

**Notice of Convocation**  
**of**  
**the 151<sup>st</sup> Ordinary General Meeting of Shareholders**

(English translation of the rest of the cover is omitted)

## To Our Shareholders

Thank you very much for your continued support.

We would like to begin by addressing the improper activities in regards to fuel consumption and gas emission testing of the Company's automobiles last year, which caused unfortunate worry among our stakeholders. As a result of testing by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT), it was confirmed that there were no problems with the Company's original values for fuel consumption (fuel consumption values listed in catalogs) and original values for gas emission. The Company has taken swift action to implement reliable measures for preventing recurrence of the incident. All executives and employees of the Company will continue to implement thorough compliance in order to maintain trust and meet the expectations of shareholders.

Regarding consolidated results for the fiscal year, although net sales decreased due to the effect of exchange rates, etc., there was an increase in operating income, ordinary income, and net income attributable to shareholders of the parent. Regarding the year-end dividends for the fiscal year, the Company proposes ¥27.00 per share at the 151st Ordinary General Meeting of Shareholders. As a result, the annual dividends will be ¥44.00 per share, including the interim dividends of ¥17.00.

The Group has entered the third year of the New Mid-Term Management Plan (FY 2015 to 2019) SUZUKI NEXT 100. Aiming for new growth, Team Suzuki will respond to rapid changes in the automotive manufacturing environment and will strive to constantly create products and provide services with outstanding value.

We look forward to the continued support and encouragement of our shareholders.

Toshihiro Suzuki, Representative Director and President  
May 2017

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**ATTACHED DOCUMENTS**

- P28 BUSINESS REPORT**
- P55 CONSOLIDATED FINANCIAL STATEMENTS**
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- P62 AUDIT REPORTS**
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(Securities Code Number: 7269)

31 May 2017

## To each Shareholder:

### **Suzuki Motor Corporation**

300, Takatsuka-cho, Minami-ku, Hamamatsu-City,  
Shizuoka-ken

**Toshihiro Suzuki**

Representative Director and President

## **Notice of Convocation of the 151<sup>st</sup> Ordinary General Meeting of Shareholders**

We appreciate very much your support always given to us.

Now, we would hereby like to inform you that the 151<sup>st</sup> Ordinary General Meeting of Shareholders will be held as follows, and we would be grateful if you could attend the meeting.

If you are unable to attend the meeting in person, you are entitled to exercise your voting right by either of the following methods. We cordially request that you exercise your voting right by 5:00 p.m. of Wednesday, 28 June 2017 after studying the reference documents for the General Meeting of Shareholders below.

Regards,

### **[Exercise of voting right by mail]**

Please indicate your approval or disapproval of the agenda in the enclosed voting right exercise form and return it so that it will be delivered to us within the exercise period mentioned above.

### **[Exercise of voting right by electromagnetic method (Internet, etc.)]**

Please check “Exercising voting rights by the Internet” in P5 and “Procedures for exercising voting rights by electromagnetic method (Internet, etc.)” in P7, and enter approval or disapproval of the agenda.

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## **Particulars**

- 1. Date and Time:** 10:00 a.m., Thursday, 29 June 2017 (Registration: from 9:00 a.m.)
- 2. Place:** 1-3-1 Higashiiba, Naka-ku, Hamamatsu-City, Shizuoka-ken  
Banquet Hall Otori, Grand Hotel Hamamatsu  
(Please refer to the “Map of the venue of the General Meeting of the Shareholders” at the end.)

### 3. Matters of purpose

- Items to be reported:**
1. Report on Business Report, Consolidated Financial Statements, Results of the auditing of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 151<sup>st</sup> fiscal year (from 1 April 2016 to 31 March 2017)
  2. Report on the Financial Statements for the 151<sup>st</sup> fiscal year (from 1 April 2016 to 31 March 2017)

**Items to be resolved:**

- Agenda Item 1:** Disposal of surplus
- Agenda Item 2:** Partial Changes to the Articles of Incorporation
- Agenda Item 3:** Election of Eight (8) Directors
- Agenda Item 4:** Payment of Bonuses to Directors
- Agenda Item 5:** Revision for the amount of remuneration for Directors/ Audit & Supervisory Board Members
- Agenda Item 6:** Determination of remuneration due to granting of restricted stock to Directors

### 4. Decisions upon convocation

- (1) No indication of approval or disapproval of each agenda item in the voting right exercise form shall be regarded as having indicated approval.
- (2) The last one shall be regarded as the effective exercise of the voting right if the voting right is exercised for multiple times by the electromagnetic method (Internet, etc.).
- (3) The exercise of voting rights by the electromagnetic method (Internet, etc.) shall be regarded as the effective exercise of the voting right if the voting right is exercised by both of the electromagnetic method (Internet, etc.) and the voting right exercise form.

### 5. Other Matters for this Notice of Convocation

We have uploaded Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements among the documents which are to be provided upon this Notice of Convocation, on our website (<http://www.suzuki.co.jp/ir/>) in accordance with the laws and regulations and Article 16 of the Articles of Incorporation, therefore they are not attached to this Notice of Convocation.

Therefore, "Consolidated Financial Statements" and "Non-Consolidated Financial Statements" included in the attached documents constitute only certain part of the entire consolidated financial statements and non-consolidated financial statements which have been audited by Audit & Supervisory Board Members and Accounting Auditors for preparing their respective Audit Reports.

- End -

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Revisions of the reference documents for the General Meeting of Shareholders and/or the attached documents, if any, shall be immediately disclosed on our website on the Internet (<http://www.suzuki.co.jp/ir/>) in the revised form.

## Guidance for exercising voting rights

### [For those who will attend the meeting]

Please submit the enclosed voting right exercise form to the reception when you attend the meeting. Please also submit the letter of attorney to the reception if the proxy attends the meeting. Further, the proxy shall be limited to another shareholder who has the voting right of the Company. (Proxies and escorts who are not shareholder may not attend the meeting.)

**Date and Time:** 10:00 a.m., Thursday, 29 June 2017

**Place:** Banquet Hall Otori, Grand Hotel Hamamatsu

### [For those who will not attend the meeting]

< Exercising voting rights by mail >

Please express your approval or disapproval of the agenda in the enclosed voting right exercise form, and send the same by the deadline indicated below:

**Deadline:** 5:00 p.m., Wednesday, 28 June 2017

<Exercising voting rights by the Internet> (Please check the next page for details.)

Please access our voting right exercise website, and enter your approval or disapproval of the agenda by the deadline indicated below following instructions on the screen.

**Voting Right Exercise Website:** <http://www.web54.net>

You can use your smart phones, etc. if it equips QR code reader to read out the “QR code” shown next, and access the Voting Right Exercise Website. Please check the instruction manual of your smart phones, etc. for details of operation procedure. (“QR code” is the registered trademark of Denso Wave Incorporated.)

**Deadline:** 5:00 p.m., Wednesday, 28 June 2017

(For this English translation, the QR code is omitted.)

## **Procedures for exercising voting rights by electromagnetic method (Internet, etc.)**

### **Exercising voting rights by electromagnetic method (Internet)**

**Deadline: 5:00 p.m., Wednesday, 28 June 2017**

Please access our Voting Right Exercise Website (<http://www.web54.net>), use the voting right exercise code and the password specified in the enclosed voting right exercise form, and enter your approval or disapproval of the agenda following instructions on the screen.

**The website for exclusive use for cellular phones is not established.**

- You will need the voting right exercise code and the password specified in the right hand section of the voting right exercise form in exercising the voting rights by the Internet. The notified password for this occasion will be effective only for this General Meeting of Shareholders.
- We would like to request that you exercise your voting rights by the Internet by 5:00 p.m. of Wednesday, 28 June 2017 after studying the reference documents for the General Meeting of Shareholders.
- We will regard the last one as the effective exercise of the voting rights if the voting rights are exercised for multiple times by the Internet.
- We will regard the exercise of the voting rights by the Internet as the effective exercise of the voting rights if the voting rights are exercised by both of the Internet and the voting right exercise form.
- Please note that any expenses for accessing the voting right exercise website (internet access fee, telephone fee, packet fee, etc.) shall be borne by you.

#### **Inquiries for exercising the voting rights by the Internet**

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Business Website Support  
Tel: 0120-652-031 (exclusive number)  
Hours: 9:00 – 21:00

#### **Institutional investors:**

If you are a nominal owner (including a standing proxy) such as a management trust bank and you previously applied for the use of the voting right electronic exercise platform, you may use the said platform as a method to exercise your voting rights by electromagnetic method for the General Meeting of Shareholders of the Company.

## REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

### MATTERS TO BE RESOLVED AND REFERENCE MATTERS

#### Agenda Item 1: Disposal of surplus

Under the New Mid-Term Management Plan (from FY2015 to FY2019) SUZUKI NEXT 100, the Company plans active investments for future growth, which includes accumulated capital investment of 1 trillion yen and research and development expenses of 200 billion yen for FY2019. At the moment, the Company prioritizes investment for growth centered in India, and set the dividend payout ratio target to 15% or more.

Also, partly because of large acquisition of treasury shares in the previous fiscal year, shareholder's equity ratio declined to 35.4% at the end of the previous fiscal year, and the improvement of shareholder's equity ratio is becoming an urgent issue. Meanwhile, the Company also recognizes that capital efficiency and shareholder return are significant management issue as well.

Taking the above-mentioned condition into consideration, as with the previous fiscal year, the Company would like to utilize the gain on sales of investment securities for investment for growth and improvement of shareholder's equity ratio, and make the year-end dividends based on the net income attributable to owners of the parent excluding the gain on sales of investment securities, which will be ¥27.00 per share, up by ¥10.00 per share from the previous fiscal year.

As a result, the annual dividends including interim dividends will be ¥44.00 per share and up by ¥12.00 per share from the previous fiscal year. Dividend payout ratio based on the net income attributable to shareholders of the parent excluding the gain on sales of investment securities will be 15.2%.

#### 1. Matters for year-end dividend

##### (1) Matters for distribution of dividend assets to shareholders and their total amount

¥27 per ordinary share of the Company

Total amount ¥11,914,624,881

##### (2) Effective date of distribution of surplus

30 June 2017

#### 2. Matters for other disposals of the surplus

##### (1) Item and amount of the decreased surplus

Retained earnings brought forward      ¥71,000,000,000

##### (2) Items and amount of the increased surplus

General Reserve      ¥71,000,000,000

(For this English translation, the chart is omitted.)



## Agenda Item 2: Partial Changes to the Articles of Incorporation

### ① Reasons for the change

Matching the maximum number of Directors stipulated in the Articles of Incorporation with actual number of Directors and considering our business scale, management system, etc., it is proposed that the number of the Directors shall be changed from not more than thirty (30) members to not more than fifteen (15) members.

### ② Details of the change

The details of the change are as given below.

(Underlined passages indicate changes.)

Current Articles of Incorporation	Proposed Changes
<p data-bbox="220 745 655 770">Chapter IV. Directors and Board of Directors</p> <p data-bbox="148 842 357 866">(Number of Directors )</p> <p data-bbox="148 891 727 963">Article 20 The Company shall have not more than thirty (30) Directors.</p>	<p data-bbox="866 745 1302 770">Chapter IV. Directors and Board of Directors</p> <p data-bbox="794 842 1003 866">(Number of Directors )</p> <p data-bbox="794 891 1382 963">Article 20 The Company shall have not more than <u>fifteen</u> (<u>15</u>) Directors.</p>

### Agenda Item 3: Election of Eight (8) Directors

The term of office of each of the eight (8) current Directors are due to expire at the close of this General Meeting of Shareholders. It is proposed that eight (8) Directors be elected at the meeting.

The names and particulars of the candidates for the positions of Director are provided below.

Candidate Number		Name	Current positions and areas in charge	Attendance at the Board
1	Reappointment	Osamu Suzuki	Representative Director & Chairman (Chairman of the Board)	23 times / 23 times
2	Reappointment	Yasuhito Harayama	Representative Director & Vice Chairman Supporting Chairman	23 times / 23 times
3	Reappointment	Toshihiro Suzuki	Representative Director & President (CEO&COO)	23 times / 23 times
4	Reappointment	Masahiko Nagao	Director & Managing Officer Executive General Manager of Corporate Planning Office	23 times / 23 times
5	Reappointment	Hiroaki Matsuura	Director & Managing Officer Executive General Manager of Production Engineering	15 times / 15 times (After the appointment as Director on 29 June, 2016)
6	New appointment	Osamu Honda	Senior Technical Executive	-
7	Reappointment Outside Director Independent Director/Audit & Supervisory Board Member	Masakazu Iguchi	Director	22 times / 23 times
8	Reappointment Outside Director Independent Director/Audit & Supervisory Board Member	Sakutaro Tanino	Director	23 times / 23 times

Candidate No.1 <b>Osamu Suzuki</b> (Date of birth: 30 January 1930) [Reappointment]	
<Portrait omitted>	Resume, current positions and areas in charge in the Company
Number of shares of the Company held: 556,700	<p>Apr. 1958    Joined the Company</p> <p>Nov. 1963    Director</p> <p>Dec. 1967    Managing Director</p> <p>Nov. 1973    Senior Managing Director</p> <p>Jun. 1977    Representative Director &amp; Senior Managing Director</p> <p>Jun, 1978    Representative Director &amp; President</p> <p>Jun. 2000    Representative Director &amp; Chairman (CEO, Chairman of the Board)</p> <p>Dec. 2008    Representative Director &amp; Chairman &amp; President (CEO&amp;COO, Chairman of the Board)</p> <p>Jun. 2015    Representative Director &amp; Chairman (CEO, Chairman of the Board)</p> <p>Jun. 2016    Representative Director &amp; Chairman (Chairman of the Board) (To the present)</p>
<Attendance at the Board> 23 times / 23 times	<p>Important concurrent office(s)</p> <p>Chairman of Suzuki Foundation</p> <p>Special interest between the candidate and the Company</p> <p>The Company pays operational funds, etc. to Suzuki Foundation, for which Mr. Osamu Suzuki is appointed as Chairman.</p> <p><b>Reason to elect him as a candidate of Director</b></p> <p>Mr. Osamu Suzuki has been leading management of the Company for many years and has shown excellent management talent in establishment of mini vehicle segment business in the domestic market and global expansion of business (especially in India), etc., which are initiatives that founded the present status of the Company.</p> <p>The Company elected him as a candidate of Director again this time, because his ample experience and knowledge in the field of management are indispensable for the management of our Group in respect to strengthening of the management base of our Group to grow continually.</p>

Candidate No.2 <b>Yasuhito Harayama</b> (Date of birth: 22 June 1956) [Reappointment]	
<Portrait omitted>	Resume, current positions and areas in charge in the Company
Number of shares of the Company held: 12,100	Apr. 1979    Joined Ministry of International Trade and Industry (currently known as Ministry of Economy, Trade and Industry)
	Jul. 2009    Joined the Company Managing Officer
<Attendance at the Board> 23 times / 23 times	Feb. 2010    Managing Officer & Executive General Manager of Global Alliance
	Jun. 2010    Director & Senior Managing Officer
	Apr. 2011    Director & Senior Managing Officer, Corporate Planning Committee Member, and Executive General Manager of Business Development
	Jun. 2011    Representative Director & Executive Vice President
	Oct. 2013    Representative Director & Executive Vice President, Supporting CEO, in charge of Business Development, and Executive General Manager of Business Development
	Jun. 2015    Representative Director & Vice Chairman, and Supporting Chairman (To the present)
	Important concurrent office(s)
	None
	Special interest between the candidate and the Company
	None
	<b>Reason to elect him as a candidate of Director:</b> Having ample experience and knowledge as administrative official of Ministry of Economy, Trade and Industry, Mr. Yasuhito Harayama has been tackling managerial/operational tasks of the Company since he joined the Company from a unique viewpoint as a Director who was not originally an employee of the Company. The Company elected him as a candidate of Director again this time, because his wide viewpoint is indispensable for the management of our Group in respect to strengthening of the management base of our Group to grow continually.

