

Financial results for the 3rd Quarter of fiscal year ending March 2025

February 4, 2025

JTEKT CORPORATION



Result	<ul style="list-style-type: none">■ Revenue decreased YoY due to weak sales, especially in Japan, China and Europe.■ Despite favorable foreign exchange rate and cost reduction activities, business profit decreased YoY due to weak sales and continued extra costs caused by low productivity in North America.
Forecast	<ul style="list-style-type: none">■ Considering 3rd quarter results, recent customer demand and market conditions, we revised our forecasts upward to 1,860 billion yen in revenue and 55 billion yen in business profit.■ On the other hand, with cost for *restructuring of European operations, which is one of key actions under the Medium-Term Business Plan, we revised our forecasts downward to 5 billion yen in net profit.
Return to shareholders	<ul style="list-style-type: none">■ The dividend forecast for FY2024 remains unchanged at 50 yen per year (DOE 2.2%)■ We plan to conduct “Acquisition of Own Shares” to expand shareholder returns and strategically review our capital structure. (Maximum : 27 million shares <7.9% of total number of issued shares> , 34 billion yen)

* Refer to the press release on December 23, 2024

: [Notice Concerning Basic Agreement on Restructuring of Needle Roller Bearing Business in Europe](#)

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1-1) FY2024 3Q Results – Consolidated performance

- **Revenue decreased** due to weak sales, especially in Japan, China and Europe.
- **Business profit decreased** due to weak sales and continued extra costs caused by low productivity in North America.
- **Net profit decreased** due to business profit decrease and negative financial result.

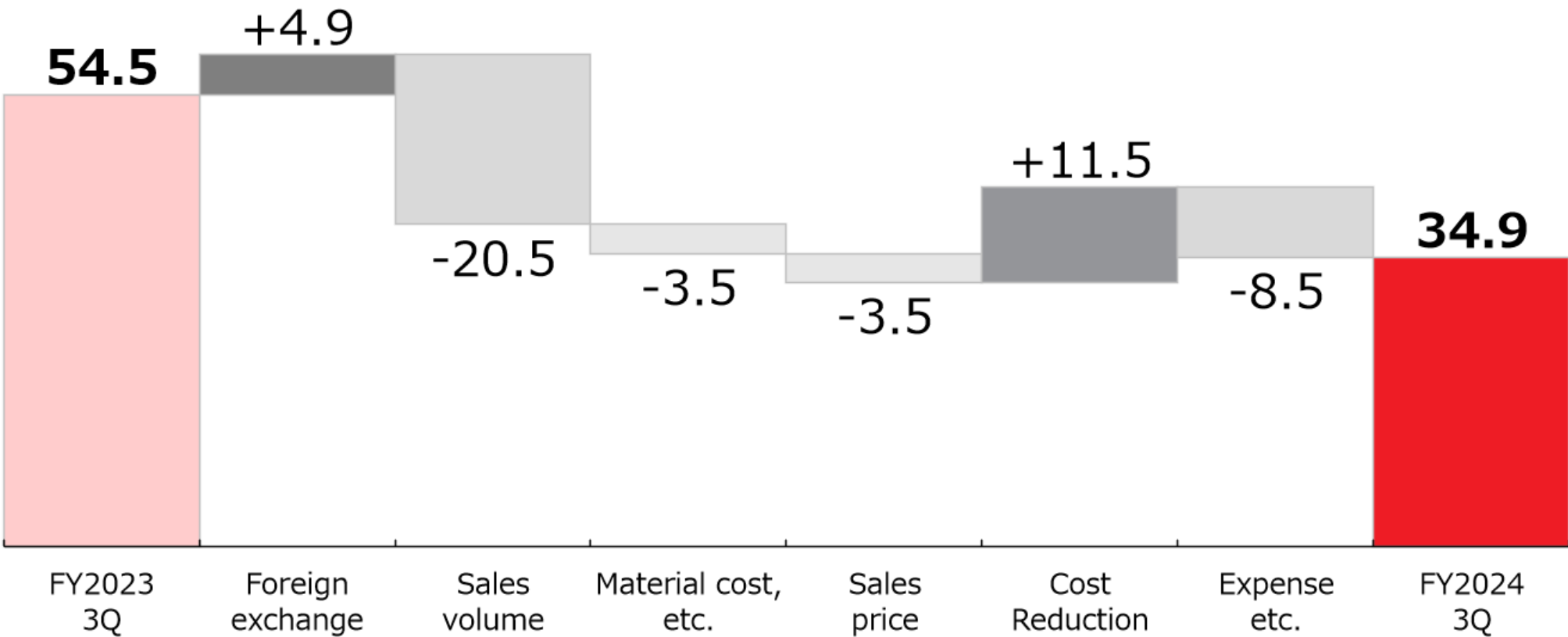
		(Ratio to revenue)		Unit: Billion of yen	
		FY2023 3Q	FY2024 3Q	Change	Change ratio
Revenue		1,411.8	1,385.0	-26.7	- 1.9%
Business profit	※1	(3.9%) 54.5	(2.5%) 34.9	-19.6	- 36.0%
Operating profit		(4.1%) 57.3	(2.5%) 35.0	-22.3	- 39.0%
Profit before income taxes		(4.3%) 61.2	(2.1%) 29.0	-32.1	- 52.5%
Profit	※2	(2.6%) 36.4	(0.7%) 9.9	-26.4	- 72.7%
Foreign Exchange	USD	143.29 JPY	152.57 JPY	+ 9.28 JPY	
	EUR	155.29 JPY	164.83 JPY	+ 9.54 JPY	
Earnings per share		106.16 JPY	29.00 JPY		

(※1) Our own management profit after deducting "cost of revenue" and "selling, general and administrative expenses" from "Revenue"

(※2) Profit attributable to owners of the parent company

- Despite favorable foreign exchange rate and cost reduction activities, **business profit decreased** due to weak sales, continued extra costs caused by low productivity in North America and cost inflation which has not been fully recovered from customer yet.

Unit : Billion of yen

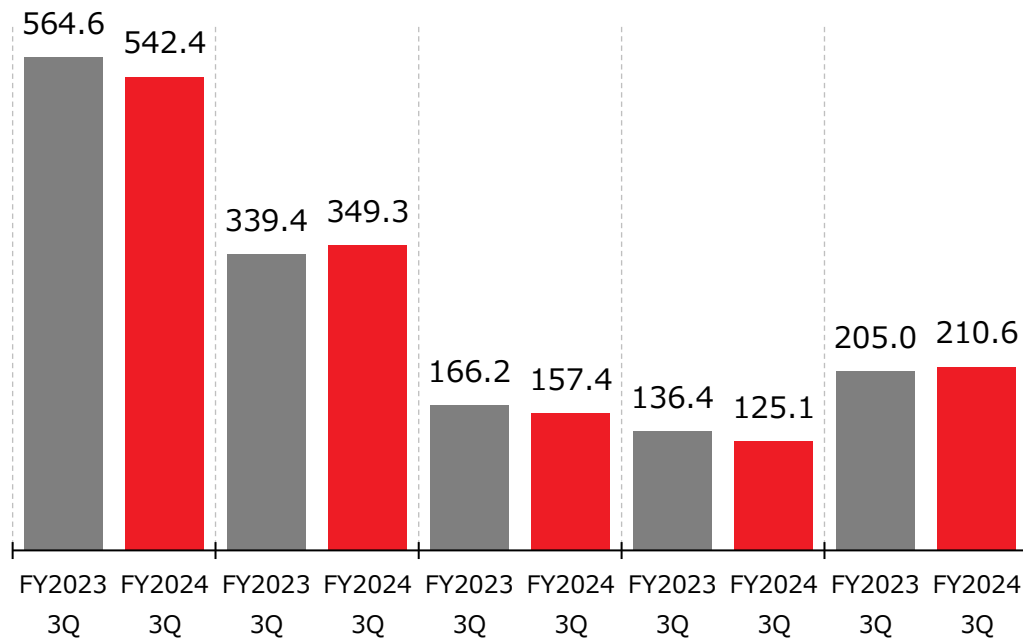


1-3) FY2024 3Q Results – by Region

- Business profit decreased in Japan due to weak sales.
- Business profit decreased in North America due to extra costs caused by low productivity.

Revenue

Unit : Billion of yen

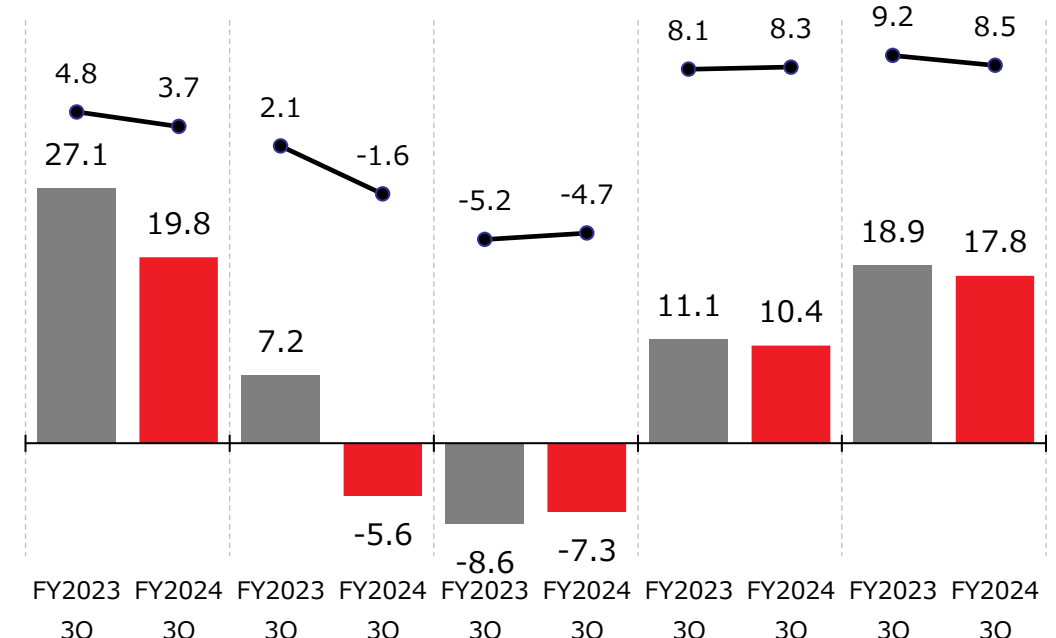


Japan	North America	Europe	China	Asia & Others
Change [Change Ratio]				
-22.1 [-3.9%]	+9.9 [+2.9%]	-8.7 [-5.3%]	-11.3 [-8.3%]	+5.5 [+2.7%]

