

Consolidated Financial Summary for the First Three Months Ended 30 June 2019

[Japanese GAAP]

5 August 2019

Company Name : SUZUKI MOTOR CORPORATION
 Code No. : 7269 Listings : The First Section of Tokyo Stock Exchange
 Representative : Toshihiro Suzuki, President URL : <http://www.globalsuzuki.com>
 Contact Person : Seiji Kobayashi, General Manager, Corporate Management/IR/ Cost Management Dept. Corporate Planning Office
 TEL 053-440-2030

Date of Filing Quarterly Securities Report : 8 August 2019

Start of Payment of Cash Dividends : -

Preparation of Supplementary Explanatory Materials : Yes

Holding of Presentation Meeting on Quarterly Financial Results : Yes

(Amounts less than one million yen are rounded down)

1. Consolidated Operating Results for FY2019 first three months (1 April – 30 June 2019)

(1) Consolidated Management Results

(Percentage indicates change from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY 2019 first three months	907,534	-8.1	62,656	-46.2	72,400	-45.6	40,511	-52.8
FY 2018 first three months	987,469	13.6	116,464	36.9	133,096	33.8	85,912	31.3

[Note] Comprehensive income
 FY2019 first three months 18,256 Million Yen (-73.9%)
 FY2018 first three months 70,072 Million Yen (-27.6%)

	Net income per share, Basic	Net income per share, Diluted
	Yen	Yen
FY 2019 first three months	87.82	87.80
FY 2018 first three months	194.49	187.65

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of Yen	Millions of Yen	%
FY 2019 first quarter	3,328,037	1,716,285	41.9
FY 2018	3,401,970	1,715,914	40.9

[Reference] Shareholders' equity :
 (Net assets excluding non-controlling interests and subscription rights to shares)
 FY2019 first quarter 1,392,838 Million Yen
 FY2018 1,392,490 Million Yen

2. Cash dividends

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2018	-	37.00	-	37.00	74.00
FY2019	-				
FY2019 (Forecast)		37.00	-	37.00	74.00

[Note] Revision of the latest forecasts of cash dividends announced: None

3. Forecasts for Consolidated Operating Results of FY 2019 (1 April 2019 – 31 March 2020)

(Percentage indicates change from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Full Year	3,900,000	0.7	330,000	1.7	340,000	-10.4	200,000	11.9	433.54

[Note] Revisions of the latest forecasts for consolidated operating results announced: None

* Notes

(1) Changes in significant subsidiaries during the period

(Changes in specified subsidiaries that accompany with a change in the scope of consolidation): Yes

New - (Name) Exclusion 1 (Name) Suzuki Finance Europe B.V.

(2) Application of accounting treatment specific to preparation of quarterly consolidated financial statements: Yes

(3) Changes in Accounting Principles, Changes in Accounting Estimates, and Retrospective Restatements

1) Changes in accounting principles due to the revision of the accounting standards : None

2) Changes in accounting principles other than 1) : None

3) Changes in accounting estimates : None

4) Retrospective restatement : None

(4) Number of outstanding shares (common stock)

(Shares)

1) Number of outstanding shares at end of period
(including treasury stock)

FY2019 Q1	491,049,100	FY2018	491,049,100
FY2019 Q1	29,732,294	FY2018	29,716,090
FY2019 Q1	461,328,905	FY2018 Q1	441,739,396

2) Number of treasury stock at end of period

3) Average number of outstanding shares during period
(First three months)

* **This quarterly financial report is not required to be audited by certified public accountants or audit firm.**

* **Explanation regarding the appropriate use of forecasts for operating results, other information**

(Caution with respect to forward-looking statement)

The forward-looking statements 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 US dollar/Yen rate, Euro/Yen rate and Indian Rupee/Yen rate).

(Quarterly Results Supplementary Explanatory Materials)

Quarterly Results Supplementary Explanatory Materials will be available on our website

(<http://www.globalsuzuki.com>) on 5 August 2019.

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Quarterly Consolidated Financial Statement and Significant Notes

(1) Quarterly Consolidated Balance Sheets

(Amount: Millions of yen)

