



## Presentation of Business Results for the 1st Half of FYE 2015

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<http://www.fhi.co.jp/english/ir/index.html>

# Summary



## Financial results for the 1st half of FYE March 2015

- Due to healthy sales in overseas such as new LEGACY / OUTBACK launched in North America, consolidated automobile sales set an all-time record high as 1st half.
- In addition to increase in sales volume, gain on currency exchange and cost reduction brought all-time record high in net sales and all profit levels for the 1st half.

	Net sales	Operating income	Ordinary income	Net income	Automobile sales
Actual results (YoY)	¥1,310.2bil. (+¥184.6bil.)	¥185.7bil. (+¥35.0bil.)	¥176.0bil. (+¥29.7bil.)	¥113.0bil. (+¥13.2bil.)	431.6k (+39.0k)

## Projections for the FYE March 2015

- Due to a depreciation of yen on top of strong sales momentum continued in North America, business projections for the FYE March 2015 is upwardly-revised.
- Increase of sales volume by new models, such as LEGACY / OUTBACK and LEVORG, will offset increase of SG&A expenses. Full year projections of net sales and all profit levels will be all time record high for the 3rd straight year.

	Net sales	Operating income	Ordinary income	Net income	Automobile sales
Plan (YoY)	¥2,780.0bil. (+¥371.9bil.)	¥382.0bil. (+¥55.5bil.)	¥370.0bil. (+¥55.6bil.)	¥241.0bil. (+¥34.4bil.)	909.4k (+84.3k)

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## Business results for the 1st half of FYE March 2015

## 1st Half : Consolidated Automobile Sales



(Thousand Units)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Passenger car	61.7	56.5	-5.3
Minicar	25.6	15.1	-10.5
<b>Domestic total</b>	<b>87.3</b>	<b>71.5</b>	<b>-15.8</b>
U.S.	208.9	249.9	+41.0
Canada	18.7	22.1	+3.4
Russia	6.8	8.6	+1.8
Europe	15.3	15.6	+0.3
Australia	21.3	19.3	-2.0
China	18.9	28.7	+9.8
Others	15.4	15.9	+0.5
<b>Overseas total</b>	<b>305.3</b>	<b>360.1</b>	<b>+54.8</b>
<b>Total</b>	<b>392.6</b>	<b>431.6</b>	<b>+39.0</b>

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\* China figures are consolidated on the calendar year basis from Jan. to Jun.

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Consolidated automobile sales for the first six months of the fiscal year ending March 2015 totaled 431.6 thousand units. This was the highest first half sales figure ever recorded.

Domestic sales fell 15.8 thousand units year on year to hit 71.5 thousand units due to the prolonged impact of the consumption tax hike despite upbeat sales of the newly launched Levorg and the all new WRX.

Sales in overseas markets rose 54.8 thousand units to total 360.1 thousand units. This increase was due to robust performance in the U.S. market where sales of the Legacy, which was given a major face-lift, got off to a good start while sales of existing models like the Forester remained up.

## 1st Half : Consolidated Income Statements



(100 Million Yen)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
<b>Net sales</b>	<b>11,256</b>	<b>13,102</b>	<b>+1,846</b>
Domestic	3,306	2,928	-378
Overseas	7,951	10,174	+2,224
<b>Operating income</b>	<b>1,507</b>	<b>1,857</b>	<b>+350</b>
Total non-operating income & expenses	-45	-97	-52
<b>Ordinary income</b>	<b>1,462</b>	<b>1,760</b>	<b>+297</b>
Total extraordinary income & loss	-9	-13	-3
<b>Income before taxes and minority interests</b>	<b>1,453</b>	<b>1,747</b>	<b>+294</b>
<b>Net income</b>	<b>998</b>	<b>1,130</b>	<b>+132</b>
FHI exchange rate	¥98/US\$	¥102/US\$	+¥4/US\$

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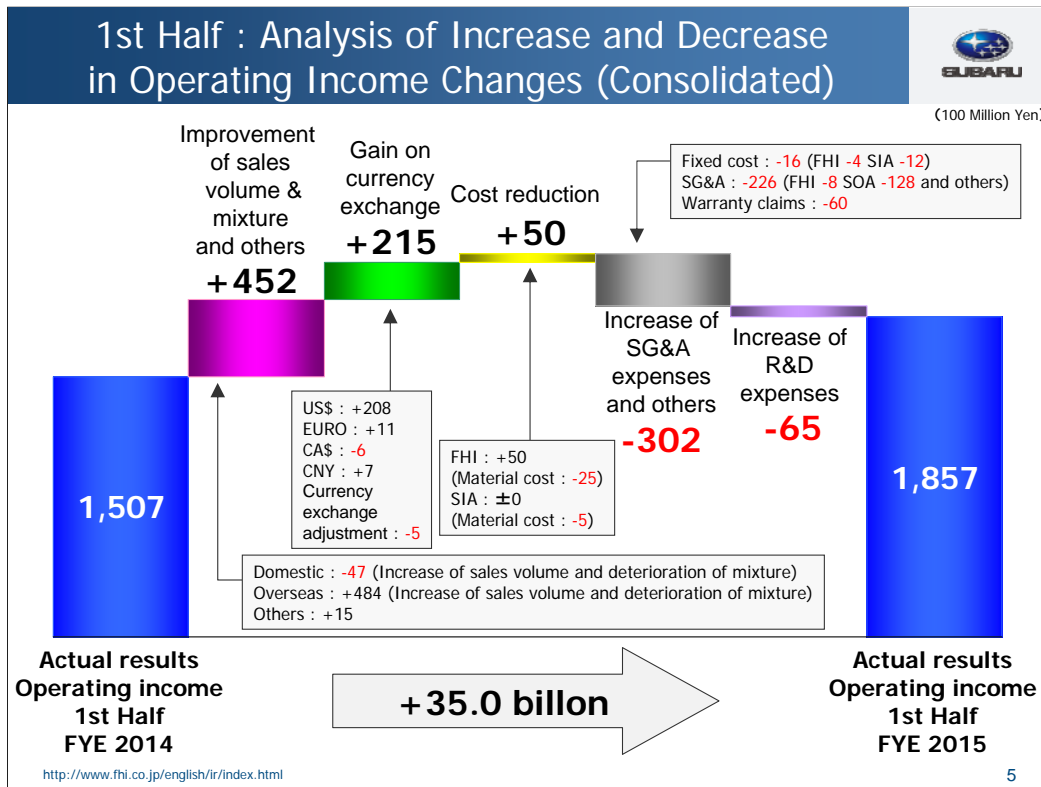
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Figures for net sales and all income categories were the highest they have ever been for any six-month period.

