

## FHI Announces First Quarter Financial Results for FYE2017

Tokyo, August 3, 2016 – Fuji Heavy Industries Ltd. (FHI), the manufacturer of Subaru automobiles, today announced its consolidated financial results for the first quarter of fiscal year ending March 31, 2017.

### < April-June 2016 Results: Consolidated Net Sales >

Subaru's consolidated global unit sales rose 8.9% to 245,000 units. Unit sales in Japan increased 11.3% to 31,000 units, as growth in passenger car sales led by the Forester and Impreza offset a decline in mini vehicle sales. Overseas unit sales grew 8.5% to 214,000 units, driven by strong sales of the Legacy, Outback, Impreza and Crosstrek\*<sup>1</sup> especially in North America.

Consolidated net sales increased 0.5% to 769.4 billion yen, with unit sales growth and foreign exchange rate losses reflected.

Consolidated net sales, global unit sales, overseas unit sales, and North America unit sales posted record results for a fiscal first quarter.\*<sup>2</sup>

### < April-June 2016 Results: Consolidated Profit and Loss >

Despite unit sales growth and cost reduction progress, operating income fell 24.3% to 101.5 billion yen due to foreign exchange rate losses and increased R&D and SG&A expenses. The increase in SG&A expenses was due mainly to quality-related costs associated with airbag inflators. Ordinary income decreased 8.7% to 118.8 billion yen and net income attributable to owners of parent declined 6.3% to 78.9 billion yen.

### < FYE2017 Forecasts >

In view of foreign exchange rate fluctuations and quality-related expenses associated with airbag inflators, FHI revises its full-year forecasts for the current fiscal year ending March 2017. The Company now forecasts net sales of 3,190 billion yen, operating income of 400 billion yen, ordinary income of 410 billion yen, and net income attributable to owners of parent of 285 billion yen.

Currency rate assumptions: 106 yen/US\$, 121 yen/euro

### Previous Forecasts for FYE2017 (Announced on May 12, 2016)

Net sales: 3,170 billion yen

Operating income: 420 billion yen

Ordinary income: 420 billion yen

Net income attributable to owners of parent: 293 billion yen

Currency rate assumptions: 105 yen/US\$, 120 yen/euro

\*1 "Subaru XV" outside the North American market.

\*2 Since fiscal year ended March 2004 - the year FHI started quarterly consolidated financial reporting.

Forward-looking statements in this document including financial and other forecasts are based on the information available at the time of the announcement and are subject to various risks and uncertainties that could cause actual results to vary materially.

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