



**SUBARU**

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

November 1, 2011

# A Summary of Business Results

# 1st Half : Consolidated Automobile Sales

(thousand units)

		<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
	Passenger Car	37.7	35.9	-1.8
	Minicar	50.8	36.7	-14.1
<b>Domestic Total</b>		<b>88.5</b>	<b>72.6</b>	<b>-15.9</b>
	U.S.	129.1	113.5	-15.6
	Canada	15.0	14.7	-0.3
	Russia	4.7	5.6	+0.9
	Europe	24.6	14.6	-10.1
	Australia	21.5	16.4	-5.1
	China	32.0	18.9	-13.1
	Others	15.8	9.7	-6.1
<b>Overseas Total</b>		<b>242.7</b>	<b>193.3</b>	<b>-49.3</b>
<b>Total</b>		<b>331.2</b>	<b>265.9</b>	<b>-65.2</b>

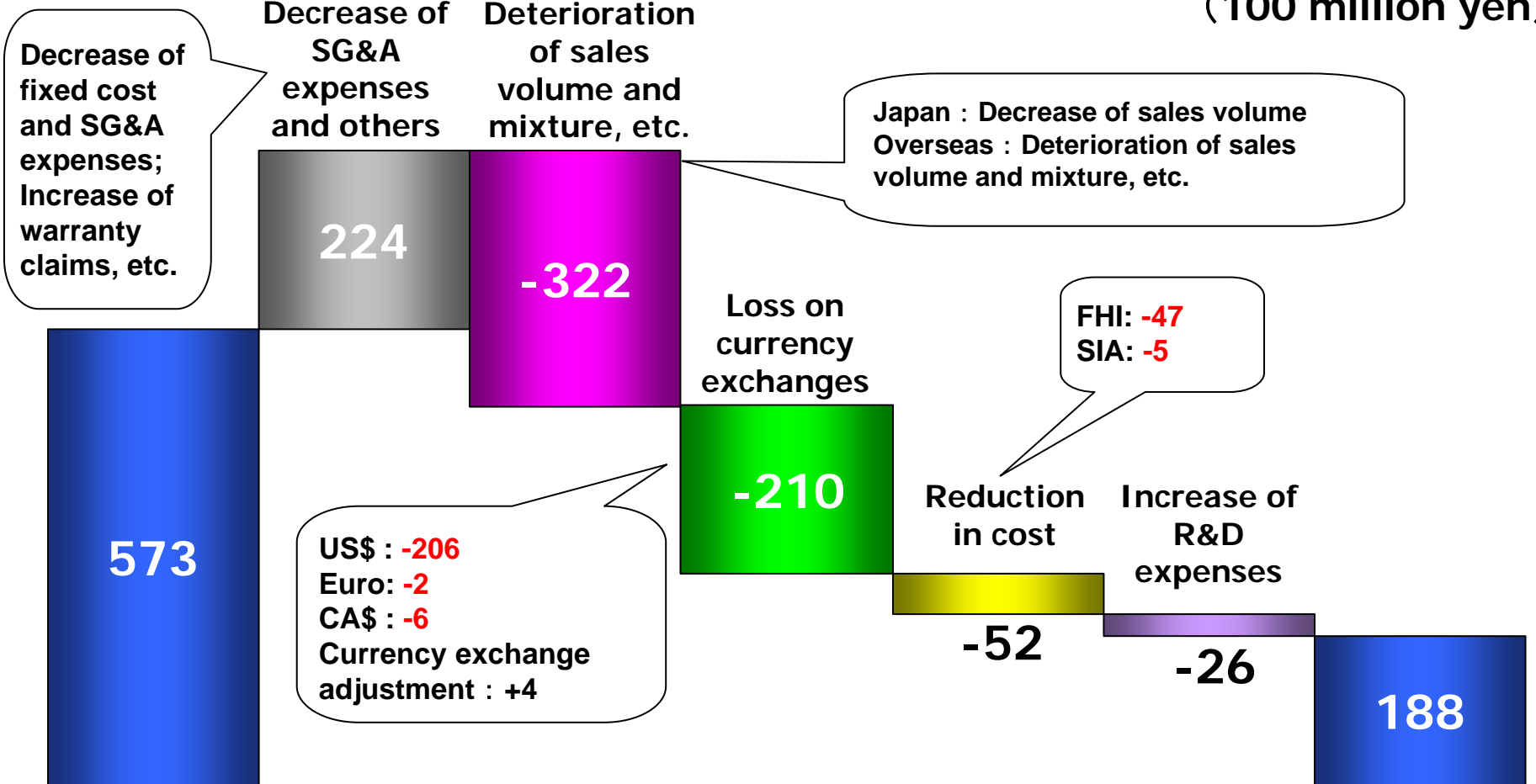
# 1st Half : Consolidated Statements of Income

(100 million yen)

	<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
<b>Net Sales</b>	<b>8,040</b>	<b>6,550</b>	<b>-1,490</b>
Domestic	2,520	2,245	-275
Overseas	5,520	4,305	-1,215
<b>Operating Income</b>	<b>573</b>	<b>188</b>	<b>-386</b>
<b>Ordinary Income</b>	<b>588</b>	<b>216</b>	<b>-373</b>
<b>Income Before Income Taxes and Minority Interests</b>	<b>557</b>	<b>402</b>	<b>-155</b>
<b>Net Income</b>	<b>446</b>	<b>328</b>	<b>-118</b>
<b>FHI Exchange Rate</b>	¥90/US\$	¥80/US\$	<b>-¥10/US\$</b>

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

(100 million yen)



Operating Income  
1st Half  
FYE March 2011

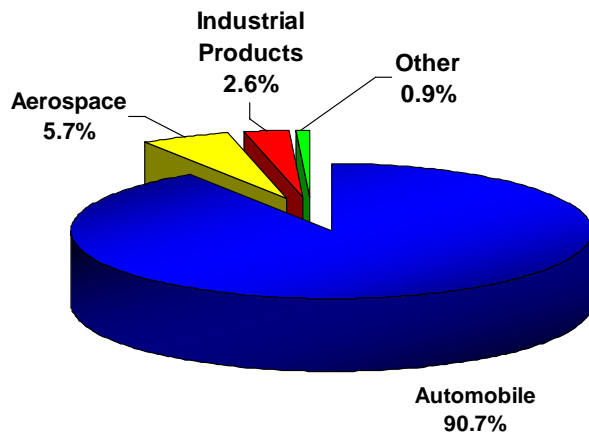
**-38.6 billion**

Operating Income  
1st Half  
FYE March 2012

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

(100 million yen)

## Percentage of total sales



	<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
Automobile	7,420	5,943	-1,477
Aerospace	374	374	+0
Industrial Products	164	173	+9
Other	81	59	-21
<b>Total</b>	<b>8,040</b>	<b>6,550</b>	<b>-1,490</b>

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

(100 million yen)

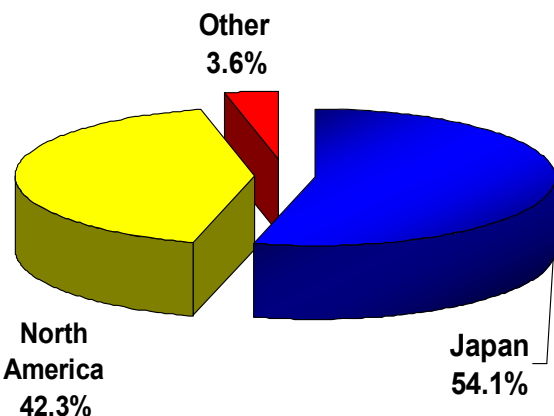
	<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
Automobile	555	171	-384
Aerospace	5	10	+5
Industrial Products	1	3	+2
Other	12	4	-9
Elimination and Corporate	-0	1	+1
<b>Total</b>	<b>573</b>	<b>188</b>	<b>-386</b>



