Financial results for the 1st Quarter of fiscal year ending March 2026

August 4th, 2025

JTEKT CORPORATION

Overview of Financial results

Result	■ Despite sales recovery mainly in Japan, **Revenue decreased YoY** due to unfavorable exchange rate. ■ Despite unfavorable exchange rate and U.S. Tariff, **Business profit increased YoY** due to cost improvement activities, such as “Task Force Team (TFT)” activities in North America.
Forecast	■ Forecasts are unchanged. **(Revenue : 1.77 trillion yen, Business profit : 60 billion yen)** ■ Considering that the measures in the 2nd period of the mid-term plan and activities against profitability issues are being implemented as planned, and **the impact of U.S. Tariffs will be offset by “implementing all possible measures within our group” and “sales price up”**, forecasts remain unchanged.
Return to shareholders	■ Expected dividend for FY2025 is **60 yen.** (Interim 30 yen & Year-end 30 yen **DOE : 2.6%**) ■ Expand shareholder returns in line with the 2nd period of Mid-term Plan.

Agenda

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2. Forecasts for Fiscal Year ending March 2026 P 9

3. Appendix P 15

1-1) FY2025 1Q Results – Consolidated performance

- Despite sales recovery mainly in Japan, **Revenue decreased YoY** due to unfavorable exchange rate.
- Despite unfavorable exchange rate and U.S. Tariff, **Business profit** increased due to **cost improvement activities, such as "TFT" activities in North America.**
- Despite increasing business profit, **Profit** decreased due to the impact of finance costs. (recognition of valuation losses on VPPA*)

* VPPA : Virtual Power Purchase Agreement

(Ratio to revenue)

Unit:100M of yen

	FY2024 1Q		**FY2025 1Q**		Change	Change ratio
Revenue		4,640		**4,547**	- 92	-2.0%
Business profit ※1	(1.8%)	85	**(3.1%)**	**140**	+54	+63.8%
Operating profit	(2.4%)	111	**(3.0%)**	**135**	+23	+21.4%
Profit before income taxes	(3.6%)	167	**(2.3%)**	**103**	- 64	-38.4%
Profit ※2	(2.3%)	108	**(1.4%)**	**65**	- 43	-39.8%
Foreign Exchange		JPY 155.88/USD		**JPY 144.59/USD**	+11.29 JPY	
		JPY 167.88/EUR		**JPY 163.80/EUR**	+4.08 JPY	
Earnings per share		31.53 JPY		**20.45 JPY**		

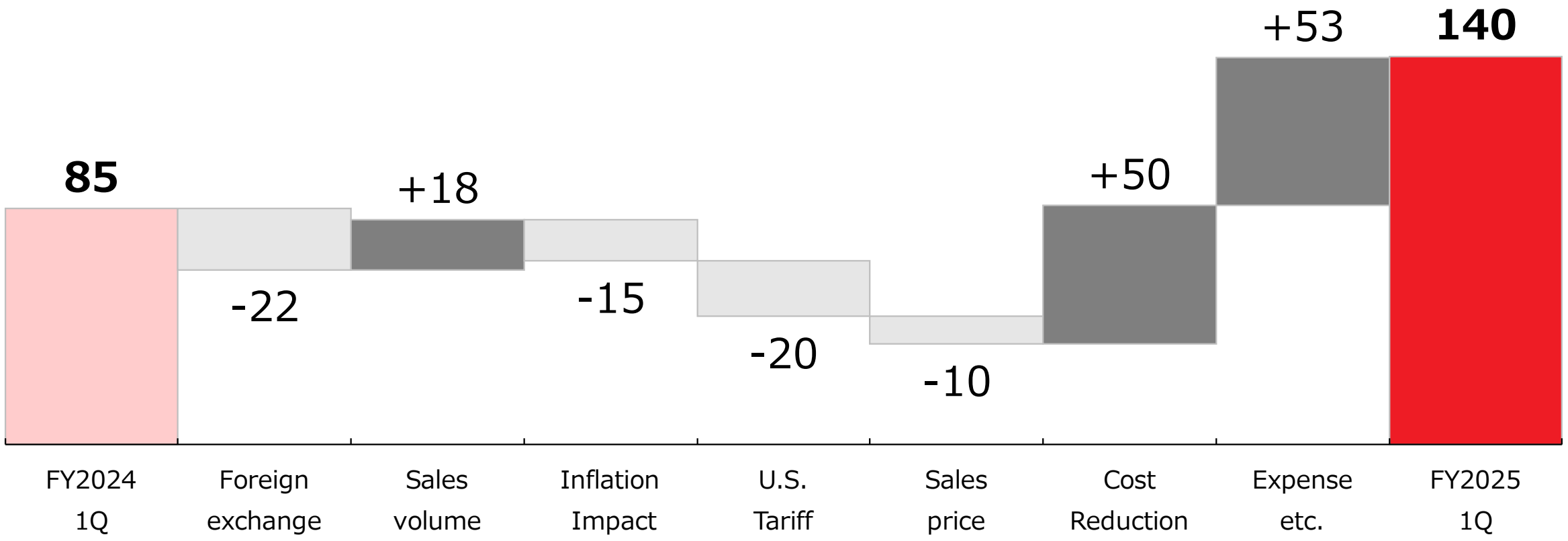
(※1) Our own management profit after deducting "cost of revenue" and "selling, general and administrative expenses" from "Revenue"

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

1-2) FY2025 1Q Results – Business profit analysis

■ Despite unfavorable exchange rate, U.S. Tariff and cost inflation (mainly labor costs) prior to sales price up, Business profit increased due to higher sales volume and cost improvement activities, such as “TFT” activities in North America.

Unit : 100M of yen

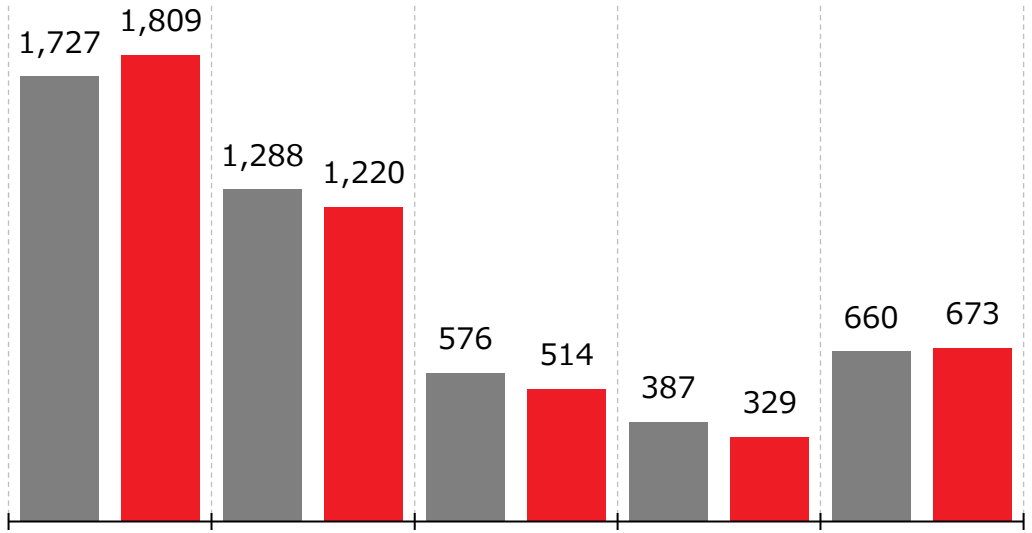


1-3) FY2025 1Q Results – by Region

■ Despite higher sales volume in Japan, business profit decreased due to cost inflation (mainly labor costs) prior to sales price up.

Revenue

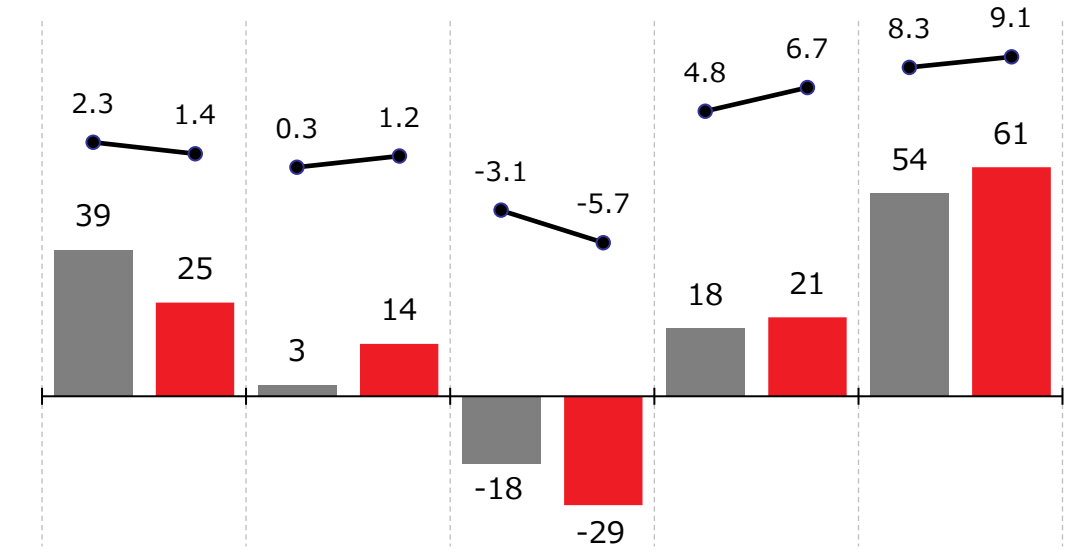
Unit : 100M of yen



Japan	North America	Europe	China	Asia & Others
Change [Change Ratio]				
+81 [+4.7%]	-67 [-5.3%]	-61 [-10.7%]	-58 [-15.0%]	+13 [+2.1%]

Business profit

Unit : 100M of yen



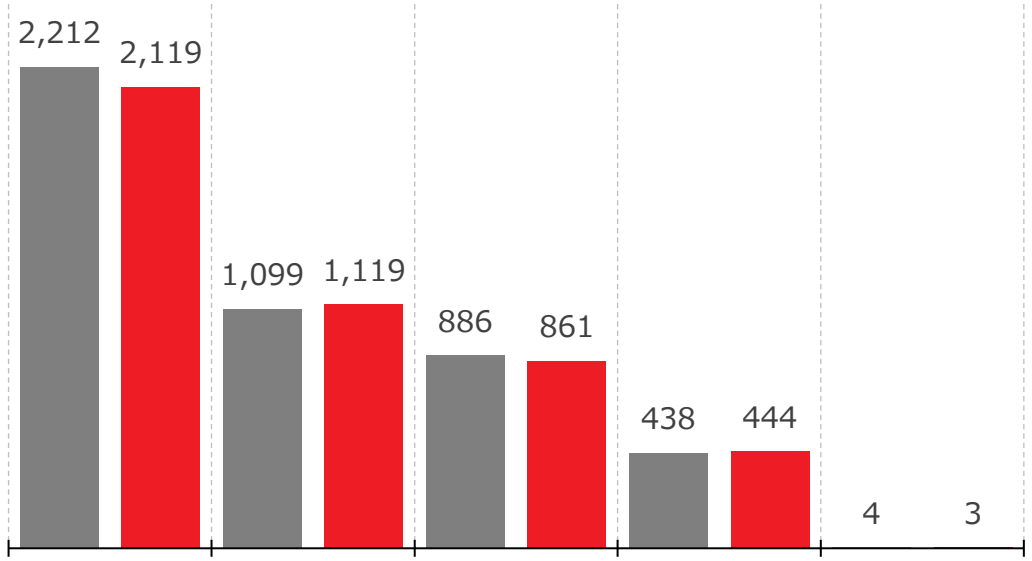
Japan	North America	Europe	China	Asia & Others
Change [Change Ratio]				
-14 [-36.9%]	+10 [+270.2%]	-11 [-%]	+3 [+18.9%]	+6 [+12.5%]

1-4) FY2025 1Q Results – by Business unit

■ Business profit increased in all business units due to cost reduction activities, etc.

