Annual Report 2 0 1 0

For the year ended March 31, 2010





Message from the Chairman and the President

It is our pleasure to report to you on JTEKT Corporation's business performance for the fiscal year ended March 31, 2010.

Regarding the state of the world economy during this period, economic stimulus measures introduced by nations around the world proved effective at curtailing economic declines, and signs of recovery began appearing. Movement toward economic recovery was more distinct in emerging nations than in advanced nations. Concerning Japan's economy, the expansion of exports fueled by the recovery of Asian economies resulted in a mild economic recovery. In regard to the JTEKT Group's main business fields, while the auto industry began to rebound as "eco-car" tax breaks and other incentives spurred automobile sales, industrial equipment industries remained stagnant as companies continued a low level of capital expenditures. Regarding currency exchange, the yen continued to be strong.

Given such a business climate, in order to offset dramatic drops in manufacturing and sales volumes as well as the negative impact of the strong yen, the JTEKT Group strove during this term to improve its profitability by optimizing its manufacturing and sales network, promoting local manufacturing and procurement, and reducing costs by strong efforts to reduce waste.

In regard to consolidated results for the period, the drop in worldwide automobile sales in the term's first half and companies' reluctance to make capital expenditures resulted in sales of 769,682 million yen, a decline of 247,389 million yen, or 24.3%, from the previous term. Concerning profit, although reductions in labor costs, overhead expenses, external purchasing costs, etc. were achieved, these were not enough to offset the dramatic decline in sales volumes, resulting in an operating income of 425 million yen (compared to 22,370 million yen the previous term) and an ordinary loss of 252 million yen (compared to ordinary profit of 11,109 million yen the previous term). A net loss for the period of 19,413 million yen was recorded as a result of such costs as those incurred in optimizing business structures in order to improve profitability.

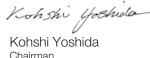
An end-of-term dividend of 6 yen per share was issued, bringing the total dividend for the year to 11 yen per share (with an interim dividend of 5 yen per share).

The JTEKT Group will strive to construct a corporate structure able to respond more quickly and flexibly to changes in the business environment. In the short term, we will endeavor through the joint efforts of our design, production engineering, manufacturing, and purchasing functions to achieve dramatic improvement in our cost structure by further improving

productivity and developing low-cost technology. Regarding middle-term and long-term efforts toward future growth, we consider it an important corporate mission to contribute to resolving global warming and other environmental issues and will pursue the development of energy-efficient, low-carbon, environmentally friendly products. We also will strive to "stand in the shoes of customers" worldwide and develop advanced products that meet their diversified and regionally based requirements, optimize our global supply network, and improve quality.

The continued strong support of our shareholders will be sincerely appreciated. June 2010







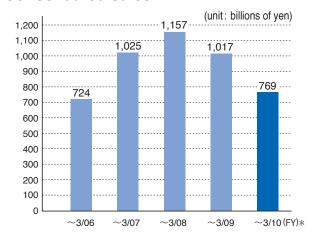
Shoji Ikawa President

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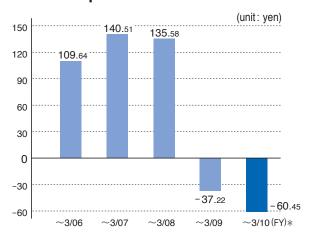
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Consolidated Financial Highlights Comparison of Five Fiscal Years

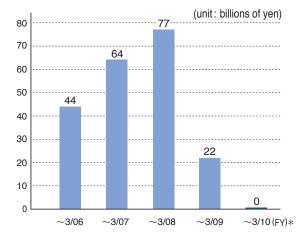
Consolidated sales



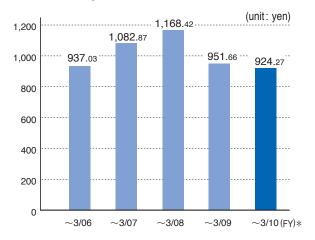
Net income per share



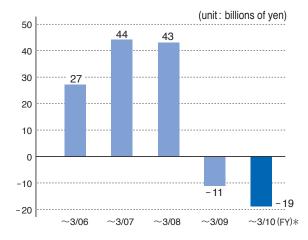
Consolidated operating income



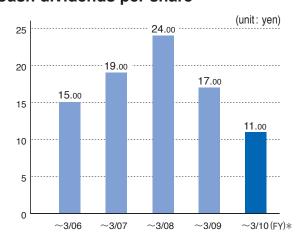
Net assets per share



Consolidated net income



Cash dividends per share



Global Business Activities

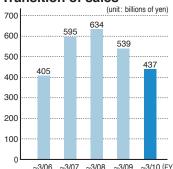
Japan

Number of companies: 34

Number of employees: 15,878

Transition of sales: 437 billion yen

Transition of sales





TG4 Grinding Center

JTEKT Technical Fair 2009

We held JTEKT Technical Fair 2009 (JTF2009) at our Customer Center located in Kariya City, Aichi Prefecture on November 4 and 5, 2009. With the concept of "The monozukuri of tomorrow is in sight", we introduced the products of our group companies, including the 13 new machine tool models newly developed for the environmentally-friendly market in which growth is expected.

