

FY2018 Third Quarter Financial Results



SUZUKI MOTOR CORPORATION
5 February 2019

Third Quarter Results

… Lower operating income on higher sales

(Billions of yen)

	FY2018 9 months ('18/4-12)	FY2017 9 months ('17/4-12)	Change		Record	
				Ratio		
Consolidated Financial Results	Net Sales	2,838.8	2,724.9	+113.9	+4.2%	Increased for 2 consecutive periods, record-high*1
	Operating Income (Margin)	256.5 (9.0%)	259.8 (9.5%)	-3.3	-1.3%	Decreased for first time in 7 periods
	Ordinary Income (Margin)	306.1 (10.8%)	284.6 (10.4%)	+21.5	+7.6%	Increased for 7 consecutive periods, record-high*1
	Net Income*2 (Margin)	180.8 (6.4%)	164.3 (6.0%)	+16.5	+10.0%	Increased for 4 consecutive periods, record-high*1

- Increased net sales…Increase in automobile sales in Japan, and automobile and motorcycle sales in India, etc.
- Decreased operating income…Impact of depreciation of currencies of emerging countries incl. Ind. Rupee, increase in selling expenses, etc.
- Increased ordinary income…Partly owing to increase in interest income

(Thousand units)

Worldwide Sales Volume	Automobile	2,480	2,368	+111	+4.7%	Increase in India, Japan, etc., record-high*1
	Motorcycle	1,303	1,166	+138	+11.8%	Increase in India, Indonesia, etc.

Full Year Forecast

… Kept unchanged

• Revised sales units, foreign exchange rates, etc. but kept net sales and income unchanged

*1 The highest in the financial results of the first nine months

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

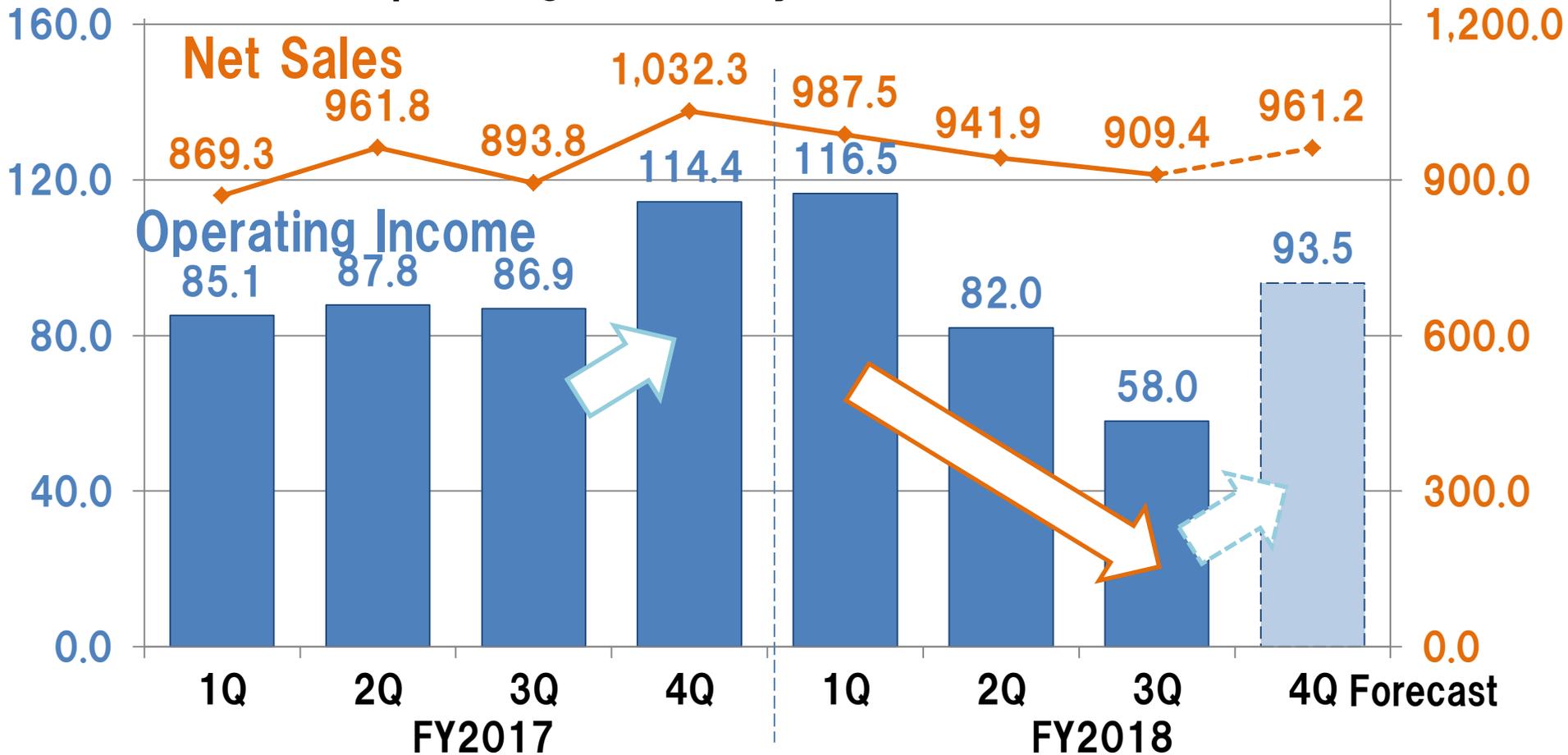


Trends in Operating Results by Quarters

Decreased income in Oct.-Dec. period mainly owing to depreciation of currencies of emerging countries and increase in selling expenses, Outlook of recovery in Jan.-Mar. period

(Billions of yen)

Trends in Operating Results by Quarters



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

(Billions of yen)	Automobile			Motorcycle			Marine, etc.			Total			of which effect of ForEX rates conversion
	FY2018 9 months (¹⁸ /4-12)	FY2017 9 months (¹⁷ /4-12)	Change	FY2018 9 months (¹⁸ /4-12)	FY2017 9 months (¹⁷ /4-12)	Change	FY2018 9 months (¹⁸ /4-12)	FY2017 9 months (¹⁷ /4-12)	Change	FY2018 9 months (¹⁸ /4-12)	FY2017 9 months (¹⁷ /4-12)	Change	
Japan total	870.4	753.0	+117.4	14.7	15.9	-1.2	10.9	11.1	-0.2	896.0	780.0	+116.0	
Suzuki brand	787.5	675.8	+111.7	14.7	15.9	-1.2	10.9	11.1	-0.2	813.1	702.8	+110.3	
OEM	82.9	77.2	+5.7							82.9	77.2	+5.7	
Overseas total	1,726.2	1,736.6	-10.4	167.5	165.1	+2.4	49.1	43.2	+5.9	1,942.8	1,944.9	-2.1	-110.2
Europe	329.4	332.3	-2.9	26.5	32.0	-5.5	11.2	11.8	-0.6	367.1	376.1	-9.0	+1.7
N. America	0.9	1.1	-0.2	21.1	22.8	-1.7	25.7	19.4	+6.3	47.7	43.3	+4.4	-0.3
Asia	1,230.4	1,223.7	+6.7	96.2	83.3	+12.9	4.8	4.4	+0.4	1,331.4	1,311.4	+20.0	-105.9
India	947.0	924.7	+22.3	40.7	33.9	+6.8	0.4	0.3	+0.1	988.1	958.9	+29.2	-79.8
Other	283.4	299.0	-15.6	55.5	49.4	+6.1	4.4	4.1	+0.3	343.3	352.5	-9.2	-26.1
Other	165.5	179.5	-14.0	23.7	27.0	-3.3	7.4	7.6	-0.2	196.6	214.1	-17.5	-5.7
Grand total	2,596.6	2,489.6	+107.0	182.2	181.0	+1.2	60.0	54.3	+5.7	2,838.8	2,724.9	+113.9	-110.2
of which effect of ForEX rates conversion			-103.1			-6.9			-0.2				-110.2

