



Presentation of Business Results for the 3rd quarter of FYE 2015

Fuji Heavy Industries Ltd.

February 4, 2015

Financial results for the 3rd quarter (9 months) of FYE March 2015

- Due to healthy sales in North America and enjoy sales of new models such as WRX and LEVORG, consolidated automobile sales set an all-time record high as 3rd quarter periods(9 months).
- In addition to increase in sales volume, gain on currency exchange and cost reduction brought all-time record high in net sales and all profit levels for the 3rd quarter periods(9 months).

| | Net sales | Operating income | Ordinary income | Net income | Consolidated automobile sales |
|-------------------------|-----------------------------|--------------------------|--------------------------|-------------------------|-------------------------------|
| Actual results (YoY) | 2,060.7bil. (+352.2bil.) | 310.2bil. (+76.8bil.) | 288.4bil. (+66.9bil.) | 190.4bil. (+8.8bil.) | 663.7k (+70.3k) |

Financial projections full year for the FYE March 2015

- Due mainly to the revision of assumed exchange rates, business projections for the FYE March 2015 is upwardly-revised.
- Increase of sales volume by healthy sales in US, gain on currency exchange and cost reduction will offset increase of SG&A expenses. Full year projections of net sales, all profit levels and consolidated automobile units will be all time record high for the 3rd straight year.

| | Net sales | Operating income | Ordinary income | Net income | Consolidated automobile units |
|-------------------------|-----------------------------|--------------------------|--------------------------|--------------------------|-------------------------------|
| Actual results (YoY) | 2,850.0bil. (+441.9bil.) | 410.0bil. (+83.5bil.) | 392.0bil. (+77.6bil.) | 253.0bil. (+46.4bil.) | 906.1k (+81.0k) |

Business results for the 3rd quarter (9 months) of FYE March 2015

9 months : Consolidated Automobile Units



(Thousand Units)

| | Actual Results 9 months FYE 2014 | Actual Results 9 months FYE 2015 | Increase / Decrease |
|----------------|--|--|------------------------|
| Passenger cars | 86.9 | 83.5 | -3.4 |
| Minicars | 37.0 | 22.3 | -14.6 |
| Domestic total | 123.9 | 105.9 | -18.0 |
| U.S. | 326.4 | 398.7 | +72.3 |
| Canada | 27.2 | 32.0 | +4.8 |
| Russia | 9.5 | 10.8 | +1.3 |
| Europe | 23.5 | 22.9 | -0.6 |
| Australia | 29.6 | 28.2 | -1.4 |
| China | 29.6 | 40.7 | +11.2 |
| Others | 23.8 | 24.5 | +0.7 |
| Overseas total | 469.5 | 557.8 | +88.3 |
| Total | 593.4 | 663.7 | +70.3 |

9 months : Consolidated Income Statements



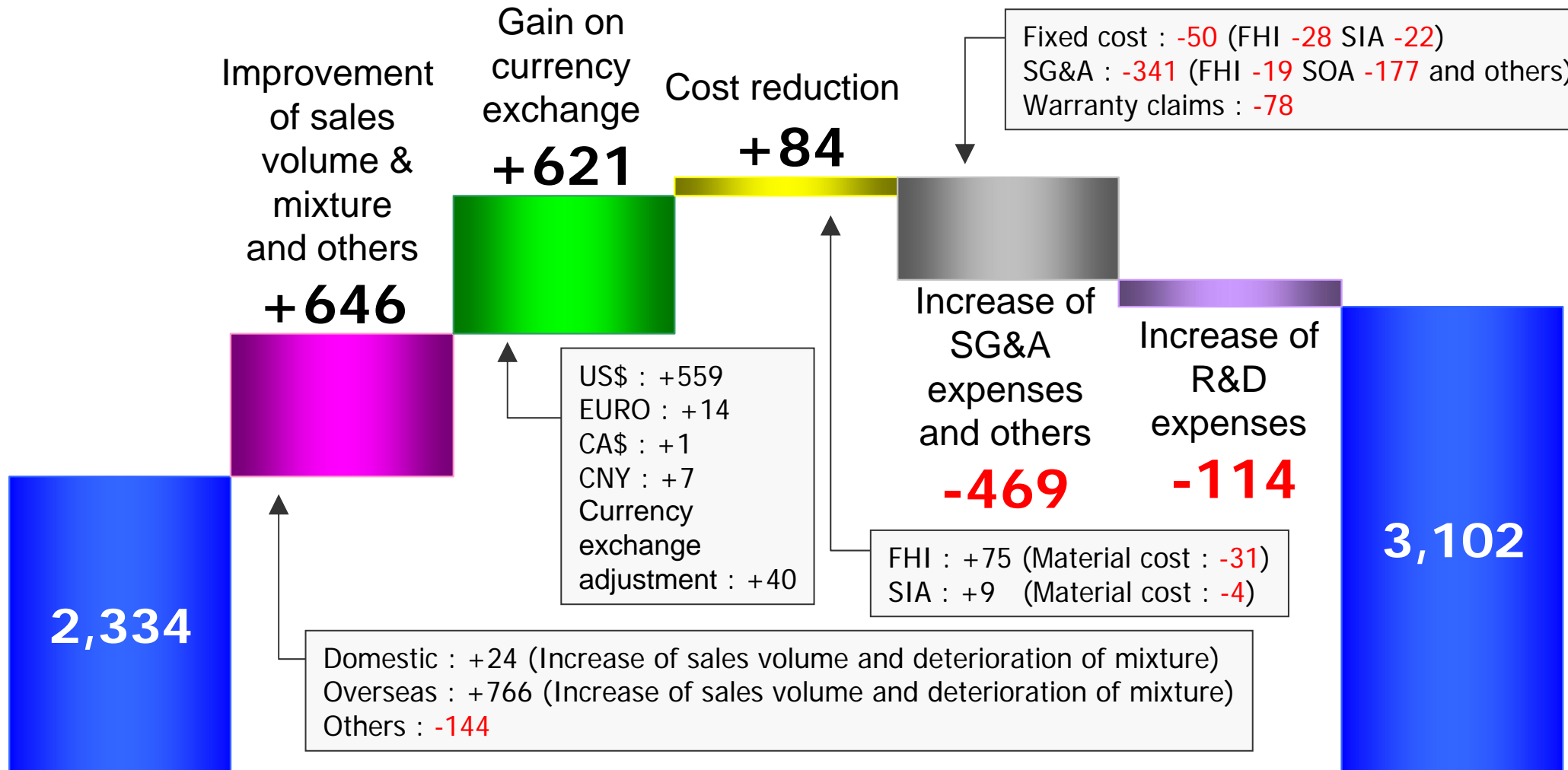
(100 Million Yen)

| | Actual results 9 months FYE 2014 | Actual results 9 months FYE 2015 | Increase / Decrease |
|---|--|--|------------------------|
| Net sales | 17,085 | 20,607 | +3,522 |
| Domestic | 4,788 | 4,419 | -369 |
| Overseas | 12,297 | 16,189 | +3,891 |
| Operating income | 2,334 | 3,102 | +768 |
| Total non-operating income & expenses | -119 | -218 | -99 |
| Ordinary income | 2,214 | 2,884 | +669 |
| Total extraordinary income & loss | 457 | -17 | -474 |
| Income before taxes and minority interests | 2,671 | 2,867 | +196 |
| Net income | 1,815 | 1,904 | +88 |
| FHI exchange rate | ¥98/US\$ | ¥105/US\$ | +¥7/US\$ |

