

FY2018 First Quarter Financial Results

Nobody But Jimny



SUZUKI MOTOR CORPORATION
2 August 2018

First Quarter Results

- **Consolidated Financial Results**...Higher earnings and sales, record-high net sales and each income*1
 - Net Sales: 987.5 billion yen, +13.6% year-on-year, increased for 2 consecutive periods
 - Operating Income: 116.5 billion yen, +36.9% year-on-year, increased for 7 consecutive periods
 - Ordinary Income: 133.1 billion yen, +33.8% year-on-year, increased for 2 consecutive periods
 - Net Income*2: 85.9 billion yen, +31.3% year-on-year, increased for 3 consecutive periods
 - Increased sales...increase in automobile sales in Japan, and automobile and motorcycle sales in India, etc.
 - Increased income...improvement in profit in Asia, Japan, Europe, etc.
- **Worldwide Sales Volume of Automobiles**...862 thousand units (+16.3% year-on-year), record-high*1
 - Increase in India, Japan, Pakistan, Europe, Indonesia, etc.
- **Worldwide Sales Volume of Motorcycles**...423 thousand units (+11.9% year-on-year)
 - Increase in India, Philippines, etc.

Full Year Forecasts

- **Kept unchanged from the previous forecasts**

*1 The highest ever since disclosing first quarter financial results from FY2003

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

Higher earnings on higher sales, Record-high net sales and each income *

(Billions of yen)	FY2018 3 months '18/4-6	FY2017 3 months '17/4-6	Change	
				Ratio
Net Sales	987.5	869.3	+118.2	+13.6%
Japan	296.3	266.9	+29.4	+11.0%
Suzuki brand	270.2	242.6	+27.6	+11.4%
OEM	26.1	24.3	+1.8	+7.4%
Overseas	691.2	602.4	+88.8	+14.7%
Operating Income	116.5	85.1	+31.4	+36.9%
(Margin)	(11.8%)	(9.8%)		
Ordinary Income	133.1	99.5	+33.6	+33.8%
(Margin)	(13.5%)	(11.4%)		
Net income attributable to owners of the parent	85.9	65.4	+20.5	+31.3%
(Margin)	(8.7%)	(7.5%)		

* The highest ever since disclosing first quarter financial results from FY2003

Record-high in Japan, Overseas, and Consolidated*

(Billions of yen)	Automobile			Motorcycle			Marine, etc.			Total			of which effect of ForEX rates conversion
	FY2018 3 months (¹⁸ /4-6)	FY2017 3 months (¹⁷ /4-6)	Change	FY2018 3 months (¹⁸ /4-6)	FY2017 3 months (¹⁷ /4-6)	Change	FY2018 3 months (¹⁸ /4-6)	FY2017 3 months (¹⁷ /4-6)	Change	FY2018 3 months (¹⁸ /4-6)	FY2017 3 months (¹⁷ /4-6)	Change	
Japan total	287.2	257.4	+29.8	5.5	5.5	-0.0	3.6	4.0	-0.4	296.3	266.9	+29.4	
Suzuki brand	261.1	233.1	+28.0	5.5	5.5	-0.0	3.6	4.0	-0.4	270.2	242.6	+27.6	
OEM	26.1	24.3	+1.8							26.1	24.3	+1.8	
Overseas total	613.4	529.9	+83.5	58.8	56.1	+2.7	19.0	16.4	+2.6	691.2	602.4	+88.8	-20.4
Europe	120.1	110.6	+9.5	12.1	14.5	-2.4	5.4	5.6	-0.2	137.6	130.7	+6.9	+7.4
N. America	0.4	0.4	-0.0	8.3	9.4	-1.1	9.8	7.3	+2.5	18.5	17.1	+1.4	-0.2
Asia	433.5	364.4	+69.1	30.9	24.9	+6.0	1.7	1.3	+0.4	466.1	390.6	+75.5	-27.8
India	335.5	276.9	+58.6	12.8	10.1	+2.7	0.1	0.1	+0.0	348.4	287.1	+61.3	-21.2
Other	98.0	87.5	+10.5	18.1	14.8	+3.3	1.6	1.2	+0.4	117.7	103.5	+14.2	-6.6
Other	59.4	54.5	+4.9	7.5	7.3	+0.2	2.1	2.2	-0.1	69.0	64.0	+5.0	+0.2
Grand total	900.6	787.3	+113.3	64.3	61.6	+2.7	22.6	20.4	+2.2	987.5	869.3	+118.2	-20.4
of which effect of ForEX rates conversion			-19.4			-1.1			+0.1				-20.4

