



President & CEO, Yasuyuki Yoshinaga
Fuji Heavy Industries Ltd.

October 31, 2014

Business Results for the 1st Half of FYE2015



(¥100M)

	FYE2014	FYE2015		yoy	vs. plan
	1st half	1st half	1st half		
	Actual results	Plan	Actual results		
Consolidated automobile sale unit	392,600 units	438,800 units	431,600 units	+9.9%	-1.6%
Net sales	11,256	13,000	13,102	+16.4%	+0.8%
Operating income	1,507	1,600	1,857	+23.2%	+16.0%
Ordinary income	1,462	1,560	1,760	+20.3%	+12.8%
Net income	998	1,010	1,130	+13.2%	+11.9%
FHI exchange rate	¥98/US\$	¥100/US\$	¥102/US\$	+¥4/US\$	+¥2/US\$

Business Plan for the FYE2015



(¥100M)

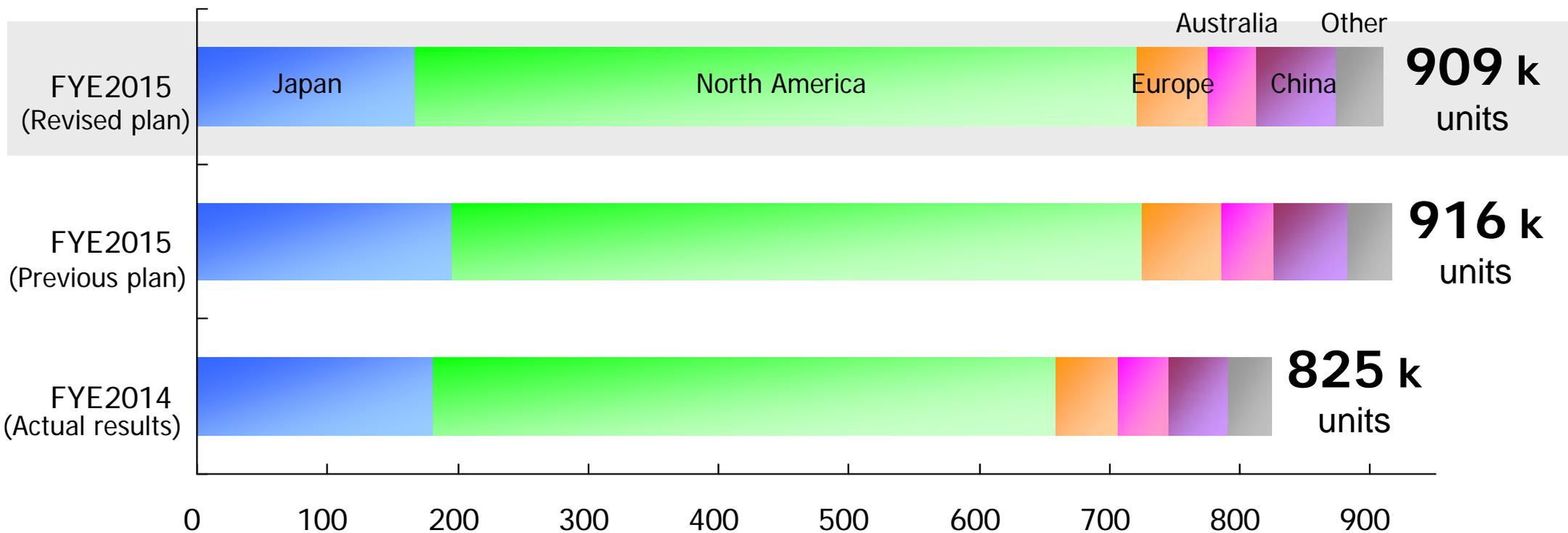
	FYE2014	FYE2015		yoy	vs. previous plan
	Actual results	Previous plan	Revised plan		
Consolidated automobile sale unit	825,1000 units	916,000 units	909,400 units	+10.2%	-0.7%
Net sales	24,081	27,200	27,800	+15.4%	+2.2%
Operating income	3,265	3,400	3,820	+17.0%	+12.4%
Ordinary income	3,144	3,300	3,700	+17.7%	+12.1%
Net income	2,066	2,150	2,410	+16.6%	+12.1%
FHI exchange rate	¥100/US\$	¥100/US\$	¥104/US\$	+¥4/US\$	+¥4/US\$

Consolidated Automobile Sales



Plan of
FYE2015

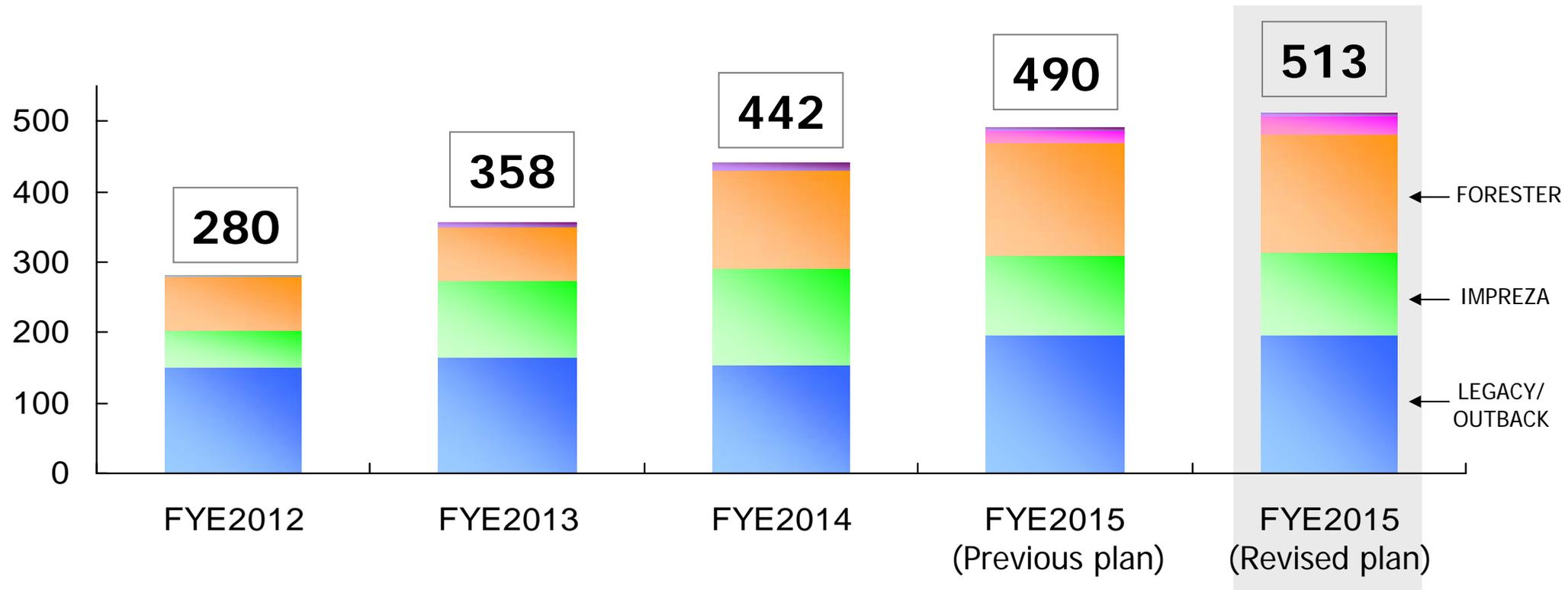
909,000 units (yoy+10.2%)



Sales Situation in US



Consolidated automobile sales (1,000 cars)



- The all new Legacy, Outback and WRX got off to a strong start and other existing models sustained its momentum.
- Consolidated unit sales plan for the FYE March 2015 upwardly revised to 513 thousand units.

