



Business Results for the 3rd Quarter of FYE 2016

Mitsuru Takahashi

Executive Vice President & CFO

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Summary



Financial results for the 3rd quarter (9 months) of FYE March 2016

- Consolidated automobile sales set an all-time record high for the 3rd quarter period (9 months) mainly with the continuous strong sales in North American market.
- Net sales and all profit levels for the 3rd quarter period (9 months) set an all-time record high with gain on currency exchange, increase in sales volume and cost reduction offsetting increase in various expenses.

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Consolidated automobile sales
Actual results (YoY)	¥2,418.6bil. (+¥357.9bil.)	¥435.7bil. (+¥125.6bil.)	¥434.0bil. (+¥145.6bil.)	¥337.8bil. (+¥147.4bil.)	712.2k units (+48.5k units)

Projections for the FYE March 2016

- Full year projections of net sales and all profit levels are expected to be all time record high for the 4th consecutive year.

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Consolidated automobile sales
Plan (YoY)	¥3,210.0bil. (+¥332.1bil.)	¥550.0bil. (+¥127.0bil.)	¥547.0bil. (+¥153.4bil.)	¥414.0bil. (+¥152.1bil.)	954.8k units (+44.1k units)

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Business results for the 3rd quarter (9 months) of FYE March 2016

9 months : Consolidated Automobile Unit Sales



(Thousand Units)

	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance
Passenger car	83.5	75.9	-7.6
Minicar	22.3	24.0	+1.6
Domestic total	105.9	99.9	-6.0
US	398.7	446.3	+47.6
Canada	32.0	36.7	+4.7
Russia	10.8	4.8	-6.1
Europe	22.9	28.6	+5.7
Australia	28.2	32.9	+4.7
China	40.7	30.1	-10.6
Others	24.5	32.9	+8.4
Overseas total	557.8	612.3	+54.5
Total	663.7	712.2	+48.5

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* China figures are consolidated on the calendar year basis from Jan. to Sep. 3

Consolidated automobile sales for the first nine months of the fiscal year ending March 2016 reached a record-high for the period, with 712.2 thousand units in total. This led to an year on year increase of 48.5 thousand units.

Overall domestic sales were down 6 thousand units year on year to total 99.9 thousand units. Minicar sales increased 1.6 thousand units to total 24 thousand units. Passenger vehicle sales fell 7.6 thousand units year on year to total 75.9 thousand units.

Sales in overseas markets rose 54.5 thousand units year on year to reach 612.3 thousand units thanks to robust sales of the Legacy, Outback and XV Crosstreck primarily in North America, which is our key market.

9 months : Consolidated Income Statements



(100 Million Yen)

	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance
Net sales	20,607	24,186	+3,579
Domestic	4,419	4,282	-137
Overseas	16,189	19,904	+3,716
Operating income	3,102	4,357	+1,256
Total non-operating income & expenses	-218	-18	+200
Ordinary income	2,884	4,340	+1,456
Total extraordinary income & loss	-17	465	+482
Income before taxes and minority interests	2,867	4,805	+1,938
Net income attributable to owners of parent	1,904	3,378	+1,474
FHI exchange rate	¥105/US\$	¥122/US\$	+¥16/US\$

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Moving on to consolidated earnings performance,

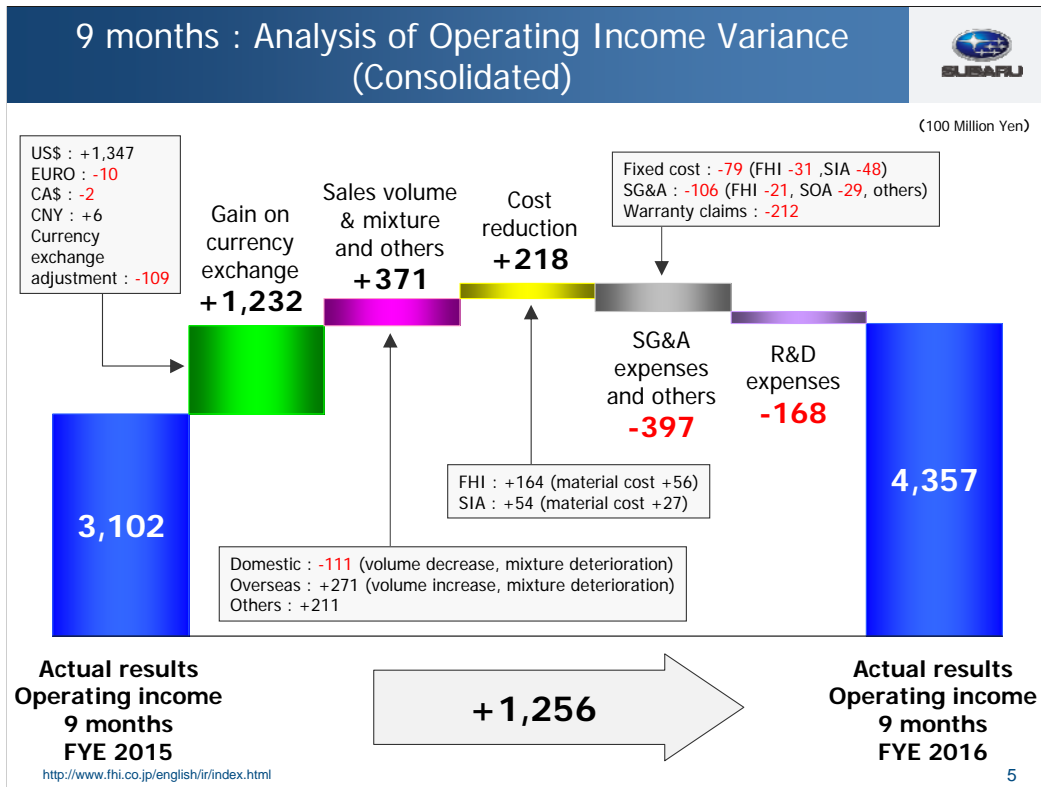
we have achieved the highest-ever net sales and income across all income levels for the first nine-month period.

