ANNUAL REPORT
2004

SUZUKI MOTOR CORPORATION

A MESSAGE FROM THE MANAGEMENT

In delivering our Annual Report 2004, we wish to extend our greetings to you.

With respect to the overall trend of demand in the automobile industry during this fiscal year, in the Japanese domestic market, the shipment volume of motorcycles saw a decrease from the previous year. As for automobiles, mini-vehicle sales increased compared to the previous twelve months for the first time in four years. However, no significant growth could be attained from sales of small cars, subcompacts and larger vehicles. The overall result was a slight increase over the previous year in total automobile sales.

In overseas markets, motorcycle exports to Europe and other markets increased, but exports to North America slipped. As a result, motorcycle exports as a whole saw a decrease from the previous year. On the other hand, due to increases in markets such as Europe and Southeast Asia, automobile exports slightly exceeded last year's level, despite decreases in North America and other markets.

Under these circumstances, Suzuki focused on increasing sales in the domestic motorcycle market by enhancing our product lineup through the introduction of models such as the Choinori SS and ST250. In the domestic automobile market we made efforts to boost sales through various measures including the introduction last September of the new Wagon R mini passenger car - the third generation of a model first introduced in 1993 - along with the introduction of numerous specially equipped versions of the subcompact passenger cars Chevrolet Cruze, Wagon R Solio, Swift and other models. We also focused on promoting the maintenance and development of our small and subcompact car sales channel, the Suzuki Arena.

Meanwhile, in overseas markets, we introduced a number of new motorcycle models including the GSX-R600, GSX-R750 and V-Strom(DL650) , and new All Terrain Vehicle (ATV) models including the Twin Peaks 700 4×4(LT-V700F) . We made efforts to strengthen our overseas production bases for our automobiles. This included boosting production at Maruti Udyog Limited in India, which were incorporated into Suzuki subsidiaries during the previous year, and PT Indomobil Suzuki International in Indonesia and starting production of the new passenger car Ignis at Magyar Suzuki Corporation in Hungary.

As a result, our net sales in this fiscal year were ¥2,198,986 million (US$20,806 million), 109.1% of the previous year. In terms of profits, through cost reduction and other efforts, our net income reached ¥43,835 million, (US$415 million), 141.3% of the previous year.

Dividend at the end of the current fiscal year was ordinary dividend of 4 yen (US$0.038), plus special dividend 1 yen, for a total of 5 yen (US$0.047) per share (9 yen (US$0.085) for the year, including interim dividends).

Tough market conditions are expected in the months ahead. However, we fully intend to overcome this difficult challenge - our basic corporate policy for the fiscal year 2004 , summed up by the slogan: "In order to survive, let us stop acting in a self-styled manner and get back to basics." By which we mean we intend to make a thorough review of every aspect of our business to further develop our corporate strength.

In order to construct a highly profitable operation for our motorcycle business, in the domestic market, we will make efforts to increase sales of the Choinori - a domestically produced scooter which played a major role in the growth of our market share this year - as well as boost sales of our larger motorcycles. In overseas markets, we will take measures to increase sales of small motorcycles in the ASEAN region and to increase sales of large motorcycles in the European and North American markets.

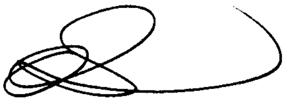
For our automobile business, in the Japanese domestic market, we will concentrate on the strengthening and developing of our existing sales network, boost our understanding of the market, heighten customer satisfaction, strengthen the sales capability of Suzuki Arena, our sales channel for small and subcompact vehicles, and make sure these efforts translate into increased sales of our small and subcompact models. In overseas markets, our efforts will include the promotion of business conduct and product development in a manner closely suited to each regional market, along with the promotion of quality- and productivity-boosting automation, local procurement of components, cost-reduction activities and other measures, to further strengthen our overseas production bases. We will also aim to maximize the business potential of the synergy gained by our strategic alliances with General Motors Corporation as well as each company in the GM group to reinforce our corporate foundation.

Furthermore, efforts will be taken to develop, in an effective and efficient manner, products that closely suit each of the four central markets in the world, and to introduce them in a timely fashion. And for the protection of the global environment, we will promote development of products designed for low environmental impact by reducing gas exhaust emissions, improving fuel efficiency, reducing the amount of natural resources required for their production and facilitating recycling. We will also develop next-generation vehicles such as vehicles powered by fuel-cell systems.

Under the motto "Small Cars, - for a Big Future," Suzuki has set out its determination to continue active efforts to develop small cars that our customers demand and to make efforts to ensure our products have a minimal impact on the global environment. At the same time, we will keep on working toward maintaining a highly efficient and healthy business operation.

We sincerely look forward to your continuing support and encouragement of our business.

Osamu Suzuki
Chairman & CEO



Hiroshi Tsuda
President & COO

PROFILE

Suzuki Motor Corporation designs and manufactures passenger cars, commercial vehicles, motorcycles, All Terrain Vehicles (ATVs), outboard motors, and other products. The company continuously and vigorously promotes technical cooperation through numerous joint ventures overseas, and its main production facilities are currently located in 23 countries and areas around the world. The established network enables Suzuki to operate as a global organization serving 190 countries.

Suzuki Motor Corporation was first established as Suzuki Loom Manufacturing Co. in March 1920.

Suzuki then entered the motorcycle business with the introduction of "Power Free" motorized bicycle in 1952, and entered the automobile business in 1955 with the introduction of "Suzulight" lightweight car.

Suzuki is committed to use its amassed technological expertise and all other available resources to help raise the quality of human life in society by promoting corporate growth through manufacture and supply of socially demanded products.

CONTENTS

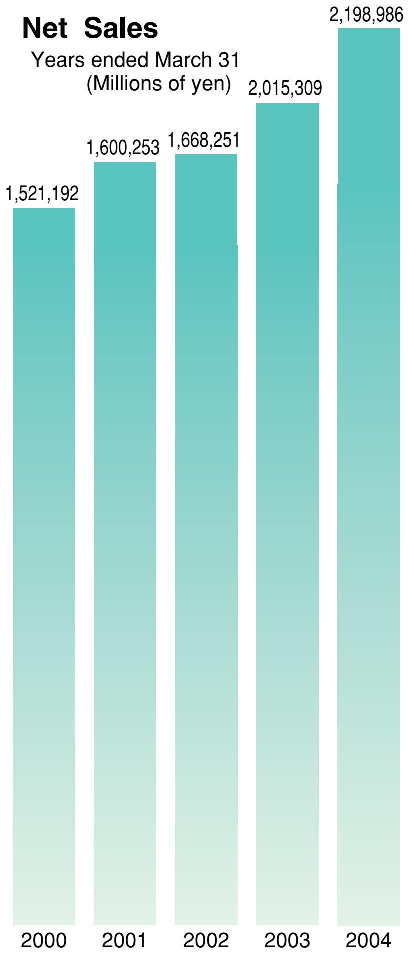
Head office & Takatsuka Plant

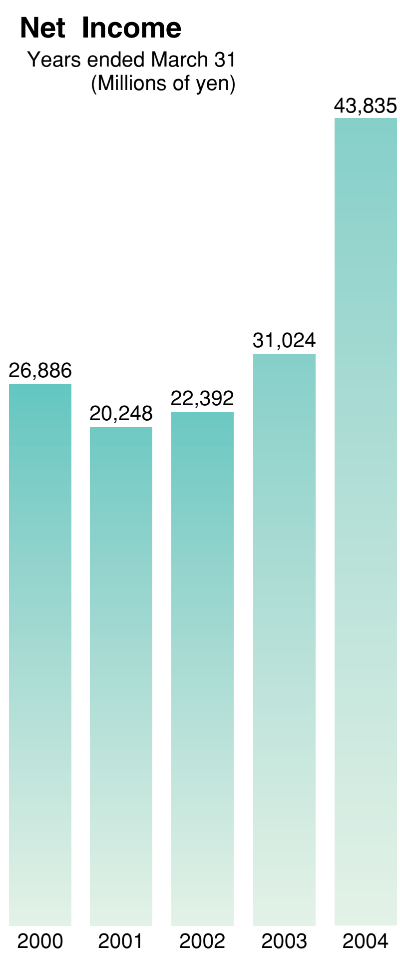
Headquarters, Engineering center and Motorcycle engines assembling plant

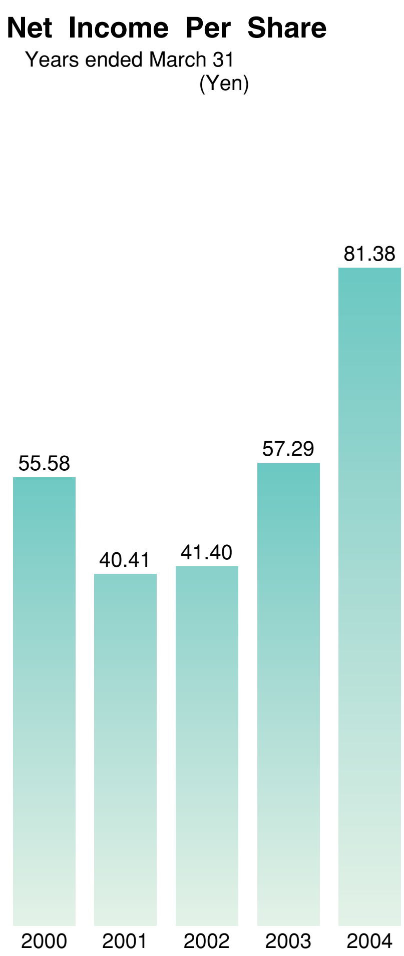
FINANCIAL HIGHLIGHTS

SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES	Millions of yen (except per share amounts)		Thousands of U.S. dollars (except per share amounts)
Years ended March 31, 2004 and 2003	**2004**	2003	**2004**
Net sales	**¥2,198,986**	¥2,015,309	$20,806,004
Net income	**43,835**	31,024	414,756
Net income per share:			
Primary	**81.38**	57.29	0.769
Fully diluted	**79.17**	55.57	0.749
Cash dividends per share	**9.00**	9.00	0.085
Shareholders' equity	**692,345**	648,357	6,550,719
Total current assets	**902,263**	844,577	8,536,889
Total assets	**1,577,709**	1,537,430	14,927,709
Depreciation and amortization	**87,858**	83,896	831,282

Note: Yen amounts are translated into U.S. dollars, for convenience only, at ¥105.69 = US$1, the prevailing exchange rate on March 31, 2004.

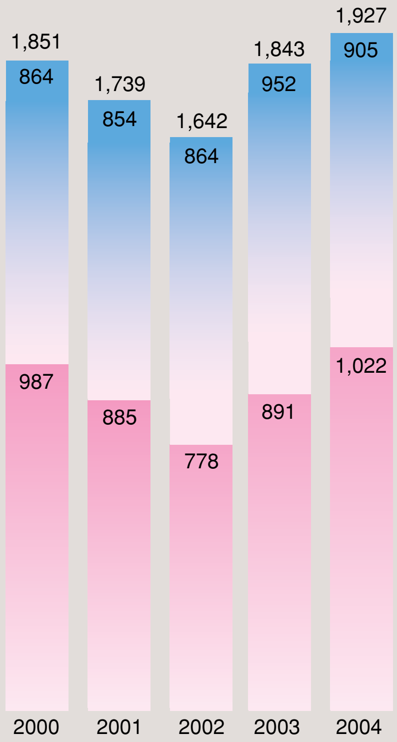






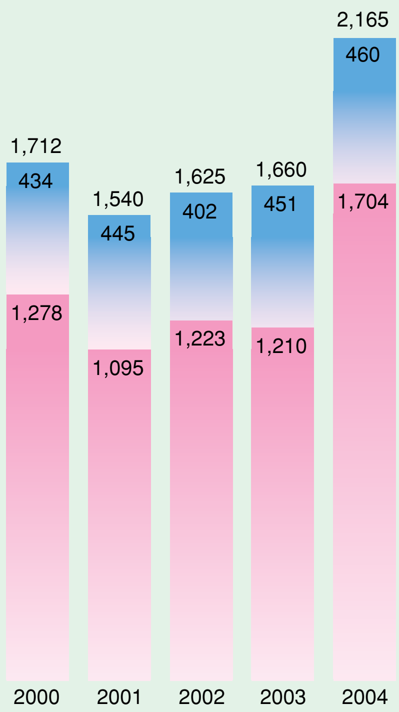
Automobiles Unit Products

Years ended March 31 (Thousand units)



Motorcycles Unit Products

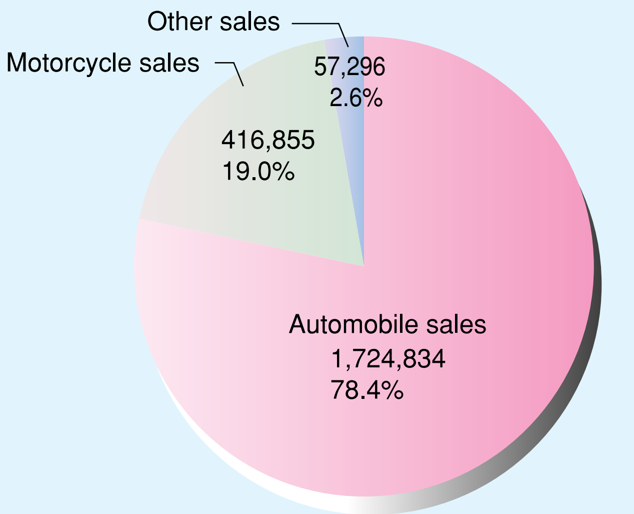
Years ended March 31 (Thousand units)
(ATV included)



※ Production in Japan is CBU.
Overseas production is CKD units + components for overseas production.

