Date of commencement of electronic provision measures: May 27, 2024

The 158th Ordinary General Meeting of Shareholders
Other matters subject to the electronic provision measures
(Matters for which document delivery is omitted)

Consolidated Statement of Changes in Net Assets
Notes to Consolidated Financial Statements
Non-Consolidated Statement of Changes in Net Assets
Notes to Non-Consolidated Financial Statements
(April 1, 2023 – March 31, 2024)

Suzuki Motor Corporation

(This is an English translation of the original document in Japanese language provided on our website and is for reference purpose only. If there are any discrepancies between this document and original Japanese one, the original prevails.)

Consolidated Statement of Changes in Net Assets (April 1, 2023 – March 31, 2024)

(Amount: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current fiscal year	**138,370**	**138,180**	**1,813,209**	**(19,396)**	**2,070,363**
Changes during period					
Dividends of surplus			(50,836)		(50,836)
Profit attributable to owners of parent			267,717		267,717
Purchase of shares of consolidated subsidiaries		(69,137)			(69,137)
Purchase of treasury shares				(20,029)	(20,029)
Disposal of treasury shares		42		125	168
Net changes in items other than shareholders' equity					
Total changes during period	–	(69,095)	216,881	(19,903)	127,881
Balance at the end of current fiscal year	138,370	69,084	2,030,090	(39,300)	2,198,245

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on Available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current fiscal year	**117,885**	**(167)**	**(86,742)**	**(23,321)**	**7,653**	**41**	**430,561**	**2,508,620**
Changes during period								
Dividends of surplus								(50,836)
Profit attributable to owners of parent								267,717
Purchase of shares of consolidated subsidiaries								(69,137)
Purchase of treasury shares								(20,029)
Disposal of treasury shares								168
Net changes in items other than shareholders' equity	118,835	(16)	150,695	15,599	285,114	–	216,781	501,895
Total changes during period	118,835	(16)	150,695	15,599	285,114	–	216,781	629,777
Balance at the end of current fiscal year	236,720	(183)	63,953	(7,722)	292,768	41	647,342	3,138,397

[Note] Amounts less than one million yen are rounded down.

Notes to Consolidated Financial Statements

1. Notes to Basic Significant Matters for Preparing Consolidated Financial Statements

(1) Scope of consolidation

1) Number of consolidated subsidiaries and name of main consolidated subsidiaries

Number of consolidated subsidiaries 119 companies

Name of main consolidated subsidiaries

Domestic ………Suzuki Auto Parts Mfg. Co., Ltd.
Suzuki Motor Sales Kinki Inc.
Overseas ……… Magyar Suzuki Corporation Ltd.
SUZUKI ITALIA S.p.A.
Maruti Suzuki India Ltd.
Suzuki Motor Gujarat Private Ltd.
Suzuki Motorcycle India Private Ltd.
Pak Suzuki Motor Co., Ltd.
PT. Suzuki Indomobil Motor
TDS Lithium–Ion Battery Gujarat Private Ltd.

2) Change in the scope of consolidation

Increase: 1 company Decrease: 2 companies

3) Name of unconsolidated subsidiaries

Name of main unconsolidated subsidiaries ……… Suzuki Motor Co., Ltd.

Reason for exclusion:

Because these unconsolidated subsidiaries are small, and total influence by their total assets, net sales, net income or loss (the amounts equivalent to the Company's interest in the companies) and retained earnings (the amounts equivalent to the Company's interest in the companies) on the consolidated financial statements are insignificant.

(2) Application of the equity methods

1) Number of companies accounted for using equity method and name of main companies accounted for using equity method

Number of companies accounted for using equity method: 31 companies

Name of main companies accounted for using equity method ……… Krishna Maruti Ltd.

2) Change in the scope of application of the equity method

Increase: 1 company Decrease: 2 companies

3) Name of unconsolidated subsidiaries and entities that are not accounted for using equity method

Name of main unconsolidated subsidiaries and associates that are not accounted for using equity method…………. Suzuki Motor Co., Ltd.

Reason for non–application:

In terms of net income or loss and retained earnings (the amounts equivalent to the Company's interest in the companies), influence of these companies on consolidated financial statements is insignificant even if equity method is not applied to the companies, and it is not important as a whole.

(3) Fiscal year and others of consolidated subsidiaries

1) The number of consolidated subsidiaries for which the account settlement date is different from the consolidated account settlement date (March 31) is as follows.
December 31……… 14, including Magyar Suzuki Corporation Ltd.

2) The above consolidated subsidiaries are consolidated based on the financial statements on the provisional settlement of accounts on the consolidated account settlement date.

(4) Accounting policy

1) Evaluation standards and evaluation methods of significant assets

(a) Securities

Available-for-sale securities…… Items other than equity securities for which market values are unavailable:

Fair value method (The evaluation differences shall be reported as a component of net assets, and sales costs shall be calculated mainly by the moving average method.)

Equity securities for which market values are unavailable:

Cost method by the moving average method

(b) Derivatives…………………………… Fair value method

(c) Inventories…………………………… Cost method mainly by the gross average method (Figures on the consolidated balance sheet are calculated by the method of book devaluation based on the reduction of profitability.)