New LEGACY and OUTBACK



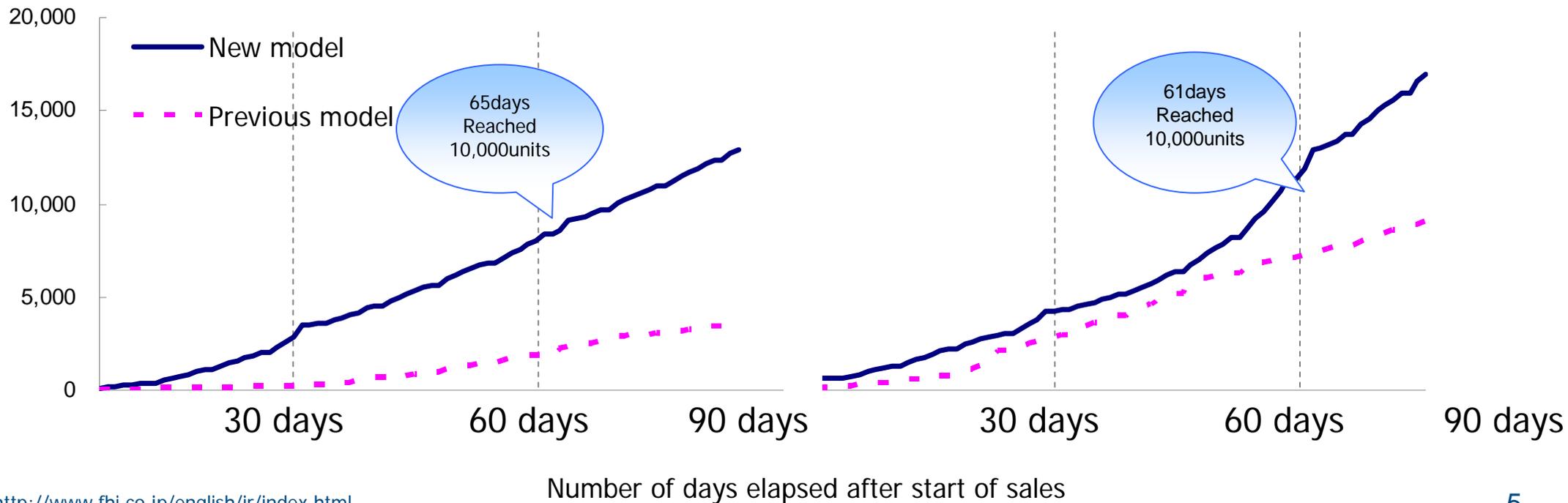
LEGACY



OUTBACK



Accumulated sales units in 90 days - New vs. Previous



IIHS Top Safety Pick

(TSP+ 3models / TSP 4models)

7 models

(The most winners among all nameplates)



Sales Situation in Japan

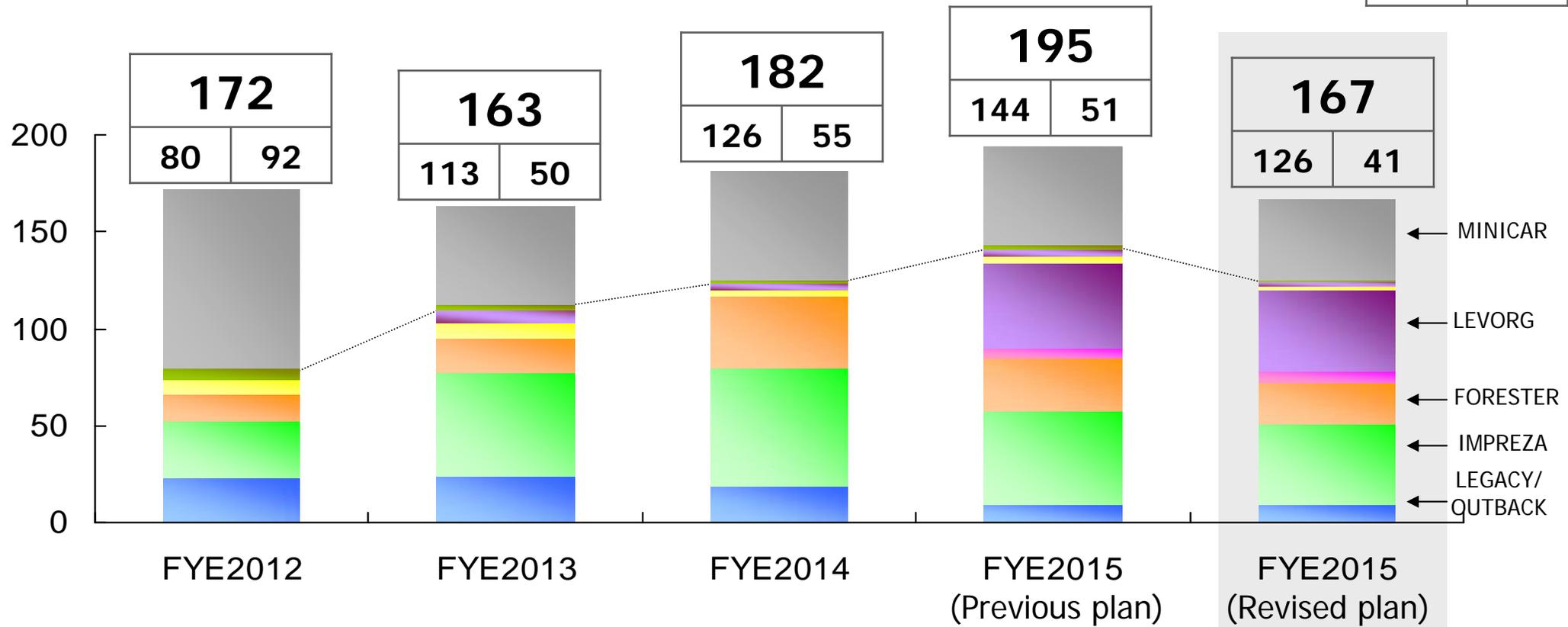


Total units

Pass.
car

Mini
car

Consolidated automobile sales (1,000 cars)



- The all new LEVORG and WRX made decent starts and healthy sales.
- Consolidated unit sales plan for the FYE March 2015 revised down to 167 thousand units.

JNCAP Advanced Safety Vehicle-Plus (ASV+)

LEVORG/WRX S4



XV Hybrid



FORESTER



New LEGACY and OUTBACK



LEGACY **B4**

LEGACY **OUTBACK**



Dividend Forecast and Growth Investment



Dividend forecast

	FYE2014	FYE2015		yoy	vs. previous plan
	Actual results	Previous plan	Revised plan		
End of 2nd quarter	¥20	¥28	¥31	+¥11	+¥3
Year-end	¥33	¥28	¥31	-¥2	+¥3
Total	¥53	¥56	¥62	+¥9	+¥6

* Total of FYE2014 : Ordinary ¥28, Commemorative ¥5

- Considering the business results for the 1st half as well as forecast for the full-year business, the interim dividend and year-end dividend forecast per share will be increased.
- As accelerating product development, increase R&D expenses (Previous plan ¥74.0 billion → Revised plan ¥84.0 billion)



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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Presentation of Business Results for the 1st Half of FYE 2015

Director of the Boards & CFO, Mitsuru Takahashi

October 31, 2014

Financial results for the 1st half of FYE March 2015

- Due to healthy sales in overseas such as new LEGACY / OUTBACK launched in North America, consolidated automobile sales set an all-time records as 1st half.
- In addition to increase in sales volume, gain on currency exchange and cost reduction brought all time record high in net sales and all profit levels for the 1st half.

	Net sales	Operating income	Ordinary income	Net income	Automobile sales
Actual results (YoY)	¥1,310.2bil. (+¥184.6bil.)	¥185.7bil. (+¥35.0bil.)	¥176.0bil. (+¥29.7bil.)	¥113.0bil. (+¥13.2bil.)	431.6k (+39.0k)

Projections for the FYE March 2015

- Due to the healthy sales in North America and a depreciation of yen, business projections for the FYE March 2015 is upwardly-revised.
- Increase of sales volume by new models, such as LEGACY / OUTBACK and LEVORG, will offset increase of SG&A expenses. Full year projections of net sales and all profit levels will be all time record high for the 3rd straight year.

