

Company Name	AISIN SEIKI Co., Ltd.	Listed on	The Tokyo, Osaka and Nagoya Stock Exchanges (1st division)
Code Number	7259	URL	http://www.aisin.com/
Representative	Yasuhito Yamauchi, President	TEL	81 - 566 - 24 - 8265
Reference person in charge	Masaaki Yasui, General Manager, Finance & Accounting Dept.		

(Amounts less than million yen are rounded down.)

1. Consolidated Results for FY2008 Half year (April 1, 2007 through September 30, 2007)

(1) Consolidated Financial Results

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY2008 Half year	1,293,501	15.5	81,031	55.3	84,882	55.2	38,628	56.5
FY2007 Half year	1,120,307	12.7	52,171	0.4	54,695	-1.2	24,682	-4.9
FY2007	2,378,611	—	131,034	—	134,287	—	66,889	—

	Earnings Per Share	Fully Diluted Earnings Per Share
	Yen	Yen
FY2008 Half year	135.45	135.26
FY2007 Half year	85.99	85.86
FY2007	233.03	232.71

Note1 : Equity income FY2008 Half year : 4,261 million yen, FY2007 Half year : 3,059 million yen, FY2007 : 6,302 million yen

Note2 : Percentages for net sales, operating income, ordinary income and net income indicate changes from the same period of the previous year.

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Net income as a percentage of net assets excluding share subscription warrant and minority interest	Net assets excluding share subscription warrant and minority interest per share
	Million Yen	Million Yen	%	Yen
FY2008 Half year	2,030,406	999,836	38.7	2,749.53
FY2007 Half year	1,849,181	875,854	37.6	2,417.14
FY2007	2,037,896	955,853	37.2	2,662.78

Note : Equity capital FY2008 Half year : 785,180 million yen, FY2007 Half year : 694,487 million yen, FY2007 : 758,743 million yen

(3) Consolidated Cash Flows

	From operating activities	From investing activities	From financing activities	Cash and cash equivalents at end of year
	Million Yen	Million Yen	Million Yen	Million Yen
FY2008 Half year	92,851	(99,755)	(6,117)	125,883
FY2007 Half year	71,281	(134,725)	32,524	97,311
FY2007	228,402	(236,614)	13,361	136,307

2. Cash Dividends

	Annual Cash dividends Per Share		
	Interim dividend	Final dividend	Total
	Yen	Yen	Yen
FY2006	16.00	24.00	40.00
FY2007	24.00		48.00 (Forecast)
FY2007(Forecast)		24.00	

3. Consolidated forecast for FY2008 (April 1, 2007 through March 31, 2008)

	Net Sales		Operating Income		Ordinary Income		Net Income		Earnings Per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
FY2008	2,660,000	11.8	167,000	27.4	170,000	26.6	77,000	15.1	269.64

Note : Percentages for net sales, operating income, ordinary income and net income indicate changes from the same period of the previous year.

4. Others

(1) Consolidation Scope and Changes in Consolidation Scope

① Consolidation Scope	
Number of consolidated subsidiaries	: 145
Number of unconsolidated subsidiaries	: none
Affiliates accounted for under equity method	: 12
② Changes in Consolidation Scope	
Consolidated subsidiaries	Added : 4
	Excluded : none
Affiliates accounted for under the equity method	Added : none
	Excluded : none

(2) Changes in Accounting Policies and Presentation

① Changes according to revision of accounting policy	: Yes
② Changes other than above	: No
(note) Please refer to "Significant accounting policy for FY 2008 half year"	

(3) Issued and outstanding capital stock

① Number of shares issued as of the respective balance sheet date	
FY2008 Half year	: 294,674,634 shares , FY2007 Half year : 294,674,634 shares , FY2007: 294,674,634 shares
② Number of treasury stock	
FY2008 Half year	: 9,105,732 shares , FY2007 Half year : 7,357,104 shares , FY2007: 9,730,145 shares
(note) To determine number of shares used to calculate earnings per share, please refer to "Amounts per share"	

(Reference) Unconsolidated Results

1. Unconsolidated Results for FY2008 Half year (April 1, 2007 through September 30, 2007)

(1) Unconsolidated Financial Results

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY2008 Half year	404,106	10.2	14,179	60.5	24,423	68.4	18,378	64.2
FY2007 Half year	366,755	6.5	8,836	-47.8	14,501	-34.2	11,193	-25.1
FY2007	786,966	—	28,538	—	36,808	—	27,112	—
	Earnings Per Share							
	Yen							
FY2008 Half year	64.44							
FY2007 Half year	38.07							
FY2007	92.42							

Note : Percentages for net sales, operating income, ordinary income and net income indicate changes from the same period of the previous year.

(2) Unconsolidated Financial Position

	Total Assets	Total Net Assets	Net income as a percentage of net assets excluding share subscription warrant and minority interest	Net assets excluding share subscription warrant and minority interest per share
	Million Yen	Million Yen	%	Yen
FY2008 Half year	1,038,475	439,499	42.3	1,537.66
FY2007 Half year	980,277	448,513	45.7	1,524.62
FY2007	1,069,056	441,595	41.3	1,548.99

Note : Equity capital FY2008 Half year : 439,160 million yen, FY2007 Half year : 448,471 million yen, FY2007 : 441,427 million yen

2. Unconsolidated forecast for FY2008 (April 1, 2007 through March 31, 2008)

	Net Sales		Operating Income		Ordinary Income		Net Income		Earnings Per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
FY2008	860,000	9.3	33,000	15.6	44,000	19.5	32,500	19.9	113.79

Note : Percentages for net sales, operating income, ordinary income and net income indicate changes from the same period of the previous year.

※ Forecasts above are based on AISIN's plans and expectations. These are not guarantees of future performance including known and unknown risks, uncertainties and other factors that may cause actual results, performance, achievements or financial position to be materially different from the forecasts expressed or implied in this report.

