



Consolidated Financial Results for FYE 2023

SUBARU CORPORATION

Tomomi Nakamura, Representative Director, President & CEO

May 11th, 2023

Key Points

■ Results for FYE 2023

- **Production: 874,000 units (up 20% y/y)**

While production constraints continued throughout the fiscal year, mainly due to the semiconductor shortage, **global production increased year on year** as the company worked to minimize the impact through measures such as flexible rescheduling of production plans.

- **Operating profit: 267.5 billion yen (up 196% y/y)**

As steady sales, led by the key U.S. market, and the positive effects of the weak yen offset the significant impact of raw material cost increases, **operating profit increased year on year**.

■ Forecast for FYE 2024

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

While production constraints are expected to continue, mainly due to the semiconductor shortage, **the Company will increase production volume to the pre-Covid level of 1,000,000 units** through various initiatives.

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

While the negative effects of the stronger yen and the impact of raw material cost increases are expected to continue, **the Company aims to achieve operating profit above the pre-Covid level** with expected sales growth led by the key U.S. market.

■ Repurchase and Cancellation of Own Shares

Repurchase and cancellation of own shares (Aggregate repurchase amount: **up to 40 billion yen**)

Summary

Yen in 100 millions, Units in thousands

	Results					Plan	
	Results FYE 2022 (a)	Previous Plan FYE 2023 (b)*	Results FYE 2023 (c)	Variance (c)-(a)	Variance (c)-(b)	Plan FYE 2024 (d)	Variance (d)-(c)
Consolidated unit sales	734	870	852	+118	-18	1,010	+158
Production	727	880	874	+147	-6	1,010	+136
Revenue	27,445	37,000	37,745	+10,299	+745	42,000	+4,255
Operating profit	905	3,000	2,675	+1,770	-325	3,000	+325
Profit for the period attributable to owners of parent	700	2,100	2,004	+1,304	-96	2,100	+96
SUBARU exchange rate (US\$)	¥112	¥134	¥135	+¥23	+¥1	¥128	-¥7

* Announced on February 8, 2023



Consolidated Financial Results for FYE 2023

SUBARU CORPORATION

Katsuyuki Mizuma, Director, Executive Vice President & CFO

May 11th, 2023

| Consolidated Financial Results for FYE 2023

Consolidated Unit Sales / Complete Cars Production

(Thousand Units)

	FYE 2022 Results(a)	FYE 2023 Previous Plan(b)	FYE 2023 Results(c)	Variance (c)-(a)	Variance (c)-(b)
Production in U.S.	272	-	299	+27	-
Production in Japan	455	-	575	+120	-
Production* Total	727	880	874	+147	-6

	FYE 2022 Results(a)	FYE 2023 Previous Plan(b)	FYE 2023 Results(c)	Variance (c)-(a)	Variance (c)-(b)
Consolidated Unit Sales Total	734	870	852	+118	-18

* Production figures include Toyota GR86.

Consolidated Unit Sales (by market)

(Thousand Units)

	FYE 2022 Results	FYE 2023 Results	Variance
Passenger cars	73	81	+9
Minicars	17	19	+2
Domestic total	89	100	+10
U.S.	506	592	+85
Canada	49	43	-6
Europe	15	23	+8
Australia	33	44	+11
China	14	10	-4
Others	27	41	+13
Overseas total	645	753	+108
Total	734	852	+118