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



(100 Million Yen)



+76.8 billion

**Actual results
Operating income
9 months
FYE 2014**

**Actual results
Operating income
9 months
FYE 2015**

Consolidated Balance Sheets



(100 Million Yen)

| | As of Mar. 31 2014 | As of Dec. 31 2014 | Increase / Decrease |
|---|-----------------------|-----------------------|------------------------|
| Total assets | 18,884 | 20,674 | +1,790 |
| Current assets | 12,738 | 13,588 | +851 |
| Noncurrent assets | 6,146 | 7,085 | +939 |
| Interest bearing debts | 2,697 | 2,268 | -429 |
| Net assets | 7,701 | 9,632 | +1,932 |
| Retained earnings | 4,839 | 6,257 | +1,418 |
| Shareholder's equity | 7,655 | 9,554 | +1,899 |
| Shareholder's equity to total assets | 40.5% | 46.2% | +5.7 |
| D/E ratio | 0.35 | 0.24 | -0.11 |

9 months : Consolidated Statement of Cash Flows



(100 Million Yen)

| | Actual results 9 months FYE 2014 | Actual results 9 months FYE 2015 | Increase / Decrease |
|---|--|--|------------------------|
| Net cash provided by (used in) operating activities | 2,215 | 1,773 | -442 |
| Net cash provided by (used in) investing activities | -121 | -1,165 | -1,044 |
| Free cash flows | 2,094 | 608 | -1,486 |
| Net cash provided by (used in) financing activities | -547 | -935 | -388 |
| Effect of exchange rate change on cash and cash equivalents | 145 | 273 | +129 |
| Net increase (Decrease) in cash and cash equivalents | 1,691 | -54 | -1,745 |
| Cash and cash equivalents at end of period | 4,982 | 5,524 | - |

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



(Million US\$)

| SOA | Actual results 9 months FYE 2014 | Actual results 9 months FYE 2015 | Increase / Decrease |
|---------------------------------------|--|--|------------------------|
| Net sales | 8,115 | 10,115 | +2,000 |
| Operating income | 199 | 417 | +218 |
| Net income | 123 | 259 | +136 |
| Retail sales (Thousand units) | 330.5 | 399.9 | +69.4 |
| SIA | Actual results 9 months FYE 2014 | Actual results 9 months FYE 2015 | Increase / Decrease |
| Net sales | 2,817 | 3,424 | +607 |
| Operating income | 162 | 121 | -41 |
| Net income | 102 | 81 | -21 |
| Subaru production (Thousand units) | 119.7 | 149.2 | +29.5 |

Outlook for the FYE March 2015

Full Year : Consolidated Automobile Sales



(Thousand Units)

| | Actual results FYE 2014 | Plan FYE 2015 | Increase / Decrease |
|-----------------------|----------------------------|------------------|------------------------|
| Passenger car | 126.1 | 124.3 | -1.8 |
| Minicar | 55.5 | 37.0 | -18.5 |
| Domestic total | 181.6 | 161.3 | -20.3 |
| U.S. | 441.8 | 527.3 | +85.5 |
| Canada | 36.0 | 42.2 | +6.2 |
| Russia | 15.3 | 12.6 | -2.7 |
| Europe | 31.8 | 33.8 | +2.0 |
| Australia | 39.5 | 38.6 | -0.9 |
| China | 44.8 | 53.8 | +9.0 |
| Others | 34.3 | 36.6 | +2.3 |
| Overseas total | 643.5 | 744.8 | +101.3 |
| Total | 825.1 | 906.1 | +81.0 |

Full Year : Consolidated Operating Plan



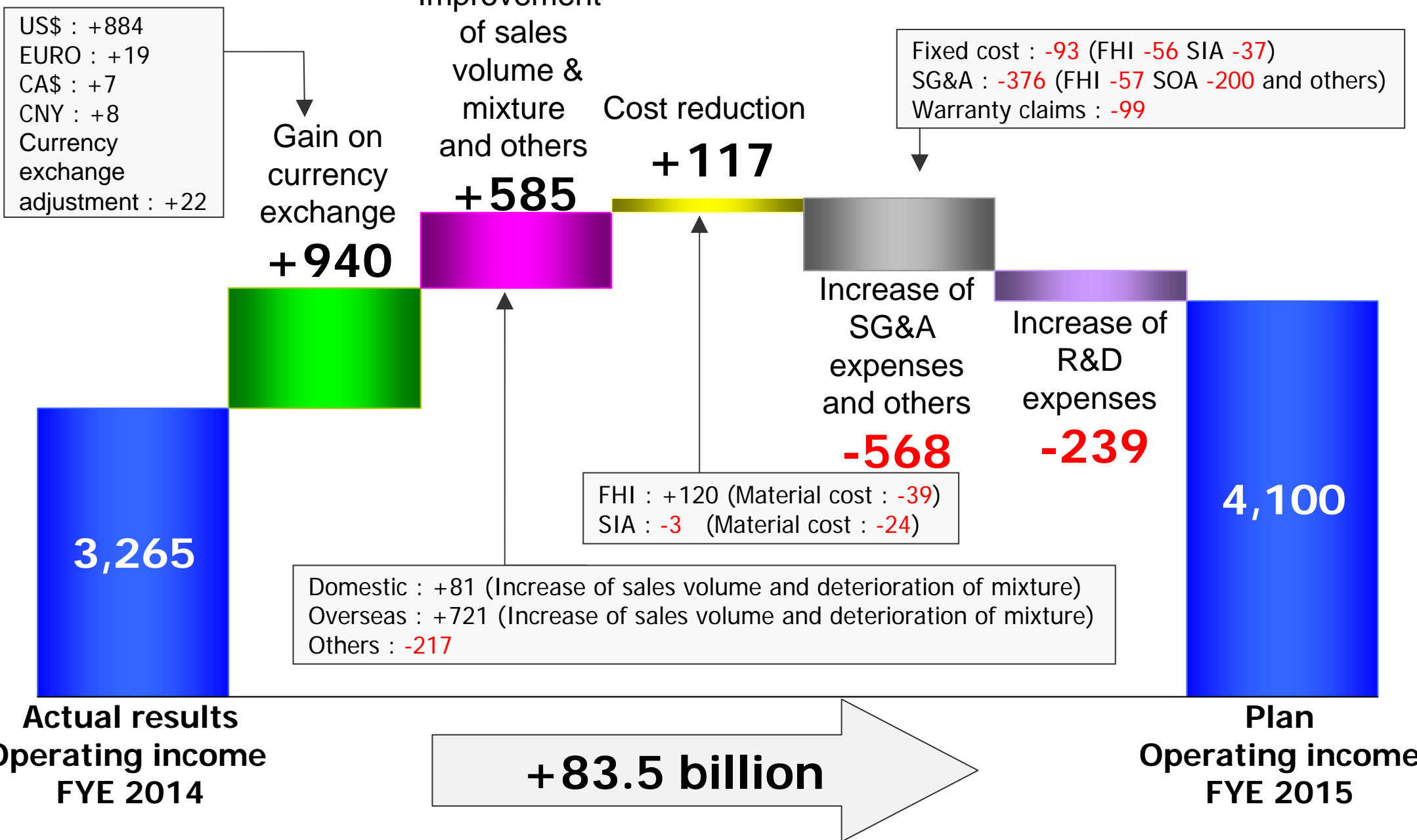
(100 Million Yen)