	FY2018 (As of 31 March 2019)	FY2019 first quarter (As of 30 June 2019)
Assets		
Current assets		
Cash and deposits	509,717	520,283
Notes and accounts receivables-trade	445,700	420,517
Short-term investment securities	189,046	117,337
Merchandise and finished goods	238,013	233,734
Work in process	54,033	54,760
Raw materials and supplies	59,850	58,089
Other	131,075	128,888
Allowance for doubtful accounts	(5,120)	(2,917)
Total current assets	1,622,317	1,530,694
Noncurrent assets		
Property, plant and equipment	904,276	913,041
Intangible assets	2,288	2,051
Investments and other assets		
Investment securities	635,184	649,078
Other	238,476	233,756
Allowance for doubtful accounts	(379)	(392)
Allowance for investment loss	(193)	(193)
Total investments and other assets	873,088	882,250
Total noncurrent assets	1,779,653	1,797,343
Total assets	3,401,970	3,328,037
Liabilities		
Current liabilities		
Accounts payable-trade	327,373	275,423
Electronically recorded obligations	71,532	71,385
Short-term loans payable	157,653	155,748
Income taxes payable	34,661	27,250
Provision for product warranties	248,199	262,938
Other	500,241	466,328
Total current liabilities	1,339,662	1,259,075
Noncurrent liabilities		
Bonds with subscription rights to shares	11,535	11,535
Long-term loans payable	206,250	209,735
Other provision	16,744	17,288
Liabilities for retirement benefits	82,813	83,393
Other	29,049	30,724
Total noncurrent liabilities	346,393	352,677
Total liabilities	1,686,055	1,611,752

(Amount: Millions of yen)

	FY2018 (As of 31 March 2019)	FY2019 first quarter (As of 30 June 2019)
Net assets		
Shareholders' equity		
Capital stock	138,161	138,161
Capital surplus	143,965	143,965
Retained earnings	1,314,587	1,337,223
Treasury stock	(113,963)	(113,972)
Total shareholders' equity	1,482,750	1,505,376
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	95,873	95,898
Deferred gains or losses on hedges	(219)	(11)
Foreign currency translation adjustment	(164,544)	(187,507)
Accumulated adjustment for retirement benefits	(21,369)	(20,918)
Total accumulated other comprehensive income	(90,260)	(112,538)
Subscription rights to shares	115	115
Non-controlling interests	323,309	323,331
Total net assets	1,715,914	1,716,285
Total liabilities and net assets	3,401,970	3,328,037

**(2) Quarterly Consolidated Statement of Income and
Quarterly Consolidated Statement of Comprehensive Income
(First Three months ended 30 June 2019)
【Quarterly Consolidated Statement of Income】**

(Amount: Millions of yen)

	FY2018 first three months (1 April – 30 June 2018)	FY2019 first three months (1 April – 30 June 2019)
Net sales	987,469	907,534
Cost of sales	692,920	646,429
Gross profit	294,549	261,105
Selling, general and administrative expenses	178,084	198,449
Operating income	116,464	62,656
Non-operating income		
Interest income	11,163	9,612
Dividends income	1,569	1,585
Equity in earnings of affiliates	979	1,046
Other	5,868	2,878
Total non-operating income	19,579	15,122
Non-operating expenses		
Interest expenses	871	1,472
Foreign exchange losses	922	1,531
Other	1,153	2,374
Total non-operating expenses	2,948	5,379
Ordinary income	133,096	72,400
Extraordinary income		
Gain on sales of noncurrent assets	873	218
Gain on sales of investment securities	-	6
Total extraordinary income	873	224
Extraordinary loss		
Loss on sales of noncurrent assets	28	18
Total extraordinary loss	28	18
Income before income taxes	133,940	72,606
Income taxes	29,699	23,234
Net income	104,241	49,371
Net income attributable to non-controlling interests	18,328	8,859
Net income attributable to owners of the parent	85,912	40,511

【Quarterly Consolidated Statement of Comprehensive Income】

(Amount: Millions of yen)

	FY2018 first three months (1 April – 30 June 2018)	FY2019 first three months (1 April – 30 June 2019)
Net income	104,241	49,371
Other comprehensive income		
Valuation difference on available-for-sale securities	(10,720)	218
Deferred gains or losses on hedges	(135)	109
Foreign currency translation adjustment	(22,686)	(30,735)
Adjustment for retirement benefits	58	15
Share of other comprehensive income of affiliates accounted for using equity method	(685)	(722)
Total other comprehensive income	(34,168)	(31,114)
Comprehensive income	70,072	18,256
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	59,120	18,201
Comprehensive income attributable to non-controlling interests	10,952	54

(3) Quarterly Consolidated Statement of Cash Flows

(Amount: Millions of yen)