Net sales increased 184.6 billion yen year on year to total 1,310.2 billion yen. The main factors behind this increase include a foreign exchange gain of 39.9 billion yen, a 7.1 billion yen increase in sales at Fuji Heavy Industries (FHI) companies, etc., as well as a gain of 137.6 billion yen due to better sales mix variances resulting from higher sales volumes in overseas markets.

Operating income rose 35.0 billion yen year on year to total 185.7 billion yen. This uptick mainly came from better sales mix variances resulting from increased sales volumes, foreign exchange gains, and reduced materials costs, etc., all of which offset the increase in SG&A and R&D expenses.

Ordinary income was up 29.7 billion yen to reach 176.0 billion yen while income before income taxes and minority interests increased 29.4 billion yen to hit 174.7 billion yen. Net income climbed 13.2 billion yen to reach 113.0 billion yen.



Now let's look at the reasons behind the year-on-year increase of 35.0 billion yen in operating income that went from 150.7 billion yen to 185.7 billion yen.

The primary reason for the increase in operating income was a gain of 45.2 billion yen due to better sales mix variances. This gain can be broken down into the following three areas.

First, we saw a loss of 4.7 billion yen in domestic new car sales. While our new model, the Levorg, and the all new WRX were steadily making headway in the market, the prolonged impact of the consumption tax hike put a damper on sales of minicars and existing models, leading to lower sales volumes and a poorer sales mix.

Next, we saw a gain of 48.4 billion yen in overseas new car sales thanks to higher sales volumes in China and the U.S. where the new Legacy was launched.

Then finally, we had a gain of 1.5 billion yen due to inventory adjustments.

Another contributing factor that brought operating income up was a foreign exchange gain of 21.5 billion yen. This includes a gain of 20.8 billion yen due to an approximate 4 yen depreciation against the U.S. dollar, a gain of 1.1 billion yen due to an approximate 10 yen depreciation against the euro, and a loss of 0.6 billion yen due to an approximate 2 yen appreciation against the Canadian dollar, as well as a gain of 0.7 billion yen resulting from currency translations between the yen and the Chinese yuan. This figure also includes a loss of 0.5 billion yen due to foreign exchange adjustments for transactions between FHI and its overseas subsidiaries.

Another factor behind the jump in operating income was a gain of 5.0 billion yen from cost cuts. This includes a gain of 5.0 billion yen generated by FHI on top of zero gains and losses at SIA. FHI saw a gain of 7.5 billion yen due to cost reductions resulting from increased production, etc. and a loss of 2.5 billion yen due to higher materials costs and worsened market conditions. SIA yielded a gain of 0.5 billion yen through cost reductions and a loss of 0.5 billion yen due to higher material prices, etc.

The main factor bringing operating income down was a loss of 30.2 billion yen due to increases in SG&A expenses. This loss can be broken down into the following three areas.

First, we saw a loss of 1.6 billion yen due to an increase in fixed manufacturing costs. This includes a loss of 0.4 billion yen generated by FHI as well as a loss of 1.2 billion yen coming from SIA. FHI generated a gain of 2.8 billion yen due to lower costs for supplier dies and a loss of 3.2 billion yen due to higher fixed processing costs while SIA lost 0.1 billion yen due to higher costs for supplier dies and lost 1.1 billion yen due to an increase in fixed processing costs.

The second factor is a loss of 22.6 billion yen due to an increase in SG&A expenses. FHI lost 0.8 billion yen due primarily to mounting transportation and packing costs that went hand in hand with the increasing sales volume. The 22.6 billion yen loss also includes a gain of 0.6 billion yen at domestic dealers, a loss of 12.8 billion yen generated at SOA, a loss of 1.2 billion yen at our Canadian subsidiary, and a loss of 8.4 billion yen from other operations.

The third and last factor includes an increase in costs associated with warranty claims that led to a loss of 6.0 billion yen. Finally, an increase in R&D expenses resulted in a loss of 6.5 billion yen.

These factors combined brought consolidated operating income for the first six-month period of the fiscal year ending March 2015 up 35.0 billion yen to total 185.7 billion yen.

## Consolidated Balance Sheets



(100 Million Yen)

	As of Mar. 31 2014	As of Sep. 30 2014	Increase / Decrease
Total assets	<b>18,884</b>	<b>19,868</b>	<b>+985</b>
Current assets	12,738	13,096	+358
Noncurrent assets	6,146	6,772	+627
Interest bearing debts	<b>2,697</b>	<b>2,322</b>	<b>-375</b>
Net assets	<b>7,701</b>	<b>8,809</b>	<b>+1,109</b>
Retained earnings	4,839	5,725	+886
Shareholder's equity	7,655	8,739	+1,084
Shareholder's equity to total assets	40.5%	44.0%	+3.5
D/E ratio	0.35	0.27	<b>-0.09</b>

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Despite tax and dividend payments for the previous fiscal year, total assets were up 98.5 billion yen from what they were at the end of March 2014 to reach 1,986.8 billion yen. This increase was due to an jump in net income as well as the weak yen.

Interest-bearing debt was down 37.5 billion yen to total 232.2 billion yen due partially to the redemption of corporate bonds in July. Net assets rose 110.9 billion yen to reach 880.9 billion yen.

The shareholders' equity to total assets ratio was 44.0% while the debt-to-equity ratio stood at 0.27.

## 1st Half : Consolidated Statement of Cash Flows



(100 Million Yen)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
<b>Net cash provided by (used in) operating activities</b>	<b>1,579</b>	<b>1,347</b>	<b>-232</b>
<b>Net cash provided by (used in) investing activities</b>	<b>-381</b>	<b>-637</b>	<b>-255</b>
Free cash flows	1,198	711	-487
<b>Net cash provided by (used in) financing activities</b>	<b>-243</b>	<b>-627</b>	<b>-384</b>
Effect of exchange rate change on cash and cash equivalents	59	95	+37
Net increase (Decrease) in cash and cash equivalents	1,014	179	-835
<b>Cash and cash equivalents at end of period</b>	<b>4,305</b>	<b>5,758</b>	<b>-</b>

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Net cash flow from operating activities amounted to an inflow of 134.7 billion yen due primarily to net income before taxes and minority interests of 174.7 billion yen despite a payment of corporate income tax, etc., totaling 123.9 billion yen.

Net cash flow from investing activities amounted to an outflow of 63.7 billion yen for investments aimed at boosting production capacity.

Free cash flow totaled 71.1 billion yen.

Net cash flow from financing activities resulted in an outflow of 62.7 billion yen due to the repayment of loans, dividend payments, etc.



