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1. Operating results

(1) The operating results by segment

(a) Motorcycle
The net sales decreased by ¥16.1 billion (6.0%) to ¥250.5 billion year-on-year mainly owing to the decrease in the sales in Asia. The operating income of ¥0.1 billion in the previous fiscal year became an operating loss of ¥0.7 billion.

(b) Automobile
The Company made efforts to expand its sales and strengthen the products such as by winning numbers of awards including the 2015 RJC Car of the Year award for the much-favored Hustler minicar, launching the all-new Alto minicar, which has achieved the top level of fuel efficiency among non-hybrid gasoline vehicles in Japan, and launching the Every and Every Wagon one-box minicars which have pursued roominess, fuel efficiency, and user-friendliness. However, partly owing to the impact of the recoil reduction from the hike in the rate of the consumption tax in Japan, the Japanese domestic net sales decreased year-on-year. The overseas net sales increased year-on-year mainly owing to the increase in India. Consequently, the net sales of the automobile business increased by ¥86.3 billion (3.3%) to ¥2,702.0 billion year-on-year. The operating income decreased by ¥7.5 billion (4.2%) to ¥171.8 billion year-on-year mainly owing to the decrease in the income in Japan, Indonesia, and Thailand, despite the increase in the income in India.

(c) Marine and Power products, etc.
The net sales increased by ¥7.0 billion (12.5%) to ¥63.0 billion year-on-year mainly owing to the increase in the sales of the outboard motors in Europe and North America. The operating income was at the same level as the previous fiscal year at ¥8.3 billion.

(2) The operating results by geographical areas

(a) Japan
The net sales increased by ¥63.3 billion (3.7%) to ¥1,765.0 billion year-on-year due to expansion of triangle trade via Japan and other causes. The operating income decreased by ¥43.8 billion (32.6%) to ¥90.7 billion year-on-year mainly owing to the strengthening of sales promotion of Japan and overseas and the increase in the quality expenses.

(b) Europe
The net sales increased by ¥59.6 billion (15.9%) to ¥436.1 billion year-on-year owing to launch of all-new compact SUV Vitara, expansion of triangle trade via Japan, and other causes. The operating income increased by ¥0.9 billion (23.2%) to ¥5.1 billion year-on-year.

(c) Asia
The net sales increased by ¥130.8 billion (11.1%) to ¥1,306.2 billion year-on-year due to increase of sales in India, Pakistan and others though decrease of sales in Indonesia and Thailand. The operating income increased by ¥22.2 billion (37.3%) to ¥81.6 billion year-on-year, by covering the decrease in the income in Indonesia and Thailand with the Indian automobile business.

(d) Other areas
The net sales increased by ¥8.2 billion (5.4%) to ¥159.2 billion year-on-year owing to increase of sales of outboard motors in the United States, increase of sales of motorcycles and automobiles in Latin America, and other causes. The operating income increased by ¥2.4 billion to ¥2.6 billion year-on-year.

(3) Selling, general and administrative expenses
In the current consolidated fiscal year, the amount of selling, general and administrative expenses increased by ¥37.9 billion (6.2%) to ¥645.7 billion year-on-year because of increase of sales expenses such as sales promotion expenses.

(4) Other income and expenses
In the current consolidated fiscal year, the net amount of other income and expenses was a gain of ¥13.8 billion, which increased by ¥4.5 billion year-on-year. This was mainly due to increase of Interest income and dividends income from the previous fiscal year.
(5) Forecasts for the next fiscal year

As for the next fiscal year, although the decrease in the demand of minicars in Japan is expected, the Company forecasts increase in sales and income compared to this fiscal year mainly owing to the increase in the overseas sales including India. The Group will work as one to reform in every field to accomplish the below forecasts for the consolidated operation by pursuing the business activity.

(Forecasts for the consolidated operating results-First Half)

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>¥1,500.0 billion</td>
<td>(up 4.8% year-on-year)</td>
</tr>
<tr>
<td>Operating income</td>
<td>¥91.0 billion</td>
<td>(up 0.5% year-on-year)</td>
</tr>
<tr>
<td>Net income attributable to owners of the parent</td>
<td>¥55.0 billion</td>
<td>(up 2.0% year-on-year)</td>
</tr>
</tbody>
</table>

(Forecasts for the consolidated operating results-Full Year)

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>¥3,100.0 billion</td>
<td>(up 2.8% year-on-year)</td>
</tr>
<tr>
<td>Operating income</td>
<td>¥190.0 billion</td>
<td>(up 5.9% year-on-year)</td>
</tr>
<tr>
<td>Net income attributable to owners of the parent</td>
<td>¥110.0 billion</td>
<td>(up 13.6% year-on-year)</td>
</tr>
</tbody>
</table>

Foreign exchange rates 115 yen/US$, 125 yen/Euro, 1.85 yen/Indian Rupee, 0.90 yen/100 Indonesian Rupiah, 3.50 yen/Thai Baht

* The forecasts for next fiscal year mentioned above are based on currently available information and assumptions, contain risks and uncertainty, and do not constitute guarantees of future achievement. Please note that the actual results may greatly vary by the changes of various factors. Those factors, which may influence the actual results, include economic conditions and the trend of demand in major markets and the fluctuation of foreign exchange rate (mainly US dollar/Yen rate, Euro/Yen rate and Indian Rupee/Yen rate).

2. Liquidity and capital resources

(1) Cash flow

Cash flow provided by operating activities for FY2014 amounted to ¥255.0 billion (¥322.9 billion was provided in the previous fiscal year), and ¥120.9 billion was used for the acquisition of property, plant and equipment etc. and others in the investment activities (¥286.6 billion was used in the previous fiscal year). As a result, free cash flow amounted to ¥134.1 billion of positive (¥36.3 billion of positive for the previous fiscal year). In financing activities, ¥64.5 billion was provided by net increase of long term loan and others (¥2.8 billion was provided in the previous fiscal year).

As a result, the balance of cash and cash equivalents at the end of FY2014 amounted to ¥932.3 billion and increased by ¥221.7 billion from the end of previous fiscal year.

(2) Demand for money

During the current consolidated fiscal year, The Company and consolidated subsidiaries invested a total ¥194.5 billion of capital expenditures on various areas such as development of new model and research & development. Capital expenditure project for the next fiscal year is ¥180.0 billion. The required fund will be covered mainly by our own funds and external financing if necessary.

3. Significant accounting policies

For information regarding significant accounting policies, please refer to the Notes to Consolidated Financial Statements.

* An amount less than 100 million yen has been rounded off in “Management Discussion and Analysis” section.
# Five-Year Summary

## SUZUKI MOTOR CORPORATION

### CONSOLIDATED

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>¥3,015,461</td>
<td>¥2,938,314</td>
<td>¥2,578,317</td>
<td>¥2,512,186</td>
<td>¥2,608,217</td>
<td>¥25,093,298</td>
</tr>
<tr>
<td>Net income</td>
<td>96,862</td>
<td>107,484</td>
<td>80,389</td>
<td>53,887</td>
<td>45,174</td>
<td>806,044</td>
</tr>
<tr>
<td>Net income per share:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary</td>
<td>172.67</td>
<td>191.60</td>
<td>143.31</td>
<td>96.06</td>
<td>80.65</td>
<td>1.44</td>
</tr>
<tr>
<td>Fully diluted</td>
<td>172.63</td>
<td>191.57</td>
<td>131.67</td>
<td>88.28</td>
<td>74.11</td>
<td>1.44</td>
</tr>
<tr>
<td>Cash dividends per share</td>
<td>27.00</td>
<td>24.00</td>
<td>18.00</td>
<td>15.00</td>
<td>13.00</td>
<td>0.22</td>
</tr>
<tr>
<td>Net assets</td>
<td>1,701,390</td>
<td>1,494,357</td>
<td>1,298,553</td>
<td>1,111,757</td>
<td>1,106,999</td>
<td>14,158,199</td>
</tr>
<tr>
<td>Total current assets</td>
<td>2,008,729</td>
<td>1,790,832</td>
<td>1,560,218</td>
<td>1,509,568</td>
<td>1,372,885</td>
<td>16,715,730</td>
</tr>
<tr>
<td>Total assets</td>
<td>3,252,800</td>
<td>2,874,074</td>
<td>2,487,635</td>
<td>2,302,439</td>
<td>2,224,344</td>
<td>27,068,326</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>134,377</td>
<td>117,188</td>
<td>93,680</td>
<td>103,117</td>
<td>138,368</td>
<td>1,118,228</td>
</tr>
</tbody>
</table>

### NON-CONSOLIDATED

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>¥1,663,147</td>
<td>¥1,498,853</td>
<td>¥1,422,595</td>
<td>¥1,383,269</td>
<td>¥1,409,205</td>
<td>$13,839,954</td>
</tr>
<tr>
<td>Net income</td>
<td>51,248</td>
<td>67,219</td>
<td>36,405</td>
<td>15,846</td>
<td>10,834</td>
<td>426,463</td>
</tr>
<tr>
<td>Net income per share:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary</td>
<td>91.34</td>
<td>119.81</td>
<td>64.89</td>
<td>28.25</td>
<td>19.34</td>
<td>0.76</td>
</tr>
<tr>
<td>Fully diluted</td>
<td>91.32</td>
<td>119.79</td>
<td>59.64</td>
<td>25.98</td>
<td>17.80</td>
<td>0.76</td>
</tr>
<tr>
<td>Cash dividends per share</td>
<td>27.00</td>
<td>24.00</td>
<td>18.00</td>
<td>15.00</td>
<td>13.00</td>
<td>0.22</td>
</tr>
<tr>
<td>Net assets</td>
<td>937,767</td>
<td>859,224</td>
<td>761,353</td>
<td>703,292</td>
<td>691,207</td>
<td>7,803,677</td>
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<tr>
<td>Total current assets</td>
<td>1,191,614</td>
<td>1,070,668</td>
<td>921,352</td>
<td>921,669</td>
<td>818,964</td>
<td>9,916,069</td>
</tr>
<tr>
<td>Total assets</td>
<td>2,096,545</td>
<td>1,850,068</td>
<td>1,641,700</td>
<td>1,597,903</td>
<td>1,524,232</td>
<td>17,446,495</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>37,421</td>
<td>33,605</td>
<td>35,626</td>
<td>38,532</td>
<td>61,265</td>
<td>311,407</td>
</tr>
</tbody>
</table>

Note: Yen amounts are translated into US dollars for convenience only, at ¥120.17 = US$1, the prevailing exchange rate as of 31 March 2015.
## Consolidated Balance Sheets

As of 31 March 2015 and 2014

<table>
<thead>
<tr>
<th>SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES</th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents *NOTE 4</td>
<td>¥ 932,261</td>
<td>¥ 710,611</td>
<td>$ 7,757,854</td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notes and accounts receivables-trade *NOTE 4</td>
<td>316,826</td>
<td>310,694</td>
<td>2,636,483</td>
</tr>
<tr>
<td>Allowance for doubtful accounts</td>
<td>(4,156)</td>
<td>(4,804)</td>
<td>(34,590)</td>
</tr>
<tr>
<td>Inventories</td>
<td>314,391</td>
<td>276,285</td>
<td>2,616,222</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>115,015</td>
<td>105,064</td>
<td>957,109</td>
</tr>
<tr>
<td>Other</td>
<td>334,391</td>
<td>392,982</td>
<td>2,782,651</td>
</tr>
<tr>
<td>Total current assets</td>
<td>2,008,729</td>
<td>1,790,832</td>
<td>16,715,730</td>
</tr>
<tr>
<td><strong>Property, plant and equipment:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land *NOTE 5</td>
<td>259,540</td>
<td>238,532</td>
<td>2,159,774</td>
</tr>
<tr>
<td>Buildings and structures *NOTE 5</td>
<td>403,922</td>
<td>385,797</td>
<td>3,361,255</td>
</tr>
<tr>
<td>Machinery, equipment, vehicles</td>
<td>1,280,563</td>
<td>1,120,381</td>
<td>10,656,269</td>
</tr>
<tr>
<td>Tools, furniture and fixtures</td>
<td>391,797</td>
<td>378,011</td>
<td>3,260,357</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>70,456</td>
<td>96,560</td>
<td>586,310</td>
</tr>
<tr>
<td><strong>Total property, plant and equipment</strong></td>
<td>2,406,280</td>
<td>2,219,283</td>
<td>20,023,967</td>
</tr>
<tr>
<td><strong>Accumulated depreciation</strong></td>
<td>(1,610,388)</td>
<td>(1,524,862)</td>
<td>(13,400,915)</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>795,892</td>
<td>694,420</td>
<td>6,623,051</td>
</tr>
<tr>
<td><strong>Investments and other assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment securities *NOTE 4</td>
<td>341,325</td>
<td>270,329</td>
<td>2,840,355</td>
</tr>
<tr>
<td>Investments in affiliates *NOTE 4</td>
<td>59,544</td>
<td>55,699</td>
<td>495,501</td>
</tr>
<tr>
<td>Assets for retirement benefits *NOTE 7</td>
<td>1,860</td>
<td>15,862</td>
<td>15,484</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>19,985</td>
<td>20,924</td>
<td>166,311</td>
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<tr>
<td>Other</td>
<td>25,462</td>
<td>26,005</td>
<td>211,889</td>
</tr>
<tr>
<td>Total investments and other assets</td>
<td>448,179</td>
<td>388,821</td>
<td>3,729,543</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>¥3,252,800</td>
<td>¥2,874,074</td>
<td>$27,068,326</td>
</tr>
</tbody>
</table>