	Net sales	Operating income	Ordinary income	Net income	Automobile sales
Plan (YoY)	¥2,780.0bil. (+¥371.9bil.)	¥382.0bil. (+¥55.5bil.)	¥370.0bil. (+¥55.6bil.)	¥241.0bil. (+¥34.4bil.)	909.4k (+84.3k)

Business results for the 1st half of FYE March 2015

1st Half : Consolidated Automobile Sales



(Thousand Units)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Passenger car	61.7	56.5	-5.3
Minicar	25.6	15.1	-10.5
Domestic total	87.3	71.5	-15.8
U.S.	208.9	249.9	+41.0
Canada	18.7	22.1	+3.4
Russia	6.8	8.6	+1.8
Europe	15.3	15.6	+0.3
Australia	21.3	19.3	-2.0
China	18.9	28.7	+9.8
Others	15.4	15.9	+0.5
Overseas total	305.3	360.1	+54.8
Total	392.6	431.6	+39.0

1st Half : Consolidated Income Statements



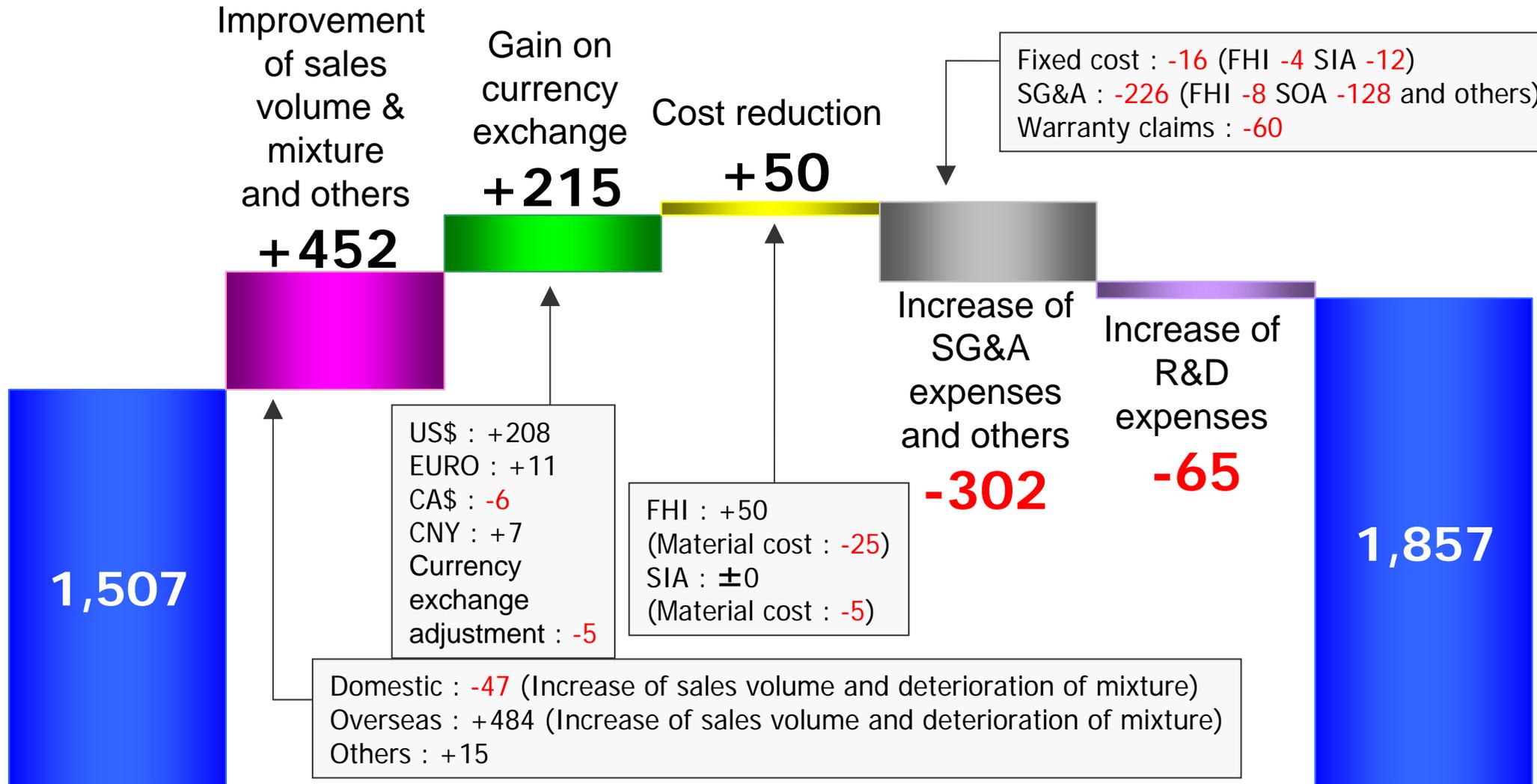
(100 Million Yen)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Net sales	11,256	13,102	+1,846
Domestic	3,306	2,928	-378
Overseas	7,951	10,174	+2,224
Operating income	1,507	1,857	+350
Total non-operating income & expenses	-45	-97	-52
Ordinary income	1,462	1,760	+297
Total extraordinary income & loss	-9	-13	-3
Income before taxes and minority interests	1,453	1,747	+294
Net income	998	1,130	+132
FHI exchange rate	¥98/US\$	¥102/US\$	+¥4/US\$

1st Half : Analysis of Increase and Decrease in Operating Income Changes (Consolidated)



(100 Million Yen)



**Actual results
Operating income
1st Half
FYE 2014**

+ 35.0 billion

**Actual results
Operating income
1st Half
FYE 2015**

Consolidated Balance Sheets



(100 Million Yen)

	As of Mar. 31 2014	As of Sep. 30 2014	Increase / Decrease
Total assets	18,884	19,868	+985
Current assets	12,738	13,096	+358
Noncurrent assets	6,146	6,772	+627
Interest bearing debts	2,697	2,322	-375
Net assets	7,701	8,809	+1,109
Retained earnings	4,839	5,725	+886
Shareholder's equity	7,655	8,739	+1,084
Shareholder's equity to total assets	40.5%	44.0%	+3.5
D/E ratio	0.35	0.27	-0.09

1st Half : Consolidated Statement of Cash Flows



(100 Million Yen)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Net cash provided by (used in) operating activities	1,579	1,347	-232
Net cash provided by (used in) investing activities	-381	-637	-255
Free cash flows	1,198	711	-487
Net cash provided by (used in) financing activities	-243	-627	-384
Effect of exchange rate change on cash and cash equivalents	59	95	+37
Net increase (Decrease) in cash and cash equivalents	1,014	179	-835
Cash and cash equivalents at end of period	4,305	5,758	-

1st Half : Operating Results of Subsidiaries in U.S.



(Million US\$)

SOA	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Net sales	5,179	6,313	+1,134
Operating income	117	218	+101
Net income	72	133	+61
Retail sales (Thousand units)	220.3	262.4	+42.1

SIA	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Net sales	1,883	2,094	+211
Operating income	88	77	-11
Net income	56	51	-5
Subaru production (Thousand units)	80.3	92.1	+11.8

Outlook for the FYE March 2015

Full Year : Consolidated Automobile Sales



(Thousand Units)

	Actual results FYE 2014	Plan FYE 2015	Increase / Decrease
Passenger car	126.1	125.7	-0.4
Minicar	55.5	40.8	-14.7
Domestic total	181.6	166.5	-15.1
U.S.	441.8	513.2	+71.4
Canada	36.0	40.7	+4.6
Russia	15.3	18.7	+3.4
Europe	31.8	36.0	+4.2
Australia	39.5	38.2	-1.3
China	44.8	60.0	+15.2
Others	34.3	36.1	+1.9
Overseas total	643.5	742.8	+99.4
Total	825.1	909.4	+84.3

Full Year : Consolidated Operating Plan



(100 Million Yen)

	Actual results FYE 2014	Plan FYE 2015	Increase / Decrease
Net sales	24,081	27,800	+3,719
Domestic	6,721	6,582	-138
Overseas	17,361	21,218	+3,857
Operating income	3,265	3,820	+555
Ordinary income	3,144	3,700	+556
Income before income taxes and minority interests	3,289	3,640	+351
Net income	2,066	2,410	+344
FHI exchange rate	¥100/US\$	¥104/US\$	+¥4/US\$

Analysis of Increase and Decrease in Operating Income Changes (consolidated)



(100 Million Yen)

