

**Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.**

**The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.**

(Securities Code: 7270)

June 1, 2007

**Fuji Heavy Industries Ltd.**

7-2, Nishi-Shinjuku 1-chome,  
Shinjuku-ku, Tokyo

## **Notice of the 76th Ordinary General Meeting of Shareholders**

To our Shareholders:

You are cordially invited to attend the 76th Ordinary General Meeting of Shareholders of Fuji Heavy Industries Ltd. (the “Company”), to be held as set forth below.

**If you are unable to attend the meeting, you can exercise your voting rights in writing. Please review the Reference Documents for the Exercise of Voting Rights, indicate your vote for or against each of the proposals on the enclosed voting form, and return the form to the Company so that it arrives no later than 5:45 p.m., Monday, June 25, 2007.**

Sincerely,

Ikuro Mori, President and CEO

**1. Date and Time:** Tuesday, June 26, 2007; 10 a.m.

**2. Place:** Zenrosai Hall SPACE ZERO, Zenrosai Kaikan 1F  
12-10, Yoyogi 2-chome, Shibuya-ku, Tokyo

**3. Agenda of the Meeting:**

***Matters to Be Reported:***

1. Presentation of the Business Report and the Consolidated Financial Statements for the 76th Fiscal Period (April 1, 2006, through March 31, 2007), as well as the Audit Reports of the Accounting Auditor and the Board of Corporate Auditors on the Consolidated Financial Statements
2. Presentation of the Non-Consolidated Financial Statements for the 76th Fiscal Year (April 1, 2006, through March 31, 2007)

***Proposals to Be Voted on:***

- Proposal 1:** Approval of the Proposed Appropriation of Retained Earnings  
**Proposal 2:** Election of Eight (8) Directors of the Board  
**Proposal 3:** Election of One (1) Corporate Auditor  
**Proposal 4:** Election of One (1) Substitute Corporate Auditor  
**Proposal 5:** Presentation of Retirement Allowances to Retiring Directors of the Board and Payment of Retirement Allowances Following the Discontinuance of the Practice of Paying Retirement Allowances to Directors of the Board and Corporate Auditors

---

\* If you attend the meeting in person, please submit your completed voting form at the reception desk.

## Reference Documents for the Exercise of Voting Rights

### Proposals and Information:

#### **Proposal 1:** Approval of the Proposed Appropriation of Retained Earnings

As for the appropriation of surplus for the year under review, it is proposed as follows.

##### Year-end dividend:

The Company positions return to shareholders as an important managerial issue and intends to maintain a stable payment of dividends over the long-term, while giving consideration to business performance, the payout ratio and other factors.

Upon consideration of the Company's business performance for the year under review and future business possibilities, as well as strengthening its business structure, it is hereby proposed that the year-end dividend for the 76th fiscal period be as follows:

(1) Type of Dividend:

Cash

(2) Amount of Dividend:

¥4.50 per share of the Company's common stock

Total dividends: ¥3,233,820,515

Including the paid interim dividend of ¥4.50 per share, the annual dividend for the year under review would be ¥9.00 per share.

(3) Effective Date:

June 27, 2007

**[Translation for Reference Purposes Only]**

**Proposal 2: Election of Eight (8) Directors of the Board**

The terms of office of eight (8) Directors of the Board will expire at the conclusion of this Ordinary General Meeting of Shareholders. It is hereby proposed that eight (8) Directors of the Board be elected.

Candidates for the position of Director of the Board are as follows:

No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of Shares of the Company Held by Candidate
1	Ikuo Mori (August 19, 1947)	<p>Apr. 1970    Joined the Company</p> <p>Jun. 1995    Staff General Manager of North America Affiliate Department, Subaru Overseas Division</p> <p>Jun. 1997    General Manager of Production Planning &amp; Management Department, Subaru Overseas Division</p> <p>Jun. 1999    General Manager of Overseas Planning Department, Subaru Overseas Division</p> <p>Jun. 2001    General Manager of Sales Planning Department and Staff General Manager of Sales Promotion Department</p> <p>Jun. 2002    Corporate Vice President, Chief General Manager of Europe Region and Chief General Manager of Asia Pacific Region, Subaru Sales &amp; Marketing Division</p> <p>Jun. 2004    Corporate Vice President, Chief General Manager of Subaru Parts &amp; Accessories Division</p> <p>Apr. 2005    Corporate Senior Vice President, Chief General Manager of Subaru Overseas Sales &amp; Marketing Division</p> <p>Jun. 2006    Corporate Executive Vice President, Chief General Manager of Subaru Overseas Sales &amp; Marketing Division</p> <p>Jun. 2006    Representative Director of the Board, President and CEO (to the present)</p>	21,000

