

# Presentation of Business Results for the 1st Quarter of FYE 2006

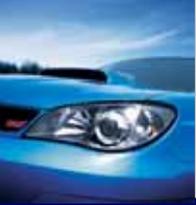


**Fuji Heavy Industries Ltd.**

**August 3, 2005**

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

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# ***A Summary of Business Results***



# Automobile Sales of 1st Quarter (Consolidated basis)

(Thousand Units)	Actual results for the 1st quarter of FYE2005	Actual results for the 1st quarter of FYE 2006	Changes
Domestic (Passenger Car)	20.1	18.5	- 1.6
Domestic (Minicar)	34.2	31.0	- 3.2
<b>Domestic Total</b>	<b>54.3</b>	<b>49.6</b>	<b>- 4.8</b>
U.S.	40.9	39.7	- 1.2
Canada	3.5	3.6	+0.2
Europe	10.5	11.7	+1.2
Australia	8.0	10.0	+2.0
Others	4.5	5.5	+1.1
<b>Overseas Total</b>	<b>67.4</b>	<b>70.6</b>	<b>+3.2</b>
SIA (Isuzu SUV)	6.4	-	- 6.4
<b>Grand Total</b>	<b>128.1</b>	<b>120.2</b>	<b>- 7.9</b>

(U.S, Canada and SIA(Isuzu SUV) figures are on the calendar year basis from January to March)



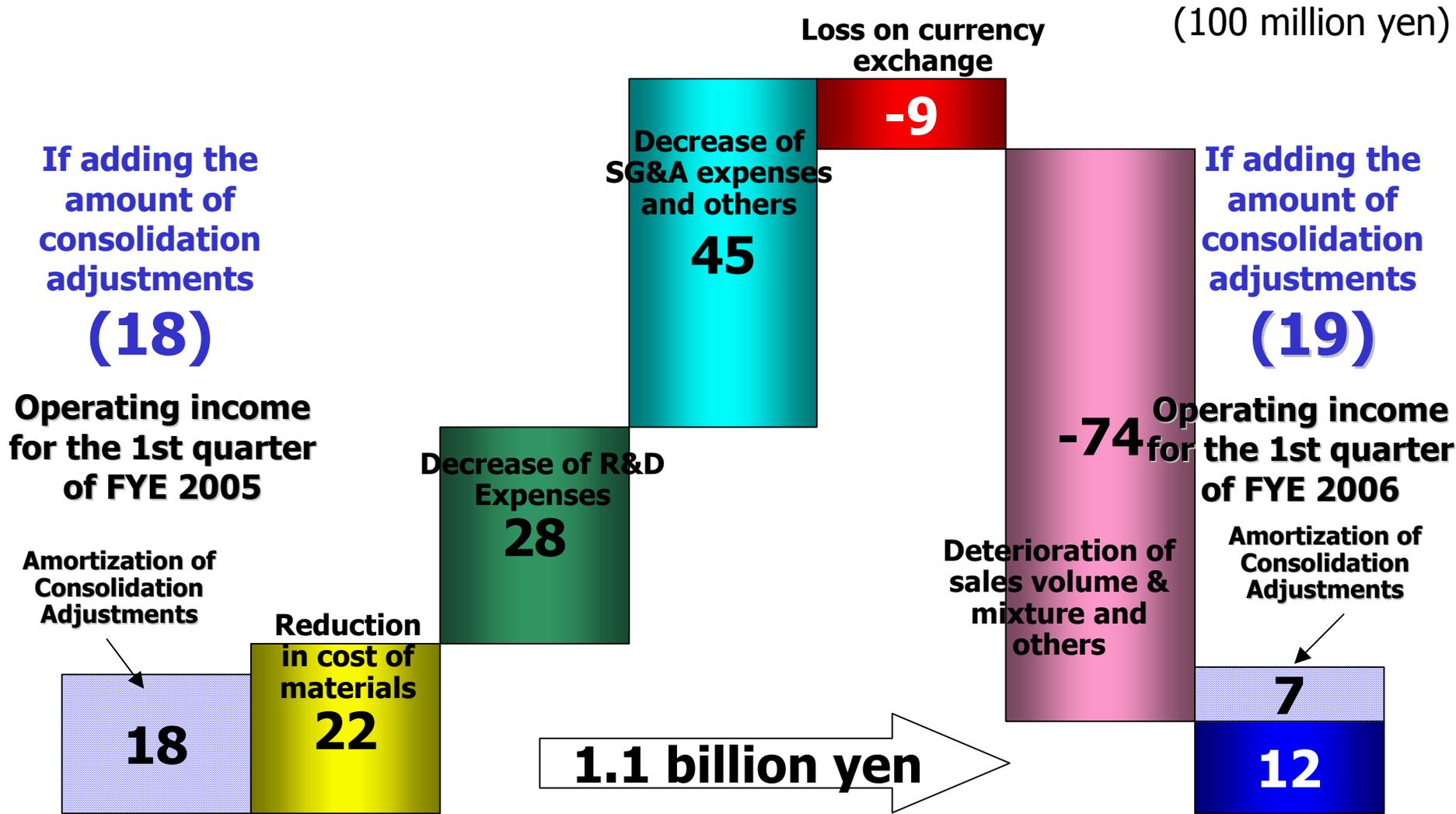
# 1st Quarter P/L (Consolidated basis)

