



Subaru Business Update

SUBARU CORPORATION

Atsushi Osaki, Representative Director, President & CEO

November 1st, 2024

Recap of Previous Updates

Initiatives based on the principles of **Flexibility** and **Expandability**



*Monozukuri: Manufacturing

BEV Battery Electric Vehicle

4 SUV models to be in BEV lineup
by the end of 2026 (alliance)



HEV Hybrid Electric Vehicle

Introducing next-generation hybrid models



Crosstrek

Forester

Monozukuri*
Innovation

Value Creation

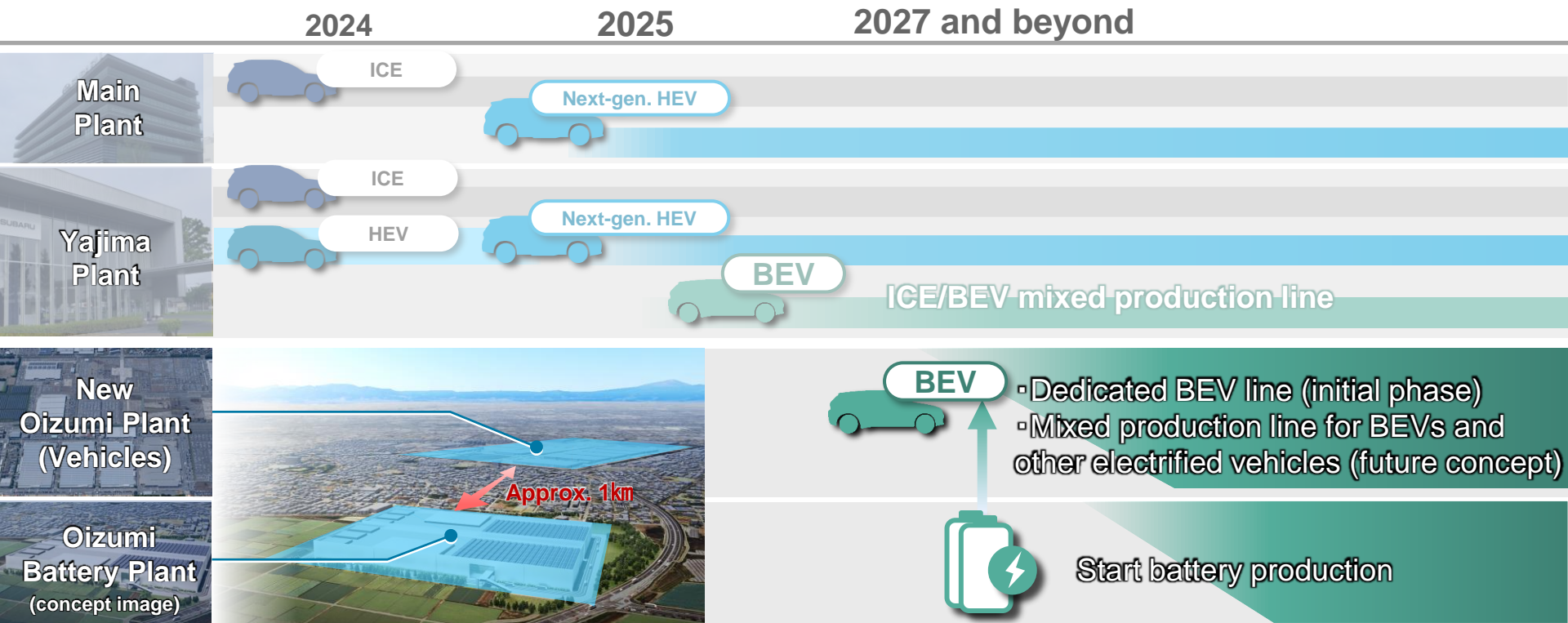
**Aiming to become the world's leading company in
Monozukuri* and Value Creation**

**Harness BEV development expertise
to further enhance ICE/Hybrid products**

*Monozukuri: Manufacturing

Images are for illustration purposes only.

