

Consolidated Financial Results

For the Third Quarter of the Fiscal Year Ending March 31, 2013 (Japan GAAP)



February 6, 2013

Company Name : **Fuji Heavy Industries Ltd.** (Tokyo Stock Exchange First Section, Code No.: 7270)
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 Scheduled date of submitting Quarterly Report : February 14, 2013
 Scheduled date for dividend payment : -
 Quarterly earnings supplementary explanatory documents : Yes
 Holding of quarterly financial results meeting : Yes(for investment analysts and institutional investors)

(All amounts have been rounded off to the nearest million yen, unless otherwise specified)

1. Consolidated Results for the Third Quarter of Fiscal Year 2013(April 1, 2012 to December 31, 2012)

(1)Consolidated Results of Operations(for nine month period)

(In Japanese yen rounded to million, except for per share figures, percentage figures indicate a change from the previous fiscal year / period)

	Net sales		Operating income		Ordinary income		Net income	
3rd Quarter of FY2013	1,370,725	33.2%	73,368	163.4%	63,427	120.9%	53,136	44.6%
3rd Quarter of FY2012	1,029,407	(12.4%)	27,854	(62.1%)	28,713	(61.6%)	36,756	(37.1%)

Note: Comprehensive income 3rd Quarter of FY2013: 64,747 million yen (130.7%) 3rd Quarter of FY2012: 28,071 million yen ((30.8%))

	Net income per share, basic (Yen)	Net income per share, diluted (Yen)
3rd Quarter of FY2013	68.08	—
3rd Quarter of FY2012	47.10	—

(2) Consolidated Financial Position

(Unit: Millions of yen, except for per share figures)

	Total assets	Net assets	Shareholders' equity to total assets (%)
3rd Quarter of FY2013	1,440,595	508,924	35.2%
FY2012	1,352,532	451,607	33.3%

Reference: Shareholders' equity As of December 31, 2012: 507,546 million yen As of March 31, 2012: 450,302 million yen

2. Dividends

	Cash dividends per share (yen)				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
FY 2012	—	4.50	—	4.50	9.00
FY 2013	—	5.00	—		
FY 2013 (Forecast)				5.00	10.00

Note: Revision of the forecasts in the third quarter of the fiscal year ending March 31, 2013: No

3. Projection of Consolidated Results for Fiscal Year 2013 (April 1, 2012 to March 31, 2013)

(In Japanese yen rounded to million, except for per share figures, percentage figures indicate a change from the previous fiscal year / period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share, basic(Yen)
Full year	1,890,000	24.6%	107,000	143.4%	99,000	165.6%	76,000	97.6%	97.38

Note: Revision of the forecasts at the timing of announcement of the results of third quarter of the fiscal year ending March 31, 2013: Yes

4. Others

- (1) Changes of significant subsidiaries in the third quarter of fiscal year 2013 : No
(Transfer of subsidiaries resulting in changes in the scope of consolidation)
- (2) Application of specific accounting for preparing the quarterly consolidated financial statements : Yes
- (3) Changes in accounting policies, procedures and methods of presentation for preparing the quarterly consolidated financial statements
- [1] Changes due to revisions of accounting standards : Yes
- [2] Changes due to other reasons : No
- [3] Changes of estimation due to accounting issues : Yes
- [4] Restatements : No

(Note) Since the beginning of the first quarter of fiscal year 2013, depreciation method for fixed assets has been changed and this change corresponds to "Changes in accounting policies for items that are difficult to categorize as changes in accounting estimates".

(4) Number of outstanding shares (Common Stock)

[1] Number of outstanding shares (including treasury stock)	As of December 31,2012:	782,865,873 shares	As of March 31,2012:	782,865,873 shares
[2] Number of treasury stock	As of December 31,2012:	2,418,655 shares	As of March 31,2012:	2,406,736 shares
[3] Average number of shares (for nine month period)	3rd Quarter of FY2013:	780,456,691 shares	3rd Quarter of FY2012:	780,381,306 shares

*The status of the implementation of the third quarterly review

The third quarterly review is now conducted on the basis of the Financial Instruments and Exchange Act on the date for the release of this quarterly report.

*Proper use of projection of operating results, and other information

The above performance projections were made based on the information available as of the date when this document was released. Therefore, actual results may differ considerably due to various factors that might occur in the future.