| | Actual results FYE 2014 | Plan FYE 2015 | Increase / Decrease |
|--|----------------------------|------------------|------------------------|
| Net sales | 24,081 | 28,500 | +4,419 |
| Domestic | 6,721 | 6,483 | -237 |
| Overseas | 17,361 | 22,017 | +4,656 |
| Operating income | 3,265 | 4,100 | +835 |
| Ordinary income | 3,144 | 3,920 | +776 |
| Income before income taxes and minority interests | 3,289 | 3,840 | +551 |
| Net income | 2,066 | 2,530 | +464 |
| FHI exchange rate | ¥100/US\$ | ¥108/US\$ | +¥8/US\$ |

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



(100 Million Yen)



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



(Million US\$)

| SOA | Actual results FYE 2014 | Plan FYE 2015 | Increase / Decrease |
|----------------------------------|----------------------------|------------------|------------------------|
| Net sales | 11,005 | 13,421 | +2,416 |
| Operating income | 184 | 484 | +300 |
| Net income | 111 | 299 | +188 |
| Retail sales (Thousand units) | 442.3 | 525.9 | +83.6 |

| SIA | Actual results FYE 2014 | Plan FYE 2015 | Increase / Decrease |
|---------------------------------------|----------------------------|------------------|------------------------|
| Net sales | 3,848 | 4,739 | +891 |
| Operating income | 265 | 147 | -118 |
| Net income | 167 | 95 | -72 |
| Subaru production (Thousand units) | 163.5 | 206.3 | +42.8 |

Capex / Depreciation / R&D / Interest bearing debt



(100 Million Yen)

| | Actual Results 9 months FYE2014 | Actual Results FYE2014 (a) | Actual Results 9 months FYE 2015 | Plan FYE2015 (b) | Increase / Decrease (b) - (a) |
|--------------------------|---------------------------------------|----------------------------------|--|------------------------|-------------------------------------|
| Capex | 412 | 685 | 828 | 1,200 | +515 |
| Depreciation | 394 | 549 | 445 | 660 | +111 |
| R&D | 433 | 601 | 549 | 840 | +239 |
| Interest bearing debt | 2,760 | 2,697 | 2,268 | 2,200 | -497 |

Appendix (1)

- Non-operating income & expenses and extraordinary income & loss
- Segment information
- Overseas net sales
- Non-consolidated automobile sales

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



(100 Million Yen)

| | Actual results 9 months FYE 2014 | Actual results 9 months FYE 2015 | Increase / Decrease |
|---|--|--|------------------------|
| Financial revenue and expenditure | 1 | 8 | +7 |
| FOREX effects | -108 | -230 | -122 |
| Other | -12 | 4 | +16 |
| Total non-operating income & expenses | -119 | -218 | -99 |
| Gain on sales of noncurrent assets | 2 | 6 | +4 |
| Gain on sales of investment securities | 472 | 9 | -463 |
| Loss on sales and retirement of noncurrent assets | -17 | -28 | -11 |
| Other | -1 | -5 | -4 |
| Total extraordinary income & loss | 457 | -17 | -474 |

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



(100 Million Yen)

| | Net sales | | | Operating income | | |
|-------------------------|--|--|---------------------------|--|--|---------------------------|
| | Actual results 9 months FYE 2014 | Actual results 9 months FYE 2015 | Increase / Decrease | Actual results 9 months FYE 2014 | Actual results 9 months FYE 2015 | Increase / Decrease |
| Automobile | 15,962 | 19,370 | +3,407 | 2,203 | 2,973 | +770 |
| Aerospace | 846 | 980 | +133 | 106 | 106 | +0 |
| Industrial products | 220 | 203 | -18 | 2 | 1 | -1 |
| Others | 56 | 55 | -1 | 18 | 17 | -2 |
| Elimination & corporate | | | | 4 | 5 | +0 |
| Total | 17,085 | 20,607 | +3,522 | 2,334 | 3,102 | +768 |

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



(100 Million Yen)

| | Net sales | | | Operating income | | |
|---------------------------|--|--|---------------------------|--|--|---------------------------|
| | Actual results 9 months FYE 2014 | Actual results 9 months FYE 2015 | Increase / Decrease | Actual results 9 months FYE 2014 | Actual results 9 months FYE 2015 | Increase / Decrease |
| Japan | 6,839 | 6,662 | -177 | 2,038 | 2,431 | +393 |
| North America | 9,084 | 11,955 | +2,871 | 434 | 773 | +338 |
| Other | 1,163 | 1,990 | +828 | -5 | 115 | +121 |
| Elimination and corporate | | | | -133 | -218 | -84 |
| Total | 17,085 | 20,607 | +3,522 | 2,334 | 3,102 | +768 |

9 months : Overseas Net Sales



(100 Million Yen)

| | Actual results 9 months FYE 2014 | Actual results 9 months FYE 2015 | Increase / Decrease |
|---------------|--|--|------------------------|
| North America | 9,640 | 12,688 | +3,048 |
| Europe | 837 | 856 | +19 |
| Asia | 916 | 1,675 | +758 |
| Other | 904 | 970 | +66 |
| Total | 12,297 | 16,189 | +3,891 |

9 months : Non-Consolidated Automobiles Sales



(Thousand Units)

| | Actual results 9 months FYE 2014 | Actual results 9 months FYE 2015 | Increase / Decrease |
|---|--|--|------------------------|
| Domestic production | 482.3 | 528.2 | +45.9 |
| Domestic sales | 131.2 | 115.3 | -15.9 |
| Passenger cars | 90.9 | 91.0 | +0.1 |
| Minicars | 40.3 | 24.3 | -16.0 |
| Number of vehicles exported | 371.6 | 414.0 | +42.4 |
| Components for overseas production | 124.3 | 164.3 | +40.0 |
| Total | 627.2 | 693.7 | +66.5 |

* Domestic Production figures include Toyota 86.