Today's Key Points



**Rational production and investment
through phased launch of new Oizumi Plant**

| Monozukuri (Manufacturing) - Previous

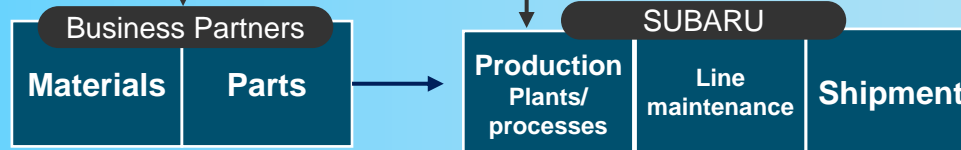
Engineering Chain

Development



Supply Chain

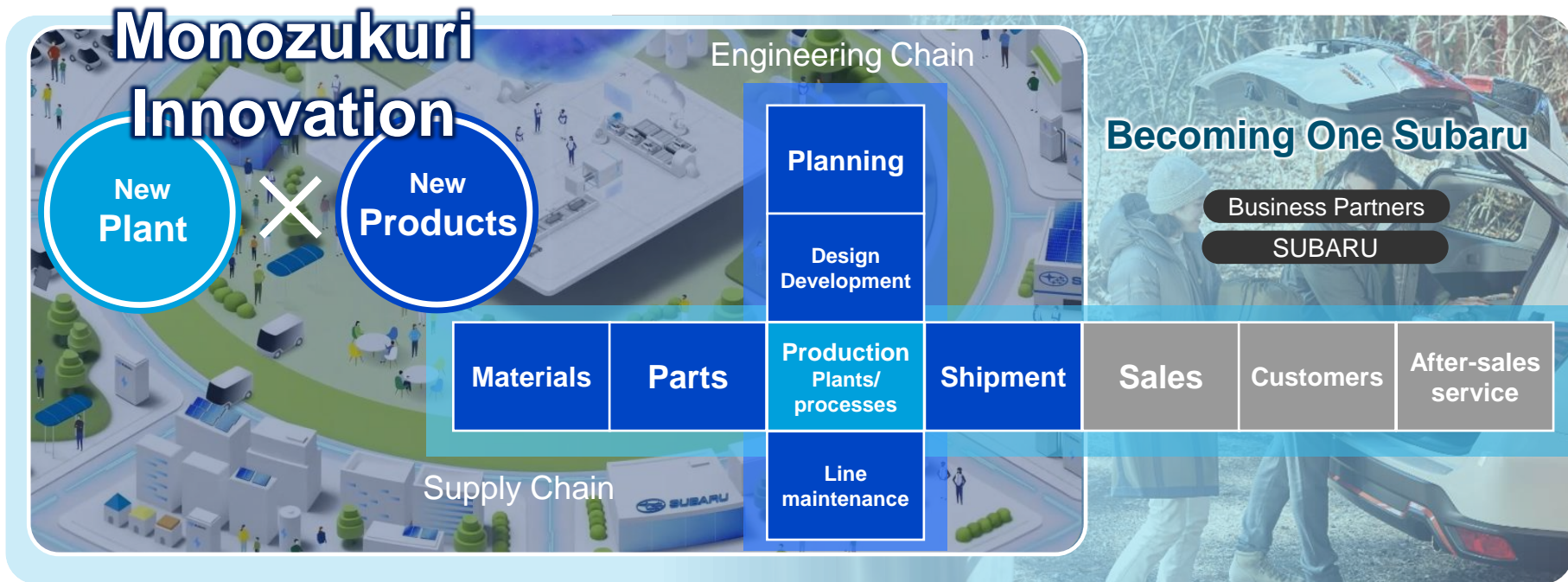
Production



Sales



**Functionally segmented organizations,
work is passed from one process to the next**



Agile monozukuri (manufacturing) driven by the opportunity to manufacture new cars in a new plant