For assumptions and other information on which the performance projections were based, please refer to "(3) Qualitative Information on Projection for Current Fiscal Year" on page 4.

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1. Qualitative Information on Quarterly Financial Results

(1) Qualitative Information on Consolidated Operating Performance

Consolidated net sales for the third quarter of the current fiscal year rose ¥341.3 billion (33.2%) from the same period of the previous fiscal year to ¥1,370.7 billion mainly due to higher automobile unit sales.

Regarding the profit, operating income increased ¥45.5 billion (163.4%) from the same period of the previous fiscal year to ¥73.4 billion and ordinary income increased ¥34.7 billion (120.9%) from the same period of the previous fiscal year to ¥63.4 billion, reflecting the higher sales. Net income increased ¥16.4 billion (44.6%) from the same period of the previous fiscal year to ¥53.1 billion.

[Results by Business Segment]

Results for the current consolidated third quarter period by business segment are as described below.

[1] Automobile Division

Unit sales of Subaru passenger cars in Japan increased 25 thousand (48.2%) units compared with the same period of the previous fiscal year to 77 thousand units thanks to a strong rise in sales of Impreza over the year earlier and contributions to unit sales from Legacy and Subaru BRZ.

On the other hand, minicars saw unit sales fall 27 thousand (44.0%) units compared with the same period of the previous fiscal year to 35 thousand units as weak sales of minicars for commercial use could not be covered by robust sales of mini-passenger cars.

As a result, a total of 112 thousand units were sold in Japan for a decrease of 2 thousand (2.0%) units from the same period of the previous fiscal year.

Overseas sales increased in most of the regions compared with the same period of the previous fiscal year due to favorable sales centered on the Impreza with additional support from the rebound after the Great East Japan Earthquake.

By region, sales in North America increased 76 thousand (36.5%) units from the same period of the previous fiscal year to 283 thousand units, sales in Europe including Russia increased 13 thousand (36.2%) units from the same period of the previous fiscal year to 48 thousand units, sales in Australia increased 4 thousand (17.2%) units from the same period of the previous fiscal year to 28 thousand units, sales in China increased 3 thousand (7.2%) units from the same period of the previous fiscal year to 40 thousand units, and sales in other regions increased 2 thousand (12.4%) units from the same period of the previous fiscal year to 15 thousand units.

As a result, the sales in overseas markets were 415 thousand units, an increase of 97 thousand (30.5%) units from the same period of the previous fiscal year.

The combined unit sales for Japan and overseas markets amounted to 527 thousand units, an increase of 95 thousand (21.9%) units from the same period of previous fiscal year.

Overall net sales increased ¥331.3 billion (35.2%) from the same period of the previous fiscal year to ¥1,271.7 billion, and segment income increased ¥42.2 billion (167.6%) from the same period of the previous fiscal year to ¥67.4 billion.

[2] Aerospace Division

Deliveries to the Ministry of Defense posted a decline from the same period of the previous fiscal year mainly due to the contract expiry for the multi-purpose helicopter UH-1J.

On the other hand, sales to the commercial sector rose compared with the same period of the previous fiscal year thanks to higher sales of Boeing 777 and Boeing 787 aircraft.

As a result, overall net sales increased ¥8.5 billion (15.5%) compared with the same period of the previous fiscal year to ¥63.6 billion. Segment income increased ¥2.3 billion (147.2%) compared with the same period of the previous fiscal year to ¥3.8 billion.

[3] Industrial Products Division

Net sales fell ¥2.8 billion (11.0%) compared with the same period of the previous fiscal year to ¥22.4 billion mainly due to lower sales of engines and power generators in Japan amid waning reconstruction demand related to the Great East Japan Earthquake and lower overseas sales of engines. Segment income decreased ¥0.2 billion (37.3%) compared with the same period of the previous fiscal year to ¥0.3 billion.

[4] Other Businesses

Net sales increased ¥4.2 billion (48.0%) compared with the same period of the previous fiscal year to ¥13.0 billion mainly due to the transfer of the wind power generation system business to Hitachi, Ltd. and a rise in unit sales of sanitation truck Fuji Mighty than the year earlier. Segment income increased ¥0.8 billion (107.6%) compared with the same period of the previous fiscal year to ¥1.5 billion.