Net sales increased 357.9 billion yen year on year to total 2,418.6 billion yen. The main factors behind this increase include a foreign exchange gain of 201.0 billion yen, a gain of 151.8 billion yen due to better sales mix variances resulting from higher sales volumes in overseas markets, as well as a 5.1 billion yen increase in sales at Fuji Heavy Industries (FHI) companies, etc.

Operating income rose 125.6 billion yen year on year to total 435.7 billion yen. This uptick mainly came from better sales mix variances resulting from increased sales volumes etc., foreign exchange gains, and progress in cost reductions that offset an increase in SG&A/other expenses and R&D expenses.

Ordinary income was up 145.6 billion yen to reach 434.0 billion yen. Income before taxes and minority interests increased 193.8 billion yen year on year to hit 480.5 billion yen, due partially to the extraordinary gain posted with the reversal of allowance for doubtful accounts and delay damages following the ruling in the lawsuit concerning the 'AH-64D' helicopter for the Japan Ministry of Defense.

Net income attributable to owners of parent rose 147.4 billion yen year on year to reach 337.8 billion yen.



Now let's look at the reasons behind the year-on-year increase of 125.6 billion yen in operating income that went from 310.2 billion yen to 435.7 billion yen.

The main reason for the increase was a foreign exchange gain of 123.2 billion yen. This includes a gain of 134.7 billion yen due to an approximate 16 yen depreciation against the U.S. dollar, a loss of 1.0 billion yen due to an approximate 5 yen appreciation against the euro, and a loss of 0.2 billion yen due to a slight appreciation of the yen against the Canadian dollar. On top of that we gained 0.6 billion yen due to currency translations between the yen and the Chinese yuan and lost 10.9 billion yen due to foreign exchange adjustments on transactions between FHI and its overseas subsidiaries.

Another contributing factor is a favorable sales mix variance that led to a gain of 37.1 billion yen. This can be broken down into the following three areas.

First, we saw a loss of 11.1 billion yen in domestic new car sales, which is mainly due to a big drop in sales volume of the Levorg, a model launched a year earlier, despite upbeat sales of the Legacy, Impreza and Crossover 7.

Next, we saw a gain of 27.1 billion yen from new car sales in overseas markets, thanks to the volume growth driven by the Legacy, Outback, Impreza and WRX, primarily in the North American market where we enjoy continued momentum.

Finally, we had a gain of 21.1 billion yen due to inventory adjustments and other factors.

Another factor behind the jump in operating income was a gain of 21.8 billion yen from cost reductions. This includes a gain of 16.4 billion yen generated by FHI as well as a gain of 5.4 billion yen from SIA.

FHI generated a gain of 10.8 billion yen from cost reductions on top of a gain of 5.6 billion yen due to lower material costs and better market conditions.

SIA yielded a gain of 2.7 billion yen through cost reductions and a gain of 2.7 billion yen due to lower material costs etc.

The main factor bringing operating income down was a loss of 39.7 billion yen due to increases in SG&A/other expenses. This can be broken down into the following three areas.

First, we saw a loss of 7.9 billion yen due to an increase in fixed manufacturing costs. This includes a loss of 3.1 billion yen generated by FHI as well as a loss of 4.8 billion yen from SIA.

FHI generated a loss of 5.2 billion yen due to higher costs for supplier dies and a gain of 2.1 billion yen due to lower fixed processing costs while SIA lost 1.2 billion yen due to higher costs for supplier dies on top of a 3.6 billion yen loss due to an increase in fixed processing costs.

The second factor is a loss of 10.6 billion yen due to an increase in SG&A expenses.

This includes a loss of 2.1 billion yen at FHI, a loss of 0.8 billion yen at domestic dealers, a loss of 2.9 billion yen generated at SOA, a loss of 2.4 billion yen at our Canadian subsidiary, and a loss of 2.4 billion yen from other operations.

SOA generated a gain of 2.7 billion yen from reduced advertising expenses etc., and a loss of 5.6 billion yen for sales incentives.

Per-unit incentives for the current fiscal year stands at 900 dollars, an increase of 50 dollars from 850 dollars in the previous fiscal year.

The third and last factor is an increase in costs associated with warranty claims that led to a loss of 21.2 billion yen.

Finally, an increase in R&D expenses resulted in a loss of 16.8 billion yen.

These factors combined brought consolidated operating income for the first nine months of the fiscal year ending March 2016 up 125.6 billion yen to total 435.7 billion yen.

Consolidated Balance Sheets



(100 Million Yen)

	As of March 31 2015	As of Dec. 31 2015	Variance
Total assets	21,997	24,294	+2,297
Current assets	14,733	16,354	+1,621
Noncurrent assets	7,265	7,940	+676
Interest bearing debts	2,112	1,865	-247
Net assets	10,307	12,817	+2,510
Retained earnings	6,974	9,502	+2,527
Shareholders' equity	10,224	12,743	+2,519
Ratio of shareholders' equity to total assets	46.5%	52.5%	+6.0
D/E ratio	0.21	0.15	-0.06

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Let's look at the balance sheet.

Total assets were up 229.7 billion yen from what they were at the end of March 2015 to total 2,429.4 billion yen.

Main factors include an increase in cash & deposits, as well as an increase in property, plant and equipment.

Interest-bearing debt fell 24.7 billion yen to 186.5 billion yen while net assets rose 251.0 billion yen to total 1,281.7 billion yen. The shareholders' equity to total assets ratio was 52.5% while the debt-to-equity ratio stood at 0.15.

9 months : Consolidated Statement of Cash Flows



(100 Million Yen)

	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance
Net cash provided by (used in) operating activities	1,773	4,343	+2,570
Net cash provided by (used in) investing activities	-1,165	-1,808	-643
Free cash flows	608	2,535	+1,927
Net cash provided by (used in) financing activities	-935	-1,102	-167
Effect of exchange rate change on cash and cash equivalents	273	-13	-286
Net increase (decrease) in cash and cash equivalents	-54	1,420	+1,474
Cash and cash equivalents at end of period	5,524	7,539	-

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Moving on to the consolidated statement of cash flows,

you can see that net cash flow from operating activities amounted to an inflow of 434.3 billion yen. This includes net income before taxes and minority interests of 480.5 billion yen (inclusive of an extraordinary gain from the aforementioned lawsuit on the AH-64D) despite a payment of corporate income tax etc., of 131.7 billion yen.