[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of Shares of the Company Held by Candidate
2	Hiroshi Komatsu (May 7, 1945)	<p>Apr. 1968    Joined the Company</p> <p>Jun. 1991    General Manager of 2nd Power Unit Development Department, Subaru Engineering Division</p> <p>Nov. 1997    General Manager of Design Quality Control Department, Subaru Development Division</p> <p>Jun. 1999    Vice President, Senior General Manager of Quality Assurance Division and General Manager of Quality Planning Department</p> <p>Jun. 2001    Senior Vice President, Senior General Manager of Subaru Engineering Division</p> <p>Jun. 2003    Corporate Executive Vice President, President of Industrial Products Company</p> <p>Apr. 2005    Corporate Executive Vice President, Chief General Manager of Subaru Manufacturing Division</p> <p>Jun. 2005    Director of the Board, Corporate Executive Vice President, Chief General Manager of Subaru Manufacturing Division</p> <p>Jun. 2006    Director of the Board, Corporate Executive Vice President</p> <p>Jun. 2006    Representative Director of the Board, Senior Executive Vice President (to the present)</p> <p><u>(Responsibilities in the Company)</u> Subaru Manufacturing Division, Subaru Purchasing Division, Subaru Cost Planning &amp; Management Division and Industrial Products Company</p>	26,000

[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of Shares of the Company Held by Candidate
3	Shunsuke Takagi (October 28, 1946)	<p>Apr. 1969    Joined the Company</p> <p>Apr. 1991    Deputy General Manager of Budget &amp; Accounting Department</p> <p>Apr. 1994    Staff General Manager of Corporate Planning Department</p> <p>Jun. 1999    Vice President, General Manager of General Administration Department and Real Estate Department</p> <p>Apr. 2000    Vice President, General Manager of Human Resources Department, General Administration Department and Real Estate Department</p> <p>Jun. 2001    Senior Vice President, General Manager of Finance &amp; Accounting Department</p> <p>Jun. 2003    Director of the Board, Corporate Executive Vice President</p> <p>Apr. 2005    Director of the Board, Corporate Executive Vice President, Chief General Manager of Strategy Development Division</p> <p>Jun. 2005    Representative Director of the Board, Corporate Executive Vice President, Chief General Manager of Strategy Development Division</p> <p>Jun. 2006    Representative Director of the Board, Corporate Executive Vice President (to the present)</p> <p><u>(Responsibilities in the Company)</u> Strategy Development Division, Secretarial Office, Finance &amp; Accounting Department, Corporate Communications Department, Business Process &amp; Information System Management Department, General Administration Department, Legal Department, Internal Audit Department and Subaru Overseas Sales &amp; Marketing Division 2</p>	30,000

[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of Shares of the Company Held by Candidate
4	Hiroyuki Oikawa (July 29, 1946)	<p>Apr. 1969    Joined the Company</p> <p>Apr. 1992    General Manager of 1st Production Department, Gunma Plant</p> <p>Dec. 1997    General Manager of 2nd Production Department, Gunma Plant</p> <p>Apr. 1999    General Manager of Production Control Department, Gunma Plant</p> <p>Jun. 1999    Senior General Manager of Gunma Plant</p> <p>Jun. 2001    Vice President, Senior General Manager of Manufacturing Division and Chief General Manager of Gunma Plant</p> <p>Jun. 2002    Corporate Senior Vice President, Chief General Manager of Subaru Manufacturing Division and Chief General Manager of Gunma Plant</p> <p>Jun. 2003    Corporate Senior Vice President, President of SUBARU of INDIANA AUTOMOTIVE, INC.</p> <p>Jun. 2006    Corporate Executive Vice President, President of SUBARU of INDIANA AUTOMOTIVE, INC.</p> <p>Jun. 2006    Director of the Board, Corporate Executive Vice President, President of SUBARU of INDIANA AUTOMOTIVE, INC.</p> <p>Apr. 2007    Director of the Board, Corporate Executive Vice President, Chairman of SUBARU of INDIANA AUTOMOTIVE, INC. (to the present)</p> <p><i>(Responsibilities in the Company)</i> Subaru Overseas Sales &amp; Marketing Division 1, SUBARU of INDIANA AUTOMOTIVE, INC., SUBARU of AMERICA, INC.</p> <p><i>(Representative Positions in Other Companies)</i> Chairman of SUBARU of INDIANA AUTOMOTIVE, INC.</p>	15,000