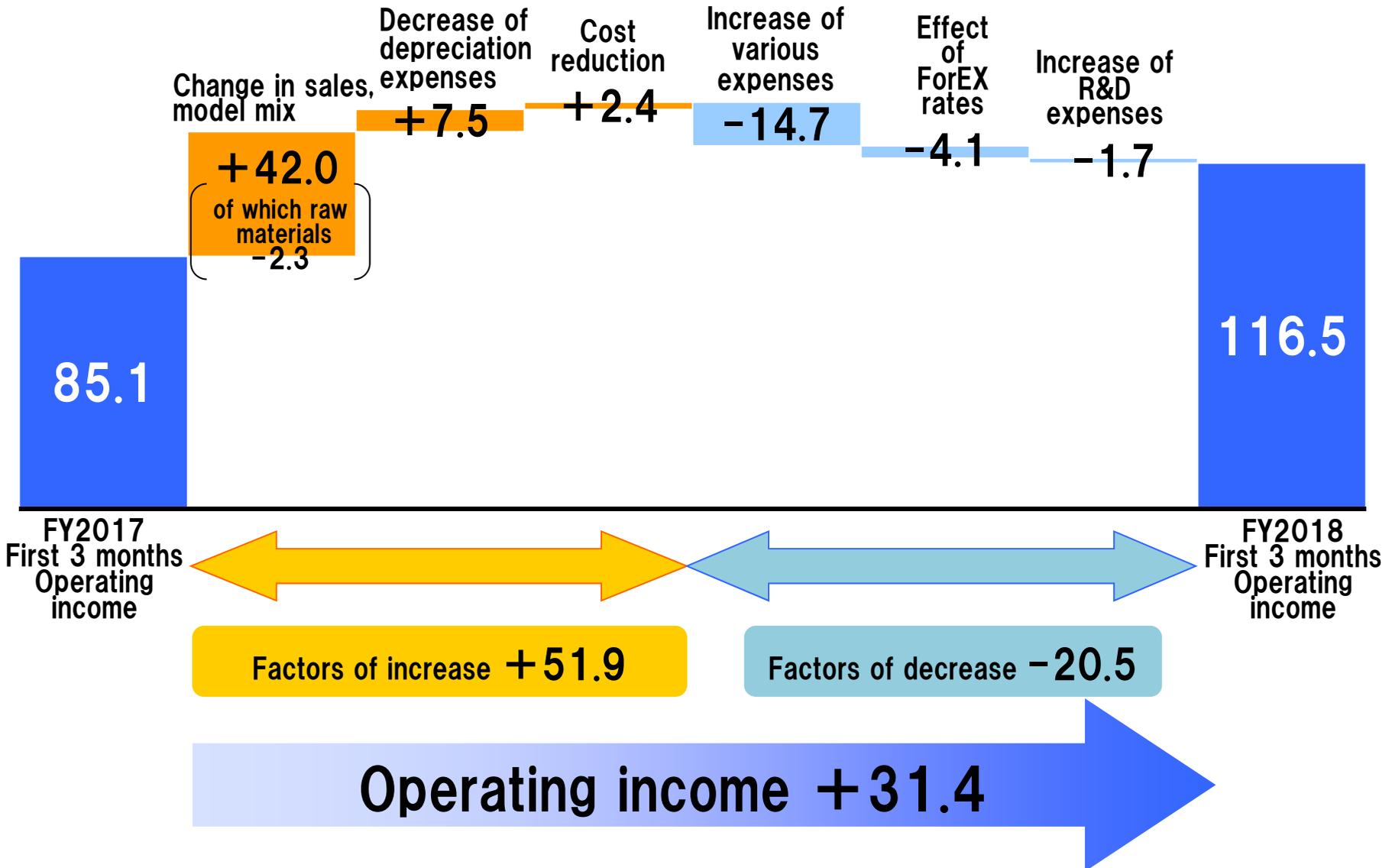
Note: North America... United States and Canada

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

* The highest ever since disclosing first quarter financial results from FY2003

Consolidated: Factors of Change in Operating Income

(Billions of yen)



Consolidated: Foreign Exchange Rates

	FY2018 3 months (^{'18/4-6})	FY2017 3 months (^{'17/4-6})	Change	Effect of ForEX rates in operating income
US Dollar	109 yen	111 yen	-2 yen	-0.3bln yen
Euro	130 yen	122 yen	+8 yen	+2.8bln yen
Indian Rupee	1.64 yen	1.74 yen	-0.10 yen	-4.6bln yen
100 Indonesian Rupiah	0.79 yen	0.84 yen	-0.05 yen	-0.8bln yen
Thai Baht	3.42 yen	3.24 yen	+0.18 yen	-0.3bln yen
Other	—	—	—	-0.9bln yen *
Total				-4.1bln yen

