Efforts to Raise Customer Satisfaction Levels

Putting Customers First with the SUBARU Declaration

The Fuji Heavy Industries Group strives to put customers first in all business activities. In October 2011, SUBARU issued the SUBARU "Declaration, which specified the goal of being chosen by customers for "Enjoyment and Peace of Mind" and summarized the attitude and actions needed for sales divisions in Japan to achieve this goal. Sharing the same goal, our dealers in Japan have also posted their own SUBARU Declaration and are engaging in initiatives to implement them.

SUBARU Declaration

- •We aim to be No. 1 by being the automobile brand that offers customers "Enjoyment and Peace of Mind."
- All SUBARU employees will present "Enjoyment and Peace of Mind." as brand values to customers and offer them the highest level of service.



Establishment of SUBARU Customer Center

To receive enquiries, conduct consultations and handle requests and comments from our customers, we have established the SUBARU Customer Center. We respond to our customers under a simple code of conduct: "accurate, prompt, appropriate, equitable, fair, and courteous" aiming to provide "Enjoyment and Peace of Mind." The valuable comments and requests received from customers are passed on to the relevant departments so that suggestions can be reflected in making future improvements and in product planning, quality, sales, and after-sales services.

SUBARU Customer Center



(Note that your call will be recorded to confirm the content)

Please contact SUBARU Customer Center if you have any inquiries as below,

- Opinions/Comments/Guidance (catalog, dealership, changing address, etc.)
- 2 Inquiries/Request for assistance

Office Hours 9:00am – 5:00pm (Weekdays)* (Japan Time) 9:00am – 12:00am/1:00pm – 5:00pm (Saturdays, Sundays and Public holidays)

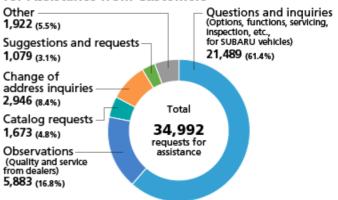
*Information service only for Opinions/Comments/Guidance is available on weekdays 12:00am – 1:00pm, and on Saturdays, Sundays and public holidays

(Numbers) 50,000 39,399 40,000 38,620 39,069 37,580 34,992 30,000 20.000 10,000 0 2011 2012 2013 2014 2015 (FY) Note: The number of cases does not include inquiries about

Trends in the Number of Inquiries from Customers

grades from automotive-related companies.

Breakdown of Number of Requests for Assistance from Customers



Customer Satisfaction Survey

Evaluation through In-house Survey: SUBARU Customer Questionnaire

Our goal is to build up relationships with our customers by offering the "Enjoyment and Peace of Mind" stated in the SUBARU Declaration so that they continue to choose SUBARU over the long-term. We conduct the SUBARU Questionnaire directed at customers who bought a vehicle at one of our dealers. At SUBARU, we take the comments and requests of customers that we learn from the results of the survey seriously, and we have continued to make improvements at each of our dealers.

In FY2015, we achieved a certain measure of success with the positive opinions "Extremely satisfied" and "Satisfied" accounting for 82.1% of responses on the "Overall satisfaction" item for comprehensive evaluation of dealers used. This included 84.4% of responses expressing the positive opinions "Extremely satisfied" or "Satisfied" in the questionnaire conducted three months following the purchase of a new car, which is a very high percentage.

Furthermore, the positive opinions "Strongly agree" and "Agree" accounted for 83.3% of responses on the "Overall reliability" indicator for showing whether a dealer is one that can continue to be entrusted with automotive matters in the future.

By supporting mobility that is fun and safe for our customers, and realizing the tenets of the SUBARU Declaration going forward, we aim to build up relationships whereby customers continue to choose SUBARU over the long term.

Number of valid response to the SUBARU Questionnaire

FY 2015: 84,090 responses/year FY 2014: 80,362 responses/year FY 2013: 67,383 responses/year

Results of External Customer Satisfaction Survey

In the second Japanese Customer Service Index (JCSI) survey conducted by Service Productivity & Innovation for Growth (SPRING) in FY2015, SUBARU won the No.8 rating for customer satisfaction among the 13 automotive companies and brands included in the Automobile Dealership Division of the survey.