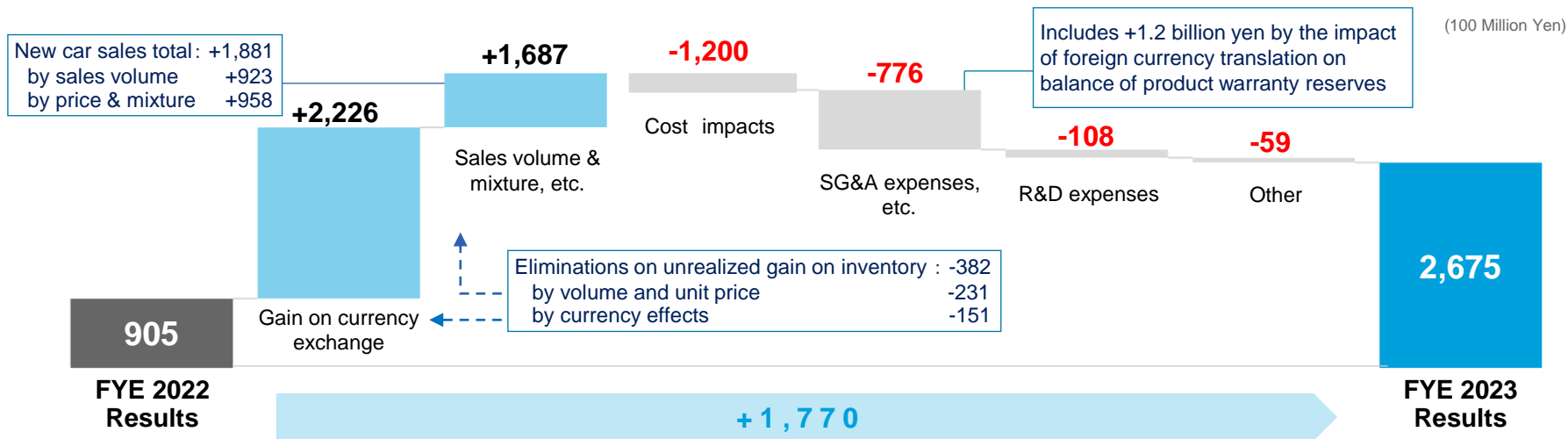
Consolidated Profit Results

(100 Million Yen)

		FYE 2022 Results(a)	FYE 2023 Previous Plan(b)	FYE 2023 Results(c)	Variance (c)-(a)	Variance (c)-(b)
Revenue		27,445	37,000	37,745	+10,299	+745
Domestic		4,880	-	5,810	+929	-
Overseas		22,565	-	31,935	+9,370	-
Operating profit		905	3,000	2,675	+1,770	-325
Profit before tax		1,070	3,000	2,784	+1,714	-216
Profit for the period attributable to owners of parent		700	2,100	2,004	+1,304	-96
SUBARU exchange rate	US\$	¥112	¥134	¥135	+¥23	+¥1
	EURO	¥130	¥140	¥141	+¥11	+¥2
	CAN\$	¥89	¥102	¥102	+¥13	+¥0

FYE 2023 :

Analysis of Variance in Operating Profit (Consolidated)

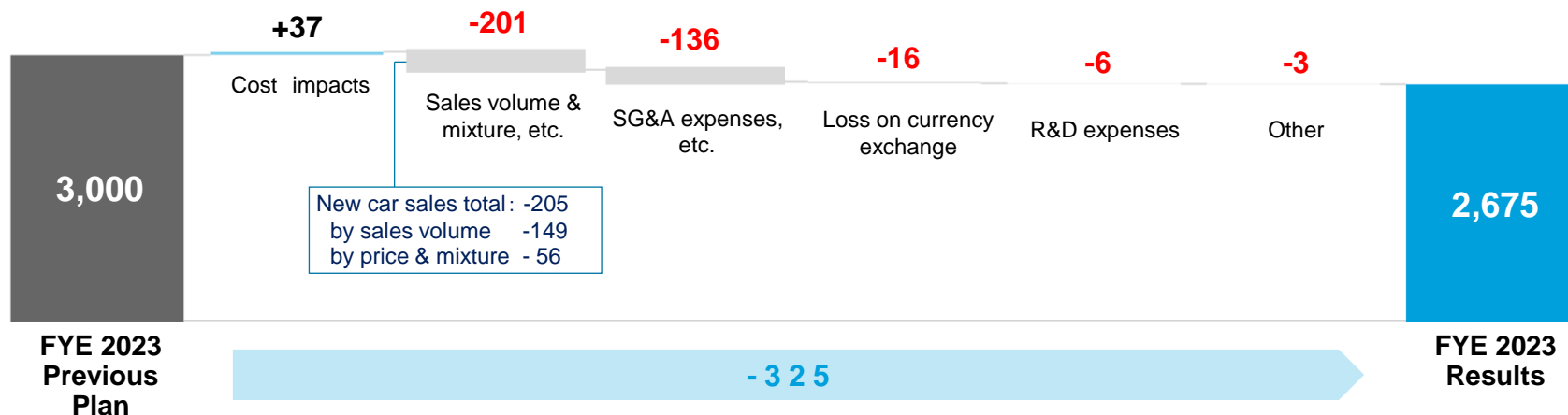


Currency exchange	+2,226	Sales volume & mix , etc.	+1,687	Cost impacts	-1,200			SG&A expenses, etc.	-776				
US \$	+2,268	Domestic	+141	SUBARU	-853	SIA*1	-347	Fixed manufacturing cost	-159	SG&A	-170	Warranty claims	-447
EURO	+33	Overseas	+1,740	Cost reduction	+41	Cost reduction	+10	SUBARU	-153	SIA*1	-6	SUBARU	-199
CAN \$	+93	Sales Incentive	-159	Material cost, etc.	-894	Material cost, etc.	-357	Suppliers' dies cost	-81	Suppliers' dies cost	+13	Domestic dealers	-9
CNY	-3	Others	-35					Fixed processing cost	-72	Fixed processing cost	-19	SOA *2	-3
Currency exchange adjustment	-14											SCI *3	-7
Unrealized gain	-151											Others	+48

