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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under IFRS)

DATE: February 2, 2024

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 Finance & Accounting Dept.
 Telephone: +81-566-25-7326
 Scheduled date to commence dividend payments: —
 Scheduled date to file quarterly securities report (Japanese only): February 13, 2024
 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 nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Business profit		Profit before income taxes		Profit for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2023	1,411,827	15.3	54,559	70.0	61,203	66.6	38,897	86.7
December 31, 2022	1,224,909	19.9	32,100	27.1	36,743	32.4	20,836	67.5

	Profit attributable to owners of the parent company		Comprehensive income for the period		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Nine months ended						
December 31, 2023	36,411	98.6	76,124	200.4	106.16	106.11
December 31, 2022	18,332	80.9	25,337	(37.2)	53.45	53.43

(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
	Millions of yen	Millions of yen	Millions of yen	%
As of				
December 31, 2023	1,529,939	755,023	723,417	47.3
March 31, 2023	1,441,355	700,735	667,234	46.3

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	11.00	—	19.00	30.00
Fiscal year ending March 31, 2024	—	16.00	—		
Fiscal year ending March 31, 2024 (Forecast)				20.00	36.00

(Note) Changes in the forecasted cash dividends in this quarter: No

3. Forecast of consolidated financial results for the year ending March 31, 2024

(from April 1, 2023 to March 31, 2024)

(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	1,850,000	10.2	80,000	27.7	76,000	36.0	40,000	16.7	116.62

(Note) Changes in the forecast of consolidated financial results in this quarter: No

***Notes**

(1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in the change in scope of consolidation): No

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

- (i) Changes in accounting policies required by IFRS: No
- (ii) Changes in accounting policies due to other reasons: No
- (iii) Changes in accounting estimates: No

(3) Number of issued shares (ordinary shares)

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

As of December 31, 2023	343,286,307 shares
As of March 31, 2023	343,286,307 shares

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

As of December 31, 2023	296,678 shares
As of March 31, 2023	311,980 shares

(iii) Average number of shares outstanding during the period

Nine months ended December 31, 2023	342,985,517 shares
Nine months ended December 31, 2022	342,971,849 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 document are based on the information that we have obtained at the time of disclosure. Actual results may differ from the forecasts due to various factors in the future.

Consolidated financial statements

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	123,850	163,242
Trade and other receivables	350,366	336,733
Inventories	247,587	259,541
Other financial assets	3,548	2,997
Income tax receivable	4,960	5,879
Other current assets	4,986	8,533
Total current assets	735,299	776,929
Non-current assets		
Property, plant and equipment	466,972	469,833
Goodwill and Intangible assets	32,323	49,988
Other financial assets	139,163	160,874
Investments accounted for using equity method	13,964	15,267
Deferred tax assets	17,630	19,177
Other non-current assets	36,000	37,868
Total non-current assets	706,055	753,009
Total assets	1,441,355	1,529,939

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	346,599	369,543
Bonds and borrowings	47,529	55,781
Other financial liabilities	3,584	4,692
Income taxes payable	3,993	4,487
Provisions	18,865	14,776
Other current liabilities	7,182	6,362
Total current liabilities	427,755	455,642
Non-current liabilities		
Bonds and borrowings	207,640	195,094
Other financial liabilities	8,308	10,751
Retirement benefit liabilities	70,556	72,604
Provisions	119	129
Deferred tax liabilities	18,410	31,360
Other non-current liabilities	7,827	9,333
Total non-current liabilities	312,864	319,273
Total liabilities	740,619	774,915
Equity		
Capital stock	45,591	45,591
Capital surplus	107,103	102,809
Treasury stock	(416)	(394)
Other components of equity	39,177	56,993
Retained earnings	475,777	518,418
Equity attributable to owners of the parent company	667,234	723,417
Non-controlling interests	33,501	31,605
Total equity	700,735	755,023
Total liabilities and equity	1,441,355	1,529,939

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

Consolidated Statement of Profit or Loss

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Revenue	1,224,909	1,411,827
Cost of revenue	(1,050,315)	(1,204,248)
Gross profit	174,594	207,578
Selling, general and administrative expenses	(142,493)	(153,018)
Business profit	32,100	54,559
Other income	4,426	9,771
Other expenses	(3,410)	(6,971)
Operating profit	33,116	57,360
Finance income	7,028	10,412
Finance costs	(3,986)	(7,055)
Share of profit of investments accounted for using equity method	585	487
Profit before income taxes	36,743	61,203
Income tax expense	(15,906)	(22,306)
Profit for the period	20,836	38,897
Attributable to		
Owners of the parent company	18,332	36,411
Non-controlling interests	2,504	2,486
Earnings per share		
Basic (Yen)	53.45	106.16
Diluted (Yen)	53.43	106.11

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit for the period	20,836	38,897
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	(2,826)	17,449
Remeasurements of defined benefit pension plans	254	717
Share of other comprehensive income of investments accounted for using equity method	28	267
Total	(2,543)	18,433
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	6,018	18,014
Share of other comprehensive income of investments accounted for using equity method	1,026	778
Total	7,044	18,792
Total other comprehensive income	4,500	37,226
Comprehensive income for the period	25,337	76,124
Attributable to		
Owners of the parent company	22,725	72,660
Non-controlling interests	2,612	3,463