## 1st Half : Operating Results of Subsidiaries in U.S.



(Million US\$)

SOA	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Net sales	5,179	6,313	+1,134
Operating income	117	218	+101
Net income	72	133	+61
Retail sales (Thousand units)	220.3	262.4	+42.1
SIA	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Net sales	1,883	2,094	+211
Operating income	88	77	-11
Net income	56	51	-5
Subaru production (Thousand units)	80.3	92.1	+11.8

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SOA's retail sales climbed 42.1 thousand units year on year to reach 262.4 thousand units as sales of the Forester, the XV and the new Legacy Outback remained upbeat.

Net sales also jumped 1,134 million dollars year on year to total 6,313 million dollars.

Operating income was up 101 million dollars year on year to total 218 million dollars. This increase comes from a gain of 230 million dollars due to favorable sales volume and mix variances despite a loss of 129 million dollars from higher SG&A expenses.

SIA saw net sales soar 211 million dollars to hit 2,094 million dollars.

Operating income, on the other hand, was down 11 million dollars to total 77 million dollars. The factors behind the decrease include a gain of 1 million dollars from sales price and volume variances as well as a loss of 12 million dollars due to higher fixed costs.



## Outlook for the FYE March 2015

## Full Year : Consolidated Automobile Sales



(Thousand Units)

	Actual results FYE 2014	Plan FYE 2015	Increase / Decrease
Passenger car	126.1	125.7	-0.4
Minicar	55.5	40.8	-14.7
<b>Domestic total</b>	<b>181.6</b>	<b>166.5</b>	<b>-15.1</b>
U.S.	441.8	513.2	+71.4
Canada	36.0	40.7	+4.6
Russia	15.3	18.7	+3.4
Europe	31.8	36.0	+4.2
Australia	39.5	38.2	-1.3
China	44.8	60.0	+15.2
Others	34.3	36.1	+1.9
<b>Overseas total</b>	<b>643.5</b>	<b>742.8</b>	<b>+99.4</b>
<b>Total</b>	<b>825.1</b>	<b>909.4</b>	<b>+84.3</b>

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\* China figures are consolidated on the calendar year basis from Jan. to Dec.

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Consolidated automobile sales for the fiscal year ending March 2015 is projected to reach 909.4 thousand units.

After factoring in the impact the consumption tax hike will have on the Japanese market, we revised our global automobile sales forecast that was announced at the end of the first quarter. Even though it's 6.6 thousand units shy of what was previously projected, we are still aiming to set a new record high in automobile sales once again for the third year in a row.

Domestic sales are projected to fall 15.1 thousand units year on year to total 166.5 thousand units due to a decline in minicar sales although the launch of new models like the Levorg, the WRX, the Legacy, etc. will keep passenger vehicle sales at last year's level.

Continuing upbeat sales in the U.S. market as well as our efforts to increase sales volumes in other markets should drive overseas sales up 99.4 thousand units to hit 742.8 thousand units.

## Full Year : Consolidated Operating Plan



(100 Million Yen)

	Actual results FYE 2014	Plan FYE 2015	Increase / Decrease
<b>Net sales</b>	<b>24,081</b>	<b>27,800</b>	<b>+3,719</b>
Domestic	6,721	6,582	-138
Overseas	17,361	21,218	+3,857
<b>Operating income</b>	<b>3,265</b>	<b>3,820</b>	<b>+555</b>
<b>Ordinary income</b>	<b>3,144</b>	<b>3,700</b>	<b>+556</b>
<b>Income before income taxes and minority interests</b>	<b>3,289</b>	<b>3,640</b>	<b>+351</b>
<b>Net income</b>	<b>2,066</b>	<b>2,410</b>	<b>+344</b>
FHI exchange rate	¥100/US\$	¥104/US\$	+¥4/US\$

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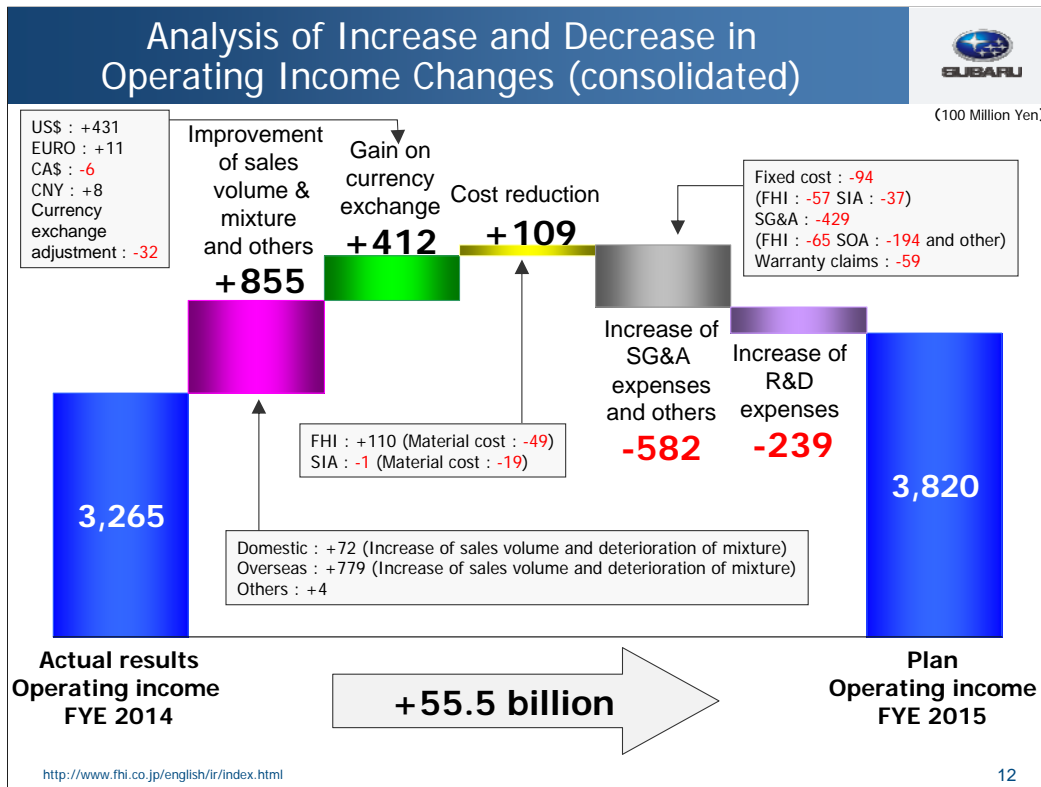
In addition to consolidated sales volumes, we also made upward revisions to all our previous forecasts as we strive to reach new record highs for the third consecutive year.

Net sales are expected to jump 371.9 billion yen year on year to total 2,780.0 billion yen. This uptick will come from a gain of 291.7 billion yen due to better sales mix variances resulting from increased sales volumes, a foreign exchange gain of 71.0 billion yen, as well as a 9.2 billion yen increase in sales at FHI companies, etc.

