

# Business Results of the FYE 2018



**SUBARU CORPORATION**

**Yasuyuki Yoshinaga**

**President & CEO**

**May 11, 2018**

## Statement Regarding Issues Related to Final Vehicle Inspections

With regard to the incidents of fuel economy and emissions data alterations that were identified in the course of an investigation into the nonconforming final vehicle inspections conducted in late 2017, Subaru Corporation submitted a final report to Japan's Ministry of Land, Infrastructure and Transport and publicly disclosed the findings on April 27, 2018.

We would like to reiterate our deepest apologies for the significant trouble and inconvenience these issues caused to our customers, suppliers, and all other stakeholders.

Subaru is determined to implement measures to prevent recurrence of such incidents and will dedicate its full efforts to becoming a genuinely "upright" company through reforming its corporate culture from the ground up.

# Business Results of the FYE 2018



	FYE 2017	FYE 2018	YoY	
	Results (a)	Results (b)	(b) – (a)	(b) / (a)
Consolidated sales volume	1,064.5K units	1,066.9K units	+2.4K units	+0.2%
Net sales (100 million yen)	33,260	34,052	+792	+2.4%
Operating income (100 million yen)	4,108	3,794	-314	-7.6%
OPM	12.4%	11.1%	-1.2pt	-
Ordinary income (100 million yen)	3,943	3,799	-144	-3.7%
Net income attributable to owners of parent (100 million yen)	2,824	2,204	-620	-22.0%
SUBARU exchange rate	¥108/US\$	¥111/US\$	+¥3/US\$	-

# Business Plan for the FYE 2019



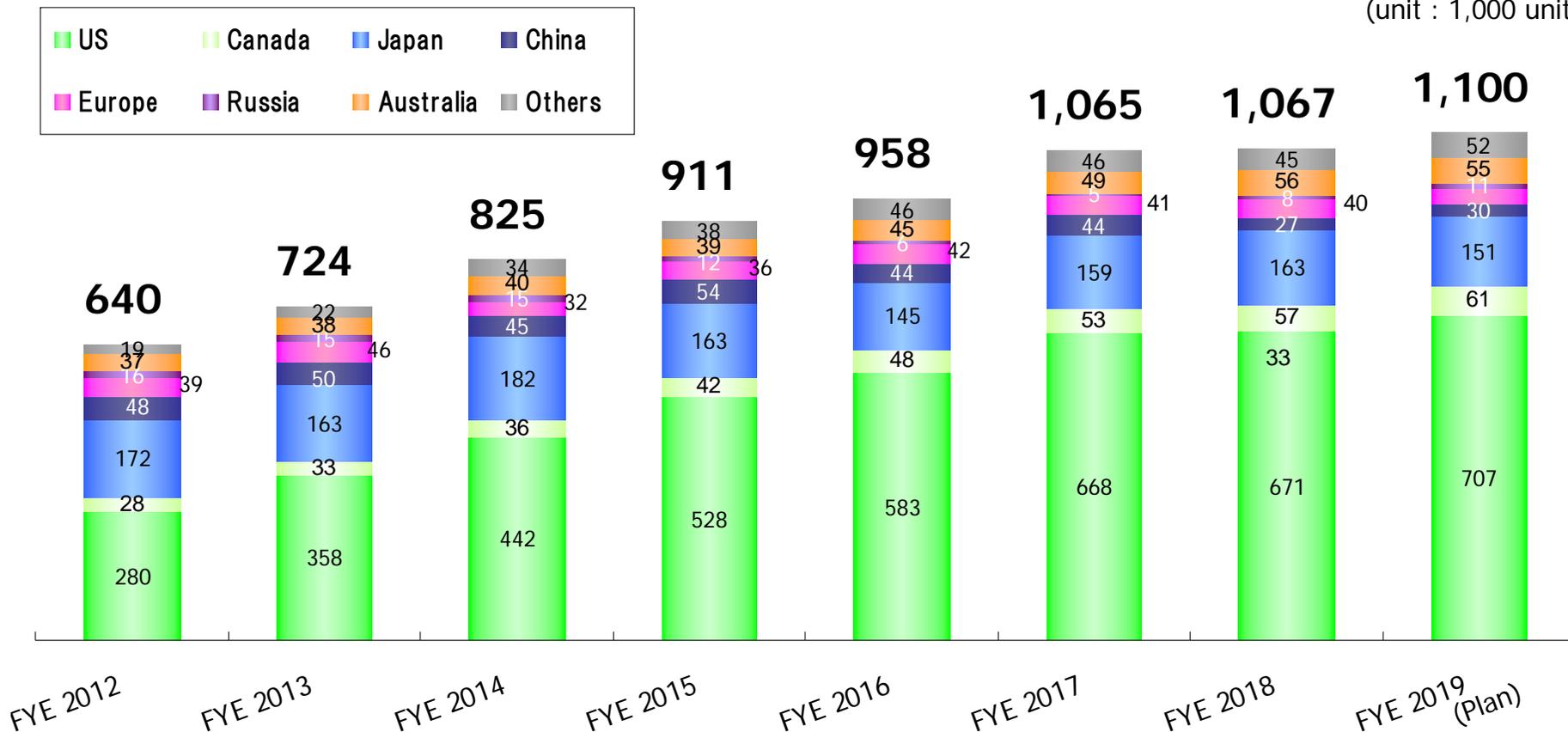
	FYE 2018	FYE 2019	YoY	
	Results (a)	Plan (b)	(b) – (a)	(b) / (a)
Consolidated sales volume	1,066.9K units	1,100.4K units	+ 33.5K units	+ 3.1%
Net sales (100 million yen)	34,052	32,500	-1,552	-4.6%
Operating income (100 million yen)	3,794	3,000	-794	-20.9%
OPM	11.1%	9.2%	-1.9pt	-
Ordinary income (100 million yen)	3,799	3,050	-749	-19.7%
Net income attributable to owners of parent (100 million yen)	2,204	2,200	-4	-0.2%
SUBARU exchange rate	¥111/US\$	¥105/US\$	-¥6/US\$	-

# Consolidated Automobile Sales



- FYE 2018 Result: 1,067K units (YoY +0.2%, record sales for the 6<sup>th</sup> consecutive years)
- FYE 2019 Plan: 1,100K units (YoY +3.1%)

(unit : 1,000 units)



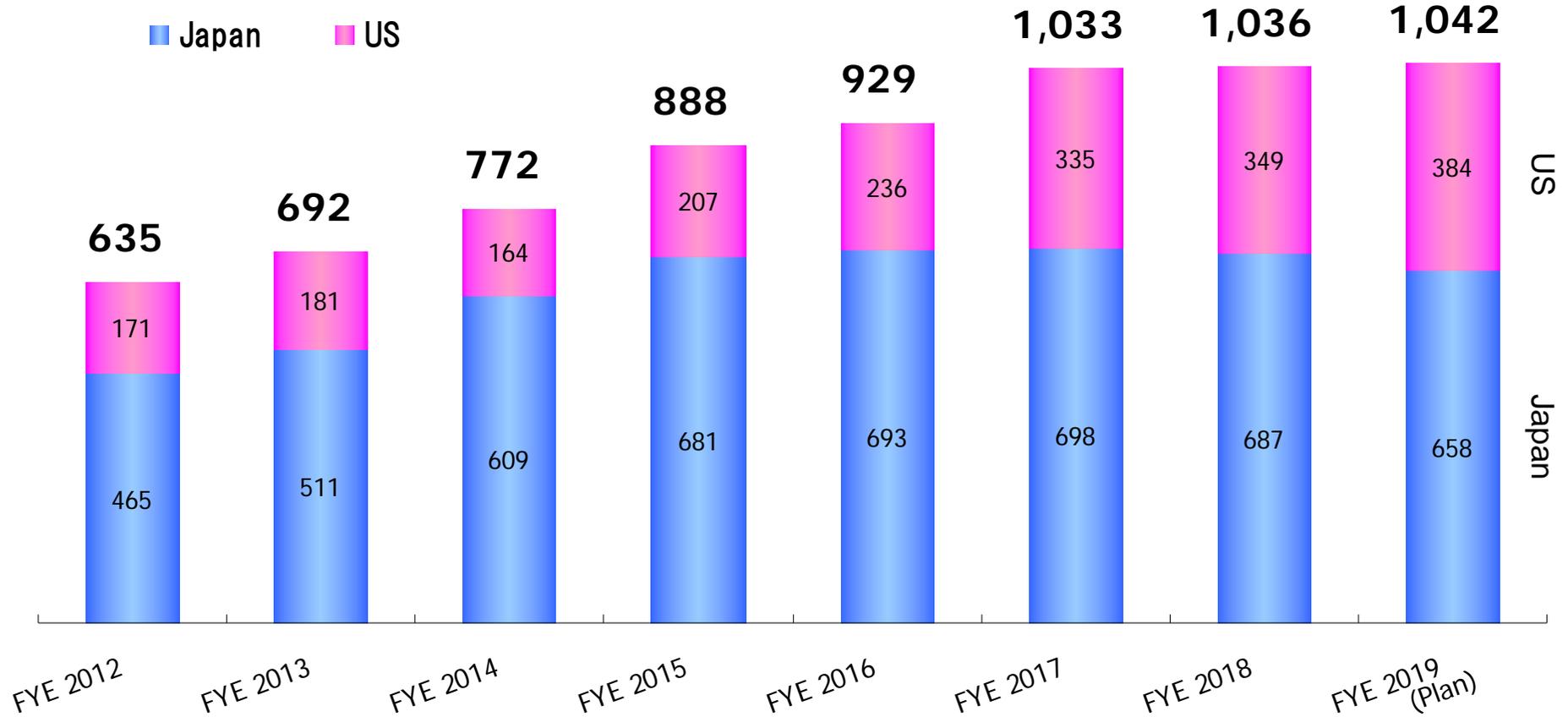
# Global Production Volume



## <US Production (SIA)>

- Camry consignment production ended in May 2016.
- Impreza production started from November 2016.

