



Consolidated Financial Results for the 1st Half of FYE 2021

SUBARU CORPORATION

Tomomi Nakamura
Representative Director, President and CEO
November 4th, 2020

1st Half :

Consolidated Profit Results

Yen in 100 millions, Units in thousands

		Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
Consolidated unit sales		503.8	363.3	-140.5
Revenue		16,057	12,184	-3,873
Operating profit		948	306	-642
Profit for the period attributable to owners of parent		683	237	-446
SUBARU exchange rate	US\$	¥109	¥107	-¥2
	EURO	¥123	¥120	-¥2
	CAN\$	¥82	¥79	-¥3

Revised Plan FYE 2021 :

Consolidated Profit Plan

Yen in 100 millions, Units in thousands

		Results FYE 2020 (a)	Previous Plan FYE 2021 (as of Aug. 4 th) (b)	Revised Plan FYE 2021 (c)	Variance (c)-(a)	Variance (c)-(b)
Consolidated unit sales		1,033.9	900.0	910.6	-123.2	+10.6
Revenue		33,441	29,000	29,500	-3,941	+500
Operating profit		2,103	800	1,100	-1,003	+300
Profit for the period attributable to owners of parent		1,526	600	800	-726	+200
SUBARU exchange rate	US\$	¥109	¥105	¥106	-¥3	+¥1
	EURO	¥121	¥120	¥120	-¥1	+¥0
	CAN\$	¥82	¥80	¥79	-¥3	-¥1



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.

<https://www.subaru.co.jp/en/ir/>



Consolidated Financial Results for the 1st Half of FYE 2021

SUBARU CORPORATION

Toshiaki Okada
Corporate Executive Vice President & CFO
November 4th, 2020



Consolidated Financial Results for the 1st Half of FYE 2021

1st Half :

Consolidated Unit Sales (by market)

(Thousand Units)

	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
Passenger cars	55.1	32.7	-22.5
Minicars	12.8	9.9	-3.0
Domestic total	68.0	42.5	-25.5
U.S.	336.3	260.9	-75.5
Canada	27.7	23.3	-4.4
Russia	4.6	1.2	-3.5
Europe	12.3	5.7	-6.7
Australia	24.6	10.5	-14.1
China	10.8	13.1	+2.3
Others	19.5	6.2	-13.3
Overseas total	435.8	320.8	-115.0
Total	503.8	363.3	-140.5

1st Half :

Consolidated Unit Sales / Complete Cars Production

(Thousand Units)

	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
Consolidated Unit Sales Total	503.8	363.3	-140.5

(Thousand Units)

	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
Production in U.S.	172.2	133.1	-39.1
Production in Japan	325.8	220.9	-104.9
Total	497.9	353.9	-144.0

* Production figures include Toyota 86.

1st Half:

Consolidated Profit Results

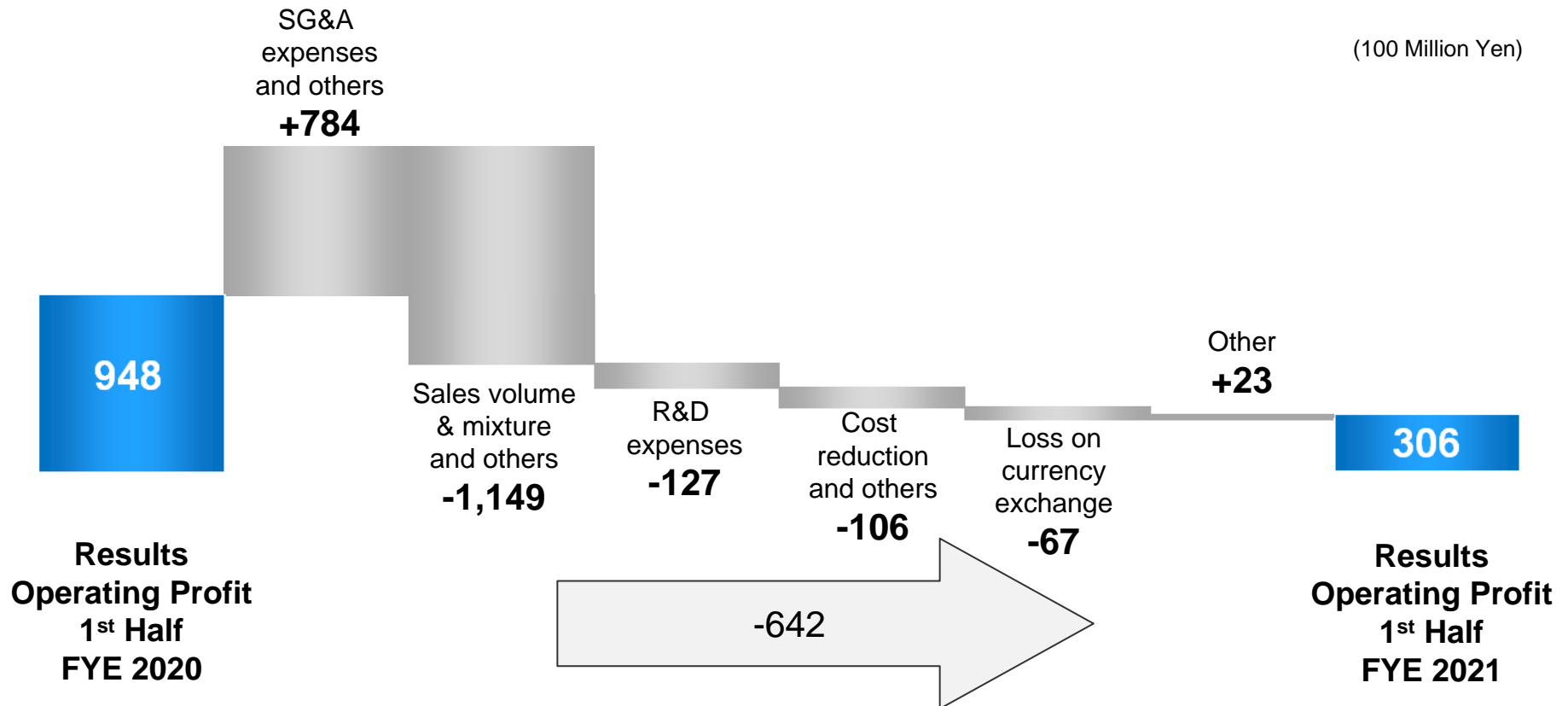
(100 Million Yen)

		Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
Revenue		16,057	12,184	-3,873
Domestic		2,975	2,102	-873
Overseas		13,082	10,082	-3,000
Operating profit		948	306	-642
Profit before tax		931	361	-570
Profit for the period attributable to owners of parent		683	237	-446
SUBARU exchange rate	US\$	¥109	¥107	-¥2
	EURO	¥123	¥120	-¥2
	CAN\$	¥82	¥79	-¥3

1st Half :

Analysis of Variance in Operating Profit (Consolidated)

(100 Million Yen)



SG&A expenses and others				784	
Fixed manufacturing cost	-6	SG&A	192	Warranty expenses	598
SUBARU	5	SIA	-11	SUBARU	76
Suppliers' dies cost	-2	Suppliers' dies cost	-22	Domestic dealers	39
Fixed processing costs	7	Fixed processing costs	11	SOA (*1)	59
				SCI (*2)	11
				Others	7

Sales volume & mixture and others		-1,149
Domestic	-240	
Overseas	-929	
Sales Incentive	194	
Others	-174	

Cost reduction and others				-106
SUBARU	-32	SIA	-74	
Cost reduction	14	Cost reduction	1	
Material cost and others	-46	Material cost and others	-75	

Currency exchange		-67
US\$	-86	
EURO	-2	
CAN\$	-12	
CNY	-1	
Currency exchange adjustment	30	
Unrealized gain	4	

*1 SOA: Subaru of America Inc.
*2 SCI : Subaru Canada Inc.

1st Half :

Consolidated Statement of Cash Flows / Cash and cash equivalents

(100 Million Yen)

	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021
Net cash provided by (used in) operating activities	792	684
Net cash provided by (used in) investing activities	226	-862
Free cash flows	1,018	-178
Net cash provided by (used in) financing activities	-470	581

	As of March 2020	As of September 2020	Variance
Cash and cash equivalents at end of period	8,590	8,881	+292
Interest bearing debts Balance at end of period (*)	2,392	3,353	+961
Net cash	6,198	5,528	-670

* Lease liabilities are not included in the results above.

Capex / Depreciation / R&D

(100 Million Yen)

	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
Capex (*1)	732	334	-398
Depreciation (*1)	457	471	+14
R&D expenditures (*2)	548	506	-42

*1 : Leases, capex & amortization for intangible assets are not included in the results 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 2021

Revised Plan FYE 2021 :

Consolidated Unit Sales (by market)

(Thousand Units)

	Results FYE 2020	Revised Plan FYE 2021	Variance
Passenger cars	101.9	95.3	-6.6
Minicars	23.9	22.1	-1.8
Domestic total	125.8	117.4	-8.4
U.S.	701.6	635.7	-65.9
Canada	60.4	51.4	-9.0
Russia	8.7	4.7	-3.9
Europe	37.0	18.4	-18.6
Australia	43.1	31.5	-11.6
China	20.6	28.5	+7.9
Others	36.7	23.1	-13.6
Overseas total	908.0	793.2	-114.8
Total	1,033.9	910.6	-123.2

Revised Plan FYE 2021 :

Consolidated Unit Sales / Complete Cars Production

(Thousand Units)

	Results FYE 2020 (a)	Previous Plan FYE 2021 (as of Aug. 4 th) (b)	Revised Plan FYE 2021 (c)	Variance (c)-(a)	Variance (c)-(b)
Consolidated Unit Sales Total	1,033.9	900.0	910.6	-123.2	+10.6

(Thousand Units)

	Results FYE 2020 (a)	Previous Plan FYE 2021 (as of Aug. 4 th) (b)	Revised Plan FYE 2021 (c)	Variance (c)-(a)	Variance (c)-(b)
Production in U.S.	367.3	-	325.2	-42.1	-
Production in Japan	663.6	-	556.1	-107.5	-
Total	1,030.9	880.0	881.3	-150.0	+1.3

* Production figures include Toyota 86.

