

Presentation of Business Results for the term ended March 2005



Fuji Heavy Industries Ltd.
May 12, 2005



A Summary of Business Results

Automobile Sales (consolidated basis)

(Thousand units)	Actual Results for the Term ended March 2004	Actual Results for the Term ended March 2005	Changes
Domestic (Passenger Car)	111.1	104.0	-7.1
Domestic (Minicar)	134.4	150.0	+15.6
Domestic Total	245.5	254.0	+8.5
U.S.	189.6	193.9	+4.3
Canada	16.2	16.5	+0.4
Europe	53.6	60.5	+6.9
Australia	30.7	35.4	+4.7
Others	15.7	21.2	+5.6
Overseas Total	305.7	327.6	+21.9
SIA (Isuzu SUV)	25.2	13.2	-12.1
Grand Total	576.5	594.8	+18.3

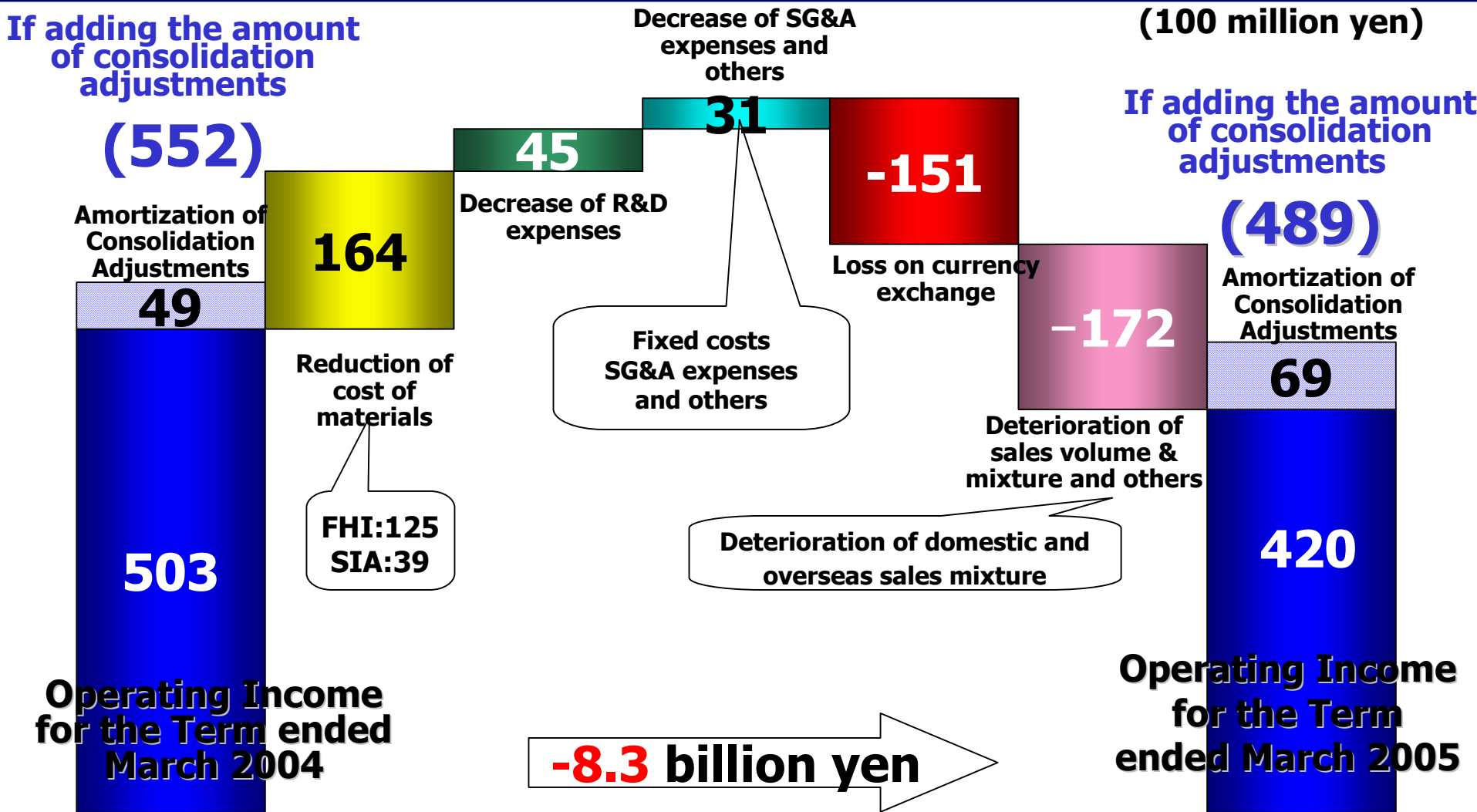
(U.S., Canada and SIA (Isuzu SUV) figures were on the calendar year basis from January to December)

