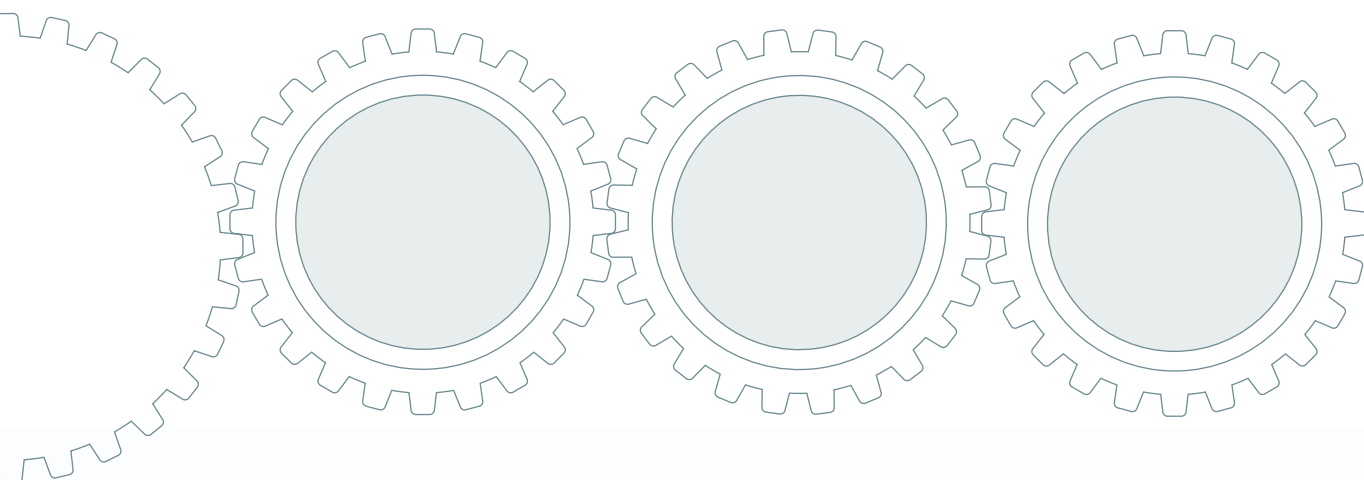


# AISIN REPORT 2009

Annual Report for the Year Ended March 31, 2009



## → Profile

The Aisin Group consists of 163 companies based in 20 countries and has around 73,500 employees. AISIN brings its full capacity to bear on the creation of attractive, high-quality products that are fully in line with the needs of our customers. As well as gaining status as a worldwide supplier, we are striving to contribute as good corporate citizens to the creation of a prosperous society through manufacturing.

## → Corporate Principles

### Based on “Quality First”

#### ① ENHANCED VALUE CREATION

We are committed to contributing to the advancement of society through future-oriented research and development that provides new value for our customers.

#### ② CONTINUOUS GLOBAL GROWTH

We are committed to realizing steady development and growth in the global marketplace by establishing the foundations of our business activities in local values, cultures and customs.

#### ③ HARMONY WITH SOCIETY AND NATURE

We are committed to earning trust as a responsible corporate citizen by valuing harmony with society and nature.

#### ④ INDIVIDUAL CREATIVITY AND INITIATIVE

We are committed to building a work environment that promotes continuous progress by developing the creativity and initiative of individual employees.



### Important points concerning future prospects

Current plans, prospects, strategy and convictions indicated in this report in connection with Aisin Seiki Co., Ltd. and its consolidated subsidiaries (hereinafter AISIN) are forecasts of future results unless they are historical facts. These are based on judgments made by senior management at AISIN obtained from information that can be obtained at the present time and they inevitably include risk and uncertainty. It should be appreciated that a variety of factors may result in a situation where the actual results are different from these forecasts. The following are among the risk and uncertainty factors that may have an influence on actual results: 1) Changes in economic conditions, exchange rates, laws, regulations, policies or political conditions affecting the main business sectors in which AISIN is involved; 2) Environmental changes affecting AISIN's ability and capacity to develop new products in a timely manner and in line with the expectations of customers; 3) Fuel supply shortages, paralysis of traffic functions, strikes, interruption of work, and difficulty of obtaining sufficient manpower in the markets for AISIN products and in regions where parts, materials and equipment are procured; 4) Consequences of fortuitous events. However, factors that may have an influence on results are not exclusively restricted to the above factors. Please refer to pages 75-76 for information on business and other risks.

### Notation of organization name

The name "AISIN" employed in this booklet refers to Aisin Seiki Co., Ltd. and its subsidiaries and affiliates.

### Notation of figures concerning performance

The figures concerning performance listed in this booklet are indicated with fractions discarded.

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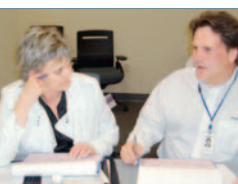
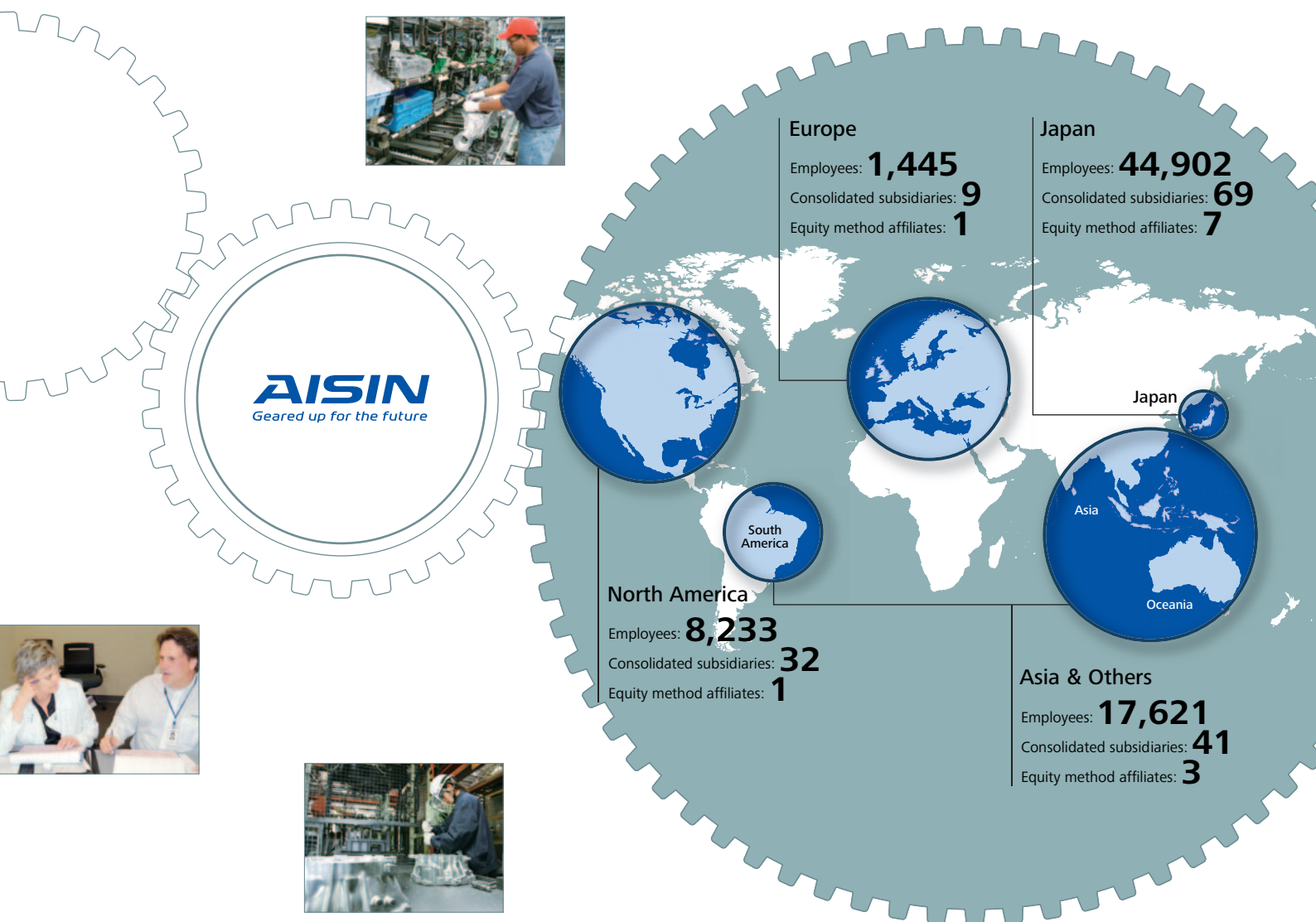
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## Applying the total strength of the Group to achieve a status as a top global brand



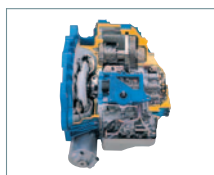
### Business fields and main products of the leading six companies

	Drivetrain Related Products	Brake & Chassis Related Products	Body Related Products	Engine Related Products	Information Related Products	Casting Related Products	Life Related and Other Products
Aisin Seiki	Automatic transmission for commercial car, Automated manual transmission (control system), Clutch, etc.	Brake, Suspension system, Steering system, etc.	Power sliding door, Power seat, Door latch, Sunroof, etc.	Water pump, Oil pump, Variable valve timing, etc.	Intelligent parking assist, Parking assist system, Front and side monitor, etc.	Press goods, Aluminum die casting, etc.	Bed, sewing machine, Gas engine driven heat-pump (GHP) air conditioner, Shower-toilet seat, Electric wheelchair, etc.
Aisin Takaoka	Flywheel	Brake disc rotor	Door beam	Exhaust manifold		Cast iron	Audio product
Aisin Chemical	Friction material for clutch	Brake pad	Spray type damping material	Cooling fan		Resin molding, chemical product	
Aisin AW	Automatic transmission for passenger car, Hybrid system				Navigation system		
Aisin AI	Manual transmission, Automated manual transmission (body)						
ADVICS		Brake system					



### Drivetrain Related Products

This is our main field of business, accounting for more than 40% of our sales. We can boast the widest range of products in the industry for everything from light vehicles to small and medium-sized trucks and buses and on to industrial vehicles. As a manufacturer specializing in the field of automatic transmissions we hold the leading share of the global market.



High torque capacity FWD 6-speed AT



CVT (Continuously Variable Transmission)



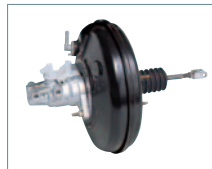
FWD 6-speed MT

### Brake & Chassis Related Products

We use cutting-edge technology to ensure that vehicles can be manufactured in a manner that reduces the chances of accidents and risks occurring, and we are developing high-performance, high-quality system products that combine driving, cornering and stopping.



Hydraulic booster



Brake booster and Master cylinder



ABS

### Body Related Products

We are a front-runner in providing customers with long-lasting cars through efforts based on comfort, convenience, and safety to decrease the weight and improve the designs of products.



Power sliding door system



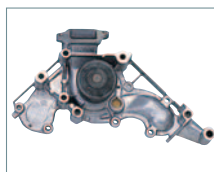
Power retractable sheet



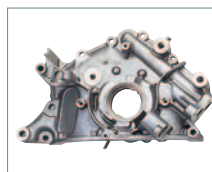
Panoramic roof

### Engine Related Products

We produce a wide range of functional parts and cast-metal parts connected with engines. From the standpoint of engines as a whole we are engaged on technical development capable of contributing to lighter weight, cleaner exhaust gas emissions, and lower fuel consumption.



Water pump



Oil pump



Cylinder head cover

### Information Related Products

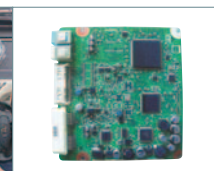
We are developing products that contribute to greater driving safety and comfort including car navigation systems and parking support systems using image processing technology. We can boast one of the highest shares of the global market for car navigation systems.



Car navigation system



Intelligent parking assist and its control board



### Casting Related Products

By actively tackling the development of new technology and new construction methods through use of the strengths possessed by Group companies in the production of formed and fabricated materials, we aim to enhance the competitiveness of individual products and added value through the Group as a whole.



Transmission case



Spray damping coat



Lightweight bumper reinforcement (Die quench process)

### Life Related and Other Products

We handle services and products including gas heat pump (GHP) air conditioners, gas engine cogeneration systems, beds, fabric and furniture, shower toilets, sewing machines, home improvement services, and nursing and welfare devices. We are engaged in the development of valuable products that satisfy the need for items that contribute to energy-saving, healthy and comfortable living in response to environmental issues and the aging of the population.



Bed



GHP air conditioner



Electric wheelchair



## To Our Shareholders and Stakeholders

### Toward corporate activities that harmonize economic, environmental and social aspects

We would like to thank all stakeholders in the Aisin Group for your generous patronage.

Rooted in our belief in "Quality First," we take as our corporate principles "Enhanced value creation," "Continuous global growth," "Harmony with society and nature" and "Individual creativity and initiative." Our basic approach to business involves fulfilling our social responsibilities by contributing to the creation of a sustainable society.

In addition to future uncertainty in the automotive market against the backdrop of a decelerating global economy, the business environment has become more severe as environmental regulations tighten worldwide, demand for low costs increases and development competition increases. However, even in such circumstances we remain committed to sustainable growth of the corporation and global society as we carry out management that harmonizes the economic, environmental and social aspects of our business activities.

In terms of the economy, the business environment in fiscal 2009, ended March 31, 2009, reversed its trend from expansion to very severe conditions as demand for automobiles cooled rapidly on almost all markets worldwide. Consequently, net sales totaled ¥2,214.4 billion, and the Company experienced its first fall in income in 10 years. Concerning profits in this environment, we unfortunately posted an operating loss of ¥3.4 billion, despite having comprehensively reviewed our expenses, downsized our capital investment plans and otherwise devoted our utmost efforts toward urgent steps to secure near-term profits. To overcome this period of adversity and pioneer the next generation will require a transformation into a streamlined, sturdy corporate structure. We will direct the concerted efforts of the entire Group toward decisive structural reforms on which our survival depends, as well as development of new products from the customer's perspective, forays into new markets and securing of competitive advantages backed by solid manufacturing capabilities.

From an environmental perspective, we are enhancing fuel efficiency through weight reduction, developing technologies to reduce the amount of substances of environmental concern in our products. Even during production of these products, we are lowering power consumption through upgrades to energy-conscious facilities and miniaturized equipment, and taking other measures to curtail energy usage.

On the level of social responsibility, we are introducing greater rigor into our approach to compliance as well as strengthening corporate governance and ensuring that information is disclosed promptly and appropriately. As good corporate citizens we are also actively working on activities that make positive contributions to society through the establishment of links with local communities.

As individuals and as a corporation trusted by society, AISIN will continue to grow and develop its businesses in harmony with society, always taking care to remain in step with society across all its business activities.

We look forward to the continuing support and patronage of our shareholders, customers, suppliers, members of the local community and all our other stakeholders as we strive to realize this goal.

July 2009



Kanshiro Toyoda, Chairman



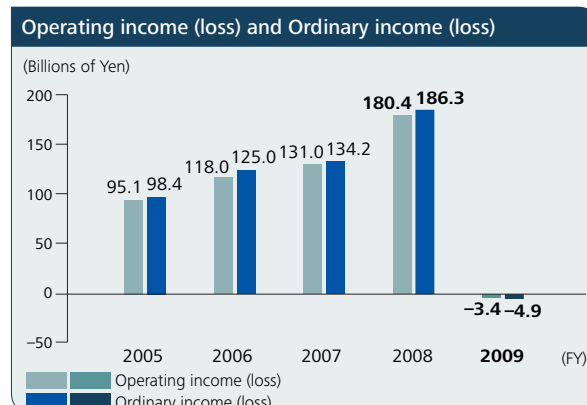
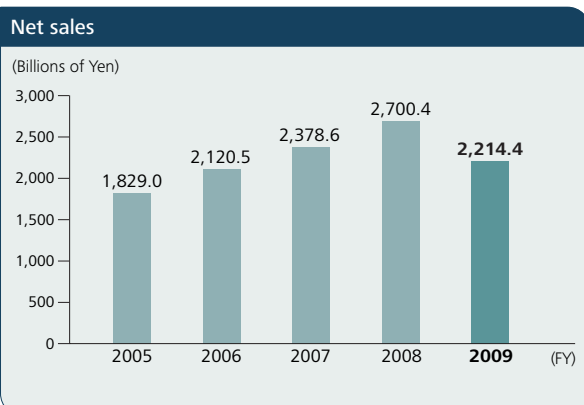
Fumio Fujimori, President

## Financial Highlights

AISIN SEIKI CO., LTD. and its Subsidiaries  
Years ended March 31, 2009 and 2008

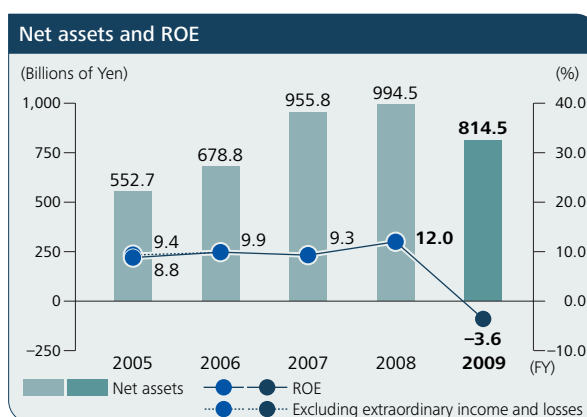
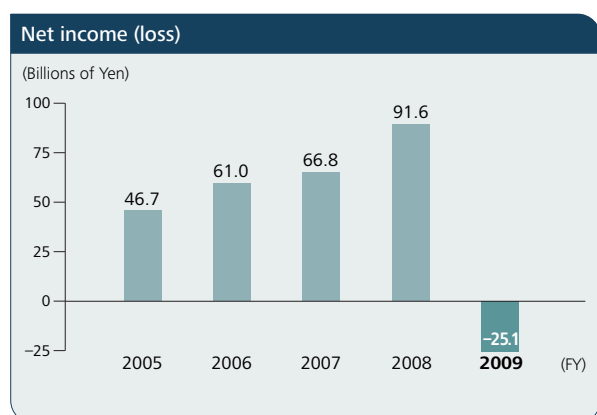
(Fiscal years in this report begin on April 1 of the previous year and end on March 31 of the year indicated.)

	Millions of Yen		% Change
	2009	2008	2009/2008
<b>Year-Round Information</b>			
Net Sales	¥ 2,214,492	¥ 2,700,405	-18.0 %
Domestic Sales	1,337,159	1,661,827	-19.5
Overseas Sales	877,333	1,038,578	-15.5
Operating Income (loss)	-3,489	180,484	—
Ordinary Income (loss)	-4,965	186,309	—
Net Income (loss)	-25,149	91,654	—
Capital Expenditures (Cash Flows)	231,175	204,845	12.9
Depreciation	182,057	167,482	8.7
R&D Expenses	115,994	115,330	0.6

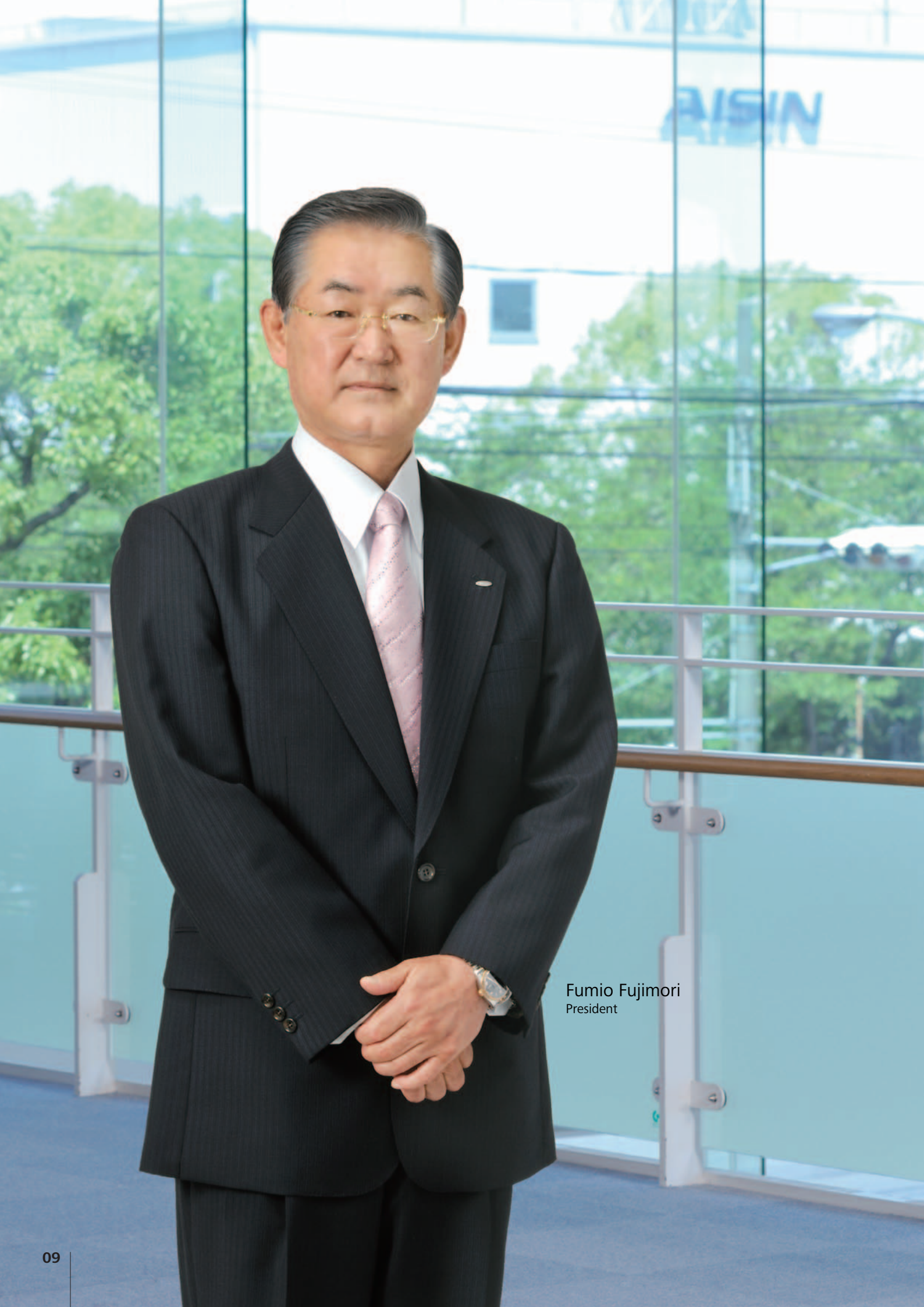


	Millions of Yen		% Change
	2009	2008	2009/2008
<b>Information at Year-End</b>			
Total Assets	<b>¥ 1,731,689</b>	¥ 2,097,727	-17.4 %
Shareholders' Equity	<b>814,506</b>	994,592	-18.1
Capital Stock	<b>45,049</b>	45,049	0.0
<b>Management Index</b>			
Return on Equity (ROE)	<b>-3.6 %</b>	12.0 %	—
	Yen		% Change
	2009	2008	2009/2008
<b>Per Share of Common Stock</b>			
Net Income — Basic	<b>¥ -89.36</b>	¥ 322.50	— %
Net Income — Diluted	—	322.15	—
Shareholders' equity	<b>2,202.86</b>	2,725.67	-19.2
Cash Dividends	<b>40.00</b>	60.00	-50.0

Note: Calculation per share is based on the average number of shares each fiscal year in the case of net term profit and the number of shares are the end of each year in the case of share capital.







Fumio Fujimori  
President



## Message from Top Management

### Fiscal 2009 Business Results and Directions for the Future

#### Q. How were your results in fiscal 2009?

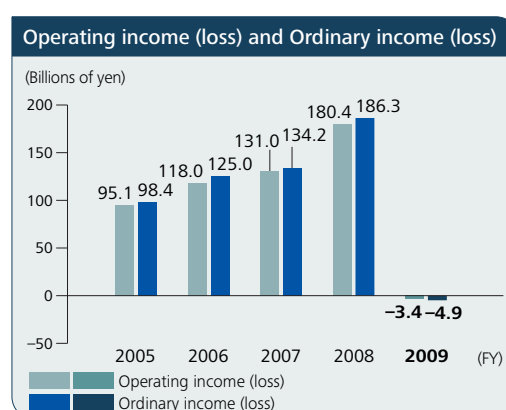
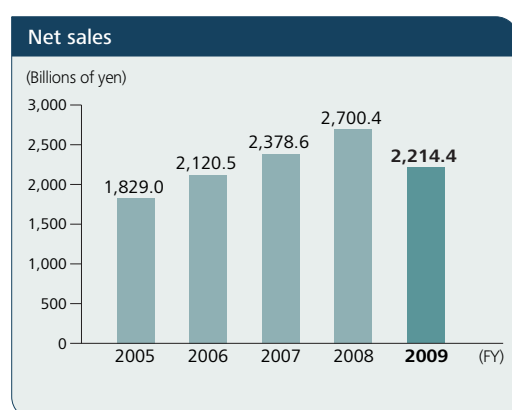
#### A. Due to substantial decreases in production at our leading clients, AISIN turned a net loss for the first time since we started consolidated financial reporting.

Looking back at the automobile market in fiscal 2009, ended March 31, 2009, especially since the “Lehman shock” in October 2008, the number of vehicles sold fell dramatically in the major markets of North America, Japan and Europe due to the impact of the global recession. Even in China and India, where growth had been anticipated, demand has slowed sharply, switching from expansion to a very severe situation. Moreover, harsh conditions persisted in the domestic Life related market due to recession-related factors, such as slow housing starts.

Under these circumstances, AISIN’s sales declined in all product categories within automotive parts, because of lower production by our clients. Among the categories, sales of automatic transmissions, manual transmissions and other drivetrain-related products, which had enjoyed rapid growth until last year, fell significantly as fewer vehicles equipped with such parts were sold and clients in North America reduced production volumes. Consequently, sales in the automotive parts businesses totaled ¥2,111.8 billion, down ¥476.7 billion from ¥2,588.5 billion in fiscal 2008. In the life related and other products business, sales contracted ¥9.2 billion, from ¥111.8 billion to ¥102.6 billion, despite our efforts to expand the sales of gas heat pump air conditioners (GHPs) and shower toilets.

As a result, consolidated net sales slid ¥486 billion, from ¥2,700.4 billion in previous fiscal year to ¥2,214.4 billion.

Although we strove to improve costs through the whole range of business activities amid stagnant sales conditions, the Group posted an operating loss of ¥3.4 billion—down ¥183.8 billion from the previous year’s operating profit of ¥180.4 billion—due to a substantial decrease in sales; changes in the product sales structure, such as lower sales of high-profit-margin products for large vehicles; yen appreciation against the U.S. dollar and the euro; and higher depreciation because of aggressive capital investment undertaken in the past several years. The ordinary loss amounted to ¥4.9 billion, falling ¥191.2 billion from the preceding year’s ordinary income of ¥186.3 billion. Furthermore, impairment of surplus production facility assets led to an extraordinary loss of ¥10.0 billion, resulting in a net loss of ¥25.1 billion—a decline of ¥116.7 billion from the previous year’s net income of ¥91.6 billion. The foregoing results represent the first negative



figures for operating income, ordinary income and net income since AISIN started consolidated financial reporting in 1985.

We forecast a continued adverse business environment and an unavoidable drop in revenues in fiscal 2010, although we will do our utmost to enhance profitability. However, to ride the next wave of growth we will focus on R&D in areas expected to grow in importance, such as hybrid systems and other environmental technologies, along with low-cost, lightweight technologies.

## Q. How will you build an optimal production system, given declining manufacturing volumes?

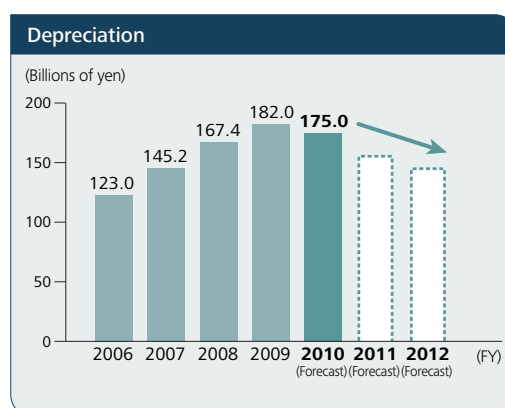
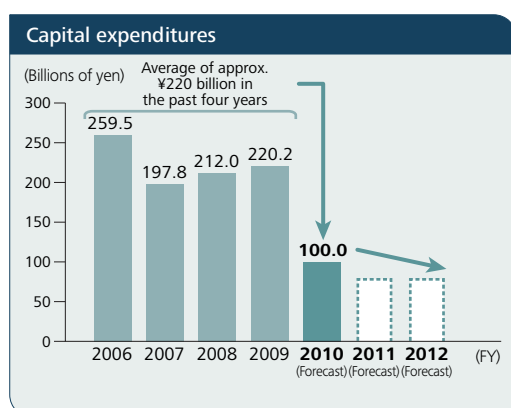
**A. We will adjust our personnel structure to fit production volumes, and work to reduce capital expenditures by reviewing them from all aspects.**



Until now, we have aggressively striven to expand production and supply structures in all regions of the world, from Japan to North America, Europe, China and the rest of Asia, based on the premise of ever-increasing growth. However, sales have already shrunk to approximately 70% of their fiscal 2008 level, which was the highest in the Company's history. Presently, to create a structure suited to the diminished production conditions, we are adjusting the personnel structure to fit production volume, utilizing existing facilities to the furthest extent possible, developing and introducing simple and slim equipment, introducing "raise, combine, stop operations" at production bases and group companies, carefully evaluating capital investment plans and working to reduce capital expenditures from all aspects.

Consequently, we predict that capital expenditures in fiscal 2010 will slow to ¥100 billion—less than half our previous high. Moreover, we intend to accelerate such activities in fiscal 2011 and beyond, to further streamline capital expenditures. With falling capital expenditures, depreciation peaked in the fiscal year under review, and will start declining in the coming fiscal year.

\* Raise, combine, stop operations: Manufacturing and development departments work together to "raise" production capabilities of lines and facilities "combine" lines and "stop" using excess production lines and equipment. for improving production efficiency.



**Q. What is the policy as regards distribution of profits?  
How about dividends?**

**A. We have cut dividends to augment internal reserves and ensure financial security.**



We intend to determine cash dividends by comprehensively considering business results and dividend payout ratio.

For fiscal 2009, faced with sharply diminished business performance, we paid year-end cash dividends of ¥10 per share, from the perspective of augmenting internal reserves and ensuring financial security. Combined with the interim dividend of ¥30 per share, the annual dividend reached ¥40 per share.



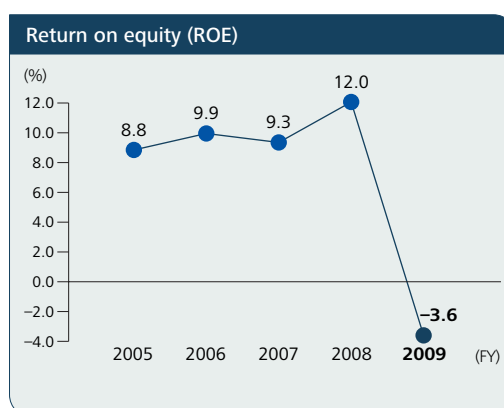
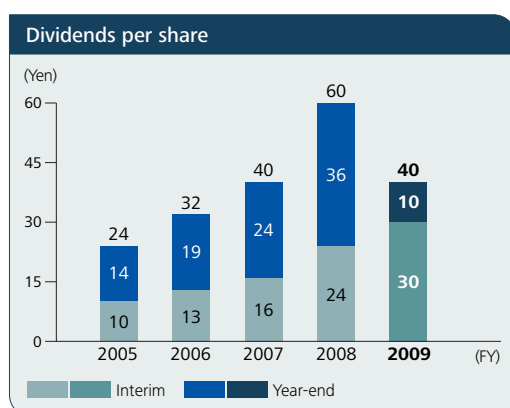
**Q. What are the Company's main strengths in terms of products and technology? What direction does the Company intend to move in the future?**

**A. We will take advantage of our wide array of products and technologies to meet clients' needs by developing system products that integrate these products and technologies to highlight the ideals of concern for the environment, safety, and compactness through the concerted efforts of each Group company.**



Customers' product and technology demands have grown increasingly diverse in recent years. As well as promoting advances in information technology and electronics, improving safety and adapting to the market features of each region of the world, we are being required to accelerate development. We also think the wide range of products and technologies possessed by AISIN is an advantage for us as we do all we can to respond to these demands.

One effective way of developing system products with high added value is to combine the broad array of products and technologies possessed by individual companies within the Group. At present, as well as fully exploring the possibilities of individual products and technologies, we





are putting efforts into enhancing our capacity as a systems integrator by combining products and technologies on a high level and by developing creative system products that pursue the ideals of safety, concern for the environment, and compactness. Our major future challenge is the development of system products through the united efforts of each Group company. (See *Focus 2*, pg. 17-18, for further details)

## Q. What is the business vision for the future? What are the management objectives?

### A. In the current harsh environment, we will promote drastic structural reforms toward realizing AISIN Group VISION 2015 and achieving our numerical targets.