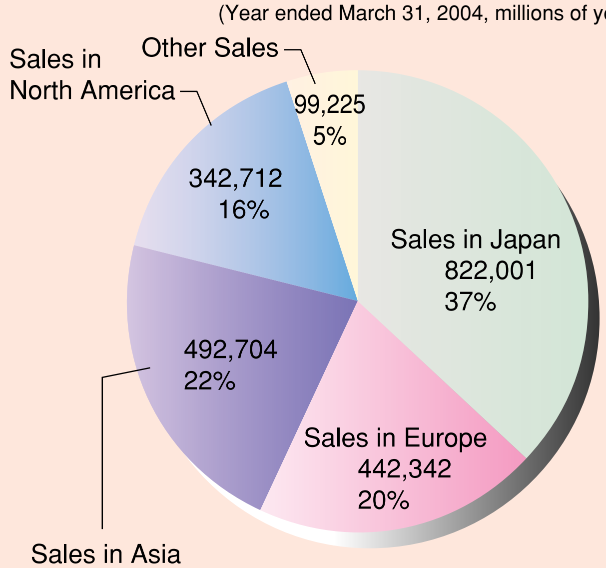
2004 Net Sales By Business

(Year ended March 31, 2004, millions of yen)



2004 Net Sales By Market

(Year ended March 31, 2004, millions of yen)



AUTOMOBILES

The Japanese Market

Performance in the Japanese domestic market

Total domestic sales of automobiles in fiscal year 2003 remained mostly unchanged in volume from the year before, totaling 5,890,543 units, 100% of the previous year. Sales of mini vehicles increased to 1,861,231 units, 102% of the previous year. The number of registered units (automobiles excluding mini vehicles), remained at a similar level to the year before, at 4,029,312 units, 100% of the previous year.

Suzuki's total domestic automobile sales in 2003 amounted to 634,484 units, dropping slightly to 99% of the previous year. With a domestic market share of 10.8%, Suzuki was the fourth largest out of the thirteen domestic auto manufacturers.

Sales status

(1) Although the mini-vehicle market has continued to maintain a high capacity exceeding 1.8 million units ever since regulatory standards were revised, further large growth is not expected to be sustainable, and competition among manufacturers is prospected to intensify. Under such circumstances, Suzuki actively took measures during 2003 to promote sales, including introducing a full model change for our main model - the Wagon R - as well as bringing in several minor change models. In addition, special edition models were added to the line-up and as a result sales totaled 569,873 units, 99% of the previous year. This meant that once again Suzuki retained the largest market share for mini vehicles during fiscal 2003 - a position Suzuki has solidly maintained for 31 consecutive years.
(2) Suzuki's sales volume for registered vehicles was 64,611 units (106% of the previous year), exceeding the preceding year's figures for the fourth consecutive year and continuing to register steady growth. The driving force behind the growth was the favorable sales marked by the Swift - whose product competitiveness was boosted by the addition of a special edition together with a price review - and the Chevrolet Cruze, a model jointly developed with General Motors. Suzuki's growth from the previous year in the small and subcompact vehicle market stands in contrast to other makers, who mostly saw declines from the previous year.
(3) The "Suzuki Free Auto Inspection Campaign,"- a popular sales promotion conducted each year, was continued for another year.

Individual model topics

(1) Suzuki's aggregate domestic sales of mini vehicles reached 15 million units in January 2004.
(2) The Wagon R, Suzuki's number one main model, underwent a full model change in September 2003, and in December 2003 aggregate domestic sales reached two million units - just 10 years and four months after its introduction.
(3) Sales of the Wagon R amounted to 188,498 units. The Wagon R came out top in the number of newly registered mini vehicles during fiscal year 2003.
(4) The Carry Truck was once again the best-selling model of the year in fiscal year 2003 in the all-truck segment, making it the number-one seller for the 33rd consecutive year.
(5) Models that underwent a minor change include the Grand Escudo, Lapin, Aerio, Aerio Sedan, Swift, Twin and MR wagon.
(6) The Chevrolet Cruze also underwent a minor change. Importing and sales of the Chevrolet Trailblazer, Chevrolet Trailblazer EXT and Chevrolet Astro started from January 2004.
(7) Annual production at Sagara Plant, Suzuki's manufacturing plant for automobile engines, in March 2003 reached a volume of one million units. The entire production process from casting, machining to assembly is carried out at the Sagara Plant, and the engines produced at the plant are all state-of-the-art, high-performance, all-aluminum engines.

WAGON R

TWIN

AERIO (Export name: LIANA)

JIMNY

WAGON R+ (manufactured at Magyar Suzuki Corp. in Hungary)

Overseas Markets

Total automobile exports for this fiscal year grew to approximately 1,230,000 units, 111% of the previous year. Although dropping exports to North America meant CBU exports fell below previous year's level (96%), a growth was recorded in terms of total volume, due to CKD and SET exports to India, Pakistan, Taiwan and other countries.

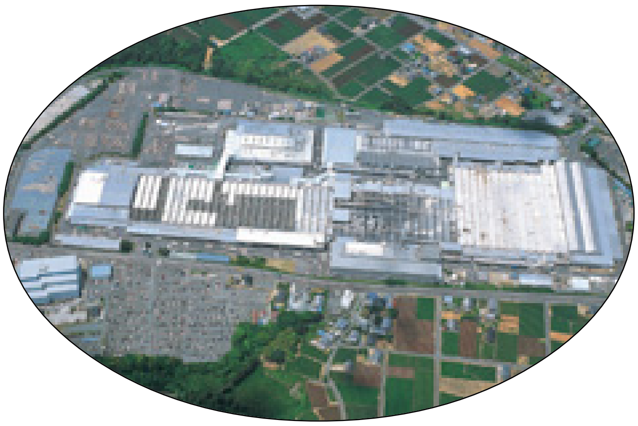
As for new products, the Liana underwent a minor change in October 2003, further strengthening its refined image. Responding to popular demands for diesel engines in Europe, diesel versions of the Jimny and Liana were put on sale in early 2004. Following the Concept-S introduced at the 2002 Paris Motor Show, the Concept-S 2 was first unveiled in 2003 at the Frankfurt International Motor Show, and it has been put on display for the general public at motor shows in the world including Tokyo, Geneva, Brussels, drawing widespread praise.

One of the mainstays of Suzuki's motorsports activities is the Junior World Rally Championship. Entering first in 2002, Suzuki is now in its third year of participation in this event and has become a seasoned contender. In 2004, Suzuki is fielding a new machine based on the Magyar Suzuki Corporation-made Ignis, piloted by four new drivers. Suzuki monopolized the podium at the Rally of Turkey in June, and expectations are high for further great results.

As for our overseas production bases, production operation at Magyar Suzuki is expected to be ever more active, following the start of production of a new model Ignis in April 2003. Furthermore, in April 2003, work began on joint development with Fiat Auto S.p.A. of a new SUV, and agreement was reached to carry out production of the car at Magyar Suzuki from the latter half of 2005, and presently, preparations are underway so this goal can be achieved. At Maruti Udyog Limited, where aggregate production reached four million units in April 2003, a decision was announced in May 2004 to manufacture the latest automobile with a diesel engine using technology provided based on a licensing contract with Fiat-Opel.

Business performances at our overseas subsidiaries in 2003 were on the whole favorable. We intend to concentrate our best efforts to achieve further growth, summed up by our motto:
"In order to survive, let us stop acting in a self-styled manner and get back to basics."

Kosai Plant
Passenger car assembling plant



Iwata Plant
Sport utility vehicle and commercial vehicle assembling plant

SWIFT SPORT (Export name: IGNIS SPORT)

GRAND VITARA DIESEL

IGNIS (manufactured at Magyar Suzuki Corp. For Europe only)

MOTORCYCLES

The Japanese Market

The number of motorcycles put out by the four Japanese manufacturers in the domestic market during fiscal year 2003 (April 2003 to March 2004) stood at a total volume of 743,000 units (96% of the previous year). A breakdown of this figure by displacement classes shows volume for the 125cc-and-under class of 612,000 units (96% of the previous year) and for the 126cc-and-over class of 131,000 units (95% of the previous year), thus marking a decline for both classes.

In the 125cc-and-under class, although sales of 50cc scooters, which with a volume of 420,000 units account for 68% of the total remained at 100% level compared to the previous year, sales of 50cc underbone models dropped to 79,000 units (86% of the previous year) and 51-to-125cc scooters slipped to 48,000 units (88% of the previous year).

As for larger models, although sales of 126-to-250cc scooters increased to 45,000 units (107% of the previous year) and 401cc-and-over touring models to 16,000 units (104% of the previous year), overall, sales dropped in all displacement classes - the 126-to-250cc class at 90,000 units (96% of the previous year), 251-to-400cc class at 24,000 units (91% of the previous year) and 401cc-and-over class at 17,000 units (92% of the previous year).

Total volume for Suzuki in fiscal year 2003 saw a growth to 143,000 units (116% of the previous year). A breakdown of the figure by displacement classes shows volume for the 125cc-and-under class of 115,000 units (120% of the previous year) and for the 126cc-and-over class of 28,000 units (102% of the previous year), showing growth in both classes.

Toyokawa Plant

Motorcycles and outboard motors assembling plant

The growth in the 50cc class can be largely attributed to the sales performance of the 50cc scooter Choinori. Introduced in February 2003, the Choinori won wide acclaim for its simple, functional features, reasonable price and its styling, and a wider range of model versions was subsequently introduced. As a result, sales reached more than 52,000 units, greatly exceeding initial sales targets for this model.

One of the main factors behind the growth in larger models is increases in the 126-to-250cc class achieved following the introduction of the "type S" version for the 250cc scooter Sky Wave 250 equipped with extra stylish features, and the new ST250 model series introduced in December 2003.

Let's II G

CHOINORI

CHOINORI SS

ST 250

SKYWAVE 250 TYPE S
(Export name:Burgman 250)

GSX1400

Overseas Markets

Exports of CBU motorcycles and CKD units in fiscal year 2003 (April 2003 to March 2004) totaled 283,000 units, growing to 107% of the previous year.

As for motorcycles, the GSX-R750 and GSX-R600 underwent a full model change to strengthen sales of the GSX-R series, which is the flagship sports model series in Suzuki's motorcycle lineup. We are also continuing to enhance our product lineup by introducing new models including the "Enduro Tourer" V-Strom 650(DL650); the Burgman 650 Exective (AN650A), an additional high-grade version in our big scooter segment in response to market demands for ABS (Anti-lock Brake System) and other extra features; and the sporty styled full-fairing model GS500F targeted at young riders.

Exports of motorcycles shipped as motorcycle components for overseas production (SET) expanded to 1,589,000 units, 152% of the previous year. The Best/Shogun125(FD125X), developed after R&D in Thailand as the second common model for the ASEAN region, was first introduced in Thailand and taken into one country to the next in the region - the Philippines, Cambodia, Indonesia and Vietnam - and greatly contributed to growth in sales in the ASEAN region.

As for All Terrain Vehicle (ATV), production operation at Suzuki Manufacturing of America Corporation (SMAC) - our ATV plant in U.S.A. - which began in 2002, has moved into full swing. SMAC is well on its way to establishing itself as a new production base for the production and supply of large utility ATV models such as the Vinson 500 automatic 4×4 (LT-A500F), not only to U.S.A., the main market, but also to other markets around the world.

In Suzuki's racing programs, the GSX-R series won three out of four classes in the AMA racing series in U.S.A., the foremost racing nation; took the season title in the World Endurance Championship; won the three historical 24-hour endurance races at Le Mans, Spa-Francorchamps and Bol d'Or, was the winner at the Isle of Man, and took countless other titles in races around the world, thus fulfilling its goal to "Own the Racetrack." In the FIM Motocross World Championship, Suzuki's motocross model RM was in the hunt to secure its third consecutive championship title up until the closing stages of the season, when an unfortunate accident prevented it from competing in the last three rounds. Still, the RM achieved podium finishes in six out of the nine rounds it entered, providing full evidence of its high performance.

GSX-R750

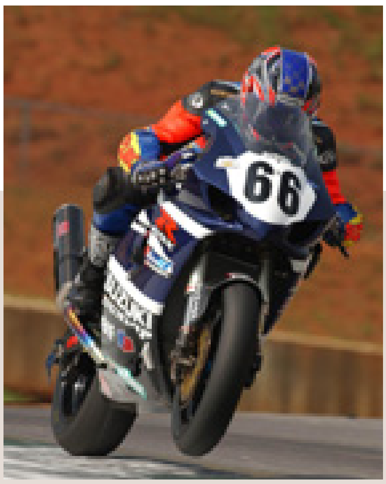
V-Strom 650 (DL650)

Burgman 650 Executive (AN650A)

Vinson 500 automatic 4×4 (LT-A500F)

Best/Shogun 125 (FD125X) (Developed by Suzuki Motor R&D Asia Co.,Ltd)

RM250 (racing machine)



GSX-R1000 (racing machine)

MARINE AND POWER PRODUCTS

Marine Products

The number of units of outboard motors exported in fiscal year 2003 (April 2003 to March 2004) - combining CBU and KD units for Thai Suzuki Motor Co., Ltd. - increased to 102% of the previous year. Strong sales of large 4-stroke outboard motors DF200/225/250 - which first came into production from October 2003 - contributed to growth across the entire outboard motor lineup, and sales reached 123% of the previous year. In our outboard motor lineup, we are shifting toward larger sizes and putting more emphasis on 4-stroke models, with the increase in shipment of large 4-stroke outboard motors, and the increase in our OEM supply of 4-stroke models to Bombardier Motor Corporation of America.

