

Please note that the following is an unofficial English translation of Japanese original text of the Notice of Convocation of the 78th Ordinary General Meeting of Shareholders of Fuji Heavy Industries Ltd. The Company provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

(Securities Code: 7270)

June 2, 2009

Fuji Heavy Industries Ltd.

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

**NOTICE OF CONVOCATION OF
THE 78TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

To our Shareholders:

You are cordially invited to attend the 78th 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 via the following methods. After reading the “Reference Documents for the Exercise of Voting Rights” contained herein, please exercise your voting rights.

[Exercise of Voting Rights by Mail]

Please 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., Tuesday, June 23, 2009.

[Exercise of Voting Rights via the Internet]

Please access the relevant Web site for the exercise of voting rights (<http://www.it-soukai.com/> or <https://daiko.mizuho-tb.co.jp/>). This site is provided in Japanese only. Enter the “Voting Code” and the “Password” provided on the enclosed voting form and follow the instructions on the screen to enter your vote for or against each of the proposals no later than 5:45 p.m., Tuesday, June 23, 2009.

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Sincerely,

Ikuo Mori,
President and CEO

1. Date and Time: Wednesday, June 24, 2009, 10 a.m.

2. Place: Lower Ground F1, Century Room
Hyatt Regency Tokyo (former Century Hyatt Tokyo)
7-2, Nishi-Shinjuku 2-chome, Shinjuku-ku, Tokyo

Please refer to the map of the place;
<http://tokyo.regency.hyatt.com/hyatt/hotels/services/maps/index.jsp?sessionId=RYDYJGJDFQG1QCTEAGCCFFAKMQAYKIV0?icamp=propMapDirections>

3. Agenda of the Meeting:

- Matters to Be Reported:**
1. Presentation of the Business Report and the Consolidated Financial Statements for the 78th Fiscal Period (April 1, 2008, through March 31, 2009), 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 78th Fiscal Year (April 1, 2008, through March 31, 2009)

[Translation for Reference and Convenience Purposes Only]

Proposals to Be Voted on:

- | | |
|------------------------|--|
| Proposal No. 1: | Amendments to the Articles of Incorporation |
| Proposal No. 2: | Election of Seven (7) Directors of the Board |
| Proposal No. 3: | Election of One (1) Corporate Auditor |
| Proposal No. 4: | Election of One (1) Substitute Corporate Auditor |

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

* In case any changes are made in the Reference Documents for the Exercise of Voting Rights, the Business Report and the Consolidated/Non-Consolidated Financial Statements, such changes will be posted on the Company's Web site: <http://www.fhi.co.jp/english/ir/index.html>

REFERENCE DOCUMENTS FOR THE EXERCISE OF VOTING RIGHTS

Proposals and Information:

Proposal No. 1: Amendments to the Articles of Incorporation

1. Reasons for the amendments

- (1) The Law for Partial Amendments to the Law Concerning Book-Entry Transfer of Corporate Bonds and Other Securities for the Purpose of Streamlining the Settlement of Trades of Stocks and Other Securities (Law 88 of 2004) (hereinafter the “Settlement Streamlining Law”) was implemented, effective January 5, 2009, thereby necessitating a shift to the Book-Entry Transfer System for Stocks, etc. (hereinafter the “Electronic Share Certificate System”), for all listed companies. Subsequently, the Company proposes to delete the provisions regarding share certificates, beneficial shareholders and the register of beneficial shareholders that are no longer relevant and make other necessary changes. (Articles 6, 8, 9 and 10 of the current Articles of Incorporation are affected.)

Pursuant to Article 6, Paragraph 1, of the Supplementary Provisions to the Settlement Streamlining Law, Article 6 (Issuance of Share Certificates) of the current Articles of Incorporation is deemed to have been abolished as of the implementation date of said Law, which is January 5, 2009.

- (2) Because the register of loss of share certificates of the Company must be prepared and kept until one year has elapsed from the following day of the implementation date of the Settlement Streamlining Law, the Company proposes to establish supplementary provisions to the relevant effect.

- (3) Subsequent to these changes, the Company proposes to renumber the corresponding articles as required.

2. Description of the amendments

The detailed amendments to the Articles of Incorporation are as follows.

(Underlines indicate amendments.)

