

Consolidated Financial Summary for the First Six Months Ended September 30, 2022

[Japanese GAAP]

November 8, 2022

Company Name : SUZUKI MOTOR CORPORATION Listings : Tokyo Stock Exchange
 Code No. : 7269 URL : <https://www.globalsuzuki.com>
 Representative : Toshihiro Suzuki, President
 Contact Person : Ryo Kawamura, Managing Officer, Executive General Manager, Finance
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Date of Filing Quarterly Securities Report : November 11, 2022

Start of Payment of Cash Dividends : November 30, 2022

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 FY2022 first six months (April 1 – September 30, 2022)

(1) Consolidated Management Results

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY 2022 first six months	2,217,504	32.5	164,341	65.8	192,310	29.7	115,107	14.5
FY 2021 first six months	1,673,586	31.8	99,112	32.3	148,248	54.2	100,526	85.0

[Note] Comprehensive income FY2022 first six months 283,523 Million Yen (223.1%)
 FY2021 first six months 87,740 Million Yen (0.2%)

	Profit per share, Basic		Profit per share, Diluted	
	Yen		Yen	
FY 2022 first six months	237.03		237.02	
FY 2021 first six months	207.02		207.00	

(2) Consolidated Financial Position

	Total assets		Net assets		Shareholders' equity ratio	
	Millions of Yen		Millions of Yen		%	
FY 2022 second quarter	4,583,107		2,511,368		45.2	
FY 2021	4,155,153		2,263,672		45.2	

[Reference] Shareholders' equity (Net assets excluding non-controlling interests and share acquisition rights):
 FY2022 second quarter 2,073,755 Million Yen FY2021 1,878,227 Million Yen

2. Cash Dividends

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen				
FY2021	-	45.00	-	46.00	91.00
FY2022	-	50.00	-	-	-
FY2022 (Forecast)	-	-	-	-	-

[Note] 1. Revision of the latest forecasts of cash dividends announced: Yes

2. The forecasts of cash dividends for FY2022 are undetermined at this moment.

3. Forecasts for Consolidated Operating Results of FY2022 (April 1, 2022 – March 31, 2023)

(Percentage indicates change from the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Full Year	4,500,000	26.1	290,000	51.5	320,000	21.7	190,000	18.5	391.24

[Note] Revisions of the latest forecasts for consolidated operating results announced: Yes

*Notes

(1) Changes in significant subsidiaries during the period

(Changes in specified subsidiaries that accompany with a change in the scope of consolidation): None

(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 | : Yes |
| 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 the end of period
(including treasury shares) |
| 2) Number of treasury shares at the end of period |
| 3) Average number of outstanding shares during period
(First six months) |

FY2022 Q2	491,146,600	FY2021	491,122,300
FY2022 Q2	5,501,025	FY2021	5,500,056
FY2022 Q2	485,628,738	FY2021 Q2	485,588,619

*** This quarterly financial result 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

(Cautions For 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 Financial Results Supplementary Explanatory Materials)

Quarterly Financial Results Supplementary Explanatory Materials will be available on our website

(<https://www.globalsuzuki.com>) on November 8, 2022.

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Quarterly Consolidated Financial Statements and Significant Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	FY2021 (As of March 31, 2022)	FY2022 second quarter (As of September 30, 2022)
Assets		
Current assets		
Cash and deposits	964,315	1,044,128
Notes and accounts receivable-trade	434,006	464,126
Securities	122,314	161,905
Merchandise and finished goods	214,471	259,076
Work in process	66,619	73,479
Raw materials and supplies	88,358	107,883
Other	167,924	218,225
Allowance for doubtful accounts	(6,790)	(7,108)
Total current assets	2,051,219	2,321,718
Non-current assets		
Property, plant and equipment	1,037,975	1,143,346
Intangible assets	3,396	4,754
Investments and other assets		
Investment securities	852,269	885,468
Other	210,768	228,148
Allowance for doubtful accounts	(301)	(315)
Allowance for investment loss	(174)	(13)
Total investments and other assets	1,062,563	1,113,288
Total non-current assets	2,103,934	2,261,389
Total assets	4,155,153	4,583,107
Liabilities		
Current liabilities		
Accounts payable-trade	287,724	353,213
Electronically recorded obligations-operating	14,911	19,166
Short-term borrowings	182,266	314,622
Current portion of bonds with share acquisition rights	8,560	8,560
Income taxes payable	55,155	61,935
Provision for product warranties	227,559	220,679
Other	480,340	513,654
Total current liabilities	1,256,517	1,491,831
Non-current liabilities		
Long-term borrowings	483,333	420,921
Other provisions	16,690	17,850
Retirement benefit liability	64,449	63,024
Other	70,491	78,111
Total non-current liabilities	634,963	579,906
Total liabilities	1,891,481	2,071,738

