



Presentation of Business Results for the 3rd quarter of FYE 2013

Fuji Heavy Industries Ltd.

February 4, 2014

Financial results for the 3rd quarter (9 months) of FYE March 2014

- Due to healthy sales of Forester in Japan and North America, consolidated automobile sales set an all-time records of 593k units for a fiscal 9 months period.
- In addition to gain on currency exchange, increase in sales volume, improvement in product mix and cost reduction brought all time record high in net sales and all profits for a fiscal 9 months period.

| | Net sales | Operating income | Ordinary income | Net income | Consolidated automobile units |
|----------------------|-------------------------------|----------------------------|-----------------------------|-----------------------------|-------------------------------|
| Actual results (YoY) | ¥1,708.5bil. (+¥337.8bil.) | ¥233.4bil. (+160.0bil.) | ¥221.4bil. (+¥158.0bil.) | ¥181.5bil. (+¥128.4bil.) | 593.4k (+66.8k) |

Financial projections full year for the FYE March 2014

- Plan to record-setting performance of consolidated automobile units, net sales and all profits
- Due to improvement of sales volume, product mix in Japan and US and revision of assumed currency exchange rate, full year projections of net sales and all profits to be increased compared to previous projections.

| | Net sales | Operating income | Ordinary income | Net income | Consolidated automobile units |
|----------------------|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-------------------------------|
| Actual results (YoY) | ¥2,380.0bil. (+¥467.0bil.) | ¥310.0bil. (+¥189.6bil.) | ¥294.0bil. (+¥193.4bil.) | ¥221.0bil. (+¥101.4bil.) | 829.3k (+104.8k) |

Business results for the 3rd quarter (9 months) of FYE March 2013



9 months : Consolidated Automobile Units

(Thousand Units)

| | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease |
|----------------|--|--|------------------------|
| Passenger cars | 76.9 | 86.9 | +10.0 |
| Minicars | 34.7 | 37.0 | +2.3 |
| Domestic total | 111.5 | 123.9 | +12.3 |
| U.S. | 259.4 | 326.4 | +67.0 |
| Canada | 23.6 | 27.2 | +3.6 |
| Russia | 13.3 | 9.5 | -3.8 |
| Europe | 34.9 | 23.5 | -11.4 |
| Australia | 28.3 | 29.6 | +1.4 |
| China | 40.3 | 29.6 | -10.7 |
| Others | 15.3 | 23.8 | +8.4 |
| Overseas total | 415.1 | 469.5 | +54.5 |
| Total | 526.6 | 593.4 | +66.8 |



9 months : Consolidated Income Statements

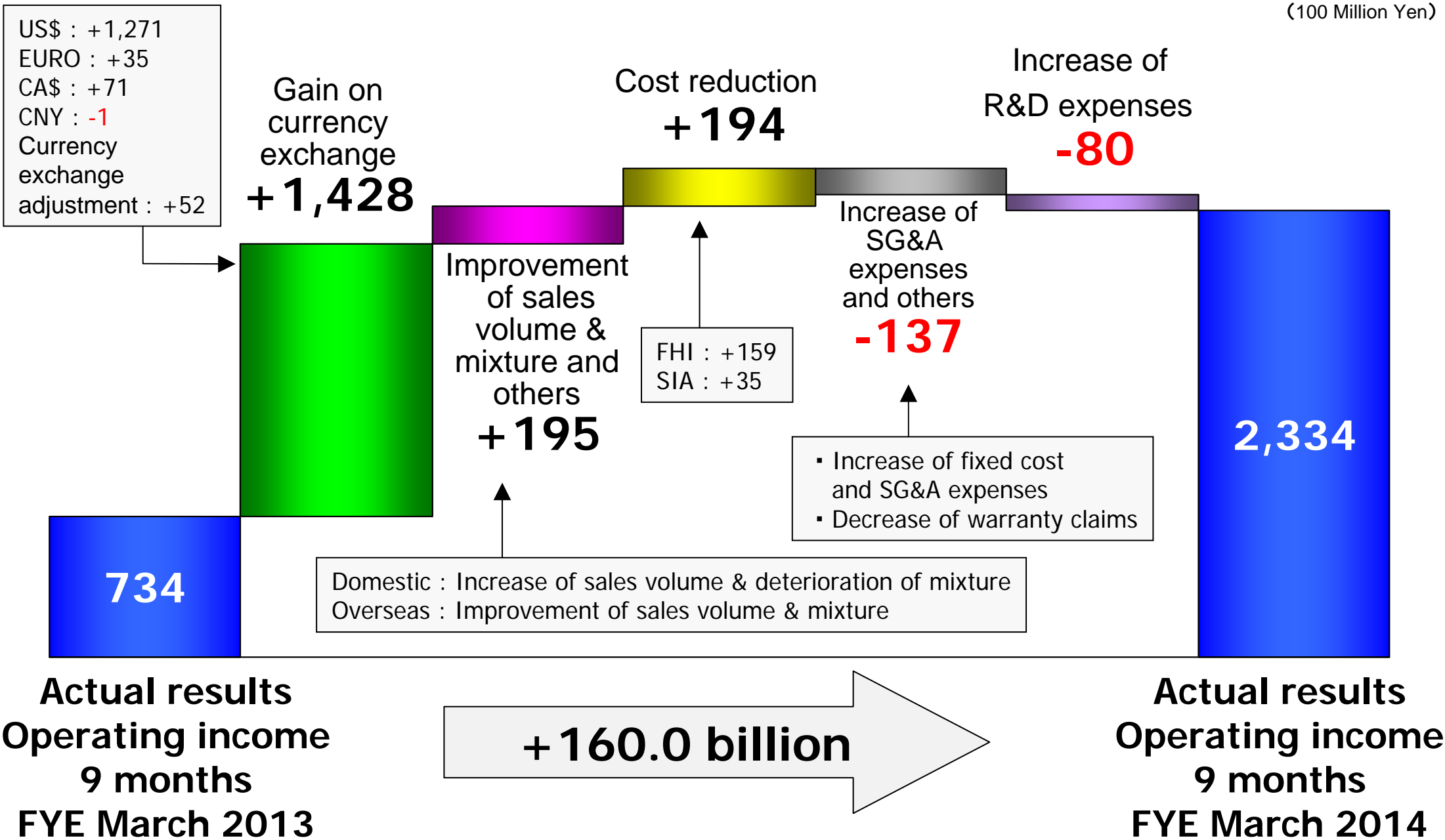
(100 Million Yen)

| | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease |
|--|--|--|------------------------|
| Net sales | 13,707 | 17,085 | +3,378 |
| Domestic | 4,823 | 4,788 | -35 |
| Overseas | 8,884 | 12,297 | +3,413 |
| Operating income | 734 | 2,334 | +1,600 |
| Ordinary income | 634 | 2,214 | +1,580 |
| Income before taxes and minority interests | 617 | 2,671 | +2,054 |
| Net income | 531 | 1,815 | +1,284 |
| FHI exchange rate | ¥80/US\$ | ¥98/US\$ | +¥19/US\$ |



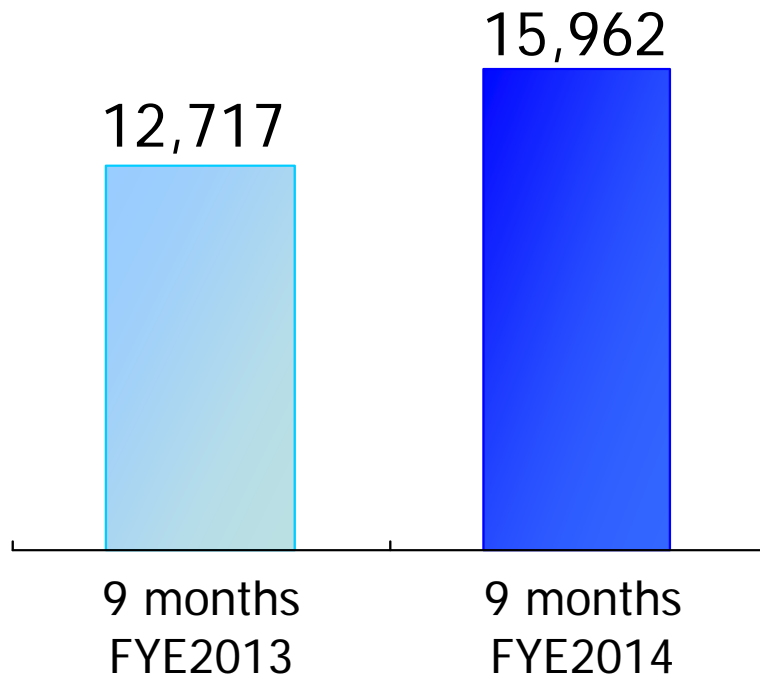
9 months : Analysis of Increase and Decrease in Operating Income Changes (consolidated)