(2) Qualitative Information on Consolidated Financial Position

[1] Assets, Liabilities, and Net Assets

Total assets at the end of the third quarter of the current fiscal year were ¥1,440.6 billion, reflecting an increase of ¥88.1 billion from the end of the previous fiscal year. This was mainly due to a ¥64.5 billion decrease in cash and deposits, a ¥118.5 billion increase in short-term investment securities, and a newly added overseas sales subsidiary in the consolidation, resulting in a net increase in total assets.

Total liabilities increased ¥30.7 billion compared with the end of the previous fiscal year to ¥931.7 billion. This was mainly due to a combined ¥5.6 billion increase in notes and accounts payable-trade and electronically recorded obligations.

Net assets increased ¥57.3 billion compared with the end of the previous fiscal year to ¥508.9 billion. This was mainly due to a ¥45.7 billion increase in retained earnings as the same amount of net income for the period was posted.

[2] Cash Flows

Cash and cash equivalents at the end of the third quarter of the current fiscal year (hereinafter “Cash”) totaled ¥304.6 billion.

(Net cash provided by operating activities)

Net cash provided by operating activities was ¥111.3 billion (compared with ¥0.5 billion used in operating activities in the same period of the previous fiscal year). Main factors included ¥61.7 billion in income before income taxes and minority interests and ¥20.9 billion decrease in notes and accounts receivable-trade.

(Net cash used in investment activities)

Net cash used in investing activities was ¥46.7 billion (compared with ¥3.7 billion used in investing activities in the same period of the previous fiscal year). Main factors included ¥37.1 billion in expenditures for the purchase of property, plant and equipment (net basis against proceeds from sales of property, plant and equipment).

(Net cash used in financing activities)

Net cash used in financing activities was ¥43.9 billion (compared with ¥30.7 billion provided by financing activities in the same period of the previous fiscal year). Main factors included ¥10.0 billion for the redemption of bonds (net basis against proceeds from issuance of bonds), ¥17.5 billion decrease in short-term loans payable, and ¥8.3 billion in expenditures for the repayment of long-term loans payable (net basis against proceeds from loans payable).

(3) Qualitative Information on Projection for Current Fiscal Year

Consolidated results projections for the full fiscal year ending March 2013, released on October 30, 2012, have been revised up as stated below, taking into account high value of the yen which is being corrected and increase in automobile unit sales, among other factors.

The projections of full-year consolidated results for the fiscal year ending March 2013 are based on assumed foreign exchange rates of ¥82/US\$ (previously ¥79/US\$) and ¥105/EUR (previously ¥102/EUR). Exchange rate assumptions for the fourth quarter of the current fiscal year are ¥87/US\$ and ¥114/EUR.

Consolidated Results Forecast for the Fiscal Year Ending March 2013 (April 1, 2012 to March 31, 2013)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share
Previous projection (A)	¥ million 1,840,000	¥ million 82,000	¥ million 81,000	¥ million 67,000	Yen 85.85
Revised projection (B)	1,890,000	107,000	99,000	76,000	97.38
Change in amount (B-A)	50,000	25,000	18,000	9,000	
Percentage change (%)	2.7	30.5	22.2	13.4	
(Supplemental information) Actual results of the previous fiscal year (April 1, 2011 to March 31, 2012)	1,517,105	43,959	37,277	38,453	49.27

2. Notes on Summary Information(Others)

(1) Changes of significant subsidiaries in the third quarter of fiscal year 2013

(Transfer of subsidiaries resulting in changes in the scope of consolidation)

Not Applicable

(2) Application of specific accounting for preparing the quarterly consolidated financial statements

(Income taxes)

Income tax expense was calculated as multiplying income before income taxes and minority interests by reasonably estimated annual effective tax rate. This annual tax rate was reasonably estimated after applying the deferred tax accounting to the annual income before income taxes and minority interests.

"Income taxes-deferred" was included in "Total income taxes".

(3) Changes in accounting policies, accounting estimates and restatement of corrections

(Changes in accounting policies for items that are difficult to categorize as changes in accounting estimates)

Since the beginning of the first quarter of fiscal year 2013, the Company and domestic consolidated subsidiaries have changed their depreciation method for fixed assets acquired on or after April, 1 2012 in accordance with the enacted revisions to the Corporate Tax Law and related tax regulations.

