

Financial results of fiscal year ended March 2026 (FY2025)

May 20th, 2026

JTEKT CORPORATION



Result

- **Revenue increased YoY**, supported by the effects of structural reforms and a recovery in sales, mainly in Japan and North America.
- **Business profit increased YoY**, as revenue growth, together with cost improvement effects such as Task Force Team (TFT) activities in North America and structural reform effects (*), offset the impact of U.S. tariffs and inflation.
(*) The sale of the NRB business in Europe, the transfer of TRB production in North America

Forecast

- **Aim for a record-high business profit, operating profit, and profit for the year** by steadily executing 2nd period of Mid-Term Plan(2nd MT Plan) initiatives.
Business profit: JPY 90 billion / Operating profit: JPY 75 billion / Profit for the period: JPY 50 billion
- Despite continued market uncertainty, ensure the target achievement through completion of structural reforms in Europe and the U.S., realization of their benefits, and accumulation of cost improvement effects.

Share holder returns

- Dividend per share for FY2025 is **60 yen**.
(Interim 30 yen & Year-end 30 yen, **DOE : 2.5%**)
- Expected Dividend per share for FY2026 is **70 yen**.
(+10 yen YoY, Interim 35 yen & Year-end 35 yen, **DOE : 2.8%**)

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1-1) FY2025 Results – Consolidated performance

- **Revenue increased YoY**, due to foreign exchange effects and a sales recovery in Japan and North America
- **Business profit increased YoY**, driven by sales recovery and cost improvement activities, such as “Task Force Team (TFT)” activities in North America, despite the impact of U.S. tariff and inflation
- **Profit for the period decreased YoY**, due to restructuring costs in Europe and the U.S., although business profit improved

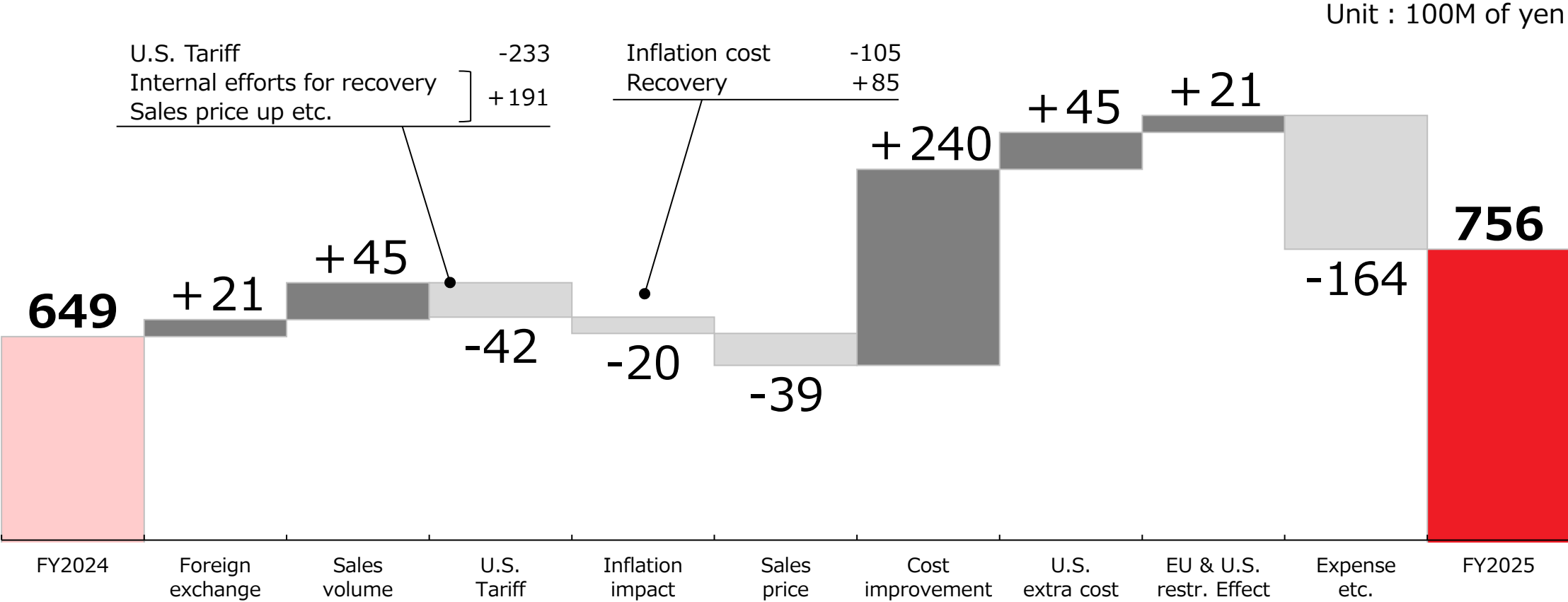
		(Ratio to revenue)		Unit:100M of yen	
		FY2024	FY2025	Change	Change ratio
Revenue		18,843	19,249	+405	+2.2%
Business profit	*1	(3.4%) 649	(3.9%) 756	+107	+16.5%
Operating profit		(2.0%) 384	(1.3%) 248	- 136	-35.4%
Profit before income taxes		(1.6%) 308	(1.4%) 273	- 34	-11.3%
Profit for the period	*2	(0.7%) 137	(0.6%) 119	- 17	-12.7%
Foreign Exchange	USD	152.58 JPY	150.77 JPY	-1.81 JPY	
	EUR	163.75 JPY	174.79 JPY	+ 11.04 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 Results – Business profit analysis

■ Business profit: **Increased YoY**, despite timing differences in customer recoveries for U.S. tariffs and inflation, driven by cost improvement activities (incl. North America TFT) and realization of structural reform effects in Europe and North America

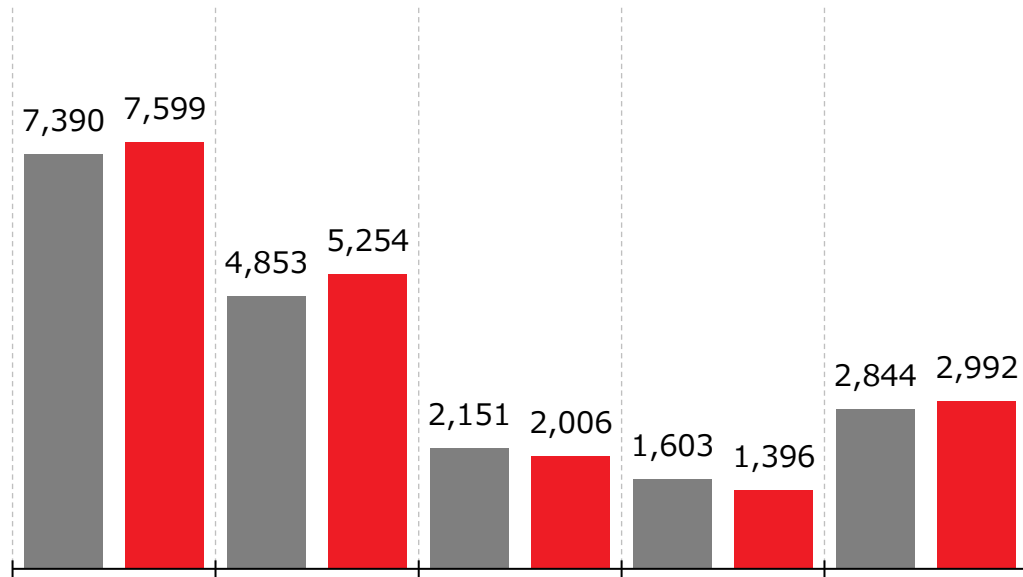


1-3) FY2025 Results – by Region

- North America: **Significant profit increase** on higher revenue and TFT effects
- Europe/China: **Decreased revenue and profit** in a challenging market environment

