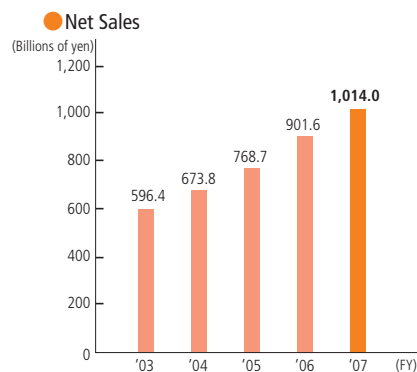


Drivetrain Related Products

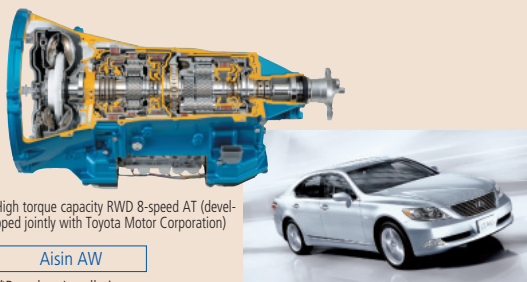
In the fiscal year under review, net sales for the drivetrain related products segment increased 12.5% to ¥1,014,017 million (US\$8,590 million). The driving force behind this growth was robust sales of ATs and CVTs at Aisin AW and MTs at Aisin AI.

In the drivetrain related product market, coinciding with the shift toward greater fuel efficiency, the proliferation in the variety of drivetrains available in the market continues unabated, including multi-step transmissions, CVTs and hybrid systems. To rapidly meet this diversification in market needs and offer a full lineup of drivetrains, AISIN is undertaking technological development ahead of the times, aggressively expanding sales to the world's automobile manufacturers and strengthening the supply structure. While preserving its No. 1 global share in the AT market, AISIN is striving to become the world's No. 1 manufacturer in all fields related to drivetrains, beginning with its world-leading MTs.



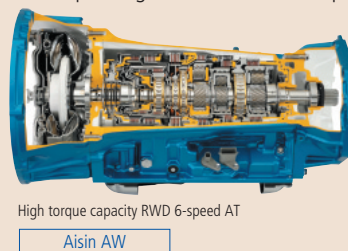
Development of the World's First 8-speed AT

The world's first RWD 8-speed AT realizes both high fuel efficiency and an exceptional driving experience enabled by superb acceleration performance by harnessing the engine's high torque capacity. The AT is fitted on the *LS460*, a Lexus flagship model.



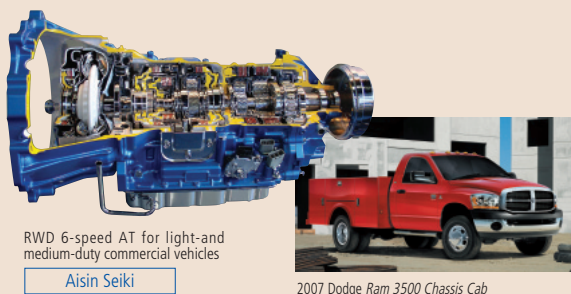
Sales Expansion of 6-speed ATs

In addition to Toyota Motor Corporation, AISIN is expanding sales of 6-speed ATs mainly to European automakers, including Volkswagen, Audi and Volvo. Moreover, we have started supplying to such Chinese manufacturers as Shanghai Automotive Industry Corporation and Chongqing Changan Automobile Company Limited, increasing the number of customers for ATs for passenger vehicles to 37 companies.



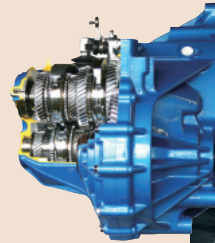
Overseas Sales Expansion of RWD 6-speed ATs for Compact Commercial Vehicles

Chrysler LLC became the first non-Japanese carmaker to select AISIN's 6-speed ATs for compact light-and medium-duty commercial vehicles, which were introduced into the market in 2004, to be fitted in Dodge *Ram Chassis Cabs* beginning in autumn 2006.



Strong Sales for High Torque Capacity FWD 6-speed MTs

Available since 2005, the BG6 FWD 6-speed MT was adopted in the Mazda *Axela*, Mitsubishi *Outlander* and other models. Sales of the BG6 have been expanding mainly in the European market, and it is our biggest production model with installation on a total of 14 models manufactured by five automakers.