The effect of this change on operating income, ordinary income and before income tax and minority interest in the third quarter of fiscal year 2013 was slight.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Unit: Millions of yen)

	FY2012 (as of March 31, 2012)	3rd Quarter of FY2013 (as of December 31, 2012)
ASSETS		
I Current assets		
Cash and deposits	237,614	173,090
Notes and accounts receivable-trade	117,062	102,458
Lease investment assets	21,865	21,285
Short-term investment securities	31,635	150,089
Merchandise and finished goods	121,686	148,919
Work in process	56,143	53,014
Raw materials and supplies	33,715	37,183
Deferred tax assets	17,399	21,963
Short-term loans receivable	78,788	87,414
Other	48,019	43,665
Allowance for doubtful accounts	(1,395)	(1,482)
Total current assets	762,531	837,598
II Noncurrent assets		
1. Property, plant and equipment		
Buildings and structures, net	113,359	112,329
Machinery, equipment and vehicles, net	99,222	108,775
Land	171,920	172,963
Vehicles and equipment on operating leases, net	12,361	10,265
Construction in progress	12,023	14,012
Other, net	17,206	15,828
Total property, plant and equipment	426,091	434,172
2. Intangible assets		
Other	11,818	12,850
Total intangible assets	11,818	12,850
3. Investments and other assets		
Investment securities	77,714	81,933
Deferred tax assets	1,873	4,385
Other	76,089	73,187
Allowance for doubtful accounts	(3,584)	(3,530)
Total investments and other assets	152,092	155,975
Total noncurrent assets	590,001	602,997
Total assets	1,352,532	1,440,595

(Unit: Millions of yen)

	FY2012 (as of March 31, 2012)	3rd Quarter of FY2013 (as of December 31, 2012)
LIABILITIES		
I Current liabilities		
Notes and accounts payable-trade	251,043	226,262
Electronically recorded obligations-operating	—	30,362
Short-term loans payable	71,040	71,894
Current portion of long-term loans payable	23,786	25,663
Current portion of bonds	20,010	10
Income taxes payable	4,600	5,787
Accrued expenses	69,437	73,962
Provision for bonuses	16,478	8,511
Provision for product warranties	28,861	31,886
Provision for loss on construction contracts	2,841	2,700
Provision for loss on transfer of business	4,177	3,840
Other	69,362	100,440
Total current liabilities	561,635	581,317
II Noncurrent liabilities		
Bonds payable	4,070	14,065
Long-term loans payable	222,074	211,949
Deferred tax liabilities	22,740	24,457
Provision for retirement benefits	33,950	34,835
Provision for directors' retirement benefits	469	446
Other	55,987	64,602
Total noncurrent liabilities	339,290	350,354
Total liabilities	900,925	931,671
NET ASSETS		
I Shareholders' equity		
Capital stock	153,795	153,795
Capital surplus	160,071	160,071
Retained earnings	188,538	234,256
Treasury stock	(1,259)	(1,270)
Total shareholders' equity	501,145	546,852
II Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	18,966	22,397
Foreign currency translation adjustment	(69,809)	(61,703)
Total accumulated other comprehensive income	(50,843)	(39,306)
Minority interests	1,305	1,378
Total net assets	451,607	508,924
Total liabilities and net assets	1,352,532	1,440,595

(2) Quarterly Consolidated Statements of (Comprehensive) Income

Quarterly Consolidated Statements of Income(for nine month period)

(Unit: Millions of yen)

	FY2012 (April 1, 2011 to December 31, 2011)	FY2013 (April 1, 2012 to December 31, 2012)
I Net sales	1,029,407	1,370,725
II Cost of sales	826,713	1,091,449
Gross profit	202,694	279,276
III Selling, general and administrative expenses	174,840	205,908
Operating income	27,854	73,368
IV Non-operating income		
Interest income	817	1,032
Dividends income	605	779
Equity in earnings of affiliates	1,151	61
Real estate rent	388	450
Foreign exchange gains	1,023	—
Gain on valuation of derivatives	1,489	—
Other	1,479	377
Total non-operating income	6,952	2,699
V Non-operating expenses		
Interest expenses	2,878	2,575
Foreign exchange losses	—	1,552
Loss on valuation of derivatives	—	6,382
Other	3,215	2,131
Total non-operating expenses	6,093	12,640
Ordinary income	28,713	63,427
VI Extraordinary income		
Gain on sales of noncurrent assets	26,471	465
Gain on sales of investment securities	584	479
State subsidy	—	1,725
Gain on sale of loans receivable	—	325
Other	122	826
Total extraordinary income	27,177	3,820
VII Extraordinary loss		
Loss on sales and retirement of noncurrent assets	854	1,558
Impairment loss	63	36
Loss on disaster	7,257	—
Loss on reduction of noncurrent assets	—	1,725
Provision for loss on transfer of business	—	936
Other	675	1,250
Total extraordinary losses	8,849	5,505
Income before income taxes and minority interests	47,041	61,742
Total Income taxes	10,242	8,532
Income before minority interest	36,799	53,210
Minority interests in income	43	74
Net income	36,756	53,136

