

FY2019 Second Quarter Financial Results



SUZUKI MOTOR CORPORATION
5 November 2019

Second Quarter Results ... Lower earnings on lower sales

		FY2019 6 months (¹⁹ /4-9)	FY2018 6 months (¹⁸ /4-9)	Change		Record
					Ratio	
Consolidated Financial Results (Billions of yen)	Net Sales	1,755.4	1,929.4	-174.0	-9.0%	Decreased for the first time in 3 periods
	Operating Income (Margin)	118.6 (6.8%)	198.5 (10.3%)	-79.9	-40.2%	Decreased for the first time in 8 periods
	Ordinary Income (Margin)	139.5 (7.9%)	232.3 (12.0%)	-92.8	-40.0%	Decreased for the first time in 8 periods
	Net Income* (Margin)	79.3 (4.5%)	136.2 (7.1%)	-56.9	-41.8%	Decreased for the first time in 10 periods

- Decreased net sales...Decrease in Japan production due to restructuring of final inspection structure, decrease in Indian automobile sales, etc.
- Decreased operating income...Decreased net sales in Japan and India, impact of ForEX, and increase in various expenses
- Decreased ordinary income...In addition to decreased operating income, decrease in interest income in India, etc.

Worldwide Sales Volume (Thousand- units)	Automobile	1,408	1,700	-292	-17.2%	Decreased in India, Japan, Indonesia, etc.
	Motorcycle	876	858	+18	+2.1%	Increased in India, Philippines, etc.

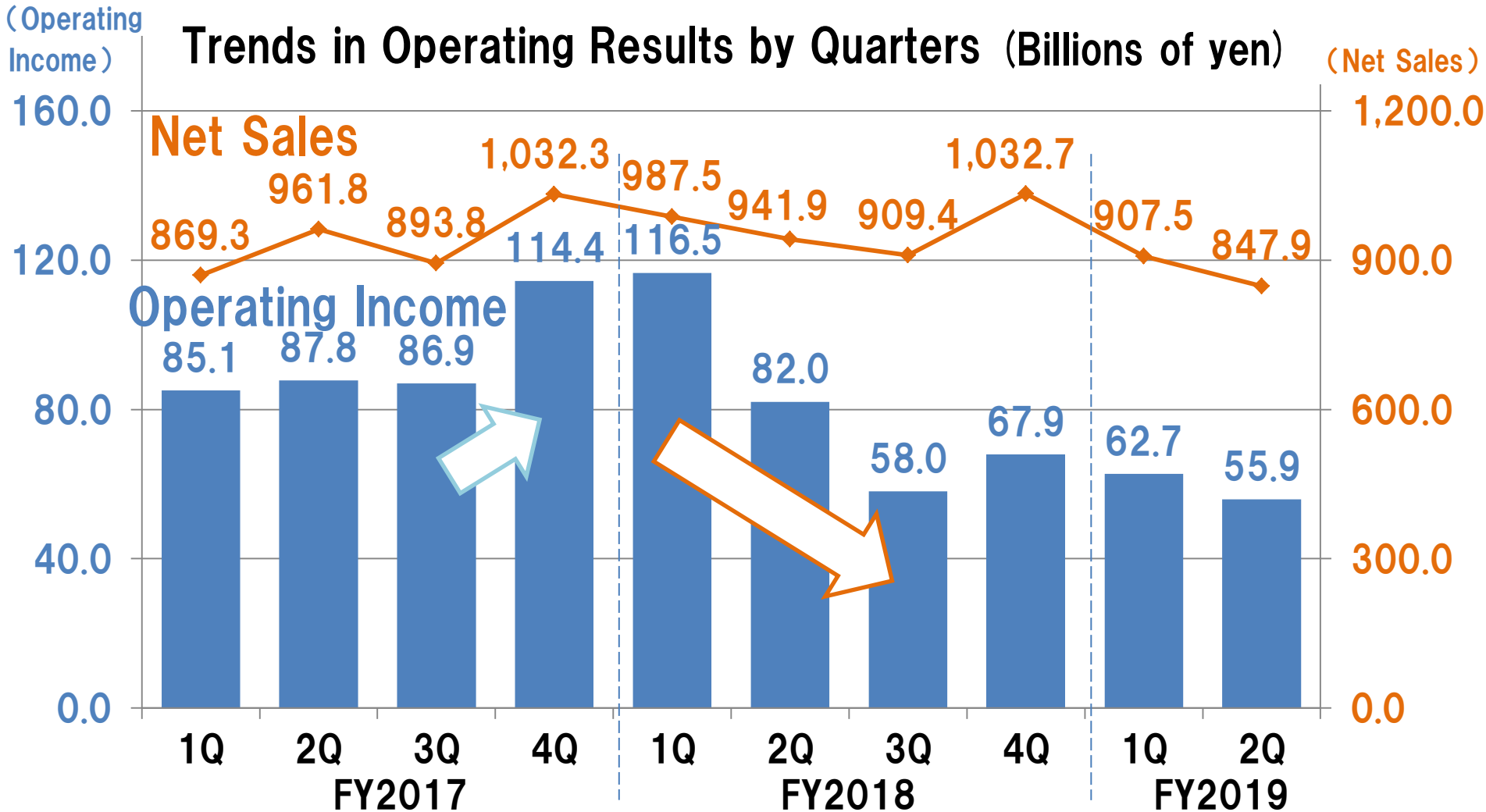
Cash Dividends	Interim Cash Dividends Per Share	37 yen	37 yen	±0 yen	Kept unchanged from the previous forecast	
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*Net income attributable to owners of the parent



Trends in Operating Results by Quarters

Slowdown since 2Q of FY2018, owing to production decrease in Japan, in addition to slowdown in Indian automobile continuing from prev. year