We exhibited world's-first cutting-edge technologies and high-efficiency grinding technologies to approximately 2,000 guests from home and abroad, including Chinese guests.

JTEKT received the Nikkan Kogyo Shimbun Ten Great New Products Award

The CNC TG4 Grinding Center earned the Monozukuri Award of the 52nd Ten Great New Products Award organized by the Nikkan Kogyo Shimbun.

The TG4, which was developed in response to market needs of the production equipment market that requires high-value added production and lead-time reduction, is more compact and saves space by using a single piece of equipment for a grinding process that previously required two.

It was also highly evaluated as a complex grinding machine that significantly reduces running cost by consolidating process flow.

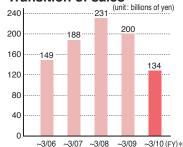
Europe

Number of companies: 25

Number of employees: 7,682

Transition of sales: 134 billion yen

Transition of sales





TPCA awards ceremony

JTEKT participated in Hannover Messe 2009

One of the world's biggest exhibitions in the industrial field, Hannover Messe 2009, was held in Germany. In addition to bearings for wind power generation, EXSEV bearings and high-performance bearings, we made a presentation at the environment and energy-related hall to let the visitors know that JTEKT is an environmentally conscious and sophisticated company, and that satisfied many visitors.

Awards for the two consecutive years from TPCA

JTEKT Automotive Czech Plezen, S.R.O, a local production company for steering systems in the Czech Republic, was selected as one of the 15 top companies from among 200 suppliers of TPCA and received the Good Supplier Award at the TPCA Supplier Award Ceremony. This is due to our quality and punctuality, and we have been awarded for two consecutive years after being selected for the Best Supplier Award. We will pursue customer satisfaction through cooperation among the functions concerned.

*TPCA: Toyota Peugeot Citroën Automotive Czech. An automobile production company jointly established in the Czech Republic by Toyota Motor Company and PSA Peugeot Citroën.

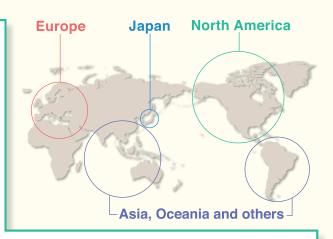
North America

Number of companies: 17

Number of employees: 4.571

Transition of sales: 94 billion yen

Transition of sales (unit: billions of yen) 180 160 154 140 120 107 100 80 60 40 20



Heading toward the No. 1 position in the auto parts sector

JTEKT bought the needle roller bearing business from the Timken Company, a leading bearing manufacturer in the US and started operation in January 2010. Through this acquisition, we succeeded in reinforcing the operation of needle roller bearings, which has been a top priority. Also, we believe that this acquisition will enable an appropriate response to the varied needs of our customers all over the world.

A welcoming ceremony for the needle roller bearing business was held at the Sales Division of Koyo Bearing USA LLC, our American subsidiary company for manufacturing and sales of bearings, on January 28-29.

We will strive to be the No.1 company in the auto parts sector with the mottoes of "Customers first, quality first" and "Passion for creation and innovation".



Welcoming ceremony for Timken Company's needle roller bearing business

Outline of the needle roller bearing business

Overseas manufacturing bases: 12 manufacturing bases (5 in North America, 6 in Europe and 1 in China) and 3 development bases (1 in the US

Number of employees: 3,242 (at the end of 2009) Sales amount: 408 million USD (2009)

Asia, Oceania and others (excluding Japan)

Number of companies: 42

Number of employees: 7,334

Transition of sales: 103 billion yen

Transition of sales (unit: billions of yen) 120 103 100 87 80 60 40 ~3/06 ~3/07 ~3/08 ~3/09 ~3/10(EY)



The ground-breaking ceremony for constructing YSK's new plant

KBIN held its first dealers' meeting. Made a commitment to expand sales in the Indian market

As part of its reinforcement of operations in emerging markets, JTEKT established its Indian subsidiary for sales of bearings, Koyo Bearings India Private Limited (hereinafter referred to as KBIN), in July 2007. In November of the same year, KBIN held its first dealers' meeting with its 6 dealers from around the country. They committed to expanding sales in the dynamic Indian market by sharing the strategic goal of expanding sales in the industry sector.

