

Management Data

67__ Economic Aspects

67__ Summarized Financial Data for Ten Years

69__ Consolidated Balance Sheets

71__ Consolidated Statements of Income

72__ Consolidated Statements of Cash Flows

73__ Consolidated Statements of Changes in Net Assets

75__ Business and Other Risks

77__ Environmental Aspects

81__ Social Aspects

83__ Affiliated Company Information

89__ Investor Information

Management Data Economic Aspects

Summarized Financial Data for Ten Years

AISIN SEIKI CO., LTD. and Its Subsidiaries Years ended March 31

| | Millions of Yen | | | |
|-----------------------------------|-----------------|-------------|-------------|-------------|
| | 2000 | 2001 | 2002 | 2003 |
| Net Sales | ¥ 1,000,643 | ¥ 1,128,484 | ¥ 1,221,916 | ¥ 1,408,012 |
| Domestic Sales | 847,408 | 904,040 | 968,878 | 1,103,979 |
| Overseas Sales | 153,234 | 224,443 | 253,037 | 304,033 |
| Operating Income | 50,795 | 64,816 | 60,644 | 80,600 |
| Net Income | 17,978 | -7,230 | 25,651 | 47,994 |
| Total Assets | 928,918 | 1,104,641 | 1,146,819 | 1,224,311 |
| Shareholders' Equity | 362,394 | 414,671 | 431,872 | 428,602 |
| Capital Stock | 41,140 | 41,140 | 41,140 | 41,140 |
| Capital Expenditures (Cash Flows) | 84,750 | 80,853 | 81,258 | 115,355 |
| Depreciation | 82,342 | 82,650 | 80,238 | 86,350 |
| Research and Development Expenses | 53,086 | 58,831 | 67,665 | 80,074 |
| Return on Equity (ROE) | 5.4 % | -1.9 % | 6.1 % | 11.2 % |

| | Yen | | | |
|---|----------|----------|----------|----------|
| | 2000 | 2001 | 2002 | 2003 |
| Per Share of Common Stock | | | | |
| Net Income — Basic | ¥ 64.36 | ¥ -25.89 | ¥ 91.84 | ¥ 171.98 |
| Net Income — Diluted | 61.14 | — | 86.76 | 161.28 |
| Shareholders' Equity | 1,297.21 | 1,484.53 | 1,546.21 | 1,612.96 |
| Cash Dividends | | 12.00 | 13.00 | 15.00 |
| Average Number of Shares (in thousands) | 279,364 | 279,329 | 279,322 | 273,746 |
| Equity to Assets Ratio | 39.0 % | 37.5 % | 37.7 % | 35.0 % |
| Number of Employees | 32,860 | 36,343 | 40,234 | 44,132 |

- Notes: 1. Income per share of capital stock is calculated by dividing net income by the weighted-average number of shares outstanding during the reported period, and Shareholders' equity per share of common stock is calculated based on the number of shares outstanding at year-end.
2. Effective beginning the year ended March 31, 2005, the "Accounting Standards for Net Income per Share (Corporate Accounting Standard No. 2)" and "Guidelines for the Application of Accounting Standards for Net Income Per Share (Guidelines for the Application of Corporate Accounting Standards No. 4)" issued by the Accounting Standards Board of Japan on September 25, 2002 have been applied.
3. Effective beginning the year ended March 31, 2007, the "Accounting Standard for Presentation of Net Assets in the Balance Sheet (Corporate Accounting Standard No. 5)" and "Guidance on Accounting Standard for Presentation of Shareholders' equity in the Balance Sheet (Accounting Standards Board of Japan Guidance No. 8)" issued by the Accounting Standards Board of Japan on December 9, 2005 have been applied.
4. The number of consolidated subsidiaries and affiliates accounted for by the equity method is as follows.

| | 2000 | 2001 | 2002 | 2003 |
|---|------|------|------|------|
| Consolidated Subsidiaries | 49 | 89 | 102 | 106 |
| Affiliates Accounted for by the Equity Method | 7 | 13 | 15 | 14 |

| Millions of Yen | | | | | |
|-----------------|-------------|-------------|-------------|-------------|--------------------|
| 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| ¥ 1,605,252 | ¥ 1,829,064 | ¥ 2,120,588 | ¥ 2,378,611 | ¥ 2,700,405 | ¥ 2,214,492 |
| 1,208,311 | 1,269,497 | 1,406,584 | 1,520,081 | 1,661,827 | 1,337,159 |
| 396,940 | 559,567 | 714,004 | 858,530 | 1,038,578 | 877,333 |
| 86,768 | 95,110 | 118,096 | 131,034 | 180,484 | -3,489 |
| 34,719 | 46,718 | 61,095 | 66,889 | 91,654 | -25,149 |
| 1,382,584 | 1,503,313 | 1,853,458 | 2,037,896 | 2,097,727 | 1,731,689 |
| 506,260 | 552,752 | 678,881 | 955,853 | 994,592 | 814,506 |
| 45,049 | 45,049 | 45,049 | 45,049 | 45,049 | 45,049 |
| 147,586 | 162,327 | 218,753 | 224,433 | 204,845 | 231,175 |
| 97,563 | 105,968 | 123,033 | 145,276 | 167,482 | 182,057 |
| 89,076 | 95,545 | 95,148 | 103,749 | 115,330 | 115,994 |
| 7.4 % | 8.8 % | 9.9 % | 9.3 % | 12.0 % | -3.6 % |

| Yen | | | | | |
|----------|----------|----------|----------|----------|-----------------|
| 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| ¥ 126.11 | ¥ 159.94 | ¥ 209.15 | ¥ 233.03 | ¥ 322.50 | ¥ -89.36 |
| 118.38 | 159.77 | 208.86 | 232.71 | 322.15 | — |
| 1,771.12 | 1,928.58 | 2,361.66 | 2,662.78 | 2,725.67 | 2,202.86 |
| 18.00 | 24.00 | 32.00 | 40.00 | 60.00 | 40.00 |
| 267,404 | 285,807 | 286,628 | 287,038 | 284,197 | 281,456 |
| 36.6 % | 36.8 % | 36.6 % | 37.2 % | 36.6 % | 35.8 % |
| 47,616 | 53,237 | 59,587 | 66,383 | 73,509 | 73,201 |

| 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|------|------|------|------|------|------------|
| 114 | 122 | 132 | 141 | 148 | 151 |
| 14 | 14 | 14 | 12 | 11 | 12 |

