

**For the Fiscal year Ended March 31, 2022 2nd Quarter
(April 1st, 2021 to September 30th, 2021)**

Financial Results

October 29th, 2021

AISIN CORPORATION

FYE2022 2nd Quarter Overview of Financial Results

1. Regarding to the first half of the year, despite the effects of the re-expansion of the COVID-19 infection in Southeast Asia and the shortage of semiconductors, structural reforms and cost reduction activities resulted in a significant increase in sales and profits compared to the previous year.
2. Although it is difficult to forecast the business environment due to the shortage of semiconductors and soaring raw materials, we will maintain our earnings structure by accelerating efforts to resolve the shortage of parts in the supply chain, structural reforms, and cost reduction activities.
Thus with respect to the annual forecast for FYE2022, we aim for the original plan of revenue of 3.95 trillion JPY and operating income of 220 billion yen.
3. The effects of structural reforms and business integration are progressing at a pace that exceeds the original plan, and making steady progress toward achieving an operating profit ratio of 7% or higher in FYE2024.

Consolidated Financial Results (FYE2022 2nd Quarter)

FYE2022 2nd Quarter Results Financial Summary

() shows rate to Revenue % 【Billion JPY】

	FYE2021 2Q Results		FYE2022 2Q Results		Change	Change rate %	(Prior announcement) @ July 30 th 2021
Revenue	1,455.9	-	1,864.7	-	+ 408.8	+ 28.1	2,050.0 -
Operating Profit	- 38.5	(-2.6)	85.1	(4.6)	+ 123.6	-	130.0 (6.3)
Profit before income taxes	- 31.3	(-2.2)	96.1	(5.2)	+ 127.4	-	140.0 (6.8)
Profit for the period*1	- 19.4	(-1.3)	62.3	(3.3)	+ 81.7	-	95.0 (4.6)

*1 : Profit for the period attributable to Owners of the parent

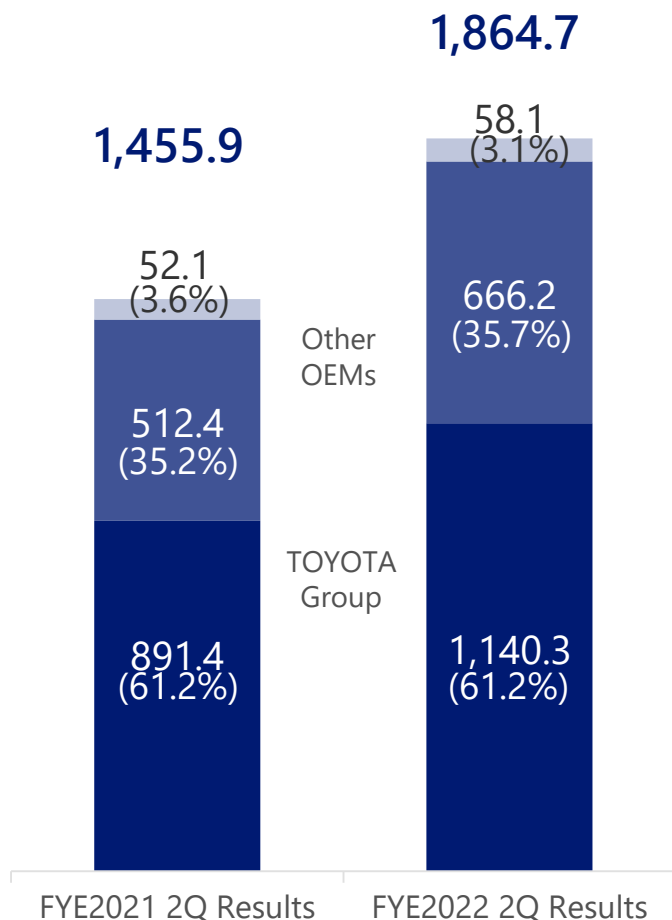
Pre-conditions	FX Rate	USD	107	JPY	110	JPY	+ 3	JPY	+ 2.8	107	JPY
		CNY	15.3	JPY	17.0	JPY	+ 1.7	JPY	+ 11.1	16.7	JPY
	Toyota production		346	10,000 unit	438	10,000 unit	+ 92	10,000 unit	+ 26.4	-	
	Powertrain Unit Sales*2 (number of E-Four)		357	10,000 unit (2)	469	10,000 unit (8)	+ 112	10,000 unit (+6)	+ 31.4	523	10,000 unit (8)

*2 : Total sales of AT, CVT, HV and eAxle (including E-Four with a capacity of intermediate and above)

FYE2022 2nd Quarter Revenue by Customer



【Billion JPY】



Revenue by Customer (Other OEMs)

Customer	FYE2021 2Q Results	FYE2022 2Q Results	Change
VW&Audi	110.8	125.0	+14.2
Stellantis	65.4	111.1	+45.7
SUZUKI	44.3	54.1	+9.8
VOLVO	47.8	53.5	+5.7
MITSUBISHI	12.2	37.3	+25.1
HONDA	28.6	30.5	+1.9
NISSAN	24.7	27.3	+2.6
Changan Automobile	21.5	24.5	+3.0
BMW	19.9	21.3	+1.4
FAW	17.3	20.1	+2.8
Others	119.9	161.5	+41.6
Total	512.4	666.2	+153.8
(reference) Chinese OEMs	79.4	94.3	+14.9