YKS held a ground-breaking ceremony for construction of a new plant, aiming to establish the No. 1 model plant in China

Yobei Koyo Steering System Co., Ltd., our Chinese subsidiary for steering production, held a jichinsai, or groundbreaking ceremony, for the start of construction of the new plant. With the motto of "Honestly, steadily and thoroughly", YKS aims to produce 1 million units annually and to become the No.1 model plant in China through the full realization of JPS*.

*JPS: JTEKT Production System. A system pursuing efficient manufacturing by painstakingly cutting waste

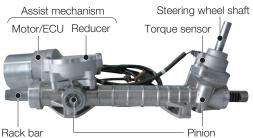
Introduction of New Products and New Technologies

Enriching society through "monozukuri" manufacturing that contributes to the global environment

Steering

Development of dual-pinion type electric power steering (DP-EPS)

In the case of dual-pinion type electric power steering (DP-EPS), the assist mechanism supplementing the driver's turning effort is located in the engine room. While this mechanism is attached to the steering shaft in most EPS systems, in the case of DP-EPS it is attached directly to the rack by means of a "second pinion" in addition to the steering shaft pinion. This system features packaging flexibility because the assist mechanism can be located freely along the rack. Additionally, its output is 20 percent higher than that of conventional EPS.



Bearings

Development of new bearing material dramatically improving bearing life and enabling development of long-life, highly corrosion-resistant bearing JHS520 for rolling mill roll necks

JTEKT Corporation has developed the long-life, highly corrosion-resistant bearing JHS520 for rolling mill roll necks as the first in a series of JTEKT Hyper-Strong (JHS) bearings featuring long life and high durability for use in steelmaking equipment. JTEKT succeeded in dramatically extending life through the application of a newly developed bearing material enabling the improvement of bearing rolling fatigue life and corrosion resistance.





Narrow type with seals

Open type

Awards

We received an award for our advanced integrated technology. We continue to develop our technologies.

Driveline

The DLC-Si coated electromagnetic clutch received "Invention Award"

DLC-Si coated electromagnetic clutch, which was jointly developed with Toyota R&D Central Labs, Inc. and used for our intelligent torque controlled coupling (ITCC), received "The Invention Award" of "The 2009 National Commendation for Invention".

The National Commendation for Invention is intended to encourage invention and contribute to technological development in Japan by rewarding people who make outstanding inventions. This is the first time for us to earn this prize.

ITCC is a product that is equipped to the rear differential of 4WD vehicles. The technology of the lightweight and compact DLC-Si coated electromagnetic clutch that achieved durability of eight times that of conventional products was appreciated.



Machine tools and Mechatronics

Earned the Technology Prize of the Japanese Society of Tribologists for the year 2008

The four engineers of JTEKT received the Technology Prize from the Japanese Society of Tribologists for the development of environment-friendly grinding technology, the ECOLOG Grinding TYPE II. This award is given to recognize excellent performance among technologies in practical use concerning tribology, with high quality and capacity, and from which future social contribution can be expected. Our technology, which reduced coolant usage, was valued as energy efficient and a great contribution to the environment of the production site.



Social Contribution Activities

JTEKT tries to create opportunities to interact with local people as a member of the community and as a good corporate citizen.



Volleyball lessons for local elementary school students

Activities for Youth Development

We work to provide knowledge and human resources for developing youth, the bearers of the future generation. The Association of Engineering Meisters of JTEKT gives guidance on monozukuri (manufacturing) and held "Monozukuri School for Families" at the Kariya Plant Technical Center in August to raise the local people's interest in manufacturing. On the day, 45 families (115 parents and children) participated, including many from the local community. Our male volleyball team holds volleyball lessons in many places, in which they utilize the skills that helped them to win the V. Challenge League title in 2009-2010. In March, they held a volleyball class for the local elementary school children at our Tokyo Plant. The families of our employees also joined the class to interact with the local community. In addition, the whole company gets involved in youth development activities by opening our grounds and hosting a plant tour.