US\$: +431
 EURO : +11
 CA\$: -6
 CNY : +8
 Currency exchange adjustment : -32

Improvement of sales volume & mixture and others
+855

Gain on currency exchange
+412

Cost reduction
+109

Fixed cost : -94
 (FHI : -57 SIA : -37)
 SG&A : -429
 (FHI : -65 SOA : -194 and other)
 Warranty claims : -59

FHI : +110 (Material cost : -49)
 SIA : -1 (Material cost : -19)

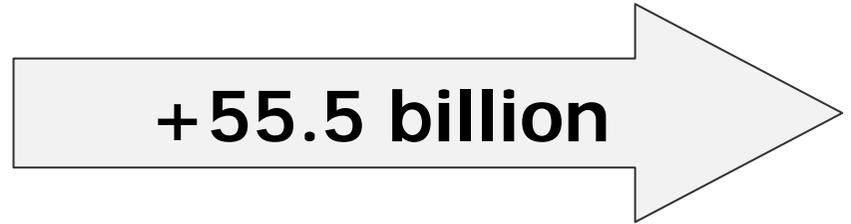
Domestic : +72 (Increase of sales volume and deterioration of mixture)
 Overseas : +779 (Increase of sales volume and deterioration of mixture)
 Others : +4

Increase of SG&A expenses and others
-582

Increase of R&D expenses
-239



Actual results
Operating income
FYE 2014



Plan
Operating income
FYE 2015

Full Year : Operating Plan of Subsidiaries in U.S.



(Million US\$)

SOA	Actual results FYE 2014	Plan FYE 2015	Increase / Decrease
Net sales	11,005	13,119	+2,114
Operating income	184	443	+259
Net income	111	267	+156
Retail sales (Thousand units)	442.3	510.3	+68.0

SIA	Actual results FYE 2014	Plan FYE 2015	Increase / Decrease
Net sales	3,848	4,769	+921
Operating income	265	165	-100
Net income	167	104	-63
Subaru production (Thousand units)	163.5	209.4	+45.9

Capex / Depreciation / R&D / Interest bearing debt



(100 Million Yen)

	Actual Results 1st Half FYE2014	Actual Results FYE2014 (a)	Actual Results 1st Half FYE 2015	Plan FYE2015 (b)	Increase / Decrease (b) - (a)
Capex	273	685	597	1,200	+515
Depreciation	260	549	277	660	+111
R&D	299	601	363	840	+239
Interest bearing debt	2,918	2,697	2,322	2,200	-497

Appendix (1)

- Non-operating income & expenses and extraordinary income & loss
- Segment information
- Overseas net sales
- Non-consolidated automobile sales

1st Half : Non-Operating Income & Expenses and Extraordinary Income & Loss (Consolidated)



(100 Million Yen)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Financial revenue and expenditure	0	-1	-1
FOREX effects	-39	-98	-58
Other	-6	1	+7
Total non-operating income & expenses	-45	-97	-52
Gain on sales of noncurrent assets	1	4	+3
Gain on sales of investment securities	1	4	+3
Loss on sales and retirement of noncurrent assets	-10	-17	-6
Other	-2	-5	-3
Total extraordinary income & loss	-9	-13	-3

1st Half : Net Sales and Operating Income by Business Segment (consolidated)



(100 Million Yen)

	Net sales			Operating income		
	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Automobile	10,527	12,280	+1,753	1,423	1,785	+362
Aerospace	535	638	+103	69	59	-10
Industrial products	157	148	-9	2	1	-0
Others	37	36	-1	11	9	-3
Elimination & corporate				2	3	+0
Total	11,256	13,102	+1,846	1,507	1,857	+350

1st Half : Consolidated Operating Income by Geographic Area



(100 Million Yen)

	Net sales			Operating income		
	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Japan	4,691	4,466	-225	1,324	1,358	+34
North America	5,817	7,264	+1,446	231	416	+185
Other	749	1,373	+625	3	97	+94
Elimination and corporate				-51	-14	+37
Total	11,256	13,102	+1,846	1,507	1,857	+350

1st Half : Overseas Net Sales



(100 Million Yen)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
North America	6,172	7,751	+1,579
Europe	562	601	+40
Asia	582	1,183	+600
Other	635	639	+5
Total	7,951	10,174	+2,224

1st Half : Non-Consolidated Automobiles Sales



(Thousand Units)

	Actual results 1st half FYE 2014	Actual results 1st half FYE 2015	Increase / Decrease
Domestic production	310.1	344.0	+33.9
Domestic sales	91.9	76.0	-15.9
Passenger cars	64.8	60.3	-4.5
Minicars	27.2	15.7	-11.4
Number of vehicles exported	231.6	261.3	+29.7
Components for overseas production	79.9	100.8	+20.9
Total	403.5	438.2	+34.8

* Domestic Production figures include Toyota 86.

Appendix (2)

- 2nd quarter, consolidated statements income
- 1st half, Plan vs. Actual results
- Full year, Previous plan vs. revised plan

2nd Quarter : Consolidated Automobile Sales



(Thousand Units)

	Actual results 2nd quarter FYE 2014	Actual results 2nd quarter FYE 2015	Increase / Decrease
Passenger car	33.0	36.1	+3.1
Minicar	13.6	8.3	-5.3
Domestic total	46.6	44.3	-2.3
U.S.	102.5	137.5	+35.0
Canada	9.3	11.3	+2.0
Russia	4.3	4.6	+0.3
Europe	8.1	8.7	+0.6
Australia	9.6	9.8	+0.2
China	13.3	13.1	-0.2
Others	7.8	8.6	+0.8
Overseas total	154.9	193.6	+38.7
Total	201.5	237.9	+36.4

2nd Quarter : Consolidated Income Statements



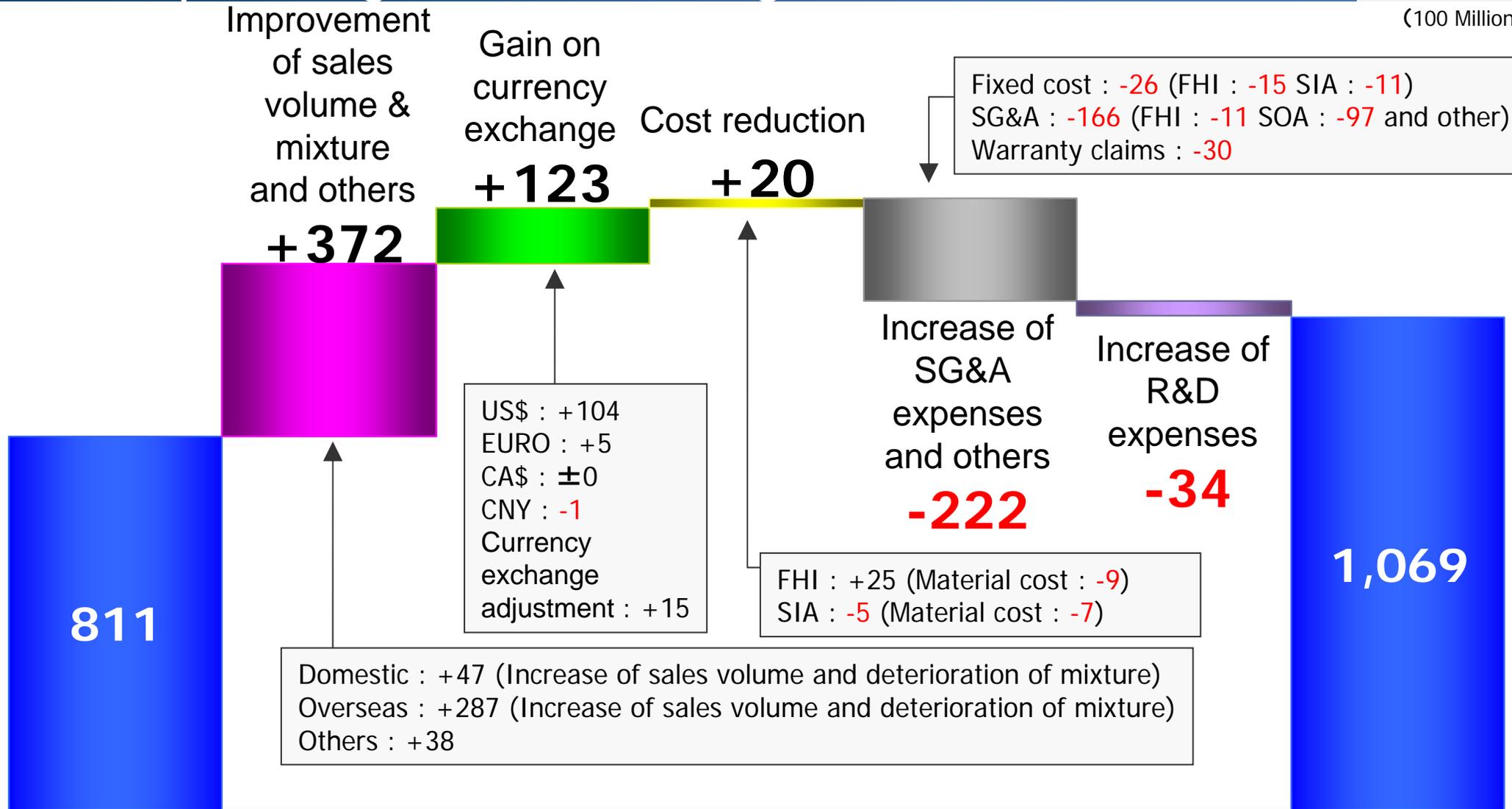
(100 Million Yen)

