



## **FHI and Tan Chong Group Agree on Subaru Vehicle Production in Malaysia - Production to Start in October 2012 to Provide FHI with Further Growth in ASEAN region-**

Tokyo, July 6, 2011 - Fuji Heavy Industries Ltd. (FHI), the maker of Subaru automobiles, today announced that it has signed a memorandum of understanding (MOU) to enter into a consignment production contract with Tan Chong Group for the local assembly of Subaru vehicles in Malaysia.

The contract will be made and entered into by and between FHI and TC Subaru Sdn. Bhd, the distributor of Subaru vehicles in Malaysia. Production will begin in October 2012 at an existing production facility of Tan Chong Motor Assemblies Sdn. Bhd (TCMA) with a production capacity of 5,000 units a year. Subaru compact SUVs will be locally-produced and marketed in Malaysia, Thailand and Indonesia through the Subaru sales and distribution network of Tan Chong Group.

FHI has established a strong partnership with Tan Chong Group since 1987, when it was appointed the Subaru distributor in Singapore. Tan Chong Group has been expanding the sales and distribution network of Subaru vehicles across ASEAN countries that now include Cambodia, Southern China, Hong Kong, Indonesia, Malaysia, Philippines, Taiwan, Thailand and Vietnam.

Since its foundation in 1974, TCMA has engaged in the local assembly of Japanese and European automobiles and through this has accumulated know-how on automobile production and quality assurance. This enables FHI not only to secure initial investment for production but also start production soon after the contract is finalized. In the year of 1986 TCMA had also undertaken the assembly of the Subaru vehicles.

FHI will aim to further expand its sales in the large and growing ASEAN region, by leveraging this local assembly of Subaru vehicles.