Operating Results and Financial Position

1. Operating Results

(1) Achievements for the Half year Ended September 30, 2007

AISIN has worked on enhancing its business in the global market; AISIN has developed and sold new products corresponding to social change and meeting customer's demands.

Sales within the Auto Parts segment increased 15.1% (¥1,236.6 billion) compared with the same half year of the previous fiscal year (¥1,074.6 billion) due to clients' production expansions, in addition to aggressive sales activities for automatic transmissions, manual transmissions, car navigation systems, and power sliding doors. Sales of the Life & Energy related products and other business increased 24.5% (¥56.8 billion) compared with the same half year of the previous fiscal year (¥45.6 billion).

As a result, total sales increased 15.5% (¥1,293.5 billion) compared to the same half year of the last fiscal year (¥1,120.3 billion).

Despite increase in depreciation and amortization expenses and surging material costs such as aluminum, favorable activities to streamline and raise efficiency in all areas of operations through cost reductions and other measures, resulted in a 55.3% increase in operating income from ¥52.1 billion to ¥81.0 billion. Ordinary income increased 55.2% to ¥84.8 billion. (Previous: ¥54.6 billion) Net income increased 56.5% to ¥38.6 billion. (Previous: ¥24.6 billion)

Consolidated Net Sales by Item

(In Millions)

Category	FY2007 Half year (Apr. 2006 through Sep. 2006)		FY2008 Half year (Apr. 2007 through Sep. 2007)		Increase (Decrease)	Change	FY2007 (Apr. 2006 through Mar. 2007)	
	Yen	%	Yen	%			Yen	%
	Engine Related	105,644	9.4	126,314			9.8	20,670
Drivetrain Related	470,882	42.0	559,021	43.2	88,139	18.7	1,014,016	42.6
Brake & Chassis Related	225,575	20.2	252,844	19.5	27,269	12.1	468,260	19.7
Body Related	209,723	18.7	226,468	17.5	16,745	8.0	433,210	18.2
Information Related	62,848	5.6	72,016	5.6	9,168	14.6	140,053	5.9
Total Automotive Related	1,074,673	95.9	1,236,664	95.6	161,991	15.1	2,278,816	95.8
Life & Energy Related	24,723	2.2	25,855	2.0	1,132	4.6	51,592	2.2
Others	20,911	1.9	30,981	2.4	10,070	48.2	48,202	2.0
Grand Total	1,120,307	100.0	1,293,501	100.0	173,194	15.5	2,378,611	100.0

Note : Sales of "Others" includes "Construction and Engineering Works Business" and "Oil Sales Business," and so on.

(2) Outlook for FY2008

The business environment remains unclear owing to numerous ongoing uncertainties and issues that include soaring prices for crude oil and other raw materials as well as exchange rate fluctuations and intensifying global competition.

Amid this environment, despite sluggish unit sales in the principal markets of North America and Europe, the automobile industry is achieving large sales increases in emerging markets, beginning with China and India, and the industry is expected to continue recording overall growth worldwide.

Regarding the full-year outlook for Aisin's consolidated business results, based on expected second-half exchange rates of ¥110 for 1 US dollar and ¥155 for 1 Euro, and taking into consideration a change in our depreciation method resulting from a revision of the tax system, we have revised our full-year forecast announced on April 26, 2007. Accordingly, we are forecasting consolidated net sales of ¥2,660.0 billion, operating income of ¥167.0 billion, ordinary income of ¥170.0 billion, and net income of ¥77.0 billion.

(3) Achievement situation of management index that aims

Aisin is working to reach our target of achieving ROE of 10%, and in fiscal 2008 we expect to attain ROE of 9.8% by expanding our business with a steady improvement in profitability. In addition to implementing initiatives aimed at further improving profitability, we will make future-focused upfront investments as we work to quickly build a solid earnings structure that enables us to achieve our objectives over the medium and long terms.

2. Financial Position

(Analysis of assets, liabilities, and cash flows)

Total assets at the end of the fiscal period amounted to ¥2,030.4 billion, down 0.4% from ¥2,037.8 billion at the end of the previous fiscal year, due to fluctuations in the value of stocks held by the Company. Total net assets at the end of the interim period amounted to ¥999.8 billion, an increase of 4.6% from ¥955.8 billion at the end of the previous fiscal year.

Looking at cash flows in the fiscal period, cash and cash equivalents (hereafter referred to as cash) amounted to ¥125.8 billion, a decrease of ¥10.4 billion, or 7.6%, from ¥136.3 billion at the end of the previous fiscal year. This resulted from ¥92.8 billion in net cash provided by operating activities, ¥99.7 billion in net cash used in investing activities, ¥6.1 billion in net cash used in financing activities, and a ¥2.5 billion inflow from translation adjustment of cash and cash equivalents.

(Cash Flows from Operating Activities)

Cash flows from operating activities increased ¥21.5 billion, or 30.3%, from the end of the previous fiscal period to ¥92.8 billion. Despite an outflow resulting from a ¥15.6 billion increase in accounts receivable, cash flows from operating activities increased due to a ¥30.1 billion rise in income before income taxes and minority interests, and an ¥11.7 billion increase in depreciation and amortization.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to ¥99.7 billion, a ¥34.9 billion, or 26.0%, decline from ¥134.7 billion in the previous fiscal period. This was due to an ¥8.8 billion net decrease in time deposits and short-term investments from the end of the previous interim period and ¥96.5 billion in payments for purchases of property, plant and equipment, a decrease of ¥26.0 billion from ¥122.5 billion in the previous fiscal period.

(Cash Flows from Financing Activities)

Net cash used in investing activities amounted to ¥6.1 billion, a ¥38.6 billion decrease from ¥32.5 billion in net cash provided by financing activities in the previous fiscal period. This was due to ¥10.6 billion in proceeds from long-term debt—a ¥26.6 million decrease from ¥36.6 billion in the previous interim term—as well as an ¥18.5 billion decrease in commercial paper and short term borrowings.

