

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2009



August 1, 2008

Company Name : **Fuji Heavy Industries Ltd.** (Tokyo Stock Exchange First Section, Code No.: 7270)
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(all amounts have been rounded off to the nearest million yen, unless otherwise specified)

1. Consolidated results for the first quarter of fiscal year 2009 (from April 1, 2008 to June 30, 2008)

(1) Consolidated operating results (cumulative)

(Unit: Millions of yen, except for per share figures)

	Net sales	Operating income	Ordinary income	Net income(loss)
1st Quarter of FY2009	341,104 -	6,459 -	7,088 -	1,414 -
1st Quarter of FY2008	318,232 (3.4%)	3,510 (67.4%)	627 (93.5%)	(332) -

	Net income (loss) per share, basic (Yen)	Net income (loss) per share, diluted (Yen)
1st Quarter of FY2009	1.97	-
1st Quarter of FY2008	(0.46)	-

Note: Percentage figures in the net sales, operating income, ordinary income and net income columns represent the changes from the same first quarter period of previous fiscal year.

(2) Consolidated financial position

(Unit: Millions of yen, except for per share figures)

	Total assets	Net assets	Shareholders' equity to total assets (%)	Net assets per share (Yen)
As of June 30, 2008	1,225,429	462,912	37.7%	643.18
As of March 31, 2008	1,296,388	494,423	38.1%	687.02

Note: Shareholders' equity As of June 30, 2008: 461,905 million yen As of March 31, 2008: 493,397 million yen

2. Dividends

	Cash dividends per share (yen)				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
FY 2008	-	4.50	-	4.50	9.00
FY 2009	-	-	-	-	9.00
FY 2009 (Forecast)	-	4.50	-	4.50	-

Note: Revision of the projections at the timing of announcement of the first quarter results of the fiscal year ending March 31, 2009: No

3. Projection of consolidated results for fiscal year 2009 (from April 1, 2008 to March 31, 2009)

(In Japanese yen rounded to million, except for per share figures, percentage figures indicate a change from the previous fiscal year / period)

	Net sales	Operating income	Ordinary income	Net income	Net income per share, basic (Yen)
1st half of FY2009	740,000 -	8,000 -	6,000 -	0 -	0.00
Full year	1,600,000 1.8%	23,000 (49.6%)	20,000 (56.0%)	10,000 (45.9%)	13.92

Note: Revision of the projections at the timing of announcement of the first quarter results of the fiscal year ending March 31, 2009: Yes

4. Others

(1) Changes in significant subsidiaries in the first quarter of fiscal year 2009 :None
(Changes in subsidiaries resulting from changes in scope of consolidation)

(2) Application of simple accounting as well as specific accounting for preparing the quarterly consolidated financial statements :Yes

Note: Please refer to the section of “4. Others” of [Qualitative Information, Financial Statements etc.] on page 4.

(3) Changes in accounting policies, procedures and methods of presentation for preparing the quarterly consolidated financial statements (changes described in the section of “Changes in significant matters forming the basis of preparing the quarterly consolidated financial statements”)

(1) Changes due to revisions of accounting standards :Yes

(2) Changes due to other reasons :Yes

Note: Please refer to the section of “4. Other” of [Qualitative Information, Financial Statements etc.] on page 4.

(4) Number of outstanding shares (Common Stock)

(1) Number of outstanding shares (including treasury stock)	As of June 30, 2008:	782,865,873 shares	As of March 31, 2008:	782,865,873 shares
(2) Number of treasury stock	As of June 30, 2008:	64,702,399 shares	As of March 31, 2008:	64,698,395 shares
(3) Average number of shares (1st Quarter)	1st Quarter of FY2009 :	718,167,674shares	1st Quarter of FY 2008 :	718,230,838shares

*Proper use of forecasts of business results (disclaimer), and other special information

1. The above projections are made based on available information and assumptions as of August 1, 2008, and are subject to the uncertainties of future operations. Therefore, actual results could differ materially from those anticipated.

About the assumptions used for the above projections, please refer to page 3, “3. Qualitative Information on Projection for Fiscal 2009 (From April 1, 2008 to March 31, 2009) “ of [Qualitative Information, Financial Statements etc.] for more details.

