



Consolidated Financial Results for FYE 2022

SUBARU CORPORATION

Tomomi Nakamura, Representative Director, President & CEO

May 12th, 2022

Summary

(Yen in 100 millions, Units in thousands)

	Results					Plan	
	FYE 2021 Results (a)	FYE 2022 Previous Plan* (b)	FYE 2022 Results (c)	Variance (c)-(a)	Variance (c)-(b)	FYE 2023 (d)	Variance (d)-(c)
Consolidated Unit Sales	860	740	734	-126	-6	940	+206
Production	810	-	727	-83	-	1,000	+273
Revenue	28,302	27,000	27,445	-857	+445	35,000	+7,555
Operating profit	1,025	1,000	905	-120	-95	2,000	+1,095
Profit for the period attributable to owners of parent	765	750	700	-65	-50	1,400	+700
SUBARU exchange rate US\$	¥106	¥112	¥112	+¥6	-¥0	¥120	+¥8

* Announced on February 7, 2022



| Overview of Domestic Production Reorganization Plan

CO₂ reduction roadmap (announced at the Subaru Technology Briefing in January 2020)

By 2030 ▶ Make at least 40% of Subaru's global sales BEVs or HEVs.

By the 1st half of the 2030s ▶ Apply electrification technologies to all Subaru vehicles sold worldwide.

By 2050 ▶ Reduce average well-to-wheel CO₂ emissions from new vehicles sold worldwide by at least 90% compared to 2010 levels.

Contribute toward achieving carbon neutrality

With highly responsive electric motors,
Subaru's AWD capability and driving dynamics will be further enhanced.

We will continue to enhance the Subaru difference in the age of electrification and **accelerate the roadmap toward 2050.**



Introduction of the Solterra with the goal of achieving the “Subaru difference”

Test drive events held in various regions

“The Solterra demonstrated amazing capabilities in harsh conditions. It thrives in the snow, not in spite of, but because of being an EV.” *

- Takayuki Kinoshita, Sankei Biz (Japan)



“Current Subaru owners looking to make the switch to an EV will stay with the brand because the Solterra is exactly what they’re looking for: an all-electric Subaru.”

- Beverly Braga, Motor1.com (U.S.)

“Maximum confidence level. All the sensations that give so much pleasure behind the wheel of a Subaru are present. I am so fascinated that I do not realize that I am driving an EV.” *

- Bianca H., Movia News (Europe)

* Comments from Japan and Europe have been translated into English from the original languages.

The high level of compatibility between Subaru and BEVs has been felt by many people through driving the Solterra.

Strategic reorganization of domestic production for the expansion and acceleration of electrified vehicle development

2022

Mid-2020s

2027 or later

BEV

Solterra released



(Production launch through the alliance)

Starting in-house BEV production
(Starting with ICE/BEV mixed production line)

