

Financial results for the Second Quarter of fiscal year ending March 2024

November 10th, 2023

JTEKT CORPORATION

Results	<ul style="list-style-type: none">■ Revenue <u>increased</u> due to easing the impact of COVID-19, recovery from shortage of semiconductors, and favorable exchange rate.■ Despite continuing inflation, business profit <u>increased with cost reduction activities</u>, revenue increase mainly in automobiles, and favorable foreign exchange rate.
Forecasts	<ul style="list-style-type: none">■ In addition to reflecting the most recent demand forecasts and the updated foreign exchange rate, we <u>upwardly revised our forecasts of 1,850 billion yen in revenue and 80 billion yen in business profit.</u>■ Although various risks remain, such as continued severe market environment in China, we will ensure achievement of the target by accelerating cost reduction activities while implementing strategic investments in the growth areas.
Return to shareholders	<ul style="list-style-type: none">■ The dividend forecast for FY2023 we <u>upwardly revised to 36 yen per year.</u> (<u>4 yen increase from our previous forecast, 6 yen increase from last year,</u> interim dividend is 16 yen, <u>year-end dividend is 20 yen</u>, payout ratio is 30.9%.)

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1-1) FY2023-2Q Results – Consolidated performance

- Revenue increased due to easing the impact of COVID-19, recovery from shortage of semiconductors, and favorable exchange rate.
- **Despite continuing inflation(materials, energy and labor cost etc.), business profit increased with steady cost reduction activities, revenue increase mainly in automobiles, and favorable foreign exchange rate.**

(Ratio to revenue)

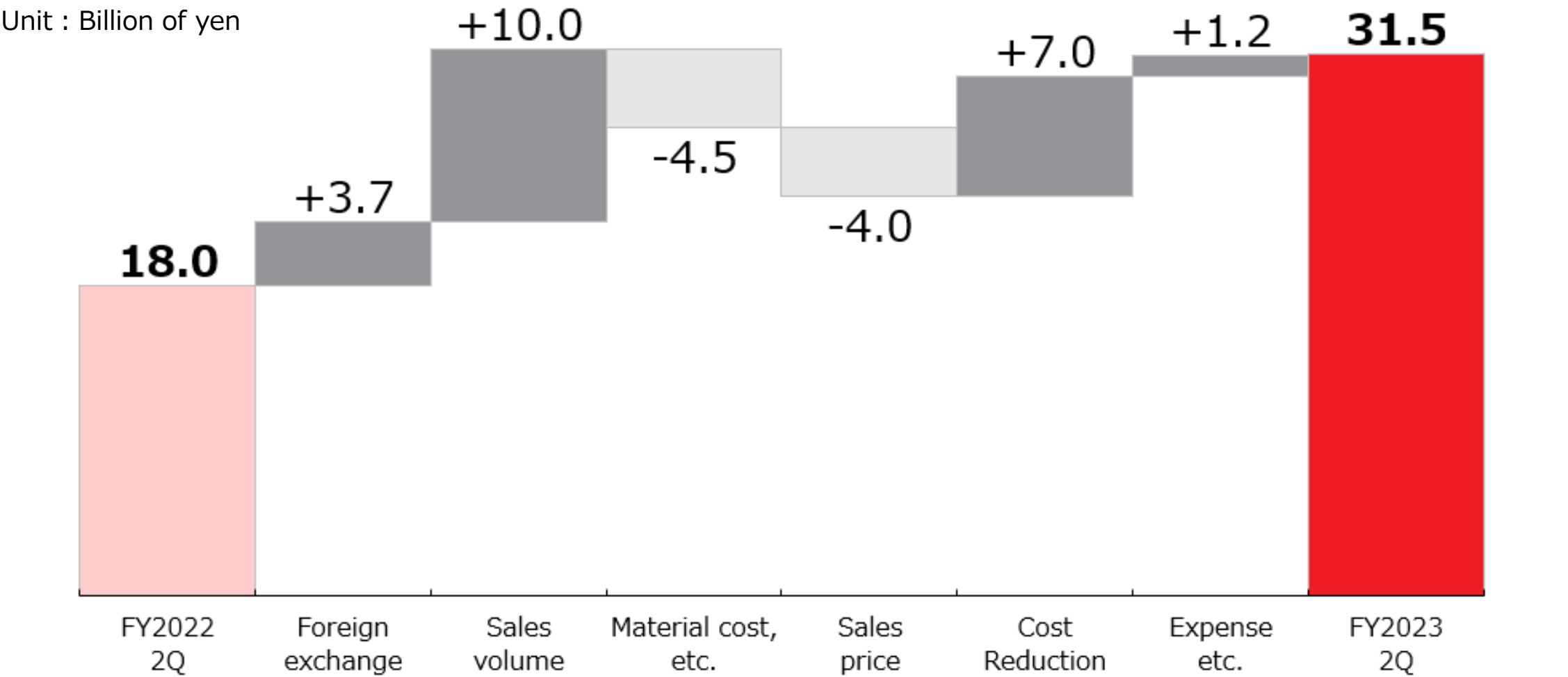
Unit:Billion of yen

	FY2022 2Q		FY2023 2Q		Change	Change ratio
Revenue		804.5		922.2	+117.6	+14.6%
Business profit ※1	(2.2%)	18.0	(3.4%)	31.5	+13.4	+74.6%
Operating profit	(2.3%)	18.8	(3.8%)	34.6	+15.8	+83.9%
Profit before income taxes	(3.3%)	26.4	(4.5%)	41.5	+15.0	+57.1%
Profit ※2	(1.5%)	12.2	(2.5%)	23.1	+10.8	+88.9%
Foreign Exchange	JPY	133.97/USD	JPY	141.00/USD	+7.03 JPY	
	JPY	138.73/EUR	JPY	153.39/EUR	+14.66 JPY	
Earnings per share		35.67 JPY		67.39 JPY		

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

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

■ Despite the impact of inflation and sales price down, profits increased due to **sales recovery, favorable foreign exchange rate, and cost reduction activities.**

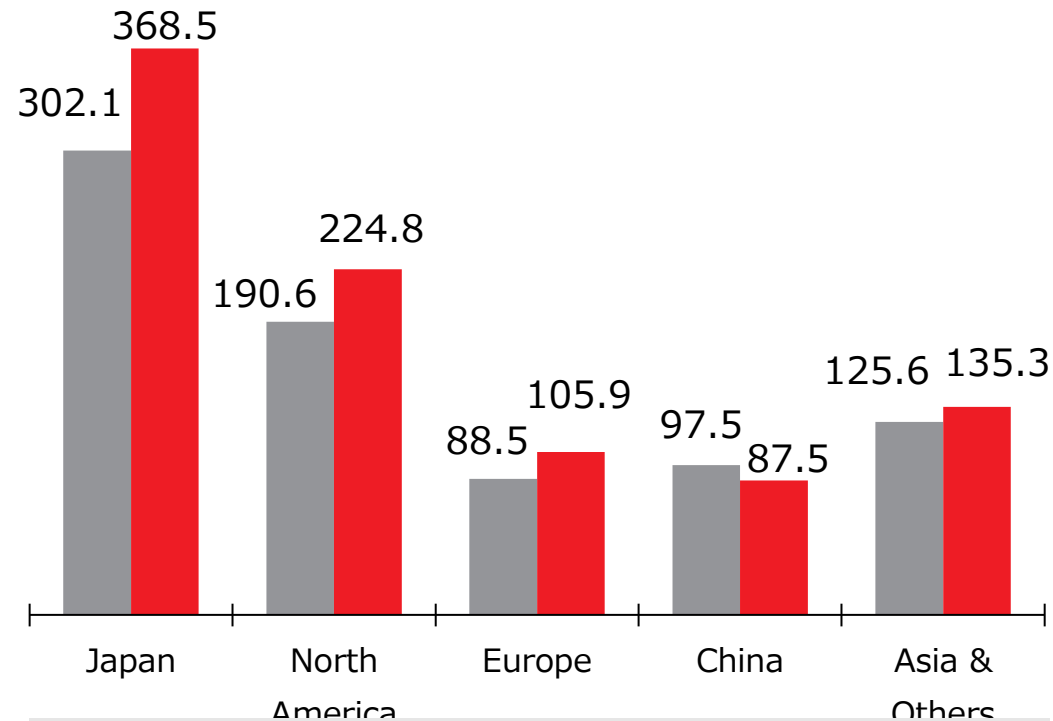


1-3) FY2023-2Q Results – by Region

■ Profit increased in Japan and North America due to sales recovery, favorable foreign exchange rate, and cost reduction activities. Profit declined in China due to severe market environment.

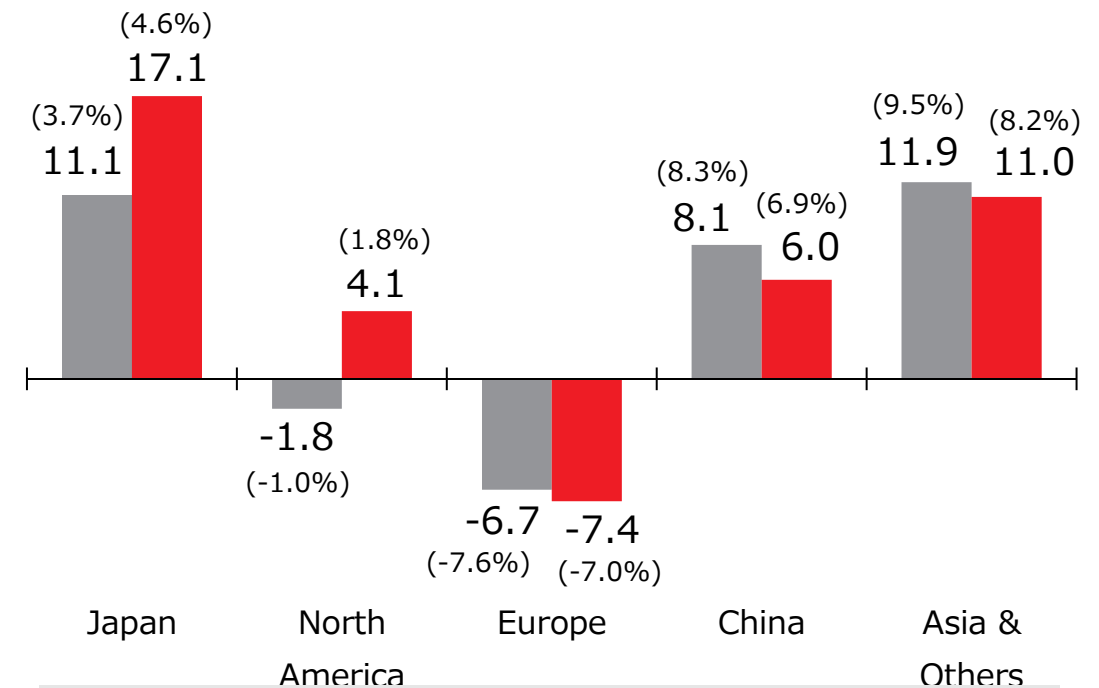
Revenue

Unit : Billion of yen ■ FY2022 2Q ■ FY2023 2Q



Business profit

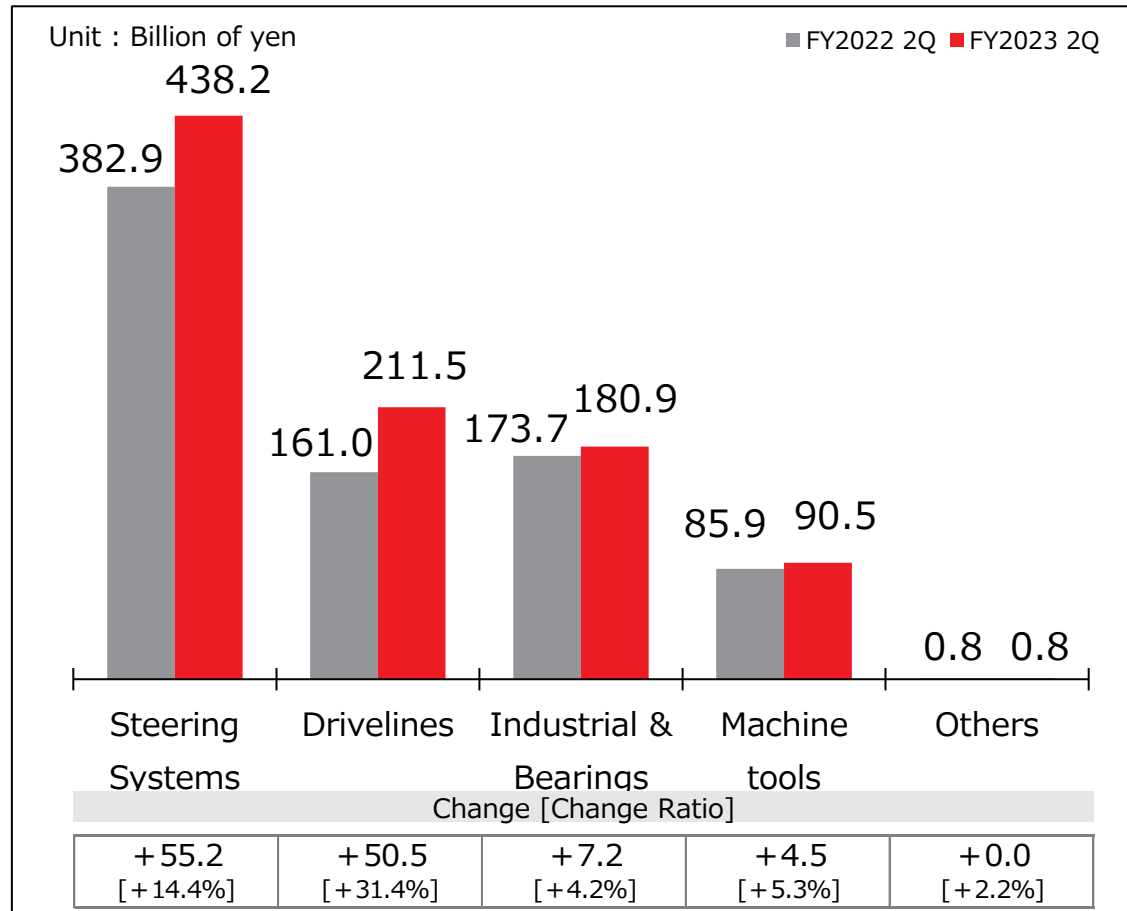
Unit : Billion of yen (Ratio to revenue) ■ FY2022 2Q ■ FY2023 2Q



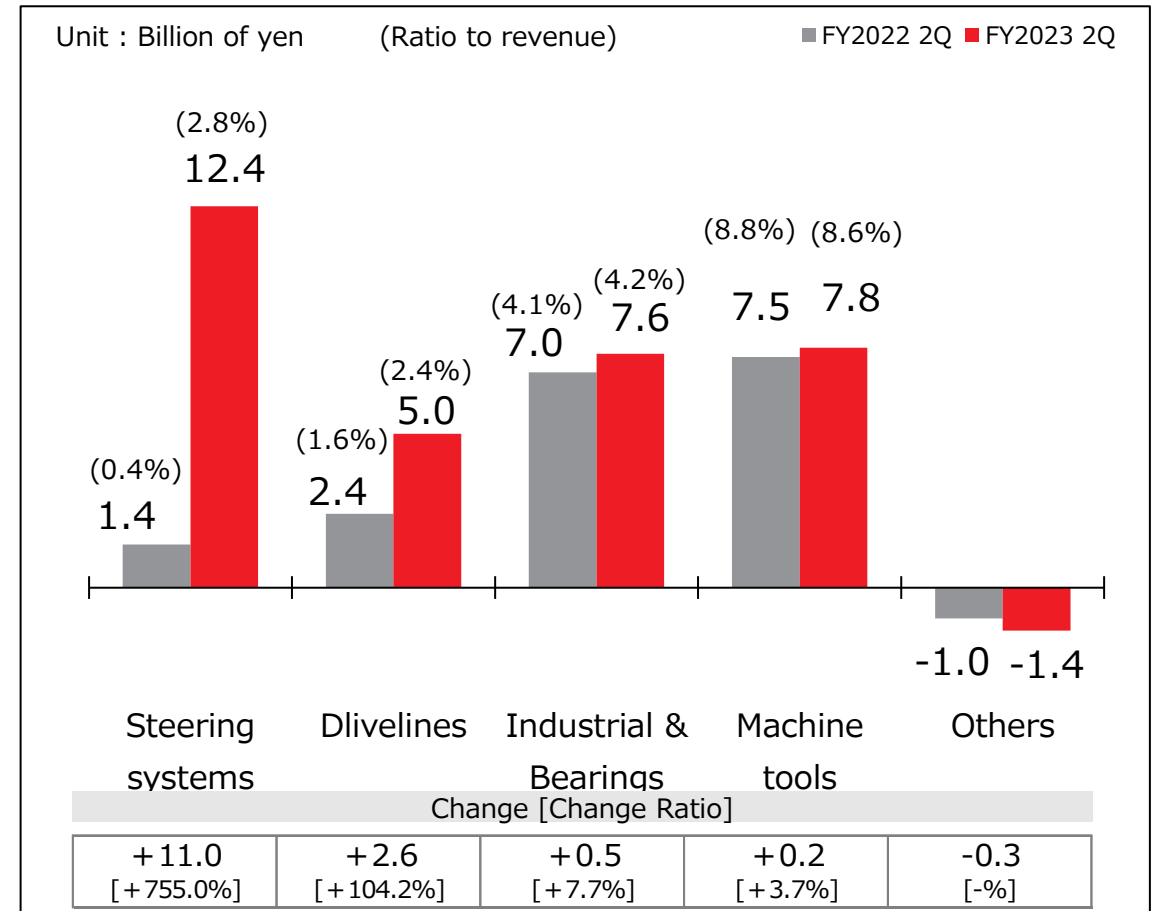
1-4) FY2023-2Q Results – by Business unit

■ Revenue and profit increased in all business units due to sales recovery, favorable foreign exchange rate, and cost reduction activities while implementing strategic investments in the growth areas.