2) Method of depreciation and amortization of significant depreciable assets

(a) Property, plant and equipment (excluding lease assets)

…………………… Mainly declining balance method

(b) Intangible assets (excluding lease assets)

…………………… Straight line method

(c) Lease assets

Finance leases which transfer ownership

…………………… The same method as depreciation and amortization of self-owned noncurrent assets

Finance leases which do not transfer ownership

…………………… Straight-line method with the lease period as the durable years. With regard to lease assets with guaranteed residual value under lease agreement, remaining value is the guaranteed residual value. And with regard to other lease assets, remaining value would be zero.

3) Accounting treatment for deferred assets

…………………… They are treated as expenses at the time of expenditure.

4) Basis for significant allowances and provisions

(a) Allowance for doubtful accounts

In order to allow for loss from bad debts, estimated uncollectible amount based on actual ratio of bad debt is appropriated as to general receivable. With regard to specific receivable with higher default possibility, possibility of collection is estimated, respectively and uncollectible amount is appropriated.

(b) Allowance for investment loss
The differences between the book value and the fair value of equity securities for which market values are unavailable are determined and appropriated as reserve in order to allow for losses from these investments.

(c) Provision for product warranties
The provision is recorded into this account based on the warranty agreement, laws and regulations and past experience in order to allow for expenses related to the maintenance service of products sold.

(d) Provision for bonuses for directors
In order to pay bonuses for directors and audit & supervisory board members, estimated amount of such bonuses is appropriated.

(e) Provision for retirement benefits for directors
The amount to be paid at the end of year had been posted pursuant to the Company's regulations on the retirement allowance of directors and audit & supervisory board members. However, the Company's retirement benefit system for them was abolished at the closure of the ordinary general shareholders' meeting held on June 29, 2006. And it was approved at the shareholders' meeting that reappointed directors and audit & supervisory board members were paid their retirement benefit at the time of their retirement, based on their years of service. Estimated amount of such retirement benefits is appropriated.
Furthermore, for the directors and audit & supervisory board members of some consolidated subsidiaries, the amount to be paid at the end of the year was posted pursuant to their regulation on the retirement allowance of directors and audit & supervisory board members.

(f) Provision for disaster
Reasonably estimated amount is appropriated for anticipated loss mainly caused by relocation of plants and facilities located in the Ryuyo Region in Iwata City, Shizuoka Prefecture where massive tsunami damages caused by Tokai and Tonankai Earthquake are anticipated.

(g) Provision for product liabilities
With regards to the products exported to North American market, to prepare for the payment of compensation not covered by "Product Liability Insurance," the anticipated amount to be borne by the Company is computed and provided on the basis of actual results in the past.

(h) Provision for recycling expenses
The provision is appropriated for an estimated expenses related to the recycle of products of the Company based on number of vehicles owned in the market, etc.

5) Recognition criteria for revenue and expenses

(a) Revenue

The Group is engaged in manufacturing and sale of automobiles, motorcycles, outboard motors, electric wheelchairs, etc. in addition to the logistics services associated to these businesses and other service businesses. The Group recognizes revenue from sale of the above goods at the time when it satisfies a performance obligation by transferring control of the goods or services to a customer in an amount that the Group expects to be entitled in exchange for those goods and services.

Such amounts exclude the amount of consumption tax and value added tax levied on behalf of tax authorities.

For contracted prices with customers, which include variable consideration, the Group measures revenue less variable consideration only to the extent that it is highly probable that there will be no significant reversal when the uncertainty associated with the variable consideration is subsequently resolved.

Variable consideration mainly consists of sales rebates calculated based on past transactions using the most likely amount method.

The Group recognizes revenue when it satisfies performance obligation over time or at a point in time. As for the sale of automobiles, since the performance obligation is considered fulfilled at the point in time when the products are delivered and the control of such products is acquired by the customers, the revenue is recognized at the delivery of the products.

If the Group provides services other than the warranty that the finished goods comply with the agreed-upon specifications, such as a customer-paid extended warranty covering longer than the standard period of time, revenue from such services is recognized over the duration of the warranty in proportion to expenses to be incurred to satisfy performance obligations under the contract.

The Group receives consideration mainly as advance payment during the period from the time of receipt of a purchase order until the fulfillment of the performance obligation or within one year after the fulfilment of the performance obligation. No significant financing component is included in such transaction.

(b) Revenue recognition of finance lease transactions:

Net sales and costs of sales are recognized when due for payment of lease fees has come.

6) Accounting treatment pertaining to retirement benefits

(a) Method of attributing expected benefit to periods
With regard to calculation of retirement benefit obligations, benefit formula basis method was used to attribute expected benefit to period up to the end of this fiscal year.

(b) Method to recognize actuarial gains or losses and past service costs as expenses
With regard to past service costs, they are treated as expense on a straight-line basis over the certain years within the period of average length of employees' remaining service years at the time when it occurs.
With regard to the actuarial gains or losses, the amounts, prorated on a straight-line basis over the certain years within the period of average length of employees' remaining service years in each year in which the differences occur, are respectively treated as expenses from the next term of the year in which they arise.

7) Standards for translation of significant assets or liabilities in foreign currencies into the Japanese currency
   Receivable and payable in foreign currencies are translated into yen on the spot exchange rate of the consolidated account settlement date, and the exchange difference shall be processed as gain or loss. Further, assets and liabilities of foreign consolidated subsidiaries and others shall be translated into yen by the spot exchange rate as of the consolidated account settlement date, profits and expenses are translated into yen by the average exchange rate during the year, and exchange differences shall be recorded to foreign currency translation adjustment and non-controlling interests of the net assets.
8) Method of significant hedge accounting
   The deferred hedge processing is applied in principle.
9) Other significant matters for preparing consolidated financial statements
   The Company and certain of its domestic consolidated subsidiaries have applied the Group Tax Sharing System. 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.)