	Actual results 2nd quarter FYE 2014	Actual results 2nd quarter FYE 2015	Increase / Decrease
Net sales	5,787	7,168	+1,381
Domestic	1,729	1,766	+38
Overseas	4,058	5,402	+1,344
Operating income	811	1,069	+259
Ordinary income	817	954	+137
Income before income taxes and minority interests	812	940	+128
Net income	513	608	+94
FHI exchange rate	¥98/US\$	¥102/US\$	+¥4/US\$

2nd Quarter : Analysis of Increase and Decrease in Operating Income Changes (Consolidated)



(100 Million Yen)



+25.9 billion

**Actual results
Operating income
2nd Quarter
FYE 2014**

**Actual results
Operating income
2nd Quarter
FYE 2015**

(Plan vs. Results)

1st Half : Consolidated Automobile Sales



(Thousand Units)

	Plan 1st half FYE 2015	Actual results 1st half FYE 2015	Increase / Decrease
Passenger car	70.5	56.5	-14.1
Minicar	22.6	15.1	-7.5
Domestic total	93.2	71.5	-21.6
U.S.	233.9	249.9	+16.0
Canada	21.7	22.1	+0.4
Russia	9.2	8.6	-0.6
Europe	18.4	15.6	-2.8
Australia	19.0	19.3	+0.3
China	27.6	28.7	+1.2
Others	15.8	15.9	+0.1
Overseas total	345.6	360.1	+14.4
Total	438.8	431.6	-7.2

(Plan vs. Results)

1st Half : Consolidated Income Statements



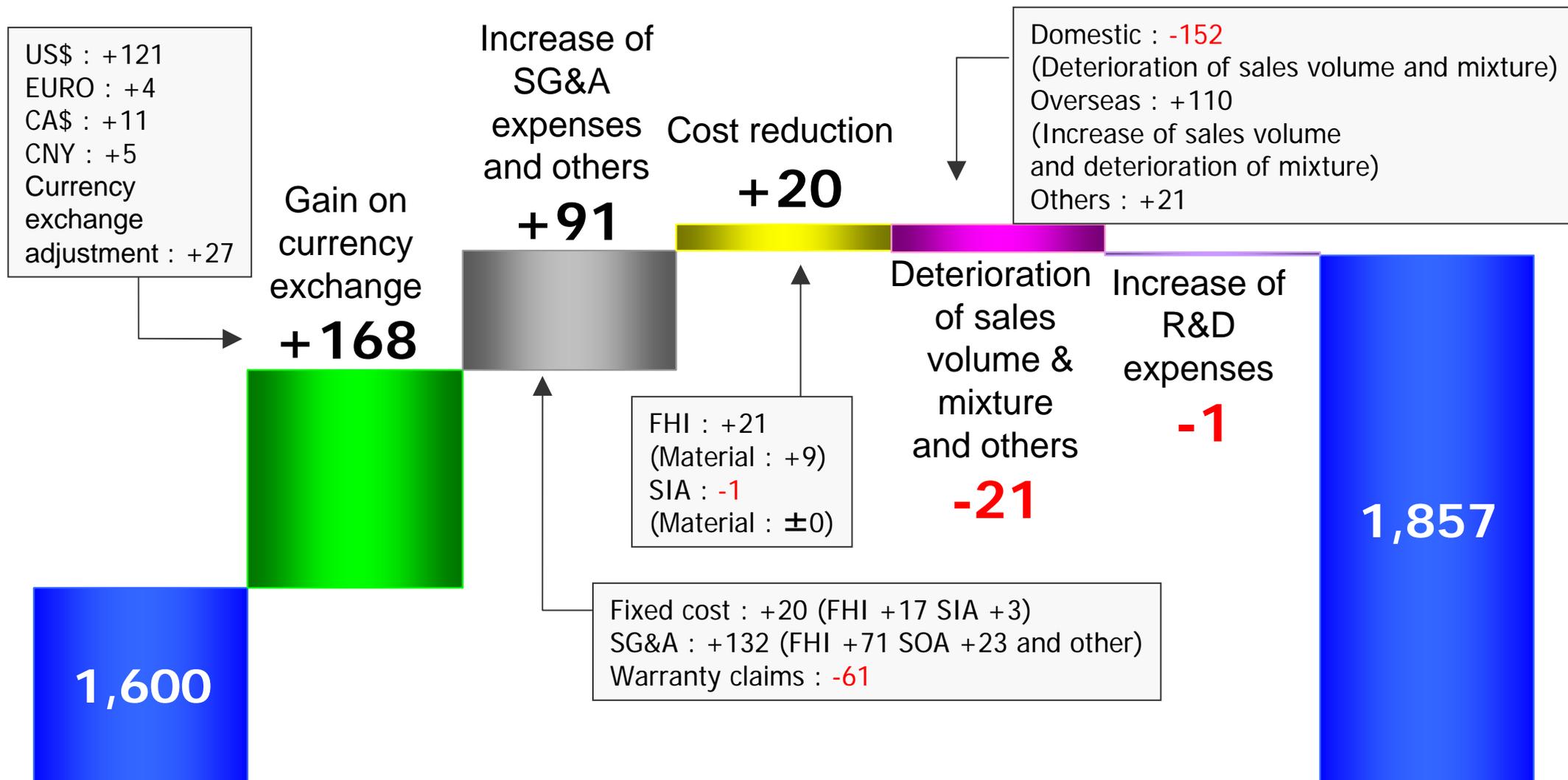
(100 Million Yen)

	Plan 1st half FYE 2015	Actual results 1st half FYE 2015	Increase / Decrease
Net sales	13,000	13,102	+102
Domestic	3,426	2,928	-498
Overseas	9,574	10,174	+600
Operating income	1,600	1,857	+257
Ordinary income	1,560	1,760	+200
Income before income taxes and minority interests	1,540	1,747	+207
Net income	1,010	1,130	+120
FHI exchange rate	¥100/US\$	¥102/US\$	+¥2/US\$

(Plan vs. Results) 1st Half : Analysis of Increase and Decrease in Operating Income Changes (Consolidated)



(100 Million Yen)



+25.7 billion

Plan
Operating income
1st Half
FYE 2015

Actual results
Operating income
1st Half
FYE 2015

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



(Thousand Units)

	Previous plan FYE 2015	Revised plan FYE 2015	Increase / Decrease
Passenger car	143.7	125.7	-18.0
Minicar	51.2	40.8	-10.4
Domestic total	194.9	166.5	-28.4
U.S.	490.2	513.2	+23.0
Canada	40.4	40.7	+0.3
Russia	19.3	18.7	-0.6
Europe	40.3	36.0	-4.3
Australia	40.1	38.2	-1.9
China	57.3	60.0	+2.7
Others	33.5	36.1	+2.6
Overseas total	721.1	742.8	+21.7
Total	916.0	909.4	-6.6