Revenue

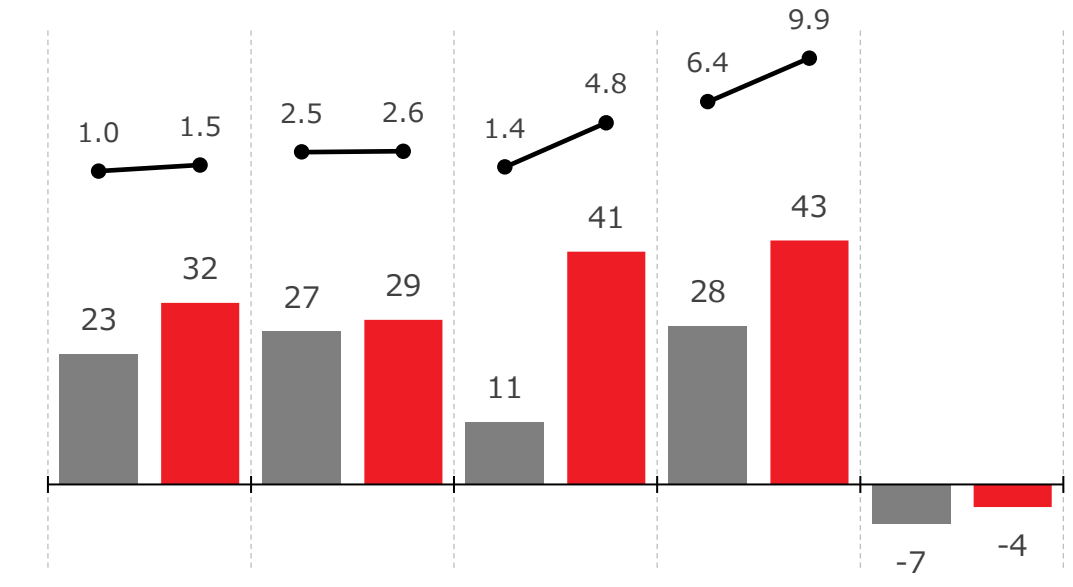
Unit : 100M of yen



Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others
Change [Change Ratio]				
-93 [-4.2%]	+20 [+1.8%]	-25 [-2.8%]	+6 [+1.4%]	-0 [-12.1%]

Business profit

Unit : 100M of yen



Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others
Change [Change Ratio]				
+8 [+39.0%]	+1 [+4.8%]	+29 [+245.8%]	+15 [+55.3%]	+2 [-%]

Agenda

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2-1) FY2025 Forecast – Consolidated performance

■ Although business profit **decreased YoY** due to unfavorable exchange rate etc., we aim to achieve the disclosed forecast by steadily implementing cost reduction activities in line with the 2nd period of the mid-term plan, and sales price up to recover labor costs inflation and U.S. tariff etc.

(Ratio to revenue) Unit:100M of yen

	FY2024		**FY2025**		Change	Change ratio
Revenue		18,843		**17,700**	-1,143	-6.1%
Business profit ※1	(3.4%)	649	**(3.4%)**	**600**	-49	-7.6%
Operating profit	(2.0%)	384	**(2.8%)**	**500**	+115	+30.0%
Profit before income taxes	(1.6%)	308	**(2.5%)**	**450**	+141	+45.7%
Profit ※2	(0.7%)	137	**(1.1%)**	**200**	+62	+45.8%
Foreign Exchange		JPY 152.58/USD		**JPY 141.00/USD**	+11.58 JPY	
		JPY 163.75/EUR		**JPY 161.00/EUR**	+2.75 JPY	
Earnings per share		40.36 JPY		**62.38 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

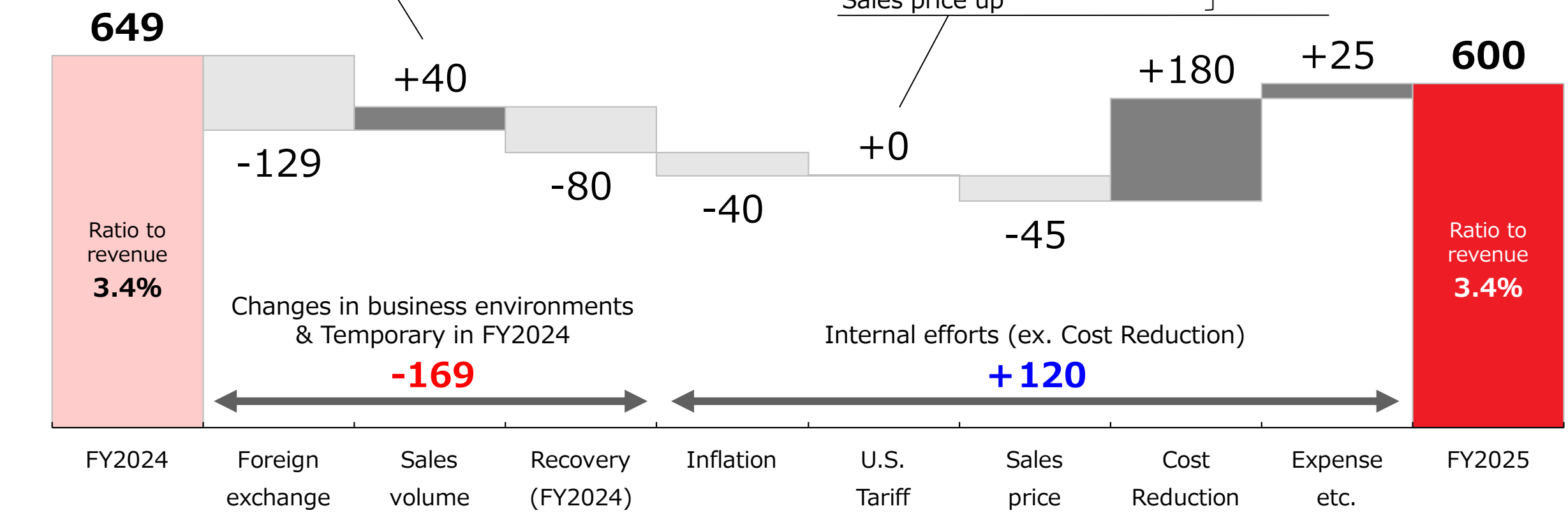
2-2) FY2025 Forecast – Business profit analysis

- Business Profit will decrease however **Profit margin** will sustain due to internal efforts such as cost reduction activities, reduction of extra cost in North America.
- The negative impact of U.S. Tariffs will be offset by “implementing all possible measures within our group” and “sales price up”.

Revenue increased excluding the effects of foreign exchange rate and sales decrease due to restructuring in Europe

Tariff -300
Measures within our company
Sales price up +300

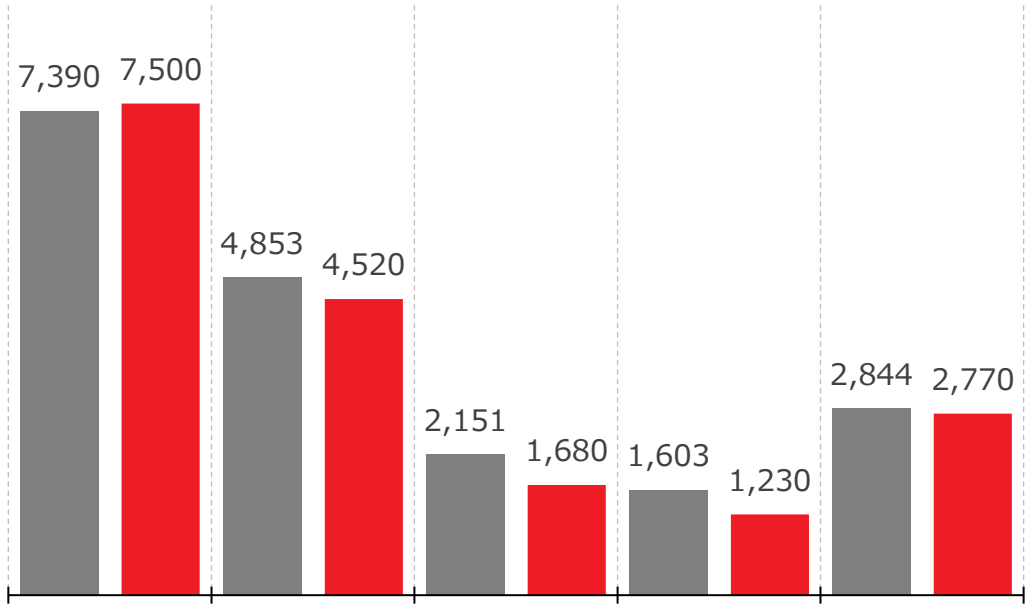
Unit : 100M of yen



■ North America : Aiming for further profit growth by completion of TFT activities etc.

Revenue

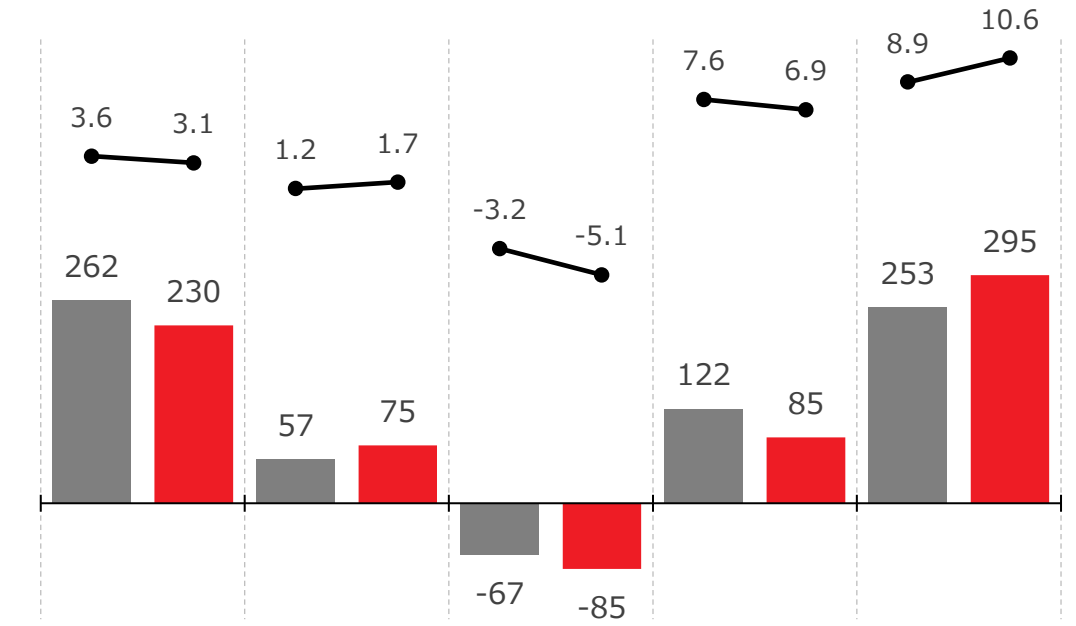
Unit : 100M of yen



Japan	North America	Europe	China	Asia & Others
Change [Change Ratio]				
+109 [+1.5%]	-333 [-6.9%]	-471 [-21.9%]	-373 [-23.3%]	-74 [-2.6%]