Asia, esp. Indian automobile net sales largely decreased

(Billions of yen)	Automobile			Motorcycle			Marine, etc.			Total			of which effect of ForEX rates conversion
	FY2019 6 months (¹⁹ /4-9)	FY2018 6 months (¹⁸ /4-9)	Change	FY2019 6 months (¹⁹ /4-9)	FY2018 6 months (¹⁸ /4-9)	Change	FY2019 6 months (¹⁹ /4-9)	FY2018 6 months (¹⁸ /4-9)	Change	FY2019 6 months (¹⁹ /4-9)	FY2018 6 months (¹⁸ /4-9)	Change	
Japan total	577.0	580.7	-3.7	11.6	10.5	+1.1	9.8	7.4	+2.4	598.4	598.6	-0.2	
Suzuki brand	531.5	528.2	+3.3	11.6	10.5	+1.1	9.8	7.4	+2.4	552.9	546.1	+6.8	
OEM	45.5	52.5	-7.0							45.5	52.5	-7.0	
Overseas total	1,004.4	1,180.6	-176.2	114.9	115.8	-0.9	37.7	34.4	+3.3	1,157.0	1,330.8	-173.8	-58.1
Europe	220.6	207.5	+13.1	19.7	20.4	-0.7	9.8	8.7	+1.1	250.1	236.6	+13.5	-16.9
N. America	0.5	0.7	-0.2	14.1	14.9	-0.8	19.4	17.8	+1.6	34.0	33.4	+0.6	-0.6
Asia	680.3	854.8	-174.5	64.9	64.7	+0.2	3.6	3.2	+0.4	748.8	922.7	-173.9	-33.8
India	512.3	663.6	-151.3	31.5	27.8	+3.7	0.3	0.3	-0.0	544.1	691.7	-147.6	-20.9
Other	168.0	191.2	-23.2	33.4	36.9	-3.5	3.3	2.9	+0.4	204.7	231.0	-26.3	-12.9
Other	103.0	117.6	-14.6	16.2	15.8	+0.4	4.9	4.7	+0.2	124.1	138.1	-14.0	-6.8
Grand total	1,581.4	1,761.3	-179.9	126.5	126.3	+0.2	47.5	41.8	+5.7	1,755.4	1,929.4	-174.0	-58.1
of which effect of ForEX rates conversion			-52.6			-4.5			-1.0				-58.1

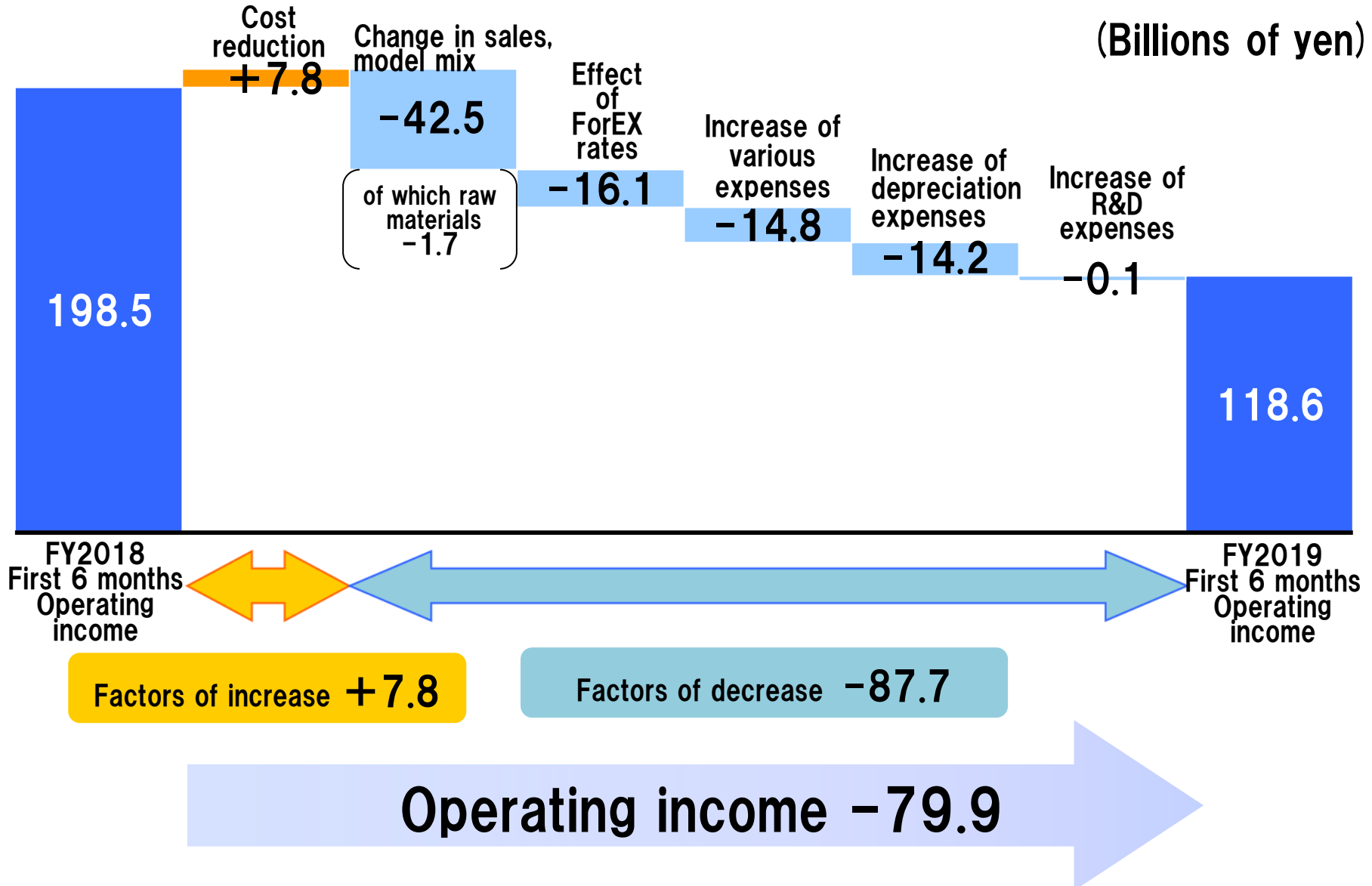
of which effect of ForEX rates conversion

Note: North America...United States and Canada

Automobile in North America...sales of parts and accessories, etc.



Consolidated: Factors of Change in Operating Income



Consolidated: Foreign Exchange Rates

	FY2019 6 months (¹⁹ /4-9)	FY2018 6 months (¹⁸ /4-9)	Change	Effect of ForEX rates in operating income
US Dollar	109 yen	110 yen	-1 yen	-0.6bln yen
Euro	121 yen	130 yen	-9 yen	-4.9bln yen
Indian Rupee	1.56 yen	1.62 yen	-0.06 yen	-2.7bln yen
100 Indonesian Rupiah	0.77 yen	0.78 yen	-0.01 yen	-0.1bln yen
Thai Baht	3.49 yen	3.40 yen	+0.09 yen	-0.1bln yen
Pak. Rupee	0.72 yen	0.92 yen	-0.20 yen	-3.3bln yen
Other	—	—	—	-4.4bln yen *
Total				-16.1bln yen

*GB Pound - 1.0bln yen, Aus. Dollar - 1.0bln yen, etc.