2. From the current consolidated fiscal year, the Company has adopted “Accounting Standard for quarterly financial statements“ (ASBJ Statement No.12 issued on March 14, 2007)) and “Implementation Guidance for accounting standards for quarterly financial statements“ (ASBJ Guidance No.14 issued on March 14, 2007).

Moreover, the quarterly consolidated financial statements are made in accordance with rules for quarterly consolidated financial statements.

[Qualitative Information, Financial Statements, etc.]

1. Qualitative Information on Consolidated Operating Performance

As for the Automobile Division, sales were good for the “Forester“ (which underwent a full model change in December) and the brand new “Exiga“ (introduced in June) in the Japanese market, but were unable to cover the decrease of other models below the same period of the previous fiscal year. On the other hand, in addition to the strong trends for sales of the “Impreza“ and “Forester“ (which both underwent a full model change, however, in North America, new Forester was not launched for the accounting period from January through March on calendar year basis) in the overseas market since last year, steadily extended sales in emerging markets such as Russia and China resulted in a sales volume that dramatically surpassed the same period of the previous fiscal year. As a result, consolidated net sales for the first quarter were up ¥22.9 billion over the same period of the previous fiscal year, to ¥341.1 billion.

In addition to the improvement of sales volume and mix due to good sales for the Automobile Division in the overseas market, changes in accounting standards were also a contributing factor for an increase in profit. As a result, operating income was up ¥2.9 billion over the same period of the previous fiscal year, to ¥6.5 billion, and ordinary income was up ¥6.5 billion, to ¥7.1 billion. Also, net income was up ¥1.7 billion, to ¥1.4 billion.

2. Qualitative Information on Consolidated Financial Results

Total assets at the end of the first quarterly period were ¥1,225.4 billion, ¥ 71.0 billion decrease from the end of the previous fiscal year, liabilities were down to ¥762.5 billion, ¥39.4 billion decrease from the end of the previous fiscal year and net assets were ¥462.9 billion, ¥31.5 billion decrease from the end of the previous fiscal year .

3. Qualitative Information on Projection for Fiscal 2009 (From April 1, 2008 to March 31, 2009)

Regarding the projection for the first half period, gain on currency exchange due to the trends toward a weaker yen than initially forecasted for both the first quarter and the current period and an improvement of sales volume and mix for the Automobile Division in the overseas market are expected. Therefore, Fuji Heavy Industries Ltd. (“The Company“) revise the operating income of ¥8.0 billion and ordinary income of ¥6.0 billion, an increase of ¥7.0 billion and ¥5.5 billion, respectively, over initial projections.

On the other hand, though based on these projections for the revision of first half outlook, getting severe market environments for the Automobile Division both domestically and overseas, the rising cost of raw materials, and the volatility in currency exchange, projections for the fiscal year remain unchanged since the previous forecast.

Please refer to the below regarding the differences between the projection for the first half period of financial results announced on 28 April 2008 and the current revised projection.

(2nd Quarter of fiscal year 2009)

	Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share
Previous projection (A)	(million yen) 740,000	(million yen) 1,000	(million yen) 500	(million yen) 0	(yen) 0.00
Current revised projection (B)	740,000	8,000	6,000	0	0.00
Increase and decrease (B-A)	-	7,000	5,500	-	-
Change of percentage (%)	-	700.0	1100.0	-	-
Actual results of the first half of the FY2008	708,817	18,905	14,162	7,832	10.91

4. Others

(1) Changes in significant subsidiaries in the first quarter of fiscal year 2009
(Changes in subsidiaries resulting from changes in scope of consolidation)
Not Applicable

(2) Application of simple accounting as well as specific accounting for preparing the quarterly consolidated financial statements
[Application of simple accounting]
Not Applicable

[specific accounting for preparing the quarterly consolidated financial statements]
(Income taxes)

Income tax expenses is calculated as multiplying income before income taxes and minority interest by reasonably estimated annual effective tax rate. This annual tax rate is reasonably estimated after applying the differed tax to the annual income before income taxes and minority interest which includes the amounts of this first quarter results ended June 30, 2008.

