



## **FHI Announces Year-End Financial Results for FY 2011 - Record-Breaking Global Vehicle Sales, Net Sales and Net Income -**

Tokyo, May 10, 2011 - Fuji Heavy Industries Ltd. (FHI), the maker of Subaru automobiles, today announced its financial results for the fiscal year ended March 31, 2011.

### <FY 2011 Consolidated Results: Net Sales>

In Japan, Subaru vehicle sales were 158 thousand units, or 92.3% over the previous year, due to a decrease after the end of government “eco-car” support under subsidy system and the production suspension affected by the major earthquake in northeastern Japan, although the company performed better during the second quarter of this fiscal year with an enhanced product lineup and the efficacy of the “eco-car” program.

In overseas markets, strong sales of Legacy, Outback, Forester and Impreza contributed to increased overall vehicle sales. Of particular note were healthy sales in North America and China, resulting in 499 thousand units, or 127.4% over the previous year.

As a result, global vehicle sales for Subaru totaled 657 thousand units, or 116.7% from a year ago, and overall net sales were up 10.6% compared to the last fiscal year to 1,580.6 billion yen despite the influence of a strong yen on currency exchanges.

### <FY 2011 Consolidated Results: Operating Income>

Operating income increased by 3.1 times to 84.1 billion yen over the previous fiscal year, mainly due to increased sales in overseas markets as well as the FHI group-wide cost reduction including SG&A and other expenses, which made up for the loss of currency exchange, increased R&D costs and production suspension following the major earthquake in northeastern Japan. Ordinary income increased by 3.7 times to 82.2 billion yen and net profit was up 66.8 billion yen to 50.3 billion yen over the previous fiscal year respectively.

The results of global vehicle sales, net sales and net income recorded the best results since FHI’s consolidated financial statements were first provided for the fiscal year 1999. On top of this, with its operating income of 84.1 billion as well as operating income ratio of 5.3%, FHI successfully achieved mid-term business plan targets. (The original targets were operating income of 80.0 billion yen and operating income ratio of 5.0% for the fiscal year ended March 31, 2011, which is the final fiscal year of the last mid-term business plan.)

### <FY 2011 Consolidated Results: Others>

Free cash flow decreased by 27.0 billion yen to 87.1 billion yen compared to the last fiscal year. Interest bearing debts decreased by 37.0 billion yen to 330.6 billion yen. The shareholders’ equity to total assets ratio was 34.7%.

<Forecast for FY 2012>

FHI resumed production in all Subaru plants in Japan a short time after the major earthquake in northeastern Japan occurred on March 11, although the company experienced some very minor damages in production facilities and R & D equipments.

However, there are still uncertainties towards the future which include electric power supply issues and resumption of stable parts supply. Although FHI will continue to make best efforts to return to its normal operating status at the earliest possible time, it is difficult to provide forecasts for production and sales plans. FHI will announce its forecasts for the fiscal year ended March 31, 2012 as soon as they are available.

About Fuji Heavy Industries Ltd.

Fuji Heavy Industries Ltd. (FHI), the maker of Subaru automobiles, is a leading manufacturer in Japan with a long history of technological innovations that dates back to its origin as an aircraft company. While the automotive business is a main business pillar, FHI's Aerospace, Industrial Products and Eco Technologies divisions offer a diverse range of products from general-purpose engines, power generators, and sanitation trucks to small airplanes, crucial components for passenger aircrafts, and wind-powered electricity generating systems. Recognized internationally for its AWD (all-wheel drive) technology and Horizontally-Opposed engines in Subaru, FHI is also spearheading the development of environmentally friendly products and is committed to contributing to global environmental preservation

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