



**SUBARU**

# Presentation of Business Results for the 1st Quarter of FYE 2012 Fuji Heavy Industries Ltd.

August 2, 2011

# A Summary of Business Results



# 1st Quarter : Consolidated Automobile Sales

(thousand units)

		1Q Actual Results FYE March 2011	1Q Actual Results FYE March 2012	Increase/ Decrease
	Passenger Car	12.7	15.7	+3.0
	Minicar	22.7	15.1	-7.6
<b>Domestic Total</b>		<b>35.5</b>	<b>30.8</b>	<b>-4.7</b>
	U.S.	58.2	51.8	-6.4
	Canada	8.4	8.9	+0.6
	Russia	1.5	1.6	+0.2
	Europe	11.3	7.7	-3.6
	Australia	11.8	6.9	-4.9
	China	16.5	5.9	-10.6
	Others	7.2	4.7	-2.5
<b>Overseas Total</b>		<b>114.9</b>	<b>87.6</b>	<b>-27.3</b>
<b>Total</b>		<b>150.3</b>	<b>118.3</b>	<b>-32.0</b>

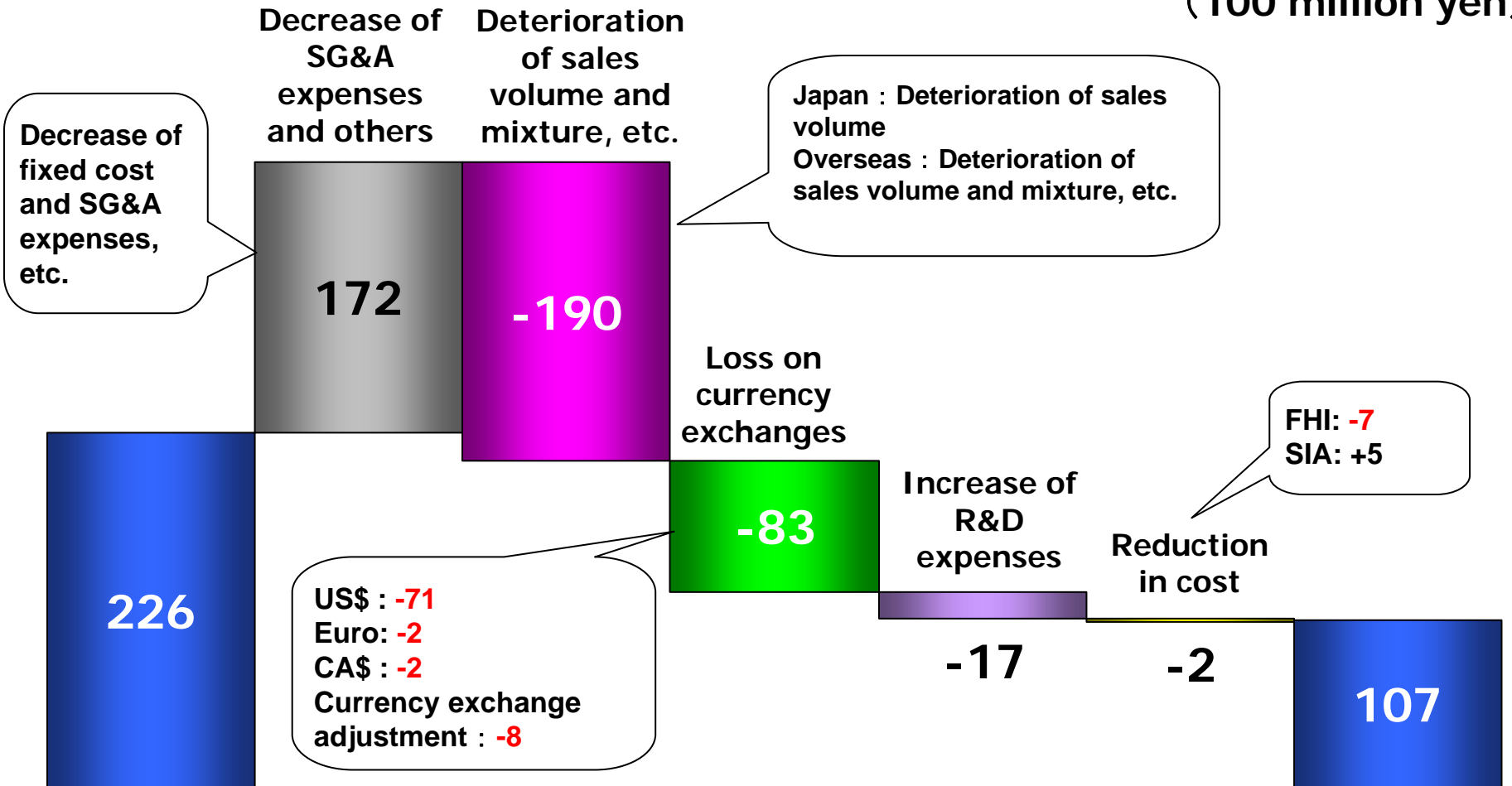
# 1st Quarter : Consolidated Statements of Income

(100 million yen)

	<u>1Q Actual Results</u> FYE March 2011	<u>1Q Actual Results</u> FYE March 2012	Increase/ Decrease
<b>Net Sales</b>	<b>3,703</b>	<b>3,004</b>	<b>-699</b>
Domestic	1,045	988	-56
Overseas	2,658	2,016	-643
<b>Operating Income</b>	<b>226</b>	<b>107</b>	<b>-120</b>
<b>Ordinary Income</b>	<b>242</b>	<b>117</b>	<b>-125</b>
<b>Income Before Income Taxes and Minority Interests</b>	<b>245</b>	<b>323</b>	<b>+78</b>
<b>Net Income</b>	<b>191</b>	<b>285</b>	<b>+93</b>
<b>FHI Exchange Rate</b>	<b>¥92/US\$</b>	<b>¥82/US\$</b>	<b>-¥10/US\$</b>

# 1st Quarter : Analysis of Increase and Decrease in Operating Income Changes (consolidated)

(100 million yen)



Operating Income  
1Q  
FYE March 2011

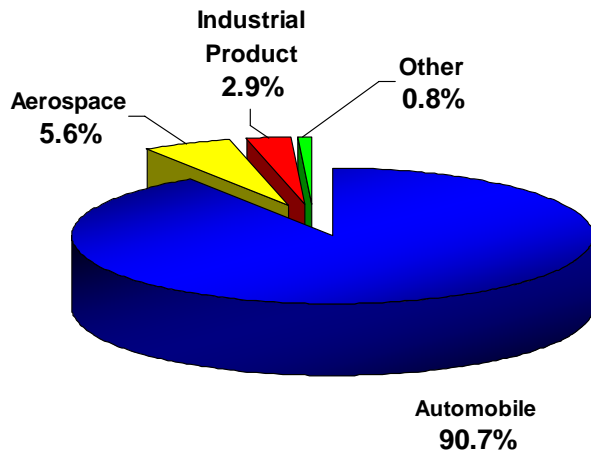
**-12.0 billion**

Operating Income  
1Q  
FYE March 2012

# 1st Quarter : Net Sales by Business Segment (consolidated)

(100 million yen)