Business profit

Unit : 100M of yen



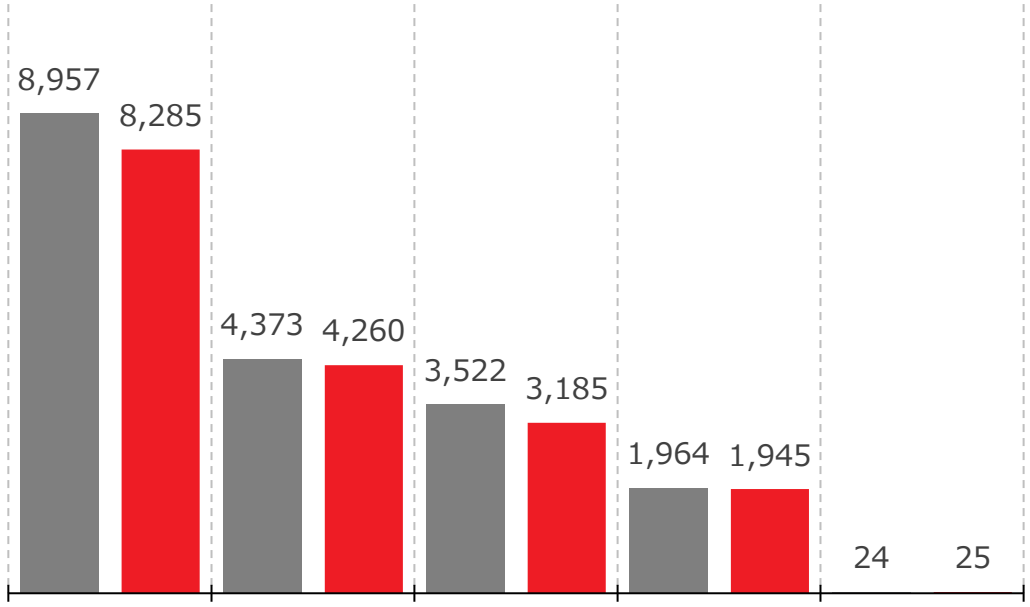
Japan	North America	Europe	China	Asia & Others
Change [Change Ratio]				
-32 [-12.4%]	+17 [+29.8%]	-17 [-%]	-37 [-30.6%]	+41 [+16.4%]

2-4) FY2025 Forecast – by Business unit

- Revenue will decrease due to unfavorable exchange rate in all Business units.
- Business profit will increase in Drivelines and Industrial & bearings.

Revenue

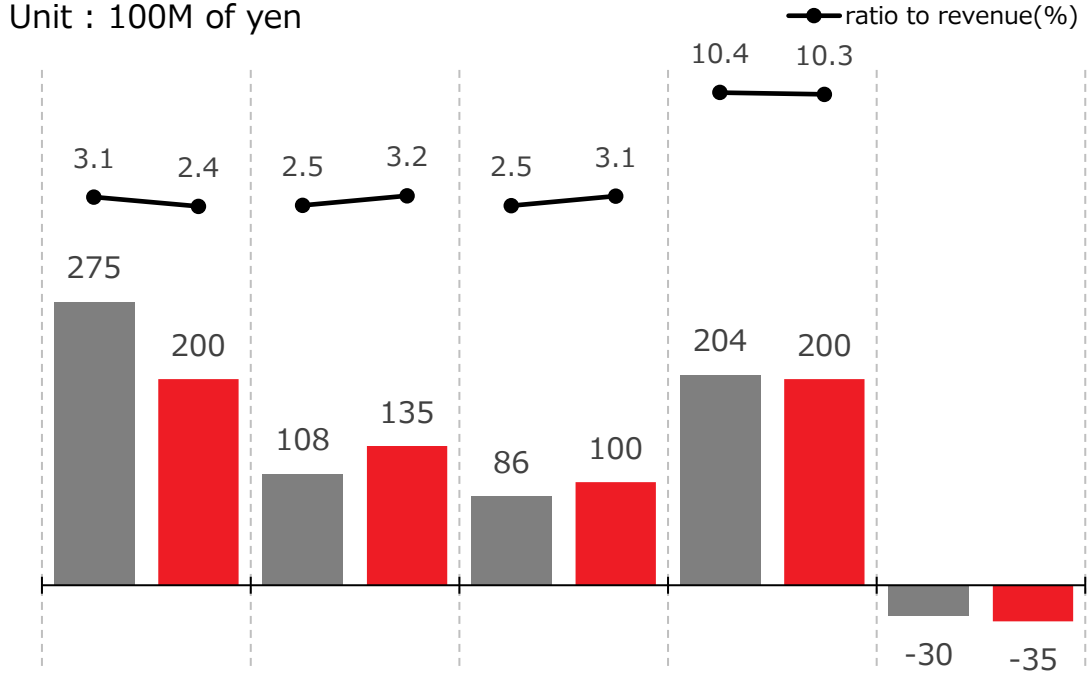
Unit : 100M of yen



Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others
Change [Change Ratio]				
-672 [-7.5%]	-113 [-2.6%]	-337 [-9.6%]	-19 [-1.0%]	+0 [+0.2%]

Business profit

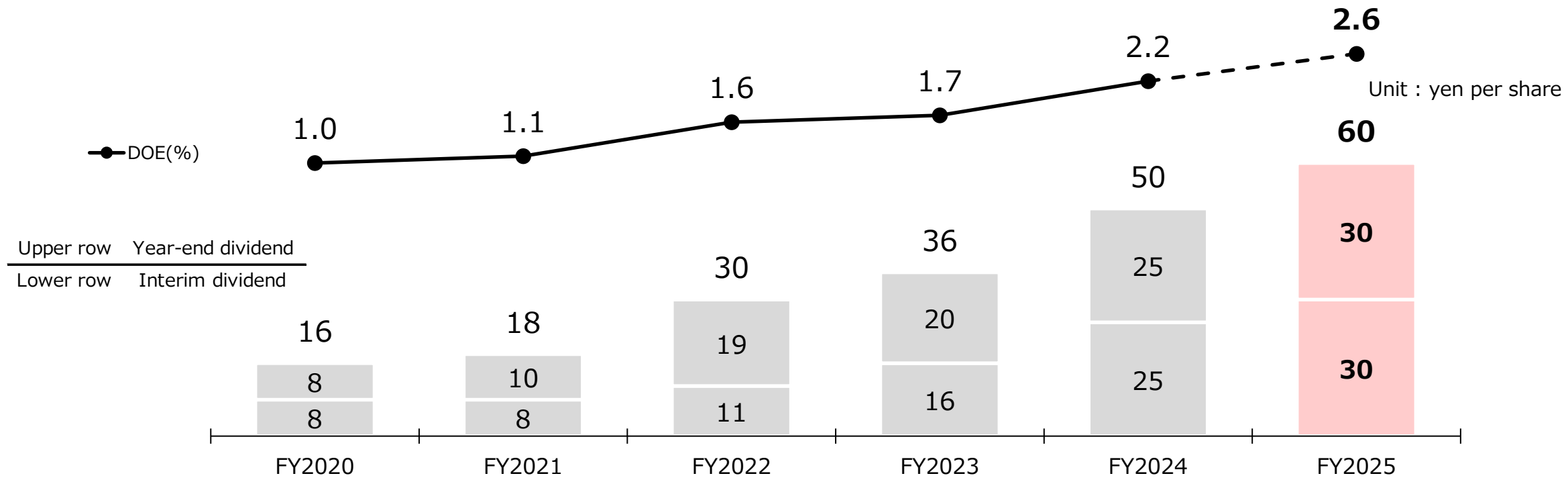
Unit : 100M of yen



Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others
Change [Change Ratio]				
-75 [-27.3%]	+26 [+24.7%]	+14 [+15.6%]	-4 [-2.2%]	-4 [-%]

2-5) Return to shareholders

- Keep expanding shareholder returns in line with the 2nd period of Mid-term Plan.
  FY2025 Expected ･･･ Dividend : 60 yen per year (**DOE 2.6%**)
- Aim to transform into “solution provider” during 2nd period of Mid-term Plan, for further shareholder return increase.



