

FYE2029 Mid-Term Business Plan

AISIN CORPORATION
Moritaka Yoshida
President

2026.02.19



1. Toward Long-Term Growth

2. Review of

the FYE2026 Mid-Term Business Plan

3. FYE2029 Mid-Term Business Plan

4. Appendix

1

Position of FYE2029 Mid-Term Business Plan

Take Environmental changes as a chance to achieve sustainable growth

Three priority issues (Materiality)

Mid/Long-term Business Strategy (FYE2024-FYE2031)

FYE2026 Mid-Term Business Plan (FYE2024-FYE2026)

FYE2029 Mid-Term Business Plan (FYE2027-FYE2029)



Harmony with nature and contribution to a sustainable future



Freedom of movement for people around the world



Empowering diverse talents for personal fulfilment

Group Philosophy
Inspiring “movement”,
creating
tomorrow

Steady management for FYE2031 target to achieve for further growth

Growing Uncertainty

Global Situation

Geopolitics Risk
Policy Diversification



Market Trends

Slowdown in BEVs
Growth in PHEVs/HEVs
Rebound in AT/CVT demand

Uncertainty is growing in global situation and market trends

Against Environment Change

Strengthen
“earning power”

+

“Future growth
investments”

Approach

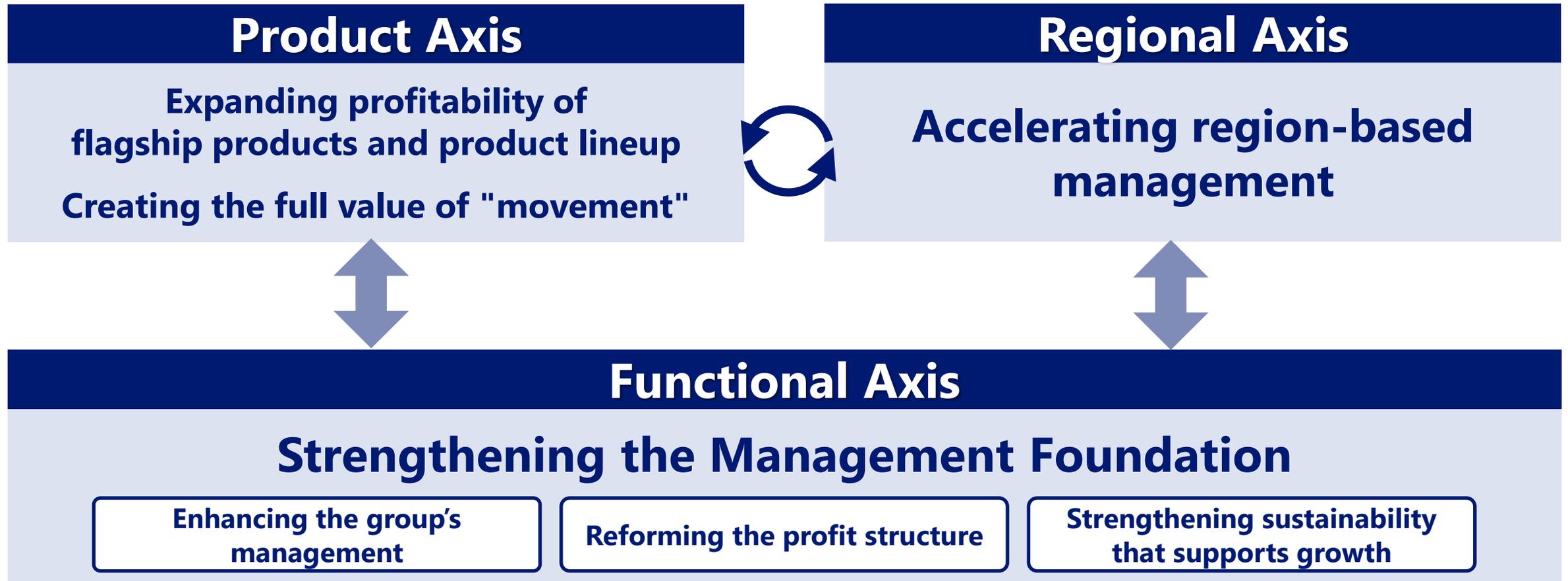
**SPEED & AGILE
management**

Strength

**Production expertise
(Wide range products + Global plants)**

Based on production expertise, strengthen earning power and prepare for the “future growth investments” with SPEED & AGILE

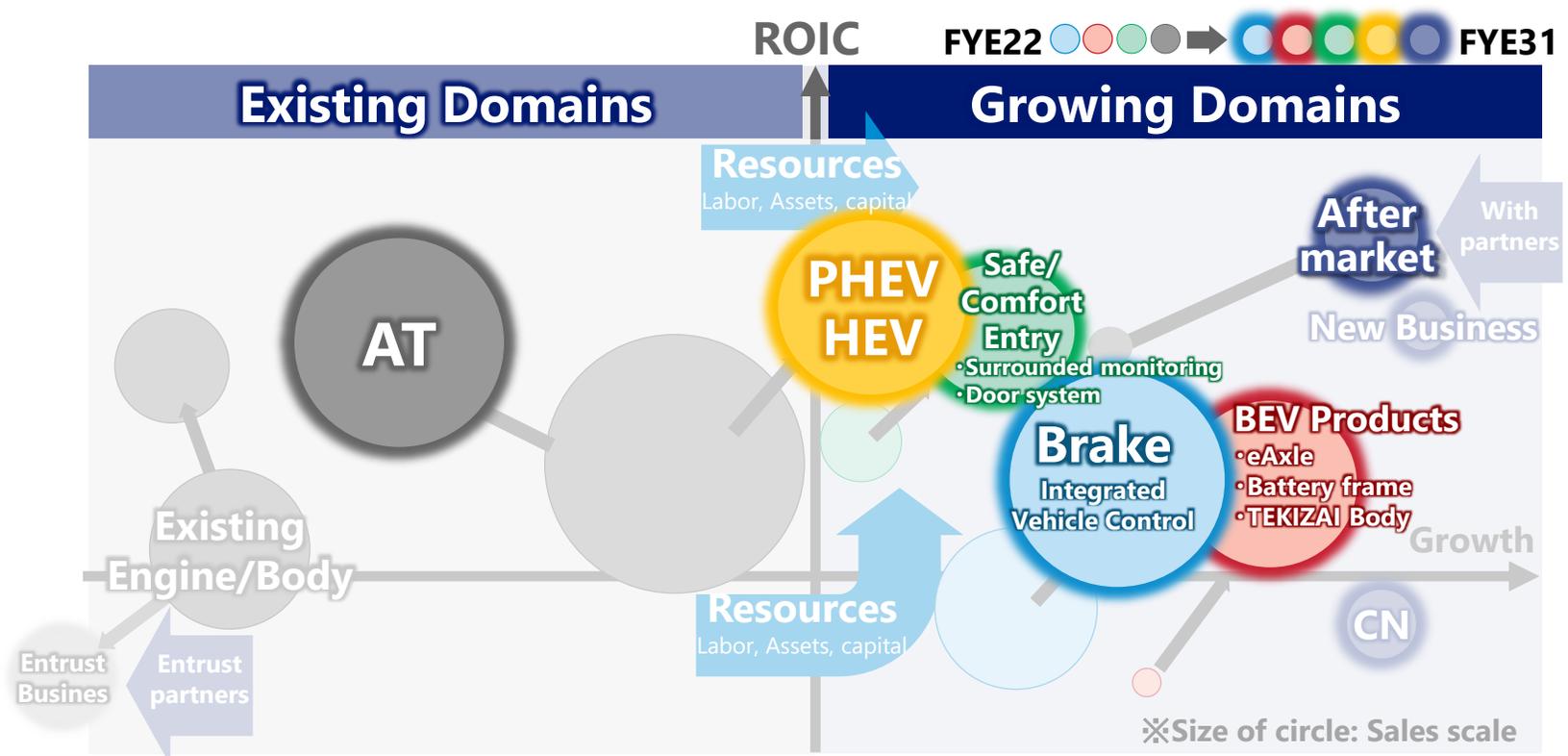
Structure of FYE2029 Mid-Term Business Plan



Collaborate initiatives across product, regional, and functional axes to pursuing both "earning power" and "future growth investments"

Increase Profit By Flagship Product

AISIN Portfolio Outlook



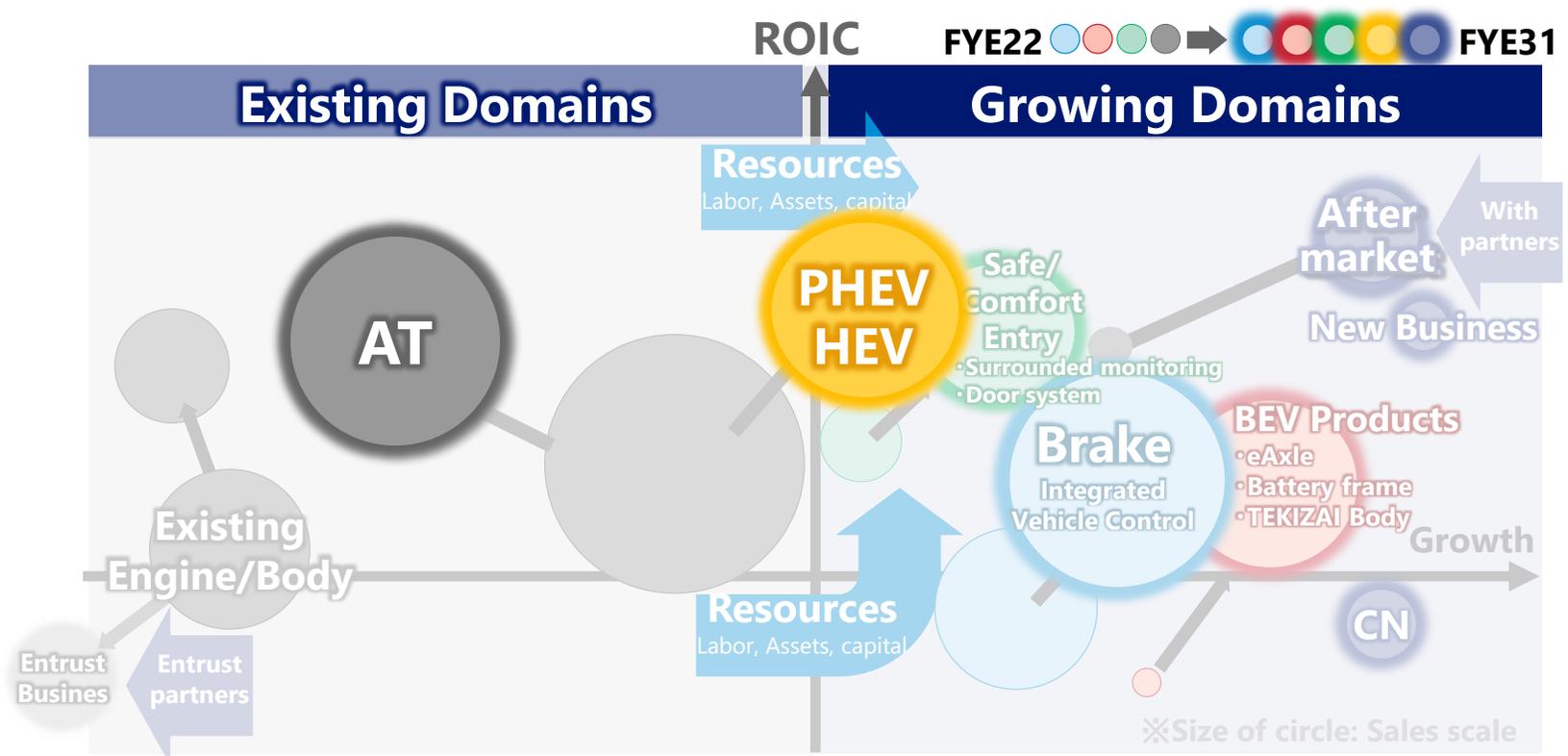
Flagship Product(Growth Drivers)



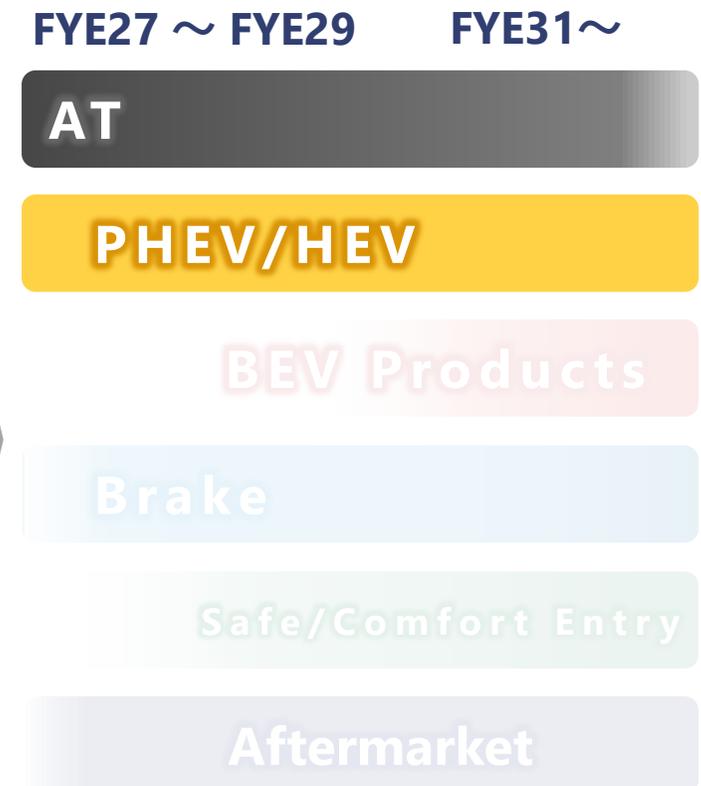
Expand core products and build future growth investments to enhance earnings quality and volume

Increase Profit By Flagship Product

AISIN Portfolio Outlook



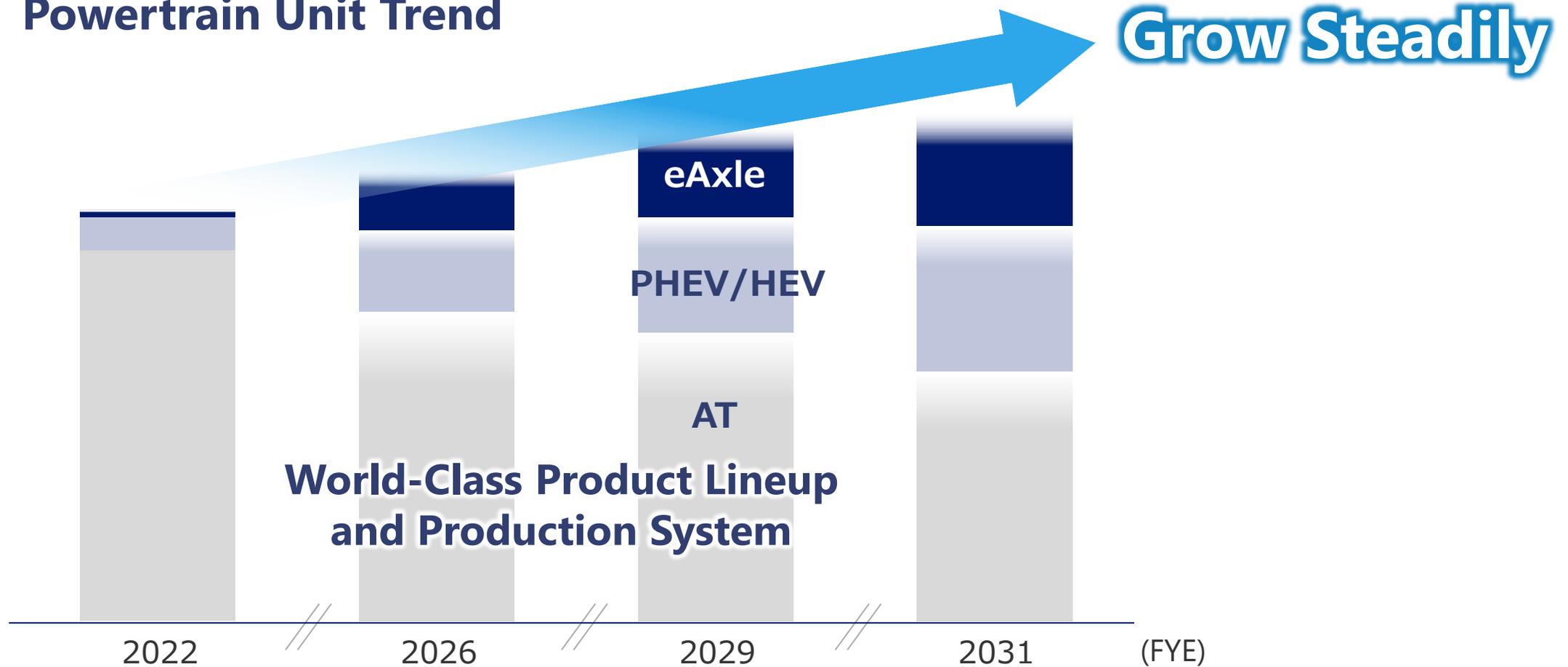
Flagship Product(Growth Drivers)



World-leading AT and globally expanding PHEV/HEV

Forecast of Powertrain Unit

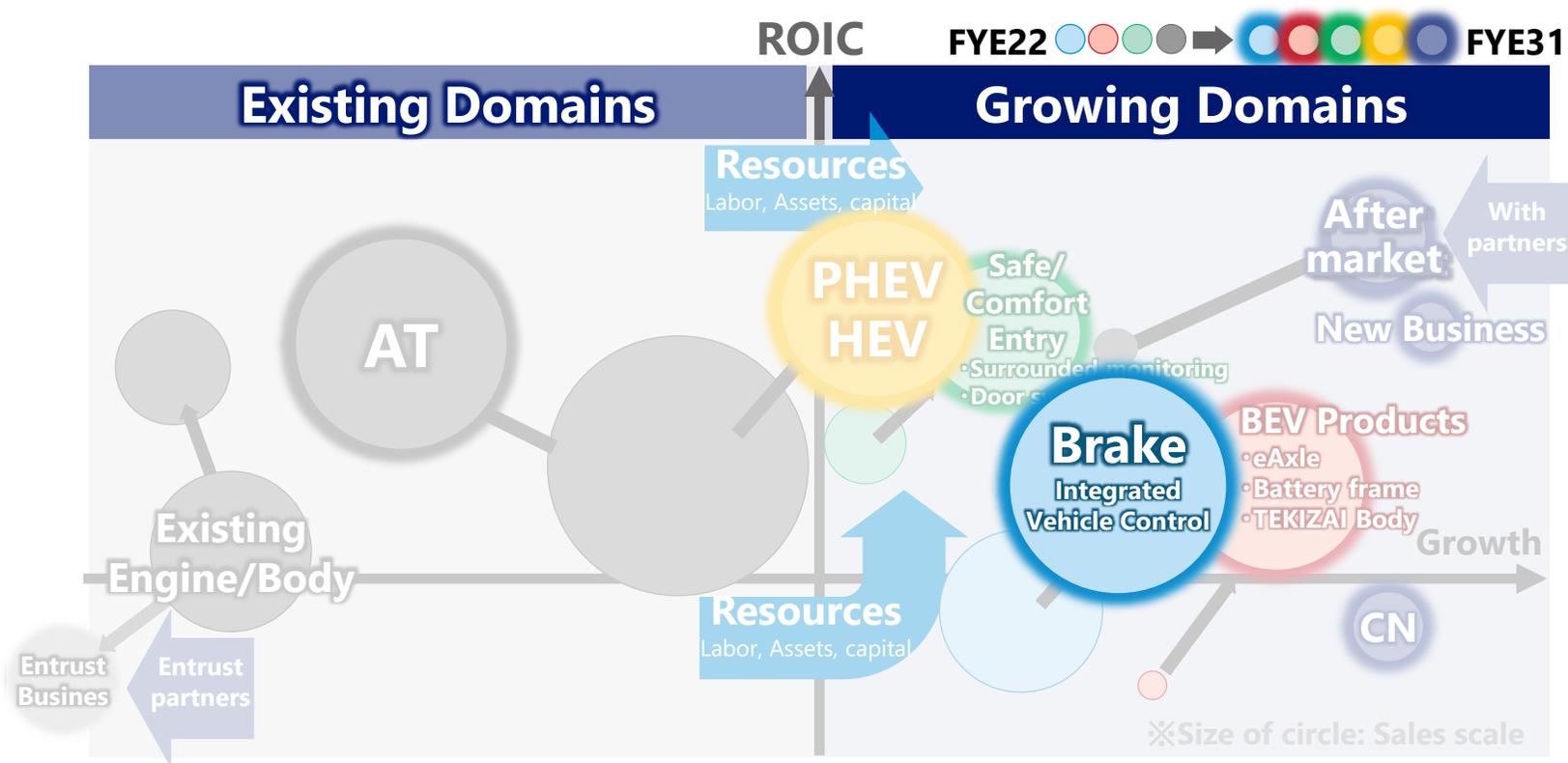
Powertrain Unit Trend



Strengthening the product lineup and global production to maintain our position as the global leader

Increase Profit By Flagship Product

AISIN Portfolio Outlook



Flagship Product(Growth Drivers)