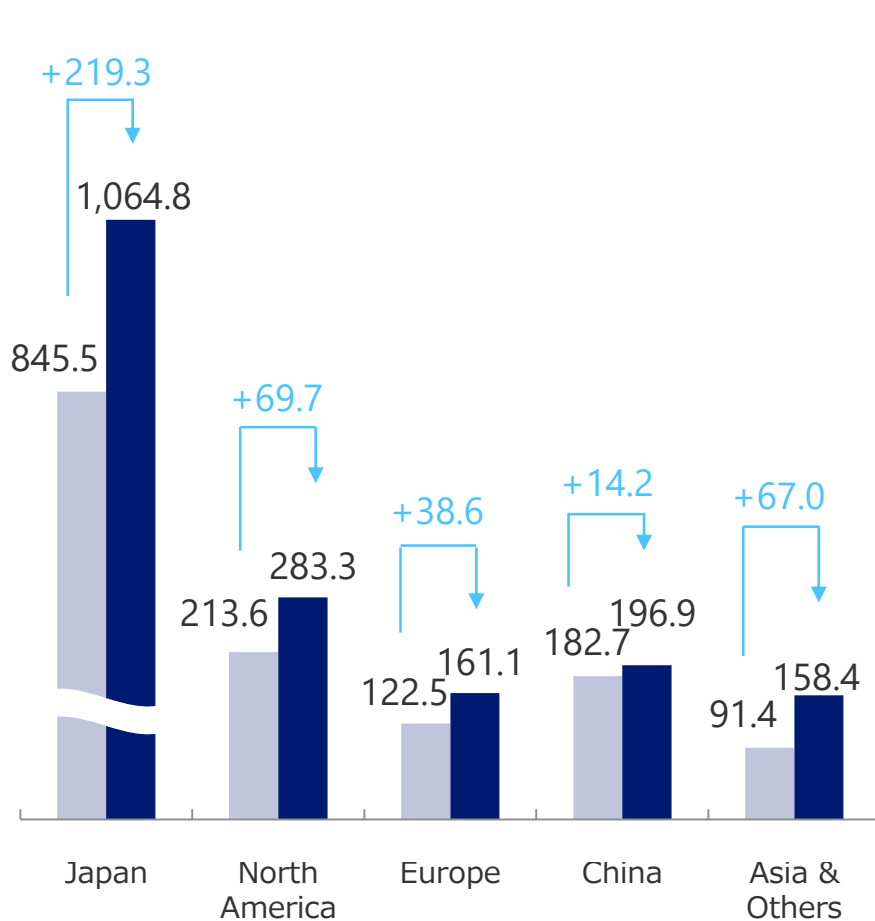
FYE2022 2nd Quarter Segment Information

■ FYE2021 2Q Results

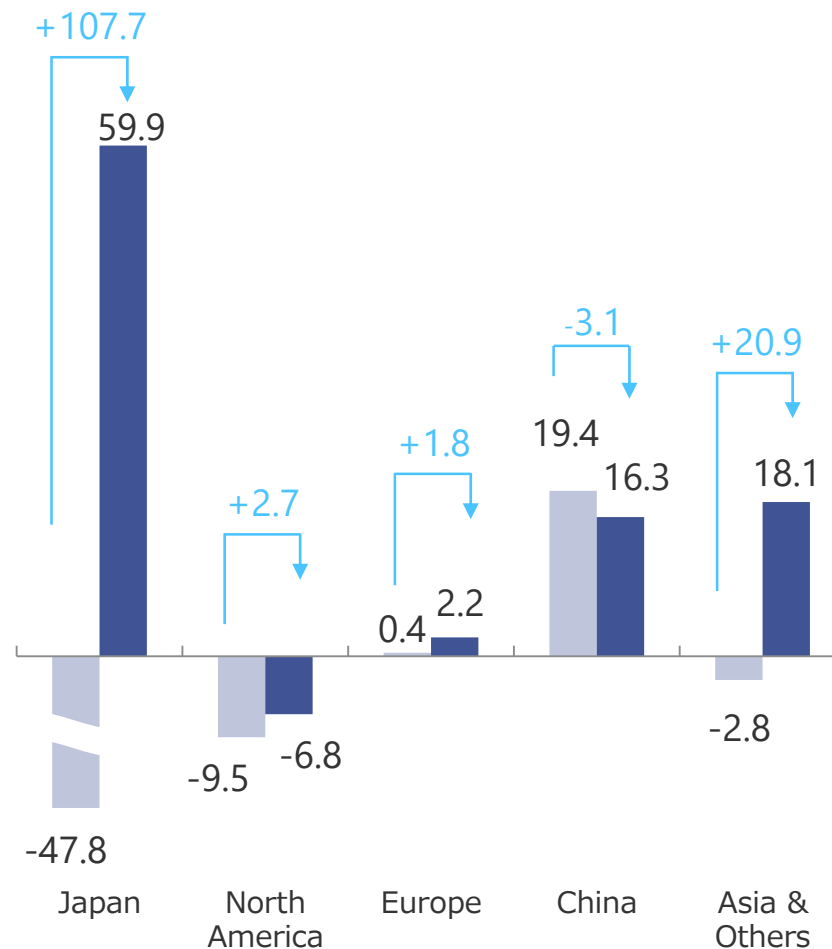
■ FYE2022 2Q Results

【Billion JPY】

Revenue (YoY+408.8)



Operating Profit (YoY+123.6)

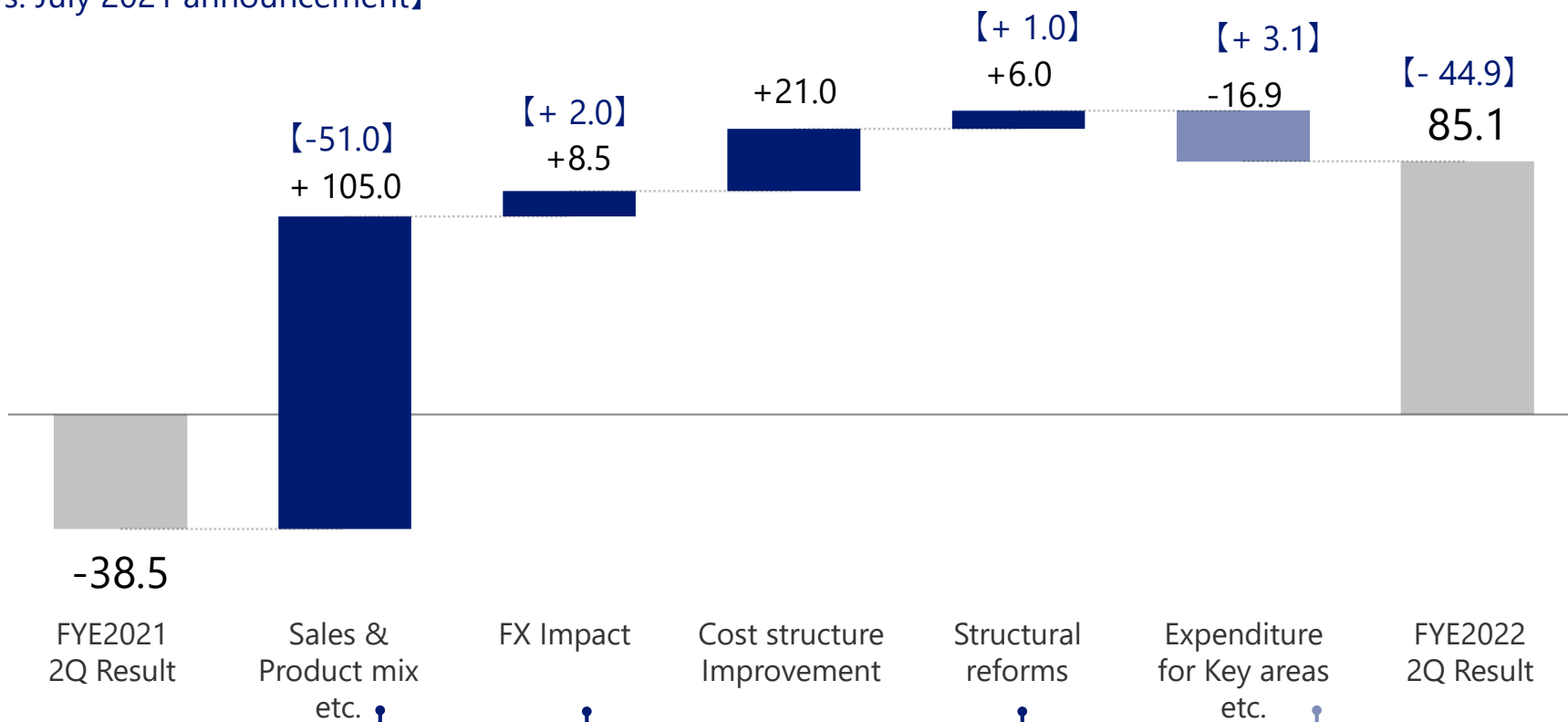


※ Revenue to external customers

FYE2022 2nd Quarter Analysis of Operating Profit

[vs. July 2021 announcement]

[Billion JPY]



Sales & Product mix etc. Breakdown		
Sales Volume fluctuations	+ 117.0	[-51.0]
Sales price variance & Product mix	- 17.0	[+4.0]
Variable cost (Operation normalized)	+ 19.0	[-4.0]
Materials	- 14.0	[±0.0]

FX impact Breakdown	
USD	+ 1.7
CNY	+ 5.9
EUR	+ 0.5
THB	+ 0.4

Structural reforms
【New effect of integration】
• Acceleration of structural reform activities with the launch of new Aisin
• Expansion of group joint activities
• Consolidation and elimination of overlapping functions and subsidiaries

Expenditure for Key areas etc.
• Expenditure for Key areas
[Resources shift to carbon neutrality, electricity and DX]
• Container shortage etc.