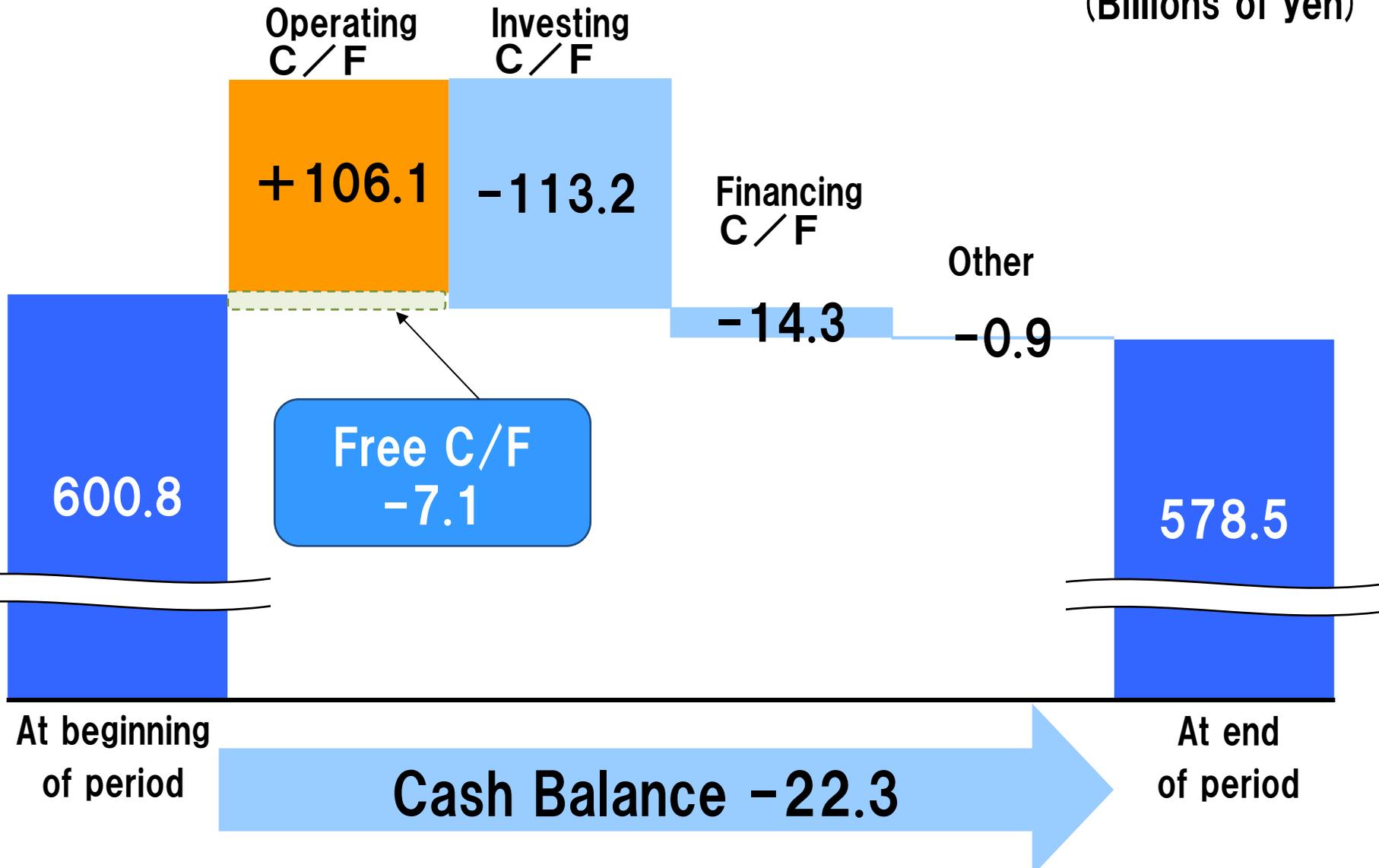
* Pak. Rupee -1.0bln yen, Mex. Peso -0.4bln yen, GB Pound +0.5bln yen, etc.

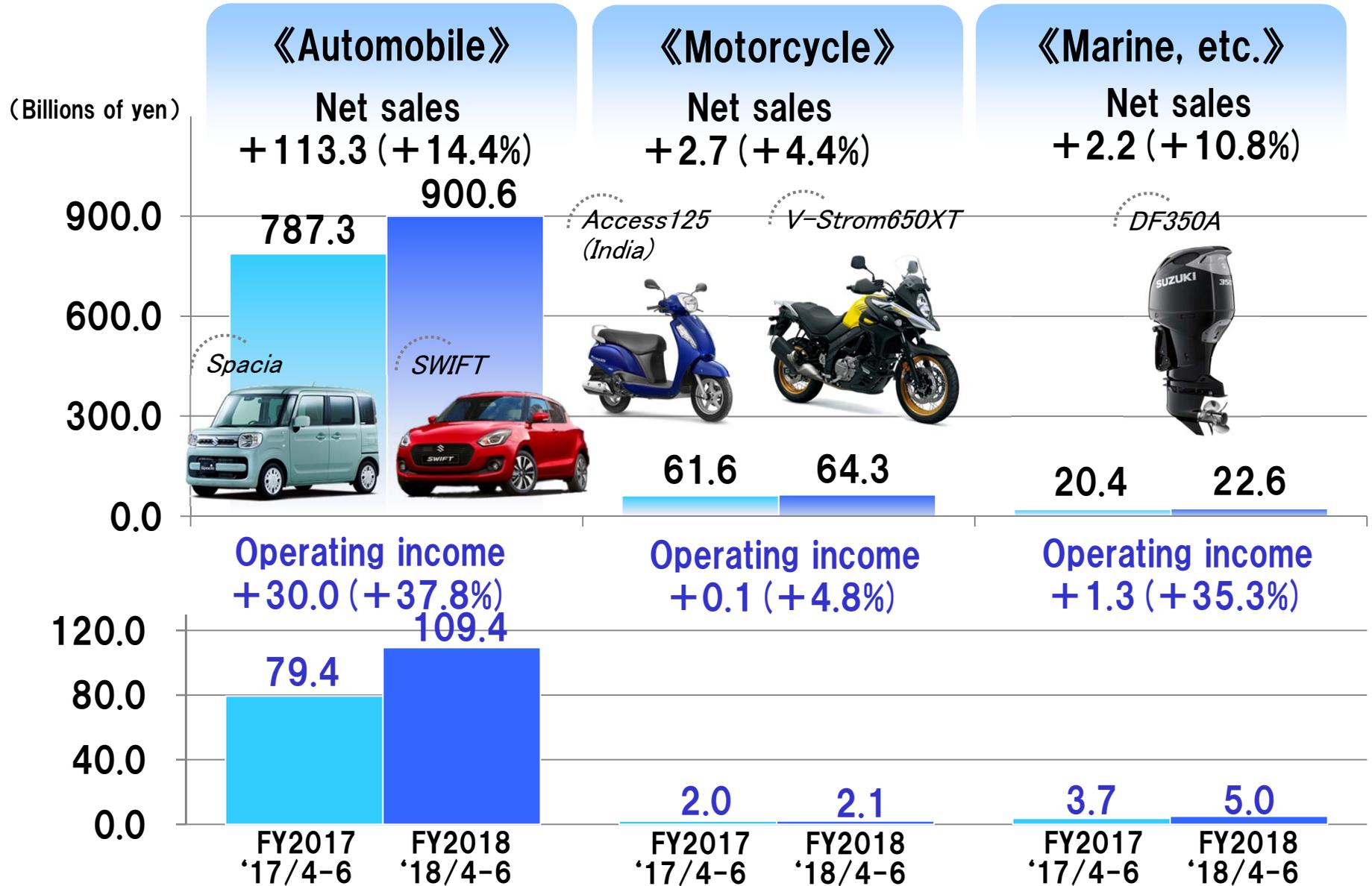
(Billions of yen)

