ANNUAL REPORT
2009

SUZUKI MOTOR CORPORATION

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 regions overseas. The established network enables Suzuki to operate as a global organization serving 196 countries and regions.

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” mini 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.

Head Office & Takatsuka Plant
Headquarters, Engineering center and Motorcycle engines assembling plant

Contents

A Message From the Management

In delivering our 2009 Annual Report, we wish to extend our greetings to you.

• Management results of this fiscal year

For the management environment of the Group during this year, the world economy, mostly in the US and Europe, increasingly slowed down on account of the US subprime loan issue and the soaring of the crude oil and raw material prices in the first half, and in the second half, the economy rapidly deteriorated in various parts of the world by the worsening of the financial crisis, being in the extremely severe situation. The management environment in Japan was also drastically changed as a result of the large reduction in manufacturing by the decreased exports, the rapid yen appreciation and the stock price fall, and we are faced with the unprecedented critical situation.
Under these circumstances, consolidated sales were ¥3,004,888 million (85.8% year on year, y-o-y) for this fiscal year, below consolidated sales of the previous year, on account of the overseas sales reduction and yen appreciation. As for consolidated profits, operating income, ordinary income and net income declined to ¥76,926 million (51.5% y-o-y), ¥79,675 million (50.8% y-o-y) and ¥27,429 million (34.2% y-o-y), respectively, because the reduced costs, reduced depreciation/amortization and operating expenses, etc were unable to cover the reduced profits on account of the reduced sales, increased raw material costs, exchange influences and increased research and development expenses.
In addition, non-consolidated sales declined to ¥1,685,777 million (83.0% y-o-y) for this fiscal year. As for non-consolidated profits, operating income, ordinary income and net income declined to ¥11,422 million (16.9% y-o-y), ¥4,133 million (6.7% y-o-y) and ¥3,287 million (8.0% y-o-y), respectively, because the reduced costs, reduced depreciation/amortization and operating expenses, etc were unable to cover the reduced profits on account of the reduced sales, exchange influences and increased research and development expenses.

The management environment drastically changed in the latter half of this year, and the situation has become severer, but the Company recorded profits for the full year. Therefore, to express our gratitude for our shareholders, we decided to distribute ¥8 as the dividend at the end of the current fiscal year (¥16/year including interim dividend), the same as the previous year.

• Outstanding issues

We have placed “In order to survive, let us stop acting in a self-styled manner and get back to the basics” as our basic policy in promoting the growth strategy, reviewed every aspect of our business to strengthen our management practices.
Automobile sales have dropped in various parts of the world, however, on account of the world financial crisis, and we are faced with unprecedented crisis with the prospect of more than 30% fall in expected sales for the next year compared to previous fiscal year.
To overcome this crisis, we have been making concerted efforts as a group with the slogan of “Try our ingenuity to overcome difficulties.”
As specific measures, facing the fact of a large reduction in sales squarely, we promote the establishment of system to ensure profits in the declining sales by cost reduction by “reduction of a gram and cost reduction of 1 yen per part,” squeezing of fixed expenses by “internal cost reduction activities” and further reviewing of organizations and systems.

Next, as for the issues challenged by our major businesses of motorcycle business and automobile business, we will promote launching of products fit for the market needs, strengthening of sales forces and improving of the quality and productivity for motorbikes. Especially, we will strengthen the small motorbike business in the Asian region where further growth can be expected.
In automobile business, the marketing activities and products supply in a close contact with the market will be executed.

In domestic market, we will make efforts to reinforce the sales force by increasing and training sales persons, also to build and enhance "Suzuki Arena Shops", for further expansion of market share. In overseas markets, we will try to improve SUZUKI brand image by using the slogan of "Way of life" and increase the level of overseas bases through promotion of local procurement of parts, cost reduction activities, further improvement of quality and further progress in productivity, as well as sales enhancement. As to the business in North America that the profit has been declining, we will try to rebuild by reviewing the system of sales etc.

In addition, in research and development, the environmentally friendly product development for protecting global environment such as reduced emission gas, improved mileage, resource saving and recycling has become more and more important.
In the limited research and development resources, we will consolidate power trains, standardize parts and concentrate funding on environmental technologies.
Further, we make efforts for the development of high-mileage and low-emission technologies such as diesel engine cars, hybrid cars and electric cars mainly with the product development abilities for small cars, the strength of our Group, based on the alliance with each company.
Though General Motors Corporation, our strategic alliance partner, has filed on June 1, 2009 for Chapter 11 bankruptcy protection, we will continue individual projects with GM such as development cooperation for leading edge technologies.
We have decided to review "Suzuki medium term three-year plan (April 2008 - March 2011)" which was the targeted management indexes and medium-term corporate management strategies on account of a substantial change in the economic environment. We plan to announce the new plans based on the external environment at the appropriate time.

Under the slogan "Small Cars for a Big Future", we are committed to promoting the "production of small vehicles" and the "development of environmentally friendly products" needed by our customers, and to be "Smaller, Fewer, Lighter, Shorter, and Neater" in all aspects of production, organization, facilities, parts, environment, etc. in order to promote a highly efficient, well-knit, and healthy business operation.
Also, our executive officers and employees will strictly adhere to all statutes, social norms, and in-house rules, etc., act fairly and with sincerity.
We look forward to the continued support and encouragement of our stockholders.

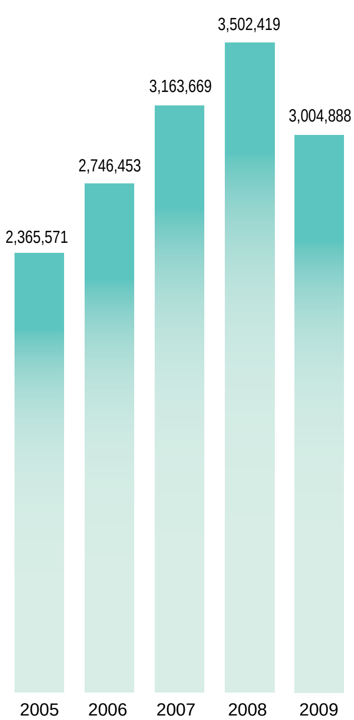
Osamu Suzuki
Chairman & CEO

Financial Highlights

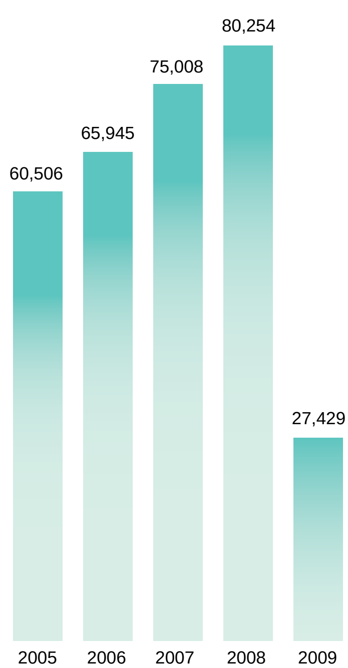
SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES	Millions of yen (except per share amounts)		Thousands of U.S. dollars (except per share amounts)
Years ended March 31, 2009 and 2008	**2009**	2008	**2009**
Net sales	**¥3,004,888**	¥3,502,419	$30,590,332
Net income	**27,429**	80,254	279,235
Net income per share:			
Primary	**61.68**	177.96	0.627
Fully diluted	**53.97**	155.89	0.549
Cash dividends per share	**16.00**	16.00	0.162
Net assets	**742,915**	902,894	7,563,016
Total current assets	**1,267,790**	1,483,038	12,906,347
Total assets	**2,157,849**	2,409,165	21,967,315
Depreciation and amortization	**141,203**	161,600	1,437,482

Note: Yen amounts are translated into U.S. dollars, for convenience only, at ¥98.23 = US$1, the prevailing exchange rate on March 31, 2009.

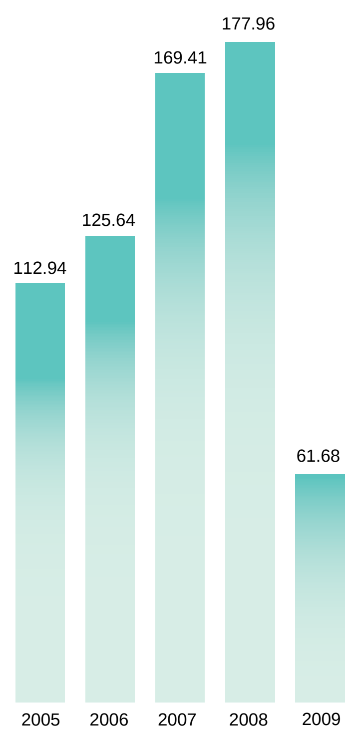
Net Sales
Years ended March 31
(Millions of yen)



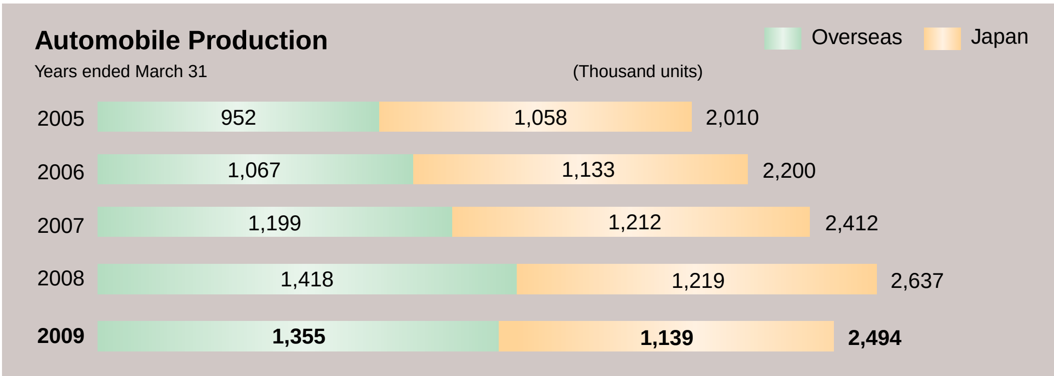
Net Income
Years ended March 31
(Millions of yen)

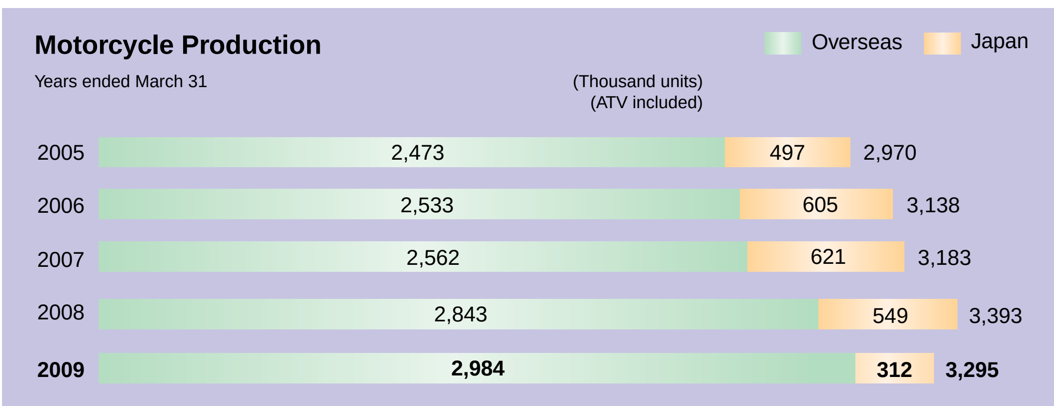


Net Income Per Share
Years ended March 31
(yen)

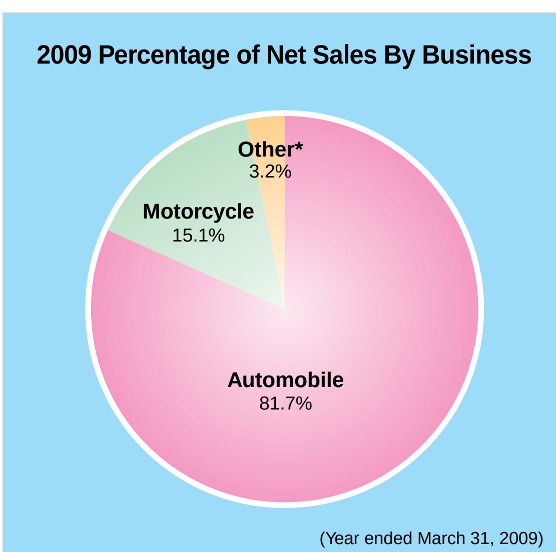


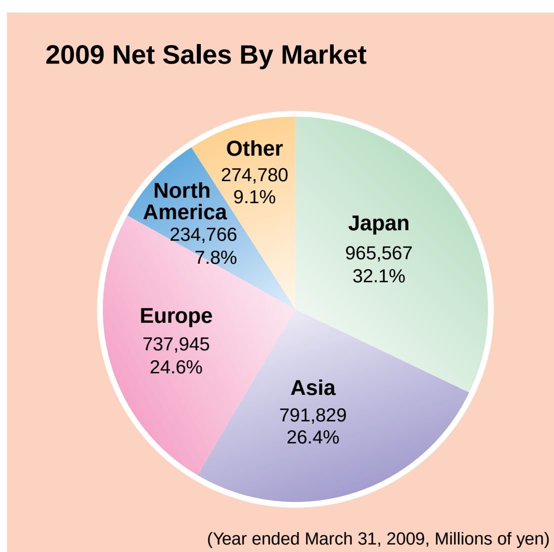
Year in Review





Production in overseas **Production in Japan** **Total**





*Marine & Power Products, etc. and Financial Services.