(100 Million Yen)



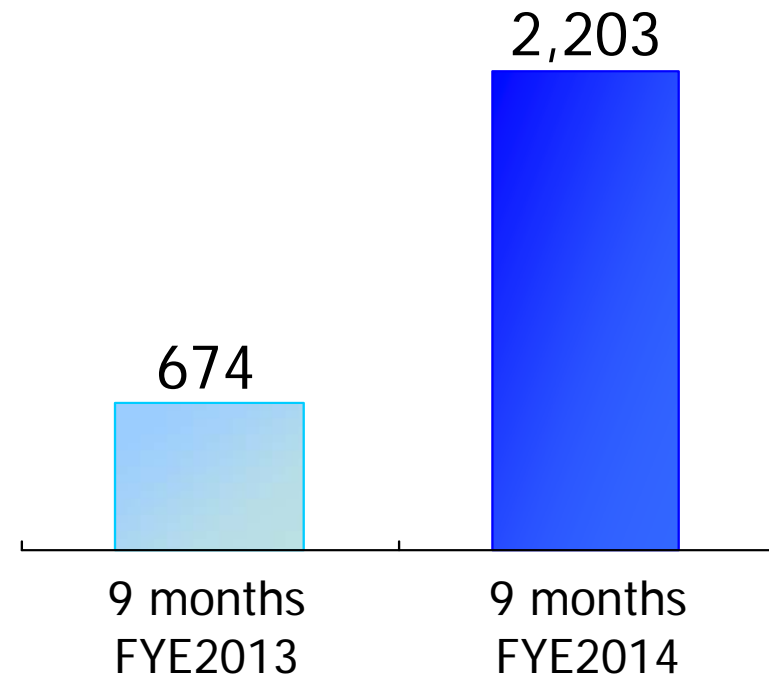
Net sales

+25.5 %



Operating income

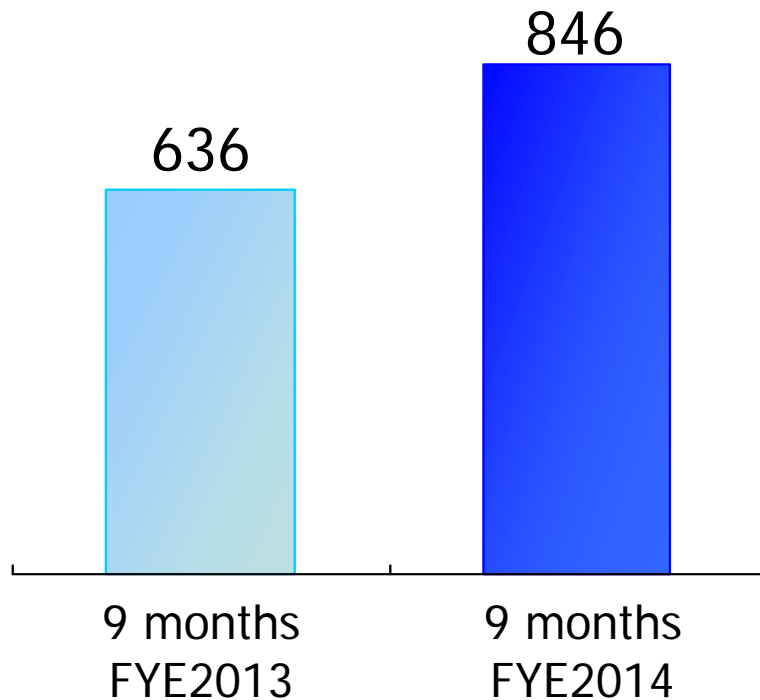
+226.6 %



- Net sales to be increased due to increase of sales in Japan and US and gain on currency.
- Operating income to be increased due to increase of sales units and cost reduction offset increase of SG&A costs.

