



# Presentation of Business Results for the 2<sup>nd</sup> Quarter of FYE 2009



**Fuji Heavy Industries Ltd.**  
**October 31, 2008**

# *A Summary of Business Results*



# 1<sup>st</sup> Half: Consolidated Automobile Sales

(Thousand Units)

		<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2008	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2009	Increase /Decrease
	Passenger Car	35.0	36.3	+1.2
	Minicar	64.2	57.9	-6.3
<b>Domestic Total</b>		<b>99.2</b>	<b>94.2</b>	<b>-5.1</b>
	U.S.	81.8	82.0	+0.2
	Canada	8.1	8.6	+0.5
	Russia	9.8	15.3	+5.5
	Europe	28.6	34.5	+6.0
	Australia	19.7	20.7	+1.0
	China	5.3	10.1	+4.9
	Others	18.9	17.0	-1.9
<b>Overseas Total</b>		<b>172.2</b>	<b>188.2</b>	<b>+16.0</b>
<b>Total</b>		<b>271.4</b>	<b>282.4</b>	<b>+11.0</b>

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

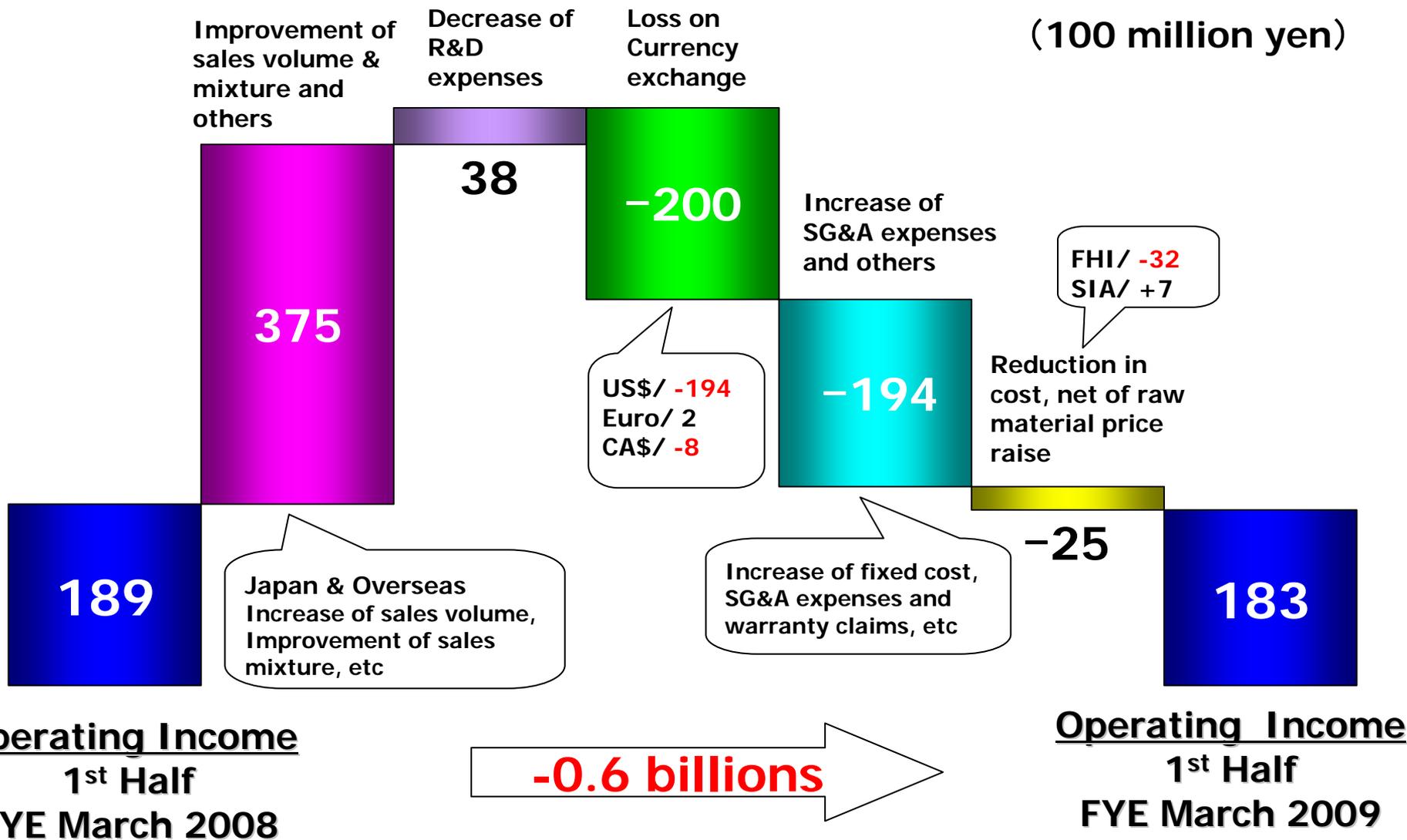
<http://www.fhi.co.jp/english/ir>

# 1<sup>st</sup> Half: Consolidated Statements of Income

(100 million yen)

	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2008	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2009	Increase/ Decrease
<b>Net Sales</b>	<b>7,088</b>	<b>7,442</b>	+354
Domestic	2,457	2,602	+144
Overseas	4,631	4,840	+210
<b>Operating Income</b>	<b>189</b>	<b>183</b>	<b>-6</b>
<b>Ordinary Income</b>	<b>142</b>	<b>182</b>	+40
<b>Net Income</b>	<b>78</b>	<b>44</b>	<b>-34</b>
FHI Exchange Rate	¥120/\$	¥105/\$	<b>-¥14/\$</b>

# 1<sup>st</sup> Half: Analysis of Increase and Decrease in Operating Income Changes (Consolidated)

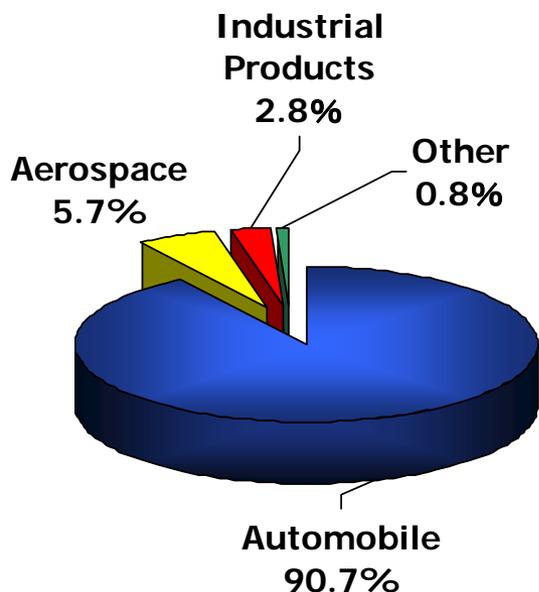




# 1<sup>st</sup> Half: Net Sales by Business Segment (Consolidated)

(100 million yen)