P/L (consolidated basis)

(100 million yen)	Actual Results for the Term ended March 2004	Actual results for the Term ended March 2005	Changes
Net Sales	14,395	14,465	+70
Domestic	6,279	6,271	-9
Overseas	8,115	8,194	+79
Operating Income	503	420	-83
Ordinary Income	566	436	-130
Net Income	386	182	-204
FHI exchange rate	¥116/\$	¥108/\$	-¥8/\$



Analysis of Increase and Decrease in Operating Income (consolidated basis)





Non – Operating Income& Expenses

(100 million yen)	Actual Results for the Term ended March 2004	Actual Results for the Term ended March 2005	Changes	
Non-operating Income	179	141	-38	
Amortization of Consolidation Adjustments	49	69	+20	Offset SIA Operating Loss
Other	110	48	-61	Difference between transaction rates and market rates etc.
Non-operating Expense	117	125	+9	
Loss on Valuation of Derivatives		31	+31	Loss on valuation of Derivatives related forward exchange 23 Loss on valuation of Derivatives related currency options 8
Other	92	66	-26	Allowance for doubtful accounts
Net	63	16	-47	

Extraordinary Gains and Losses

(100 million yen)	Actual Results for the Term ended March 2004	Actual Results for the Term ended March 2005	Changes	
Extraordinary Gains	84	23	-61	
Gain on sales of fixed assets	26	14	-12	
Gain on sales of investment securities	46	5	-40	
Extraordinary Losses	87	248	+161	
Loss on devaluation of inventory	-	81	+81	Specific Project of Aerospace Company
Compensation of business suppliers	-	42	+42	Revision of development project of Automobile
Loss on discontinued operations	-	34	+34	Wholly owned subsidiary Yusoki Kogyo K.K.
Other	11	28	+17	2.8 billion yen; 27.6 billion yen expenses related to the cancellation of lease facilities at SIA was offset by 24.8 billion yen amortization of consolidation adjustments

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Operating Results of Subsidiaries in U.S.

(million US\$)

SOA (January to December)	Actual Results of CY 2003	Actual Results of CY 2004	Changes
Net Sales	\$4,252	\$4,357	+105
Operating Income & Loss	40	-10	-50
Net Income & Loss	55	2	-53
Retailed Sales (Thousand units)	185.1	186.3	+1.2
SIA (January to December)	Actual Results of CY 2003	Actual Results of CY 2004	Changes
Net Sales	\$2,161	\$2,427	+266
Operating Income & Loss	32	-57	-89
Net Income & Loss	22	-74	-97
Production(Thousand units) (Isuzu SUV)	122.2 (25.2)	118.7 (13.2)	-3.5 (-12.1)

