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# **IR Presentation for Fiscal Year Ending March 2021 Medium-to long-term Business Plan**

May 19, 2021

**JTEKT Corporation**

## **I. Financial Results**

- 1 . Results for Fiscal Year 2020, Ending March 2021
- 2 . Forecasts for Fiscal Year 2021, Ending March 2022

## **II. Medium-to long-term Business Plan**

- 1 . JTEKT Corporation Reborn
- 2 . Vision of 2030
- 3 . Mid-term business plan -FY2021~FY2023-

## **Appendix**

1 . Revenues are recovering globally, however the impact of the first quarter (April-June) is big, and sales decreased year-on-year for the full year (April-March). Net income was in the black for the full year (April-March) due to cost improvement, acceleration of fixed cost reduction, sales recovery, etc. from the second quarter (July-September).

2 . The year-end dividend for FY2020 will be 8 yen.  
(As announced on Feb. 2)

3 . In FY2021, sales are expected to increase in light of global recovery, although the impact semiconductor shortages is uncertain. Expected to increase profits by continuing to improve costs and curb fixed costs even though costs will increase as operations stabilize.

4 . The annual dividend forecast for FY2021 is 16 yen. (Interim dividend 8 yen, year-end dividend 8 yen, dividend payout ratio 32.3%)

# 1-1) Consolidated Performance

- Although the market environment is on a recovery trend, sales declined due to the large impact of 1Q (April-June).
- The constitution is steadily improved due to cost improvement and cost reduction effects, etc., and a surplus in net income is secured.

( ):Ratio to Revenue

billions of yen

		FY2019	FY2020	Increase/ Decrease	Increase/ Decrease(%)
<b>Sales revenue</b>		1,418.8	<b>1,246.2</b>	▲ 172.6	▲ 12.2%
<b>Business profit</b> ※1	(2.6%)	37.5	<b>(1.3%) 15.9</b>	▲ 21.6	▲ 57.6%
<b>Operating Profit</b>	(1.1%)	16.1	<b>(1.0%) 12.9</b>	▲ 3.2	▲ 20.0%
<b>Profit before tax</b>	(1.1%)	15.0	<b>(1.2%) 15.3</b>	+ 0.2	+ 1.9%
<b>Profit attributable to owners of parent</b> ※2	(▲0.3%)	▲ 3.7	<b>(0.1%) 0.8</b>	+ 4.5	-
Foreign exchange	USD	¥ 108.74/USD	<b>¥ 106.06/USD</b>	2.68 strong yen	
	EUR	¥ 120.82/EUR	<b>¥ 123.70/EUR</b>	2.88 week yen	
Earnings per share		▲ 11.06yen	<b>2.33yen</b>		

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

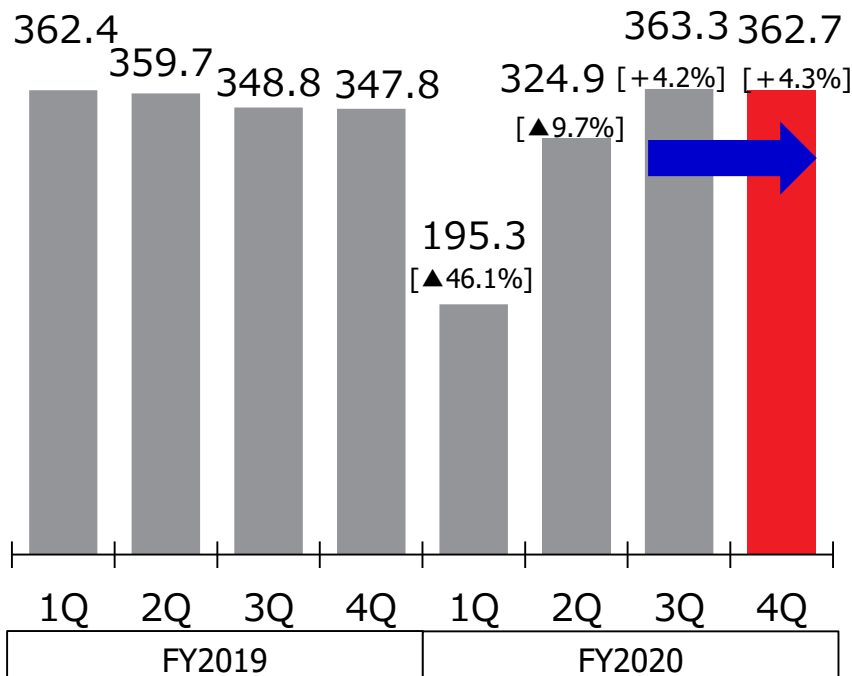
(※2) Profit attributable to owners of the parent

# 1-2) Quarterly Result Trend

- Demand recovered after 2Q after bottoming out in 1Q, Although there was a shortage of semiconductors, the Fukushima prefecture offshore earthquake, and abnormal weather in North America toward the end of the fiscal year, 4Q secures sales on par with 3Q supported by increased OEM production.
- Secured a surplus after 2Q due to the effects of cost improvement, fixed cost reduction and demand increase, which have been accelerated and continued since 2Q. Profitability will improve further in 4Q.

## Sales revenue

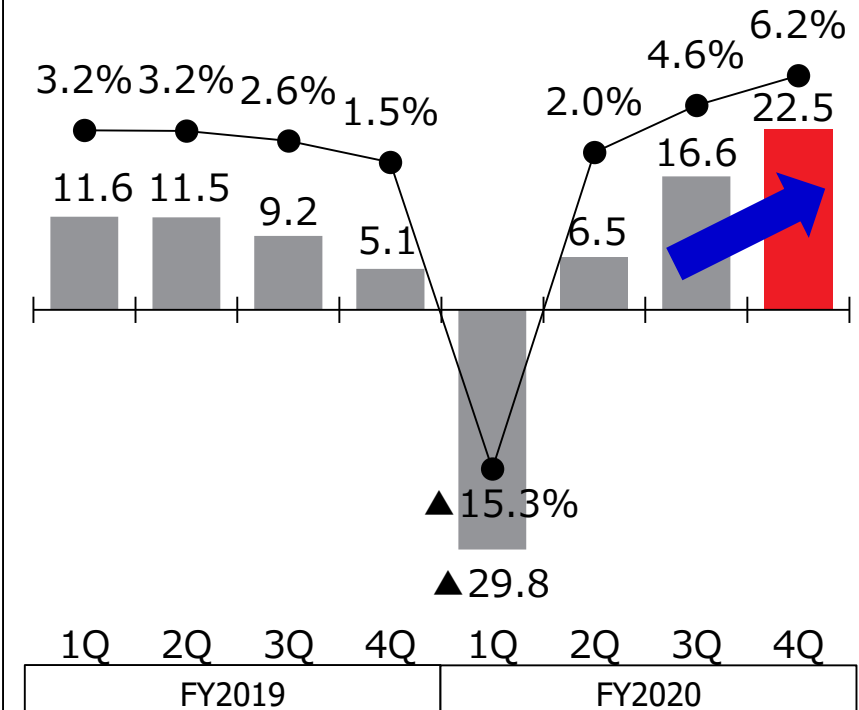
Unit : billion of yen



## Business profit

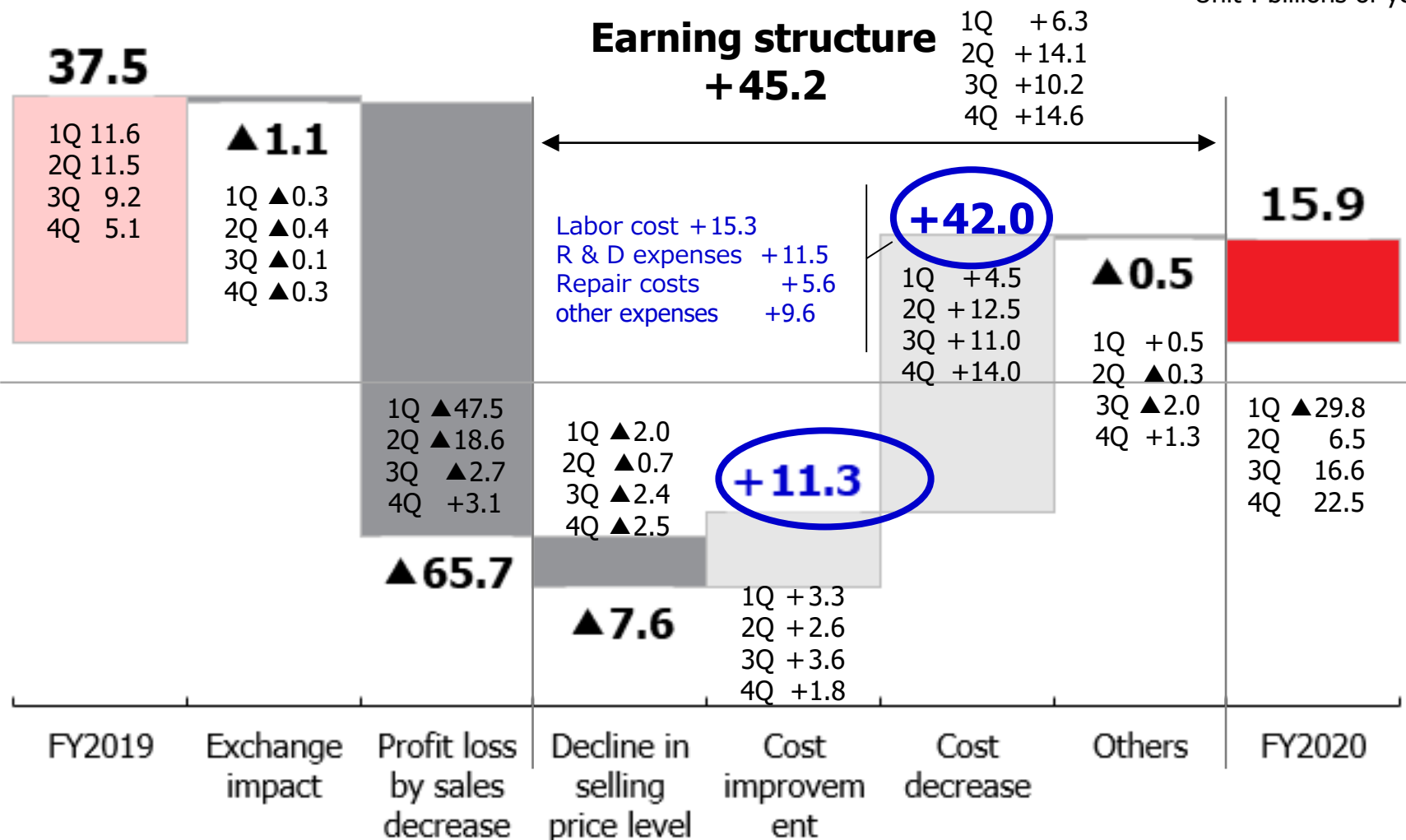
Unit : billion of yen

● — Ratio to Revenue



# 1-3) Business Profit Analysis

Unit : billions of yen

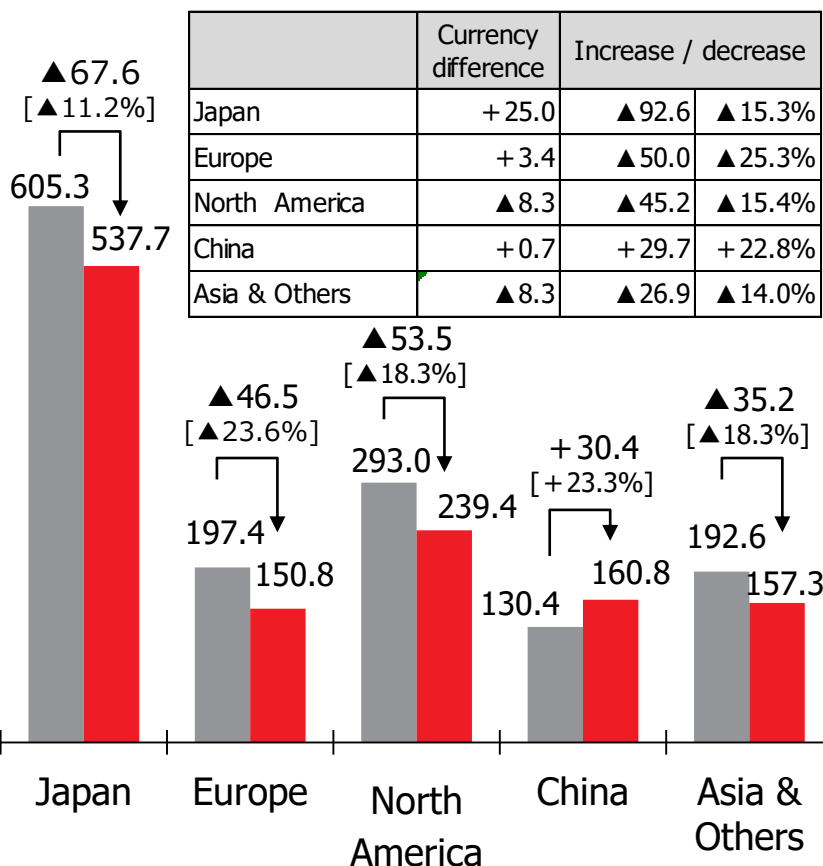


# 1-4) Results by Region

## Sales revenue

Unit : billions of yen [Rate of change]

■ 20/3 ■ 21/3

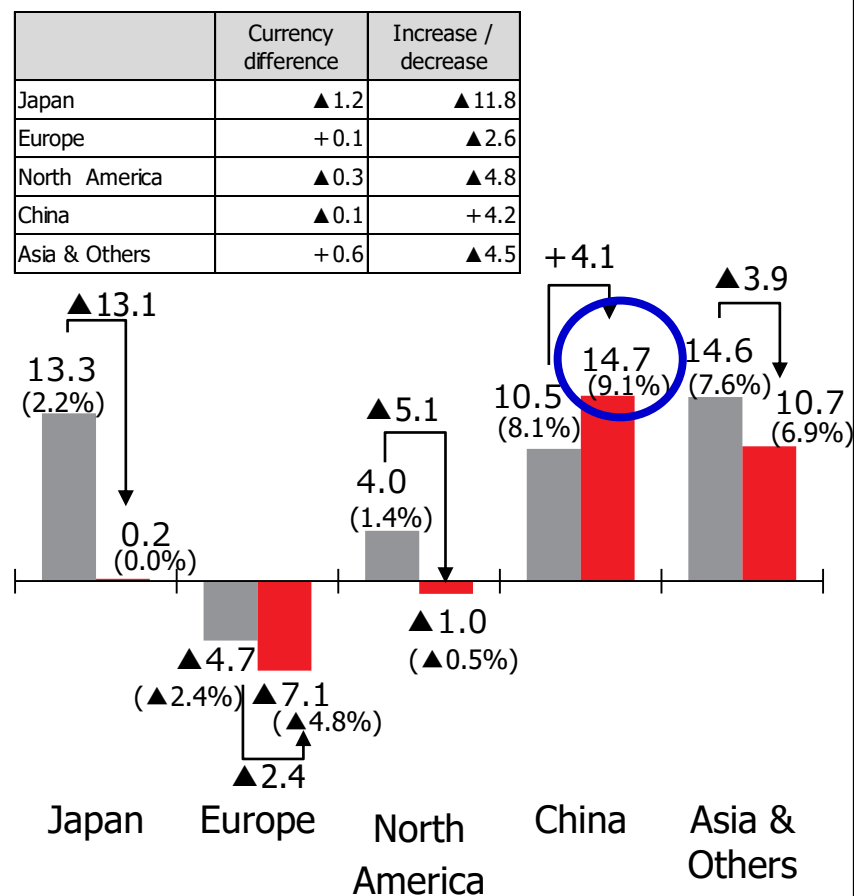


	FY2019	FY2020	Increase / decrease	%	Currency difference	Increase / decrease	%
Total	1,418.8	<b>1,246.2</b>	▲172.6	▲12.2%	+ 12.5	▲185.1	▲13.0%

## Business profit

Unit : billions of yen Ratio to Revenue

■ 20/3 ■ 21/3



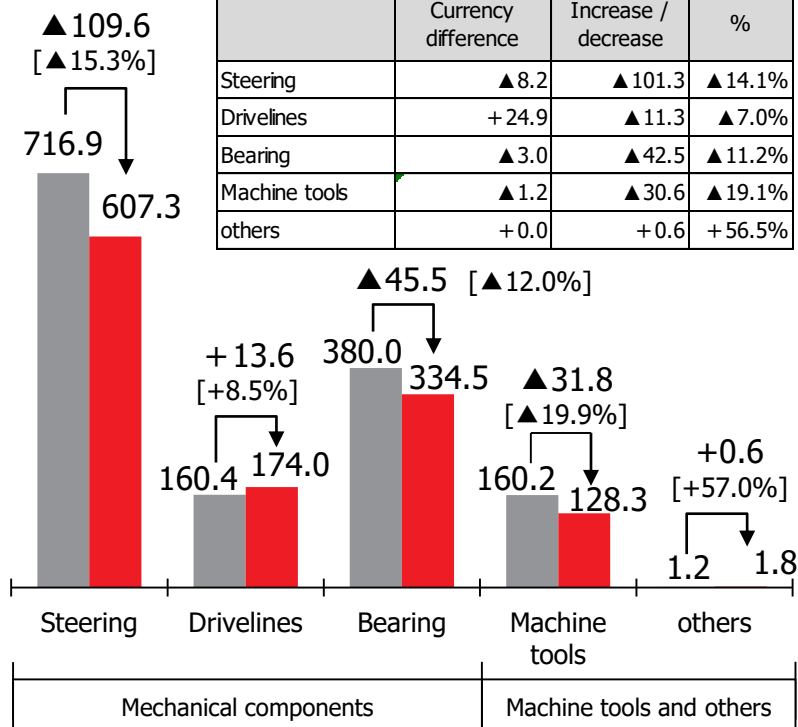
	FY2019	FY2020	Increase / decrease	%	Currency difference	Increase / decrease	%
region total	37.9	<b>17.4</b>	▲20.5	▲54.1%	▲0.9	▲19.6	▲51.7%
elimination	▲0.3	<b>▲1.4</b>	▲1.1	-	-	▲1.1	-
Total	37.5	<b>15.9</b>	▲21.6	▲57.6%	▲0.9	▲20.7	▲55.2%

# 1-5) Result by Business

## Sales revenue

Unit : billions of yen [Rate of change]

■ 20/3 ■ 21/3



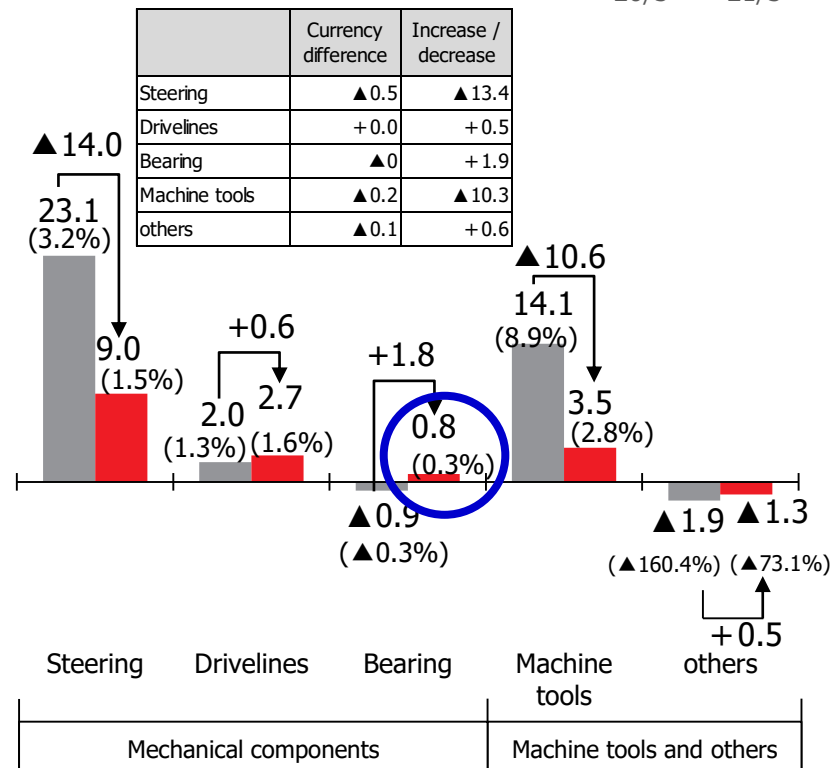
	Currency difference	Increase / decrease	%
Steering	▲8.2	▲101.3	▲14.1%
Drivelines	+24.9	▲11.3	▲7.0%
Bearing	▲3.0	▲42.5	▲11.2%
Machine tools	▲1.2	▲30.6	▲19.1%
others	+0.0	+0.6	+56.5%

	FY2019	FY2020	Increase / decrease	%	Currency difference	Increase / decrease	%
Mechanical components	1,257.4	1,115.9	▲141.4	▲11.3%	+13.7	▲155.1	▲12.3%
Machine tools and others	161.4	130.2	▲31.1	▲19.3%	▲1.1	▲29.9	▲18.5%
<b>Total</b>	<b>1,418.8</b>	<b>1,246.2</b>	<b>▲172.6</b>	<b>▲12.2%</b>	<b>+12.5</b>	<b>▲185.1</b>	<b>▲13.0%</b>

## Business profit

Unit : billions of yen Ratio to Revenue

■ 20/3 ■ 21/3



	Currency difference	Increase / decrease
Steering	▲0.5	▲13.4
Drivelines	+0.0	+0.5
Bearing	▲0	+1.9
Machine tools	▲0.2	▲10.3
others	▲0.1	+0.6

	FY2019	FY2020	Increase / decrease	%	Currency difference	Increase / decrease	%
Mechanical components	24.2	12.6	▲11.6	▲47.9%	▲0.5	▲11.0	▲45.5%
Machine tools and others	12.2	2.1	▲10.0	▲82.2%	▲0.3	▲9.7	▲79.5%
elimination	1.0	1.0	0.0	+4.4%	-	+0.0	+4.4%
<b>Total</b>	<b>37.5</b>	<b>15.9</b>	<b>▲21.6</b>	<b>▲57.6%</b>	<b>▲0.9</b>	<b>▲20.7</b>	<b>▲55.2%</b>



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## 2-1) Forecasts for Fiscal Year Ending March 2022

- Although costs will increase due to the stabilization of operations due to the recovery of demand, profits are expected to increase by continuing efforts such as cost improvement and fixed cost reduction.
- Continue to work on improving the break-even point for further improvement of the constitution and its establishment.