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

#### SUZUKI MOTOR CORPORATION

#### 2015

#### LIABILITIES AND NET ASSETS

**Current liabilities:**

- Short-term loans payable *NOTE 4 and 5*........................................... 177,805 197,413 1,479,615
- Current portion of long-term loans payable *NOTE 4 and 5*........... 104,145 38,748 866,550
- Accounts payable-trade *NOTE 4*................................................. 479,950 433,819 3,993,925
- Income taxes payable................................................................. 21,797 46,628 181,392
- Accrued expenses *NOTE 4*......................................................... 181,217 171,274 1,508,005
- Provision for product warranties.................................................. 60,305 61,447 501,835
- Deferred tax liabilities.............................................................. 6,190 967 51,517
- Other *NOTE 5*............................................................................... 121,188 106,634 1,008,479

Total current liabilities.................................................................. 1,152,601 1,056,933 9,591,423

**Noncurrent liabilities:**

- Long-term loans payable *NOTE 4 and 5*................................. 272,717 209,166 2,269,426
- Liabilities for retirement benefits *NOTE 7*................................. 40,791 36,918 339,450
- Provision for disaster................................................................. 8,923 16,596 74,260
- Deferred tax liabilities.............................................................. 43,766 29,179 364,208
- Other *NOTE 5*............................................................................... 32,609 30,923 271,357

Total noncurrent liabilities......................................................... 398,808 322,783 3,318,703

Total liabilities........................................................................... 1,551,409 1,379,717 12,910,126

**Net assets:**

**Shareholders’ equity:** *NOTE 11*

- Capital stock:
  - Common stock: Authorized-1,500,000,000 shares Issued, as of 31 March 2015 – 561,047,304......................... 138,014 — 1,148,495
  - as of 31 March 2014 – 561,047,304........................................ — 138,014 —
- Capital surplus........................................................................... 144,364 144,364 1,201,337
- Retained earnings .................................................................... 1,082,440 1,008,555 9,007,576
- Treasury stock ............................................................................ (62) (57) (517)

Total shareholders’ equity......................................................... 1,364,757 1,290,877 11,356,893

**Accumulated other comprehensive income:**

- Valuation difference on available-for-sale securities ....... 158,788 104,745 1,321,361
- Deferred gains or losses on hedges........................................... 679 131 5,654
- Foreign currency translation adjustment ....................... (42,997) (72,898) (357,806)
- Accumulated adjustment for retirement benefits .......... 864 3,867 7,190

Total accumulated other comprehensive income................... 117,333 35,846 976,399

- Subscription rights to shares *NOTE 14*................................. 250 168 2,088
- Minority interests................................................................. 219,048 167,464 1,822,816

Total net assets........................................................................... 1,701,390 1,494,357 14,158,326

Total liabilities and net assets.................................................. 3,252,800 2,874,074 27,068,326
Consolidated Financial Statements

Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)
Years ended 31 March 2015 and 2014

<table>
<thead>
<tr>
<th>SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES</th>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>¥3,015,461</td>
<td>$25,093,298</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>2,190,309</td>
<td>18,226,758</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>825,152</td>
<td>6,866,540</td>
</tr>
<tr>
<td><strong>Selling, general and administrative expenses</strong></td>
<td>645,727</td>
<td>5,373,449</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>179,424</td>
<td>1,493,091</td>
</tr>
<tr>
<td><strong>Other income (expenses):</strong></td>
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</tr>
<tr>
<td>Interest and dividend income</td>
<td>25,259</td>
<td>210,200</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(9,433)</td>
<td>(78,505)</td>
</tr>
<tr>
<td>Equity in earnings (losses) of affiliates</td>
<td>(1,454)</td>
<td>(12,105)</td>
</tr>
<tr>
<td>Other, net</td>
<td>(549)</td>
<td>(4,569)</td>
</tr>
<tr>
<td><strong>Income before income taxes</strong></td>
<td>193,246</td>
<td>1,608,111</td>
</tr>
<tr>
<td><strong>Income taxes:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td>70,589</td>
<td>587,415</td>
</tr>
<tr>
<td>Deferred</td>
<td>(4,970)</td>
<td>(41,362)</td>
</tr>
<tr>
<td><strong>Income before minority interests</strong></td>
<td>65,619</td>
<td>546,052</td>
</tr>
<tr>
<td><strong>Minority interests in income</strong></td>
<td>127,627</td>
<td>1,062,058</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>¥96,862</td>
<td>$806,044</td>
</tr>
</tbody>
</table>

| Net income per share:                                   |                 |                        |
| Primary                                                | ¥172.67         | $1.44                  |
| Fully diluted                                           | 172.63          | 1.44                   |
| **Cash dividends per share**                           | 27.00           | 0.22                   |

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.
(Consolidated Statements of Comprehensive Income)
Years ended 31 March 2015 and 2014

<table>
<thead>
<tr>
<th>SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES</th>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income before minority interests</td>
<td>¥127,627</td>
<td>$1,062,058</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Other comprehensive income *NOTE 12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valuation difference on available-for-sale securities</td>
<td>57,734</td>
<td>47,596</td>
</tr>
<tr>
<td>Deferred gains or losses on hedges</td>
<td>587</td>
<td>(1,196)</td>
</tr>
<tr>
<td>Foreign currency translation adjustment</td>
<td>46,774</td>
<td>27,555</td>
</tr>
<tr>
<td>Adjustment for retirement benefits</td>
<td>(3,005)</td>
<td>—</td>
</tr>
<tr>
<td>Share of other comprehensive income of associates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>accounted for using equity method</td>
<td>3,489</td>
<td>7,504</td>
</tr>
<tr>
<td>Total other comprehensive income</td>
<td>105,579</td>
<td>81,459</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td>233,206</td>
<td>208,949</td>
</tr>
<tr>
<td>Comprehensive income attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Comprehensive income attributable to owners of the parent</td>
<td>178,312</td>
<td>187,105</td>
</tr>
<tr>
<td>Comprehensive income attributable to minority interests</td>
<td>54,894</td>
<td>21,844</td>
</tr>
</tbody>
</table>

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.
Consolidated Statements of Changes in Net Assets

Years ended 31 March 2015 and 2014

<table>
<thead>
<tr>
<th>Thousands of shares of common stock</th>
<th>Capital stock</th>
<th>Capital surplus</th>
<th>Retained earnings</th>
<th>Treasury stock</th>
<th>Total other comprehensive income</th>
<th>Subscription rights to shares</th>
<th>Minority interests</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as of 31 March 2013</strong></td>
<td>561,047</td>
<td>¥138,014</td>
<td>¥144,364</td>
<td>¥912,304</td>
<td>¥(86)</td>
<td>¥(47,642)</td>
<td>¥84</td>
</tr>
<tr>
<td>Dividends from surplus</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(11,220)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Net income</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>107,484</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Purchase of treasury stock</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(5)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Disposal of treasury stock</td>
<td>—</td>
<td>—</td>
<td>(13)</td>
<td>—</td>
<td>35</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Transfer of loss on disposal of treasury stock</td>
<td>—</td>
<td>—</td>
<td>13</td>
<td>(13)</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Net changes of items other than shareholders' equity .</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>83,488</td>
<td>83</td>
<td>15,950</td>
</tr>
<tr>
<td><strong>Balance as of 31 March 2014</strong></td>
<td>561,047</td>
<td>¥138,014</td>
<td>¥144,364</td>
<td>¥1,008,555</td>
<td>¥(57)</td>
<td>¥35,846</td>
<td>¥168</td>
</tr>
<tr>
<td>Cumulative effects of changes in accounting policies</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(8,118)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Balance as of 31 March 2015</strong></td>
<td>561,047</td>
<td>¥138,014</td>
<td>¥144,364</td>
<td>¥1,082,440</td>
<td>¥(62)</td>
<td>¥117,333</td>
<td>¥250</td>
</tr>
<tr>
<td>Dividends from surplus</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(13,464)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Net income</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>96,862</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Effects of changes of fiscal year</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(1,384)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Purchase of treasury stock</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(30)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Disposal of treasury stock</td>
<td>—</td>
<td>—</td>
<td>(9)</td>
<td>—</td>
<td>25</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Transfer of loss on disposal of treasury stock</td>
<td>—</td>
<td>—</td>
<td>9</td>
<td>(9)</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Net changes of items other than shareholders' equity .</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>81,487</td>
<td>81</td>
<td>51,583</td>
</tr>
<tr>
<td><strong>Balance as of 31 March 2014 reflected changes in accounting policies</strong></td>
<td>561,047</td>
<td>¥138,014</td>
<td>¥144,364</td>
<td>¥1,082,440</td>
<td>¥(62)</td>
<td>¥117,333</td>
<td>¥250</td>
</tr>
<tr>
<td>Cumulative effects of changes in accounting policies</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(67,557)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Balance as of 31 March 2015</strong></td>
<td>561,047</td>
<td>$1,148,495</td>
<td>$1,201,337</td>
<td>$8,325,181</td>
<td>$(477)</td>
<td>$298,296</td>
<td>$1,405</td>
</tr>
<tr>
<td>Dividends from surplus</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(112,049)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Net income</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>806,044</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Effects of changes of fiscal year</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(11,521)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Purchase of treasury stock</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(252)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Disposal of treasury stock</td>
<td>—</td>
<td>—</td>
<td>(77)</td>
<td>—</td>
<td>212</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Transfer of loss on disposal of treasury stock</td>
<td>—</td>
<td>—</td>
<td>77</td>
<td>(77)</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Net changes of items other than shareholders' equity .</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>678,102</td>
<td>682</td>
<td>429,253</td>
</tr>
<tr>
<td><strong>Balance as of 31 March 2015</strong></td>
<td>561,047</td>
<td>$1,148,495</td>
<td>$1,201,337</td>
<td>$9,007,576</td>
<td>$(517)</td>
<td>$976,399</td>
<td>$2,088</td>
</tr>
</tbody>
</table>