(unit : 1,000 units)



# Shareholder Returns



## 【Dividend Per Share】

	FYE 2017 Result	FYE 2018 Plan	FYE 2019 Forecast
End of 2 <sup>nd</sup> quarter	¥72	¥72	¥72
End of 4 <sup>th</sup> quarter	¥72	¥72	¥72
Year total	¥144	¥144	¥144
Dividend payout ratio	39.4%	50.1%	50.2%

# Management Changes



## Board of Directors

(\*to be proposed at the General Meeting of Shareholders planned to be held on June 22)

【May 11, 2018】

Director, Chairman	Jun Kondo
Representative Director, President & CEO	Yasuyuki Yoshinaga
Representative Director, Corporate Executive Vice President	Takeshi Tachimori
Director, Corporate Executive Vice President	Masahiro Kasai
Director, Corporate Executive Vice President & CFO	Toshiaki Okada
Director, Corporate Executive Vice President	Yoichi Kato
Outside Director	Yoshinori Komamura
Outside Director	Shigehiro Aoyama

【June, 2018】

Representative Director, Chairman & CEO	Yasuyuki Yoshinaga
Representative Director, President & COO	◎ Tomomi Nakamura
Director, Corporate Executive Vice President & CIO	◎ Masaki Okawara
Director, Corporate Executive Vice President & CFO	Toshiaki Okada
Director, Corporate Executive Vice President	Yoichi Kato
Director, Corporate Executive Vice President & CTO	◎ Tetsuo Onuki
Outside Director	Yoshinori Komamura
Outside Director	Shigehiro Aoyama

# Organizational Changes (effective April 1, 2018)



## < “Tadashii-Kaisha” Promotion Department >

This department plans and promotes company-wide efforts and activities that will lead to building a company that is trusted even more deeply by customers and society.

(Tadashii-Kaisha: A company doing the right thing in the right way.)

## < Compliance Office >

This office was established as an independent organization to further strengthen the company's efforts to comply with laws and regulations.

## < Engineering Management Division >

In order to respond to the challenges of increasingly advanced and broader technological development, the company established a division that manages its engineering activities with the aim of promoting efficient and competitive technological development.

# 2018 New Products



## Ascent

- Production started in May (SIA)



## Forester (5<sup>th</sup> Generation)



## Plug-in Hybrid

- To be based on Crosstrek ("SUBARU XV")
- THS (Toyota Hybrid System) to be adopted\*
- Scheduled for sale in 2018 in US

\*Engine is Subaru's horizontally opposed engine



Image: Gasoline model

# New Mid-term Management Vision



Currently developing a new Mid-Term Management Vision that focuses on efforts to enhance the brand value of SUBARU and address business challenges in future.

**To be announced in July 2018**  
**under the new management team.**





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Forward-looking statements including projections and future strategies mentioned in this presentation are based on currently available information and assumptions and are subject to risks and uncertainties.

Actual results may vary materially as a result of various factors including, without limitation, economic conditions, market demand and fluctuations in foreign exchange rates.

Investors are asked not to rely solely on the information in this presentation when they make their final investment decisions.

# Consolidated Financial Results for FYE 2018



## SUBARU CORPORATION



Toshiaki Okada  
Corporate Executive Vice President & CFO  
May 11<sup>th</sup>, 2018

# Summary



## Consolidated Financial Results for FYE 2018

- Net sales and global unit sales posted all-time records\*<sup>1</sup> for the 6th consecutive year. Unit sales in North America marked an all-time record\*<sup>1</sup> for the 9th consecutive year.
- Operating income decreased, as foreign exchange gains were offset by a rise in sales expenses due to higher interest rates in the U.S., higher costs of raw materials, an increase in R&D expenses, and other factors.
- Net income attributable to owners of parent decreased reflecting an extraordinary loss of 81.3 billion yen to account for airbag-related losses.

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Consolidated automobile sales
Actual results (YoY)	¥3,405.2bil. (+79.2bil.)	¥379.4bil. (-31.4)	¥379.9bil. (-14.4bil.)	¥220.4bil. (-62.0bil.)	1,066.9k units (+2.4k units)

## Forecasts for FYE 2019

- In prospect of further growth in North America and other regions, global unit sales are projected to increase. Global unit sales are projected to post all-time records\*<sup>1</sup>.
- Net sales are projected to decrease, as unit sales growth is expected to be offset by foreign exchange losses, accounting policy change, and other factors.
- Operating income is projected to decrease, as unit sales growth is expected to be offset by factors including foreign exchange losses, a rise in sales expenses due to higher interest rates in the U.S., and raw material cost increases.

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Consolidated automobile sales
Forecasts (YoY)	¥3,250.0bil. (-155.2bil.)	¥300.0bil. (-79.4bil.)	¥305.0bil. (-74.9bil.)	¥220.0bil. (-0.4bil.)	1,100.4k units (+33.5k units)

# Consolidated Financial Results for FYE 2018

# FYE 2018 : Consolidated Unit Sales



(Thousand Units)

	Actual Results FYE 2017	Actual Results FYE 2018	Variance
Passenger Cars	126.4	132.6	+6.2
Minicars	32.5	30.9	-1.7
<b>Domestic Total</b>	<b>158.9</b>	<b>163.4</b>	<b>+4.5</b>
US	667.6	670.9	+3.3
Canada	53.1	56.8	+3.8
Russia	5.3	7.7	+2.4
Europe	40.9	40.2	-0.7
Australia	49.1	55.7	+6.6
China	44.0	26.9	-17.1
Others	45.6	45.2	-0.3
<b>Overseas Total</b>	<b>905.6</b>	<b>903.5</b>	<b>-2.1</b>
<b>Total</b>	<b>1,064.5</b>	<b>1,066.9</b>	<b>+2.4</b>

