

**FY2018 3rd Quarter Consolidated Financial Results [IFRS]
(April 1, 2017 through December 31, 2017)**

February 2, 2018

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Company Name	AISIN SEIKI Co., Ltd.	Listed on	The Tokyo and Nagoya Stock Exchanges
Code Number	7259	URL	http://www.aisin.com/
Representative	Yasumori Ihara, President		
Contact person	Yuji Fukushige, General Manager Finance & Costing Dept	TEL	+81-566-24-8265
Scheduled filing date for quarterly reporting on EDINET	February 13, 2018	The expected date of dividends payment	-
Additional documents to supplement quarterly financial results	: Yes (Japanese only)		
Quarterly IR presentation	: Yes (For analysts and professional investors)		

(Amounts less than million yen are rounded down)

1. Consolidated Results for the 3rd Quarter of FY2018 (Apr. 1, 2017 through Dec. 31, 2017)

(1) Consolidated Financial Results

(Percent indications show the percentage of changes from corresponding figures for the previous period)

	Revenue		Operating profit		Profit before income taxes		Profit for the period	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY2018 3rd quarter	2,878,673	10.5	185,637	14.4	200,915	16.2	141,366	8.7
FY2017 3rd quarter	2,605,115	8.2	162,202	16.7	172,941	17.9	130,071	29.7

	Profit for the period attributable to owners of the parent		Comprehensive income for the period		Basic earnings per share	Diluted earnings per share
	Million Yen	%	Million Yen	%	Yen	Yen
FY2018 3rd quarter	96,419	1.9	225,513	46.5	349.26	349.14
FY2017 3rd quarter	94,646	29.4	153,962	144.3	330.12	329.76

(2) Consolidated Financial Position

	Total Assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million Yen	Million Yen	Million Yen	%
FY2018 3rd quarter	3,447,598	1,809,674	1,322,594	38.4
FY2017	3,338,339	1,694,864	1,236,385	37.0

2. Cash Dividends

	Annual cash dividends per share				
	1st quarter	2nd quarter	3rd quarter	Year end	Total
	Yen	Yen	Yen	Yen	Yen
FY2017	-	50.00	-	75.00	125.00
FY2018	-	60.00	-		
FY2018(Forecast)				70.00	130.00

(Note) Changes in dividends forecast for FY2018: None

3. Consolidated forecast for FY2018 (Apr. 1, 2017 through Mar. 31, 2018)

(Percent indications show the percentage of changes from the previous period)

	Revenue		Operating profit		Profit before income taxes		Profit attributable to owners of parent		Earnings per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
FY2018	3,860,000	8.3	248,000	8.4	262,000	10.4	129,000	1.9	469.40

(Note) Consolidated forecast corrections for FY2018: Yes

4.Others

(1) Changes in significant subsidiaries : None

(2) Changes in accounting policies and accounting estimation

① Changes in accounting policies required by IFRS : None

② Other changes : None

③ Changes in accounting estimation : None

(3) Number of outstanding shares(common stocks)

① Number of shares issued including treasury stock as of the respective balance sheet date

FY2018 3rd quarter	294,674,634 shares	FY2017	294,674,634 shares
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② Number of treasury stock as of the respective balance sheet date

FY2018 3rd quarter	23,593,732 shares	FY2017	15,336,453 shares
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③ Average number of common stocks (quarterly total)

FY2018 3rd quarter	276,065,998 shares	FY2017 3rd quarter	286,703,328 shares
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※ This Quarterly Financial Result is not subject to review procedure.

※ Explanation regarding the appropriate use of forecasts, and other additional information

(Note concerning forecast)

The forecasts included in this document are based on information that the Company has obtained at the time of this disclosure and certain assumptions that the Company considers reasonable. The Company does not guarantee the predicted outcome of the forecasts. Actual results may differ significantly from the forecast due to a variety of factors, such as exchange rates and conditions of the global market.

5. Consolidated quarterly financial statements

(1) Consolidated quarterly statements of financial position

(Million Yen)

	FY2017 (As of Mar. 31, 2017)	FY2018 3rd quarter (As of Dec. 31, 2017)
Assets		
Current assets		
Cash and cash equivalents	394,559	375,507
Trade and other receivables	572,189	571,043
Other financial assets	99,428	86,124
Inventories	276,955	303,413
Other current assets	42,194	49,349
Total current assets	1,385,326	1,385,437
Non-current assets		
Property, plant and equipment	1,248,933	1,270,370
Intangible assets	43,951	39,348
Investments accounted for using the equity method	104,528	110,041
Other financial assets	434,351	522,862
Deferred tax assets	101,590	98,983
Other non-current assets	19,656	20,554
Total non-current assets	1,953,012	2,062,161
Total assets	3,338,339	3,447,598
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	801,913	706,915
Bonds and loans payable	64,829	65,273
Other financial liabilities	37,401	38,247
Provisions	23,791	23,558
Income tax payables	37,400	18,041
Other current liabilities	30,669	41,447
Total current liabilities	996,005	893,484
Non-current liabilities		
Bonds and loans payable	393,935	452,985
Other financial liabilities	9,536	10,898
Retirement benefit liabilities	173,955	183,479
Provisions	3,248	2,951
Deferred tax liabilities	57,542	84,542
Other non-current liabilities	9,252	9,582
Total non-current liabilities	647,469	744,439
Total liabilities	1,643,474	1,637,924
Equity		
Capital stock	45,049	45,049
Capital surplus	71,822	71,943
Treasury stock	-56,983	-105,472
Other components of equity	110,597	186,866
Retained earnings	1,065,900	1,124,207
Equity attributable to owners of the parent company	1,236,385	1,322,594
Non-controlling interests	458,478	487,080
Total equity	1,694,864	1,809,674
Total liabilities and equity	3,338,339	3,447,598