	FY2018 3 months ('18/4-6)	FY2017 3 months ('17/4-6)	Change
(Non-consolidated)	9.8	10.1	-0.3
(Subsidiaries)	68.2	31.6	+36.6
Capital Expenditures	78.0	41.7	+36.3
Depreciation Expenses	32.7	40.2	-7.5
R&D Expenses	31.7	30.0	+1.7

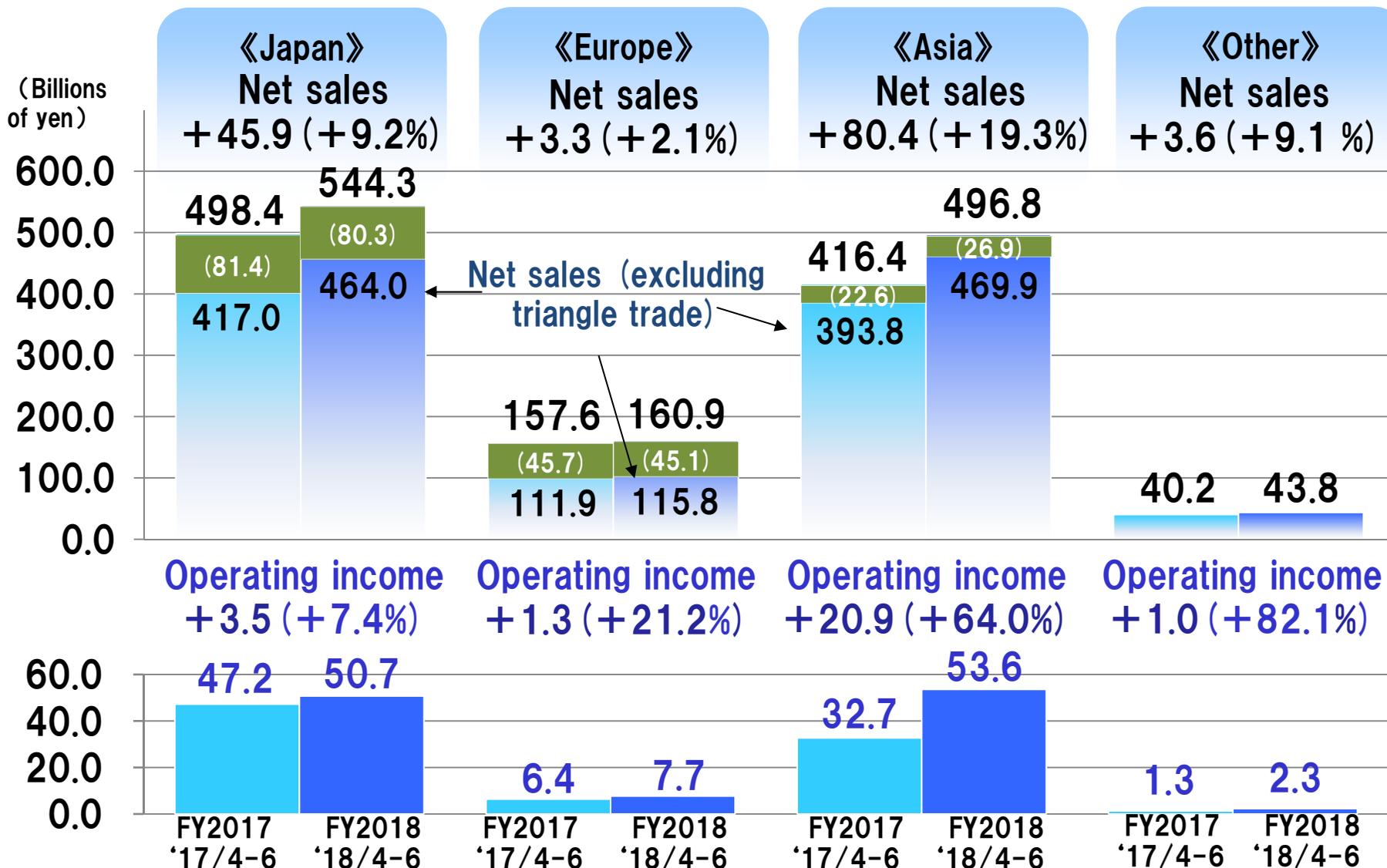
	FY2018 Q1	FY2017 Q1		FY2017 Q4	
	('18/6)	('17/6)	Change	('18/3)	Change
Interest-Bearing Debt balance	585.9	671.6	-85.7	577.9	+8.0

(Billions of yen)





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

	FY2018 Q1	FY2017 Q1		FY2017 Q4	
	('18/6)	('17/6)	Change	('18/3)	Change
Consolidated Subsidiaries	131	136	-5	131	±0
Equity Method Affiliates	29	33	-4	31	-2
Employees	67,151	64,687	+2,464	65,179	+1,972

Kept unchanged from the previous forecasts

(Billions of yen)

