

Presentation of Interim Business Results for the Term ending March 2005



Fuji Heavy Industries Ltd.

November 12, 2004



A Summary of Business Results

Sales of Automobile (Consolidated Basis)

(Thousand Units)	Actual Results of 1 st Half of FYE March 2004	Actual Results of 1 st Half of FYE March 2005	Changes
Passenger Car	51.9	50.4	-1.4
Minicar	61.0	73.2	+12.2
Domestic Total	112.9	123.6	+10.7
U.S.	85.8	86.8	+0.9
Canada	7.3	7.2	-0.0
Europe	21.8	30.6	+8.8
Australia	13.9	17.0	+3.1
Others	6.6	10.2	+3.6
Overseas Total	135.4	151.8	+16.5
SIA(Isuzu SUV)	13.4	12.2	-1.2
Grand Total	261.7	287.6	+25.9

(Figures of U.S. & Canada were on calendar year basis from January to June)

P/L (Consolidated Basis)

(100 Million Yen)	Actual Results of 1 st Half of FYE March 2004	Actual Results of 1 st Half of FYE March 2005	Changes
Sales	6,653	6,907	+254
Domestic	2,921	3,050	+128
Overseas	3,732	3,857	+125
Operating Income	183	155	-28
Ordinary Income	244	150	-94
Net Income	194	82	-111
FHI Exchange Rate	¥120/\$	¥110/\$	-¥10/\$



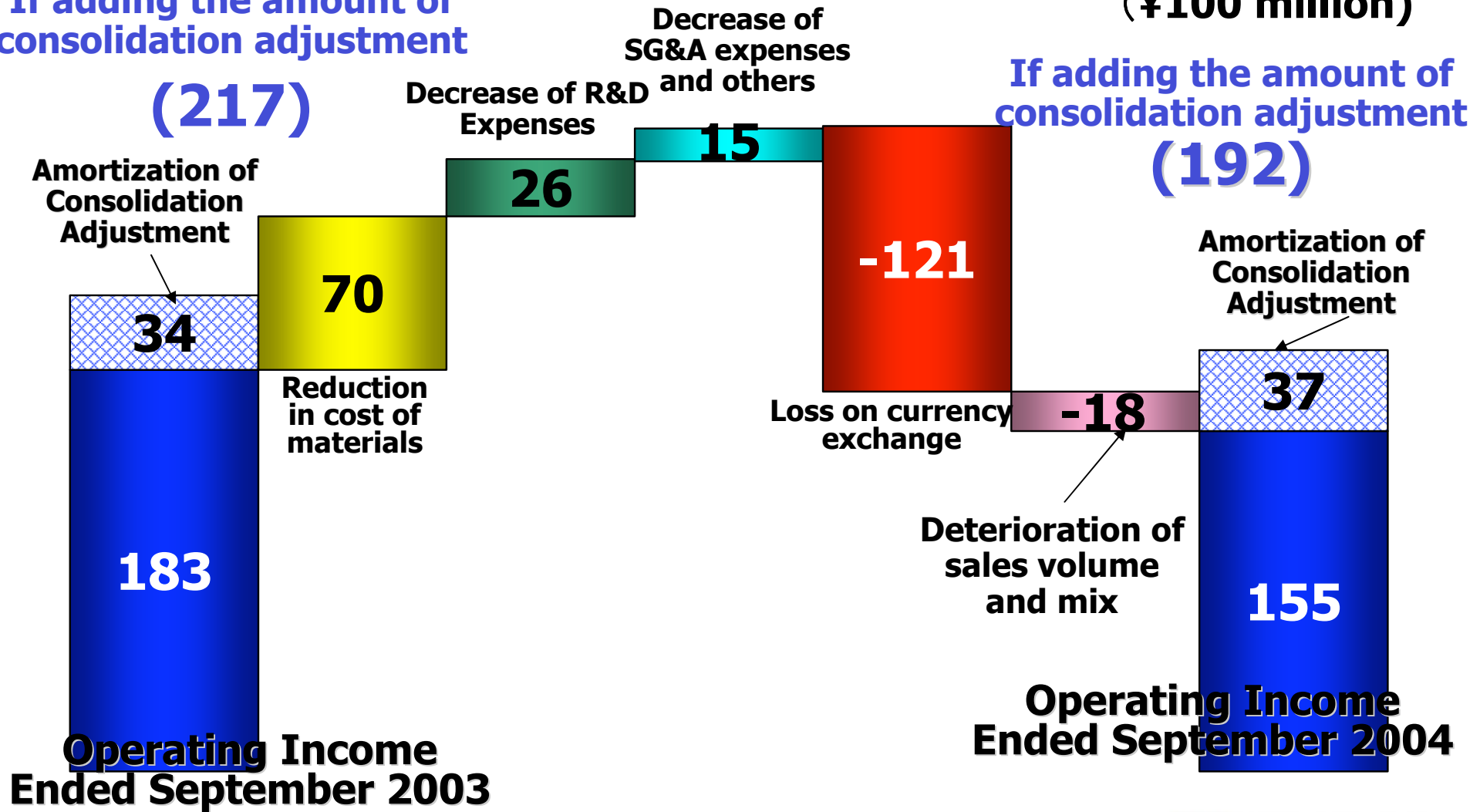
Analysis of Increase and Decrease in Operating Income Changes (Consolidated Basis)