FYE27 ~ FYE29 FYE31~

AT

PHEV/HEV

BEV Products

Brake

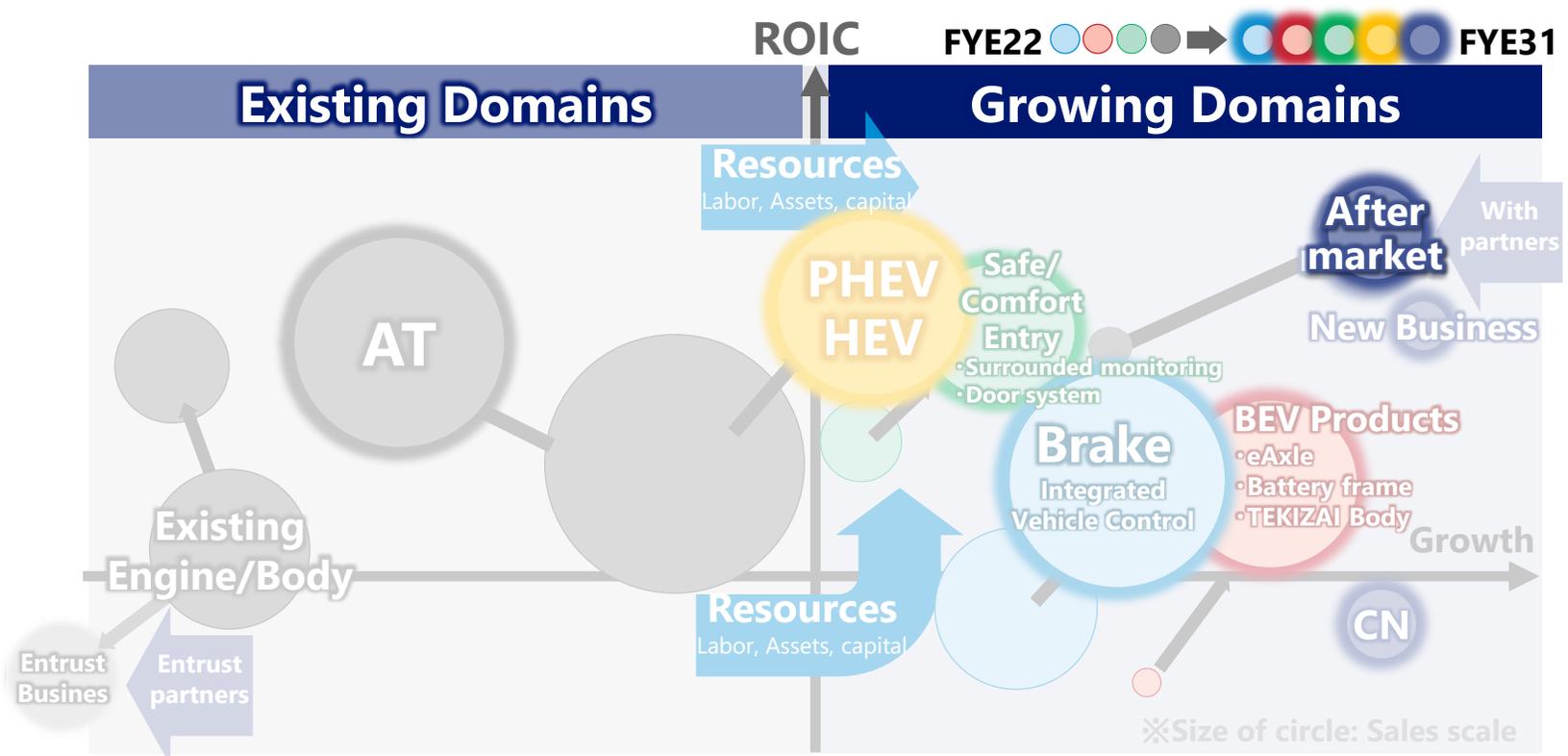
Safe/Comfort Entry

Aftermarket

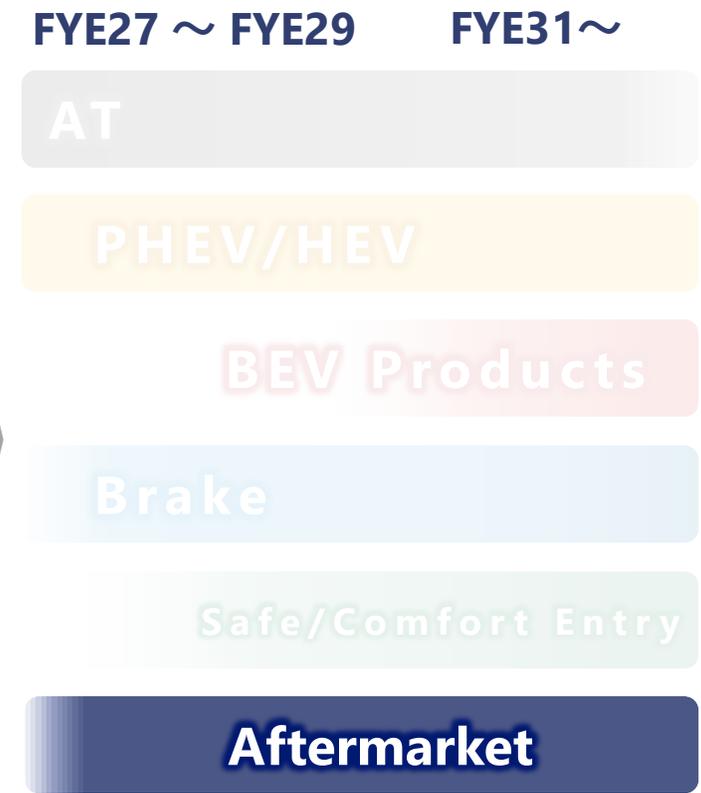
ADVICS brake systems growing through electrification and intelligence

Increase Profit By Flagship Product

AISIN Portfolio Outlook



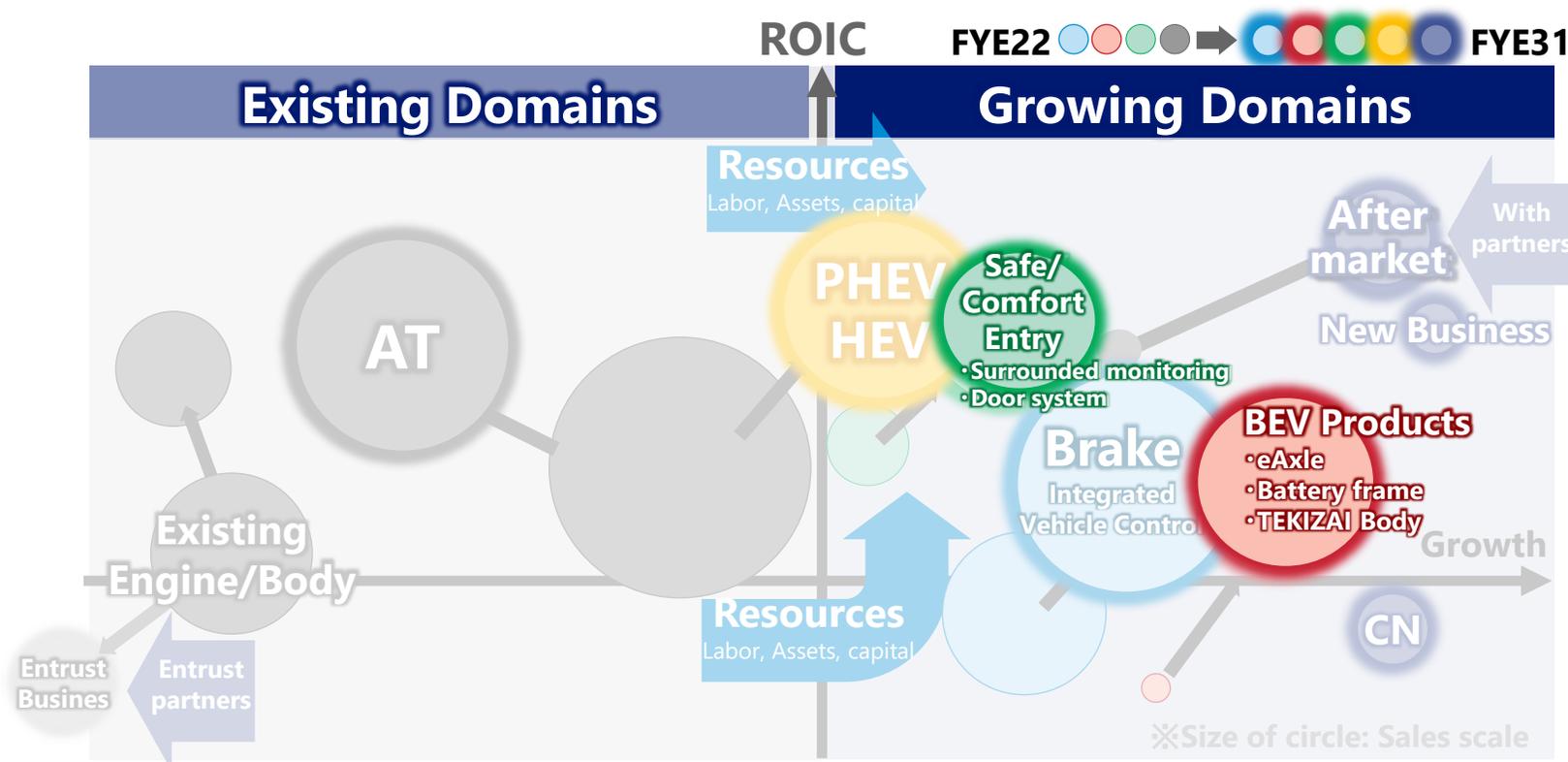
Flagship Product(Growth Drivers)



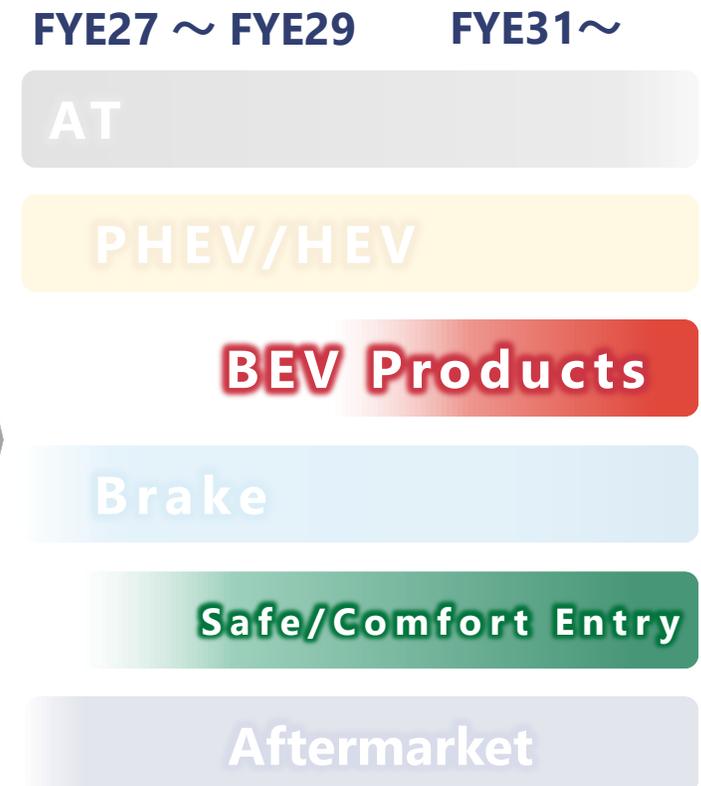
Expanding aftermarket and other non-OE businesses

Increase Profit By Flagship Product

AISIN Portfolio Outlook



Flagship Product(Growth Drivers)



Future growth investments in BEV products and Safe/Comfort Entry solutions - positioned as growth drivers

Accelerating region-based management

Localization of Operations

(Leadership, Engineering, Sales,
Procurement & Production)

Maximizing Global Supply Bases and Production Assets

Strengthening Collaboration Across Regions

(North & South America, China, ASEAN, Europe, India)



Specific Results

Clarifying Strategies for
Offensive, Defensive, and
Learning Regions

Increasing Inquiries and
Orders from a Diverse
Customer Base

**Localization of business operations clarified regional strategies
and boosted inquiries and orders**

Toward Sustainable Growth

“Future growth investments”



Growth investment with capital generated by earning power leads to both sustainable growth and shareholder returns

FYE2029 · FYE2031 Target

FYE2029 Target

Operating Profit Ratio : 6.2%
ROIC : 11.0%
ROE : 10.0%

FYE2031 Target

Operating Profit Ratio : 8.0% or more
ROIC : 13.0% or more
ROE : 12.0% or more

Ensure 3yr activity result and tackle FYE2029 and FYE2031 target with whole group

**FYE2026 Mid-Term Business Plan Review
FYE2029 Mid-Term Business Plan**



CAO

Shintaro Ito

**FYE2029 Mid-Term Business Plan
Product Strategy**



CTSO

Yoshihisa Yamamoto



ADVICS President

Akira Akiyama

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Overview on FYE2026 Mid-Term Business Plan (FYE2024-FYE2026)

Executing 4 structural reform themes to generate resources for FYE2031

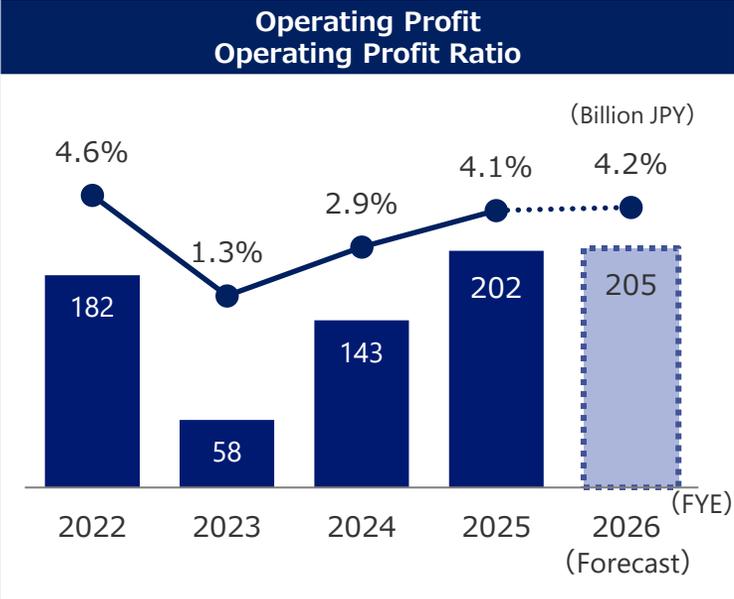
Theme of structure reform	Evaluation	Result (FYE2024 – FYE2026)
1	Replacement of business portfolio	<ul style="list-style-type: none"> • Strengthen variety of PT unit and establish global supply chain • Expand BEV and brake business and increased ratio of growth domain in Sales • Maintain fixed assets at 1,500 Bil JPY level for 3 years, Steadily Transform Core of Business
2	Increase profitability of AT and other current products	<ul style="list-style-type: none"> • Projects are progressing, including to capture ICE demand mainly in emerging markets and assist car manufacturers' in-house production • Maximize utilization of current equipment resulted to minimize to invest, and increase cash generating ability • Raise FYE2031 operating income of AT, secure investment resource for stable allocation to growing domains
3	Resource shift of labor, assets, capital to growing domains	<ul style="list-style-type: none"> • Strategically allocate Investment and R&D to growing domains • Progress of resource shift/reskilling for 3,000 employees is in line with the plan and expected to be achieved While secure talent at electrification is progressing, shortage at software engineers of intelligence
4	Generating capital by balance sheet reforms	<ul style="list-style-type: none"> • Expect to achieve 400Bil JPY total asset compression by business asset reduction and cross-shareholding reduction • Although global inventory reduction fell short of target due to increased workload, the inventory turnover ratio remained at a stable level

Strengthened resilience in products and production, while making significant progress in resource generation

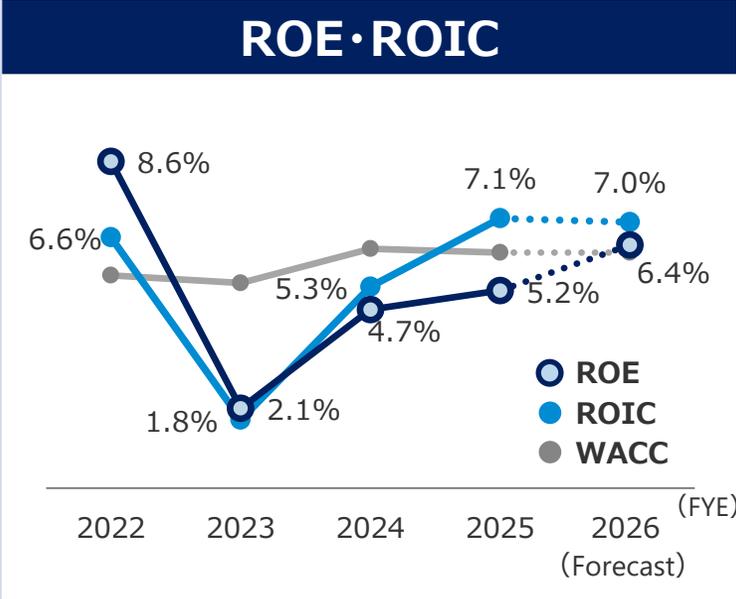
Overview on FYE2026 Mid-Term Business Plan (FYE2024-FYE2026)

- Despite lower customer volumes and tariff impacts, **internal improvements progressed beyond plan**
- Leveraging structural reform outcomes, **we executed intentional growth investments (electrification, intelligence, human capital) and shareholder returns**

Target



corporate structure
have progressed beyond plan



Balance sheet reforms and related
initiatives led to improvements across
key indicators

【Stock Price-Related Indicators】



Market valuation increased, moving the PBR toward the 1× range, by external environment changes and progress in the full-lineup strategy for PT units

Over the three-year period, both profitability and capital efficiency improved steadily

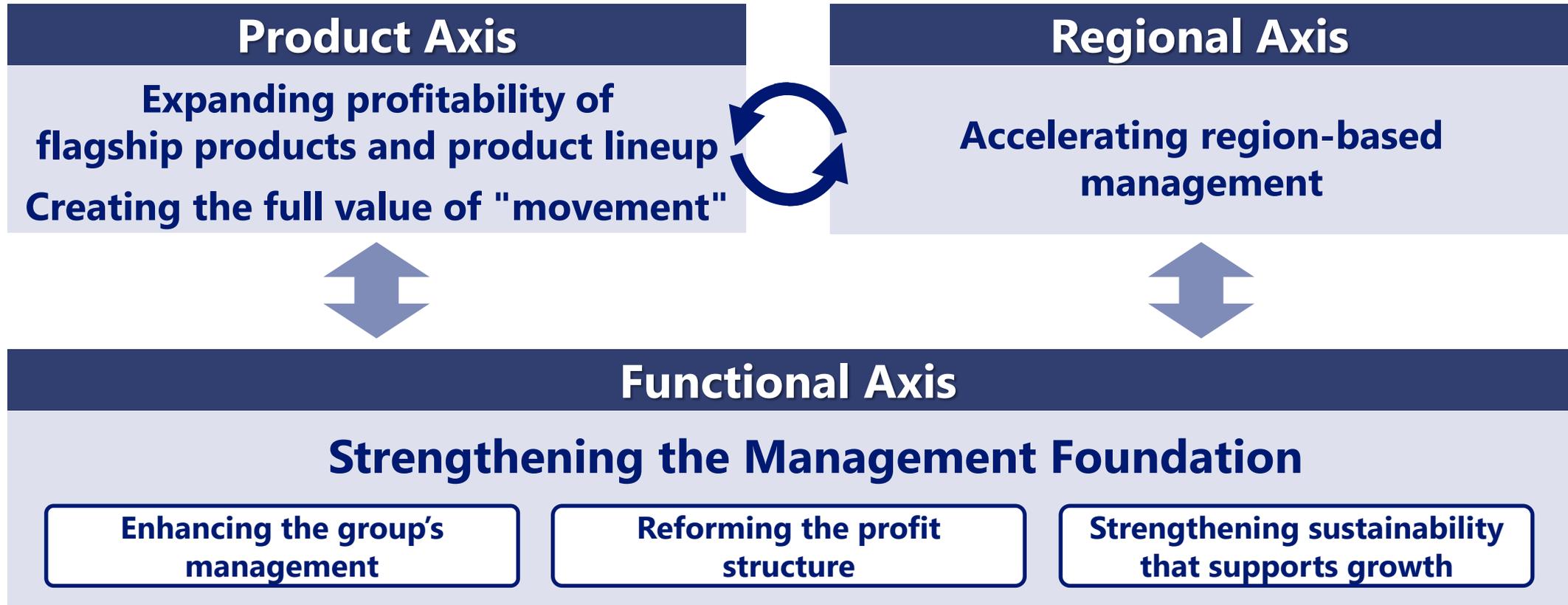
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Structure of FYE2029 Mid-Term Business Plan

Basic Policy :

Aim to balance both strengthen our “earning power” and “invest in future growth.”