Consolidated Balance Sheets AISIN SEIKI CO., LTD. and Its Subsidiaries Years ended March 31, 2009 and 2008

| Category | Millions of Yen | |
|--|---------------------------------|---------------------------------|
| | FY2008 (As of Mar. 31, 2008) | FY2009 (As of Mar. 31, 2009) |
| ASSETS | | |
| I Current assets | | |
| 1 Cash and deposits | ¥ 102,293 | ¥ 72,586 |
| 2 Notes and accounts receivable-trade | 373,697 | 199,437 |
| 3 Short-term investment securities | 95,636 | 77,651 |
| 4 Inventories | 175,360 | — |
| 5 Goods and products | — | 62,310 |
| 6 Work in process | — | 36,940 |
| 7 Materials and supplies | — | 48,282 |
| 8 Deferred tax assets | 58,131 | 49,368 |
| 9 Others | 65,543 | 68,327 |
| Allowance for doubtful accounts | -746 | -1,324 |
| Total current assets | 869,917 | 613,581 |
| II Noncurrent assets | | |
| 1 Property, plant and equipment | | |
| (1) Buildings & structures | 536,086 | 542,825 |
| Accumulated depreciation | -282,709 | -297,775 |
| Buildings & structures (net) | 253,377 | 245,050 |
| (2) Machinery, equipment and vehicles | 1,365,899 | 1,391,874 |
| Accumulated depreciation | -936,366 | -980,991 |
| Machinery, equipment and vehicles (net) | 429,533 | 410,882 |
| (3) Tools, furniture and fixtures | 248,379 | 257,612 |
| Accumulated depreciation | -206,768 | -221,509 |
| Tools, furniture and fixtures (net) | 41,610 | 36,102 |
| (4) Land | 94,649 | 100,429 |
| (5) Leased assets | — | 507 |
| Accumulated depreciation | — | -100 |
| Leased assets (net) | — | 407 |
| (6) Construction in progress | 56,602 | 48,699 |
| Total property, plant and equipment | 875,773 | 841,571 |
| 2 Intangible assets | | |
| (1) Goodwill | 6,793 | — |
| (2) Software | 11,641 | — |
| (3) Others | 2,450 | — |
| Total intangible assets | 20,885 | 18,905 |
| 3 Investments and other assets | | |
| (1) Investment securities | 267,509 | 190,406 |
| (2) Long-term loans receivable | 4,403 | — |
| (3) Deferred tax assets | 28,369 | 30,597 |
| (4) Others | 31,313 | 37,179 |
| Allowance for doubtful accounts | -445 | -552 |
| Total investments and other assets | 331,150 | 257,631 |
| Total noncurrent assets | 1,227,810 | 1,118,108 |
| Total assets | 2,097,727 | 1,731,689 |

Millions of Yen

| Category | FY2008 (As of Mar. 31, 2008) | FY2009 (As of Mar. 31, 2009) |
|---|---------------------------------|---------------------------------|
| LIABILITIES | | |
| I Current liabilities | | |
| 1 Notes and accounts payable-trade | ¥ 372,058 | ¥ 194,397 |
| 2 Short-term loans payable | 28,647 | 36,960 |
| 3 Current portion of bonds | — | 133 |
| 4 Accounts payable-other | 57,939 | — |
| 5 Accrued expenses | 150,668 | 132,736 |
| 6 Income taxes payable | 42,206 | — |
| 7 Deposits received from employees | 16,996 | — |
| 8 Provision for product warranties | 18,962 | 19,153 |
| 9 Provision for directors' bonuses | 1,996 | — |
| 10 Provision for others | — | 729 |
| 11 Others | 14,802 | 71,570 |
| Total current liabilities | 704,280 | 455,682 |
| II Noncurrent liabilities | | |
| 1 Bonds payable | 39,988 | 69,989 |
| 2 Long-term loans payable | 227,664 | 287,985 |
| 3 Lease obligations payable | — | 311 |
| 4 Deferred tax liabilities | 40,312 | 8,882 |
| 5 Provision for retirement benefits | 82,018 | 84,485 |
| 6 Provision for directors' retirement benefits | 6,233 | 6,260 |
| 7 Long-term accounts payable-other | 214 | — |
| 8 Negative goodwill | 452 | — |
| 9 Others | 1,970 | 3,584 |
| Total noncurrent liabilities | 398,854 | 461,499 |
| Total liabilities | 1,103,134 | 917,182 |
| NET ASSETS | | |
| I Shareholders' equity | | |
| 1 Capital stock | 45,049 | 45,049 |
| 2 Capital surplus | 58,825 | 58,831 |
| 3 Retained earnings | 578,969 | 535,242 |
| 4 Treasury stock | -20,738 | -20,724 |
| Total shareholders' equity | 662,106 | 618,398 |
| II Valuation and translation adjustments | | |
| 1 Valuation difference on available-for-sale securities | 88,130 | 41,843 |
| 2 Deferred gains or losses on hedges | -1,184 | -1,330 |
| 3 Foreign currency translation adjustment | 18,071 | -38,902 |
| Total valuation and translation adjustments | 105,016 | 1,610 |
| Subscription rights to shares | 601 | 1,016 |
| III Minority interests | 226,867 | 193,481 |
| IV Total net assets | 994,592 | 814,506 |
| Total liabilities and net assets | 2,097,727 | 1,731,689 |