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

Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



Cost impacts		+37	Sales volume & mixture, etc.		-201	SG&A expenses, etc.				-136	Currency exchange		-16	
SUBARU	+76	SIA*1	-39	Domestic	-32	Fixed manufacturing cost		+40	SG&A	+1	Warranty claims	-177	US \$	+24
Cost reduction	+3	Cost reduction	+8	Overseas	-173	SUBARU	+32	SIA*1	+8	SUBARU	-8	(including impact of foreign currency translation)	EURO	+10
Material cost, etc.	+73	Material cost, etc.	-47	Sales Incentive	+21	Suppliers' dies cost	+4	Suppliers' dies cost	-4	Domestic dealers	-3		CAN \$	-7
				Others	-17	Fixed processing cost	+28	Fixed processing cost	+12	SOA *2	+40		CNY	-2
										SCI *3	+3		Currency exchange adjustment	-16
										Others	-31		Unrealized gain	-25

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

FYE 2023 :

Consolidated Statement of Cash Flows / Cash and cash equivalents

(100 Million Yen)

	FYE 2022 Results	FYE 2023 Results	
	As of March 2022	As of March 2023	Variance
Net cash provided by (used in) operating activities	1,957	5,038	
Net cash provided by (used in) investing activities	-1,797	-3,368	
Free cash flows	159	1,669	
Net cash provided by (used in) financing activities	-985	-1,223	
Effect of exchange rate change on cash and cash equivalents	583	518	
Cash and cash equivalents at end of period	8,831	9,795	+965
Interest bearing debts Balance at end of period *	3,340	3,126	-214
Net cash	5,490	6,669	+1,179

* Lease liabilities are not included in the results above.

Capex / Depreciation / R&D

(100 Million Yen)

	FYE 2022 Results(a)	FYE 2023 Previous Plan(b)	FYE 2023 Results(c)	Variance (c)-(a)	Variance (c)-(b)
Capex *1	861	1,300	1,228	+367	-72
Depreciation *1	946	1,000	1,030	+84	+30
R&D expenditures *2	1,138	1,100	1,078	-60	-22

*1 : Leases, capex & amortization for intangible assets and 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	-	-
Production*1 Total	874	1,010	+136

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

*1:Production figures include Toyota GR86.

Consolidated Unit Sales (by market)

(Thousand Units)

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

Consolidated Profit Plan

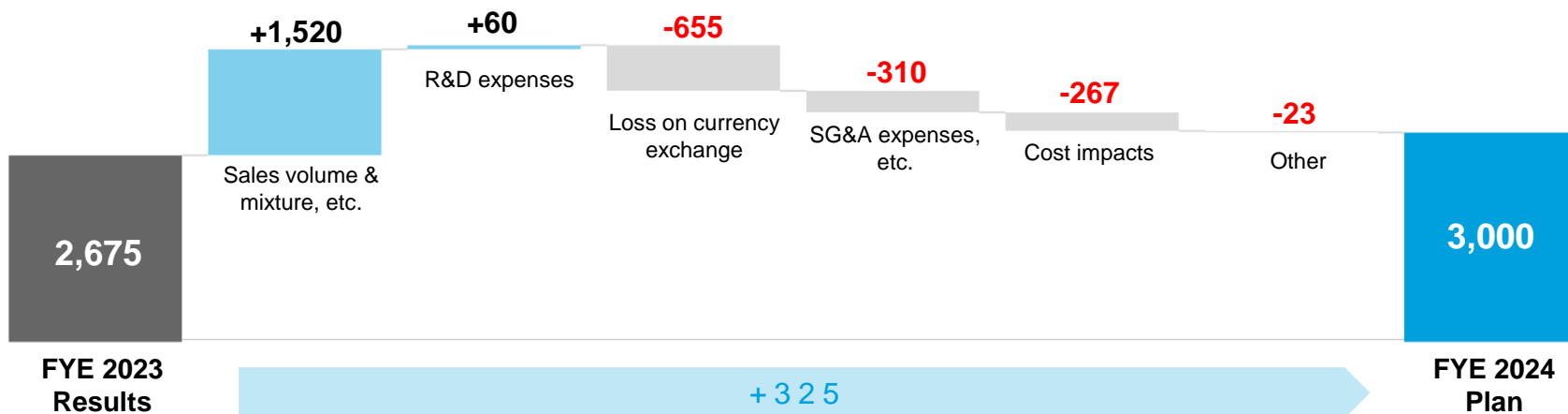
(Yen in 100 millions)

		FYE 2023 Results	FYE 2024 Plan	Variance
Revenue		37,745	42,000	+4,255
Operating profit		2,675	3,000	+325
Profit before tax		2,784	3,000	+216
Profit for the period attributable to owners of parent		2,004	2,100	+96
SUBARU exchange rate	US\$	¥135	¥128	-¥7
	EURO	¥141	¥138	-¥3
	CAN\$	¥102	¥94	-¥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.						
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
Capex *1	1,228	1,800	+572
Depreciation *1	1,030	1,000	-30
R&D expenditures *2	1,078	1,200	+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)

Shareholder Returns

➤ Dividend per share

	FYE2023	FYE2024 Forecast	(Yen)
Interim Dividend	38	38	38
Year-end Dividend	38	38	38
Total	76	76	76

➤ Details of the Repurchase

Total number of shares to be repurchased

Up to 22 million

Total value of shares to be repurchased

Up to 40 billion yen

Repurchase period

May 12 - Sep 30, 2023

→ FYE2023 Total return ratio : 49.1%

* All of shares repurchased will be cancelled.