Candidate No.3 <b>Toshihiro Suzuki</b> (Date of birth: 1 March 1959) [Reappointment]	
<Portrait omitted>	Resume, current positions and areas in charge in the Company
Number of shares of the Company held: 62,800	<p>Jan. 1994    Joined the Company</p> <p>Apr. 2003    Executive General Manager of Product Planning Operations</p> <p>Jun. 2003    Director</p> <p>Jun. 2006    Director &amp; Senior Managing Officer</p> <p>Apr. 2011    Director &amp; Senior Managing Officer, Corporate Planning Committee Member and Executive General Manager of Corporate Planning Office</p> <p>Jun. 2011    Representative Director &amp; Executive Vice President</p> <p>Oct. 2013    Representative Director &amp; Executive Vice President, Supporting CEO, and in charge of Global Marketing</p> <p>Jun. 2015    Representative Director &amp; President (COO)</p> <p>Jun. 2016    Representative Director &amp; President (CEO&amp;COO) (To the present)</p>
<Attendance at the Board> 23 times / 23 times	Important concurrent office(s)
	Outside Director of Chubu Gas Co., Ltd.
	Special interest between the candidate and the Company
	None
	<p><b>Reason to elect him as a candidate of Director:</b></p> <p>Having experience and knowledge in vast fields such as production, product planning, corporate planning and global marketing, Mr. Toshihiro Suzuki has been engaged in the management of the Company since his appointment as Director in June 2003.</p> <p>The Company elected him as a candidate of Director again this time, because of his ample knowledge and experience as the leader to promote the New Mid-Term Management Plan, which he established upon being appointed as Representative Director &amp; President in June 2015 in order for our Group to strengthen the management base and grow continually, are indispensable for the management of our Group.</p>

Candidate No.4 <b>Masahiko Nagao</b> (Date of birth: 4 January 1958) [Reappointment]	
<Portrait omitted>	Resume, current positions and areas in charge in the Company
Number of shares of the Company held: 3,800	Apr. 1981    Joined Ministry of International Trade and Industry (currently known as Ministry of Economy, Trade and Industry)
	Sep. 2012    Joined the Company
	Apr. 2013    Managing Officer, and Executive General Manager of Corporate Planning Operations, Corporate Planning Office
<Attendance at the Board>	Oct. 2013    Managing Officer, and Executive General Manager of Corporate Planning Office
23 times / 23 times	Jun. 2015    Director & Managing Officer, and Executive General Manager of Corporate Planning Office (To the present)
	Important concurrent office(s)
	None
	Special interest between the candidate and the Company
	None
	<p><b>Reason to elect him as a candidate of Director:</b></p> <p>Having ample experience and knowledge from his career as official of Ministry of Economy, Trade and Industry, Mr. Masahiko Nagao has been engaged in improving the function of corporate planning of the Company since entering the Company. He led execution of corporate planning of the Company as Managing Officer from April 2013, and has been engaged in management of the Company as Director from June 2015.</p> <p>The Company elected him as a candidate of Director again this time, because his ample experience and knowledge are indispensable for cross-departmental strengthening of the management base of our Group to grow continually.</p>

Candidate No.5 <b>Hiroaki Matsuura</b> (Date of birth: 7 March 1960) [Reappointment]	
<Portrait omitted>	Resume, current positions and areas in charge in the Company
Number of shares of the Company held: 5,100	Apr. 1982    Joined the Company
	Aug. 2008    General Manager in charge of Production Engineering, Production
<Attendance at the Board> 15 times / 15 times (after the appointment as Director on 29 June, 2016)	Apr. 2009    Managing Officer, Deputy Executive General Manager of Production, in charge of Production Engineering, and General Manager of Production Engineering III Dept.
	May. 2014    Managing Officer, Executive General Manager of Production Engineering, and General Manager of Production Engineering IV Dept.
	Apr. 2016    Managing Officer, and Executive General Manager of Production Engineering
	Jun. 2016    Director & Managing Officer, and Executive General Manager of Production Engineering (To the present)
	Important concurrent office(s)
	None
	Special interest between the candidate and the Company
	None
	<p><b>Reason to elect him as a candidate of Director:</b></p> <p>Having ample experience and knowledge in the field of production engineering, Mr. Hiroaki Matsuura led operation of production departments of the Company as Managing Officer from April 2009, and has been engaged in management of the Company as Director from June 2016.</p> <p>The Company elected him as a candidate of Director again this time, because his ample experience and knowledge are indispensable for the management of our Group, in respect to enhancing an integrated manufacturing foundation including the phases of development, design, purchasing, and production engineering, to grow continually.</p>

<b>Candidate No.6 Osamu Honda</b> (Date of birth: 6 October 1949) [New appointment]	
<Portrait omitted>	Resume, current positions and areas in charge in the Company
Number of shares of the Company held: 40,100	Apr. 1973    Joined the Company
	Jan. 2006    In charge of Powertrain, and Chief Engineer of Vehicle Line VI
	Jun. 2006    Managing Officer
	May 2007    Senior Managing Officer
	Jun. 2009    Director & Senior Managing Officer
	Apr. 2011    Director & Senior Managing Officer, Corporate Planning Committee Member, and Executive General Manager of Automobile Engineering
	Jun. 2011    Representative Director & Executive Vice President
	Oct. 2013    Representative Director & Executive Vice President, Supporting CEO, in charge of Automobile Engineering, Development & Quality, and Executive General Manager of Automobile Engineering
	Jun. 2015    Representative Director & Executive Vice President, and in charge of Engineering
	Jun. 2016    Senior Technical Executive (To the present)
	Important concurrent office(s)
	Representative Director & President of Smile FC System Corporation
	Special interest between the candidate and the Company
	None
	<b>Reason to elect him as a candidate of Director:</b>
	<p>Having ample experience and knowledge in the field of automobile engineering, Mr. Osamu Honda has been engaged in the management of the Company since his appointment as Director in June 2009.</p> <p>When the improper activities in regards to fuel consumption and gas emission testing of the Company's automobiles were discovered in May 2016, he had been serving as Representative Director &amp; Executive Vice President, and in charge of Engineering. At the 150th Ordinary General Meeting of Shareholders of the Company held on June 29, 2016, he resigned from candidacy for becoming Director of the Company. Since then, he has worked on-site to give instructions and has reviewed various matters while giving maximum effort to establishing measures to prevent recurrence. Furthermore, as Senior Technical Executive, his ample experience and knowledge enable him to provide valuable advice and guidance for overall engineering.</p> <p>The Company elected him as a candidate of Director because he is indispensable for important decision-making (including decision-making in the engineering fields) at the Company, especially when considering the rapid changes in conditions surrounding the automotive industry, for the Group to grow continually.</p>



Candidate No.7 <b>Masakazu Iguchi</b> (Date of birth: 22 November 1934) [Reappointment][Outside Director][Independent Director/Audit & Supervisory Board Member]	
<Portrait omitted>	Resume, current positions and areas in charge in the Company
Number of shares of the Company held: 1,800	<p>Feb. 1973 Professor of Faculty of Engineering, the University of Tokyo</p> <p>Apr. 1995 Professor emeritus of Faculty of Engineering, the University of Tokyo</p> <p>Jun. 1995 Executive Vice President &amp; Head of Japan Automobile Research Institute</p> <p>May. 2003 Counselor of Japan Automobile Research Institute (To the present)</p> <p>Jun. 2012 Outside Director of the Company (To the present)</p>
<Attendance at the Board> 22 times / 23 times	Important concurrent office(s)
	None
	Special interest between the candidate and the Company
	None
	<p><b>Matters concerning a candidate of Outside Director:</b></p> <p>Mr. Masakazu Iguchi is a candidate of Outside Director.</p> <p>In addition, the Company deems that he satisfies “The Standard for Independence of Outside Directors and Outside Audit &amp; Supervisory Board Members” in P21, which was established by the Company. He has been filed as the independent director/audit &amp; supervisory board member under the rules of the Tokyo Stock Exchange, Inc. and will, when elected according to this agenda, continue to be independent director/audit &amp; supervisory board member.</p> <p>His term in office as Outside Director of the Company will be 5 years as of the close of this General Meeting of Shareholders.</p>
	<p><b>Reason to elect him as a candidate of Outside Director:</b></p> <p>Since his appointment as Outside Director in June 2012, Mr. Masakazu Iguchi has been supervising the management of the Company from a neutral position and giving beneficial advice related to the management of the Company in the manufacturing industry, based on his ample academic expertise as doctor of engineering.</p> <p>Furthermore, with the aim such as increasing transparency and objectivity in selection of Director and decision-making for Director remuneration, he has served as a member of the “Advisory Committee on Personnel and Remuneration, etc.”, which was established in April 2015 as an advisory committee to the Board of Directors.</p> <p>In the 2016 fiscal year, he was extremely active in many ways including attending meetings of the Board of Directors, attending meetings for departmental status reports and formulation of business plans, visiting Group factories (including overseas factories) to assess conditions and meet with local employees, holding lectures for employees, and exchanging opinions with employees in various fields and of various rank. Also, he has provided advice and guidance on the organizational structure of engineering departments, cultivation of engineering personnel, etc. The Company elected him as a candidate of Outside Director again this time, because he is able to perform the duties as Outside</p>

	<p>Director properly taking into account the above.</p> <p><b>Outline of Contract for Limitation of Liability with the candidate of Outside Directors:</b></p> <p>The Company concluded with Mr. Masakazu Iguchi the contract for limitation of liability which specifies his liability under Paragraph 1, Article 423 of the Companies Act as the minimum amount of the limit for liability provided by the Act, according to the provision of Paragraph 1, Article 427 of the Act. If Mr. Masakazu Iguchi is elected as Outside Director subject to the approval in this General Meeting of Shareholders, the Company will continue with him the contract.</p>
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Candidate No.8 <b>Sakutaro Tanino</b> (Date of birth: 6 June 1936) [Reappointment][Outside Director][Independent Director/Audit & Supervisory Board Member]	
<Portrait omitted>	Resume, current positions and areas in charge in the Company
Number of shares of the Company held: 0	Apr. 1960 Joined Ministry of Foreign Affairs Sep. 1995 Ambassador of Japan to India Apr. 1998 Ambassador of Japan to China
<Attendance at the Board> 23 times / 23 times	Apr. 2001 Exited from the Ministry Jun. 2002 Vice Chairman of Japan-China Friendship Center Jun. 2012 Counselor of Japan-China Friendship Center (To the present) Outside Director of the Company (To the present)
	Important concurrent office(s)
	Outside Director of Alconix Corporation
	Special interest between the candidate and the Company
	None
	<p><b>Matters concerning a candidate of Outside Director:</b></p> <p>Mr. Sakutaro Tanino is a candidate of Outside Director.</p> <p>In addition, the Company deems that he satisfies “The Standard for Independence of Outside Directors and Outside Audit &amp; Supervisory Board Members” in P21, which was established by the Company. He has been filed as the independent director/audit &amp; supervisory board member under the rules of the Tokyo Stock Exchange, Inc. and will, when elected according to this agenda, continue to be independent director/audit &amp; supervisory board member.</p> <p>His term in office as Outside Director of the Company will be 5 years as of the close of this General Meeting of Shareholders.</p>
	<p><b>Reason to elect him as a candidate of Outside Director:</b></p> <p>Though Mr. Sakutaro Tanino has no experience of participating in company management in any other manner than being appointed as Outside Director, since his appointment as Outside Director in June 2012, he has been supervising the management of the Company from a neutral position and giving beneficial advice related to the management of the Company from a global viewpoint, based on his ample experience and knowledge as a diplomat.</p> <p>Furthermore, with the aim such as increasing transparency and objectivity in selection of Director and decision-making for Director remuneration, he has served as a member of the “Advisory Committee on Personnel and Remuneration, etc.”, which was established in April 2015 as an advisory committee to the Board of Directors.</p> <p>In the 2016 fiscal year, he was extremely active in many ways including attending meetings of the Board of Directors, attending meetings for departmental status reports and formulation of business plans, visiting Group factories (including overseas factories) to assess conditions and meet with local employees, holding lectures for employees, and exchanging opinions with employees in various fields and of various rank. Also, he has provided advice and guidance on operation and auditing of overseas subsidiaries, hiring of</p>

	<p>local managers, etc. The Company elected him as a candidate of Outside Director again this time, because he is able to perform the duties as Outside Director properly taking into account the above.</p>
	<p><b>Outline of Contract for Limitation of Liability with the candidate of Outside Directors:</b></p> <p>The Company concluded with Mr. Sakutaro Tanino the contract for limitation of liability which specifies his liability under Paragraph 1, Article 423 of the Companies Act as the minimum amount of the limit for liability provided by the Act, according to the provision of Paragraph 1, Article 427 of the Act. If Mr. Sakutaro Tanino is elected as Outside Director subject to the approval in this General Meeting of Shareholders, the Company will continue with him the contract.</p>

**Note:**

In 2015, accounting irregularities were discovered at Toshiba Corporation, of which Mr. Sakutaro Tanino was an outside director from June 2014 to September 2015. Mr. Tanino was unaware of the matter, but had made regular statements in view of comprehensive strengthening of compliance before the facts were discovered at meetings of the Toshiba Corporation Board of Directors and at other such meetings. After the facts were discovered, Mr. Tanino made proposals for measures such as governance reform.

## **(Reference) Policy and procedures for nominating candidate of Directors and candidate of Audit & Supervisory Board Members**

The standard for electing Directors includes that they must have a great deal of experience and knowledge in their respective fields, that they must be capable and qualified managers, and that they must have a wide-ranging view of global business management.

For candidate of Outside Directors, the Company looks for people who have a broad range of knowledge, experience and sufficient achievements in their field of origin, and who satisfy the Company's "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members" in order to strengthen their ability to supervise management.

For candidate of Audit & Supervisory Board Members, the election standard includes that the candidate must possess a high level of knowledge and proficiency in auditing all fields of the Company's business, including auditing accounts.

For candidate of Outside Audit & Supervisory Board Members, the Company looks for people who have a high level of specialist knowledge and a great deal of experience in finance, accounting, technology, business management, etc, and who satisfy the Company's "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members" in order to strengthen the neutrality of the auditing system. Furthermore, for both candidate of Directors and candidate of Audit & Supervisory Board Members, the Company seeks to actively introduce distinguished personnel from both within and without the Company, and does not consider gender or nationality.

The suitability of candidate of Directors and candidate of Audit & Supervisory Board Members is deliberated by the "Advisory Committee on Personnel and Remuneration, etc.", of which Outside Directors make up half or more of the membership, and based on the result of this deliberation, and with the assent of the Audit & Supervisory Board in the case of candidate of Audit & Supervisory Board Members, the Board of Directors then decides on the candidates to propose for election as an agenda item for the General Meeting of Shareholders.

## **(Reference) The Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members**

The Company never elect any person who falls under any of the followings as a candidate of Outside Director or candidate of Outside Audit & Supervisory Board Member in order to ensure the independence:

### 1. Persons concerned with the Company and its subsidiaries ("the Group")

- (1) With regard to Outside Directors, any person who is or was a person executing business (Note 1) of the Group at present or in the past,
- (2) With regard to Outside Audit & Supervisory Board Members, any person who is or was a Director, Managing Officer or employee of the Group at present or in the past, or
- (3) A spouse or a relative within the second degree of kinship of the present Director or Managing Officer of the Group.

2. Persons concerned such as business partners or major shareholders, etc.

- (1) Any person who is a person executing business of any of the followings:
  - 1) A company of which major business partner is the Group (Note 2)
  - 2) A major business partner of the Group (Note 3)
  - 3) A major shareholder having 10% or more of total voting rights of the Company
  - 4) A company for which the Group has 10% or more of total voting rights
- (2) A person who is or was a representative partner or a partner of the Group's Accounting Auditor at present or in the past five years
- (3) A person who receives a large amount of remuneration from the Group other than remuneration for Director/Audit & Supervisory Board Member (Note 4)
- (4) A person who receives a large amount of donation from the Group (Note 5)
- (5) A spouse or a relative within the second degree of kinship of the person who falls under category from (1) through (4) above

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(Note 1) A person executing business:

A director executing business, a managing officer, an executive officer or an employee

(Note 2) A company of which major business partner is the Group:

A company which belongs to the group of the business partner who receives 2% or more of its consolidated net sales in the latest business year ended of the group from the Group in any of the business year in past three years

(Note 3) A major business partner of the Group:

A company which belongs to the group of the business partner who makes payment 2% or more of the Group's consolidated net sales or provides the Group with 2% or more of loans of its consolidated total assets in the latest business year ended of the Group in any of the business year in past three years

(Note 4) A person who receives a large amount of remuneration:

A consultant or legal or accounting expert who receives annual compensation 10 million yen or more (for the organization, 2% or more of its annual total revenues) in any of the business year in past three years

(Note 5) A person who receives a large amount of donation:

A person who receives annual donation 10 million yen or more (for the organization, a person directly involved in activities which is the purpose of the donation) in any of the business year in past three years

#### **Agenda Item 4: Payment of Bonuses to Directors**

Considering the performance of the Company of the fiscal year, it is proposed that the Company pay a bonus in the total amount of ¥288 million to six (6) Directors other than Outside Directors present at the end of the fiscal year, as bonus linked to the performance of the Company of the fiscal year according to the calculation method decided in advance.