“Income taxes-deferred“ was included in “Total income taxes.“

(3) Changes in accounting policies, procedures and methods of presentation for preparing the quarterly consolidated financial statements

From the current consolidated fiscal year, the Company has adopted “Accounting Standard for quarterly financial statements“ (ASBJ Statement No.12) and “Implementation Guidance for accounting standards for quarterly financial statements“ (ASBJ Guidance No.14).

Moreover, the quarterly consolidated financial statements are made in accordance with rules for quarterly consolidated financial statements.

Changes in the standard and method for evaluation of material assets

[Inventory valuation]

Inventories for the purpose of usual sales have been stated mainly using the moving average cost method. As the Accounting Standard for Measurement of Inventories (ASBJ Statement No. 9) is applied from this first quarter period, the Company mainly and continuously employs the moving average cost method (for the value stated on the balance sheet, the lower of cost or market value method).

This change resulted in a decrease in operating income, ordinary income and income before income taxes and minority interests of 648 million yen.

The impacts of this change on operating income of each segment information are as follows.

(1) Business segment information

Automobiles: 523 million yen

Industrial products: 102 million yen

The impacts of this change on other business segments were insignificant.

(2) Geographical segment

Japan: 648 million yen

[Accounting for lease transactions]

Previously, the Company and its domestic consolidated subsidiaries applied the accounting treatment for finance lease transactions without transfer of title to the method for operating lease transactions. However, since this first quarter period, as “Accounting Standard for Lease Transactions“ (ASBJ Statement No. 13), and “Guidance on Accounting Standard for Lease Transactions“ (ASBJ Guidance No. 16) is applicable, the accounting

treatment for finance lease transactions without transfer of title is followed to the method for usual sales transactions. The impacts of this change are increase on operating income, ordinary income and income before income taxes and minority interests of 3,039 million yen respectively.

The impacts of this change on operating income of each segment information are as follows.

(1)Business segment information

Automobiles:3,039 million yen

(2)Geographical segment

Japan:3,039 million yen

[Change in recognition of sales or interest revenue on credit]

From this first quarter period, the Company's financial subsidiary has changed the recognition of sales or interest revenue on credit from the equal installment method to the seven-eight allocation method. The reason of this change is that it could manage the interest revenue strictly by improving the credit system and reflect the result more accurately. This impact on income before income taxes and minority interests is 1,001 million yen increase.

[Provision for loss on construction contracts]

From the current consolidated fiscal year, the Company has taken "provision for loss on contracts" in order to cover the loss on undelivered construction of aerospace business which occurs reliably and could be reasonably estimated. The reason is that its estimated loss has become more significant, reflect it accurately on the financial statements and disclose it timely in quarterly basis. The impact on income before income taxes and minority interests is 2,901 million yen decrease.

[Practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements]

From the first quarter of the current consolidated fiscal year, the Company has adopted "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial statements" (the Practical Issues Task Force No.18) and made the necessary revisions to its consolidated accounts. The impact of this change on income before income taxes and minority interests is insignificant.

The impact of this change on shareholders' equity refers to the section of [(5) Notes on significant changes in the amount of shareholders' equity] on page 11.

[Changes in the scope of consolidation]

From the first quarter of the current consolidated fiscal year, as a result of our reevaluation of their significance to the consolidated financial statements, newly scope of consolidation includes Subaru Technica International Inc. and 6 other companies.

[Changes in the application of the equity method]

From the first quarter of the current consolidated fiscal year, Subaru of China LTD. ("SOC", old name: Subaru of China Inc.) enhances its significance, so the Company has applied the equity method to SOC.

As a result of our reevaluation of their significance to the consolidated financial statements, Subaru Technica International Inc. and 6 other companies are transferred from equity method companies to consolidated subsidiaries.

【Additional information】

(Alteration of service life of fixed assets)

The Company and domestic consolidated subsidiaries revised useful life of fixed assets machineries to the enacted revisions to the tax depreciation schedules.

This change resulted in a decrease in operating income of 281 million yen, and a decrease in both ordinary income and income before income taxes and minority interest of 282 millions yen,

The impacts of this change on operating income of each segment information are as follows.

