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President & CEO
Fuji Heavy Industries Ltd.

May 8, 2015

Business Results of the FYE 2015



	FYE 2014	FYE 2015		YoY	vs. plan
	Actual results	Plan	Actual results		
Consolidated sales volume	825,100 units	906,100 units	910,700 units	+10.4%	+0.5%
Net sales (100 million yen)	24,081	28,500	28,779	+19.5%	+1.0%
Operating income (100 million yen)	3,265	4,100	4,230	+29.6%	+3.2%
OPM	13.6%	14.4%	14.7%	+1.1p	+0.3p
Ordinary income (100 million yen)	3,144	3,920	3,936	+25.2%	+0.4%
Net income (100 million yen)	2,066	2,530	2,619	+26.7%	+3.5%
FHI exchange rate	¥100/US\$	¥108/US\$	¥108/US\$	+¥9/US\$	+¥1/US\$

Business Plan for the FYE 2016



	FYE 2015 Actual results	FYE 2016 Plan	YoY
Consolidated sales volume	910,700 units	928,300 units	+1.9%
Net sales (100 million yen)	28,779	30,300	+5.3%
Operating income (100 million yen)	4,230	5,030	+18.9%
OPM	14.7%	16.6%	+1.9p
Ordinary income (100 million yen)	3,926	4,950	+25.7%
Net income (100 million yen)	2,619	3,370	+28.7%
FHI exchange rate	¥108/US\$	¥118/US\$	+¥10/US\$

*Net income for FYE2016 (16/3) will be referred to as "Net Income Attributable to Owners of the parent".

➤ Dividend Per Share

(Unit: Yen)

	FYE 2014 (a)	FYE 2015 (b)	FYE 2016	YoY (b)-(a)
End of 2 nd quarter	¥20	¥31	TBD	+¥11
End of 4 th quarter	¥33	¥37	TBD	+¥4
Annual total	¥53	¥68	TBD	+¥15

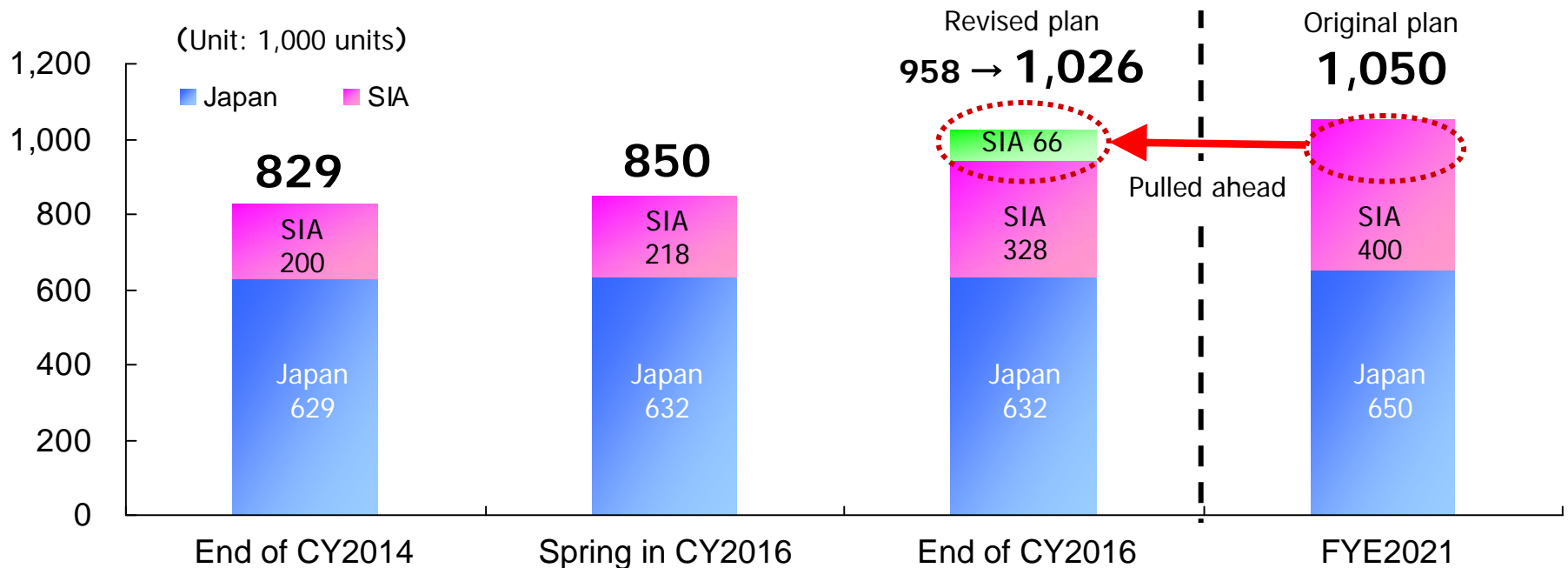
- Profits are returned to shareholders basically in the form of dividends with business results for each term, investment plans and the business environment taken into account.
- Basic policy is to provide continuous dividend payments which are linked to business performance of the company.
- Dividend payments for each fiscal year are determined with consideration of various circumstances predicated on a 20-40% standard range.

Production Capacity Enhancement



Production strategy to ensure sustainable growth

- The global production capacity will be 1,026K units at the end of CY2016 by raising SIA's production capacity to 400K level with the original plan moved up.
- One of the paint plants in Japan will be renewed by 2018 in the aim of improving both quality and environmentally friendliness.