[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of Shares of the Company Held by Candidate
5	Norihisa Matsuo (February 21, 1948)	<p>Apr. 1970    Joined the Company</p> <p>Jun. 1991    General Manager of Advanced Project Development Office, Utsunomiya Plant, Aerospace Division</p> <p>Apr. 1995    Staff General Manager of Unmanned Air Vehicles Engineering Department, Utsunomiya Plant, Aerospace Division</p> <p>Jul. 1998    Staff General Manager of Aerospace Division</p> <p>Oct. 1998    General Manager of Marketing &amp; Sales Defense Programs Department, Aerospace Division</p> <p>Jun. 2001    Vice President, Senior General Manager of Aerospace Division (Defense Program)</p> <p>Jun. 2002    Corporate Vice President, Vice President of Aerospace Company and President of Fuji Aerospace Technology Co., Ltd.</p> <p>Jun. 2003    Corporate Senior Vice President, President of Aerospace Company</p> <p>Jun. 2006    Corporate Executive Vice President, President of Aerospace Company</p> <p>Jun. 2006    Director of the Board, Corporate Executive Vice President, President of Aerospace Company (to the present)</p> <p><u>(Responsibilities in the Company)</u></p> <p>Aerospace Company and Eco Technologies Company</p>	23,102

[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of Shares of the Company Held by Candidate
6	Kazushige Okuhara (January 27, 1948)	<p>Apr. 1970    Joined the Company</p> <p>Jun. 1993    Regional Manager of Regional Management Department, Domestic Sales Division (Chugoku, Shikoku and Kyusyu)</p> <p>Apr. 1994    General Manager of 4th Sales Department, Domestic Sales Division</p> <p>Jun. 1997    General Manager of 2nd Sales Department, Domestic Sales Division</p> <p>Jun. 1998    General Manager of Sales Planning Department, Domestic Sales Division</p> <p>Jun. 2001    Vice President, Senior General Manager of Japan Region, Subaru Sales &amp; Marketing Division Chief General Manager of Subaru Parts &amp; Accessories Division and General Manager of Customer Service Center</p> <p>Jul. 2002    Corporate Vice President, Senior General Manager of Japan Region, Subaru Sales &amp; Marketing Division and General Manager of Sales Support Department</p> <p>Jun. 2003    Corporate Senior Vice President, Chief General Manager of Subaru Japan Sales &amp; Marketing Division and Chief General Manager of Subaru Marketing Division</p> <p>Apr. 2005    Corporate Senior Vice President, General Manager of Human Resources Department</p> <p>Jun. 2005    Corporate Senior Vice President, General Manager of Human Resources Department and President of Subaru System Service Co., Ltd.</p> <p>Jun. 2006    Corporate Executive Vice President, General Manager of Human Resources Department and President of Subaru System Service Co., Ltd.</p> <p>Jun. 2006    Director of the Board, Corporate Executive Vice President, General Manager of Human Resources Department and President of Subaru System Service Co., Ltd.</p> <p>Jun. 2007    Director of the Board, Corporate Executive Vice President, General Manager of Human Resources Department (to the present)</p> <p><u>(Responsibilities in the Company)</u> Human Resources Department, Subaru Global Marketing Division, Subaru Japan Sales &amp; Marketing Division, Subaru Parts &amp; Accessories Division and Subaru Customer Center</p>	17,000



