

3 August, 2016

Suzuki Announces the Financial Results for FY2016 First Quarter (April 2016 to June 2016)

- Decreased sales
- Increased operating profit
- Forecasts unchanged

1. Outline of the Financial Results for FY2016 First Quarter

The consolidated net sales of this first quarter (April 2016 to June 2016) decreased by ¥18.9 billion (2.4%) to ¥754.0 billion compared to the corresponding period of the previous fiscal year. The Japanese domestic net sales increased by ¥2.7 billion (1.1%) to ¥250.0 billion year-on-year mainly owing to the increase in sub-compact and standard-sized vehicles (registered vehicles), despite decrease in minivehicles and OEM sales. The overseas net sales decreased by ¥21.6 billion (4.1%) to ¥504.0 billion year-on-year mainly owing to the decrease in automobile sales in Indonesia and Pakistan, and the impact of the exchange rate, despite increase in automobile sales in areas including India and Europe.

In terms of the consolidated income, although there were impact of the exchange rate, the operating income increased by ¥4.0 billion (7.2%) to ¥59.2 billion year-on-year mainly owing to the increase in automobile sales in India and Europe. However, the ordinary income decreased by ¥1.0 billion (1.7%) to ¥61.3 billion year-on-year mainly owing to the decrease in financial revenue. The net income attributable to owners of the parent increased by ¥6.3 billion (19.7%) to ¥38.0 billion year-on-year mainly owing to the decrease in income taxes and the decrease in adjustment of profit attributable to non-controlling interests.

2. The Operating Results by Segment

In the Japanese automobile business, although minivehicle and OEM sales decreased, the Japanese domestic automobile net sales increased year-on-year owing to the increase in sales of registered vehicles launched in the previous fiscal year including the SOLIO, ESCUDO, IGNIS, and BALENO compact cars in Japan. The overseas automobile net sales decreased year-on-year mainly owing to the decrease in sales in Indonesia and Pakistan, and the impact of the exchange rate, despite increase in sales in areas including India and Europe. Consequently, the net sales of the automobile business decreased by ¥7.5 billion (1.1%) to ¥684.4 billion year-on-year. With respect to the operating income, although there were impact of the exchange rate, it increased by ¥2.2 billion (4.0%) to ¥55.8 billion year-on-year mainly owing to the increase in sales in India and Europe.

In the motorcycle business, the net sales decreased by ¥10.2 billion (16.7%) to ¥50.7 billion year-on-year mainly owing to the decrease in sales in Europe, North America, and Asia, and the impact of the exchange rate. The operating loss of ¥2.6 billion in the previous fiscal year became an operating loss of ¥0.6 billion.

In the marine and power products, etc. business, the net sales decreased by ¥1.2 billion (5.7%) to ¥18.9 billion year-on-year mainly owing to the impact of the exchange rate, despite increase in the sales of the outboard motors in the US. The operating income decreased by ¥0.2 billion (6.1%) to ¥4.0 billion year-on-year.

With respect to the operating income by geographical areas, Japan decreased by ¥0.5 billion (1.8%) to ¥26.7 billion year-on-year partly owing to the impact of the exchange rate. Asia also decreased by ¥5.5 billion (18.9%) to ¥23.6 billion year-on-year mainly owing to the impact of the exchange rate. Europe increased by ¥1.2 billion (136.5%) to ¥2.1 billion mainly owing to the great sales of the VITARA compact SUV.

3. Forecasts for the Consolidated Operating Results-Full Year

With respect to the forecasts for the consolidated operating results, they remain unchanged from the previous forecasts. The Group will work as one to reform in every field and pursue the business activity to accomplish more than the below forecasts for the consolidated operating results.

(Forecasts for the consolidated operating results-Full Year)

Net Sales	¥3,100.0 billion (down 2.5% year-on-year)
Operating Income	¥180.0 billion (down 7.8% year-on-year)
Ordinary Income	¥185.0 billion (down 11.5% year-on-year)
Net Income attributable to owners of the parent	¥93.0 billion (down 20.3% year-on-year)
(Foreign Exchange Rate)	¥105/US\$
	¥120/Euro
	¥1.60/Indian Rupee
	¥0.80/100 Indonesian Rupiah
	¥3.00/Thai Baht