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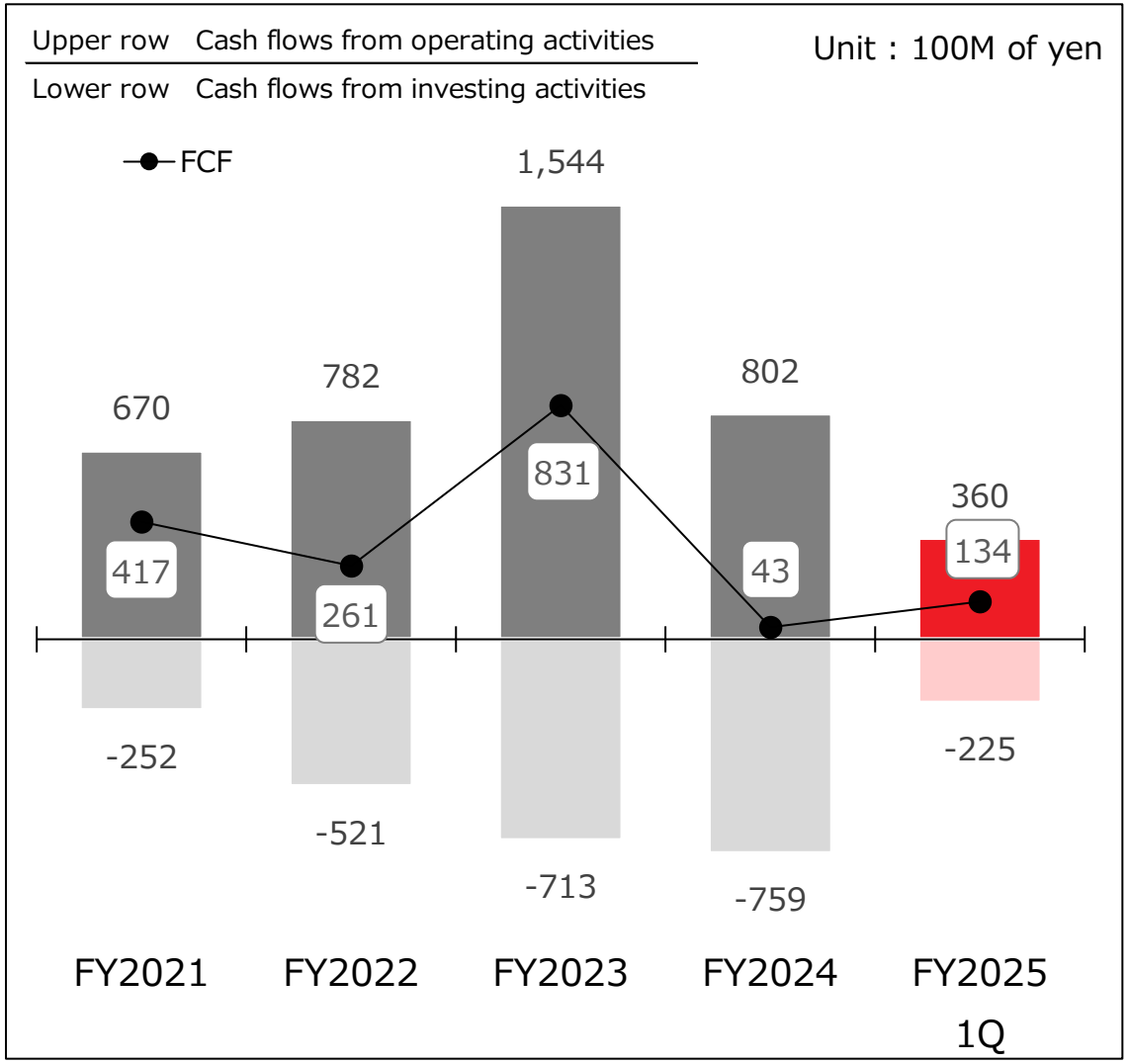
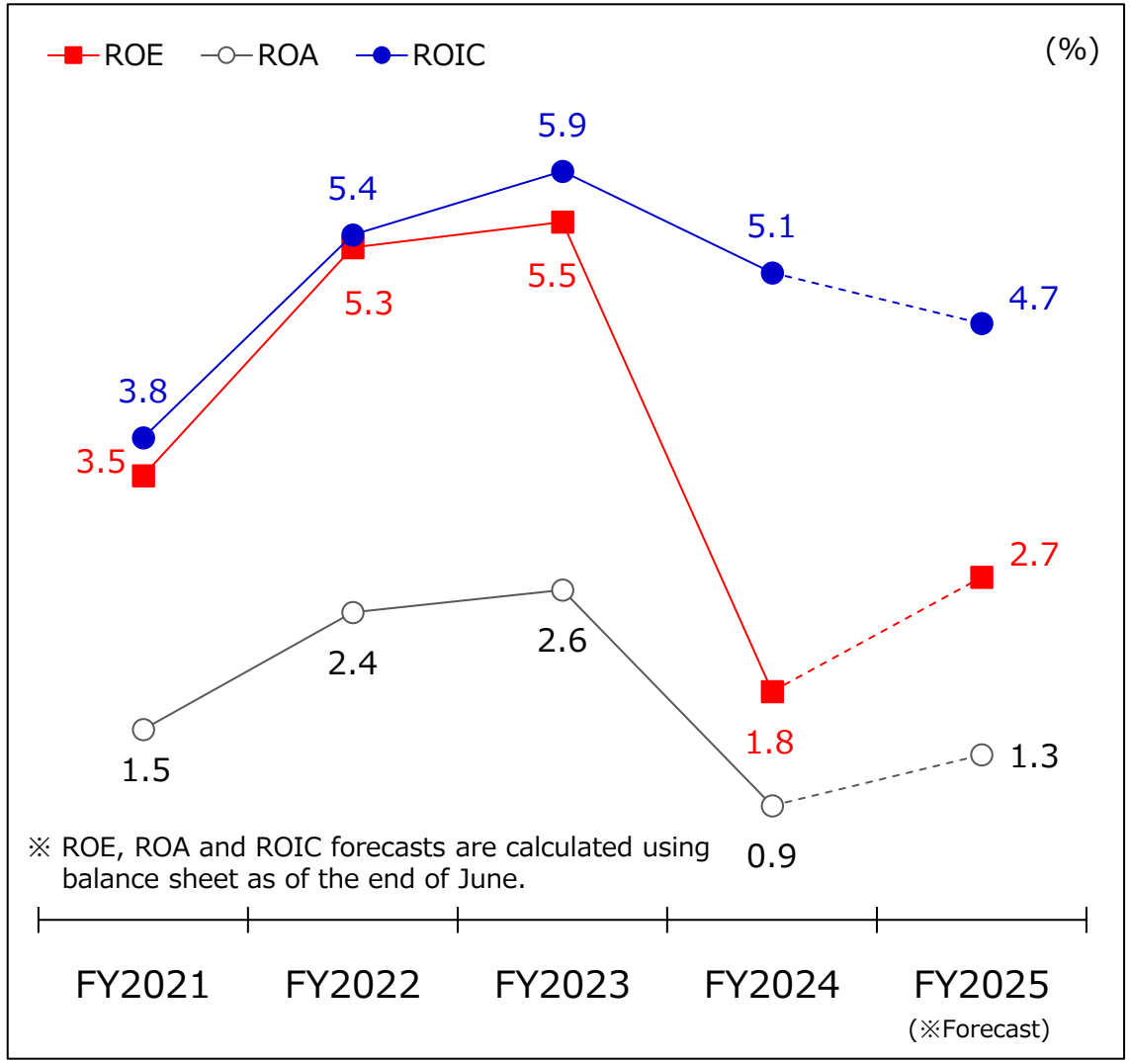
Cash Flow statement