Adding dedicated BEV
production line

HEV

e-BOXER

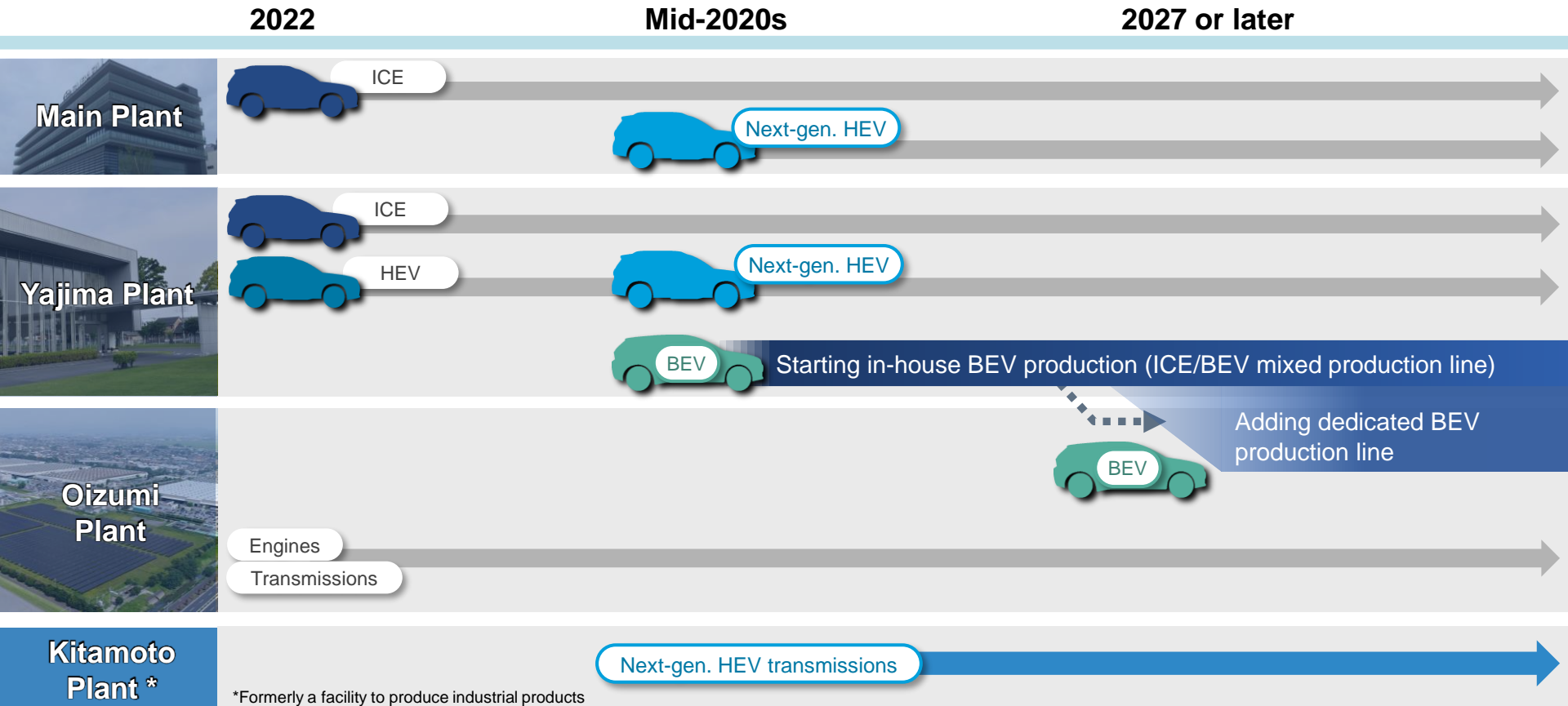
Introducing next-generation HEV models
(Adopting THS* technology)

* THS: TOYOTA Hybrid System

We will strategically reorganize production in Japan for the expansion and acceleration of electrified vehicle development with the aims of

- Building a production structure that can flexibly respond to changing demand during the BEV transition period
- Improving BEV business profitability through highly efficient production

Strategic reorganization of domestic production







Consolidated Financial Results for FYE 2022

SUBARU CORPORATION

Katsuyuki Mizuma, Director, Executive Vice President & CFO

May 12th, 2022

| Consolidated Financial Results for FYE 2022

FYE 2022 :

Consolidated Unit Sales / Complete Cars Production

(Thousand Units)

	FYE 2021 Results(a)	FYE 2022 Previous Plan(b)	FYE 2022 Results(c)	Variance (c)-(a)	Variance (c)-(b)
Production in U.S.	285	-	272	-14	-
Production in Japan	525	-	455	-70	-
Production* Total	810	-	727	-83	-

	FYE 2021 Results(a)	FYE 2022 Previous Plan(b)	FYE 2022 Results(c)	Variance (c)-(a)	Variance (c)-(b)
Consolidated Unit Sales Total	860	740	734	-126	-6

* Production figures include Toyota GR86.

Consolidated Unit Sales (by market)

(Thousand Units)

	FYE 2021 Results	FYE 2022 Results	Variance
Passenger cars	82	73	-9
Minicars	20	17	-3
Domestic total	102	89	-12
U.S.	612	506	-105
Canada	50	49	-1
Russia	5	4	-0
Europe	14	15	+1
Australia	31	33	+2
China	24	14	-11
Others	23	23	+0
Overseas total	758	645	-114
Total	860	734	-126

FYE 2022 :