Operating income is projected to total 382.0 billion yen, up 55.5 billion yen year on year. This increase will mainly come from better sales mix variances resulting from increased sales volumes, foreign exchange gains, and reduced materials costs, etc., all of which will offset an increase in SG&A and R&D expenses.

Ordinary income will rise 55.6 billion yen to reach 370.0 billion yen. This uptick will bring income before income taxes and minority interests up 35.1 billion yen to total 364.0 billion yen.

Net income is projected to total 241.0 billion yen for a year-on-year increase of 34.4 billion yen.



Now let's look at the factors behind the projected year-on-year 55.5 billion yen increase in operating income that will take us from 326.5 billion yen to 382.0 billion yen.

The primary reason for the increase in operating income will be a gain of 85.5 billion yen due to better sales mix variances. This gain can be broken down into the following three areas.

First off there will be a gain of 7.2 billion yen associated with domestic sales of new models.

We are expecting a boost from the launch of new models like the Levorg as well as the Legacy and the WRX that were given a major face-lift.

Next, we will see a gain of 77.9 billion yen from sales of new models in overseas markets.

We expect to see a huge year-on-year increase thanks to growing sales in the U.S. market as well as strong sales of the Forester and the WRX in all markets.

Finally, we expect a gain of 0.4 billion yen due to inventory adjustments.

Another contributing factor that will bring operating income up will be a foreign exchange gain of 41.2 billion yen. This includes a gain of 43.1 billion yen due to an approximate 4 yen depreciation against the U.S. dollar, a gain of 1.1 billion yen due to an approximate 4 yen depreciation against the euro, and a loss of 0.6 billion yen due to an approximate 1 yen appreciation against the Canadian dollar.

On top of that is a gain of 0.8 billion yen resulting from currency translations between the yen and the Chinese yuan and a loss of 3.2 billion yen due to foreign exchange adjustments for transactions between FHI and its overseas subsidiaries.

Another factor behind the jump in operating income will be a gain of 10.9 billion yen from cost cuts. This includes a gain of 11.0 billion yen to be generated by FHI as well as a loss of 0.1 billion yen coming from SIA.

FHI is expected to generate a gain of 15.9 billion yen through cost reductions and a loss of 4.9 billion yen due to increasing materials costs and other negative market factors.

SIA will yield a gain of 1.8 billion yen through cost reductions and a loss of 1.9 billion yen due to lower material prices, etc.

The primary factor that will bring operating income down will be a loss of 58.2 billion yen due to increases in SG&A expenses. This gain can be broken down into the following three areas.

First, we will see a loss of 9.4 billion yen due to an increase in fixed manufacturing costs. This will include a loss of 5.7 billion yen at FHI as well as a loss of 3.7 billion yen coming from SIA.

FHI will generate a gain of 1.5 billion yen due to cost cuts for suppliers' dies and a loss of 7.2 billion yen due to higher fixed processing costs.

SIA will see a loss of 1.5 billion yen due to increased costs for suppliers' dies and a loss of 2.2 billion yen due to higher fixed processing costs.

The second factor will be a loss of 42.9 billion yen due to an increase in SG&A expenses.

FHI expects to lose 6.5 billion yen due to mounting expenses for new model launches, etc.

The 42.9 billion yen loss will also include a loss of 0.4 billion yen at domestic dealers, a loss of 19.4 billion yen at SOA, a loss of 1.5 billion yen at our Canadian subsidiary, and a loss of 15.1 billion yen from our other operations.

The third and last factor will include an increase in costs associated with warranty claims that led to a loss of 5.9 billion yen.

Finally, an increase in R&D expenses will result in a loss of 23.9 billion yen.

All these factors combined will bring operating income for the fiscal year ending March 2015 up 55.5 billion yen to total 382.0 billion yen.

## Full Year : Operating Plan of Subsidiaries in U.S.



(Million US\$)

SOA	Actual results FYE 2014	Plan FYE 2015	Increase / Decrease
Net sales	11,005	13,119	+2,114
Operating income	184	443	+259
Net income	111	267	+156
Retail sales (Thousand units)	442.3	510.3	+68.0

SIA	Actual results FYE 2014	Plan FYE 2015	Increase / Decrease
Net sales	3,848	4,769	+921
Operating income	265	165	-100
Net income	167	104	-63
Subaru production (Thousand units)	163.5	209.4	+45.9

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Retail sales at SOA for this fiscal year are expected to jump 68 thousand units year on year for a total of 510 thousand units thanks to the launch of the new Legacy Outback as well as strong sales of the Forester.

Net sales will increase 2,114 million dollars year on year to reach 13,119 million dollars while operating income will rise 259 million dollars year on year to total 443 million dollars. This increase will come from a gain of 453 million dollars from favorable sales volumes and mix variances despite a loss of 194 million dollars due to higher SG&A expenses.

SIA's net sales are expected to increase 921 million dollars year on year to reach 4,769 million dollars.

Operating income will drop 100 million dollars year on year to reach 165 million dollars. Factors behind the decrease will include a loss of 64 million dollars due to sales price and volume variances, a loss of 1 million dollars related to cost reduction efforts, as well as a loss of 35 million dollars due to an increase in fixed costs.

## Capex / Depreciation / R&D / Interest bearing debt



(100 Million Yen)

	Actual Results 1st Half FYE2014	Actual Results FYE2014 (a)	Actual Results 1st Half FYE 2015	Plan FYE2015 (b)	Increase / Decrease (b) - (a)
Capex	273	685	597	1,200	+515
Depreciation	260	549	277	660	+111
R&D	299	601	363	840	+239
Interest bearing debt	2,918	2,697	2,322	2,200	-497

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R&D expenses are projected to total 84.0 billion yen. That's 10.0 billion yen more than projected in the previous forecast since we will be shifting R&D into high gear with a focus on future products.

In light of our current performance, etc., we revised our previous forecast for interest bearing debt downward by 20.0 billion yen to total 220.0 billion yen.

No revisions have been made to our forecasts for capital investments and depreciation costs as we move ahead with a focus on our carefully planned investment strategies.