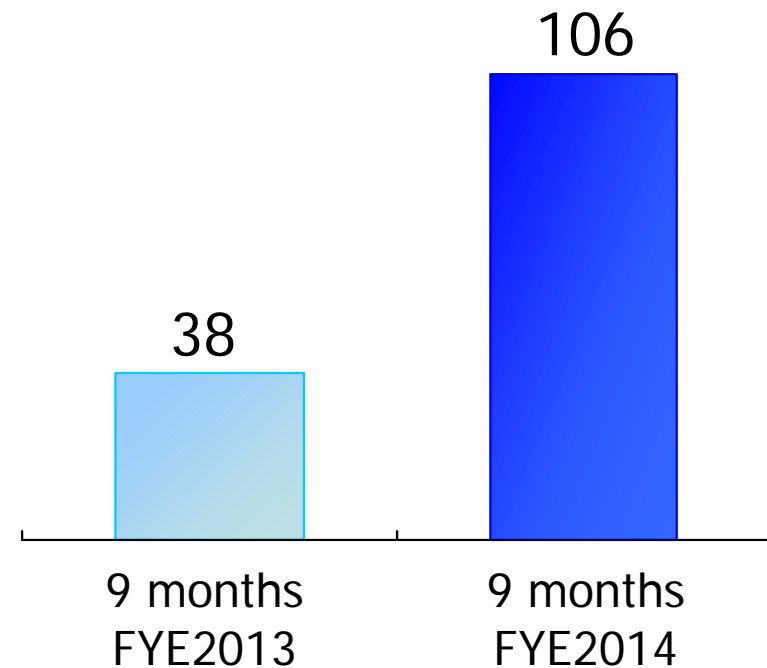
Net sales

+33.0 %



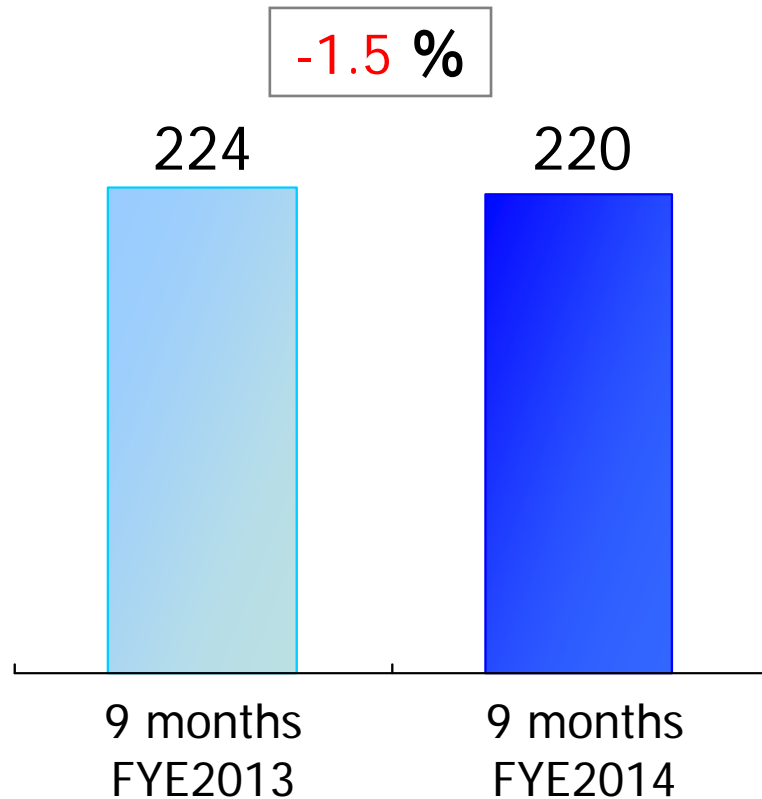
Operating income

+180.3 %

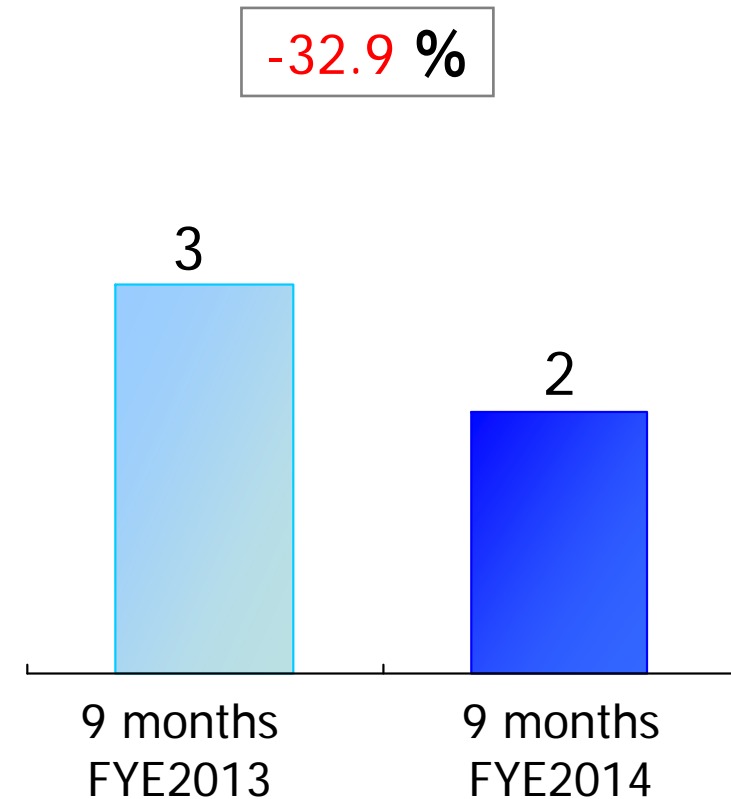


- Increase in both sales and operating income.
- Increase in both Defense and Commercial Sectors with gain on currency exchange.

Net sales



Operating income



- Decrease in both net sales and operating income.
- Despite increase of engines sales in Japan and Asia, sales decrease in engines for leisure vehicles for North America.



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

(100 Million Yen)

| | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease |
|---|--|--|------------------------|
| Financial revenue and expenditure | -8 | 1 | +8 |
| FOREX effects | -79 | -108 | -28 |
| Other | -12 | -12 | +0 |
| Total non-operating income & expenses | -99 | -119 | -20 |
| Gain on sales of investment securities | 5 | 472 | +468 |
| Loss on sales and retirement of noncurrent assets | -16 | -17 | -1 |
| Other | -6 | 1 | +7 |
| Total extraordinary income & loss | -17 | 457 | +474 |



Consolidated Balance Sheets

(100 Million Yen)

| | As of Mar. 2013 | As of Dec. 2013 | Increase / Decrease |
|--------------------------------------|-----------------|-----------------|---------------------|
| Total assets | 15,775 | 17,859 | +2,085 |
| Current assets | 9,440 | 11,565 | +2,124 |
| Noncurrent assets | 6,334 | 6,295 | -39 |
| Interest bearing debts | 3,072 | 2,760 | -312 |
| Net assets | 5,968 | 7,643 | +1,675 |
| Retained earnings | 3,014 | 4,595 | +1,581 |
| Shareholder's equity | 5,954 | 7,612 | +1,658 |
| Shareholder's equity to total assets | 37.7% | 42.6% | +4.9 |
| D/E ratio | 0.52 | 0.36 | -0.15 |

9 months : Consolidated Statement of Cash Flows

(100 Million Yen)

| | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease |
|--|--|--|------------------------|
| Net cash provided by (used in) operating activities | 1,113 | 2,215 | +1,102 |
| Net cash provided by (used in) investing activities | -467 | -121 | +345 |
| Free cash flows | 646 | 2,094 | +1,447 |
| Net cash provided by (used in) financing activities | -439 | -547 | -108 |
| Effect of exchange rate change on cash and cash equivalents | 45 | 145 | +99 |
| Net increase (Decrease) in cash and cash equivalents | 252 | 1,691 | +1,438 |
| Cash and cash equivalents at beginning of period | 2,581 | 3,289 | +709 |
| Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation | 213 | 1 | -212 |
| Cash and cash equivalents at end of period | 3,046 | 4,982 | - |



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

(Million US\$)

| SOA | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease |
|---------------------------------------|--|--|------------------------|
| Net sales | 6,385 | 8,115 | +1,730 |
| Operating income | 130 | 199 | +69 |
| Net income | 85 | 123 | +38 |
| Retail sales (Thousand units) | 254.9 | 331.0 | +76.1 |
| SIA | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease |
| Net sales | 3,021 | 2,817 | -204 |
| Operating income | 30 | 162 | +132 |
| Net income | 19 | 102 | +83 |
| Subaru production (Thousand units) | 131.7 | 119.7 | -12.0 |

Outlook for the term Ending March 2014



Full Year : Consolidated Automobile Sales Plan

(Thousand Units)

| | Actual results FYE 2013 | Plan FYE 2014 | Increase / Decrease |
|----------------|----------------------------|------------------|------------------------|
| Passenger cars | 112.8 | 135.0 | +22.3 |
| Minicars | 50.4 | 53.8 | +3.4 |
| Domestic total | 163.1 | 188.8 | +25.7 |
| U.S. | 357.6 | 439.8 | +82.3 |
| Canada | 32.6 | 36.0 | +3.4 |
| Russia | 14.7 | 15.4 | +0.7 |
| Europe | 46.4 | 31.9 | -14.5 |
| Australia | 38.1 | 39.1 | +1.0 |
| China | 50.2 | 44.8 | -5.4 |
| Others | 21.7 | 33.4 | +11.7 |
| Overseas total | 561.3 | 640.5 | +79.1 |
| Total | 724.5 | 829.3 | +104.8 |



Full Year : Consolidated Operating Plan

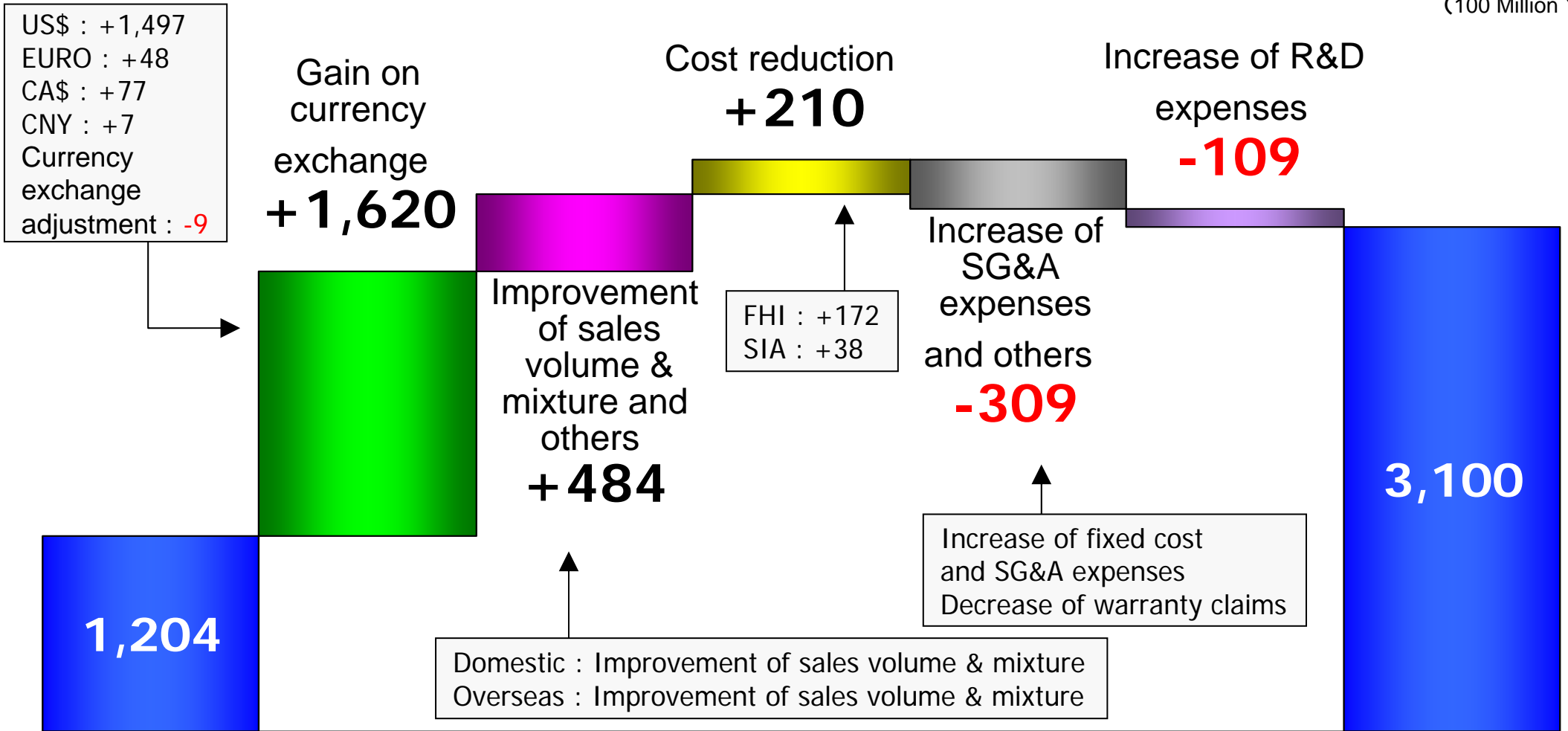
(100 Million Yen)

