



Subaru Corporation Announces Consolidated Financial Results for the First Half of FYE2020

Tokyo, November 6, 2019 – Subaru Corporation today announced its consolidated financial results for the first half of fiscal year ending March 31, 2020.

< Results for April-September 2019: Consolidated Revenue >

Consolidated global unit sales of Subaru vehicles increased 4.1% to 504,000 units.

Overseas unit sales rose 4.5% to 436,000 units due mainly to growth in the U.S. driven by the Ascent newly introduced in 2018 and the fully-redesigned Forester. Unit sales in Japan grew 1.6% to 68,000 units, led by the fully-redesigned Forester as well as the Subaru XV which newly added “e-Boxer”-equipped models*¹ to its lineup in October 2018.

Consolidated revenue rose 7.7% to 1,605.7 billion yen due to unit sales growth and other factors.

The Company is voluntarily adopting International Financial Reporting Standards (IFRS) from this fiscal year (FYE2020) in place of the Japanese generally accepted accounting principles (JGAAP) previously adopted. The first-half and full-year result figures of the previous fiscal year (FYE2019) have been recalculated based on IFRS for comparison and analysis purposes.

Global production rose 1.3% to 498,000 units. Production in Japan increased due to strong demand for the Forester. The volume of overseas production*² stood at the same level as the previous year, as production of the Legacy and Outback decreased at the time of their model changes, which offset an increase in production of the Ascent and Impreza.

< Results for April-September 2019: Consolidated Profit and Loss >

Operating profit rose 68.1% to 94.8 billion yen as a result of unit sales growth, sales incentive control, lower SG&A expenses due to a decrease in quality-related expenses, a decline in R&D expenses, and other factors. Profit before tax grew 54.0% to 93.1 billion yen. Profit for the period attributable to owners of parent increased 58.4% to 68.3 billion yen.

< Forecasts for FYE2020 >

Full-year forecasts for FYE2020 have been revised from the previous announcement made on August 5, 2019, to reflect factors including higher SG&A expenses due mainly to an increase in quality-related expenses, changes in currency rate assumptions (reflecting stronger yen), and an impact on production by Typhoon 19 (Hagibis), which offset improvements resulting mainly from sales incentive control.

Revised forecasts: Operating profit of 220 billion yen (up 21.1% from previous year), profit before tax of 220 billion yen (up 18.3%), profit for the period attributable to owners of parent of 163 billion yen (up 15.3%).

Forecasts for consolidated global unit sales and revenue remain unchanged from the previous announcement.

Currency rate assumptions: 107 yen/US\$, 119 yen/euro

Previous forecasts for FYE2020 announced on August 5, 2019 (Originally announced on May 11, 2019):

Consolidated global sales of Subaru vehicles: 1,058,000 units

Revenue: 3,310 billion yen

Operating profit: 260 billion yen

Profit before tax: 270 billion yen

Profit for the period attributable to owners of parent: 210 billion yen

Currency rate assumptions: 110 yen/US\$, 120 yen/euro

*1: “e-Boxer” is Subaru’s newly-developed power unit system combining a horizontally-opposed Boxer engine with an electric motor, which offers enhanced environmental performance as well as Subaru’s distinctive driving enjoyment.

*2: Production in the U.S. at Subaru of Indiana Automotive, Inc.

Note: Vehicle volume figures are rounded off to the nearest thousand.

Forward-looking statements in this document including financial and other forecasts are based on the information available at the time of announcement and are subject to various risks and uncertainties that could cause actual results to vary materially.