Automobiles

Suzuki's Worldwide Manufacturing and Sales

Total overseas automobile production for fiscal 2008 decreased to 1,355 thousand units, 95.6% compared to the previous year. Worldwide production, including Japan, also decreased to 2,494 thousand units, 94.6% compared to the previous year.
Sales of automobiles in overseas markets decreased to 1,641 thousand units, 94.7% compared to the previous year, while total global sales, including Japan, also decreased 2,306 thousand units, 95.9% compared to the previous year.

The Japanese Market

1. Domestic Automobile Market Overview

Domestic sales of all domestic brands for fiscal 2008 totaled 4,701 thousand units (88% y-o-y), falling below the previous fiscal year and the 3rd consecutive year-on-year decline. The steep decline in sales particularly in the latter half of the fiscal year dropped sales to a low of under 5,000 thousand units. This figure represents a drop to the 1980 level and a 28-year low.
Mini vehicle sales totaled 1,809 thousand units (96% y-o-y). New models were successively introduced by each manufacturers from the middle of the year, however it was not enough to halt the decline in sales in the second half of the fiscal year, causing sales to fall below the previous fiscal year for the 2nd consecutive year.
Also, total sales of registered vehicles amounted to 2,892 thousand units (84% y-o-y) resulting in the largest ever year-on-year decline. This severe result has put the figure below the 3,000 thousand unit level for the first time since 1971, a 37 year low.

2. Suzuki Sales Status

Suzuki's total domestic sales for fiscal 2008 were 665 thousand units (99% y-o-y). Domestic market share was 14.1%, a record high that for the first time ever, places Suzuki second among the 12 domestic automobile manufacturers.
In the mini vehicle category, the new Wagon R and new Alto Lapin were introduced to strengthen product competitiveness. Despite severe market conditions, sales amounted to 579 thousand units (99% y-o-y), which was almost the same as sales the previous year. This represents a 32% domestic market share, which increased 1.0 point compared to the previous year.
In addition to strong sales of the Swift, a Suzuki mainstay, the domestic introduction of the Splash resulted in sales of registered vehicles amounting to 85 thousand units (100% y-o-y), which was the same as the previous year.

3. Suzuki Automobile Topics

- The fourth generation Wagon R was introduced to the domestic market in September 2008. It was awarded the RJC Car of the Year award in November, making it a two-time winner of this award. Its sales also ranked top in the 2008 mini vehicle segment for the sixth consecutive year.

WAGON R

- The new compact vehicle Splash was introduced to the domestic market in October 2008. Manufactured at Magyar Suzuki, our subsidiary in Hungary, this is the first vehicle to be imported under our brand name.

SPLASH

- The new Alto Lapin was introduced in November 2008. Its unique design has been popular with young women resulting in strong sales that have largely surpassed sales for the previous year.
- Sales of the Carry amounted to 59 thousand units, placing it top in sales in the truck segment for the 38th consecutive year.

Overseas Markets

Owing to the economic slowdown and market contraction caused by the global financial crisis, Suzuki's overseas automobile sales volume in fiscal 2008 fell year-on-year to 1,641 thousand units (95% of the previous year's figure). Overseas production volume fell to 1,355 thousand units (96% of the previous year's figure) despite an increase in Europe to 260 thousand units (103% of the previous year's figure).

In the United States, the credit crunch and general economic weakness dragged sales volume down to 73 thousand units (73% y-o-y). In Europe, the recession pulled sales volume down to 301 thousand units (88% y-o-y). However, sales volume was up in Central and South America (113% y-o-y), Southeast Asia (102% y-o-y), the Middle East (119% y-o-y), and Africa (126% y-o-y). Indian subsidiary Maruti Suzuki India's production volume was approximately flat on the year at 774 thousand units, and its sales volume in India rose to 722 thousand units (101% y-o-y). Maruti Suzuki India's sales amount was the highest in its quarter-century history. As a production base, the company has an increasingly important position in Suzuki's world strategy.

Reflecting Suzuki's goal of further developing its markets, the company established a distributor in Brazil—the only BRICs nation in which it did not previously have one. The Brazilian distributor began selling automobiles in October 2008.

The Swift, which Suzuki launched in September 2004 as its first world strategic model and has become its best-known offering, is in production in countries including Japan, Hungary, India, and China. Cumulative worldwide production of the Swift reached one million units in May 2008. Also, Suzuki's fourth world strategic model, the Splash, which was developed with a focus on user-friendliness, low CO_2 emissions, and low fuel consumption and is produced in Hungary, became the first Suzuki model to be imported and sold by Suzuki in Japan. In October 2008, Suzuki launched its fifth world strategic model, the Alto, which reflects a top priority on eco-friendliness. A combination of environmental performance and economy makes the Alto an outstanding response to today's needs and has earned it high praise from customers.

In 2008, Suzuki completed a full season of participation in the World Rally Championship (WRC) with the SX4 WRC car. In Rally Japan, Suzuki highlighted the SX4's great potential by setting the fastest stage time despite being a newcomer. Suzuki is not competing in the WRC in the 2009 season, but its WRC experience and its ongoing participation in the Junior World Rally Championship (JWRC) with the Swift Super 1600 continue to enhance its active, sporty brand identity and help it to make even better products.

In line with a goal of offering products that make daily life more exciting, Suzuki uses its "Way of Life!" slogan to communicate its overseas brand philosophy. In fiscal 2009 and beyond, Suzuki will continue to put its best efforts into meeting contemporary needs with products that reflect the "Way of Life!" message.

Kosai Plant
Passenger car assembling plant

Iwata Plant
Sport utility vehicle and commercial vehicle assembling plant

GRAND VITARA

SX4

SPLASH
(manufactured at Magyar Suzuki Corporation in Hungary)

JIMNY

SWIFT

ALTO
(manufactured at Maruti Suzuki India Limited in India)

Motorcycles

Suzuki's Worldwide Manufacturing and Sales

Total overseas motorcycle production (including ATVs) in fiscal 2008 was 2,984 thousand units, 105% compared to the previous year. Worldwide production, including production in Japan, decreased to 3,295 thousand units, 97.2% compared to the previous year.
Sales of motorcycle (including ATVs) in overseas market increased to 3,222 thousand units, 101.4% compared to the previous year, while total global sales, including Japan, were 3,351 thousand units, 100.2% compared to the previous year.

The Japanese Market

1. Domestic Motorcycle Market Overview

The number of motorcycles sold for the domestic market by the four Japanese manufacturers in fiscal 2007 stood at a total of 655 thousand units (96% y-o-y).
Breaking this figure down into displacement categories shows volume for the 125cm^3 and under class at 534 thousand units (98% y-o-y), and the 126cm^3 and greater class at 122 thousand units (89% y-o-y), a decline in both categories.
While overall sales experienced a downward trend, sales in the 51cm^3 to 125cm^3 range increased to 109 thousand units (125% y-o-y) due to the introduction of new products.

2. Suzuki Sales Status

With the affects of the global recession, product lineup consolidation to conform to emission regulations, and rising vehicle costs, Suzuki's fiscal 2008 total volume was 123 thousand units (75% y-o-y).
Further breakdown of this figure shows sales of small scooters at 105 thousand units (76% y-o-y). Within this figure the volume for the 50cm^3 and under class declined to 64 thousand units (64% y-o-y) while sales of the 51cm^3 to 125cm^3 class increased to 40 thousand units (110% y-o-y).
Looking at the figures for larger models, sales declined to 19 thousand units (70% y-o-y). Sales in the 126 cm^3 to 250cm^3 class were 12 thousand units (62% y-o-y) and in the 401cm^3 and greater class 1 thousand units (59% y-o-y), a drastic decline in both categories however, sales in the 251cm^3 to 400cm^3 class increased to 5 thousand units (110% y-o-y).

3. Suzuki Motorcycle Topics

Sales of the Let's4 and Let's5 series scooters in the 50cm^3 and under class increased the number of shipments (Let's4: 33 thousand units (118% y-o-y), Let's5:10 thousand units (165% y-o-y)) however, it was not enough to halt the overall downward trend caused by the termination of production of certain models due to exhaust emissions regulations at the end of last fiscal year. Regarding the 51cm^3 to 125cm^3 class, introduction of the Address V125, which underwent a minor change to conform to regulations, led to an increase in sales of 110% compared to the previous year.
Regarding larger models, the new Gemma scooter was introduced in the 126cm^3 to 250cm^3 class however, it could not stop the decrease in the number of shipments caused by model elimination due to exhaust emissions regulations. In the 251cm^3 to 400cm^3 class, the GSR400/ABS, which underwent a model change, saw an increase in sales of 110% compared to the previous year.

Overseas Markets

1. Overseas Motorcycle Market Overview

While maintaining our leadership in the big motorcycle markets, sales in North America dropped to 109 thousand units (81% y-o-y) and 145 thousand units (81% y-o-y) in Europe in 2008, reflecting the drastic free fall of the motorcycle market brought by the lackluster global economy. Meanwhile, sales in the growing India market increased to 130 thousand units (154% y-o-y) due to the successful introduction of scooter models, sales in the China market increased to 1,319 thousand units (113% y-o-y), however sales in the six ASEAN nations (Indonesia, Thailand, Vietnam, Philippines, Malaysia, Cambodia) decreased to 913 thousand units (95% y-o-y).

We will continue to introduce models tailored to meet trends and the demands of each country and strengthen our sales network to increase sales.

Toyokawa Plant
Motorcycles and outboard motors assembling plant

2. Product Expansion

New big motorcycle introductions focused mainly on North American and European markets. The Gladius gave riders a fresh new perspective, the Bandit 650 received styling updates, the GSX-R1000 underwent full model change, and the Suzuki Boulevard M90 cruiser and the KINGQUAD 750AXi 4x4 ATV with power steering were newly introduced.

The higher-grade scooter UK125 was introduced into the ASEAN market. The GT125 in India underwent a minor change. The compact and lightweight scooter UZ125 was introduced into the China market to expand the product lineup and strengthen Suzuki brand.

GLADIUS

Bandit 650

GSX-R1000

SUZUKI BOULEVARD M90

UK125

UZ125

KINGQUAD 750AXi 4x4 Power Steering

3. Racing Activities

In 2008, Suzuki acquired an admirable three podium finishes in the world's pinnacle motorcycle racing event MotoGP. And the GSX-R and RM-Z performed brilliantly in production motorcycle racing, demonstrating the superiority of the Suzuki brand and its products around the globe. In World Endurance Championship races, Team Suzuki Endurance Racing Team drove a GSX-R1000 to a series championship for the fourth year in a row. In AMA Superbike Championships in the U.S., Suzuki won the series championship for the sixth year in a row on a GSX-R1000, and the RM-Z450 won the series manufacturer championship for the second year in a row in MX1 class racing, the pinnacle of motocross racing.

Loris Capirossi, MotoGP

Suzuki Endurance Racing Team, World Endurance

Mat Mladin, AMA Superbike

Ken De Dycker, World Motocross MX1

Marine Products

The Japanese Market

The volume of all domestic outboard shipments for the period from April 2008 to March 2009 declined to 94% compared to the previous year.
Regarding our company, the volume of our domestic outboard shipments declined to 92% compared to the previous year.
We assume that this market trend will continue this fiscal year but we hope to expand activities focusing on sales of large outboard motors, particularly the DF70, DF80, and DF90.


DF90

Overseas Markets

In terms of Outboard Motor exports in fiscal 2008, combined shipment of CBU and KD for Suzuki Motor Thailand declined to 82% in units and 71% in amount compared to the previous year, due to the worldwide economic precipice mainly in U. S. and European markets.
The current Suzuki 4-stroke Outboard Motor lineup ranges from the lowest horsepower model DF2.5 (1.8kW, 2.5 PS) to the highest horsepower model, the DF300 (220.7kW, 300 PS).
All new DF8 (5.9kW, 8 PS) / DF9.9 (7,3kW, 9.9 PS) and more fuel saving DF60 (44.1kW, 60 PS) were introduced at Miami International Boat Show in U.S. in February, 2009.


DF300

DF225


DF2.5

DF90

DF300

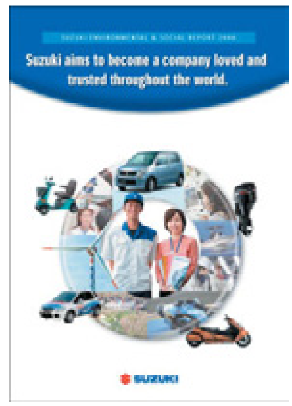
Other Topics

Environmental

As a general manufacturer of automobiles, motorcycles, outboard motors, etc., Suzuki addresses environmental conservation at all stages in its operations—from development to disposal.

In product development, we make every effort to improve fuel economy, reduce exhaust emissions and noise, and develop clean energy vehicles, etc. In manufacturing, we address issues such as reducing environmental risk, reducing energy, and promoting the use of alternative energy. In distribution, we focus on improving transportation efficiency and energy reduction, promoting the three Rs and the use of low emission transport. In marketing, we address issues related to promoting environmental management at our dealers and proper disposal of end-of-life products, etc.

In addition to activities related to production, we also promote energy reduction and green purchasing in our offices, provide our employees with environmental education, promote environmental management at our dealers, and provide social action programs in local communities.



