

FY2017 Second Quarter Financial Results



SUZUKI MOTOR CORPORATION
2 November 2017

Second Quarter Results

● Consolidated Financial Results...Higher earnings and sales, record-high sales and each income*1

Net Sales: 1,831.1 billion yen, +22.2% year-on-year, increased for the first time in 2 periods

Operating Income: 172.9 billion yen, +49.7% year-on-year
Ordinary Income: 186.9 billion yen, +53.4% year-on-year } increased for 6 consecutive periods

Net Income*2: 104.2 billion yen, +4.3% year-on-year, increased for 8 consecutive periods

- Increased sales...increase in automobile and motorcycle sales in markets including India, Europe, and Japan, etc.
- Increased income...improvement in profit in Japan, Asia, Europe, etc.

● Worldwide Sales Volume of Automobiles...1,581 thousand units (+12.6% year-on-year), record-high*1

- Increase in India, Europe, Japan, Indonesia, etc.

● Worldwide Sales Volume of Motorcycles...797 thousand units (+18.8% year-on-year)

- Increase in India, China, Indonesia, etc.

● Interim Cash Dividends...30 yen per share (+8 yen from the previous forecast)

- Increased dividends based on the second quarter results which exceeded the forecasts made in the beginning of the fiscal year

*1 Record-high second quarter financial results

*2 Net income means Net income attributable to owners of the parent

Full Year Forecast

● Consolidated Financial Results...Upward revision in sales and each income

Net Sales: 3,600.0 bln yen, +13.6% year-on-year, +200.0 bln yen from the previous forecasts

Operating Income: 300.0 bln yen, +12.5% year-on-year, +60.0 bln yen from the previous forecasts

Ordinary Income: 320.0 bln yen, +11.6% year-on-year, +65.0 bln yen from the previous forecasts

Net Income*: 180.0 bln yen, +12.5% year-on-year, +35.0 bln yen from the previous forecasts

- Reflected the second quarter results, review of sales units, and change in forEX rates

● Worldwide Sales Volume of Automobiles...3,102 thousand units (+31 thousand units from the previous forecasts)

- Upward revision in Asia, Europe, etc.
- India made upward revision from +8% year-on-year in the previous forecasts to +10%

● Worldwide Sales Volume of Motorcycles...1,515 thousand units (+96 thousand units from the previous forecasts)

- Upward revision in Asia

● Year-End Cash Dividends...up 8 yen per share from the previous forecasts to 30 yen per share

- Increased dividends based on the upward revision in the full year forecasts

Higher earnings on higher sales Record-high in sales and each income

(Billions of yen)	FY2017 6 months ('17/4-9)	FY2016 6 months ('16/4-9)	Change	
				Ratio
Net Sales	1,831.1	1,499.0	+332.1	+22.2%
Japan	531.4	496.6	+34.8	+7.0%
Suzuki brand	481.2	454.4	+26.8	+5.9%
OEM	50.2	42.2	+8.0	+19.1%
Overseas	1,299.7	1,002.4	+297.3	+29.7%
Operating Income (Margin)	172.9 (9.4%)	115.5 (7.7%)	+57.4	+49.7%
Ordinary Income (Margin)	186.9 (10.2%)	121.8 (8.1%)	+65.1	+53.4%
Net income attributable to owners of the parent (Margin)	104.2 (5.7%)	99.9 (6.7%)	+4.3	+4.3%

Increase in each segment and region,
record-high* in domestic, overseas, and consolidated

(Billions of yen)	Automobile			Motorcycle			Marine & Power products, etc.			Total			of which effect of ForEX rates conversion
	FY2017 6 months (¹⁷ /4-9)	FY2016 6 months (¹⁶ /4-9)	Change	FY2017 6 months (¹⁷ /4-9)	FY2016 6 months (¹⁶ /4-9)	Change	FY2017 6 months (¹⁷ /4-9)	FY2016 6 months (¹⁶ /4-9)	Change	FY2017 6 months (¹⁷ /4-9)	FY2016 6 months (¹⁶ /4-9)	Change	
Japan total	511.9	478.4	+33.5	11.8	10.3	+1.5	7.7	7.9	-0.2	531.4	496.6	+34.8	
Suzuki brand	461.7	436.2	+25.5	11.8	10.3	+1.5	7.7	7.9	-0.2	481.2	454.4	+26.8	
OEM	50.2	42.2	+8.0							50.2	42.2	+8.0	
Overseas total	1,157.2	889.3	+267.9	112.6	86.3	+26.3	29.9	26.8	+3.1	1,299.7	1,002.4	+297.3	+92.9
Europe	223.5	177.6	+45.9	24.0	19.5	+4.5	8.6	6.7	+1.9	256.1	203.8	+52.3	+14.0
N. America	0.8	1.2	-0.4	15.6	10.2	+5.4	13.7	13.4	+0.3	30.1	24.8	+5.3	+1.6
Asia	815.0	603.4	+211.6	55.7	40.7	+15.0	2.9	2.5	+0.4	873.6	646.6	+227.0	+69.3
India	621.3	461.5	+159.8	22.3	14.3	+8.0	0.2	0.1	+0.1	643.8	475.9	+167.9	+59.5
Other	193.7	141.9	+51.8	33.4	26.4	+7.0	2.7	2.4	+0.3	229.8	170.7	+59.1	+9.8
Other	117.9	107.1	+10.8	17.3	15.9	+1.4	4.7	4.2	+0.5	139.9	127.2	+12.7	+8.0
Grand total	1,669.1	1,367.7	+301.4	124.4	96.6	+27.8	37.6	34.7	+2.9	1,831.1	1,499.0	+332.1	+92.9
of which effect of ForEX rates conversion			+86.0			+5.7			+1.2				+92.9

*North America...United States and Canada

Automobile in North America...sales of parts and accessories, etc.