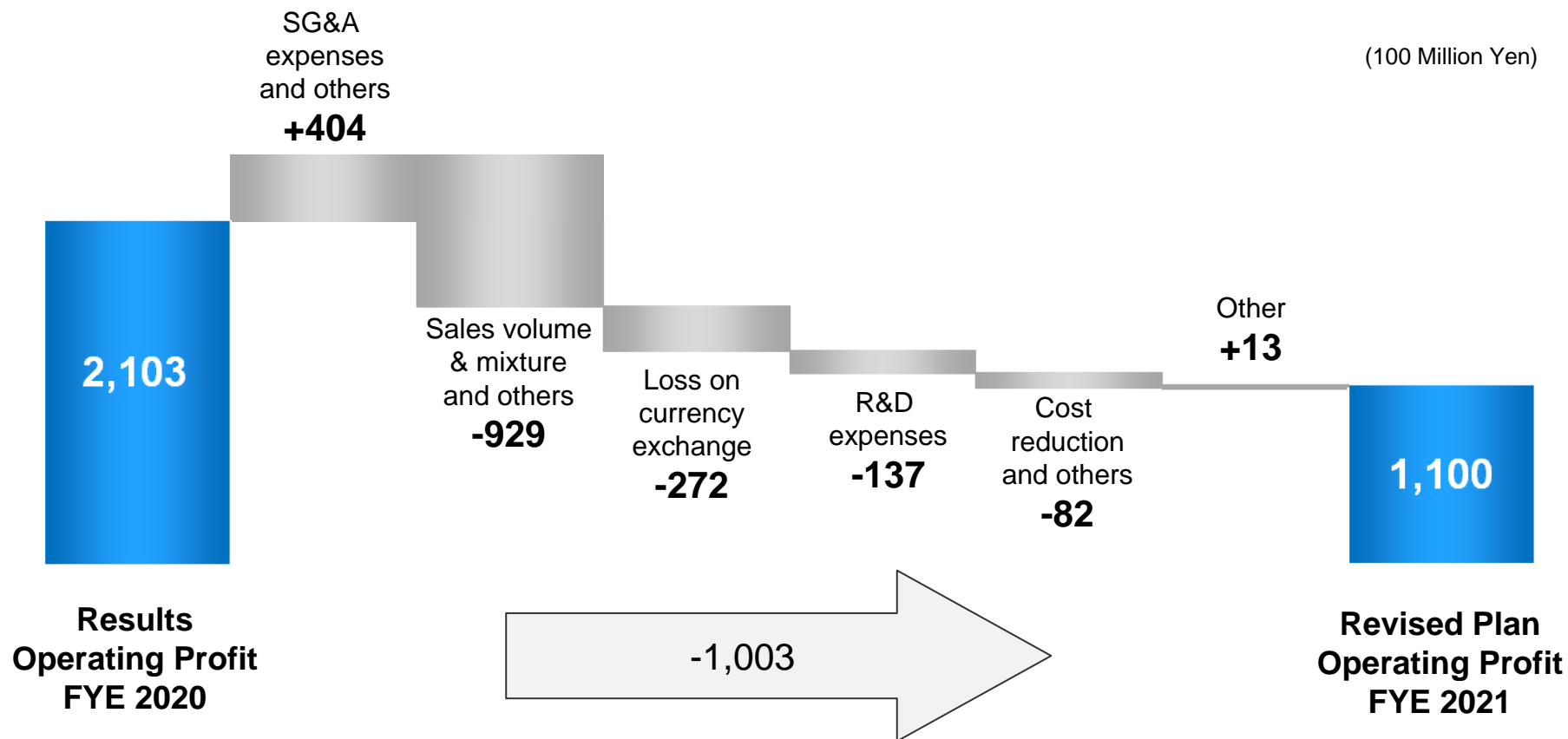
Revised Plan FYE 2021 :
Consolidated Profit Plan

(100 Million Yen)

		Results FYE 2020 (a)	Previous Plan FYE 2021 (as of Aug. 4 th) (b)	Revised Plan FYE 2021 (c)	Variance (c)-(a)	Variance (c)-(b)
Revenue		33,441	29,000	29,500	-3,941	+500
Domestic		5,727	-	5,397	-330	-
Overseas		27,714	-	24,103	-3,611	-
Operating profit		2,103	800	1,100	-1,003	+300
Profit before tax		2,077	870	1,170	-907	+300
Profit for the period attributable to owners of parent		1,526	600	800	-726	+200
SUBARU exchange rate	US\$	¥109	¥105	¥106	-¥3	+¥1
	EURO	¥121	¥120	¥120	-¥1	+¥0
	CAN\$	¥82	¥80	¥79	-¥3	-¥1

