Consolidated Financial Results for the 1st Quarter of FYE 2026

SUBARU CORPORATION
Atsushi Osaki, Representative Director, President & CEO

August 7th, 2025

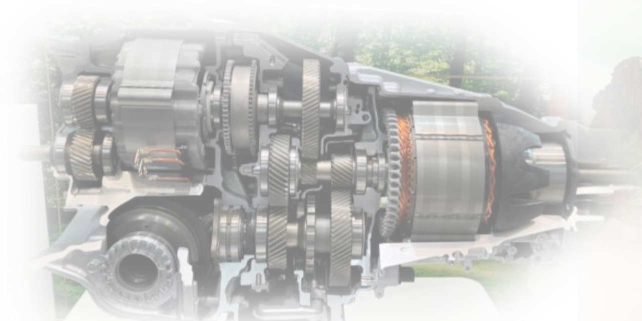
Turning Changes into Opportunities for Further Growth

- **Tariff** uncertainties reduced to some extent, but **significant impacts** remain
- Forecast for FYE March 2026: **Operating profit of 200 billion yen**
  Shareholder return: **Share repurchases up to 50 billion yen**
- Maximizing this fiscal year's profits by **capturing opportunities as one team**
- **Commitment to the U.S. market** will remain unchanged
- Working to develop a **future vision** that responds to the rapidly changing business environment

Trailseeker

Enhancing Flexibility in Production Strategies to Adapt to Changes in Environmental Regulations and Market Demand

- **Increasing hybrid transaxle production capacity**
  (to level a little under 300,000 units annually in 2027)
- **Raising** the production **ratio of ICE/hybrid vehicles**
- **50% BEV sales ratio** expected **after 2030**
- **Re-examining** the timing and allocation of **the 1.5 trillion yen electrification investment**



Hybrid Transaxle

Forester Hybrid

Consolidated Financial Results for the 1st Quarter of FYE 2026

SUBARU CORPORATION
Shinsuke Toda, Director, Managing Executive Officer & CFO

August 7th, 2025

Key Points

■ Results for the 1st Quarter of FYE 2026

- **Production: 247,000 units (up 3.3% y/y) / Consolidated unit sales: 244,000 units (up 15.1% y/y)**
  Strong sales of models such as the Forester and Crosstrek
- **Operating profit: 76.4 billion yen (down 16.2% y/y)**
  Simultaneous achievement of increased consolidated unit sales and controlled sales incentives
  Full-scale impact of additional U.S. tariffs starting in the middle of the first quarter

■ Forecast for FYE 2026

- **Production: 900,000 units / Consolidated unit sales: 920,000 units**
  Production constraints due to construction for in-house battery EV manufacturing, offset by efficient sales through agile shipment coordination across markets and models
- **Operating profit: 200 billion yen (down 50.7% y/y)**
  Full-year impact of additional tariffs: 210 billion yen; despite reduced production volume and yen appreciation, profitability maximized through improved productivity, enhanced sales mix, and reduced costs

*Notes on figures in the results: Vehicle volume figures are rounded to the nearest thousand. Yen figures are rounded to the nearest hundred million.

Consolidated Financial Results for the 1st Quarter (3 months) of FYE 2026

1st Quarter (3 months) :

Complete Cars Production / Consolidated Unit Sales

(Thousand Units)

	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
Production in U.S.	96	**94**	-2
Production in Japan	143	**152**	+10
Production* Total	239	**247**	+8

	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
Consolidated Unit Sales Total	212	**244**	+32

* Production figures include Toyota GR86.

1st Quarter (3 months) :

Consolidated Unit Sales (by market)

:

(Thousand Units)

	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
Passenger cars	20	**20**	-0
Minicars	3	**4**	+1
Domestic total	23	**24**	+1
U.S.	147	**171**	+25
Canada	18	**19**	+0
Europe	6	**5**	-0
Australia	9	**15**	+5
China	0	**1**	+0
Others	8	**9**	+1
Overseas total	189	**220**	+31
Total	212	**244**	+32

1st Quarter (3 months) :