Business profit

Unit : Billion of yen

● ratio to revenue(%)



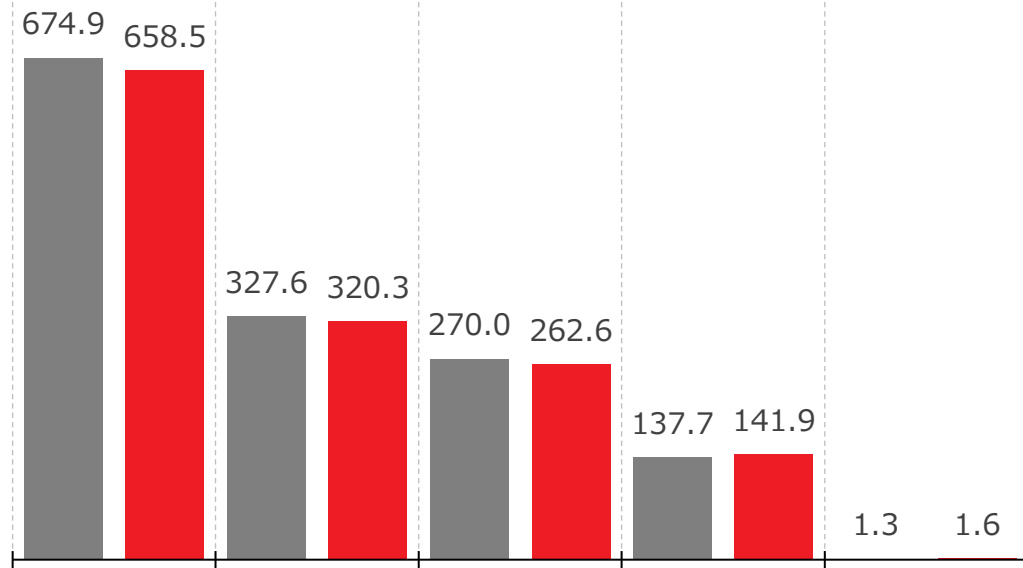
Japan	North America	Europe	China	Asia & Others
Change [Change Ratio]				
-7.2 [-26.6%]	-12.9 [-%]	+1.2 [-%]	-0.6 [-6.2%]	-1.1 [-6.0%]

1-4) FY2024 3Q Results – by Business unit

- Although tough market conditions continue, revenue and business profit increased in Machine tools due to sales price up to recover cost inflation.

Revenue

Unit : Billion of yen



FY2023 3Q	FY2024 3Q	FY2023 3Q	FY2024 3Q	FY2023 3Q	FY2024 3Q	FY2023 3Q	FY2024 3Q	FY2023 3Q	FY2024 3Q
Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others					

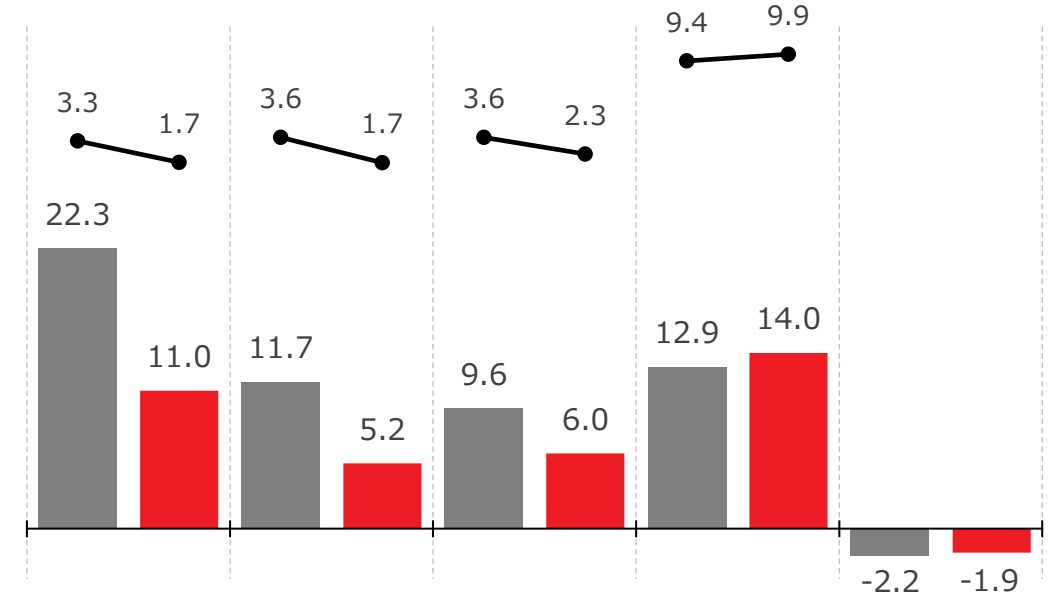
Change [Change Ratio]

-16.4	-7.2	-7.4	+4.1	+0.2
[-2.4%]	[-2.2%]	[-2.7%]	[+3.0%]	[+20.2%]

Business profit

Unit : Billion of yen

● ratio to revenue(%)



FY2023 3Q	FY2024 3Q	FY2023 3Q	FY2024 3Q	FY2023 3Q	FY2024 3Q	FY2023 3Q	FY2024 3Q	FY2023 3Q	FY2024 3Q
Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others					

Change [Change Ratio]

-11.2	-6.4	-3.5	+1.1	+0.2
[-50.6%]	[-54.8%]	[-37.2%]	[+8.6%]	[-%]

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2-1) FY2024 Forecast – Consolidated performance

- Considering the 3rd quarter results, recent customer demands and market conditions, **we revised our forecasts upward in revenue and business profit** for this fiscal year.
- **We revised our forecasts downward in net profit**, with cost for restructuring of European operations, which is one of key actions under the Medium-Term Business Plan.
- Although the market conditions are tough, we will continue our cost reduction activities and fixed cost optimization and will promote the key actions under the Medium-Term Business Plan steadily.

(Ratio to revenue)

Unit:Billion of yen

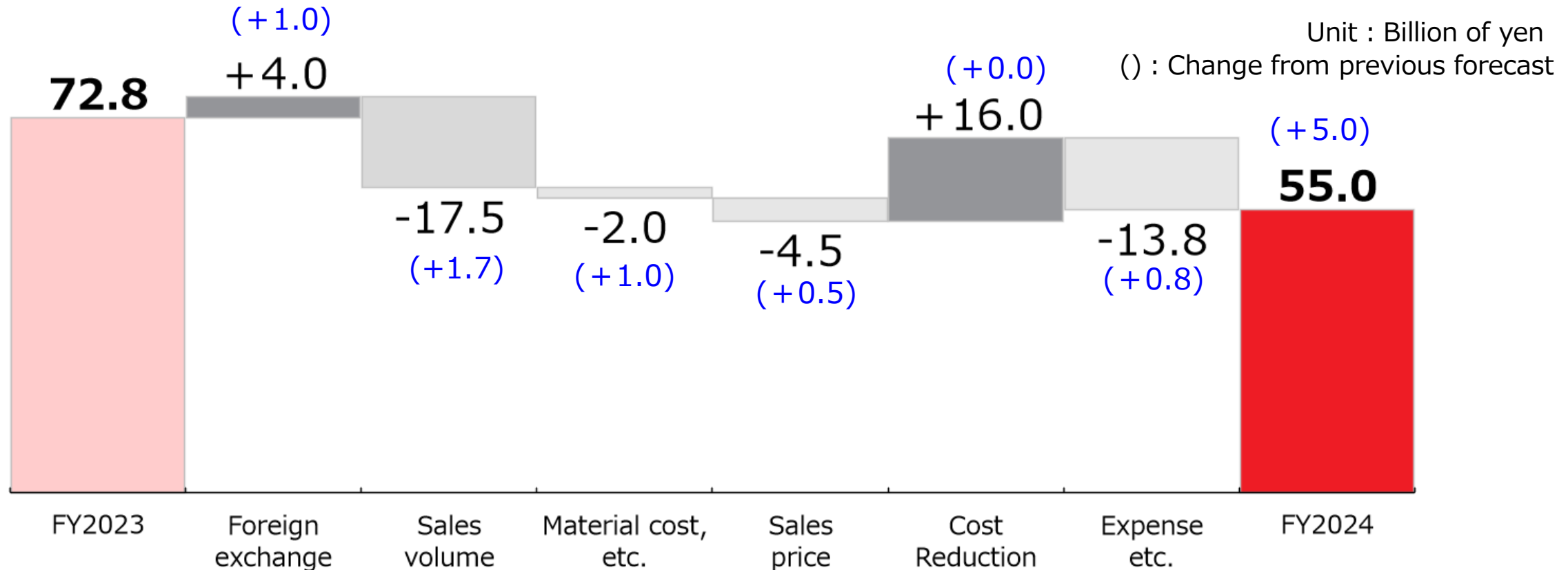
		FY2023	FY2024 (disclosed in 2Q)	FY2024 (disclosed in 3Q)	Change (vs 2Q)	Change ratio
Revenue		1,891.5	1,830.0	1,860.0	+30.0	+1.6%
Business profit	※1	(3.9%) 72.8	(2.7%) 50.0	(3.0%) 55.0	+5.0	+10.0%
Operating profit		(3.3%) 62.1	(2.5%) 45.0	(1.8%) 34.0	- 11.0	-24.4%
Profit before income taxes		(3.8%) 72.5	(2.2%) 40.0	(1.5%) 27.0	- 13.0	-32.5%
Profit	※2	(2.1%) 40.2	(1.1%) 20.0	(0.3%) 5.0	- 15.0	-75.0%
Foreign Exchange	USD	144.62 JPY	148.00 JPY	151.00 JPY	+ 3.00 JPY	
	EUR	158.60 JPY	162.00 JPY	163.00 JPY	+ 1.00 JPY	
Earnings per share		117.37 JPY	58.31 JPY	14.58 JPY		

(※1) Our own management profit after deducting "cost of revenue" and "selling, general and administrative expenses" from "Revenue"