( ):Ratio to Revenue

billions of yen

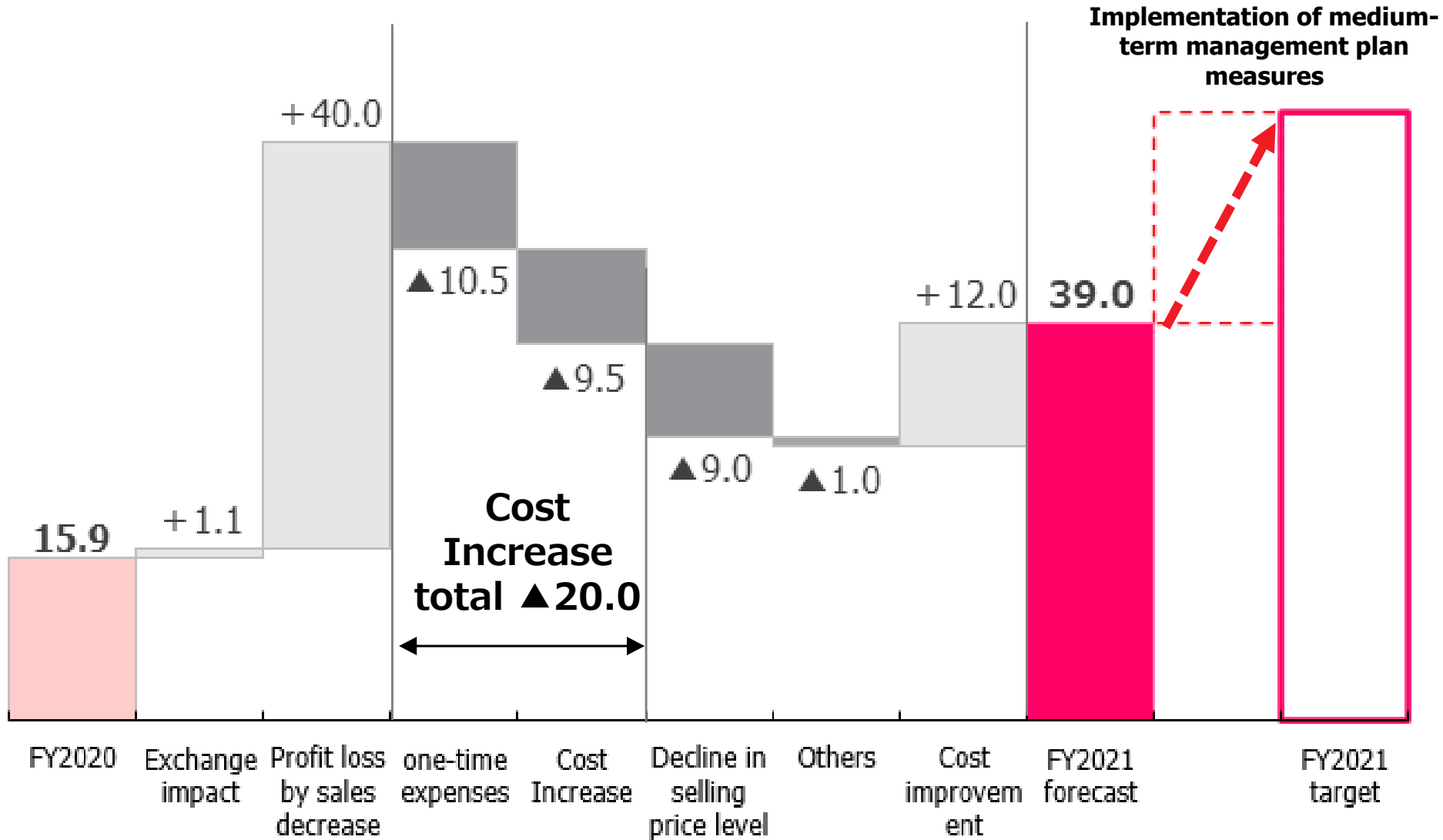
		21/3 result	<b>22/3 forecast</b>	Increase/ Decrease	Increase/ Decrease(%)
<b>Sales revenue</b>		1,246.2	<b>1,400.0</b>	+153.7	+12.3%
<b>Business profit</b> ※1	(1.3%)	15.9	<b>(2.8%) 39.0</b>	+23.0	+145.1%
<b>Operating Profit</b>	(1.0%)	12.9	<b>(2.3%) 32.5</b>	+19.5	+151.5%
<b>Profit before tax</b>	(1.2%)	15.3	<b>(2.3%) 32.5</b>	+17.1	+111.7%
<b>Profit attributable to owners of parent</b> ※2	(0.1%)	0.8	<b>(1.2%) 17.0</b>	+16.2	-
Foreign exchange	USD	¥ 106.06/USD	<b>¥ 105.00/USD</b>	1.06 strong yen	
	EUR	¥ 123.70/EUR	<b>¥ 125.00/EUR</b>	1.30 weak yen	
Earnings per share		2.33yen	<b>49.57yen</b>		

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

(※2) Profit attributable to owners of the parent

# 2-2) Forecasts – Business profit Analysis

Unit : billion of yen

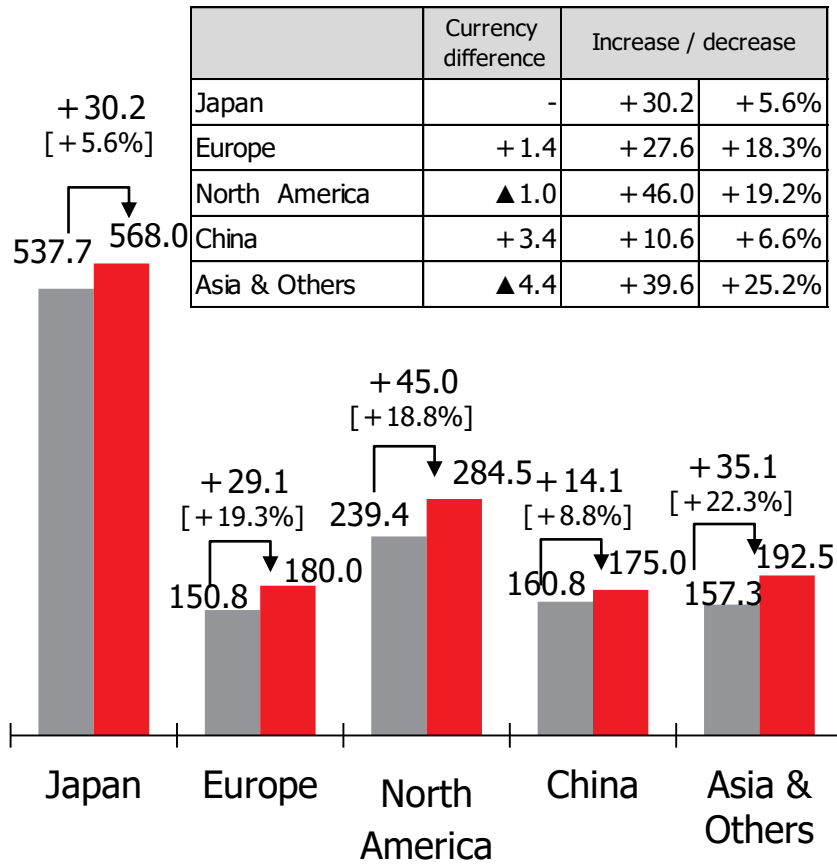


# 2-3) Forecasts – by Region

## Sales revenue

Unit : billions of yen [Rate of change]

■ 21/3 ■ 22/3

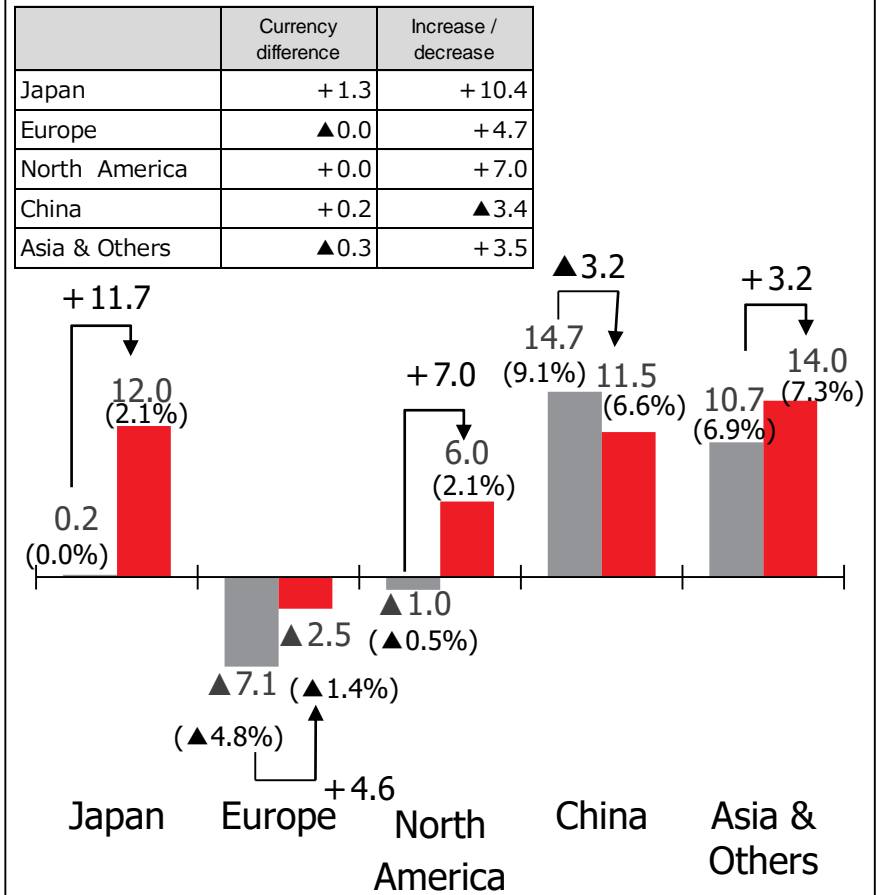


	FY2019	FY2020	Increase / decrease	%	Currency differenc	Increase / decrease	%
Total	1,246.2	<b>1,400.0</b>	153.7	+12.3%	▲0.5	+154.2	+12.4%

## Business profit

Unit : billions of yen Ratio to Revenue

■ 21/3 ■ 22/3



	FY2019	FY2020	Increase / decrease	%	Currency difference	Increase / decrease	%
region total	17.4	<b>41.0</b>	23.5	+135.5%	+1.1	+22.4	+128.9%
elimination	▲1.4	▲2.0	▲0.5	-	-	▲0.5	-
Total	15.9	<b>39.0</b>	23.0	+145.1%	+1.1	+21.9	+137.9%

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## **FY2021 is the first year of JTEKT Becoming Reborn!**

Get out of the low profit constitution and  
Get back to the strong JTEKT

1. True merger
2. Improve corporation among Toyota Group and JTEKT Group

- True Merger of “Koyo Seiko” and “Toyota Machine” Works makes JTEKT strong as “One JTEKT”

## Current

1. Each inherited business stands alone and seldom exchange
2. Unable to unify business structure
3. Leave overseas affiliated companies reorganized/restructured



## Future

1. Contribute Bearing business and Machine tools business each other
2. Unify business structure of JTEKT group utilizing Digital Transformation (DX)
3. Reorganize affiliated companies globally throughout all business units

- Further strengthening JTEKT by combining and utilizing the Group's strengths

## Strengths of JTEKT group

- ① Being a member of Toyota Group
- ② Consisting several business units
- ③ Having potential elemental technologies
- ④ Enriched by variety of products and technologies of affiliated companies
- ⑤ Supported by extensive customers
- ⑥ established global network



## Combine and Utilize

**Contribute to / Cooperate with Toyota Group** (①×②×③) ⇒P17  
As only company dealing Bearing and Machine tools , J-QuAD etc

**Multiple marketing** (②×④×⑤)⇒P18  
Integrate JTEKT group sales window

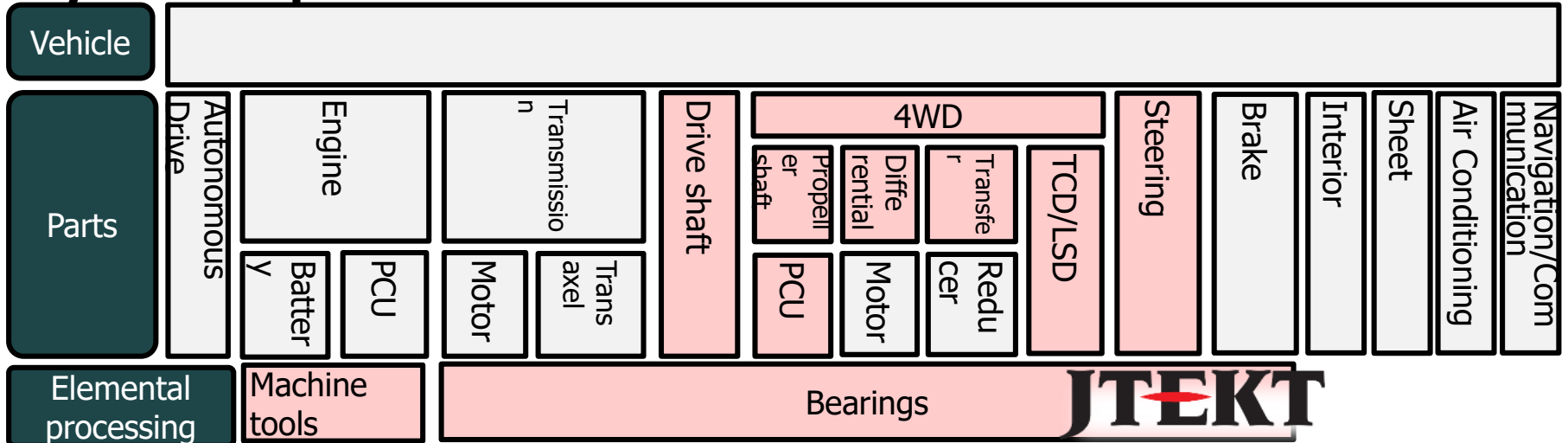
**Develop brand new products** (ALL)  
Global customer needs ⇒P19  
× JTEKT group seeds



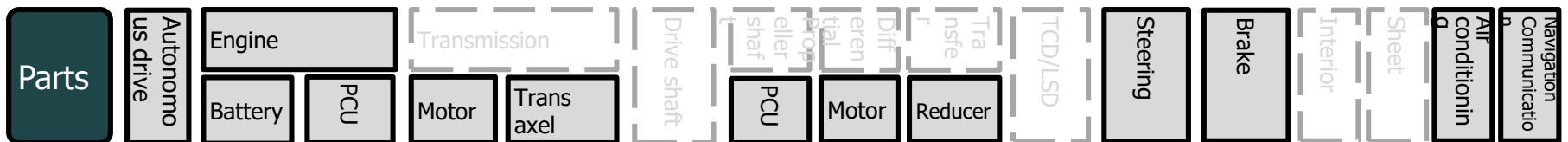
# 1-2-1) Compete together with Toyota group

- As a part of Toyota Group, we make a contribution to strengthen competitiveness in the chassis area
- As only company dealing Bearing and Machine tools, we make a contribution to the Toyota group's growth and global manufacturing

## Toyota Group

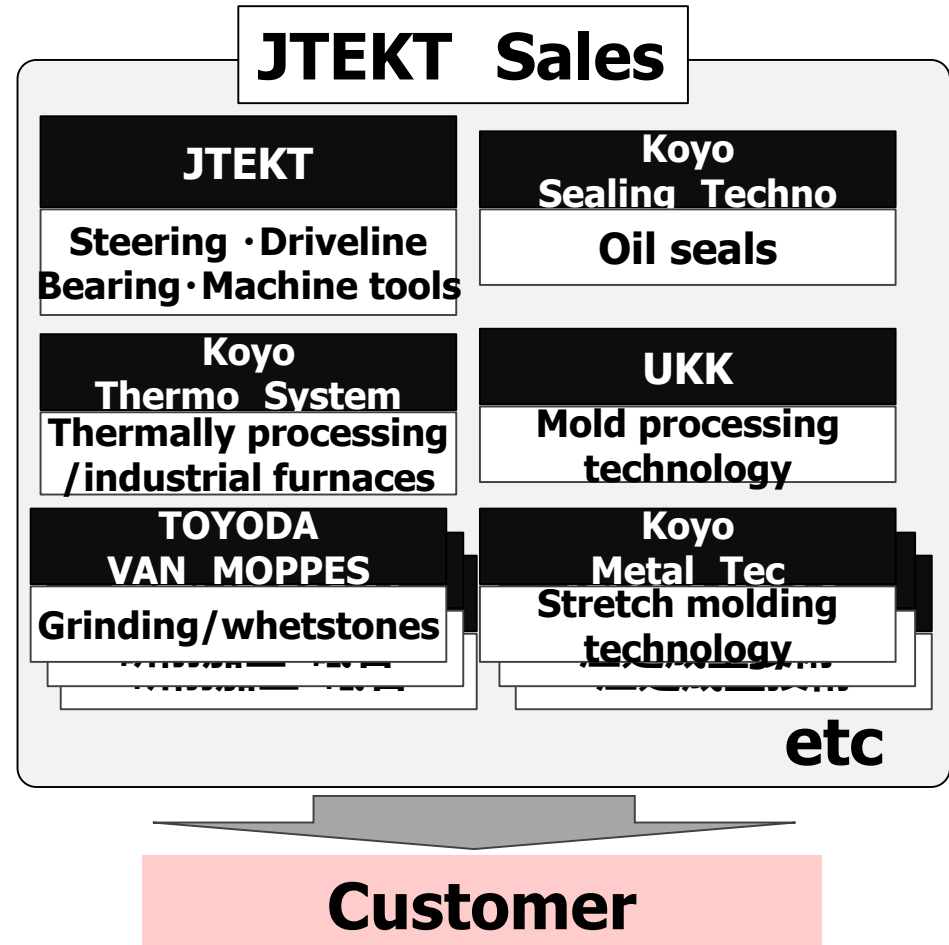
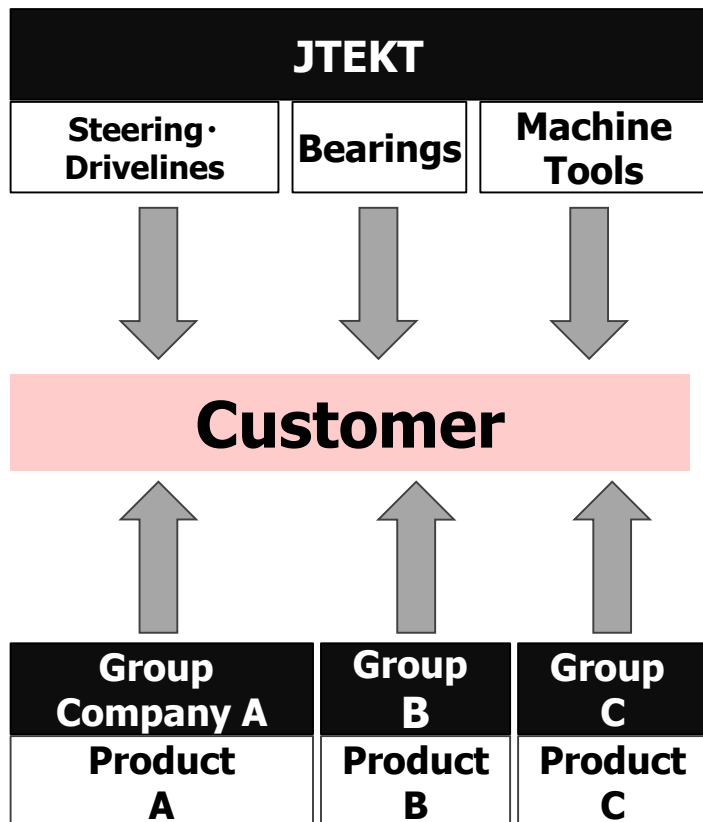


## Competitor in Europe



# 1-2-2) Multiple marketing

- Regardless of industry or group, shift from individual company sales to integrated group sales.
- Respond to customer expectations by leveraging the Group's technologies, products, and sales network.