Revenue

Unit : 100M of yen



FY2024 FY2025 FY2024 FY2025 FY2024 FY2025 FY2024 FY2025 FY2024 FY2025

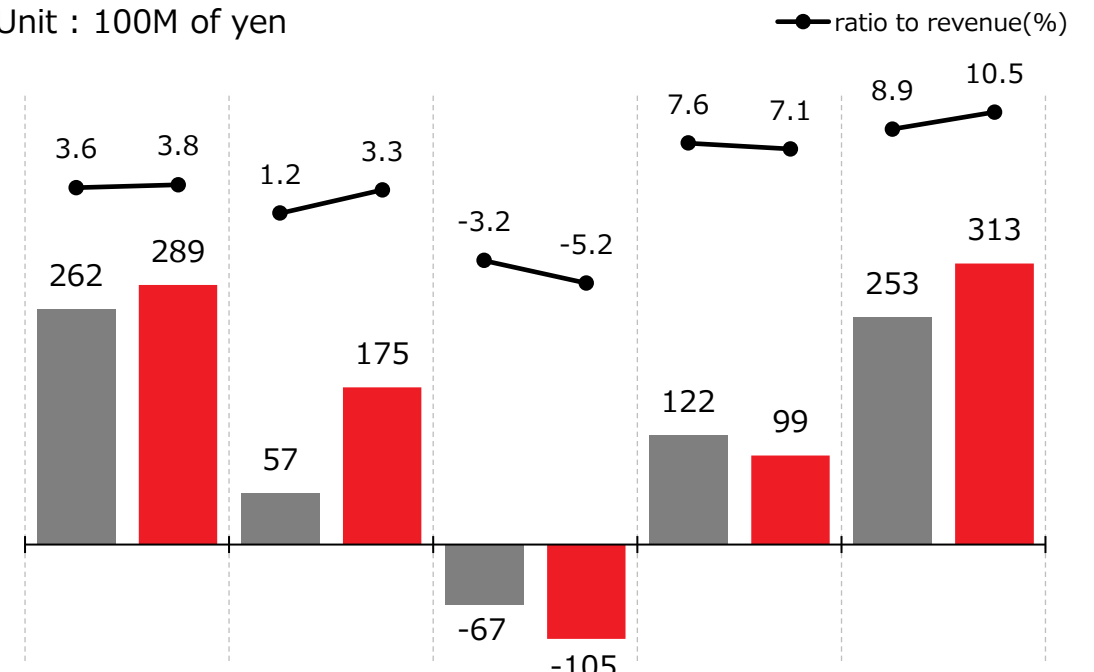
Japan	North America	Europe	China	Asia & Others
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Change [Change Ratio]

+209 [+2.8%]	+400 [+8.2%]	-145 [-6.8%]	-207 [-12.9%]	+148 [+5.2%]
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Business Profit

Unit : 100M of yen



FY2024 FY2025 FY2024 FY2025 FY2024 FY2025 FY2024 FY2025 FY2024 FY2025

Japan	North America	Europe	China	Asia & Others
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Change [Change Ratio]

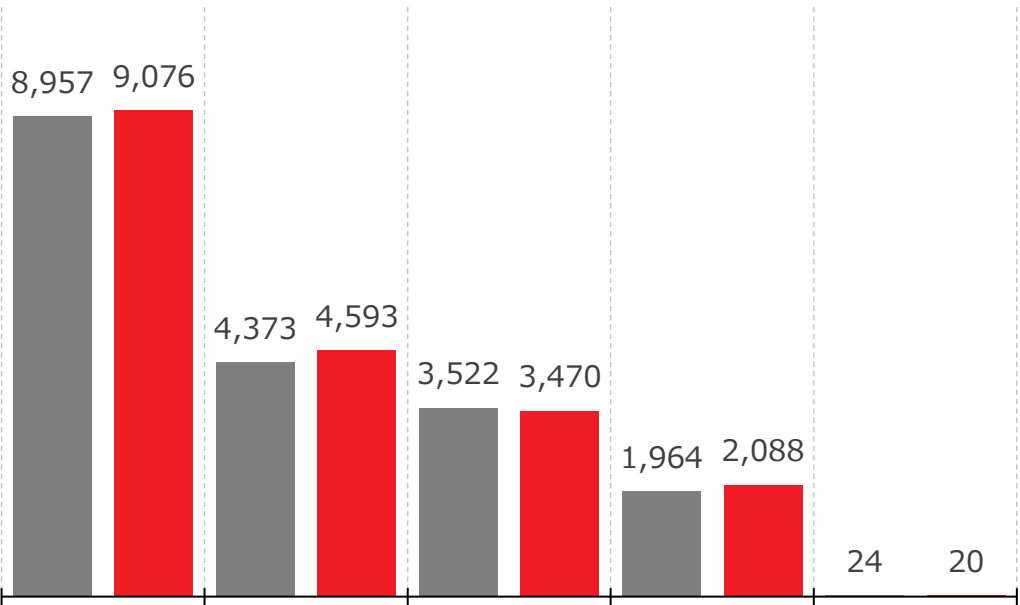
+27 [+10.4%]	+117 [+203.7%]	-37 [-%]	-23 [-19.0%]	+60 [+23.8%]
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1-4) FY2025 Results – by Business unit

■ All business units: Secured solid profits, driven by cost improvement activities including North America TFT activities

Revenue

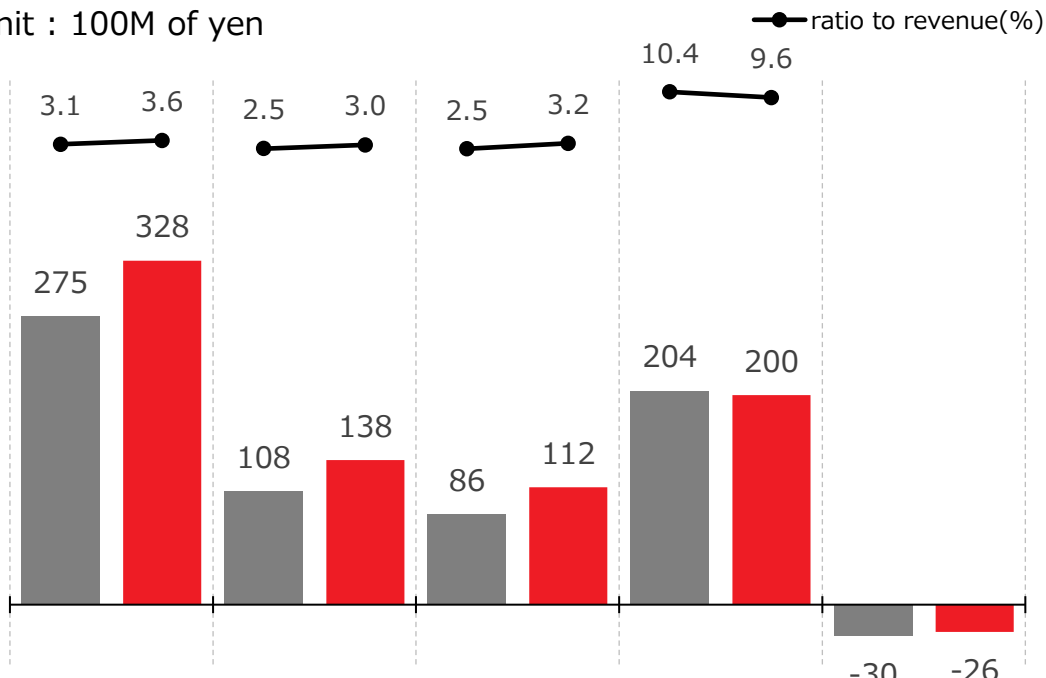
Unit : 100M of yen



Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others
Change [Change Ratio]				
+118 [+1.3%]	+219 [+5.0%]	-52 [-1.5%]	+123 [+6.3%]	-4 [-17.8%]

Business Profit

Unit : 100M of yen



Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others
Change [Change Ratio]				
+53 [+19.4%]	+30 [+28.1%]	+25 [+29.6%]	-3 [-1.8%]	+4 [-%]

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2-1) FY2026 Forecast – Consolidated performance

- **Record-high profits** are expected through cost improvement and restructuring, despite an uncertain market environment

Unit : 100M of yen

		FY2025 Actual	FY2026 Forecast	Change	Change ratio
Revenue		19,249	18,800	-449	-2.3%
Business profit	*1	(3.9%) 756	(4.8%) 900	+143	+18.9%
Operating profit		(1.3%) 248	(4.0%) 750	+501	+201.8%
Profit before income taxes		(1.4%) 273	(3.7%) 700	+426	+155.7%
Profit for the period	*2	(0.6%) 119	(2.7%) 500	+380	+317.6%
Foreign Exchange	USD	150.77 JPY	155.00 JPY	+ 4.23 JPY	-
	EUR	174.79 JPY	180.00 JPY	+ 5.21 JPY	-
Earnings per share		37.62 JPY	157.07 JPY	+ 119.45 JPY	-