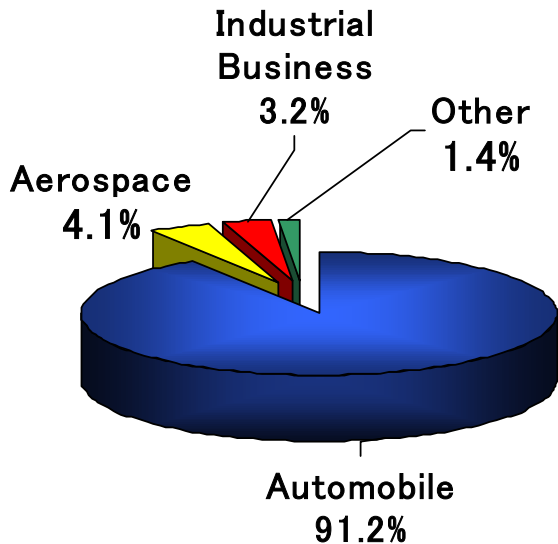
(U.S. Subsidiaries were consolidated on calendar year basis)



Consolidated Sales by Business Segment

(100 million yen)

Percentage of Total Sales



	Actual Results for the 4 th Quarter of Term ended March 2004	Actual Results for the 4 th Quarter of Term ended March 2005	Changes
Automobile	13,170	13,196	+0.2%
Aerospace	566	594	+4.9%
Industrial Products	423	468	+10.8%
Other	236	206	-12.6%
Total	14,395	14,465	+0.5%



B/S (consolidated basis)

(100 million yen)

	As of March 31, 2004	As of March 31, 2005	Changes
Total Assets	13,497	13,575	+77
Current Assets	6,549	6,491	-58
Fixed Assets	6,948	7,084	+135
Interest Bearing Debt	3,790	4,122	+332
Shareholders' Equity	4,537	4,711	+174
Shareholders' Equity to Total Assets	33.6%	34.7%	+1.1%
Debt to Equity Ratio	0.84	0.87	—

Cash flows (Consolidated basis)

(100 million yen)

	Actual Results for the Term ended March 2004	Actual Results for the Term ended March 2005	Changes
Cash Flows from Operating Activities	997	573	-424
Cash Flows from Investing Activities	-1,271	-898	+374
Free Cash Flows	-273	-324	-51
Cash Flows from Financing Activities	23	262	+239
Net Increase (Decrease) in Cash and Cash Equivalents	-250	-62	+188
Effect of Exchange Rate Changes on Cash and Cash Equivalents	-55	-15	+40
Cash and Cash Equivalents at end of the term	1,394	1,317	-77

Automobile Sales of 4th Quarter (consolidated basis)

(Thousand Units)	Actual Results for the 4 th Quarter of Term ended March 2004	Actual Results for the 4 th Quarter of Term ended March 2005	Changes
Domestic (Passenger Car)	34.5	31.6	-2.8
Domestic (Minicar)	45.1	43.4	-1.8
Domestic Total	79.6	75.0	-4.6
U.S.	55.9	53.7	-2.2
Canada	4.1	3.7	-0.4
Europe	14.0	15.5	+1.5
Australia	8.1	9.2	+1.1
Other	4.6	5.9	+1.4
Overseas Total	86.7	88.0	+1.3
SIA (Isuzu SUV)	6.1	-	-6.1
Grand Total	172.4	163.0	-9.4

