

# FY2016 First Quarter Financial Results



**SUZUKI MOTOR CORPORATION**  
**3 August 2016**

**The Company wishes to express its profound apologies for the disturbance caused as a result of cases of improper activities that were inconsistent with national regulations with regards to gas emission and fuel consumption testing of the Company's automobiles.**

**The Company will take preventative measures to ensure that this will not happen again, and will work to ensure thorough compliance and strengthen risk management systems in all fields of its business.**

- **Worldwide Sales Volume of Automobile... 675 thousand units,  
-12 thousand units year-on-year**
  - Decrease of sales of minivehicle (-16 thousand units) ,  
and decrease of sales in China and Indonesia, and other areas, despite Increase of sales in Japan on sub-compact and standard-sized vehicle (+12 thousand units) ,  
in Europe (+8 thousand units) , and in India (+17 thousand units)
- **Worldwide Sales Volume of Motorcycle... 332 thousand units,  
-76 thousand units year-on-year**
  - Decrease of sales in China, Indonesia and other areas
- **FY2016 ('16/4-6) result... higher operating/net income \* on lower sales**
  - Net Sales :754.0 billion yen, -2.4% year-on-year, decreased for the first time in 5 periods
  - Operating Income :59.2 billion yen, +7.2% year-on-year, increased for 5 consecutive periods
  - Ordinary Income:61.3 billion yen, -1.7% year-on-year, decreased for the first time in 5 periods
  - Net Income\* :38.0 billion yen, +19.7% year-on-year, increased for the first time in 2 periods
- **The Next Year Forecasts...forecasts of production and sales are kept  
unchanged from the previous forecast on May 10**

- Higher operating income on lower sales

(Billions of yen)

	FY2016 3 months ( '16/4-6)	FY2015 3 months ( '15/4-6)	Change	
				Ratio
<b>Net Sales</b>	<b>754.0</b>	<b>772.9</b>	<b>-18.9</b>	<b>-2.4%</b>
<b>Japan</b>	<b>250.0</b>	<b>247.3</b>	<b>+2.7</b>	<b>+1.1%</b>
Suzuki brand	<b>228.0</b>	<b>222.0</b>	<b>+6.0</b>	<b>+2.7%</b>
<b>OEM</b>	<b>22.0</b>	<b>25.3</b>	<b>-3.3</b>	<b>-12.8%</b>
<b>Overseas</b>	<b>504.0</b>	<b>525.6</b>	<b>-21.6</b>	<b>-4.1%</b>
<b>Operating Income (Margin)</b>	<b>59.2 (7.8%)</b>	<b>55.2 (7.1%)</b>	<b>+4.0</b>	<b>+7.2%</b>
<b>Ordinary Income (Margin)</b>	<b>61.3 (8.1%)</b>	<b>62.3 (8.1%)</b>	<b>-1.0</b>	<b>-1.7%</b>
<b>Net income attributable to owners of the parent (Margin)</b>	<b>38.0 (5.0%)</b>	<b>31.7 (4.1%)</b>	<b>+6.3</b>	<b>+19.7%</b>

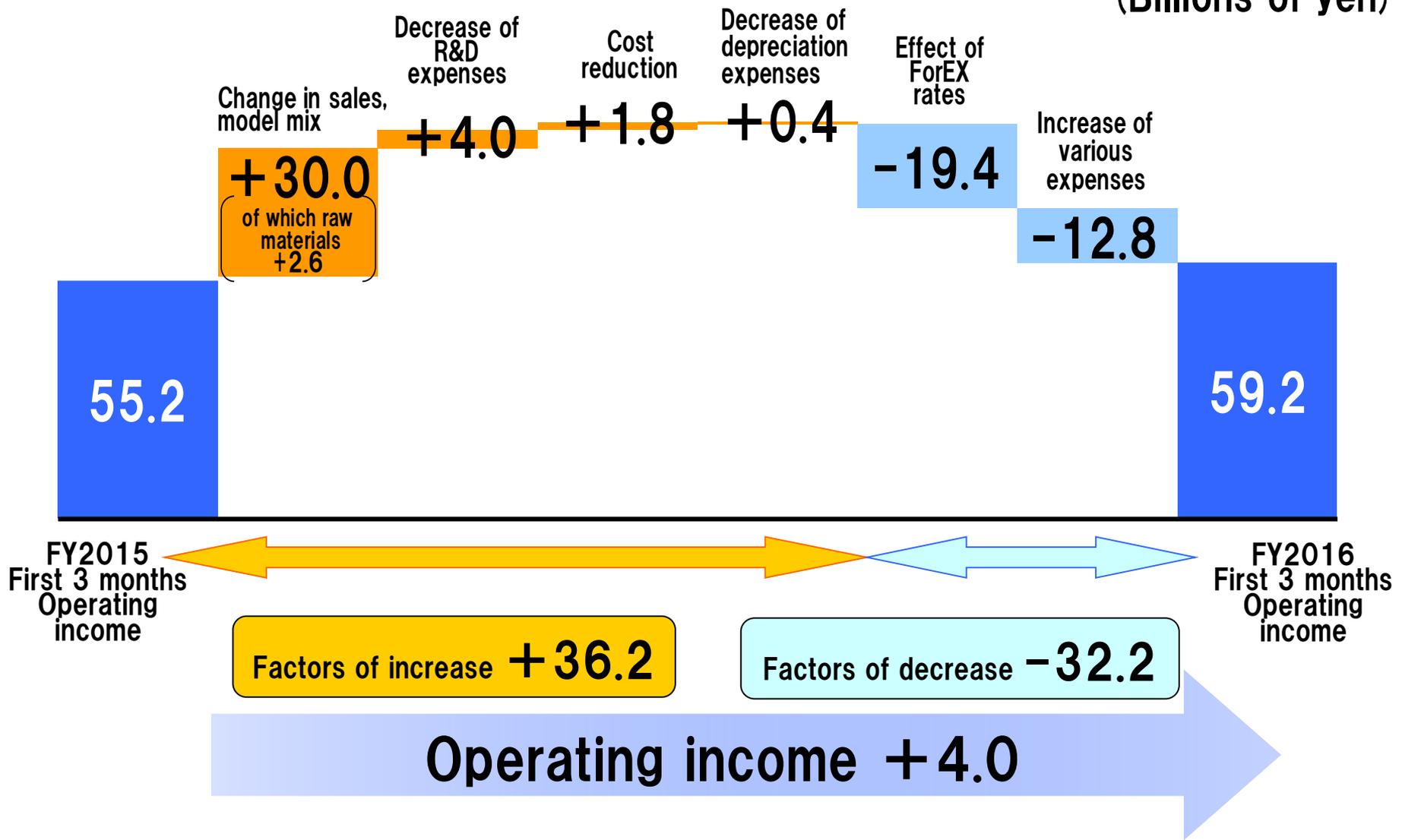
(Billions of yen)