#### **Agenda Item 5: Revision for the amount of remuneration for Directors/ Audit & Supervisory Board Members**

The amount of remuneration limit for Directors (80 million yen per month) was resolved at the 135th Ordinary General Meeting of Shareholders held on 28 June 2001 and the amount of remuneration limit for Audit & Supervisory Board Members (8 million yen per month) was resolved at the 123rd Ordinary General Meeting of Shareholders held on 29 June 1989.

However, the Company decided to revise the amount of remuneration listed above in consideration for revisions to the composition and reductions in the number of Directors due to the introduction of the Managing Officer System, etc., and in consideration for the possibility of further expansion of responsibilities attributed to Directors and Audit & Supervisory Board Members as caused by changes in economic conditions and the management environment. Accordingly, the Company plans to introduce a remuneration system for flexible adjustment of executive remuneration.

Therefore, the Company shall change the remuneration amount for Directors from a monthly amount to an annual amount, and, within the scope of the remuneration amount, shall issue bonuses in addition to the fixed basic remuneration for Directors other than Outside Directors. An annual remuneration amount within 750 million yen (including an annual amount of 36 million yen for Outside Directors) will be paid based on comprehensive consideration of the previously issued amount, the number of Directors, etc. Remuneration for Outside Directors shall be paid as basic remuneration only, as in the current system.

The amount of bonuses issued for Directors (excluding Outside Directors) shall be linked with indices for consolidated results, etc. as defined by the Company, and shall be resolved in conjunction with fixed basic remuneration by the Board of Directors based on the deliberation results of “the Advisory Committee on Personnel and Remuneration, etc.”

The current number of Directors is eight (8) (including two (2) Outside Directors). If Agenda Item 3 “Election of Eight (8) Directors” is passed as proposed, the number of Directors shall remain the same (including two (2) Outside Directors).

In addition, the remuneration amount of Audit & Supervisory Board Members shall be also changed from a monthly amount to an annual amount, and, to within 120 million yen based on comprehensive consideration of previously issued amount, the number of Audit & Supervisory Board Members, etc.

Note that even if the remuneration amount of Audit & Supervisory Board Members is changed to an annual amount, the remuneration of Audit & Supervisory Board Members shall be paid as basic remuneration only, as

in the current system.

The current number of Audit & Supervisory Board Members is five (5). This number shall remain the same after the conclusion of this General Meeting of Shareholders.



## **Agenda Item 6: Determination of remuneration due to granting of restricted stock to Directors**

Currently, as remuneration linked with mid-and long-term Company's performance and stock price, remuneration in the form of stock acquisition is issued to Directors (excluding Outside Directors) within the amount of remuneration limit for Directors (80 million yen per month) resolved at the 135th Ordinary General Meeting of Shareholders held on 28 June 2001. Directors shall contribute such type of remuneration to the officer stockholding association every month, acquire the Company's shares and continuously hold them during their term of office.

Based on recent social conditions calling for further strengthening of governance functions and on the 2016 tax reform, the Company shall revise the Directors' remuneration system. In place of the above-listed remuneration in the form of stock acquisition and separate from the framework of remuneration for Directors as stated in Agenda Item 5 "Revision for the amount of remuneration for Directors/Audit & Supervisory Board Members," the Company shall newly issue remuneration for the purpose of granting of restricted stock to Directors (excluding Outside Directors; hereinafter referred to as "eligible Directors"). This shall be done in order to enhance the function of incentive for making sustainable improvements to the corporate value of the Company and to achieve further sharing of value among eligible Directors and shareholders.

The remuneration to be paid to eligible Directors for the purpose of granting of restricted stock in accordance with this Agenda Item shall be the monetary remuneration right and the total amount of such monetary remuneration right shall be within the annual amount of 300 million yen, which is the amount deemed reasonable in order to achieve the goals listed above.

The specific issue timing and distribution to eligible Directors shall be resolved by the Board of Directors based on the deliberation results of "the Advisory Committee on Personnel and Remuneration, etc."

The current number of Directors is eight (8). If Agenda Item 3 "Election of Eight (8) Directors" is passed as proposed, this number shall remain the same.

Based on the resolution of the Board of Directors, eligible Directors shall pay the total of monetary remuneration rights occurring due to this Agenda Item as contribution in kind, and the shares shall be subject to issuance or disposal of ordinary shares of the Company. The total annual limit of the ordinary shares of the Company shall be within 100,000 shares (provided, however, in case of share split (including free subscription of ordinary shares) or the reverse share split of issued or, in accordance with such cases, disposed common shares of the company or any necessary reason to adjust the amount of issued or disposed common shares of the company as restricted stocks).

The amount of ordinary shares of the Company to be issued or disposed of, which shall be paid per share, is based on the ending price of common shares of the Company on the Tokyo Stock Exchange on the preceding business day on which resolutions were based on the Board of Directors (if trading was not conducted on the day in question, the ending price on the most recent preceding trading day). The amount shall be resolved by the Board of Directors so as not to provide an advantageous price to eligible Directors receiving the ordinary shares. Also, it is a condition that the Company executes the Restricted Stock Subscription Agreement (hereinafter referred to as the "Subscription Agreement") with the eligible Directors including the following provisions, in regards to the issuance and disposal of ordinary shares of the Company.

### **(1) Transfer restriction period**

During a period of 1 year to 5 years as defined in advance by the Board of Directors (hereinafter referred to as the "Transfer Restriction Period"), eligible Directors shall not transfer, pledge as security, or otherwise dispose (hereinafter referred to as "Transfer Restrictions") of the ordinary shares received according to the Subscription Agreement (hereinafter referred to as "Subscribed Shares").

**(2) Treatment at time of retirement**

If an eligible Director retires prior to the end of the Transfer Restriction Period, the Company shall acquire rightfully the Subscribed Shares for no fee at the time of retirement, except for completion of term, death, or other reason deemed as reasonable by the Board of Directors.

**(3) Removal of Transfer Restrictions**

Regardless of rules stated in (1) above, the Company shall remove Transfer Restrictions from all Subscribed Shares at the time of completing the Transfer Restriction Period, on the condition the eligible Director continued to serve as a Director at the Company throughout the Transfer Restriction Period. However, if the eligible Director retires from the position defined in (2) above prior to completing the Transfer Restriction Period and if said retirement was due to a reason deemed as reasonable by the Board of Directors as defined in (2) above, the number of Subscribed Shares from which Transfer Restrictions are removed and the timing of removal of Transfer Restrictions shall be adjusted as necessary and as reasonable.

**(4) Acquisition for no fee**

The Company shall rightfully the Subscribed Shares for which the transfer restrictions are not removed according to (3) above for no fee at the time of completing the Transfer Restriction Period.

**(5) Treatment of reorganization, etc.**


Regardless of rules stated in (1) above, if items related to reorganization such as a merger agreement in which the Company is absorbed or a share-exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary are approved at the ordinary general meeting of shareholders (or, approved by the Board of Directors for cases in which approval from the Ordinary General Meeting of Shareholders is not required for reorganization) during the Transfer Restriction Period, the Company shall act on resolutions by the Board of Directors and remove Transfer Restrictions from a number of Subscribed Shares as deemed reasonable based on the period from the start of the Transfer Restriction Period until the approved date of said reorganization, in advance of the date on which reorganization of the Company becomes effective. In this case, the Company shall acquire at no fee the Subscribed Shares for which Transfer Restrictions have not been removed immediately following the removal of Transfer Restrictions.

**(6) Other items resolved by the Board of Directors**


In addition to above, the method of indicating intention and issuing notice under the Subscription Agreement, the method of revision of the Subscription Agreement and other matters decided in the Board of Directors shall be in the Subscription Agreement.

**(Reference) Remuneration for Directors/ Audit & Supervisory Board Members after approval of Agenda Item 5 and Agenda Item 6**

**1. Director**

	Current		After revision
Remuneration as the form of share acquisition (excluding Outside Directors)	Monthly: Within 80 million yen		-
Basic remuneration (fixed)			
Bonus (excluding Outside Directors)	Total amount resolved at the ordinary general meeting of shareholders		Annual: Within 750 million yen (Within 36 million yen for Outside Directors)
Remuneration in the form of restricted shares (excluding Outside Directors)	-		Annual: Within 300 million yen

**2. Audit & Supervisory Board Members**

	Current		After revision
Basic remuneration (fixed)	Monthly: Within 8 million yen		Annual: Within 120 million yen

- End -

## **ATTACHED DOCUMENTS**

### **BUSINESS REPORT**

(From 1 April 2016 to 31 March 2017)

## **1. Matters relating to the Current Situation of our Company**

### **① Outline and Result of Business**

#### **- Management results of FY2016**

With respect to the management environment of the Group for FY2016, the economy is recovering moderately as a whole. On the other hand, there are concerns about the influence of the policy of US administration, uncertainties about trend of Europe including the issue of the UK leaving the EU, prospects for the economy of developing countries, and others. In India, an important market for the Group, the economy is expanding mainly owing to increase of domestic consumption. Also in Japan, the economy is recovering moderately on the back of various measures introduced by the government.

Under these circumstances, the consolidated net sales of the fiscal year (April 2016 to March 2017) decreased by ¥11.2 billion (0.3%) to ¥3,169.5 billion compared to the previous fiscal year. The Japanese domestic net sales decreased by ¥10.4 billion (1.0%) to ¥1,037.5 billion year-on-year mainly owing to decrease in mini vehicle and OEM sales, despite increase in compact vehicle sales. The overseas net sales were flat on the year at ¥2,132.0 billion mainly owing to decrease in automobile sales in Indonesia and Pakistan, and the impact of the exchange rate, despite increase in automobile sales in areas including India and Europe.

In terms of the consolidated income, although there were impact of the exchange rate, the operating income increased by ¥71.4 billion (36.5%) to ¥266.7 billion year-on-year mainly owing to increase in automobile sales in India and Europe. The ordinary income increased by ¥77.6 billion (37.1%) to ¥286.7 billion year-on-year. The net income attributable to owners of the parent increased by ¥43.3 billion (37.1%) to ¥160.0 billion year-on-year partly owing to increase in gain on sales of investment securities, in addition to increase in the ordinary income, despite accounting impairment loss of ¥39.9 billion for businesses including the automobile business in Thailand as extraordinary losses.

**(Automobile)** (91.4% of total net sales)

The Japanese domestic automobile market achieved annual compact car sales of 100,000 units for the first time ever by launching the all-new Swift, in addition to the Solio and the Ignis. With respect to mini vehicle sales, the company made efforts to expand sales by strengthening products such as by introducing the Spacia Custom Z and launching the all-new WagonR. However, the Japanese domestic automobile net sales decreased year-on-year owing to decrease in OEM sales. The overseas automobile net sales increased year-on-year mainly owing to strong sales of models including the Baleno and the Vitara Brezza in India and the Vitara in Europe, despite the impact of the exchange rate. Consequently, the net sales of the automobile business increased by ¥17.1 billion (0.6%) to ¥2,895.6 billion year-on-year. The operating income increased by ¥62.5 billion (32.4%) to ¥255.1 billion year-on-year mainly owing to improvement in sales and model mix in Japan, India, and Europe.

(For this English translation, the pictures and the charts are omitted.)

**(Motorcycle)** (6.5% of total net sales)

The company launched models including the new supersport bike GSX-R1000 for the global market and the sport bike GSX-R150 for emerging countries. Although those models are much appreciated in their respective markets, because their launches occurred toward the fiscal year-end, the net sales remained at ¥206.3 billion and decreased by ¥27.6 billion (11.8%). The operating loss of ¥10.2 billion in the previous fiscal year improved to an operating loss of ¥0.9 billion owing to reduction of expenses such as sundry expenses, despite the impact of the exchange rate.

(For this English translation, the pictures and the chart are omitted.)

**(Marine and Power products, etc.)** (2.1% of total net sales)

The net sales decreased by ¥0.7 billion (0.9%) to ¥67.6 billion year-on-year mainly owing to the impact of the exchange rate, despite increase in the sales of the outboard motors in the North America. The operating income decreased by ¥0.4 billion (2.6%) to ¥12.5 billion year-on-year.

(For this English translation, the pictures and the chart are omitted.)

## Breakdown of Consolidated Net Sales

(Unit: Thousand, Amount: Yen in million)

		FY2015 (1 April 2015 – 31 March 2016)		FY2016 (1 April 2016 – 31 March 2017)		Change	
		Unit	Amount	Unit	Amount	Unit	Amount
Automobile	Domestic	707	1,010,976	709	1,002,593	2	(8,382)
	Overseas	2,039	1,867,539	2,167	1,893,026	128	25,486
	Europe	197	347,764	238	374,199	41	26,434
	North America	-	4,209	-	2,178	-	(2,031)
	Asia	1,654	1,299,466	1,738	1,302,073	84	(2,607)
	[Of which India]	[1,305]	[948,810]	[1,444]	[986,960]	[139]	[38,150]
	Others	187	216,098	189	214,574	1	(1,524)
	<b>Total</b>	<b>2,746</b>	<b>2,878,515</b>	<b>2,876</b>	<b>2,895,619</b>	<b>130</b>	<b>17,103</b>
Motorcycle	Domestic	62	21,296	61	19,349	(0)	(1,946)
	Overseas	970	212,593	985	186,940	15	(25,653)
	Europe	47	41,702	45	36,885	(1)	(4,816)
	North America	38	39,029	33	29,905	(5)	(9,124)
	Asia	698	90,769	742	86,127	44	(4,641)
	Others	185	41,091	163	34,021	(22)	(7,070)
	<b>Total</b>	<b>1,032</b>	<b>233,889</b>	<b>1,047</b>	<b>206,289</b>	<b>14</b>	<b>(27,600)</b>
Marine & Power products, etc.	Domestic	-	15,611	-	15,603	-	(7)
	Overseas	-	52,641	-	52,029	-	(612)
	Europe	-	15,254	-	14,247	-	(1,007)
	North America	-	23,763	-	24,031	-	268
	Asia	-	4,484	-	4,760	-	276
	Others	-	9,139	-	8,989	-	(149)
	<b>Total</b>	<b>-</b>	<b>68,253</b>	<b>-</b>	<b>67,633</b>	<b>-</b>	<b>(620)</b>
Subtotal	Domestic		1,047,883		1,037,546		(10,336)
	Overseas		2,132,775		2,131,996		(779)
	Europe		404,722		425,332		20,610
	North America		67,002		56,115		(10,886)
	Asia		1,394,720		1,392,961		(1,758)
	Others		266,329		257,585		(8,744)
		<b>Total</b>		<b>3,180,659</b>		<b>3,169,542</b>	

[Notes] Consolidated Sales are counted based on the location of external customers.

North America···United States and Canada

Automobile in North America···Sales of parts and accessories, etc.

## ② Situation of Capital Investments

Total capital investment amount in the fiscal year is ¥198,782 million, being used for investments for new model products, R&D investments and so on.

Breakdown by business segment is as follows.

Business Segment	Investment Amount	Contents of investments
Automobiles	¥181,268 million	Production facilities, R&D facilities, sales facilities, etc. for automobiles
Motorcycles	¥15,814 million	Production facilities, R&D facilities, sales facilities, etc. for motorcycles
Marine & Power products, etc.	¥1,699 million	Production facilities, R&D facilities, sales facilities, etc. for outboard motors
Total	¥198,782 million	—

Note: The investment amount is the total of the Company and its subsidiaries.

## ③ Situation of Financing

The Euro Yen Zero Coupon (subject to the maximum number of shares to be delivered) Convertible Bonds due 2021 with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*, whose amount is 100 billion Yen, and the Euro Yen Zero Coupon (subject to the maximum number of shares to be delivered) Convertible Bonds due 2023 with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*, whose amount is 100 billion Yen were paid up on 1 April, 2016, by which 200 billion Yen in total was financed.

## ④ Property and Financial Results

### 1) Consolidated

	FY2013 (Apr. 2013 – Mar. 2014)	FY2014 (Apr. 2014 – Mar. 2015)	FY2015 (Apr. 2015 – Mar. 2016)	FY2016 (Apr. 2016 – Mar. 2017)
Net Sales	¥2,938,314 million	¥3,015,461 million	¥3,180,659 million	¥3,169,542 million
Operating income	¥187,747 million	¥179,424 million	¥195,308 million	¥266,685 million
Ordinary income	¥197,842 million	¥194,318 million	¥209,109 million	¥286,693 million
Net income attributable to shareholders of parent	¥107,484 million	¥96,862 million	¥116,660 million	¥159,956 million
Net income per share(Note)	¥191.60	¥172.67	¥234.98	¥362.54
Total assets	¥2,874,074 million	¥3,252,800 million	¥2,702,008 million	¥3,115,985 million
Net assets(Note)	¥1,494,357 million	¥1,701,390 million	¥1,187,703 million	¥1,387,041 million
Net assets per share(Note)	¥2,365.03	¥2,641.99	¥2,170.73	¥2,538.12

(For this English translation, the charts are omitted.)