Appendix (2)

- 3rd quarter, consolidated statements income
- 4th quarter, consolidated statements income
- Full year, Previous plan vs. revised plan

3rd Quarter : Consolidated Automobile Sales



(Thousand Units)

| | Actual results 3rd quarter FYE 2014 | Actual results 3rd quarter FYE 2015 | Increase / Decrease |
|-----------------------|---|---|------------------------|
| Passenger car | 25.1 | 27.1 | +1.9 |
| Minicar | 11.4 | 7.3 | -4.1 |
| Domestic total | 36.5 | 34.3 | -2.2 |
| U.S. | 117.5 | 148.8 | +31.3 |
| Canada | 8.5 | 9.9 | +1.4 |
| Russia | 2.7 | 2.2 | -0.5 |
| Europe | 8.1 | 7.3 | -0.9 |
| Australia | 8.3 | 8.9 | +0.6 |
| China | 10.6 | 12.0 | +1.4 |
| Others | 8.4 | 8.6 | +0.2 |
| Overseas total | 164.2 | 197.7 | +33.5 |
| Total | 200.8 | 232.1 | +31.3 |

3rd Quarter : Consolidated Income Statements



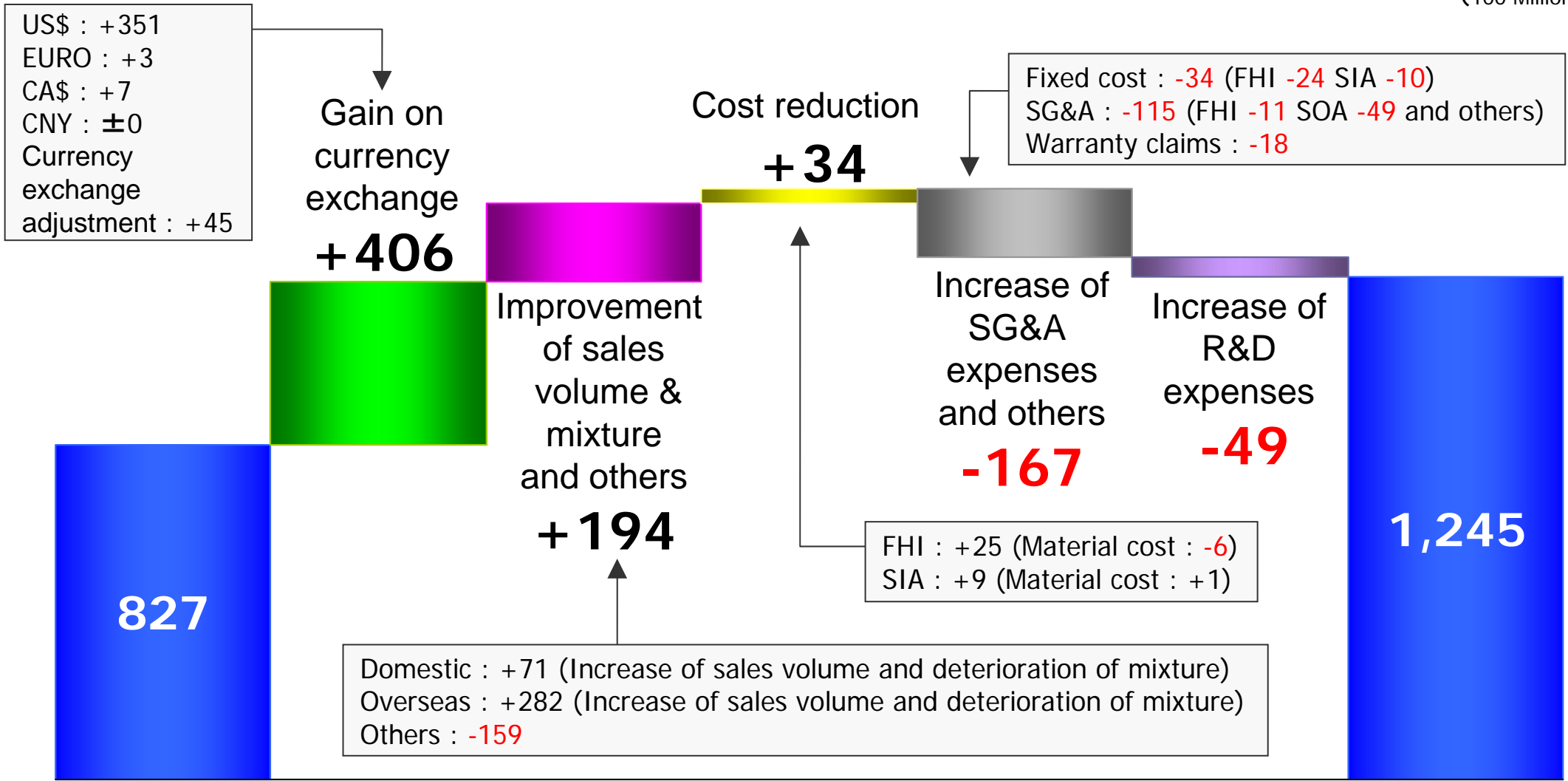
(100 Million Yen)

| | Actual results 3rd quarter FYE 2014 | Actual results 3rd quarter FYE 2015 | Increase / Decrease |
|--|---|---|------------------------|
| Net sales | 5,829 | 7,505 | +1,676 |
| Domestic | 1,482 | 1,491 | +9 |
| Overseas | 4,347 | 6,014 | +1,667 |
| Operating income | 827 | 1,245 | +418 |
| Ordinary income | 752 | 1,124 | +372 |
| Income before income taxes and minority interests | 1,218 | 1,120 | -98 |
| Net income | 817 | 773 | -44 |
| FHI exchange rate | ¥99/US\$ | ¥110/US\$ | +¥11/US\$ |

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



(100 Million Yen)



Actual results
Operating income
3rd Quarter
FYE 2014

+41.8 billion

Actual results
Operating income
3rd Quarter
FYE 2015

4th Quarter : Consolidated Automobile Sales



(Thousand Units)

| | Actual results 4th quarter FYE 2014 | Plan 4th quarter FYE 2015 | Increase / Decrease |
|-----------------------|---|---------------------------------|------------------------|
| Passenger car | 39.3 | 40.8 | +1.5 |
| Minicar | 18.5 | 14.6 | -3.9 |
| Domestic total | 57.7 | 55.4 | -2.3 |
| U.S. | 115.4 | 128.6 | +13.2 |
| Canada | 8.8 | 10.2 | +1.4 |
| Russia | 5.8 | 1.8 | -4.0 |
| Europe | 8.3 | 10.9 | +2.6 |
| Australia | 9.9 | 10.4 | +0.5 |
| China | 15.2 | 13.1 | -2.1 |
| Others | 10.5 | 12.1 | +1.5 |
| Overseas total | 174.0 | 187.0 | +13.0 |
| Total | 231.7 | 242.4 | +10.7 |

