



Subaru Corporation Announces Consolidated Financial Results for FYE2017

Tokyo, May 9, 2017 – Subaru Corporation today announced its consolidated financial results for the fiscal year ended March 31, 2017.

< FYE2017 Results: Consolidated Net Sales >

Consolidated global sales of Subaru vehicles rose 11.1% to 1,065,000 units, surpassing the one million mark for the first time. Unit sales in Japan increased 9.4% to 159,000 units, as a decline in mini vehicle sales was offset by growth in passenger car sales led by the all-new Impreza, which was launched in October 2016. Overseas unit sales grew 11.4% to 906,000 units, driven by continued strong sales of the Legacy and Outback in North America.

Consolidated net sales increased 2.9% to 3,326 billion yen, as unit sales growth offset foreign exchange losses and other factors.

Consolidated unit sales in North America marked an all-time record^{*1} for the 8th consecutive year. Consolidated net sales, global unit sales, and overseas unit sales posted all-time records^{*1} for the 5th consecutive year.

< FYE2017 Results: Consolidated Profit and Loss >

While posting unit sales growth and cost reduction progress, operating income fell 27.4% to 410.8 billion yen due to increases in SG&A and R&D expenses as well as foreign exchange losses. The rise in SG&A expenses was due to increased quality-related costs associated with airbag inflators as well as increased sales expenses due to higher interest rates in the U.S. Ordinary income decreased 31.7% to 394.3 billion yen and net income attributable to owners of parent declined 35.3% to 282.4 billion yen.

< FYE2018 Forecasts >

In prospect of further growth in North America and other regions, consolidated global unit sales are projected to increase 3.8% to 1,106,000 units. The company forecasts net sales of 3,420 billion yen (up 2.8%), operating income of 410 billion yen (down 0.2%), ordinary income of 410 billion yen (up 4.0%) and net income attributable to owners of parent of 285 billion yen (up 0.9%), factoring in the positive impact of unit sales growth and a weaker yen as well as the negative impact of increases in SG&A and R&D expenses and higher raw material costs.

Consolidated net sales, global unit sales, overseas unit sales, and North American unit sales are projected to post all-time records.

Currency rate assumptions: 110 yen/US\$, 120 yen/euro

*1: Since fiscal year ended March 1986, when the company started full-year consolidated financial reporting.

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.