2. Notes to Accounting Estimates

(1) Provision for product warranties

1) Amount recorded in the consolidated financial statements for the current fiscal year

(Amount: Millions of yen)

	End of the current consolidated fiscal year
Balance at the beginning of the period	208,282
Amount paid during the period	(29,758)
Transferred amount	11,529
Balance at the end of the period	190,053

2) Information regarding the details of the accounting estimate for the identified item

The Group recognizes provision for product warranties for costs related with future product warranties.

Costs related to product warranty include (i) free repair costs based on the product warranty, and (ii) free repair costs based on notification to a government agency. (i) Free repair costs based on the product warranty are recognized at the time the product is sold. Regarding (ii) free repair costs based on notifications to a government agency, if there is a high possibility that costs will be incurred and the amount can be reasonably estimated, the provision will be recognized based on comprehensive and individual estimates based on past occurrences.

The amount of these provisions is estimated and calculated regarding the estimated number of units and the cost per forecasted units based on currently available information, such as past sales, repairs, and experience, and reflects the amount expected to be recovered by claiming compensation from the supplier. Provision for product warranties contain uncertainties as it is calculated by estimation. Therefore, the actual repair cost may differ from the estimate.

(2) Retirement benefits asset and retirement benefits liability

1) Amount recorded in the consolidated financial statements for the current fiscal year

Retirement benefits asset	19,241 Million Yen
Retirement benefits liability	59,894 Million Yen

2) Information regarding the details of the accounting estimate for the identified item

The Group's retirement benefit expenses, retirement benefit asset and retirement benefits liability are calculated based on various assumptions such as discount rate, expected rate of return on long-term investment, revaluation rate, salary increase rate, mortality rate, etc. Of these, the discount rate is determined based on safe long-term bond yields and the expected rate of return on long-term investment is determined based on the pension asset management policy of each pension plan.

The decline in long-term bond yields will reduce the discount rate and adversely affect the calculation of retirement benefit costs. However, in the cash-balanced pension system adopted by the Company, the revaluation rate, which is one of the basic rates, has the effect of reducing the adverse effects of a decrease in the discount rate.

Additionally, if the investment yield of pension assets is lower than the expected rate of return on long-term investment, it will adversely affect the calculation of retirement benefit costs, but the impact on our corporate pension and the Group's corporate pension fund, which strive for stable management, is minor.

The difference between these assumptions and the actual results is expensed mostly by the straight-line method over a fixed number of years within the average remaining service period of the employee at the time of occurrence.

(3) Deferred tax assets

1) Amount recorded in the consolidated financial statements for the current fiscal year

Deferred tax assets	85,444 Million Yen
Deferred tax liabilities	4,114 Million Yen

2) Information regarding the details of the accounting estimate for the identified item

We are examining whether the recoverability of deferred tax assets has an effect of reducing future tax burdens, etc. for some or all of the deductible temporary differences, loss carryforwards and tax credits carried forward.

The appraisal of recoverability of deferred tax assets takes into account elimination of taxable temporary differences, estimation of future taxable income, and tax planning.

Regarding this estimate, in the event of a changes in future market trends, business activity status, or other assumptions related to the Group, it may affect the amount of deferred tax assets and income taxes–deferred from the next fiscal year onward.

3. Notes to Consolidated Balance Sheets

(1) Assets pledged as collateral and secured liabilities

1) Assets pledged as collateral

Machinery and equipment	814 Million Yen

2) Secured liabilities

Long-term borrowings	734 Million Yen

(2) Accumulated depreciation of property, plant and equipment 2,597,890 Million Yen

(3) Guarantee obligations

The Group guarantees borrowing from financial institution etc. by other companies which are not consolidated subsidiaries.

2,212 Million Yen

(4) The Company has the commitment line contract with 6 banks for effective financing.
The outstanding balance of the contract at the end of the current consolidated fiscal year is as follows.

Commitment line contract total	300,000 Million Yen
Actual loan balance	–
Undrawn balance	300,000 Million Yen

4. Notes to Consolidated Statements of Income

Revenue from contracts with customers

The Company does not disaggregate revenues from contracts with customers and other revenue. The amount of revenue from contracts with customers is presented in “7. Notes to Revenue Recognition, (1) Breakdown of revenue from contracts with customers” in Notes to Consolidated Financial Statements.

5. Notes to Consolidated Statement of Changes in Net Assets

(1) Type and number of outstanding shares

(Shares)

Type of shares	Number of shares at the beginning of current fiscal year	Increased number of shares during the period	Decreased number of shares during the period	Number of shares at the end of current fiscal year
Common stock	491,146,600	-	-	491,146,600

[Notes] A four-for-one common stock split was conducted on April 1, 2024; however, the items listed above are based on the number of shares held before the split.

