



Presentation of Business Results for FYE 2006

Fuji Heavy Industries Ltd.

May 9, 2006



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

A Summary of Business Results



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

Full Year : Automobile Sales (consolidated)

(Thousand Units)

	Actual Results FYE March 2005	Actual Results FYE March 2006	Changes
Domestic (Passenger Car)	104.0	97.7	- 6.3
Domestic (Minicar)	150.0	132.5	- 17.5
Domestic Total	254.0	230.2	- 23.9
U.S.	193.9	193.6	- 0.4
Canada	16.5	16.4	- 0.1
Europe	60.5	64.7	+4.2
Australia	35.4	36.5	+1.1
Others	21.2	30.0	+8.8
Overseas Total	327.6	341.2	+ 13.6
SIA (Isuzu SUV)	13.2	0	- 13.2
Grand Total	594.8	571.4	- 23.4

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

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Full Year: Consolidated Statements of Income

(100 million yen)

	Actual Results FYE March 2005	Actual Results FYE March 2006	Changes
Net Sales	14,465	14,764	+ 299
Domestic	6,271	6,041	- 230
Overseas	8,194	8,722	+528
Operating Income	420	583	+ 163
Ordinary Income	436	468	+ 32
Net Income	182	156	- 26
FHI Exchange Rate	¥108/\$	¥112/\$	+¥4/\$

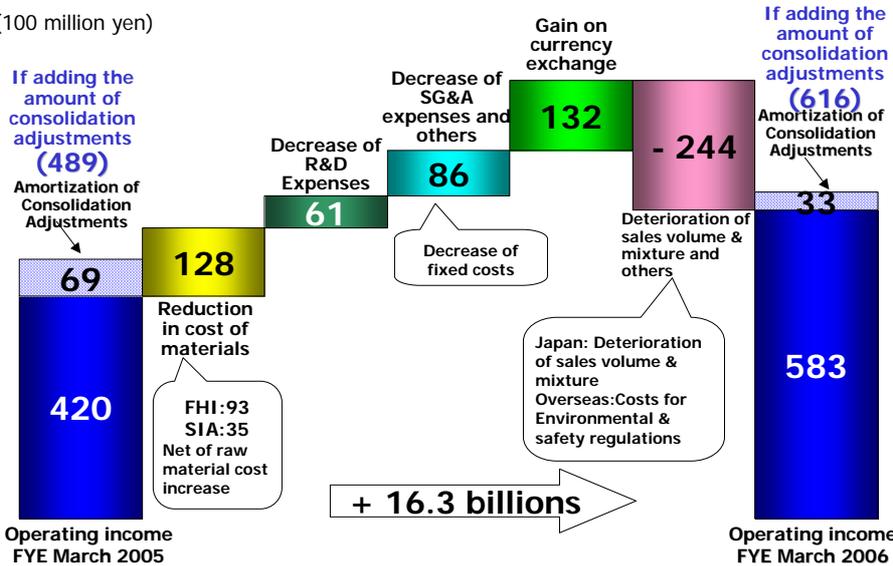
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Full Year: Analysis of Increase and Decrease in Operating Income Changes (Consolidated)

(100 million yen)



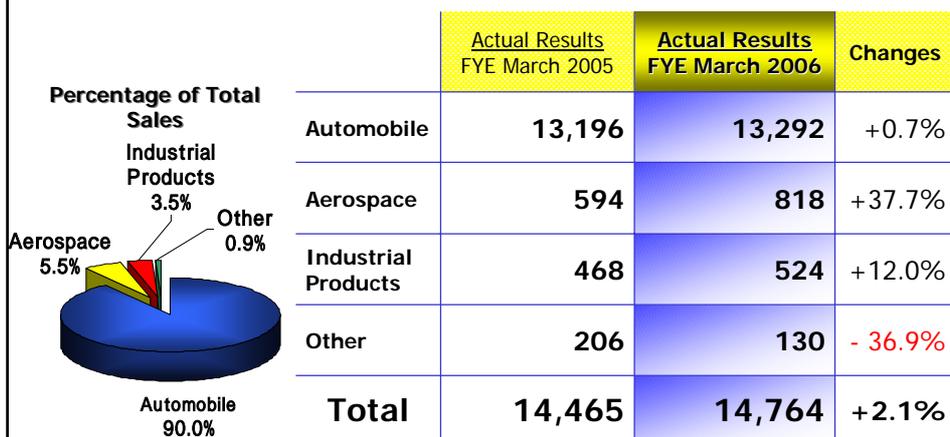
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Net Sales by Business Segment (consolidated)