Revised Plan FYE 2021 :

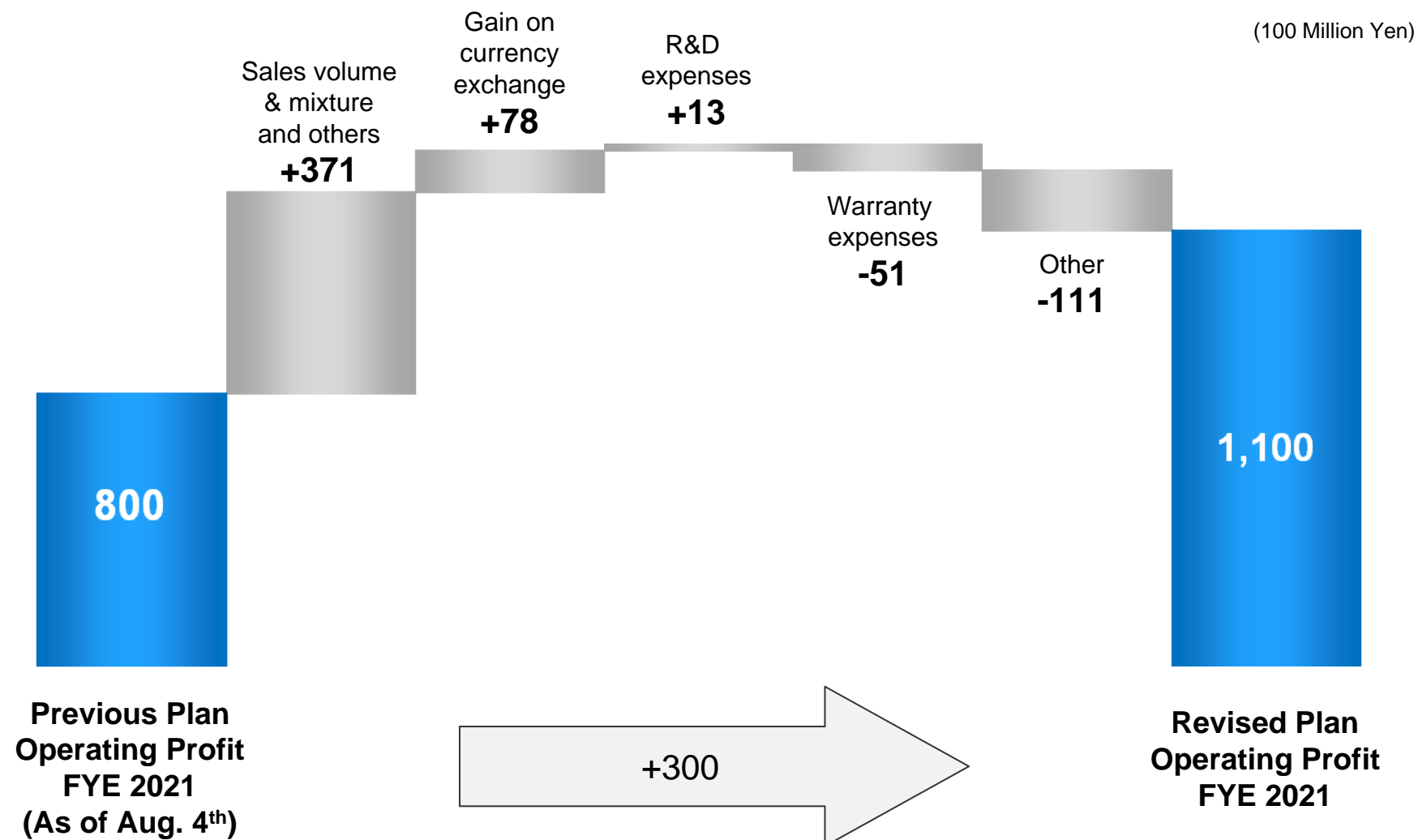
Analysis of Variance in Operating Profit (Consolidated)



SG&A expenses and others 404				Sales volume & mixture and others -929		Currency exchange -272		Cost reduction and others -82					
Fixed manufacturing cost	-104	SG&A	109	Warranty expenses	399	Domestic	-109	US\$	-296	SUBARU	-3	SIA	-79
SUBARU	-83	SIA	-21	SUBARU	73	Overseas	-917	EURO	-2	Cost reduction	46	Cost reduction	5
Suppliers' dies cost	-19	Suppliers' dies cost	-7	Domestic dealers	27	Sales Incentive	80	CAN\$	-21	Material cost and others	-49	Material cost and others	-84
Fixed processing costs	-64	Fixed processing costs	-14	SOA (*1)	74	Others	17	CNY	-1				
				SCI (*2)	11			Currency exchange adjustment	32				
				Others	-76			Unrealized gain	16				

Previous Plan FYE 2021 (as of August 4th) vs. Revised Plan :

Analysis of Variance in Operating Profit (Consolidated)



Capex / Depreciation / R&D

(100 Million Yen)

	Results FYE 2020 (a)	Previous Plan FYE 2021 (as of Aug. 4 th) (b)	Revised Plan FYE 2021 (c)	Variance (c)-(a)	Variance (c)-(b)
Capex (*1)	1,260	1,000	1,000	-260	±0
Depreciation (*1)	961	1,000	1,000	+39	±0
R&D expenditures (*2)	1,187	1,000	1,000	-187	±0

*1 : Leases, capex & amortization for intangible assets are not included in the results above.