	FY2021 (As of March 31, 2022)	FY2022 second quarter (As of September 30, 2022)
Net assets		
Shareholders' equity		
Share capital	138,318	138,370
Capital surplus	143,369	143,418
Retained earnings	1,638,726	1,731,495
Treasury shares	(20,877)	(20,881)
Total shareholders' equity	1,899,536	1,992,402
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	111,078	106,318
Deferred gains or losses on hedges	88	(247)
Foreign currency translation adjustment	(112,138)	(5,051)
Remeasurements of defined benefit plans	(20,337)	(19,666)
Total accumulated other comprehensive income	(21,309)	81,352
Share acquisition rights	41	41
Non-controlling interests	385,403	437,571
Total net assets	2,263,672	2,511,368
Total liabilities and net assets	4,155,153	4,583,107

**(2) Quarterly Consolidated Statement of Income and
Quarterly Consolidated Statement of Comprehensive Income
(First six months ended September 30, 2022)
【Quarterly Consolidated Statement of Income】**

	(Millions of yen)	
	FY2021 first six months (April 1 – September 30, 2021)	FY2022 first six months (April 1 – September 30, 2022)
Net sales	1,673,586	2,217,504
Cost of sales	1,261,812	1,668,351
Gross profit	411,773	549,152
Selling, general and administrative expenses	312,661	384,810
Operating profit	99,112	164,341
Non-operating income		
Interest income	58,066	15,836
Dividend income	2,179	2,551
Foreign exchange gains	—	1,385
Share of profit of entities accounted for using equity method	4,436	6,173
Other	6,773	8,924
Total non-operating income	71,455	34,871
Non-operating expenses		
Interest expenses	1,934	2,089
Foreign exchange losses	3,241	—
Expenses related to discontinuation of development	13,746	—
Other	3,396	4,813
Total non-operating expenses	22,318	6,902
Ordinary profit	148,248	192,310
Extraordinary income		
Gain on sale of non-current assets	18,684	579
Gain on sale of investment securities	—	0
Total extraordinary income	18,684	579
Extraordinary losses		
Loss on sale of non-current assets	524	374
Impairment losses	9,514	—
Total extraordinary losses	10,039	374
Profit before income taxes	156,894	192,515
Income taxes	30,759	55,542
Profit	126,134	136,973
Profit attributable to non-controlling interests	25,608	21,866
Profit attributable to owners of parent	100,526	115,107

【Quarterly Consolidated Statement of Comprehensive Income】

(Millions of yen)

	FY2021 first six months (April 1 – September 30, 2021)	FY2022 first six months (April 1 – September 30, 2022)
Profit	126,134	136,973
Other comprehensive income		
Valuation difference on available-for-sale securities	(32,184)	363
Deferred gains or losses on hedges	194	(404)
Foreign currency translation adjustment	(7,883)	142,391
Remeasurements of defined benefit plans, net of tax	729	525
Share of other comprehensive income of entities accounted for using equity method	750	3,674
Total other comprehensive income	(38,393)	146,550
Comprehensive income	87,740	283,523
Comprehensive income attributable to:		
owners of parent	78,113	217,769
non-controlling interests	9,627	65,754

