

**< Reference for the 1st Quarter of FYE2017 Consolidated Financial Results >**

(Yen in 100 Millions, Units in Thousands)

	RESULTS FYE2016 Q1 2015. 4-6	RESULTS FYE2017 1st Qtr 2016. 4-6			FORECASTS FYE2017 1st Half 2016. 4-9			FORECASTS FYE2017 Full Year 2016.4 - 2017.3		
			Change	%		Change	%		Change	%
<b>Net sales</b>	7,653	7,694	41	0.5	15,535	(480)	(3.0)	31,900	(423)	(1.3)
Japan	1,245	1,303	58	4.7	2,796	(56)	(2.0)	6,103	49	0.8
Overseas	6,408	6,391	(17)	(0.3)	12,739	(424)	(3.2)	25,797	(472)	(1.8)
<b>Operating income</b>	1,342	1,015	(327)	(24.3)	2,040	(811)	(28.4)	4,000	(1,656)	(29.3)
Profit margin (%)	17.5	13.2			13.1			12.5		
<b>Ordinary income</b>	1,301	1,188	(113)	(8.7)	2,140	(710)	(24.9)	4,100	(1,670)	(28.9)
Profit margin (%)	17.0	15.4			13.8			12.9		
<b>Net income attributable to owners of parent</b>	842	789	(53)	(6.3)	1,480	(452)	(23.4)	2,850	(1,517)	(34.7)
Profit margin (%)	11.0	10.3			9.5			8.9		
<b>Change factors in operating income</b>										
		Improvements on model mix, etc	303		Improvements on model mix, etc	474		Improvements on model mix, etc	999	
		Cost reduction effort, etc	105		Cost reduction effort, etc	207		Cost reduction effort, etc	320	
		Increase in SG&A exp, etc	(392)		Loss on currency exchange	(742)		Loss on currency exchange	(1,586)	
		Loss on currency exchange	(292)		Increase in SG&A exp, etc	(653)		Increase in SG&A exp, etc	(1,213)	
		Increase in R&D exp	(51)		Increase in R&D exp	(97)		Increase in R&D exp	(176)	
<b>Exchange rates</b>	JPY/US\$ 120/US\$ JPY/EUR 132/EUR	111/US\$ 124/EUR			107/US\$ 122/EUR			106/US\$ 121/EUR		
<b>Capital expenditures</b>	171	368			840			1,600		
<b>Depreciation and amortization</b>	154	159			350			800		
<b>R&amp;D expenses</b>	185	236			560			1,200		
<b>Interest bearing debts</b>	2,011	1,654			1,650			1,650		
<b>Performance description</b>										
		- 5th consecutive year of increase in net sales. - First decrease in operating income and ordinary income in 5 years. - First decrease in net income attributable to owners of parent in 4 years. - 1st qtr records for net sales and consolidated unit sales.			- Net sales and all profits to decrease for the first time in 5 years. - Consolidated unit sales to post a 1st half record.			- Net sales and all profits to decrease for the first time in 5 years. - Consolidated unit sales to post a fiscal year record.		
<b>Consolidated unit sales (Japan)</b>	28	31	3	11.3	65	(1)	(2.1)	156	11	7.6
Passenger Cars	20	25	5	23.4	51	1	1.4	119	7	6.7
Minicars	8	7	(1)	(18.3)	15	(2)	(12.6)	37	4	10.6
<b>Consolidated unit sales (Overseas)</b>	197	214	17	8.5	437	31	7.7	893	81	9.9
North America	154	170	16	10.5	343	27	8.4	696	65	10.4
Europe	10	11	1	6.3	25	2	6.7	50	2	4.6
China	10	10	(1)	(5.7)	24	3	17.0	49	4	9.3
Other	23	23	1	2.9	45	(1)	(1.4)	99	9	10.0
<b>Consolidated unit sales total</b>	225	245	20	8.9	502	30	6.3	1,050	92	9.6
<b>Production units total</b>	229	245	16	6.9	504	44	9.6	1,051	100	10.5
Japan	171	179	8	4.9	352	4	1.2	710	(5)	(0.7)
U.S.	58	65	7	12.6	152	40	35.5	341	105	44.6
<b>Net sales by business segment</b>										
Automobile	7,188	7,245	56	0.8						
Aerospace	358	352	(6)	(1.6)						
Industrial Products	90	80	(10)	(11.1)						
Other	17	17	0	2.0						
<b>Operating income by business segment</b>										
Automobile	1,288	993	(295)	(22.9)						
Aerospace	44	17	(27)	(61.8)						
Industrial Products	2	(3)	(5)	(239.4)						
Other	7	6	(0)	(2.7)						
Elimination & Corporate	2	2	0	16.9						

\* Exchange Rates are the rates used for FHI's non-consolidated sales recording.

\* Consolidated Unit Sales include retail sales of Japanese consolidated dealers, wholesale sales of overseas consolidated distributors, and deliveries from FHI to non consolidated distributors/dealers.

\* Production in Japan includes production of the 86 models for Toyota.

< Forward-looking statements in this document 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. >