Quarterly Consolidated Statements of Comprehensive Income(for nine month period)

(Unit: Millions of yen)

	FY2012 (April 1, 2011 to December 31, 2011)	FY2013 (April 1,2012 to December 31, 2012)
Income before minority interest	36,799	53,210
Other comprehensive income		
Valuation difference on available-for-sale securities	670	3,431
Foreign currency translation adjustment	(9,254)	8,104
Share of other comprehensive income of associates accounted for using equity method	(144)	2
Total other comprehensive income	(8,728)	11,537
Comprehensive income	28,071	64,747
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	28,033	64,673
Comprehensive income attributable to minority interests	38	74

(3) Quarterly Consolidated Statements of Cash Flows

(Unit: Millions of yen)

	FY2012 (April 1, 2011 to December 31, 2011)	FY2013 (April 1, 2012 to December 31, 2012)
I Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	47,041	61,742
Depreciation and amortization	42,551	43,207
Impairment loss	63	36
Increase (decrease) in provision for bonuses	(8,166)	(8,026)
Increase (decrease) in provision for product warranties	548	1,594
Increase (decrease) in provision for loss on construction contracts	(209)	(141)
Increase (decrease) in provision for retirement benefits	459	740
Interest and dividends income	(1,422)	(1,811)
Interest expenses	2,878	2,575
Loss (gain) on valuation of derivatives	(1,489)	6,382
Equity in (earnings) losses of affiliates	(1,151)	(61)
Loss (gain) on sales and retirement of noncurrent assets	(25,617)	1,093
Decrease (increase) in notes and accounts receivable-trade	(25,276)	20,885
Decrease (increase) in inventories	(60,894)	(19,753)
Increase (decrease) in notes and accounts payable-trade	51,832	3,468
Decrease (increase) in lease investment assets	1,471	580
Decrease (increase) in operating loans receivable	(10,115)	(6,769)
Decrease (increase) in vehicles and equipment on operating leases	2,580	524
Increase (decrease) in deposits received	1,994	2,272
Other, net	(8,400)	14,985
Subtotal	8,678	123,522
Interest and dividends income received	1,613	1,811
Interest expenses paid	(2,752)	(2,561)
Income taxes (paid) refund	(8,031)	(11,488)
Net cash provided by (used in) operating activities	(492)	111,284
II Net cash provided by (used in) investing activities		
Purchase of short-term investment securities	(4,583)	(5,844)
Proceeds from sales of short-term investment securities	2,616	3,617
Purchase of property, plant and equipment	(34,995)	(37,946)
Proceeds from sales of property, plant and equipment	34,392	813
Purchase of intangible assets	(2,121)	(3,373)
Purchase of investment securities	(11,541)	(10,580)
Proceeds from sales of investment securities	10,019	8,672
Payments of loans receivable	(62,001)	(68,654)
Collection of loans receivable	63,186	67,510
Other, net	1,344	(893)
Net cash provided by (used in) investing activities	(3,684)	(46,678)

	(Unit: Millions of yen)	
	FY2012 (April 1, 2011 to December 31, 2011)	FY2013 (April 1, 2012 to December 31, 2012)
III Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(11,689)	(17,514)
Proceeds from long-term loans payable	79,085	4,868
Repayments of long-term loans payable	(9,235)	(13,177)
Proceeds from issuance of bonds	—	10,000
Redemption of bonds	(20,005)	(20,005)
Cash dividends paid	(6,986)	(7,362)
Other, net	(462)	(723)
Net cash provided by (used in) financing activities	30,708	(43,913)
IV Effect of exchange rate change on cash and cash equivalents	(6,244)	4,547
V Net increase (decrease) in cash and cash equivalents	20,288	25,240
VI Cash and cash equivalents at beginning of period	227,704	258,084
VII Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	32	21,320
VIII Cash and cash equivalents at end of period	248,024	304,644

(4) Notes on Premise of Going Concern

FY2013 (April 1, 2012 to December 31, 2012)
Not Applicable

(5) Changes in the Scope of Consolidation and Application of the Equity Method

FY2013 (April 1, 2012 to December 31, 2012)
(Changes in the Scope of Consolidation)

Since the first quarter of fiscal year 2013, Subaru of China, Ltd. and other 3 companies have been included into the scope of consolidation due to their increased significance.