(100 million yen)



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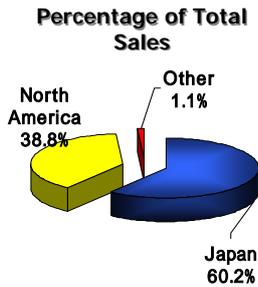


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Net Sales by Geographic Area (consolidated)

(100 million yen)

	Actual Results FYE March 2005	Actual Results FYE March 2006	Changes
Japan	8,868	8,881	+0.1%
North America	5,448	5,724	+5.1%
Other	149	158	+6.0%
Total	14,465	14,764	+2.1%



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Operating Results of Subsidiaries in U.S.

(million US\$)

SOA (Jan. to Dec.)	Actual results CY 2004	Actual results CY 2005	Changes
Net Sales	\$4,357	\$4,687	+331
Operating Loss	- 10	- 19	- 9
Net Income & Loss	2	- 4	- 6
Retail Sales (Thousand units)	186.3	194.0	+7.7
SIA (Jan. to Dec.)	Actual results CY 2004	Actual results CY 2005	Changes
Net Sales	\$2,427	\$2,602	+175
Operating Loss	- 57	- 22	+35
Net Loss	- 74	- 169*	- 94
Production (Thousand Units) (Isuzu SUV)	118.7 (13.2)	119.0 (0)	+0.3 (- 13.2)

*The extraordinary loss was offset by the consolidated adjustment account in the FYE 2005.
(U.S. Subsidiaries were consolidated on calendar year basis)

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Analysis of Non-Operating Income and Expense

	Actual results FYE 2005	Actual results FYE 2006	Changes	(100 million yen)
Non-operating income	141	124	- 17	
Amortization of Consolidation Adjustments	69	33	- 36	Offset by SIA operating loss, etc.
Equity gain from affiliated companies	-	14	+ 14	Gain on equity method affiliates
Others	48	42	- 6	Decrease of gain on valuation of derivatives -9, etc
Non-operating expense	125	239	+ 114	
Loss on revaluation of derivatives	31	30	- 1	FX forward+7, Currency option -8
Equity loss from affiliated companies	4	-	- 4	Decrease of loss on equity method affiliates
Others	66	178	+ 112	Difference between transaction rates and market rates 106, etc.
Net	+ 16	- 116	- 131	

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

Analysis of extraordinary gains and losses

	Actual results FYE 2005	Actual results FYE 2006	Changes	(100 million yen)
Extraordinary gains	23	93	+ 70	
Gain on sales of fixed assets	14	39	+ 25	Sales of land of affiliate company
Gain on sales of investment securities	5	53	+ 47	
Extraordinary losses	248	274	+ 26	
Loss on sales of investment securities	-	23	+ 23	
Premium retirement benefits	-	80	+ 80	the Voluntary Retirement Program
Loss on termination of a joint development project	-	71	+ 71	Termination of the joint development with Saab Automobile AB, etc.
Asset impairment	-	41	+ 41	Land and properties of domestic Subaru dealerships, etc.