FHI also ranked 5th in the Automobile Division (New Cars and Own Dealer Certified Used Cars) of the 2014 After-Sale Service Rankings announced in the November 3, 2014 edition of Nikkei Business.

We will continue striving to improve service in order to raise customer satisfaction levels.



Customer Satisfaction (CS) Activities Focusing on Dealers

We support and promote customer satisfaction activities focusing on dealers in order to remain the brand chosen by customers with the aim of achieving Prominence 2020, our new Mid-Term Management Vision.

In addition to our usual activities in which we provide feedback on customer opinions and requests obtained from past

"SUBARU Customer Questionnaires" to SUBARU dealers and related divisions paving the way to enhancements in products, quality, sales and after-sales service, we are prioritizing activities that include making customers comfortable in showrooms and not making customers wait. To promote these activities, we provide support such as human resource development and deployment of best practices from other sites. We also actively promote the refurbishment of showrooms and service garages. In this way, we are promoting increased customer satisfaction from both aspects of facilities and management to expand customer satisfaction activities suited to the SUBARU's product characteristics.

Training Human Resources at Dealerships to Deliver "Enjoyment and Peace of Mind"

We work to develop human resources through a range of training programs so that all staff at SUBARU dealerships in Japan put the SUBARU Declaration into practice and can perform in a way that gives satisfaction to customers.

We also work to train staff outside of Japan, making use of in-country training, training in Japan and online learning.

Number of Trainees Enrolled in Dealer Education Program in Japan

| | FY 2015 (first half) | FY 2015 (second half) | Total |
|-------------------------|-------------------------|-----------------------------|-------|
| Manager, sales | 954 | 1,453 | 2,407 |
| Service staff and other | 1,187 | 1,070 | 2,257 |
| Total | 2,141 | 2,523 | 4,664 |

*Includes business trip training, etc.

SUBARU Academy

SUBARU has established the SUBARU Academy as a dedicated organization in the development of human resources for dealerships inside and outside Japan.

The SUBARU Academy provides occupation-specific training for sales and service staff at dealerships inside and outside Japan as well as job gradespecific training for employees ranging from newly recruits through to dealership managers and management officers.

The SUBARU Training Center, where the SUBARU Academy is located, opened in 2005 in Hachioji City, Tokyo. In addition to various training rooms, it also houses a test course, servicing and training equipment and accommodation facilities which consist of 133 rooms with a maximum capacity of 165 people.



Training program for SUBARU staff



SUBARU Training Center

STARS Sales Professional Certification Program

We established the SUBARU STAFF TRAINING AND RATING SYSTEM (STARS)* sales professional certification program in FY2013 as recognition of staff with the ability to provide customers with "Enjoyment and Peace of Mind" and support. We run tests covering areas such as knowledge about automobiles, ability to make proposals and customer service skills to determine the level of a salesperson's certification.

Starting in FY2015, in addition to salespeople, we have also made technical staff and service advisors eligible for certification under STARS as we aim to reinforce our system for giving customers an even greater sense of "Enjoyment and Pease of Mind."

* STARS: Rating system to help salespersons develop themselves through repeated Off-JT (study), OJT (practice) and qualification tests (challenge).



Training provided under the STARS program

International CS Initiatives

With the goal of achieving uniformly high after-sales service around the world and helping SUBARU customers drive with peace of mind, the SUBARU Customer Center works with distributors around the world to help them and their dealers enhance their educational systems and overall structures.

We are building a corporate structure that can deliver customers service that meets their needs while ensuring that our importers and dealers worldwide offer service worthy of SUBARU's "Confidence in Motion."

Technical Training

Improving the technical skills of our technical staff is essential to delivering service that gives our customers peace of mind.

