

**FY2019 1st Quarter Consolidated Financial Results [IFRS]
(April 1, 2018 through June 30, 2018)**

July 31, 2018

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| | | | |
|--|--|--|--------------------------------------|
| Company Name | AISIN SEIKI Co., Ltd. | Listed on | The Tokyo and Nagoya Stock Exchanges |
| Code Number | 7259 | URL | http://www.aisin.com/ |
| Representative | Kiyotaka Ise, President | | |
| Contact person | Yuji Fukushige, General Manager Finance & Costing Dept | TEL | +81-566-24-8265 |
| Scheduled filing date for quarterly reporting on EDINET | August 9, 2018 | The expected date of dividends payment | - |
| Additional documents to supplement quarterly 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 the 1st Quarter of FY2019 (Apr. 1, 2018 through Jun. 30, 2018)

(1) Consolidated Financial Results

(Percent indications show the percentage of changes against previous Fiscal Year)

| | Revenue | | Operating profit | | Profit before income taxes | | Profit for the period | |
|--------------------|-------------|-----|------------------|------|----------------------------|------|-----------------------|-------|
| | Million Yen | % | Million Yen | % | Million Yen | % | Million Yen | % |
| FY2019 1st quarter | 1,007,942 | 9.9 | 64,898 | 21.2 | 72,986 | 21.5 | 59,277 | 35.0 |
| FY2018 1st quarter | 917,054 | 9.3 | 53,539 | -9.3 | 60,089 | 5.6 | 43,907 | -14.4 |

| | Profit for the period attributable to owners of the parent | | Comprehensive income for the period | | Basic earnings per share | Diluted earnings per share |
|--------------------|--|-------|-------------------------------------|------|--------------------------|----------------------------|
| | Million Yen | % | Million Yen | % | Yen | Yen |
| FY2019 1st quarter | 40,114 | 27.4 | 60,573 | 26.1 | 148.85 | - |
| FY2018 1st quarter | 31,489 | -24.6 | 48,031 | - | 112.82 | 112.73 |

(2) Consolidated Financial Position

| | Total Assets | Total equity | Equity attributable to owners of the parent | Ratio of equity attributable to owners of the parent |
|--------------------|--------------|--------------|---|--|
| | Million Yen | Million Yen | Million Yen | % |
| FY2019 1st quarter | 3,549,795 | 1,829,643 | 1,329,112 | 37.4 |
| FY2018 | 3,527,910 | 1,803,129 | 1,310,176 | 37.1 |

2.Cash Dividends

| | Annual cash dividends per share | | | | |
|------------------|---------------------------------|-------------|-------------|----------|--------|
| | 1st quarter | 2nd quarter | 3rd quarter | Year end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| FY2018 | - | 60.00 | - | 90.00 | 150.00 |
| FY2019 | - | | | | |
| FY2019(Forecast) | | 60.00 | - | 90.00 | 150.00 |

(Note) Changes in dividends forecast for FY2019 :None

3.Consolidated forecast for FY2019 (Apr. 1, 2018 through Mar. 31, 2019)

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

| | Revenue | | Operating profit | | Profit before income taxes | | Profit attributable to owners of parent | | Earnings per share |
|-------------------------|-------------|-----|------------------|------|----------------------------|------|---|------|--------------------|
| | Million Yen | % | Million Yen | % | Million Yen | % | Million Yen | % | Yen |
| FY2019 2nd Half (Total) | 1,990,000 | 7.3 | 120,000 | 11.1 | 128,000 | 10.1 | 61,000 | 8.9 | 226.35 |
| FY2019 | 3,980,000 | 1.8 | 255,000 | 0.5 | 270,000 | 0.7 | 133,000 | -1.2 | 493.52 |

(Note) Consolidated forecast corrections for FY2019: Yes

4. Others

(1) Changes in significant subsidiaries : None

(2) Changes in accounting policies and accounting estimation

① Changes in accounting policies required by IFRS : Yes

② Other changes : None

③ Changes in accounting estimation : None

(Note) For more information, please refer to (Changes in accounting policies) on page 7.