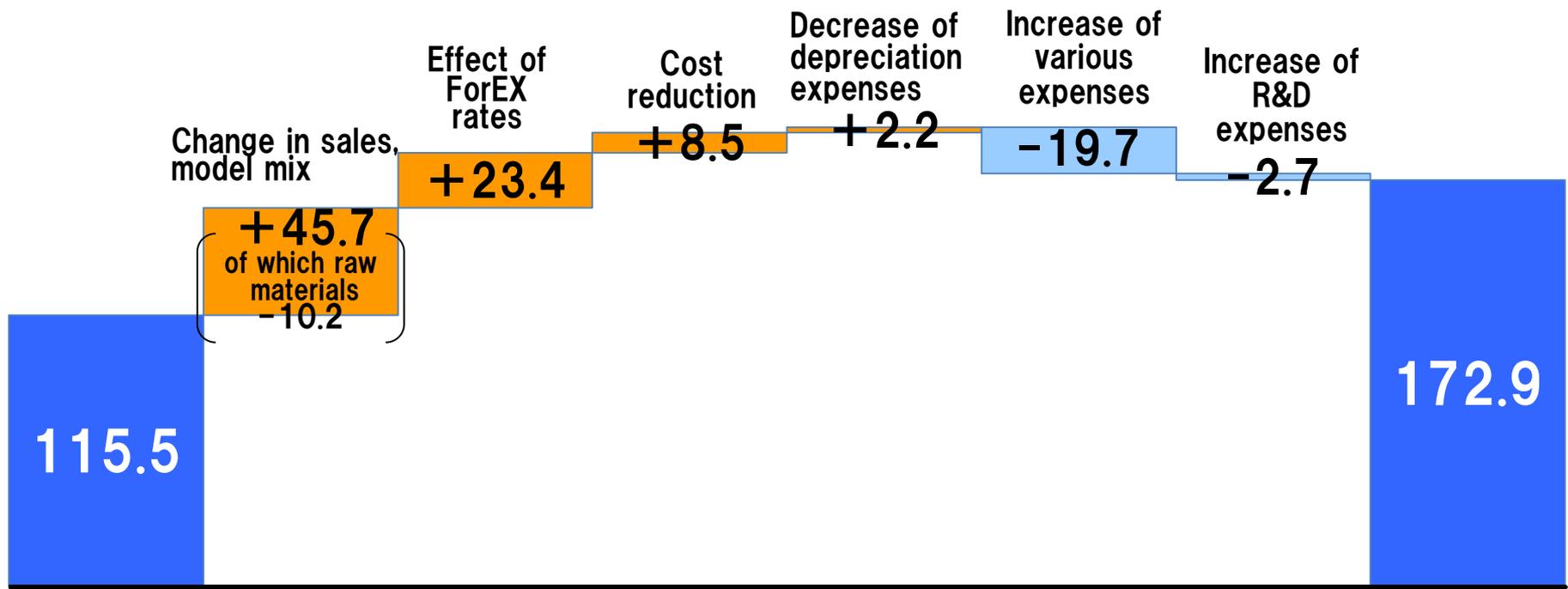
*Record-high in second quarter financial results

of which effect of ForEX rates conversion



Consolidated: Factors of Change in Operating Income

(Billions of yen)



FY2016
First 6 months
Operating
income

FY2017
First 6 months
Operating
income

Factors of increase **+79.8**

Factors of decrease **-22.4**

Operating income +57.4

	FY2017 6 months (^{'17} /4-9)	FY2016 6 months (^{'16} /4-9)	Change	Effect of ForEX rates in operating income
US Dollar	111 yen	105 yen	+6 yen	+1.9bln yen
Euro	126 yen	118 yen	+8 yen	+5.7bln yen
Indian Rupee	1.74 yen	1.58 yen	+0.16 yen	+11.1bln yen
100 Indonesian Rupiah	0.84 yen	0.80 yen	+0.04 yen	+1.1bln yen
Thai Baht	3.28 yen	3.00 yen	+0.28 yen	-1.0bln yen
Others	—	—	—	+4.6bln yen *
Total				+23.4bln yen

* Aus. Dollar +1.0bln yen, Pak. Rupee +0.8bln yen , Mex. Peso +0.8bln yen, etc.

(Billions of yen)

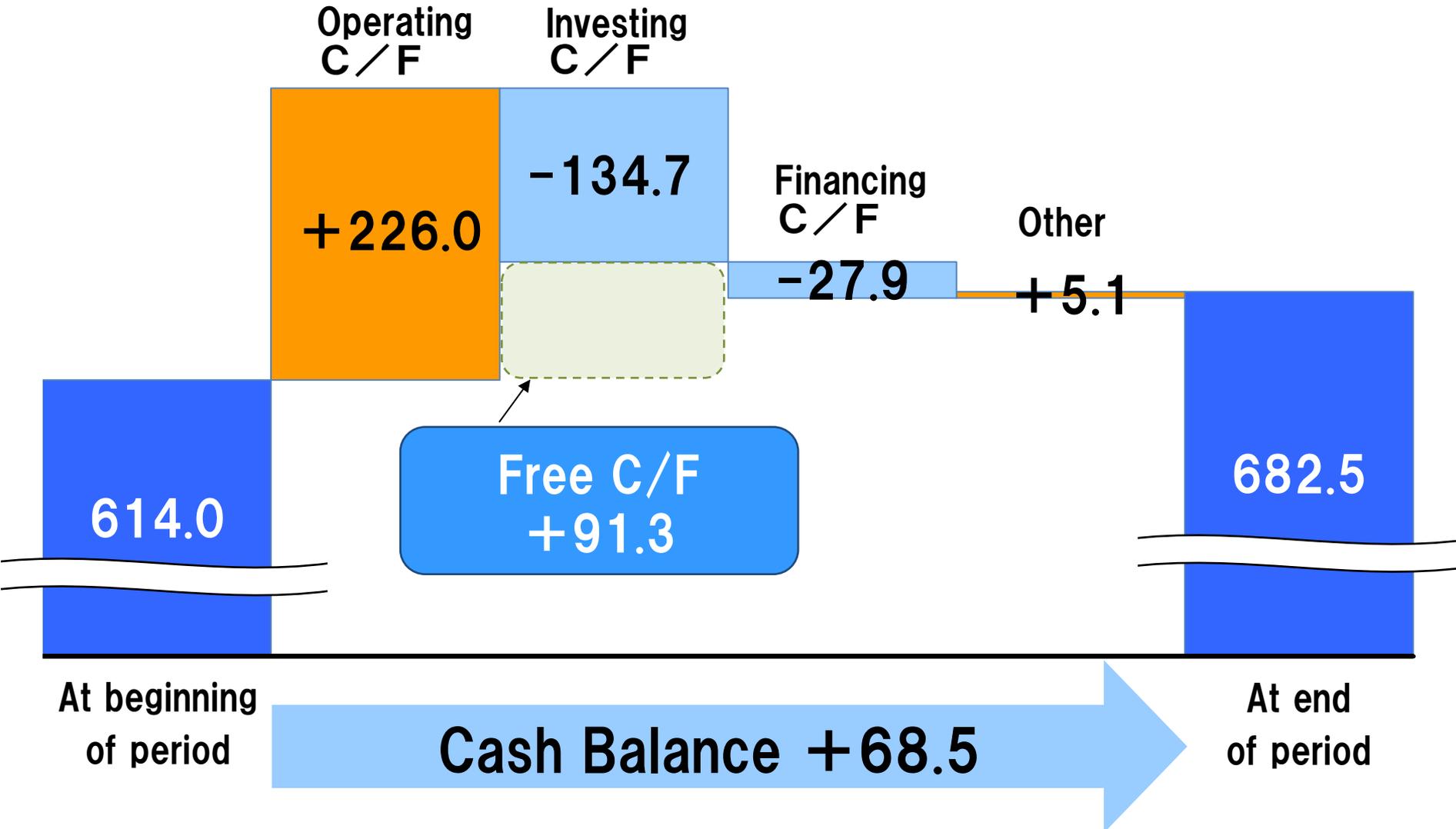
	FY2017 6 months ('17/4-9)	FY2016 6 months ('16/4-9)	Change
(Non-consolidated)	21.5	30.5	-9.0
(Subsidiaries)	52.0	64.6	-12.6
Capital Expenditures	73.5	95.1	-21.6
Depreciation Expenses	74.3	76.5	-2.2
R&D Expenses	65.4	62.7	+2.7