Revenue



Business profit



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2-1) FY2023 Forecast – Consolidated performance

- In addition to reflecting the most recent demand forecasts and the updated foreign exchange rate, **we upwardly revised revenue and all profits.**
- We will ensure achievement of the target **by accelerating cost reduction and appropriate sales price improvement activities** while implementing strategic investments in the growth areas.

(Ratio to revenue)

Unit: Billion of yen

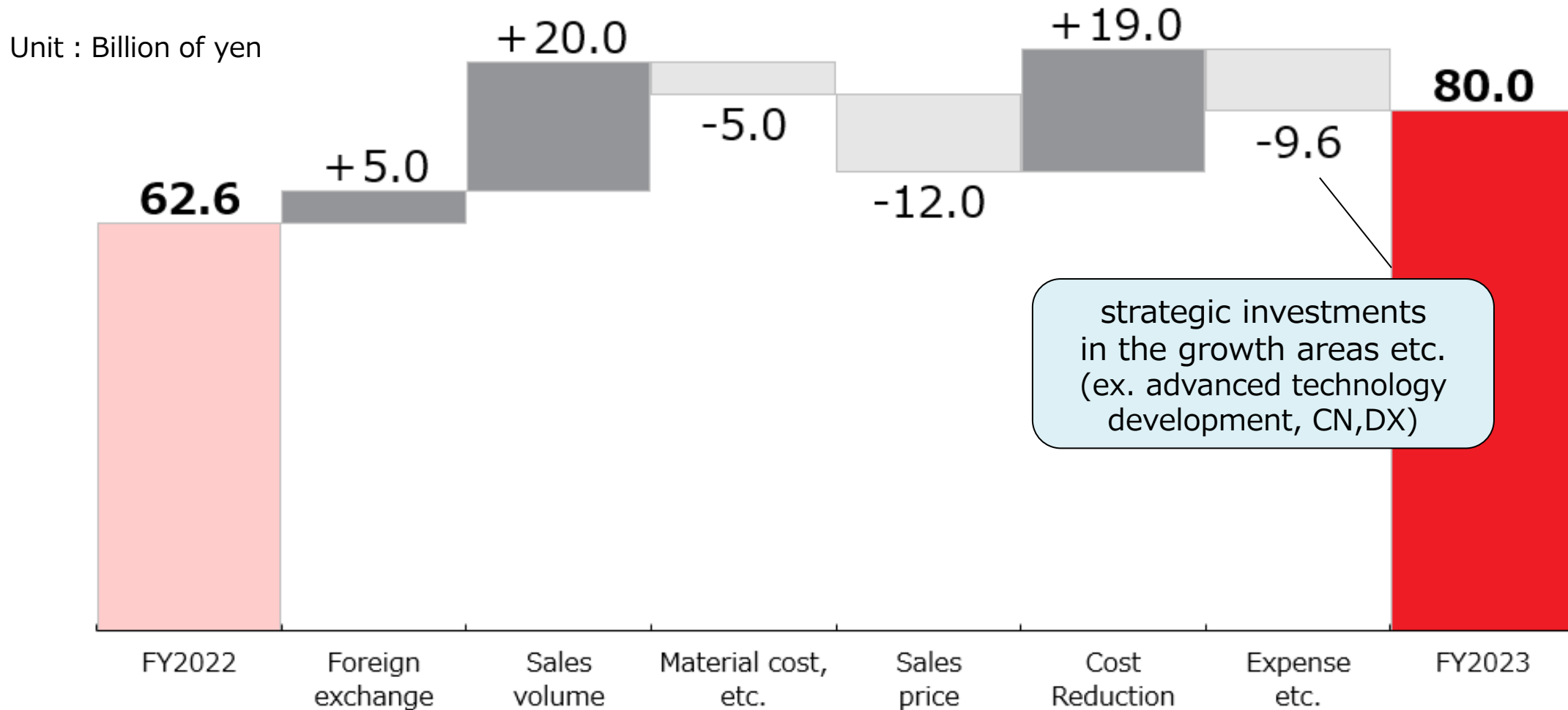
		FY2022	FY2023 (disclosed in 1Q)	FY2023 (disclosed in 2Q)	Change (vs 1Q)	Change ratio
Revenue		1,678.1	1,800.0	1,850.0	+50.0	+2.8%
Business profit	※1	(3.7%) 62.6	(4.2%) 75.0	(4.3%) 80.0	+5.0	+6.7%
Operating profit		(2.9%) 49.3	(3.8%) 68.0	(3.9%) 73.0	+5.0	+7.4%
Profit before income taxes		(3.3%) 55.8	(3.6%) 65.5	(4.1%) 76.0	+10.5	+16.0%
Profit	※2	(2.0%) 34.2	(1.9%) 35.0	(2.2%) 40.0	+5.0	+14.3%
Foreign Exchange	JPY	135.47/USD	JPY 128.00/USD	JPY 141.00/USD	+ 13.00 JPY	
	JPY	140.97/EUR	JPY 139.00/EUR	JPY 152.00/EUR	+ 13.00 JPY	
Earnings per share		99.94 JPY	102.05 JPY	116.62 JPY		

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

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

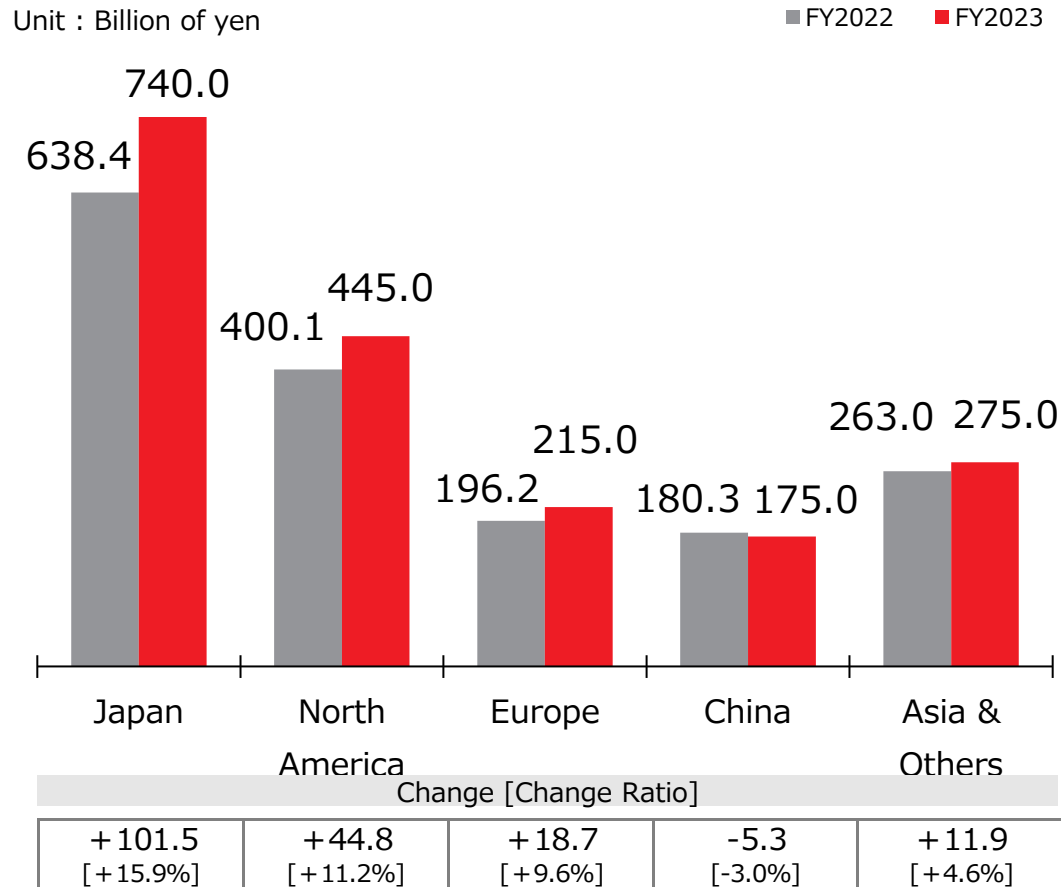
2-2) FY2023 Forecast – Business profit analysis

- Despite the impact of inflation and sales price down, profits increased due to **sales recovery, favorable foreign exchange rate, and cost reduction activities.**
- While securing increased profits, **strategic investments will be made steadily in the growth areas.**

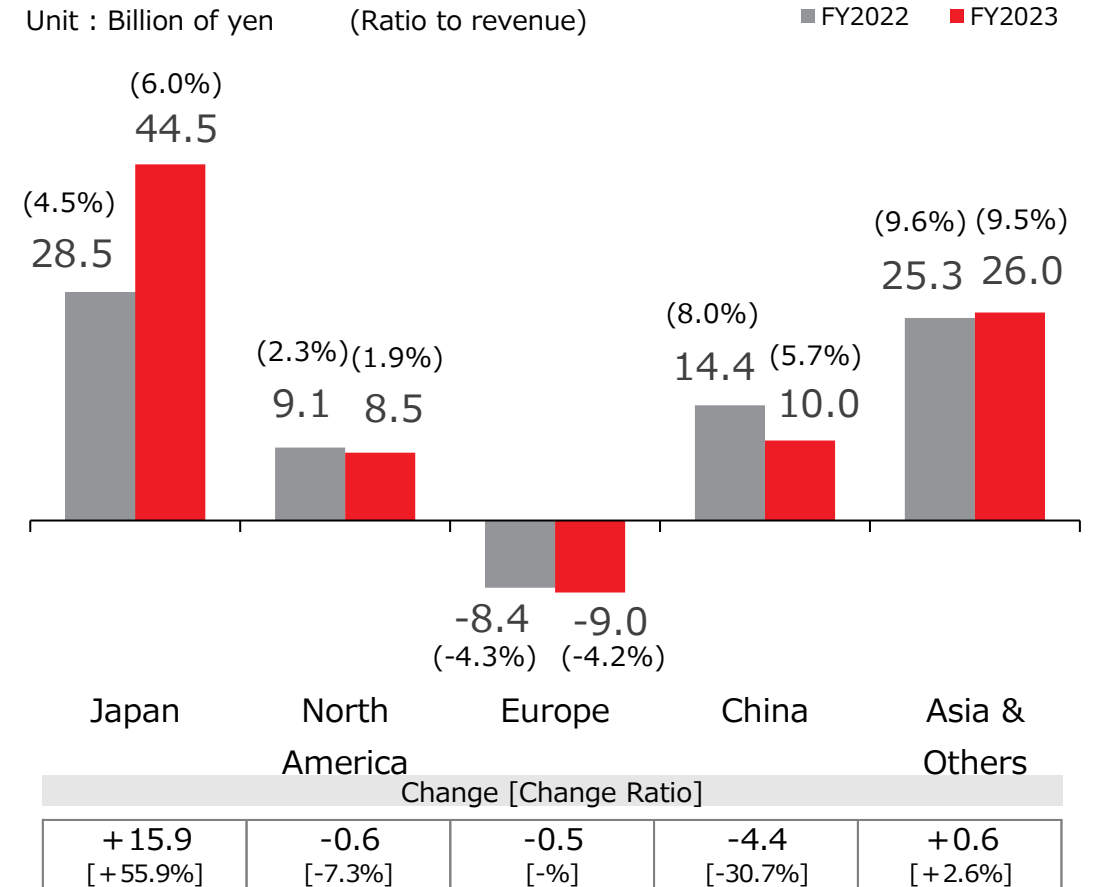


- Profit **increased in Japan** due to sales recovery and accelerating cost reduction.
Overseas profits declined (particularly China) due to severe market environment.

Revenue

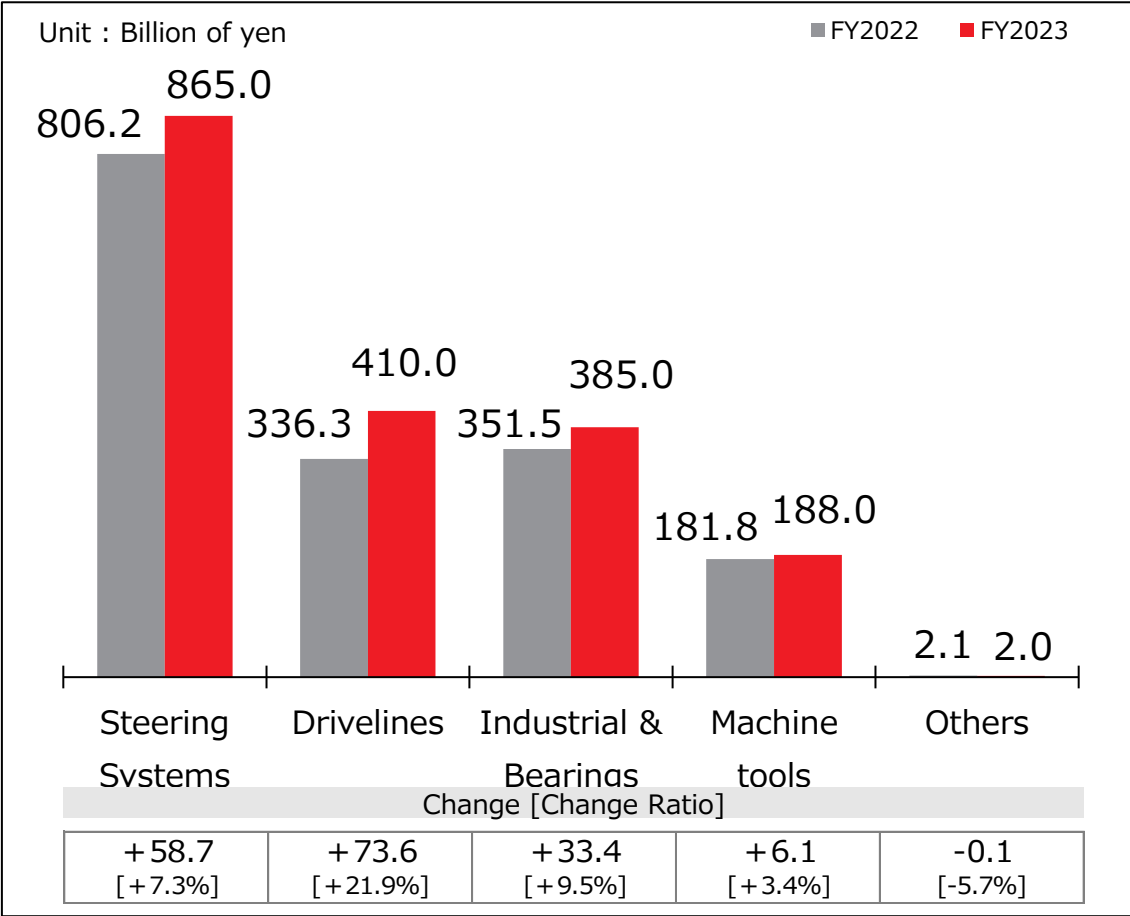


Business profit

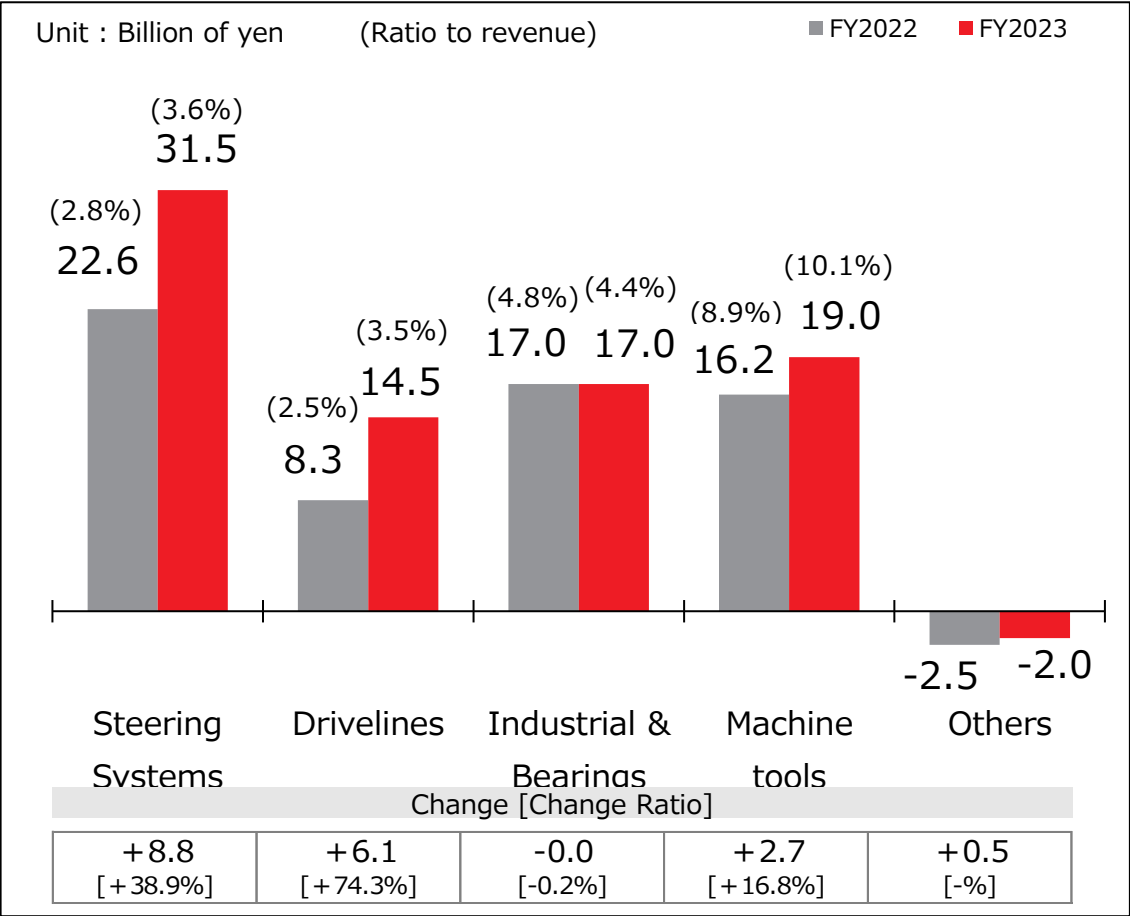


■ Revenue and profit increased in the automotive business, mainly in Japan.