Consolidated Financial Forecast (FYE2022)

FYE2022 Forecast Financial Summary

() shows rate to Revenue % 【Billion JPY】

	FYE2021 Results		FYE2022 Forecast		Change	Change rate %	(Prior announcement) @ April 28 th 2021
Revenue	3,525.7	-	3,950.0	-	+424.3	+12.0	3,950.0 -
Operating Profit	145.3	(4.1)	220.0	(5.6)	+74.7	+51.4	220.0 (5.6)
Profit before income taxes	167.5	(4.8)	230.0	(5.8)	+62.5	+37.3	230.0 (5.8)
Profit for the period*1	105.6	(3.0)	150.0	(3.8)	+44.4	+42.0	150.0 (3.8)

*1 : Profit for the period attributable to Owners of the parent

Pre-conditions	FX Rate	USD	106	JPY	107	JPY	+1	JPY	0.9	105	JPY
		CNY	15.7	JPY	16.6	JPY	+ 0.9	JPY	+ 5.7	16.1	JPY
	Powertrain Unit Sales*2 (number of E-Four)	888	10,000 unit	997	10,000 unit	+ 109	10,000 unit	(+9)	+ 12.3	1,006	10,000 unit

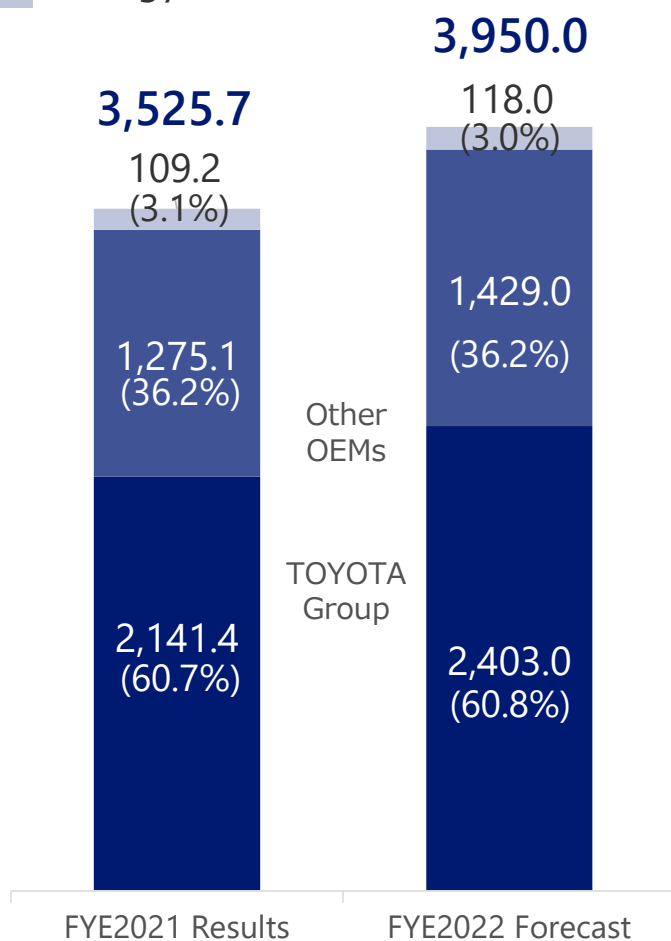
*2 : Total sales of AT, CVT, HV and eAxle (including E-Four with a capacity of intermediate and above)

FYE2022 Revenue by Customer

■ Mobility

■ Energy Solutions and others

[Billion JPY]



Revenue by Customer (Other OEMs)			
Customer	FYE2021 Results	FYE2022 Forecast	Change
Stellantis	193.9	253.0	+59.1
VW&Audi	240.0	245.0	+5.0
VOLVO	115.2	121.0	+5.8
SUZUKI	108.2	119.0	+10.8
MITSUBISHI	49.0	73.0	+24.0
NISSAN	65.4	65.0	-0.4
HONDA	63.2	64.0	+0.8
Changan Automobile	51.2	52.0	+0.8
BMW	56.2	49.0	-7.2
Guangzhou Automobile	46.6	49.0	+2.4
Others	286.2	339.0	+52.8
Total	1,275.1	1,429.0	+153.9
(reference) Chinese OEMs	184.2	194.1	+9.9