(Previous Plan vs. Revised Plan)

Full Year : Consolidated Income Statements



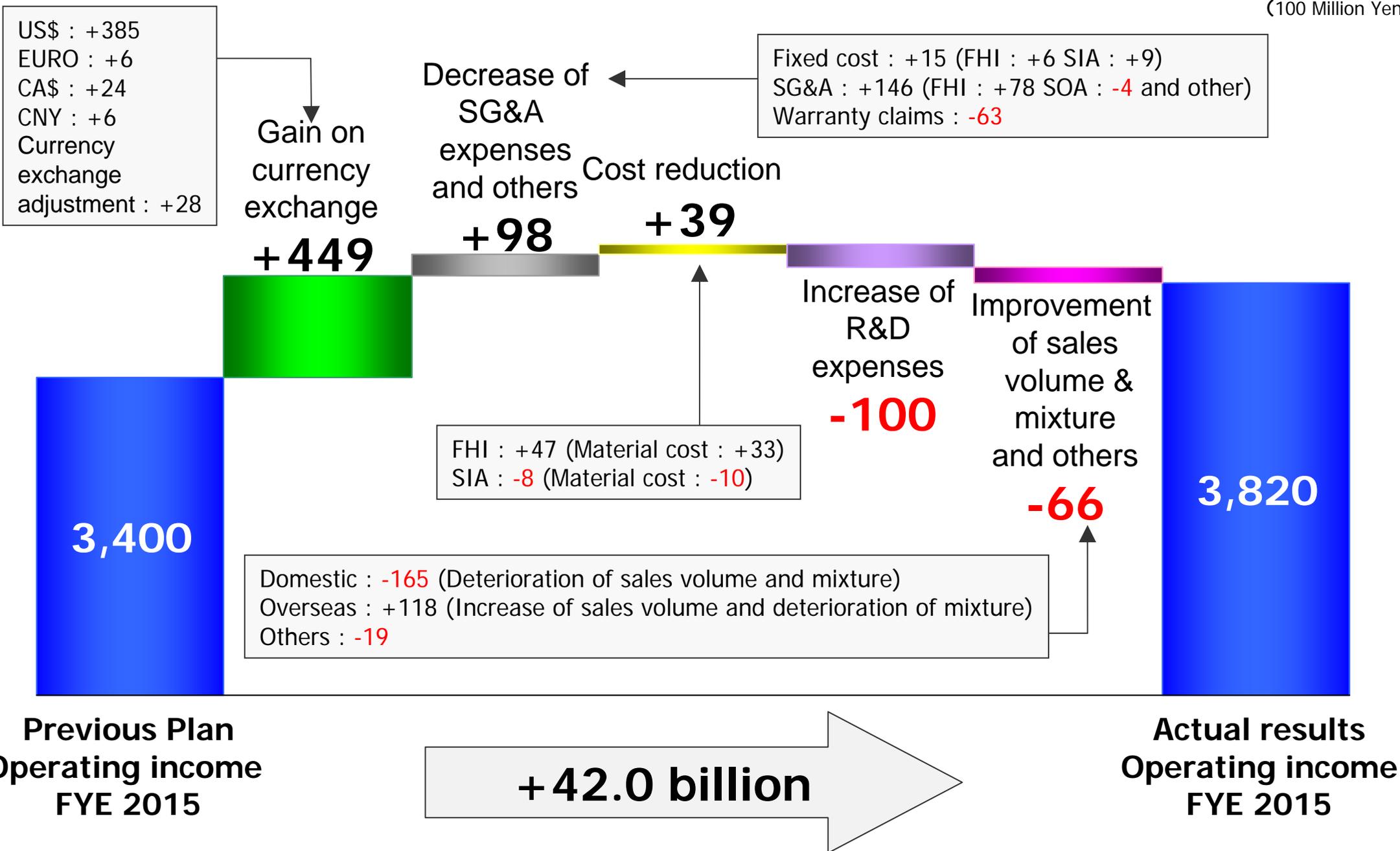
(100 Million Yen)

	Previous plan FYE 2015	Revised plan FYE 2015	Increase / Decrease
Net sales	27,200	27,800	+600
Domestic	7,032	6,582	-450
Overseas	20,168	21,218	+1,050
Operating income	3,400	3,820	+420
Ordinary income	3,300	3,700	+400
Income before income taxes and minority interests	3,240	3,640	+400
Net income	2,150	2,410	+260
FHI exchange rate	¥100/US\$	¥104/US\$	+¥4/US\$

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



(100 Million Yen)



Appendix (3)

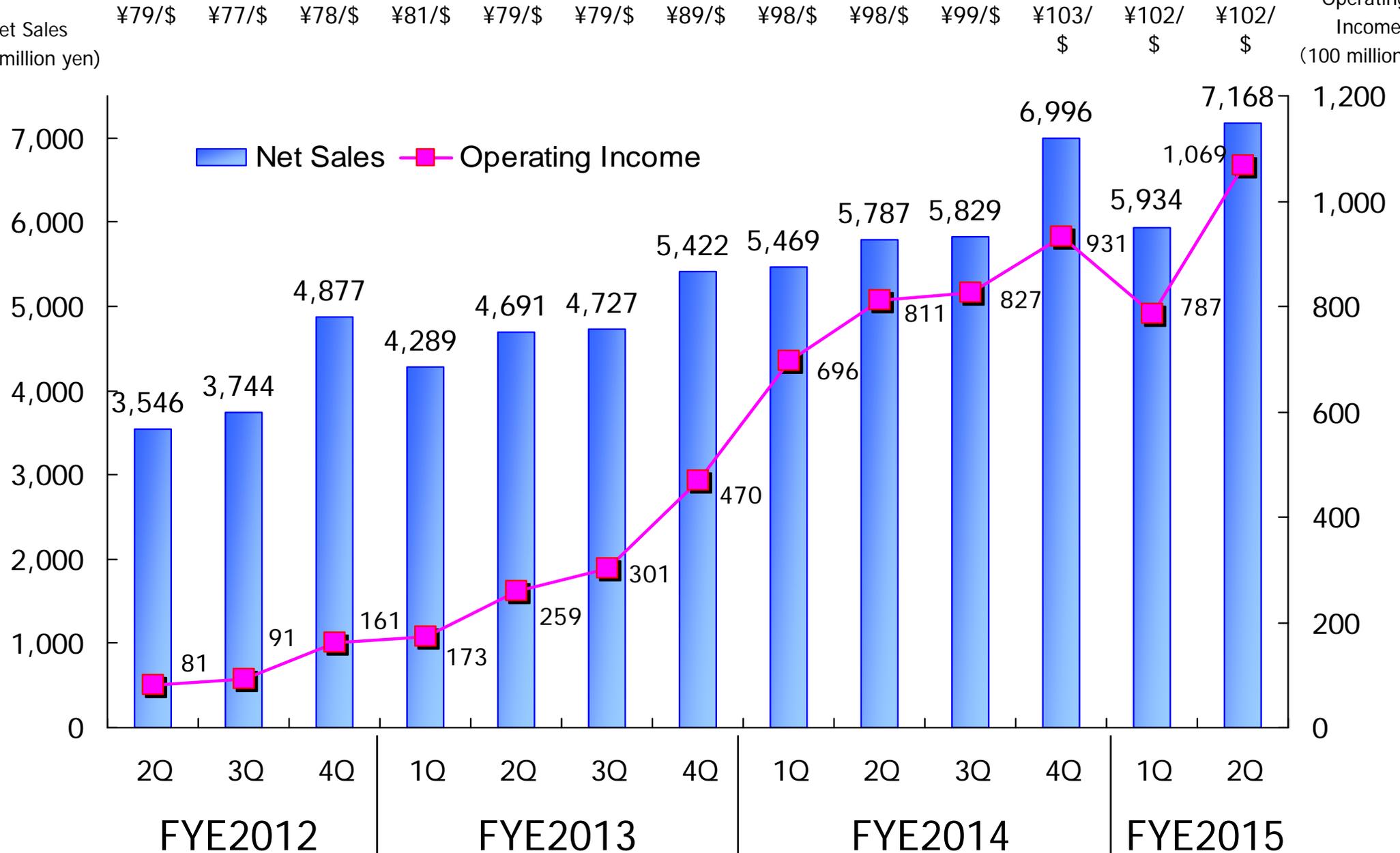
- Net sales / Operating income
- Consolidated automobile units / OPM
- Complete cars production / Retail units
- FCF / Shareholders' equity to total assets
- Interest-bearing debt / D/E ratio