High torque capacity FWD 6-speed MT
Aisin AI

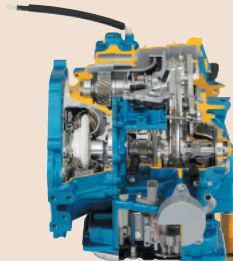


Mitsubishi *Outlander* (for overseas markets)

Development of Compact CVTs for 1.8-liter Class Vehicles

AISIN's new compact CVTs ensure both higher fuel efficiency and acceleration at the optimum transmission gear ratio by employing control technologies cultivated through the development of ATs. The product is fitted in Toyota's *Corolla Axio* and *Corolla Fielder*.

In December 2006, a capital transfer was carried out involving CVTEC Co., Ltd., a joint venture between Aisin AW and Bosch Corporation that produces CVT belts. CVTEC was subsequently made into an AISIN subsidiary with the aim of bolstering an integrated development structure for CVTs and belts.



CVT
Aisin AW

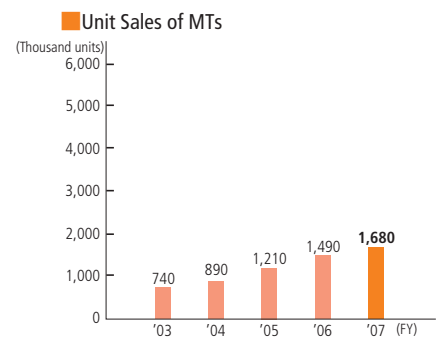
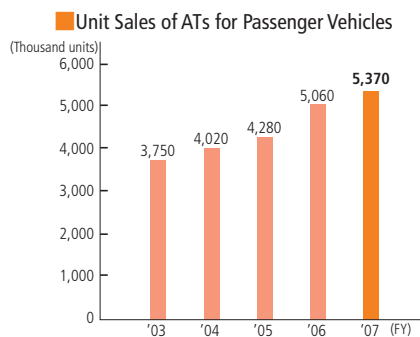


Toyota *Corolla Axio*

Development of Hybrid Systems

AISIN has been proactively engaged in the development of hybrid systems with high environmental performance. In March 2006, we released the world's first RWD 2-motor hybrid transmission jointly developed with Toyota Motor Corporation. Together with the FWD hybrid transmissions introduced in 2004, we are bolstering our hybrid system lineup.

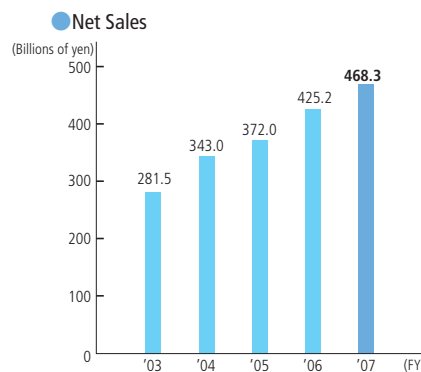
DATA



Brake & Chassis Related Products

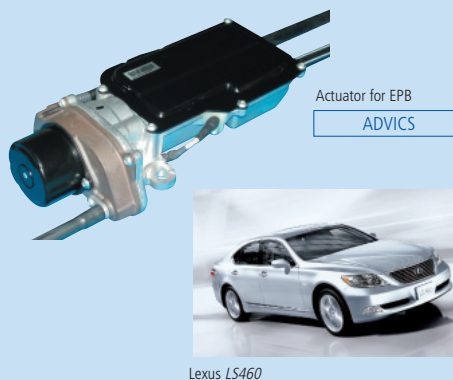
In the fiscal year under review, net sales for the brake and chassis related products segment increased 10.1% to ¥468,261 million (US\$3,967 million). This is due mainly to strong global sales of brake systems and brake components at ADVICS.

In the brake and chassis related product market, the key to surviving the competition is to offer superior-quality components and system products at a reasonable price. While raising the technological level of its brake system to an unmatched worldwide level through electronic controls, automobile testing and other technologies, AISIN is also working to develop safer, more reliable system products for ABS, brake assist, traction control and ESC systems as it aims to become a comprehensive system supplier not only in the mainstay brake related products field but also in the chassis related products field, including steering and suspension systems.



Japan's First Electric Parking Brake (EPB)

AISIN developed an electric version of conventional parking brakes, which realize a reduction in control force and an expansion of foot space due to the removal of the parking brake pedal. In addition, convenience and safety are greatly improved by automatic actuation and release linked to shifting operations. The product is equipped on the Lexus LS460 released in September 2006.