# FYE 2018 : Consolidated Income Statements



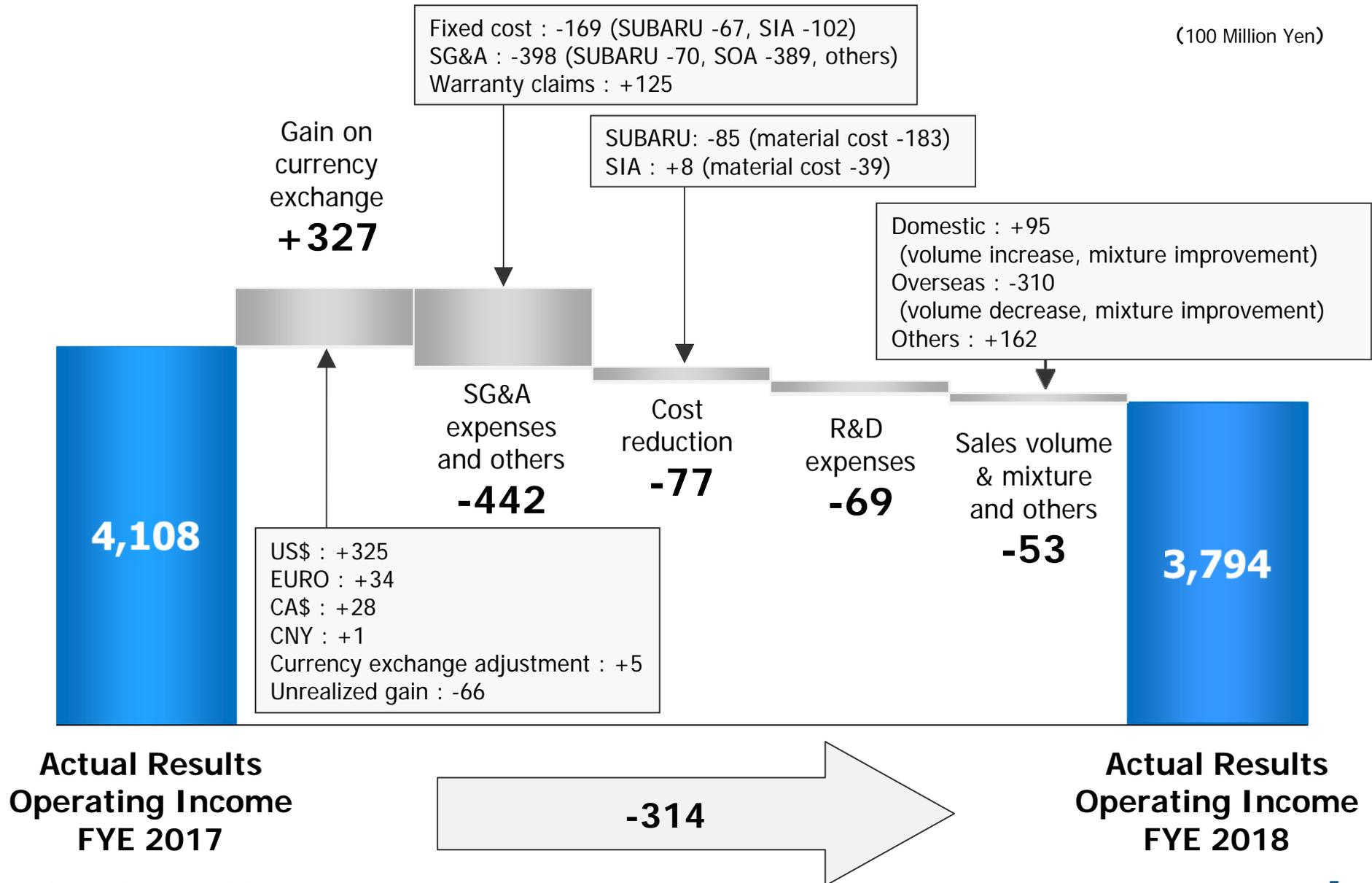
(100 Million Yen)

	Actual Results FYE 2017	Actual Results FYE 2018	Variance
<b>Net Sales</b>	<b>33,260</b>	<b>34,052</b>	<b>+792</b>
Domestic	6,503	6,686	+182
Overseas	26,756	27,367	+610
<b>Operating Income</b>	<b>4,108</b>	<b>3,794</b>	<b>-314</b>
Total Non-operating Income & Expenses	-165	5	+170
<b>Ordinary Income</b>	<b>3,943</b>	<b>3,799</b>	<b>-144</b>
Total Extraordinary Income & Loss	4	-826	-830
<b>Income before Taxes and Minority Interests</b>	<b>3,947</b>	<b>2,973</b>	<b>-974</b>
<b>Net Income Attributable to Owners of Parent</b>	<b>2,824</b>	<b>2,204</b>	<b>-620</b>
SUBARU Exchange Rate	¥108/US\$	¥111/US\$	+¥3/US\$

# FYE 2018 : Analysis of Variance in Operating Income (Consolidated)



(100 Million Yen)



# FYE 2018 : Consolidated Balance Sheets



(100 Million Yen)

	As of March 31 2017	As of March 31 2018	Variance
<b>Total Assets</b>	<b>27,623</b>	<b>28,843</b>	<b>+1,220</b>
Current Assets	18,453	18,952	+500
Noncurrent Assets	9,171	9,891	+720
<b>Total Liabilities</b>	<b>12,974</b>	<b>13,233</b>	<b>+259</b>
Interest Bearing Debts	1,483	862	-621
<b>Net Assets</b>	<b>14,649</b>	<b>15,610</b>	<b>+961</b>
Retained Earnings	11,733	12,835	+1,103
Shareholders' Equity	14,587	15,528	+942
Ratio of Shareholders' Equity to Total Assets	52.8%	53.8%	-
D/E Ratio	0.10	0.06	-

# FYE 2018 : Consolidated Statement of Cash Flows



(100 Million Yen)

	Actual Results FYE 2017	Actual Results FYE 2018	Variance
<b>Net Cash Provided by (used in) Operating Activities</b>	<b>3,454</b>	<b>3,663</b>	<b>+209</b>
<b>Net Cash Provided by (used in) Investing Activities</b>	<b>-2,543</b>	<b>-1,507</b>	<b>+1,035</b>
Free Cash Flows	<b>912</b>	<b>2,156</b>	<b>+1,244</b>
<b>Net Cash Provided by (used in) Financing Activities</b>	<b>-1,890</b>	<b>-1,709</b>	<b>+181</b>
Effect of Exchange Rate Change on Cash and Cash Equivalents	-30	-108	-78
Net Increase (Decrease) in Cash and Cash Equivalents	-1,008	338	+1,347
Increase (Decrease) in Cash and Cash Equivalents Resulting from Change of Scope of Consolidation	-	-5	-5
Increase (Decrease) in Cash and Cash Equivalents Resulting from Change in Fiscal Period of Consolidated Subsidiaries	-	37	+37
<b>Cash and Cash Equivalents at End of Period</b>	<b>7,286</b>	<b>7,656</b>	<b>+370</b>

FYE 2018 :  
Operating Results of Subsidiaries in U.S.



(Million US\$)

SOA	Actual Results FYE 2017	Actual Results FYE 2018	Variance
Net Sales	17,947	18,402	+455
Operating Income	671	356	-315
Net Income	421	235	-186
Retail Sales (Thousand Units)	625.0	651.9	+26.9

SIA	Actual Results FYE 2017	Actual Results FYE 2018	Variance
Net Sales	7,525	7,673	+148
Operating Income	236	176	-60
Net Income	148	134	-14
Production (Thousand Units)	335.2	348.6	+13.4

# FYE 2018 : Capex / Depreciation / R&D / Interest bearing debt



(100 Million Yen)

	Actual Results FYE 2017 (a)	Previous Plan FYE 2018 (b)	Actual Results FYE 2018 (c)	Variance (c) - (a)	Variance (c) - (b)
Capex	1,585	1,500	1,414	-171	-86
Depreciation	770	920	898	+128	-22
R&D	1,142	1,260	1,211	+69	-49
Interest Bearing Debt	1,483	950	862	-621	-88

## Forecasts for FYE 2019

# FYE 2019 : Consolidated Unit Sales Plan



(Thousand Units)

	Actual Results FYE 2018	Plan FYE 2019	Variance
Passenger Cars	132.6	122.7	-9.9
Minicars	30.9	28.1	-2.8
<b>Domestic Total</b>	<b>163.4</b>	<b>150.8</b>	<b>-12.7</b>
US	670.9	707.0	+36.0
Canada	56.8	61.4	+4.6
Russia	7.7	11.5	+3.8
Europe	40.2	32.5	-7.7
Australia	55.7	55.5	-0.2
China	26.9	29.9	+3.0
Others	45.2	51.9	+6.6
<b>Overseas Total</b>	<b>903.5</b>	<b>949.7</b>	<b>+46.2</b>
<b>Total</b>	<b>1,066.9</b>	<b>1,100.4</b>	<b>+33.5</b>