# 1-2-3) Develop brand new products

■ Combining our technologies from a market perspective to provide customers with products that which fit their needs

**Customer needs;**

Small, Light weight, Highly efficient

**Social requirements;**

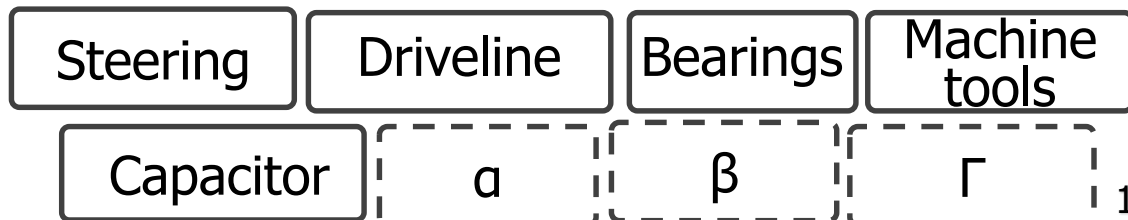
Safety, Environmental, Convenient, Comfortable

**JTEKT's strength** are **rich elemental technologies** raised at multiple biz. Units.

JTEKT's Elemental technologies and parts	hydraulic pressure										Gear Clutch, Reducer					Electronics		BRGs		Raw blank							
	Electric pump	Solenoid	Fluid analysis	Outer contact gear	Vane pump	Outer contact gear	Helical gear	Planet gear	Hypoid	shaping/polishing	Skiving	Geer	R&P	Worm	Multi layer clutch	reducer	Small number gear	Electromagnetic cam	Motor control	Yaw censor	Steering Angle censor	Storage/Capacitor	Ball screw	Tribology	Precise warm forging	Die casting	Cold closed forging

**JTEKT is fully capable of produce products which make customers happy**

Develop brand new products, which meet customer needs and social requirements, by the combination of elemental technologies and parts.



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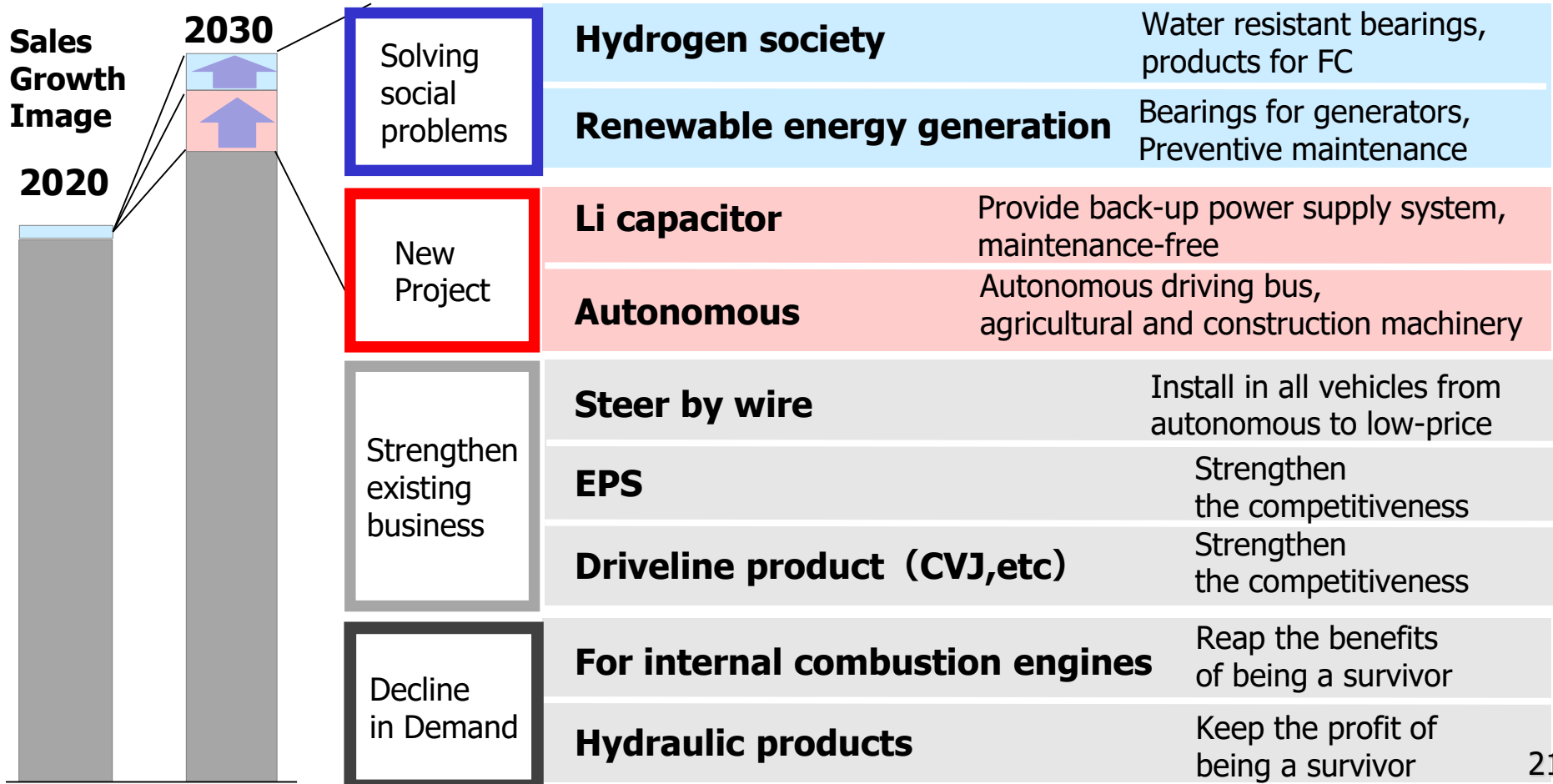
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## **Appendix**

## 2. Long-term plan -Vision 2030-

- Utilizing the seeds of the JTEKT Group and collaborating with the Toyota Group to win in new areas
- To achieve further business growth, strengthen the competitiveness of existing business



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## **Appendix**

# The position of FY2021 mid-term business plan

FY'21-'23  
1<sup>st</sup> stage

4 key words

**The 1<sup>st</sup> year of JTEKT becoming Reborn**

- ① **Strengthen competitiveness**
- ② **Seeding for the future**
- ③ **Strengthen management foundation**
- ④ **Development of structures and HR**

FY'24-'26  
2<sup>nd</sup> stage

**Growth of existence business and raising new business**

FY'27-'30  
3<sup>rd</sup> stage

**Harvesting and leaping**

**Achieving Vision 2030**



# Four key approaches

- Restoring lost competitiveness should be a top priority.
- Strengthen competitiveness in all areas of price, performance, quality, and ability to respond.

### The source of “competitiveness”

**Thorough  
cost reduction  
“No.1”**

**Differentiation  
for customers  
“Only One”**

#### What is No.1?

- Thoroughly **benchmark** the competition and provide customers with price, quality, performance, and service that surpasses the competition.

#### What is Only One ?

- To **anticipate customer needs** and propose value that exceeds customer expectations.
- To be the customer's best advisor (true front-loading)

- Invest the cash gained by pursuing "high quality products with competitive price" in growth areas

## Seeding for the future

### Important goals in 1<sup>st</sup> stage (FY'21-'23)

**Pursue further**

**"good products, low prices"**

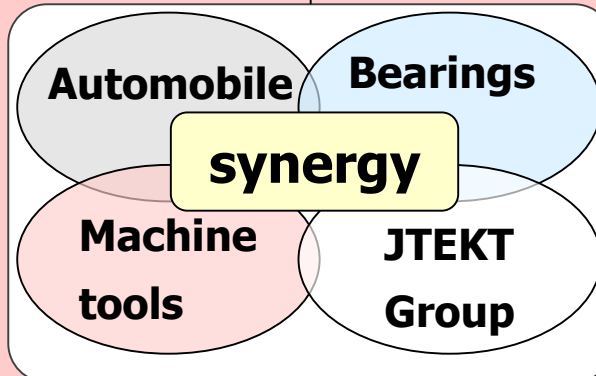
#### Key measures

- Standardize design methods
- Optimum procurement and production
- Production engineering innovation

**Earning cash  
by existence business**

**Turn "seeds"**

**into growth business**



**To be a pillar  
of future business**

**Development  
of new areas**

- Hydrogen society
- Renewable energy
- Aging society

**Solving social issues  
(contributing to SDGs)**

## 3-2-3) Strengthen management foundation

- Still in a “flabby” state → toward a lean corporate structure

- **Mid-term target : break-even point ratio 80%\***

※ vs 'FY19 sales revenue

**business profit**

**100 billion yen**

1<sup>st</sup> stage

2<sup>nd</sup> stage

3<sup>rd</sup> stage

**Strengthen  
Management foundation**

**Growth of existence business  
and  
Raising new business**

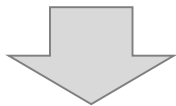
**Harvesting and leaping**

FY2021~

FY2024~

FY2027~

FY2030



	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>
<b>Break-even point ratio</b> (vs FY'19 sales revenue)	<b>85%</b>	<b>83%</b>	<b>80%</b>

**Aim for 100 billion yen in business profit in FY2023.**  
**(Exceed our record profit 81.9billion yen (FY2015))**

- Thoroughly implement “JTEKT’s version of the basic principles of TQM”, like Chinese medicine treatment.
- To be a company that continues to make “kaizen” for the sake of the earth, the world, and our customers

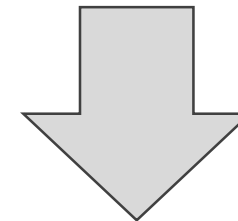
### JTEKT’s version of the basic principles of TQM



### TQM activities

Development of  
structure and  
organization

Development of  
human resources

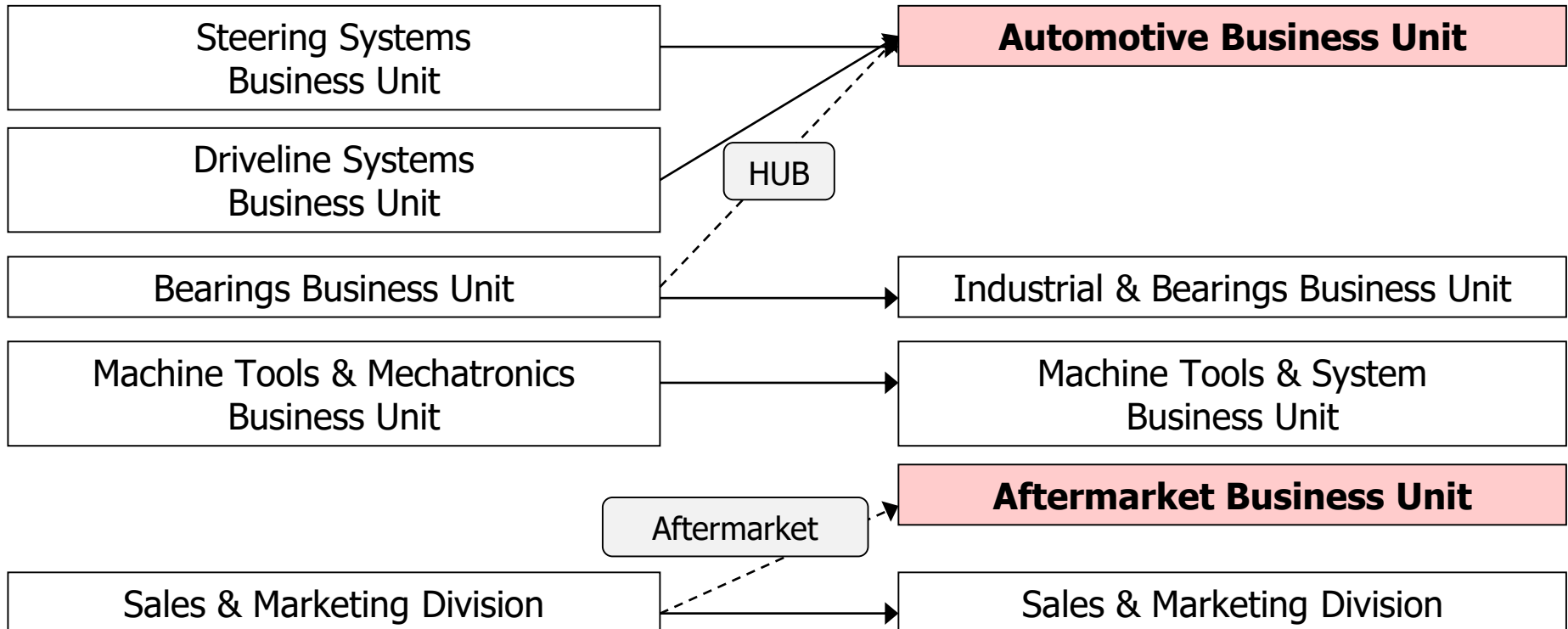


To achieve  
**“tree-ring” management**  
(steady growth year by year)

# Business strategy

## 3-3-1) Organizational revision

- To enable more accurate and speedy response to customer needs, we will make organizational revision from product-specific to market-specific.(embodying the market-in concept)
- Aftermarket Business Unit will be newly established in order to make the aftermarket, where demand is expected to grow in the future, as a pillar of the business.



# 3-3-2) Automotive Business Unit Strategies

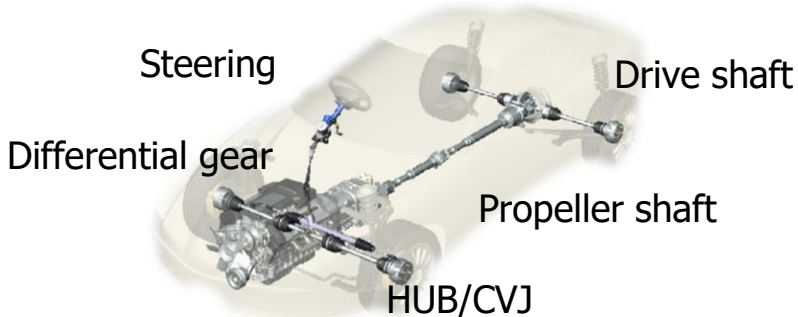
- Development of competitive next-generation EPS and transformation from a contracting-oriented to a proposal-oriented business
- Establish a position as a chassis system supplier.

## Strengthen competitiveness of EPS

Global competition intensifies for all products

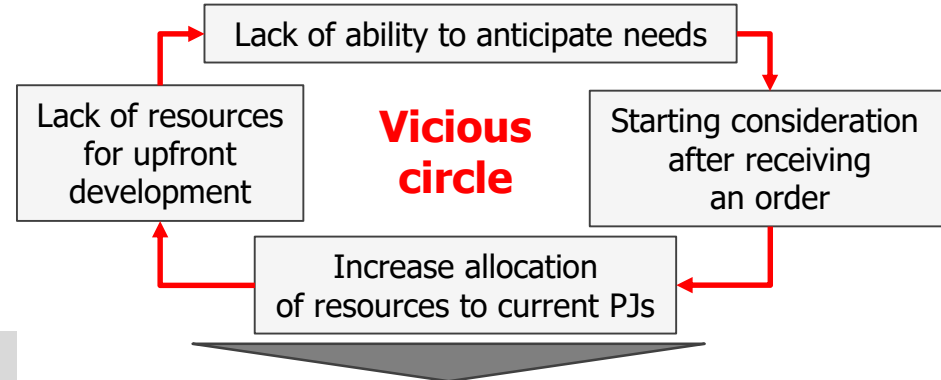
Strengthen competitiveness by implementing fundamental reforms across the Group

## Establish a position as a system supplier

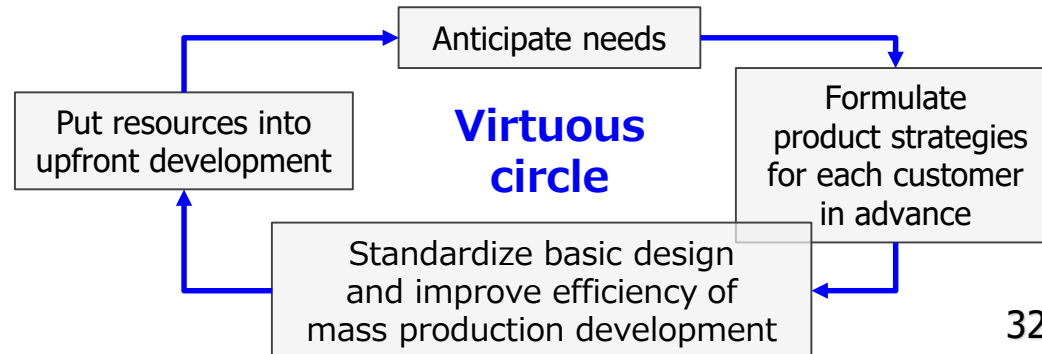


**Optimal proposal for total system**

## Transform to a proposal-oriented business for quick delivery



Quick response to the needs of EV manufacturers





- Maintain the improved structure in FY2020 and do not let it rebound.
- Strengthen competitiveness and contribute to other businesses and the Toyota Group

## Maintain the structure and strengthen competitiveness

**FY2020**  
**Improvement of management structure**

- Reduce labor costs by improving productivity
- Review repair costs
- Review and reduce investment amount.

**Transitory measures**

- Shortened operations, less overtime

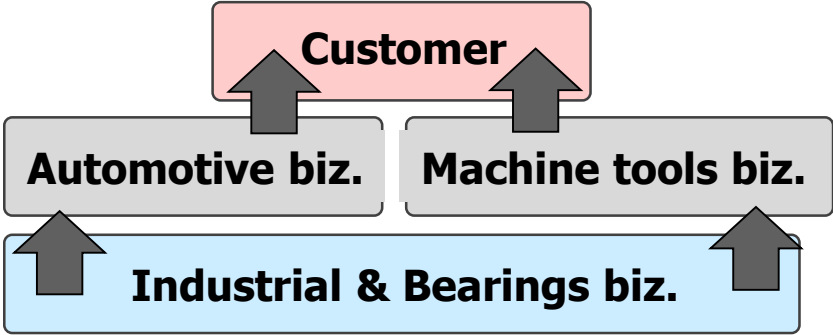
**Future**  
**Maintaining management structure**

- Coordinate personnel among plants /Reduce labor costs by pursuing the right number of employees
- Eliminate deficit models

**Improvement of competitiveness**

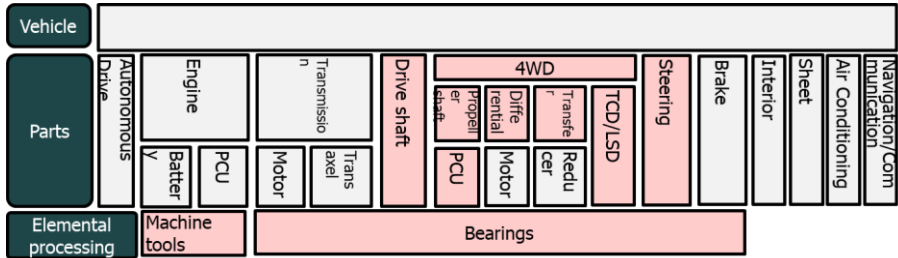
- Reduce fixed cost through innovation in production engineering
- Improve variable cost by utilizing LCC

## Contribute to JTEKT Group



◆ Provide competitive bearings to other business units

## Contribute to TOYOTA Group



◆ As the only bearing manufacturer in the group, contributing to the TOYOTA Group's growth.