(1)Business segment information

Automobiles:279 million yen

The impact of these changes on other business segments was insignificant.

(2)Geographical segment

Japan:281 million yen

5. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Unit: Millions of yen)

	1st Quarter of FY2009 (as of June 30, 2008)	FY2008 (as of March 31, 2008)
	Amount	Amount
ASSETS		
I Current assets		
Cash and deposits	57,879	67,053
Notes and accounts receivable-trade	82,099	96,017
Lease investment assets	25,169	-
Short-term investment securities	19,356	32,775
Merchandise and finished goods	143,643	133,175
Work in process	104,587	100,133
Raw materials and supplies	36,345	27,701
Deferred tax assets	24,984	26,486
Short-term loans receivable	76,753	78,329
Other	41,452	62,504
Allowance for doubtful accounts	(1,435)	(1,346)
Total current assets	610,832	622,827
II Noncurrent assets		
1. Property, plant and equipment		
Buildings and structures, net	121,057	124,342
Machinery, equipment and vehicles, net	114,086	113,876
Land	180,430	181,974
Lease assets, net	23,940	47,906
Construction in progress	10,018	10,161
Other, net	28,648	33,449
Total property, plant and equipment	478,179	511,708
2. Intangible assets		
Goodwill	3,985	18,500
Other	11,192	12,972
Total intangible assets	15,177	31,472
3. Investments and other assets		
Investment securities	65,730	70,107
Long-term loans receivable	3,724	3,736
Deferred tax assets	23,690	27,256
Other	31,183	32,369
Allowance for doubtful accounts	(3,086)	(3,087)
Total investments and other assets	121,241	130,381
Total noncurrent assets	614,597	673,561
Total assets	1,225,429	1,296,388

(Unit: Millions of yen)

	1st Quarter of FY2009 (as of June 30, 2008)	FY2008 (as of March 31, 2008)
	Amount	Amount
LIABILITIES		
I Current liabilities		
Notes and accounts payable-trade	201,246	229,780
Short-term loans payable	170,724	165,886
Commercial papers	14,000	6,000
Current portion of bonds	30,000	30,000
Income taxes payable	1,807	8,091
Accrued expenses	48,472	61,954
Provision for bonuses	24,399	15,507
Provision for product warranties	20,058	22,563
Provision for loss on construction contracts	2,901	-
Other	58,858	58,261
Total current liabilities	572,465	598,042
II Noncurrent liabilities		
Bonds payable	60,000	60,000
Long-term loans payable	32,592	42,661
Provision for retirement benefits	42,119	40,993
Provision for directors' retirement benefits	730	774
Provision for loss on guarantees	745	745
Other	53,866	58,750
Total noncurrent liabilities	190,052	203,923
Total liabilities	762,517	801,965
NET ASSETS		
I Shareholders' equity		
Capital stock	153,795	153,795
Capital surplus	160,096	160,098
Retained earnings	213,651	227,789
Treasury stock	(40,539)	(40,538)
Total shareholders' equity	487,003	501,144
II Valuation and translation adjustments		
Valuation difference on available-for-sale securities	15,207	13,716
Foreign currency translation adjustment	(40,305)	(21,463)
Total valuation and translation adjustments	(25,098)	(7,747)
Minority interests	1,007	1,026
Total net assets	462,912	494,423
Total liabilities and net assets	1,225,429	1,296,388

(2) Quarterly consolidated statements of income

(Unit: Millions of yen)

1st Quarter of FY2009 (from April 1, 2008 to June 30, 2008)	
Amount	
I Net sales	341,104
II Cost of sales	264,647
Gross profit	76,457
III Selling, general and administrative expenses	69,998
Operating income	6,459
IV Non-operating income	
Interest income	867
Dividends income	380
Real estate rent	139
Foreign exchange gains	6,141
Equity in earnings of affiliates	147
Other	791
Total non-operating income	8,465
V Non-operating expenses	
Interest expenses	888
Loss on valuation of derivatives	6,083
Other	865
Total non-operating expenses	7,836
Ordinary income	7,088
VI Extraordinary income	
Gain on sales of noncurrent assets	52
Gain on revision of retirement benefit plan	654
Other	1,123
Total extraordinary income	1,829
VII Extraordinary loss	
Loss on sales and retirement of noncurrent assets	1,201
Provision for loss on construction contracts	2,901
Other	11
Total extraordinary losses	4,113
Income before income taxes and minority interests	4,804
Total income taxes	3,373
Minority interests in income	17
Net income	1,414

Note: Other 1,123 million yen in VI Extraordinary income includes 1,001 million yen, the impact of “Change in recognition of sales or interest revenue on credit” from the equal installment method to the seven-eight allocation method.