(Changes in the Scope of Application of the Equity Method)

Since the first quarter of fiscal year 2013, Subaru of China, Ltd. and the other company have been transferred from the equity method affiliated companies to the consolidated subsidiaries due to their increased significance.

(6) Notes on Significant Changes in the Amount of Shareholders' Equity

FY2013 (April 1, 2012 to December 31, 2012)
Not Applicable

(7) Explanatory Note

(Quarterly Consolidated Statement of income)

FY2012 (April 1, 2011 to December 31, 2011)
(Extraordinary income)

Gain on sales of noncurrent assets includes 26,137 million yen, the profit related to the sale of Shinjuku Subaru Building(building and land) co-owned by FHI and Subaru Kosan Co., Ltd., wholly owned subsidiary of FHI, to Odakyu Electric Railway Co., Ltd.

(Extraordinary loss)

Loss on disaster was caused by Great East Japan Earthquake, and mainly consists of the fixed overhead corresponding to falling production, etc.

FY2013 (April 1, 2012 to December 31, 2012)
(Extraordinary income)

775 million yen of other extraordinary income is mainly the reversal of extraordinary loss (loss on valuation of inventories) recorded in the prior period relating to the sale of inventories in the aerospace business.

(Extraordinary income)

1,099 million yen of other extraordinary loss is the return of funds received for commissioned research and subsidies in the clean robot business in the prior period.

(8) Segment Information

Information on sales and income(loss) by business segment reported

3rd Quarter of FY 2012 (April 1, 2011 to December 31, 2011)

(Unit: Millions of yen)

	Business segment reported				Other *1	Total	Adjustment *2	Consolidated Statement of income *3
	Automobiles	Aerospace	Industrial products	Sub- Total				
Net sales								
(1) Outside customers	940,383	55,118	25,137	1,020,638	8,769	1,029,407	—	1,029,407
(2) Inter-segment	1,920	—	78	1,998	9,302	11,300	(11,300)	—
Total sales	942,303	55,118	25,215	1,022,636	18,071	1,040,707	(11,300)	1,029,407
Operating income(loss)	25,202	1,533	456	27,191	715	27,906	(52)	27,854

Note: *1. Other means the category which is not included into any business segment reported. It consists of garbage collection vehicles, specialized vehicles, real estate lease, etc.

*2. Adjustment of segment income(loss) refers to elimination of intersegment transaction.

*3. Operating income(loss) for segment is adjusted on operating income on the quarterly consolidated statements of income.

3rd Quarter of FY 2013 (April 1, 2012 to December 31, 2012)

(Unit: Millions of yen)

	Business segment reported				Other *1	Total	Adjustment *2	Consolidated Statement of income *3
	Automobiles	Aerospace	Industrial products	Sub- Total				
Net sales								
(1) Outside customers	1,271,731	63,641	22,376	1,357,748	12,977	1,370,725	—	1,370,725
(2) Inter-segment	2,362	—	21	2,383	10,727	13,110	(13,110)	—
Total sales	1,274,093	63,641	22,397	1,360,131	23,704	1,383,835	(13,110)	1,370,725
Operating income	67,445	3,790	286	71,521	1,484	73,005	363	73,368

Note: *1. Other means the category which is not included into any business segment reported. It consists of garbage collection vehicles, specialized vehicles, real estate lease, etc.

*2. Adjustment of segment income refers to elimination of intersegment transaction.

*3. Operating income for segment is adjusted on operating income on the quarterly consolidated statements of income.

(9) Significant Subsequent Event

(Assignment of garbage collection vehicle business)

Fuji Heavy Industries, Ltd. assigned garbage collection vehicle business to ShinMaywa Industries, Ltd. on January 1, 2013.

1. Outline of the business assignment

(a) Name of assignee

ShinMaywa Industries, Ltd.