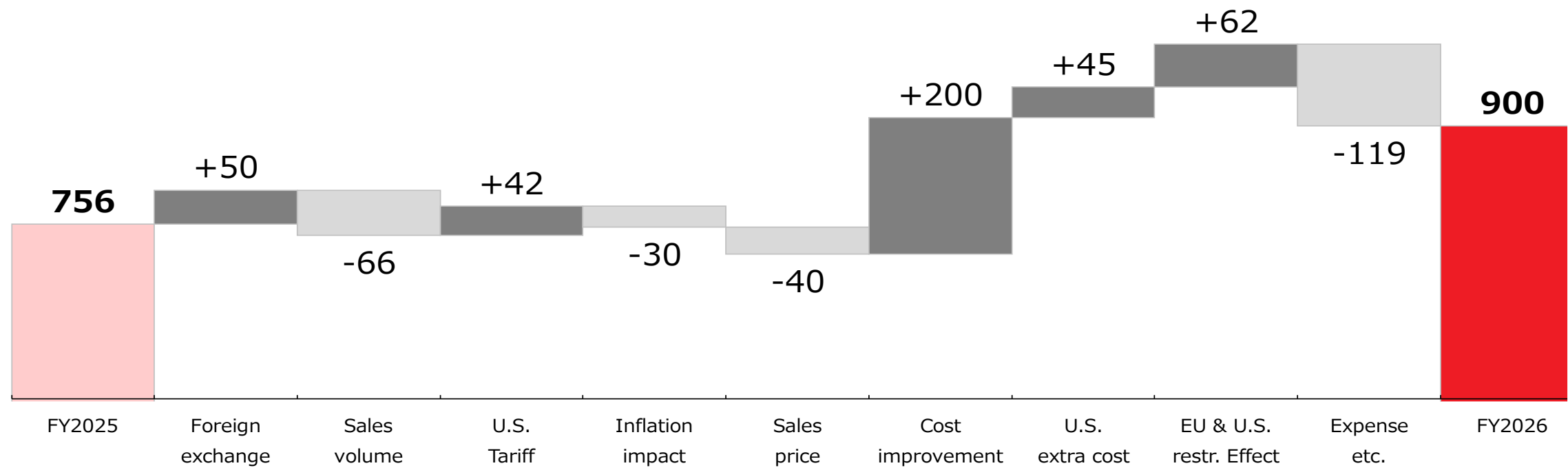
(*1) Our own management profit after deducting "cost of revenue" and "selling, general and administrative expenses" from "Revenue"

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

2-2) FY2026 Forecast – Business profit analysis

■ **Expected to increase (record-high)**, while steadily executing investments for future growth, including R&D, production preparation, and ADC expansion, combined with continued TFT activities and productivity-driven cost improvements, as well as the further realization of structural reform effects in Europe and North America

Unit : 100M of yen

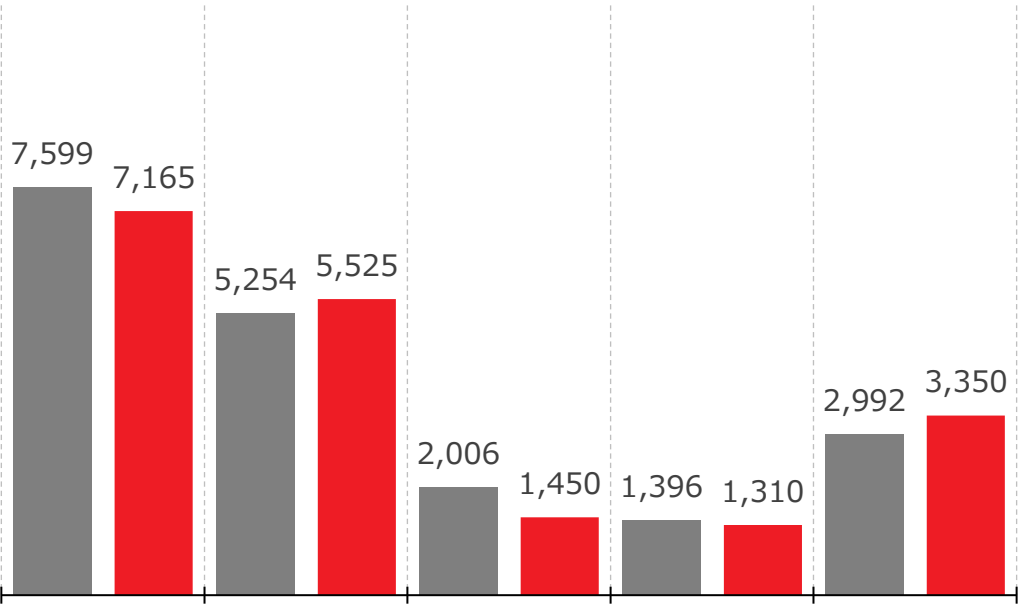


2-3) FY2026 Forecast – by Region

- North America: Further expansion of profitability
- Europe: Decreased revenue and increased profit due to the transfer of the Auto business with European customers as part of structural reforms

Revenue

Unit : 100M of yen



FY2025 FY2026 FY2025 FY2026 FY2025 FY2026 FY2025 FY2026 FY2025 FY2026

Japan	North America	Europe	China	Asia & Others
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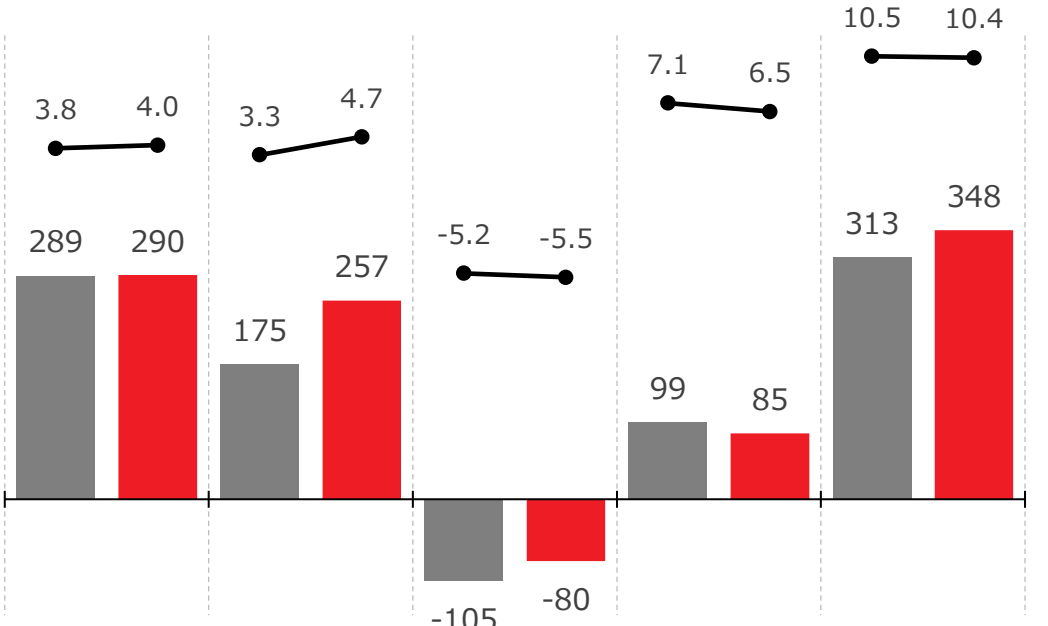
Change [Change Ratio]

-434	+270	-556	-86	+357
[-5.7%]	[+5.2%]	[-27.7%]	[-6.2%]	[+11.9%]

Business profit

Unit : 100M of yen

ratio to revenue(%)



FY2025 FY2026 FY2025 FY2026 FY2025 FY2026 FY2025 FY2026 FY2025 FY2026

Japan	North America	Europe	China	Asia & Others
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Change [Change Ratio]

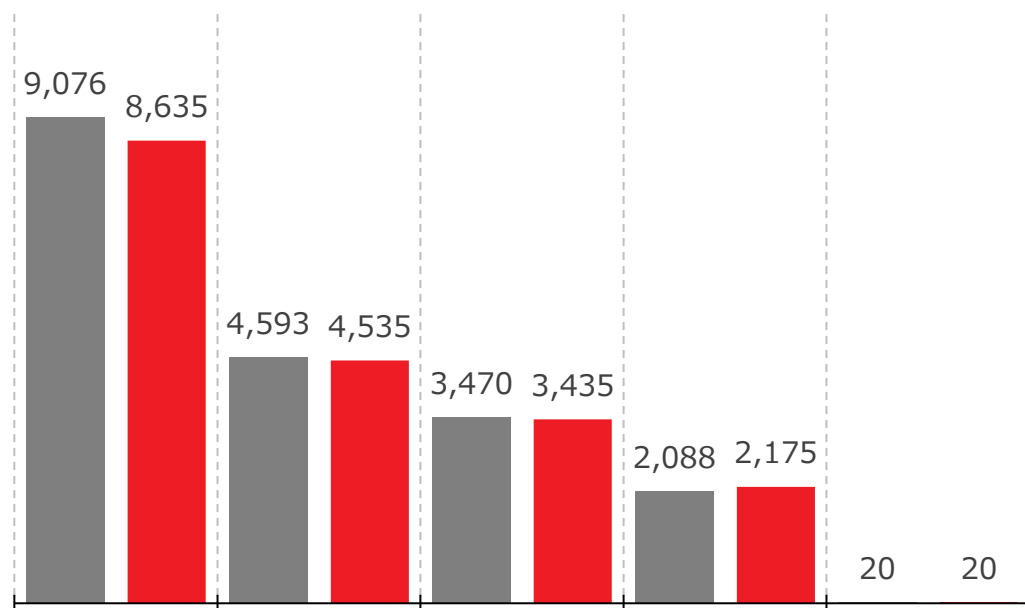
+0	+81	+25	-14	+34
[+0.1%]	[+46.4%]	[+0.1%]	[-14.2%]	[+10.9%]

