



# **Consolidated Financial Results for the 1st Quarter of FYE 2024**

SUBARU CORPORATION

Katsuyuki Mizuma, Director, Executive Vice President & CFO

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## Key Points

### ■ Results for 1st Quarter of FYE 2024

- **Production: 243,000 units (up 18% y/y)**

While production constraints due to the semiconductor shortage continued, **global production increased year on year.**

- **Operating profit: 84.5 billion yen (up 128% y/y)**

As sales volume growth and the positive effects of the weak yen more than offset the impact of increases in raw material costs and SG&A expenses, **operating profit increased significantly year on year.**

### ■ Forecast for FYE 2024

- **Production: 1,010,000 units (up 16% y/y)**

While production constraints due to the semiconductor shortage are expected to continue, the Company maintains its **production forecast unchanged** as sales and production are generally progressing according to plan.

- **Operating profit: 300 billion yen (up 12% y/y)**

Although the yen is weakening, the Company maintains its **operating profit forecast unchanged** due to wide fluctuations in the yen exchange rate and uncertainties such as semiconductor supply and logistics constraints.

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 2024**

1<sup>st</sup> Quarter (3 months) :

## Consolidated Unit Sales / Complete Cars Production

(Thousand Units)

	<b>FYE 2023</b> 1Q Results	<b>FYE 2024</b> 1Q Results	<b>Variance</b>
Production in U.S.	70	<b>84</b>	+13
Production in Japan	135	<b>159</b>	+24
<b>Production* Total</b>	205	<b>243</b>	+38

	<b>FYE 2023</b> 1Q Results	<b>FYE 2024</b> 1Q Results	<b>Variance</b>
<b>Consolidated Unit Sales Total</b>	196	<b>236</b>	+40

\* Production figures include Toyota GR86.

1<sup>st</sup> Quarter (3 months) :

## Consolidated Unit Sales (by market)

(Thousand Units)

	<b>FYE 2023</b> 1Q Results	<b>FYE 2024</b> 1Q Results	<b>Variance</b>
Passenger cars	16	17	+1
Minicars	4	4	-0
<b>Domestic total</b>	20	21	+1
U.S.	139	163	+24
Canada	11	16	+5
Europe	5	7	+2
Australia	9	15	+6
China	3	2	-1
Others	9	12	+3
<b>Overseas total</b>	175	215	+39
<b>Total</b>	196	236	+40

1<sup>st</sup> Quarter (3 months) :

## Consolidated Profit Results

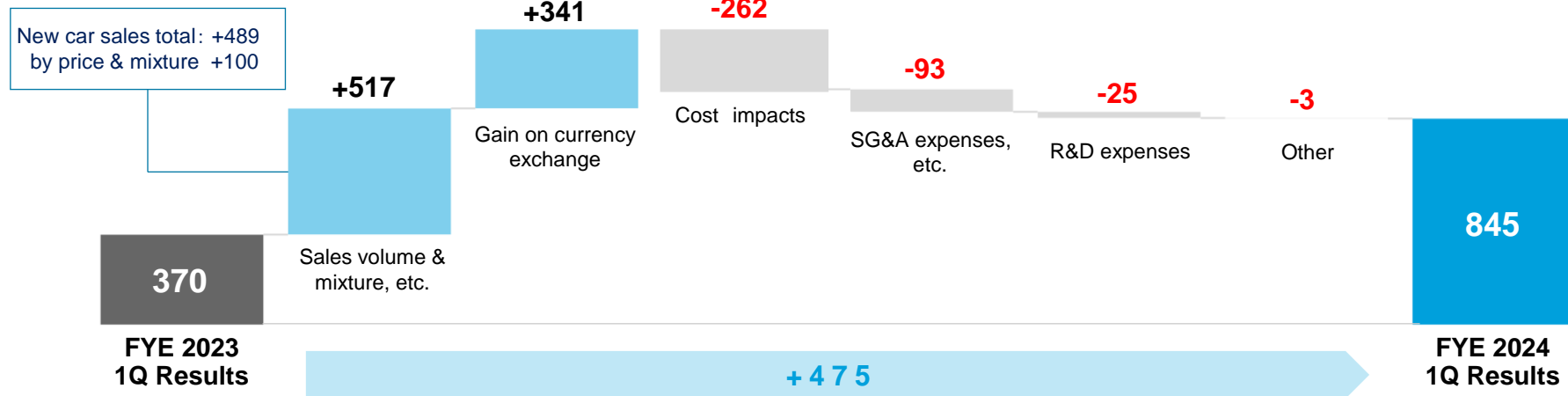
(100 Million Yen)