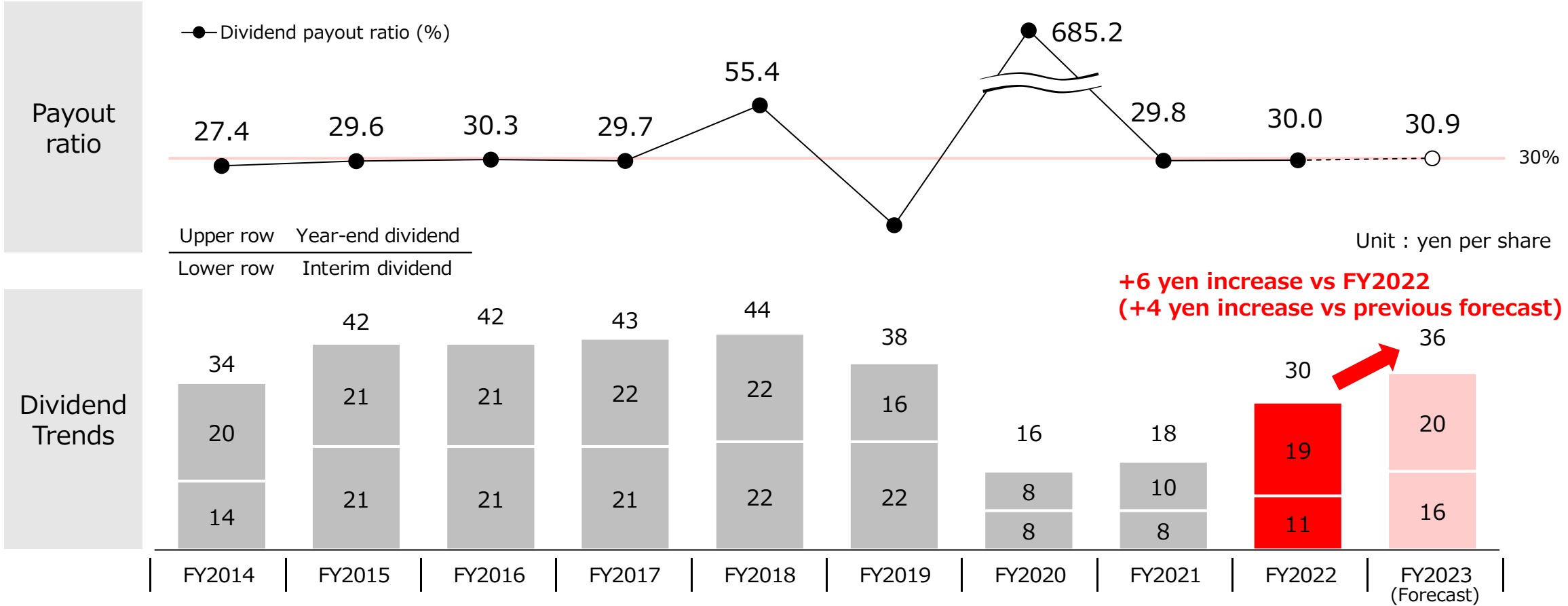
Revenue



Business profit



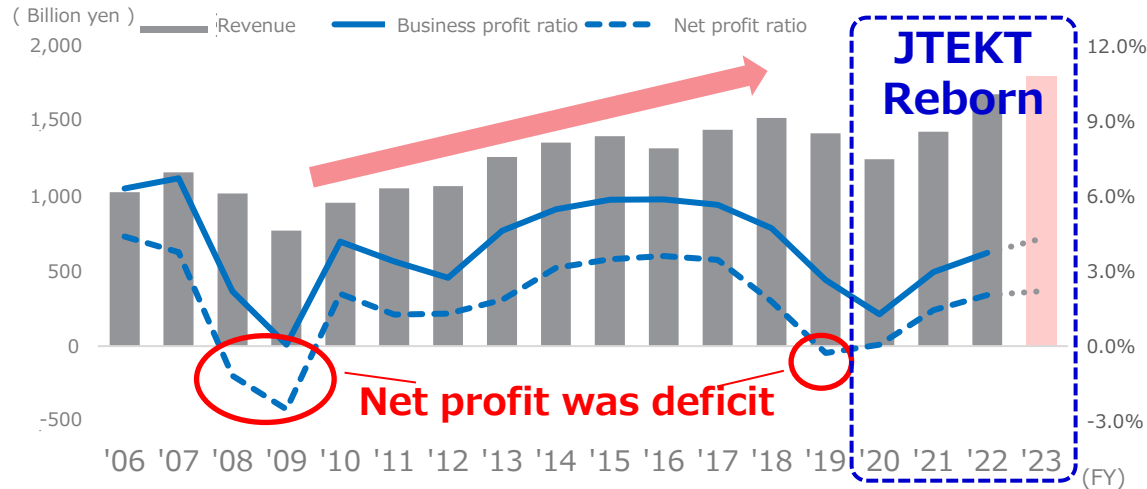
- Under the policy to pay stable dividends in long-term, we will maintain **the dividend payout ratio of 30% or more.**
- Due to the upward revision of the forecasts, year-end dividend forecast will increase by +4 yen. The dividend forecast for FY2023 will be 36 yen per year.



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- Net profit for FY2019 was a deficit of -3.7 billion yen
 - The old company structure from before the merger continues to remain, and improvements to the corporate culture and climate have been postponed.
- ➔ Toward the “true merger”, **we are carrying out three types of treatment ;**
“Surgical Treatment”, “Internal Medicine Treatment”, and “Kampo Treatment”.

Performance trends and causes of deficits



Cause of deficit

- ✓ Attention to cost have weakened during sales expansion period.
- ✓ The integration effect after the merger has not been fully realized.
- ✓ It was our corporate culture that doesn't want "change" or "new challenges".

Three types of treatment (JTEKT Reborn)

Surgical Treatment

- ✓ Improvement the break-even point
- ✓ Cost reduction without exception, consolidation/elimination of subsidiary
- ✓ Structural reforms in North America and Europe

Internal Medicine Treatment

- ✓ Review of work methods
- ✓ Discovering group seeds and generating synergies

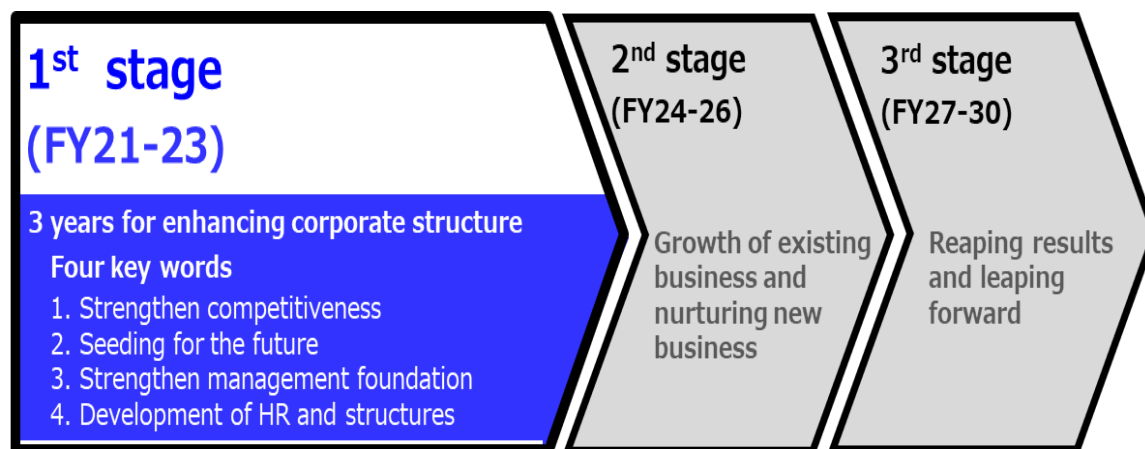
Kampo Treatment

- ✓ Review of basic philosophy (development of human resources, creation of systems)
- ✓ Corporate culture reform

3-1-2) Activities of 1st stage of the mid-term management plan - Surgical Treatment

- 1st stage of the mid-term management plan is positioned as a three-year period to strengthen the company's structure, **focusing on break-even point and breaking out of a deficit structure.**

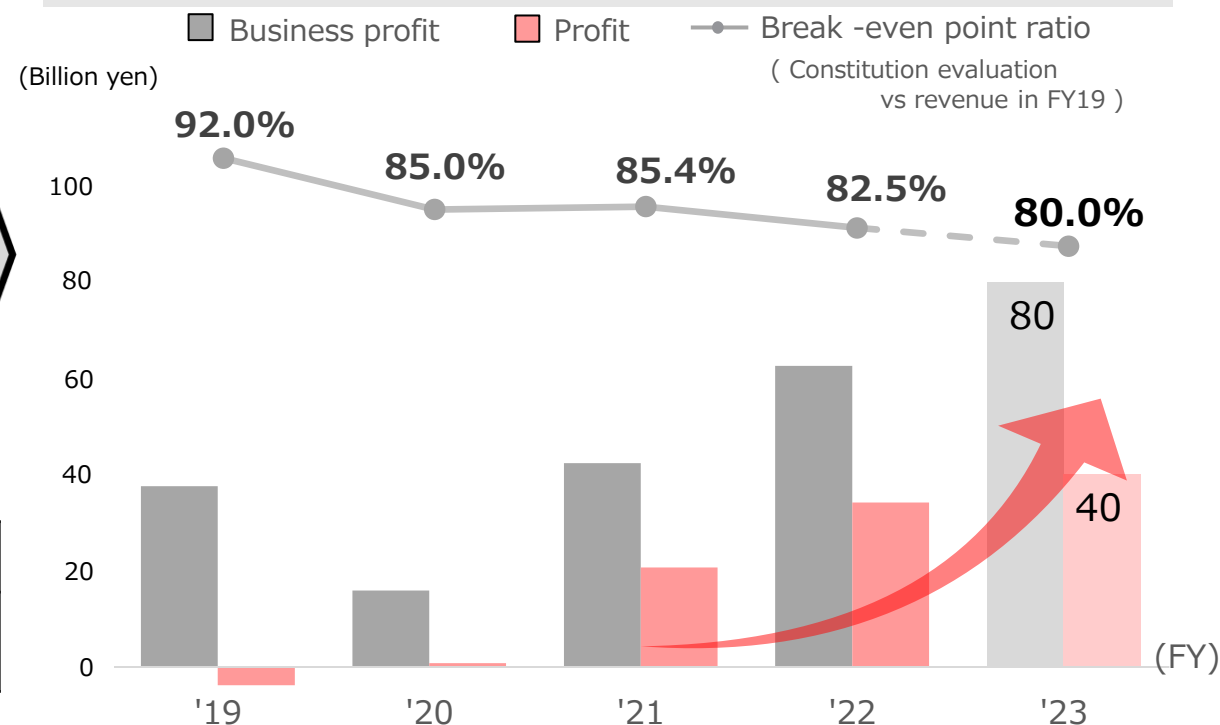
Target for 1st stage of the mid-term management plan period



	FY21	FY22	FY23
Break even point (Compared to revenue FY19)	85%	83%	80%

Target: business profit of 100 billion yen in FY2023

Progress in break-even point sales ratio



We are within reach of achieving our target of break-even point ratio; 80% and are aiming for the highest business profit* ever. * Business profit in FY15: 81.9 billion yen

3-1-3) Activities of 1st stage of the mid-term management plan

- Surgical Treatment

- After promote deficit measures urgently, proceed with **the consolidation and elimination of subsidiary** to reduce fixed costs and improve capital efficiency.
- Continuing structural reforms to **establish a surplus in North America** and **get out of the red in Europe**
- New measures are also required in China, where Japanese OEMs are having a tough time.

Improving profits without sacrificing

Review all expenses and stop the bleeding

- ✓ Eliminate Deficit Models
- ✓ Profit improvement activities for top selling Models
- ✓ Expansion of unmanned/labor-saving lines

Optimization of number of subsidiary

Promoting the consolidation and elimination of subsidiaries mainly in Japan and Europe

Region	Mar/2020	Sep/2023	Difference
Japan	37	27	-10
Europe	30	22	-8
Global	152	121	-31

Progress of structural reforms

North America

- ① Consolidation / elimination of subsidiaries
- ② Consideration of optimal production area
- ③ Introduction of unmanned / labor-saving lines

Europe

- ① Consolidation / elimination of subsidiaries
- ② Business selection and concentration
- ③ Utilization of LCC

Issues

- ✓ **North America:** The Task is to establish productivity improvements.
- ✓ **Europe:** Further structural reforms that can withstand the effects of volume decline and inflation.
- ✓ **China:** It's need a regional strategy that can follow and respond to market changes.

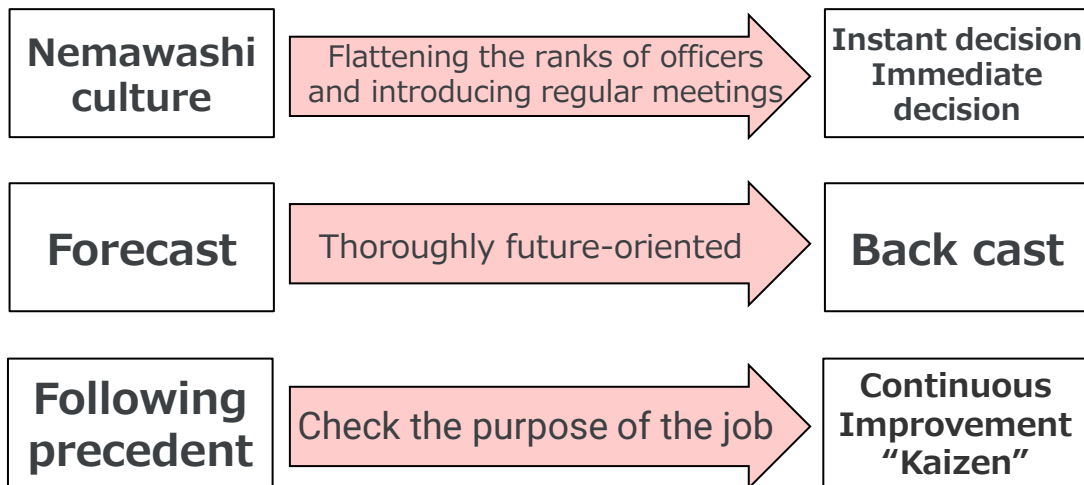


3-1-4) Activities of 1st stage of the mid-term management plan

- Internal Medicine Treatment

- We will review the conventional wisdom, thoroughly eliminate waste within the company, and improve work efficiency.
- Hold regular MTGs to discuss the strengths and future strategies of each region and individual company
→ Creating synergies from the strengths and technological seeds of each group company

Review of work methods

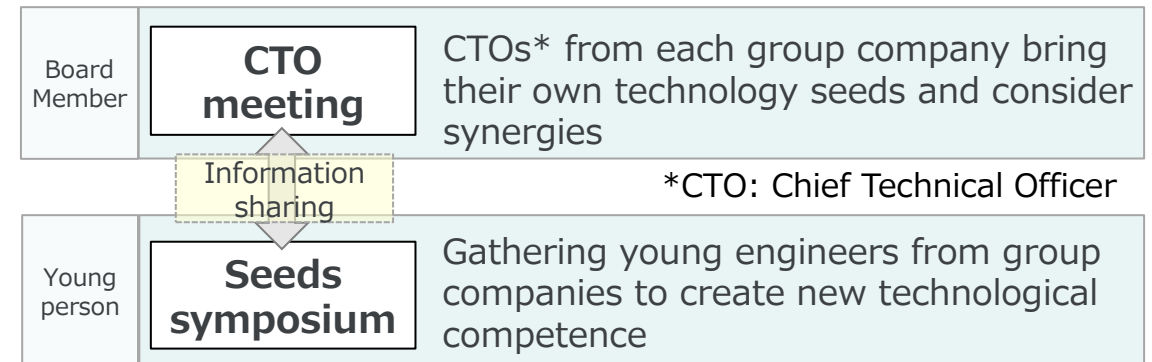


Issues

- ✓ Although improvements are being made, there is still a lot of waste throughout the group.
Aim for global penetration.

Creating group synergy

- ✓ Strengths of our group = A wide range of technological capabilities and seeds
- ✓ Creating group synergies through various meetings



Issues

- ✓ Promoting the creation of mechanisms to accelerate and establish group synergy creation

- In April 2023, the management philosophy system was restructured and unified into "JTEKT's Basic Philosophy"
 - ➔ Now is automotive transformation period, both strong improvement mindset and a globally common work system are necessary.
- **Activities by volunteers** who embody "a company where we can say what we want and do what we want" are becoming more active.