(2) Dividends

1) Dividends paid

Resolution	Type of shares	Total amount of dividends	Dividends per share	Record date	Effective date
Ordinary general shareholders' meeting held on June 23, 2023	Common stock	24,305 Million Yen	50.00 Yen	March 31, 2023	June 26, 2023
Meeting of the Board of Directors held on November 7, 2023	Common stock	26,530 Million Yen	55.00 Yen	September 30, 2023	November 30, 2023

2) Dividends, which record date is during the current consolidated fiscal year, with their effective date in the next consolidated fiscal year

The following dividends are proposed as a matter of resolution at the ordinary general shareholders' meeting scheduled to be held on June 27, 2024.

(a) Total amount of dividends 32,319 Million Yen
(b) Dividends per share 67.00 Yen
(c) Record date March 31, 2024
(d) Effective date June 28, 2024

Dividends will be paid from retained earnings.

[Notes] A four-for-one common stock split was conducted on April 1, 2024; however, the items listed above are based on the number of shares held before the split.

6. Notes to Financial Instruments

(1) Matters for conditions of financial instruments

With regard to the fund management, the Group uses short-term deposits and securities, and with regard to the fund-raising, the Group uses borrowings from financial institutions such as banks and issuance of bonds.

The Group mitigates customers' credit risks from notes and accounts receivable-trade in line with our rules and regulations for credit control. The Group hedges risks of exchange-rate fluctuations from operating receivables denominated in foreign currency by forward exchange contract in principle. Investment securities are mainly stocks and mutual funds, and with regard to listed stocks and mutual funds, the Group quarterly identifies those fair values.

Applications of borrowings are operating capital (mainly short term) and fund for capital expenditures (long term). The Group uses cross currency interest rate swap as hedge instruments for the risk of fluctuation in interest rate and foreign exchange rate of some long-term borrowings. In addition, the Group uses derivatives within the actual demand in accordance with our administrative rules.

(2) Matters for fair values of the financial instruments

Carrying amounts in the consolidated balance sheet, fair value and differences between them at March 31, 2024 (consolidated settlement date of current fiscal year) are as follows.

"Cash and deposits," "Accounts payable-trade," "Short-term borrowings," and "Accrued expenses" are omitted because they comprise cash and are short-term instruments whose carrying amount approximates their fair value.

(Amount: Millions of yen)

	Carrying amount	Fair value	Difference
Assets			
(a) Notes and accounts receivable-trade	565,011	559,746	(5,265)
(b) Securities and investment securities (*1, *2)			
Available-for-sale securities	1,377,620	1,377,620	–
Stocks of associates	1,336	3,271	1,935
Total assets	1,943,968	1,940,637	(3,330)
Liabilities			
Long-term borrowings	619,638	617,094	2,544
Total liabilities (*3)	619,638	617,094	2,544
Derivatives (*4)	(3,727)	(3,727)	–

[Notes] 1. Equity securities for which market values are unavailable are not included in the above (b) Securities and investment securities.

(Amount: Millions of yen)

Account Title	Carrying Amount
Available-for-sale securities	
Unlisted stocks other than stocks of associates	27,216
Unlisted stocks of associates	65,110

2. Notes on investments in partnerships and other similar entities for which equity interests are recorded on a net basis on the consolidated balance sheet are omitted. The amount of these investments recorded on the consolidated balance sheet is 32,368 million yen.
3. Total liabilities include current portion of long-term borrowings.
4. Assets or liabilities derived from derivatives are shown on a net basis and net liabilities are shown as ( ).

(3) Fair value information by level within the fair value hierarchy

The fair value of financial instruments is classified into the following three levels according to the observability and significance of inputs used to measure fair value.

Level 1 fair value: Fair value measured using quoted prices (unadjusted) in active markets for the same assets or liabilities.
Level 2 fair value: Fair value measured using directly or indirectly observable inputs other than Level 1 inputs.
Level 3 fair value: Fair value measured using significant unobservable inputs.

If multiple inputs are used that are significant to the fair value measurement, the fair value measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement.

1) Financial assets and financial liabilities measured at fair value

(Amount: Millions of yen)

Category	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Stocks	295,628	–	–	295,628
Bonds	–	75,106	–	75,106
Mutual funds	968,864	6,928	1,092	976,885
Others	–	30,000	–	30,000
Total assets	1,264,493	112,034	1,092	1,377,620
Derivatives	–	(3,727)	–	(3,727)

2) Financial assets and financial liabilities not measured at fair value

(Amount: Millions of yen)

Category	Fair value			
	Level 1	Level 2	Level 3	Total
Accounts receivable-trade	–	559,746	–	559,746
Securities and investment securities				
Stocks of associates	3,271	–	–	3,271
Total assets	3,271	559,746	–	563,017
Long-term borrowings	–	617,094	–	617,094
Total liabilities	–	617,094	–	617,094

[Notes] 1. Description of the valuation techniques and inputs used in the fair value measurement

Assets

Accounts receivable-trade

The fair value of these items is measured using the discounted cash flow method based on the amount of receivables, period to maturity and an interest rate reflecting credit risk, for each receivable categorized by a specified period, and is classified as Level 2.

Securities and investment securities

Listed shares and bonds are valued using quoted prices. As listed shares are traded in active markets, their fair value is classified as Level 1. On the other hand, the fair value of bonds held by the Company are classified as Level 2 because they are not traded frequently in the public market and not considered to have quoted prices in active markets. In addition, beneficiary certificates of mutual funds whose market value is the price presented by a third party are classified into Level 1, Level 2, or Level 3 based on the obtained price and the observability in the inputs used for pricing.