Current Articles of Incorporation	Proposed amendments
(Issuance of Share Certificates) <u>Article 6.</u> <u>The Company shall issue share certificates related to the shares.</u> Article 7. [Provisions omitted] (Shareholder Register Administrator) Article 8. The Company will establish a shareholder register administrator. The shareholder register administrator and its place of operation will be determined by a resolution of the Board of Directors and will be publicly announced. Preparing and maintaining the register of shareholders <u>(including the register of beneficial shareholders; the same applies hereinafter)</u> , the register of share purchase warrants <u>and the register of loss of share certificates</u> , and other matters related to the register of shareholders, the register of share purchase warrants <u>and the register of loss of share certificates</u> , will be delegated to the shareholder register administrator, and will not be handled by the Company. (Number of Shares in Unit Share <u>and Non-Issuance of Share Certificates for Fractional Unit Shares</u>) Article 9. The number of shares in a unit share of the Company is one thousand (1,000) shares. <u>Notwithstanding the provision of Article 6, the Company will not issue share certificates relating to fractional unit shares; provided however, that this will not apply if the Regulations for Handling Shares provide otherwise.</u>	[To be deleted] Article 6. [Same as the current] (Shareholder Register Administrator) Article 7. The Company will establish a shareholder register administrator. The shareholder register administrator and its place of operation will be determined by a resolution of the Board of Directors and will be publicly announced. Preparing and maintaining the register of shareholders, the register of share purchase warrants and other matters related to the register of shareholders <u>and</u> the register of share purchase warrants will be delegated to the shareholder register administrator and will not be handled by the Company. (Number of Shares in Unit Share) Article 8. The number of shares in a unit share of the Company is one thousand (1,000) shares. [To be deleted]

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Current Articles of Incorporation	Proposed amendments
<p>(Rights Regarding Fractional Unit Shares) Article <u>10</u>. The Company's shareholders (<u>including beneficial shareholders; the same applies hereinafter</u>) may not exercise any right other than the following rights regarding the fractional unit shares they own: 1. - 4. [Provisions omitted] Articles <u>11</u>.-<u>49</u>. [Provisions omitted] [<u>New Provisions</u>]</p>	<p>(Rights Regarding Fractional Unit Shares) Article <u>9</u>. The Company's shareholders may not exercise any right other than the following rights regarding the fractional unit shares they own: 1. - 4. [Same as the current] Articles <u>10</u>.-<u>48</u>. [Same as the current] <u>Supplementary Provisions</u> <u>Article 1.</u> <u>Preparing and maintaining the register of loss of share certificates and other matters related to the register of loss of share certificates will be delegated to the shareholder register administrator and will not be handled by the Company.</u> <u>Article 2.</u> <u>The preceding Article 1 and this Article 2 shall be deleted as of January 6, 2010.</u></p>

Proposal No. 2: Election of Seven (7) 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 seven (7) 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 the Company's Shares Held
1	Ikuo Mori (August 19, 1947)	<p>Apr. 1970 Joined the Company Jun. 1995 General Manager of North America Affiliate Department, Subaru Overseas Sales & Marketing Division Jun. 2001 General Manager of Sales Planning Department and General Manager of Sales Promotion Department Jun. 2002 Corporate Vice President, Chief General Manager of Europe Region and Chief General Manager of Asia Pacific Region, Subaru Sales & Marketing Division Jun. 2004 Corporate Vice President, Chief General Manager of Subaru Parts & Accessories Division Apr. 2005 Corporate Senior Vice President, Chief General Manager of Subaru Overseas Sales & Marketing Division Jun. 2006 Corporate Executive Vice President, Chief General Manager of Subaru Overseas Sales & Marketing Division Jun. 2006 Representative Director of the Board, President and CEO (to the present) <u>(Representative Positions in Other Companies)</u> Chairman, The Society of Japanese Aerospace Companies</p>	30,000 shares

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No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number the Company's Shares Held
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 Corporate Vice President, Senior General Manager of Quality Assurance Division and General Manager of Quality Planning Department</p> <p>Jun. 2001 Corporate 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 Representative Director of the Board and Senior Executive Vice President (to the present)</p> <p><u>(Responsibilities in the Company)</u> Subaru Product and Portfolio Planning Division, Subaru Engineering Division, Subaru Technical Research Center and Intellectual Property Department.</p>	31,000 shares

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No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of the Company's Shares Held
3	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>Jun. 1999 Senior General Manager of Gunma Plant</p> <p>Jun. 2001 Corporate 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. (SIA)</p> <p>Jun. 2006 Director of the Board, Corporate Executive Vice President, President of SIA</p> <p>Jun. 2008 Director of the Board and Corporate Executive Vice President (to the present)</p> <p><u>(Responsibilities in the Company)</u> Subaru Manufacturing Division, Subaru Purchasing Division, Subaru Cost Planning & Management Division and SIA</p>	26,000 shares

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No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of the Company's Shares Held
4	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>Oct. 1999 Temporarily transferred to TOKYO SUBARU Inc. as its Senior Managing Director</p> <p>Jun. 2001 Corporate Vice President, Senior General Manager of Japan Region, Subaru Sales & Marketing Division Chief General Manager of Subaru Parts & Accessories Division and General Manager of Customer Service Center</p> <p>Jun. 2003 Corporate Senior Vice President, Chief General Manager of Subaru Japan Sales & 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. 2006 Director of the Board, Corporate Executive Vice President, General Manager of Human Resources Department</p> <p>Apr. 2009 Director of the Board and Corporate Executive Vice President (to the present)</p> <p><u>(Responsibilities in the Company)</u> Human Resources Department, Subaru Japan Sales & Marketing Division, Subaru Parts & Accessories Division and Subaru Customer Center</p>	23,000 shares

