

AISIN has made efforts to maximize corporate value for our shareholders as well as all the stakeholders, making the most of shareholders' meetings, the board of directors, the board of auditors and other legal functions. Also, we always try to be fair and transparent in our entire management activities. For investor relations in particular, we are actively involved in improving transparency of our management.

### **Dividend Policy**

Regarding dividends applicable to fiscal year 2003, Aisin Seiki rose by ¥2 per share compared with fiscal year 2002 to ¥15 per share, ¥4.1 billion (US\$34 million) in total amount.

We will return profits to our shareholders, basically keeping stable amount of dividends, in general consideration with our business performance and dividend ratio. Considering retained earnings as an important source to secure shareholders' profit, AISIN will apply the earnings to the investment to promote domestic and overseas operation and further reinforce or flesh out the corporate structure in the future.

### **Treasury Stock Acquisition**

Aisin Seiki has acquired treasury stock in order to improve capital efficiency, return much more profits to shareholders and exercise any flexible capital policy responding to change in management environment. During fiscal year 2003, we spent ¥26.8 billion (US\$223 million) in total amount for 16.8 million of treasury stock.

We will continuously execute stock acquisition, as the shareholders' meeting in June 2003 approved the acquisition of additional treasury stocks with an upper limit of 10 million shares or ¥17.5 billion (US\$146 million).

### **Number of Shares Per Even Lot**

As of August 1, 2002, we changed the even lot of Aisin Seiki stocks from 1,000 to 100 shares, in order to activate circulation of Aisin Seiki stocks and increase investors.

### **Stock Option**

Aisin Seiki has adopted the subscription right type of stock option program for directors of the board of major AISIN group companies.

### **Compliance**

In 1998, AISIN has set the AISIN Corporate Activity Charter, which defines the basic stance for AISIN to fulfill its social responsibility. As a right-minded activity, strong consciousness of self-responsibility and transparent management are increasingly required of companies recently, we revised the Charter in January 2003.

According to the Corporate Activity Charter, we respect all laws, international rules and their spirit, regardless of in Japan or abroad, and behave with social consciousness. We also try to be not only an economic entity pursuing profits through fair competition but also to be more generally useful for society.

### **Investor Relations**

AISIN is actively involved in investor relations (IR) activities to timely and fairly disclose our corporate information to all stakeholders and gain their clearer understanding about us. We have also focused our efforts on holding financial report briefings for market participants, preparation of IR tools such as annual report and business report. In addition, we disclose useful information on each web site of Aisin Seiki and its subsidiaries.

In addition, Aisin Seiki makes a public disclosure according to the Timely Disclosure Rule prescribed by the Tokyo Stock Exchange, and pays attention to laws and codes, such as rules against insider trading.