Suzuki 2008 Environmental and Social Report (web version)

SX4-FCV

GRAND VITARA

2008 Topics

- We published the Suzuki 2008 Environmental and Social Report. Suzuki has published an environmental report annually since fiscal 1999 to provide information on all activities related to the environment.
- In activities related to product development, we have developed the SX4-FCV fuel cell vehicle with a 700MPa high-pressure hydrogen tank. It was exhibited at the International Media Center Environmental Showcase at the 2008 G8 Hokkaido Toyako Summit Meeting in July.
- We have also developed bioethanol vehicles that are powered with fuel (E25) mixed with 25% bioethanol. Sales in Brazil of the Grand Vitara started in October and of the Jimny in November.
- In distribution, some vehicles manufactured by Chongqing Changan Suzuki Automobile Co., Ltd. are being transported by ship on the Chang Jiang River as of December.

Suzuki's business collaboration with other car manufacturers

Suzuki has been engaged in various business opportunities with other car manufacturers around the globe.

Especially, Suzuki has yielded solid results in terms of development, manufacturing, and marketing since its start of a business partnership with General Motors Corporation (GM) in 1981.
For example, Suzuki achieved various joint projects with GM such as; joint operation of the Canadian joint venture "CAMI Automotive Inc.", production & sale of joint developed products in Japan and Europe, mutual supply of OEM products, sharing global manufacturing footprints.
Suzuki and GM will further pursue synergies by utilizing and complementing the resources for the joint development in the areas of advanced technology, collaboration on powertrain development and global joint purchasing etc.

Besides the partnership with GM, Suzuki has partnerships with other car manufacturers. For example, Suzuki supplies Mazda's mini-cars in Japan, and Suzuki has cross-OEM relationship with Nissan. Suzuki supplies compact cars to Fiat, while Fiat provides Suzuki with technical/engineering support for its diesel engine. Moreover, Suzuki purchases diesel engines from Peugeot-Citroen and Renault. Through these partnerships, Suzuki implements diverse collaborations that complement each other and create synergies.

SX4
(manufactured at Magyar Suzuki in Hungary and supplied to Fiat)

MR WAGON
(manufactured at Kosai plant, Japan and supplied to Nissan)

LANDY
(Supplied from Nissan in Japan)

Corporate Data, Executives and Overseas Subsidiaries

Corporate Data

SUZUKI MOTOR CORPORATION

Head Office:
300 Takatsuka-Cho, Minami-ku,
Hamamatsu City, Japan 432-8611

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

Executives

[Representative Director]

Chairman & CEO
Osamu Suzuki

Representative Director and Senior Managing Officer
Takashi Nakayama
Takao Hirosawa
Minoru Tamura

[Director and Senior Managing Officer]

Shinzo Nakanishi
Eiji Mochizuki
Toshihiro Suzuki
Toyokazu Sugimoto
Masanori Atsumi
Naoki Aizawa
Osamu Honda

[Senior Managing Officer]

Takeo Shigemoto
Takumi Kunikiyo

[Managing Officer]

Shigeaki Hamada
Sadayuki Inobe
Masafumi Yayoshi
Kazuhiro Kosugi
Yasuhito Harayama
Ichizo Aoyama
Toshiaki Hasuike
Seiichi Furusho
Hiroyasu Uchida
Takashi Iwatsuki
Kaoru Sato
Kazuo Hakamata
Hiroaki Matsuura

[Corporate Auditor]

Tamotsu Kamimura
Yoshitaka Suzuki

[Corporate Auditor- non full-time]

Nobuyasu Horiuchi
Katsuhiko Kume
Shin Ishizuka

Major Overseas Subsidiaries

[EUROPE]

Germany	Suzuki International Europe GmbH
Spain	Suzuki Motor España, S.A
Spain	Suzuki Motor Iberica, S.A
Italy	Suzuki Italia S.p.A.
France	Suzuki France S.A.
Hungary	Magyar Suzuki Corporation
UK	Suzuki GB PLC
Austria	Suzuki Austria Automobil Handeles G.m.b.H
Poland	Suzuki Motor Poland SP.Z.O.O.

[AMERICA]

USA	American Suzuki Motor Corporation
USA	Suzuki Manufacturing of America Corporation
Canada	Suzuki Canada Inc.
Mexico	Suzuki Motor de Mexico S.A. DE C.V.
Colombia	Suzuki Motor de Colombia S.A.

[ASIA]

India	Maruti Suzuki India Ltd.
India	Suzuki Motorcycle India Private Limited
Pakistan	Pak Suzuki Motor Co., Ltd.
Indonesia	PT. Suzuki Indomobile Motor
Thailand	Thai Suzuki Motor Co., Ltd.
Thailand	Suzuki Automobile (Thailand) Co., Ltd.
Malaysia	Suzuki Motorcycle Malaysia SDN.BHD.
Philippines	Suzuki Philippines Inc.
Myanmar	Myanmar Suzuki Motor Co., Ltd.
Cambodia	Cambodia Suzuki Motor Co., Ltd.
China	Suzuki Motor (China) Investment Co., Ltd.

[OCEANIA]

Australia	Suzuki Australia Pty. Ltd.
New Zealand	Suzuki New Zealand Ltd.

[AFRICA]

South Africa	Suzuki Auto South Africa (Pty) Ltd.

As of end of July, 2009

The Status of the Corporate Group

1. The outline of the corporate group

The corporate group of the Company consists of subsidiaries of 141 companies and affiliates of 37. The main businesses are manufacturing and marketing of motorcycles, automobiles, marine & power products, motorized wheelchairs, electro senior vehicles and houses, and financial services, 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.

Motorcycle

Motorcycles are manufactured by the Company. In overseas, they are manufactured by a subsidiary, Thai Suzuki Motor Co., Ltd. and an affiliate, Jinan Qingqi Suzuki Motorcycle Co., Ltd. and others. Some of parts are manufactured by a subsidiary, 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

Automobiles are manufactured by the Company as well as in overseas, by subsidiaries, Magyar Suzuki Corporation Ltd., Maruti Suzuki India Limited and by 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 logistics services is conducted by a subsidiary, Suzuki Transportation & Packing Co., Ltd.

Marine and Power products, etc

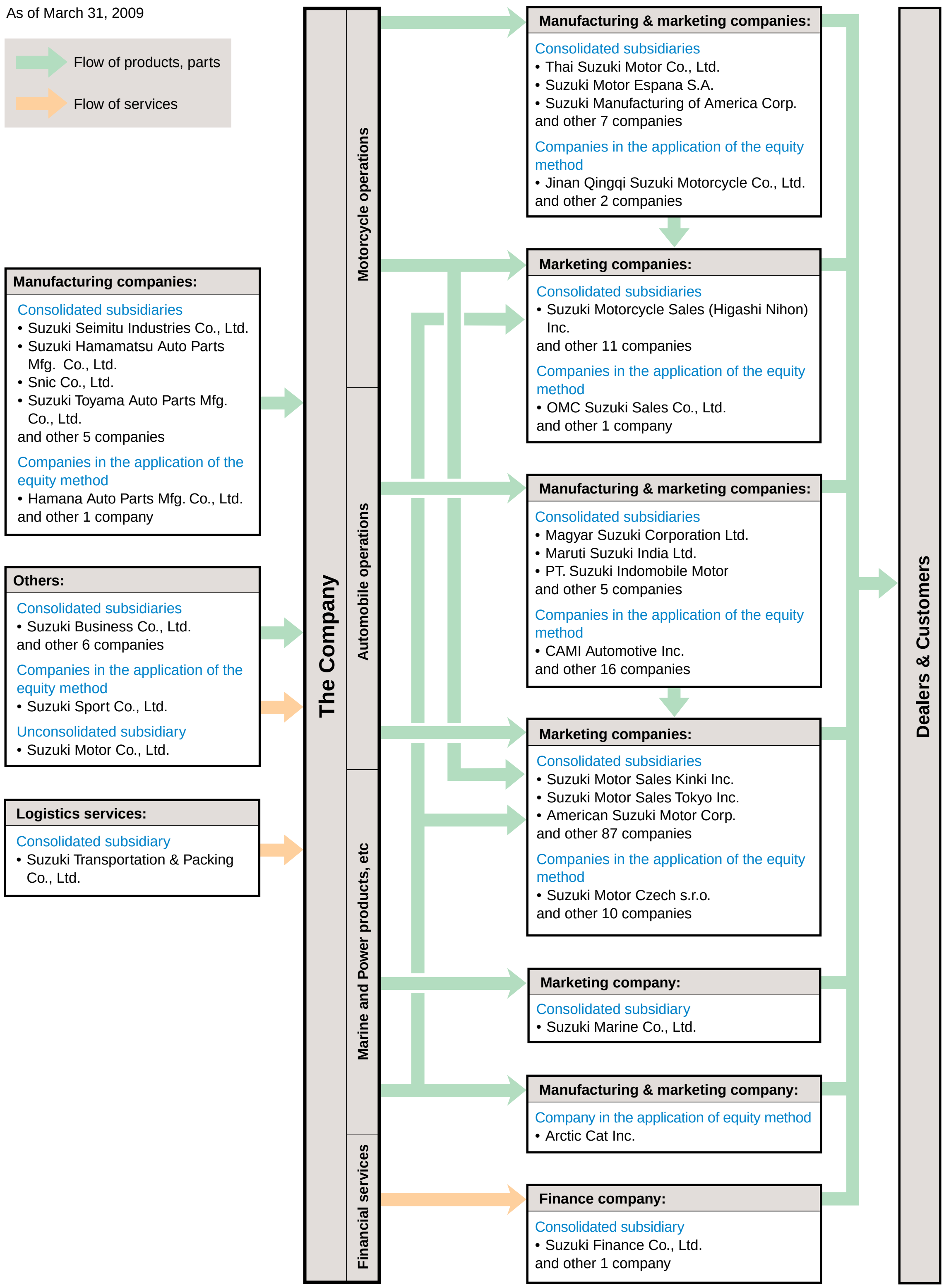
Outboard motors are manufactured mainly by the Company and marketed by a subsidiary, Suzuki Marine Co., Ltd. and others.
In the domestic market, the marketing of motorized wheelchairs and electro senior vehicles is conducted by subsidiaries such as Suzuki Motor Sales Kinki Inc. and others, and the marketing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

Financial services

Financial services are conducted by a subsidiary, Suzuki Finance Co., Ltd. and others.

2. Operation flow chart

As of March 31, 2009



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 statement 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 the differences between countries and in lifestyles. By keeping on top of the dynamic changes occurring in the marketplace, we strive to create products of real value, products that are always designed to win our customers’ approval.

We commits itself to make efforts to promote the “production of mini, small and subcompact vehicles” and the “development of environmentally benign products” needed by customers, and to be small, less, light, short and beautiful on every side of organization, facilities, parts, environment and so on as well as production, with the slogan, “Small Cars for a Big Future”, and has been working for the efficient, well-knit and healthy management.

2. Basic policies for profit distribution

We determine the profit distribution based on the performances, dividend payout ratio, strengthening of the corporate nature and full internal reserve for future business developments from the medium- to long-term viewpoint, with the emphasis on the continuous and stable distribution.

The Suzuki Group has a structure in which profits are highly dependent on overseas manufacturing plants. These are mainly located in developing countries, and are therefore subject to exchange rate fluctuations. To achieve stable growth, we need to further enhance our corporate structure and prepare for unforeseen circumstances.

The management environment drastically changed in the latter half of this fiscal year, and the situation has become severer, but the Company recorded profits for the full year. Therefore we have paid ¥16 as the ordinary dividend (including ¥8 of interim dividend), the same as the previous fiscal year, for the full year of this fiscal year.

In future years, under the foregoing point of view, we will also determine the profit distribution based on the performance of fiscal year.

Note: “the Company” = Suzuki Motor Corporation

3. Outstanding issues

We have placed “In order to survive, let us stop acting in a self-styled manner and get back to the basics” as our basic policy in promoting the growth strategy, reviewed every aspect of our business to strengthen our management practices.

Automobile sales have dropped in various parts of the world, however, on account of the world financial crisis, and we are faced with unprecedented crisis with the prospect of more than 30% fall in expected sales for the next year compared to previous fiscal year.

To overcome this crisis, we have been making concerted efforts as a group with the slogan of “Try our ingenuity to overcome difficulties.”

As specific measures, facing the fact of a large reduction in sales squarely, we promote the establishment of system to ensure profits in the declining sales by cost reduction by “reduction of a gram and cost reduction of 1 yen per part,” squeezing of fixed expenses by “internal cost reduction activities” and further reviewing of organizations and systems.

Next, as for the issues challenged by our major businesses of motorcycle business and automobile business, we will promote launching of products fit for the market needs, strengthening of sales forces and improving of the quality and productivity for motorbikes. Especially, we will strengthen the small motorbike business in the Asian region where further growth can be expected.

In automobile business, the marketing activities and products supply in a close contact with the market will be executed. In domestic market, we will make efforts to reinforce the sales force by increasing and training sales persons, also to build and enhance “Suzuki Arena Shops”, for further expansion of market share. In overseas markets, we will try to improve SUZUKI brand image by using the slogan of “Way of life” and increase the level of overseas bases through promotion of local procurement of parts, cost reduction activities, further improvement of quality and further progress in productivity, as well as sales enhancement. As to the business in North America that the profit has been declining, we will try to rebuild by reviewing the system of sales etc.