From the current consolidated fiscal year, the Company has adopted “Accounting Standard for quarterly financial statements” (ASBJ Statement No.12) and “Implementation Guidance for accounting standards for quarterly financial statements” (ASBJ Guidance No.14). Moreover, the quarterly consolidated financial statements are made in accordance with rules for quarterly consolidated financial statements.

(3) Notes on premise of going concern

Not Applicable

(4) Segment Information

[Business segment information]

The first quarter of fiscal year 2009 (from April 1, 2008 to June 30, 2008)

(Unit: Millions of yen)

	Automobiles	Industrial products	Aerospace	Other	Total	Elimination and corporate	Consolidated total
Net sales							
(1) Outside customer	310,528	9,766	18,163	2,647	341,104	-	341,104
(2) Inter-segment	1,012	3	-	3,313	4,328	(4,328)	-
Total sales	311,540	9,769	18,163	5,960	345,432	(4,328)	341,104
Operating income (loss)	4,887	(356)	755	1,091	6,377	82	6,459

[Geographical segment information]

The first quarter of fiscal year 2009 (from April 1, 2008 to June 30, 2008)

(Unit: Millions of yen)

	Japan	North America	Other	Total	Elimination and corporate	Consolidated total
Net sales						
(1) Outside customer	210,387	115,123	15,594	341,104	-	341,104
(2) Inter-segment	72,514	6,623	172	79,309	(79,309)	-
Total sales	282,901	121,746	15,766	420,413	(79,309)	341,104
Operating income (loss)	5,000	(1,135)	516	4,381	2,078	6,459

[Overseas net sales]

The first quarter of fiscal year 2009 (from April 1, 2008 to June 30, 2008)

(Unit: Millions of yen)

	North America	Europe	Other	Total
Overseas net sales	123,665	54,287	46,042	223,994
Consolidated net sales				341,104
Percentage of overseas net sales over consolidated sales (%)	36.3%	15.9%	13.5%	65.7%

(5) Notes on significant changes in the amount of shareholders' equity

As noted in [Qualitative Information, Financial Statements, etc.] 4. Others (3) Change in accounting policies, procedures and methods of presentation for preparing the quarterly consolidated financial statements on page 5, from this first quarter period, the Company has adopted the practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements (PITF Practical Solution No. 18). Accordingly, the retained earnings at the beginning of the term decreased by 12,346 million yen. The major reason is to write off Goodwill of foreign subsidiaries which was not accepted to amortize.

【Subsequent Event】

(Transfer of treasury stock)

FHI transferred the treasury stock on July 14, 2008 aiming to further strengthen the alliance relationship with Toyota Motor Corporation based on the resolution at the Board of Directors meeting on April 10, 2008. Details are as follows.

Transfer date	:	July 14, 2008.
Transferee	:	Toyota Motor Corporation
Number of shares transferred	:	61 million shares
Total amounts (Transfer price)	:	31,110 million yen (510 yen per share)
Book value of the treasury stocks	:	38,424 million yen
Others	:	Loss on sale of treasury stocks is 7,314 million yen, and among which, 25 million yen is offset by capital surplus and the remaining is offset by retained earnings.

