



Consolidated Financial Results for FYE 2016

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Summary



Consolidated Financial Results for FYE 2016

- Consolidated global unit sales set an all time record for the 4th consecutive year mainly with the continuous strong sales in North American market.
- Net sales and all profit levels posted all-time records for the 4th consecutive year 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)	¥3,232.3bil. (+¥354.3bil.)	¥565.6bil. (+¥142.5bil.)	¥577.0bil. (+¥183.3bil.)	¥436.7bil. (+¥174.8bil.)	957.9k units (+47.2k units)

Forecasts for FYE 2017

- Consolidated global unit sales are projected to 1,050k units.
- Unit sales growth and cost reduction progress are expected to offset increases in various expenses; but on the assumption of a stronger yen, net sales and profit to decrease for the first time in 5 years.

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Consolidated automobile sales
Forecasts (YoY)	¥3,170.0bil. (-¥62.3bil.)	¥420.0bil. (-¥145.6bil.)	¥420.0bil. (-¥157.0bil.)	¥293.0bil. (-¥143.7bil.)	1,049.7k units (+91.8k units)



Consolidated financial results for FYE 2016

FYE 2016 : Consolidated Unit Sales



(Thousand units)

	Actual Results FYE 2015	Actual Results FYE 2016	Variance
Passenger car	127.9	111.6	-16.3
Minicar	34.9	33.7	-1.2
Domestic total	162.8	145.3	-17.5
US	527.6	582.7	+55.0
Canada	42.4	47.6	+5.1
Russia	11.6	5.7	-5.8
Europe	35.7	41.8	+6.0
Australia	38.9	44.6	+5.7
China	53.8	44.4	-9.4
Others	37.9	45.8	+7.9
Overseas total	747.9	812.6	+64.6
Total	910.7	957.9	+47.2

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

* Figures of China are consolidated results on the calendar year basis from Jan. to Dec.

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Consolidated automobile sales for the fiscal year that ended March 2016 totaled 957.9 thousand units. The 47.2 thousand unit year-on-year increase contributed to setting a new record high total for the fourth year in a row.

Domestic sales were down 17.5 thousand units year on year to total 145.3 thousand units as sales of new passenger vehicle models dipped below what they were last year due to their waning impact.

Sales in overseas markets rose 64.6 thousand units year on year to reach 812.6 thousand units as sales of the Outback remained robust throughout the year on top of steady sales of the Crosstreck in North America.

FYE 2016 : Consolidated Income Statements



(100 Million Yen)

	Actual Results FYE 2015	Actual Results FYE 2016	Variance
Net sales	28,779	32,323	+3,543
Domestic	6,529	6,054	-475
Overseas	22,250	26,269	+4,018
Operating income	4,230	5,656	+1,425
Total non-operating income & expenses	-294	+114	+408
Ordinary income	3,936	5,770	+1,833
Total extraordinary income & loss	-14	420	+435
Income before taxes and minority interests	3,922	6,190	+2,268
Net income attributable to owners of parent	2,619	4,367	+1,748
FHI exchange rate	¥108/US\$	¥121/US\$	+¥12/US\$

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

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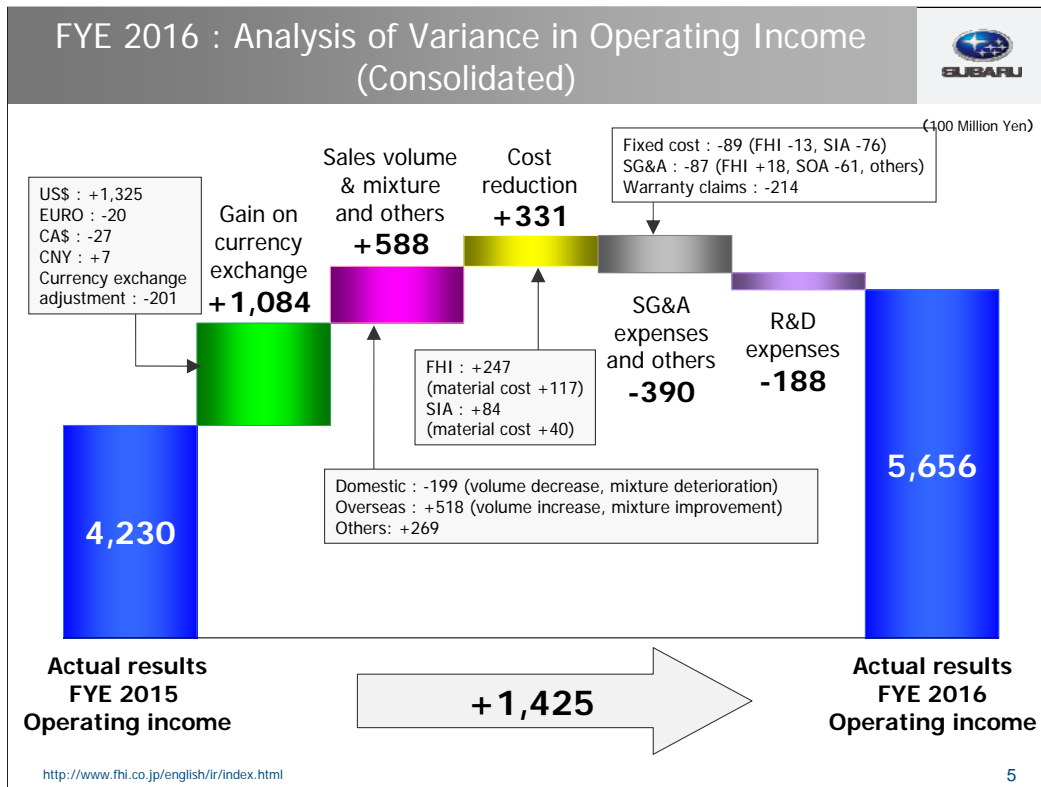
Moving on to consolidated earnings performance, both net sales and income hit a record high for the fourth year in a row.

Net sales increased 354.3 billion yen year on year to total 3,232.3 billion yen. The main factors behind this increase include a foreign exchange gain of 180.5 billion yen, a gain of 172.3 billion yen due to better sales mix variances resulting from increased sales volumes overseas, as well as a 1.5 billion yen increase in sales at Fuji Heavy Industries (FHI) companies, etc.