### 2) Non-Consolidated

	FY2013 (Apr. 2013 – Mar. 2014)	FY2014 (Apr. 2014 – Mar. 2015)	FY2015 (Apr. 2015 – Mar. 2016)	FY2016 (Apr. 2016 – Mar. 2017)
Net Sales	¥1,498,853 million	¥1,663,147 million	¥1,609,065 million	¥1,687,836 million
Operating income	¥97,009 million	¥69,127 million	¥51,801 million	¥106,396 million
Ordinary income	¥99,322 million	¥74,651 million	¥76,151 million	¥120,210 million
Net income	¥67,219 million	¥51,248 million	¥78,593 million	¥87,671 million
Net income per share(Note)	¥119.81	¥91.34	¥158.28	¥198.68
Total assets	¥1,850,068 million	¥2,096,545 million	¥1,519,889 million	¥1,749,592 million
Net assets(Note)	¥859,224 million	¥937,767 million	¥452,701 million	¥507,810 million
Net assets per share(Note)	¥1,531.18	¥1,671.03	¥1,025.52	¥1,150.47

Note: For the 150<sup>th</sup> fiscal year, through repurchase from Volkswagen AG, the Company acquired 119,787,000 treasury stocks, the total cost for acquisition is 460,281 million Yen.

As the result, the average number of shares during the fiscal year has decreased by 64,500,693, which is the calculation basis for the net income per share, and the net asset value has decreased by 460,281 million Yen, which is the calculation basis for the net asset value per share. The impact of those changes per share shall be as follows:

	The Group	The Company
Net income per share	+ ¥27.02	+ ¥18.19
Net asset per share	(¥356.98)	(¥601.45)

(For this English translation, the charts are omitted.)



## ⑤ Outstanding Issues

### (1) Basic Policy of Company Management

The Group has the motto “Develop products of superior value by focusing on the customer” in the first paragraph of its mission statement. We will continue to follow this motto and to constantly strive to think and act from the perspective of the customer.

We are committing ourselves to making efforts to promote the production of small and subcompact vehicles and the development of environmentally benign products needed by customers, with the slogan “Small Cars for a Big Future.”

We are making efforts to promote the “to be small, less, light, short and beautiful” slogan in every field, and we have been working for efficient, well-knit, and healthy management.

### (2) Outstanding Issues

The Group has established the New Mid-Term Management Plan SUZUKI NEXT 100 - Strengthening of its management base toward the 100th anniversary of foundation and the next 100 years -, a five-year plan from 2015.

The fiscal year marked the second year of the New Mid-Term Management Plan. The Company is making steady progress for achieving the 2019 fiscal year goals of 3,700 billion yen and maintaining an operating income margin of 7%.

Also, due to changes in the environment surrounding automobiles and to increasingly severe market competition, it has become necessary to focus on R&D for environmental performance and safety, and on growth investment with a focus on India. Amidst such conditions, the Company is addressing the following issues in order to achieve the New Mid-Term Management Plan.

#### <Compliance>

In response to the discovery of improper activities that were inconsistent with national regulations with regards to fuel consumption and gas emission testing of the Company’s automobiles, the Company immediately implemented measures which included strengthening the legal education and compliance training, clarifying the responsibility of certification duties, strengthening internal check systems, etc. The entire Company shall continue to work to strengthen compliance.

#### <Quality>

The Company will make the customers’ safety and security its top priority, develop and produce high-quality products which the customers can use securely, and provide after services. In the future, while accurately ascertaining the quality needs of customers, the Company will maintain a high level of quality awareness in all departments and will continue to make the utmost effort to ensure the safety and security of customers.

#### <Products and R&D>

Today, all corporations are expected to consider the environment. In the automotive industry, there is the need for environmental technology, low fuel consumption technology, etc. The environment surrounding automobiles continues to change. In addition to safety technology, it is now necessary to implement IT technology, etc. The Group will continue to provide products which are required by customers and which can be used safely and securely.

#### <Production>

Domestically, the Group shall work to obtain personnel necessary for achieving production plans. Globally, while strengthening education, installation of safety facilities, etc. necessary for achieving “Safety First” factories, the Group shall work to improve product quality and to construct an optimal global production system.

#### <Automobile Business>

In the domestic automobile market, the Company succeeded in selling 100,000 registered vehicles for the first time ever. In response to strong demand in India, new Gujarat Plant began operation. Furthermore, we are planning the constructing of Gujarat Plant No. 2 and the Engine & Transmission Plant with the aim of beginning operation in 2019. In addition to further strengthening the domestic automobile business and Indian automobile business which are the two pillars of the Group, we will strengthen our automobile business in regions such as ASEAN, Europe, and Pakistan. This will enable us to diversify our income sources and to carry forward the ALL GRIP structure reformation.

#### <Motorcycle Business>

While focusing on the 150cc and up, backbone, and sport categories, the Group will strengthen the consistency of the Suzuki brand by ranging the series from large engine displacement motorcycles to small engine displacement motorcycles. In the fiscal year, the Group focused on reducing fixed expenses and reducing costs. New models including the GSX-R1000 and GSX-R150 were released at the end of the year. Moving forward, in addition to promoting sales of these new models, the Group will achieve a profitable structure through management reforms.

#### <Outboard Motor Business>

In addition to focusing on strengthening sales in the American market, the Group will proceed the development of the Asian market and make “THE ULTIMATE4-STROKE OUTBOARD” its new brand slogan and aim at creating the world top 4-STROKE outboard motors brand.

#### <Environment & Social Activities>

In the fiscal year, the Company continued to engage in various social service activities for environmental conservation in close cooperation with the local community, as well as to promote our solar energy project in order to suppress global warming and to support disaster affected areas. In addition, the Company is engaged in the research promotion and the scholarship assistance through Suzuki Foundation and Suzuki Education and Culture Foundation. In the future, the Company shall actively address human rights issues which are becoming increasingly prevalent internationally, and shall work to address the domestic issue of reforming work styles.

By balancing between investments for growth and strengthening of its management base, the Group will consistently promote efforts for enhancing corporate value.

For the details of Mid-Term Management Plan SUZUKI NEXT 100, please refer the New Mid-Term Management Plan (2015-2019) SUZUKI NEXT 100 which was announced on June 30, 2015.

Suzuki website for IR information      <http://www.suzuki.co.jp/ir/>

## ⑥ Main Business

The Group is mainly engaged in manufacture and sale of automobiles, motorcycles, and marine & power products, etc. such as outboard motors, electronic vehicles and houses.

Business Segment	Main Products
Automobiles	Mini vehicles, Sub-compact vehicles, Standard-sized vehicles
Motorcycles	Motorcycles, All terrain vehicles
Marine & Power products, etc.	Outboard motors, Engines for Snowmobiles, etc., Motorized Wheel Chairs, Houses

## ⑦ Main Business Bases, etc. and Important Subsidiaries

### 1) Main Business Facilities and Plant of the Company

Facility and Plant	Location	Facility and Plant	Location
Head Office	Hamamatsu, Shizuoka	Sagara Plant	Makinohara, Shizuoka
Motorcycle Technical Center	Iwata, Shizuoka	Iwata Plant	Iwata, Shizuoka
Outboard Motor Technical Center	Kosai, Shizuoka	Toyokawa Plant	Toyokawa, Aichi
Tokyo Branch	Minato-ku, Tokyo	Osuka Plant	Kakegawa, Shizuoka
Kosai Plant	Kosai, Shizuoka	Takatsuka Plant	Hamamatsu, Shizuoka

### 2) Important Subsidiaries

Name of Subsidiaries	Location	Ordinary Share	Shareholding Ratio	Main Business
Suzuki Motor Sales Kinki Inc.	Osaka, Osaka	¥50 million	100.0%	Sale of automobiles
Suzuki Auto Parts Mfg. Co., Ltd.	Hamamatsu, Shizuoka	¥110 million	100.0%	Manufacture of parts for automobiles, motorcycles and outboard motors
Suzuki Deutschland GmbH	Germany	€50 million	100.0%	Sale of automobiles, motorcycles and outboard motors
Magyar Suzuki Corporation Ltd.	Hungary	€212 million	97.5%	Manufacture and sale of automobiles
Maruti Suzuki India Limited	India	INR 1,510 million	56.2%	Manufacture and sale of automobiles
P.T. Suzuki Indomobil Motor	Indonesia	US\$89 million	94.9%	Manufacture and sale of automobiles and motorcycles
Pak Suzuki Motor Co., Ltd.	Pakistan	PKR 822 million	73.1%	Manufacture and sale of automobiles and motorcycles
Suzuki Motor (Thailand) Co., Ltd.	Thailand	THB 12,681 million	100.0%	Manufacture and sale of automobiles

Note: 1. Consolidated subsidiaries are 136 companies and companies in the application of the equity method are 32 companies.

## ③ Employees

### 1) Consolidated

Business Segment	Number of employees (person)	Increase(+)/Decrease(-) from the previous fiscal year (person)
Automobiles	51,270	+1,984
Motorcycles	9,612	-747
Marine & Power products, etc.	1,352	+27
Common	758	+127
Total	62,992	+1,391

Note: 1. The above are the number of the persons working in the Group and do not include the number of the employees who are in leave of absence or seconded outside the Group.

2. "Common" is the administrative section which cannot be divided into any specific business segment.

3. In addition to the above, there are 23,977 (average during the fiscal year) temporary employees.

### 2) Non-consolidated

Number of employees	Increase/Decrease from the previous fiscal year	Average age	Average working years
15,138	+206	39 years, 5 months	16 years, 11 months

Note: 1. The above are the number of the persons working in the Company and do not include the number of the employees who are in leave of absence or seconded outside the Company.

2. In addition to the above, there are 174 (average during the fiscal year) temporary employees.

## ⑨ Main Borrowing Institutes and Borrowing Amount

### 1) Borrowing Amount remaining at the end of the Fiscal Year from each Bank

(Group)

Main Borrowing Institutes	Outstanding Balance of Loan Amount
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	124,740 Million Yen
Syndicated Loan Institutes	86,172 Million Yen
The Shizuoka Bank, Ltd.	69,757 Million Yen
Mizuho Bank, Ltd.	56,504 Million Yen
Resona Bank, Ltd.	28,379 Million Yen
Sumitomo Mitsui Trust Bank, Limited	28,031 Million Yen
Sumitomo Mitsui Banking Corporation	23,366 Million Yen

Note: 1. The above outstanding balance of loan amount includes overseas subsidiaries, etc. of each institute.

2. The syndicated loan institutes are created by the following groups:

- 14 banks, The Bank of Tokyo-Mitsubishi UFJ, Ltd. being the main arranger;
- 6 banks, Mizuho Bank, Ltd. being the main arranger; and
- 15 banks, Development Bank of Japan Inc. being the main arranger.

### 2) Situation of the Commitment Contracts

The Company has the commitment contracts with 6 banks for effective financing. The outstanding balance of the contracts at the end of the fiscal year is as follows:

Commitment contracts total	250,000 Million Yen
Actual loan balance	— Million Yen
Variance	250,000 Million Yen

(Contents of the commitment contracts)

Borrowing Bank	Contract Amount	Actual Loan Balance	Outstanding balance
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	100,000 Million Yen	—	100,000 Million Yen
The Shizuoka Bank, Ltd.	38,000 Million Yen	—	38,000 Million Yen
Resona Bank, Ltd.	38,000 Million Yen	—	38,000 Million Yen
Sumitomo Mitsui Trust Bank, Limited	27,000 Million Yen	—	27,000 Million Yen
Mizuho Bank, Ltd.	27,000 Million Yen	—	27,000 Million Yen
Sumitomo Mitsui Banking Corporation	20,000 Million Yen	—	20,000 Million Yen
Total	250,000 Million Yen	—	250,000 Million Yen

## 2. Matters relating to the Shares of the Company

- ① **Total Number of Authorized Shares** 1,500,000,000 shares
- ② **Total Number of Shares Issued** 491,000,000 shares (including 49,717,597 treasury stocks)
- ③ **Number of Shareholders** 26,548 shareholders (-6,704 compared with the end of the previous fiscal year)
- (For this English translation, the chart is omitted.)

### ④ Principal Shareholders

Name	Number of Shares Held	Shareholding Ratio
The Master Trust Bank of Japan, Ltd. (Trust Account)	31,352 thousand shares	7.1%
Japan Trustee Services Bank, Ltd. (Trust Account)	18,106 thousand shares	4.1%
Tokio Marine & Nichido Fire Insurance Co., Ltd.	17,961 thousand shares	4.1%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	16,000 thousand shares	3.6%
The Shizuoka Bank, Ltd.	14,500 thousand shares	3.3%
Resona Bank, Ltd.	13,000 thousand shares	2.9%
JP Morgan Chase Bank 380055	9,697 thousand shares	2.2%
Sompo Japan Nipponkoa Insurance Inc.	7,761 thousand shares	1.8%
Nippon Steel & Sumitomo Metal Corporation	7,759 thousand shares	1.8%
Japan Trustee Services Bank, Ltd. (Trust Account 5)	7,281 thousand shares	1.7%

Note: 1. Number of shares disregards and rounds off figures of less than 1,000 shares.

2. Shareholding ratio is calculated eliminating treasury stocks held by the Company.

### 3. Matters Concerning the Company's Stock Acquisition Rights, etc.

#### ① Status of the stock acquisition rights granted to Directors/ Audit & Supervisory Board Members as remuneration for the execution of their duties at the end of the fiscal year

##### Description of the terms of the stock acquisition rights held by Directors (excluding Outside Directors)

Name (date of resolution of issuance)	Class and number of shares that are the subject of stock acquisition rights	Issue price of shares to be issued upon the exercise of stock acquisition rights	Amount to be paid upon the exercise of stock acquisition rights	Period for the exercise of stock acquisition rights	Number of stock acquisition rights and number of holders of stock acquisition rights	Terms and conditions for the exercise of stock acquisition rights
Suzuki Motor Corporation - First Stock Acquisition Rights (28 June 2012)	Ordinary Share 35,000 shares	1,227 yen per share (Note) 1.	1 yen per share	From 21 July 2012 through 20 July 2042	350 3 people	(Note) 2.
Suzuki Motor Corporation - Second Stock Acquisition Rights (27 June 2013)	Ordinary Share 18,000 shares	2,248 yen per share (Note) 1.	1 yen per share	From 20 July 2013 through 19 July 2043	180 3 people	(Note) 2.
Suzuki Motor Corporation - Third Stock Acquisition Rights (27 June 2014)	Ordinary Share 10,600 shares	3,001 yen per share (Note) 1.	1 yen per share	From 23 July 2014 through 22 July 2044	106 2 people	(Note) 2.

Note:

1. The issue price is calculated by adding the fair value per share of the stock acquisition rights on the allotment date and the amount to be paid per share upon exercise of the stock acquisition rights. In addition, the persons who are allotted the stock acquisition rights have set off the amount to be paid upon exercise of the stock acquisition rights against their remuneration receivables from the

Company.

2. (i) A person holding the stock acquisition rights recorded in the stock acquisition rights registry (hereinafter referred to as the “Person with the Stock Acquisition Rights”) may exercise these stock acquisition rights only up until the 10<sup>th</sup> day (the next business day if the 10<sup>th</sup> day falls on a non-business day) from the day immediately following the date of resignation as the Company’s Director as well as Senior Managing Officer or Managing Officer without the role of Director being served concurrently.
- (ii) If any person with Stock Acquisition Rights dies, his/her heir may exercise the stock acquisition rights.