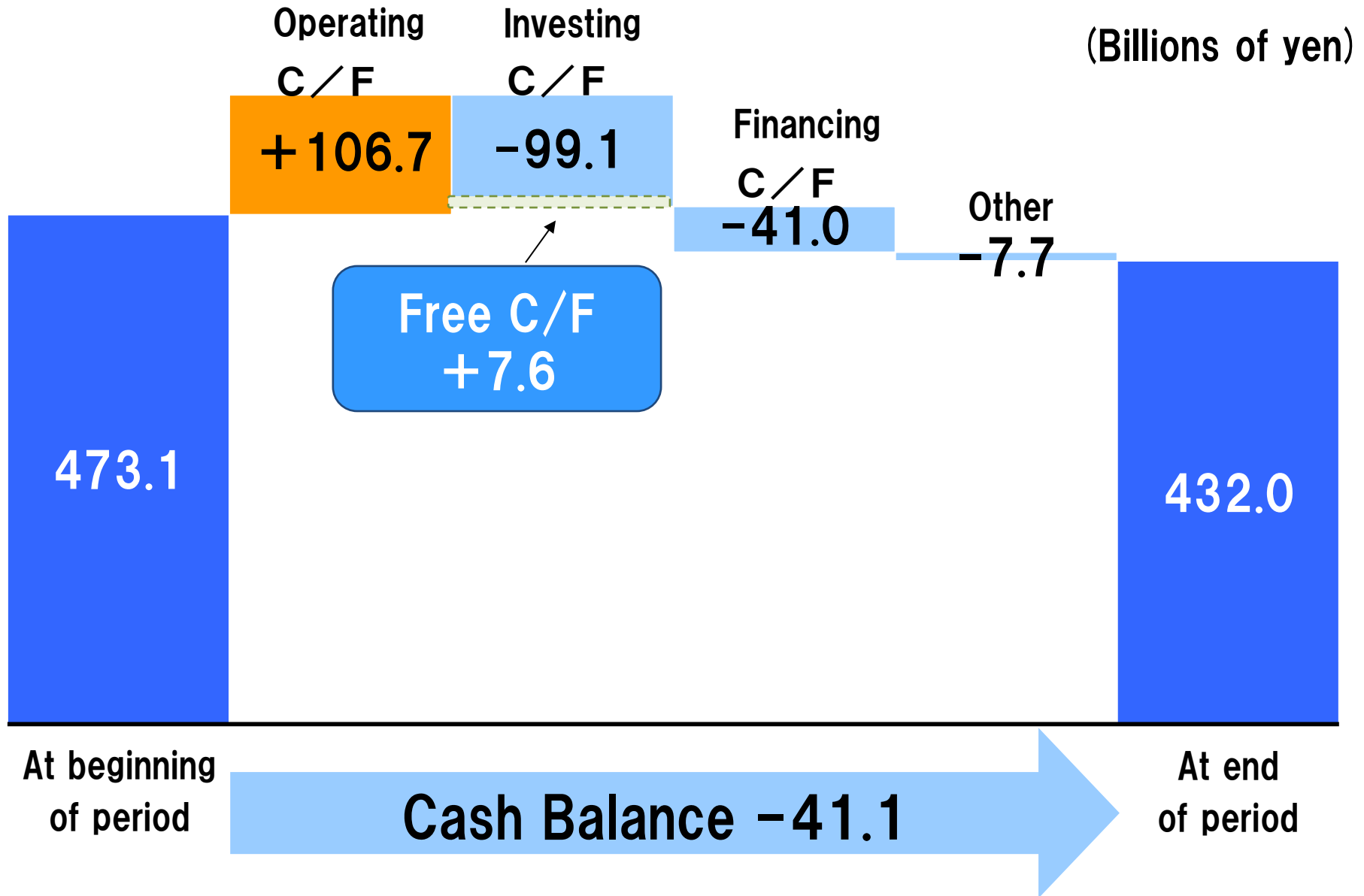
Consolidated: Capital Expenditures, etc.