Net Sales & Operating Income



Operating Income
(100 million yen)

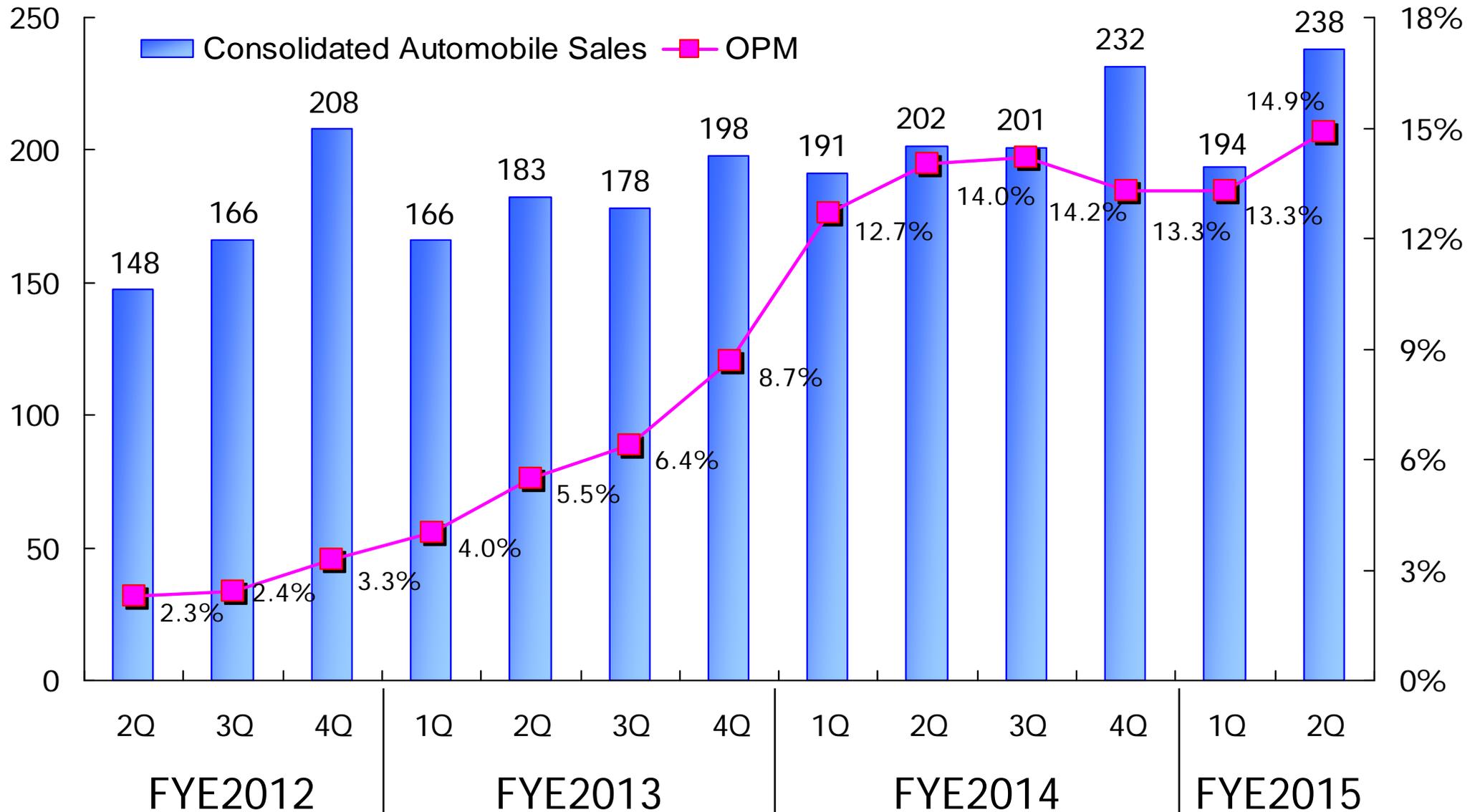
Net Sales
(100 million yen)



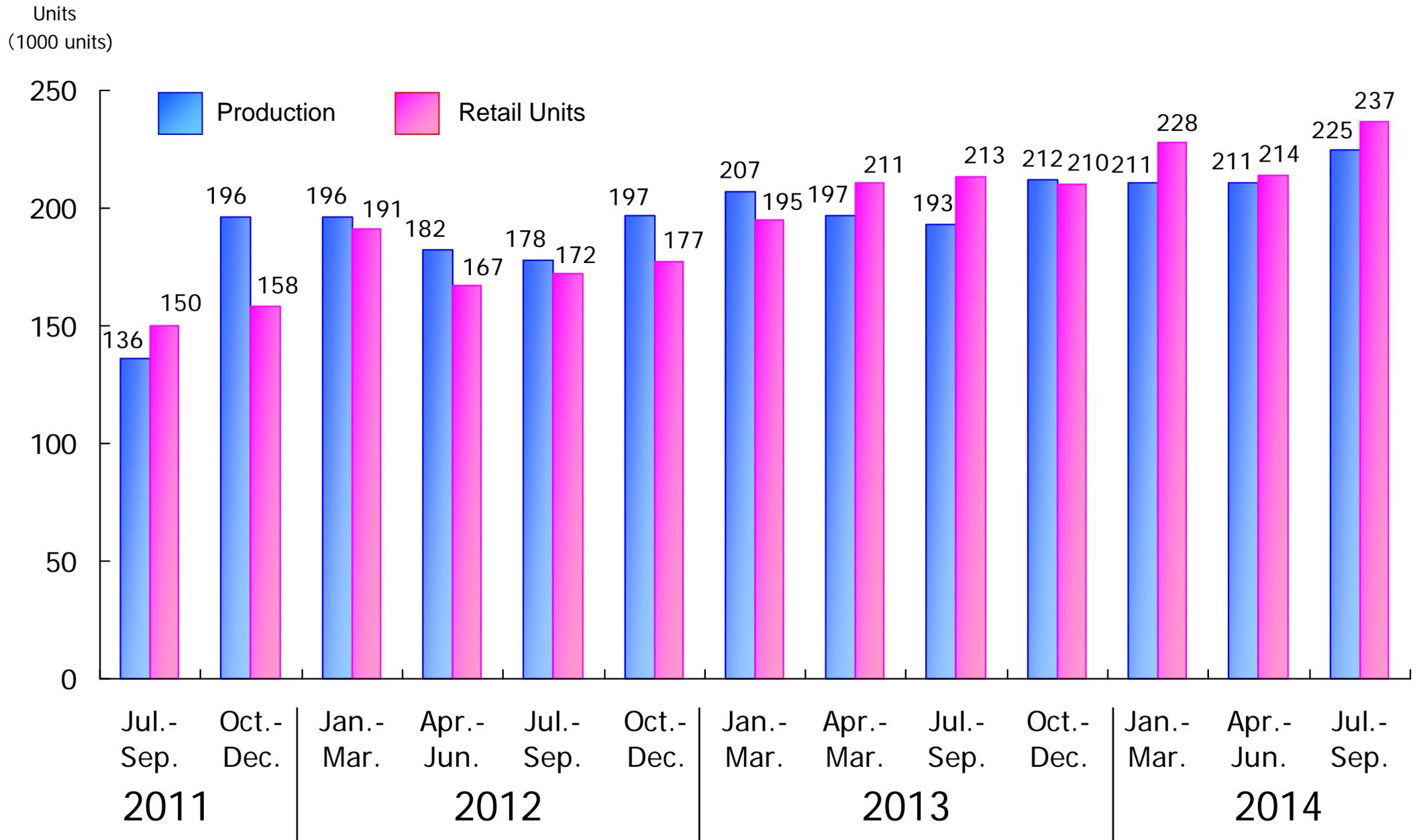
Consolidated Automobile Sales & Operating Income Margin