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No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of the Company's Shares Held
5	Masatsugu Nagato (November 18, 1948)	<p>Apr. 1972 Joined Industrial Bank of Japan, Limited. (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>Jun. 2006 Corporate Executive Vice President of the Company</p> <p>Apr. 2007 Corporate Executive Vice President, Chief General Manager of Subaru Overseas Sales & Marketing Division 2</p> <p>Jun. 2007 Director of the Board, Corporate Executive Vice President, Chief General Manager of Subaru Overseas Sales & Marketing Division 2</p> <p>Jun. 2008 Director of the Board and Corporate Executive Vice President (to the present)</p> <p><i>(Responsibilities in the Company)</i> Subaru Global Marketing Division, Subaru Overseas Sales & Marketing Division 1, Subaru Overseas Sales & Marketing Division 2 and Subaru of America, Inc.</p>	26,000 shares

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No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of the Company's Shares Held
6	Jun Kondo (July 20, 1950)	<p>Apr. 1976 Joined the Company</p> <p>Apr. 1999 General Manager of 2nd Production Department, Gunma Plant</p> <p>Jun. 2001 Senior General Manager of Gunma Plant</p> <p>Jun. 2003 Corporate Vice President, Chief General Manager of Subaru Manufacturing Division and Chief General Manager of Gunma Plant</p> <p>May 2004 Corporate Vice President, Chief General Manager of Subaru Cost Planning & Management Division and General Manager of Cost Planning Department</p> <p>Jun. 2004 Corporate Senior Vice President, Chief General Manager of Subaru Cost Planning & Management Division</p> <p>Jun. 2006 Corporate Senior Vice President, Chief General Manager of Subaru Cost Planning & Management Division and Senior General Manager of Subaru Purchasing Division</p> <p>Apr. 2007 Corporate Senior Vice President Chief General Manager of Strategy Development Division and Chief General Manager of Subaru Cost Planning & Management Division</p> <p>Jun. 2008 Director of the Board and Corporate Executive Vice President, Chief General Manager of Strategy Development Division</p> <p>Apr. 2009 Director of the Board and Corporate Executive Vice President (to the present)</p> <p><u>(Responsibilities in the Company)</u> Strategy Development Division, Subaru Quality Assurance Division and Industrial Products Company</p>	20,020 shares

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No.	Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of the Company's Shares Held
7	Yasuyuki Yoshinaga (March 5, 1954)	<p>Apr. 1977 Joined the Company</p> <p>Oct. 1999 General Manager of Sales Planning Department, Domestic Sales Division</p> <p>Oct. 2003 Senior General Manager of Subaru Strategy Development Division and General Manager of Corporate Planning Department</p> <p>Apr. 2005 Corporate Vice President, Senior General Manager of Strategy Development Division and General Manager of Corporate Planning Department</p> <p>Jun. 2006 Corporate Vice President, Chief General Manager of Strategy Development Division</p> <p>Apr. 2007 Corporate Vice President, Chief General Manager of Subaru Japan Sales & Marketing Division and General Manager of Sales Promotion Department</p> <p>Jun. 2007 Corporate Senior Vice President, Chief General Manager of Subaru Japan Sales & Marketing Division (to the present)</p>	14,000 shares

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

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Proposal No. 3: Election of One (1) Corporate Auditor

It is hereby proposed that one (1) Corporate Auditor be elected, and the candidate for the position of Corporate Auditor is as follows. This proposal has been approved at a Board of Corporate Auditors Meeting.

Corporate Auditor Takeo Tsumuji will resign at the conclusion of this Ordinary General Meeting of Shareholders.

Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies		Number of the Company's Shares Held
Shunsuke Takagi (October 28, 1946)	Apr. 1969	Joined the Company	30,000 shares
	Jun. 1999	Corporate Vice President, General Manager of General Administration Department and Real Estate Department	
	Jun. 2001	Corporate Senior Vice President, General Manager of Finance & Accounting Department	
	Jun. 2003	Director of the Board, Corporate Executive Vice President	
	Jun. 2005	Representative Director of the Board, Corporate Executive Vice President, Chief General Manager of Strategy Development Division	
	Jun. 2006	Representative Director of the Board, Corporate Executive Vice President (to the present)	

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

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Proposal No. 4: Election of One (1) Substitute Corporate Auditor

The resolution on the election of a Substitute Auditor for Outside Corporate Auditor made at the 77th Ordinary General Meeting of Shareholders held on June 25, 2008, expires at the opening of this 78th 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 candidate for the position of Outside Corporate Auditor is as follows:

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.

Name (Date of Birth)	Biography, Posts and Responsibilities in the Company, and Representative Positions in Other Companies	Number of the Company's Shares Held
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 Apr. 2008 Outside Auditor, Ryoyo Electro Corporation (to the present)	40,800 shares

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. We chose Iwao Sekiya as a candidate for Substitute Auditor for Outside Corporate Auditor in the belief that he is capable as an Outside Corporate Auditor of the Company and should be able to fulfill the relevant duties if he takes office.

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.

4. 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 Company 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 Corporation 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.