Reference : Transition of index related to cash flows

	Apr.2003 through Mar. 2004	Apr.2004 through Mar. 2005	Apr.2005 through Mar. 2006	Apr.2006 through Mar. 2007	Apr.2007 through Sep. 2007
Equity ratio(%)	36.6	36.8	36.6	37.2	38.7
Equity ratio to the public stock market value(%)	42.0	46.4	70.9	57.7	64.6
Liabilities with interest to cash flows(point)	1.5	1.6	1.5	1.3	—
Interest coverage ratio (magnification)	57.3	59.2	74.3	81.2	—

Equity ratio = Shareholders' Equity ÷ Total Assets

Equity ratio to the public stock market value = The public stock market value ÷ Total Assets

Liabilities with interest to cash flows = Liabilities with interest ÷ Cash flows

Interest coverage ratio = Cash flows ÷ Interest payment

Note1 : The above-mentioned data are calculated by the consolidated basis.

Note2 : The public stock market value are calculated based on the numbers of issued shares except treasury stock.

Note3 : The operating cash flows is used for the cash flows.

Note4 : The interest-bearing debt includes all the debts to pay the interest of the debts summed up by the consolidated balance sheet.

3. Basic Policy on the Profit Redistribution

As we strive to raise the level of stable dividends, Aisin pays dividends taking into consideration a comprehensive range of factors that include our business results and payout ratio. Aisin plans to raise capital efficiency by acquiring its own shares. To secure shareholder profits in the future, Aisin will continue to utilize retained earnings to further carry out our operations in Japan and overseas and for investments to further upgrade and strengthen our corporate constitution.

Aisin will pay interim cash dividends of ¥24 per share. Regarding annual dividends, we have revised our initial forecast and plan to pay cash dividends of ¥48 per share, an increase of ¥8 over the previous fiscal year.

Overview of Associated Companies

This “Overview of Associated Companies” is omitted because there is no significant alteration from “Overview of Associated Companies” of FY2006 Consolidated Financial Reports issued on June 23, 2006.

Management Policy

1. Basic Management Policy

AISIN sets its Corporate Principles as “Quality First.” AISIN aims to offer products and services that customers would satisfy by the following principles: enhanced value creation, continuous global growth, harmony with society and nature, and individual creativity and initiative. Additionally, through these policies, AISIN enhances its corporate value and contributes to stakeholders such as shareholders, regional societies, business partners, and employees.

2. Targeted Management Indicators

Aisin group will strive for continuous growth in the global market, strengthen production capacity where needed, and strengthen sales and research competitiveness.

Also Aisin will develop appealing products and use innovative cost reduction measures to further solidify our financial foundation.

Finally by raising capital efficiency by purchasing our own treasury shares and other measures management target for ROE(Return On Equity) will be set at 10%.

3. Medium-to Long-Term Management Strategies and Countermeasures

Utilizing our wide-ranging product line-up and technologies, we are striving to further expand our core Automotive Related Business, while creating new businesses in Energy and Life-Related businesses.

Accordingly, in the Automotive Related Business, Aisin will work to expand shares of domestic and overseas markets, mainly in such mainstay product sectors as Drivetrain Related, Brake & Chassis Related, Body Related, and Engine Related products. At the same time, we will focus on developing system products based on the themes of environment, safety, and comfort.

Moreover, Aisin will also actively promote the globalization of its business by expanding production activities in North America, China, Australasia, and Europe. In Life Related and Other Products, Aisin will develop new products and offer services that match people’s changing needs.

Consolidated Balance Sheets

(Million Yen)

	FY2007 (As of Mar. 31, 2007)	FY2008 Half year (As of Sep. 30, 2007)	Increase (Decrease)	FY2007 Half year (As of Sep. 30, 2006)
〔 Assets 〕				
Current Assets	767,369	778,881	11,512	676,149
Cash and Cash Equivalents	98,628	94,428	(4,200)	94,089
Trade Notes & Accounts Receivable	363,726	374,329	10,603	330,184
Marketable Securities	38,622	42,634	4,012	16,025
Inventories	168,762	170,089	1,327	158,425
Deferred Tax Assets	48,386	47,390	(996)	37,654
Others	49,974	50,710	736	40,514
Less: Allowance for Doubtful Accounts	(732)	(702)	30	(745)
Fixed Assets	1,270,526	1,251,525	(19,001)	1,173,032
Property, Plant & Equipment	839,192	843,192	4,000	785,140
Buildings & Structures	240,051	249,186	9,135	218,964
Machinery, Equipment & Vehicles	419,876	423,556	3,680	394,899
Tools, Furniture & Fixtures	42,550	41,041	(1,509)	39,215
Land	88,412	89,836	1,424	85,637
Construction in Progress	48,301	39,571	(8,730)	46,423
Intangible Fixed Assets	16,139	15,979	(160)	12,714
Consolidation Adjustments	3,566	3,184	(382)	2,190
Software	10,068	10,163	95	8,142
Others	2,504	2,631	127	2,382
Investments & Other Assets	415,194	392,352	(22,842)	375,176
Investments in Securities	357,422	331,634	(25,788)	321,397
Long-term Loans	4,259	4,616	357	4,827
Deferred Tax Assets	24,228	25,088	860	22,099
Others	29,773	31,472	1,699	28,068
Less: Allowance for Doubtful Accounts	(488)	(458)	30	(1,216)
Total Assets	2,037,896	2,030,406	(7,490)	1,849,181

Note: 1. Accumulated depreciation
2. Guarantees on Liability

1,343,154
344

1,416,198
26

73,044
(318)

1,289,836
1,979

(Million Yen)