	FYE 2023 1Q Results	FYE 2024 1Q Results	Variance
<b>Revenue</b>	8,341	<b>10,821</b>	+2,480
Domestic	1,271	<b>1,410</b>	+139
Overseas	7,070	<b>9,412</b>	+2,341
<b>Operating profit</b>	370	<b>845</b>	+475
<b>Profit before tax</b>	384	<b>1,154</b>	+770
<b>Profit for the period attributable to owners of parent</b>	272	<b>732</b>	+460
<b>SUBARU exchange rate</b>			
<b>US\$</b>	¥125	<b>¥135</b>	+¥11
<b>EURO</b>	¥134	<b>¥145</b>	+¥11
<b>CAN\$</b>	¥97	<b>¥100</b>	+¥2

1<sup>st</sup> Quarter (3 months) :

## Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



Sales volume & mix, etc.	+517	Currency exchange	+341	Cost impacts	-262				SG&A expenses, etc.	-93			
Domestic	+26	US \$	+280	SUBARU	-220	SIA*1	-42	Fixed manufacturing cost	+12	SG&A	-85	Warranty claims	-20
Overseas	+463	EURO	+10	Cost reduction	+18	Cost reduction	+6	SUBARU	+18	SIA*1	-6	SUBARU	-28
Sales Incentive	-21	CAN \$	+8	Material cost, etc.	-238	Material cost, etc.	-48	Suppliers' dies cost	+10	Suppliers' dies cost	-10	Domestic dealers	-4
Others	+49	CNY	-					Fixed processing cost	+8	Fixed processing cost	+4	SOA *2	-19
		Currency exchange adjustment	-55									SCI *3	-11
		Unrealized gain	+98									Others	-23

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

1<sup>st</sup> Quarter (3 months) :

## Consolidated Statement of Cash Flows / Cash and cash equivalents

(100 Million Yen)

	FYE 2023 1Q Results	FYE 2024 1Q Results	
<b>Net cash provided by (used in) operating activities</b>	1,323	1,296	
<b>Net cash provided by (used in) investing activities</b>	-578	-1,406	
<b>Free cash flows</b>	746	-109	
<b>Net cash provided by (used in) financing activities</b>	-351	-677	
<b>Effect of exchange rate change on cash and cash equivalents</b>	688	497	
	As of March 2023	As of June 2023	Variance
<b>Cash and cash equivalents at end of period</b>	9,795	9,506	-290
<b>Interest bearing debts Balance at end of period *</b>	3,126	3,102	-23
<b>Net cash</b>	6,669	6,403	-266

\* Lease liabilities are not included in the results above.



## Capex / Depreciation / R&D

(100 Million Yen)

	FYE 2023 1Q Results	FYE 2024 1Q Results	Variance
<b>Capex</b> *1	280	321	+41
<b>Depreciation</b> *1	238	250	+12
<b>R&amp;D expenditures</b> *2	231	280	+49

\*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 2024**

## Consolidated Unit Sales / Complete Cars Production

(Thousand Units)

	FYE 2023 Results	FYE 2024 Plan	Variance
Production in U.S.	299	-	-
Production in Japan	575	-	-
<b>Production*1 Total</b>	<b>874</b>	<b>1,010</b>	<b>+136</b>

	FYE 2023 Results	FYE 2024 Plan	Variance
<b>Consolidated Unit Sales Total</b>	<b>852</b>	<b>1,010</b>	<b>+158</b>

\*1:Production figures include Toyota GR86.

## Consolidated Unit Sales / Complete Cars Production

(Thousand Units)

	FYE 2023 Results	FYE 2024 Plan	Variance
Passenger cars	81	<b>107</b>	+26
Minicars	19	<b>19</b>	+1
<b>Domestic total</b>	100	<b>126</b>	+27
U.S.	592	<b>664</b>	+73
Canada	43	<b>65</b>	+22
China	10	<b>14</b>	+4
Others	108	<b>141</b>	+33
<b>Overseas total</b>	753	<b>884</b>	+131
<b>Total</b>	852	<b>1,010</b>	+158