Consolidated Profit Results

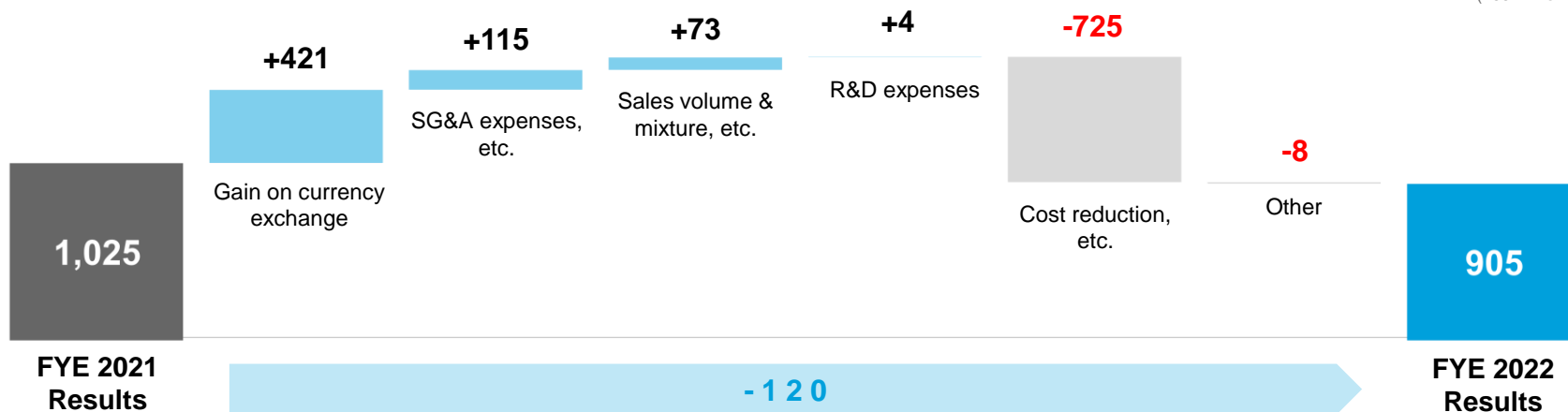
(100 Million Yen)

	FYE 2021 Results(a)	FYE 2022 Previous Plan(b)	FYE 2022 Results(c)	Variance (c)-(a)	Variance (c)-(b)
Revenue	28,302	27,000	27,445	-857	+445
Domestic	4,983	4,873	4,880	-103	+7
Overseas	23,319	22,127	22,565	-754	+438
Operating profit	1,025	1,000	905	-120	-95
Profit before tax	1,140	1,100	1,070	-70	-30
Profit for the period attributable to owners of parent	765	750	700	-65	-50
SUBARU exchange rate					
US\$	¥106	¥112	¥112	+¥6	-¥0
EURO	¥123	¥130	¥130	+¥7	+¥0
CAN\$	¥80	¥89	¥89	+¥9	-¥0

FYE 2022 :

Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



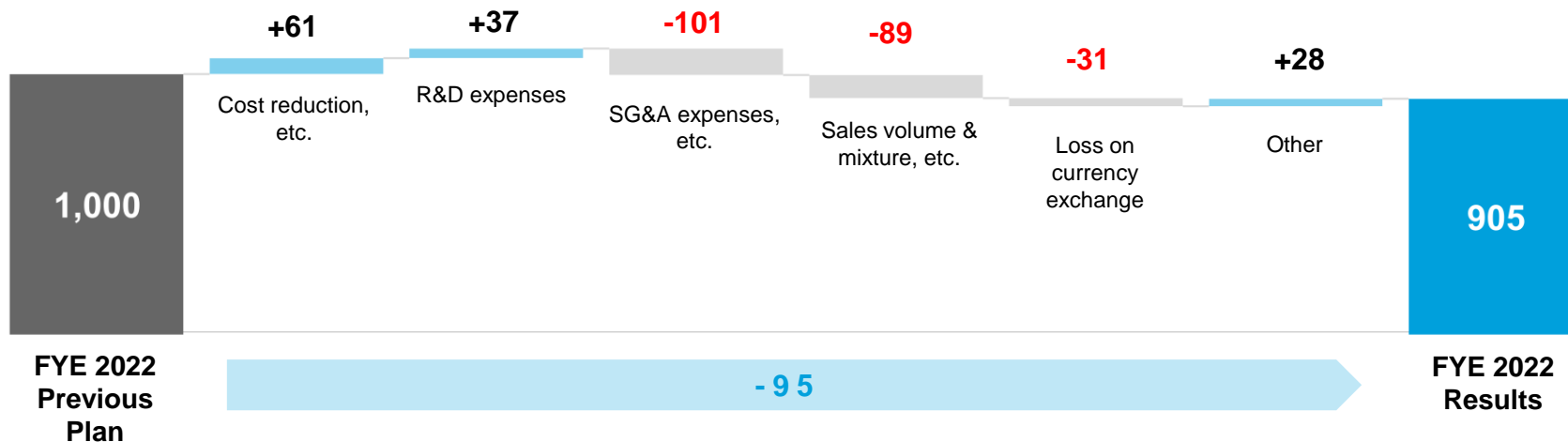
Currency exchange	+421	SG&A expenses, etc.				+115	Sales volume & mix, etc.	+73	Cost reduction, etc.				-725	
US \$	+477	Fixed manufacturing cost		-131	SG&A	-169	Warranty claims	+415	Domestic	-68	SUBARU	-406	SIA*1	-319
EURO	+12	SUBARU	-131	SIA*1	+0	SUBARU	-121		Overseas	-597	Cost reduction	+36	Cost reduction	+35
CAN \$	+65	Suppliers' dies cost	-93	Suppliers' dies cost	+23	Domestic dealers	-		Sales Incentive	+493	Material cost, etc.	-442	Material cost, etc.	-354
CNY	+1	Fixed processing cost	-38	Fixed processing cost	-23	SOA *2	-46		Others	+245				
Currency exchange adjustment	+43					SCI *3	-17							
Unrealized gain	-177					Others	+15							

