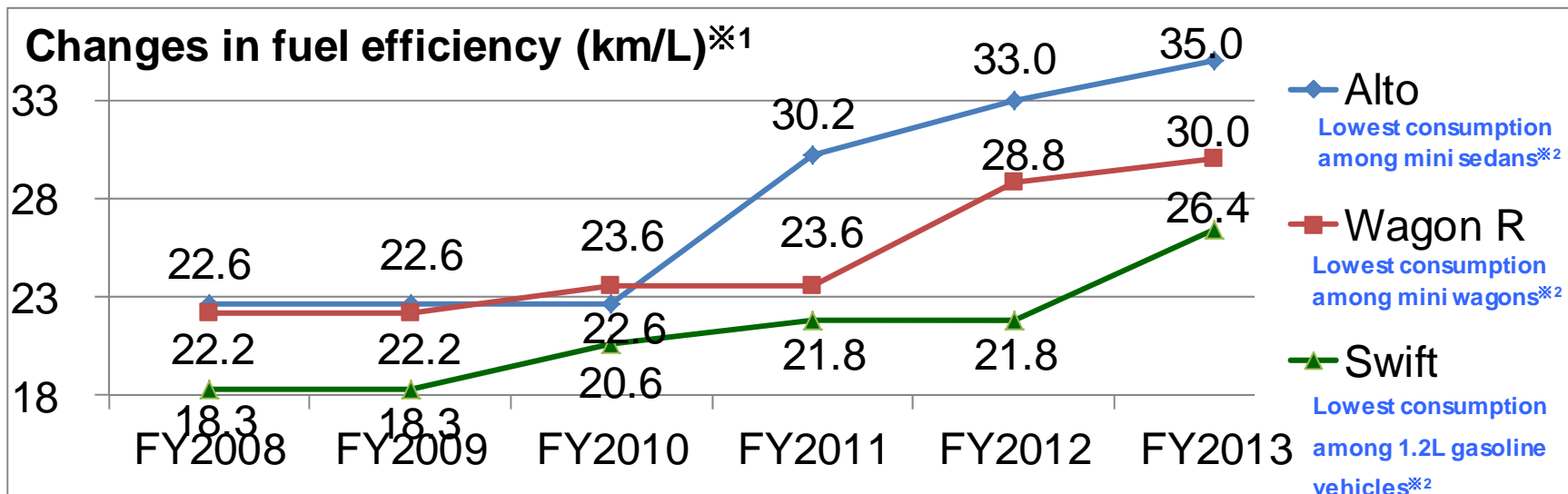
### Safety technology, Telecommunication technology, Design capability

- Safety technology
  - …Evolution of the radar brake support (started equipping from the “Wagon R”)
- Telecommunication technology
  - …Smart phone linkage, active safety utilizing communication between vehicles, and utilization of a running data, etc.
- Design capability
  - …To create products which are selected by customers.



## Achieved the lowest fuel consumption in each segment

### Fuel efficiency in Japan



**Dec. 2013 ALTO ECO**  
(35km/L) **Mini**



**July 2013 Wagon R**  
(30km/L) **Mini**

**DUALJET ENGINE**



**July 2013 Swift**  
(26.4km/L) **Compact**

※1: Measured in JC08 test cycle (verified by the Ministry of Land, Infrastructure, Transport and Tourism). The fuel consumption rates are values obtained under a specific testing conditions. The rates vary according to the actual use conditions (weather, traffic, etc.) and driving situations (sudden starting, use of air conditioner, etc).

※2: Excluding hybrid vehicles. Based on Suzuki research as of November 2013.

## Reduction of vehicle weight utilizing a next-generation platform.

### Reduction of vehicle weight

- Adoption of a new platform starting from new models in 2014
- Following the “Wagon R” and the “Spacia”, which have already reduced their weight, the upcoming mini vehicles and compact cars will realize “weight reduction by up to 15%” throughout the vehicle, as compared to their current lineup.



*CrossHiker*

It features a size of a compact car while weighing 810kg, the weight of a mini vehicle.

How can a new platform reduce vehicle weight ?

