SOCIAL **INVOLVEMENT**

FHI, as a member of society, would like to take on social responsibilities through activities suitable for Subaru's contribution to society, e.g., contribution to fields related to Subaru products, contribution as a manufacturer to fostering human resources for the next generation who are involved in manufacturing, contribution to the development of the communities around our factories, and providing support for each employee participating in community activities. FHI will actively promote these activities in an effort to support the sound, sustainable growth of society.

Social Contributions

Contributions to Development and Promotion of the Vehicle Culture

In Europe, where the automotive culture was born, motor sports are very popular and are a part of people's lives. In order to further develop and promote the automotive culture in Japan, we are involved in many activities at home



Impreza racing in WRC

and abroad, and participate in the World Rally Championship (WRC) and the Japan GT Championship. At the first WRC Rally Japan last year, Subaru Impreza became the overall champion, attracting the attention of rally fans at home and abroad. Subaru gets feedback on technical skills cultivated by the experience of participating in these motor sport competitions.

Subaru Visitor Center

We opened the Subaru Visitor Center at the Yajima Plant of Gunma Manufacturing Division, one of our main plants, in July 2003, which is the 50-year anniversary of FHI.

The first floor of the Subaru Visitor Center houses an entrance atrium, which expresses a wonderful encounter between people and cars created by Subaru technology, and an exhibition hall. On display in the exhibition hall is a Subaru 360, which played a role in the start of Japan's motorization, a rally car that



Subaru Visitor Center



Exhibition hall

participated in the WRC, and a succession of noted Subaru models. On the second floor, there are technology and recycling laboratories where Subaru' s future-oriented technologies and environmental efforts are exhibited, which allow visitors to learn about automotive culture and history. Subaru Visitor Center has an annual capacity of 100,000 persons and is open to the public. * 1 The Center is also available on weekdays as a part of the social studies curriculum for elementary school children. So, visiting the

Center in combination with plant tours further strengthens children's interest in learning.

Assisting Development of Human Resources for Manufacturing

In addition to accepting plant tours for elementary school children by the Yajima Plant of Gunma Manufacturing Division, we have a website called Subaru Virtual Land Plant Tour. *2 This website describes a series of automotive manufacturing processes using animation and photographs to help visitors easily understand, in the hope of encouraging future engineers.

Also we have been actively



Subaru Virtual Land Plant Tour



involved in the development of future human resources for manufacturing such as undertaking internship programs for students to provide job experience, holding the Parent-Child Vehicle Class during summer vacations, and sending engineers as lecturers to universities or colleges.

Backup for Employees' Volunteer Activities

We think that even if Subaru, as a company, actively promotes contributions to society, such activities cannot generate substantial results suitable for Subaru without the motivation of each employee.

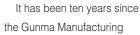


Used prepaid cards collected

For each employee to feel a real sense of contributing to society, FHI is involved in various activities to support employees' efforts, e.g., clean-up activities around the factory during lunchtime, blood donations at the company dispensary, in addition to, the readily available volunteer activities of collecting used postage stamps, prepaid cards, bellmarks, and pull-tabs from empty cans and contributing them to voluntary organizations to help developing countries or the handicapped.

Involvement in Local Events

FHI promotes exchanges with people from the community by participating in a variety of local events and by holding annual events for the public.





Subaru Friendship Concert

Division jointly organized the Subaru Community Exchange Association with local partners. The Association sponsors many events every year. One of those events is a classic music concert, the Subaru Friendship Concert, played by the Gunma Symphony Orchestra and others. This annual concert is free of charge, but people who come to the concert are requested to bring such household commodities as towels, soap, or detergents as a donation for local welfare institutions. We also sponsor flower planting activities and a charity golf tournament in an effort to contribute to local communities.

The Gunma Manufacturing Division participated in the local festival, where volunteers among the employees in the division carried an employee-made, full-scale mikoshi (portable shrine); everyone enjoyed themselves.

As described above, customer appreciation festivals sponsored by each office were crowded with many local people.

■Major Events in Fiscal 2004

Division / Office	Events		
Gunma	Subaru Appreciations Festival was held at the Yajima Plant		
Manufacturing	Friendship and Appreciation Festival for locals		
Division	and employees families was held at the Oizumi Plant		
	Supported the Ohta City Firework Show		
	Supported the Subaru Cup Baseball Tournament		
	for Children		
	Supported the Joshu Ohta Subaru Marathon		
	Participated in the Ohta Festival		
	Participated in the Oizumi Festival		
Saitama	Summer Evening Festival.		
Manufacturing	Participated in the Kitamoto Festival		
Division	ranicipated in the Kitamoto Festival		
Tokyo Office	Summer evening festival was held.		
Utsunomiya	Friendship Festival for locals and employees families.		
Manufacturing	The Bon Dance Festival for locals and employees families.		
Division	Supported local summer festivals		



To the Kitamoto Festival (Industrial ProductsCompany)

Contributions to Sports

FHI sport clubs consist of a baseball team and a track and field team.