(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		
				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, 2022	45,591	107,638	(430)	—	—	27,253
Increase (Decrease) based on inflation accounting of subsidiary that is consolidated and located in Argentina	—	—	—	—	—	—
As of April 1, 2022 (adjusted)	45,591	107,638	(430)	—	—	27,253
Profit for the period	—	—	—	—	—	—
Other comprehensive income	—	—	—	(2,841)	302	6,933
Comprehensive income for the period	—	—	—	(2,841)	302	6,933
Acquisition of treasury stock	—	—	(1)	—	—	—
Dividends	—	—	—	—	—	—
Share-based payment transactions	—	(4)	16	—	—	—
Transfer to retained Earnings	—	—	—	2,841	(302)	—
Change of scope of consolidation	—	—	—	—	—	—
Changes in the ownership interest in subsidiaries without a loss of control	—	217	—	—	—	—
Total transactions with the owners	—	213	15	2,841	(302)	—
As of December 31, 2022	45,591	107,851	(415)	—	—	34,186
As of April 1, 2023	45,591	107,103	(416)	—	—	39,177
Increase (Decrease) based on inflation accounting of subsidiary that is consolidated and located in Argentina	—	—	—	—	—	—
As of April 1, 2023 (adjusted)	45,591	107,103	(416)	—	—	39,177
Profit of the period	—	—	—	—	—	—
Other comprehensive income	—	—	—	17,419	1,014	17,815
Comprehensive income for the period	—	—	—	17,419	1,014	17,815
Acquisition of treasury stock	—	—	(2)	—	—	—
Disposal of treasury stock	—	(0)	0	—	—	—
Dividends	—	—	—	—	—	—
Share-based payment transactions	—	(3)	24	—	—	—
Transfer to retained Earnings	—	—	—	(17,419)	(1,014)	—
Changes in the ownership interest in subsidiaries without a loss of control	—	(4,289)	—	—	—	—
Total transactions with the owners	—	(4,293)	21	(17,419)	(1,014)	—
As of December 31, 2023	45,591	102,809	(394)	—	—	56,993

(Millions of yen)

	Equity attributable to owners of the parent company			Non-controlling interests	Total equity
	Other components of equity	Retained Earnings	Total		
	Total				
As of April 1, 2022	27,253	443,960	624,012	36,402	660,415
Increase (Decrease) based on inflation accounting of subsidiary that is consolidated and located in Argentina	—	308	308	—	308
As of April 1, 2022 (adjusted)	27,253	444,269	624,321	36,402	660,724
Profit for the period	—	18,332	18,332	2,504	20,836
Other comprehensive income	4,393	—	4,393	107	4,500
Comprehensive income for the period	4,393	18,332	22,725	2,612	25,337
Acquisition of treasury stock	—	—	(1)	—	(1)
Dividends	—	(7,203)	(7,203)	(4,905)	(12,108)
Share-based payment transactions	—	—	11	—	11
Transfer to retained Earnings	2,539	(2,539)	—	—	—
Change of scope of consolidation	—	11	11	(53)	(41)
Changes in the ownership interest in subsidiaries without a loss of control	—	—	217	(5)	212
Total transactions with the owners	2,539	(9,730)	(6,963)	(4,964)	(11,927)
As of December 31, 2022	34,186	452,870	640,084	34,049	674,134
As of April 1, 2023	39,177	475,777	667,234	33,501	700,735
Increase (Decrease) based on inflation accounting of subsidiary that is consolidated and located in Argentina	—	(199)	(199)	—	(199)
As of April 1, 2023 (adjusted)	39,177	475,578	667,035	33,501	700,536
Profit of the period	—	36,411	36,411	2,486	38,897
Other comprehensive income	36,249	—	36,249	976	37,226
Comprehensive income for the period	36,249	36,411	72,660	3,463	76,124
Acquisition of treasury stock	—	—	(2)	—	(2)
Disposal of treasury stock	—	—	0	—	0
Dividends	—	(12,005)	(12,005)	(3,436)	(15,442)
Share-based payment transactions	—	—	20	—	20
Transfer to retained Earnings	(18,434)	18,434	—	—	—
Changes in the ownership interest in subsidiaries without a loss of control	—	—	(4,289)	(1,923)	(6,212)
Total transactions with the owners	(18,434)	6,428	(16,278)	(5,359)	(21,637)
As of December 31, 2023	56,993	518,418	723,417	31,605	755,023

Segment information

For the nine months ended December 31, 2022

(Millions of yen)

	Reportable segment				Adjustments	Consolidated
	Automotive	Industrial and Bearings	Machine tools	Total		
Revenue						
Customers	829,473	262,007	133,428	1,224,909	—	1,224,909
Intersegment	1,580	14,281	16,960	32,822	(32,822)	—
Total	831,053	276,288	150,388	1,257,731	(32,822)	1,224,909
Segment profit (loss)	10,167	10,871	10,256	31,295	804	32,100
Other income						4,426
Other expenses						(3,410)
Operating profit						33,116
Finance income						7,028
Finance costs						(3,986)
Share of profit of investments accounted for using equity method						585
Profit before income taxes						36,743

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

For the nine months ended December 31, 2023

(Millions of yen)

	Reportable segment				Adjustments	Consolidated
	Automotive	Industrial and Bearings	Machine tools	Total		
Revenue						
Customers	1,002,630	270,059	139,136	1,411,827	—	1,411,827
Intersegment	2,296	16,234	17,960	36,491	(36,491)	—
Total	1,004,927	286,293	157,097	1,448,318	(36,491)	1,411,827
Segment profit (loss)	34,020	9,639	10,687	54,346	212	54,559
Other income						9,771
Other expenses						(6,971)
Operating profit						57,360
Finance income						10,412
Finance costs						(7,055)
Share of profit of investments accounted for using equity method						487
Profit before income taxes						61,203

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