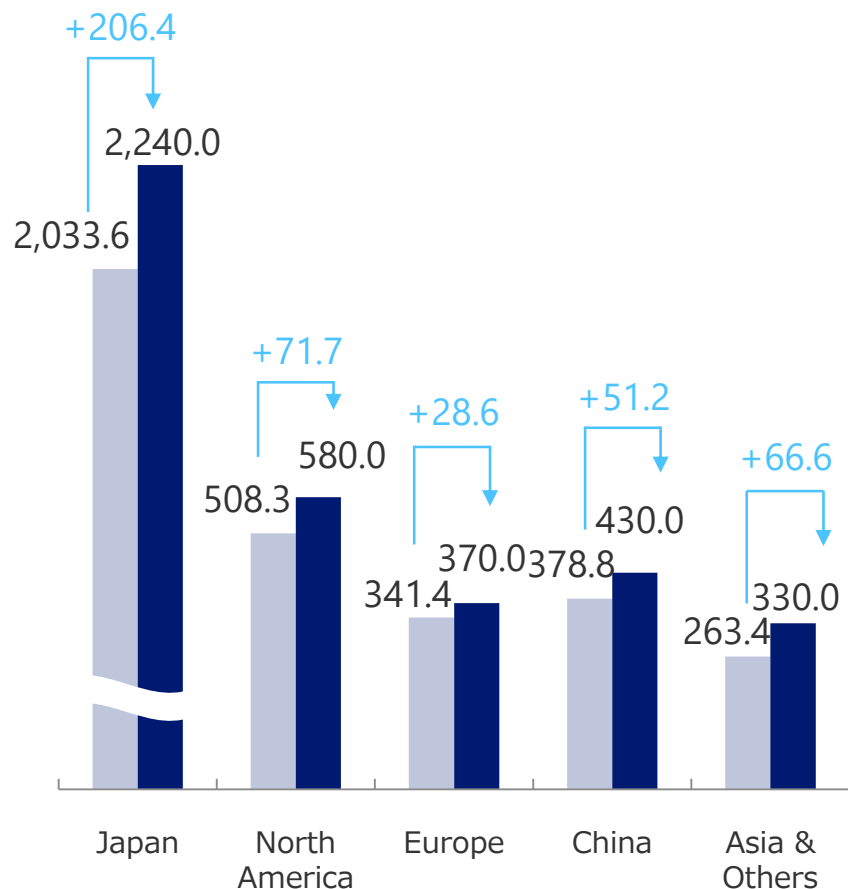
FYE2022 Segment Information

FYE2021 Results

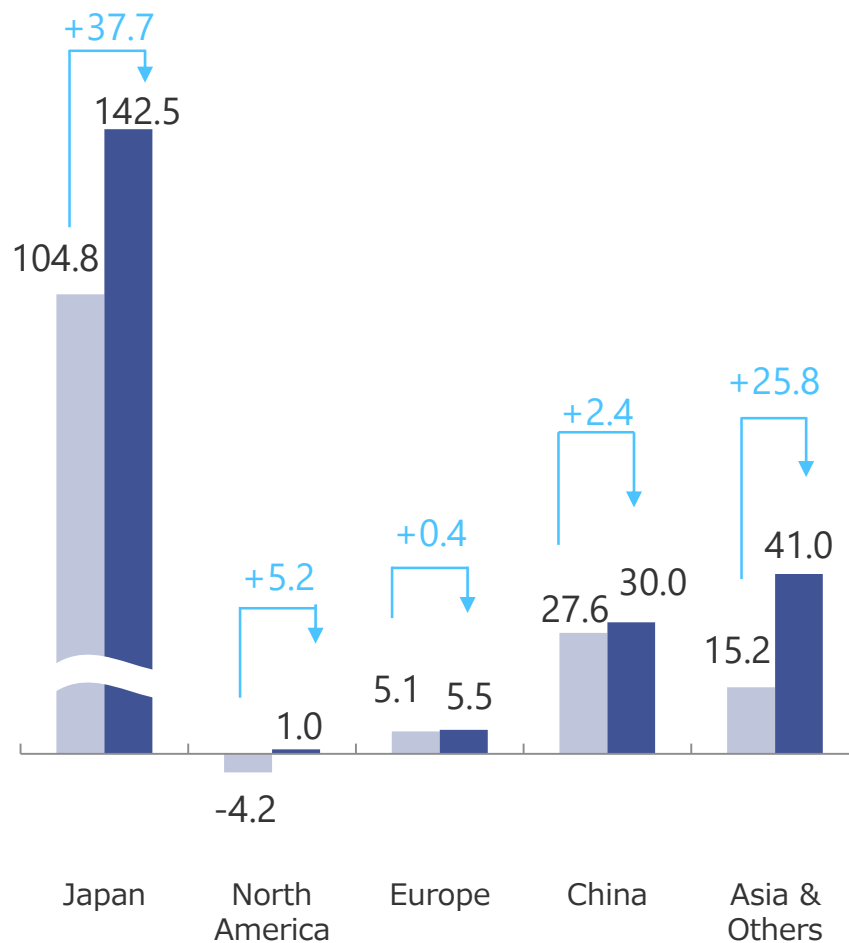
FYE2022 Forecast

[Billion JPY]

Revenue (YoY+424.3)



Operating Profit (YoY+74.7)

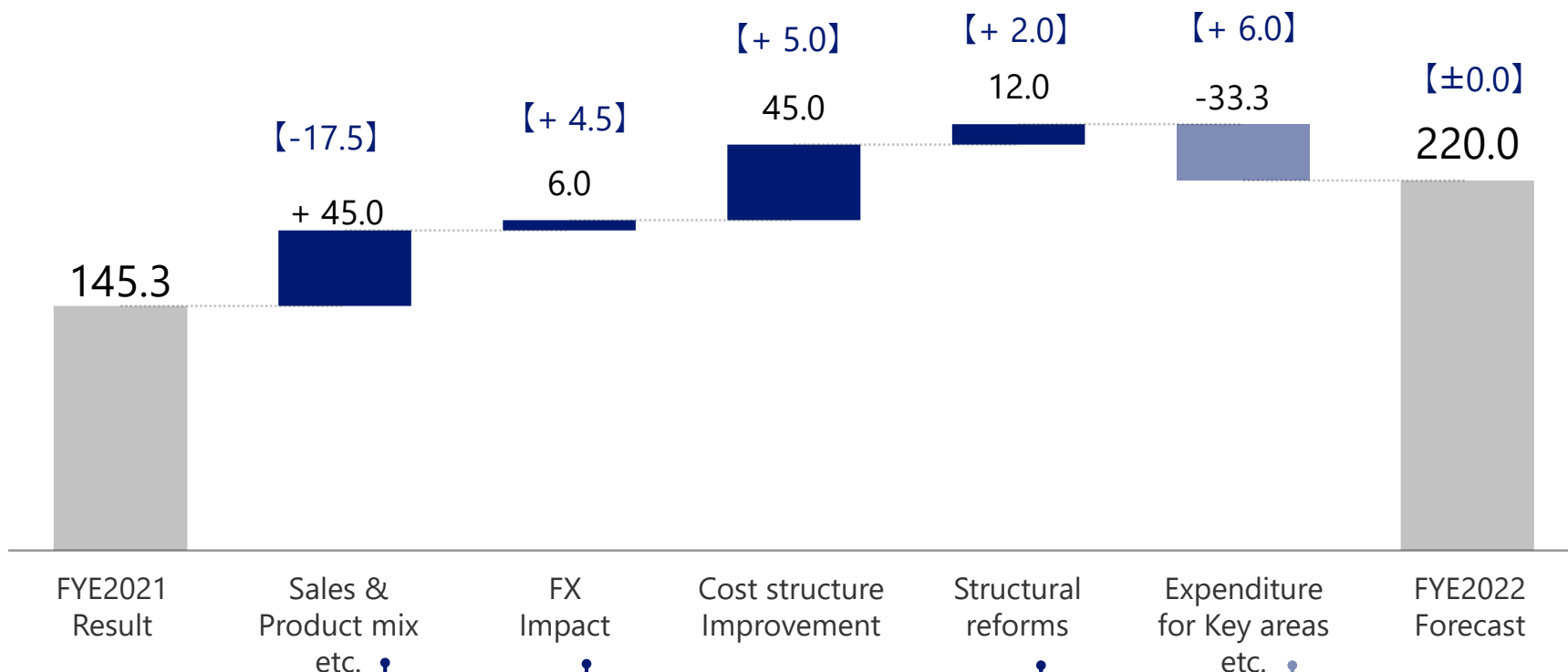


※Revenue to external customers

FYE2022 Analysis of Operating Profit

【 vs. April 2021 announcement 】

【Billion JPY】



Sales & Product mix etc. Breakdown		
Sales Volume fluctuations	+ 125.0	[-2.5]
Sales price variance & Product mix	- 45.0	[+5.0]
Materials	- 35.0	[-20.0]

FX impact Breakdown	
USD	+ 1.7
CNY	+ 6.4
EUR	+ 0.4
THB	-2.5

Structural reforms	
【New effect of integration】	
• Acceleration of structural reform activities with the launch of new Aisin	
• Expansion of group joint activities	
• Consolidation and elimination of overlapping functions and subsidiaries	

Expenditure for Key areas etc.	
• Expenditure for Key areas	
<ul style="list-style-type: none"> Resources shift to carbon neutrality, electricity and DX Container shortage etc. 	

Reference information

Revenue Details (2Q Result · FY2022 Forecast)

() shows composition ratio 【Billion JPY】

		FYE2021 2Q Results	FYE2022 2Q Results		Change	%	(Prior announcement) @ July 30 th 2021
Mobility	Powertrain	792.9	1,057.3	(56.7)	+264.4	+33.3	1,169.5
	Chassis & Vehicle Safety systems	270.3	354.0	(19.0)	+83.7	+31.0	385.8
	Body	292.7	348.1	(18.7)	+55.4	+18.9	387.7
	CSS* & Others	47.7	47.0	(2.5)	-0.7	-1.5	47.8
		1,403.8	1,806.5	(96.9)	+402.7	+28.7	1,991.0
	Energy Solutions and others	52.1	58.1	(3.1)	+6.0	+11.6	59.0
	Total	1,455.9	1,864.7	(100.0)	+408.8	+28.1	2,050.0
		FYE2021 Results	FYE2022 Forecast		Change	%	
Mobility	Powertrain	1,968.3	2,245.1	(56.8)	+276.8	+14.1	
	Chassis & Vehicle Safety systems	650.2	762.4	(19.3)	+112.2	+17.3	
	Body	692.4	729.5	(18.5)	+37.1	+5.4	
	CSS* & Others	105.5	94.7	(2.4)	-10.8	-10.2	
		3,416.5	3,832.0	(97.0)	+415.5	+12.2	
	Energy Solutions and others	109.2	118.0	(3.0)	+8.8	+8.1	
	Total	3,525.7	3,950.0	(100.0)	+424.3	+12.0	