| | Actual results FYE 2013 | Plan FYE 2014 | Increase / Decrease |
|--|----------------------------|------------------|------------------------|
| Net sales | 19,130 | 23,800 | +4,670 |
| Domestic | 6,718 | 6,495 | -223 |
| Overseas | 12,411 | 17,305 | +4,893 |
| Operating income | 1,204 | 3,100 | +1,896 |
| Ordinary income | 1,006 | 2,940 | +1,934 |
| Income before taxes and minority interests | 931 | 3,331 | +2,400 |
| Net income | 1,196 | 2,210 | +1,014 |
| FHI exchange rate | ¥82/US\$ | ¥99/US\$ | +¥17/US\$ |



Analysis of Increase and Decrease in Operating Income Changes (consolidated)

(100 Million Yen)



Actual results
Operating income
FYE March 2013

Plan
Operating income
FYE March 2014



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

(Million US\$)

| SOA | Actual results FYE 2013 | Plan FYE 2014 | Increase / Decrease |
|----------------------------------|----------------------------|------------------|------------------------|
| Net sales | 8,805 | 10,935 | +2,130 |
| Operating income | 133 | 175 | +42 |
| Net income | 97 | 109 | +12 |
| Retail sales (Thousand units) | 347.1 | 435.1 | +88.0 |

| SIA | Actual results FYE 2013 | Plan FYE 2014 | Increase / Decrease |
|---------------------------------------|----------------------------|------------------|------------------------|
| Net sales | 4,158 | 3,839 | -319 |
| Operating income | 71 | 257 | +186 |
| Net income | 46 | 155 | +109 |
| Subaru production (Thousand units) | 181.2 | 163.5 | -17.7 |



Capex / Depreciation / R&D / Interest bearing debt

(100 Million Yen)

| | FYE2013 | | FYE2014 | | Increase / Decrease (b) - (a) |
|-----------------------|-------------------------|------------------------------|-------------------------|--------------------|-------------------------------|
| | Actual results 9 months | Actual Results Full year (a) | Actual results 9 months | Plan Full year (b) | |
| Capex | 484 | 702 | 412 | 720 | +18 |
| Depreciation | 389 | 559 | 394 | 550 | -9 |
| R&D | 353 | 491 | 433 | 600 | +109 |
| Interest bearing debt | 3,236 | 3,072 | 2,760 | 2,700 | -372 |

Appendix (1)

- Segment information (by Business / Geographic)
- Overseas net sales
- Non-consolidated automobile sales
- 3rd quarter (3 months), consolidated statements income
- 2nd half (6 months), consolidated statements income
- Full year, Previous plan vs. revised plan



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

(100 Million Yen)

| | Net sales | | | Operating income | | |
|---------------------------|--|--|---------------------------|--|--|---------------------------|
| | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease |
| Automobile | 12,717 | 15,962 | +3,245 | 674 | 2,203 | +1,528 |
| Aerospace | 636 | 846 | +210 | 38 | 106 | +68 |
| Industrial products | 224 | 220 | -3 | 3 | 2 | -1 |
| Others | 130 | 56 | -73 | 15 | 18 | +3 |
| Elimination and corporate | | | | 4 | 4 | +1 |
| Total | 13,707 | 17,085 | +3,378 | 734 | 2,334 | +1,600 |



9 months : Consolidated Operating Income by Geographic Area

(100 Million Yen)

| | Net sales | | | Operating income | | |
|---------------------------|--|--|---------------------------|--|--|---------------------------|
| | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease |
| Japan | 6,600 | 6,839 | +238 | 595 | 2,038 | +1,443 |
| North America | 5,859 | 9,084 | +3,225 | 146 | 434 | +288 |
| Other | 1,248 | 1,163 | -86 | -2 | -5 | -3 |
| Elimination and corporate | | | | -6 | -133 | -128 |
| Total | 13,707 | 17,085 | +3,378 | 734 | 2,334 | +1,600 |



9 months : Overseas Net Sales

(100 Million Yen)

| | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease |
|---------------|--|--|------------------------|
| North America | 6,273 | 9,640 | +3,367 |
| Europe | 960 | 837 | -124 |
| Asia | 880 | 916 | +36 |
| Other | 771 | 904 | +133 |
| Total | 8,884 | 12,297 | +3,413 |



9 months : Non-Consolidated Automobiles Units

(Thousand Units)

| | Actual Results 9 months FYE 2013 | Actual Results 9 months FYE 2014 | Increase / Decrease |
|---------------------------------------|--|--|------------------------|
| Domestic production | 425.6 | 482.3 | +56.7 |
| Domestic sales | 119.4 | 131.2 | +11.8 |
| Passenger cars | 84.5 | 90.9 | +6.5 |
| Minicars | 34.9 | 40.3 | +5.4 |
| Number of vehicles exported | 284.6 | 371.6 | +87.0 |
| Components for overseas production | 136.0 | 124.3 | -11.6 |
| Total | 539.9 | 627.2 | +87.3 |

* Domestic Production figures include Toyota 86.



3rd Quarter : Consolidated Automobile Units

(Thousand Units)

| | Actual Results Q3 FYE 2013 | Actual Results Q3 FYE 2014 | Increase / Decrease |
|----------------|----------------------------------|----------------------------------|------------------------|
| Passenger cars | 31.5 | 25.1 | -6.4 |
| Minicars | 8.1 | 11.4 | +3.3 |
| Domestic total | 39.6 | 36.5 | -3.0 |
| U.S. | 95.0 | 117.5 | +22.4 |
| Canada | 7.3 | 8.5 | +1.2 |
| Russia | 2.2 | 2.7 | +0.5 |
| Europe | 9.5 | 8.1 | -1.4 |
| Australia | 6.2 | 8.3 | +2.1 |
| China | 13.7 | 10.6 | -3.1 |
| Others | 4.7 | 8.4 | +3.8 |
| Overseas total | 138.6 | 164.2 | +25.6 |
| Total | 178.2 | 200.8 | +22.6 |