- Strengthen competitiveness and expand sales of No.1 cylindrical grinding machines
- Expanding the target market and pursuing good products at low prices

## Expanding the target market

Focus on large customers in a limited market  
/High-priced products based on dedicated model

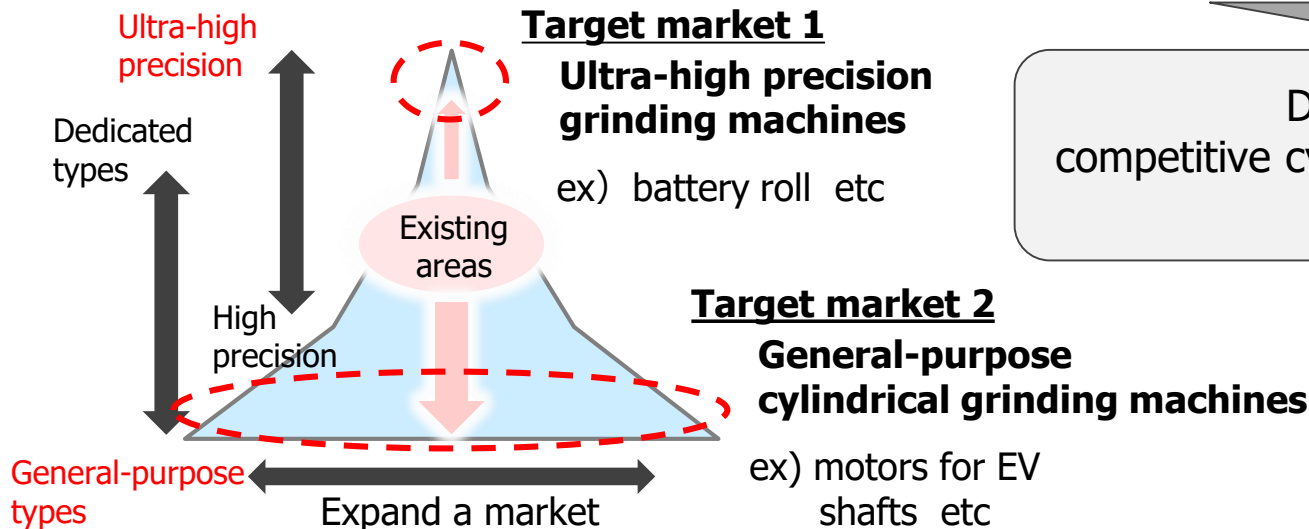
Expand sales in growth industries  
/Strengthen product competitiveness

## Pursuing good products at low prices

Integrate platforms and reorganize models

Strengthen cost competitiveness  
by standardize units  
and produce them at optimal location

Develop and sell  
competitive cylindrical grinding machines  
**by FY2022.**



# Restructuring

## 3-4) Restructuring -Progress in FY2020-

- Remove the lesion by “Surgical treatment” and improve the condition by “Medical treatment”.
- To regain “a healthy body”, further sublimate and consolidate these activities during the mid-term plan.

### **Surgical treatment** <Activities for FY2020>

Formed a “**Profit Improvement Committee**”  
Breaking down the barriers between business units, **identify and resolve issues without sanctuary**

With an awareness of capital costs, visualized **areas that need to be restructured** and implemented partially

**Visualization of deficit models**  
Planning and implementation for resolution

### **Medical treatment**

Formed “Corporate strategic planning organization” under the direct control of the president  
Established company-wide strategy discussion committee  
Formulated **JTEKT mid-term business plan**

**Back to the Toyota Group** (Headquarters relocation)  
**Speeding up decision-making** through changes in executive structure

Hold regular meetings with affiliated companies.  
**Expand the activities of the Profit Improvement Committee to the Group**

### <Activities during this mid-term>

Reorganized as "Cost Reduction Committee  
PDCA (Plan-Do-Check-Act) cycle for all measures to achieve **80% break-even point**

Especially in Europe, accelerate restructuring.  
**Optimize the number of subsidiaries and affiliates**

Monitor at board meetings  
**Improve profitability of all products**

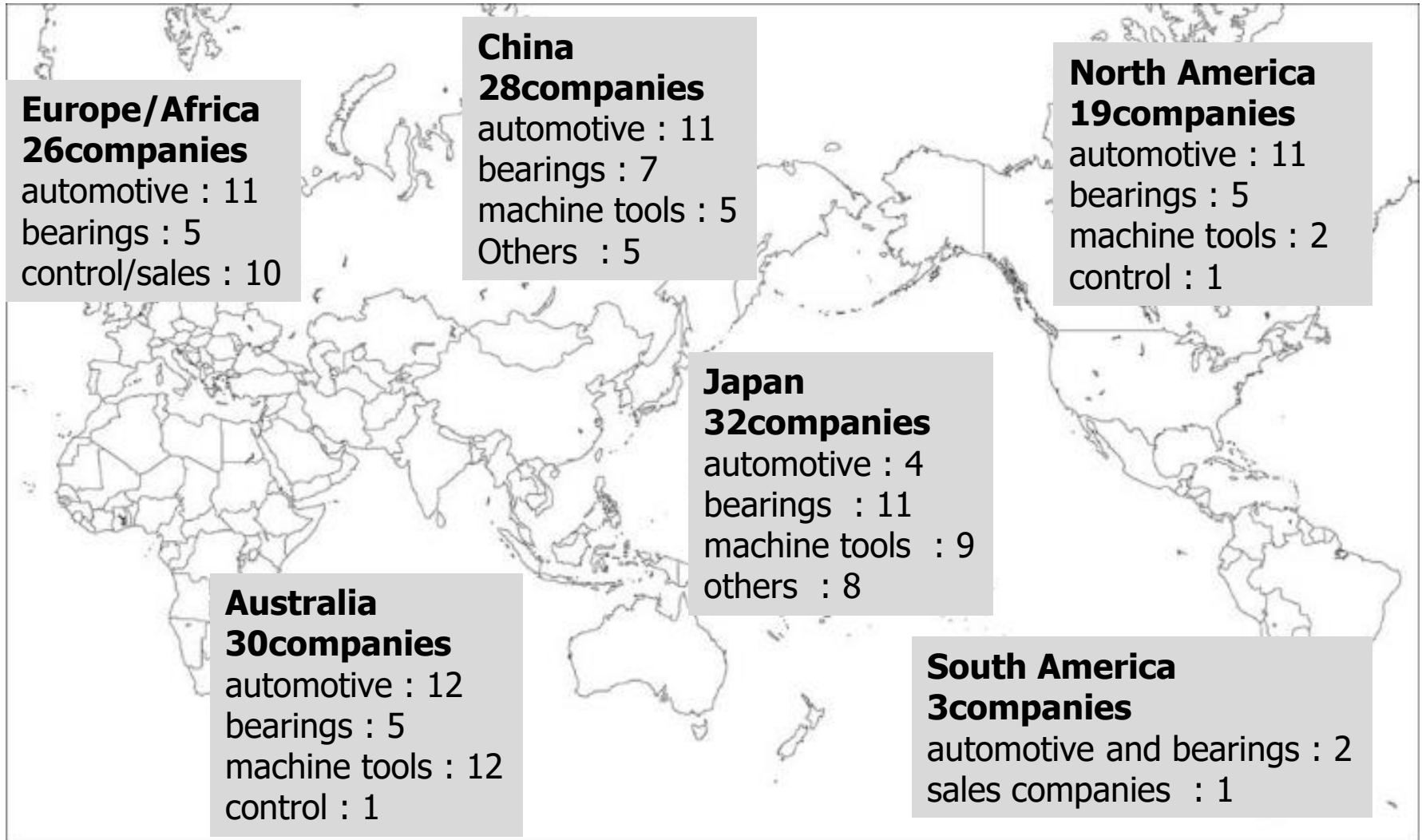
**Strongly promote the Med-term Business Plan**  
Check progress, clarify issues, and respond quickly

Revision business unit organizationally  
**Promote “True merger” plan**

Further strengthen governance and **promote “structural reforms” across the Group** in a top-down manner

## 3-4) Restructuring - the number of subsidiaries and affiliates-

Total: 138 companies (including sub-subsidiaries)\*



※ Unique company count that differs from disclosure documents 37

- Turn the bearing business profitable in 2021 and the automotive business profitable in 2024.
- Proceed without sanctuary in terms of business units, subsidiaries, regions, etc.

### Select and concentrate

- selection
- concentration

• Make decisions, including the sale of businesses and withdrawal from businesses.

• Invest in growth areas and turn them into new businesses.

### Utilize LCC

- Eastern Europe
- Africa
- India
- China

• Examine from all the possibilities JTEKT has (parts and finished products)

### Consolidate bases

• Targeted are 26 JTEKT Group companies.

automotive : 11  
bearings : 5  
control/sales : 10

• Focus on overlap and proximity

※ already integrated Moroccan business

# DX/Carbon Neutral

- Reduce the “work” of staff and enable them to produce “high-value-added output that requires intelligence” in a timely manner.  
**(unify the structure)**

### **Achieve by 2030 through DX**

#### **Improve business efficiency/Good product, low price**

##### **Maximize productivity**

- No manual inputs and corrections
- Data warehouse/BI tools

##### **Strengthen sales force**

- Sharing information of visits
- Establish product lineup portal site
- Automate pipeline management

##### **AI substitution of human eyes**

- Forecast demand and supply of spare parts
- Unmanned inventory count
- Automatic creation of quotations
- Managing the signs of equipment maintenance

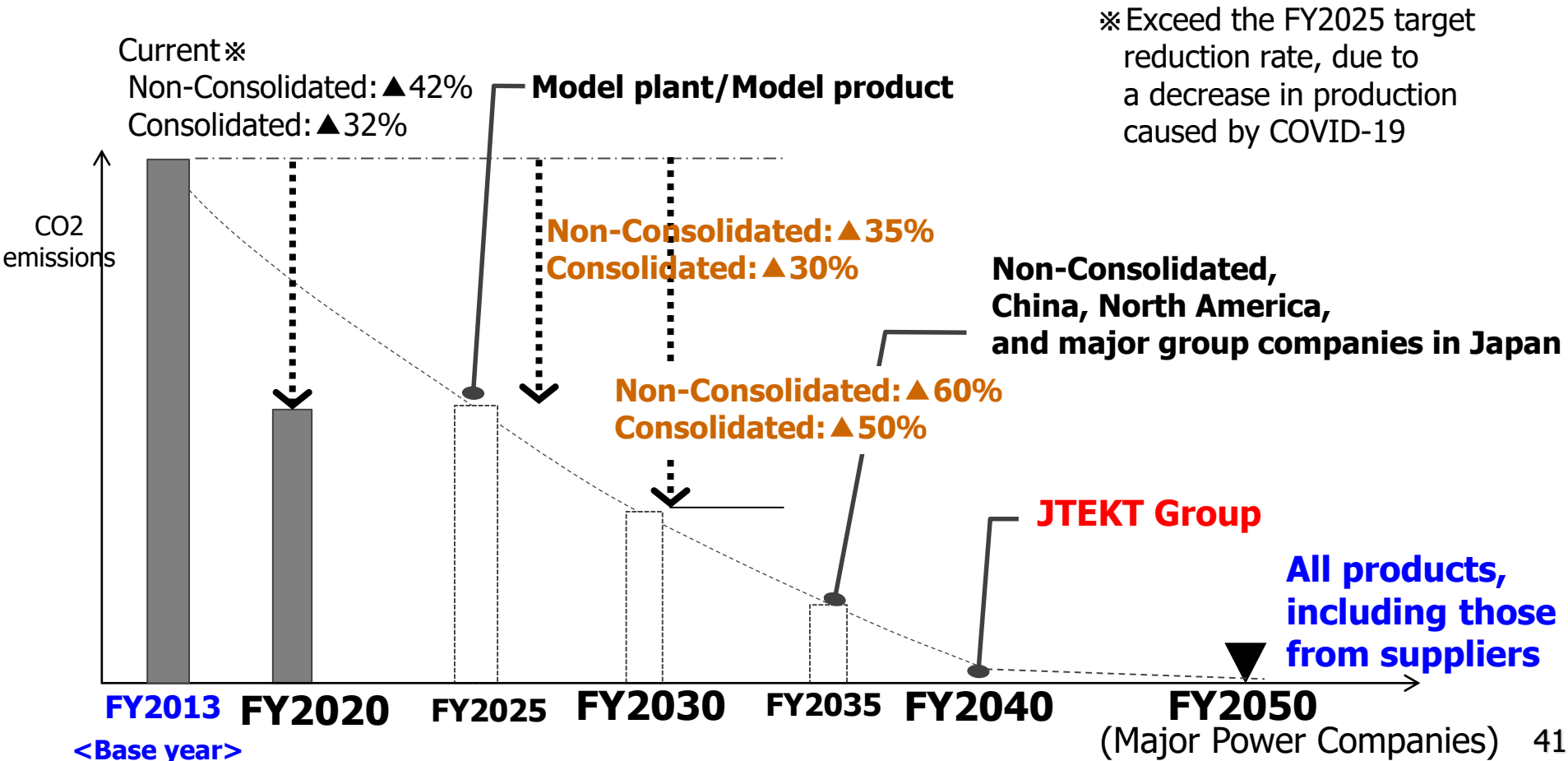
##### **Cybersecurity in the C of CASE**

- Multi-protection
- Software vulnerability management



# 3-5-2) Carbon Neutral

- Japanese Government declares “Carbon Neutral by 2050”
- JTEKT will be driven by the following milestones
  - FY2040 : Achieve zero CO2 emissions for the entire JTEKT Group.
  - FY2050 : Achieve zero CO2 emissions for all products, including those from suppliers



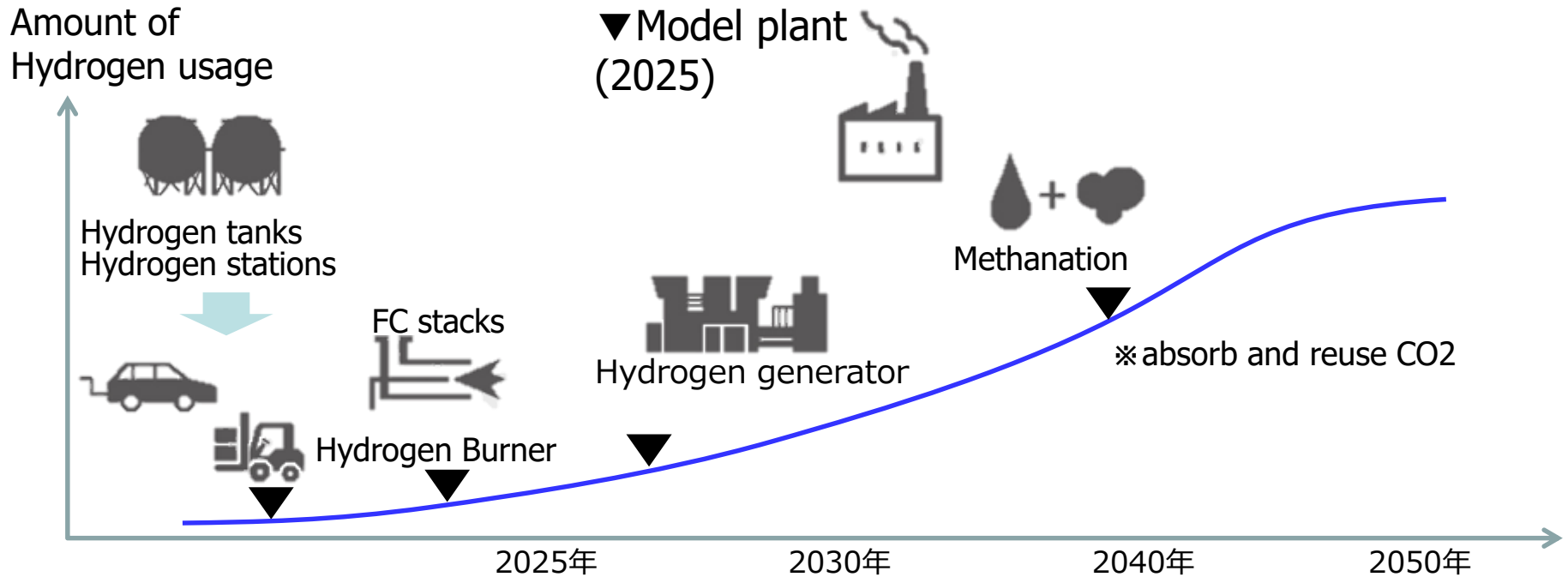
- To achieve Carbon Neutral, hydrogen is stored, used, converted to electricity, and utilized.

Store : Install hydrogen tanks and hydrogen stations.

Use : Purchase of fuel cell forklift trucks and switch to FCEVs company vehicles.

Convert to Electricity : Use FC stacks to supply power.

Utilize : Methanation for CO2 absorption and methane conversion from exhaust gases.



## **I. Financial Results**

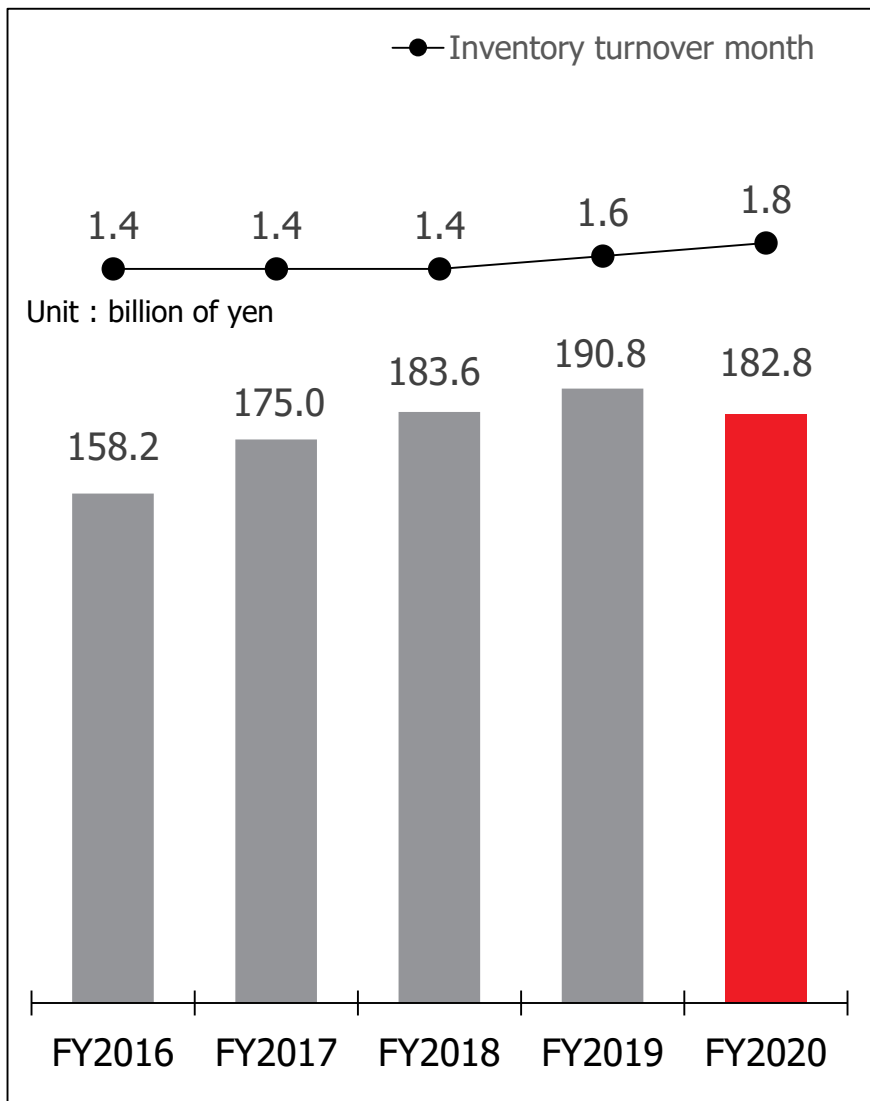
- 1 . Results for Fiscal Year 2020, Ending March 2021
- 2 . Forecasts for Fiscal Year 2021, Ending March 2022

## **II. Medium-to long-term Business Plan**

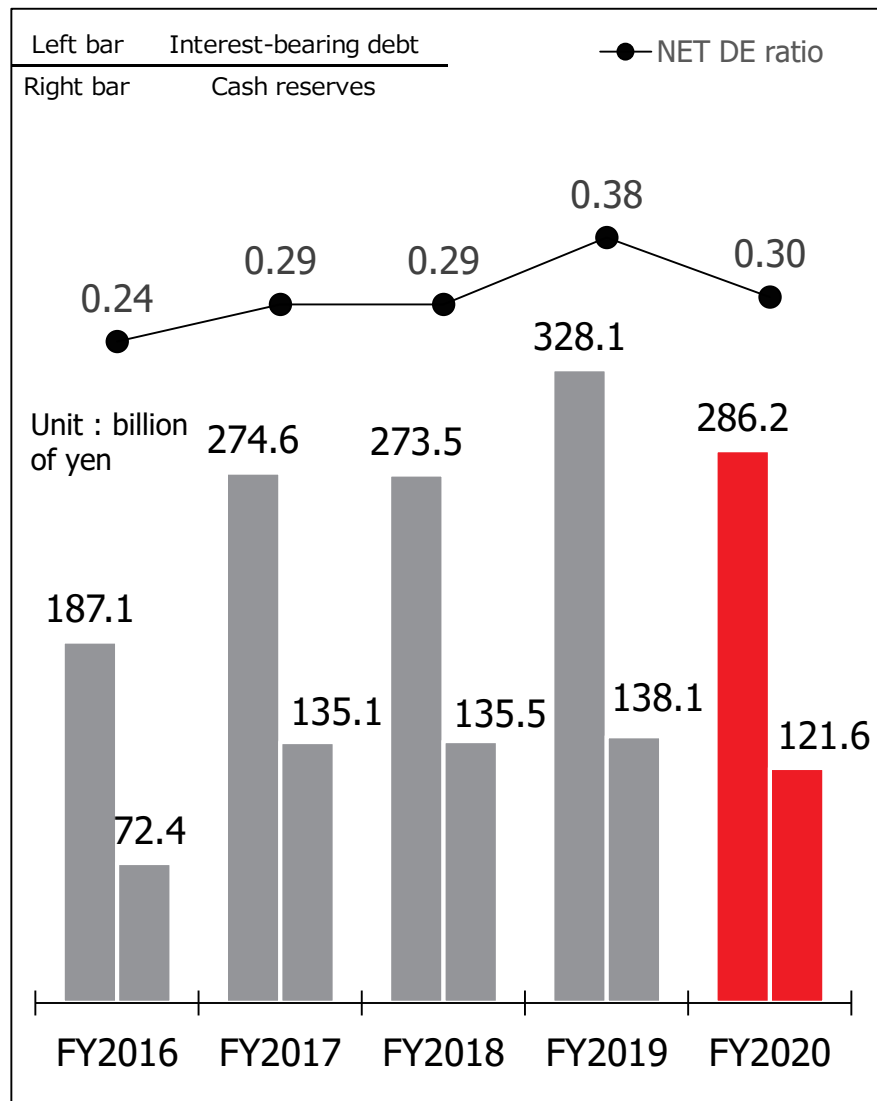
- 1 . JTEKT Corporation Reborn
- 2 . Vision of 2030
- 3 . Mid-term business plan -FY2021~FY2023-