Monozukuri Innovation

New
Plant



New
Products

Engineering Chain

Planning

Design
Development

Materials

Parts

Production
Plants/
processes

Shipment

Line
maintenance

Supply Chain

Becoming One Subaru

Business Partners

SUBARU

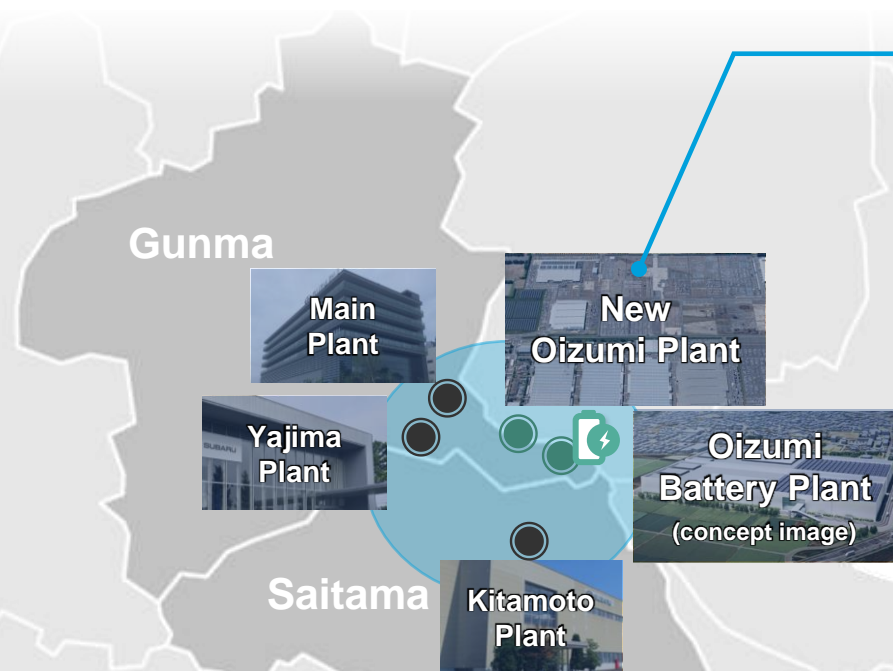
Sales

Customers

After-sales
service

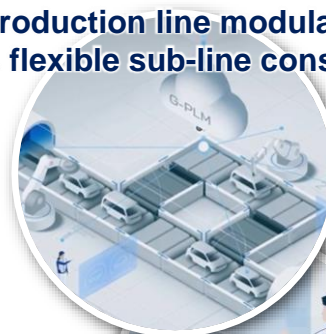
**Agile monozukuri (manufacturing) driven by
the opportunity to manufacture new cars in a new plant**

Monozukuri (Manufacturing) Innovation



**Shorten production and development lead times
by utilizing the flexibility in
designing and building the new plant**

**Production line modularization
& flexible sub-line construction**



**Optimize vehicle
structures & specs**



**Flexible mixed production
built on Subaru's
established expertise**

**Significantly shorten lead times by maximizing location advantages
and enhancing efficiency in development, production, and logistics**