	FY2007 (As of Mar. 31, 2007)	FY2008 Half year (As of Sep. 30, 2007)	Increase (Decrease)	FY2007 Half year (As of Sep. 30, 2006)
[Liabilities]				
Current Liabilities	679,070	635,896	(43,174)	577,675
Trade Notes & Accounts Payable	359,873	349,933	(9,940)	317,242
Commercial Paper & Short-term Borrowings	30,518	33,978	3,460	55,047
Current Portion of Bonds Payable	15,000	15,000	—	150
Amount in Arrears	47,907	29,820	(18,087)	32,581
Accrued Expenses	130,345	134,104	3,759	113,465
Accrued Income Taxes	41,647	24,834	(16,813)	12,353
Deposits Received from Employees	16,883	17,032	149	17,163
Accrued Warranty Cost	16,133	17,331	1,198	14,891
Others	20,761	13,861	(6,900)	14,779
Long-term Liabilities	402,972	394,673	(8,299)	395,652
Bonds Payable	20,000	20,000	—	35,000
Long-term Debt	221,076	220,603	(473)	208,558
Deferred Tax Liabilities'	72,627	66,837	(5,790)	62,596
Allowance for Employees Retirement Benefits	86,978	85,910	(1,068)	85,516
Long-term Amount in Arrears	1,052	231	(821)	1,864
Consolidation Adjustments	121	85	(36)	1,181
Others	1,116	1,006	(110)	934
Total Liabilities	1,082,042	1,030,570	(51,472)	973,327
[Net Assets]				
Shareholders' Equity	602,382	635,118	32,736	570,829
Common Stock	45,049	45,049	—	45,049
Capital Surplus	57,891	58,762	871	63,813
Retained Earnings	501,009	532,798	31,789	463,359
Less: Treasury Stock, at Cost	(1,567)	(1,491)	76	(1,393)
Evaluation and Conversion Difference	156,361	150,062	(6,299)	123,657
Net Unrealized Gain on Available-for-sale Securities	145,136	127,117	(18,019)	122,099
Profit & Loss of Deferral Hedge Accounting	(667)	(594)	73	(559)
Foreign Currency Translation Adjustments	11,892	23,540	11,648	2,118
Subscription Warrant	167	339	172	41
Minority Interests	196,941	214,316	17,375	181,324
Total Net Assets	955,853	999,836	43,983	875,854
Total Liabilities and Net Assets	2,037,896	2,030,406	(7,490)	1,849,181

Consolidated Statements of Income

(Million Yen)

	FY2007 Half year (Apr. 2006 through Sep. 2006)	FY2008 Half year (Apr. 2007 through Sep. 2007)	Increase (Decrease)	FY2007 (Apr. 2006 through Mar. 2007)
Net Sales	1,120,307	1,293,501	173,194	2,378,611
Cost of Sales	981,747	1,115,322	133,575	2,060,667
Gross Profit	138,560	178,179	39,619	317,944
Selling, General & Administrative Expenses	86,389	97,147	10,758	186,909
Operating Income	52,171	81,031	28,860	131,034
Non-Operating Income	10,087	12,439	2,352	21,703
Interest & Dividend Income	2,408	3,169	761	4,735
Equity Income	3,059	4,261	1,202	6,302
Other Income	4,619	5,008	389	10,664
Non-Operating Expenses	7,563	8,588	1,025	18,450
Interest Expense	1,434	2,234	800	3,546
Other Expenses	6,129	6,354	225	14,903
Ordinary Income	54,695	84,882	30,187	134,287
Income Before Income Taxes and Minority Interests	54,695	84,882	30,187	134,287
Income Taxes-current	13,901	27,288	13,387	51,765
Income Taxes-deferred	5,241	2,203	(3,038)	(6,989)
Minority Interests in Net Income	10,869	16,762	5,893	22,622
Net Income	24,682	38,628	13,946	66,889
Note : Depreciation and Amortization	70,419	82,176	11,757	145,276



Consolidated Statements of Changes in Shareholders' Equity

FY2007 Half year (April 1, 2006 through September 30, 2006)

(Million Yen)

	Shareholders' Equity					Evaluation and Conversion Difference				Subscription Warrant	Minority Interests	Total Net Assets
	Common Stock	Capital Surplus	Retained Earnings	Less: Treasury Stock, at Cost	Sub Total	Net Unrealized Gain on Available-for-sale Securities	Profit & Loss of Deferral Hedge Accounting	Foreign Currency Translation Adjustments	Sub Total			
Balance as of Mar. 31, 2006	45,049	63,262	445,241	(1,820)	551,732	123,720	—	3,427	127,148	—	172,183	851,064
Increase(Decrease) in FY2007 Half year												
Dividends Paid			(5,401)		(5,401)							(5,401)
Bonus of Directors and Corporate Auditors			(1,162)		(1,162)							(1,162)
Net Income			24,682		24,682							24,682
Purchase of Treasury Stock				(103)	(103)							(103)
Disposal of Treasury Stock		551		530	1,081							1,081
Net Change of items other than Shareholders' Equity						(1,621)	(559)	(1,309)	(3,491)	41	9,141	5,692
Total Changes in the Term	—	551	18,118	427	19,097	(1,621)	(559)	(1,309)	(3,491)	41	9,141	24,790
Balance as of Sep. 30, 2006	45,049	63,813	463,359	(1,393)	570,829	122,099	(559)	2,118	123,657	41	181,324	875,854

FY2008 Half year (April 1, 2007 through September 30, 2007)

(Million Yen)