(※2) Profit attributable to owners of the parent company

2-2) FY2024 Forecast – Business profit analysis

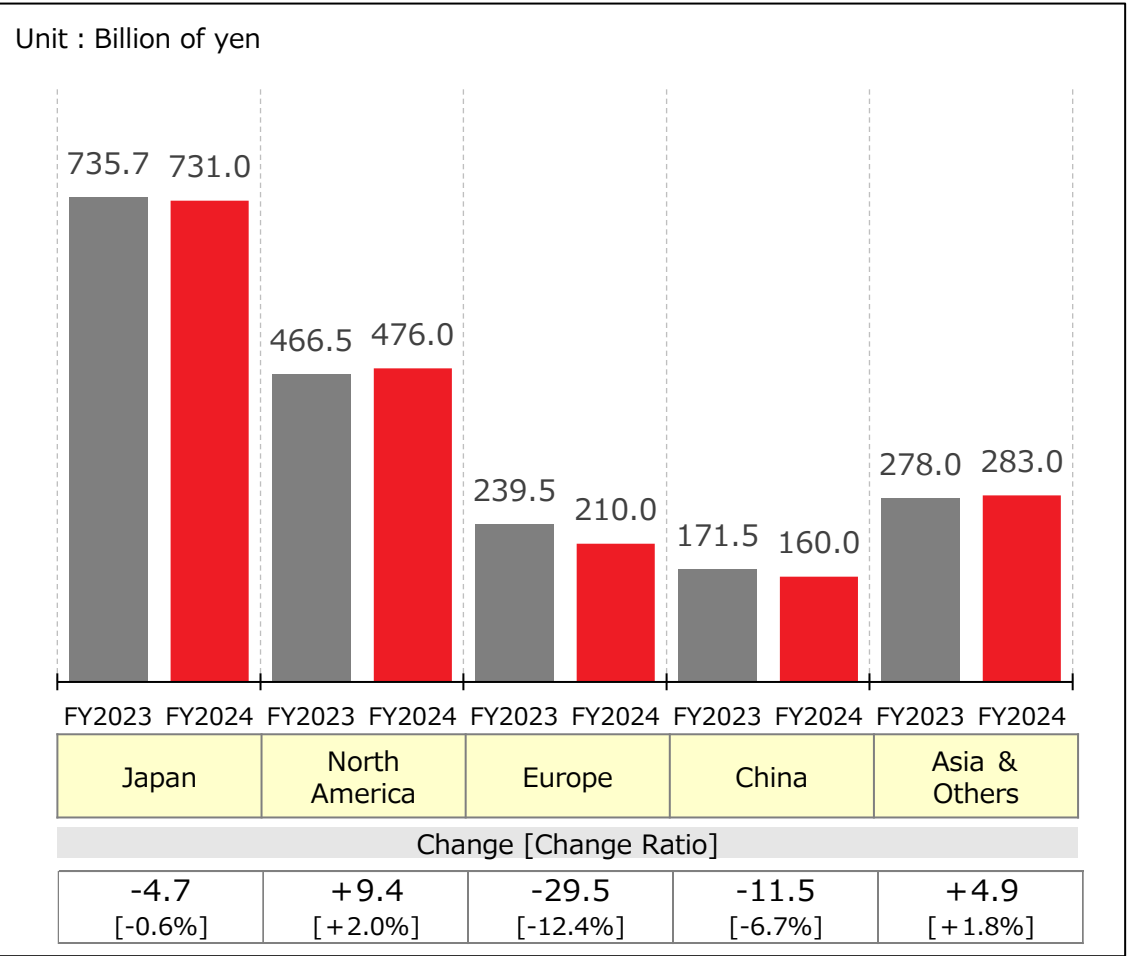
- **Business profit decreased YoY** due to weak sales and continued extra costs caused by low productivity in North America.
- However, **we revised our forecasts upward in business profit** from the previous forecast due to sales price up to recover past year's cost inflation and fixed costs optimization.



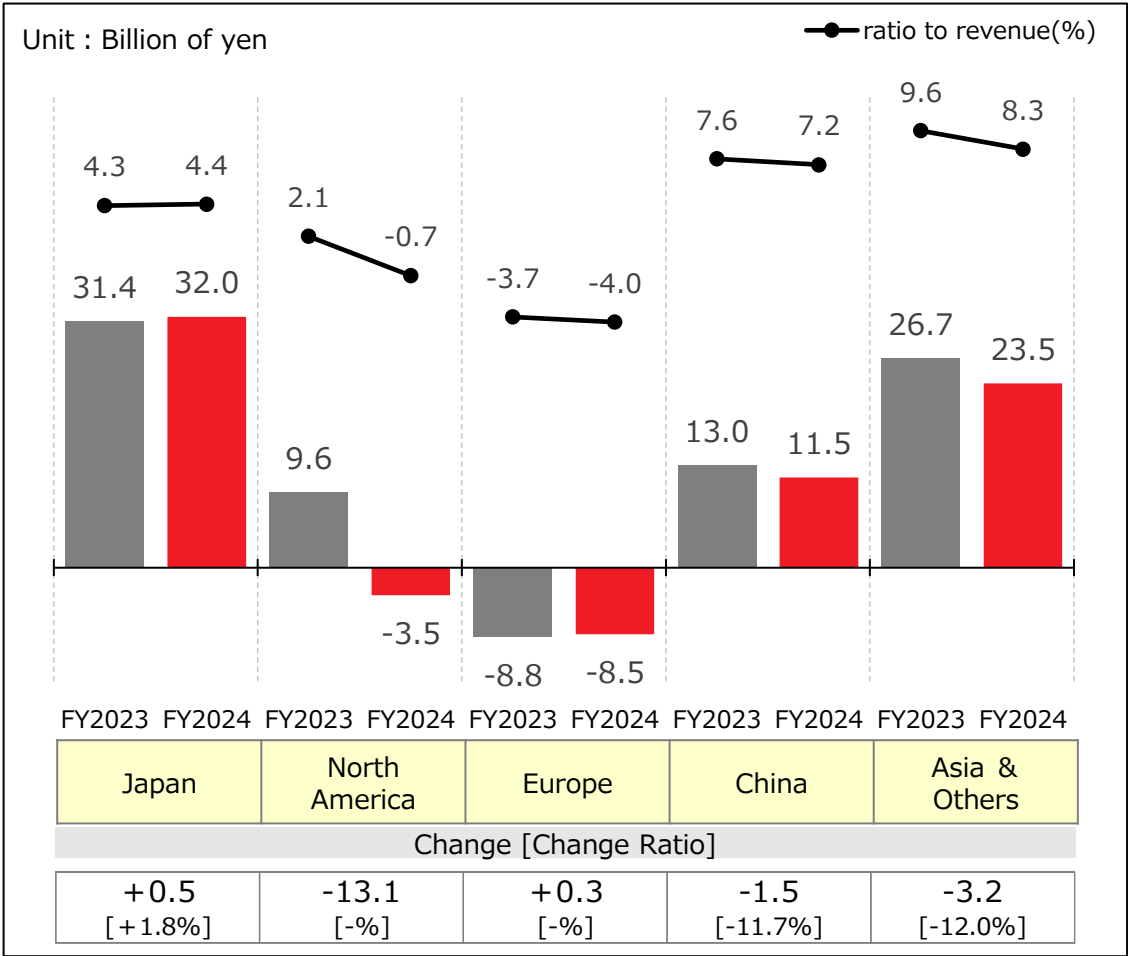
2-3) FY2024 Forecast – by Region

■ Business profit decreased significantly in North America due to continued extra costs caused by low productivity.

Revenue



Business profit

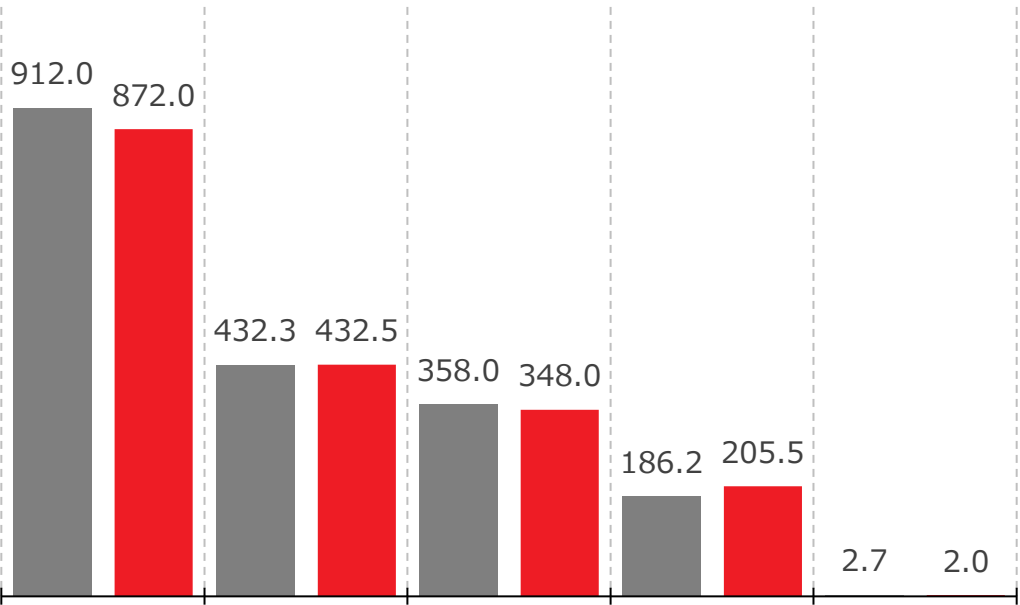


2-4) FY2024 Forecast – by Business unit

■ Except for Machine tools, business profit decreased in all business units due to weak sales on automotive and industrial customer.

