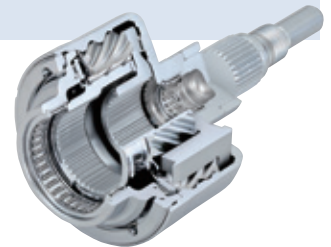


Driveline business

Former automotive parts business (power train products division)



Our driveline business offers hydraulic units, drivetrains, torque controller devices, and valve units for fuel cell vehicles; all products used in automobiles. With our strength in guaranteed engineering capability, visible in our Torque-Sensing Limited Slip Differential (TORSEN) and intelligent torque controlled coupling (ITCC) which boast the global No.1 share, we as a company contribute to the evolution of automobiles.



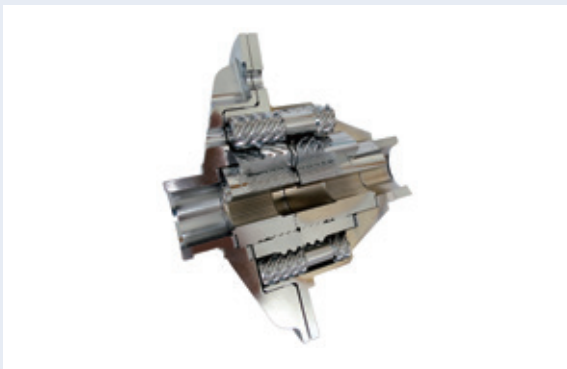
Torque-Sensing
Limited Slip
Differential (TORSEN)

TOPICS

Torsen for small trucks

Offering safer, more comfortable steering stability to a greater number of customers

The LSD (Limited Slip Differential) is a component to convey force to the remaining drive wheel in the case that one of the drive wheels has slipped. It can be mounted on trucks to help maximize performance, such as strength and reliability, even in harsh operating environments. [→ F_04 Related article](#)



Next-generation ITCC

Contributing to higher fuel efficiency and reduced environmental load

In order to improve change in torque characteristics resulting from environmental changes, we have focused on the microscopic hydraulic reaction force on the surface of solenoid clutches. By being creative with the surface shape (texturing) the between-clutch dynamic pressure can be proactively utilized to suppress excessive torque increase in low-temperature environments with increased lubricant viscosity. This reduces temperature dependence of drag torque and transmission torque.



- * Torsen is a registered trademark of JTEKT Corporation.
- * ITCC is a registered trademark of JTEKT Corporation.

A look back on FY2016

1 Net sales were flat from last FY at 148.2 billion yen

Although overseas sales decreased overall, particularly in North America, sales in Japan remained steady.

2 Strengthening competitive power

The Driveline Systems Business Headquarters was established in April 2016 so that JTEKT's driveline systems business could mature and become a major pillar of our company. The headquarters is exerting even more effort than previously in activities to reduce the cost price of each product. Moreover, this headquarters has engaged in unitization, modularization and re-formation of a global supply system in order to strengthen JTEKT's foundation as a highly competitive system supplier in the driveline area.

reduction activities. Moreover, by contributing to not only improved fuel efficiency but also vehicle driving performance, we are establishing a unique presence as a company possessing strengths in AWD (All Wheel Drive) vehicles and hydraulics.

3 Actions for the future

In parallel with acceleration of device development for hydraulic AWD application (e.g. unitization and modularization), we are also introducing products for applications in hybrid vehicles, electric vehicles and fuel cell vehicles to create added value in the future.

In a mid-to-long term perspective, we will produce creative products through synergy effects exceeding conventional business boundaries by combining and evolving the various control technology, sensing technology, machining technology, coating technology, hydraulic technology and so forth possessed by each JTEKT business group with consideration to the popularization of electric vehicles, hybrid vehicles, and autonomous driving technology.

Future prospect

1 Strengthening our driveline business

In response to a wide variety of needs, such as premium sports cars, traffic accident reduction goals, energy-saving, functional safety and ADAS comfort, JTEKT will strengthen our system development capability and model-based construction, improve the quality of our proposals to customers and contribute to the evolution of vehicles in the future with swiftness.

2 Demonstrating originality

In order to rapidly advance as one of the world's greatest system suppliers of driveline products, we are engaged in activities such as the strengthening of our ability to respond to business negotiations and reforming the supply system in the global market, identifying flagship products through selection and concentration in Japan and further strengthening cost competitiveness through cost price