If adding the amount of consolidation adjustment

(217)

(¥100 million)

If adding the amount of consolidation adjustment
(192)



Business Results of subsidiaries in U.S.

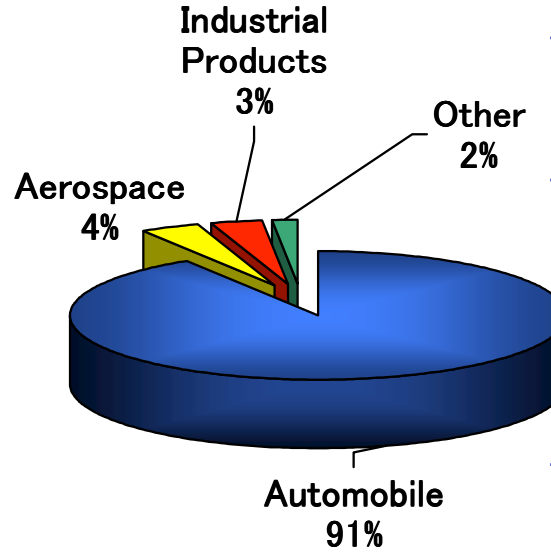
(million US\$)

SOA (January to June)	Actual results of 1 st Half of CY 2003	Actual results of 1 st Half of CY2004	Changes
Net Sales	\$1,910	\$1,844	-66
Operating Income	-50	-42	+8
Net Income	-16	-24	-8
Retailed Sales (thousand units)	91.0	87.7	-3.3
SIA (January to June)	Actual results of 1 st Half of CY 2003	Actual results of 1 st Half of CY2004	Changes
Net Sales	\$1,026	\$1,076	+50
Operating Income	-10	-64	-53
Net Income	-4	-39	-35
Production (thousand units) (Isuzu SUV)	65.0 (13.4)	57.0 (12.2)	-8.0 (-1.2)

(These subsidiaries are consolidated on calendar year basis)

Consolidated Sales by Business Segment

(¥100 million)

Percentages of Total Sales		Actual Results of 1 st Half of FYE March 2004	Actual Results of 1 st Half of FYE March 2005	% Changes
 <p>Automobile 91%</p> <p>Aerospace 4%</p> <p>Industrial Products 3%</p> <p>Other 2%</p>	Automobile	6,066	6,287	+3.6%
	Aerospace	257	273	+6.4%
	Industrial Products	209	236	+12.6%
	Others	119	110	-7.5%
	Total	6,653	6,907	+3.8%

B/S (Consolidated Basis)

(¥100 million)	As of March 2003	As of September 2004	Changes
Total Asset	13,497	13,923	+425
Current Asset	6,548	6,738	+189
Fixed Asset	6,948	7,184	+235
Interest Bearing Debt	3,789	4,055	+266
Shareholders' Equity	4,537	4,642	+105
Shareholders' Equity to Total Assts	33.6%	33.3%	-0.3%
Debt to Equity Ratio	0.84	0.87	—

Cash Flow (Consolidated Basis)