## ② Other Important Matters concerning the stock acquisition rights

Bonds with stock acquisition rights for which the resolution of issuance is made on 7 March, 2016 were issued and paid up on 1 April, 2016. The details of such issued bonds with stock acquisition rights as of 31 March 2017 are as follows:

Name	Amount of the bonds with stock acquisition rights	Number of stock acquisition rights	Class of shares for which stock acquisition rights are exercised	Period for the exercise of stock acquisition rights	Amount for the exercise of stock acquisition rights
Euro Yen Zero Coupon (subject to the maximum number of shares to be delivered) Convertible Bonds due 2021 with stock acquisition rights, <i>tenkanshasaigata shinkabu yoyakuken-tsuki shasai</i>	100,400 Million Yen	10,000	Ordinary Share	From 15 April 2016 through 17 March 2021	4,120.0 Yen
Euro Yen Zero Coupon (subject to the maximum number of shares to be delivered) Convertible Bonds due 2023 with stock acquisition rights, <i>tenkanshasaigata shinkabu yoyakuken-tsuki shasai</i>	100,000 Million Yen	10,000	Ordinary Share	From 15 April 2016 through 17 March 2023	4,120.0 Yen



#### 4. Matters relating to Directors/ Audit & Supervisory Board Members

##### ① Directors and Audit & Supervisory Board Members (As of 31 March, 2017)

Name	Position and Area in charge, Important Concurrent Offices	
Osamu Suzuki	* Director & Chairman (Chairman of the Board)	Chairman of Suzuki Foundation Chairman of Suzuki Education and Culture Foundation
Yasuhito Harayama	* Director & Vice Chairman	Supporting Chairman
Toshihiro Suzuki	* Director & President (CEO&COO)	Outside Director of Chubu Gas Co., Ltd.
Takashi Iwatsuki	Director & Managing Officer	Executive General Manager of China Operations
Masahiko Nagao	Director & Managing Officer	Executive General Manager of Corporate Planning Office
Hiroaki Matsuura	Director & Managing Officer	Executive General Manager of Production Engineering
Masakazu Iguchi	Director	
Sakutarō Tanino	Director	Outside Director of Alconix Corporation
Kunio Nakamura	Full-Time Audit & Supervisory Board Member	
Eiji Mochizuki	Full-Time Audit & Supervisory Board Member	
Norio Tanaka	Audit & Supervisory Board Member	Certified Public Accountant Outside Audit & Supervisory Board Member of ASTI Corporation
Yasuhiro Yamazaki	Full-Time Audit & Supervisory Board Member	
Nobuyuki Araki	Audit & Supervisory Board Member	

Note:

1. “\*” denotes the representative directors of the Company.
2. Mr. Masakazu Iguchi and Mr. Sakutarō Tanino, both of whom are Director, are outside director as stipulated in Article 2, Item 15 of the Companies Act of Japan. Also, the Company reported both of them as independent director/audit & supervisory board member to the Tokyo Stock Exchange, Inc.
3. Mr. Norio Tanaka, Mr. Yasuhiro Yamazaki and Mr. Nobuyuki Araki, all of whom are Audit & Supervisory Board Member, are outside audit & supervisory board member as stipulated in Article 2, Item 16 of the Companies Act of Japan. Also, the Company reported all of them as independent director/audit & supervisory board member to the Tokyo Stock Exchange, Inc.
4. On 29 June, 2016, the Company changed following positions of the representative directors:

Name	Positions and areas in charge after change	Positions and areas in charge before change
Osamu Suzuki	Representative Director & Chairman	Representative Director and Chairman (CEO)
Toshihiro Suzuki	Representative Director & President (CEO & COO)	Representative Director & President (COO)

5. On 1 November 2016, Mr. Takashi Iwatsuki, Director, changed the area in charge from Executive General Manager of Global Marketing Administration & Planning to Executive General Manager of China Operations.
6. Mr. Hiroaki Matsuura, Director, Mr. Eiji Mochizuki, Audit & Supervisory Board Member, Mr. Yasuhiro Yamazaki, Audit & Supervisory Board Member and Mr. Nobuyuki Araki, Audit & Supervisory Board Member were appointed as Director or Audit & Supervisory Board Member in 150<sup>th</sup> Ordinary General Meeting of Shareholders held on 29 June, 2016, and assumed their office.
7. Mr. Kunio Nakamura, Audit & Supervisory Board Member, had been engaged in accounting and finance of our Group for a long period, Mr. Norio Tanaka, Audit & Supervisory Board Member, has ample experience as Certified Public Accountant, and Mr. Yasuhiro Yamazaki, Audit & Supervisory Board Member, has a long experience of accounting and financial department in local administration, and they have enough knowledge and experiences in relation to finance and accounting.
8. As of 31 March, 2017, Senior Managing Officers and Managing Officers who are not concurrently Director are as follows.

Senior Managing Officer	Kenichi Ayukawa	Managing Officer	Syuji Oishi
Senior Managing Officer	Ichizo Aoyama	Managing Officer	Kazuki Yamaguchi
Managing Officer	Toshiaki Hasuike	Managing Officer	Shigeyuki Yamamura
Managing Officer	Kazuo Hakamata	Managing Officer	Toshiaki Suzuki
Managing Officer	Masato Kasai	Managing Officer	Hideki Yamashita
Managing Officer	Izumi Oishi	Managing Officer	Kinji Saito
Managing Officer	Taisuke Toyoda	Managing Officer	Ichiro Onishi
Managing Officer	Hirofumi Nagao	Managing Officer	Keiji Miyamoto
Managing Officer	Keiichi Asai	Managing Officer	Kazuhiko Ayabe

## ② Amount of remuneration, etc. for Directors and Audit & Supervisory Board Members for the fiscal year

Classification of Directors/Audit & Supervisory Board Members	Total amount of remuneration, etc.	Amount of each type of remuneration, etc				Number of Payees (Directors/Audit & Supervisory Board Members)
		Basic remuneration	Bonus	Remuneration as the form of share acquisition	Stock Options	
Directors (excluding Outside Directors)	¥541 million	¥205 million	¥288 million	¥48 million	-	8 people
Outside Directors	¥21 million	¥21 million	-	-	-	2 people
Total	¥562 million	¥226 million	¥288 million	¥48 million	-	10 people
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	¥52 million	¥52 million	-	-	-	3 people
(Outside Audit & Supervisory Board Members)	¥24 million	¥24 million	-	-	-	5 people
Total	¥76 million	¥76 million	-	-	-	8 people

### Notes:

1. The amount of remuneration limit for Directors (¥80 million per month) was resolved at the 135<sup>th</sup> Ordinary General Meeting of Shareholders held on 28 June 2001. The amount of remuneration limit for Audit & Supervisory Board Members (¥8 million per month) was resolved at the 123<sup>rd</sup> Ordinary General Meeting of Shareholders held on 29 June 1989.
2. The above-mentioned “bonus” is the amount which is to be paid on condition that Agenda Item 4 (Payment of Bonuses to Directors) for this General Meeting of Shareholders is approved as its original form.
3. The above-mentioned “remuneration as the form of share acquisition” is the amount recorded as expenses of the fiscal year, among remuneration, etc. to be paid within the range of the amount of remuneration limit (monthly amount) to be approved at this General Meeting of Shareholders.
4. The above includes two Directors and three Audit & Supervisory Board Members who retired at the closure of the 150<sup>th</sup> Ordinary General Meeting of Shareholders held on 29 June 2016.
5. In addition to the above, ¥10 million was paid to one retired Director as retirement benefits for Director and ¥3 million was paid to one retired Audit & Supervisory Board Member as retirement benefits for Audit & Supervisory Board Member under the resolution at the 140<sup>th</sup> Ordinary General Meeting of Shareholders held on 29 June 2006.

## **③ Policy on determining the amount of remuneration, etc. for Directors/ Audit & Supervisory Board Members**

### [Remuneration of Directors]

Remuneration of Directors (excluding Outside Directors) shall consist of basic remuneration consisting of basic pay for each position and evaluation of individual performance, bonus linked to the Company's performance of each fiscal year and stock-based remuneration linked to the Company's mid- and long-term performance or stock price. Remuneration of Outside Directors shall be solely basic remuneration (at the fixed amount).

Also, remuneration of Directors shall be decided by the Board of Directors based on the deliberation results of "the Advisory Committee on Personnel and Remuneration, etc.", more than half of which is outside directors, on the policy regarding the decision of Director's remuneration, standards, remuneration system and adequacy of the remuneration level.

The basic remuneration shall be within the range of the amount of remuneration limit (monthly amount) approved at a General Meeting of Shareholders, and the amount of remuneration for each Director shall be determined and paid in consideration of the duties and responsibilities of each Director.

As for bonuses, a proposal based on the calculation method linked with the Company's performance shall be submitted to an Ordinary General Meeting of Shareholders for approval and then paid.

The stock-based remuneration shall be paid within the range of amount of remuneration limit (monthly amount) approved at the General Meeting of Shareholders, as the remuneration that is linked to mid-and long-term Company's performance and stock price. Directors shall contribute such type of remuneration to the officer stockholding association every month, acquire the Company's shares and continuously hold them during their term of office.

### [Remuneration of Audit & Supervisory Board Members]

Remuneration of Audit & Supervisory Board Members shall be solely basic remuneration (at fixed amount), and the amount shall be decided and paid in the discussion among Audit & Supervisory Board Members within the range of the amount of remuneration limit (monthly amount) approved at a General Meeting of Shareholders.

## ④ Matters concerning Outside Directors/ Audit & Supervisory Board Members

### 1. Relationship to the Company of important concurrent offices

Name	Concurrent offices	Relationship to the Company of concurrent offices
Sakutaro Tanino	Outside Director of Alconix Corporation.	The Company has transactions with Alconix Corporation, however the amount of such transactions is less than 0.1% of the consolidated sales of the Company and is also less than 0.5% of those of Alconix Corporation (based on performance expectation).
Norio Tanaka	Outside Audit & Supervisory Board Member of ASTI Corporation	The Company has transactions with ASTI Corporation, however the amount of such transactions is less than 0.1% of the consolidated sales of the Company and is also less than 0.4% of those of ASTI Corporation (based on performance expectation).

### 2. The status of major activities in the fiscal year

#### Outside Directors

Name	Attended Meeting	The status of major activities
Masakazu Iguchi	The Meetings of Board of Directors: twenty two (22) out of twenty three (23)	Based on his ample academic expertise as doctor of engineering, he has expressed his opinions which have beneficial effect to management of the Company in the manufacturing industry. He is also a member of “the Advisory Committee on Personnel and Remuneration, etc.”, which aims the improvement of transparency and objectivity in election of candidates of Directors, decision of remuneration, etc.
Sakutaro Tanino	The Meeting of Board of Directors: twenty three (23) out of twenty three (23)	Based on his ample experience and knowledge as diplomat, from the global perspective, he has expressed his opinions which have beneficial effect to management of the Company. He is also a member of “the Advisory Committee on Personnel and Remuneration, etc.”, which aims the improvement of transparency and objectivity in election of candidates of Directors, decision of remuneration, etc.

#### Outside Audit & Supervisory Board Members

Name	Attended Meetings	The status of major activities
Norio Tanaka	The Meeting of Board of Directors: twenty three (23) out of twenty three (23)	Based on his ample experience and knowledge as certified public accountant, he has expressed his opinions which have beneficial effect in the Board of Directors and the Audit & Supervisory Board.

	The Meeting of the Audit & Supervisory Board: thirteen (13) out of thirteen (13)	He is also a member of “the Advisory Committee on Personnel and Remuneration, etc.”, which aims the improvement of transparency and objectivity in election of candidates of Directors, decision of remuneration, etc.
Yasuhiro Yamazaki	The Meeting of Board of Directors: fifteen (15) out of fifteen (15) The Meeting of the Audit & Supervisory Board: ten (10) out of ten (10) (after the appointment as Audit & Supervisory Board Member on 29 June 2016)	Based on his ample experience and expertise of the local administration etc., he has expressed his opinions which have beneficial effect in the Board of Directors and the Audit & Supervisory Board.
Nobuyuki Araki	The Meeting of Board of Directors: fifteen (15) out of fifteen (15) The Meeting of Audit & Supervisory Board: ten (10) out of ten (10) (after the appointment as Audit & Supervisory Board Member on 29 June 2016)	Based on his ample academic expertise as doctor of engineering, he has expressed his opinions which have beneficial effect in the Board of Directors and the Audit & Supervisory Board.

### **3. The outline of the status contract for limitation of liability**

The Company concludes with each of Outside Directors and Outside Audit & Supervisory Board Members a contract for limitation of liability which specifies his liability under Paragraph 1, Article 423 of the Companies Act as the minimum amount of the limit for liability provided by the Act, according to Paragraph 1, Article 427 of the Act.

## 5. Accounting Auditor

### ① Name of Accounting Auditor

Seimei Audit Corporation

### ② Accounting Auditor Remuneration, Etc. for the Fiscal Year

- |   |             |
|---|-------------|
| 1) Amount of Remuneration, etc.   | ¥93 million |
| 2) Total amount of monetary and other property profit<br>to be paid by the Company and its subsidiaries | ¥98 million |

Note:

1. Through obtaining the documents and reporting from relevant departments of the Company and the Accounting Auditor, checking the audit plans and performance for the previous year and conducting necessary assessment for adequacy of the audit plans and estimation for remuneration, etc. of the fiscal year, the Audit & Supervisory Board makes consent to remuneration, etc. of the Accounting Auditor under Paragraph 1, Article 399 of the Companies Act.
2. Because the remuneration amount for the audit under the Companies Act of Japan and for the audit under the Financial Instruments and Exchange Act of Japan is not divided in the auditing agreement between the Company and the Accounting Auditor and is not able to be actually divided, the amount described in 1) specifies the total of these remuneration amount.
3. The Company has paid consideration to the Accounting Auditor for the following services, which is outside the services under Paragraph 1, Article 2 of the Certified Public Accountants Act:  
- services for preparation of comfort letter related to issuance of bonds
4. Suzuki Deutschland GmbH, Magyar Suzuki Corporation Ltd., Maruti Suzuki India Limited, P.T. Suzuki Indomobil Motor, Pak Suzuki Motor Co., Ltd. and Suzuki Motor (Thailand) Co., Ltd., which are the important subsidiaries of the Company, are audited by financial audit companies other than the Accounting Auditor of the Company (including entities having foreign qualifications corresponding thereto) (limited to the audit under the Companies Act of Japan and the Financial Instruments and Exchange Act of Japan (including foreign laws corresponding to these Acts).

### ③ Determination Policy of Dismissal or Non-Reappointment of Accounting Auditor

The Audit & Supervisory Board shall dismiss the Accounting Auditor upon consent of all the Audit & Supervisory Board Members when the Accounting Auditor seems to fall under any of the items of Paragraph 1, Article 340 of the Companies Act of Japan.

In addition, the Audit & Supervisory Board may decide an agenda regarding the dismissal or non-reappointment of the Accounting Auditor(s) to be proposed at the General Meeting of Shareholders, in case of necessity such as when appropriate performance of duties of such Accounting Auditor(s) is considered difficult.

## **6. Overview of Systems for ensuring appropriate execution of duties and their Status**

Basic policies related to the development of systems for ensuring appropriate execution of duties. These policies were resolved by the Board of Directors based on the Companies Act and the Order for Enforcement of the Companies Act.

### **① Systems to ensure that Directors' and employees' execution of their duties complies with laws and regulations and the Articles of Incorporation**

1. The Board of Directors shall formulate the "Suzuki Group Code of Conduct" to ensure Directors and Managing Officers and employees in the Company and the Group (Suzuki Group) execute their duties in a healthy manner as well as shall oversee the state in which the Code is fully disseminated throughout the Group.
2. A Corporate Governance Committee, chaired by the Director and Managing Officer in charge of corporate planning, shall be established under the Board of Directors. The Corporate Governance Committee shall deploy measures for advancing thorough compliance and promote efforts to address cross-sectional challenges in coordination with the relevant sections.
3. Executive General Managers shall clearly define the division of work among their responsible sections and establish work regulations and manuals that include compliance with laws and regulations related to their responsible duties, approval and decision procedures, and rules for the confirmation process by other sections. Executive General Managers shall ensure that the people concerned are fully aware of said regulations, manuals, rules, etc.
4. The Human Resources Department shall hold seminars about compliance and individual laws/regulations for executives and employees in a continuous manner in cooperation with the Corporate Planning Office, Legal Department, Engineering Department and other related departments.
5. To prevent violations of laws and regulation and take corrective measures at an early stage, a whistleblowing system (Suzuki Group Risk Management Hotline) that has both internal and external contact points, shall be established to allow executives and employees of the Suzuki Group to report on breach of laws and regulations or their possibility without any disadvantageous treatment to the whistleblower.

The Corporate Planning Office shall strive to make the whistleblowing system fully known and to promote its use.

### **② Systems relating to the storage and administration of the information in relation to Directors' execution of their duties**

The minutes of meetings of the Board of Directors and other information related to Directors' execution of their duties shall be retained and administered by responsible sections pursuant to laws, regulations and internal regulations, and shall be made available to Directors and Audit & Supervisory Board members for examination when the need arises.

### **③ Rules and other systems relating to management of the risk of loss**

1. Important matters regarding corporate management shall be decided after meetings of Board of Directors, the Executive Committee, circular resolutions and other systems deliberate and evaluate their risks in accordance with the standard for deliberation.
2. Executive General Managers shall establish work regulations and manuals that include preventive measures against risks that can be presumed in their responsible duties, and counter-measures in case of their occurrence. Executive General Managers shall ensure that the people concerned are fully aware of said regulations, manuals, measures, etc.
3. To prepare for a large-scale disaster, action manuals and business continuity plans shall be formulated, and drills shall be carried out.