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

Previous Plan FYE 2022 (as of February 7th) vs Results :

Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



Cost reduction, etc.		+61		SG&A expenses, etc.				-101		Sales volume & mix, etc.		-89		Currency exchange		-31	
SUBARU	+75	SIA*1	-14	Fixed manufacturing cost		+29	SG&A	-27	Warranty claims		Domestic	+13	US \$	-56			
Cost reduction	-1	Cost reduction	+12	SUBARU	+0	SIA*1	+29	SUBARU	+43	(including impact of foreign currency translation)	Overseas	-331	EURO	+3			
Material cost, etc.	+76	Material cost, etc.	-26	Suppliers' dies cost	-4	Suppliers' dies cost	+1	Domestic dealers	-1		Sales Incentive	+113	CAN \$	-10			
				Fixed processing cost	+4	Fixed processing cost	+28	SOA *2	-46		Others	+116	CNY	-			
								SCI *3	+4				Currency exchange adjustment	+64			
								Others	-27			Unrealized gain	-32				

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

Consolidated Statement of Cash Flows / Cash and cash equivalents

(100 Million Yen)

	FYE 2021 Results	FYE 2022 Results	
	As of March 2021	As of March 2022	Variance
Net cash provided by (used in) operating activities	2,894	1,957	
Net cash provided by (used in) investing activities	-2,722	-1,797	
Free cash flows	172	159	
Net cash provided by (used in) financing activities	140	-985	
Cash and cash equivalents at end of period	9,073	8,831	-243
Interest bearing debts Balance at end of period *	3,339	3,340	+2
Net cash	5,734	5,490	-244

* Lease liabilities are not included in the results above.

Capex / Depreciation / R&D

(100 Million Yen)

	FYE 2021 Results(a)	FYE 2022 Previous Plan(b)	FYE 2022 Results(c)	Variance (c)-(a)	Variance (c)-(b)
Capex *1	862	900	861	-1	-39
Depreciation *1	950	1,000	946	-4	-54
R&D expenditures *2	1,016	1,200	1,138	+121	-62

*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 2023

Consolidated Unit Sales / Complete Cars Production

(Thousand Units)

	FYE 2022 Results	FYE 2023 Plan	Variance
Production in U.S.	272	-	-
Production in Japan	455	-	-
Production* Total	727	1,000	+273

	FYE 2022 Results	FYE 2023 Plan	Variance
Consolidated Unit Sales Total	734	940	+206

* Production figures include Toyota GR86.

Consolidated Unit Sales (by market)

(Thousand Units)

	FYE 2022 Results	FYE 2023 Plan	Variance
Passenger cars	73	91	+18
Minicars	17	24	+7
Domestic total	89	115	+25
U.S.	506	636	+130
Canada	49	53	+3
China	14	19	+5
Others	75	118	+43
Overseas total	645	826	+181
Total	734	940	+206