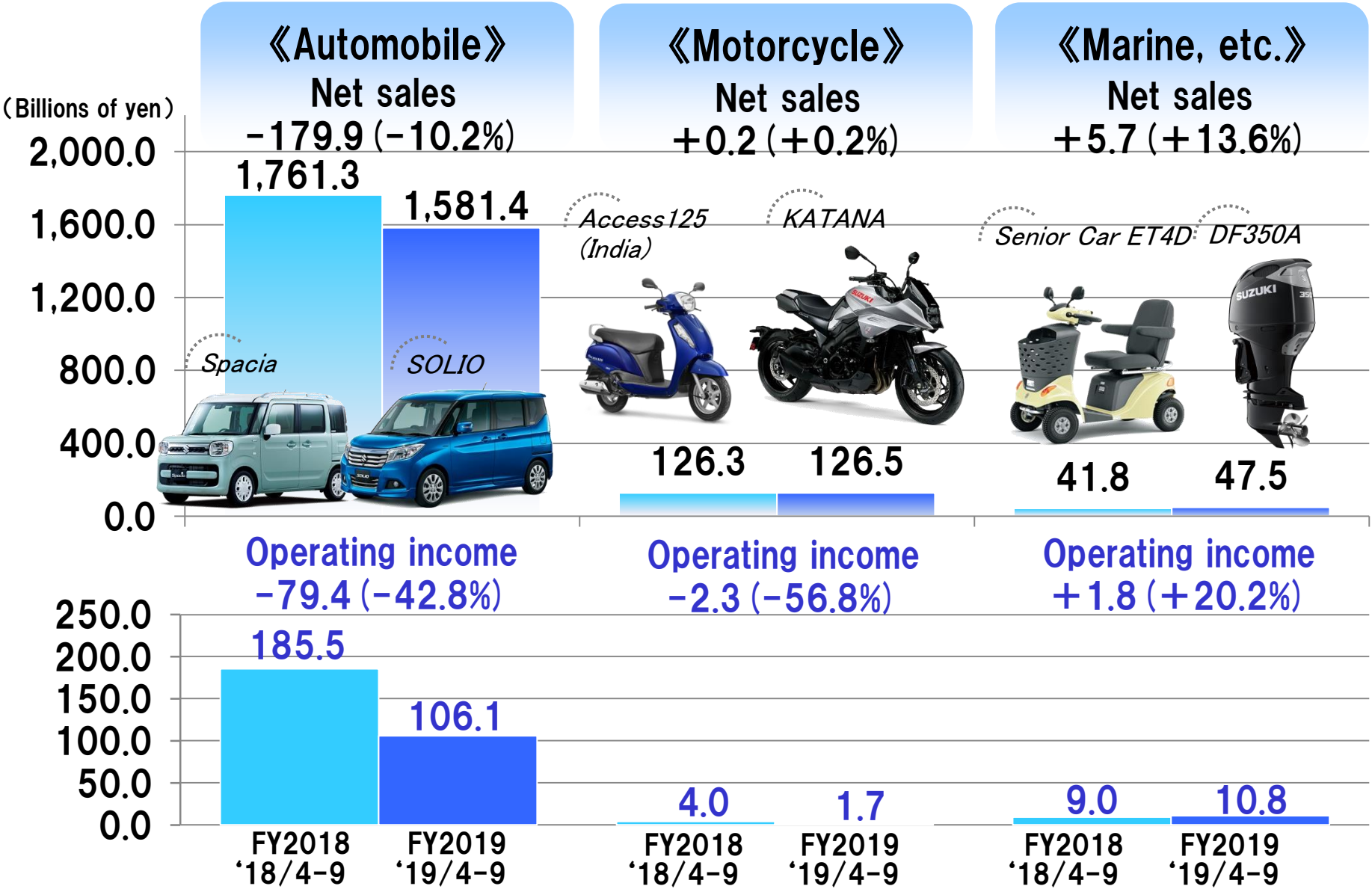
	FY2019 6 months ('19/4-9)	FY2018 6 months ('18/4-9)	Change
(Non-consolidated)	26.3bln yen	25.7bln yen	+0.6bln yen
(Subsidiaries)	91.0bln yen	106.3bln yen	-15.3bln yen
Capital Expenditures	117.3bln yen	132.0bln yen	-14.7bln yen
Depreciation Expenses	78.4bln yen	64.2bln yen	+14.2bln yen
R&D Expenses	71.9bln yen	71.8bln yen	+0.1bln yen

	FY2019 Q2 ('19/9)	FY2018 Q2 ('18/9)		FY2018 Q4 ('19/3)	
			Change		Change
Interest-Bearing Debt balance	372.3bln yen	381.5bln yen	-9.2bln yen	375.4bln yen	-3.1bln yen
Consolidated Subsidiaries	129	131	-2	130	-1
Equity Method Affiliates	28	28	±0	28	±0
Employees	69,253	67,854	+1,399	67,721	+1,532



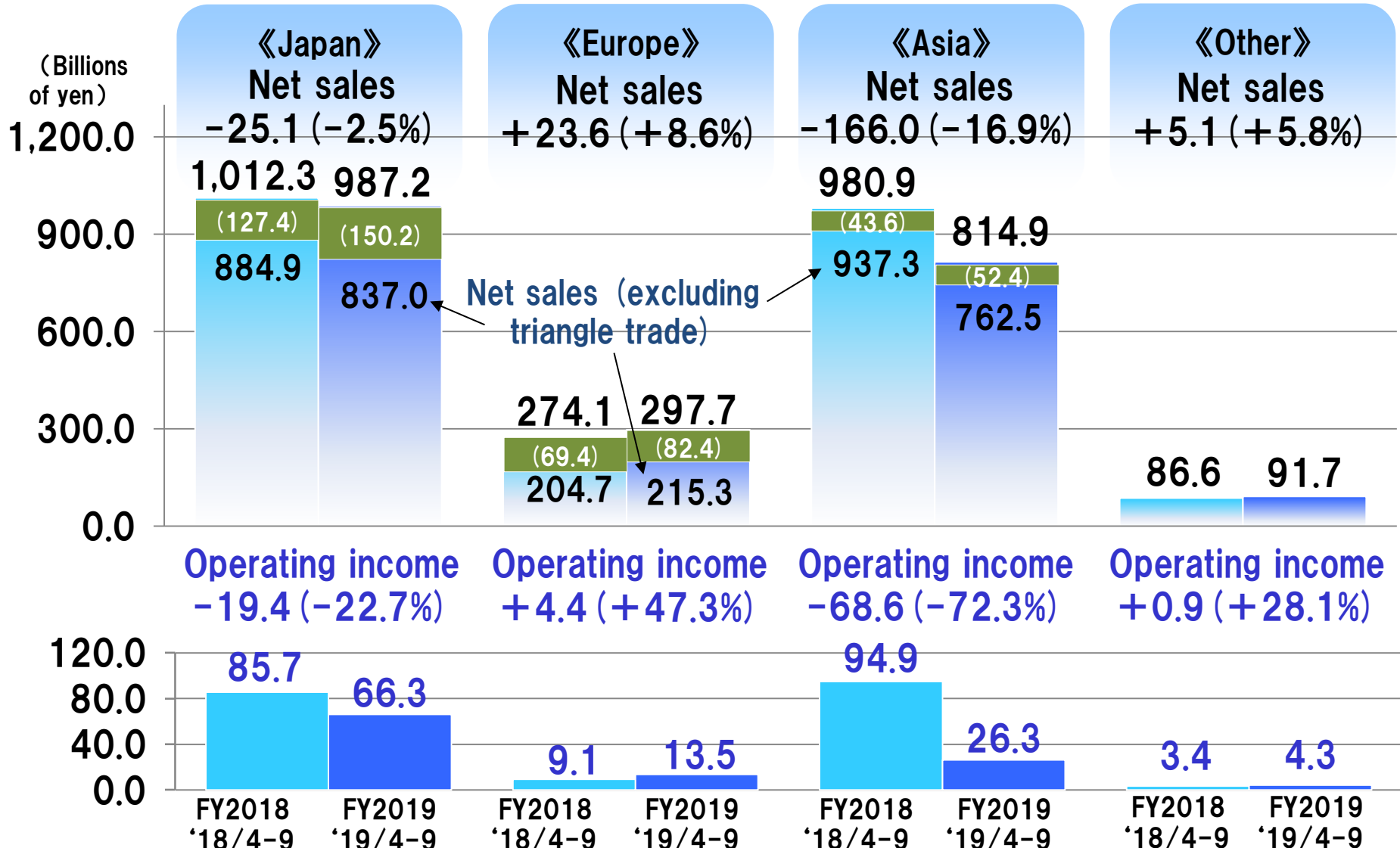
Consolidated: Cash Flows







Consolidated: Operating Results by Geographic Region (Net sales, Operating income)



Note about triangle trade : Conventionally, net sales of Hungary production models for European subsidiaries were eliminated as they were intraregional subsidiary trade. But because trade type was changed to triangle trade via Japan, and net sales to Japan and net sales from Japan to Europe are not eliminated, net sales of Japan and Europe are shown larger. The same trade is also applied in Asia.

