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Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Under IFRS)

DATE: April 28, 2022

Company name: JTEKT Corporation
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 6473 URL: <https://www.jtekt.co.jp/e/>
 Representative: Kazuhiro Sato, President, Member of the Board
 Contact: Takanori Iwai, General Manager of Accounting Department
 Telephone: +81-566-25-7326
 Scheduled date of annual general meeting of shareholders: June 28, 2022
 Scheduled date to commence dividend payments: May 24, 2022
 Scheduled date to file annual securities report (Japanese only): June 28, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for analysts and institutional investors)

(Amounts less than one million yen are omitted.)

1. Consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Revenue		Business profit		Profit before income taxes		Profit for the year	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2022	1,428,426	14.6	42,346	166.1	43,934	186.2	23,616	633.0
March 31, 2021	1,246,286	(12.2)	15,912	(57.6)	15,352	1.9	3,221	—

Fiscal year ended	Profit attributable to owners of the parent company		Comprehensive income for the year		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
March 31, 2022	20,682	—	84,660	33.3	60.31	60.28
March 31, 2021	800	—	63,506	—	2.33	—

Fiscal year ended	Ratio of profit to equity attributable to owners of the parent company	Ratio of profit before income taxes to total assets	Ratio of business profit to revenue
	%	%	%
March 31, 2022	3.5	3.3	3.0
March 31, 2021	0.2	1.2	1.3

Reference: Share of the profit of associates and joint ventures accounted for using the equity method:

Fiscal year ended March 31, 2022: 486 million yen

Fiscal year ended March 31, 2021: 263 million yen

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent company	Ratio of equity attributable to owners of the parent company to total assets	Equity attributable to owners of the parent company per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2022	1,386,463	660,415	624,012	45.0	1,819.47
March 31, 2021	1,291,300	585,088	550,908	42.7	1,606.30

(3) Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of year
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2022	67,039	(25,265)	(43,531)	124,254
March 31, 2021	91,757	(52,515)	(57,957)	118,645

2. Cash dividends

	Annual dividends per share					Total amount of dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended March 31, 2021	Yen —	Yen 8.00	Yen —	Yen 8.00	Yen 16.00	Millions of yen 5,488	% 685.2	% 1.0
Fiscal year ended March 31, 2022	—	8.00	—	10.00	18.00	6,174	29.8	1.1
Fiscal year ending March 31, 2023 (Forecast)	—	11.00	—	11.00	22.00		—	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes.)

	Revenue		Business profit		Profit before income taxes		Profit attributable to owners of the parent company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,600,000	12.0	60,000	41.7	48,500	10.4	25,000	20.9	72.89

*** Notes**

- (1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
Excluded: 1 company (Company name: JTEKT AUTOMOTIVE TEXAS, LP.)

- (2) Changes in accounting policies and changes in accounting estimates

- (i) Changes in accounting policies required by IFRS: None
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: None

- (3) Number of issued shares (ordinary shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2022	343,286,307 shares
As of March 31, 2021	343,286,307 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2022	321,786 shares
As of March 31, 2021	319,571 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2022	342,965,632 shares
Fiscal year ended March 31, 2021	342,968,125 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forecasts included in this documents are based on the information that the Company has obtained at the time of disclosure.

Actual results may differ significantly from the forecast due to a various factors in the future.

Consolidated financial statements

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and cash equivalents	118,645	124,254
Trade and other receivables	290,568	319,084
Inventories	182,872	229,074
Other financial assets	3,394	5,099
Income tax receivable	1,952	943
Other current assets	3,205	4,522
Sub total	600,639	682,979
Assets held for sale	—	2,518
Total current assets	600,639	685,497
Non-current assets		
Property, plant and equipment	463,344	460,012
Goodwill and Intangible assets	31,656	34,590
Other financial assets	144,226	139,771
Investments accounted for using equity method	11,786	13,091
Deferred tax assets	14,225	17,414
Other non-current assets	25,421	36,085
Total non-current assets	690,660	700,965
Total assets	1,291,300	1,386,463