Consolidated Profit Plan

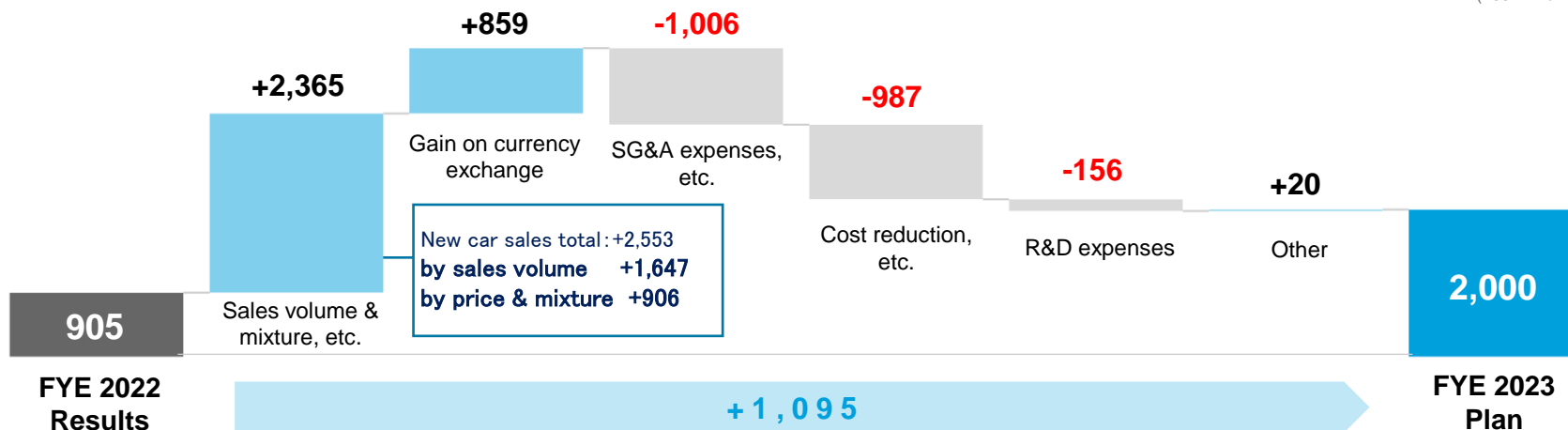
(Yen in 100 millions, Units in thousands)

	FYE 2022 Results	FYE 2023 Plan	Variance
Revenue	27,445	35,000	+7,555
Operating profit	905	2,000	+1,095
Profit before tax	1,070	2,000	+930
Profit for the period attributable to owners of parent	700	1,400	+700
SUBARU exchange rate			
US\$	¥112	¥120	+¥8
EURO	¥130	¥130	-¥0
CAN\$	¥89	¥95	+¥6

* Production figures include Toyota GR86.

Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



Sales volume & mix, etc.	+2,365	Currency exchange	+859	SG&A expenses, etc.				-1,006	Cost reduction, etc.			-987	
Domestic	+261	US \$	+932	Fixed manufacturing cost	-262	SG&A	-346	Warranty claims	-398	SUBARU	-654	SIA*1	-333
Overseas	+2,292	EURO	-1	SUBARU	-225	SIA*1	-37	SUBARU	-208	Cost reduction	+28	Cost reduction	+27
Sales Incentive	-406	CAN \$	+55	Suppliers' dies cost	-99	Suppliers' dies cost	-30	Domestic dealers	-26	Material cost, etc.	-682	Material cost, etc.	-360
Others	+218	CNY	-	Fixed processing cost	-126	Fixed processing cost	-7	SOA *2	-89				
		Currency exchange adjustment	-73					SCI *3	-16				
		Unrealized gain	-54					Others	-7				

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Capex / Depreciation / R&D

(100 Million Yen)

	FYE 2022 Results	FYE 2023 Plan	Variance
Capex *1	861	1,400	+539
Depreciation *1	946	1,000	+54
R&D expenditures *2	1,138	1,200	+62

*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.

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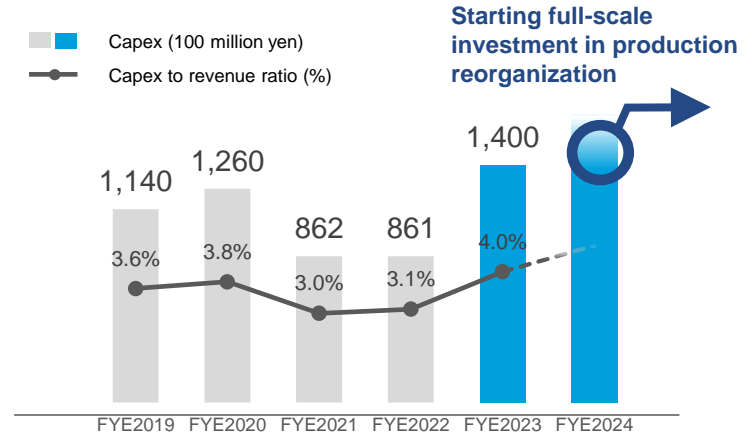
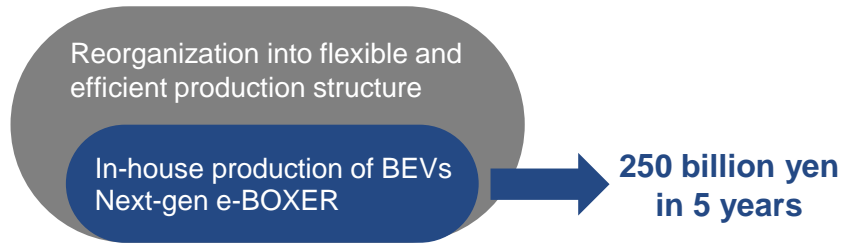
(It matches with R&D expenses in consolidated statement of income on JGAAP)

For the Acceleration of Electrification

■ Strategic reorganization of domestic production

Capex

- In FYE 2024, starting full-scale investment in reorganization of production including production of BEVs and HEVs.