	Full Year		
	Forecast	FY 2017 Results	Change
Net sales	3,800.0	3,757.2	+42.8
Operating income	340.0	374.2	-34.2
(Margin)	(8.9%)	(10.0%)	
Ordinary income	350.0	382.8	-32.8
(Margin)	(9.2%)	(10.2%)	
Net income*	205.0	215.7	-10.7
(Margin)	(5.4%)	(5.7%)	

	Full Year		
	Forecast	FY 2017 Results	Change
Capital Expenditures	250.0	213.4	+36.6
Depreciation Expenses	150.0	150.9	-0.9
R&D Expenses	160.0	139.4	+20.6

*Net income attributable to owners of the parent

«Factors of Change in Operating Income»

Factors of Change	
Effect of ForEX rates	-22.0
Increase of R&D expenses	-20.0
Increase of various expenses	-20.0
Change in sales, model mix	-0.2
Cost reduction	+28.0
Total	-34.2

«ForEX Rates and Effects»

	Full Year			Effect of ForEX rates in operating income
	Forecast	FY 2017 Results	Change	
U.S. Dollar	105 yen	111 yen	-6yen	-3.7
Euro	130 yen	130 yen	±0yen	+0.5
Indian Rupee	1.65 yen	1.73 yen	-0.08yen	-11.9
100 Indonesian Rupiah	0.78 yen	0.83 yen	-0.05yen	-2.2
Thai Baht	3.30 yen	3.36 yen	-0.06yen	+0.3
Others				-5.0
Effect of ForEX rates total				-22.0

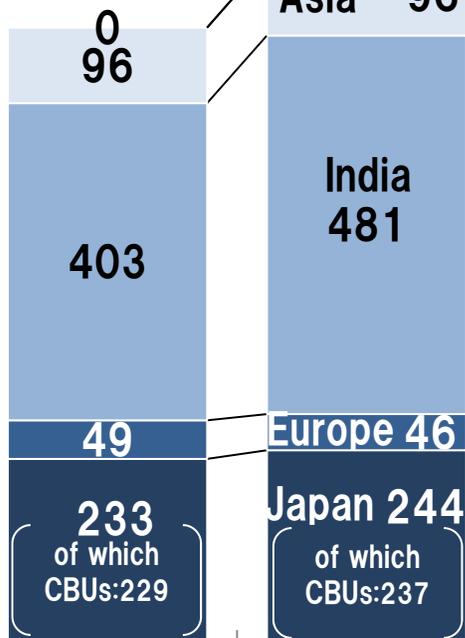
Production and sales volume recorded the highest ever for first quarter

« Production Volume Comparison »

+86 (+11.0%)

867

782



FY2017
'17/4-6

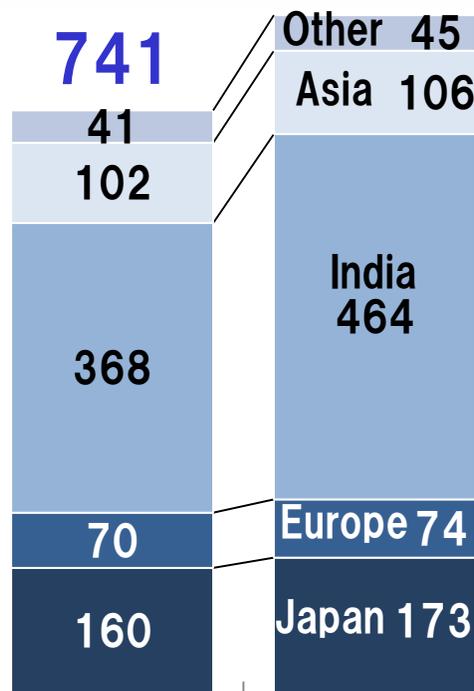
FY2018
'18/4-6

« Sales Volume Comparison »

+121 (+16.3%)
(Thousand units)

862

741



FY2017
'17/4-6

FY2018
'18/4-6

● First quarter (April-June)

Global sales

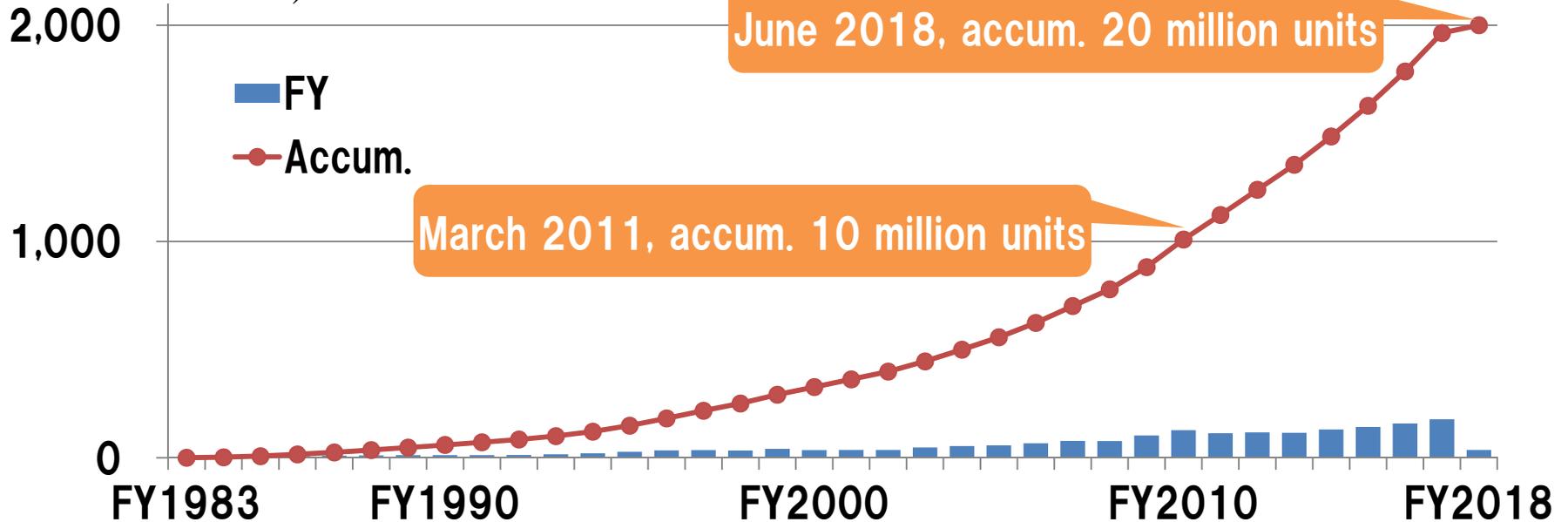
- Record-high with 862 thousand units (+16.3% year-on-year)
 - India 464 thousand units (+25.9%)
 - Japan 173 thousand units (+8.5%)
 - Europe 74 thousand units (+5.9%)
 - Asia excl. India 106 thousand units (+4.4%)
- (Breakdown)
- Thailand 8 thousand units (+43.0%)
 - Pakistan 38 thousand units (+26.7%)
 - Indonesia 28 thousand units (+9.9%)
 - China 18 thousand units (-37.3%)
 - Others 14 thousand units (+19.1%)