## **Appendix**

## Inventories

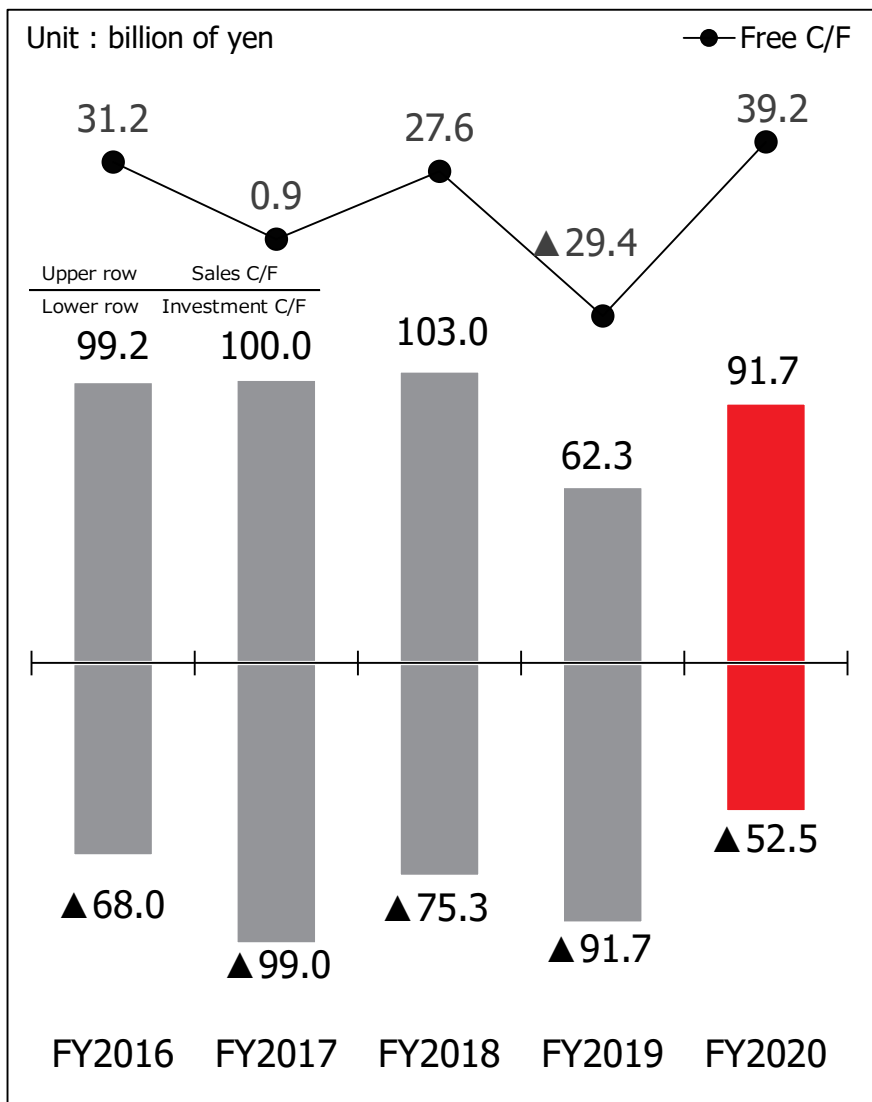


## Interest-bearing debt · Cash reserves

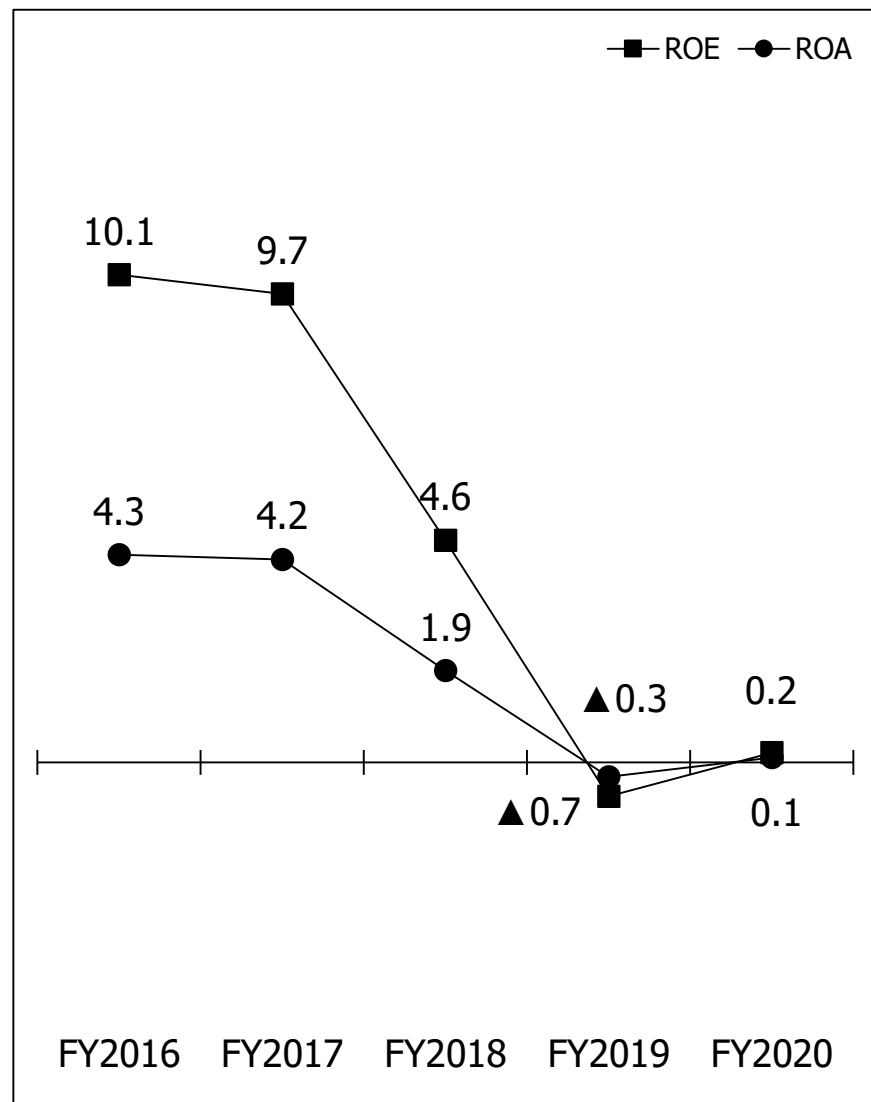


# 1-2) Cash flows / ROE · ROA

## Cash flows



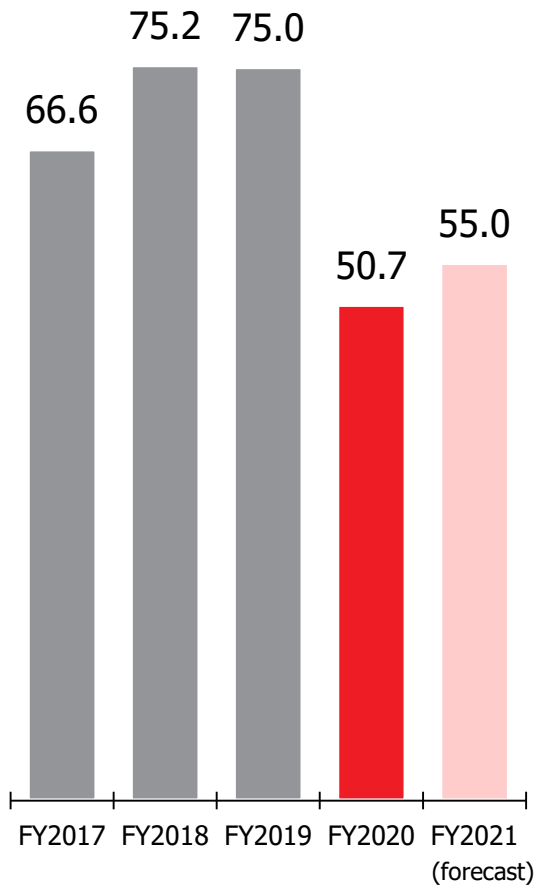
## ROE · ROA



## 2) Changes in fixed costs

### Capital expenditures

Unit : billion of yen



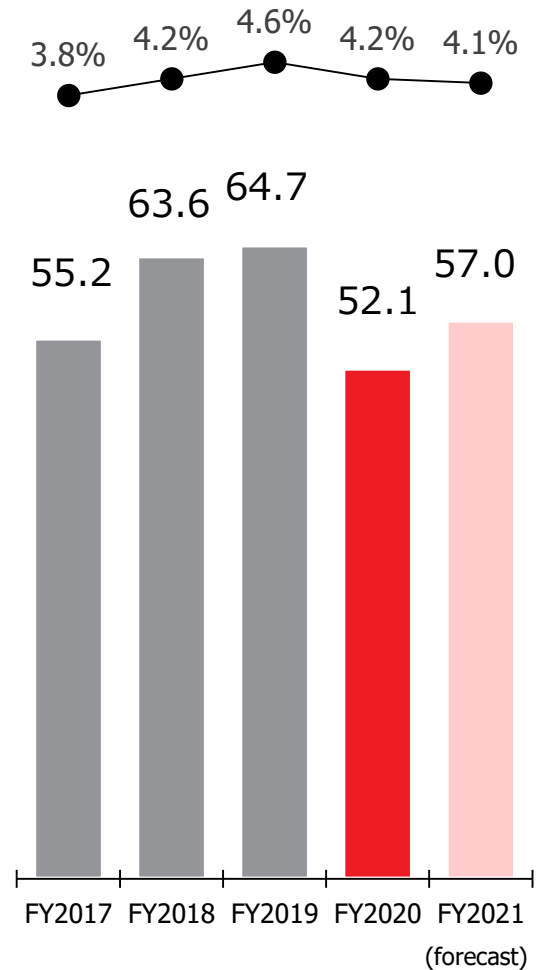
### Depreciation and amortization

Unit : billion of yen



### Research and development expenses

● Ratio to Revenue Unit : billion of yen



# 3-1) Consolidated Statements of Financial Position



## Assets

Unit : billion of yen

Assets	20/3	21/3	Increase / decrease
Cash and cash equivalents	134.8	<b>118.6</b>	▲ 16.2
Trade and other receivables	270.3	<b>290.5</b>	▲ 20.2
Inventories	190.8	<b>182.8</b>	▲ 7.9
Other current assets	11.7	<b>8.5</b>	▲ 3.1
Property, plant and equipment	461.5	<b>463.3</b>	+1.8
Other non-current assets	175.0	<b>227.3</b>	+52.3
<b>Total assets</b>	<b>1,244.2</b>	<b>1,291.3</b>	+47.0

## Liabilities and equity

Unit : billion of yen

Liabilities and equity	21/3	22/3	Increase / decrease
Trade and other payables	272.5	<b>286.6</b>	+14.0
Interest-Bearing Debt	328.1	<b>286.2</b>	▲ 41.9
Other current liabilities	16.3	<b>18.8</b>	+2.4
Other non-current liabilities	95.6	<b>114.5</b>	+18.8
owned capital	499.3	<b>550.9</b>	+51.5
Non-controlling interests	32.2	<b>34.1</b>	+1.9
<b>Total liabilities and equity</b>	<b>1,244.2</b>	<b>1,291.3</b>	+47.0

## 3-2) Consolidated Statements of Income / Consolidated cash flow statement

### Consolidated Statements of Income

Unit : billion of yen

	20/3	<b>21/3</b>	Increase / decrease
Salea revenue	1,418.8	<b>1,246.2</b>	▲ 172.6
Business profit	37.5	<b>15.9</b>	▲ 21.6
Other income	▲ 21.3	▲ <b>2.9</b>	+18.4
Other cost			
Finance income	▲ 1.0	<b>2.4</b>	+3.5
Finance costs			
Income tax expenses	▲ 16.1	▲ <b>12.1</b>	+3.9
Owners of the parent company	▲ 2.7	▲ <b>2.4</b>	+0.3
<b>Profit (loss) for the year attributable to owners of the parent company</b>	▲ 3.7	<b>0.8</b>	+4.5

### Consolidated cash flow statement

Unit : billion of yen

	20/3	<b>21/3</b>	Increase / decrease
Cash flows from operating activities	62.3	<b>91.7</b>	29.4
Cash flows from investing activities	▲ 91.7	▲ <b>52.5</b>	39.2
Free cash flow	▲ 29.4	<b>39.2</b>	68.7
Cash flows from financing activities	34.2	▲ <b>57.9</b>	▲ 92.1
Effect of exchange rate change	▲ 2.6	<b>2.5</b>	5.1
Net increase (decrease) in cash and cash equivalents	2.3	▲ <b>16.2</b>	▲ 18.5
<b>Cash and cash equivalents</b>	134.8	<b>118.6</b>	▲ 16.2