# FYE 2019 : Consolidated Operating Plan



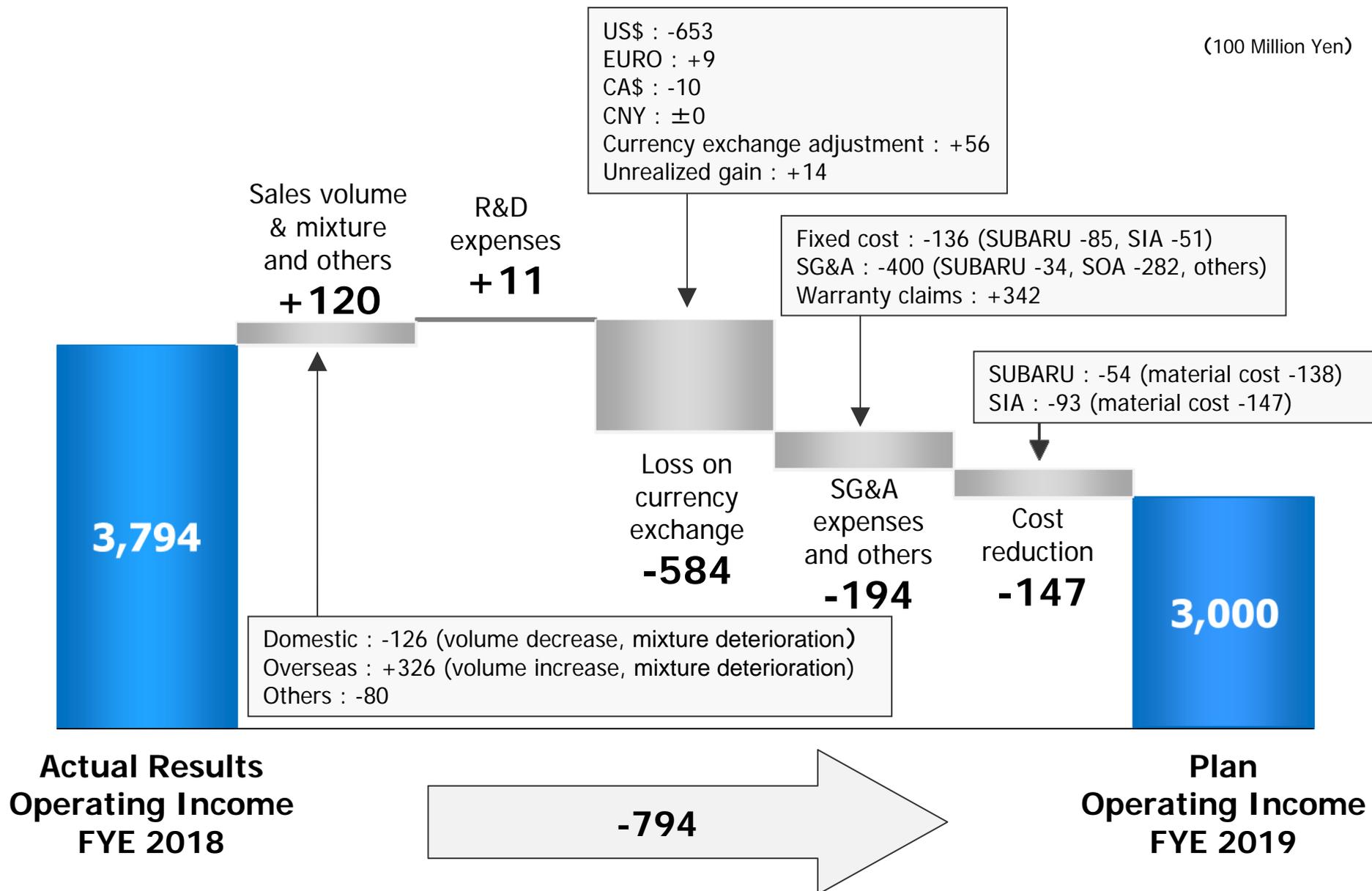
(100 Million Yen)

	Actual Results FYE 2018	Plan FYE 2019	Variance
<b>Net Sales</b>	<b>34,052</b>	<b>32,500</b>	<b>-1,552</b>
Domestic	6,686	6,086	-600
Overseas	27,367	26,415	-952
<b>Operating Income</b>	<b>3,794</b>	<b>3,000</b>	<b>-794</b>
<b>Ordinary Income</b>	<b>3,799</b>	<b>3,050</b>	<b>-749</b>
<b>Income before Taxes and Minority Interests</b>	<b>2,973</b>	<b>2,987</b>	<b>+14</b>
<b>Net Income Attributable to Owners of Parent</b>	<b>2,204</b>	<b>2,200</b>	<b>-4</b>
SUBARU Exchange Rate	¥111/US\$	¥105/US\$	-¥6/US\$

# FYE 2019 : Analysis of Variance in Operating Income (Consolidated)



(100 Million Yen)



FYE 2019 :  
Operating Plan of Subsidiaries in U.S.



(Million US\$)

SOA	Actual Results FYE 2018	Plan FYE 2019	Variance
Net Sales	18,402	19,678	+1,276
Operating Income	356	273	-83
Net Income	235	227	-8
Retail Sales (Thousand Units)	651.9	700.0	+48.1

SIA	Actual Results FYE 2018	Plan FYE 2019	Variance
Net Sales	7,673	9,157	+1,484
Operating Income	176	128	-48
Net Income	134	103	-31
Production (Thousand Units)	348.6	384.0	+35.4

FYE 2019 :  
Capex / Depreciation / R&D / Interest bearing debt



(100 Million Yen)

	Actual Results FYE 2018	Plan FYE 2019	Variance
Capex	1,414	1,300	-114
Depreciation	898	930	+32
R&D	1,211	1,200	-11
Interest Bearing Debt	862	800	-62

## Appendix(1)

- Non-operating Income & Expenses and Extraordinary Income & Loss
- Segment Information by Business & Geographic
- Overseas Net Sales
- Non-consolidated Unit Sales
- Consolidated Income Statements in 4th Quarter (3 months)
- FYE 2018 Plan vs. Actual Results
- Consolidated Income Statements in 1st half of FYE 2019

# FYE 2018 : Non-operating Income & Expenses and Extraordinary Income & Loss (Consolidated)



(100 Million Yen)

	Actual Results FYE 2017	Actual Results FYE 2018	Variance
Financial Revenue and Expenditure	28	68	+40
FOREX Effects	-90	-51	+39
Others	-102	-12	+90
<b>Total Non-operating Income&amp; Expenses</b>	<b>-165</b>	<b>5</b>	<b>+170</b>
Gain on Sales of Noncurrent Assets	9	6	-3
Gain on Sales of Investment Securities	101	46	-55
Loss on Sales and Retirement of Noncurrent Assets	-42	-54	-12
Loss on Business Liquidation	-51	-	+51
Loss Related to Airbags	-	-813	-813
Impairment Loss	-12	0	+12
Others	-2	-11	-9
<b>Total Extraordinary Income &amp; Loss</b>	<b>4</b>	<b>-826</b>	<b>-830</b>

# FYE 2018 : Net Sales and Operating Income by Business Segment (Consolidated)



(100 Million Yen)

	Net Sales			Operating Income		
	Actual Results FYE 2017	Actual Results FYE 2018	Variance	Actual Results FYE 2017	Actual Results FYE 2018	Variance
<b>Automobile</b>	31,520	32,349	+829	3,977	3,615	-362
<b>Aerospace</b>	1,388	1,422	+34	91	123	+32
<b>Others</b>	353	282	-71	35	51	+16
<b>Elimination &amp; Corporate</b>	/	/	/	5	7	+1
<b>Total</b>	33,260	34,052	+792	4,108	3,794	-314

※ The "Industrial Products" segment has been included in "Others" since the 3rd quarter of FYE 2017 reporting.

# FYE 2018 : Net Sales and Operating Income by Geographic Area (Consolidated)



(100 Million Yen)

	Net Sales			Operating Income		
	Actual Results FYE 2017	Actual Results FYE 2018	Variance	Actual Results FYE 2017	Actual Results FYE 2018	Variance
<b>Japan</b>	9,705	10,118	+413	2,945	2,950	+5
<b>North America</b>	20,947	21,928	+981	1,059	694	-365
<b>Others</b>	2,608	2,006	-602	87	72	-16
<b>Elimination &amp; Corporate</b>				16	79	+63
<b>Total</b>	33,260	34,052	+792	4,108	3,794	-314

# FYE 2018 : Overseas Net Sales (Consolidated)



(100 Million Yen)

	Actual Results FYE 2017	Actual Results FYE 2018	Variance
<b>North America</b>	21,923	23,058	+1,135
<b>Europe</b>	1,126	1,191	+65
<b>Asia</b>	2,113	1,406	-707
<b>Others</b>	1,595	1,712	+117
<b>Total</b>	26,756	27,367	+610

# FYE 2018 : Non-consolidated Unit Sales



(Thousand Units)

	Actual Results FYE 2017	Actual Results FYE 2018	Variance
<b>Domestic Production</b>	720.5	701.2	-19.4
<b>Domestic Sales</b>	163.7	168.9	+5.2
Passenger Cars	129.6	137.2	+7.6
Minicars	34.1	31.7	-2.4
<b>Number of Exported Vehicles</b>	570.7	556.5	-14.3
<b>Components for Overseas Production</b>	353.8	348.1	-5.6
<b>Total</b>	1,088.2	1,073.5	-14.7

※ Domestic Production includes production of the 86 models for Toyota.