## Consolidated Profit Plan

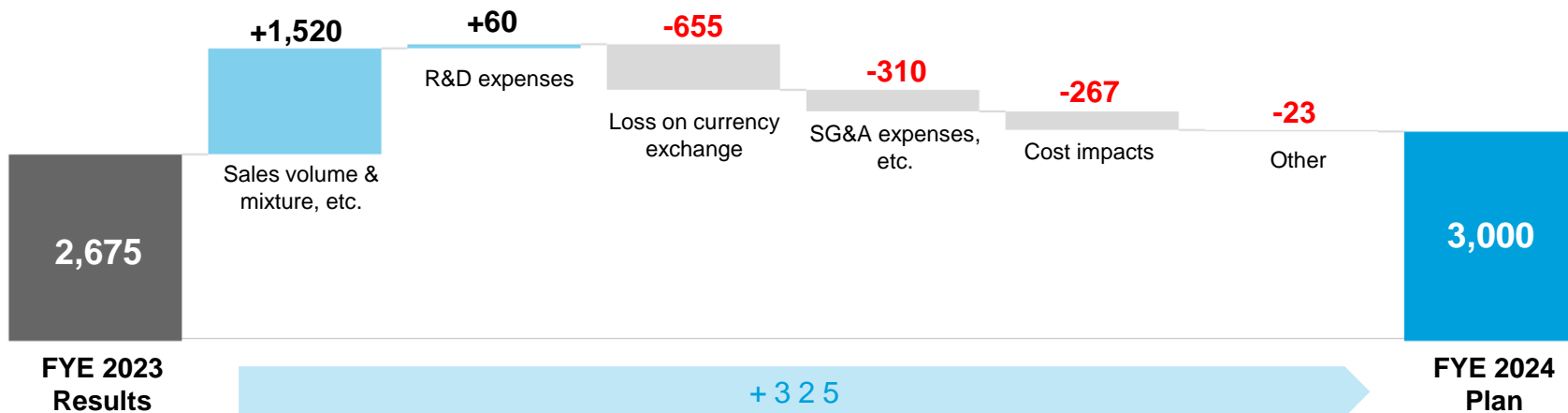
(Yen in 100 millions)

		FYE 2023 Results	FYE 2024 Plan	Variance
<b>Revenue</b>		37,745	<b>42,000</b>	+4,255
<b>Operating profit</b>		2,675	<b>3,000</b>	+325
<b>Profit before tax</b>		2,784	<b>3,000</b>	+216
<b>Profit for the period attributable to owners of parent</b>		2,004	<b>2,100</b>	+96
<b>SUBARU exchange rate</b>	<b>US\$</b>	¥135	<b>¥128</b>	-¥7
	<b>EURO</b>	¥141	<b>¥138</b>	-¥3
	<b>CAN\$</b>	¥102	<b>¥94</b>	-¥8

FYE 2024 :

# Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



Sales volume & mix, etc.		Currency exchange		SG&A expenses, etc.				Cost reduction, etc.						
+1,520		-655		-310		-267								
Domestic	+155	US \$	-768	Fixed manufacturing cost		-23	SG&A	-283	Warranty claims	-4	SUBARU	-385	SIA*1	+118
Overseas	+1,368	EURO	-4	SUBARU	+8	SIA*1	-31	SUBARU	-109		Cost reduction	+28	Cost reduction	+18
Sales Incentive	-345	CAN \$	-96	Suppliers' dies cost	+56	Suppliers' dies cost	+37	Domestic dealers	-30		Material cost, etc.	-413	Material cost, etc.	+100
Others	+342	CNY	+1	Fixed processing cost	-48	Fixed processing cost	-68	SOA *2	-76					
		Currency exchange adjustment	-125					SCI *3	-18					
		Unrealized gain	+337					Others	-50					

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

# Capex / Depreciation / R&D

(100 Million Yen)

	FYE 2023 Results	FYE 2024 Plan	Variance
<b>Capex *1</b>	1,228	<b>1,800</b>	+572
<b>Depreciation *1</b>	1,030	<b>1,000</b>	-30
<b>R&amp;D expenditures *2</b>	1,078	<b>1,200</b>	+122

\*1 : Leases, capex & amortization for intangible assets 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)

## 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 2023 and FYE 2024 Results (by Quarter)
- Complete Cars Production / Retail Sales Units



1<sup>st</sup> Quarter (3 months) :

## Revenue and Operating Profit by Business Segment (Consolidated)

(100 Million Yen)