Interactions with the local community

We try to create forums for dialogue and interaction with the local community. For example, we held the "Plant Festival" at our 10 plants in Japan. Each plant staged well-planned events including inviting a student brass band or a Japanese drum team of the region to play, hosting a volleyball lesson, and holding a plant tour. In this way we amused nearly 8,000 people, including both local people and our employees. We will cherish this sense of unity regardless of our position and endeavor with the local community to enrich society.



Coaching by the members of JTEKT STINGS



Consolidated Balance Sheet

March 31, 2010

ASSETS	Millions of yen	Thousands of U.S. dollars
	2010	2010
Current assets:		
Cash	¥55,839	\$600,161
Time deposits	2,445	26,282
Short-term investments	43,631	468,947
Notes and accounts receivable:		
Trade	157,891	1,697,020
Unconsolidated subsidiaries and affiliates	11,526	123,880
Other	17,737	190,640
	187,154	2,011,540
Allowance for doubtful accounts	(927)	(9,963)
	186,227	2,001,577
Inventories	124,403	1,337,089
Deferred tax assets	16,433	176,624
Other current assets	7,521	80,839
Total current assets	436,499	4,691,519
Investments and advances:		
Investments in securities	36,701	394,462
Investments in and advances to unconsolidate	ed	
subsidiaries and affiliates	14,910	160,260
	51,611	554,722
Property, plants and equipment:		
Buildings and structures	211,083	2,268,738
Machinery and equipment	691,851	7,436,057
Lease assets	4,740	50,950
	907,674	9,755,745
Accumulated depreciation	(653,961)	(7,028,815)
	253,713	2,726,930
Land	55,992	601,805
Construction in progress	10,125	108,828
	319,830	3,437,563
Deferred tax assets	2,496	26,825
Other assets	36,569	393,046
Total assets	¥847,005	\$ 9,103,675
Conversion rate: ¥93.04 per U.S. dollar		

LIABILITIES AND NET ASSETS	Millions of yen	Thousands of U.S. dollars
		2010
Current liabilities:		
Short-term loans	¥103,268	\$1,109,934
Current portion of long-term debt	33,392	358,903
Notes and accounts payable		
Trade	140,146	1,506,302
Unconsolidated subsidiaries and affiliates	10,951	117,703
Construction	5,210	55,998
Other	11,479	123,371
	167,786	1,803,374
Income tax payable	3,734	40,129
Accrued expenses	29,833	320,647
Other current liabilities	21,838	234,713
Total current liabilities	359,851	3,867,700
Long-term debt	100,692	1,082,249
Accrued indemnities from retirement benefit plan	58,260	626,183
Accrued severance indemnities for members of		
the board of directors and corporate auditors	2,989	32,123
Deferred tax liabilities	665	7,147
Other liabilities	9,389	100,913
Total liabilities	531,846	5,716,315
Net assets:		
Shareholders' equity:		
Common stock:		
Authorized - 1,200,000 thousand shares		
Issued - 321,406 thousand shares	36,879	396,380
Capital surplus	99,525	1,069,706
Retained earnings	176,038	1,892,061
Less: Treasury shares	(377)	(4,046)
Evaluation and conversion difference:		
Unrealized gain on other securities	11,436	122,916
Translation adjustments on foreign currency		
financial statements	(26,683)	(286,788)
Minority interests in consolidated subsidiaries	18,341	197,131
Total net assets	315,159	3,387,360
Total liabilities and net assets	¥847,005	\$ 9,103,675

Conversion rate: \pm 93.04 per U.S. dollar

As of March 31, 2010, JTEKT had 117 consolidated subsidiaries and 12 affiliates accounted for by the equity method. The main ones of each type are shown below.

(Consolidated subsidiaries)

KOYO MACHINE INDUSTRIES CO., LTD. TOYOOKI KOGYO CO., LTD. KOYO SEALING TECHNO CO., LTD. CNK CO., LTD. KOYO THERMO SYSTEMS CO., LTD. KOYO ELECTRONICS INDUSTRIES CO., LTD. JTEKT AUTOMOTIVE VIRGINIA, INC. KOYO SALES, LTD. DAIBEA CO., LTD. UTSUNOMIYA KIKI CO., LTD. HOUKO CO., LTD. TOYODA VAN MOPPES LTD.

JTEKT (THAILAND) CO., LTD. JTEKT AUTOMOTIVE TENNESSEE-MORRISTOWN, INC. JTEKT AUTOMOTIVE TENNESSEE-VONORE CO. JTEKT AUTOMOTIVE LYON S.A.S. JTEKT AUTOMOTIVE DIJON SAINT-ETIENNE S.A.S. JTEKT AUTOMOTIVE (THAILAND) CO., LTD. KOYO CORPORATION OF U.S.A. KOYO ROMANIA S.A. KOYO BEARINGS (EUROPE) LTD. TOYODA MACHINERY USA CORP.