[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of Shares of the Company Held by Candidate
7	Shoichi Washizu (January 23, 1946)	<p>Apr. 1968 Joined the Company</p> <p>Jul. 1994 General Manager of Chassis Designing Department, Engineering Division</p> <p>Jul. 1995 General Manager of Chassis Designing Department, Subaru Development Division</p> <p>Jun. 1999 General Manager of Design Quality Control Department, Subaru Development Division</p> <p>Apr. 2000 General Manager of Engineering Administration Department, Subaru Engineering Division</p> <p>Jun. 2001 Vice President, Senior General Manager of Quality Assurance Division</p> <p>Jun. 2003 Corporate Senior Vice President, Chief General Manager of Subaru Engineering Division</p> <p>Jun. 2006 Corporate Executive Vice President, Chief General Manager of Subaru Engineering Division (to the present)</p>	28,000
8	Masatsugu Nagato (November 18, 1948)	<p>Apr. 1972 Joined Industrial Bank of Japan, Ltd. (IBJ)</p> <p>Sep. 1974 Fletcher School of Law and Diplomacy</p> <p>Mar. 1979 Houston Representative Office of IBJ</p> <p>Mar. 1983 Corporate Banking Dept. No.5 (Energy) of IBJ</p> <p>Mar. 1987 Aubrey G. Lanston &amp; Co. Inc. (subsidiary of IBJ)</p> <p>Jun. 1991 Business Coordination Dept. of IBJ</p> <p>Feb. 1993 Corporate Banking Dept. (Multinational) of IBJ</p> <p>Mar. 1997 General Manager, Bangkok Branch of IBJ</p> <p>Aug. 2000 Executive Officer, General Manager, Corporate Banking Dept. No.2 (Automobile and Electric Appliances) of IBJ</p> <p>Jun. 2001 Managing Executive Officer in charge of Research Headquarters, IBJ</p> <p>Apr. 2002 Managing Executive Officer, Mizuho Bank, Ltd.</p> <p>Apr. 2003 Managing Executive Officer and Head of Americas, Mizuho Corporate Bank, Ltd.</p> <p>Mar. 2006 Retired from Managing Executive Officer of Mizuho Corporate Bank, Ltd.</p> <p>Jun. 2006 Corporate Executive Vice President of the Company</p> <p>Apr. 2007 Corporate Executive Vice President, Chief General Manager of Subaru Overseas Sales &amp; Marketing Division 2 (to the present)</p>	10,000

Note: The candidates have no special interest relationships with the Company.

**[Translation for Reference Purposes Only]**

**Proposal 3: Election of One (1) Corporate Auditor**

The term of office of Corporate Auditor Takeo Tsumuji will expire at the conclusion of this Ordinary General Meeting of Shareholders. It is hereby proposed that one (1) Corporate Auditor be elected.

The proposal has been approved by the Board of Corporate Auditors Meeting.

The candidate for the position of Corporate Auditor is as follows:

Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of Shares of the Company Held by Candidate
Takeo Tsumuji (April 16, 1942)	<p>Apr. 1965    Joined the Company</p> <p>Nov. 1988    General Manager of Affiliated Enterprises Department</p> <p>Jan. 1990    Staff General Manager of Corporate Strategic Department</p> <p>Jun. 1993    General Manager of Budget &amp; Accounting Department</p> <p>Jun. 1997    Director of the Board, General Manager of Budget &amp; Accounting Department</p> <p>Jun. 1999    Senior Vice President, General Manager of Corporate Accounting Department and Internal Audit Department</p> <p>Apr. 2000    Senior Vice President, Chief General Manager of Transportation &amp; Ecology System Division</p> <p>Jun. 2002    Corporate Senior Vice President, FHI Group Management Planning Unit (Non-Automotive Business) Chief General Manager of Transportation Division</p> <p>Apr. 2003    Corporate Senior Vice President, FHI Group Management Planning Unit (Non-Automotive Business, Isesaki Office and House Division)</p> <p>Jun. 2003    Standing Corporate Auditor (to the present)</p>	18,204

Note: The candidate has no special interest relationship with the Company.

**[Translation for Reference Purposes Only]**

**Proposal 4: Election of One (1) Substitute Corporate Auditor**

The resolution on the election of a Substitute Auditor for Outside Corporate Auditor made at the 75th Ordinary General Meeting of Shareholders held on June 27, 2006, expires at the opening of this 76th Ordinary General Meeting of Shareholders. It is therefore proposed that one (1) Substitute Auditor for Outside Corporate Auditor be elected in case of vacancy of the statutory number of Corporate Auditors.

The validity of the resolution on the election of Iwao Sekiya shall expire at the opening of the first Ordinary General Meeting of Shareholders to be held after said resolution was made, and can be nullified by resolution of the Board of Directors, with the consent of the Board of Corporate Auditors Meeting, only before he assumes office.

The proposal has been approved by the Board of Corporate Auditors Meeting.

The candidate for the position of Substitute Corporate Auditor is as follows:

Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of Shares of the Company Held by Candidate
Iwao Sekiya (December 11, 1945)	Apr. 1973 Registered as a lawyer with the Tokyo Bar Association Oct. 1983 Established Sekiya Law Office Nov. 2006 Auditor of Keio University (to the present)	40,800

**Notes:**

1. The above candidate for Substitute Corporate Auditor has no special interest relationship with the Company.
2. The above candidate is nominated for Substitute Auditor for Outside Corporate Auditor.
3. Reasons why the candidate Iwao Sekiya is nominated for Substitute Auditor for Outside Corporate Auditor and why we regard him as capable of fulfilling the duty of Outside Corporate Auditor are as follows:

Due to his long experience as a lawyer, Iwao Sekiya has advanced professional expertise in corporate legal affairs. Although he has no experience dealing directly with corporate management, he has adequate insights to guide corporate management based on his experience in corporate legal affairs.