Net cash flow from investing activities resulted in an outflow of 180.8 billion yen for investments aimed at boosting production capacity.

Free cash flow totaled 253.5 billion yen.

Net cash flow from financing activities resulted in an outflow of 110.2 billion yen due to the repayment of loans, dividend payments etc.

9 months : Operating Results of Subsidiaries in U.S.



(Million US\$)

SOA	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance
Net sales	10,115	11,589	+1,474
Operating income	417	657	+240
Net income	259	404	+145
Retail sales (Thousand units)	399.9	449.9	+50.0

SIA	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance
Net sales	3,424	3,967	+543
Operating income	121	135	+14
Net income	81	87	+6
Subaru production (Thousand units)	149.2	171.3	+22.1

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SOA's retail sales climbed 50 thousand units year on year to reach 449.9 thousand units as sales of the Legacy and the Outback, released last summer, continued to soar along with growing sales of the Impreza, XV Crosstrek, Forester, and WRX.

Net sales also jumped 1,474 million dollars year on year to total 11,589 million dollars. Operating income was up 240 million dollars year on year to total 657 million dollars. This increase comes from a gain of 267 million dollars due to favorable volume and sales mix variances despite a loss of 27 million dollars from higher SG&A expenses.

SIA saw net sales growth of 543 million dollars to hit 3,967 million dollars.

Operating income rose 14 million dollars year on year to reach 135 million dollars. The factors behind the increase include a gain of 10 million dollars due to favorable volumes and price mix variances, a gain of 50 million dollars brought by cost reduction efforts as well as a loss of 46 million dollars due to an increase in fixed costs.



Outlook for the FYE March 2016

Full Year : Consolidated Automobile Sales Plan



(Thousand Units)

	Actual results FYE 2015	Revised plan FYE 2016	Variance
Passenger car	127.9	109.8	-18.1
Minicar	34.9	33.5	-1.4
Domestic total	162.8	143.3	-19.4
US	527.6	583.0	+55.3
Canada	42.4	47.1	+4.7
Russia	11.6	6.1	-5.5
Europe	35.7	41.3	+5.6
Australia	38.9	44.5	+5.6
China	53.8	44.4	-9.4
Others	37.9	45.1	+7.3
Overseas total	747.9	811.5	+63.6
Total	910.7	954.8	+44.1

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※ China figures are consolidated on the calendar year basis from Jan to Dec. 10

As for the consolidated automobile sales for the fiscal year ending March 2016, we strive to make a new record for the fourth consecutive year with the planned sale of 954.8 thousand unit.

Domestic sales are projected to fall 19.4 thousand units year on year to total 143.3 thousand units, due to a big drop of passenger vehicles as the effect of new model launch is diminishing.

We plan to increase the overseas sales by 63.6 thousand units to total 811.5 thousand units, to be driven by the U.S. Market where steady sales continue.

Full Year : Consolidated Operating Plan



(100 Million Yen)

	Actual results FYE 2015	Revised plan FYE 2016	Variance
Net sales	28,779	32,100	+3,321
Domestic	6,529	5,962	-567
Overseas	22,250	26,138	+3,888
Operating income	4,230	5,500	+1,270
Ordinary income	3,936	5,470	+1,534
Income before taxes and minority interests	3,922	5,870	+1,948
Net income attributable to owners of parent	2,619	4,140	+1,521
FHI exchange rate	¥108/US\$	¥120/US\$	+¥12/US\$

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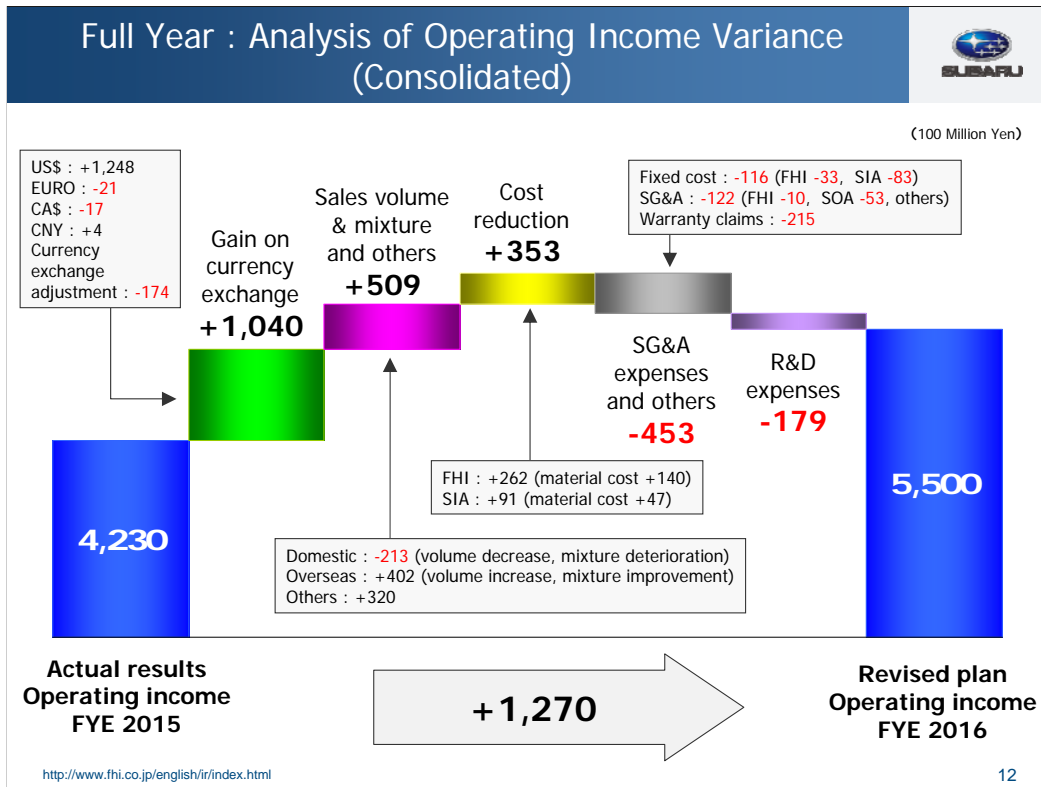
Let's look at our consolidated operating plan.