	Automobile			Motorcycle			Marine & Power products, etc.			Total			of which effect of ForEX rates conversion
	FY2016 3 months ( <sup>16</sup> /4-6)	FY2015 3 months ( <sup>15</sup> /4-6)	Change	FY2016 3 months ( <sup>16</sup> /4-6)	FY2015 3 months ( <sup>15</sup> /4-6)	Change	FY2016 3 months ( <sup>16</sup> /4-6)	FY2015 3 months ( <sup>15</sup> /4-6)	Change	FY2016 3 months ( <sup>16</sup> /4-6)	FY2015 3 months ( <sup>15</sup> /4-6)	Change	
Japan total	241.3	237.9	+3.4	5.0	5.0	-0.0	3.7	4.4	-0.7	250.0	247.3	+2.7	
Suzuki brand	219.3	212.6	+6.7	5.0	5.0	-0.0	3.7	4.4	-0.7	228.0	222.0	+6.0	
OEM	22.0	25.3	-3.3							22.0	25.3	-3.3	
Overseas total	443.1	454.0	-10.9	45.7	55.9	-10.2	15.2	15.7	-0.5	504.0	525.6	-21.6	-78.3
Europe	97.9	82.6	+15.3	12.3	14.2	-1.9	4.5	4.7	-0.2	114.7	101.5	+13.2	-13.4
N. America	0.6	1.2	-0.6	5.9	8.7	-2.8	7.4	7.7	-0.3	13.9	17.6	-3.7	-1.8
Asia	291.6	312.5	-20.9	19.6	23.1	-3.5	1.2	1.1	+0.1	312.4	336.7	-24.3	-54.2
Others	53.0	57.7	-4.7	7.9	9.9	-2.0	2.1	2.2	-0.1	63.0	69.8	-6.8	-8.9
Grand total	684.4	691.9	-7.5	50.7	60.9	-10.2	18.9	20.1	-1.2	754.0	772.9	-18.9	-78.3
of which effect of ForEX rates conversion			-69.6			-7.2			-1.5				-78.3



# Consolidated: Factors of Change in Operating Income

(Billions of yen)



	FY2016 3 months ( <sup>'16</sup> /4-6)	FY2015 3 months ( <sup>'15</sup> /4-6)	Change	Effect of ForEX rates in operating income
US Dollar	108 yen	121 yen	-13 yen	-1.3bln yen
Euro	122 yen	134 yen	-12 yen	-3.2bln yen
Indian Rupee	1.63 yen	1.93 yen	-0.30 yen	-8.1bln yen
100 Indonesian Rupiah	0.81 yen	0.93 yen	-0.12 yen	-0.8bln yen
Thai Baht	3.06 yen	3.66 yen	-0.60 yen	+1.5bln yen
Others	—	—	—	-7.5bln yen
<b>Total</b>				<b>-19.4bln yen</b>