Global Sales Plan

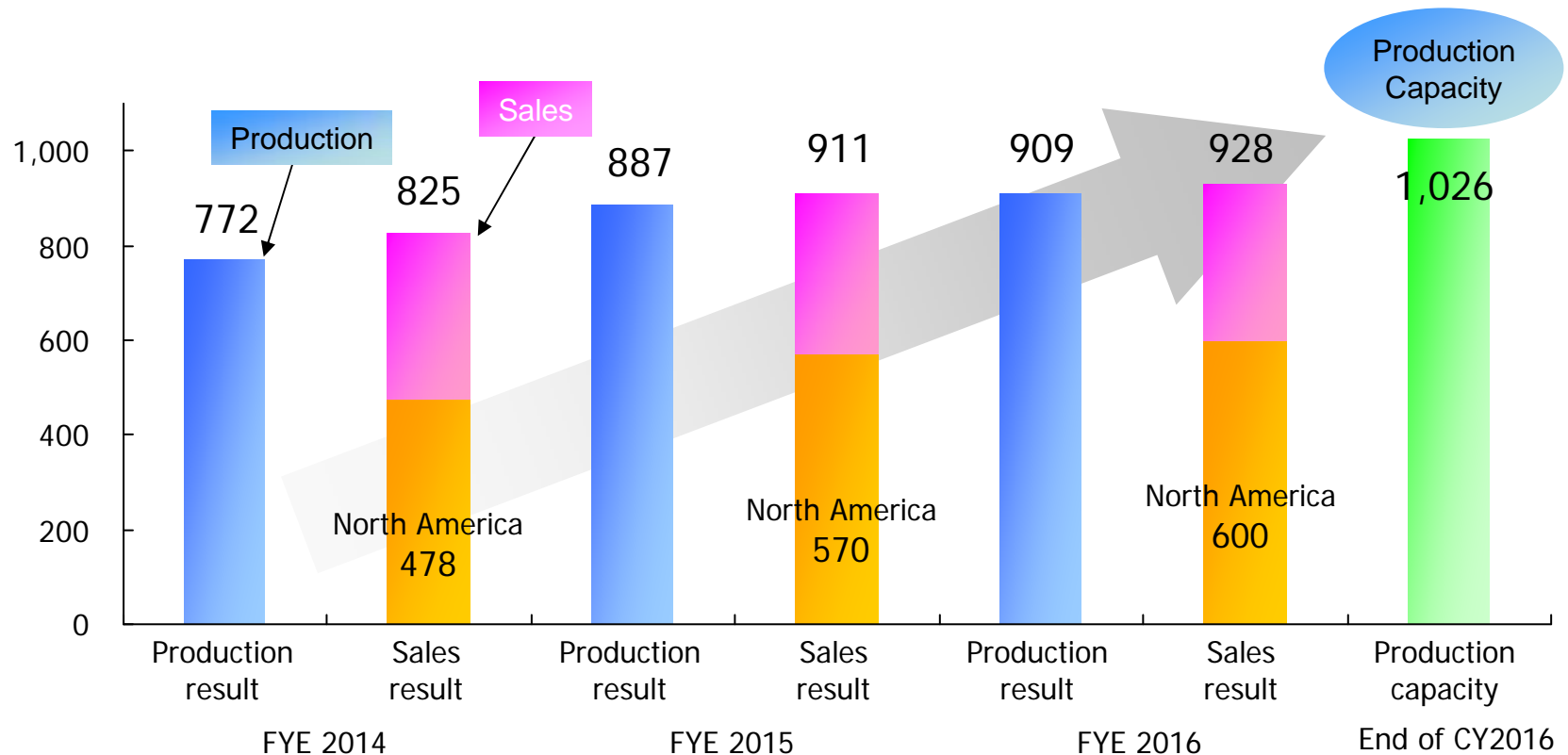


Consolidated Sales plan
for FYE2016

928K units

 (YoY +1.9%)

- Global sales plan in FYE2016 is to achieve another record for the 4th consecutive year. (for the 7th consecutive year in North America.)
- As an effort to address the situation of short supply and to realize sustainable growth, the production capacity will be significantly increased by the end of CY2016.



Further Evolution of EyeSight



SUBARU ALL-AROUND SAFETY

Aim is to “Protect more peoples’ lives”
in pursuit of “Enjoyment” and “Peace of Mind”

Primary safety

Active safety



Pre-crash safety

Passive safety

CY2017

Automated follow-up system in congested traffic on the same lane of expressways



CY2020

Automated driving including lane changes for expressways

➤ 1988
Started R&D
of stereo camera

➤ 1991
Revealed ADA at
Tokyo motor show

➤ 1999
Launched ADA in Japan
- lane departure warning
- distance warning
- adaptive cruise control

➤ 2003
New ADA(stereo camera
+ milliwave radar)

➤ 2006
SI-Cruise
(laser radar)

➤ 2008
EyeSight (ver.1)

➤ 2010
EyeSight (ver.2)

➤ 2014
EyeSight (ver.3)
- lane keep assist

➤ 2017
EyeSight
Automated follow-up on
congested expressways

➤ 2020
EyeSight
Automated driving
on expressways

2000

2005

2010

2015

2020

Subaru Next Story (SNS)



To give customers' Subaru life
More Peace of Mind, More Enjoyment

Peace of Mind
Support Safety Subaru Life



Enjoyment
Support Active Life

Establish structure to have a strong tie with customers

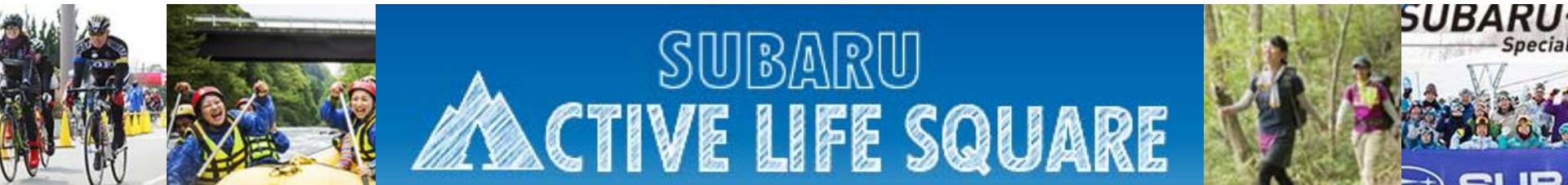
Create a touch point with customers from digital to real life



Customer



New website **"ACTIVE LIFE SQUARE"** (<http://www.subaru.jp/lifeactive/>)



Holding customer participating event (Golf, Ski, Bike, Drive, Travel, Fishing, Outdoor, etc.)

Revision of Three-Year Investment Plan (R&D / Capex / Depreciation & Amortization)



Three-year investment plan (total of FYE2015-2017)

- The plan is revised in consideration of the recent situation.
- R&D expenses and capital expenditures are further expanded in order to reinforce the foundation for sustainable growth.




















(Unit: 100 million yen)

	Original plan	Revised plan	Variance
R&D expenses	2,500 (+59%)	2,800 (+78%)	+300
Capital expenditures	3,300 (+71%)	4,000 (+107%)	+700
Depreciation & amortization	2,000 (+22%)	2,100 (+28%)	+100

* () : vs. previous 3 fiscal-year (FYE2012-FYE2014) period

Major Awards



<p>Consumer Reports (US) Top Pick</p>	<p>Kelly Blue Book (US)</p> 	<p>IIHS TSP+ (US)</p> 	<p>ENCAP 5Star (EU)</p> 	<p>JNCAP ASV+ (JAPAN)</p> 		
<p>LEGACY</p> 	<p>Most Trusted Brand</p>  <p>SUBARU</p>	<p>OUTBACK</p> 	<p>OUTBACK</p> 	<p>LEVORG</p> 	<p>OUTBACK</p> 	
<p>FORESTER</p> 		<p>Best Performance Brand</p>  <p>SUBARU</p>	<p>LEGACY</p> 		<p>LEGACY</p> 	<p>FORESTER</p> 
<p>IMPREZA</p> 				<p>FORESTER</p> 		<p>IMPREZA</p> 
				<p>IMPREZA</p> 		

2014-2015 JNCAP Five Star Award



LEGACY
OUTBACK

LEGACY
B4



LEVORG



WRX
S4



FORESTER



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.



SUBARU



Mitsuru Takahashi

Executive Vice President & CFO
Fuji Heavy Industries Ltd.

May 8, 2015

Financial results of the FYE March 2015 (consolidated)

- Consolidated automobile sales set a new record of 911K units for the 3rd consecutive year led by the continuous strong sales in North America as well as the introduction of new models such as Legacy, Outback, Levorg and WRX.
- Net sales and all profit levels also made a new record for the 3rd straight year.

	Net sales	Operating income	Ordinary income	Net income	Consolidated automobile sales
Actual results (YoY)	¥2,877.9 bil. (+¥469.8 bil.)	¥423.0 bil. (+¥96.6 bil.)	¥393.6 bil. (+¥79.2 bil.)	¥261.9 bil. (+¥55.3 bil.)	910.7K units (+85.6K units)

Financial projection for the FYE March 2016 (consolidated)

- Consolidated automobile sales are projected to hit an all-time high for the 4th consecutive year of 928K units led by increase mainly from North American markets.
- Gain on exchange rate, increase of sales volume and the progress of cost reduction will offset the increase of SG&A, R&D and other expenses, thus net sales and income at all levels are projected to hit an all-time high for the 4th consecutive year.