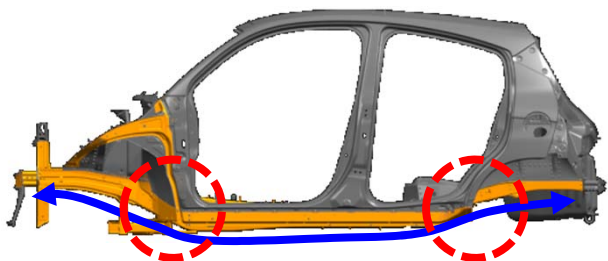


Three initiatives

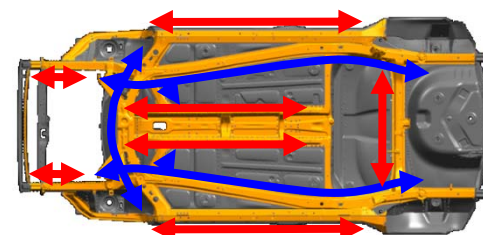
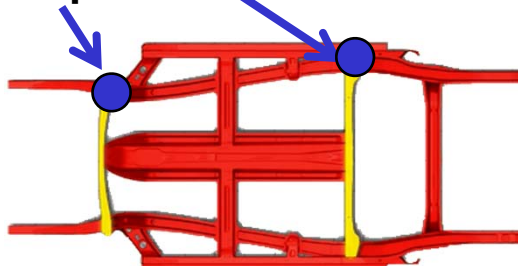
① Form a simple shape which is hardly deformed

② Utilization of hard portion for connection

③ Reduction of weight throughout the vehicle



Hard portion

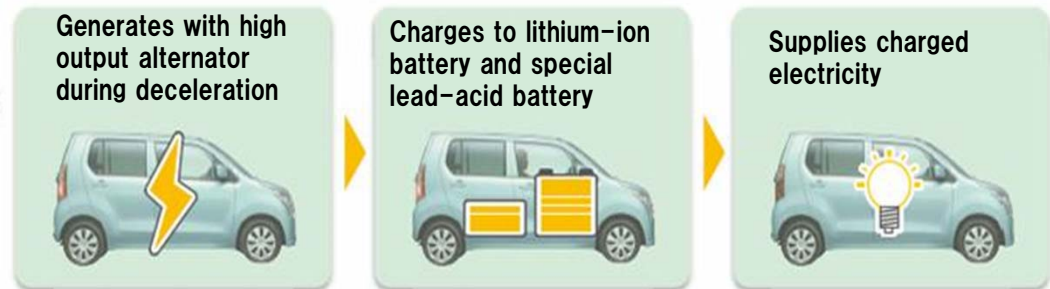


## Development of hybrid vehicles

ENE-CHARGE is a technology which has almost reached a hybrid vehicle.

- ENE-CHARGE has technologies common to hybrid in terms of “regenerating energy which had been released from a conventional vehicle”.
- Further development of energy regeneration technology to utilize its energy to power the vehicle.
- Utilizes technologies acquired from development of Range Extender.

**ene-CHARGE**

Hybrid system which is unique to Suzuki

- Offers a hybrid system which is suitable for small cars at affordable prices for customers.