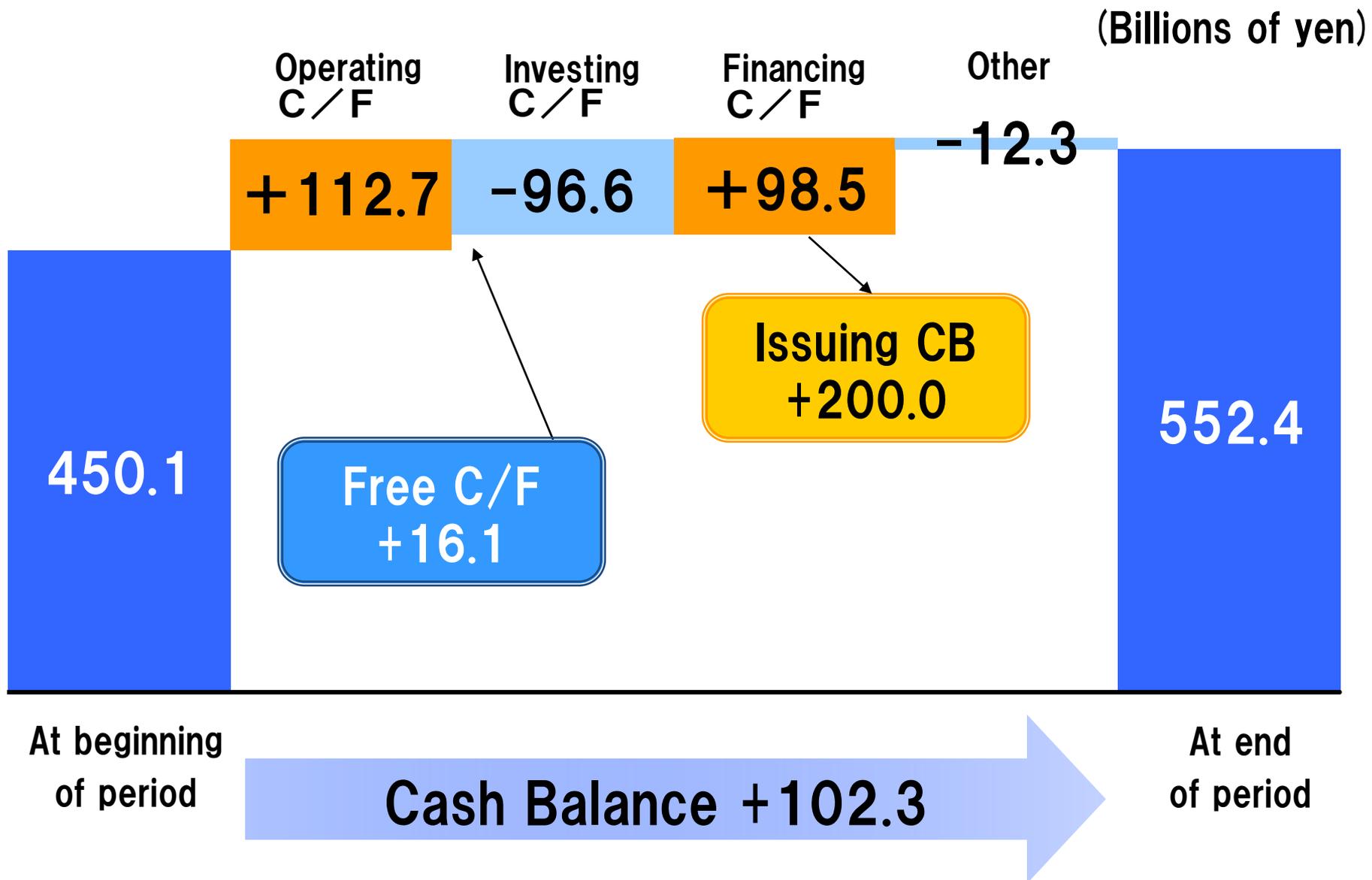
**(Billions of yen)**

	FY2016 3 months ( '16/4-6)	FY2015 3 months ( '15/4-6)	Change
(Non-consolidated)	<b>14.5</b>	<b>12.0</b>	<b>+ 2.5</b>
(Subsidiaries)	<b>24.9</b>	<b>21.7</b>	<b>+ 3.2</b>
<b>Capital Expenditures</b>	<b>39.4</b>	<b>33.7</b>	<b>+ 5.7</b>
<b>Depreciation Expenses</b>	<b>37.2</b>	<b>37.6</b>	<b>- 0.4</b>
<b>R&amp;D Expenses</b>	<b>27.6</b>	<b>31.6</b>	<b>- 4.0</b>

	FY2016 Q1	FY2015 Q1		FY2015 Q4	
	( '16/6)	( '15/6)	Change	( '16/3)	Change
<b>Interest-Bearing Debt balance</b>	<b>632.0</b>	<b>471.2</b>	<b>+ 160.8</b>	<b>529.3</b>	<b>+ 102.7</b>



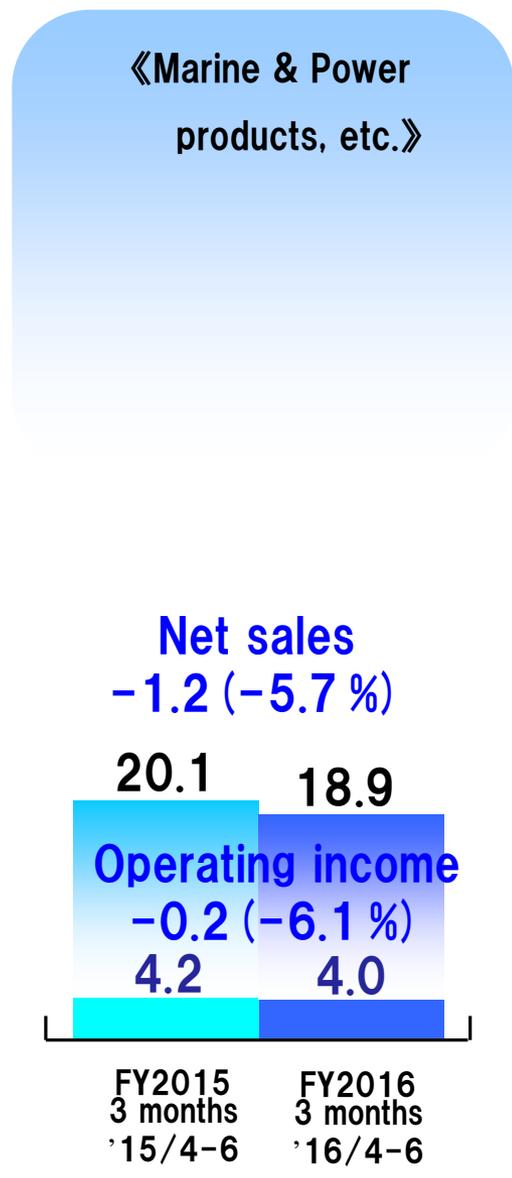
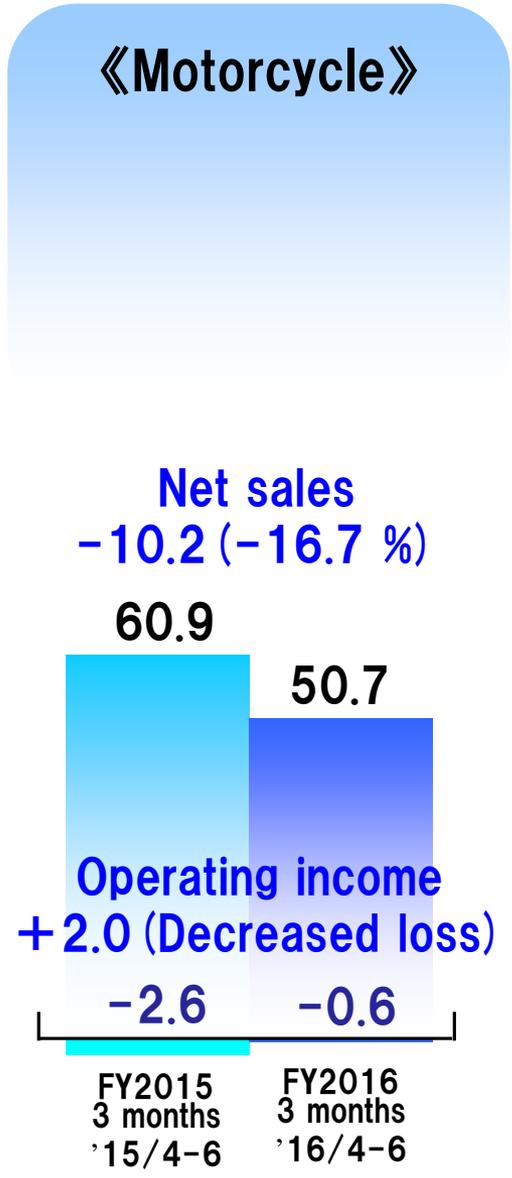
# Consolidated : Cash Flows