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

3rd Quarter : Consolidated Income Statements

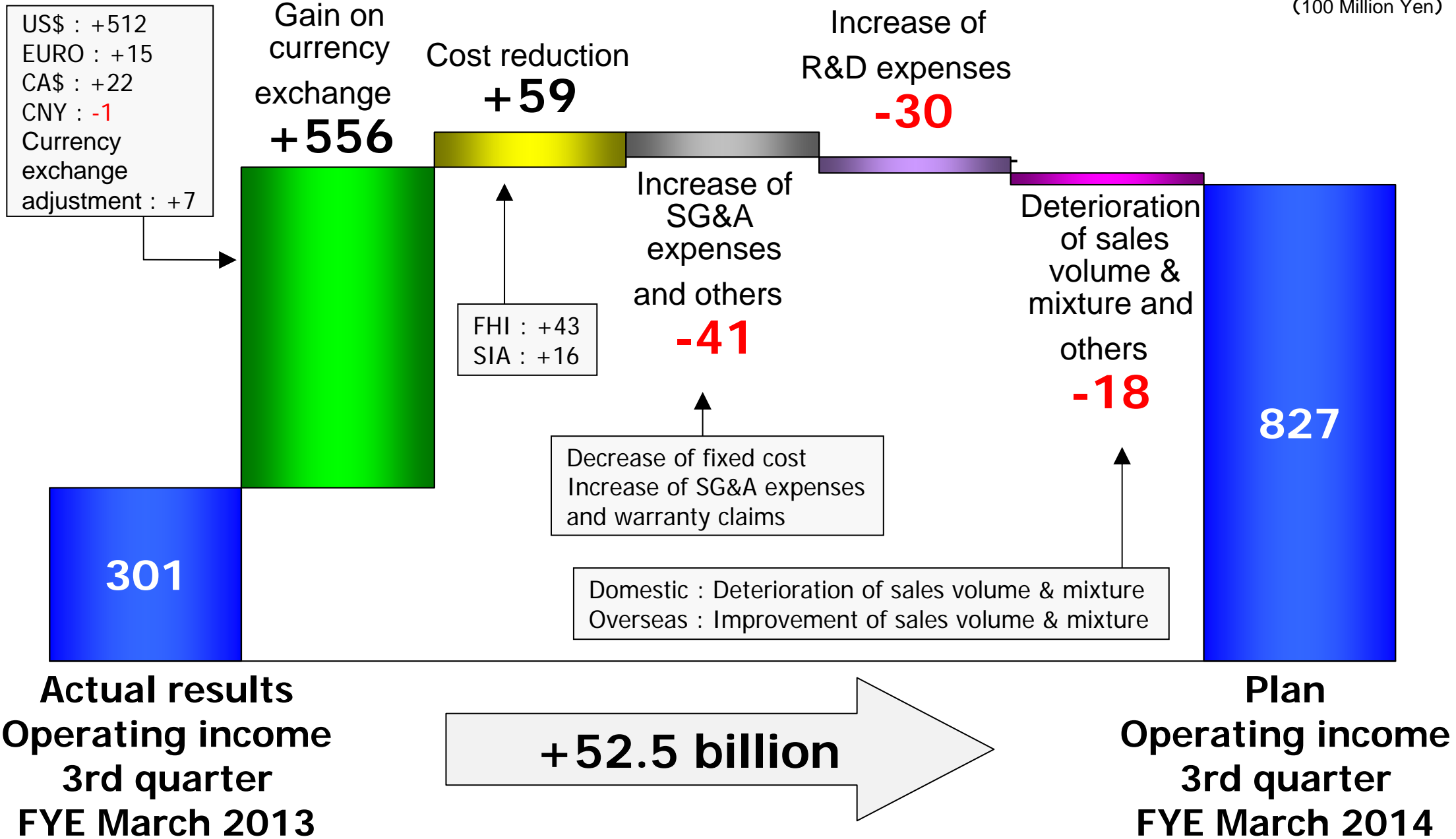
(100 Million Yen)

| | Actual Results Q3 FYE 2013 | Actual Results Q3 FYE 2014 | Increase / Decrease |
|--|----------------------------------|----------------------------------|------------------------|
| Net sales | 4,727 | 5,829 | +1,102 |
| Domestic | 1,725 | 1,482 | -243 |
| Overseas | 3,002 | 4,347 | +1,345 |
| Operating income | 301 | 827 | +525 |
| Ordinary income | 181 | 752 | +571 |
| Income before taxes and minority interests | 159 | 1,218 | +1,059 |
| Net income | 127 | 817 | +690 |
| FHI exchange rate | ¥79/US\$ | ¥99/US\$ | + ¥20/US\$ |



3rd Quarter : Analysis of Increase and Decrease in Operating Income Changes (consolidated)

(100 Million Yen)





2nd Half : Consolidated Automobile Sales Plan

(Thousand Units)

| | Actual Results 2nd Half FYE 2013 | Plan 2nd Half FYE 2014 | Increase / Decrease |
|----------------|--|------------------------------|------------------------|
| Passenger cars | 67.4 | 73.3 | +5.9 |
| Minicars | 23.8 | 28.2 | +4.4 |
| Domestic total | 91.1 | 101.5 | +10.3 |
| U.S. | 193.2 | 230.9 | +37.7 |
| Canada | 16.3 | 17.3 | +1.0 |
| Russia | 3.6 | 8.6 | +5.0 |
| Europe | 21.0 | 16.5 | -4.5 |
| Australia | 16.1 | 17.8 | +1.8 |
| China | 23.6 | 25.9 | +2.3 |
| Others | 11.0 | 18.1 | +7.0 |
| Overseas total | 284.9 | 335.2 | +50.3 |
| Total | 376.0 | 436.6 | +60.6 |

2nd Half : Consolidated Operating Plan

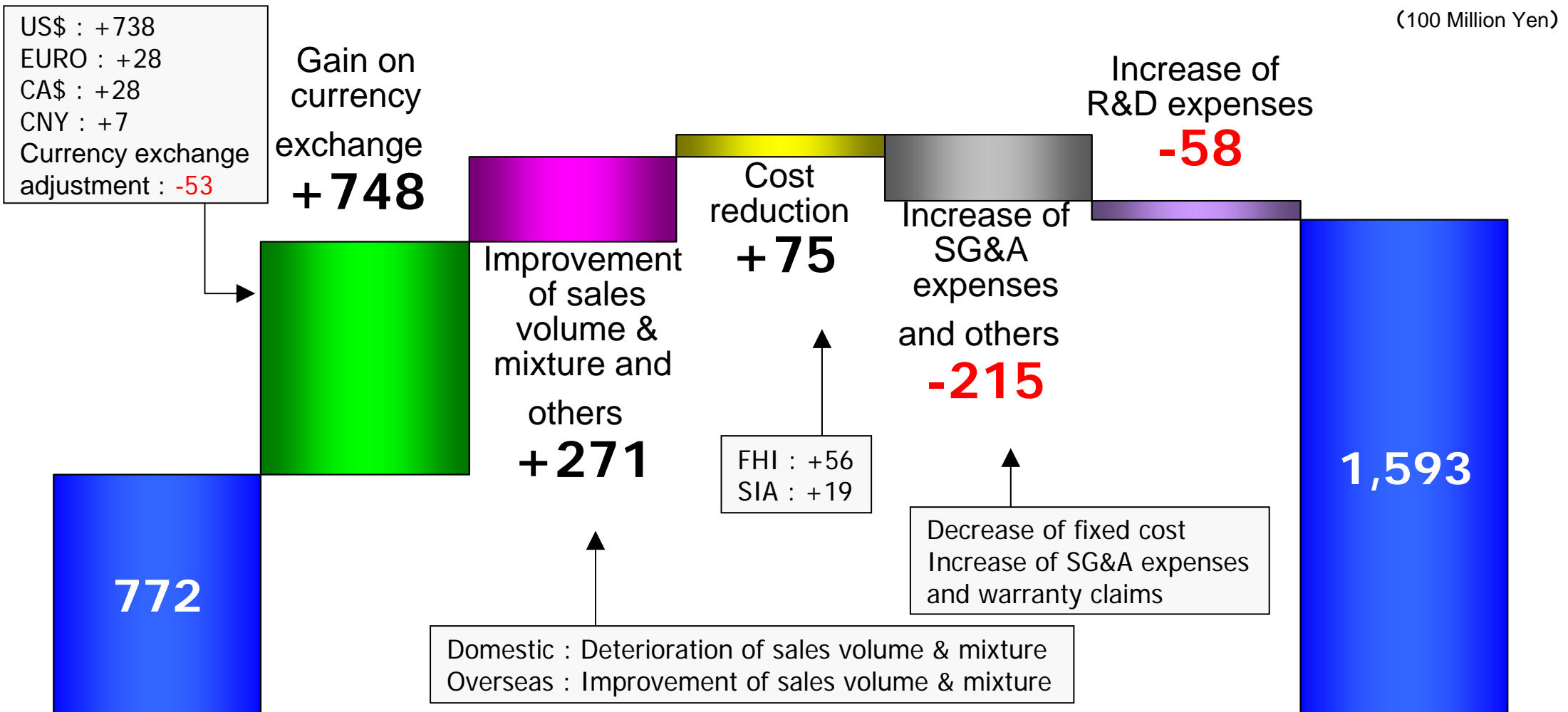
(100 Million Yen)