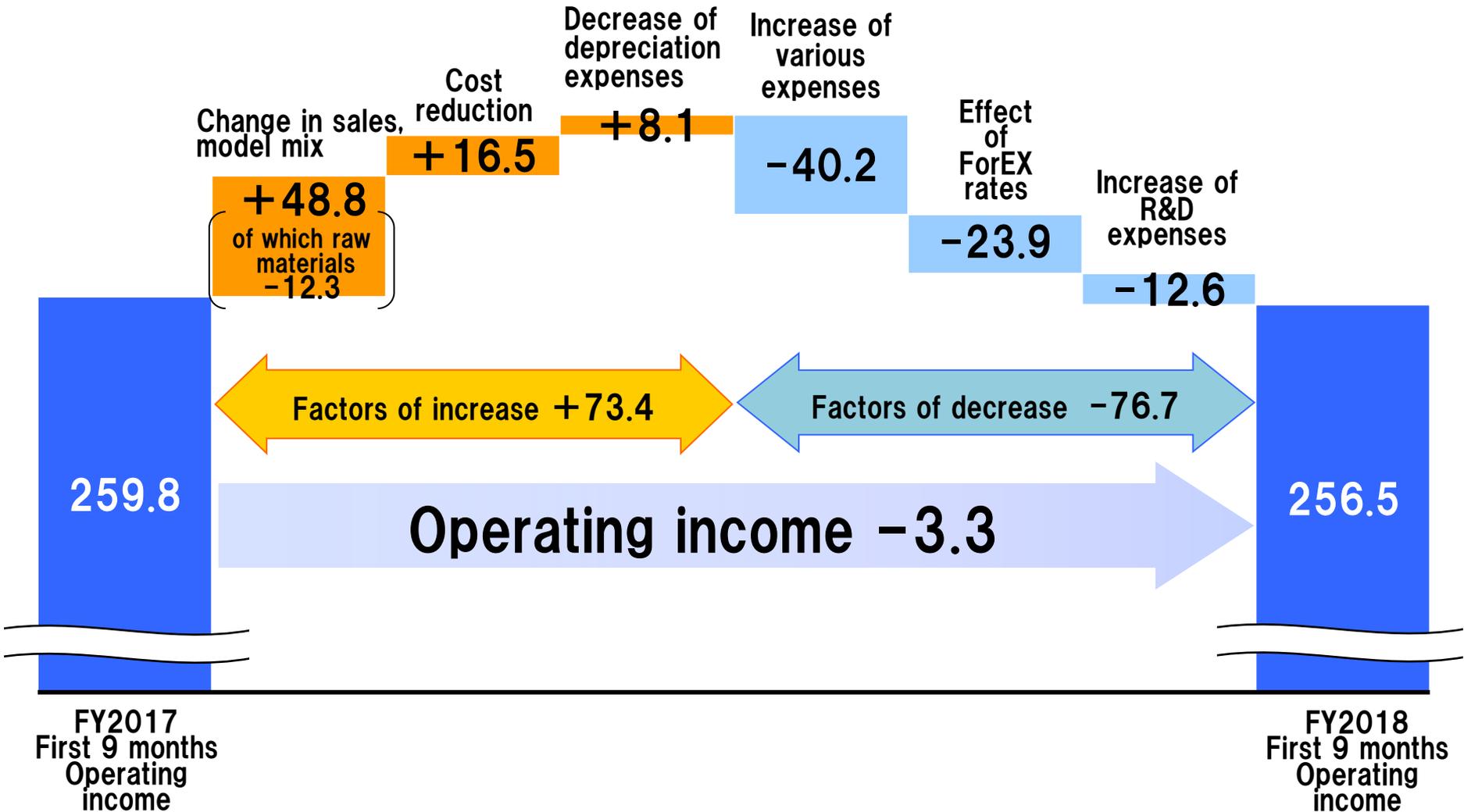
Note: North America...United States and Canada
Automobile in North America...sales of parts and accessories, etc.

*The highest in the financial results of the first nine months



Consolidated: Factors of Change in Operating Income

(Billions of yen)



Consolidated: Foreign Exchange Rates

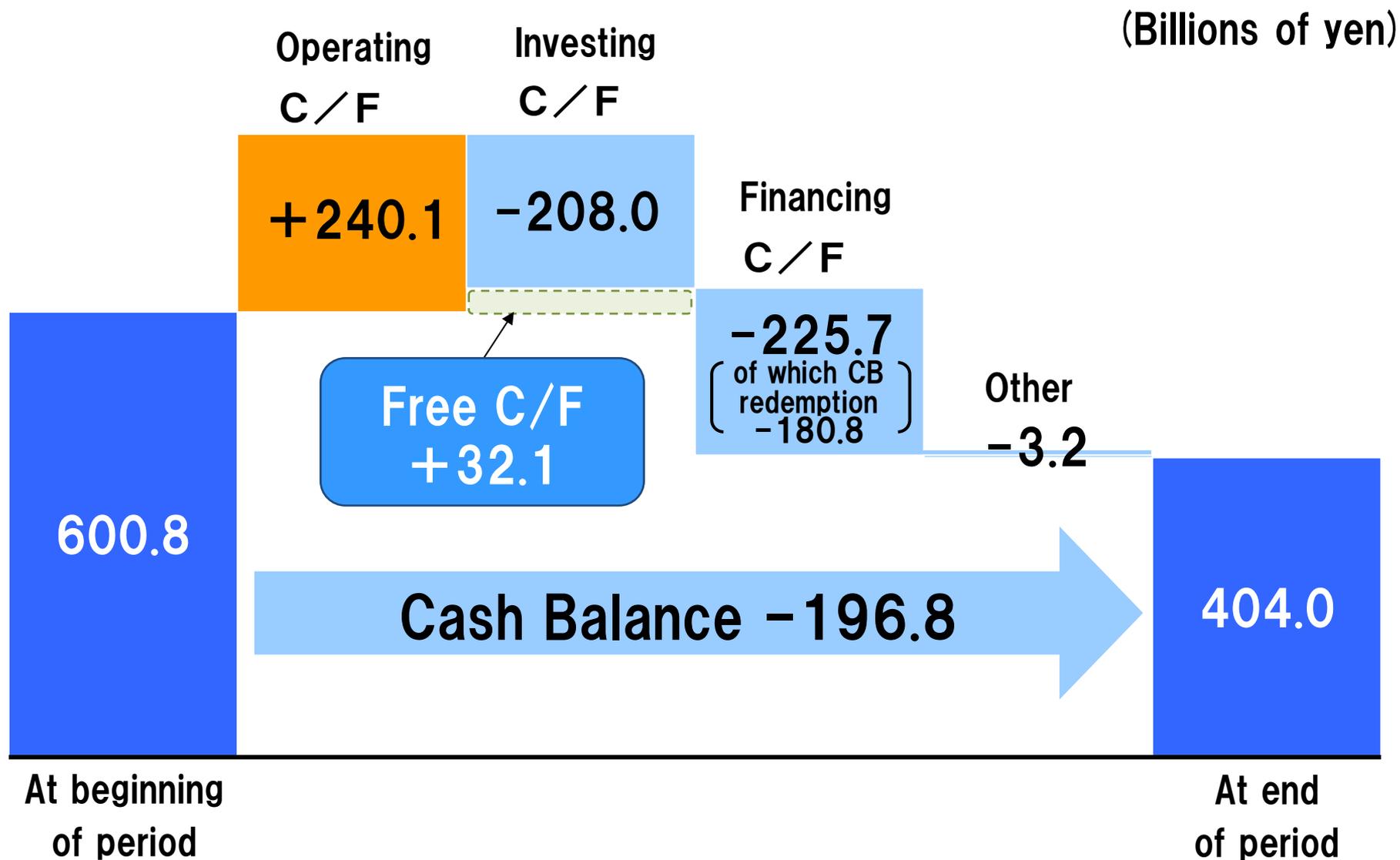
	FY2018 9 months (^{'18/4-12)}	FY2017 9 months (^{'17/4-12)}	Change	Effect of ForEX rates in operating income
US Dollar	111 yen	112 yen	-1 yen	-0.3bln yen
Euro	129 yen	129 yen	+0 yen	+0.9bln yen
Indian Rupee	1.61 yen	1.74 yen	-0.13 yen	-15.5bln yen
100 Indonesian Rupiah	0.77 yen	0.84 yen	-0.07 yen	-2.0bln yen
Thai Baht	3.41 yen	3.33 yen	+0.08 yen	-0.3bln yen
Pak. Rupee	0.90 yen	1.06 yen	-0.16 yen	-3.4bln yen
Others	—	—	—	-3.3bln yen *
Total				-23.9bln yen