Operating income rose 142.5 billion yen year on year to total 565.6 billion yen. This increase was mainly due to foreign exchange gains, improved sales mix variances, and reduced material costs, etc., all of which offset an increase in SG&A and R&D expenses.

Ordinary income was up 183.3 billion yen to reach 577.0 billion yen. Income before taxes and minority interests rose 226.8 billion yen year on year to total 619.0 billion yen. This increase came from an extraordinary gain of 48.2 billion yen posted after the ruling on the lawsuit concerning the AH-64D helicopters for the Japanese Ministry of Defense.

Net income attributable to owners of parent grew 174.8 billion yen year on year to hit 436.7 billion yen.



Now let's look at the reasons behind the year-on-year increase of 142.5 billion yen in operating income that went from 423.0 billion yen to 565.6 billion yen.

The primary reason for the increase in operating income was a foreign exchange gain of 108.4 billion yen. This includes a gain of 132.5 billion yen due to an approximate 12 yen depreciation against the U.S. dollar, a loss of 2.0 billion yen due to an approximate 7 yen appreciation against the euro, and a loss of 2.7 billion yen due to an approximate 4 yen appreciation against the Canadian dollar. On top of that we gained 0.7 billion yen due to currency translations between the yen and the Chinese yuan and lost 20.1 billion yen from foreign exchange adjustments on transactions between FHI and its overseas subsidiaries.

Another contributing factor that brought operating income up was a favorable sales mix variance that led to a gain of 58.8 billion yen. This can be broken down into the following three areas:

First, we saw a loss of 19.9 billion yen in domestic new car sales, which fell below last year's level as sales of new passenger vehicle models decreased year on year due to a decline in new model launch momentum.

Next, we saw a gain of 51.8 billion yen from sales of new models in overseas markets

due primarily to the Outback whose sales remained upbeat throughout the year as well as healthy sales of the Crosstrek in North America, both of which brought the sales volume up substantially from the previous year.

Then finally, we had a gain of 26.9 billion yen due to inventory adjustments and others.

Another factor behind the jump in operating income was a gain of 33.1 billion yen from cost cuts. This includes a gain of 24.7 billion yen generated by FHI as well as a gain of 8.4 billion yen at SIA.

FHI generated a gain of 13.0 billion yen from cost reductions on top of a gain of 11.7 billion yen due to lower material costs and better market conditions.

SIA yielded a gain of 4.4 billion yen through cost reductions and a gain of 4.0 billion yen due to lower materials prices, etc.

The main reason why operating income fell was the 39.0 billion yen loss due to increases in SG&A and other expenses. This can be broken down into the following three areas:

First, we saw a loss of 8.9 billion yen due to an increase in fixed manufacturing costs. This includes a loss of 1.3 billion yen generated by FHI as well as a loss of 7.6 billion yen coming from SIA. FHI experienced a loss of 4.9 billion yen due to higher costs for supplier dies and a gain of 3.6 billion yen due to lower fixed processing costs. SIA lost 1.4 billion yen due to higher costs for supplier dies on top of a 6.2 billion yen loss due to an increase in fixed processing costs.

The second factor is a loss of 8.7 billion yen due to an increase in SG&A expenses. FHI posted a gain of 1.8 billion yen due primarily to lower transportation and packing costs.

The 8.7 billion yen loss also includes a gain of 0.2 billion yen at domestic dealers, a loss of 6.1 billion yen generated at SOA, a loss of 3.0 billion yen at our Canadian subsidiary, and a loss of 1.6 billion yen from other operations.

SOA suffered a loss of 0.6 billion yen from mounting advertising expenses, etc. It also posted a loss of 5.5 billion yen associated with sales incentives due to increased sales volumes despite no significant year-on-year difference in the per-unit incentive amount, which stood at 900 dollars this fiscal year.

Then there was an increase in costs related to warranty claims that led to a loss of 21.4 billion yen.

Finally, an increase in R&D expenses resulted in a loss of 18.8 billion yen.

These factors combined brought the consolidated operating income for the fiscal year that ended March 2016 up 142.5 billion yen to total 565.6 billion yen.

Consolidated Balance Sheets



(100 Million Yen)

	As of March 31 2015	As of March 31 2016	Variance
Total assets	21,997	25,924	+3,927
Current assets	14,733	17,841	+3,108
Noncurrent assets	7,264	8,083	+819
Interest bearing debts	2,112	1,700	-412
Net assets	10,307	13,494	+3,187
Retained earnings	6,974	10,490	+3,516
Shareholders' equity	10,224	13,437	+3,213
Ratio of shareholders' equity to total assets	46.5%	51.8%	+5.3pt
D/E ratio	0.21	0.13	-0.08

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The balance sheet shows total assets rising 392.7 billion from the end of March 2015 to reach 2,592.4 billion yen.

This uptick was primarily due to increases in cash and cash equivalents as well as tangible fixed assets.

Interest bearing debt fell 41.2 billion yen to hit 170.0 billion yen while net assets rose 318.7 billion yen to total 1,349.4 billion yen. The shareholders' equity to total assets ratio was 51.8% while the debt-to-equity ratio stood at 0.13.

FYE 2016: Consolidated Statement of Cash Flows



(100 Million Yen)

	Actual results FYE 2015	Actual results FYE 2016	Variance
Net cash provided by (used in) operating activities	3,115	6,143	+3,027
Net cash provided by (used in) investing activities	-1,728	-2,557	-829
Free cash flows	1,388	3,586	+2,198
Net cash provided by (used in) financing activities	-1,105	-1,262	-156
Effect of exchange rate change on cash and cash equivalents	260	-149	-409
Net increase (decrease) in cash and cash equivalents	542	2,175	1,633
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation¥	-	-1	-1
Cash and cash equivalents at end of period	6,121	8,295	+2,174

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Moving on to the consolidated statement of cash flows, we see that net cash flow from operating activities amounted to an inflow of 614.3 billion yen due primarily to net income before taxes and minority interests totaling 619.0 billion yen despite a payment of corporate income tax, etc., totaling 144.4 billion yen.

Net cash flow from investing activities amounted to an outflow of 255.7 billion yen for investments aimed at boosting production capacity. Free cash flow totaled 358.6 billion yen.

Net cash flow from financing activities amounted to an outflow of 126.2 billion yen due to the repayment of loans, dividend payments, etc.

