



Subaru Corporation Announces Consolidated Financial Results for the First Quarter of FYE2019

Tokyo, August 6, 2018 – Subaru Corporation today announced its consolidated financial results for the first quarter of fiscal year ending March 31, 2019.

< Results for April-June 2018: Consolidated Net Sales >

Global sales of Subaru vehicles decreased 12.3% to 238,000 units. Unit sales in Japan decreased 28.5% to 29,000 units, as sales of the Forester declined before the launch of its fully-redesigned version and sales of the Impreza and SUBARU XV declined compared to prior-year sales that were driven by the launch of their fully-redesigned versions. Overseas unit sales fell 9.5% to 209,000 units due to decreased deliveries of the Forester before the launch of its fully-redesigned version, which offset strong sales of the SUBARU XV^{*1} especially in North America. Net sales declined 12.9% to 709.2 billion yen^{*2} due to decreased unit sales and other factors.

With effect from this fiscal year (FYE2019), the Company has changed its accounting policies.^{*2} In the new method, sales incentives are deducted from net sales, whereas they were previously recognized as SG&A expenses.

< Results for April-June 2018: Consolidated Profit and Loss >

While retail sales in North America, Subaru's largest market, kept strong momentum, operating income declined 51.8% to 57.6 billion yen due to factors such as decreased deliveries of the Forester before the launch of its fully-redesigned version and increased SG&A expenses. Ordinary income decreased 49.6% to 60.1 billion yen. Net income attributable to owners of parent fell 44.8% to 45.5 billion yen.

< Forecasts for FYE2019 >

Full-year forecasts for FYE2019 remain unchanged from the previous announcement made on May 11, 2018.

Forecasts for FYE2019 (Announced on May 11, 2018)

Global sales of Subaru vehicles: 1,100,000 units

Net sales: 3,250 billion yen

Operating income: 300 billion yen

Ordinary income: 305 billion yen

Net income attributable to owners of parent: 220 billion yen

Currency rate assumptions: 105 yen/US\$, 130 yen/euro

*1: "Crosstrek" in North America

*2: For comparison purposes, net sales and SG&A expenses of the previous fiscal year (FYE2018) have been recalculated according to the new policies. The recalculated figures of net sales and SG&A expenses for the first quarter of FYE2018 are 814 billion yen and 97.6 billion yen, respectively, a decrease of 40.8 billion yen each from the originally-reported figures (announced on August 3, 2017). There is no impact of the recalculation on profit figures of the previous fiscal year.

Forward-looking statements in this document including financial and other forecasts are based on the information available at the time of the announcement and are subject to various risks and uncertainties that could cause actual results to vary materially.

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