

## FY2016 Consolidated Financial Results [Japanese Standard] (April 1, 2015 through March 31, 2016)

April 28, 2016

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Company Name **AISIN SEIKI Co., Ltd.** Listed on The Tokyo and Nagoya Stock Exchanges (1st division)  
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The scheduled date of the annual regular general meeting of shareholders: June 17, 2016

Scheduled filing date for reporting on EDINET: June 20, 2016

The expected date of dividends payment: June 20, 2016

Additional documents to supplement financial results: Yes (Japanese only)

Quarterly IR presentation: Yes (For analysts and professional investors)

(Amounts less than million yen are rounded down)

### 1. Consolidated Results for FY2016 (Apr. 1, 2015 through Mar. 31, 2016)

#### (1) Consolidated Financial Results

(Percent indications show the percentage of changes from corresponding figures for the previous period)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
<b>FY2016</b>	<b>3,243,178</b>	<b>9.4</b>	<b>176,435</b>	<b>6.2</b>	<b>186,887</b>	<b>-0.8</b>	<b>96,974</b>	<b>25.0</b>
FY2015	2,964,619	—	166,103	—	188,377	—	77,550	—

Note : Comprehensive income FY2016: -15,631million yen (—%), FY2015: 244,635 million yen (—%)

	Earnings Per Share	Fully Diluted Earnings Per Share	Return on Equity	Return on Assets	Ratio of Operating Income to Net Sales
	Yen	Yen	%	%	%
<b>FY2016</b>	<b>342.67</b>	<b>341.84</b>	<b>8.6</b>	<b>6.4</b>	<b>5.4</b>
FY2015	274.69	273.97	7.2	6.8	5.6

Reference : Equity income FY2016 : 8,448million yen , FY2015 : 8,728 million yen

Note : Percentage of changes from corresponding figures for the previous period of FY2015 is not shown due to retrospective restatement after accounting policy change.

#### (2) Consolidated Financial Position

	Total Assets	Net Assets	Net assets excluding subscription rights to shares and non-controlling interests as a percentage of total	Net assets excluding subscription rights to shares and non-controlling interests per share
	Million Yen	Million Yen	%	Yen
<b>FY2016</b>	<b>2,864,816</b>	<b>1,477,990</b>	<b>38.5</b>	<b>3,891.58</b>
FY2015	2,931,175	1,532,776	39.6	4,109.21

Reference : Net assets excluding subscription rights to shares and non-controlling interests FY2016 : 1,102,189 million yen, FY2015 : 1,161,298 million yen

#### (3) Consolidated Cash Flows

	From operating activities	From investing activities	From financing activities	Cash and cash equivalents at the end of FY
	Million Yen	Million Yen	Million Yen	Million Yen
<b>FY2016</b>	<b>292,193</b>	<b>-237,260</b>	<b>-77,163</b>	<b>263,217</b>
FY2015	239,771	-261,354	-17,734	294,692

### 2. Cash Dividends

	Annual Cash Dividends Per Share					Dividends total	Dividends Payout Ratio	Ratio of Total Amount of Dividends to Net assets
	1st quarter	2nd quarter	3rd quarter	4th quarter	FY Total			
	Yen	Yen	Yen	Yen	Yen	Million Yen	%	%
FY2015	—	45.00	—	50.00	95.00	26,834	34.6	2.5
<b>FY2016</b>	—	<b>50.00</b>	—	<b>50.00</b>	<b>100.00</b>	<b>28,311</b>	<b>29.2</b>	<b>2.5</b>
FY2017 (Forecast)	—	—	—	—	—		—	

Note : Dividend forecast of FY2017 has not been decided at this point.

### 3. Consolidated forecast for FY2017 (Apr. 1, 2016 through Mar. 31, 2017)

Forecast for FY2017 can not be disclosed at this point due to difficulties to estimate financial impact of Kumamoto Earthquakes which occurred on April 2016. Forecast will be disclosed at a later date after examination of the above situation.

#### 4. Others

(1) Changes in significant subsidiaries : None

(2) Changes in accounting policies, accounting estimation and restatement

① Changes according to revision of accounting standard : Yes

② Other changes : Yes

③ Accounting estimation changes : None

④ Retrospective restatement : None

(3) Issued and outstanding capital stock

① Number of shares issued as of the respective balance sheet date

② Number of treasury stock as of the respective balance sheet date

③ Average number of shares issued during the fiscal year

FY2016	294,674,634 shares	FY2015	294,674,634 shares
FY2016	11,450,571 shares	FY2015	12,066,234 shares
FY2016	282,999,070 shares	FY2015	282,314,098 shares

※ Explanation regarding the review procedure

At the time of this submission we are currently in process of being reviewed for securities report.