Revenue

Unit : Billion of yen



FY2023 FY2024 FY2023 FY2024 FY2023 FY2024 FY2023 FY2024 FY2023 FY2024

Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others
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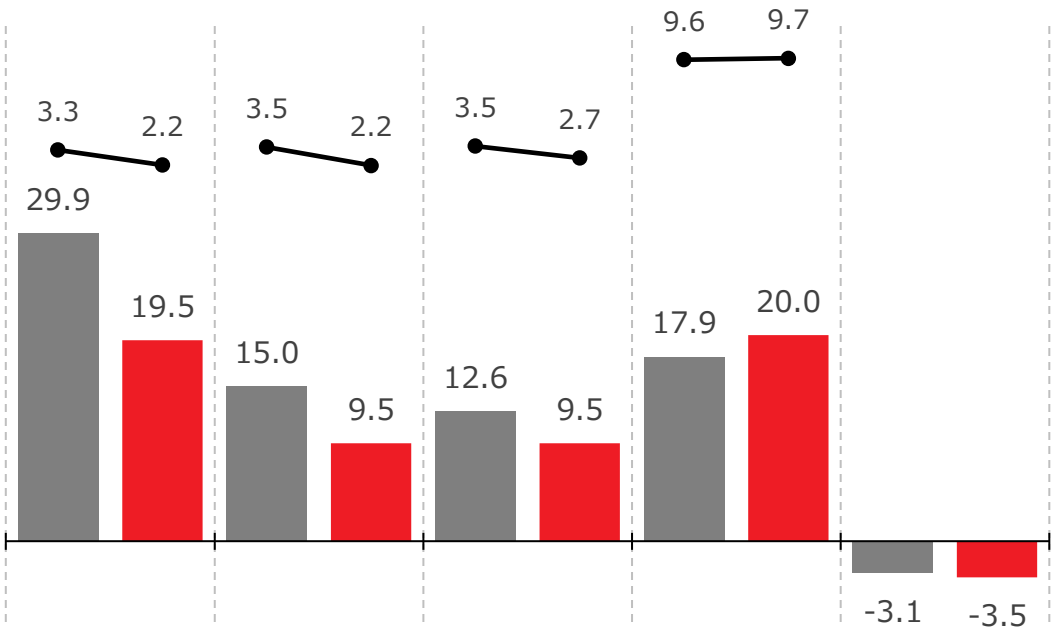
Change [Change Ratio]

-40.0	+0.1	-10.0	+19.2	-0.7
[-4.4%]	[+0.0%]	[-2.8%]	[+10.3%]	[-26.0%]

Business profit

Unit : Billion of yen

ratio to revenue(%)



FY2023 FY2024 FY2023 FY2024 FY2023 FY2024 FY2023 FY2024 FY2023 FY2024

Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others
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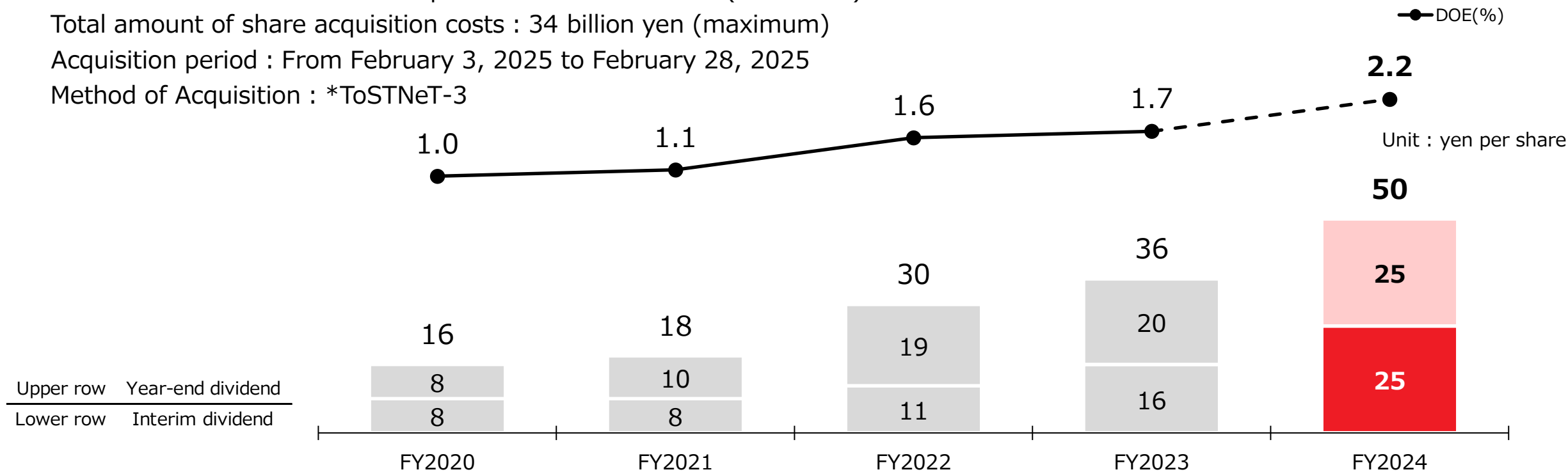
Change [Change Ratio]

-10.4	-5.5	-3.2	+2.0	-0.3
[-35.0%]	[-36.9%]	[-25.1%]	[+11.7%]	[-%]

2-5) Return to shareholders

- The dividend policy in the Mid-term plan is **“Dividend: DOE of 2-3%”**.
 - ➔ During the current Medium Business plan period, We promote growth of existing businesses and development of new businesses and we aim to further expansion of shareholder return.
- The dividend forecast for FY2024 remains unchanged at **50 yen per year** with DOE of 2.2%.
- We plan to conduct “※Acquisition of Own Shares” to expand shareholder returns and strategically review our capital structure.

※ Total number of shares to be acquired : 27 million shares (maximum)
Total amount of share acquisition costs : 34 billion yen (maximum)
Acquisition period : From February 3, 2025 to February 28, 2025
Method of Acquisition : *ToSTNeT-3

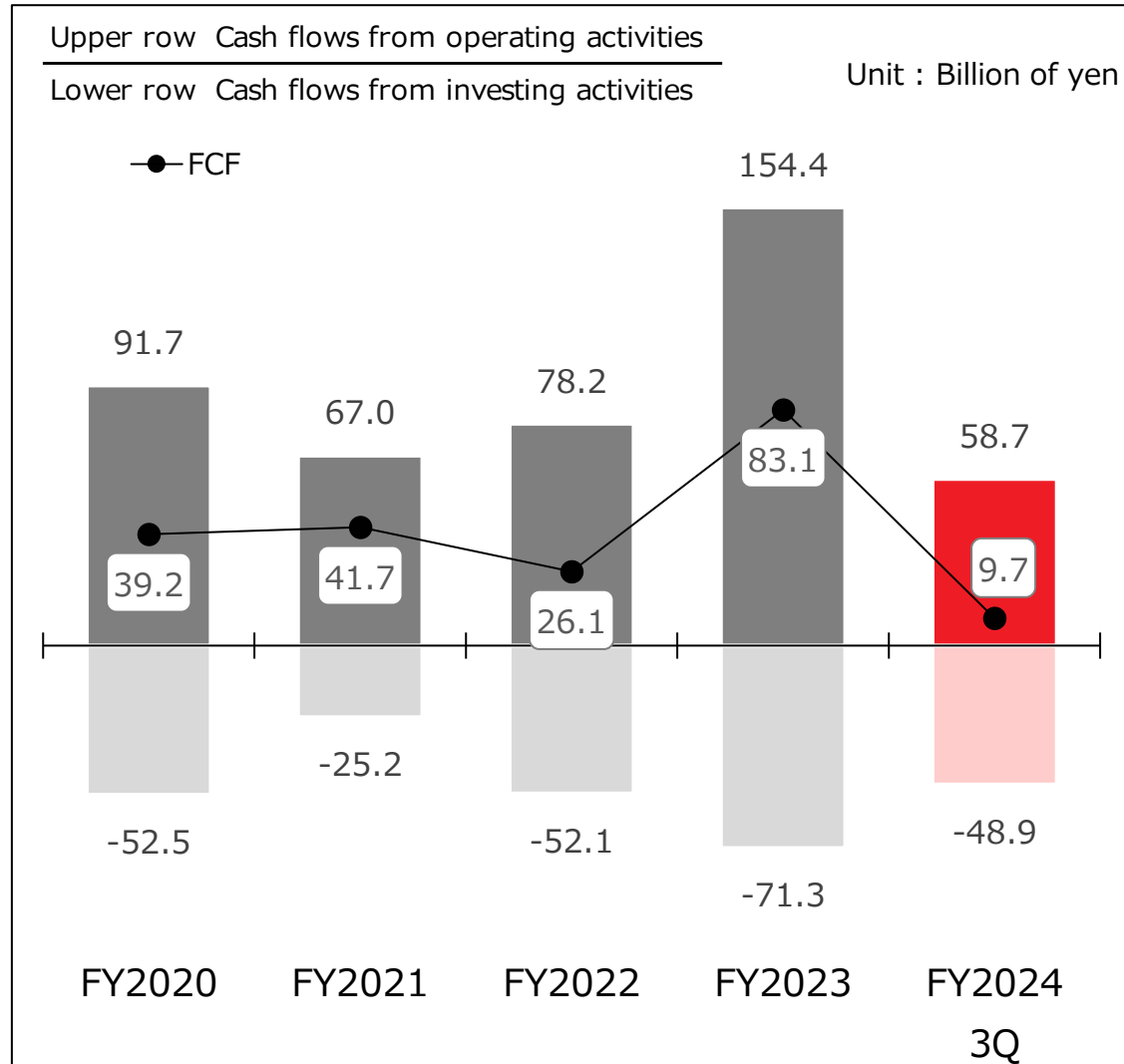


* ToSTNet-3 : Acquisition of Own Shares in the Tokyo Stock Exchange Trading NeTwork System