(3) Number of outstanding shares (common stocks)

① Number of shares issued including treasury stock as of the respective balance sheet date

| | | | |
|--------------------|--------------------|--------|--------------------|
| FY2019 1st quarter | 294,674,634 shares | FY2018 | 294,674,634 shares |
|--------------------|--------------------|--------|--------------------|

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

| | | | |
|--------------------|-------------------|--------|-------------------|
| FY2019 1st quarter | 25,184,722 shares | FY2018 | 25,184,075 shares |
|--------------------|-------------------|--------|-------------------|

③ Average number of common stocks (quarterly total)

| | | | |
|--------------------|--------------------|--------------------|--------------------|
| FY2019 1st quarter | 269,490,173 shares | FY2018 1st quarter | 279,113,863 shares |
|--------------------|--------------------|--------------------|--------------------|

※ This Quarterly Financial Result is not subject to review procedure.

※ Explanation regarding the appropriate use of forecasts, and other additional information

(Note concerning forecast)

The forecasts included in this document are based on information that the Company has obtained at the time of this disclosure and certain assumptions that the Company considers reasonable. The Company does not guarantee the predicted outcome of the forecasts. Actual results may differ significantly from the forecast due to a variety of factors, such as exchange rates and conditions of the global market.

5. Consolidated quarterly financial statements

(1) Consolidated quarterly statements of financial position

(Million Yen)

| | FY2018 (As of Mar. 31. 2018) | FY2019 1st quarter (As of Jun. 30, 2018) |
|--|---------------------------------|---|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 406,508 | 384,610 |
| Trade and other receivables | 621,863 | 603,652 |
| Other financial assets | 88,575 | 104,749 |
| Inventories | 295,787 | 305,622 |
| Other current assets | 51,093 | 55,208 |
| Total current assets | 1,463,828 | 1,453,843 |
| Non-current assets | | |
| Property, plant and equipment | 1,294,225 | 1,311,549 |
| Intangible assets | 40,045 | 39,090 |
| Investments accounted for using the equity method | 112,979 | 113,761 |
| Other financial assets | 485,108 | 494,218 |
| Deferred tax assets | 109,646 | 114,457 |
| Other non-current assets | 22,075 | 22,874 |
| Total non-current assets | 2,064,082 | 2,095,952 |
| Total assets | 3,527,910 | 3,549,795 |
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | 796,318 | 787,823 |
| Bonds and loans payable | 86,893 | 67,693 |
| Other financial liabilities | 37,381 | 37,595 |
| Provisions | 25,660 | 24,363 |
| Income tax payables | 30,774 | 22,000 |
| Other current liabilities | 33,083 | 44,666 |
| Total current liabilities | 1,010,112 | 984,144 |
| Non-current liabilities | | |
| Bonds and loans payable | 430,650 | 449,806 |
| Other financial liabilities | 9,603 | 9,038 |
| Retirement benefit liabilities | 190,679 | 194,567 |
| Provisions | 3,650 | 5,174 |
| Deferred tax liabilities | 72,206 | 68,527 |
| Other non-current liabilities | 7,879 | 8,893 |
| Total non-current liabilities | 714,669 | 736,008 |
| Total liabilities | 1,724,781 | 1,720,152 |
| Equity | | |
| Capital stock | 45,049 | 45,049 |
| Capital surplus | 71,826 | 71,651 |
| Treasury stock | -115,835 | -115,838 |
| Other components of equity | 147,874 | 151,145 |
| Retained earnings | 1,161,260 | 1,177,105 |
| Equity attributable to owners of the parent company | 1,310,176 | 1,329,112 |
| Non-controlling interests | 492,952 | 500,530 |
| Total equity | 1,803,129 | 1,829,643 |
| Total liabilities and equity | 3,527,910 | 3,549,795 |

(2) Consolidated quarterly statements of income / Consolidated quarterly statements of comprehensive income

(Consolidated quarterly statements of income)