* Leases, capex & amortization for intangible assets and lease liabilities are not included in the results and forecast above.
* All figures are based on IFRS.

R&D expenditures

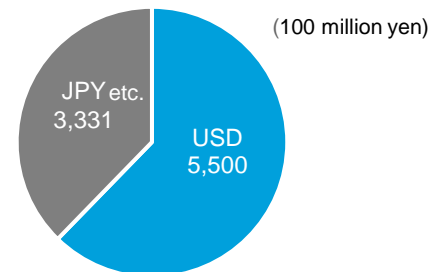
- Maintain a level of around 120 billion yen/year as previously announced in May 2021 by reallocating resources, strengthening alliances and so on while accelerating electrification.

For the Acceleration of Electrification

■ Financial policy updated to utilize net cash for future growth investment

- Utilization of yen funds and debt financing as needed considering business portfolio and the global financial environment.
- Ensuring high financial soundness while maintaining a capital equity ratio of 50%.
- Targets remain unchanged at industry-leading operating margin of 8% and ROE of at least 10%.

Cash and cash equivalents at the end of FYE2022



■ Our stance on shareholder return remains unchanged while striving to generate cash flow

- Positioning dividends as the main form of return to shareholders with emphasis on stable, continuous returns. Based on the performance-linked approach, dividend payments will be determined considering the business performance of each fiscal year, investment plans, and the business environment. (Consolidated payout ratio: 30%–50%)
- Conducting share repurchases flexibly in line with our cash flow.

Shareholder Returns

(Yen)

➤ Dividend per share

	FYE 2022	FYE 2023 Forecast *
Interim dividend	28	28
Year-end Dividend	28	28
Total	56	56
Payout ratio	61.3%	30.7%

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

Appendix

- Segment information by Business & Geographic
- Overseas Revenue
- Consolidated Statement of Financial Position
- Non-consolidated Unit Sales
- Operating Results of Subsidiaries in U.S.
- Consolidated Financial Results for 4th Quarter (3 months)
- FYE 2022 Results (by Quarter)
- Complete Cars Production / Retail Sales Units

Revenue and Operating Profit by Business Segment (Consolidated)

(100 Million Yen)

	Revenue			Operating profit		
	FYE 2021 Results	FYE 2022 Results	Variance	FYE 2021 Results	FYE 2022 Results	Variance
Automobile	27,375	26,775	-600	1,091	925	-165
Aerospace	877	623	-254	-98	-70	+28
Other	50	48	-3	31	48	+17
Elimination & Corporate				1	1	-0
Total	28,302	27,445	-857	1,025	905	-120

Revenue and Operating Profit by Geographic Area (Consolidated)

(100 Million Yen)

	Revenue			Operating profit		
	FYE 2021 Results	FYE 2022 Results	Variance	FYE 2021 Results	FYE 2022 Results	Variance
Japan	6,752	6,663	-90	-356	-195	+161
North America	20,302	19,688	-614	1,027	1,109	+82
Other	1,247	1,094	-153	31	29	-2
Elimination & Corporate				322	-39	-361
Total	28,302	27,445	-857	1,025	905	-120

Overseas Revenue (Consolidated)

(100 Million Yen)

	FYE 2021 Results	FYE 2022 Results	Variance
North America	20,830	20,040	-791
Europe	536	642	+106
Asia	940	734	-206
Other	1,012	1,149	+137
Total	23,319	22,565	-754

Consolidated Statement of Financial Position

(100 Million Yen)

	As of March 2021	As of March 2022	Variance
Total assets	34,117	35,438	+1,320
Current assets	19,828	20,422	+594
Non-current assets	14,289	15,015	+726
Total liabilities	16,253	16,427	+174
Interest bearing debts	3,339	3,340	+2
Total equity	17,864	19,010	+1,146
Retained earnings	14,353	14,663	+310
Equity attributable to owners of parent	17,777	18,908	+1,131
Ratio of equity attributable to owners of parent to total assets	52.1%	53.4%	+1.3%
D/E ratio	0.19	0.18	-0.01

Non-consolidated Unit Sales

(Thousand Units)

	FYE 2021 Results	FYE 2022 Results	Variance
Domestic production*	525	455	-70
Domestic sales	106	90	-15
Passenger cars	84	73	-11
Minicars	21	17	-4
Export total	439	371	-68
Components for overseas production	276	308	+32
Total	820	769	-51

* Production figures include Toyota GR86.