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

**Years ended 31 March 2015 and 2014**

**SUZUKI MOTOR CORPORATION AND CONSOLIDATED SUBSIDIARIES**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>¥193,246</td>
<td>¥197,090</td>
<td>$1,608,111</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>134,377</td>
<td>117,188</td>
<td>1,118,228</td>
</tr>
<tr>
<td>Impairment loss</td>
<td>969</td>
<td>1,029</td>
<td>8,067</td>
</tr>
<tr>
<td>Increase (decrease) in allowance for doubtful accounts</td>
<td>867</td>
<td>(699)</td>
<td>7,216</td>
</tr>
<tr>
<td>Interest and dividends income</td>
<td>(25,259)</td>
<td>(18,441)</td>
<td>(210,200)</td>
</tr>
<tr>
<td>Interest expenses</td>
<td>9,433</td>
<td>6,158</td>
<td>78,505</td>
</tr>
<tr>
<td>Foreign exchange losses (gains)</td>
<td>4,804</td>
<td>6,718</td>
<td>39,981</td>
</tr>
<tr>
<td>Equity in (earnings) losses of affiliates</td>
<td>1,454</td>
<td>115</td>
<td>12,105</td>
</tr>
<tr>
<td>Loss (gain) on sales of property, plant and equipment</td>
<td>102</td>
<td>(290)</td>
<td>850</td>
</tr>
<tr>
<td>Decrease (increase) in notes and accounts receivable-trade</td>
<td>(9,242)</td>
<td>(49,559)</td>
<td>(76,914)</td>
</tr>
<tr>
<td>Decrease (increase) in inventories</td>
<td>(37,179)</td>
<td>(10)</td>
<td>(309,392)</td>
</tr>
<tr>
<td>Increase (decrease) in notes and accounts payable-trade</td>
<td>44,390</td>
<td>72,664</td>
<td>369,398</td>
</tr>
<tr>
<td>Increase (decrease) in accrued expenses</td>
<td>2,542</td>
<td>12,680</td>
<td>21,155</td>
</tr>
<tr>
<td>Other, net</td>
<td>15,838</td>
<td>7,126</td>
<td>131,804</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td>334,611</td>
<td>351,772</td>
<td>2,794,485</td>
</tr>
<tr>
<td>Interest and dividends received</td>
<td>25,347</td>
<td>18,999</td>
<td>210,933</td>
</tr>
<tr>
<td>Interest expenses paid</td>
<td>(8,108)</td>
<td>(5,646)</td>
<td>(67,479)</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>(96,813)</td>
<td>(42,209)</td>
<td>(805,640)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) operating activities</strong></td>
<td>255,037</td>
<td>322,915</td>
<td>2,122,302</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments into time deposits</td>
<td>(79,661)</td>
<td>(77,477)</td>
<td>(662,905)</td>
</tr>
<tr>
<td>Proceeds from withdrawal of time deposits</td>
<td>136,236</td>
<td>38,842</td>
<td>1,133,695</td>
</tr>
<tr>
<td>Purchases of short-term investment securities</td>
<td>(193,152)</td>
<td>(209,912)</td>
<td>(1,607,325)</td>
</tr>
<tr>
<td>Proceeds from sales of short-term investment securities</td>
<td>206,239</td>
<td>165,156</td>
<td>1,716,227</td>
</tr>
<tr>
<td>Purchases of property, plant and equipment</td>
<td>(192,694)</td>
<td>(204,739)</td>
<td>(1,603,516)</td>
</tr>
<tr>
<td>Other, net</td>
<td>2,123</td>
<td>1,570</td>
<td>17,674</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) investing activities</strong></td>
<td>(120,909)</td>
<td>(286,559)</td>
<td>(1,006,149)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net increase (decrease) in short-term loans payable</td>
<td>(26,353)</td>
<td>24,691</td>
<td>(219,297)</td>
</tr>
<tr>
<td>Proceeds from long-term loans payable</td>
<td>173,000</td>
<td>30,000</td>
<td>1,439,627</td>
</tr>
<tr>
<td>Repayment of long-term loans payable</td>
<td>(45,191)</td>
<td>(38,488)</td>
<td>(376,066)</td>
</tr>
<tr>
<td>Purchase of treasury stock</td>
<td>(30)</td>
<td>(5)</td>
<td>(252)</td>
</tr>
<tr>
<td>Cash dividends paid</td>
<td>(13,466)</td>
<td>(11,219)</td>
<td>(112,062)</td>
</tr>
<tr>
<td>Cash dividends paid to minority shareholders</td>
<td>(3,456)</td>
<td>(2,133)</td>
<td>(28,765)</td>
</tr>
<tr>
<td>Other, net</td>
<td>(28)</td>
<td>(35)</td>
<td>(236)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) financing activities</strong></td>
<td>84,472</td>
<td>2,809</td>
<td>702,945</td>
</tr>
<tr>
<td><strong>Effect of exchange rate changes on cash and cash equivalents</strong></td>
<td>5,042</td>
<td>10,342</td>
<td>41,962</td>
</tr>
<tr>
<td><strong>Net increase (decrease) in cash and cash equivalents</strong></td>
<td>223,543</td>
<td>49,508</td>
<td>1,861,060</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at beginning of period</strong></td>
<td>710,611</td>
<td>661,102</td>
<td>5,913,381</td>
</tr>
<tr>
<td><strong>Increase (decrease) in cash and cash equivalents resulting from change of fiscal year of subsidiaries</strong></td>
<td>(2,039)</td>
<td>—</td>
<td>(16,969)</td>
</tr>
<tr>
<td><strong>Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation</strong></td>
<td>45</td>
<td>—</td>
<td>382</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of period</strong></td>
<td>¥932,261</td>
<td>¥710,611</td>
<td>$7,757,854</td>
</tr>
</tbody>
</table>

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), consolidated Subsidiaries, and Affiliates (The Group) have been prepared on the basis of generally accepted accounting principles and practices in Japan, and the consolidated financial statements were filed with the Financial Services Agency 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 recategorizations 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 US dollars by translating all Japanese yen amounts on the basis of 120.17 to US$, the rate of exchange prevailing as of 31 March 2015. Consequently, the totals shown in the consolidated financial statements (both in yen and in US 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 31 March 2015 and 2014, include the accounts of The Group. And the numbers of consolidated subsidiaries are both 133. All significant inter-company accounts and transactions are eliminated in consolidation. Investments in affiliated companies are accounted for by the equity method.

The difference at the time of acquisition between the cost and underlying net equity of investments in consolidated subsidiaries (goodwill) 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.

Consolidated subsidiaries that settled the account in 31 December without provisional account settlement as of consolidated account settlement date were consolidated with the financial statements based on their financial statements as of 31 December and made necessary adjustments for consolidation regarding important transactions that occurred between 31 December and consolidated account settlement date.

From this consolidated fiscal year, Suzuki Motor Iberica, S.A.U. and other 5 subsidiaries have changed the settlement date from 31 December to 31 March and Suzuki Motor (Thailand) Co., Ltd. and other 16 subsidiaries have been consolidated based on the financial statements of provisional account as of consolidated account settlement date. As a result, subsidiary which has been consolidated based on the financial statements as of 31 December is 1 subsidiary.

With regard to these changing mentioned above, the net income (loss) of three months from 1 January to 31 March 2014 has been recognized in retained earnings.

As a result, retained earnings decreased by ¥1,384 million from the beginning of this consolidated fiscal year.

The account settlement date of Magyar Suzuki Corporation Ltd. and other 4 subsidiaries is 31 December, but they are continuously consolidated based on the financial statements of provisional account settlement as of 31 March.

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

(b) Allowance for doubtful accounts

In order to allow for loss from bad debts, estimated uncollectible amount based on actual ratio of bad debt is appropriated as to general receivable. As for specific receivable with higher default possibility, recoverable amount is estimated respectively and uncollectible amount is appropriated.

(c) Allowance for investment loss

The differences between the book value and the fair value of securities and investment not quoted at an exchange are determined and appropriated as reserve in order to allow for losses from these investments.

(d) Provision for product warranties

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.

(e) Provision for directors’ bonuses

In order to defray bonuses for directors and company auditors, estimated amount of such bonuses is appropriated.

(f) Provision for directors’ retirement benefits

The amount to be paid at the end of fiscal year had been posted pursuant to The Company’s regulations on the retirement allowance of Directors and Company Auditors. However, The Company’s retirement benefit system for them was abolished at the closure of the Ordinary General Meeting of Shareholders held on 29 June 2006. And it was approved at Ordinary General Meeting of Shareholders that reappointed Directors and Company Auditors were 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 the current consolidated fiscal year. Furthermore, for the Directors and Company 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 Company Auditors.
(g) **Provision for disaster**
Reasonably estimated amount is appropriated for anticipated loss mainly caused by relocation of plants and facilities located in the Ryuyo Region in Iwata City, Shizuoka Prefecture where massive tsunami damages caused by Tokai and Tonankai Earthquake are anticipated.

(h) **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 Group is computed and provided on the basis of actual results in the past.

(i) **Provision for recycling expenses**
The provision is appropriated for an estimated expense related to the recycle of products of The Company based on actual sales.

(j) **Short-term investment securities and 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 consolidated 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 other comprehensive income, 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.

(k) **Hedge accounting**
Gains or losses arising from changes in fair value of the derivatives designated as “hedging instruments” are deferred until the gains and losses on the hedged items or transactions are recognized.

If foreign currency forward contracts meet certain criteria, exceptional hedge accounting is applied and these contracts are handled together with hedged items. If interest rate swap contracts meet certain criteria, special exceptional hedge accounting is applied and these contracts are handled together with hedged items. If cross currency interest rate swap contracts meet certain criteria, integration method (special exceptional method and exceptional method) is applied and these contracts are handled together with hedged items.

The derivatives designated as hedging instruments by The Company and its subsidiaries are principally forward exchange contracts, interest swaps and cross currency interest rate swaps. The related hedged items are foreign currency denominated transaction and borrowings.

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.

(l) **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 income 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 fiscal year are translated into Japanese yen using the average exchange rate during the fiscal 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.

(m) **Inventories**
Stated at cost mainly determined by the gross average method (Figures on the consolidated balance sheet are measured by the method of book devaluation based on the reduction of profitability).

(n) **Method of depreciation and amortization of significant depreciable assets**
a. Property, plant and equipment (excluding lease assets)

\[ \text{Mainly declining balance method for The Company and domestic subsidiaries and mainly straight-line method for foreign subsidiaries.} \]

Main durable years are as follows:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Durable Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings and structures</td>
<td>3 to 75 years</td>
</tr>
<tr>
<td>Machinery, equipment and vehicles</td>
<td>3 to 15 years</td>
</tr>
</tbody>
</table>
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 noncurrent assets.
Finance lease which do not transfer ownership  
.......................... Straight-line method with the lease period as the durable years. As to lease assets with guaranteed residual value under lease agreement, remaining value is the guaranteed residual value. And as to other lease assets, remaining value would be zero.

(o) Income taxes  
The provision for income taxes is computed based on the income before income taxes included in the 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. Consolidated tax payment has been applied to The Company and its domestic wholly owned subsidiaries since the fiscal year ended 31 March 2012.

(p) Retirement benefits  
With regard to calculation of retirement benefit obligations, benefit formula basis method was used to attribute expected benefit to period up to the end of this fiscal year. With regard to past service costs, they are treated as expense on a straight-line basis over the certain years within the period of average length of employees’ remaining service years at the time when it occurs. As for the actuarial gain or loss, the amounts, prorated on a straight-line basis over the certain years within 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. 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 reduce 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.

(q) 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 stock options are exercised. Cash dividends per share are the amounts applicable to the respective periods including dividends to be paid after the end of the period.

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

(s) Reclassification  
Certain reclassifications of previously reported amounts are made to conform to current classifications.

NOTE 3: Changes in accounting policies

(a) Application of accounting standard for retirement benefits  
Body text stipulated in article 35 of the Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement No.26 of 17 May 2012) and article 67 of the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25 of 26 March 2015) have been applied from this consolidated fiscal year. The revision of the calculation method for retirement benefit obligations and service costs, with the changing method of attributing benefits to accounting periods from the straight-line basis method to the benefit formula basis, and the changing method of determination of the discount rate from the method of determination the bonds period by using the approximate number of years of the average remaining service period of employees which is based on determination of the discount rate to a single weighted average discount rate reflecting the estimated timing and amount of benefit payment, have been applied from this consolidated fiscal year. In accordance with transitional accounting as stipulated in article 37 of the Accounting Standard for Retirement Benefits, the effect of the changes in accounting policies arising from initial application is recognized in retained earnings from the beginning of this consolidated fiscal year.
As a result, assets for retirement benefits decreased by ¥10,357 million, liabilities for retirement benefits increased by ¥1,885 million and retained earnings decreased by ¥8,118 million from the beginning of this consolidated fiscal year. Influences by the above-mentioned on operating income and income before income taxes for this consolidated fiscal year are insignificant.

(b) New accounting standards not yet applied
- Accounting Standard for Business Combinations (ASBJ Statement No.21 of 13 September 2013)
- Accounting Standard for Consolidated Financial Statements (ASBJ Statement No.22 of 13 September 2013)
- Accounting Standard for Business Divestitures (ASBJ Statement No.7 of 13 September 2013)
- Accounting Standard for Earnings Per Share (ASBJ Statement No.2 of 13 September 2013)
- Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No.10 of 13 September 2013)
- Guidance on Accounting Standard for Earnings Per Share (ASBJ Guidance No.4 of 13 September 2013)

a. Overview
The accounting methods for difference arising from a change in ownership interest in a subsidiary when the Company continues to have control because of additional acquisition of shares of the subsidiary, treatment of acquisition-related costs, expression of net income, etc. and expression of minority interests to non-controlling interests, provisional accounting treatments and others have been revised.

b. Application date
These accounting standards will be applied from the beginning of the consolidated fiscal year on and after 1 April 2015. Provisional accounting treatments will be applied to business combinations to be performed on and after 1 April 2015.

c. Effect of applying accounting standard
The effect in the consolidated financial statements as a result of the adoption of these accounting standards is currently unconfirmed.