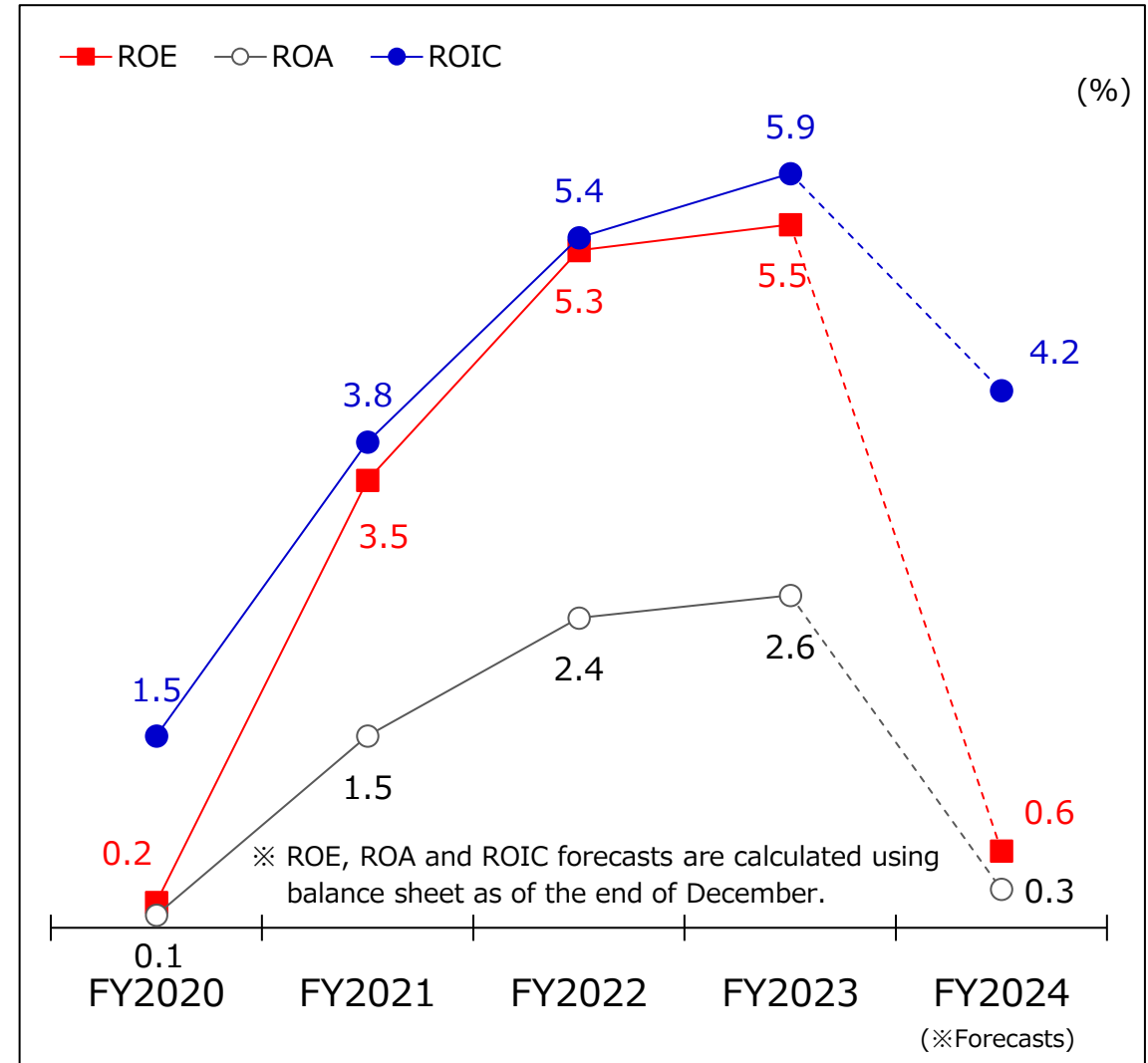
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3-1) Management indicators