(2) Consolidated quarterly statements of income / Consolidated quarterly statements of comprehensive income

(Consolidated quarterly statements of income)

(Million Yen)

	FY2017 3rd quarter (Apr. 1, 2016 through Dec. 31, 2016)	FY2018 3rd quarter (Apr. 1, 2017 through Dec. 31, 2017)
Revenue	2,605,115	2,878,673
Cost of revenue	-2,248,221	-2,491,478
Gross profit	356,893	387,195
Selling, general and administrative expenses	-214,890	-205,480
Other income	34,965	11,587
Other expenses	-14,766	-7,665
Operating profit	162,202	185,637
Finance income	12,444	13,549
Finance expenses	-7,248	-5,883
Equity in earnings of affiliates	5,543	7,612
Profit before income taxes	172,941	200,915
Income tax expenses	-42,870	-59,548
Profit for the period	130,071	141,366
Profit for the period attributable to:		
Owners of the parent	94,646	96,419
Non-controlling interests	35,424	44,947
Total	130,071	141,366
Earnings per share		
Basic earnings per share (Yen)	330.12	349.26
Diluted earnings per share (Yen)	329.76	349.14

(Consolidated quarterly statements of comprehensive income)

(Million Yen)

	FY2017 3rd quarter (Apr. 1, 2016 through Dec. 31, 2016)	FY2018 3rd quarter (Apr. 1, 2017 through Dec. 31, 2017)
Profit for the period	130,071	141,366
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	-867	-167
Net changes in revaluation of financial assets measured at fair value through other comprehensive income	25,849	59,902
Share of other comprehensive income of associates accounted for using the equity method	97	128
Total	25,080	59,863
Items that may be reclassified subsequently to profit or loss		
Net changes in revaluation of financial assets measured at fair value through other comprehensive income	-52	116
Cash flow hedges	598	367
Exchange differences on translating foreign operations	911	23,095
Share of other comprehensive income of associates accounted for using the equity method	-2,646	705
Total	-1,188	24,284
Other comprehensive income total	23,891	84,147
Comprehensive income for the period	153,962	225,513
Comprehensive income for the period attributable to:		
Owners of the parent	118,851	172,030
Non-controlling interests	35,110	53,483
Total	153,962	225,513

(3) Consolidated statements of changes in equity

FY2017 3rd quarter(Apr. 1, 2016 through Dec. 31, 2016)

(Million Yen)

	Equity attributable to owners of the parent							
	Other components of equity							Total
	Capital stock	Capital surplus	Treasury stock	Remeasurements of defined benefit plans	Net changes in revaluation of financial assets measured at fair value through other comprehensive income	Cash flow hedges	Exchange differences on translation of foreign operations	
Balance as of April 1, 2016	45,049	61,862	-18,035	-	154,823	-2,844	-36,628	115,349
Profit for the period	-	-	-	-	-	-	-	-
Other comprehensive income (loss)	-	-	-	-626	25,725	593	-1,487	24,205
Comprehensive income for the period	-	-	-	-626	25,725	593	-1,487	24,205
Acquisition of treasury stock	-	-	-35,791	-	-	-	-	-
Disposal of treasury stock	-	10,401	9,320	-	-	-	-	-
Lapse of subscription rights to shares	-	-359	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Changes in scope of consolidation	-	-	-	-	-	-	-	-
Changes in the ownership interest in subsidiaries	-	66	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	626	-115	-	-	510
Total transactions with owners	-	10,108	-26,470	626	-115	-	-	510
Balance as of Dec. 31, 2016	45,049	71,971	-44,506	-	180,432	-2,251	-38,116	140,065

