

Subaru Corporation Announces Consolidated Financial Results for the Nine Months of FYE2024

Tokyo, February 8, 2024 – Subaru Corporation today announced its consolidated financial results for the nine months ended December 31, 2023.

Results for April–December 2023: Consolidated Revenue

Global production increased 12.7% to 757,000 units due to continued initiatives in production and parts procurement. Production in Japan rose 7.3% to 491,000 units, while production in the U.S. grew 24.3% to 266,000 units.

As a result of the production increase, global unit sales rose 15.8% to 736,000 units, led by steady sales in Subaru's key U.S. market.

Consolidated revenue rose 24.5% to 3,496.4 billion yen, due to factors including the increase in sales volume and the positive impact of foreign exchange rates.

Results for April–December 2023: Consolidated Profit and Loss

As factors such as the increase in sales volume and the positive impact of foreign exchange rates more than offset the increases in SG&A expenses and raw material costs, operating profit rose 73.6% to 371.0 billion yen, profit before tax grew 93.5% to 416.2 billion yen, and profit for the period attributable to owners of parent increased 93.5% to 298.9 billion yen.

Forecast for FYE2024

As the positive impact of foreign exchange rates and an improvement in sales mix are expected to more than offset an increase in SG&A expenses, a decrease in sales volume, and potential parts supply constraints, the Company is revising upward its previous forecasts for FYE 2024 (announced on November 2, 2023) as follows:

- Operating profit: 450 billion yen (an increase of 30 billion yen from the previous forecast)
- Profit before tax: 490 billion yen (an increase of 30 billion yen from the previous forecast)
- Profit for the period attributable to owners of parent: 340 billion yen (an increase of 20 billion yen from the previous forecast)

Forecasts for FYE2024 are based on exchange rate assumptions of 143 yen to the U.S. dollar and 154 yen to the 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.

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Reference for the First Nine Months of FYE 2024 Consolidated Financial Results

(Yen in 100 millions, Units in thousands)

	FYE 2023 Nine Months [2022. 4-12] RESULTS	FYE 2024 Nine Months [2023. 4-12] RESULTS		FYE 2023 Full Year ['22.4 - '23.3] RESULTS	FYE 2024 Full Year [2023.4 - 2024.3] FORECASTS		FYE 2024 Full Year ['23.4-'24.3] PREVIOUS FORECASTS		
		Change	%		Change	%			
Revenue	28,080	34,964	6,884	24.5	37,745	46,500	8,755	23.2	46,500
Japan	4,318	4,537	219	5.1	5,810	-	-	-	-
Overseas	23,762	30,427	6,665	28.0	31,935	-	-	-	-
Operating profit (loss)	2,137	3,710	1,573	73.6	2,675	4,500	1,825	68.2	4,200
Profit margin (%)	7.6	10.6			7.1	9.7			9.0
Profit (loss) before tax	2,151	4,162	2,011	93.5	2,784	4,900	2,116	76.0	4,600
Profit margin (%)	7.7	11.9			7.4	10.5			9.9
Profit (loss) for the quarter attributable to owners of parent	1,544	2,989	1,444	93.5	2,004	3,400	1,396	69.6	3,200
Profit margin (%)	5.5	8.5			5.3	7.3			6.9
Factors contributing to change in operating profit									
		Sales volume, mix, etc.	1,442			Sales volume, mix, etc.	1,910		
		Effects of foreign exchange rates	962			Effects of foreign exchange rates	1,105		
		Other	28			Increase in SG&A exp., etc.	(948)		
		Increase in SG&A exp., etc.	(658)			Cost impacts	(134)		
		Cost impacts	(189)			Increase in R&D exp.	(75)		
		Increase in R&D exp.	(12)			Other	(33)		
Exchange rates	JPY/US\$ 138/US\$ JPY/EUR 141/EUR	143/US\$ 153/EUR			135/US\$ 141/EUR	143/US\$ 154/EUR			140/US\$ 150/EUR
Capital expenditures	767	1,234			1,228	1,800			1,800
Depreciation	759	720			1,030	1,000			1,000
R&D expenditures *	759	909			1,078	1,350			1,350
Interest bearing debts	3,268	3,531			3,126	-			-
Performance description									
		- Increase in revenue for two consecutive years				- Increase in revenue for two consecutive years			
		- Increase in profit at each stage for two consecutive years				- Increase in profit at each stage for two consecutive years			
		- Increase in consolidated unit sales for two consecutive years				- Increase in consolidated unit sales for two consecutive years			
Consolidated unit sales	76	75	(1)	(1.0)	100	103	3	3.0	116
< Japan >									
Passenger Cars	62	64	2	3.6	81	91	10	12.4	100
Minicars	14	11	(3)	(21.6)	19	11	(7)	(38.2)	16
Consolidated unit sales	559	660	101	18.1	753	877	125	16.6	894
< Overseas >									
North America	470	567	97	20.6	635	755	120	18.8	759
Europe	15	21	6	43.5	23	-	-	-	-
China	8	6	(3)	(34.5)	10	7	(3)	(30.2)	12
Other	66	67	1	1.0	84	-	-	-	-
Consolidated unit sales total	635	736	100	15.8	852	980	128	15.0	1,010
Production units total	671	757	85	12.7	874	1,000	126	14.4	1,010
Japan	457	491	33	7.3	575	-	-	-	-
U.S.	214	266	52	24.3	299	-	-	-	-
Revenue by business segment									
Automobile	27,503	34,215	6,712	24.4	36,906	45,394	8,489	23.0	45,394
Aerospace	540	711	171	31.7	790	1,057	267	33.8	1,057
Other	37	38	1	3.2	49	49	(0)	(0.6)	49
Operating profit (loss) by business segment									
Automobile	2,115	3,671	1,556	73.6	2,633	4,438	1,805	68.6	4,140
Aerospace	(25)	(3)	22	88.4	(21)	16	37	-	20
Other	47	38	(9)	(19.5)	63	46	(16)	(26.3)	40
Elimination & Corporate	(0)	4	4	-	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.

< 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. >