	Net sales	Operating income	Ordinary income	Net income	Consolidated automobile sales
Plan (YoY)	¥3,030 bil. (+¥152.1 bil.)	¥503.0 bil. (+¥80.0 bil.)	¥495.0 bil. (+¥101.4 bil.)	¥337.0 bil. (+¥75.1 bil.)	928.3K units (+17.6K units)

Business results of the FYE March 2015

Automobile Sales Volume (consolidated)

(Thousand units)

	Actual results FYE 2014	Actual results FYE 2015	Variance
Passenger cars	126.1	127.9	+1.7
Minicars	55.5	34.9	-20.6
Domestic total	181.6	162.8	-18.8
U.S.	441.8	527.6	+85.8
Canada	36.0	42.4	+6.4
Russia	15.3	11.6	-3.8
Europe	31.8	35.7	+4.0
Australia	39.5	38.9	-0.6
China	44.8	53.8	+9.0
Others	34.3	37.9	+3.6
Overseas total	643.5	747.9	+104.4
Total	825.1	910.7	+85.6

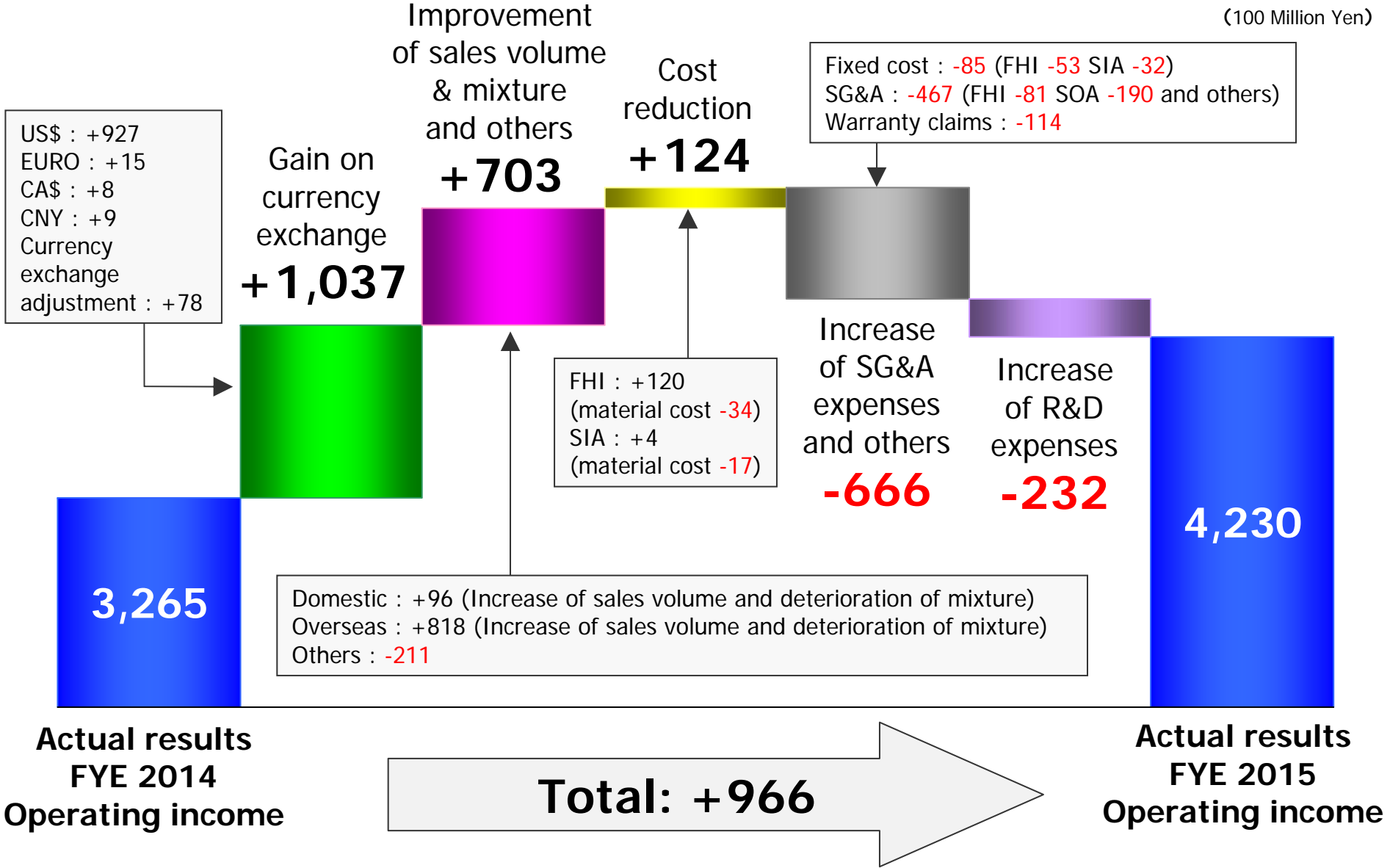
Income Statements (consolidated)

(100 Million Yen)

	Actual results FYE 2014	Actual results FYE 2015	Variance
Net sales	24,081	28,779	+4,698
Domestic	6,721	6,529	-192
Overseas	17,361	22,250	+4,890
Operating income	3,265	4,230	+966
Total non-operating income & expenses	-121	-294	-173
Ordinary income	3,144	3,936	+792
Total extraordinary income & loss	144	-14	-159
Income before income taxes and minority interests	3,289	3,922	+633
Net income	2,066	2,619	+553
FHI exchange rate	¥100/US\$	¥108/US\$	+¥9/US\$

Analysis of Variance in Operating Income (consolidated)

(100 Million Yen)



Balance Sheets (consolidated)

(100 Million Yen)

	As of March 31 2014	As of March 31 2015	Variance
Total assets	18,884	21,997	+3,114
Current assets	12,738	14,733	+1,995
Noncurrent assets	6,146	7,264	+1,119
Interest bearing debts	2,697	2,112	-585
Net assets	7,701	10,307	+2,606
Retained earnings	4,839	6,974	+2,135
Shareholders' equity	7,655	10,224	+2,569
Shareholders' equity to total assets	40.5%	46.5%	+6.0
D/E ratio	0.35	0.21	-0.15

Statement of Cash Flows (consolidated)

(100 Million Yen)

	Actual results FYE 2014	Actual results FYE 2015	Variance
Net cash provided by (used in) operating activities	3,130	3,115	-15
Net cash provided by (used in) investing activities	-339	-1,728	-1,389
Free cash flows	2,791	1,388	-1,404
Net cash provided by (used in) financing activities	-630	-1,105	-475
Effect of exchange rate change on cash and cash equivalents	127	260	+133
Net increase (decrease) in cash and cash equivalents	2,288	542	-1,746
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	1	-	-1
Cash and cash equivalents at the end of period	5,579	6,121	-



Operating Results of Subsidiaries in U.S.