The conditions surrounding companies are changing extensively, as reflected in expansion in the newly emergent nations and in markets in resources-producing countries such as China, India, Brazil and Russia, the increasing maturity of the domestic market, and the mounting seriousness of global environmental problems. To continue growing amid these conditions, we need to respond not only to the immediate items that confront us but also to future topics in light of changes.

It was in this context that AISIN formulated the medium-term plan AISIN Group VISION 2015 in April 2008. The vision raises the objectives of: "Create With," "Harmonize With" and "Be With." "Create With" is all about working together to create new values. This involves creating system products unique to AISIN that bring together the technology possessed by each company in the Aisin Group that has been carefully nurtured over the years in a variety of business operations. "Harmonize With" requires us to generate a favorable response all over the world in our global activities. "Be With" is concerned with people, society and nature all getting on together harmoniously. The idea is to enhance the sustainability of regional society without harming people, communities or nature through open and fair methods of business. Furthermore, with sights set on the year 2015, our management targets are an overseas sales ratio of 50% and a rate of return on invested capital (ROIC) of 15%. Although we will have to revise these figures in response to dramatic changes in the external environment due to the global recession, we will maintain our three ideals of "Create With," "Harmonize With" and "Be With," and our policy of Group unity as we move forward.



#### Framework of the AISIN Group Vision 2015

A company for CREATE WITH, HARMONIZE WITH  
and BE WITH for tomorrow

Shape of  
our goals

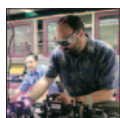
CREATE WITH to co-create new value  
HARMONIZE WITH the international community  
BE WITH people, communities and nature

+ Cooperation  
with Group  
companies



**Q. What is your forecast for business results and dividends for fiscal 2010?**

**A. Under the current adverse climate we predict a second consecutive year of negative figures. We are leaving dividends undetermined.**



Since the worsening financial crisis in the United States started spilling out into the real economy in the second half of fiscal 2009, automotive manufacturers have transitioned to a vastly curtailed production structure. To respond flexibly to fluctuations in production volume under these circumstances, we are working to create the optimal reduced-production structure by effectively utilizing existing facilities, sharing production capacity among bases and Group companies, and developing and introducing simple and slim production lines and equipment.

Although we anticipate a continued whirlwind of changes in the global situation, our performance forecasts for the next fiscal year are: net sales of ¥1,800 billion, an operating loss of ¥65 billion, an ordinary loss of ¥70 billion and a net loss of ¥50 billion, assuming exchange rates of ¥95 to the U.S. dollar and ¥125 to the euro.

Considering the highly severe business conditions and uncertainty AISIN faces in the upcoming fiscal year, we are leaving dividends undetermined.

I would like to ask all AISIN's stakeholders to continue providing their understanding and support.

Note: Forecasts are as of April 28, 2009, the date we announced our financial results for fiscal 2009.  
Please refer to pages 75 and 76 for information on operating and other risks.



July 2009

Fumio Fujimori, President



# AISIN pushes forward with structural reforms, aiming for a swift return to profitability

Ensuring “the capacity for flexible response attuned to changes” and “overwhelming competitiveness fortified against changes” is all-important in pulling through these volatile times and advancing along a path of sustained growth. Accordingly, AISIN is striving to convert to a streamlined business structure that produces profits as early as possible and guarantees survival in the face of production cuts and to establish creative new technologies and production methods that secure future growth potential.

#### Capacity for flexible response attuned to changes

- Convert to a streamlined business structure that facilitates survival in the face of production cuts to 70% of peak levels.

#### Overwhelming competitiveness fortified against changes

- Establish world-leading creative new technologies and production methods



## Conversion to a streamlined business structure by reducing fixed costs

For many years, AISIN has conducted its business based on prioritizing production increases in response to sudden demand growth. This approach places a perpetually heavy burden on all the Company's workplaces. In these circumstances, with priority on ensuring production volumes, we have had no choice but to tolerate large increases in fixed costs. Amid the current trend toward production cuts, we have scrutinized this situation carefully, concluding that we need to speed the rationalization of fixed costs to build a structure capable of maintaining profitability even at 70% of our production volume to date. Based on this rationale, AISIN is striving to set appropriate fixed cost levels in a bid to restore profitability at the earliest possible opportunity.

As part of the emergency measures implemented from fiscal 2009, we have cut capital expenditure with the objective of making the best possible use of our existing facilities and promoted operational reform to thoroughly revise the ways in which we work. We also improved operating efficiencies by curtailing human resource expenses and launching a sweeping effort to reduce general expenses through a campaign to remove all manner of waste—one yen, one second, one step, one drop or one gram at a time.

In the future, we will carry out various initiatives attuned to the conditions of each region and workplace, such as reducing overtime by raising business efficiency, revising the employees' benefit package, and restricting recruitment. Through the application of such policies, we aim to reduce fixed costs, excluding

depreciation, by around ¥80 billion over the next two years.

Furthermore, we are progressing with revisions to our production system. To date, the prerequisite for sustained growth has been aggressive capital investment. However, in the future we will build a production system that is responsive to fluctuations in production volume, in addition to restraining capital investment and reducing depreciation.

AISIN is taking advantage of various opportunities to carry out fundamental revisions to business processes, mechanisms and systems that feature in its diverse operational fields. By upgrading business efficiency, we are constructing a system whereby the current workload can be undertaken using 70% of the manpower, deploying the remaining 30% in key areas for future growth or diverting them to business that generates new added value.

## Promotion of streamlining by leveraging the Group's economies of scale

AISIN is evolving centered on the fields of research, development and manufacturing, based on the Group's fundamental management stance of teamwork and team spirit across the Group. In the future, we aim to expand our fields of cooperation. We will also multiply and fortify cooperative intercompany activities, as we pursue streamlining by leveraging the Group's economies of scale, such as through human resource development and collaborative logistics for remote offices.

For example, in our logistics activities we inaugurated the All AISIN Logistics Committee in November 2008 and instigated a system for information sharing between 11 major Group





companies. Exhaustive studies into channels and quantities for transportation between remote locations—from the Mikawa district of Aichi Prefecture to Hokkaido and Kyushu—and into packaging provided data on which we based the simulation of an efficient, cooperative logistics system.

Actual cooperative logistics operations will commence from fiscal 2010 based on the results of these investigations.

### Pursuit of creative new products and production technologies

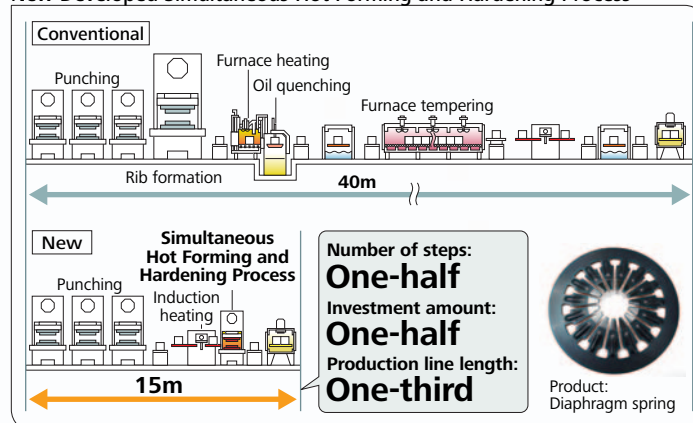
From a short-term perspective, we have been required to emphasize response to market changes, but it is also vital that we maintain a medium- to long-term standpoint. Over the past few years, automotive customers' needs have altered. We will be unable to capitalize on the next growth wave if we fail to respond to needs of escalating importance in the future, such as calls for the development of revolutionary environmental technologies and further vehicle cost and weight reductions. In order to respond to these needs, AISIN is pressing forward with its drive to establish new products and production technologies. We are promoting fresh product design from a customer perspective to create and provide new added value to our existing products. Over and above existing customer needs, we are aggressively penetrating areas where we have previously been unable respond to demands. AISIN will thus place greater emphasis than before on development of technologies and products in areas of high customer consciousness, such as the environment, safety and compactness, and speed up the pace

of its development. (See *Focus 2* on pages 17 and 18.)

In addition, to significantly curtail expenses, we are making efforts to raise productivity and step up cost-reduction activities. As part of these measures, we developed the new Simultaneous Hot Forming and Hardening Process for manufacturing clutch parts during fiscal 2009. This innovative new method facilitates simultaneous formation and quenching and cuts out the tempering and washing processes, reducing the number of production steps and the investment stake by half and the length of production lines to one-third their previous lengths.

AISIN will remain vigilant in sowing the seeds to yield potential for growth for the future by continuing to promote the development of new products and production technologies.

#### New Developed Simultaneous Hot Forming and Hardening Process

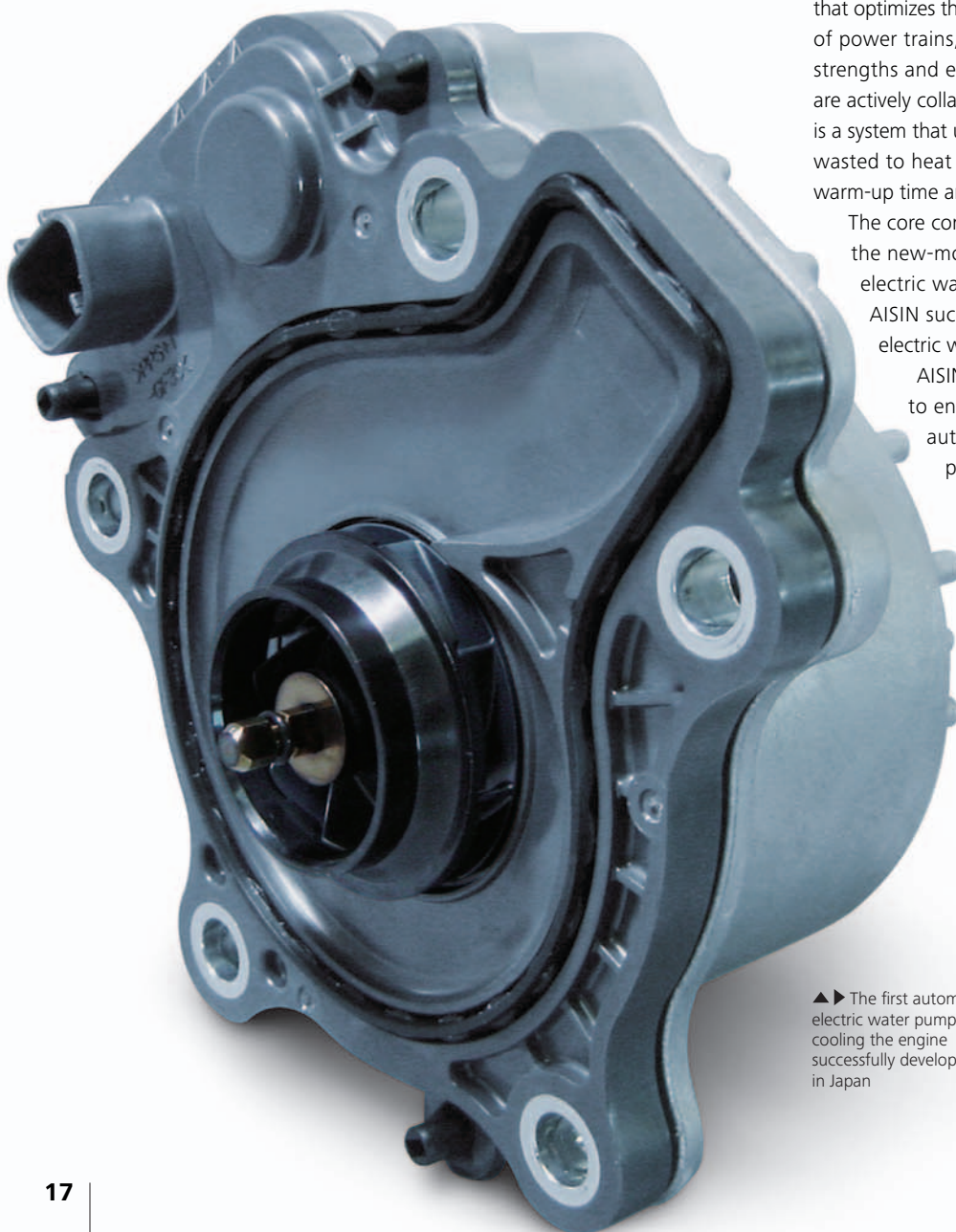






## We are developing new products that pursue the ideals of concern for the environment, safety and compactness to swiftly meet diverse customer needs

To provide new value and functions more quickly than our competitors and to respond to diverse customer needs, AISIN is fortifying its product development, targeting three specific themes: concern for the environment, safety and compactness.



### Concern for the environment: focusing on hybrid technologies and new energies

As the world's automakers vie in fierce competition over development, hybrid vehicles have become a particular focus of attention. To capitalize on the excellent opportunities these circumstances generate, AISIN is enhancing its lineup of products for hybrid vehicles. These include hybrid transmissions, regenerative brake system\*<sup>1</sup>, electric pumps and dampers for hybrid vehicles\*<sup>2</sup>.

#### Major Hybrid Vehicle Related Products and Systems

##### Hybrid Transmissions

- Dedicated hybrid transmissions with built-in motors (Jointly developed with Toyota Motor Corporation)

##### \*1 Regenerative Brake System

- In these hydraulic brakes, energy generated as the motor spins is converted to electrical energy and stored. This energy is coordinated with the application of the regenerative brakes to maximize braking power.

##### \*2 Damper for Hybrid Vehicles

- The damper works between the motor and engine to mitigate shock during deceleration.

##### Heat Management Systems (Under Development)

- System to optimize the use of heat throughout an entire vehicle and improve fuel efficiency

In addition, we are developing a Heat Management System that optimizes the heat usage throughout the vehicle. In the field of power trains, where AISIN can leverage its accumulated strengths and expertise, the various companies of the Group are actively collaborating in development projects. One example is a system that uses engine exhaust heat that had hitherto been wasted to heat the engine and transmission, which shortens warm-up time and raises fuel efficiency.

The core components of the Heat Management System for the new-model Toyota Prius, launched in May 2009, are electric water pumps to cool the inverter and engine.

AISIN successfully developed Japan's first automotive electric water pump for engine cooling.

AISIN is also involved with products that contribute to environmental conservation outside the field of automotive parts. Notably, we are aggressively pursuing the development of parts that utilize renewable energy. The development of dye-sensitized solar cells, inspired by photosynthesis in plants, is one such example. These batteries use a pigment that creates electricity by absorbing light and an electrolyte that



▲▶ The first automotive electric water pump for cooling the engine successfully developed in Japan

conducts electricity. They feature lower environmental load during production than conventional solar cells that use silicon. Furthermore, the freedom that dye-sensitized solar cells afford in terms of color and form at low cost raises their potential for a broad range of applications, such as electrical power generating wall panels. Currently, we are progressing with demonstration tests en route to commercialization.

Fuel cell cogeneration systems for home use, realizing energy consumption and CO<sub>2</sub> emission reductions, are another ongoing development theme for AISIN. Currently, these units are undergoing trial use in general households to verify their reliability and durability. In addition to ongoing work on polymer electrode fuel cells (PEFCs), in March 2009 we commenced joint development of solid oxide fuel cells (SOFCs) with Osaka Gas Co., Ltd., Kyocera Corporation and Toyota Motor Corporation. As a result of their high proportion of power generation efficiency to total efficiency, SOFCs are expected to find applications in homes with relatively low thermal demands where their environmental and economic benefits can still be utilized.



Dye-sensitized solar cells



Fuel cell cogeneration systems for home use

## Safety: Reinforcing pre-crash safety zones

AISIN is developing products and systems that contribute to ensuring safety in various driving scenarios, at startup, while running, and when parking.

Specifically, we are bolstering our development of pre-crash safety systems. We have already developed and begun supplying a Driver Monitoring System, which detects and warns drivers if they take their eyes off the road or close their eyes, and Pre-crash Intelligent Head Restraint, which alleviates whiplash injuries in the event of collision from behind by adjusting the headrest position immediately prior to impact. During fiscal 2009, we supplemented these products through the development of a Pre-crash Seat Back System, which returns the reclined seat backs of the rear seats automatically to an optimal position immediately before crash impact. This system was adopted in the Toyota *Crown Majesta*, which was launched in March 2009.

In addition, we are striving to expand applications of our surroundings monitoring systems, a product of AISIN's advanced image processing technology. We are radically improving functions to enhance safety and convenience, such as through blind spot monitoring and pedestrian detection, and promoting the development of systems that contribute to accident prevention and mitigation of injuries if they do occur.

## Major safety products and systems

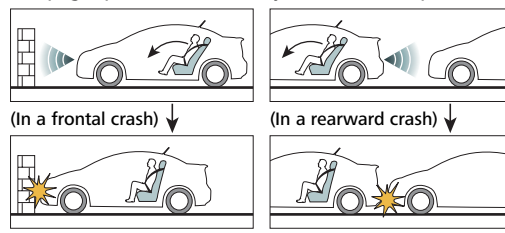
### At Startup

- Front Monitor and Side Monitor, which can detect obstructions in the vicinity of the vehicle

### While Running

- Electronic Stability Control (ESC) to maintain vehicle stability automatically in the event of skidding
- Navigation System Coordinated Braking Control Function, which provides a voice warning to the driver in the event that the vehicle is not slowing down on approaching a stop line.
- Pre-crash Safety System to minimize damage when collision with another vehicle or a pedestrian is predicted

**To minimize injury, the seat is returned from a reclining to an upright position immediately before crash impact.**



### When parking

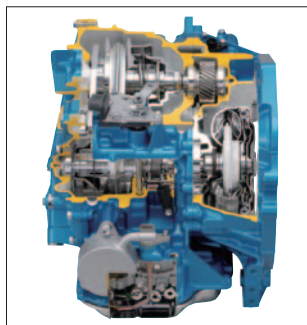
- Back Guide Monitor and Intelligent Parking Assist to help check for obstacles behind the vehicle

## Compactness: Developing sophisticated, compact products

The reduction of vehicle body size and weight is integrally linked to lowering environmental impact by improving fuel efficiency and cutting the materials used in production. Consequently, it is a target issue for all automotive enterprises. AISIN is developing various parts that serve to minimize vehicle size and weight for compact cars.

Our newly developed New Structure Small Torque Capacity CVT is more compact by placing the differential gears in the front, in contrast to conventional configurations, maintaining a spacious car interior even for vehicles of less than three meters in length. In addition, installation of ESC, which contributes to traffic accident prevention by preventing skidding in the event of accidents, will become mandatory for general-purpose vehicles in the United States from 2012. The trend toward equipment standardization is growing in other regions also, and the Compact and Lightweight ESC developed by AISIN realizes the world's smallest and lightest system of this type. Moreover, our New Generation Seat Slide reduces seat weight while maintaining the strength levels of its predecessor.

These new products are all mounted on the Toyota *iQ* compact car, which was launched during 2008, contributing to its small, lightweight design.



New Structure Small Torque Capacity CVT



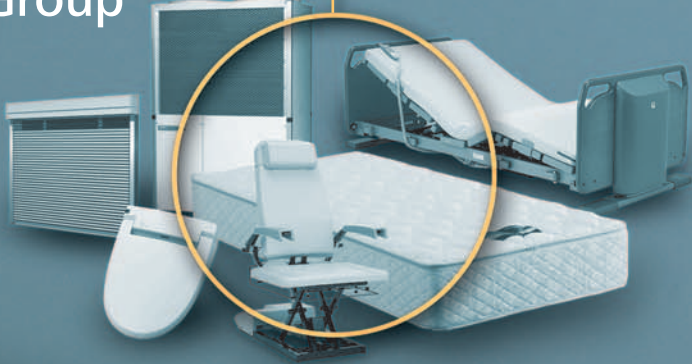


# Creating new markets through high-level integration of products and technologies within the Group

AISIN has accumulated a wide range of product categories covering virtually all automobile components and extensive technical skills that enable us to develop and manufacture such products. Our strength lies in being able to create new markets through the sophisticated integration of a wide range of products.

## Sales of Life Related and Other Products

¥ **102.6** billion  
(down 8.2% from the previous year)

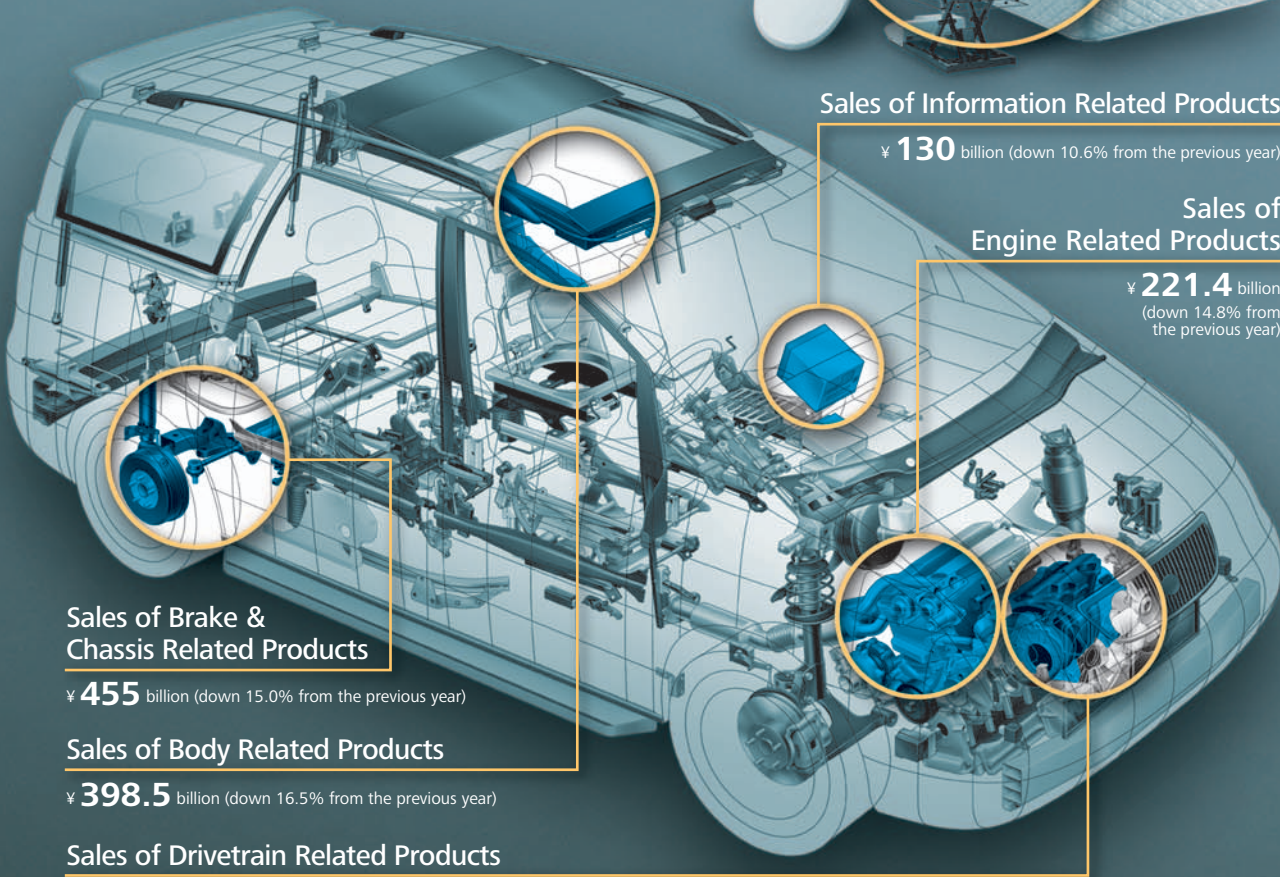


## Sales of Information Related Products

¥ **130** billion (down 10.6% from the previous year)

## Sales of Engine Related Products

¥ **221.4** billion  
(down 14.8% from the previous year)



## Sales of Brake & Chassis Related Products

¥ **455** billion (down 15.0% from the previous year)

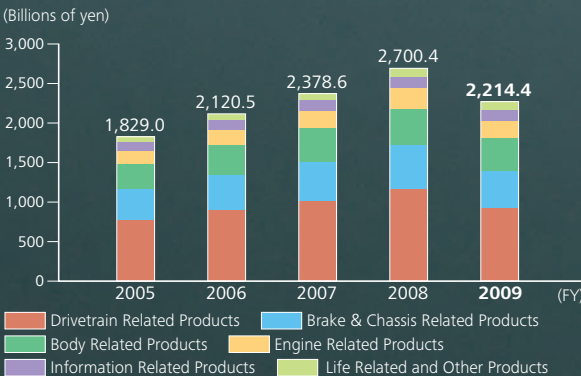
## Sales of Body Related Products

¥ **398.5** billion (down 16.5% from the previous year)

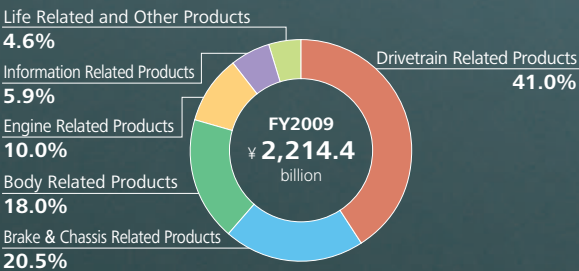
## Sales of Drivetrain Related Products

¥ **906.8** billion (down 22.5% from the previous year)

Net sales by product category



Net sales breakdown by product category



## Consolidated sales rankings of the world's leading manufacturers of automotive parts

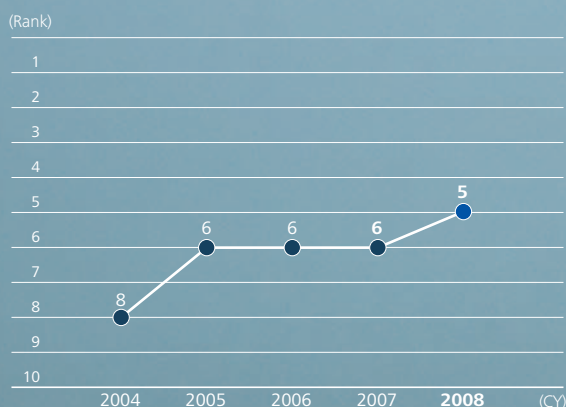
# AISIN ranked in fifth position among manufacturers of automotive parts worldwide

### Top 10 companies in 2008

Ranking	Company	Sales (Automotive Parts) (Millions of dollars)	Previous Year's Ranking
1st	Robert Bosch GmbH (Germany)	\$ 33,901	2
2nd	Denso Corporation (Japan)	27,762	1
3rd	Continental AG (Germany)	25,012	4
4th	Magna International Inc. (Canada)	23,295	3
5th	Aisin Seiki Co., Ltd. (Japan)	<b>20,796</b>	6
6th	Johnson Controls Inc. (USA)	19,100	7
7th	Delphi Corporation (USA)	18,060	5
8th	Faurecia Corporation (France)	17,656	8
9th	ZF Friedrichshafen AG (Germany)	16,891	10
10th	TRW Automotive Holdings Corporation	15,000	11

\* Source: "Top 100 Global OEM Automotive Parts Suppliers Sales Ranking in 2008 (January to December 2008)" by Automotive News

### Changes in Aisin's ranking



## Sales proportions according to customer

# AISIN does business with leading manufacturers all over the world

### Detail of sales

(Billions of yen)

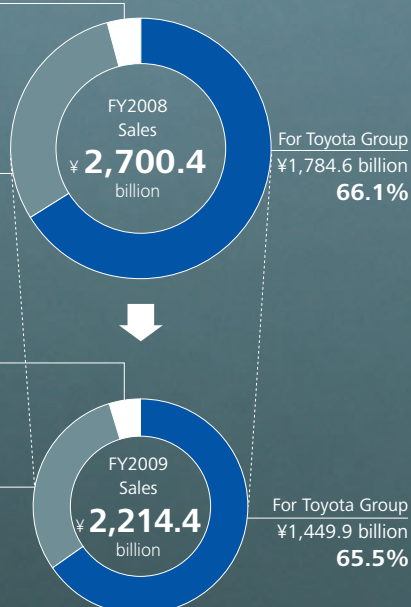
Life Related and Other Products

¥111.8 billion  
**4.1%**

For Other Automakers  
¥803.9 billion  
**29.8%**

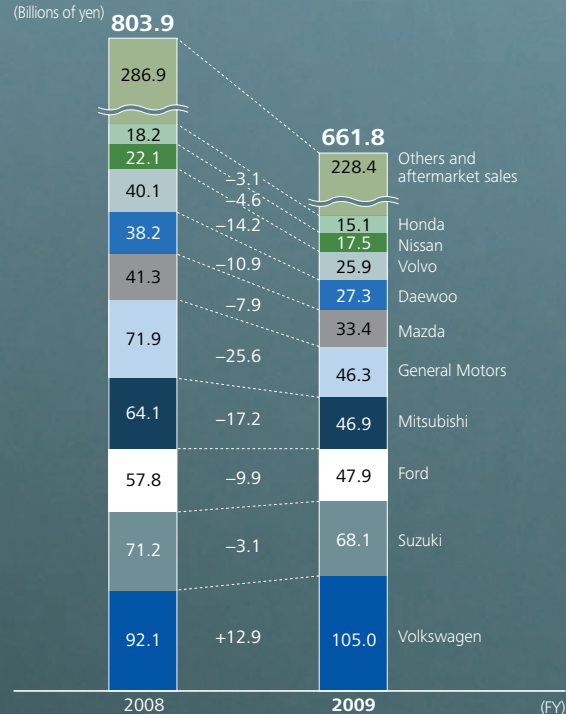
Life Related and Other Products  
¥102.6 billion  
**4.6%**

For Other Automakers  
¥661.8 billion  
**29.9%**



### Sales of other automakers outside the Toyota Group

(Billions of yen)



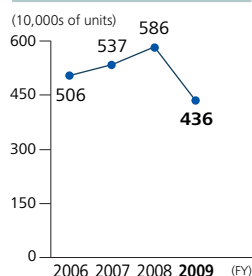


## Drivetrain Related Products

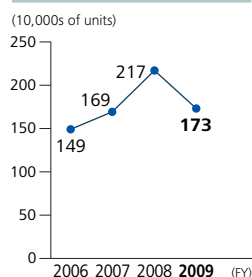
Main related companies: Aisin Seiki, Aisin AW, Aisin AI

**Building product development, sales and service systems tailored to each region as we respond to the globally expanding demand for higher fuel efficiency, ease of driving and hybrid design**

### Unit sales of ATs for passenger vehicles



### Unit sales of MTs for passenger vehicles



### Overview of the field

We can boast the widest range of transmissions in the industry for use by all types of vehicles extending from small cars to luxury cars, trucks, buses and industrial vehicles.

We have maintained one of the highest shares of the world market for many years in connection with both automatic transmissions (ATs) and manual transmissions (MTs).

### Main products

Automatic transmissions (ATs), manual transmissions (MTs), automated manual transmissions, continuously variable transmissions (CVTs), hybrid systems, etc.

### Overview of business in fiscal 2009

Net sales in fiscal 2009 dropped 22.5% compared with the previous fiscal year, to ¥906.8 billion.

New products developed in the fiscal year under review included a high-capacity All Wheel Drive (AWD) 8-speed AT, which employs a 4WD system in an 8-speed AT and was incorporated in the LEXUS LS460 AWD and LS460L AWD. We also developed a low-torque capacity CVT, which is more compact than previous models, by placing the differential gears in the front. This CVT is being adopted in the Toyota iQ, which is an extremely compact car with a total length of 2,980 millimeters—approximately 400 millimeters shorter than other Japanese light vehicles.

We also developed a transmission—adopted in the Toyota Crown Hybrid—for rear-wheel-drive hybrid vehicles into which the power split device, motor, 2-stage motor speed reduction device and other main units are compactly built.

AISIN sold approximately 4.36 million automatic transmission units for passenger cars in the fiscal year under review, representing the top global share position for a specialist manufacturer.

### State of the market and development of products and technology

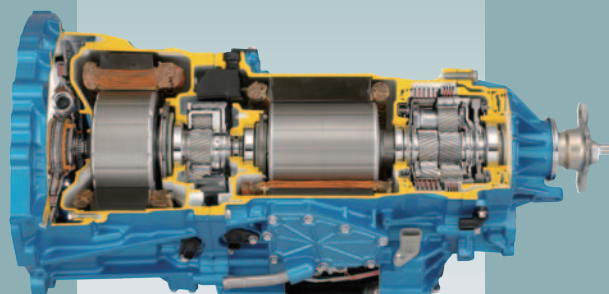
There is a growing trend toward high fuel efficiency and ease of driving on the market for drivetrain products, and products increasingly need to be equipped with versatility and outstanding functions.

In response to these market needs AISIN is striving to enrich our lineup of products including ATs, MTs, CVTs, automated manual transmissions and hybrid transmissions. Other efforts include promoting technological development one step ahead of the times and building a supply structure to increase sales to automakers all over the world.

In ATs, AISIN can boast an extremely wide range of products extending from high-end items such as 8-speed AT for rear-wheel-drive vehicles to 6-speed ATs for front-wheel-drive vehicles, for which demand has been most apparent in recent years, and on to 6-speed ATs for rear-wheel-drive vehicles and 4-speed ATs for front-wheel-drive vehicles. Particularly in 6-speed ATs for front-wheel-drive vehicles, our products are attracting attention from automakers all over the world because they achieve better start-up and acceleration performance, help to reduce fuel costs, and are easy to mount because of their extremely small size. In addition, we are aggressively promoting sales of 4-speed ATs in emerging markets, based on their superb cost



Toyota Crown Hybrid



RWD 2-Motor Hybrid Transmission

performance.