In addition, in research and development, the environmentally friendly product development for protecting global environment such as reduced emission gas, improved mileage, resource saving and recycling has become more and more important.

In the limited research and development resources, we will consolidate power trains, standardize parts and concentrate funding on environmental technologies.

Further, we make efforts for the development of high-mileage and low-emission technologies such as diesel engine cars, hybrid cars and electric cars mainly with the product development abilities for small cars, the strength of our Group, based on the alliance with each company.

Meanwhile, on June 1, 2009 (local time in the USA), General Motors Corporation (GM), our alliance partner, filed for Chapter 11 bankruptcy-court protection of the U.S. Bankruptcy Code, and GM is expected to be restructured as the New GM through bankruptcy reorganization. And we intend to continue existing individual projects with the New GM.

We have decided to review “Suzuki medium term three-year plan (April 2008 - March 2011)” which was the targeted management indexes and medium-term corporate management strategies on account of a substantial change in the economic environment. We plan to announce the new plans based on the external environment at the appropriate time.

4. Corporate governance issues

(1) Basic concepts regarding corporate governance

The Company has made it a principle to carry out its corporate activities in a fair and efficient manner, and has desired to be a company which achieves a sustainable growth by retaining the faith of all our stakeholders including shareholders, customers, business partners, regional communities and employees, and by making contribution toward international society. For its fulfillment, the Company recognizes that enhancement of corporate governance is one of its most important management issues, and makes positive efforts toward the implementation of various measures.

(2) Organization of the Company

(a) Directors/board of directors

The Company has reduced the number of directors (eleven directors as of issuance of this report), and introduced an new managing officer system (senior managing executive officers and managing executive officers) aiming at agility of management, speedup of operation and clarification of responsibilities. All directors, excluding Chairman & CEO, are appointed executive general manager or other of main divisions or functions, and they participate in decision-making at board meeting through providing on-site information. Further, we have established a dedicated department to find cross-sectional issues and to speed up such issues solving process in order to proceed with decision-making at board meeting company-wide promptly without the negative effects by bureaucratic sectionalism.

Besides the above, the Company had stipulated the term of office of directors to be for one year in order to clarify their management responsibilities and to address the change in the business environment flexibly.

In addition to the regular meetings of the board of directors held every month, Directors hold a special board meeting whenever necessary, and discussions including viewpoints of regulatory compliance and corporate ethics are thoroughly conducted in those meetings for decision-making. Combined with participation of corporate auditors at all times, the function of management supervision in meetings of the board of directors is working effectively. And management councils are held whenever necessary to discuss the strategic decision on execution of important management issues. Furthermore, directors mutually exchange information through weekly meetings, etc.

(b) Auditors/board of corporate auditors and internal auditing

The Company has adopted a corporate auditor system, and their board consists of five members including three persons of external corporate auditors in order to enhance the audit function. And the Company has audit department which audit on our domestic and overseas subsidiaries and affiliates, in addition to the internal audit group. Thus, along with auditing by independent auditor, audits are executed in three different ways, from the standpoint of compliance, internal control and management efficiency respectively.

As to corporate auditors, they execute audits on proper management of the Company, in accordance with the rules of the board of corporate auditors and audit policies of the corresponding fiscal year, by holding meetings of the board of corporate auditors, participating in meetings of the board of directors, perusing approval documents and various minutes, and receiving reports and explanation from directors on execution of business, etc.

As to internal auditing, the audit department checks the integrity and efficiency of the Company's internal control system periodically, and results of the checks are reported to management together with suggestions regarding improvement and correction of problems. As to audit on our subsidiaries and affiliates, the audit department helps to make rules for enhancement of their management structures, conducts guidance, supporting and auditing for regulatory compliance. It also promotes efficiency and standardization of their business.

Corporate auditors adjust audit plans and auditing themes of the audit department, attend its audit and receive reports and explanation on all its audits whenever necessary. Corporate auditors also execute internal auditing and auditing on subsidiaries as corporate auditors' auditing in cooperation with the audit department.

(c) Independent auditor

Seimei Audit Corporation is assigned as an independent auditor for the Company. Corporate auditors receive explanation from independent auditor on audit plans for the corresponding fiscal year, reports on audit on interim and year-end, and also reports on audit on subsidiaries. Corporate auditors, audit department and independent auditor create a closer connection by exchanging information whenever necessary.

Name of Engagement Partners	Auditing company CPA belongs to
Satoru Imamura	Seimei Audit Corporation
Akira Iwama	Seimei Audit Corporation

Note: The number of other assistant members for audit: Eight certified public accountants and seven others.

(d) Relationships with external corporate auditors

Three external corporate auditors have no special interest in the Company.

(3) Development of internal control system and risk management system

In order to enhance corporate governance, the Company is making efforts to keep everyone informed about compliance and to strengthen internal control system. The basic policy for construction of internal control system and its development are as follows:

(a) Compliance system for directors

Directors respect the “Mission Statement” and the “Suzuki Action Charter” and execute their duties in compliance with the “Rules of the Board of Directors”, the “Approval Procedures” and other rules of the Company, and mutually supervise their execution of duties through meetings of the board of directors, etc. And the Company established the “Suzuki Corporate Ethics Rules” (April 2002) which lays out a set of basic points for directors and employees to act in a fair and faithful manner in compliance with the law, the norms of the society and company rules and observes the same. It is revised whenever necessary by “Corporate Ethics Committee” which promotes corporate ethics in the Company. And corporate auditors audit the execution of duties of directors in accordance with the audit policies and work responsibilities set by the board of corporate auditors.

(b) Compliance system for employees

In order to ensure that employees execute their duties in compliance with the law and the Articles of Incorporation of the Company, the Company is making effort to keep everyone informed about the “Suzuki Employees’ Action Charter” which lays out the norms of action of employees, the “Approval Procedures” and the “Job Description” which set up the proceedings of execution of their duties in details, and other rules of the Company. It is revised whenever necessary. Furthermore, in accordance with the “Suzuki Corporate Ethics Rules”, the Company has developed compliance system for employees including internal report system, and has educated them through various training and in-house seminars regarding compliance. And, in accordance with the “Rule of Internal Auditing”, the audit department audits on the integrity and efficiency of various control systems, organizations and rules, and properness of function of internal control, etc.

(c) Risk management system

The Company has set up the “Risk Management Procedure” as part of the “Suzuki Corporate Ethics Rules” to cope with risks such as malpractices or illegal acts which could occur inside and outside the Company or such as natural disasters and terrorism which the Company can not 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 “Risk Management Headquarters”, in accordance with the “Risk Management Procedure”, as an organization that will decide on the measures to be taken against the occurred risk. “Risk Management Headquarters” immediately discuss and 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.

(d) System to ensure proper business operation of the corporate group

To ensure a proper business operation of the corporate group which consists of the Company and its subsidiaries, the Company has established the “Rules of Business Control Supervision”. It is revised whenever necessary. The subsidiaries and affiliates report to the Company on their business operation and consult with the Company on important matters in accordance with those rules, and departments in charge give guidance and advice to them to enhance their management structure. And our audit department helps to make rules for the subsidiaries and affiliates, conducts guidance, supporting and auditing for their regulatory compliance. It also promotes efficiency and standardization of their business.

(4) Remuneration for directors

Remuneration paid to directors and corporate auditors is as follows:

(Number of payees: person, Amount of remuneration: million yen)

Classification	Number of payees	Amount of remuneration	Amount of remuneration limit per month
Directors	13	495	80
Corporate Auditors (of which outside Corporate Auditors)	5 (3)	74 (39)	8
Total	18	570	—

Note: 1. The amount of remuneration limit for directors was resolved at the 135th ordinary general meeting of shareholders held on June 28, 2001 (however, salaries for employees are not included).

2. The amount of remuneration limit for corporate auditors was resolved at the 123rd ordinary general meeting of shareholders held on June 29, 1989.

3. The above-mentioned remuneration includes the following amount recorded as provision for directors' bonuses at the end of this fiscal year and treated as expenses of this fiscal year.
   - Eleven directors: ¥198 million
   - Five corporate auditors (including three outside corporate auditors): ¥22 million (including ¥10 million for outside corporate auditors)

4. The above-mentioned directors include two directors who resigned at the completion of the 142nd ordinary general meeting of shareholders held on June 27, 2008.

5. There are following payments in addition to the above.
   - ¥36 million have been paid to a retiring director as retirement benefit allowance in accordance with a resolution of the 140th ordinary general meeting of shareholders held on June 29, 2006.
   - ¥78 million shall be paid as the amount equivalent to salaries (including bonuses) for directors who are also employees.

(5) Remuneration for independent auditing

(a) The remuneration amount to be paid by the Company to independent auditors is ¥72 million.

(b) The remuneration amount to be paid by the Suzuki Group to independent auditors is ¥74 million.

(c) Of the amount shown in (a), the remuneration amount to be paid for audit certification is ¥72 million.

Note: Since the audit agreement between the Company and independent auditors does not distinguish the remuneration for auditing based on the Companies Act of Japan from that for auditing based on the Financial Instruments and Exchange Act of Japan, the Company can not specify respective amounts substantially and has described the total amount for those audits.

(Reference)
Internal Control Report System under the Financial Instruments and Exchange Act of Japan

Effective from this fiscal year, Internal Control Report System is applied under the Financial Instruments and Exchange Act of Japan. The Company has established a project team to enhance the system for assessment of the effectiveness of internal controls over the financial reporting.

Our management executive assessed the effectiveness of internal control over financial reporting as of March 31, 2009 in accordance with "On the Setting of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)" published by the Business Accounting Council of Financial Services Agency, the Japanese government. Based on that assessment, our management executive concluded that our Group's internal control over financial reporting was effective as of March 31, 2009.

Seimei Audit Corporation, the Company's independent auditor, has audited the Internal Control Report made by our management executive, and expressed an unqualified opinion regarding effectiveness of the Group's internal control over financial reporting as of March 31, 2009.

Financial Review

1. Operating results

For the management environment of the Suzuki Group during this fiscal year, the world economy, mostly in the US and Europe, increasingly slowed down on account of the US subprime loan issue and the soaring of the crude oil and raw material prices in the first half, and in the second half, the economy rapidly deteriorated in various parts of the world by the worsening of the financial crisis, being in the extremely severe situation. The management environment in Japan was also drastically changed as a result of the large reduction in manufacturing by the decreased exports, the rapid yen appreciation and the stock price fall, and we are faced with the unprecedented critical situation.

Under these circumstances, consolidated sales were ¥3,004,888 million (85.8% y-o-y) for this fiscal year, below consolidated sales of the previous year, on account of the overseas sales reduction and yen appreciation. As for consolidated profits, operating income, ordinary income and net income declined to ¥76,926 million (51.5% y-o-y), ¥79,675 million (50.8% y-o-y) and ¥27,429 million (34.2% y-o-y), respectively, because the reduced costs, reduced depreciation/amortization and operating expenses, etc were unable to cover the reduced profits on account of the reduced sales, increased raw material costs, exchange influences and increased research and development expenses.

In addition, non-consolidated sales declined to ¥1,685,777 million (83.0% y-o-y) for this fiscal year. As for non-consolidated profits, operating income, ordinary income and net income declined to ¥11,422 million (16.9% y-o-y), ¥4,133 million (6.7% y-o-y) and ¥3,287 million (8.0% y-o-y), respectively, because the reduced costs, reduced depreciation/amortization and operating expenses, etc were unable to cover the reduced profits on account of the reduced sales, exchange influences and increased research and development expenses.

(1) The operating results by business segmentation

(a) Motorcycle operations

In the rapid slowdown of the world economy, sales of the motorcycle business were ¥454,349 million (76.8% y-o-y) on account of the large sales decline in North America and Europe as well as the exchange influences by rising yen. Operating income declined to minus ¥6,416 million because the reduced costs, reduced depreciation/amortization and operating expenses, etc. were unable to cover the reduced profits by reduced sales and exchange influences.

(b) Automobile operations

While the overall domestic demand is declining, the Suzuki Group tried to expand sales by completely changing the models of "Wagon R" and "Alto Lapin" for mini vehicles and launching compact car the "Splash" by Magyar Suzuki Corporation Ltd. in Hungary. Domestic sales, however, were slightly below sales of the previous fiscal year. On the other hand, overseas sales were below those of the previous fiscal year on account of the large sales decline in North America, Europe and Asia as well as the exchange influences by rising yen despite the sales expansion efforts such as the new launching of the "Splash" in Europe and the "A-star" in India. As a result, sales of the automobile business were ¥2,524,012 million (89.1% y-o-y), and operating income declined to ¥69,049 million (60.6% y-o-y) because the reduced costs, reduced depreciation/amortization and operating expenses, etc. were unable to cover the reduced profits by reduced sales, increased raw material prices and exchange influences.

(c) Marine and Power products, etc

Sales and operating income of marine and power products, etc were ¥66,720 million (87.1% y-o-y) and ¥9,234 million (71.6% y-o-y), respectively, on account of reduced sales of outboard motors in North America and Europe.

(d) Financial Services

The financial services business is newly classified from this fiscal year to indicate the business details of the Suzuki Group more clearly. Sales and operating income for this fiscal year were ¥78,693 million and ¥3,993 million, respectively.