2-4) FY2026 Forecast – by Business unit

- All businesses: Profit increase expected (particularly in STG, driven by significant impacts from North America TFT activities and structural reforms in Europe)

Revenue

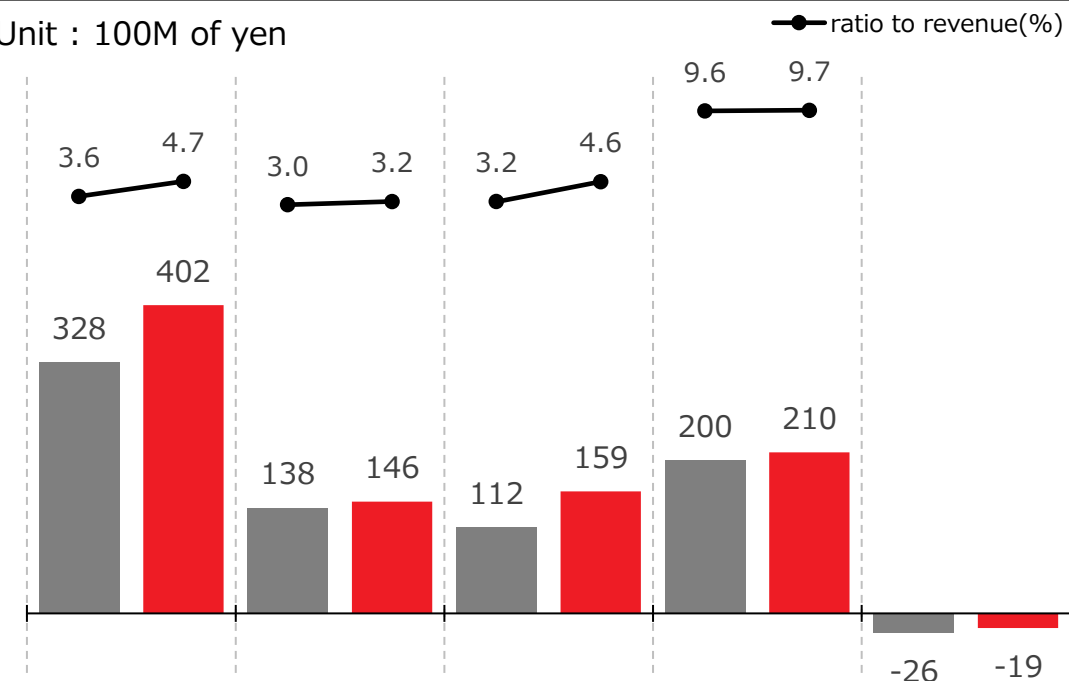
Unit : 100M of yen



Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others
Change [Change Ratio]				
-441 [-4.9%]	-58 [-1.3%]	-35 [-1.0%]	+86 [+4.2%]	-0 [-2.5%]

Business profit

Unit : 100M of yen



Steering Systems	Drivelines	Industrial & Bearings	Machine tools	Others
Change [Change Ratio]				
+74 [+22.7%]	+8 [+5.9%]	+47 [+42.3%]	+9 [+4.7%]	+6 [-%]

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3-1-1) Achievements of 2nd period of Mid-Term Plan

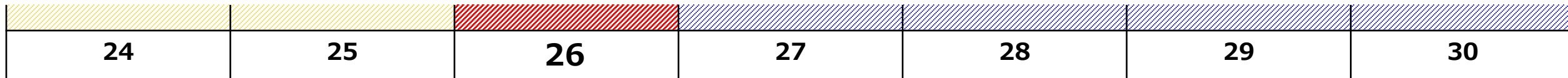
- Executed planned initiatives over the two years and fully complete all measures in the final year of 2nd period Mid-Term plan
- In FY2026, drive future initiatives in parallel to prepare for the value creation phase of 3rd period Mid-Term plan

To be a solution provider creating the future of mobility society

Final year

3rd period of Mid-Term plan

2nd period of Mid-Term Plan



● Key Achievements in 2nd MT plan

- ✓ Profitability improvement in NA
[page 18] (Loss cost reduction)
- ✓ Execution of structural reforms in EU
[page 19] (Transfer of the NRB* business and transfer of the Auto business for European customers)
- ✓ Streamlining of invested capital
[Page 20]
- ✓ Launch of SbW and Pairedriver®

Preparation for the next leap

JTEKT Group 2030 Vision

A solution provider creating the future of mobility society through Monozukuri and Monozukuri equipment



*NRB: Needle Roller Bearing

*SbW: Steer by Wire

3-1-2) Achievements of 2nd period of Mid-Term Plan

Changes in the market environment

- Since the 2nd period Mid-Term plan formulation, the following factors have turned into headwinds

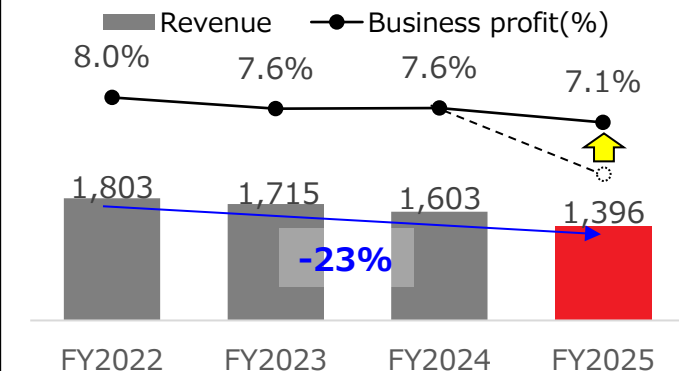
1. Sales decline in China



✓ Rapid growth of Chinese Auto OEMs

Despite a significant decline in sales, maintained a profit margin in the 7% range by proactive fixed cost reductions from an early stage

(Trends in Sales and Profit Margin in China)



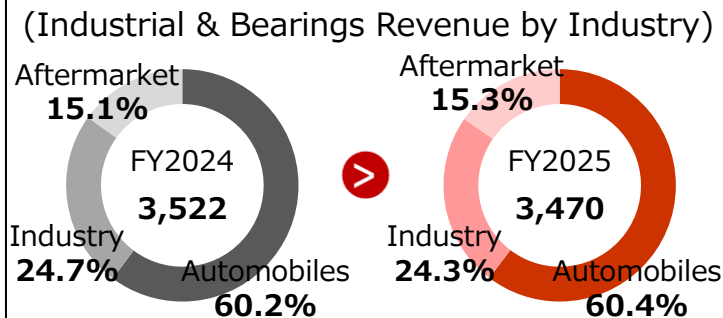
- ✓ Formulating a China strategy, including a review of the optimal operating structure

2. Increase competition in the industrial machinery market



- ✓ Price competition intensifying due to aggressive competition from new and existing players
- ✓ Slowing sales growth of key customers

Promote fixed cost reductions in line with 2nd MT plan, including divestiture and withdrawal of unprofitable sites.



- ✓ Drive portfolio transformation and business structure reform to enhance profitability

3. Geopolitical risks

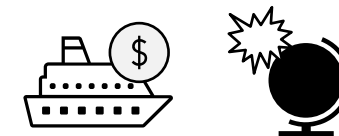


- ✓ Cost increase due to US tariff (Profit impact for FY2025: -4.2 billion yen)

➤ Minimized losses excluding timing differences through internal efforts and price pass-through negotiations with customers.

- ✓ Prolonged deterioration of the situation in the Middle East

➤ Multiple risks across sales, costs, and supply
➡ Supply chain-wide measures are essential



- ✓ Continue customer negotiations on tariff impacts
- ✓ Determine operations based on Middle East conditions

3-1-3) Achievements of 2nd period of Mid-Term Plan

Progress on Group numerical targets

- Despite weaker sales due to changes in the business environment, ROE and business profit remain within reach of targets

	FY2025 Result	FY2026 Forecast	FY2026 Target
ROE	1.6%	6.2%	7-8%
Business profit Ratio	3.9%	4.8%	5-6%
PBR	x 0.66	-	x 1.0

【Financial indicators】

✓ Revenue downside from market changes has led to below-target ROE and margins, but **targets remain achievable**.

✓ **Structural reforms are being steadily implemented** in line with 2nd MT plan, resulting in weak ROE in FY2025 (as planned), but some costs have been deferred to FY2026.

【Non-financial indicators】

✓ eNPS is improving, driven by labor-management dialogue and workplace improvements based on survey insights.

✓ A CN plant has been newly established at the Hanazono Plant to accelerate carbon neutrality. Demonstration of on-site green energy production and consumption at the plant level using storage batteries and hydrogen is underway.