Second country after Japan to reach this milestone

- Fastest country to reach 20 million units in just 34 years and 5 months since starting production in December 1983, breaking the record of 45 years and 9 months in Japan
- Alto was the most produced model (approx. 3.17 million units)
- Swift produced at Gujarat Plant was the 20 millionth model.



(10 thousand units)

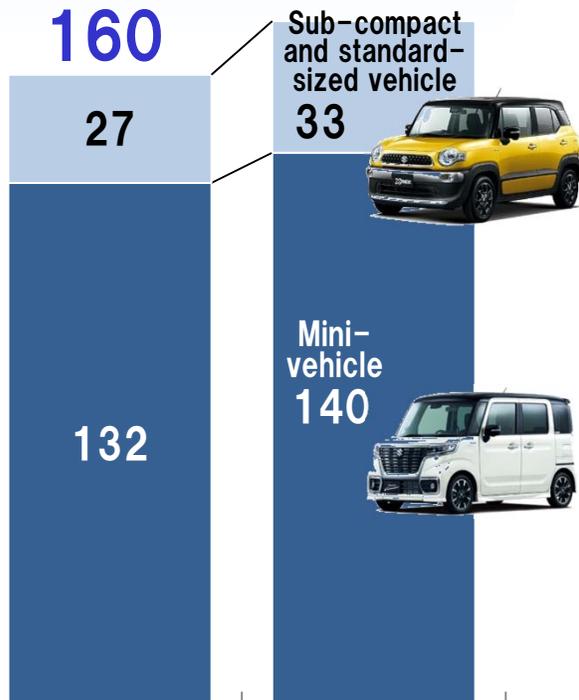


Spacia and XBEE contributed to sales

« First Quarter Comparison »

+ 14 (+8.5%)

(Thousand units) **173**



● First quarter (April–June) Japan sales

- Minivehicles +5.8% year-on-year
- Compact cars +21.5% year-on-year

● Topics

- Launched new minitruck Super Carry on 16 May
- Swift earned maximum rank of Five Stars in Collision Safety Performance Assessment from the Japan New Car Assessment Program (JNCAP) in Japan on 31 May



Swift HYBRID RS
(equipped with Safety Package)



- Minivehicle Every series achieved accumulated domestic sales of 3 million units on 15 June

(1st generation) Suzulight Carry Van Launched in Sep. 1964



First full-model change in 20 years launched in Japan on 5 July

● About Jimny

- First launched in 1970 as the only 4WD minicar in Japan at that time
- High off-road performance and excellent maneuverability with compact body
- 2.85 million units sold in 194 countries and regions worldwide (as of 31 March 2018)

● About the all-new Jimny

- Produced at the Kosai Plant in Japan and distributed worldwide
- Fulfilled with state-of-the-art safety equipment
Such as collision prevention
- Inherits the Jimny's traditional body structures



Ladder frame



FR layout



Part-time 4WD with low range transfer gear



3-link rigid axle



Swift, Ignis, and Vitara contributed to sales

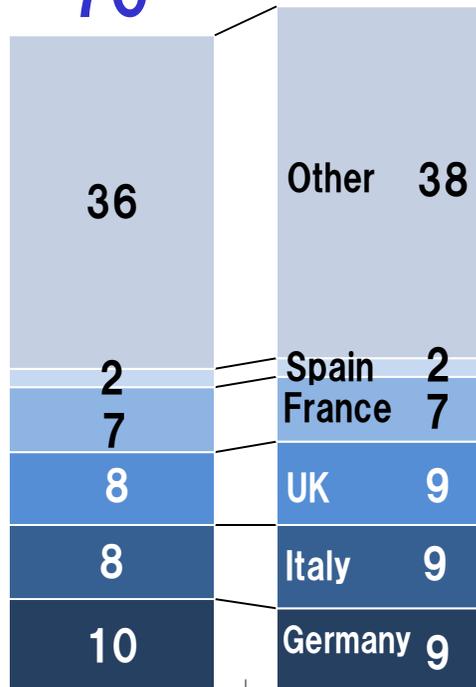
«First Quarter Comparison»