4th Quarter : Consolidated Income Statements



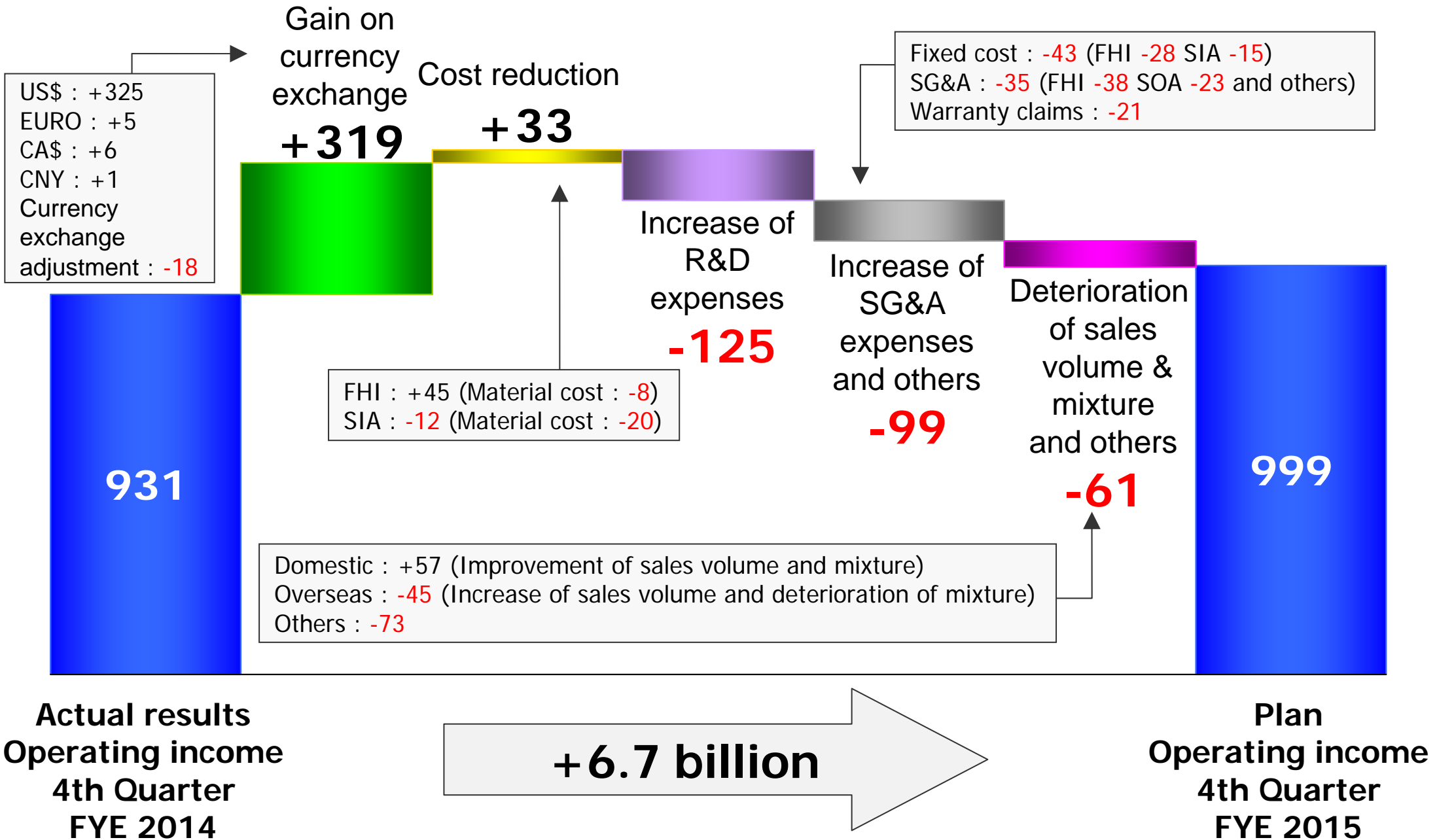
(100 Million Yen)

| | Actual results 4th quarter FYE 2014 | Plan 4th quarter FYE 2015 | Increase / Decrease |
|--|---|---------------------------------|------------------------|
| Net sales | 6,996 | 7,893 | +897 |
| Domestic | 1,933 | 2,065 | +132 |
| Overseas | 5,063 | 5,828 | +765 |
| Operating income | 931 | 999 | +67 |
| Ordinary income | 930 | 1,036 | +106 |
| Income before income taxes and minority interests | 618 | 973 | +356 |
| Net income | 251 | 626 | +376 |
| FHI exchange rate | ¥103/US\$ | ¥116/US\$ | +¥13/US\$ |

4th Quarter : Analysis of Increase and Decrease in Operating Income Changes (Consolidated)



(100 Million Yen)



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



(Thousand Units)

| | Previous plan FYE 2015 | Revised plan FYE 2015 | Increase / Decrease |
|-----------------------|---------------------------|--------------------------|------------------------|
| Passenger car | 125.7 | 124.3 | -1.4 |
| Minicar | 40.8 | 37.0 | -3.8 |
| Domestic total | 166.5 | 161.3 | -5.2 |
| U.S. | 513.2 | 527.3 | +14.1 |
| Canada | 40.7 | 42.2 | +1.5 |
| Russia | 18.7 | 12.6 | -6.1 |
| Europe | 36.0 | 33.8 | -2.2 |
| Australia | 38.2 | 38.6 | +0.4 |
| China | 60.0 | 53.8 | -6.2 |
| Others | 36.1 | 36.6 | +0.4 |
| Overseas total | 742.8 | 744.8 | +2.0 |
| Total | 909.4 | 906.1 | -3.3 |

(Previous Plan vs. Revised Plan)

Full Year : Consolidated Income Statements



(100 Million Yen)

| | Previous plan FYE 2015 | Revised plan FYE 2015 | Increase / Decrease |
|--|---------------------------|--------------------------|------------------------|
| Net sales | 27,800 | 28,500 | +700 |
| Domestic | 6,582 | 6,483 | -99 |
| Overseas | 21,218 | 22,017 | +799 |
| Operating income | 3,820 | 4,100 | +280 |
| Ordinary income | 3,700 | 3,920 | +220 |
| Income before income taxes and minority interests | 3,640 | 3,840 | +200 |
| Net income | 2,410 | 2,530 | +120 |
| FHI exchange rate | ¥104/US\$ | ¥108/US\$ | +¥4/US\$ |

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



(100 Million Yen)

US\$: +453
 EURO : +8
 CA\$: +13
 CNY : ±0
 Currency exchange adjustment : +54

Gain on currency exchange
+528

Cost reduction
+8

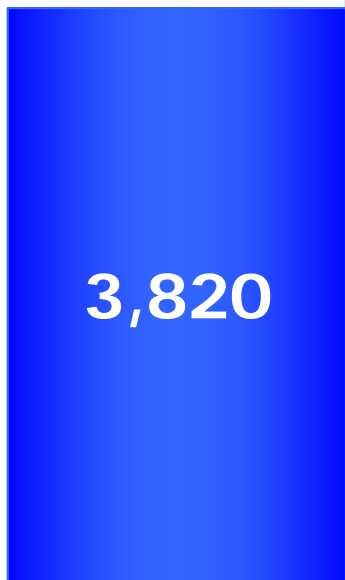
FHI : +10 (Material cost : +10)
 SIA : -2 (Material cost : -5)