Consolidated Statements of Income

AISIN SEIKI CO., LTD. and Its Subsidiaries Years ended March 31, 2009 and 2008

| Category | Millions of Yen | |
|---|---------------------------------------|---------------------------------------|
| | FY2008 (Apr.2007 through Mar.2008) | FY2009 (Apr.2008 through Mar.2009) |
| I Net Sales | ¥ 2,700,405 | ¥ 2,214,492 |
| II Cost of sales | 2,315,204 | 2,023,144 |
| Gross profit | 385,201 | 191,348 |
| III Selling, general and administrative expenses | | |
| 1 Packing and delivery expenses | 37,806 | 32,364 |
| 2 Provision for product warranties | 1,242 | 3,396 |
| 3 Product repair costs | 20,400 | — |
| 4 Salaries and allowances | 54,620 | 51,688 |
| 5 Provision for directors' bonuses | 1,986 | 683 |
| 6 Retirement benefit expenses | 2,020 | — |
| 7 Provision for directors' retirement benefits | 1,722 | 1,261 |
| 8 Depreciation | 7,316 | — |
| 9 License fee | 13,097 | — |
| 10 Research and development expenses | 5,376 | — |
| 11 Others | 59,127 | 105,443 |
| Total selling, general and administrative expenses | 204,716 | 194,837 |
| Operating income (loss) | 180,484 | -3,489 |
| IV Non-operating income | | |
| 1 Interest income | 747 | 1,170 |
| 2 Dividends income | 5,228 | 5,334 |
| 3 Gain on sales of securities | 354 | — |
| 4 Rent income on noncurrent assets | 668 | — |
| 5 Equity in earnings of affiliates | 8,730 | 1,769 |
| 6 Others | 11,686 | 11,357 |
| Total non-operating income | 27,415 | 19,631 |
| V Non-operating expenses | | |
| 1 Interest expenses | 3,801 | 3,888 |
| 2 Loss on sales and retirement of noncurrent assets | 4,523 | 5,428 |
| 3 Loss on valuation of securities | 1,618 | — |
| 4 Foreign exchange losses | 3,860 | — |
| Others | 7,787 | 11,791 |
| Total non-operating expenses | 21,591 | 21,108 |
| Ordinary income (loss) | 186,309 | -4,965 |
| Extraordinary loss | | |
| Impairment loss | — | 10,017 |
| Total extraordinary loss | — | 10,017 |
| Income (loss) before income taxes and minority interests | 186,309 | -14,983 |
| Income taxes-current | 67,776 | 11,203 |
| Income taxes-deferred | -10,078 | 5,199 |
| Total income taxes | 57,698 | 16,402 |
| Minority interests in income (loss) | 36,956 | -6,235 |
| Net income (loss) | 91,654 | -25,149 |

Consolidated Statements of Cash Flows

AISIN SEIKI CO., LTD. and Its Subsidiaries Years ended March 31, 2009 and 2008

Millions of Yen

| Category | Millions of Yen | |
|---|---|---|
| | FY2008 (April 1, 2007 through March 31, 2008) | FY2009 (April 1, 2008 through March 31, 2009) |
| I Net cash provided by (used in) operating activities | | |
| 1 Income (loss) before income taxes and minority interests | ¥ 186,309 | ¥ -14,983 |
| 2 Depreciation and amortization | 167,482 | 182,057 |
| 3 Impairment loss | — | 10,017 |
| 4 Increase (decrease) in provision for retirement benefits | 2,204 | — |
| 5 Increase (decrease) in provision for directors' retirement benefits | -944 | — |
| 6 Interest and dividends income | -5,975 | — |
| 7 Interest expenses | 3,801 | — |
| 8 Equity in (earnings) losses of affiliates | -8,730 | — |
| 9 Loss on retirement of property, plant and equipment | 3,668 | — |
| 10 Decrease (increase) in notes and accounts receivable-trade | -8,260 | 151,900 |
| 11 Decrease (increase) in inventories | -6,494 | 11,101 |
| 12 Increase (decrease) in notes and accounts payable-trade | 14,104 | -149,969 |
| 13 Decrease (increase) in prepaid pension costs | -1,612 | — |
| 14 Others | 19,276 | -7,235 |
| Subtotal | 364,829 | 182,887 |
| 15 Interest and dividends income received | 8,025 | 8,965 |
| 16 Interest expenses paid | -3,993 | -3,400 |
| 17 Income taxes paid | -69,613 | -73,783 |
| Net cash provided by (used in) operating activities | 299,247 | 114,668 |
| II Net cash provided by (used in) investment activities | | |
| 1 Decrease (increase) in time deposits and securities | -503 | 2,533 |
| 2 Purchase of property, plant and equipment | -204,845 | -231,175 |
| 3 Proceeds from sales of property, plant and equipment | 6,901 | 8,878 |
| 4 Purchase of investment securities | -14,100 | -14,755 |
| 5 Proceeds from sales of investment securities | -1,395 | — |
| 6 Proceeds from sales and redemption of investment securities | — | 16,189 |
| 7 Proceeds from sales of investment securities | 595 | — |
| 8 Proceeds from redemption of investment securities | 5,779 | — |
| 9 Payments of loans receivable | -972 | — |
| 10 Collection of loans receivable | 1,092 | — |
| 11 Others, net | -10,395 | -5,423 |
| Net cash provided by (used in) investment activities | -217,844 | -223,752 |
| III Net cash provided by (used in) financing activities | | |
| 1 Net increase (decrease) in short-term loans payable | -9,784 | 5,175 |
| 2 Proceeds from long-term loans payable | 28,000 | 81,893 |
| 3 Repayment of long-term loans payable | -13,587 | -14,647 |
| 4 Proceeds from issuance of bonds | 19,988 | 30,000 |
| 5 Redemption of bonds | -15,000 | — |
| 6 Proceeds from stock issuance to minority shareholders | 644 | — |
| 7 Cash dividends paid | -13,687 | -18,573 |
| 8 Cash dividends paid to minority shareholders | -6,793 | -8,439 |
| 9 Purchase of treasury stock | -19,436 | — |
| 10 Proceeds from disposal of treasury stock | 1,973 | — |
| 11 Others | — | 334 |
| Net cash provided by (used in) financing activities | -27,682 | 75,743 |
| IV Effect of exchange rate change on cash and cash equivalents | 217 | -13,100 |
| V Net increase (decrease) in cash and cash equivalents | 53,937 | -46,440 |
| VI Cash and cash equivalents at beginning of year | 136,307 | 190,245 |
| VII Cash and cash equivalents at end of year | 190,245 | 143,804 |

