

October 31, 2019
Aisin AW Co., Ltd.
Aisin Seiki Co., Ltd.

Management Integration of Aisin Seiki and Aisin AW

Today, Aisin Seiki Co., Ltd. (AI) and Aisin AW Co., Ltd. (AW) signed a basic agreement for the management integration of AI and AW.

In order for the Aisin Group to survive the once-in-a-century transformation of the automotive industry, which is ushering in the rapidly developing CASE-related fields and the entrance into the market by companies from other industries, it has become necessary to further strengthen our competitiveness, and to this end, in an effort to strengthen collaboration within the Group and improve management efficiency, the Aisin Group pushed forward with the introduction of the virtual company system in April of 2017.

Although there has been some progress over the past two and half years in collaboration and consolidation of management functions across company boundaries, changes in external business conditions are also accelerating and in order to proceed to a new level of structural reform, a decision was made to carry out an integration of AI and AW in the spirit of a merger on equal footing.

To accomplish this merger, AW itself will acquire all AW shares held by Toyota Motor Corporation and following this, carry out the merger between AI and AW. Toyota has indicated its willingness to abide by this intent and has basically agreed to the transfer of the AW shares.

The new company resulting from the AI and AW merger will further accelerate a shift of resources to critical areas, with the objective of creating synergies in both operations and management and strengthen our competitiveness in CASE-related fields.

<Outline>

Management Integration Plan	After AW itself acquires all of the AW shares owned by Toyota, AI and AW will merge. (The corporation after the merger will be AI)
Transfer of shares	April 2020 (current schedule)
New company name	To be decided
Date of merger	April 1, 2021 (current schedule)