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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)

Appendix (1)

- Segment information by Business & Geographic (1st Half)
- Overseas Revenue (1st Half)
- Consolidated Statement of Financial Position
- Non-consolidated Unit Sales (1st Half)
- Operating Results of Subsidiaries in U.S. (1st Half)
- Consolidated Financial Results for 2nd Quarter (3 months)
- Forecast for 2nd Half FYE 2021
- Complete Cars Production / Retail Sales Units

1st Half :

Revenue and Operating Profit by Business Segment (Consolidated)

(100 Million Yen)

	Revenue			Operating profit		
	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
Automobile	15,303	11,688	-3,615	874	316	-558
Aerospace	710	472	-238	51	-30	-81
Other	44	24	-20	24	20	-4
Elimination & Corporate				0	1	+1
Total	16,057	12,184	-3,873	948	306	-642

1st Half :

Revenue and Operating Profit by Geographic Area (Consolidated)

(100 Million Yen)

	Revenue			Operating profit		
	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
Japan	4,545	2,788	-1,757	439	-192	-630
North America	10,833	8,791	-2,041	479	323	-156
Other	678	605	-74	9	19	+10
Elimination & Corporate				21	155	+134
Total	16,057	12,184	-3,873	948	306	-642

1st Half :

Overseas Revenue (Consolidated)

(100 Million Yen)

	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
North America	11,350	9,088	-2,261
Europe	421	209	-212
Asia	558	470	-88
Other	753	314	-439
Total	13,082	10,082	-3,000

Consolidated Statement of Financial Position

(100 Million Yen)

	As of March 2020	As of September 2020	Variance
Total assets	32,939	32,880	-60
Current assets	19,788	19,852	+65
Non-current assets	13,151	13,027	-124
Total liabilities	15,738	15,768	+30
Interest bearing debts	2,392	3,353	+961
Total equity	17,201	17,112	-89
Retained earnings	13,972	13,995	+23
Equity attributable to owners of parent	17,129	17,032	-97
Ratio of equity attributable to owners of parent to total assets	52.0%	51.8%	-
D/E ratio	0.14	0.20	-

1st Half :

Non-consolidated Unit Sales

(Thousand Units)

	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
Domestic production	325.8	220.9	-104.9
Domestic sales	68.0	40.9	-27.1
Passenger cars	53.9	30.7	-23.2
Minicars	14.1	10.2	-3.9
Number of exported vehicles	266.1	188.7	-77.4
Components for overseas production	178.3	108.7	-69.6
Total	512.4	338.3	-174.1

* Production figures include Toyota 86.

1st Half :

Operating Results of Subsidiaries in U.S.

(Million US\$)

SOA	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
Net sales	9,391	8,079	-1,312
Operating income	382	424	+42
Net income	304	377	+73
Retail sales (Thousand units)	367.5	305.1	-62.4

SIA	Results 1 st Half FYE 2020	Results 1 st Half FYE 2021	Variance
Net sales	4,148	3,349	-799
Operating income	50	-117	-167
Net income	48	-92	-140
Production (Thousand units)	172.2	133.1	-39.1

2nd Quarter (3 months) :

Consolidated Unit Sales (by market)

(Thousand Units)

	Results 2 nd Quarter (3 months) FYE 2020	Results 2 nd Quarter (3 months) FYE 2021	Variance
Passenger cars	27.7	18.4	-9.3
Minicars	7.0	5.6	-1.4
Domestic total	34.7	24.0	-10.7
U.S.	157.0	169.8	+12.8
Canada	12.1	17.0	+4.9
Russia	2.4	1.0	-1.5
Europe	6.4	2.5	-4.0
Australia	12.9	5.6	-7.3
China	5.0	7.1	+2.1
Others	10.6	3.3	-7.3
Overseas total	206.6	206.3	-0.3
Total	241.3	230.3	-11.0

2nd Quarter (3 months) :