(Million US\$)

SOA	Actual results FYE 2014	Actual results FYE 2015	Variance
Net sales	11,005	13,393	+2,388
Operating income	184	490	+306
Net income	111	309	+198
Retail sales (thousand units)	442.3	530.5	+88.2

SIA	Actual results FYE 2014	Actual results FYE 2015	Variance
Net sales	3,848	4,770	+922
Operating income	265	108	-157
Net income	167	70	-97
Subaru production (thousand units)	163.5	206.7	+43.2

Outlook for the FYE March 2016

Automobile Sales Volume (consolidated)

(Thousand units)

	Actual results FYE 2015	Plan FYE 2016	Variance
Passenger cars	127.9	106.7	-21.2
Minicars	34.9	37.6	+2.7
Domestic total	162.8	144.2	-18.5
U.S.	527.6	554.0	+26.4
Canada	42.4	46.2	+3.8
Russia	11.6	12.8	+1.2
Europe	35.7	37.7	+2.0
Australia	38.9	42.3	+3.4
China	53.8	49.7	-4.1
Others	37.9	41.4	+3.5
Overseas total	747.9	784.1	+36.2
Total	910.7	928.3	+17.6

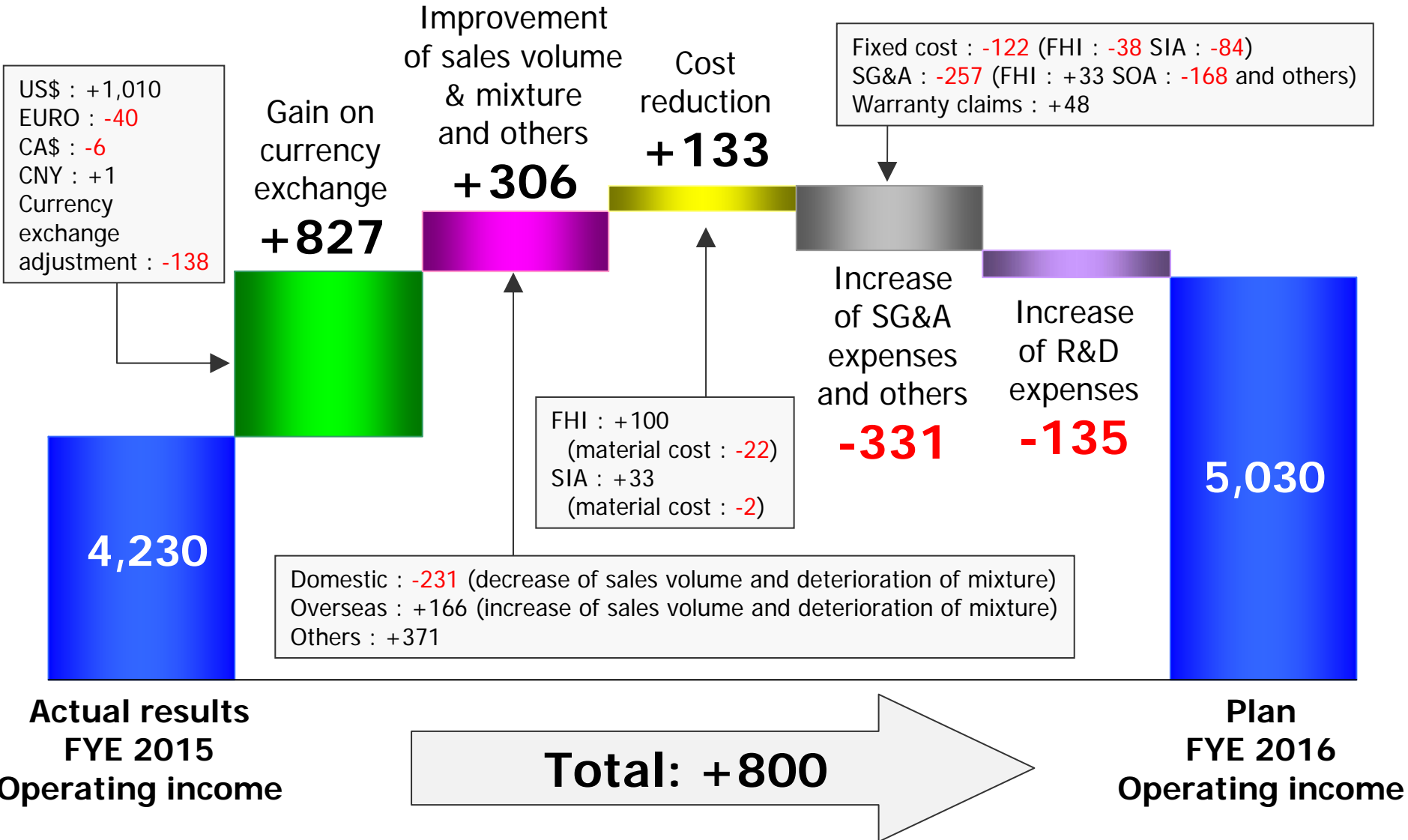
Operating Plan (consolidated)

(100 Million Yen)

	Actual results FYE 2015	Plan FYE 2016	Variance
Net sales	28,779	30,300	+1,521
Domestic	6,529	5,655	-874
Overseas	22,250	24,645	+2,395
Operating income	4,230	5,030	+800
Ordinary income	3,936	4,950	+1,014
Income before income taxes and minority interests	3,922	4,850	+928
Net income	2,619	3,370	+751
FHI exchange rate	¥108/US\$	¥118/US\$	+¥10/US\$

Analysis of Variance in Operating Income (consolidated)

(100 Million Yen)





Operating Plan of Subsidiaries in U.S.

(Million US\$)

SOA	Actual results FYE 2015	Plan FYE 2016	Variance
Net sales	13,393	14,265	+872
Operating income	490	500	+10
Net income	309	299	-10
Retail sales (thousand units)	530.5	546.7	+16.2

SIA	Actual results FYE 2015	Plan FYE 2016	Variance
Net sales	4,770	5,233	+463
Operating income	108	129	+21
Net income	70	73	+3
Subaru production (thousand units)	206.7	227.5	+20.8

Capex / Depreciation / R&D / Interest bearing debt

(100 Million Yen)

	Actual results FYE 2014	Actual results FYE 2015 (a)	Plan FYE 2016 (b)	Variance (b) - (a)
Capex	685	1,107	1,300	+193
Depreciation	549	648	670	+22
R&D	601	835	970	+135
Interest bearing debt	2,697	2,112	1,800	-312

Appendix (1)

- Non-operating income & expenses and extraordinary income & loss
- Segment information (by business / by geographic area)
- Overseas net sales
- Non-consolidated automobile sales
- Consolidated income statement in 4th quarter (3 months)
- FYE 2015 plan vs. actual results
- Consolidated income statement in 1st half of FY

Non-Operating Income & Expenses and Extraordinary Income & Loss (consolidated)

(100 Million Yen)

	Actual results FYE 2014	Actual results FYE 2015	Variance
Financial revenue and expenditure	1	12	+11
FOREX effects	-95	-263	-168
Others	-27	-43	-17
Total non-operating income & expenses	-121	-294	-173
Gain on sales of investment securities	473	11	-463
Provision of allowance for doubtful accounts	-296	-	+296
Others	-33	-25	+8
Total extraordinary income & loss	144	-14	-159



Net Sales and Operating Income by Business Segment (Consolidated)

(100 Million Yen)

	Net sales			Operating income		
	Actual results FYE 2014	Actual results FYE 2015	Variance	Actual results FYE 2014	Actual results FYE 2015	Variance
Automobile	22,466	26,990	+4,524	3,090	4,009	+919
Aerospace	1,244	1,428	+184	141	189	+48
Industrial products	298	290	-7	6	8	+1
Others	73	71	-2	21	19	-2
Elimination and corporate	/	/	/	6	6	-0
Total	24,081	28,779	+4,698	3,265	4,230	+966



Net Sales and Operating Income by Geographic Area (consolidated)

(100 Million Yen)

	Net sales			Operating income		
	Actual results FYE 2014	Actual results FYE 2015	Variance	Actual results FYE 2014	Actual results FYE 2015	Variance
Japan	9,674	9,722	+48	2,823	3,518	+695
North America	12,371	16,250	+3,879	528	909	+381
Others	2,036	2,807	+770	51	140	+88
Elimination and corporate	/	/	/	-137	-336	-199
Total	24,081	28,779	+4,698	3,265	4,230	+966

Overseas Net Sales

(100 Million Yen)

	Actual results FYE 2014	Actual results FYE 2015	Variance
North America	13,228	17,309	+4,082
Europe	1,347	1,233	-114
Asia	1,544	2,387	+844
Others	1,242	1,321	+78
Total	17,361	22,250	+4,890



Non-Consolidated Automobile Sales

(Thousand units)

	Actual results FYE 2014	Actual results FYE 2015	Variance
Domestic production	649.9	707.7	+57.8
Domestic sales	185.8	167.1	-18.7
Passenger cars	128.1	131.6	+3.5
Minicars	57.8	35.6	-22.2
Number of vehicles exported	499.2	545.6	+46.4
Components for production in overseas	165.6	222.5	+57.0
Total	850.6	935.3	+84.7

* Domestic production figures include Toyota 86.