Consolidated Profit Results

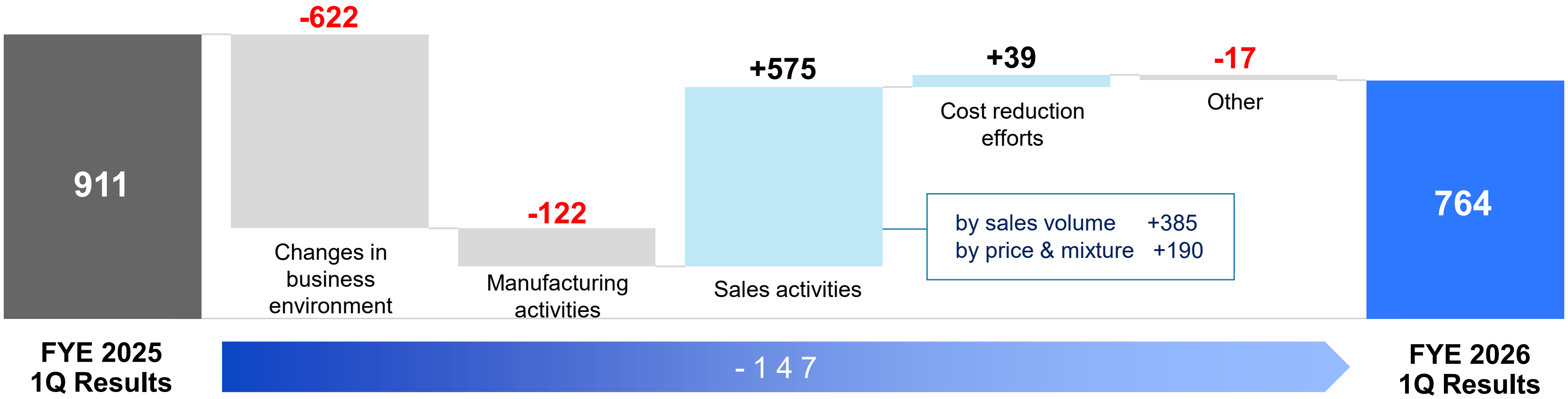
(100 Million Yen)

		FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
Revenue		10,921	**12,141**	+1,220
Domestic		1,503	**1,551**	+48
Overseas		9,418	**10,590**	+1,172
Operating profit		911	**764**	-147
Profit before tax		1,080	**785**	-296
Profit for the period attributable to owners of parent		840	**548**	-292
SUBARU exchange rate	**US$**	¥153	**¥146**	-¥7
	EURO	¥164	**¥162**	-¥2
	CAN$	¥112	**¥104**	-¥9

1st Quarter (3 months) :

Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



Changes in business environment	-622	Manufacturing activities	-122	Sales activiy	+575	Cost reduction efforts	+39	Other	-17
Currency exchange	+76	Fixed manufacturing cost	-9	Sales volume & mix , etc.	+575	Cost reduction	+39	Warranty claims	-172
▪ Sales and purchase exchange rate difference	-335	R&D expenses	-113	Sales incentives	+11			Other expense	-37
▪ End-of-period exchange rate difference	+182			Sales related cost	-10			All others	+192
▪ Unrealized gain	+229			Parts and Accessories	-31				
Material cost, etc.	-142			Other profit related to vehicle	+30				
Impact of U.S. Additional Tariffs	-556								

FYE 2026 :

Consolidated Statement of Cash Flows / Cash and cash equivalents

(100 Million Yen)

	FYE 2025 1Q Results	FYE 2026 1Q Results
Net cash provided by (used in) operating activities	400	**1,472**
Net cash provided by (used in) investing activities	-745	**-1,020**
Free cash flows	-346	**452**
Net cash provided by (used in) financing activities	-879	**-665**
Effect of exchange rate change on cash and cash equivalents	294	**-106**

	As of March 2025	As of June 2025	Variance
Cash and cash equivalents including time deposits(A)	15,897	**15,492**	-404
Cash and cash equivalents	9,415	**9,095**	-319
Time deposits	6,482	**6,397**	-85
Interest bearing debts Balance at end of period*(B)	3,995	**3,910**	-85
Net cash including time deposits(A-B)	11,902	**11,582**	-319

* Lease liabilities are not included in the results above.

Capex / Depreciation / R&D

(100 Million Yen)

	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
Capex *1	435	**351**	-84
Depreciation *1	249	**231**	-18
R&D expenditures *2	308	**346**	+38

*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 2026

FYE 2026 Plan :

Complete Cars Production / Consolidated Unit Sales

(Thousand Units)

	FYE 2025 Results(a)	FYE 2026 Previous Plan(b) *2	FYE 2026 Revised Plan(c)	Variance (c)-(a)	Variance (c)-(b)
Production in U.S.	345	-	-	-	-
Production in Japan	602	-	-	-	-
Production*1 Total	946	900	**900**	-46	±0

	FYE 2025 Results(a)	FYE 2026 Previous Plan(b)	FYE 2026 Revised Plan(c)	Variance (c)-(a)	Variance (c)-(b)
Consolidated Unit Sales Total	936	900	**920**	-16	+20

*1:Production figures include Toyota GR86.