※ Explanation regarding the appropriate use of forecasts, and other statements

(Note concerning forecast)

Forecast for FY2017 can not be disclosed at this point due to difficulties to estimate financial impact of Kumamoto Earthquakes which occurred on April 2016. Forecast will be disclosed at a later date after examination of the above situation.

(Note concerning dividend)

The Company's stable dividend policy takes into account the overall consideration of business performance, payout ratio, and other performance factors. However, dividend forecast has not been decided at this point due to difficulties to determine the forecast for FY2017. AISIN will propose dividend amount to shareholders after taking into consideration of future financial results.

5. Consolidated financial statements  
(1) Consolidated balance sheets

(Million Yen)

	FY2015 (As of Mar. 31. 2015)	FY2016 (As of Mar. 31. 2016)
Assets		
Current assets		
Cash and deposits	273,940	309,061
Notes and accounts receivable-trade	388,915	433,273
Electronically recorded monetary claims-operating	39,109	46,229
Short-term investment securities	134,237	43,043
Merchandise and finished goods	109,932	115,711
Work in process	63,256	57,196
Raw materials and supplies	74,268	79,586
Deferred tax assets	60,319	60,549
Other	71,513	71,826
Allowance for doubtful accounts	-1,081	-2,338
Total current assets	1,214,411	1,214,139
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	721,957	760,534
Accumulated depreciation	-428,455	-447,880
Buildings and structures, net	293,502	312,654
Machinery, equipment and vehicles	1,761,037	1,892,446
Accumulated depreciation	-1,344,464	-1,396,422
Machinery, equipment and vehicles, net	416,572	496,024
Tools, furniture and fixtures	317,597	333,717
Accumulated depreciation	-274,785	286,080
Tools, furniture and fixtures, net	42,811	47,636
Land	125,759	128,656
Lease assets	2,324	2,582
Accumulated depreciation	-1,280	-1,615
Lease assets, net	1,043	967
Construction in progress	126,570	78,495
Total property, plant and equipment	1,006,260	1,064,433
Intangible assets	24,740	23,479
Investments and other assets		
Investment securities	603,061	483,348
Net defined benefit asset	11,484	2,340
Deferred tax assets	46,658	53,686
Other	25,054	23,864
Allowance for doubtful accounts	-495	-475
Total investments and other assets	685,763	562,763
Total noncurrent assets	1,716,764	1,650,677
Total assets	2,931,175	2,864,816

(Million Yen)

	FY2015 (As of Mar. 31. 2015)	FY2016 (As of Mar. 31. 2016)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	382,457	295,109
Electronically recorded liabilities - operating	-	125,754
Short-term loans payable	96,895	66,108
Current portion of bonds	10,035	35
Accrued expenses	186,854	202,804
Provision for product warranties	18,987	18,551
Other provisions	2,105	2,039
Other	134,829	132,615
Total current liabilities	<u>832,165</u>	<u>843,017</u>
Noncurrent liabilities		
Bonds payable	80,084	80,049
Long-term loans payable	241,025	239,434
Deferred tax liabilities	94,931	52,075
Provision for directors' retirement benefits	5,729	5,792
Net defined benefit liability	121,790	152,835
Other	22,672	13,621
Total noncurrent liabilities	<u>566,234</u>	<u>543,809</u>
Total liabilities	<u>1,398,399</u>	<u>1,386,826</u>
Net assets		
Shareholders' equity		
Capital stock	45,049	45,049
Capital surplus	60,018	60,736
Retained earnings	824,433	893,127
Treasury stock	-19,000	-18,035
Total shareholders' equity	<u>910,501</u>	<u>980,878</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	211,331	136,922
Deferred gains or losses on hedges	-730	-668
Foreign currency translation adjustment	45,507	8,732
Remeasurements of defined benefit plans	-5,311	-23,675
Total accumulated other comprehensive income	<u>250,796</u>	<u>121,311</u>
Subscription rights to shares	1,770	1,126
Non-controlling interests	369,707	374,674
Total net assets	<u>1,532,776</u>	<u>1,477,990</u>
Total liabilities and net assets	<u>2,931,175</u>	<u>2,864,816</u>