(2) The operating results of geographical segmentation

(a) Japan

Sales were ¥1,823,866 million (83.1% y-o-y) on account of export sales reduction for North America and Europe. Operating income declined to ¥28,782 million (33.9% y-o-y) because the reduced costs, reduced depreciation/amortization and operating expenses, etc. were unable to cover the reduced profits by reduced sales, increased raw material costs and exchange influences.

(b) Europe

Sales declined to ¥618,636 million (79.6% y-o-y) on account of reduced sales in the economic recession and the exchange influences by rising yen. Operating income declined to ¥3,110 million (23.2% y-o-y) on account of reduced sales and the change in the sales composition of automobiles.

(c) North America

Sales declined to ¥225,601 million (55.6% y-o-y) on account of reduced sales in the economic recession and credit crunch started by the financial crisis. Operating income declined to minus ¥24,143 million.

(d) Asia

Sales declined to ¥752,900 million (88.9% y-o-y) on account of the exchange influences by rising yen. Operating income declined to ¥35,320 million (62.9% y-o-y) on account of the increased raw material costs and exchange influences.

(e) Other regions

Sales increased to ¥89,750 million (101.5% y-o-y) because of a sales increase in Africa despite sales reduction in Oceania and Middle and South America, but operating income declined to ¥1,744 million (37.8% y-o-y) on account of the increased operating expenses, etc.

(3) Selling, general and administrative expenses

In this fiscal year, the amount of selling, general and administrative expenses decreased by ¥109,130 million to ¥612,003 million. Because the expense of dispatch, advertising and sales promotion decreased on account of the reduced sales.

(4) Other income and expenses

In this fiscal year, increased loss on valuation of securities were covered by interest income, foreign exchange gains and gain on sales of noncurrent assets. However, the net amount of other income and expenses was a profit of ¥3,178 million, down ¥4,879 million from the previous fiscal year.

(5) Forecast of next fiscal year

The recovery of the automobile sales decline in each country is unforeseeable, but we are determined to make concerted efforts as a group for reform in every aspect to aspire for profits on a consolidated basis.

	FY 2009 Forecast	FY 2008 Actual
Net sales	¥2,300 billion	¥3,004 billion
Operating income	¥10 billion	¥76 billion
Net income	¥5 billion	¥27 billion
Exchange rate	1 US dollar = 90 yen	1 US dollar = 101 yen
	1 Euro = 115 yen	1 Euro = 144 yen

* The business forecasts mentioned above are calculated based on currently available information and assumptions and contain risks and uncertainty. Please note that the actual results may greatly vary by the changes of various factors. Those factors, which may influence the actual results, include economic conditions and the trend of demand in major markets and the fluctuation of foreign exchange rate (mainly Yen/US dollar rate, Yen/Euro rate).

2. Liquidity and capital resources

(1) Cash flow

As for the cash flow conditions for this fiscal year, funds of ¥34,241 million was obtained from operating activities as a result of income, depreciation/amortization and reduced inventories despite a decline in accounts payable-trade due to the large decreased production. On the other hand, free cash flow was minus ¥228,666 million as a result of the payment of funds of ¥262,908 million for the purchase of property, plant and equipment, etc. in the investment activities. Funds of ¥232,870 million was obtained from financing activities by the proceeds from long-term and short-term loans payable.

As a result, the balance of cash and cash equivalents at the end of this fiscal year declined to ¥427,797 million, down ¥28,571 million from the end of the previous fiscal year.

(2) Demand for money

During this fiscal year, the Company and main subsidiaries and affiliates invested a total ¥216,168 million of capital expenditures (including ¥12,174 million of capital expenditures of main subsidiaries and affiliates) on a number of initiatives, such as new model production, production volume increase, efficiency-enhancing and rationalization investment, R&D investments for new models and technical innovation, distribution, sales channel and IT related investments. These expenditures were covered by our own funds and loans payable.

Capital expenditure project for the next fiscal year is ¥185,000 million (including ¥12,000 million of capital expenditures project of main subsidiaries and affiliates). The required fund will be covered mainly by our own funds and others.

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 on the operating results, stock price and financial situation of the Suzuki Group are as follows:

(1) Macro-economic changes

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 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 and purchasing cost fluctuation

It is possible that drastic fluctuation of the prices and purchasing cost of our products are brought on by the various factors, such as sudden changes in demand, supply shortages and price-up 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 and cost 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 68% of our consolidated net sales in the current fiscal year 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) Quality assurance

The Suzuki Group recognizes safety of products as a matter of the highest priority. We strive to maintain the globally same level of quality, keeping a strict quality assurance system through product development to sales. Regarding product liability, although the Group is purchasing product liability insurance, there is a risk that all liabilities are not covered fully. If a large-scale recall was made for our customers' safety and incurred major expenses, it could adversely affect the operating results of the Group.

(6) Alliance with other businesses

We conduct various alliance activities with other companies, including General Motors Corporation (GM) and other domestic and foreign automobile manufacturers, for research and development, manufacturing, sales and finance, but factors that may not be controlled by the Suzuki Group such as situations inherent to the alliance partners could adversely affect the operating results and financial conditions of the Group.

In addition, GM filed for Chapter 11 bankruptcy-court protection of the U.S. Bankruptcy Code, and we will pay close attention to the reorganization proceedings of GM and deal appropriately.

(7) 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, making plan of operation recovery and carrying earthquake insurance.

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 Group.

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

Five-Year Summary

SUZUKI MOTOR CORPORATION

CONSOLIDATED

Years ended March 31	Millions of yen (except per share amounts) 2009	2008	2007	2006	2005	Thousands of U.S. dollars (except per share amounts) 2009
Net sales	**¥3,004,888**	¥3,502,419	¥3,163,669	¥2,746,453	¥2,365,571	**$30,590,332**
Net income	**27,429**	80,254	75,008	65,945	60,506	**279,235**
Net income per share:						
Primary	**61.68**	177.96	169.41	125.64	112.94	**0.627**
Fully diluted	**53.97**	155.89	151.41	122.14	109.86	**0.549**
Cash dividends per share	**16.00**	16.00	14.00	11.00	10.00	**0.162**
Net Assets	**742,915**	902,894	855,973	616,770	745,016	**7,563,016**
Total current assets	**1,267,790**	1,483,038	1,435,405	1,067,709	999,887	**12,906,347**
Total assets	**2,157,849**	2,409,165	2,321,441	1,849,714	1,693,353	**21,967,315**
Depreciation and amortization	**141,203**	161,600	149,910	126,520	97,731	**1,437,482**

NON-CONSOLIDATED

Years ended March 31	Millions of yen (except per share amounts) 2009	2008	2007	2006	2005	Thousands of U.S. dollars (except per share amounts) 2009
Net sales	**¥1,685,777**	¥2,031,639	¥1,939,806	¥1,690,169	¥1,481,632	**$17,161,532**
Net income	**3,287**	40,864	43,054	37,271	35,747	**33,462**
Net income per share:						
Primary	**7.39**	90.60	97.23	70.78	66.56	**0.075**
Fully diluted	**6.50**	79.39	86.91	68.82	64.75	**0.066**
Cash dividends per share	**16.00**	16.00	14.00	11.00	10.00	**0.162**
Net Assets	**405,434**	453,374	429,730	364,127	540,890	**4,127,401**
Total current assets	**705,203**	758,848	758,005	518,728	589,848	**7,179,108**
Total assets	**1,402,420**	1,430,088	1,381,889	1,082,344	1,098,073	**14,276,902**
Depreciation and amortization	**72,942**	76,584	73,881	59,362	47,213	**742,566**

Note: Yen amounts are translated into U.S. dollars for convenience only, at ¥98.23 = US$1, the prevailing exchange rate as of March 31, 2009.
Calculation of net income per share of 2006 and 2005 is made on the adjusted net income basis excluding the bonuses paid to directors and corporate auditors and the payment of cash dividends to shareholders of preferred stocks from net income shown in the income statements in accordance with the revision of regulations of financial statements.
Figures in "Net assets" of 2006 and 2005 are referred to "Shareholder's equity" in previous, respectively.

Consolidated Financial Statements of 2009

Consolidated Balance Sheets

As of March 31, 2009 and 2008

SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES	Millions of yen 2009	Millions of yen 2008	Thousands of U.S. dollars 2009
ASSETS			
Current assets:			
Cash and deposits	**¥ 136,915**	¥ 129,447	**$ 1,393,827**
Short-term investment securities *NOTE 4	**343,503**	345,984	**3,496,926**
Receivables:			
Notes and accounts receivables-trade	**249,289**	331,172	**2,537,813**
Less allowance for doubtful accounts	**(3,159)**	(3,987)	**(32,163)**
Merchandise and finished goods	**252,255**	360,287	**2,568,003**
Work in process	**23,620**	21,982	**240,463**
Raw materials and supplies	**48,664**	58,489	**495,410**
Other	**216,701**	239,662	**2,206,065**
Total current assets	**1,267,790**	1,483,038	**12,906,347**
Property, plant and equipment: *NOTE 5			
Land	**164,822**	164,104	**1,677,923**
Buildings and structures	**331,552**	309,291	**3,375,267**
Machinery, equipment and vehicles	**1,259,758**	1,256,277	**12,824,577**
Construction in progress	**37,853**	56,653	**385,359**
	1,793,987	1,786,327	**18,263,128**
Less accumulated depreciation	**(1,205,024)**	(1,185,214)	**(12,267,375)**
Total property, plant and equipment	**588,962**	601,112	**5,995,752**
Investments and other assets:			
Investment securities *NOTE 4	**91,913**	124,696	**935,701**
Investments in affiliates	**26,703**	36,216	**271,843**
Other	**182,478**	164,100	**1,857,670**
Total investments and other assets	**301,096**	325,013	**3,065,214**
Total assets	**¥2,157,849**	¥2,409,165	**$21,967,315**

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

	Millions of yen 2009	Millions of yen 2008	Thousands of U.S. dollars 2009
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable-trade	**¥ 368,811**	¥ 605,372	**$ 3,754,568**
Short-term loans payable *NOTE 5	**399,010**	196,390	**4,061,998**
Current portion of convertible bonds *NOTE 5	**29,605**	—	**301,384**
Income taxes payable	**6,285**	24,857	**63,982**
Accrued expenses	**138,244**	154,448	**1,407,352**
Other	**143,165**	185,726	**1,457,450**
Total current liabilities	**1,085,121**	1,166,795	**11,046,737**
Noncurrent liabilities:			
Convertible bonds *NOTE 5	**—**	29,606	**—**
Bonds with subscription rights to shares *NOTE 5	**149,975**	149,975	**1,526,773**
Long-term loans payable *NOTE 5	**102,757**	74,684	**1,046,089**
Provision for retirement benefits *NOTE 7	**42,090**	46,395	**428,488**
Provision for directors' retirement benefits	**1,600**	1,641	**16,288**
Other	**33,390**	37,171	**339,920**
Total noncurrent liabilities	**329,813**	339,474	**3,357,561**
Total liabilities	**1,414,934**	1,506,270	**14,404,298**
Net Assets:			
Shareholders' equity: *NOTE 12			
Common stock:			
Authorized-1,500,000,000 shares			
Issued,			
as of March 31, 2009—542,647,091	**120,210**	—	**1,223,763**
as of March 31, 2008—542,647,091	**—**	120,210	**—**
Capital surplus	**138,142**	138,143	**1,406,316**
Retained earnings	**735,337**	717,357	**7,485,877**
Less treasury stock	**(241,878)**	(219,499)	**(2,462,365)**
Total shareholders' equity	**751,812**	756,212	**7,653,592**
Valuation and translation adjustments:			
Valuation difference on available-for-sale securities	**2,309**	16,549	**23,507**
Deferred gains or losses on hedges	**(324)**	9,236	**(3,304)**
Foreign currency translation adjustment	**(114,364)**	(3,389)	**(1,164,248)**
Total valuation and translation adjustments	**(112,379)**	22,396	**(1,144,045)**
Minority interests	**103,482**	124,285	**1,053,470**
Total net assets	**¥ 742,915**	¥ 902,894	**$ 7,563,016**
Total liabilities and net assets	**¥2,157,849**	¥2,409,165	**$21,967,315**

Consolidated Statements of Income

Years ended March 31, 2009 and 2008

SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Net sales	¥3,004,888	¥3,502,419	$30,590,332
Cost of sales	2,315,958	2,631,880	23,576,893
Gross profit	688,930	870,539	7,013,439
Selling, general and administrative expenses	612,003	721,134	6,230,315
Operating income	76,926	149,405	783,124
Other income and expenses:			
Interest and dividend income	22,459	19,003	228,640
Interest expense	(9,278)	(9,408)	(94,459)
Equity in earnings (losses) of affiliates	(1,245)	453	(12,674)
Other, net	(8,756)	(1,989)	(89,143)
Income before income taxes	80,105	157,463	815,486
Income taxes: *NOTE 8			
Current	24,651	72,905	250,960
Deferred	15,348	(19,537)	156,245
	39,999	53,368	407,206
Minority interests	12,676	23,840	129,044
Net income	¥ 27,429	¥ 80,254	$ 279,235

	Yen		U.S. dollars
Net income per share:			
Primary	¥ 61.68	¥ 177.96	$ 0.627
Fully diluted	53.97	155.89	0.549
Cash dividends per share	16.00	16.00	0.162