## Percentage of total sales



	<u>1Q Actual Results</u> FYE March 2011	<u>1Q Actual Results</u> FYE March 2012	Increase/ Decrease
Automobile	3,421	2,725	-697
Aerospace	175	169	-6
Industrial Products	80	86	+7
Other	27	24	-3
<b>Total</b>	<b>3,703</b>	<b>3,004</b>	<b>-699</b>



# 1st Quarter : Operating Income by Business Segment (consolidated)

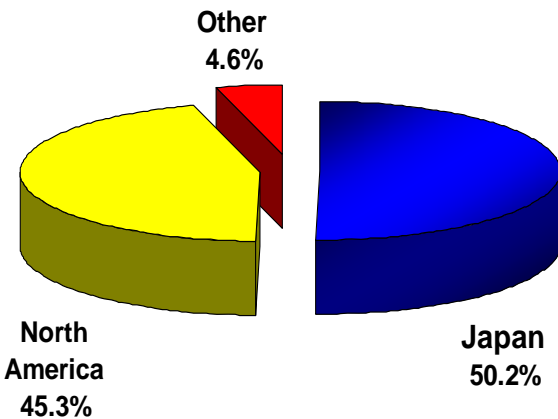
(100 million yen)

	<u>1Q Actual Results</u> FYE March 2011	<u>1Q Actual Results</u> FYE March 2012	Increase/ Decrease
Automobile	219	96	-123
Aerospace	0	7	+7
Industrial Products	-1	0	+1
Other	6	3	-4
Elimination and Corporate	1	0	-1
<b>Total</b>	<b>226</b>	<b>107</b>	<b>-120</b>

# 1st Quarter : Net sales by Geographic Area (consolidated) <Appendix>

(100 million yen)

Percentage of total sales



	<u>1Q Actual Results</u> FYE March 2011	<u>1Q Actual Results</u> FYE March 2012	Increase/ Decrease
Japan	1,993	1,507	-486
North America	1,584	1,360	-225
Other	126	138	+12
<b>Total</b>	<b>3,703</b>	<b>3,004</b>	<b>-699</b>



# 1st Quarter : Operating Income by Geographic Area (consolidated) <Appendix>

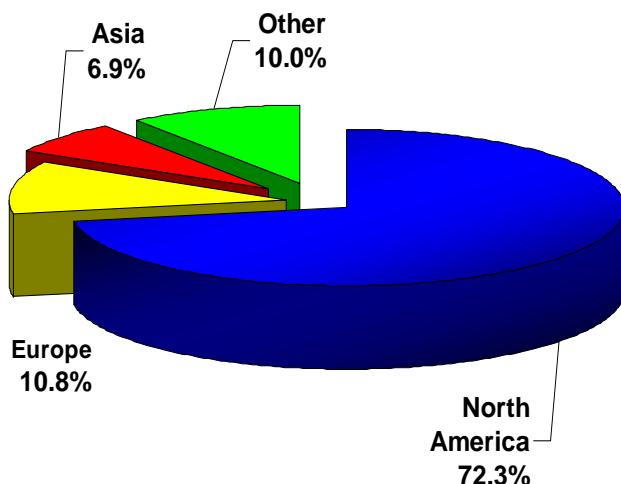
(100 million yen)

	<u>1Q Actual Results</u> FYE March 2011	<u>1Q Actual Results</u> FYE March 2012	Increase/ Decrease
Japan	131	25	-106
North America	123	28	-95
Other	2	0	-2
Elimination and Corporate	-30	53	+83
<b>Total</b>	<b>226</b>	<b>107</b>	<b>-120</b>

# 1st Quarter : Overseas Net Sales <Appendix>

(100 million yen)

Percentage of total sales



	<u>1Q Actual Results</u> FYE March 2011	<u>1Q Actual Results</u> FYE March 2012	Increase/ Decrease
North America	1,686	1,457	-230
Europe	281	218	-63
Asia	354	139	-215
Other	337	202	-135
<b>Total</b>	<b>2,658</b>	<b>2,016</b>	<b>-643</b>



# Operating Results of Subsidiaries in U.S.

(million US\$)

<b>SOA</b>	<b>1Q Actual Results FYE March 2011</b>	<b>1Q Actual Results FYE March 2012</b>	<b>Increase/ Decrease</b>
Net Sales	\$1,402	\$1,313	-89
Operating Income	61	36	-25
Net Income	37	24	-13
Retail Sales (thousand units)	68.4	64.5	-3.9

<b>SIA</b>	<b>1Q Actual Results FYE March 2011</b>	<b>1Q Actual Results FYE March 2012</b>	<b>Increase/ Decrease</b>
Net Sales	\$868	\$747	-121
Operating Income/Loss	46	-19	-65
Net Income/Loss	27	-11	-38
Subaru Production (thousand units)	39.9	33.3	-6.6

# Non-Operating Income & Expenses

(100 million yen)

	<u>1Q Actual Results</u> FYE March 2011	<u>1Q Actual Results</u> FYE March 2012	Increase/ Decrease
<b>Non-Operating Income</b>	<b>80</b>	<b>36</b>	<b>-43</b>
Interest & dividends income	6	6	+0
Equity in earnings of affiliates	11	5	-7
<b>Non-Operating Expenses</b>	<b>64</b>	<b>26</b>	<b>-37</b>
Interest expenses	13	9	-4
<b>Net</b>	<b>16</b>	<b>10</b>	<b>-6</b>
<b>Financial Revenue and Expenditure</b>	<b>-7</b>	<b>-3</b>	<b>+4</b>
<b>FOREX Effects</b>	<b>14</b>	<b>11</b>	<b>-4</b>
Net of gain and loss on valuation of derivatives	54	17	-37
Net of FOREX gains and losses	-40	-6	+33

# Extraordinary Income & Expenses

(100 million yen)

	<u>1Q Actual Results</u> FYE March 2011	<u>1Q Actual Results</u> FYE March 2012	Increase/ Decrease
<b>Extraordinary Income</b>	<b>9</b>	<b>265</b>	<b>+256</b>
Gain on sales noncurrent assets	0	263	+263
Reversal of allowance for doubtful accounts	3	-	-3
Gain on sale of loans receivable	3	-	-3
Other	2	2	-0
<b>Extraordinary Loss</b>	<b>6</b>	<b>59</b>	<b>+53</b>
Loss on sales and retirement of noncurrent assets	2	2	+0
Loss on disaster	-	57	+57
Loss on adjustment for changes of accounting standard for asset retirement obligations	4	-	-4
Other	1	0	-0
<b>Net</b>	<b>3</b>	<b>206</b>	<b>+203</b>

# Consolidated Balance Sheets

(100 million yen)

	As of March 31, 2011	As of June 30, 2011	Increase/ Decrease
<b>Total Assets</b>	<b>11,883</b>	<b>12,597</b>	+714
Current Assets	6,103	6,876	+773
Noncurrent Assets	5,780	5,721	-59
<b>Interest Bearing Debts</b>	<b>3,306</b>	<b>3,965</b>	+659
<b>Net Assets</b>	<b>4,140</b>	<b>4,390</b>	+251
Retained Earnings	1,569	1,819	+250
Shareholder's Equity	4,127	4,377	+250
Shareholder's Equity to Total Assets	<b>34.7%</b>	<b>34.7%</b>	±0
D/E ratio	<b>0.80</b>	<b>0.91</b>	+0.10