Decrease of SG&A expenses and others
+15

Deterioration of sales volume & mixture and others
-271

Fixed cost : +1 (FHI +1)
 SG&A : +54 (FHI +8 SOA -6 and others)
 Warranty claims : -40

Domestic : +9 (Decrease of sales volume and improvement of mixture)
 Overseas : -58 (Increase of sales volume and deterioration of mixture)
 Others : -222



+28.0 billion

Previous Plan
 Operating income
 FYE 2015

Actual results
 Operating income
 FYE 2015

Appendix (3)

- 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

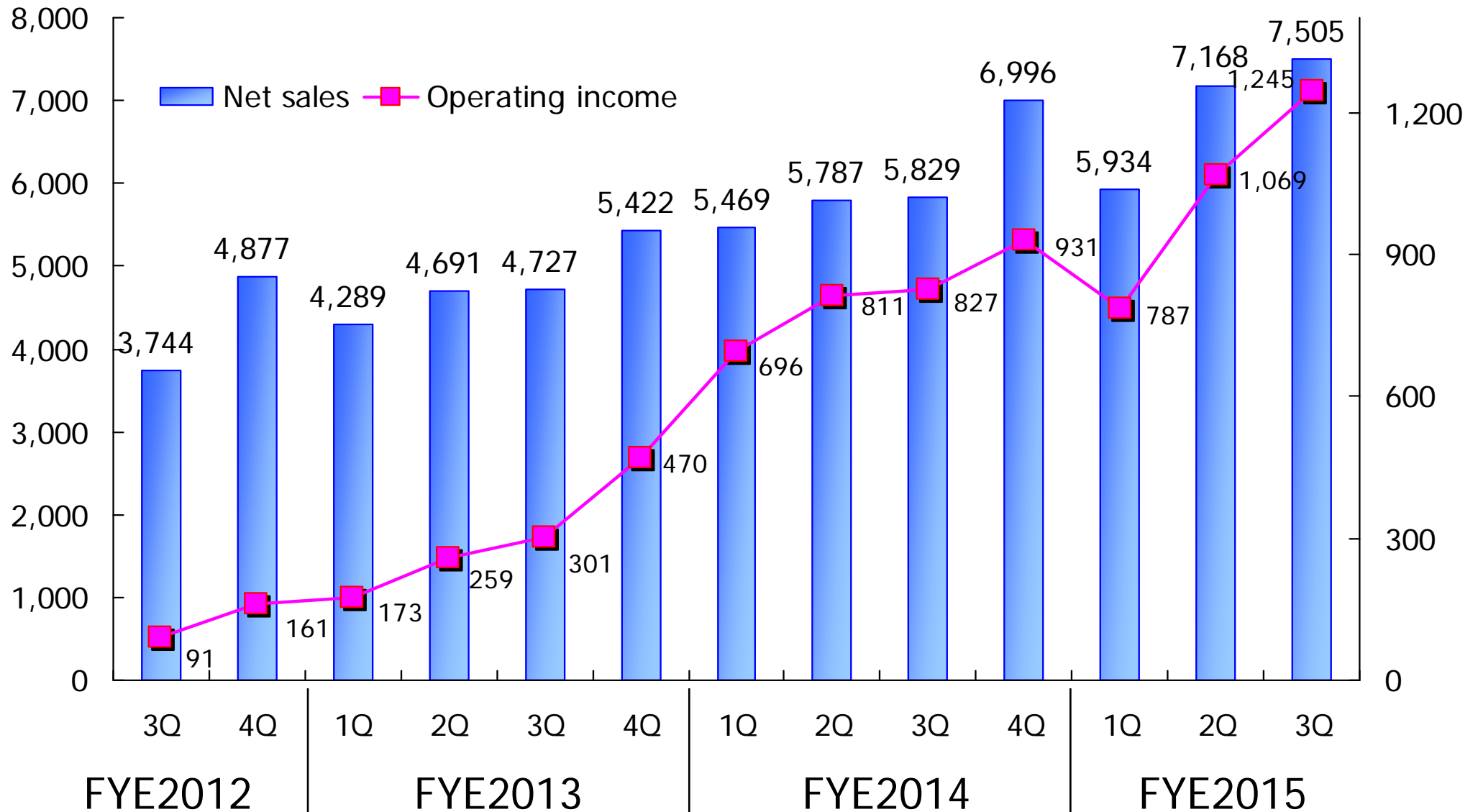
Net Sales & Operating Income



Operating Income
(100 million yen)

Net Sales
(100 million yen)

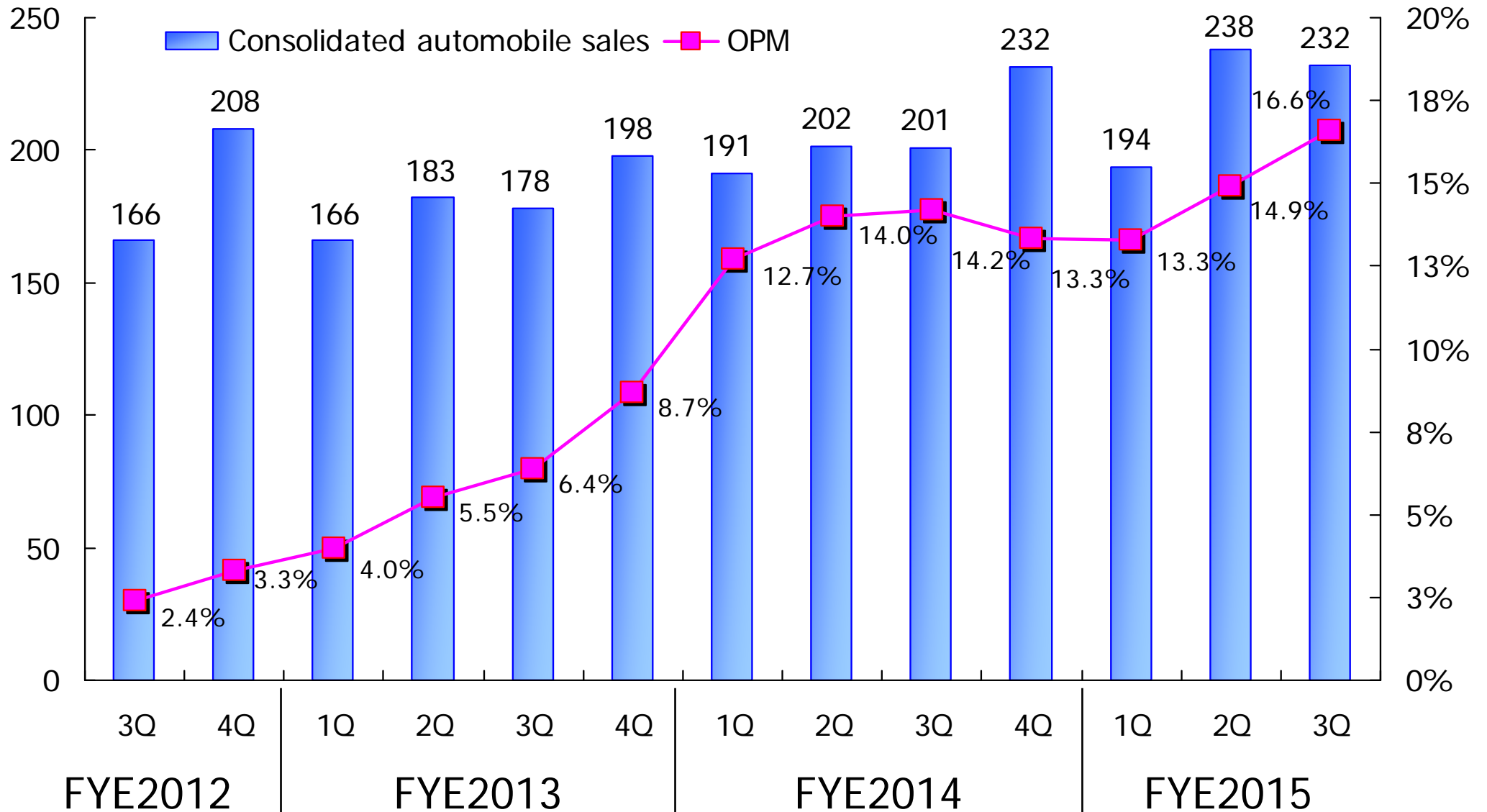
¥77/\$ ¥78/\$ ¥81/\$ ¥79/\$ ¥79/\$ ¥89/\$ ¥98/\$ ¥98/\$ ¥99/\$ ¥103/\$ ¥102/\$ ¥102/\$ ¥110/\$