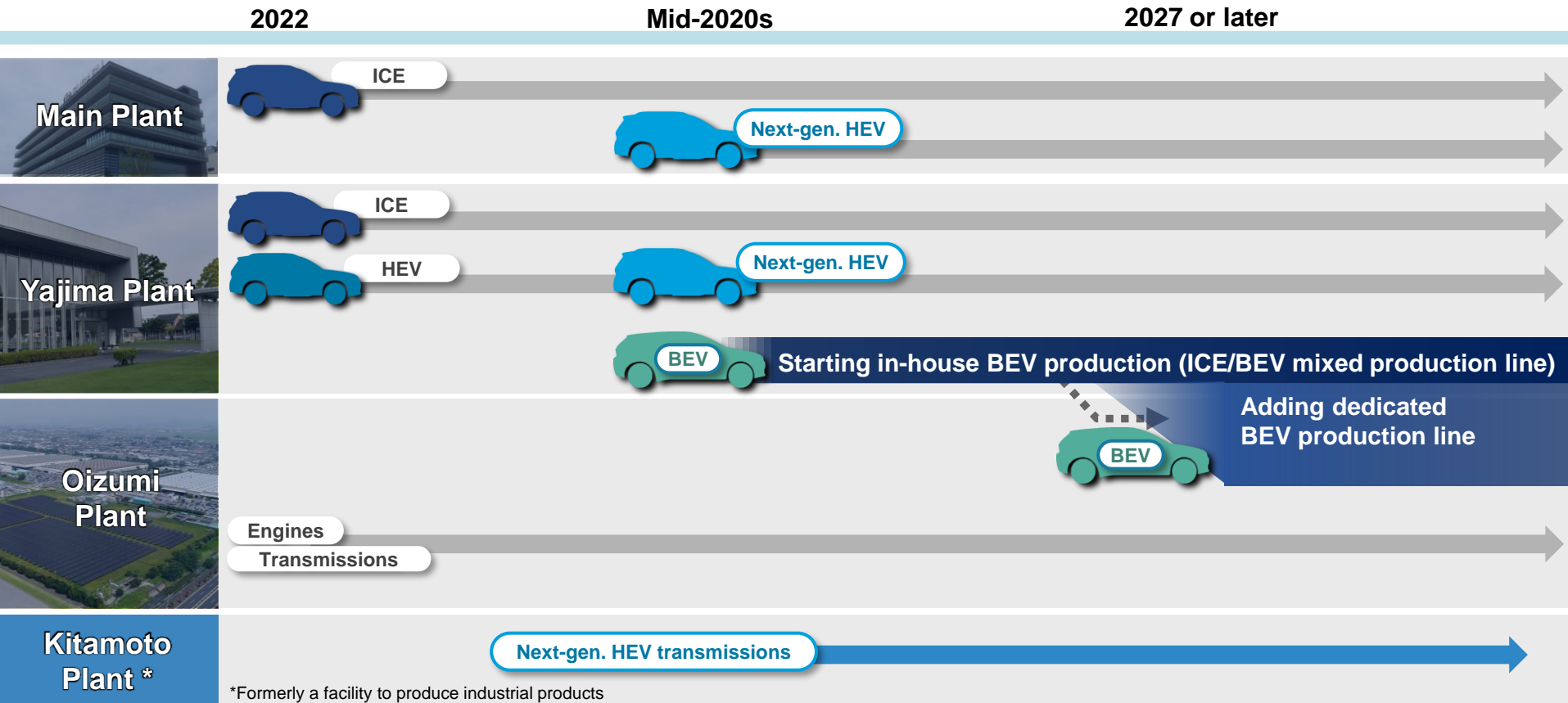
| Electrification Plan Status

SUBARU CORPORATION

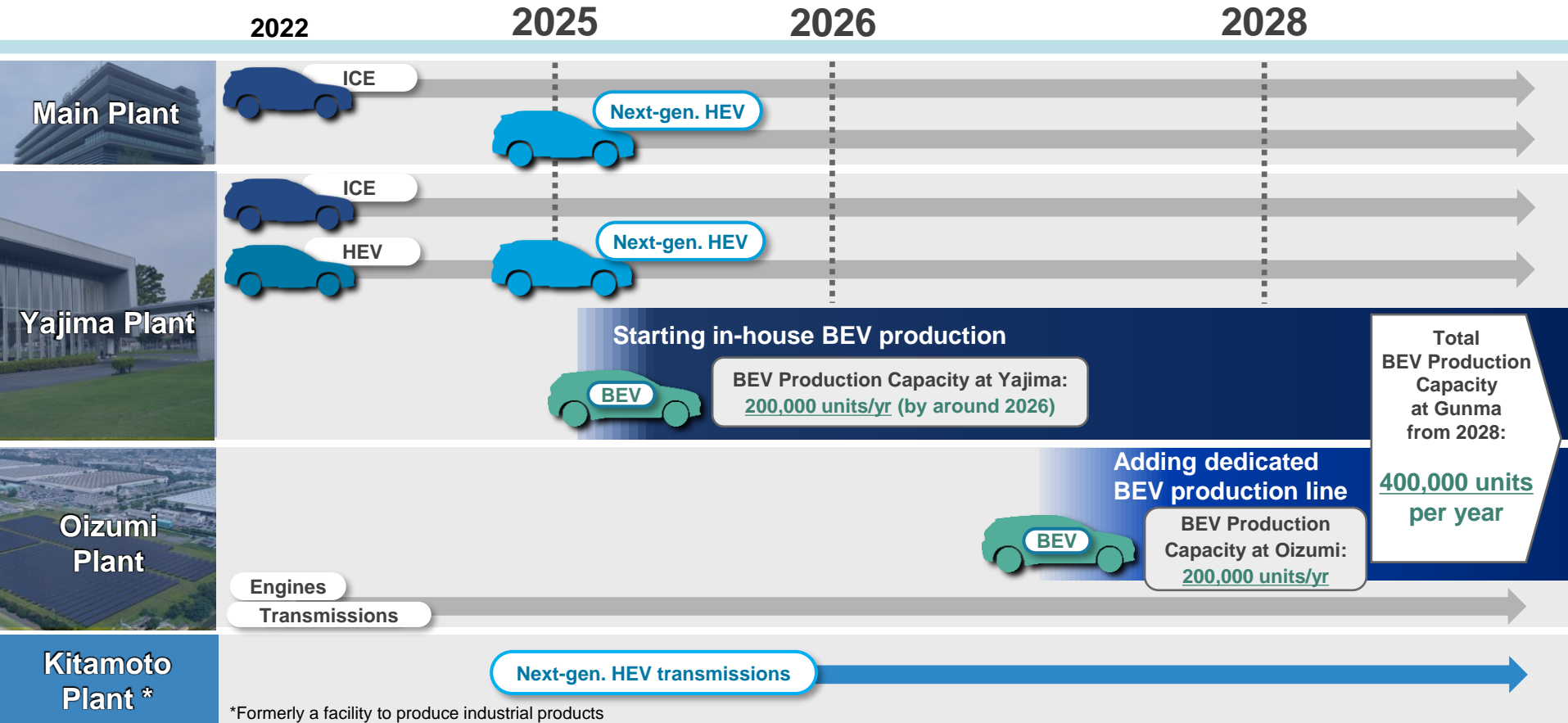
Atsushi Osaki, Director, Executive Vice President

May 11th, 2023

Strategic reorganization of domestic production (Announced in May 2022)