We also commenced production of manual transmissions for the European market in August 2008 at Aisin AI's Kira Plant, where we are manufacturing new 6-speed MT models for medium-capacity front-wheel-drive vehicles that is incorporated in the Toyota *Avenis*.

Furthermore, we are emphasizing development of hybrid transmissions in light of mounting demand for hybrid vehicles. In addition to the hybrid transmission released for front-wheel-drive vehicles in 2004, we announced the world's first 4WD hybrid transmission in May 2008, developed jointly with Toyota Motor Corporation. The new transmission is used in the LEXUS *LS600h*.

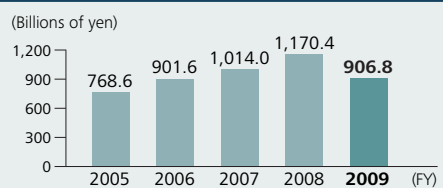
### Future directions

Global demand for fuel-efficient vehicles is climbing as environmental regulations tighten. However, differences in transportation conditions and preferences among regions of the world prevent uniform demand for any one type of drivetrain.

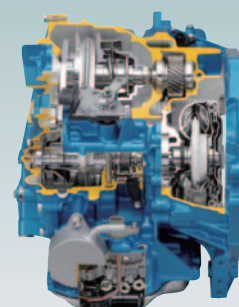
In Japan, where roads are often congested and drivers make frequent stops and starts, automatic transmissions and CVTs dominate because they are easier to drive, and demand for hybrid vehicles is also surging. In North America, where strong consumer desire for large vehicles previously made automatic transmissions with large displacements prevalent, demand for hybrid vehicles is rising gradually. In Europe, where MTs are mainstream, demand calls for ATs that are stepped similarly. Also, demand for automated manual transmissions is increasing.

Accordingly, AISIN advances product development and sales and service systems tailored to each region, while responding to common global needs, such as fuel efficiency, ease of driving and hybrid design. We will also take on the aggressive development of new drivetrain units that combine the technologies of each Group company.

### Net sales



Toyota iQ



Small Torque Capacity CVT

## Brake & Chassis Related Products

Main related companies: Aisin Seiki, ADVICS

**Striving to develop components that masterfully perform the actions of driving, going round corners and stopping, along with systems that integrate these elements in a sophisticated manner**

### Overview of the field

We develop brakes, which help enhance vehicle maneuverability, as well as suspensions and steering columns, which improve driving comfort and help maintain proper driving posture.

### Main products

Brakes, Anti-lock Braking Systems (ABS), Electronic Stability Control (ESC) systems for preventing skidding, electric tilt and telescopic steering columns, air suspension systems.

### Overview of business in fiscal 2009

Net sales in fiscal 2009 totaled ¥455.0 billion, down 15.0% from the previous fiscal year.

A major example of sales expansion is the adoption of our brake booster and master cylinder product in the Suzuki *Wagon R*.

### State of the market and development of products and technology

In the United States, to reduce automobile accidents ESC systems will become mandatory for all vehicles weighing less than 4.5 tons starting with 2012 models. There are also moves in Europe to make ESC standard equipment. In view of these trends, in October 2008 ADVICS's ESC modulator became standard on all Toyota *iQ* models. By optimizing its design and making it more compact, ADVICS succeeded in making the modulator the world's smallest and lightest. From a performance standpoint, we are also working to reduce operating noise and improve the responsiveness of brakes by changing the control valve and the motor drive method.

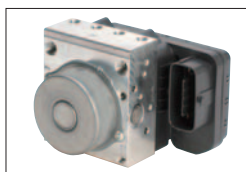
Moreover, amid growing global demand for

safety and a comfortable ride, we have developed products such as electric active stabilizers to achieve a comfortable ride during normal running and suppress roll during turns. This product was newly incorporated into the LEXUS *RX450h* and *RX350* in fiscal 2009.

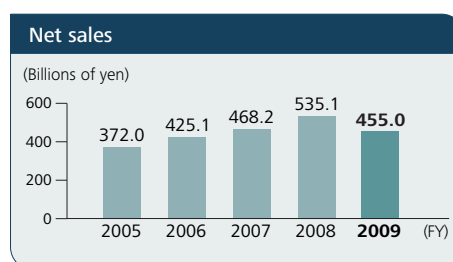
In addition, we developed an air suspension system with fine suppleness by combining air springs and shock absorbers possessing high attenuation response. This system is used in the LEXUS *RX450h* and *RX350*.

### Future directions

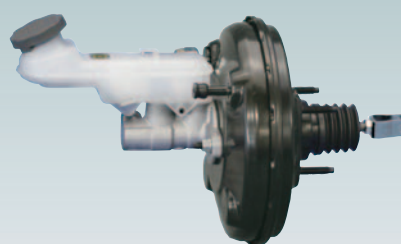
We strive to develop integrated systems that masterfully perform the actions of driving, going round corners and stopping, as we further improve on braking, suspension and other individual technologies.



ESC modulator



Suzuki *Wagon R*



Brake booster and master cylinder



## Body Related Products

Main related companies: Aisin Seiki, Aisin Takaoka, Aisin Chemical

### Developing products that contribute to safety improvement and reduced weight, exemplified by the world's first pre-crash seat back technology

#### Overview of the field

In response to more diverse user needs, we endeavor to improve safety, comfort, convenience and design features and reduce weight.

#### Main products

Door latches, power sliding door systems, power back door systems, sunroofs, power sheets, occupant detection sensors, door frames, door handles, etc.

#### Overview of business in fiscal 2009

Sales in fiscal 2009 fell 16.5% compared with the previous fiscal year, to ¥398.5 billion.

To expand sales, we focused on aggressively promoting our core door latch and door handle products to manufacturers in Thailand and India.

Moreover, our mainstay power sliding door system has been used in the Toyota *Alphard* and *Vellfire*, and our power back door system has been incorporated into the LEXUS *RX450h* and *RX350*.

#### State of the market and development of products and technology

There is a growing interest in pre-crash safety technology to prevent impacts and mitigate damage before accidents occur. In response, AISIN developed the world's first pre-crash seat back. To help protect passengers during an impact, the reclined seat backs of the rear seats automatically return to upright position to correct the posture of passengers seated in the rear when a possible collision is detected by a millimeter-wave radar. This system was adopted in the Toyota *Crown Majesta* in March 2009.



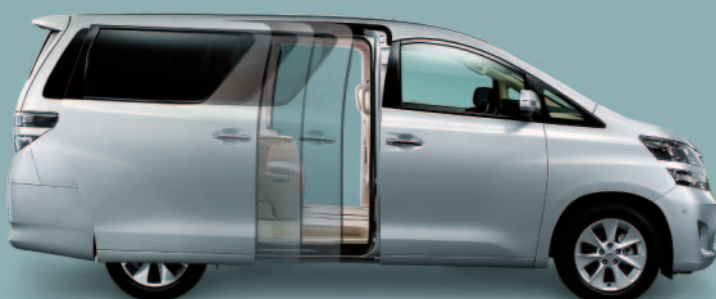
Next-generation seat

Furthermore, with Toyota Boshoku Corporation we developed a next-generation seat slide with the rail portion 22% lighter than previous models. By slimming the seat framework, the new product also helps provide additional leg room in the back seats. It was used in the Toyota *iQ* released in October 2008, and we plan to expand sales to other models.

#### Future directions

We will continue developing and releasing user-friendly products that are safer, more comfortable, more convenient, better designed and lighter weight.

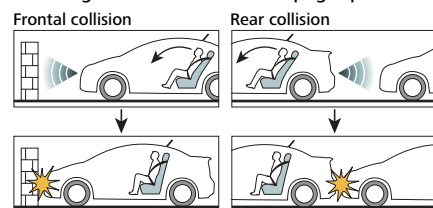
#### Net sales



Toyota *Vellfire*'s power sliding door system

#### Diagram of Pre-Crash Seat Back

Reduces injuries during a collision by swiftly returning a reclined seat to the upright position



## Engine Related Products

Main related companies: Aisin Seiki, Aisin Takaoka

**Developing products that help make engines lighter and more efficient, and working to raise the thermal efficiency of hybrid and electric vehicles**

### Overview of the field

We are involved in the production of a wide range of functional components and cast parts connected with engines. Making use of this elemental technology, we are striving to develop products and technology that contribute to reduced weight, to the cleaning up of gas emissions, and to reduced fuel consumption.

#### Main products

Water pumps, oil pumps, pistons, intake manifolds, exhaust manifolds, variable valve timings (VVTs), etc.

### Overview of business in fiscal 2009

Net sales in fiscal 2009 decreased 14.8% compared with the previous fiscal year, to ¥221.4 billion.

In fiscal 2009, AISIN focused on boosting adoption of new products. For example, we developed an engine front module that uses fewer parts, saves resources and weighs less, by integrating the water pump, oil pump and other functional parts into the engine front case. This product was newly employed in the Toyota *Crown Majesta*.

### State of the market and development of products and technology

In the market for engine-related products there is a particular demand at present for response to the strengthening of measures to reduce fuel consumption and to regulate exhaust emissions. To meet such needs, AISIN is working to reduce the weight of engine parts and raise the efficiency of VVT.

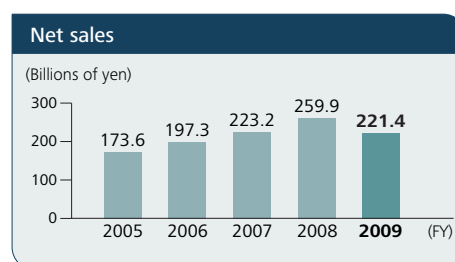
In May 2007 we developed a Resin Variable

Intake Manifold using Rotary Valve (developed jointly with MANN+HUMMEL) capable of raising engine output by between 3% and 5% by switching suction ports in accordance with drive status and a 3-stage Variable Discharge oil pump that lowers the impact on the engine and improves fuel efficiency by regulating the oil discharge rate into three stages depending on the engine speed. Both have been incorporated into Toyota *Noah* and *Voxy* models.

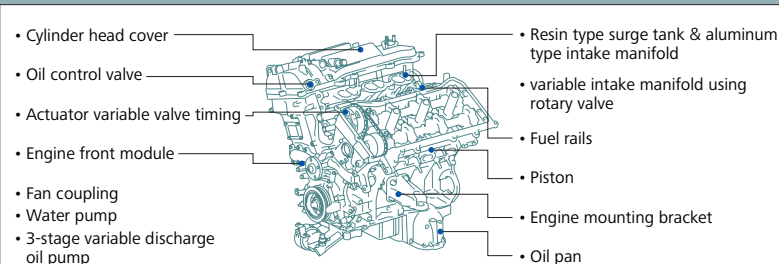
### Future directions

For existing engine parts, we will add further variability, reduce friction and otherwise enhance efficiency to continue improving fuel economy.

For hybrid and electric cars, we are developing heat management systems that optimize heat usage throughout the entire vehicle around our core electric pump technology.



### AISIN Engine Parts

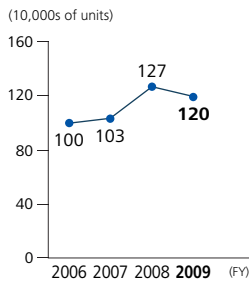


## Information Related Products

Main related companies: Aisin Seiki, Aisin AW

### Introducing state-of-the-art image-processing and data communication technology, to enhance car navigation systems and surroundings monitoring

#### Car navigation systems manufactured



#### Overview of the field

We hold one of the highest shares in the world in the market for car navigation systems, which are our core products in this area. In addition, we are developing parking assist systems making use of image-processing technology in the context of our efforts to support safe and comfortable driving.

#### Main products

Car navigation systems, parking assist systems, lane departure warning systems, intelligent parking assist, front and side monitoring systems, driver monitoring systems, etc.

#### Overview of business in fiscal 2009

Sales in fiscal 2009 declined 10.6% compared with the previous fiscal year, to ¥130 billion.

New products we developed include dedicated car navigation systems for the Toyota Crown Hybrid and LEXUS RX350.

#### State of the market and development of products and technology

The market for information related products for automobiles is expanding together with the evolution of information and telecommunications technology, electronics technology, and information infrastructure. AISIN has introduced sophisticated car navigation systems with cutting-edge image-processing technologies, and is directing its efforts toward making further advances the development of surroundings monitoring systems.

In February 2008, we developed a driver monitoring system equipped with a sensor that

detects drivers looking sideways while driving or closing their eyelids for longer than usual, and lets out a warning. To enable vehicles to halt at stop line safely, in addition to providing aural and visual notifications and alerts, we have developed a Navigation System—Coordinated Brake Assist that is linked with the driver's braking action to augment braking power. Both products were incorporated in the Toyota Crown Majesta.

In February 2009, AISIN obtained a license to operate an experimental test station (in the 700Hz frequency band) that uses UHF-band radio waves. At the Toyokoro Proving Ground in Hokkaido, we have started measuring the propagation properties of radio waves for inter-vehicle communication systems, and are working to adapt it to actual vehicles.

#### Future directions

We will continue introducing leading-edge image-processing and data communication technology based around car navigation systems, to support driver operations.



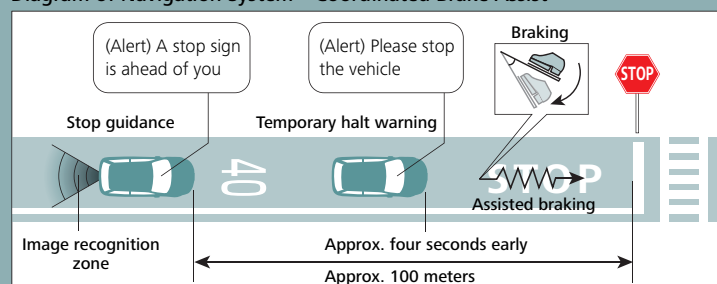
Car navigation systems

#### Net sales



LEXUS RX350

#### Diagram of Navigation System—Coordinated Brake Assist



## Casting Related Products

Main related companies: Aisin Seiki, Aisin Takaoka, Aisin Chemical

**Focusing on developing products that help mitigate environmental impact in the production stages, improve fuel efficiency and reduce environmental impact during use**



Processing of die-cast formed and fabricated materials

### Overview of the field

We process a variety of materials into a wide range of forms employing engineering methods such as aluminum die-casting, resin-forming, pressing and magnesium die-casting. We provide these materials to Group companies both inside and outside Japan.

### Main products

Press components, aluminum die castings, magnesium die castings, plastic moldings, iron castings, chemical products.

### The mission of our activities in this area

The mission of Casting Related Products is to produce the castings required in the end products manufactured by AISIN and to supply them to each company in the Group.

By realizing compactness, light weight and low costs and ensuring that all items are delivered just in time while assuring the functions and strength of the end products, our aim is to raise the competitiveness of individual products and to enhance added value within the Group as a whole.

Producing casting materials within the Group without outsourcing has the advantages of more efficient management of quality, costs and deadlines, and expedites development and prototyping. Moreover, this system enables stringent management of manufacturing expertise and information on new products.

### State of the market and development of products and technology

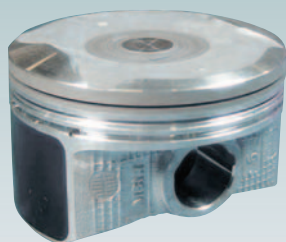
Presently, all automobile manufacturers face a very difficult challenge. To make vehicles more fuel efficient and reduce environmental impact during use, we must lower product weight while retaining functionality and durability, and mitigate environmental impact in the production stages, such as by saving energy.

To help overcome this challenge, AISIN is focusing on introducing alternative materials and developing new production methods, materials and technologies by leveraging its strength in possessing knowledge on a wide variety of materials and its technologies for producing formed and fabricated materials.

In step with the global strategies of each automobile manufacturer, we are also channeling resources into building systems to supply casting materials to BRICs and other emerging markets. In fiscal 2008, we augmented cast iron production lines at bases in China and Thailand as part of this effort.

### Net sales

Net sales figures are not shown for this segment, as these are included in other segments' net sales amount.



Piston



Engine front module

## Life Related and Other Products

Main related companies: Aisin Seiki, Aisin Takaoka

### Actively working to develop fuel cell cogeneration systems for home use and dye-sensitized solar cells

#### Overview of the field

We take advantage of the technologies cultivated in automotive parts to manufacture and sell everyday lifestyle products and products that contribute to energy savings and prevention of global warming.

#### Main products

Life Related: beds and fabrics, housing facilities and equipment, housing renovation, sewing machines, TSS\*, audio devices

Energy Related: gas-heated pump (GHP) air conditioners, gas cogeneration systems, cryopumps, cryocoolers, energy-saving devices

Welfare Related: nursing beds, electric wheelchairs, portable toilets, walk analysis and guidance system

New Business Related: fiber laser, biological apparatus

\* TSS: Toyota Sewn-products management System



Hovigator



Residential-style, private-pay nursing home, *Sawayaka no Oka*

#### Overview of business in fiscal 2009

Harsh conditions persisted in the Life Related product market, due in part to the recessionary drag on housing starts. Net sales for fiscal 2009 plunged 8.2% compared with the previous fiscal year, to ¥102.6 billion.

#### State of the market and development of products and technology

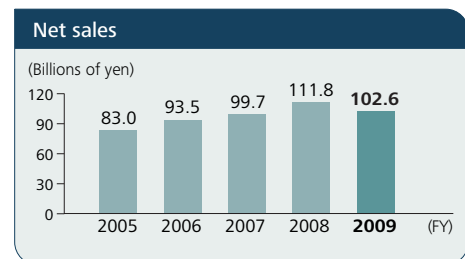
From the perspective of curbing global warming, there has been a recent push for more energy-efficient industrial air conditioning equipment. In response, AISIN has developed the *E1 Series* compact GHP outdoor unit, which is more efficient than previous models but also substantially smaller and lighter. We began selling the *E1 Series* across Japan in June 2009 through gas companies.

Japan's aging society also demands products

that enable seniors to live in safety and comfort. In this environment, AISIN developed a walk analysis and guidance system, the "Hovigator," which was released in December 2008 to improve walking ability for the elderly. The user can wear the Hovigator on his or her waist to measure walking capabilities by measuring stride length and walking speed. Based on its measurements, the system is being introduced into nursing homes, where it computes exercise menus according to walking capability. In March 2009, we also opened the *Sawayaka no Oka* residential-style, private-pay nursing home in the city of Obu, Aichi Prefecture, which uses the nursing care products that we have developed.

#### Future directions

To accommodate the growing need for healthy and comfortable living through energy savings, we will actively develop fuel cell cogeneration systems for home use and dye-sensitized solar cells.



ASLEEP showroom  
**ASLEEP** New days begin here



S-Pro SPA SERIES, winner of Germany's iF design award



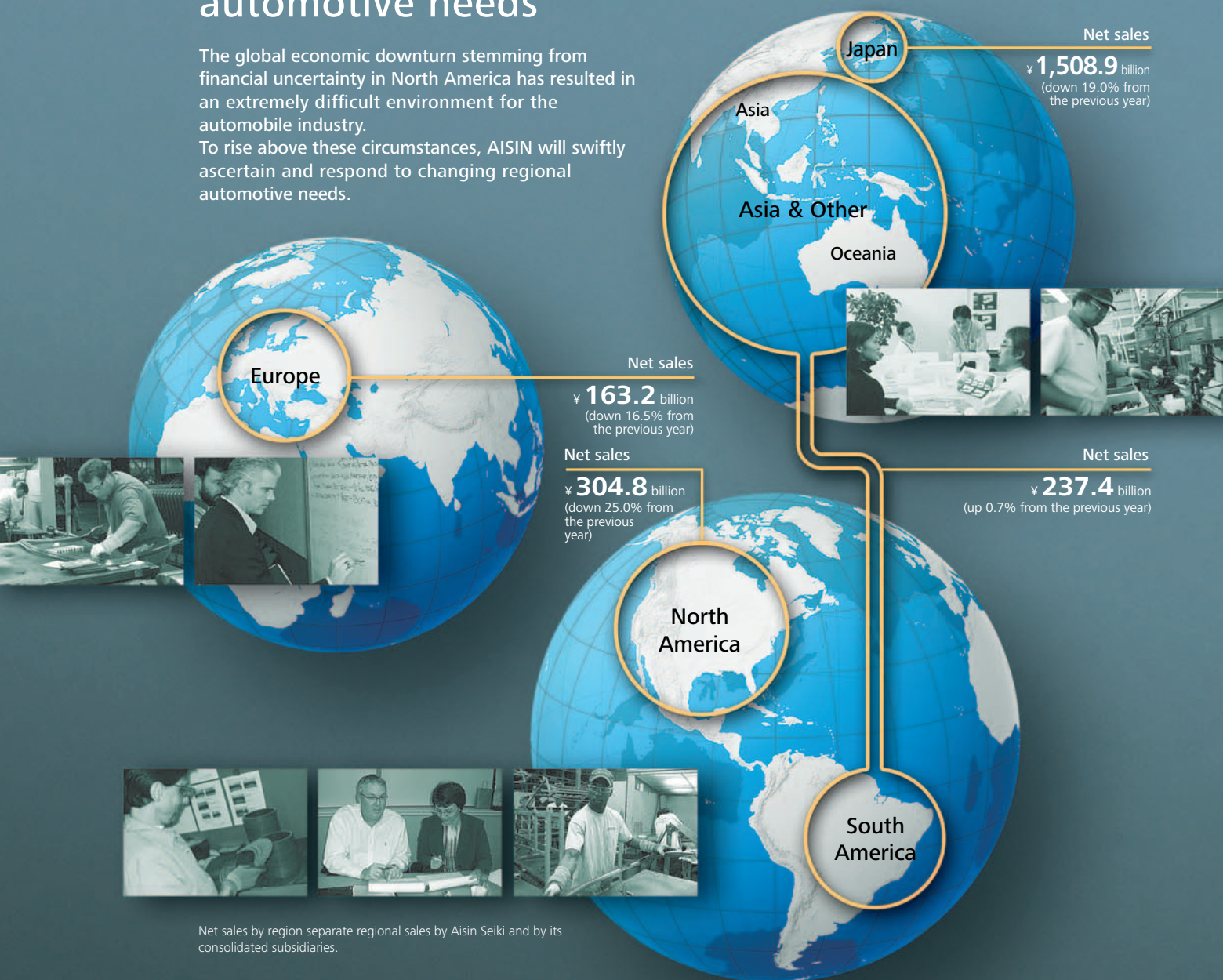
The *E1 Series*, a compact, lightweight and energy-saving GHP





## Responding flexibly to changing automotive needs

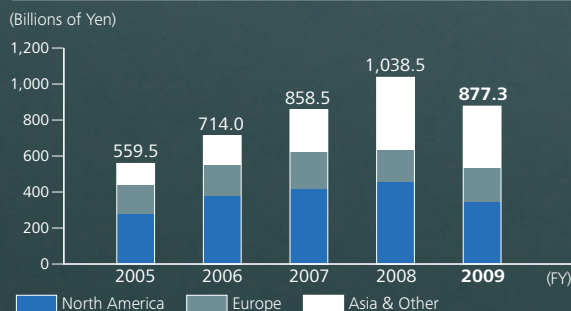
The global economic downturn stemming from financial uncertainty in North America has resulted in an extremely difficult environment for the automobile industry. To rise above these circumstances, AISIN will swiftly ascertain and respond to changing regional automotive needs.



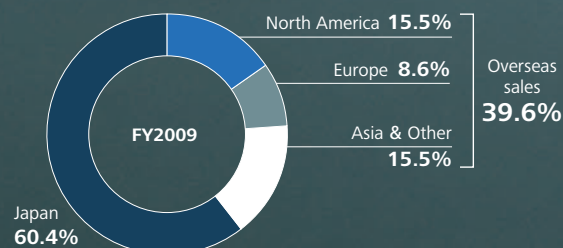
### Overseas sales

Overseas sales are divided by regions where business partners are located.

#### Changes in overseas sales



#### Proportion of sales occupied by overseas sales (FY2009)



## Overview of Business in Fiscal 2009

### Lackluster sales of vehicles reduced revenues in all regions of the world



#### Japan (69 consolidated subsidiaries)

Sales were ¥1,508.9 billion (down 19.0% compared with the previous year). The decrease was primarily caused by generally dampened production volume in automotive parts, especially automatic transmissions and brake components, due to fewer automobiles being sold.

#### North America (32 consolidated subsidiaries)

Sales came to ¥304.8 billion (down 25.0% compared with the previous year). The primary factor in the decline was a substantial drop in the number of automatic transmissions, door parts, sunroofs and other parts produced, due to reduced production at our clients under the influence of sluggish sales.



#### Europe (9 consolidated subsidiaries)

Sales amounted to ¥163.2 billion (down 16.5% compared with the previous year). The primary factors were a fall in the number of automobiles produced by each automaker and exchange rate fluctuations.

#### Asia & Other (41 consolidated subsidiaries)

Owing to a slowdown in automobile manufacturing in China, reduced sales in Thailand, and exchange rate fluctuations, net sales amounted to ¥237.4 billion (up 0.7% compared with the previous year).



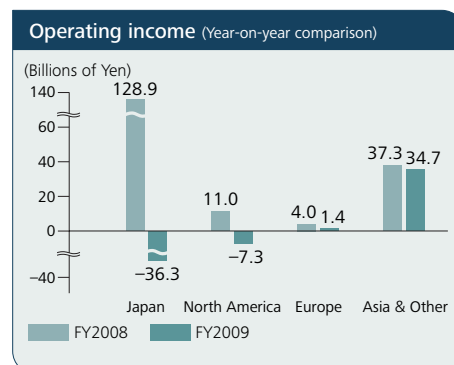
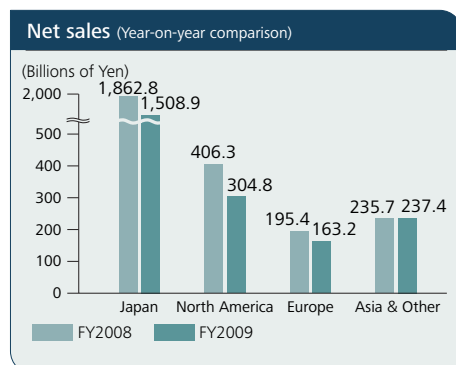
## Market Conditions and Outlook

### Striving to develop and expand sales of products with superior environmental performance, smaller size and lighter weight

People in Japan, North America and Europe are eschewing large vehicles with poor gas mileage for small, fuel-efficient vehicles as the economy weakens, gasoline prices soar, environmental regulations tighten and concern for the environment grows. This trend is expected to continue.

Moreover, sales of automobiles to wealthy individuals in China, India and other emerging markets are increasing each year, and further economic growth is projected to extend the scope of sales to the general public.

To respond to the needs of such markets, AISIN strives to develop and expand sales of products with superior environmental performance, smaller size and lighter weight.





## Environment

32\_\_ Message from Management

33\_\_ Environmental Highlights

35\_\_ Focus ③

**Preserving clean and  
abundant rivers, which  
support our living and  
industry and cultivate  
biodiversity**

37\_\_ Performance Report

Quantities of Resources Used and  
Emissions Released (FY2009)

Environmental Management

Design and Development

Production

Transportation

Environmental Communication

42\_\_ Third-Party Observation



## Message from Management

### Cooperating with people around the world and reinforcing environmental management to leave behind a wholesome global environment for the next generation



There is concern that the environmental impact on the Earth due to our quest for more comfortable and convenient living is exceeding the planet's capacity for regeneration, and that remaining on our present course could destroy the ecosystem and even imperil the continued survival of civilization.

AISIN's main businesses are the development, production and sale of automotive parts and life- and energy-related products. Since these businesses involve substantial environmental impact, our top management priority is to reduce the environmental impact resulting from our business activities from the perspective of global warming.

AISIN has set a strict target of reducing average CO<sub>2</sub> emissions over the five-year period from fiscal 2009 to fiscal 2013 by 7% compared with fiscal 1991. Through measures at each business stage—from product planning and development to manufacturing and recycling—AISIN is striving to realize a low-carbon society, with a strong sense of urgency that our business cannot grow if environmental measures are delayed.

AISIN is channeling the full resources of the Group into the development of environmentally friendly products and technologies pursuing the ideals of concern for the "environment," "safety" and "compactness." In fiscal 2009, we developed Japan's first electric water pump for cooling the engine. As a product that realizes the novel idea of automobile heat management (heat usage optimization) in our automotive parts business field, the pump is employed in new hybrid vehicle models, where it enables more precise optimization of engine cooling and helps improve fuel efficiency.

In terms of production, we strive to develop innovative technologies themed around simple, streamlined and compact design. By pursuing maximally energy-saving design, the new production lines completed in fiscal 2009 use 45% less energy than previous lines.

At existing production lines, we have introduced efforts to eliminate waste through the accumulation of efforts that aim to save single-yen units of energy, single footsteps and single seconds of work processes, and single drops of leaked or wasted water and oil.

Since these activities are supported by individuals, AISIN works to raise the environmental consciousness of its employees as they consider the future global environment. We have also opened Aisin Ecotopia as a comprehensive environmental education facility for children, in whose hands the future of society lies. In fiscal 2009, 4,300 elementary and junior high school students and members of the local community enjoyed the use of the facilities.

In addition, we continue our tree-planting efforts in Thailand and on Mt. Fuji, and our efforts to protect the forest as a water source for Neba Village in Nagano Prefecture, as we work actively to preserve the environment. We will mobilize all AISIN employees under the slogan, "AISIN helps to save the world," as we further strengthen environmental management to ensure the cooperation of all our stakeholders worldwide and to pass on a wholesome global environment to future generations.

**Norio Oku**

Executive Vice President and Chairman of  
Aisin Consolidated Environment Committee



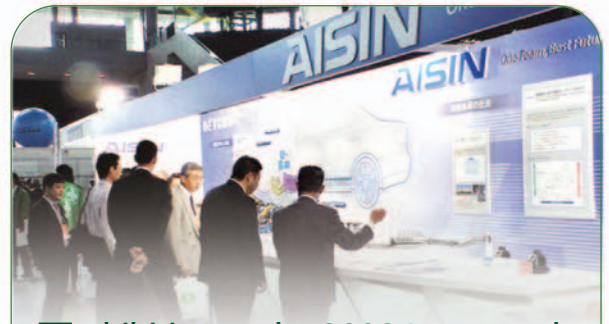


## Environmental Highlights

### Establishing the Aisin Chinese Consolidated Environment Committee

Environmental issues in China are worsening with the rapid growth of its economy. With 17 Group companies in China, AISIN responded to this situation by establishing the Aisin Chinese Consolidated Environment Committee in April 2009 to invigorate environmental conservation activities.

Going forward, the committee aims to substantially mitigate environmental impact by promoting environmental conservation activities at each base of operations, verifying full compliance with legal statutes, sharing information with the management at each base and improving the skills of employees in charge of environmental issues by holding workshops.



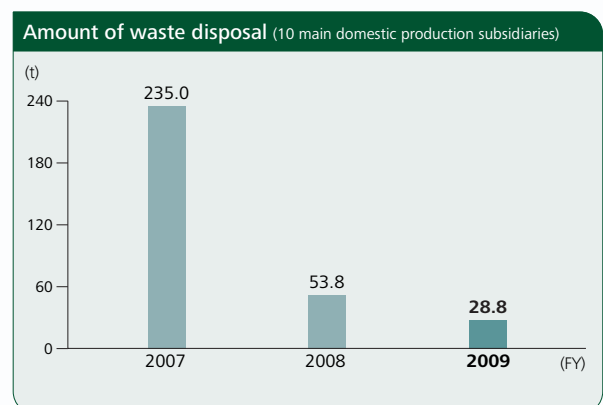
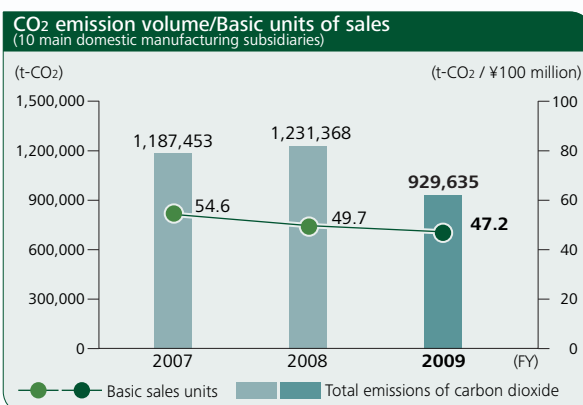
### Exhibiting at the 2008 Integrated Exhibition of the Environment in celebration of the Hokkaido Toyako Summit

As a corporation involved in the automotive industry, AISIN considers issues such as global warming, air pollution and waste disposal to be fundamental challenges. In June 2008, eight Group companies exhibited at the 2008 Integrated Exhibition of the Environment held in celebration of the Hokkaido Toyako Summit.

At the exhibition, the companies introduced products such as a 4WD hybrid transmission, which helps reduce CO<sub>2</sub> emissions, and the "Immunomeasure" trace substance detection system, which can quickly gauge PCB concentrations. Presentations included examples of reducing environmental impact in manufacturing, including Aisin Hokkaido's case of recycling 90% of its industrial wastewater.