Consequently, SUBARU offers the Advanced Technical Training (ATT) and STEP Trainer Training (STT) as technical training curriculums for the development of the instructors who provide tuition for our technical staff worldwide and to train technical staff to be able to handle increasingly sophisticated automobile technology. In addition, we work to improve technical capabilities by using skill certification testing to provide motivation for training.



Service Advisor Education Program material (extract)



A scene from Service Advisor Education

TOPICS

Holding sales training events for dealers (SCI)

Subaru Impreza sales training events were held in Vancouver, Montreal and Toronto in November 2014 with approximately 400 participants from dealers in attendance. The events included not only product information that is invaluable in sales but also EyeSight test drive experiences and demonstration of the Subaru STARLINK, an in-car system, and Aha apps, an application to provide content.



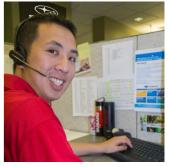
Organizational Reinforcement

The SUBARU Customer Center works in partnership with dealerships outside Japan to improve their technical and customer service skills so that customers continue to choose SUBARU. We seek close communication to speed up the resolution of problems through such means as the regional meetings we hold in addition to twice-yearly conferences for leading overseas dealerships held in Japan.

TOPICS

Reinforcing customer service through telephone support and website (SOA)

In our desire to provide exceptional customer service, SOA enhanced its customer program to include Saturday call hours, a customer contact web page for greater access to information and self-service options, and the creation of a special team to personally respond to customer comments.



Quality Management

Our Approach to Quality

We actively deliver high quality products and services to impress customers through the establishment of quality policy in line with our customer first policy and a high level of integration of safety, enjoyment and environmental performance.

Product Quality Management System

Quality Policy (Established November, 1994)

FHI considers customer satisfaction as the first priority, and works constantly to improve products and services to provide world-class quality.

- Establish Quality Management System (QMS) based on the Quality Policy and ISO 9001 Standard and put it into practice for orderly and effective operations.
- Olarify the quality targets acceptable to customers at the planning stage.
- 8 Realize the quality targets through quality assurance activities at each stage from development to sales and service.
- 4 Attend to complaints and requests from the market quickly and appropriately to live up to the trust of customers.

Operation of Quality Management Cycle

Based on the Quality Management System, FHI works to assure quality in each process from design and development through to sales as well as creating a cycle to create even higher quality products. In addition, FHI strives to work through this cycle swiftly in order to meet customer needs without any delay.

Quality Management Cycle



Consideration given to preventing variability and standardization of tasks from the blueprint creation stage through to production processes

Production (mass production)

Establishment of process management aimed at preventing quality defects and variability as well as implementation of strict quality inspection and testing

Distribution and sales

Establishment of quality management system after shipment from production plant as well as system for dealerships and implementation of inspections

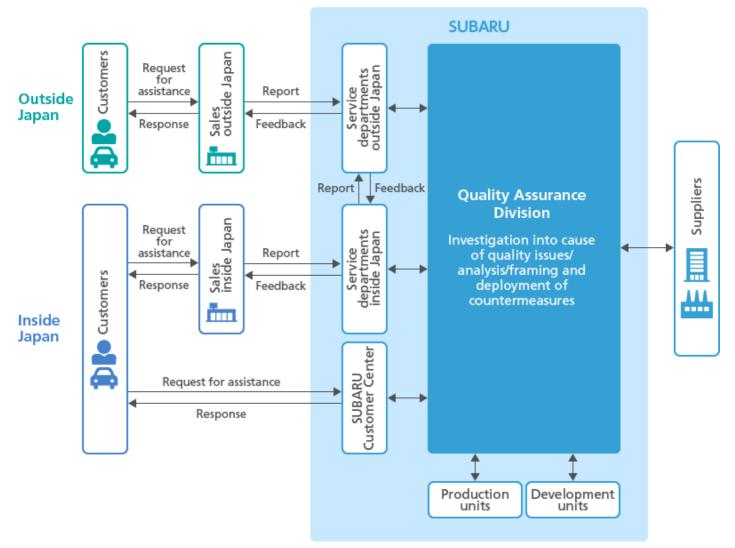
Collection and analysis of after-sales information and quality improvements

