



# **Consolidated Financial Results for FYE 2021**

SUBARU CORPORATION

Katsuyuki Mizuma, Executive Vice President & CFO

May 11<sup>th</sup>, 2021

## Summary

(Yen in 100 millions, Units in thousands)

	Results					Plan	
	FYE 2020 Results(a)	FYE 2021 Previous Plan(b)*	FYE 2021 Results(c)	Variance (c)-(a)	Variance (c)-(b)	FYE 2022 Plan(d)	Variance (d)-(c)
<b>Consolidated Unit Sales</b>	1,033.9	867.9	<b>860.2</b>	-173.7	-7.7	<b>1,000.0</b>	+139.8
<b>Production</b>	1,030.9	823.4	<b>809.9</b>	-221.0	-13.5	<b>1,030.0</b>	+220.1
<b>Revenue</b>	33,441	28,500	<b>28,302</b>	-5,139	-198	<b>33,000</b>	+4,698
<b>Operating profit</b>	2,103	1,000	<b>1,025</b>	-1,079	+25	<b>2,000</b>	+975
<b>Profit for the period attributable to owners of parent</b>	1,526	750	<b>765</b>	-761	+15	<b>1,400</b>	+635
<b>SUBARU exchange rate US\$</b>	¥109	¥106	<b>¥106</b>	-¥3	+¥0	<b>¥108</b>	+¥2

\* as of Feb. 5<sup>th</sup>, 2021

## **Consolidated Financial Results for FYE 2021**

FYE 2021 :

## Consolidated Unit Sales (by market)

(Thousand Units)

	<b>FYE 2020</b> Results(a)	<b>FYE 2021</b> Previous Plan(b)	<b>FYE 2021</b> Results(c)	<b>Variance</b> (c)-(a)	<b>Variance</b> (c)-(b)
Passenger cars	101.9	85.5	<b>81.9</b>	-20.0	-3.6
Minicars	23.9	20.7	<b>19.9</b>	-4.0	-0.8
<b>Domestic total</b>	125.8	106.2	<b>101.8</b>	-24.0	-4.4
U.S.	701.6	613.4	<b>611.6</b>	-90.0	-1.8
Canada	60.4	50.5	<b>49.7</b>	-10.6	-0.7
Russia	8.7	4.4	<b>4.5</b>	-4.1	+0.2
Europe	37.0	14.6	<b>13.7</b>	-23.3	-0.9
Australia	43.1	30.4	<b>31.4</b>	-11.8	+1.0
China	20.6	26.7	<b>24.5</b>	+3.9	-2.2
Others	36.7	21.7	<b>22.9</b>	-13.7	+1.2
<b>Overseas total</b>	908.0	761.7	<b>758.4</b>	-149.6	-3.3
<b>Total</b>	1,033.9	867.9	<b>860.2</b>	-173.7	-7.7

FYE 2021 :

## Consolidated Unit Sales / Complete Cars Production

(Thousand Units)

	FYE 2020 Results(a)	FYE 2021 Previous Plan(b)	FYE 2021 Results(c)	Variance (c)-(a)	Variance (c)-(b)
<b>Consolidated Unit Sales Total</b>	1,033.9	867.9	<b>860.2</b>	-173.7	-7.7

	FYE 2020 Results(a)	FYE 2021 Previous Plan(b)	FYE 2021 Results(c)	Variance (c)-(a)	Variance (c)-(b)
Production in U.S.	367.3	303.7	<b>285.2</b>	-82.1	-18.5
Production in Japan	663.6	519.7	<b>524.7</b>	-138.9	+5.0
<b>Production* Total</b>	1,030.9	823.4	<b>809.9</b>	-221.0	-13.5

\* Production figures include Toyota 86.