	Revenue				Operating profit			
	FYE 2023 1Q Results	FYE 2024 1Q Results	Variance	FYE 2024 Plan	FYE 2023 1Q Results	FYE 2024 1Q Results	Variance	FYE 2024 Plan
<b>Automobile</b>	8,181	<b>10,620</b>	+2,439	<b>40,907</b>	364	<b>841</b>	+477	<b>2,962</b>
<b>Aerospace</b>	148	<b>189</b>	+41	<b>1,045</b>	-21	<b>-11</b>	+10	<b>17</b>
<b>Other</b>	12	<b>12</b>	+0	<b>48</b>	26	<b>13</b>	-13	<b>21</b>
<b>Elimination &amp; Corporate</b>	-	-	-	-	0	<b>1</b>	+1	-
<b>Total</b>	8,341	<b>10,821</b>	+2,480	<b>42,000</b>	370	<b>845</b>	+475	<b>3,000</b>

1<sup>st</sup> Quarter (3 months) :

## Revenue and Operating Profit by Geographic Area (Consolidated)

(100 Million Yen)

	Revenue			Operating profit		
	FYE 2023 1Q Results	FYE 2024 1Q Results	Variance	FYE 2023 1Q Results	FYE 2024 1Q Results	Variance
<b>Japan</b>	1,799	<b>2,239</b>	+440	149	<b>419</b>	+269
<b>North America</b>	6,230	<b>8,236</b>	+2,006	451	<b>538</b>	+87
<b>Other</b>	312	<b>346</b>	+34	21	<b>-5</b>	-26
<b>Elimination &amp; Corporate</b>	-	-	-	-251	<b>-107</b>	+145
<b>Total</b>	8,341	<b>10,821</b>	+2,480	370	<b>845</b>	+475

1<sup>st</sup> Quarter (3 months) :

## Overseas Revenue (Consolidated)

(100 Million Yen)

	<b>FYE 2023</b> 1Q Results	<b>FYE 2024</b> 1Q Results	<b>Variance</b>
<b>North America</b>	6,301	<b>8,344</b>	+2,043
<b>Europe</b>	188	<b>272</b>	+84
<b>Asia</b>	239	<b>197</b>	-42
<b>Other</b>	343	<b>598</b>	+255
<b>Total</b>	7,070	<b>9,412</b>	+2,341

# Consolidated Statement of Financial Position

(100 Million Yen)

	As of March 2023	As of June 2023	Variance
<b>Total assets</b>	39,442	<b>41,084</b>	+1,642
Current assets	24,298	<b>25,524</b>	+1,227
Non-current assets	15,144	<b>15,559</b>	+416
<b>Total liabilities</b>	18,342	<b>18,987</b>	+645
Interest bearing debts	3,126	<b>3,102</b>	-23
<b>Total equity</b>	21,099	<b>22,097</b>	+997
Retained earnings	16,237	<b>16,677</b>	+440
Equity attributable to owners of parent	21,010	<b>22,075</b>	+1,066
Ratio of equity attributable to owners of parent to total assets	53.3%	<b>53.7%</b>	+0.5%
D/E ratio	0.15	<b>0.14</b>	-0.01

1<sup>st</sup> Quarter (3 months) :

## Non-consolidated Unit Sales

(Thousand Units)

	<b>FYE 2023</b> 1Q Results	<b>FYE 2024</b> 1Q Results	<b>Variance</b>
<b>Domestic production*</b>	135	<b>159</b>	+24
<b>Domestic sales</b>	20	<b>20</b>	-1
Passenger cars	16	<b>16</b>	-0
Minicars	4	<b>3</b>	-1
<b>Export total</b>	107	<b>131</b>	+24
<b>Components for overseas production</b>	70	<b>77</b>	+8
<b>Total</b>	197	<b>227</b>	+30

\* Production figures include Toyota GR86.

1<sup>st</sup> Quarter (3 months) :

## Operating Results of Subsidiaries in U.S.

(Million US\$)

SOA *1	FYE 2023 1Q Results	FYE 2024 1Q Results	Variance
<b>Net sales</b>	4,484	<b>5,531</b>	+1,047
<b>Operating income</b>	280	<b>286</b>	+6
<b>Net income</b>	174	<b>249</b>	+75
<b>Retail sales</b> (Thousand units)	131	<b>160</b>	+29
<b>SIA *2</b>	<b>FYE 2023</b> 1Q Results	<b>FYE 2024</b> 1Q Results	<b>Variance</b>
<b>Net sales</b>	1,916	<b>2,450</b>	+534
<b>Operating income</b>	-45	<b>28</b>	+73
<b>Net income</b>	-33	<b>30</b>	+63
<b>Production</b> (Thousand units)	70	<b>84</b>	+13