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

(100 million yen)

## Percentage of total sales



	<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
<b>Japan</b>	<b>4,434</b>	<b>3,544</b>	<b>-890</b>
<b>North America</b>	<b>3,324</b>	<b>2,772</b>	<b>-552</b>
<b>Other</b>	<b>281</b>	<b>234</b>	<b>-47</b>
<b>Total</b>	<b>8,040</b>	<b>6,550</b>	<b>-1,490</b>



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

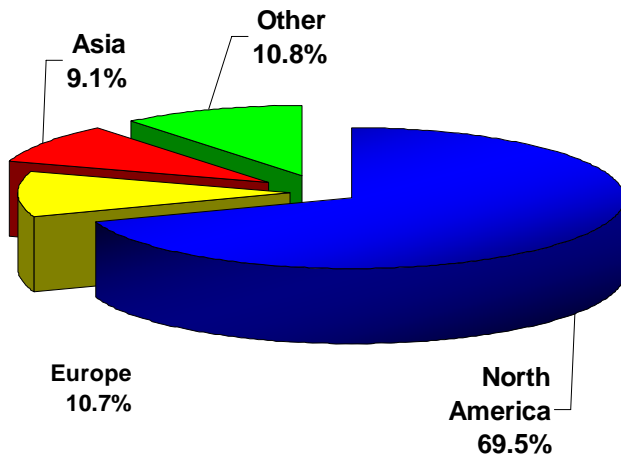
(100 million yen)

	<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
Japan	350	26	-324
North America	241	102	-140
Other	4	2	-1
Elimination and Corporate	-21	58	+79
<b>Total</b>	<b>573</b>	<b>188</b>	<b>-386</b>

# 1st Half : Overseas Net Sales <Appendix>

(100 million yen)

**Percentage of total sales**



	<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
North America	3,546	2,991	-556
Europe	635	459	-176
Asia	686	390	-296
Other	652	465	-187
<b>Total</b>	<b>5,520</b>	<b>4,305</b>	<b>-1,215</b>

# Operating Results of Subsidiaries in U.S.

(million US\$)

<b>SOA</b>	<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
Net Sales	\$3,122	\$2,861	-261
Operating Income	163	105	-58
Net Income	99	68	-31
Retail Sales (thousand units)	135.9	127.9	-8.0

<b>SIA</b>	<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
Net Sales	\$1,706	\$1,552	-\$154
Operating Income/Loss	78	-6	-84
Net Income/Loss	47	-3	-50
Subaru Production (thousand units)	77.8	68.6	-9.2

# Non-Operating Income & Expenses

(100 million yen)

	<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
<b>Non-Operating Income</b>	<b>79</b>	<b>86</b>	<b>+7</b>
Interest & dividends income	9	9	+0
Equity in earnings of affiliates	21	5	-17
<b>Non-Operating Expenses</b>	<b>64</b>	<b>57</b>	<b>-6</b>
Interest expenses	26	19	-7
<b>Net</b>	<b>15</b>	<b>28</b>	<b>+13</b>
<b>Financial Revenue and Expenditure</b>	<b>-17</b>	<b>-10</b>	<b>+7</b>
<b>FOREX Effects</b>	<b>14</b>	<b>44</b>	<b>+30</b>
Net of gain and loss on valuation of derivatives	34	57	+23
Net of FOREX gains and losses	-20	-13	+6

# Extraordinary Income & Expenses

(100 million yen)

	<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
<b>Extraordinary Income</b>	<b>10</b>	<b>271</b>	<b>+261</b>
Gain on sales noncurrent assets	1	265	+264
Other	9	6	-3
<b>Extraordinary Loss</b>	<b>41</b>	<b>85</b>	<b>+44</b>
Loss on sales and retirement of noncurrent assets	5	6	+1
Impairment loss	8	1	-8
Loss on disaster	-	73	+73
Loss on prior periods adjustment	13	-	-13
Other	14	5	-9
<b>Net</b>	<b>-31</b>	<b>186</b>	<b>+218</b>

# Consolidated Balance Sheets

(100 million yen)

	As of March 31, 2011	As of September 30, 2011	Increase/ Decrease
<b>Total Assets</b>	<b>11,883</b>	<b>12,669</b>	+786
Current Assets	6,103	7,082	+979
Noncurrent Assets	5,780	5,587	-193
<b>Interest Bearing Debts</b>	<b>3,306</b>	<b>3,866</b>	+560
<b>Net Assets</b>	<b>4,140</b>	<b>4,343</b>	+204
Retained Earnings	1,569	1,862	+293
Shareholder's Equity	4,127	4,330	+203
Shareholder's Equity to Total Assets	<b>34.7%</b>	<b>34.2%</b>	-0.5%
D/E ratio	<b>0.80</b>	<b>0.89</b>	+0.09

# 1st Half : Consolidated Statement of Cash Flows

(100 million yen)