(Affiliates accounted for by the equity method)

FUJIKIKO CO., LTD. MITSUI SEIKI KOGYO CO., LTD.

Consolidated Statement of Income and Retained Earnings For the year ended March 31, 2010

	Millions of yen	Thousands of U.S. dollars
	2010	2010
Net sales	¥769,682	\$8,272,598
Cost of sales	679,913	7,307,753
Gross profit	89,769	964,845
Selling, general and administrative expenses	89,344	960,276
Operating income	425	4,569
Other income (expenses):		
Interest and dividend income	1,439	15,464
Interest expenses	(3,429)	(36,852)
Foreign currency exchange gain, net	48	517
Loss on sales or disposal of property,		
plant and equipment, net	(845)	(9,083)
Equity in earnings of unconsolidated		
subsidiaries and affiliates	311	3,340
Other, net	(14,179)	(152,395)
	(16,655)	(179,009)
Loss before income taxes and items listed belo	ow (16,230)	(174,440)
Income taxes:		
Current	3,923	42,168
Deferred	(465)	(4,994)
Minority interests in net income of		
consolidated subsidiaries	(275)	(2,952)
Net loss	(19,413)	(208,662)
Consolidated retained earnings:		
Balance at beginning of the year	197,807	2,126,043
Net increase due to the change		
in scope of consolidation	1,177	12,651
Cash dividends	(3,533)	(37,971)
Balance at ending of the year	176,038	1,892,061
Per share:	Yen	U.S. dollars
Net loss	¥ (60.45)	\$ (0.65)
Cash dividends	11.00	0.12
Weighted average number of common shares		
outstanding (thousands)	321,141	321,141

Consolidated Statement of Cash Flows

For the year ended March 31, 2010

1	Millions of yen	Thousands of U.S. dollars
		2010
Cash flows from operating activities:		
Loss before income taxes	¥ (16,230)	\$ (174,440)
Depreciation and amortization	50,010	537,513
Equity in earnings of unconsolidated subsidiaries	3	
and affiliates	(311)	(3,339)
Notes and accounts receivable	(5,486)	(58,959)
Inventories	16,820	180,783
Notes and accounts payable	18,285	196,528
Bonuses to directors and corporate auditors	(300)	(3,225)
Payment of income taxes	1,269	13,640
Other, net	(802)	(8,626)
Net cash provided by operating activities	63,255	679,875
Cash flows from investing activities:		
Increase in time deposits	(1,222)	(13,135)
Decrease in marketable securities	700	7,520
Purchases of property, plant and equipment	(33,136)	(356,153)
Proceeds from sales of property,		
plant and equipment	3,972	42,691
Increase in investments in securities	(95)	(1,021)
Payments for transfer of business	(28,980)	(311,482)
Increase in loans receivable	(302)	(3,244)
Other, net	1,348	14,495
Net cash used by investing activities	(57,715)	(620,329)
Cash flows from financing activities:		
Increase in short-term loans	18,407	197,842
Increase in long-term debt	1,900	20,421
Cash dividends	(4,074)	(43,791)
Other, net	(867)	(9,322)
Net cash provided by financing activities	15,366	165,150
Exchange difference of cash and cash equivalents	1,844	19,823
Net increase in cash and cash equivalents	22,750	244,519
Cash and cash equivalents at beginning of the year	75,074	806,901
Net increase due to the change in scope of consolidation	1,515	16,281
Cash and cash equivalents at ending of the year	¥ 99,339	\$1,067,701