		Rupees (100 million Rupees) *1				Yen Conversion (Billions of yen)			
		FY2019 6 months ('19/4-9)	FY2018 6 months ('18/4-9)	Change	Ratio	FY2019 6 months ('19/4-9)	FY2018 6 months ('18/4-9)	Change	Ratio
Consolidated	Net Sales	3,486	4,337	-851	-19.6%	543.8	702.6	-158.8	-22.6%
	Operating Income*2	181	534	-353	-66.0%	28.3	86.5	-58.2	-67.3%
	(Margin)	(5.2%)	(12.3%)			(5.2%)	(12.3%)		
	Income before tax	346	617	-271	-44.0%	53.9	100.0	-46.1	-46.1%
	(Margin)	(9.9%)	(14.2%)			(9.9%)	(14.2%)		
	Net Income	277	430	-153	-35.6%	43.2	69.6	-26.4	-37.9%
	(Margin)	(7.9%)	(9.9%)			(7.9%)	(9.9%)		
	EX rate	1.56 yen	1.62 yen	-0.06 yen	-3.7%				
Whole-sales (Thousand units)	Domestic*3	687	919	-232	-25.3%				
	Exports	54	56	-2	-3.9%				
	Total	741	975	-234	-24.0%				

*1 Results shown in Rupees are consolidated results announced by Maruti Suzuki India on 24 October

*2 Operating Income is calculated by using the following formula:

Sales of product
+ Other operating revenues
- Total Expenses
+ Finance costs

*3 Domestic sales includes OEM units

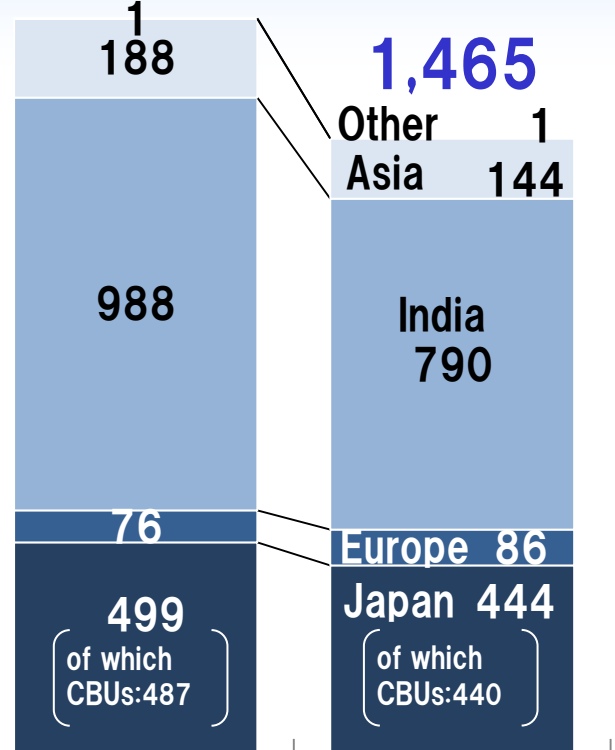
Note. The above figures are for reference only as financial results of Maruti Suzuki India are based on IndAS.

Decreased year-on-year owing to decrease in India and Japan

«Half Year Comparison»

-287 (-16.4%)

1,752 (Thousand units)



of which CBU:487

of which CBU:440

FY2018
'18/4-9

FY2019
'19/4-9

● Second quarter (Apr.-Sep.) Global production

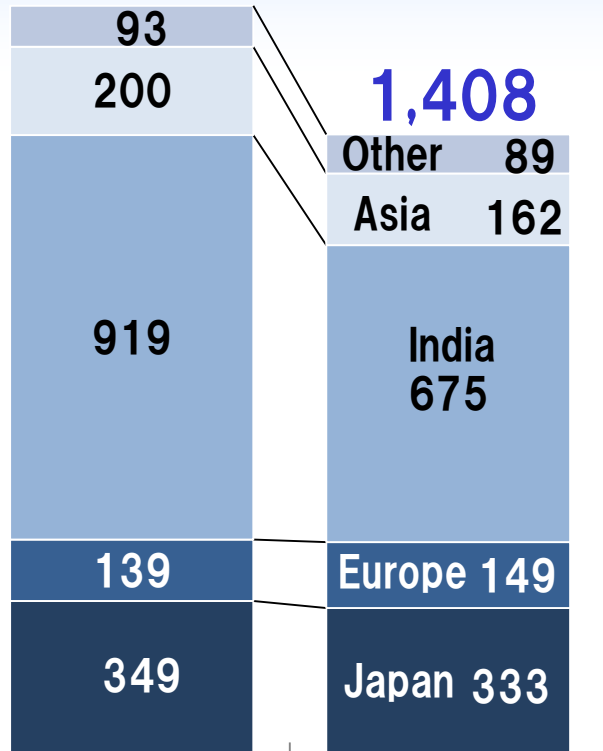
- Global production 1,465,000 units (-16.4% Year-on-Year)
 - India 790,000 units (-20.0%)
 - Japan 444,000 units (-11.0%)
 - Europe 86,000 units (+12.9%)
 - Asia excl. India 144,000 units (-23.4%)
- (Breakdown)
- Pakistan 51,000 units (-24.3%)
 - Indonesia 62,000 units (-2.6%)
 - Thailand 17,000 units (-42.6%)
 - China 8,000 units (-64.3%)
 - Myanmar 6,000 units (+25.6%)

Decreased year-on-year owing to decrease in India and Japan

«Half Year Comparison»

-292 (-17.2%)

1,700 (Thousand units)