Automobile sales
(1,000 cars)



Completed Cars Production & Retail Units



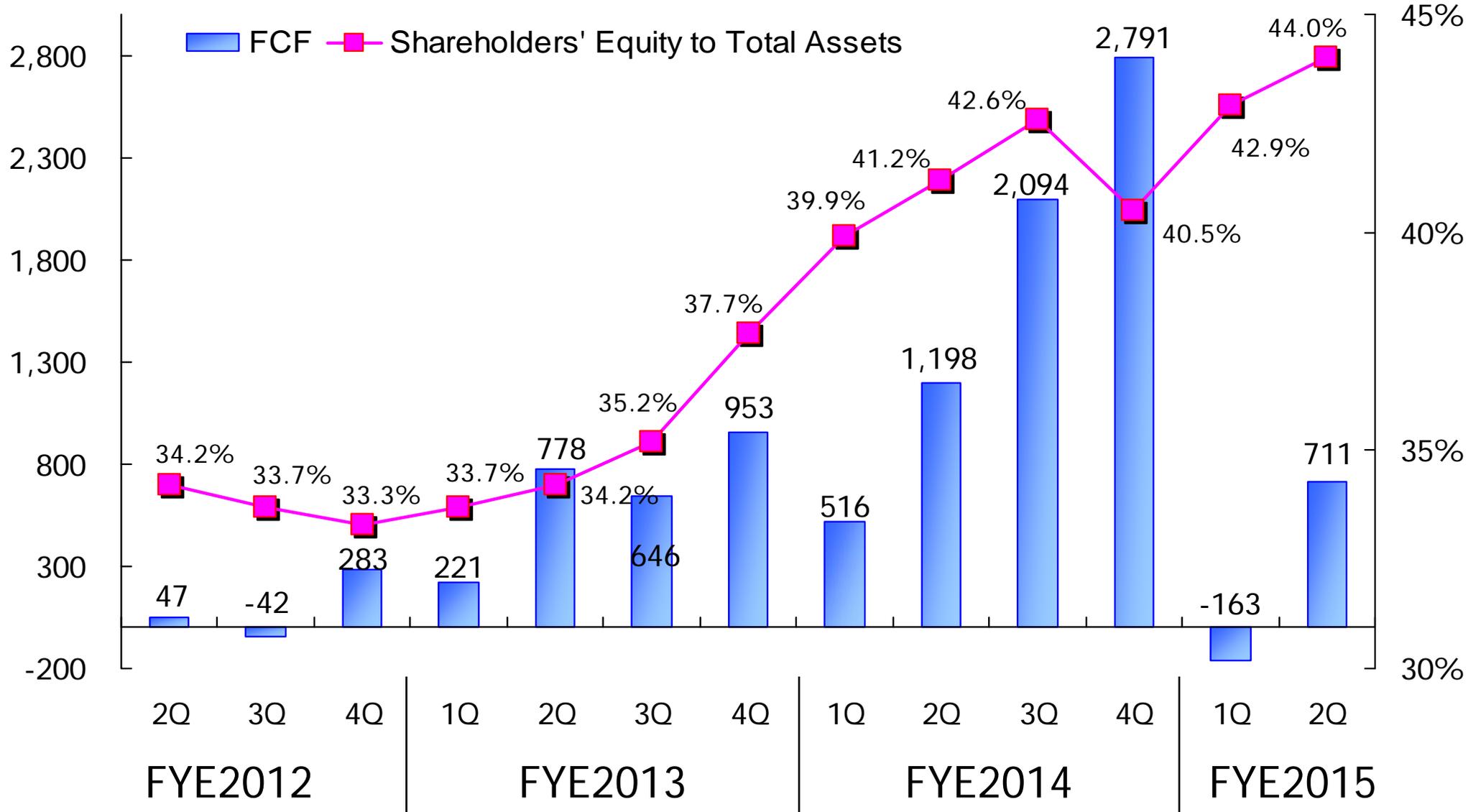
* Production figures include Toyota 86.

Free Cash Flows & Shareholders' Equity to Total Assets



FCF
(100 million yen)

Shareholders'
Equity to
Total Assets

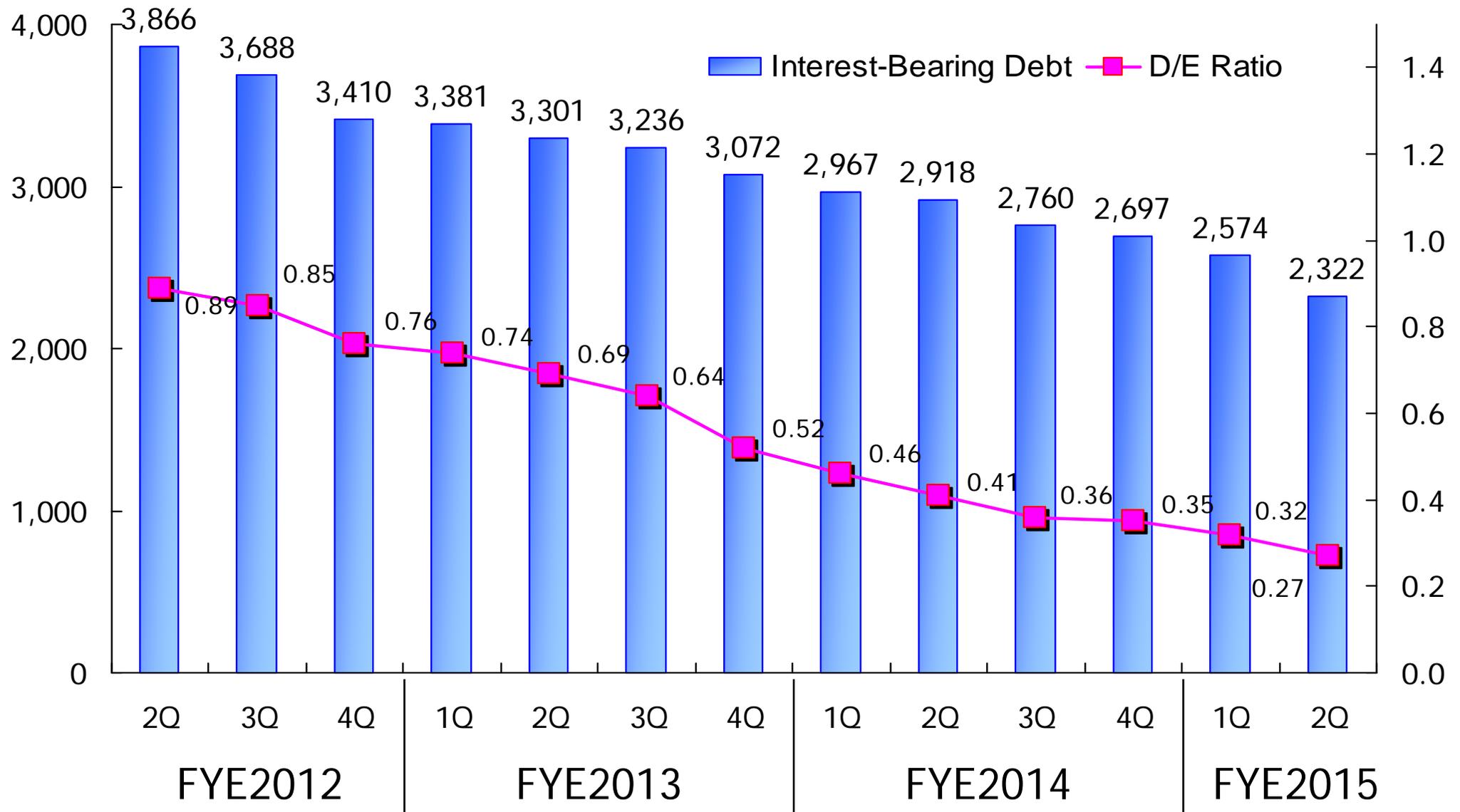


Interest-Bearing Debt & D/E Ratio



Interest
Bearing Debt
(100 million yen)

D/E ratio





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