(3) Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	FY2021 first six months (April 1 – September 30, 2021)	FY2022 first six months (April 1 – September 30, 2022)
Cash flows from operating activities		
Profit before income taxes	156,894	192,515
Depreciation and amortization	65,877	78,116
Impairment losses	9,514	—
Increase (decrease) in allowance for doubtful accounts	(409)	(20)
Increase (decrease) in retirement benefit liability	(2,063)	(1,815)
Increase (decrease) in provision for product warranties	(18,119)	(7,721)
Interest and dividend income	(60,245)	(18,388)
Interest expenses	1,934	2,089
Foreign exchange losses (gains)	703	(1,322)
Share of loss (profit) of entities accounted for using equity method	(4,436)	(6,173)
Loss (gain) on sale of property, plant and equipment	(18,160)	(205)
Decrease (increase) in trade receivables	101,674	(15,401)
Decrease (increase) in inventories	29,263	(52,677)
Increase (decrease) in trade payables	(106,592)	47,178
Increase (decrease) in accrued expenses	(34,587)	13,952
Other, net	(2,825)	(57,077)
Subtotal	118,423	173,049
Interest and dividends received	58,911	18,220
Interest paid	(2,318)	(1,866)
Income taxes paid	(27,224)	(46,142)
Net cash provided by (used in) operating activities	147,791	143,260
Cash flows from investing activities		
Payments into time deposits	(63,363)	(71,187)
Proceeds from withdrawal of time deposits	58,974	61,755
Purchase of securities	(359,072)	(652,110)
Proceeds from sale and redemption of securities	429,828	624,416
Purchase of property, plant and equipment	(83,147)	(125,994)
Proceeds from sales of property, plant and equipment	24,183	601
Other, net	(52,616)	29,969
Net cash provided by (used in) investing activities	(45,214)	(132,548)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(141,556)	55,391
Proceeds from long-term borrowings	288,830	68,889
Repayments of long-term borrowings	(177,013)	(61,213)
Dividends paid	(25,731)	(22,337)
Dividends paid to non-controlling interests	(8,850)	(13,752)
Other, net	(2)	(4)
Net cash provided by (used in) financing activities	(64,323)	26,972
Effect of exchange rate changes on cash and cash equivalents	(3,979)	21,372
Net increase (decrease) in cash and cash equivalents	34,273	59,057
Cash and cash equivalents at the beginning of period	924,392	857,996
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	(1)
Cash and cash equivalents at the end of period	958,666	917,051

(4) Notes to Quarterly Consolidated Financial Statements

(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 profit 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.

(Changes in Accounting Principles)

[Application of Guidance on Accounting Standard for Calculation of Market Value]

The Company has applied the "Guidance on Accounting Standard for Calculation of Market Value" (ASBJ Guidance No. 31, June 17, 2021) from the beginning of FY2022. In accordance with the transitional treatment set forth in article 27-2 of the Guidance on Accounting Standard for Calculation of Market Value, the Company has applied the new accounting policies set forth in the Guidance on Accounting Standard for Calculation of Market Value into the future. It has no impact on the quarterly consolidated financial statements.

(Additional Information)

[Application of Treatment of Accounting and Disclosure under the Group Tax Sharing System]

From the first quarter of FY2022, the Company and certain of its domestic consolidated subsidiaries have switched from the Consolidated Taxation System to the Group Tax Sharing System. As a result, accounting and disclosure for income taxes, local income taxes, and tax effect accounting are in accordance with the "Treatment of Accounting and Disclosure under the Group Tax Sharing System" (Practical Solution Report No. 42, August 12, 2021.). In accordance with Practical Solution Report No. 42, Article 32 (1), there will be no impact from the change in accounting policies in accordance with the application of Practical Solution Report No. 42.

(Segment Information)

1. Net sales and Profit of Each Reportable Segment

FY2021 first six months (April 1 – September 30, 2021)

(Millions of yen)

	Reportable Segments				
	Automobile business	Motorcycle business	Marine business	Other business	Total
Net Sales	1,498,630	118,943	49,946	6,066	1,673,586
Segment Profit* ¹	78,035	6,873	12,186	2,016	99,112

FY2022 first six months (April 1 – September 30, 2022)

(Millions of yen)

	Reportable Segments				
	Automobile business	Motorcycle business	Marine business	Other business	Total
Net Sales	1,967,125	175,899	68,798	5,681	2,217,504
Segment Profit* ¹	128,043	15,264	19,777	1,255	164,341

[Notes] *1. Segment profit is an operating profit 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	Outboard motors
Other business	Motorized wheelchairs, Solar power generation, Real estate

2. Impairment Losses of Non-Current Assets or Goodwill, etc. of Each Reportable Segment

(Significant impairment losses of non-current assets)

The Group has recorded impairment losses in the following group of assets.

