

FY2008 3rd quarter Consolidated Financial Results

(April 1, 2007 through December 31, 2007)

January 31, 2008

Company Name	AISIN SEIKI Co., Ltd.	Listed on	The Tokyo, Osaka and Nagoya Stock Exchanges (1st division)
Code Number	7259	URL	http://www.aisin.com/
Representative	Yasuhito Yamauchi, President	TEL	+81-566-24-8265
Reference person in charge	Masaaki Yasui, General Manager, Finance & Accounting Dept.		

(Amounts less than million yen are rounded down.)

1. Consolidated Results for 3rd Quarter of FY2008 (April 1, 2007 through December 31, 2007)

(1) Consolidated Financial Results

	Net Sales		Operating Income		Ordinary Income		Net Income	
	in Million Yen	%	in Million Yen	%	in Million Yen	%	in Million Yen	%
FY2008 3rd quarter	1,999,211	15.1	136,574	48.7	144,494	48.3	69,943	51.0
FY2007 3rd quarter	1,736,259	13.0	91,848	6.7	97,447	4.6	46,320	4.5
FY2007	2,378,611	—	131,034	—	134,287	—	66,889	—

	Earnings Per Share	Fully Diluted Earnings Per Share
	Yen	Yen
FY2008 3rd quarter	245.52	245.21
FY2007 3rd quarter	161.30	161.07
FY2007	233.03	232.71

Note : Percentages for net sales, operating income, ordinary income and net income indicate changes from the same period of the previous year.

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Net income as a percentage of net assets excluding share subscription warrant and minority interest	Net assets excluding share subscription warrant and minority interest per share
	in Million Yen	in Million Yen	%	Yen
FY2008 3rd quarter	2,034,406	996,855	38.2	2,738.24
FY2007 3rd quarter	1,969,913	935,635	37.8	2,590.97
FY2007	2,037,896	955,853	37.2	2,662.78

2. Consolidated forecast for FY2008 (April 1, 2007 through March 31, 2008)

	Net Sales		Operating Income		Ordinary Income		Net Income		Earnings Per Share
	in Million Yen	%	in Million Yen	%	in Million Yen	%	in Million Yen	%	Yen
FY2008	2,700,000	13.5	178,000	35.8	184,000	37.0	90,000	34.6	317.33

Note : Percentages for net sales, operating income, ordinary income and net income indicate changes from the same period of the previous year.

※ The above forecasts are based on AISIN's plans and expectations based on currently available information. Therefore, the final results might be significantly different from the aforementioned forecast due to unknown risks such as economic environment, and exchange rate, etc.

3. Others

(1) Consolidation Scope

Number of consolidated subsidiaries	:	145
Number of unconsolidated subsidiaries	:	none
Affiliates accounted for under equity method	:	11

【Qualitative Information , Financial Statements】

1. Qualitative Information on Consolidated Financial Results

Uncertainties such as oil price increase, and weakness in the economy of the major markets contributed to declining total sales volume in Japan, the U.S., and Europe. But strong sales in the emerging markets such as China and India offset these declines resulting in continued volume increase in the overall worldwide automobile market.

Sales within the Auto Parts segment increased 15.1% (¥1,915.8billion) compared with the same quarter of the previous fiscal year (¥1,665.1billion) due to clients' production expansions, in addition to aggressive sales activities for automatic transmissions, manual transmissions, car navigation systems, and power sliding doors. Furthermore, sales of the Life & Energy related products and other business increased 17.3% (¥83.3billion) compared with the same quarter of the previous fiscal year (¥71.0billion).

As a result, total sales increased 15.1% (¥1,999.2billion) compared with the same quarter of the previous fiscal year (¥1,736.2billion). Despite higher depreciation and amortization expenses, and R&D expenses, increase in sales and favorable activities to streamline and raise efficiency in all areas of operations through cost reductions and other measures resulted in a 48.7% increase in operating income from ¥91.8billion to ¥136.5billion. Ordinary income increased 48.3% to ¥144.4billion. (Previous: ¥97.4billion) Net income increased 51.0% to ¥69.9billion. (Previous: ¥46.3billion)

Consolidated Net Sales by Category

(in Millions)