## Percentage of Total Sales



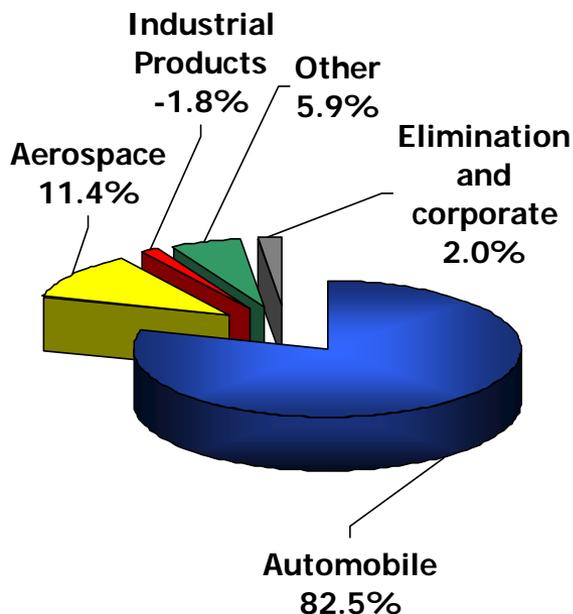
	Actual Results 1 <sup>st</sup> Half FYE March 2008	Actual Results 1 <sup>st</sup> Half FYE March 2009	Increase/ Decrease
Automobile	6,414	6,751	+337
Aerospace	403	423	+20
Industrial Products	218	205	-13
Other	53	62	+9
<b>Total</b>	<b>7,088</b>	<b>7,442</b>	<b>+354</b>



# 1<sup>st</sup> Half: Operating Income by Business Segment (consolidated)

(100 million yen)

## Percentage of Operating Income

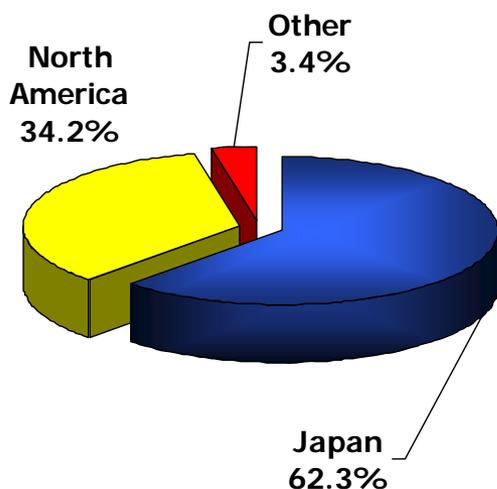


	Actual Results 1 <sup>st</sup> Half FYE March 2008	Actual Results 1 <sup>st</sup> Half FYE March 2009	Increase/ Decrease
<b>Automobile</b>	<b>132</b>	<b>151</b>	+19
<b>Aerospace</b>	<b>31</b>	<b>21</b>	-10
<b>Industrial Products</b>	<b>8</b>	<b>-3</b>	-11
<b>Other</b>	<b>6</b>	<b>11</b>	+5
<b>Elimination and Corporate</b>	<b>13</b>	<b>4</b>	-9
<b>Total</b>	<b>189</b>	<b>183</b>	-6

# 1<sup>st</sup> Half: Net Sales by Geographic Area (Consolidated)

(100 million yen)

**Percentage of  
Total Sales**

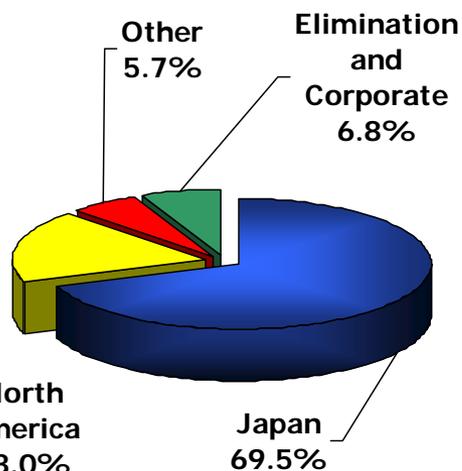


	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2008	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2009	Increase/ Decrease
Japan	4,102	4,637	+535
North America	2,739	2,548	-190
Other	247	257	+9
<b>Total</b>	<b>7,088</b>	<b>7,442</b>	<b>+354</b>

# 1<sup>st</sup> Half: Operating Income by Geographic Area (Consolidated)

(100 million yen)

## Percentage of Operating Income



	Actual Results 1 <sup>st</sup> Half FYE March 2008	Actual Results 1 <sup>st</sup> Half FYE March 2009	Increase/ Decrease
Japan	187	128	-60
North America	-8	33	+42
Other	6	10	+4
Elimination and Corporate	4	12	+9
計	189	183	-6

# Operating Results of Subsidiaries in U.S.

(million US\$)

<b>SOA (Jan to Jun)</b>	<b>Actual Results 1<sup>st</sup> Half of CY2007</b>	<b>Actual Results 1<sup>st</sup> Half of CY2008</b>	<b>Increase/ Decrease</b>
Net Sales	\$1,934	\$1,947	+13
Operating Income/Loss	-38	-22	+16
Net Income/Loss	-22	-11	+10
Retail Sales (Thousand units)	89.4	93.3	+3.9

<b>SIA (Jan to Jun)</b>	<b>Actual Results 1<sup>st</sup> Half of CY2007</b>	<b>Actual Results 1<sup>st</sup> Half of CY2008</b>	<b>Increase/ Decrease</b>
Net Sales	\$1,295	\$1,233	-62
Operating Income	23	43	+20
Net Income	13	25	+12
Subaru Production (Thousand units)	52.7	51.8	-0.9

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

# Analysis of Non-Operating Income and Expenses

(100 million yen)

