

FHI to Establish Joint Venture to Start Subaru Vehicle Production in Thailand

Tokyo, January 17, 2017 – Fuji Heavy Industries Ltd. (FHI), the manufacturer of Subaru automobiles, today announced its plan to enter into a basic agreement on establishing a joint venture in February 2017 with TC Manufacturing and Assembly (Thailand) Co., Ltd. (TCMA TH), a subsidiary of Tan Chong International Limited, to start production of Subaru vehicles in Thailand.*

Currently, Subaru vehicle production in Southeast Asia is conducted at a CKD (completely knocked down) assembly plant of the Tan Chong Motor Assemblies Sdn. Bhd. in Malaysia, which builds the Subaru XV and the Forester.* With a view to enhancing Subaru's competitiveness and further growth in Southeast Asia, FHI has decided to start production in Thailand by a new and soon to be established joint venture company, Tan Chong Subaru Automotive (Thailand) Co., Ltd., 74.9% of which will be owned by TCMA TH and 25.1% by FHI. The new joint venture aims to begin production in 2019.

Production in Malaysia will continue, and Tan Chong International will sell the vehicles produced both in Malaysia and Thailand through its Subaru dealer network.

In its mid-term management vision "Prominence 2020" announced on May 9, 2014, FHI laid out initiatives to develop a strong business foundation in Southeast Asia as part of its efforts to build a strong business structure.

With this new joint venture project, FHI aims to further enhance Subaru sales in the growing Southeast Asian market, offering Subaru's distinctive "Enjoyment and Peace of Mind" driving experience to customers in the region.

* Production under license from FHI

< Tan Chong Motor Assemblies Sdn. Bhd. >

Location: Kuala Lumpur, Malaysia
Representative: Ms. Cindy Lim, Executive Director
Established: May 1974
Paid-in capital: MYR 2 million
Main business: Assembly of automobiles

< Tan Chong Subaru Automotive (Thailand) Co., Ltd. >

Location: Bangkok, Thailand
To be established: February 2017 (Planned)
Paid-in capital: THB 5 billion (Planned)
Main business: Assembly of automobiles

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