| | Actual Results 2nd Half FYE 2013 | Plan 2nd Half FYE 2014 | Increase / Decrease |
|--|--|------------------------------|------------------------|
| Net sales | 10,149 | 12,544 | +2,394 |
| Domestic | 3,621 | 3,189 | -431 |
| Overseas | 6,529 | 9,354 | +2,825 |
| Operating income | 772 | 1,593 | +821 |
| Ordinary income | 553 | 1,478 | +925 |
| Income before taxes and minority interests | 472 | 1,878 | +1,406 |
| Net income | 791 | 1,212 | +420 |
| FHI exchange rate | ¥84/US\$ | ¥99/US\$ | +¥15/US\$ |



2nd Half : Analysis of Increase and Decrease in Operating Income Changes (consolidated)

(100 Million Yen)



Actual results
Operating income
2nd half
FYE March 2013

+82.1 billion

Plan
Operating income
2nd half
FYE March 2014



Full Year : Consolidated Automobile Units

Previous plan vs. Revised plan

(Thousand Units)

| | Previous plan FYE 2014 | Revised plan FYE 2014 | Increase / Decrease |
|----------------|---------------------------|--------------------------|------------------------|
| Passenger cars | 116.3 | 135.0 | +18.7 |
| Minicars | 53.6 | 53.8 | +0.2 |
| Domestic total | 169.9 | 188.8 | +18.9 |
| U.S. | 434.8 | 439.8 | +5.0 |
| Canada | 35.9 | 36.0 | +0.1 |
| Russia | 15.4 | 15.4 | -0.0 |
| Europe | 34.6 | 31.9 | -2.8 |
| Australia | 39.9 | 39.1 | -0.8 |
| China | 44.2 | 44.8 | +0.6 |
| Others | 32.5 | 33.4 | +0.9 |
| Overseas total | 637.4 | 640.5 | +3.1 |
| Total | 807.3 | 829.3 | +22.0 |



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

(100 Million Yen)

| | Previous plan FYE 2014 | Revised plan FYE 2014 | Increase / Decrease |
|--|---------------------------|--------------------------|------------------------|
| Net sales | 23,000 | 23,800 | +800 |
| Domestic | 6,437 | 6,495 | +58 |
| Overseas | 16,563 | 17,305 | +742 |
| Operating income | 2,780 | 3,100 | +320 |
| Ordinary income | 2,720 | 2,940 | +220 |
| Income before taxes and minority interests | 3,111 | 3,331 | +220 |
| Net income | 2,070 | 2,210 | +140 |
| FHI exchange rate | ¥97/US\$ | ¥99/US\$ | +¥2/US\$ |



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

(100 Million Yen)

US\$: +233
 EURO : +6
 CA\$: +1
 CNY : +7
 Currency exchange adjustment : +39

Gain on currency exchange
+286

Cost reduction
+36

Improvement of sales volume & mixture and others
+47

Increase of SG&A expenses and others
-49

FHI : +34
 SIA : +2

Decrease of fixed cost
 Increase of SG&A expenses and warranty claims

Domestic : Improvement of sales volume & mixture
 Overseas : Improvement of sales volume & mixture

2,780

3,100

**Previous plan
 Operating Income
 FYE March 2014**

+32.0 billion

**Revised plan
 Operating Income
 FYE March 2014**

Appendix (2)

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

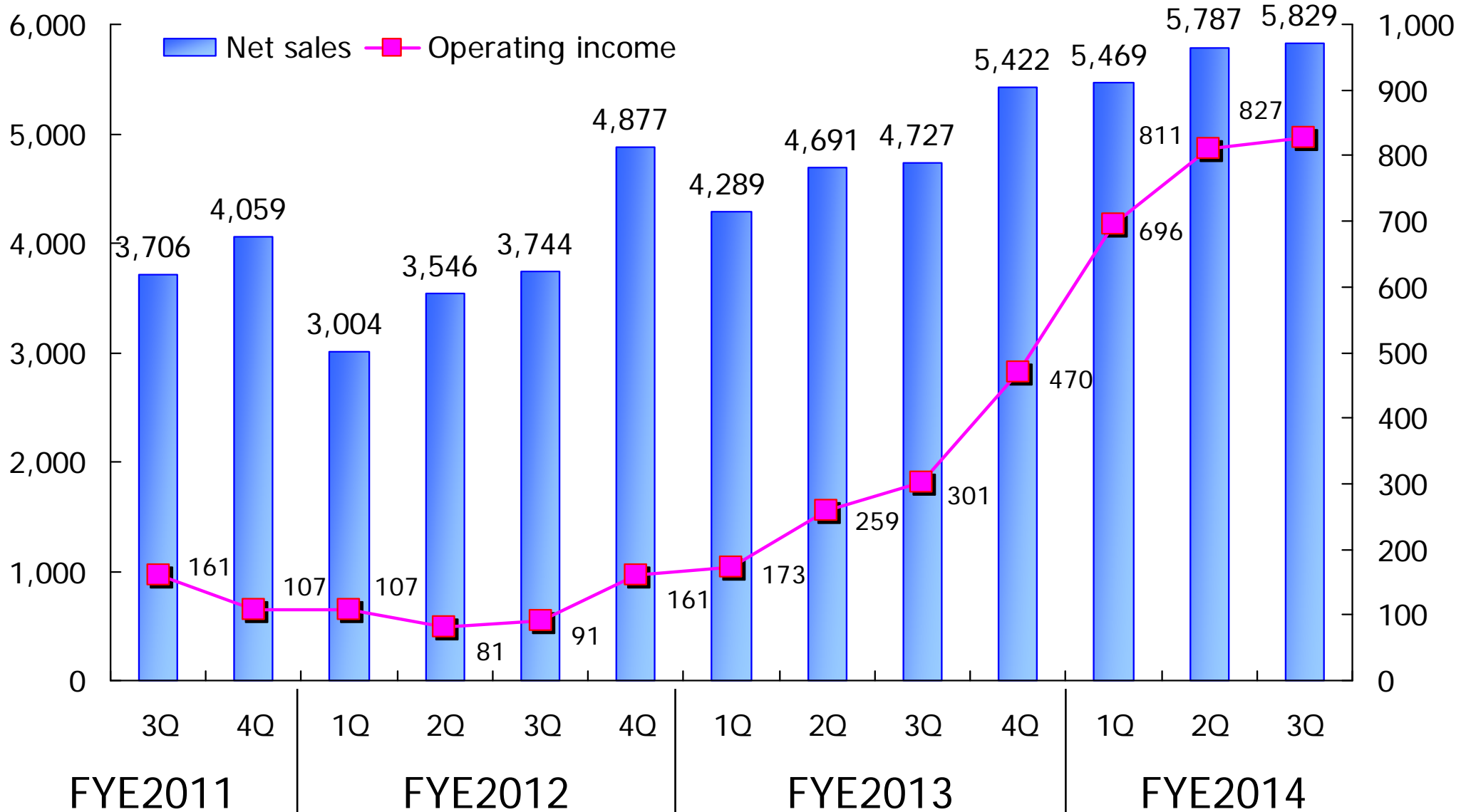


Net Sales & Operating Income

Net Sales
(100 million yen)