* CSS : Connected and Sharing Solutions

CAPEX / Depreciation / R&D

【Billion JPY】

By Sub-group company		FYE2021 2Q Results	By business		FYE2022 2Q Results	FYE2022 Forecast
CAPEX	AISIN SEIKI-G	30.8	Powertrain	43.8	104.8	
	AW-G	44.4	Chassis & Vehicle Safety systems	26.4	46.9	
	ADS-G	12.4	Body	13.9	28.1	
	Others	0.8	CSS* & Others	17.5	55.2	
	Total	88.4	Total	101.6	235.0	
Depreciation	AISIN SEIKI-G	47.2	Powertrain	67.6	137.7	
	AW-G	46.9	Chassis & Vehicle Safety systems	16.6	34.8	
	ADS-G	13.6	Body	15.0	30.5	
	Others	12.2	CSS* & Others	20.1	45.0	
	Total	119.9	Total	119.3	248.0	
R&D expenditure	AISIN SEIKI-G	36.5	Powertrain	40.2	79.3	
	AW-G	43.6	Chassis & Vehicle Safety systems	22.8	48.1	
	ADS-G	10.7	Body	13.7	30.5	
	Others	1.3	CSS* & Others	16.5	33.1	
	Total	92.1	Total	93.2	191.0	

* CSS : Connected and Sharing Solutions

FYE2022 2nd Quarter Segment by Region

【Billion JPY】

	Region	FYE2021 2Q Results	FYE2022 2Q Results	Change	Change	
					FX	Others
Revenue	Japan	845.5	1,064.8	+ 219.3	-	+219.3
	North America	213.6	283.3	+ 69.7	+7.6	+62.1
	Europe	122.5	161.1	+ 38.6	+1.4	+37.2
	China	182.7	196.9	+ 14.2	+19.9	-5.7
	Asia & Others	91.4	158.4	+ 67.0	+3.9	+63.1
	Total	1,455.9	1,864.7	+ 408.8	+33.0	+375.8

※Revenue to external customers

Operating profit	Japan	- 47.8	59.9	+ 107.7	+6.7	+101.0
	North America	- 9.5	-6.8	+ 2.7	- 0.1	+2.8
	Europe	0.4	2.2	+ 1.8	+0.1	+1.7
	China	19.4	16.3	- 3.1	+1.6	-4.7
	Asia & Others	- 2.8	18.1	+ 20.9	+0.1	+20.8
	Elimination	1.8	-4.7	- 6.5	-	-6.5
Total	- 38.5	85.1	+ 123.6	+8.5	+115.1	

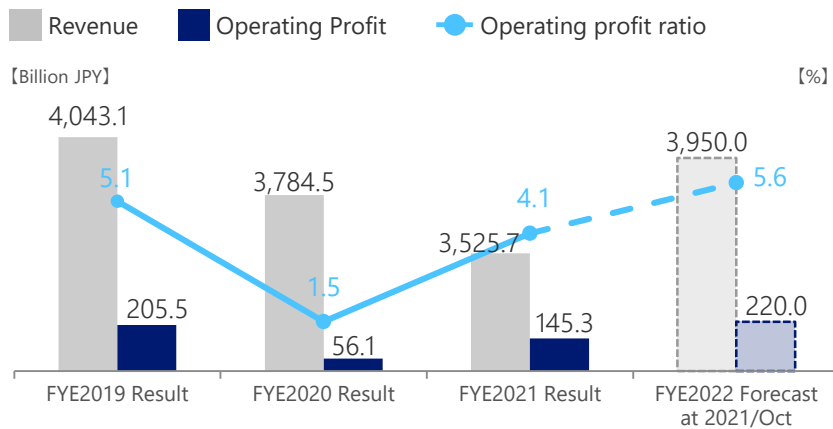
FYE2022 Forecast Segment by Region

【Billion JPY】

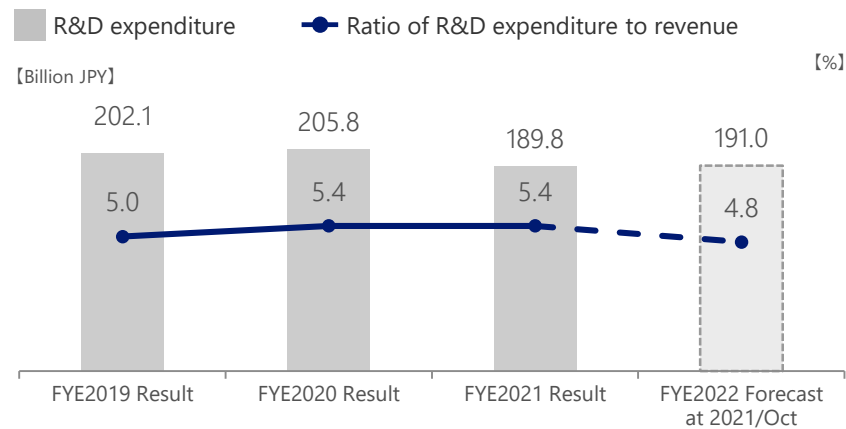
	Region	FYE2021 Results	FYE2022 Forecast	Change	Change	
					FX	Others
Revenue	Japan	2,033.6	2,240.0	+206.4	-	+206.4
	North America	508.3	580.0	+71.7	+9.0	+62.7
	Europe	341.4	370.0	+28.6	+1.5	+27.1
	China	378.8	430.0	+51.2	+25.5	+25.7
	Asia & Others	263.4	330.0	+66.6	-3.0	+69.6
	Total	3,525.7	3,950.0	+424.3	+33.0	+391.3
※ Revenue to external customers						
Operating profit	Japan	104.8	142.5	+37.7	+5.5	+32.2
	North America	-4.2	1.0	+5.2	±0.0	+5.2
	Europe	5.1	5.5	+0.4	+0.2	+0.2
	China	27.6	30.0	+2.4	+1.4	+1.0
	Asia & Others	15.2	41.0	+25.8	-1.1	+26.9
	Elimination	-3.3	-	+3.3	-	+3.3
Total	145.3	220.0	+ 74.7	+6.0	+68.7	

Highlights of Financial Performance

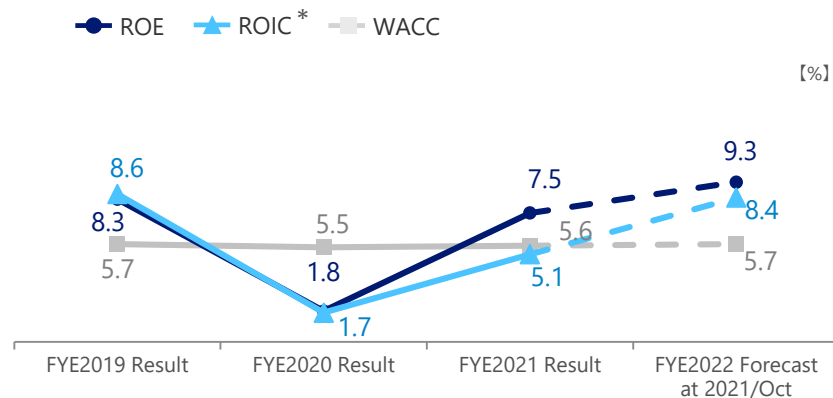
Revenue / Operating Profit / Operating profit ratio