With regard to assets for rent and idle assets, the Group has reduced the book value of the asset group whose market value has particularly fallen to the recoverable amount and recorded impairment losses as extraordinary losses.

FY2021 first six months (April 1 – September 30, 2021)

(Millions of yen)

Usage	Location	Classification	Impairment losses	Reportable Segments			
				Automobile business	Motorcycle business	Marine business	Other business
Assets for rent	Japan	Land	9,382	9,285	97	—	—
Idle assets	Japan	Land	131	129	1	0	0
Total			9,514	9,415	98	0	0

FY2022 first six months (April 1 – September 30, 2022)

None

(Reference information)

As reference information, operating results by geographical region are as follows:

[Operating Results by Geographical Region]

FY2021 first six months (April 1 – September 30, 2021)

(Millions of yen)

	Japan	Europe	Asia	Other	Total	Eliminations	Consolidated
Net Sales							
1) Net sales to external customers	639,251	199,472	721,319	113,542	1,673,586	—	1,673,586
2) Internal net sales or transfer among geographical regions	289,449	71,955	63,256	141	424,802	(424,802)	—
Total	928,700	271,427	784,576	113,684	2,098,389	(424,802)	1,673,586
Operating profit	61,517	9,173	15,759	7,485	93,936	5,176	99,112

FY2022 first six months (April 1 – September 30, 2022)

(Millions of yen)

	Japan	Europe	Asia	Other	Total	Eliminations	Consolidated
Net Sales							
1) Net sales to external customers	706,508	164,314	1,142,528	204,151	2,217,504	—	2,217,504
2) Internal net sales or transfer among geographical regions	439,240	107,743	101,434	113	648,531	(648,531)	—
Total	1,145,749	272,058	1,243,963	204,265	2,866,036	(648,531)	2,217,504
Operating profit	98,275	3,444	64,676	12,700	179,097	(14,755)	164,341

[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, Colombia and South Africa

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

(Revenue Recognition)

[Breakdown of Revenue from Contracts with Customers]

FY2021 first six months (April 1 – September 30, 2021)

(Millions of yen)

	Reportable Segments				Total
	Automobile business	Motorcycle business	Marine business	Other business	
Japan	488,418	11,591	1,677	6,066	507,753
Europe	203,948	15,937	11,962	—	231,848
Asia	629,756	56,129	5,990	—	691,877
Other	160,971	34,549	30,314	—	225,835
Revenue from contracts with customers	1,483,095	118,206	49,945	6,066	1,657,313
Other revenue*2	15,535	736	1	—	16,272
Net sales to external customers	1,498,630	118,943	49,946	6,066	1,673,586

FY2022 first six months (April 1 – September 30, 2022)

(Millions of yen)

	Reportable Segments				Total
	Automobile business	Motorcycle business	Marine business	Other business	
Japan	526,976	13,154	1,856	5,681	547,668
Europe	168,307	20,745	13,218	—	202,271
Asia	1,005,267	84,956	5,147	—	1,095,370
Other	250,626	56,492	48,555	—	355,674
Revenue from contracts with customers	1,951,178	175,349	68,777	5,681	2,200,985
Other revenue*2	15,947	549	21	—	16,518
Net sales to external customers	1,967,125	175,899	68,798	5,681	2,217,504

[Notes] *1. Revenue is classified by region based on the location of the customers.

2. Other revenue include lease revenue of the lessor, etc.

(Significant Subsequent Events)

[Change in Specified Subsidiary]

There was a change in specified subsidiary dated October 25, 2022.

1. Reason for the change

For the purpose of investing domestic and international startup companies, the Company has resolved to establish Suzuki Global Ventures, L.P. and to invest 100 million dollars in it. The payment has been completed (14,904 million yen), and the investment amount is more than 10% of capital amount of the Company, making it a specified subsidiary.

2. Overview of the specified subsidiary

- (1) Company name : Suzuki Global Ventures, L.P.
- (2) Address : 102 UNIVERSITY AVENUE, 1A, PALO ALTO, CALIFORNIA, United States of America
- (3) Amount of investment : 100 million dollars (14,904 million yen)
- (4) Business : Investment business
- (5) Investment ratio : Suzuki Motor Corporation 100%