NOTE 4: Financial Instruments

(a) Matters for conditions of financial instruments

a. Policy for financial instruments
As for the fund management, The Group uses short-term deposits and short-term investment securities, and as for the fund-raising, The Group uses borrowings from financial institutions such as banks and issuance of bonds. The Group uses derivatives to hedge and manage the risks of interest rates and exchange rates fluctuations, and does not use derivatives for speculation purposes.

b. Type of financial instruments, risks and risk management
With respect to customers' credit risks from operating receivables such as notes and accounts receivables-trade, in order to mitigate the risks, The Group identifies credit standing of major counterparties and manages due date and receivable balance of each counterparty in line with our rules and regulations for credit control. The Group hedges risks of exchange rate fluctuations from operating receivables denominated in foreign currency by forward exchange contract in principle. Investment securities are mainly stocks of companies with which The Group has business relationship, and as for listed stocks, The Group quarterly identifies those fair values and reports them to the Board of Directors. Basically, accounts payable-trade is due within one year. Applications of borrowings are fund for operating capital (mainly short-term) and capital expenditures (long-term), and The Group uses interest-rate swaps or cross currency interest rate swaps for the risks of fluctuation in interest rate and exchange rate of some long-term borrowings. Objectives of derivative transactions are foreign currency forward contracts to hedge the risks of exchange rate fluctuations related to receivables denominated in foreign currencies, interest rate swaps to hedge the risks of fluctuations in interest rate related to borrowings, and cross currency interest rate swaps to hedge the risk of fluctuation in exchange rate and interest rate related to borrowings. The Group executes and manages derivatives within the actual demand in line with our rules and regulations which set out the authority to trade. In addition, in using derivatives, The Group deals with financial institutions which have high credit grade in order to reduce credit risks. With respect to hedge accounting, also please see Note 2 (k).
In addition, each company of The Group manages liquidity risk related to accounts payable and borrowings by making a financial plan.

c. Supplement to fair values of financial instruments
Fair values of financial instruments include values based on quoted prices in active markets and values assessed by rational valuation techniques in case quoted prices are not available. Because the rational valuation techniques include variable factors, the results of valuation may differ when different assumption is applied.
(b) Matters for fair values of the financial instruments

Carrying amounts in the consolidated balance sheet, fair values and difference as of 31 March 2015 and 2014 were as follows. Financial instruments whose fair value cannot be reliably determined are not included in the below table.

<table>
<thead>
<tr>
<th></th>
<th>2015 Carrying amount</th>
<th>2015 Fair value</th>
<th>Difference</th>
<th>2014 Carrying amount</th>
<th>2014 Fair value</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and deposits</td>
<td>¥457,513</td>
<td>¥457,513</td>
<td>¥—</td>
<td>¥358,851</td>
<td>¥358,851</td>
<td>¥—</td>
</tr>
<tr>
<td>Notes and accounts receivables-trade</td>
<td>316,826</td>
<td>318,567</td>
<td>1,741</td>
<td>310,694</td>
<td>311,221</td>
<td>527</td>
</tr>
<tr>
<td>Short-term investment securities and Investment securities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available-for-sale securities</td>
<td>1,007,347</td>
<td>1,007,347</td>
<td>—</td>
<td>863,514</td>
<td>863,514</td>
<td>—</td>
</tr>
<tr>
<td>Investments in affiliates</td>
<td>616</td>
<td>669</td>
<td>52</td>
<td>513</td>
<td>252</td>
<td>(261)</td>
</tr>
<tr>
<td>Total of assets</td>
<td>1,782,304</td>
<td>1,784,098</td>
<td>1,794</td>
<td>1,533,573</td>
<td>1,533,838</td>
<td>265</td>
</tr>
<tr>
<td>Accounts payable-trade</td>
<td>479,950</td>
<td>479,950</td>
<td>—</td>
<td>433,819</td>
<td>433,819</td>
<td>—</td>
</tr>
<tr>
<td>Short-term loans payable</td>
<td>177,805</td>
<td>177,805</td>
<td>—</td>
<td>197,413</td>
<td>197,413</td>
<td>—</td>
</tr>
<tr>
<td>Current portion of long-term loans payable</td>
<td>104,145</td>
<td>103,768</td>
<td>377</td>
<td>38,748</td>
<td>38,779</td>
<td>(31)</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>181,217</td>
<td>181,217</td>
<td>—</td>
<td>171,274</td>
<td>171,274</td>
<td>—</td>
</tr>
<tr>
<td>Long-term loans payable</td>
<td>272,717</td>
<td>268,346</td>
<td>4,370</td>
<td>209,166</td>
<td>207,874</td>
<td>1,291</td>
</tr>
<tr>
<td>Total of liabilities</td>
<td>1,215,834</td>
<td>1,211,087</td>
<td>4,747</td>
<td>1,050,421</td>
<td>1,049,160</td>
<td>1,260</td>
</tr>
<tr>
<td>Derivatives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hedge accounting is applied</td>
<td>1,072</td>
<td>1,072</td>
<td>—</td>
<td>51</td>
<td>51</td>
<td>—</td>
</tr>
<tr>
<td>Hedge accounting is not applied</td>
<td>1,603</td>
<td>1,603</td>
<td>—</td>
<td>1,160</td>
<td>1,160</td>
<td>—</td>
</tr>
</tbody>
</table>

Thousands of US dollars

<table>
<thead>
<tr>
<th></th>
<th>2015 Carrying amount</th>
<th>2015 Fair value</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and deposits</td>
<td>$3,807,223</td>
<td>$3,807,223</td>
<td>$—</td>
</tr>
<tr>
<td>Notes and accounts receivables-trade</td>
<td>2,636,483</td>
<td>2,650,976</td>
<td>14,492</td>
</tr>
<tr>
<td>Short-term investment securities and Investment securities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available-for-sale securities</td>
<td>8,382,687</td>
<td>8,382,687</td>
<td>—</td>
</tr>
<tr>
<td>Investments in affiliates</td>
<td>5,131</td>
<td>5,572</td>
<td>440</td>
</tr>
<tr>
<td>Total of assets</td>
<td>14,831,524</td>
<td>14,846,458</td>
<td>14,933</td>
</tr>
<tr>
<td>Accounts payable-trade</td>
<td>3,993,925</td>
<td>3,993,925</td>
<td>—</td>
</tr>
<tr>
<td>Short-term loans payable</td>
<td>1,479,615</td>
<td>1,479,615</td>
<td>—</td>
</tr>
<tr>
<td>Current portion of long-term loans payable</td>
<td>866,650</td>
<td>863,511</td>
<td>3,139</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>1,508,005</td>
<td>1,508,005</td>
<td>—</td>
</tr>
<tr>
<td>Long-term loans payable</td>
<td>2,269,426</td>
<td>2,233,061</td>
<td>36,365</td>
</tr>
<tr>
<td>Total of liabilities</td>
<td>10,117,623</td>
<td>10,078,119</td>
<td>39,504</td>
</tr>
<tr>
<td>Derivatives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hedge accounting is applied</td>
<td>8,922</td>
<td>8,922</td>
<td>—</td>
</tr>
<tr>
<td>Hedge accounting is not applied</td>
<td>13,339</td>
<td>13,339</td>
<td>—</td>
</tr>
</tbody>
</table>

* Assets or liabilities derived from derivatives are shown on a net basis and net liabilities are shown as ( ).
*1. Matters for methods used to measure fair values of financial instruments

   Assets:
   a. Cash and deposits
      Because fair values of deposits are approximately equal to the book values, book values are used as fair values.
   b. Notes and accounts receivables-trade
      Fair values of sales finance receivables are calculated on the discount method by the expected rate applied to new
      loan contract, on each receivable classified into a certain term.
      Notes and accounts receivables-trade except sales finance are settled in short term and those fair values are ap-
      proximately equal to the book values. So book values are used as fair values.
   c. Short-term investment securities and Investment securities
      As to these fair values, fair values of stock are prices of exchanges. As to negotiable certificate of deposit and other
      types of securities, book values are used as fair values because they are settled in short term and those fair values
      are approximately equal to the book values.

   Liabilities:
   a. Accounts payable-trade, Short-term loans payable and Accrued expenses
      Because these are settled in short term and those fair values are approximately equal to the book values, such book
      values are used.
   b. Current portion of long-term loans payable and Long-term loans payable
      These fair values are measured by discounting based on the estimated interest rates at which similar new loans with
      same amount of principal and interest could have been borrowed.

   Derivatives:
   Please refer to Note 4 (d) Derivative transactions.

*2. Financial instruments whose fair value cannot be reliably determined as of 31 March 2015 and 2014

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Available-for-sale securities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unlisted stock other than stocks of affiliates</td>
<td>¥18,748</td>
<td>¥18,747</td>
</tr>
<tr>
<td>Unlisted stock of affiliates</td>
<td>23,084</td>
<td>17,077</td>
</tr>
<tr>
<td>Others</td>
<td>119</td>
<td>557</td>
</tr>
</tbody>
</table>

Those fair values cannot be reliably measured because market values are unavailable and future cash flows cannot be
estimated. So they are not included in "short-term investment securities and investment securities".
*3. The amounts to be redeemed after the account settlement date of monetary receivables and available-for-sale securities

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Within 1 year</td>
<td>Over 1 year</td>
</tr>
<tr>
<td>Cash and deposits</td>
<td>¥ 457,513</td>
<td>¥ —</td>
</tr>
<tr>
<td>Notes and accounts receivables - trade</td>
<td>¥ 241,373</td>
<td>¥ 75,017</td>
</tr>
<tr>
<td>Securities and investment securities with maturities</td>
<td>¥ 685,647</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>¥ 1,384,534</td>
<td>¥ 1,200,677</td>
</tr>
</tbody>
</table>

Thousands of US dollars

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Within 1 year</td>
<td>Over 1 year</td>
</tr>
<tr>
<td>Cash and deposits</td>
<td>$ 3,807,223</td>
<td>$ —</td>
</tr>
<tr>
<td>Notes and accounts receivables - trade</td>
<td>$ 2,008,598</td>
<td>$ 624,264</td>
</tr>
<tr>
<td>Securities and investment securities with maturities</td>
<td>$ 5,705,647</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>$11,521,469</td>
<td>$624,264</td>
</tr>
</tbody>
</table>
(c) Securities

a. Available-for-sale securities with market value as of 31 March 2015 and 2014

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th></th>
<th>2015</th>
<th>2014</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acquisition cost</td>
<td>Carrying Amount</td>
<td>Difference</td>
<td>Acquisition cost</td>
<td>Carrying Amount</td>
<td>Difference</td>
</tr>
<tr>
<td>Securities for which the carrying amount exceeds the acquisition costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td>¥ 93,769</td>
<td>¥ 320,628</td>
<td>¥ 226,859</td>
<td>¥ 91,865</td>
<td>¥250,014</td>
<td>¥158,148</td>
</tr>
<tr>
<td>Bonds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>249,238</td>
<td>263,329</td>
<td>14,090</td>
<td>175,441</td>
<td>181,767</td>
<td>6,325</td>
</tr>
<tr>
<td>Sub-Total</td>
<td>¥343,008</td>
<td>¥ 583,957</td>
<td>¥ 240,949</td>
<td>¥267,307</td>
<td>¥431,782</td>
<td>¥164,474</td>
</tr>
<tr>
<td>Securities for which the carrying amount does not exceed the acquisition costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td>¥ 1,549</td>
<td>¥ 1,191</td>
<td>¥ (358)</td>
<td>¥ 1,928</td>
<td>¥ 1,567</td>
<td>¥ (361)</td>
</tr>
<tr>
<td>Bonds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>422,198</td>
<td>422,198</td>
<td>—</td>
<td>425,164</td>
<td>425,164</td>
<td>—</td>
</tr>
<tr>
<td>Sub-Total</td>
<td>¥423,748</td>
<td>¥ 423,389</td>
<td>¥ (358)</td>
<td>¥432,093</td>
<td>¥431,732</td>
<td>¥ (361)</td>
</tr>
<tr>
<td>Total</td>
<td>¥766,756</td>
<td>¥1,007,347</td>
<td>¥ 240,591</td>
<td>¥699,401</td>
<td>¥863,514</td>
<td>¥164,113</td>
</tr>
</tbody>
</table>

Thousands of US dollars

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th></th>
<th></th>
<th>2015</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acquisition cost</td>
<td>Carrying Amount</td>
<td>Difference</td>
<td>Acquisition cost</td>
<td>Carrying Amount</td>
<td>Difference</td>
</tr>
<tr>
<td>Securities for which the carrying amount exceeds the acquisition costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td>$ 780,304</td>
<td>$ 2,668,124</td>
<td>$1,887,819</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>2,074,052</td>
<td>2,191,308</td>
<td>117,255</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Total</td>
<td>$2,854,357</td>
<td>$4,859,432</td>
<td>$2,005,075</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Securities for which the carrying amount does not exceed the acquisition costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td>$ 12,898</td>
<td>$ 9,913</td>
<td>$(2,984)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>3,513,341</td>
<td>3,513,341</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Total</td>
<td>$ 3,526,239</td>
<td>$3,523,254</td>
<td>$(2,984)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$ 6,380,596</td>
<td>$8,382,687</td>
<td>$2,002,090</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

b. Available-for-sale securities sold during 2015 and 2014

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th></th>
<th>2015</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td>Thousands of US dollars</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts sold</td>
<td>¥206,255</td>
<td>$1,716,364</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gains on sales of available-for-sale securities</td>
<td>—</td>
<td>17</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on sales of available-for-sale securities</td>
<td>—</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Suzuki Motor Corporation
(d) Derivative transactions