(2) Consolidated statements of operation and comprehensive income  
 – Consolidated statements of income –

(Million Yen)

	FY2015 (Apr. 1, 2014 through Mar. 31, 2015)	FY2016 (Apr. 1, 2015 through Mar. 31, 2016)
Net sales	2,964,619	3,243,178
Cost of sales	2,548,231	2,785,718
Gross profit	416,387	457,459
Selling, general and administrative expenses		
Freightage and packing expenses	40,226	43,805
Provision for product warranties	789	1,164
Salaries and allowances	68,887	74,468
Provision for directors' bonuses	1,794	1,793
Retirement benefit expenses	3,132	3,944
Provision for directors' retirement benefits	976	1,024
Other	134,476	154,823
Total selling, general and administrative expenses	250,283	281,024
Operating income	166,103	176,435
Non-operating income		
Interest income	1,491	1,471
Dividends income	9,091	11,320
Equity in earnings of affiliates	8,728	8,448
Foreign exchange gains	7,617	—
Gain on transfer of business	—	8,200
Other	10,241	15,667
Total non-operating income	37,170	45,107
Non-operating expenses		
Interest expenses	6,491	7,525
Foreign exchange losses	—	12,310
Other	8,405	14,820
Total non-operating expenses	14,896	34,656
Ordinary income	188,377	186,887
Extraordinary losses		
Loss on violation of antitrust law	4,315	—
Total extraordinary losses	4,315	—
Income before income taxes and non-controlling interests	184,062	186,887
Income taxes—current	53,555	54,572
Income taxes—deferred	12,194	-2,378
Total income taxes	65,750	52,193
Current term net profit	118,311	134,693
Profit attributable to non-controlling interests	40,761	37,718
Profit attributable to owners of parent	77,550	96,974

– Consolidated statements of comprehensive income –

(Million Yen)

	FY2015 (Apr. 1, 2014 through Mar. 31, 2015)	FY2016 (Apr. 1, 2015 through Mar. 31, 2016)
Current term net profit	118,311	134,693
Other comprehensive income		
Valuation difference on available-for-sale securities	81,904	-74,701
Deferred gains or losses on hedges	267	59
Foreign currency translation adjustment	50,231	-48,525
Remeasurements of defined benefit plans	-10,691	-24,026
Share of other comprehensive income of associates accounted for using equity method	4,611	-3,130
Total other comprehensive income	126,323	-150,324
Comprehensive income	244,635	-15,631
Comprehensive income attributable to		
Owners of the parent	190,796	-32,509
Non-controlling interests	53,838	16,878

(3) Consolidated statements of changes in Net Assets

FY2015 (Apr. 1, 2014 through Mar. 31, 2015)

(Million Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning Balance	45,049	59,504	777,154	-19,718	861,990
Cumulative effects of changes in accounting policies			-637		-637
Beginning Balance after reflecting the change in accounting policies	45,049	59,504	776,516	-19,718	861,352
Increase/Decrease during the period					
Dividends of surplus			-29,632		-29,632
Profit/Loss attributable to owners of parent			77,550		77,550
Purchase of treasury stock				-8	-8
Disposal of treasury stock		513		726	1,240
Net changes of items other than shareholders' equity					
Total changes of items during period	—	513	47,917	717	49,148
Ending balance	45,049	60,018	824,433	-19,000	910,501

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Beginning Balance	129,943	-999	5,642	2,963	137,550	2,384	326,578	1,328,503
Cumulative effects of changes in accounting policies							-10	-648
Beginning Balance after reflecting the change in accounting policies	129,943	-999	5,642	2,963	137,550	2,384	326,567	1,327,855
Increase/Decrease during the period								
Dividends of surplus								-29,632
Profit/Loss attributable to owners of parent								77,550
Purchase of treasury stock								-8
Disposal of treasury stock								1,240
Net changes of items other than shareholders' equity	81,388	268	39,864	-8,275	113,246	-614	43,140	155,772
Total changes of items during period	81,388	268	39,864	-8,275	113,246	-614	43,140	204,921
Ending balance	211,331	-730	45,507	-5,311	250,796	1,770	369,707	1,532,776

FY2016 (Apr. 1, 2015 through Mar. 31, 2016)