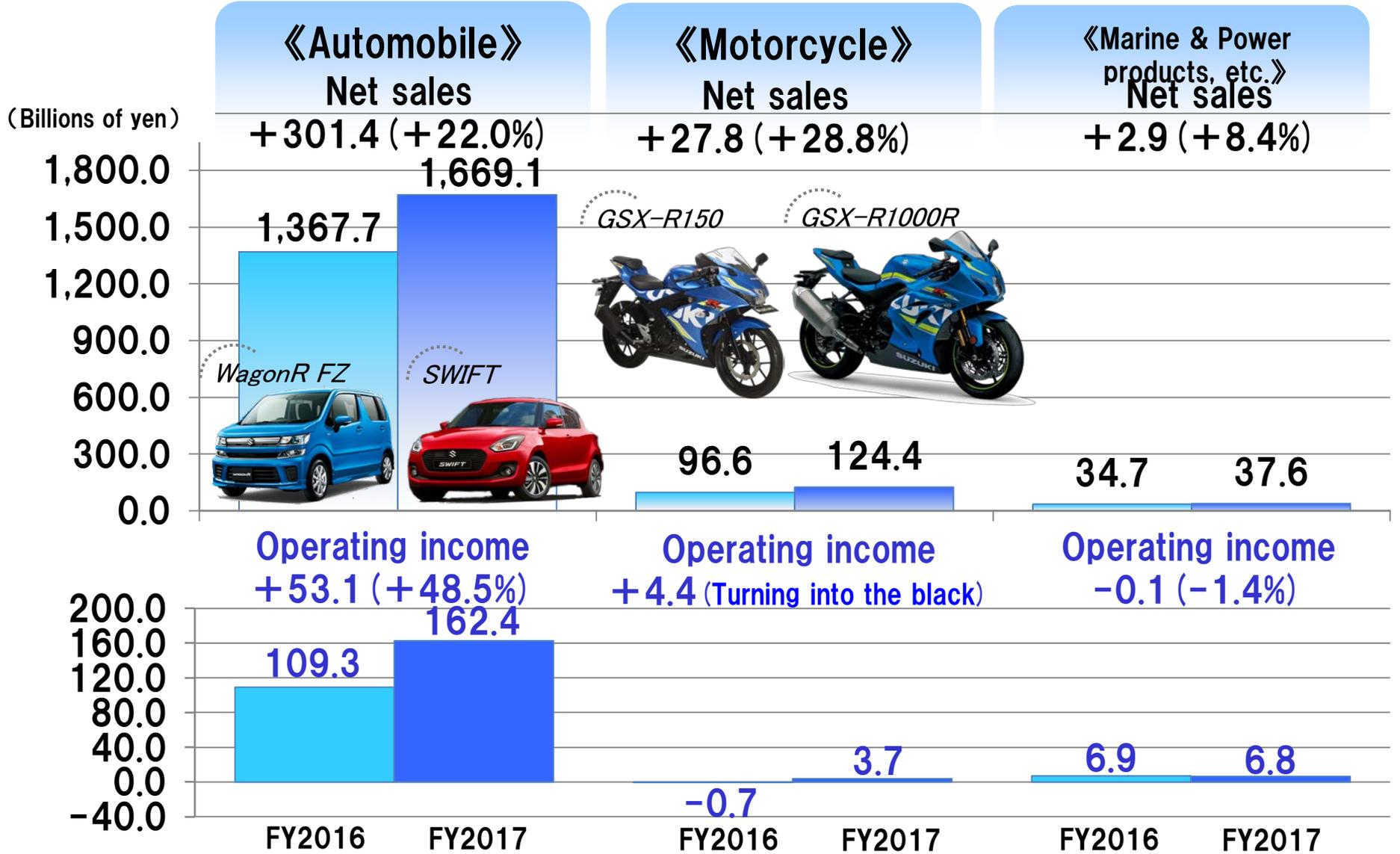
	FY2017 Q2	FY2016 Q2		FY2016 Q4	
	('17/9)	('16/9)	Change	('17/3)	Change
Interest-Bearing Debt balance	641.8	639.8	+2.0	639.9	+1.9



Consolidated : Cash Flows

(Billions of yen)





* FY2017...Apr-Sep 2017, FY2016...Apr-Sep 2016

- DF350A received the National Marine Manufacturers Association's 2017 IBEX Innovation Award in the U.S.
- Best awards in the marine technology given to products that demonstrate technological innovations and deliver practical, cost-efficient, and outstanding consumer benefits
- Eighth award for Suzuki, the most number of awards won by outboard maker

Main features of DF350A

New maximum 350-horsepower engine

- 4,390cm³ 4-stroke V6 engine, 12.0:1 compression ratio
- Optimum combustion chamber shape with Direct Intake System, Suzuki Dual Louver System, and dual injectors

Suzuki Dual Prop System

- Combines two contra-rotating propellers
 - Efficiently converts engine output into forward thrust
- Smaller gear case decreases underwater resistance
 - High running performance and directional stability