Collection and analysis of information on quality defects and requests sent to dealerships and SUBARU Customer Center and prompt implementation of quality improvements

Creating a System Aimed at Improving Quality

At SUBARU, we have established a quality improvement system centered on the Quality Assurance Division in order to analyze after-sales quality defects and customer requests to develop and produce even higher quality. We collect customers' opinions from around the world and identify quality issues. In addition to investigating the cause of the quality issues, we frame countermeasures, which we deploy to the relevant in-house department and/or supplier.

Quality Improvement System



Implementing Quality Control Training

We have developed a curriculum around quality control as part of employee education with the aim of upgrading the level of quality assurance and control. We not only provide education in line with the job grade of employees, but also training to develop quality control experts, individual programs for each business site and other educational programs.

Main curriculum around quality control

- Introductory quality training: Quality Control Training (Introduction)
- Education for instructors: Quality Control Training (Foreman)
- Education for skilled occupations: Quality Control Training (Introduction/Foreman)
- Other employees: open classes at each workplace

Efforts at the Aerospace Company

Quality Management System Based on Aerospace Industry Standards

FHI's Aerospace Company has established a policy of promoting production activities that are focused on a thorough commitment to safety and quality. Based on this policy, we have built and act under a quality management system that conforms to the JIS Q9100 quality management system standard for the aerospace industry. The International Aerospace Quality Group (IAQG), to which the world's aircraft manufacturers belong, formulated this management standard.

FHI is one of the Council members of the Japan Aerospace Quality Group (JAQG) to which Japan's aerospace companies belong. Through IAQG activities, we have contributed to the creation of management standards, the preparation of various guidance materials aimed at improving quality, and the establishment of operating regulations for the management system certification program.

Efforts Aimed at Improving Quality

FHI's Aerospace Company engages in a range of activities aimed at improving quality and preventing errors.

In addition to examining customer satisfaction and product quality from diverse angles at regular "Quality Meetings," the Aerospace Company has designated November as the "Quality Month" for each year, engaging in activities that include lectures and distribution of educational pamphlets to all employees. The lecture for FY2015 was entitled The Science of Failure for Risk Management: Prevention of Recurrence and Proactive Prevention and was presented by Tetsuya Hamaguchi, Project Professor, Department of Mechanical Engineering, Graduate School of Engineering, The University of Tokyo. More than 500 people were involved including employees from assistant manager level and above, the company president and suppliers.

The Aerospace Company has also established an Improvement Suggestion System that aims to foster a year-round climate that allows employees to demonstrate their creativity independently and quality to be improved.

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Lecture on quality

Efforts at the Industrial Products Company

Compliance with International Standard for Quality Management System

Since obtaining ISO 09001 (JISQ9001) certification, the international standard in quality management systems, in 1996, the Industrial Products Company has constantly complied in accordance with revisions to the standard.

Starting in 2014, the Industrial Products Company has taken the proper steps to adopt the requirements of ISO/TSI16949, the international standard for quality management systems in the automobile industry, in order to respond even more precisely to customers' quality demands and expectations, and we are striving to reinforce the quality base.

Efforts Aimed at Improving Quality

At the Industrial Products Company, the Quality Management Committee, composed of all departments, manages progress toward quality targets on a quarterly basis.

In a year-round effort, we regularly conduct customer satisfaction surveys to collect opinions from customers and identify issues in areas ranging from manufacturing through to sales, paving the way to KAIZEN (improvement) activities. The Industrial Products Company has designated November as the "Quality Reinforcement Month" for each year in an effort to raise consciousness through such means as soliciting quality management slogans from all employees as an awareness activity. In addition, we have also developed grade-specific quality training programs in our efforts to upgrade quality.