(b) Assigned business

Garbage collection vehicle business

(c) Reason for the assignment

FHI will concentrate on its management resources to other divisions including Subaru automotive business.

(d) Date of the assignment

January 1, 2013

(e) Other matter concerning the assignment

With regard to the business assignment, value received is limited for property including cash, etc.

2. Overview of accounting treatment used for the assignment

The loss on the business assignment was included in the "Provision for loss on transfer of business" in the fiscal year 2012 and the third quarter of fiscal year 2013.

3. Business segment reported in which the assigned business was categorized

The assigned business was not categorized in "Business segment reported" and included in "Other".

4. Estimated amount of sales on the assigned business recorded in the quarterly consolidated statement of income in the third quarter of fiscal year 2013.

	3rd quarter
Net sales:	3,544 million yen

(Conclusion of joint venture agreement)

FHI entered into a joint venture agreement with China's auto distributor Pangda Automobile Trade Co.,Ltd. (Pangda) on January 17, 2013 according to the resolution of the board of directors meeting held on January 16, 2013. Subaru of China, Ltd. (SOC), presently a wholly-owned subsidiary of FHI, will become a joint venture sales company with Pangda.

1. Purpose of the agreement

FHI aims to strengthen its sales structure and engagement in the local sales activities. Through this initiatives, FHI intends to enhance its sales performance in Chinese market.

2. Name of contract partner

Pangda Automobile Trade Co., Ltd.

3. Date of signing contract

January 17, 2013

4. Contents of the agreement

With increasing the capital of SOC, SOC will become a joint venture company of Pangda and FHI.

(a) The amount of the investment and the investment ratio after the capital increase

FHI: 1,770 million yen (60%)

Pangda: 1,180 million yen (40%)

(b) Planned schedule for the capital increase

April 2013

5. Significant effect on business activities relating to the conclusion of the agreement

As mentioned above, with strengthened sales structure, FHI aims to expand sales in China.

In addition, this conclusion of the agreement will not have any significant effect on the consolidated results for the fiscal year 2013.

< Reference for the 3rd Quarter of FY2013 Consolidated Financial Results >

Yen (100 millions) Units (thousands)	RESULTS		RESULTS		RESULTS FY2012 Full Year 2011/4-2012/3	FORECASTS			PREVIOUS FORECASTS FY2013 Full Year 2012/4-2013/3	
	FY2012 First 9 Months 2011/4-12	FY2013 First 9 Months 2012/4-12		FY2013 Full Year 2012/4-2013/3		FY2013 Full Year 2012/4-2013/3	Change	%		
		Change	%							
Net sales	10,294	13,707	3,413	33.2	15,171	18,900	3,729	24.6	18,400	
Japan	3,375	4,823	1,448	42.9	4,985	6,596	1,611	32.3	6,570	
Overseas	6,919	8,884	1,965	28.4	10,186	12,304	2,118	20.8	11,830	
Operating income	279	734	455	163.4	440	1,070	630	143.4	820	
Profit margin (%)	2.7	5.4			2.9	5.7			4.5	
Ordinary income	287	634	347	120.9	373	990	617	165.6	810	
Profit margin (%)	2.8	4.6			2.5	5.2			4.4	
Net income	368	531	164	44.6	385	760	375	97.6	670	
Profit margin (%)	3.6	3.9			2.5	4.0			3.6	
Change Factors in Operating income			Improvements on model mix, etc	811			Improvements on model mix, etc	861		
			Cost reduction effort, etc	212			Cost reduction effort, etc	295		
			Gain on currency exchange	31			Gain on currency exchange	163		
			Decrease in SG&A exp, etc	3			Other expenses	(670)		
			Other expenses	(602)			Increase in SG&A exp, etc	(19)		
Exchange rates	JPY/US\$ 79/US\$ JPY/EUR 110/EUR	80/US\$ 103/EUR	79/US\$ 108/EUR	82/US\$ 105/EUR	79/US\$ 102/EUR					
Capital expenditures	392	484	543	720	720					
Depreciation and amortization	389	389	537	600	600					
R&D expenses	356	353	481	500	500					
Interest bearing debts	3,688	3,236	3,410	3,200	3,300					
Performance description			- Record high Net Sales - 1st Net Sales increase in 2 yrs. - 1st Net Income increase in 2 yrs.				- Record high Net Sales and Profits - 1st Net Sales increase in 2 yrs. - 1st Net Income increase in 2 yrs.			
Unit sales (Japan)	114	112	(2)	(2.0)	172	160	(13)	(7.4)	160	
Passenger Cars	52	77	25	48.2	80	109	29	35.7	108	
Minicars	62	35	(27)	(44.0)	92	51	(41)	(44.8)	52	
Unit sales (Overseas)	318	415	97	30.5	468	563	95	20.4	554	
North America	207	283	76	36.5	309	390	81	26.3	382	
Europe	35	48	13	36.2	55	62	7	12.6	66	
China	38	40	3	7.2	48	50	2	3.9	40	
Others	38	44	6	15.5	56	61	5	9.2	65	
Unit sales total	432	527	95	21.9	640	722	82	12.9	714	
Production units total	443	557	115	25.9	639	763	124	19.4	768	
Japan	325	426	101	30.9	468	582	114	24.3	592	
U.S.	118	132	14	12.0	171	181	11	6.2	176	
Net sales by business segment	Automobile	9,404	12,717	3,313	35.2	13,891				
	Aerospace	551	636	85	15.5	803				
	Industrial Products	251	224	(28)	(11.0)	336				
	Other	88	130	42	48.0	142				
Operating income by business segment	Automobile	252	674	422	167.6	394				
	Aerospace	15	38	23	147.2	29				
	Industrial Products	5	3	(2)	(37.3)	5				
	Other	7	15	8	107.6	10				
	Elimination & Corporate	(1)	4	4	-	2				