# Consolidated: Operating Results by Business (Net sales, Operating income)

(Billions of Yen)

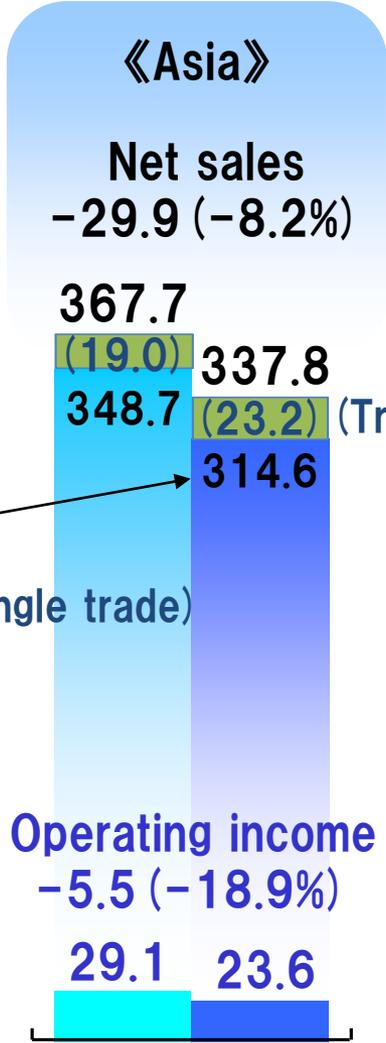
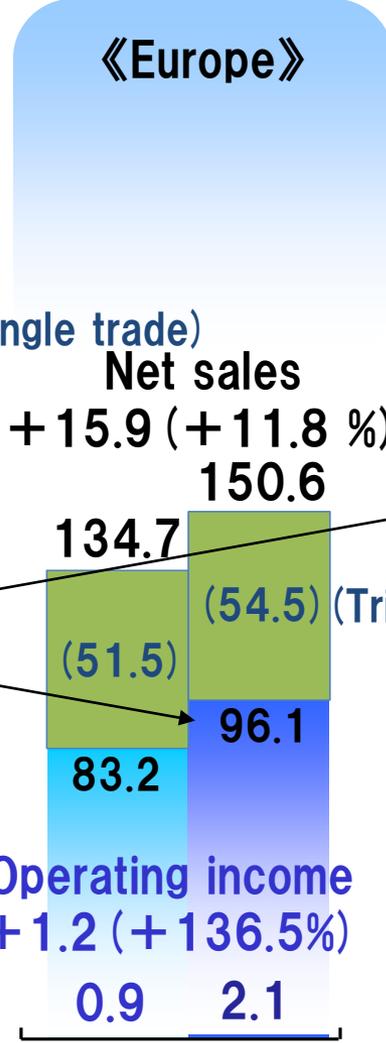
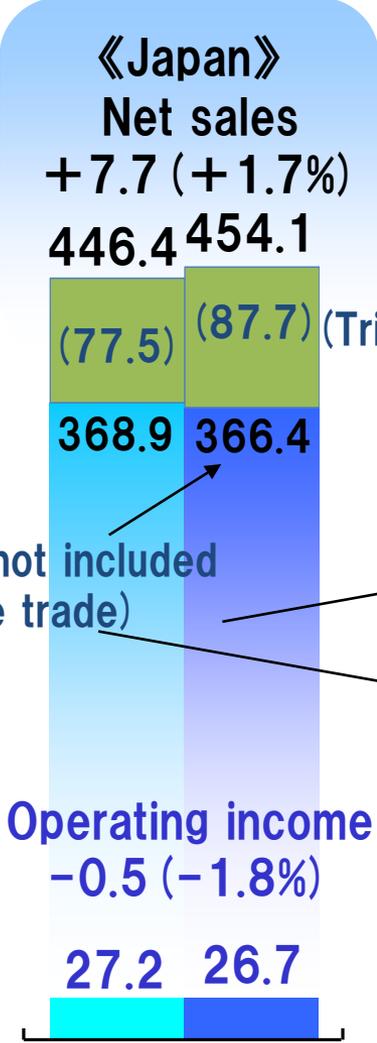
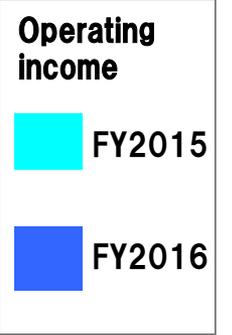




