

AISIN

AISIN SEIKI CO., LTD.

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News Release

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Aisin Establishes New Company in China to Produce Home-Use Sewing Machines

Aisin Seiki Co., Ltd. (Mr. Kanshiro Toyoda, President – Aisin, Headquarters in Aichi, Japan) and Elite Sewing Machine Mfg. Co., Ltd. (Mr. Naoki Ohara, Chairman – Elite Sewing Machine, Headquarters in Taichung, Taiwan) have established a new company called Zhejiang Aisin Elite Machinery and Electric Co., Ltd. (ZAEC) to produce home-use sewing machines. The company is located in Hangzhou, China. This is Aisin's 16th manufacturing company in overseas, and the 5th of which in China.

Presently, Elite Sewing Machine Mfg. has been producing 400,000 to 500,000 home-use sewing machines a year and exporting them to Japan, Asia, Europe and United States. The new company will launch production in China and aim to enhance its competitiveness.

With two major factories in Taiwan and China, cost competitiveness and production efficiency will be stronger than ever. The company hopes to achieve “Global 10 Target”, which means capturing 10 percent of the world market share.

Detailed information of the new company is shown on next page.

Outline of ZAEC

Name	Zhejiang Aisin Elite Machinery and Electric Co., Ltd. (ZAEC)
Location	Hong Da Road, Xiaoshan Economic & Technology Development Zone, Hangzhou, China
Establishment	June 22, 2001
Capital <Breakdown>	US\$3.7 million (Approx. ¥470 million) Aisin Seiki Co., Ltd. US\$2,035,000 (Approx. ¥260 million / 55%) Elite Sewing Machine Mfg. Co., Ltd. US\$1,665,000 (Approx. ¥210 million / 45%) Since direct investment from Taiwan is regulated, we established another company called Elite (BVI) Financial Co., Ltd. in Virgin Islands to finance.
Representative	Chairman – Mr. Naoki Ohara (Chairman of Elite Sewing Machine Mfg.)
Area	Land: 26,400 m ² Building: 13,200 m ²
Products	Home-use sewing machines and the related accessories
Directors	Chairman Mr. Naoki Ohara (Chairman of Elite Sewing Machine Mfg.) President Mr. Chen Po-Lung (Director of Elite Sewing Machine Mfg.) Directors Mr. Tetsuro Senga (Senior Managing Director of Aisin) Mr. Akihide Hachiya (General Manager, Aisin's Anjyo plant) Mr. Masahiro Awano (Project General Manager, Overseas Planning Dept. of Aisin)
Start of operations	October 2001 (Trial mass production will start.)
Sales target	20 million yuan in fiscal year 2001 (closing in December) (Approx. ¥300 million / 40,000 units) 330 million yuan in fiscal year 2005 (Approx. ¥4.95 billion / 600,000 units)
No. of employees	150 employees in fiscal year 2001 650 employees in fiscal year 2005

Outline of Elite Sewing Machine Mfg.

Business activities	Manufacturing and Sales of home-use sewing machines and automotive parts
Location	Taichung, Taiwan
Establishment	1979

Sales	NT\$ 2,332 million (Approx. ¥8.4 billion)
Capital	NT\$ 301 million (Approx. ¥1.09 billion)
Representative	Naoki Ohara
Ownership	91.4% by Aisin Seiki

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