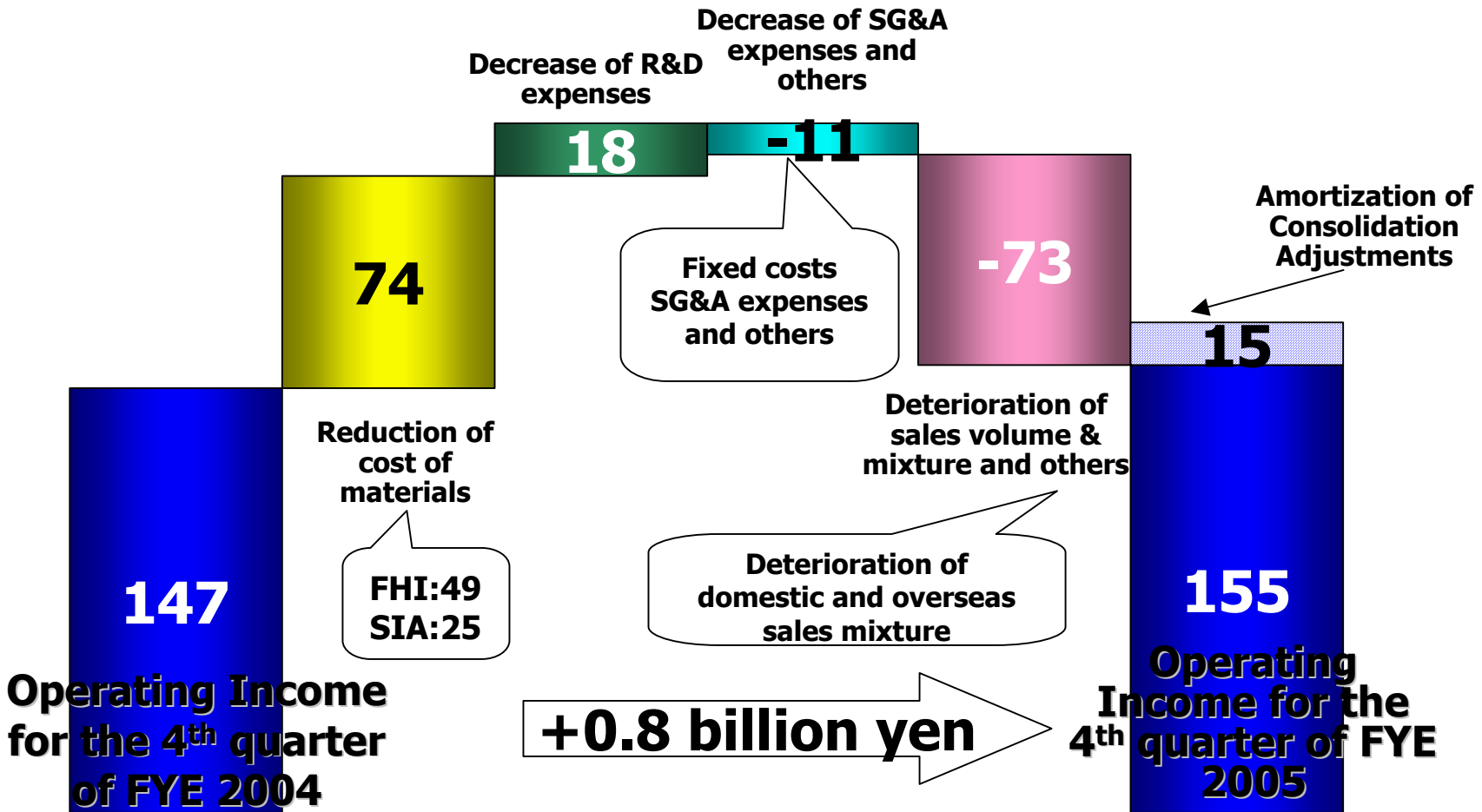
4th Quarter P/L (consolidated basis)

(100 million yen)	Actual Results for the 4 th Quarter of Term ended March 2004	Actual Results for the 4 th Quarter of Term ended March 2005	Changes
Net Sales	4,112	3,961	-150
Domestic	1,950	1,816	-135
Overseas	2,161	2,146	-16
Operating Income	147	155	+8
Ordinary Income	134	150	+15
Net Income	99	-25	-124
FHI exchange rate	¥109/\$	¥104/\$	- ¥5/\$



Analysis of Increase and Decrease in Operating Income for the 4th Quarter (consolidated basis)

(100 million yen)





Automobile Sales (non consolidated basis)

(Thousand units)	Actual Results for the Term ended March 2004	Actual Results for the Term ended March 2005	Changes
Domestic Production	465.3	480.9	+15.6
For Saab	0.6	8.0	+7.4
Domestic Sales	262.0	272.8	+10.7
Passenger Car	118.5	108.1	-10.4
Minicar	143.5	164.6	+21.1
Number of Vehicles Exported	200.8	212.5	+11.7
Components for Overseas Production	90.2	115.3	+25.2
Total	553.0	600.6	+47.6