(Million Yen)

| | FY2018 1st quarter (Apr. 1, 2017 through Jun. 30, 2017) | FY2019 1st quarter (Apr. 1, 2018 through Jun. 30, 2018) |
|--|---|---|
| Revenue | 917,054 | 1,007,942 |
| Cost of revenue | -803,279 | -877,228 |
| Gross profit | 113,774 | 130,714 |
| Selling, general and administrative expenses | -62,225 | -73,465 |
| Other income | 5,529 | 10,159 |
| Other expenses | -3,539 | -2,509 |
| Operating profit | 53,539 | 64,898 |
| Finance income | 6,342 | 6,883 |
| Finance expenses | -2,804 | -2,133 |
| Equity in earnings of affiliates | 3,012 | 3,337 |
| Profit before income taxes | 60,089 | 72,986 |
| Income tax expenses | -16,182 | -13,708 |
| Profit for the period | 43,907 | 59,277 |
| Profit for the period attributable to: | | |
| Owners of the parent | 31,489 | 40,114 |
| Non-controlling interests | 12,418 | 19,163 |
| Total | 43,907 | 59,277 |
| Earnings per share | | |
| Basic earnings per share (Yen) | 112.82 | 148.85 |
| Diluted earnings per share (Yen) | 112.73 | - |

(Consolidated quarterly statements of comprehensive income)

(Million Yen)

| | FY2018 1st quarter (Apr. 1, 2017 through Jun. 30, 2017) | FY2019 1st quarter (Apr. 1, 2018 through Jun. 30, 2018) |
|--|---|---|
| Profit for the period | 43,907 | 59,277 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Remeasurements of defined benefit plans | -99 | -4 |
| Net changes in revaluation of financial assets measured at fair value through other comprehensive income | -430 | 6,697 |
| Share of other comprehensive income of associates accounted for using the equity method | 1 | -52 |
| Total | -527 | 6,641 |
| Items that may be reclassified subsequently to profit or loss | | |
| Net changes in revaluation of financial assets measured at fair value through other comprehensive income | -60 | -49 |
| Cash flow hedges | 105 | 16 |
| Exchange differences on translating foreign operations | 4,932 | -5,614 |
| Share of other comprehensive income of associates accounted for using the equity method | -325 | 302 |
| Total | 4,651 | -5,345 |
| Other comprehensive income total | 4,123 | 1,295 |
| Comprehensive income for the period | 48,031 | 60,573 |
| Comprehensive income for the period attributable to: | | |
| Owners of the parent | 33,687 | 43,368 |
| Non-controlling interests | 14,343 | 17,204 |
| Total | 48,031 | 60,573 |

(3) Consolidated statements of changes in equity

FY2018 1st quarter(Apr. 1, 2017 through Jun. 30, 2017)

(Million Yen)

| | Equity attributable to owners of the parent | | | | | | | |
|---|---|-----------------|----------------|---|--|------------------|---|---------|
| | Capital stock | Capital surplus | Treasury stock | Remeasurements of defined benefit plans | Other components of equity | | | Total |
| | | | | | Net changes in revaluation of financial assets measured at fair value through other comprehensive income | Cash flow hedges | Exchange differences on translation of foreign operations | |
| Balance as of April 1, 2017 | 45,049 | 71,822 | -56,983 | - | 157,200 | -2,011 | -44,591 | 110,597 |
| Profit for the period | - | - | - | - | - | - | - | - |
| Other comprehensive income (loss) | - | - | - | -111 | -499 | 105 | 2,705 | 2,198 |
| Comprehensive income for the period | - | - | - | -111 | -499 | 105 | 2,705 | 2,198 |
| Acquisition of treasury stock | - | - | -4,955 | - | - | - | - | - |
| Disposal of treasury stock | - | -98 | 473 | - | - | - | - | - |
| Dividends | - | - | - | - | - | - | - | - |
| Changes in the ownership interest in subsidiaries | - | -52 | - | - | - | - | - | - |
| Transfer from other components of equity to retained earnings | - | - | - | 111 | 0 | - | - | 112 |
| Total transactions with owners | - | -151 | -4,481 | 111 | 0 | - | - | 112 |
| Balance as of Jun. 30, 2017 | 45,049 | 71,670 | -61,465 | - | 156,701 | -1,906 | -41,886 | 112,908 |