## 4<sup>th</sup> Quarter (3 months) : Consolidated Unit Sales



(Thousand Units)

	Actual Results 4 <sup>th</sup> Quarter (3 months) FYE 2017	Actual Results 4 <sup>th</sup> Quarter (3 months) FYE 2018	Variance
Passenger Cars	43.3	34.9	-8.4
Minicars	10.2	9.7	-0.4
<b>Domestic Total</b>	<b>53.4</b>	<b>44.6</b>	<b>-8.8</b>
US	166.3	161.9	-4.4
Canada	12.6	12.3	-0.3
Russia	1.3	2.1	+0.8
Europe	11.2	11.7	+0.6
Australia	11.2	13.6	+2.5
China	12.0	5.4	-6.7
Others	10.8	13.4	+2.6
<b>Overseas Total</b>	<b>225.3</b>	<b>220.4</b>	<b>-4.9</b>
<b>Total</b>	<b>278.7</b>	<b>265.0</b>	<b>-13.7</b>

# 4<sup>th</sup> Quarter (3 months) : Consolidated Income Statements



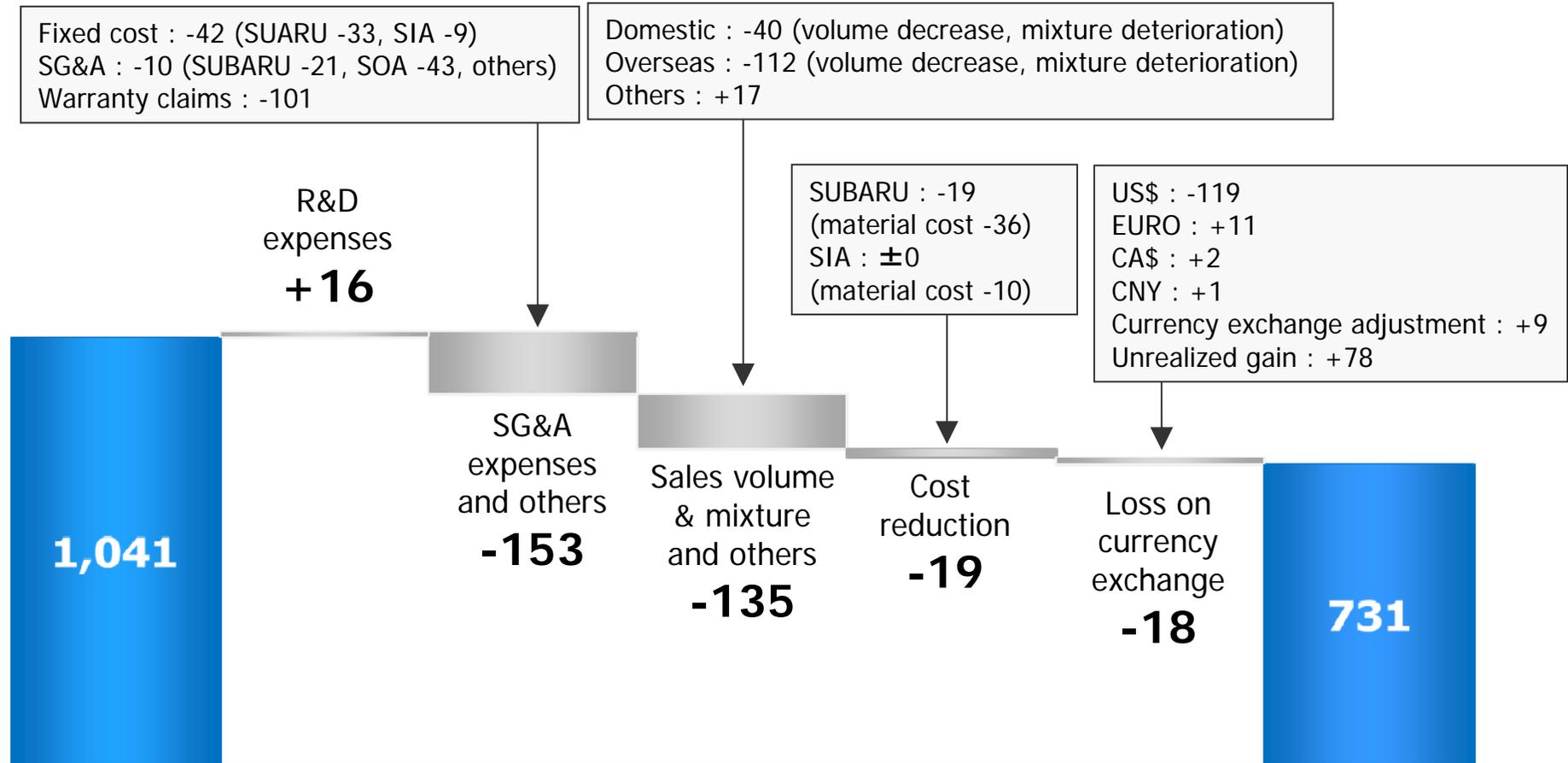
(100 Million Yen)

	Actual Results 4 <sup>th</sup> Quarter (3 months) FYE 2017	Actual Results 4 <sup>th</sup> Quarter (3 months) FYE 2018	Variance
<b>Net Sales</b>	<b>8,981</b>	<b>8,406</b>	<b>-575</b>
Domestic	2,054	1,840	-214
Overseas	6,927	6,565	-361
<b>Operating Income</b>	<b>1,041</b>	<b>731</b>	<b>-309</b>
<b>Ordinary Income</b>	<b>971</b>	<b>768</b>	<b>-203</b>
<b>Income before Taxes and Minority Interests</b>	<b>959</b>	<b>797</b>	<b>-162</b>
<b>Net Income Attributable to Owners of Parent</b>	<b>748</b>	<b>675</b>	<b>-73</b>
SUBARU Exchange Rate	¥114/US\$	¥110/US\$	-¥4/US\$

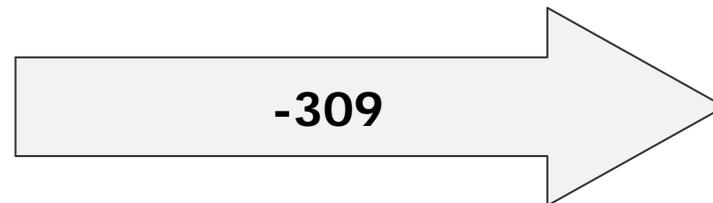
# 4<sup>th</sup> Quarter (3 months) : Analysis of Variance in Operating Income (Consolidated)



(100 Million Yen)



**Actual Results  
Operating Income  
4Q (3 months)  
FYE 2017**



**Actual Results  
Operating Income  
4Q (3 months)  
FYE 2018**

# FYE 2018 (Plan vs. Actual Results) : Consolidated Unit Sales



(Thousand Units)

	Plan FYE 2018	Actual Results FYE 2018	Variance
Passenger Cars	134.5	132.6	-2.0
Minicars	30.6	30.9	+0.3
<b>Domestic Total</b>	<b>165.2</b>	<b>163.4</b>	<b>-1.7</b>
US	671.3	670.9	-0.4
Canada	57.0	56.8	-0.2
Russia	7.7	7.7	+0.1
Europe	39.1	40.2	+1.1
Australia	55.9	55.7	-0.2
China	26.3	26.9	+0.6
Others	44.7	45.2	+0.6
<b>Overseas Total</b>	<b>901.9</b>	<b>903.5</b>	<b>+1.6</b>
<b>Total</b>	<b>1,067.1</b>	<b>1,066.9</b>	<b>-0.1</b>

# FYE 2018 (Plan vs. Actual Results) : Consolidated Income Statements



(100 Million Yen)

	Plan FYE 2018	Actual Results FYE 2018	Variance
<b>Net Sales</b>	<b>34,100</b>	<b>34,052</b>	<b>-48</b>
Domestic	6,703	6,686	-18
Overseas	27,397	27,367	-30
<b>Operating Income</b>	<b>3,800</b>	<b>3,794</b>	<b>-6</b>
<b>Ordinary Income</b>	<b>3,750</b>	<b>3,799</b>	<b>+49</b>
<b>Income before Taxes and Minority Interests</b>	<b>2,880</b>	<b>2,973</b>	<b>+93</b>
<b>Net Income Attributable to Owners of Parent</b>	<b>2,070</b>	<b>2,204</b>	<b>+134</b>
SUBARU Exchange Rate	¥112/US\$	¥111/US\$	-¥0/US\$

# FYE 2018 (Plan vs. Actual Results) : Analysis of Variance in Operating Income (Consolidated)



(100 Million Yen)

US\$ : -46  
EURO : ±0,  
CA\$ : -2  
CNY : ±0  
Currency exchange adjustment : +27  
Unrealized gain : -50

Domestic : -18  
(volume increase, mixture deterioration)  
Overseas : -23  
(volume decrease, mixture improvement)  
Others : +26

R&D  
expenses  
**+49**

Cost  
reduction  
**+17**

SG&A  
expenses  
and others  
**+14**

Loss on  
currency  
exchange  
**-71**

Sales volume  
& mixture  
and Others  
**-15**

**3,800**

SUBARU : +2 (material cost ±0)  
SIA : +15 (material cost +15)

Fixed Cost : +8 (SUBARU +6, SIA+2)  
SG&A : +20 (SUBARU +14, SOA -19, others)  
Warranty claims : -14

**3,794**

**Plan  
Operating Income  
FYE 2018**

**-6**

**Actual Results  
Operating Income  
FYE 2018**

# 1st Half of FYE 2019 : Consolidated Unit Sales Plan



SUBARU

(Thousand Units)