# 1st Quarter : Consolidated Statement of Cash Flows

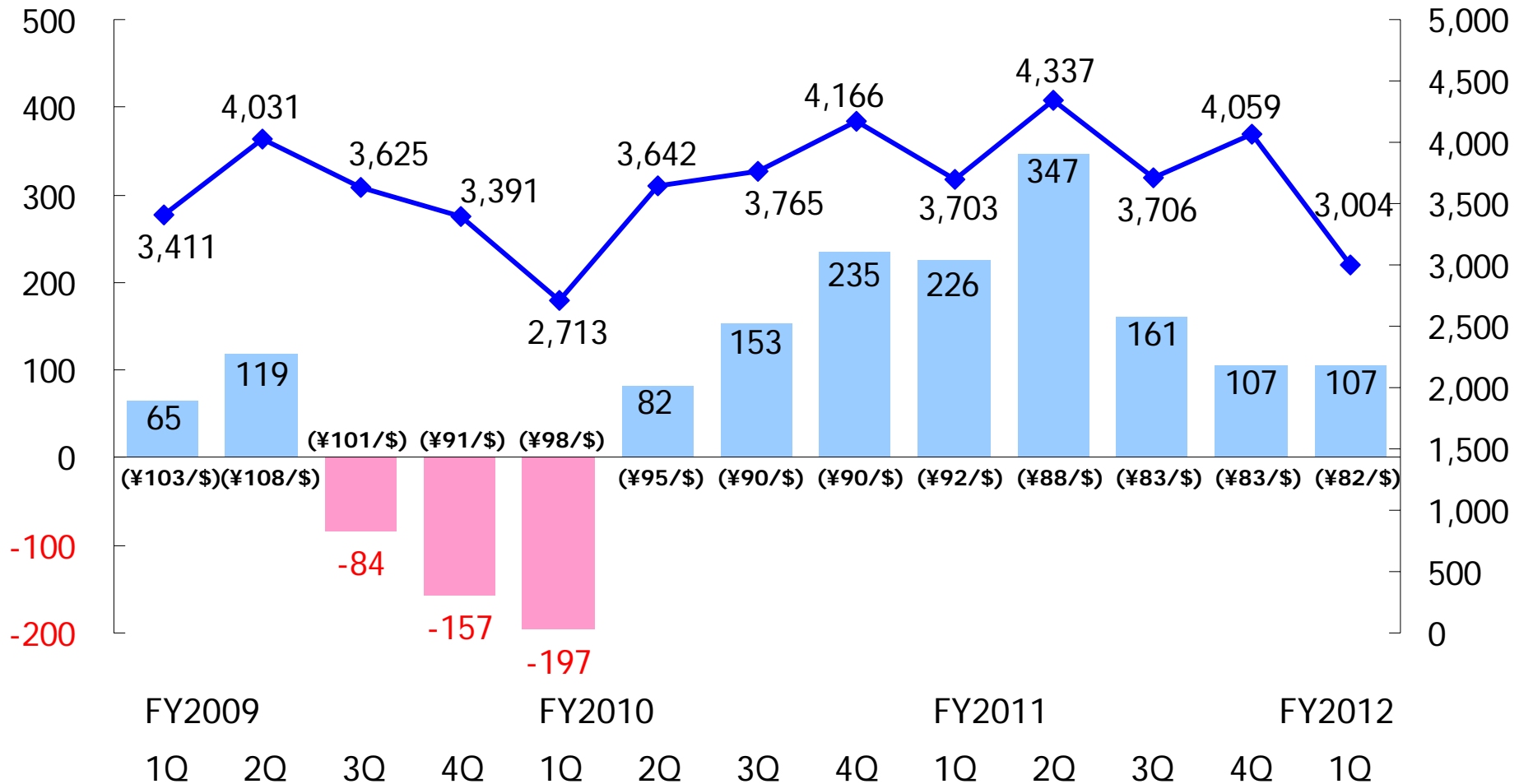
(100 million yen)

	<u>1Q Actual Results</u> FYE March 2011	<u>1Q Actual Results</u> FYE March 2012	Increase/ Decrease
Net Cash Provided by (used in) Operating Activities	<b>337</b>	<b>-197</b>	<b>-534</b>
Net Cash Provided by (used in ) Investing Activities	<b>-91</b>	<b>275</b>	<b>+366</b>
Free Cash Flows	<b>246</b>	<b>78</b>	<b>-168</b>
Net Cash Provided by (used in) Financing Activities	<b>-193</b>	<b>624</b>	<b>+816</b>
Effect of Exchange Rate Change on Cash and Cash Equivalents	<b>-45</b>	<b>-8</b>	<b>+37</b>
Net Increase (Decrease) in Cash and Cash Equivalents	<b>8</b>	<b>693</b>	<b>+685</b>
<b>Cash and Cash equivalents at End of Period</b>	<b>1,923</b>	<b>2,971</b>	<b>+1,048</b>