Collaborate initiatives across product, regional, and functional axes to pursuing both “earning power” and “future growth investments”

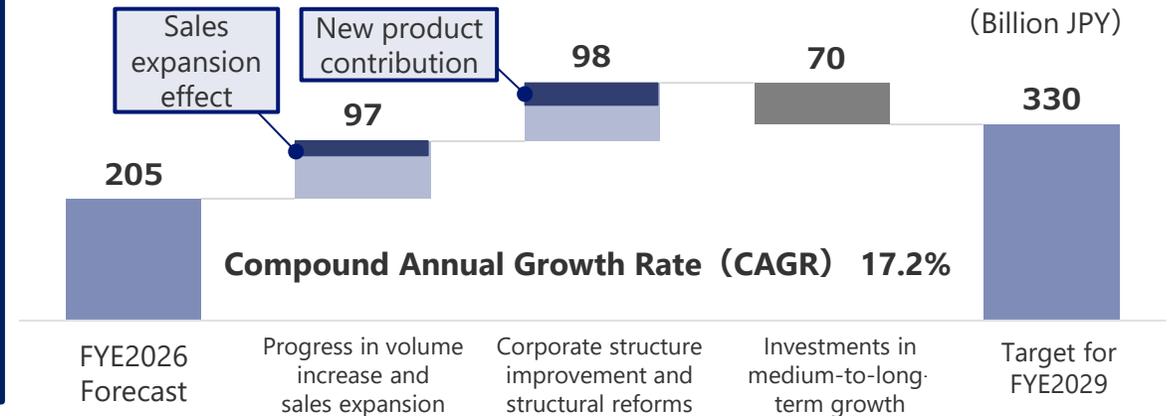
FYE2029 Mid-term Management Plan Targets

Financial Targets

	FYE2029 (Target)	Ref: FYE2026(Forecast)
Revenue	5,300 BJPY	4,900 BJPY
Operating Profit	330 BJPY	205 BJPY
Operating Profit Ratio	6.2 %	4.2 %
ROE	10.0 %	6.4 %
ROIC	11.0 %	7.0 %
Shareholder Returns	DOE^{*1} 3.5 %	3.0 %

<Operating profit variance analysis>

Based on the sales expansion and new product contributions under the FYE2026 Mid-Term Plan, together with our initiatives in operational improvement and structural reform, we will execute investments to drive sustainable, long-term growth.



Non-Financial Targets

We set FYE2031 KGIs and KPIs^{*2} for each materiality and are driving initiatives accordingly

Harmony with nature and contribution to a sustainable future

Freedom of movement for people around the world

Empowering diverse talents for personal fulfilment

Laying a solid management foundation

^{*1}For the calculation of DOE, "equity attributable to owners of the parent" is based on adjusted figures that exclude "other components of equity, which are subject to significant fluctuations due to foreign exchange movements and market conditions.

^{*2}Details of KGI and KPI are on pages 23-24.

Aim to achieve record-high operating profit by FYE2029, target ROE 10%

Materiality issues KGI and KPI (1/2)

Priority issues	Paths toward realization	Goals (KGI)	Indicators (KPI)	FYE2031 Target value	Scope	
Harmony with nature and contribution to a sustainable future	Reducing environmental impact across the value chain	[Carbon neutrality] Carbon neutrality by FYE2051 Carbon-neutral in-house manufacturing by FYE2036	Scope 1 & 2 emissions (compared to FY2020)	-46.2%	Consolidated	
			Scope 3 emissions (compared to FY2020)	-27.5%		
		[Circular economy] Achieve zero-emission plant by FYE2041 (landfill waste: 1% or less)	Optimizing resource utilization	10% Efficiency Improvement		
			Waste minimization Waste emissions	-11% compared to FY2020		
	Providing solutions for a clean energy society	Widespread use of cleantech products and services in the mobility and energy domains		CO ₂ emission reduction via products and services		20 million t-CO ₂
				Number of cleantech products commercialized		3 or more
Freedom of movement for people around the world	Creating life-enriching value through mobility	Realizing safe, reliable, comfortable and convenient mobility		Number of drive units sold (cumulative since 1969)		270 million
				Number of newly adopted products and services (cumulative from FY2026)		500
				Build-out of aftermarket product and service lineup Number of Product and Service Categories		100 or more
				Total users of mobility-related services (MAU: Monthly Active Users)		183,400
				Number of key new business domains	3 domains	
Empowering diverse talents for personal fulfillment	Instilling a corporate culture that embraces challenge	Ongoing accumulation of new fundamental technologies Environment conducive to a proactive work style		Number of inventions (Single Year)	1,500	
				Positive response rate for employee engagement	-	
				Presenteeism performance Level	85%	AISIN alone

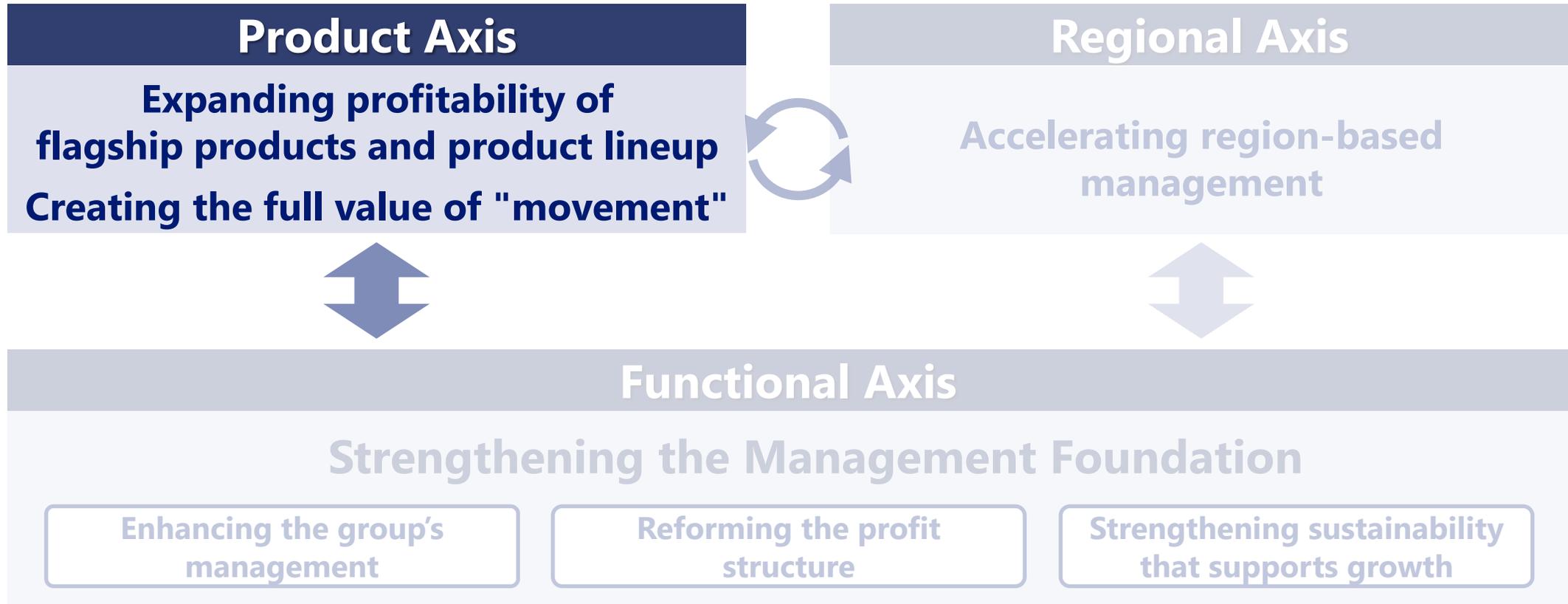
Materiality issues KGI and KPI (2/2)

Priority issues	Paths toward realization	Goals (KGI)	Indicators (KPI)	FYE2031 Target value	Scope
Empowering diverse talents for personal fulfillment	Respecting diversity and growing together	A work environment where diverse professionals can thrive	Positive response rate for an environment that empowers employees	-	Consolidated
			Ratio of female managers	4.5%	Domestic Group Companies
Laying a solid management foundation	Safety	A culture that prioritizes safety	Number of serious accidents	0	Consolidated
	Compliance	Zero serious violations of laws and compliance policies	Positive response rate for ethics survey	80%	
	Human rights	Zero serious violations of human rights	Human rights risk assessment survey implementation rate	100%	
			Human rights training implementation rate	100%	
	Governance	Achieved enhanced management transparency and internal controls by transitioning the Board of Directors to a Monitoring Board structure, thereby separating oversight and execution	Ratio of female on board of directors	30% or more	AISIN alone

Structure of FYE2029 Mid-Term Business Plan

Basic Policy :

Aim to balance both strengthen our “earning power” and “invest in future growth.”



Collaborate initiatives across product, regional, and functional axes to pursuing both “earning power” and “future growth investments”

"The Full Value of Movement" Provided by AISIN

AISIN's Value Proposition

User-friendly ride, along with stress-free



Safety, reliability of mind and comfortable mobility experience

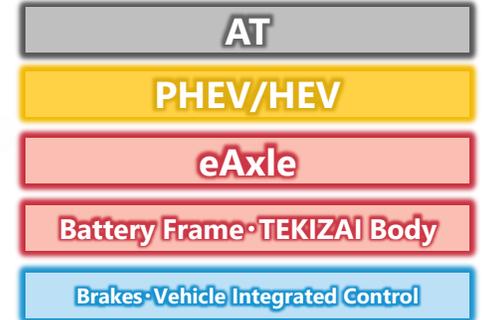


Implementing value in mobility experience



Value-Enhancing Domains and Products

The domain supporting the functions of a vehicle: propulsion, steering, and braking



ARS·AVS
Thermal Management Devices, etc.

The domain of achieving comfortable mobility



Safe/Comfort Entry

Power Sliding Door System
Driver Monitoring System
Sunroof
In-Cabin Monitoring System
Integration with ADAS, etc.

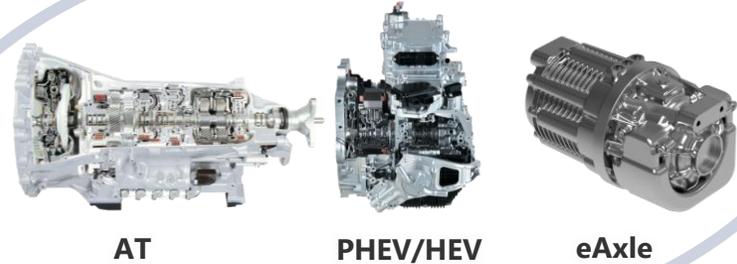
Realizing the creation of "move" value in mobility across the domain supporting the functions of a vehicle propulsion, steering, braking, and comfort mobility

The Domain Supporting the Functions of a Vehicle: Propulsion, Steering, and Braking

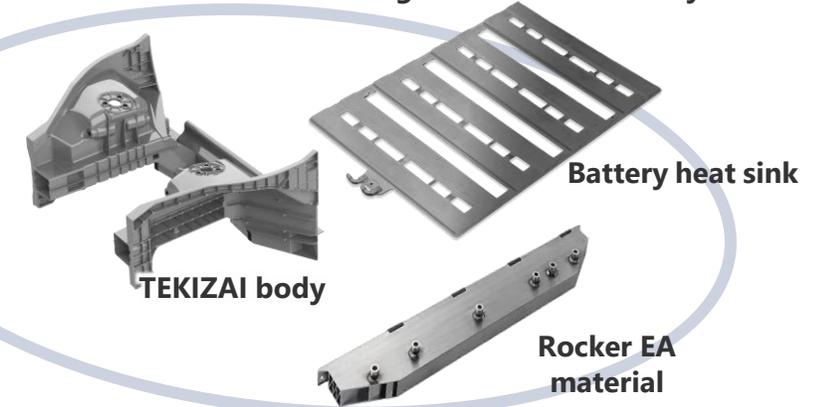
Through system integration, we contribute to the electrification and manufacturing innovation for mobility.

■ Revenue drivers for FYE2029
■ Loading for FYE2031 and beyond

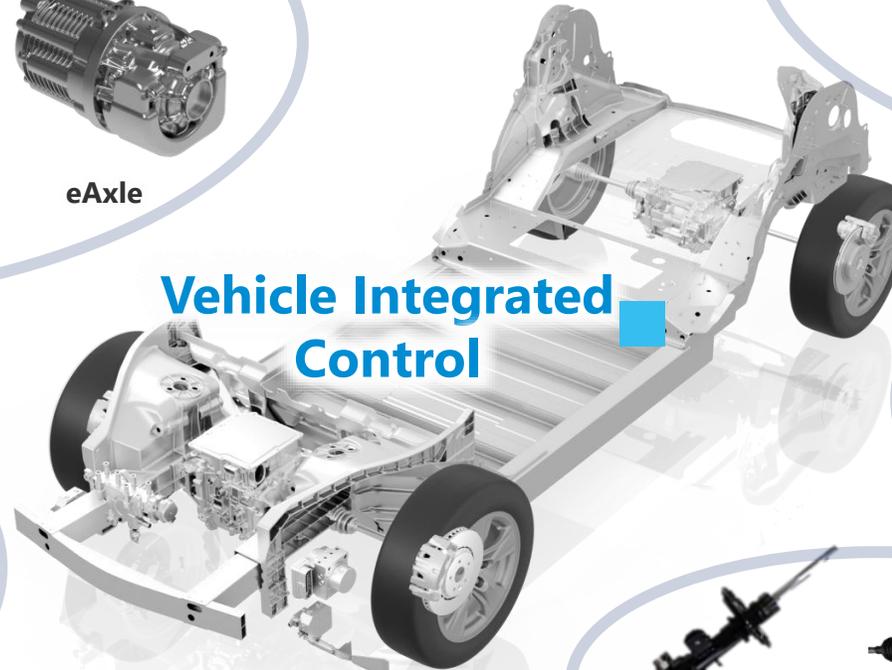
Powertrain



Battery Frame · TEKIZAI Body



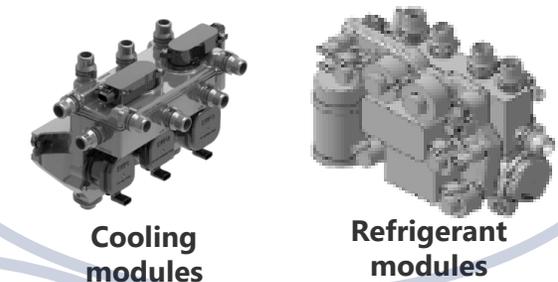
Vehicle Integrated Control



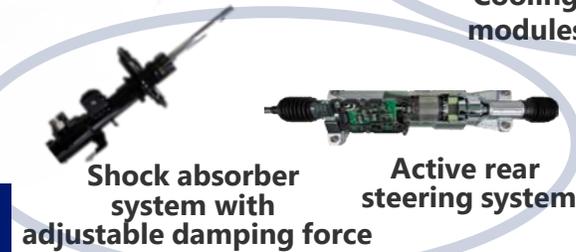
Brakes



Thermal Management Devices



ARS · AVS



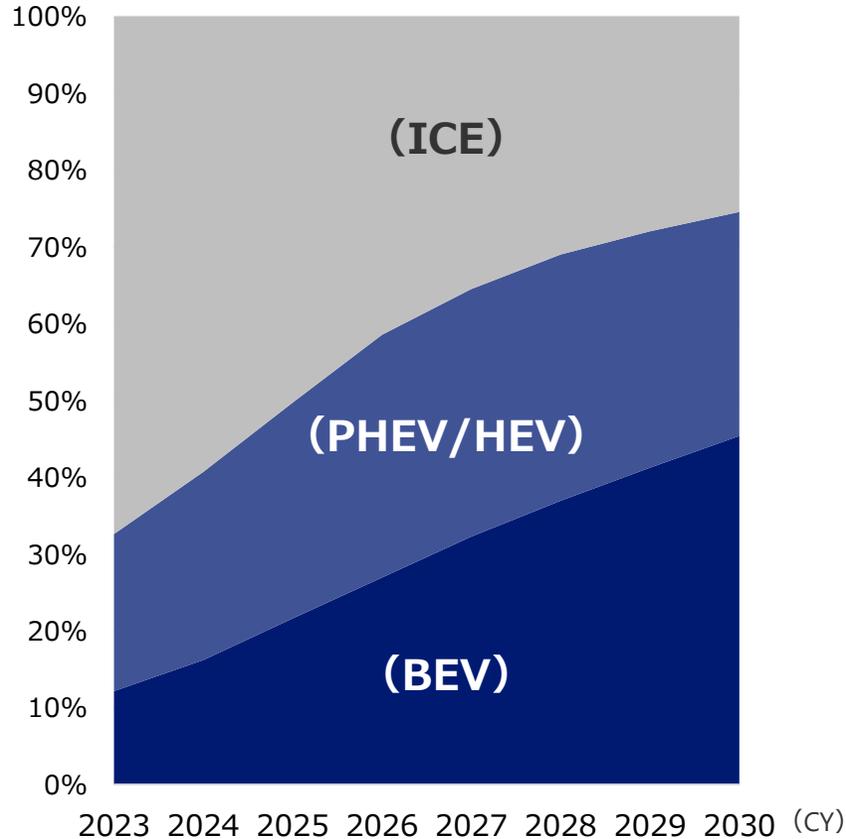
Maximizing vehicle performance to suit the environment while pursuing safety and reliability of mind

Shift at Automotive Market

2023 Market Forecast

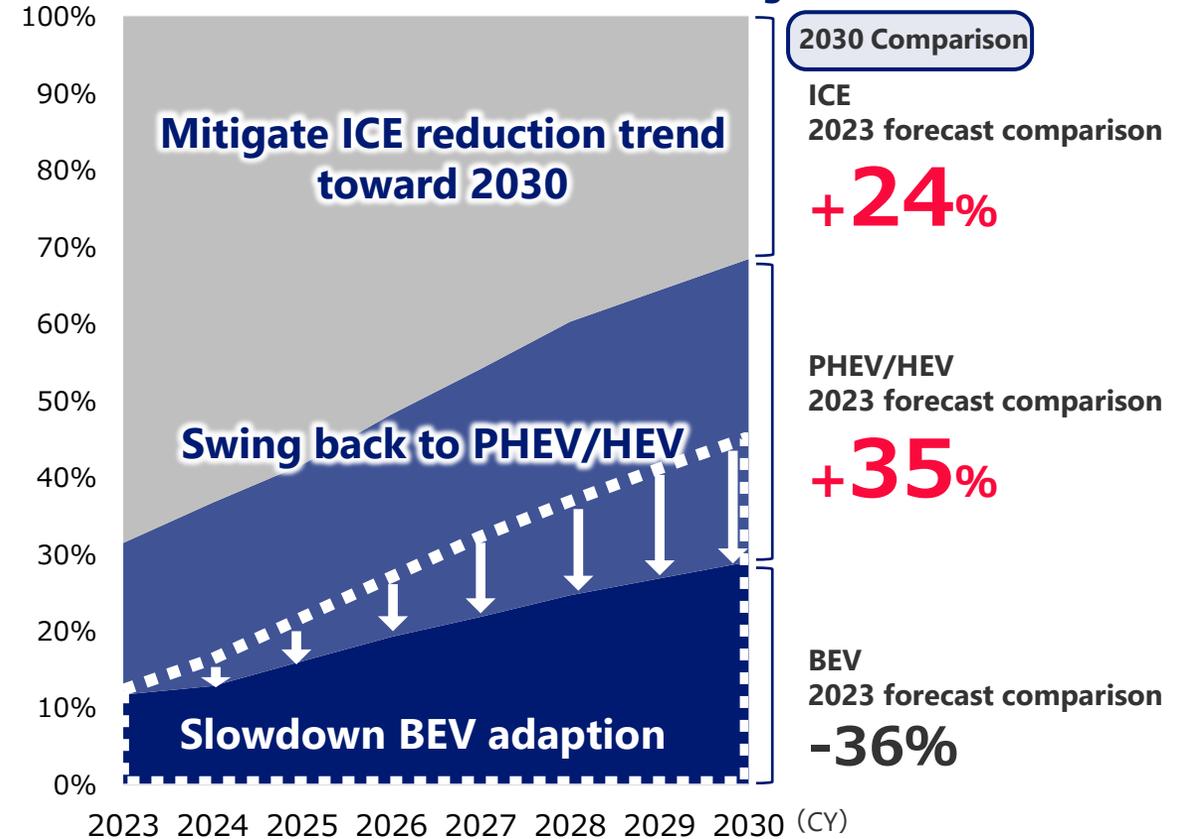
※ As of the announcement of the FYE2026 Mid-Term Business Plan

Extreme growth of BEV by 2030 at forecast on 2023



Latest Market Forecast

BEV slowdown opportune ICE & PHEV/HEV growth
Demand for ICE has grown significantly, particularly due to recent revisions in environmental regulations



2030 Comparison	
ICE	2023 forecast comparison
+24%	
PHEV/HEV	2023 forecast comparison
+35%	
BEV	2023 forecast comparison
-36%	