FYE 2016 : Operating Results of Subsidiaries in U.S.



(Million US\$)

SOA	Actual results FYE 2015	Actual results FYE 2016	Variance
Net sales	13,393	15,203	+1,810
Operating income	490	770	+280
Net income	309	480	+171
Retail sales (Thousand units)	530.5	581.4	+50.9

SIA	Actual results FYE 2015	Actual results FYE 2016	Variance
Net sales	4,770	5,468	+698
Operating income	108	209	+101
Net income	70	134	+64
Subaru production (Thousand units)	206.7	236.0	+29.3

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SOA's retail sales climbed 50.9 thousand units year on year to reach a total of 581.4 thousand as sales of the Legacy, Outback, Crosstreck, and Forester remained upbeat. Net sales also jumped 1,810 million dollars year on year to total 15,203 million dollars. Operating income was up 280 million dollars year on year to total 770 million dollars. This increase was due to a gain of 335 million dollars resulting from favorable volumes and sales mixes despite a loss of 55 million dollars from higher SG&A expenses. SIA saw net sales rise 698 million dollars year on year to hit 5,468 million dollars. Operating income rose 101 million dollars year on year to reach 209 million dollars. The factors behind the increase include a gain of 95 million dollars due to favorable volumes and price mixes, a gain of 76 million dollars generated by cost reduction efforts as well as a loss of 70 million dollars due to an increase in fixed costs.



Forecasts for FYE 2017

FYE 2017 : Consolidated Unit Sales Plan



(Thousand units)

	Actual results FYE 2016	Plan FYE 2017	Variance
Passenger car	111.6	119.0	+7.5
Minicar	33.7	37.3	+3.6
Domestic total	145.3	156.3	+11.0
US	582.7	643.1	+60.4
Canada	47.6	52.6	+5.0
Russia	5.7	9.6	+3.9
Europe	41.8	40.1	-1.7
Australia	44.6	48.2	+3.6
China	44.4	48.5	+4.1
Others	45.8	51.2	+5.4
Overseas total	812.6	893.4	+80.8
Total	957.9	1,049.7	+91.8

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

* Figures of China are consolidated results on the calendar year basis from Jan. to Dec. 10

Consolidated automobile sales for the fiscal year ending March 2017 is projected to reach 1,049.7 thousand units on a global basis and hit a record high for the fifth consecutive year.

The benefits of the new Impreza launch as well as the increased production capacity at SIA in the U.S. will boost domestic sales 11 thousand units year on year to total 156.3 thousand units and push overseas sales up 80.8 thousand units year on year for a total of 893.4 thousand units.

FYE 2017 : Consolidated Operating Plan



(100 Million Yen)

	Actual results FYE 2016	Plan FYE 2017	Variance
Net sales	32,323	31,700	-623
Domestic	6,054	6,103	+49
Overseas	26,269	25,597	-672
Operating income	5,656	4,200	-1,456
Ordinary income	5,770	4,200	-1,570
Income before taxes and minority interests	6,190	4,130	-2,060
Net income attributable to owners of parent	4,367	2,930	-1,437
FHI exchange rate	¥121/US\$	¥105/US\$	-¥16/US\$

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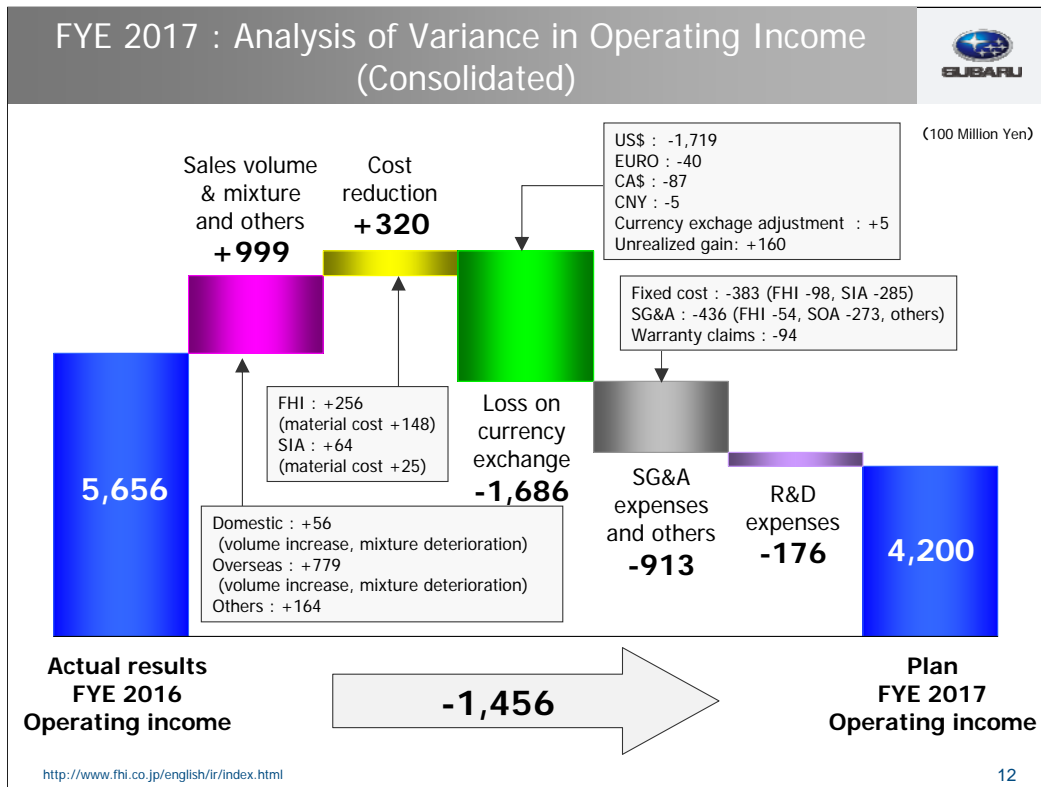
Let's look at our consolidated operating plan.

Sales and profits are expected to decline due to the projected year-on-year appreciation of the yen, but increasing sales volumes and lower material costs will offset an increase in SG&A and R&D expenses.