Delivering Value Through Technology

Enjoyment & Peace of Mind

- Subaru's strengths enhanced with electrification technology

Seamless & Stress-Free

- No wait time
- On board/off board user experience

Retain Value

- Subaru-unique OTA
- Value proposition in joint efforts with retailers

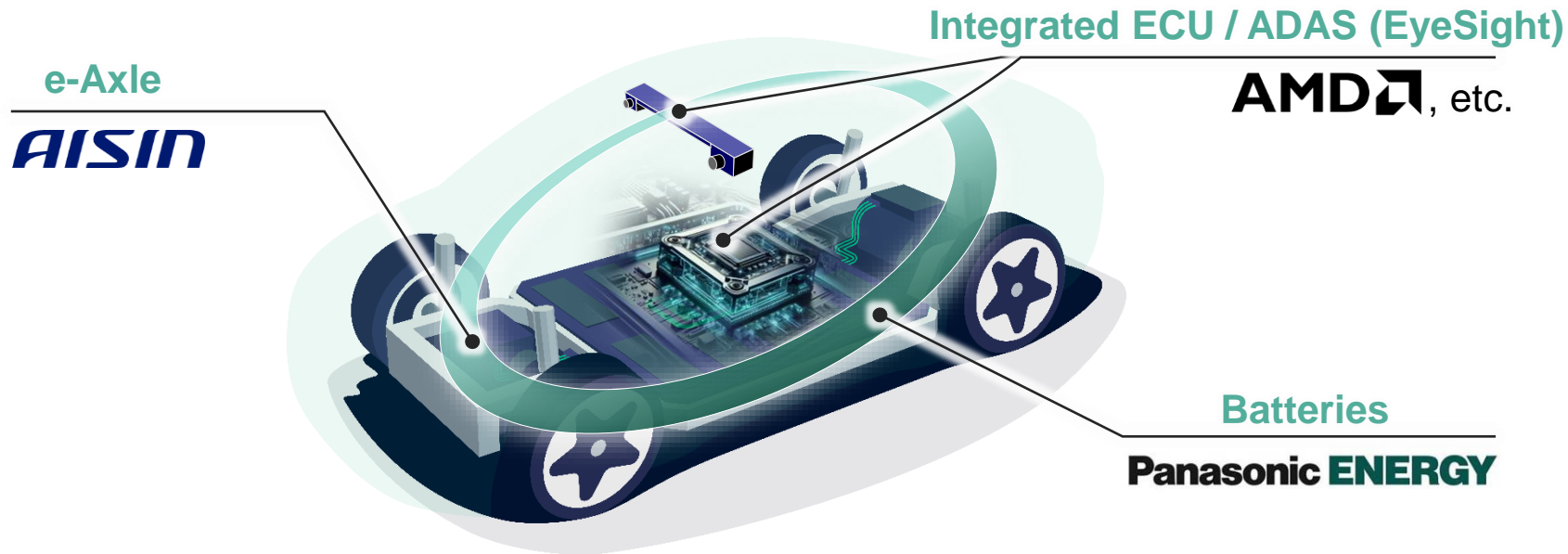
Deepening Collaboration



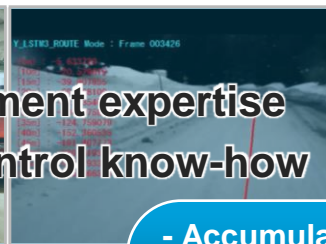
Advancing Intelligence

**Elevate Enjoyment & Peace of Mind to new heights
by deepening collaboration and advancing intelligence**

Deepen collaborations to create BEVs with the Subaru difference



Aiming for world-leading Enjoyment and Peace of Mind

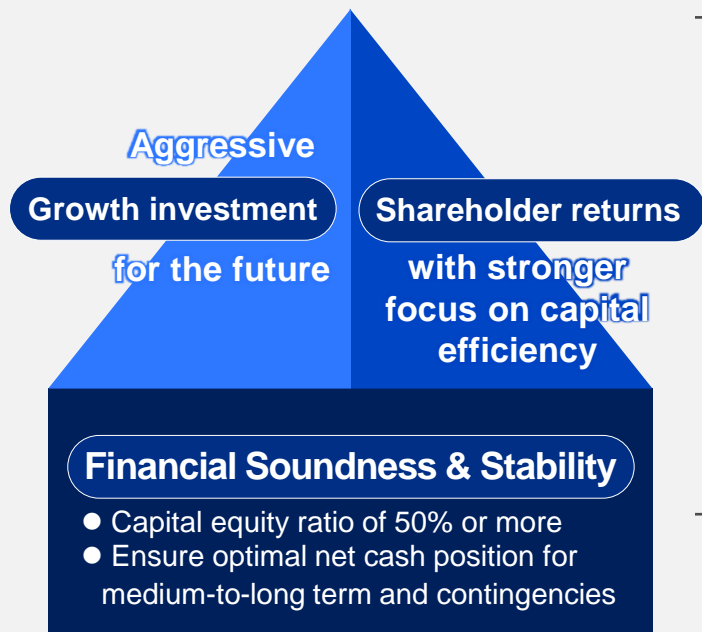


- Accumulate expertise
- Enhance in-house development

BEV Development

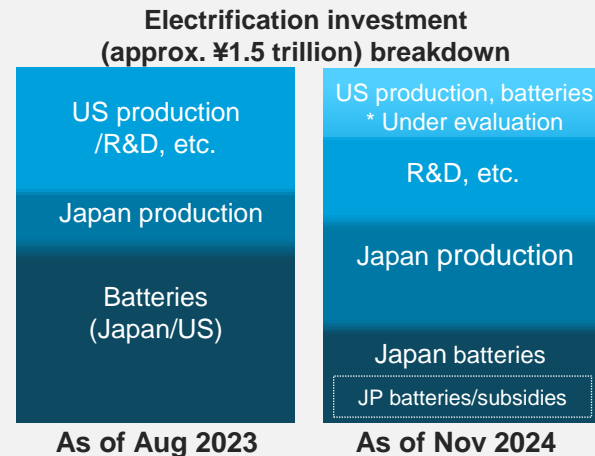
Accumulate and internalize BEV development expertise and integrated control know-how, with the aim of applying them to ICE/hybrid products.

Implementing Financial Soundness and Stability, Growth Investment, and Shareholder Returns as a Unified Strategy



Growth Investment

- Electrification investment: approx. 1.5 trillion yen (unchanged)
- To optimize production and investment, size and timing will be more dispersed than originally planned
- US BEV production: Under evaluation



Returns Policy

- Based on comprehensive assessment of business performance, investment plans, and the business environment
- Pay stable, continuous dividends and flexibly repurchase shares
- Aim for total return ratio of 30-50%

Monozukuri*
Innovation

Value Creation

**Aiming to become the world's leading company in
Monozukuri* and Value Creation**

Maximize Customer Value
Maintain Industry-Leading Profitability

*Monozukuri: Manufacturing

Images are for illustration purposes only.

Thank you