Consolidated Statements of Changes in Net Assets

AISIN SEIKI CO., LTD. and Its Subsidiaries Years ended March 31, 2009 and 2008

| Category | Millions of Yen | |
|---|---|---|
| | FY2008 (April 1, 2007 through March 31, 2008) | FY2009 (April 1, 2008 through March 31, 2009) |
| Shareholders' equity | | |
| Capital stock | | |
| Balance as of March 31, 2008 | ¥ 45,049 | ¥ 45,049 |
| Balance as of March 31, 2009 | 45,049 | 45,049 |
| Capital surplus | | |
| Balance as of March 31, 2008 | 57,891 | 58,825 |
| Increase (decrease) in FY2009 | | |
| Disposal of treasury stock | 934 | 5 |
| Total changes of items during the period | 934 | 5 |
| Balance as of March 31, 2009 | 58,825 | 58,831 |
| Retained earnings | | |
| Balance as of March 31, 2008 | 501,009 | 578,969 |
| Increase (decrease) in FY2009 | | |
| Dividends from surplus | -13,693 | -18,577 |
| Net income (loss) | 91,654 | -25,149 |
| Total changes of items during the period | 77,960 | -43,727 |
| Balance as of March 31, 2009 | 578,969 | 535,242 |
| Treasury stock | | |
| Balance as of March 31, 2008 | -1,567 | -20,738 |
| Increase (decrease) in FY2009 | | |
| Purchase of treasury stock | -19,436 | -20 |
| Disposal of treasury stock | 265 | 35 |
| Total changes of items during the period | -19,170 | 14 |
| Balance as of March 31, 2009 | -20,738 | -20,724 |
| Total shareholders' equity | | |
| Balance as of March 31, 2008 | 602,382 | 662,106 |
| Increase (decrease) in FY2009 | | |
| Dividends from surplus | -13,693 | -18,577 |
| Net income (loss) | 91,654 | -25,149 |
| Purchase of treasury stock | -19,436 | -20 |
| Disposal of treasury stock | 1,199 | 40 |
| Total changes of items during the period | 59,723 | -43,707 |
| Balance as of March 31, 2009 | 662,106 | 618,398 |

| Category | Millions of Yen | |
|--|---|---|
| | FY2008 (April 1, 2007 through March 31, 2008) | FY2009 (April 1, 2008 through March 31, 2009) |
| Valuation and translation adjustments | | |
| Inserted directly into net assets | | |
| Balance as of March 31, 2008 | ¥ 145,136 | ¥ 88,130 |
| Increase (decrease) in FY2009 | | |
| Net changes of items other than shareholders' equity | -57,006 | -46,286 |
| Total changes of items during the period | -57,006 | -46,286 |
| Balance as of March 31, 2009 | 88,130 | 41,843 |
| Deferred gains or losses on hedges | | |
| Balance as of March 31, 2008 | -667 | -1,184 |
| Increase (decrease) in FY2009 | | |
| Net changes of items other than shareholders' equity | -517 | -145 |
| Total changes of items during the period | -517 | -145 |
| Balance as of March 31, 2009 | -1,184 | -1,330 |
| Foreign currency translation adjustment | | |
| Balance as of March 31, 2008 | 11,892 | 18,071 |
| Increase (decrease) in FY2009 | | |
| Net changes of items other than shareholders' equity | 6,179 | -56,974 |
| Total changes of items during the period | 6,179 | -56,974 |
| Balance as of March 31, 2009 | 18,071 | -38,902 |
| Total valuation and translation adjustments | | |
| Balance as of March 31, 2008 | 156,361 | 105,016 |
| Increase (decrease) in FY2009 | | |
| Net changes of items other than shareholders' equity | -51,344 | -103,406 |
| Total changes of items during the period | -51,344 | -103,406 |
| Balance as of March 31, 2009 | 105,016 | 1,610 |
| Subscription rights to shares | | |
| Balance as of March 31, 2008 | 167 | 601 |
| Increase (decrease) in FY2009 | | |
| Net changes of items other than shareholders' equity | 434 | 414 |
| Total changes of items during the period | 434 | 414 |
| Balance as of March 31, 2009 | 601 | 1,016 |
| Minority interests | | |
| Balance as of March 31, 2008 | 196,941 | 226,867 |
| Increase (decrease) in FY2009 | | |
| Net changes of items other than shareholders' equity | 29,925 | -33,386 |
| Total changes of items during the period | 29,925 | -33,386 |
| Balance as of March 31, 2009 | 226,867 | 193,481 |
| Total Net assets | | |
| Balance as of March 31, 2008 | 955,853 | 994,592 |
| Increase (decrease) in FY2009 | | |
| Dividends from surplus | -13,693 | -18,577 |
| Net income (loss) | 91,654 | -25,149 |
| Purchase of treasury stock | -19,436 | -20 |
| Disposal of treasury stock | 1,199 | 40 |
| Net changes of items other than shareholders' equity | -20,984 | -136,377 |
| Total changes of items during the period | 38,739 | -180,085 |
| Balance as of March 31, 2009 | 994,592 | 814,506 |

Business and Other Risks

The following risks could potentially affect AISIN's performance and financial position (including its share price).

Any forward-looking statements contained herein reflect estimates as of the date of issue of the annual securities report (June 22, 2009).

(1) Economic Trends

Within revenues from AISIN's worldwide operations, demand for mainstay automobile-related products is vulnerable to economic conditions in the countries and regions where AISIN products are manufactured and sold. Consequently, economic recessions in such crucial markets as Japan, North America, Europe and Asia, along with subsequent contractions in demand, have the potential to negatively impact AISIN's performance and financial position.

AISIN's operations could also be indirectly affected by economic conditions in regions where competitors manufacture products. For example, if competitors employ cheaper labor in a region, this may adversely affect AISIN's sales of the same types of products in that region since competitors can provide more competitively priced products. Moreover, if the local currency in the region which AISIN produces components and raw materials depreciates, manufacturing costs may decline for both AISIN and other manufacturers. This may result in intensified export and price competition, and may have a negative impact on AISIN's performance and financial position.

(2) Supply of Raw Materials and Components

AISIN's products are heavily dependent on raw materials and components provided by multiple suppliers outside the AISIN Group. While these external suppliers are obligated to provide stable services through basic contracts, they cannot guarantee supply in the event of shortages due to rapidly rising prices due to changing market conditions, supply crunches or unforeseen mishaps in their operations. Such events have the potential to drive up the cost of AISIN's products and halt production, and may have a negative impact on AISIN's performance and financial position.