## Bequeathing a healthy global environment to the next generation

At AISIN we are doing our utmost to reduce wastefulness in our business activities. We place particular importance on dialogue and cooperation with stakeholders with the aim of promoting environmental conservation activities through society as a whole.





## Holding symposiums in Japan and planting trees in Thailand to preserve biodiversity

Continuing from 2007, we held the Aisin Group Environmental Symposium in July 2008. In connection with the 10th Meeting of the Conference of the Parties to the Convention on Biological Diversity (COP 10) in Nagoya in 2010, we made this symposium a venue for considering biodiversity and natural and rural forests.

We welcomed Hiroshi Yagyu, an actor and the chairman of the Wild Bird Society of Japan, to give a lecture on the topic of living with and learning from forests, and arranged a talk between Mr. Yagyu and Ayumi Iio, an editorial writer for The *Chunichi Shimbun* newspaper. Approximately 270 people attended, including AISIN employees and members of NPOs.

Moreover, since 2004 AISIN has been engaged in tree-planting efforts through the Aisin Children's Forest Project with local children in the Chiang Mai area of northern Thailand, where forests are being depleted. In 2008, the final year of the five-year program, approximately 400 people planted 12,000 seedlings over 9 hectares. Participants included employees, their families, teachers and students from four local elementary schools, and other members of the local community.

Through this program, we have successfully planted a total of 60,000 trees across 45 hectares in a five-year

period. Furthermore, we consider these programs to have given the many participating children a sense of the preciousness of the natural environment.

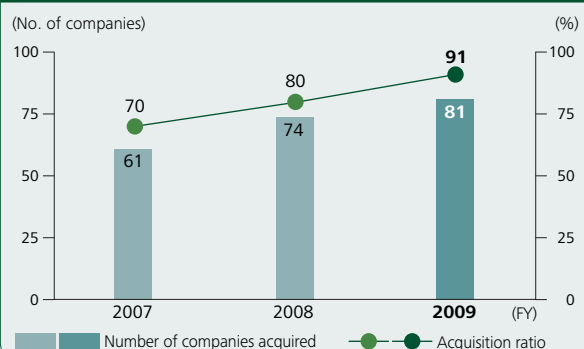


Aisin Group Environmental Symposium

Quantities of VOC substance (10 main domestic production subsidiaries)



Number of companies acquired ISO14001 certification/Acquisition ratio (All Aisin Group production subsidiaries)







Specialists from an outside survey organization perform a biological survey



## Preserving clean and abundant rivers, which support our living and industry and cultivate biodiversity

Rivers provide us with the water essential for everyday living and industrial applications, and nurture a vast array of living things.

AISIN's initiatives concerning rivers include forest preservation activities in upper and middle river basins, purification of wastewater from Company plants in lower river basins and surveys of biological habitats.

We are taking steps from all angles to maintain clean and bountiful rivers.

Yonezu Elementary School children in the city of Nishio enjoy a biological survey



### Cooperating with efforts to conserve forests as water sources

To secure the water needed for everyday living and industrial uses, we must protect the upper and middle river basin forests that temporarily store rainwater and thereby maintain stable river levels.

The Yahagi River, which flows through the Nishimikawa area of Aichi Prefecture where AISIN has numerous plants, started out as a river with meager water flow. The river grew large with abundant water flow in the Meiji era, thanks to afforestation near the upper river basin water source. However, mountain populations have declined in recent years, making it difficult for local governments and forest businesses to maintain and manage these forests on their own.

In light of this situation, in 2003 Nagano Prefecture—the source of the Yahagi River—introduced the “forestry foster parent” system. The system unites local governments and companies interested in environmental conservation in cooperative efforts to preserve forests. In 2004, AISIN was the first corporation in Japan to sign a forestry foster parent agreement with Neba Village in Nagano Prefecture. Since then, we have conducted donation drives and volunteer activities involving employees and their families to support forest improvement. (Please refer to pg. 54 for details.)

### Helping to preserve biodiversity in lower river basins

Aisin Seiki's Nishio and Ogawa plants use water drawn from irrigation canals and wells for manufacturing and other purposes. After use, the plants purify and release the wastewater into the Chosen River in the Yahagi River region, where the inflow constitutes approximately one fifth of the total amount of water in the river at the release point.

In fiscal 2009, in cooperation with an outside survey





Volunteers trim underbrush in Habu-cho, Toyota, Aichi Prefecture

Volunteers thin trees in Neba Village, Nagano Prefecture

organization, we inspected the water quality and the status of biological habitats in the basin before and after the inflow of wastewater from both plants. The results showed that the water quality was improved and the variety and number of living things was increased in the basin following the release of the wastewater from both plants.

Furthermore, we offered hands-on experience with a biological survey for local elementary school students, where they learned about the creatures that live in nearby natural areas.

#### Wildlife Found in the River Basin after Plant Wastewater Inflow

Amphibians: Indian rice frog  
Fish: Squalidus, topmouth gudgeon, common carp, crucian carp, Oriental weather loach, Japanese trout, Japanese eel, pelteobagrus nudiceps, killifish, goby and others  
Insects: Damselfly, common skimmer, water strider, predacious diving beetle and others  
Others: Lake prawn, Paratya compressa, common fresh water clam and others

#### Launching forest preservation activities in middle river basins

In fiscal 2009, we also began forest preservation efforts in middle river basins. We concluded a Business Forestry agreement with Aichi Prefecture in March 2009, leasing five hectares of artificial forest in Habu-cho in the city of Toyota, where the middle river basin of the Yahagi River is located.

Going forward, we plan to advance forest protection efforts to stabilize river levels through tree thinning, underbrush trimming and other activities in cooperation with local civic groups, with the catchphrase "Build a Green Dam!" We will also employ these activity sites to teach local elementary school children about the environment.

AISIN will continue advancing a broad range of activities to pass on to future generations clean and bountiful rivers that nurture a diverse array of living things and support everyday living and industry by providing a plentiful water supply.

#### Message from the Yahagi River Coastal Water Quality Preservation Association

We expect AISIN to take on the role of frontrunner.

The Yahagi River, which used to be called "white river" due to water pollution, is now returning to clarity thanks to a wide array of pollution countermeasures.

However, in small and medium-sized rivers in urban areas, lakes and marshes, and the Mikawa Bay, there are many sites where environmental standards for water quality remain unmet. Especially in the Mikawa Bay, where red and blue tides are known to appear any time of the year, there is concern about the impact on coastal fisheries.

To restore rivers to clarity and the sea to a deep blue, basin residents, governments and businesses must strengthen ties and promote water quality preservation activities, recognizing that they are all affected by the fate of the river basin.

AISIN maintains a consistent reputation based on activity reports at periodic informal gatherings and other events. We consider the role and responsibilities of all those at AISIN to be substantial, and expect the Company to deepen its cooperative ties and assume a leading role in the environment as it has in other areas.



Hiroshi Amano  
Secretary General of  
the Yahagi River  
Coastal Water Quality  
Preservation Association





## Quantities of Resources Used and Emissions Released (FY2009)

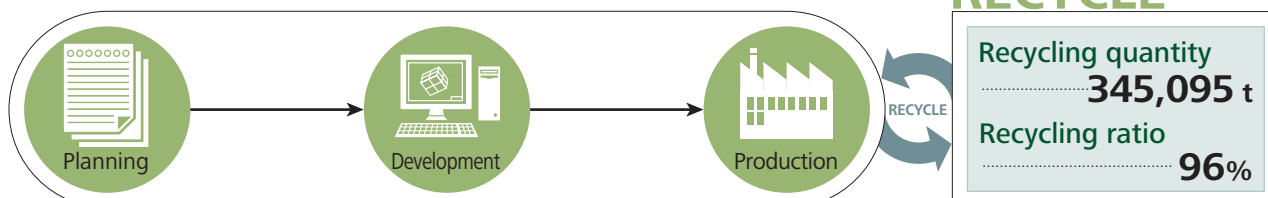
We are identifying and analyzing the amount of emissions of substances of environmental concern, such as quantities of energy and resources used, and greenhouse gases.

### INPUT

<b>Energy</b> Total direct energy consumption ..... <b>8,091,693,345 MJ</b> Itemization    Coal products (anthracite, coke, etc.) ..... 1,266,485,072 MJ Natural gas ..... 5,709,573,987 MJ Petroleum products (gasoline, diesel, LPG, etc.) ..... 1,115,634,286 MJ Indirect energy consumption Electric power purchased ..... <b>13,491,125,889 MJ</b> Solar and wind-generated power ..... <b>456,300 MJ</b>		<b>Quantities of substances used</b> Raw materials ..... <b>1,035,597 t</b>  <b>Chemical substances</b> PRTR substances ..... <b>2,431 t</b>  <b>Quantities of water resources used</b> Total quantity used ..... <b>8,662,486 m³</b> Itemization    Public water supply ..... 898,575 m³ Industrial water ..... 5,616,258 m³ Underground water ..... 2,147,653 m³	
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### RECYCLE



### OUTPUT

<b>Greenhouse gases</b> <Production> Total emissions ..... <b>1,041,958 t-CO<sub>2</sub></b> Itemization    CO <sub>2</sub> (carbon dioxide) ..... 958,972 t-CO <sub>2</sub> HFCs (hydrofluorocarbons) ..... 531 t-CO <sub>2</sub> SF <sub>6</sub> (sulfur hexafluoride) ..... 82,455 t-CO <sub>2</sub> CO <sub>2</sub> emissions per sales unit ..... <b>45.9 t-CO<sub>2</sub>/¥100 million</b>		<b>Waste products</b> Total waste emissions ..... <b>358,560 t</b> Total emission of industrial waste ..... <b>127,099 t</b> Quantity of end-processed general waste ..... <b>116 t</b> Total emissions of waste per sales unit ... <b>17.2 t/¥100 million</b>  <b>Chemical substances</b> PRTR emissions ..... <b>182 t</b>  <b>Total quantity of waste water</b> Public water area ..... <b>5,686,404 m³</b>	
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Notes 1. represents the total of the 10 main domestic production subsidiaries in Japan; other figures represent the total of the 23 main domestic subsidiaries in Japan.  
2. For more detailed information on data, please see Management Data Environmental Aspects section on pages 77-80

## Environmental Management

We share a common philosophy and code of conduct regarding the environment within the Group.

### Basic approach

AISIN places “coexistence between society and nature” at the heart of its corporate principles.

In order to put this ideal into practice, in February 2006 we drew up our “Fourth Environmental Action Plan,” a five-year plan aimed at tackling environmental issues. We are currently tackling five priority issues (see below) including expansion of environmental management.

In April 2008 we drew up the “Aisin Consolidated Environment Policy,” an action plan aimed at getting 149 companies in Japan and overseas consolidated environmental management system to work together on environmental conservation activities, thereby unifying the orientation of our environmental efforts.

1. Publishing consolidated environmental manuals specifying common groupwide requirements and keeping employees informed on such requirements
2. Compiling consolidated EMS training manuals summarizing EMS expertise and cultivating key people in environmental matters at each company
3. Creating consolidated EMS assessment sheets for self-checking and carrying out mutual assessments\*

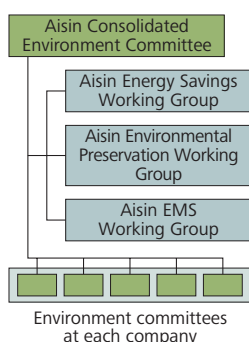
The issues identified in the mutual assessments administered in fiscal 2009 were shared at the Aisin Consolidated Environment Committee and will be reflected in the eco-certification system to be introduced in fiscal 2010.

\* In a mutual assessment, a Group company is assessed by a team consisting of one assessor selected from each of five other Group companies.

### WEB

“Aisin Consolidated Environment Policy”

### Aisin consolidated environmental management structure



### Environmental management system

AISIN’s consolidated environmental activities are centered on the Aisin Consolidated Environment Committee, consisting of officers in charge of environmental matters at major companies and the committee’s subordinate organizations: the Energy Savings Working Group, the Environmental Conservation Working Group and the EMS Working Group. The EMS Working Group promotes the following three activities in connection with environmental management systems (EMS).



A mutual assessment

### Results of activities during fiscal 2009 in connection with the Fourth Environmental Action Plan (FY2007-2011)

Priority items	Activities	Targets for FY2009	Results of activities	Assessment	Page
Promote the development of earth-friendly new products and technologies	Develop environmentally friendly products	(1) Re-orientation toward low fuel consumption and low emissions	Encouragement of planning and development of products for hybrid vehicles and other next-generation products	○	—
	Promotion of environmental influence assessment at the development stage	(2) Templates to promote LCA Expansion of maintenance and products covered Target number of product assessments: 47	Improvement of electronic LCA template Expansion of coverage to three electronic products Products assessed: 31	×	P39
Reducing the substance of environmental concern in production activities	Prevention of global warming	(3) CO <sub>2</sub> consolidated Standard year ratio: 135 or less of total quantity (4) CO <sub>2</sub> non-consolidated Standard year ratio: 127 or less of total quantity	CO <sub>2</sub> consolidated Standard year ratio: 124 CO <sub>2</sub> non-consolidated Standard year ratio: 106	○	P40
	Reduction of VOCs Reduction of emissions	(5) Standard year ratio: 42 or less of total quantity (6) Standard year ratio: 87 or less of basic unit	Standard year ratio: Total quantity 25 Standard year ratio: Basic unit 81	○	P40
	Logistical CO <sub>2</sub> emissions	(7) Common shipping used within the AISIN Group	Construction of systems for shipping dispatch arrangement enabling rapid response to changes in load, Advancement of education to encourage environmentally friendly driving	○	P41
Expansion of environmental management	Operation/development of consolidated EMS, audit, training system	(8) Development of consolidated EMS manual Goal: 48 companies	53 companies	○	P38
		(9) Consolidated EMS assessment Goal: 17 companies	16 companies	×	
		(10) Consolidated EMS training Goal: 30 people	70 people	○	
Further raise environmental awareness of individual employees worldwide	Communication with stakeholders of all kinds	(11) Issue of Aisin report and improvement in website (12) Improvement and expansion of AISIN environmental PR	(1) Issue of report with focus on consolidation (Jul. 2007) (2) Holding local discussion meetings and environmental symposiums, and display in the 2008 Integrated Exhibition of the Environment held in celebration of the Hokkaido Toyoko Summit, MESSE NAGOYA, and the Eco-Products Exhibition	○	P33
Further encouragement of activities aimed at conserving nature and the environment	Natural environmental conservation activities	(13) Improvement and expansion of environmental study program	(3) Implementation of water quality surveys for local youth (60 people) Participation in environmental study programs for local elementary school children (4,300 people) and other programs	○	P35,36

### WEB

See “Fourth Environmental Action Plan: Results of Activities in FY2009” for details on the results of activities.



## Design and Development

We strive to develop environmentally friendly new products and technologies.

### Product environmental influence assessments and reduction of substances of concern

As a corporation involved in manufacturing, AISIN advances development of environmentally friendly new products and technologies with an eye toward generating products that customers will use and that can contribute to the global environment. As part of these efforts, we conduct lifecycle assessments (LCAs) for measuring CO<sub>2</sub> emissions during product lifecycles, assess the impact of products on the environment and use such assessments to curb CO<sub>2</sub> emissions. In fiscal 2009, we fell short of our targets for the number of items evaluated, but by preparing LCA templates we succeeded in increasing the number of electronic products covered.

Moreover, to ensure that the satisfaction our customers experience when using a product matches the satisfaction our employees experience

when the product is released to the world, we promote Value Innovation (VI) activities for rethinking existing products from a different angle to give them new functionality, and Material Innovation (MI) activities for curtailing environmental impact by reconsidering the materials used. Through such activities, we work to develop and produce higher value-added system products.

We are also reinforcing our chemical substances management structure for individual products, as the ELV Directive\*<sup>1</sup>, RoHS\*<sup>2</sup> Directive, REACH Regulations\*<sup>3</sup> and other regulations on chemical substances grow more stringent.

\*1 ELV Directive. A European Union directive that came into force in October 2000 in connection with the recycling of end-of life vehicles and prohibiting the use of harmful substances.

\*2 RoHS Directive. A European Union directive that came into force in July 2006 prohibiting the use of harmful substances included in electrical and electronic devices.

\*3 REACH Regulations. European Union regulations that came into force in June 2007 in connection with the registration, assessment, authorization and restriction of all chemical substances (1 ton per year and above) in products and imports.

## Development Highlights

### An electric water pump for for cooling the engine that realizes automobile heat management (heat usage optimization)

We developed Japan's first electric water pump for cooling the engine, which is used in the new *Prius*, as a product that realizes automobile heat management (heat usage optimization).

Water pumps circulate coolant water to cool the engine, but until now they have been driven by power diverted from the engine. By making the pump electrically operated, we reduced engine load, enabled optimal control of coolant water quantity and eliminated the friction loss inherent in belt-driven pumps. These results yielded an approximately 2% increase in fuel efficiency.

### A system that can measure PCB concentrations quickly, inexpensively and easily

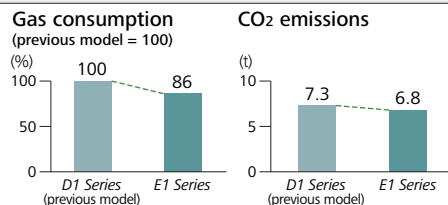
We developed the "Immunomeasure" a trace substance detection system that can gauge PCB concentrations in the insulating oil contained in transformers and condensers much more quickly, inexpensively and easily than previous measurement systems.

PCBs were banned in 2001 due to their toxicity to human bodies, and companies that previously used PCB-containing products have been required to notify the relevant governor and observe strict storage protocols. Precise measurement of the amounts of PCBs contained in products is essential for safe disposal of such products, but previous methods required approximately one month of processing time and high costs to measure PCB concentrations in a single test specimen. Such time requirements and expenses had hindered the testing and detoxification process for all quantities of PCBs stored in Japan. The new system combines conventional immunochromatography using antibodies with our proprietary technology in a kit that enables PCB tests on 46 specimens in a single day.

### A gas heat pump (GHP) air conditioner that cuts CO<sub>2</sub> emissions by 7%

Aisin Seiki developed the *E1 Series*, a smaller and lighter gas heat pump (GHP) air conditioner with improved energy savings compared with conventional units, and released it in June 2009.

The new GHP air conditioner reduces gas consumption by approximately 14% compared with previous models. This reduction corresponds to an approximate 7% decrease in CO<sub>2</sub> emissions.



Note: Please see our website for calculation method details.



## Production

We strive to reduce the total volume of greenhouse gases and other substances of environmental concern.

### Reducing greenhouse gases (CO<sub>2</sub>)

The greenhouse gases emitted during production processes include CO<sub>2</sub>, which is released when energy is consumed, and sulfur hexafluoride (SF<sub>6</sub>)\*<sup>1</sup>, which is used during product manufacturing. CO<sub>2</sub> from energy consumption constitutes 70% of total emissions, and is designated as our highest priority substance against which we take countermeasures. AISIN has set and is working to achieve the goal of cutting total CO<sub>2</sub> emissions by 7% on average compared with their fiscal 1991 level in the five-year period from fiscal 2009 to fiscal 2013.

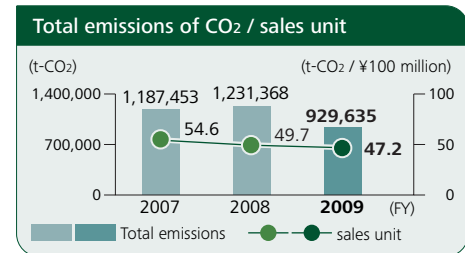
To meet this goal, we have formulated a medium-term emission reduction policy in the Aisin Consolidated Environment Committee, have shared the policy within the Group, and are working to spread the information on discovered substances to curb their emissions and successful emission reduction examples through the Energy Savings Working Group, which is an organization subordinate to the committee. As a principle, the themes raised in the working group are to be completed at each of the participating companies, which cooperate to take on even greater challenges by confirming the progress of activities among each other.

In fiscal 2009, as production volumes fluctuated, we advanced activities focused on raise, combine, stop operations\*<sup>2</sup>, streamlining production lines and completely eliminating energy loss during downtimes. We also enhanced horizontal deployment by holding meetings for presentation of successful examples of emission reduction.

Aisin Seiki employs an application-based system for power supply to ensure that power is delivered only to operational production lines, and ensures that the main power is always shut off during even brief production line downtimes, including employee rest periods. In addition, the lines newly launched in fiscal 2009 have achieved our energy-savings goal of a 45% reduction in power usage. As a result of such activities, Aisin Seiki's total non-consolidated CO<sub>2</sub> emissions were 207,000 tons—down 22% compared with fiscal 2008. The actual reduction of approximately 10,000 tons surpassed our goal of 8,300 tons. At the same time, the amount of CO<sub>2</sub> emitted per unit of sales was 27.9 tons, marking a 6% decrease compared with fiscal 2008.

Total emissions of AISIN's 10 main production

companies in Japan\*<sup>3</sup> declined 25%, to 930,000 tons. CO<sub>2</sub> emitted per unit of sales fell 5%, to 47.2 tons.



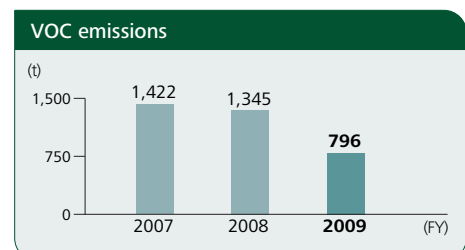
### Reducing greenhouse gases (besides CO<sub>2</sub>)

Among the greenhouse gases other than CO<sub>2</sub>, we are promoting early replacement of the SF<sub>6</sub> used in our manufacturing processes, due to its substantial impact on global warming.

We successfully replaced SF<sub>6</sub> with an alternative gas that has the same warming coefficient as CO<sub>2</sub>, after sufficiently verifying the fire extinguishing performance and safety of the alternative and confirming the absence of any problems associated with using it in manufacturing processes. Consequently, emissions in fiscal 2009 totaled 83,000 tons of CO<sub>2</sub> equivalent—a 75% reduction compared with the preceding fiscal year.

### Reducing substances of environmental concern

We have set a medium-term plan and are working to reduce VOCs\*<sup>4</sup>, which are contained in solvents used to paint individual chassis parts and to coat electronic components, and have the potential to pollute the atmosphere. We are bringing together design and production divisions to review manufacturing processes in order to decrease VOC usage, such as by optimizing the shape of spray nozzles to raise product coating efficiency and modifying design drawings to minimize the areas requiring paint application.



\*1 SF<sub>6</sub>: sulfur hexafluoride.  
A greenhouse gas with a warming effect thought to be 23,900 times that of CO<sub>2</sub>.

\*2 Raise, combine, stop operations: Manufacturing and development departments work together to "raise" production capabilities of lines and facilities "combine" lines and "stop" using excess production lines and equipment. for improving production efficiency.

\*3 10 main domestic production companies are as follows: Aisin Seiki, Aisin Takaoka, Aisin Chemical, Aisin AW, Aisin Keihin, Aisin Kiko, Aisin AI, Aisin Sin'ei, Aisin AW Industries, Hosei Brake Industry.

\*4 VOC (Volatile Organic Compounds).  
This is the generic name for substances that readily volatilize in the air at normal temperatures and under normal atmospheric pressure. The term generally refers to artificially synthesized substances of this nature.



## Transportation

We work to reduce CO<sub>2</sub> emissions and quantities of packaging materials used.

### Reducing CO<sub>2</sub> emissions

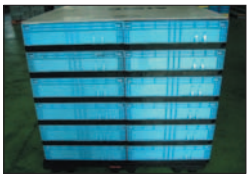
To decrease CO<sub>2</sub> emissions associated with the transportation of products and parts, AISIN actively employs marine and rail transport for long-distance shipping.

For shipments by truck, in fiscal 2009 Aisin Seiki integrated management of all cargo and created a system that enables swift and appropriate vehicle allocation management in response to changes in the amount of cargo through cooperation between plants and the Logistic Control Department. We also raised the loading efficiency of each truck, for instance by augmenting practices wherein the cargo of each Group company is shipped jointly. At the same time, we are working to raise environmental awareness at shipping companies by promoting education to encourage environmentally friendly driving practices and the implementation of eco-navigation systems, which inform drivers of driving conditions, and eco-tires.

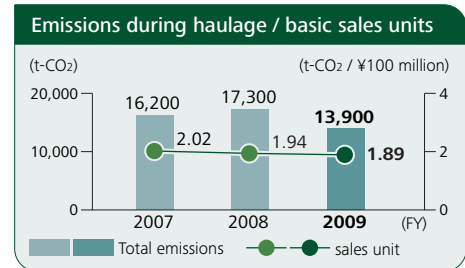
Although there were changes in shipping volume in fiscal 2009, the above efforts have contributed to successful reductions in total CO<sub>2</sub> emissions, as well as emissions per unit of sales.



Before improvement: cardboard (disposable)



After improvement: plastic (returnable)



### Decreasing the amount of packaging materials used

AISIN strives to reduce the amount of materials it uses, including cardboard used in packaging products and parts.

In fiscal 2009, we modified packaging specifications for parts exported overseas to improve space efficiency and simplify partitions within packages. We also switched over to using returnable plastic for packing boxes, cut the amount of packing materials used and made other ongoing improvements.

## Environmental Communication

We cooperate with our stakeholders in community environmental efforts.

### Communication in factories

In each region, AISIN periodically invites representatives of neighborhood associations to its plants to provide information on business activities and environmental measurement results, at which time we strive to explain the Company's efforts and stance on environmental matters. We also take such opportunities to offer tours of our environmental response facilities.

To the extent possible, we work to reflect the views and requests expressed at such meetings in our business activities and environmental preservation efforts.

### Communication with local children

AISIN offers environmental education programs to elementary school children in local communities.

In fiscal 2009, we administered a biological survey of Mt. Yatsuomote for students at Yatsuomote Elementary School in Nishio, Aichi Prefecture, to enable them to learn about the preciousness of nearby nature areas. For the survey we invited an expert in *nepa hoffmanni*\*1—a protected species in the area—as an instructor, and were able to find more than 60 of *nepa hoffmanni*, surpassing our expectations.

We also cooperated with members of the local community to maintain the bamboo forests where the creatures live.



Yatsuomote mountain biological survey

\*1 *Nepa hoffmanni* are aquatic hemiptera insects in the *nepidae* family. They are flat and oblong, approximately 2.2 centimeters in length, with dark-brown skin. Their habitat is small streams and ponds of cold spring water and other low marshy places, and they are carnivorous, absorb their prey's bodily fluids. Habitats for this species in Japan are rare.

## Third-Party Observation

### I would like to see AISIN expand its sphere of cooperation on the environment to its supply chain.

Although I also wrote the third-party assessment for AISIN REPORT 2007, this time I wanted to follow up on advances since then by visiting the following facilities.

My first stop was the Handa Plant's Ecotopia biotope and eco farm, which had developed into one of the only biotopes of its scale in Japan, created by the Environment Department and other employees by hand. This was my first visit in the two years since I was invited, in June 2007, to the biotope's commemorative firefly-themed opening ceremony of *Hotaru no Yube*.

I was reminded of several years ago when, under the Environment Department's guidance, I first saw the large 2,800m<sup>2</sup> field that would house the biotope. I recalled marveling at its size and puzzling at what kind of facility it would become. The biotope was not an artificial park created by a landscaper, but an ecological facility created with AISIN employees' own hands using copious amounts of recycled products made from the neighboring AISIN Eco Center.

There were countless killifish swimming in schools in a waterway made of completely purified wastewater from the plant. Unfortunately firefly breeding apparently had not gone as planned, but currently uncommon dragonflies were flying about, and I noticed pheasant eggs in a tuft of grass. I was astounded at the rich biota that had formed in such a short time period.

Seasonal vegetables were thriving visibly in a hand-made garden open to all the workplaces in the Company, and to neighboring NPOs and elementary schools. This is the eco farm, built by the AISIN Eco Center with nutrient-rich soil made from fully fermented compost created from leftover foods recovered from the cafeterias of each Group plant. The biotope is used by neighborhood elementary schools for environmental education, and for interactions with community citizens, symbolizing AISIN's advanced status as an environment-oriented corporation. Such social activities are an indispensable component to be with society as a corporate citizen, no matter the business conditions. The biotope is expected to be an official observation course in next year's biodiversity COP10 conference to be held in Nagoya, and here I would like to convey my respect for AISIN as an environmental frontrunner in Japan maintaining its environmental activities without pause, even in the recent harsh economic climate.

I also visited the Aisin com-center attached to the head office for the first time in a long while. The Future Zone where cutting-edge global technologies were on display was fascinating, but this time my eye was caught by the slightly unusual keyword *satisfaction* on a display panel in the Products Zone. Besides the pleasure a user experiences, for employees engaged in development, design and production, and for those at cooperating companies who receive the parts, the word *satisfaction* has a flavor that really conveys the joy of creating products and seeing them used. I felt that this word expressed the essence of AISIN's corporate philosophy.

The Environment Department's Environmental Analysis Laboratory had steadily advanced. The office coordinates with environmental analysis staff at each plant, and three specialists constantly monitor measurement data from eight plants in real time employing state-of-the-art equipment through a system called *E-cosmos*. I was struck by a system that automatically detects signs of environmental risks and handles them one by one in the spirited operating style of the office. Although the work of environmental analysis seldom emerges from behind the scenes unless there is a major problem worthy of newspaper coverage, the source of a corporation's trust from society is in these kinds of diligent and sustained environmental conservation activities.

This visit reaffirmed AISIN's broad range of efforts and steady advancement as an environmental leader representing Japan. I dare say that I think AISIN's next challenge as an environment-promoting corporation is to expand its sphere of environmental cooperation not only to each Group company, but also to the companies upstream and downstream in its supply chain. I will be keeping an expectant eye on AISIN.



**Seiji Mukai**

Representative officer of the Japan Carbon & Technology Exchange  
Executive director of the Green Energy NPO Promotional Organization  
Part-time lecturer in Environmental Management at Nihon Fukushi University



## Society

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**Responding to local needs  
by conducting a broad  
range of corporate  
citizenship activities at each  
overseas business site**

49\_\_ Performance Report

Work Customs

Human Resource Diversity

Product Liability (Automobiles)

Product Liability (Household goods)

Supply Chain Management

Corporate Citizenship Activities





## Message from Management

### Striving to be with society as we respond to stakeholder requests and expectations even in this difficult period



AISIN has codified its focus values in the AISIN Charter of Corporate Behavior to further advance CSR, based on a fundamental commitment to actively fulfill its social responsibilities. We also work to disseminate and realize these values as common values of all employees in the Group.

AISIN strives to create workplace environments that enable all employees to work with peace of mind. In addition to steps toward preserving employees' physical and mental health, such as by working to prevent occupational accidents based on a occupational safety and health management system, we are augmenting facilities and systems to respond to diversifying lifestyles, such as operating an in-house nursery to enable employees to select how they wish to work from a wide variety of options. We also support employee career development by administering a broad range of training programs. Furthermore, with the advance of globalization we are incorporating human rights education into the training curriculum for each management level of the organization to deepen each employee's recognition and understanding of human rights. In fiscal 2009, AISIN was forced to substantially curtail production due to the sudden drop in demand for automobiles. In such adverse circumstances, the Company is taking a variety of steps to ensure that employment can be secured. For instance, in the four-month period from January through April 2009, Aisin Seiki suspended plant operations for a total of 17 days, reallocated work, reassigned personnel and had plants share their workloads with each other.

We strive to ensure quality and safety for our customers by implementing all types of evaluation and inspection of products and services, while always maintaining our basic stance of putting the customer first. To verify quality in automotive parts, for example, we carry out tests on individual parts and perform assessment tests on whole vehicles in which the parts are assembled as part of our efforts to create highly reliable products.

To support CSR activities at our suppliers, we hold workshops themed around topics such as occupational health and safety, manufacturing, compliance and risk management.

For members of the local community, we implement a wide array of corporate citizenship activities in the areas of Protection of Nature and the Environment, Fostering Youth and Community Building and Development. We are expanding the scope of these activities to all parts of the globe.

Moreover, as the veritable foundations of fulfilling our social responsibilities, we are actively working to thoroughly implement compliance, strengthen the corporate governance framework and enhance crisis management systems. In May 2006, AISIN formulated the Basic Policy Concerning the Establishment of Internal Control, which aims to improve work effectiveness and efficiency, and ensure more complete compliance with laws and regulations. Since creating this policy, we have striven to upgrade internal controls, and we report on the status of such activities to the Board of Directors every March. In 2009, in response to the global outbreak of new strains of influenza, we have swiftly shored up the Group's risk management system, and are advancing measures that take account of coordination with governments and the impact on local communities, placing top priority on respect for human life.

AISIN remains committed to listening sincerely to stakeholders' comments, expanding the dialog and striving to be with society as we respond to its requests and expectations even in this challenging period.

**Shunichi Nakamura**  
Executive Vice President in Charge  
of Business Administration



## Social Highlights

### Holding the 24th AISIN Global Safety and Health Convention

In July 2008, we held the 24th All-AISIN Global Safety and Health Convention, in which approximately 500 employees took part.

Following commendations to outstanding business sites in Japan and announcements of activities, we presented the health and safety efforts of Group companies in China. Professor Nakao of the University of Tokyo graduate school also gave a special lecture.

The convention enabled all participants to reinforce the conviction that safety should take precedence over all other considerations.