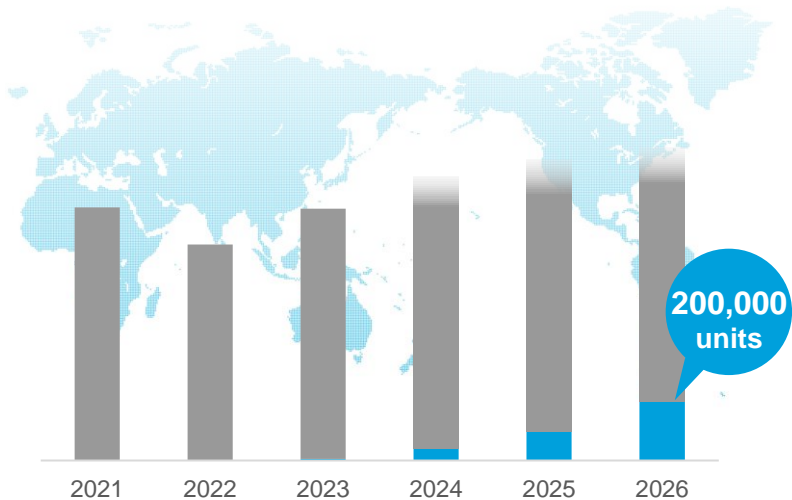


Strategic reorganization of domestic production - Update



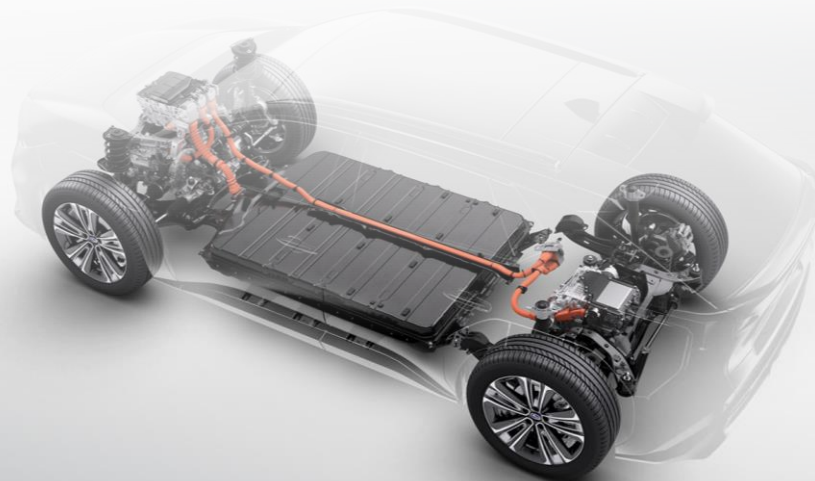
Global BEV Sales

Aim for global sales of 200,000 BEVs in 2026

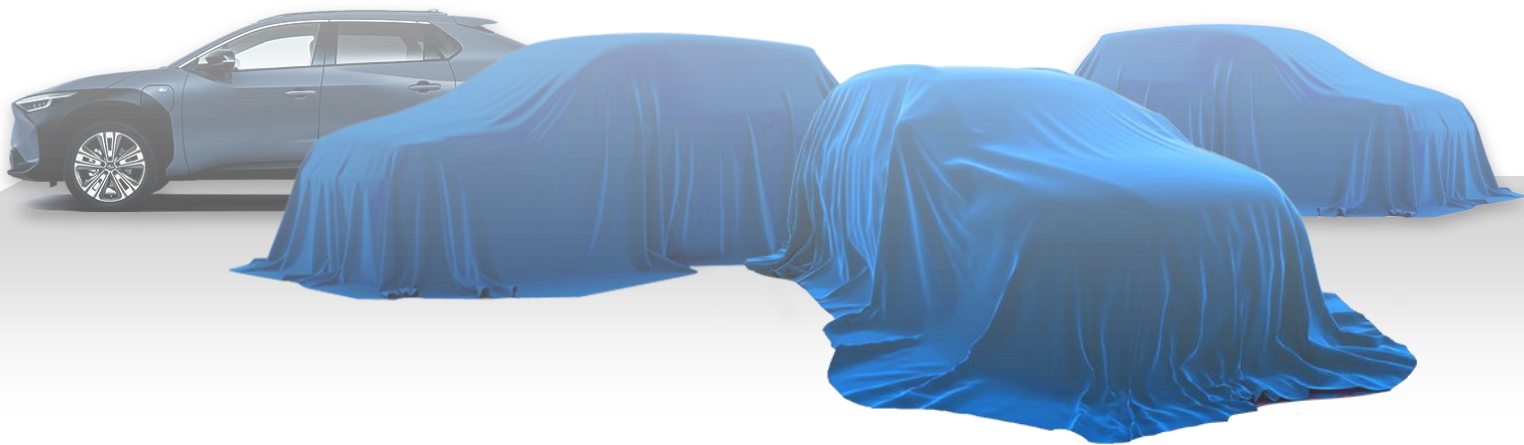


Battery Procurement

Procure batteries globally through alliance with Toyota Motor Corporation



A total of four SUV models are planned for the BEV lineup **by the end of 2026.**



Images are for illustration purposes only.

Appendix

- Segment information by Business & Geographic
- Overseas Revenue
- Consolidated Statement of Financial Position
- Non-consolidated Unit Sales
- Operating Results of Subsidiaries in U.S.
- Consolidated Financial Results for 4th Quarter (3 months)
- FYE 2023 Results (by Quarter)
- Complete Cars Production / Retail Sales Units

Revenue and Operating Profit by Business Segment (Consolidated)

(100 Million Yen)

	Revenue				Operating profit			
	FYE 2022 Results	FYE 2023 Results	Variance	FYE 2024 Plan	FYE 2022 Results	FYE 2023 Results	Variance	FYE 2024 Plan
Automobile	26,775	36,906	+10,131	40,907	925	2,633	+1,707	2,962
Aerospace	623	790	+167	1,045	-70	-21	+49	17
Other	48	49	+1	48	48	63	+15	21
Elimination & Corporate	-	-	-	-	1	0	-1	-
Total	27,445	37,745	+10,299	42,000	905	2,675	+1,770	3,000

Revenue and Operating Profit by Geographic Area (Consolidated)

(100 Million Yen)

	Revenue			Operating profit		
	FYE 2022 Results	FYE 2023 Results	Variance	FYE 2022 Results	FYE 2023 Results	Variance
Japan	6,663	8,437	+1,774	-195	1,967	+2,162
North America	19,688	28,014	+8,326	1,109	1,105	-4
Other	1,094	1,294	+200	29	-10	-39
Elimination & Corporate	-	-	-	-39	-387	-348
Total	27,445	37,745	+10,299	905	2,675	+1,770

Overseas Revenue (Consolidated)

(100 Million Yen)