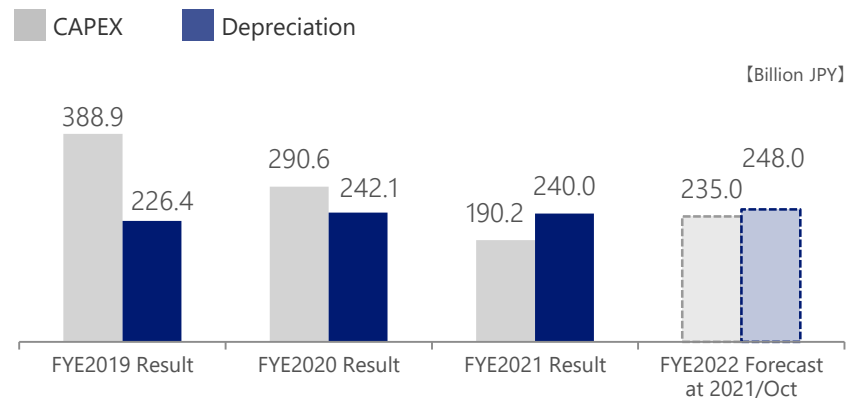
R&D expenditure / Ratio of R&D expenditure to revenue



Return on equity / Return on invested capital / Weighted average cost of capital



CAPEX / Depreciation



*Operating profit after income tax / (inventories + tangible fixed assets + intangible assets)

Toyota production · Powertrain Unit Sales

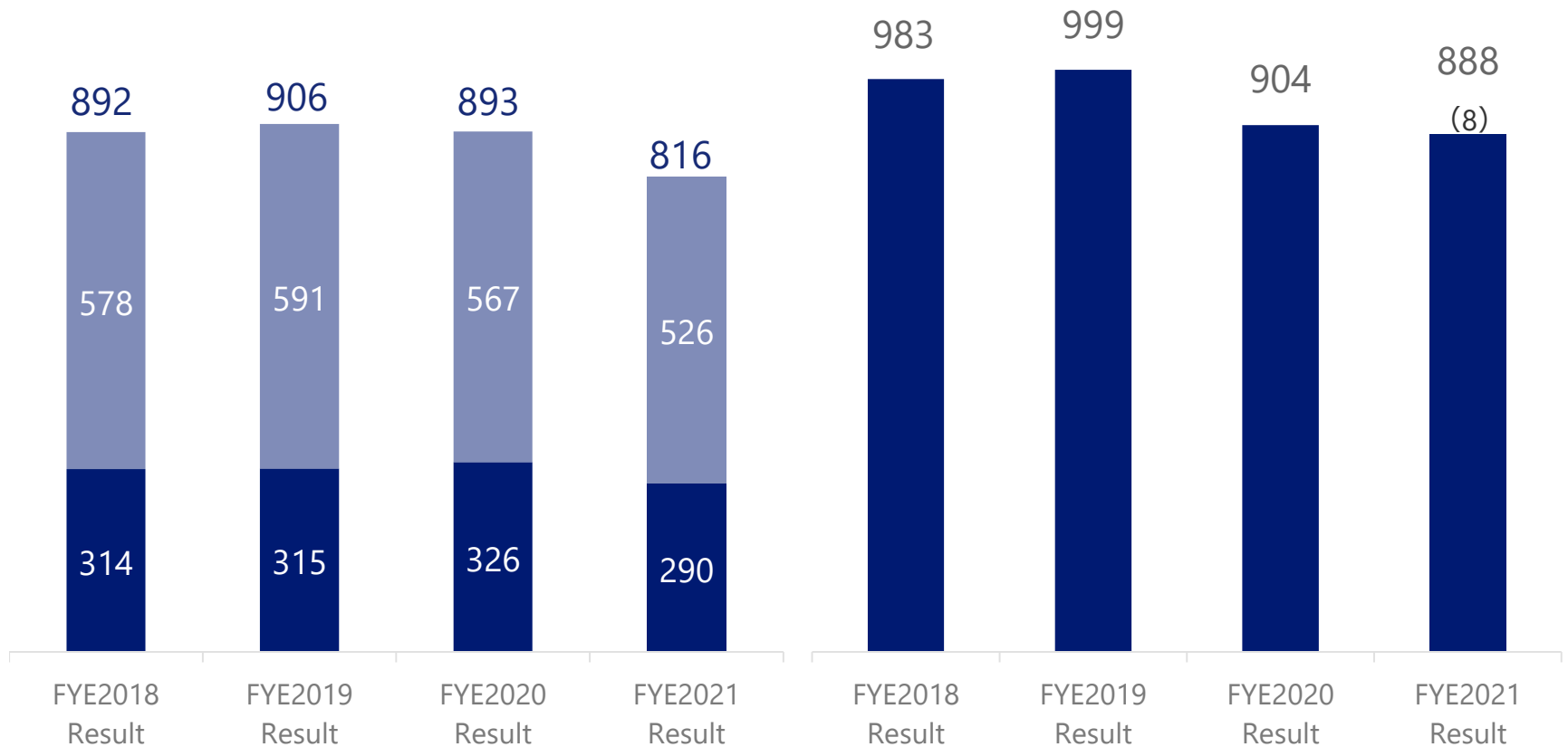
[10,000 Unit]

Toyota production Volume

Powertrain Unit Sales Volume

() shows number of E-Four(capacity of intermediate and above)