FYE 2021 :

## Consolidated Profit Results

(100 Million Yen)

	FYE 2020 Results(a)	FYE 2021 Previous Plan(b)	FYE 2021 Results(c)	Variance (c)-(a)	Variance (c)-(b)
<b>Revenue</b>	33,441	28,500	<b>28,302</b>	-5,139	-198
Domestic	5,727	5,115	<b>4,983</b>	-743	-132
Overseas	27,714	23,385	<b>23,319</b>	-4,396	-66
<b>Operating profit</b>	2,103	1,000	<b>1,025</b>	-1,079	+25
<b>Profit before tax</b>	2,077	1,090	<b>1,140</b>	-937	+50
<b>Profit for the period attributable to owners of parent</b>	1,526	750	<b>765</b>	-761	+15
<b>SUBARU exchange rate</b>					
<b>US\$</b>	¥109	¥106	<b>¥106</b>	-¥3	+¥0
<b>EURO</b>	¥121	¥123	<b>¥123</b>	+¥2	+¥1
<b>CAN\$</b>	¥82	¥80	<b>¥80</b>	-¥3	+¥0

FYE 2021 :

## Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)

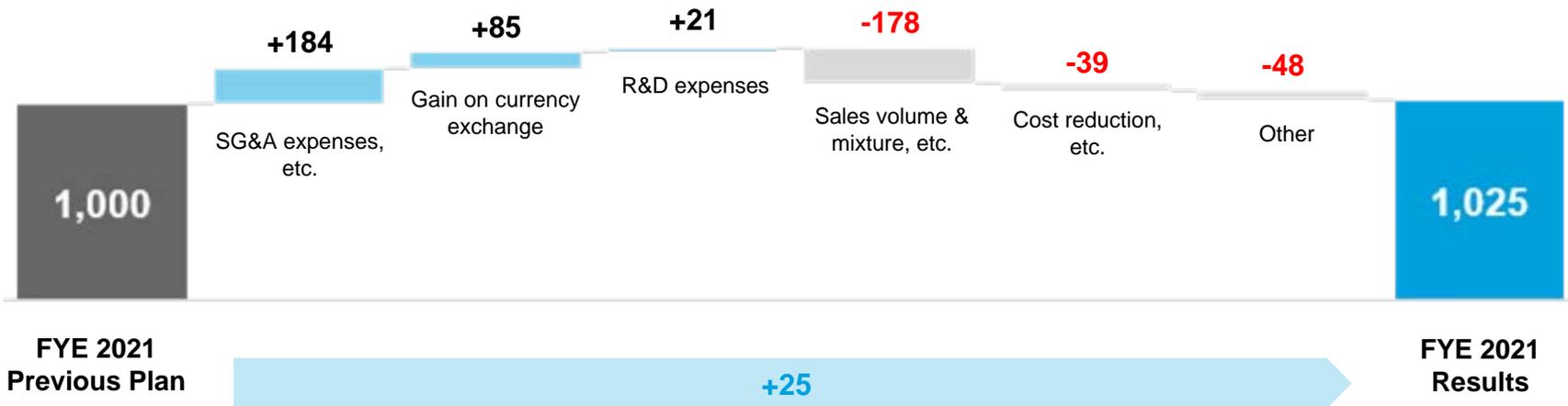


SG&A expenses, etc.				+713	Sales volume & mix, etc.		-1,284	Currency exchange		-204	Cost reduction, etc.		-171
Fixed manufacturing cost	-20	SG&A	+284	Warranty claim:	+449	Domestic	-224	US \$	-298	SUBARU	-76	SIA*1	-95
SUBARU	-51	SIA*1	+31	SUBARU	+148	Overseas	-1,387	EURO	+5	Cost reduction	+32	Cost reduction	+10
Suppliers' dies cost	+1	Suppliers' dies cost	-4	Domestic dealers	+48	Sales Incentive	+347	CAN \$	-18	Material cost, etc.	-108	Material cost, etc.	-105
Fixed processing cost	-52	Fixed processing cost	+35	SOA *2	+70	Others	-20	CNY	+0				
				SCI *3	+16			Currency exchange adjustment	+66				
				Others	+2			Unrealized gain	+41				

\*1 SIA: Subaru of Indiana Automotive, Inc. \*2 SOA: Subaru of America Inc. \*3 SCI: Subaru Canada Inc.

## Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



SG&A expenses, etc.				+184	Currency exchange		+85	Sales volume & mix, etc.		-178	Cost reduction, etc.			-39
Fixed manufacturing cost		+49	SG&A	+85	Warranty claims	+50	US \$	+8	Domestic	-53	SUBARU	-23	SIA*1	-16
SUBARU	+12	SIA*1	+37	SUBARU	+19	EURO	+7	Overseas	-177	Cost reduction	-13	Cost reduction	+2	
Suppliers' dies cost	-1	Suppliers' dies cost	+2	Domestic dealers	+6	CAN \$	+3	Sales Incentive	+75	Material cost, etc.	-10	Material cost, etc.	-18	
Fixed processing cost	+13	Fixed processing cost	+35	SOA *2	-6	CNY	+1	Others	-23					
				SCI *3	+5	Currency exchange adjustment	+34							
				Others	+61	Unrealized gain	+32							

\*1 SIA: Subaru of Indiana Automotive, Inc. \*2 SOA: Subaru of America Inc. \*3 SCI: Subaru Canada, Inc.

FYE 2021 :

## Consolidated Statement of Cash Flows / Cash and cash equivalents

(100 Million Yen)

	FYE 2020 Results	FYE 2021 Results	
	As of March 2020	As of March 2021	Variance
<b>Net cash provided by (used in) operating activities</b>	2,101	2,894	
<b>Net cash provided by (used in) investing activities</b>	-258	-2,722	
<b>Free cash flows</b>	1,843	172	
<b>Net cash provided by (used in) financing activities</b>	-158	140	
<b>Cash and cash equivalents at end of period</b>	8,590	9,073	+484
<b>Interest bearing debts Balance at end of period *</b>	2,392	3,339	+947
<b>Net cash</b>	6,198	5,734	-463

\* Lease liabilities are not included in the results above.

## Capex / Depreciation / R&D

(100 Million Yen)

	FYE 2020 Results(a)	FYE 2021 Previous Plan(b)	FYE 2021 Results(c)	Variance (c)-(a)	Variance (c)-(b)
<b>Capex</b> *1	1,260	900	<b>862</b>	-398	-38
<b>Depreciation</b> *1	961	1,000	<b>950</b>	-11	-50
<b>R&amp;D expenditures</b> *2	1,187	1,000	<b>1,016</b>	-171	+16

\*1 : Leases, capex & amortization for intangible assets and lease liabilities are not included in the results and forecast above.

\*2 : Research and development activity related costs incurred during the reporting period are written.

In accordance with IFRS, as a part of research and development expenditures is recorded as an intangible asset and amortized over its estimated useful life, this amount is different from "Research and development expenses" on Consolidated Statements of Income on IFRS.

(It matches with R&D expenses in consolidated statement of income on JGAAP)