For these reasons, it has been concluded that Iwao Sekiya is capable as an Outside Corporate Auditor of the Company and should be able to fulfill the relevant duties if he takes office.

4. Agreement for limitation of liabilities between the candidate and the Company

To allow the Company's Outside Corporate Auditors to fulfill their expected roles, Article 38 of the Company's Articles of Incorporation provides that the Company may conclude a contract with its Outside Corporate Auditors to limit liabilities for compensation of damages under Article 423-1 of the Corporate Law. Accordingly, if Iwao Sekiya assumes office as an Outside Corporate Auditor, the Company will conclude such a contract with him. The outline of the contract is as follows.

- (1) The ceiling amount for liabilities under Article 423-1 of the Corporate Law for Outside Corporate Auditors shall be whichever is higher, a previously designated amount of ¥5 million or more, or an amount stipulated by laws and regulations.
- (2) The limitation of liabilities as described above shall be accepted only when the Outside Corporate Auditors performed the duty in good faith and without gross negligence that was associated with the damages they are liable for.

**[Translation for Reference Purposes Only]**

**Proposal 5: Presentation of Retirement Allowances to Retiring Directors of the Board and Payment of Retirement Allowances Following the Discontinuance of the Practice of Paying Retirement Allowances to Directors of the Board and Corporate Auditors**

It is hereby proposed that retirement allowances be granted to Directors Takao Tsuchiya and Kyoji Takenaka, who will retire at the conclusion of this Ordinary General Meeting of Shareholders, in appreciation of services rendered by them while in office, within the extent of a reasonable amount in accordance with the established standards of the Company and that determination of the actual amount, the timing and method of payment, etc., be left to the Board of Directors.

Biographies of the retiring Directors are as follows:

Name (Date of Birth)	Biography
Takao Tsuchiya	Jun. 2003 Director of the Board, Corporate Executive Vice President of the Company Jun. 2005 Representative Director of the Board, Corporate Executive Vice President Jun. 2006 Representative Director of the Board, Senior Executive Vice President (to the present)
Kyoji Takenaka	Jun. 2001 Representative Director of the Board, President and CEO of the Company Jun. 2006 Director of the Board, Senior Corporate Advisor (to the present)

At the meeting of the Board of Directors held on May 11, 2007, it was resolved to discontinue the practice of paying retirement allowances to the Directors of the Board and the Corporate Auditors at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, it is hereby proposed that retirement allowances be paid to Directors Ikuo Mori, Hiroshi Komatsu, Shunsuke Takagi, Hiroyuki Oikawa, Norihisa Matsuo and Kazushige Okuhara and Corporate Auditors Takeo Tsumuji, Masatake Yashiro, Yoji Ishimaru and Morihiko Tashiro for the period of their service until the conclusion of this Ordinary General Meeting of Shareholders, within the extent of a reasonable amount in accordance with the established standards of the Company. It is also proposed that such retirement allowances be paid when said Directors and Corporate Auditors retire from office, and that determination of the actual amount, the timing and method of payment, etc., be left to the Board of Directors in respect of the Directors, and the Board of Corporate Auditors Meeting in respect of the Corporate Auditors.

Biographies of the Directors and the Corporate Auditors to whom this proposal applies are as follows:

Name	Biography
Ikuo Mori	Jun. 2006 Representative Director of the Board, President and CEO (to the present)
Hiroshi Komatsu	Jun. 2005 Director of the Board, Corporate Executive Vice President Jun. 2006 Representative Director of the Board, Senior Executive Vice President (to the present)
Shunsuke Takagi	Jun. 2003 Director of the Board, Corporate Executive Vice President Jun. 2005 Representative Director of the Board, Corporate Executive Vice President (to the present)
Hiroyuki Oikawa	Jun. 2006 Director of the Board, Corporate Executive Vice President (to the present)
Norihisa Matsuo	Jun. 2006 Director of the Board, Corporate Executive Vice President (to the present)
Kazushige Okuhara	Jun. 2006 Director of the Board, Corporate Executive Vice President (to the present)
Takeo Tsumuji	Jun. 2003 Standing Corporate Auditor (to the present)
Masatake Yashiro	Jun. 2004 Standing Corporate Auditor (to the present)
Yoji Ishimaru	Jun. 2006 Standing Corporate Auditor (to the present)
Morihiko Tashiro	Jun. 2004 Corporate Auditor (to the present)