*2:Announced on May 14th, 2025

FYE 2026 Plan :

Consolidated Unit Sales (by market)

:

(Thousand Units)

	FYE 2025 Results (a)	FYE 2026 Previous Plan (b)	FYE 2026 Revised Plan (c)	Variance (c)-(a)	Variance (c)-(b)
Domestic total	104	-	**110**	+6	-
North America	732	-	**725**	-7	-
Others	101	-	**85**	-16	-
Overseas total	832	-	**810**	-22	-
Total	936	900	**920**	-16	+20

FYE 2026 Plan :

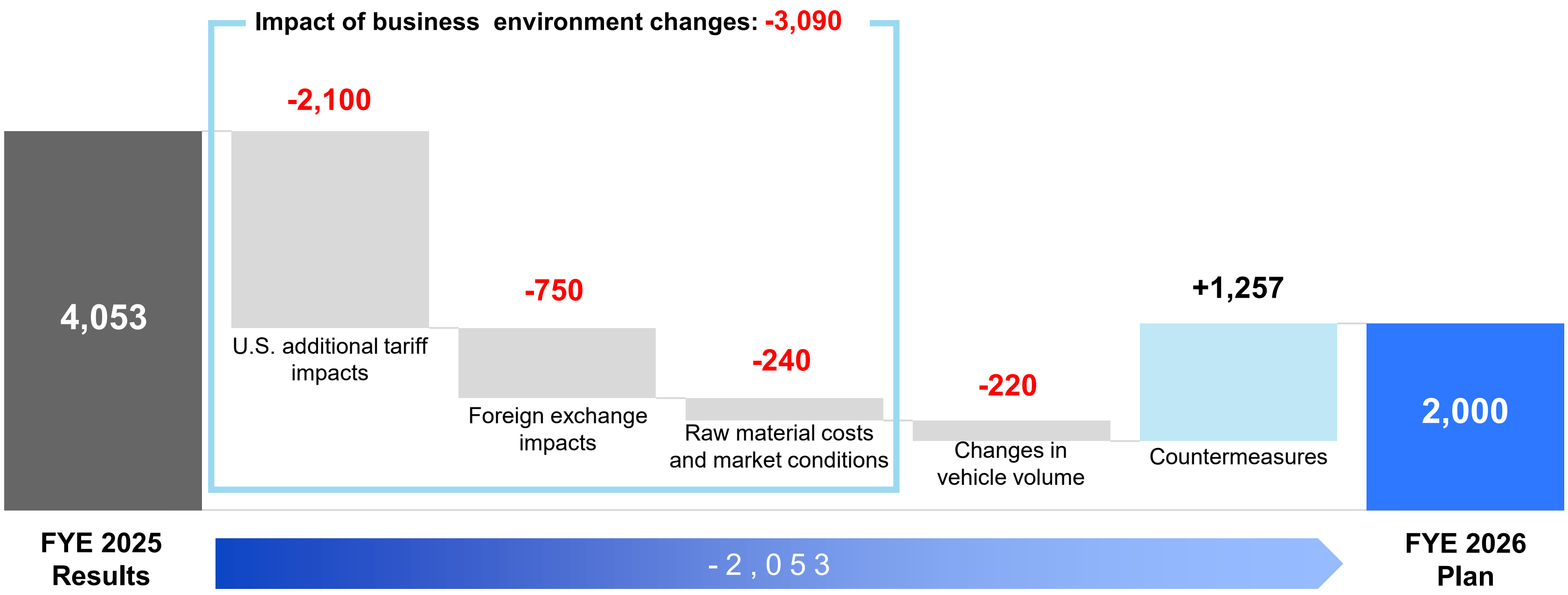
Consolidated Profit Plan

(Yen in 100 millions)

		FYE 2025 Results	FYE 2026 Plan	Variance
Revenue		46,858	**45,800**	-1,058
Domestic		6,514	**-**	-
Overseas		40,344	**-**	-
Operating profit		4,053	**2,000**	-2,053
Profit before tax		4,485	**2,300**	-2,185
Profit for the period attributable to owners of parent		3,381	**1,600**	-1,781
SUBARU exchange rate	**US$**	¥152	**¥145**	-¥7
	EURO	¥162	**¥155**	-¥7
	CAN$	¥110	**¥100**	-¥10

Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



Capex / Depreciation / R&D

(100 Million Yen)

	FYE 2025 Results(a)	FYE 2026 Previous Plan(b)	FYE 2026 Revised Plan(c)	Variance (c)-(a)	Variance (c)-(b)
Capex *1	1,761	TBD	**2,500**	+739	-
Depreciation *1	968	1,000	**1,000**	+32	±0
R&D expenditures *2	1,600	1,400	**1,600**	+0	+200

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

Shareholder Returns

(Yen)

	FYE2025 Results	FYE2026 Forecast
Interim Dividend	48	**57**
Year-end Dividend	67	**58**
Annual Dividend	115	**115**
Share Repurchases	up to 50 billion yen	**TBD**

* Due to the Share Repurchases, the total return ratio for FYE2025 is 40%.

➢ Details of the Repurchase

Total number of shares to be repurchased	**Up to 20.84 million**
Toal value of shares to be repurchased	**Up to 50 billion**
Repurchase period	**Aug 8 - Dec 23, 2025**

* All of shares repurchased will be cancelled.

Appendix

- Segment information by Business & Geographic
- Overseas Revenue
- Consolidated Statement of Financial Position
- Non-consolidated Unit Sales
- Operating Results of Subsidiaries in U.S.
- FYE 2025 and FYE2026 Results (by Quarter)
- Complete Cars Production / Retail Sales Units

1st Quarter (3 months) :

Revenue and Operating Profit by Business Segment (Consolidated)

(100 Million Yen)

	Revenue			Operating profit		
	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
Automobile	10,648	**11,839**	+1,191	919	**741**	-178
Aerospace	261	**288**	27	-26	**3**	+30
Other	12	**14**	1	16	**18**	+3
Elimination & Corporate	-	**-**	-	3	**1**	-2
Total	10,921	**12,141**	1,220	911	**764**	-147

1st Quarter (3 months) :

Operating Profit of Automotive business unit (Management Figures)

(100 Million Yen)

	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
New vehicle	502	**375**	-127
Parts and accessories	364	**311**	-53
Others*	52	**54**	+2
Total	919	**741**	-178

* "Others" includes profit from Sales Finance, Connected Services, Used Vehicle Sales, and Maintenance.

1st Quarter (3 months) :

Revenue and Operating Profit by Geographic Area (Consolidated)

(100 Million Yen)

	Revenue			Operating profit		
	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
Japan	2,116	**2,586**	+470	749	**355**	-394
North America	8,533	**9,279**	+746	449	**187**	-261
Other	272	**276**	+4	4	**11**	+7
Elimination & Corporate	-	**-**	-	-291	**211**	+502
Total	10,921	**12,141**	+1,220	911	**764**	-147

1st Quarter (3 months) :

Overseas Revenue (Consolidated)

(100 Million Yen)

	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
North America	8,663	**9,610**	+947
Europe	243	**235**	-8
Asia	100	**82**	-18
Other	412	**663**	+250
Total	9,418	**10,590**	+1,172

Consolidated Statement of Financial Position

(100 Million Yen)

	As of March 2025	As of June 2025	Variance
Total assets	50,882	**50,220**	-662
Current assets	31,912	**31,326**	-587
Non-current assets	18,970	**18,895**	-76
Total liabilities	23,725	**23,267**	-459
Interest bearing debts	3,995	**3,910**	-85
Total equity	27,157	**26,953**	-204
Retained earnings	21,065	**21,123**	+58
Equity attributable to owners of parent	27,145	**26,941**	-204
Ratio of equity attributable to owners of parent to total assets	53.3%	**53.6%**	+0.3%
D/E ratio	0.15	**0.15**	-0.00

1st Quarter (3 months) :

Non-consolidated Unit Sales

(Thousand Units)

	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
Domestic production*	143	**152**	+10
Domestic sales	25	**24**	-1
Passenger cars	22	**19**	-3
Minicars	3	**4**	+2
Export total	109	**128**	+19
Components for overseas production	77	**82**	+4
Total	211	**234**	+23

* Production figures include Toyota GR86.

Operating Results of Subsidiaries in U.S.