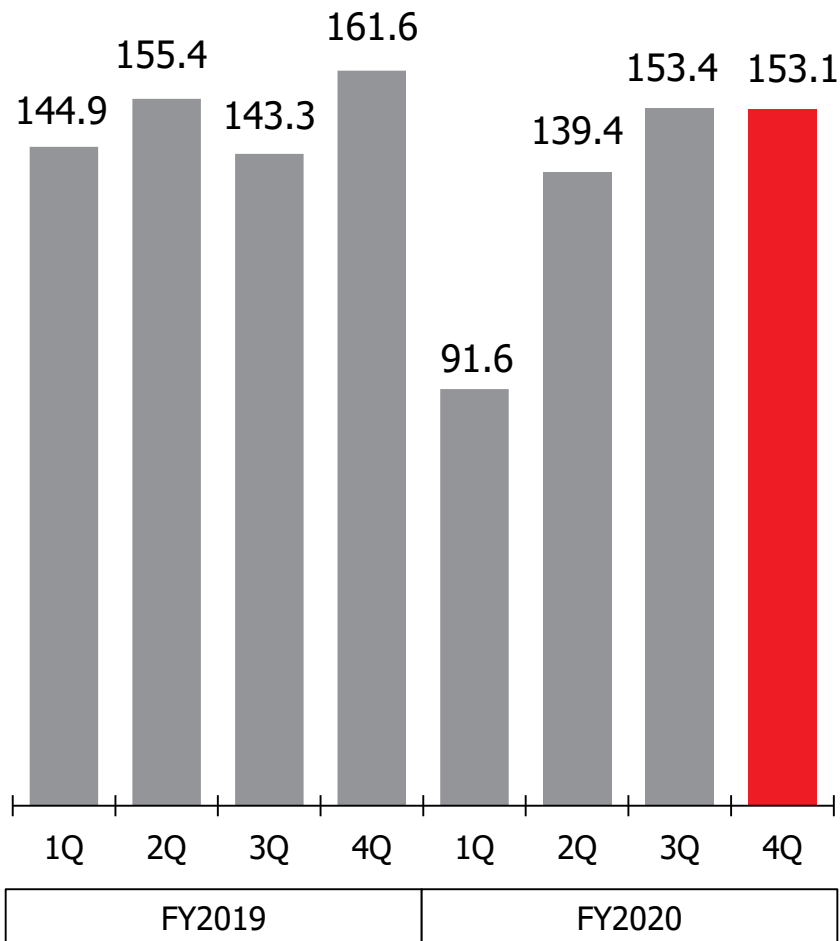


# 4-1) Quarterly Result Trend – Japan



## Sales revenue

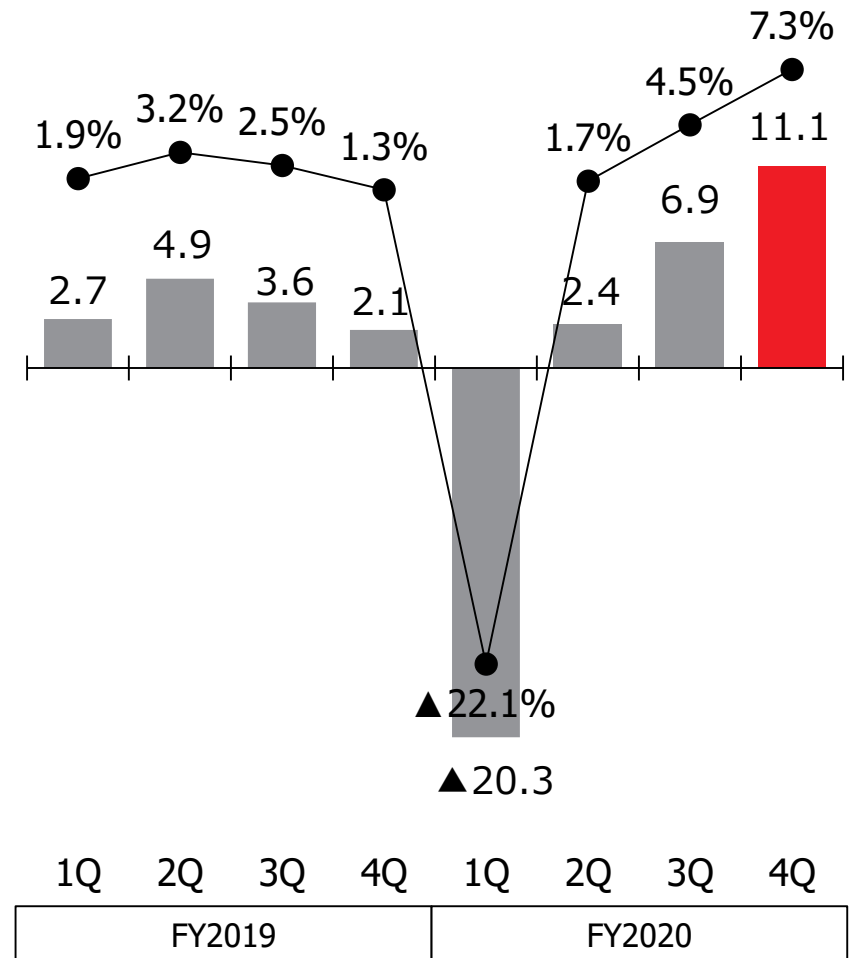
Unit : billion of yen



## Business profit

Unit : billion of yen

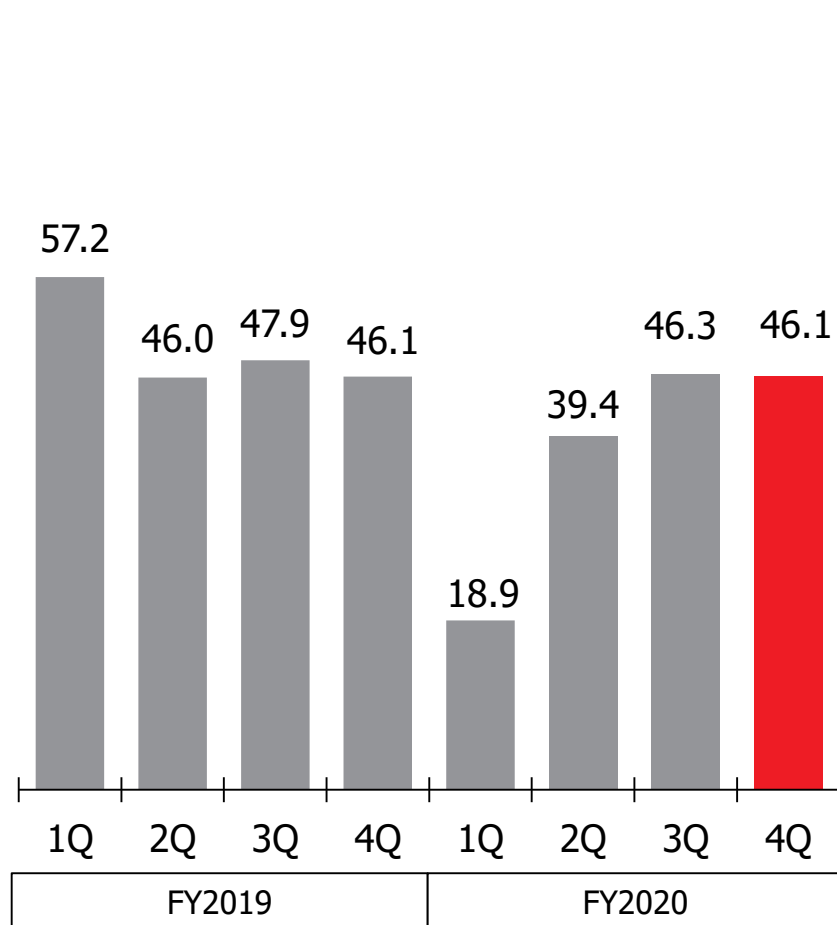
● — Ratio to Revenue



# 4-2) Quarterly Result Trend – Europe

## Sales revenue

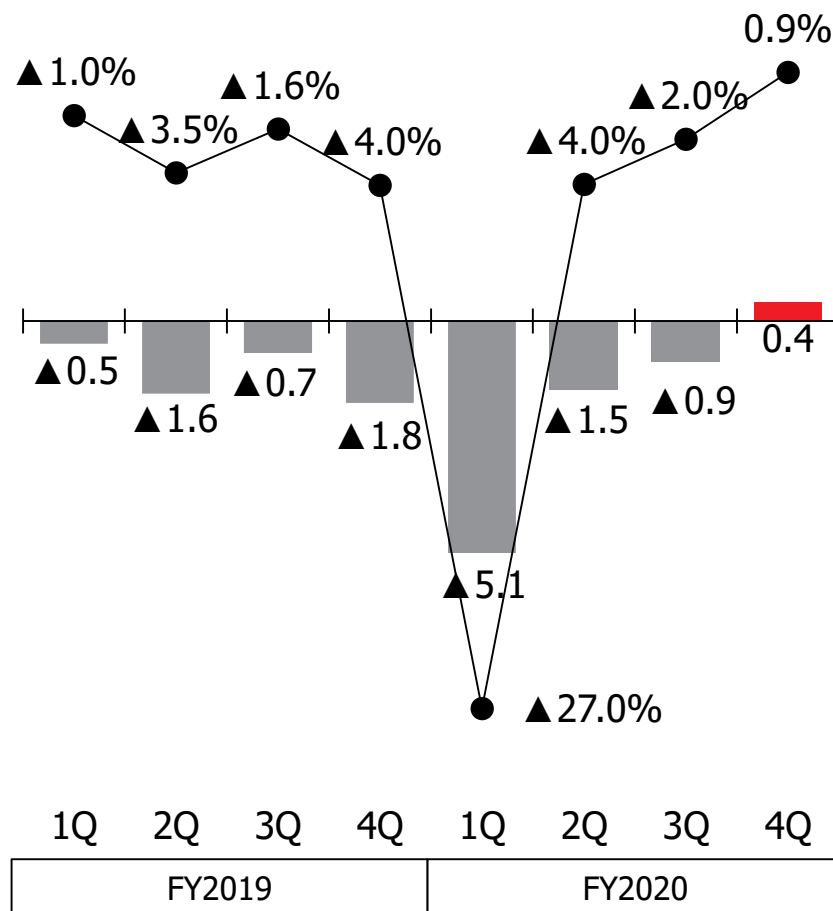
Unit : billion of yen



## Business profit

Unit : billion of yen

● — Ratio to Revenue

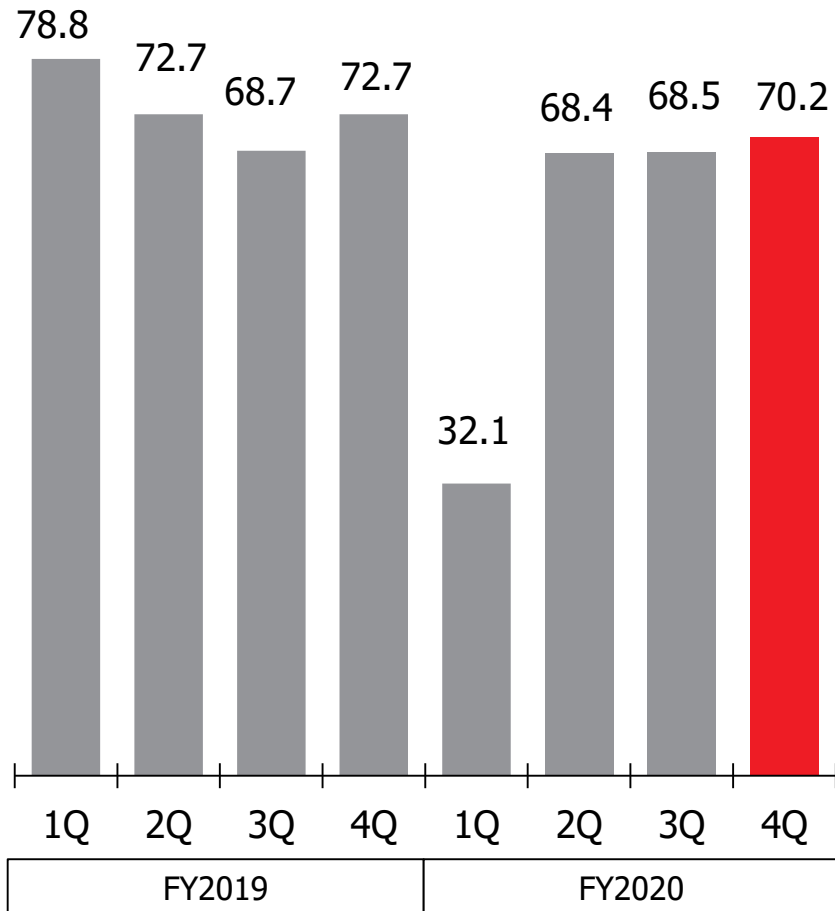


# 4-3) Quarterly Result Trend – North America



## Sales revenue

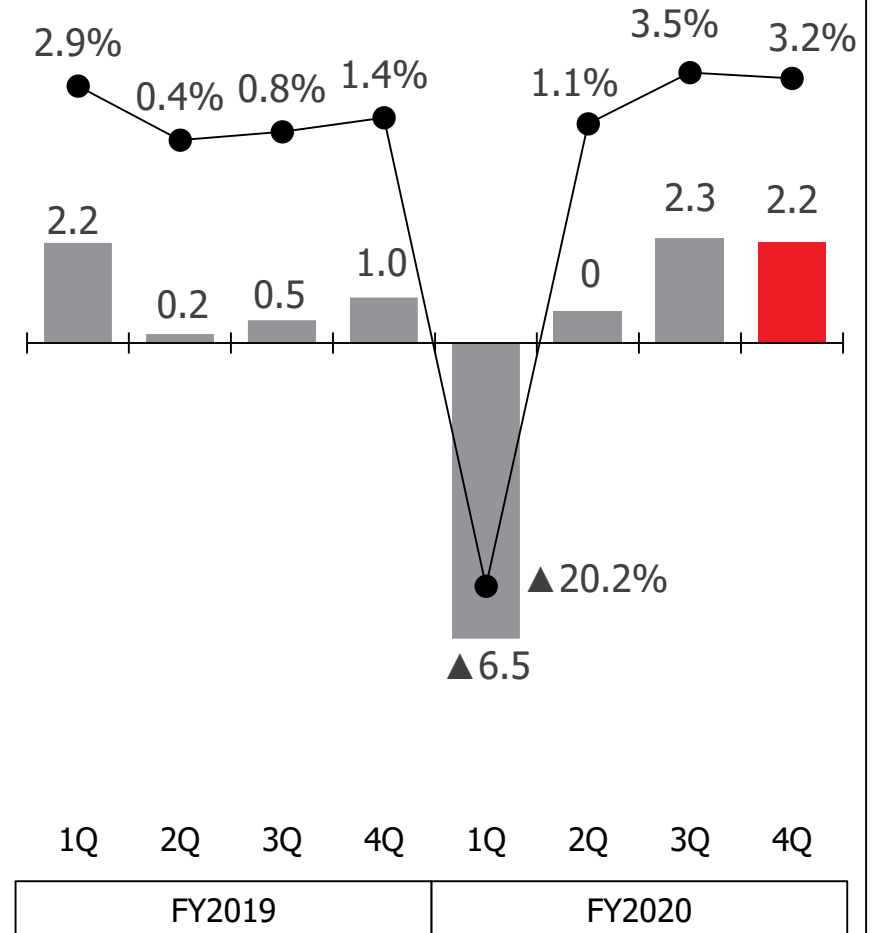
Unit : billion of yen



## Business profit

Unit : billion of yen

● — Ratio to Revenue

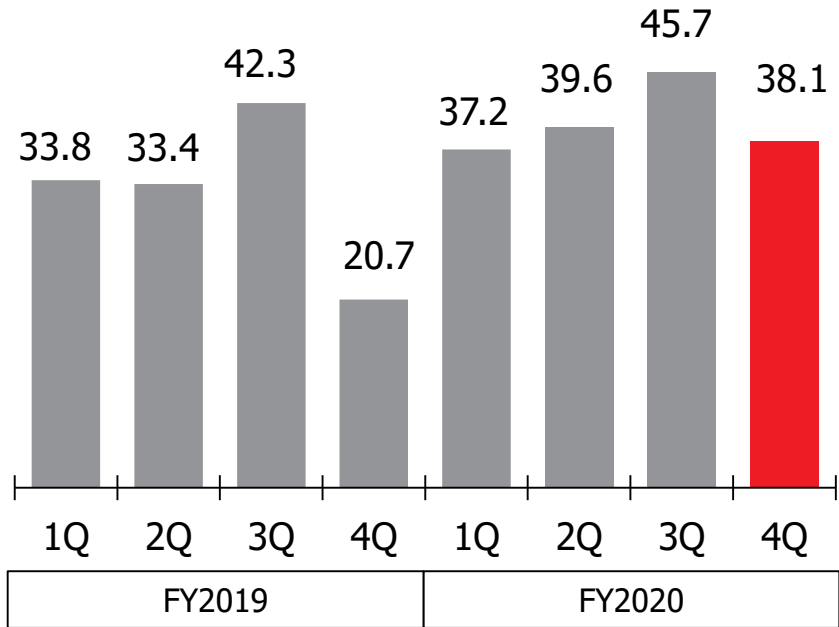


# 4-4) Quarterly Result Trend – China



## Sales revenue

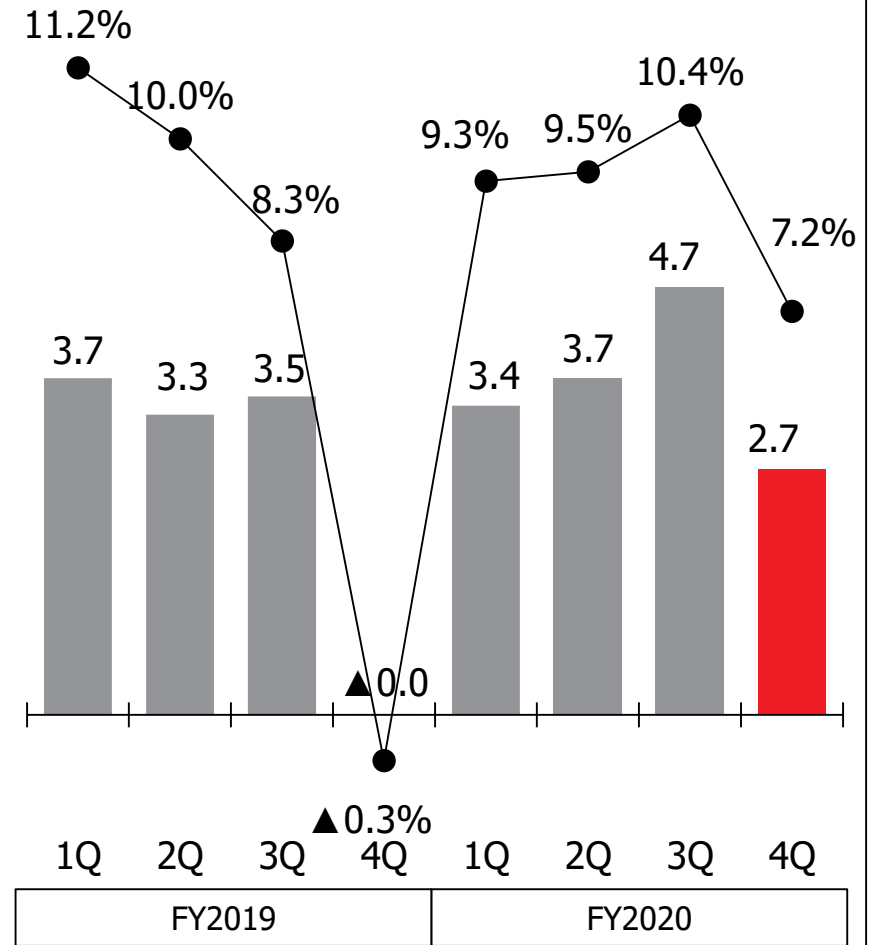
Unit : billion of yen



## Business profit

Unit : billion of yen

● — Ratio to Revenue

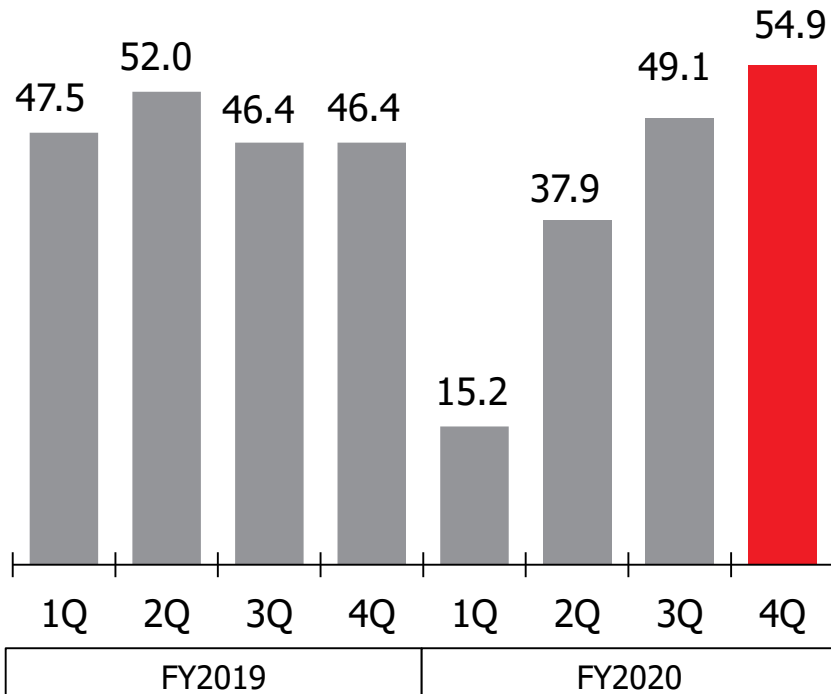


# 4-5) Quarterly Result Trend – Asia & Others



## Sales revenue

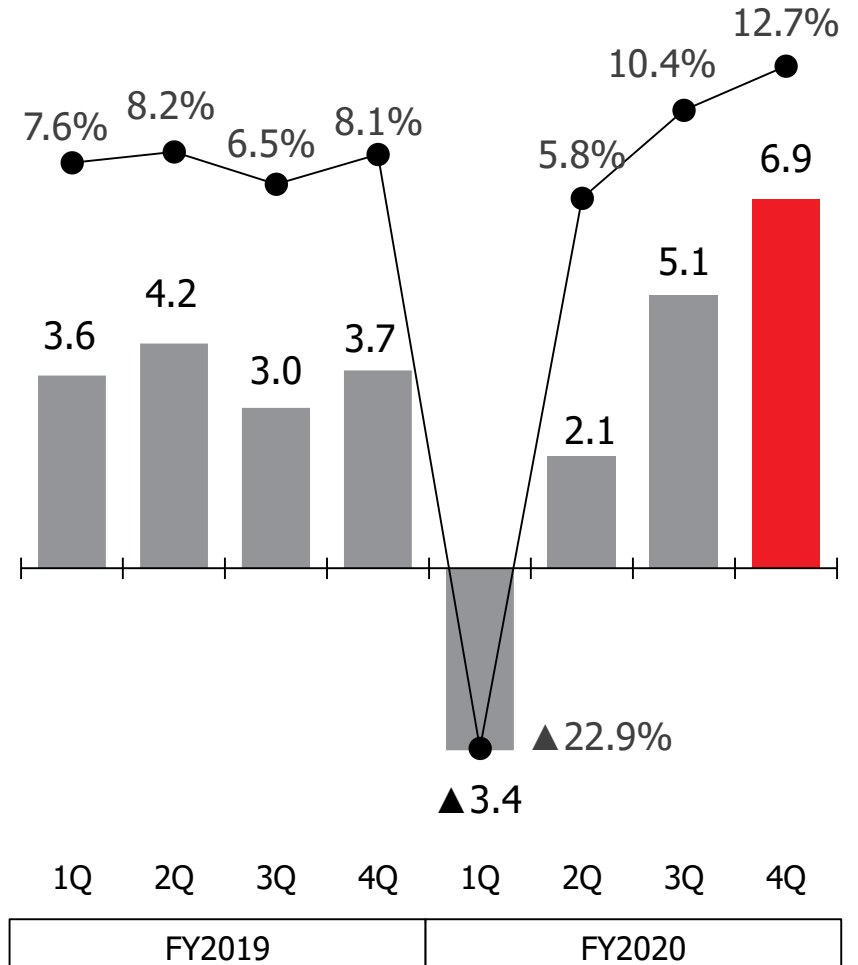
Unit : billion of yen



## Business profit

Unit : billion of yen

● — Ratio to Revenue

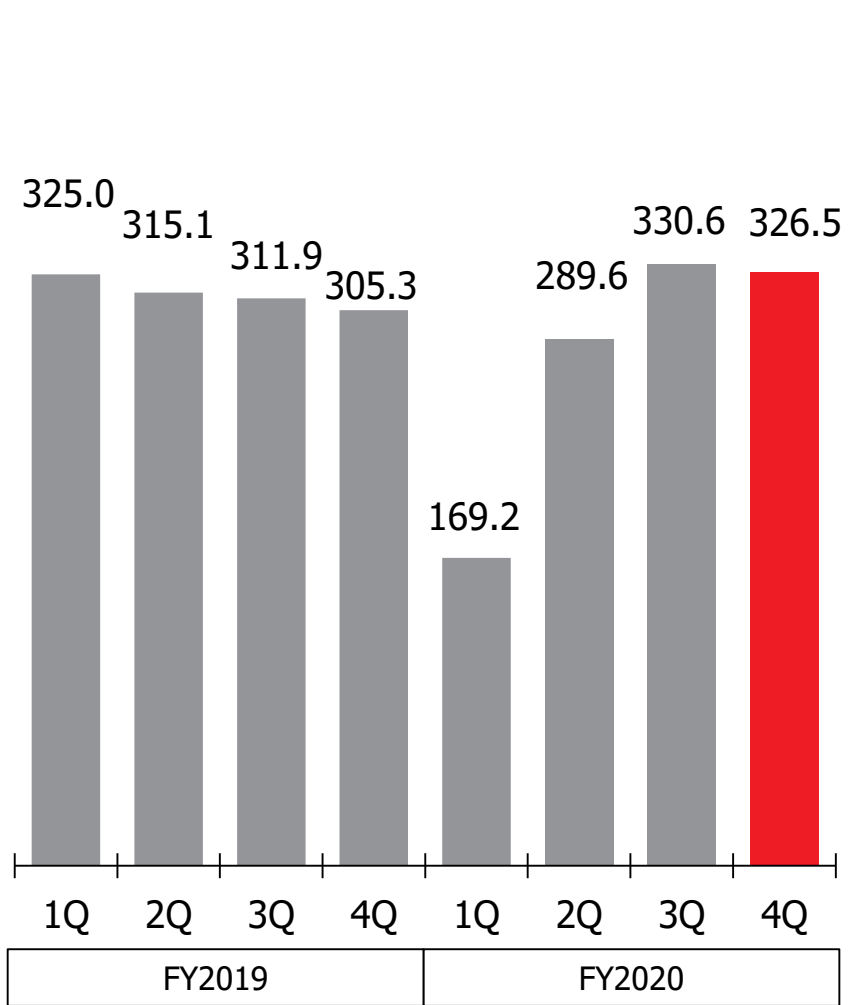


# 4-6) Quarterly Result Trend – Mechanical components



## Sales revenue

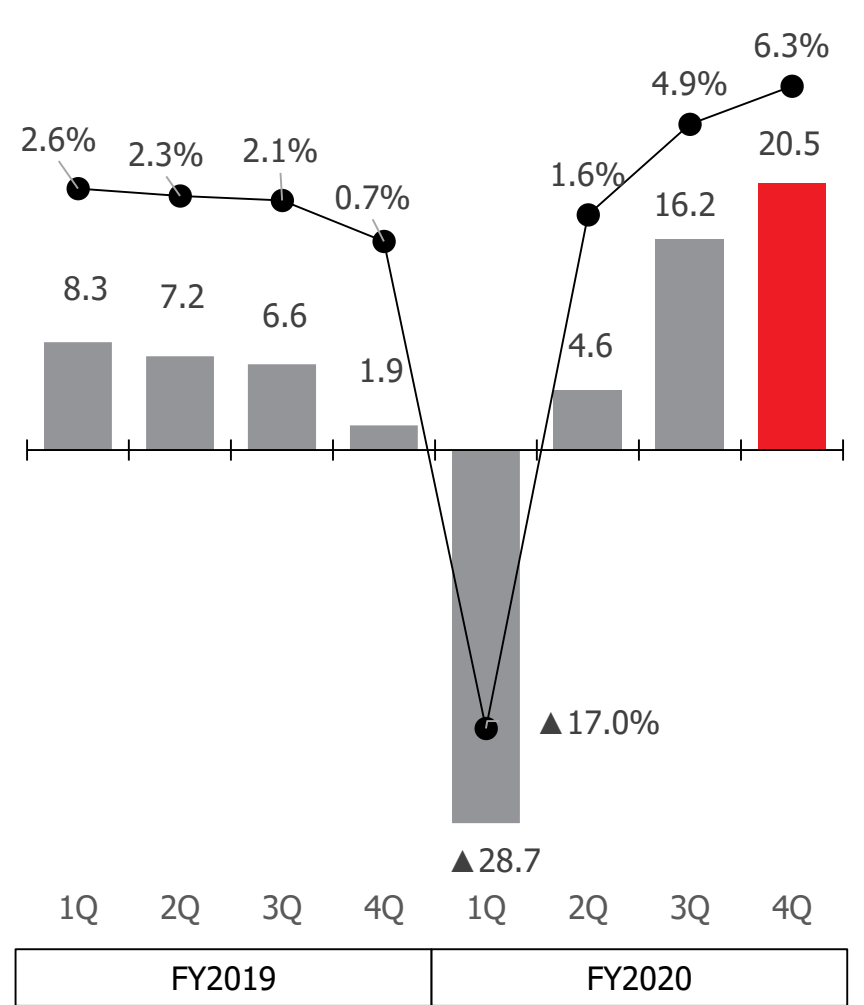
