



ShinMaywa and FHI to Integrate Refuse Collector Business

Tokyo, March 30, 2012 - ShinMaywa Industries, Ltd. (ShinMaywa; President and CEO Yoshihiro Onishi) and Fuji Heavy Industries Ltd. (FHI; President and COO Yasuyuki Yoshinaga) have agreed today to transfer FHI's refuse collector business lead by its Eco Technologies Company to ShinMaywa, and integrate the business of the two companies. The business transfer is scheduled to take place on December 28th, 2012 after official approvals are obtained from all parties concerned including the Fair Trade Commission.

ShinMaywa and FHI reached an agreement in 2003 for collaborative development of new refuse collectors and procurement of some of the parts. Since then, the two companies have worked as partners and jointly developed the compactor-type refuse collector G-PX in 2005 and the rotating plate-type G-RX in 2007.

The domestic market for refuse collectors is expected to face challenges in the future. The amount of garbage is declining yearly due to the recent increase in environmental consciousness which lead to separating and recycling waste. The decrease in population is likely to have effect in the long run as well.

Under these circumstances, ShinMaywa aims to strengthen its refuse collector business by taking over FHI's said business, while FHI will concentrate its management resources to its other divisions such as the Subaru automotive business.

ShinMaywa started its refuse collector business in 1962 with the production of Full Packer. The European style crushing and compacting-type refuse collector Town Pack was developed in the beginning of the 1970's as the industry leader. Town Pack is the root of all contemporary products. Over the years, ShinMaywa refined and updated its products for better work efficiency and safety, and has lately been placing emphasis on noise reduction and design enhancements. These efforts have resulted in a business that is top class in recent domestic sales performance, ranking with FHI.

FHI's refuse collector business also began in 1962 when it launched the LP101 model. This was right before the Tokyo Olympics and FHI responded to the needs of local communities to reinforce the city's sanitation system. For fifty years since, FHI has developed an extensive lineup of refuse collectors in the brand name Fuji Mighty, including both compactor and rotating plate types, to meet the demands of its customers. An approximate total of 65,000 units have been manufactured and sold, domestically and internationally.

When the business transfer is completed, ShinMaywa's refuse collector brand TOWN PACK / ROUTE PACKER and FHI's brand Fuji Mighty will be integrated to form a new brand. Both companies will unite their vast knowledge gained throughout the years to construct a system that can provide products and services with added value in all aspects of production, sales and after-sales service.

[Business Transfer Overview]

Scope of Business Transfer: FHI's business relating to refuse collector products; all shares of subsidiary associates Daiwa Shoko Co., Ltd. and Fuji Special Purpose Vehicle Co., Ltd.

Scheduled Date of Business Transfer: December 28, 2012