The DF250, the new flagship model in the Suzuki outboard motor lineup, won the 2004 Editors' Choice Award from Motorboating, an American boating magazine, at the Miami International Boat Show held in February 2004. Suzuki won the same award in 2001 with the outboard motor DF90/115 and in 2002 with the DF140.

Presently, Suzuki's 4-stroke outboard motor lineup includes a range of products from the DF4 (2.9 kW, 4 HP) up to the DF250 (184.0 kW, 250 HP).

DF5

DF4

DF140

DF250

Suzuki outboard motors provide power for a wide range of boats

OTHER TOPICS

Environmental Issues

As a general manufacturer of automobiles, motorcycles, marine and power products, Suzuki is making efforts to reduce the environmental impact in each phase of the entire life cycle of our products,- from development to manufacturing, distribution and disposal.

Wind turbine generator

Direct-injection turbo engine

Flora Mover

In the area of design and development of its products, Suzuki has been developing multi-faceted and highly advanced technologies to respond to increasing demands for environmental protection in the fields such as reduction of exhaust emission gases, improvement of fuel efficiency, external noise reduction, saving the consumed resources and development of recycling-friendly designs, in addition to continued demands for improved safety, greater reliability and more comfort.

In the areas of manufacturing and purchasing, efforts are being made to achieve goals such as reducing energy consumption (reducing CO_2 emissions), reducing landfill waste (improvement of yield, recycling), managing chemical substances and promoting green procurement.

In the area of marketing and service, our efforts include the proper treatment of used products and components, as well as providing the useful information such as dismantling manuals that can be of help in dismantling operations.

In the area of distribution of our products and the area of our office, we are also focusing on reducing energy consumption, cutting down on consumed resources, recycling and green purchasing.

In the area of social contributions, Suzuki is assisting the project of Shizuoka University to purify lake and our employees voluntarily participate in community environment-cleanup activities. In addition, Suzuki also displays our low pollution vehicles at environment-related exhibitions by increasing the public awareness of the low pollution vehicles.

In this way, Suzuki is embracing a multi-faceted approach for the protection of the environment.

Other events of Environment

In September 2003, a mini vehicle equipped with 660cc direct-injection turbo engine was put on sale. This vehicle realizes a combination of high standards of improved fuel efficiency and reduced exhaust gases.

In January 2004, we installed two wind turbine generators (750 kW-class/unit) at our Kosai Plant to expand utilization of natural energy sources. These generators supply approximately two percent of the electricity consumed at Kosai Plant.

In April 2004, the Shizuoka International Garden and Horticulture Exhibition/Pacific Flora 2004 was opened. We developed the magnetic induction-type electric automobile named Flora Mover and supplied it to the Exhibition. Flora Mover is providing good service for a large number of visitors every single day.

Strategic Alliance with General Motors Corporation

Suzuki and General Motors Corporation (GM) began a business partnership in August 1981 and the partnership has yielded solid results ever since. In September 2000, we announced a further strengthening of our strategic alliance. At the end of March 2004, GM's equity participation in Suzuki amounted to 20.3% of shareholder voting rights.

Both companies are making efforts to ensure our strategic alliance will enable us to work closely together - while allowing each company to express its individual strengths - to develop products quickly and keep investment costs down while speeding up and broadening our market access.

During the previous fiscal year, we have expanded and strengthened the alliance in various markets, including:

* In April 2003, Suzuki reached a basic agreement with Fiat Auto S.p.A. for joint development of a new SUV. The new vehicle, based on Suzuki's A-Segment Platform, will be a small, 5-door, 4-wheel-drive model, and is planned to be offered in both gasoline and diesel engine versions. Production will start during the second half of 2005 at Magyar Suzuki Corporation in Hungary and the product will be sold at both Suzuki and Fiat dealers in Europe, under each company's own brand.

* In June 2003, Magyar Suzuki Corporation in Hungary started an OEM supply of the new G3X Justy to Subaru Europe N.V./ S.A. The supply of the predecessor model started in 1995.

* In August 2003, Suzuki began selling passenger cars, made by GM-Daewoo Auto & Technology in Korea, at American Suzuki Motor Corporation (ASMC), followed by Suzuki Canada Inc. (SCI) in November 2003. By the end of March 2004, approximately 5,000 Verona (2.5 liter) and approx. 5,000 Forenza (2.0 liter) had been sold at ASMC, and approx. 100 Verona and approx. 1,000 Swift+ (1.6 liter) had been sold at SCI.

* In addition to the joint-developed Chevrolet Cruze manufactured at Suzuki's Kosai Plant and sold by Suzuki in Japan from November 2001, Suzuki began importing and distributing the Chevrolet Trailblazer in January 2004 and the Chevrolet Astro in March 2004.

As these examples illustrate, GM and Suzuki, through our long-term and outstanding strategic alliance, will continue to pursue realization of cost reduction and increased sales, and the creation of value for our shareholders.

Suzuki has tighted the bonds with GM and alliance partners.


GM Daewoo models, sold through Suzuki's North American sales channel. (Model shown: Verona)


Chevrolet TrailBlazer, Suzuki's Arena sales channel in Japan began offering.

MEMBERS OF THE BOARD AND AUDITORS

Chairman & CEO
Osamu Suzuki

President & COO
Hiroshi Tsuda

Senior Managing Directors
Takahira Kiriyama
Takashi Nakayama
Shunichi Wakuda
Shinzo Nakanishi

Managing Directors
Sadayuki Inobe
Akihiro Sakamoto
Akio Kosugi
Takao Hirosawa

Directors
Yoshihiko Kakei
Masanori Atsumi
Hirotaka Ono
Akimitsu Suzuki
Masaru Kobayashi
Shinichi Takeuchi
Minoru Tamura
Ryosaku Suzuki
Masaru Igarashi
Naoki Aizawa
Eiji Mochizuki
Toshihiro Suzuki
Takashi Suzuyama
Kazuo Suzuki
Toyokazu Sugimoto
Takeo Shigemoto
Kazumi Matsunaga
Mitsuo Unno
Hironori Iguchi
Troy A. Clarke

Senior Corporate Auditors
Tamotsu Kamimura
Nobuyasu Horiuchi
Katsuhiko Kume
Takumi Kunikiyo

Corporate Auditor
Shin Ishizuka

As of July 1, 2004

CORPORATE DATA

SUZUKI MOTOR CORPORATION

Head Office:
300, Takatsuka, Hamamatsu
Shizuoka 432-8611, Japan

Mailing Address:
Hamamatsu-Nishi, P.O. Box 1
Hamamatsu, Shizuoka 432-8611, Japan

Established: 1920

Employees: 13,700 (As of April 1, 2004)

MAJOR OVERSEAS SUBSIDIARIES

Suzuki International Europe GmbH
Bensheim, Germany

Suzuki Motor España, S.A.
Gijón, Spain

Suzuki Motor Iberica, S.A.
Leganes, Spain

Suzuki Italia S.p.A.
Torino, Italy

Suzuki Austria Automobil Handels G.m.b.H
Salzburg, Austria

Suzuki France S.A.
Trappes, France

Magyar Suzuki Corp.
Esztergom, Hungary

Suzuki GB PLC
West Sussex, United Kingdom

Suzuki Motor Poland Ltd.
Warszawa, Poland

American Suzuki Motor Corp.
California, U.S.A.

Suzuki Manufacturing of America Corporation
Georgia, U.S.A.

Suzuki Canada Inc.
Ontario, Canada

Maruti Udyog Ltd.
New Delhi, India

Suzuki Motorcycles Pakistan Ltd.
Karachi, Pakistan

Pak Suzuki Motor Co., Ltd.
Karachi, Pakistan

P.T.Indomobil Suzuki International
Jakarta, Indonesia

Suzuki Philippines Inc.
Manila, Philippines

Thai Suzuki Motor Co., Ltd.
Thanyaburi, Thailand

Myanmar Suzuki Motor Co., Ltd.
Yangon, Myanmar

Cambodia Suzuki Motor Co., Ltd.
Phnom Penh, Cambodia

Suzuki Australia Pty. Ltd.
Melbourne, Australia

Suzuki New Zealand Ltd.
Wanganui, New Zealand

Suzuki Motor de Colombia S.A.
Pereira, Colombia

THE STATUS OF THE CORPORATE GROUP

1. The outline of the corporate group

The corporate group of the Company consists of subsidiaries of 153 companies and affiliates of 27companies. The main businesses are the manufacturing and marketing of motorcycles, automobiles, marine & power products, motorized wheel chairs, electro senior vehicles and houses, further developing the businesses of logistics and other services related to the respective operations. The position of the group companies in relation to the business segmentation is as follows;

Furthermore, the Company, which is one of GM's affiliates, has built up a strategic alliance partnership with General Motors Corporation.

Motorcycle operation

Motorcycles are manufactured by the Company. In overseas, it is additionally manufactured by a subsidiary, Thai Suzuki Motor Co., Ltd. an affiliate, Jinan Qinqi Suzuki Motorcycle Co., Ltd. and others. Some of parts are manufactured by subsidiaries, Suzuki Toyama Auto Parts Mfg. Co., Ltd. and others, and those parts are purchased by the Company. The marketing of the motorcycles is conducted in the domestic market through a subsidiary, Suzuki Motorcycle Sales (Higashi Nihon) Inc. and other marketing companies, and in overseas markets through a subsidiary, Suzuki International Europe GmbH and other marketing companies.

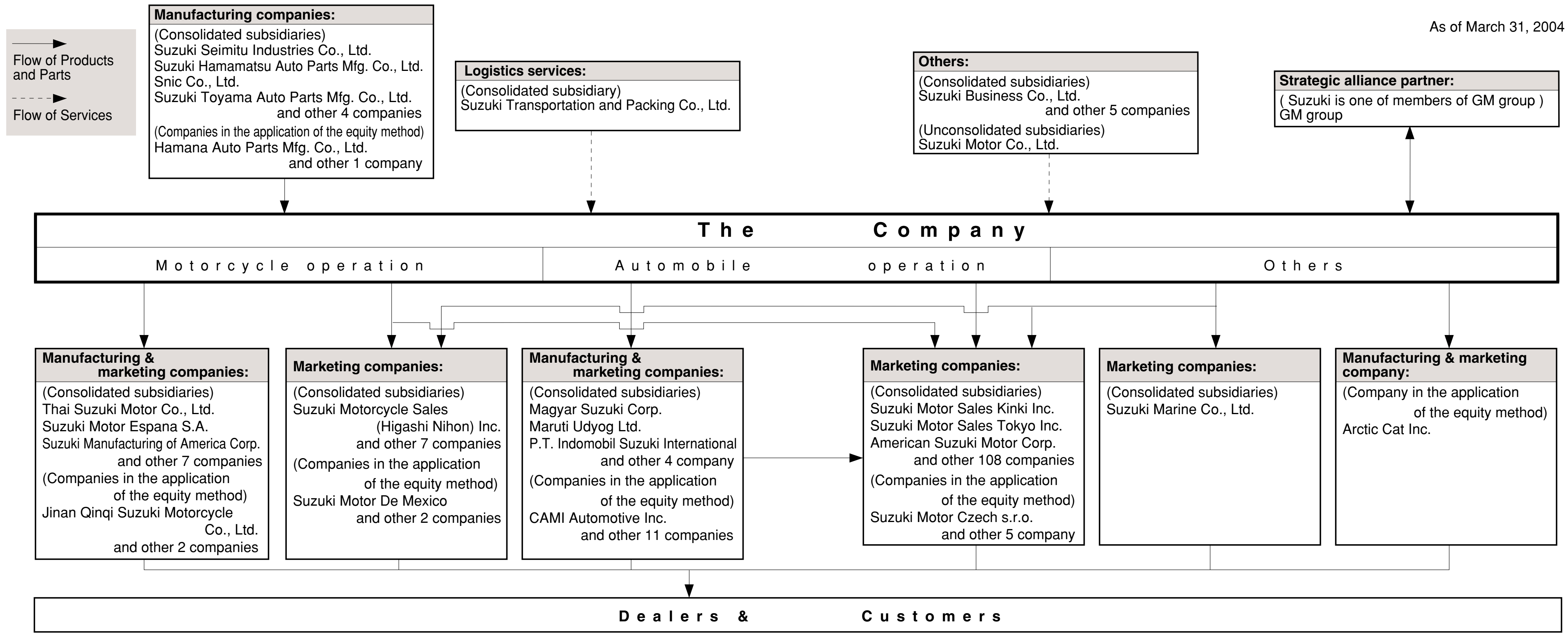
Automobile operation

Automobiles are manufactured by the Company as well as in overseas markets, by a subsidiary, Magyar Suzuki Corp., an affiliate, CAMI Automotive Inc. and others. Some of parts are manufactured by Suzuki Hamamatsu Auto Parts Mfg. Co., Ltd. and others, and they are purchased by the Company. The marketing of automobiles is carried out in the domestic market by a subsidiary, Suzuki Motor Sales Kinki Inc. and other marketing companies throughout the market, and in overseas markets, by a subsidiary, American Suzuki Motor Corp. and other marketing companies. The business of logistic services is conducted by a subsidiary, Suzuki Transportation and Packing Co., Ltd.

Other operations

Outboard motors are manufactured mainly by the Company and marketed by a subsidiary, Suzuki Marine Co., Ltd. and others. In the domestic market, the marketing of motorized wheel chairs and electro senior vehicles is conducted by subsidiaries such as Suzuki Motor Sales Kinki Inc. and others, and the marketing of houses is conducted by a subsidiary, Suzuki Business Co., Ltd.