#### **④ Systems to ensure efficient execution of duties by Directors**

1. Important matters regarding corporate management shall be deliberated at the Executive Committee and other meetings prior to decision-making.
2. The Board of Directors shall clarify responsibilities regarding the execution of Managing Officers' and Executive General Managers' duties, and shall supervise their execution.
3. The Board of Directors shall receive reporting from the person responsible for the execution of the duties, as necessary, on how the matters, which were decided at meetings of the Board of Directors, the Executive Committee and other meetings, are executed. In response to reports, the Board of Directors shall give necessary instructions.
4. The Board of Directors shall formulate mid-term management plans that include consolidated subsidiaries and regularly verify the progress of business plans for fiscal years as made by Executive General Managers in order to achieve the mid-term plan.
5. The Audit Department, which directly reports to President, shall audit the state of establishment and operation of internal controls, which are based on the basic policies, on a regular basis and shall report on the outcome to the Board of Directors.  
The Board of Directors shall make Managing Officers and Executive General Managers attend meetings of the Board of Directors, if necessary, and ask them to explain or report on issues that were detected in activities such as internal audits and whistleblowing. Accordingly, the Board of Directors shall give instructions for correction of the issues and require reporting on results.

#### **⑤ Systems to ensure appropriateness of duties of the Corporate Group consisting of the Company and subsidiaries**

1. The Board of Directors shall formulate mid-term management plans that include consolidated subsidiaries, and the presidents of the subsidiaries shall make business plans in the fiscal years in order to achieve the mid-term plans.
2. The Company shall set forth regulations for managing subsidiaries, which clarify the departments that are responsible for administering the subsidiaries, and receive reporting from subsidiaries on the situation of their business on a regular basis and on matters set forth in the regulations. Important matters related to the corporate management of subsidiaries shall be subject to prior approval from the Company.
3. The Corporate Governance Committee shall deploy thorough compliance and measures for risk management, which include consolidated subsidiaries, to the presidents of subsidiaries as well as give them necessary assistance in coordination with the relevant departments.  
The Audit Department, directly reporting to President, shall regularly audit the state of dissemination of "the Suzuki Group Code of Conduct", compliance, risk management and the state of establishment of a whistleblowing system as well as report the results to the Board of Directors.  
The Board of Directors shall make the presidents of subsidiaries attend meetings of the Board of Directors, if necessary, and ask them to explain or report on issues that were detected in activities such as internal audits and whistleblowing. Accordingly, the Board of Directors shall give instructions for correction of the issues and require reporting on results.
4. The Corporate Planning section shall create awareness for the "Suzuki Group Risk Management Hotline" at subsidiaries to allow the Directors, Managing Officers and employees of subsidiaries to report directly to the Company on violations or possible violations of laws and regulations.

**⑥ Matters for employees to support the business of the Audit & Supervisory Board Members when the Audit & Supervisory Board Member seeks appointment of the employees; matters for independence of such employees from the Directors; and matters for ensuring the efficiency of instructions given the employees**

1. The Company shall establish the Secretariat of Audit & Supervisory Board in which staff is dedicated to executing their duties under the direction of Audit & Supervisory Board Members.
2. Audit & Supervisory Board Members whom the Audit & Supervisory Board appoints can ask a change of their staff anytime, and Directors shall not refuse the requests without proper reason.
3. Transfers, treatments, disciplinary punishments, etc. of the staff in the Secretariat of Audit & Supervisory Board shall be subject to approval from Audit & Supervisory Board Members whom the Audit & Supervisory Board appoints. Evaluation of personnel shall be conducted by Audit & Supervisory Board Members as appointed by the Audit & Supervisory Board.

**⑦ Systems for reporting to the Audit & Supervisory Board Members**

1. Audit & Supervisory Board Members may attend the Executive Committee, other important meetings and various committees in addition to meetings of the Board of Directors to ask questions and express their opinions.
2. In additions to delivering circular resolutions and other important documents to Audit & Supervisory Board Members, the Board of Directors, departments and the presidents of subsidiaries shall submit necessary information and report on the state of business and duties at the request of Audit & Supervisory Board Members.
3. Upon finding a fact that can cause serious damage to the Suzuki Group, the Board of Directors shall report on the fact to the Audit & Supervisory Board immediately.
4. The Audit Department, directly reporting to President, shall report on the results of internal audits to the Audit & Supervisory Board.
5. One of the contacts of the “Suzuki Group Risk Management Hotline” shall be Audit & Supervisory Board Members. In addition, the state of whistleblowing activities outside that of Audit & Supervisory Board Members shall be reported to Audit & Supervisory Board Members on a regular basis.
6. The Company shall not engage in disadvantageous treatment against those who reported to Audit & Supervisory Board Members, and shall ask the subsidiaries to treat them in the same way.

**⑧ Matters regarding procedures for prepayment or redemption of expenses arising from the execution of duties of Audit & Supervisory Board Members and processing of other expenses or liabilities arising from the execution of such duties**

The Company shall budget a certain amount of funds each year to pay expenses, etc. caused by the execution of Audit & Supervisory Board Members’ duties. When Audit & Supervisory Board Members claim an advance payment of expenses and others related to the execution of their duties, the Company shall process the claim without delay.

## **⑨ Other System to ensure effecting auditing by the Audit & Supervisory Board Members**

Audit & Supervisory Board Members may seek advice, etc. from lawyers and other external experts, if necessary, at the expense of the Company.

**The following is an overview of operation of the above basic policies related to the systems for ensuring appropriate execution of duties.**

### **① Measures relating to compliance**

1. In the fiscal year, for benefiting stakeholders through compliance with laws and regulations, etc, the Company defined the new “Suzuki Group Code of Conduct” to ensure that executives and employees in the Group (for overseas subsidiaries, translated into their respective local languages) execute their duties.
2. In conjunction with the Code of Conduct, a variety of education, training, etc. are being used to ensure awareness for the “Suzuki Group Risk Management Hotline,” an internal whistleblowing system of the Suzuki Group. The Hotline enables early discovery and appropriate response for compliance issues. In addition, as a contact independent from the management, Audit & Supervisory Board Members and external attorneys are appointed.
3. The Corporate Governance Committee urges caution for legal compliance by individuals throughout the Company. Furthermore, if compliance issues arise, the Committee conducts deliberation for each issue, formulates required measures, and reports the details to the Board of Directors as appropriate.
4. In regards to the improper activities that were inconsistent with national regulations with regards to fuel consumption and gas emission testing of the Company’s automobiles, the Company reported to the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) in May 2016. The entire Company is working to implement the following seven measures to prevent recurrence.
  - i) Intensify the education and training of engineers
  - ii) Clarify those responsible in deciding the application figure of driving resistance
  - iii) Strengthen the internal checking systems for the application figure of driving resistance
  - iv) Consolidation of testing facilities and improvement in measuring technology for coasting test method
  - v) Resolve the closed environment of Automobile Engineering
  - vi) Reinforce the auditing system for engineering operations
  - vii) Promote utilization of the whistle-blowing system

The Company implemented all of these measures speedily and steadily to prevent recurrence in the current fiscal year. In the future, while reviewing the effect of measures and making improvement, the Company will continue to implement the measures throughout the Group.

### **② Measures relating to risk management**

1. In regards to risks for quality, work safety, etc., while using past issues as lessons, the Company is implementing systems and constructing global mechanisms for preventing the occurrence of major issues.
2. In regards to risks for legal violations, the Company will identify laws and regulations related to duties of the Company, domestic subsidiaries, and overseas subsidiaries. In addition to confirming the status of compliance, the Company will construct corrective measures as necessary.
3. Internal rules are constantly being developed in each department. The Company is working to strengthen systems for executing duties efficiently and in compliance with laws, regulations, etc.
4. We defined “CSR Guideline for suppliers” in the fiscal year to discharge social responsibilities such as safety, quality, human rights, labour, environment and compliance of the laws and regulations, etc, with our suppliers.
5. As part of measures to prepare for natural disasters, the Company held two trainings in the fiscal year for tsunami evacuation assuming the occurrence of the Nankai Trough Megaquake. The Company also reviewed issue in our Business Continuity Plan (BCP) and made necessary revisions.

### **③ Measures relating to efficiency improvements in Directors' execution of their duties**

1. The Board of Directors takes sufficient time to deliberate important issues related to management.
2. The Company is aiming to improve efficiency and speed in decision-making by the Board of Directors through certain measures, such as by delegating decisions on individual matters for Directors, Senior Managing Officers and Managing Officers through the approval system, by receiving monthly reports on the state of duties of each department and the state of progress of each department's plans, and by holding advance deliberations of important matters in the weekly Executive Committee.

### **④ Measures for ensuring appropriate execution of duties at the Group**

1. The Company has defined the Rules of Business Control Supervision for Affiliated Companies and established departments responsible for the management of each of its subsidiaries. Subsidiaries are managed and supervised to ensure regular provision of status reports and reports on other matters as defined by these Rules, and to ensure the receipt of approval from the Company ahead of any significant matters.
2. Through the Suzuki Group Risk Management Hotline, the Company strives to identify compliance issues at subsidiaries.
3. In accordance with the audit plan, through on-site auditing and investigation of written documentation, etc., the Company's internal audit department periodically audits the state of establishment and operation of internal controls including the properness and efficiency of business at departments of the Company and at domestic/overseas subsidiaries, the state of compliance with laws/regulations and internal rules, and the state of management/maintenance for assets. Based on audit results, the audit department provides advice and guidance for making reforms. In the fiscal year, the Company installed staff well-versed in fields such as engineering, product quality, production, purchasing, overseas business operations, etc. in the internal audit department, in order to establish a system for conducting global auditing in an even wider range of fields and is implementing overall reforms for duties.

### **⑤ Measures related to audits by Audit & Supervisory Board Members**

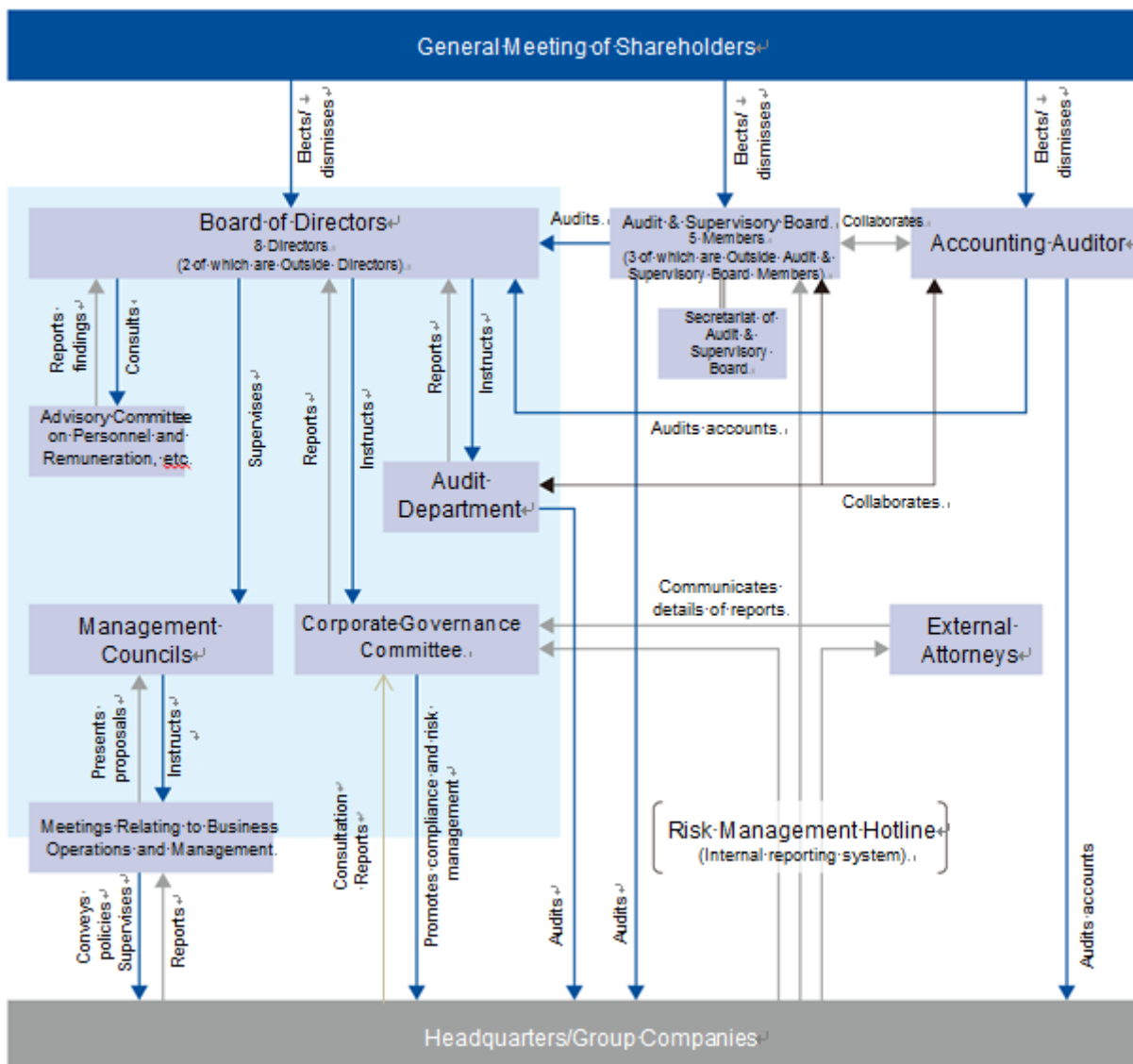
1. By having Audit & Supervisory Board Members attend meetings of the Board of Directors, the Executive Committee, corporate governance meetings, and other meetings related to business operations and management, the Company makes it possible for Audit & Supervisory Board Members to verify the decision-making process and receive any necessary reports.
2. To enable receipt of information by Audit & Supervisory Board Members, Audit & Supervisory Board Members are allowed to view documents related to decisions pertaining to the business operations of the Company and its subsidiaries.
3. In order to deliver to Audit & Supervisory Board Members information about various issues of the Company, the Company has established the system in which all whistleblowing received by contacts of the Suzuki Group Risk Management Hotline other than Audit & Supervisory Board Members shall be reported to Audit & Supervisory Board Members promptly and information is shared.
4. The internal audit department properly reports results of audits to Audit & Supervisory Board Members, allowing for more efficient auditing to be carried out in joint collaboration between Audit & Supervisory Board Members and the internal audit department.
5. The Company has established the Secretariat of the Audit & Supervisory Board as a full-time staff department independent from the chain of command of Directors, etc., thus strengthening the systems that support the duties of Audit & Supervisory Board Members. Evaluation of staff at the Secretariat of the Audit & Supervisory Board shall be performed by Audit & Supervisory Board Members whom the Audit & Supervisory Board appoints, and approval from Audit & Supervisory Board Members whom the Audit & Supervisory Board appoints shall be obtained in advance of personnel transfers, etc.

### **(Reference) Corporate governance system**

Holding fair and efficient business activities as a main principle, the Company hopes to continue to earn the trust of its shareholders and its various stakeholders, such as customers, partners, local communities, and employees, as well as to further contribute to international society and continue to develop as a company. To realize this goal, the Company recognizes strengthening of corporate governance as one of the most vital tasks of its business, and the Company will continue to actively take various measures toward this end.