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	286,634	317,672
Bonds and borrowings	62,971	85,749
Other financial liabilities	2,857	3,128
Income taxes payable	5,558	13,375
Provisions	5,529	6,547
Other current liabilities	4,894	6,258
Sub total	368,446	432,732
Liabilities directly associated with assets held for sale	—	2,047
Total current liabilities	368,446	434,779
Non-current liabilities		
Bonds and borrowings	223,248	176,012
Other financial liabilities	6,695	7,657
Retirement benefit liabilities	79,203	75,110
Provisions	224	228
Deferred tax liabilities	19,976	24,432
Other non-current liabilities	8,417	7,827
Total non-current liabilities	337,765	291,268
Total liabilities	706,212	726,048
Equity		
Capital stock	45,591	45,591
Capital surplus	107,397	107,638
Treasury stock	(428)	(430)
Other components of equity	(5,934)	27,253
Retained earnings	404,281	443,960
Equity attributable to owners of the parent company	550,908	624,012
Non-controlling interests	34,179	36,402
Total equity	585,088	660,415
Total liabilities and equity	1,291,300	1,386,463

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated Statement of Profit or Loss

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Revenue	1,246,286	1,428,426
Cost of revenue	(1,074,581)	(1,218,547)
Gross profit	171,705	209,878
Selling, general and administrative expenses	(155,792)	(167,532)
Business profit	15,912	42,346
Other income	11,815	8,939
Other costs	(14,807)	(14,885)
Operating profit	12,920	36,401
Finance income	5,997	10,466
Finance costs	(3,828)	(3,419)
Share of the profit of associates and joint ventures accounted for using the equity method	263	486
Profit before income taxes	15,352	43,934
Income tax expense	(12,130)	(20,317)
Profit for the year	3,221	23,616
Attributable to		
Owners of the parent company	800	20,682
Non-controlling interests	2,421	2,933
Earnings per share		
Basic (Yen)	2.33	60.31
Diluted (Yen)	—	60.28

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit for the year	3,221	23,616
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Net fair value gain (loss) on equity instruments designated as FVTOCI	32,738	15,092
Remeasurements of defined benefit pension plans	8,436	9,517
Share of other comprehensive income of investments accounted for using equity method	76	(12)
Total	41,250	24,596
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	18,889	35,423
Share of other comprehensive income of investments accounted for using equity method	144	1,023
Total	19,034	36,446
Total other comprehensive income	60,284	61,043
Comprehensive income for the year	63,506	84,660
Attributable to		
Owners of the parent company	59,371	78,470
Non-controlling interests	4,134	6,189

(3) Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of the parent company					
	Capital stock	Capital surplus	Treasury stock	Other components of equity その他の資本の構成要素		
				Net fair value gain (loss) on equity instruments designated as FVTOCI	Remeasurements of defined benefit pension plans	Exchange differences on translation of foreign operations
As of April 1, 2020	45,591	107,273	(426)	—	—	(23,322)
Increase (Decrease) based on inflation accounting of Argentina consolidated subsidiary	—	—	—	—	—	—
As of April 1, 2020 (adjusted)	45,591	107,273	(426)	—	—	(23,322)
Profit for the year	—	—	—	—	—	—
Other comprehensive income	—	—	—	32,732	8,450	17,388
Comprehensive income for the year	—	—	—	32,732	8,450	17,388
Acquisition of treasury stock	—	—	(2)	—	—	—
Dividends	—	—	—	—	—	—
Transfer to retained Earnings	—	—	—	(32,732)	(8,450)	—
Change of scope of consolidation	—	43	—	—	—	—
Changes in the ownership interest in subsidiaries without a loss of control	—	80	—	—	—	—
Total transactions with the owners	—	124	(2)	(32,732)	(8,450)	—
As of March 31, 2021	45,591	107,397	(428)	—	—	(5,934)
Increase (Decrease) based on inflation accounting of Argentina consolidated subsidiary	—	—	—	—	—	—
As of April 1, 2021 (adjusted)	45,591	107,397	(428)	—	—	(5,934)
Profit of the year	—	—	—	—	—	—
Other comprehensive income	—	—	—	15,108	9,491	33,187
Comprehensive income for the year	—	—	—	15,108	9,491	33,187
Acquisition of treasury stock	—	—	(2)	—	—	—
Disposal of treasury stock	—	(0)	0	—	—	—
Dividends	—	—	—	—	—	—
Transfer to retained Earnings	—	—	—	(15,108)	(9,491)	—
Change of scope of consolidation	—	(27)	—	—	—	—
Changes in the ownership interest in subsidiaries without a loss of control	—	269	—	—	—	—
Total transactions with the owners	—	241	(2)	(15,108)	(9,491)	—
As of March 31, 2022	45,591	107,638	(430)	—	—	27,253