Operating Results of Subsidiaries in U.S.

(Million US\$)

SOA *1	FYE 2021 Results	FYE 2022 Results	Variance
Net sales	18,028	16,257	-1,771
Operating income	966	1,096	+130
Net income	831	852	+21
Retail sales (Thousand units)	640	553	-87
SIA *2	FYE 2021 Results	FYE 2022 Results	Variance
Net sales	7,252	7,109	-143
Operating income	-42	-260	-217
Net income	-30	-212	-182
Production sales (Thousand units)	285	272	-14

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

4th Quarter (3 months) :

Consolidated Unit Sales (by market)

(Thousand Units)

	FYE 2021 4Q Results	FYE 2022 4Q Results	Variance
Passenger cars	27	19	-8
Minicars	5	5	-0
Domestic total	32	24	-8
U.S.	155	135	-20
Canada	11	10	-1
Russia	2	1	-1
Europe	4	3	-1
Australia	11	7	-4
China	4	3	-1
Others	10	5	-5
Overseas total	197	163	-34
Total	229	187	-43

4th Quarter (3 months) :

Consolidated Profit Results

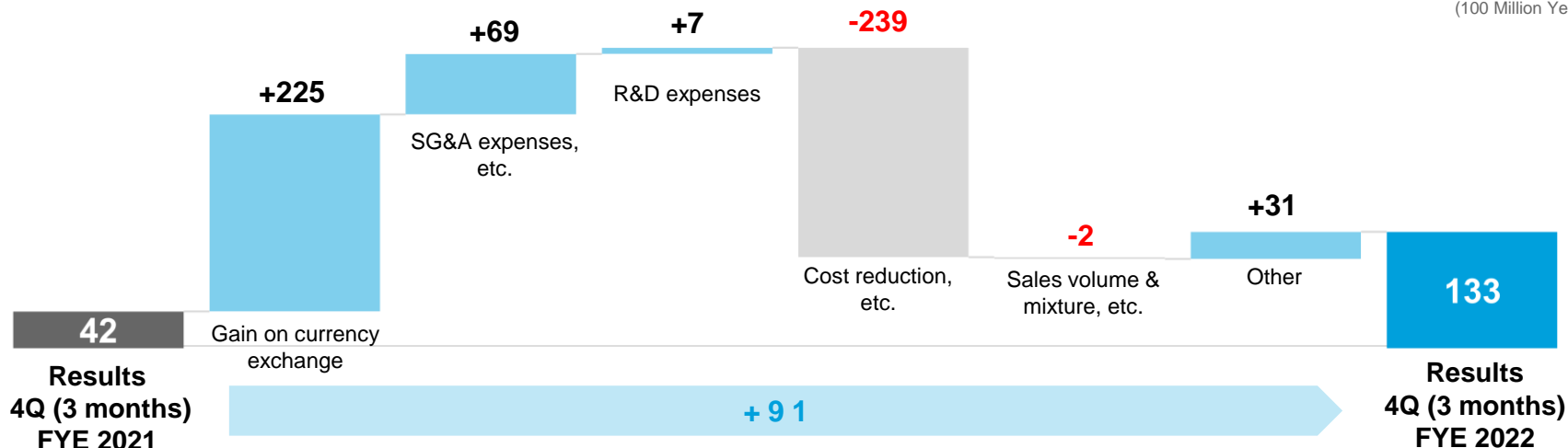
(100 Million Yen)

	FYE 2021 4Q Results	FYE 2022 4Q Results	Variance
Revenue	7,554	7,370	-184
Domestic	1,558	1,423	-135
Overseas	5,996	5,947	-49
Operating profit	42	133	+91
Profit before tax	83	157	+75
Profit for the period attributable to owners of parent	23	71	+48
SUBARU exchange rate			
US\$	¥104	¥115	+¥10
EURO	¥126	¥130	+¥3
CAN\$	¥82	¥90	+¥8

4th Quarter (3 months) :

Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



Currency exchange	+225	SG&A expenses, etc.				+69	Cost reduction, etc.			-239	Sales volume & mix, etc.	-2		
US \$	+186	Fixed manufacturing cost		-40	SG&A	-29	Warranty claims	+138	SUBARU	-112	SIA*1	-127	Domestic	-49
EURO	-	SUBARU	-17	SIA*1	-23	SUBARU	-43		Cost reduction	-5	Cost reduction	+11	Overseas	-178
CAN \$	+8	Suppliers' dies cost	-21	Suppliers' dies cost	-2	Domestic dealers	+3		Material cost, etc.	-107	Material cost, etc.	-138	Sales Incentive	+171
CNY	+1	Fixed processing cost	+4	Fixed processing cost	-21	SOA *2	+22						Others	+54
Currency exchange adjustment	+13				SCI *3	-2								
Unrealized gain	+17				Others	-9								

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

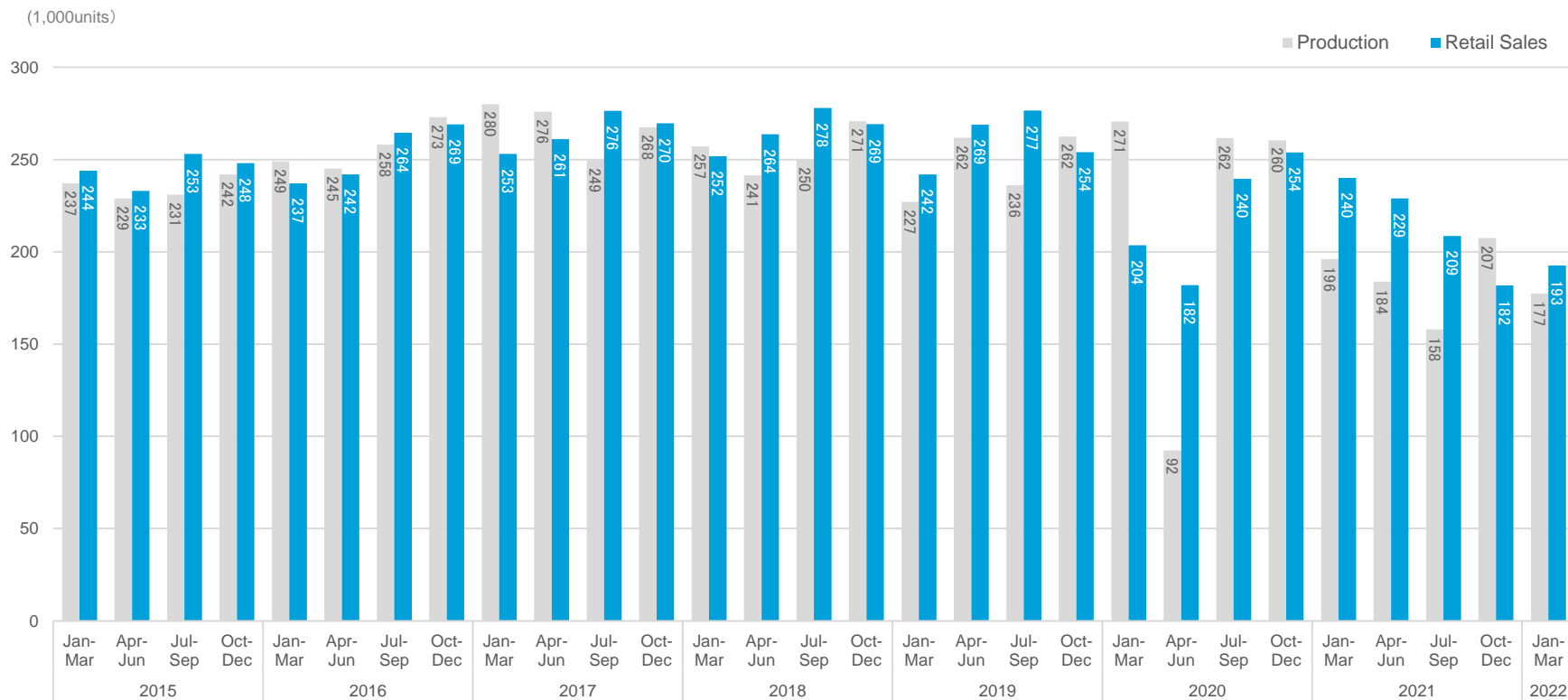
FYE 2022 Results(by Quarter)

(Yen in 100 millions, Units in thousands)

	FYE 2022 Results			
	1Q	2Q	3Q	4Q
Consolidated Unit Sales	175	200	172	187
Production *	184	158	207	177
Revenue	6,352	7,065	6,659	7,370
Operating profit	295	249	227	133
Profit for the period attributable to owners of parent	185	263	181	71
SUBARU exchange rate US\$	¥109	¥110	¥113	¥115

* Production figures include Toyota GR86.

Complete Cars Production / Retail Sales Units



* Production figures include Toyota GR86.



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.