Category	FY2007 3rd quarter (Apr. 2006 through Dec. 2006)		FY2008 3rd quarter (Apr. 2007 through Dec. 2007)		Increase (Decrease)	Variation ratio	FY2007 (Apr. 2006 through Mar. 2007)	
	Yen	%	Yen	%			Yen	%
Engine Related	166,454	9.6	191,934	9.6	25,480	15.3	223,275	9.4
Drivetrain Related	729,584	42.0	868,660	43.4	139,076	19.1	1,014,016	42.6
Brake & Chassis Related	347,233	20.0	395,594	19.8	48,361	13.9	468,260	19.7
Body Related	322,346	18.6	352,222	17.6	29,876	9.3	433,210	18.2
Information Related	99,558	5.7	107,443	5.4	7,885	7.9	140,053	5.9
Total Automotive Related	1,665,176	95.9	1,915,855	95.8	250,679	15.1	2,278,816	95.8
Life & Energy Related	38,326	2.2	40,071	2.0	1,745	4.6	51,592	2.2
Others	32,757	1.9	43,284	2.2	10,527	32.1	48,202	2.0
Grand Total	1,736,259	100.0	1,999,211	100.0	262,952	15.1	2,378,611	100.0

Note : Sales of "Others" includes "Construction and Engineering Works Business" and "Oil Sales Business".

2. Qualitative Information on Consolidated Financial Position

For the 3rd quarter of FY2008 (April 1, 2007 through December 31, 2007) total assets decreased 0.2% from ¥2,037.8billion to ¥2,034.4billion due to fluctuations in assessment of securities, and purchases of own stocks. Shareholders' equity meanwhile increased due to a 4.3% increase in net income from ¥955.8billion to ¥996.8billion.

3. Qualitative Information on Consolidated Forecast for FY2008

The most significant risks are a worldwide slowdown in economic growth, volatile exchange rates and intensified global competitions. Aisin will counter these risks by striving for continued growth by building a strong foundation with a solid earning structure.

Variances in currency exchange rate premises of ¥105=1USD and ¥155=1EUR, depreciation calculation change(income tax revision), and R&D cost increase will decrease profitability but will be offset by cost reduction activities and streamlining of management. Accordingly, the forecast for FY2008 is as follows: Sales forecast of ¥2,660.0 billion. Operating income of ¥178.0billion. ordinary ¥184.0billion. Net income of ¥90.0billion.

4. Others

(1) Significant change in scope of consolidation

None.

(2) Accounting estimation method used for reporting

To calculate ending inventory for this quarter book value fluctuation was used.

(3) Change in accounting policy

None.

Consolidated Balance Sheets

(in Million Yen)

	FY2007 (As of Mar. 31, 2007)	FY2008 3rd quarter (As of Dec. 31, 2007)	Increase (Decrease)	FY2007 3rd quarter (As of Dec. 31, 2006)
[Assets]				
Current Assets	767,369	800,311	32,942	735,950
Cash and Cash Equivalents	98,628	103,034	4,406	105,368
Trade Notes & Accounts Receivable	363,726	368,263	4,537	340,349
Marketable Securities	38,622	47,934	9,312	41,326
Inventories	168,762	175,665	6,903	165,660
Deferred Tax Assets	48,386	47,591	(795)	37,083
Others	49,974	58,568	8,594	46,922
Less: Allowance for Doubtful Accounts	(732)	(747)	(15)	(760)
Fixed Assets	1,270,526	1,234,095	(36,431)	1,233,962
Property, Plant & Equipment	839,192	842,489	3,297	795,522
Buildings & Structures	240,051	244,107	4,056	222,810
Machinery, Equipment & Vehicles	419,876	415,875	(4,001)	402,286
Tools, Furniture & Fixtures	42,550	38,664	(3,886)	40,137
Land	88,412	92,559	4,147	86,106
Construction in Progress	48,301	51,282	2,981	44,181
Intangible Fixed Assets	16,139	19,448	3,309	12,197
Consolidation Adjustments	3,566	7,271	3,705	1,287
Software	10,068	9,705	(363)	8,492
Others	2,504	2,470	(34)	2,417
Investments & Other Assets	415,194	372,158	(43,036)	426,242
Investments in Securities	357,422	309,725	(47,697)	370,936
Long-term Loans	4,259	4,418	159	4,648
Deferred Tax Assets	24,228	26,872	2,644	22,631
Others	29,773	31,586	1,813	29,218
Less: Allowance for Doubtful Accounts	(488)	(445)	43	(1,193)
Total Assets	2,037,896	2,034,406	(3,490)	1,969,913

(in Million Yen)