Development of Next-generation ABS and ESC Modulators

● **ABS "ADS-A2" Modulator**

The ABS "ADS-A2" modulator incorporates a motor drive system and control valves that have been modified, leading to a roughly 20% reduction in weight and size compared with the previous modulator.

● **ESC "ADS-V2G" Modulator**

The ESC "ADS-V2G" modulator uses AISIN's unique gear pumps to achieve superior quietness, and through the use of brake controls, it supports various extended functions such as Radar Cruise Control and Pre-Crash Safety systems.



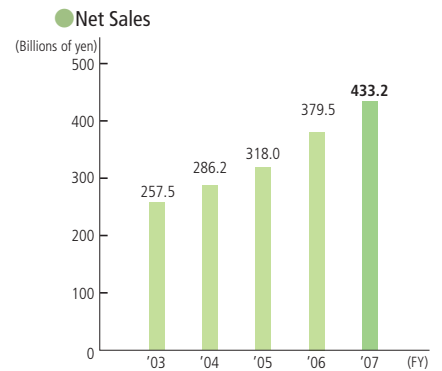
Both products are equipped on the Toyota Corolla Axio and Corolla Fielder.



Body Related Products

In the fiscal year under review, net sales for the body related products segment rose 14.1% to ¥433,211 million (US\$3,670 million). Robust sales of Aisin Seiki's power sliding door systems, seat components, door handles and other products were a key contributor to this increase.

In the body related products segment, needs are shifting as user preferences diversify in such areas as safety, comfort, convenience, user-friendliness and spaciousness. In anticipation of future needs, AISIN aims to employ a wide array of accumulated mechatronic and electronics technologies to introduce new and valued products that reflect the varied needs of users and in turn expand business in the global market.



World's First Safety Technology to Reduce Whiplash Injury

In case of an unavoidable collision with a vehicle from the rear, the Pre-Crash Safety system is activated to cushion the shock to the neck and reduce the risk of whiplash injury by moving the front part of the head restraint forward, thus shortening the distance between the head and head restraint.



Before activation



After activation

Pre-Crash Intelligent Head Restraint (developed jointly with Toyota Motor Corporation, Toyota Boshoku and Yazaki Corporation)

Aisin Seiki

Lexus LS460



Jointless Zinc Die Casting Door Frame Molding

By using the latest CAE flow analysis and applying the high decompression casting technology to zinc die casting products for the first time, defects in die casting materials are reduced to the bare minimum. The craftsmanship of skilled engineers and the highest grade of chrome plating offer the glossy luster and a seamless and fine appearance befitting a prestige luxury vehicle. The door frame molding is fitted in the Lexus LS460.



Zinc die casting door frame molding

Aisin Seiki

Lexus LS460



First Use of Power Sliding Door System in a Bonnet-type Minicar

AISIN reduced the size of the drive unit built in the sliding door to enable use in "kei" (mini) cars. Providing a spacious cabin space, this system was adopted in the Mitsubishi eK Wagon, the first on a bonnet-type minicar.



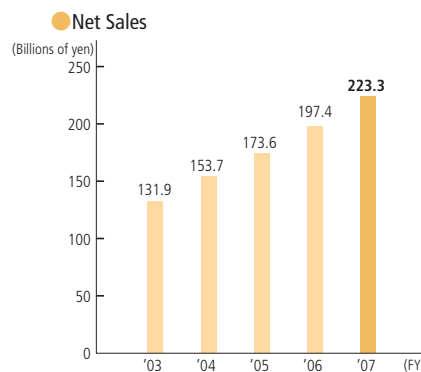
Mitsubishi eK Wagon

Aisin Seiki

Engine Related Products

In the fiscal year under review, net sales for the engine related products segment rose 13.1% to ¥223,275 million (US\$1,891 million). The key factors included higher sales of Aisin Seiki's engine front modules and other aluminum components in North America and Europe.

In the engine related products market, fuel consumption and exhaust emission regulations have grown more stringent in numerous countries around the globe. Such regulations are in turn encouraging a variety of measures that include the development of key technologies in the areas such as diesel, hybrid and bioethanol by industry leaders in an effort to lower automobile emissions and raise fuel efficiency. In striving to strengthen technologies covering all aspects of an engine, AISIN handles a wide variety of engine peripherals and cast components and employs elemental technologies that raise fuel efficiency, boost output and reduce emissions. This includes VVTs, which contribute to a reduction in emissions, as well as stainless steel exhaust manifolds, which help to reduce weight.