Unit : billion of yen



## Business profit

Unit : billion of yen

● — Ratio to Revenue

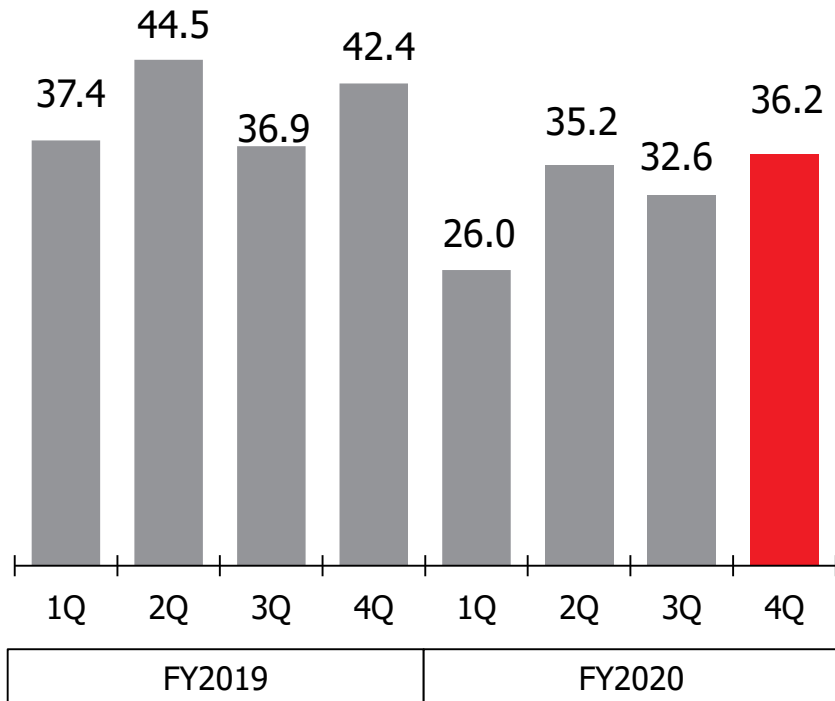


# 4-7) Quarterly Result Trend – Machine tools and others



## Sales revenue

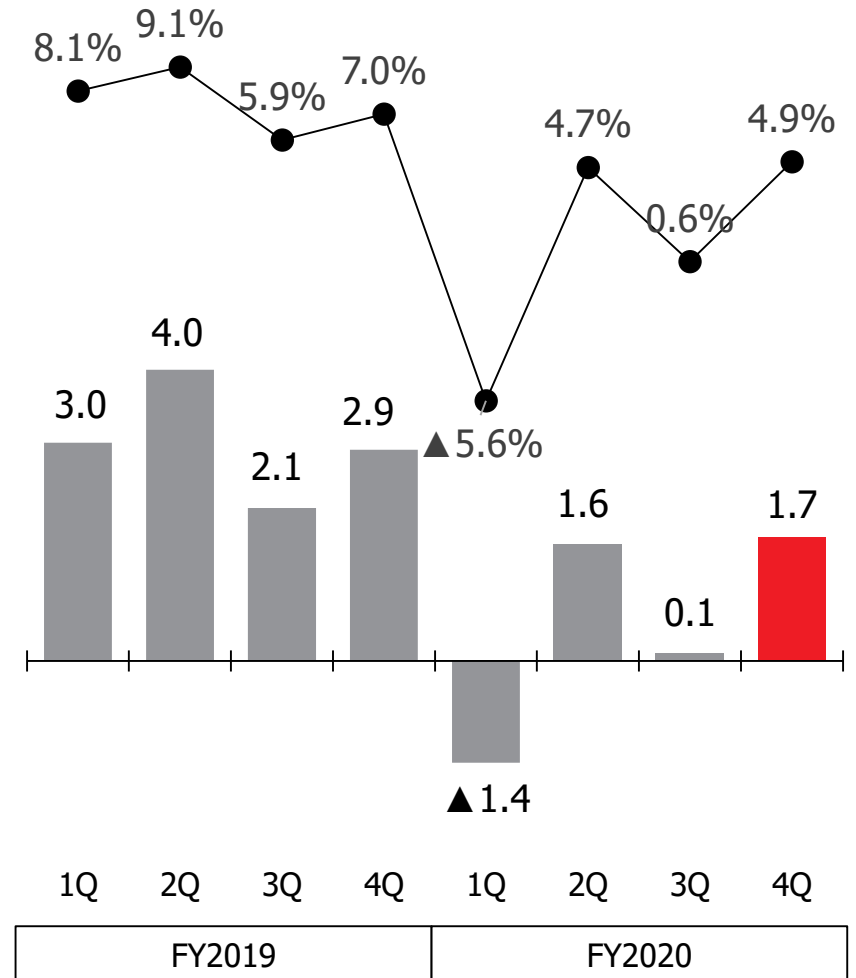
Unit : billion of yen



## Business profit

Unit : billion of yen

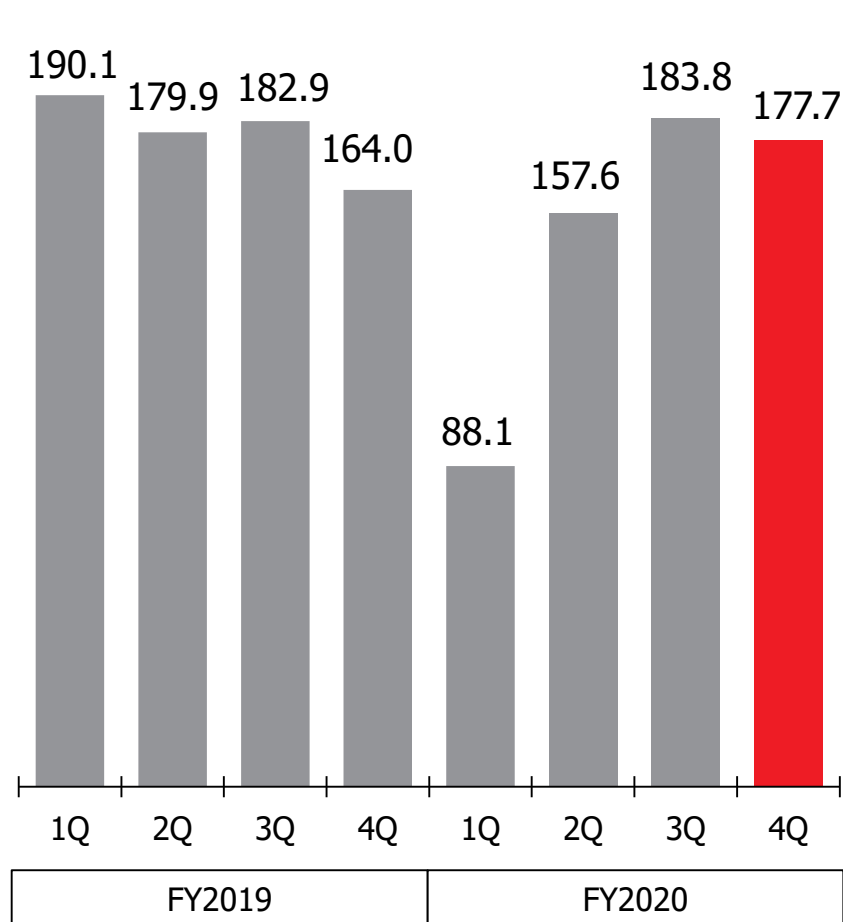
● — Ratio to Revenue



# 4-8) Quarterly Result Trend – Steering

## Sales revenue

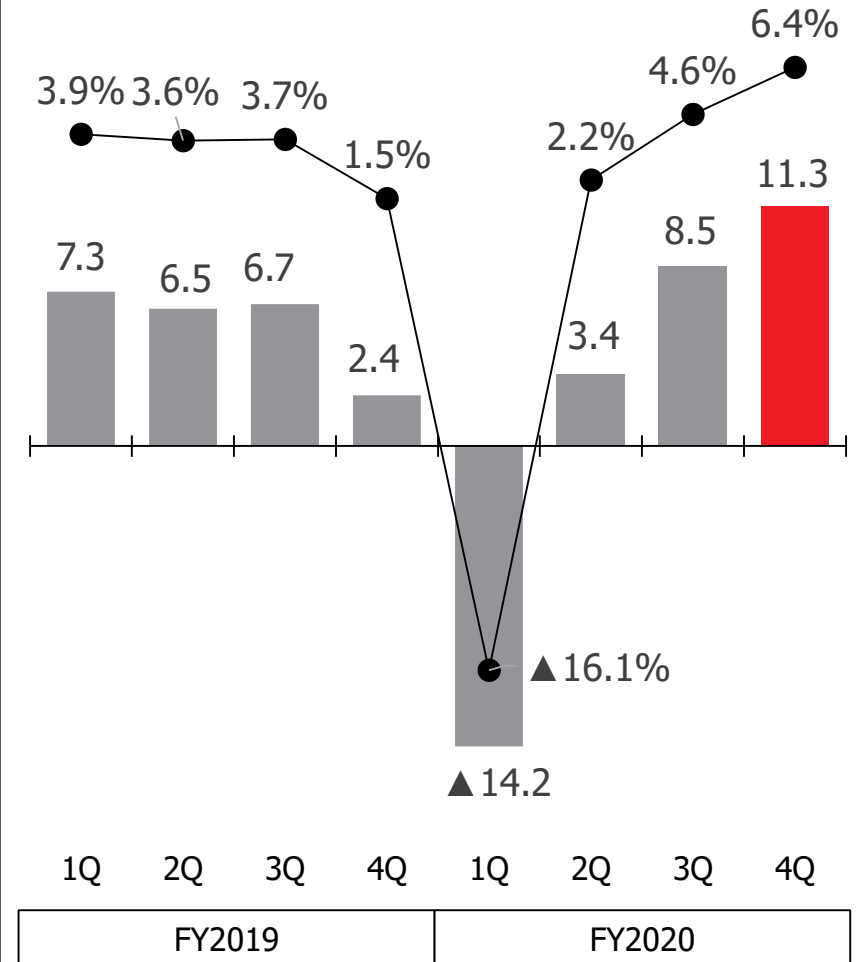
Unit : billion of yen



## Business profit

Unit : billion of yen

● — Ratio to Revenue



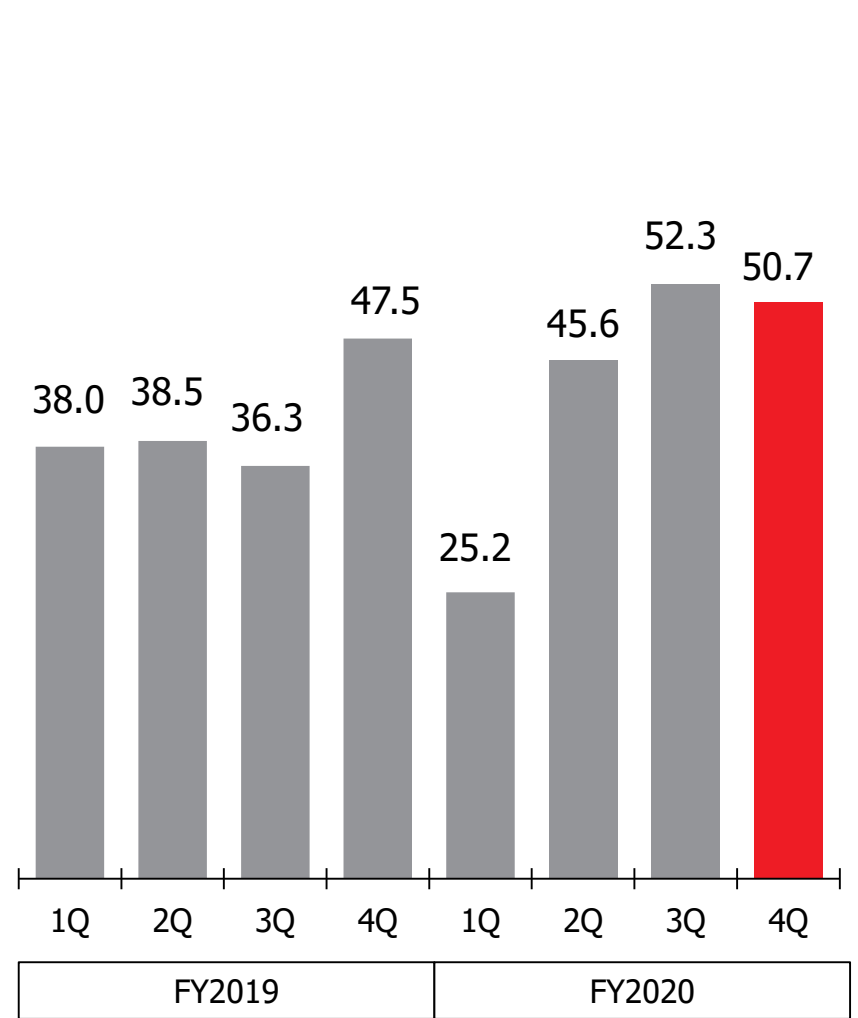


# 4-9) Quarterly Result Trend – Drivelines



## Sales revenue

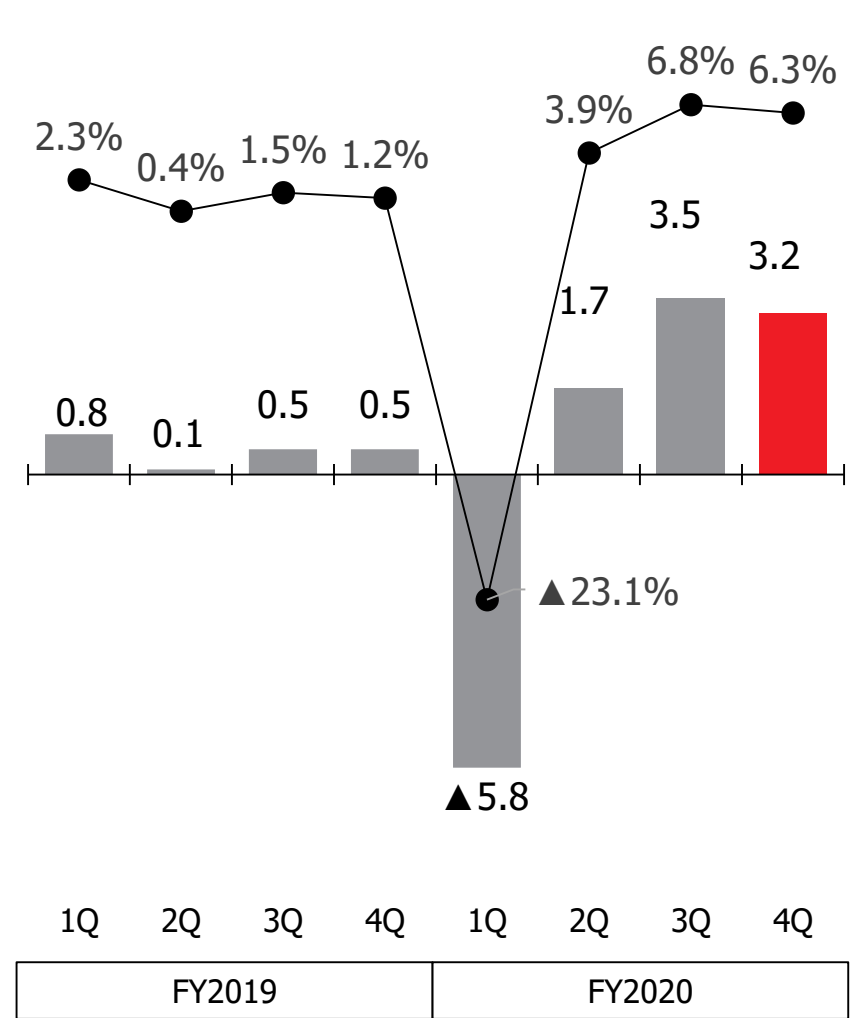
Unit : billion of yen



## Business profit

Unit : billion of yen

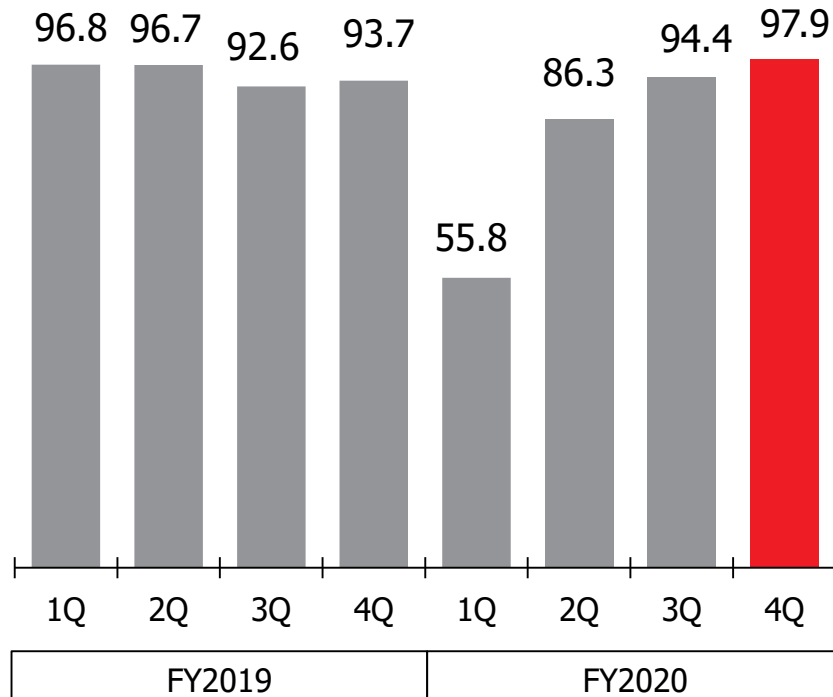
● — Ratio to Revenue



# 4-10) Quarterly Result Trend – Bearing

## Sales revenue

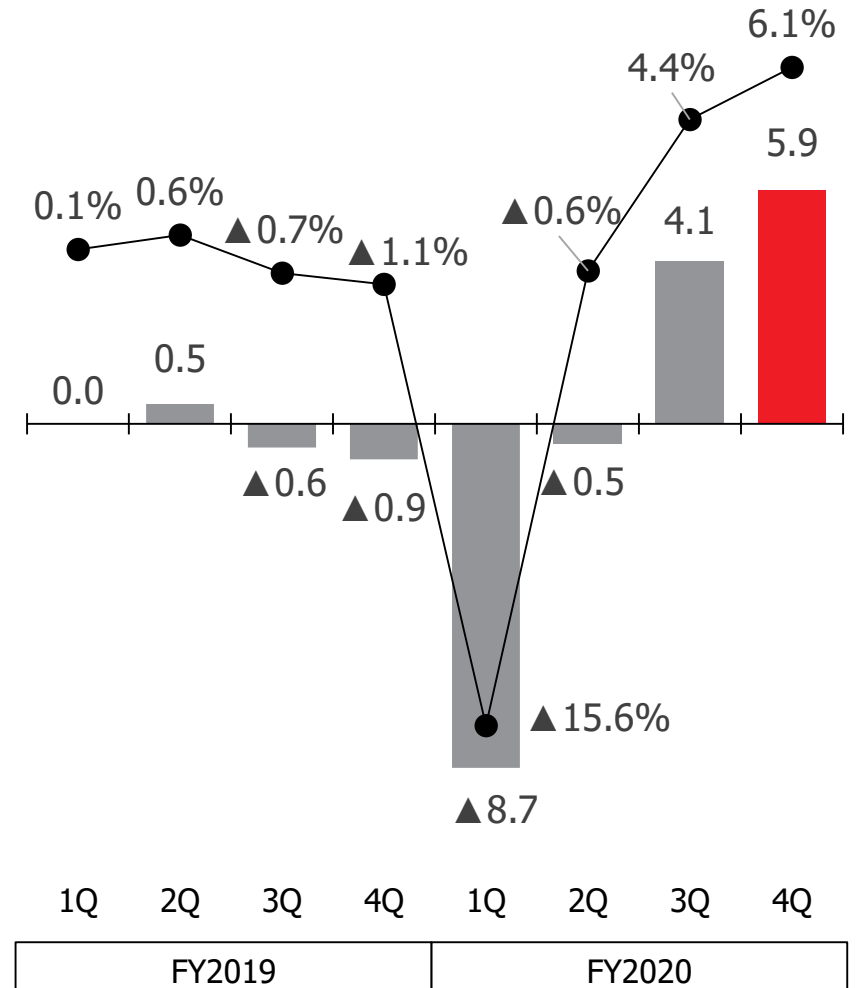
Unit : billion of yen



## Business profit

Unit : billion of yen

● — Ratio to Revenue

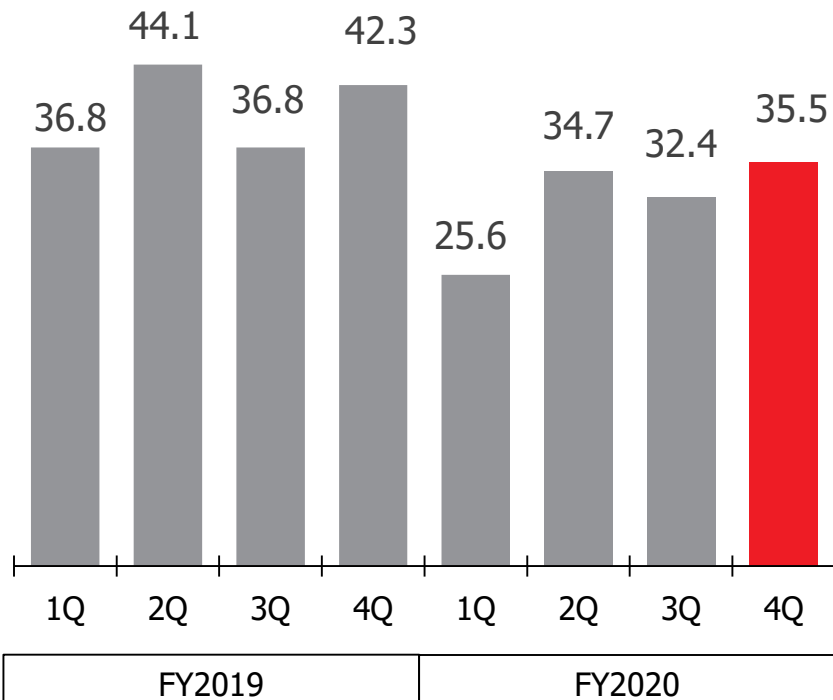


# 4-11) Quarterly Result Trend – Machine tools



## Sales revenue

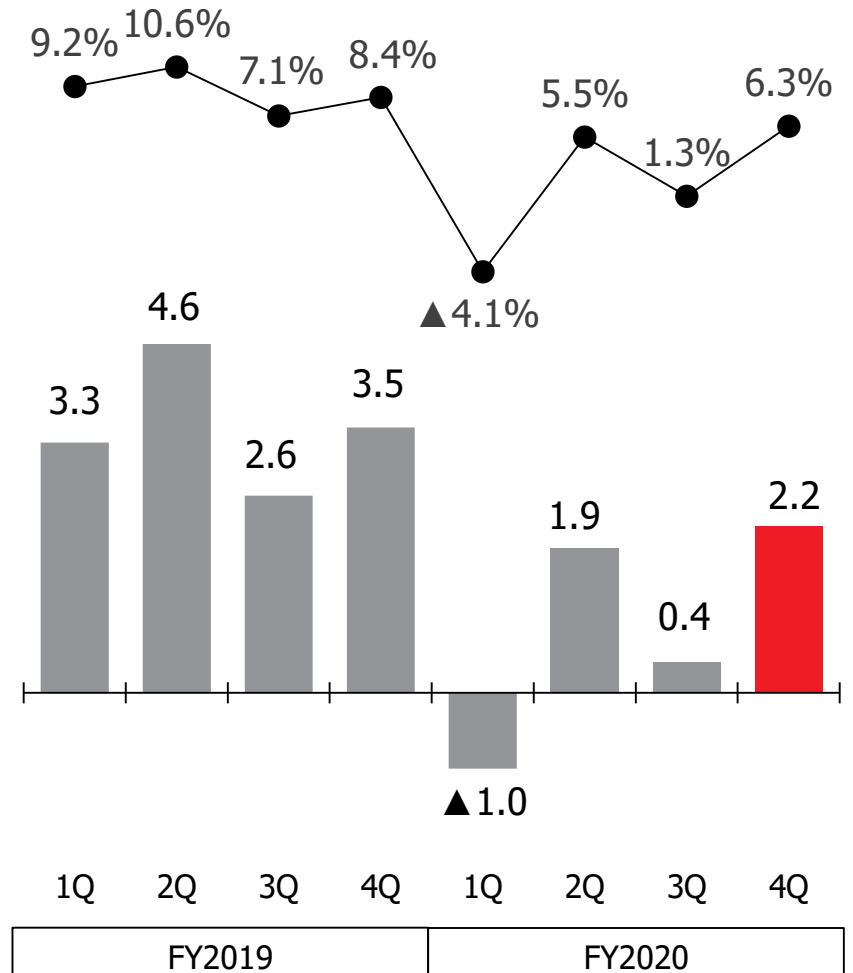
Unit : billion of yen



## Business profit

Unit : billion of yen

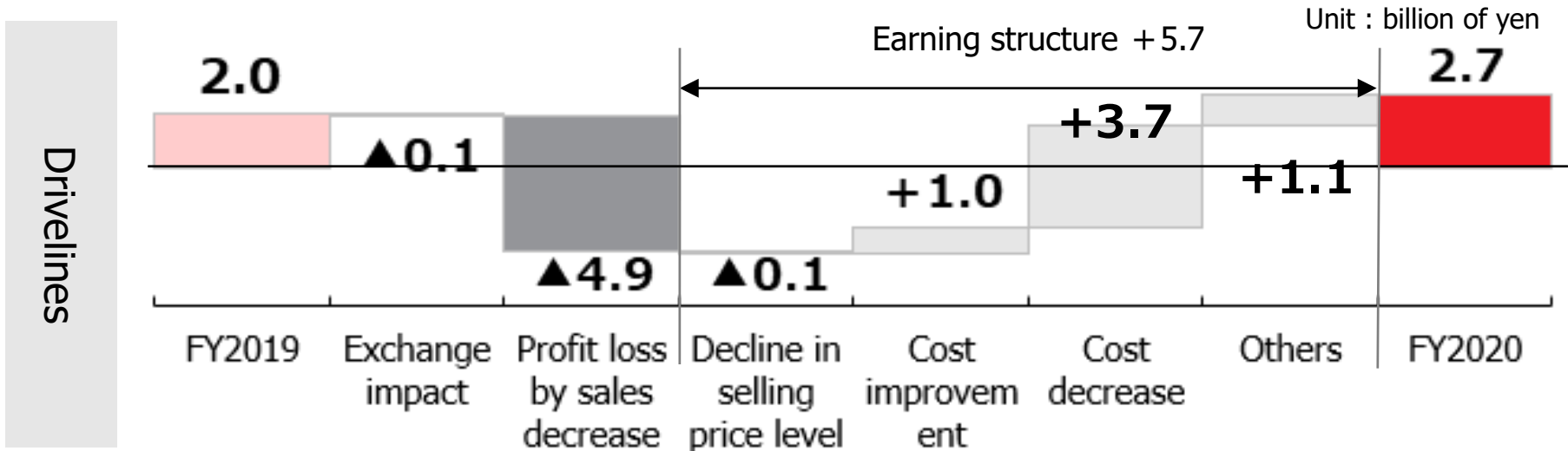
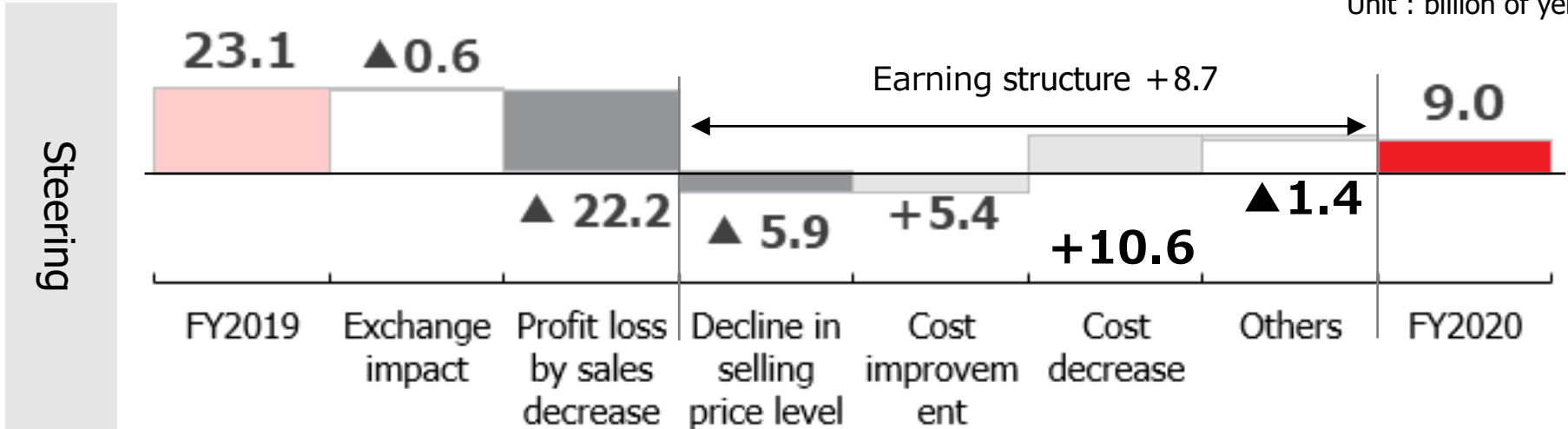