	FY2007 (As of Mar. 31, 2007)	FY2008 3rd quarter (As of Dec. 31, 2007)	Increase (Decrease)	FY2007 3rd quarter (As of Dec. 31, 2006)
[Liabilities]				
Current Liabilities	679,070	648,274	(30,796)	609,418
Trade Notes & Accounts Payable	359,873	356,811	(3,062)	340,828
Commercial Paper & Short-term Borrowings	30,518	40,371	9,853	58,622
Current Portion of Bonds Payable	15,000	15,000	—	—
Amount in Arrears	47,907	32,727	(15,180)	29,973
Accrued Expenses	130,345	127,355	(2,990)	107,044
Accrued Income Taxes	41,647	21,035	(20,612)	15,546
Deposits Received from Employees	16,883	17,588	705	17,494
Accrued Warranty Cost	16,133	17,718	1,585	15,364
Others	20,761	19,666	(1,095)	24,544
Long-term Liabilities	402,972	389,276	(13,696)	424,859
Bonds Payable	20,000	20,000	—	35,000
Long-term Debt	221,076	223,014	1,938	219,551
Deferred Tax Liabilities	72,627	57,499	(15,128)	80,896
Allowance for Employees Retirement Benefits	86,978	87,035	57	86,349
Long-term Amount in Arrears	1,052	211	(841)	1,521
Consolidation Adjustments	121	69	(52)	505
Others	1,116	1,445	329	1,033
Total Liabilities	1,082,042	1,037,551	(44,491)	1,034,278
[Net Assets]				
Shareholders' Equity	602,382	650,258	47,876	588,279
Common Stock	45,049	45,049	—	45,049
Capital Surplus	57,891	58,803	912	64,004
Retained Earnings	501,009	557,259	56,250	480,440
Less: Treasury Stock, at Cost	(1,567)	(10,853)	(9,286)	(1,214)
Evaluation and Conversion Difference	156,361	126,353	(30,008)	156,613
Net Unrealized Gain on Available-for-sale Securities	145,136	114,579	(30,557)	150,752
Profit & Loss of Deferral Hedge Accounting	(667)	(848)	(181)	(620)
Foreign Currency Translation Adjustments	11,892	12,622	730	6,481
Subscription Warrant	167	470	303	104
Minority Interests	196,941	219,772	22,831	190,637
Total Net Assets	955,853	996,855	41,002	935,635
Total Liabilities and Net Assets	2,037,896	2,034,406	(3,490)	1,969,913

Consolidated Statements of Income

(in Million Yen)

	FY2007 3rd quarter (Apr. 2006 through Dec. 2006)	FY2008 3rd quarter (Apr. 2007 through Dec. 2007)	Increase (Decrease)	FY2007 (Apr. 2006 through Mar. 2007)
Net Sales	1,736,259	1,999,211	262,952	2,378,611
Cost of Sales	1,509,260	1,711,532	202,272	2,060,667
Gross Profit	226,998	287,678	60,680	317,944
Selling, General & Administrative Expenses	135,150	151,104	15,954	186,909
Operating Income	91,848	136,574	44,726	131,034
Non-Operating Income	16,636	19,353	2,717	21,703
Interest & Dividend Income	4,404	5,501	1,097	4,735
Equity Income	4,830	6,438	1,608	6,302
Other Income	7,401	7,413	12	10,664
Non-Operating Expenses	11,037	11,434	397	18,450
Interest Expense	2,704	3,057	353	3,546
Other Expenses	8,332	8,377	45	14,903
Ordinary Income	97,447	144,494	47,047	134,287
Income Before Income Taxes and Minority Interests	97,447	144,494	47,047	134,287
Income Taxes	32,186	46,098	13,912	44,775
Minority Interests in Net Income	18,940	28,452	9,512	22,622
Net Income	46,320	69,943	23,623	66,889

Segment Information

1. Industry Segments

AISIN's main business is manufacturing and sales of automotive parts. The amount of sales and operating income in this business occupies over 90% of these in all segments. Therefore information of industry segments is omitted.

2. Geographical Segments

(in Million Yen)

FY2007 3rd quarter (April 1, 2006 through December 31, 2006)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Sales							
(1) Customers	1,219,574	276,622	121,442	118,618	1,736,259	—	1,736,259
(2) Inter-segment	231,442	6,891	4,625	5,542	248,500	(248,500)	—
Total	1,451,017	283,514	126,068	124,160	1,984,760	(248,500)	1,736,259
Operating Costs & Expenses	1,382,772	277,701	123,304	108,763	1,892,542	(248,131)	1,644,410
Operating Income	68,244	5,812	2,763	15,396	92,217	(369)	91,848

(in Million Yen)

FY2008 3rd quarter (April 1, 2007 through December 31, 2007)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Sales							
(1) Customers	1,377,167	308,832	143,235	169,975	1,999,211	—	1,999,211
(2) Inter-segment	272,703	6,997	5,649	7,049	292,400	(292,400)	—
Total	1,649,870	315,830	148,885	177,025	2,291,611	(292,400)	1,999,211
Operating Costs & Expenses	1,552,280	306,994	145,384	149,509	2,154,168	(291,531)	1,862,636
Operating Income	97,590	8,835	3,501	27,516	137,442	(868)	136,574