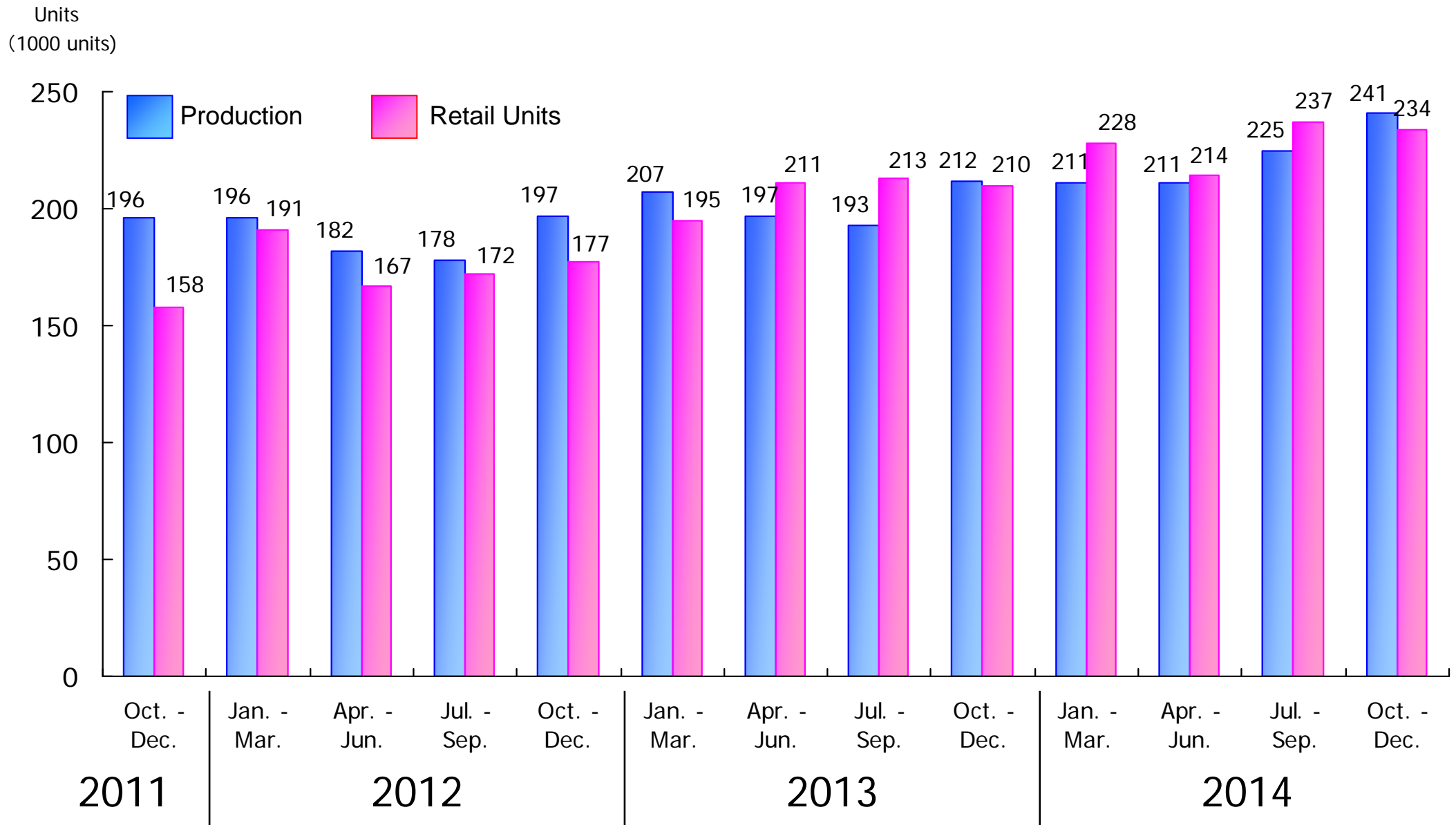
Consolidated Automobile Sales & Operating Income Margin



Automobile sales
(1,000 cars)