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Consolidated Balance Sheets

(100 million yen)

	As of March 31, 2005	As of March 31, 2006	Changes
Total Assets	13,575	13,484	- 91
Current Assets	6,491	6,192	- 299
Fixed Assets	7,084	7,292	+208
Interest Bearing Debt	4,122	3,741	- 381
Shareholders' Equity	4,712	4,655	- 56
Less treasury stock	- 22	- 415	- 393
Shareholders' Equity to Total Assets	34.7%	34.5%	- 0.2%
Debt to Equity Ratio	0.87	0.80	- 0.07

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Consolidated Statement of Cash Flows

(100 million yen)

	Actual Results FYE March 2005	Actual Results FYE March 2006	Changes
Cash Flows from Operating Activities	573	1,375	+802
Cash Flows from Investing Activities	- 898	- 758	+140
Free Cash Flows	- 324	617	+941
Cash Flows from Financing Activities	+262	- 889	- 1,151
Net Increase (Decrease) in Cash and Cash Equivalents	- 77	- 193	- 116
Cash and Cash Equivalents at end of the term	1,317	1,124	- 193

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4th Quarter : Automobile Sales (consolidated)

(Thousand Units)

	Actual Results 4Q FYE March 2005	Actual Results 4Q FYE March 2006	Changes
Domestic (Passenger Car)	31.6	28.6	- 3.0
Domestic (Minicar)	43.4	37.4	- 6.0
Domestic Total	75.0	66.0	- 9.0
U.S.	53.7	59.1	+5.4
Canada	3.7	4.7	+1.0
Europe	15.5	17.3	+1.9
Australia	9.2	8.6	- 0.5
Others	5.9	7.1	+1.1
Overseas Total	88.0	96.8	+8.9
SIA (Isuzu SUV)	0	0	0
Grand Total	163.0	162.9	- 0.1

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

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4th Quarter: Consolidated Statements of Income

(100 million yen)

	Actual Results 4Q FYE March 2005	Actual Results 4Q FYE March 2006	Changes
Net Sales	3,961	4,369	+ 408
Domestic	1,816	1,760	- 56
Overseas	2,146	2,609	+464
Operating Income	155	208	+52
Ordinary Income	150	156	+ 6
Net Income	- 25	28	+53
FHI Exchange Rate	¥104/\$	¥117/\$	+¥13/\$

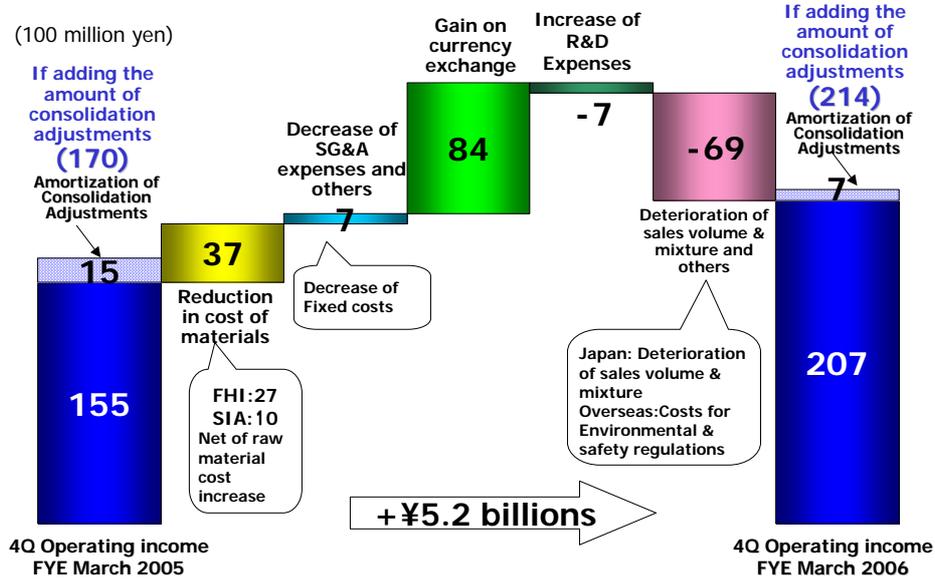
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4th Quarter : Analysis of Increase and Decrease in Operating Income Changes (Consolidated)

(100 million yen)



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<Appendix> Full Year: Automobile Sales (Non-consolidated)

(Thousand Units)