Again last year, our baseball team represented Ohta City, Gunma Prefecture, in the Intercity Baseball Tournament and cleared the Kita-kanto preliminary to take part in the final round at Tokyo Dome.

Baseball classes for children organized by members of our baseball team are popular events in which many children who dream of becoming a major-leaguer in the future take part.

Our track and field team entered the New Year Ekiden Road Relay (All Japan Jitsugyodan Ekiden,) a local New Year's rite held in Gunma Prefecture, for the fifth consecutive year since 2001. Our team has gained a higher-ranking each year and received the enthusiastic cheers of the crowd on the roadside. In the ekiden held on New Year's Day this year, our team won an upper ranking and acquired the right to be seeded in next year's ekiden.

A member of our track and field team was chosen as one of representatives to enter the world marathon championship, which will be held this August in Helsinki, and thus attracts steeply increased attention from the track and field circle.





Baseball classes for children organized by members of our baseball team

New Year Ekiden Road Relay

Opening the FHI facilities to Communities

FHI opens its health and welfare facilities to the communities.

For example, swimming pools, grounds, tennis courts, and employees clubs are available for general use free of charge or for a small fee.* 1

In addition, we established a civic



Subaru Swimming

hall in the administrative building of our company housing, provided space for a disaster prevention warehouse, and opened a park on our site to the public as part of our contribution to the communities.

Disaster Aid

In 2004, there were many disasters worldwide. FHI donated to disaster relief efforts around the world. In particular, we donated power generators from Industrial Products Company, which we think helped many victims in the hope of encouraging the victims by turning



Subaru Generator (power generator)

on the lights in areas with the electrical lifeline disconnected.

Regional Activities

Cleanup Activities

The 17th Cleanup Campaign this year!

Cleanup around the plants of Utsunomiya Manufacturing Division

On Saturday June 26, we implemented the Cleanup Campaign as a part of our contributions to the local communities, with the aim of beautifying the environment around the plants of the Utsunomiya Manufacturing Division. In the early morning, 230 persons got together to pick up litter and mow the grass around each area: the main plant, south plant, and south plant no. 2. This activity was the seventeenth annual, starting from 1988 in the hope that we could contribute to the local communities with an awareness of beautifying the environment around our plants.





Picking up litter around the atelier

All participants gathering before work

■Major Cleanup Activities in Fiscal 2004

Division / Office	Implementation Date	Other Major Cleanup Activity	
Gunma	May 29	Cleanup of Kanayama, Ohta City (organized by the Subaru	
Manufacturing		Community Exchange Association; about 520 people participated)	
Division	September 5	Cleanup of Kanayama, Ohta City (organized by Ohta City; about	
		300 people participated from the Subaru Community Exchange	
		Association)	
Industrial	April 22	Pikapika Kitamoto Omakase Program (Kitamoto-city Voluntary	
Products		Cleanup Program)	
Company		The 7th Pikapika Kitamoto Omakase Program Clean up around the	
		Division (A total of 1,195 people from the Industrial Products	
		Company participated in the nine clean up sessions implemented	
		in FY2004)	



September: cleanup of Kanayama



May: Opening ceremony of cleanup of Kanayama (a scene in May 2005)



April: Pikapika Program



Collecting about 100 kg of litter

Cooperation/Donation/Support to Special Events

The FHI Automotive Business Unit participated in such special events as the low pollution vehicle fairs, which allow visitors to have a firsthand look at low pollution vehicles. The Eco Technologies Company has demonstrated wind power generation systems and other environment-related products at environmental exhibitions in many areas of Japan.