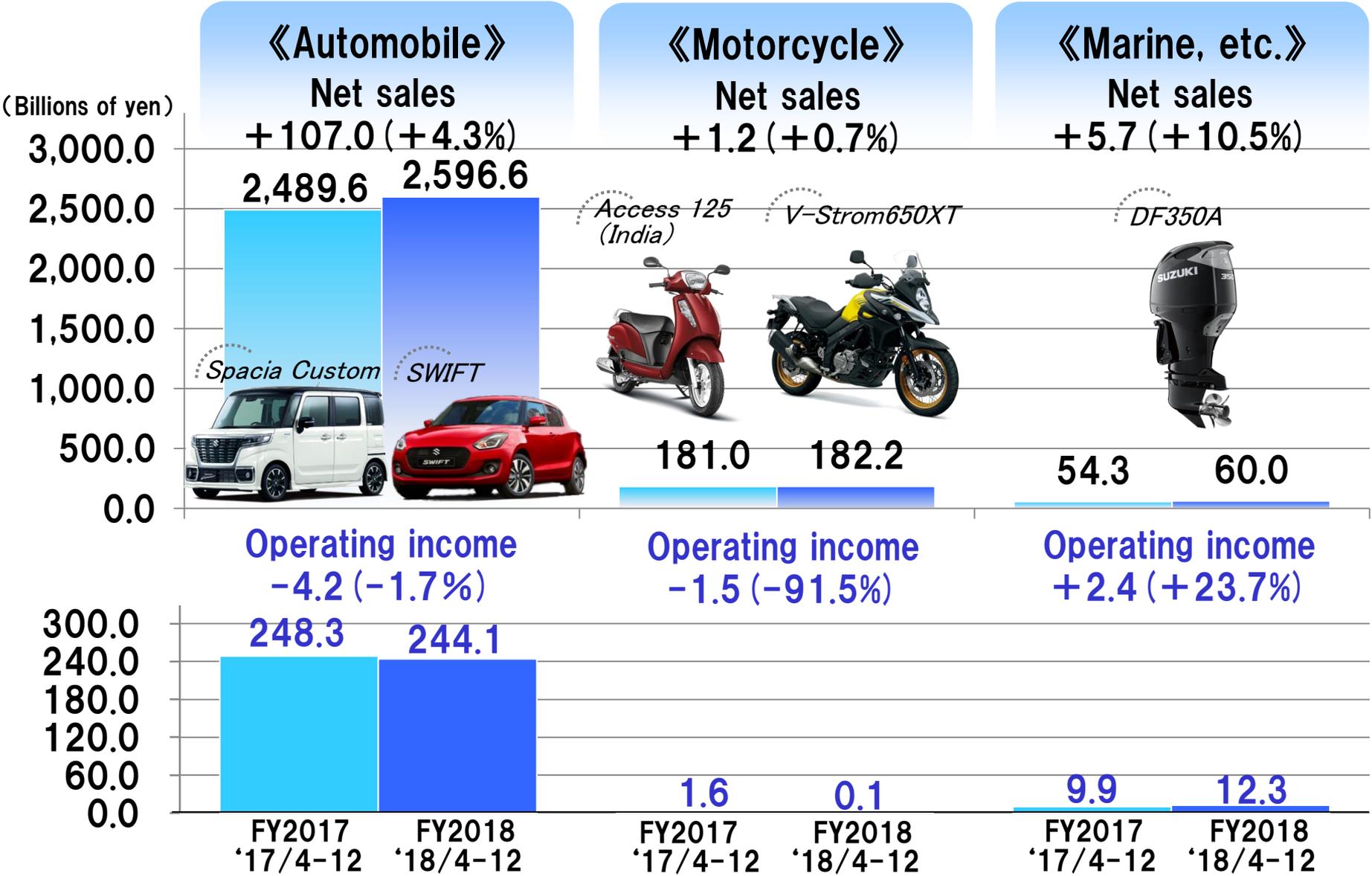
* Mex. Peso -1.4bln yen, Aus. Dollar -0.7bln yen, Russian Ruble -0.6bln yen, etc.

Consolidated: Capital Expenditures, etc.

	FY2018 9 months ('18/4-12)	FY2017 9 months ('17/4-12)	Change
(Non-consolidated)	42.1bln yen	36.5bln yen	+ 5.6bln yen
(Subsidiaries)	149.1bln yen	86.7bln yen	+ 62.4bln yen
Capital Expenditures	191.2bln yen	123.2bln yen	+ 68.0bln yen
Depreciation Expenses	106.3bln yen	114.4bln yen	- 8.1bln yen
R&D Expenses	111.4bln yen	98.8bln yen	+ 12.6bln yen