	Equity attributable to owners of the parent		Non-controlling interests	Total equity
	Retained earnings	Total		
Balance as of April 1, 2016	964,727	1,168,953	389,515	1,558,468
Profit for the period	94,646	94,646	35,424	130,071
Other comprehensive income (loss)	-	24,205	-313	23,891
Comprehensive income for the period	94,646	118,851	35,110	153,962
Acquisition of treasury stock	-	-35,791	-	-35,791
Disposal of treasury stock	-	19,721	4,282	24,004
Lapse of subscription rights to shares	-	-359	-	-359
Dividends	-28,466	-28,466	-12,939	-41,406
Changes in scope of consolidation	-	-	147	147
Changes in the ownership interest in subsidiaries	-	66	6,938	7,005
Transfer from other components of equity to retained earnings	-510	-	-	-
Total transactions with owners	-28,977	-44,829	-1,571	-46,400
Balance as of Dec. 31, 2016	1,030,396	1,242,975	423,055	1,666,030

	Equity attributable to owners of the parent							
	Other components of equity							Total
	Capital stock	Capital surplus	Treasury stock	Remeasurements of defined benefit plans	Net changes in revaluation of financial assets measured at fair value through other comprehensive income	Cash flow hedges	Exchange differences on translation of foreign operations	
Balance as of April 1, 2017	45,049	71,822	-56,983	-	157,200	-2,011	-44,591	110,597
Profit for the period	-	-	-	-	-	-	-	-
Other comprehensive income (loss)	-	-	-	-154	59,715	366	15,683	75,611
Comprehensive income for the period	-	-	-	-154	59,715	366	15,683	75,611
Acquisition of treasury stock	-	-	-49,078	-	-	-	-	-
Disposal of treasury stock	-	-126	589	-	-	-	-	-
Lapse of subscription rights to shares	-	-339	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Changes in the ownership interest in subsidiaries	-	587	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	154	503	-	-	658
Total transactions with owners	-	121	-48,489	154	503	-	-	658
Balance as of Dec. 31, 2017	45,049	71,943	-105,472	-	217,419	-1,645	-28,907	186,866

	Equity attributable to owners of the parent		Non-controlling interests	Total equity
	Retained earnings	Total		
Balance as of April 1, 2017	1,065,900	1,236,385	458,478	1,694,864
Profit for the period	96,419	96,419	44,947	141,366
Other comprehensive income (loss)	-	75,611	8,536	84,147
Comprehensive income for the period	96,419	172,030	53,483	225,513
Acquisition of treasury stock	-	-49,078	-	-49,078
Disposal of treasury stock	-	462	38	501
Lapse of subscription rights to shares	-	-339	-	-339
Dividends	-37,453	-37,453	-20,851	-58,305
Changes in the ownership interest in subsidiaries	-	587	-4,069	-3,481
Transfer from other components of equity to retained earnings	-658	-	-	-
Total transactions with owners	-38,112	-85,821	-24,881	-110,703
Balance as of Dec. 31, 2017	1,124,207	1,322,594	487,080	1,809,674

(4) Notes to the Consolidated Financial Statements

(Going concern assumption)

None

(Material Subsequent Events)

At a meeting of the Board of Directors held on January 19, 2018, Aisin Seiki announced that we have decided to establish a subsidiary as follows.

1. Reason for establishment

To promote the development of new technologies that will contribute to the automotive society of the future, the Aisin Group focuses on “Zero Emissions,” “Automated Driving” and “Connected Cars” as the three core technology fields for next-generation development. However, on a global scale, the speed of new technology development and innovation has grown faster than ever. In order to secure future competitiveness, it is necessary for the Aisin Group to explore and discover startup companies with outstanding technologies in fields such as “electrification,” “artificial intelligence,” and “information and communications,” and to utilize their state-of-the-art technologies. To this end, we are establishing a fund in cooperation with our subsidiary Aisin AW Co., Ltd. in Silicon Valley, USA, which is at the forefront of technological innovation.

By doing so, we believe that the Aisin Group will be able to further accelerate the creation and development of new technologies.

2. Outline of subsidiary

(1) Name	Fenox Venture Company XX, L.P.	
(2) Location	2680 North 1st Street, Suite 250, San Jose, CA 95134	
(3) Basis for establishment, etc.	Delaware Revised Uniform Limited Partnership Act 6, Delaware Code, Chapter 17	
(4) Purpose of establishment	Investment mainly in startup companies around the world, particularly in the US, Asia and Europe, dealing with electrification, artificial intelligence, information and communications, and other growing technology fields.	
(5) Date of establishment	February 2018 (scheduled)	
(6) Total investment	50.5 million USD	
(7) Investor/equity ratio	1. Aisin Seiki Co., Ltd. 49.5% 2. Aisin AW Co., Ltd. 49.5% 3. Fenox Venture Management XX, LLC 1.0%	
(8) Outline of operator	Name	Fenox Venture Management XX, LLC
	Location	2680 North 1st Street, Suite 250, San Jose, CA 95134
(9) Relationships between listed company (Aisin Seiki) and the fund	Capitalities	Aisin Seiki and our subsidiary Aisin AW Co., Ltd. will invest in the fund.
	Personal relationships	There are no personal relationships between Aisin Seiki and the fund that merit mentioning.
	Business relationships	There are no business relationships between Aisin Seiki and the fund that merit mentioning.

3. Future prospects

The impact of this investment on our business performance will be minor.