# Net Sales & Operating Income <Appendix>

**Operating Income**  
(100 million yen)

**Net Sales**  
(100 million yen)



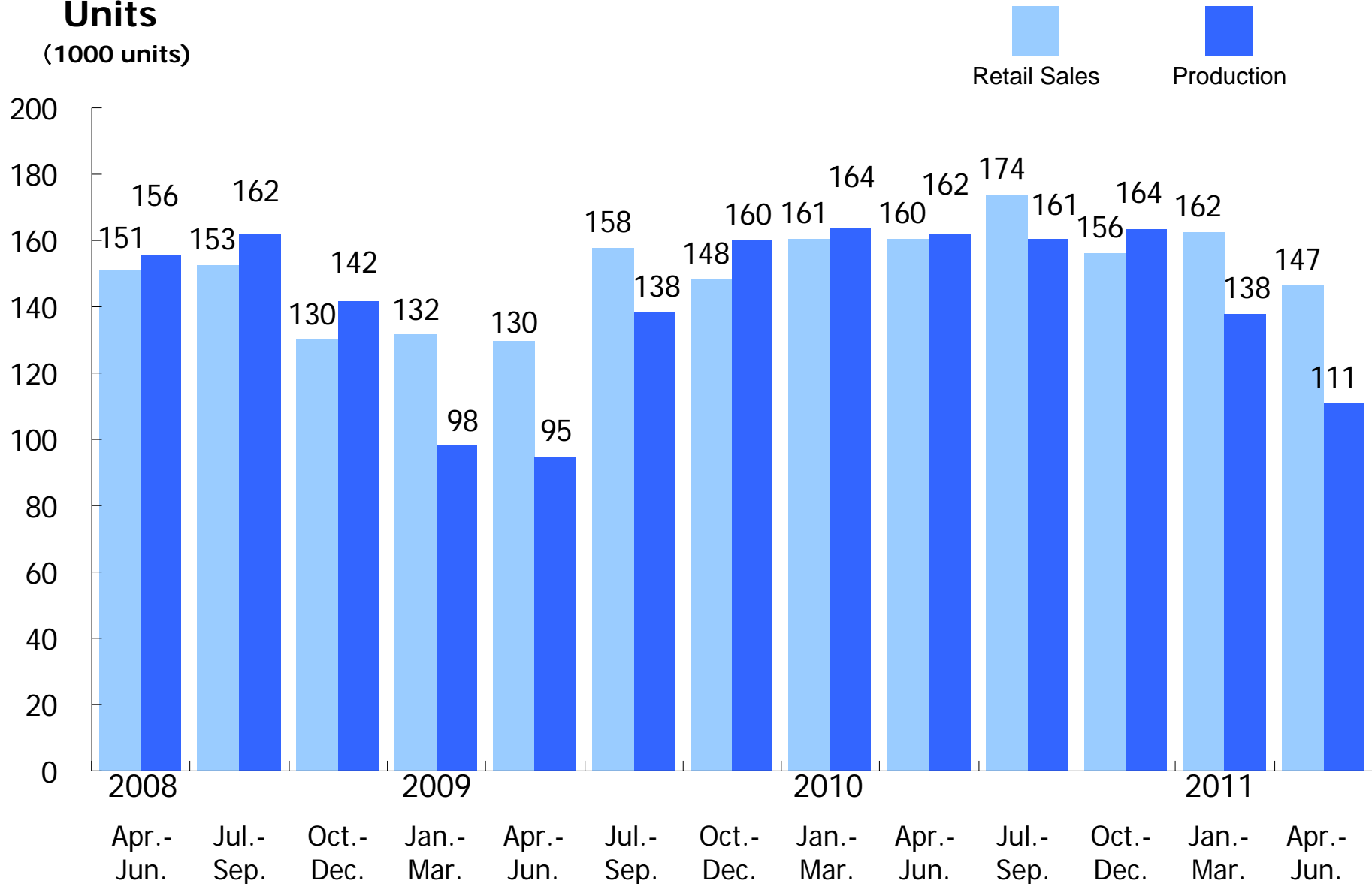




# Retail Sales & Complete Cars Production <Appendix>

## Units

(1000 units)