● Second quarter (Apr.–Sep.) Global sales

- Global sales 1,408,000 units (-17.2% Year-on-Year)
- Japan 333,000 units (-4.6%)
- Europe 149,000 units (+7.3%)
- India 675,000 units (-26.5%)
- Asia excl. India 162,000 units (-19.1%)

(Breakdown)

- Pakistan 54,000 units (-19.2%)
- Indonesia 51,000 units (-12.4%)
- Thailand 13,000 units (-11.8%)
- Philippines 13,000 units (+29.8%)
- China 10,000 units (-65.3%)
- Other 21,000 units (-2.5%)

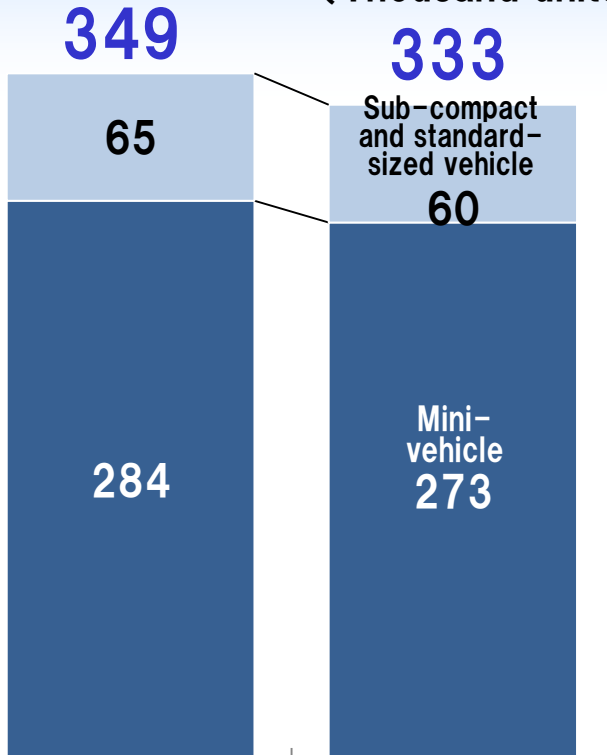
FY2018
'18/4-9

FY2019
'19/4-9

Decreased year-on-year owing to production decrease from restructuring of final inspection structure

《Half Year Comparison》

-16 (-4.6%)
(Thousand units)



FY2018
'18/4-9

FY2019
'19/4-9

● Second quarter (Apr.-Sep.) Japan sales

- Mini-vehicle (-4.0% Year-on-Year)
- Compact vehicle (-7.4% Year-on-Year)

● Topics

- In September, launched Carry minitruck with collision-mitigation braking that detects pedestrians at night, which is installed for the first time on minitruck*



*Minitruck class.
Based on Suzuki research as of September 2019.

Conducted the first report to the Japanese Ministry of Land, Infrastructure, Transport and Tourism (MLIT) on 18 October

- Conducted an overhaul, taking the directions by MLIT on 7 June
- Reviewed the preventive measures and reported their implementation status to MLIT on 18 October

(First phase)

- Complete measures in the current inspection lines by March 2020, and normalize production
 - ⇒ Organize the structure so not to wait customers and dealers
 - Increase in number of inspectors
 - Review of inspection items and procedures, and education of inspectors
 - Prevention of overwriting inspection data with automatic saving of data
 - Facilities for automatic judgement of inspection results
 - Improvement of communication
- Strive for efficient inspection and enhancement of its accuracy through improvement of production quality and management of facilities

(Second phase)

- Enable stable and continuous implementation of accurate final inspection by optimizing layout of inspection lines, automating judgement with camera and AI, digitalizing check sheets, etc. from April 2020

Largely decreased owing to slowdown in overall market

«Half Year Comparison»

-244 (-26.5%)

(Thousand units)

919

10

89

130

24

452

214

675

LCV 12

Vans 61

UV 114

Midsize 14

Compact 374

Mini 100

FY2018

'18/4-9

FY2019

'19/4-9

● Second quarter (Apr.–Sep.) Indian sales

- Apr.–Sep. largely decreased owing to slowdown in overall market

● Topics

- Launched Premium MPV XL6 in Aug.
- Launched Mini SUV S-PRESSO in Sep.
- Sales of BS6 compliant models launched ahead of timeline from April exceeded 200,000 units
- Shared the benefits of corporate tax reduction on certain models from 25 September (up to -5,000 rupees per model)
- Oct. wholesales 142,000 units (+2.5% Year-on-Year)
Oct. retail sales 189,000 units (+17.6% Year-on-Year)

Note: Wholesales include commercial vehicles and exclude OEM units

*LCV=Light Commercial Vehicles UV =Utilities Vehicles

Decreased owing to sales decrease in Indonesia and Thailand

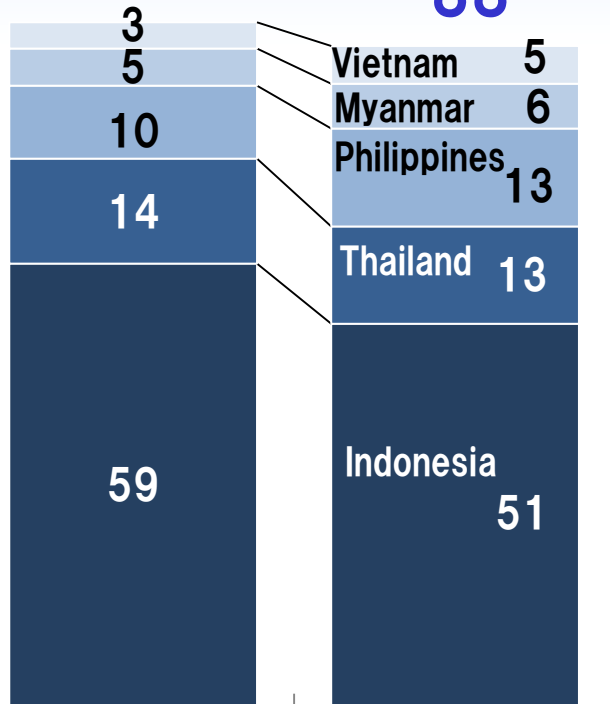
«Half Year Comparison»

-3 (-3.3%)

(Thousand units)

91

88



FY2018

'18/4-9

FY2019

'19/4-9

● Second quarter (Apr.-Sep.) ASEAN sales

- 88,000 units in total of 5 ASEAN countries* (-3.3% Year-on-Year)
- Indonesia decreased by 12.4% owing to shrinking of overall market
- Thailand decreased by 11.8% owing to decrease in sales of Ciaz, despite strong sales of Ertiga