Operating Income
(100 million yen)

¥83/\$ ¥83/\$ ¥82/\$ ¥79/\$ ¥77/\$ ¥78/\$ ¥81/\$ ¥79/\$ ¥79/\$ ¥89/\$ ¥98/\$ ¥98/\$ ¥99/\$

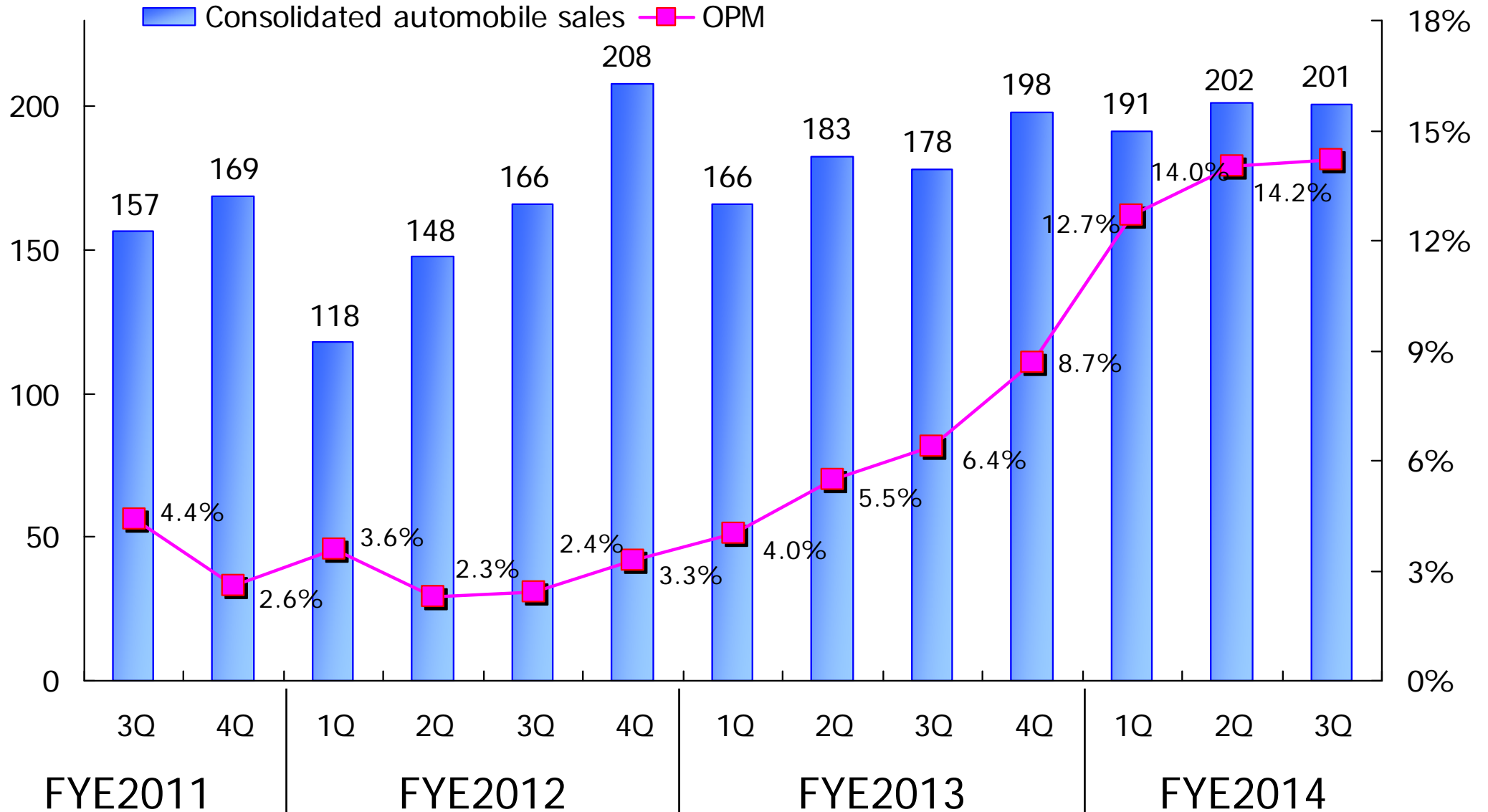




Consolidated Automobile Units & Operating Income Margin

Automobile sales
(1,000 cars)