## Appendix (1)

- Non-operating income & expenses and extraordinary income & loss
- Segment information
- Overseas net sales
- Non-consolidated automobile sales



## 1st Half : Non-Operating Income & Expenses and Extraordinary Income & Loss (Consolidated)



(100 Million Yen)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Financial revenue and expenditure	0	-1	-1
FOREX effects	-39	-98	-58
Other	-6	1	+7
<b>Total non-operating income &amp; expenses</b>	<b>-45</b>	<b>-97</b>	<b>-52</b>
Gain on sales of noncurrent assets	1	4	+3
Gain on sales of investment securities	1	4	+3
Loss on sales and retirement of noncurrent assets	-10	-17	-6
Other	-2	-5	-3
<b>Total extraordinary income &amp; loss</b>	<b>-9</b>	<b>-13</b>	<b>-3</b>

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



(100 Million Yen)

	Net sales			Operating income		
	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Automobile	10,527	12,280	+1,753	1,423	1,785	+362
Aerospace	535	638	+103	69	59	-10
Industrial products	157	148	-9	2	1	-0
Others	37	36	-1	11	9	-3
Elimination & corporate				2	3	+0
<b>Total</b>	<b>11,256</b>	<b>13,102</b>	<b>+1,846</b>	<b>1,507</b>	<b>1,857</b>	<b>+350</b>

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## 1st Half : Consolidated Operating Income by Geographic Area



(100 Million Yen)

	Net sales			Operating income		
	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Japan	4,691	4,466	-225	1,324	1,358	+34
North America	5,817	7,264	+1,446	231	416	+185
Other	749	1,373	+625	3	97	+94
Elimination and corporate				-51	-14	+37
Total	11,256	13,102	+1,846	1,507	1,857	+350

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## 1st Half : Overseas Net Sales



(100 Million Yen)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
North America	6,172	7,751	+1,579
Europe	562	601	+40
Asia	582	1,183	+600
Other	635	639	+5
Total	7,951	10,174	+2,224

## 1st Half : Non-Consolidated Automobiles Sales



(Thousand Units)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
<b>Domestic production</b>	<b>310.1</b>	<b>344.0</b>	<b>+33.9</b>
<b>Domestic sales</b>	<b>91.9</b>	<b>76.0</b>	<b>-15.9</b>
Passenger cars	64.8	60.3	-4.5
Minicars	27.2	15.7	-11.4
<b>Number of vehicles exported</b>	<b>231.6</b>	<b>261.3</b>	<b>+29.7</b>
<b>Components for overseas production</b>	<b>79.9</b>	<b>100.8</b>	<b>+20.9</b>
<b>Total</b>	<b>403.5</b>	<b>438.2</b>	<b>+34.8</b>

\* Domestic Production figures include Toyota 86.

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## Appendix (2)

- 2nd quarter, consolidated statements income
- 1st half, Plan vs. Actual results
- Full year, Previous plan vs. revised plan

## 2nd Quarter : Consolidated Automobile Sales



(Thousand Units)

	Actual results 2nd quarter FYE 2014	Actual results 2nd quarter FYE 2015	Increase / Decrease
Passenger car	33.0	36.1	+3.1
Minicar	13.6	8.3	-5.3
<b>Domestic total</b>	<b>46.6</b>	<b>44.3</b>	<b>-2.3</b>
U.S.	102.5	137.5	+35.0
Canada	9.3	11.3	+2.0
Russia	4.3	4.6	+0.3
Europe	8.1	8.7	+0.6
Australia	9.6	9.8	+0.2
China	13.3	13.1	-0.2
Others	7.8	8.6	+0.8
<b>Overseas total</b>	<b>154.9</b>	<b>193.6</b>	<b>+38.7</b>
<b>Total</b>	<b>201.5</b>	<b>237.9</b>	<b>+36.4</b>

<http://www.fhi.co.jp/english/ir/index.html>

\* China figures are consolidated on the calendar year basis from Apr. to Jun.

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## 2nd Quarter : Consolidated Income Statements



(100 Million Yen)

	Actual results 2nd quarter FYE 2014	Actual results 2nd quarter FYE 2015	Increase / Decrease
<b>Net sales</b>	<b>5,787</b>	<b>7,168</b>	<b>+1,381</b>
Domestic	1,729	1,766	+38
Overseas	4,058	5,402	+1,344
<b>Operating income</b>	<b>811</b>	<b>1,069</b>	<b>+259</b>
<b>Ordinary income</b>	<b>817</b>	<b>954</b>	<b>+137</b>
<b>Income before income taxes and minority interests</b>	<b>812</b>	<b>940</b>	<b>+128</b>
<b>Net income</b>	<b>513</b>	<b>608</b>	<b>+94</b>
FHI exchange rate	¥98/US\$	¥102/US\$	+¥4/US\$

<http://www.fhi.co.jp/english/ir/index.html>

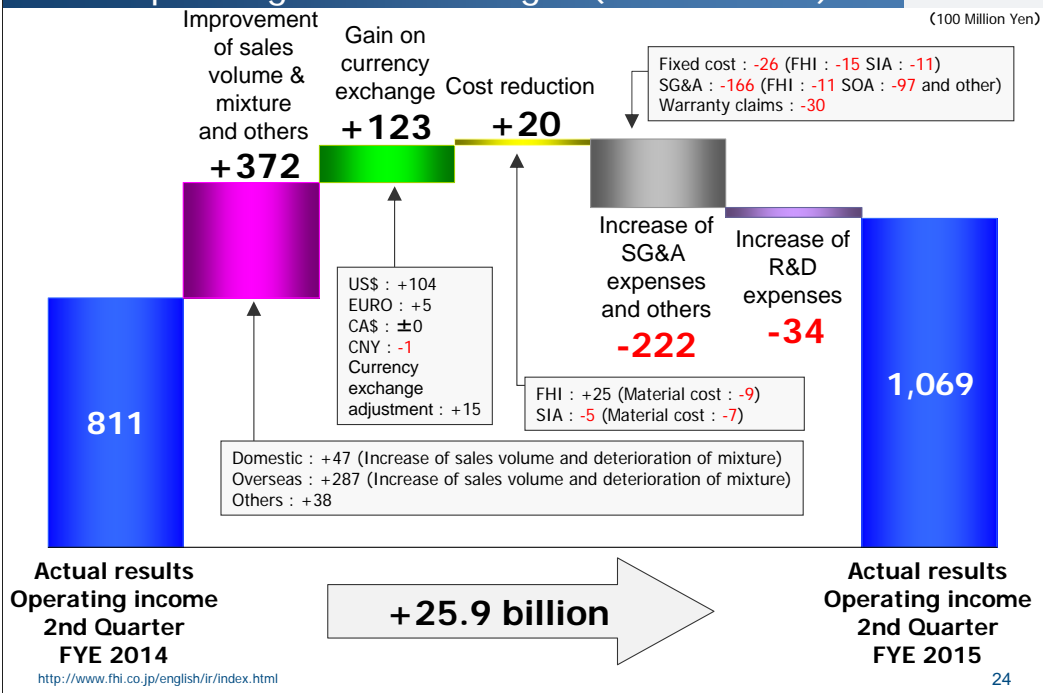
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## 2nd Quarter : Analysis of Increase and Decrease in Operating Income Changes (Consolidated)



(100 Million Yen)