(3) Principal Customers

AISIN chiefly produces and sells automotive parts and life-related products, with its mainstay Automotive Parts and Systems Business mostly targeting automobile manufacturers in and outside Japan. Among these customers, AISIN has the highest level of dependence on Toyota Motor Corporation (TMC) and the Toyota Group, with sales totaling ¥1,449.9 billion and representing 65.5% of AISIN's net sales in fiscal 2009. For that reason, changes in sales volume within TMC and the Toyota Group have the potential to negatively impact AISIN's performance and financial position. As of March 31, 2009, the portion of AISIN's voting shares held by TMC directly was 23.3%, and indirectly was 0.1%.

(4) Exchange Rate Fluctuations

AISIN has worked to bolster its sales in Japan and actively cultivate overseas markets chiefly in North America, Europe and Asia, bringing the ratio of overseas net sales to total net sales to 39.6% as of March 31, 2009.

Accounting items listed in local currencies, including sales, expenses and assets in respective overseas countries, are converted into yen when making the consolidated financial statements. Accordingly, there is a possibility that the value of accounting items may be negatively affected after translation even when there is no fluctuation in local currencies. The strengthening of the yen against other currencies (especially against the U.S. dollar and the euro, which account for a significant portion of AISIN's sales) may negatively affect AISIN's performance and financial position.

Such strengthening of the yen against other currencies in business operations that manufacture and export from Japan could relatively reduce AISIN's price competitiveness on a global basis and potentially have a negative impact on AISIN's performance and financial position. Although AISIN is working to minimize the negative impact of exchange rate fluctuations among various currencies, including the U.S. dollar, the euro and the yen through hedging transactions, such fluctuations have the potential to negatively affect AISIN's performance and financial position.

(5) Business Inroads in Overseas Markets

AISIN has subsidiaries and affiliates in such varying areas as North America, Europe and Asia. Expanding businesses in overseas markets entails the following risks, which have the potential to negatively affect AISIN's performance and financial position if they occur.

1. Unanticipated laws, regulations and changes to the tax system unfavorable to business
2. Underdeveloped social overhead capital (infrastructure)
3. Occurrences of unfavorable governmental issues or economic conditions
4. Difficulties in hiring and retaining staff
5. Social upheavals due to terrorism, war or other factors

(6) Product Development

AISIN works to develop new products to provide added value and contribute to the enrichment of society. While AISIN aims to continue developing original and attractive products, the following are some of the risks entailed in the often complex and uncertain process involving the development and sales of cutting-edge products.

1. There is no guarantee that the necessary funds and resources for investment in new products and technologies will be sufficiently available.
2. There is no guarantee that long-term and substantial investment will produce successful new products and technologies.
3. There is no guarantee that AISIN will accurately predict which new products and technologies will gain the support of the market, or that AISIN will succeed in marketing these products.
4. There is no guarantee that new products and technologies will be protected as our own intellectual property.
5. Rapid advances in technology and changes in market needs may make AISIN's products obsolete.
6. Delays in commercialization of technologies under development may not keep pace with trends in market demand.

In addition to the abovementioned risks, the inability to sufficiently anticipate changes in respective industries and markets, as well as to develop and release attractive new products in a timely manner, could hamper future growth and profitability and have a negative effect on AISIN's performance and financial position.

(7) Product Defects

AISIN is fully committed to producing high-quality, attractive products that meet customer needs based on the concept of "Quality First." However, AISIN cannot guarantee that there will be no defects, or that recalls will not be made in the future. Moreover, while AISIN is insured for product liability indemnity, there is no guarantee that such insurance policies will fully cover the final indemnities. Product defects that lead to widespread recalls and product liability indemnities could produce large cost burdens and downgrade the valuation of AISIN. This would subsequently hamper sales and could negatively affect AISIN's performance and financial position.

(8) Effects of Disaster and Power Blackouts

AISIN conducts regular disaster prevention and equipment checks to minimize the adverse effects of a halt in production line operations. However, there is no guarantee that AISIN can fully prevent or lessen the effects of a disaster, power blackout or other such events that may cause discontinuation of operations at a production facility. For example, the majority of AISIN's domestic factories are located in the Chubu region of Japan. Consequently, a large-scale earthquake in the Chubu region or other events that may halt operations could negatively impact AISIN's performance and financial position.

Environmental Management

Number of companies acquired ISO14001 certification / acquisition rate

| | All Aisin Group production subsidiaries | | |
|--|---|--------|------------|
| | FY2007 | FY2008 | FY2009 |
| Number of production subsidiaries | 87 | 92 | 88 |
| Number of companies acquired certification | 61 | 74 | 81 |
| Proportion of production subsidiaries with certification (%) | 70% | 80% | 92% |

Number of environmental accidents and incidents exceeding agreed-upon values (number)

| | 10 main domestic production subsidiaries | | | 23 main domestic subsidiaries |
|---|--|--------|------------|-------------------------------|
| | FY2007 | FY2008 | FY2009 | FY2009 |
| Exceeded values agreed upon with regional governments and local society | 0 | 0 | 3*1 | 3 |
| Number of environmental accidents | 1*2 | 0 | 1*3 | 1 |

*1 Region near Aisin Seiki's Nishio plants (exceeded agreed-upon values for sound and coliform bacteria), Ogawa plant (exceeded agreed-upon BOD values)

*2 Region near Aisin Seiki's Nishio plants (ground pollution)

*3 Aisin Chemical's headquarters plant (ground pollution)

Environmental inspections (conducted by departments in charge of environmental management)

| | Unconsolidated | | | 10 main domestic production subsidiaries | | | 23 main domestic subsidiaries |
|---|----------------|--------|------------|--|--------|--------------|-------------------------------|
| | FY2007 | FY2008 | FY2009 | FY2007 | FY2008 | FY2009 | FY2009 |
| Frequency of environmental inspections (times) | 2 | 2 | 4 | 16 | 18 | 26 | 47 |
| Number of implementing departments | 16 | 16 | 31 | 42 | 42 | 59 | 119 |
| Number of items indicated as being in need of improvement | 225 | 143 | 127 | 490 | 366 | 588 | 824 |
| Number of internal inspectors | 435 | 485 | 597 | 1,459 | 1,671 | 1,649 | 1,954 |
| Frequency of training of inspectors (times) | 1 | 2 | 2 | 42 | 34 | 28 | 35 |

Environmental training (FY2009)

| Title of environmental training | Targets | Number of participants | | |
|---|---|------------------------|--|-------------------------------|
| | | Unconsolidated | 10 main domestic production subsidiaries | 23 main domestic subsidiaries |
| Training of managers in environmental divisions | Managers of environmental divisions | 2 | 176 | 278 |
| Training of workers in environmental divisions | Persons involved in environmental divisions | 27 | 55 | 93 |
| Training of managers | Managers | 387 | 738 | 901 |
| Training of ordinary employees | Staffs | 1,316 | 2,651 | 4,783 |

Greenhouse Gases

Calculations of HFCs, SF₆ and CO₂ employ global warming figures prescribed by the Law Concerning the Promotion of Measures to Cope with Global Warming enforcement regulations.