Net sales are expected to drop 62.3 billion yen year on year to total 3,170.0 billion yen. This decline will come from a gain of 270.1 billion yen due to better sales mix variances resulting from increased sales volumes in overseas markets, a 5.7 billion yen increase in sales at FHI companies, etc. as well as a foreign exchange loss of 338.1 billion yen.

Operating income is projected to fall 145.6 billion yen to total 420.0 billion yen.

Ordinary income will decrease 157.0 billion yen to reach 420.0 billion yen while income before taxes and minority interests will decline by 206.0 billion yen to reach 413.0 billion yen. Net income attributable to owners of the parent is expected to fall 143.7 billion yen to hit 293.0 billion yen.



Now let's look at the factors behind the projected year-on-year 145.6 billion yen decrease in operating income that will take us from 565.6 billion yen to 420.0 billion yen.

The primary factor that will bring operating income up is a gain of 99.9 billion yen due to better sales mix variances. This can be broken down into the following three areas:

First, we will see a gain of 5.6 billion yen in domestic new car sales.

This gain will come from a higher sales volume resulting from the launch of the new Impreza.

Next, we will see a gain of 77.9 billion yen from sales of new models in overseas markets.

Like the domestic market, sales are expected to be fueled primarily by the launch of the new Impreza as well as SIA's increased production capacity.

Finally, we expect a gain of 16.4 billion yen due to inventory adjustments and others.

Cost reduction measures are also expected to add 32.0 billion yen to our operating income. This will include a gain of 25.6 billion yen at FHI as well as a gain of 6.4 billion yen at SIA.

FHI is expected to generate a gain of 10.8 billion yen through cost reductions and another gain of 14.8 billion yen in connection with material costs and other market factors. SIA will see a gain of 3.9 billion yen due to a reduction in material costs as well as a gain of 2.5 billion yen due to lower raw materials prices.

The primary factor that will bring operating income down will be a foreign exchange loss of 168.6 billion yen. This will include a loss of 171.9 billion yen due to an approximate 16 yen appreciation against the U.S. dollar, a loss of 4.0 billion yen due to an approximate 13 yen appreciation against the euro, and a loss of 8.7 billion yen due to an approximate 12 yen appreciation against the Canadian dollar. On top of that, there will be a loss of 0.5 billion yen resulting from currency translations between the yen and the Chinese yuan, a gain of 0.5 billion yen due to foreign exchange adjustments for transactions between FHI and its overseas subsidiaries, as well as a gain of 16.0 billion yen from unrealized inventory.

Another factor that will bring operating income down will be a loss of 91.3 billion yen due to increases in SG&A expenses. This can be broken down into the following three areas:

First, we will see a loss of 38.3 billion yen due to an increase in fixed manufacturing costs. This will include a loss of 9.8 billion yen coming from FHI as well as a loss of 28.5 billion yen to be posted by SIA.

FHI is expected to generate a loss of 0.1 billion yen due to mounting costs for supplier dies and a loss of 9.7 billion yen due to higher fixed processing costs.

SIA will see a loss of 6.0 billion yen due to increased costs for supplier dies and another loss of 22.5 billion yen due to higher fixed processing costs.

Next we will record a loss of 43.6 billion yen due to an increase in SG&A expenses.

This will include a loss of 5.4 billion yen at FHI, a loss of 1.8 billion yen at domestic dealers, a loss of 27.3 billion yen at SOA, a loss of 3.3 billion yen at our Canadian subsidiary, and a loss of 5.8 billion yen from other operations.

SOA will see a loss of 6.0 billion yen from higher advertising expenses, etc. It will also post a loss of 21.3 billion yen due to an expected 200 dollar increase in the per-unit incentive (bringing last year's figure of 900 dollars up to 1,100 dollars) coupled with increasing sales volumes.

The third and last factor will include an increase in costs associated with warranty claims that will lead to a loss of 9.4 billion yen.

Finally, an increase in R&D expenses will result in a loss of 17.6 billion yen.

All these factors combined will bring operating income for the fiscal year ending March 2017 down 145.6 billion yen to total 420.0 billion yen.

FYE 2017 : Operating Plan of Subsidiaries in U.S.



(Million US\$)

SOA	Actual results FYE 2016	Plan FYE 2017	Variance
Net sales	15,203	16,973	+1,770
Operating income	770	789	+19
Net income	480	484	+4
Retail sales (Thousand units)	581.4	623.6	+42.2

SIA	Actual results FYE 2016	Plan FYE 2017	Variance
Net sales	5,468	7,496	+2,028
Operating income	209	178	-31
Net income	134	107	-27
Subaru production (Thousand units)	236.0	341.3	+105.3

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SIA's increased production capacity will boost production and sales of the Legacy and Outback to bring SOA's full-year retail sales up 42.2 thousand units year on year for a total of 623.6 thousand units.

Net sales will increase 1,770 million dollars year on year to reach 16,973 million dollars while operating income will climb 19 million dollars year on year to total 789 million dollars. This increase will come from a gain of 247 million dollars on favorable sales volumes and mix variances despite a loss of 228 million dollars due to higher SG&A expenses.

SIA's net sales are expected to soar 2,028 million dollars year on year to reach 7,496 million dollars.

Operating income will decrease 31 million dollars year on year to reach 178 million dollars. Factors for the increase will include a gain of 156 million dollars due to sales price and volume variances, a gain of 53 million dollars to be brought about by cost reduction efforts, as well as a loss of 240 million dollars due to an increase in fixed costs.

Capex / Depreciation / R&D / Interest bearing debt



(100 Million Yen)

	Actual Results FYE 2015	Actual Results FYE 2016 (a)	Plan FYE 2017 (b)	Variance (b) - (a)
Capex	1,107	1,357	1,600	+243
Depreciation	648	650	800	+150
R&D	835	1,024	1,200	+176
Interest bearing debt	2,112	1,700	1,650	-50

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

Capital expenditures for the fiscal year ending March 2017 will increase 24.3 billion yen to total 160.0 billion yen.

Depreciation costs are projected to jump 15.0 billion yen to total 80.0 billion yen. In gearing up efforts focused on future products, R&D expenses will climb 17.6 billion yen to hit 120.0 billion yen.

Interest bearing debt is expected to total 165.0 billion yen.

The following pages provide segment information, details of performance targets for the first half of this fiscal year, as well as various KPIs for your reference.

This concludes the briefing on our financial results for the fiscal year that ended March 2016.

Thank you very much.