	Shareholders' Equity					Evaluation and Conversion Difference				Subscription Warrant	Minority Interests	Total Net Assets
	Common Stock	Capital Surplus	Retained Earnings	Less: Treasury Stock, at Cost	Sub Total	Net Unrealized Gain on Available-for-sale Securities	Profit & Loss of Deferral Hedge Accounting	Foreign Currency Translation Adjustments	Sub Total			
Balance as of Mar. 31, 2007	45,049	57,891	501,009	(1,567)	602,382	145,136	(667)	11,892	156,361	167	196,941	955,853
Increase(Decrease) in FY2008 Half year												
Dividends Paid			(6,839)		(6,839)							(6,839)
Net Income			38,628		38,628							38,628
Purchase of Treasury Stock				(26)	(26)							(26)
Disposal of Treasury Stock		871		102	973							973
Net Change of items other than Shareholders' Equity						(18,019)	72	11,647	(6,298)	171	17,374	11,247
Total Changes in the Term	—	871	31,788	76	32,735	(18,019)	72	11,647	(6,298)	171	17,374	43,983
Balance as of Sep. 30, 2007	45,049	58,762	532,798	(1,491)	635,118	127,117	(594)	23,540	150,062	339	214,316	999,836

Note : Type and number of treasury stock

(Shares)

Type of shares	Number as of Mar. 31, 2007	Increase	Decrease	Number as of Sep. 30, 2007
Common stock	9,730,145	6,046	630,459	9,105,732

Reason for changes (Increase) Request for purchase of less-than-one-unit shares 6,046 shares

(Decrease) Exercise of stock option 630,300 shares

Request for additional purchase of less-than-one-unit shares 159

FY2007 (April 1, 2006 through March 31, 2007)

(Million Yen)

	Shareholders' Equity					Evaluation and Conversion Difference				Subscription Warrant	Minority Interests	Total Net Assets
	Common Stock	Capital Surplus	Retained Earnings	Less: Treasury Stock, at Cost	Sub Total	Net Unrealized Gain on Available-for-sale Securities	Profit & Loss of Deferral Hedge Accounting	Foreign Currency Translation Adjustments	Sub Total			
Balance as of Mar. 31, 2006	45,049	63,262	445,241	(1,820)	551,732	123,720	—	3,427	127,148	—	172,183	851,064
Increase(Decrease) in FY2007												
Dividends Paid			(9,958)		(9,958)							(9,958)
Bonus of Directors and Corporate Auditors			(1,162)		(1,162)							(1,162)
Net Income			66,889		66,889							66,889
Change according to internal dealings of common stock for treasury		(6,057)		(445)	(6,503)						(1,809)	(8,312)
Purchase of Treasury Stock				(18)	(18)							(18)
Disposal of Treasury Stock		686		717	1,403							1,403
Net Change of items other than Shareholders' Equity						21,415	(667)	8,464	29,212	167	26,568	55,948
Total Changes in the Term	—	(5,371)	55,768	253	50,649	21,415	(667)	8,464	29,212	167	24,758	104,788
Balance as of Mar. 31, 2007	45,049	57,891	501,009	(1,567)	602,382	145,136	(667)	11,892	156,361	167	196,941	955,853

Consolidated Statements of Cash Flows

(Million Yen)

	FY2007 Half year (Apr. 2006 through Sep. 2006)	FY2008 Half year (Apr. 2007 through Sep. 2007)	Increase (Decrease)	FY2007 (Apr. 2006 through Mar. 2007)
I Cash flows from operating activities				
Income before income taxes and minority interests	54,695	84,882	30,187	134,287
Depreciation and amortization	70,419	82,176	11,757	145,276
Increase(Decrease) in allowance for retirement benefits	766	(1,073)	(1,839)	2,186
Interest and dividend income	(2,408)	(3,169)	(761)	(4,735)
Interest expense	1,434	2,234	800	3,546
Equity income	(3,059)	(4,261)	(1,202)	(6,302)
Loss on disposal of property, plant and equipment	1,667	1,459	(208)	5,687
(Increase)Decrease in trade notes and accounts receivable	7,854	(7,820)	(15,674)	(20,736)
(Increase)Decrease in inventories	(8,448)	376	8,824	(14,423)
Increase(Decrease) in trade notes and accounts payable	(9,739)	(8,881)	858	26,186
Others	(9,123)	(10,549)	(1,426)	(769)
Subtotal	104,056	135,372	31,316	270,202
Interest and dividend income received	3,373	4,953	1,580	5,753
Interest paid	(958)	(2,154)	(1,196)	(2,814)
Income taxes paid	(35,189)	(45,320)	(10,131)	(44,738)
Net cash provided by operating activities	71,281	92,851	21,570	228,402
II Cash flows from investing activities				
(Increase)Decrease in time deposit and short-term investments	(6,589)	2,224	8,813	(6,575)
Payments for purchase of property, plant and equipment	(122,513)	(96,507)	26,006	(224,433)
Proceeds from sales of property, plant and equipment	5,563	3,111	(2,452)	7,850
Payments for purchase of investments in securities	(8,827)	(10,038)	(1,211)	(11,708)
Payments for acquisition of subsidiaries' stock resulting in change in scope of consolidation	(508)	—	508	(2,085)
Proceeds from sales of investments in securities	54	382	328	1,396
Proceeds upon maturity of security investments	2,219	3,075	856	5,496
Repayments for loans made	(2,208)	(618)	1,590	(1,399)
Proceeds from collections of loans	459	775	316	938
Others	(2,375)	(2,161)	214	(6,092)
Net cash used in investing activities	(134,725)	(99,755)	34,970	(236,614)
III Cash flows from financing activities				
Increase(Decrease) in commercial paper and short-term borrowings	15,432	(3,081)	(18,513)	(5,299)
Proceeds from long-term debt	36,670	10,646	(26,024)	50,209
Repayments of long-term debt	(12,250)	(5,285)	6,965	(18,995)
Repayments of bonds payable	(500)	—	500	(650)
Contributions from minority shareholders	52	644	592	52
Cash dividends paid	(5,397)	(6,835)	(1,438)	(9,952)
Cash dividends paid for minority shareholders	(2,727)	(3,829)	(1,102)	(3,663)
Payments for purchase of treasury stock	(12)	(26)	(14)	(33)
Proceeds from disposal of treasury stock	1,257	1,650	393	1,695
Net cash provided by (used in) financing activities	32,524	(6,117)	(38,641)	13,361
IV Translation adjustment of cash and cash equivalents	17	2,597	2,580	2,946
V Net increase in cash and cash equivalents	(30,901)	(10,424)	20,477	8,094
VI Cash and cash equivalents at the beginning of the year	128,212	136,307	8,095	128,212
VII Cash and cash equivalents at half year end or the end of the year	97,311	125,883	28,572	136,307