	FYE 2022 Results	FYE 2023 Results	Variance
North America	20,040	28,451	+8,411
Europe	642	867	+224
Asia	734	914	+180
Other	1,149	1,704	+555
Total	22,565	31,935	+9,370

Consolidated Statement of Financial Position

(100 Million Yen)

	As of March 2022	As of March 2023	Variance
Total assets	35,438	39,442	+4,004
Current assets	20,422	24,298	+3,875
Non-current assets	15,015	15,144	+129
Total liabilities	16,427	18,342	+1,915
Interest bearing debts	3,340	3,126	-214
Total equity	19,010	21,099	+2,089
Retained earnings	14,663	16,237	+1,574
Equity attributable to owners of parent	18,908	21,010	+2,102
Ratio of equity attributable to owners of parent to total assets	53.4%	53.3%	-0.1%
D/E ratio	0.18	0.15	-0.03

Non-consolidated Unit Sales

(Thousand Units)

	FYE 2022 Results	FYE 2023 Results	Variance
Domestic production*	455	575	+120
Domestic sales	90	105	+14
Passenger cars	73	85	+12
Minicars	17	20	+3
Export total	371	469	+98
Components for overseas production	308	307	-1
Total	769	880	+112

* Production figures include Toyota GR86.

FYE 2023:

Operating Results of Subsidiaries in U.S.

(Million US\$)

SOA *1	FYE 2022 Results	FYE 2023 Results	Variance
Net sales	16,257	19,500	+3,243
Operating income	1,095	868	-227
Net income	852	648	-204
Retail sales (Thousand units)	553	565	+12
SIA *2	FYE 2022 Results	FYE 2023 Results	Variance
Net sales	7,109	8,469	+1,360
Operating income	-260	-120	+140
Net income	-212	-72	+140
Production (Thousand units)	272	299	+27

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

4th Quarter (3 months) :

Consolidated Unit Sales (by market)

(Thousand Units)

	FYE 2022 4Q Results	FYE 2023 4Q Results	Variance
Passenger cars	19	19	+0
Minicars	5	5	-0
Domestic total	24	24	-0
U.S.	135	155	+20
Canada	10	10	-0
Europe	3	9	+5
Australia	7	10	+4
China	3	2	-1
Others	5	8	+3
Overseas total	163	193	+31
Total	187	217	+31

4th Quarter (3 months) :

Consolidated Profit Results

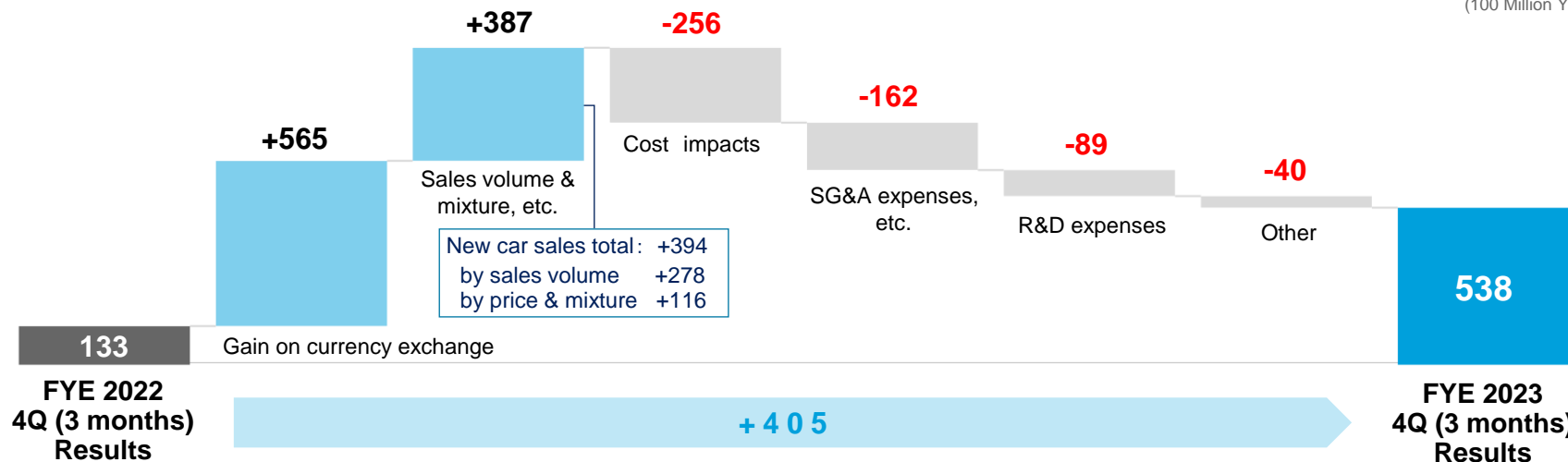
(100 Million Yen)