Nonconsolidated Balance Sheet

March 31, 2010

Current assets: 2010 2010 Cash ¥ 5,599 \$ 60,183 Short-term investments 43,500 467,541 Notes and accounts receivable: Trade 59,322 637,596 Subsidiaries and affiliates 82,330 884,886 Other 10,230 109,950 Allowance for doubtful accounts (31) (333) Allowance for doubtful accounts (31) (333) Investments and structures 34,295 368,603 Deferred tax assets 13,080 140,587 Other current assets 4,022 43,229 Total current assets 252,347 2,712,242 Investments and advances: 252,347 2,712,242 Investments in securities 26,146 281,018 Investments in and advances to 215,528 2,316,506 Property, plants and equipment: 189,382 2,035,488 Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 <th>ASSETS</th> <th>Millions of yen</th> <th>Thousands of U.S. dollars</th>	ASSETS	Millions of yen	Thousands of U.S. dollars
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Trade 59,322 637,596 Subsidiaries and affiliates 82,330 884,886 Other 10,230 109,950 Allowance for doubtful accounts (31) (333) Allowance for doubtful accounts (31) (333) Inventories 34,295 368,603 Deferred tax assets 13,080 140,587 Other current assets 4,022 43,229 Total current assets 252,347 2,712,242 Investments and advances: 26,146 281,018 Investments in securities 26,146 281,018 Investments in and advances to 215,528 2,316,506 Property, plants and equipment: 8 2,035,488 Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465	Short-term investments	43,500	467,541
Subsidiaries and affiliates 82,330 884,886 Other 10,230 109,950 151,882 1,632,432 Allowance for doubtful accounts (31) (333) Inventories 34,295 368,603 Deferred tax assets 13,080 140,587 Other current assets 4,022 43,229 Total current assets 252,347 2,712,242 Investments and advances: 26,146 281,018 Investments in securities 26,146 281,018 Investments in and advances to 215,528 2,316,506 Property, plants and equipment: 349,382 2,035,488 Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets	Notes and accounts receivable:		
Other 10,230 109,950 Allowance for doubtful accounts (31) (333) Allowance for doubtful accounts (31) (333) Inventories 34,295 368,603 Deferred tax assets 13,080 140,587 Other current assets 4,022 43,229 Total current assets 252,347 2,712,242 Investments and advances: 281,018 Investments in securities 26,146 281,018 Investments in and advances to 215,528 2,316,506 Property, plants and equipment: 3215,528 2,316,506 Property, plants and equipment: 374,665 4,026,917 Lease assets 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Othe	Trade	59,322	637,596
Allowance for doubtful accounts (31) (333) Allowance for doubtful accounts (31) (333) Inventories (34,295) (368,603) Deferred tax assets (13,080) (140,587) Other current assets (4,022) (43,229) Total current assets (252,347) (2,712,242) Investments and advances: Investments in securities (26,146) (281,018) Investments in and advances to subsidiaries and affiliates (189,382) (2,035,488) Property, plants and equipment: Buildings and structures (116,467) (1,251,798) Machinery and equipment (374,665) (4,026,917) Lease assets (1,228) (13,201) Accumulated depreciation (386,373) (4,152,758) Land (38,373) (4,152,758) Land (38,934) (418,465) Construction in progress (4,428) (47,594) Deferred tax assets (10,523) (113,103) Other assets (7,828) (84,130)	Subsidiaries and affiliates	82,330	884,886
Allowance for doubtful accounts (31) (333) Inventories 34,295 368,603 Deferred tax assets 13,080 140,587 Other current assets 4,022 43,229 Total current assets 252,347 2,712,242 Investments and advances: 26,146 281,018 Investments in securities 26,146 281,018 Investments in and advances to 189,382 2,035,488 215,528 2,316,506 Property, plants and equipment: 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Other	10,230	109,950
151,851 1,632,099 Inventories 34,295 368,603 Deferred tax assets 13,080 140,587 Other current assets 4,022 43,229 Total current assets 252,347 2,712,242 Investments and advances: Investments in securities 26,146 281,018 Investments in and advances to subsidiaries and affiliates 189,382 2,035,488 215,528 2,316,506 Property, plants and equipment: Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Leferred tax assets 10,523 113,103 Other assets 7,828 84,130		151,882	1,632,432
Inventories 34,295 368,603 Deferred tax assets 13,080 140,587 Other current assets 4,022 43,229 Total current assets 252,347 2,712,242 Investments and advances: 26,146 281,018 Investments in securities 26,146 281,018 Investments in and advances to subsidiaries and affiliates 189,382 2,035,488 215,528 2,316,506 Property, plants and equipment: 8 200,200,200 Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Allowance for doubtful accounts	(31)	(333)
Deferred tax assets 13,080 140,587 Other current assets 4,022 43,229 Total current assets 252,347 2,712,242 Investments and advances: Unvestments in securities 26,146 281,018 Investments in and advances to Unvestments in and advances to 215,528 2,035,488 Property, plants and equipment: Unvestments 2,035,488 Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130		151,851	1,632,099
Other current assets 4,022 43,229 Total current assets 252,347 2,712,242 Investments and advances: 26,146 281,018 Investments in securities 26,146 281,018 Investments in and advances to subsidiaries and affiliates 189,382 2,035,488 Property, plants and equipment: 215,528 2,316,506 Property, plants and equipment: 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Inventories	34,295	368,603
Total current assets 252,347 2,712,242 Investments and advances: Investments in securities 26,146 281,018 Investments in and advances to subsidiaries and affiliates 189,382 2,035,488 Property, plants and equipment: Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Deferred tax assets	13,080	140,587
Investments and advances: Investments in securities 26,146 281,018 Investments in and advances to 38,382 2,035,488 subsidiaries and affiliates 189,382 2,316,506 Property, plants and equipment: Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Other current assets	4,022	43,229
Investments in securities 26,146 281,018 Investments in and advances to 389,382 2,035,488 215,528 2,316,506 Property, plants and equipment: Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Total current assets	252,347	2,712,242
Investments in and advances to subsidiaries and affiliates 189,382 2,035,488 215,528 2,316,506 215,528 2,316,506 2	Investments and advances:		
subsidiaries and affiliates 189,382 2,035,488 Property, plants and equipment: 215,528 2,316,506 Property, plants and equipment: 374,667 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Investments in securities	26,146	281,018
Property, plants and equipment: Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Investments in and advances to		
Property, plants and equipment: Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	subsidiaries and affiliates	189,382	2,035,488
Buildings and structures 116,467 1,251,798 Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130		215,528	2,316,506
Machinery and equipment 374,665 4,026,917 Lease assets 1,228 13,201 492,360 5,291,916 Accumulated depreciation (386,373) (4,152,758) Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Property, plants and equipment:		
Lease assets 1,228 13,201 492,360 5,291,916 Accumulated depreciation (386,373) (4,152,758) 105,987 1,139,158 Land 38,934 418,465 Construction in progress 4,428 47,594 149,349 1,605,217 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Buildings and structures	116,467	1,251,798
Accumulated depreciation 492,360 5,291,916 Accumulated depreciation (386,373) (4,152,758) 105,987 1,139,158 Land 38,934 418,465 Construction in progress 4,428 47,594 149,349 1,605,217 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Machinery and equipment	374,665	4,026,917
Accumulated depreciation (386,373) (4,152,758) 105,987 1,139,158 Land 38,934 418,465 Construction in progress 4,428 47,594 149,349 1,605,217 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Lease assets	1,228	13,201
Land 38,934 418,465 Construction in progress 4,428 47,594 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130		492,360	5,291,916
Land 38,934 418,465 Construction in progress 4,428 47,594 149,349 1,605,217 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Accumulated depreciation	(386,373)	(4,152,758)
Construction in progress 4,428 47,594 149,349 1,605,217 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130		105,987	1,139,158
Deferred tax assets 149,349 1,605,217 Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Land	38,934	418,465
Deferred tax assets 10,523 113,103 Other assets 7,828 84,130	Construction in progress	4,428	47,594
Other assets 7,828 84,130		149,349	1,605,217
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Deferred tax assets	10,523	113,103
Total assets ¥ 635,575 \$ 6,831,198	Other assets	7,828	84,130
	Total assets	¥ 635,575	\$ 6,831,198