The contract/notional amounts of derivatives which are shown in the below table do not represent The Group's exposure to market risk. As to fair values of derivatives which are shown in the below tables, commodity transactions are valued based on market price. Other transactions are valued based on the price offered by financial institutions.

a. Derivative transactions to which hedge accounting is not applied as of 31 March 2015 and 2014

Currency related transactions (non-market transactions) Millions of yen

<table>
<thead>
<tr>
<th>Type</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contract/</td>
<td>Amount due after</td>
</tr>
<tr>
<td></td>
<td>notional amount</td>
<td>one year</td>
</tr>
<tr>
<td>Foreign currency forward contracts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buying</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>¥ 3,746</td>
<td>—</td>
</tr>
<tr>
<td>EUR</td>
<td>1,694</td>
<td>—</td>
</tr>
<tr>
<td>JPY</td>
<td>14,550</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>¥19,990</td>
<td>—</td>
</tr>
</tbody>
</table>

Thousands of US dollars

<table>
<thead>
<tr>
<th>Type</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contract/</td>
</tr>
<tr>
<td></td>
<td>notional amount</td>
</tr>
<tr>
<td>Foreign currency forward contracts</td>
<td></td>
</tr>
<tr>
<td>Buying</td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>$31,175</td>
</tr>
<tr>
<td>EUR</td>
<td>14,098</td>
</tr>
<tr>
<td>JPY</td>
<td>121,079</td>
</tr>
<tr>
<td>Total</td>
<td>$166,352</td>
</tr>
</tbody>
</table>

Interest and currency related transactions (non-market transactions) Millions of yen

<table>
<thead>
<tr>
<th>Type</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contract/</td>
<td>Amount due after</td>
</tr>
<tr>
<td></td>
<td>notional amount</td>
<td>one year</td>
</tr>
<tr>
<td>Interest rate swap</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay fixed receive floating</td>
<td>¥ —</td>
<td>¥ —</td>
</tr>
<tr>
<td>Pay PHP receive USD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cross currency interest rate swap</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay floating receive floating</td>
<td>5,568</td>
<td>2,784</td>
</tr>
<tr>
<td>Pay INR receive USD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay fixed receive floating</td>
<td>12,017</td>
<td>12,017</td>
</tr>
<tr>
<td>Pay IDR receive USD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay fixed receive floating</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Pay IDR receive JPY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>¥27,585</td>
<td>¥24,801</td>
</tr>
</tbody>
</table>
### Cross currency interest rate swap

<table>
<thead>
<tr>
<th>Type</th>
<th>Contract/ notional amount</th>
<th>Amount due after one year</th>
<th>Fair value</th>
<th>Gain (loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay floating receive floating Pay INR receive USD</td>
<td>$46,340</td>
<td>$23,170</td>
<td>$11,012</td>
<td>$11,012</td>
</tr>
<tr>
<td>Pay fixed receive floating Pay IDR receive USD</td>
<td>100,000</td>
<td>100,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Pay fixed receive floating Pay IDR receive JPY</td>
<td>83,215</td>
<td>83,215</td>
<td>(0)</td>
<td>(0)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$229,555</strong></td>
<td><strong>$206,385</strong></td>
<td><strong>$11,012</strong></td>
<td><strong>$11,012</strong></td>
</tr>
</tbody>
</table>

### Commodity-related transactions (market transactions)

#### Millions of yen

<table>
<thead>
<tr>
<th>Type</th>
<th>Contract/ notional amount</th>
<th>Amount due after one year</th>
<th>Fair value</th>
<th>Gain (loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commodity Futures contract Buying</td>
<td>¥1,304</td>
<td>—</td>
<td>¥(54)</td>
<td>¥(54)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>¥1,304</strong></td>
<td><strong>—</strong></td>
<td><strong>¥(54)</strong></td>
<td><strong>¥(54)</strong></td>
</tr>
</tbody>
</table>

### Earthquake-related transactions

Fair values for derivative contract relating to earthquakes were not measured due to characteristic of instruments. So they are not accounted for at fair values.

Earthquake-related transactions

Fair values for derivative contract relating to earthquakes were not measured due to characteristic of instruments. So they are not accounted for at fair values.
b. Derivative transactions to which hedge accounting is applied as of 31 March 2015 and 2014

<table>
<thead>
<tr>
<th>Currency related transactions</th>
<th>2015</th>
<th>Millions of yen</th>
<th>2014</th>
<th>Millions of yen</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contract/</td>
<td>Amount due</td>
<td>Fair value</td>
<td>Contract/</td>
</tr>
<tr>
<td></td>
<td>notional amount</td>
<td>after one year</td>
<td></td>
<td>notional amount</td>
</tr>
<tr>
<td><strong>Foreign currency forward contracts (Principle hedge accounting)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selling (Principal hedged item: Account receivable-trade)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>¥ 8,034</td>
<td>—</td>
<td>¥ 42</td>
<td>¥ 3,847</td>
</tr>
<tr>
<td>EUR</td>
<td>21,695</td>
<td>—</td>
<td>1,012</td>
<td>1,367</td>
</tr>
<tr>
<td>CAD</td>
<td>414</td>
<td>—</td>
<td>11</td>
<td>80</td>
</tr>
<tr>
<td>AUD</td>
<td>4,528</td>
<td>—</td>
<td>141</td>
<td>3,265</td>
</tr>
<tr>
<td>NZD</td>
<td>1,236</td>
<td>—</td>
<td>3</td>
<td>1,256</td>
</tr>
<tr>
<td>GBP</td>
<td>40</td>
<td>—</td>
<td>1</td>
<td>221</td>
</tr>
<tr>
<td>MXN</td>
<td>1,518</td>
<td>—</td>
<td>14</td>
<td>827</td>
</tr>
<tr>
<td>Buying (Principal hedged item: Account payable-trade)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>70</td>
</tr>
<tr>
<td>EUR</td>
<td>11,083</td>
<td>—</td>
<td>(88)</td>
<td>7,225</td>
</tr>
<tr>
<td><strong>Foreign currency forward contracts (Exceptional hedge accounting)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selling (Principal hedged item: Account receivable-trade)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>—</td>
<td>—</td>
<td>*</td>
<td>616</td>
</tr>
<tr>
<td>EUR</td>
<td>19,354</td>
<td>—</td>
<td>*</td>
<td>8,947</td>
</tr>
<tr>
<td>CAD</td>
<td>51</td>
<td>—</td>
<td>*</td>
<td>15</td>
</tr>
<tr>
<td>AUD</td>
<td>2,883</td>
<td>—</td>
<td>*</td>
<td>2,039</td>
</tr>
<tr>
<td>NZD</td>
<td>375</td>
<td>—</td>
<td>*</td>
<td>350</td>
</tr>
<tr>
<td>GBP</td>
<td>40</td>
<td>—</td>
<td>*</td>
<td>301</td>
</tr>
<tr>
<td>MXN</td>
<td>492</td>
<td>—</td>
<td>*</td>
<td>691</td>
</tr>
<tr>
<td>CNY</td>
<td>720</td>
<td>—</td>
<td>*</td>
<td>56</td>
</tr>
<tr>
<td>Buying (Principal hedged item: Account payable-trade)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>3,649</td>
<td>—</td>
<td>*</td>
<td>—</td>
</tr>
<tr>
<td>EUR</td>
<td>2,726</td>
<td>—</td>
<td>*</td>
<td>679</td>
</tr>
<tr>
<td>JPY</td>
<td>895</td>
<td>—</td>
<td>*</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>¥79,742</td>
<td>—</td>
<td>¥1,139</td>
<td>¥31,862</td>
</tr>
</tbody>
</table>

Thousands of US dollars

<table>
<thead>
<tr>
<th>Currency related transactions</th>
<th>2015</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contract/</td>
<td>Amount due</td>
<td>Fair value</td>
</tr>
<tr>
<td></td>
<td>notional amount</td>
<td>after one year</td>
<td></td>
</tr>
<tr>
<td><strong>Foreign currency forward contracts (Principle hedge accounting)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selling (Principal hedged item: Account receivable-trade)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>$ 66,856</td>
<td>—</td>
<td>$ 354</td>
</tr>
<tr>
<td>EUR</td>
<td>180,537</td>
<td>—</td>
<td>8,424</td>
</tr>
<tr>
<td>CAD</td>
<td>3,447</td>
<td>—</td>
<td>95</td>
</tr>
<tr>
<td>AUD</td>
<td>37,687</td>
<td>—</td>
<td>1,180</td>
</tr>
<tr>
<td>NZD</td>
<td>10,292</td>
<td>—</td>
<td>25</td>
</tr>
<tr>
<td>GBP</td>
<td>334</td>
<td>—</td>
<td>10</td>
</tr>
<tr>
<td>MXN</td>
<td>12,635</td>
<td>—</td>
<td>124</td>
</tr>
<tr>
<td><strong>Buying (Principal hedged item: Account payable-trade)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EUR</td>
<td>92,235</td>
<td>—</td>
<td>(734)</td>
</tr>
<tr>
<td><strong>Foreign currency forward contracts (Exceptional hedge accounting)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selling (Principal hedged item: Account receivable-trade)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EUR</td>
<td>161,061</td>
<td>—</td>
<td>*</td>
</tr>
<tr>
<td>CAD</td>
<td>426</td>
<td>—</td>
<td>*</td>
</tr>
<tr>
<td>AUD</td>
<td>23,995</td>
<td>—</td>
<td>*</td>
</tr>
<tr>
<td>NZD</td>
<td>3,126</td>
<td>—</td>
<td>*</td>
</tr>
</tbody>
</table>
### Consolidated Financial Statements

<table>
<thead>
<tr>
<th>Currency</th>
<th>Amount</th>
<th>Fair Value</th>
<th>Principal hedged item</th>
</tr>
</thead>
<tbody>
<tr>
<td>GBP</td>
<td>336</td>
<td>—</td>
<td>*</td>
</tr>
<tr>
<td>MXN</td>
<td>4,101</td>
<td>—</td>
<td>*</td>
</tr>
<tr>
<td>CNY</td>
<td>5,993</td>
<td>—</td>
<td>*</td>
</tr>
</tbody>
</table>

**Buying (Principal hedged item: Account payable-trade)**

<table>
<thead>
<tr>
<th>Currency</th>
<th>Amount</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>30,370</td>
<td>—</td>
</tr>
<tr>
<td>EUR</td>
<td>22,688</td>
<td>—</td>
</tr>
<tr>
<td>JPY</td>
<td>7,454</td>
<td>—</td>
</tr>
</tbody>
</table>

**Total** $663,581 — $9,481

* Because these foreign currency forward contracts are handled together with hedged items, their fair values are included in that of hedged items.

### Interest and currency related transactions

<table>
<thead>
<tr>
<th>Type</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contract/notional amount</td>
<td>Amount due after one year</td>
</tr>
<tr>
<td>Interest rate swap (Principle hedge accounting)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay fixed receive floating Long-term debt</td>
<td>¥ 63,500</td>
<td>¥ 63,500</td>
</tr>
<tr>
<td>Cross currency interest rate swap (Principle hedge accounting)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay fixed receive floating Pay JPY receive USD</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Pay fixed receive floating Pay IDR receive USD</td>
<td>8,919</td>
<td>4,026</td>
</tr>
<tr>
<td>Pay fixed receive floating Pay THB receive USD</td>
<td>14,962</td>
<td>14,962</td>
</tr>
</tbody>
</table>

Cross currency interest rate swap (Integration hedge accounting)

| Pay fixed receive floating Long-term debt | 98,000 | 98,000 | * | — | — | — |
| Pay fixed receive floating Pay CNY receive JPY Long-term debt | 243 | 243 | * | — | — | — |
| Pay fixed receive floating Pay INR receive USD Long-term debt receivable | 2,913 | 2,913 | * | — | — | — |
| **Total** | ¥188,538 | ¥183,645 | ¥(67) | ¥137,965 | ¥136,502 | ¥240 |

### Thousands of US dollars

<table>
<thead>
<tr>
<th>Type</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contract/notional amount</td>
</tr>
<tr>
<td>Interest rate swap (Principle hedge accounting)</td>
<td></td>
</tr>
<tr>
<td>Pay fixed receive floating Long-term debt</td>
<td>$528,418</td>
</tr>
<tr>
<td>Cross currency interest rate swap (Principle hedge accounting)</td>
<td></td>
</tr>
<tr>
<td>Pay fixed receive floating Pay IDR receive USD</td>
<td>74,225</td>
</tr>
</tbody>
</table>
NOTE 5: Short-term debt and long-term debt

Short-term debt as of 31 March 2015 and 2014 were as follows. The annual interest rates of short-term debt as of 31 March 2015 were from 0.15 percent to 10.5 percent.