(Plan vs. Results)  
1st Half : Consolidated Automobile Sales



(Thousand Units)

	Plan 1st half FYE 2015	Actual results 1st half FYE 2015	Increase / Decrease
Passenger car	70.5	56.5	-14.1
Minicar	22.6	15.1	-7.5
<b>Domestic total</b>	<b>93.2</b>	<b>71.5</b>	<b>-21.6</b>
U.S.	233.9	249.9	+16.0
Canada	21.7	22.1	+0.4
Russia	9.2	8.6	-0.6
Europe	18.4	15.6	-2.8
Australia	19.0	19.3	+0.3
China	27.6	28.7	+1.2
Others	15.8	15.9	+0.1
<b>Overseas total</b>	<b>345.6</b>	<b>360.1</b>	<b>+14.4</b>
<b>Total</b>	<b>438.8</b>	<b>431.6</b>	<b>-7.2</b>

<http://www.fhi.co.jp/english/ir/index.html>

\* China figures are consolidated on the calendar year basis from Jan. to Jun.

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(Plan vs. Results)  
1st Half : Consolidated Income Statements



(100 Million Yen)

	Plan 1st half FYE 2015	Actual results 1st half FYE 2015	Increase / Decrease
<b>Net sales</b>	<b>13,000</b>	<b>13,102</b>	<b>+102</b>
Domestic	3,426	2,928	-498
Overseas	9,574	10,174	+600
<b>Operating income</b>	<b>1,600</b>	<b>1,857</b>	<b>+257</b>
<b>Ordinary income</b>	<b>1,560</b>	<b>1,760</b>	<b>+200</b>
<b>Income before income taxes and minority interests</b>	<b>1,540</b>	<b>1,747</b>	<b>+207</b>
<b>Net income</b>	<b>1,010</b>	<b>1,130</b>	<b>+120</b>
FHI exchange rate	¥100/US\$	¥102/US\$	+¥2/US\$

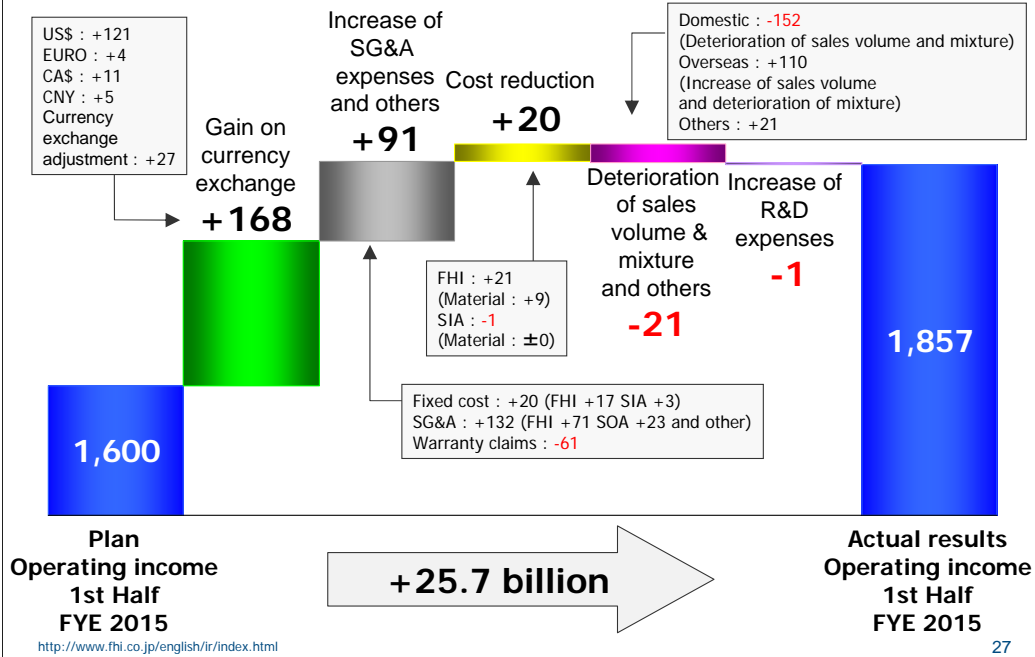
<http://www.fhi.co.jp/english/ir/index.html>

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(Plan vs. Results) 1st Half : Analysis of Increase and Decrease in Operating Income Changes (Consolidated)



(100 Million Yen)



(Previous Plan vs. Revised Plan)  
Full Year : Consolidated Automobile Sales



(Thousand Units)

	Previous plan FYE 2015	Revised plan FYE 2015	Increase / Decrease
Passenger car	143.7	125.7	-18.0
Minicar	51.2	40.8	-10.4
<b>Domestic total</b>	<b>194.9</b>	<b>166.5</b>	<b>-28.4</b>
U.S.	490.2	513.2	+23.0
Canada	40.4	40.7	+0.3
Russia	19.3	18.7	-0.6
Europe	40.3	36.0	-4.3
Australia	40.1	38.2	-1.9
China	57.3	60.0	+2.7
Others	33.5	36.1	+2.6
<b>Overseas total</b>	<b>721.1</b>	<b>742.8</b>	<b>+21.7</b>
<b>Total</b>	<b>916.0</b>	<b>909.4</b>	<b>-6.6</b>

<http://www.fhi.co.jp/english/ir/index.html>

\* China figures are consolidated on the calendar year basis from Jan. to Dec.

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(Previous Plan vs. Revised Plan)  
Full Year : Consolidated Income Statements



(100 Million Yen)

	Previous plan FYE 2015	Revised plan FYE 2015	Increase / Decrease
<b>Net sales</b>	<b>27,200</b>	<b>27,800</b>	<b>+600</b>
Domestic	7,032	6,582	-450
Overseas	20,168	21,218	+1,050
<b>Operating income</b>	<b>3,400</b>	<b>3,820</b>	<b>+420</b>
<b>Ordinary income</b>	<b>3,300</b>	<b>3,700</b>	<b>+400</b>
<b>Income before income taxes and minority interests</b>	<b>3,240</b>	<b>3,640</b>	<b>+400</b>
<b>Net income</b>	<b>2,150</b>	<b>2,410</b>	<b>+260</b>
FHI exchange rate	¥100/US\$	¥104/US\$	+¥4/US\$