+4 (+5.9%)

(Thousand units)

70

74



● First quarter (April–June) European sales

- Europe increased by 5.9% year-on-year mainly owing to sales contribution of Swift and Ignis, and strong sales of Vitara
- Increased in Spain (+21.9%), UK (+16.2%), France (+11.5%), and Italy (+3.2%), despite decrease in Germany (-10.5%)
- Hungary largely increased by 70.9% to 7 thousand units owing to sales expansion of Vitara



FY2017
'17/4-6

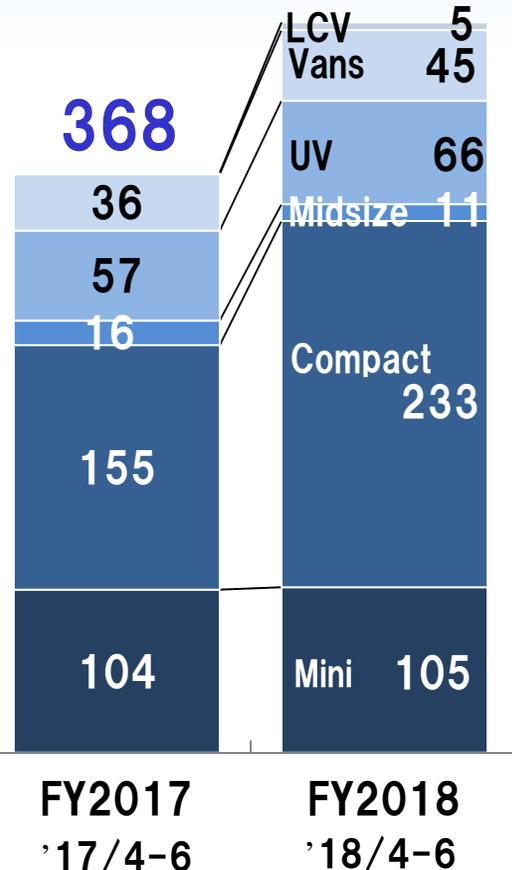
FY2018
'18/4-6

India sales updated the highest ever

«First Quarter Comparison»

+95 (+25.9%)

(Thousand units) **464**



● First quarter (April–June) India sales

- Record-high for first quarter owing to strong sales of models including Swift, Dzire, and Baleno compact cars, and Vitara Brezza utility vehicle

● Topics

- All-new Swift became the fastest model to reach 100 thousand units in India in 145 days since its launch on 8 February
- Vitara Brezza became the fastest model to reach 300 thousand units in India in 28 months since its launch in March 2016
- On 27 June, Maruti Suzuki JIM, which was approved as the first Japan–India Institute for Manufacturing by Japan’s Ministry of Economy, Trade and Industry, gave Certificate of Course Completion to their first batch of 254 students

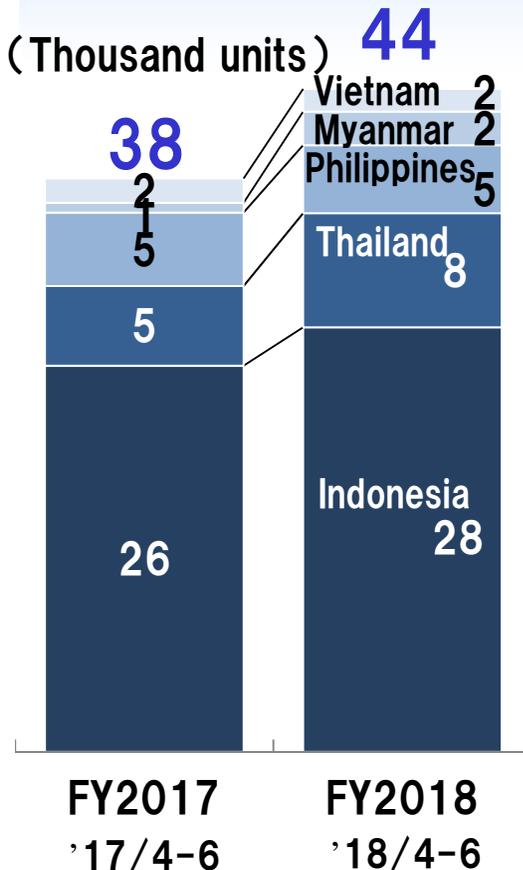


※LCV=Light Commercial Vehicles, UV=Utilities Vehicles

Increased owing to Indonesia and Thailand

«First Quarter Comparison»

+6 (+15.6%)



● First quarter (April-June) ASEAN sales

- Indonesia increased by 9.9% owing to the launch of the all-new Ertiga and sales contribution of commercial vehicles