<table>
<thead>
<tr>
<th>Pay fixed receive floating</th>
<th>Long-term debt</th>
<th>billions of yen</th>
<th>2015</th>
<th>2014</th>
<th>(135)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay THB receive USD</td>
<td>124,507</td>
<td>124,507</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Cross currency interest rate swap (Integration hedge accounting)

Pay fixed receive floating Pay CNY receive JPY
Long-term debt

<table>
<thead>
<tr>
<th>815,511</th>
<th>815,511</th>
<th>*</th>
</tr>
</thead>
</table>

Pay fixed receive floating Pay JPY receive USD
Long-term debt payable

<table>
<thead>
<tr>
<th>2,022</th>
<th>2,022</th>
<th>*</th>
</tr>
</thead>
</table>

Pay fixed receive floating Pay INR receive USD
Long-term debt receivable

<table>
<thead>
<tr>
<th>24,248</th>
<th>24,248</th>
<th>*</th>
</tr>
</thead>
</table>

Total $1,568,932 $1,528,214 $(559)

* Because these cross currency interest rate swap transactions are handled together with hedged items, their fair values are included in that of hedged items.

Long-term debt as of 31 March 2015 and 2014 were as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured.................................................</td>
<td>272,717</td>
<td>208,930</td>
<td>2,269,426</td>
</tr>
<tr>
<td>Unsecured...............................................</td>
<td>272,717</td>
<td>208,930</td>
<td>2,269,426</td>
</tr>
<tr>
<td>Lease obligations due more than one year...........</td>
<td>49</td>
<td>72</td>
<td>408</td>
</tr>
<tr>
<td>Other interest-bearing debts (Long-term guarantee deposited)</td>
<td>13,731</td>
<td>13,655</td>
<td>114,270</td>
</tr>
<tr>
<td>Total..................................................</td>
<td>286,497</td>
<td>222,894</td>
<td>2,384,104</td>
</tr>
</tbody>
</table>

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 31 March 2015 were as follows:

<table>
<thead>
<tr>
<th>Year ending 31 March</th>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>¥ 46,879</td>
<td>$ 390,108</td>
</tr>
<tr>
<td>2018</td>
<td>90,725</td>
<td>754,975</td>
</tr>
<tr>
<td>2019</td>
<td>50,160</td>
<td>417,413</td>
</tr>
<tr>
<td>2020</td>
<td>8,000</td>
<td>66,577</td>
</tr>
<tr>
<td>Thereafter</td>
<td>77,000</td>
<td>640,758</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>¥272,766</strong></td>
<td><strong>$2,269,834</strong></td>
</tr>
</tbody>
</table>

Assets pledged as collateral as of 31 March 2015:

<table>
<thead>
<tr>
<th>Description</th>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings and structures</td>
<td>¥643</td>
<td>$5,352</td>
</tr>
<tr>
<td>Land</td>
<td>97</td>
<td>807</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>¥740</strong></td>
<td><strong>$6,160</strong></td>
</tr>
</tbody>
</table>

Secured liabilities as of 31 March 2015:

<table>
<thead>
<tr>
<th>Description</th>
<th>Millions of yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Others (noncurrent liabilities)</td>
<td>¥448</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE 6: Loan commitment**

The Company has the commitment line contract with five banks for effective financing. The outstanding balance of this contract as of 31 March 2015 and 2014 were as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitment line contract total</td>
<td>¥200,000</td>
<td>$1,664,308</td>
</tr>
<tr>
<td>Actual loan balance</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Variance</td>
<td>¥200,000</td>
<td>$1,664,308</td>
</tr>
</tbody>
</table>
NOTE 7: Retirement and severance benefit
(Year ended 31 March 2014)

1 Outline of adopted retirement benefit systems
As for The Company, cash balance corporate pension plan and lump-sum retirement benefit plan are established. And as for some of consolidated subsidiaries, defined benefit corporate pension plan and lump-sum retirement benefit plan are established. As for some foreign consolidated subsidiaries, defined contribution plan are established. Some consolidated subsidiaries adopt simplified methods for the calculation of retirement benefits.

2 Defined benefit plan
(a) Reconciliation of retirement benefit obligation from the opening balance to the closing balance

<table>
<thead>
<tr>
<th>Millions of yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance of retirement benefit obligation</td>
</tr>
<tr>
<td>Service cost</td>
</tr>
<tr>
<td>Interest cost</td>
</tr>
<tr>
<td>Actuarial differences arisen in current fiscal year</td>
</tr>
<tr>
<td>Retirement allowance paid</td>
</tr>
<tr>
<td>Past service cost arisen in current fiscal year</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Closing balance of retirement benefit obligation</td>
</tr>
</tbody>
</table>

(b) Reconciliation of pension assets from the opening balance to the closing balance

<table>
<thead>
<tr>
<th>Millions of yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance of pension assets</td>
</tr>
<tr>
<td>Expected return on pension assets</td>
</tr>
<tr>
<td>Actuarial differences arisen in current fiscal year</td>
</tr>
<tr>
<td>Contribution from employers</td>
</tr>
<tr>
<td>Retirement allowance paid</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Closing balance of pension assets</td>
</tr>
</tbody>
</table>

(c) Reconciliation between closing balance of retirement benefit obligation and pension assets and net amount of liability/asset for retirement benefits recognized in consolidated balance sheet

<table>
<thead>
<tr>
<th>Millions of yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit obligation of funded severance plan</td>
</tr>
<tr>
<td>Plan asset</td>
</tr>
<tr>
<td>Defined benefit obligation of unfunded severance plan</td>
</tr>
<tr>
<td>Net amount of liability and asset for retirement benefits recognized in consolidated balance sheet</td>
</tr>
<tr>
<td>Liability for retirement benefits</td>
</tr>
<tr>
<td>Asset for retirement benefits</td>
</tr>
<tr>
<td>Net amount of liability and asset for retirement benefits recognized in consolidated balance sheet</td>
</tr>
</tbody>
</table>

(d) Breakdown of retirement benefit expenses

<table>
<thead>
<tr>
<th>Millions of yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service cost</td>
</tr>
<tr>
<td>Interest cost</td>
</tr>
<tr>
<td>Expected return on plan assets</td>
</tr>
<tr>
<td>Recognition of actuarial gains and losses</td>
</tr>
<tr>
<td>Amortization of past service cost</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Total amount of retirement benefit expenses for defined benefit plans</td>
</tr>
</tbody>
</table>
(e) Accumulated adjustment for retirement benefit
Breakdown of accumulated adjustment for retirement benefit recognized were as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Millions of yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrecognized past service cost</td>
<td>¥3,276</td>
</tr>
<tr>
<td>Unrecognized actuarial gains and losses</td>
<td>2,742</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>¥6,018</strong></td>
</tr>
</tbody>
</table>

(f) Plan assets
a. Major breakdown of pension assets
Portion of major components to total pension assets were as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt securities</td>
<td>51.1%</td>
</tr>
<tr>
<td>General account of life insurance companies</td>
<td>38.0%</td>
</tr>
<tr>
<td>Others</td>
<td>10.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

b. Method to determine long-term expected return on plan assets
Expected return on pension assets were determined by considering the current and anticipated future portfolio of pension assets and current and anticipated future long-term performance of various asset classes that comprise pension assets.

(g) Actuarial assumptions

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate</td>
<td>2.00%</td>
</tr>
<tr>
<td>Expected long-term return on pension assets</td>
<td>0.82%</td>
</tr>
</tbody>
</table>

3 Defined contribution plan
Contribution to defined contribution plan by The Company and consolidated subsidiaries was 216 million yen.

(Year ended 31 March 2015)
1. Outline of adopted retirement benefit systems
As for The Company, cash balance corporate pension plan and lump-sum retirement benefit plan are established. And as for some of consolidated subsidiaries, defined benefit corporate pension plan and lump-sum retirement benefit plan are established. As for some foreign consolidated subsidiaries, defined contribution plan are established. Some consolidated subsidiaries adopt simplified methods for the calculation of retirement benefits.

2. Defined benefit plan
(a) Reconciliation of retirement benefit obligation from the opening balance to the closing balance

<table>
<thead>
<tr>
<th>Description</th>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance of retirement benefit obligation</td>
<td>¥111,096</td>
<td>$924,494</td>
</tr>
<tr>
<td>Cumulative effects of changes in accounting</td>
<td>12,243</td>
<td>101,882</td>
</tr>
<tr>
<td><strong>Opening balance reflected changes in accounting</strong></td>
<td><strong>¥123,339</strong></td>
<td><strong>$1,026,377</strong></td>
</tr>
<tr>
<td>Service cost</td>
<td>6,638</td>
<td>55,245</td>
</tr>
<tr>
<td>Interest cost</td>
<td>1,681</td>
<td>13,994</td>
</tr>
<tr>
<td>Actuarial differences arised in current fiscal year</td>
<td>886</td>
<td>7,378</td>
</tr>
<tr>
<td>Retirement allowance paid</td>
<td>(4,751)</td>
<td>(39,542)</td>
</tr>
<tr>
<td>Past service cost arised in current fiscal year</td>
<td>5,322</td>
<td>44,294</td>
</tr>
<tr>
<td>Others</td>
<td>301</td>
<td>2,505</td>
</tr>
<tr>
<td><strong>Closing balance of retirement benefit obligation</strong></td>
<td><strong>¥133,418</strong></td>
<td><strong>$1,110,251</strong></td>
</tr>
</tbody>
</table>
(c) Reconciliation between closing balance of retirement benefit obligation and pension assets and net amount of liability/asset for retirement benefits recognized in consolidated balance sheet

<table>
<thead>
<tr>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit obligation of funded severance plan</td>
<td>¥95,065</td>
</tr>
<tr>
<td>Plan asset</td>
<td>(94,487)</td>
</tr>
<tr>
<td>Defined benefit obligation of unfunded severance plan</td>
<td>577</td>
</tr>
<tr>
<td>Net amount of liability and asset for retirement benefits recognized in consolidated balance sheet</td>
<td>¥38,930</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liability for retirement benefits</td>
<td>¥40,791</td>
</tr>
<tr>
<td>Asset for retirement benefits</td>
<td>(1,860)</td>
</tr>
<tr>
<td>Net amount of liability and asset for retirement benefits recognized in consolidated balance sheet</td>
<td>¥38,930</td>
</tr>
</tbody>
</table>

(d) Breakdown of retirement benefit expenses

<table>
<thead>
<tr>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service cost</td>
<td>¥6,638</td>
</tr>
<tr>
<td>Interest cost</td>
<td>1,681</td>
</tr>
<tr>
<td>Expected return on plan assets</td>
<td>454</td>
</tr>
<tr>
<td>Contribution from employers</td>
<td>5,905</td>
</tr>
<tr>
<td>Retirement allowance paid</td>
<td>(3,364)</td>
</tr>
<tr>
<td>Others</td>
<td>451</td>
</tr>
<tr>
<td>Total amount of retirement benefit expenses for defined benefit plans</td>
<td>¥8,477</td>
</tr>
</tbody>
</table>

(e) Adjustment for retirement benefit

Breakdown of adjustment for retirement benefit recognized were as follows:

<table>
<thead>
<tr>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Past service cost</td>
<td>¥(5,140)</td>
</tr>
<tr>
<td>Actuarial gains and losses</td>
<td>616</td>
</tr>
<tr>
<td>Total</td>
<td>¥(4,524)</td>
</tr>
</tbody>
</table>

(f) Accumulated adjustment for retirement benefit

Breakdown of accumulated adjustment for retirement benefit recognized were as follows:

<table>
<thead>
<tr>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrecognized past service cost</td>
<td>¥(1,864)</td>
</tr>
<tr>
<td>Unrecognized actuarial gains and losses</td>
<td>3,344</td>
</tr>
<tr>
<td>Total</td>
<td>¥1,479</td>
</tr>
</tbody>
</table>
(g) Plan assets
   a. Major breakdown of pension assets
      Portion of major components to total pension assets were as follows:
      
      | Component                        | 2015 | 2014 | Total |
      |----------------------------------|------|------|-------|
      | Debt securities                  | 49.0%|      |       |
      | General account of life insurance companies | 37.9%|      |       |
      | Others                           | 13.1%|      | 100.0%|
      |                                  |      |      |       |

   b. Method to determine long-term expected return on plan assets
      Expected return on pension assets were determined by considering the current and anticipated future portfolio of pension assets and current and anticipated future long-term performance of various asset classes that comprise pension assets.

(h) Actuarial assumptions
   - Discount rate: 1.12%
   - Expected long-term return on pension assets: 0.88%

3. Defined contribution plan
   Contribution to defined contribution plan by The Company and consolidated subsidiaries was 231 million yen (1,926 thousand US dollars).