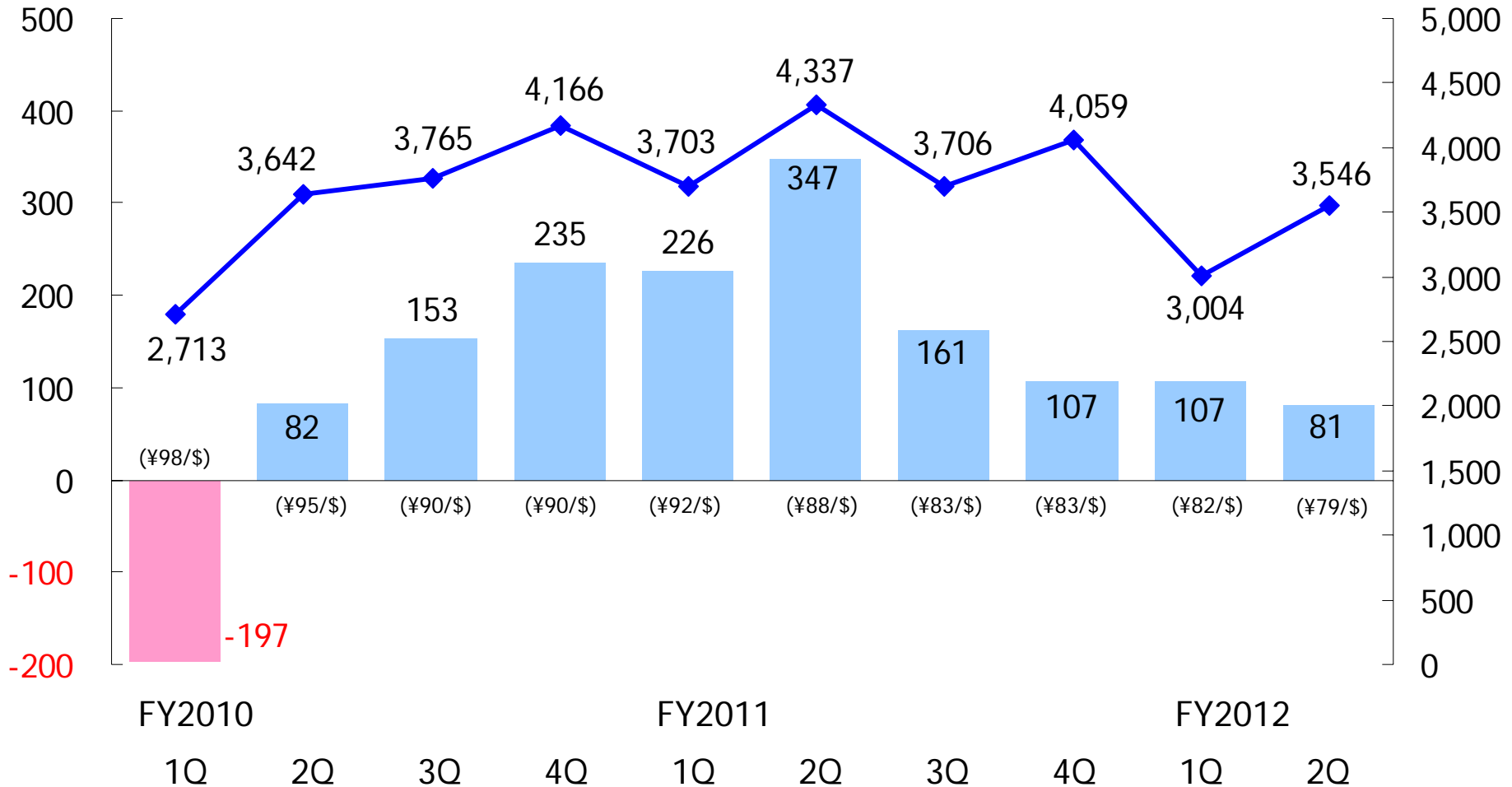
	<u>Actual Results</u> 1st Half FYE March 2011	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
Net Cash Provided by (used in) Operating Activities	905	-92	-997
Net Cash Provided by (used in ) Investing Activities	-265	140	+405
Free Cash Flows	640	47	-593
Net Cash Provided by (used in) Financing Activities	-292	522	+813
Effect of Exchange Rate Change on Cash and Cash Equivalents	-121	-53	+68
Net Increase (Decrease) in Cash and Cash Equivalents	227	516	+289
<b>Cash and Cash equivalents at End of Period</b>	<b>2,142</b>	<b>2,793</b>	<b>+651</b>



# Net Sales & Operating Income <Appendix>

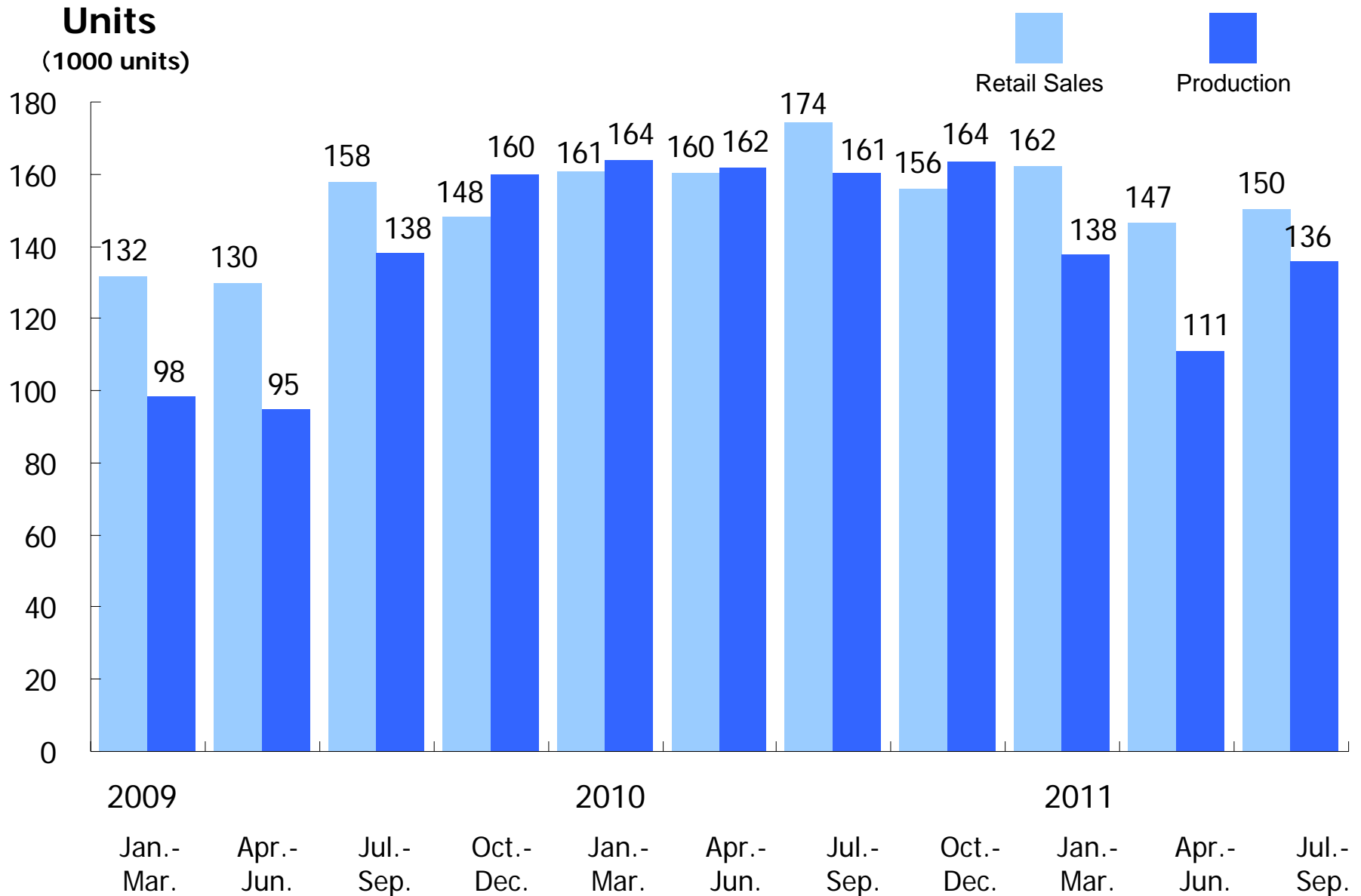
**Operating Income**  
(100 million yen)