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(100 million yen)	Actual results for the 1st quarter of FYE2005	Actual results for the 1st quarter of FYE 2006	Changes
<b>Net Sales</b>	<b>3,075</b>	<b>2,999</b>	<b>- 76</b>
Domestic	1,366	1,292	- 74
Overseas	1,710	1,707	- 2
<b>Operating Income</b>	<b>0</b>	<b>12</b>	<b>+11</b>
<b>Ordinary Income</b>	<b>25</b>	<b>4</b>	<b>- 21</b>
<b>Net Income (Loss)</b>	<b>6</b>	<b>- 12</b>	<b>- 18</b>
FHI exchange rate	¥110/\$	¥107/\$	- ¥3/\$



# Analysis of Increase and Decrease in Operating Income (consolidated basis)

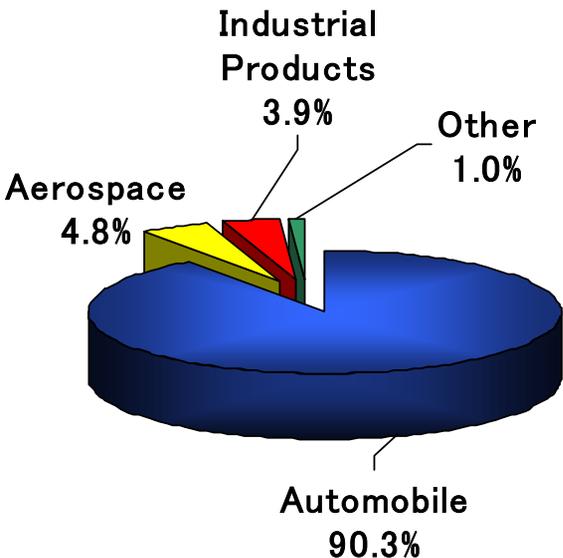




# Net Sales by Business Segment

(100 million yen)	Actual results for the 1st quarter of FYE 2005	Actual results for the 1st quarter of FYE 2006	Changes
<b>Automobile</b>	<b>2,781</b>	<b>2,708</b>	<b>- 2.6%</b>
<b>Aerospace</b>	<b>137</b>	<b>144</b>	<b>+4.7%</b>
<b>Industrial Products</b>	<b>107</b>	<b>118</b>	<b>+9.5%</b>
<b>Other</b>	<b>49</b>	<b>30</b>	<b>- 39.0%</b>
<b>Total</b>	<b>3,075</b>	<b>2,999</b>	<b>- 2.5%</b>

Percentage of Total Sales

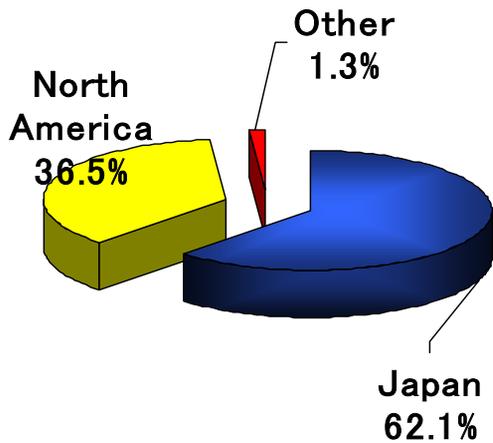




# Net Sales by Geographic Area

(100 million yen)	Actual results for the 1st quarter of FYE 2005	Actual results for the 1st quarter of FYE 2006	Changes
<b>Japan</b>	<b>1,903</b>	<b>1,863</b>	<b>- 2.1%</b>
<b>North America</b>	<b>1,134</b>	<b>1,096</b>	<b>- 3.4%</b>
<b>Other</b>	<b>38</b>	<b>40</b>	<b>+4.8%</b>
<b>Total</b>	<b>3,075</b>	<b>2,999</b>	<b>- 2.5%</b>