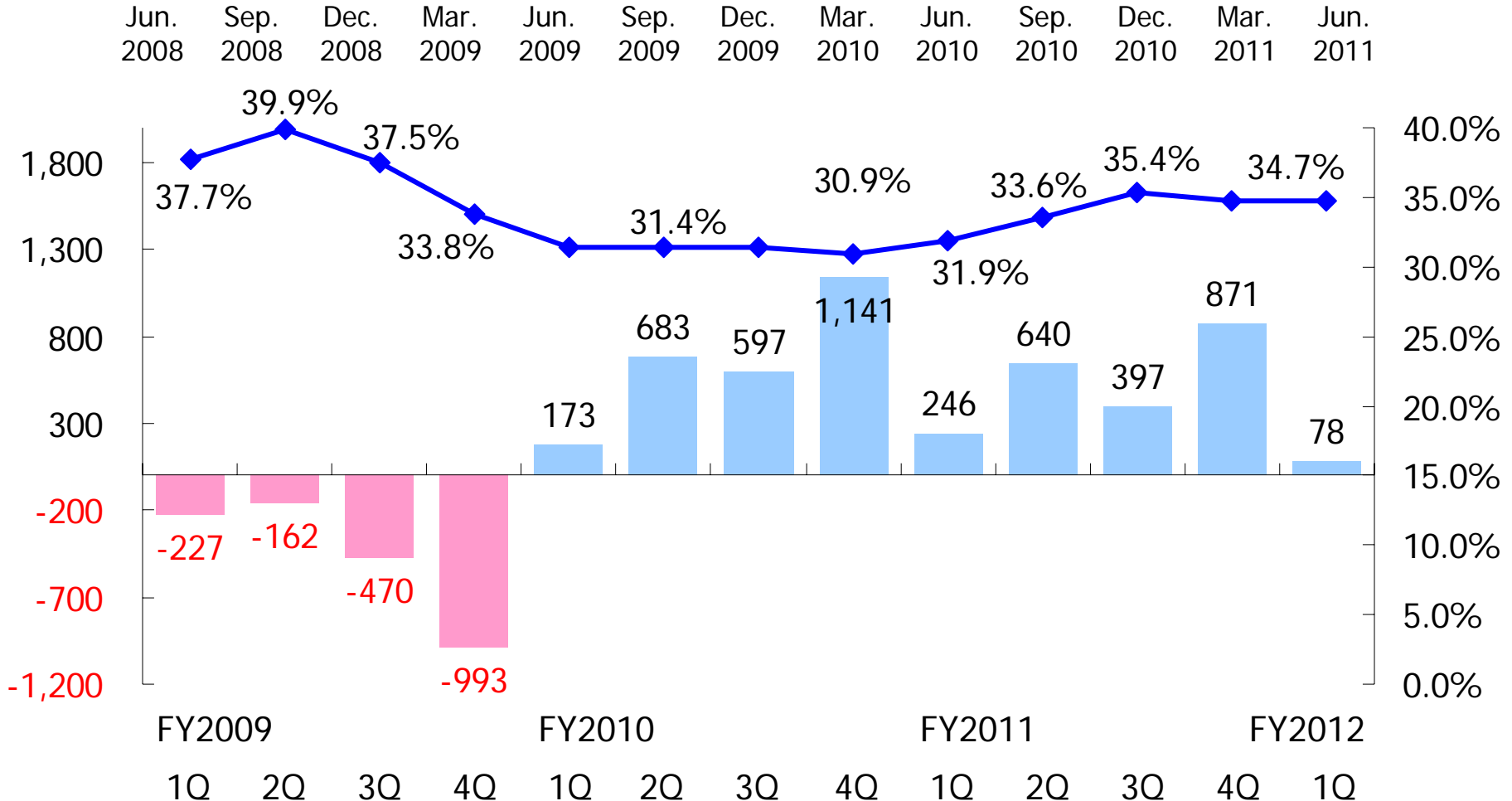




# Free Cash Flows & Shareholders' Equity to Total Assets <Appendix>

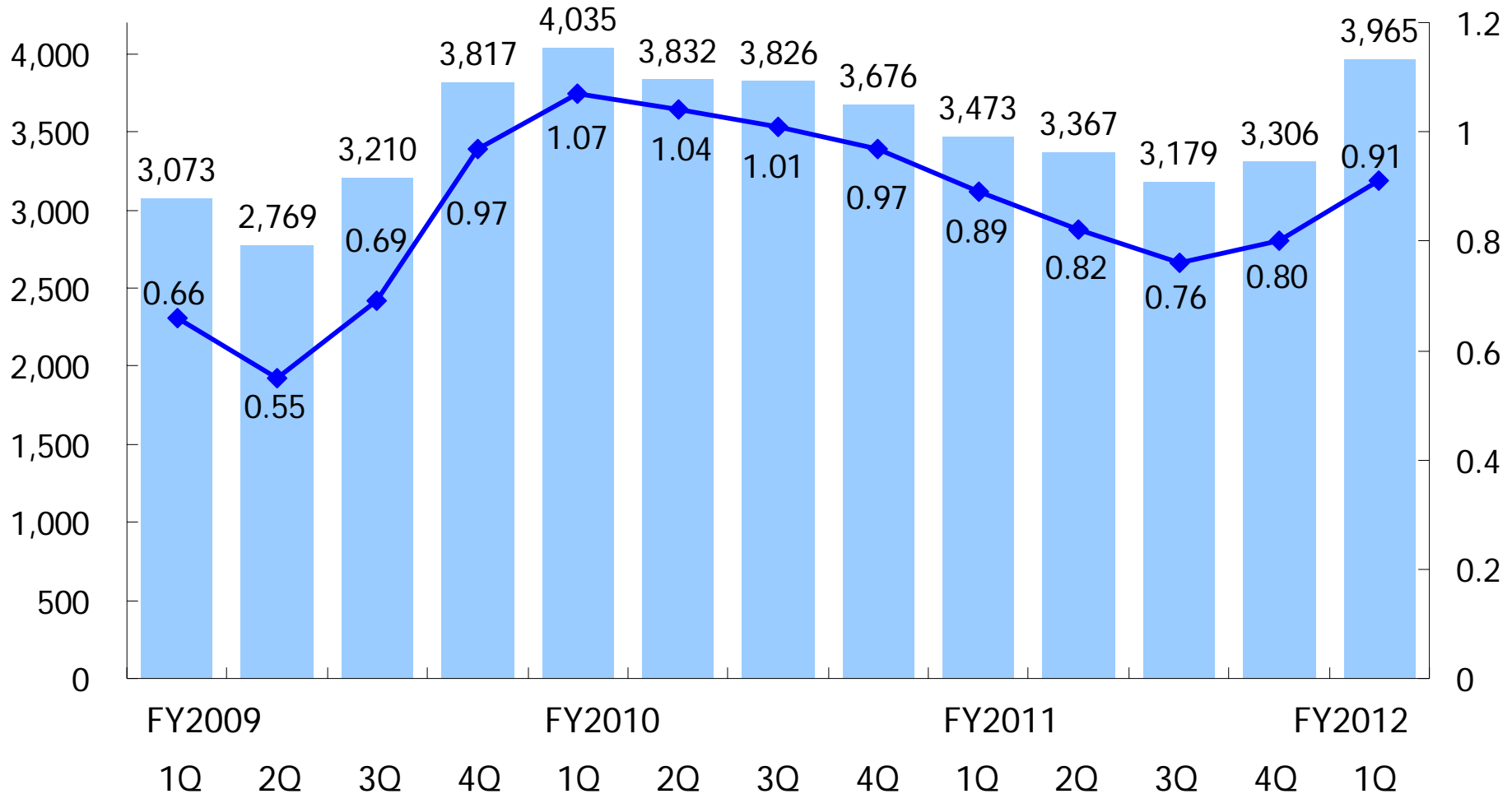
**FCF** in bar graph  
(100 million yen)

**Shareholders' Equity to Total Assets** in line graph



**Interest Bearing Debts**  
(100 million yen)

**D/E ratio**



(thousand units)

	<u>1Q Actual Results</u> FYE March 2011	<u>1Q Actual Results</u> FYE March 2012	Increase/ Decrease
<b>Domestic Production</b>	<b>121.9</b>	<b>77.7</b>	<b>-44.2</b>
<b>Domestic Sales</b>	<b>39.9</b>	<b>33.0</b>	<b>-6.9</b>
Passenger Car	14.9	17.7	+2.8
Minicar	25.0	15.3	-9.7
<b>Number of Vehicles Exported</b>	<b>85.1</b>	<b>46.9</b>	<b>-38.2</b>
<b>Components for Overseas Production</b>	<b>37.1</b>	<b>33.1</b>	<b>-4.1</b>
<b>Total</b>	<b>162.1</b>	<b>113.0</b>	<b>-49.2</b>

# Outlook for the term Ending March 2012

(thousand units)

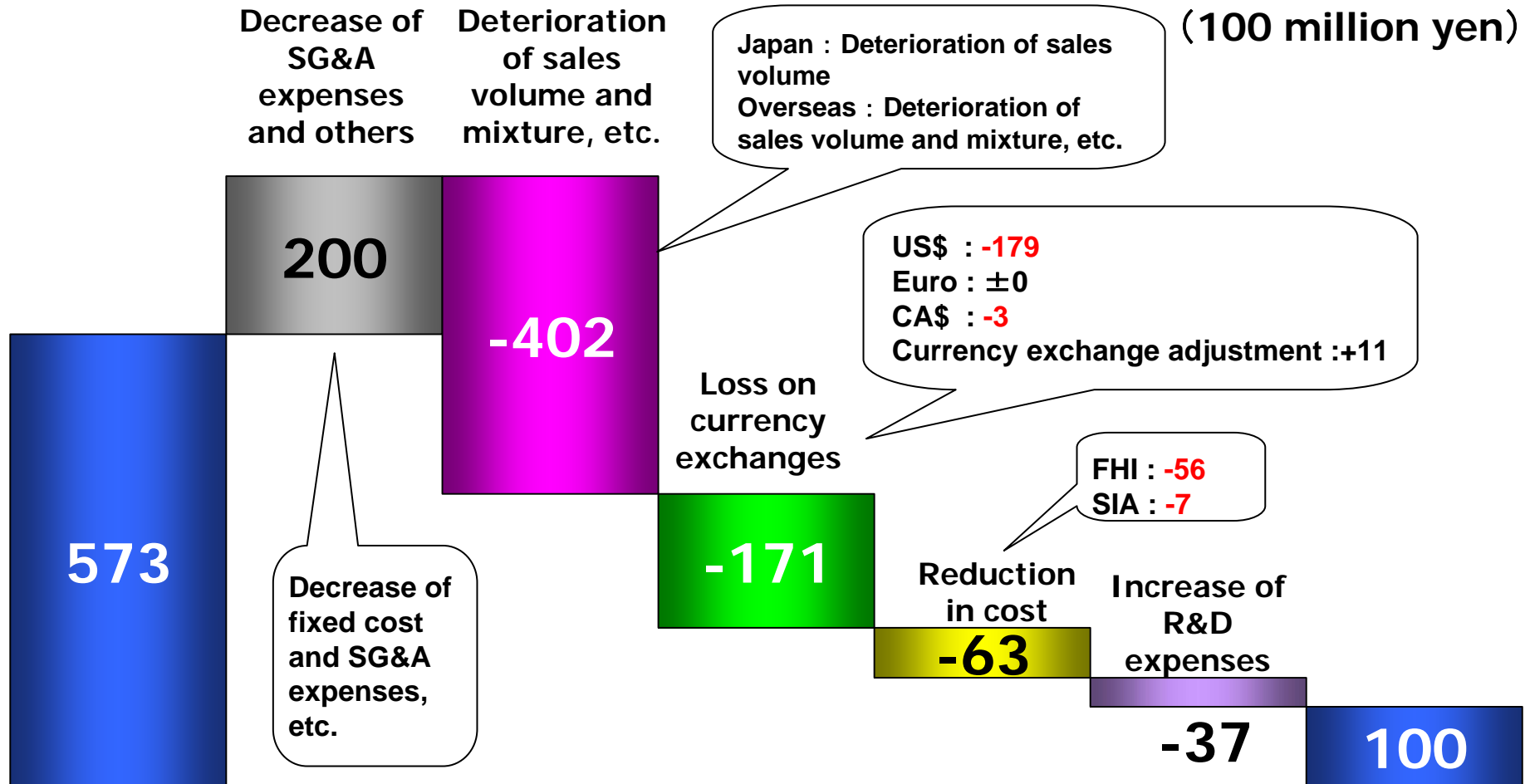
		<u>Actual Results</u> 1st Half FYE March 2011	<u>Plan</u> 1st Half FYE March 2012	Increase/ Decrease
	Passenger Car	37.7	33.3	-4.4
	Minicar	50.8	37.1	-13.7
<b>Domestic Total</b>		<b>88.5</b>	<b>70.4</b>	<b>-18.1</b>
	<b>U.S.</b>	129.1	111.0	-18.1
	<b>Canada</b>	15.0	14.7	-0.3
	<b>Russia</b>	4.7	5.7	+1.0
	<b>Europe</b>	24.6	14.9	-9.7
	<b>Australia</b>	21.5	16.1	-5.4
	<b>China</b>	32.0	17.4	-14.6
	<b>Others</b>	15.8	9.3	-6.5
<b>Overseas Total</b>		<b>242.7</b>	<b>189.1</b>	<b>-53.5</b>
<b>Total</b>		<b>331.2</b>	<b>259.5</b>	<b>-71.6</b>