(¥100 million)	Actual Results of 1 st Half of FYE March 2004	Actual Results of 1 st Half of FYE March 2005	Change	Actual Results of FYE March 2004
Cash Flows From Operating Activities	259	373	+113	997
Cash Flows From Investing Activities	-573	-624	-50	-1,271
Free Cash Flows	-314	-250	+63	-273
Cash Flows From Financing Activities	199	223	+24	23
Net Increase (Decrease) in Cash and Cash Equivalents	-115	-21	+93	-250
Cash and cash Equivalents at the End of Term	1,584	1,372	-212	1,394

Automobile Sales (Non Consolidated Basis)

(Thousand Units)	Actual Results of 1 st Half of FYE March 2004	Actual Results of 1 st Half of FYE March 2005	Change
Domestic Production	221.9	252.6	+30.7
For Saab	-	7.6	+7.6
Domestic Sales	119.1	133.5	+14.4
Passenger Car	56.5	51.6	+4.9
Mini car	62.7	81.9	+19.2
Number of Vehicles Exported	97.3	113.9	+16.6
Components for Overseas Production	45.8	58.4	+12.5
Total	262.3	305.8	+43.5



Outlook for the Term Ended March 2005

Plan of Automobile Sales (Compared to the Previous Year)

(Thousand Units)	Actual Results of FYE March 2004	Plan of FYE March 2005	Changes
Passenger Car	111.1	109.7	-1.4
Mini Car	134.4	155.0	+20.6
Domestic Total	245.5	264.7	+19.2
America	189.6	193.2	+3.5
Canada	16.2	16.9	+0.8
Europe	53.6	58.9	+5.4
Australia	30.7	34.8	+4.1
Other	15.7	19.6	+4.0
Overseas Total	305.7	323.4	+17.7
SIA (Isuzu SUV)	25.2	13.2	-12.1
Grand Total	576.5	601.3	+24.8

(Figures of U.S. & Canada are on calendar year basis from January to December)

Plan of Automobile Sales (Compared to the Plan Released in May)

(Thousand Units)	Plan of FYE March 2005 in May	Plan of FYE March 2005	Changes
Passenger Car	114.5	109.7	-4.8
Mini Car	183.1	155.0	-28.1
Domestic Total	297.6	264.7	-32.9
America	209.5	193.2	-16.3
Canada	17.4	16.9	-0.5
Europe	55.2	58.9	+3.7
Australia	30.6	34.8	+4.2
Other	15.9	19.6	+3.7
Overseas Total	328.6	323.4	-5.2
SIA (Isuzu Car)	13.2	13.2	-0
Grand Total	639.3	601.3	-38.0

(Figures of U.S. & Canada are on calendar year basis from January to December)

Plan of Automobile Sales (Compared to the Plan Released in August)

(Thousand Units)	Plan of FYE March 2005 in August	Plan of FYE March 2005	Changes
Passenger Car	109.6	109.7	+0.1
Mini Car	172.3	155.0	-17.3
Domestic Total	281.9	264.7	-17.2
America	205.4	193.2	-12.2
Canada	16.2	16.9	+0.7
Europe	57.6	58.9	+1.3
Australia	31.9	34.8	+2.9
Other	18.1	19.6	+1.5
Overseas Total	329.1	323.4	-5.7
SIA (Isuzu SUV)	13.2	13.2	0
Grand Total	624.1	601.3	-22.8

(Figures of U.S. & Canada are on calendar year basis from January to December)

Business Plan (Consolidated Basis)

(¥100 Million)	Actual Results for the FYE March 2004	Plan for the FYE March 2005	Changes
Sales	14,394	14,500	+105
Domestic	6,279	6,500	+220
Overseas	8,115	8,000	-115
Operating Income	503	450	-53
Ordinary Income	566	470	-96
Net Income	386	320	-66
FHI Exchange Rate	¥116/\$	¥108/\$	-¥8/\$

Analysis of Increase and Decrease in Operating Income Changes (Consolidated Basis)

If adding the amount of consolidation adjustment

(552)

Amortization of Consolidation Adjustment

49

163

Reduction in cost of materials

503

Operating Income of FYE March 2004

Decrease of SG&A expenses and others

28

Decrease of R&D Expenses

25

-176

Loss on currency exchange

Deterioration of sales volume and mix

-93

(¥100 million)

If adding the amount of consolidation adjustment

(523)

Amortization of Consolidation Adjustment

73

450

Operating Income of FYE March 2005

Business Plan of subsidiaries in U.S.