**Net Sales**  
(100 million yen)





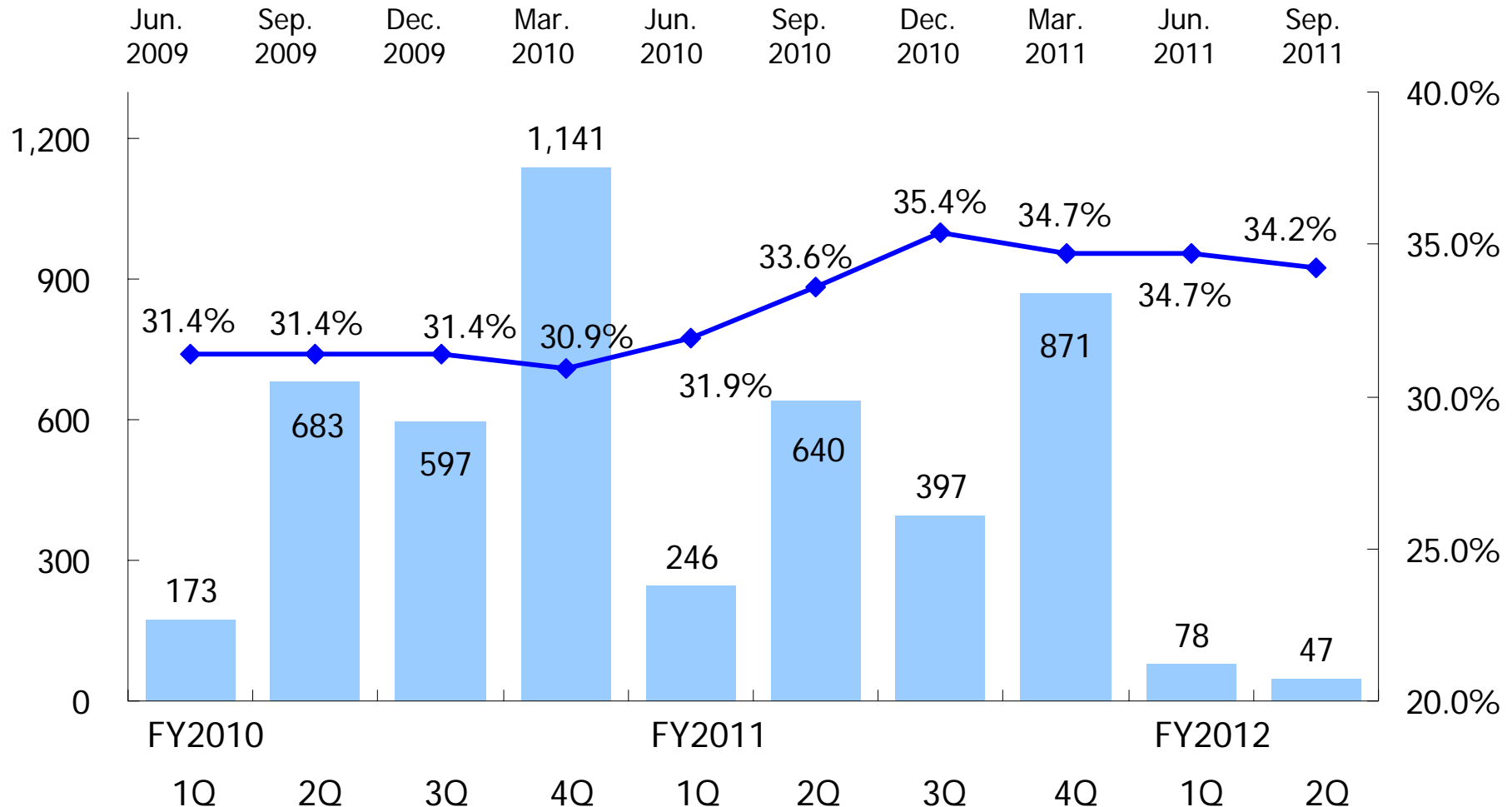
# Retail Sales & Complete Cars Production <Appendix>



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

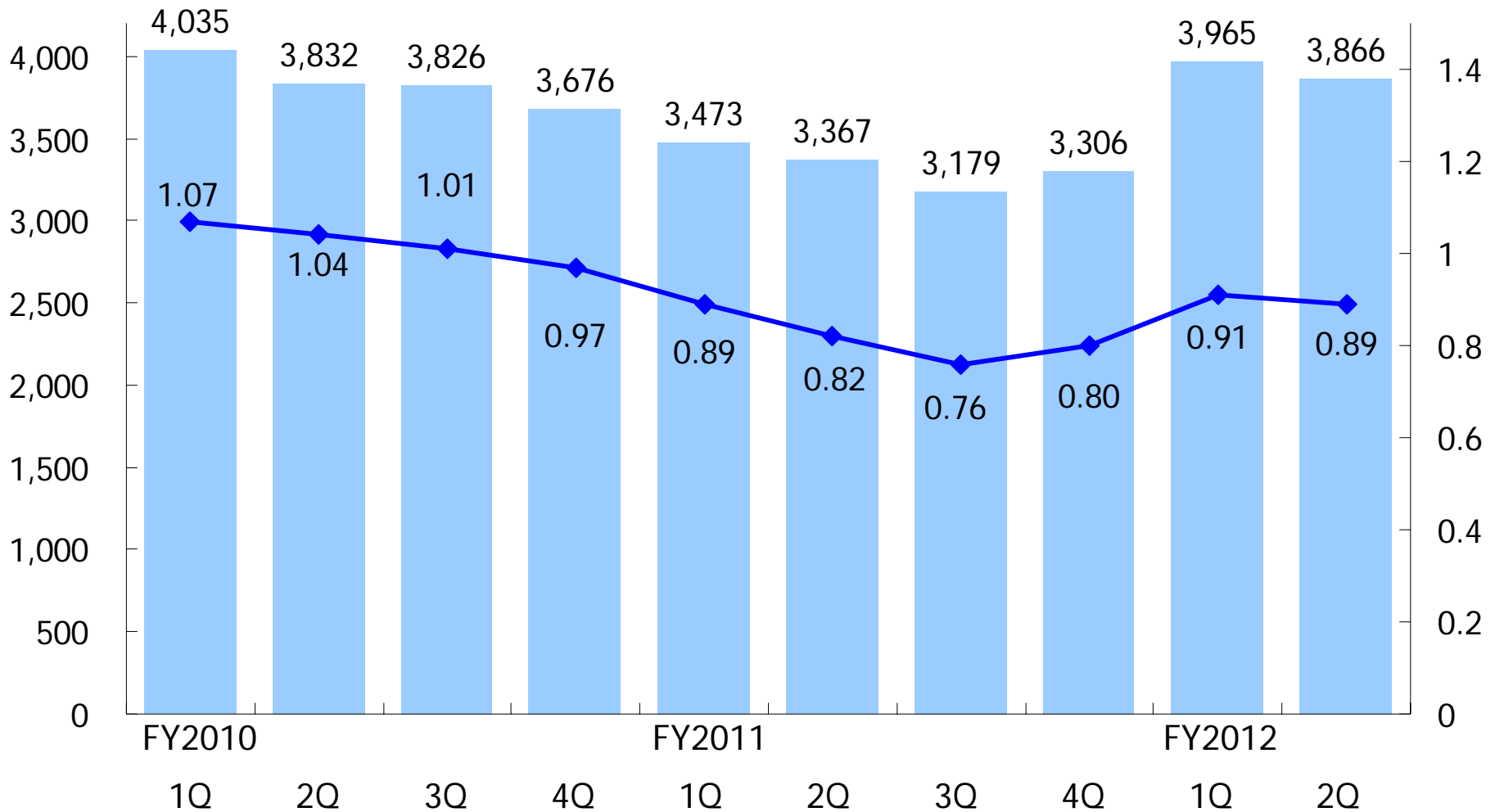
**FCF** in bar graph  
(100 million yen)

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



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

**D/E ratio**



(thousand units)

	<u>Actual Results</u> 2Q FYE March 2011	<u>Actual Results</u> 2Q FYE March 2012	Increase/ Decrease
<b>Domestic Production</b>	<b>244.6</b>	<b>178.0</b>	<b>-66.6</b>
<b>Domestic Sales</b>	<b>92.3</b>	<b>76.2</b>	<b>-16.0</b>
Passenger Car	40.0	38.1	-1.9
Minicar	52.3	38.2	-14.1
<b>Number of Vehicles Exported</b>	<b>164.8</b>	<b>114.2</b>	<b>-50.6</b>
<b>Components for Overseas Production</b>	<b>77.1</b>	<b>72.7</b>	<b>-4.4</b>
<b>Total</b>	<b>334.2</b>	<b>263.1</b>	<b>-71.0</b>