	FYE 2022 4Q Results	FYE 2023 4Q Results	Variance
Revenue	7,370	9,665	+2,295
Domestic	1,423	1,491	+68
Overseas	5,947	8,173	+2,226
Operating profit	133	538	+405
Profit before tax	157	632	+475
Profit for the period attributable to owners of parent	71	460	+389
SUBARU exchange rate US\$	¥115	¥133	+¥18
EURO	¥130	¥142	+¥13
CAN\$	¥90	¥98	+¥8

4th Quarter (3 months) :

Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



Currency exchange	+565	Sales volume & mix, etc.	+387	Cost impacts	-256	SG&A expenses, etc.	-162						
US \$	+272	Domestic	-11	SUBARU	-165	SIA*1	-91	Fixed manufacturing cost	-47	SG&A	-40	Warranty claims	-75
EURO	+13	Overseas	+405	Cost reduction	+8	Cost reduction	+4	SUBARU	-23	SIA*1	-24	SUBARU	-67
CAN \$	+12	Sales Incentive	-118	Material cost, etc.	-173	Material cost, etc.	-95	Suppliers' dies cost	-6	Suppliers' dies cost	-9	Domestic dealers	-4
CNY	-1	Others	+111					Fixed processing cost	-17	Fixed processing cost	-15	SOA *2	+27
Currency exchange adjustment	-71											SCI *3	-7
Unrealized gain	+340											Others	+11

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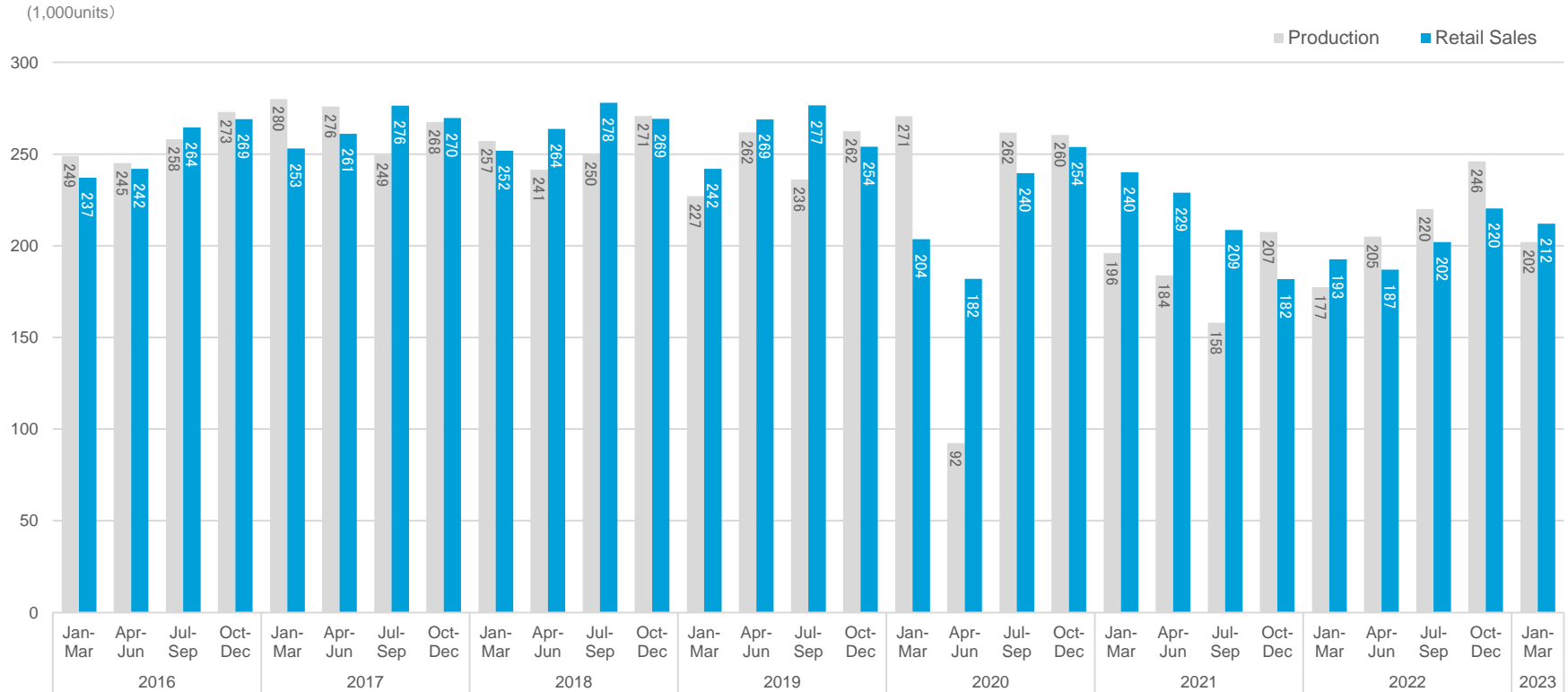
FYE 2023 Results(by Quarter)

(Yen in 100 millions, Units in thousands)

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

* 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.