(Millions of yen)

	Equity attributable to owners of the parent company				
	Other components of equity	Retained Earnings	Total	Non-controlling interests	Total equity
	Total 合計				
As of April 1, 2020	(23,322)	370,228	499,343	32,207	531,551
Increase (Decrease) based on inflation accounting of Argentina consolidated subsidiary	—	177	177	—	177
As of April 1, 2020 (adjusted)	(23,322)	370,405	499,521	32,207	531,728
Profit for the year	—	800	800	2,421	3,221
Other comprehensive income	58,570	—	58,570	1,713	60,284
Comprehensive income for the year	58,570	800	59,371	4,134	63,506
Acquisition of treasury stock	—	—	(2)	—	(2)
Dividends	—	(8,232)	(8,232)	(2,039)	(10,271)
Transfer to retained Earnings	(41,182)	41,182	—	—	—
Change of scope of consolidation	—	125	169	12	181
Changes in the ownership interest in subsidiaries without a loss of control	—	—	80	(135)	(54)
Total transactions with the owners	(41,182)	33,075	(7,984)	(2,162)	(10,146)
As of March 31, 2021	(5,934)	404,281	550,908	34,179	585,088
Increase (Decrease) based on inflation accounting of Argentina consolidated subsidiary	—	(108)	(108)	—	(108)
As of April 1, 2021 (adjusted)	(5,934)	404,172	550,799	34,179	584,979
Profit of the year	—	20,682	20,682	2,933	23,616
Other comprehensive income	57,788	—	57,788	3,255	61,043
Comprehensive income for the year	57,788	20,682	78,470	6,189	84,660
Acquisition of treasury stock	—	—	(2)	—	(2)
Disposal of treasury stock	—	—	0	—	0
Dividends	—	(5,488)	(5,488)	(2,149)	(7,637)
Transfer to retained Earnings	(24,600)	24,600	—	—	—
Change of scope of consolidation	—	(8)	(36)	(1)	(37)
Changes in the ownership interest in subsidiaries without a loss of control	—	—	269	(1,815)	(1,546)
Total transactions with the owners	(24,600)	19,104	(5,257)	(3,966)	(9,224)
As of March 31, 2022	27,253	443,960	624,012	36,402	660,415