Review of basic philosophy (Development of HR and structures)

- ✓ We will take time to develop people and systems that can put our "Basic Philosophy" into practice.



Issues

- ✓ Review of education system by rank
- ✓ Developing global regulations and standardizing work systems that do not rely on individual know-how

Corporate culture reform

- ✓ Launch of a community of volunteers from the Sales Headquarters who work hard together
- ✓ ➔ "Providing answers" to solve customer problems
Answers-Laboratory (A-Lab.)
- ✓ We aim to **develop human resources who can significantly change the way we work** by thinking outside the box.



Issues

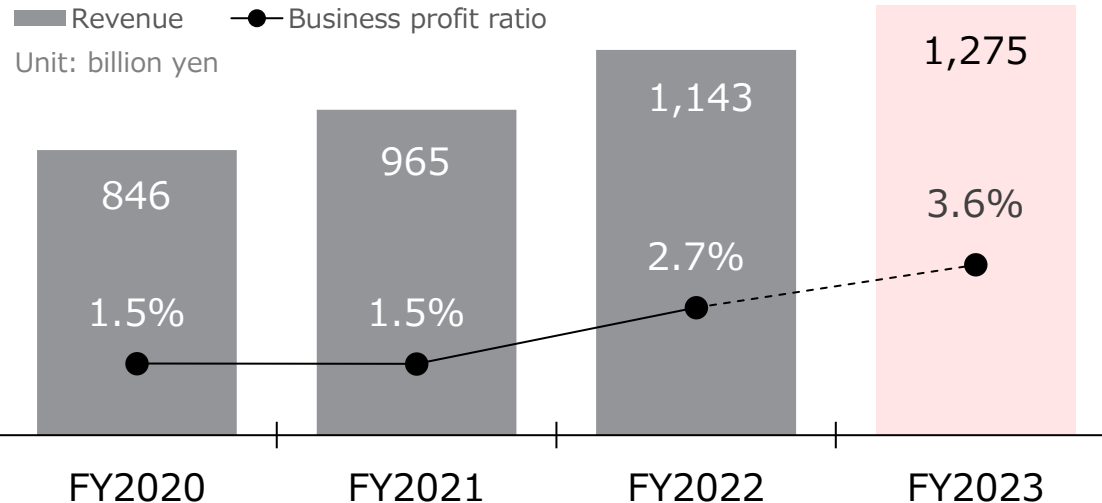
- ✓ Some employees have begun to put the basic philosophy into practice.
- ➔ Connect to company-wide movement

3-1-6) Activities of 1st stage of the mid-term management plan

- Automotive business unit

- Steady recovery of profitability through fixed cost reductions and cost reductions for mass production projects (Top 5 activities), etc.
- Aim for high profitability by replacing with next-generation products and introducing new products with high added value

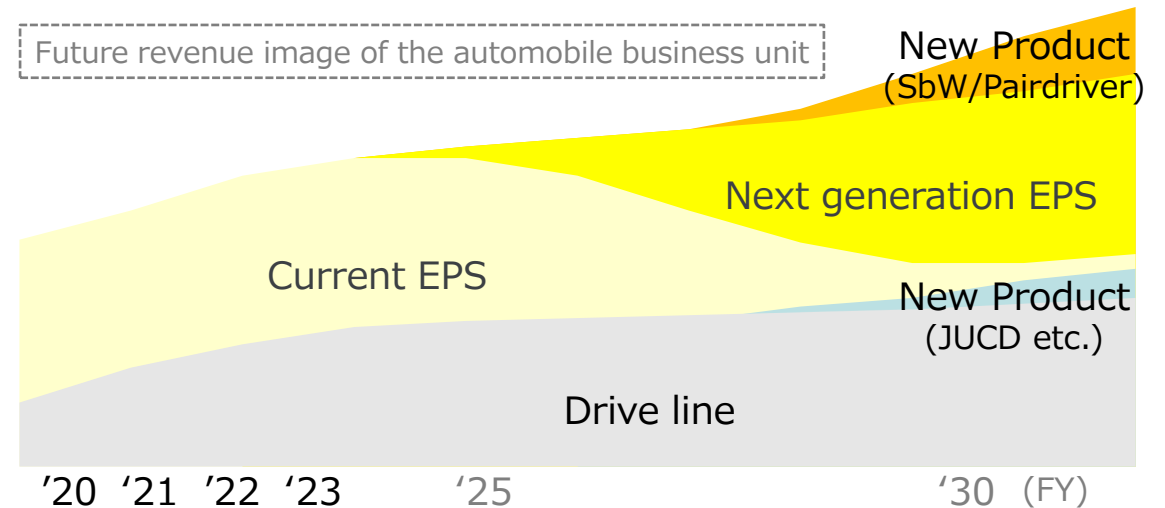
Progress in “Strengthening Competitiveness” of the Automotive Business Unit



Issues

- ✓ Improving the profit margin of the automobile business, which accounts for 70% of consolidated sales, is **essential to achieving the company-wide target of “ROE: 10%”**
- ✓ Further increase profitability **by launching high value-added products into the market**

Initiatives to improve profitability



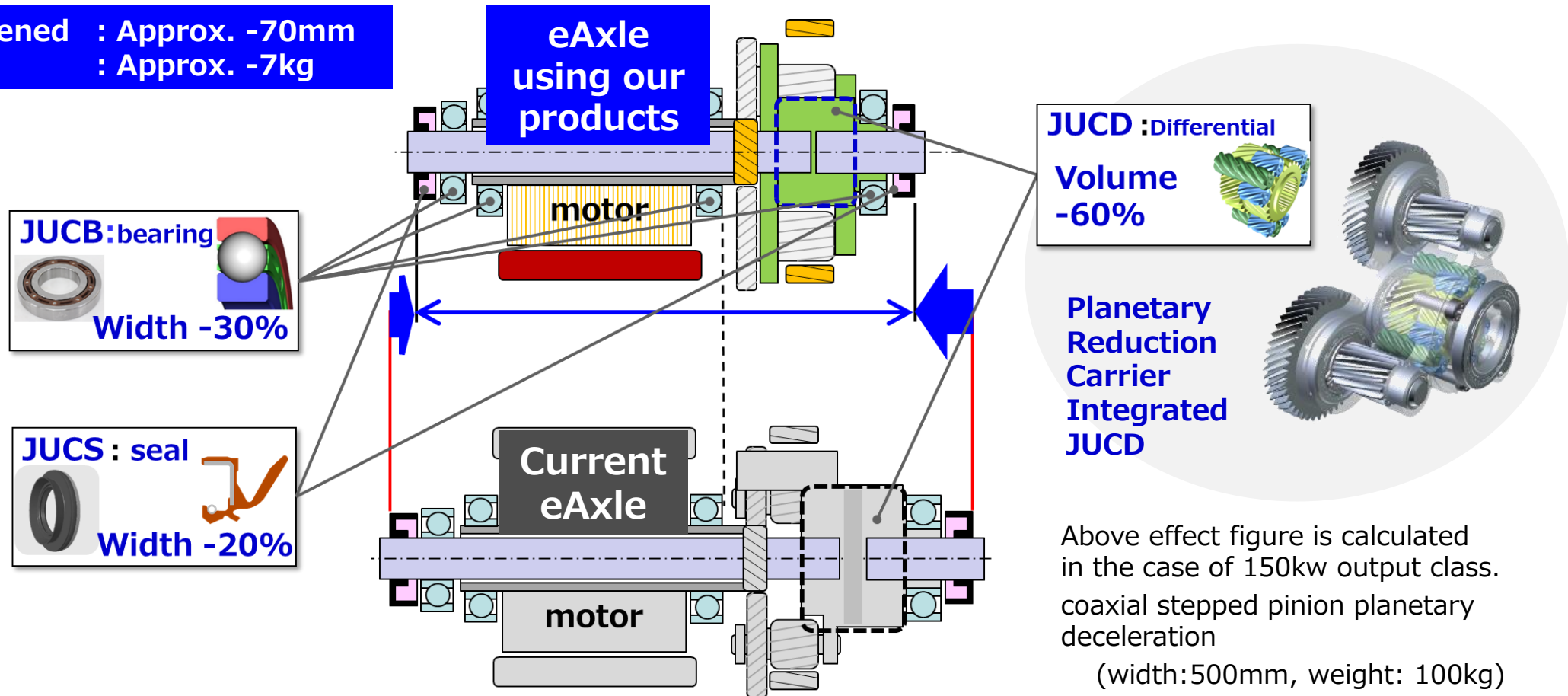
- ✓ Replaced with **next-generation electric power steering (EPS)** with a radically revised design/process based on the concept of “Simple and Slim”
- ✓ Electrification/Introduction of **JUCD/SbW/Pairdriver, etc.** that contribute to the realization of safe, secure, and comfortable automated driving

3-1-7) Activities of 1st stage of the mid-term management plan

- Automotive business unit "Electrification-Compatible Products"

- Promoting the Ultra-Compact Series to the expanding eAxle market in future.
And Improve the electricity costs and increase cruising range by improving the flexibility of mounting and expanding the battery space.
- Contributing to a wide range of customers as a component manufacturer of eAxle.

• Width shortened : Approx. -70mm
• Weight loss : Approx. -7kg



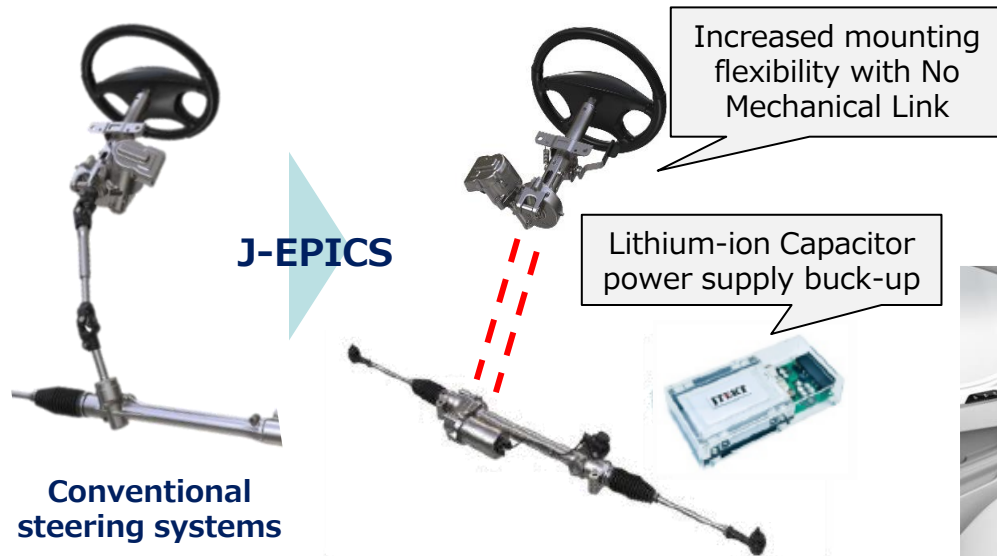
3-1-8) Activities of 1st stage of the mid-term management plan

- Automotive business unit "Autonomous driving products"

- Releasing Sequentially new value-added products for autonomous driving
- Contribution to the realization of safe, secure, and comfortable autonomous driving

J-EPICS*(SbW*)

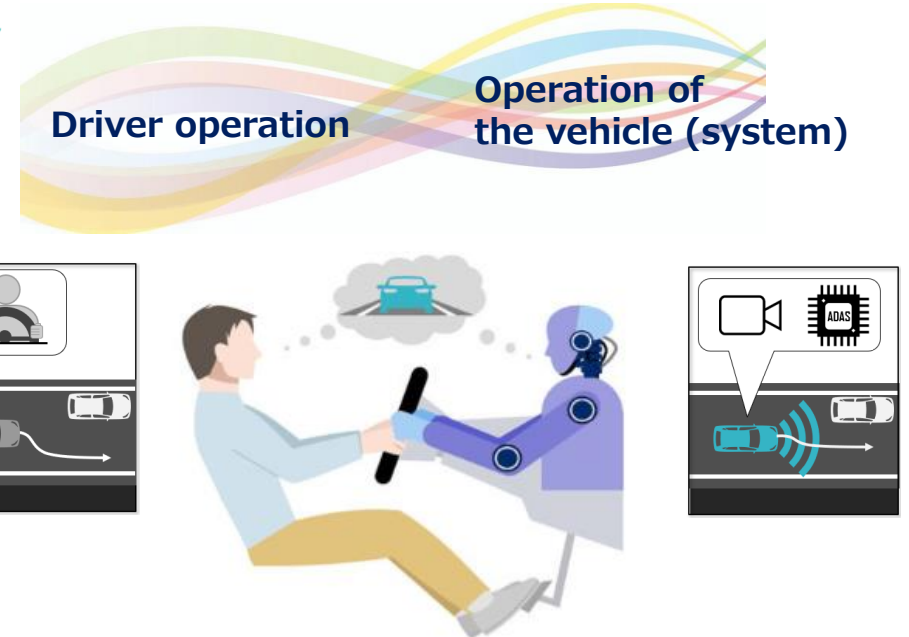
: New system with high affinity for automated driving



*J-EPICS®:JTEKT Electronics Performed Intelligent Control Steering
*Steer-by-Wire



: Software that enables autonomous driving in which people and systems are seamlessly harmonized



✓ No Mechanical Link Steer-by-Wire Technology provides a new steering wheel feel and a comfortable cabin space depending on the driving situation.

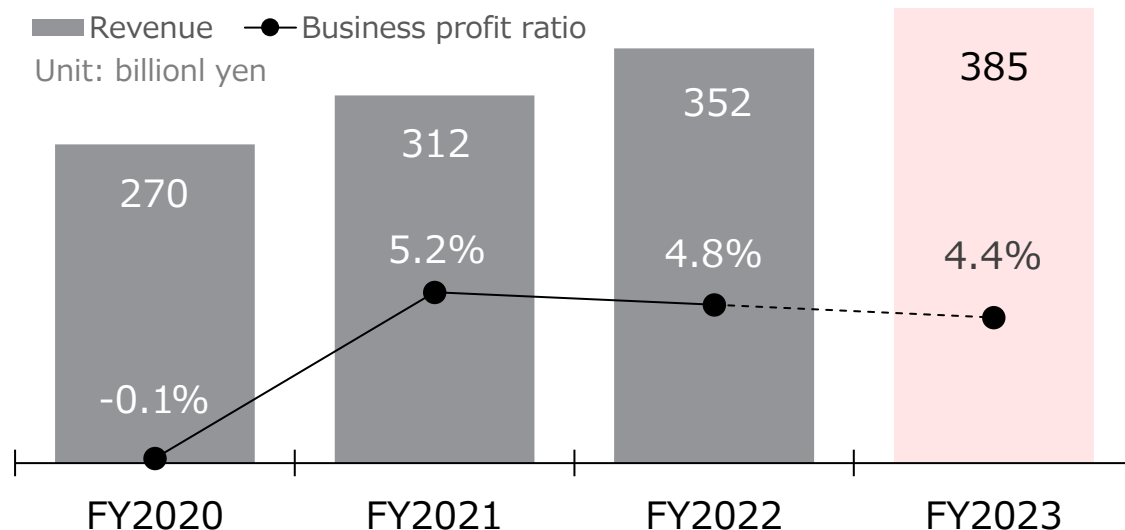
✓ Autonomous driving is possible while synchronizing the driver's intentions without switching operations.

3-1-9) Activities of 1st stage of the mid-term management plan

- Industrial and Bearings Business Unit

- Became Profitable through improvement of break-even point and restructuring of bases
- Shifting business structure to **BEV (eAxle) & industrial growth areas** for 2030

Progress in “Strengthening Competitiveness” of the Industrial and Bearings Business Unit

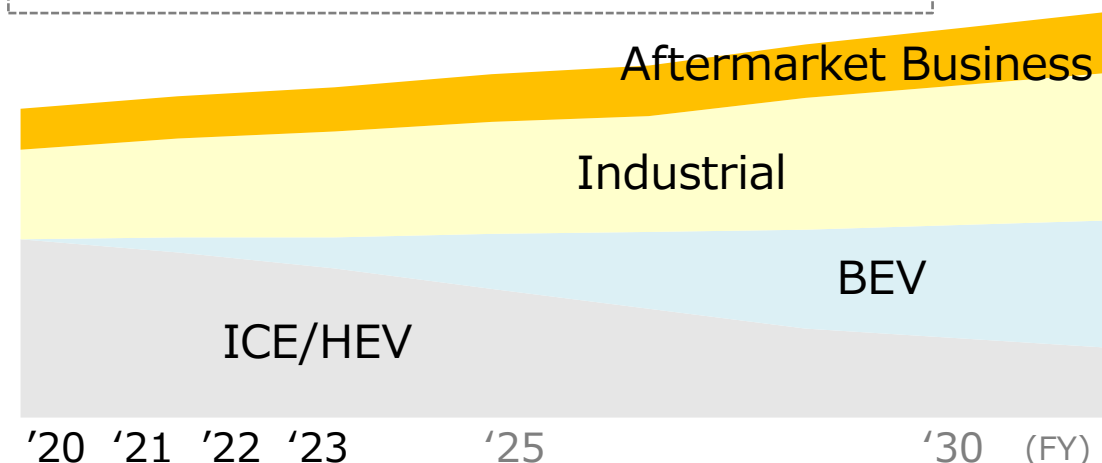


Issues

- ✓ Profit margin declined due to a temporary decline in demand for high-value-added bearings (semiconductors and robots)
- ✓ Improvement of profitability by introducing high productivity innovative facilities, expanding labor-saving and unmanned production facilities

Initiatives to improve profitability

Future sales image of the Industrial and Bearings business unit

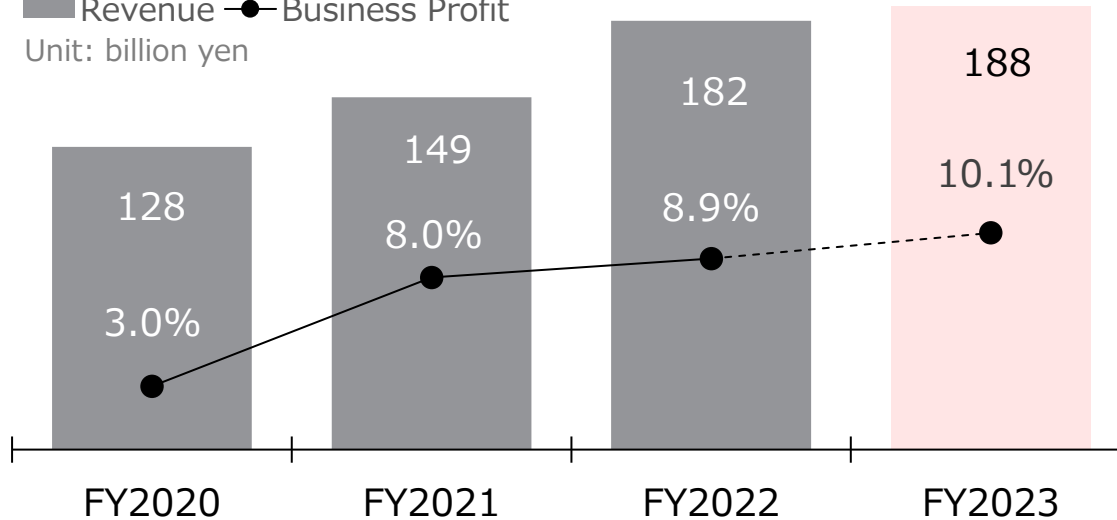


- ✓ **Launched the No.1 product that contributes to energy consumption** such as JUCB and JUEB for BEV
- ✓ Aiming to expand sales in the industrial growth area, **new business has been acquired through No.1 PJ activities.** Our share in the market was increased.