# Consolidated: Operating Results by Geographical Areas

## (Net sales, Operating income)

(Billions of Yen)



Net sales (not included triangle trade)

Area	FY2015	FY2016
Net sales	446.4	454.1
Operating income	-0.5	26.7
Net sales	150.6	150.6
Operating income	0.9	2.1
Net sales	367.7	337.8
Operating income	29.1	23.6
Net sales	38.5	34.3
Operating income	0.5	0.9

	FY2016 Q1	FY2015 Q1		FY2015 Q4	
	('16/6)	('15/6)	Change	('16/3)	Change
Consolidated Subsidiaries	<b>136</b>	<b>133</b>	<b>+3</b>	<b>136</b>	<b>±0</b>
Equity Method Affiliates	<b>33</b>	<b>35</b>	<b>-2</b>	<b>33</b>	<b>±0</b>
Employees	<b>62,764</b>	<b>58,466</b>	<b>+4,298</b>	<b>61,601</b>	<b>+1,163</b>

- Unchanged from the previous forecast on 10 May 2016

(Billions of yen)

	Full Year			First Half Forecast
	Forecast	FY 2015 Results	Change	
Net sales	3,100.0	3,180.7	-80.7	1500.0
Operating income (Margin)	180.0 (5.8%)	195.3 (6.1%)	-15.3	90.0 (6.0%)
Ordinary income (Margin)	185.0 (6.0%)	209.1 (6.6%)	-24.1	92.5 (6.2%)
Net income* (Margin)	93.0 (3.0%)	116.7 (3.7%)	-23.7	46.5 (3.1%)
Capital Expenditures	220.0	171.5	+48.5	
Depreciation Expenses	170.0	168.3	+1.7	
R&D Expenses	140.0	131.0	+9.0	

\*Net income attributable to owners of the parent

## «Factors of Change in Operating Income»

### factors of increase

Change in sales, model mix	+54.7
Cost reduction	+29.0

factors of increase total +83.7

### factors of decrease

Effect of ForEX rates	-62.0
Increase of various expenses	-26.0
Increase of R&D expenses	-9.0
Increase of depreciation expenses	-2.0