Liabilities

Long-term borrowings

The fair value of these items is measured using the discounted cash flow method based on the sum of principal and interest, remaining maturities and an interest rate reflecting credit risk, and is classified as Level 2.

Derivatives transactions

The fair value of cross currency interest rate swaps and forward exchange contracts is measured using the discounted cash flow method based on observable inputs, such as interest rates and exchange rates, and is classified as Level 2.

2. Assets or liabilities derived from derivatives are shown on a net basis and net liabilities are shown as ( ).

3. Information on fair values of Level 3 financial assets and financial liabilities with the carrying amount not recorded using the fair value

Note is omitted because it is insignificant.

7. Notes to Revenue Recognition

(1) Breakdown of revenue from contracts with customers

(Amount: Millions of yen)

	Automobiles Business	Motorcycles Business	Marine Business	Other Business	Total
Japan	1,253,124	19,765	3,357	11,235	1,287,482
Europe	634,531	46,876	18,933	–	700,341
Asia	2,393,389	185,142	13,829	–	2,592,360
Others	574,133	114,797	76,157	–	765,089
Revenue from contracts with customers	4,855,179	366,581	112,278	11,235	5,345,274
Other revenue [Note] 2	28,624	353	3	–	28,981
Net sales to external customers	4,883,804	366,934	112,281	11,235	5,374,255

[Notes] 1. Revenue is disaggregated by region based on the location of customers.
2. Other revenue includes income from lessor lease, etc.

(2) Basic information for understanding revenue

The details are the same as described in “1. Notes to Basic Significant Matters for Preparing Consolidated Financial Statements (4) Accounting Policy 5) Recognition criteria for revenue and expenses” in the Notes to Consolidated Financial Statements.

(3) Basic information for understanding the revenue amounts in the current and next fiscal years

1) Receivables from contracts with customers and contract liabilities

Receivables from contracts with customers and contract liabilities in the current fiscal year are as follows:

(Amount: Millions of yen)

	Balance at the end of the period
Receivables from contracts with customers	529,699
Notes receivable-trade	949
Accounts receivables-trade	528,750
Contract liabilities	177,932
Other current liabilities	120,074
Other non-current liabilities	57,858

Contract liabilities are mainly consideration received from customers prior to delivery of the product. Of the revenue recognized in the current fiscal year, the amount included in the contract liability balance as of the beginning of the period was 92,985 million yen. The amount of revenue recognized from performance obligations fulfilled (or partially fulfilled) in the past period is not significant.

2) Transaction price allocated to the remaining performance obligations

The Company and consolidated subsidiaries have applied the practical expedient to the notes on transaction prices allocated to the remaining performance obligations, and does not disclose contracts with an original expected duration of one year or less. Consideration arising from contracts with customers does not have any significant amounts not included in the transaction price.

As of the end of the current fiscal year, the total transaction price allocated to unfulfilled performance obligations and the period during which revenue is expected to be recognized are as follows:

(Amount: Millions of yen)

	Current fiscal year
Within one year	42,883
Over one year	67,107
Total	109,991

Remaining performance obligations consist primarily of extended warranty income and maintenance income.

8. Notes to Information about Per Share Amount

Net assets per share	1,291.25 Yen
Profit per share, Basic	138.40 Yen

[Notes] A four-for-one common stock split was conducted on April 1, 2024.

Net assets per share and profit per share, basic are calculated on the assumption that the stock split was conducted at the beginning of this consolidated fiscal year.

9. Notes to Significant Subsequent Events

(Stock split and Related Amendment to the Articles of Incorporation)

The Company conducted stock split and partially amended its Articles of Incorporation on April 1, 2024 based on a resolution of the Board of Directors meeting held on December 13, 2023.

(1) Stock Split

1) Purpose of the Stock Split

The purpose is to lower the minimum investment amount through the stock split, thereby creating an environment where it is easier to invest in the Company's shares and expanding the Company's investor base.

2) Outline of the Stock Split

(a) Stock Split Method

The record date for the stock split was Sunday, March 31, 2024. Since this day falls on a non-business day of the shareholder registry administrator, the substantial record date was Friday, March 29, 2024. Each share of the Company's common stock held by shareholders as of the record date was split into 4 shares.

(b) Increase in Number of Shares as a Result of the Stock Split

Total number of issued shares before the stock split	491,146,600 shares
Increase in number of shares due to the stock split	1,473,439,800 shares
Total number of issued shares after the stock split	1,964,586,400 shares
Total number of issuable shares after the stock split	6,000,000,000 shares

(c) Stock Split Schedule

Public notice of record date	Friday, March 15, 2024
Record date	Sunday, March 31, 2024
Effective date	Monday, April 1, 2024

3) Impact for information of per share

The impact of the stock split is described in the relevant section.

(2) Partial Amendment to Articles of Incorporation

1) Reason for Amendment

Due to the stock split described above, the Company partially amended its Articles of Incorporation, effective as of Monday, April 1, 2024, pursuant to Article 184, Paragraph 2 of the Companies Act.

2) Details of Amendment to Articles of Incorporation

The details of the amendment are as follows: (Underlined part indicates amendment)

Articles of Incorporation before Amendment	After Amendment
(Total Number of Issuable Shares) Article 6. The total number of the Company's issuable shares shall be <u>1,500,000,000 shares</u>.	(Total Number of Issuable Shares) Article 6. The total number of the Company's issuable shares shall be <u>6,000,000,000 shares</u>.