※AISIN calculated based on external data

Full lineup strategy brought environment maximizes competitiveness of AISIN

AISIN's Full-Lineup Product Strategy

← Equipped with an Electrification Unit →



ICE



**Automatic Transmission
(AT)**



PHEV/HEV



Hybrid Transmission



BEV



eAxle



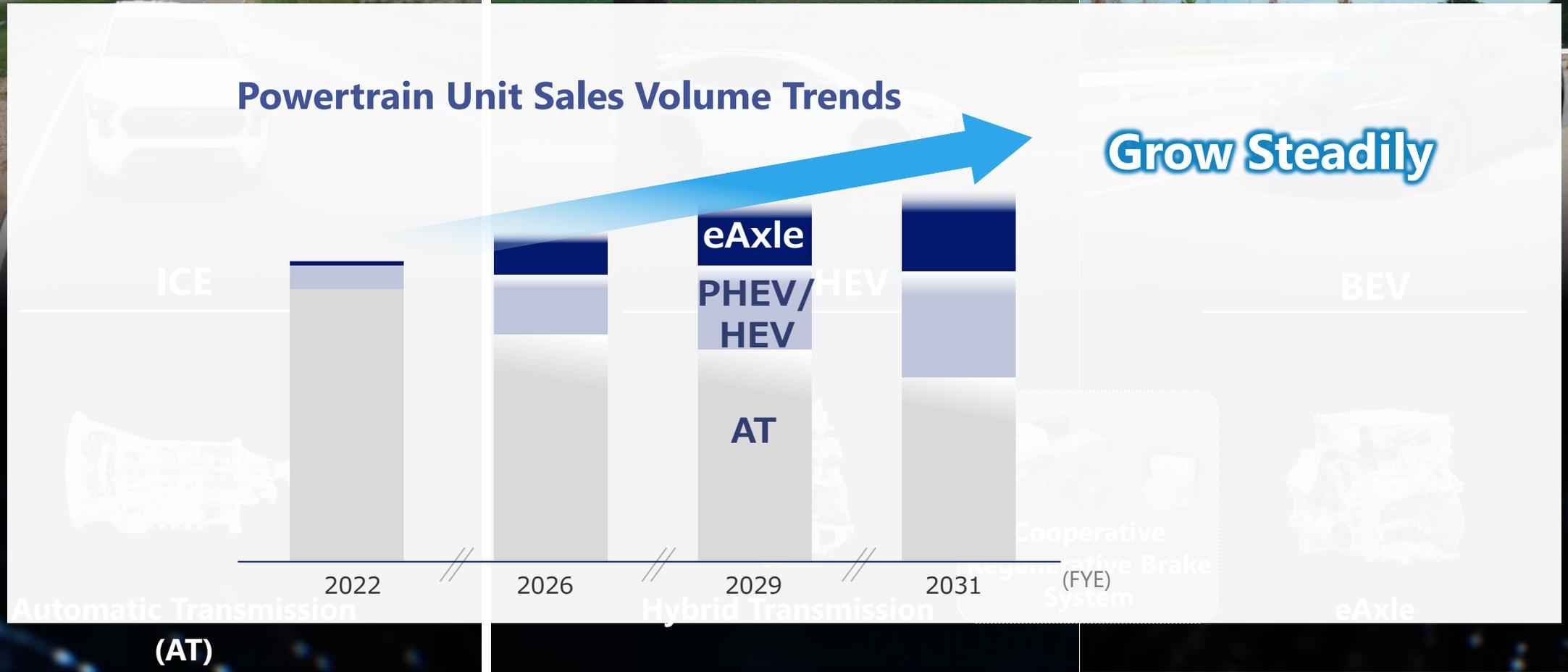
**Cooperative
Regenerative Brake
System**

**Leveraging our full-lineup as a strength,
we meet customer expectations while achieving continuous growth**

AISIN's Full-Lineup Product Strategy

← Equipped with an Electrification Unit →

Powertrain Unit Sales Volume Trends



Grow Steadily

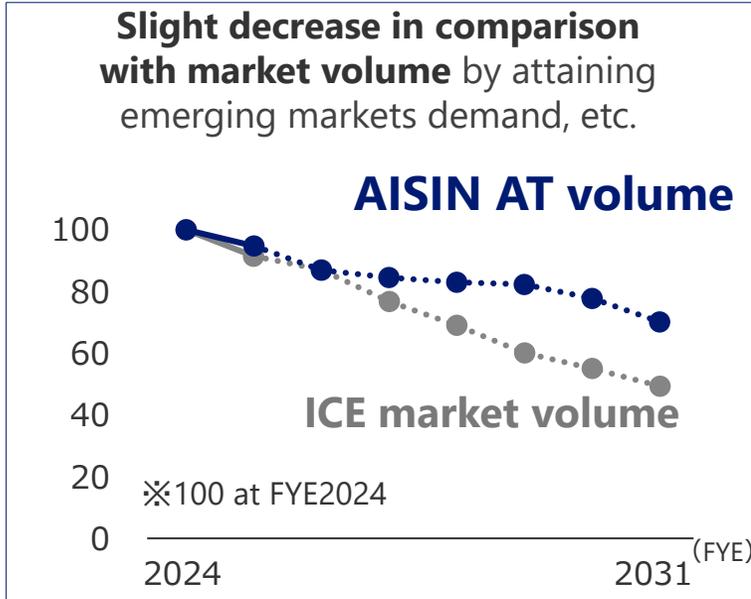
Leveraging our full-lineup as a strength,
we meet market expectations while achieving continuous growth

Further AT Market Share Increase and Build Solid Profit Basis

The functions of a vehicle:
propulsion, steering, and braking

AT

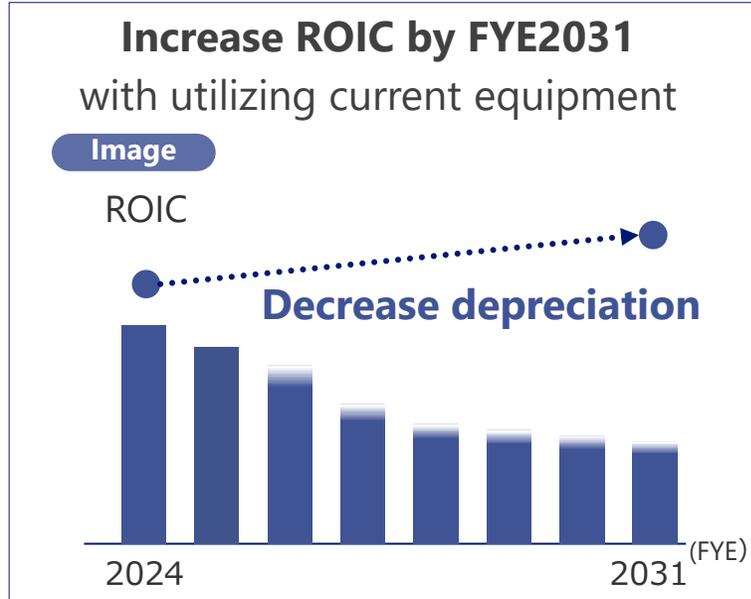
Market Share Increase



Strengths of FR



High Profitability



Target for FYE2031

FYE2029 Target **Operating profit of over 105Bil JPY**
ROIC 19% level

FYE2031 Target **Operating profit of over 80Bil JPY**
ROIC 20% level

Boosting ROIC through increased market share driven by ICE demand capture and full utilization of existing plant and equipment

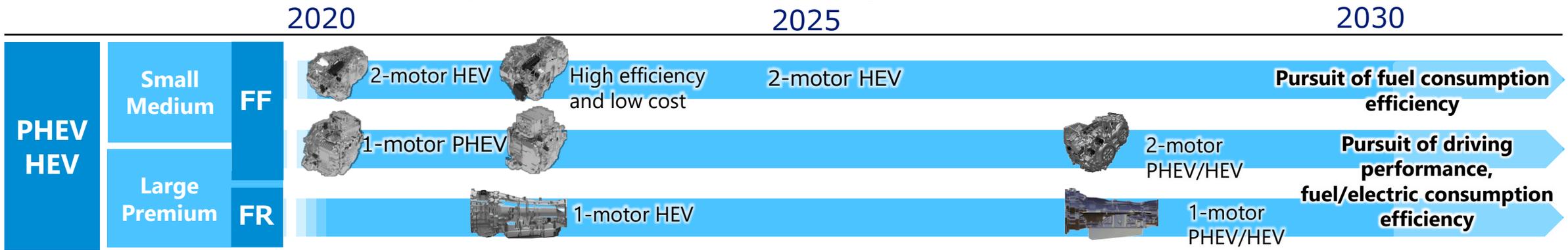
Expanding Sales of PHEV/HEV to Lead AISIN's Growth

The functions of a vehicle:
propulsion, steering, and braking

PHEV/HEV

PHEV/HEV Lineup

Global PHEV/HEV supplier carry full lineup from small to large/premium models



Status of Sales Expansion · Inquiry

Sales Expansion

- Hybrid unit adopted for Mitsubishi's Xforce HEV
- Start PHEV unit contract production for Guangzhou Automobile Group
- Mass production start for expansion project in North American market

Order

- Advanced development orders for next generation PHEV have been secured.

Target for FYE2031

FYE2029 Target
Operating profit of over 53Bil JPY
ROIC 18% level

FYE2031 Target
Operating profit of over 80Bil JPY
ROIC 20% level

Leveraging our broad product lineup to capture growing PHEV/HEV

eAxle Lineup and Sales Expansion Strategy

The functions of a vehicle:
propulsion, steering, and braking

BEV Products

2020

2025

2030

1st Generation

2nd Generation

3rd Generation

Strategy

Short-Mid

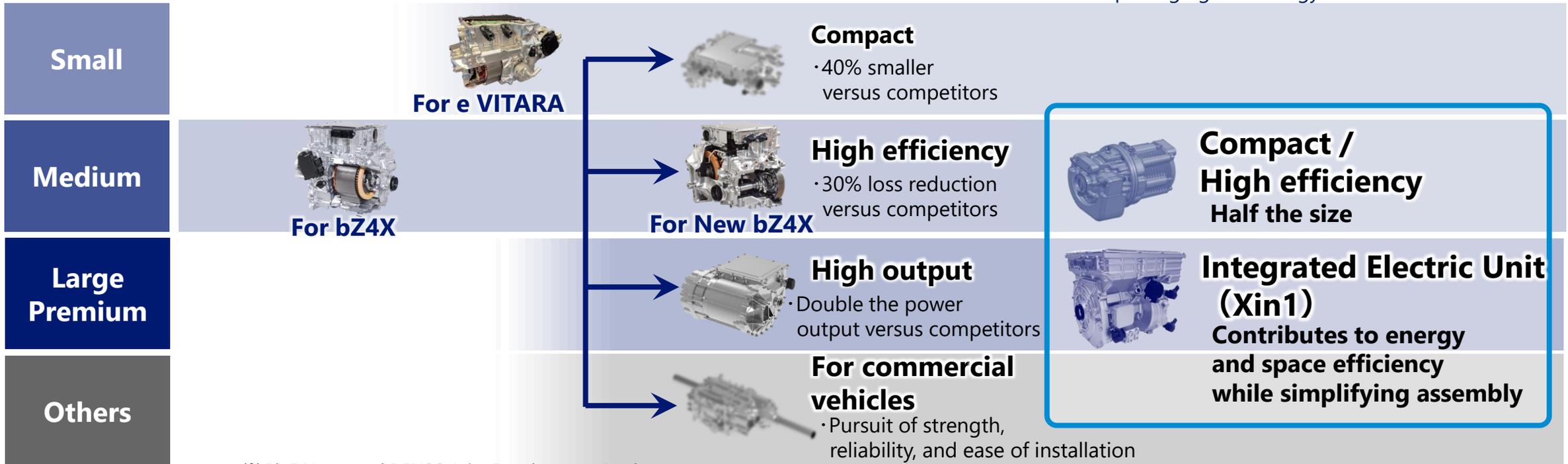
Customer support through fully diversified lineup

- Provide multi-models
- Achieve efficient, small, low cost

Mid-Long

Accelerating world-leading product development for full-scale EV expansion

- Achieve drastic efficiency/small size
- Integrated Electric Unit (Xin1) using downsizing and packaging technology



※ BluE Nexus and DENSO Joint Development Product

Sales expansion for the 1st and 2nd generations will progress through FYE2029. Development for the launch of the high-value-added Xin1 will be accelerated.

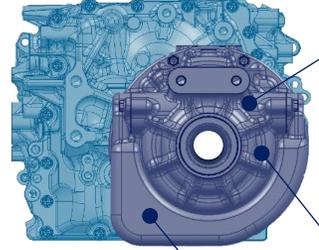
Competitive Integrated Electric Unit of AISIN (Xin1)

The functions of a vehicle:
propulsion, steering, and braking

BEV Products

Prior Art

150kW class
comparison
Current × Proto

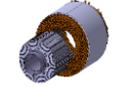


Gearbox



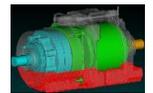
- Unique special steel with + 50% greater strength than conventional products
- Gear design achieving compact /high efficiency/high quietness
- Precision machining technology

Motor



- Electromagnetic optimal design
- Rotor optimal design
- Efficient coolant
- Own press tech

Package



- Stiffness optimal design
- Optimal fluid dynamics design
- Integration optimal parts
- Thinner Case Casting Technology

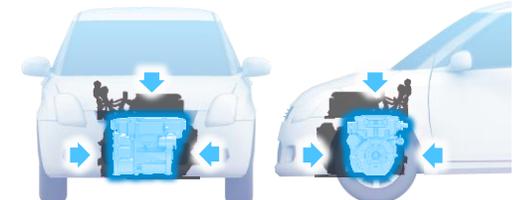
- Twice gear rate for small and highspeed motor
- **Achieve half the mass** with optimal design technology, new production technology, control technology

AISIN Xin1

Structure



- **Gearbox** gear/diff
- **Motor**
- **Integrated ECU**
- **Power converter** INV/DCDC/OBC DCAC/PDU
- **Heat device** W-OP/valve



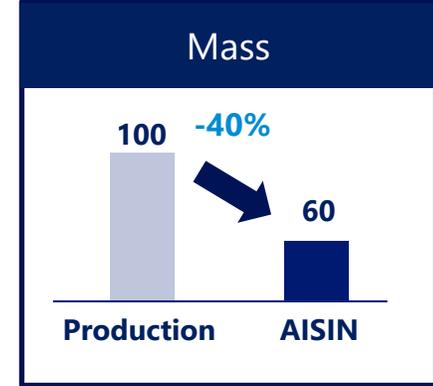
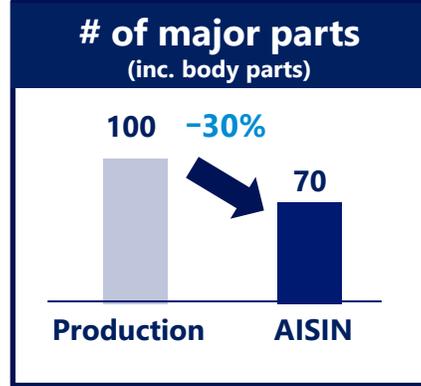
Production vehicle



Xin1 proto unit



Competitiveness



Based on strong needs of Xin1, negotiating with several car manufacturers

2025

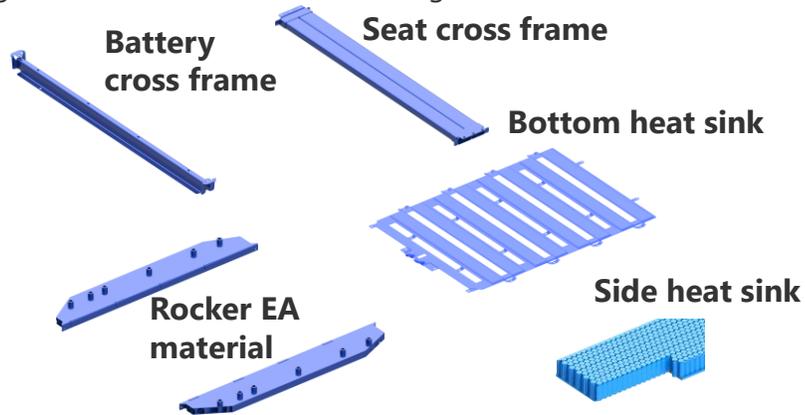
2030

BEV are still in the underdevelopment stage

Enhancing Individual Components

Strength of AISIN

- Collision design • Heat management • Technical expertise in basic material forming technologies, such as aluminum die casting



Product Roadmap

Began mass production of electric vehicle battery heat sinks

- As mass production commences for battery heat sinks in Japan in FYE2026. Plan mass production in North America.

Establish a joint venture to produce aluminum body frame parts

- A joint venture for producing aluminum body frame parts in Ontario, Canada, with the aim of strengthening the supply system for aluminum body frame parts for vehicles in the North American market. . ([External Link: news on Feb.5, 2026](#))

Progress

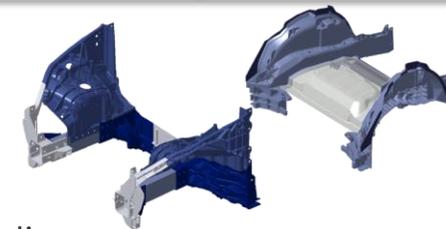
Enhanced BEV performance

Functional Integration/The Modularization

Strength of AISIN

- Proposal from vehicle perspective • wide variety of production technology such as joining methods

TEKIZAI Body (Modular cast body)



Split structure

- **low vehicle repair cost**
- **less investment** at utilize current equipment

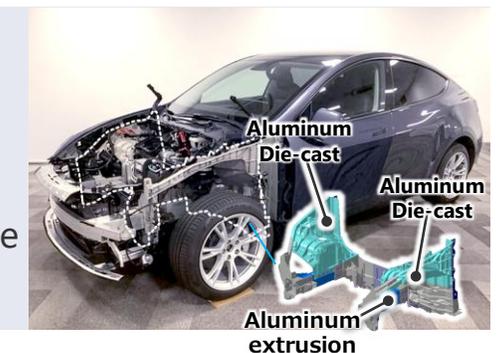
Battery Frame



- protecting batteries from collisions
- -Lowering electricity costs and suppressing battery degradation with temperature control

TEKIZAI Body (Modular cast body) R&D progress

- Conduct vehicle test with prototype
- Currently in discussions with multiple automakers



Accelerate R&D of TEKIZAI Body (Modular cast body) with strength of AISIN

The Domain of Achieving Comfortable Mobility

Providing reliability of mind and comfortable system that connects people and mobility through sensing and AI utilization

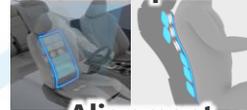
The Concept of Comfortable Mobility Space



Creating a Comfortable space



Sunroof



Alignment assist

Recognition Technology



In-cabin monitoring system



Child protection



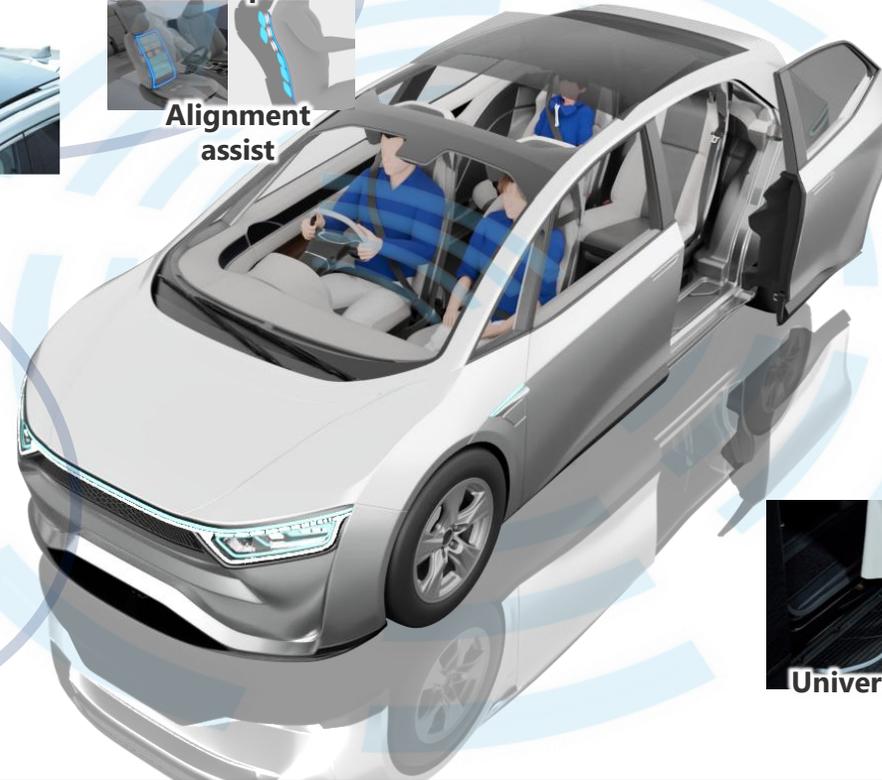
Aerodynamic device



Driver monitoring system



Integration with ADAS



Revenue drivers for FYE2029

Loading for FYE2031 and beyond

Assist with Getting in and Out of the Vehicle



Power back door system



Power sliding door system



Universal step



Gesture control

Supporting "people" and pursuing safety, reliability of mind, and comfort

Future of "Comfort of Movement"

The domain of achieving comfortable mobility

Safe/Comfort Entry

In line with door and roof products, present new value and mobility service for customers

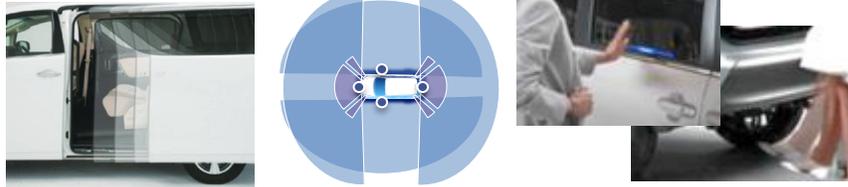
Today

Tomorrow

Beyond

Surround sensing → Create new value from door products

Maneuver · Boarding assist door opening support



Wide Opening in Tight Spaces

Control by Gesture

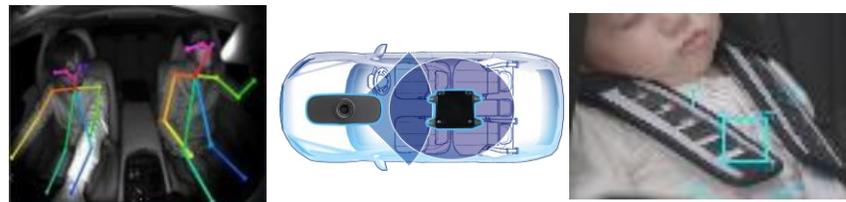
Free of Stress



Personalize + AI Predictive Response

Cabin sensing → Create new value from roof products

Deliver Safety



Human Sensing

Free of Stress



Understand Scene & Crew and Deliver Value

"Comfort of Movement" to Everyone and Every time



Integrate perception, judgement, and maneuver, and achieve safety·reliability, comfortable mobility

