Notice Concerning a Refund in Connection with Misconduct in the Clean Robot Division

On February 20, 2012, Fuji Heavy Industries Ltd. ("FHI") reported in a public release about an accounting malfeasance incident and the improper collection of funds for commissioned and subsidized projects at the Clean Robot Division of the Eco Technologies Company of FHI. An investigation has since been launched into the improper collection of funds, and the refundable amount has been calculated.

The investigation was first conducted by FHI’s internal committee. Its findings were then studied and verified by a third-party committee including external legal counsel established to ensure the credibility and objectivity. The outcome of the investigation is a refund amount of approximately 1.3 billion yen, including interest and penalties, refundable to institutions of the state including the Ministry of Economy, Trade and Industry and the New Energy and Industrial Technology Development Organization ("NEDO"). The refund amount covers sums whose collection was clearly improper and others where the final judgment presents difficulty.

The refund amount will be charged as expenses to the accounts for the third quarter of the fiscal year ending March 2013, scheduled to be released on February 6, 2013.

FHI would like to repeat its deep apologies for the trouble and concern caused to the project sponsors and the involved institutions, our shareholders, business partners, and all other stakeholders. For the future, in order to foreclose a recurrence, FHI will implement preemptive malfeasance prevention measures and enforce strengthened compliance frameworks including malfeasance preventive functions.

End.