

4 November, 2016

Suzuki Announces the Financial Results for FY2016 Second Quarter (April 2016 to September 2016)

- Decreased net sales and increased income
- Interim cash dividends up by ¥2.00 per share
- Upward revision in full year income forecasts

1. Outline of the Financial Results for FY2016 Second Quarter

The consolidated net sales of this second quarter (April 2016 to September 2016) decreased by ¥56.5 billion (3.6%) to ¥1,499.0 billion compared to the corresponding period of the previous fiscal year. The Japanese domestic net sales decreased by ¥3.4 billion (0.7%) to ¥496.6 billion year-on-year mainly owing to decrease in minivehicles and OEM sales, despite increase in compact vehicles sales. The overseas net sales decreased by ¥53.1 billion (5.0%) to ¥1,002.4 billion year-on-year mainly owing to decrease in automobile sales in Indonesia and Pakistan, and the impact of the exchange rate, despite increase in automobile sales in areas including India and Europe.

In terms of the consolidated income, although there were impact of the exchange rate, the operating income increased by ¥14.4 billion (14.3%) to ¥115.5 billion year-on-year mainly owing to increase in automobile sales in India and Europe. The ordinary income increased by ¥9.7 billion (8.7%) to ¥121.8 billion year-on-year. The net income attributable to owners of the parent increased by ¥20.8 billion (26.4%) to ¥99.9 billion year-on-year partly owing to increase in gain on sales of investment securities, in addition to increase in the ordinary income.

The interim cash dividends will be up by ¥2.00 per share from the previous forecasts to ¥17.00 per share (previous interim cash dividends were ¥15.00 per share).

2. The Operating Results by Segment

In the automobile business, although sales of compact vehicles launched in the previous fiscal year including the SOLIO, the ESCUDO, the IGNIS, and the BALENO in Japan increased, the Japanese domestic automobile net sales decreased year-on-year owing to decrease in minivehicles and OEM sales. The overseas automobile net sales decreased year-on-year mainly owing to decrease in sales in Indonesia and Pakistan, and the impact of the exchange rate, despite increase in sales in areas including India and Europe. Consequently, the net sales of the automobile business decreased by ¥28.2 billion (2.0%) to ¥1,367.7 billion year-on-year. With respect to the operating income, although there were impact of the exchange rate, it increased by ¥14.8 billion (15.7%) to ¥109.3 billion year-on-year mainly owing to increase in sales in India and Europe.

In the motorcycle business, the net sales decreased by ¥26.7 billion (21.7%) to ¥96.6 billion year-on-year mainly owing to decrease in sales in Europe, North America, and Asia, and the impact of the exchange rate. The operating loss of ¥1.2 billion in the previous fiscal year became an operating loss of ¥0.7 billion.

In the marine and power products, etc. business, the net sales decreased by ¥1.6 billion (4.4%) to ¥34.7 billion year-on-year mainly owing to the impact of the exchange rate, despite increase in the sales of the outboard motors in the US. The operating income decreased by ¥0.9 billion (12.0%) to ¥6.9 billion year-on-year.

With respect to the operating income by geographical areas, Japan decreased by ¥3.8 billion (8.7%) to ¥39.5 billion year-on-year mainly owing to the impact of the exchange rate. Asia increased by ¥4.8 billion (8.7%) to ¥59.8 billion year-on-year mainly owing to increase in sales in India. Europe also increased by ¥4.8 billion (201.9%) to ¥7.2 billion mainly owing to the great sales of the VITARA compact SUV.

3. Forecasts for the Consolidated Operating Results-Full Year

With respect to the forecasts for the consolidated operating results, by reflecting this second quarter results, along with reviewing figures such as the foreign exchange rates and the sales units, the Company has made the following revision. The Group will work as one to reform in every field and pursue the business activity to accomplish more than the below forecasts for the consolidated operating results.

(Forecasts for the consolidated operating results-Full Year)

Net Sales	¥3,100.0 billion	(down 2.5% year-on-year)
Operating Income	¥200.0 billion	(up 2.4% year-on-year, up ¥20.0 billion from the previous forecast)
Ordinary Income	¥210.0 billion	(up 0.4% year-on-year, up ¥25.0 billion from the previous forecast)
Net Income attributable to owners of the parent	¥145.0 billion	(up 24.3% year-on-year, up ¥52.0 billion from the previous forecast)
(Foreign Exchange Rate)	¥104/US\$ ¥116/Euro ¥1.58/Indian Rupee ¥0.80/100 Indonesian Rupiah ¥2.98/Thai Baht	