

Operating Results

(1) Achievements for the 3rd Quarter Ended Dec. 31, 2006

Sales within the Auto Parts segment increased 13.4% (¥1,665,176 million) compared with the same quarter of the previous fiscal year (¥1,469,048 million) due to clients' production expansions, and AISIN's aggressive sales activities for automatic transmissions, manual transmissions, car navigation systems, and power sliding doors. Sales of the Life & Energy related products and other business increased 5.1% (¥71,083 million) compared with the same quarter of the previous fiscal year (¥67,651 million).

As a result, total sales increased 13.0% (¥1,736,259 million) compared to the same quarter of the last fiscal year (¥1,536,699 million).

Despite higher depreciation, increasing R&D expenses, and surging material costs such as aluminum, the favorable activities to streamline and raise efficiency in all areas of operations through cost reductions and other measures resulted in a 6.7% increase in operating income from ¥86,105 million to ¥91,848 million. Ordinary income increased 4.6% to ¥97,447 million. (Previous: ¥93,159 million) Net income increased 4.5% to ¥46,320 million. (Previous: ¥44,311 million)

(2) Future Outlook

Concerning future business environments, there are still uncertainties such as soaring material prices of crude oil, steel, and aluminum, as well as intensifying price competitions.

Amid this environment, together with adequately addressing immediate challenges, the AISIN Group will combine its collective strengths and proactively undertake initiatives to strengthen global competitiveness and its corporate constitution along with aiming to become a preeminent global brand.

With regard to the forecast in FY2007, net sales, operating income, ordinary income, and net income would be estimated at ¥2,370,000 million, ¥128,000 million, ¥131,000 million, and ¥62,000 million respectively. (Estimated exchange rate for dollar in the 4th quarter: 1US\$=¥115)