Cash Flow statement

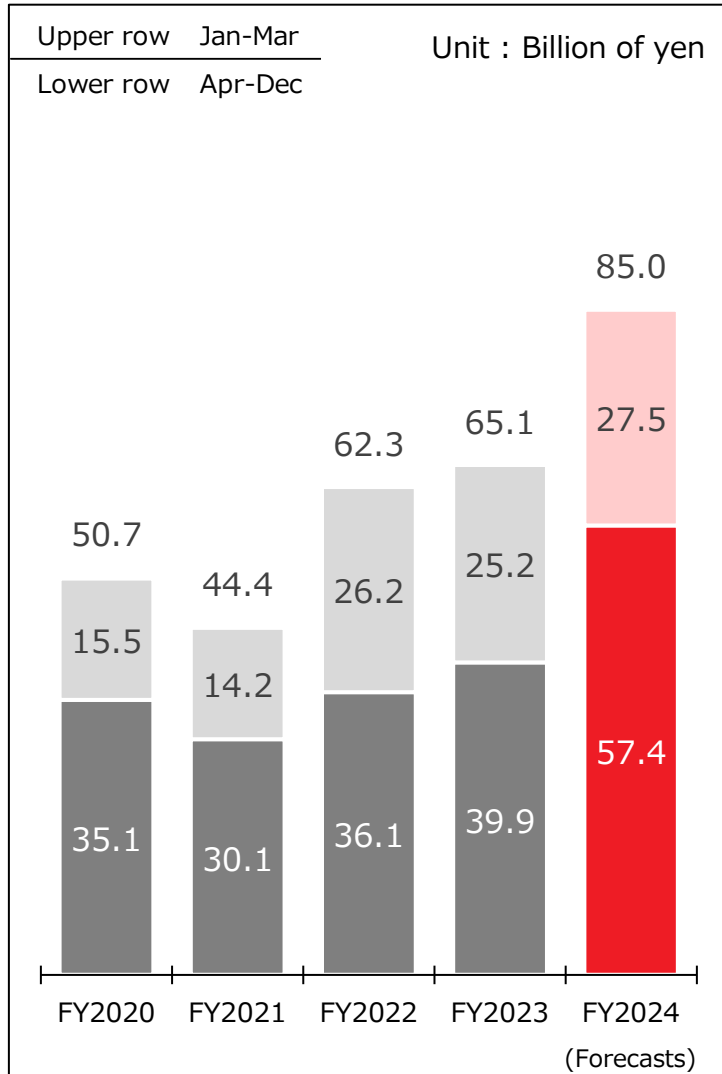


Capital Efficiency Indicators

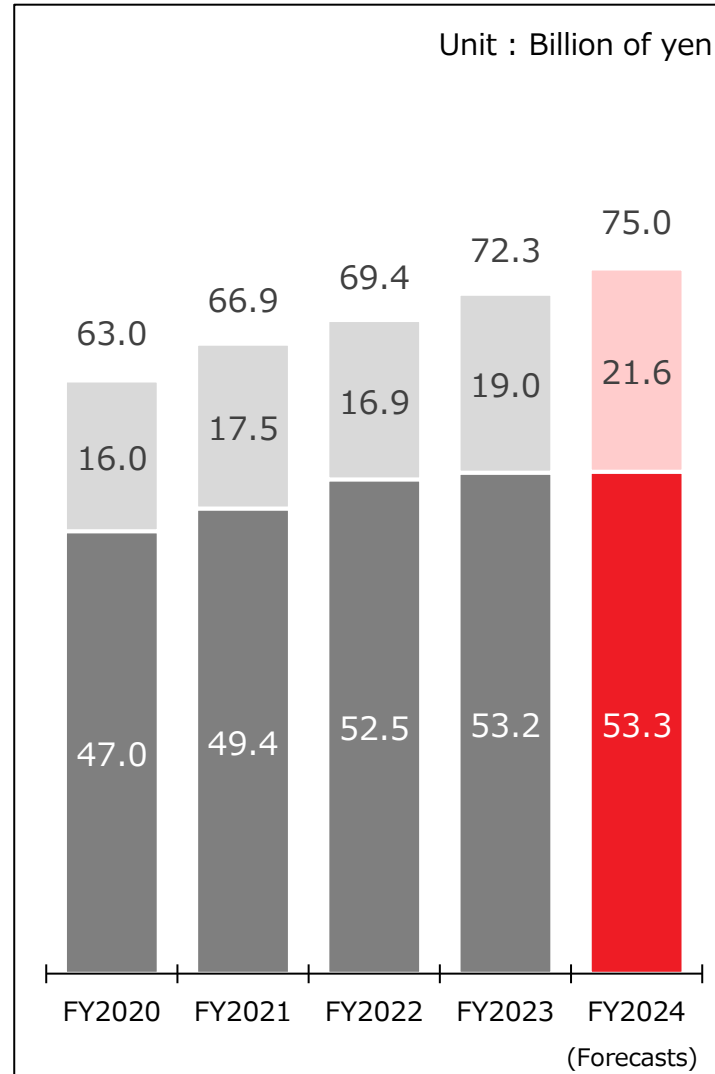


3-2) Management indicators

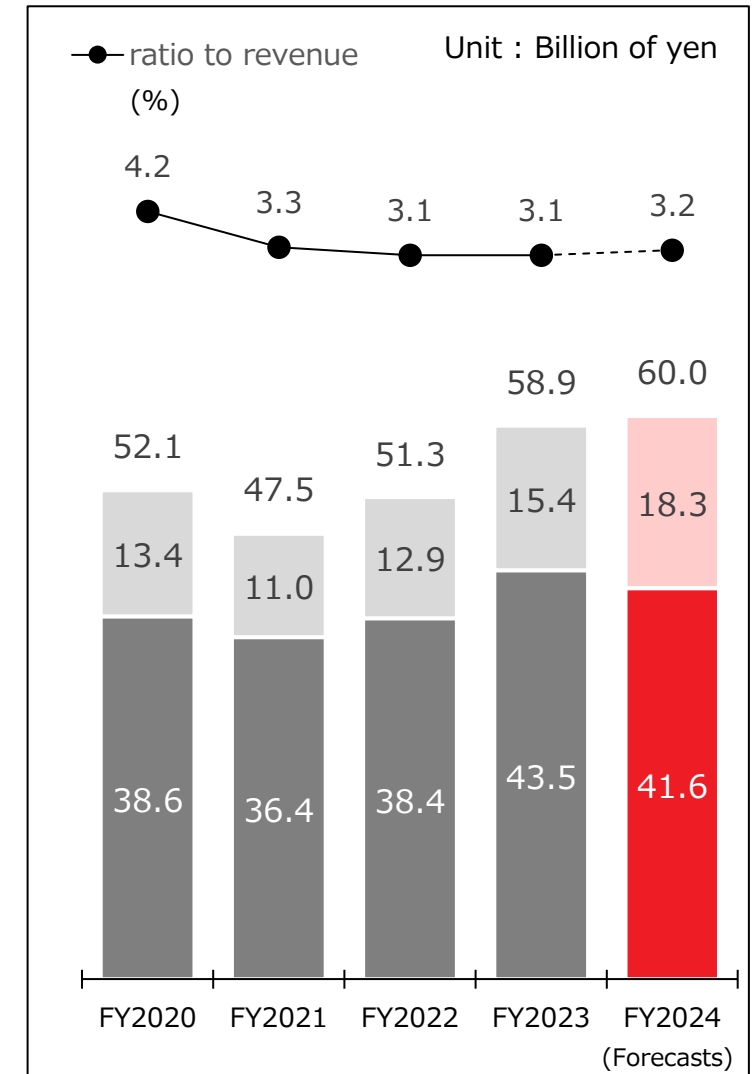
Capital expenditures



Depreciation & amortization

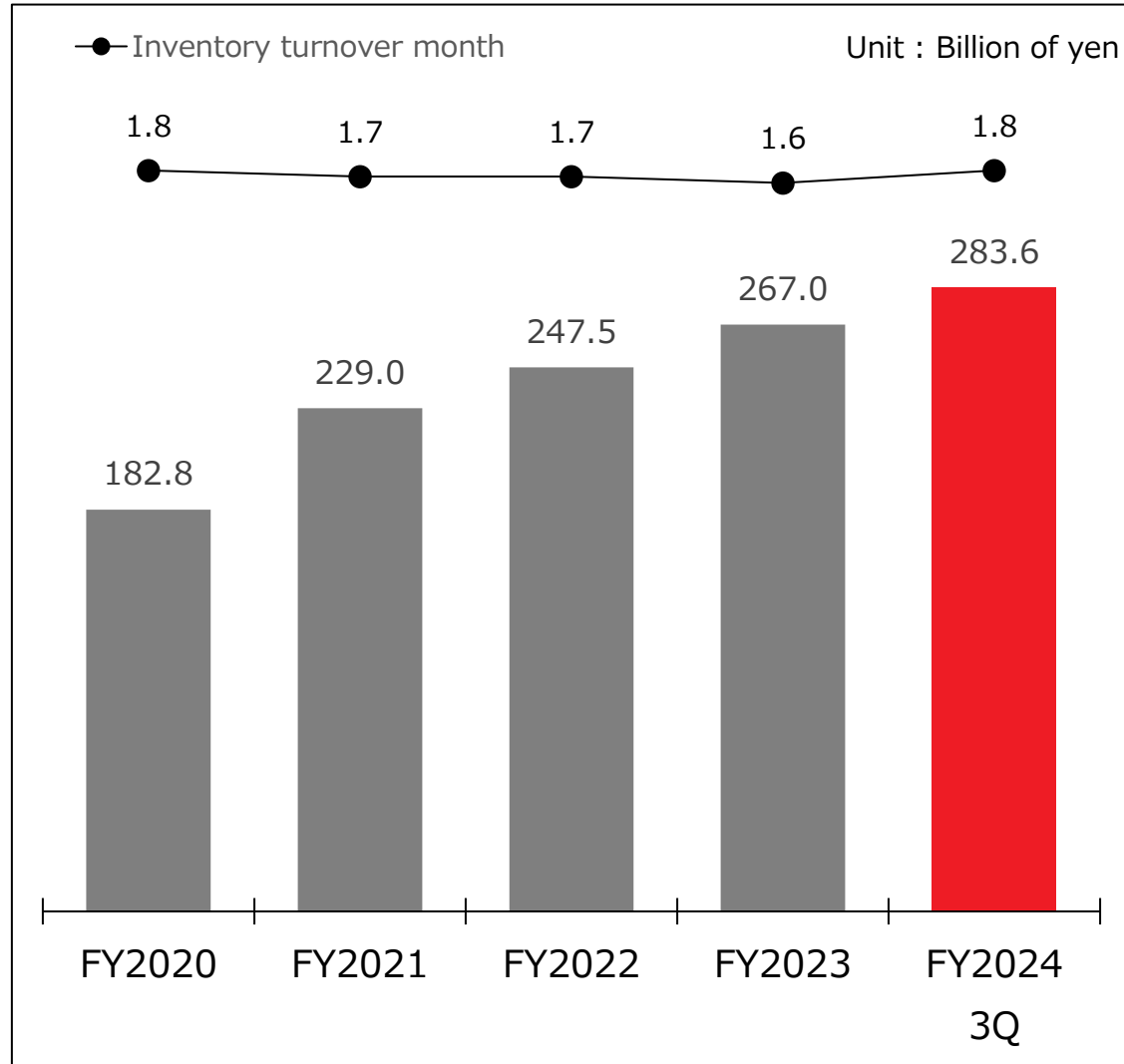


R&D expenses

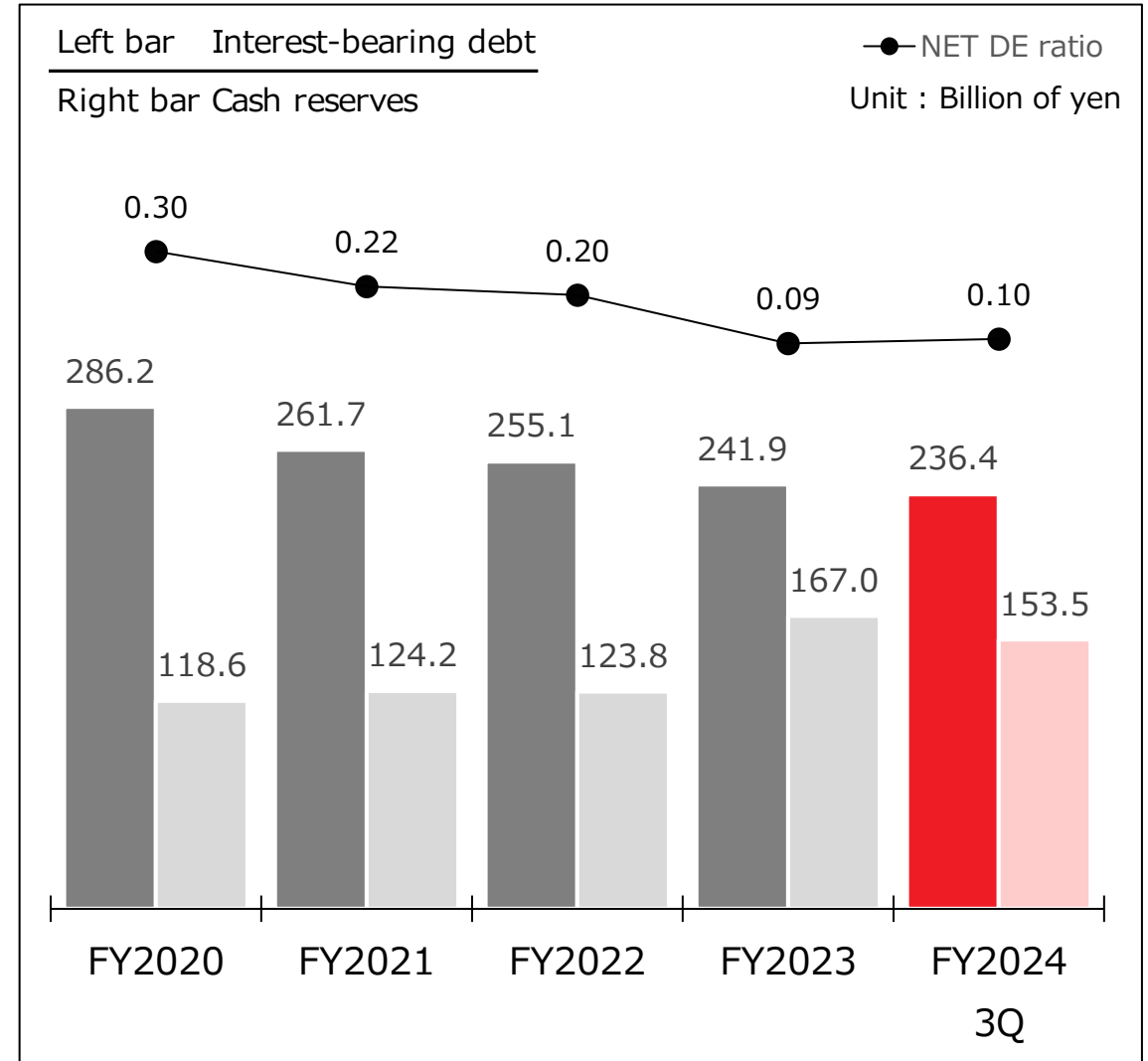


3-3) Management indicators

Inventories



Interest-bearing debt / Cash reserves



3-4-1) Financial statements

Assets

Unit : Billion of yen

Assets	FY2023	FY2024 3Q	Change
Cash and cash equivalents	167.0	153.5	-13.4
Trade and other receivables	360.1	346.5	-13.6
Inventories	267.0	283.6	+16.6
Other current assets	11.2	8.4	-2.7
Property, plant and equipment	476.4	484.6	+8.1
Other non-current assets	346.6	355.8	+9.2
Total assets	1,628.5	1,632.6	+4.1

Liabilities and equity

Unit : Billion of yen

Liabilities and equity	FY2023	FY2024 3Q	Change
Trade and other payables	388.9	373.3	-15.5
Interest-bearing debt	241.9	236.4	-5.4
Other current liabilities	32.1	26.4	-5.7
Other non-current liabilities	142.7	152.9	+10.2
Equity attributable to owners of the parent company	788.9	808.8	+19.8
Non-controlling interests	33.7	34.5	+0.7
Total liabilities and equity	1,628.5	1,632.6	+4.1

3-4-2) Financial statements

Consolidated Profit and Loss statement

Unit : Billion of yen

	FY2023 3Q	FY2024 3Q	Change
Revenue	1,411.8	1,385.0	-26.7
Business Profit	54.5	34.9	-19.6
Other income / Other expenses	2.8	0.0	-2.7
Operating Profit	57.3	35.0	-22.3
Financial income / financial costs	3.8	-5.9	-9.7
Income tax expenses / Non-controlling interests	-24.7	-19.1	+ 5.6
Profit attributable to owners of parent	36.4	9.9	-26.4

Consolidated Cash Flow statement

Unit : Billion of yen

	FY2023 3Q	FY2024 3Q	Change
Cash flows from operating activities	129.8	58.7	-71.0
Cash flows from investing activities	-60.8	-48.9	+ 11.9
Free Cash flows	68.9	9.7	-59.1
Cash flows from financing activities	-33.1	-27.7	+ 5.4
Foreign currency translation adjustments	3.6	4.5	+ 0.9
Net increase (decrease) in cash and cash equivalents	39.3	-13.4	-52.8
Cash and cash equivalents	163.2	153.5	-9.6

3-5-1) Performance comparison – FY2024 3Q Results (by Region)

Unit: Billion of yen

Region	FY2023 3Q	FY2024 3Q	change		Foreign exchange	FY2024 3Q	Change excluding foreign exchange	
Japan	564.6	542.4	-22.1	-3.9%	-	542.4	-22.1	-3.9%
North America	339.4	349.3	+9.9	+2.9%	+18.3	330.9	-8.4	-2.5%
Europe	166.2	157.4	-8.7	-5.3%	+9.0	148.3	-17.8	-10.8%
China	136.4	125.1	-11.3	-8.3%	+6.9	118.2	-18.2	-13.4%
Asia & others	205.0	210.6	+5.5	+2.7%	+3.4	207.1	+2.1	+1.0%
Total	1,411.8	1,385.0	-26.7	-1.9%	+37.8	1,347.1	-64.6	-4.6%

Japan	27.1	19.8	-7.2	-26.6%	+3.9	15.9	-11.2	-41.3%
North America	7.2	-5.6	-12.9	-%	-0.3	-5.3	-12.5	-%
Europe	-8.6	-7.3	+1.2	-%	-0.2	-7.1	+1.4	-%
China	11.1	10.4	-0.6	-6.2%	+0.9	9.4	-1.6	-15.0%
Asia & Others	18.9	17.8	-1.1	-6.0%	+0.5	17.2	-1.6	-8.7%
Elimination	-1.1	-0.1	+1.0	-%	+0.0	-0.1	+1.0	-%
Total	54.5	34.9	-19.6	-36.0%	+4.9	29.9	-24.5	-45.0%