2. Operation flow chart



FINANCIAL SECTION

CONTENTS

Management policy

1. Business operations basic policy

Ever since establishment, the Suzuki group has maintained a basic policy of making "value-packed products" to give our customers satisfaction. The opening paragraph of our company's mission promises that we will "develop products of superior quality by focusing on the customer". Of course, the value of a product varies with the times as well as in different countries and lifestyles. By keeping on top of the dynamic changes in the market that occur over time, we strive to create products of real value, products that are always designed to win our customers' approval.

We are committed to making positive efforts in the production of small and subcompact vehicles, to develop vehicles that are environmentally benign and to develop vehicles that are in tune with our customers' demands. Under our "Small Cars for a Big Future" program, we are working to ensure our operations run in an efficient, well-coordinated and well-balanced manner.

2. Profit sharing basic policy

The Company's basic profit sharing policy is focused on maintaining a continuous and stable payout of dividends. At the same time, however, from a middle- and long-term perspective, we are always looking how to improve our performance, how to increase the dividend payout ratio and how internal reserves can be improved as a basis for enhancing our corporate structure to allow us to expand our business operations in the future.

The increase in consolidated net sales for the current fiscal year was largely due to the increase in overseas sales that resulted from an increase in production at our overseas manufacturing subsidiaries in developing countries. At the same time, we also saw a decrease in non-consolidated net sales and we could face a similarly tough situation in the coming fiscal year and thereafter. As previously stated, the Suzuki group has a structure in which profits are highly dependent on overseas manufacturing plants, mainly located in developing countries, and therefore are subject to exchange rates fluctuations. Furthermore we have plans to actively move ahead and increase our investment in these overseas manufacturing bases. For stable growth, we need to further enhance our corporate structure and to prepare for unforeseen circumstances.

Dividends for the current fiscal year are approved to be 8.00 yen per share as annual dividends (including interim dividends of 4.00 yen). In addition, special dividends of 1.00 yen are to be paid. Therefore, total dividends are 9.00 yen per share. As a result, the dividend payout ratio for the current fiscal year is 19.0% and the dividend rate of shareholders' equity is 0.9%.

3. Perspectives and policy for lowering investment unit of shares

The Company recognizes improvement in share liquidity and increasing the number of individual shareholders as significant issues to achieve a fair price for our shares. Therefore in September last year, we decided to improve the market environment for investors by lowering the investment unit from 1,000 down to 100 to facilitate the easier purchasing of shares. Furthermore, we will continue to take into consideration factors such as maximization of shareholders' interests, expansion of the number of individual investors, and improvement of share liquidity.

4. Medium-term management strategy

A new business target was put in place in May, 2002 in order for the Suzuki group to survive in drastically changing and tough business environment. The conditions upon which "Suzuki medium-term 3-year plan" was formulated have been subject to change, but each and every member of our business has been working as a team to achieve the goals.

5. Outstanding issues

An increase in the export market has brought about some signs of improvement in Suzuki group's business environment in the domestic market. The effect of factors such as the appreciation of the yen on foreign exchange markets and the slow recovery of the employment market mean the situation remains unstable. In addition, in overseas markets, uncertainties regarding the chaotic situation in Iraq also cloud positive sentiment for the future.

In order to cope in such difficult circumstances, we are striving to pursue the following motto to represent our basic policy: "In order to survive, let us stop acting in a self-styled manner and get back to basics". By which we intend to make positive efforts to strengthen our management structure by reviewing our practices in every area of our business.

In our motorcycle operations for the domestic market, we will promote sales increases of the domestic-made "Choinori"- the driving force in recent improvements in our market share - as well as push sales of our large-size models. In overseas markets, we will try to boost sales of small-size models in Asia and large-size models in the European and North American markets. In this way, we intend to establish a highly profitable motorcycle business operation.

In our automobile business, we intend to achieve sales expansion of small and subcompact vehicles in the domestic market via measures such as upgrading the sales power of "Suzuki Arena"- our sales channel for subcompact vehicles - along with work on enhancing and improving our existing sales network, and through focusing on areas such as strengthening our understanding of the market and improving customer satisfaction. In overseas markets, in the marketing and product development stages, we will maintain closer contact with the market. At our overseas plants, further upgrading of our overseas plants will be pursued through measures such as furthering automation to facilitate improvements in both quality and productivity as well as finding innovative solutions for cost reduction and the promotion of local procurement of parts. Furthermore, we hope to maximize the business potential of the synergies gained by our strategic alliances with the General Motors Group to reinforce the corporate foundation.

Efforts will be taken to develop, in a speedy and effective manner, products that closely meet demands in each of the four major market regions in the world and to introduce them in a timely fashion. We are also continuing to further our environmentally friendly technology. Improvements are being sought in a wide range of global issues such as minimizing the environmental impact during the product development process, reducing gas emissions, improving fuel consumption, reducing the amount of resources consumed, recycling, etc. Development programs on advanced next-generation vehicles such as fuel-cell vehicles are also being carried out.

6. Corporate governance issues

(1) Basic concepts regarding corporate governance

The Company has made positive efforts towards the implementation of various measures aimed at ensuring our corporate activities are carried out in a fair and efficient manner. We are confident our business organization has the desire to always retain the faith of our shareholders, customers, business partners, and all members of our regional communities.

To highlight the importance of corporate ethics, we have brought in various measures, including establishing a set of guidelines for directors and employees of the Company. The "Suzuki Corporate Ethics Rules", lay out a set of basic points to enable each staff member to act in a fair and faithful manner in conformity to the laws, the norms of the society and company regulations. A set of "Action Standards" has also been clarified in these rules. In addition, a "Corporate Ethics Committee" has been established for the promotion of overall corporate ethics. We have also established a "Corporate Ethics Promotion Headquarter" as its subordinate organization for the promotion of the corporate ethics in each division. The "Suzuki Corporate Ethics Rules" are now accessible on the corporate intranet for directors and employees so they are able to refer to them any time. Lecture sessions are held to ensure that the employees realize the importance and necessity of the corporate ethics.

(2) Corporate auditing and management supervision

A corporate auditor system has been adopted. Corporate auditors are responsible for the auditing of the proper implementation of management of the Company.

One outside director sits on the Board of directors and three outside corporate auditors are among the Board of corporate auditors. In addition to the regular board of directors meetings held every month, extraordinary board of directors meetings are held whenever necessary and corporate auditors always participate in board of directors meetings. We believe discussions in the board of directors are thoroughly conducted and corporate auditors' function of management supervision is working effectively.

(3) Structure and administration of internal control system

The Company has audit functions for our subsidiaries and affiliates both domestic and overseas in addition to our internal audit group. Thus, along with audit by corporate auditors and audit by certified public accountants, three types of audit are executed from the standpoint of compliance with the law, internal control and management efficiency.

The Company has an internal audit system in which the integrity and efficiency of our internal control system are checked periodically and the results of the checks are reported to management together with suggestions regarding improvement and correction of problems. In addition, any important information pertaining to the management of the company is properly reported to the board of directors.

(4) Structure and administration of risk control system

In consideration of the importance of risk control, the Company has laid out a "Risk Control Procedure" as part of the "Suzuki Corporate Ethics Rules". In this procedure, an "Action Standard" is provided to stop preventable risks such as malpractices or illegal acts by employees. The "Risk Control Procedure" also determines responses to emergencies, such as natural disasters and terrorism, which the company is powerless to prevent.

Whenever the "Corporate Ethics Committee" recognizes risks that could cause urgent and serious damages to the Company's management and business operations, the committee immediately sets up a "Risk Control Headquarter". Chairman & CEO of the Company will lead this committee and with President & COO serving as deputy leader, to form an organization that will decide on the measures to be taken against the occurred risk, in accordance with the "Risk Control Procedure". The "Risk Control Headquarter" organizes discussions to decide policies and measures to be taken and can give instructions to the appropriate divisions and departments. These divisions and departments are then able to communicate with each other to resolve any issues at hand.

(5) Remuneration to directors

Remuneration paid to directors and corporate auditors is as follows:

(Number of payee:persons, Amount:million yen)

	Directors		Corporate Auditors		Total	
	Number of payee	Amount	Number of payee	Amount	Number of payee	Amount
Remuneration based on resolution of shareholders' meeting	36	491	5	28	41	520
Bonus based on appropriation of retained earnings	27	182	5	18	32	200
Retirement bonus based on resolution of shareholders' meeting	11	410	-	-	11	410
Total		1,083		46		1,130

(6) Remuneration to independent accountants

The remuneration amount regarding audit certificates, based on audit agreement, is 37 million yen.

Financial review

1. Operating results

Consolidated net sales for the Suzuki group during the current fiscal year amounted to 2,198,986 million yen (109.1% as against PFY). Operating income amounted to 95,140 million yen (128.2% as against PFY). Net income amounted to 43,835 million yen (141.3% as against PFY). These results were due to increases in overhead costs and R&D expenses being absorbed by cost reduction and foreign exchange gains.

Note: PFY=Previous Fiscal Year

(1) Sales

Consolidated net sales during the current fiscal year were 2,198,986 million yen. Sales in all of the business segments, such as motorcycle, automobile and other businesses, exceeded those of the previous year.

In motorcycle operations, in the domestic market, net sales were below those of the previous fiscal year due to a decrease in demand for large models. In overseas markets, stable sales of large sports models together with an increase of local production in Asia helped net sales surpass those of the previous year. As a result, net sales of motorcycle operations reached 416,855 million yen (119.9% as against PFY).

In automobile operations, in the domestic market, in a tough market, although net sales of small and subcompact vehicles surpassed those of the previous year, net sales of mini vehicles fell, and as a result, domestic net sales dropped below those of the previous fiscal year. In overseas markets, we reinforced overseas production bases by increasing production at "Maruti Udyog Limited" in India and introducing a new model "Ignis" at "Magyar Suzuki Corporation" in Hungary. As a result, net sales of automobile operations surpassed the previous year, amounting to 1,724,834 million yen (106.6% as against PFY).

Net sales of other businesses amounted to 57,296 million yen (116.3% as against PFY).

(2) Selling, general and administrative expenses

The Suzuki group has made positive efforts to widen our scope of technical development moving beyond the areas of current expertise. By offering competitive and original products which are in line with developments in technical innovation, we are striving to meet the more diversified needs of users under stringent market conditions. As a result, our R&D expenses increased by 20,719 million yen to 74,915 million yen.

(3) Other income and expenses

In the previous fiscal year, the net amount of other income and expenses was a loss of 11,935 million yen due to control premium, retirement benefit and the valuation loss of marketable securities, in spite of the return of the substitute component of pension assets, interest and dividend incomes and equity in earnings of affiliates. For this fiscal year, we adopted "Accounting Standards of Impairment for Fixed Assets" and impairment loss of 17,419 million yen was posted.

The net amount of other income and expenses was a loss of 16,268 million yen due to this impairment of fixed assets and a rise in expenses at our newly consolidated subsidiaries.

As a result, the net loss of other income and expenses increased by 4,332 million yen in comparison with the previous fiscal year.

(4) The operating results of geographical segmentation

(In Japan)

Net sales amounted to 1,529,062 million yen (99.2% as against PFY) and operating income increased to 67,725 million yen (102.2% as against PFY) absorbing the increase of overhead costs etc. and R&D expenses by cost reduction etc.

(In Europe)

Net sales amounted to 375,603 million yen (126.6% as against PFY) and operating income increased to 8,993 million yen (281.8% as against PFY) by the increase of net sales and cost reduction etc.

(In North America)

Net sales amounted to 295,984 million yen (97.6% as against PFY) and operating income increased to 807 million yen (194.9% as against PFY) by the decrease of sales expenses etc.

(In Asia)

For the reason that P.T. Indomobil Suzuki International became one of consolidated subsidiaries and net sales of overseas manufacturing companies increased, net sales amounted to 464,763 million yen (162.7% as against PFY) and operating income to 24,946 million yen (353.6% as against PFY), enjoying the sharp increase of both revenue and income.

(In other areas)

Net sales amounted to 24,339 million yen (108.4% as against PFY) and operating income to 574 million yen (114.6% as against PFY) by cost reduction etc.

(5) Outlook of results in the next fiscal year

As for the forthcoming business environments, it is anticipated that unpredictable and severe situation will last for both domestic and overseas market but the Suzuki group will work all together for innovation in every area, getting engaged in evolution of business activities to achieve 2,200,000 million yen in net sales and 60,000 million yen in net income.

The above is based on the anticipated foreign exchange rate of 1 US dollar = 105 yen and 1 Euro = 125 yen.

＊The outlook of business results, estimated based on the current information available and assumption, includes risk and uncertainty. It is requested, therefore, to understand that the actual results may extensively vary by the change of many factors. Those factors, which may influence the actual results, include economic conditions and the trend of demand in major markets and the fluctuation of foreign exchange rate (mainly Yen/US dollar rate, Yen/Euro rate).

2. Liquidity and capital resources

(1) Situation of cash flow

The net cash provided by operating activities decreased to 134,574 million yen, which is 11,501 million yen less than the previous fiscal year, mainly due to increases in income tax paid.

The net cash used in investing activities increased to 140,979 million yen, 42,614 million yen, which is more than the previous fiscal year, due to purchases of marketable securities, etc.

As a result, the balance of cash and cash equivalents at the end of this fiscal year decreased by 50,483 million yen to 188,259 million yen in comparison with the previous fiscal year.

(2) Demand for money

During this fiscal year, we invested a total amount of 84,914 million yen on a number of objectives, such as new model production, production volume increase, rationalization, R&D for new models and technical innovation, distribution, sales channel and IT related investments. The costs of these investments were covered by retained earnings. Planned capital expenditure spending for the next fiscal year is 134,000 million yen, mainly from our own funds, but we shall also select proper financial sources depending on the circumstances.