(thousand units)

		<u>Actual Results</u> 2Q FYE March 2011	<u>Actual Results</u> 2Q FYE March 2012	Increase/ Decrease
	Passenger Car	25.0	20.2	-4.8
	Minicar	28.0	21.6	-6.4
<b>Domestic Total</b>		<b>53.1</b>	<b>41.8</b>	<b>-11.3</b>
	<b>U.S.</b>	70.9	61.7	-9.1
	<b>Canada</b>	6.6	5.8	-0.9
	<b>Russia</b>	3.2	3.9	+0.7
	<b>Europe</b>	13.3	6.9	-6.4
	<b>Australia</b>	9.7	9.4	-0.2
	<b>China</b>	15.5	13.0	-2.5
	<b>Others</b>	8.6	5.1	-3.5
<b>Overseas Total</b>		<b>127.8</b>	<b>105.8</b>	<b>-22.0</b>
<b>Total</b>		<b>180.8</b>	<b>147.6</b>	<b>-33.2</b>

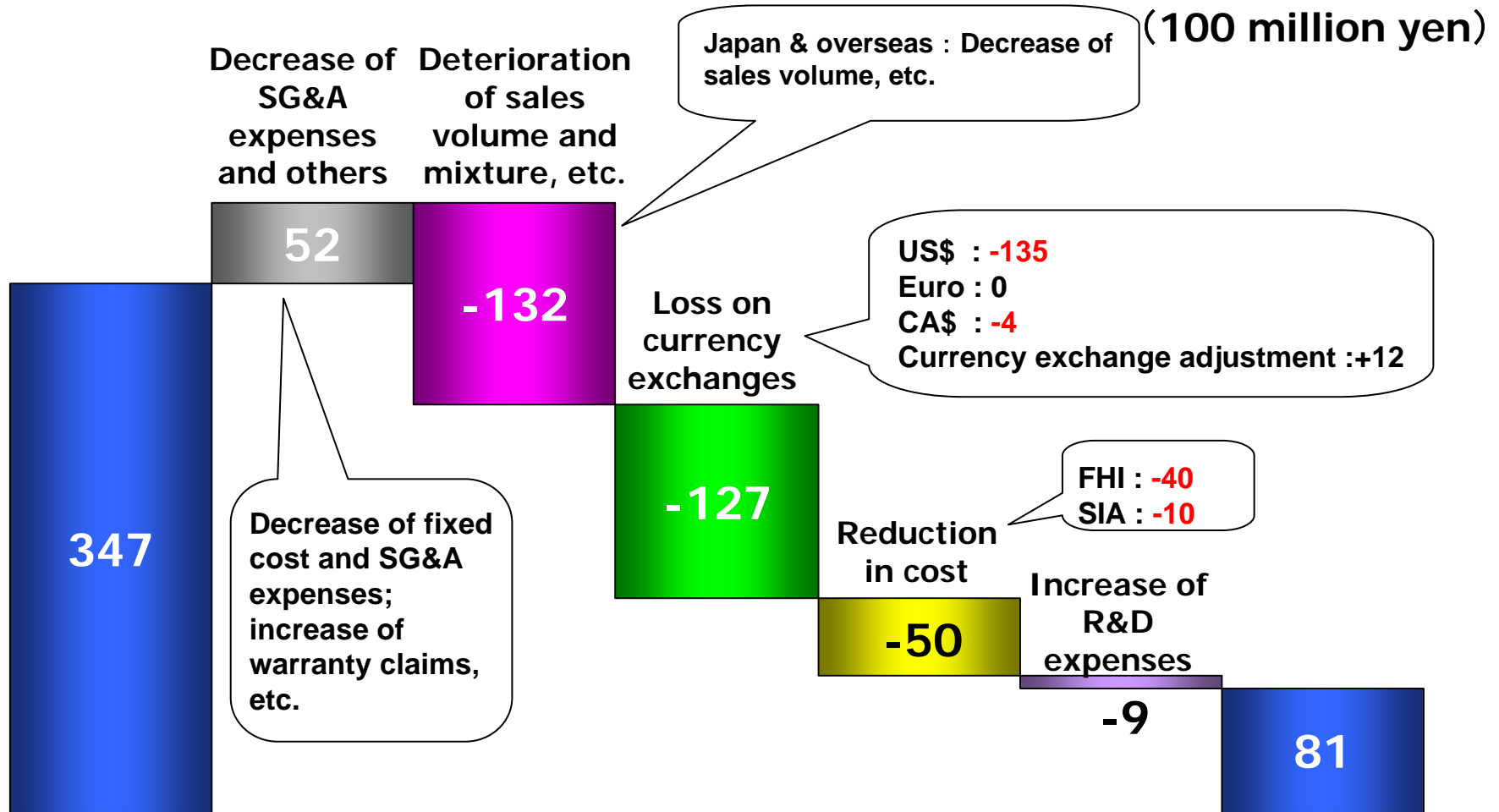
# 2nd Quarter : Consolidated Operating <Appendix>

(100 million yen)

	<u>Actual Results</u> 2Q FYE March 2011	<u>Actual Results</u> 2Q FYE March 2012	Increase/ Decrease
<b>Net Sales</b>	<b>4,337</b>	<b>3,546</b>	<b>-791</b>
Domestic	1,475	1,257	-218
Overseas	2,862	2,290	-572
<b>Operating Income</b>	<b>347</b>	<b>81</b>	<b>-266</b>
<b>Ordinary Income</b>	<b>346</b>	<b>99</b>	<b>-247</b>
<b>Income Before Income Taxes and Minority Interests</b>	<b>312</b>	<b>79</b>	<b>-233</b>
<b>Net Income</b>	<b>254</b>	<b>43</b>	<b>-211</b>
<b>FHI Exchange Rate</b>	¥88/US\$	¥79/US\$	<b>-¥9/US\$</b>



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



Operating Income  
2Q  
FYE March 2011

**- 26.6 billion**

Plan  
Operating Income  
2Q  
FYE March 2012

# Outlook for the term Ending 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	72.6	+4.5
	Minicar	90.0	96.1	+6.1
<b>Domestic Total</b>		<b>158.1</b>	<b>168.7</b>	<b>+10.6</b>
	U.S.	279.0	281.6	+2.6
	Canada	28.1	27.2	-0.9
	Russia	11.3	15.0	+3.6
	Europe	48.2	37.4	-10.9
	Australia	41.2	36.5	-4.6
	China	62.4	55.1	-7.3
	Others	28.7	23.1	-5.7
<b>Overseas Total</b>		<b>498.9</b>	<b>475.8</b>	<b>-23.0</b>
<b>Total</b>		<b>657.0</b>	<b>644.5</b>	<b>-12.4</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	4,700	+27
Overseas	11,132	10,100	-1,032
<b>Operating Income</b>	<b>841</b>	<b>300</b>	<b>-541</b>
<b>Ordinary Income</b>	<b>822</b>	<b>290</b>	<b>-532</b>
<b>Income Before Income Taxes and Minority Interests</b>	<b>632</b>	<b>460</b>	<b>-172</b>
<b>Net Income</b>	<b>503</b>	<b>360</b>	<b>-143</b>
<b>FHI Exchange Rate</b>	¥86/US\$	¥78/US\$	<b>-¥8/US\$</b>