	FY2018 first three months (1 April – 30 June 2018)	FY2019 first three months (1 April – 30 June 2019)
Net cash provided by (used in) operating activities		
Income before income taxes	133,940	72,606
Depreciation and amortization	32,686	39,067
Increase (decrease) in allowance for doubtful accounts	(472)	(2,142)
Increase (decrease) in provision for product warranties	8,880	14,938
Interest and dividends income	(12,732)	(11,197)
Interest expenses	871	1,472
Foreign exchange losses (gains)	130	1,108
Equity in losses (earnings) of affiliates	(979)	(1,046)
Loss (gain) on sales of property, plant and equipment	(844)	(199)
Loss (gain) on sales of investment securities	-	(6)
Decrease (increase) in notes and accounts receivable-trade	9,646	21,077
Decrease (increase) in inventories	16,773	(3,244)
Increase (decrease) in notes and accounts payable-trade	(45,696)	(46,720)
Increase (decrease) in accrued expenses	(15,318)	(18,846)
Other, net	(5,298)	3,874
Subtotal	121,588	70,741
Interest and dividends income received	12,369	10,712
Interest expenses paid	(795)	(1,502)
Income taxes paid	(27,092)	(24,562)
Net cash provided by (used in) operating activities	106,070	55,389
Net cash provided by (used in) investing activities		
Payments into time deposits	(22,615)	(56,387)
Proceeds from withdrawal of time deposits	32,235	36,179
Purchase of short-term investment securities	(144,800)	(217,313)
Proceeds from sales and redemption of securities	113,790	251,797
Purchases of property, plant and equipment	(66,327)	(67,226)
Other, net	(25,497)	(22,528)
Net cash provided by (used in) investing activities	(113,214)	(75,479)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(482)	(2,046)
Proceeds from long-term loans payable	18,164	18,704
Repayment of long-term loans payable	(12,213)	(13,383)
Purchase of convertible bond with stock acquisition rights	(100)	-
Purchase of treasury stock	(1)	(0)
Cash dividends paid	(19,442)	(17,075)
Cash dividends paid to non-controlling interests	(245)	(195)
Other, net	3	(5)
Net cash provided by (used in) financing activities	(14,316)	(14,002)
Effect of exchange rate changes on cash and cash equivalents	(854)	(3,884)
Net increase (decrease) in cash and cash equivalents	(22,315)	(37,977)
Cash and cash equivalents at beginning of period	600,846	473,097
Cash and cash equivalents at end of period	578,530	435,119

(4) Notes to Quarterly Consolidated Financial Statement

(Assumption for Going Concern)

None

(Significant Changes in the Amount of Shareholders' Equity)

None

(Application of Accounting Treatment Specific to Preparation of Quarterly Consolidated Financial Statements)

[Calculation of income taxes]

With respect to income taxes, the effective tax rates were reasonably estimated after applying the tax effect accounting to the income before income taxes of the consolidated fiscal year. And income tax was calculated by multiplying the income before income taxes by this estimated effective tax rate.

(Segment Information)

Net sales and Profit (Loss) of Each Reportable Segment

FY2018 first three months (1 April - 30 June 2018)

(Amount: Millions of yen)

	Reportable Segments			
	Automobile business	Motorcycle business	Marine business, etc.	Total
Net Sales	900,539	64,341	22,588	987,469
Segment profit *1	109,398	2,105	4,961	116,464

FY2019 first three months (1 April - 30 June 2019)

(Amount: Millions of yen)

	Reportable Segments			
	Automobile business	Motorcycle business	Marine business, etc.	Total
Net Sales	817,106	65,613	24,814	907,534
Segment profit *1	54,610	2,264	5,782	62,656

[Notes] *1. Segment profit is an operating income in the quarterly consolidated statement of income.

2. Main products and services of each segment are as follows:

Segment	Main products and services
Automobile business	Mini vehicles, Sub-compact vehicles, Standard-sized vehicles
Motorcycle business	Motorcycles, All terrain vehicles
Marine business, etc.	Outboard motors, Motorized wheelchairs, Electro senior vehicles, Houses

(Reference)

As reference information, operating results by geographic region are as follows;

[Operating Results by Geographic Region]

FY2018 first three months (1 April - 30 June 2018)

(Amount: Millions of yen)

	Japan	Europe	Asia	Other	Total	Eliminations	Consolidated
Net Sales							
1) Net sales to external customers	365,343	113,604	464,758	43,763	987,469	—	987,469
2) Internal net sales or transfer among geographic regions	178,955	47,281	32,089	66	258,392	(258,392)	—
Total	544,298	160,886	496,848	43,829	1,245,862	(258,392)	987,469
Operating income	50,723	7,710	53,616	2,281	114,332	2,132	116,464

FY2019 first three months (1 April - 30 June 2019)

(Amount: Millions of yen)

	Japan	Europe	Asia	Other	Total	Eliminations	Consolidated
Net Sales							
1) Net sales to external customers	339,127	120,430	401,526	46,450	907,534	—	907,534
2) Internal net sales or transfer among geographic regions	169,970	45,273	29,689	46	244,980	(244,980)	—
Total	509,098	165,703	431,216	46,496	1,152,515	(244,980)	907,534
Operating income	26,068	8,026	21,964	2,293	58,352	4,304	62,656

[Notes] 1. Classification of countries or regions is based on a geographical adjacency.

2. The major countries or regions belonging to classifications other than Japan:

(1) Europe..... Hungary, Germany, United Kingdom and France

(2) Asia..... India, Pakistan, Indonesia and Thailand

(3) Other..... United States, Australia, Mexico and Colombia

3. Classification is based on the location of the Company and its consolidated subsidiaries.