Note: Reconciliation between Cash & Cash Equivalents and accounts on the consolidated balance sheet

Cash and Cash Equivalents	94,089	94,428	339	98,628
Marketable Securities	16,025	42,634	26,609	38,622
Other Current Assets	40,514	50,710	10,196	49,974
Subtotal	150,630	187,773	37,143	187,225
Saving accounts over three months	(9,850)	(5,686)	4,164	(4,986)
Short-term investments of over three months until due date	(6,285)	(16,897)	(10,612)	(10,666)
Other current assets beside Cash & Cash Equivalents	(37,182)	(39,306)	(2,124)	(35,265)
Cash and Cash Equivalents	97,311	125,883	28,572	136,307

Significant accounting policy for FY 2008 half year **(Change in accounting standards)** **【Change in fixed assets depreciation】**

In accordance with the change mandated under the income tax laws Aisin and its Japanese subsidiaries have adopted the amended calculation method for all fixed assets acquired after April 1st, 2007.

For fixed assets acquired before April 1st, 2007 the past method for depreciation will be used until the allowable limit for depreciation (95% of acquired cost). Then the remaining cost will be depreciated evenly over five years starting from the following business year.

Other disclosure are omitted due to the fact that no significant change has occurred for FY 2008.

(Segment Information)

1. Industry Segments

AISIN's main business is manufacturing and sales of automotive parts. The amount of sales and operating income in this business occupies over 90% of these in all segments.

Therefore information of industry segments is omitted.

2. Geographical Segments

FY2007 Half year (April 1, 2006 through September 30, 2006) (Million Yen)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Sales							
(1) Customers	776,996	186,735	79,860	76,715	1,120,307	—	1,120,307
(2) Inter-segment	148,919	4,633	2,907	3,697	160,159	(160,159)	—
Total	925,916	191,368	82,768	80,413	1,280,466	(160,159)	1,120,307
Operating Costs & Expenses	890,177	186,692	80,572	70,913	1,228,356	(160,219)	1,068,136
Operating Income	35,738	4,676	2,195	9,500	52,110	60	52,171

FY2008 Half year (April 1, 2007 through September 30, 2007) (Million Yen)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Sales							
(1) Customers	881,696	211,484	94,042	106,277	1,293,501	—	1,293,501
(2) Inter-segment	175,085	4,691	3,878	5,074	188,730	(188,730)	—
Total	1,056,782	216,175	97,921	111,352	1,482,231	(188,730)	1,293,501
Operating Costs & Expenses	1,000,749	209,620	95,409	94,875	1,400,654	(188,184)	1,212,469
Operating Income	56,032	6,555	2,512	16,477	81,576	(545)	81,031

FY2007 (April 1, 2006 through March 31, 2007) (Million Yen)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Sales							
(1) Customers	1,668,562	373,537	174,837	161,673	2,378,611	—	2,378,611
(2) Inter-segment	314,019	9,143	6,524	8,717	338,404	(338,404)	—
Total	1,982,582	382,680	181,362	170,390	2,717,016	(338,404)	2,378,611
Operating Costs & Expenses	1,883,567	374,592	177,452	149,550	2,585,162	(337,584)	2,247,577
Operating Income	99,015	8,088	3,910	20,840	131,854	(819)	131,034

Note: 1.Geographical segments determined according to geographical closeness.

2.Main countries are

- ① North America : U.S.A., Mexico
- ② Europe : Belgium, Czech
- ③ Others : Thailand, China

3. Sales by Customer Location

FY2007 Half year (April 1, 2006 through September 30, 2006)

(Million Yen)

	North America	Europe	Others	Total
Overseas Sales	206,369	102,056	100,032	408,458
Net Sales	—	—	—	1,120,307
Overseas Sales Ratio to Net Sales	18.4 %	9.1 %	9.0 %	36.5 %

FY2008 Half year (April 1, 2007 through September 30, 2007)

(Million Yen)

	North America	Europe	Others	Total
Overseas Sales	231,469	109,488	163,932	504,890
Net Sales	—	—	—	1,293,501
Overseas Sales Ratio to Net Sales	17.9 %	8.4 %	12.7 %	39.0 %

FY2007 (April 1, 2006 through March 31, 2007)

(Million Yen)

	North America	Europe	Others	Total
Overseas Sales	415,763	205,129	237,637	858,530
Net Sales	—	—	—	2,378,611
Overseas Sales Ratio to Net Sales	17.5 %	8.6 %	10.0 %	36.1 %

Note: Main countries are

- ① North America : U.S.A., Canada
- ② Europe : Germany, Sweden
- ③ Others : Thailand, China, South Korea

(Amounts per share)

FY2007 Half year (2006. 4. 1~2006. 9. 30)		FY2008 Half year (2007. 4. 1~2007. 9. 30)		FY2007 (2007. 4. 1~2008. 3. 31)	
(1) Net assets excluding share subscription warrant and minority interest per share	2,417.14	(1) Net assets excluding share subscription warrant and minority interest per share	2,749.53	(1) Net assets excluding share subscription warrant and minority interest per share	2,662.78
(2) Earnings Per Share	85.99	(2) Earnings Per Share	135.45	(2) Earnings Per Share	233.03
(3) Fully Diluted Earnings Per Share	85.86	(3) Fully Diluted Earnings Per Share	135.26	(3) Fully Diluted Earnings Per Share	232.71