Appendix (1)

- Non-operating income & expenses and extraordinary income & loss
- Segment information by Business & Geographic
- Overseas net sales
- Non-consolidated unit sales
- Consolidated income statements in 4th quarter (3 months)
- FYE 2016 plan vs. Actual results
- Consolidated income statements in 1st half of FYE 2017

FYE 2016 : Non-operating Income & Expenses and Extraordinary Income & Loss (Consolidated)



(100 Million Yen)

	Actual Results FYE 2015	Actual Results FYE 2016	Variance
Financial revenue and expenditure	12	27	+15
FOREX effects	-263	78	+341
Others	-43	9	+52
Total non-operating income& expenses	-294	114	+408
Gain on sales of noncurrent assets	6	3	-4
Gain on sales of investment securities	11	27	+17
Reversal of allowance for doubtful accounts	-	302	+302
State subsidy	-	30	+30
Loss on sales and retirement of noncurrent assets	-39	-48	-9
Loss on reduction of noncurrent assets	-	-17	-17
Loss on valuation of investment securities	-	-54	-54
Others	8	177	+169
Total extraordinary income & loss	-14	420	+435

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

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FYE 2016 : Net Sales and Operating Income by Business Segment (Consolidated)



(100 Million Yen)

	Net Sales			Operating Income		
	Actual Results FYE 2015	Actual Results FYE 2016	Variance	Actual Results FYE 2015	Actual Results FYE 2016	Variance
Automobile	26,990	30,394	+3,405	4,009	5,436	+1,427
Aerospace	1,428	1,528	+100	189	182	-7
Industrial products	290	326	+35	8	1	-7
Others	71	75	+4	19	29	+10
Elimination & Corporate	/	/	/	6	8	+2
Total	28,779	32,323	+3,543	4,230	5,656	+1,425

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

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FYE 2016 : Net Sales and Operating Income by Geographic Area (Consolidated)



(100 Million Yen)

	Net Sales			Operating Income		
	Actual Results FYE 2015	Actual Results FYE 2016	Variance	Actual Results FYE 2015	Actual Results FYE 2016	Variance
Japan	9,722	9,621	-101	3,518	4,457	+938
North America	16,250	19,878	+3,628	909	1,155	+246
Others	2,807	2,824	+17	140	28	-112
Elimination & Corporate	/	/	/	-336	17	+353
Total	28,779	32,323	+3,543	4,230	5,656	+1,425

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

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FYE 2016 : Overseas Net Sales (Consolidated)



(100 Million Yen)

	Actual Results FYE 2015	Actual Results FYE 2016	Variance
North America	17,309	21,045	+3,736
Europe	1,233	1,262	+30
Asia	2,387	2,373	-15
Other	1,321	1,589	+268
Total	22,250	26,269	+4,018

FYE 2016 : Non-consolidated Unit Sales



(Thousand units)

	Actual Results FYE 2015	Actual Results FYE 2016	Variance
Domestic production	707.7	714.9	+7.2
Domestic sales	167.1	150.0	-17.1
Passenger cars	131.6	114.4	-17.2
Minicars	35.6	35.6	+0.1
Number of exported vehicles	545.6	576.5	+30.9
Components for overseas production	222.5	242.4	+19.9
Total	935.3	968.9	+33.7

* Domestic production figures include Toyota 86.

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4th Quarter (3 months) : Consolidated Unit Sales



(Thousand units)

	Actual results 4Q FYE 2015	Actual results 4Q FYE 2016	Variance
Passenger cars	44.4	35.7	-8.7
Minicars	12.5	9.7	-2.8
Domestic total	56.9	45.4	-11.5
U.S.	128.9	136.4	+7.4
Canada	10.5	10.9	+0.4
Russia	0.7	1.0	+0.2
Europe	12.8	13.2	+0.3
Australia	10.7	11.7	+1.0
China	13.1	14.3	+1.2
Others	13.4	12.9	-0.4
Overseas total	190.1	200.3	+10.1
Total	247.0	245.7	-1.4

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

* China figures are consolidated on the calendar year basis from Oct. to Dec. 21

4th Quarter (3 months) : Consolidated Income Statements



(100 Million Yen)

	Actual results 4Q FYE 2015	Actual results 4Q FYE 2016	Variance
Net sales	8,172	8,136	-36
Domestic	2,110	1,772	-338
Overseas	6,062	6,364	+303
Operating income	1,129	1,298	+170
Ordinary income	1,053	1,430	+377
Income before taxes and minority interests	1,055	1,385	+330
Net income attributable to owners of parent	715	989	+273
FHI exchange rate	¥118/US\$	¥118/US\$	-¥1/US\$

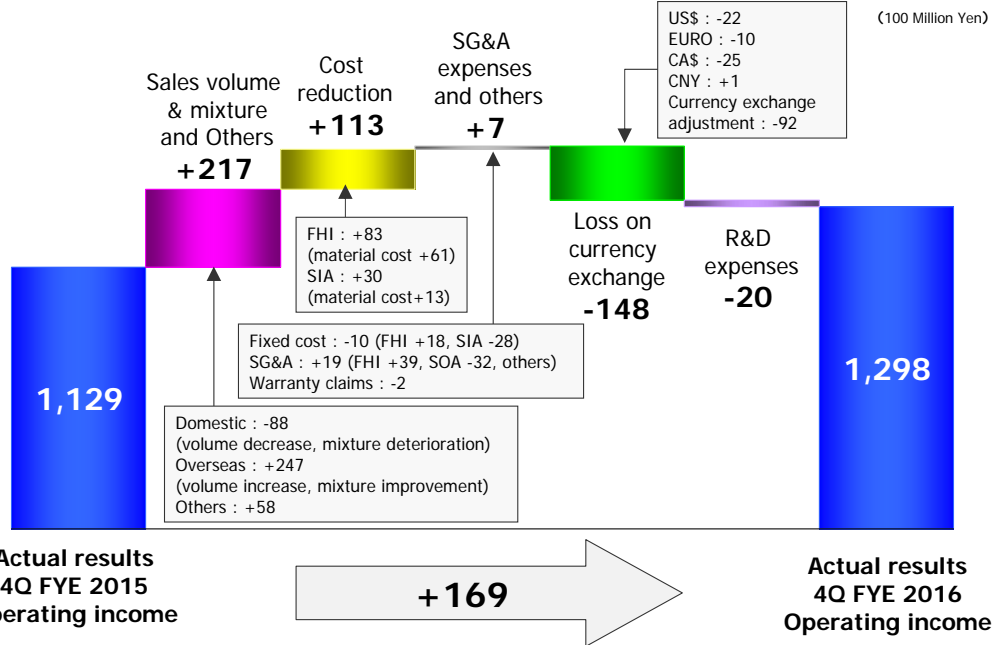
<http://www.fhi.co.jp/english/ir/index.html>