(Million Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning Balance	45,049	60,018	824,433	-19,000	910,501
Increase/Decrease during the period					
Capital increase of consolidated subsidiaries		-39			-39
Dividends of surplus			-28,280		-28,280
Profit/Loss attributable to owners of parent			96,974		96,974
Purchase of treasury stock				-7	-7
Disposal of treasury stock		757		971	1,729
Net changes of items other than shareholders' equity					
Total changes of items during period	—	717	68,693	964	70,376
Ending balance	45,049	60,736	893,127	-18,035	980,878

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Beginning Balance	211,331	-730	45,507	-5,311	250,796	1,770	369,707	1,532,776
Increase/Decrease during the period								
Capital increase of consolidated subsidiaries								-39
Dividends of surplus								-28,280
Profit/Loss attributable to owners of parent								96,974
Purchase of treasury stock								-7
Disposal of treasury stock								1,729
Net changes of items other than shareholders' equity	-74,408	62	-36,774	-18,363	-129,484	-644	4,966	-125,162
Total changes of items during period	-74,408	62	-36,774	-18,363	-129,484	-644	4,966	-54,786
Ending balance	136,922	-668	8,732	-23,675	121,311	1,126	374,674	1,477,990



**(4) Consolidated statements of cash flows**

(Million Yen)

	FY2015 (Apr. 1, 2014 through Mar. 31, 2015)	FY2016 (Apr. 1, 2015 through Mar. 31, 2016)
Net cash provided by (used in) operating activities		
Income before income taxes and non-controlling interests	184,062	186,887
Depreciation and amortization	161,028	188,213
Decrease (increase) in notes and accounts receivable-trade	-14,179	-76,136
Decrease (increase) in inventories	-38,177	-14,721
Increase (decrease) in notes and accounts payable-trade	7,197	39,382
Other, net	3,863	12,482
Subtotal	303,795	336,108
Interest and dividends income received	13,356	16,124
Interest expenses paid	-6,486	-7,670
Income taxes (paid) refund	-70,893	-52,367
Net cash provided by (used in) operating activities	239,771	292,193
Net cash provided by (used in) investing activities		
Decrease (increase) in time deposits and securities	-10,517	20,667
Purchase of property, plant and equipment	-240,533	-266,717
Proceeds from sales of property, plant and equipment	11,943	5,943
Purchase of investment securities	-49,120	-12,325
Proceeds from sales and redemption of investment securities	32,614	22,879
Other, net	-5,741	-7,708
Net cash provided by (used in) investing activities	-261,354	-237,260
Net cash provided by (used in) financing activities		
Increase (decrease) in short-term bank loans and commercial papers	5,215	-11,152
Proceeds from long-term loans payable	44,768	33,290
Repayment of long-term loans payable	-37,245	-49,728
Proceeds from issuance of bonds	20,000	—
Redemption of bonds	-10,035	-10,035
Cash dividends paid	-29,652	-28,270
Cash dividends paid to non-controlling interests	-11,441	-12,400
Other, net	655	1,132
Net cash provided by (used in) financing activities	-17,734	-77,163
Effect of exchange rate change on cash and cash equivalents	5,985	-9,244
Net increase (decrease) in cash and cash equivalents	-33,332	-31,474
Cash and cash equivalents at beginning of period	328,024	294,692
Cash and cash equivalents at end of period	294,692	263,217

【Segments information】

1. General information about reportable segments

The reportable segments of the Group are components for which financial information is available and whose operating results are periodically reviewed by the Board of Directors to make decisions about allocation of resources and to assess performance.

Majority of the Group's (composed by the company and its core subsidiaries ) business is production and sales of automotive parts. The business is divided into four core segments and the strategy considering overall domestic and oversea operation for its sales and service is controlled mainly by AISIN SEIKI Co.,Ltd. and its three core subsidiaries. Therefore reportable segments and its product and service are as follows.