Automobile Sales Volume (consolidated)

4th Quarter (3 months)

(Thousand units)

	Actual results 4Q FYE 2014	Actual results 4Q FYE 2015	Variance
Passenger cars	39.3	44.4	+5.1
Minicars	18.5	12.5	-5.9
Domestic total	57.7	56.9	-0.8
U.S.	115.4	128.9	+13.5
Canada	8.8	10.5	+1.6
Russia	5.8	0.7	-5.1
Europe	8.3	12.8	+4.6
Australia	9.9	10.7	+0.8
China	15.2	13.1	-2.1
Others	10.5	13.4	+2.8
Overseas total	174.0	190.1	+16.2
Total	231.7	247.0	+15.3

Income Statements (consolidated)

4th Quarter (3 months)

(100 Million Yen)

	Actual results 4Q FYE 2014	Actual results 4Q FYE 2015	Variance
Net sales	6,996	8,172	+1,176
Domestic	1,933	2,110	+177
Overseas	5,063	6,062	+998
Operating income	931	1,129	+198
Ordinary income	930	1,053	+123
Income before income taxes and minority interests	618	1,055	+438
Net income	251	715	+464
FHI exchange rate	¥103/US\$	¥118/US\$	+¥16/US\$



Analysis of Variance in Operating Income (consolidated) 4th Quarter (3 months)

(100 Million Yen)

US\$: +368
EURO : +1
CA\$: +7
CNY : +2
Currency exchange adjustment : +38

Gain on currency exchange
+416

Improvement of sales volume & mixture and others
+57

Cost reduction
+40

Fixed cost : -35 (FHI -25 SIA -10)
SG&A : -126 (FHI -62 SOA -13 and others)
Warranty claims : -36

931

FHI : +45 (material cost -3)
SIA : -5 (material cost -13)

Increase of SG&A expenses and others
-197

Increase of R&D expenses
-118

Domestic : +72 (Improvement of sales volume and mixture)
Overseas : +52 (Increase of sales volume and deterioration of mixture)
Others : -67

1,129

Total: +198

Actual results
4Q FYE 2014
Operating income

Actual results
4Q FYE 2015
Operating income



Automobile Sales Volume (consolidated) FYE 2015 Plan vs. Actual Results

(Thousand units)

	Plan FYE 2015	Actual results FYE 2015	Variance
Passenger cars	124.3	127.9	+3.6
Minicars	37.0	34.9	-2.1
Domestic total	161.3	162.8	+1.5
U.S.	527.3	527.6	+0.4
Canada	42.2	42.4	+0.2
Russia	12.6	11.6	-1.0
Europe	33.8	35.7	+2.0
Australia	38.6	38.9	+0.3
China	53.8	53.8	±0
Others	36.6	37.9	+1.3
Overseas total	744.8	747.9	+3.1
Total	906.1	910.7	+4.6

* Figures of China are consolidated results on the calendar year basis from Jan. to Dec.

Income Statements (consolidated) FYE 2015 Plan vs. Actual Results

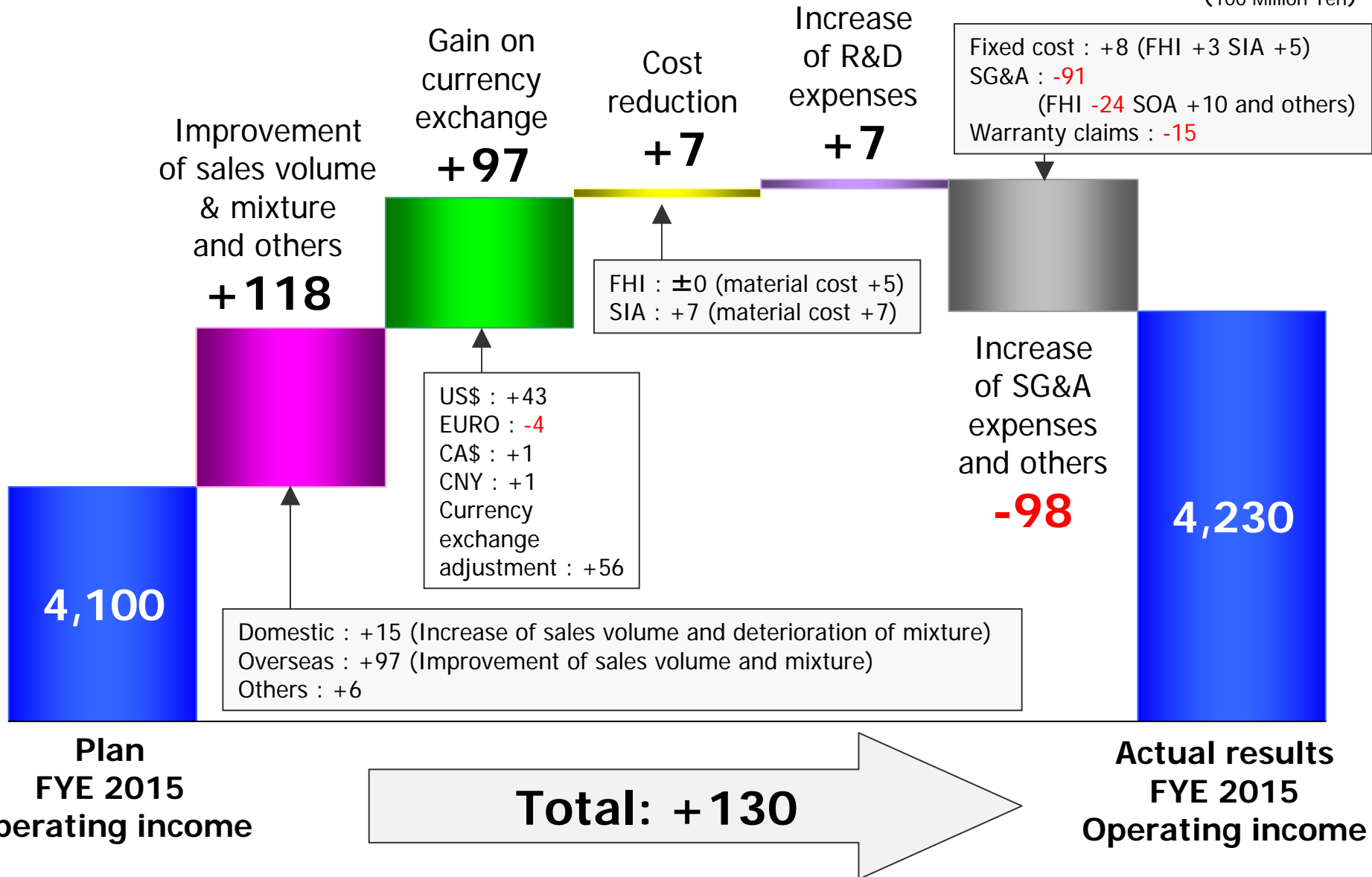
(100 Million Yen)

