

TO: All Subaru Retailers

FROM: Subaru of America. Inc.

Service Department

DATE: August 6, 2013

SUBJECT: GR8 Battery and Electrical Testing Upgrade Package.

Subaru of America has partnered with Midtronics to develop a new battery testing and charging package for all Subaru retailers. The package includes a new Subaru specific GR8 battery tester, a vehicle communication module, and an upgrade for our current EXP1000 handheld tester.

This exciting new package will allow Subaru retailers to more accurately test and diagnose vehicle battery, charging and starting systems. This includes the new Automatic Start/Stop System battery on the upcoming Subaru XV Crosstrek Hybrid.

The new GR8 will replace the previously required Midtronics GR1 battery charger, which has been in service for over 8 years and has been discontinued. Warranty claim submissions will continue to accept the GR1 test results until December 31, 2013. Beginning with 2014, only test results completed using either the GR8 or the updated EXP1000 will be accepted. Another feature of the new system is that all test results will be stored in the BMIS cloud database for future retrieval if needed.

All Subaru of America retailers will be automatically shipped the new GR8 battery and electrical system upgrade package beginning the end of August 2013. The cost of the package will be \$4,268 plus applicable taxes and shipping. At the request of the National Dealer Advisory Board, we will be delaying the billing until January 2014. Subaru of America Inc. will provide the financing for the cost of this equipment because we realize this is a significant capital expenditure for your business. We will begin billing each retailer beginning on your January 2014 parts statement in 18 equal monthly interest free payments (\$237.12 plus taxes and shipping). These equal monthly payments will be about \$275 depending on state and local taxes.

In addition, the package also includes 1 year of the Midtronics online battery maintenance system, BMIS and a 3 year warranty on the GR8 unit. Subsequent years of the BMIS will be billed annually to dealer's parts statement (current cost \$312 per year).

Please review the attached brochure explaining the features of the new system. There is also a ROI calculator that will help you understand how quickly this unit can pay for itself with additional battery sales. Based on the ROI calculator, it should take only about 8 months for the GR8 battery charger to pay for itself. This new battery charging device should be a huge money maker for your service operations. We also believe that this highly advanced equipment will enhance the Subaru service experience for our customers.

If you have any questions, please do not hesitate to email me (qpal@subaru.com) or call (856-488-8792).

Sincerely,

Gary Palanjian Vice President, Parts and Service



- Multiple diagnostic/charging algorithms including Start-Stop,
 Hybrid and AGM/spiral batteries
- MOSFET Soft Switch Charging Technology allows more precise control of charging voltage and current
- Diagnostic charging mode quickly and efficiently assesses the condition of batteries and only charges the good ones
- Power Supply Mode maintains battery state of charge during vehicle reflash programming and/or extensive service work
- Recovery charge mode helps recover hard to charge batteries
- Top-off charging lets you trickle charge batteries when desired
- Integrated temperature sensor in charge cables improves safety and diagnostic charging capabilities
- Quick connect removable cables for maximum service flexibility

Includes integrated EST/Electrical System Test Kit for advanced starting and charging system testing:

- Standardizes dealer diagnostics process to help control alternator warranty costs
- BMIS-enabled capabilities include WiFi-delivered software updates
- CVG module for automated VIN capture, in-vehicle verification, and rev detection during system test
- Automated charging system test vehicle loads are simulated by the GR8, not technician-activated
- Promotes first-visit service resolution for greater customer satisfaction
- Interactive test routine follow simple menu-driven instructions

Capabilities

Multiple test formats

- Battery test
- Starter test
- Standard alternator test
- Advanced pattern recognition alternator test via Digital Signal Processing (DSP)
- Test by make and model with known alternator rating

Diagnostic data saved to data card in GR8 control module

See the results you could realize — Download a user-specific ROI Calculator by Clicking here

SUBARU, EXP-1000S UPDATE

This update increases the functionality of your existing EXP-1000S:

EXP Add-on WiFi module and CVG module:

- EXP WiFi module supports new BMIS capabilities, including automated software updates and archived battery test results (no more faded test printouts)
- Multiple diagnostic/charging algorithms including Start-Stop, Hybrid and AGM/spiral batteries
- CVG module for automated VIN capture, in-vehicle verification, and rev detection during system test
- Diagnostic data saved to data card in EXP-1000S



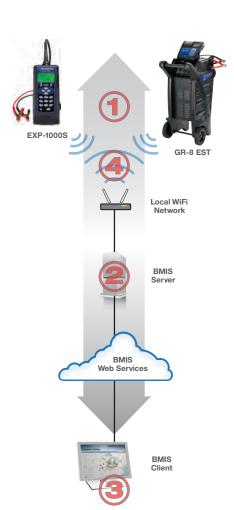


BMIS | Battery Management Information System

The BMIS battery and electrical mangement reporting system is designed to provide:

- 1 Centralized collection of data from performed battery and electrical testing from multiple sources
- (2) Test data analysis

- (3) Web-based reports for review
- 4 Automatic software updates for test equipment in the field



Midtronics Battery Management Information System (BMIS) is a fully customizable, web-based data analysis and reporting service designed to make your equipment, staff, and processes more profitable and effective.

Increase sales

Increase focus on preventative maintenance testing to drive sales and offer proactive customer service

Analyze test results

Promotes battery sales by identifying opportunities to replace batteries and supports computer-based test results history file

Monitor and update tools

Track the usage of all tools in the shop and update tool software wirelessly

Print test reults

Print archived tests, customer results and customized coupons from local printers via BMIS Client portals

Future integration with the Subaru Warranty Claims System

Watch for a notification email prior to launch with full BMIS access, username and password information