| | Equity attributable to owners of the parent | | Non-controlling interests | Total equity |
|---|---|-----------|---------------------------|--------------|
| | Retained earnings | Total | | |
| Balance as of April 1, 2017 | 1,065,900 | 1,236,385 | 458,478 | 1,694,864 |
| Profit for the period | 31,489 | 31,489 | 12,418 | 43,907 |
| Other comprehensive income (loss) | - | 2,198 | 1,925 | 4,123 |
| Comprehensive income for the period | 31,489 | 33,687 | 14,343 | 48,031 |
| Acquisition of treasury stock | - | -4,955 | - | -4,955 |
| Disposal of treasury stock | - | 374 | 31 | 406 |
| Dividends | -20,950 | -20,950 | -12,458 | -33,409 |
| Changes in the ownership interest in subsidiaries | - | -52 | -57 | -109 |
| Transfer from other components of equity to retained earnings | -112 | - | - | - |
| Total transactions with owners | -21,062 | -25,583 | -12,484 | -38,067 |
| Balance as of Jun. 30, 2017 | 1,076,326 | 1,244,489 | 460,338 | 1,704,827 |

| | Equity attributable to owners of the parent | | | | | | | |
|---|---|-----------------|----------------|---|--|------------------|---|---------|
| | Capital stock | Capital surplus | Treasury stock | Remeasurements of defined benefit plans | Other components of equity | | | Total |
| | | | | | Net changes in revaluation of financial assets measured at fair value through other comprehensive income | Cash flow hedges | Exchange differences on translation of foreign operations | |
| Balance as of April 1, 2018 | 45,049 | 71,826 | -115,835 | - | 193,212 | -1,429 | -43,908 | 147,874 |
| Profit for the period | - | - | - | - | - | - | - | - |
| Other comprehensive income (loss) | - | - | - | -15 | 6,572 | 18 | -3,321 | 3,254 |
| Comprehensive income for the period | - | - | - | -15 | 6,572 | 18 | -3,321 | 3,254 |
| Acquisition of treasury stock | - | - | -3 | - | - | - | - | - |
| Disposal of treasury stock | - | 0 | 0 | - | - | - | - | - |
| Dividends | - | - | - | - | - | - | - | - |
| Changes in the ownership interest in subsidiaries | - | -174 | - | - | - | - | - | - |
| Transfer from other components of equity to retained earnings | - | - | - | 15 | 0 | - | - | 15 |
| Total transactions with owners | - | -174 | -3 | 15 | 0 | - | - | 15 |
| Balance as of Jun. 30, 2018 | 45,049 | 71,651 | -115,838 | - | 199,785 | -1,410 | -47,230 | 151,145 |

| | Equity attributable to owners of the parent | | Non-controlling interests | Total equity |
|---|---|-----------|---------------------------|--------------|
| | Retained earnings | Total | | |
| Balance as of April 1, 2018 | 1,161,260 | 1,310,176 | 492,952 | 1,803,129 |
| Profit for the period | 40,114 | 40,114 | 19,163 | 59,277 |
| Other comprehensive income (loss) | - | 3,254 | -1,958 | 1,295 |
| Comprehensive income for the period | 40,114 | 43,368 | 17,204 | 60,573 |
| Acquisition of treasury stock | - | -3 | - | -3 |
| Disposal of treasury stock | - | 0 | 0 | 0 |
| Dividends | -24,254 | -24,254 | -10,363 | -34,617 |
| Changes in the ownership interest in subsidiaries | - | -174 | 736 | 561 |
| Transfer from other components of equity to retained earnings | -15 | - | - | - |
| Total transactions with owners | -24,270 | -24,432 | -9,627 | -34,059 |
| Balance as of Jun. 30, 2018 | 1,177,105 | 1,329,112 | 500,530 | 1,829,643 |

(4) Notes to the Consolidated Financial Statements

(Going concern assumption)

None

(Changes in accounting policies)

Beginning from the fiscal year 2019, our group has adopted IFRS15 “Revenue from Contracts with Customers”(issued in May 2014) and “Clarifications to IFRS15”(issued in April 2016) (together, hereinafter “IFRS15”).

As a result, compared with the application of the former accounting standard, in the consolidated quarterly statement of income for three months ended June 30 2018, Revenue and Cost of revenue decreased by 7,090 million yen and there are no impacts to operating profit and profit for the period.

Moreover, when applying IFRS15, as a transition measure our group applies this standard retrospectively with the cumulative effects of initially applying this standard recognized at the date of initial application. As a result, there is no impact to retained earnings in the consolidated statement of financial position as of the beginning of fiscal year 2019.

(Material subsequent events)

None