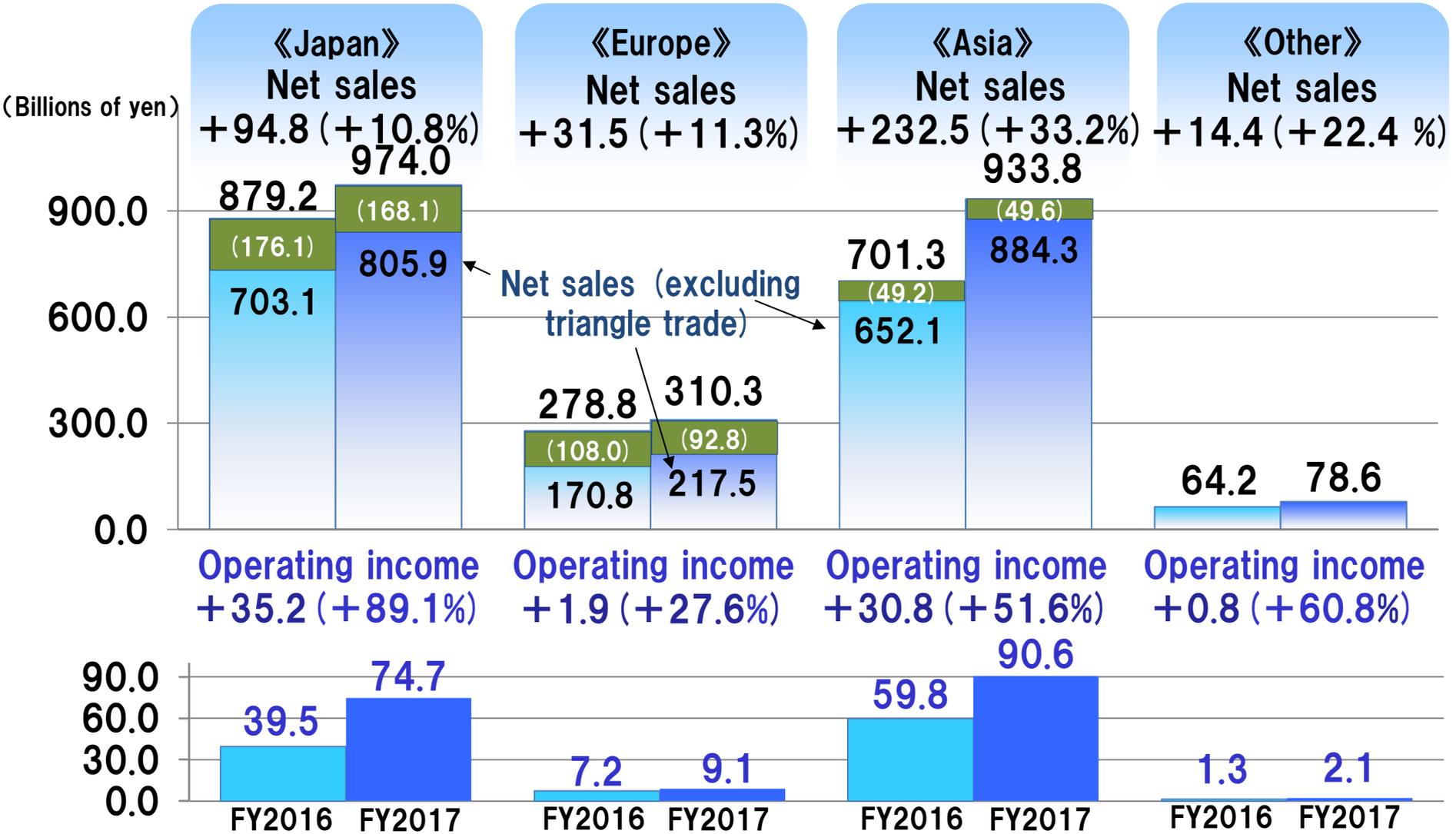
Innovative styling

THE ULTIMATE 4-STROKE OUTBOARD





Consolidated: Operating Results by Geographic Region (Net sales, Operating income)



Note about triangle trade
 Conventionally, net sales of Hungary production models for European subsidiaries were eliminated as they were intraregional subsidiary trade. But because trade type was changed to triangle trade via Japan, and net sales to Japan and net sales from Japan to Europe are not eliminated, net sales of Japan and Europe are shown larger. The same trade is also applied in Asia.
 * FY2017...Apr-Sep 2017, FY2016...Apr-Sep 2016

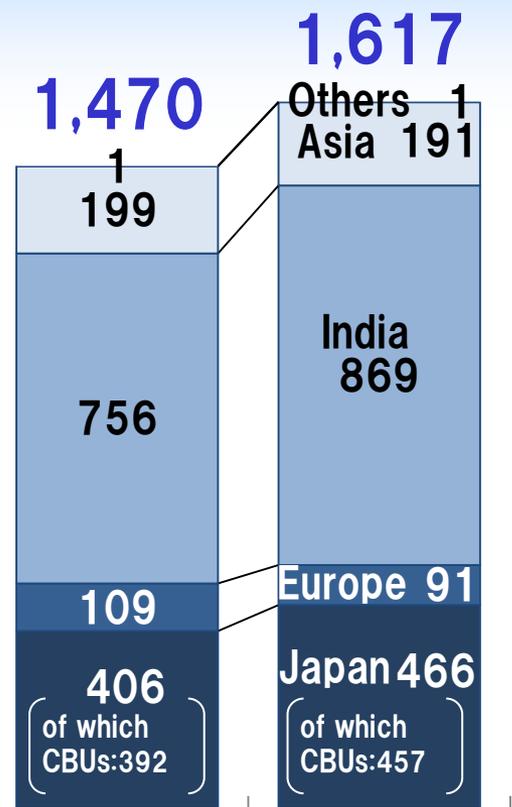
	FY2017 Q2	FY2016 Q2		FY2016 Q4	
	('17/9)	('16/9)	Change	('17/3)	Change
Consolidated Subsidiaries	136	136	±0	136	±0
Equity Method Affiliates	33	33	±0	32	+1
Employees	65,056	62,932	+2,124	62,992	+2,064