3. Significant accounting policies

For information regarding significant accounting policies, please refer to the NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

4. Risks in operations

Risks which may possibly affect the operating results, stock price and financial situation of the Suzuki group are as follows:

(1) Macro-economic changes

Although the domestic economy continues its process of slight recovery, personal consumption remains inactive. It is possible that prolonged sluggish economy and the reduced purchasing will of consumers could drastically decrease demand for products, such as motorcycles, automobiles and outboard motors and adversely affect the business performances of the Suzuki group.

The Suzuki group has business operations all over the world and our dependence on overseas manufacturing plants, especially in developing countries in the Asian region, has been increasing year by year. Sudden changes in the economic situation and unexpected events could possibly have an impact on the business performances of the Suzuki group. Furthermore, it is possible that unexpected changes in and adoptions of different tax systems in each country also could affect our operating results.

(2) Price fluctuation

In the past, the prices of our products have drastically fluctuated within a short period of time in certain markets. These fluctuations were brought on by the various factors, such as sudden changes in demand, supply shortages of parts and materials, unstable economic situations, revisions of import restrictions, and intensified price competition. There is no guarantee that these fluctuations will not be prolonged nor that these fluctuations will never occur in markets where they have never occurred before. It is possible that drastic price fluctuations could damage our operating results in any market where the Suzuki group is operating.

(3) Foreign exchange fluctuation

The Company exports motorcycles, automobiles, outboard motors and their parts from Japan to many countries in the world and our overseas manufacturing bases also export products and parts to a number of countries. Foreign exchange fluctuations affect our business operations and our financial situation as well as our competitiveness.

Furthermore, foreign exchange fluctuations affect the pricing of products sold in foreign currencies and the purchasing price of materials. Overseas sales accounted for 62.6% of our consolidated net sales in the fiscal year ending March 31,2004 and a large proportion of our transactions are denominated in foreign currencies, such as the US dollar and the Euro. To reduce the risk of foreign exchange fluctuations, we utilize hedging instruments, such as forward exchange contracts. However, it is impossible to hedge all risks. The appreciation of the Yen against other currencies could possibly adversely affect our operating results.

(4) Environmental restrictions

The manufacturing of motorcycles, automobiles and outboard motors are subject to various laws and regulations regarding exhaust emissions levels, fuel consumption, noise, safety and the amount of the output of contaminated materials from plants. We can reasonably expect such regulations to be revised, and in many cases, strengthened. Expenses for complying with such regulations could possibly impact the operating results of the Suzuki group.

(5) Disasters, wars, terrorism and labor strikes

Our main manufacturing bases in Japan are located chiefly in the Tokai region in the mid-eastern part of Japan, and other facilities, such as the Company's head office, are also concentrated in the same region. In the event of disasters, such as earthquakes in the Tokai region or off the southeast coast of Japan, our operating results could possibly be affected.
Various preventive measures are put in place, including earthquake-proofing and fire-proofing our buildings and facilities. Overseas, the Suzuki group operates in many countries and occurrences of unexpected events, such as natural disasters, diseases, wars, terrorism and labor strikes, etc., could possibly cause delays and bring a halt to the purchasing of materials and parts, manufacturing, sales and distribution of products, and provision of services. If these delays or interruptions occur and if they are prolonged, they may adversely affect the operating results of the Suzuki group.

Other various risks not mentioned above also remain - not all the risks for the Suzuki group are listed here.

FIVE-YEAR SUMMARY

SUZUKI MOTOR CORPORATION

CONSOLIDATED

	Millions of yen (except per share amounts)					Thousands of U.S. dollars (except per share amounts)
Years ended March 31	**2004**	2003	2002	2001	2000	**2004**
Net sales	**¥2,198,986**	¥2,015,309	¥1,668,251	¥1,600,253	¥1,521,192	**$20,806,004**
Net income	**43,835**	31,024	22,392	20,248	26,886	**414,756**
Net income per share:						
Primary	**81.38**	57.29	41.40	40.41	55.58	**0.769**
Fully diluted	**79.17**	55.57	41.16	40.24	55.32	**0.749**
Cash dividends per share	**9.00**	9.00	8.50	8.50	8.50	**0.085**
Shareholders' equity	**692,345**	648,357	620,004	593,770	497,756	**6,550,719**
Total current assets	**902,263**	844,577	773,040	723,844	628,782	**8,536,889**
Total assets	**1,577,709**	1,537,430	1,347,718	1,299,859	1,167,216	**14,927,709**
Depreciation and amortization	**87,858**	83,896	75,083	75,344	81,784	**831,282**

NON-CONSOLIDATED

	Millions of yen (except per share amounts)					Thousands of U.S. dollars (except per share amounts)
Years ended March 31	**2004**	2003	2002	2001	2000	**2004**
Net sales	**¥1,392,688**	¥1,411,418	¥1,320,218	¥1,294,651	¥1,273,907	**$13,177,112**
Net income	**25,650**	19,393	13,912	12,881	12,745	**242,692**
Net income per share:						
Primary	**47.46**	35,67	25.72	25.71	26.35	**0.449**
Fully diluted	**46.17**	34,61	25.59	25.61	26.24	**0.436**
Cash dividends per share	**9.00**	9.00	8.50	8.50	8.50	**0.085**
Shareholders' equity	**518,198**	483,670	477,053	475,614	392,619	**4,903,000**
Total current assets	**519,025**	539,322	564,830	503,543	441,690	**4,910,830**
Total assets	**1,039,261**	1,070,708	1,028,709	978,172	870,242	**9,833,110**
Depreciation and amortization	**47,836**	53,578	54,194	52,814	59,701	**452,610**

Note: Yen amounts are translated into U.S. dollars, for convenience only, at ¥105.69 = US$1, the prevailing exchange rate on March 31, 2004.
The treasury stock indicated on the column of non-consolidated current assets up to the year of 2001 is listed on the column of shareholders' equity from the year of 2002 in accordance with the revision of regulations of financial statements.
Calculation of net income per share is made on the adjusted net income basis that bonuses paid to directors & corporate auditors and the payment of dividends to shareholders of preferred stocks are excluded from net income shown in the Income Statements from the year of 2003 in accordance with the revision of regulations of financial statements. And the figures of 2002 and before are not restated.

CONSOLIDATED FINANCIAL STATEMENTS OF 2004

CONSOLIDATED BALANCE SHEETS

As of March 31, 2004 and 2003

SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES	Millions of yen 2004	Millions of yen 2003	Thousands of U.S. dollars 2004
ASSETS			
Current assets:			
Cash and time deposits(Note 10)	¥ 169,539	¥ 178,289	$ 1,604,119
Marketable securities (Note 4)	97,900	60,933	926,295
Receivables :			
Trade notes and accounts	219,401	181,837	2,075,897
Less allowance for doubtful receivables	(2,786)	(2,426)	(26,360)
Inventories (Note 3 and 5)	253,835	269,710	2,401,700
Other current assets	164,373	156,232	1,555,238
Total current assets	902,263	844,577	8,536,889
Property, plant and equipment (Note 5):			
Land	147,737	163,908	1,397,840
Buildings and structures	250,921	247,115	2,374,123
Machinery, equipment and vehicles	848,117	829,122	8,024,580
Construction in progress	11,866	9,974	112,278
	1,258,643	1,250,122	11,908,822
Less accumulated depreciation	(830,257)	(800,257)	(7,855,594)
	428,385	449,864	4,053,228
Investments and other assets:			
Investments in securities (Note 4 and 5)	117,018	109,478	1,107,189
Investments in affiliates	17,611	18,436	166,629
Other assets	112,430	115,073	1,063,772
	247,060	242,988	2,337,591
	¥1,577,709	¥1,537,430	$14,927,709

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Trade notes and accounts payable	**¥ 329,233**	¥ 326,179	**$ 3,115,087**
Short-term bank loans (Note 5)	**95,687**	103,576	**905,364**
Current portion of long-term debt (Note 5)	**17,750**	6,280	**167,945**
Accrued income taxes	**16,483**	34,887	**155,965**
Accrued expenses	**117,417**	113,025	**1,110,962**
Other current liabilities	**109,851**	90,904	**1,039,376**
Total current liabilities	**686,425**	674,853	**6,494,701**
Long-term liabilities:			
Long-term debt (Note 5)	**38,761**	56,668	**366,743**
Accrued retirement & severance benefits (Note 7)	**56,683**	55,879	**536,322**
Other liabilities	**42,252**	47,872	**399,780**
	137,697	160,419	**1,302,846**
Minority interests	**61,241**	53,799	**579,442**
Shareholders' equity (Note 12):			
Common stock:			
Authorized-1,500,000,000 shares			
Issued,			
as of March 31, 2004—542,647,091	**120,210**	—	**1,137,385**
as of March 31, 2003—542,647,091	—	120,210	—
Additional paid-in capital	**126,578**	126,577	**1,197,640**
Consolidated retained earnings	**458,109**	419,209	**4,334,463**
Net unrealized gains on securities	**22,268**	7,588	**210,691**
Foreign currency translation adjustments	**(26,281)**	(17,224)	**(248,667)**
Less treasury stock, at cost	**(8,539)**	(8,005)	**(80,794)**
	692,345	648,357	**6,550,719**
Contingent liabilities (Note 13)			
	¥1,577,709	¥1,537,430	**$14,927,709**

CONSOLIDATED STATEMENTS OF INCOME

Years ended March 31, 2004 and 2003

SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Net sales	**¥2,198,986**	¥2,015,309	**$20,806,004**
Cost of sales	**1,610,013**	1,489,406	**15,233,358**
Gross profit	**588,972**	525,903	**5,572,645**
Selling, general and administrative expenses	**493,832**	451,699	**4,672,464**
Operating income	**95,140**	74,204	**900,181**
Other income and expenses:			
Interest and dividend income	**8,258**	7,405	**78,142**
Interest expense	**(4,286)**	(3,615)	**(40,559)**
Equity in earnings of affiliates	**4,024**	5,118	**38,075**
Other, net	**(24,264)**	(20,843)	**(229,580)**
Income before income taxes	**78,872**	62,269	**746,258**
Income taxes:			
Current	**43,673**	51,862	**413,220**
Deferred	**(17,566)**	(23,042)	**(166,208)**
	26,106	28,819	**247,012**
Minority interests in earnings of consolidated subsidiaries	**8,929**	2,425	**84,489**
Net income	**¥ 43,835**	¥ 31,024	**$ 414,756**

	Yen		U.S. dollars
Net income per share:			
Primary	**¥ 81.38**	¥ 57.29	**$ 0.769**
Fully diluted	**79.17**	55.57	**0.749**
Cash dividends per share	**9.00**	9.00	**0.085**

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

Years ended March 31, 2004 and 2003

SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES	Thousands of shares of common stock	Millions of yen			
		Common stock	Additional paid-in capital	Consolidated retained earnings	Treasury stock at cost
Balance as of March 31, 2002	541,082	¥119,736	¥126,105	¥394,022	¥ (54)
Net income	—	—	—	31,024	—
Cash dividends	—	—	—	(4,580)	—
Directors' and corporate auditors' bonuses	—	—	—	(200)	—
Issue of common stock	—	—	—	—	—
Conversion of convertible bonds	1,565	474	472	—	—
Treasury stock acquired	—	—	—	—	(7,950)
Decrease resulting from consolidation of additional subsidiaries and affiliates	—	—	—	(1,056)	—
Balance as of March 31, 2003	542,647	¥120,210	¥126,577	¥419,209	¥ (8,005)
Net income	—	—	—	43,835	—
Cash dividends	—	—	—	(4,827)	—
Directors' and corporate auditors' bonuses	—	—	—	(200)	—
Issue of common stock	—	—	—	—	—
Profit by disposition of treasury stock	—	—	0	—	—
Conversion of convertible bonds	—	—	—	—	—
Treasury stock acquired	—	—	—	—	(533)
Increase resulting from change of consolidation period of subsidiaries and affiliates	—	—	—	92	—
Balance as of March 31, 2004	**542,647**	**¥120,210**	**¥126,578**	**¥458,109**	**¥(8,539)**

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Thousands of shares of common stock	Thousands of U.S. dollars			
		Common stock	Additional paid-in capital	Consolidated retained earnings	Treasury stock at cost
Balance as of March 31, 2003	542,647	$1,137,385	$1,197,634	$3,966,406	$ (75,742)
Net income	—	—	—	414,756	—
Cash dividends	—	—	—	(45,677)	—
Directors' and corporate auditors' bonuses	—	—	—	(1,892)	—
Issue of common stock	—	—	—	—	—
Profit by disposition of treasury stock	—	—	6	—	—
Conversion of convertible bonds	—	—	—	—	—
Treasury stock acquired	—	—	—	—	(5,052)
Increase resulting from change of consolidation period of subsidiaries and affiliates	—	—	—	870	—
Balance as of March 31, 2004	**542,647**	**$1,137,385**	**$1,197,640**	**$4,334,463**	**$(80,794)**

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended March 31, 2004 and 2003

SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Cash Flows from operating activities			
Income before income taxes	**¥ 78,872**	¥ 62,269	**$ 746,258**
Depreciation and amortization expenses	**87,858**	—	**831,282**
Loss of impairment	**17,419**	83,896	**164,817**
Equity in earnings of affiliates	**(4,024)**	(5,118)	**(38,075)**
Increase (decrease) in accrued retirement & severance benefits	**985**	(5,425)	**9,325**
Interest and dividend income	**(8,258)**	(7,405)	**(78,142)**
Interest expense	**4,286**	3,615	**40,559**
(Increase) decrease in accounts receivable	**(14,114)**	12,093	**(133,548)**
(Increase) decrease in inventories	**14,364**	(10,218)	**135,907**
Increase in accounts payable	**2,136**	24,792	**20,211**
Others	**13,125**	23,831	**124,193**
Sub Total	**192,650**	182,329	**1,822,789**
Interest and dividends received	**8,466**	6,702	**80,105**
Interest paid	**(4,448)**	(3,684)	**(42,088)**
Income taxes paid	**(62,094)**	(39,271)	**(587,510)**
Net cash provided by operating activities	**134,574**	146,075	**1,273,295**
Cash Flows from investing activities			
Deposit in time deposit	**(25,652)**	—	**(242,714)**
Purchases of marketable securities	**(95,376)**	(68,943)	**(902,422)**
Proceeds from sales of marketable securities	**52,183**	116,024	**493,738**
Purchases of property, plants and equipment	**(76,061)**	(78,592)	**(719,665)**
Proceeds from sales of property, plants and equipment	**2,695**	2,906	**25,504**
Purchases of investment securities	**(3,375)**	(55,885)	**(31,939)**
Proceeds from sales of investment securities	**6,216**	9,564	**58,816**
Increase in loans receivable	**(947)**	(5,596)	**(8,966)**
Purchases of subsidiaries' stock resulting in the change of scope of consolidation	**(499)**	(17,260)	**(4,725)**
Others	**(161)**	(582)	**(1,523)**
Net cash used in investing activities	**(140,979)**	(98,365)	**(1,333,897)**
Cash Flows from financing activities			
Net decrease in short term bank loans	**(28,407)**	(21,702)	**(268,779)**
Proceeds from long term debt and issuance of bonds	**818**	508	**7,742**
Repayment from long term debt and redemption of bonds	**(5,694)**	(893)	**(53,875)**
Cash dividends paid	**(5,513)**	(5,126)	**(52,164)**
Purchases of treasury stock	**(536)**	(7,923)	**(5,073)**
Others	**445**	329	**4,216**
Net cash used in financing activities	**(38,886)**	(34,808)	**(367,934)**
Effect of exchange rate change on cash and cash equivalents	**(2,402)**	130	**(22,729)**
Cash and cash equivalents increased (decreased)	**(47,694)**	13,032	**(451,266)**
Cash and cash equivalents at the beginning of year	**238,473**	223,017	**2,258,907**
Decrease by change of consolidation period of subsidiaries	**(2,789)**	—	**(26,393)**
Increase by inclusion of newly consolidated subsidiaries	**—**	2,693	**—**
Cash and cash equivalents at the end of year	**¥ 188,259**	¥238,743	**$1,781,246**

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of presenting consolidated financial statements

The accompanying consolidated financial statements of SUZUKI MOTOR CORPORATION (the Company) have been prepared on the basis of generally accepted accounting principles and practices in Japan, and the consolidated financial statements were filed with the Ministry of Finance as required by the Securities and Exchange Law of Japan.

The preparation of the consolidated financial statements requires the management to select and adopt accounting standards and make estimates and assumptions that affect the reported amount of assets & liabilities and revenue & expenses and the corresponding methods of disclosure.

As such, the management's estimates are made reasonably based on historical results etc. But due to inherent uncertainty involving in making estimates, actual results could differ from these estimates.

Certain reclassifications and modifications have been made to the original consolidated financial statements for the convenience of readers outside Japan. In addition, the consolidated statements of shareholders' equity have been prepared as additional information, although such statements are not required in Japan, and the notes include information which is not required under generally accepted accounting principles and practices in Japan.

As permitted, amount of less than one million yen have been omitted. For the convenience of readers, the consolidated financial statements including the opening balance of shareholders' equity have been presented in U.S. dollars by translating all Japanese yen amounts on the basis of 105.69 to U.S.$1, the rate of exchange prevailing as of March 31, 2004. Consequently, the totals shown in the consolidated financial statements (both in yen and in U.S. dollars) do not necessarily agree with the sum of the individual amounts.

2. Summary of significant accounting policies

(a)Principles of consolidation

The consolidated financial statements for the years ended March 31, 2004 and 2003, include the accounts of the Company and its significant subsidiaries and the number of consolidated subsidiaries are 152 and 144 respectively. All significant inter-company accounts and transactions are eliminated in consolidation. Investments in affiliated companies are accounted for by the equity method.

As for the evaluation of assets and liabilities of consolidated subsidiaries, the complete market value accounting method is adopted. The difference at the time of acquisition between the cost and underlying net equity of investments in consolidated subsidiaries and in affiliated companies accounted for under the equity method is, as a rule, amortized over a period of five years after appropriate adjustments.

As for 50 companies of consolidated subsidiaries, their fiscal year end is December 31. American Suzuki Motor Corp. and other 10 companies within above-mentioned 50 companies, their accounts were consolidated based on their financial statements by the preliminary settlement as of March 31, 2004.

The rest of 39 companies were consolidated based on their financial statements as of December 31, 2003. As a result of this change, the net sales increased by 15,952 million yen, the operating income and net income increased by 832 million yen, 859 million yen, respectively.

(b)Allowance for doubtful receivables

The allowance for doubtful receivables is appropriated into the account for an estimated uncollectible sum. If the financial condition of our customers deteriorates and their level of solvency decreases, additional allowances or bad debt losses may be incurred.

(c)Reserve for warranty costs

The reserve for warranty costs is appropriated into the account to allow for an estimated costs related to maintenance services of the products sold. This estimate, which is affected by the actual defect ratio of products and repairing costs, is in principle based on warranty agreements and historical results. Therefore if the estimates differ from the actual defect ratio of products and repairing costs, this reserve may need to be revised.

(d)Allowance for product liabilities

With regard to the products exported to North American market, to prepare for any payment of compensation not covered by "Product Liability Insurance", the anticipated amount to be borne by the Company and its subsidiaries is calculated and provided on the basis of historical results. Therefore if lawsuits increase, this reserve may need to be revised.

(e)Marketable securities, investment in securities

The Company and its subsidiaries hold securities of financial institutions and of our suppliers. These are subject to the risk of price fluctuations and under certain market conditions, we may have to conduct a review of their valuations and downgrade our assessments accordingly, based on the reasonable accounting standards. If the stock market falls, we may incur significant valuation losses of marketable securities.

Securities have to be classified into four categories; Trading securities, Held-to-maturity debt securities, Investments of the Company in equity securities issued by unconsolidated subsidiaries and affiliates and Other securities.

According to this classification, securities held by the Company and its subsidiaries are Other securities. Other securities for which market quotations are available are stated at fair value by closing date's market value method. Unrealized gains or losses are included in a component of shareholders' equity at a net-of-tax amount, and gains or losses from sales of securities are recognized on cost determined by the moving average method.

Other securities for which market quotations are unavailable are stated at cost by a moving average method.

(f)Hedge accounting

Gains or losses arising from changes in fair value of the derivatives designated as "hedging instruments" are deferred as an asset or liability and included in net profit or loss in the same period during which the gains and losses on the hedged items or transactions are recognized.

The derivatives designated as hedging instruments by the Company and its subsidiaries are principally interest swaps and forward exchange contracts. The related hedged items are trade accounts receivable and investments in securities.

The Company and its subsidiaries have a policy to utilize the above hedging instruments in order to reduce our exposure to the risk of interest rate and foreign exchange fluctuation. Thus, our purchases of the hedging instruments are limited to, at maximum, the amounts of the hedged items. The Company and its subsidiaries evaluate effectiveness of its hedging activities by reference to the accumulated gains or losses on the hedging instruments and the related hedged items from the commencement of the hedges.

(g)Foreign currency translation

All monetary assets and liabilities denominated in foreign currencies, whether long-term or short-term are translated into Japanese yen at the exchange rates prevailing at the balance sheet date. Resulting gains and losses are included in net profit or loss for the period.

Assets and liabilities of the foreign subsidiaries and affiliates are translated into Japanese yen at the exchange rates prevailing at the balance sheet date.

The shareholders' equity at the beginning of the year is translated into Japanese yen at the historical rates. Profit and loss accounts for the year are translated into Japanese yen using the average exchange rate during the year or, alternatively, using the exchange rates prevailing at the balance sheet date. Differences in yen amounts arising from the use of different rates are presented as "foreign currency translation adjustments" in the shareholders' equity.

(h)Inventories

Inventories are stated at the lower of cost or market value, cost being determined principally by the periodic average method.

(i)Property, plant and equipment

Property, plant and equipment are stated at cost. Depreciation is principally computed by the declining-balance method based on estimated useful lives of the assets
(mainly 3-75 years).

Provision for additional depreciation to certain assets is made to reflect use of machinery and equipment in excess of normal production schedules, a substantial portion of which is, however, not tax deductible.

Maintenance and repairs, including minor renewals and improvements, are charged to income as incurred.

(Accounting change)

Effective from the fiscal year ending March 31, 2004, the Company and its subsidiaries adopted "Accounting Standards for Impairment of Fixed Assets"(Opinion on Establishing Accounting Standards for Impairment of Fixed Assets, issued by Accounting Standards Board of Japan on August 9, 2002) and "Guidance on Application of Accounting Standards for Impairment of Fixed Assets"(Business Accounting Standard Application Guideline No.6, issued on October 31, 2003).

The assets are divided into two groups, i.e. the assets for business and the assets for rent respectively in business places. Since land prices have dropped due to burst of the bubble economy, mainly book value of the assets group lent as marketing base was decreased to the recoverable amount. As a result of this change, "Income before income taxes" decreased by 17,419 million yen. The amount is included in "Other income and expenses" of Consolidated Statements of Income.

In the measurement of impairments, future cash flow and the discount rate are reasonably estimated. If the future cash flow and the discount rate need to be revised due to drastic changes in the economic environment in the area of operations where an assets group is situated, a large amount of loss of impairment may be posted.

(j)Leases

Finance lease transactions, except for those which meet the conditions that the ownership of the lease assets is substantially transferred to the lessee, are accounted for on a basis similar to ordinary rental transactions.

(k)Income taxes

The provision for income taxes is computed based on the pretax income included in consolidated statements of income. The assets and liability approach is adopted to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities.

In making a valuation for the possibility of collection of deferred tax assets, the Company and its subsidiaries estimate our future taxable income reasonably. If the estimated amount of future taxable income decrease, deferred tax assets may decrease and income taxes expenses may be posted.

(l)Accrued retirement & severance benefits

In order to allow for payment of employees' retirement benefits, based on estimated amount of retirement benefits liabilities and pension assets at the end of this fiscal year, the allowable amount which occurs at the end of this fiscal year is appropriated.

With regard to prior service costs, the amount, prorated on a straight line basis over the period of average length of employees' remaining service years at the time when it occurs, is treated as expense. As for the actuarial differences, the amounts prorated on a straight line basis over the period of average length of employees' remaining service years in each year in which the differences occur are respectively treated as expenses from the next term of the year in which they arise.

As for Directors, the amount payable to be paid at the end of year is posted pursuant to the Company's regulations on the retirement allowance of directors.

Retirement benefit cost and retirement benefit obligation are calculated on the actuarial assumptions, which include discount rate, assumed return of investment ratio, revaluation ratio, salary rise ratio, retirement ratio and mortality ratio. Discount rate is decided on the basis of yield on low-risk, long-term bonds and assumed return of investment ratio is decided based on the investment policies of pension assets of each pension system etc.

Decreased yield on long-term bond leads to a decrease in discount rate and has an adverse influence on the calculation of retirement benefit cost. However, the pension system adopted by the Company has a cash balance type plan, and thus the revaluation ratio, which is one of the base ratios, can offset any adverse effects caused by a decrease in the discount rate.

If the investment yield of pension assets is less than the assumed return of investment ratio, it will have an adverse effect on the calculation of retirement benefit cost.

But by focusing on low-risk investments, this influence should be minimal in the case of the pension fund systems of the Company and its subsidiaries.

(m)Revenue recognition

Sales of products are generally recognized in the accounts as delivery is made.

(n)Amounts per share

Primary net income per share is computed based on the weighted average number of shares issued during the respective years. Fully diluted net income per share is computed assuming that all convertible bonds were converted into common stock, with an applicable adjustment for related interest expense and net of tax.

Cash dividends per share are the amounts applicable to the respective periods including dividends to be paid after the end of the period.

(o)Cash and cash equivalents

All highly liquid investments with original maturities of three months or less when purchased are considered cash and cash equivalents.

(p)Reclassification

Certain reclassifications of previously reported amounts are made to conform with current classifications.