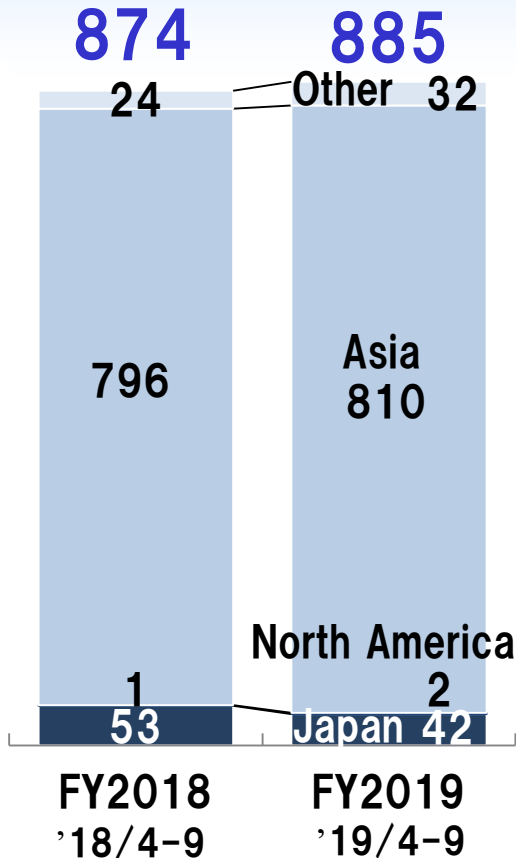


- Philippines increased by 29.8%, despite flat on the year in the overall market
- Myanmar largely increased by 18.0%

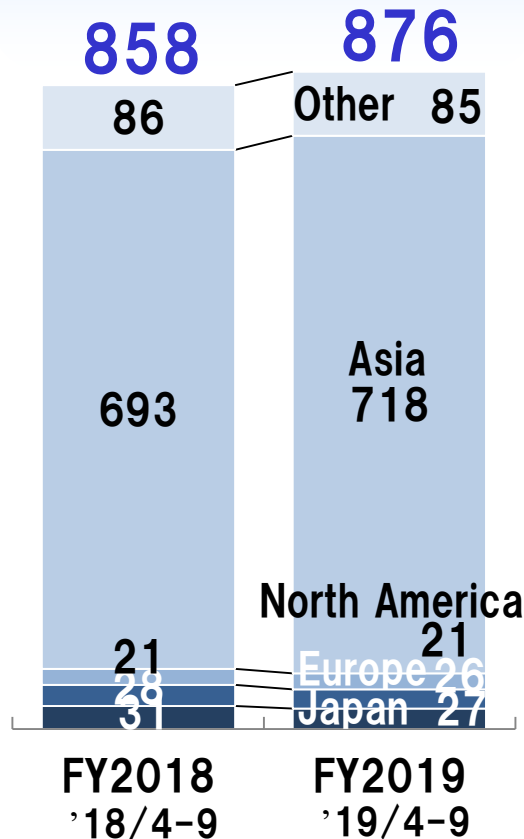
*ASEAN: Total of 5 countries - Indonesia, Thailand, the Philippines, Myanmar and Vietnam

Increased production and sales

«Half Year Production Volume Comparison»
+11 (+1.2%)



«Half Year Sales Volume Comparison»
+18 (+2.1%)
 (Thousand units)



● Second quarter (Apr.–Sep.) Motorcycles

- Global production of motorcycles increased by 1.2% to 885,000 units Year-on-Year
- Global sales of motorcycles increased by 2.1% to 876,000 units Year-on-Year

Asian sales increased in countries incl. India and Philippines

● Second quarter (Apr.–Sep.)

Asian sales

- Asian sales increased by 3.6% to 718,000 units owing to increase in countries incl. India and Philippines
- Strong sales of Access continues in India despite slowdown in overall market in India (+14.9%)

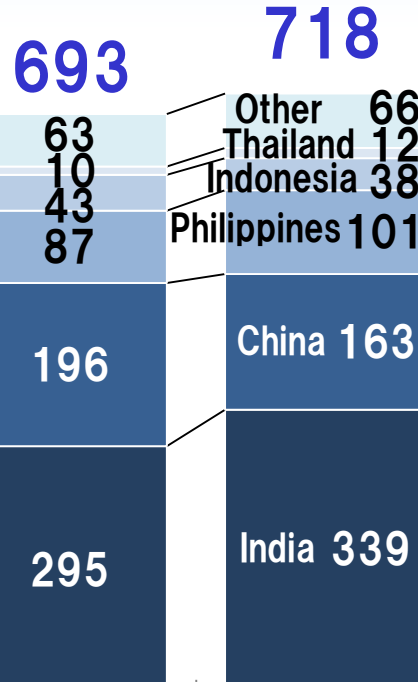
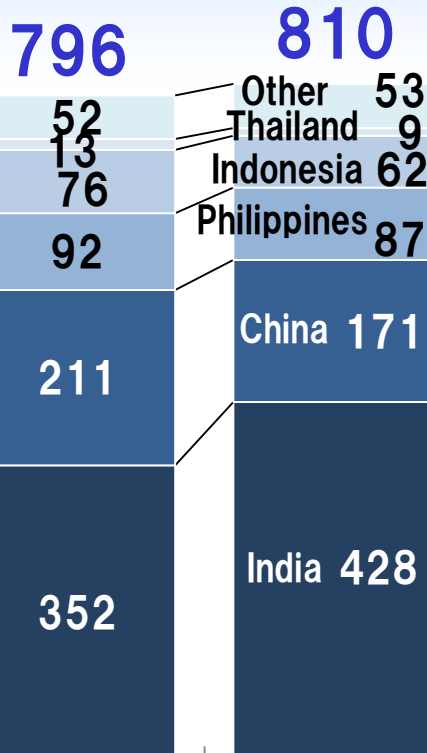
● Topics

- Launched GIXXER SF 250 installed with newly-developed oil-cooled engine in India in May
- Lineup was expanded in India with the launch of naked model GIXXER 250 in August



«Half Year Production Volume Comparison»
+14 (+1.8%)

«Half Year Sales Volume Comparison»
+25 (+3.6%)
(Thousand units)