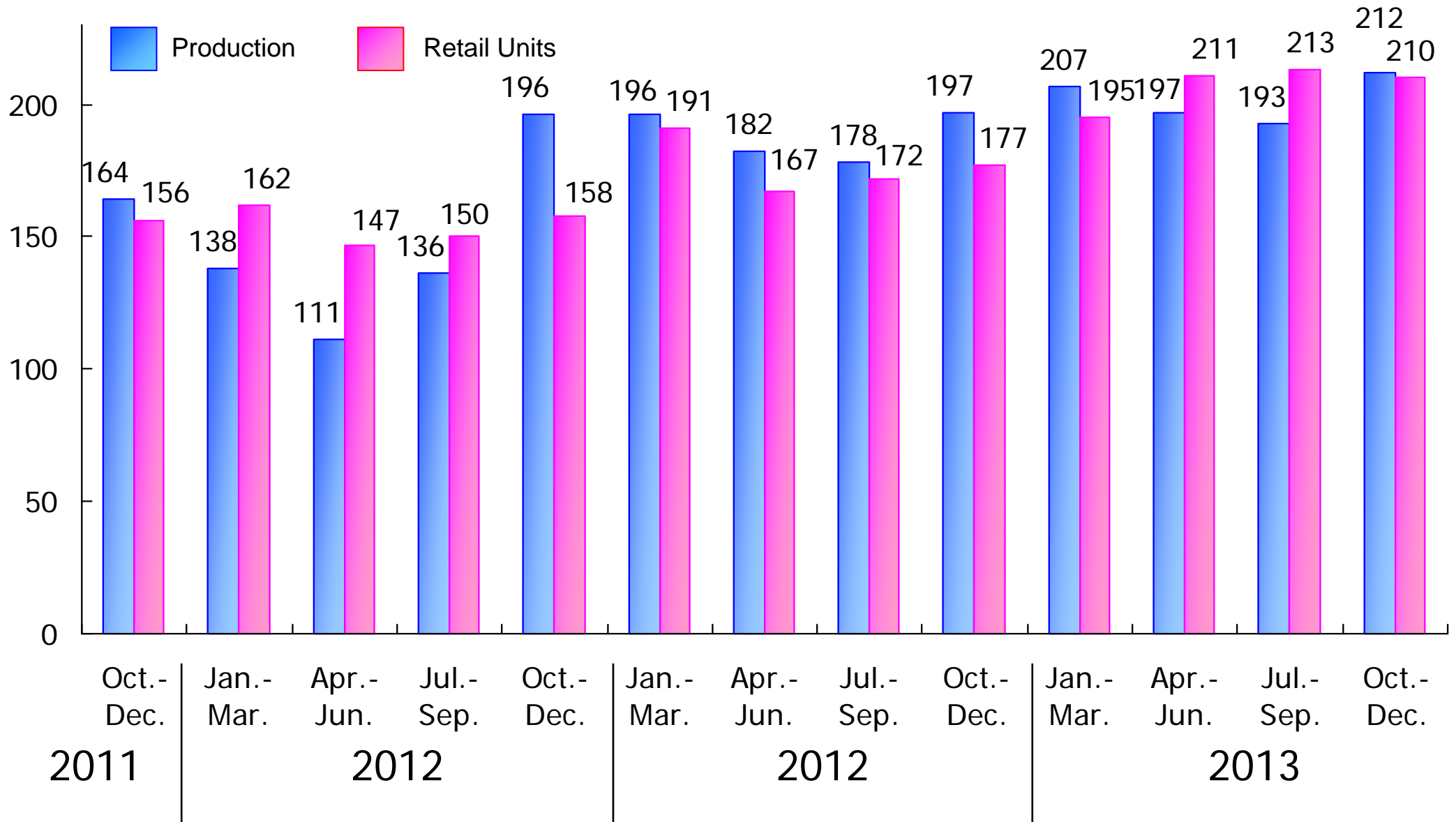
OPM





Complete Cars Production & Retail Units

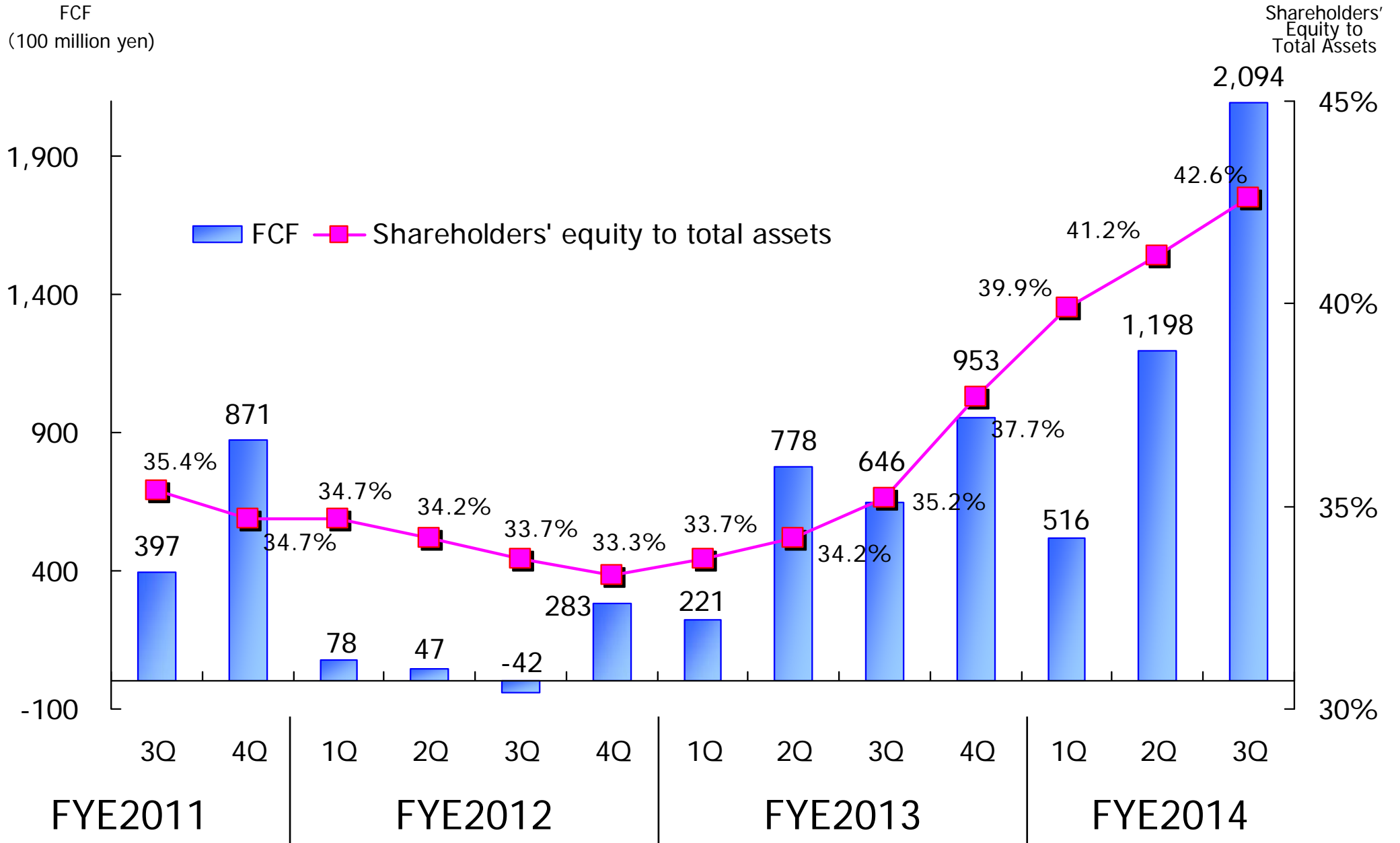
Units
(1000 units)



* Production figures include Toyota 86.



Free Cash Flows & Shareholders' Equity to Total Assets

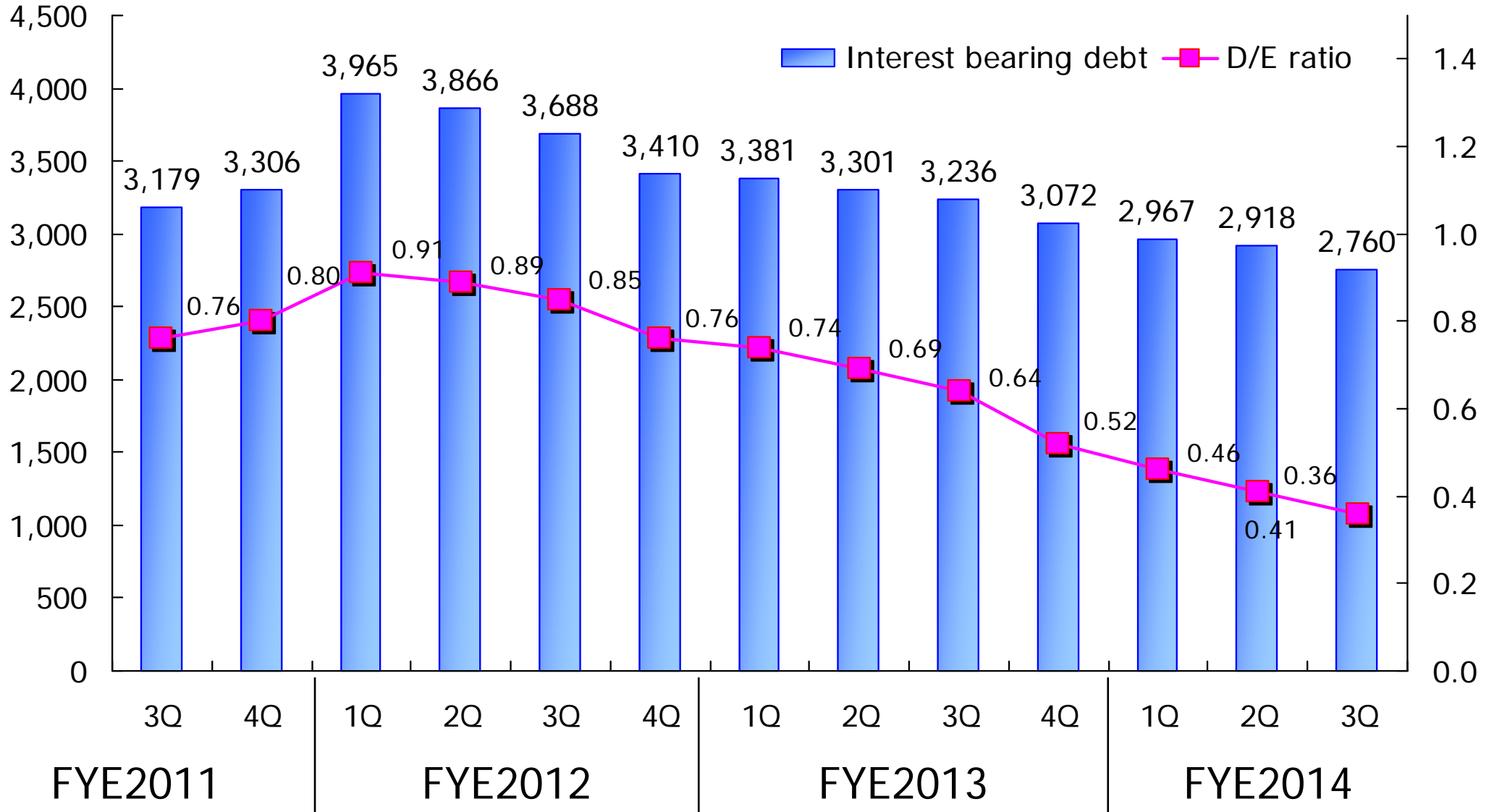




Interest-Bearing Debt & D/E Ratio

Interest Bearing Debts
(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