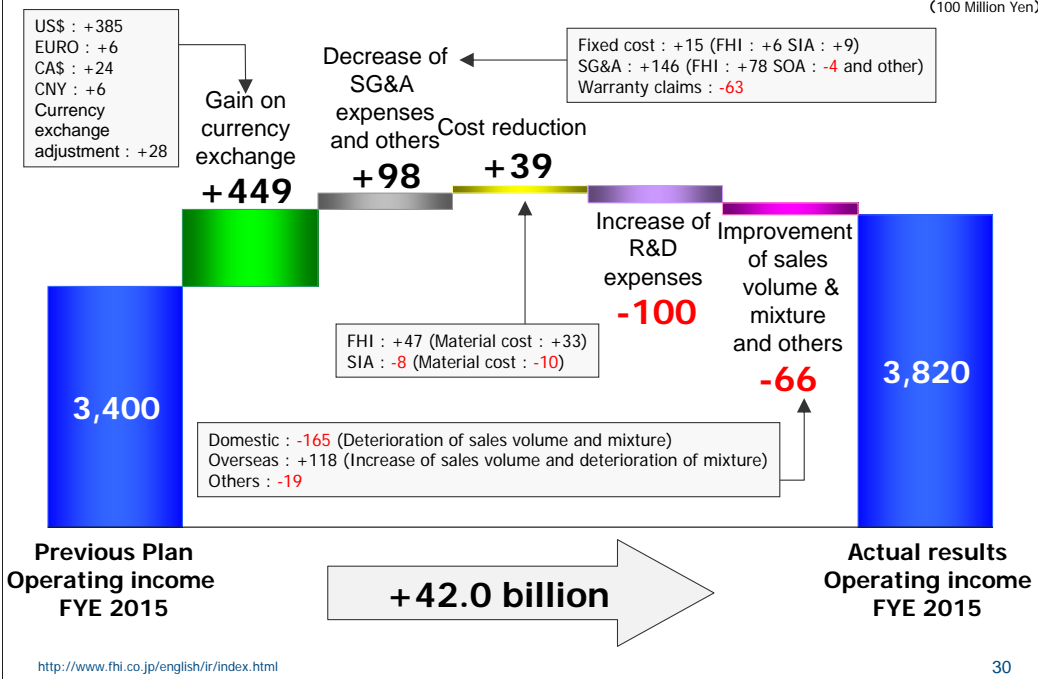
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(Previous Plan vs. Revised Plan) Full Year : Analysis of Increase and Decrease in Operating Income Changes (Consolidated)



(100 Million Yen)



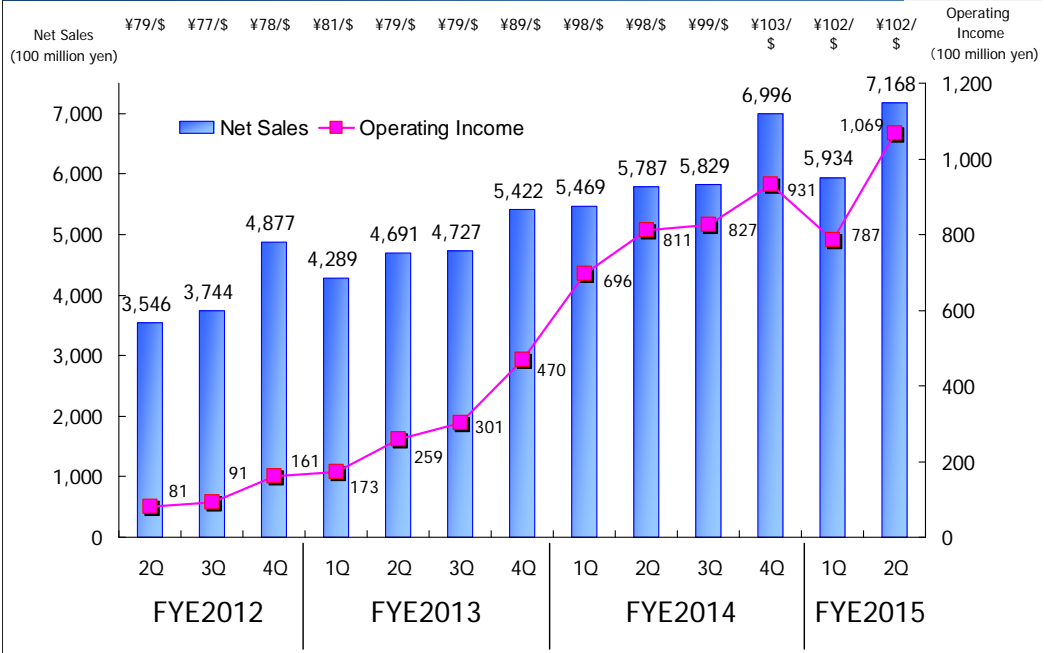
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## Appendix (3)

- Net sales / Operating income
- Consolidated automobile units / OPM
- Complete cars production / Retail units
- FCF / Shareholders' equity to total assets
- Interest-bearing debt / D/E ratio