Note : Bases for calculation

1. Net assets excluding share subscription warrant and minority interest per share

	FY2007 Half year (As of Sep. 30, 2006)	FY2008 Half year (As of Sep. 30, 2007)	FY2007 (As of Mar. 31, 2007)
Total Net Assets (Million Yen)	875,854	999,836	955,853
Amounts deducted from Total Net Assets (Million Yen)	181,366	214,655	197,109
Subscription Warrant	(41)	(339)	(167)
Minority Interests	(181,324)	(214,316)	(196,941)
Total Net Assets related to common stock (Million Yen)	694,487	785,180	758,743
Number of common stocks used to determine Equity Per Share (thousand shares)	287,317	285,568	284,944

2. Earnings Per Share and Fully Diluted Earnings Per Share

	FY2007 Half year (2006. 4. 1~2006. 9. 30)	FY2008 Half year (2007. 4. 1~2007. 9. 30)	FY2007 (2007. 4. 1~2008. 3. 31)
Earnings Per Share			
Net Income	24,682	38,628	66,889
Amount that doesn't belong to the common stockholders (Million Yen)	—	—	—
Net Income related to common stock (Million Yen)	24,682	38,628	66,889
Number of Average Common Stocks (thousand shares)	287,037	285,189	287,038
Fully Diluted Earnings Per Share			
Adjustment in Net Income (Million Yen)	—	—	—
Increase in common stocks (thousand shares)	431	400	402
Subscription Warrant (thousand shares)	(431)	(400)	(402)
Shares excluded from diluted earnings per share calculation	—	—	—

(Important subsequent event)

【Acquisition of own shares】

At its board meeting held on October 31st, 2007 the board resolved to acquire its own common stock for treasury as follows:

1. Purpose of acquisition

To improve capital efficiency and implement flexible capital policies in response to changes in the business environment.

2. Type of stock: Common stock of Aisin

3. Number of shares: Up to 2 million shares

(Percentage against outstanding shares is 0.7%)

4. Total amount: Up to 10 billion yen

5. Acquisition period: Between November 1st 2007 thru November 30th 2007

6. Acquisition method: Purchase in the market through a trust bank

(Omitted disclosure)

Notices of Lease transactions, Securities, Derivatives transactions, Incentive stock option and Company mergers etc. are omitted due to their low materiality.

Non-consolidated Balance Sheets

(Million Yen)

	FY2007 (As of Mar. 31, 2007)	FY2008 Half year (As of Sep. 30, 2007)	Increase (Decrease)	FY2007 Half year (As of Sep. 30, 2006)
[Assets]				
Current Assets	341,769	333,924	(7,845)	309,470
Cash and Cash Equivalents	25,425	20,495	(4,930)	19,820
Trade Notes Receivable	2,432	2,180	(252)	2,191
Trade Accounts Receivable	150,368	147,333	(3,035)	152,886
Marketable Securities	28,734	37,114	8,380	9,811
Finished Products	5,745	6,915	1,170	6,129
Raw Materials	834	659	(175)	433
Work in Process	11,415	12,287	872	12,674
Supplies	3,293	3,593	300	3,236
Prepaid Expenses	560	765	205	361
Deferred Tax Assets	15,140	14,548	(592)	11,020
Accrued Accounts Receivable	6,367	5,406	(961)	4,870
Short-term Loans	91,263	81,815	(9,448)	85,265
Others	435	1,043	608	1,011
Less: Allowance for Doubtful Accounts	(248)	(237)	11	(243)
Fixed Assets	727,287	704,550	(22,737)	670,806
Property, Plant & Equipment	182,260	180,420	(1,840)	170,505
Buildings	53,587	56,457	2,870	50,376
Structures	13,291	13,386	95	13,976
Machinery & Equipment	63,896	63,262	(634)	59,853
Vehicles & Delivery Equipment	1,018	973	(45)	903
Tools, Furniture & Fixtures	11,609	10,421	(1,188)	11,268
Land	27,187	27,185	(2)	27,208
Construction in Progress	11,671	8,733	(2,938)	6,919
Intangible Fixed Assets	3,978	3,649	(329)	3,912
Software	3,869	3,543	(326)	3,799
Institution Usufruct	53	49	(4)	56
Others	55	55	(0)	56
Investments & Other Assets	541,048	520,480	(20,568)	496,388
Investments in Securities	98,409	91,444	(6,965)	94,571
Investments for Affiliates	327,254	313,273	(13,981)	295,072
Equity Share Capital	996	991	(5)	992
Equity Share Capital for Affiliates	22,305	22,366	61	22,132
Long-term Loans	84,759	84,733	(26)	76,581
Long-term Prepaid Expenses	6,363	6,702	339	6,110
Others	1,096	1,107	11	1,057
Less: Allowance for Doubtful Accounts	(137)	(138)	(1)	(130)
Total Assets	1,069,056	1,038,475	(30,581)	980,277
Note: 1. Accumulated depreciation	352,645	365,624	12,979	348,112
2. Guarantees on Liability	382	396	14	365

(Million Yen)