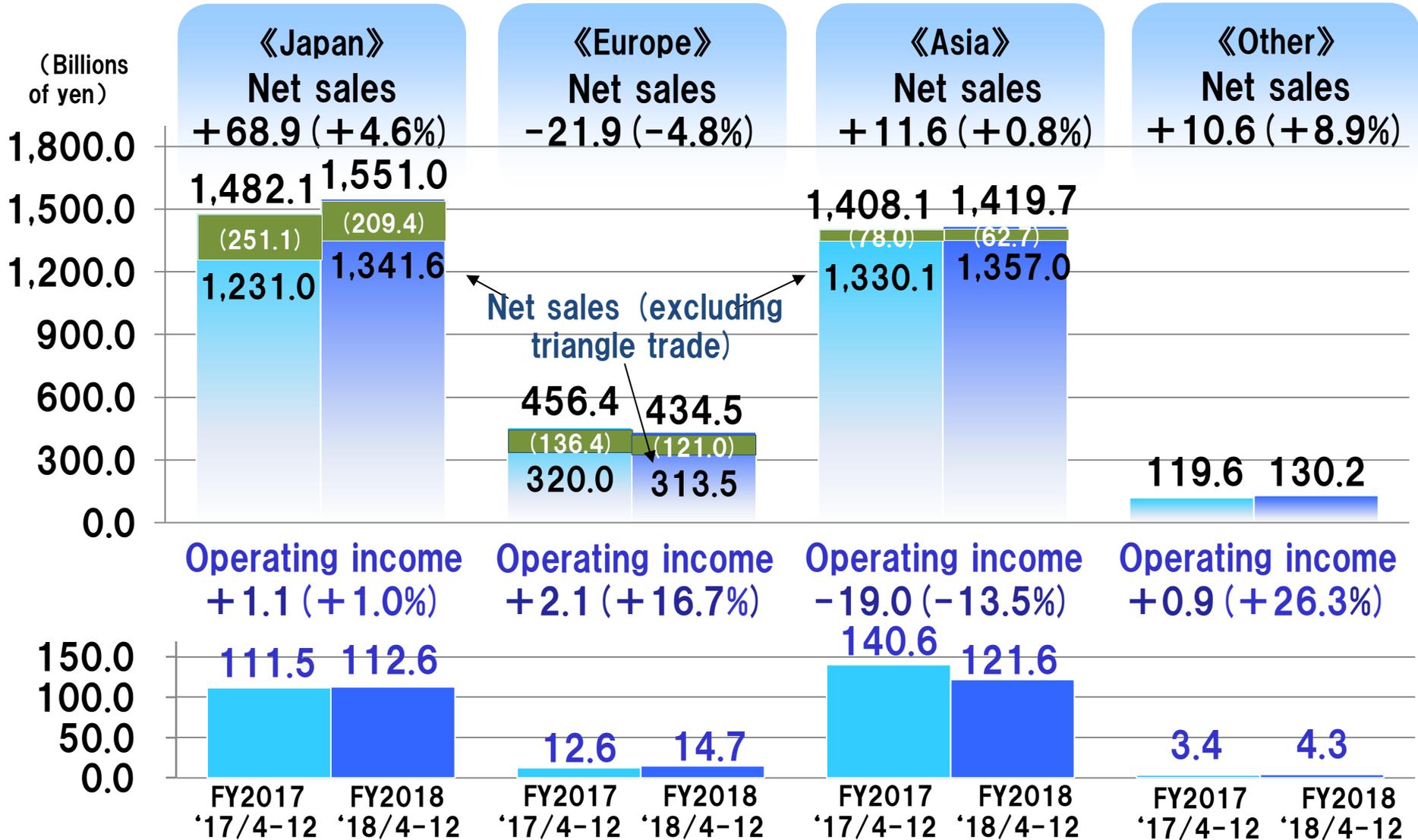
	FY2018 Q3 ('18/12)	FY2017 Q3		FY2017 Q4	
		('17/12)	Change	('18/3)	Change
Interest-Bearing Debt balance	406.8bln yen	656.1bln yen	-249.3bln yen	577.9bln yen	-171.1bln yen
Consolidated Subsidiaries	131	131	±0	131	±0
Equity Method Affiliates	28	31	-3	31	-3
Employees	68,040	64,817	+3,223	65,179	+2,861







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.

Reflected third quarter results and outlook of sales units, foreign exchange rates, etc.

(Billions of yen)		Latest Forecast	Comparison with FY 2017 result		Comparison with previous forecast	
			FY 2017 Result	Change	Previous forecast	Change
Net sales		3,800.0	3,757.2	+42.8	3,800.0	
	Domestic Sales	1,200.0	1,116.7	+83.3	1,190.0	+10.0
	Overseas Sales	2,600.0	2,640.5	-40.5	2,610.0	-10.0
Operating income		350.0	374.2	-24.2	350.0	
Ordinary income		390.0	382.8	+7.2	390.0	
Net income attributable to owners of the parent		220.0	215.7	+4.3	220.0	
Change in Operating Income	Change in sales, model mix	+42.8	+103.0		+40.8	+2.0
	Cost reduction	+27.0	+26.6		+27.0	
	Effect of ForEX rates	-42.0	+38.3		-40.0	-2.0
	Decrease of depreciation		+12.5			
	Increase of various expenses	-32.0	-65.0		-32.0	
	Increase of R&D expenses	-20.0	-7.9		-20.0	
Total		-24.2	+107.5		-24.2	
Capital Expenditures		250.0	213.4	+36.6	250.0	
Depreciation Expenses		150.0	150.9	-0.9	150.0	
R&D Expenses		160.0	139.4	+20.6	160.0	

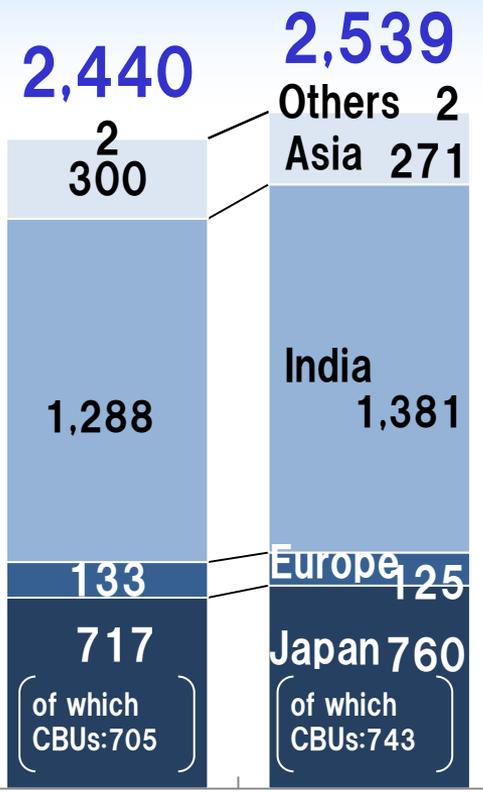
Reflected actual rates

	Latest Forecasts (2018.4~2019.3)			ForEX Impact	Year-on-Year (2017.4~2018.3)		Prev. Forecasts (2018.4~2019.3)	
	Apr.-Dec. Results	Jan.-Mar. Forecasts	Full-Year Forecasts		Full-Year Results	Change	Full-Year Forecasts	Change
U.S. Dollar	111 yen	105 yen	110 yen	-0.9bln yen	111 yen	-1 yen	108 yen	+2 yen
Euro	129 yen	120 yen	127 yen	-3.4bln yen	130 yen	-3 yen	130 yen	-3 yen
Indian Rupee	1.61 yen	1.50 yen	1.58 yen	-23.7bln yen	1.73 yen	-0.15 yen	1.56 yen	+0.02 yen
100 Indonesian Rupiah	0.77 yen	0.75 yen	0.77 yen	-2.3bln yen	0.83 yen	-0.06 yen	0.77 yen	
Thai Baht	3.41 yen	3.40 yen	3.41 yen	-0.2bln yen	3.36 yen	+0.05 yen	3.35 yen	+0.06 yen
Pak. Rupee	0.90 yen	0.75 yen	0.86 yen	-5.0bln yen	1.04 yen	-0.18 yen	0.89 yen	-0.03 yen
	Others			-6.5bln yen				
	Effect of ForEX rates total			-42.0bln yen				