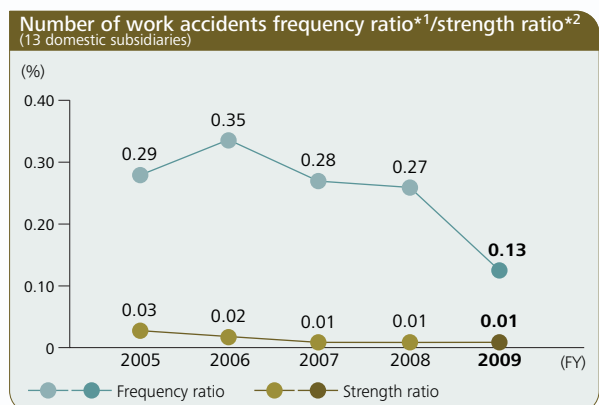
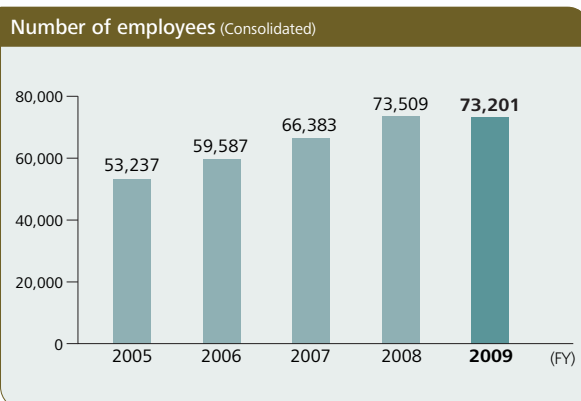
### Holding concerts that people with disabilities can readily enjoy

AISIN has held the Aisin Sawayaka ("refreshing") Concert every year since 2003. These concerts enable local community members and employees with disabilities to enjoy classical music and other events along with their families. We pay careful attention to installing wheelchair paths at the concert venue.

At the 7th concert, held in March 2009, we invited 95 members of the local community—for a total of 177 people, including employees—to enjoy the musical performances of students from the local Aichi Prefectural University of Fine Arts and Music. Attendees said they were "moved and revitalized by the powerful voices," among other praise.

## Aiming toward harmonious coexistence with society

To help create a sustainable society, AISIN advances an array of activities with the basic management stance of actively fulfilling its social responsibilities.



\*1 Frequency ratio =  $\frac{\text{No. of injuries or deaths from accidents}}{\text{Aggregated working hours}} \times 1,000,000$

\*2 Strength ratio =  $\frac{\text{No. of working days lost}}{\text{Total working hours}} \times 1,000$

## Showing children the joys of science and making things

Since 2002, to get local children interested in science and making things, members of the Aisin Certified Technician's Association\* provide guidance for children in studying scientific principles through experiments and making things themselves.

The 2008 session was held in September. At this time, children built fountains out of plastic bottles after learning about water pressure and how a fountain works. They gave cheers of joy when the contraptions they had built themselves spurted water.

\* The Aisin Certified Technician's Association consists of AISIN employees (technicians) who possess outstanding technical skill and who have passed a technical skill test administered by each prefecture or administrative district in Japan based on the implementation plan determined by the Ministry of Health, Labour and Welfare.



Here are some of the opinions expressed by children who took part:

- "It was hard because air and water would leak out during the experiment, but we were happy to see the fountain finally work."
- "I didn't understand some things and it was difficult to build, but it was really fun."

Number of employees taking child-rearing leave (Unconsolidated)



Number of inquiries to customer service (Unconsolidated)







## Responding to local needs by conducting a broad range of corporate citizenship activities at each overseas business site

AISIN's Group network covers all areas of the world. Each region has its own culture, customs, social issues and expectations placed on companies. AISIN's overseas Group companies are therefore autonomously engaged in a wide variety of activities to meet the needs of each region while respecting local diversity.

### North America

#### Helping to solve local problems through donations to NPOs and employee volunteer activities

In North America, the philanthropy of NPOs is a well-established mechanism for resolving all manner of social issues. Each company in the AISIN Group provides funding to these NPOs and NGOs to support such activities.

For example, in fiscal 2009 AISIN U.S.A. MFG., INC., located in the state of Indiana, donated a total of ¥9.9 million to the NPO United Way\* from employee donations and company contributions. AISIN DRIVETRAIN, Inc. and AISIN CHEMICAL INDIANA, LLC—both located in Indiana—also contributed approximately ¥1.3 million to the United Way from employee donations.

We also actively encourage employees to volunteer. In fiscal 2009, employees at each Group company helped out with exterior remodeling for care centers for the elderly, as well as road cleanup and other beautification activities.

\* United Way is an NPO with bases all across the United States that collects donations in place of many other NPOs engaged in overcoming challenges in each community and distributes the donations among these NPOs.



Exterior remodeling of a senior care center (United States)

Cleanup activities (United States)



## Europe

### Providing opportunities for work experience and intercultural understanding to community residents

Europe is faced with the social problem of low employment rates among young people. In response, AISIN is working to create jobs through its businesses, and to offer work experience opportunities to local people.

The UK Research Center of IMRA EUROPE S.A.S. invites university students to its workplace to experience drafting and prototyping.

To help people understand other cultures, the company's headquarters in France provides lessons to employees aiming to learn Japanese and local residents with an interest in Japanese culture. Sessions are held every week for each of two skill levels. Besides encouraging enjoyable learning of Japanese by presenting various aspects of Japanese culture, the lessons help attendees understand Japanese customs and ways of thinking.

## Asia

### Donating wheelchairs and supporting disaster-stricken communities in China

While the Asian economy continues to grow, systems and infrastructure in this region for supporting the socially disadvantaged are sometimes inadequate, and society is looking to corporations to actively shore up such deficiencies. Tianjin Feng Ai Automotive Seat Parts Co., Ltd.—located in Tianjin, China—donates wheelchairs to the Tianjin Development Zone Assistance Association each year on May 18, which is designated as a day for helping people with disabilities. The company donated 10 wheelchairs in fiscal 2009.

In China, the Great Sichuan Earthquake of May 2008 brought severe destruction. Located in China's Hebei Prefecture, TANGSHAN AISIN GEAR CO., LTD., resolved on the day of the disaster to support the affected community, and delivered a relief donation to the area the following day. Later, the company sent additional funds to the area, collected from more than 1,800 employees and concerned outside parties. Twenty-three Japanese and other Group companies also donated relief money to the Red Cross Society of China and other organizations.

We remain committed to corporate citizenship activities that address the needs of each region based on the ideal of "harmonious coexistence with society."



Work experience  
(United Kingdom)

Collecting donations for  
relief of the area affected by  
the Great Sichuan Earthquake (China)

Wheelchair donations  
(China)



## Work Customs

**We support employee growth as the driver of corporate activities, and work to ensure health and safety.**

### Basic approach

AISIN believes that the energy of each individual employee is the force that propels our corporate activities forward.

Our personnel evaluations focus on "work performance ability" and "attitudes to tackling work," our aims being to clarify the state to which employees should aspire and to encourage them in their personal growth.

### Human resources development

Centering on the HR Development Center established in March 2007, Aisin Seiki provides hierarchically graded training for all employees from new recruits to senior managers as well as management training applicable without distinction to skilled manual workers, administrative staff and technical personnel.

The Center also runs the Aisin Technical Academy\*1, whose task is to train future leaders in the manufacturing arena.

### Maintenance and promotion of health

AISIN conducts regular examinations to ascertain employees' physical conditions, and takes steps to maintain or improve their health.

Concerning mental health, we administer stress surveys during health examinations and pass on the results to managers in each department of the Company to enhance the workplace environment.

In fiscal 2009, we promoted workplace improvement activities at offices housing clerical and technical employees. In fiscal 2010, we plan to extend such activities to manufacturing sites and other factory workplaces.

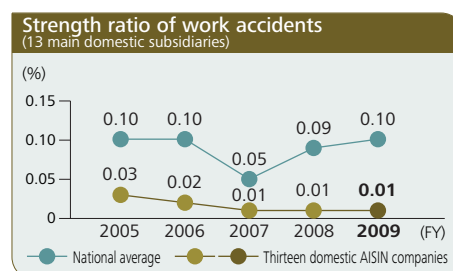
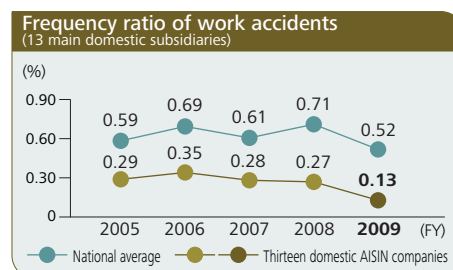
### Ensuring safety at work

AISIN is doing its utmost to prevent occupational accidents from occurring by carrying out regular, voluntary workplace inspections on the basis of an occupational safety and health management system (OSHMS). We also perform occupational hazard risk assessments for all facilities and production lines.

Such activities are enabling us to maintain rates for frequency\*2 and strength of work accidents\*3 that are better than average for our industry as a whole in Japan.

AISIN independently established AGSS as the common safety standard at all Group companies,

including overseas production bases. In fiscal 2009, we set standards and progressively implemented measures to prevent accidents that involve employees becoming caught in die casting machines or pressing machines. As of December 31, 2008, we had completed the implementation of these measures on 85% of applicable equipment.



### Labor-management relations

AISIN is diligently "drawing solutions based on discussions of mutual faith and understanding to address problems between labor and management," in accordance with the "Labor Agreement Memorandum", which was drafted in 1974, to maintain sound labor-management relations.

To provide an opportunity for workers to look back on their careers and plan their futures, labor and management jointly conduct "Life Planning Training." Sessions are held in every July for 42-year-old employees who are in the primes of their lives, and in every November for 57-year-old employees who will soon be retiring. In fiscal 2009, 449 employees participated.

\*1 Aisin Technical Academy : An in-company boarding school for high school graduates who concentrated on technical subjects, this corporate academy offers a one-year training program.

#### Policies aimed at maintaining and encouraging mental health

- Implementation of "listener training" (Listener training teaches workplace leaders to be good listeners when conversing with their subordinates about their concerns)
- Establishment of a "self-checking corner" on the intranet
- Publication once every two months of a mental health leaflet



listener training

\*2 Frequency ratio  

$$\frac{\text{No. of injuries or deaths from accidents}}{\text{Aggregated working hours}} \times 1,000,000$$

\*3 Strength ratio  

$$\frac{\text{No. of working days lost}}{\text{Total working hours}} \times 1,000$$

## Human Resource Diversity

We respect each employee's character and human rights.

### Basic approach

At AISIN we respect the personalities and rights of every one of our employees irrespective of gender, nationality, religion or any other attribute, and we are striving to create a working environment in which everyone can work with full peace of mind.

We also strive to create and improve systems that enable employees to select how they wish to work from a wide variety of options.

### Human rights education

As part of the new employee training program it has conducted since April 2008, since January 2009 AISIN has included education on human rights issues for employees receiving promotions.

Since January 2009, we have conducted similar human rights education for employees receiving promotions. We also encourage human resources representatives at each Group company to participate in external training courses.

### Work-life balance

To ensure an optimal balance between employees' work activities and private lives, AISIN works closely with labor representatives for shortened work hours and an array of other benefits.

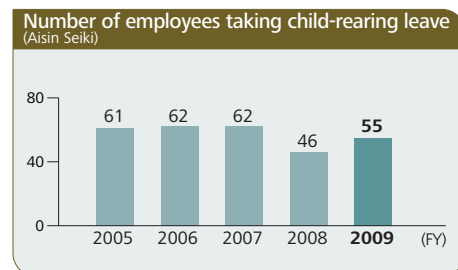
Our ongoing support for employees who also bear the responsibilities of childcare includes expanding systems for reduced working hours and for parental leave, and setting up nurseries.

Currently, we support our employees by looking after about 30 infants and children up to age three.

Moreover, in fiscal 2009 we instituted jury duty leave and dependent leave systems.



In-house nursery



### Employment of people with disabilities

On the basis of an approach rooted in the concepts of normalization and harmonious coexistence, AISIN aims to create working environments in which people with and without disabilities can work together in a dynamic manner. We hold regular consultation sessions for employees with disabilities and do all we can to respond to their concerns in connection with work and everyday life. We also hold training sessions for managers and supervisors so that advisors and superiors in the workplace are able better to understand the concerns of disabled employees.

Due to these efforts, in fiscal 2008, AISIN achieved a disabled employment ratio of 1.90%, above the figure of 1.8% set in law.

AISIN is also concentrating on the technical training of disabled employees, and our employees who have benefited from such training have received many prizes at skills competitions for the disabled held throughout Japan.

### Promoting national diversity in employees

Over a half of the companies in the Aisin Group are overseas subsidiaries, and the diversity of the nationalities of Group employees is increasing year by year with the advance of globalization of business activities.

Presently, of the 14,544 employees working at Aisin Seiki, 543 are citizens of countries other than Japan. Among these, 80 are full employees and 463 are fixed-term staff.

AISIN maintains a system for promoting personnel to full-employee status provided they are actively working and have strong growth prospects. So far, 27 non-Japanese citizens have taken advantage of this system to become full employees.

### Systems to Optimize Work-Life Balance

- System of leave before and after childbirth: Six weeks before birth, eight weeks after birth
- System of childcare leave: Either until the end of the fiscal year (March 31) in which the child reaches the age of one, or the child reaches the age of 18 months
- System of shortened working hours for childcare: Until the child enters primary school
- Reassurance leave: Carried over paid leave, maximum of 20 days
- Leave for child nursing: Up to five days a year until the child enters primary school
- Limitations on overtime, work on holidays and late-night work
- System of support with payment of costs for use of child-rearing services
- Jury duty leave system: Enables employees to focus on their duties as jurors if selected.
- Dependent leave system: For employees who wish to work but are temporarily unable to do so due to a spouse's work transfer or similar situation, this system enables a return to work once the situation changes.





## Product Liability (Automobiles)

We focus on thorough inspection and evaluation to ensure quality.

### Quality inspection and evaluation in the development and design process

We perform a variety of inspections at crucial stages in the development and design process on the basis of a quality management system.

To verify the quality of design after completing the prototypes, we carry out tests not only on individual parts, but also on assembled vehicles as a whole. In both cases we conduct reliability evaluation tests under the harshest environmental conditions.

### Quality inspection and evaluation in the production process

At the preparatory stage prior to production we look into whether the process plan and requisite quality settings are appropriate and at how well the process has been put together.

When embarking on mass production, we verify that it is going to be possible to guarantee 100% flawless quality. This represents the initial quality inspection. We then begin production under the Toyota production system based on the “just in time” concept and automation, and we continually maintain and manage the process using various methods of quality control.

## Establishing reliability and enhancing quality at one of the world’s foremost evaluation facilities

### Overview of Testing Facilities

#### Fujioka Proving Ground (completed 1970)

Location: Mitsukuri-cho, Toyota-shi, Aichi Prefecture  
Area: approx. 670,000 m<sup>2</sup>  
Flat circumference: 2.4 km  
Poor road circumference: 4.6 km

#### Toyokoro Proving Ground (completed 1992)

Location: Toyokoro-cho, Nakagawa-gun, Hokkaido  
Area: approx. 7,480,000 m<sup>2</sup>  
Total circumference: 7.9 km  
Poor road circumference: 15.8 km

#### Fowlerville Proving Ground (completed 2005)

Location: Fowlerville, Michigan, United States of America  
Area: approx. 3,730,000 m<sup>2</sup>  
Dynamic pad: 150R  
Man-made low proad: 210 m

### Creating the best possible testing environment as soon as possible as a manufacturer of automobile parts.

In order to satisfy the demands of reliability held by customers all over the world, AISIN believes it is not sufficient merely to test and evaluate the performance and reliability of individual products. The Company has taken the lead among automobile parts manufacturers by having a comprehensive system for appraising the performance and reliability of products, such as by running actual tests and evaluations of products in cars.

We opened our Fujioka Proving Ground in Aichi Prefecture in 1970 and another Proving Ground at Toyokoro in Hokkaido in 1992. Both have circumferential circuits, and we are proud to say that these are among the largest and best equipped testing facilities anywhere in the world among automotive parts manufacturers. Overseas, in 2005 we became the first Japanese supplier to open a Proving Ground in North America, at Fowlerville in Michigan.

### Establishment of a new circumferential circuit in imitation of an actual driving environment.

In recent years, automotive parts have become increasingly systemized, complex and equipped with more advanced functions, necessitating improved test evaluations with regard to the compatibility of products with vehicles and to vehicle systems as a whole.

AISIN decided therefore to install a new total circumferential circuit at the Toyokoro Proving Ground in September 2005. We created unbanked curves identical to those present on ordinary expressways along with upward and downward slopes, steel bridges, tunnels and concrete walls in order to create a testing environment identical to a real driving environment. At the same time, it is now possible to evaluate the various functions and performance required of vehicles in addition to drive performance, for instance through the installation of testing facilities related to radio wave interference and ITS (Intelligent Transport Systems).

In the future, to develop products that satisfy market needs in each region, we intend to expand our evaluation facilities premised upon all kinds of driving environments throughout the world and to strengthen our system of development. In addition, we will be directing all our energies toward further improving quality and ensuring reliability in order to fulfill our social responsibility as a manufacturer of automotive parts.





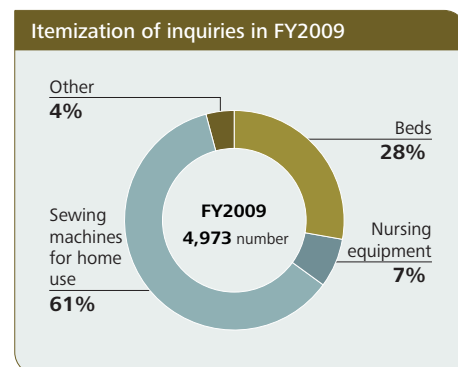
## Product Liability (Household goods)

We strive to manufacture products from the customer's perspective.

### Taking note of customers' opinions

Our Customer Service division is on hand to answer customers' questions about products related to household goods. To enable a prompt, accurate and courteous response to queries, we have computerized information such as that contained in product catalogues. The required information is available for instantaneous searching and use.

Moreover, the opinions, requests and assertions of customers are conveyed rapidly to the related officers and departments on the basis of rigorous system of control over personal information and are used to improve services and in the development of products.



### Retaining the customer's perspective

Maintaining a customer-oriented perspective is crucial for responding to the diverse needs of our clients.

To this end, AISIN launched the Board of Aisin Advisory Specialist for Consumer Affairs in fiscal 2003. We call for employees from each department who wish to obtain official certification as an Advisory Specialist for Consumer Affairs, and help them gain the knowledge the need to earn this certification, supporting their training through such methods as offering guidance on study methods. In fiscal 2009, three employees became certified, bringing the total certified employees in the Company to 21. We are promoting an awareness of being customer-oriented by implementing these educational activities for each department throughout the Company.

Furthermore, employees who are qualified as home helpers employ what they have learned in nursing care when developing welfare devices. One such device is the Hovigator, which was developed in fiscal 2009 as the world's first walk analysis and guidance system (see pg. 28).



Aisin Advisory Specialist for Consumer Affairs study session

### Distributing safety information

#### Urging caution with warm water shower-toilet seats

There have been reports of accidents where warm water shower-toilet seats have burned out more than 15 years after manufacture due to continued use after product malfunction. Since warm water shower-toilet seats are electrical products, continuing to use them after they have malfunctioned can in some cases lead to burn-outs because of wire breakage and excessive heat in internal parts.

In response to the reports, Aisin Seiki has been broadly issuing warnings about the dangers to consumers since November 2008. We disseminated warnings in newspaper advertisements, through direct mail and on our website, and set up a dedicated toll-free customer hotline. In addition to handling inquiries from customers, we conducted free inspection of malfunctions for the 20 models covered.



## Supply Chain Management

### Striving for mutual advancement with our suppliers

#### Basic approach

As part of its manufacturing activities, AISIN procures a wide variety of parts and materials from numerous suppliers.

To grow along with our suppliers, we strive for fair and open transactions as we build trust relationships based on our basic policy on procurement.

#### Basic Policy on Procurement

1. Mutual advancement through mutual trust
2. Fair and open competition
3. Promotion of green procurement
4. Promotion of localization to be a good corporate citizen
5. Compliance with laws and regulations

#### Fair and open competition

To provide opportunities for transactions with as many suppliers as possible, Aisin Seiki holds annual technology exhibitions through chambers of commerce and industry in each prefecture of Japan to enable each supplier to propose unique technologies and other offerings.

In fiscal 2009, 91 companies participated in events we held for suppliers based in Saitama, Nagano and other prefectures.



Technology exhibition

#### Promotion of green procurement

AISIN has formulated Green Procurement Guidelines in the belief that coordination with suppliers is essential for the advancement of environmentally sound business activities.

These guidelines request suppliers' understanding and cooperation, and promote overall environmental activities.

#### Supporting suppliers

We support each supplier's health and safety activities through workshops and study sessions.

In fiscal 2009, we held a risk assessment workshop for workers (81 participants from 62 companies), and a workshop on occupational health and safety regulations and major earthquake countermeasures for top management (63 participants from 60 companies).

We also hold manufacturing and compliance workshops to ensure closer cooperation on quality enhancement and regulatory compliance.



Workshop for suppliers

#### Communicating with suppliers

To build and strengthen trust relationships, Aisin Seiki actively communicates with suppliers at AISIN Suppliers Network and other forums.

Started in 1965, the network is currently attended by 84 companies-primarily parts suppliers.

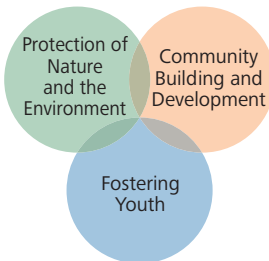
In addition to a general meeting held once a year, we actively exchange information and promote communication at various lecture meetings, workshops and informal gatherings.

#### WEB

Green Procurement Guidelines

## Corporate Citizenship Activities

### Engaging in local community-based corporate citizenship activities



#### Basic approach

AISIN is working actively on corporate citizenship activities closely linked to the regions in three prioritized areas, namely "Protection of Nature and the Environment," "Fostering Youth," and "Community Building and Development." As fellow citizens, it is important for companies to work together with many individuals in fulfilling social responsibilities, and it is this ideal of cooperation that motivates our activities in this regard.

Such activities are spreading to our overseas bases and group companies, and Aisin's "ring of harmony" is expanding throughout the world at a growing pace.

#### ● Protection of nature and the environment

In order to preserve the sustainability of the global environment, we are cooperating with affiliated companies throughout the world on forestation and forestry maintenance projects.

#### ● Fostering youth

We are engaged in a variety of hands-on study programs intended to support youth education and enable young people to become active human beings by experiencing for themselves the importance of nature and the pleasure to be gained from making things.

#### ● Community building and development

We are involved in various activities together with local government and communities so that we can listen to the opinions of people from the community and assist them in leading more prosperous lives.

#### ● Overseas activities

AISIN is engaged in activities rooted in local communities in 20 countries all over the world.

### Examples of corporate citizenship activities

#### Helping with forest preservation activities in Neba, Nagano Prefecture

In fiscal 2005, AISIN signed a "forestry foster parent" agreement with the village of Neba in Nagano Prefecture. Since then, we have continued contributing to the village of Neba by providing donations to cover the costs of tree thinning and underbrush trimming for some 100 hectares of village-owned forest. Moreover, we hold a family environmental educational experience event in Neba Village each year to instill in our employees and their families the importance of forest preservation.

Between employees and their family members, approximately 80 people participated in the family educational experience event, held in autumn 2008. After a presentation on the importance of tree thinning by members of Nagano Prefecture Shimoina Regional Office, participants engaged in pruning and other tree thinning procedures. Participants also repaired 80 meters of forest path.

Comments we received included: "It was hard hammering nails and carrying boards to build the forest path, but I felt satisfied with our work that day when I saw the completed path created out of thinned wood," and, "I look forward to actively participating again next time."



Family educational experience event



# Group Management

- 56\_\_ Corporate Governance
- 57\_\_ Internal Controls
- 59\_\_ Compliance
- 60\_\_ Information Security
  - Disclosure of Information
- 61\_\_ Risk Management
  - Message from Newly Appointed External Auditor

Number of consolidated companies

	Consolidated subsidiaries	Equity method affiliates	Total
Domestic	69	7	76
Overseas	82	5	87
Total	151	12	163

Number of consolidated companies overseas

	Coordination and sales	R&D	Production	Total
North America	7	4	22	33
Europe (including Turkey)	2	3	5	10
Asia & Others	9	1	34	44
Total	18	8	61	87

## Corporate Governance

### Basic approach

With an aim of maximizing corporate value, AISIN aims to grow and develop stably in the long term by building good relationships with all stakeholders.

In order to achieve this objective, we believe that it is important for us to promote fair and transparent management as corporate citizens who enjoy the trust of the international community, and we are therefore doing our utmost to improve corporate governance.

### System

AISIN has adopted an auditor system and, as a statutory institution, has established general meetings of shareholders, a board of directors and a board of auditors.

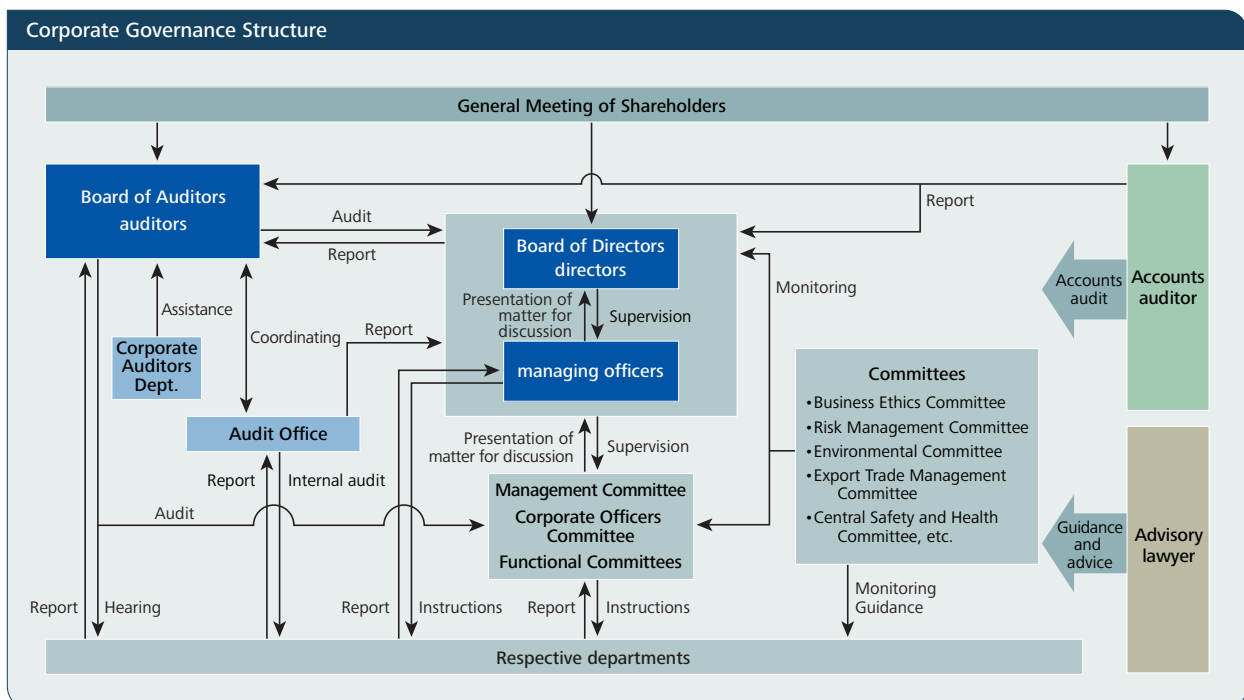
The board of directors as a rule meets once a month. As well as discussing legal matters, it passes resolutions on important matters related to management affairs, including management policy, business planning, planning of capital investment, establishment of subsidiaries, and investment in subsidiaries. It is also responsible for supervising the execution of work.

The board of auditors consists of five auditors including three external auditors. Starting in fiscal

2009, the board of auditors increased its meeting frequency from four times a year to once a month, as a general rule. Auditors audit the execution of work performed by directors in accordance with auditing policy and planning thus determined, and keep track of how each sector is performing its work. They thus verify whether management and business activities are being carried out in accordance with the law and the company's articles of association.

Since fiscal 2006, in order to strengthen the independence of the board of auditors from the board of directors, we have set up Corporate auditors dept. as an organization under the direct control of the board of auditors and have assigned full-time staff specifically to support auditors in the performance of their duties.

Also in fiscal 2006, we ventured to strengthen group management in response to the globalization of business and the accompanying increase in the ferocity of competition. We also set about strengthening our institutional structure to accelerate the decision-making process and the implementation of work. We established the new position of managing officers in charge of execution of work, assigned officers holding this position to each sector within the



company, and gave presidents of leading overseas subsidiaries concurrent positions as managing officers. We also defined senior managing directors as “officers with responsibility for reaching decision in connection with execution of work” and directors of the rank of vice president and above as “officers responsible for formulating business strategy and supervising the execution of work.”

We have also set up a Management Committee, a Corporate Officers Committee and Functional Committees, which are responsible for deliberating individual matters and supervising and providing guidance and advice on the execution of work on the basis of policy determined by the Board of Directors.

## **Responding to Stakeholders’ Interests and Concerns**

AISIN considers that active realization of its social responsibilities stands at the heart of its business activities and we have enshrined that conviction in the “AISIN Charter of Corporate Behavior.”

We have also set up committees tasked with promoting management that addresses the interests and concerns of internal and external stakeholders, including the Business Ethics Committee, the Environmental Committee, and Central Safety and Health Committee. These committees monitor activities inside the company in accordance with their respective topics and report on the results to the Board of Directors with the aim of improving activities of all kinds.

## **Internal Controls**

### **Basic Policy Concerning the Establishment of Internal Control**

In response to the enactment of the Companies Act, AISIN’s Board of Directors passed a motion in May 2006 in connection with “Basic policy concerning the establishment of internal control.”

Continuous efforts toward maintenance and improvement are being made on the basis of this policy in forms such as ensuring greater thoroughness on the operational front inside the company and reviewing the system itself.

### **Handling Assessments of the Efficacy of Internal Controls on Financial Reporting (Internal Control Reporting System)**

In connection with handling assessments of the efficacy of internal controls on financial reporting (the internal control reporting system), AISIN established a companywide project team within the Corporate Risk Management Department in 2006. The project team promotes the maintenance of companywide internal controls, account settlement process controls, business process

(management of sales, accounts receivable, inventory assets, purchasing, etc.) controls and general information technology controls, in accordance with the Financial Instruments and Exchange Act and the Financial Services Agency’s practice standards. In addition, Aisin Seiki has specified a policy to Group companies in Japan and overseas on how to handle internal controls. Based on internal assessment of the status of internal controls, we have identified items requiring improvement, upgraded systems, and developed and thoroughly implemented regulations.

The assessment of the first year of the internal control reporting system concluded that the Company’s internal controls on financial reporting were functioning effectively as of March 31, 2009. In June 2009, we disclosed this information in an internal control report.

PricewaterhouseCoopers Arata judged the Company’s internal control report appropriate, and provided its audit report in relation to the document.



## Basic Policy Concerning the Establishment of Internal Control

### 1. System for ensuring that the execution of duties by directors complies with laws and the articles of incorporation.

Based on the Company's corporate principles and Charter of Corporate Behavior, directors shall work to maintain systems to ensure compliance with laws and the articles of incorporation.

- (1) During training upon appointment to their positions and at other relevant times, we shall thoroughly train directors to act in accordance with laws and the Articles of Incorporation by using guidebooks and other materials that address corporate behavioral ethics and the legal knowledge necessary for directors.
- (2) In executing tasks, directors shall make decisions upon comprehensive deliberation not only in the Board of Directors and the Management Committee, but at all manner of committees, councils and other cross-organizational meetings.
- (3) We shall establish a committee on corporate behavioral ethics, which shall deliberate on and determine policies and systems for legal and corporate ethics compliance.

### 2. System for storage and management of information regarding execution of duties by directors

Information regarding execution of duties by directors shall be appropriately stored and managed by each responsible department, based on relevant regulations and laws.

### 3. Regulations concerning management of the risk of loss, and other systems

We shall establish a committee on risk management, which shall deliberate on and determine important policies and systems regarding risk management, including ascertainment and evaluation of companywide risks, and identification of matters against which we need to focus on countermeasures. Based on these policies and systems, we shall take precautions to prevent risks, and respond to any crises that should become apparent.

### 4. System for ensuring efficient execution of duties by directors

- (1) We shall carry out consistent policy management by making concrete policies at each level of the organization on the basis of medium-term management plans and yearly corporate policies.
- (2) Within our officer system of directors and managing officers, directors shall direct and supervise managing officers based on management policy and grant them executive authority within each department in order to exercise agile decision-making.

### 5. System for ensuring that the execution of duties by employees complies with laws and the articles of incorporation.

- (1) Based on the policies of the committee on corporate behavioral ethics, employees shall be thoroughly trained in compliance matters via distributed guides on corporate ethics and through legal education and education at each management level.
- (2) We shall ensure that information that addresses issues and questions regarding compliance matters is quickly obtained through corporate ethics consultation contact point and other services, so that such matters are understood and resolved early on.

- (3) We shall carry out on-site audits by an internal auditing department.