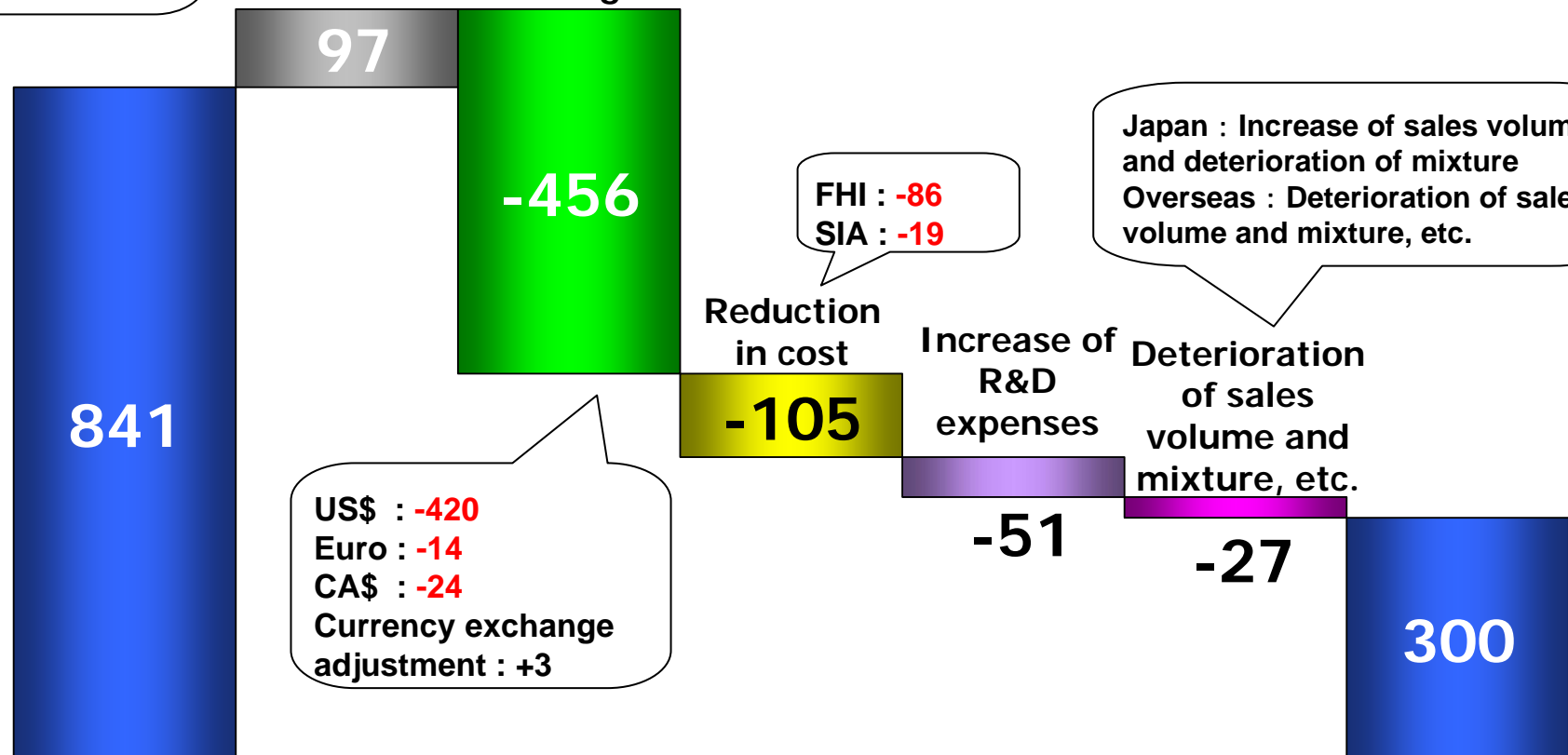
# Full Year : Analysis of Increase and Decrease in Operating Income Changes (consolidated) <Appendix>

(100 million yen)

Decrease of SG&A expenses, warranty claims, etc.

Decrease of SG&A expenses and others

Loss on currency exchanges



Operating Income  
FYE March 2011

**- 54.1 billion**

Plan  
Operating Income  
FYE March 2012

# 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	\$6,758	\$6,900	+142
Operating Income	116	52	-64
Net Income	83	38	-45
Retail Sales (thousand units)	272.5	270.8	-1.7

<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	\$3,748	\$3,844	+\$96
Operating Income	94	68	-26
Net Income	57	44	-13
Subaru Production (thousand units)	164.8	170.0	+5.2

# Capex / Depreciation / R&D <Appendix>

(100 million yen)

	<u>Actual Results</u> 1st Half FYE 2011	<u>Actual Results</u> FYE 2011 (a)	<u>Actual Results</u> 1st Half FYE 2012	<u>Plan</u> FYE 2012 (b)	Increase / Decrease (b) – (a)
Capex	220	431	276	600	+169
Depreciation	240	498	254	550	+52
R&D	203	429	229	480	+51
Interest Bearing Debt	3,367	3,306	3,866	3,500	+194



# 2nd Half : Consolidated Automobile Sales Plan

<Appendix>

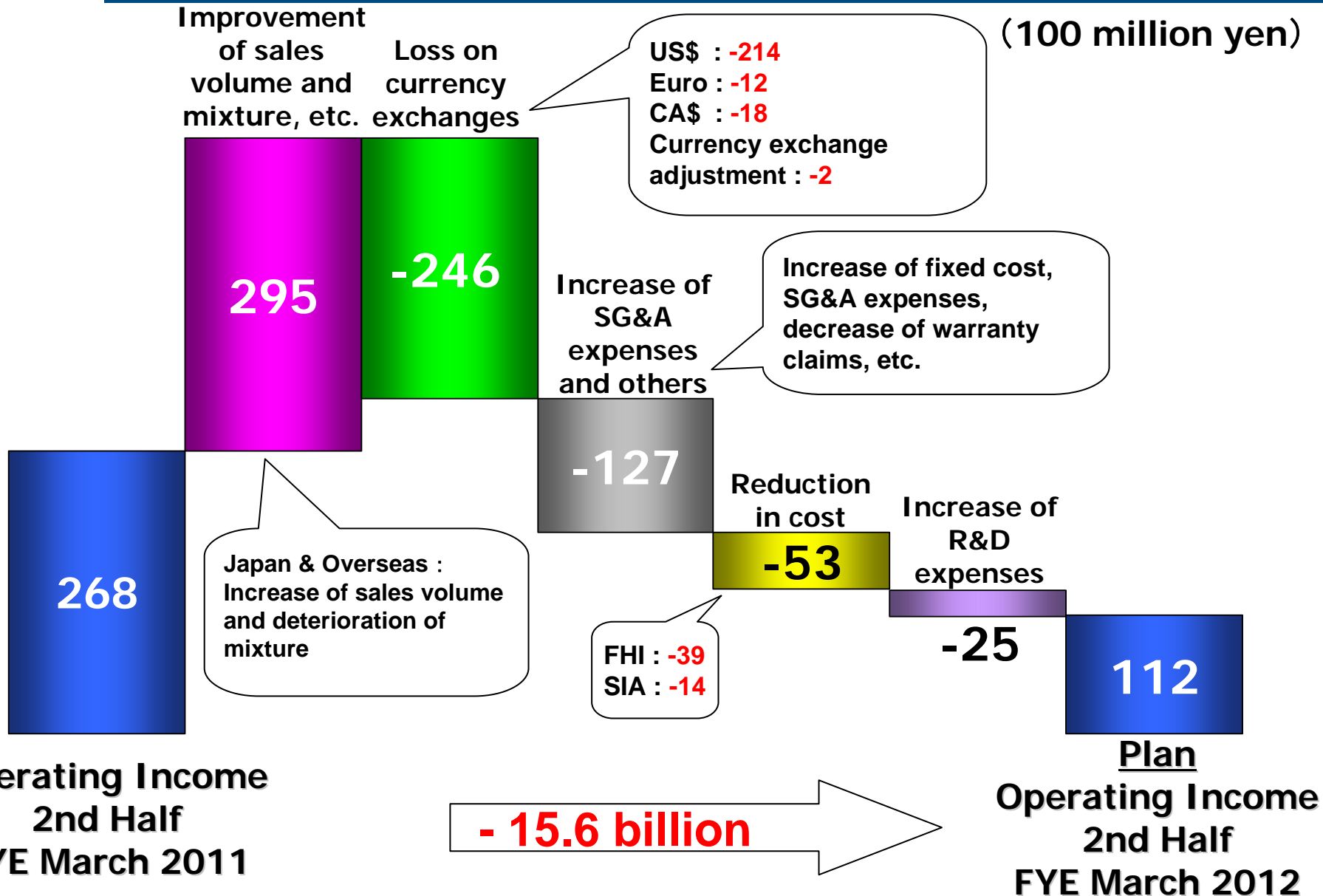
(thousand units)