Participations in Exhibitions

Date/Exhibition	Venue	Organizer
May 25 (Tue) – May 28 (Fri) 2004 NEW Environmental Exhibitiona	Tokyo Big Sight	Nippo Co., Ltd.
May 19 (Wed) – May 21 (Fri) Automotive Engineering Exposition 2004	Pacifico Yokohama	Society of Automotive Engineers of Japan
Jun 5 (Sat) – Jun 6 (Sun) Eco Car World 2004	Yokohama Minato Mirai 21	Ministry of Environment etc.
Oct 6 (Wed) - Oct 10 (Sun) Japan Aerospace 2004	Pacifico Yokohama	Society of Japanese Aerospace Companies
Oct 13 (Wed) – Oct 15 (Fri) International Home Care and Rehabilitation Exhibition (HCR2004)	Tokyo Big Sight	Japan National Council of Social Welfare Health and Welfare Information Association
Nov 2 (Tue) – Nov 7 (Sun) 38th Tokyo Motor Show	Makuhari Messe	Japan Automobile Manufacturers Association
Oct 19 (Tue) – Oct 24 (Sun) World Congress on ITS, Nagoya, Aichi 2004	Nagoya International Exhibition Hall	Japan Organized Committee
Oct 23 (Sat) - Oct 24 (Sun) Cleanup Fair 2004	Tochigi Science Museum	Tochigi Prefecture
Jan 14 (Fri) – Jan 16 (Sun) Tokyo Auto Salon 2005	Makuhari Messe	Tokyo Auto Salon association
Feb 11 (Fri) – Feb 13 (Sun) Camping & RV Show 2005	Makuhari Messe	Camping & RV Show Executive Committee

The Utsunomiya Manufacturing Division continuously executed green fundraising, a part of our social contributions that employees started in 2000, and raised a high amount of funds like in the previous year. The fund was donated to the Tochigi Green Promotion Committee. They are supposed to use the fund mainly for forest maintenance and conservation, which will finally help ensure our valuable water resources and prevent global warming.



green fundraising

Awards

Industrial Products Group received the Supplier of the Year Award

Industrial Products Company, Robin Manufacturing USA Inc. (RMI), and Robin America Inc. (RAI) received the Supplier of the Year Award from Cummins, a major US leisure-generator manufacturer. This was a result of the appreciation of the cooperation among three companies



assembly, and sales of the V-2 cylinder engine, a generator power source made by Cummins.

The awards ceremony

Subaru 360 and Shinroku Momose entered the Japan Automobile Hall of Fame

In the fiscal 2004 Japan Automotive Hall of Fame, the Subaru 360 was chosen as a historic car, and Shinroku Momose, the late FHI director, was admitted to the Hall of Fame. The Japan Automotive Hall of Fame was established in 2001 to honor great achievements of people or automobiles that contributed to the development of the automotive industry, academics, and culture in Japan, as well as the establishment of a prosperous motorized society, and to pass those achievements down to future generations. The Japan Automotive Hall of Fame is supposed to select a historic car and Hall of Fame inductee every year.



The awards ceremony of the Japan Automotive Hall of Fame. Mrs. Momose (far left on the stage) received the award on behalf of the late Mr. Momose at the National Science Museum in November 2004.



in Japan and the United States,

as the Industrial Products group

are in charge of design,

Subaru 360

Environmental Education

Elementary Children First Visited the Tokyo Office for a Social Studies Tour

On October 12, an employee of the Subaru Engineering Division of Tokyo Office visited the Musashino City Third Elementary School to conduct a class, and in return, the fifth grade students who attended



The class scene

the class visited the Tokyo
Office on October 18. The
Tokyo Office has not previously
allowed tours because the
development department in the
office requires complete
secrecy. As a contribution to



Visiting the Design Studio

the local community, however, the office decided to allow a tour for the first time. The students who attended the class on the automotive industry and Subaru cars enjoyed the office tour, seeing actual car design drawings, experiencing the temperature limits for cars, and test driving the Samber EV.

Subaru Environmental Exchange Meeting for Elementary School Children

On July 6, we held the Subaru Environmental Exchange Meeting, as a part of the class for fifth grade students from Ohta City Niragawa Nishi Elementary School. Under the theme "Protect the valuable Earth!" the object of the meeting was to think about what we should and can do to protect the current and future earth. The meeting included a film screening, experiment, and quiz, which were very popular with the students. Elementary and



Environmental Exchange Meeting

junior high schools in Ohta City have a high level of environmental awareness and have actively worked to acquire the ISO 14001 certification.

Lecture on Environment at the Prefectural Technical High School

We held a lecture on the environment titled "Manufacturing and the Environment" on July 2 at the Prefectural Utsunomiya Technical High School, which acquired ISO14001 certification from a third party in 2002. The lecturer introduced our product lines, environmental policy, flow of activities, and corporate environmental concepts, and then described our concrete efforts classified into the direct effect and indirect effect regarding manufacturing and the environment, and finally explained our future environmental activities titled "What Kind of Environment are We Aiming For?"



The lecture scene