Reflected performance improvements in second quarter

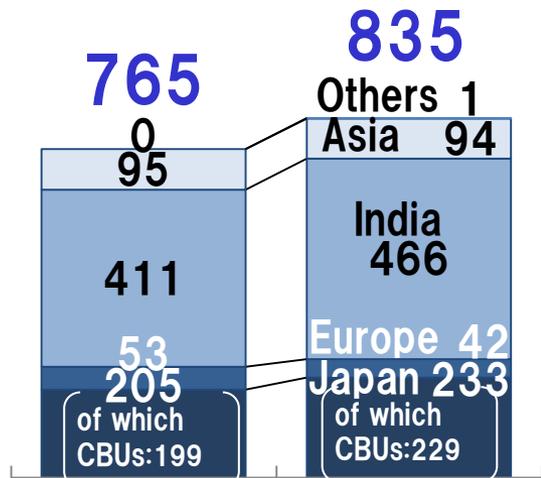
(Billions of yen)		Latest Forecast	Comparison with FY 2016 result		Comparison with previous forecast	
			FY 2016 Result	Change	Previous forecast	Change
Net sales		3,600.0	3,169.5	+430.5	3,400.0	+200.0
Operating income		300.0	266.7	+33.3	240.0	+60.0
Ordinary income		320.0	286.7	+33.3	255.0	+65.0
Net income attributable to owners of the parent		180.0	160.0	+20.0	145.0	+35.0
Change in Operating Income	Change in sales,model mix	+79.3	+119.7		+22.3	+57.0
	Cost reduction	+20.0	+23.1		+27.0	-7.0
	Effect of ForEX rates	+20.0	-79.3		—	+20.0
	Fluctuation of various expenses	-50.0	+3.5		-40.0	-10.0
	Increase of R&D expenses	-19.0	-0.5		-19.0	±0
	Fluctuation of depreciation	-17.0	+4.9		-17.0	±0
	Total	+33.3	+71.4		-26.7	+60.0
Capital Expenditures		220.0	198.8	+21.2	220.0	±0
Depreciation Expenses		180.0	163.4	+16.6	180.0	±0
R&D Expenses		150.0	131.5	+18.5	150.0	±0

Record-high for second quarter with 1,617 thousand units

«Half Year Comparison»
+147 (+10.0%)



« Of Which Three Months Comparison »
+70 (+9.2%)
(Thousand units)



● Second quarter (Apr.–Sep.) global production

- Record-high with 1,617 thousand units (+10.0% year-on-year)
- Increase in Japan (+14.8%) and India (+15.0%)
- Decrease in Europe (-17.2%) owing to transfer of production of Swift to Japan
- Decrease in Asia excl. India owing to decrease in China (-4.1%)

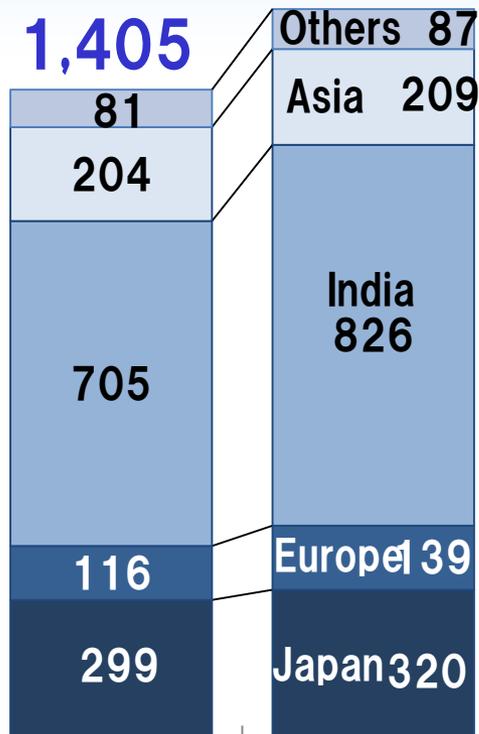
FY2016 6 months '16/4-9 FY2017 6 months '17/4-9
 FY2016 3 months '16/7-9 FY2017 3 months '17/7-9

Record-high global sales volume with 1,581 thousand units

«Half Year Comparison»

+176 (+12.6%)

1,581



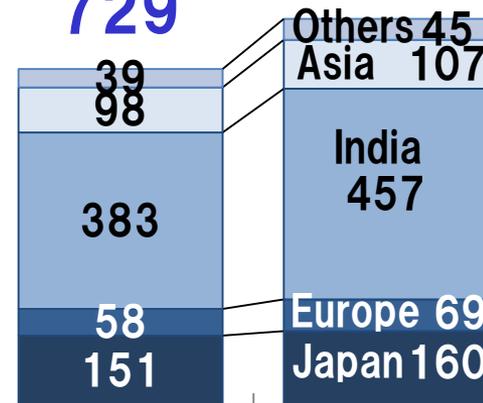
« Of Which
Three Months Comparison »

+111 (+15.2%)

(Thousand units)

729

840



● Second quarter (Apr.–Sep.)
global sales

• Record-high with 1,581
thousand units
(+12.6% year-on-year)

• Increase in Japan (+7.2%),
Europe (+19.7%), and India
(+17.1%)

• Increase in Asia excl. India
owing to increase in Indonesia
and Thailand, despite decrease
in China (+2.5%)

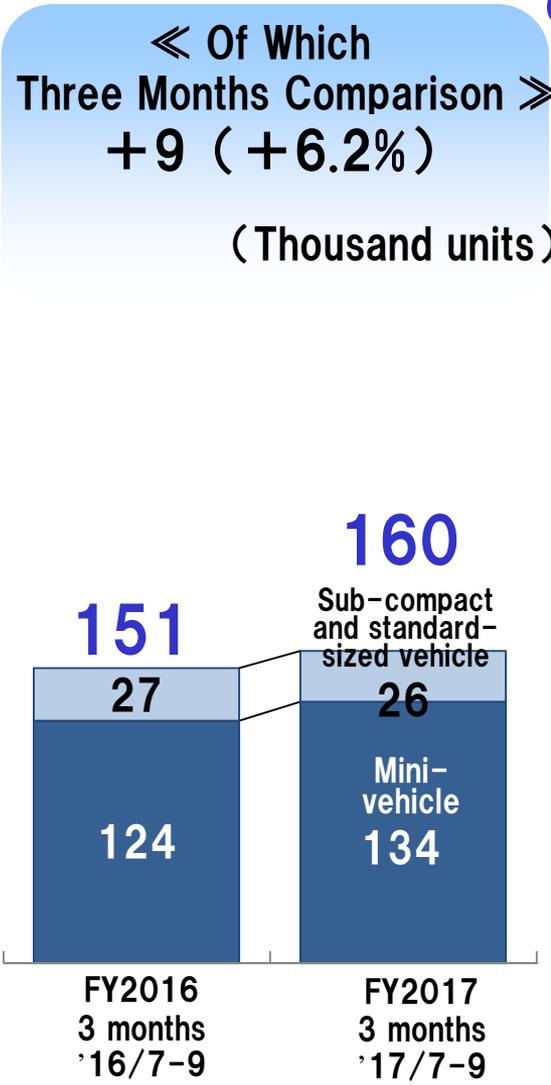
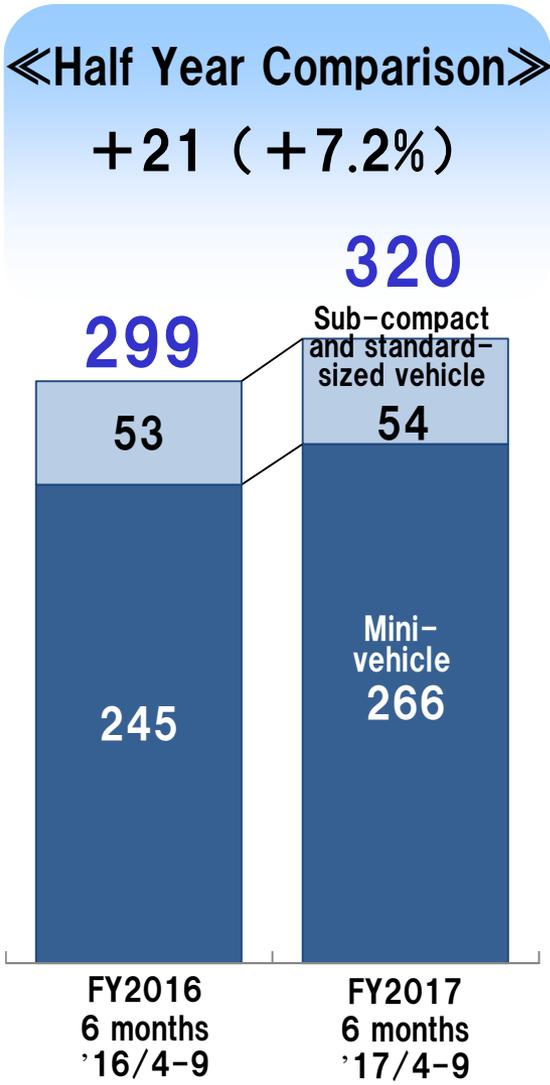
FY2016
6 months
'16/4-9