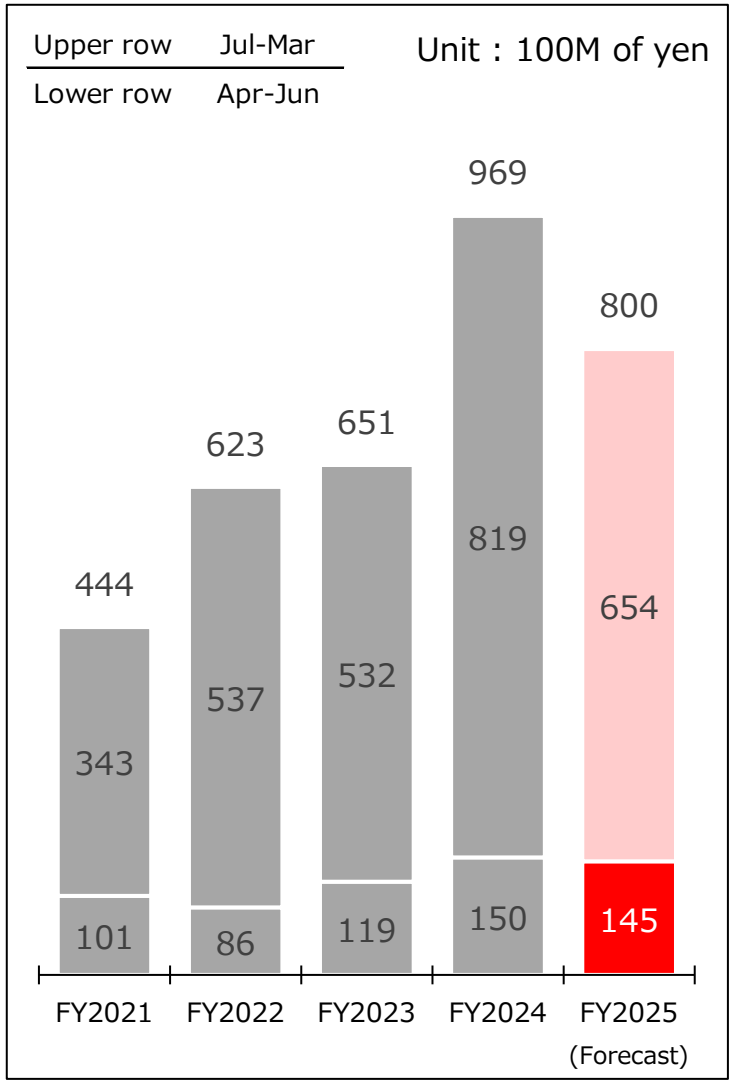


Capital Efficiency Indicators

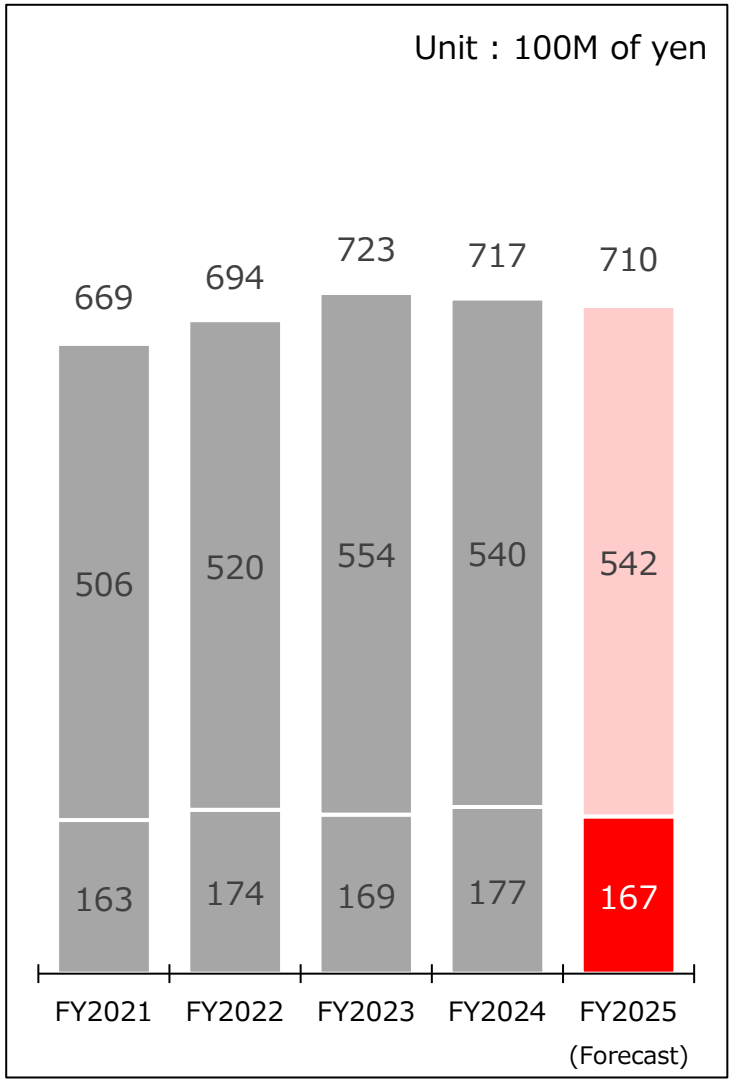


3-2) Management indicators

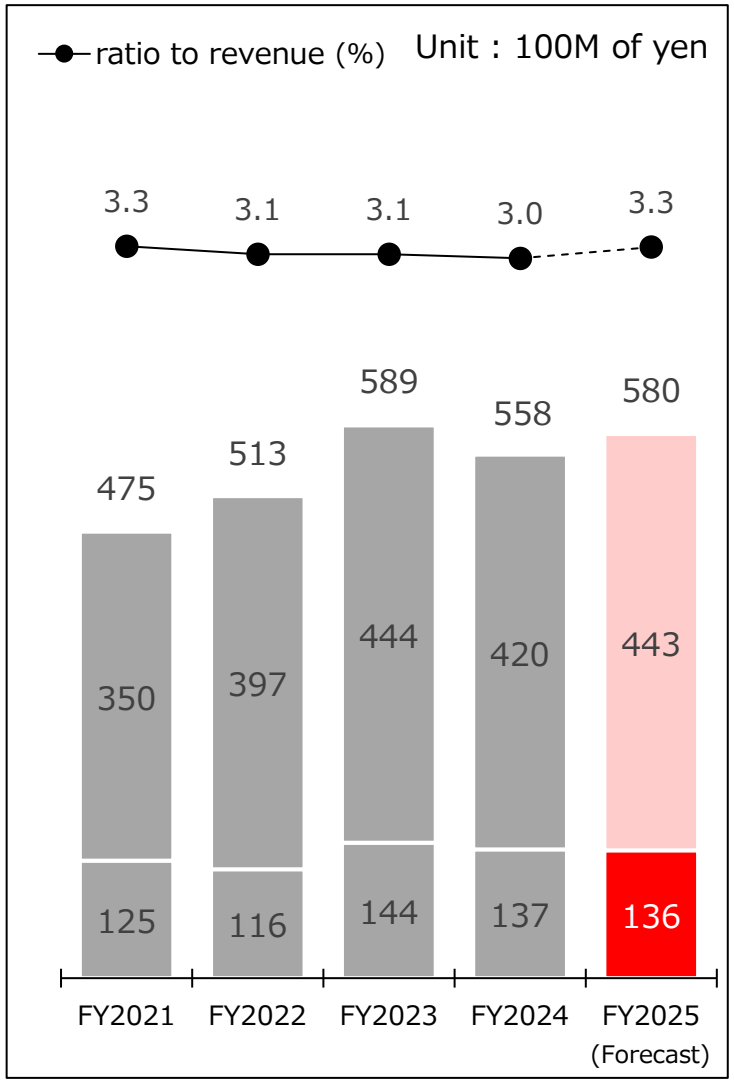
Capital expenditures



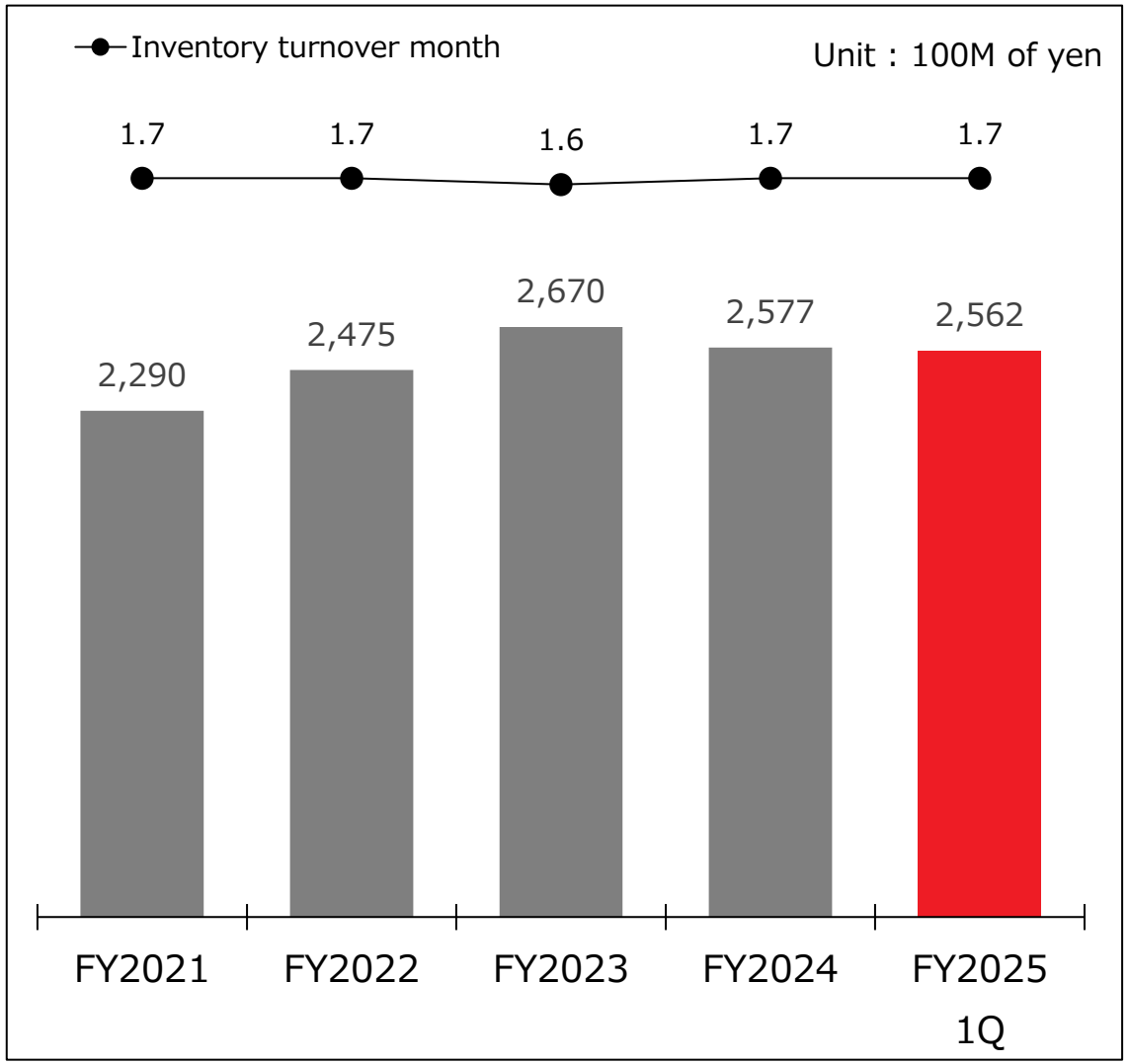
Depreciation & amortization



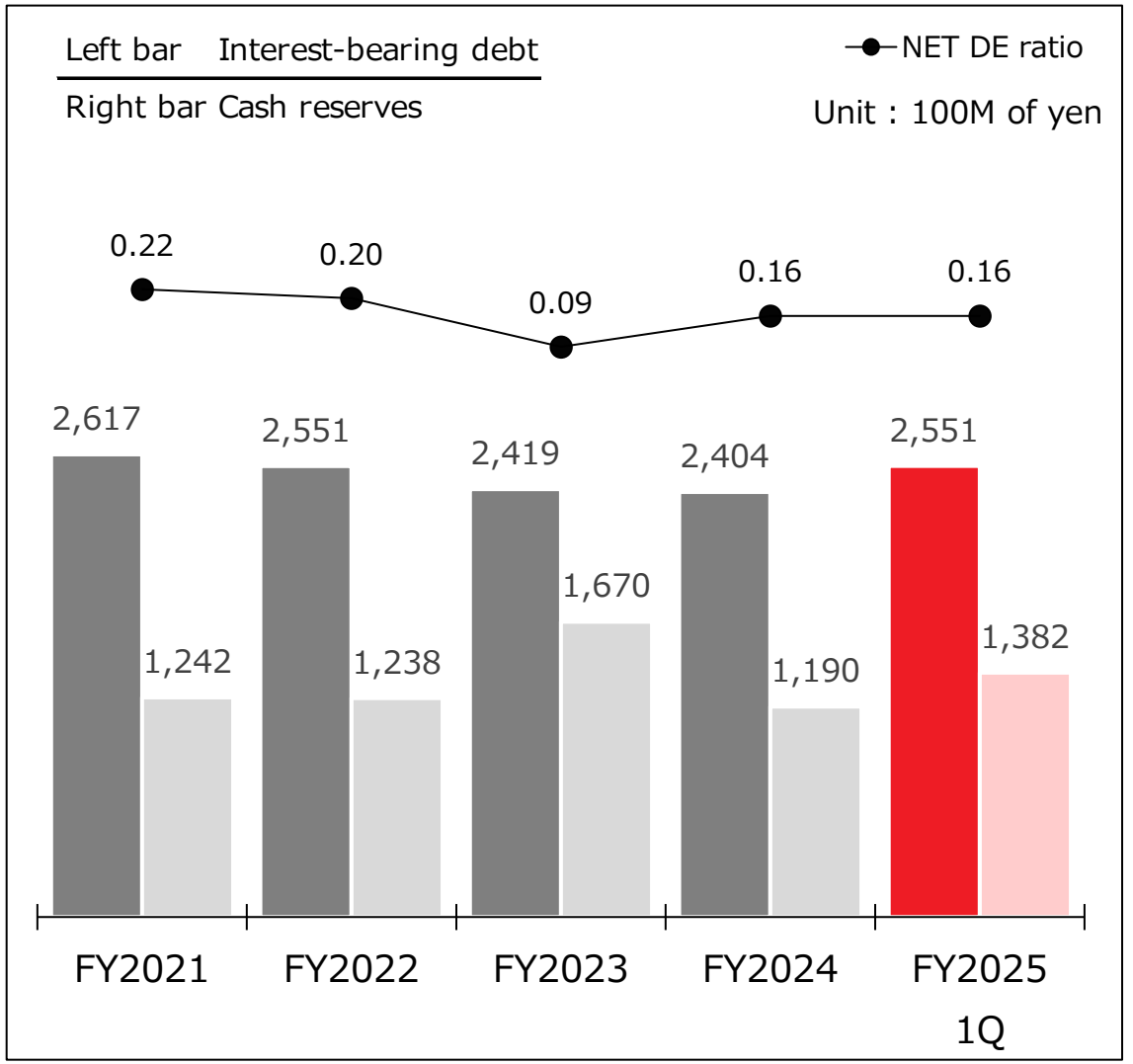
R&D expenses



Inventories



Interest-bearing debt / Cash reserves



3-4-1) Financial statements

Assets

Unit : 100M of yen

Assets	FY2024	**FY2025 1Q**	Change
Cash and cash equivalents	1,190	**1,382**	+192
Trade and other receivables	3,682	**3,513**	-168
Inventories	2,577	**2,562**	-15
Other current assets	177	**188**	+10
Property, plant and equipment	4,805	**4,759**	-46
Other non-current assets	3,219	**3,011**	-208
Total assets	15,653	**15,417**	-236

Liabilities and equity

Unit : 100M of yen

Liabilities and equity	FY2024	**FY2025 1Q**	Change
Trade and other payables	3,796	**3,644**	-151
Interest-bearing debt	2,404	**2,551**	+146
Other current liabilities	482	**501**	+19
Other non-current liabilities	1,195	**1,112**	-83
Equity attributable to owners of the parent company	7,450	**7,290**	-159
Non-controlling interests	324	**317**	-6
Total liabilities and equity	15,653	**15,417**	-236

3-4-2) Financial statements

Consolidated Profit and Loss statement

Unit : 100M of yen

	FY2024 1Q	**FY2025 1Q**	Change
Revenue	4,640	**4,547**	-92
Business Profit	85	**140**	+54
Other imcome / Other expenses	25	**-5**	-30
Operating Profit	111	**135**	+23
Financial imcome / financial costs	56	**-32**	-88
Income tax expenses / Non-cotrolling interests	-59	**-38**	+21
Profit attributable to owners of parent	108	**65**	-43

Consolidated Cash Flow statement

Unit : 100M of yen

	FY2024 1Q	**FY2025 1Q**	Change
Cash flows from operationg activities	261	**360**	+98
Cash flows from investing activities	-98	**-225**	-127
Free Cash flows	163	**134**	-28
Cash flows from financing activities	-206	**57**	+264
Foreign currency translation adjustments	49	**-0**	-49
Net increase (decrease) in cash and cash equivalents	6	**192**	+185
Cash and cash equivalents	1,676	**1,382**	-294

3-5-1) Performance comparison – FY2025 1Q Results (by Region)

Unit: 100M of yen

	Region	FY2024 1Q	**FY2025 1Q**	change		Foreign exchange	**FY2025 1Q**	Change excluding foreign exchange	
Revenue	Japan	1,727	**1,809**	+81	+4.7%	-	1,809	+81	+4.7%
	North America	1,288	**1,220**	-67	-5.3%	-117	1,337	+49	+3.8%
	Europe	576	**514**	-61	-10.7%	-11	526	-49	-8.7%
	China	387	**329**	-58	-15.0%	-24	353	-33	-8.7%
	Asia & others	660	**673**	+13	+2.1%	-31	705	+45	+6.8%
	Total	4,640	**4,547**	-92	-2.0%	-185	4,733	+92	+2.0%
Business profit	Japan	39	**25**	-14	-36.9%	-15	40	0	+1.8%
	North America	3	**14**	10	+270.2%	-3	17	13	+346.5%
	Europe	-18	**-29**	-11	-%	0	-29	-11	-%
	China	18	**21**	3	+18.9%	-2	24	5	+32.0%
	Asia & Others	54	**61**	6	+12.5%	-1	63	8	+15.6%
	Elimination	-12	**46**	59	-%	0	46	59	-%
	Total	85	**140**	54	+63.8%	-21	162	76	+89.4%

3-5-2) Performance comparison – FY2025 1Q Results (by Business unit)

