

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

(Yen in 100 Millions, Units in Thousands)

	RESULTS FYE2016 1H 2015. 4-9	RESULTS FYE2017 1st Half 2016. 4-9		RESULTS FYE2016 '15.4-'16.3	FORECASTS FYE2017 Full Year 2016.4 - 2017.3			PREVIOUS FORECASTS FYE2017 '16.4-'17.3		
		Change	%		Change	%				
<b>Net sales</b>	16,015	15,777	(238)	(1.5)	32,323	31,800	(523)	(1.6)	31,900	
Japan	2,852	2,860	8	0.3	6,054	6,463	409	6.7	6,103	
Overseas	13,163	12,916	(246)	(1.9)	26,269	25,337	(931)	(3.5)	25,797	
<b>Operating income</b>	2,851	2,085	(766)	(26.9)	5,656	3,730	(1,926)	(34.1)	4,000	
Profit margin (%)	17.8	13.2			17.5	11.7			12.5	
<b>Ordinary income</b>	2,850	2,278	(573)	(20.1)	5,770	3,970	(1,800)	(31.2)	4,100	
Profit margin (%)	17.8	14.4			17.9	12.5			12.9	
<b>Net income attributable to owners of parent</b>	1,932	1,638	(294)	(15.2)	4,367	2,780	(1,587)	(36.3)	2,850	
Profit margin (%)	12.1	10.4			13.5	8.7			8.9	
<b>Factors contributing to change in operating income</b>										
			Improvements on model mix, etc	678			Improvements on model mix, etc	1,353		
			Cost reduction effort, etc	218			Cost reduction effort, etc	339		
			Loss on currency exchange	(817)			Loss on currency exchange	(1,965)		
			Increase in SG&A exp, etc	(774)			Increase in SG&A exp, etc	(1,507)		
			Increase in R&D exp	(71)			Increase in R&D exp	(146)		
<b>Exchange rates</b>	JPY/US\$ JPY/EUR	122/US\$ 135/EUR	107/US\$ 120/EUR		121/US\$ 133/EUR	104/US\$ 115/EUR			106/US\$ 121/EUR	
<b>Capital expenditures</b>		506	637		1,357	1,600			1,600	
<b>Depreciation and amortization</b>		313	335		650	800			800	
<b>R&amp;D expenses</b>		463	534		1,024	1,170			1,200	
<b>Interest bearing debts</b>		2,014	1,614		1,700	1,600			1,650	
<b>Performance description</b>			- Net sales and all profits decreased for first time in 5 years. - First-half record for consolidated unit sales.			- Net sales and all profits to decrease for first time in 5 years. - Full-year record for consolidated unit sales.				
<b>Consolidated unit sales (Japan)</b>		67	68	2	2.3	145	159	13	9.1	156
Passenger Cars		50	52	3	5.3	112	123	11	10.2	119
Minicars		17	16	(1)	(6.8)	34	36	2	5.8	37
<b>Consolidated unit sales (Overseas)</b>		406	444	38	9.4	813	904	91	11.2	893
North America		317	355	39	12.2	630	714	84	13.3	696
Europe		23	22	(1)	(3.9)	48	47	(0)	(0.4)	50
China		20	22	1	6.2	44	45	0	0.3	49
Other		45	45	(1)	(1.7)	90	98	7	8.2	99
<b>Consolidated unit sales total</b>		472	512	40	8.4	958	1,062	104	10.9	1,050
<b>Production units total</b>		460	502	43	9.3	951	1,054	103	10.8	1,051
Japan		348	355	7	2.0	715	718	3	0.4	710
U.S.		112	148	36	32.0	236	336	100	42.3	341
<b>Net sales by business segment</b>										
Automobile		15,057	14,924	(133)	(0.9)	30,394				
Aerospace		735	668	(67)	(9.1)	1,528				
Industrial Products		185	146	(39)	(20.8)	326				
Other		38	39	1	2.4	75				
<b>Operating income by business segment</b>										
Automobile		2,732	2,033	(699)	(25.6)	5,436				
Aerospace		96	36	(60)	(62.7)	182				
Industrial Products		6	(3)	(9)	(148.3)	1				
Other		13	15	1	9.1	29				
Elimination & Corporate		3	5	1	39.4	8				

\* 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.

&lt; 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. &gt;