Record-high for Apr.-Dec. period, but decrease in Oct.-Dec. period

«Nine Months Comparison»

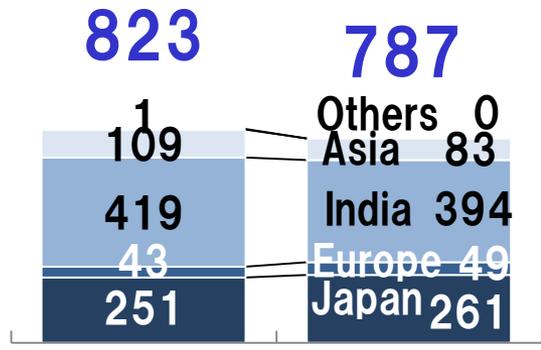
+98 (+4.0%)



« Of Which Three Months Comparison »

-36 (-4.4%)

(Thousand units)



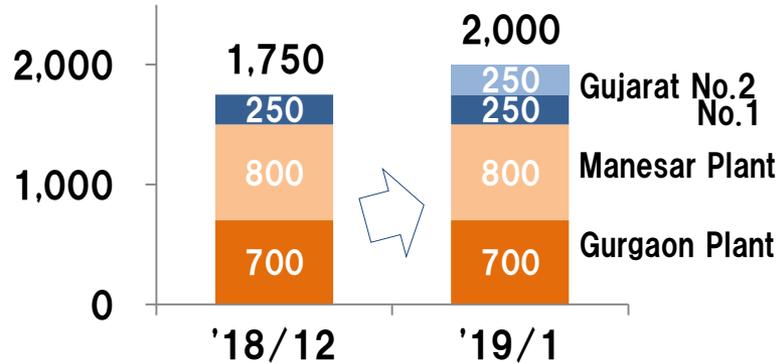
● Third quarter (Apr.-Dec.) global production

- Record-high with 2,539 thousand units (+4.0% year-on-year) for Apr.-Dec. period
- Decreased year-on-year with 787 thousand units (-4.4%) for Oct.-Dec. period mainly owing to decrease in India

● Topic

- Gujarat Plant No.2 in India started operation from January

Automobile production ability in India (Two shifts, Thousand units)



FY2017 '17/4-12

FY2018 '18/4-12

FY2017 '17/10-12

FY2018 '18/10-12

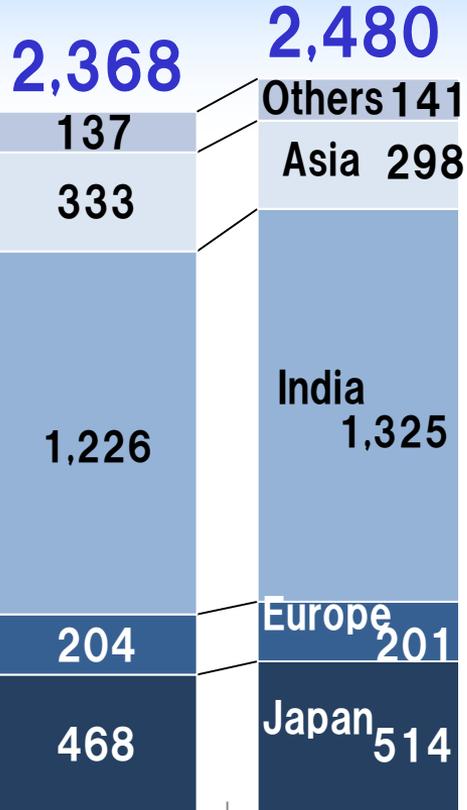
'18/12

'19/1

Record-high for Apr.-Dec. period, but decrease in Oct.-Dec. period

«Nine Months Comparison»

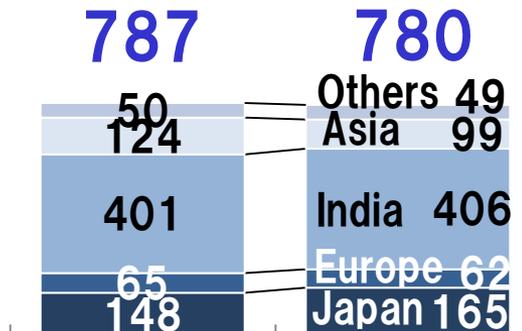
+111 (+4.7%)



« Of Which Three Months Comparison »

-7 (-0.9%)

(Thousand units)



● Third quarter (Apr.-Dec.) global sales

- Record-high with 2,480 thousand units (+4.7% year-on-year)
- Increase in Japan and India
- Decrease in Asia mainly owing to decrease in China

● Oct.-Dec. global sales

- Decreased year-on-year with 780 thousand units (-0.9%)
- Flat on the year in India, which had been a global sales leader, despite continuous increase in Japan

FY2017
'17/4-12

FY2018
'18/4-12

FY2017
'17/10-12

FY2018
'18/10-12

Contribution of models incl. Spacia and XBEE

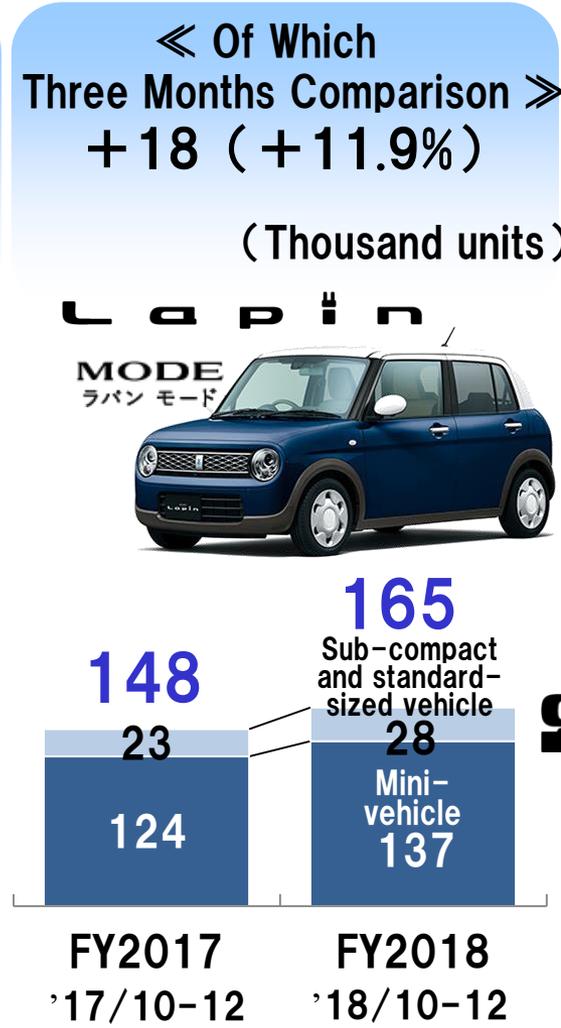
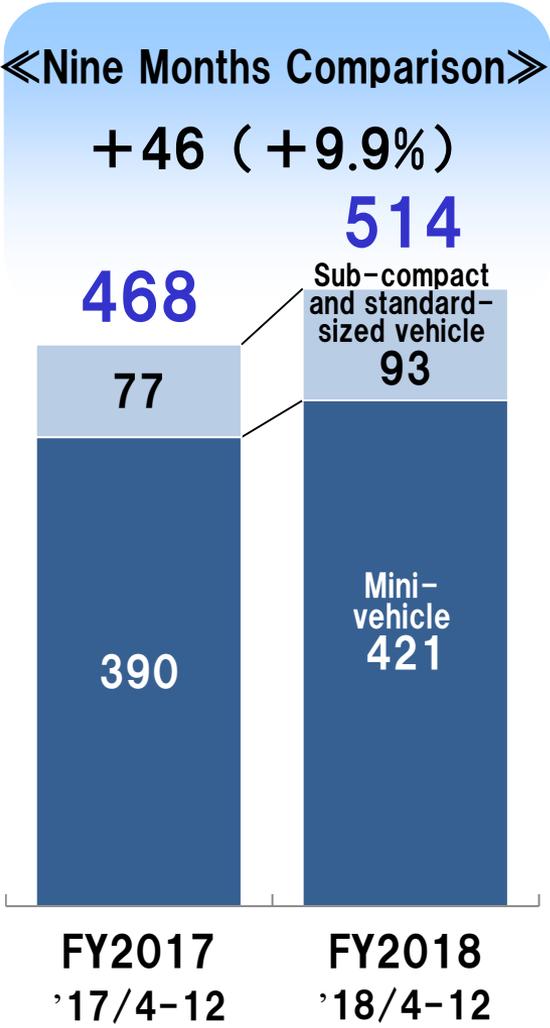
● Third quarter (Apr.-Dec.) Japan sales