3. Inventories

Inventories as of March 31, 2004 and 2003 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Finished products	**¥211,619**	¥215,489	**$2,002,266**
Work in process	**12,902**	22,349	**122,081**
Raw materials and others	**29,313**	31,871	**277,351**
	¥253,835	¥269,710	**$2,401,700**

4. Marketable securities and investments in securities

(a) Marketable securities and investments in securities quoted at an exchange as of March 31, 2004 and 2003

	Millions of yen		
	2004		
	Acquisition Cost	Amounts for BS	Valuation
Those whose amount for BS exceeds acquisition cost			
(1) Stocks	¥ 27,893	¥ 64,300	¥36,406
(2) Bonds	35,000	35,498	498
(3) Others	38,825	38,874	48
Sub Total	¥101,719	¥138,673	¥36,953
Those whose amount for BS does not exceed acquisition cost			
(1) Stocks	—	—	—
(2) Bonds	¥ 9,431	¥ 9,413	¥ (17)
(3) Others	—	—	—
Sub Total	¥ 9,431	¥ 9,413	¥ (17)
Total	¥111,151	¥148,087	¥36,935

	Millions of yen		
	2003		
	Acquisition Cost	Amounts for BS	Valuation
Those whose amount for BS exceeds acquisition cost			
(1) Stocks	¥26,092	¥39,110	¥13,017
(2) Bonds	13,199	13,222	22
(3) Others	—	—	—
Sub Total	¥39,292	¥52,332	¥13,039
Those whose amount for BS does not exceed acquisition cost			
(1) Stocks	¥ 1,964	¥ 1,848	¥ (116)
(2) Bonds	25,000	24,724	(275)
(3) Others	8	6	(1)
Sub Total	¥26,972	¥26,579	¥ (393)
Total	¥66,265	¥78,912	¥12,646

	Thousands of U.S. dollars		
	2004		
	Acquisition Cost	Amounts for BS	Valuation
Those whose amount for BS exceeds acquisition cost			
(1) Stocks	$ 263,917	$ 608,386	$344,468
(2) Bonds	331,157	335,874	4,717
(3) Others	367,356	367,814	457
Sub Total	$ 962,431	$1,312,074	$349,643
Those whose amount for BS does not exceed acquisition cost			
(1) Stocks	—	—	—
(2) Bonds	$ 89,240	$ 89,071	$ (168)
(3) Others	—	—	—
Sub Total	$ 89,240	$ 89,071	$ (168)
Total	$1,051,671	$1,401,145	$349,474

(b) Other securities sold during 2004 and 2003

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Amounts sold	**¥ 56,242**	¥125,542	**$ 532,148**
Gains from sales of other securities	**501**	4,679	**4,745**
Losses from sales of other securities	**—**	(175)	**—**

(c) Major securities not revalued by the market

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Other securities			
Commercial paper	**¥39,986**	¥54,953	**$378,338**
Unlisted stock	**24,100**	30,094	**228,033**
(Stocks traded over the counter are excluded.)			
Bonds	**1,584**	4,775	**14,989**

(d) The amounts to be redeemed after the closing date of securities with maturities among other securities

	Millions of yen 2004			
	Within one year	More than one year, within five years	More than five years, within ten years	More than ten years
(1) Bonds				
Government, local gov. bonds, etc.	¥ 1,350	—	—	—
Corporate bonds	16,721	¥20,435	—	—
(2) Others	79,828	—	—	—
Total	¥97,900	¥20,435	—	—

	Millions of yen 2003			
	Within one year	More than one year, within five years	More than five years, within ten years	More than ten years
(1) Bonds				
Government, local gov. bonds, etc.	¥ 4,278	—	—	—
Corporate bonds	684	¥34,794	—	—
(2) Others	55,970	—	—	—
Total	¥60,933	¥34,794	—	—

	Thousands of U.S. dollars 2004			
	Within one year	More than one year, within five years	More than five years, within ten years	More than ten years
(1) Bonds				
Government, local gov. bonds, etc.	$ 12,776	—	—	—
Corporate bonds	158,215	$193,356	—	—
(2) Others	755,303	—	—	—
Total	$926,295	$193,356	—	—

5. Short-term bank loans and long-term debt

Short-term bank loans as of March 31, 2004 and 2003 consisted of the following. The annual interest rates of short-term bank loans as of March 31, 2004 were 0.24 percent to 9.81 percent.

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Short-term bank loans			
Secured	**¥ 1,284**	¥ 5,077	**$ 12,155**
Unsecured	**94,403**	98,499	**893,208**
	¥ 95,687	¥103,576	**$905,364**

Long-term debt as of March 31, 2004 and 2003 consisted of:

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Loans maturing through 2010			
Secured	**¥ 264**	¥ 20	**$ 2,501**
Unsecured	**3,896**	5,218	**36,870**
Unsecured 0.89 percent yen bonds due 2003	**—**	5,000	**—**
Unsecured 1.13 percent yen bonds due 2004	**10,000**	10,000	**94,616**
Unsecured 0.33 percent yen bonds due 2004	**5,000**	5,000	**47,308**
Unsecured zero coupon convertible bonds in yen due 2010	**30,000**	30,000	**283,848**
Secured 11.20 percent Indian Rs. bonds due 2007	**4,900**	5,150	**46,362**
Secured 9.00 percent Indian Rs. bonds due 2007	**2,450**	2,570	**23,181**
	¥56,511	¥62,948	**$534,688**
Less portion due within one year	**(17,750)**	(6,280)	**(167,945)**
	¥38,761	¥56,668	**$366,743**

The zero coupon convertible bonds are convertible into common stock at the options of holders at the conversion price of ¥2,000 per share.

If the outstanding convertible bonds were fully converted as of March 31, 2004, 15,000,000 additional shares of common stock would be issued.

As is customary in Japan, both short-term and long-term bank loans are subject to general agreements which provide that the banks may, under certain circumstances, request additional security for those loans, and may treat any security furnished to the banks, as well as cash deposited with them, as security for all present and future indebtedness.

The aggregate annual maturities of long-term debt outstanding as of March 31, 2004 were as follows:

Year ending March 31	Millions of yen	Thousands of U.S. dollars
2005	¥17,750	$167,945
2006	675	6,386
2007	583	5,523
2008	7,455	70,544
Thereafter	30,046	284,288
	¥56,511	$534,688

Assets pledged as collateral as of March 31, 2004:

	Millions of yen	Thousands of U.S. dollars
Inventories	¥ 531	$ 5,032
Property, plant and equipment	11,924	112,823
Investment in securities	63	600
	¥12,519	$118,456

6. Loan commitment

The Company has the commitment contract with 6 banks for effective financing.
The outstanding balance of this contract as of March 31, 2004 and 2003 was as follows:

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Commitment contract total	**¥100,000**	—	**$946,163**
Actual loan balance	**—**	—	**—**
Variance	**¥100,000**	—	**$946,163**

7. Accrued retirement & severance benefits

(a) Outline of an adopted retirement benefit system

In the case of the Company, as a defined benefit plan, Employee Pension Fund, Approved Retirement Annuity System and Termination Allowance Plan are established.

(b) Items related to a retirement benefit obligation

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
a. Retirement benefit obligation	**¥(114,489)**	¥(136,959)	**$(1,083,262)**
b. Pension assets	**52,834**	58,810	**499,903**
c. Unrecognized retirement benefit obligation (a + b)	**¥ (61,655)**	¥ (78,149)	**$ (583,359)**
d. Unrecognized transition liability	**—**	—	**—**
e. Unrecognized difference by an actuarial calculation	**16,739**	23,846	**158,380**
f. Unrecognized prior service cost(decrease of liabilities)	**(10,458)**	(63)	**(98,954)**
g. Accrued retirement & severance benefits (c+d+e+f)	**¥ (55,374)**	¥ (54,365)	**$ (523,932)**

Remarks: 1). The premium retirement allowance paid on a temporary basis is not included.

2). Some of subsidiaries adopt simplified methods for the calculation of retirement benefits.

3). Associated with the substitute component, adopted the transitional treatment provided in Articles 47-2 of the "Practical Guidelines on Accounting for Postretirement Benefits (Interim Report)" (The 13th report prepared by the Accounting System Committee of the Japan Institute of Certified Public Accountants), and regarded the liabilities (projected benefit obligation or PBO) and the pension assets corresponding to the expected returning amount of the substitute component as disappearing from the Company's balance sheet. The expected returning amount appropriated as of March 31, 2004 was 57,410 million yen.

(c) Items related to retirement benefit cost

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
a. Service cost	**¥ 6,077**	¥ 7,184	**$ 57,505**
b. Interest cost	**2,033**	2,123	**19,236**
c. Assumed return on investment	**(722)**	(1,644)	**(6,832)**
d. Amortized amount of transition liability	**—**	12,908	**—**
e. Amortized amount of actuarial difference	**1,858**	7,945	**17,584**
f. Amortized amount of prior service cost	**(313)**	(4)	**(2,963)**
g. Retirement benefit cost (a+b+c+d+e+f)	**¥ 8,934**	¥28,513	**$ 84,531**
h. Profit from the return of the substitute components of Employees Pension Fund assets	**—**	(24,101)	**—**
i. Loss from the withdrawal from Employees Pension Funds of some subsidiaries	**1,684**	—	**15,939**
j. Total(g+h+i)	**¥10,618**	¥ 4,412	**$ 100,470**

Remarks: 1) The amount of employees' contribution to Employees' Pension Fund is deducted.

2) The retirement benefit cost of subsidiaries where simplified methods are adopted is accounted for “a. Service cost”.

(d) Items related to the calculation standard for the retirement benefit obligation

a. Term allocation of the estimated amount of retirement benefits	: Period fixed amount basis
b. Discount rate	: 2004 2.00% 2003 2.50%
c. Assumed return of investment ratio	: 2004 0.23% - 4.39% 2003 3.00% - 4.39%
d. Number of years for amortization of prior service cost	: Mainly 15 years To be amortized by straight line method with the employees' average remaining service years at the time when the difference was caused.
e. Number of years for amortization of the difference caused by an actuarial calculation	: Mainly 15 years To be amortized from the next fiscal year by straight line method with the employees' average remaining service years at the time when the difference was caused.

8. Income taxes

Breakdown of deferred tax assets and deferred tax liabilities by their main occurrence causes was as follows:

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Deferred tax assets			
Various reserves	**¥ 35,180**	¥ 34,201	**$ 332,868**
Excess-depreciation	**27,045**	23,162	**255,890**
Unrealized gross profits elimination	**19,736**	17,385	**186,735**
Others	**75,564**	64,878	**714,964**
Deferred tax assets total	**¥157,526**	¥139,626	**$1,490,458**
Deferred tax liabilities			
Net unrealized gains on security	**¥ (14,646)**	¥ (5,020)	**$ (138,575)**
Variance from the complete market value method of newly consolidated subsidiaries	**(8,121)**	(8,813)	**(76,842)**
Reserve for fixed assets advanced depreciation	**(1,743)**	(2,326)	**(16,492)**
Others	**(396)**	(285)	**(3,748)**
Deferred tax liabilities total	**¥ (24,906)**	¥ (16,445)	**$ (235,659)**
Net amounts of deferred tax assets	**¥132,619**	¥123,181	**$1,254,799**

The differences between statutory tax rate and the effective tax rate were summarized as follows:

	2004	2003
Statutory tax rate	**41.12%**	41.12%
Tax rate change	**2.61%**	2.71%
Tax credit	**(6.32%)**	—
Non-deductible expenses	—	2.58%
Equity in earnings of affiliates	**(2.10%)**	(3.38%)
Others	**(2.21%)**	3.25%
Effective tax rate	**33.10%**	46..28%

9. Research and development Costs

Research and development costs included in Manufacturing cost and Selling, general and administrative expenses for the years ended March 31, 2004 and 2003 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Research and development costs	**¥75,786**	¥60,443	**$717,063**

10. Cash and cash equivalents

Cash and cash equivalents as of March 31, 2004 and 2003 consisted of:

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Cash and time deposits	**¥169,539**	¥178,289	**$1,604,119**
Marketable securities	**97,900**	60,933	**926,295**
Time deposits with maturities of over three months	**(25,654)**	(254)	**(242,733)**
Marketable securities with maturities of over three months	**(53,525)**	(225)	**(506,434)**
	¥188,259	¥238,743	**$1,781,246**

11. Lease transactions

Finance lease transactions, except for those which meet the conditions that the ownership of the leased assets was substantially transferred to the lessee, as of March 31, 2004 and 2003 were as follows:

As a lessee

	Millions of yen		Thousands of U.S. dollars
(1)Amounts equivalent to acquisition costs, accumulated depreciation and net balance as of March 31, 2004	**2004**	2003	**2004**
Acquisition costs	**¥ 925**	¥1,225	**$ 8,752**
Accumulated depreciation	**(660)**	(884)	**(6,252)**
Net balance	**264**	340	**2,499**
(2)Future lease payments			
Due within one year	**149**	177	**1,416**
Thereafter	**257**	324	**2,435**
	407	501	**3,851**
(3)Lease expenses	**165**	197	**1,564**
Depreciation	**¥ 176**	¥ 205	**$ 1,668**

As a lessor

	Millions of yen		Thousands of U.S. dollars
(1)Amounts of acquisition costs, accumulated depreciation and net balance as of March 31, 2004	**2004**	2003	**2004**
Acquisition costs	**¥ 750**	¥1,041	**$ 7,100**
Accumulated depreciation	**(592)**	(794)	**(5,608)**
Net balance	**157**	247	**1,491**
(2)Future lease revenues			
Due within one year	**94**	118	**892**
Thereafter	**121**	192	**1,150**
	215	310	**2,043**
(3)Lease revenues	**123**	185	**1,172**
Depreciation	**¥ 90**	¥ 125	**$ 851**

Operating lease transactions as of March 31, 2004 and 2003 were as follows:

As a lessee

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Future lease payments			
Due within one year	**¥ 196**	¥190	**$1,854**
Thereafter	**344**	517	**3,259**
	¥ 540	¥708	**$5,114**

As a lessor

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Future lease revenues			
Due within one year	**¥ 51**	¥ 65	**$ 491**
Thereafter	**98**	160	**930**
	¥ 150	¥226	**$1,421**

12. Shareholders' equity

The Commercial Code requires that at least 50% of the issue price of new shares be included in a company's stated capital. The portion to be recorded as stated capital is determined by resolution of the Board of Directors. Proceeds in excess of the stated capital should be credited to "Additional paid-in capital".

The Commercial Code provides that an amount equivalent to a minimum of 10% of cash dividends and bonuses paid to directors and corporate auditors should be appropriated as a legal reserve until the reserve reaches a certain limit, defined as 25% of the stated capital less certain capital reserves.