Outlook for the Term Ending March 2006

Plan of Automotive Sales of 1st half (consolidated basis)



(Thousand Units)	Actual Results for the 1 st Half of Term ended March 2005	Plan for the 1 st Half of Term ending March 2006	Changes
Passenger Car	50.4	52.0	+1.6
Minicar	73.2	70.8	-2.3
Domestic Total	123.6	122.9	-0.7
America	86.8	84.3	-2.5
Canada	7.2	7.4	+0.2
Europe	30.6	27.4	-3.2
Australia	17.0	17.0	0
Other	10.2	9.4	-0.8
Overseas Total	151.8	145.5	-6.4
SIA (Isuzu SUV)	12.2	-	-12.2
Grand Total	287.6	268.3	-19.3

(Figures of U.S., Canada and SIA(Isuzu SUV) were on calendar year basis from January to June)

Operating Plan of the 1st Half (consolidated basis)

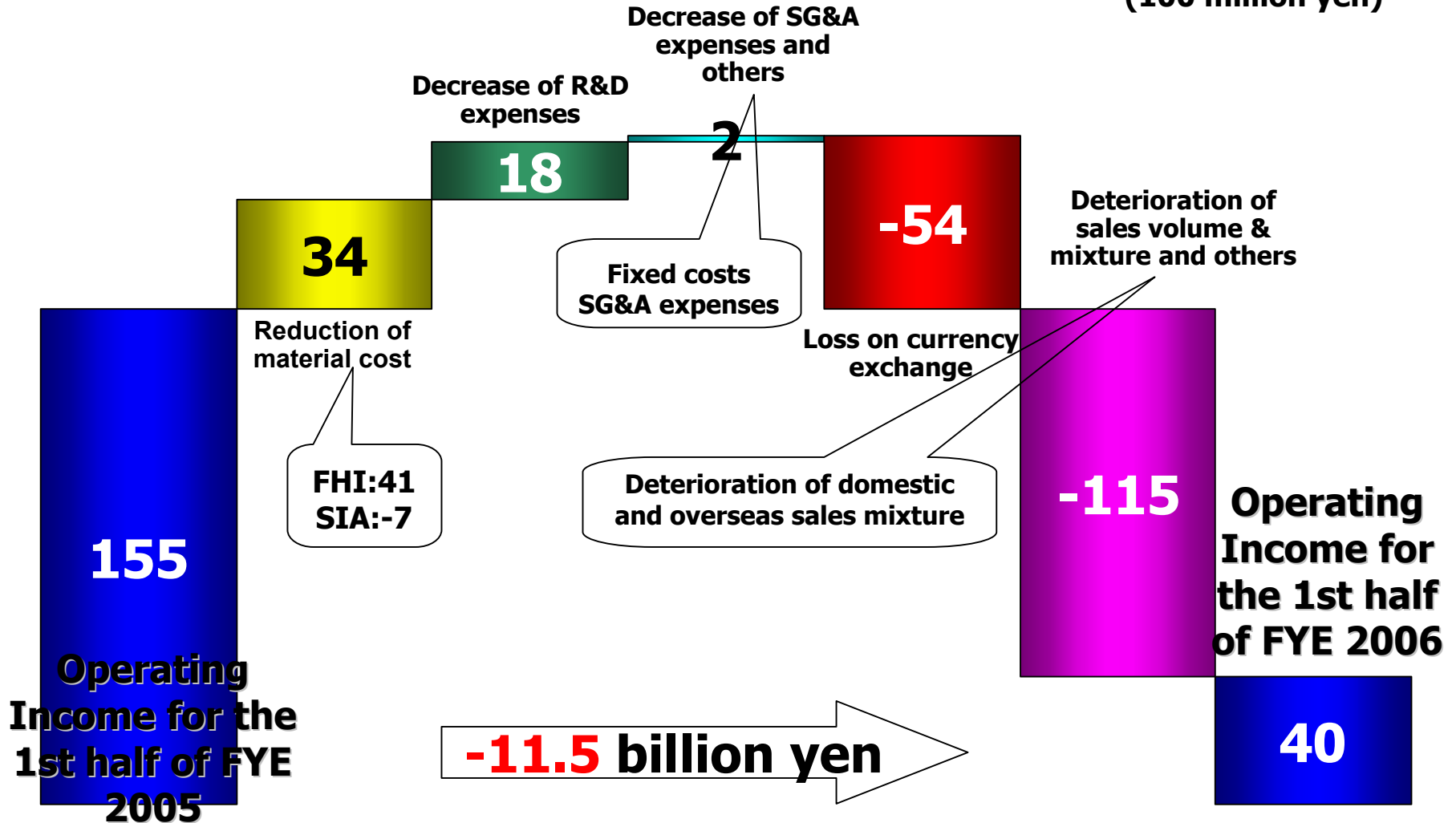
(100 million yen)