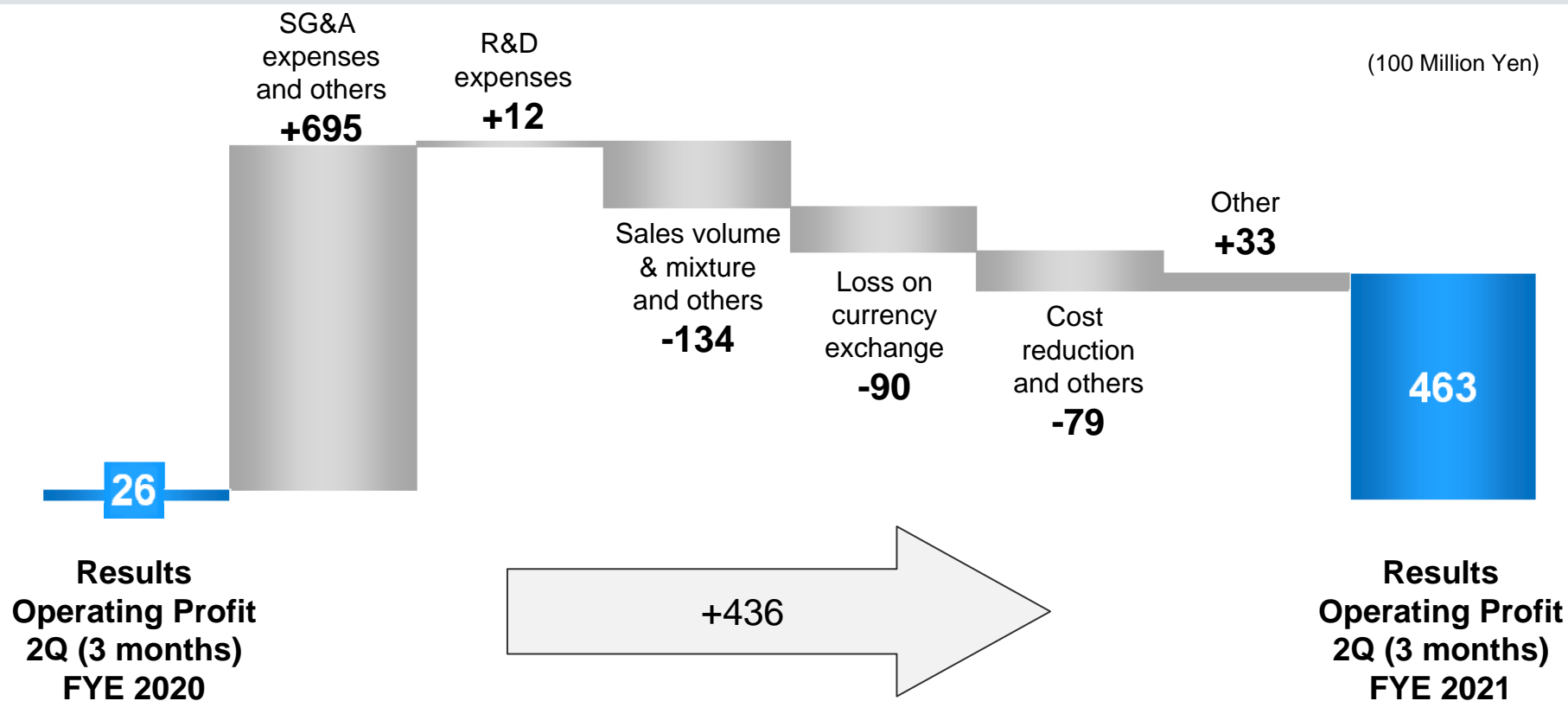
Consolidated Profit Results

(100 Million Yen)

		Results 2 nd Quarter (3 months) FYE 2020	Results 2 nd Quarter (3 months) FYE 2021	Variance
Revenue		7,723	7,614	-109
Domestic		1,553	1,156	-397
Overseas		6,170	6,458	+288
Operating profit		26	463	+436
Profit before tax		38	468	+431
Profit for the period attributable to owners of parent		18	314	+296
SUBARU exchange rate	US\$	¥108	¥107	-¥1
	EURO	¥120	¥123	+¥2
	CAN\$	¥81	¥80	-¥2

2nd Quarter (3 months) :

Analysis of Variance in Operating Profit (Consolidated)



SG&A expenses and others			695		Sales volume & mixture and others		-134		Currency exchange		-90		Cost reduction and others		-79	
Fixed manufacturing cost	-26		SG&A	61	Warranty expenses	660	Domestic	-115	US\$	-60	SUBARU	-40	SIA	-39		
SUBARU	-28	SIA	2	SUBARU	33	Overseas	366	EURO	1	Cost reduction	4	Cost reduction	-2			
Suppliers' dies cost	-3	Suppliers' dies cost	-7	Domestic dealers	16	Sales Incentive	-16	CAN\$	-6	Material cost and others	-44	Material cost and others	-37			
Fixed processing costs	-25	Fixed processing costs	9	SOA (*1)	19	Others	-369	CNY	-							
				SCI (*2)	2			Currency exchange adjustment	3							
				Others	-9			Unrealized gain	-28							

*1 SOA: Subaru of America Inc.

*2 SCI : Subaru Canada Inc.