→ Preparing for commercialization **[details later]**

Revenue 1.92 trillion yen 1.88 trillion yen 2 trillion yen

Employee engagement (eNPS*) -63 - -55

Expected to achieve the MT plan targets ahead of schedule

CO2 reduction goal From FY2013 -45% - -45%

Forecast figure

*eNPS : Employee Net Promoter Score ; non-consolidated base

3-1-4) Achievements of 2nd period of Mid-Term Plan

Progress by business segment

- While all business units are below mid-term plan targets, fundamentals are steadily improving driven by various initiatives

Business Unit	Business profit ratio				Review comments	
	FY2024 Result	FY2025 Result	FY2026 Forecast	FY2026 Target	Key achievements	Challenges and Future Initiatives
Automotive	2.9%	3.4%	4.2%	5.5%	Although affected by volume declines in China and other regions, profitability improved through various initiatives ✓ Start of mass production of new products such as SbW* and Pairdriver® ✓ Improvement in EPS* profitability during vehicle model changes (Next generation EPS)	✓ Expansion of SbW and Pairdriver® sales [details later] ✓ Strengthening of modular design ✓ Establishment of resilient production lines [details later]
Industrial and Bearing	2.5%	3.2%	4.6%	7.5%	Despite the prolonged downturn in the industrial machinery market, the effects of structural reforms are materializing as planned ✓ Disposition of the European NRB* business [details later] ✓ Withdrawal from TRB* production in Europe and North America ✓ Development of ultra-high-speed deep groove ball bearings for eAxles	✓ Ongoing global restructuring and strengthening of resilience ✓ Strengthening sales of key customers and high value-added products
Machine Tools & Manufacturing Systems	10.4%	9.6%	9.7%	11.0%	Despite maintaining high profitability, profits declined due to delays in BEV adoption and upfront investments in the North American FA business ✓ Preparations for expanding the North American FA business (including warehouse expansion investments) ✓ Development and market launch of new grinding machine products for semiconductors	✓ Further expansion of the North American FA business [details later] ✓ Development and market launch of large grinding machines such as the G5 ✓ Strengthening 3D manufacturing capabilities
Aftermarket (Aftermarket figures are included within each business unit)	14~15%	14~15%	14~15%	14~15%	✓ Establishment of a new sales base in Vietnam ✓ Expansion of the aftermarket product lineup for automotive components	✓ Expansion in focus regions (Africa, ASEAN, India, and Central Asia) ✓ Further strengthening of product competitiveness ✓ Optimization of logistics and warehousing

*SbW: Steer by Wire

*EPS: Electric Power Steering

*NRB: Needle Roller Bearing

*TRB: Tapered Roller Bearing

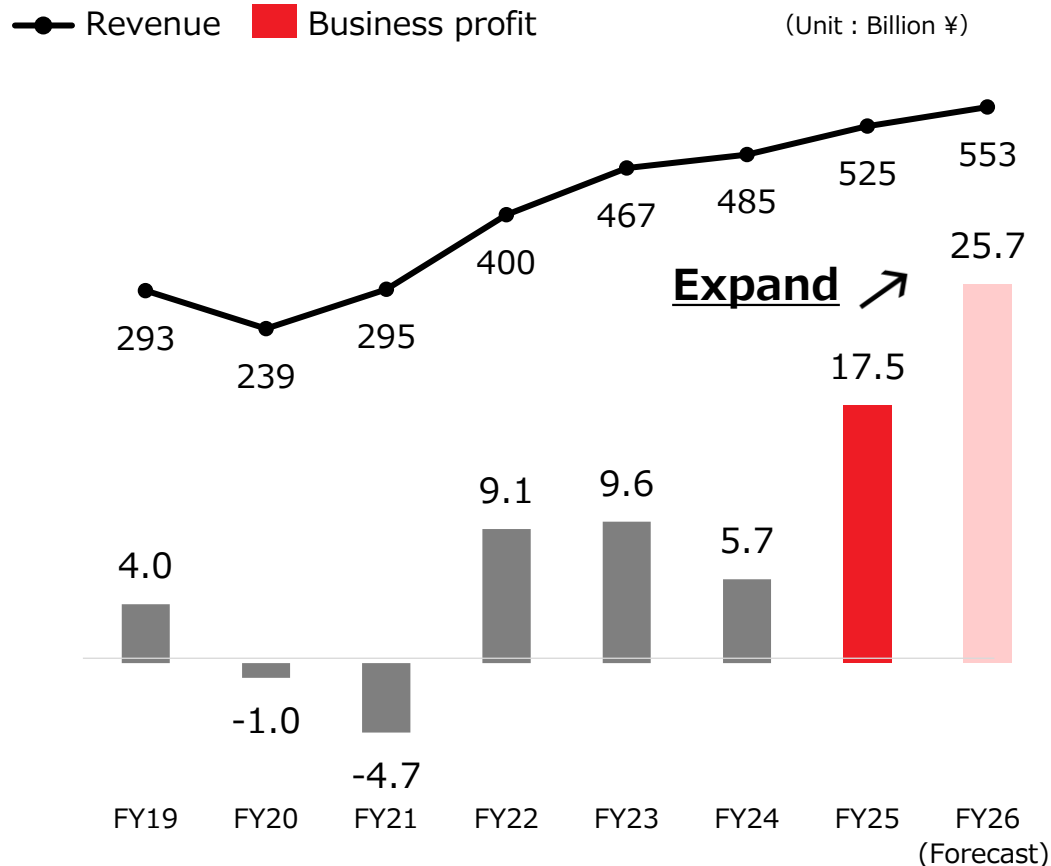
3-1-5) Achievements of 2nd period of Mid-Term Plan

Improvements in US

- Normalization of production (elimination of extra costs) and price optimization have steadily progressed through TFT* activities
- As a growth region, we will execute the final phase of TFT* activities to expand profitability

*TFT : Task Force Team

Revenue / Profit trend in US



TFT Activities

■ Productivity Improvement (to eliminate extra costs)

Rebuild productions using global best practices.

- ✓ "Mendo-mi" training → Lower turnovers
- ✓ Optimize allocation (Complex: Japan, Simple Assy: US)
→ Reduce support labor, air freight, defects and scraps
- ✓ Line automations → Labor saving / PPH improvements



■ Price Optimization

Under high market volatility (demand swings, inflations, tariff), we drive total supply-chain improvements.

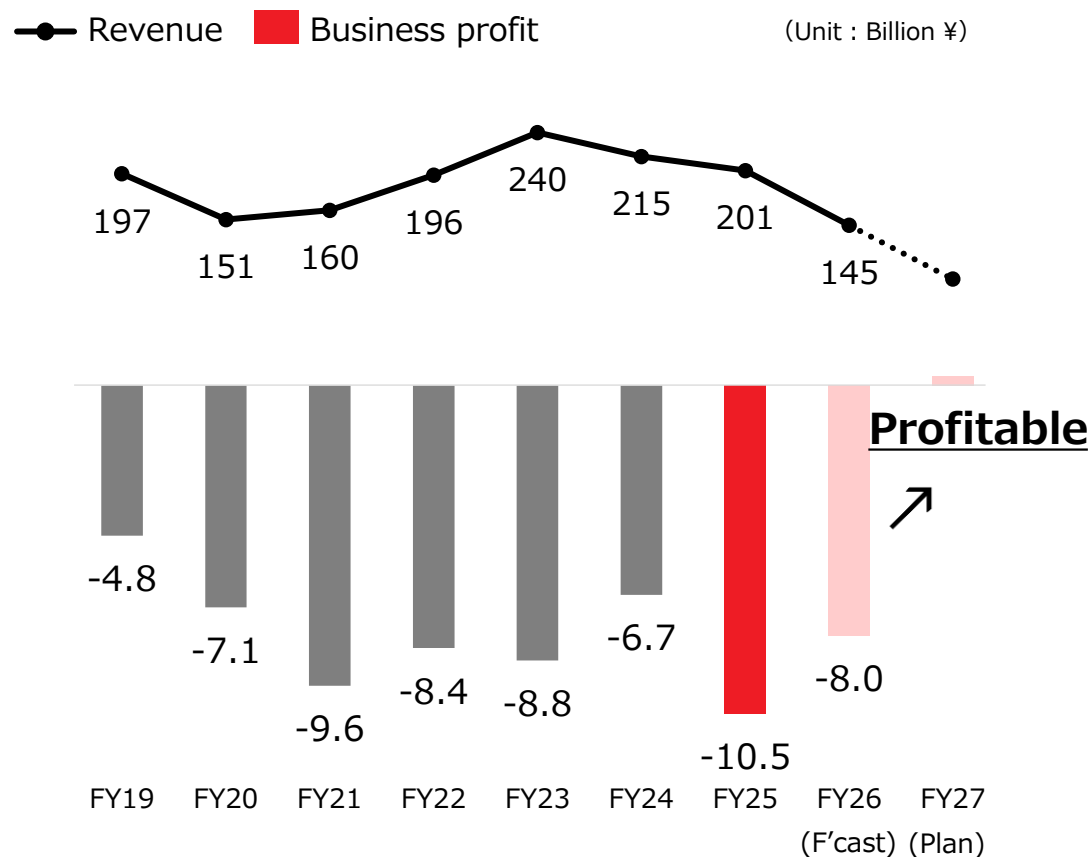
- ✓ Closer customer alignment → Better pricing
- ✓ Stronger supplier collaboration → Faster cost reduction