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

Consolidated Statements of Changes in Net Assets

Years ended March 31, 2009 and 2008

SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES	Thousands of shares of common stock	Millions of yen					
		Common stock	Capital surplus	Retained earnings	Treasury stock	Valuation and translation adjustments	Minority interests
Balance as of March 31, 2007	542,647	¥120,210	¥138,199	¥642,969	¥(219,875)	¥60,020	¥114,448
Dividends from surplus	—	—	—	(7,215)	—	—	—
Net income	—	—	—	80,254	—	—	—
Purchase of treasury stock	—	—	—	—	(25)	—	—
Disposal of treasury stock	—	—	(56)	—	400	—	—
Increase of retained earnings due to change of financial period of consolidated subsidiaries	—	—	—	1,349	—	—	—
Other Changes	—	—	—	—	—	(37,623)	9,837
Balance as of March 31, 2008	542,647	¥120,210	¥138,143	¥717,357	¥(219,499)	¥22,396	¥124,285
Effect of changes in accounting policies applied to foreign subsidiaries	—	—	—	(2,231)	—	—	—
Dividends from surplus	—	—	—	(7,217)	—	—	—
Net income	—	—	—	27,429	—	—	—
Purchase of treasury stock	—	—	—	—	(22,384)	—	—
Disposal of treasury stock	—	—	(1)	—	5	—	—
Other changes	—	—	—	—	—	(134,776)	(20,803)
Balance as of March 31, 2009	**542,647**	**¥120,210**	**¥138,142**	**¥735,337**	**¥(241,878)**	**¥(112,379)**	**¥103,482**

	Thousands of shares of common stock	Thousands of U.S. dollars					
		Common stock	Capital surplus	Retained earnings	Treasury stock	Valuation and translation adjustments	Minority interests
Balance as of March 31, 2008	542,647	$1,223,763	$1,406,327	$7,302,838	$(2,234,545)	$228,004	$1,265,249
Effect of changes in accounting policies applied to foreign subsidiaries	—	—	—	(22,719)	—	—	—
Dividends from surplus	—	—	—	(73,477)	—	—	—
Net income	—	—	—	279,235	—	—	—
Purchase of treasury stock	—	—	—	—	(227,878)	—	—
Disposal of treasury stock	—	—	(10)	—	59	—	—
Other changes	—	—	—	—	—	(1,372,050)	(211,779)
Balance as of March 31, 2009	**542,647**	**$1,223,763**	**$1,406,316**	**$7,485,877**	**$(2,462,365)**	**$(1,144,045)**	**$1,053,470**

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

Consolidated Statements of Cash Flows

Years ended March 31, 2009 and 2008

SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES	Millions of yen 2009	Millions of yen 2008	Thousands of U.S. dollars 2009
Cash flows form operating activities			
Income before income taxes	**¥80,105**	¥157,463	**$815,486**
Depreciation and amortization	**141,203**	161,600	**1,437,482**
Impairment loss	**344**	—	**3,503**
Increase (decrease) in provision for retirement benefits	**(3,860)**	(3,719)	**(39,296)**
Interest and dividends income	**(22,459)**	(19,003)	**(228,640)**
Interest expenses	**9,278**	9,408	**94,459**
Equity in (earnings) losses of affiliates	**1,245**	(453)	**12,674**
Loss (gain) on valuation of securities	**27,487**	8,085	**279,824**
Decrease (increase) in notes and accounts receivable-trade	**47,617**	(15,829)	**484,752**
Decrease (increase) in inventories	**60,713**	(58,003)	**618,073**
Increase (decrease) in notes and accounts payable-trade	**(206,212)**	42,871	**(2,099,286)**
Increase (decrease) in accrued expenses	**(4,979)**	(1,966)	**(50,689)**
Other, net	**(62,081)**	(10,411)	**(632,001)**
Subtotal	**68,401**	270,043	**696,342**
Interest and dividends income received	**20,864**	18,572	**212,407**
Interest expenses paid	**(7,494)**	(9,105)	**(76,294)**
Income taxes paid	**(47,530)**	(85,471)	**(483,869)**
Net cash provided by (used in) operating activities	**34,241**	194,039	**348,586**
Cash flows from investment activities			
Payments into time deposits	**(93,789)**	(64,840)	**(954,795)**
Proceeds from withdrawal of time deposits	**55,545**	63,620	**565,459**
Purchases of short-term investment securities	**(8,207)**	(55,727)	**(83,552)**
Proceeds from sales of short-term investment securities	**8,586**	67,874	**87,407**
Purchases of property, plant and equipment	**(202,201)**	(215,449)	**(2,058,445)**
Proceeds from sales of property, plant and equipment	**5,041**	6,071	**51,327**
Purchases of investment securities	**(23,997)**	(28,764)	**(244,294)**
Proceeds from sales of investment securities	**3,002**	6,704	**30,570**
Payments for investments in capital	**(1)**	(7,269)	**(20)**
Payments of loans receivable	**(7,728)**	(22,495)	**(78,680)**
Collection of loans receivable	**1,119**	35,130	**11,393**
Other, net	**(277)**	(774)	**(2,826)**
Net cash provided by (used in) investment activities	**(262,908)**	(215,921)	**(2,676,457)**
Cash flows from financing activities			
Net increase (decrease) in short-term loans payable	**213,576**	31,871	**2,174,245**
Proceeds from long-term loans payable	**52,792**	27,090	**537,437**
Repayment of long-term loans payable	**(1,963)**	(2)	**(19,986)**
Cash dividends paid	**(7,218)**	(7,211)	**(73,489)**
Cash dividends paid to minority shareholders	**(1,895)**	(2,018)	**(19,292)**
Purchase of treasury stock	**(22,384)**	(24)	**(227,878)**
Proceeds from sales of treasury stock	**3**	4	**38**
Other, net	**(39)**	(387)	**(406)**
Net cash provided by (used in) financing activities	**232,870**	49,322	**2,370,668**
Effect of exchange rate changes on cash and cash equivalents	**(32,775)**	(14,427)	**(333,665)**
Net increase (decrease) in cash and cash equivalents	**(28,571)**	13,013	**(290,868)**
Cash and cash equivalents at beginning of fiscal year	**456,369**	444,335	**4,645,925**
Increase (decrease) in cash and cash equivalents resulting from change of accounting period of consolidated subsidiaries	**—**	(978)	**—**
Cash and cash equivalents at end of current period *NOTE 10	**¥427,797**	¥456,369	**$4,355,057**

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

Notes to Consolidated Financial Statements

NOTE 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 Japan as required by the Financial Instruments and Exchange Act 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 and liabilities, revenue and expenses, and the corresponding methods of disclosure.

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

For the convenience of readers outside Japan, certain reclassifications and modifications have been made to the original Consolidated Financial Statements.

As permitted, an amount of less than one million yen has 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 98.23 to U.S.$1, the rate of exchange prevailing as of March 31, 2009. 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.

NOTE 2: Summary of significant accounting policies

(a) Principles of consolidation

The Consolidated Financial Statements for the years ended March 31, 2009 and 2008, include the accounts of the Company and its significant subsidiaries and the number of consolidated subsidiaries are 140 and 139 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 on a straight-line basis over a period of five years after appropriate adjustments.

The account settlement date of 30 consolidated subsidiaries is December 31, but Magyar Suzuki Corporation Ltd. and 4 others are consolidated based on the financial statements of provisional account settlement as of March 31. Other 25 subsidiaries are consolidated with the financial statements based on their respective account settlement date.

The account settlement date of other consolidated subsidiaries is the same as the consolidated account settlement date.

(b) Allowance for doubtful receivables

The allowance is appropriated for an estimated uncollectible amount into this account based on doubtful receivable ratio for general receivables and the identified collectibility for specific receivables.

(c) Provision for warranty costs

The provision is appropriated into this account based on the warranty agreement and past experience in order to allow for expenses related to the maintenance service of products sold.

(d) Provision for recycling end-of-life products

The provision is appropriated for an estimated expense related to the recycling end-of-life products of the Company based on actual sales.

(e) Provision for product liabilities

With regards to the products exported to North American market, to prepare for the payment of compensation, not covered by "Product Liability Insurance" the anticipated amount to be borne by the Company is computed and provided on the basis of actual results in the past.

(f) Short-term investment securities, investment securities

The Company and its subsidiaries hold securities of listed companies, which have a risk of price fluctuations, and non-listed companies whose stock prices are difficult to be evaluated.

If we judge the decline in investment value is not temporary, we recognize revaluation loss based on the reasonable standard. If the stock market falls, we may incur significant loss on valuation of 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 available-for-sale securities.

According to this classification, securities held by the Company and its subsidiaries are available-for-sale securities. Available-for-sale securities for which market quotations are available are stated at market value method based on the market values as of the consolidated account settlement date (The evaluation differences shall be reported as a component of net assets, and sales costs shall be calculated mainly by the moving average method).

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

(g) 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 accounts receivable-trade and investment 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.

(h) 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 components of net assets are translated into Japanese yen at their historical rates. Profit and loss accounts for the year are translated into Japanese yen using the average exchange rate during the year. Differences in yen amounts arising from the use of different rates are presented as “foreign currency translation adjustments” and “minority interests” in the net assets.

(i) Inventories

Cost method mainly by the gross average method (figures on the consolidated balance sheet are by the method of book devaluation based on the reduction of profitability)

(j) Method of depreciation and amortization of non-current assets

a. Property, plant and equipment (excluding lease assets)

.... Mainly declining balance method (mainly 3-75 years)

b. Intangible assets (excluding lease assets)

.... Straight line method

c. Lease assets

Finance lease which transfer ownership

.... The same method as depreciation and amortization of self-owned non-current assets

Finance lease which do not transfer ownership

.... Straight-line method with the lease period as the durable years. As to remaining value, lease assets with guaranteed residual value under lease agreement is to be remaining value, and other lease assets, remaining value zero is applied.

(k) Income taxes

The provision for income taxes is computed based on the income before income taxes 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 their 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) Provision for retirement benefits and provision for directors’ retirement 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 and corporate auditors of the Company, the amount to be paid at the end of year had been posted pursuant to the Company's regulations on the retirement allowance of directors and corporate auditors. However, the Company's retirement benefit system for them was abolished at the closure of the ordinary general shareholders' meeting held on June 2006. And it was approved at the shareholders' meeting that reappointed directors and corporate auditors are paid their retirement benefit at the time of their retirement, based on their years of service. Estimated amount of such retirement benefits is appropriated at the end of this fiscal year.

Furthermore, for the directors and corporate auditors of some consolidated subsidiaries, the amount to be paid at the end of the year was posted pursuant to their regulation on the retirement allowance of directors and corporate auditors.

Retirement benefit cost and retirement benefit obligation are calculated based 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) Net income 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.

NOTE 3: Changes in basic matters for preparing consolidated financial statements

(a) Application of the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements"

The "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (Accounting Standards Board of Japan; ASBJ Practical Issues Task Force No.18, May 17, 2006) is applied from this fiscal year, and necessary adjustments in the consolidation process are made.

Influences by the above-mentioned change on operating income, ordinary income and income before income taxes for this fiscal year are insignificant.

(b) Application of the "Accounting Standard for Measurement of Inventories"

The "Accounting Standard for Measurement of Inventories" (ASBJ Statement No.9, July 5, 2006) is applied from this fiscal year, and the evaluation standards are changed from the "cost or market method of mainly gross average method" to the "cost method of mainly gross average method (method of devaluation of book values based on the reduction of profitability for values on the balance sheets)."

Influences by the above-mentioned change on operating income, ordinary income and income before income taxes for this fiscal year are insignificant.

(c) Application of the "Accounting Standard for Lease Transactions"

Accounting treatment similar to that for rental transactions had been applied to finance lease transactions in which ownership is not transferred. However, the "Accounting Standards for Lease Transactions (Corporate Accounting Standard No. 13, June 17, 1993 (First Subsection of the Corporate Accounting Council), revised on March 30, 2007)" and the "Guidance on Accounting Standards for Lease Transactions" (Corporate Accounting Standards Application Guideline No. 16, January 18, 1994 (Accounting System Committee of the Japanese Institute of Certified Public Accountants), revised on March 30, 2007 by ASBJ) are applied from this fiscal year and thus the accounting treatment for ordinary sales transactions are applied.

Influences by the above-mentioned change on operating income, ordinary income and income before income taxes for this fiscal year are insignificant.