# 1st Half : Consolidated Operating Plan <Appendix>

(100 million yen)

	<b>Actual Results</b> 1st Half FYE March 2011	<b>Plan</b> 1st Half FYE March 2012	<b>Increase/ Decrease</b>
<b>Net Sales</b>	<b>8,040</b>	<b>6,500</b>	<b>-1,540</b>
Domestic	2,520	2,105	-415
Overseas	5,520	4,395	-1,125
<b>Operating Income</b>	<b>573</b>	<b>100</b>	<b>-473</b>
<b>Ordinary Income</b>	<b>588</b>	<b>80</b>	<b>-508</b>
<b>Income Before Income Taxes and Minority Interests</b>	<b>557</b>	<b>280</b>	<b>-287</b>
<b>Net Income</b>	<b>446</b>	<b>230</b>	<b>-216</b>
<b>FHI Exchange Rate</b>	¥90/US\$	¥81/US\$	<b>-¥9/US\$</b>

# 1st Half : Analysis of Increase and Decrease in Operating Income Changes (consolidated) <Appendix>



Operating Income  
1st Half  
FYE March 2011

**- 47.3 billion**

Plan  
Operating Income  
1st Half  
FYE March 2012





# Full Year : Consolidated Automobile Sales Plan

(thousand units)

	<u>Actual Results</u> FYE March 2011	<u>Plan</u> FYE March 2012	Increase/ Decrease
Passenger Car	68.1	70.7	+2.5
Minicar	90.0	93.2	+3.2
<b>Domestic Total</b>	<b>158.1</b>	<b>163.8</b>	<b>+5.7</b>
U.S.	279.0	274.3	-4.6
Canada	28.1	27.2	-0.9
Russia	11.3	13.6	+2.2
Europe	48.2	37.8	-10.5
Australia	41.2	36.4	-4.7
China	62.4	54.9	-7.5
Others	28.7	23.8	-4.9
<b>Overseas Total</b>	<b>498.9</b>	<b>468.0</b>	<b>-30.8</b>
<b>Total</b>	<b>657.0</b>	<b>631.8</b>	<b>-25.1</b>

# Full Year : Consolidated Operating Plan

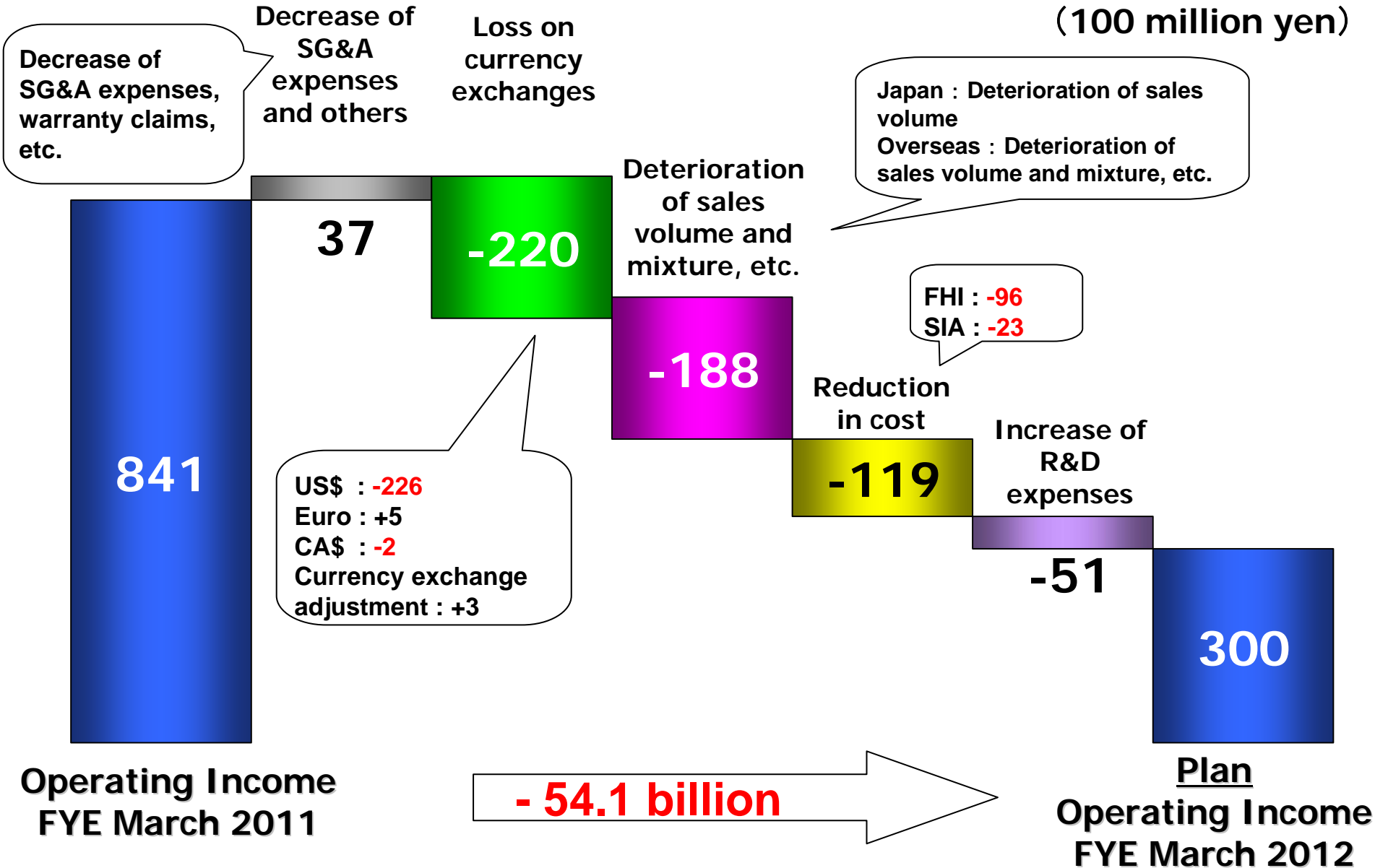
(100 million yen)