## | Forecast for FYE 2022

## Consolidated Profit Plan

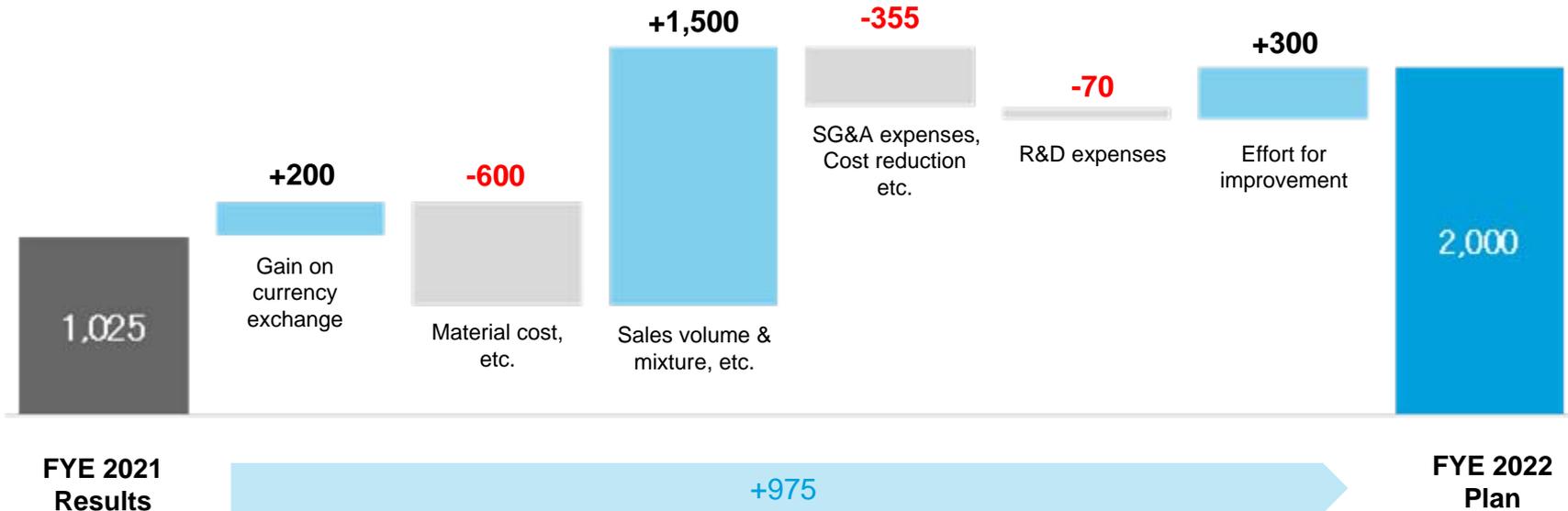
(Yen in 100 millions, Units in thousands)

		FYE 2021 Results	FYE 2022 Plan	Variance
<b>Consolidated Unit Sales</b>		860.2	1,000.0	+139.8
<b>Production *</b>		809.9	1,030.0	+220.1
<b>Revenue</b>		28,302	33,000	+4,698
<b>Operating profit</b>		1,025	2,000	+975
<b>Profit before tax</b>		1,140	2,030	+890
<b>Profit for the period attributable to owners of parent</b>		765	1,400	+635
<b>SUBARU exchange rate</b>	<b>US\$</b>	¥106	¥108	+¥2
	<b>EURO</b>	¥123	¥128	+¥5
	<b>CAN\$</b>	¥80	¥83	+¥3

\* Production figures include Toyota 86.

## Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



## Capex / Depreciation / R&D

(100 Million Yen)

	FYE 2021 Results	FYE 2022 Plan	Variance
<b>Capex</b> *1	862	<b>1,000</b>	+138
<b>Depreciation</b> *1	950	<b>1,000</b>	+50
<b>R&amp;D expenditures</b> *2	1,016	<b>1,200</b>	+184

\*1 : Leases, capex & amortization for intangible assets and lease liabilities are not included in the results and forecast above.

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(It matches with R&D expenses in consolidated statement of income on JGAAP)

## Shareholder Returns

(Yen)

### ➤ Dividend per share

	<b>FYE 2021</b>	<b>FYE 2022</b> Forecast *
<b>Interim dividend</b>	<b>28</b>	28
<b>Year-end Dividend</b>	<b>28</b>	28
<b>Total</b>	<b>56</b>	56
<b>Payout ratio</b>	<b>56.1%</b>	30.7%

\* Payout ratio : Based on the number of shares in the previous term

## Appendix (1)

- Segment information by Business & Geographic
- Overseas Revenue
- Consolidated Statement of Financial Position
- Non-consolidated Unit Sales
- Operating Results of Subsidiaries in U.S.
- FYE 2021 Results (by Quarter)
- Complete Cars Production / Retail Sales Units

FYE 2021 :

## Revenue and Operating Profit by Business Segment (Consolidated)

(100 Million Yen)

	Revenue			Operating profit		
	FYE 2020 Results	FYE 2021 Results	Variance	FYE 2020 Results	FYE 2021 Results	Variance
<b>Automobile</b>	31,939	<b>27,375</b>	-4,564	2,003	<b>1,091</b>	-912
<b>Aerospace</b>	1,421	<b>877</b>	-544	51	<b>-98</b>	-149
<b>Other</b>	80	<b>50</b>	-30	36	<b>31</b>	-5
<b>Elimination &amp; Corporate</b>				14	<b>1</b>	-13
<b>Total</b>	33,441	<b>28,302</b>	-5,139	2,103	<b>1,025</b>	-1,079