NOTE 4: Short-term investment securities and investment securities

(a) Short-term investment securities and investment securities quoted at an exchange as of March 31, 2009 and 2008

	Millions of yen		
	2009		
	Acquisition Cost	Amounts for BS	Valuation
Those whose amount for BS exceeds acquisition cost			
(1) Stocks	¥ 17,434	¥ 32,147	¥14,713
(2) Bonds	—	—	—
(3) Others	57,126	59,483	2,357
Sub Total	¥ 74,560	¥ 91,631	¥17,070
Those whose amount for BS does not exceed acquisition cost			
(1) Stocks	¥ 44,670	¥ 31,534	¥(13,135)
(2) Bonds	9,995	9,670	(324)
(3) Others	—	—	—
Sub Total	¥ 54,665	¥ 41,205	¥ (13,460)
Total	¥129,226	¥132,836	¥ 3,610

	Millions of yen		
	2008		
	Acquisition Cost	Amounts for BS	Valuation
Those whose amount for BS exceeds acquisition cost			
(1) Stocks	¥ 20,772	¥ 49,931	¥29,158
(2) Bonds	—	—	—
(3) Others	123,813	127,860	4,047
Sub Total	¥144,585	¥177,791	¥33,206
Those whose amount for BS does not exceed acquisition cost			
(1) Stocks	¥ 46,681	¥ 40,808	¥(5,873)
(2) Bonds	15,995	15,847	(147)
(3) Others	11	11	—
Sub Total	¥ 62,688	¥ 56,666	¥(6,021)
Total	¥207,273	¥234,458	¥27,185

	Thousands of U.S. dollars		
	2009		
	Acquisition Cost	Amounts for BS	Valuation
Those whose amount for BS exceeds acquisition cost			
(1) Stocks	$ 177,481	$ 327,264	$ 149,782
(2) Bonds	—	—	—
(3) Others	581,559	605,556	23,996
Sub Total	$ 759,041	$ 932,821	$ 173,779
Those whose amount for BS does not exceed acquisition cost			
(1) Stocks	$ 454,752	$ 321,025	$(133,726)
(2) Bonds	101,750	98,451	(3,299)
(3) Others	—	—	—
Sub Total	$ 556,503	$ 419,477	$(137,026)
Total	$1,315,545	$1,352,298	$ 36,753

(b) Available-for-sale securities sold during 2009 and 2008

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Amounts sold	**¥11,588**	¥74,578	**$117,977**
Gains on sales of available-for-sale securities	**0**	3,132	**1**
Loss on sales of available-for-sale securities	**0**	—	**0**

(c) Major securities not revalued by the market

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Available-for-sale securities			
Commercial paper	**¥ 1,998**	¥ 9,981	**$ 20,345**
Unlisted stock	**21,486**	21,185	**218,736**
Negotiable certificate of deposit	**279,000**	199,900	**2,840,272**

(d) The amounts to be redeemed after the account settlement date of securities with maturities among available-for-sale securities

	Millions of yen			
	2009			
	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.	—	—	—	—
Corporate bonds	—	—	—	—
(2) Others	**¥343,503**	—	—	—
Total	**¥343,503**	—	—	—

	Millions of yen			
	2008			
	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.	—	—	—	—
Corporate bonds	¥ 2,999	—	—	—
(2) Others	342,983	—	—	—
Total	¥345,983	—	—	—

	Thousands of U.S. dollars			
	2009			
	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.	—	—	—	—
Corporate bonds	—	—	—	—
(2) Others	**$3,496,926**	—	—	—
Total	**$3,496,926**	—	—	—

NOTE 5: Short-term borrowings and long-term debt

Short-term borrowings as of March 31, 2009 and 2008 consisted of the following. The annual interest rates of short-term borrowings as of March 31, 2009 were 0.59 percent to 14.24 percent.

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Short-term loans payable			
Secured	¥ 141	¥ 334	$ 1,436
Unsecured	398,868	196,056	4,060,561
Lease obligations due within one year	78	—	795
Unsecured zero coupon convertible bonds in yen due 2010	29,605	29,606	301,384
	¥428,693	¥225,996	$4,364,178
Less portion due more than one year	—	(29,606)	—
	¥428,693	¥196,390	$4,364,178

Long-term debt as of March 31, 2009 and 2008 consisted of:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Long-term loans payable maturing through 2018			
Secured	¥ 42	¥ 51	$ 428
Unsecured	102,715	74,632	1,045,661
Lease obligations due more than one year	96	—	982
Other interest-bearing debts (Long-term guarantee deposited)	9,652	9,332	98,259
Unsecured zero coupon convertible bonds with 130% call option in yen due 2013	149,975	149,975	1,526,773
Unsecured zero coupon convertible bonds in yen due 2010	—	29,606	—
	¥262,480	¥263,597	$2,672,105

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

"The zero coupon convertible bonds with 130% call option" are convertible into common stock at the options of holders at the conversion price of ¥3,054 per share.

If the outstanding convertible bonds were fully converted as of March 31, 2009, 63,910,227 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, excluding other interest-bearing debt, outstanding as of March 31, 2009 were as follows:

Year ending March 31	Millions of yen	Thousands of U.S. dollars
2010	—	—
2011	¥ 20,071	$ 204,326
2012	29,379	299,085
2013	173,145	1,762,656
Thereafter	30,232	307,777
	¥252,828	$2,573,845

Assets pledged as collateral as of March 31, 2009:

	Millions of yen	Thousands of U.S. dollars
Property, plant and equipment	¥2,188	$22,280
Notes and accounts receivable-trade	376	3,828
Merchandise and finished goods	203	2,068
	¥2,767	$28,177

Secured liabilities as of March 31, 2009:

	Millions of yen	Thousands of U.S. dollars
Short-term loans payable	¥ 141	$ 1,436
Long-term loans payable	42	428
Other (noncurrent liabilities)	822	8,371
	¥1,005	$10,235

NOTE 6: Loan commitment

The Company has the commitment contract with five banks for effective financing. The outstanding balance of this contract as of March 31, 2009 and 2008 were as follows.

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Commitment contract total	¥155,000	¥155,000	$1,577,929
Actual loan balance	—	—	—
Variance	¥155,000	¥155,000	$1,577,929

NOTE 7: Accrued retirement and severance benefit

(a) Outline of an adopted retirement benefit system

In the case of the Company, cash balance corporate pension plan and termination allowance plan are established. And in case of some consolidated subsidiaries, defined benefit corporate pension plan and termination allowance plan are established.

(b) Items related to a retirement benefit obligation

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
a. Retirement benefit obligation	**¥(104,885)**	¥(109,000)	**$(1,067,754)**
b. Pension assets	**62,081**	62,912	**631,996**
c. Unrecognized retirement benefit obligation (a+b)	**¥ (42,804)**	¥ (46,087)	**$ (435,757)**
d. Unrecognized difference by an actuarial calculation	**7,578**	7,275	**77,153**
e. Unrecognized prior service cost(decrease of liabilities)	**(6,864)**	(7,583)	**(69,883)**
f. Accrued retirement and severance benefits (c+d+e)	**¥ (42,090)**	¥ (46,395)	**$ (428,488)**

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.

(c) Items related to retirement benefit cost

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
a. Service cost	**¥6,164**	¥7,274	**$62,753**
b. Interest cost	**1,613**	1,491	**16,427**
c. Assumed return on investment	**(536)**	(443)	**(5,464)**
d. Amortized amount of actuarial difference	**973**	908	**9,915**
e. Amortized amount of prior service cost	**(718)**	(718)	**(7,317)**
f. Retirement benefit cost (a+b+c+d+e)	**¥7,496**	¥8,511	**$76,314**

Remarks: 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	: **2009 2.00%** 2008 2.00%
c. Reassessment rate	: **2009 1.50%** 2008 1.50%
d. Assumed return of investment ratio	: **2009 0.77% -1.90%** 2008 0.85% -1.90%
e. 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.
f. 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.

NOTE 8: Income taxes

Breakdown of deferred tax assets and deferred tax liabilities by their main occurrence causes were as follows.

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Deferred tax assets			
Excess-depreciation	**¥ 61,325**	¥ 62,222	**$ 624,304**
Various reserves	**43,971**	47,192	**447,636**
Unrealized gross profits elimination	**21,330**	28,102	**217,150**
Others	**119,794**	111,960	**1,219,527**
Gross deferred tax assets total	**246,421**	249,477	**2,508,619**
Valuation allowance	**(16,545)**	(5,030)	**(168,436)**
Deferred tax assets total	**¥229,876**	¥244,447	**$2,340,182**
Deferred tax liabilities			
Valuation difference on available-for-sale securities	**¥ (1,297)**	¥ (10,563)	**$ (13,205)**
Variance from the complete market value method of consolidated subsidiaries	**(6,218)**	(8,031)	**(63,305)**
Reserve for advanced depreciation of noncurrent assets	**(3,002)**	(2,806)	**(30,563)**
Others	**(1,377)**	(6,930)	**(14,018)**
Deferred tax liabilities total	**¥ (11,894)**	¥ (28,331)	**$ (121,092)**
Net amounts of deferred tax assets	**¥217,981**	¥216,115	**$2,219,089**

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

	2009	2008
Statutory tax rate	**39.8%**	39.8%
Valuation allowance	**14.4%**	—
Tax credit	**(3.0%)**	(3.8%)
Difference in foreign subsidiaries tax rate	**(2.5%)**	—
Equity in earnings of affiliates	**—**	(0.1%)
Others	**1.2%**	(2.0%)
Effective tax rate	**49.9%**	33.9%

NOTE 9: Research and development costs

Research and development costs included in selling, general and administrative expenses, for the years ended March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Research and development costs	**¥114,961**	¥108,741	**$1,170,325**

NOTE 10: Cash and cash equivalents

Cash and cash equivalents as of March 31, 2009 and 2008 consisted of:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Cash and deposits	**¥136,915**	¥129,447	**$1,393,827**
Short-term investment securities	**343,503**	345,984	**3,496,926**
Time deposits with maturities of over three months	**(49,328)**	(16,457)	**(502,170)**
Bonds etc. with redemption period of over three months	**(3,293)**	(2,605)	**(33,526)**
	¥427,797	¥456,369	**$4,355,057**

NOTE 11: Lease transactions

Operating lease transactions as of March 31, 2009 and 2008 were as follows:

As a lessee	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Future lease payments			
Due within one year	**¥ 401**	¥ 404	**$ 4,084**
Thereafter	**1,213**	1,391	**12,350**
	¥1,614	¥1,795	**$16,435**

As a lessor	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Future lease revenues			
Due within one year	**¥ 45**	¥ 920	**$ 460**
Thereafter	**6**	493	**65**
	¥ 51	¥1,414	**$ 525**

NOTE 12: Net assets

The Companies Act of Japan requires that at least 50% of the contribution 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 "legal capital surplus".

The Companies Act provides that an amount equivalent to 10% of cash dividends should be appropriated as a legal capital surplus or legal retained earnings until total amount of them reaches a certain limit, defined as 25% of the stated capital.

The Companies Act allows both legal capital reserve and legal retained earnings to be transferred to the stated capital following the approval at a shareholders' meeting.

The legal reserves of the Company and its subsidiaries are included in "retained earnings" on the consolidated balance sheet and are not shown separately.

According to the Companies Act, the articles of incorporation allows to repurchase treasury stock and dispose of such treasury stock by resolution of the board of directors.

NOTE 13: Contingent liabilities

As of March 31, 2009, 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	¥44,302	$451,006
Trade notes discounted	610	6,215
	¥44,912	$457,222

NOTE 14: Segment Information

(a) Business segment

	Millions of yen 2009					
	Motorcycle	Automobile	Marine & Power products, etc.	Financial Services	Eliminations or corporate assets	Consolidated
Net Sales:						
Net sales to external customers	¥ 454,349	¥2,453,574	¥ 66,628	¥ 30,336	¥ —	¥3,004,888
Internal net sales or transfer among segments	—	70,438	92	48,357	(118,887)	—
Total	454,349	2,524,012	66,720	78,693	(118,887)	3,004,888
Operating expenses	460,765	2,454,963	57,485	74,700	(119,953)	2,927,962
Operating income (loss)	¥ (6,416)	¥ 69,049	¥ 9,234	¥ 3,993	¥ 1,065	¥ 76,926
Assets, depreciation, impairment loss and capital expenditures:						
Assets	¥ 255,227	¥1,317,375	¥ 60,363	¥ 159,900	¥ 364,981	¥2,157,849
Depreciation	17,192	121,773	2,218	20	—	141,203
Impairment loss	5	314	23	0	—	344
Capital expenditures	20,947	179,394	3,650	1	—	203,994

	Millions of yen 2008				
	Motorcycle	Automobile	Other	Eliminations or corporate assets	Consolidated
Net Sales:					
Net sales to external customers	¥ 591,967	¥2,833,892	¥ 76,559	¥ —	¥3,502,419
Internal net sales or transfer among segments	—	—	—	—	—
Total	591,967	2,833,892	76,559	—	3,502,419
Operating expenses	569,425	2,719,929	63,659	—	3,353,014
Operating income	¥ 22,542	¥ 113,962	¥ 12,899	¥ —	¥ 149,405
Assets, depreciation, impairment loss and capital expenditures:					
Assets	¥ 351,710	¥1,595,764	¥ 55,640	¥ 406,048	¥2,409,165
Depreciation	22,711	136,718	2,170	—	161,600
Capital expenditures	27,099	182,570	1,996	—	211,665

	Motorcycle	Automobile	Marine & Power products, etc.	Financial Services	Eliminations or corporate assets	Consolidated
	Thousands of U.S. dollars					
	2009					
Net Sales:						
Net sales to external customers ..	$4,625,359	$24,977,850	$ 678,290	$ 308,832	$ —	$30,590,332
Internal net sales or transfer among segments	—	717,074	940	492,285	(1,210,300)	—
Total	4,625,359	25,694,924	679,231	801,117	(1,210,300)	30,590,332
Operating expenses	4,690,683	24,991,990	585,217	760,463	(1,221,147)	29,807,208
Operating income (loss) ...	$ (65,324)	$ 702,934	$ 94,013	$ 40,653	$ 10,847	$ 783,124
Assets, depreciation, impairment loss and capital expenditures:						
Assets	$2,598,264	$13,411,134	$ 614,516	$1,627,814	$3,715,585	$21,967,315
Depreciation	175,020	1,239,675	22,580	206	—	1,437,482
Impairment loss	56	3,205	240	0	—	3,503
Capital expenditures	213,248	1,826,267	37,163	18	—	2,076,698

Remarks: 1) From this fiscal year, the Suzuki Group has changed indication from “Other” to “Marine and Power products, etc.” to indicate the business details more clearly.