	Plan FYE 2015	Actual results FYE 2015	Variance
Net sales	28,500	28,779	+279
Domestic	6,483	6,529	+46
Overseas	22,017	22,250	+233
Operating income	4,100	4,230	+130
Ordinary income	3,920	3,936	+16
Income before income taxes and minority interests	3,840	3,922	+82
Net income	2,530	2,619	+89
FHI exchange rate	¥108/US\$	¥108/US\$	+¥1/US\$



Analysis of Variance in Operating Income (consolidated) FYE 2015 Plan vs. Actual Results

(100 Million Yen)





Automobile Sales Volume (consolidated) Plan for 1st Half of FYE 2016

(Thousand units)

	Actual results 1 st half FYE 2015	Plan 1 st half FYE 2016	Variance
Passenger cars	56.5	48.5	-8.0
Minicars	15.1	18.3	+3.2
Domestic total	71.5	66.8	-4.8
U.S.	249.9	270.9	+21.0
Canada	22.1	25.8	+3.8
Russia	8.6	6.2	-2.5
Europe	15.6	18.1	+2.5
Australia	19.3	21.9	+2.6
China	28.7	21.5	-7.2
Others	15.9	22.4	+6.5
Overseas total	360.1	386.8	+26.8
Total	431.6	453.6	+22.0

Operating Plan (consolidated)

1st Half of FYE 2016

(100 Million Yen)

	Actual results 1 st half FYE 2015	Plan 1 st half FYE 2016	Variance
Net sales	13,102	14,750	+1,648
Domestic	2,928	2,650	-278
Overseas	10,174	12,100	+1,925
Operating income	1,857	2,440	+583
Ordinary income	1,760	2,400	+640
Income before income taxes and minority interests	1,747	2,350	+603
Net income	1,130	1,630	+500
FHI exchange rate	¥102/US\$	¥118/US\$	+¥16/US\$



Analysis of Variance in Operating Income (consolidated)

1st Half of FYE 2015 Results vs. FYE 2016 Plan

(100 Million Yen)

US\$: +799
 EURO : -16
 CA\$: +5
 CNY : ±0
 Currency Exchange Adjustment : -27

Gain on currency exchange
+761

Improvement of sales volume & mixture and others
+127

Cost reduction
+75

Fixed cost : -70
 (FHI : -36 SIA : -34)
 SG&A : -214
 (FHI : -15 SOA : -96 and others)
 Warranty claims : +11

Increase of SG&A expenses and others
-273

Increase of R&D expenses
-107

2,440

1,857

FHI : +68
 (material cost : +3)
 SIA : +7
 (material cost : -5)

Domestic : -87 (Decrease of sales volume and deterioration of mixture)
 Overseas : +118 (Increase of sales volume and deterioration of mixture)
 Others : +96

Actual results
1st half
FYE 2015
Operating income

Total: +583

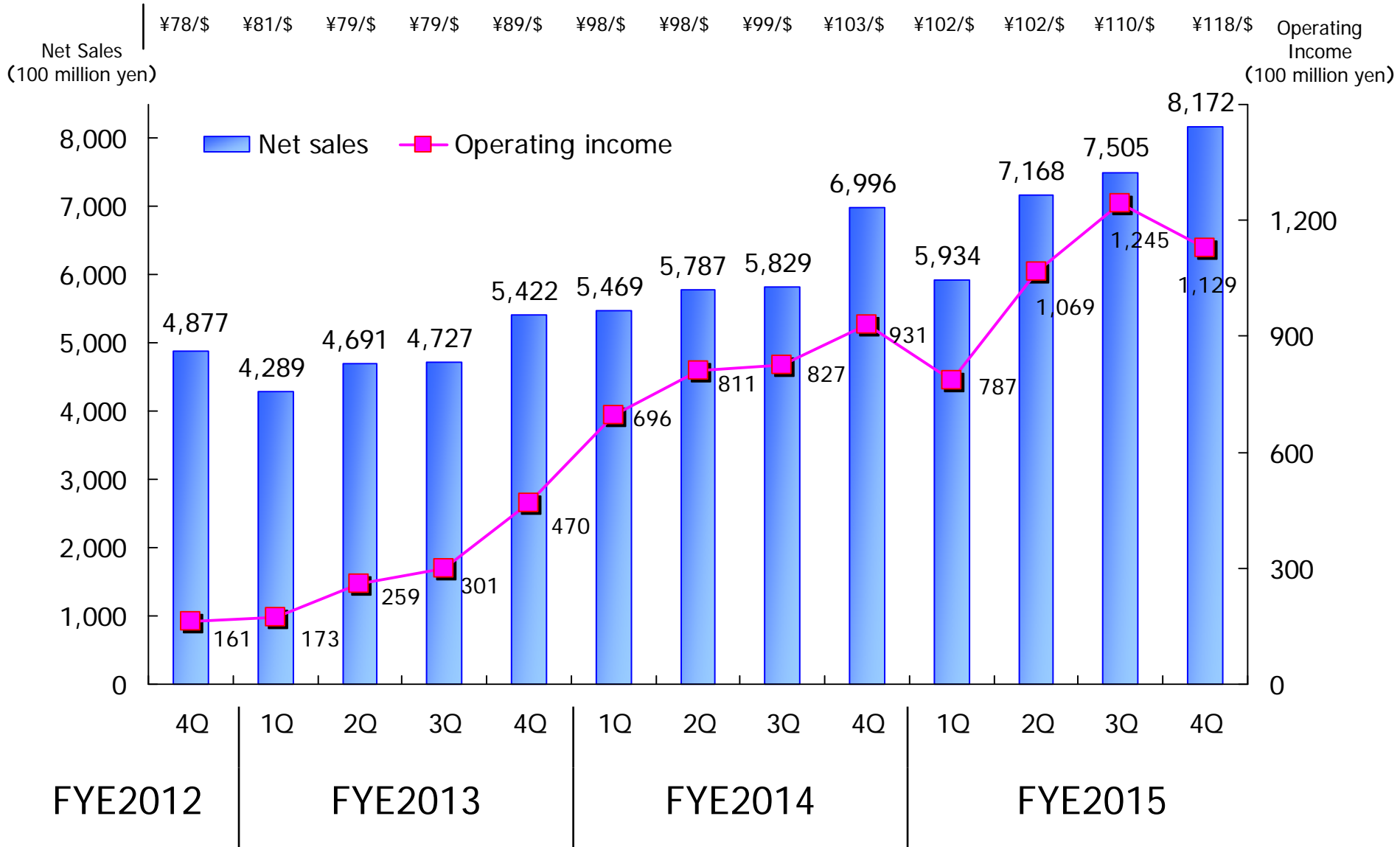
Plan
1st half
FYE 2016
Operating income

Appendix (2)