## Revenue and Operating Profit by Geographic Area (Consolidated)

(100 Million Yen)

	Revenue			Operating profit		
	FYE 2020 Results	FYE 2021 Results	Variance	FYE 2020 Results	FYE 2021 Results	Variance
Japan	8,707	6,752	-1,955	1,027	-356	-1,383
North America	23,118	20,302	-2,816	1,151	1,027	-124
Other	1,616	1,247	-369	21	31	+10
Elimination & Corporate				-95	322	+417
<b>Total</b>	<b>33,441</b>	<b>28,302</b>	<b>-5,139</b>	<b>2,103</b>	<b>1,025</b>	<b>-1,079</b>

## Overseas Revenue (Consolidated)

(100 Million Yen)

	FYE 2020 Results	FYE 2021 Result	Variance
<b>North America</b>	24,131	<b>20,830</b>	-3,301
<b>Europe</b>	1,162	<b>536</b>	-627
<b>Asia</b>	1,064	<b>940</b>	-123
<b>Other</b>	1,357	<b>1,012</b>	-345
<b>Total</b>	27,714	<b>23,319</b>	-4,396

## Consolidated Statement of Financial Position

(100 Million Yen)

	As of March 2020	As of March 2021	Variance
<b>Total assets</b>	32,939	34,117	+1,178
Current assets	19,788	19,828	+41
Non-current assets	13,151	14,289	+1,137
<b>Total liabilities</b>	15,738	16,253	+515
Interest bearing debts	2,392	3,339	+947
<b>Total equity</b>	17,201	17,864	+663
Retained earnings	13,972	14,353	+381
Equity attributable to owners of parent	17,129	17,777	+649
Ratio of equity attributable to owners of parent to total assets	52.0%	52.1%	-
D/E ratio	0.14	0.19	-

## Non-consolidated Unit Sales

(Thousand Units)

	FYE 2020 Results	FYE 2021 Result	Variance
<b>Domestic production*</b>	663.6	<b>524.7</b>	-138.9
<b>Domestic sales</b>	128.5	<b>105.7</b>	-22.8
Passenger cars	103.8	<b>84.5</b>	-19.3
Minicars	24.7	<b>21.2</b>	-3.5
<b>Number of exported vehicles</b>	551.2	<b>438.8</b>	-112.3
<b>Components for overseas production</b>	381.2	<b>275.7</b>	-105.5
<b>Total</b>	1,060.8	<b>820.2</b>	-240.6

\* Production figures include Toyota 86.

FYE 2021:

## Operating Results of Subsidiaries in U.S.

(Million US\$)

<b>SOA *1</b>	<b>Results</b> FYE 2020	<b>Results</b> FYE 2021	<b>Variance</b>
<b>Net sales</b>	19,957	<b>18,028</b>	-1,929
<b>Operating income</b>	880	<b>966</b>	+85
<b>Net income</b>	681	<b>831</b>	+150
<b>Retail sales</b> (Thousand units)	671.3	<b>639.7</b>	-31.6
<b>SIA *2</b>	<b>Results</b> FYE 2020	<b>Results</b> FYE 2021	<b>Variance</b>
<b>Net sales</b>	9,050	<b>7,252</b>	-1,798
<b>Operating income</b>	87	<b>-42</b>	-129
<b>Net income</b>	92	<b>-30</b>	-121
<b>Production sales</b> (Thousand units)	367.3	<b>285.2</b>	-82.1

\*1 SOA: Subaru of America Inc. \*2 SIA: Subaru of Indiana Automotive, Inc.