Unit: 100M of yen

	Business unit	FY2024 1Q	**FY2025 1Q**	change		Foreign exchange	**FY2025 1Q**	Change excluding foreign exchange	
Revenue	Steering	2,212	**2,119**	-93	-4.2%	-112	2,231	+19	+0.9%
	Drivelines	1,099	**1,119**	+20	+1.8%	-22	1,141	+42	+3.9%
	Automotive	3,312	**3,238**	-73	-2.2%	-135	3,373	+61	+1.9%
	Industrial&Bearings	886	**861**	-25	-2.8%	-27	888	+2	+0.3%
	Machine tools	438	**444**	+6	+1.4%	-22	467	+29	+6.6%
	Others	4	**3**	-0	-12.1%	+0	3	-0	-12.1%
	Machine tools	442	**448**	+5	+1.3%	-22	470	+28	+6.4%
	Total	4,640	**4,547**	-92	-2.0%	-185	4,733	+92	+2.0%
Business profit	Steering	23	**32**	+8	+39.0%	-11	43	+20	+89.2%
	Drivelines	27	**29**	+1	+4.8%	-1	30	+2	+8.5%
	Automotive	50	**61**	+10	+20.3%	-12	73	+22	+45.2%
	Industrial&Bearings	11	**41**	+29	+245.8%	-5	46	+34	+288.6%
	Machine tools	28	**43**	+15	+55.3%	-4	48	+19	+70.4%
	Others	-7	**-4**	+2	-%	+0	-5	+2	-%
	Machine tools	21	**38**	+17	+84.2%	-4	43	+21	+104.3%
	Elimination	1	**-0**	-2	-%	+0	-0	-2	-%
	Total	85	**140**	+54	+63.8%	-21	162	+76	+89.4%

3-6-1) Quarterly result trend – by Region

Unit : 100M of yen

FY2024	1Q		2Q		3Q		4Q	
	Revenue	Business profit	Revenue	Business profit	Revenue	Business profit	Revenue	Business profit
Japan	1,727	39 2.3%	1,821	97 5.3%	1,875	61 3.3%	1,965	63 3.2%
North America	1,288	3 0.3%	1,102	-38 -3.5%	1,102	-22 -2.0%	1,360	114 8.4%
Europe	576	-18 -3.1%	502	-23 -4.6%	495	-32 -6.5%	577	5 1.0%
China	387	18 4.8%	383	34 8.9%	479	51 10.7%	352	18 5.2%
Asia & Others	660	54 8.3%	733	66 9.1%	712	56 8.0%	737	75 10.2%
Erimination		-12		34		-22		22
Total	4,640	85 1.8%	4,544	170 3.8%	4,665	92 2.0%	4,993	300 6.0%

FY2025	1Q		2Q		3Q		4Q	
	Revenue	Business profit	Revenue	Business profit	Revenue	Business profit	Revenue	Business profit
Japan	1,809	25 1.4%						
North America	1,220	14 1.2%						
Europe	514	-29 -5.7%						
China	329	21 6.7%						
Asia & Others	673	61 9.1%						
Erimination		46						
Total	4,547	140 3.1%						

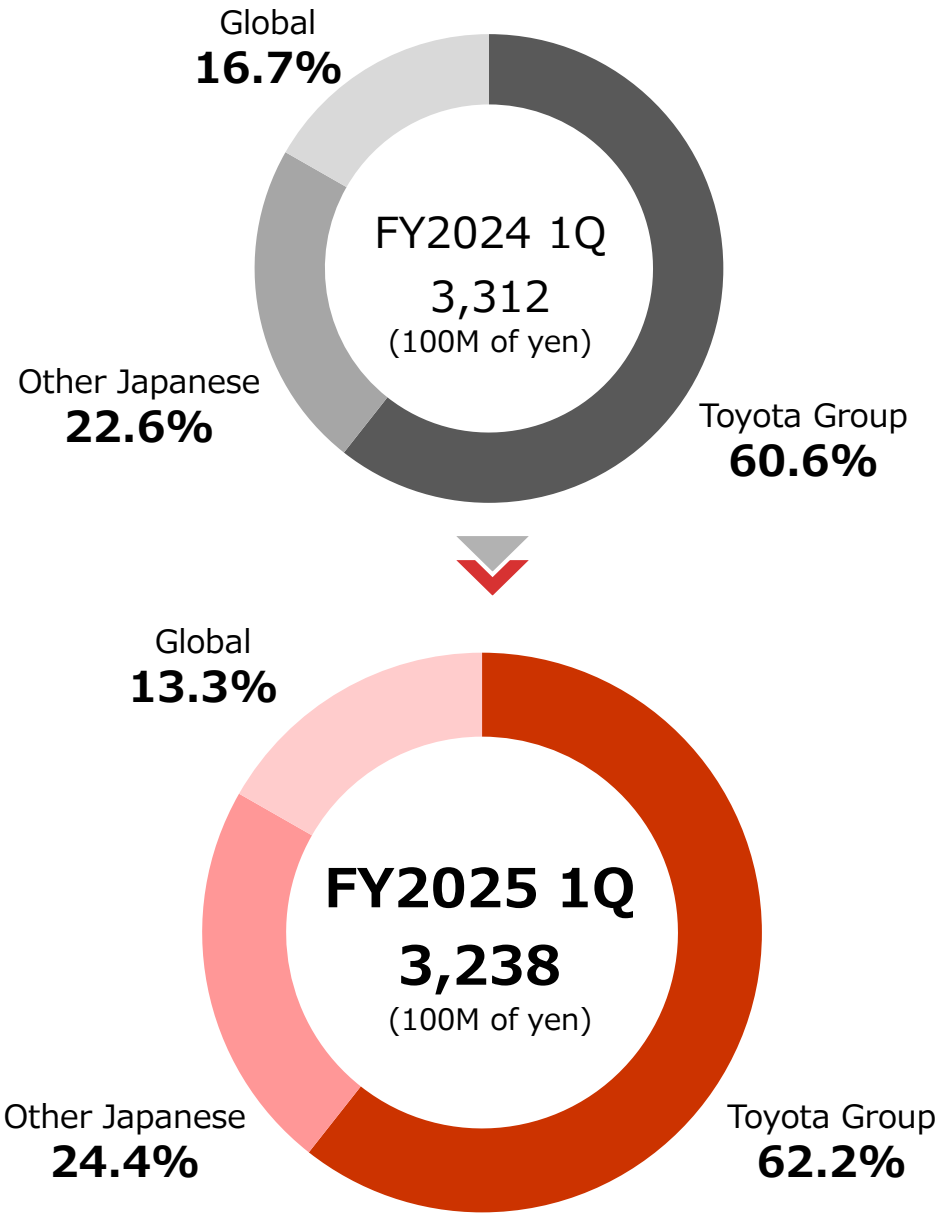
3-6-2) Quarterly result trend – by Business unit

Unit : 100M of yen

FY2024	1Q			2Q			3Q			4Q		
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	
Steering Systems	2,212	23	1.0%	2,133	57	2.7%	2,239	30	1.3%	2,372	164	6.9%
Drivelines	1,099	27	2.5%	1,030	14	1.4%	1,073	10	1.0%	1,169	55	4.7%
Automotive	3,312	50	1.5%	3,163	71	2.3%	3,313	40	1.2%	3,542	220	6.2%
Industrial & Bearings	886	11	1.4%	872	38	4.4%	867	10	1.2%	896	25	2.9%
Machine tools	438	28	6.4%	502	65	13.0%	478	47	9.8%	545	64	11.7%
Others	4	-7		5	-6		6	-6		8	-10	
Machine tools	442	21	4.8%	507	58	11.6%	485	40	8.4%	554	53	9.7%
Erimination		1			1			0			0	
Total	4,640	85	1.8%	4,544	170	3.8%	4,665	92	2.0%	4,993	300	6.0%

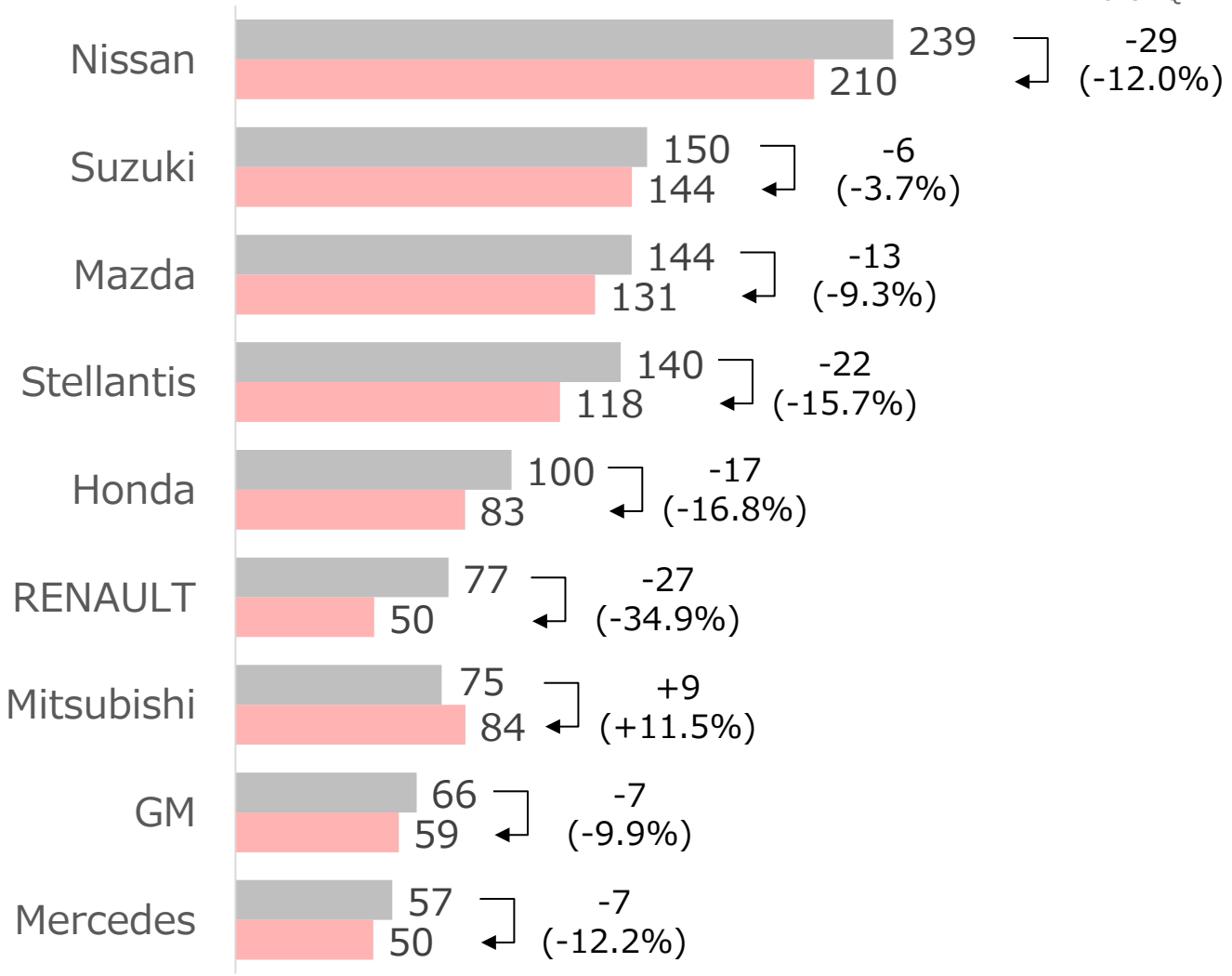
FY2025	1Q			2Q			3Q			4Q		
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	
Steering Systems	2,119	32	1.5%									
Drivelines	1,119	29	2.6%									
Automotive	3,238	61	1.9%									
Industrial & Bearings	861	41	4.8%									
Machine tools	444	43	9.9%									
Others	3	-4										
Machine tools	448	38	8.7%									
Erimination		-0										
Total	4,547	140	3.1%									