- 514 thousand units (+9.9% year-on-year), increase in both mini and compact mainly owing to sales contribution of models including Spacia and XBEE

● Topics

- Facelift of Escudo in December with fulfilled safety performance
- Special equipment model Mode introduced to Alto Lapin in Dec.
- Launched new Spacia Gear in Dec.

GEAR
Spacia

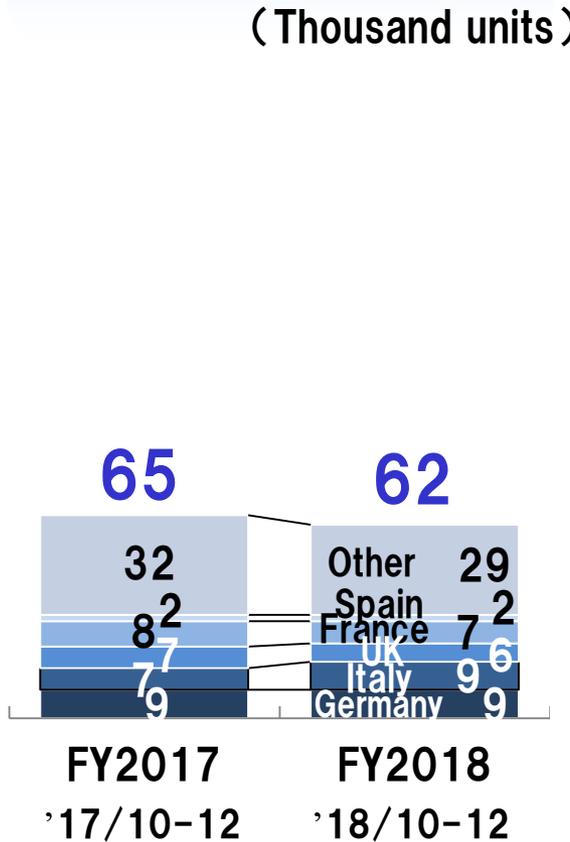
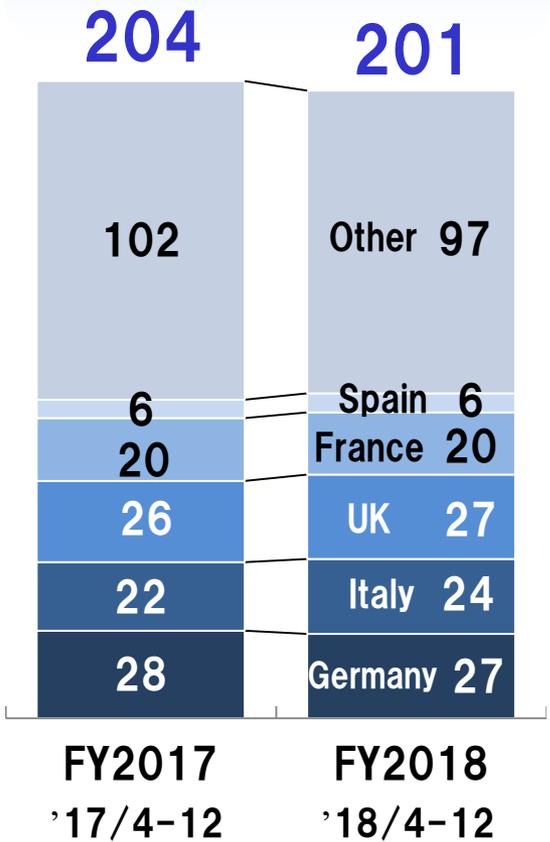


Decreased partly owing to impact of production decrease in Hungary

«Nine Months Comparison»
-3 (-1.6%)

« Of Which
Three Months Comparison »
-3 (-4.2%)

- Third quarter (Apr.-Dec.) European sales
- Europe overall was contributed by sales of Swift and Ignis, but decreased year-on-year with 201 thousand units (-1.6%) partly owing to impact of production decrease in Hungary

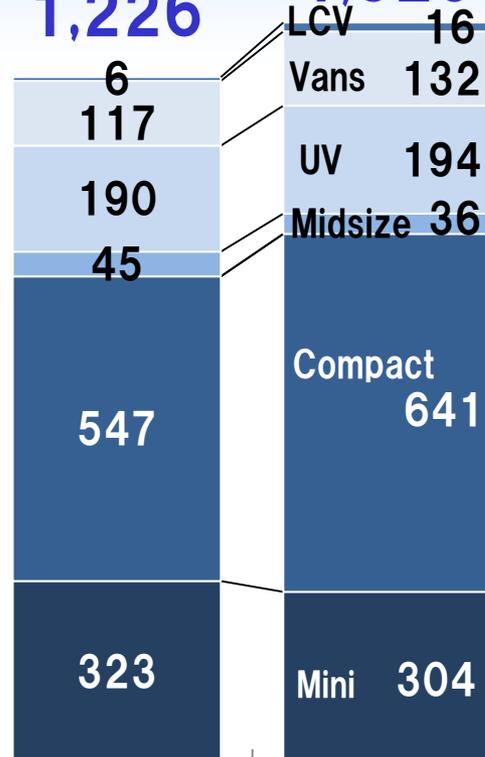


Record-high for Apr.-Dec. period, but flat on the year for Oct.-Dec. period

«Nine Months Comparison»

+98 (+8.0%)

1,226 (FY2017 '17/4-12) 1,325 (FY2018 '18/4-12)



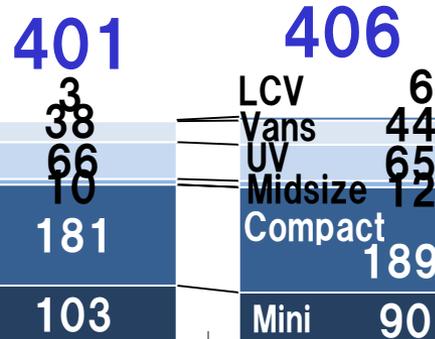
« Of Which Three Months Comparison »

+5 (+1.3%)

(Thousand units)



※LCV=Light Commercial Vehicles
UV =Utilities Vehicles



● Third quarter (Apr.-Dec.) Indian sales

• Record-high for Apr.-Dec. period with 1,325 thousand units, but flat on the year for Oct.-Dec. period

● Topics

- Full-model change of Ertiga in Nov.
- Swift achieved accumulated sales of 2 million units in Nov. since its launch in May 2005
- Swift won Indian Car of the Year 2019 in Dec. for the third consecutive generation model



- CNG models achieved accumulated sales of 50,000 units in Dec. since its launch in Oct. 2010
- Full-model change of WagonR in Jan.