Sales Expansion of Engine Front Module

AISIN has integrated the water pump, oil pump and other functional parts into the engine front case, and thus reduced the number of components. In fiscal 2007, this product was equipped in the new Lexus LS460 and Toyota's Corolla Axio and Corolla Fielder.



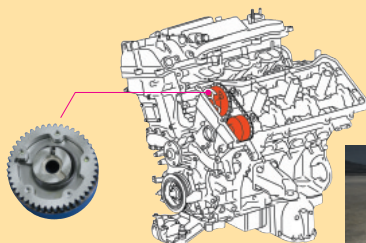
Engine front module
Aisin Seiki



Lexus LS460

Expanded Sales of VVTs

A VVT is a device that controls timing for opening or closing the valve for air intake or exhaust according to the driving condition. It is effective in improving fuel efficiency when idling as well as reducing harmful substances found in exhaust emissions during medium load conditions, and contributes to raising output during high load operating conditions. The product was newly installed in the Nissan Altima (for North America) and Volvo V70.



VVT
Aisin Seiki

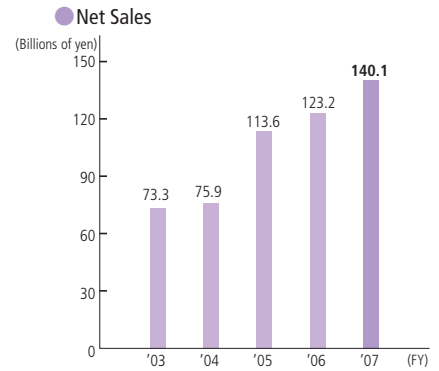


Nissan Altima (for North America)

Information Related Products

In the fiscal year under review, net sales for the information related products segment rose 13.7% to ¥140,053 million (US\$1,186 million). This was primarily attributable to a solid growth in sales of Aisin AW's car navigation systems. AISIN maintained its position as the leading global car navigation system manufacturer with total annual sales of 1.03 million units.

Business opportunities in the information related products segment are expanding rapidly as interfaces between automobiles and peripheral IT devices and advances in information and telecommunications along with electronics technologies make unprecedented levels of safety and convenience possible. By leveraging state-of-the-art technologies in such fields as electronics and imaging processing, we strive to expand the information related products business by enhancing the lineup of system products centered on car navigation systems as well as peripheral monitoring systems employing imaging processing technology and other products.



Enhancing Operability of Intelligent Parking Assist

Steering operability is enhanced by adding a function that detects the position of parked vehicles using front ultrasonic sensors to conventional systems that support steering operations when parking. The system is fitted in the Lexus LS460, Toyota Corolla Axio, Toyota Blade and other models.



Toyota Corolla Axio



Intelligent Parking Assist with ultrasonic sensors (developed jointly with Toyota Motor Corporation)

Aisin Seiki



Strong Sales of Car Navigation Systems for Europe

AISIN has introduced its first car navigation systems equipped with a general lane road guide for the European market, offering 23-country coverage and availability in 10 languages. In fiscal 2007, the system was installed on the Toyota RAV4, and sales were particularly strong in Europe.



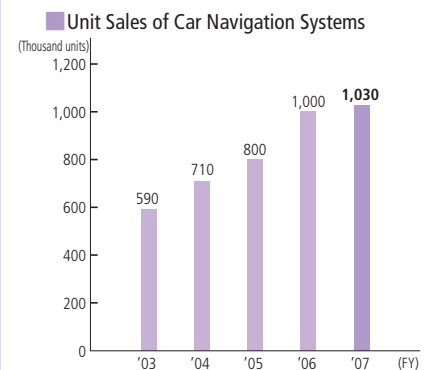
DVD Voice Navigation System for Europe

Aisin AW



Toyota RAV4 for Europe

DATA



Casting Related Products

Casting related products refer to component parts utilizing such manufacturing processes as aluminum die casting, iron casting, plastic molding, pressing and magnesium die casting. These casting related products are used as components of such mainstay products as engine peripherals, transmissions, brakes and bodies, and are sold both in Japan and overseas in such forms as cylinder head covers, transmission cases and bearing caps.