The Commercial Code allows both the capital reserve, including "Additional paid-in capital", and the legal reserve to be transferred to the stated capital, by resolution of the Board of Directors, or to be used to reduce a deficit following the approval at a shareholders' meeting. In addition, under the Commercial Code, the capital reserve and the legal reserve may be available for dividends to the extent that the total of the capital and legal reserve taken together do not fall below 25% of the stated capital. The legal reserves of the Company and its subsidiaries are included in "Retained Earnings" on the consolidated balance sheet and are not shown separately.

13. Contingent liabilities

As of March 31, 2004, the Company and certain consolidated subsidiaries had the following contingent liabilities:

	Millions of yen	Thousands of U.S. dollars
Guarantee of indebtedness of affiliates and others .	¥ 9,609	$ 90,925
Trade notes discounted	2,808	26,569
	¥12,418	$117,495

14. Segment Information

(a)Business segment

	Millions of yen				
			2004		
	Motorcycle	Automobile	Other	Elimination and corporate assets	Consolidated
Net sales:					
Outside customers	¥416,855	¥1,724,834	¥57,296	¥ —	¥2,198,986
Inter-area	—	—	—	—	—
	416,855	1,724,834	57,296	—	2,198,986
Operating expenses	383,216	1,672,381	48,248	—	2,103,846
Operating income	33,639	52,452	9,048	—	95,140
Assets	235,128	994,211	45,393	302,975	1,577,709
Depreciation	14,356	72,187	1,313	—	87,858
Capital expenditures	¥ 18,313	¥ 64,699	¥ 1,901	¥ —	¥ 84,914

	Millions of yen				
			2003		
	Motorcycle	Automobile	Other	Elimination and corporate assets	Consolidated
Net sales:					
Outside customers	¥347,797	¥1,618,237	¥49,275	¥ —	¥2,015,309
Inter-area	—	—	—	—	—
	347,797	1,618,237	49,275	—	2,015,309
Operating expenses	319,367	1,579,556	42,181	—	1,941,105
Operating income	28,429	38,680	7,093	—	74,204
Assets	217,523	977,655	47,185	295,066	1,537,430
Depreciation	11,628	70,808	1,459	—	83,896
Capital expenditures	¥ 15,823	¥ 61,078	¥ 1,600	¥ —	¥ 78,501

	Thousands of U.S. dollars				
			2004		
	Motorcycle	Automobile	Other	Elimination and corporate assets	Consolidated
Net sales:					
Outside customers	$3,944,134	$16,319,747	$542,123	$ —	$20,806,004
Inter-area	—	—	—	—	—
	3,944,134	16,319,747	542,123	—	20,806,004
Operating expenses	3,625,851	15,823,460	456,512	—	19,905,823
Operating income	318,283	496,287	85,611	—	900,181
Assets	2,224,702	9,406,864	429,498	2,866,646	14,927,710
Depreciation	135,838	683,016	12,429	—	831,282
Capital expenditures	$ 173,276	$ 612,162	$ 17,995	$ —	$ 803,433

(b)Geographical segment

	Millions of yen						
	2004						
	Japan	Europe	North America	Asia	Other areas*1	Elimination and corporate assets	Consolidated
Net sales:							
Outside customers	¥1,055,969	¥ 373,212	¥294,489	¥ 450,976	¥24,338	¥ —	¥2,198,986
Inter-area	473,093	2,390	1,495	13,787	0	(490,766)	—
	1,529,062	375,603	295,984	464,763	24,339	(490,766)	2,198,986
Operating expenses	1,461,336	366,610	295,177	439,816	23,765	(482,859)	2,103,846
Operating income	¥ 67,725	¥ 8,993	¥ 807	¥ 24,946	¥ 574	¥ (7,906)	¥ 95,140
Assets	¥ 823,745	¥ 195,897	¥ 84,881	¥ 241,398	¥ 9,563	¥222,222	¥1,577,709

	Millions of yen						
	2003						
	Japan	Europe	North America	Asia	Other areas*1	Elimination and corporate assets	Consolidated
Net sales:							
Outside customers	¥1,125,144	¥294,694	¥302,594	¥270,449	¥22,426	¥ —	¥2,015,309
Inter-area	415,479	2,098	596	15,218	23	(433,415)	—
	1,540,623	296,792	303,191	285,667	22,450	(433,415)	2,015,309
Operating expenses	1,474,383	293,601	302,777	278,611	21,948	(430,217)	1,941,105
Operating income	¥ 66,240	¥ 3,191	¥ 414	¥ 7,055	¥ 501	¥ (3,198)	¥ 74,204
Assets	¥ 857,439	¥145,780	¥ 67,731	¥232,231	¥ 9,942	¥224,305	¥1,537,430

	Thousands of U.S. dollars						
	2004						
	Japan	Europe	North America	Asia	Other areas*1	Elimination and corporate assets	Consolidated
Net sales:							
Outside customers	$9,991,194	$3,531,204	$2,786,346	$4,266,972	$230,286	$ —	$20,806,004
Inter-area	4,476,233	22,614	14,154	130,447	1	(4,643,451)	—
	14,467,427	3,553,818	2,800,501	4,397,420	230,287	(4,643,451)	20,806,004
Operating expenses	13,826,633	3,468,729	2,792,864	4,161,383	224,856	(4,568,643)	19,905,822
Operating income	$ 640,794	$ 85,089	$ 7,637	$ 236,037	$ 5,431	$ (74,807)	$ 900,181
Assets	$7,793,980	$1,853,513	$ 803,116	$2,284,022	$ 90,488	$2,102,588	$14,927,709

*1 "Other areas" consists principally of Oceania, South America.

(c)Overseas sales

	Millions of yen				
	2004				
	Europe	North America	Asia	Other areas *2	Consolidated
Overseas sales	¥442,342	¥342,712	¥492,704	¥99,225	¥1,376,985
Consolidated net sales					2,198,986
Ratio of overseas sales to consolidated net sales	20.1%	15.6%	22.4%	4.5%	62.6%

	Millions of yen				
	2003				
	Europe	North America	Asia	Other areas *2	Consolidated
Overseas sales	¥357,532	¥354,234	¥349,532	¥99,741	¥1,161,040
Consolidated net sales					2,015,309
Ratio of overseas sales to consolidated net sales	17.7%	17.6%	17.3%	4.9%	57.6%

	Thousands of U. S. dollars				
	2004				
	Europe	North America	Asia	Other areas *2	Consolidated
Overseas sales	$4,185,286	$3,242,621	$4,661,789	$938,834	$13,028,530
Consolidated net sales					20,806,004
Ratio of overseas sales to consolidated net sales	20.1%	15.6%	22.4%	4.5%	62.6%

*2 "Other areas" consists principally of Oceania and South America.

15. Supplementary cash flow information

	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Conversion of convertible bonds	—	¥946	—

16. Subsequent events

(a) The following plan for the appropriation of retained earnings for the year ended March 31, 2004 was approved by the ordinary general meeting of shareholders of the Company held on June 29, 2004:

	Millions of yen	Thousands of U.S. dollars
Year-end cash dividends	¥2,680	$25,360
Bonuses for directors and corporate auditors	200	1,892
	¥2,880	$27,252

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors and Shareholders of
Suzuki Motor Corporation

We have audited the accompanying consolidated balance sheets of Suzuki Motor Corporation and its subsidiaries as of March 31, 2004 and 2003, and the related consolidated statements of income, shareholders' equity, and cash flows for the years then ended, all expressed in Japanese Yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Suzuki Motor Corporation and its subsidiaries as of March 31, 2004 and 2003, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles and practices generally accepted in Japan.

As described in Note 2, effective from the year ended March 31, 2004, Suzuki Motor Corporation and its subsidiaries adopted the accounting standards for impairment of fixed assets.

The amounts expressed in U.S. dollars, which are provided solely for the convenience of the reader, have been translated on the basis set forth in Note 1 to the accompanying consolidated financial statements.

Seimei Audit Corporation
Tokyo, Japan
June 29, 2004

Seimei Audit Corporation

NON-CONSOLIDATED FINANCIAL STATEMENTS OF 2004

NON-CONSOLIDATED BALANCE SHEETS

As of March 31, 2004 and 2003

SUZUKI MOTOR CORPORATION	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
ASSETS			
Current assets:			
Cash and time deposits	**¥ 101,142**	¥ 102,390	**$ 956,969**
Marketable securities	**56,524**	55,178	**534,815**
Receivables:			
Trade notes and accounts	**38,148**	37,292	**360,947**
Subsidiaries and affiliates	**126,843**	113,656	**1,200,150**
Less allowance for doubtful receivables	**(132)**	(132)	**(1,248)**
Inventories	**61,825**	90,215	**584,970**
Other current assets	**134,672**	140,721	**1,274,225**
Total current assets	**519,025**	539,322	**4,910,830**
Property, plant and equipment:			
Land	**78,017**	94,926	**738,171**
Buildings and structures	**166,345**	164,547	**1,573,901**
Machinery and equipment	**508,961**	509,052	**4,815,609**
Construction in progress	**2,088**	929	**19,756**
	755,412	769,456	**7,147,438**
Less accumulated depreciation	**(577,909)**	(570,215)	**(5,467,969)**
	177,503	199,241	**1,679,469**
Investments and other assets:			
Investments in securities	**115,309**	107,497	**1,091,012**
Investments in subsidiaries and affiliates	**134,846**	131,750	**1,275,865**
Other assets	**92,577**	92,896	**875,932**
	342,732	332,144	**3,242,810**
	¥1,039,261	¥1,070,708	**$9,833,110**

	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term bank loans	**¥ 0**	¥ 32,600	**$ 0**
Current portion of long-term debt	**15,000**	5,000	**141,924**
Payables:			
Trade notes and accounts	**268,211**	274,201	**2,537,717**
Subsidiaries and affiliates	**20,800**	23,821	**196,802**
Accrued expenses	**82,079**	91,404	**776,604**
Accrued income taxes	**6,316**	24,153	**59,767**
Other current liabilities	**51,651**	42,227	**488,707**
Total current liabilities	**444,059**	493,408	**4,201,524**
Long-term liabilities:			
Long-term debt	**30,000**	45,000	**283,848**
Accrued retirement & severance benefits	**30,131**	31,219	**285,093**
Other liabilities	**16,872**	17,410	**159,643**
	77,004	93,629	**728,585**
Shareholders' equity			
Common stock:			
Authorized - 1,500,000,000 shares			
Issued, par value ¥50 per share			
as of March 31st, 2004 - 542,647,091	**120,210**	—	**1,137,385**
as of March 31st, 2003 - 542,647,091	**—**	120,210	**—**
Additional paid-in capital	**126,578**	126,577	**1,197,640**
Retained earnings	**257,942**	237,319	**2,440,556**
Net unrealized gains on security	**21,978**	7,540	**207,955**
Treasury stock	**(8,512)**	(7,978)	**(80,538)**
	518,198	483,670	**4,903,000**
	¥1,039,261	¥1,070,708	**$9,833,110**

NON-CONSOLIDATED STATEMENTS OF INCOME

Years ended March 31, 2004 and 2003

SUZUKI MOTOR CORPORATION	Millions of yen		Thousands of U.S. dollars
	2004	2003	**2004**
Net sales	**¥1,392,688**	¥1,411,418	**$13,177,112**
Cost of sales	**1,065,170**	1,085,451	**10,078,255**
Gross profit	**327,518**	325,967	**3,098,856**
Selling, general and administrative expenses	**272,442**	272,135	**2,577,753**
Operating income	**55,075**	53,831	**521,103**
Other income and expenses:			
Interest and dividend income	**5,416**	6,958	**51,247**
Interest expense	**(422)**	(527)	**(3,998)**
Other, net	**(19,838)**	(22,520)	**(187,704)**
	(14,844)	(16,089)	**(140,456)**
Income before income taxes	**40,230**	37,741	**380,646**
Income taxes	**14,580**	18,347	**137,954**
Net income	**¥ 25,650**	¥ 19,393	**$ 242,692**

	Yen		U.S. dollars
Net income per share:			
Primary	**¥47.46**	¥35.67	**$ 0.449**
Fully diluted	**46.17**	34.61	**0.436**
Cash dividends per share	**9.00**	9.00	**0.085**

ON THE COVER

The GRAND VITARA XL-7

The GRAND VITARA XL-7 is Suzuki's flagship sport utility vehicle. With a 2.7 litre, fuel-injected V6 engine and the Drive Select 4X4 system, it has a real 4X4 capability.

Yet it's also ultimate in family transport thanks to seven seats, an abundance of flexible space and outstanding standard equipment.

GSX-R750

The GSX-R750, packed with genuine Suzuki technology and wrapped in exciting, distinctive and aerodynamic bodywork, redefined the overall balance of the "state-of-the-art" handling and engine performance to an entirely new level. A compact and efficient design consists of weight, size and handling performance one would expect from a winning 600 cc sportbike. It's a machine born out of the commitment to keep the GSX-R's race-winning heritage alive and well, and once again make the phrase "Own the Racetrack" a self-fulfilling slogan.

DF250

The DF250, the flagship of Suzuki's 4-stroke outboard motor lineup, delivers 250 ps (184 kW) with its 3614cc, 4-stroke, V6-cylinder, DOHC 24-valve engine. It provides high performance for a variety of boats with its lightweight, compact design and high-power engine, as well as low emissions for low environmental impact, and low fuel consumption.

❊This pamphlet is printed on recycled paper using environmentally friendly soybeen-based ink.

SUZUKI MOTOR CORPORATION
300 TAKATSUKA, HAMAMATSU, JAPAN

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