



December 22, 2020

Company name Aisin Seiki Co., Ltd.
Representative Kiyotaka Ise, President
Securities code: 7259 (TSE/NSE, First Sections)
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Notice Regarding Conclusion of Merger Agreement (Simple and Short Form) with EQUOS
RESEARCH Co., Ltd.

Today, Aisin Seiki Co., Ltd. (AI) hereby announces that AI and EQUOS RESEARCH Co., Ltd. (EQ-R), a consolidated subsidiary of AI, have concluded a merger agreement regarding a merger (the “Merger”) with an effective date of April 1, 2021.

Since the Merger is a simple and short-form merger of consolidated subsidiaries, some disclosure items and details are omitted.

1. Purpose of the Merger

EQ-R will be merged with the aim of further strengthening our competitiveness to survive the once-in-a-century transformation of the automotive industry. By doing so, we will further accelerate the shift of resources to priority areas and aim to strengthen our development capabilities in existing and new fields in a forward-looking manner through the creation of synergy effects in R&D.

2. Summary of the Merger

(1) Reorganization schedule

Resolution date by the Board of Directors for contract	December 22, 2020
Contract date	December 22, 2020
Merger effective date	April 1, 2021 (scheduled date)

*As the Merger falls under the category of a simple and short-form merger as stipulated in Article 796, Paragraph 2 of the Companies Act, no shareholders' meeting will be held

to approve the merger agreement.

(2) Reorganization method

AI and AISIN AW CO., LTD. (AW), the sole shareholder of EQ-R, concluded a merger agreement to conduct an absorption-type merger with AI as the surviving company and AW as the extinguished company with an effective date of April 1, 2021. As a result of this absorption-type merger, AI will own all of the outstanding shares of EQ-R, and thereafter, the Merger will be an absorption-type merger with AI as the surviving company and EQ-R as the extinguished company.

(3) Allocation details of the Merger

No shares or money or other assets will be allocated.

(4) Treatment on stock acquisition rights and bonds with share acquisition rights in connection with the Merger

EQ-R has not issued any stock acquisition rights or bonds with share acquisition rights.

3. Overview of the parties to the reorganization (as of March 31, 2020)

	Surviving company	Extinguished company
(1) Company name	Aisin Seiki Co., Ltd.	EQUOS RESEARCH Co., Ltd.
(2) Location	2-1 Asahi-machi, Kariya, Aichi	1-18-13 Sotokanda, Chiyoda-ku, Tokyo
(3) Representative	Kiyotaka Ise, President	Naohisa Momiyama, President
(4) Business description	Manufacturing and sales of automotive parts	Research and Development of vehicles and other devices related to vehicle industries
(5) Capital	45,049 million yen	20 million yen
(6) Establishment	August 1965	September 1987
(7) Number of outstanding shares	294,674,634 shares	400 shares
(8) Fiscal Period	March 31	March 31
(9) Number of employees	14,986	48
(10) Major customers	Toyota Motor Corporation	AISIN AW CO., LTD.

(11) Main banks	MUFG Bank, Ltd.	-	
(12) Major shareholders and shareholding ratio	Toyota Motor Corporation: 24.80% Toyota Industries Corporation: 7.68% The Master Trust Bank of Japan, Ltd. (trust account): 4.87% DENSO Corporation: 4.81% Japan Trustee Services Bank, Ltd. (trust account): 4.41%	AISIN AW CO., LTD.: 100%	
Financial position and results for the previous fiscal year			
AI [IFRS] (Consolidated)		EQ-R [Japanese Standard] (Stand Alone)	
Fiscal Period	FY2020	Fiscal Period	FY2020
Equity attributable to owners of the parent company	1,280,165 million yen	Net assets	511 million yen
Total assets	3,992,652 million yen	Total assets	843 million yen
Equity attributable to owners of the parent per share (Yen)	4,750.07 yen	Net assets per share (Yen)	1,279,839.5 yen
Revenue	3,784,585 million yen	Commissioned research revenue	1,253 million yen
Operating profit	56,129 million yen	Operating profit	13 million yen
Profit before income taxes	53,395 million yen	Ordinary profit	12 million yen
Profit for the period attributable to owners of the parent	24,061 million yen	Gross profit for period	1 million yen
Basic earnings per share (Yen)	89.28 yen	Net income per share (Yen)	4,728.42 yen

4. Status after the Merger

The Merger will have no change in the location of the head office, representative, business description, capital or fiscal period.

5. Outlook for the future

The Merger will have no impact on the business results for FY2021 as the effective date of the Merger is April 1, 2021. We will promptly announce any matters that should be disclosed in the future.

(Reference) Consolidated financial forecast for the current fiscal year (announced on October 29, 2020) and consolidated results for the previous fiscal year

(Million Yen)

	Revenue	Operating profit	Profit before income taxes	Profit for the period attributable to owners of the parent
Financial forecast (FY2021)	3,380,000	50,000	50,000	27,000
Previous results (FY2020)	3,784,585	56,129	53,395	24,061