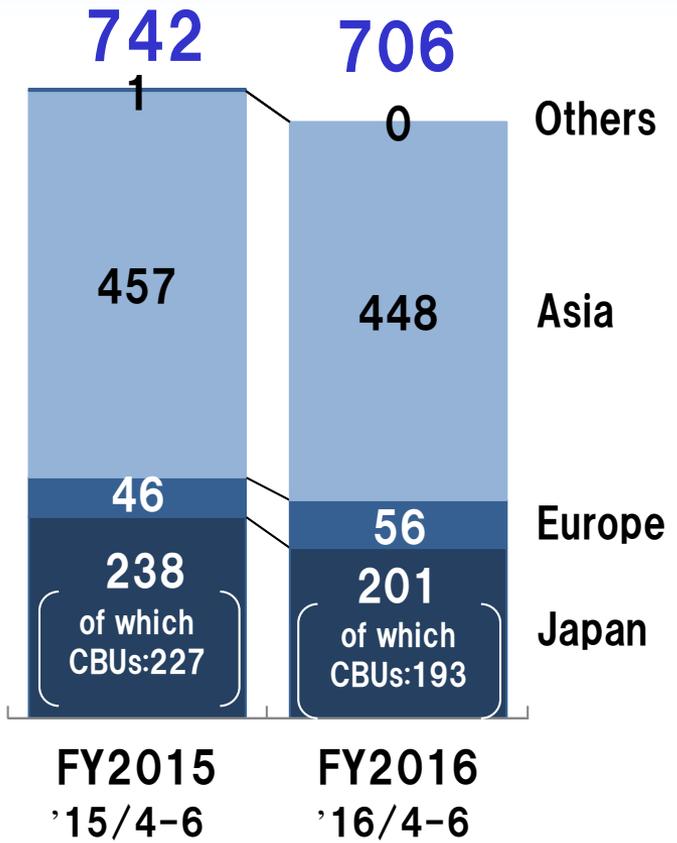
factors of decrease total -99.0

- Unchanged from the previous forecast on 10 May 2016

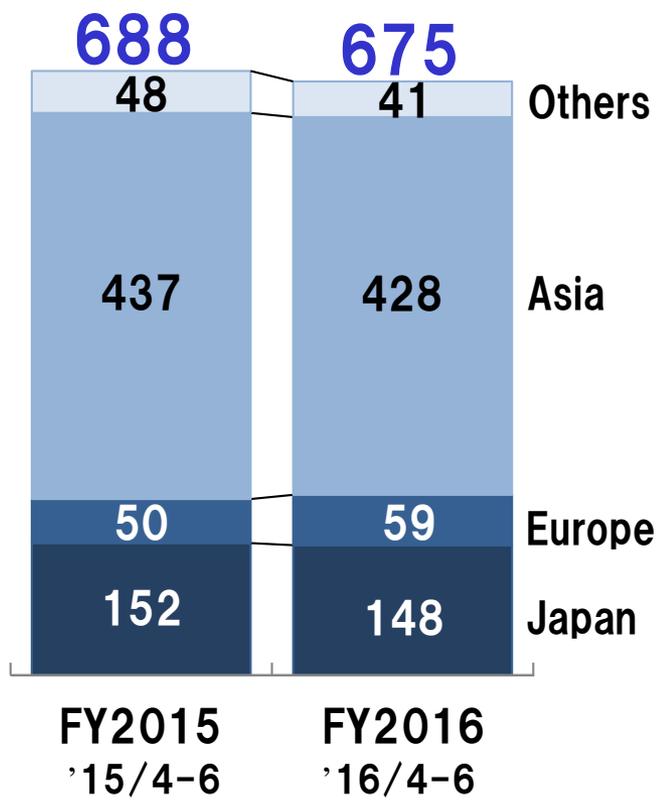
	Full Year			Effect of ForEX rates in operating income
	Forecast	FY 2015 Results	Change	
U.S. Dollar	105 yen	120 yen	-15 yen	-7.2bln yen
Euro	120 yen	133 yen	-13 yen	-13.4bln yen
Indian Rupee	1.60 yen	1.85 yen	-0.25 yen	-26.6bln yen
100 Indonesian Rupiah	0.80 yen	0.89 yen	-0.09 yen	-2.6bln yen
Thai Baht	3.00 yen	3.44 yen	-0.44 yen	+4.3bln yen
		Others		-16.5bln yen
		Effect of ForEX rates total		-62.0bln yen

(Thousand units)

« First Quarter Production Volume Comparison »  
**-36 (-4.9%)**



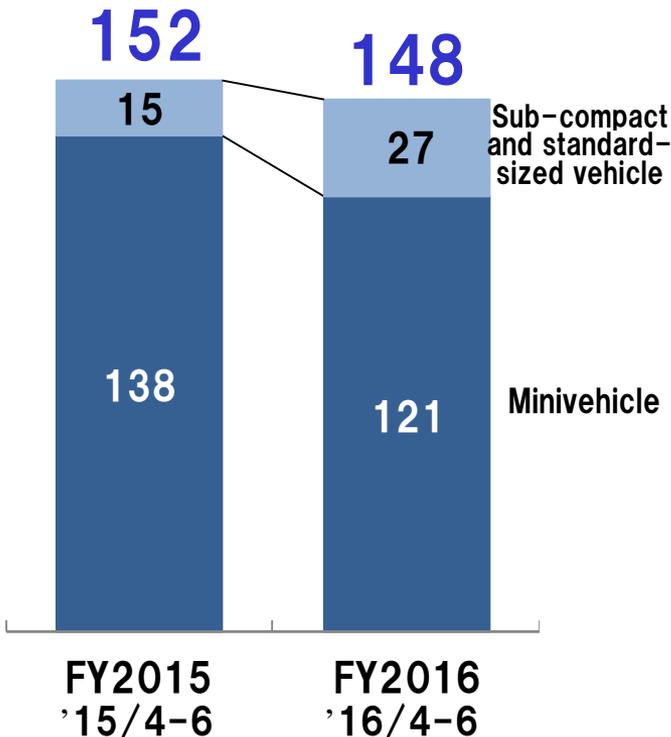
« First Quarter Sales Volume Comparison »  
**-12 (-1.8%)**



◀ First Quarter Comparison ▶

-4 (-2.9%)

(Thousand units)



- Minivehicles decreased by 11.9% year-on-year
- Sub-compact and standard-sized vehicles largely increased by 80.0% year-on-year owing to sales contribution of new models launched in the previous fiscal year

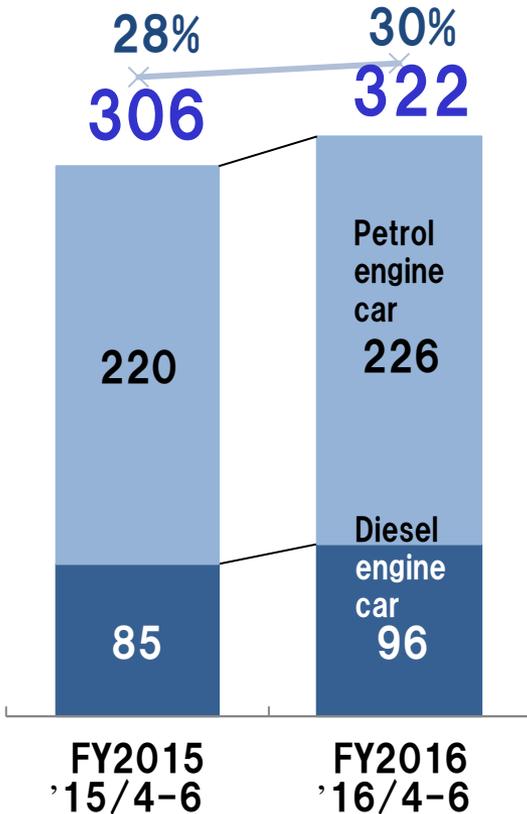
- August 2015 SOLIO, SOLIO Bandit
- October 2015 ESCUDO
- February 2016 IGNIS
- March 2016 BALENO
- May 2016 BALENO (BOOSTERJET)



« First Quarter Comparison »

**+17(+5.4%)**  
(Thousand units)

Percentage of Diesel engine cars



- June decreased year-on-year for the first time in 26 months owing to a fire at a supplier
- However, first quarter increased by 5.4% year-on-year owing to sales contribution of new models including BALENO, S-CROSS, and VITARA BREZZA
- First anniversary of new sales channel NEXA with accumulated sales of 100,000 units. 150 dealers are located in 94 cities, and are set to reach 250 within this fiscal year



- CIAZ achieved accumulated sales of 100,000 units in June, after one year and eight months since its launch in October 2014