3-7-1) Automotive (Steering/Drivelines) Revenue by Customer

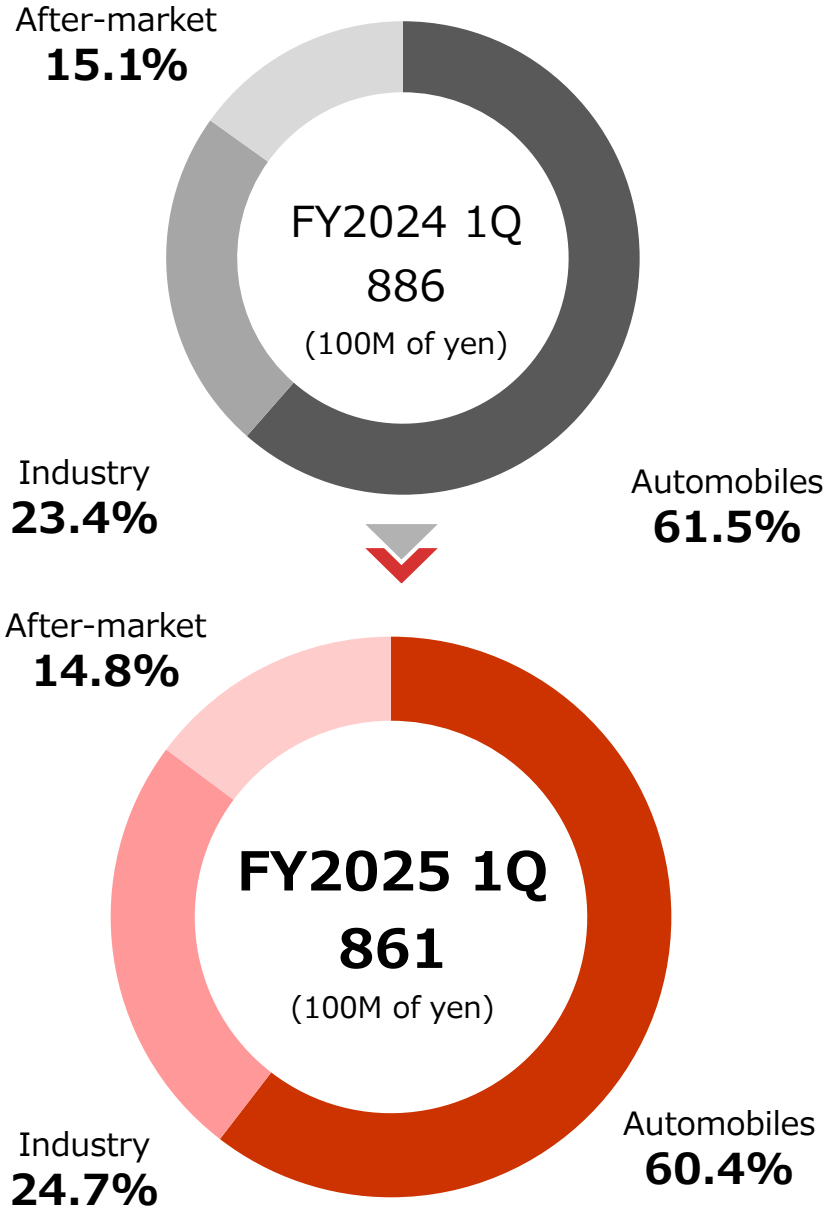


Other Japanese and Global revenue by Customer

Unit : 100M of yen

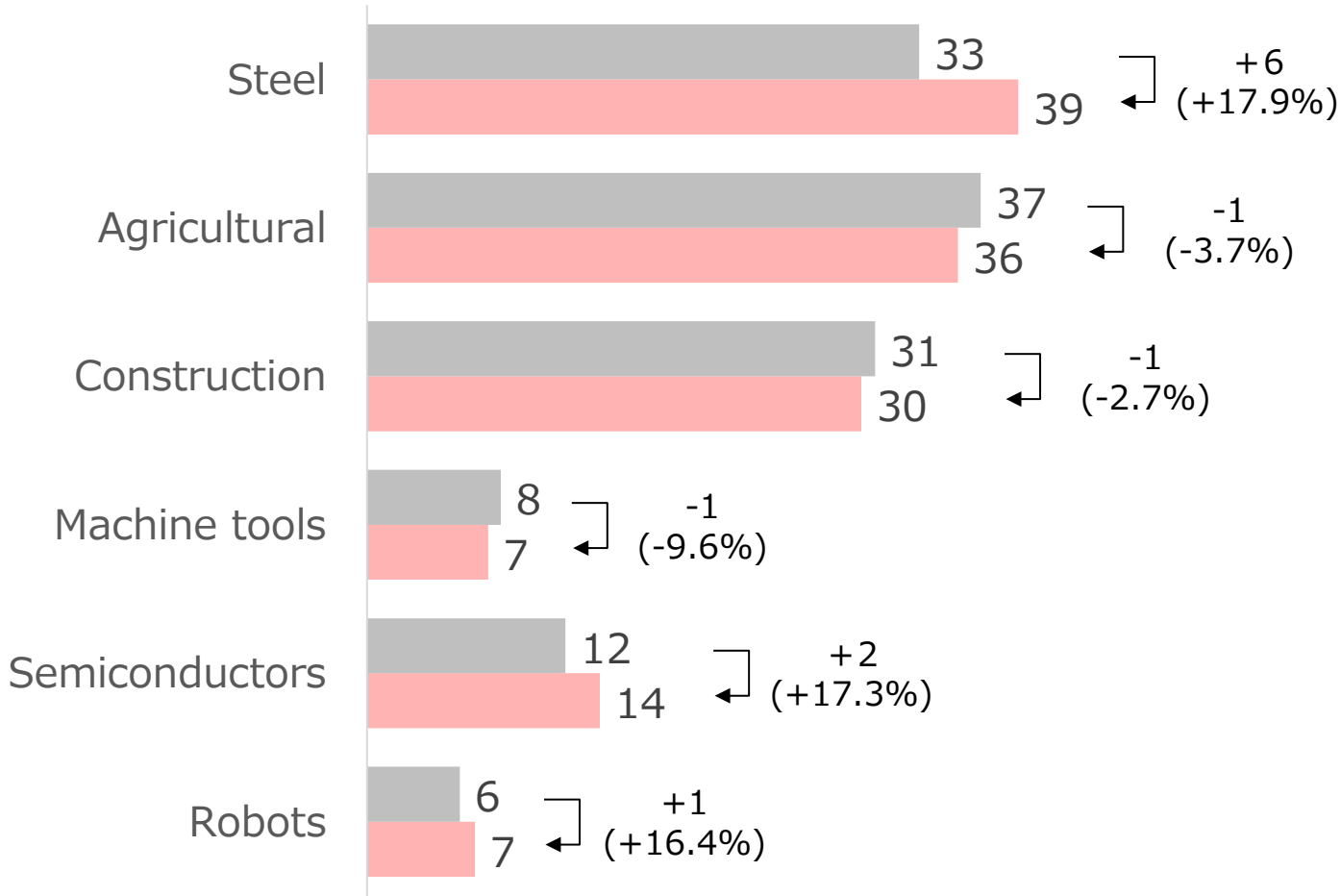


3-7-2) Industrial & Bearings Revenue by Industry



Unit : 100M of yen

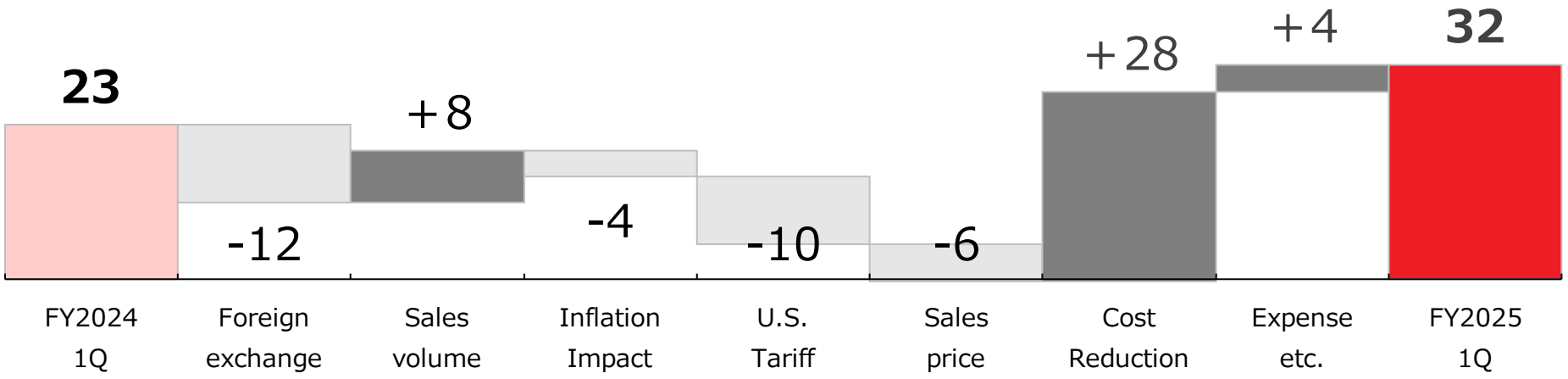
Industrial & Bearings revenue by 6 priority industries



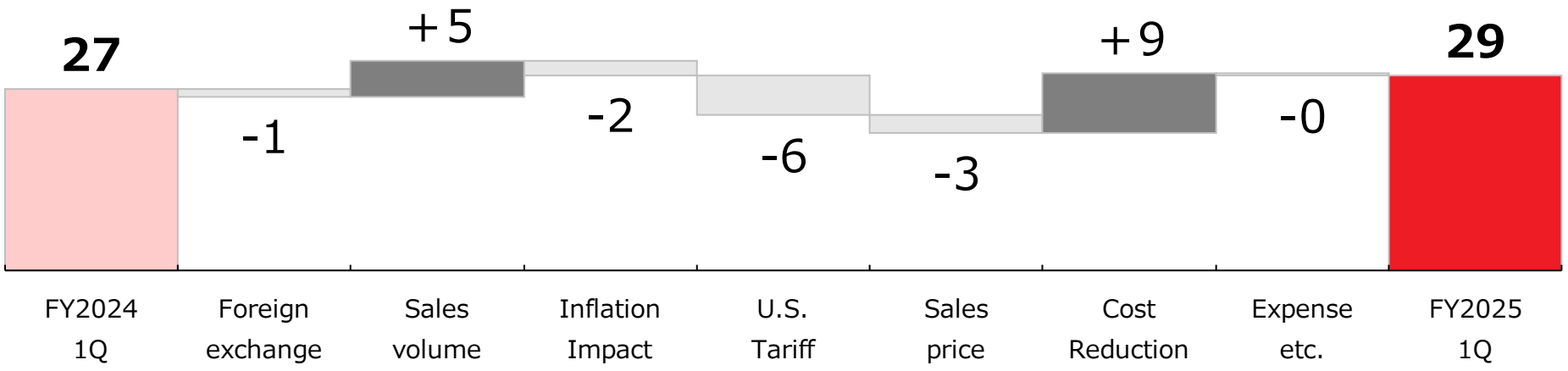
3-8-1) Business profit analysis – Steering Systems / Drivelines