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



Net Sales & Operating Income

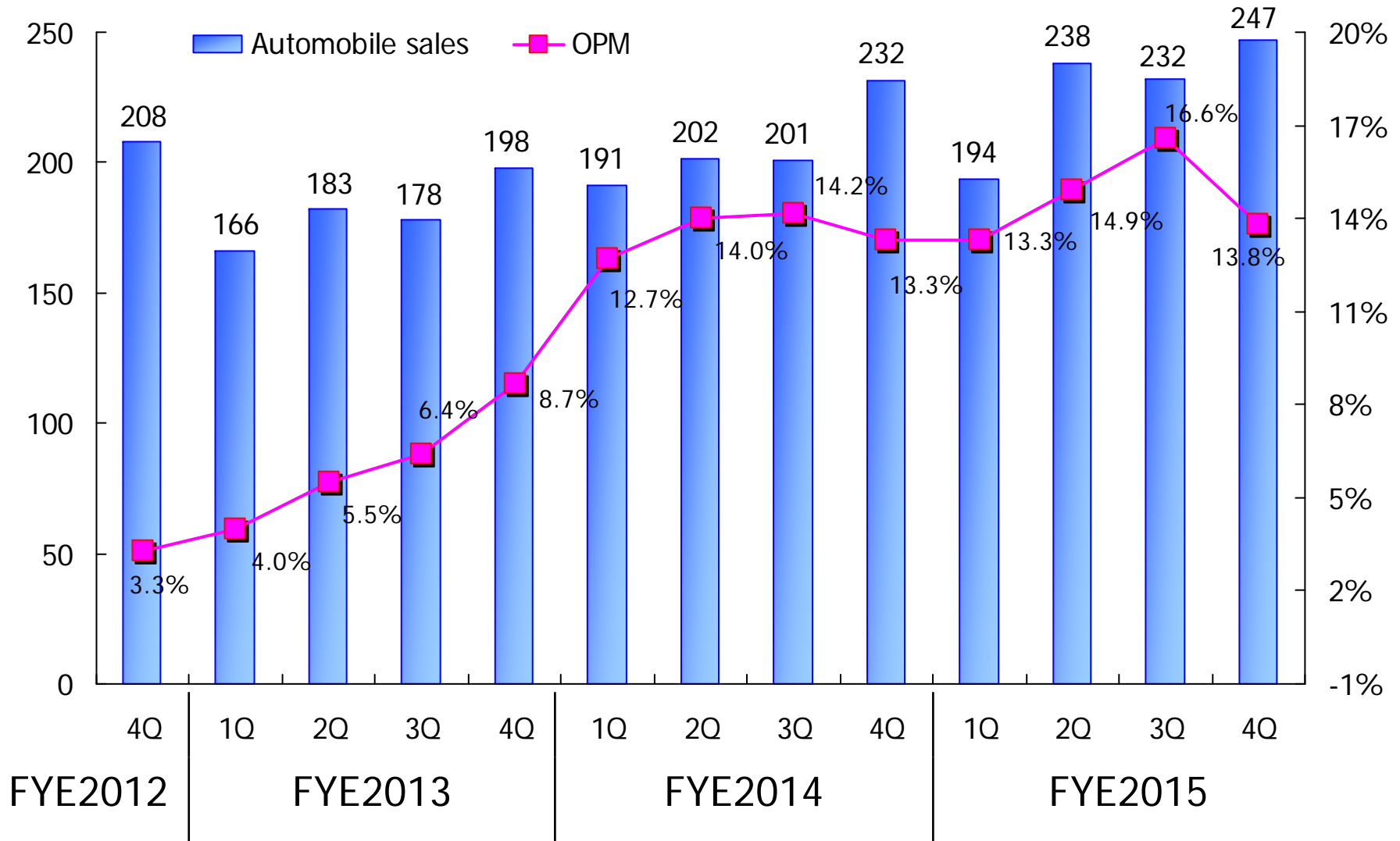




Automobile Sales Volume & Operating Income Margin (consolidated)

Automobile sales
(1,000 units)