The plan remains unchanged from the one released on December 24th 2015, as additional recall-related expenses posted in the 3rd quarter were offset by some factors such as improvement of sales mix variances, reduction of selling expenses, progress in cost reductions.

Net sales are expected to jump 332.1 billion yen year on year to total 3,210.0 billion yen. This uptick will come from a foreign exchange gain of 174.9 billion yen, a gain of 152.1 billion yen due to better sales mix variances resulting from increased sales volumes, as well as a 5.1 billion yen increase in sales at FHI companies, etc.

Operating income is projected to total 550.0 billion, up 127.0 billion yen year on year. Factors behind this increase are foreign exchange gain, better sales mix variances and progress in cost reductions, which will offset increases in SG&A/other expenses and R&D expenses.

Ordinary income is expected to grow 153.4 billion yen to reach 547.0 billion yen while income before taxes and minority interests will be up 194.8 billion yen to hit 587.0 billion yen. Net income attributable to owners of parent will rise 152.1 billion yen to reach 414.0 billion yen. We aim at all-time record high in net sales and income across all income levels for the fourth consecutive year.



Now let's look at the factors behind the projected year-on-year 127.0 billion yen increase in operating income that will take us from 423.0 billion yen to 550.0 billion yen.

The main reason behind the increase is a foreign exchange gain of 104.0 billion yen. This will include a gain of 124.8 billion yen due to an approximate 12 yen depreciation against the U.S. dollar, a loss of 2.1 billion yen due to an approximate 7 yen appreciation against the euro, and a loss of 1.7 billion yen due to an approximate 3 yen appreciation against the Canadian dollar.

On top of that, there will be a gain of 0.4 billion yen resulting from currency translations between the yen and the Chinese yuan and a loss of 17.4 billion yen due to foreign exchange adjustments for transactions between FHI and its overseas subsidiaries.

Exchange rate assumptions for 4Q are: 115 yen to the U.S. dollar, 126 yen to the euro, and 88 yen to the Canadian dollar. For the second half of the fiscal year, the forecasts are 118 yen, 130 yen and 90 yen respectively.

Another contributing factor is a favorable sales mix variance that will lead to a gain of 50.9 billion yen. This can be broken down into the following three areas:

- a loss of 21.3 billion yen in domestic new car sales,
- a gain of 40.2 billion yen from new car sales in overseas markets,
- and a gain of 32.0 billion yen due to inventory adjustments and other factors.

The third factor behind the jump in operating income is a gain of 35.3 billion yen from cost reductions. This will include a gain of 26.2 billion yen generated by FHI as well as a gain of 9.1 billion yen coming from SIA.

FHI is expected to generate a gain of 12.2 billion yen through cost reductions and another gain of 14.0 billion yen in relation to materials costs and other market factors.

SIA will yield a gain of 4.4 billion yen through cost reductions and a gain of 4.7 billion yen due to lower material costs etc.

The main factor bringing operating income down is a loss of 45.3 billion yen due to increases in SG&A/other expenses. This can be broken down into the following three areas.

First, we will see a loss of 11.6 billion yen due to an increase in fixed manufacturing costs. This will include a loss of 3.3 billion yen generated by FHI as well as a loss of 8.3 billion yen coming from SIA.

FHI will generate a loss of 5.3 billion yen due to higher costs for supplier dies and a gain of 2.0 billion yen due to lower fixed processing costs while SIA will see a loss of 1.4 billion yen due to increased costs for supplier dies and a loss of 6.9 billion yen due to higher fixed processing costs.

The second factor is a loss of 12.2 billion yen due to an increase in SG&A expenses.

This will include a loss of 1.0 billion yen at FHI, a loss of 0.4 billion yen at domestic dealers, a loss of 5.3 billion yen at SOA, a loss of 3.0 billion yen at our Canadian subsidiary, and a loss of 2.5 billion yen from other operations. SOA will have a gain of 0.4 billion yen from reduced advertising expenses etc., and a loss of 5.7 billion yen for sales incentives due to an increase of sales volume, although incentives per unit for this fiscal year will remain the same level as the previous year at 900 dollars.

The third and last factor is an increase in costs associated with warranty claims that will lead to a loss of 21.5 billion yen.

Finally, an increase in R&D expenses will result in a loss of 17.9 billion yen.

All these factors combined will bring operating income for the fiscal year ending March 2016 up 127.0 billion yen to total 550.0 billion yen.

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



(Million US\$)

SOA	Actual results FYE 2015	Plan FYE 2016	Variance
Net sales	13,393	15,202	+1,809
Operating income	490	776	+286
Net income	309	477	+168
Retail sales (Thousand units)	530.5	585.4	+54.9

SIA	Actual results FYE 2015	Plan FYE 2016	Variance
Net sales	4,770	5,467	+697
Operating income	108	198	+90
Net income	70	124	+54
Subaru production (Thousand units)	206.7	235.9	+29.2

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SOA's full-year retail sales are expected to increase 54.9 thousand units year on year to reach 585.4 thousand units with robust sales of the new Legacy and Outback released last summer as well as the Impreza, XV Crosstrek, Forester, and WRX.

Net sales are expected to increase 1,809 million dollars year on year to reach 15,202 million dollars.

Operating income is projected to rise 286 million dollars year on year to total 776 million dollars. This increase will come from a gain of 334 million dollars due to favorable volumes and sales mix variances despite a loss of 48 million dollars resulting from higher SG&A expenses.

SIA's net sales are expected to soar 697 million dollars year on year to reach 5,467 million dollars.

Operating income is expected to rise 90 million dollars year on year to reach 198 million dollars. Factors for the increase will include a gain of 90 million dollars due to favorable volumes and price mix, a gain of 76 million dollars through cost reduction efforts, as well as a loss of 76 million dollars due to an increase in fixed costs.

Capex / Depreciation / R&D / Interest bearing debt



(100 Million Yen)

	Actual Results 9 months FYE2015	Actual Results FYE2015 (a)	Actual Results 9 months FYE 2016	Revised plan FYE2016 (b)	Variance (b) - (a)
Capex	828	1,107	830	1,300	+193
Depreciation	445	648	473	670	+22
R&D	549	835	717	1,015	+180
Interest bearing debt	2,268	2,112	1,865	1,800	-312

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Finally, let's look at capital expenditures, depreciation costs, R&D expenses, and interest-bearing debt.