Response to Recalls

We are taking measures in response to recalls* in order to prevent accidents and protect customers.

In the event of product defects, not only do we respond properly based on the laws and regulations of each country, but we also determine the specific details of our response by promptly establishing a committee structure for staff from departments involved in quality, including those outside of Japan, to investigate. Moreover, we send direct mail outs from our dealerships to affected customers to inform them that they can have their cars repaired free of charge.

*Recall: A system under which when an automobile might not or does not conform to road vehicle safety standards and the cause lies in the design or manufacturing process, the manufacturer notifies the Ministry of Land, Infrastructure, Transport and Tourism to that effect, recalls the automobiles and repairs them free of charge.

Please refer to the FHI website for the details of our response to recalls. (In Japanese only)

http://www.fhi.co.jp/recall/



Pursuing Safety Based on the Concept of ALL-AROUND SAFETY

SUBARU has worked to build cars with the concept that everyone should enjoy comfortable mobility with peace of mind all the time. The pursuit of safety is one important theme in achieving this. SUBARU ALL-AROUND SAFETY, the basic concept for this, means that we aim for safety under all environments. SUBARU people are working to improve all aspects of safety under a variety of conditions, including Active Safety that assumes accidents may occur and prevents them, Pre-crash Safety that supports the driver's driving operations and includes hazard avoidance by the vehicle itself if needed to avoid a collision with the aim of helping reduce damage in the event of a collision, and Passive Safety to minimize damage in the event of an accident.



Thoughts on Primary Safety

We are continuing to evolve automobile safety technology on various fronts. However, the ideal is that no danger should be encountered, and the basis of this is correct judgment and operation by the driver.

Primary Safety is based on an approach that enhances safety through initial and basic design techniques for the automobile form and interface. To realize safe, concentrated driving without distraction, SUBARU pays meticulous attention to details of the instrument panel and seat design, including visibility design.

Click here for more details.

http://www.subaru-global.com/safety.html

Thoughts on Active Safety

Active Safety is an approach to safety based on preventing accidents, assuming that accidents may occur. In the event of an accident, for safe avoidance it is important to maintain vehicle stability no different from normal, under a variety of weather and road conditions.

Based on the idea that the ultimate drive fosters safety, the exceptional fundamental performance delivered by our horizontally-opposed SUBARU BOXER engine and Symmetrical All-Wheel Drive are the basis for refinement of vehicle performance that enables users to drive with confidence in all kinds of environment and climate.

Click here for more details.

http://www.subaru-global.com/safety.html



Horizontally-opposed engine

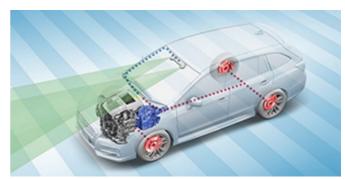


Symmetrical All-Wheel Drive

Thoughts on Pre-crash Safety

Pre-crash Safety is an approach to safety that supports the driver's driving operations and predicts hazards with the aim of helping reduce damage in the event of a collision.

SUBARU was quick to become involved in pre-crash safety, and has promoted its development. EyeSight (Ver.2) adopts a stereo camera for judging conditions in front of the vehicle as well as linkage to the engine, transmission and brakes for hazard avoidance, and has been highly evaluated as an advanced driving support system. Moreover, in June 2014, in addition to substantially upgrading the stereo camera with a complete redesign, including its recognition performance, we launched the new model WRX and Levorg equipped with EyeSight (Ver.3) with added steering assist control. Legacy and Impreza/XV have also been equipped with EyeSight (Ver.3), and we are working to increase the models fitted with the system.



EyeSight (Ver.3) system illustration

Click here for more details. (Available only in Japanese)

http://www.subaru.jp/about/technology/spirit/safety/pcsafety01.html

Thoughts on Passive Safety

Passive Safety is an approach to safety technology that aims to minimize damage in the event of an accident.