		<u>Actual Results</u> 2nd Half FYE March 2011	<u>Plan</u> 2nd Half FYE March 2012	Increase/ Decrease
	Passenger Car	30.4	36.7	+6.3
	Minicar	39.2	59.4	+20.2
<b>Domestic Total</b>		<b>69.6</b>	<b>96.1</b>	<b>+26.5</b>
	<b>U.S.</b>	149.8	168.0	+18.2
	<b>Canada</b>	13.1	12.5	-0.6
	<b>Russia</b>	6.6	9.4	+2.8
	<b>Europe</b>	23.6	22.8	-0.8
	<b>Australia</b>	19.7	20.2	+0.5
	<b>China</b>	30.4	36.2	+5.8
	<b>Others</b>	12.9	13.3	+0.4
<b>Overseas Total</b>		<b>256.2</b>	<b>282.5</b>	<b>+26.3</b>
<b>Total</b>		<b>325.8</b>	<b>378.6</b>	<b>+52.8</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>8,250</b>	+484
Domestic	2,153	2,455	+301
Overseas	5,612	5,795	+183
<b>Operating Income</b>	<b>268</b>	<b>112</b>	<b>-155</b>
<b>Ordinary Income</b>	<b>234</b>	<b>74</b>	<b>-160</b>
<b>Income Before Income Taxes and Minority Interests</b>	<b>75</b>	<b>58</b>	<b>-17</b>
<b>Net Income</b>	<b>58</b>	<b>32</b>	<b>-25</b>
<b>FHI Exchange Rate</b>	¥83/US\$	¥77/US\$	<b>-¥6/US\$</b>

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



## <Appendix> Difference from Previous Outlook within 1Q

# 1st Half : Consolidated Automobile Sales

## Plan vs. Actual Results <Appendix>

(thousand units)

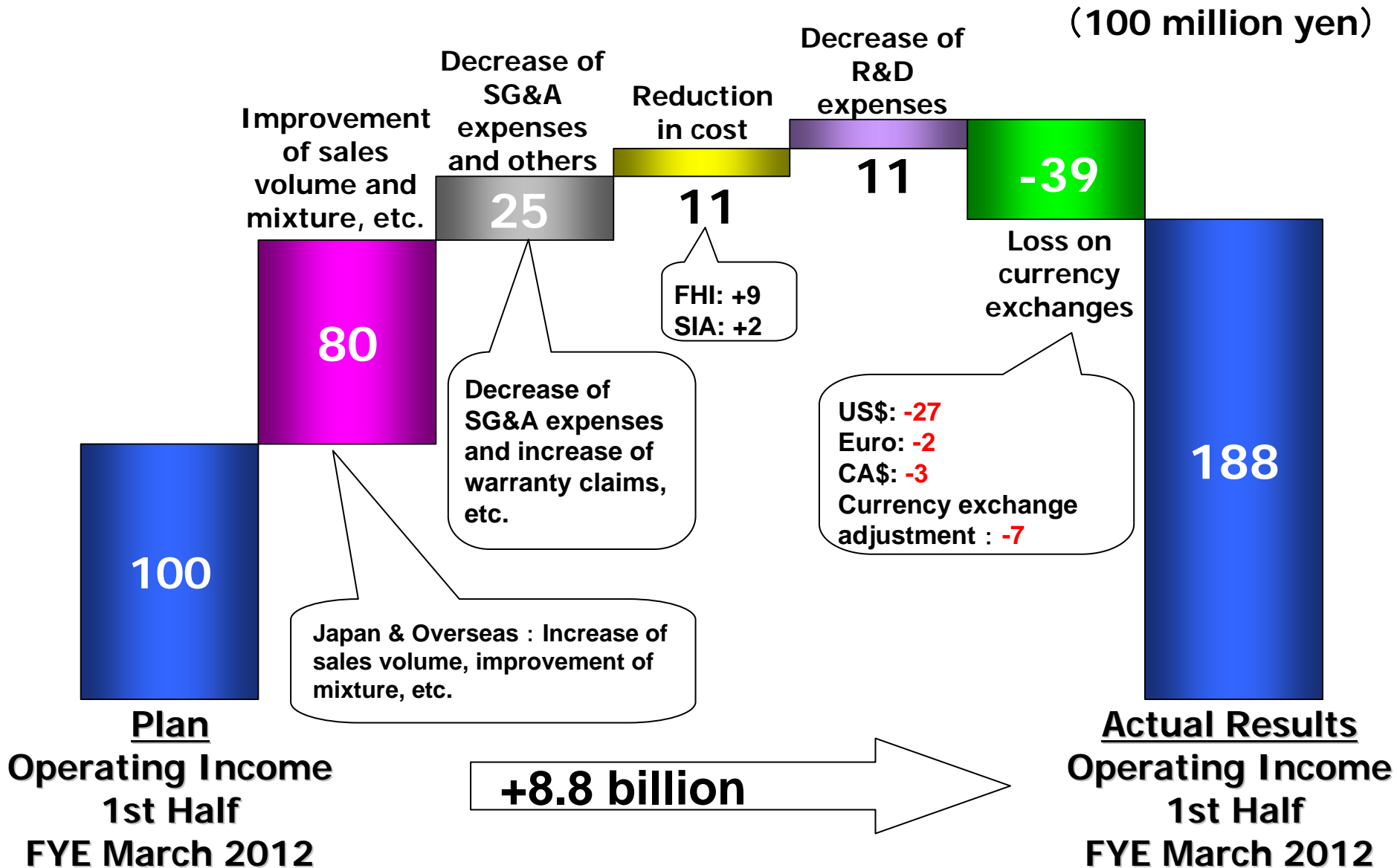
		<u>Plan</u> 1st Half FYE March 2012	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
	Passenger Car	33.3	35.9	+2.5
	Minicar	37.1	36.7	-0.3
<b>Domestic Total</b>		<b>70.4</b>	<b>72.6</b>	<b>+2.2</b>
	U.S.	111.0	113.5	+2.5
	Canada	14.7	14.7	0
	Russia	5.7	5.6	-0.1
	Europe	14.9	14.6	-0.4
	Australia	16.1	16.4	+0.3
	China	17.4	18.9	+1.5
	Others	9.3	9.7	+0.4
<b>Overseas Total</b>		<b>189.1</b>	<b>193.3</b>	<b>+4.2</b>
<b>Total</b>		<b>259.5</b>	<b>265.9</b>	<b>+6.4</b>