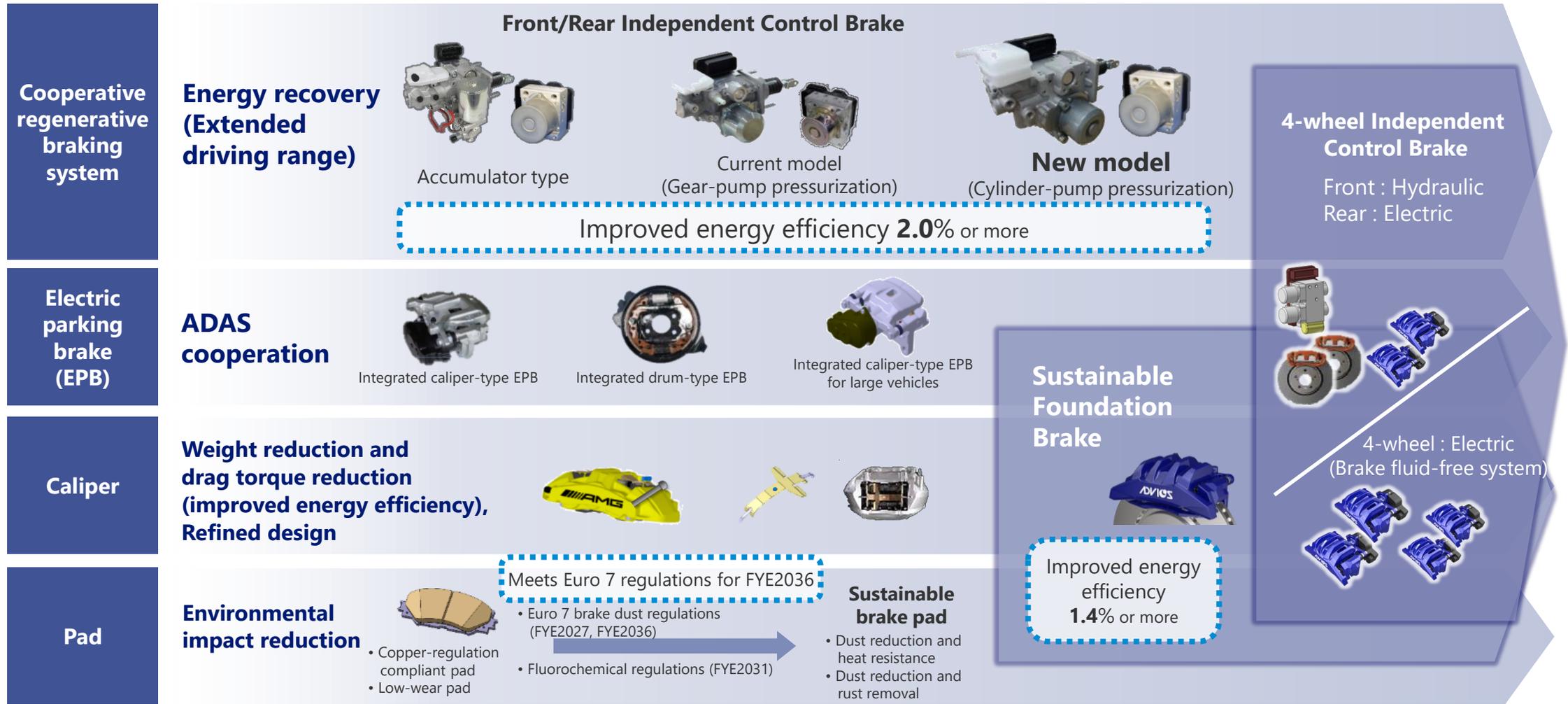
Boarding
Alighting

Move

Brake Roadmap

The functions of a vehicle:
propulsion, steering, and braking

Brake



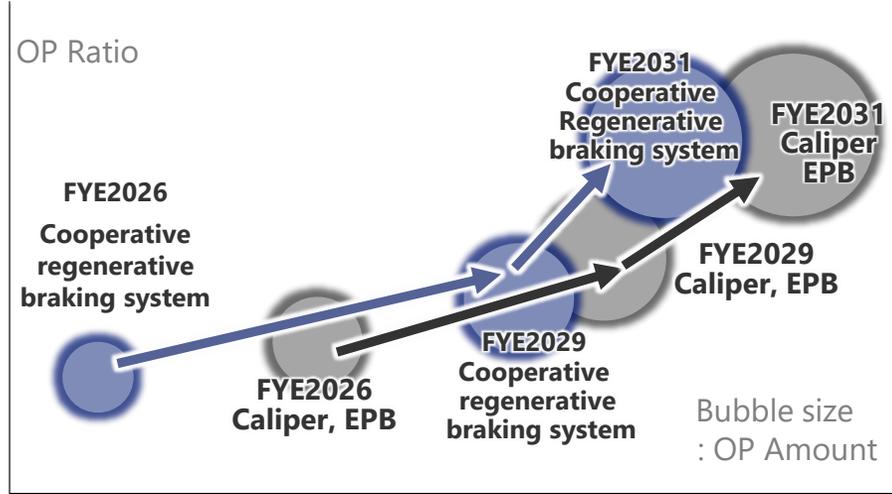
Global expansion leveraging strengths in energy efficiency and driving feel

Brake Becomes a Pillar of Profit

Utilize Strength of ADVICS for Growth

Growing Pillar

Cooperative regenerative braking system, Caliper, EPB



Market Environment	Increase EV	<ul style="list-style-type: none"> Increased demand on cooperative regenerative braking system Adapt EBP developing countries such as ASEAN, India
	Tightening of environmental regulation	<ul style="list-style-type: none"> Increased demand on low-drag caliper that contribute for battery efficiency, environmental pad
Strength	Cooperative regenerative braking system	<ul style="list-style-type: none"> Independent front/rear wheel control that contribute battery efficiency Variety competitive lineup at all segment for volume domain
	Caliper EPB	<ul style="list-style-type: none"> Provide pad set that no fitting required caliper and MOC

Above increased profit foundation of caliper and EPB, enhance profitability with new regenerative brake

Target for FYE2031

FYE2029 Target
Operating Profit 45Bil JPY over
ROIC 11% level

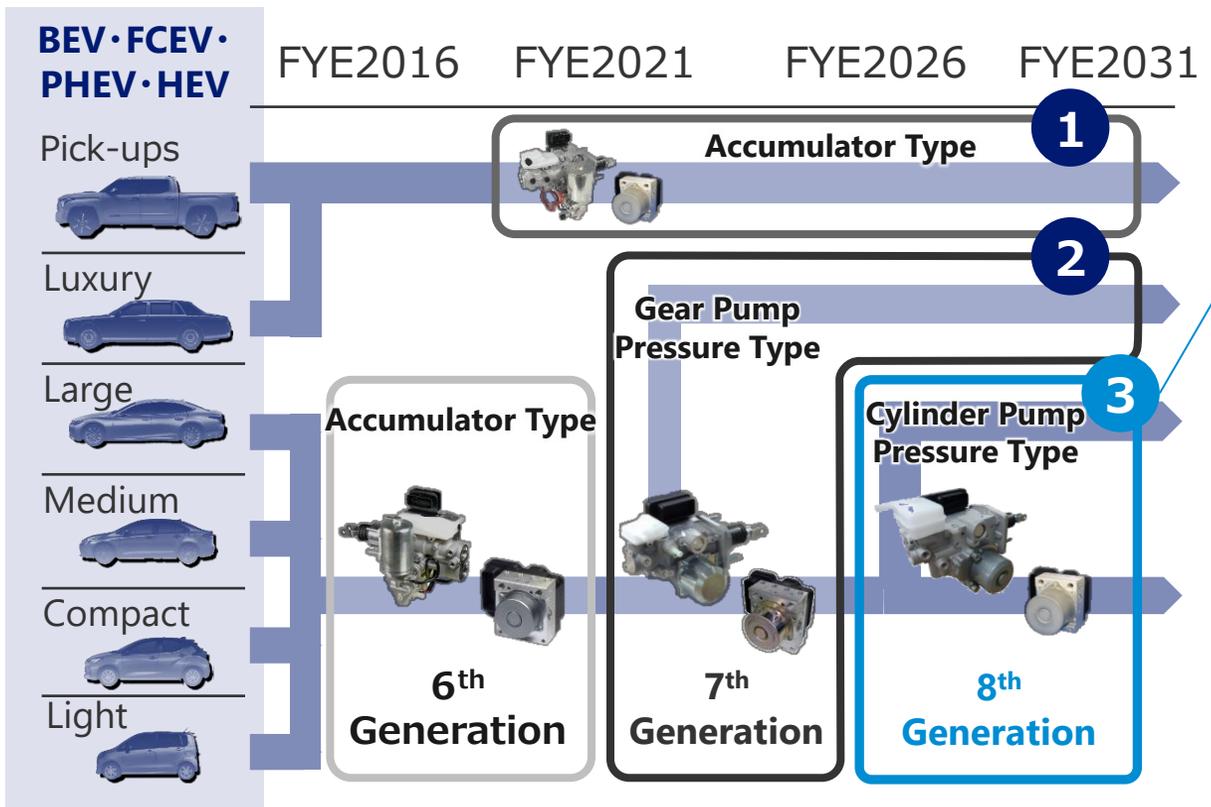
FYE2031 Target
Operating Profit 70Bil JPY over
ROIC 15% level

Expansion of the 8th Generation Cooperative Regenerative Braking System with Enhanced Profitability

The functions of a vehicle:
propulsion, steering, and braking

Brake

Cooperative Regenerative Braking System Roadmap

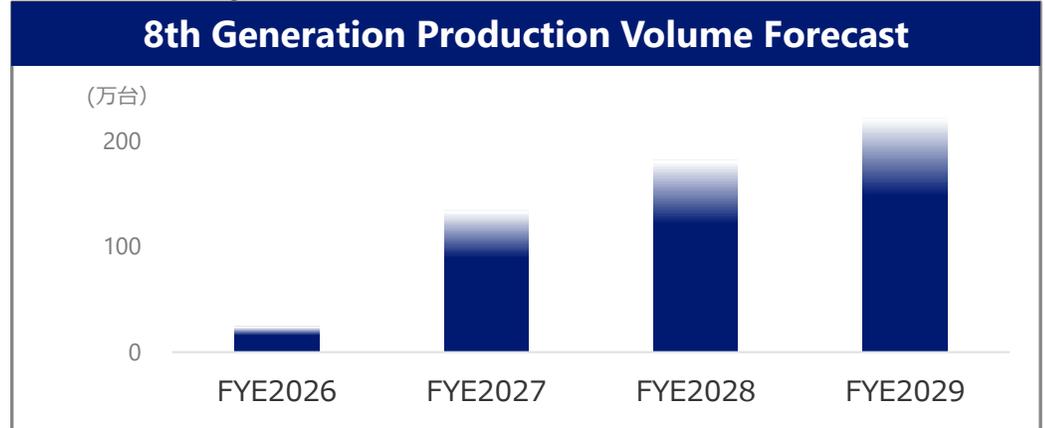


Product Specifications

- 1 Accumulator-type specification **for large and heavy vehicles**, enabled by high-flow, high-response pressurization
- 2 **Premium specification featuring compact, high-performance operation** enabled by our proprietary gear-pump technology
- 3 **Standard specification that improves manufacturability and profitability** through the adoption of common technologies
Chosen for TOYOTA's new RAV4

8th Generation Production Volume Forecast

8th generation production volume growth through electrification and market expansion



Driving sales expansion and profitability by capturing the growth of the BEV and HEV markets

Future Brake Concept

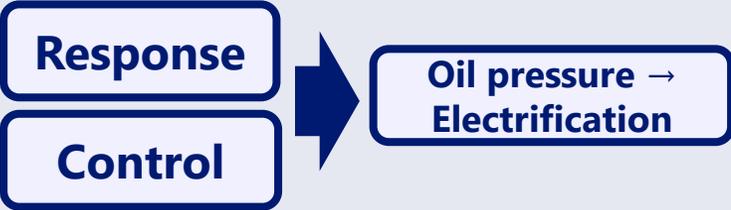
The functions of a vehicle:
propulsion, steering, and braking

Brake

Demand



Point
To achieve above, reproduce performance that software aims to deliver



Strength : Ordinary technology

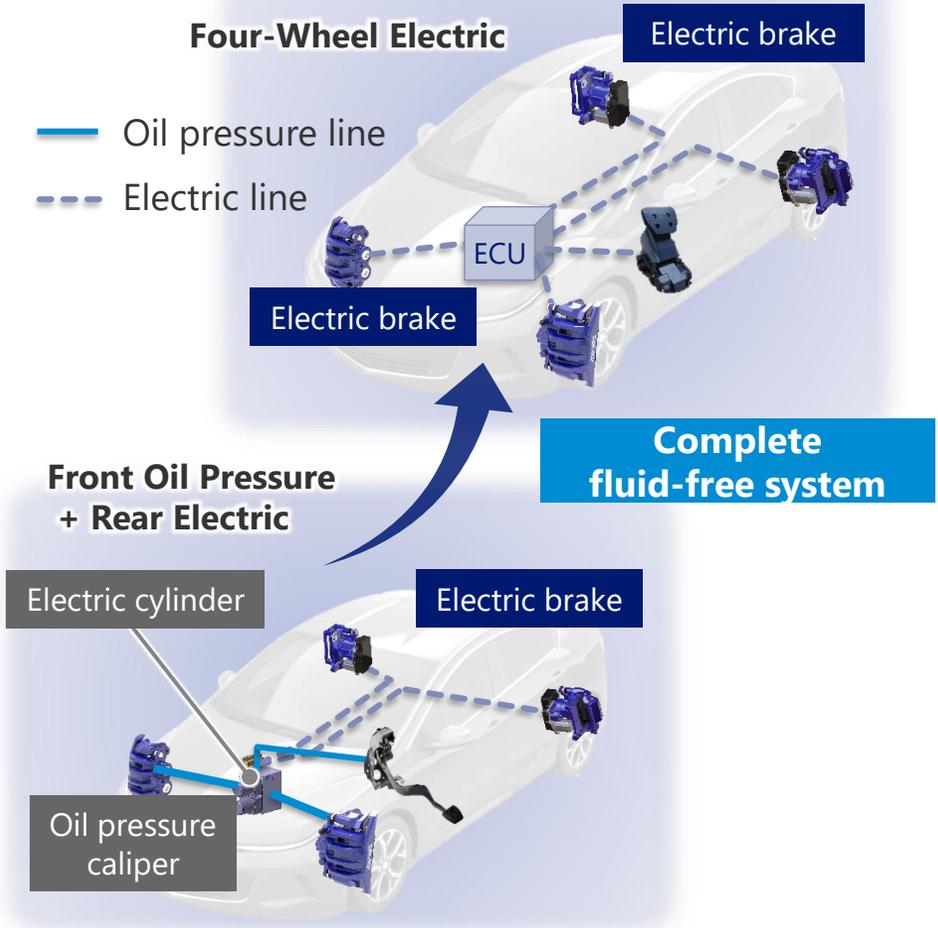
Cooperative regenerative braking system
(Energy Regeneration Technology)



Electric Parking Brake
(Caliper/Pad/Disc Technology)



Four-Wheel Independent Brake Control System

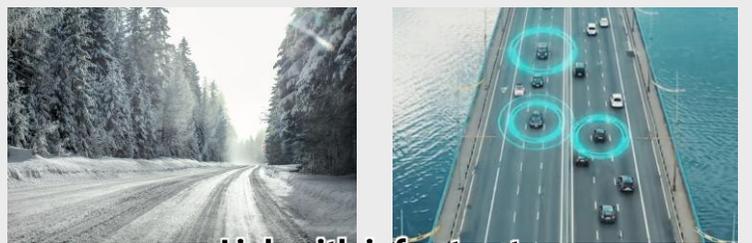
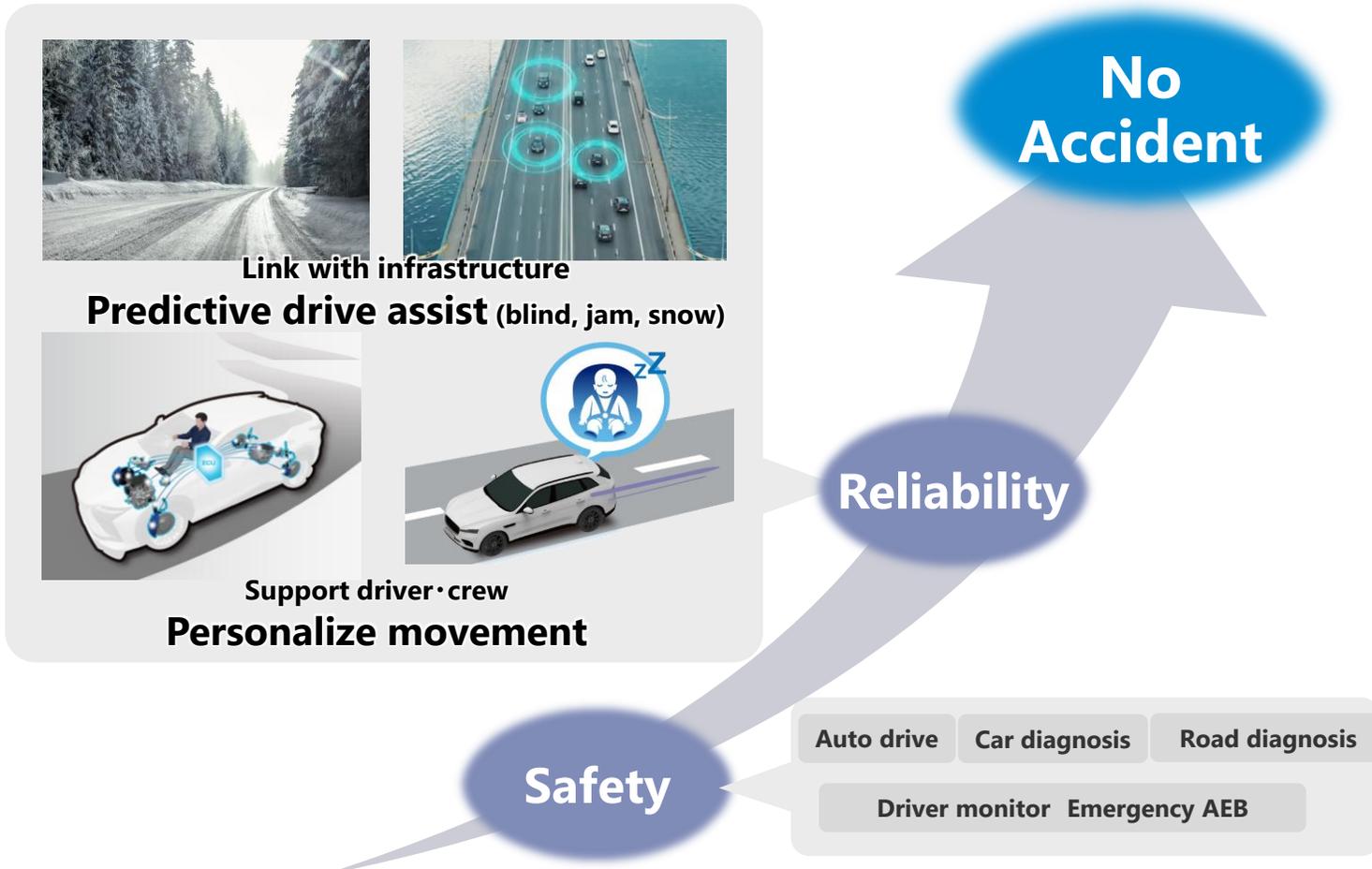


Positioning the four-wheel independent control brake as a key product to meet future SDV needs