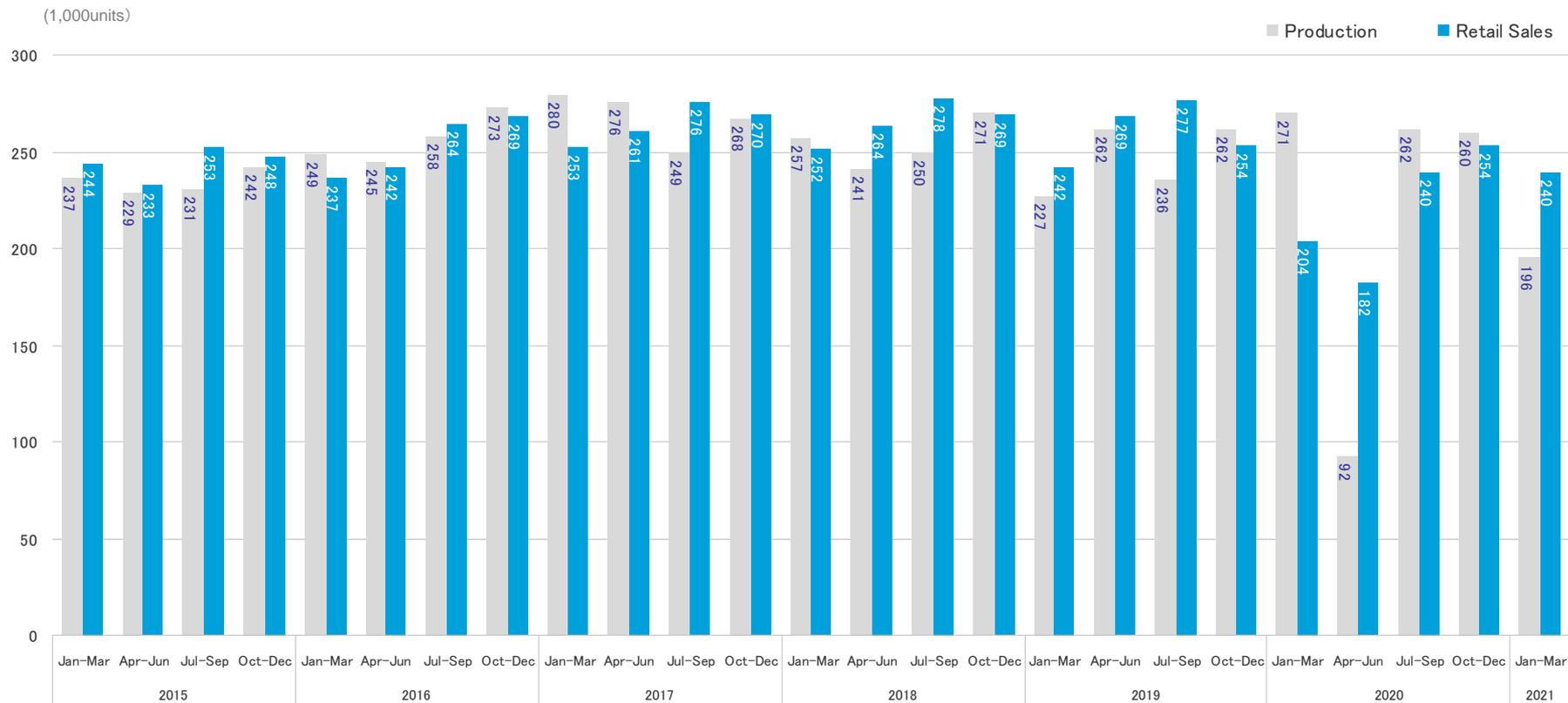
## FYE 2021 Results (by Quarter)

(Yen in 100 millions, Units in thousands)

FYE 2021 Results				
	1Q	2Q	3Q	4Q
<b>Consolidated Unit Sales</b>	133.1	230.3	267.8	229.1
<b>Production *</b>	92.2	261.7	260.4	195.6
<b>Revenue</b>	4,570	7,614	8,564	7,554
<b>Operating profit</b>	-157	463	676	42
<b>Profit for the period attributable to owners of parent</b>	-77	314	505	23
<b>SUBARU exchange rate US\$</b>	¥107	¥107	¥105	¥104

\* Production figures include Toyota 86.

## Complete Cars Production / Retail Sales Units



\* Production figures include Toyota 86.



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.