FY2018
'18/4-9

FY2019
'19/4-9

FY2018
'18/4-9

FY2019
'19/4-9

Full Year Forecast

... On 10 Oct., announced downward forecast from the previous forecast

		Forecast ('19/4-'20/3)	Comparison with FY 2018 ('18/4-'19/3)		Comparison with previous forecast ('19/4-'20/3)			
			Change	Ratio	Change	Ratio		
Consolidated Financial Result (Billions of yen)	Net Sales	3,500.0	3,871.5	-371.5	-9.6%	3,900.0	-400.0	-10.3%
	Operating Income (Margin)	200.0 (5.7%)	324.4 (8.4%)	-124.4	-38.3%	330.0 (8.5%)	-130.0	-39.4%
	Ordinary Income (Margin)	220.0 (6.3%)	379.5 (9.8%)	-159.5	-42.0%	340.0 (8.7%)	-120.0	-35.3%
	Net Income* (Margin)	140.0 (4.0%)	178.8 (4.6%)	-38.8	-21.7%	200.0 (5.1%)	-60.0	-30.0%

- Decrease in net sales...Decrease year-on-year and from previous forecast owing to production decrease in Japan and decrease in automobile sales in India
- Decrease in operating income...Decrease partly owing to ForEX, in addition to decrease in net sales
- Decrease in ordinary income...Expansion of decrease amount year-on-year partly owing to decrease in interest income in India
- Decrease in net income*...Decrease amount shrinks year-on-year owing to accounting of ¥81.3 billion as extraordinary losses in the previous year

Worldwide Sales Volume (Thousand units)	Automobile	2,849	3,327	-478	-14.4%	3,340	-491	-14.7%
	Motorcycle	1,771	1,745	+26	+1.5%	1,825	-54	-3.0%

*Net income attributable to owners of the parent

Full Year Forecast (Factors of Change and ForEX Rates)

(Billions of yen)		Latest Forecast	Comparison with FY 2018		Comparison with previous forecast	
			FY 2018 Result	Change	Previous forecast	Change
Factors of Change in Operating Income	Cost reduction	+25.0	+28.2		+31.0	-6.0
	Increase of various expenses	±0.0	-68.4		±0.0	±0.0
	Change in sales, model mix	-86.4	+40.2		+12.6	-99.0
	Effect of ForEX rates	-40.0	-33.1		-15.0	-25.0
	Increase of R&D expenses	-12.0	-18.7		-12.0	±0.0
	Fluctuation of depreciation	-11.0	+2.0		-11.0	±0.0
Total		-124.4	-49.8		+5.6	-130.0
Capital Expenditures		270.0	268.9	+1.1	270.0	±0.0
Depreciation Expenses		160.0	148.9	+11.1	160.0	±0.0
R&D Expenses		170.0	158.1	+11.9	170.0	±0.0

	Latest Forecast			Effect of ForEX rates in operating income	Year-on-Year		Comparison with previous forecast	
	1st Half Result	2nd Half Forecast	Full-Year Forecast		Full-Year Result	Change	Full-Year Forecast	Change
U.S. Dollar	109 yen	105 yen	107 yen	-3.2bln yen	111 yen	-4 yen	110 yen	-3 yen
Euro	121 yen	115 yen	118 yen	-13.6bln yen	128 yen	-10 yen	125 yen	-7 yen
Indian Rupee	1.56 yen	1.50 yen	1.53 yen	-6.2bln yen	1.60 yen	-0.07 yen	1.58 yen	-0.05 yen
100 Indonesian Rupiah	0.77 yen	0.75 yen	0.76 yen	-0.6bln yen	0.78 yen	-0.02 yen	0.77 yen	-0.01 yen
Thai Baht	3.49 yen	3.50 yen	3.50 yen	+0.0bln yen	3.43 yen	+0.07 yen	3.40 yen	+0.10 yen
Pak. Rupee	0.72 yen	0.67 yen	0.70 yen	-6.2bln yen	0.87 yen	-0.17 yen	0.78 yen	-0.08 yen
Other				-10.2bln yen				
Effect of ForEX rates total				-40.0bln yen				

Downward revision in markets incl. Japan and India for automobiles

(Thousand units)	Production					Sales				
	Forecast (FY2019)	FY2018 Result (FY2018)	Change	Ratio	Revised units from previous forecast	Forecast (FY2019)	FY2018 Result (FY2018)	Change	Ratio	Revised units from previous forecast
<Automobile>										
Japan	956	1,011	-55	-5.4%	-53	689	725	-36	-5.0%	-31
Europe	166	180	-14	-7.8%	-8	256	278	-22	-8.0%	±0
Asia	1,823	2,201	-378	-17.2%	-449	1,738	2,138	-400	-18.7%	-444
Other	2	2	-0	-7.4%	±0	166	186	-20	-10.8%	-16
Total	2,947	3,394	-447	-13.2%	-510	2,849	3,327	-478	-14.4%	-491

Indian automobile sales forecast revised downward from previous +4% to -20% year-on-year

<Motorcycle>										
Japan	101	115	-14	-12.1%	-10	52	57	-5	-8.0%	-8
Europe	—	—	—	—	—	45	44	+1	+1.2%	-2
N.America	3	4	-1	-25.5%	±0	37	36	+1	+2.3%	-2
Asia	1,629	1,576	+53	+3.4%	-51	1,468	1,436	+32	+2.2%	-68
Other	61	52	+9	+16.6%	+9	169	171	-2	-1.3%	+26
Total	1,794	1,747	+47	+2.7%	-52	1,771	1,745	+26	+1.5%	-54

FY2019 Second Quarter Financial Results

WAKUWAKU SWITCH for EVERYONE



GIXXER SF



GIXXER



KUPO



MITRA



HANRE



WAKU SPO



**HUSTLER
CONCEPT**



**HUSTLER
CONCEPT**

Exhibits at the 46th Tokyo Motor Show 2019

SUZUKI MOTOR CORPORATION

Caution with respect to Forward-Looking Statements

The forward-looking statements mentioned in this presentation are based on currently available information and assumptions, contain risks and uncertainty and do not constitute guarantees of future achievement.

Please note that the future results may greatly vary by the changes of various factors.

Those factors, which may influence the future results, include economic conditions and the trend of demand in major markets and the fluctuations of foreign exchange rates

(mainly U.S. dollar/Yen rate, Euro/Yen rate, Indian Rupee/Yen rate).

[English translation from the original Japanese language document]