R&D expenses are projected to total 101.5 billion yen. That's up 2.5 billion yen from the previous forecast.

Other than that, projected figures for capital expenditures, depreciation costs, or interest-bearing debt remain unchanged.

From next pages, we provide references including segment information, historical performance by various KPI's and difference between the initial plan vs. revised plan.

This concludes the briefing on our financial results for the first nine months of the fiscal year ending March 2016.

Thank you very much.

Appendix (1)

- Non-operating income & expenses and extraordinary income & loss (9 months)
- Segment information by Business & Geographic (9 months)
- Overseas net sales (9 months)
- Non-consolidated automobile sales (9 months)

9 months : Non-operating Income & Expenses and
Extraordinary Income & Loss (Consolidated)



(100 Million Yen)

	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance
Financial revenue and expenditure	8	19	-11
FOREX effects	-230	-14	+215
Other	4	-22	-26
Total non-operating income & expenses	-218	-18	+200
Gain on sales of noncurrent assets	6	1	-5
Gain on sales of investment securities	9	2	-7
Reversal of allowance for doubtful accounts	-	296	+296
State subsidy	-	30	+30
Loss on sales and retirement of noncurrent assets	-28	-31	-3
Loss on reduction of noncurrent assets	-	-17	-17
Other	-5	182	+187
Total extraordinary income & loss	-17	465	+482

9 months : Net Sales and Operating Income
by Business Segment (Consolidated)



(100 Million Yen)

	Net Sales			Operating Income		
	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance
Automobile	19,370	22,772	+3,402	2,973	4,203	+1,230
Aerospace	980	1,102	+123	106	122	+15
Industrial products	203	254	+51	1	6	+5
Others	55	59	+3	17	21	+5
Elimination & Corporate	/	/	/	5	5	+0
Total	20,607	24,186	+3,579	3,102	4,357	+1,256

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9 months : Net Sales and Operating Income by Geographic Area (Consolidated)



(100 Million Yen)

	Net Sales			Operating Income		
	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance
Japan	6,662	6,854	+192	2,431	3,314	+883
North America	11,955	15,370	+3,415	773	1,009	+236
Others	1,990	1,962	-28	115	8	-108
Elimination & Corporate	/	/	/	-218	27	+244
Total	20,607	24,186	+3,579	3,102	4,357	+1,256

9 months : Overseas Net Sales (Consolidated)



(100 Million Yen)

	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance
North America	12,688	16,221	+3,533
Europe	856	895	+39
Asia	1,675	1,616	-58
Other	970	1,172	+202
Total	16,189	19,904	+3,716

9 months : Non-consolidated Automobile Sales



(Thousand Units)

	Actual Results 9 months FYE 2015	Actual Results 9 months FYE 2016	Variance
Domestic production	528.2	530.2	+2.1
Domestic sales	115.3	108.4	-6.9
Passenger cars	91.0	82.2	-8.8
Minicars	24.3	26.2	+1.9
Number of exported vehicles	414.0	435.3	+21.3
Components for overseas production	164.3	176.3	+12.0
Total	693.7	720.0	+26.4

※ Domestic production figures include Toyota 86.

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Appendix (2)

- 3rd quarter (3 months) consolidated income statements
- 4th quarter (3 months) consolidated income statements
- Full year consolidated income statements
(Previous plan vs. Revised plan)

3rd Quarter (3 months) : Consolidated Automobile Sales



(Thousand Units)

	3Q Actual Results FYE 2015	3Q Actual Results FYE 2016	Variance
Passenger car	27.1	26.1	-1.0
Minicar	7.3	7.3	+0.0
Domestic total	34.3	33.4	-0.9
US	148.8	155.7	+6.9
Canada	9.9	10.6	+0.7
Russia	2.2	1.3	-0.9
Europe	7.3	9.0	+1.7
Australia	8.9	9.9	+1.0
China	12.0	9.6	-2.4
Others	8.6	10.4	+1.8
Overseas total	197.7	206.6	+8.9
Total	232.1	240.0	+8.0

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

* China figures are consolidated on the calendar year basis from Jul. to Sep. 22

3rd Quarter (3 months) : Consolidated Income Statements



(100 Million Yen)

	3Q Actual Results FYE 2015	3Q Actual Results FYE 2016	Variance
Net sales	7,505	8,172	+667
Domestic	1,491	1,430	-61
Overseas	6,014	6,742	+728
Operating income	1,245	1,506	+262
Ordinary income	1,124	1,490	+365
Income before taxes and minority interests	1,120	1,974	+854
Net income attributable to owners of parent	773	1,446	+673
FHI exchange rate	¥110/US\$	¥121/US\$	+¥11/US\$

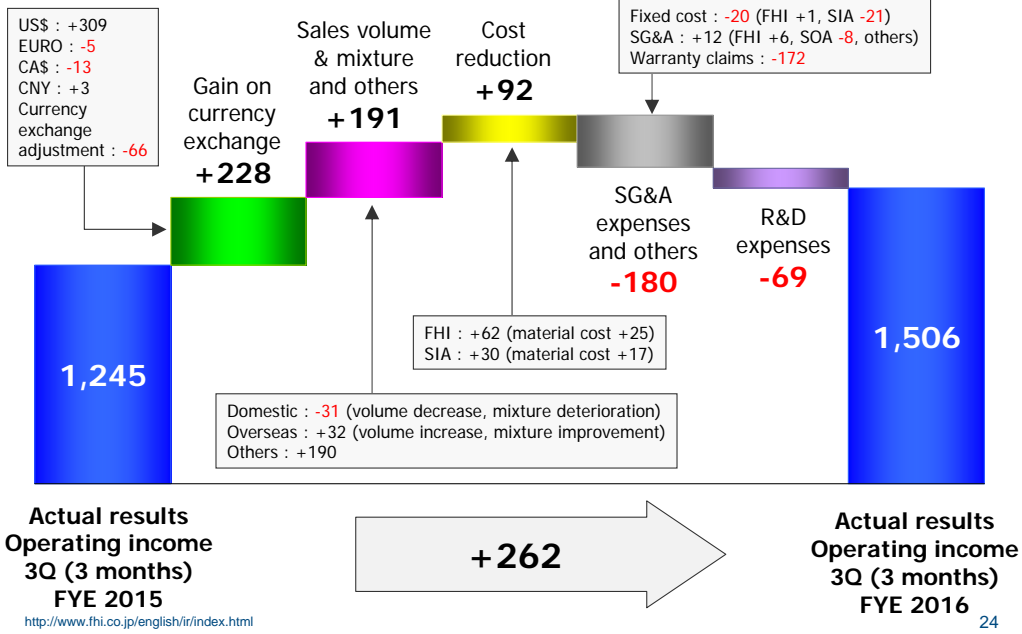
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3rd Quarter (3 months) : Analysis of Operating Income Variance (Consolidated)