FY2017
6 months
'17/4-9

FY2016
3 months
'16/7-9

FY2017
3 months
'17/7-9

Contribution of new models incl. WagonR and Swift



- Second quarter (Apr.–Sep.) Japan sales
- 320 thousand units (+7.2% year-on-year)
- Contribution of new models incl. WagonR and Swift



GOOD DESIGN AWARD 2017

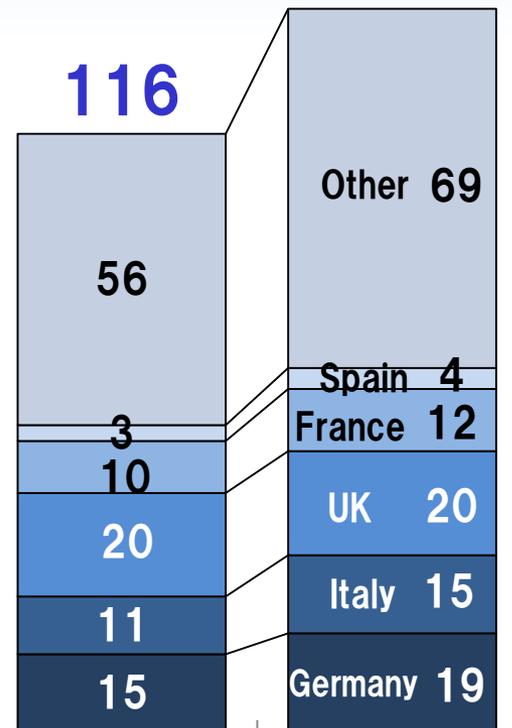
- Topics
- Achieved accumulated Japanese domestic automobile sales of 25 million units in August, in 61 years and 11 months since launching Suzulight minicar in October 1955
- Launched new Swift Sport in September



GOOD DESIGN AWARD 2017

Contribution of Ignis and S-Cross

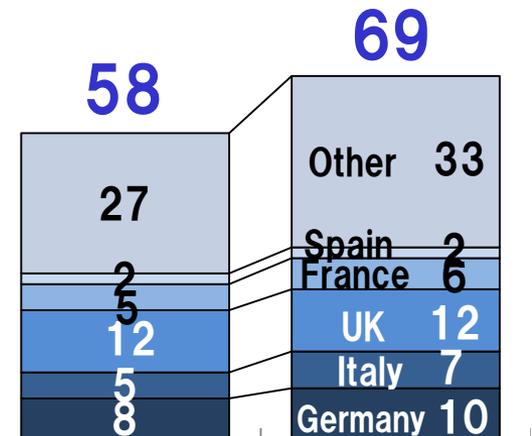
«Half Year Comparison»
+23 (+19.7%)
139



FY2016
6 months
'16/4-9

FY2017
6 months
'17/4-9

« Of Which
 Three Months Comparison »
+11 (+19.7%)
 (Thousand units)



FY2016
3 months
'16/7-9

FY2017
3 months
'17/7-9

● Second quarter (Apr.-Sep.)
 European sales

- Europe increased by 19.7% year-on-year owing to contribution of new models incl. Swift, SX4 S-Cross, and Ignis

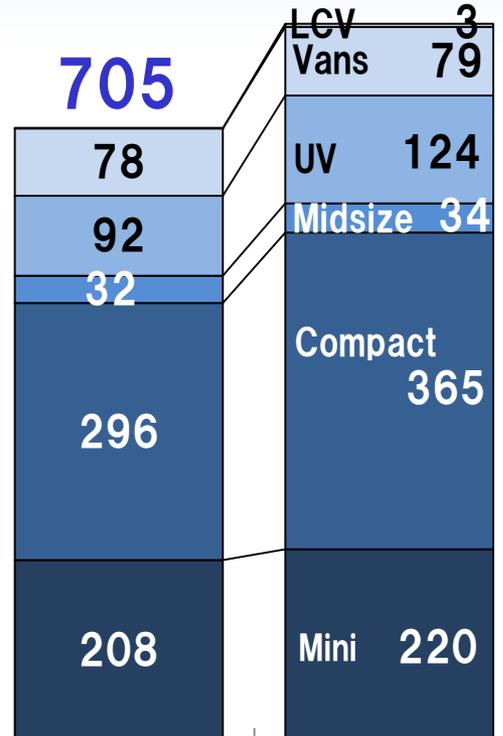


Record-high Indian sales

«Half Year Comparison»

+120 (+17.1%)

826



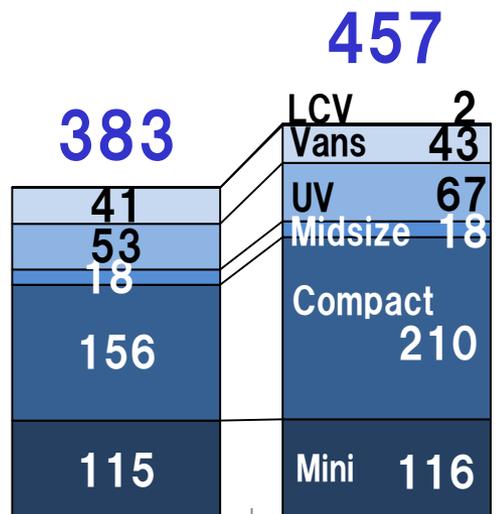
FY2016
6 months
'16/4-9

FY2017
6 months
'17/4-9

« Of Which Three Months Comparison »