<Reference for the First Quarter of Fiscal Year 2008 Consolidated Financial Results>

(1) Consolidated quarterly balance sheets

(Unit: Millions of yen)

	1st Quarter of 2008 (as of June 30, 2007)		1st Quarter of 2008 (as of June 30, 2007)
	Amount		Amount
ASSETS		LIABILITIES AND NET ASSETS	
I Current assets		I Current liabilities	
Cash and time deposits	35,762	Notes and accounts payable, trade	170,941
Notes and accounts receivable, trade	88,796	Short-term borrowings	175,031
Marketable securities	26,737	Commercial paper	17,000
Inventories	245,928	Current portion of bonds	10,000
Deferred tax assets	29,092	Accrued income taxes	4,640
Short-term loans	116,434	Accrued expenses	50,366
Other	51,886	Accrued bonus	23,041
Allowance for doubtful accounts	(1,644)	Accrued warranty claims	23,491
Total current assets	592,991	Other	90,554
II Fixed assets		Total current liabilities	565,064
1. Property, plant and equipment, net		II Long-term liabilities	
Buildings and structures	128,928	Bonds	90,000
Machinery, equipment and vehicles	124,053	Long-term debts	57,181
Land	175,821	Accrued pension and severance benefits	45,704
Construction in progress	15,304	Accrued directors' severance and retirement benefits	669
Leased assets	60,596	Provision for loss on guarantees	745
Other	41,619	Negative goodwill	769
Total property, plant and equipment, net	546,321	Other	59,946
2. Intangible assets		Total long-term liabilities	255,014
Goodwill	19,324	Total liabilities	820,078
Other	15,839	NET ASSETS	
Total intangible assets	35,163	I Shareholders' capital	
3. Investments and other assets		Common stock	153,795
Investment securities	89,970	Capital surplus	160,101
Long-term loans	3,696	Retained earnings	211,668
Deferred tax assets	20,587	Less-treasury stock, at cost	(40,504)
Other	28,587	Total shareholders' capital	485,060
Allowance for doubtful accounts	(3,397)	II Valuation, translation, and other adjustments	
Total investments and other assets	139,443	Net unrealized holding gains on securities	25,607
Total fixed assets	720,927	Translation adjustments	(17,821)
		Total valuation, translation, and other adjustments	7,786
		III Minority interest in consolidated subsidiaries	994
Total assets	1,313,918	Total net assets	493,840
		Total liabilities and net assets	1,313,918

(2) Consolidated quarterly statements of income

(Unit: Millions of yen)

	1st Quarter of FY2008 (ended June 30, 2007)
	Amount
I Net sales	318,232
II Cost of sales	243,266
Gross profit	74,966
III Selling, general and administrative expenses	71,456
Operating income	3,510
IV Non-operating income	
Interest and dividends income	1,283
Exchange gain	345
Equity income from affiliated companies	394
Other	1,287
Total non-operating income	3,309
V Non-operating expenses	
Interest expenses	1,066
Loss on revaluation of derivatives	4,300
Other	826
Total non-operating expenses	6,192
Ordinary income	627
VI Extraordinary gains	
Gain on sale of property, plant and equipment	84
Gain on sale of investment securities	1,397
Other	83
Total extraordinary gains	1,564
VII Extraordinary losses	
Loss on sale and disposal of property, plant and equipment	288
Total extraordinary losses	288
Income before income taxes and minority interest	1,903
Tax expense	2,253
Minority interest in loss of consolidated subsidiaries	18
Net income (loss)	(332)

(3) Segment Information

[Business segment information]

The first quarter of fiscal year 2008 (from April 1, 2007 to June 30, 2007)

(Unit: Millions of yen)

	Automobiles	Industrial products	Aerospace	Other	Total	Elimination and corporate	Consolidated total
I. Net sales and operating income							
Net sales							
(1) Outside customer	286,227	11,129	18,810	2,066	318,232	-	318,232
(2) Inter-segment	768	3	1	1,577	2,349	(2,349)	-
Total sales	286,995	11,132	18,811	3,643	320,581	(2,349)	318,232
Operating cost and expense	286,866	10,831	16,588	3,414	317,699	(2,977)	314,722
Operating income	129	301	2,223	229	2,882	628	3,510

[Geographical segment information]

The first quarter of fiscal year 2008 (from April 1, 2007 to June 30, 2007)

(Unit: Millions of yen)

