

Subaru Corporation Announces Consolidated Financial Results for the First Half of FYE 2025

Tokyo, November 1, 2024 – Subaru Corporation today announced its consolidated financial results for the first half of the fiscal year ending March 31, 2025.

Results for April–September 2024: Consolidated Revenue

While overseas production showed steady growth, increasing 2.5% to 177,000 units, domestic production fell 7.1% to 298,000 units due to factors including production adjustments at the beginning of the fiscal year. As a result, global production decreased 3.7% to 475,000 units.

In terms of consolidated unit sales, Japan showed strong performance, increasing 10.6%, driven primarily by sales of passenger vehicles, including the Levorg series with the Layback.

In the key U.S. market, retail sales posted the twenty-sixth consecutive month of increases through September 2024; however, due to the aforementioned production adjustment impacts, overseas consolidated sales decreased 5.8%.

As a result, global consolidated unit sales fell 4.2% to 450,000 units.

Consolidated revenue increased by 2.4% to 2,266.2 billion yen, as factors such as favorable exchange rates and price revisions more than offset higher sales incentives caused by a competitive environment in overseas market and lower sales volume.

Results for April–September 2024: Consolidated Profit and Loss

Due to the same factors impacting consolidated revenue, operating profit increased 19.5% to 222.0 billion yen, profit before tax decreased 2.4% to 221.0 billion yen, and profit for the period attributable to owners of parent increased 8.0% to 163.0 billion yen.

Forecast for FYE 2025

Based on recent sales trends and inventory levels in overseas markets, the Company is revising its initial production forecast announced on May 13, 2024, downward by 10,000 units to 950,000 units. Similarly, the consolidated unit sales forecast has been reduced by 30,000 units to 950,000 units.

On the other hand, the revenue and profit forecasts for the full year remain unchanged from the initial announcement*, incorporating factors such as controlling the increasing trend of sales incentives to industry-low levels and the effect of yen depreciation, with consolidated revenue expected to be 4,720 billion yen and operating profit 400 billion yen.

The latest forecasts for FYE 2025 are based on exchange rate assumptions of 149 yen to the U.S. dollar and 162 yen to the euro.

*Initial forecast for FYE 2025 (Announced on May 13, 2024):

- Revenue: 4,720 billion yen
 - Operating profit: 400 billion yen
 - Profit before tax: 420 billion yen
 - Profit for the period attributable to owners of parent: 300 billion yen
- Currency rate assumptions: 142 yen/US\$, 153 yen/euro

Notes on figures in the results:

Vehicle volume figures are rounded to the nearest thousand. Yen figures are rounded to the nearest hundred million.

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



Reference for the 1st Half of FYE 2025 Consolidated Financial Results

(Yen in 100 millions, Units in thousands)

	FYE 2024 1st Half [2023. 4-9] RESULTS	FYE 2025 1st Half [2024. 4-9] RESULTS		FYE 2024 Full Year ['23.4 - '24.3] RESULTS	FYE 2025 Full Year [2024.4 - 2025.3] FORECASTS		FYE 2025 Full Year ['24.4-'25.3] PREVIOUS FORECASTS		
		Change	%		Change	%			
Revenue	22,135	22,662	527	2.4	47,029	47,200	171	0.4	47,200
Japan	2,886	3,122	236	8.2	6,275	6,710	435	6.9	6,580
Overseas	19,248	19,540	291	1.5	40,754	40,490	(264)	(0.6)	40,620
Operating profit (loss)	1,858	2,220	362	19.5	4,682	4,000	(682)	(14.6)	4,000
Profit margin (%)	8.4	9.8		10.0	10.0	8.5			8.5
Profit (loss) before tax	2,265	2,210	(55)	(2.4)	5,326	4,200	(1,126)	(21.1)	4,200
Profit margin (%)	10.2	9.8		11.3	11.3	8.9			8.9
Profit (loss) for the period attributable to owners of parent	1,509	1,630	121	8.0	3,851	3,000	(851)	(22.1)	3,000
Profit margin (%)	6.8	7.2		8.2	8.2	6.4			6.4
Factors contributing to change in operating profit									
		Effects of foreign exchange rates	720			Effects of foreign exchange rates	638		
		Decrease in SG&A exp., etc.	50			Decrease in SG&A exp., etc.	61		
		Cost impacts	39			Sales volume, mix, etc.	(909)		
		Decrease in R&D exp.	13			Increase in R&D exp.	(302)		
		Sales volume, mix, etc.	(441)			Cost impacts	(217)		
		Other	(19)			Other	47		
Exchange rates	JPY/US\$ 139/US\$	154/US\$		144/US\$	149/US\$	142/US\$			
	JPY/EUR 151/EUR	164/EUR		154/EUR	162/EUR	153/EUR			
Capital expenditures	964	823		1,675	1,800	1,800			
Depreciation	483	476		974	1,000	1,000			
R&D expenditures *	621	687		1,306	1,550	1,550			
Interest bearing debts	3,232	4,005		3,995	-	-			
Performance description									
		- 4th consecutive year of increase in revenue, operating profit and profit attributable to owners of parent				- 3rd consecutive year of revenue increase			
		- First decrease in profit before tax in 4 years				- First decrease in profits at all stages in 3 years			
		- First decrease in consolidated unit sales in 4 years				- First decrease in consolidated unit sales in 3 years			
Consolidated unit sales	45	50	5	10.6	99	112	13	13.6	108
< Japan >									
Passenger Cars	38	44	6	15.2	87	98	11	13.1	94
Minicars	7	6	(1)	(13.5)	12	14	2	17.0	14
Consolidated unit sales	424	400	(24)	(5.8)	878	838	(40)	(4.5)	872
< Overseas >									
North America	358	352	(6)	(1.7)	763	732	(31)	(4.1)	764
Europe	15	9	(5)	(36.0)	27	20	(7)	(24.9)	15
China	4	1	(2)	(65.8)	6	3	(3)	(49.1)	5
Other	48	37	(11)	(22.3)	81	82	1	1.8	87
Consolidated unit sales total	469	450	(20)	(4.2)	976	950	(26)	(2.7)	980
Production units total	493	475	(18)	(3.7)	970	950	(20)	(2.0)	960
Japan	320	298	(23)	(7.1)	602	-	-	-	-
U.S.	173	177	4	2.5	368	-	-	-	-
Revenue by business segment									
Automobile	21,635	22,090	456	2.1	45,936	45,887	(49)	(0.1)	45,662
Aerospace	474	545	71	14.9	1,043	1,264	221	21.2	1,487
Other	26	26	0	1.3	50	49	(1)	(2.4)	51
Operating profit (loss) by business segment									
Automobile	1,837	2,216	379	20.6	4,615	3,953	(662)	(14.4)	3,946
Aerospace	(11)	(26)	(15)	-	27	7	(20)	(73.8)	38
Other	30	28	(2)	(6.6)	36	40	4	10.7	16
Elimination & Corporate	3	3	(0)	(12.0)	4	0	(4)	(100.0)	-

* "R&D expenditures" indicate R&D activity related costs incurred during the reporting period. Under IFRS, a part of these costs that meets capitalization criteria is recognized as an intangible asset and amortized over its estimated useful life; thus, the amount of "R&D expenditures" stated here does not match that of "R&D expenses" stated on the Consolidated Statement of Income.

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