# Enters into India's Light Commercial Vehicle Segment

- Enter into India's Light Commercial Segment by launching **SUPER CARRY** compact truck in July
  - Initially, sales of the vehicle will be limited in three cities (Ludhiana, Ahmedabad, and Kolkata)
- (Features)
- Two-cylinder 800cc diesel engine
  - Vehicle body with ample load carrying capacity, great manoeuvrability, and stability
  - Spacious cabin that offers comfort even for longer trips



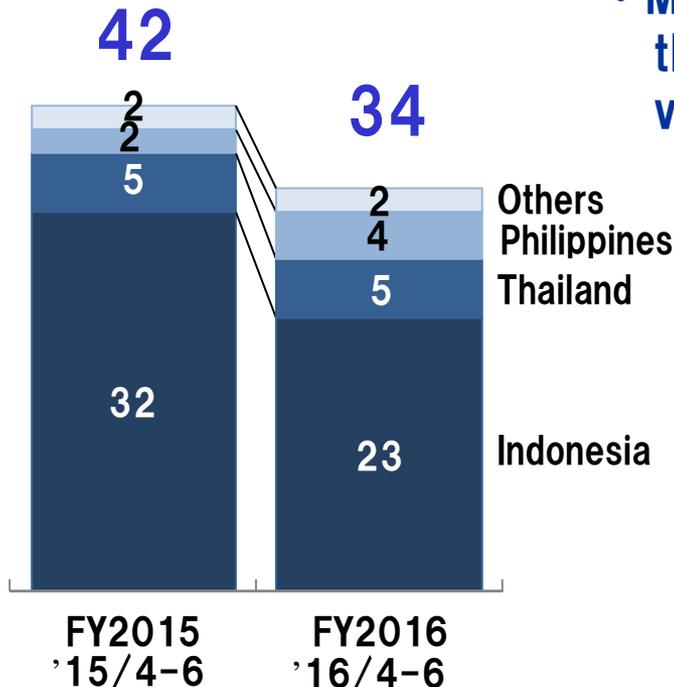
- India's commercial vehicle segment market reached approximately 700,000 units in FY2015
  - Meet customer needs of India by introducing products into the commercial vehicle segment, in addition to its main lineup of passenger cars and MUV\*
  - Produced at Gurgaon Plant
- \*Multi Utility Vehicle

« First Quarter Comparison »

**-8(-19.4%)**

(Thousand units)

- Indonesia decreased year-on-year owing to a drop in sales of commercial vehicles
- Thailand was at the same level as the previous year owing to sales contribution of CIAZ, despite drop in sales of SWIFT and CELERIO
- The Philippines increased year-on-year by 42.7% owing to the increase in sales of models including CELERIO and ERTIGA
- Malaysia ended sales of Suzuki-branded vehicles, with the cooperation with Proton (supply KD parts of Suzuki vehicles to Proton) in place



※ASEAN: Total of 5 countries - Indonesia, Malaysia, Thailand, Philippines and Vietnam

## « First Quarter Production Volume Comparison »

**-58(-14.9%)**

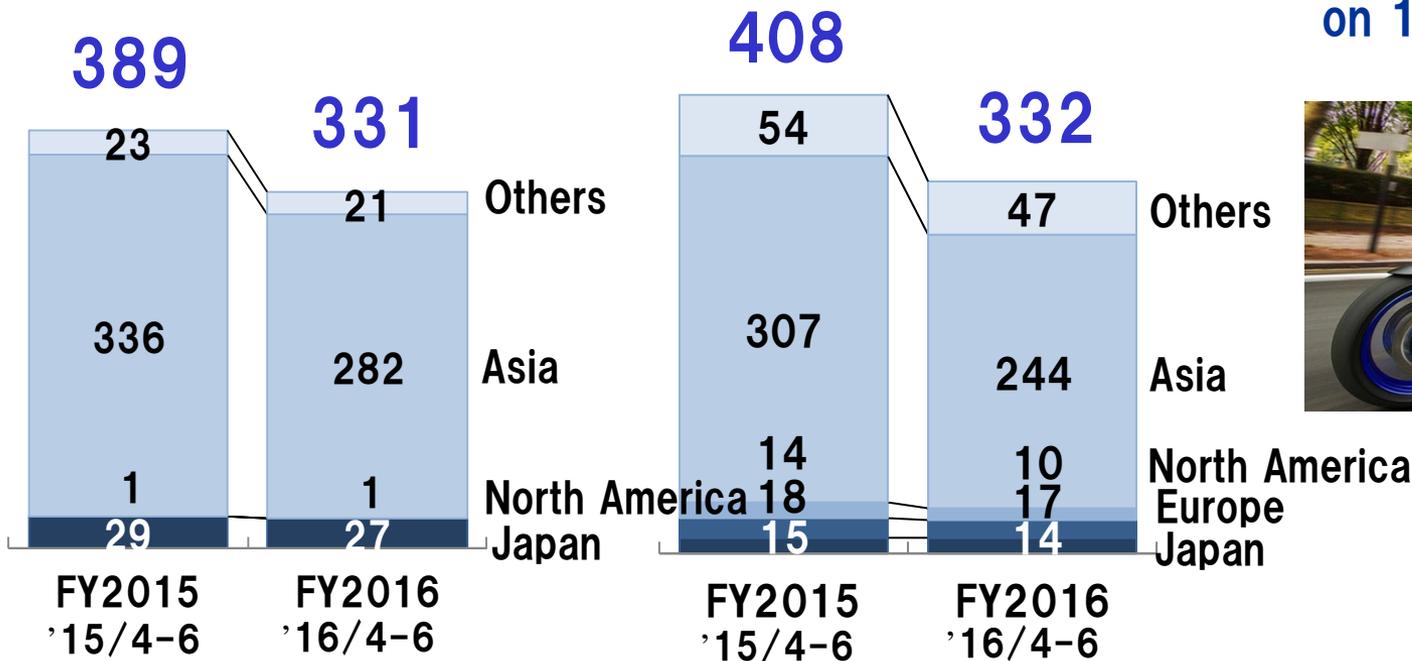
## « First Quarter Sales Volume Comparison »