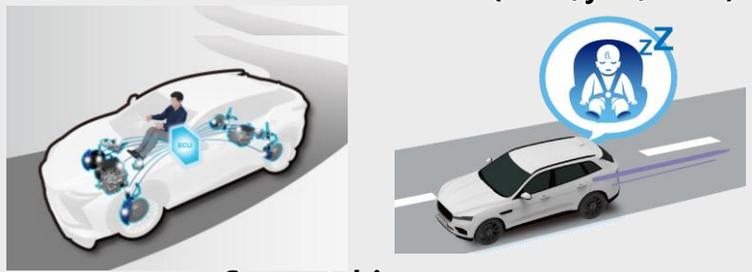
Vehicle Integrated Control

The functions of a vehicle:
propulsion, steering, and braking

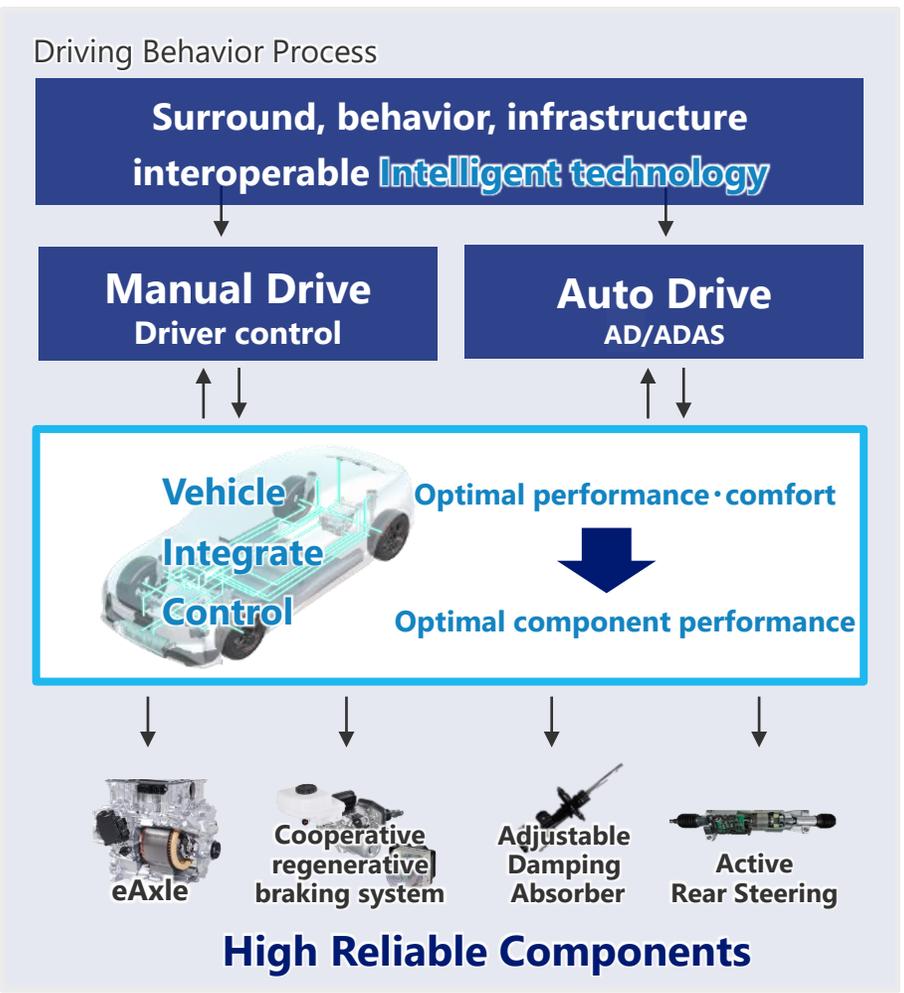
Brake



Link with infrastructure
Predictive drive assist (blind, jam, snow)



Support driver crew
Personalize movement

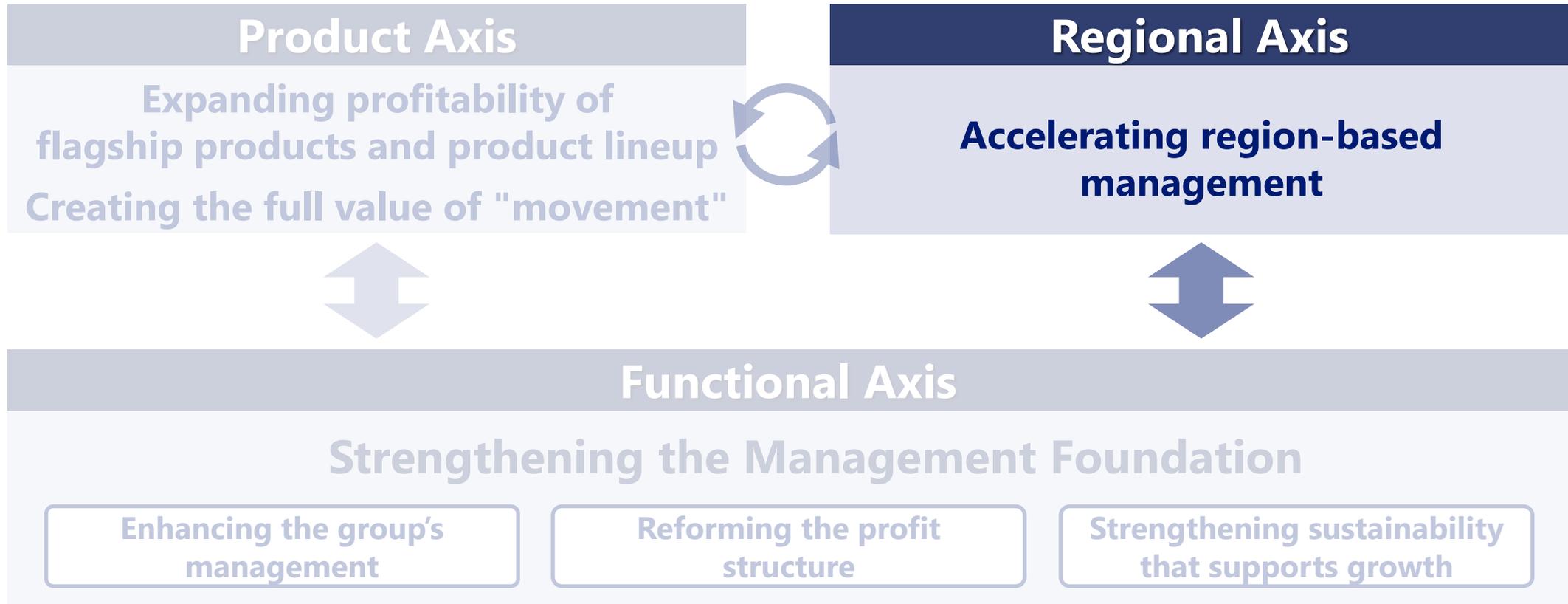


Integrating perception, judgment, and control to deliver safe, reassuring, and human-centered driving
Integrating all devices under unified control to accelerate development through calibration-free operation and support OEMs

Structure of FYE2029 Mid-Term Business Plan

Basic Policy :

Aim to balance both strengthen our “earning power” and “invest in future growth.”



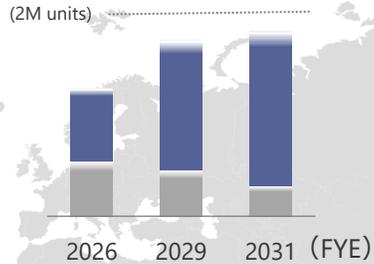
Collaborate initiatives across product, regional, and functional axes to pursuing both “earning power” and “future growth investments”

Regional Growth Strategy and Profitability Outlook

Regional Growth Strategy

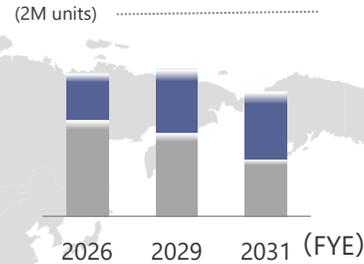
North America

- Responding to growing PHEV/HEV demand
- Strengthening the profitability base



China

- Collaborating with local partners to develop and launch locally tailored products

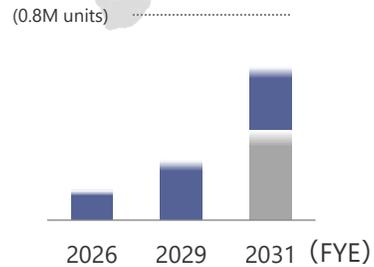


Estimated local production volume

- Electrification unit (eAxle, PHEV/HEV)
- AT

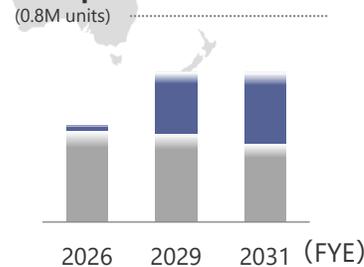
India

- Responding to market expansion and growing AT demand



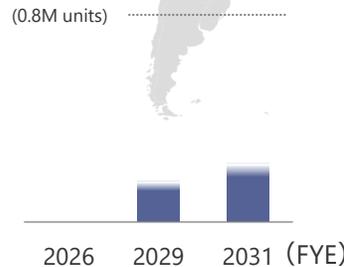
Thailand

- Accelerating the shift to electrification
- Strengthening cost competitiveness

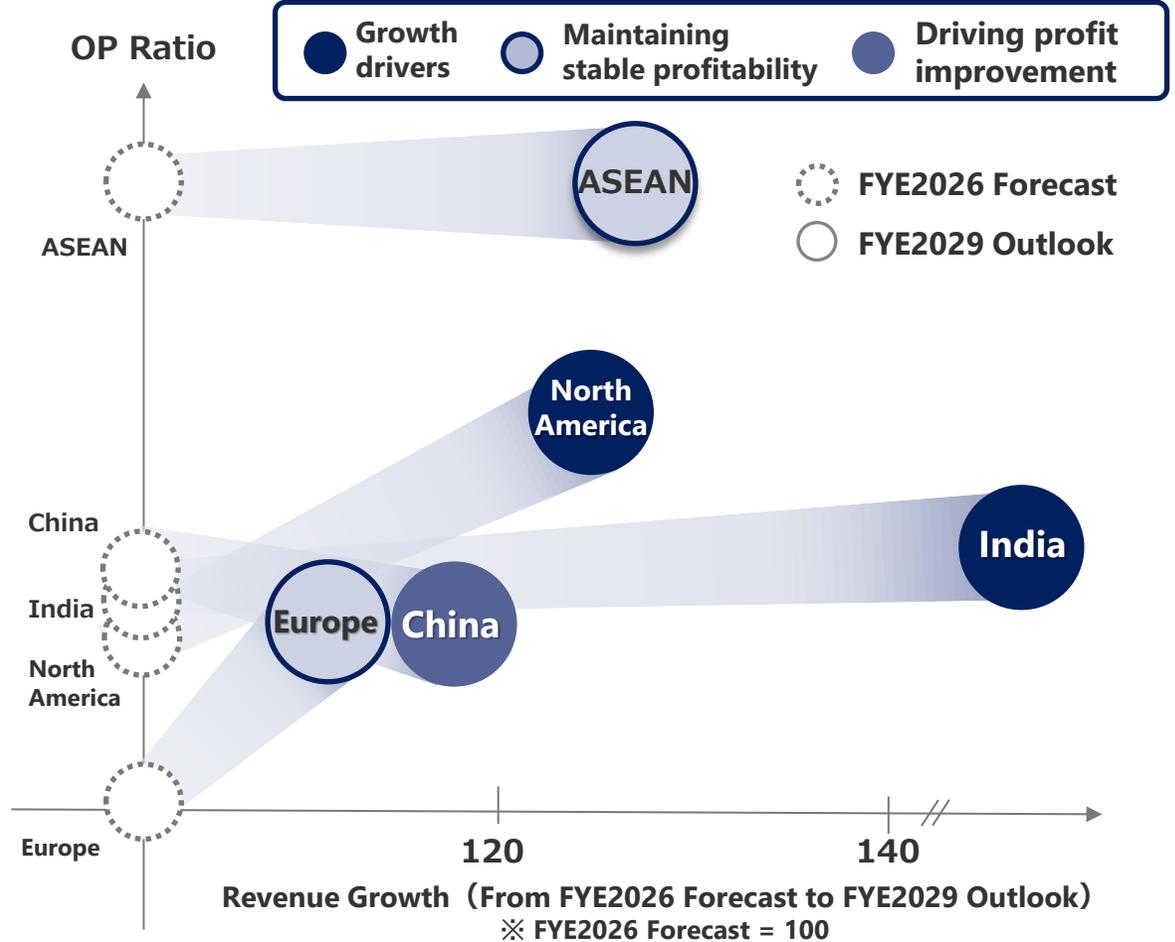


Europe

- Shifting business focus to local production of BEV products



Profitability Outlook



Responding to diverse regional policies and energy environments with optimized powertrain unit configurations

Establish Competitive Advantage in North America and India

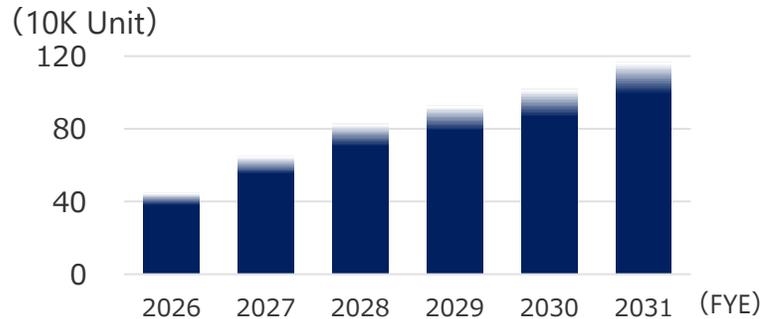
North America

Production of electric units for North American market at three sites in the U.S.
Strengthening the production system by mitigating tariff impacts and anticipating future demand growth

Accelerate local production of PHEV and HEV



Transition of local production in the U.S. (Forecast)



Above: AISIN Texas (1-motor PHEV/HEV production)

Bottom: AISIN North Carolina (2-motor PHEV/HEV production)

Improve profitability through further productivity improvement

- Further promote work automation and preparedness for sudden changes of employees, etc.

India

In India, where economic growth and the automotive market are expected to expand,
local production is being promoted to capture future demand for two-pedals

Production of AT and CVT in India



Left: AT, Right: CVT

- Strengthen production system of AT•CVT to expand business in India
- We have decided to invest approximately 32 billion JPY to expand existing plants and establish a new plant
[\(External link: Feb. 4,2026 news\)](#)

Produce control brakes with partners



BIADS India Private Limited
(Brake control products production)

- We established joint venture with Brakes India, a leading manufacturer of automotive brakes in India
- The joint venture plans to manufacture ESC(Electronic Stability Control) and other brake control products

Expand local production, improve productivity, and collaborate with partners to sustainably strengthen profit foundation

Strengthen Competitiveness in ASEAN, Europe, and China

ASEAN

Strengthen PHEV and HEV production system in anticipation of progress in electrification

Accelerate local production of PHEV and HEV



AISIN Powertrain Thailand
(Production of HEV units for Mitsubishi Motors)

- Began mass production of AISIN's first series-parallel model hybrid unit as the first electrification unit production in Thailand
- Expand production system for two-motor PHEV and HEV in anticipation of increasing demand for PHEV and HEV in future



Europe

Major transformation of business structure for mid/long-term growth in the European market

Local production of first powertrain unit in Europe



AISIN Europe Manufacturing Czech
(Build-to-print e-axle* production for BMW, production of electrified products)

AISIN
(Production at Europe and China)

BMW
(e-axle design)

AISIN Corporation and BMW Group agree on an e-axle production partnership

AISIN and the BMW Group have agreed on a strategic partnership. The aim of this partnership is a cooperation in the field of build-to-print e-axle production by AISIN based on a BMW Group design. The e-axle will be produced by AISIN in both China and Europe, planned for installation in BMW Group vehicles in the late 2020s.

China

Strengthen effort to achieve profitable structure to win in the increasingly competitive Chinese market

Strengthen competitiveness in unity with local partner



Left: AISIN (Suzhou) Auto Parts Co., Ltd. (2-motor PHEV/HEV production)
Right: GAC AISIN Automatic Transmission Co., Ltd. (contract production of units for PHEV)

- We began contract production of hybrid units for Guangzhou Automobile Group in a joint venture between AISIN and GAC Group
- Through collaboration with partners, we will improve knowledge to achieve short delivery times and low costs in development and production

*Customer's product name used

Fundamentally strengthen the competitiveness of the three regions through localization and partner collaboration tailored to regional characteristics

Aftermarket Strategy

Market Environment

- Supplying parts for growing used vehicle market • Increased demand for maintenance
- Increased demand for online sales

Aisin's Strengths

- Business expansion leveraging the Aisin brand cultivated to date
 - A wide range of products and services meeting Aisin quality standards
 - Globally integrated sales organization with local presence
- Diversification of suppliers in global (M&A and alliances, etc.)

Future Business Development

- Strengthening global sales through partnership with online retailers
- Providing high-quality, low-cost maintenance tooling for repair shops

Strengths in Product Lineup

Drivetrain related



Engine related



Chassis



**Approximately 80 product lineup
(Approximately twice that of competitors)**

Accessories



Maintenance



Tire



Achieving a comprehensive parts department store for repair and replacement parts for old vehicles

Target for FYE2031

FYE2029 Target

**Operating profit of over 23Bil JPY
Operating profit ratio of over 20%**

FYE2031 Target

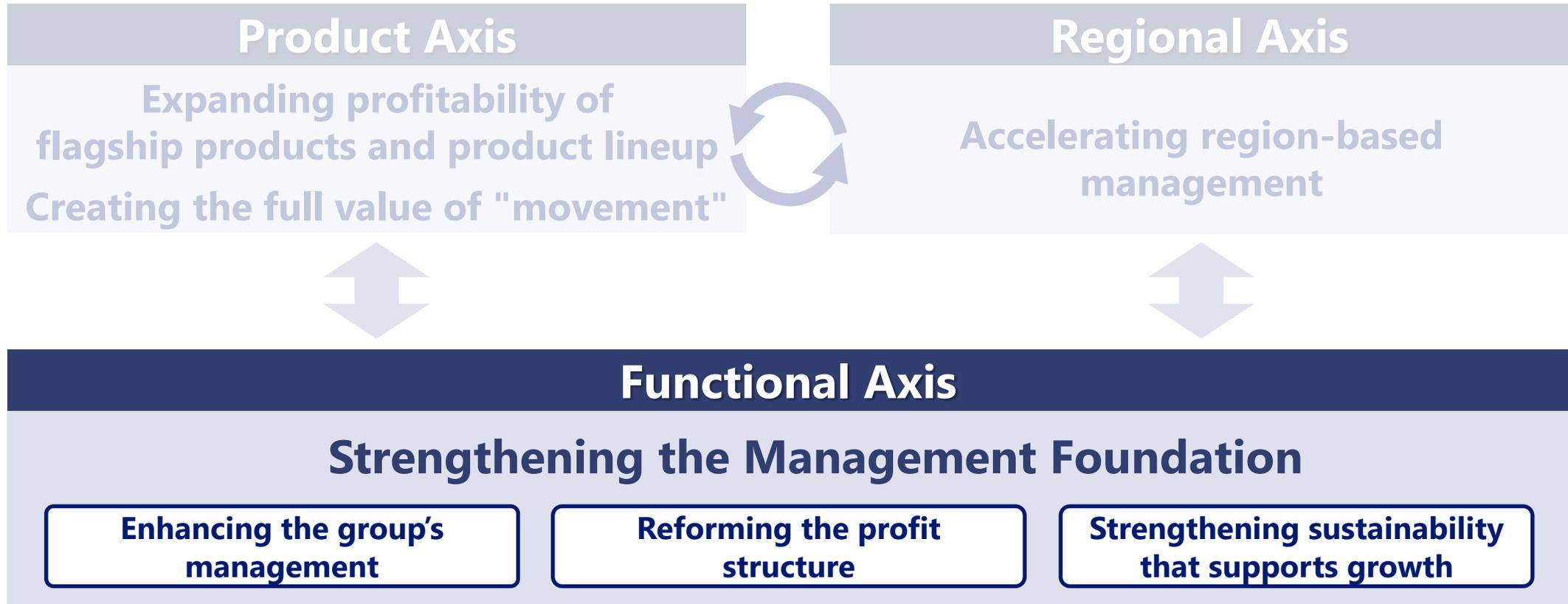
**Operating profit of over 40Bil JPY
Build-out of aftermarket product and service lineup products and service categories over 100**

Aiming to realize our vision as a total service provider through expansion in parts sales, maintenance and service areas

Structure of FYE2029 Mid-Term Business Plan

Basic Policy :

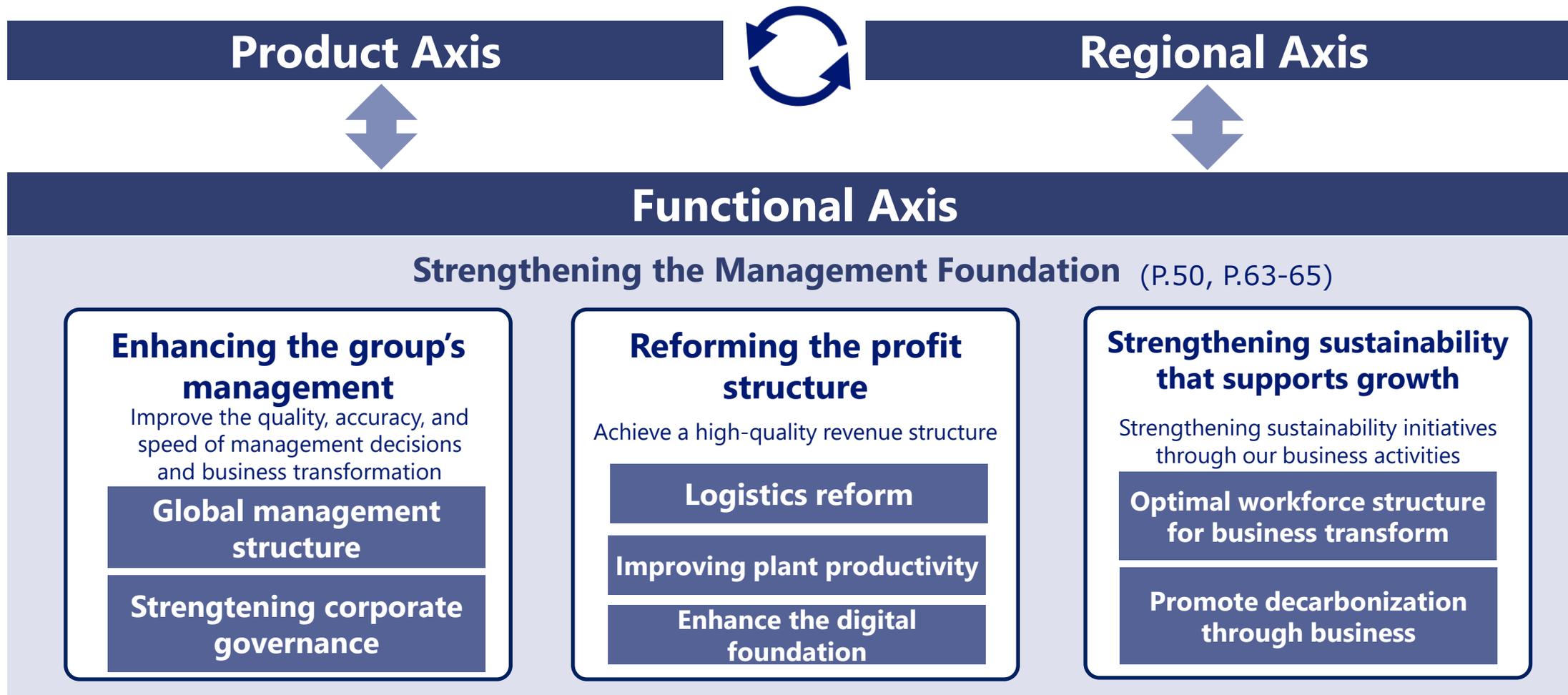
Aim to balance both strengthen our “earning power” and “invest in future growth.”



