

Subaru Corporation Announces Consolidated Financial Results for the First Half of FYE 2024

Tokyo, November 2, 2023 – Subaru Corporation today announced its consolidated financial results for the first half of the fiscal year ending March 31, 2024.

Results for April–September 2023: Consolidated Revenue

Global production increased 15.9% to 493,000 units as a result of continued initiatives in production and parts purchasing.

Production in Japan rose 13.2% to 320,000 units, while production in the U.S. grew 21.2% to 173,000 units.

As a result of the production increase, global unit sales rose 17.8% to 469,000 units, led by steady sales in Subaru's key U.S. market.

Due to the increase in unit sales and other factors, consolidated revenue rose 26.4% to 2,213.5 billion yen.

Results for April–September 2023: Consolidated Profit and Loss

As sales volume growth, the effects of foreign exchange rates, and other factors more than offset the increases in raw material costs and SG&A expenses, operating profit rose 68.3% to 185.8 billion yen, profit before tax grew 88.2% to 226.5 billion yen, and profit for the period attributable to owners of parent increased 93.9% to 150.9 billion yen.

Forecast for FYE 2024

As the effects of foreign exchange rates, an improvement in sales mix, and a decline in market prices, particularly for precious metals, are expected to more than offset the increase in SG&A expenses and potential constraints in parts supply and logistics, the Company is revising its previous forecasts for FYE 2024 (announced on August 2, 2023) as follows:

- Revenue: 4,650 billion yen (an increase of 450 billion yen from the previous forecast)
- Operating profit: 420 billion yen (an increase of 120 billion yen from the previous forecast)
- Profit before tax: 460 billion yen (an increase of 160 billion yen from the previous forecast)
- Profit for the period attributable to owners of parent: 320 billion yen (an increase of 110 billion yen from the previous forecast)

Reflecting the upward revision of the full-year earnings forecast based on the first-half results, and to commemorate the 70th anniversary of the Company's founding, the Company has decided to pay an interim dividend of 48 yen per share, consisting of 38 yen as an ordinary dividend and 10 yen as a commemorative dividend. The Company plans to pay a year-end dividend of the same amount of 48 yen, resulting in an annual dividend of 96 yen per share (76 yen ordinary dividend and 20 yen commemorative dividend).

The forecasts for FYE 2024 are based on exchange rate assumptions of 140 yen to the U.S. dollar and 150 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.



Reference for the Second Quarter of FYE 2024 Consolidated Financial Results

(Yen in 100 millions, Units in thousands)

	FYE 2023 1st Half [2022. 4-9] RESULTS	FYE 2024 1st Half [2023. 4-9] RESULTS		FYE 2023 Full Year ['22.4 - '23.3] RESULTS	FYE 2024 Full Year [2023.4 - 2023.3] FORECASTS		FYE 2024 Full Year ['23.4-'24.3] PREVIOUS FORECASTS		
		Change	%		Change	%			
Revenue	17,509	22,135	4,626	26.4	37,745	46,500	8,755	23.2	42,000
Japan	2,816	2,886	70	2.5	5,810	-	-	-	-
Overseas	14,693	19,248	4,555	31.0	31,935	-	-	-	-
Operating profit (loss)	1,104	1,858	754	68.3	2,675	4,200	1,525	57.0	3,000
Profit margin (%)	6.3	8.4			7.1	9.0			7.1
Profit (loss) before tax	1,204	2,265	1,061	88.2	2,784	4,600	1,816	65.3	3,000
Profit margin (%)	6.9	10.2			7.4	9.9			7.1
Profit for the quarter attributable to owners of parent	779	1,509	731	93.9	2,004	3,200	1,196	59.7	2,100
Profit margin (%)	4.4	6.8			5.3	6.9			5.0
Factors contributing to change in operating profit									
		Sales volume, mix, etc.	930			Sales volume, mix, etc.	1,627		
		Effects of foreign exchange rates	625			Effects of foreign exchange rates	746		
		Other	30			Cost impacts	39		
		Increase in SG&A exp., etc.	(451)			Other	5		
		Cost impacts	(334)			Increase in SG&A exp., etc.	(771)		
		Increase in R&D exp.	(46)			Increase in R&D exp.	(121)		
Exchange rates	JPY/US\$ 130/US\$	JPY/US\$ 139/US\$			JPY/US\$ 135/US\$	JPY/US\$ 140/US\$			JPY/US\$ 128/US\$
	JPY/EUR 137/US\$	JPY/EUR 151/US\$			JPY/EUR 141/US\$	JPY/EUR 150/US\$			JPY/EUR 138/EUR
Capital expenditures	551	964			1,228	1,800			1,800
Depreciation	495	483			1,030	1,000			1,000
R&D expenditures *	519	621			1,078	1,350			1,200
Interest bearing debts	3,326	3,232			3,126	-			-
Performance description									
		- Increase in revenue for three consecutive years				- Increase in revenue for two consecutive years			
		- Increase in profit at each stage for three consecutive years				- Increase in profit at each stage for two consecutive years			
		- Increase in consolidated unit sales for three consecutive years				- Increase in consolidated unit sales for two consecutive years			
Consolidated unit sales	49	45	(4)	(7.3)	100	116	17	16.9	126
< Japan >									
Passenger Cars	40	38	(2)	(4.3)	81	100	19	23.6	107
Minicars	9	7	(2)	(20.1)	19	16	(2)	(12.8)	19
Consolidated unit sales	350	424	75	21.3	753	894	141	18.7	884
< Overseas >									
North America	301	358	57	19.0	635	759	124	19.5	729
Europe	8	15	7	90.2	23	-	-	-	-
China	6	4	(2)	(39.9)	10	12	1	14.1	14
Other	35	48	13	37.3	84	-	-	-	-
Consolidated unit sales total	398	469	71	17.8	852	1,010	158	18.5	1,010
Production units total	425	493	68	15.9	874	1,010	136	15.6	1,010
Japan	283	320	37	13.2	575	-	-	-	-
U.S.	143	173	30	21.2	299	-	-	-	-
Revenue by business segment									
Automobile	17,134	21,635	4,500	26.3	36,906	45,394	8,489	23.0	40,907
Aerospace	351	474	123	35.1	790	1,057	267	33.8	1,045
Other	24	26	2	8.1	49	49	(0)	(0.6)	48
Operating profit (loss) by business segment									
Automobile	1,100	1,837	737	67.1	2,633	4,140	1,507	57.3	2,962
Aerospace	(32)	(11)	21	-	(21)	20	41	-	17
Other	36	30	(7)	(18.9)	63	40	(23)	(36.3)	21
Elimination & Corporate	0	3	3	536.2	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. >