- Demand increase of electrification, automation and carbon neutral makes up for decrease of products for engines.
- Constructing a framework to contribute TOYOTA's BEV strategy smoothly and keeping high profitability.

Progress in "Strengthening Competitiveness" of machine tools business unit

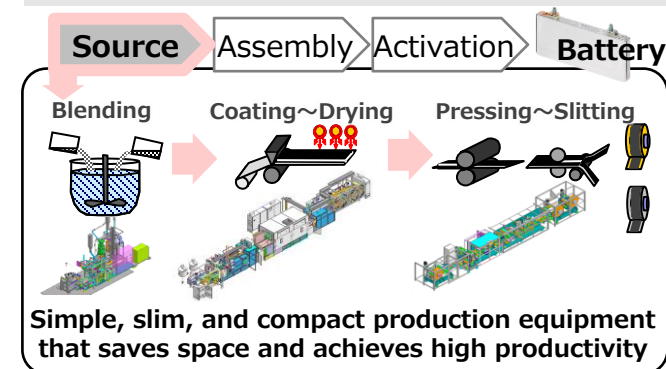
■ Revenue ● Business Profit
Unit: billion yen



Issues

- ✓ Establishing a production line of equipment manufacturing battery in Kariya plant and transferring production to group companies smoothly.
- ✓ Being more profitable business unit by being high-value-added brought by group synergy.

Contributing to electrification of TOYOTA

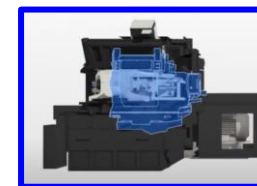


- ✓ Gathering the line of equipment manufacturing battery to Kariya plant
- ✓ Promoting the production reorganization including group companies

Group synergy to be No.1 in grinding domain

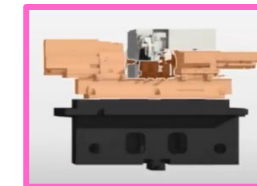
- ✓ Realizing overwhelming productivity against the demand of processing auto parts for EV

【JTEKT MACHINE SYSTEM】



centerless grinder grinding wheel spindle

【JTEKT】



cylindrical grinder tooling equipment



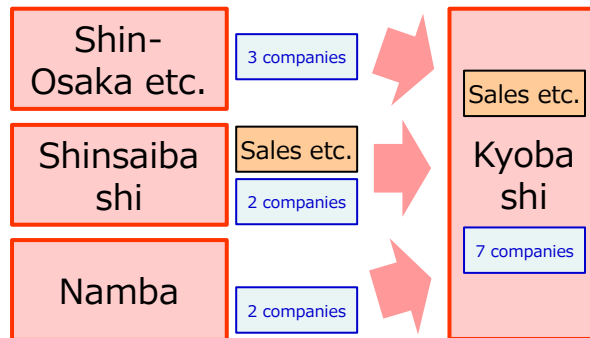
3 processes -> one process
All external diameters are grinded at the same time

- **Gathering and analyzing information of wide-range customers**, mainly bearing customers, **generating sales synergy across the business unit**.
- Making a strong showing of JTEKT group by taking advantage of **high technology** cultivated in growth of auto parts and **breadth of seeds** including group companies.

Sales synergy effect

① Gathering each group sales branches

[case of Osaka as below]

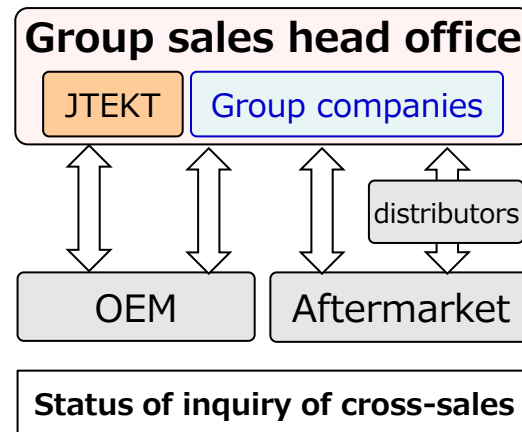


- ✓ **Activating communication**
- ✓ **Increasing the inquiry of cross-sales**

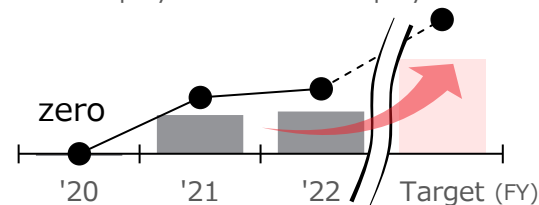
explanatory note

■ JTEKT ■ Group Company

② Establishing Group sales head office

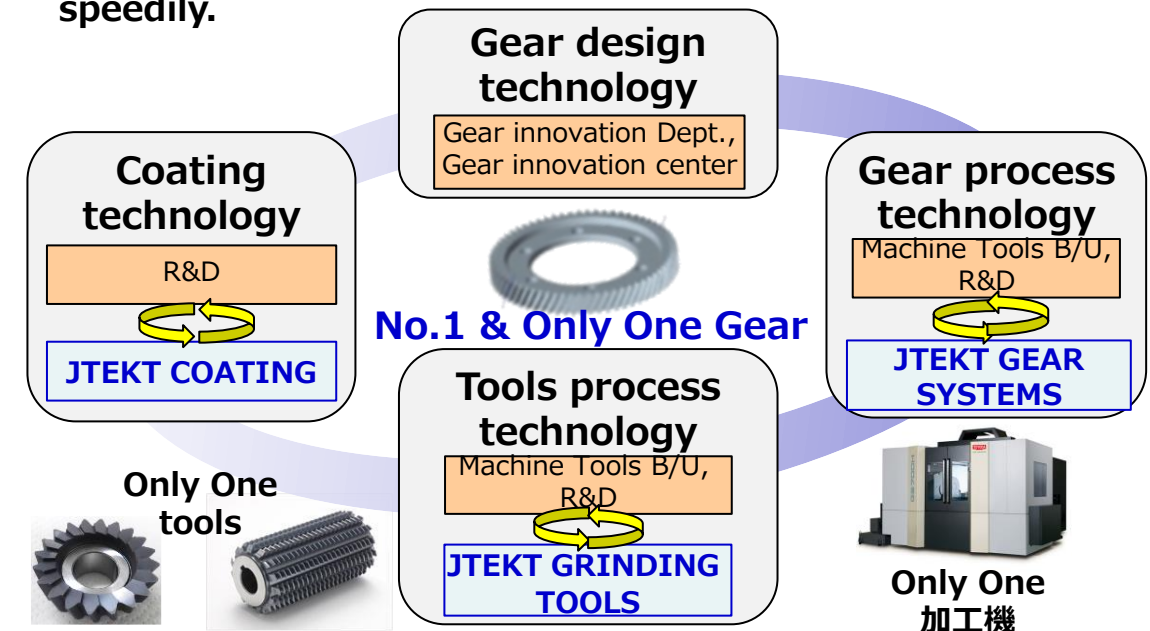


■ Inquiry amount ● Inquiry number



Technology synergy effect

- ✓ Gathering each group companies' seeds of technologies for providing "low power loss and low NV" gear with customer speedily.



Realizing the power loss decrease -10% and NV -5db.

3-2-1) For 2nd stage of the mid-term management plan

- We are **committed to being the best in the world (No.1 & Only One)** in order to continue to be a **company where all group employees can work with smiles and peace of mind 10 or 20 years from now.**
- We are considering med-term management plan measures based on **the ideal business portfolio, resource shift policy, and risk scenario.**

Medium- to long-term management goals

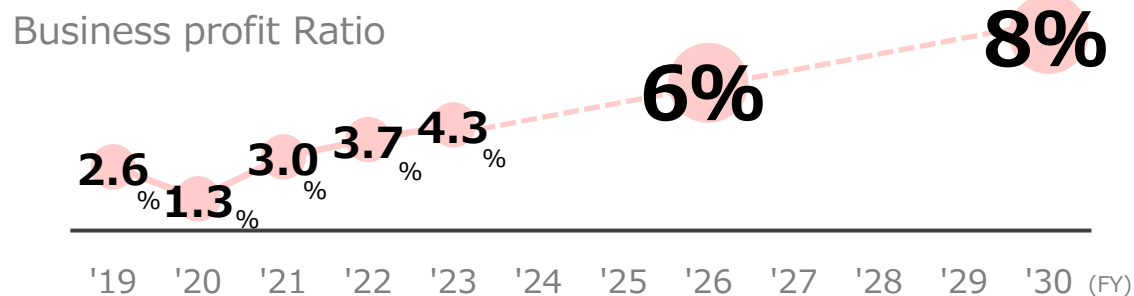
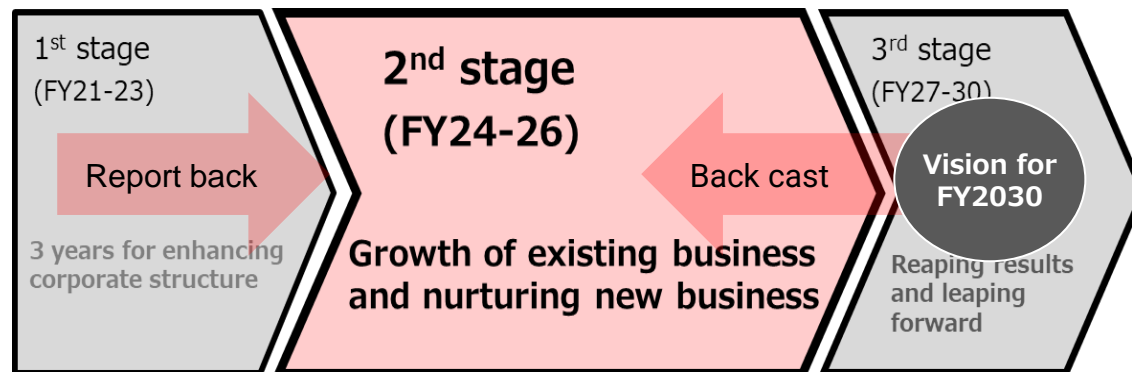
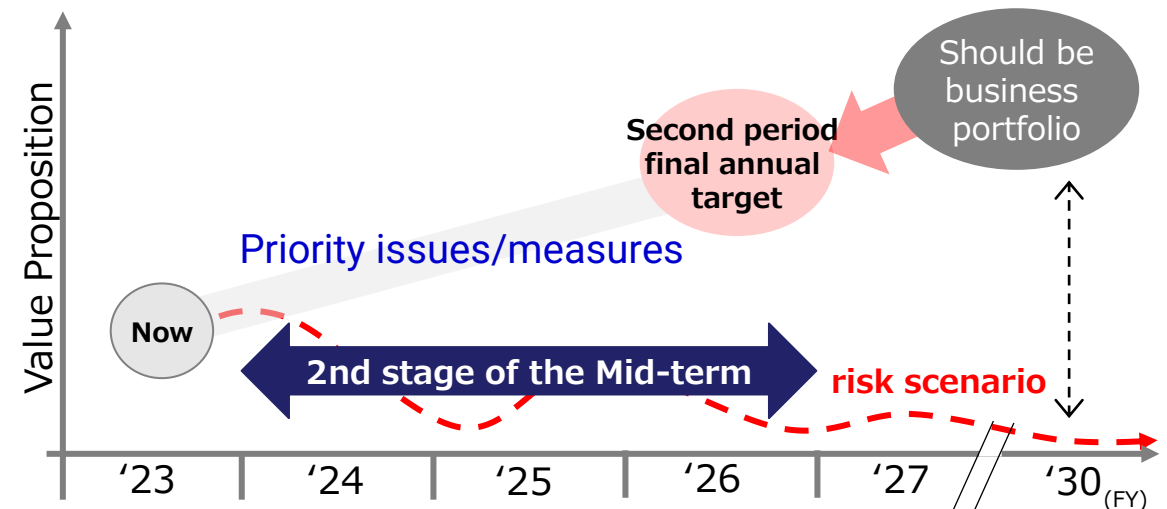


Image of consideration for the 2nd stage of the mid-term management plan

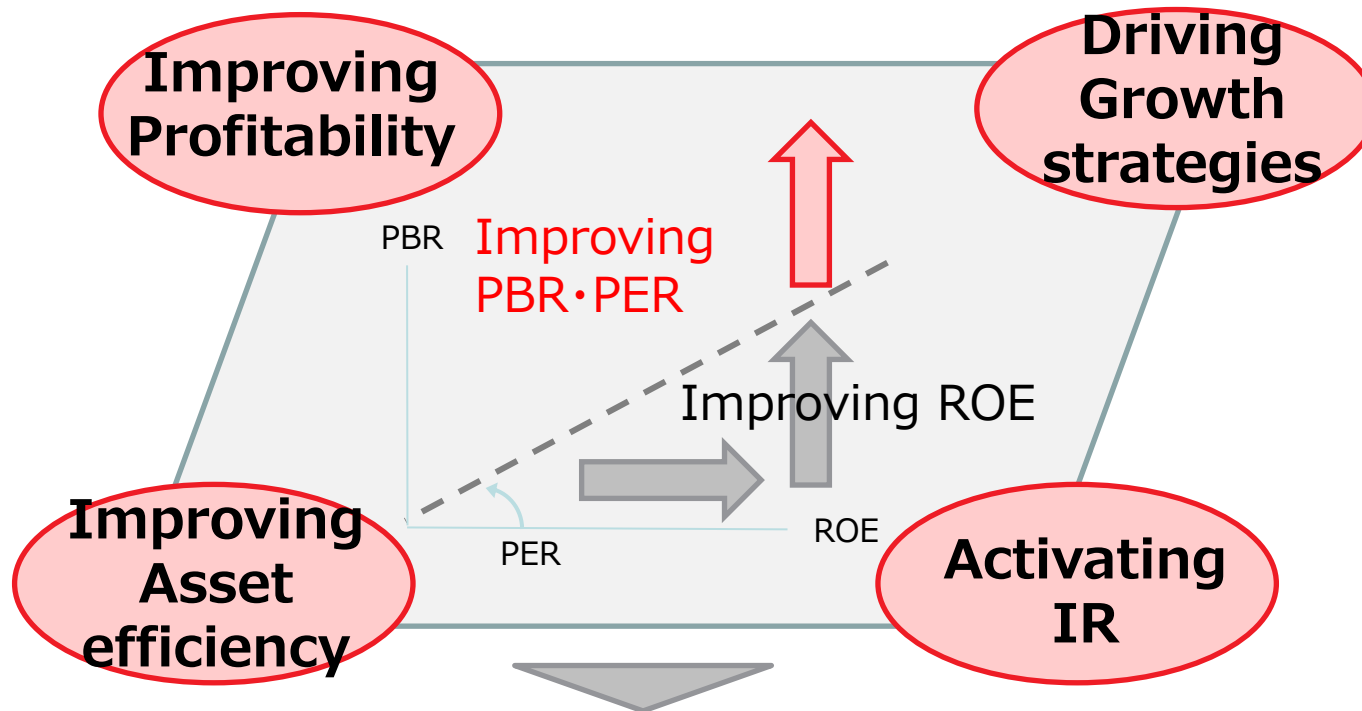


- ✓ We are formulating the future business portfolio and planning measures backed by resources.
- ✓ Simulating risk scenarios with large negative impacts and incorporate workarounds into measures of business plan.