	Actual Results 1st Half FYE 2018	Plan 1st Half FYE 2019	Variance
Passenger Cars	67.3	56.0	-11.3
Minicars	15.1	13.0	-2.1
<b>Domestic Total</b>	<b>82.3</b>	<b>68.9</b>	<b>-13.4</b>
US	333.2	313.0	-20.3
Canada	30.7	31.6	+0.8
Russia	3.7	7.0	+3.3
Europe	17.8	20.9	+3.1
Australia	27.7	26.9	-0.8
China	13.8	12.4	-1.4
Others	22.0	25.7	+3.7
<b>Overseas Total</b>	<b>448.9</b>	<b>437.4</b>	<b>-11.5</b>
<b>Total</b>	<b>531.3</b>	<b>506.3</b>	<b>-24.9</b>

# 1st Half of FYE 2019 : Consolidated Income Statements Plan



(100 Million Yen)

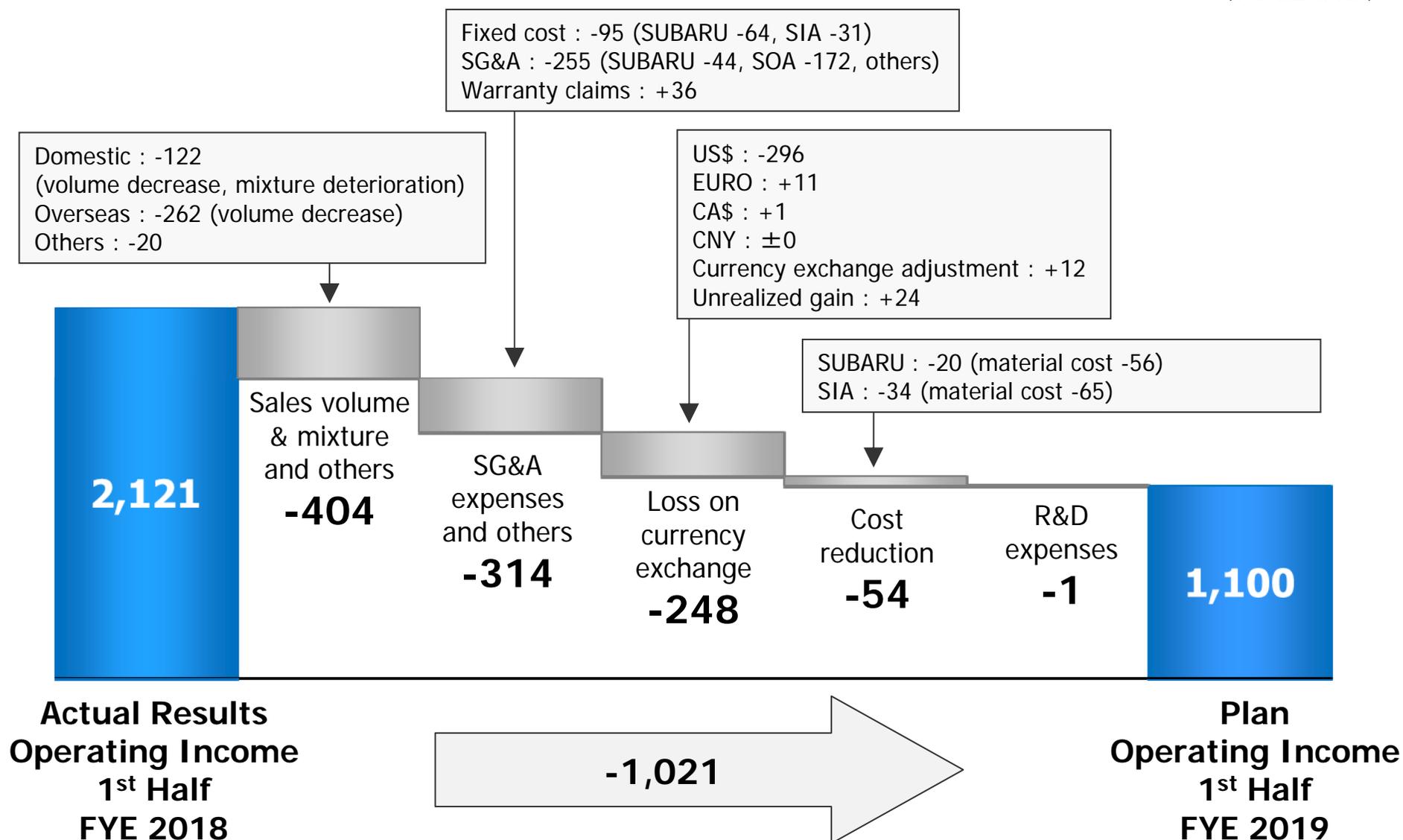
	Actual Results 1st Half FYE 2018	Plan 1st Half FYE 2019	Variance
<b>Net Sales</b>	<b>16,863</b>	<b>14,630</b>	<b>-2,233</b>
Domestic	3,286	2,670	-616
Overseas	13,577	11,961	-1,616
<b>Operating Income</b>	<b>2,121</b>	<b>1,100</b>	<b>-1,021</b>
<b>Ordinary Income</b>	<b>2,127</b>	<b>1,117</b>	<b>-1,010</b>
<b>Income before Taxes and Minority Interests</b>	<b>1,285</b>	<b>1,082</b>	<b>-202</b>
<b>Net Income Attributable to Owners of Parent</b>	<b>850</b>	<b>791</b>	<b>-59</b>
SUBARU Exchange Rate	¥111/US\$	¥105/US\$	-¥6/US\$

※ Accounting policy change from the FYE 2019 reporting (sales incentives are deducted from net sales)

# 1st Half of FYE 2018 Results vs. FYE 2019 Plan : Analysis of Variance in Operating Income (Consolidated)



(100 Million Yen)



## Appendix (2)

- Net Sales / Operating Income
- Consolidated Unit Sales / OPM
- Complete Cars Production / Retail Sales Units
- FCF / Shareholders' Equity to Total Assets
- Interest Bearing Debt / D/E ratio