### 6. System for ensuring the appropriateness of tasks in the corporate group consisting of the joint-stock company and its parent company and subsidiaries

- (1) Based on the common basic principles of the Group and the Charter of Corporate Behavior, we shall work to maintain systems to ensure compliance with laws and the Articles of Incorporation, and ingrain those systems through human interaction.
- (2) We shall place subsidiary management functions within the corporate planning department, and work to ensure the appropriateness of each company's business activities by ascertaining each company's planning and results pertaining to such activities.
- (3) We shall provide advice and support toward maintaining systems for ensuring information distribution to each Group company and the appropriateness of its business activities, though meetings as a corporate group and information sharing among each functional department on both a periodic and an as-needed basis.

### 7. Matters concerning employees appointed on request to assist corporate auditors with their duties

We shall establish a dedicated department for assisting corporate auditors with their duties, and assign employees to posts therein.

### 8. Matters concerning the independence of employees referred to in the preceding item from directors

The designation of employees to assist corporate auditors with their duties shall require the prior approval of the Board of Auditors or a standing corporate auditor specified by the Board of Auditors.

### 9. System for reporting to corporate auditors by directors and employees, and other systems concerning reporting to corporate auditors

- (1) Directors shall report to the corporate auditors on the execution of main tasks via the departments responsible in a timely and appropriate manner, and shall immediately report to the corporate auditors upon discovery of any fact that could cause significant harm to the Company.
- (2) Directors, managing officers and employees shall report business matters to the corporate auditors on a periodic and as-needed basis, as per requests by the corporate auditors.

### 10. Other systems for ensuring effective performance of audits by corporate auditors

- (1) To enhance the effectiveness of audits performed by the corporate auditors, directors shall actively cooperate in their audit activities, including corporate auditors' attendance at important meetings, review of important documents, activities of on-site audits of plants and subsidiaries, and meetings with accounts auditors.
- (2) The internal auditing department shall interface closely with the corporate auditors and report to them the results of internal audits.

## Compliance

### WEB

AISIN Charter of Corporate Behavior  
Behavioral Ethics Guideline



Monthly poster to enhance  
ethical business activities

### Basic approach

AISIN has instituted the AISIN Charter of Corporate Behavior with the aim of setting behavioral standards that must be implemented so that we can fulfill our responsibilities to society.

We declare within the charter that we will respect all laws applicable inside and outside Japan and international rules and that, as well as respecting the spirit of these laws and rules, we will behave in a spirit of social responsibility.

### System

AISIN has set up a Business Ethics Committee with the company's vice president as chairman and its executives as committee members as an institution whose function is to discuss important matters related to corporate ethics and to decide on policy in this regard.

Discussions in connection with corporate behavioral ethics may be had both inside the company (Legal Affairs Department) and outside the company (law offices).

### Consultation and notification contact points

Our corporate behavioral ethics consultation contact points accept notification and consultation regarding compliance via telephone, fax or e-mail, and access is readily available not just to employees but also to their families and business partners. We have also opened external contact points to Group companies, and the use of these points by Group company employees is increasing.

Clear regulations have been created to ensure that the provider's name and the content of notifications and consultations provided via contact points remain confidential, and notification recipients and consultants protect this confidentiality. To ensure that parties providing notification or seeking consultation are not mistreated as a result, information concerning any such mistreatment is communicated promptly to notification recipients and consultants, who communicate with the manager of department involved and provide thorough training on eliminating such mistreatment.

Internal bulletins and other channels have helped promote an awareness of these contact points. Accordingly the number of consultations and notifications has increased each year. In fiscal 2008, contact points handled 94 consultations and notifications, eight of them from outside the Company. In fiscal 2009, this number rose to 125,

including 17 from outside the Company. For the 12 main Group companies, the total for fiscal 2009 was 254, including 20 from outside the company.

### Ensuring full awareness on the part of employees

AISIN has drawn up a "Behavioral Ethics Guideline" to serve as a guide, which is distributed to all employees as they strive to act in strict accordance with rules and manuals. We hold training and theme-based training in connection with compliance every year targeted at specific groups in the corporate hierarchy and encourage all employees to raise their awareness of compliance and to acquire knowledge concerning individual laws and regulations. In fiscal 2009, we provided training on such themes as the Antimonopoly Law, export controls and the Copyright Act. October every year is stipulated as the month when particular efforts are made to strengthen corporate behavioral ethics. Educational activities are implemented including the holding of talks and lecture, soliciting ideas for mottos and slogans, and presenting commendations.

#### Compliance Training by Rank

Officers	145
Managers	842
General employees	2,509 Of which, new employees (including mid-career hires) numbered 1,229
Agency workers	172
Total	3,668

(From 12 main domestic subsidiaries)

We also promote compliance by conducting case studies at each workplace. We present cases that involve a question of compliance violations, and discuss where problem lie and how such violations can be prevented, assisting smooth communication in the workplace. The Behavioral Ethics Guideline and case studies are available in other languages for people who do not use Japanese on a daily basis.

In fiscal 2009, we supplemented these activities by keeping employees informed through inclusion of questions and answers on compliance in internal magazines.

## Information Security

### Basic approach

AISIN has established the following guidelines, among other measures, to prevent leakage of confidential information and personal information.

- Confidential Information Management Rules
- Personal Information Protection Policy
- Personal Information Protection Rules
- Cyber Information Security Management Rules

These guidelines stipulate the need to comply with laws, regulations and social norms when handling personal information belonging to customers, business partners and employees, and there are being strictly observed.

### System

Under a system advanced companywide and supervised by the General Affairs Department, we place confidentiality managers in each department to take measures to prevent information leakage. To respond to any information leaks or suspected leaks that should occur, we have established an Emergency Countermeasures Headquarters to investigate the leakage, prevent secondary damage and provide for the parties affected.

Moreover, besides educating the responsible persons and each management level of the organization, in 2009 we began keeping all employees thoroughly informed on these matters through e-learning programs.

There were no leakages of confidential or personal information in fiscal 2009.

### Cyber Information Security

AISIN specifies procedures for protecting its information and information systems in its Cyber Information Security Management Rules. The Company designates security levels for each building according to the importance of the information housed, and manages the facilities and monitors who enters and exits based on the respective security levels.

Moreover, to prevent information leakage due to computer theft and loss, we require that employees get permission to remove computers from the premises, and we have implemented security software to prevent leakage even in the event of theft or loss.

## Disclosure of Information

### Basic approach

We disclose information in a fair and timely manner to ensure that our stakeholders, including shareholders and other investors properly understand and trust AISIN.

### System and Efforts

We report immediately to individual sectors and information controllers in group companies (general managers within Aisin Seiki; executive class in group companies) in connection with issues involving individual councils and important facts occurring inside and outside AISIN.

Information controllers who receive reports convene meetings of assessment committees consisting of the representatives of Corporate Planning Dept., Finance & Accounting Dept., and Legal affairs Dept. Decisions are reached at these

meetings on whether or not it is necessary to disclose information at appropriate times in light of the rules of disclosure laid down by securities exchanges. The decisions are reported to directors and promptly disclosed through TD net\* and other means. Furthermore, the Aisin Seiki website contains a variety of corporate information and includes an e-mail notification service for all who wish to stay abreast of statements of account and news releases.

In addition, to prevent insider trading we obtain written pledges from each officer and related employee concerning information management and trading of stock and other instruments. We also conduct educational sessions on insider trading regulations as needed, as part of our efforts to raise awareness.

\* TD net: Web-based disclosure service of the Tokyo Stock Exchange



## Risk Management

### Basic approach

AISIN strives to keep any risks that may have a serious influence on corporate management from materializing. In order to create a corporate constitution with strong resistance to risks, we consider that one of our priority management tasks is to reduce any damage to the minimum and ensure that rapid restoration is possible in the event of a risk actually occurring.

Moreover, we work to strengthen the risk management system and enhance risk responsiveness under a coordinated Group framework.

### System

As part of its risk management and advancement system, Aisin Seiki has set up a Risk Management Committee chaired by the Vice President. The committee advances and strengthens risk management activities, such as monitoring of progress on measures against important companywide risks, consideration of risks that may warrant greater safeguards in the coming fiscal year, and continual follow-up on implementation status at each department in charge of risks.

In order to promote such practical activities in an efficient manner throughout the company, we have set up a Corporate Risk Management Dept. to deal exclusively with this matter, and we are striving to enhance responsiveness, whether trouble is present or absent.

### Ensuring full awareness on the part of employees

AISIN has created a Risk Management Guide that expounds on the basic approach of the company, on the behavioral principles to be adopted by employees, and on how to respond in the event of an urgent situation actually arising. Efforts are made to ensure full awareness on the part of employees through annual practical activities and hierarchically differentiated training.

### Business Continuity Plan (BCP)

Continuity of important business activities in emergency situations such as natural disasters and accidents is indispensable for corporate management.

AISIN considers it to be an urgent priority to put together a business continuity plan (BCP) to respond to earthquakes on a magnitude similar to that of the Tokai Earthquake. We are working on creating an action plan concerned with ensuring the safety of employees, preserving assets in the forms of buildings and equipment, and enabling a full return to production in the briefest possible period.

We are also advancing countermeasures and creating BCPs to respond to major outbreaks of new strains of influenza and other highly dangerous risks that could result in a cessation of business activity. In our efforts, we place the highest value on human life, and give full consideration to our social obligations and how such situations would affect local communities.

## Message from Newly Appointed External Auditor

### I will emphasize legal compliance, ensuring fairness and transparency, and fulfilling responsibility for explanation in my auditing duties.

Although I am engaged in business law research at Nagoya University focusing the Companies Act, I have recently taken the position of external auditor for Aisin Seiki. The most fundamental of the various regulations governing joint-stock companies in Japan is the Companies Act, which was passed in 2005 and enacted in 2006. As its framers intended, this law is characterized by its flexibility and neutrality. Under the Companies Act, the scope of actions companies can freely undertake is substantially broader than under previous regulatory structures. However, such freedom naturally necessitates that fairness and transparency of procedures be ensured when taking actions, and that the responsibility of explanation to shareholders and society on the reasons for such actions be fulfilled.

Related to these issues is the already frequently mentioned problem of the widespread hollowing out of boards of directors, which were originally intended to thoroughly consider important

business management issues. In my audit duties, I will naturally emphasize legal compliance as a researcher in business law, and from my independent perspective I aim to devote special attention to the issues of whether thorough discussion is taking place at board of directors meetings, whether the fairness and transparency of procedures is being maintained, and whether the responsibility for explanation is being fulfilled.



**Ryo Kobayashi, Auditor**  
Professor, Nagoya University Graduate School of Law  
Assumed the position of outside auditor in fiscal 2010

# Directors, Corporate Auditors and Managing Officers

AISIN SEIKI CO., LTD. (As of June 2009)



## Directors and Corporate Auditors

Chairman	Kanshiro Toyoda	Senior Managing Directors	Shinichiro Yamamura	Directors	Tsuneo Uchimoto
Vice Chairman	Yasuhito Yamauchi		Toshikazu Nagura		Masahiro Suo
President	Fumio Fujimori		Yutaka Miyamoto		Toshiyuki Ishikawa
Executive Vice Presidents	Norio Oku		Naofumi Fujie		Takeshi Kawata
	Shunichi Nakamura		Takashi Morita		Tsutomu Ishikawa
	Masuji Arai		Shizuo Shimanuki	Standing Corporate Auditors	Minoru Hayashi
			Makoto Mitsuya		Toshihiro Gonda
			Toshiyuki Mizushima	Corporate Auditors	Shoichiro Toyoda
					Hirohisa Yamada
					Ryo Kobayashi

## Managing Officers

Takaki Kamio	Yoshiaki Kato	Seiichi Takahashi	Susumu Takase	Takahisa Hirose
Kenji Tsujimura	Hiroshi Takahashi	Shinsuke Yagi	Ryuji Nakamura	
Takashi Enomoto	Hitoshi Okabe	Masayasu Sugiura	Naoki Katsurayama	
Masayasu Saito	Tsuyoshi Yoshida	Takashi Omitsu	Masanobu Ishikawa	
Kazumi Usami	Yoshihiko Kanada	Masaharu Goto	Naoshi Ichino	

# AISIN's Main Group Companies

## AISIN SEIKI CO., LTD.

WEB <http://www.aisin.com>

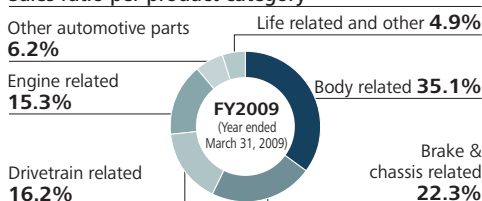


**Fumio Fujimori**  
President

### Widespread Business Expansion Based on "Quality First"

As the central hub of the AISIN Group's 163 consolidated companies, Aisin Seiki pursues business expansion chiefly through its mainstay Automotive Parts and Systems Business. This business covers such diverse fields as drivetrain related, brake & chassis related, body related, engine related and information related products segments. Aisin Seiki capitalizes on its accumulated automobile related expertise to offer products in such diverse fields as life, energy and welfare. In this way, Aisin Seiki endeavors to offer attractive products and services with truly high quality and cost competitiveness based on "Quality First."

#### Sales ratio per product category



Establishment ..... August 31, 1965

Capital ..... ¥45,049 million (as of March 31, 2009)

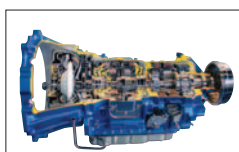
Address ..... 2-1, Asahi-machi, Kariya, Aichi, 448-8650, JAPAN  
Tel. +81-566-24-8441

Employees ..... Consolidated 73,201  
Non-consolidated 12,364 (as of March 31, 2009)

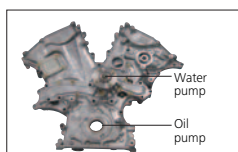
Businesses ..... Production and sales of automotive parts, life related products (sewing machines, beds, GHPs) and welfare related products



Power sliding door system



6-speed AT for light-duty compact commercial vehicles

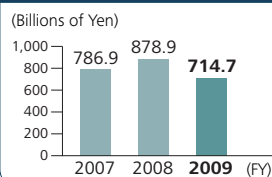


Engine front module

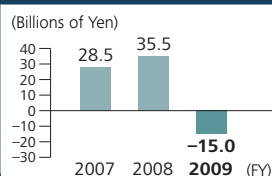


Parking assist system

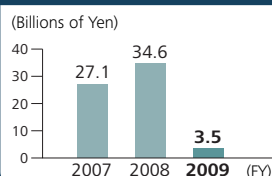
#### Net sales



#### Operating income



#### Net income



## AISIN TAKAOKA CO., LTD.

WEB <http://www.at-takaoka.co.jp>

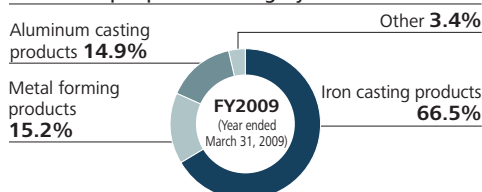


**Toshiyuki Ishikawa**  
President

### Preeminent Manufacturer of Cast Components

Aisin Takaoka is Japan's largest dedicated manufacturer of cast products, and in recent years the company has been manufacturing parts for engines and brakes using a variety of materials such as iron, aluminum and stainless steel. The company is capitalizing on new materials development and new engineering methods to help improve environmental performance and vehicle safety by supplying tougher and lighter parts. Aisin Takaoka is applying the technology it has gained in the field of cast iron to other branches of industry such as audio products. Speakers and speaker stands sold under the TAOC brand name enjoy a particularly high reputation in the audio industry.

#### Sales ratio per product category



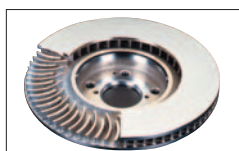
Establishment ..... March 8, 1960

Capital ..... ¥5,396 million (as of March 31, 2009)

Address ..... 1 Tennoh, Takaokashin-machi, Toyota, Aichi, 473-8501, JAPAN  
Tel. +81-565-54-1123

Employees ..... 2,946 (as of March 31, 2009)

Businesses ..... Iron and aluminum machining and casting, plastic working, and audio product manufacturing and sales



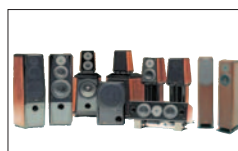
Brake disc rotor



Stainless steel and cast iron composite exhaust manifold

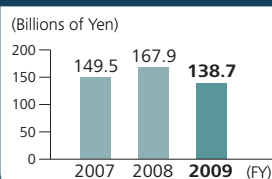


Bumper reinforcement

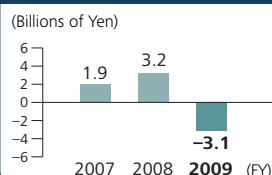


TAOC speaker system

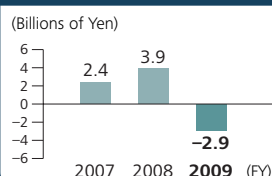
#### Net sales



#### Operating income



#### Net income



## AISIN CHEMICAL CO., LTD.

WEB <http://www.aisin-chem.co.jp>



**Yasuhide Shibata**  
President

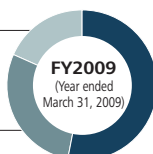
### Specialist in Chemical Products, Friction Materials and Plastic Parts

Aisin Chemical is the Group's sole chemical specialist and handles such chemical products as automotive coatings, adhesives and damping materials, as well as friction materials for clutches and brake pads and resin-based parts in various automotive areas. Through these businesses, the company develops products that help make vehicles lighter and help protect the environment. Moreover, by rolling out production lines with innovative brake pad manufacturing methods and production lines with segment methods for wet friction materials, Aisin Chemical is building production systems that aim to enhance productivity, save energy, cut CO<sub>2</sub> emissions, reduce waste and ensure safety. Aisin Chemical made its first overseas acquisition in June 2008 when it took over the brake pad manufacturing company SEBT as part of its creation of a global supply structure.

#### Sales ratio per product category

Chemical products  
**18.3%**

Plastic products  
**28.4%**



Friction materials  
**53.3%**

Establishment ..... February 12, 1952

Capital ..... ¥2,118 million (as of March 31, 2009)

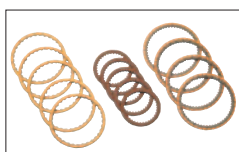
Address ..... 1141-1, Okawagahara, Fujioka-lino-cho, Toyota, Aichi, 470-0492, JAPAN  
Tel. +81-565-76-6661

Employees ..... 809 (as of March 31, 2009)

Businesses ..... Production and sales of chemical products, friction materials and plastic parts



Spray-type damping materials



Segment-type discs



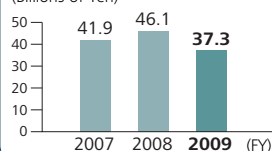
Intake manifolds



Brake pads

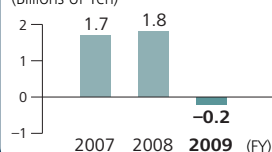
#### Net sales

(Billions of Yen)



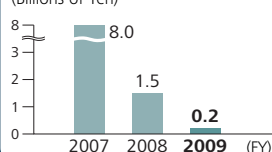
#### Operating income

(Billions of Yen)



#### Net income

(Billions of Yen)



## AISIN AW CO., LTD.

WEB <http://www.aisin-aw.co.jp>



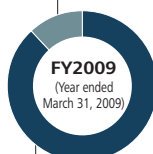
**Tsutomu Ishikawa**  
President

### Leading Manufacturer of ATs and Car Navigation Systems

Aisin AW can boast a wide lineup of products as a manufacturer specializing in automatic transmissions (AT) and car navigation systems. The company has been expanding its business operations in the field of AT with the adoption of the world's first 8-speed AT for rear-wheel drive vehicles (FR) in the Lexus LS460 and the world's first RWD 2-Motor Hybrid Transmission in the GS450h. In the field of car navigation systems, in fiscal 2008 Aisin AW and the Toyota Motor Corporation jointly developed "Map On Demand," the world's first map differential transmission technology. The company intends to continue working on car navigation systems incorporating new technology that are set to greatly facilitate map updating.

#### Sales ratio per product category

Car navigation systems **11.9%**



ATs **88.1%**

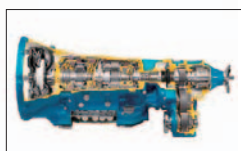
Establishment ..... May 15, 1969

Capital ..... ¥26,480 million (as of March 31, 2009)

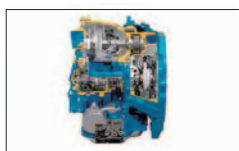
Address ..... 10 Takane, Fujii-cho, Anjo, Aichi 444-1192, JAPAN  
Tel. +81-566-73-1111

Employees ..... 12,329 (as of March 31, 2009)

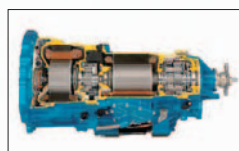
Businesses ..... Production and sales of ATs, hybrid systems and car navigation systems



AWD 8-speed AT



CVT



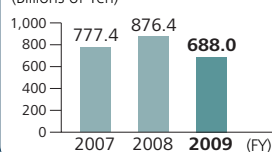
RWD 2-Motor Hybrid  
Transmission



Car navigation system

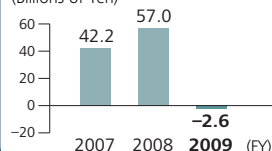
#### Net sales

(Billions of Yen)



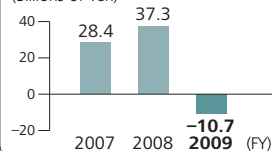
#### Operating income

(Billions of Yen)



#### Net income

(Billions of Yen)





## AISIN's Main Group Companies

### AISIN AI CO., LTD.

WEB <http://www.aisin-ai.co.jp>



**Masahiro Suo**  
President

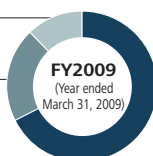
#### The Leading Manufacturer of MTs

Pursuing the joy of operation and the joy of travel, Aisin AI is Japan's leading specialized MT manufacturer. The company's MTs cover an extensive array of automobiles, from small passenger vehicles and sports cars to commercial vehicles. In January 2009, the company commenced manufacture of a front-wheel drive (FF) medium—capacity 6-speed MT with world-class shift quality. The new MT is employed in the *Avenis*-sold in Europe. From May, Aisin AI's FF low- to medium-capacity 6-speed FF has also been used on the Toyota *Urban Cruiser* (Japanese name: *ist*). Aisin AI is expanding global business, including a new plant of overseas subsidiary AISIN AI (THAILAND) CO., LTD., completed in May.

#### Sales ratio per product category

Other **12.0%**

Transfers **20.3%**



MTs **67.7%**

Establishment ..... July 1, 1991

Capital ..... ¥5,000 million (as of March 31, 2009)

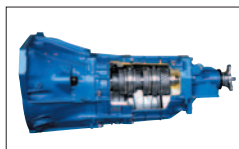
Address ..... 1 Shiroyama, Ojima-cho, Nishio, Aichi 445-0006, JAPAN  
Tel. +81-563-52-3111

Employees ..... 2,000 (as of March 31, 2009)

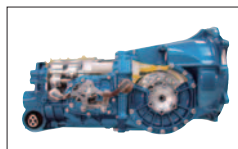
Businesses ..... R&D, design, production and sales of MTs and transfers as well as their components and attachments



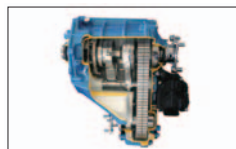
FWD 6-speed MT



RWD 6-speed MT



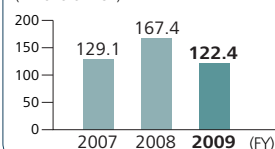
Rear-engine RWD 6-speed MT



Transfers for rear-wheel drive vehicles

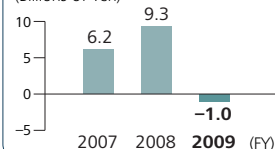
#### Net sales

(Billions of Yen)



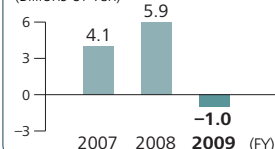
#### Operating income

(Billions of Yen)



#### Net income

(Billions of Yen)



### ADVICS CO., LTD.

WEB <http://www.advics.co.jp>



**Takeshi Kawata**  
President

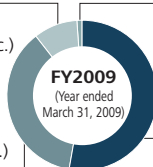
#### Cutting-edge Brake System Supplier

ADVICS aims to contribute to the realization of a bountiful society by providing appealing products that pursue environmental, safety and comfort measures and embracing the development of new technologies. With "evolution of safety" as its corporate theme, ADVICS conducts scientific research on safety. By sharing this orientation among all its employees, the company strives to advance safety to the next stage.

#### Sales ratio per product category

Actuation  
(Brake boosters and master cylinders, etc.)  
**9.4%**

Modulation  
(ABSs and ESCs, etc.)  
**36.7%**



Foundation brakes  
(Disc brakes and drum brakes, etc.)  
**52.8%**

Establishment ..... July 3, 2001

Capital ..... ¥5,750 million (as of March 31, 2009)

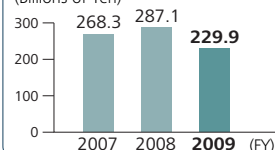
Address ..... 2-1, Showa-cho, Kariya, Aichi, 448-8688, JAPAN  
Tel. +81-566-63-8000

Employees ..... 882 (as of March 31, 2009)

Businesses ..... Development and sales of brake systems for automobiles and their system components

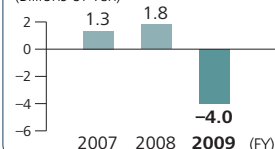
#### Net sales

(Billions of Yen)



#### Operating income

(Billions of Yen)



#### Net income

(Billions of Yen)

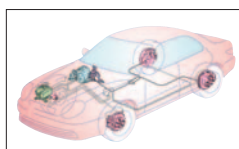
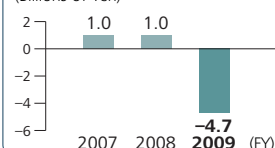
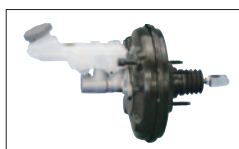
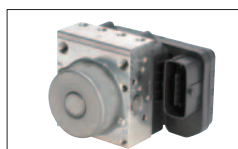


Diagram of a brake system



Brake booster and Master cylinder



ESC Modulator



Disc brake

# Management Data

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67\_\_ Summarized Financial Data for Ten Years

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73\_\_ Consolidated Statements of Changes in Net Assets

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## 81\_\_ Social Aspects

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## Management Data Economic Aspects

### Summarized Financial Data for Ten Years

AISIN SEIKI CO., LTD. and Its Subsidiaries Years ended March 31

	Millions of Yen			
	2000	2001	2002	2003
Net Sales	¥ 1,000,643	¥ 1,128,484	¥ 1,221,916	¥ 1,408,012
Domestic Sales	847,408	904,040	968,878	1,103,979
Overseas Sales	153,234	224,443	253,037	304,033
Operating Income	50,795	64,816	60,644	80,600
Net Income	17,978	-7,230	25,651	47,994
Total Assets	928,918	1,104,641	1,146,819	1,224,311
Shareholders' Equity	362,394	414,671	431,872	428,602
Capital Stock	41,140	41,140	41,140	41,140
Capital Expenditures (Cash Flows)	84,750	80,853	81,258	115,355
Depreciation	82,342	82,650	80,238	86,350
Research and Development Expenses	53,086	58,831	67,665	80,074
Return on Equity (ROE)	5.4 %	-1.9 %	6.1 %	11.2 %

	Yen			
	2000	2001	2002	2003
Per Share of Common Stock				
Net Income — Basic	¥ 64.36	¥ -25.89	¥ 91.84	¥ 171.98
Net Income — Diluted	61.14	—	86.76	161.28
Shareholders' Equity	1,297.21	1,484.53	1,546.21	1,612.96
Cash Dividends		12.00	13.00	15.00
Average Number of Shares (in thousands)	279,364	279,329	279,322	273,746
Equity to Assets Ratio	39.0 %	37.5 %	37.7 %	35.0 %
Number of Employees	32,860	36,343	40,234	44,132

- Notes: 1. Income per share of capital stock is calculated by dividing net income by the weighted-average number of shares outstanding during the reported period, and Shareholders' equity per share of common stock is calculated based on the number of shares outstanding at year-end.
2. Effective beginning the year ended March 31, 2005, the "Accounting Standards for Net Income per Share (Corporate Accounting Standard No. 2)" and "Guidelines for the Application of Accounting Standards for Net Income Per Share (Guidelines for the Application of Corporate Accounting Standards No. 4)" issued by the Accounting Standards Board of Japan on September 25, 2002 have been applied.
3. Effective beginning the year ended March 31, 2007, the "Accounting Standard for Presentation of Net Assets in the Balance Sheet (Corporate Accounting Standard No. 5)" and "Guidance on Accounting Standard for Presentation of Shareholders' equity in the Balance Sheet (Accounting Standards Board of Japan Guidance No. 8)" issued by the Accounting Standards Board of Japan on December 9, 2005 have been applied.
4. The number of consolidated subsidiaries and affiliates accounted for by the equity method is as follows.