NOTE 8: Income taxes
   Breakdown of deferred tax assets and deferred tax liabilities by their main occurrence causes were as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Millions of yen 2015</th>
<th>Millions of yen 2014</th>
<th>Thousands of US dollars 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred tax assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment loss and Excess-depreciation</td>
<td>¥57,418</td>
<td>¥59,105</td>
<td>$477,811</td>
</tr>
<tr>
<td>Various reserves</td>
<td>37,254</td>
<td>39,548</td>
<td>310,017</td>
</tr>
<tr>
<td>Unrealized profits elimination</td>
<td>24,197</td>
<td>20,876</td>
<td>201,359</td>
</tr>
<tr>
<td>Loss on valuation of securities</td>
<td>14,265</td>
<td>12,254</td>
<td>118,713</td>
</tr>
<tr>
<td>Deferred assets</td>
<td>3,579</td>
<td>3,367</td>
<td>29,787</td>
</tr>
<tr>
<td>Others</td>
<td>75,362</td>
<td>82,757</td>
<td>627,134</td>
</tr>
<tr>
<td>Deferred tax assets sub-total</td>
<td>212,078</td>
<td>217,910</td>
<td>1,764,824</td>
</tr>
<tr>
<td>Valuation allowance</td>
<td>(39,996)</td>
<td>(54,930)</td>
<td>(332,832)</td>
</tr>
<tr>
<td>Deferred tax assets total</td>
<td>¥172,082</td>
<td>¥162,980</td>
<td>$1,431,991</td>
</tr>
</tbody>
</table>

   | Deferred tax liabilities                            |                       |                       |                              |
   | Valuation difference on available-for-sale securities | (¥76,700)             | (¥56,219)             | $(638,265)                   |
   | Variance from the complete market value method of consolidated subsidiaries | (5,811)               | (5,243)               | (48,357)                     |
   | Reserve for advanced depreciation of noncurrent assets | (3,450)               | (3,603)               | (28,713)                     |
   | Others                                              | (1,076)               | (2,071)               | (8,959)                      |
   | Deferred tax liabilities total                      | (87,038)              | (77,138)              | (724,296)                    |
   | Net amounts of deferred tax assets                  | ¥85,043               | ¥95,841               | $707,695                     |

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

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory tax rate</td>
<td>—</td>
<td>37.2%</td>
</tr>
<tr>
<td>Effect of change of tax rate</td>
<td>—</td>
<td>3.1%</td>
</tr>
<tr>
<td>Tax credit</td>
<td>—</td>
<td>(3.3%)</td>
</tr>
<tr>
<td>Tax rate difference (consolidated overseas subsidiaries)</td>
<td>—</td>
<td>(2.0%)</td>
</tr>
<tr>
<td>Others</td>
<td>—</td>
<td>0.3%</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>—</td>
<td>35.3%</td>
</tr>
</tbody>
</table>

* For the year ended 31 March 2015, notes have been omitted as the difference between the statutory tax rate and the effective tax rate after adoption of tax effect accounting was less than 5% of the statutory tax rate.
NOTE 9: Research and development costs
Research and development costs included in selling, general and administrative expenses, for the years ended 31 March 2015 and 2014 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Research and development costs</td>
<td>¥125,896</td>
<td>¥127,090</td>
</tr>
<tr>
<td></td>
<td>$1,047,655</td>
<td></td>
</tr>
</tbody>
</table>

NOTE 10: Cash and cash equivalents
Cash and cash equivalents as of 31 March 2015 and 2014 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Cash and deposits</td>
<td>¥457,513</td>
<td>¥358,851</td>
</tr>
<tr>
<td>Short-term investment securities</td>
<td>685,647</td>
<td>612,489</td>
</tr>
<tr>
<td>Time deposits with maturities of over three months</td>
<td>(18,012)</td>
<td>(73,370)</td>
</tr>
<tr>
<td>Bonds etc. with redemption period of over three months</td>
<td>(192,888)</td>
<td>(187,359)</td>
</tr>
<tr>
<td></td>
<td>¥932,261</td>
<td>¥710,611</td>
</tr>
<tr>
<td></td>
<td>$7,757,854</td>
<td></td>
</tr>
</tbody>
</table>

NOTE 11: Net assets
The Companies Act of Japan requires that at least 50% of the contribution of new shares be included in capital stock. The portion to be recorded as capital stock is determined by resolution of the meeting of the Board of Directors. Proceeds in excess of the capital stock 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 capital stock. The Companies Act allows both legal capital surplus and legal retained earnings to be transferred to the capital stock following the approval at an Ordinary General Meeting of Shareholders.

The legal retained earnings 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 allow to repurchase treasury stock and dispose of such treasury stock by resolution of meeting of the Board of Directors.

NOTE 12: Other comprehensive income
Other comprehensive income as of 31 March 2015 and 2014 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Valuation difference on available-for-sale securities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized loss (gain) arising during the period</td>
<td>¥77,327</td>
<td>¥73,280</td>
</tr>
<tr>
<td>Reclassification adjustment of unrealized gain (loss) through profit or loss</td>
<td>—</td>
<td>40</td>
</tr>
<tr>
<td>Before tax effect</td>
<td>77,327</td>
<td>73,320</td>
</tr>
<tr>
<td>Tax effect</td>
<td>(19,592)</td>
<td>(25,724)</td>
</tr>
<tr>
<td>Balance at the end of the period</td>
<td>¥57,734</td>
<td>¥47,596</td>
</tr>
<tr>
<td>Deferred gains or losses on hedges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized loss (gain) arising during the period</td>
<td>¥965</td>
<td>(4,119)</td>
</tr>
<tr>
<td>Reclassification adjustment of unrealized gain (loss) through profit or loss</td>
<td>75</td>
<td>1,785</td>
</tr>
<tr>
<td>Before tax effect</td>
<td>1,041</td>
<td>(2,333)</td>
</tr>
<tr>
<td>Tax effect</td>
<td>(453)</td>
<td>1,136</td>
</tr>
</tbody>
</table>
Dividends which record date was in the current consolidated fiscal year and effective date was in the next fiscal year:

<table>
<thead>
<tr>
<th>Resolution</th>
<th>Ordinary General Meeting of Shareholders held on 27 June 2014</th>
<th>Meeting of the Board of Directors held on 6 November 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total amount of cash dividends</td>
<td>¥7,854 million</td>
<td>$5,610 million</td>
</tr>
<tr>
<td>Cash dividends per share</td>
<td>¥14.00</td>
<td>$10.00</td>
</tr>
<tr>
<td>Record date</td>
<td>31 March 2014</td>
<td>30 September 2014</td>
</tr>
<tr>
<td>Effective date</td>
<td>30 June 2014</td>
<td>28 November 2014</td>
</tr>
</tbody>
</table>

Dividends which record date was in the current consolidated fiscal year and effective date was in the next fiscal year:

<table>
<thead>
<tr>
<th>Resolution</th>
<th>Ordinary General Meeting of Shareholders held on 26 June 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total amount of cash dividends</td>
<td>¥9,537 million</td>
</tr>
<tr>
<td>Cash dividends per share</td>
<td>¥17.00</td>
</tr>
<tr>
<td>Record date</td>
<td>31 March 2015</td>
</tr>
<tr>
<td>Effective date</td>
<td>29 June 2015</td>
</tr>
</tbody>
</table>
NOTE 14: Stock option plan
The Company adopts stock option plan by using subscription rights to shares.
The plan was adopted at the Ordinary General Meeting of Shareholders and meeting of the Board of Directors held on 28 June 2012, 27 June 2013 and 27 June 2014 based on The Company Act of Japan.
The details of the plan were as follows:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
</table>
| 1. | Resolution date  
|   | 28 June 2012 |
| 2. | Category and number of people to whom stock options are granted  
|   | 10 Directors of The Company (excluding Outside Directors)  
|   | 6 Managing Officers who do not concurrently serve as Directors |
| 3. | Class of shares that are the subject of subscription rights to shares  
|   | Common stock of The Company |
| 4. | Number of shares  
|   | 67,000 shares |
| 5. | Amount to be paid for subscription rights to shares  
|   | 1 yen per 1 share |
| 6. | Period during which subscription rights to shares can be exercised  
|   | From 21 July 2012 to 20 July 2042 |
| 7. | Terms of exercise of subscription rights to shares  
|   | (1) A person who is allocated subscription rights to shares shall be able to exercise share subscription rights only up until 10th day (the next business day if the 10th day falls on a non-business day) from the day immediately following the date of resignation as The Company’s Director as well as the Senior Managing Officer or Managing Officer without the role of Director being served concurrently.  
|   | (2) If a person who is allocated subscription rights to shares was dead, heir may exercise the rights. |
| 8. | Matters relating to assignment of subscription rights to shares  
|   | The acquisition of subscription rights to shares by assignment shall require the approval of the Board of Directors of The Company. |
| 9. | Matters relating to subrogation payment  
|   | None |

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
</table>
| 1. | Resolution date  
|   | 27 June 2013 |
| 2. | Category and number of people to whom stock options are granted  
|   | 7 Directors of The Company (excluding Outside Director)  
|   | 10 Senior Managing Officers and Managing Officers who do not concurrently serve as Directors |
| 3. | Class of shares that are the subject of subscription rights to shares  
|   | Same to the plan adopted at 28 June 2012 |
| 4. | Number of shares  
|   | 42,000 shares |
| 5. | Amount to be paid for subscription rights to shares  
|   | Same to the plan adopted at 28 June 2012 |
| 6. | Period during which subscription rights to shares can be exercised  
|   | From 20 July 2013 to 19 July 2043 |
| 7. | Terms of exercise of subscription rights to shares  
|   | Same to the plan adopted at 28 June 2012 |
| 8. | Matters relating to assignment of subscription rights to shares  
|   | Same to the plan adopted at 28 June 2012 |
| 9. | Matters relating to subrogation payment  
|   | Same to the plan adopted at 28 June 2012 |
1. Resolution date
   27 June 2014

2. Category and number of people to whom stock options are granted
   6 Directors of The Company (excluding Outside Director)
   6 Managing Officers who do not concurrently serve as Directors

3. Class of shares that are the subject of subscription rights to shares
   Same to the plan adopted at 28 June 2012

4. Number of shares
   32,400 shares

5. Amount to be paid for subscription rights to shares
   Same to the plan adopted at 28 June 2012

6. Period during which subscription rights to shares can be exercised
   From 23 July 2014 to 22 July 2044

7. Terms of exercise of subscription rights to shares
   Same to the plan adopted at 28 June 2012

8. Matters relating to assignment of subscription rights to shares
   Same to the plan adopted at 28 June 2012

9. Matters relating to subrogation payment
   Same to the plan adopted at 28 June 2012

**NOTE 15: Contingent liabilities**

As of 31 March 2015 and 2014, The Company and some of consolidated subsidiaries had the contingent liabilities as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guarantee of indebtedness of affiliates and others</td>
<td>¥10,425</td>
<td>$86,756</td>
</tr>
</tbody>
</table>

**NOTE 16: Segment Information**

1. Outline of reportable segments
   The reportable segments of The Company are the components of The Company business for which discrete financial information is available, and whose operating results are regularly reviewed by our decision-making body such as Board of Directors to make decisions about resources to be allocated to the segment and to assess its performance.

   The Group has three reportable segments of “Motorcycle”, “Automobile” and “Marine and Power products, etc.” based on the form of management organization and nature of products and services.