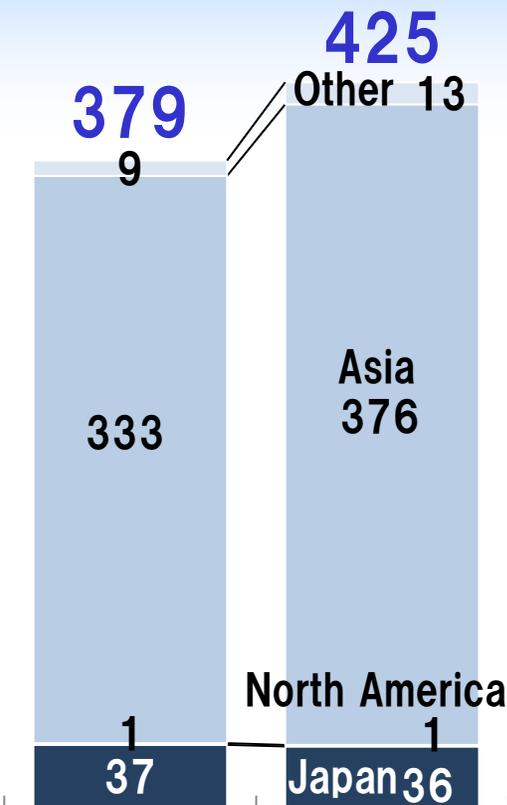


- Thailand increased by 43.0% owing to full-scale demand for replacement, in addition to the launch of the all-new Swift
- Philippines decreased by 7.3% owing to increase in excise tax of automobiles, but aims to catch up by the launch of the all-new Swift and Dzire
- Myanmar started production of passenger vehicles (Ertiga and Ciaz) at a new plant in Thilawa in January, and largely increased by 245.5%

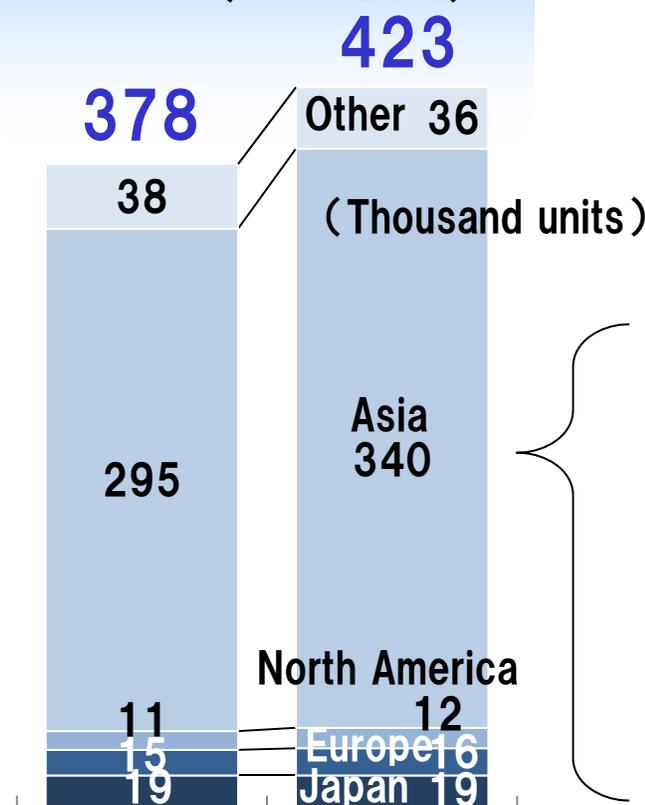
※ASEAN: Total of 5 countries - Indonesia, Thailand, the Philippines, Myanmar and Vietnam

Production and sales increased owing to increase in Asia

« Production Volume Comparison »
+46 (+12.1%)



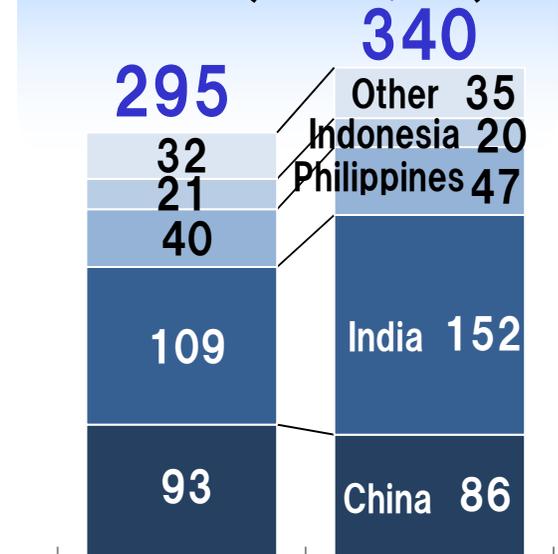
« Sales Volume Comparison »
+45 (+11.9%)



● **First quarter (April–June) Motorcycles**

- Production and sales increased owing to increase in countries including India and Philippines

« Breakdown of Sales Volume in Asia »
+46 (+15.5%)



FY2017
'17/4-6

FY2018
'18/4-6

FY2017
'17/4-6

FY2018
'18/4-6

FY2017
'17/4-6

FY2018
'18/4-6

Kept unchanged from the previous forecasts

(Thousand units)	Production				Sales			
	Forecast (FY2018)	FY2017 Results			Forecast (FY2018)	FY2017 Results		
		(FY2017)	Change	Ratio		(FY2017)	Change	Ratio
<Automobile>								
Japan	981	971	+10	+1.0%	675	668	+7	+1.0%
Europe	173	180	-7	-4.0%	280	281	-1	-0.3%
Asia	2,257	2,185	+72	+3.3%	2,157	2,093	+64	+3.0%
Others	2	2	-0	-12.5%	187	182	+5	+3.0%
Total	3,413	3,338	+75	+2.2%	3,299	3,224	+75	+2.3%
<Motorcycle>								
Japan	135	152	-17	-11.3%	64	60	+4	+7.6%
Europe	—	—	—	—	50	40	+10	+25.0%
N.America	4	4	-0	-6.6%	40	35	+5	+13.5%
Asia	1,496	1,431	+65	+4.5%	1,317	1,261	+56	+4.5%
Others	50	41	+9	+23.1%	175	184	-9	-5.0%
Total	1,685	1,628	+57	+3.5%	1,646	1,580	+66	+4.2%

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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]