Collaborate initiatives across product, regional, and functional axes to pursuing both “earning power” and “future growth investments”

Strengthening the Management Foundation

Structure of FYE2029 Mid-Term Business Plan



Further strengthening management structure, profit model, and sustainability to accelerate business transforms

Strengthening the Management Foundation: Reforming the Profit Structure

Logistics Reform



Initiatives to cut logistics costs in half

- Expanding logistics reforms that have been promoted at some factories and subsidiaries in Japan to group companies and suppliers in Japan and overseas
- Aiming to halve logistics costs at FYE2031 by improving loading efficiency through joint transportation and automating parts transportation in factories (compared to FYE2022)

Improving Plant Productivity



Improving manufacturing productivity

- Improving production efficiency through automation, cell production, etc.
- Promotion of activities to reduce subsidiary materials and energy costs

Improving productivity through digital technologies

- Utilizing IoT to connect equipment, quality, and production information, and visualize it in real time to improve efficiency
- (Contributing to the reduction of defects, etc.)

Strengthening global cooperation

- Development of improvement examples to Group companies in Japan and overseas

Enhance the Digital Foundation



Generative AI and AI utilization

- Faster information collection in design and procurement process
- Implement AI in business and break away from traditional operations

Restructure product information infrastructure

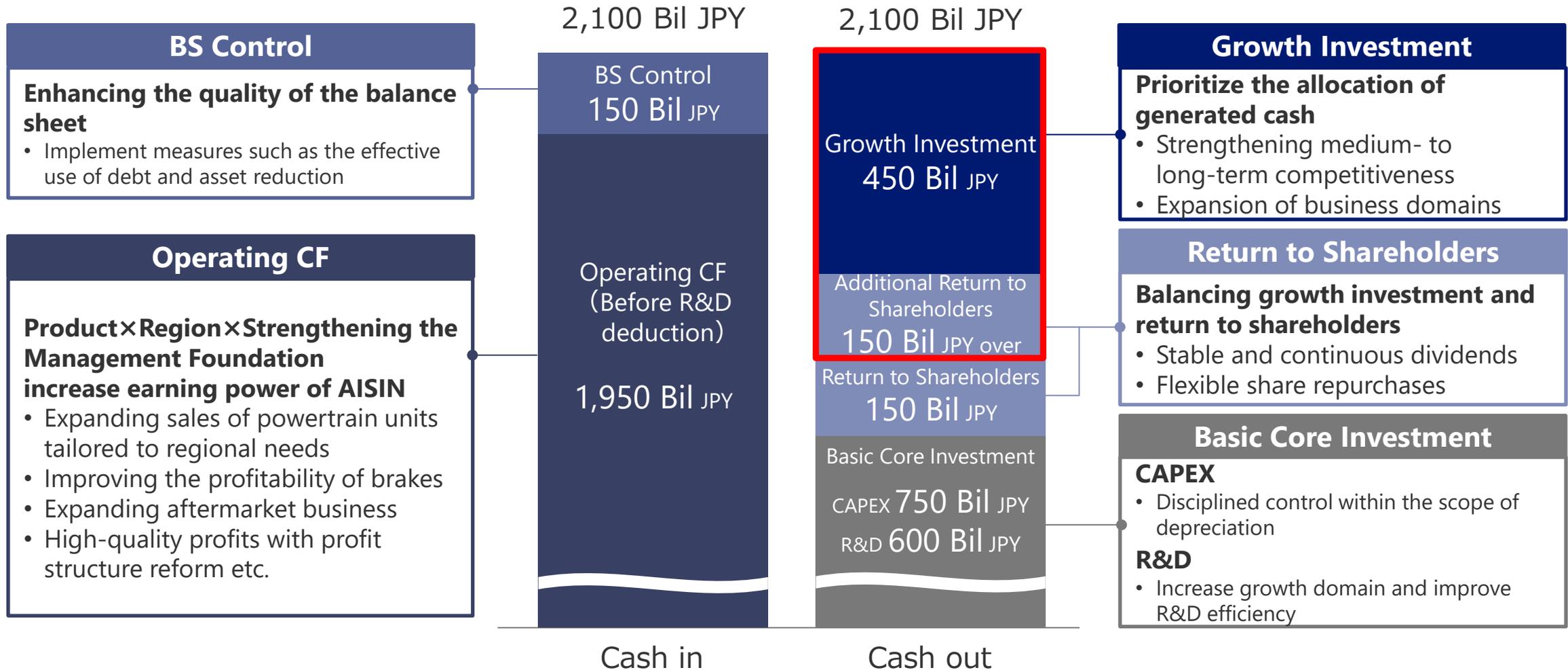
- Optimize information linkage processes across the company through the development of PLM environment

Renovation of HR system

- Build data-driven HR platform that realizes solution optimization in line with business growth

Implement further structural improvements and structural reforms to achieve a high-quality profit structure

Financial Strategy to Achieve the FYE2029 Mid-Term Business Plan (Capital Allocation)



Cash generated by increased earning power strategically allocate to growing domains and balance with shareholder returns

Financial Strategy to Realize the FYE2029 Mid-Term Business Plan (Growth Investment)

Strengthening Medium to Long-Term Competitiveness

Additional investment in competitiveness

Accelerated sales expansion
Market share expansion

Enhancing the value of
our products

200Bil JPY level

Strategic investment unconstrained by conventional thinking

Strengthening partnerships

Asset-light approach

100Bil JPY level

Including the allocation for M&A investments

Innovating the business foundation Investing in people

Productivity gains
Achieving High Efficiency

Enhancing workplace comfort
and Job satisfaction

100Bil JPY level

Expansion of Business Domains

Investment in new business creation

Fully leverage our strengths

Addressing social Issues through
Our Business Activities

50Bil JPY level

- Development next generation BEV/PHEV
- Strengthening competitiveness in growth markets
 - Localization of AT in India
 - Localization of cooperative regenerative braking systems
- Sustainable investments (e.g., materials and related areas)

- Securing resources to strengthen electrification and intelligence domains
 - Advanced elemental technologies
 - Software and sensing domains
- Strategic investments in the aftermarket etc.

- Revamping the digital platform
- Labor-saving initiatives for transforming the factory floor
- Resource shift/Promotion of reskilling
- Enhancing work environments to boost productivity and job satisfaction etc.

- Energy management, hydrogen
- Perovskite solar cells
- Biofuel, Bio-M-Coke®
- Acceleration and strengthening of investment in CVC etc.

Capital allocation focused on return-generating investments for sustainable medium- to long-term growth

Financial Strategy to Realize the FYE2029 Mid-Term Business Plan (Return to Shareholders)

To realize management that is focused on the cost of capital and share price performance, we will further pursue sustainable improvement in ROE through the steady accumulation of earnings, while rigorously implementing optimal capital allocation based on the Capitalization ratio.

We have adopted DOE* as a new dividend indicator. Starting from a level of 3.0%, and supported by improvements in ROE, we plan to increase DOE in stages, targeting approximately 3.5% by FYE2029.

FYE2026 Mid-Term Business Plan

- Stable and continuous dividends (Dividend payout ratio of approximately 30%)
- Flexible share repurchases

DOE* level of 3.0%

FYE2029 Mid-Term Business Plan

- Stable and continuous dividends (Toward a DOE * level of 3.5% in the final fiscal year)
- Flexible share repurchases

Toward a DOE* level of 3.5%

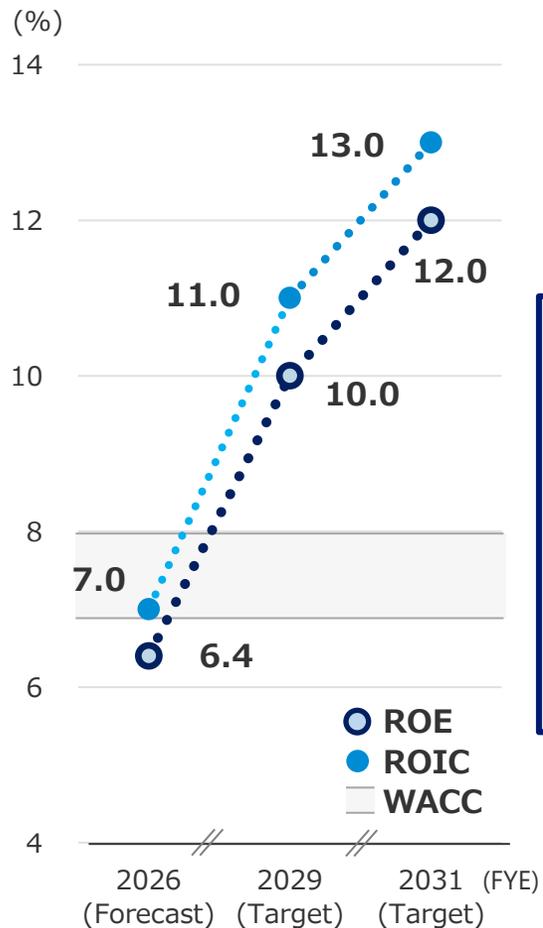


*For the calculation of DOE, "equity attributable to owners of the parent" is based on adjusted figures that exclude "other components of equity," which are subject to significant fluctuations due to foreign exchange movements and market conditions.

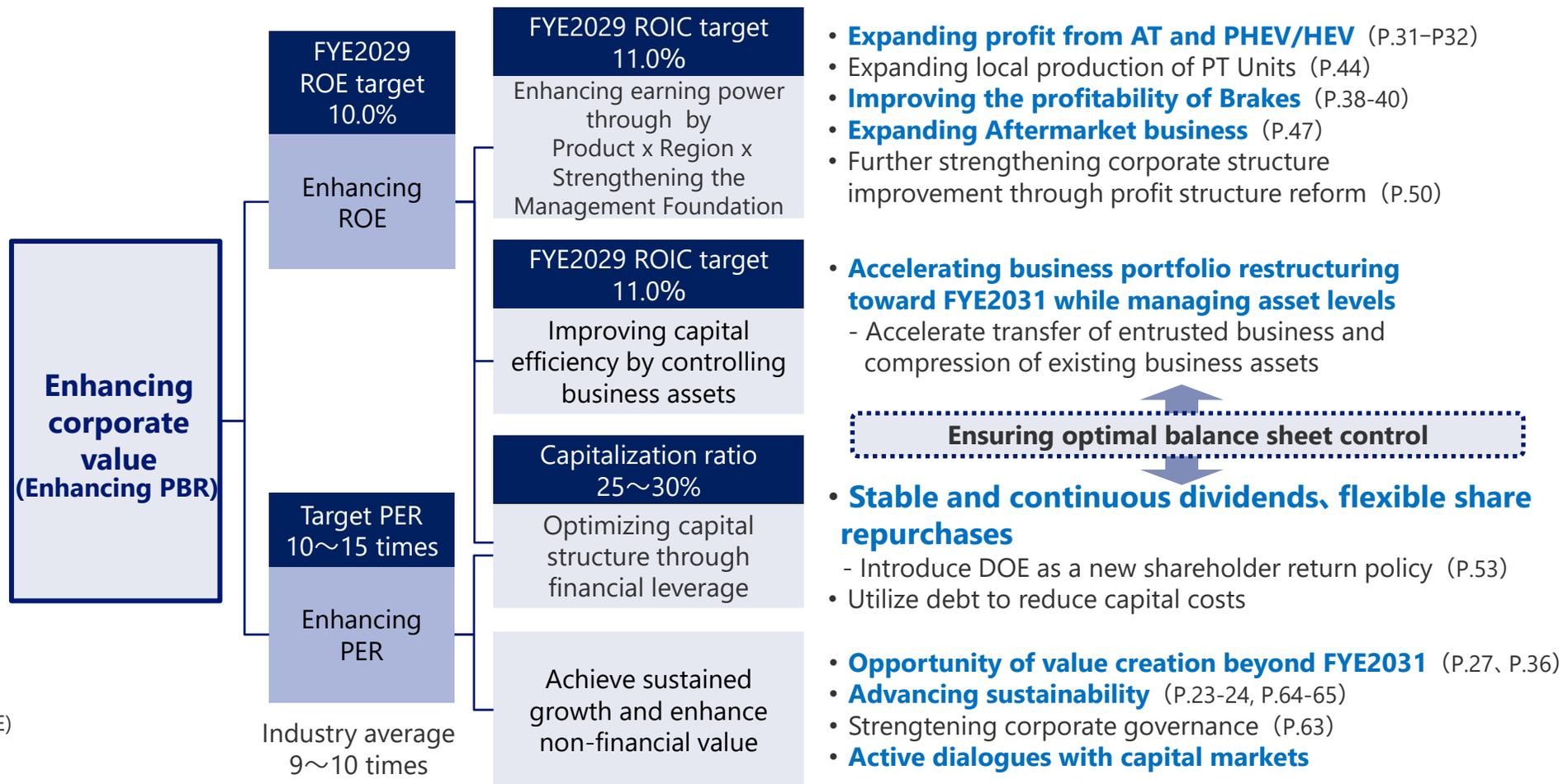
Shareholder returns through stable and continuous dividends and flexible share repurchases

Towards Enhancing Corporate Value

ROE/ROIC Trends



Initiatives of FYE2029 Mid-Term Business Plan



Continuous increase of corporate value through steady execution of FYE2029 mid-term business plan

Materiality Issues



**Harmony with nature
and contribution
to a sustainable future**



**Freedom of movement
for people
around the world**



**Empowering diverse talents
for personal fulfillment**

Laying a solid management foundation

**Proactive commitment to sustainability and growth of employees will continue
to drive growth of AISIN**

AISIN Group Philosophy



Inspiring "movement", creating tomorrow

Becoming a Company that creates the full value of "movement"

- 1. Toward Long-Term Growth**
- 2. Review of
the FYE2026 Mid-Term Business Plan**
- 3. FYE2029 Mid-Term Business Plan**
- 4. Appendix**

4

Replacement of Business Portfolio

Business Domain	Market Condition*	Initiative Overview (FYE2024-2026)	Challenge for FYE2031	History of Growth Domain Rate [Sales]
PHEV HEV	↗	<ul style="list-style-type: none"> Enhance sales/production to domestic/overseas customers R&D for next generation PHEV 	<ul style="list-style-type: none"> Supply system in north America for increased demand of PHEV/HEV 	<p>History of Growth Domain Rate [Sales]</p> <p>[Equipment]</p> <p>[R&D]</p>
eAxle	↘	<ul style="list-style-type: none"> Synergy with several domestic/overseas customers 2nd generation of eAxle in market 	<ul style="list-style-type: none"> Early market launch of Integrated Electric Unit (Xin1) 	
Battery Skeleton TEKIZAI Body (Split cast body)		<ul style="list-style-type: none"> Order of battery skeleton product from multiple companies, JV in north America Prototype TEKIZAI body 	<ul style="list-style-type: none"> Increase profitability of battery skeleton Sales of TEKIZAI body 	
Brake	↗	<ul style="list-style-type: none"> 8th generation of regenerative brake in market JV with Brakes India in India 	<ul style="list-style-type: none"> Expand sales of regenerative brake Enhance R&D of vehicle integrated control 	
Safe· Comfort Entry	→	<ul style="list-style-type: none"> Entry system, R&D of safe & comfort products Commercialize Child detection system 	<ul style="list-style-type: none"> Use system integration and sensing technology to achieve comfortability 	
VC·CN New Business	→	<ul style="list-style-type: none"> VC: M&A at aftermarket domain CN: Demonstration Test of Perovskite Solar Cells 	<ul style="list-style-type: none"> VC: Strengthen value chain CN: Commercialize by use of external vendors 	
Current Business	↗	<ul style="list-style-type: none"> AT: Acquire ICE orders in India, south America Entrust business : Seat, Shower Toilet 	<ul style="list-style-type: none"> AT: Achieve high profitability by utilize existing plant & equipment 	

Generate Capital by Balance Sheet Reformation

Business Assets

Business Asset Reduction

Compress over **100BJPY**

120.1BJPY*1 in funds generated

Transfer “entrust” business and depreciate existing business assets

Entrust Partners

- Seat business
- Shower toilet business
- Dissolution of capital relationship with EXEDY
- Equity transfer of Aisin Anqing Automotive Parts Co. Ltd.

Accelerate Reduction of Inefficient assets

- Structural change on surplus assets
 - selling idle infrastructure (e.g., real estate and equipment)
- Asset optimization through consolidation and merge group companies (e.g., management companies and manufacturing subsidiaries)

Cross-Shareholdings

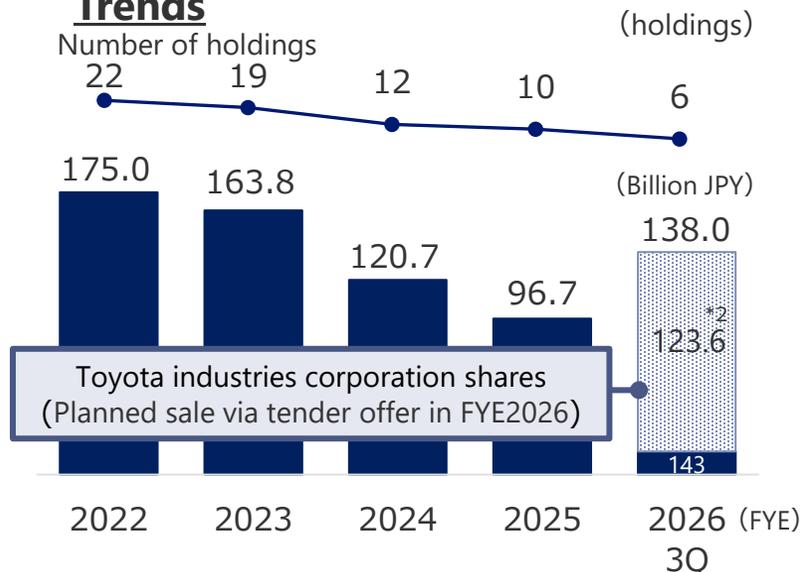
Execution of Sale of Cross-Shareholdings

Sell over **100BJPY**

118.0BJPY*1 in funds generated

Aim to zero

Number of Holdings and Balance Trends



*1 Cumulative total from FYE2024 to FYE2026 3Q *2 Calculated at the TOB price *3 Assuming FYE2022 exchange rate *4 () Assuming actual exchange rate