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



(100 Million Yen)



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

FYE 2016 Plan vs. Actual Results : Consolidated Unit Sales



(Thousand units)

	Plan FYE 2016	Actual results FYE 2016	Variance
Passenger cars	109.8	111.6	+1.8
Minicars	33.5	33.7	+0.2
Domestic total	143.3	145.3	+2.0
U.S.	583.0	582.7	-0.3
Canada	47.1	47.6	+0.5
Russia	6.1	5.7	-0.4
Europe	41.3	41.8	+0.4
Australia	44.5	44.6	+0.1
China	44.4	44.4	±0
Others	45.1	45.8	+0.7
Overseas total	811.5	812.6	+1.1
Total	954.8	957.9	+3.0

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

* China figures are consolidated on the calendar year basis from Jan. to Dec. 24

FYE 2016 Plan vs. Actual Results : Consolidated Income Statements



(100 Million Yen)

	Plan FYE 2016	Actual results FYE 2016	Variance
Net sales	32,100	32,323	+223
Domestic	5,962	6,054	+92
Overseas	26,138	26,269	+130
Operating income	5,500	5,656	+156
Ordinary income	5,470	5,770	+300
Income before taxes and minority interests	5,870	6,190	+320
Net income attributable to owners of parent	4,140	4,367	+227
FHI exchange rate	¥120/US\$	¥121/US\$	+¥1/US\$

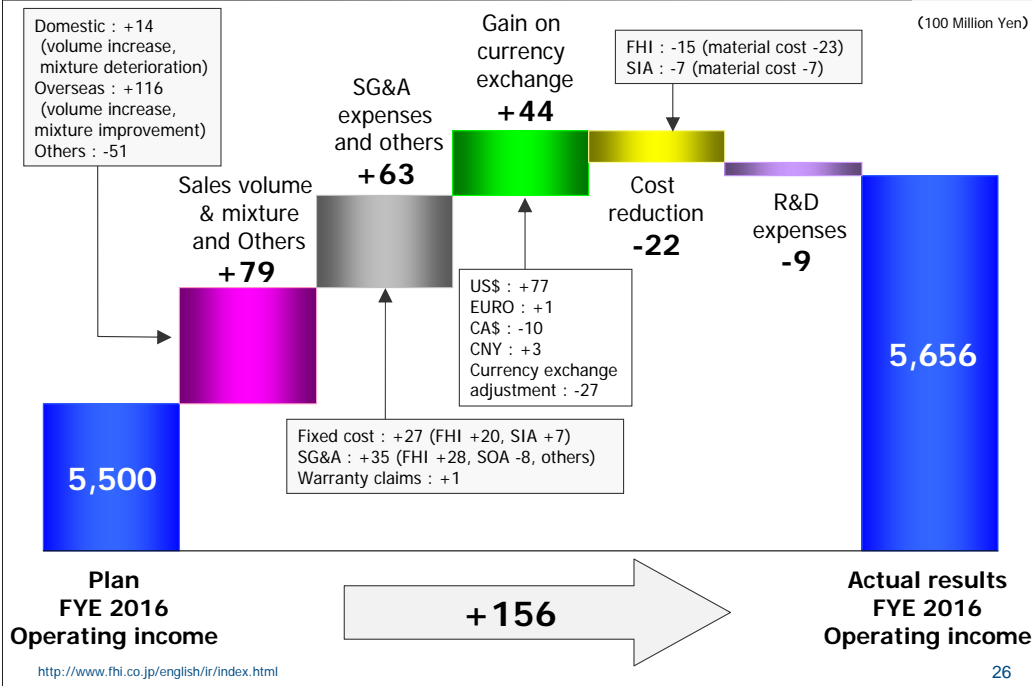
<http://www.fhi.co.jp/english/ir/index.html>

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FYE 2016 Plan vs. Actual Results : Analysis of Variance in Operating Income (consolidated)



(100 Million Yen)



Plan for 1st Half of FYE 2017 :
Consolidated Unit Sales



(Thousand units)

	Actual results 1st half FYE 2016	Plan 1st half FYE 2017	Variance
Passenger cars	49.8	50.5	+0.7
Minicars	16.7	14.6	-2.1
Domestic total	66.5	65.1	-1.4
U.S.	290.6	315.1	+24.5
Canada	26.1	28.2	+2.1
Russia	3.5	5.3	+1.9
Europe	19.6	19.3	-0.3
Australia	23.0	22.3	-0.7
China	20.5	24.0	+3.5
Others	22.5	22.5	+0.0
Overseas total	405.7	436.7	+31.0
Total	472.2	501.8	+29.6