	Actual Results for the 1 st Half of Term ended March 2005	Plan for the 1 st Half of Term ending March 2006	Changes
Net Sales	6,908	6,700	-208
Operating Income	155	40	-115
Ordinary Income	151	20	-131
Net Income	83	0	-83
FHI Exchange Rate	¥110/\$	¥105/\$	-¥5/\$



Analysis of Increase and Decrease in Operating Income for the 1st Half (consolidated basis)

(100 million yen)



Plan of Automotive Sales (consolidated basis)

(Thousand units)	Actual Results for the Term ended March 2005	Plan for the Term ending March 2006	Changes
Passenger Car	104.0	107.5	+3.4
Minicar	150.0	143.3	-6.8
Domestic Total	254.0	250.7	-3.3
America	193.9	201.9	+8.0
Canada	16.5	17.5	+1.0
Europe	60.5	57.6	-2.9
Australia	35.4	34.5	-0.9
Other	21.2	19.4	-1.8
Overseas Total	327.6	331.0	+3.4
SIA (Isuzu SUV)	13.2	-	-13.2
Grand Total	594.8	581.7	-13.1

((U.S., Canada and SIA (Isuzu SUV) figures were on the calendar year basis from January to December)

Operating Plan (consolidated basis)

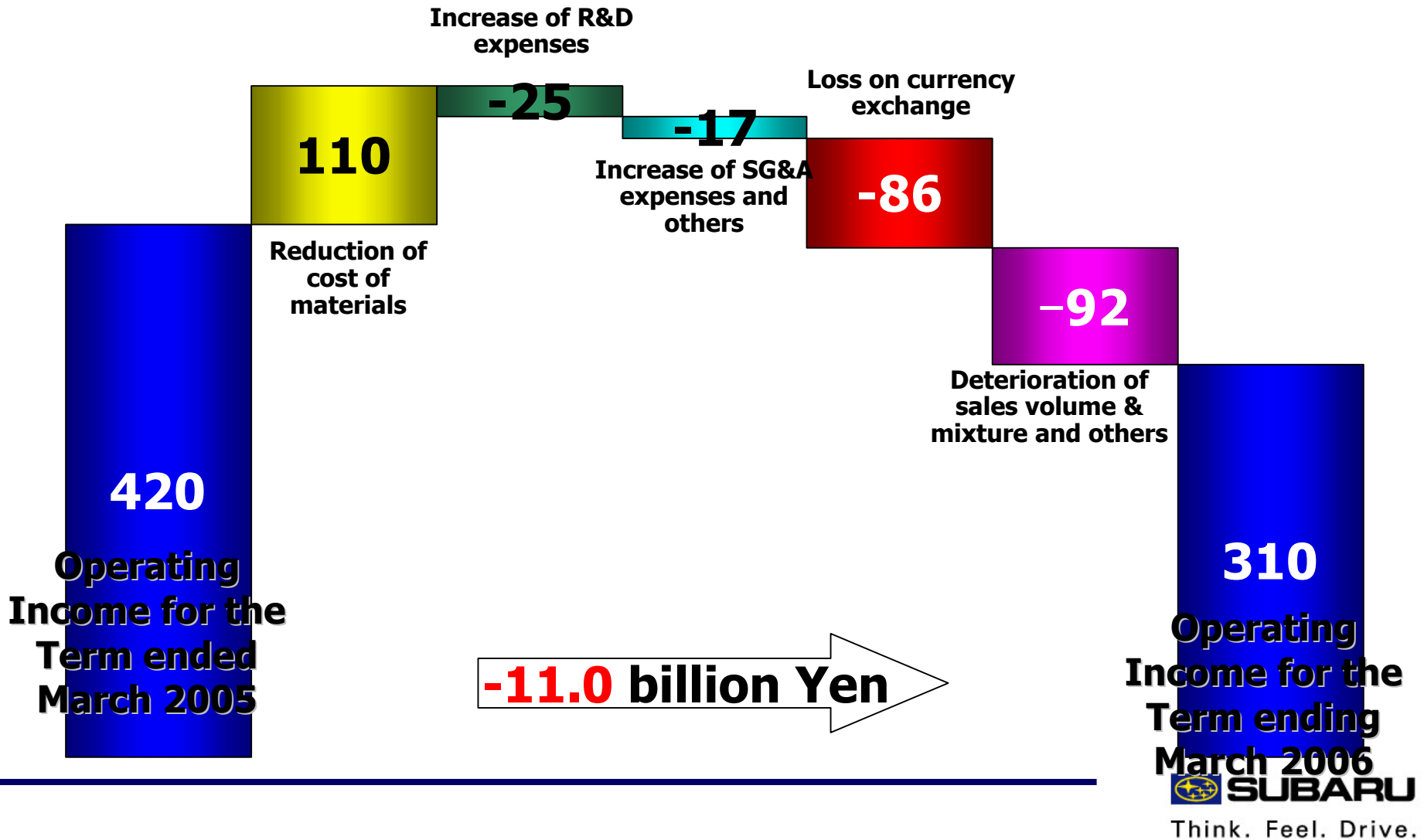


(100 million yen)	Actual Results for the Term ended March 2005	Plan for the Term ending March 2006	Changes
Net Sales	14,465	14,700	+235
Domestic	6,271	6,472	+201
Overseas	8,194	8,228	+34
Operating Income	420	310	-110
Ordinary Income	436	270	-166