3-5-1) Performance comparison – FY2024 3Q Results (by Region)

Business unit		FY2023 3Q	FY2024 3Q	change		Foreign exchange	FY2024 3Q	Change excluding foreign exchange	
Revenue	Steering	674.9	658.5	-16.4	-2.4%	+18.2	640.2	-34.7	-5.1%
	Drivelines	327.6	320.3	-7.2	-2.2%	+6.5	313.7	-13.8	-4.2%
	Automotive	1,002.6	978.8	-23.7	-2.4%	+24.8	954.0	-48.6	-4.8%
	Industrial&Bearings	270.0	262.6	-7.4	-2.7%	+7.9	254.7	-15.3	-5.7%
	Machine tools	137.7	141.9	+4.1	+3.0%	+5.1	136.7	-0.9	-0.7%
	Others	1.3	1.6	+0.2	+20.2%	+0.0	1.6	+0.2	+20.1%
	Machine tools	139.1	143.5	+4.4	+3.2%	+5.1	138.4	-0.7	-0.5%
	Total	1,411.8	1,385.0	-26.7	-1.9%	+37.8	1,347.1	-64.6	-4.6%
Business profit	Steering	22.3	11.0	-11.2	-50.6%	+1.1	9.8	-12.4	-55.8%
	Drivelines	11.7	5.2	-6.4	-54.8%	+0.2	5.0	-6.7	-57.2%
	Automotive	34.0	16.3	-17.6	-52.0%	+1.4	14.8	-19.1	-56.3%
	Industrial&Bearings	9.6	6.0	-3.5	-37.2%	+2.2	3.8	-5.8	-60.4%
	Machine tools	12.9	14.0	+1.1	+8.6%	+1.2	12.8	-0.0	-0.7%
	Others	-2.2	-1.9	+0.2	-%	+0.0	-1.9	+0.2	-%
	Machine tools	10.6	12.0	+1.3	+12.8%	+1.2	10.8	+0.1	+1.4%
	Elimination	0.2	0.4	+0.2	+125.9%	+0.0	0.4	+0.2	+0.0%
Total		54.5	34.9	-19.6	-36.0%	+4.9	29.9	-24.5	-45.0%

3-6-1) Quarterly result trend – by Region

Unit : Billion of yen

FY2023	1Q			2Q			3Q			4Q		
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	
Japan	172.8	2.8	1.7%	195.7	14.2	7.3%	196.1	10.0	5.1%	171.0	4.3	2.5%
North America	111.0	4.7	4.2%	113.8	-0.5	-0.5%	114.5	3.0	2.7%	127.1	2.4	1.9%
Europe	55.9	-2.9	-5.3%	49.9	-4.5	-9.1%	60.3	-1.1	-1.9%	73.3	-0.2	-0.3%
China	44.1	3.1	7.0%	43.3	2.9	6.8%	48.9	5.0	10.3%	35.1	1.9	5.5%
Asia & Others	61.6	4.3	7.1%	73.7	6.7	9.1%	69.6	7.8	11.2%	73.0	7.7	10.7%
Erimation		1.8			-1.2			-1.7			2.0	
Total	445.6	13.9	3.1%	476.5	17.5	3.7%	489.5	23.0	4.7%	479.6	18.3	3.8%

FY2024	1Q			2Q			3Q			4Q		
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	
Japan	172.7	3.9	2.3%	182.1	9.7	5.3%	187.5	6.1	3.3%			
North America	128.8	0.3	0.3%	110.2	-3.8	-3.5%	110.2	-2.2	-2.0%			
Europe	57.6	-1.8	-3.1%	50.2	-2.3	-4.6%	49.5	-3.2	-6.5%			
China	38.7	1.8	4.8%	38.3	3.4	8.9%	47.9	5.1	10.7%			
Asia & Others	66.0	5.4	8.3%	73.3	6.6	9.1%	71.2	5.6	8.0%			
Erimation		-1.2			3.4			-2.2				
Total	464.0	8.5	1.8%	454.4	17.0	3.8%	466.5	9.2	2.0%			

3-6-2) Quarterly result trend – by Business unit

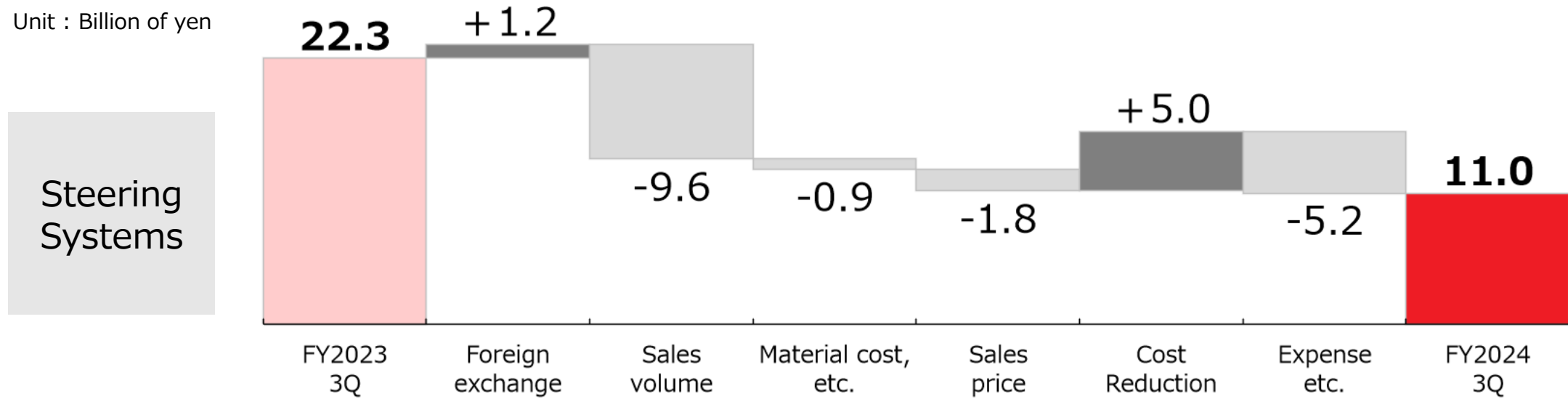
Unit : Billion of yen

FY2023	1Q			2Q			3Q			4Q		
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	
Steering Systems	215.1	5.4	0.3%	223.1	7.0	0.3%	236.7	9.8	0.4%	237.0	7.6	0.3%
Drivelines	98.0	2.3	0.2%	113.5	2.7	0.2%	116.0	6.6	0.6%	104.7	3.3	0.3%
Automotive	313.1	7.8	0.3%	336.6	9.7	0.3%	352.7	16.4	0.5%	341.8	11.0	0.3%
Industrial & Bearings	89.7	3.2	0.4%	91.2	4.3	0.5%	89.0	2.0	0.2%	88.0	3.0	0.4%
Machine tools	42.1	3.4	0.8%	48.3	4.3	0.9%	47.2	5.1	1.1%	48.5	4.9	1.0%
Others	0.5	-0.7		0.2	-0.7		0.4	-0.7		1.3	-0.9	
Machine tools	42.7	2.7	0.7%	48.6	3.5	0.7%	47.7	4.3	0.9%	49.8	4.0	0.8%
Ermination		0.1			-0.1			0.2			0.2	
Total	445.6	13.9	0.3%	476.5	17.5	0.4%	489.5	23.0	0.5%	479.6	18.3	0.4%

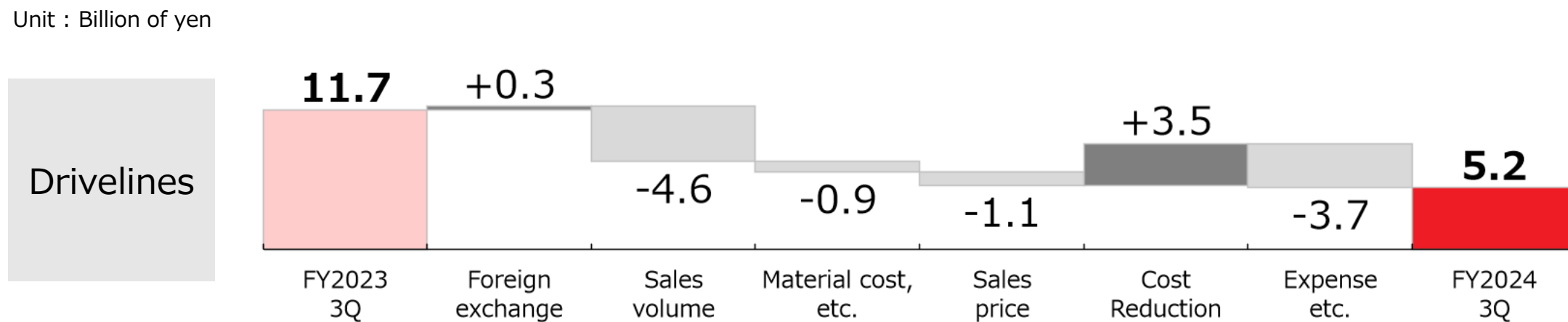
FY2024	1Q			2Q			3Q			4Q		
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	
Steering Systems	221.2	2.3	0.1%	213.3	5.7	0.3%	223.9	3.0	0.1%			
Drivelines	109.9	2.7	0.3%	103.0	1.4	0.1%	107.3	1.0	0.1%			
Automotive	331.2	5.0	0.2%	316.3	7.1	0.2%	331.3	4.0	0.1%			
Industrial & Bearings	88.6	1.1	0.1%	87.2	3.8	0.4%	86.7	1.0	0.1%			
Machine tools	43.8	2.8	0.6%	50.2	6.5	1.3%	47.8	4.7	1.0%			
Others	0.4	-0.7		0.5	-0.6		0.6	-0.6				
Machine tools	44.2	2.1	0.5%	50.7	5.8	1.2%	48.5	4.0	0.8%			
Ermination		0.1			0.1			0.0				
Total	464.0	8.5	0.2%	454.4	17.0	0.4%	466.5	9.2	0.2%			