	<u>Actual Results</u> FYE March 2011	<u>Plan</u> FYE March 2012	Increase/ Decrease
<b>Net Sales</b>	<b>15,806</b>	<b>14,800</b>	<b>-1,006</b>
Domestic	4,673	4,500	-173
Overseas	11,132	10,300	-832
<b>Operating Income</b>	<b>841</b>	<b>300</b>	<b>-541</b>
<b>Ordinary Income</b>	<b>822</b>	<b>250</b>	<b>-572</b>
<b>Income Before Income Taxes and Minority Interests</b>	<b>632</b>	<b>430</b>	<b>-202</b>
<b>Net Income</b>	<b>503</b>	<b>350</b>	<b>-153</b>
<b>FHI Exchange Rate</b>	¥86/US\$	¥81/US\$	<b>-¥5/US\$</b>



# Full Year : Analysis of Increase and Decrease in Operating Income Changes (consolidated) <Appendix>

(100 million yen)



# Operating Plans of Subsidiaries in U.S.

(million US\$)

<b>SOA</b>	<b><u>Actual Results</u> FYE March 2011</b>	<b><u>Plan</u> FYE March 2012</b>	<b>Increase/ Decrease</b>
Net Sales	<b>\$6,758</b>	<b>\$6,789</b>	+31
Operating Income	<b>116</b>	<b>123</b>	+7
Net Income	<b>83</b>	<b>78</b>	<b>-5</b>
Retail Sales (thousand units)	<b>272.5</b>	<b>260.0</b>	<b>-12.5</b>

<b>SIA</b>	<b><u>Actual Results</u> FYE March 2011</b>	<b><u>Plan</u> FYE March 2012</b>	<b>Increase/ Decrease</b>
Net Sales	<b>\$3,748</b>	<b>\$3,794</b>	+46
Operating Income/Loss	<b>94</b>	<b>64</b>	<b>-30</b>
Net Income/Loss	<b>57</b>	<b>37</b>	<b>-20</b>
Subaru Production (thousand units)	<b>164.8</b>	<b>167.2</b>	+2.4

# Capex / Depreciation / R&D <Appendix>

(100 million yen)

	<u>Actual Results</u> 1Q FYE 2011	<u>Actual Results</u> FYE 2011 (a)	<u>Actual Results</u> 1Q FYE 2012	<u>Plan</u> FYE 2012 (b)	Increase / Decrease (b) – (a)
Capex	82	431	140	600	+169
Depreciation	116	498	116	550	+52
R&D	89	429	106	480	+51
Interest Bearing Debt	3,473	3,306	3,965	3,700	+394

# Appendix

(thousand units)

		<u>Actual Results</u> 2nd Quarter FYE March 2011	<u>Plan</u> 2nd Quarter FYE March 2012	Increase/ Decrease
	Passenger Car	25.0	17.7	-7.3
	Minicar	28.0	21.9	-6.1
<b>Domestic Total</b>		<b>53.1</b>	<b>39.6</b>	<b>-13.4</b>
	<b>U.S.</b>	70.9	59.2	-11.7
	<b>Canada</b>	6.6	5.8	-0.9
	<b>Russia</b>	3.2	4.1	+0.8
	<b>Europe</b>	13.3	7.3	-6.1
	<b>Australia</b>	9.7	9.1	-0.6
	<b>China</b>	15.5	11.5	-4.0
	<b>Others</b>	8.6	4.7	-3.9
<b>Overseas Total</b>		<b>127.8</b>	<b>101.6</b>	<b>-26.2</b>
<b>Total</b>		<b>180.8</b>	<b>141.2</b>	<b>-39.6</b>

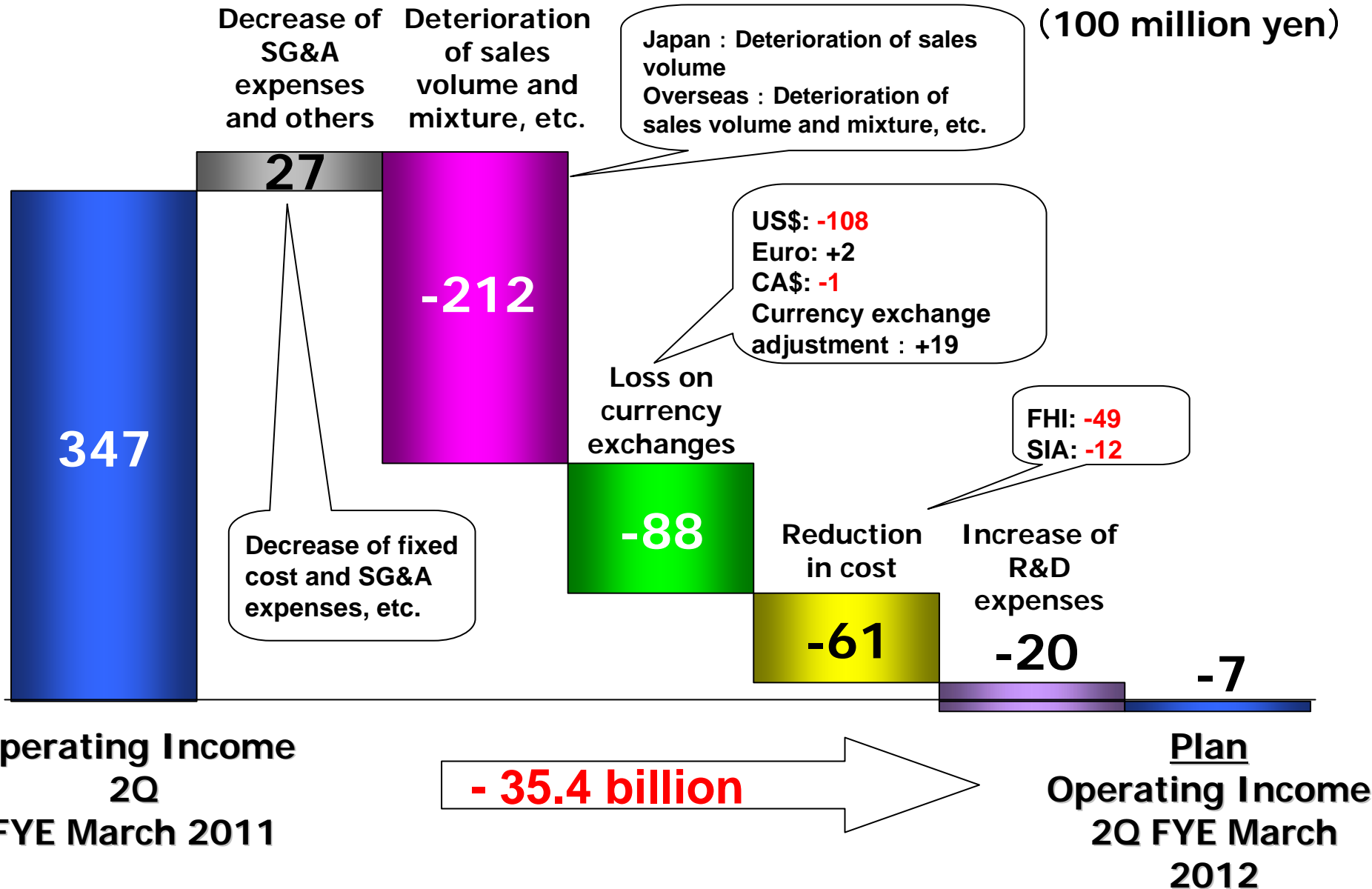
(100 million yen)

