

May 24, 2018
Toyota Motor Corporation
Aisin Seiki Co., Ltd.

**Toyota Autoparts Philippines, Inc. to become Aisin's subsidiary
-The company to start AT component production in an effort to
further increase its competitiveness-**

Toyota Motor Corporation (“Toyota”) and Aisin Seiki Co., Ltd. (“Aisin”) have agreed today to increase Aisin's equity participation in Toyota's subsidiary, Toyota Autoparts Philippines, Inc. (“TAP”), from the current 34 percent to 61 percent and to make it Aisin's subsidiary. The purpose of this arrangement is to strengthen its competitiveness in the manual transmission (“MT”) business. TAP will be renamed Toyota Aisin Philippines, Inc., and Aisin will take the lead in managing the new company's business operations.

In November 2014, Toyota and Aisin agreed to strengthen their competitiveness by consolidating the MT functions of Aisin AI Co., Ltd. (“Aisin AI”), a wholly owned subsidiary of Aisin, and those of Toyota, allowing more efficient allocation of resources. Research & Development and production of MTs for mass-produced vehicles in Japan were consolidated and transferred to Aisin AI before January 2017. In January 2016, Aisin made a partial equity investment in TAP as part of its overseas MT business and has since participated in the management of its business operations.

Following the organizational change, TAP seeks to achieve even more efficient production, as a subsidiary of Aisin, leveraging its expertise and knowledge, which has world-leading technological capabilities and a diverse lineup of transmissions.

In the future, Aisin will consolidate part of their MT production currently handled by Aisin AI, to TAP, and invest approximately 1.2 Billion PHP to set-up an automatic transmission (“AT”) component production lines by utilizing TAP's 26 years of operation experience and technologies. Aisin seeks to step up efforts to further improve TAP's competitiveness in transmissions to further business expansion.

TAP has produced high quality MTs as one of Toyota's global MT supply bases. In 2008, TAP invested approximately 5.6 billion PHP to increase its production capacity and an additional 2.5 billion PHP in 2015 to start producing new 6-speed MTs, making a steady contribution to creating investment and employment opportunities in the Philippines, as well as expanding its business in the country. Through the organizational change, TAP is confident that it will offer better transmissions to customers and continuously make a positive contribution to the Philippine society and economy as the “best-in-town company.”

Toyota and Aisin will further strengthen their collaboration through the optimization of the

powertrain production system and new product development. The Aisin Group as a whole aims to improve its competitiveness in the powertrain business.

<Company overview before and after change>

| | After the change | Before the change |
|-------------------------------------|---|--|
| Company name | Toyota Aisin Philippines, Inc. | Toyota Autoparts Philippines, Inc. |
| Location | Santa Rosa City, Laguna, Philippines | |
| Corporate representative | Hiroshi Fukutani, President | |
| Capital | 1 Billion PHP | |
| Equity participation | Aisin Seiki Co., Ltd.: 61% Toyota Motor Corporation: 34% Toyota Motor Philippines Corp.: 5% | Toyota Motor Corporation : 61% Aisin Seiki Co., Ltd.: 34% Toyota Motor Philippines Corp.: 5% |
| Sales | 9.167 Billion PHP (estimated, approximately 20.0 Billion JPY) (FYE 2018) | |
| Incorporation / Start of production | August, 1990 / September, 1992 | |
| Main business activity | Production of (FR) Manual Transmissions and constant-velocity joints | |
| MT production volume | Approximately 230,000 units (Actual of FYE 2018) | |
| Number of employees | Approximately 1,350 (as of March 2018) | |

*The figures above are calculated at an exchange rate of 2.18 JPY to 1 PHP.

About Aisin

The Aisin Group is a global supplier of automotive components with over 200 companies operating within the group. Its highly specialized group companies collaborate with each other to develop and produce automotive components and systems in the four areas of powertrain products, chassis and vehicle safety, body product components, and information/electronics. With “quality first” as its corporate philosophy, the Aisin Group conducts research and development in diverse areas ranging from mass-produced products to advanced technologies. The Aisin Group has recently identified the three areas of Zero Emissions, Automated Driving, and Connected Cars as its strategic development areas. To pursue further technical development, the Group has also introduced a Virtual Company System that enables its group companies to work together beyond company boundaries.