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	15,352	43,934
Depreciation and amortization	63,056	66,990
Impairment losses	428	3,540
Finance income (costs)	529	(740)
Share of the loss (profit) of associates and joint ventures accounted for using the equity method	(263)	(486)
Net increase (decrease) in provisions	(1,165)	619
Increase (Decrease) in retirement benefit liabilities	(183)	(5,192)
Decrease (Increase) in retirement benefit assets	(11,557)	(10,622)
Decrease (Increase) in inventories	14,598	(32,556)
Net decrease (increase) in trade and other Receivables	(10,741)	(13,071)
Net increase (decrease) in trade and other Payables	13,230	20,413
Other	17,768	11,089
Subtotal	101,051	83,918
Interest received	1,024	1,361
Dividends received	1,790	2,288
Interest paid	(3,328)	(2,907)
Income taxes paid	(8,781)	(17,622)
Net cash provided by (used in) operating activities	91,757	67,039
Cash flows from investing activities		
Payment of Purchases of property, plant and equipment	(55,248)	(42,684)
Proceeds from sales of property, plant and equipment	1,887	1,383
Payment of purchases of investment securities	(383)	(82)
Proceeds from sales of investment securities	3,463	24,161
Payment of acquisition of subsidiaries' stock resulting in change in scope of consolidation	—	6
Other	(2,235)	(8,050)
Net cash provided by (used in) investing activities	(52,515)	(25,265)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term Borrowings	(28,696)	(3,311)
Proceeds from long-term borrowings	11,443	134,777
Repayment of long-term borrowings	(28,915)	(143,624)
Redemption of bonds	—	(20,000)
Dividends paid	(8,232)	(5,488)
Dividends paid to non-controlling interests	(2,039)	(2,149)
Payment of acquisition of subsidiaries' stock not resulting in change in scope of consolidation	(54)	(1,590)
Proceeds from sale and leaseback	955	—
Other	(2,418)	(2,143)
Net cash provided by (used in) financing activities	(57,957)	(43,531)
Foreign currency translation adjustments on cash and cash equivalents	2,530	7,588
Net increase (decrease) in cash and cash equivalents	(16,186)	5,830
Cash and cash equivalents at beginning of year	134,852	118,645
Net increase in cash and cash equivalents from newly consolidated subsidiaries	—	1
Decreases in cash and cash equivalents from exclusion of subsidiaries from consolidation	(20)	(222)
Cash and cash equivalents at end of year	118,645	124,254

Segment information

For the year ended March 31, 2021

(Millions of yen)

	Reportable segment				Adjustments	Consolidated
	Automotive	Industrial and Bearings	Machine tools	Total		
Revenue						
Customers	845,715	270,284	130,286	1,246,286	—	1,246,286
Intersegment	922	16,061	22,124	39,107	(39,107)	—
Total	846,638	286,345	152,410	1,285,394	(39,107)	1,246,286
Segment profit (loss): Business profit	12,970	(478)	2,177	14,669	1,243	15,912
Other income						11,815
Other costs						(14,807)
Operating profit						12,920
Finance income						5,997
Finance costs						(3,828)
Share of the profit of associates and joint ventures accounted for using the equity method						263
Profit before income taxes						15,352
Other items						
Depreciation and Amortization	35,838	17,867	9,349	63,056	—	63,056
Impairment losses	250	129	48	428	—	428
Capital expenditure	35,913	10,071	8,372	54,357	—	54,357

(Notes) “Adjustments” of segment profit is the elimination of inter-segment transactions.

For the year ended March 31, 2022

(Millions of yen)

	Reportable segment				Adjustments	Consolidated
	Automotive	Industrial and Bearings	Machine tools	Total		
Revenue						
Customers	965,363	311,588	151,474	1,428,426	—	1,428,426
Intersegment	1,281	19,577	19,968	40,828	(40,828)	—
Total	966,645	331,165	171,443	1,469,254	(40,828)	1,428,426
Segment profit (loss): Business profit	14,776	16,391	9,936	41,104	1,242	42,346
Other income						8,939
Other costs						(14,885)
Operating profit						36,401
Finance income						10,466
Finance costs						(3,419)
Share of the profit of associates and joint ventures accounted for using the equity method						486
Profit before income taxes						43,934
Other items						
Depreciation and Amortization	39,210	17,565	10,215	66,990	—	66,990
Impairment losses	3,227	313	—	3,540	—	3,540
Capital expenditure	37,118	6,697	10,307	54,122	—	54,122

(Notes) “Adjustments” of segment profit is the elimination of inter-segment transactions.