3-1-6) Achievements of 2nd period of Mid-Term Plan

Structural Reform in EU

- We reached a basic agreement for the European automotive business transfer. (Feb 2026)
→ Closing target by end-August
Steady execution of MT Plan. → European business expected to turn profitable by FY2027

Revenue / Profit trend



History of Structural reform in Europe

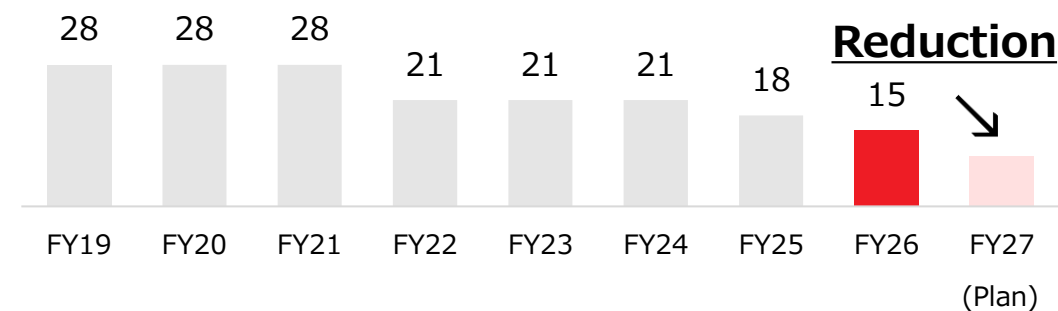
FY23 Transfer Industrial Pump business

FY24 Transfer Needle Roller Bearing business

FY25 Transfer Auto business with Euro customers
(Basic agreement reached)

FY26 Complete remaining business reform actions

Numbers of the business entities



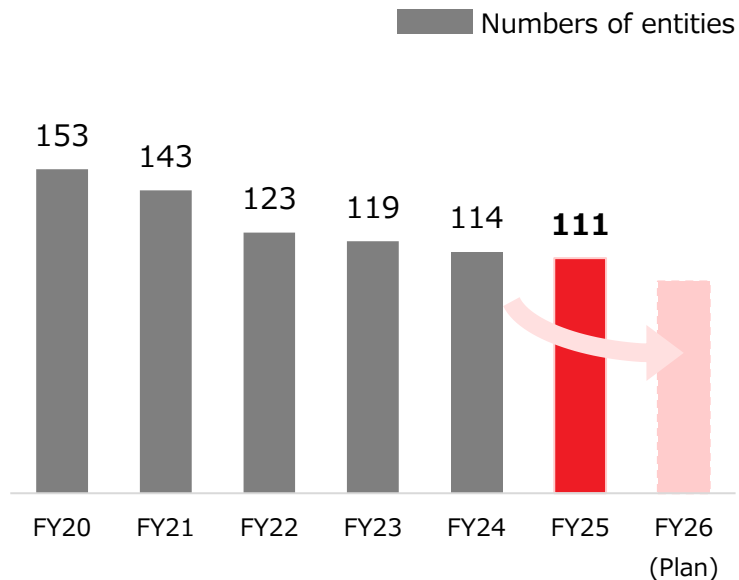
3-1-7) Achievements of 2nd period of Mid-Term Plan

Optimizing IC

- Focused on asset efficiency, **downsizing to the right scale steadily**

Compress low return assets

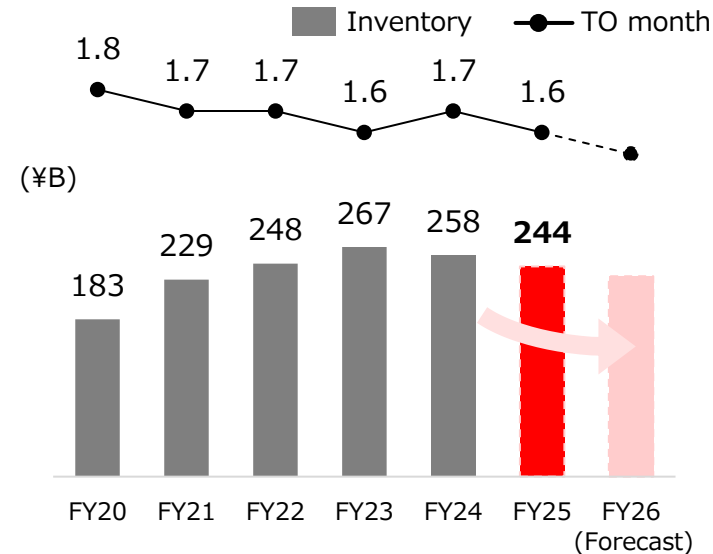
- ✓ Continue business reforming for better asset efficiency.
- ✓ Accelerate entity reductions and consolidation.



2nd MT Plan

Inventory reduction

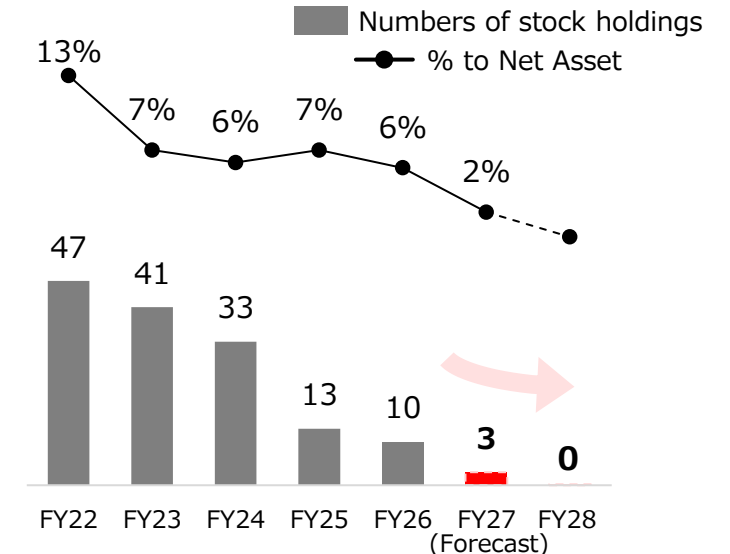
- ✓ ¥30B reduction achieved in FY25 excluding impact of FX 13 & Tariff 4.
- ✓ Drive further inventory reductions by optimizing supply-chain, and shorter production LT.



2nd MT Plan

Cross-shareholdings Reduction

- ✓ Most divestments completed by FY25.
- ✓ On track for full reduction in FY26.
 - ➔ Reduced 77 (in FY19) to zero after 8 years efforts.

