I am pleased and honored to assume the role of president of Aisin Seiki Co., Ltd. As you know, the automobile industry has been implementing a significant production cutback due to the global recession since last year. Regrettably, Aisin also has declared losses in the business year ending in March 2009 for the first time in the history of the Company. I find it inspiring anew to take the role of steering in this unprecedented situation.

I believe the first thing for us to do is to build up an optimum production system amidst the production cutback by our customers. The current severe environment is expected to persist for some time. So, as in previous periods, we will continue to work on a review and optimization of the production systems at home and abroad, the mutually complementary relation among different regions and bases; and the streamlining of capital investment. I hope that such efforts will enable us to flexibly cope with fluctuating production volumes. We also need to accelerate actions towards fundamental structural reform. This means to comprehensively review fixed costs by strengthening collaborative activities within the Group, such as the joint procurement/physical distribution, and thorough work restructuring.

However, planting seeds for future growth should not be neglected even under this severe environment. Ever since I joined Aisin, I have been consistently engaged in R&D sector. I recently feel that what customers are looking for in cars is drastically changing at a speed beyond our expectation, due to diversified customer needs and global warming. In order to ride the waves of growth to follow, Aisin will focus on car/housing-life related themes of increasing importance in the future. Such themes include, in particular, environmental technologies as typified by hybrid cars, technological development aimed at low cost and weight reduction, and development of products that can really make customers satisfied.

Our employees, being pressed to cope with an unprecedented tough environment, may tend to be dispirited in various ways. However, I would like to take this situation positively as “a chance to return to the starting point.” Upon substantiating in-house communications and with employees as the main players, the entire company will make concerted efforts for an early return to profitability.

In closing, we will make continuous efforts to meet your expectations and we ask for your continued understanding and support.
June 2009

Fumio Fujimori