

< Reference for the First Quarter of FYE2019 Consolidated Financial Results >

(Yen in 100 Millions, Units in Thousands)

	FYE2018 * 1st Quarter (2017 4-6) RESULTS		FYE2019 1st Quarter (2018 4-6) RESULTS			FYE2018 * 1st Half (2017 4-9) RESULTS		FYE2019 1st Half (2018 4-9) FORECASTS			FYE2018 * Full Year ('17.4 - '18.3) RESULTS		FYE2019 Full Year (2018.4 - 2019.3) FORECASTS		
	Originally-reported		Change	%	Originally-reported		Change	%	Originally-reported		Change	%	Originally-reported		Change
Net sales	8,140	8,548	7,092	(1,048)	(12.9)	16,080	16,863	14,630	(1,450)	(9.0)	32,327	34,052	32,500	173	0.5
Japan	1,603	1,605	1,302	(301)	(18.8)	3,283	3,286	2,670	(613)	(18.7)	6,680	6,686	6,086	(594)	(8.9)
Overseas	6,537	6,943	5,790	(746)	(11.4)	12,797	13,577	11,961	(837)	(6.5)	25,647	27,367	26,415	767	3.0
Operating income	1,193		576	(618)	(51.8)	2,121		1,100	(1,021)	(48.1)	3,794		3,000	(794)	(20.9)
Profit margin (%)	14.7	14.0	8.1			13.2	12.6	7.5			11.7	11.1	9.2		
Ordinary income	1,193		601	(592)	(49.6)	2,127		1,117	(1,010)	(47.5)	3,799		3,050	(749)	(19.7)
Profit margin (%)	14.7	14.0	8.5			13.2	12.6	7.6			11.8	11.2	9.4		
Net income attributable to owners of parent	823		455	(369)	(44.8)	850		791	(59)	(6.9)	2,204		2,200	(4)	(0.2)
Profit margin (%)	10.1	9.6	6.4			5.3	5.0	5.4			6.8	6.5	6.8		
Factors contributing to change in operating income			Deterioration in model mix, etc.	(438)				Deterioration in model mix, etc.	(580)				Decrease in SG&A exp, etc.	49	
Increase in SG&A exp, etc.			(116)		Loss on currency exchange			(248)		Decrease in R&D exp			11		
Loss on currency exchange			(34)		Increase in SG&A exp, etc.			(138)		Loss on currency exchange			(584)		
Increase in R&D exp			(19)		Increase in raw material costs, etc.			(54)		Increase in raw material costs, etc.			(147)		
Increase in raw material costs, etc.			(11)		Increase in R&D exp			(1)		Deterioration in model mix, etc.			(123)		
Exchange rates			JPY/US\$ 112/US\$ JPY/EUR 122/EUR	108/US\$ 131/EUR	111/US\$ 125/EUR			105/US\$ 130/EUR	111/US\$ 130/EUR	105/US\$ 130/EUR					
Capital expenditures	220	283	545	650	1,414	1,300									
Depreciation and amortization	202	213	421	465	898	930									
R&D expenses	262	281	609	610	1,211	1,200									
Interest bearing debts	1,107	567	976	600	862	800									
Performance description *			- First decrease in net sales in 7 years					- First decrease in net sales and operating income in 2 years					- Increase in net sales for 7 consecutive years		
- First decrease in all profits in 2 years					- Decrease in ordinary income and net income for 3 consecutive years					- Decrease in all profits for 3 consecutive years					
Consolidated unit sales	40	29	(12)	(28.5)	82	69	(13)	(16.3)	163	151	(13)	(7.8)			
<Japan>	Passenger Cars		33	23	(10)	(31.2)	67	56	(11)	(16.8)	133	123	(10)	(7.4)	
	Minicars		7	6	(1)	(16.4)	15	13	(2)	(14.0)	31	28	(3)	(9.1)	
Consolidated unit sales	231	209	(22)	(9.5)	449	437	(12)	(2.6)	903	950	46	5.1			
<Overseas>	North America		189	166	(24)	(12.6)	364	345	(19)	(5.3)	728	768	41	5.6	
	Europe		10	18	8	75.6	21	28	6	30.2	48	44	(4)	(8.2)	
	China		8	3	(5)	(57.8)	14	12	(1)	(10.4)	27	30	3	11.3	
	Other		23	22	(1)	(4.6)	50	53	3	5.8	101	107	6	6.4	
Consolidated unit sales total	271	238	(33)	(12.3)	531	506	(25)	(4.7)	1,067	1,100	33	3.1			
Production units total	276	241	(34)	(12.4)	525	501	(24)	(4.5)	1,050	1,056	6	0.6			
Japan	176	155	(22)	(12.2)	346	322	(25)	(7.1)	701	672	(29)	(4.2)			
U.S.	99	87	(13)	(12.6)	179	180	1	0.5	349	384	35	10.1			
Net sales by business segment	Automobile	7,714	8,122	6,729	(985)	(12.8)	15,217	16,000			30,623	32,349			
	Aerospace	339	330	(10)	(2.8)	680		1,422							
	Other	86	33	(53)	(61.8)	183		282							
	Elimination & Corporate	(5)	1	6	(118.0)	3		7							
Operating income by business segment	Automobile	1,168	552	(616)	(52.7)	2,053			3,615						
	Aerospace	18	16	(3)	(14.6)	42			123						
	Other	12	7	(5)	(42.8)	24			51						
	Elimination & Corporate	(5)	1	6	(118.0)	3			7						

* With effect from FYE2019, the Company has changed its accounting policies. In the new method, sales incentives are deducted from net sales, whereas they were previously recognized as SG&A expenses. For comparison purposes, net sales and SG&A expenses of the previous year have been recalculated. The recalculated figures are stated along with the originally-announced figures. There is no impact of the recalculation on the previous-year profit figures. Performance description notes for the current year are stated in comparison with the recalculated figures of the previous year results.

- "Exchange Rates" are the rates used for Subaru Corporation's non-consolidated sales recording.
 - "Consolidated Unit Sales" include retail sales of Japanese consolidated dealers, wholesale sales of overseas consolidated distributors, and deliveries from Subaru Corporation to non-consolidated distributors/dealers.
 - Production in Japan includes production of the 86 models for Toyota.

< Forward-looking statements in this document 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. >