	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2008	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2009	Increase/ Decrease
<b>Non-Operating Income</b>	<b>55</b>	<b>43</b>	<b>-12</b>
Interest and dividends income	25	20	-5
Equity in earnings of affiliates	0	5	+5
<b>Non-Operating Expenses</b>	<b>102</b>	<b>44</b>	<b>-58</b>
Interest expenses	21	17	-4
<b>Net</b>	<b>-47</b>	<b>-2</b>	<b>+46</b>
<b>FOREX Effects</b>	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2008	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2009	Increase/ Decrease
Net of gain and loss on valuation of derivatives	7	-5	-12
Net of FOREX gains and losses	-53	+3	+56
<b>Total</b>	<b>-46</b>	<b>-2</b>	<b>+44</b>

# Analysis of Extraordinary Income and Loss

(100 million yen)

	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2008	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2009	Increase/ Decrease
<b>Extraordinary Income</b>	<b>44</b>	<b>22</b>	<b>-22</b>
Gain on sales of fixed assets	10	2	-9
Gain of revision of retirement benefit plan	0	7	+7
Other	34	*14	-20
<b>Extraordinary Loss</b>	<b>28</b>	<b>61</b>	<b>+33</b>
Loss on retirement and disposal of fixed assets	12	21	+9
Provision of reserve for loss on construction contracts	0	29	+29
Impairment loss	16	10	-6
Other	0	1	+1

\* Including 0.1 billion by change in recognition of sales or interest revenue on credit.

# Consolidated Balance Sheets

(100 million yen)

	As of March 31, 2008	As of September 30, 2008	Increase/ Decrease
<b>Total Assets</b>	<b>12,964</b>	<b>12,519</b>	<b>-445</b>
Current Assets	6,228	6,264	+36
Fixed Assets	6,736	6,255	-480
<b>Interest Bearing Debt</b>	<b>3,045</b>	<b>2,769</b>	<b>-276</b>
<b>Net Assets</b>	<b>4,944</b>	<b>5,009</b>	+65
Less Treasury stock, at cost	-405	-21	+384
Shareholders' Equity to Total Assets	<b>38.1%</b>	<b>39.9%</b>	+1.8%
D/E Ratio	<b>0.62</b>	<b>0.55</b>	<b>-0.06</b>



# <Appendix> 2Q: Consolidated Automobile Sales

(Thousand Units)

	<u>Actual Results</u> 2Q FYE March 2008	<u>Actual Results</u> 2Q FYE March 2009	Increase /Decrease
Passenger Car	20.6	21.6	+1.0
Minicar	34.5	29.8	-4.6
<b>Domestic Total</b>	<b>55.0</b>	<b>51.4</b>	<b>-3.6</b>
U.S.	46.3	45.9	-0.4
Canada	3.2	4.9	+1.6
Russia	6.6	7.4	+0.8
Europe	16.6	18.6	+2.1
Australia	11.1	10.0	-1.1
China	2.4	5.2	+2.8
Others	10.5	10.9	+0.5
<b>Overseas Total</b>	<b>96.7</b>	<b>103.0</b>	<b>+6.3</b>
<b>Total</b>	<b>151.7</b>	<b>154.4</b>	<b>+2.7</b>

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



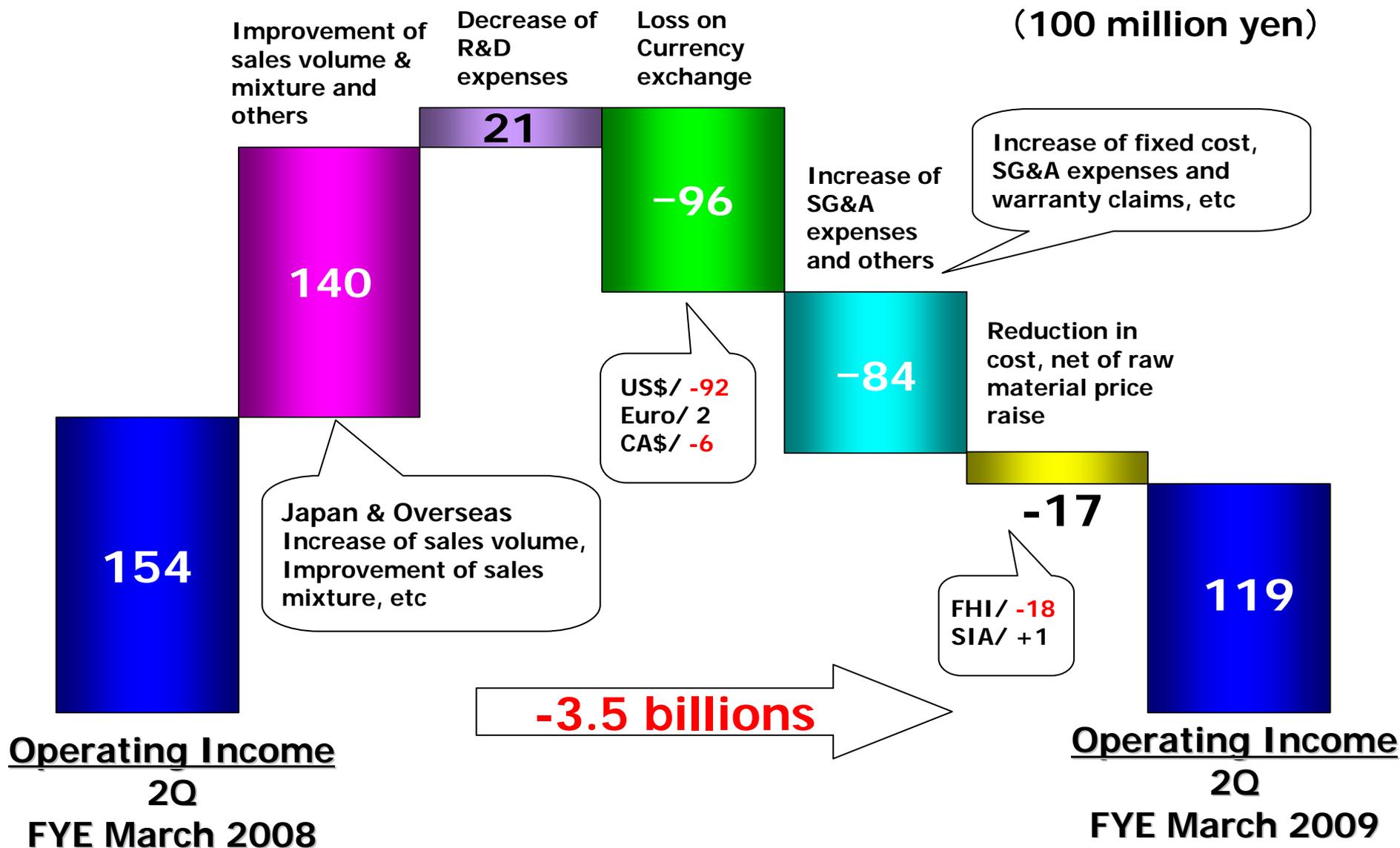
# <Appendix> 2Q: Consolidated Statements of Income