LIABILITIES AND NET ASSETS	Millions of yen	Thousands of U.S. dollars
		2010
Current liabilities:		
Short-term loans	¥ 58,750	\$ 631,449
Current portion of long-term debt	25,000	268,702
Notes and accounts payable		
Trade	98,158	1,055,008
Subsidiaries and affiliates	24,897	267,594
Construction	2,603	27,978
Other	5,752	61,818
	131,410	1,412,398
Income tax payable	730	7,847
Accrued expenses	11,756	126,360
Other current liabilities	14,407	154,842
Total current liabilities	242,053	2,601,598
Long-term debt	84,000	902,837
Accrued indemnities from retirement benefit plan	39,816	427,951
Accrued severance indemnities for members of		
the board of directors and corporate auditors	1,489	16,003
Other liabilities	554	5,951
Total liabilities	367,912	3,954,340
Net assets:		
Shareholders' equity:		
Common stock:		
Authorized - 1,200,000 thousand shares		
Issued - 321,406 thousand shares	36,879	396,380
Capital surplus	99,518	1,069,629
Retained earnings	120,856	1,298,964
Less: Treasury shares	(338)	(3,635)
Evaluation and conversion difference:		
Unrealized gain on other securities	10,748	115,520
Total net assets	267,663	2,876,858
Total liabilities and net assets	¥ 635,575	\$ 6,831,198