	Japan	North America	Other	Total	Elimination and corporate	Consolidated total
I. Net sales and operating income (loss)						
Net sales						
(1) Outside customer	183,832	121,575	12,825	318,232	-	318,232
(2) Inter-segment	65,494	3,889	91	69,474	(69,474)	-
Total sales	249,326	125,464	12,916	387,706	(69,474)	318,232
Operating cost and expense	240,500	130,103	12,769	383,372	(68,650)	314,722
Operating income (loss)	8,826	(4,639)	147	4,334	(824)	3,510

[Overseas net sales]

The first quarter of fiscal year 2008 (from April 1, 2007 to June 30, 2007)

(Unit: Millions of yen)

	North America	Europe	Other	Total
Overseas net sales	132,618	34,477	38,769	205,864
Consolidated net sales				318,232
Percentage of overseas net sales over consolidated sales (%)	41.7%	10.8%	12.2%	64.7%



<Reference for the 1st Quarter of FY2009 Consolidated Financial Results>

(August 1, 2008)
Fuji Heavy Industries Ltd.

(in 100 millions of yen) (in thousands of units)	ACTUAL RESULTS 1st Quarter of FY 2008 Apr.2007 to Jun.2007			ACTUAL RESULTS 1st Quarter of FY 2009 Apr.2008 to Jun.2008			FORECAST 1st HALF of FY 2009 Apr.2008 to Sep.2008			FORECAST FY2009 Apr.2008 to Mar.2009		
Net Sales	3,182	3,411	7.2 %	7,400	4.4 %	16,000	1.8 %					
Domestic	1,124	1,171	4.2 %	2,700	9.9 %	5,600	2.9 %					
Overseas	2,059	2,240	8.8 %	4,700	1.5 %	10,400	1.1 %					
Margin Percentage	1.1%	1.9%		1.1%		1.4%						
Operating income	35	65	84.0 %	80	(57.7) %	230	(49.6) %					
Margin Percentage	0.2%	2.1%		0.8%		1.3%						
Ordinary income	6	71	1,030.5 %	60	(57.6) %	200	(56.0) %					
Margin Percentage	—	0.4%		—		0.6%						
Net income	(3)	14	—	0	—	100	(45.9) %					
Analysis of increase/decrease in operating income												
		Gain factors		Gain factors		Gain factors						
		Improvement of sales volume & mixture and others	235	Improvement of sales volume & mixture and others	344	Improvement of sales volume & mixture and others	474					
		Decrease of R&D expenses	17	Decrease of R&D expenses	16							
		Loss factors		Loss factors		Loss factors						
		Increase of SG&A expenses and others	110	Foreign exchange	243	Foreign exchange	410					
		Foreign exchange	104	Increase of SG&A expenses and others	210	Increase of SG&A expenses and others	158					
		Reduction in cost & Net of raw material price raise	8	Reduction in cost & Net of raw material price raise	16	Reduction in cost & Net of raw material price raise	93					
						Increases of R&D expenses	40					
Exchange rate YEN/US\$	119	103		103		102						
Capital investment	104	132		360		700						
Depreciation and amortization	148	157		320		660						
R&D expenses	114	97		250		560						
Interest bearing debt	3,492	3,073		2,750		3,045						
Performance of operation		Net sales to increase Net income to increase Recorded high net sales		Net sales to increase Net income to decrease Recorded high net sales		Net sales to increase Net income to decrease Recorded high net sales						
Domestic sales units	44	43	(3.2) %	102	2.8 %	213	1.9 %					
Passenger Cars	14	15	1.7 %	44	26.1 %	98	25.6 %					
Minicars	30	28	(5.6) %	58	(9.9) %	115	(12.3) %					
Overseas sales units	75	85	12.9 %	188	9.4 %	423	9.1 %					
North America	40	40	(1.4) %	94	4.4 %	223	5.8 %					
Europe	15	24	56.5 %	48	24.4 %	102	18.3 %					
Others	20	22	8.8 %	47	6.6 %	99	8.1 %					
Total sales units	120	128	6.9 %	290	7.0 %	636	6.6 %					

*Figures of Total Sales are the sum of retail sales units of the Japanese subsidiary dealers, wholesale units of the overseas subsidiary distributors, and wholesale units of FHI to other distributors/dealers.