(As of the end of March 2017)

## Corporate Governance System



## Consolidated Balance Sheets (As of 31 March 2017)

(Amount: Millions of yen)

Account Title	Amount	Account Title	Amount
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>	<b>1,955,973</b>	<b>Current liabilities</b>	<b>1,188,121</b>
Cash and deposits	693,952	Accounts payable-trade	428,063
Notes and accounts receivables-trade	349,224	Electronically recorded obligations	83,070
Short-term investment securities	338,756	Short-term loans payable	96,643
Merchandise and finished goods	234,730	Current portion of long-term loans payable	119,958
Work in process	40,537	Accrued expenses	191,068
Raw materials and supplies	56,847	Income taxes payable	31,863
Deferred tax assets	113,845	Deferred tax liabilities	55
Other	133,428	Provision for product warranties	76,995
Allowance for doubtful accounts	(5,349)	Provision for directors' bonuses	372
		Other	160,030
		<b>Noncurrent liabilities</b>	<b>540,822</b>
<b>Noncurrent assets</b>	<b>1,160,012</b>	Bonds with subscription rights to shares	200,400
<b>Property, plant and equipment</b>	<b>756,344</b>	Long-term loans payable	222,870
Buildings and structures, net	154,843	Deferred tax liabilities	1,384
Machinery, equipment and vehicles, net	267,951	Provision for directors' retirement benefits	1,164
Tools, furniture and fixtures, net	24,195	Provision for disaster	1,976
Land	261,130	Provision for product liabilities	3,443
Construction in progress	48,223	Provision for recycling expenses	6,372
<b>Intangible assets</b>	<b>2,683</b>	Liabilities for retirement benefits	63,099
Goodwill	339	Other	40,110
Other	2,343	<b>Total liabilities</b>	<b>1,728,943</b>
<b>Investments and other assets</b>	<b>400,984</b>	<b>Net assets</b>	
Investment securities	335,787	<b>Shareholders' equity</b>	<b>1,149,548</b>
Long-term loans receivable	798	Capital stock	138,014
Assets for retirement benefits	44	Capital surplus	144,035
Deferred tax assets	21,140	Retained earnings	1,058,549
Other	43,631	Treasury stock	(191,051)
Allowance for doubtful accounts	(399)	<b>Accumulated Other Comprehensive Income</b>	<b>(29,683)</b>
Allowance for investment loss	(18)	Valuation difference on available-for-sale securities	98,827
		Deferred gains or losses on hedges	1,269
		Foreign currency translation adjustment	(119,236)
		Accumulated adjustment for retirement benefit	(10,543)
		<b>Subscription rights to shares</b>	<b>126</b>
		<b>Non-controlling interests</b>	<b>267,049</b>
		<b>Total net assets</b>	<b>1,387,041</b>
<b>Total assets</b>	<b>3,115,985</b>	<b>Total liabilities and net assets</b>	<b>3,115,985</b>

[Note] Amounts less than one million yen are rounded down.

## **Consolidated Statements of Income**

(1 April 2016 – 31 March 2017)

(Amount: Millions of yen)

Account Title	Amount
<b>Net sales</b>	<b>3,169,542</b>
Cost of sales	2,261,914
<b>Gross profit</b>	<b>907,627</b>
Selling, general and administrative expenses	640,942
<b>Operating income</b>	<b>266,685</b>
Non-operating income	29,660
Interest income	13,186
Dividends income	3,640
Rent income on noncurrent assets	1,493
Foreign exchange gains	198
Equity in earnings of affiliates	2,327
Other	8,813
Non-operating expenses	9,652
Interest expenses	4,771
Loss on valuation of securities	0
Depreciation of assets for rent	461
Provision of allowance for doubtful accounts	6
Provision of allowance for investment loss	97
Other	4,316
<b>Ordinary income</b>	<b>286,693</b>
Extraordinary income	48,798
Gain on sales of noncurrent assets	1,022
Gain on sales of investment securities	47,775
Extraordinary loss	40,291
Loss on sales of noncurrent assets	355
Impairment loss	39,936
<b>Income before income taxes etc.</b>	<b>295,200</b>
Income taxes-current	92,263
Income taxes-deferred	5,319
<b>Income taxes</b>	<b>97,583</b>
<b>Net income</b>	<b>197,616</b>
Net income attributable to non-controlling interests	37,660
<b>Net income attributable to owners of the parent</b>	<b>159,956</b>

[Note] Amounts less than one million yen are rounded down.



## Consolidated Statements of Changes in Net Assets

(1 April 2016– 31 March 2017)

(Amount: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
<b>Balance at beginning of</b>	<b>138,014</b>	<b>144,166</b>	<b>913,656</b>	<b>(191,169)</b>	<b>1,004,668</b>
<b>Changes of items during</b>					
Dividends from surplus			(15,003)		(15,003)
Net income attributable			159,956		159,956
Purchase of treasury stock				(4)	(4)
Disposal of treasury stock		(60)		122	62
Transfer to capital surplus from retained		60	(60)		-
Capital increase of consolidated subsidiaries		(130)			(130)
Net changes of items other than					
<b>Total changes of items</b>	<b>-</b>	<b>(130)</b>	<b>144,892</b>	<b>118</b>	<b>144,880</b>
<b>Balance at end of current fiscal year</b>	<b>138,014</b>	<b>144,035</b>	<b>1,058,549</b>	<b>(191,051)</b>	<b>1,149,548</b>

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Accumulated adjustment for retirement benefit	Total accumulated other comprehensive income			
<b>Balance at beginning of current fiscal year</b>	<b>77,624</b>	<b>536</b>	<b>(115,551)</b>	<b>(9,580)</b>	<b>(46,970)</b>	<b>188</b>	<b>229,816</b>	<b>1,187,703</b>
<b>Changes of items during the period</b>								
Dividends from surplus								(15,003)
Net income attributable to owners of the parent								159,956
Purchase of treasury stock								(4)
Disposal of treasury stock								62
Transfer to capital surplus from retained earnings								-
Capital increase of consolidated subsidiaries								(130)
Net changes of items other than shareholders' equity	21,202	732	(3,685)	(962)	17,287	(62)	37,232	54,458
<b>Total changes of items during the period</b>	<b>21,202</b>	<b>732</b>	<b>(3,685)</b>	<b>(962)</b>	<b>17,287</b>	<b>(62)</b>	<b>37,232</b>	<b>199,338</b>
<b>Balance at end of current fiscal year</b>	<b>98,827</b>	<b>1,269</b>	<b>(119,236)</b>	<b>(10,543)</b>	<b>(29,683)</b>	<b>126</b>	<b>267,049</b>	<b>1,387,041</b>

[Note] Amounts less than one million yen are rounded down.

## Non-Consolidated Balance Sheets

(As of 31 March 2017)

(Amount: Millions of yen)

Account Title	Amount	Account Title	Amount
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>	<b>929,598</b>	<b>Current liabilities</b>	<b>826,411</b>
Cash and deposits	497,960	Accounts payable-trade	326,267
Notes receivable-trade	1,287	Electronically recorded obligations	83,070
Accounts receivable-trade	164,516	Short-term loans payable	48,084
Short-term investment securities	30,000	Current portion of long-term loans payable	76,000
Merchandise and finished goods	43,234	Accounts payable-other	10,060
Work in process	22,416	Accrued expenses	68,604
Raw materials and supplies	9,803	Income taxes payable	24,995
Prepaid expenses	1,039	Advances received	6,838
Deferred tax assets	85,830	Deposits received	110,493
Other	76,085	Provision for product warranties	62,376
Allowance for doubtful accounts	(2,576)	Provision for directors' bonuses	288
		Other	9,331
<b>Noncurrent assets</b>	<b>819,993</b>	<b>Noncurrent liabilities</b>	<b>415,370</b>
<b>Property, plant and equipment</b>	<b>250,556</b>	Bonds with subscription rights to shares	200,400
Buildings, net	52,799	Long-term loans payable	171,472
Structures, net	9,655	Provision for retirement benefits	20,507
Machinery and equipment, net	44,355	Provision for directors' retirement benefits	1,161
Vehicles, net	1,228	Provision for disaster	1,540
Tools, furniture and fixtures, net	10,316	Provision for product liabilities	3,443
Land	125,528	Provision for recycling expenses	6,372
Construction in progress	6,672	Asset retirement obligations	257
<b>Intangible assets</b>	<b>295</b>	Other	10,214
Right of using facilities	295		
<b>Investments and other assets</b>	<b>569,141</b>	<b>Total liabilities</b>	<b>1,241,781</b>
Investment securities	132,369	<b>Net assets</b>	
Stocks of subsidiaries and affiliates	367,597	<b>Shareholders' equity</b>	<b>461,195</b>
Investments in capital	3	<b>Capital stock</b>	<b>138,014</b>
Investments in capital of subsidiaries and affiliates	30,291	<b>Capital surplus</b>	<b>144,364</b>
Long-term loans receivable	466	Legal capital surplus	144,364
Long-term loans receivable from subsidiaries and affiliates	17,548	<b>Retained earnings</b>	<b>369,824</b>
Long-term prepaid expenses	366	Legal retained earnings	8,269
		Other Retained earnings	
Deferred tax assets	19,883	Reserve for special depreciation	1,253
Other	1,233	Reserve for advanced depreciation of noncurrent assets	6,265
Allowance for doubtful accounts	(185)	General reserve	261,000
Allowance for investment loss	(433)	Retained earnings brought forward	93,035
		<b>Treasury stock</b>	<b>(191,008)</b>
		<b>Valuation and translation adjustments</b>	<b>46,488</b>
		Valuation difference on available-for-sale securities	45,731
		Deferred gains or losses on hedges	756
		<b>Subscription rights to shares</b>	<b>126</b>
		<b>Total net assets</b>	<b>507,810</b>
<b>Total assets</b>	<b>1,749,592</b>	<b>Total liabilities and net assets</b>	<b>1,749,592</b>

[Note] Amounts less than one million yen are rounded down.

## Non-Consolidated Statements of Income

(1 April 2016 – 31 March 2017)

(Amount: Millions of yen)

Account Title	Amount
<b>Net sales</b>	<b>1,687,836</b>
Cost of sales	1,272,197
Beginning finished goods	30,417
Cost of products manufactured	1,282,335
Total	1,312,753
Transfer to other account	2,226
Ending finished goods	38,329
<b>Gross profit</b>	<b>415,639</b>
Selling, general and administrative expenses	309,242
Selling expenses	179,351
General and administrative expenses	129,891
<b>Operating income</b>	<b>106,396</b>
Non-operating income	20,347
Interest income	889
Interest on securities	4
Dividends income	14,125
Reversal of loss for doubtful accounts	195
Rent income on noncurrent assets	2,816
Foreign exchange gains	43
Miscellaneous income	2,273
Non-operating expenses	6,533
Interest expenses	663
Loss on valuation of securities	181
Depreciation of assets for rent	1,666
Provision of allowance for investment loss	1,018
Miscellaneous expenses	3,004
<b>Ordinary income</b>	<b>120,210</b>
Extraordinary income	48,034
Gain on sales of noncurrent assets	260
Gain on sales of investment securities	47,773
Extraordinary loss	40,367
Loss on sales of noncurrent assets	30
Impairment loss	5,590
Loss on valuation of investments in capital and Shares of subsidiaries and affiliates	34,747
<b>Income before income taxes etc.</b>	<b>127,876</b>
Income taxes-current	35,680
Income taxes-deferred	4,525
<b>Income taxes</b>	<b>40,205</b>
<b>Net income</b>	<b>87,671</b>

[Note] Amounts less than one million yen are rounded down.

## Non-Consolidated Statements of Changes in Net Assets

(1 April 2016 – 31 March 2017)

(Amount: Millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Reserve for special depreciation
<b>Balance at beginning of current fiscal year</b>	<b>138,014</b>	<b>144,364</b>	<b>-</b>	<b>144,364</b>	<b>8,269</b>	<b>1,471</b>
<b>Changes of items during the period</b>						
Reversal of reserve for special depreciation						(217)
Provision of reserve for advanced depreciation of noncurrent assets						
Reversal of reserve for advanced depreciation of noncurrent assets						
Reversal of general reserve						
Dividends from surplus						
Net income						
Purchase of treasury stock						
Disposal of treasury stock			(60)	(60)		
Transfer to capital surplus from retained earnings			60	60		
Net changes of items other than shareholders' equity						
<b>Total changes of items during the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(217)</b>
<b>Balance at end of current fiscal year</b>	<b>138,014</b>	<b>144,364</b>	<b>-</b>	<b>144,364</b>	<b>8,269</b>	<b>1,253</b>

	Shareholders' equity					
	Retained earnings				Treasury stock	Total shareholders' equity
	Other retained earnings			Total retained earnings		
	Reserve for advanced depreciation of noncurrent assets	General reserve	Retained earnings brought forward			
<b>Balance at beginning of current fiscal year</b>	<b>6,268</b>	<b>471,000</b>	<b>(189,793)</b>	<b>297,216</b>	<b>(191,126)</b>	<b>388,469</b>
<b>Changes of items during the period</b>						
Reversal of reserve for special depreciation			217	-		-
Provision of reserve for advanced depreciation of noncurrent assets	94		(94)	-		-
Reversal of reserve for advanced depreciation of noncurrent assets	(97)		97	-		-
Reversal of general reserve		(210,000)	210,000	-		-
Dividends from surplus			(15,003)	(15,003)		(15,003)
Net income			87,671	87,671		87,671
Purchase of treasury stock					(4)	(4)
Disposal of treasury stock					122	62
Transfer to capital surplus from retained earnings			(60)	(60)		-
Net changes of items other than shareholders' equity						
<b>Total changes of items during the period</b>	<b>(2)</b>	<b>(210,000)</b>	<b>282,828</b>	<b>72,607</b>	<b>118</b>	<b>72,726</b>
<b>Balance at end of current fiscal year</b>	<b>6,265</b>	<b>261,000</b>	<b>93,035</b>	<b>369,824</b>	<b>(191,008)</b>	<b>461,195</b>

(This is an English translation of the original Notice in the Japanese language mailed to shareholders in Japan and is for reference purpose only. If there are any discrepancies between this document and the original Japanese Notice, the original Japanese Notice prevails.)

(Amount: Millions of yen)

	Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
<b>Balance at beginning of current fiscal year</b>	<b>63,957</b>	<b>86</b>	<b>64,043</b>	<b>188</b>	<b>452,701</b>
<b>Changes of items during the period</b>					
Reversal of reserve for special depreciation					-
Provision of reserve for advanced depreciation of noncurrent assets					-
Reversal of reserve for advanced depreciation of noncurrent assets					-
Reversal of general reserve					-
Dividends from surplus					(15,003)
Net income					87,671
Purchase of treasury stock					(4)
Disposal of treasury stock					62
Transfer to capital surplus from retained earnings					-
Net changes of items other than shareholders' equity	(18,225)	669	(17,555)	(62)	(17,617)
<b>Total changes of items during the period</b>	<b>(18,225)</b>	<b>669</b>	<b>(17,555)</b>	<b>(62)</b>	<b>55,108</b>
<b>Balance at end of current fiscal year</b>	<b>45,731</b>	<b>756</b>	<b>46,488</b>	<b>126</b>	<b>507,810</b>

[Note] Amounts less than one million yen are rounded down.

## AUDIT REPORTS

### Copy of Report of Accounting Auditor on Consolidated Financial Statements

#### Report of Independent Auditor

10 May 2017

To the Board of Directors of  
Suzuki Motor Corporation

Seimei Audit Corporation  
Ryo Imamura (seal)  
Designated and Engagement Partner  
Certified Public Accountant  
Akira Iwama (seal)  
Designated and Engagement Partner  
Certified Public Accountant  
Takashi Imamura (seal)  
Designated and Engagement Partner  
Certified Public Accountant

We have audited the accompanying consolidated financial statements of Suzuki Motor Corporation and its subsidiaries, which comprise the consolidated statement of financial position as at 31 March 2017, the consolidated statement of income, the consolidated statements of changes in equity and the notes to consolidated financial statements, for the consolidated fiscal year from 1 April 2016 to 31 March 2017 in accordance with Article 444 (4) of the Companies Act of Japan.

#### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Suzuki Motor Corporation and its consolidated subsidiaries as at 31 March 2017, and the consolidated results of their operations for the year then ended, in accordance with accounting principles generally accepted in Japan.

#### No Interest

There is no interest between Suzuki Motor Corporation and our firm or engagement partners which should be disclosed in accordance with the provisions of the Certified Public Accountants Law of Japan.

- End -

## **Copy of Report of Accounting Auditor**

### **Report of Independent Auditor**

10 May 2017

To the Board of Directors of  
Suzuki Motor Corporation

Seimei Audit Corporation  
Ryo Imamura (seal)  
Designated and Engagement Partner  
Certified Public Accountant  
Akira Iwama (seal)  
Designated and Engagement Partner  
Certified Public Accountant  
Takashi Imamura (seal)  
Designated and Engagement Partner  
Certified Public Accountant

We have audited the accompanying financial statements of Suzuki Motor Corporation, which comprise the statement of financial position as at 31 March 2017, the statement of income, the statement of changes in equity and the notes to financial statements, as well as their supplementary schedules, for the 151st fiscal year from 1 April 2016 to 31 March 2017 in accordance with Article 436 (2) (i) of the Companies Act of Japan.

#### **Management's Responsibility for the Financial Statements, etc.**

Management is responsible for the preparation and fair presentation of these financial statements and their supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and their supplementary schedules that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements and their supplementary schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and their supplementary schedules are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and their supplementary schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and their supplementary schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the equity's preparation and fair presentation of the financial statements and their supplementary schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and their supplementary schedules. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the financial statements and their supplementary schedules referred to above present fairly, in all material respects, the financial position of Suzuki Motor Corporation as at 31 March 2017, and the results of its operations for the year then ended, in accordance with accounting principles generally accepted in Japan.