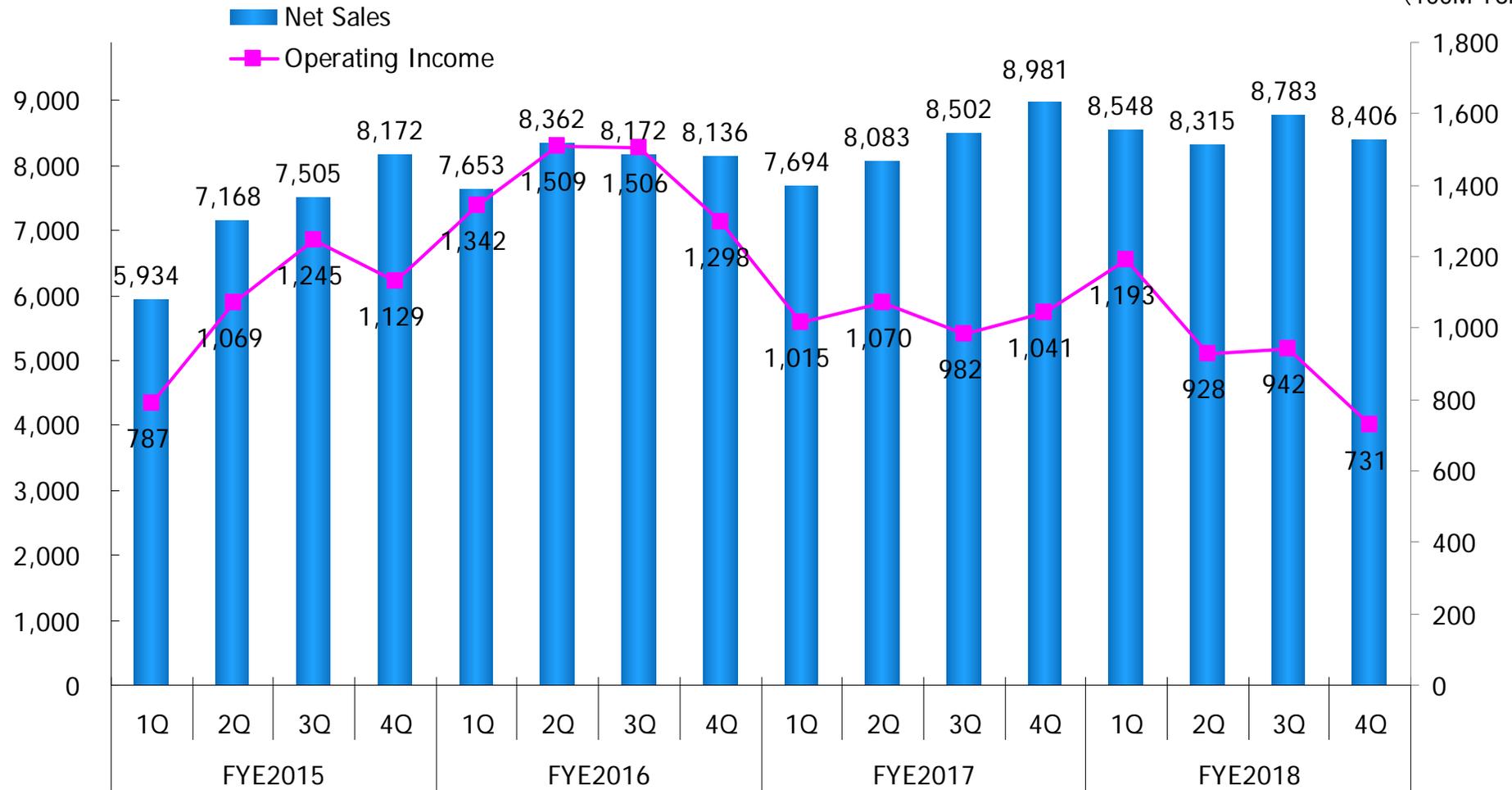
# Net Sales / Operating Income



¥102 /\$   ¥102 /\$   ¥110 /\$   ¥118 /\$   ¥120 /\$   ¥123 /\$   ¥121 /\$   ¥118 /\$   ¥111 /\$   ¥104 /\$   ¥105 /\$   ¥114 /\$   ¥112 /\$   ¥111 /\$   ¥112 /\$   ¥110 /\$

Net Sales  
(100M Yen)

Operating  
Income  
(100M Yen)

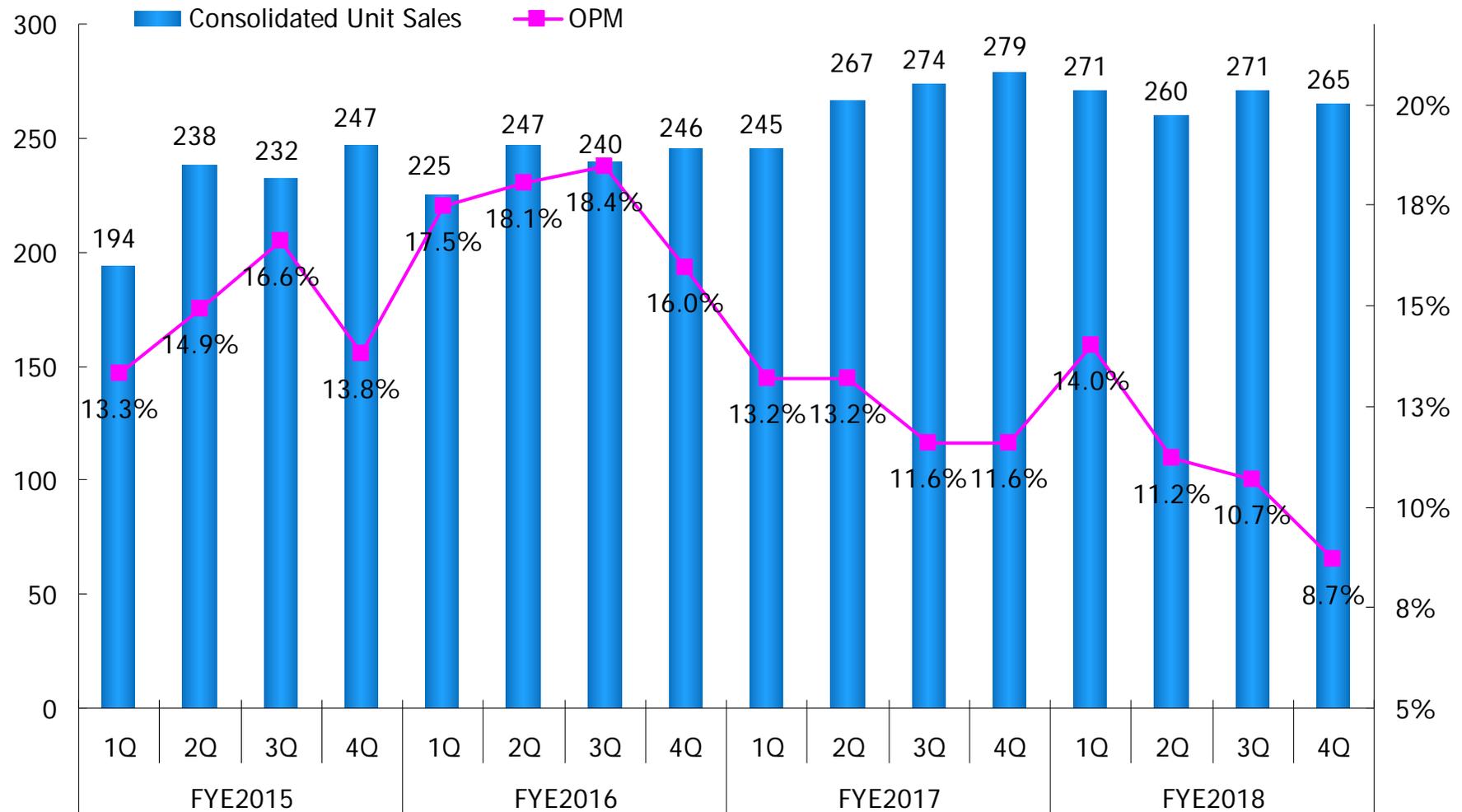


# Consolidated Unit Sales / Operating Income Margin

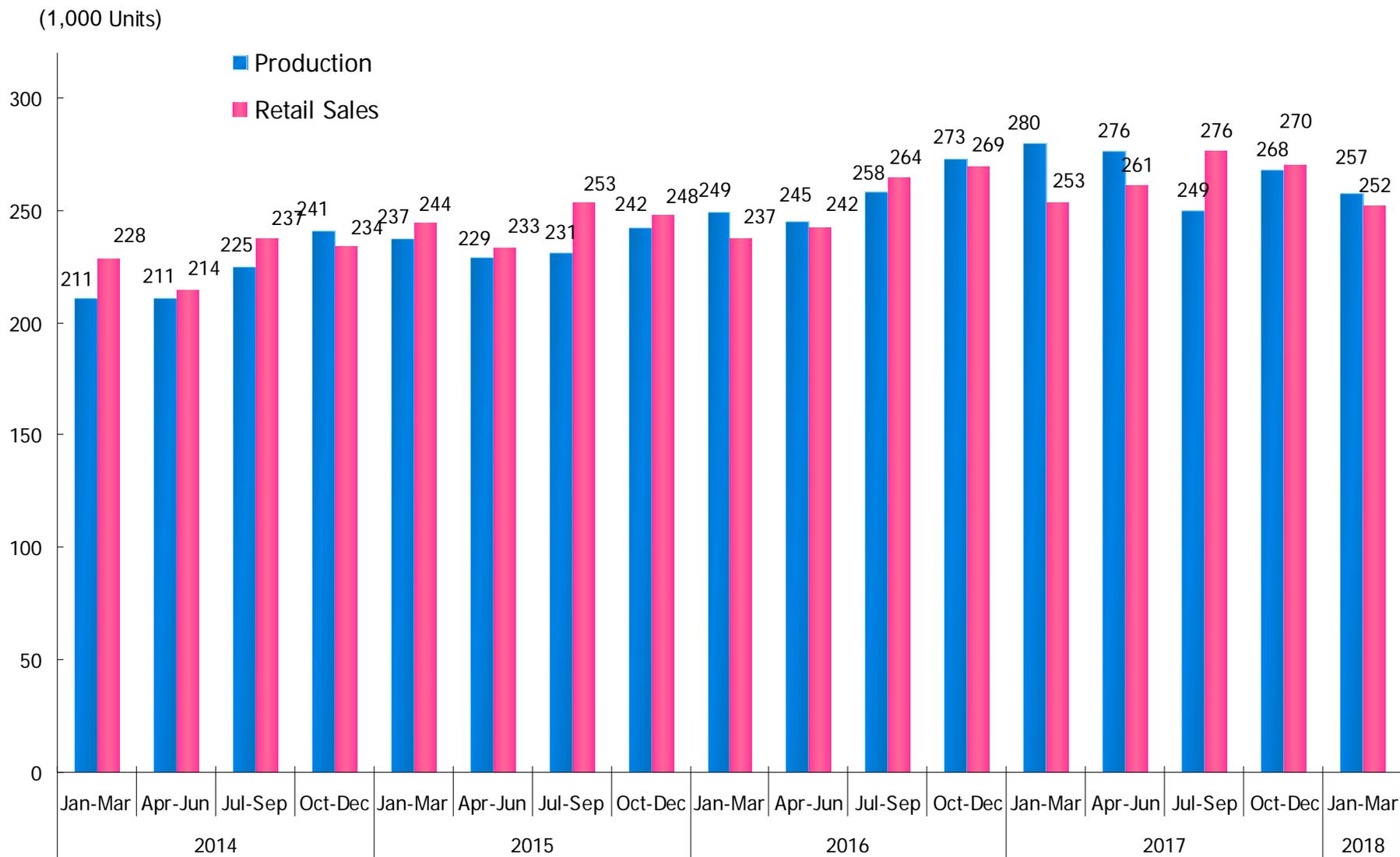


Unit Sales  
(1,000 Units)