	2000	2001	2002	2003
Consolidated Subsidiaries	49	89	102	106
Affiliates Accounted for by the Equity Method	7	13	15	14

Millions of Yen					
2004	2005	2006	2007	2008	2009
¥ 1,605,252	¥ 1,829,064	¥ 2,120,588	¥ 2,378,611	¥ 2,700,405	¥ 2,214,492
1,208,311	1,269,497	1,406,584	1,520,081	1,661,827	1,337,159
396,940	559,567	714,004	858,530	1,038,578	877,333
86,768	95,110	118,096	131,034	180,484	-3,489
34,719	46,718	61,095	66,889	91,654	-25,149
1,382,584	1,503,313	1,853,458	2,037,896	2,097,727	1,731,689
506,260	552,752	678,881	955,853	994,592	814,506
45,049	45,049	45,049	45,049	45,049	45,049
147,586	162,327	218,753	224,433	204,845	231,175
97,563	105,968	123,033	145,276	167,482	182,057
89,076	95,545	95,148	103,749	115,330	115,994
7.4 %	8.8 %	9.9 %	9.3 %	12.0 %	-3.6 %

Yen					
2004	2005	2006	2007	2008	2009
¥ 126.11	¥ 159.94	¥ 209.15	¥ 233.03	¥ 322.50	¥ -89.36
118.38	159.77	208.86	232.71	322.15	—
1,771.12	1,928.58	2,361.66	2,662.78	2,725.67	2,202.86
18.00	24.00	32.00	40.00	60.00	40.00
267,404	285,807	286,628	287,038	284,197	281,456
36.6 %	36.8 %	36.6 %	37.2 %	36.6 %	35.8 %
47,616	53,237	59,587	66,383	73,509	73,201

2004	2005	2006	2007	2008	2009
114	122	132	141	148	151
14	14	14	12	11	12



## Consolidated Balance Sheets

AISIN SEIKI CO., LTD. and Its Subsidiaries Years ended March 31, 2009 and 2008

Category	Millions of Yen	
	FY2008 (As of Mar. 31, 2008)	FY2009 (As of Mar. 31, 2009)
<b>ASSETS</b>		
<b>I Current assets</b>		
1 Cash and deposits	¥ 102,293	¥ 72,586
2 Notes and accounts receivable-trade	373,697	199,437
3 Short-term investment securities	95,636	77,651
4 Inventories	175,360	—
5 Goods and products	—	62,310
6 Work in process	—	36,940
7 Materials and supplies	—	48,282
8 Deferred tax assets	58,131	49,368
9 Others	65,543	68,327
Allowance for doubtful accounts	-746	-1,324
<b>Total current assets</b>	<b>869,917</b>	<b>613,581</b>
<b>II Noncurrent assets</b>		
<b>1 Property, plant and equipment</b>		
(1) Buildings & structures	536,086	542,825
Accumulated depreciation	-282,709	-297,775
Buildings & structures (net)	253,377	245,050
(2) Machinery, equipment and vehicles	1,365,899	1,391,874
Accumulated depreciation	-936,366	-980,991
Machinery, equipment and vehicles (net)	429,533	410,882
(3) Tools, furniture and fixtures	248,379	257,612
Accumulated depreciation	-206,768	-221,509
Tools, furniture and fixtures (net)	41,610	36,102
(4) Land	94,649	100,429
(5) Leased assets	—	507
Accumulated depreciation	—	-100
Leased assets (net)	—	407
(6) Construction in progress	56,602	48,699
<b>Total property, plant and equipment</b>	<b>875,773</b>	<b>841,571</b>
<b>2 Intangible assets</b>		
(1) Goodwill	6,793	—
(2) Software	11,641	—
(3) Others	2,450	—
<b>Total intangible assets</b>	<b>20,885</b>	<b>18,905</b>
<b>3 Investments and other assets</b>		
(1) Investment securities	267,509	190,406
(2) Long-term loans receivable	4,403	—
(3) Deferred tax assets	28,369	30,597
(4) Others	31,313	37,179
Allowance for doubtful accounts	-445	-552
<b>Total investments and other assets</b>	<b>331,150</b>	<b>257,631</b>
<b>Total noncurrent assets</b>	<b>1,227,810</b>	<b>1,118,108</b>
<b>Total assets</b>	<b>2,097,727</b>	<b>1,731,689</b>

Millions of Yen

Category	FY2008 (As of Mar. 31, 2008)	FY2009 (As of Mar. 31, 2009)
<b>LIABILITIES</b>		
<b>I Current liabilities</b>		
1 Notes and accounts payable-trade	¥ 372,058	¥ 194,397
2 Short-term loans payable	28,647	36,960
3 Current portion of bonds	—	133
4 Accounts payable-other	57,939	—
5 Accrued expenses	150,668	132,736
6 Income taxes payable	42,206	—
7 Deposits received from employees	16,996	—
8 Provision for product warranties	18,962	19,153
9 Provision for directors' bonuses	1,996	—
10 Provision for others	—	729
11 Others	14,802	71,570
<b>Total current liabilities</b>	<b>704,280</b>	<b>455,682</b>
<b>II Noncurrent liabilities</b>		
1 Bonds payable	39,988	69,989
2 Long-term loans payable	227,664	287,985
3 Lease obligations payable	—	311
4 Deferred tax liabilities	40,312	8,882
5 Provision for retirement benefits	82,018	84,485
6 Provision for directors' retirement benefits	6,233	6,260
7 Long-term accounts payable-other	214	—
8 Negative goodwill	452	—
9 Others	1,970	3,584
<b>Total noncurrent liabilities</b>	<b>398,854</b>	<b>461,499</b>
<b>Total liabilities</b>	<b>1,103,134</b>	<b>917,182</b>
<b>NET ASSETS</b>		
<b>I Shareholders' equity</b>		
1 Capital stock	45,049	45,049
2 Capital surplus	58,825	58,831
3 Retained earnings	578,969	535,242
4 Treasury stock	–20,738	–20,724
<b>Total shareholders' equity</b>	<b>662,106</b>	<b>618,398</b>
<b>II Valuation and translation adjustments</b>		
1 Valuation difference on available-for-sale securities	88,130	41,843
2 Deferred gains or losses on hedges	–1,184	–1,330
3 Foreign currency translation adjustment	18,071	–38,902
<b>Total valuation and translation adjustments</b>	<b>105,016</b>	<b>1,610</b>
<b>Subscription rights to shares</b>	<b>601</b>	<b>1,016</b>
<b>III Minority interests</b>	<b>226,867</b>	<b>193,481</b>
<b>IV Total net assets</b>	<b>994,592</b>	<b>814,506</b>
<b>Total liabilities and net assets</b>	<b>2,097,727</b>	<b>1,731,689</b>

## Consolidated Statements of Income

AISIN SEIKI CO., LTD. and Its Subsidiaries Years ended March 31, 2009 and 2008

Category	Millions of Yen	
	FY2008 (Apr.2007 through Mar.2008)	FY2009 (Apr.2008 through Mar.2009)
<b>I Net Sales</b>	¥ 2,700,405	¥ 2,214,492
<b>II Cost of sales</b>	2,315,204	2,023,144
<b>Gross profit</b>	385,201	191,348
<b>III Selling, general and administrative expenses</b>		
1 Packing and delivery expenses	37,806	32,364
2 Provision for product warranties	1,242	3,396
3 Product repair costs	20,400	—
4 Salaries and allowances	54,620	51,688
5 Provision for directors' bonuses	1,986	683
6 Retirement benefit expenses	2,020	—
7 Provision for directors' retirement benefits	1,722	1,261
8 Depreciation	7,316	—
9 License fee	13,097	—
10 Research and development expenses	5,376	—
11 Others	59,127	105,443
<b>Total selling, general and administrative expenses</b>	204,716	194,837
<b>Operating income (loss)</b>	180,484	-3,489
<b>IV Non-operating income</b>		
1 Interest income	747	1,170
2 Dividends income	5,228	5,334
3 Gain on sales of securities	354	—
4 Rent income on noncurrent assets	668	—
5 Equity in earnings of affiliates	8,730	1,769
6 Others	11,686	11,357
<b>Total non-operating income</b>	27,415	19,631
<b>V Non-operating expenses</b>		
1 Interest expenses	3,801	3,888
2 Loss on sales and retirement of noncurrent assets	4,523	5,428
3 Loss on valuation of securities	1,618	—
4 Foreign exchange losses	3,860	—
Others	7,787	11,791
<b>Total non-operating expenses</b>	21,591	21,108
<b>Ordinary income (loss)</b>	186,309	-4,965
<b>Extraordinary loss</b>		
Impairment loss	—	10,017
<b>Total extraordinary loss</b>	—	10,017
<b>Income (loss) before income taxes and minority interests</b>	186,309	-14,983
<b>Income taxes-current</b>	67,776	11,203
<b>Income taxes-deferred</b>	-10,078	5,199
<b>Total income taxes</b>	57,698	16,402
<b>Minority interests in income (loss)</b>	36,956	-6,235
<b>Net income (loss)</b>	91,654	-25,149

## Consolidated Statements of Cash Flows

AISIN SEIKI CO., LTD. and Its Subsidiaries Years ended March 31, 2009 and 2008

Category	Millions of Yen	
	FY2008 (April 1, 2007 through March 31, 2008)	FY2009 (April 1, 2008 through March 31, 2009)
<b>I Net cash provided by (used in) operating activities</b>		
1 Income (loss) before income taxes and minority interests	¥ 186,309	¥ -14,983
2 Depreciation and amortization	167,482	182,057
3 Impairment loss	—	10,017
4 Increase (decrease) in provision for retirement benefits	2,204	—
5 Increase (decrease) in provision for directors' retirement benefits	-944	—
6 Interest and dividends income	-5,975	—
7 Interest expenses	3,801	—
8 Equity in (earnings) losses of affiliates	-8,730	—
9 Loss on retirement of property, plant and equipment	3,668	—
10 Decrease (increase) in notes and accounts receivable-trade	-8,260	151,900
11 Decrease (increase) in inventories	-6,494	11,101
12 Increase (decrease) in notes and accounts payable-trade	14,104	-149,969
13 Decrease (increase) in prepaid pension costs	-1,612	—
14 Others	19,276	-7,235
Subtotal	364,829	182,887
15 Interest and dividends income received	8,025	8,965
16 Interest expenses paid	-3,993	-3,400
17 Income taxes paid	-69,613	-73,783
<b>Net cash provided by (used in) operating activities</b>	<b>299,247</b>	<b>114,668</b>
<b>II Net cash provided by (used in) investment activities</b>		
1 Decrease (increase) in time deposits and securities	-503	2,533
2 Purchase of property, plant and equipment	-204,845	-231,175
3 Proceeds from sales of property, plant and equipment	6,901	8,878
4 Purchase of investment securities	-14,100	-14,755
5 Proceeds from sales of investment securities	-1,395	—
6 Proceeds from sales and redemption of investment securities	—	16,189
7 Proceeds from sales of investment securities	595	—
8 Proceeds from redemption of investment securities	5,779	—
9 Payments of loans receivable	-972	—
10 Collection of loans receivable	1,092	—
11 Others, net	-10,395	-5,423
<b>Net cash provided by (used in) investment activities</b>	<b>-217,844</b>	<b>-223,752</b>
<b>III Net cash provided by (used in) financing activities</b>		
1 Net increase (decrease) in short-term loans payable	-9,784	5,175
2 Proceeds from long-term loans payable	28,000	81,893
3 Repayment of long-term loans payable	-13,587	-14,647
4 Proceeds from issuance of bonds	19,988	30,000
5 Redemption of bonds	-15,000	—
6 Proceeds from stock issuance to minority shareholders	644	—
7 Cash dividends paid	-13,687	-18,573
8 Cash dividends paid to minority shareholders	-6,793	-8,439
9 Purchase of treasury stock	-19,436	—
10 Proceeds from disposal of treasury stock	1,973	—
11 Others	—	334
<b>Net cash provided by (used in) financing activities</b>	<b>-27,682</b>	<b>75,743</b>
<b>IV Effect of exchange rate change on cash and cash equivalents</b>	<b>217</b>	<b>-13,100</b>
<b>V Net increase (decrease) in cash and cash equivalents</b>	<b>53,937</b>	<b>-46,440</b>
<b>VI Cash and cash equivalents at beginning of year</b>	<b>136,307</b>	<b>190,245</b>
<b>VII Cash and cash equivalents at end of year</b>	<b>190,245</b>	<b>143,804</b>



## Consolidated Statements of Changes in Net Assets

AISIN SEIKI CO., LTD. and Its Subsidiaries Years ended March 31, 2009 and 2008

Category	Millions of Yen	
	FY2008 (April 1, 2007 through March 31, 2008)	FY2009 (April 1, 2008 through March 31, 2009)
<b>Shareholders' equity</b>		
<b>Capital stock</b>		
Balance as of March 31, 2008	¥ 45,049	¥ 45,049
Balance as of March 31, 2009	45,049	45,049
<b>Capital surplus</b>		
Balance as of March 31, 2008	57,891	58,825
Increase (decrease) in FY2009		
Disposal of treasury stock	934	5
<b>Total changes of items during the period</b>	934	5
Balance as of March 31, 2009	58,825	58,831
<b>Retained earnings</b>		
Balance as of March 31, 2008	501,009	578,969
Increase (decrease) in FY2009		
Dividends from surplus	-13,693	-18,577
Net income (loss)	91,654	-25,149
<b>Total changes of items during the period</b>	77,960	-43,727
Balance as of March 31, 2009	578,969	535,242
<b>Treasury stock</b>		
Balance as of March 31, 2008	-1,567	-20,738
Increase (decrease) in FY2009		
Purchase of treasury stock	-19,436	-20
Disposal of treasury stock	265	35
<b>Total changes of items during the period</b>	-19,170	14
Balance as of March 31, 2009	-20,738	-20,724
<b>Total shareholders' equity</b>		
Balance as of March 31, 2008	602,382	662,106
Increase (decrease) in FY2009		
Dividends from surplus	-13,693	-18,577
Net income (loss)	91,654	-25,149
Purchase of treasury stock	-19,436	-20
Disposal of treasury stock	1,199	40
<b>Total changes of items during the period</b>	59,723	-43,707
Balance as of March 31, 2009	662,106	618,398

Category	Millions of Yen	
	FY2008 (April 1, 2007 through March 31, 2008)	FY2009 (April 1, 2008 through March 31, 2009)
<b>Valuation and translation adjustments</b>		
<b>Inserted directly into net assets</b>		
Balance as of March 31, 2008	¥ 145,136	¥ 88,130
Increase (decrease) in FY2009		
Net changes of items other than shareholders' equity	-57,006	-46,286
<b>Total changes of items during the period</b>	-57,006	-46,286
Balance as of March 31, 2009	88,130	41,843
<b>Deferred gains or losses on hedges</b>		
Balance as of March 31, 2008	-667	-1,184
Increase (decrease) in FY2009		
Net changes of items other than shareholders' equity	-517	-145
<b>Total changes of items during the period</b>	-517	-145
Balance as of March 31, 2009	-1,184	-1,330
<b>Foreign currency translation adjustment</b>		
Balance as of March 31, 2008	11,892	18,071
Increase (decrease) in FY2009		
Net changes of items other than shareholders' equity	6,179	-56,974
<b>Total changes of items during the period</b>	6,179	-56,974
Balance as of March 31, 2009	18,071	-38,902
<b>Total valuation and translation adjustments</b>		
Balance as of March 31, 2008	156,361	105,016
Increase (decrease) in FY2009		
Net changes of items other than shareholders' equity	-51,344	-103,406
<b>Total changes of items during the period</b>	-51,344	-103,406
Balance as of March 31, 2009	105,016	1,610
<b>Subscription rights to shares</b>		
Balance as of March 31, 2008	167	601
Increase (decrease) in FY2009		
Net changes of items other than shareholders' equity	434	414
<b>Total changes of items during the period</b>	434	414
Balance as of March 31, 2009	601	1,016
<b>Minority interests</b>		
Balance as of March 31, 2008	196,941	226,867
Increase (decrease) in FY2009		
Net changes of items other than shareholders' equity	29,925	-33,386
<b>Total changes of items during the period</b>	29,925	-33,386
Balance as of March 31, 2009	226,867	193,481
<b>Total Net assets</b>		
Balance as of March 31, 2008	955,853	994,592
Increase (decrease) in FY2009		
Dividends from surplus	-13,693	-18,577
Net income (loss)	91,654	-25,149
Purchase of treasury stock	-19,436	-20
Disposal of treasury stock	1,199	40
Net changes of items other than shareholders' equity	-20,984	-136,377
<b>Total changes of items during the period</b>	38,739	-180,085
Balance as of March 31, 2009	994,592	814,506

### Business and Other Risks

The following risks could potentially affect AISIN's performance and financial position (including its share price).

Any forward-looking statements contained herein reflect estimates as of the date of issue of the annual securities report (June 22, 2009).

#### (1) Economic Trends

Within revenues from AISIN's worldwide operations, demand for mainstay automobile-related products is vulnerable to economic conditions in the countries and regions where AISIN products are manufactured and sold. Consequently, economic recessions in such crucial markets as Japan, North America, Europe and Asia, along with subsequent contractions in demand, have the potential to negatively impact AISIN's performance and financial position.

AISIN's operations could also be indirectly affected by economic conditions in regions where competitors manufacture products. For example, if competitors employ cheaper labor in a region, this may adversely affect AISIN's sales of the same types of products in that region since competitors can provide more competitively priced products. Moreover, if the local currency in the region which AISIN produces components and raw materials depreciates, manufacturing costs may decline for both AISIN and other manufacturers. This may result in intensified export and price competition, and may have a negative impact on AISIN's performance and financial position.

#### (2) Supply of Raw Materials and Components

AISIN's products are heavily dependent on raw materials and components provided by multiple suppliers outside the AISIN Group. While these external suppliers are obligated to provide stable services through basic contracts, they cannot guarantee supply in the event of shortages due to rapidly rising prices due to changing market conditions, supply crunches or unforeseen mishaps in their operations. Such events have the potential to drive up the cost of AISIN's products and halt production, and may have a negative impact on AISIN's performance and financial position.

#### (3) Principal Customers

AISIN chiefly produces and sells automotive parts and life-related products, with its mainstay Automotive Parts and Systems Business mostly targeting automobile manufacturers in and outside Japan. Among these customers, AISIN has the highest level of dependence on Toyota Motor Corporation (TMC) and the Toyota Group, with sales totaling ¥1,449.9 billion and representing 65.5% of AISIN's net sales in fiscal 2009. For that reason, changes in sales volume within TMC and the Toyota Group have the potential to negatively impact AISIN's performance and financial position. As of March 31, 2009, the portion of AISIN's voting shares held by TMC directly was 23.3%, and indirectly was 0.1%.

#### (4) Exchange Rate Fluctuations

AISIN has worked to bolster its sales in Japan and actively cultivate overseas markets chiefly in North America, Europe and Asia, bringing the ratio of overseas net sales to total net sales to 39.6% as of March 31, 2009.

Accounting items listed in local currencies, including sales, expenses and assets in respective overseas countries, are converted into yen when making the consolidated financial statements. Accordingly, there is a possibility that the value of accounting items may be negatively affected after translation even when there is no fluctuation in local currencies. The strengthening of the yen against other currencies (especially against the U.S. dollar and the euro, which account for a significant portion of AISIN's sales) may negatively affect AISIN's performance and financial position.

Such strengthening of the yen against other currencies in business operations that manufacture and export from Japan could relatively reduce AISIN's price competitiveness on a global basis and potentially have a negative impact on AISIN's performance and financial position. Although AISIN is working to minimize the negative impact of exchange rate fluctuations among various currencies, including the U.S. dollar, the euro and the yen through hedging transactions, such fluctuations have the potential to negatively affect AISIN's performance and financial position.

#### **(5) Business Inroads in Overseas Markets**

AISIN has subsidiaries and affiliates in such varying areas as North America, Europe and Asia. Expanding businesses in overseas markets entails the following risks, which have the potential to negatively affect AISIN's performance and financial position if they occur.

1. Unanticipated laws, regulations and changes to the tax system unfavorable to business
2. Underdeveloped social overhead capital (infrastructure)
3. Occurrences of unfavorable governmental issues or economic conditions
4. Difficulties in hiring and retaining staff
5. Social upheavals due to terrorism, war or other factors

#### **(6) Product Development**

AISIN works to develop new products to provide added value and contribute to the enrichment of society. While AISIN aims to continue developing original and attractive products, the following are some of the risks entailed in the often complex and uncertain process involving the development and sales of cutting-edge products.

1. There is no guarantee that the necessary funds and resources for investment in new products and technologies will be sufficiently available.
2. There is no guarantee that long-term and substantial investment will produce successful new products and technologies.
3. There is no guarantee that AISIN will accurately predict which new products and technologies will gain the support of the market, or that AISIN will succeed in marketing these products.
4. There is no guarantee that new products and technologies will be protected as our own intellectual property.
5. Rapid advances in technology and changes in market needs may make AISIN's products obsolete.
6. Delays in commercialization of technologies under development may not keep pace with trends in market demand.

In addition to the abovementioned risks, the inability to sufficiently anticipate changes in respective industries and markets, as well as to develop and release attractive new products in a timely manner, could hamper future growth and profitability and have a negative effect on AISIN's performance and financial position.

#### **(7) Product Defects**

AISIN is fully committed to producing high-quality, attractive products that meet customer needs based on the concept of "Quality First." However, AISIN cannot guarantee that there will be no defects, or that recalls will not be made in the future. Moreover, while AISIN is insured for product liability indemnity, there is no guarantee that such insurance policies will fully cover the final indemnities. Product defects that lead to widespread recalls and product liability indemnities could produce large cost burdens and downgrade the valuation of AISIN. This would subsequently hamper sales and could negatively affect AISIN's performance and financial position.

#### **(8) Effects of Disaster and Power Blackouts**

AISIN conducts regular disaster prevention and equipment checks to minimize the adverse effects of a halt in production line operations. However, there is no guarantee that AISIN can fully prevent or lessen the effects of a disaster, power blackout or other such events that may cause discontinuation of operations at a production facility. For example, the majority of AISIN's domestic factories are located in the Chubu region of Japan. Consequently, a large-scale earthquake in the Chubu region or other events that may halt operations could negatively impact AISIN's performance and financial position.



## Environmental Management

Number of companies acquired ISO14001 certification / acquisition rate

	All Aisin Group production subsidiaries		
	FY2007	FY2008	FY2009
Number of production subsidiaries	87	92	<b>88</b>
Number of companies acquired certification	61	74	<b>81</b>
Proportion of production subsidiaries with certification (%)	70%	80%	<b>92%</b>

Number of environmental accidents and incidents exceeding agreed-upon values (number)

	10 main domestic production subsidiaries			23 main domestic subsidiaries
	FY2007	FY2008	FY2009	FY2009
Exceeded values agreed upon with regional governments and local society	0	0	<b>3*1</b>	<b>3</b>
Number of environmental accidents	1*2	0	<b>1*3</b>	<b>1</b>

\*1 Region near Aisin Seiki's Nishio plants (exceeded agreed-upon values for sound and coliform bacteria), Ogawa plant (exceeded agreed-upon BOD values)

\*2 Region near Aisin Seiki's Nishio plants (ground pollution)

\*3 Aisin Chemical's headquarters plant (ground pollution)

Environmental inspections (conducted by departments in charge of environmental management)

	Unconsolidated			10 main domestic production subsidiaries			23 main domestic subsidiaries
	FY2007	FY2008	FY2009	FY2007	FY2008	FY2009	FY2009
Frequency of environmental inspections (times)	2	2	<b>4</b>	16	18	<b>26</b>	<b>47</b>
Number of implementing departments	16	16	<b>31</b>	42	42	<b>59</b>	<b>119</b>
Number of items indicated as being in need of improvement	225	143	<b>127</b>	490	366	<b>588</b>	<b>824</b>
Number of internal inspectors	435	485	<b>597</b>	1,459	1,671	<b>1,649</b>	<b>1,954</b>
Frequency of training of inspectors (times)	1	2	<b>2</b>	42	34	<b>28</b>	<b>35</b>

Environmental training (FY2009)

Title of environmental training	Targets	Unconsolidated			10 main domestic production subsidiaries			23 main domestic subsidiaries
		FY2007	FY2008	FY2009	FY2007	FY2008	FY2009	FY2009
Training of managers in environmental divisions	Managers of environmental divisions			<b>2</b>			<b>176</b>	<b>278</b>
Training of workers in environmental divisions	Persons involved in environmental divisions			<b>27</b>			<b>55</b>	<b>93</b>
Training of managers	Managers			<b>387</b>			<b>738</b>	<b>901</b>
Training of ordinary employees	Staffs			<b>1,316</b>			<b>2,651</b>	<b>4,783</b>

## Greenhouse Gases

Calculations of HFCs, SF<sub>6</sub> and CO<sub>2</sub> employ global warming figures prescribed by the Law Concerning the Promotion of Measures to Cope with Global Warming enforcement regulations.

Emissions of greenhouse gases (t-CO<sub>2</sub>)

	Unconsolidated				
	FY1991 (standard year)	FY2007	FY2008	FY2009	
Total emission	195,798	634,165	595,382	<b>290,207</b>	
Itemization of total emissions					
CO <sub>2</sub> (carbon dioxide)	195,798	251,427	267,473	<b>207,221</b>	
HFCs (hydrofluorocarbons)	0	1,533	1,673	<b>531</b>	
SF <sub>6</sub> (sulfur hexafluoride)	0	381,205	326,235	<b>82,455</b>	

	10 main domestic production subsidiaries				23 main domestic subsidiaries
	FY1991 (standard year)	FY2007	FY2008	FY2009	FY2009
Total emission	750,203	1,570,191	1,559,277	<b>1,012,621</b>	<b>1,041,958</b>
Itemization of total emissions					
CO <sub>2</sub> (carbon dioxide)	750,203	1,187,453	1,231,368	<b>929,635</b>	<b>958,972</b>
HFCs (hydrofluorocarbons)	0	1,533	1,673	<b>531</b>	<b>531</b>
SF <sub>6</sub> (sulfur hexafluoride)	0	381,205	326,235	<b>82,455</b>	<b>82,455</b>

CO<sub>2</sub> emissions per sales unit (t-CO<sub>2</sub> / ¥100 million)

	Unconsolidated				
	FY1991 (standard year)	FY2007	FY2008	FY2009	
Units	36.4	31.5	29.8	<b>28.0</b>	

	10 main domestic production subsidiaries				23 main domestic subsidiaries
	FY1991 (standard year)	FY2007	FY2008	FY2009	FY2009
Units	72.6	54.6	49.7	<b>47.2</b>	<b>45.9</b>

Note: No methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) or perfluorocarbons (PFCs) were emitted.

## Energy

Energy to heat conversions employ figures prescribed by the Act on the Rational Use of Energy Enforcement Regulations.

### Direct energy consumption

(MJ)

	Unconsolidated				
	FY1991 (standard year)	FY2007	FY2008	FY2009	
Total direct energy consumption	1,127,250,565	2,488,374,078	2,667,404,070	<b>2,263,276,300</b>	
Coal products (anthracite, coke, etc.)	0	0	0	<b>0</b>	
Natural gas	554,005,192	2,237,477,948	2,328,779,388	<b>2,036,860,900</b>	
Petroleum products (gasoline, diesel, LPG, etc.)	573,245,373	250,896,130	338,624,682	<b>226,415,400</b>	
	10 main domestic production subsidiaries				23 main domestic subsidiaries
	FY1991 (standard year)	FY2007	FY2008	FY2009	FY2009
Total direct energy consumption	4,322,918,305	9,611,755,747	9,628,989,635	<b>7,945,101,349</b>	<b>8,091,693,345</b>
Coal products (anthracite, coke, etc.)	1,612,005,500	1,707,075,850	1,632,651,400	<b>1,266,485,072</b>	<b>1,266,485,072</b>
Natural gas	1,055,957,519	6,468,433,239	6,481,728,888	<b>5,628,939,760</b>	<b>5,709,573,987</b>
Petroleum products (gasoline, diesel, LPG, etc.)	1,654,955,286	1,436,246,658	1,514,609,347	<b>1,049,676,517</b>	<b>1,115,634,286</b>

### Indirect energy consumption

(MJ)

	Unconsolidated				
	FY1991 (standard year)	FY2007	FY2008	FY2009	
Electric power purchased	3,369,247,489	2,955,199,143	3,097,577,153	<b>2,582,339,800</b>	
Solar and wind-generated power	—	459,300	439,400	<b>456,300</b>	
	10 main domestic production subsidiaries				23 main domestic subsidiaries
	FY1991 (standard year)	FY2007	FY2008	FY2009	FY2009
Electric power purchased	10,926,740,302	14,871,869,610	15,836,456,033	<b>13,035,994,439</b>	<b>13,491,125,889</b>
Solar and wind-generated power	—	459,300	439,400	<b>456,300</b>	<b>456,300</b>

## Chemical Substances

(t)

	Unconsolidated			10 main domestic production subsidiaries			23 main domestic subsidiaries
	FY2007	FY2008	FY2009	FY2007	FY2008	FY2009	FY2009
VOC emissions	329	345	<b>317</b>	1,422	1,345	<b>796</b>	<b>799</b>
PRTR emissions	84	79	<b>63</b>	378	336	<b>180</b>	<b>182</b>

## Quantities of Substances Charged into and Recycled

### Quantities of substances charged (quantities per type of substances)

(t)

	Unconsolidated			10 main domestic production subsidiaries			23 main domestic subsidiaries
	FY2007	FY2008	FY2009	FY2007	FY2008	FY2009	FY2009
Quantities of substances charged	450,636	499,904	<b>379,894</b>	1,321,369	1,405,062	<b>1,031,901</b>	<b>1,038,028</b>
Metals, resins, etc. (purchased materials)	449,947	499,474	<b>379,637</b>	1,317,730	1,402,343	<b>1,029,636</b>	<b>1,035,597</b>
Chemical substances (Total for substances subject to PRTR notification)	689	430	<b>258</b>	3,639	2,719	<b>2,265</b>	<b>2,431</b>

Unconsolidated	Aisin Seiki only
10 main domestic production subsidiaries	Aisin Seiki, Aisin Takaoka, Aisin Chemical, Aisin AW, Aisin Keizinkoku, Aisin Kiko, Aisin AI, Aisin Sin'ei, Aisin AW Industries, Hosei Brake Industry.
23 main domestic subsidiaries	Aisin Seiki, Aisin Takaoka, Aisin Chemical, Aisin AW, Aisin Keizinkoku, Aisin Development, Aisin Kiko, Aisin AI, Aisin Sin'ei, Aisin AW Industries, Hosei Brake Industry, Aisin Tohoku, Aisin Kyushu, Saitama Kogyo, Kotobuki Giken Kogyo, Aichi Giken, Aisin Maintenance, Aisin Engineering, Sinsan Corporation, Konan Kogyo, Hekinan Transport, Sanetsu Unyu, Yamagata Clutch

## Waste Products and Recycling

Total emissions of waste, etc. (t)

	Unconsolidated			10 main domestic production subsidiaries			23 main domestic subsidiaries
	FY2007	FY2008	FY2009	FY2007	FY2008	FY2009	FY2009
Industrial waste and valuable resources							
Total emissions of waste, etc.	64,014	71,817	51,450	436,000	468,100	350,274	358,560
Amount of recycled waste resources	63,167	70,972	51,033	406,182	455,254	337,354	345,095
Recycling ratio (%)	99%	99%	99%	93%	97%	96%	96%
Quantity of end-processed (direct landfill) waste	0.8	3.0	3.0	235.0	53.8	28.8	116.0
Industrial waste							
Total emissions of general waste	5,475	4,327	3,157	170,161	168,052	124,906	127,099
Recycled resources (recycling)	4,997	3,838	2,972	159,798	159,465	124,174	126,131
Recycling ratio (%)	91%	89%	94%	94%	95%	99%	99%
Quantity of end-processed industrial waste	0.8	3.0	3.1	235.0	53.8	28.8	116.0

Total emissions of waste, etc., per unit sales (t/¥100 million)

	Unconsolidated			10 main domestic production subsidiaries			23 main domestic subsidiaries
	FY2007	FY2008	FY2009	FY2007	FY2008	FY2009	FY2009
Industrial waste and valuable resources	8.0	8.0	6.9	20.1	18.9	17.7	17.2

## Water

Quantities of water resources used (m³)

	Unconsolidated			10 main domestic production subsidiaries		
	FY2007	FY2008	FY2009	FY2007	FY2008	FY2009
Total quantity used	3,972,544	4,130,502	3,138,629	10,087,185	10,814,095	8,662,486
Itemization						
Public water supply	199,988	233,867	205,220	1,368,736	1,544,906	898,575
Industrial water	1,730,573	2,205,077	1,923,943	6,362,932	6,127,886	5,616,258
Underground water	2,041,983	1,691,558	1,009,467	2,355,517	3,141,303	2,147,653

Total quantity of waste water (m³)

	Unconsolidated			10 main domestic production subsidiaries		
	FY2007	FY2008	FY2009	FY2007	FY2008	FY2009
Public water area	2,671,309	3,195,679	2,896,088	6,667,146	7,100,478	5,686,404

## Transportation

Calculations of CO<sub>2</sub> emissions employ calculation methods prescribed in the Act on the Rational Use of Energy and related guidelines.

Quantities of CO<sub>2</sub> accompanying transportation (t-CO<sub>2</sub>)

	Unconsolidated			10 main domestic production subsidiaries		
	FY2007	FY2008	FY2009	FY2007	FY2008	FY2009
Total quantity of emissions	16,200	17,300	13,900	54,401	54,973	52,853

## Environmental Accounting (FY2009)

These figures are based on *Environmental Accounting Guidelines 2005*, issued by Japan's Ministry of the Environment.

(Millions of yen)

Environmental conservation costs	Unconsolidated	23 main domestic subsidiaries
Cost for business operation	<b>38.7</b>	<b>114.6</b>
Costs of management activities	<b>1.9</b>	<b>9.0</b>
Upstream and downstream costs	<b>13.8</b>	<b>26.3</b>
Research and development costs	<b>51.9</b>	<b>88.1</b>
Costs of community involvement	<b>1.3</b>	<b>2.4</b>
Environmental damage countermeasure costs	<b>0.6</b>	<b>1.5</b>
Total	<b>108.1</b>	<b>242.0</b>

Effects of environmental conservation measures	Unconsolidated	23 main domestic subsidiaries
Energy-saving	<b>3.0</b>	<b>7.5</b>
Resource saving	<b>2.2</b>	<b>2.3</b>
Effects of reducing waste materials	<b>0.1</b>	<b>0.6</b>
Sale of valued property	<b>35.4</b>	<b>81.8</b>
Total	<b>40.7</b>	<b>92.2</b>

Unconsolidated	Aisin Seiki only
10 main domestic production subsidiaries	Aisin Seiki, Aisin Takaoka, Aisin Chemical, Aisin AW, Aisin Keihin, Aisin Kiko, Aisin AI, Aisin Sin'ei, Aisin AW Industries, Hosei Brake Industry.
23 main domestic subsidiaries	Aisin Seiki, Aisin Takaoka, Aisin Chemical, Aisin AW, Aisin Keihin, Aisin Development, Aisin Kiko, Aisin AI, Aisin Sin'ei, Aisin AW Industries, Hosei Brake Industry, Aisin Tohoku, Aisin Kyushu, Saitama Kogyo, Kotobuki Giken Kogyo, Aichi Giken, Aisin Maintenance, Aisin Engineering, Sinsan Corporation, Konan Kogyo, Hekinan Transport, Sanetsu Unyu, Yamagata Clutch



## Management Data Social Aspects

### Work Force

Number of employees (Consolidated) (number)

FY2005	FY2006	FY2007	FY2008	<b>FY2009</b>
53,237	59,587	66,383	73,509	<b>73,201</b>

Number of employees by area Consolidated (number)

	Japan	North America	Europe	Other areas
<b>FY2009</b>	44,902	8,233	1,445	17,014

### Diversity

Ratio of male to female employees (Unconsolidated)

	Male (number)	Male ratio (%)	Female (number)	Female ratio (%)
<b>FY2009</b>	12,129	91%	1,233	9%

Note: Full employees only

Number of employees per type of employment (Unconsolidated) (number)

	Regular full-time	Irregular Full-time	Irregular Part-time	Total irregular
<b>FY2009</b>	13,362	1,182	151	1,333

### Employment

Recruitment of new graduates (Unconsolidated) (number)

	University graduates: clerical employees		University graduates: technical employees		Skilled employees (including those with disabilities)	
	Male	Female	Male	Female	Male	Female
<b>FY2009</b>	54	16	247	19	282	48

Mid-career recruitment (Unconsolidated) (number)

	University graduates: clerical employees		University graduates: technical employees		Skilled employees (including registered full employees)	
	Male	Female	Male	Female	Male	Female
<b>FY2009</b>	12	1	45	2	230	18

Note: Includes 227 male and 18 female employees promoted from fixed-term to full-employee status.

Average length of employment (Unconsolidated) (Years)

	Male	Female	Male-female average
<b>FY2009</b>	15.5	12.6	15.3

Turnover rate (proportion of job leavers among all full employees) (Unconsolidated) (%)

	Male	Female
<b>FY2009</b>	2	4

Note: Includes all reasons for leaving work (attainment of retirement age, personal reasons, death, transfer, appointment as officer, etc.). The denominator represents the number of full employees as of the end of the preceding fiscal year.