3) Schedule of Amendments to the Articles of Incorporation

Effective Date: Monday, April 1, 2024

10. Other Notes

(Business Combinations)

Transaction under common control, etc.

(1) Outline of the Transaction

1) Name of the acquired company and its business

Maruti Suzuki India Limited ("MSIL")	Production and Sale of products of the Company
Suzuki Motor Gujarat ("SMG")	Production of products of the Company

2) Date of business combination

November 24, 2023 (Deemed date of acquisition: December 31, 2023)

3) Legal form of the business combinations

In relation to change of SMG, an Indian subsidiary, to a sub-subsidiary, the Company transferred all of the shares of SMG held by the Company to MSIL, and subscribed shares issued by MSIL on a preferential allotment basis as consideration for the transfer.

4) Name of the company after the business combination

No change

5) Other matters on the outline of the transaction

The purpose of this transaction was to further enhance competitiveness through streamlining production operations by MSIL's controlling production of automobiles in India.

The ratio of shares held by the Company in MSIL became 58.19% from 56.48% before the capital increase.

(2) Outline of Accounting treatment applied

In accordance with the Accounting Standard for Business Combinations (ASBJ Statement No. 21, January 16, 2019) and the Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, January 16, 2019), the transaction is treated as a transaction under common control.

Non-Consolidated Statement of Changes in Net Assets (April 1, 2023 – March 31, 2024)

(Amount: Millions of yen)

	Shareholders' equity					
		Capital surplus			Retained earnings	
						Other retained earnings
	Share capital	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Reserve for tax purpose reduction entry of non-current assets
Balance at the beginning of current fiscal year	138,370	144,720	1,568	146,289	8,269	12,841
Changes during period						
Provision of reserve for tax purpose reduction entry of non-current asset						4,743
Reversal of reserve for tax purpose reduction entry of non-current asset						(4,641)
Provision of reserve for promoting open innovation						
Provision of general reserve						
Dividends of surplus						
Profit						
Purchase of treasury shares						
Disposal of treasury shares			42	42		
Net changes in items other than shareholders' equity						
Total changes during period	–	–	42	42	–	101
Balance at the end of current fiscal year	138,370	144,720	1,611	146,331	8,269	12,942

	Shareholders' equity					
	Retained earnings					
	Other retained earnings					
	Reserve for promoting open innovation	General reserve	Retained earnings brought forward	Total retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current fiscal year	–	458,000	143,480	622,592	(19,331)	887,920
Changes during period						
Provision of reserve for tax purpose reduction entry of non-current asset			(4,743)	–		–
Reversal of reserve for tax purpose reduction entry of non-current asset			4,641	–		–
Provision of reserve for promoting open innovation	412		(412)	–		–
Provision of general reserve		94,000	(94,000)	–		–
Dividends of surplus			(50,836)	(50,836)		(50,836)
Profit			203,112	203,112		203,112
Purchase of treasury shares					(20,004)	(20,004)
Disposal of treasury shares					125	168
Net changes in items other than shareholders' equity						
Total changes during period	412	94,000	57,761	152,275	(19,878)	132,439
Balance at the end of current fiscal year	412	552,000	201,242	774,867	(39,209)	1,020,359

(Amount: Millions of yen)

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on Available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at the beginning of current fiscal year	44,850	69	44,920	41	932,882
Changes during period					
Provision of reserve for tax purpose reduction entry of non-current asset					-
Reversal of reserve for tax purpose reduction entry of non-current asset					-
Provision of reserve for promoting open innovation					
Provision of general reserve					-
Dividends of surplus					(50,836)
Profit					203,112
Purchase of treasury shares					(20,004)
Disposal of treasury shares					168
Net changes in items other than shareholders' equity	81,323	(156)	81,167	-	81,167
Total changes during period	81,323	(156)	81,167	-	213,606
Balance at the end of current fiscal year	126,173	(86)	126,087	41	1,146,488

[Note] Amounts less than one million yen are rounded down.

Notes to Non-Consolidated Financial Statements

1. Notes to Significant Accounting Policies

(1) Evaluation standards and evaluation methods of assets

1) Securities

Stocks of subsidiaries and associates……… Cost method by the moving average method

Other securities of affiliated companies… Investments in partnerships like Investment Limited Partnership (which are regarded as securities under Article 2-2 of the Financial Instruments and Exchange Act) are recorded on a net basis equivalent to the equity interest based on the most recent financial statements available on the reporting date stipulated in the contract.

Available-for-sale securities…………………… Items other than equity securities for which market values are unavailable:
Fair value method (The evaluation differences shall be reported as a component of net assets, and costs of securities sold shall be calculated by the moving average method)
Equity securities for which market values are unavailable:
Cost method by the moving average method

2) Derivatives …………………………………………… Fair value method

3) Inventories …………………………………………… Cost method mainly by the gross average method (figures on the balance sheet are calculated by the method of book devaluation based on the reduction of profitability.)

(2) Method of depreciation and amortization of non-current assets

1) Property, plant and equipment (excluding lease assets)
………………… Declining-balance method

2) Intangible assets (excluding lease assets)
………………… Straight-line method

3) Lease assets

Finance leases which transfer ownership
………………… The same method as depreciation and amortization of self-owned non-current assets

Finance leases which do not transfer ownership
………………… Straight-line method with the lease period as the durable years. With regard to lease assets with guaranteed residual value under lease agreement, remaining value is the guaranteed residual value. And with regard to other lease assets, remaining value would be zero.