3-7-1) Business profit analysis – Steering Systems / Drivelines

Unit : Billion of yen

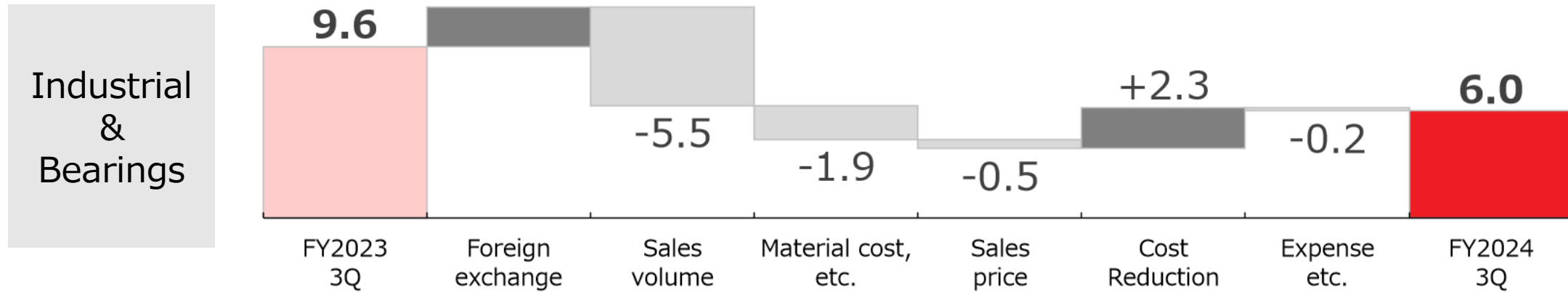


Unit : Billion of yen

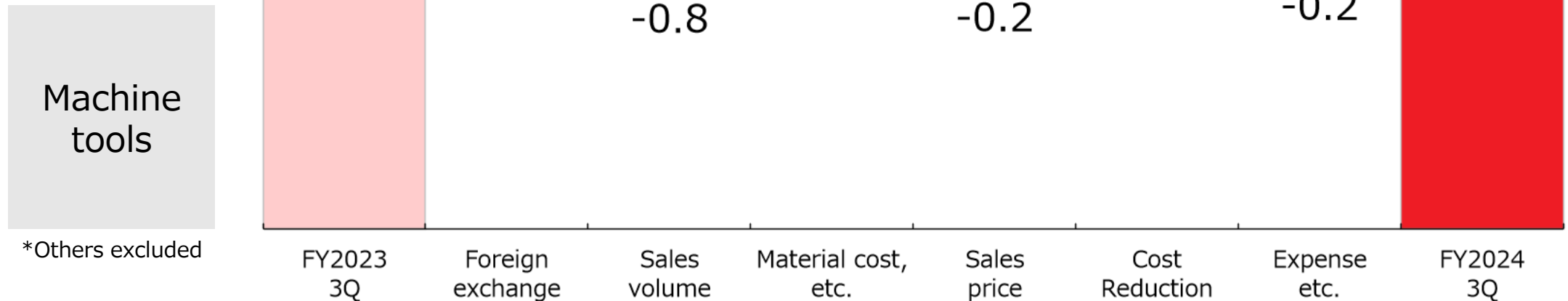


3-7-2) Business profit analysis – Industrial & Bearings / Machine tools

Unit : Billion of yen



Unit : Billion of yen



3-8-1) Performance comparison – FY2024 Forecasts (by Region)

Unit:Billion of yen

Region		FY2023	FY2024	Change		Foreign exchange	FY2024	Change excluding foreign exchange	
Revenue	Japan	735.7	731.0	-4.7	-0.6%	-	731.0	-4.7	-0.6%
	North America	466.5	476.0	+ 9.4	+2.0%	+ 13.3	462.7	-3.8	-0.8%
	Europe	239.5	210.0	-29.5	-12.4%	+ 5.0	205.0	-34.5	-14.4%
	China	171.5	160.0	-11.5	-6.7%	+ 5.9	154.1	-17.4	-10.2%
	Asia & others	278.0	283.0	+ 4.9	+1.8%	+ 0.2	282.8	+ 4.7	+1.7%
	Total	1,891.5	1,860.0	-31.5	-1.7%	+ 24.4	1,835.6	-55.9	-3.0%
Business profit	日本	314	320	+5	+1.8%	+42	278	▲36	▲11.6%
	北米	96	▲35	▲131	-%	▲2	▲33	▲129	-%
	欧州	▲88	▲85	+3	-%	▲3	▲82	+6	-%
	中国	130	115	▲15	▲11.7%	+4	111	▲19	▲14.8%
	アジア他	267	235	▲32	▲12.0%	▲1	236	▲31	▲11.7%
	消去	9	0	▲9	-%	+0	0	▲9	-%
	合計	728	550	▲178	▲24.6%	+40	510	▲218	▲30.0%

3-8-2) Performance comparison – FY2024 Forecasts (by Business unit)

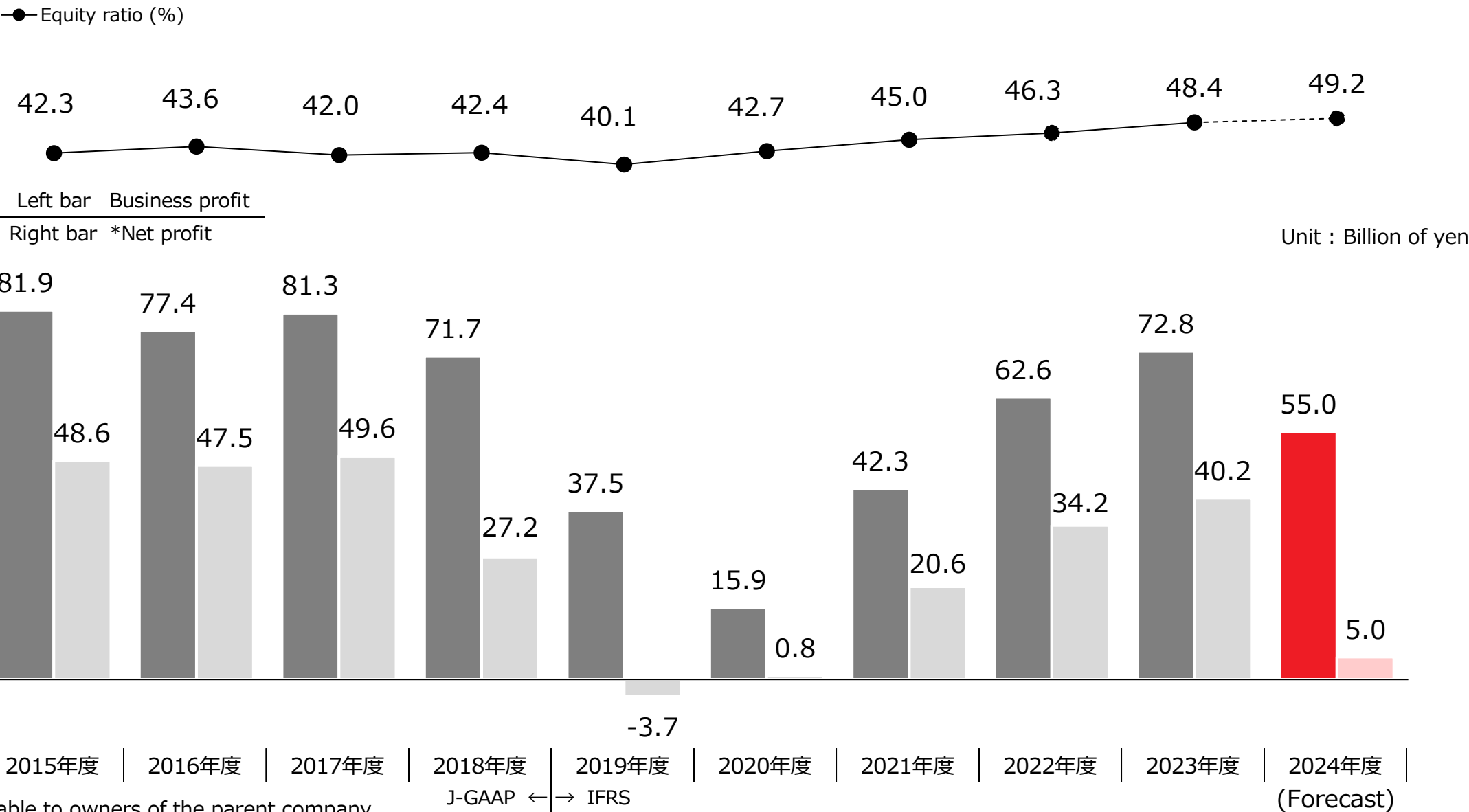
Revenue

Business unit	FY2023	FY2024	Change		Foreign exchange	FY2024	Change excluding foreign exchange	
Steering	912.0	872.0	-40.0	-4.4%	+ 7.5	864.5	-47.5	-5.2%
Drivelines	432.3	432.5	+ 0.1	+0.0%	+ 5.8	426.7	-5.6	-1.3%
Automotive	1,344.4	1,304.5	-39.9	-3.0%	+13.3	1,291.2	-53.2	-4.0%
Industrial&Bearings	358.0	348.0	-10.0	-2.8%	+ 6.2	341.8	-16.2	-4.5%
Machine tools	186.2	205.5	+19.2	+10.3%	+ 4.9	200.6	+14.3	+7.7%
Others	2.7	2.0	-0.7	-26.0%	+ 0.0	2.0	-0.7	-26.0%
Machine tools	188.9	207.5	+18.5	+9.8%	+ 4.9	202.6	+13.6	+7.2%
Total	1,891.5	1,860.0	-31.5	-1.7%	+24.4	1,835.6	-55.9	-3.0%

Business profit

Steering	29.9	19.5	-10.4	-35.0%	+ 0.3	19.2	-10.7	-36.0%
Drivelines	15.0	9.5	-5.5	-36.9%	+ 0.2	9.3	-5.7	-38.2%
Automotive	45.0	29.0	-16.0	-35.6%	+ 0.5	28.5	-16.5	-36.7%
Industrial&Bearings	12.6	9.5	-3.2	-25.1%	+ 2.1	7.4	-5.2	-41.7%
Machine tools	17.9	20.0	+ 2.0	+11.7%	+ 1.4	18.6	+ 0.6	+3.9%
Others	-3.1	-3.5	-0.3	-%	+ 0.0	-3.5	-0.3	-%
Machine tools	14.7	16.5	+ 1.7	+12.0%	+ 1.4	15.1	+ 0.3	+2.5%
Elimination	0.4	0.0	-0.4	-%	+ 0.0	0.0	-0.4	-%
Total	72.8	55.0	-17.8	-24.6%	+ 4.0	51.0	-21.8	-30.0%

3-9) Profit trends



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【Note on forward-looking statements】

This report contains forward-looking statements pertaining to future plans and strategies. These forward-looking statements include risks, uncertainties and other factors, and actual results and business results may differ from those stated.