■ Domestic ■ Overseas

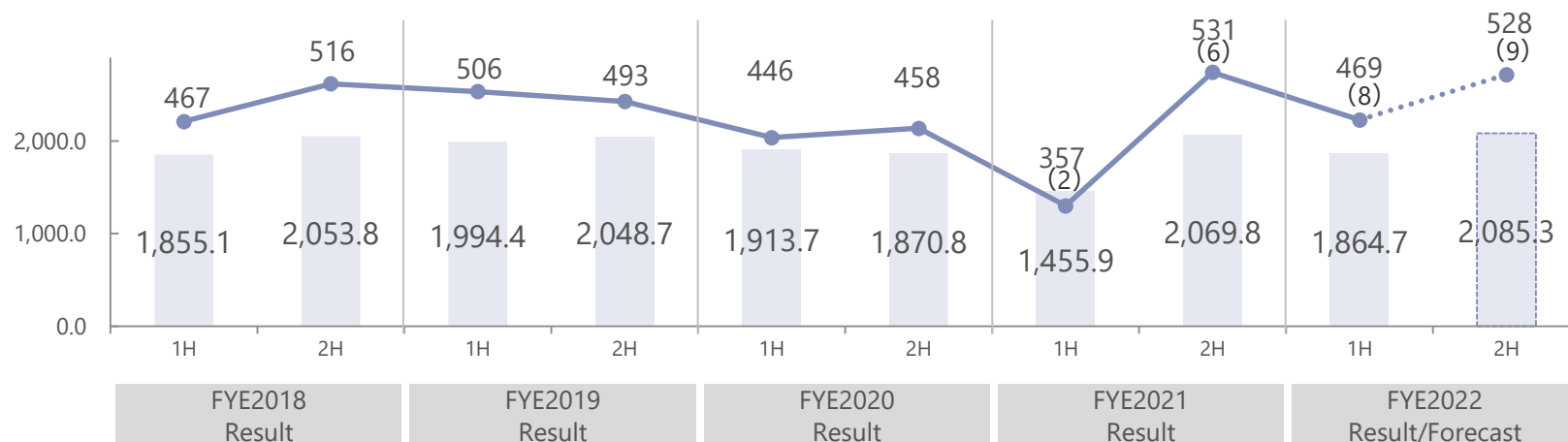


Half Yearly Performance

Revenue

【Billion JPY】

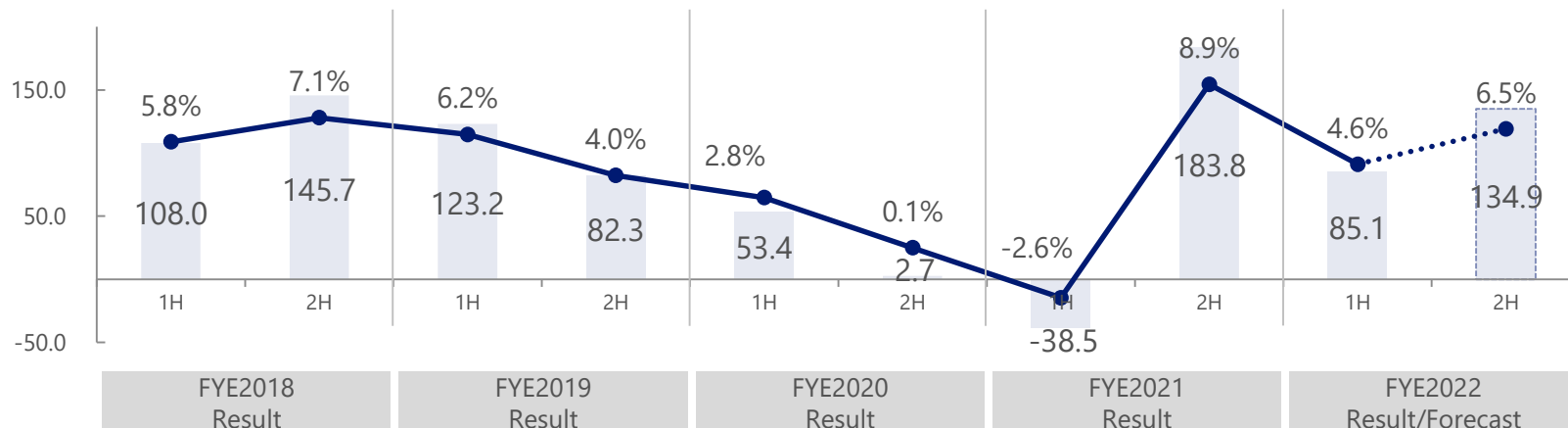
Revenue Powertrain Unit sales () shows number of E-Four (capacity of intermediate and above) [10,000 Unit]