(100 million yen)

	<u>Actual Results</u> 2Q FYE March 2008	<u>Actual Results</u> 2Q FYE March 2009	Increase /Decrease
<b>Net Sales</b>	<b>3,906</b>	<b>4,031</b>	+125
Domestic	1,334	1,431	+97
Overseas	2,572	2,600	+28
<b>Operating Income</b>	<b>154</b>	<b>119</b>	<b>-35</b>
<b>Ordinary Income</b>	<b>135</b>	<b>111</b>	<b>-24</b>
<b>Net Income</b>	<b>82</b>	<b>30</b>	<b>-52</b>
FHI Exchange Rate	¥120/\$	¥108/\$	<b>-¥13/\$</b>



# <Appendix> 2Q: Analysis of Increase and Decrease in Operating Income Changes



# <Appendix> 1<sup>st</sup> Half: Automobile Sales (non-consolidated)

(Thousand Units)

	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2008	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2009	Increase/ Decrease
<b>Domestic Production</b>	<b>237.0</b>	<b>267.8</b>	<b>+30.8</b>
<b>Domestic Sales</b>	<b>105.1</b>	<b>101.0</b>	<b>-4.2</b>
Passenger car	39.5	41.2	+1.7
Minicar	65.6	59.7	-5.9
<b>Number of Vehicles Exported</b>	<b>132.5</b>	<b>163.6</b>	<b>+31.2</b>
<b>Components for Overseas Production</b>	<b>59.3</b>	<b>49.3</b>	<b>-10.0</b>
<b>Total</b>	<b>296.8</b>	<b>313.9</b>	<b>+17.0</b>

# *Outlook for the Term Ending March 2009*



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# Full Year: Consolidated Automobile Sales Plan

(Thousand Units)

		Actual Results FYE March 2008	Plan FYE March 2009	Increase/ Decrease
	Passenger Car	78.1	83.4	+5.4
	Minicar	130.6	117.6	-13.0
<b>Domestic Total</b>		<b>208.7</b>	<b>201.0</b>	<b>-7.7</b>
	U.S.	192.8	193.4	+0.7
	Canada	17.6	18.7	+1.1
	Russia	22.6	29.2	+6.6
	Europe	63.4	67.9	+4.5
	Australia	40.2	39.2	-1.0
	China	12.6	27.4	+14.7
	Others	38.8	38.9	+0.1
<b>Overseas Total</b>		<b>388.0</b>	<b>414.6</b>	<b>+26.7</b>
<b>Total</b>		<b>596.7</b>	<b>615.7</b>	<b>+19.0</b>

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

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

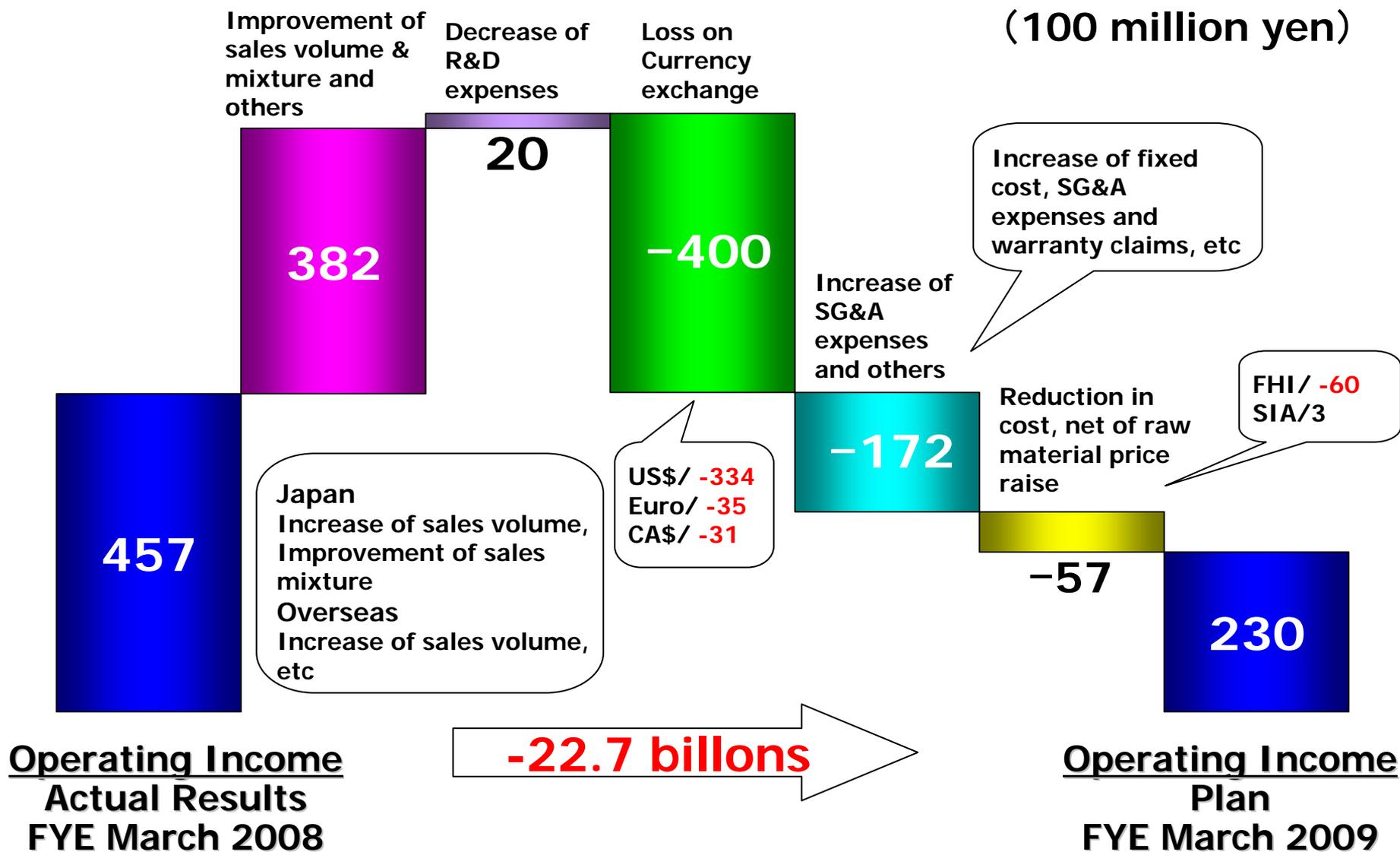
18

# Full Year: Consolidated Operating Plan

(100 million yen)