+74 (+19.4%)

(Thousand units)



FY2016
3 months
'16/7-9

FY2017
3 months
'17/7-9

● Second quarter (Apr.-Sep.) Indian sales

- Sales volume for Apr.-Sep. became record-high with 826 thousand units owing to launch of new Dzire, in addition to Baleno and Vitara Brezza

● Topics

- Dzire achieved sales volume of 100,000 units in just 5.5 months since launched in May



GOOD DESIGN AWARD 2017

※LCV=Light Commercial Vehicles, UV=Utilities Vehicles

Opening of Gujarat Plant and cornerstone laying of lithium-ion battery plant



- Held on the occasion of Japanese Prime Minister Shinzo Abe visiting India on 14 September
- In the presence of Japanese Prime Minister Shinzo Abe, Indian Prime Minister Narendra Modi, and the government personnel of both countries
- Videos introduced the company's project in India
 - New plant of Suzuki Motor Gujarat
 - India's first automobile lithium-ion battery plant by a joint venture between Toshiba, Denso, and Suzuki
- Unveiling ceremony of commemorative plates
 - Opening of new Gujarat Plant
 - Cornerstone laying of lithium-ion battery plant

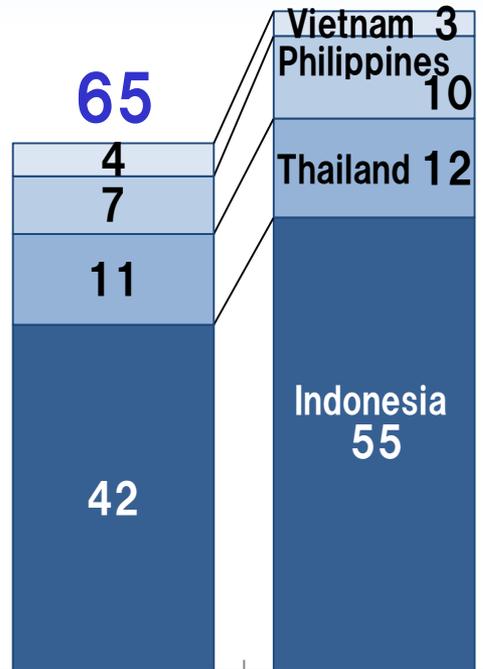
Suzuki continues to cooperate with the “Make in India” and “Skill India” policies of the government of India and make efforts in development of the Indian automobile industry.

Increased owing to Indonesia and Thailand

«Half Year Comparison»

+ 15 (+23.5%)

80



FY2016
6 months
'16/4-9

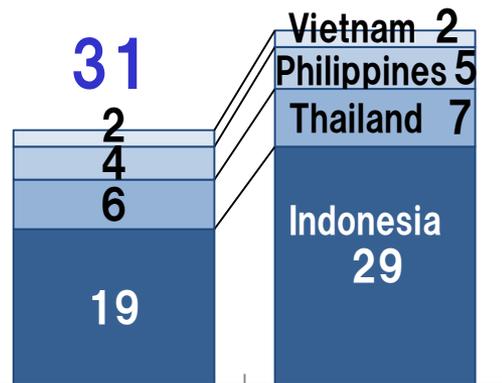
FY2017
6 months
'17/4-9

« Of Which
Three Months Comparison »

+ 12 (+38.3%)

(Thousand units)

42



FY2016
3 months
'16/7-9

FY2017
3 months
'17/7-9

● Second quarter (Apr.–Sep.)
ASEAN sales

- Total of 80 thousand units for 4 ASEAN countries* (+23.5% year-on-year)

- Indonesia increased by 29.1% owing to recovery of commercial vehicles, in addition to excellent sales of the new Ignis

- Thailand increased by 9.5% owing to Ciaz

● Topics

- Following the Ignis, launched made-in-India Baleno in Indonesia (August)



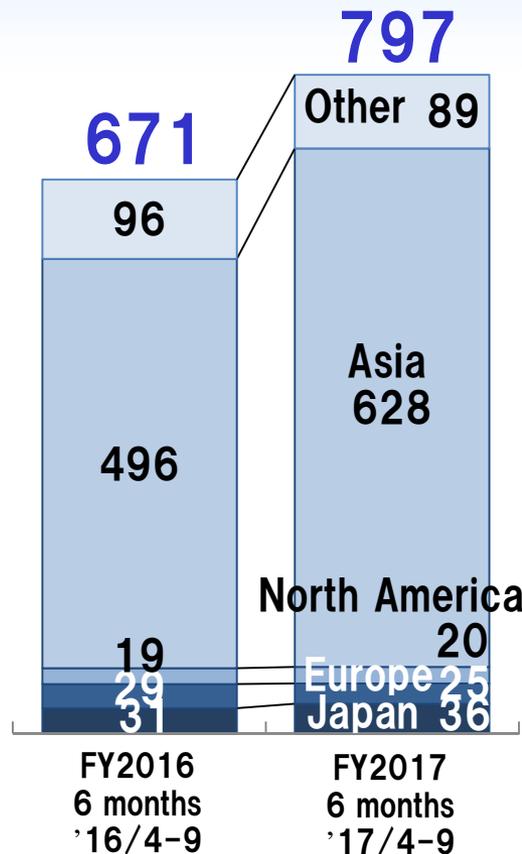
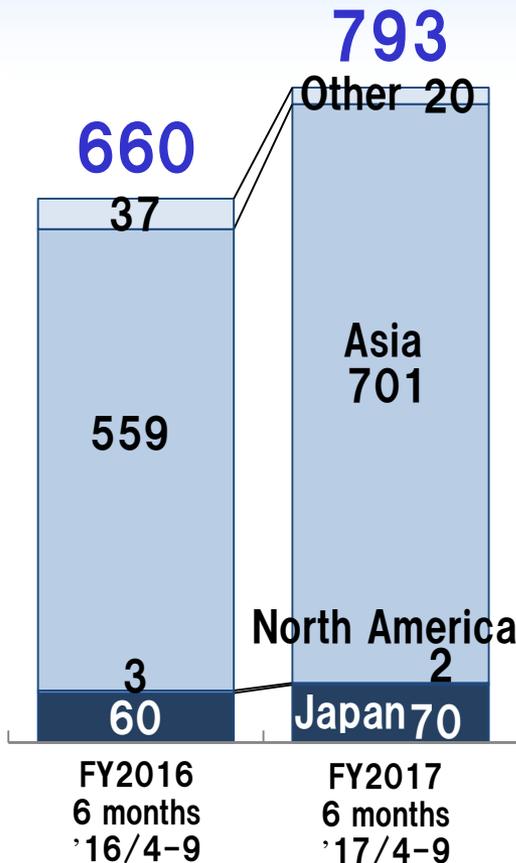
※ASEAN: Total of 4 countries – Indonesia, Thailand, Philippines and Vietnam