(Million US$)

SOA *1	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
Net sales	4,984	**5,929**	+945
Operating income	97	**80**	-17
Net income	111	**100**	-11
Retail sales (Thousand units)	169	**154**	-15

SIA *2	FYE 2025 1Q Results	FYE 2026 1Q Results	Variance
Net sales	2,768	**2,733**	-35
Operating income	125	**50**	-75
Net income	107	**52**	-55
Production (Thousand units)	77	**94**	+18

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

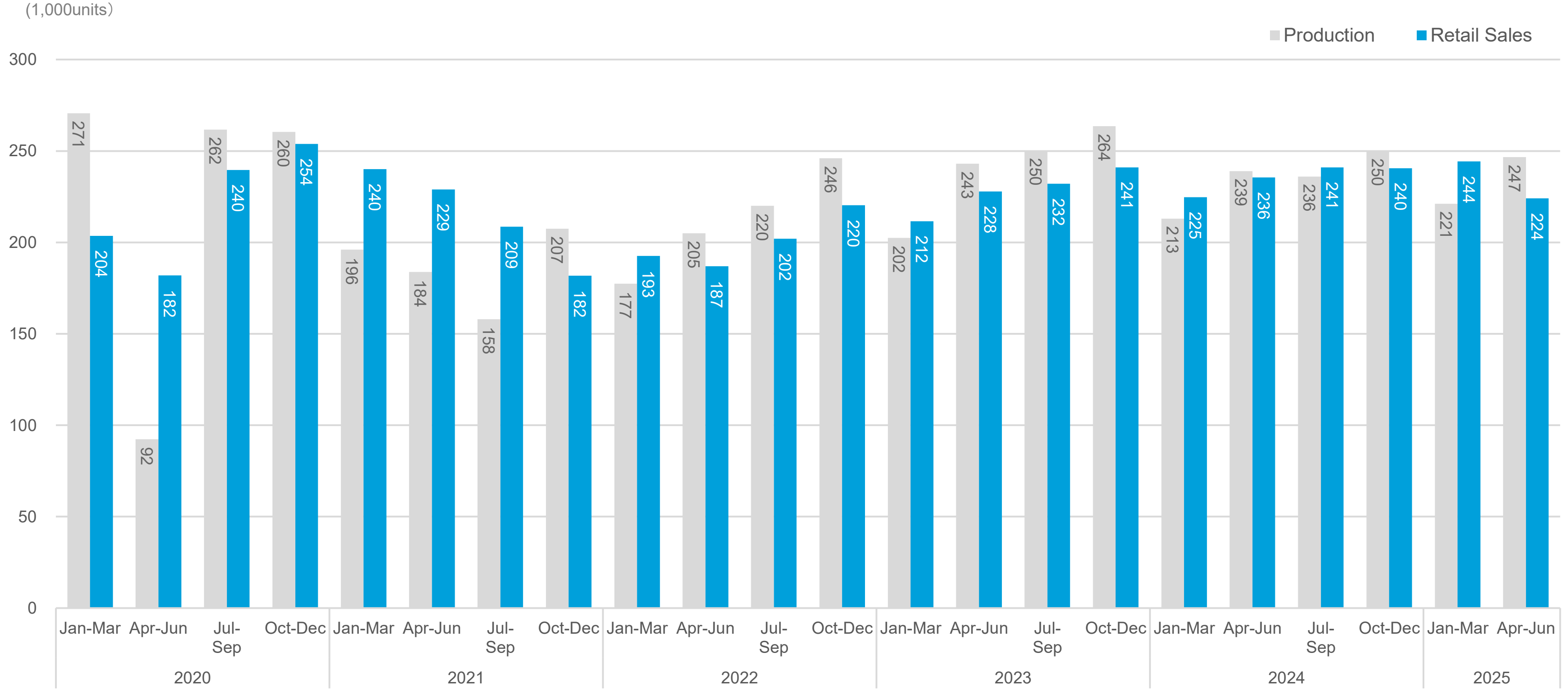
FYE 2025 and FYE 2026 Results(by Quarter)

(Yen in 100 millions, Units in thousands)

	FYE 2025 Results				FYE 2026 Results
	1Q	2Q	3Q	4Q	1Q
Consolidated Unit Sales	212	238	258	229	244
Production *	239	236	250	221	247
Revenue	10,921	11,740	12,702	11,494	12,141
Operating profit	911	1,309	1,472	362	764
Profit for the period attributable to owners of parent	840	790	1,544	207	785
SUBARU exchange rate US$	¥153	¥154	¥149	¥154	¥146

* Production figures include Toyota GR86.

Complete Cars Production / Retail Sales Units



* Production figures include Toyota GR86.

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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.