	<u>Actual Results</u> 2nd Quarter FYE March 2011	<u>Plan</u> 2nd Quarter FYE March 2012	Increase/ Decrease
<b>Net Sales</b>	<b>4,337</b>	<b>3,496</b>	<b>-841</b>
Domestic	1,475	1,117	-359
Overseas	2,862	2,380	-482
<b>Operating Income/Loss</b>	<b>347</b>	<b>-7</b>	<b>-353</b>
<b>Ordinary Income/Loss</b>	<b>346</b>	<b>-37</b>	<b>-382</b>
<b>Income/Loss Before Income Taxes Minority Interests</b>	<b>312</b>	<b>-43</b>	<b>-355</b>
<b>Net Income/Loss</b>	<b>254</b>	<b>-55</b>	<b>-309</b>
<b>FHI Exchange Rate</b>	¥88/US\$	¥80/US\$	¥8/US\$



# 2nd Quarter : Analysis of Increase and Decrease in Operating Income Changes (consolidated) <Appendix>

(100 million yen)



# 2nd Half : Consolidated Automobile Sales Plan

<Appendix>

(thousand units)

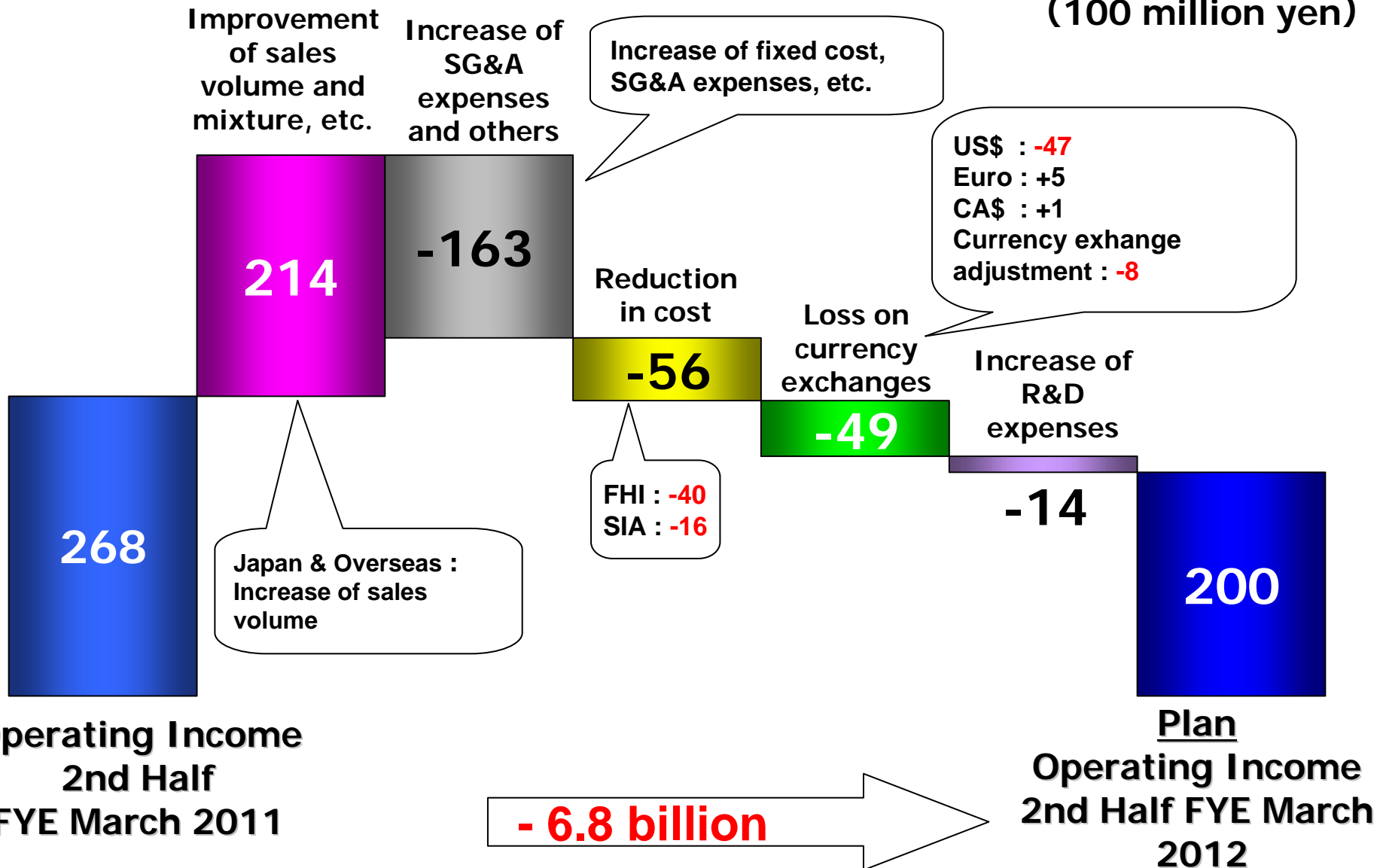
		<u>Actual Results</u> 2nd Half FYE March 2011	<u>Plan</u> 2nd Half FYE March 2012	Increase/ Decrease
	Passenger Car	30.4	37.3	+6.9
	Minicar	39.2	56.1	+16.9
<b>Domestic Total</b>		<b>69.6</b>	<b>93.4</b>	<b>+23.8</b>
	<b>U.S.</b>	149.8	163.3	+13.5
	<b>Canada</b>	13.1	12.5	-0.6
	<b>Russia</b>	6.6	7.8	+1.2
	<b>Europe</b>	23.6	22.8	-0.8
	<b>Australia</b>	19.7	20.4	+0.7
	<b>China</b>	30.4	37.5	+7.1
	<b>Others</b>	12.9	14.5	+1.6
<b>Overseas Total</b>		<b>256.2</b>	<b>278.9</b>	<b>+22.7</b>
<b>Total</b>		<b>325.8</b>	<b>372.3</b>	<b>+46.5</b>

(100 million yen)

	<u>Actual Results</u> 2nd Half FYE March 2011	<u>Plan</u> 2nd Half FYE March 2012	Increase/ Decrease
<b>Net Sales</b>	<b>7,766</b>	<b>8,300</b>	+534
Domestic	2,153	2,395	+242
Overseas	5,612	5,905	+293
<b>Operating Income</b>	<b>268</b>	<b>200</b>	<b>-68</b>
<b>Ordinary Income</b>	<b>234</b>	<b>170</b>	<b>-64</b>
<b>Income Before Income Taxes and Minority Interests</b>	<b>75</b>	<b>150</b>	+75
<b>Net Income</b>	<b>58</b>	<b>120</b>	+62
<b>FHI Exchange Rate</b>	¥83/US\$	¥81/US\$	<b>-¥2/US\$</b>

# 2nd Half : Analysis of Increase and Decrease in Operating Income Changes (consolidated) <Appendix>

(100 million yen)





*Thank you !*