Net Income	182	150	-32
FHI exchange rate	¥108/\$	¥105/\$	-¥3/\$



Analysis of Increase and Decrease in Operating Income (consolidated basis)

(100 million yen)



Operating Plan of Subsidiaries in U.S.

(million US\$)

SOA (January to December)	Actual Results of CY 2004	Plan of CY 2005	Changes
Net Sales	\$4,357	\$4,912	+555
Operating Income & Loss	-10	19	+29
Net Income & Loss	2	15	+13
Retailed Sales (Thousand units)	186.3	204.5	+18.2
SIA (January to December)	Actual Results of CY 2004	Plan of CY 2005	Changes
Net Sales	\$2,427	\$2,525	+98
Operating Income & Loss	-57	-86	-29
Net Income & Loss	-74	-207	-133
Production(Thousand units) (Isuzu SUV)	118.7 (13.2)	126.8 (-)	+8.1 (-13.2)



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(U.S. Subsidiaries are consolidated on calendar year basis)

Automobile Sales Plan (non consolidated basis)



(Thousand units)	Actual Results for the Term ended March 2005	Plan for the Term ending March 2006	Changes
Domestic Production	480.9	462.5	-18.5
For Saab	8.0	-	-8.0
Domestic Sales	272.8	262.6	-10.2
Passenger Car	108.1	109.5	+1.4
Minicar	164.6	153.1	-11.5
Number of Vehicles Exported	212.5	197.1	-15.4
Components for Overseas Production	115.3	137.7	+22.5
Total	600.6	597.5	-3.1