FY2017 '17/4-12

FY2018 '18/4-12

FY2017 '17/10-12

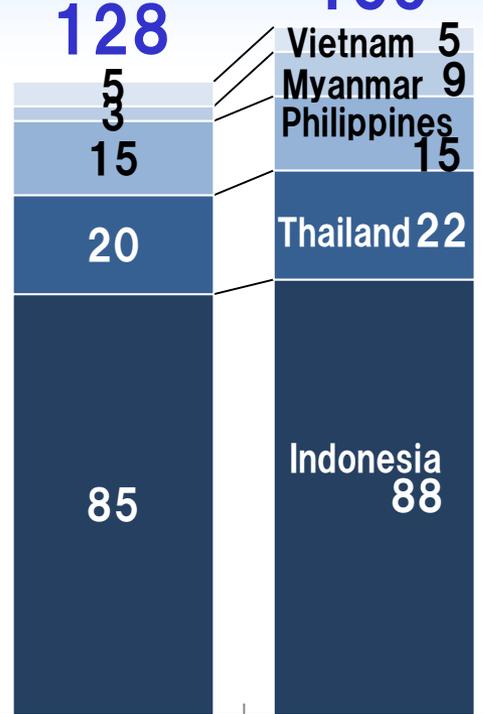
FY2018 '18/10-12

Increased mainly owing to Indonesia and Myanmar

«Nine Months Comparison»

+ 11 (+8.6%)

139



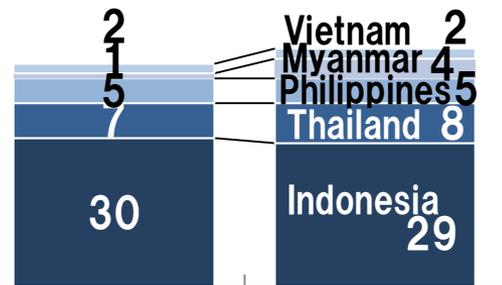
« Of Which
Three Months Comparison »

+ 1 (+2.7%)

(Thousand units)

46

48



● Third quarter (Apr.-Dec.)

ASEAN sales

- Total of 5 ASEAN countries* 139 thousand units (+8.6% year-on-year)
- Indonesia increased by 3.1% partly owing to strong sales of commercial vehicles
- Thailand increased by 13.8% mainly owing to increase of Swift, etc.
- Myanmar tripled year-on-year owing to growth in overall market

● Topic

- Export of all new Ertiga from Indonesia began in September

FY2017

FY2018

'17/4-12

'18/4-12

FY2017

FY2018

'17/10-12

'18/10-12

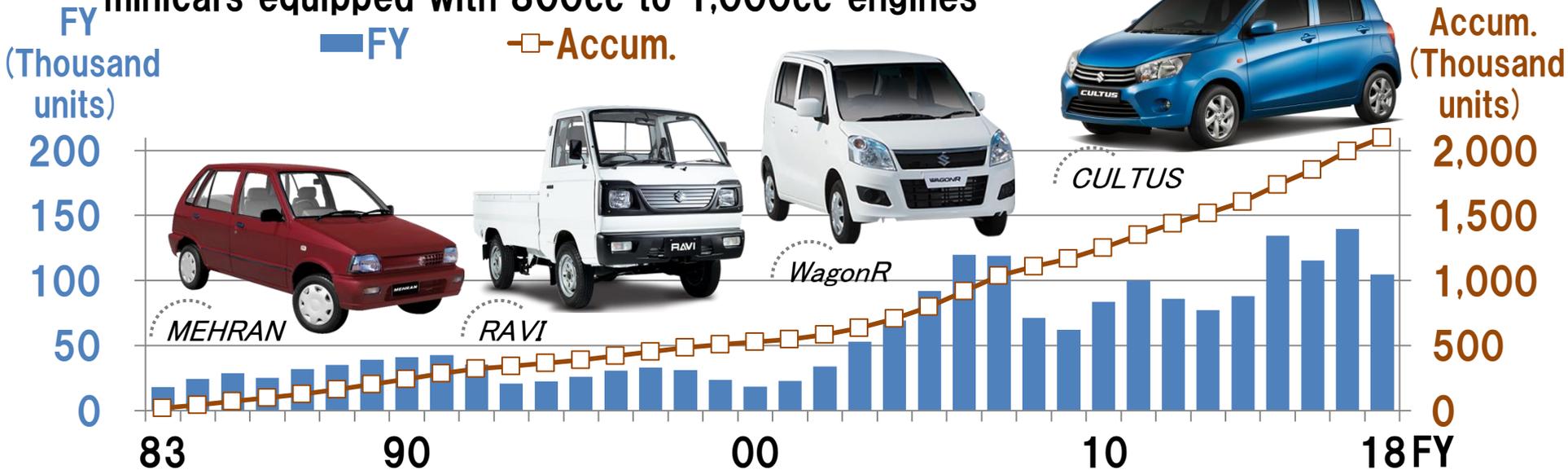
*ASEAN: Total of 5 countries - Indonesia, Thailand, the Philippines, Myanmar and Vietnam



Accumulated Production of 2 Million Units for Pak Suzuki

Achieved in August 2018, 36 years since starting production from 1982

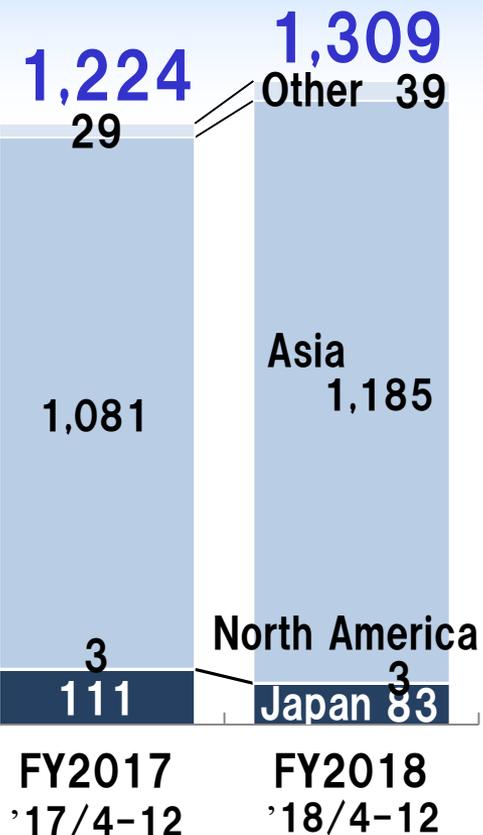
- Ceremony held on 26 November at Pak Suzuki's plant, with Chairman Osamu Suzuki attending to welcome guests including Abdul Razak Dawood, Adviser to Prime Minister of Pakistan (Suzuki's automobile production in Pakistan)
- 1975: Suzuki's first overseas automobile production started
- 1982: Production started at Pak Suzuki
- Producing models mainly based on Japan's minicars equipped with 800cc to 1,000cc engines