2) The Suzuki Group has traditionally classified the businesses into three categories of “Motorcycle,” “Automobile” and “Other”, but from this fiscal year, the Group classifies the businesses into four categories of “Motorcycle”, “Automobile”, “Marine and Power products, etc.” and “Financial Services” to indicate the business details of the Group more clearly.

As a result, sales increased by ¥40,102 million for “Automobile”, ¥78,693 million for “Financial Services” and ¥92 million for “Marine and Power products, etc.”, and sales decreased by ¥118,887 million for “Eliminations or corporate assets” compared to the traditional method for this fiscal year. Further, operating income decreased by ¥5,058 million for “Automobile” and operating income increased by ¥3,993 million for “Financial Services” and ¥1,065 million for “Eliminations or corporate assets”.

(b) Geographical segment

	Millions of yen						
	2009						
	Japan	Europe	North America	Asia	Other areas*1	Eliminations or corporate assets	Consolidated
Net sales:							
Net sales to external customers	¥1,345,370	¥ 610,132	¥ 222,285	¥ 737,349	¥ 89,750	¥ —	¥3,004,888
Internal net sales or transfer among segments	478,496	8,503	3,316	15,550	0	(505,866)	—
Total	1,823,866	618,636	225,601	752,900	89,750	(505,866)	3,004,888
Operating expenses	1,795,084	615,525	249,744	717,580	88,006	(537,979)	2,927,962
Operating income (loss)	¥ 28,782	¥ 3,110	¥ (24,143)	¥ 35,320	¥ 1,744	¥ 32,112	¥ 76,926
Assets:	¥1,068,052	¥ 180,015	¥ 74,046	¥ 410,050	¥ 23,715	¥ 401,969	¥2,157,849

	Millions of yen						
	2008						
	Japan	Europe	North America	Asia	Other areas*1	Elimination and corporate assets	Consolidated
Net sales:							
Net sales to external customers	¥1,405,694	¥ 773,708	¥ 401,230	¥ 833,374	¥ 88,411	¥ —	¥3,502,419
Internal net sales or transfer among segments	788,323	3,615	4,465	13,426	0	(809,830)	—
Total	2,194,017	777,323	405,696	846,801	88,411	(809,830)	3,502,419
Operating expenses	2,109,057	763,944	414,231	790,662	83,803	(808,685)	3,353,014
Operating income (loss)	¥ 84,960	¥ 13,378	¥ (8,535)	¥ 56,138	¥ 4,608	¥ (1,145)	¥ 149,405
Assets:	¥1,097,453	¥ 317,991	¥102,504	¥ 499,597	¥ 34,018	¥357,599	¥2,409,165

	Thousands of U.S. dollars						
	2009						
	Japan	Europe	North America	Asia	Other areas*1	Elimination and corporate assets	Consolidated
Net sales:							
Net sales to external customers	$13,696,126	$6,211,265	$2,262,904	$7,506,361	$913,673	$ —	$30,590,332
Internal net sales or transfer among segments	4,871,180	86,569	33,758	158,311	0	(5,149,820)	—
Total	18,567,307	6,297,835	2,296,663	7,664,672	913,674	(5,149,820)	30,590,332
Operating expenses	18,274,298	6,266,170	2,542,449	7,305,101	895,917	(5,476,728)	29,807,208
Operating income (loss)	$ 293,009	$ 31,664	$(245,785)	$ 359,571	$ 17,756	$ 326,908	$ 783,124
Assets:	$10,872,980	$1,832,587	$ 753,811	$4,174,386	$241,424	$4,092,123	$21,967,315

*1 “Other areas” consists principally of Oceania and South America.

(c) Overseas sales

	Millions of yen				
	2009				
	Europe	North America	Asia	Other areas*2	Consolidated
Overseas sales	¥737,945	¥234,766	¥791,829	¥274,780	¥2,039,321
Consolidated net sales					3,004,888
Ratio of overseas sales to consolidated net sales	24.6%	7.8%	26.4%	9.1%	67.9%

	Millions of yen				
	2008				
	Europe	North America	Asia	Other areas*2	Consolidated
Overseas sales	¥920,459	¥415,713	¥887,904	¥296,958	¥2,521,036
Consolidated net sales					3,502,419
Ratio of overseas sales to consolidated net sales	26.3%	11.9%	25.3%	8.5%	72.0%

	Thousands of U.S. dollars				
	2009				
	Europe	North America	Asia	Other areas*2	Consolidated
Overseas sales	$7,512,427	$2,389,965	$8,060,969	$2,797,314	$20,760,676
Consolidated net sales					30,590,332
Ratio of overseas sales to consolidated net sales	24.6%	7.8%	26.4%	9.1%	67.9%

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

NOTE 15: Impairment loss

The assets are divided into two groups, i.e. the assets for business and the assets for rent respectively in business places. The book value of the asset group of marketing base of which land price have dropped significantly was decreased to the recoverable amount. As a result, the corresponding amount of decrease was posted as an impairment loss (mainly Land: 316 million yen) in extraordinary loss.

The recoverable amount of this asset group is measured by net selling price and the land value is evaluated by price reasonably calculated.

NOTE 16: Subsequent events

(a) The following plan for the profit distribution for the year ended March 31, 2009 was approved by the ordinary general meeting of shareholders of the Company held on June 26, 2009. As a result, annual dividend including interim dividend (8 yen per share) shall be 16 yen per share, the same as the previous fiscal year:

	Millions of yen	Thousands of U.S. dollars
Year-end cash dividends	¥3,477	$35,401

(b) On June 1, 2009 (local time in the USA), General Motors Corporation ("GM"), a trading partner of Suzuki Motor Corporation ("Suzuki"), filed for Chapter 11 bankruptcy-court protection of the U.S. Bankruptcy Code. The Suzuki Group has no receivables owed by GM, and receivables owed by GM's affiliated companies that may become uncollectible or their collection may be delayed according as the progress of GM's bankruptcy reorganization are as follows.

[Outline of GM]

(1) Trade name:	General Motors Corporation
(2) Headquarters:	300 Renaissance Center P.O. Box 300, Detroit, MI 48265-3000, USA
(3) Representative:	President and Chief Executive Officer Frederick A. Henderson
(4) Capital:	US$1,017 million (as of December 31, 2008)
(5) Main business:	Development, manufacture and sale of automobiles

[Type and Amount of Receivables owed by GM and its affiliated companies (as of May 27, 2009) and Percentage to Consolidated Net Assets]

(1) Receivables owed by GM and its affiliated companies in the United States

Suzuki and its affiliated companies' receivables owed by GM and its affiliated companies in the United States:	None

(2) Receivables owed by CAMI Automotive Inc. *1

(i) Suzuki's accounts receivables	¥ 0.2 billion
(ii) Suzuki's investment in capital (book value)	¥ 4.1 billion
(iii) Suzuki's guaranty of liabilities	¥38.1 billion (US$400 million)

(3) Receivables (relating to OPEL brand OEM vehicles) owed by General Motors Espana, S.L. (GM's subsidiary company)

Suzuki's subsidiary companies' receivables	¥ 5.8 billion (EUR43 million)

(4) Receivables owed by other GM affiliated companies

(i) Suzuki's accounts receivables	¥ 4.0 billion
(Mortgaged receivables included)	(¥ 3.8 billion)
(ii) Suzuki's mortgage loan receivable	¥19.0 billion (US$200 million)
(iii) Suzuki's subsidiary companies' accounts receivables	¥ 0.4 billion

[Notes]*1: CAMI Automotive Inc. is a subsidiary company of General Motors of Canada Ltd. (GM's subsidiary company), and a joint venture of Suzuki with 49.99% share. The said company has ¥6.7 billion (CAN$78 million as of April 30, 2009) of receivables owed by General Motors of Canada Ltd.

[Notes]*2: Yen amount is calculated at the foreign exchange rates ¥95.14 (TTM) to US$ etc as of May 27, 2009.

(5) Percentage to Suzuki's consolidated net assets at end of the previous fiscal year (March 31, 2009)

Suzuki's consolidated net assets	¥742.9 billion
Suzuki and its subsidiaries' receivables	3.96%
Suzuki's investment in capital	0.55%
Suzuki's guaranty of liabilities	5.13%

Report of Independent Auditor

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, 2009 and 2008, and the related consolidated statements of income, changes in net assets, 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, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

As discussed in Note 16 (b), the Company described the fact that General Motors Corporation (GM), a trading partner of the Company, filed for Chapter 11 bankruptcy-court protection of the U.S. Bankruptcy Code on June 1, 2009 (local time in the USA), and listed an outline of GM, type and amount of receivables owed by GM and its affiliated companies and percentage to consolidated net 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.

Seimei Audit Corporation
Tokyo, Japan
June 29, 2009

Non-Consolidated Financial Statements of 2009

Non-Consolidated Balance Sheets

As of March 31, 2009 and 2008

SUZUKI MOTOR CORPORATION	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
ASSETS			
Current assets:			
Cash and deposits	¥ 50,322	¥ 48,758	$ 512,295
Short-term investment securities	284,019	217,110	2,891,370
Receivables:			
Notes and accounts receivable-trade	61,991	80,887	631,080
Subsidiaries and affiliates	91,121	106,278	927,638
Less allowance for doubtful accounts	(46)	(72)	(468)
Merchandise and finished goods	58,607	93,398	596,630
Work in process	18,863	17,022	192,031
Raw materials and supplies	9,500	8,430	96,713
Other	130,824	187,034	1,331,816
Total current assets	705,203	758,848	7,179,108
Property, plant and equipment:			
Land	84,677	80,654	862,037
Buildings and structures	212,974	186,383	2,168,120
Machinery, equipment and vehicles	714,141	646,029	7,270,097
Construction in progress	4,033	21,025	41,063
	1,015,827	934,092	10,341,318
Less accumulated depreciation	(770,735)	(717,503)	(7,846,236)
Total property, plant and equipment	245,091	216,589	2,495,081
Investments and other assets:			
Investment securities	91,197	123,926	928,407
Investments in subsidiaries and affiliates	221,347	217,474	2,253,360
Other	139,579	113,249	1,420,944
Total investments and other assets	452,124	454,650	4,602,712
Total assets	¥1,402,420	¥1,430,088	$14,276,902

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
LIABILITIES AND NET ASSETS			
Current liabilities:			
Short-term loans payable	**¥ 231,000**	¥ 21,000	**$ 2,351,623**
Payables:			
Accounts payable-trade	**294,229**	479,694	**2,995,316**
Subsidiaries and affiliates	**17,370**	27,013	**176,830**
Current portion of convertible bonds	**29,605**	—	**301,384**
Accrued expenses	**94,149**	100,022	**958,461**
Income taxes payable	**—**	15,529	**—**
Other	**93,654**	96,893	**953,420**
Total current liabilities	**760,009**	740,152	**7,737,036**
Noncurrent liabilities:			
Long-term loans payable	**49,899**	16,030	**507,981**
Bonds with subscription rights to shares	**149,975**	149,975	**1,526,773**
Convertible bonds	**—**	29,606	**—**
Provision for retirement benefits	**16,896**	20,233	**172,013**
Provision for directors' retirement benefits	**1,550**	1,587	**15,786**
Other	**18,654**	19,129	**189,910**
Total noncurrent liabilities	**236,976**	236,561	**2,412,465**
Total liabilities	**996,985**	976,714	**10,149,501**
Net Assets:			
Shareholders' equity:			
Common stock:			
Authorized - 1,500,000,000 shares			
Issued,			
as of March 31, 2009 - 542,647,091	**120,210**	—	**1,223,763**
as of March 31, 2008 - 542,647,091	**—**	120,210	**—**
Capital surplus	**138,142**	138,143	**1,406,316**
Retained earnings	**387,132**	391,063	**3,941,085**
Treasury stock	**(241,849)**	(219,471)	**(2,462,078)**
Total shareholders' equity	**403,635**	429,946	**4,109,086**
Valuation and translation adjustments:			
Valuation difference on available-for-sale securities	**738**	13,861	**7,517**
Deferred gains or losses on hedges	**1,060**	9,566	**10,796**
Total valuation and translation adjustments	**1,798**	23,427	**18,314**
Total net assets	**¥ 405,434**	453,374	**$ 4,127,401**
Total liabilities and net assets	**¥1,402,420**	1,430,088	**$14,276,902**

Non-Consolidated Statements of Income

Years ended March 31, 2009 and 2008

SUZUKI MOTOR CORPORATION	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Net sales	¥1,685,777	¥2,031,639	$17,161,532
Cost of sales	1,347,065	1,592,729	13,713,379
Gross profit	338,711	438,910	3,448,152
Selling, general and administrative expenses	327,289	371,493	3,331,872
Operating income	11,422	67,416	116,279
Other income and expenses:			
Interest and dividends income	10,732	9,846	109,256
Interest expenses	(1,465)	(616)	(14,917)
Other, net	(16,431)	(13,919)	(167,273)
	(7,164)	(4,690)	(72,934)
Income before income taxes	4,257	62,726	43,345
Income taxes	970	21,862	9,882
Net income	¥ 3,287	¥ 40,864	$ 33,462

	Yen		U.S. dollars
Net income per share:			
Primary	¥ 7.39	¥ 90.60	$ 0.075
Fully diluted	6.50	79.39	0.066
Cash dividends per share	16.00	16.00	0.162

Way of Life!

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