	<u>Actual Results</u> FYE March 2008	<u>Plan</u> FYE March 2009	Increase/ Decrease
<b>Net Sales</b>	<b>15,723</b>	<b>16,000</b>	+277
Domestic	5,440	5,600	+160
Overseas	10,284	10,400	+116
<b>Operating Income</b>	<b>457</b>	<b>230</b>	<b>-227</b>
<b>Ordinary Income</b>	<b>454</b>	<b>200</b>	<b>-254</b>
<b>Net Income</b>	<b>185</b>	<b>100</b>	<b>-85</b>
FHI Exchange Rate	¥116/\$	¥103/\$	<b>-¥13/\$</b>

# Full Year: Analysis of Increase and Decrease in Operating Income Changes



# Operating Plan of Subsidiaries in U.S.

(million US\$)

<b>SOA (Jan to Dec)</b>	<u>Actual Results</u> CY2007	<u>Plan</u> CY2008	Increase/ Decrease
Net Sales	<b>\$4,501</b>	<b>\$4,512</b>	+11
Operating Income	<b>38</b>	<b>30</b>	<b>-8</b>
Net Income	<b>33</b>	<b>22</b>	<b>-11</b>
Retail Sales (Thousand units)	<b>186.1</b>	<b>193.0</b>	+6.9

<b>SIA (Jan to Dec)</b>	<u>Actual Results</u> CY2007	<u>Plan</u> CY2008	Increase/ Decrease
Net Sales	<b>\$2,597</b>	<b>2,156</b>	<b>-442</b>
Operating Income	<b>60</b>	<b>6</b>	<b>-54</b>
Net Income	<b>34</b>	<b>2</b>	<b>-32</b>
Subaru Production (Thousand units)	<b>109.2</b>	<b>92.2</b>	<b>-17.0</b>

(U.S. subsidiaries are consolidated on calendar year basis.)

# <Appendix> Capex・Depreciation・R&D

(100 million yen)

	<u>Actual Results</u> FYE March 2008 (1)	<u>Previous Plan</u> FYE March 2009	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2009	<u>Revised Plan</u> FYE March 2009 (2)	Increase/ Decrease <(2)-(1)>
Capital Expenditures	563	700	317	620	+57
Depreciation	655	660	312	640	-15
R&D	520	550	228	500	-20
Interest Bearing Debt	3,045	3,045	2,769	2,800	-245

# <Appendix> Automobile Sales Plan (non-consolidated)

(Thousand Units)

	<u>Actual Results</u> FYE March 2008	<u>Plan</u> FYE March 2009	Increase/ Decrease
<b>Domestic Production</b>	<b>489.7</b>	<b>546.7</b>	+57.0
<b>Domestic Sales</b>	<b>219.1</b>	<b>209.0</b>	<b>-10.1</b>
Passenger car	86.2	90.7	+4.5
Minicar	132.9	118.3	<b>-14.6</b>
<b>Number of Vehicles Exported</b>	<b>273.7</b>	<b>340.9</b>	+67.2
<b>Components for Overseas Production</b>	<b>110.4</b>	<b>87.3</b>	<b>-23.1</b>
<b>Total</b>	<b>603.2</b>	<b>637.1</b>	+33.9

# <Appendix>

## 2<sup>nd</sup> Half: Consolidated Automobile Sales Plan

(Thousand Units)

		<u>Actual Results</u> 2 <sup>nd</sup> Half FYE March 2008	<u>Plan</u> 2 <sup>nd</sup> Half FYE March 2009	Increase/ Decrease
	Passenger Car	43.0	47.2	+4.1
	Minicar	66.4	59.7	-6.7
	<b>Domestic Total</b>	<b>109.5</b>	<b>106.9</b>	<b>-2.6</b>
	U.S.	111.0	111.4	+0.5
	Canada	9.5	10.0	+0.6
	Russia	12.8	13.9	+1.1
	Europe	34.8	33.4	-1.4
	Australia	20.5	18.5	-2.0
	China	7.4	17.2	+9.9
	Others	19.9	21.9	+2.0
	<b>Overseas Total</b>	<b>215.8</b>	<b>226.4</b>	<b>+10.6</b>
	<b>Total</b>	<b>325.3</b>	<b>333.3</b>	<b>+8.0</b>

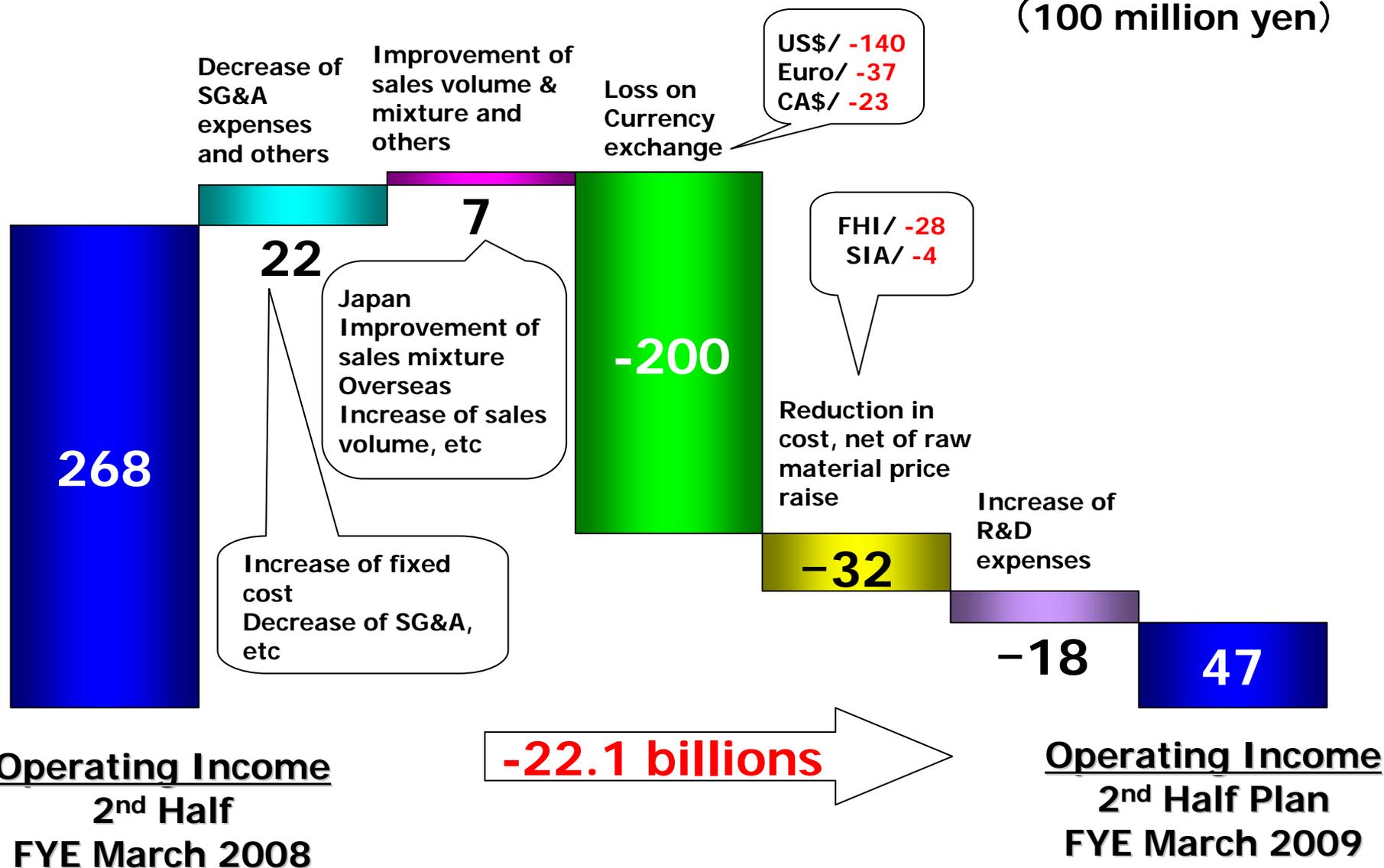
# <Appendix> 2<sup>nd</sup> Half: Consolidated Operating Plan