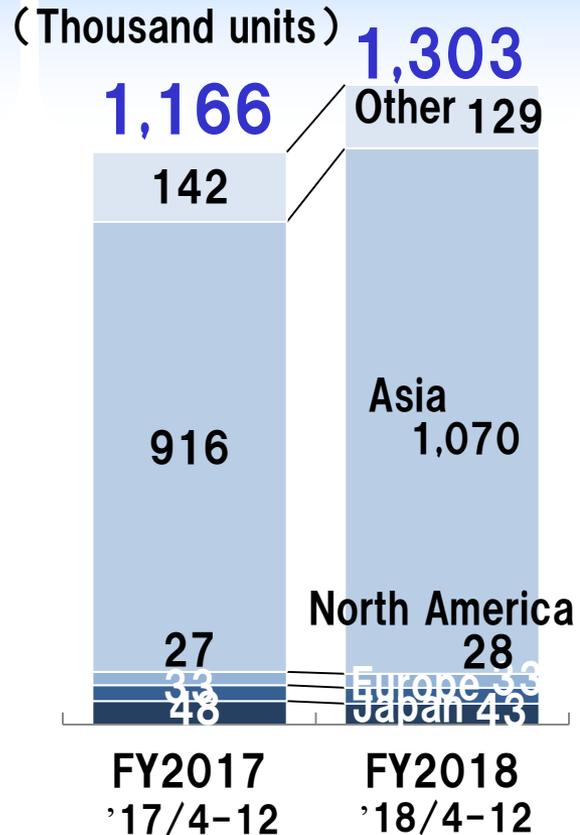
*Based on units completed at the local plant. FY2018 is Apr.-Dec. results.

Increased production and sales

«Nine Months Production Volume Comparison»
+85 (+6.9%)



«Nine Months Sales Volume Comparison»
+138 (+11.8%)



● **Third quarter (Apr.-Dec.) motorcycles**

- Global production increased by 6.9% year-on-year to 1,309 thousand units
- Global sales increased by 11.8% year-on-year to 1,303 thousand units

● **Topic**

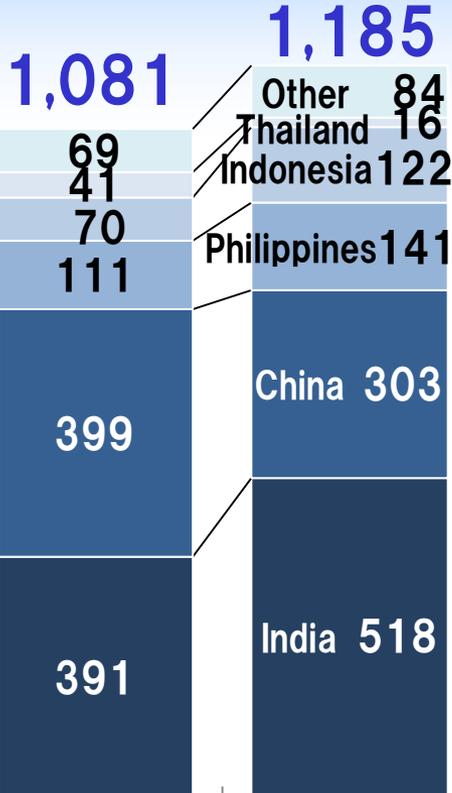
- Mitsuo Ito, first Japanese winner at Isle of Man TT in 1963, inducted into 1st MFJ Motorcycle Sport Hall of Fame of Japan in Dec.



*Overseas motorcycle sales volume was counted in wholesales units in some areas, but from this third quarter results, all sales volume are counted in retail sales (previous year results are also changed to retail sales).

Increase in India, Indonesia, the Philippines, etc.

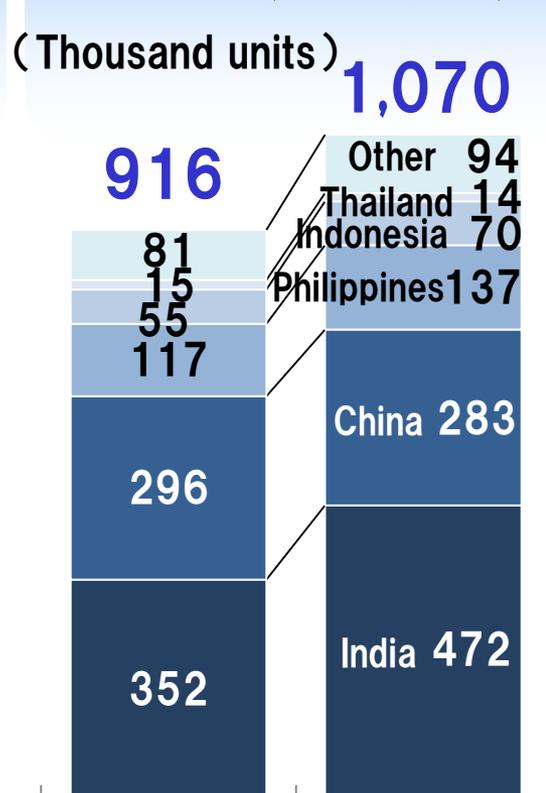
«Nine Months Production Volume Comparison»
+104 (+9.6%)



FY2017
'17/4-12

FY2018
'18/4-12

«Nine Months Sales Volume Comparison»
+154 (+16.8%)



FY2017
'17/4-12

FY2018
'18/4-12

● Third quarter (Apr.–Dec.) Asia

- Asian sales increased by 16.8% year-on-year to 1,070 thousand units owing to the increase in countries including India, Indonesia, and the Philippines
- India expanded (+34.3%) owing to strong sales of Access and partly owing to the launch of premium scooter Burgman Street in July

● Topic

- Suzuki Motorcycle India achieved accumulated production of 4 million units in Dec. since starting production in 2006 (12 years)



Reflected third quarter results and future outlook

(Thousand units)	Production					Sales				
	Forecast (FY2018)	FY2017 Results			Revised units from previous forecast	Forecast (FY2018)	FY2017 Results			Revised units from previous forecast
		(FY2017)	Change	Ratio			(FY2017)	Change	Ratio	
<Automobile>										
Japan	1,021	971	+50	+5.1%	+11	718	668	+50	+7.5%	+21
Europe	181	180	+1	+0.4%	+9	280	281	-1	-0.3%	-
Asia	2,190	2,185	+5	+0.2%	-102	2,144	2,093	+51	+2.4%	-29
Others	2	2	-0	-12.5%	-2	185	182	+3	+1.9%	-3
Total	3,394	3,338	+56	+1.7%	-84	3,327	3,224	+103	+3.2%	-11

Downward revision of Indian automobile sales from +8% in the previous forecast to +6%

<Motorcycle>										
Japan	116	152	-36	-23.8%	-7	56	60	-4	-5.9%	-7
Europe	-	-	-	-	-	46	43	+3	+8.0%	-2
N.America	4	4	-0	-6.6%	-	36	35	+1	+2.8%	-2
Asia	1,547	1,431	+116	+8.1%	+2	1,434	1,254	+180	+14.4%	+36
Others	50	39	+11	+28.1%	+1	169	184	-15	-8.4%	+8
Total	1,717	1,627	+90	+5.5%	-4	1,741	1,576	+165	+10.5%	+33

FY2018 Third 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]