(100 Million Yen)



4th Quarter (3 months) : Consolidated Automobile Sales



(Thousand Units)

	4Q Actual Results FYE 2015	4Q Plan FYE 2016	Variance
Passenger car	44.4	33.9	-10.5
Minicar	12.5	9.5	-3.0
Domestic total	56.9	43.4	-13.5
US	128.9	136.7	+7.7
Canada	10.5	10.4	-0.1
Russia	0.7	1.3	+0.6
Europe	12.8	12.7	-0.1
Australia	10.7	11.6	+0.9
China	13.1	14.3	+1.2
Others	13.4	12.2	-1.1
Overseas total	190.1	199.2	+9.1
Total	247.0	242.6	-4.4

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

* China figures are consolidated on the calendar year basis from Oct. to Dec. 25

4th Quarter (3 months) : Consolidated Income Statements



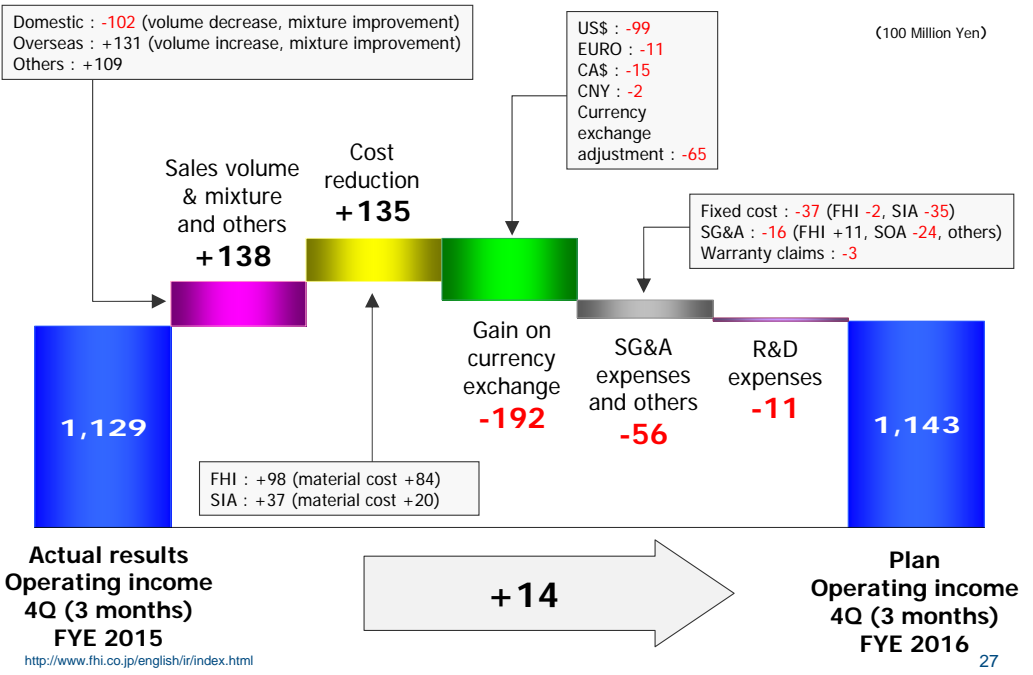
(100 Million Yen)

	4Q Actual Results FYE 2015	4Q Plan FYE 2016	Variance
Net sales	8,172	7,914	-258
Domestic	2,110	1,680	-431
Overseas	6,062	6,234	+172
Operating income	1,129	1,143	+14
Ordinary income	1,053	1,130	+77
Income before taxes and minority interests	1,055	1,065	+10
Net income attributable to owners of parent	715	762	+47
FHI exchange rate	¥118/US\$	¥115/US\$	-¥3/US\$

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

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4th Quarter (3 months) : Analysis of Operating Income Variance (Consolidated)



Previous Plan (2Q announcement) vs. Revised Plan
Full Year : Consolidated Automobile Sales Plan



(Thousand Units)

	Previous Plan FYE 2016	Revised Plan FYE 2016	Variance
Passenger car	107.7	109.8	+2.1
Minicar	34.4	33.5	-0.9
Domestic total	142.1	143.3	+1.2
US	577.6	583.0	+5.4
Canada	46.5	47.1	+0.6
Russia	9.0	6.1	-2.9
Europe	42.2	41.3	-0.8
Australia	44.1	44.5	+0.4
China	46.5	44.4	-2.1
Others	45.0	45.1	+0.1
Overseas total	810.9	811.5	+0.6
Total	953.0	954.8	+1.8

<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 (announced on Dec. 24, 2015) vs. Revised Plan
Full Year : Consolidated Operating Plan