	FY2007 (As of Mar. 31, 2007)	FY2008 Half year (As of Sep. 30, 2007)	Increase (Decrease)	FY2007 Half year (As of Sep. 30, 2006)
[Liabilities]				
Current Liabilities	279,883	255,305	(24,578)	196,565
Trade Notes Payable	2,852	3,267	415	2,556
Trade Accounts Payable	108,663	106,122	(2,541)	97,729
Commercial Paper	—	10,000	10,000	15,000
& Short-term Borrowings				
Current Portion of Bonds Payable	15,000	15,000	—	—
Amount in Arrears	19,638	9,491	(10,147)	10,966
Accrued Expenses	46,589	45,312	(1,277)	39,331
Accrued Income Taxes	9,952	3,457	(6,495)	38
Deposits Received	61,778	46,979	(14,799)	16,904
Deposits Received from Employees	7,351	7,398	47	7,409
Accrued Warranty Cost	6,876	7,699	823	5,517
Others	1,180	576	(604)	1,111
Long-term Liabilities	347,577	343,670	(3,907)	335,197
Bonds Payable	20,000	20,000	—	35,000
Long-term Debt	214,000	213,000	(1,000)	200,000
Deferred Tax Liabilities	73,156	62,973	(10,183)	60,269
Allowance for Employees Retirement Benefits	38,003	36,689	(1,314)	38,010
Long-term Amount in Arrears	451	—	(451)	982
Others	1,966	11,006	9,040	934
Total Liabilities	627,461	598,975	(28,486)	531,763
[Net Assets]				
Shareholders' Equity	301,868	315,032	13,164	329,081
Common Stock	45,049	45,049	—	45,049
Capital Surplus	63,139	62,926	(212)	63,171
Capital Reserve	62,926	62,926	—	62,926
Other Capital Surplus	212	—	(212)	244
Retained Earnings	233,429	244,247	10,818	222,217
Legal Reserve	10,285	10,285	—	10,285
Other Retained Earnings	223,144	233,962	10,818	211,932
Reserve for Special Depreciation	506	450	(56)	588
Reserve for Reduction of Acquisition Cost of Fixed Assets	2,784	2,698	(86)	2,875
General Reserve	112,500	112,500	—	112,500
Unappropriated Retained Earnings	107,353	118,313	10,960	95,968
Less: Treasury Stock, at Cost	(39,749)	(37,191)	2,558	(1,356)
Evaluation and Conversion Difference	139,558	124,127	(15,431)	119,389
Net Unrealized Gain on Available-for-sale Securities	140,229	124,733	(15,496)	119,951
Profit & Loss of Deferral Hedge Accounting	(671)	(605)	66	(562)
Subscription Warrant	167	339	172	41
Total Net Assets	441,595	439,499	(2,096)	448,513
Total Liabilities and Net Assets	1,069,056	1,038,475	(30,581)	980,277

Non-Consolidated Statements of Income

(Million Yen)

	FY2007 Half year (Apr. 2006 through Sep. 2006)	FY2008 Half year (Apr. 2007 through Sep. 2007)	Increase (Decrease)	FY2008 (Apr. 2006 through Mar. 2007)
Net Sales	366,755	404,106	37,351	786,966
Cost of Sales	329,521	359,151	29,630	696,831
Gross Profit	37,233	44,954	7,721	90,134
Selling, General & Administrative Expenses	28,396	30,775	2,379	61,596
Operating Income	8,836	14,179	5,343	28,538
Non-Operating Income	9,562	14,322	4,760	16,622
Interests & Dividend Income	8,113	13,229	5,116	13,537
Other Income	1,448	1,092	(356)	3,085
Non-Operating Expenses	3,897	4,078	181	8,352
Interest Expense	1,081	1,921	840	2,613
Other Expenses	2,815	2,156	(659)	5,739
Ordinary Income	14,501	24,423	9,922	36,808
Income Before Income Taxes	14,501	24,423	9,922	36,808
Income Taxes-current	1,200	5,400	4,200	12,200
Income Taxes-deferred	2,107	644	(1,463)	(2,504)
Net Income	11,193	18,378	7,185	27,112
Note : Depreciation and Amortization	16,796	19,007	2,211	33,253

Non-Consolidated Statements of Changes in Shareholders' Equity

FY2008 Half year (April 1, 2007 through September 30, 2007)

(Million Yen)

	Shareholders' Equity											
	Common Stock	Capital Surplus			Retained Earnings						Less: Treasury Stock, at Cost	Sub Total
		Capital Reserve	Other Capital Surplus	Sub Total	Legal Reserve	Other Retained Earnings				Sub Total		
						Reserve for Special Depreciation	Reserve for Reduction of Acquisition Cost of Fixed Assets	General Reserve	Unappropriated Retained Earnings			
Balance as of Mar. 31, 2007	45,049	62,926	212	63,139	10,285	506	2,784	112,500	107,353	233,429	(39,749)	301,868
Increase(Decrease) in FY2008 Half year												
Increase in Reserves						36			(36)	—		—
Decrease in Reserves						(93)	(85)		178	—		—
Dividends Paid									(6,839)	(6,839)		(6,839)
Net Income									18,378	18,378		18,378
Purchase of Treasury Stock											(26)	(26)
Disposal of Treasury Stock			(212)	(212)					(721)	(721)	2,584	1,650
Net Change of items other than Shareholders' Equity												
Total Changes in the Term	—	—	(212)	(212)	—	(56)	(85)	—	10,959	10,817	2,558	13,163
Balance as of Sep. 30, 2007	45,049	62,926	—	62,926	10,285	450	2,698	112,500	118,313	244,247	(37,191)	315,032

	Evaluation and Conversion Difference			Subscription Warrant	Total Net Assets
	Net Unrealized Gain on Available-for-sale Securities	Profit & Loss of Deferral Hedge Accounting	Sub Total		
Balance as of Mar. 31, 2007	140,229	(671)	139,558	167	441,595
Increase(Decrease) in FY2008 Half year					
Increase in Reserves					—
Decrease in Reserves					—
Dividends Paid					(6,839)
Net Income					18,378
Purchase of Treasury Stock					(26)
Disposal of Treasury Stock					1,650
Net Change of items other than Shareholders' Equity	(15,496)	65	(15,430)	171	(15,259)
Total Changes in the Term	(15,496)	65	(15,430)	171	(2,095)
Balance as of Sep. 30, 2007	124,733	(605)	124,127	339	439,499

Note : Type and number of treasury stock

(Shares)

Type of shares	Number as of Mar. 31, 2007	Increase	Decrease	Number as of Sep. 30, 2007
Common Stock	9,696,477	6,046	630,459	9,072,064

Reason for changes	(Increase) Request for purchase of less-than-one-unit shares	6,046 shares
	(Decrease) Exercise of stock option	630,300 shares
	Request for additional purchase of less-than-one-unit shares	159