*X-LANDER (Concept)*

# Business strategy

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iV-4



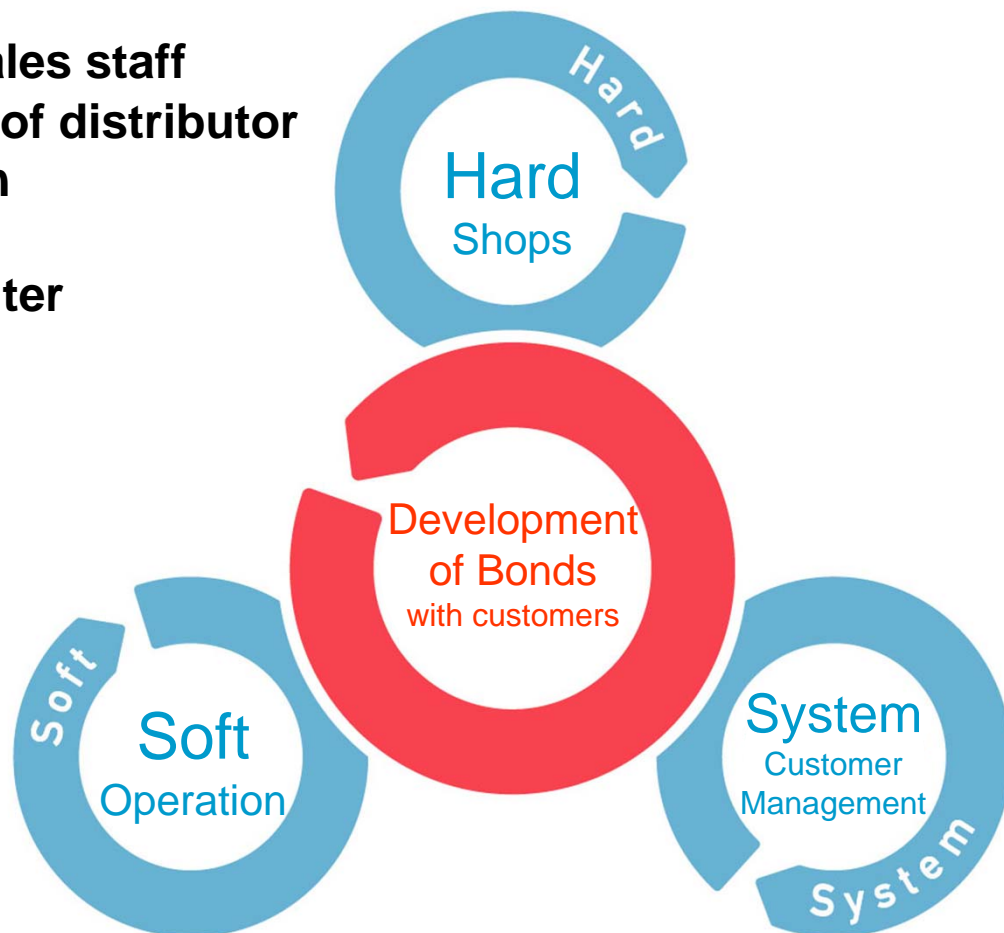
**A compact SUV concept model**

## Promotion of sales activities based on the “Fans Net Declaration”

- Increase and training of the sales staff
- Expansion and strengthening of distributor
  - Revision and reorganization
  - Expansion of shop space
  - Improvement of service center
- Strengthening products



*Hustler*



## “Target of a 40 % market share”

### Long term outlook for Indian market

- Expansion of the middle-income group resulting from economic growth
- Diversified likings resulting from rejuvenation of purchasers
- Expansion of purchasers to provincial city

#### Strengthening of products

- Launch of at least one new model every year
- Enhancement of compact, sedan and SUV

#### Strengthening of sales networks

- Expansion of shops
- Improvement of local bases
- Expansion and strengthening of used cars bases
- Strengthening of service network

#### Expansion of production system

- New plant in the Gujarat state (Proceed cautiously in light of the market conditions.)

#### Strengthening of R&D system

- Setting up a development center in India
- Development system carried out by Suzuki and Maruti as a whole

#### Reinforcement of export

- Become an export base to Africa, the Middle East and Latin America

## A promising market. Foster as a next core.

### Strengthening of products and sales networks

- Launch of at least one new model every year
- Strengthening of sales activities
- Strengthening of spare parts and service network

### Strengthening of production system

- Strengthening of mutual supply system within ASEAN region
- Increase in internal production rate and local procurement rate under the policy of local production for local consumption

- Construction of the new plants in Indonesia
  - Under construction with an investment of 93 billion yen in GIIIC industrial estate (Approx. 1.3 million m<sup>2</sup>)
  - Cost reduction, increase in production capacity of automobiles, and increase in local procurement rate by promotion of internal production
  - Engine and transmission plant (start its entire operation from Nov. 2014)
  - Automobile assembly plant (start its operation from Jan. 2015)
- Building a 100,000-unit production capacity at Thai plant
  - The second eco-car model which meets the eco-car project is scheduled to be produced in fiscal 2014.
  - This will increase present production capacity from 50,000 to 100,000 units per year.
- Mutual supply of products and parts within ASEAN region, a view to exporting to countries outside ASEAN

## Launch of products which meets market needs in China.

- In China, A- and B-segment sales are weak, and C-segment and SUV market are growing.
- Launch of products which meet customer needs in China

### The all-new SX4 S-CROSS

- Suzuki's first C-segment crossover model
- Suzuki plans to produce and distribute by the end of 2013 at its joint venture in China, Chongqing Changan Suzuki Automobile Co., LTD.



### AUTHENTICS

- The C-segment sedan concept model
- Suzuki plans to produce and distribute the production model based on "AUTHENTICS" by the end of 2014 at its joint venture in China, Chongqing Changan Suzuki Automobile Co., LTD.





## Shoring up the automobile business in Europe

### ■ The all-new SX4 S-CROSS

- Uniting Suzuki's compact-car know-how with technologies honed for 4WD vehicles.
- Suzuki's first C-segment crossover model
- Built at the Magyar Suzuki plant in Hungary.
- Launched in European countries from this autumn onwards.
- Extend exports to countries outside Europe from this model.

### ■ A compact SUV concept model "iV-4"

- A Compact SUV concept model "iV-4" was unveiled at the "65th IAA Frankfurt Motor Show".
- Developed with a theme - "Grab your field"
- A new personal compact SUV which inherited certain design features of Suzuki SUVs, such as the clam shell shaped hood and the front grill divided into five, while conveying a sense of modernity and innovativeness.
- Suzuki will be releasing the production model based on the "iV-4" concept model in 2015 in Europe.