Emissions of greenhouse gases (t-CO₂)

| | Unconsolidated | | | | 23 main domestic subsidiaries | |
|--|---------------------------------------|-----------|-----------|------------------|-------------------------------|----------------|
| | FY1991 (standard year) | FY2007 | FY2008 | FY2009 | | |
| Total emission | 195,798 | 634,165 | 595,382 | 290,207 | | |
| Itemization of total emissions | CO ₂ (carbon dioxide) | 195,798 | 251,427 | 267,473 | 207,221 | |
| | HFCs (hydrofluorocarbons) | 0 | 1,533 | 1,673 | 531 | |
| | SF ₆ (sulfur hexafluoride) | 0 | 381,205 | 326,235 | 82,455 | |
| 10 main domestic production subsidiaries | | | | | | |
| | FY1991 (standard year) | FY2007 | FY2008 | FY2009 | FY2009 | |
| Total emission | 750,203 | 1,570,191 | 1,559,277 | 1,012,621 | 1,041,958 | |
| Itemization of total emissions | CO ₂ (carbon dioxide) | 750,203 | 1,187,453 | 1,231,368 | 929,635 | 958,972 |
| | HFCs (hydrofluorocarbons) | 0 | 1,533 | 1,673 | 531 | 531 |
| | SF ₆ (sulfur hexafluoride) | 0 | 381,205 | 326,235 | 82,455 | 82,455 |

CO₂ emissions per sales unit (t-CO₂ / ¥100 million)

| | Unconsolidated | | | | 23 main domestic subsidiaries |
|--|------------------------|--------|--------|-------------|-------------------------------|
| | FY1991 (standard year) | FY2007 | FY2008 | FY2009 | |
| Units | 36.4 | 31.5 | 29.8 | 28.0 | |
| 10 main domestic production subsidiaries | | | | | |
| | FY1991 (standard year) | FY2007 | FY2008 | FY2009 | FY2009 |
| Units | 72.6 | 54.6 | 49.7 | 47.2 | 45.9 |

Note: No methane (CH₄), nitrous oxide (N₂O) or perfluorocarbons (PFCs) were emitted.

Energy Energy to heat conversions employ figures prescribed by the Act on the Rational Use of Energy Enforcement Regulations.

Direct energy consumption

(MJ)

| | Unconsolidated | | | | 23 main domestic subsidiaries |
|--|--|---------------|---------------|----------------------|-------------------------------|
| | FY1991 (standard year) | FY2007 | FY2008 | FY2009 | |
| | Total direct energy consumption | 1,127,250,565 | 2,488,374,078 | 2,667,404,070 | |
| Coal products (anthracite, coke, etc.) | 0 | 0 | 0 | 0 | |
| Natural gas | 554,005,192 | 2,237,477,948 | 2,328,779,388 | 2,036,860,900 | |
| Petroleum products (gasoline, diesel, LPG, etc.) | 573,245,373 | 250,896,130 | 338,624,682 | 226,415,400 | |
| | 10 main domestic production subsidiaries | | | | 23 main domestic subsidiaries |
| | FY1991 (standard year) | FY2007 | FY2008 | FY2009 | |
| | Total direct energy consumption | 4,322,918,305 | 9,611,755,747 | 9,628,989,635 | |
| Coal products (anthracite, coke, etc.) | 1,612,005,500 | 1,707,075,850 | 1,632,651,400 | 1,266,485,072 | |
| Natural gas | 1,055,957,519 | 6,468,433,239 | 6,481,728,888 | 5,628,939,760 | |
| Petroleum products (gasoline, diesel, LPG, etc.) | 1,654,955,286 | 1,436,246,658 | 1,514,609,347 | 1,049,676,517 | |

Indirect energy consumption

(MJ)

| | Unconsolidated | | | | 23 main domestic subsidiaries |
|--------------------------------|--|----------------|----------------|----------------|-------------------------------|
| | FY1991 (standard year) | FY2007 | FY2008 | FY2009 | |
| | Electric power purchased | 3,369,247,489 | 2,955,199,143 | 3,097,577,153 | |
| Solar and wind-generated power | — | 459,300 | 439,400 | 456,300 | |
| | 10 main domestic production subsidiaries | | | | 23 main domestic subsidiaries |
| | FY1991 (standard year) | FY2007 | FY2008 | FY2009 | |
| | Electric power purchased | 10,926,740,302 | 14,871,869,610 | 15,836,456,033 | |
| Solar and wind-generated power | — | 459,300 | 439,400 | 456,300 | |

Chemical Substances

(t)

| | Unconsolidated | | | 10 main domestic production subsidiaries | | | 23 main domestic subsidiaries |
|----------------|----------------|--------|------------|--|--------|------------|-------------------------------|
| | FY2007 | FY2008 | FY2009 | FY2007 | FY2008 | FY2009 | FY2009 |
| VOC emissions | 329 | 345 | 317 | 1,422 | 1,345 | 796 | 799 |
| PRTR emissions | 84 | 79 | 63 | 378 | 336 | 180 | 182 |

Quantities of Substances Charged into and Recycled

Quantities of substances charged (quantities per type of substances)