OPM

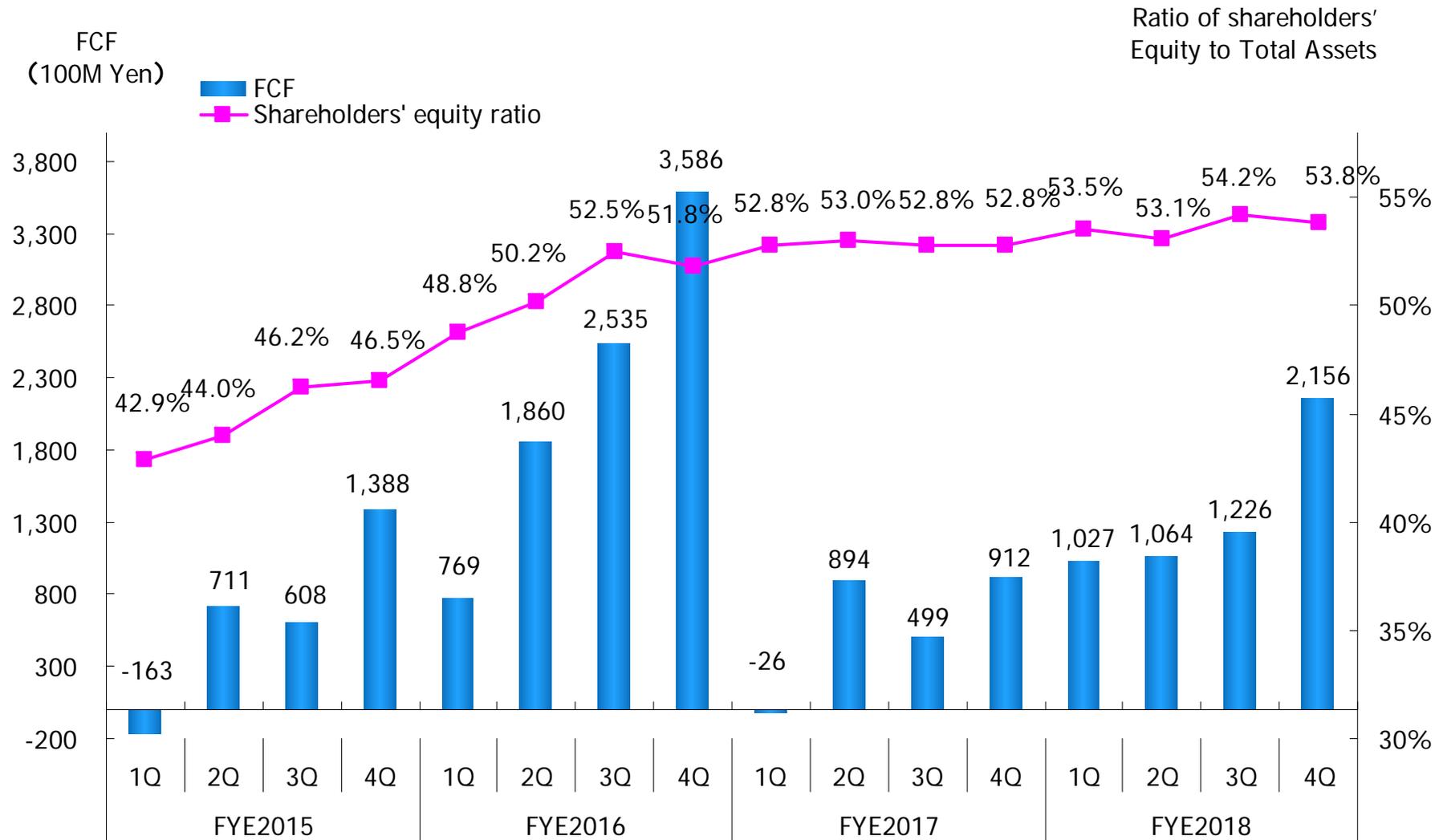


# Complete Cars Production / Retail Sales Units

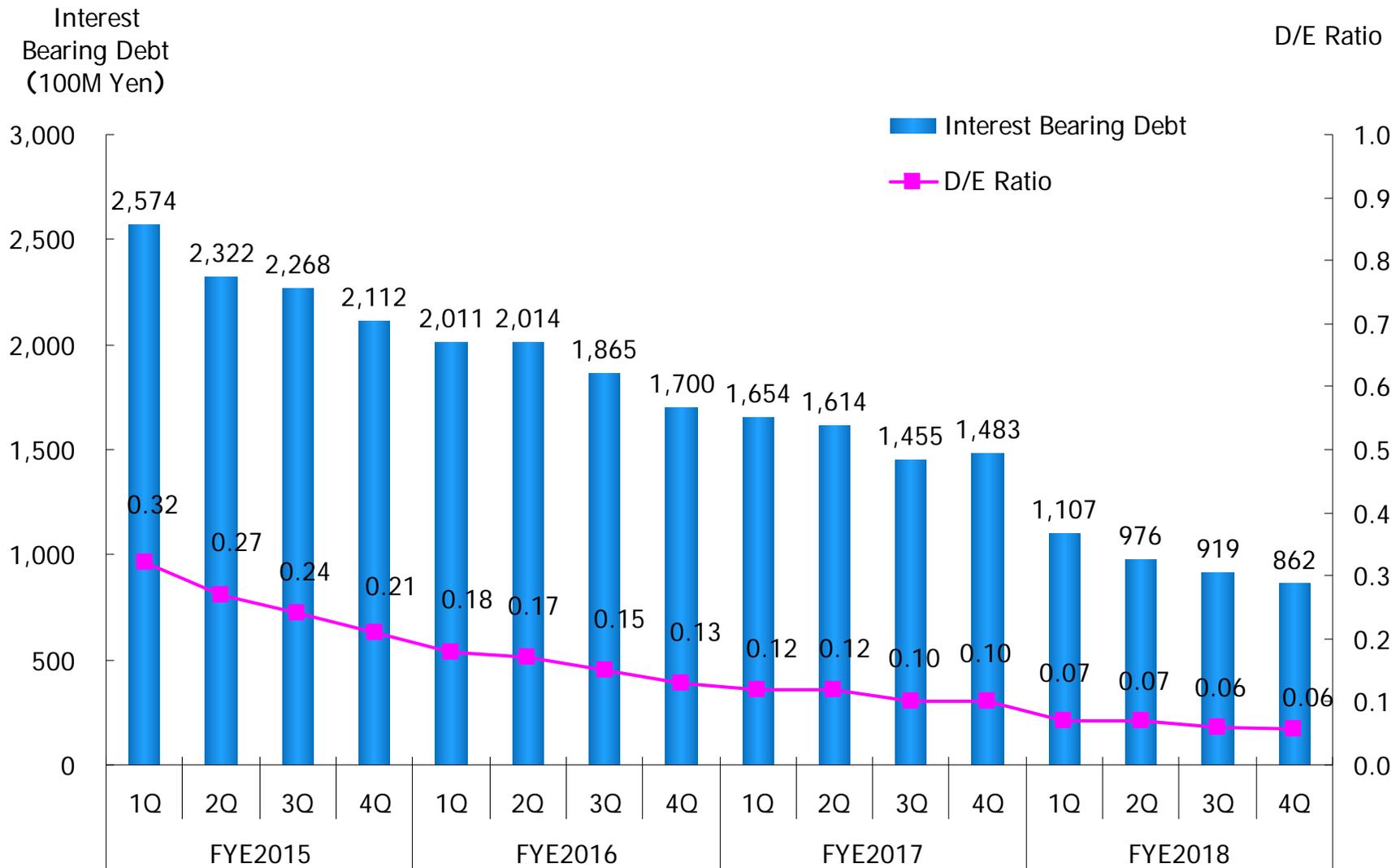


※ Production includes production of the 86 models for Toyota.

# Free Cash Flows / Ratio of Shareholders' Equity to Total Assets



# Interest Bearing Debt / D/E Ratio





Forward-looking statements including projections and future strategies mentioned in this presentation are based on currently available information and assumptions and are subject to risks and uncertainties. Actual results may vary materially as a result of various factors including, without limitation, economic conditions, market demand and fluctuations in foreign exchange rates. Investors are asked not to rely solely on the information in this presentation when they make their final investment decisions.

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