Segment	Product and service
AISIN Seiki Group	Overall automotive parts and related service, Lifestyle & Energy related
AISIN Takaoka Group	Mainly cast-iron parts for engines and brakes
AISIN AW Group	Mainly automatic transmissions and car navigation systems
ADVICS Group	Mainly brake parts

2. Sales and profit by reportable segments

FY2015(Apr. 1, 2014 through Mar. 31, 2015)

(Million Yen)

	Reportable Segments					Others	Total
	Aisin Seiki Group	Aisin Takaoka Group	Aisin AW Group	Advics Group	Total		
Net sales							
(1) Sales to third parties	1,085,530	164,760	1,099,486	491,992	2,841,770	122,849	2,964,619
(2) Inter-segment	317,026	99,041	27,785	35,332	479,185	64,941	544,127
Total	1,402,557	263,802	1,127,271	527,325	3,320,955	187,790	3,508,746
Segment profits (loss)	48,170	11,289	89,786	9,668	158,914	6,142	165,057

Note: Others includes omitted non-core groups that manufactures and sells automotive parts

FY2016(Apr. 1, 2015 through Mar. 31, 2016)

(Million Yen)

	Reportable Segments					Others	Total
	Aisin Seiki Group	Aisin Takaoka Group	Aisin AW Group	Advics Group	Total		
Net sales							
(1) Sales to third parties	1,178,873	172,922	1,254,648	515,052	3,121,497	121,680	3,243,178
(2) Inter-segment	322,064	102,990	21,902	36,236	483,194	76,880	560,075
Total	1,500,938	275,913	1,276,551	551,289	3,604,692	198,561	3,803,253
Segment profits (loss)	61,505	9,176	93,085	8,891	172,659	3,395	176,054

Note: Others includes omitted non-core groups that manufactures and sells automotive parts

### 3. Discrepancy between reportable segments and consolidated financial statements

(Million Yen)

Profit	FY2015	FY2016
Reportable Segment Total	158,914	172,659
"Others" profit	6,142	3,395
Inter-segment elimination	940	287
Other adjustment	105	93
Consolidated financial statement (Operating profit)	166,103	176,435

### 4. Change in reportable segment and other items

Under previous standard, The Company and a part of consolidated companies in Japan used to recognize revenue based on shipping date. However, from this fiscal year, delivery at customer basis is applied.

This change is affected to former fiscal year retroactively. Therefore, result for previous fiscal year has been restated.

#### 【Amounts per share】

(Yen)

FY2015(Apr.1,2014 through Mar.31,2015)	FY2016(Apr.1,2015 through Mar.31,2016)
(1) Net assets excluding subscription rights to shares and non-controlling interest per share 4,109.21	(1) Net assets excluding subscription rights to shares and non-controlling interest per share 3,891.58
(2) Earnings per share 274.69	(2) Earnings per share 342.67
(3) Fully diluted earnings per share 273.97	(3) Fully diluted earnings per share 341.84

Note: Bases for calculation

#### 1. Net assets excluding subscription rights to shares and non-controlling interest per share

	FY2015(As of Mar. 31. 2015)	FY2016(As of Mar. 31. 2016)
Total net assets (Million Yen)	1,532,776	1,477,990
Amounts deducted from total net assets (Million Yen)	371,478	375,800
(Subscription rights to shares)	(1,770)	(1,126)
(Non-controlling interests)	(369,707)	(374,674)
Total net assets related to common stock (Million Yen)	1,161,298	1,102,189
Number of common stocks used to determine equity per share (thousand shares)	282,608	283,224

## 2. Earnings Per Share and Fully Diluted Earnings Per Share

	FY2015(As of Mar. 31. 2015)	FY2016(As of Mar. 31. 2016)
Earnings per share		
Net income or loss attributable to owners of parents	77,550	96,974
Amount not attributable to the common stockholders (Million Yen)	—	—
Net income or loss attributable to owners of parents related to common stock (Million Yen)	77,550	96,974
Average number of common Stocks (thousand shares)	282,314	282,999
Fully diluted earnings per share		
Adjustment in net income attributable to owners of parents (Million Yen)	—	—
Increase in common stocks (thousand shares)	746	688
(Subscription rights to shares (thousand shares))	(746)	(688)
Discription of dilutive shares which were not included in calculation due to no dilutive effect.	—	—

Note: Under previous standard, The Company and a part of consolidated companies in Japan used to recognize revenue based on shipping date. However, from this fiscal year, delivery at customer basis is applied. This change is affected to former fiscal year retroactively. Therefore, result for previous fiscal year has been restated.

### 【Material subsequent events】

Kumamoto Earthquakes occurred in April 2016

Due to Kumamoto Earthquakes occurred in April 2016, two subsidiaries located in Kumamoto Prefecture were damaged then stopped their production. We make effort to restart operation and delivery to our customers. Impact to consolidated financial statements is under investigation now.