(t)

| | Unconsolidated | | | 10 main domestic production subsidiaries | | | 23 main domestic subsidiaries |
|--|----------------|---------|----------------|--|-----------|------------------|-------------------------------|
| | FY2007 | FY2008 | FY2009 | FY2007 | FY2008 | FY2009 | FY2009 |
| Quantities of substances charged | 450,636 | 499,904 | 379,894 | 1,321,369 | 1,405,062 | 1,031,901 | 1,038,028 |
| Metals, resins, etc. (purchased materials) | 449,947 | 499,474 | 379,637 | 1,317,730 | 1,402,343 | 1,029,636 | 1,035,597 |
| Chemical substances (Total for substances subject to PRTR notification) | 689 | 430 | 258 | 3,639 | 2,719 | 2,265 | 2,431 |

| | |
|--|--|
| Unconsolidated | Aisin Seiki only |
| 10 main domestic production subsidiaries | Aisin Seiki, Aisin Takaoka, Aisin Chemical, Aisin AW, Aisin Keikin-zoku, Aisin Kiko, Aisin AI, Aisin Sin'ei, Aisin AW Industries, Hosei Brake Industry. |
| 23 main domestic subsidiaries | Aisin Seiki, Aisin Takaoka, Aisin Chemical, Aisin AW, Aisin Keikin-zoku, Aisin Development, Aisin Kiko, Aisin AI, Aisin Sin'ei, Aisin AW Industries, Hosei Brake Industry, Aisin Tohoku, Aisin Kyushu, Saitama Kogyo, Kotobuki Giken Kogyo, Aichi Giken, Aisin Maintenance, Aisin Engineering, Sinsan Corporation, Konan Kogyo, Hekinan Transport, Sanetsu Unyu, Yamagata Clutch |

Waste Products and Recycling

Total emissions of waste, etc. (t)

| | Unconsolidated | | | 10 main domestic production subsidiaries | | | 23 main domestic subsidiaries |
|---|----------------|--------|---------------|--|---------|----------------|-------------------------------|
| | FY2007 | FY2008 | FY2009 | FY2007 | FY2008 | FY2009 | FY2009 |
| Industrial waste and valuable resources | | | | | | | |
| Total emissions of waste, etc. | 64,014 | 71,817 | 51,450 | 436,000 | 468,100 | 350,274 | 358,560 |
| Amount of recycled waste resources | 63,167 | 70,972 | 51,033 | 406,182 | 455,254 | 337,354 | 345,095 |
| Recycling ratio (%) | 99% | 99% | 99% | 93% | 97% | 96% | 96% |
| Quantity of end-processed (direct landfill) waste | 0.8 | 3.0 | 3.0 | 235.0 | 53.8 | 28.8 | 116.0 |
| Industrial waste | | | | | | | |
| Total emissions of general waste | 5,475 | 4,327 | 3,157 | 170,161 | 168,052 | 124,906 | 127,099 |
| Recycled resources (recycling) | 4,997 | 3,838 | 2,972 | 159,798 | 159,465 | 124,174 | 126,131 |
| Recycling ratio (%) | 91% | 89% | 94% | 94% | 95% | 99% | 99% |
| Quantity of end-processed industrial waste | 0.8 | 3.0 | 3.1 | 235.0 | 53.8 | 28.8 | 116.0 |

Total emissions of waste, etc., per unit sales (t/¥100 million)

| | Unconsolidated | | | 10 main domestic production subsidiaries | | | 23 main domestic subsidiaries |
|---|----------------|--------|------------|--|--------|-------------|-------------------------------|
| | FY2007 | FY2008 | FY2009 | FY2007 | FY2008 | FY2009 | FY2009 |
| Industrial waste and valuable resources | | | | | | | |
| | 8.0 | 8.0 | 6.9 | 20.1 | 18.9 | 17.7 | 17.2 |

Water

Quantities of water resources used (m³)

| | Unconsolidated | | | 10 main domestic production subsidiaries | | | |
|---------------------|---------------------|-----------|------------------|--|------------|------------------|------------------|
| | FY2007 | FY2008 | FY2009 | FY2007 | FY2008 | FY2009 | |
| Total quantity used | | | | | | | |
| | 3,972,544 | 4,130,502 | 3,138,629 | 10,087,185 | 10,814,095 | 8,662,486 | |
| Itemization | Public water supply | 199,988 | 233,867 | 205,220 | 1,368,736 | 1,544,906 | 898,575 |
| | Industrial water | 1,730,573 | 2,205,077 | 1,923,943 | 6,362,932 | 6,127,886 | 5,616,258 |
| | Underground water | 2,041,983 | 1,691,558 | 1,009,467 | 2,355,517 | 3,141,303 | 2,147,653 |

Total quantity of waste water (m³)

| | Unconsolidated | | | 10 main domestic production subsidiaries | | |
|-------------------|----------------|-----------|------------------|--|-----------|------------------|
| | FY2007 | FY2008 | FY2009 | FY2007 | FY2008 | FY2009 |
| Public water area | | | | | | |
| | 2,671,309 | 3,195,679 | 2,896,088 | 6,667,146 | 7,100,478 | 5,686,404 |

Transportation Calculations of CO₂ emissions employ calculation methods prescribed in the Act on the Rational Use of Energy and related guidelines.

Quantities of CO₂ accompanying transportation (t-CO₂)

| | Unconsolidated | | | 10 main domestic production subsidiaries | | |
|-----------------------------|----------------|--------|---------------|--|--------|---------------|
| | FY2007 | FY2008 | FY2009 | FY2007 | FY2008 | FY2009 |
| Total quantity of emissions | | | | | | |
| | 16,200 | 17,300 | 13,900 | 54,401 | 54,973 | 52,853 |

Environmental Accounting (FY2009)

These figures are based on *Environmental Accounting Guidelines 2005*, issued by Japan's Ministry of the Environment.