Plan for 2nd Half:

Consolidated Unit Sales (by market)

(Thousand Units)

	Results 2 nd Half FYE 2020	Plan 2 nd Half FYE 2021	Variance
Passenger cars	46.8	62.6	+15.8
Minicars	11.0	12.2	+1.2
Domestic total	57.8	74.8	+17.0
U.S.	365.3	374.8	+9.5
Canada	32.7	28.1	-4.6
Russia	4.0	3.5	-0.5
Europe	24.6	12.7	-11.9
Australia	18.5	21.0	+2.5
China	9.8	15.5	+5.6
Others	17.2	16.9	-0.4
Overseas total	472.2	472.4	+0.2
Total	530.0	547.3	+17.2

Plan for 2nd Half:

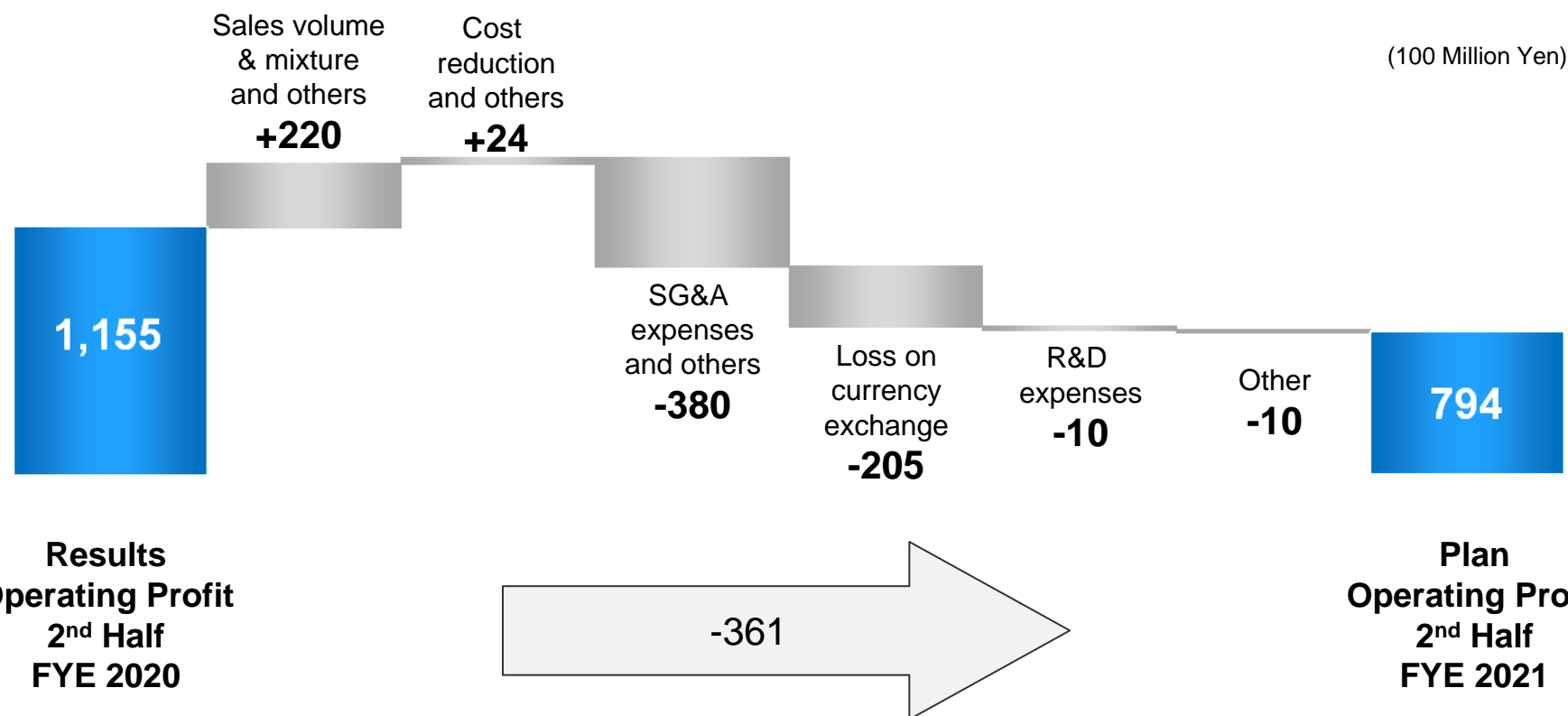
Consolidated Profit

(100 Million Yen)

		Results 2 nd Half FYE 2020	Plan 2 nd Half FYE 2021	Variance
Revenue		17,384	17,316	-68
Domestic		2,752	3,294	+543
Overseas		14,633	14,022	-611
Operating profit		1,155	794	-361
Profit before tax		1,146	809	-337
Profit for the period attributable to owners of parent		843	563	-280
SUBARU exchange rate	US\$	¥109	¥105	-¥4
	EURO	¥120	¥120	-¥0
	CAN\$	¥82	¥80	-¥2

Plan for 2nd Half:

Analysis of Variance in Operating Profit (Consolidated)



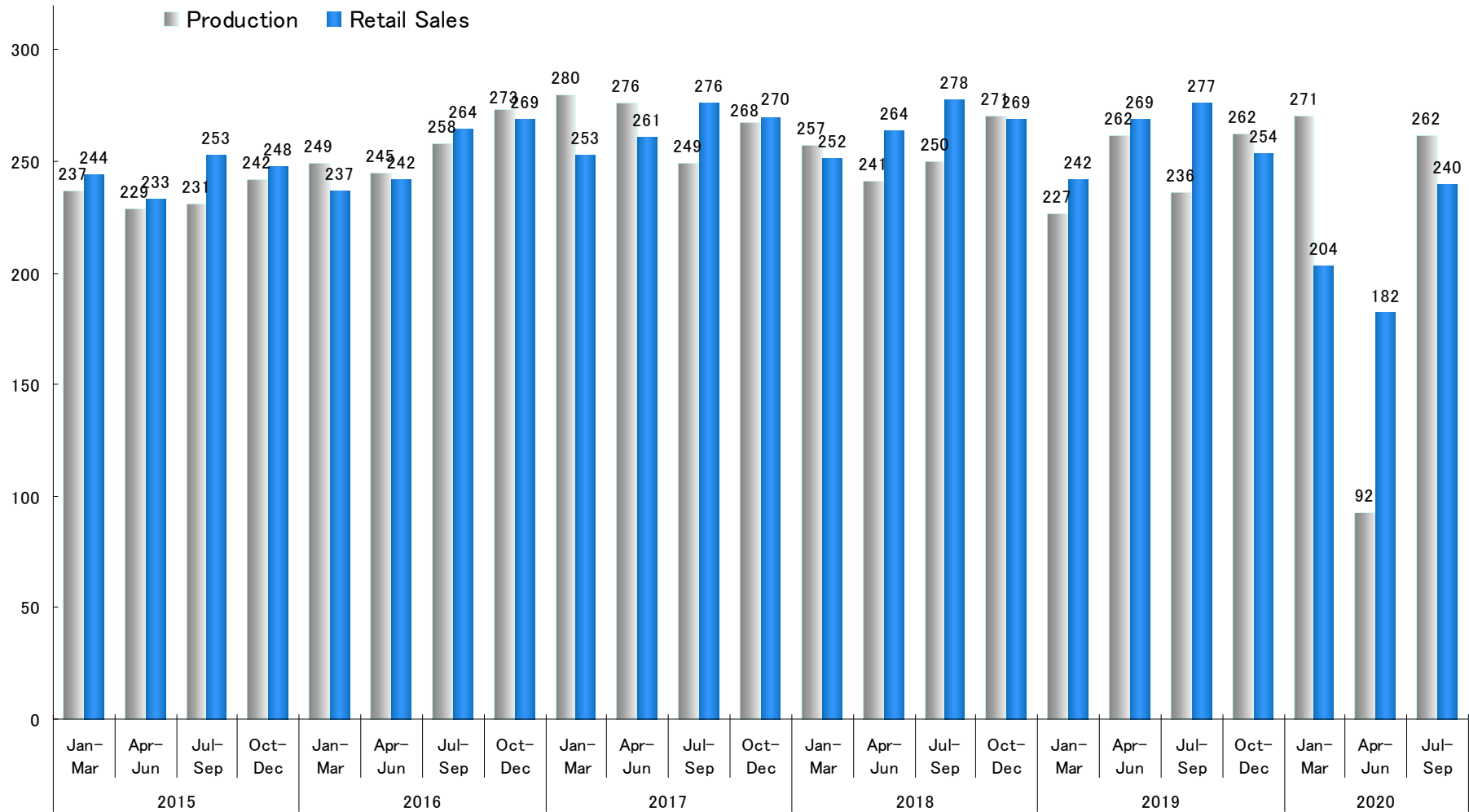
Sales volume & mixture and others		Cost reduction and others		SG&A expenses and others			Currency exchange						
220		24		-380			-205						
Domestic	131	SUBARU	29	SIA	-5	Fixed manufacturing cost	-98	SG&A	-83	Warranty expenses	-199	US\$	-210
Overseas	12	Cost reduction	32	Cost reduction	4	SUBARU	-88	SIA	-10	SUBARU	-3	EURO	0
Sales Incentive	-114	Material cost and others	-3	Material cost and others	-9	Suppliers' dies cost	-17	Suppliers' dies cost	15	Domestic dealers	-12	CAN\$	-9
Others	191					Fixed processing costs	-71	Fixed processing costs	-25	SOA ⁽¹⁾	15	CNY	0
										SCI ⁽²⁾	0	Currency exchange adjustment	2
										Others	-83	Unrealized gain	12

*1 SOA: Subaru of America Inc.

*2 SCI : Subaru Canada Inc.

Complete Cars Production / Retail Sales Units

(1,000units)



* Production figures include Toyota 86.



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