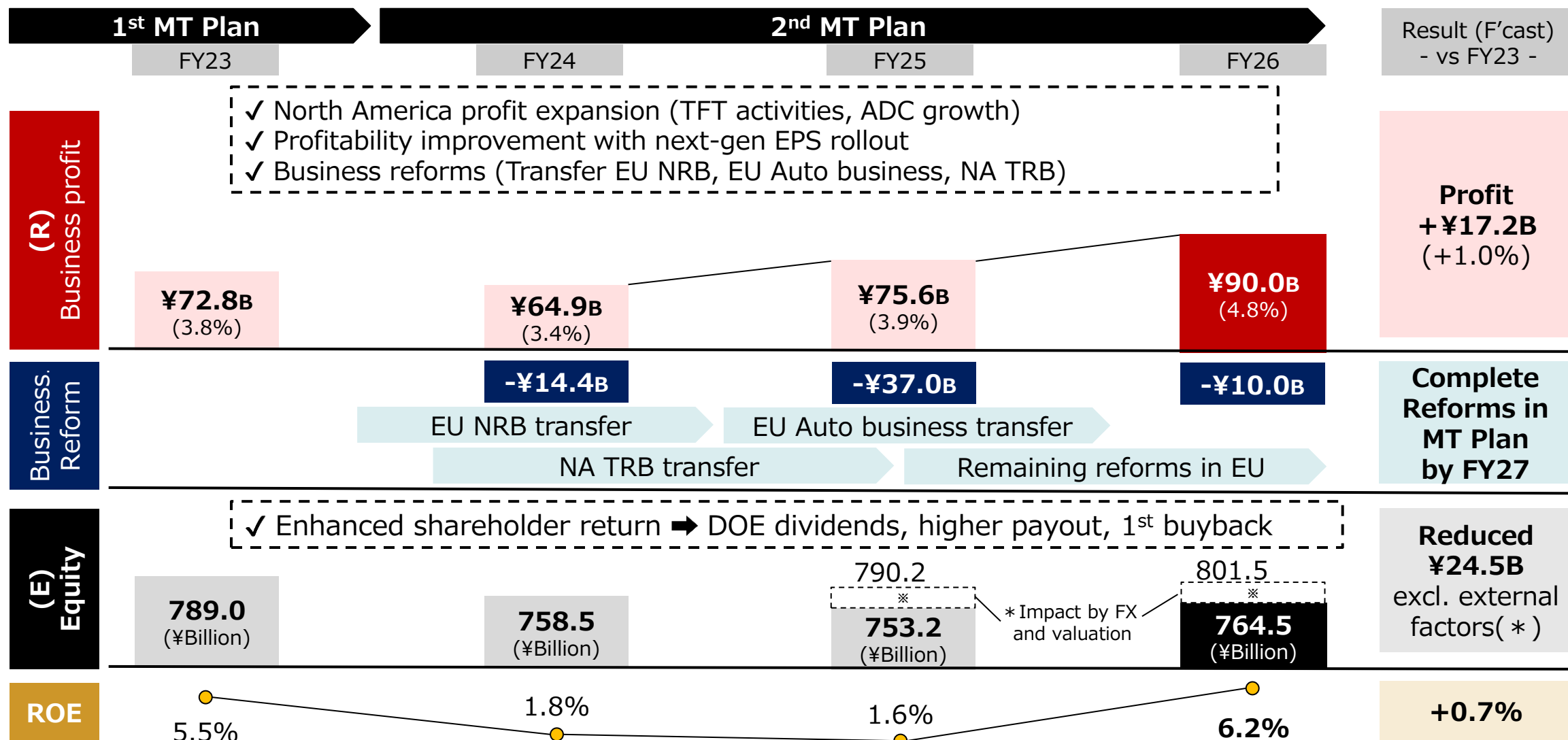


2nd MT Plan

3-1-8) Achievements of 2nd period of Mid-Term Plan

ROE improvement

■ Driving structural reforms, improving “R” and optimizing “E,” **lifting ROE toward target**



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3-2-1) Initiatives toward the 3rd period of Mid-Term plan

De facto standardization strategy for SbW

- Announced Syncusteer™ as a new steer-by-wire brand (May 7, 2026)

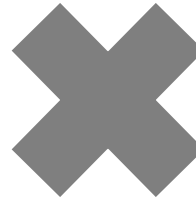


Awards received from various organizations

-  The Japan Society of Mechanical Engineers (JSME Award (Technology), 2025)
-  Society of Automotive Engineers of Japan (Technology Development Award 2026)
-  Toyota Motor Corporation (Excellent Award for Technical Development)

SYNC(Synchronization and coordination)

- Driver and vehicle as one
- Human and machine in harmony



STEER

- Pride and responsibility in the technologies we have cultivated
- Expansion of the experiential value of "turning"

US

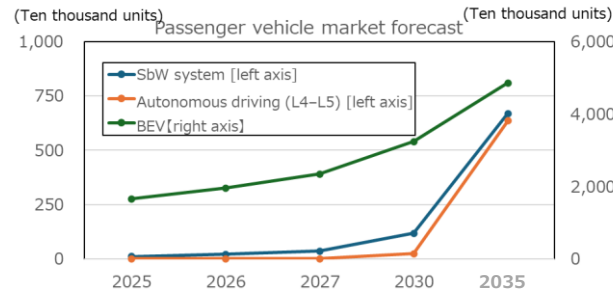
Customer / JTEKT technologies

3-2-2) Initiatives toward the 3rd period of Mid-Term plan

De facto standardization strategy for SbW

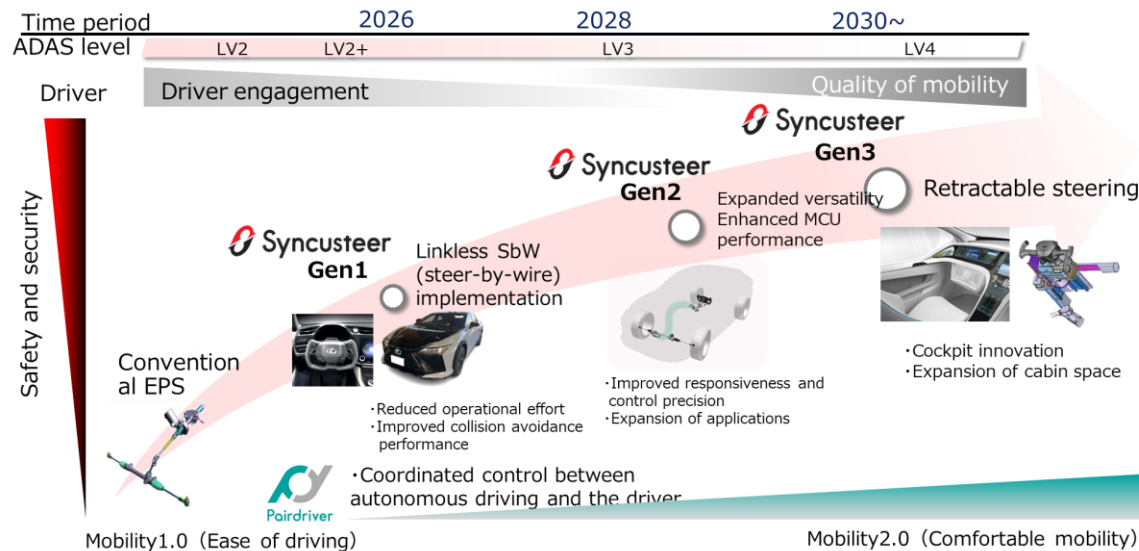
- SbW demand is expected to increase rapidly from around 2030, alongside the spread of autonomous driving and BEVs.
- Leverage our strengths to formulate a strategy and aim to establish a de facto standard.

Market size forecast and evolution of SbW



Aim to expand sales in line with rising demand from 2030 onward

(Sources)
BEV volume forecast: Based on S&P Global data (2026)
Forecasts for autonomous driving and SbW adoption : Based on Fuji Keizai's "Future Outlook of the Autonomous Driving and AI Car Market 2024"

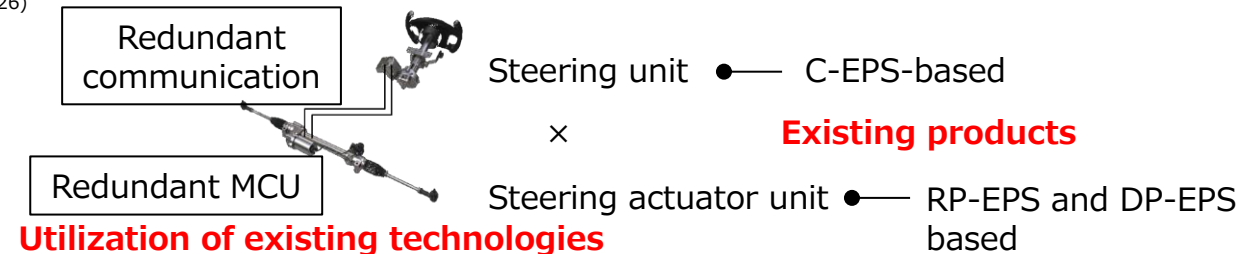


Strategy toward de facto standardization

■ JTEKT's strengths

- ✓ **High reliability and mass production capability**

Utilization of existing products, technologies, and facilities



Utilization of existing technologies

- ✓ **Advanced control and communication technologies**

Based on world-leading EPS experience, accurately conveying road surface information necessary for the driver

■ Strategies

- ✓ ECU system proposal tailored to the polarization of the global market
- ✓ Strengthening of modular design
- ✓ Investment reduction through production line reforms (see next page)

*C-EPS: Column-type EPS *RP-EPS: Rack-parallel type EPS *DP-EPS: Dual-pinion type EPS *ECU: Electronic Control Unit

3-2-3) Initiatives toward the 3rd period of Mid-Term plan

Building a resilient production system

- Increasing uncertainty following an era of steady growth
- Promote the development of high-efficiency production systems capable of adapting to change

■ Changing times (Automobile production)

【Before】

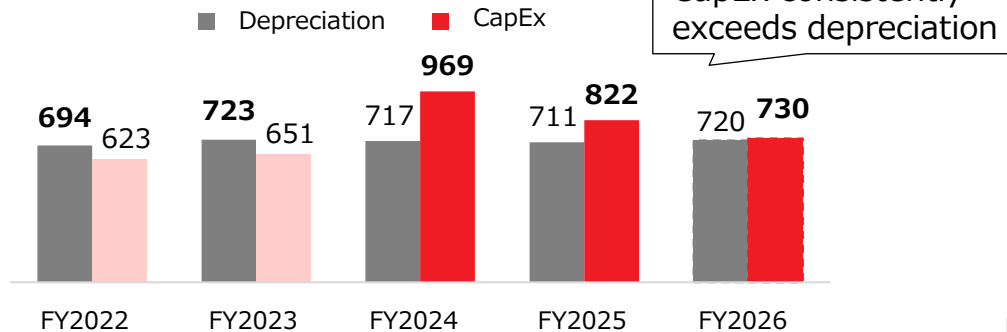
- ✓ Mass production
- ✓ steady growth
- ✓ Recovering large-scale investments over the long term

