

GROWTH STRATEGY

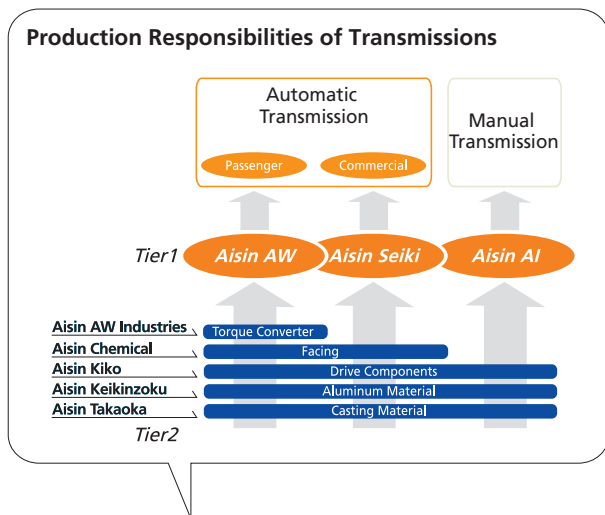
Development System and Creating Attractive Products

Development System

Group Development System

In AISIN, each company makes the most of its characteristics and capability from R & D to production and marketing.

Aisin Seiki Co., Ltd. (Aisin Seiki) is involved in all group's business segments and takes the initiative in every operation. Aisin AW Co., Ltd. (Aisin AW) plays a key role in drivetrain and information related segments, Aisin AI Co., Ltd. (Aisin AI) in drivetrain related segment, and ADVICS Co., Ltd. (ADVICS) in brake & chassis related segment. Aisin Takaoka Co., Ltd. (Aisin Takaoka), Aisin Chemical Co., Ltd. (Aisin Chemical) and other group companies complement business segments of the AISIN Group, developing products, based on constituent technologies they have; such as casting, pressing, forging and plastic molding.



Advanced Technology Development Bases

AISIN has four advanced technology R & D companies in Japan and abroad, and is involved in research of cutting edge technologies in various areas, such as automobile, energy, information and optronics. In particular, IMRA America, Inc. (IMRA America) has cooperated with universities or research institutions to carry out cutting edge technological development in the optronics area, and so has IMRA Europe S.A. in information and energy areas.

Testing and Evaluation Facilities

AISIN has the world's top-class testing and evaluation facilities, which are capable of conducting evaluation of not only components but also component-mounted vehicles. In addition, AISIN makes field evaluations at extremely hot swamp or cold district overseas. Such a wide range of evaluations allows us to meet automobile manufacturers' needs for environment, safety and comfort.

Fujioka Proving Ground (Aichi)

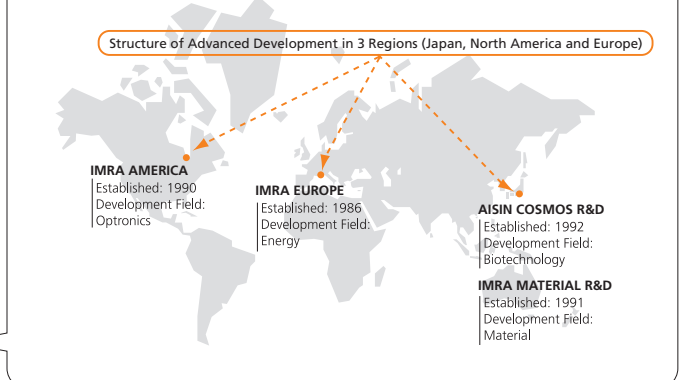


- Land area: 670,000m²
- High-speed track: 2.4km / lap
- Rough road track: 4.6km / lap

Product Development Responsibilities

	Drivetrain	Brake & Chassis	Engine	Body	Information	Others
Aisin Seiki	•AT for Commercial Car •Clutch	Chassis Parts and System	Engine Parts and System	Body Parts and System	Information Products	•GHP •Sewing Machine
Aisin AW	AT for Passenger Car				Navigation System	
Aisin AI	MT					
Aisin Takaoka	Drivetrain Parts	Drum Rotor	Exhaust Manifold	Door Beam		
Aisin Chemical	Facing	Pad		•Underbody Coating •Damping Material		
ADVICS		Brake system				
Hosei Brake Industries		Drum Brake				
Others		Production Development (Method, Material, Equipment etc.), New Product Development				

Worldwide R&D subsidiaries in Cutting - edge Realms



Creating Attractive Products

AISIN believes that developing technologies to create attractive products, which offer a new value to our customers or end-users, will result in a contribution to our society, and eventually to our business expansion.

End-users' needs are diversified and not readily apparent, and can change quickly. Today is a time when even automobile manufacturers cannot predict easily what kind of products or services end-users are willing to accept. At the same time, it is where AISIN will find an opportunity to propose unique product ideas to customers as a supplier. AISIN has successfully increased transactions with not only domestic automobile manufacturers but also foreign ones, mainly because of an originality or uniqueness of products we provided.

Some examples of those products include 6-speed automatic transmission, electric automated manual transmission, multi-panel sunroof, lane departure warning system, integrated exhaust manifold with catalyst and variable valve timing system. We plan to serialize and largely promote these promising new products.

Also in non-automotive business segments, AISIN is actively involved in technological development to enhance new product creation. For example, in the energy related business, we have developed and released a power-generating unit to construct a gas engine cogeneration system using the technology of the gas engine driven heat-pump air conditioner we have nurtured. Furthermore, we are developing a fuel cell cogeneration system with an eye toward the future.

In the optronics related business, IMRA America, one of AISIN's R & D companies, is involved in developing a femto-second fiber laser, which is a laser intermittently emitting a pulse on the femto-second time scale ($fs=10^{-15}s$) and is expected to be used in areas such as communications, micromachining, instrumentation, physical and chemical science, and medical care.

We believe that in trying to create such attractive new products, it is important to view things from not a supplier's angle but from the user's viewpoint. AISIN will further enhance the planning of products and system to create innovative products.



Automated Manual Transmission



Gas Engine Cogeneration Unit



Femto-second Fiber Laser