Operating Profit

【Billion JPY】

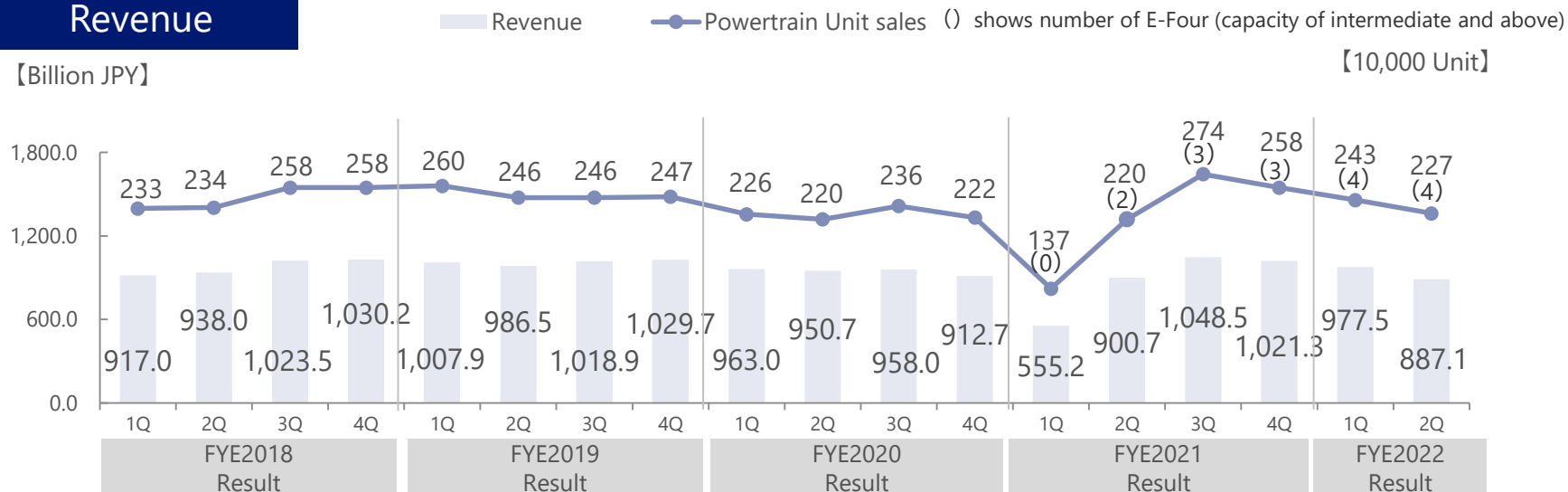
Operating Profit Operating Profit ratio



Quarterly Performance

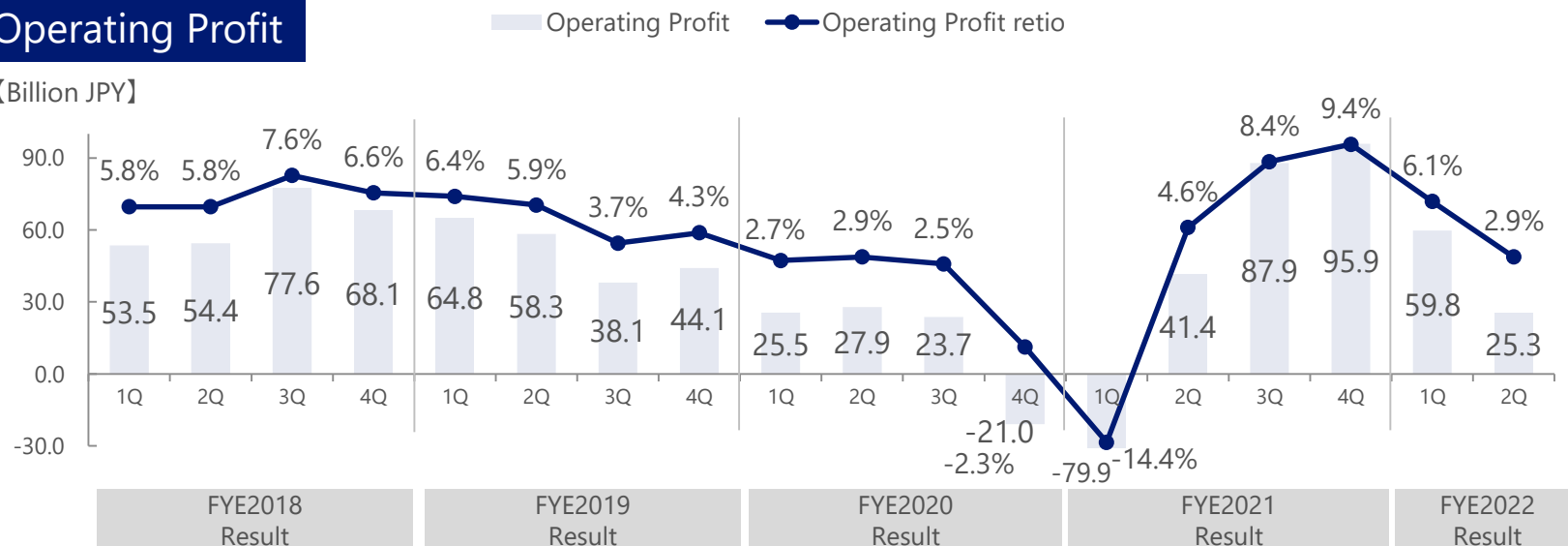
Revenue

【Billion JPY】



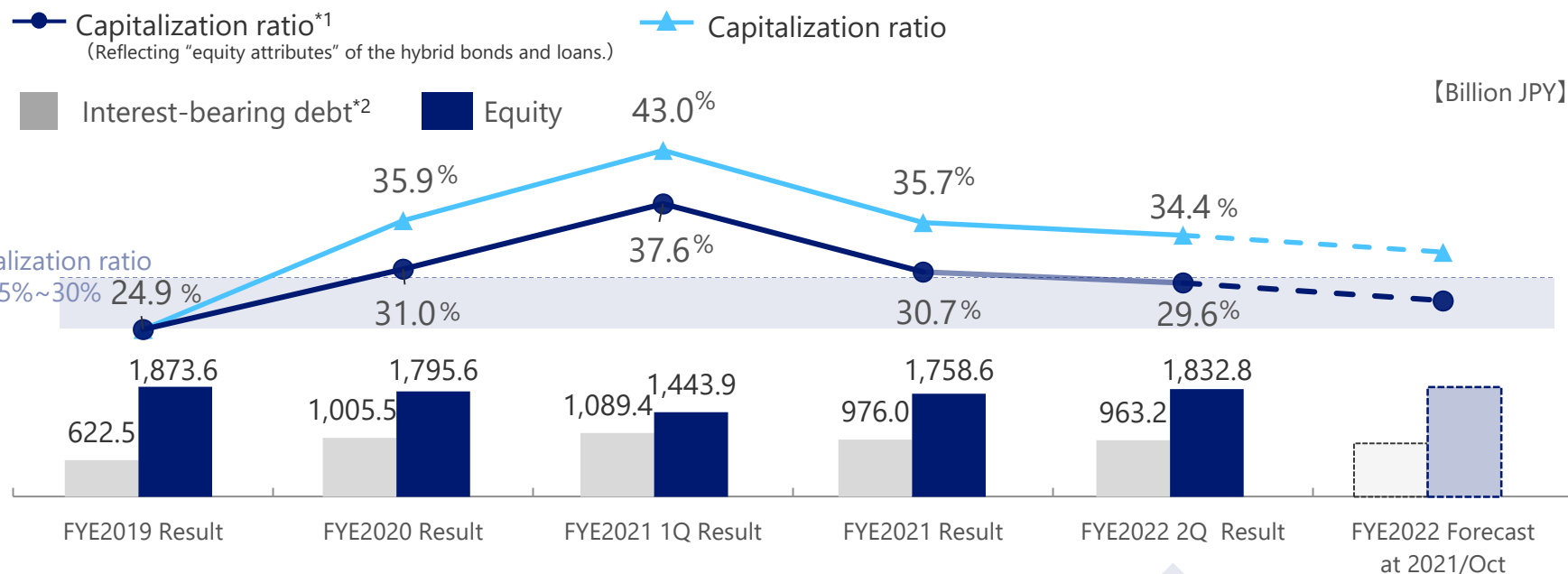
Operating Profit

【Billion JPY】



Capital policy

Our core capital policy is to maximize corporate value by maintaining the balance between “financial safety” and “capital efficiency”. We regard capitalization ratio*1 as an important financial index to assess our capital structure, and believe the ratio from 25% to 30% represents optimal balance.



The capitalization ratio increased due to financing for AW's stock buy-back (FYE2020) and countermeasure against covid-19 impact (FYE2021 1Q), however, following that period we improved it through reducing interest-bearing debt.

*1 : Capitalization ratio (cap ratio) = Interest-bearing debt / (Interest-bearing debt + Equity)

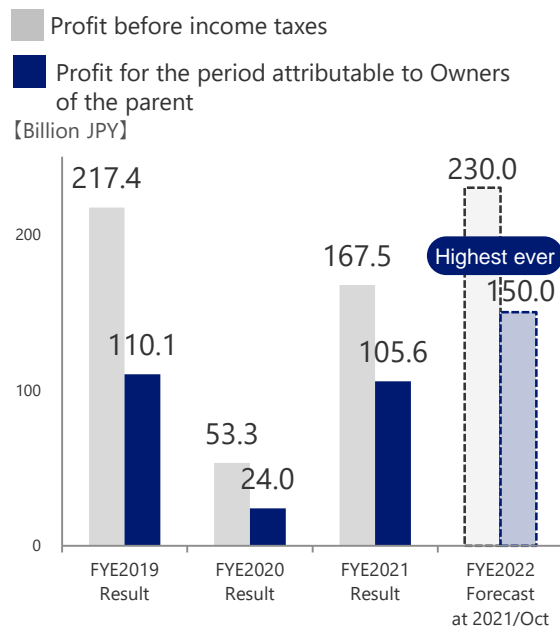
*2 : Interest-bearing debt = Bonds and loans payable + Lease liabilities

*3 : We may redeem the hybrid bonds and loans raised in FYE2020 before maturity without replacement financing in the case that the capitalization ratio of prior Quarter of redemption is less or equal to 27.5% same as the end of December 2019.

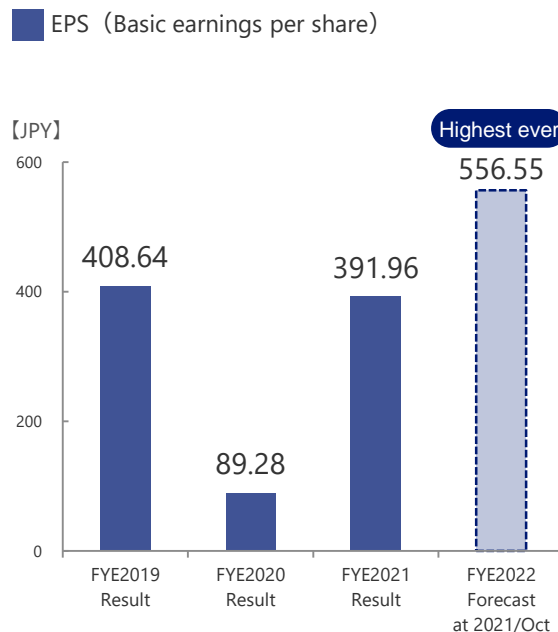
Return to Shareholders

Our “Return to shareholders” policy is to achieve **steady dividend payout** with a **dividend payout ratio of around 30%**. We also consider to repurchase Treasury Stock based on our capitalization ratio and future investment trends.

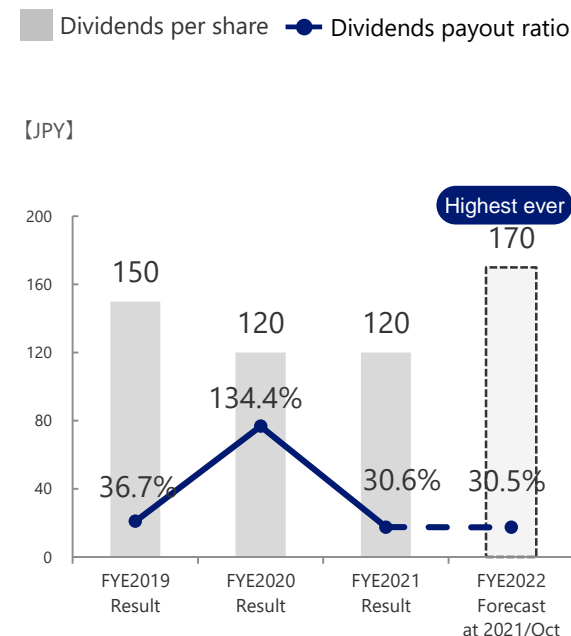
Profit before income taxes / Profit for the period attributable to Owners of the parent



EPS (Basic earnings per share)



Dividends per share / Dividends payout ratio





【Note on future predictions】

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

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