* "Exchange rates": Rates used for FHI's non-consolidated sales recording.

* "Unit sales total" includes retail sales of Japanese consolidated dealers, wholesale sales of overseas consolidated distributors, and deliveries from FHI to non-consolidated distributors/dealers.

<Forward-looking statements in this document are based on the information available at the time of the announcement and are subject to various risk and uncertainty factors that could cause actual results to vary materially.>



FHI Announces Third Quarter Financial Results for FY2013

Tokyo, February 6, 2013 - Fuji Heavy Industries Ltd. (FHI), the maker of Subaru automobiles, today announced its consolidated financial results for the third quarter of fiscal year ending March 31, 2013.

< Consolidated Net Sales for Apr-Dec 2012 >

Led by the popular Impreza series and other new models, Subaru's overseas vehicle sales rose 30.5% from a year ago to 415,000 units, with an increase in every market. In Japan, while passenger car sales increased, mini car sales decline led the total Japan sales to drop 2.0% to 112,000 units. In total, Subaru's global vehicle sales rose 21.9% from a year earlier to 527,000 units, setting the brand's all-time record (*1) for April-December period.

Propelled by the strong vehicle sales, FHI's consolidated net sales grew 33.2% to 1,370.7 billion yen, hitting a record high (*1) for the fiscal nine months period.

*1: Since fiscal year ended March 2005 - the year FHI started quarterly consolidated financial reporting.

< Consolidated Profit and Loss for Apr-Dec 2012 >

While the new model launches increased expenses such as SG&A and manufacturing fixed costs, improvements on product mix, cost reduction efforts and other factors pushed operating income to jump 163.4% to 73.4 billion yen. Ordinary income and net income rose 120.9% to 63.4 billion yen and 44.6% to 53.1 billion yen, respectively.

< FY2013 Full-Year Forecasts >

As the annual vehicle sales projection has been raised from the previous forecast by 8,000 to 722,000 units and net sales are expected to be pushed higher by the recent depreciation of the yen, the full-year earnings forecasts for FY2013 are revised upward with record high figures (*2) of net sales at 1,890 billion yen, operating income at 107 billion yen, ordinary income at 99 billion yen and net income at 76 billion yen.

Currency rate assumptions: 82 yen/US\$, 105 yen/euro

*2: Since fiscal year ended March 1986 - the year FHI started full-year consolidated financial reporting.

FY2013 Previous Forecasts (Announced on October 30, 2012)

Net sales: 1,840 billion yen

Operating income: 82 billion yen

Ordinary income: 81 billion yen

Net income: 67 billion yen

Currency rate assumptions: 79 yen/US\$, 102 yen/euro

Forward-looking statements in this document including the earnings forecasts are based on the information available at the time of the announcement and are subject to various risk and uncertainty factors that could cause actual results to vary materially.