3-2-2) For 2nd stage of the mid-term management plan

- Strengthening the financial foundation

- Strengthening financial foundation to support the activities in 2nd stage of the Mid-term plan.
- As a countermeasure for “PBR less than 1.0x” and “ROE less than 8%”, Accelerate 4 main activities to;
“Improve profitability”, “Improve asset efficiency”, “Drive growth strategies”, and “Activate IR”.



Communicate with Investors

◆ Improving Profitability

- ✓ Forces on break even point management
- ✓ Provide competitive/high-value-added products

◆ Improving Asset efficiency

- ✓ Accelerate to consolidate/eliminate subsidiaries
- ✓ Optimize inventories/
Dispose of unnecessary assets
- ✓ Divest/Reduce the cross-shareholdings

◆ Driving Growth strategies

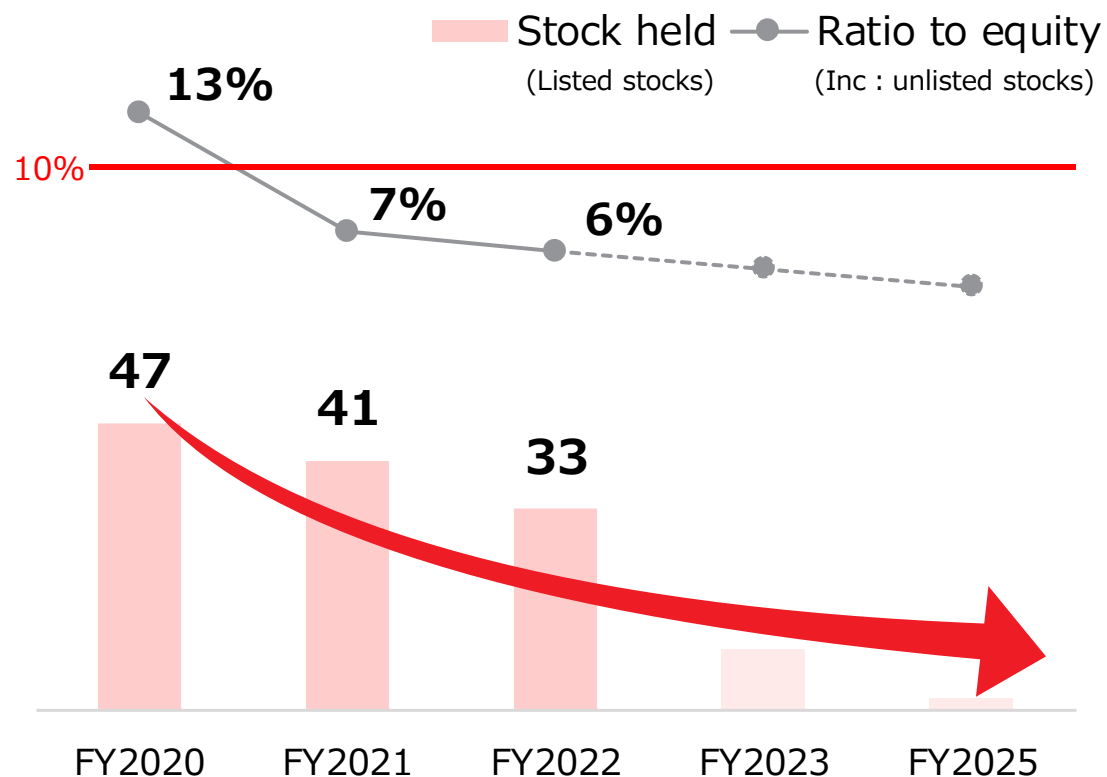
- ✓ Review our business portfolio
- ✓ Generate earnings through new business and growth areas
- ✓ Solve social issues by combining group seeds

3-2-2) For 2nd stage of the mid-term management plan

- Strengthening the financial foundation

- Promote activities under disciplined financial policies for ensuring financial soundness.
- “Divesting/Reducing the cross-shareholdings” steadily to improve capital efficiency.
 - ➔ Continue and accelerate the reduction of cross-shareholdings to zero, without exception.

Current status of cross-shareholdings



Activities so far

- ✓ 14 stocks sales completed in the last 2 years
- ✓ -7% reduced ratio to equity

Contributing to
capital efficiency improvement

Our policy for the cross-shareholdings

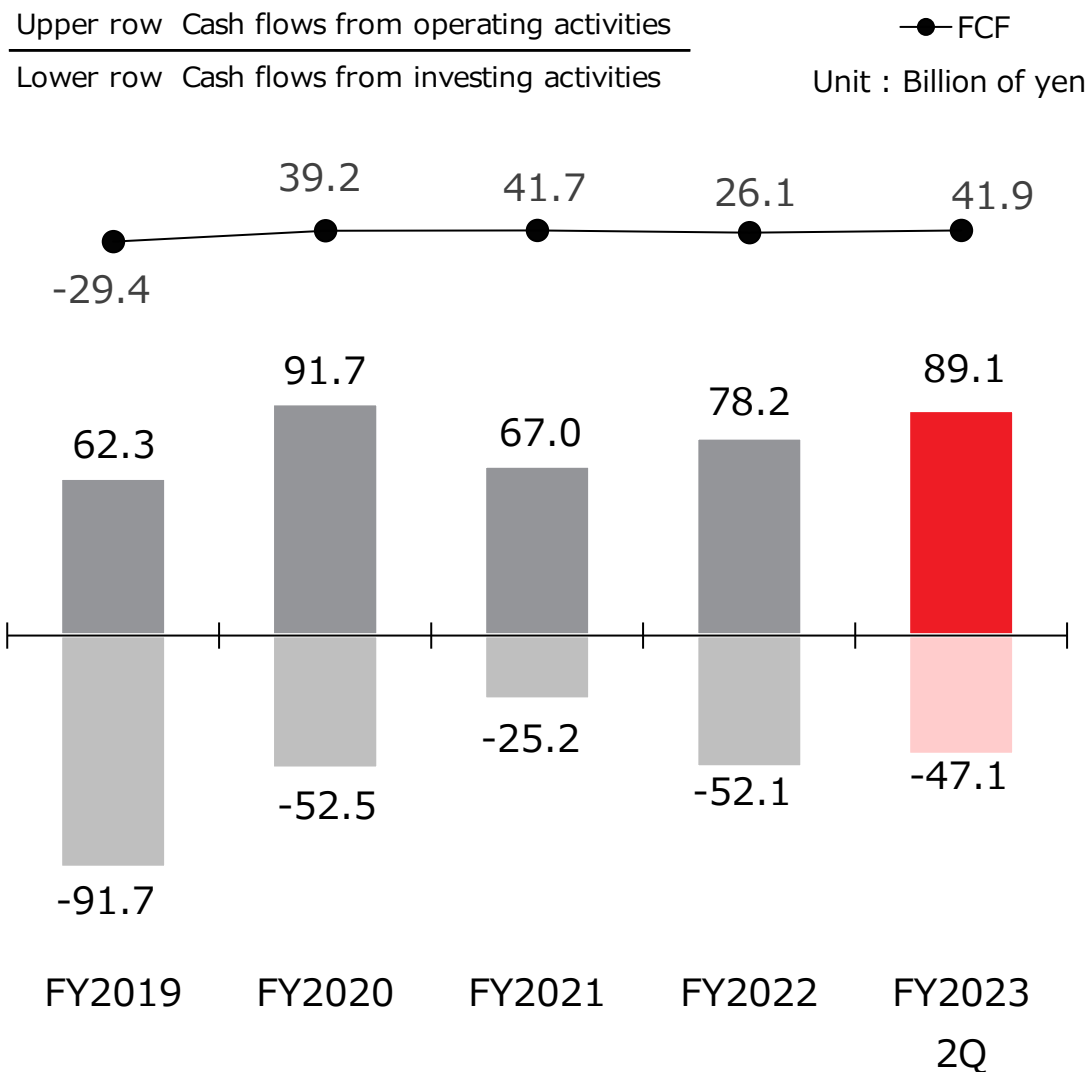
Reduce cross-shareholdings
to zero, without exception

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Cash Flow statement

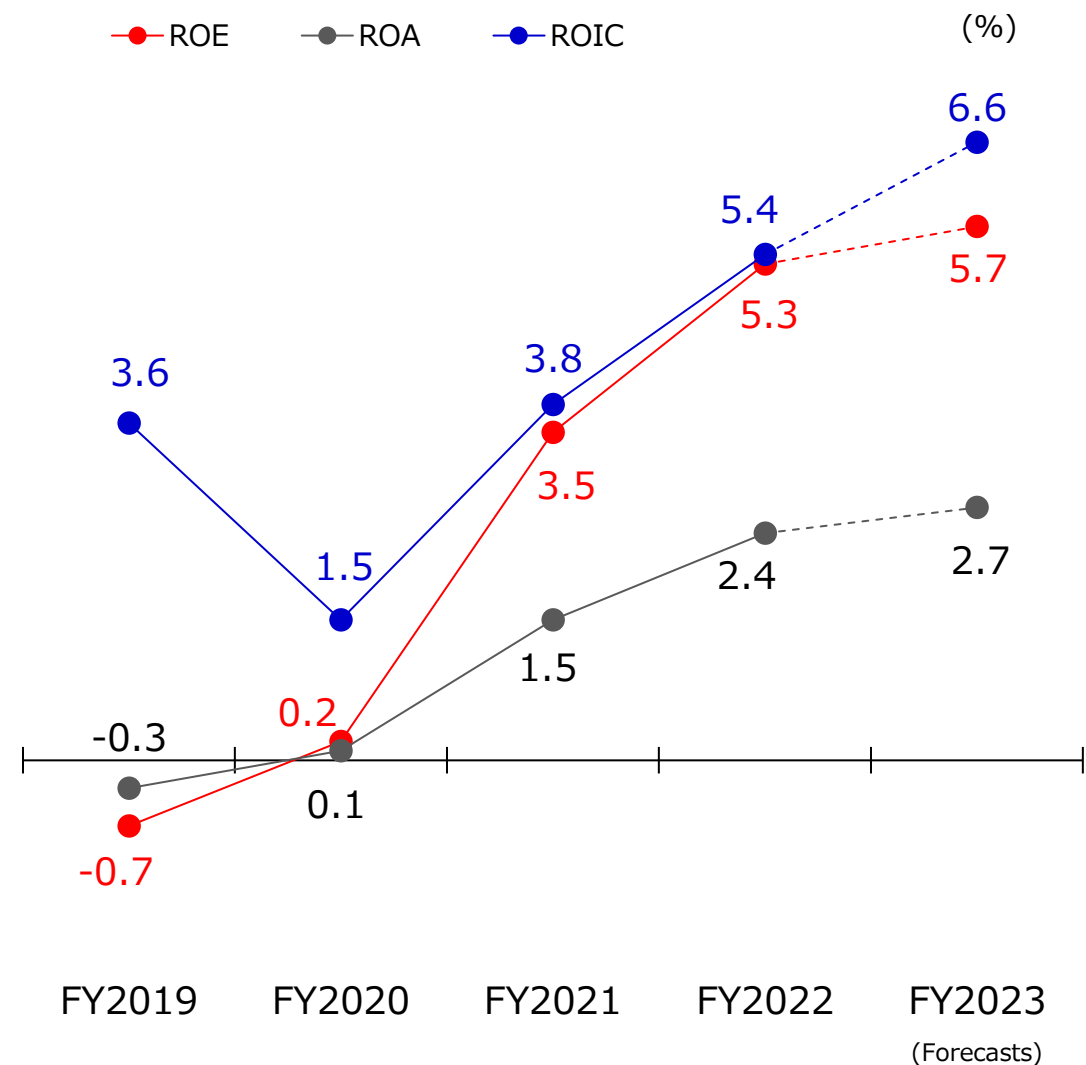
Upper row Cash flows from operating activities
Lower row Cash flows from investing activities

Unit : Billion of yen



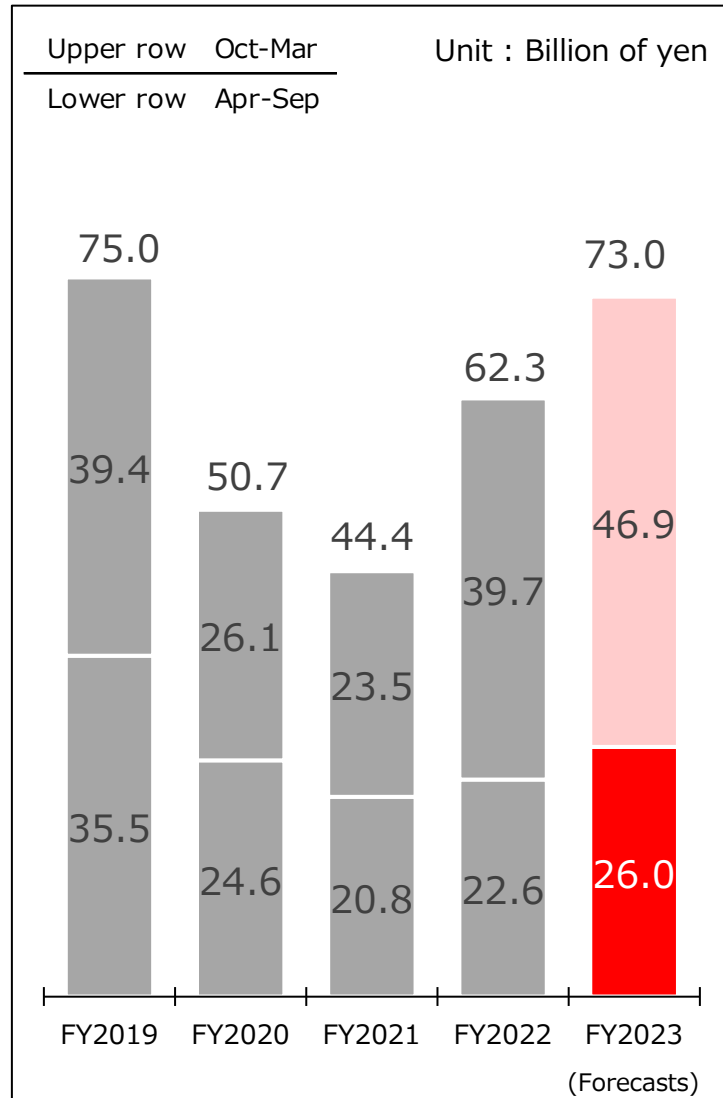
Capital Efficiency Indicators

ROE ROA ROIC (%)