(3) Accounting treatment for deferred assets
………………… They are treated as expenses at the time of expenditure.

(4) Allowances and provisions

1) Allowance for doubtful accounts

In order to allow for loss from bad debts, estimated uncollectible amount based on actual ratio of bad debt is appropriated as to general receivable. With regard to specific receivable with higher default possibility, possibility of collection is estimated respectively and estimated uncollectible amount is appropriated.

2) Allowance for investment loss
The differences between the book value and the fair value of equity securities for which market values are unavailable are determined and appropriated as reserve in order to allow for losses from these investments.

3) Provision for product warranties
The provision is appropriated into this account based on the warranty agreement, laws and past experience in order to allow for expenses related to the maintenance service of products sold.

4) Provision for retirement benefits
In order to allow for payment of employees' retirement benefits, provision is recognized based on estimated amount of retirement benefits liabilities and pension assets at the end of current fiscal year is appropriated.

(a) Method of attributing expected benefit to periods
With regard to calculation of retirement benefit liability, benefit formula basis method was used to attribute expected benefit to period up to the end of this fiscal year.

(b) Method to recognize actuarial gains or losses and past service costs as expenses
With regard to past service costs, they are treated as expense on a straight line basis over the certain years within the period of average length of employees' remaining service years at the time when it occurs.

With regard to the actuarial gains or losses, the amounts, prorated on a straight-line basis over the certain years within the period of average length of employees' remaining service years in each year in which the differences occur, are respectively treated as expenses from the next term of the year in which they arise.

5) Provision for retirement benefits for directors
The amount to be paid at the end of year had been posted pursuant to the Company's regulations on the retirement allowance of directors and audit & supervisory board members. However, the Company's retirement benefit system for them was abolished at the closure of the ordinary general shareholders' meeting held on June 29, 2006. And it was approved at the shareholders' meeting that reappointed directors and audit & supervisory board members were paid their retirement benefit at the time of their retirement, based on their years of service. Estimated amount of such retirement benefits is appropriated.

6) Provision for product liabilities
With regards to the products exported to North American market, to prepare for the payment of compensation not covered by "Product Liability Insurance," the anticipated amount to be borne by the Company is computed and provided on the basis of actual results in the past.

7) Provision for recycling expenses
The provision is recorded for an estimated expense related to the recycle of products of the Company based on number of vehicles owned in the market, etc.

(5) Recognition criteria for revenue and expenses

The Company is engaged in manufacturing and sale of automobiles, motorcycles, outboard motors, electric wheelchairs, etc. in addition to the logistics services associated to these businesses and other service businesses. The Company recognizes revenue from sale of the above goods at the time when it satisfies a performance obligation by transferring control of the goods or services to a customer in an amount that the Group expects to be entitled in exchange for those goods and services.

Such amounts exclude the amount of consumption tax and value added tax levied on behalf of tax authorities.

For contracted prices with customers, which include the variable consideration, the Company measures the revenue less variable consideration only to the extent that it is highly probable that there will be no significant reversal when the uncertainty associated with the variable consideration is subsequently resolved.

Variable consideration mainly consists of sales rebates calculated based on past transactions using the most likely amount method.

The Company recognizes revenue from sale of automobiles when it satisfies performance obligation mainly at a point in time. As for the sale of automobiles, since the performance obligation is considered fulfilled at the point in time when the products are delivered and the control of such products is acquired by the customers, the revenue is recognized at the delivery of the products.

The Company receives consideration mainly as advance payment during the period from the time of receipt of a purchase order until the fulfillment of the performance obligation or within one year after the fulfilment of the performance obligation. No significant financing component is included in such transaction.

(6) Standards for translation of significant assets and liabilities in foreign currencies into the Japanese currency

Receivable and payable in foreign currencies are translated into yen on the spot exchange rate of the account settlement date, and the translation difference shall be processed as gain or loss.

(7) Method of hedge accounting

The deferred hedge processing is applied in principle.

(8) Other significant matters for preparing financial statements

Application of group tax sharing system

The group tax sharing system is applied.

2. Notes to Accounting Estimates

(1) Provision for product warranties

1) Amount recorded in the Non-Consolidated financial statements for the current fiscal year

(Amount: Millions of yen)

	End of the current fiscal year
Balance at the beginning of the period	196,447
Amount paid during the period	(29,740)
Transferred amount	10,327
Balance at the end of the period	177,034

2) Information regarding the details of the accounting estimate for the identified item
The details are the same as described in "2. Notes to Accounting Estimates (1) Provision for product warranties" in the Notes to Consolidated Financial Statements.

(2) Prepaid pension costs and provision for retirement benefits

1) Amount recorded in the Non-Consolidated financial statements for the current fiscal year

Prepaid pension costs 30,474 Million Yen
Provision for retirement benefits 22,510 Million Yen

2) Information regarding the details of the accounting estimate for the identified item
The details are the same as described in "2. Notes to Accounting Estimates (2) Retirement benefits asset and retirement benefits liability" in the Notes to Consolidated Financial Statements.

(3) Deferred tax assets

1) Amount recorded in the Non-Consolidated financial statements for the current fiscal year

Deferred tax assets 96,383 Million Yen

2) Information regarding the details of the accounting estimate for the identified item
The details are the same as described in "2. Notes to Accounting Estimates (3) Deferred tax assets" in the Notes to Consolidated Financial Statements.