(Millions of yen)

| Environmental conservation costs | Unconsolidated | 23 main domestic subsidiaries |
|---|----------------|-------------------------------|
| Cost for business operation | 38.7 | 114.6 |
| Costs of management activities | 1.9 | 9.0 |
| Upstream and downstream costs | 13.8 | 26.3 |
| Research and development costs | 51.9 | 88.1 |
| Costs of community involvement | 1.3 | 2.4 |
| Environmental damage countermeasure costs | 0.6 | 1.5 |
| Total | 108.1 | 242.0 |

| Effects of environmental conservation measures | Unconsolidated | 23 main domestic subsidiaries |
|--|----------------|-------------------------------|
| Energy-saving | 3.0 | 7.5 |
| Resource saving | 2.2 | 2.3 |
| Effects of reducing waste materials | 0.1 | 0.6 |
| Sale of valued property | 35.4 | 81.8 |
| Total | 40.7 | 92.2 |

| | |
|--|---|
| Unconsolidated | Aisin Seiki only |
| 10 main domestic production subsidiaries | Aisin Seiki, Aisin Takaoka, Aisin Chemical, Aisin AW, Aisin Keikinzo, Aisin Kiko, Aisin AI, Aisin Sin'ei, Aisin AW Industries, Hosei Brake Industry. |
| 23 main domestic subsidiaries | Aisin Seiki, Aisin Takaoka, Aisin Chemical, Aisin AW, Aisin Keikinzo, Aisin Development, Aisin Kiko, Aisin AI, Aisin Sin'ei, Aisin AW Industries, Hosei Brake Industry, Aisin Tohoku, Aisin Kyushu, Saitama Kogyo, Kotobuki Giken Kogyo, Aichi Giken, Aisin Maintenance, Aisin Engineering, Sinsan Corporation, Konan Kogyo, Hekinan Transport, Sanetsu Unyu, Yamagata Clutch |

Management Data Social Aspects

Work Force

Number of employees (Consolidated) (number)

| | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 |
|--|--------|--------|--------|--------|---------------|
| | 53,237 | 59,587 | 66,383 | 73,509 | 73,201 |

Number of employees by area Consolidated (number)

| | Japan | North America | Europe | Other areas |
|---------------|--------|---------------|--------|-------------|
| FY2009 | 44,902 | 8,233 | 1,445 | 17,014 |

Diversity

Ratio of male to female employees (Unconsolidated)

| | Male (number) | Male ratio (%) | Female (number) | Female ratio (%) |
|---------------|---------------|----------------|-----------------|------------------|
| FY2009 | 12,129 | 91% | 1,233 | 9% |

Note: Full employees only

Number of employees per type of employment (Unconsolidated) (number)

| | Regular full-time | Irregular Full-time | Irregular Part-time | Total irregular |
|---------------|-------------------|---------------------|---------------------|-----------------|
| FY2009 | 13,362 | 1,182 | 151 | 1,333 |

Employment

Recruitment of new graduates (Unconsolidated) (number)

| | University graduates: clerical employees | | University graduates: technical employees | | Skilled employees (including those with disabilities) | |
|---------------|--|--------|---|--------|---|--------|
| | Male | Female | Male | Female | Male | Female |
| FY2009 | 54 | 16 | 247 | 19 | 282 | 48 |

Mid-career recruitment (Unconsolidated) (number)

| | University graduates: clerical employees | | University graduates: technical employees | | Skilled employees (including registered full employees) | |
|---------------|--|--------|---|--------|---|--------|
| | Male | Female | Male | Female | Male | Female |
| FY2009 | 12 | 1 | 45 | 2 | 230 | 18 |

Note: Includes 227 male and 18 female employees promoted from fixed-term to full-employee status.

Average length of employment (Unconsolidated) (Years)

| | Male | Female | Male-female average |
|---------------|------|--------|---------------------|
| FY2009 | 15.5 | 12.6 | 15.3 |

Turnover rate (proportion of job leavers among all full employees) (Unconsolidated) (%)

| | Male | Female |
|---------------|------|--------|
| FY2009 | 2 | 4 |

Note: Includes all reasons for leaving work (attainment of retirement age, personal reasons, death, transfer, appointment as officer, etc.). The denominator represents the number of full employees as of the end of the preceding fiscal year.

Securing a Balance between Work and Life

Number of people taking leave for childrearing (Unconsolidated) (number)

| FY2005 | FY2006 | FY2007 | FY2008 | FY2009 |
|--------|--------|--------|--------|---------------|
| 61 | 62 | 62 | 46 | 55 |

Labor Safety

Accidents at work

(number)

| | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 |
|-----------------------------------|--------|--------|--------|--------|---------------|
| Unconsolidated (Aisin seiki only) | 9 | 3 | 4 | 4 | 3 |
| Domestic group | 22 | 30 | 26 | 27 | 13 |
| Overseas group | 63 | 29 | 26 | 29 | 30 |

Frequency rate

(%)

| | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 |
|-----------------------------------|--------|--------|--------|--------|---------------|
| Japan's national average | 0.59 | 0.69 | 0.61 | 0.71 | 0.52 |
| Unconsolidated (Aisin Seiki only) | 0.30 | 0.09 | 0.11 | 0.11 | 0.09 |
| Domestic group | 0.29 | 0.35 | 0.28 | 0.27 | 0.13 |
| Overseas group | 2.73 | 1.08 | 0.84 | 0.80 | 0.79 |

Strength rate

(%)

| | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 |
|-----------------------------------|--------|--------|--------|--------|---------------|
| Japan's national average | 0.10 | 0.10 | 0.05 | 0.09 | 0.10 |
| Unconsolidated (Aisin Seiki only) | 0.02 | 0.00 | 0.01 | 0.00 | 0.00 |
| Domestic group | 0.03 | 0.02 | 0.01 | 0.01 | 0.01 |
| Overseas group | — | — | — | — | — |

Work-related illnesses

(number)

| | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 |
|-----------------------------------|--------|--------|--------|--------|---------------|
| Unconsolidated (Aisin Seiki only) | 1 | 3 | 5 | 1 | 1 |
| Domestic group | — | — | — | — | — |
| Overseas group | 1 | 1 | 12 | 11 | 6 |

Notes: Domestic group: 13 subsidiaries
Overseas group: 45 subsidiaries

Product Liability

Number of inquiries to customer service (Unconsolidated) (number)

| FY2005 | FY2006 | FY2007 | FY2008 | FY2009 |
|--------|--------|--------|--------|---------------|
| 3,627 | 3,725 | 3,870 | 4,217 | 4,973 |

Detail of inquiries (Unconsolidated)

(%)

| | Beds | Nursing care products | Household sewing machines | Others |
|---------------|------|-----------------------|---------------------------|--------|
| FY2009 | 28.0 | 7.2 | 60.7 | 4.1 |