# Development of a new auto market (The Middle East, Africa and Latin America, etc.)

Lay the foundations for building of sales networks in preparation for future market growth in the Middle East, Africa and Latin America, etc.

## The Middle Eastern and African market

- Establish headquarters in India
- Promote local production for local consumption considering cost, quality, proximity to markets, FTA and currency exchange, etc.

## Latin American market

- Had been launching Japanese made models.
- Planning to launch global models from India, Indonesia, Thailand and Hungary, etc.



## New overseas motorcycle models for 2014

- **The Sport Adventure Tourer, the “V-Strom 1000 ABS”**
  - Its styling design is inspired by the 1988 “DR750S”, big on/off road machine.
  - It offers some of the best parts of the Sport Adventure Tourer such as the versatility, the fun of riding, and comfortable long distance travel.
  - Comfortable riding position and low seat height
  - Newly-designed lightweight and compact 1037cm<sup>3</sup> V-twin engine
  - Suzuki’s first motorcycle traction control
  - Suzuki produces this model at Toyokawa Plant in Japan from October 2013, and exports to overseas.
  
- **New scooter, the “Burgman 125” / “Burgman 200”**
  - An elegantly-designed scooter which has adopted a comfortable riding position and useful equipments.
  - Its styling design is shared with the “Burgman” scooter series.
  - An easy-to-read instrument and a long windscreen to provide wind protection



*V-Strom 1000 ABS*



*DR750S (1988 debuts)*



*Burgman 125/200*

## Enhancement of middle and large displacement models in emerging country

- Expanding middle and large displacement models lineup in Thailand
  - Due to the increase in income level, demand for motorcycles with high pleasure is increasing in Thailand.
  - Suzuki newly introduced six models, the “V-Strom 650 ABS”, the “Gladius 650 ABS”, the “GW250”, the “Burgman 125”, the “Burgman 200” and the “Van Van125” in addition to the “Hayabusa” and the “GSX-R1000”.
  
- Middle displacement models to be produced in Thailand
  - The “Burgman 125/200” and the “GW250” are to be produced in Thailand.
  - The “Burgman 125/200” are to be exported worldwide including Europe, North America, and Oceania.



*HAYABUSA*



*GSX-R1000*



*V-Strom 650 ABS*



*Gladius 650 ABS*



*GW250*



*Burgman 125/200*



*Van Van125*

## Enhancement of brand value through racing activity

### ■ Recent racing activity

- Suzuki participated in Superbike World Championship, World Endurance Championship and Motocross World Championship, etc.
- Suzuki has won World Endurance Championship title for the fourth consecutive year, its 13th all-time title.
- At the Endurance World Championship Series Round 2 Suzuka 8hours Endurance Road Race, SUZUKI grabbed second, third and fourth places with the “GSX-R1000”.

### ■ Returning to Road Racing World Championship Grand Prix MotoGP

- Through continuing running tests at the circuits inside and outside Japan for further development and refinement, Suzuki will participate again in MotoGP racing from 2015.
- Suzuki will feed back advanced technology to be derived through MotoGP racing activity to develop further attractive production models.



*GSX-R1000*

*Suzuki has won World Endurance Championship title for four consecutive years*



*MotoGP machine to be developed  
1000cc In-line four GP racer*

## Partnership with Bénéteau in Europe

- For Bénéteau<sup>※</sup> brand outboard powered boats sold in France, Italy, Germany and the UK, Suzuki exclusively supplies Bénéteau with 90 and more horsepower outboard motors.
- Both companies undertake joint PR activities and mutually support the product development through exchange of technical information.
- Suzuki aims to increase sales of large outboard motors and to enhance brand, technological capability and merchantability of outboard motors.

※ Bénéteau:

Bénéteau group is a leading boat builder in Europe with 6 brands including “Bénéteau”. It manufactures pleasure boats such as yachts and motor boats and is leading world marine industry.

It was established in 1884 and locates headquarters in Saint-Gilles-Croix-de-Vie, north west France. Its net sales is approximately 108 billion yen (2012).



*Suzuki's flagship  
the DF300AP*



# Tokyo Motor Show Investors Conference



*Crosshiker*  
*A-segment crossover concept model*

**SUZUKI MOTOR CORPORATION**

## ..... Caution with respect to forward-looking statements .....

The forward-looking statements mentioned in this presentation are based on currently available information and assumptions, contain risks and uncertainty and do not constitute guarantees of future achievement.

Please note that the actual results may greatly vary by the changes of various factors.

Those factors, which may influence the actual results, include economic conditions and the trend of demand in major markets and the fluctuations of foreign exchange rates (mainly U.S. dollar/Yen rate, Euro/Yen rate, Indian Rupee/Yen rate).