**-76(-18.6%)**

(Thousand units)

### SV650

- V-twin engine
- Lightweight and compact road sportbike
- Started exports to overseas from this year
- To be launched in Japan on 11 August



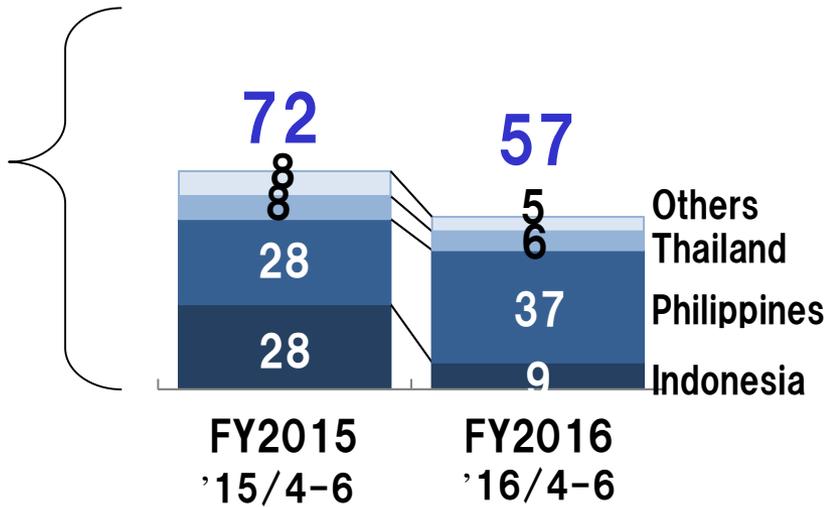
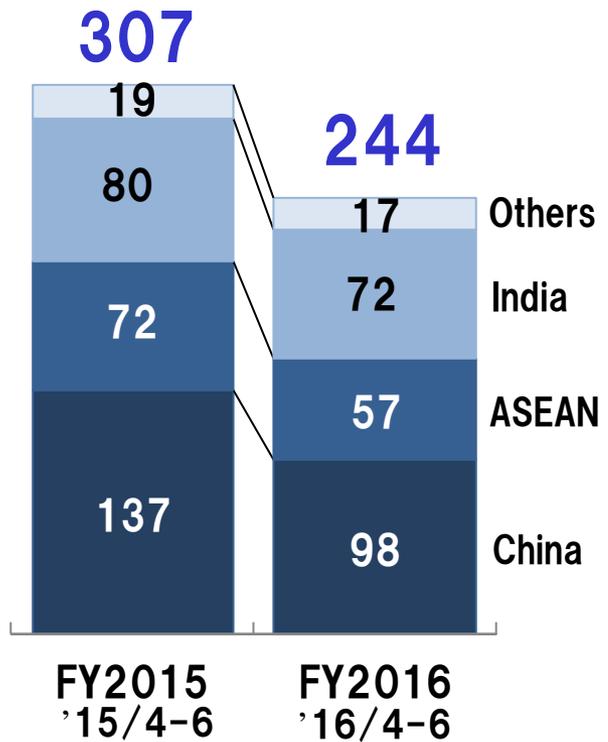


# Sales Volume of Motorcycles by Geographical Areas (Asia)

(Thousand units)

《 First Quarter Comparison 》  
-63(-20.5%)

《 Breakdown of Sales Volume  
in ASEAN 》  
-15(-21.0%)



※ASEAN: Total of 5 countries - Indonesia, Malaysia, Thailand, Philippines and Vietnam

• Unchanged from the previous forecast on 10 May 2016

(Thousand units)

	Production				Sales			
	Forecast (FY2016)	FY2015 Results			Forecast (FY2016)	FY2015 Results		
		(FY2015)	Change	Ratio		(FY2015)	Change	Ratio
<b>&lt;Automobile&gt;</b>								
Japan	911	861	+50	+5.8%	650	630	+20	+3.2%
Europe	191	193	-2	-0.9%	232	207	+25	+12.2%
Asia	2,047	1,896	+151	+8.0%	1,888	1,842	+46	+2.5%
Others	2	2	+0	+0.1%	186	183	+3	+1.8%
<b>Total</b>	<b>3,151</b>	<b>2,951</b>	<b>+200</b>	<b>+6.8%</b>	<b>2,956</b>	<b>2,861</b>	<b>+95</b>	<b>+3.3%</b>
<b>&lt;Motorcycle&gt;</b>								
Japan	133	122	+11	+8.8%	65	61	+4	+6.5%
Europe	—	—	—	—	50	48	+2	+4.5%
N.America	6	4	+2	+35.2%	47	46	+1	+3.3%
Asia	1,241	1,279	-38	-3.0%	1,150	1,126	+24	+2.1%
Others	66	74	-8	-10.6%	190	216	-26	-11.9%
<b>Total</b>	<b>1,446</b>	<b>1,480</b>	<b>-34</b>	<b>-2.3%</b>	<b>1,502</b>	<b>1,496</b>	<b>+6</b>	<b>+0.4%</b>

# FY2016 First Quarter Financial Results



**SUZUKI MOTOR CORPORATION**

## Caution with respect to Forward-Looking Statements

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

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

Those factors, which may influence the future results, include economic conditions and the trend of demand in major markets and the fluctuations of foreign exchange rates

(mainly U.S. dollar/Yen rate, Euro/Yen rate, Indian Rupee/Yen rate).

[English translation from the original Japanese language document]