Completed Cars Production & Retail Units



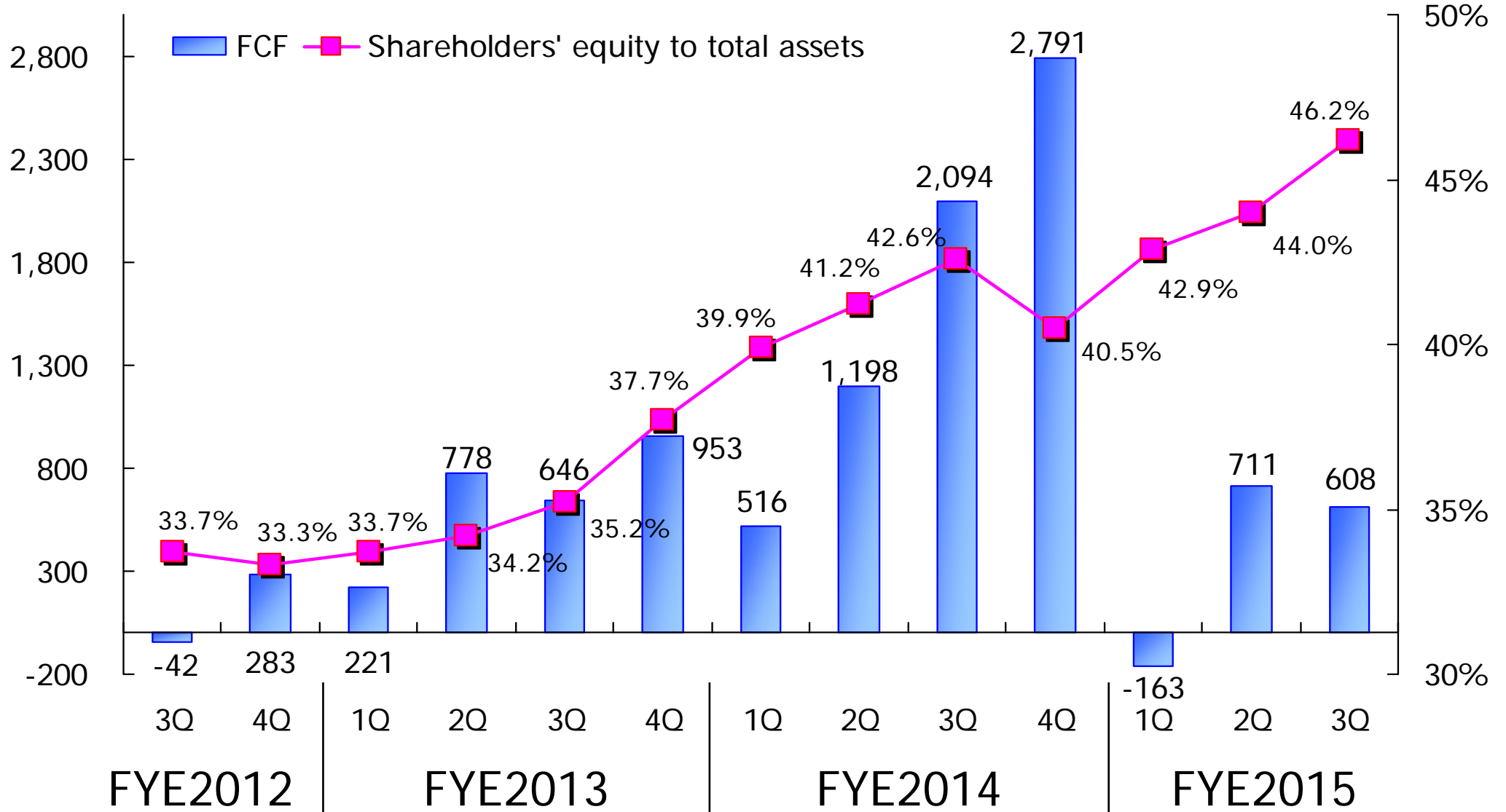
* Production figures include Toyota 86.

Free Cash Flows & Shareholders' Equity to Total Assets



FCF
(100 million yen)

Shareholders'
Equity to
Total Assets

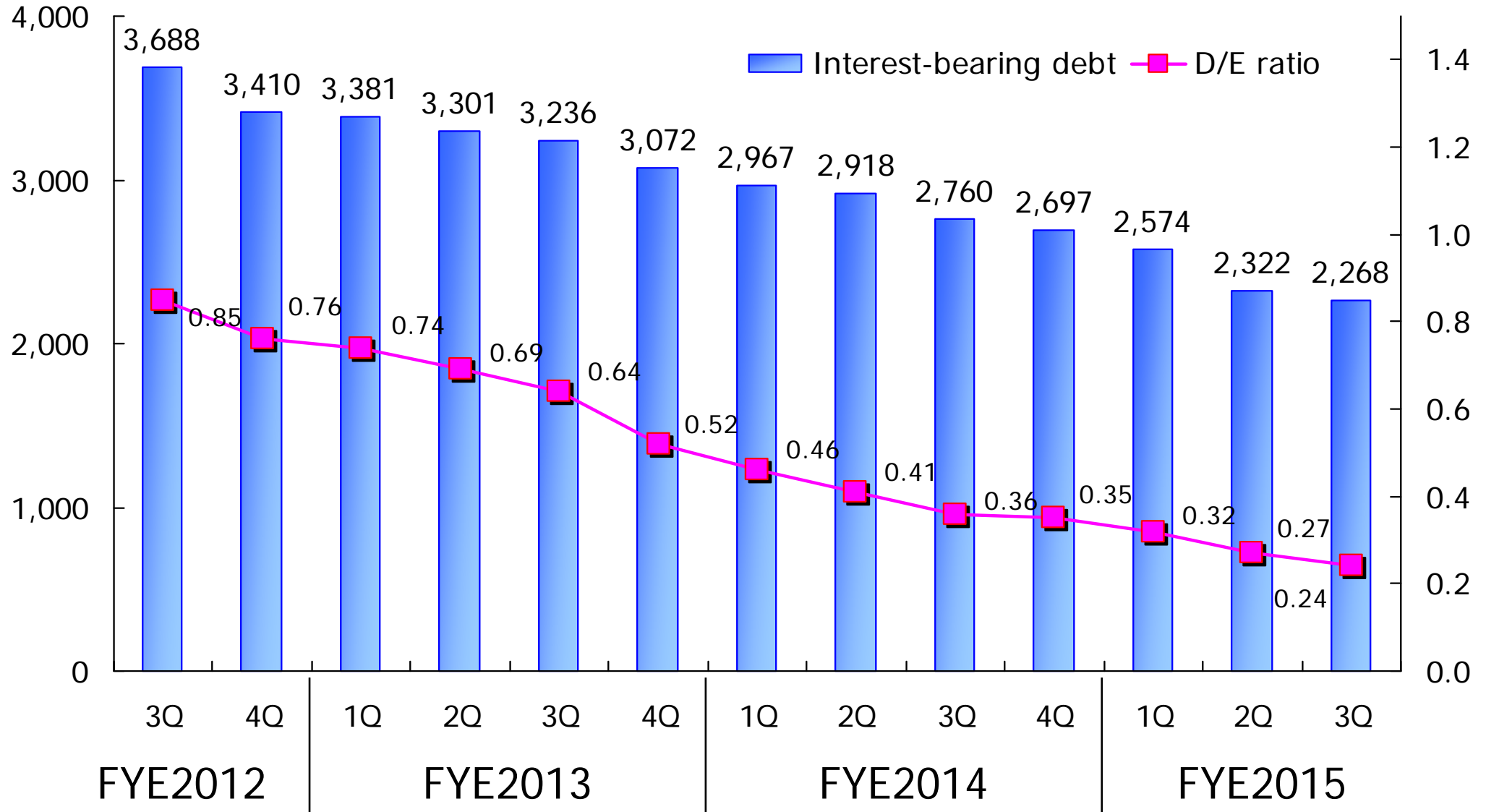


Interest-Bearing Debt & D/E Ratio



Interest
Bearing Debt
(100 million yen)

D/E ratio





Forward-looking statements including projections and future strategies mentioned in this presentation are based on currently available information and assumptions and are subject to risks and uncertainties.

Actual results may vary materially as a result of various factors including, without limitation, economic conditions, market demand and fluctuations in foreign exchange rates.

Investors are asked not to rely solely on the information in this presentation when they make their final investment decisions.



SUBARU