(100 million yen)

	<u>Actual Results</u> 2 <sup>nd</sup> Half FYE March 2008	<u>Plan</u> 2 <sup>nd</sup> Half FYE March 2009	Increase/ Decrease
<b>Net Sales</b>	<b>8,635</b>	<b>8,558</b>	<b>-77</b>
Domestic	2,982	2,998	+16
Overseas	5,653	5,560	<b>-93</b>
<b>Operating Income</b>	<b>268</b>	<b>47</b>	<b>-221</b>
<b>Ordinary Income</b>	<b>313</b>	<b>18</b>	<b>-295</b>
<b>Net Income</b>	<b>106</b>	<b>56</b>	<b>-50</b>
FHI Exchange Rate	¥111/\$	¥100/\$	<b>-¥11/\$</b>

# <Appendix> 2<sup>nd</sup> Half: Analysis of Increase and Decrease in Operating Income Changes

(100 million yen)



***< Appendix >***  
***Difference from***  
***Previous Outlook***



# 1<sup>st</sup> Half: Consolidated Automobile Sales Plan (Beginning) vs Actual Results

(Thousand Units)

		<u>Plan (Beginning)</u> 1 <sup>st</sup> Half FYE March 2009	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2009	Increase/ Decrease
	Passenger Car	44.2	36.3	-7.9
	Minicar	57.8	57.9	+0.1
<b>Domestic Total</b>		<b>102.0</b>	<b>94.2</b>	<b>-7.8</b>
	U.S.	85.9	82.0	-3.9
	Canada	7.9	8.6	+0.7
	Russia	14.9	15.3	+0.3
	Europe	32.8	34.5	+1.8
	Australia	22.3	20.7	-1.6
	China	9.0	10.1	+1.1
	Others	15.5	17.0	+1.5
<b>Overseas Total</b>		<b>188.4</b>	<b>188.2</b>	<b>-0.1</b>
<b>Total</b>		<b>290.3</b>	<b>282.4</b>	<b>-7.9</b>

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



# 1<sup>st</sup> Half: Consolidated Statements of Income Plan (Beginning/1Q) vs Actual Results

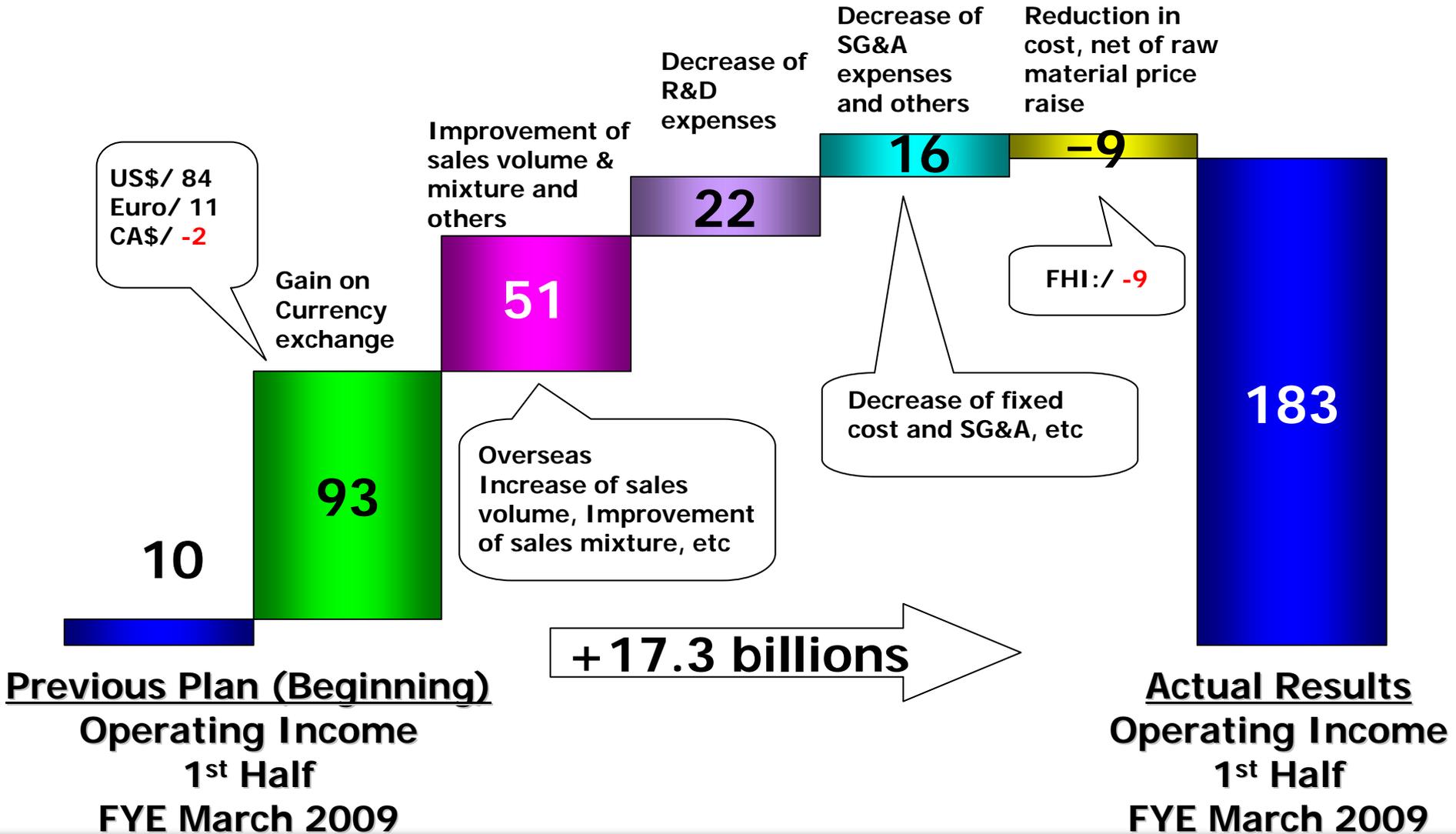
(100 million yen)