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

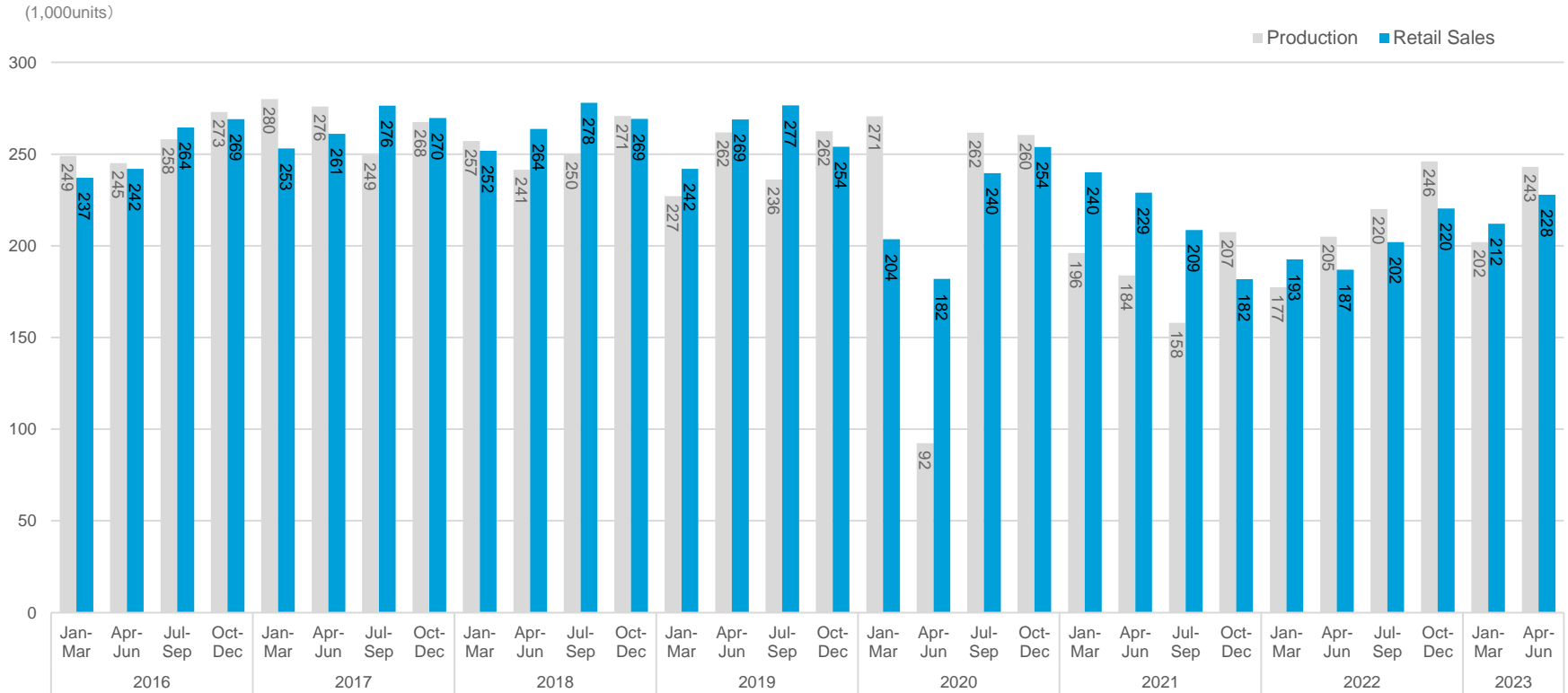
## FYE 2023 and FYE 2024 Results(by Quarter)

(Yen in 100 millions, Units in thousands)

	FYE 2023 Results				FYE 2024 Results
	1Q	2Q	3Q	4Q	1Q
<b>Consolidated Unit Sales</b>	196	203	237	217	236
<b>Production *</b>	205	220	246	202	243
<b>Revenue</b>	8,341	9,168	10,571	9,665	10,821
<b>Operating profit</b>	370	735	1,032	538	845
<b>Profit for the period attributable to owners of parent</b>	272	506	766	460	732
<b>SUBARU exchange rate US\$</b>	¥125	¥135	¥144	¥133	¥135

\* 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.