

**< Reference for the First Half of FYE2019 Consolidated Financial Results >**

(Yen in 100 Millions, Units in Thousands)

	FYE2018 * 1st Half (2017 4-9) RESULTS		FYE2019 1st Half (2018 4-9) RESULTS			FYE2018 * Full Year ( '17.4 - '18.3) RESULTS		FYE2019 Full Year ( '18.4 - '19.3) FORECASTS			FYE2019 Full Year ( '18.4 - '19.3) PREVIOUS FORECASTS	
		Originally-reported		Change	%		Originally-reported		Change	%		
<b>Net sales</b>	16,080	16,863	14,868	(1,212)	(7.5)	32,327	34,052	32,100	(227)	(0.7)	32,500	
Japan	3,283	3,286	2,874	(408)	(12.4)	6,680	6,686	6,173	(507)	(7.6)	6,086	
Overseas	12,797	13,577	11,994	(804)	(6.3)	25,647	27,367	25,927	280	1.1	26,415	
<b>Operating income</b>	2,121		550	(1,571)	(74.1)	3,794		2,200	(1,594)	(42.0)	3,000	
Profit margin (%)	13.2	12.6	3.7			11.7	11.1	6.9			9.2	
<b>Ordinary income</b>	2,127		600	(1,527)	(71.8)	3,799		2,290	(1,509)	(39.7)	3,050	
Profit margin (%)	13.2	12.6	4.0			11.8	11.2	7.1			9.4	
<b>Net income attributable to owners of parent</b>	850		443	(407)	(47.9)	2,204		1,670	(534)	(24.2)	2,200	
Profit margin (%)	5.3	5.0	3.0			6.8	6.5	5.2			6.8	
<b>Factors contributing to change in operating income</b>			Decrease in R&D exp	65			Decrease in R&D exp	132				
Increase in SG&A exp, etc.			(913)		Cost reduction effort, etc.		16					
Deterioration in model mix, etc.			(629)		Increase in SG&A exp, etc.		(907)					
Loss on currency exchange			(76)		Deterioration in model mix, etc.		(689)					
Increase in raw material costs, etc.			(18)		Loss on currency exchange		(146)					
<b>Exchange rates</b>	JPY/US\$	111/US\$	109/US\$			111/US\$	110/US\$				105/US\$	
	JPY/EUR	125/EUR	131/EUR			130/EUR	130/EUR				130/EUR	
<b>Capital expenditures</b>	545		591			1,414		1,300			1,300	
<b>Depreciation and amortization</b>	421		473			898		930			930	
<b>R&amp;D expenses</b>	609		545			1,211		1,080			1,200	
<b>Interest bearing debts</b>	976		498			862		500			800	
<b>Performance description *</b>			- First decrease in net sales and operating income in 2 years				- First decrease in net sales in 7 years					
- Decrease in ordinary income and net income for 3 consecutive years			- Decrease in all profits for 3 consecutive years									
<b>Consolidated unit sales</b>	82		65	(17)	(21.1)	163					151	
<b>&lt;Japan&gt;</b>									123			123
Passenger Cars	67		52	(15)	(22.1)	133			28			28
Minicars	15		13	(2)	(16.4)	31			950			950
<b>Consolidated unit sales</b>	449		417	(32)	(7.1)	903			768			768
<b>&lt;Overseas&gt;</b>									44			44
North America	364		334	(30)	(8.2)	728			30			30
Europe	21		26	4	20.1	48			107			107
China	14		9	(5)	(33.5)	27						
Other	50		48	(2)	(3.2)	101						
<b>Consolidated unit sales total</b>	531		482	(49)	(9.3)	1,067		1,041	(26)	(2.4)	1,100	
<b>Production units total</b>	525		492	(34)	(6.4)	1,050		1,036	(14)	(1.3)	1,056	
Japan	346		319	(27)	(7.9)	701		656	(45)	(6.4)	672	
U.S.	179		173	(6)	(3.6)	349		380	31	8.9	384	
<b>Net sales by business segment</b>	Automobile	15,217	16,000	14,164	(1,053)	(6.9)	30,623	32,349				
	Aerospace	680		630	(50)	(7.3)	1,422					
	Other	183		74	(109)	(59.7)	282					
<b>Operating income by business segment</b>	Automobile	2,053		500	(1,553)	(75.6)	3,615					
	Aerospace	42		30	(12)	(28.6)	123					
	Other	24		18	(6)	(25.9)	51					
	Elimination & Corporate	3		3	0	3.6	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. >