#### **No Interest**

There is no interest between Suzuki Motor Corporation and our firm or engagement partners which should be disclosed in accordance with the provisions of the Certified Public Accountants Law of Japan.

- End -

## Copy of Report of the Audit & Supervisory Board

### Audit Report

With respect to the Directors' performance of their duties during the 151st fiscal year from 1 April 2016 to 31 March 2017, the Audit & Supervisory Board has prepared this audit report after deliberations based on the audit reports prepared by Audit & Supervisory Board Member, and hereby report as follows:

1. Method and Contents of Audit by Audit & Supervisory Board Members and the Audit & Supervisory Board
  - (1) The Audit & Supervisory Board has established the audit policies, assignment of duties, etc. and received a report from Audit & Supervisory Board Members regarding the status of implementation of their audits and results thereof. In addition, the Audit & Supervisory Board has received reports from the Directors, etc. and the Accounting Auditor regarding the status of performance of their duties, and requested explanations as necessary.
  - (2) In accordance with the standards for Audit & Supervisory Board Members' audit established by the Audit & Supervisory Board and following the audit policies, assignment of duties, etc., Audit & Supervisory Board Members endeavored to facilitate a mutual understanding with the Directors, the Audit Department and other employees, etc., and to collect information and maintain and improve the audit environment, and conducted the audit by following manners:
    - ① Audit & Supervisory Board Members attended the meetings of the Board of Directors and other important meetings, received reports on the status of performance of duties from the Directors and other employees and requested explanations as necessary, examined important approval/decision documents, and inspected the status of the corporate affairs and assets at the head office and other principal business locations.  
With respect to the subsidiaries, Audit & Supervisory Board Members received from the subsidiaries reports on their respective business, endeavored to facilitate a mutual understanding and exchanged information with the directors etc. of each of the subsidiaries, and betake oneself to the subsidiaries as necessary to survey subsidiaries' business operation and financial position.
    - ② Audit & Supervisory Board Members periodically received reports from the Directors and other employees, requested explanations as necessary and expressed opinions about the status of (a) the contents of the Board of Directors' resolutions regarding the development and maintenance of the system to ensure that the Directors' performance of their duties complied with all laws, regulations and the Articles of Incorporation of the Company and other systems that are set forth in Article 100 (1) and (3) of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of the corporate group comprised of a joint stock company (kabushiki kaisha) and its subsidiaries as mentioned in the business report, and (b) the systems (internal control systems) based on such resolutions.
    - ③ Audit & Supervisory Board Members monitored and verified whether the Accounting Auditor maintained its independence and properly conducted its audit, received a report from the Accounting Auditor on the status of its performance of duties, and requested explanations as necessary. Audit & Supervisory Board Members were notified by the Accounting Auditor that it had established a "system to ensure that the performance of the duties of the Accounting Auditor was properly conducted" (the matters listed in the items of Article 131 of the Company Accounting Regulations) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council on 28 October 2005), and requested explanations as necessary.

Based on the above-described methods, Audit & Supervisory Board Members examined the business report and the supplementary schedules thereto, the financial statements (the balance sheet, the statement of income, the statement of changes in net assets and the note to financial statements) and the supplementary schedules thereto, and the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the note to consolidated financial statements), for the fiscal year under consideration.

2. Results of Audit
  - (1) Results of Audit of Business Report, etc.
    - ① We acknowledge that the business report and the supplementary schedules thereto fairly present the status of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.
    - ② We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the Articles of Incorporation of the Company was found with respect to the Directors' performance of their duties.
    - ③ We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate.  
In response to the discovery of improper activities in regards to fuel consumption and gas emission testing of the Company's automobiles last year, we acknowledge that the Board of Directors is overseeing the entire Group in thorough efforts for implementing measures to prevent recurrence and to ensure compliance. We shall continue to focus on the status of these initiatives in the future.
  - (2) Results of Audit of Financial Statements and their Supplementary schedules  
We acknowledge that the methods and results of audit performed by the Accounting Auditor, Seimei Audit Corporation, are appropriate.
  - (3) Results of Audit of Consolidated Financial Statements  
We acknowledge that the methods and results of audit performed by the Accounting Auditor, Seimei Audit Corporation, are appropriate.

11 May 2017

Audit & Supervisory Board of Suzuki Motor Corporation  
Audit & Supervisory Board Member (Full-time): Kunio Nakamura (seal)  
Audit & Supervisory Board Member (Full-time): Eiji Mochizuki(seal)  
Audit & Supervisory Board Member (Outside): Norio Tanaka (seal)



*(This is an English translation of the original Notice in the Japanese language mailed to shareholders in Japan and is for reference purpose only. If there are any discrepancies between this document and the original Japanese Notice, the original Japanese Notice prevails.)*

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Audit & Supervisory Board Member (Outside(Full-time)): Yasuhiro Yamazaki (seal)  
Audit & Supervisory Board Member (Outside): Nobuyuki Araki (seal)

-End-

## **(reference) TOPICS**

(For English Translation, the pictures and the chart are omitted.)

### April 2016

#### Suzuki Makinohara Solar Power Plant completed

Suzuki Makinohara Solar Power Plant, a 20 MW (megawatt) solar power facility that has been under construction and conducting test operations since 2015, has been completed.

Combined with the 0.9 MW power facility installed in the Hamamatsu Plant at Miyakoda-cho, Kita-ku, Hamamatsu and the 4 MW power plant at Maisaka-cho, Nishi-ku, Hamamatsu, this brings the total installed capacity of the Suzuki Group's solar power facilities to approximately 25 MW. We estimate the CO<sub>2</sub> emission reduction effect of operating these solar power facilities to be about 10% of Suzuki's domestic plant CO<sub>2</sub> emissions for 2015. By contributing regionally through power generation projects and promoting local production for local consumption, the Suzuki Group will reinforce its efforts to curb climate change and conserve the environment.

### July 2016

#### Suzuki Education and Culture Foundation selects scholarship students for FY2016

The Suzuki Education and Culture Foundation offers non-repayable scholarships to high school students in Shizuoka prefecture, or university students who graduated from high school in Shizuoka prefecture, who are keen to learn but unable to focus on their studies for financial reasons.

In FY2016, the foundation decided to provide scholarships to 20 new high school students and 3 new university students, in addition to the 32 high school students and 10 university students it has been supporting since the previous year. This brings the total number of students supported over the last 16 years to 295 and the total amount of support to ¥232.5 million.

The activities of the Suzuki Education and Culture Foundation are aimed at contributing to young people's healthy development and international exchanges by providing financial assistance for schoolchildren and university students and supporting sports and learning activities for youngsters and schools for foreigners, etc.

### September 2016

#### Suzuki unveils new DF175AP/DF150AP outboard motors

Suzuki unveiled its new DF175AP and DF150AP outboard motors at the Genoa International Boat Show in Italy.

These outboard motors adopt Suzuki Selective Rotation technology enabling switching between regular and reverse propeller direction, a world-first in this engine class\*.

Under the brand slogan "The Ultimate 4-Stroke Outboard - Aiming to be the world's No. 1 brand in 4-stroke outboards", Suzuki Motor Corporation is addressing customer needs in the global market with a model lineup that demonstrates high output and excellent fuel efficiency, from the portable DF2 to the powerful DF300AP.

\*Between 150-175 HP class. Based on Suzuki's research.

## October 2016

### Suzuki and Toyota begin exploring business partnership, sign memorandum

Suzuki and Toyota Motor Corporation announced on 12 October 2016 that the two companies would start discussions leading toward a collaborative partnership.

They later signed a memorandum of agreement on 6 February, 2017 stating both companies' intention to contribute to the resolution of social issues and the healthy and sustainable development of the automobile society.

They are considering how to achieve future partnerships in areas such as environmental technology, safety technology, information technology, and product and unit complementation.

## October, November 2016

### Suzuki unveils 9 new motorcycle models at European motorcycle show

At INTERMOT held in October in Cologne, Germany, Suzuki Motor Corporation unveiled five new motorcycle models for the overseas market mainly targeting Europe and North America.

Comprehensively enhanced for the first time in eight years, the sixth generation of Suzuki's flagship supersport bike GSX-R1000 and its advanced version GSX-R1000R have been further evolved by incorporating technologies developed in MotoGP.

In addition, four more new models for the overseas market were unveiled at EICMA2016 (Milan Show) in November, including the new GSX250R.

Suzuki's motorcycle business is playing a vital role in strengthening the Suzuki brand. We strive to enhance our product series and will actively release original products that surpass our customers' expectations.

## November 2016

### Suzuki cooperates on Manufacturing Skill Transfer Promotion Programme, establishes training institute in India

Suzuki Motor Corporation is collaborating on the Manufacturing Skill Transfer Promotion Programme agreed between the governments of India and Japan on 11 November, 2016, having decided to establish an industrial training institute in the Mehsana district of Gujarat state to support human resource development in India's manufacturing sector.

The industrial training institute will be established as the Japan-India Institute for Manufacturing (JIM), and is due to open from the new term in August 2017.

In promoting the Indian government's "Make in India" and "Skill India" initiatives, Suzuki will be helping through Japanese manufacturing to cultivate India's human resources and develop its manufacturing industry.

## November 2016

### Suzuki launches new Solio and Solio Bandit with newly-developed hybrid system

Suzuki has launched new versions of the Solio and Solio Bandit equipped with a newly-developed hybrid system. While maintaining the Solio's original appeal of a compact body and roomy cabin, the new models adopt Suzuki's unique hybrid system combining Motor Generator Unit with Auto Gear Shift (AGS) to realize low fuel consumption of 32.0 km/L\* together with a powerful sense of acceleration.

\*Measured in JC08 test cycle and verified by Japan's Ministry of Land, Infrastructure, Transport and Tourism.

## December 2016

### Suzuki achieves ASV++ rating in JNCAP preventive safety performance assessment

Suzuki cars equipped with Dual Camera Brake Support, a stereo camera type collision-mitigating system, or Dual Sensor Brake Support, a monocular camera and infrared laser radar device, have attained the top rating of ASV++\*<sup>1</sup> in the FY2016 JNCAP\*<sup>2</sup> program of preventive safety performance assessment.

In FY2016 about 60% of passenger cars (mini vehicles and ordinary registered cars) sold by Suzuki were fitted with a collision-mitigating system including one of the above brake supports. Suzuki will continue to enhance our safety technologies going forward as we work on improving the safety of our vehicles.

\*1: JNCAP: Japan New Car Assessment Program

\*2: ASV: Advanced Safety Vehicle

## December 2016

### Vitara Brezza wins Indian Car of the Year

The new SUV Vitara Brezza, manufactured and sold by Suzuki's Indian subsidiary Maruti Suzuki India Limited, has won Indian Car of the Year (ICOTY) 2017.

The Vitara Brezza is a stylish urban compact SUV developed by focusing on Indian customers' tastes and values, such as by keeping vehicle length under 4 m to gain tax incentives. Sales of the Vitara Brezza reached 100,000 units in March 2017, about one year after launch, making it a core model that is leading Maruti Suzuki India Limited's sales and India's growing SUV market.

## December 2016

### Suzuki launches all-new Swift

The new Swift has adopted a daringly advanced design while retaining the essential Swift DNA. Onto the new-generation platform HEARTECT is installed a mild hybrid 1.2 L engine or 1.0 L direct-injection turbo engine to deliver both driving performance and fuel economy. Launched in 2004, the Swift is now manufactured at overseas plants too, and total sales of 5.5 million units\* in 147 countries and regions around the world have made it Suzuki's flagship compact car.

\* As of March 31, 2017. Based on Suzuki's research.

## January 2017

### MotoGP project for the 2017 Championship announced

Suzuki Motor Corporation has presented its new project for Team SUZUKI ECSTAR, a team competing in the MotoGP class of the world's premier motorcycle racing series, the 2017 FIM\* Road Racing Grand Prix (MotoGP). Two new riders, Andrea Iannone (Italy), who was ranked ninth in the MotoGP class last season, and Alex Rins (Spain), who has stepped up from the Moto2 class, are competing. As well as enhancing machine development, Suzuki will strive to improve its brand image by feeding this back into its products and developing more attractive bikes.

\*FIM: Fédération Internationale de Motocyclisme (International Motorcycling Federation)

## February 2017

### Gujarat Plant in India starts operation

Suzuki Motor Gujarat Pvt. Ltd. (SMG), established in Ahmedabad, Gujarat in India, has started to manufacture Baleno from 1 February.

The Gujarat Plant is located close to Mundra Port, and will be utilized as the export hub for markets including Europe, Africa and Japan.

SMG is also planning construction of its Gujarat Plant No.2 and engine and transmission plant. Suzuki's total production capacity in India upon completion of Plant No.2 is forecast to reach 2 million units, which will meet growing demand in India's automobile market.

## February 2017

### Suzuki Foundation funding for FY2016

Founded in March 1980 to commemorate the 60th anniversary of the foundation of Suzuki Motor Corporation, the Suzuki Foundation provided financial assistance in FY2016 to 38 research initiatives totaling ¥78 million in the form of scientific technology research assistance and proposed subject research assistance. This was the Foundation's 37th round of financial assistance, which has included research funding for universities and research institutes nationwide and grants for accepting overseas researchers in order to support technical development in the machine industry and encourage and assist young people keen to get involved in these fields. Since its launch, the Foundation has supported 1,516 projects in all with financial assistance totalling ¥1,716.6 million.

## February 2017

### Suzuki launches all-new WagonR and WagonR Stingray

The all-new WagonR and WagonR Stingray offer even roomier cabin space and further enhance the user-friendliness of a minivan, while adopting three distinctive styling designs. Onto the new-generation platform HEARTECT is installed a mild hybrid system that lets the vehicle drive solely on motor when it starts moving, which realizes a low fuel consumption of 33.4 km/L\*. There are advanced safety technologies such as the Dual Sensor Brake Support collision-mitigating system and head-up display, and user-friendliness has been enhanced such as with umbrella holders on the inside of both rear doors.

\*Measured in JC08 test cycle and verified by Japan's Ministry of Land, Infrastructure, Transport and Tourism.

For HYBRID FX (2WD) WAGON R, HYBRID FZ (2WD) WAGON R, and STINGRAY HYBRID X (2WD) models.

### March 2017

#### Ignis Finishes in Top 3 in 2017 World Urban Car Category

The Suzuki Ignis compact car finished in the Top 3 of the Urban Car category at the World Car Awards held by the WCA (World Car Awards). The Urban Car category was instigated for the first time this year in order to select the world's top cars for urban environments. The Ignis is a stylish and highly-maneuverable compact crossover model that is sold in 42 countries and regions throughout the world, including Japan, India, and Europe.

## Memo for the shareholders

Ordinary General Meetings of Shareholders	In June	
Record Date	Ordinary General Meetings of Shareholders	31 March
	Year-End Dividends	31 March
	Interim Dividends	30 September
	In case it is necessary, we shall give public notices in advance.	
The method of public notices	Electronic public notices provided, however, in the event of accidents or any unavoidable circumstances which makes electronic public notices impossible, the Company's public notices shall be given in the Nihon Keizai Shimbun published in Tokyo-to. <a href="http://www.suzuki.co.jp/ir/index.html">http://www.suzuki.co.jp/ir/index.html</a>	
Stock Code	7269	
Transfer Agent (The institute managing the special bank account)	〒100-8233 1-4-1 Marunouchi, Chiyoda-ku, Tokyo-to Sumitomo Mitsui Trust Bank Ltd.	
Place to contact for the above matter	〒460-8685 3-15-33 Sakae, Naka-ku, Nagoya-shi Sumitomo Mitsui Trust Bank Ltd. Department of Stock Agent	
Place to send mails (call)	〒168-0063 2-8-4 Izumi, Suginami-ku, Tokyo-to Sumitomo Mitsui Trust Bank Ltd. Stock Agent Center Call Free: 0120-782-031 (Opening hours: 9:00~17:00 / Monday-Friday)	
Place to contact for the above matter	Sumitomo Mitsui Trust Bank Ltd. Any branch in Japan	

About any procedure for stocks	
About contact points for changing address, selling or purchasing shares less than one unit, etc.	About outstanding dividend payment
① Shareholders who use stock company Please contact your stock company.	Please contact Sumitomo Mitsui Trust Bank Ltd., which the Transfer Agent.
② Stockholders for whom the special bank account was opened, not having bank account in stock company Please contact Sumitomo Mitsui Trust Bank Ltd., which is the institute managing the special account.	

## **Map of the venue of the General Meeting of the Shareholders**

(English Translation Omitted)