## Securing a Balance between Work and Life

Number of people taking leave for childrearing (Unconsolidated) (number)

FY2005	FY2006	FY2007	FY2008	<b>FY2009</b>
61	62	62	46	<b>55</b>

## Labor Safety

Accidents at work

(number)

	FY2005	FY2006	FY2007	FY2008	<b>FY2009</b>
Unconsolidated (Aisin seiki only)	9	3	4	4	<b>3</b>
Domestic group	22	30	26	27	<b>13</b>
Overseas group	63	29	26	29	<b>30</b>

Frequency rate

(%)

	FY2005	FY2006	FY2007	FY2008	<b>FY2009</b>
Japan's national average	0.59	0.69	0.61	0.71	<b>0.52</b>
Unconsolidated (Aisin Seiki only)	0.30	0.09	0.11	0.11	<b>0.09</b>
Domestic group	0.29	0.35	0.28	0.27	<b>0.13</b>
Overseas group	2.73	1.08	0.84	0.80	<b>0.79</b>

Strength rate

(%)

	FY2005	FY2006	FY2007	FY2008	<b>FY2009</b>
Japan's national average	0.10	0.10	0.05	0.09	<b>0.10</b>
Unconsolidated (Aisin Seiki only)	0.02	0.00	0.01	0.00	<b>0.00</b>
Domestic group	0.03	0.02	0.01	0.01	<b>0.01</b>
Overseas group	—	—	—	—	<b>—</b>

Work-related illnesses

(number)

	FY2005	FY2006	FY2007	FY2008	<b>FY2009</b>
Unconsolidated (Aisin Seiki only)	1	3	5	1	<b>1</b>
Domestic group	—	—	—	—	<b>—</b>
Overseas group	1	1	12	11	<b>6</b>

Notes: Domestic group: 13 subsidiaries

Overseas group: 45 subsidiaries

## Product Liability

Number of inquiries to customer service (Unconsolidated) (number)

FY2005	FY2006	FY2007	FY2008	<b>FY2009</b>
3,627	3,725	3,870	4,217	<b>4,973</b>

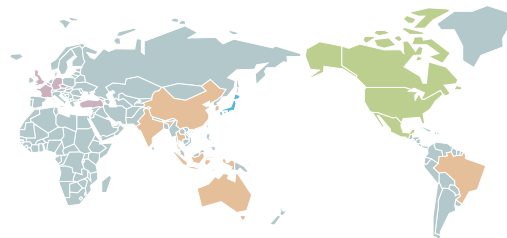
Detail of inquiries (Unconsolidated)

(%)

	Beds	Nursing care products	Household sewing machines	Others
<b>FY2009</b>	28.0	7.2	60.7	4.1

## Affiliated Company Information

As of March 31, 2009



### Consolidated companies

	Consolidated Subsidiaries	Equity Method Affiliates	Total
Domestic	69	7	<b>76</b>
Overseas	82	5	<b>87</b>
Total	<b>151</b>	<b>12</b>	<b>163</b>

### Overseas consolidated companies

	Holding or Sales	R&D	Production	Total
North America	7	4	22	<b>33</b>
Europe (including Turkey)	2	3	5	<b>10</b>
Asia & Others	9	1	34	<b>44</b>
Total	<b>18</b>	<b>8</b>	<b>61</b>	<b>87</b>

### Consolidated Subsidiaries in Japan (69)

Company	Location	Capital (Millions of yen)	Ownership (%)	Main Businesses
Aisin Takaoka Co., Ltd.	Toyota, Aichi	5,396	51.5	Casting and mechanical processing of cast iron and aluminum, plastic working, manufacture and sale of sound products
Aisin Chemical Co., Ltd.	Toyota, Aichi	2,118	75.8	Production and sales of chemical products, friction materials and plastic parts
Aisin AW Co., Ltd.	Anjo, Aichi	26,480	58.0	Production and sales of ATs, hybrid systems and car navigation systems
Aisin Keikinzoku Co., Ltd.	Imizu, Toyama	1,500	60.0	Production of aluminum die casting products for automobile components and aluminum extrusion
Aisin Development Co., Ltd.	Kariya, Aichi	456	100.0	Construction, environmental development (civil engineering, greenery projects, real estate) and insurance agency business, residential remodeling, machinery and automobile leasing, sales of interior and pre-owned fixtures
Aisin Kiko Co., Ltd.	Hazu, Aichi	3,000	100.0	Production of functional AT components, drivetrain related and body related components
Aisin AI Co., Ltd.	Nishio, Aichi	5,000	100.0	R&D, design, production, sales of MTs and transfers as well as their components and attachments
Aisin Sin'ei Co., Ltd.	Hekinan, Aichi	180	100.0	Stamping of automotive parts, painting and production of body related components
Aisin AW Industries Co., Ltd.	Echizen, Fukui	2,057	100.0	Production of AT components
Hosei Brake Industry Co., Ltd.	Toyota, Aichi	1,200	53.1	Production of brake related components for automobiles such as drum brakes
ADVICS Co., Ltd.	Kariya, Aichi	5,750	50.0	Development and sales of brake systems for automobiles and their system components
Aisin Tohoku Co., Ltd.	Isawa, Iwate	490	100.0	Production of electronic components, engine related and body related components
Aisin Kyushu Co., Ltd.	Shimomashiki, Kumamoto	1,490	100.0	Production of body related and engine related components, semiconductors and LCD manufacturing equipment
Aisin Kyushu Casting Co., Ltd.	Shimomashiki, Kumamoto	1,000	100.0	Casting and processing of aluminum die casting products
Aisin Hokkaido Co., Ltd.	Tomakomai, Hokkaido	490	100.0	Production of aluminum die casting products
AS Brake Systems Inc.	Itami, Hyogo	250	80.0	Production of brake systems and related components
Saitama Kogyo Co., Ltd.	Hidaka, Saitama	95	100.0	Production of body related components
Kotobuki Industry Co., Ltd.	Toyota, Aichi	60	100.0	Production of body related components
Aichi Giken Co., Ltd.	Kariya, Aichi	20	100.0	Surface processing and assembly of automotive parts
Aisin Metaltech Co., Ltd.	Shimoniikawa, Toyama	1,000	100.0	Production of forging parts
Shinko Seiki Co., Ltd.	Takaoka, Toyama	20	100.0	Production and sales of molds
Aisin Maintenance Co., Ltd.	Hekinan, Aichi	20	100.0	Machine repair and modification as well as assembly of body related components
Aisin Engineering Co., Ltd.	Kariya, Aichi	98	100.0	Design development, analysis, and manufacturing of machinery, electronics, batteries, and information systems. As well as technical translations and patent surveys.
Aisin Comcruise Co., Ltd.	Nagoya, Aichi	90	100.0	Development and evaluation of embedded software

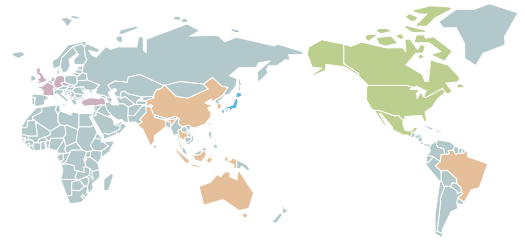
\* Aisin Living Planner Co., Ltd. merged with Aisin Development Co., Ltd. on April 1st, 2008.

Company	Location	Capital (Millions of yen)	Ownership (%)	Main Businesses
Aisin Infotex Co., Ltd.	Minato-ku, Tokyo	50	70.0	Development of 3D CAD systems and information processing systems, management of data centers
IMRA Material R&D Co., Ltd.	Kariya, Aichi	80	100.0	R&D of leading-edge materials
Aisin Cosmos R&D Co., Ltd.	Kariya, Aichi	20	100.0	R&D of biotechnology, chemical technology and microtechnology
Technova Inc.	Chiyoda-ku, Tokyo	160	90.0	Surveying, R&D and consulting
FT Techno Inc.	Toyota, Aichi	23	100.0	Testing and assessment of automobiles and leasing of testing facilities
Aisin Collabo Co., Ltd.	Kariya, Aichi	30	100.0	Temporary staff services, staff agency, outsourcing services
Sinsan Corporation	Anjo, Aichi	34	100.0	Sales of stationery goods, operation of cafeterias and shops
Konan Kogyo Co., Ltd.	Toyota, Aichi	78	100.0	Sales of oil products, automotive repairs and sales of air conditioning equipment
Hekinan Unsou Co., Ltd.	Hekinan, Aichi	54	51.9	Cargo transport and vehicle repairs
Sanetsu Unyu Co., Ltd.	Shimoniikawa, Toyama	41	91.3	Cargo transport
Fuji Kousan Co., Ltd.	Kariya, Aichi	410	100.0	Operation of tennis club (Kariya Tennis Park)
Aisin Sinwa Co., Ltd.	Shimoniikawa, Toyama	476	99.7	Iron casting, cold forging and machining of automotive parts
Kozakai Industries Co., Ltd.	Kozakai, Aichi	129	100.0	Machining of automotive parts
AT Maintenance Co., Ltd.	Toyota, Aichi	40	100.0	Design, production and repair of casting machines and molds as well as processing of casting components
AT Materials Co., Ltd.	Toyota, Aichi	20	100.0	Sales of materials and sub-materials for casting and sales of machinery and equipment
Inatetsu Co., Ltd.	Nishio, Aichi	20	40.0	Rust-proofing treatment and machining of automotive parts
Fukuda Industrial Co., Ltd.	Nagoya, Aichi	198	49.0	Casting of aluminum and zinc die casting products for automobiles
AT Kyushu Co., Ltd.	Tamana, Kumamoto	490	100.0	Production of cast iron parts centering disc rotors for automobiles
AT Nanyo Co., Ltd.	Nagoya, Aichi	64	100.0	Assembly of automotive parts and sales of audio products
AT Technos Co., Ltd.	Toyota, Aichi	20	100.0	System development, provision of various training and temporary staff agency
AT Agri Co., Ltd.	Toyota, Aichi	20	100.0	Transport and processing of industrial waste as well as management and cleaning of green spaces
Takaoka Industrial Co., Ltd.	Toyota, Aichi	10	100.0	Production of cast iron and steel products
Sinwa Industries Co., Ltd.	Shimoniikawa, Toyama	10	100.0	Cleaning and management of welfare facilities, greening and sales of foods and other products
AC Industries Co., Ltd.	Toyota, Aichi	20	100.0	Production of automotive parts
AW Service Co., Ltd.	Anjo, Aichi	90	100.0	Environmental maintenance and logistics
Equos Research Co., Ltd.	Chiyoda-ku, Tokyo	20	100.0	Investigation and R&D of various technologies
AW Engineering Co., Ltd.	Anjo, Aichi	90	100.0	CAE analyses, planning, design and production of software development support devices as well as creation of prototypes
AW Maintenance Co., Ltd.	Anjo, Aichi	90	100.0	Production, modification, renewal and maintenance of equipment
AW Software Co., Ltd.	Sapporo, Hokkaido	20	100.0	Development of car navigation software and map database



## Affiliated Company Information

As of March 31, 2009



Company	Location	Capital (Millions of yen)	Ownership (%)	Main Businesses
CVTEC Co., Ltd.	Tahara, Aichi	1,500	66.6	Production of metal belts for CVTs
Awquis Japan Co., Ltd.	Takahama, Aichi	1,000	100.0	Repair and rebuilding of ATs as well as quality and technology information research
AW IS Co., Ltd.	Echizen, Fukui	20	100.0	Cleaning related services, operation of dormitories and vehicle transportation services, etc.
Techno Metal Co., Ltd.	Takaoka, Toyama	90	100.0	Secondary refining of aluminum alloys
Tonamino Kogyo Co., Ltd.	Tonami, Toyama	20	100.0	Production of body related components and housing window frames
AD Nobi Co., Ltd.	Nagoya, Aichi	110	100.0	Planning, development and sales of condominiums and houses
AD Sunutopia Co., Ltd.	Nagoya, Aichi	27	100.0	Management of apartments and buildings, real estate leasing and brokerages as well as home improvement and renovation
AD Green Co., Ltd.	Toyota, Aichi	20	100.0	Greening and exterior refurbishing
AKK-M Co., Ltd.	Kariya, Aichi	40	100.0	Polishing of cutting tools and building management
AI Machine Tech Co., Ltd.	Anjo, Aichi	24	100.0	Production and repair of machine tools
Sin'ei Maintenance Co., Ltd.	Hekinan, Aichi	10	100.0	Production and repair of surface processing equipment jigs
Toho Chemical Co., Ltd.	Anjo, Aichi	10	100.0	Coating of automotive parts

Others: four companies

### Equity Method Affiliates (7)

Company	Location	Capital (Millions of yen)	Ownership (%)	Main Businesses
Exedy Corporation	Neyagawa, Osaka	8,284	33.4	Production clutches, torque converters and power shift transmissions
Cataler Corporation	Kakegawa, Shizuoka	551	39.8	Production of automotive exhaust purification catalyzers and environmental catalyzers
Nippon Clutch Co., Ltd.	Saitama, Saitama	64	50.0	Production of clutches for resupply and production of molds/jigs
Yamagata Clutch Co., Ltd.	Tsuruoka, Yamagata	25	50.0	Production of clutches and molds/jigs
Toyoaki Mokko Co., Ltd.	Kariya, Aichi	20	36.9	Production of home-use wood products
Toyotsu Vehitecs Co., Ltd.*	Inabe, Mie	50	20.0	Production of textile products
Nakagawa Industrial Co., Ltd.	Chiryu, Aichi	10	35.7	Production of molds, ZAS prototype stamping dies and wooden stamping dies

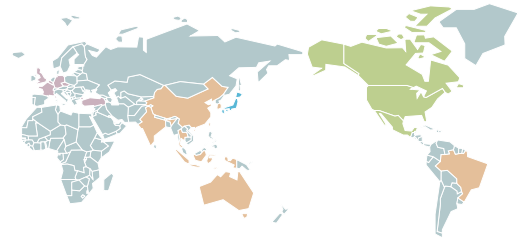
\* Name changed from Towa Seni Kogyo Co., Ltd.

## Overseas Subsidiaries (87)

Country/Region	Company	Capital (Thousands of local currency)	Ownership (%)	Main Businesses
U.S.A.	Aisin Holdings of America, Inc.	US\$ 282,290	100.0	Administration of overall North American operations
	Aisin U.S.A. Mfg., Inc.	US\$ 81,140	100.0	Production and sales of automotive parts (seats, moldings, door frames and door latches)
	IMRA America, Inc.	US\$ 18,750	100.0	R&D and technical services for optical technologies
	Aisin Electronics, Inc.	US\$ 5,000	100.0	Production of automotive parts (sensors, actuators as well as ECUs and other electronic components)
	Aisin Drivetrain, Inc.	US\$ 45,700	100.0	Production of drivetrain components for industrial markets, production and sales brake components and chassis components for automotive markets.
	Aisin Automotive Casting, LLC	US\$ 72,101	100.0	Production of automotive parts (oil pumps and transaxle cases) and production, sales and maintenance of moldings
	Aisin World Corp. of America	US\$ 27,000	100.0	Marketing and sales of automotive parts and life and energy related products as well as technical development of products to be produced in North America
	Aisin Mfg. Illinois, LLC	US\$ 37,300	100.0	Production and sales of automotive parts (sunroofs, sliding door modules and outside handles)
	Aisin Brake & Chassis, Inc.	US\$ 41,400	100.0	Production and sales of automotive parts (drum brakes and brake master cylinders)
	Aisin Light Metals, LLC	US\$ 5,100	100.0	Production and sales of automotive parts (aluminum extrusion and aluminum die casting)
	Aisin Automotive Casting Tennessee, Inc.	US\$ 55,700	100.0	Production and sales of automotive parts (engine front modules, pistons and VVTs)
	Aisin Electronics Illinois, LLC	US\$ 5,300	100.0	Production and sales of automotive parts (electronic components for microcomputer-controlled sunroofs and power sliding door systems)
	FT Techno of America, LLC	US\$ 1,000	100.0	Design, construction management and operation of proving ground; reliability testing service
	Aisin Chemical Indiana, LLC	US\$ 6,000	100.0	Production and sales of automotive parts (wet friction materials for ATs)
	Aisin Mfg. California, LLC	US\$ 5,000	100.0	Production and sales of automotive parts (door frames)
	Aisin Technical Center of America, Inc.	US\$ 5,000	100.0	Design and development of North American automobile components; technology trend studies and provision of other technical support for local production and sales companies
	Intat Precision, Inc.	US\$ 1	100.0	Casting and machining of iron casting products
	Aisin Takaoka U.S.A., Inc.	US\$ 1,000	100.0	Business planning, sales, marketing, and company housings and cars management in North America
	ATTC Manufacturing, Inc.	US\$ 24,600	100.0	Machining of iron casting products
	AW Transmission Engineering USA, Inc.	US\$ 8,500	100.0	Repair and rebuilding of ATs as well as quality and technology information research
	AW North Carolina, Inc.	US\$ 75,000	100.0	Production and sales of automotive parts (AT components)
	AW Technical Center U.S.A., Inc.	US\$ 7,500	100.0	R&D of automotive parts (ATs and car navigation systems)
	Aisin Development of America, Inc.	US\$ 1,000	100.0	Factory and office construction management and consultation
	ADVICS Manufacturing Ohio, Inc.	US\$ 36,000	100.0	Production and sales of automotive parts (disc brakes and antilock brake systems)
	Safa L.L.C.	US\$ 8,000	100.0	Production and sales of automotive parts (disc brake friction materials)
	ADVICS North America, Inc.	US\$ 85	100.0	Development and sales of automotive parts (brake systems and their system components)
	Exedy America Corporation*	US\$ 83,200	40.0	Production and sales of automotive parts (torque converters)
Canada	Aisin Canada, Inc.	C\$ 16,315	100.0	Production and sales of automotive parts (manual seat tracks, adjusters and occupant weight sensors)

## Affiliated Company Information

As of March 31, 2009



Country/Region	Company	Capital (Thousands of local currency)	Ownership (%)	Main Businesses
Mexico	Liberty Mexicana S.A. de C.V.	Peso 214	100.0	Production and sales of automotive parts (clutches, water pumps and hood locks)
	Aisin Mexicana S.A. de C.V.	Peso 34,586	100.0	Production and sales of automotive parts (door latches, door checkers and upper locks)
	Aisin Manufacturing Aguascalientes, S.A. de C.V.	Peso 27,500	100.0	Production and sales of automotive parts (door frames)
Brazil	Aisin do Brazil Com. e Ind Ltda.	R\$ 32,746	100.0	Production of automotive parts (door frames, door latches and door hinges)
France	IMRA Europe S.A.S.	€ 7,091	100.0	R&D in leading-edge technologies in the fields of energy/ environment, cognition/intelligence and electromagnetics
U.K.	Aisin Europe Manufacturing (UK) Ltd.	£ 7,650	100.0	Production and sales of automotive parts (door frames and door latches)
Belgium	Aisin Europe S.A.	€ 105,242	100.0	Import, export and sales of automotive parts and fashion related products (home-use sewing machines, etc.)
	AW Europe S.A.	€ 26,150	100.0	Production of automotive parts (electronic components), repair and rebuilding of ATs and sales of AT components
	AW Technical Center Europe S.A.	€ 13,409	100.0	R&D of automotive parts (ATs and car navigation systems)
Germany	FT Techno Europe GmbH	€ 25	100.0	Reliability testing service
	Aisin AI Europe GmbH	€ 25	100.0	Sales of automotive parts (MTs, etc.)
Czech Republic	Aisin Europe Manufacturing Czech s.r.o.	Kcs 702,000	100.0	Production and sales of automotive parts (timing chain cases, water pumps and oil pumps)
Turkey	Aisin Otomotiv Parcalari Sanayi ve Ticaret A.S.	YTL 15,700	100.0	Production and sales of automotive parts (door frames, outside handles and seat sensors)
Singapore	Aisin Asia Pte. Ltd.	S\$ 50,000	100.0	Import, export and sales of automotive parts, home-use sewing machines and apparel machinery
Thailand	Siam Aisin Co., Ltd.	Bt 880,000	97.0	Production and sales of automotive parts (brake components, timing chain cases and door frames)
	The Siam Nawaloha Foundry Co., Ltd.	Bt 308,000	50.3	Casting and machining of iron casting products
	Thai Engineering Products Co., Ltd.	Bt 85,000	46.1	Machining of iron casting products as well as casting and machining of aluminum products
	The Nawaloha Industry Co., Ltd.	Bt 300,000	60.1	Casting and machining of iron casting products
	Siam AT Industry Co., Ltd.	Bt 240,000	60.1	Machining of iron casting products
	Aisin Takaoka Foundry Bangkok Co., Ltd.	Bt 475,000	70.1	Casting of iron casting products
	Aisin Takaoka (Thailand) Co., Ltd.	Bt 10,000	100.0	Thailand business strategy, planning, sales and marketing
	SEBT Ltd.	Bt 150,000	100.0	Production of brake pads for automobile
	Aisin AI (Thailand) Co., Ltd.	Bt 784,000	100.0	Production and sales of automotive parts (MTs and gears)
	ADVICS Asia Pacific Co., Ltd.	Bt 40,000	100.0	Sales of automotive parts (brake systems and components)
	Exedy Friction Material Co., Ltd.*	Bt 316,000	33.5	Production and sales of automotive parts (clutch facings)
Indonesia	PT. Aisin Indonesia	Rp 66,000,000	62.7	Production and sales of automotive parts (clutch discs, door latches and door frames)
	PT. AT Indonesia	Rp 55,500,000	56.0	Casting and machining of iron casting products as well as metal forming
	PT. ADVICS Indonesia	Rp 1,272,000	100.0	Sales of automotive parts (brake systems and components)
India	Aisin NTTF Pvt. Ltd.	Rs 105,000	79.8	Production and sales of automotive parts (door frames, door latches and window regulators)

Country/Region	Company	Capital (Thousands of local currency)	Ownership (%)	Main Businesses
Taiwan	Elite Sewing Machine Mfg. Co., Ltd.	NT\$ 302,000	91.4	Production and sales of home-use sewing machines and automotive parts (door frames and clutches)
	Long Go Industry Co., Ltd.	NT\$ 21,000	100.0	Production and sales of automotive parts (glass guides, lower frames and belt moldings)
	ADVICS Taiwan Automotive Parts Co., Ltd.	NT\$ 16,000	100.0	Development and sales of automotive parts (brake systems and their system components)
China	Zhejiang Aisin-Hongda Automobile Parts Co., Ltd.	Rmb 82,847	74.5	Production and sales of automotive parts (water pumps, oil pumps and cylinder head covers)
	Tangshan Aisin Gear Co., Ltd.	Rmb 520,000	97.0	Development, design, production and sales of automotive parts (MTs)
	Aisin Tianjin Body Parts Co., Ltd.	Rmb 136,800	60.0	Production and sales of automotive parts (door latches, door frames and seats)
	Zhejiang Aisin Elite Machinery & Electric Co., Ltd.	Rmb 30,625	100.0	Development, production and sales of home-use sewing machines and related components
	Hangzhou Aisin INAX Machinery & Electric Co., Ltd.	Rmb 21,520	51.0	Production and sales of shower-toilet seats and auxiliary and related products
	Aisin Seiki Foshan Automotive Parts Co., Ltd.	Rmb 197,902	100.0	Production and sales of automotive parts (crank cases and intake manifolds) and production and sales of die casting molds
	Fengai (Guangzhou) Automotive Seat Parts Co., Ltd.*	Rmb 160,062	49.0	Production and sales of automotive parts (seat backs, seat cushions and seat tracks)
	Aisin Seiki Foshan Body Parts Co., Ltd.	Rmb 167,996	85.0	Production and sales of automotive parts (electric sunroofs and motor housing for power seats)
	Tangshan Aisin Automotive Parts Co., Ltd.	Rmb 474,005	100.0	Production and sales of automotive parts (crank cases, timing chain covers and AT cases)
	Tianjin Feng Ai Automotive Seat Parts Co., Ltd.*	Rmb 133,006	49.0	Production and sales of automotive seat frames, seat adjusters, rails and related parts
	Aisin Seiki (Tianjin) Sales & Trading Co., Ltd.	Rmb 3,951	100.0	Import, export and sales of automotive parts and life and energy related components and equipment
	Takaoka Lioho (Tianjin) Industries Co., Ltd.	Rmb 294,760	51.0	Casting and machining of iron casting products
	Takaoka Lioho (Guangzhou) Machinery Industries Co., Ltd.	Rmb 83,645	51.0	Machining of iron casting products
	Tianjin AWW Automatic Transmission Co., Ltd.	Rmb 99,739	80.0	Production and sales of automotive parts (RWD ATs)
	AW Shanghai Automotive Parts Trading Co., Ltd.	Rmb 14,534	100.0	Sales of car navigation systems and after-sales service
	Aw Hangzhou Software Development Co., Ltd.	Rmb 7,624	80.0	Design and evaluation of automotive software
	Hosei Brake Industry Fuzhou Co., Ltd.	Rmb 22,136	70.0	Production and sales of automotive parts (brake related components)
	ADVICS Tianjing Automobile Parts Co., Ltd.	Rmb 352,057	96.5	Production and sales of automotive parts (brake components) and sales of automotive parts (brake systems)
	ADVICS Guangzhou Automobile Parts Co., Ltd.	Rmb 60,418	95.0	Production and sales of automotive parts (brake components) and sales of automotive parts (brake systems)
South Korea	AW Korea Co., Ltd.	W 100,000	100.0	Sales, technical and quality assurance activities for automotive parts (ATs)
Australia	Aisin (Australia) Pty., Ltd.	A\$ 3,000	100.0	Production and sales of automotive parts, export and sales of home-use sewing machines and apparel machinery

Others: six companies    ★ Equity method affiliates



# Investor Information

As of March 31, 2009  
AISIN SEIKI CO., LTD.

## Stock and Number of Shareholders

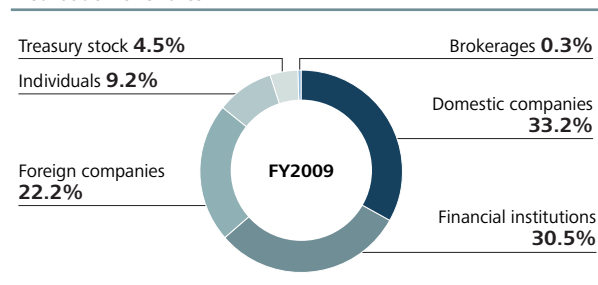
Common Stock	Authorized—700,000,000 shares
	Issued—294,674,634 shares
Stock Listings	Tokyo, Osaka, Nagoya
Ticker Symbol Number	7259
Trading Unit	100 shares
Number of Shareholders	24,379

## Major Shareholders (Top 10)

	Number of shares (Thousand shares)	% of voting shares (%)
Toyota Motor Corporation	65,558	23.3
Japan Trustee Services Bank, Ltd.	27,553	9.8
Toyota Industries Corporation	19,658	7.0
The Master Trust Bank of Japan, Ltd.	14,409	5.1
State Street Bank and Trust Company	12,426	4.4
Nippon Life Insurance Company	7,545	2.7
Towa Real Estate Co., Ltd.	6,344	2.3
Mitsui Sumitomo Insurance Co., Ltd.	5,902	2.1
Sompo Japan Insurance Inc.	5,855	2.1
Trust & Custody Services Bank, Ltd.	4,692	1.7

\* The Company holds 13,197,000 shares of treasury stock.

## Distribution of Shares



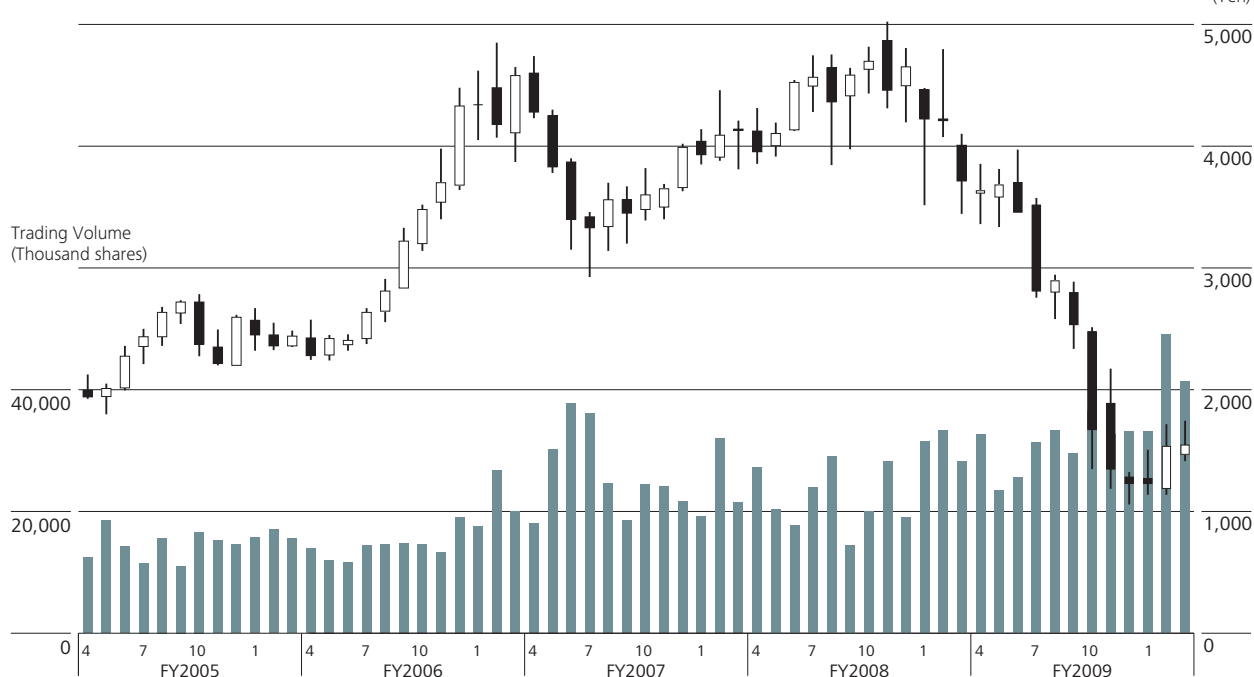
## Cash Dividends per Share

(Yen)

	FY2005	FY2006	FY2007	FY2008	<b>FY2009</b>
Interim	10.0	13.0	16.0	24.0	<b>30.0</b>
Year-end	14.0	19.0	24.0	36.0	<b>10.0</b>
Total	24.0	32.0	40.0	60.0	<b>40.0</b>

## Common Stock Price and Trading Volume on the Tokyo Stock Exchange

Common Stock Price  
(Yen)



## Guideline Comparative Table

The chart below includes the categories for disclosure required under the GRI\* Sustainability Reporting Guidelines 2006 and indicates the pages of this report that correspond to individual categories.

\* GRI is an acronym for the Global Reporting Initiative. GRI was established in 1997 as an international institution to create and disseminate international guidelines related to corporate sustainability reporting.  
Notes: 1. Information related to items not included in this report has been omitted. The complete version is available on our website.  
2. ■ denotes a key indicator.

Economic		
Disclosure on Management Approach		<b>P9-14</b>
Performance Indicators		
Economic Performance		
■ EC1.	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	<b>P7-8, P67-74</b>
Market Presence		
■ EC6.	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	<b>P53</b>
Environmental		
Disclosure on Management Approach		<b>P32</b>
Performance Indicators		
Materials		
■ EN1.	Materials used by weight or volume	<b>P37, P78</b>
Energy		
■ EN3.	Direct energy consumption by primary energy source.	<b>P37, P78</b>
■ EN4.	Indirect energy consumption by primary source.	<b>P37, P78</b>
EN5.	Energy saved due to conservation and efficiency improvements.	<b>P40</b>
EN6.	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives. Initiatives to reduce indirect energy consumption and reductions achieved.	<b>P39</b>
EN7.	Initiatives to reduce indirect energy consumption and reductions achieved.	<b>P41</b>
Biodiversity		
EN13.	Habitats protected or restored.	<b>P34, P35-36</b>
Emissions, Effluents, and Waste		
■ EN16.	Total direct and indirect greenhouse gas emissions by weight.	<b>P37, P40, P77</b>
■ EN17.	Other relevant indirect greenhouse gas emissions by weight.	<b>P37, P40, P77</b>
EN18.	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<b>P40</b>
■ EN20.	NO, SO, and other significant air emissions by type and weight.	<b>P40, P78</b>

■ EN22.	Total weight of waste by type and disposal method.	<b>P79</b>
Products and Services		
EN26.	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	<b>P39</b>
Transport		
EN29.	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	<b>P41</b>
Overall		
EN30.	Total environmental protection expenditures and investments by type.	<b>P80</b>
Social		
Labor Practices and Decent Work		
Disclosure on Management Approach		<b>P44</b>
Performance Indicators		
Employment		
■ LA1.	Total workforce by employment type, employment contract, and region.	<b>P81</b>
■ LA2.	Total number and rate of employee turnover by age group, gender, and region.	<b>P81</b>
Occupational Health and Safety		
■ LA7.	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region.	<b>P49, P82</b>
■ LA8.	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	<b>P49</b>
Training and Education		
LA11.	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	<b>P49</b>
Diversity and Equal Opportunity		
■ LA13.	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	<b>P81</b>
Product Responsibility		
Disclosure on Management Approach		<b>P44</b>
Product and Service Labeling		
PR5.	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	<b>P52</b>

**AISIN SEIKI Co.,Ltd.**  
<http://www.aisin.com>