3. Notes to Non-Consolidated Balance Sheets

(1) Monetary receivables from and payables to subsidiaries and associates

Short-term receivables 376,482 Million Yen
Short-term payables 325,394 Million Yen

(2) Accumulated depreciation of property, plant and equipment 927,401 Million Yen

(3) Guarantee obligations

The Company guarantees the other companies' borrowings from financial institutions.

Suzuki Thilawa Motor Co., Ltd.	4,466 Million Yen
Other	299 Million Yen
Total	4,766 Million Yen

(4) The Company has the commitment line contract with 6 banks for effective financing.
The outstanding balance of the contract at the end of current fiscal year is as follows.

Commitment line contract total	300,000 Million Yen
Actual loan balance	–
Undrawn balance	300,000 Million Yen

4. Notes to Non-Consolidated Statements of Income

Amount of transactions with subsidiaries and associates

Amount of net sales	1,949,541 Million Yen
Amount of purchase	658,815 Million Yen
Amount of other operating transactions	120,525 Million Yen
Amount of transactions other than operating transactions	69,447 Million Yen

5. Notes to Non-Consolidated Statement of Changes in Net Assets

Type and number of treasury shares

(Shares)

Type of shares	Number of shares at the beginning of current fiscal year	Increased number of shares during the period	Decreased number of shares during the period	Number of shares at the end of current fiscal year
Common stock	5,031,544	3,768,383	31,200	8,768,727

[Notes]
1. The increase of 3,768,383 shares in treasury shares of common stock consists of purchase of 3,767,600 shares in treasury shares based on resolution of board of directors' meeting s and purchase of 783 shares in odd stocks.
2. The decrease of 31,200 shares in treasury shares of common stocks consists of restricted stock compensation.
3. A four-for-one common stock split was conducted on April 1, 2024. However, the above items are based on the number of shares prior to the stock split.

6. Notes to Tax Effect Accounting

(1) Breakdown of deferred tax assets and deferred tax liabilities by their main occurrence causes

(Deferred tax assets)	(Millions of yen)
Impairment losses and excess depreciation	47,501
Various reserves	67,089
Loss on valuation of securities	50,509
Others	64,735
Sub-total deferred tax assets	229,835
Valuation reserve	(65,123)
Total deferred tax assets	164,712
(Deferred tax liabilities)	
Valuation difference on available-for-sale securities	(53,714)
Prepaid pension costs	(9,099)
Others	(5,514)
Total deferred tax liabilities	(68,328)
Deferred tax assets, net	96,383

(2) Details of differences which cause important differences between statutory tax rate and the effective tax rate after application of tax effect accounting

Statutory tax rate	29.9 %
(Adjustment)	
Valuation reserve	3.9 %
Tax credit	(8.4)%
Tax-deductible of dividend income	(5.5)%
Others	1.8 %
Effective tax rate after application of tax effect accounting	21.6 %

(3) Application of Accounting treatment and disclosure in the case of applying the Group Tax Sharing System

The Company have applied the Group Tax Sharing System. 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.)

7. Notes to Related Party Transactions

Subsidiaries and associates, etc.

Type	Name	Own (owned) voting right (%)	Relation with related parties	Details of transaction [Note] 1	Amounts of transaction (Million Yen)	Account	Balance at the end of current fiscal year (Million Yen)
Subsidiary	Suzuki Finance Co., Ltd.	Owning direct 95.9	Financial services related to sale of products of the Company Loan transaction. Concurrent post of Directors/Company auditors	Collection of credit	47,751	Other current assets	50,899
Subsidiary	Suzuki Motor de Mexico S.A. de C.V.	Owning direct 100.0 Indirect 0.0	Sale of products of the Company	Sale of products	111,672	Accounts receivable-trade	42,950
Subsidiary	Maruti Suzuki India Ltd.	Owning direct 58.2	Manufacture and sale of products of the Company Concurrent post of Directors/Company Auditors	Sale of products	142,677	Accounts receivable-trade	48,383
				Subscription of increased shares (Note) 3	204,090	-	-
Subsidiary	Magyar Suzuki Corporation Ltd.	Owning direct 97.5	Manufacture and sale of products of the Company	Purchase of products	308,142	Accounts payable-trade	11,710
Subsidiary	Suzuki Deutschland GmbH	Owning direct 100.0	Sale of products of the Company	Receiving deposits of funds [Note] 2	37,928	Deposits received	32,796

[Notes] 1. Conditions of transaction are determined taking into consideration arms-length basis based on market prices.
2. The interest rates of deposits are determined by taking the market interest rate into consideration. The transaction amounts are the average balance during the period.
3. The Company subscribed all amount of the third-party allotment conducted by Maruti Suzuki India Ltd. See the details of the transaction in “10. Other Notes (Business Combinations)” in Notes to Consolidated Financial Statements.

8. Notes to Information about Per Share Amount

Net assets per share 594.16 Yen

Profit per share, Basic 104.98 Yen

[Notes] A four-for-one common stock split was conducted on April 1, 2024.

Net assets per share and profit per share, basic are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

9. Notes on Significant Subsequent Events

This information is omitted because it appears in the “9. Notes to Significant Subsequent Events” section of the Notes to Consolidated Financial Statements.