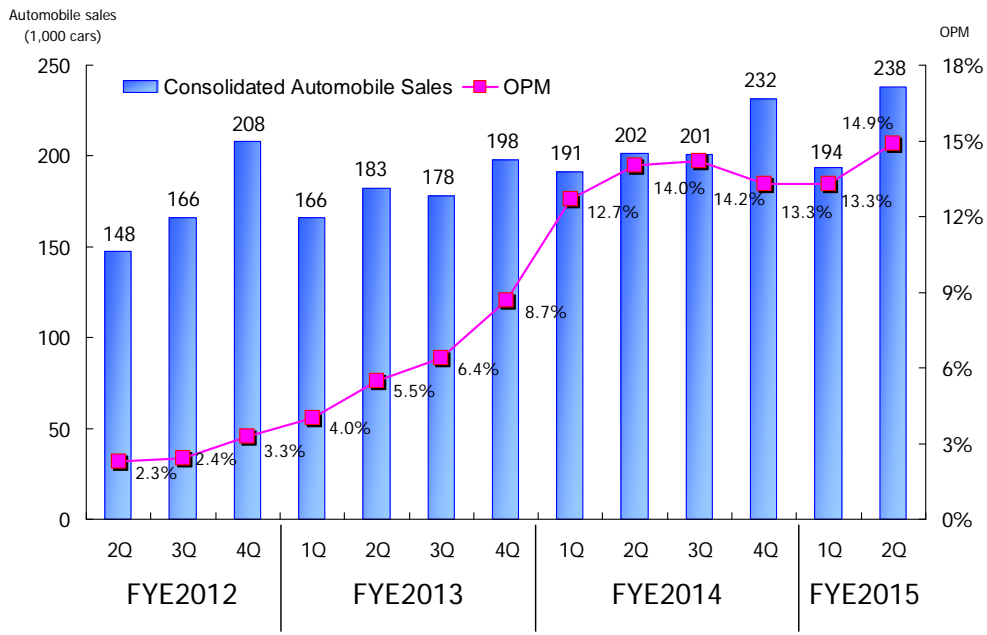


# Net Sales & Operating Income



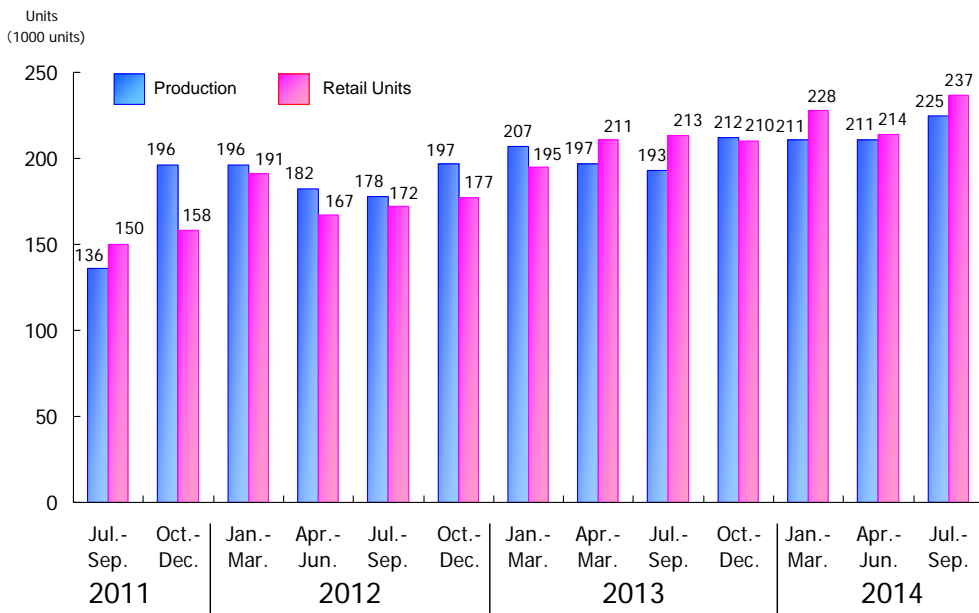
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# Consolidated Automobile Sales & Operating Income Margin



<http://www.fhi.co.jp/english/ir/index.html>

# Completed Cars Production & Retail Units

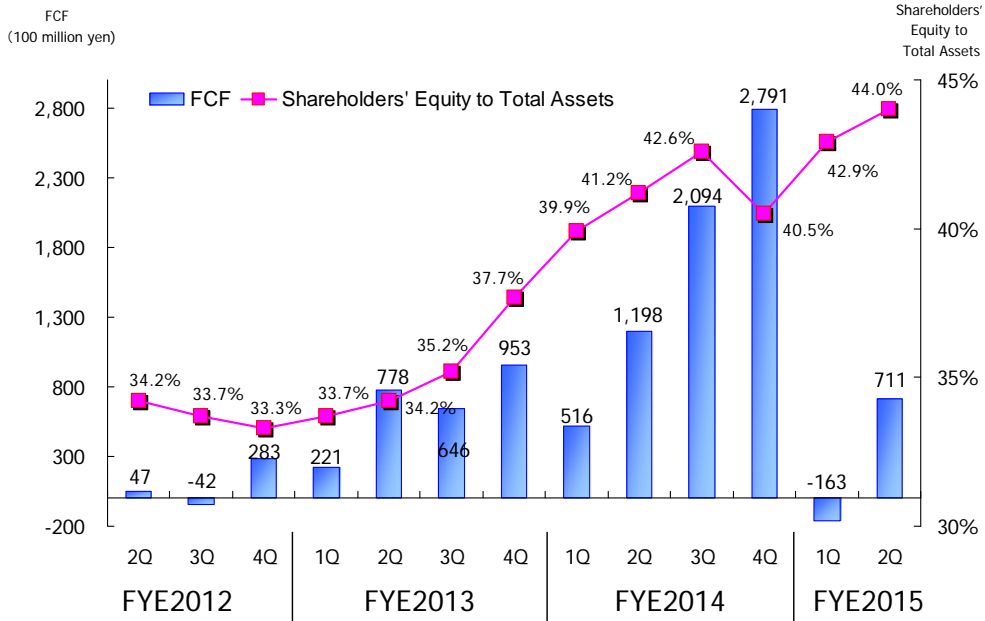


\* Production figures include Toyota 86.

<http://www.fhi.co.jp/english/ir/index.html>

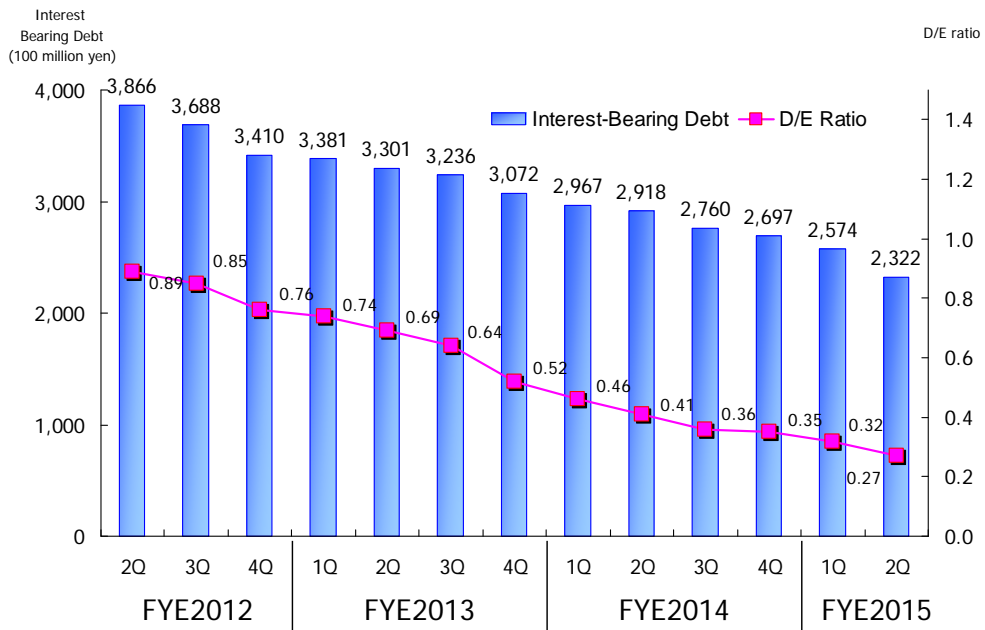
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# Free Cash Flows & Shareholders' Equity to Total Assets



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# Interest-Bearing Debt & D/E Ratio



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Forward-looking statements including projections and future strategies mentioned in this presentation are based on currently available information and assumptions and are subject to risks and uncertainties. Actual results may vary materially as a result of various factors including, without limitation, economic conditions, market demand and fluctuations in foreign exchange rates. Investors are asked not to rely solely on the information in this presentation when they make their final investment decisions.

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