	Actual Results FYE March 2005	Actual Results FYE March 2006	Changes
Domestic Production	480.9	466.7	- 14.2
for SAAB	8.0	1.7	- 6.3
Domestic Sales	272.8	244.7	- 28.0
Passenger Car	108.1	106.3	- 1.8
Minicar	164.6	138.4	- 26.2
Number of Vehicles Exported	212.5	224.7	+ 12.2
Components for Overseas Production	115.3	119.8	+ 4.5
Total	600.6	589.2	- 11.3

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Outlook for the Term Ending March 2007

Plan: Automobile Sales of first half (consolidated)

(Thousand Units)

	Actual results 1st half FYE 2006	Plan 1st half FYE 2007	Changes
Domestic (Passenger Car)	48.3	47.8	- 0.5
Domestic (Minicar)	65.6	77.7	+12.2
Domestic Total	113.9	125.6	+11.7
U.S.	81.1	88.0	+6.9
Canada	7.2	8.3	+1.1
Europe	30.7	29.9	- 0.8
Australia	18.0	18.2	+0.2
Others	13.4	12.3	- 1.1
Overseas Total	150.4	156.7	+6.2
Grand Total	264.3	282.2	+17.9

(U.S. and Canada figures are on the calendar year basis from Jan. to Jun.)

Operating Plan of the 1st Half (consolidated basis)

(100 million yen)

	Actual Results 1 st half FYE March 2006	Plan 1 st half FYE March 2007	Change
Net Sales	6,671	7,100	+429
Operating Income	174	130	- 44
Ordinary Income	135	160	+25
Net Income	80	130	+50
FHI Exchange Rate	¥109/\$	¥110/\$	+¥1/\$

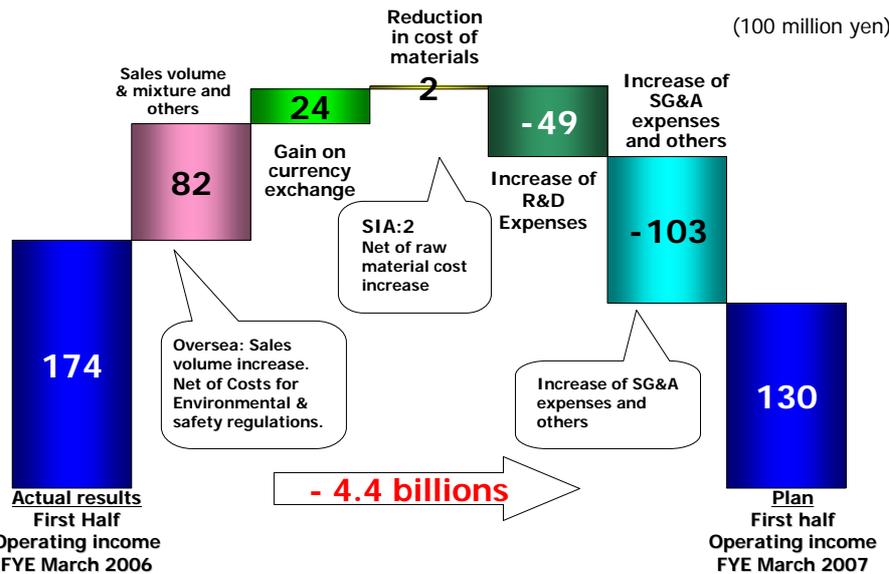
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First half : Analysis of Increase and Decrease in Operating Income Changes (Consolidated)

(100 million yen)



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Full Year : Automobile Sales (consolidated)

(Thousand Units)

	Actual Results FYE March 2006	Plan FYE March 2007	Changes
Domestic (Passenger Car)	97.7	96.9	- 0.8
Domestic (Minicar)	132.5	166.6	+34.1
Domestic Total	230.2	263.5	+33.4
U.S.	193.6	202.6	+9.0
Canada	16.4	17.6	+1.3
Europe	64.7	65.3	+0.6
Australia	36.5	36.9	+0.3
Others	30.0	24.8	- 5.2
Overseas Total	341.2	347.3	+6.1
Grand Total	571.4	610.8	+39.4

(U.S. and Canada figures are on the calendar year basis from Jan. to Dec.)