   Main products and services of each segment are as follows:

<table>
<thead>
<tr>
<th>Segment</th>
<th>Main products and services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motorcycle</td>
<td>Motorcycles, All-terrain vehicles</td>
</tr>
<tr>
<td>Automobile</td>
<td>Minivehicles, Sub-compact vehicles, Standard-sized vehicles</td>
</tr>
<tr>
<td>Marine and Power products, etc.</td>
<td>Outboard motors, Engines for snowmobiles, etc., Electro senior vehicles, Houses</td>
</tr>
</tbody>
</table>

2. Methods of measurement for the amounts of net sales, profit or loss, assets and other items for each reportable segment
   The accounting policies of the reportable segments are consistent to the description of the “Summary of significant accounting policies” (Note2).
3. Information about the amounts of net sales, profit or loss, assets and other items by reportable segment (Years ended 31 March)

<table>
<thead>
<tr>
<th>Years</th>
<th>Motorcycle</th>
<th>Automobile</th>
<th>Marine &amp; Power products, etc.</th>
<th>Adjustment</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales:</td>
<td>$2,084,427</td>
<td>$22,484,333</td>
<td>$524,537</td>
<td>$</td>
<td>$25,093,298</td>
</tr>
<tr>
<td>Net sales to external customers...</td>
<td>(5,621)</td>
<td>1,429,874</td>
<td>68,839</td>
<td>$</td>
<td>1,493,091</td>
</tr>
<tr>
<td>Segment assets...</td>
<td>1,691,409</td>
<td>15,752,987</td>
<td>375,796</td>
<td>9,248,132</td>
<td>27,068,326</td>
</tr>
<tr>
<td>Net Sales:</td>
<td>$2,084,427</td>
<td>$22,484,333</td>
<td>$524,537</td>
<td>$</td>
<td>$25,093,298</td>
</tr>
<tr>
<td>Net sales to external customers...</td>
<td>(5,621)</td>
<td>1,429,874</td>
<td>68,839</td>
<td>$</td>
<td>1,493,091</td>
</tr>
<tr>
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<td>1,691,409</td>
<td>15,752,987</td>
<td>375,796</td>
<td>9,248,132</td>
<td>27,068,326</td>
</tr>
</tbody>
</table>

**Millions of yen**

<table>
<thead>
<tr>
<th>Years</th>
<th>Motorcycle</th>
<th>Automobile</th>
<th>Marine &amp; Power products, etc.</th>
<th>Adjustment</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales:</td>
<td>$266,602</td>
<td>$2,615,664</td>
<td>$56,046</td>
<td>$</td>
<td>$2,938,314</td>
</tr>
<tr>
<td>Net sales to external customers...</td>
<td>195</td>
<td>179,296</td>
<td>8,346</td>
<td>—</td>
<td>187,747</td>
</tr>
<tr>
<td>Segment assets...</td>
<td>222,413</td>
<td>1,649,071</td>
<td>42,668</td>
<td>959,921</td>
<td>2,874,074</td>
</tr>
<tr>
<td>Other content:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>7,268</td>
<td>109,024</td>
<td>896</td>
<td>—</td>
<td>117,188</td>
</tr>
<tr>
<td>Amortization of goodwill...</td>
<td>453</td>
<td>1,609</td>
<td>101</td>
<td>—</td>
<td>2,164</td>
</tr>
<tr>
<td>Impairment loss...</td>
<td>128</td>
<td>900</td>
<td>0</td>
<td>—</td>
<td>1,029</td>
</tr>
<tr>
<td>Investment in associates accounted for by equity method...</td>
<td>15,335</td>
<td>40,276</td>
<td>87</td>
<td>—</td>
<td>56,699</td>
</tr>
<tr>
<td>Increase in property, plant and equipment and intangible assets...</td>
<td>22,847</td>
<td>189,604</td>
<td>1,167</td>
<td>—</td>
<td>213,619</td>
</tr>
</tbody>
</table>

**Millions of yen**

<table>
<thead>
<tr>
<th>Years</th>
<th>Motorcycle</th>
<th>Automobile</th>
<th>Marine &amp; Power products, etc.</th>
<th>Adjustment</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2014</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales:</td>
<td>$250,485</td>
<td>$2,701,942</td>
<td>$63,033</td>
<td>$ —</td>
<td>$3,015,461</td>
</tr>
<tr>
<td>Net sales to external customers...</td>
<td>(675)</td>
<td>171,827</td>
<td>8,272</td>
<td>—</td>
<td>179,424</td>
</tr>
<tr>
<td>Segment assets...</td>
<td>203,256</td>
<td>1,893,036</td>
<td>45,159</td>
<td>1,111,348</td>
<td>3,252,800</td>
</tr>
<tr>
<td>Other content:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>8,504</td>
<td>124,686</td>
<td>1,186</td>
<td>—</td>
<td>134,377</td>
</tr>
<tr>
<td>Amortization of goodwill...</td>
<td>639</td>
<td>1,757</td>
<td>122</td>
<td>—</td>
<td>2,519</td>
</tr>
<tr>
<td>Impairment loss...</td>
<td>—</td>
<td>969</td>
<td>969</td>
<td>—</td>
<td>969</td>
</tr>
<tr>
<td>Investment in associates accounted for by equity method...</td>
<td>15,089</td>
<td>45,346</td>
<td>82</td>
<td>—</td>
<td>60,519</td>
</tr>
<tr>
<td>Increase in property, plant and equipment and intangible assets...</td>
<td>8,356</td>
<td>184,785</td>
<td>1,314</td>
<td>—</td>
<td>194,457</td>
</tr>
</tbody>
</table>
As reference information, operating results by geographical areas were as follows:

(a) The amount of net sales, operating income or loss based on location of The Company and its consolidated subsidiaries (Years ended 31 March)

|                | Japanese Yen |             |             |             |             |             |             |
|----------------|---------------|-------------|-------------|-------------|-------------|-------------|
|                | 2015          | 2014        | Thousands of US dollars |
| Net Sales:     |               |             |             |             |             |             |
| Net sales to external customers... | ¥1,317,659 | ¥1,309,383 | $10,964,960 | $10,264,578 | $1,316,066 | $             | $             |
| Internal net sales or transfer among geographical areas... | 447,311 | 392,284 | 3,722,322 | 1,081,657 | 605,276 | 8,566 | (5,417,822) | (             ) |
| Total          | 1,764,970 | 1,701,667 | 14,687,283 | 3,629,350 | 10,869,854 | 1,324,632 | (5,417,822) | 25,093,298 |
| Operating income | 90,718     | 134,513    | 754,915    | 42,573    | 679,102    | 21,802     | (5,302)     | 1,493,091 |

* "Other areas" consists principally of North America, Oceania and South America.
(b) The amount of net sales based on external customers (Years ended 31 March)

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>Japan</td>
<td>India</td>
<td>Others</td>
</tr>
<tr>
<td>Net sales</td>
<td>¥1,094,611</td>
<td>¥787,560</td>
<td>¥1,133,289</td>
<td>¥3,015,461</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>Japan</td>
<td>India</td>
<td>Others</td>
</tr>
<tr>
<td>Net sales</td>
<td>¥1,132,732</td>
<td>¥638,720</td>
<td>¥1,166,861</td>
<td>¥2,938,314</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Thousands of US dollars</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>Japan</td>
<td>India</td>
<td>Others</td>
</tr>
<tr>
<td>Net sales</td>
<td>$9,108,860</td>
<td>$6,553,717</td>
<td>$9,430,720</td>
<td>$25,093,298</td>
</tr>
</tbody>
</table>
Independent Auditor’s Report

To the Board of Directors of
Suzuki Motor Corporation

We have audited the accompanying consolidated financial statements of Suzuki Motor Corporation and its subsidiaries, which comprise the consolidated balance sheet as at 31 March 2015, and the consolidated statement of income, statement of comprehensive income, statement of changes in net assets and statement of cash flows for the year then ended, all expressed in Japanese Yen, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 consolidated subsidiaries as at 31 March 2015, and the consolidated results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

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

Seimei Audit Corporation
Tokyo, Japan
26 June 2015
Company Outline

1. Company Name
SUZUKI MOTOR CORPORATION

2. Date of Incorporation
March 1920 Incorporated as Suzuki Loom Manufacturing Co.
June 1954 Name changed to Suzuki Motor Co., Ltd.
October 1990 Name changed to Suzuki Motor Corporation

3. Head Office
300 Takatsuka-cho, Minami-ku, Hamamatsu-shi, Shizuoka 432-8611 Japan
Mailing Address: Hamamatsu-Nishi, P.O.Box 1 Naka-ku, Hamamatsu-shi, Shizuoka, Japan
Website Address: http://www.globalsuzuki.com

4. Main Products
Motorcycles, Automobiles, Outboard Motors, Motorized Wheelchairs,
Electro Senior Vehicles, Industrial Equipment

5. Fiscal Year-End
31 March

6. Public Accounting Firm
Seimei Audit Corporation

7. Capital and Shareholders
(as of 31 March, 2015)

<table>
<thead>
<tr>
<th>Capital</th>
<th>¥138,014 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of authorized shares</td>
<td>1,500 million</td>
</tr>
<tr>
<td>Total number of shares issued</td>
<td>561,047,304</td>
</tr>
<tr>
<td>Number of shareholders</td>
<td>33,311</td>
</tr>
<tr>
<td>Stock Listing</td>
<td>Tokyo Stock Exchange</td>
</tr>
<tr>
<td>Securities Code</td>
<td>7269</td>
</tr>
<tr>
<td>Ordinary General Meeting of Shareholders</td>
<td>June</td>
</tr>
</tbody>
</table>
| Record Dates                   | • Ordinary General Meeting of Shareholders 31 March
|                                 | • Year-End Dividend 31 March
|                                 | • Interim Dividend 30 September |
| Shareholders’ Register Manager | Sumitomo Mitsui Trsut Bank, Limited |
|                                 | 1-4-1, Marunouchi, Chiyoda-ku, Tokyo |

<Ten Major Shareholders>

<table>
<thead>
<tr>
<th>Name of Shareholder</th>
<th>Number of Shares Held (Thousands of Shares)</th>
<th>Shareholding Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen AG</td>
<td>111,610</td>
<td>19.9</td>
</tr>
<tr>
<td>The Master Trust Bank of Japan, Ltd.</td>
<td>22,869</td>
<td>4.1</td>
</tr>
<tr>
<td>Tokio Marine &amp; Nichido Fire Insurance Co., Ltd.</td>
<td>17,961</td>
<td>3.2</td>
</tr>
<tr>
<td>Japan Trustee Services Bank, Ltd.</td>
<td>16,485</td>
<td>2.9</td>
</tr>
<tr>
<td>The Bank of Tokyo-Mitsubishi UFJ, Ltd.</td>
<td>16,000</td>
<td>2.9</td>
</tr>
<tr>
<td>The Shizuoka Bank, Ltd.</td>
<td>14,500</td>
<td>2.6</td>
</tr>
<tr>
<td>Resona Bank, Ltd.</td>
<td>13,000</td>
<td>2.3</td>
</tr>
<tr>
<td>JP Morgan Chase Bank 380055</td>
<td>9,429</td>
<td>1.7</td>
</tr>
<tr>
<td>Sompo Japan Nipponkoa Insurance Inc.</td>
<td>7,761</td>
<td>1.4</td>
</tr>
<tr>
<td>Nippon Steel &amp; Sumitomo Metal Corporation</td>
<td>7,759</td>
<td>1.4</td>
</tr>
</tbody>
</table>

(Note)  *1. Number of shares disregards and rounds off figures of less than 1,000 shares.
*2. Our Company holds 7,248 of treasury stocks.
*3. Shareholding ratio is calculated eliminating treasury stocks held by our Company.
Suzuki Group
Subsidiaries: 133 companies (68 in domestic, 65 in overseas)  Affiliates: 35 companies

(1) Major Domestic Subsidiaries
[Manufacturing Subsidiaries]
Suzuki Auto Parts Mfg. Co., Ltd.
Suzuki Akita Auto Parts Mfg. Co., Ltd.
Snic Co., Ltd.
Suzuki Toyama Auto Parts Mfg. Co., Ltd.

[Non-Manufacturing Subsidiaries]
Suzuki Transportation & Packing Co., Ltd.
Suzuki Business Co., Ltd.
Suzuki Engineering Co., Ltd.

[Marketing Subsidiaries]
54 directly managed domestic marketing companies

(2) Major Overseas Subsidiaries
[Marketing Subsidiaries]
30 directly managed overseas marketing companies

[EUROPE]
Germany  Suzuki Deutschland GmbH
Spain  Suzuki Motor Iberica, S.A.U.
Italy  Suzuki Italia S.p.A.
France  Suzuki France S.A.S.
Hungary  Magyar Suzuki Corporation Ltd.
UK  Suzuki GB PLC
Austria  Suzuki Austria Automobil Handels G.m.b.H
Poland  Suzuki Motor Poland SP.Z.O.O.

[ASIA]
India  Maruti Suzuki India Ltd.
India  Suzuki Motorcycle India Private Limited
Pakistan  Pak Suzuki Motor Co., Ltd.
Indonesia  PT. Suzuki Indomobil Motor
Thailand  Thai Suzuki Motor Co., Ltd.
Thailand  Suzuki Motor (Thailand) Co., Ltd.
Malaysia  Suzuki Motorcycle Malaysia SDN.BHD.
Philippines  Suzuki Philippines Inc.
Cambodia  Cambodia Suzuki Motor Co., Ltd.
China  Suzuki Motor (China) Investment Co., Ltd.
Vietnam  Vietnam Suzuki Corporation
Taiwan  Taiwan Suzuki Automobile Corporation
Myanmar  Suzuki (Myanmar) Motor Co., Ltd.

[OCEANIA]
Australia  Suzuki Australia Pty. Ltd.
New Zealand  Suzuki New Zealand Ltd.

[AFRICA]
South Africa  Suzuki Auto South Africa (Pty.) Ltd.
ANNUAL REPORT
2015