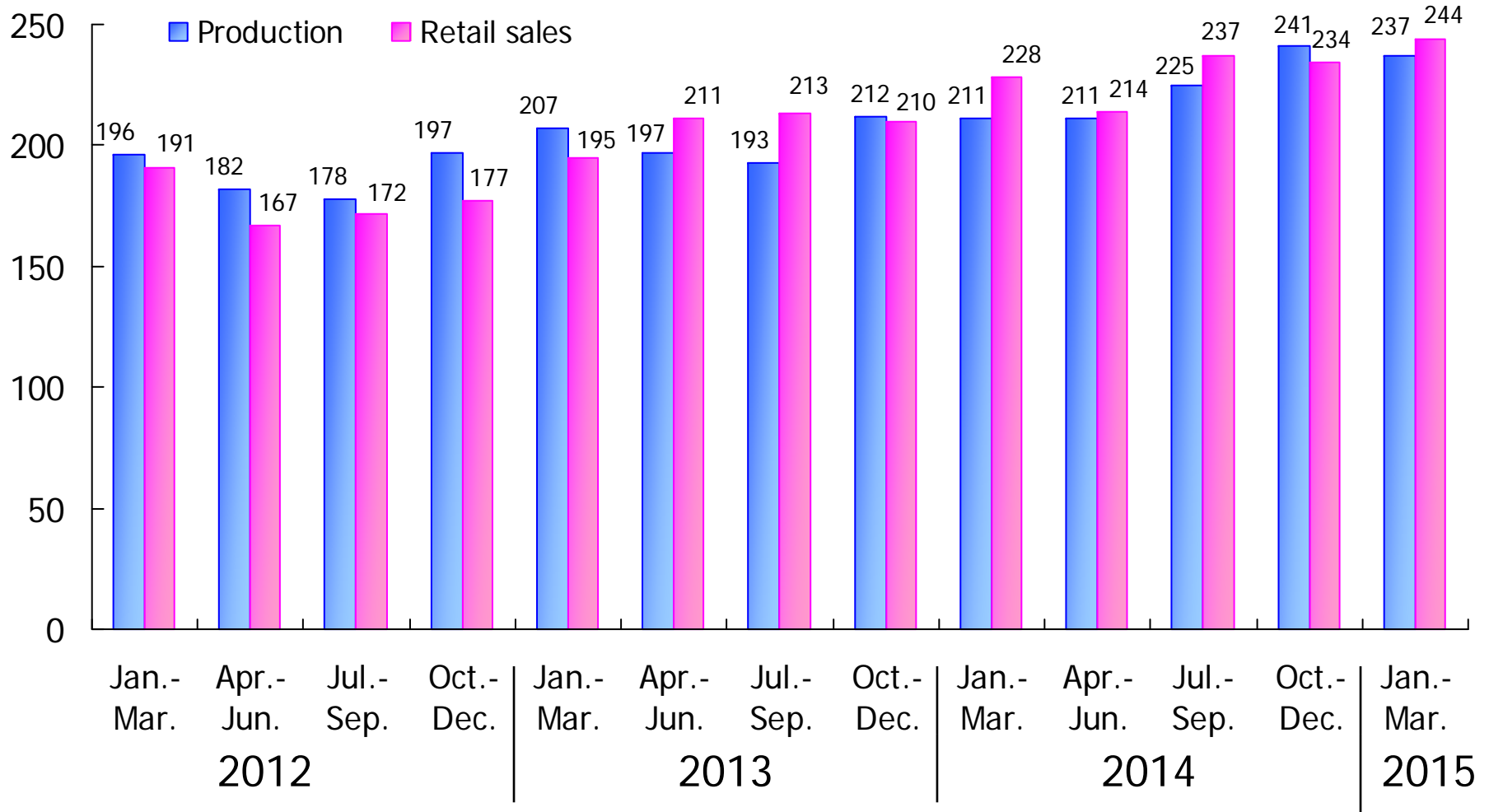
OPM





Complete Cars Production & Retail Sales Units

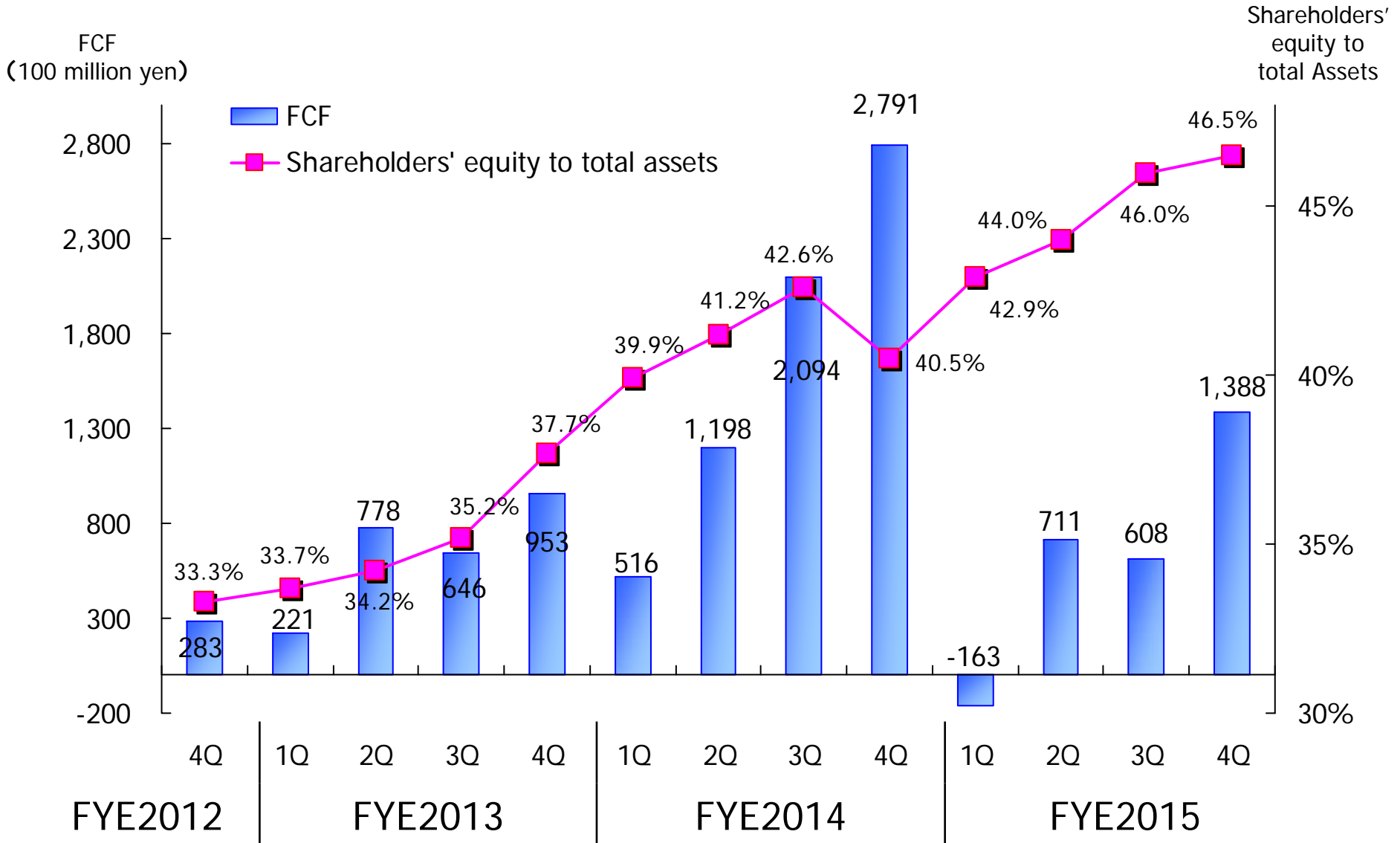
(1,000 units)



* Production figures include Toyota 86.



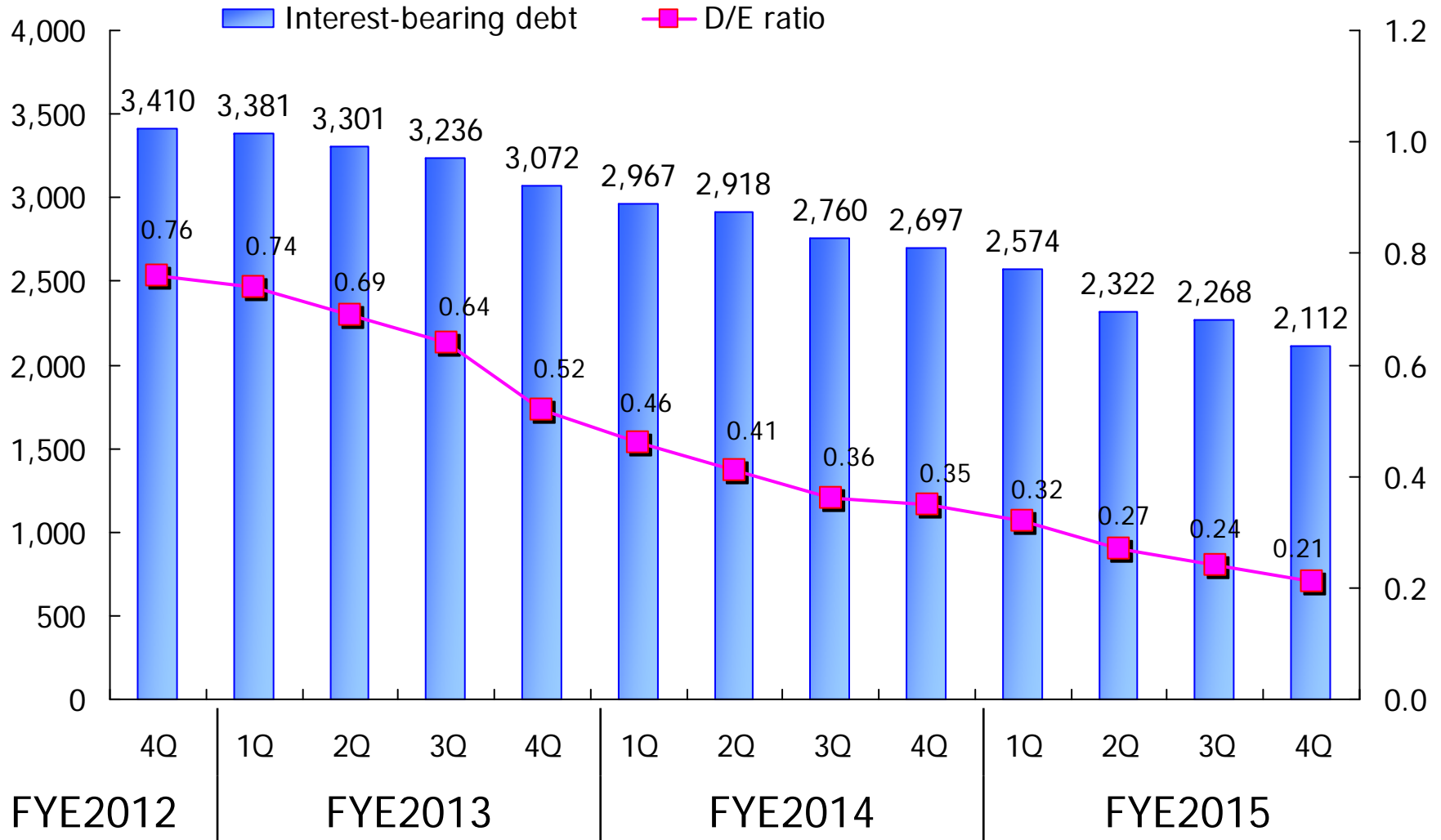
Free Cash Flows & Shareholders' Equity to Total Assets



Interest Bearing Debt & D/E Ratio

Interest bearing Debt
(100 million yen)

D/E ratio





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.



SUBARU