Percentage of Total Sales



# Operating Results of Subsidiaries in U.S.

(million US\$) <sup>7</sup>

<b>SOA (January to March)</b>	Actual results for the 1 <sup>st</sup> quarter of CY 2004	Actual results for the 1 <sup>st</sup> quarter of CY 2005	Changes
<b>Net Sales</b>	\$854	<b>\$940</b>	+86
<b>Operating Loss</b>	- 35	- <b>23</b>	+13
<b>Net Loss</b>	- 20	- <b>13</b>	+8
<b>Retail Sales</b> (Thousand units)	43.9	<b>44.0</b>	+0.1
<b>SIA (January to March)</b>	Actual results for the 1 <sup>st</sup> quarter of CY 2004	Actual results for the 1 <sup>st</sup> quarter of CY 2005	Changes
<b>Net Sales</b>	\$460	<b>\$493</b>	+33
<b>Operating Loss</b>	- 33	- <b>27</b>	+7
<b>Net Loss</b>	- 20	*- <b>201</b>	- 180
<b>Production (Thousand Units)</b> <b>(Isuzu SUV)</b>	24.4 (6.4)	<b>27.0</b> <b>(-)</b>	+2.6 - 6.4

(U.S. Subsidiaries were consolidated on calendar year basis)

\*The extraordinary loss has been written of in the consolidated adjustment account.



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# Balance Sheets

## (consolidated basis)

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(100 million yen)	As of March 31, 2005	As of June 30, 2005	Changes
<b>Total Assets</b>	<b>13,575</b>	<b>13,687</b>	<b>+112</b>
Current Assets	6,491	6,567	+75
Fixed Assets	7,084	7,121	+37
<b>Interest Bearing Debt</b>	<b>4,122</b>	<b>4,124</b>	<b>+2</b>
<b>Shareholders' Equity</b>	<b>4,711</b>	<b>4,680</b>	<b>- 32</b>
Shareholders' Equity to Total Assets	<b>34.7%</b>	<b>34.2%</b>	<b>- 0.5%</b>
Debt to Equity Ratio	<b>0.87</b>	<b>0.88</b>	—



# <Appendix> Automobile Sales of the 1<sup>st</sup> quarter (Non-consolidated)

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(Thousand Units)	Actual results for the 1st quarter of FYE2005	Actual results for the 1st quarter of FYE 2006	Changes
<b>Domestic Production</b>	<b>124.0</b>	<b>107.9</b>	<b>-16.1</b>
for SAAB	3.6	0	- 3.6
<b>Domestic Sales</b>	<b>61.9</b>	<b>55.5</b>	<b>- 6.4</b>
Passenger Car	21.7	21.9	+0.1
Minicar	40.1	33.6	- 6.5
<b>Number of Vehicles Exported</b>	<b>49.0</b>	<b>47.2</b>	<b>- 1.8</b>
<b>Components for Overseas Production</b>	<b>23.2</b>	<b>32.2</b>	<b>+9.0</b>
<b>Total</b>	<b>134.2</b>	<b>134.9</b>	<b>+0.7</b>

# ***Outlook for the Term Ending March 2006***



# Operating Plan (consolidated basis)

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(100 million yen)	Actual Results for the Term ended March 2005	Plan for the Term ending March 2006	Changes
<b>Net Sales</b>	<b>14,465</b>	<b>14,700</b>	<b>+235</b>
Domestic	6,271	6,472	+201
Overseas	8,194	8,228	+34
<b>Operating Income</b>	<b>420</b>	<b>310</b>	<b>-110</b>
<b>Ordinary Income</b>	<b>436</b>	<b>270</b>	<b>-166</b>
<b>Net Income</b>	<b>182</b>	<b>150</b>	<b>-32</b>
FHI exchange rate	¥108/\$	¥105/\$	-¥3/\$

# Thank you