Increased production and sales

«Half Year Production Volume Comparison»
+133 (+20.2%)

«Half Year Sales Volume Comparison»
+126 (+18.8%)
 (Thousand units)

● **Second quarter (Apr.–Sep.) motorcycles**



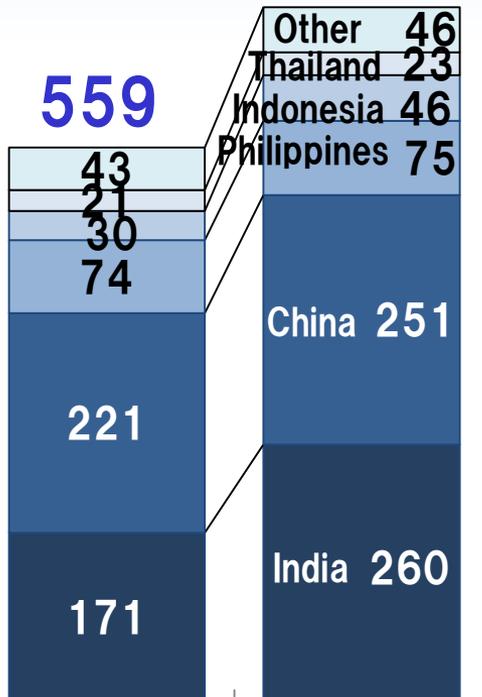
- Global production increased by 20.2% year-on-year to 793 thousand units
- Global sales increased by 18.8% year-on-year to 797 thousand units



Increase in India, China, Indonesia, etc.

«Half Year Production
Volume Comparison»
+142 (+25.4%)

701



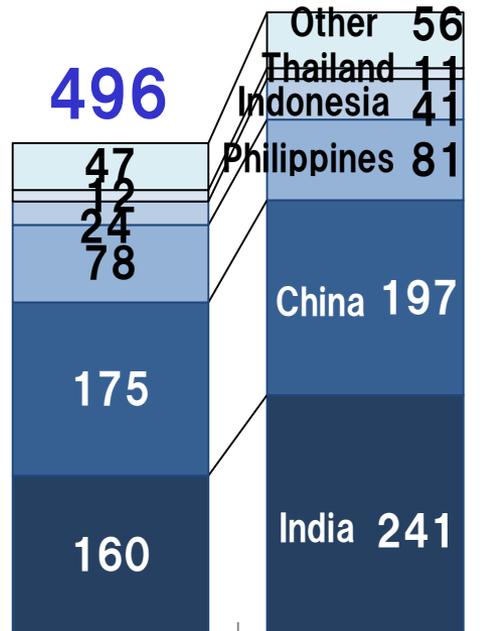
FY2016
6 months
'16/4-9

FY2017
6 months
'17/4-9

«Half Year Sales
Volume Comparison»
+132 (+26.6%)

(Thousand units)

628



FY2016
6 months
'16/4-9

FY2017
6 months
'17/4-9

● Second quarter (Apr.–Sep.) Asia

- Asian sales increased by 26.6% year-on-year to 628 thousand units owing to India, China, Indonesia, etc.
- Excellent sales of Access125 continues in India (+50.7%)

Access125



- Indonesia expanded by 74.1% owing to GSX-R150

GSX-R150



● Launch of new models in Japan

- Address 125 (September)
New model to the Address series which have been favoured as “commuter express” since 1991
- GSX-S125 ABS (October)
Entry model to the GSX-S series joining GSX-S1000 and GSX-S750



Address 125



GSX-S125 ABS

● Good Design Award 2017 won by GSX250R and V-Strom 250

- GSX250R
Stylish standard sportbike with daily ease of use in city riding
- V-Strom 250
Sport Adventure Tourer which combines touring comfort with daily ease of use



GSX250R



V-Strom 250

- Automobile models of WagonR/WagonR Stingray minicars and Swift compact cars, and outboard motor model of DF350A have also won the award

 GOOD DESIGN AWARD 2017

 GOOD DESIGN AWARD 2017

Upward revision for both automobile and motorcycle

(Thousand units)	Production					Sales				
	Forecast (FY2017)	FY2016 Results			Revised units from previous forecast	Forecast (FY2017)	FY2016 Results			Revised units from previous forecast
	(FY2016)	Change	Ratio	(FY2016)		Change	Ratio			
<Automobile>										
Japan	973	871	+102	+11.8%	-7	645	639	+6	+1.0%	-
Europe	173	203	-30	-14.9%	+12	270	245	+25	+10.4%	+3
Asia	2,174	1,999	+175	+8.8%	+35	2,010	1,870	+140	+7.5%	+27
Others	2	1	+1	+51.3%	-	177	165	+12	+7.6%	+1
Total	3,322	3,074	+248	+8.1%	+40	3,102	2,918	+184	+6.3%	+31
<Motorcycle>										
Japan	155	141	+14	+10.1%	-3	62	62	+0	+0.1%	-5
Europe	-	-	-	-	-	47	45	+2	+4.5%	-6
N.America	4	4	-0	-9.4%	-1	39	32	+7	+22.4%	-1
Asia	1,320	1,162	+158	+13.6%	+140	1,180	1,039	+141	+13.6%	+107
Others	42	63	-21	-33.2%	-14	187	190	-3	-1.3%	+1
Total	1,521	1,370	+151	+11.0%	+122	1,515	1,367	+148	+10.8%	+96

Interim and year-end cash dividends both increased by 8 yen per share from previous forecasts

	FY 2017	In comparison with FY 2016		In comparison with previous forecast	
		FY 2016 Result	Change	Previous forecast	Change
Interim dividends	30 yen	17 yen	+ 13 yen	22 yen (Plan)	+ 8 yen
Year-end dividends	30 yen (Plan)	27 yen	+ 3 yen	22 yen (Plan)	+ 8 yen
Annual dividends	60 yen (Plan)	44 yen	+ 16 yen	44 yen (Plan)	+ 16 yen

FY2017 Second 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]