	<u>Plan (Beginning)</u> 1 <sup>st</sup> Half FYE March 2009	<u>Plan (1Q)</u> 1 <sup>st</sup> Half FYE March 2009	<u>Actual Results</u> 1 <sup>st</sup> Half FYE March 2009	Changes from Beginning	Changes from 1Q
<b>Net Sales</b>	<b>7,400</b>	7,400	<b>7,442</b>	<b>+42</b>	<b>+42</b>
Domestic	-	2,700	2,602	-	<b>-98</b>
Overseas	-	4,700	4,840	-	+140
<b>Operating Income</b>	<b>10</b>	80	<b>183</b>	<b>+173</b>	<b>+103</b>
<b>Ordinary Income</b>	<b>5</b>	60	<b>182</b>	<b>+177</b>	<b>+122</b>
<b>Net Income</b>	<b>0</b>	0	<b>44</b>	<b>+44</b>	<b>+44</b>
FHI Exchange Rate	¥100/\$	¥103/\$	¥105/\$	+¥5/\$	+¥2/\$



# 1<sup>st</sup> Half: Analysis of Increase and Decrease in Operating Income Changes Previous Plan (Beginning) vs Actual Results

(100 million yen)

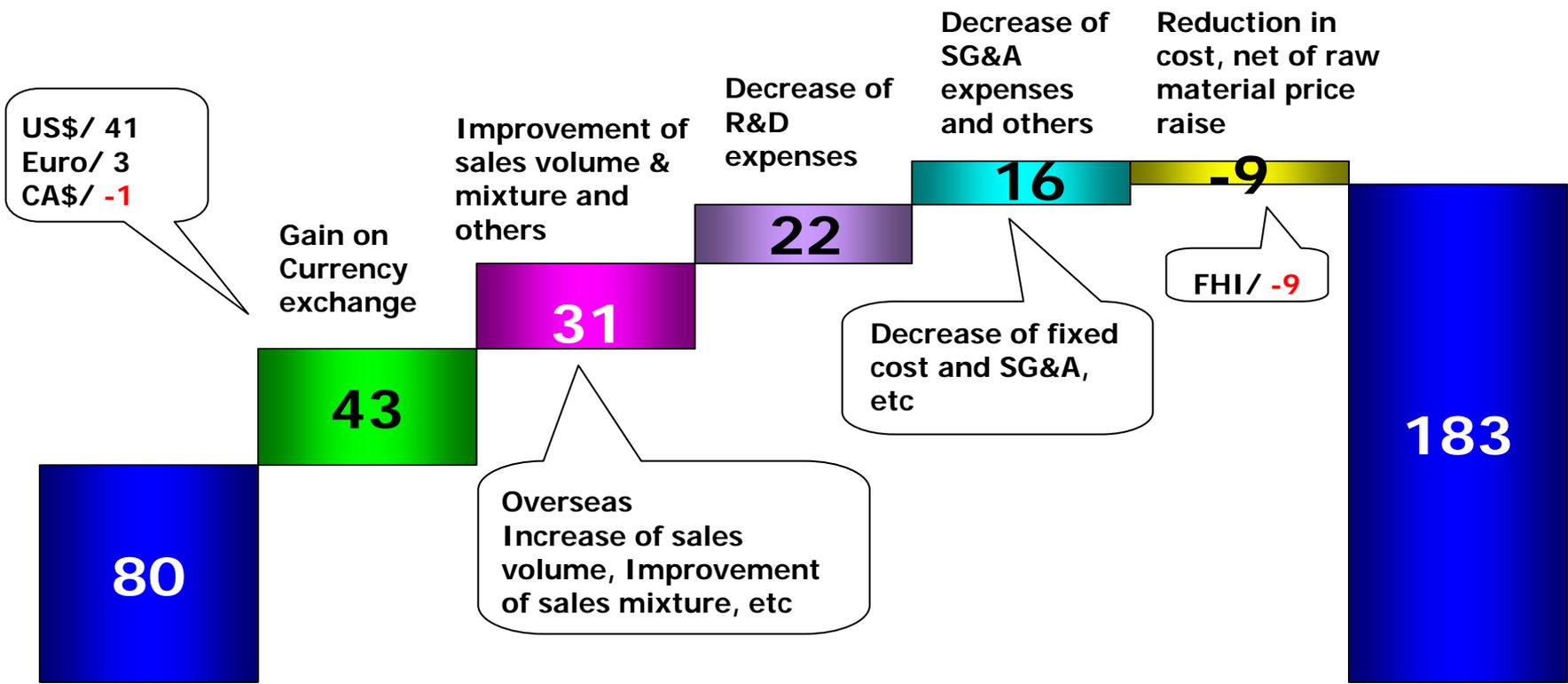




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# 1<sup>st</sup> Half: Analysis of Increase and Decrease in Operating Income Changes Previous Plan (1Q) vs Actual Results

(100 million yen)