● — Ratio to Revenue



# 5-1) Business profit Analysis — Steering/Drivelines



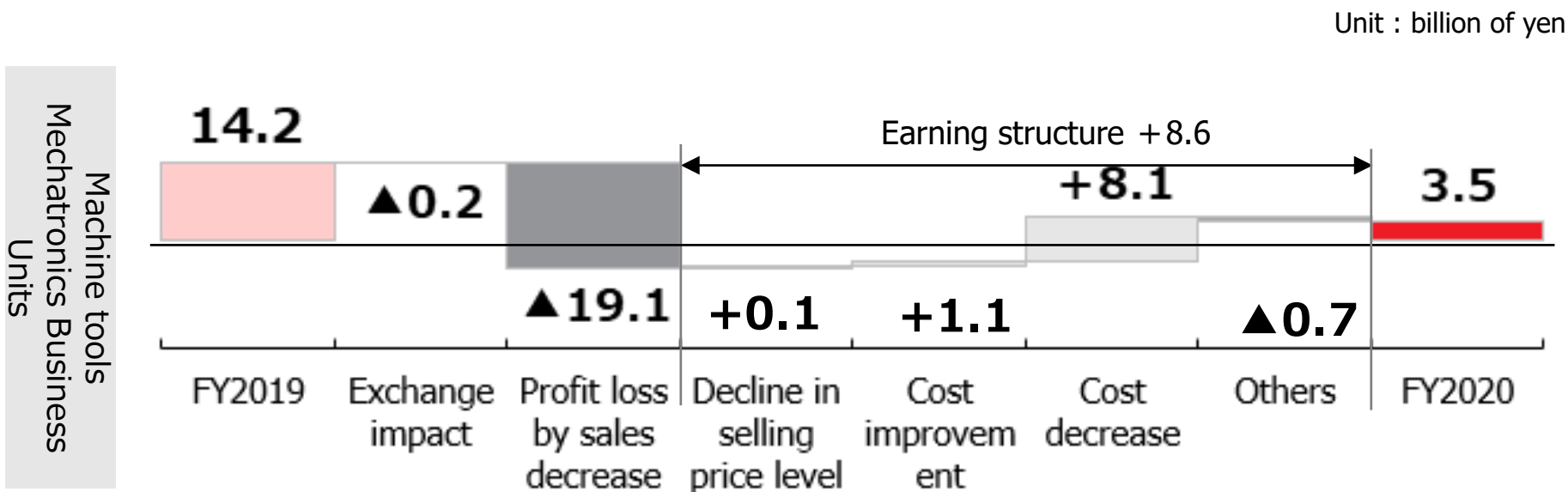
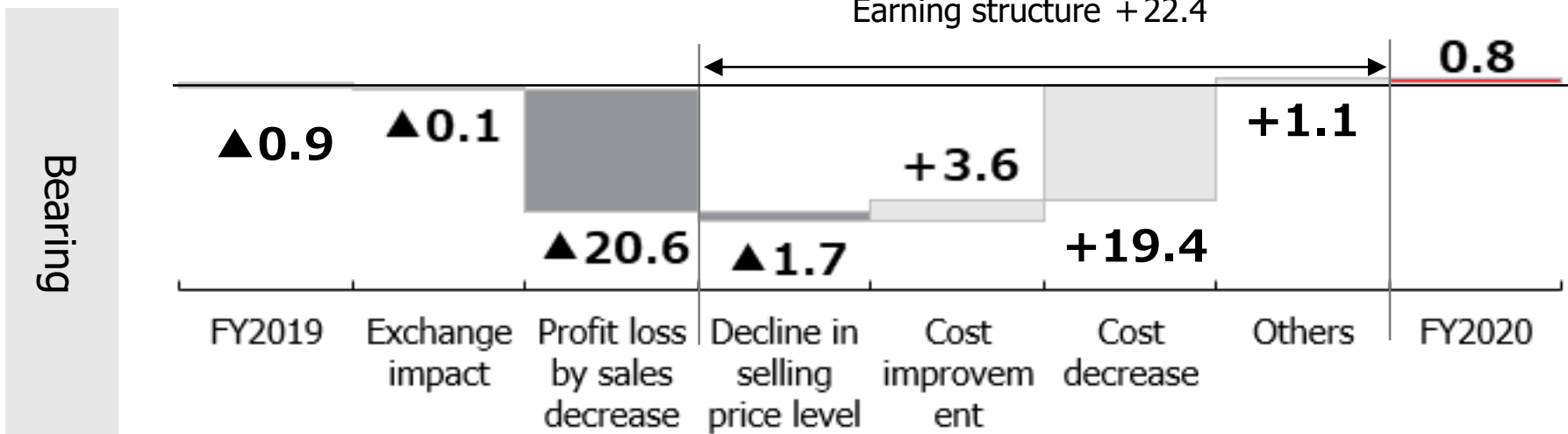
Unit : billion of yen



# 5-2) Business profit Analysis –

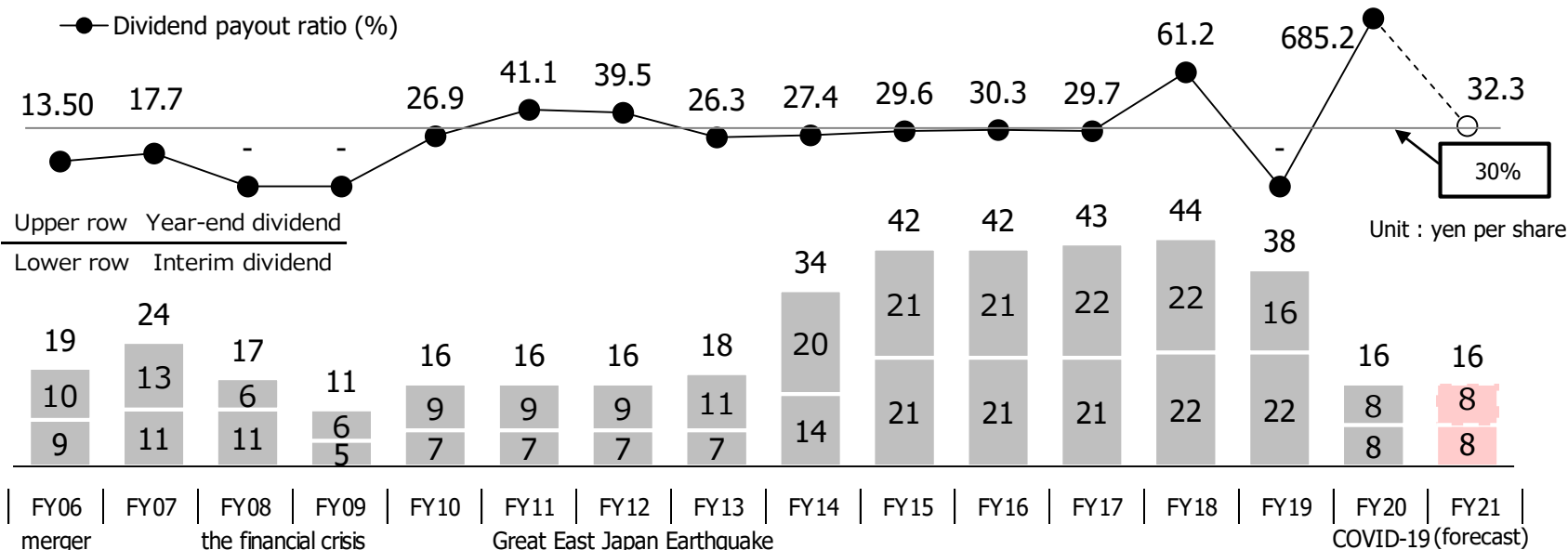
Bearing/Machine tools Mechatronics Business Units

Unit : billion of yen

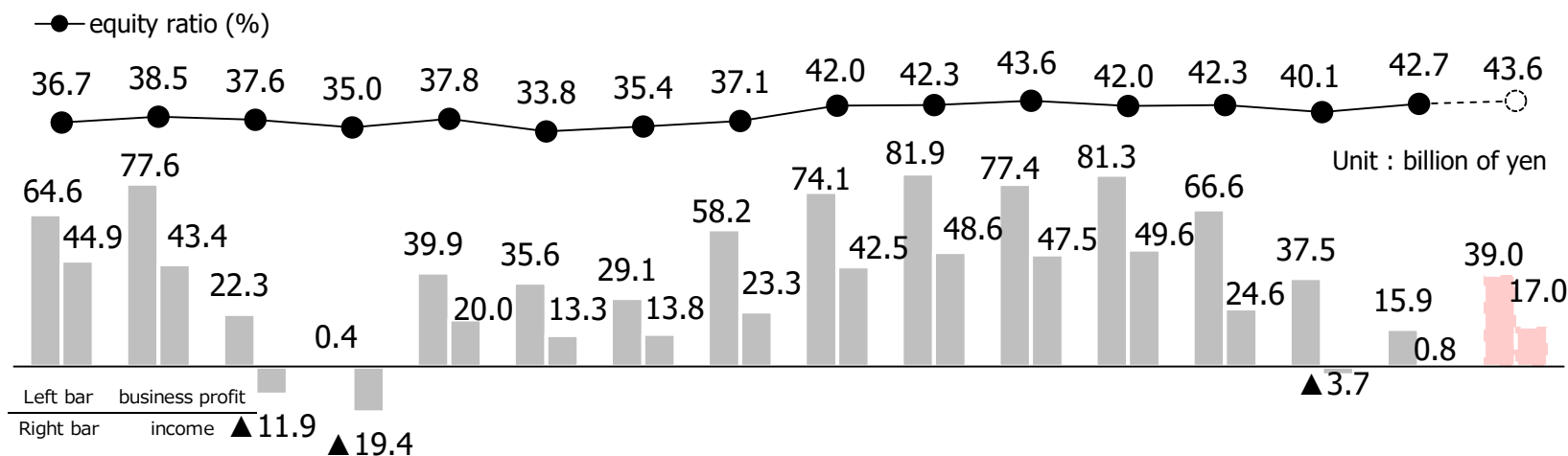


# 6) Return to Shareholders

Return to Shareholders



Profit



# 7) JTEKT's materiality (important issues)

Social challenges to be solved through business

### 1. Contribute to safe, secure and comfort life

- Turning solution for all motilities
- Safe automation/labor-saving for various works and services
- Life and care support for aging society



### 2. Protect the rich earth for future children

- Prevention of global warming
- Contribution to recycling society
- Reduction of environmental impact



### 3. Provide new values to manufacturing (monozukuri)

- Providing key components supporting industry
- Improvement in productivity by utilizing digital technology
- Extending life span of machine by preventive maintenance



### 4. Development of organization and HR to be trusted by society and to contribute to society

- Human resources development
- Safety and health of workers
- Governance
- Diversity
- Compliance



Important issues in business structure