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

* China figures are consolidated on the calendar year basis from Jan. to Jun. 27

Plan for 1st Half of FYE 2017 : Consolidated Income Statements



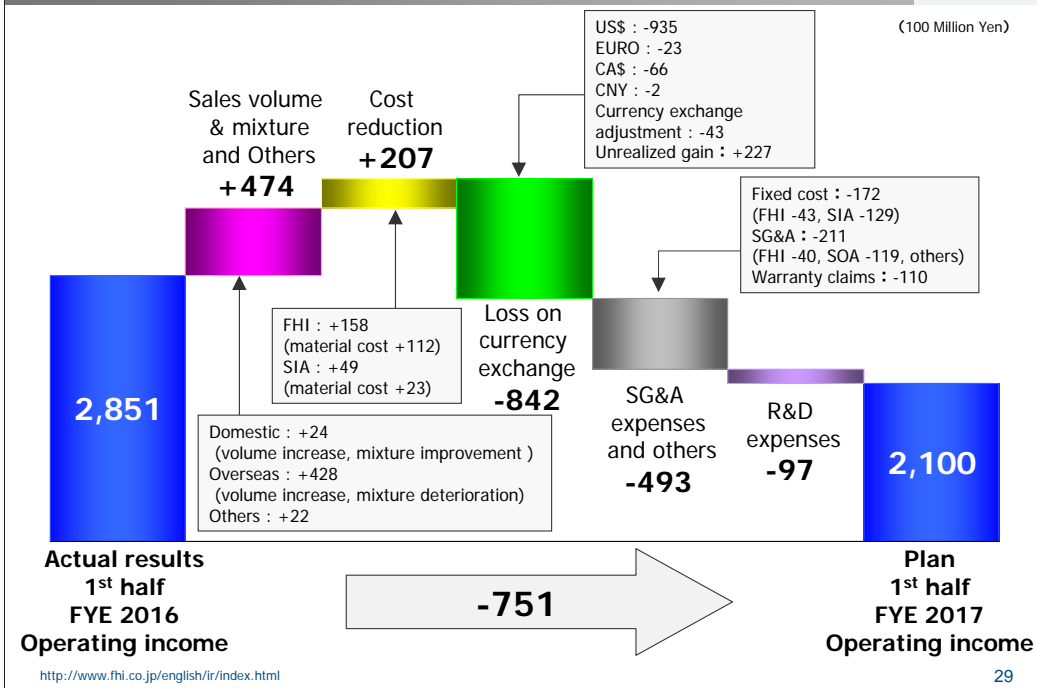
(100 Million Yen)

	Actual results 1st half FYE 2016	Plan 1st half FYE 2017	Variance
Net sales	16,015	15,335	-680
Domestic	2,852	2,796	-56
Overseas	13,163	12,539	-624
Operating income	2,851	2,100	-751
Ordinary income	2,850	2,140	-710
Income before taxes and minority interests	2,831	2,120	-711
Net income attributable to owners of parent	1,932	1,480	-452
FHI exchange rate	¥122/US\$	¥105US\$	-¥17/US\$

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

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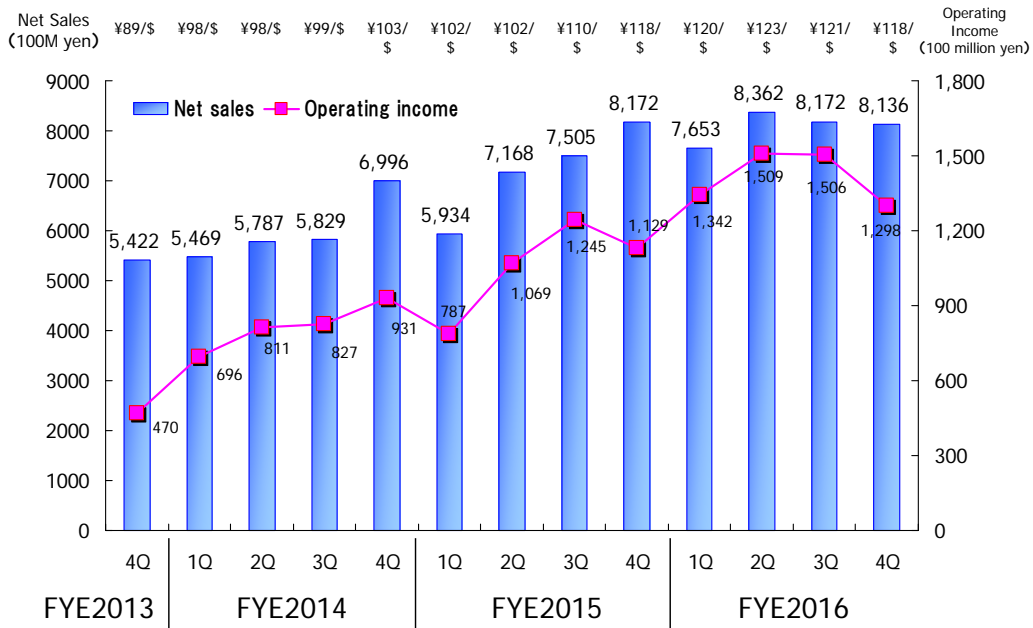
1st Half of FYE 2016 Results vs. FYE 2017 Plan : Analysis of Variance in Operating Income (consolidated)



Appendix (2)

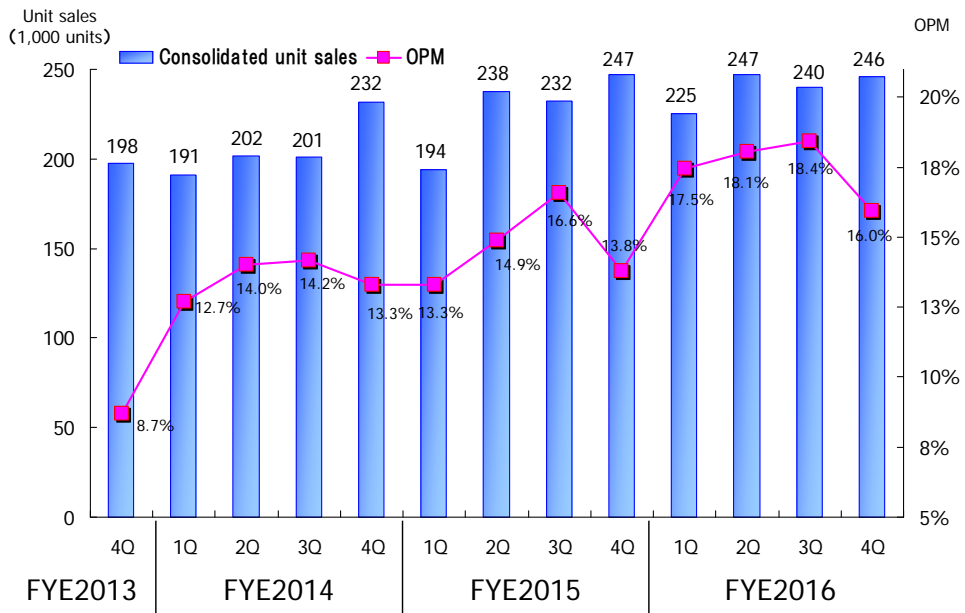
- Net sales / Operating income
- Consolidated unit sales / OPM
- Complete cars production / Retail sales units
- FCF / Shareholder's equity to total assets
- Interest-bearing debt / D/E ratio