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Full Year: Operating Plan (consolidated basis)

(100 million yen)

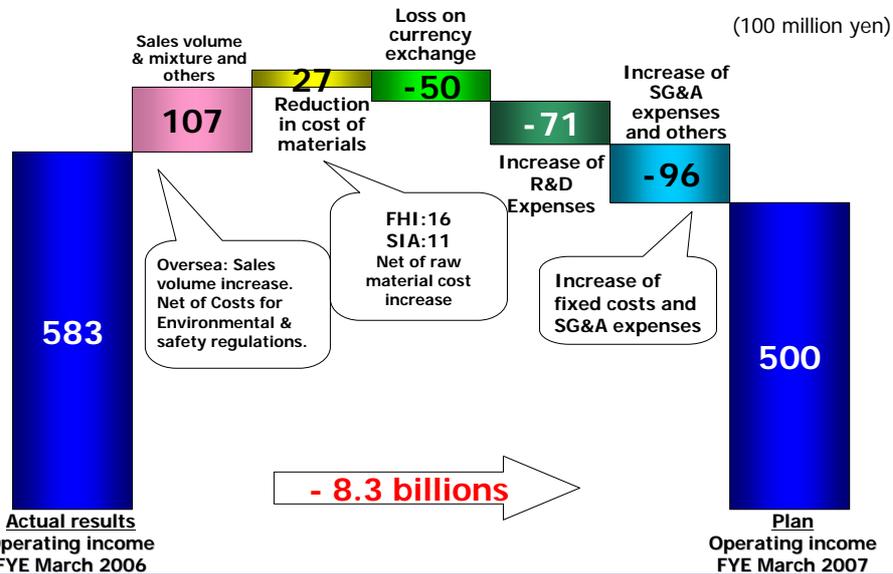
	Actual Results FYE March 2006	Plan FYE March 2007	Change
Net Sales	14,764	15,500	+ 736
Domestic	6,041	6,400	+359
Overseas	8,723	9,100	+377
Operating Income	583	500	- 83
Ordinary Income	468	500	+32
Net Income	156	300	+144
FHI Exchange Rate	¥112/\$	¥110/\$	- ¥2/\$

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Full year : Analysis of Increase and Decrease in Operating Income Changes (Consolidated)



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Operating Plan of Subsidiaries in U.S.

(million US\$)

SOA (Jan. to Dec.)	Actual results CY 2005	Plan CY 2006	Changes
Net Sales	\$4,687	\$4,933	+246
Operating Profit & Loss	- 19	22	+41
Net Income & Loss	- 4	17	+21
Retail Sales (Thousand units)	194.0	201.0	+7.0
SIA (Jan. to Dec.)	Actual results CY 2005	Plan CY 2006	Changes
Net Sales	\$2,602	\$2,493	- 109
Operating Profit & Loss	- 22	11	+33
Net Income & Loss	- 169*	3	+172
Production (Thousand Units)	119.0	117.0	- 2.0

*The extraordinary loss was offset by the consolidated adjustment account in the FYE 2005.
(U.S. Subsidiaries were consolidated on calendar year basis)

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<Appendix>
Full Year: Automobile Sales (Non-consolidated)

(Thousand Units)

	Actual Results FYE March 2006	Plan FYE March 2007	Changes
Domestic Production	466.7	485.4	+ 18.7
for SAAB	1.7	0.4	- 1.3
Domestic Sales	244.7	263.8	+ 19.0
Passenger Car	106.3	95.8	- 10.5
Minicar	138.4	168.0	+29.6
Number of Vehicles Exported	224.7	220.2	- 4.5
Components for Overseas Production	119.8	114.6	- 5.2
Total	589.2	597.6	+ 8.3

IR site renewal



Add the new pages and functions!

Adding CSR page,

Quarterly financial data,

RSS function, and so on.

New URL is:

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

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