# 1st Half : Consolidated Statement of Income Plan vs. Actual Results <Appendix>

(100 million yen)

	<u>Plan</u> 1st Half FYE March 2012	<u>Actual Results</u> 1st Half FYE March 2012	Increase/ Decrease
<b>Net Sales</b>	<b>6,500</b>	<b>6,550</b>	+50
Domestic	2,105	2,245	+140
Overseas	4,395	4,305	-90
<b>Operating Income</b>	<b>100</b>	<b>188</b>	+88
<b>Ordinary Income</b>	<b>80</b>	<b>216</b>	+136
<b>Income Before Income Taxes and Minority Interests</b>	<b>270</b>	<b>402</b>	+132
<b>Net Income</b>	<b>230</b>	<b>328</b>	+98
<b>FHI Exchange Rate</b>	¥81/US\$	¥80/US\$	-¥1/US\$

# 1st Half : Analysis of Increase and Decrease in Operating Income Changes Plan vs. Results <Appendix>





# Full Year : Consolidated Automobile Sales Previous Plan vs. Revised Plan <Appendix>

(thousand units)

		<u>Previous Plan</u> FYE March 2012	<u>Revised Plan</u> FYE March 2012	Increase/ Decrease
	Passenger Car	70.7	72.6	+1.9
	Minicar	93.2	96.1	+3.0
<b>Domestic Total</b>		<b>163.8</b>	<b>168.7</b>	<b>+4.9</b>
	<b>U.S.</b>	274.3	281.6	+7.2
	<b>Canada</b>	27.2	27.2	0
	<b>Russia</b>	13.6	15.0	+1.4
	<b>Europe</b>	37.8	37.4	-0.4
	<b>Australia</b>	36.4	36.5	+0.1
	<b>China</b>	54.9	55.1	+0.2
	<b>Others</b>	23.8	23.1	-0.8
<b>Overseas Total</b>		<b>468.0</b>	<b>475.8</b>	<b>+7.8</b>
<b>Total</b>		<b>631.8</b>	<b>644.5</b>	<b>+12.7</b>

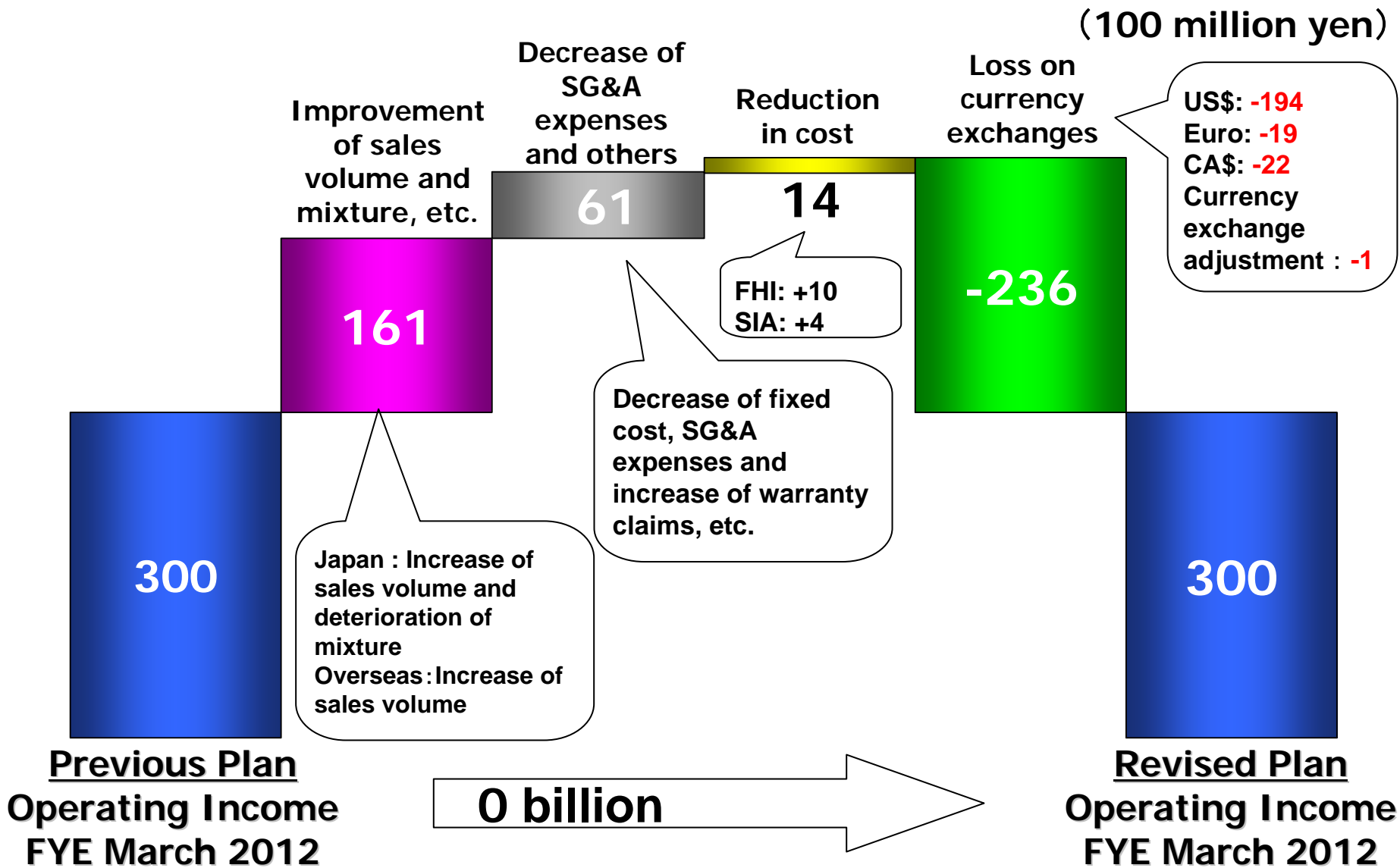
# Full Year : Consolidated Statement of Income

## Previous Plan vs. Revised Plan <Appendix>

(100 million yen)

	<u>Previous Plan</u> FYE March 2012	<u>Revised Plan</u> FYE March 2012	Increase/ Decrease
<b>Net Sales</b>	<b>14,800</b>	<b>14,800</b>	0
Domestic	4,500	4,700	+200
Overseas	10,300	10,100	-200
<b>Operating Income</b>	<b>300</b>	<b>300</b>	0
<b>Ordinary Income</b>	<b>250</b>	<b>290</b>	+40
<b>Income Before Income Taxes and Minority Interests</b>	<b>430</b>	<b>460</b>	+30
<b>Net Income</b>	<b>350</b>	<b>360</b>	+10
<b>FHI Exchange Rate</b>	¥81/US\$	¥78/US\$	-¥3/US\$

# Full Year : Analysis of Increase and Decrease in Operating Income Previous Plan vs. Revised Plan <Appendix>





*Thank you !*