SUBARU promotes development informed by safety ideas that take in all aspects of the vehicle. With an original crash safety body featuring a new Ring-Shaped Reinforcement Frame Body Structure, and engine layout, etc., for mitigating collision impact on vehicle occupants, cabin occupants are, of course, protected. But SUBARU also considers collision with pedestrians in its safety system, for which it is highly acclaimed, not only in Japan but also throughout the world.



Image of Legacy Outback JNCAP Frontal Offset Crash Test Photo courtesy of the National Agency for Automotive Safety & Victim's Aid (NASVA)

Click here for more details.

http://www.subaru-global.com/safety.html

FY 2015 Car Assessment Results

SUBARU undergoes safety performance testing and assessment by JNCAP*1 in Japan, IIHS*2 in the U.S., EuroCAP*3 in Europe and ANCAP*4 in Australia, public organizations inside and outside Japan, and gains the highest rank of assessment in many of them.

In FY2015, all the models assessed in the new preventative safety performance assessment carried out in Japan by JNCAP (Japan New Car Assessment Program) received the top rating of Advanced Safety Vehicle - Plus (ASV+).

*1 Japan New Car Assessment Program: testing and assessment of vehicle safety performance conducted by the Ministry of Land, Infrastructure, and Transport (MLIT) and the National Agency for Automotive Safety & Victims' Aid (NASVA). *2 Insurance Institute for Highway Safety.

*3 European New Car Assessment Programme: a program for publishing vehicle safety information conducted in Europe.
*4 ANCAP is an independent organization composed of the transportation authority of Australia and New Zealand that has been providing

safety assessments since 1993.

FY 2015 Commendations



*5 In its publication of vehicle safety information, the IIHS designates a vehicle as TOP SAFETY PICK (TSP) if it received the rating of "Good" in all test results for the Offset Frontal Test, Rear Crash Test, Side Crash Test, Roof Strength Test and at least Acceptable in the Small Overlap Front Test. In addition to these conditions, a vehicle that is rated Advanced or higher in the Front Crash Prevention Test is awarded TOP SAFETY PICK+ (TSP+).

Approaches to Welfare Vehicles

Approach to Welfare Vehicles

SUBARU aspires toward sharing the happiness and freedom of living through cars for everybody. We are working to develop and increase the popularity of welfare vehicles so that people with physical handicaps and the elderly can travel by car in comfort and with peace of mind.

"TRANSCARE Series" – from Standard-sized Cars to Mini Cars

SUBARU started producing and selling welfare vehicles for the disabled in 1980 and now is well known for the "TRANSCARE series."

The TRANSCARE series offers a wide range of options, from standard-sized cars to mini cars. We aim to develop vehicles that provide comfortable driving for both people who are in care and for care providers.

In FY2015, we added the Levorg to the TRANSCARE series. Moreover, in October 2014, we exhibited at the 41st International Home Care & Rehabilitation Exhibition, Japan's largest comprehensive exhibition of welfare equipment, presenting the Legacy and the Forester based around the theme: "You'll like getting out." Our booth was visited by many people.

We also plan to expand the lineup in FY2016 to the Crossover 7, the Impreza Sports Hybrid and the Legacy. Furthermore, in addition to putting the TRANSCARE series on display in SUBARU STAR SQUARE, SUBARU's head office showroom in FY2016, we plan to expand the opportunities to view the TRANSCARE series, including distributing videos showing the lift action and other features to distributors. Going forward, we will continue promoting a range of efforts to enable even more customers to feel the "enjoyment and peace of mind" of SUBARU cars.



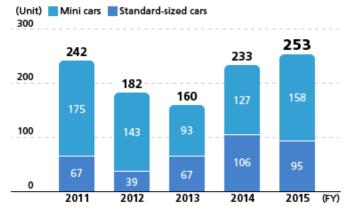
SUBARU Exhibit Booth at the 40th International Home Care & Rehabilitation Exhibition



Providing customers with explanations



Levorg TRANSCARE Wing Seat (Lift type)



Number of TRANSCARE Series Sold