Global Inventories

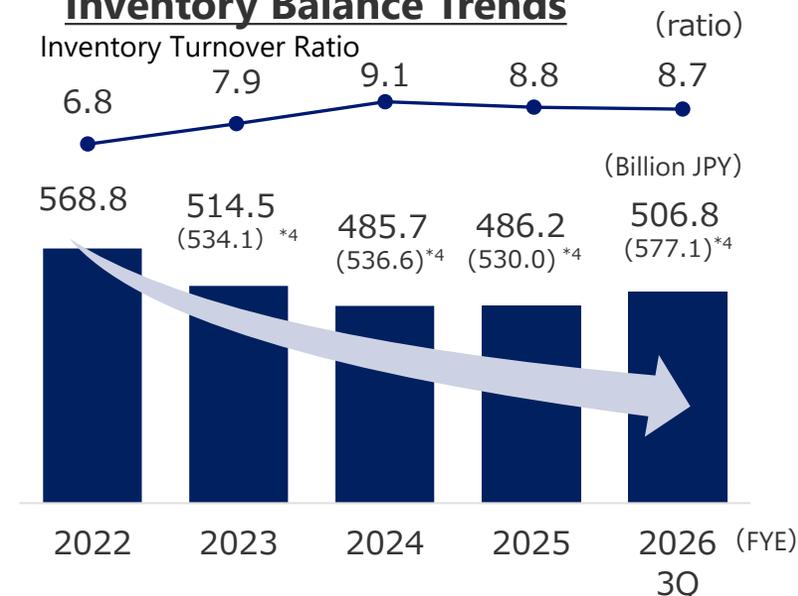
Global Inventory Reduction

Compress over **100BJPY**

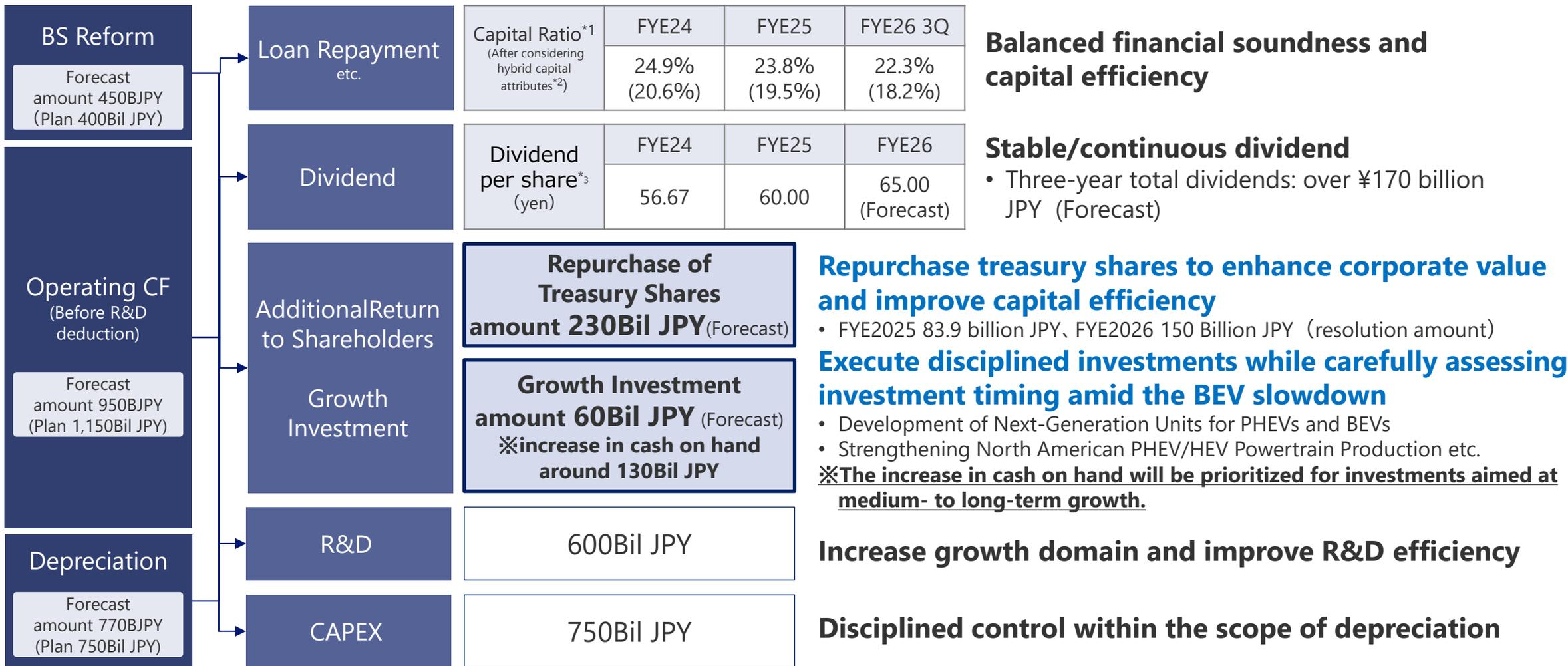
62.0BJPY in funds generated compared to FYE2022 *3

Compress to Pre-COVID19 Level By FYE2026

Inventory Turnover Ratio and Inventory Balance Trends



Capital Allocation



*1 Capitalization Ratio (Cap Ratio) = Interest-bearing Debt/(Interest-bearing Debt + Equity) *2 50% of the Balance of Hybrid Procurement is Considered as Capital on the Rating *3 Figures for fiscal years prior to the stock split are calculated on a three-for-one split-adjusted basis

Achieve expansion of growth areas in the business portfolio and improvement in capital efficiency through a balanced approach to investment and shareholder returns

Major Initiatives for the Advancement of ESG

Environment

FYE2024

- Start of TNFD disclosure
- GHG emissions reduction targets SBTi certified

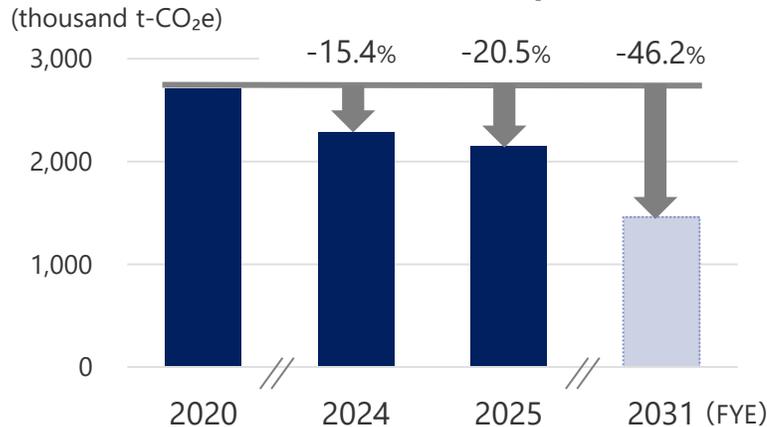
FYE2025

- Concluded a basic agreement with the Chubu Region Hydrogen and Ammonia Social Implementation Promotion Council

FYE2026

- Start of demonstration experiment for perovskite solar cell
- Start of demonstration experiment for 「biofuel Bio-M-Coke®」
- Opening a solar power generation facility in Türkiye and achieving a renewable energy adoption rate of 100% at all production bases in Europe

CO₂ emissions from manufacturing (Scopes 1 & 2)



Social

FYE2024

- Revision of the personnel system for manager to support further performance and growth
- Expansion of the Cross-sector learning (started in 2022)
- Start of developing aspirations program to enhance human abilities for senior management

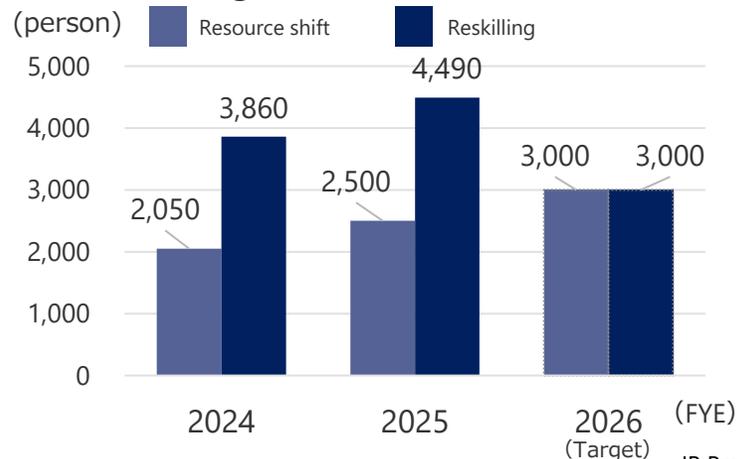
FYE2025

- Global rollout of the Supplier Sustainability Guideline to suppliers across five regions
- Launch of the Global Leaders Session for global management talent development and start of succession plan operation

FYE2026

- Revision of the employee survey methodology for group-wide deployment
- Revision of the personnel system for general employees and re-employment

Shift of human resources to growing domains and reskilling



Governance

FYE2024

- Appointment of an independent outside director as Chair of the Nomination and Compensation Committee

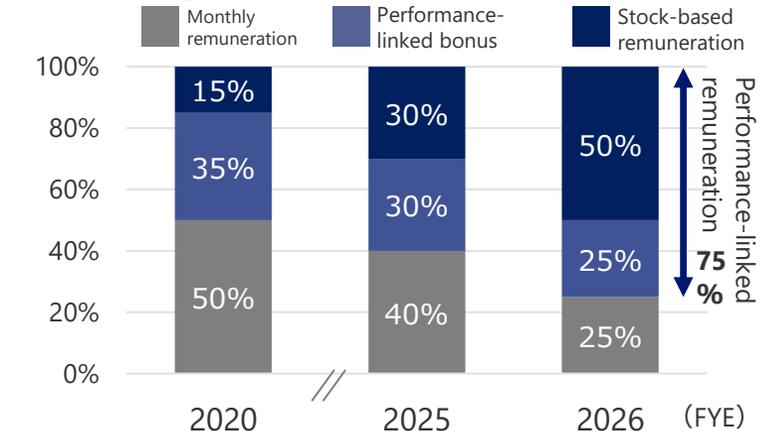
FYE2025

- Established a Governance Roundtable as an offsite meeting of the Board of Directors
- Increase in proportion of performance-linked executive compensation

FYE2026

- Appointment of independent outside directors with skills (management transformation and sustainability) to enhance discussions at the Board of Directors
- Increase in the proportion of performance-linked executive compensation and adoption of sustainability KPIs as performance indicators

Remuneration structure for Directors (excluding Outside Directors)



External Recognition

Selected for the A List
(the highest rating)
in the climate change
segment
for 3 consecutive years



ESG Finance Award Japan
6th presentation for the Environmentally Sustainable
Company category
The Silver Award
(Minister of the Environment Award)
First-time Recipient



52nd Environment Award
Environment
Minister's Award
(Highest Honor)



DX Stocks

Selected for two consecutive years
starting in 2024



The 43rd IT Award
IT Excellence Award First-time Winner
(Management & Business Reform)



Health & Productivity Management
Outstanding Organizations 2025
(Large Enterprise category) White 500
Awarded in 9 consecutive years since 2017



Nadeshiko Brand
Selected for Four Consecutive Years Since FYE2021

Selected for ESG Indices



FTSE4Good

[FTSE4Good](#)



FTSE Blossom
Japan Index

[FTSE Blossom Japan Index](#)



FTSE Blossom
Japan Sector
Relative Index

[FTSE Blossom Japan
Sector Relative Index](#)



S&P/JPX
Carbon Efficient Index



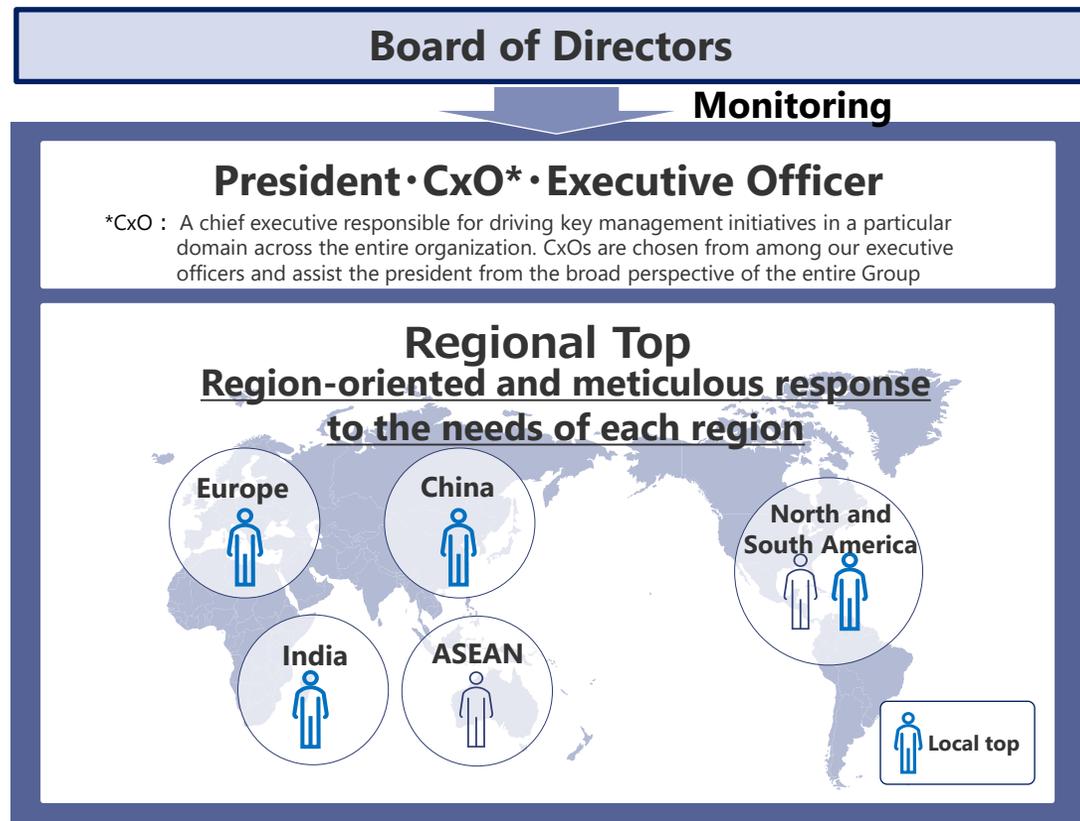
2025
Sompo Sustainability Index

Sompo
Sustainability Index

Strengthening the Management Foundation: Enhancing the Group's management

Global Management Structure

Shifting decision-making on business strategy and important policies to GHQ and operations to regions to maximize business opportunities



Strengthening corporate governance

【Main initiatives of FYE2026 Medium-Term Plan】

- **Review the skill matrix** to enhance discussions at BOD meeting
- Appointed independent outside directors **with strengthen skills** (management reform, Sustainability)
- **Increase stock remuneration ratio** at total remuneration of directors

【Agenda for Further Strengthen by FYE2029】

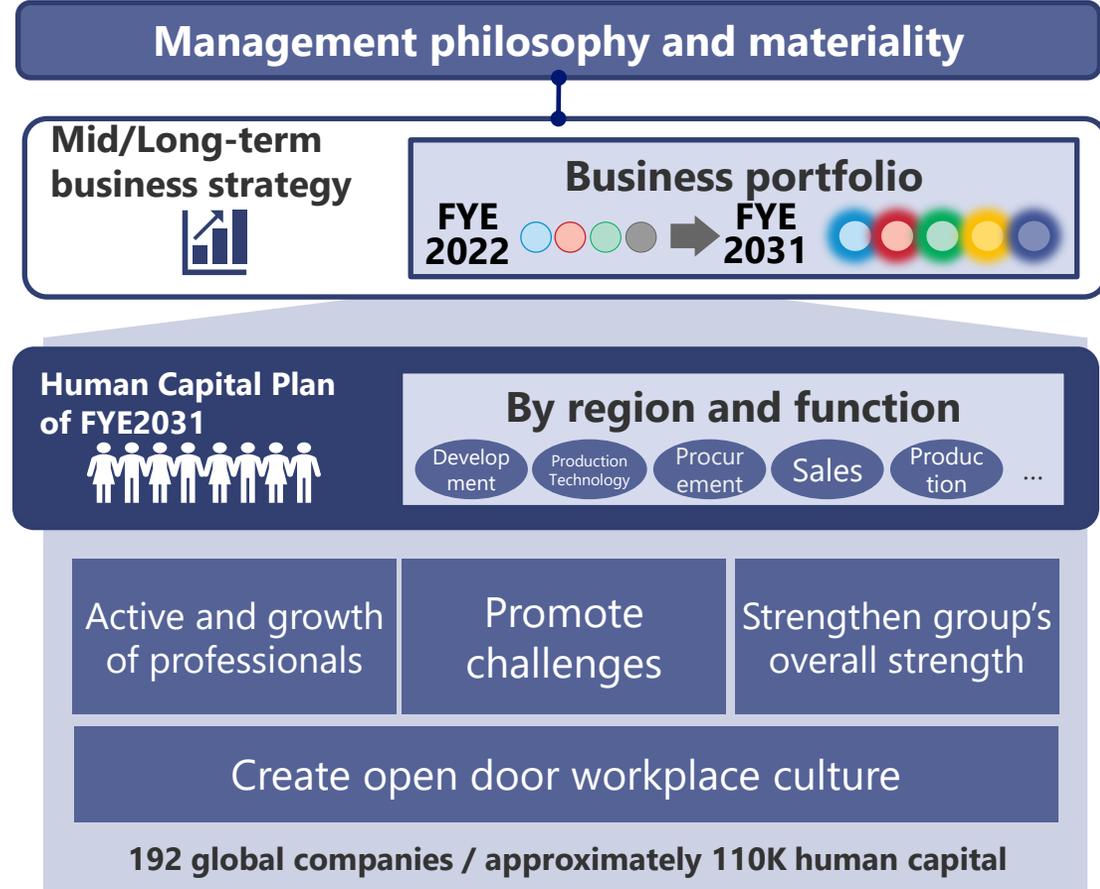
- **Further improvement of effectiveness of the Board of Directors**
 - Enhancement of **discussions on mid/long-term strategies** to **realize management philosophy**
 - **Delegate authority to enforcement** and enable **rapid decision-making**
 - Enhancement of succession plans for next-generation management
 - Review of **Evaluation Indicators (KPIs) for Executive Compensation**
 - Building the **best governance system** for the company

Improving the quality, accuracy, and speed of management decisions and business transformation through the sophistication of group management

Strengthening the Management Foundation: Strengthening Sustainability that Supports Growth

Build Optimal Human Capital Structure to Realize Business Transformation

Human Capital Strategy of AISIN



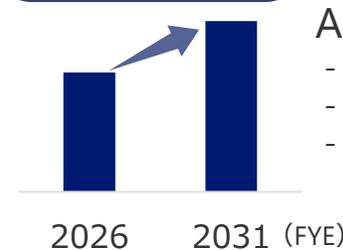
Resource trends toward FYE2031

- **Maintain the 2025 level of staff in response to future workload increase**
 - Improve productivity by digital technology, standardize operation for efficiency
 - Operational efficiency of domestic and overseas group companies, etc.
- **Implement optimal staff** for implementation of regional strategies
 - Strengthen system in India, where growth is expected, etc.

Priority responses toward FYE2031

- Expand the use of AI, generative AI, and DX in various functions such as development, production, and management
- Global human capital development and secure human capital to support regional management
- Recruit software development engineers to increase added value at intelligence domain (Control/Software, Sensing, Semiconductors, AI, etc.)

Control/Software Talent Trends



Aim **40% human capital increase*** by FYE2031

- Strengthen recruitment and human capital development
- Alliances and consider to utilize external talents
- Diversify methods to secure human capital to strengthen system

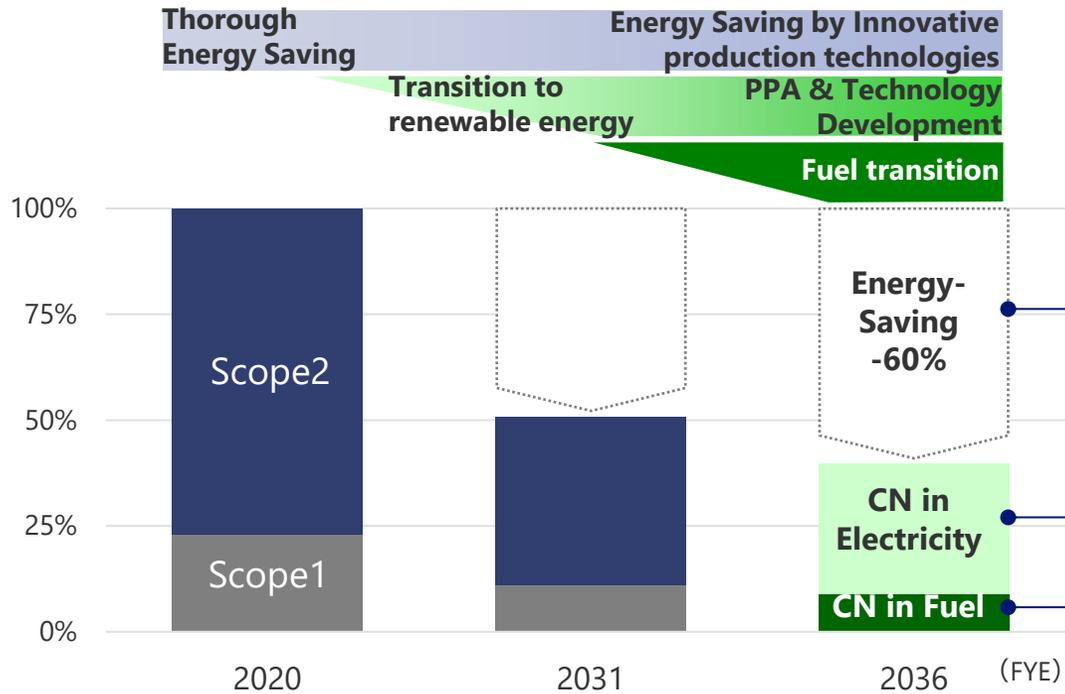
*Aisin Corporation

Key of business reform is human capital. Accelerate human capital investment and construct environment where new value can be generated

Strengthening the Management Foundation: Strengthening Sustainability that Supports Growth

Contributing to Decarbonization through Our Business

【GHG Emissions Reduction (Scope1 & 2)】



【Energy-Saving】

- **Minimizing energy consumption through optimization of power sources, heat sources, and waste reduction**
- Horizontal deployment of energy-saving initiatives through the establishment of CN activities and strengthened group collaboration
- **Development and introduction of innovative production technologies.**
Example : Joint development of a room-temperature rust-preventing cleaning agent with Kao Corporation
[\(External link: News Release at June 3, 2025\)](#)

【CN in Electricity】

- **Switch to renewable energy**
- **Development of clean energy technologies**
Example :Development of perovskite solar cells and commencement of internal and external demonstration experiment

【CN in Fuel】

- **Promotion of electrification in heat-intensive processes**
- **Resource circulation using industrial by-products generated internally and externally**
Example : Start of operations at a production plant for biofuel Bio-M-Coke



【GHG Emissions Reduction (Scope3)】

- Category 1 : Resource circulation, use of recycled materials, and collaboration with suppliers
- Category 11 : Expansion of electrification initiatives and enhancement of product performance

Realizing energy and resource reduction and a positive cycle across the entire supply chain



【Note on future predictions】

Excluding matters related to past and current facts, the business results forecasts and forward-looking estimates, strategies and targets disclosed by the Company are estimates regarding the future. These estimates are formulated from plans, expectations and judgments made based on information that the Company can obtain at the present time, and certain assumptions deemed reasonable. Accordingly, actual results may vary from the disclosed business results forecasts, etc., due to variable factors with uncertainties, including the economic situation.

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