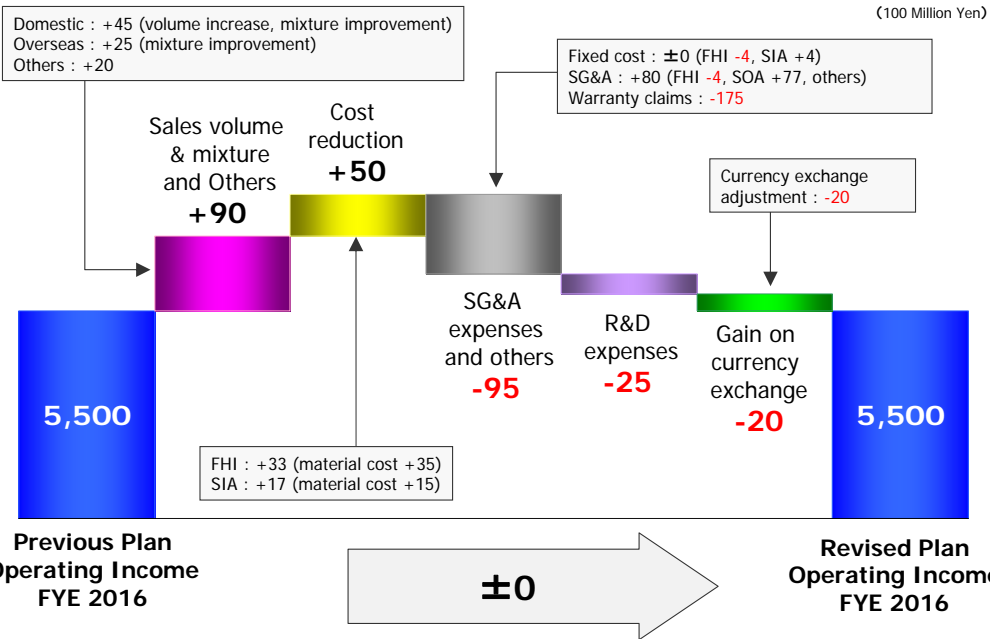
(100 Million Yen)

	Previous Plan FYE 2016	Revised Plan FYE 2016	Variance
Net sales	32,100	32,100	±0
Domestic	5,721	5,962	+240
Overseas	26,379	26,138	-240
Operating income	5,500	5,500	±0
Ordinary income	5,470	5,470	±0
Income before taxes and minority interests	5,870	5,870	±0
Net income attributable to owners of parent	4,140	4,140	±0
FHI exchange rate	¥120/US\$	¥120/US\$	±¥0/US\$

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

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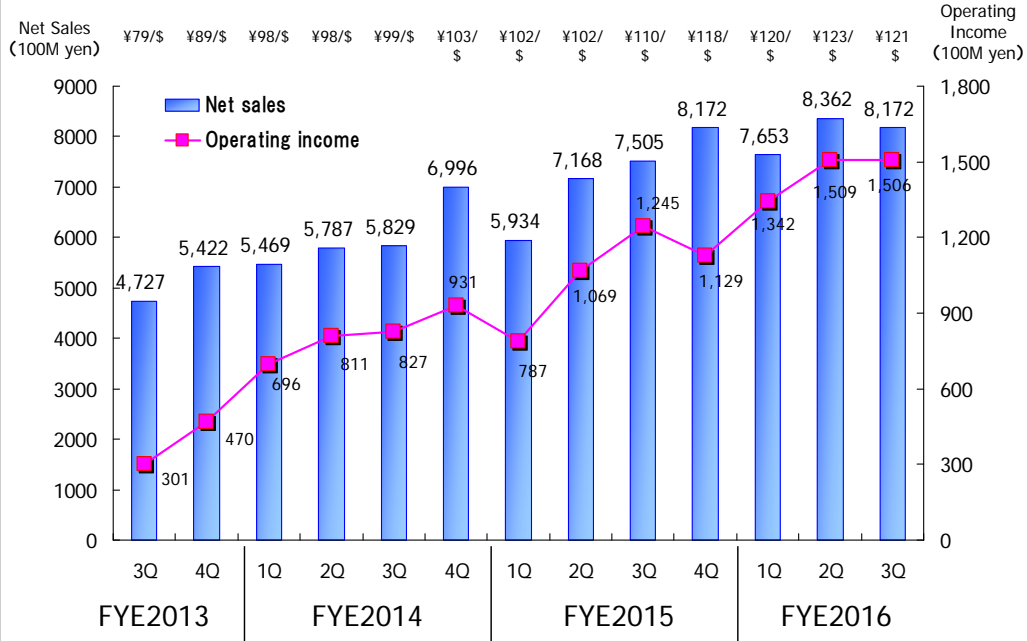
Previous Plan (announced on Dec. 24, 2015) vs. Revised Plan Full Year : Analysis of Operating Income Variance (Consolidated)



Appendix (3) – Historical Performance

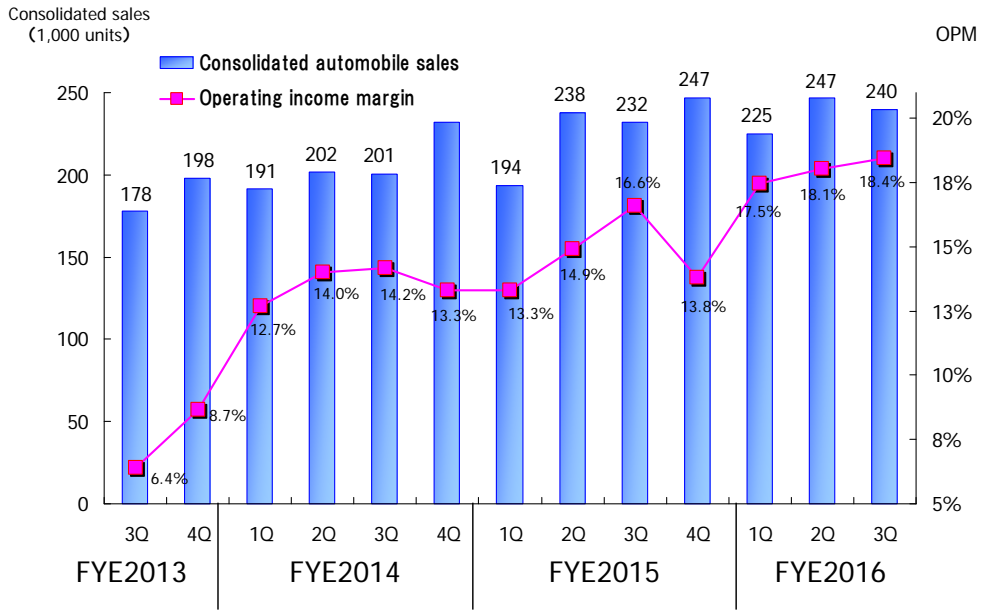
- Net Sales / Operating income
- Consolidated automobile sales units/ OPM
- Complete cars production / Retail sales units
- FCF / Ratio of shareholders' equity to total assets
- Interest bearing debt / D/E ratio