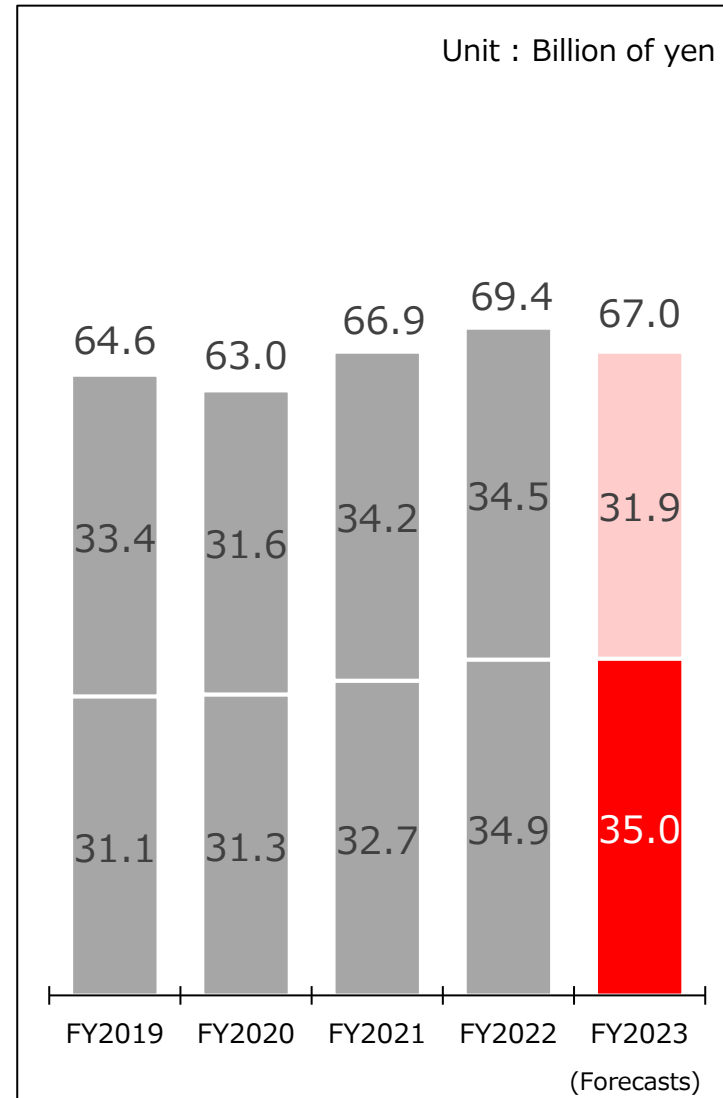


3-1-2) Management indicators

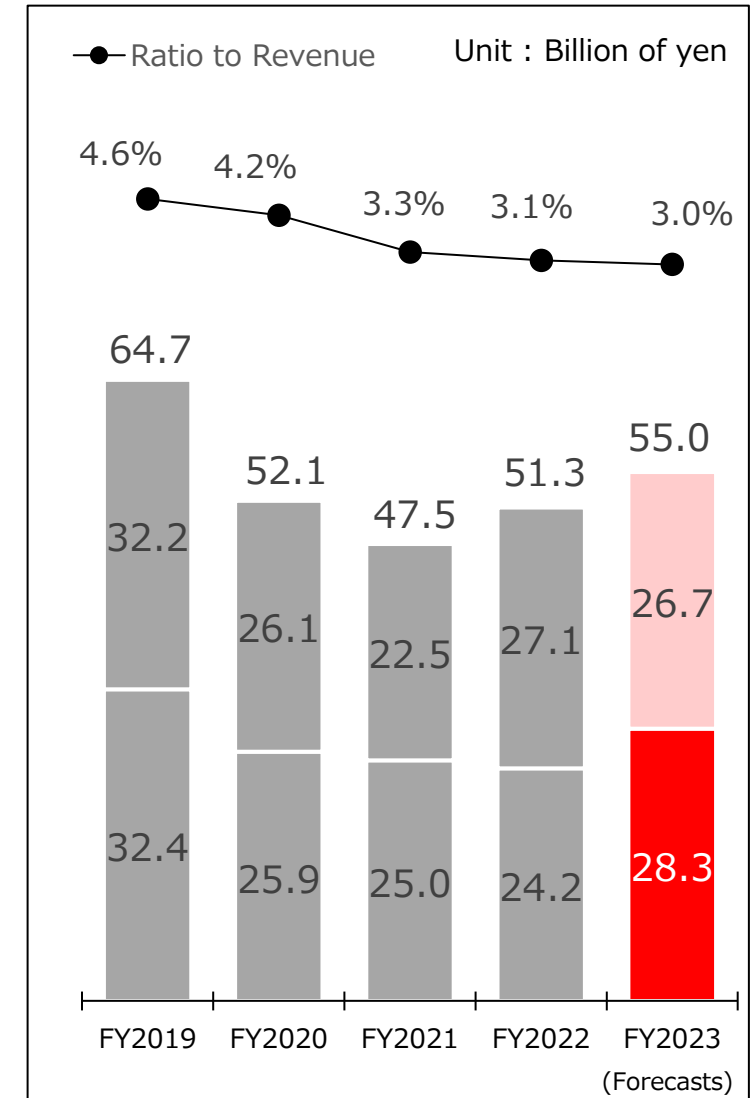
Capital expenditures



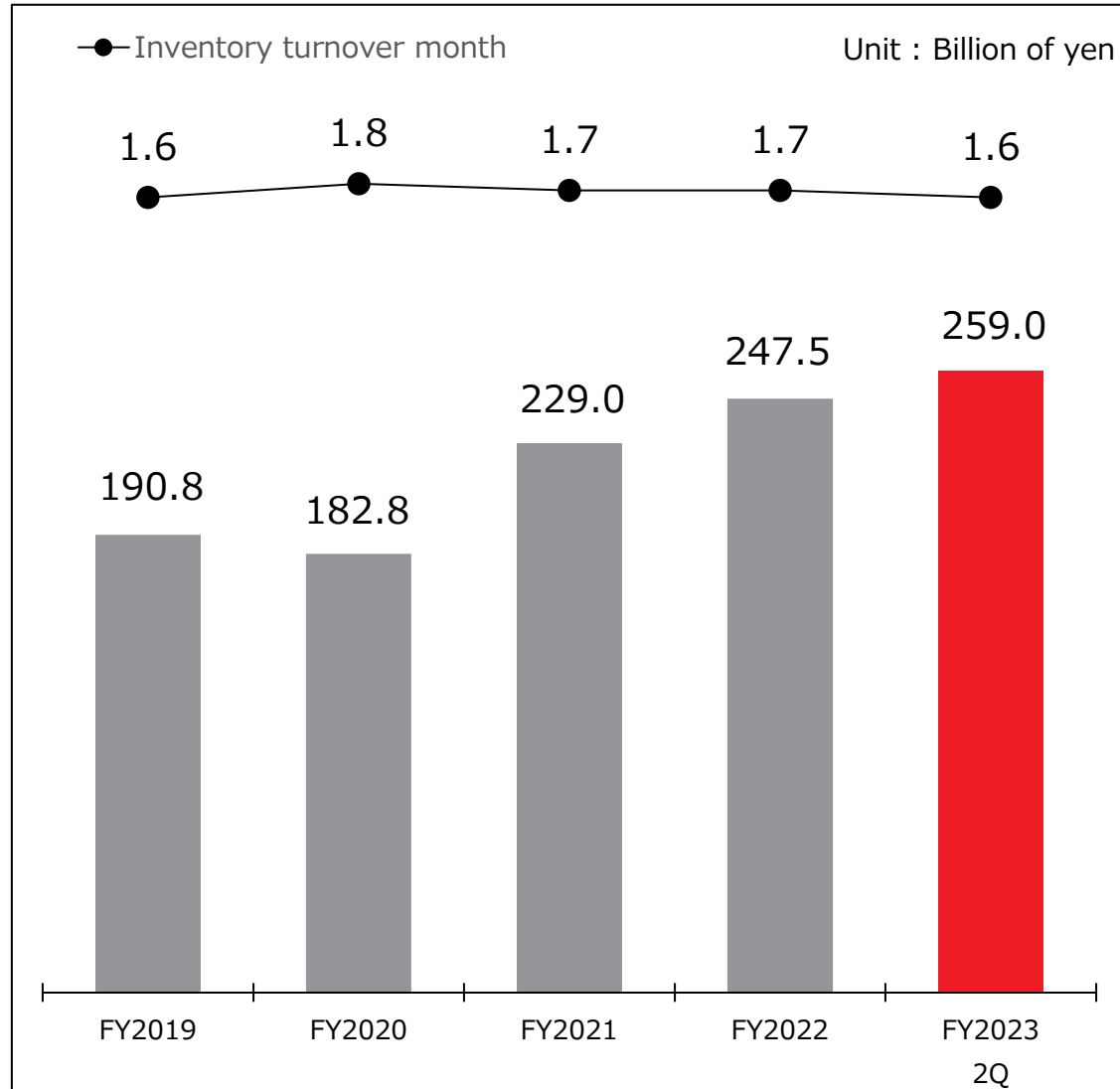
Depreciation & amortization



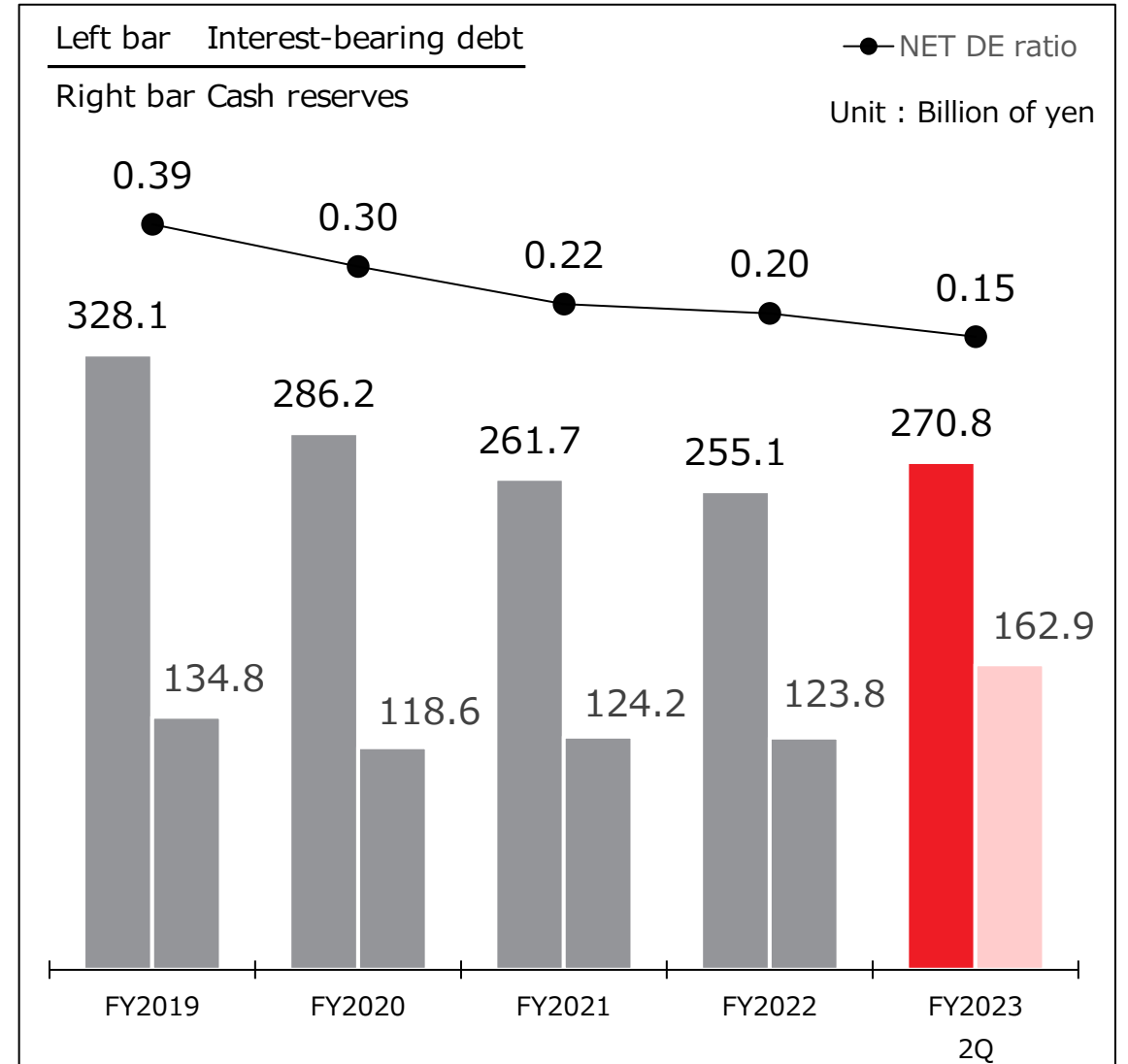
R&D expenses



Inventories



Interest-bearing debt / Cash reserves



Assets

Unit : Billion of yen

Assets	FY2022	FY2023 2Q	Change
Cash and cash equivalents	123.8	162.9	+ 39.0
Trade and other receivables	350.3	357.8	+ 7.4
Inventories	247.5	259.0	+ 11.4
Other current assets	13.4	14.7	+ 1.2
Property, plant and equipment	466.9	481.0	+ 14.0
Other non-current assets	239.0	289.1	+ 50.0
Total assets	1,441.3	1,564.7	+ 123.3

Liabilities and equity

Unit : Billion of yen

Liabilities and equity	FY2022	FY2023 2Q	Change
Trade and other payables	346.5	376.0	+ 29.4
Interest-bearing debt	255.1	270.8	+ 15.6
Other current liabilities	33.6	32.7	- 0.8
Other non-current liabilities	105.2	124.9	+ 19.7
Equity attributable to owners of the parent company	667.2	728.0	+ 60.8
Non-controlling interests	33.5	32.1	- 1.3
Total liabilities and equity	1,441.3	1,564.7	+ 123.3

Consolidated Statement of Profit or Loss

Unit : Billion of yen

	FY2022 2Q	FY2023 2Q	Change
Revenue	804.5	922.2	+ 117.6
Business Profit	18.0	31.5	+ 13.4
Other income / Other expenses	0.7	3.0	+ 2.3
Financial income / financial costs	7.6	6.8	-0.7
Income tax expenses	-12.4	-17.0	-4.6
Non-controlling interests	-1.7	-1.3	+ 0.4
Profit attributable to owners of parent	12.2	23.1	+ 10.8

Consolidated Statement of Cash Flows

Unit : Billion of yen

	FY2022 2Q	FY2023 2Q	Change
Cash flows from operating activities	27.0	89.1	+ 62.0
Cash flows from investing activities	-23.8	-47.1	-23.3
Free Cash flows	3.2	41.9	+ 38.7
Cash flows from financing activities	-15.6	-8.8	+ 6.8
Foreign currency translation adjustments	4.8	5.8	+ 1.0
Net increase (decrease) in cash and cash equivalents	-7.5	39.0	+ 46.6
Cash and cash equivalents	116.6	162.9	+ 46.2

3-3-1) Performance comparison – FY2023-2Q Results

(by Region)

Unit: Billion of yen

Region	FY2022 2Q	FY2023 2Q	change		Foreign exchange	FY2023 2Q	Change excluding foreign exchange	
Revenue	Japan	302.1	368.5	+ 66.3	+22.0%	-	368.5	+ 66.3 +22.0%
	North America	190.6	224.8	+ 34.2	+17.9%	+ 13.0	211.8	+ 21.1 +11.1%
	Europe	88.5	105.9	+ 17.3	+19.6%	+ 9.9	96.0	+ 7.4 +8.4%
	China	97.5	87.5	- 9.9	-10.2%	- 0.5	88.1	- 9.3 -9.6%
	Asia & others	125.6	135.3	+ 9.7	+7.7%	+ 3.5	131.8	+ 6.1 +4.9%
	Total	804.5	922.2	+ 117.6	+14.6%	+ 25.9	896.3	+ 91.7 +11.4%
Business profit	Japan	11.1	17.1	+ 5.9	+53.5%	+ 3.6	13.4	+ 2.2 +20.4%
	North America	-1.8	4.1	+ 6.0	-%	+ 0.3	3.7	+ 5.6 -%
	Europe	-6.7	-7.4	- 0.6	-%	- 0.9	-6.5	+ 0.2 -%
	China	8.1	6.0	- 2.0	-25.6%	+ 0.0	5.9	- 2.1 -26.4%
	Asia & Others	11.9	11.0	- 0.8	-7.1%	+ 0.5	10.5	- 1.3 -11.6%
	Elimination	-4.5	0.6	+ 5.1	-%	+ 0.0	0.6	+ 5.1 -%
	Total	18.0	31.5	+ 13.4	+74.6%	+ 3.7	27.8	+ 9.7 +54.0%

3-3-2) Performance comparison – FY2023-2Q Results

(by Business unit)

Unit: Billion of yen

Business unit		FY2022 2Q	FY2023 2Q	change		Foreign exchange	FY2023 2Q	Change excluding foreign exchange	
Revenue	Steering	382.9	438.2	+ 55.2	+14.4%	+ 14.6	423.6	+ 40.6	+10.6%
	Drivelines	161.0	211.5	+ 50.5	+31.4%	+ 3.4	208.0	+ 47.0	+29.2%
	Automotive	544.0	649.8	+ 105.8	+19.5%	+ 18.0	631.7	+ 87.7	+16.1%
	Industrial&Bearings	173.7	180.9	+ 7.2	+4.2%	+ 5.2	175.7	+ 1.9	+1.1%
	Machine tools	85.9	90.5	+ 4.5	+5.3%	+ 2.5	87.9	+ 2.0	+2.4%
	Others	0.8	0.8	-0.0	+2.2%	+ 0.0	0.8	-0.0	+2.2%
	Machine tools	86.7	91.4	+ 4.6	+5.3%	+ 2.5	88.8	+ 2.0	+2.4%
	Total	804.5	922.2	+ 117.6	+14.6%	+ 25.9	896.3	+ 91.7	+11.4%
Business profit	Steering	1.4	12.4	+ 11.0	+755.0%	+ 1.2	11.1	+ 9.7	+666.9%
	Drivelines	2.4	5.0	+ 2.6	+104.2%	+ 0.3	4.7	+ 2.3	+92.2%
	Automotive	3.9	17.5	+ 13.6	+344.2%	+ 1.5	15.9	+ 12.0	+304.1%
	Industrial&Bearings	7.0	7.6	+ 0.5	+7.7%	+ 1.5	6.0	-0.9	-14.0%
	Machine tools	7.5	7.8	+ 0.2	+3.7%	+ 0.5	7.2	-0.3	-4.2%
	Others	-1.0	-1.4	-0.3	-%	+ 0.0	-1.4	-0.3	-%
	Machine tools	6.4	6.3	-0.1	-1.7%	+ 0.5	5.7	-0.7	-11.0%
	Elimination	0.5	0.0	-0.5	-98.8%	+ 0.0	0.0	-0.5	-98.8%
合計		18.0	31.5	+ 13.4	+74.6%	+ 3.7	27.8	+ 9.7	+54.0%

3-4-1) Quarterly result trend – by Region

Unit : Billion of yen

FY2022	1Q			2Q			3Q			4Q		
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	
Japan	138.1	1.2	0.9%	164.0	9.8	6.0%	159.8	7.0	4.4%	176.3	10.3	5.9%
North America	89.3	-1.0	-1.2%	101.3	-0.8	-0.9%	96.1	0.0	0.1%	113.2	10.9	9.7%
Europe	44.2	-3.1	-7.1%	44.3	-3.6	-8.2%	49.6	-2.2	-4.5%	58.0	0.5	0.9%
China	43.4	2.5	5.8%	54.0	5.6	10.4%	46.4	5.3	11.6%	36.4	0.9	2.5%
Asia & Others	56.5	4.7	8.4%	69.0	7.1	10.4%	68.2	6.6	9.7%	69.1	6.7	9.8%
Elimination		-1.7			-2.7			-2.8			0.9	
Total	371.6	2.6	0.7%	432.8	15.4	3.6%	420.3	14.0	3.3%	453.2	30.5	6.7%

FY2023	1Q			2Q			3Q		4Q	
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	Revenue	Business profit
Japan	172.8	2.8	1.7%	195.7	14.2	7.3%				
North America	111.0	4.7	4.2%	113.8	-0.5	-0.5%				
Europe	55.9	-2.9	-5.3%	49.9	-4.5	-9.1%				
China	44.1	3.1	7.0%	43.3	2.9	6.8%				
Asia & Others	61.6	4.3	7.1%	73.7	6.7	9.1%				
Elimination		1.8			-1.2					
Total	445.6	13.9	3.1%	476.5	17.5	3.7%				