(in Million Yen)

FY2007 (April 1, 2006 through March 31, 2007)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Sales							
(1) Customers	1,668,562	373,537	174,837	161,673	2,378,611	—	2,378,611
(2) Inter-segment	314,019	9,143	6,524	8,717	338,404	(338,404)	—
Total	1,982,582	382,680	181,362	170,390	2,717,016	(338,404)	2,378,611
Operating Costs & Expenses	1,883,567	374,592	177,452	149,550	2,585,162	(337,584)	2,247,577
Operating Income	99,015	8,088	3,910	20,840	131,854	(819)	131,034

Note: 1.Geographical segments are determined according to geographical closeness.

2.Main countries are

- ① North America : U.S.A., Mexico
- ② Europe : Belgium, Czech
- ③ Others : Thailand, China

3. Sales by Customer Location

FY2007 3rd quarter (April 1, 2006 through December 31, 2006) (in Million Yen)

	North America	Europe	Others	Total
Overseas Sales	309,648	142,804	172,826	625,280
Net Sales	—	—	—	1,736,259
Overseas Sales Ratio to Net Sales	17.8 %	8.2 %	10.0 %	36.0 %

FY2008 3rd quarter (April 1, 2007 through December 31, 2007) (in Million Yen)

	North America	Europe	Others	Total
Overseas Sales	345,361	167,907	258,380	771,649
Net Sales	—	—	—	1,999,211
Overseas Sales Ratio to Net Sales	17.3 %	8.4 %	12.9 %	38.6 %

FY2007 (April 1, 2006 through March 31, 2007) (in Million Yen)

	North America	Europe	Others	Total
Overseas Sales	415,763	205,129	237,637	858,530
Net Sales	—	—	—	2,378,611
Overseas Sales Ratio to Net Sales	17.5 %	8.6 %	10.0 %	36.1 %

Note: Main countries are

- ① North America : U.S.A., Canada
- ② Europe : Germany, Sweden
- ③ Others : Thailand, China, South Korea

<Reference>

1. Unconsolidated financial statements FY2008 3rd quarter
(April 1, 2007 through December 31, 2007)

Statements of Income

(in Million Yen)

	FY2007 3rd quarter (Apr. 2006 through Dec. 2006)	FY2008 3rd quarter (Apr. 2007 through Dec. 2007)	Increase (Decrease)	FY2007 (Apr. 2006 through Mar. 2007)
Net Sales	577,140	642,825	65,685	786,966
Operating Income	19,176	25,859	6,683	28,538
Ordinary Income	27,209	38,732	11,523	36,808
Net Income	19,881	28,688	8,807	27,112

Balance Sheets

(in Million Yen)

	FY2007 (As of Mar. 31, 2007)	FY2008 3rd quarter (As of Dec. 31, 2007)	Increase (Decrease)	FY2007 3rd quarter (As of Dec. 31, 2006)
[Assets]				
Current Assets	341,769	349,716	7,947	329,882
Fixed Assets	727,287	698,893	(28,394)	724,000
Property, Plant & Equipment	182,260	187,100	4,840	171,578
Intangible Fixed Assets	3,978	7,670	3,692	3,834
Investments & Other Assets	541,048	504,122	(36,926)	548,588
Total Assets	1,069,056	1,048,610	(20,446)	1,053,883

	FY2007 (As of Mar. 31, 2007)	FY2008 3rd quarter (As of Dec. 31, 2007)	Increase (Decrease)	FY2007 3rd quarter (As of Dec. 31, 2006)
[Liabilities]				
Current Liabilities	279,883	287,784	7,901	207,190
Long-term Liabilities	347,577	339,725	(7,852)	365,623
Total Liabilities	627,461	627,509	48	572,814
[Net Assets]				
Shareholders' Equity	301,868	309,211	7,343	333,492
Common Stock	45,049	45,049	—	45,049
Capital Surplus	63,139	62,926	(213)	63,138
Retained Earnings	233,429	247,622	14,193	226,198
Less: Treasury Stock, at Cost	(39,749)	(46,387)	(6,638)	(893)
Evaluation and Conversion Difference	139,558	111,418	(28,140)	147,471
Subscription Warrant	167	470	303	104
Total Net Assets	441,595	421,100	(20,495)	481,069
Total Liabilities and Net Assets	1,069,056	1,048,610	(20,446)	1,053,883

2. Unconsolidated forecast for FY2008
(April 1, 2007 through March 31, 2008)

(in Million Yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
FY2008	870,000	36,000	49,000	36,500