Net Sales / Operating Income



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

Consolidate Automobile Sales & Operating Income Margin

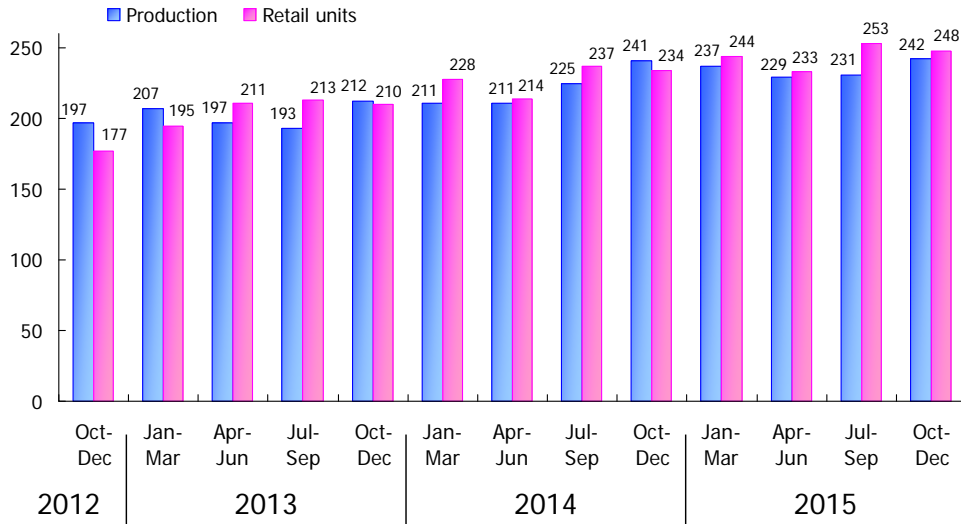


<http://www.fhi.co.jp/english/ir/index.html>

Complete Cars Production / Retail Sales Units



(1,000 units)

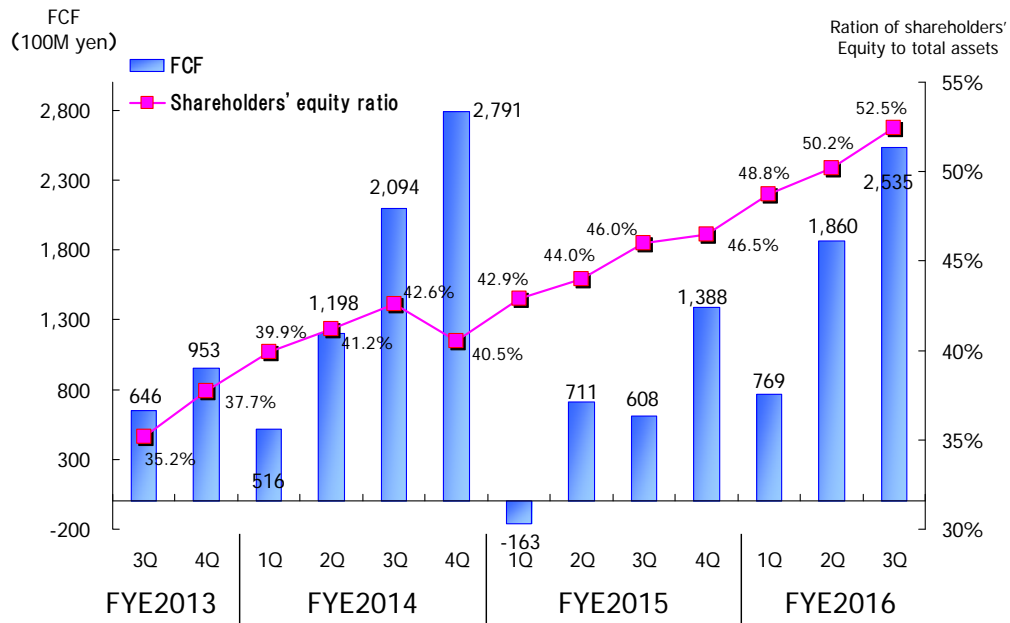


※ Production figures include Toyota 86

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

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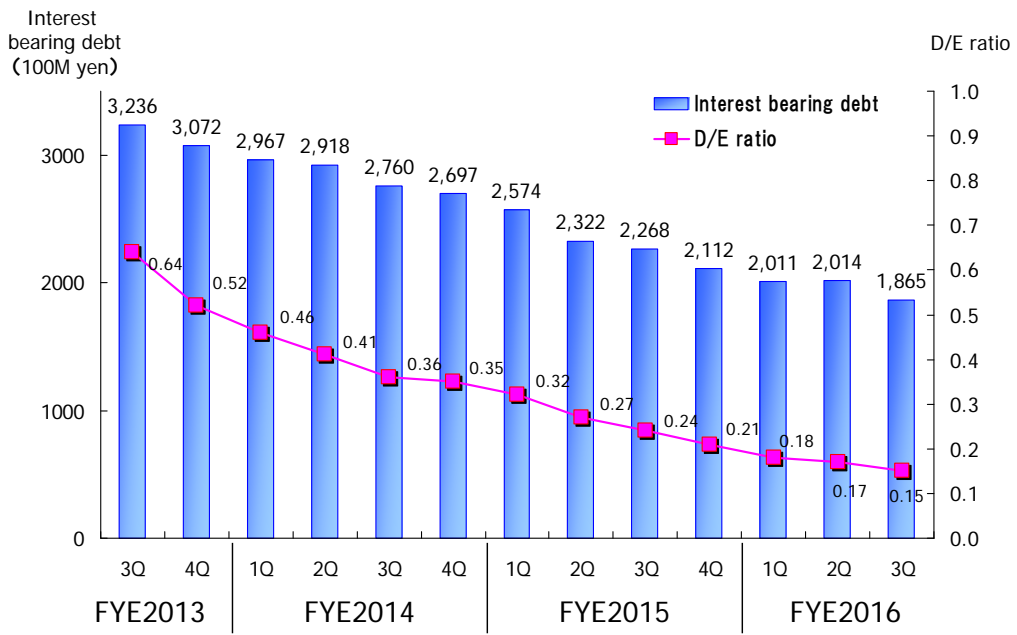
Free Cash Flows & Ratio of Shareholders' Equity to Total Assets



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

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Interest Bearing Debt & D/E Ratio



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



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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