Unit : 100M of yen

Steering Systems



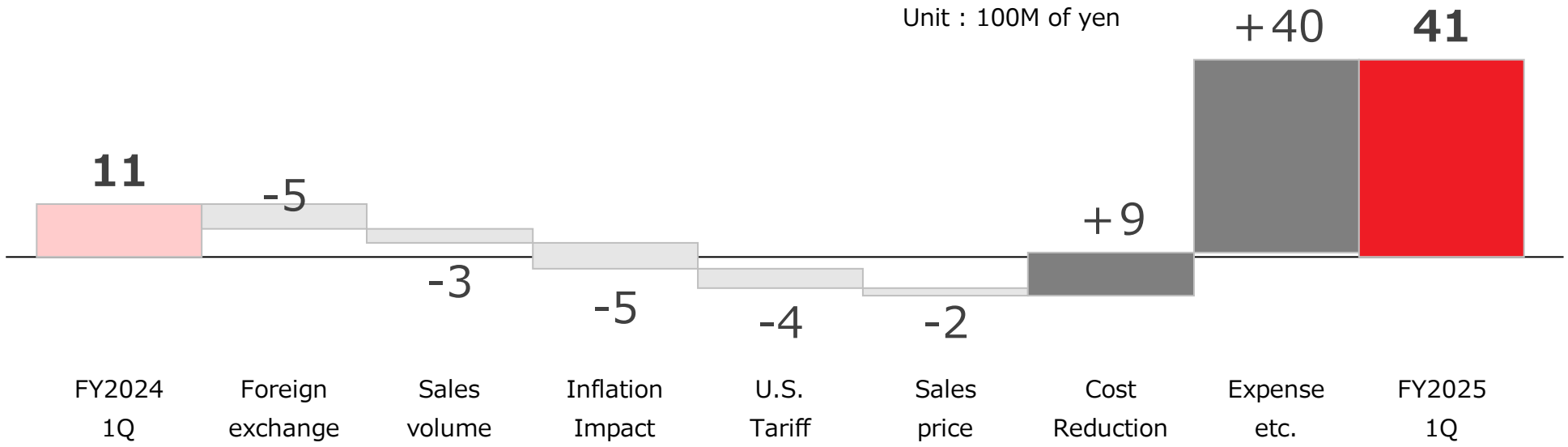
Drivelines



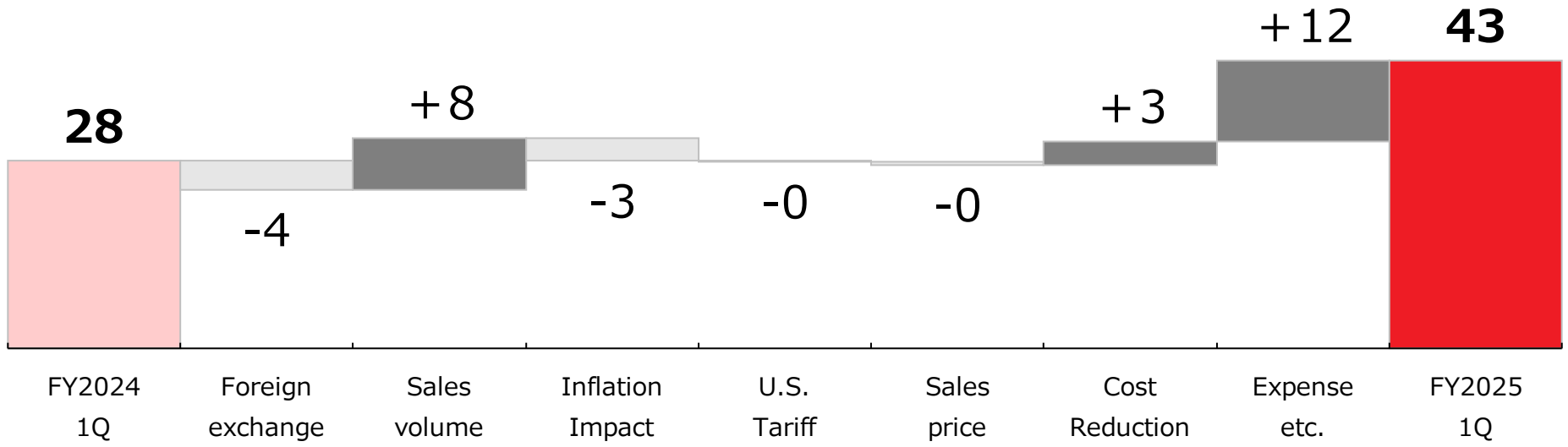
3-8-2) Business profit analysis – Industrial & Bearings / Machine tools

Unit : 100M of yen

Industrial & Bearings



Machine tools



*Others excluded

3-9-1) Performance comparison – FY2025 Forecasts (by Region)

Unit: 100M of yen

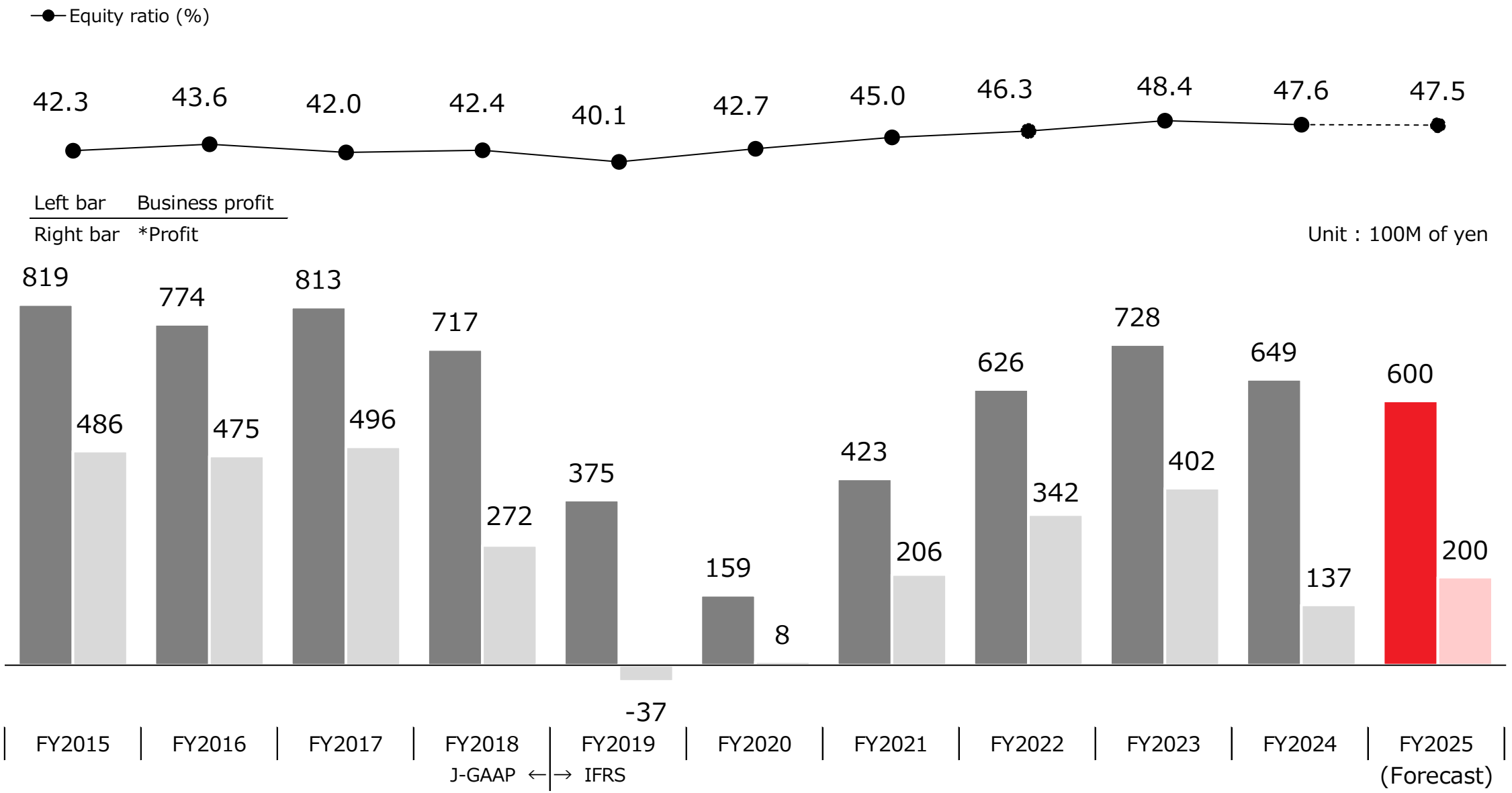
	Region	FY2024	**FY2025**	Change		Foreign exchange	FY2025	Change excluding foreign exchange	
Revenue	Japan	7,390	**7,500**	+109	+1.5%	-	7,500	+109	+1.5%
	North America	4,853	**4,520**	-333	-6.9%	-434	4,954	+100	+2.1%
	Europe	2,151	**1,680**	-471	-21.9%	-89	1,769	-382	-17.8%
	China	1,603	**1,230**	-373	-23.3%	-134	1,364	-239	-14.9%
	Asia & others	2,844	**2,770**	-74	-2.6%	-266	3,036	+192	+6.8%
	Total	18,843	**17,700**	-1,143	-6.1%	-923	18,623	-220	-1.2%
Business profit	Japan	262	**230**	-32	-12.4%	+0	332	+69	+26.6%
	North America	57	**75**	+17	+29.8%	-7	82	+24	+42.4%
	Europe	-67	**-85**	-17	-%	+7	-92	-24	-%
	China	122	**85**	-37	-30.6%	-5	90	-31	-26.0%
	Asia & others	253	**295**	+41	+16.4%	-21	316	+62	+24.8%
	Elimination	21	**0**	-21	-%	-	0	-21	-%
	Total	649	**600**	-49	-7.6%	-128	728	+79	+12.2%

3-9-2) Performance comparison – FY2025 Forecasts (by Business unit)

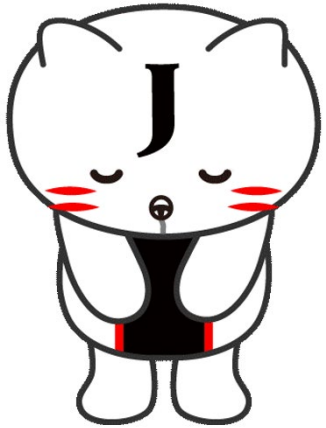
Unit:100M of yen

	Business unit	FY2024	**FY2025**	Change		Foreign exchange	FY2025	Change excluding foreign exchange	
Revenue	Steering	8,957	**8,285**	-672	-7.5%	-560	8,845	-112	-1.3%
	Drivelines	4,373	**4,260**	-113	-2.6%	-114	4,374	+0	+0.0%
	Automotive	13,331	**12,545**	-786	-5.9%	-674	13,219	-111	-0.8%
	Industrial&Bearings	3,522	**3,185**	-337	-9.6%	-150	3,335	-187	-5.3%
	Machine tools	1,964	**1,945**	-19	-1.0%	-98	2,043	+79	+4.0%
	Others	24	**25**	-0	+0.2%	+0	25	-0	+0.2%
	Machine tools	1,989	**1,970**	-19	-1.0%	-98	2,068	+79	+4.0%
	Total	18,843	**17,700**	-1,143	-6.1%	-923	18,623	-220	-1.2%
Business profit	Steering	275	**200**	-75	-27.3%	-72	272	-2	-1.0%
	Drivelines	108	**135**	+26	+24.7%	-9	144	+36	+33.7%
	Automotive	383	**335**	-48	-12.6%	-82	417	+33	+8.8%
	Industrial&Bearings	86	**100**	+13	+15.6%	-33	133	+46	+53.8%
	Machine tools	204	**200**	-4	-2.2%	-13	213	+8	+4.2%
	Others	-30	**-35**	-4	-%	+0	-34	-4	-%
	Machine tools	174	**165**	-9	-5.2%	-13	178	+4	+2.4%
	Elimination	5	**0**	-5	-%	+0	0	-5	-%
	Total	649	**600**	-49	-7.6%	-128	728	+79	+12.2%

3-10) Profit trends



* Profit attributable to owners of the parent company



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【Note on forward-looking statements】

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