Net Sales / Operating Income



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

Consolidate Unit Sales & Operating Income Margin

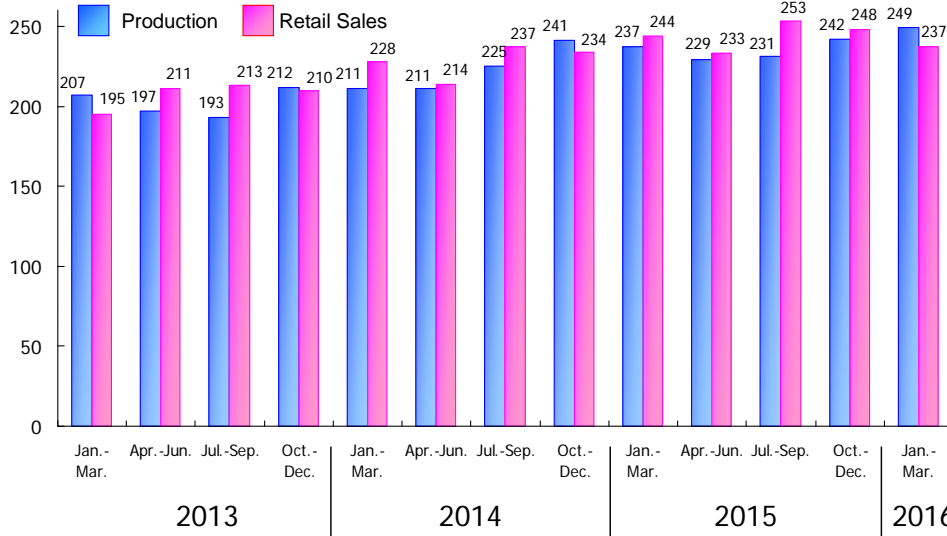


<http://www.fhi.co.jp/english/ir/index.html>

Complete Cars Production / Retail Sales Units



(1,000 units)

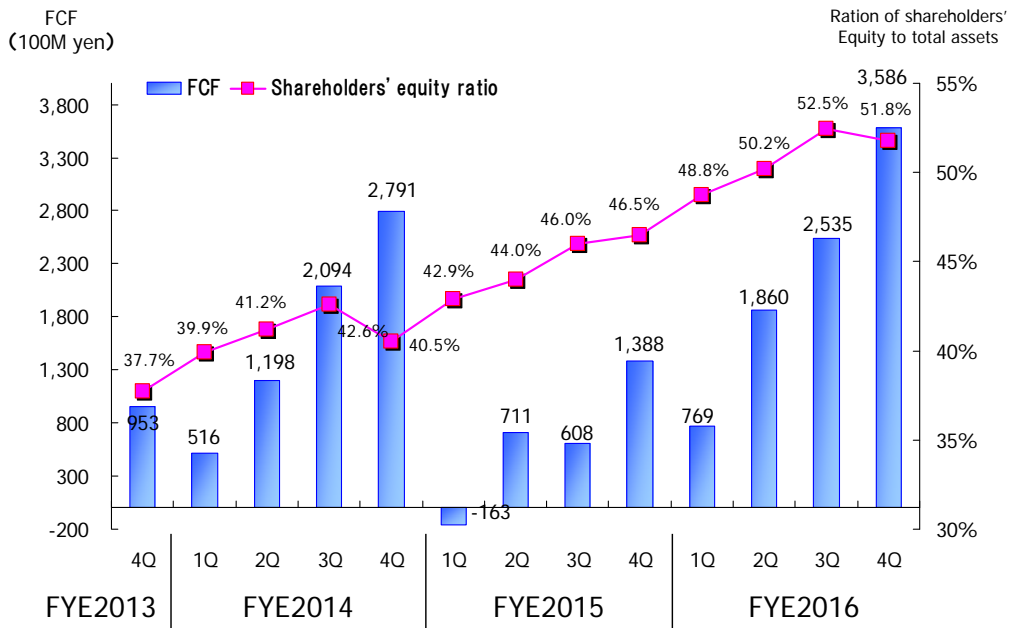


※ Production figures include Toyota 86

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

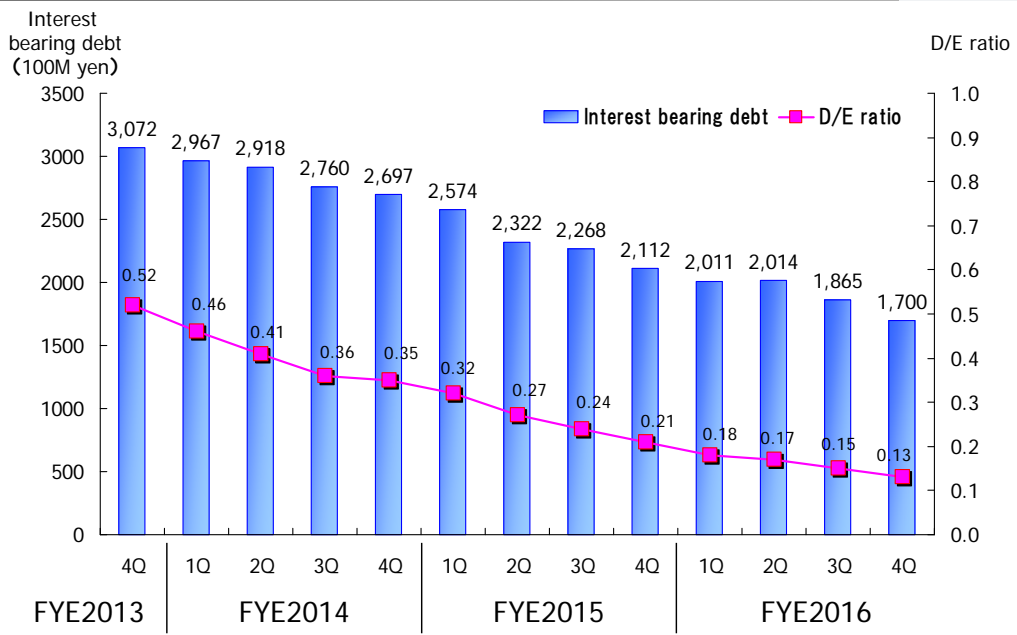
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Free Cash Flows & Ratio of Shareholders' Equity to Total Assets



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

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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