3-4-2) Quarterly result trend – by Business unit

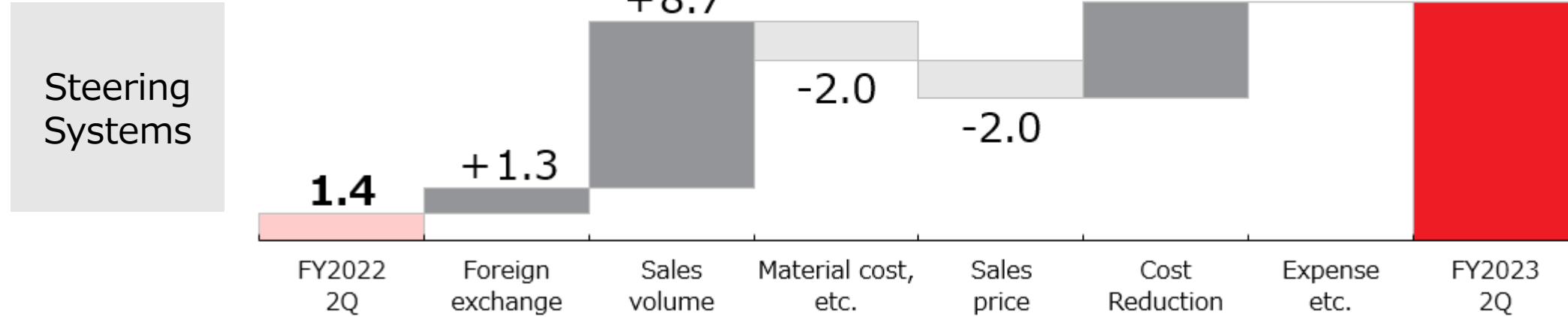
Unit : Billion of yen

FY2022	1Q			2Q			3Q			4Q		
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	
Steering Systems	177.0	-3.4	-0.2%	205.9	4.8	0.2%	202.5	5.6	0.3%	220.7	15.5	0.7%
Drivelines	81.9	0.8	0.1%	79.0	1.6	0.2%	82.9	0.5	0.1%	92.4	5.2	0.6%
Automotive	258.9	-2.6	-0.1%	285.0	6.5	0.2%	285.4	6.2	0.2%	313.2	20.8	0.7%
Industrial & Bearings	76.3	3.0	0.4%	97.3	4.0	0.4%	88.2	3.7	0.4%	89.5	6.1	0.7%
Machine tools	35.8	2.4	0.7%	50.0	5.0	1.0%	46.0	4.3	1.0%	49.8	4.3	0.9%
Others	0.4	-0.5		0.4	-0.5		0.5	-0.5		0.6	-0.8	
Machine tools	36.2	1.9	0.5%	50.4	4.5	0.9%	46.6	3.8	0.8%	50.5	3.5	0.7%
Elimination		0.2			0.3			0.2			0.0	
Total	371.6	2.6	0.1%	432.8	15.4	0.4%	420.3	14.0	0.3%	453.2	30.5	0.7%

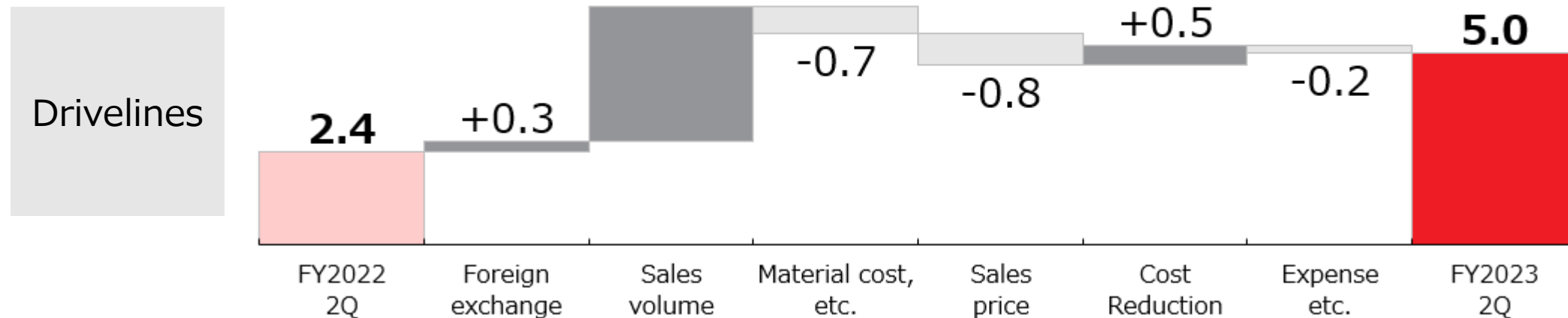
FY2023	1Q			2Q			3Q			4Q		
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	
Steering Systems	215.1	5.4	0.3%	223.1	7.0	0.3%						
Drivelines	98.0	2.3	0.2%	113.5	2.7	0.2%						
Automotive	313.1	7.8	0.3%	336.6	9.7	0.3%						
Industrial & Bearings	89.7	3.2	0.4%	91.2	4.3	0.4%						
Machine tools	42.1	3.4	0.8%	48.3	4.3	0.9%						
Others	0.5	-0.7		0.2	-0.7							
Machine tools	42.7	2.7	0.7%	48.6	3.5	0.7%						
Elimination		0.1		48.6	-0.1							
Total	445.6	13.9	0.3%	476.5	17.5	0.3%						

3-5-1) Business profit analysis – Steering Systems / Drivelines

Unit : Billion of yen



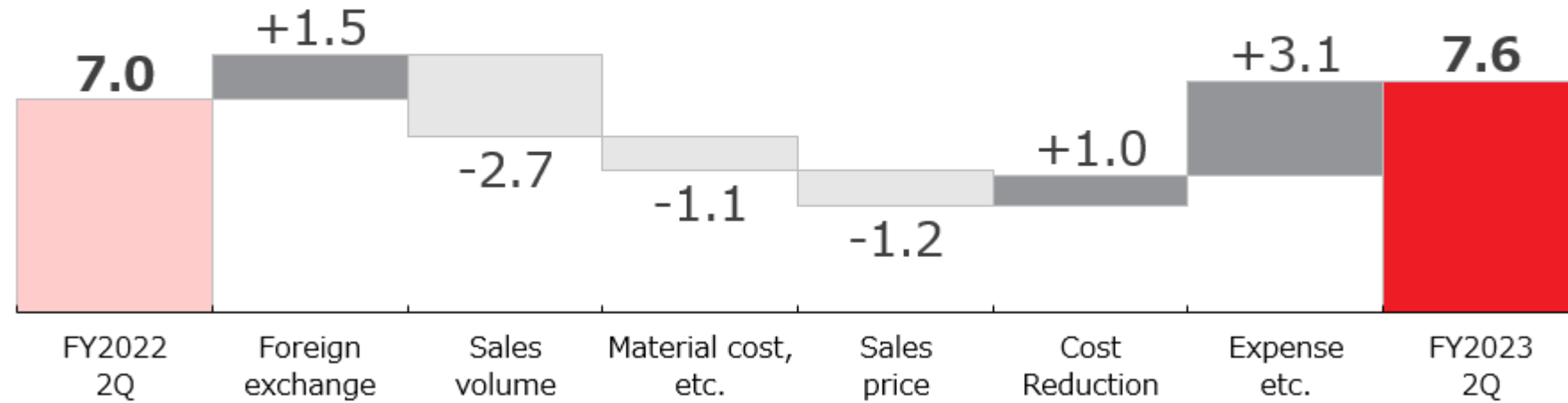
Unit : Billion of yen



3-5-2) Business profit analysis – Industrial & Bearings / Machine tools

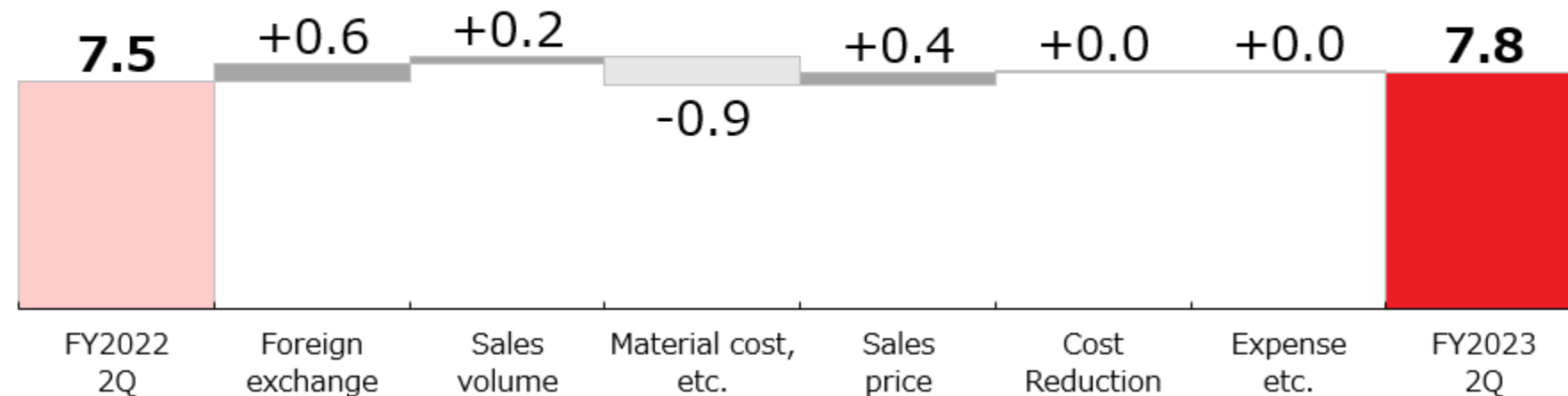
Unit : Billion of yen

Industrial & Bearings



Unit : Billion of yen

Machine tools



*Others excluded

3-6-1) Performance comparison – FY2023 Forecasts

(by Region)

Unit: Billion of yen

	Region	FY2022	FY2023	Change		Foreign exchange	FY2023	Change excluding foreign exchange	
Revenue	Japan	638.4	740.0	+ 101.5	+15.9%	-	740.0	+ 101.5	+15.9%
	North America	400.1	445.0	+ 44.8	+11.2%	+ 18.0	427.0	+ 26.8	+6.7%
	Europe	196.2	215.0	+ 18.7	+9.6%	+ 12.0	203.0	+ 6.7	+3.5%
	China	180.3	175.0	-5.3	-3.0%	-3.0	178.0	-2.3	-1.3%
	Asia & others	263.0	275.0	+ 11.9	+4.6%	+ 3.0	272.0	+ 8.9	+3.4%
	Total	1,678.1	1,850.0	+ 171.8	+10.2%	+ 30.0	1,820.0	+ 141.8	+8.5%
Business profit	Japan	28.5	44.5	+ 15.9	+55.9%	+ 5.5	39.0	+ 10.4	+36.6%
	North America	9.1	8.5	-0.6	-7.3%	+ 0.5	8.0	-1.1	-12.8%
	Europe	-8.4	-9.0	-0.5	-%	-0.5	-8.5	+ 0.0	-%
	China	14.4	10.0	-4.4	-30.7%	-0.5	10.5	-3.9	-27.2%
	Asia & others	25.3	26.0	+ 0.6	+2.6%	+ 0.0	26.0	+ 0.6	+2.6%
	Elimination	-6.3	0.0	+ 6.3	-%	+ 0.0	0.0	+ 6.3	-%
	Total	62.6	80.0	+ 17.3	+27.7%	+ 5.0	75.0	+ 12.3	+19.7%

3-6-2) Performance comparison – FY2023 Forecasts

(by Business unit)

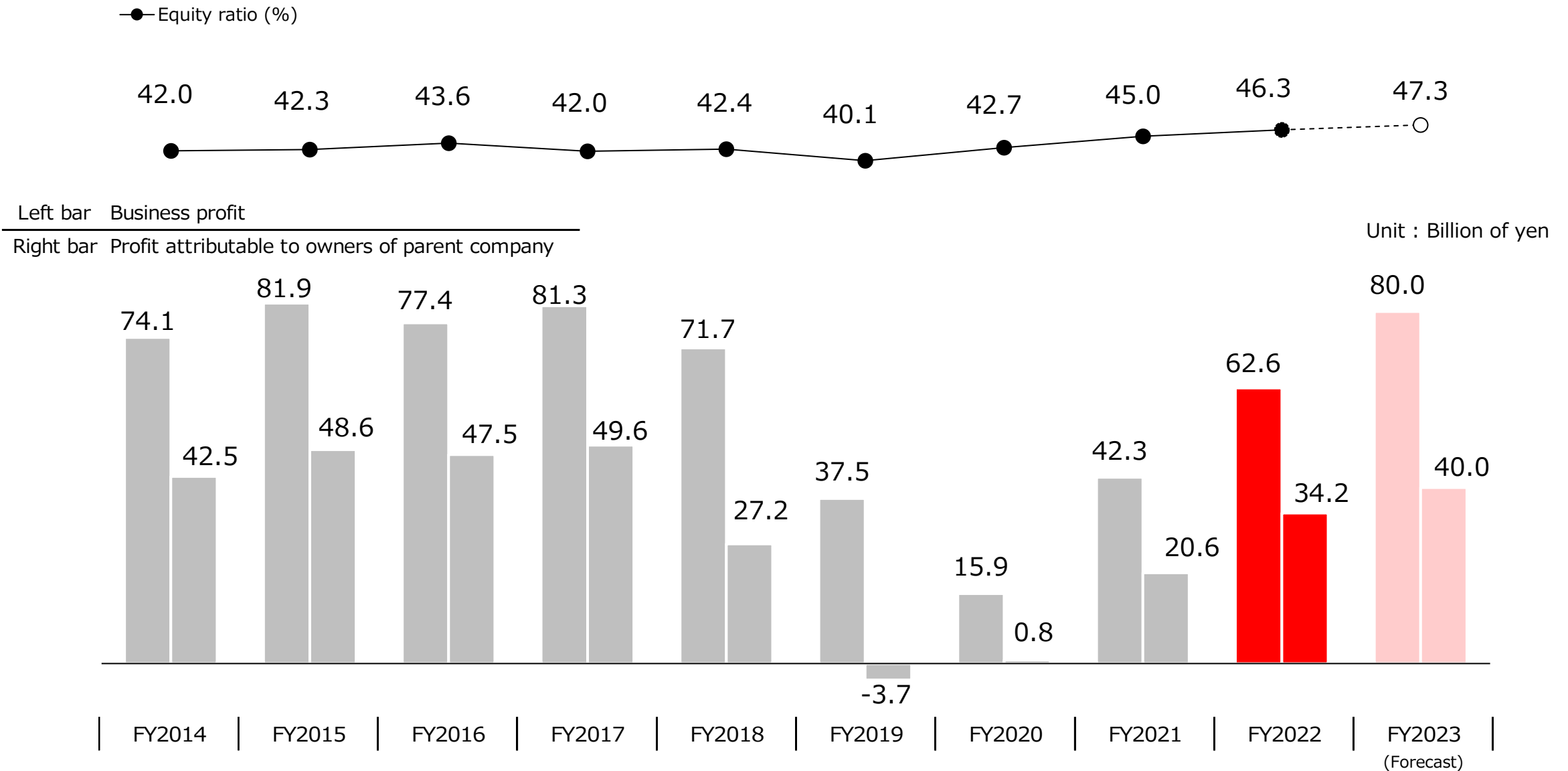
Revenue

Business unit	FY2022	FY2023	Change		Foreign exchange	FY2023	Change excluding foreign exchange	
Steering	806.2	865.0	+ 58.7	+7.3%	+ 15.0	850.0	+ 43.7	+5.4%
Drivelines	336.3	410.0	+ 73.6	+21.9%	+ 5.0	405.0	+ 68.6	+20.4%
Automotive	1,142.6	1,275.0	+ 132.3	+11.6%	+ 20.0	1,255.0	+ 112.3	+9.8%
Industrial&Bearings	351.5	385.0	+ 33.4	+9.5%	+ 7.0	378.0	+ 26.4	+7.5%
Machine tools	181.8	188.0	+ 6.1	+3.4%	+ 3.0	185.0	+ 3.1	+1.7%
Others	2.1	2.0	-0.1	-5.7%	+ 0.0	2.0	-0.1	-5.7%
Machine tools	183.9	190.0	+ 6.0	+3.3%	+ 3.0	187.0	+ 3.0	+1.7%
Total	1,678.1	1,850.0	+ 171.8	+10.2%	+ 30.0	1,820.0	+ 141.8	+8.5%

Business profit

Steering	22.6	31.5	+ 8.8	+38.9%	+ 4.1	27.4	+ 4.7	+20.9%
Drivelines	8.3	14.5	+ 6.1	+74.3%	+ 1.1	13.4	+ 5.0	+61.1%
Automotive	30.9	46.0	+ 15.0	+48.4%	+ 5.2	40.8	+ 9.8	+31.7%
Industrial&Bearings	17.0	17.0	-0.0	-0.2%	-1.0	18.0	+ 0.9	+5.6%
Machine tools	16.2	19.0	+ 2.7	+16.8%	+ 0.8	18.2	+ 1.9	+11.9%
Others	-2.5	-2.0	+ 0.5	-%	+ 0.0	-2.0	+ 0.5	-%
Machine tools	13.7	17.0	+ 3.2	+23.6%	+ 0.8	16.2	+ 2.4	+17.7%
Total	0.8	0.0	-0.8	-%	+ 0.0	0.0	-0.8	-%
合計	62.6	80.0	+ 17.3	+27.7%	+ 5.0	75.0	+ 12.3	+19.7%

3-7) Profit trends



※ Before FY2018 : J-GAAP After FY2019 : IFRS

J-Nyan



JTEKT



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【Note on forward-looking statements】

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