AISIN's aggressive technological and production method development in this field plays an important role in raising the competitiveness of the Group's products and the added value available within the Group as a whole.

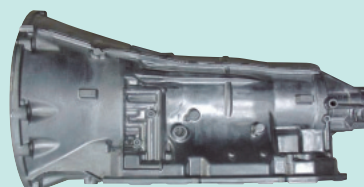
Net sales are included in the sales for automobile related segments.

Major Domestic Group Companies Responsible for Casting Related Products

Company Name	Main Products
Aisin Seiki	Parts pressing, aluminum die casting, magnesium die casting
Aisin Takaoka	Iron casting, aluminum die casting
Aisin Chemical	Plastic molding, chemical products
Aisin Keikinzoku	Aluminum die casting and extrusion

Realizing Lightweight, High Rigidity and Low Cost with Die Casting of Integrated AT Casing

An 8-speed AT with a size equivalent to a 6-speed AT has been realized with the development an integrated case that combines converter and extension housing. The high torque capacity RWD 8-speed AT has been used in the Lexus LS460.



Transmission case with integrated housing

Aisin Seiki



Lexus LS460

Reducing Environment-impacting Substances via PVC-free Coating

Coating the car underbody protects the underside from rocks, as well as absorbs impact and reduces splash noise. PVC-free coating, which also enables energy recycling through incineration, has been used on the Lexus LS460 as of fiscal 2007.



PVC-free underbody coating

Aisin Chemical

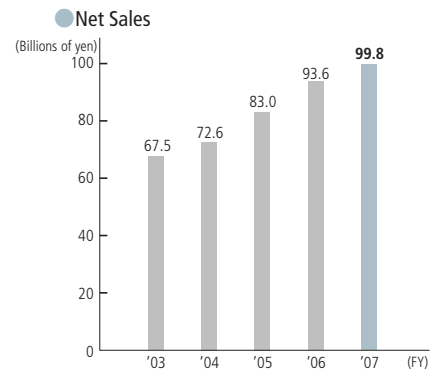


Lexus LS460

Life Related and Other Products

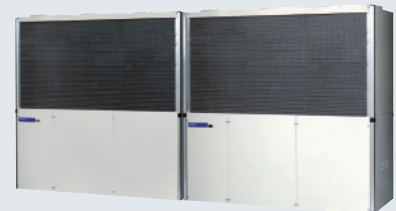
In the fiscal year under review, net sales for the life related and other products segment rose 6.6% to ¥99,795 million (US\$845 million). The largest contributing factor was sales growth in shower-toilet seats as well as beds and related products.

In addition to automotive parts, AISIN's wide business range also includes such products as GHPs, beds and related products, shower-toilet seats, sewing machines, remodeling services, nursing care and welfare related products. Amid changes in the fabric of society, including concerns over environmental issues and the aging of society, the need for energy conservation and a healthy and comfortable lifestyle will play an increasingly prominent role. In its efforts to quickly respond to customer needs, AISIN is actively involved in the development of next-generation products, including residential fuel cell cogeneration systems and dye-sensitized solar cells, as we aim for an expansion in this business segment.



Launch of New Type of GHP Connecting to Outdoor Units

Available from October 2006, the "D1 Series" GHP boasts the No. 1 position in the industry with regards to the number of indoor units that can be connected to a single outdoor unit as well as connection capacity. The product lineup is further enhanced with "Mato multi-unit type" models for customers who require air conditioning on a larger scale. Features enabling a high degree of control such as centralized control and operation, distributed air conditioning cost calculation and an open-network system are designed to meet needs specific to each customer.



"D1 Series" GHP

Aisin Seiki



Release of High-end Bed Series

AISIN has added a reclining feature to its Super Flex Fit UX Mattress series that uses "FINEREVO" pliable elastomer blocks for a comfortable sleep. The "SATISFY" reclining bed was introduced from October 2006.



Reclining bed "SATISFY"

Aisin Seiki

Enhancing the Lineup of Welfare Related Products

In March 2006, AISIN introduced "JUST BELLGRAND," the industry's first bed equipped with a mechanism that relieves sliding and abdominal thrust pressure when sitting up in bed. At the same time, it also made available the "BELLLET" portable toilet series, which with its flat design allows turning while in the sitting position.



"JUST BELLGRAND" self-support reclining bed and "BELLLET" portable toilet series

Aisin Seiki