Previous Plan (1Q)  
Operating Income  
1<sup>st</sup> Half  
FYE March 2009

**+ 10.3 billions**

Actual Results  
Operating Income  
1<sup>st</sup> Half  
FYE March 2009

US\$/ 41  
Euro/ 3  
CA\$/ -1

Overseas  
Increase of sales  
volume, Improvement  
of sales mixture, etc

Decrease of fixed  
cost and SG&A,  
etc

FHI/ -9



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

(Thousand Units)

		<u>Previous Plan</u> (Beginning) FYE March 2009	<u>Revised Plan</u> FYE March 2009	Increase/ Decrease
	Passenger Car	98.1	83.4	-14.7
	Minicar	114.6	117.6	+3.0
<b>Domestic Total</b>		<b>212.6</b>	<b>201.0</b>	<b>-11.6</b>
	U.S.	204.6	193.4	-11.1
	Canada	18.0	18.7	+0.7
	Russia	31.7	29.2	-2.4
	Europe	70.1	67.9	-2.1
	Australia	46.2	39.2	-7.0
	China	16.4	27.4	+10.9
	Others	36.5	38.9	+2.4
<b>Overseas Total</b>		<b>423.3</b>	<b>414.6</b>	<b>-8.7</b>
<b>Total</b>		<b>636.0</b>	<b>615.7</b>	<b>-20.3</b>

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



# Full Year: Consolidated Operating Plan Previous Plan (Beginning) vs Revised Plan

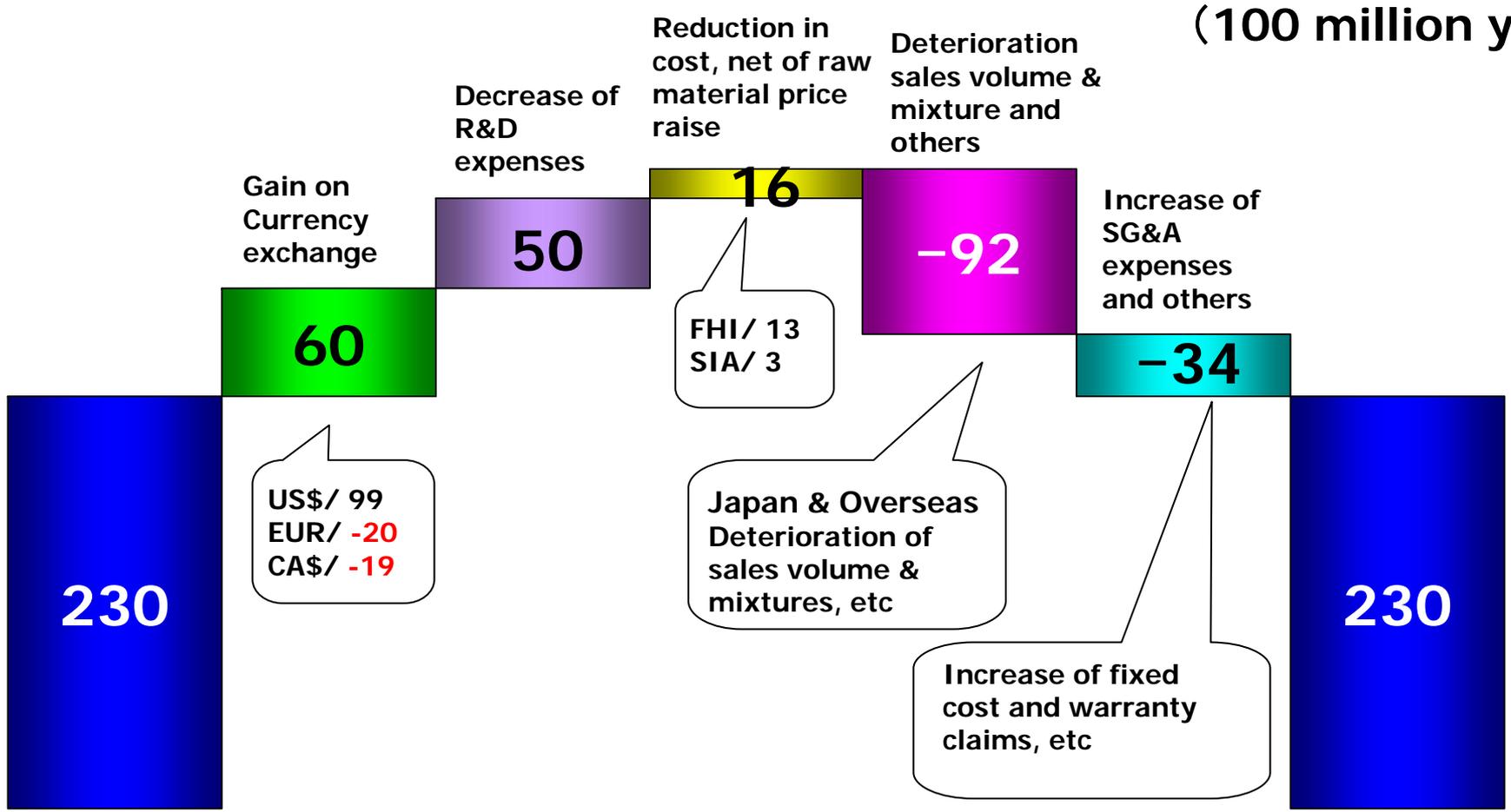
(100 million yen)

	<u>Previous Plan</u> (Beginning) FYE March 2009	<u>Revised Plan</u> FYE March 2009	Changes from Beginning
<b>Net Sales</b>	<b>16,000</b>	<b>16,000</b>	<b>±0</b>
Domestic	5,600	5,600	±0
Overseas	10,400	10,400	±0
<b>Operating Income</b>	<b>230</b>	<b>230</b>	<b>±0</b>
<b>Ordinary Income</b>	<b>200</b>	<b>200</b>	<b>±0</b>
<b>Net Income</b>	<b>100</b>	<b>100</b>	<b>±0</b>
FHI Exchange Rate	*¥100/\$	¥103/\$	+¥3/\$

\* Revised FHI exchange rate from ¥100/\$ to ¥102/\$ (1Q).

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

(100 million yen)



US\$/ 99  
EUR/ -20  
CA\$/ -19

FHI/ 13  
SIA/ 3

Japan & Overseas  
Deterioration of  
sales volume &  
mixtures, etc

Increase of fixed  
cost and warranty  
claims, etc

**No Change**

**Operating Income  
Previous Plan  
(Beginning)  
FYE March 2009**

**Operating Income  
Revised Plan  
FYE March 2009**



SUBARU

# Full Year: Analysis of Increase and Decrease in Operating Income Changes Previous Plan (1Q) vs Revised Plan

(100 million yen)