Conversion rate: ¥93.04 per U.S. dollar

Nonconsolidated Statement of Income

For the year ended March 31, 2010

	Millions of yen	Thousands of U.S. dollars
	2010	2010
Net sales	¥ 484,281	\$ 5,205,084
Cost of sales	449,419	4,830,390
Gross profit	34,862	374,694
Selling, general and administrative expenses	40,066	430,634
Operating loss	(5,204)	(55,940)
Other income (expenses):		
Interest and dividend income	7,354	79,040
Interest expenses	(1,830)	(19,673)
Foreign currency exchange gain, net	18	193
Loss on sales or disposal of property		
plant and equipment, net	(81)	(871)
Other, net	(5,061)	(54,395)
	400	4,294
Loss before income taxes and items listed below	(4,804)	(51,646)
Income taxes:		
Current	250	2,687
Deferred	(2,579)	(27,715)
Net loss	¥ (2,475)	\$ (26,618)

Per share:			
Net loss	¥ (7.71)	\$ (0.08)	
Cash dividends	11.00	0.12	
Weighted average number of common shares			
outstanding (thousands)	321,164	321,164	

Stock Information

Shareholder Information as of March 2010

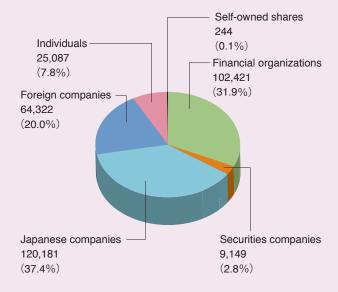
(share quantities in units of 1,000)

1. Number of authorized shares: 1,200,000 Number of issued shares: 321,406 2. Number of shareholders: 21,908

3.	Maior	(top	10)	shareholders	
٠.	iviajoi	(top	10)	onarcholacio	

Shareholder	No. of shares
Toyota Motor Corporation	72,435
Denso Corporation	17,611
The Master Trust Bank of Japan, Ltd.	15,536
Japan Trustee Services Bank, Ltd.	12,483
Nippon Life Insurance Company	12,361
Toyota Industries Corporation	7,493
Resona Bank, Ltd.	6,749
The Sumitomo Trust and Banking Co., Ltd.	6,729
Sumitomo Mitsui Banking Corporation	6,366
Toyota Tsusho Corporation	5,649

4. Breakdown of shareholders (100% = total issued shares)



Company Profile

Profile

Company name JTEKT CORPORATION

Head office locations Nagoya head office

No.7-1, Meieki 4-chome, Nakamura-ku, Nagoya, Aichi Pref., 450-8515, Japan

Osaka head office

No.5-8, Minamisemba 3-chome, Chuo-ku, Osaka, 542-8502, Japan

Main business Manufacture and sale of steering systems, bearings,

driveline components, machine tools, etc.

Capital 36 billion yen

Sales Consolidated: 769 billion yen

Nonconsolidated: 484 billion yen

Consolidated: 35,465 Number of employees

Nonconsolidated: 10,105

Members of the Board and Officers

Board of Directors

Kohshi Yoshida Chairman Vice Chairman Motohiko Yokoyama

President Shoji Ikawa

Executive

Masakazu Nagai Vice President

Senior Executive Director Senior Executive Director Takaaki Suzuki Senior Executive Director Hiroshi Itoh Nobuyoshi Hisada

Senior Executive Director Senior Executive Director Seiho Kawakami Takao Yoneda **Executive Director** Hitoshi Shimatani Executive Director Masakazu Isaka

Director Takeshi Uchiyamada

Corporate auditors

Standing Corporate Auditor Standing Corporate Auditor Masatake Enomoto Hiroshi Fujii Corporate Auditor Koichi Fukaya

Corporate Auditor Atsushi Niimi Corporate Auditor Masaaki Kobayashi

Managing officers

Executive Managing Officer Executive Managing Officer Executive Managing Officer Ryuichi Kakui Yoshio Sakai Tomizou Nakaya

Executive Managing Officer Hisashi Matsumoto

Hiroyuki Kaijima Masayuki Kitamura Kiyohiro Iritani Managing Officer Managing Officer Managing Officer Noriya Murase Motoyasu Nakamura Shiro Nakano Managing Officer Managing Officer Managing Officer

Yusuke Horiuchi Tomokazu Takahashi Managing Officer Managing Officer Azuma Arai Managing Officer

Hirokazu Takii Masaki Kamikawa Shinji Uetake Managing Officer Managing Officer Managing Officer Keiji Araki Hiroyuki Miyazaki Yoshio Tsuji Managing Officer Managing Officer Managing Officer

Katsumi Yamamoto Managing Officer Yutaka Mori Managing Officer Hidekazu Omura Managing Officer

Managing Officer Kazunori Shimada