(million US\$)

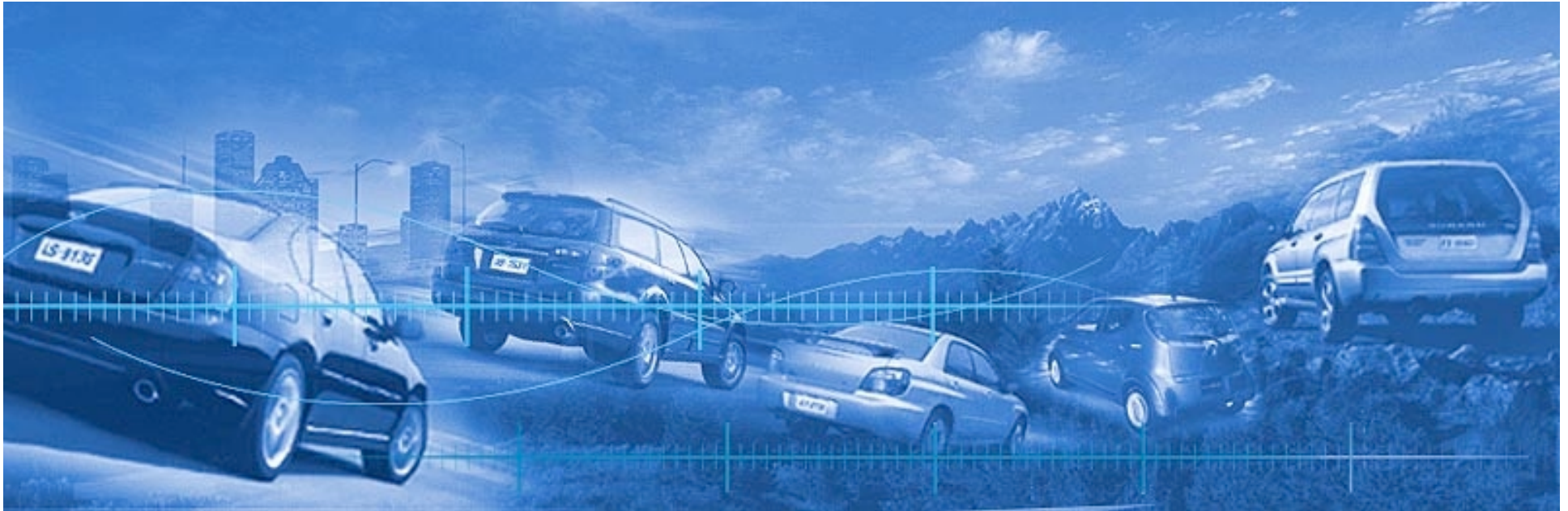
SOA (CY2003)	Actual Results of CY 2003	Plan of CY 004	Changes
Net Sales	\$4,252	\$4,334	+82
Operating Income	40	-9	-50
Net Income	55	2	-52
Retailed Sales (thousand units)	185.1	189.9	+4.8
SIA (CY2004)	Actual Results of CY 2003	Plan of CY 004	Changes
Net Sales	\$2,161	\$2,450	+289
Operating Income	31	-53	-84
Net Income	22	-78	-100
Production (thousand units) (Isuzu SUV)	122.2 (25.2)	120.5 (13.2)	-1.7 (-12.1)

(These subsidiaries are consolidated on calendar year basis)

Automobile Sales (Non Consolidated Basis)

(Thousand Units)

	Actual Results of FYE March 2004	Plan for the FYE March 2005	Changes
Domestic Production	465.3	486.8	+21.4
For Saab	0.6	8.2	+7.6
Domestic Sales	262.0	276.3	+14.3
Passenger Car	118.5	109.8	-8.7
Mini car	143.5	166.5	+22.9
Number of Vehicles Exported	200.8	211.9	+11.0
Components for Overseas Production	90.2	119.3	+29.2
Total	553.0	607.5	+54.5



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