【After】

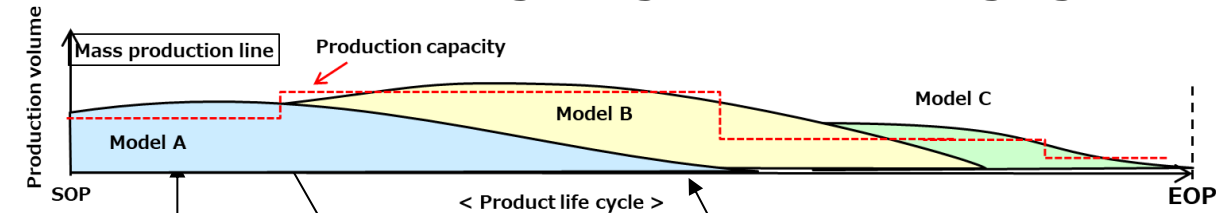
- ✓ Smaller-scale projects
- ✓ Plateauing of automobile production volumes



(CapEx and depreciation trends)



■ Production line design aligned with changing times

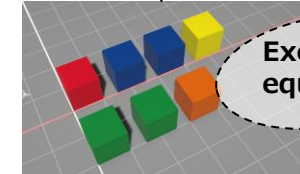
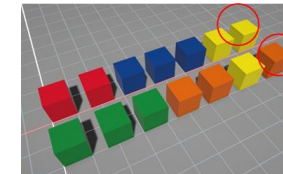
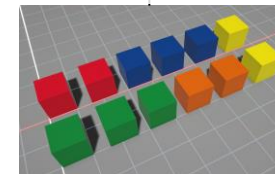


Initial production line launch (using common equipment from the prototyping stage)

Partial capacity increase & specification changes for automation (bottleneck process)

Line downsizing

Redeployment of excess equipment



Excess equipment

Improving capacity at bottleneck processes without increasing production lines (through limited additions and automation upgrades)

Consolidating production lines and redeploying excess equipment after refurbishment



Process: A

B

C

D

E

: General-purpose equipment for each manufacturing process

Establish production line design and investment tailored to changing times, with increasing importance on generating required output with minimal investment.

Introducing flexible, volume-adaptive equipment and production lines to achieve lower lifecycle investment and greater production resilience

3-2-4) Initiatives toward the 3rd period of Mid-Term plan

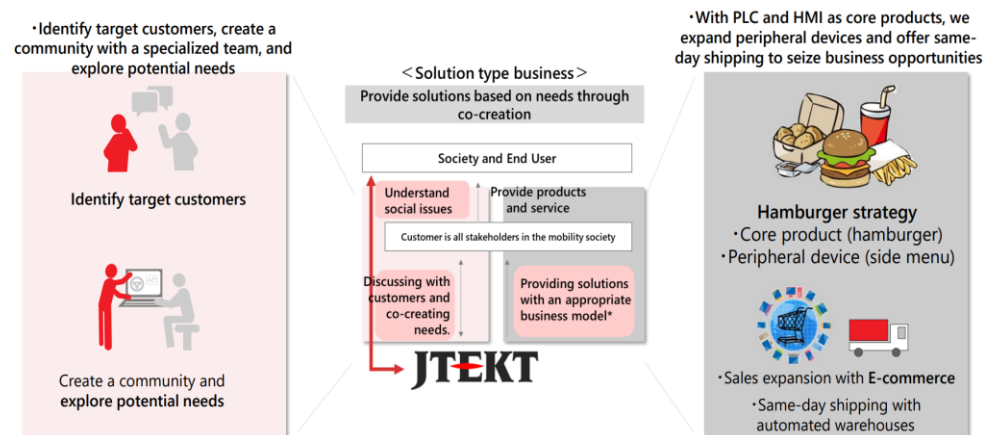
Expansion of North America FA business (ADC*)

- A steadily growing area; continuing proactive investment for further expansion

ADC Initiatives

■ Business model

Source: Materials for the briefing on the 2nd MT Plan business Plan, August 27, 2024



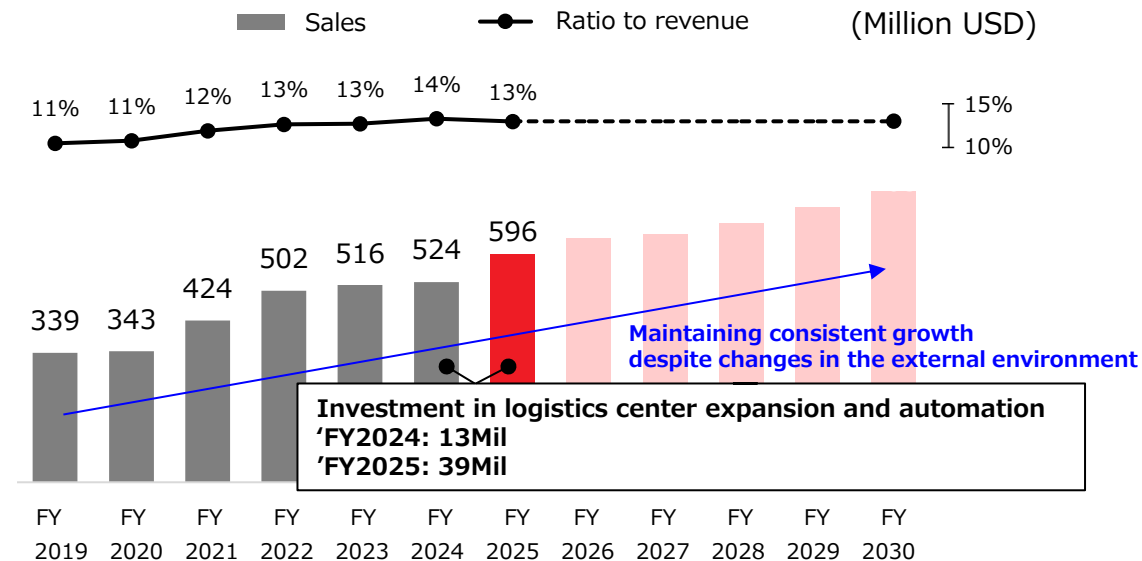
■ Core strengths

- ✓ Set the target as **system engineers at small and medium-sized customers, thoroughly understand their needs**, and reflect these insights in product development.

➡ Delivering **the best customer experience**

A pioneer in solution providers that JTEKT aspires to be

Profitability



Future growth strategy

- ✓ Enhancement of the supply system
 - ✓ Expansion of the product lineup
- ➡ Further improvement in customer satisfaction

3-2-5) Initiatives toward the 3rd period of Mid-Term plan

Factory solutions

- In FY2026, drive “Factory Solutions” to solve manufacturing site challenges
- Provide integrated proposals across four areas:
equipment, automation processes, factory management, and CN solutions

【Social challenges】

- Labor shortages in factories
- Difficulty in passing down skills and declining technical capabilities
- Addressing CN and CE targets
- Rising energy and material costs

Factory solutions

Mission

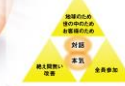
技術をつなぎ
地球と
働くすべての人を
笑顔にする

Vision

JTEKT Group 2030 Vision
モノづくりとモノづくり設備で
モビリティ社会の未来を創る
ソリューションプロバイダー

Value

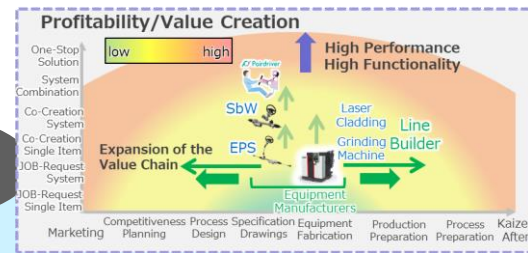
Yes for All, by All!



1. Machinery tools

Products

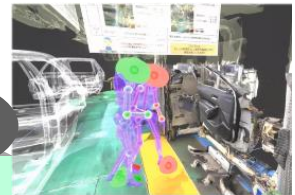
- Expanding the value chain by moving beyond standalone machinery sales and through the development of turnkey businesses



2. Automation processes

Human

- Addressing challenges in factory automation by leveraging digital technologies and TPS



4. CN solutions

Energy

An all-in-one solution that integrates energy saving, renewable energy, energy storage, hydrogen, operational models, and demonstration environments in factories to design and implement actionable CN initiatives for companies



3. Factory management (IoE)

Information

- Operational visibility
- Equipment management and maintenance support
- Data-driven and AI-enabled optimization
Providing solutions based on data from diverse manufacturing sites



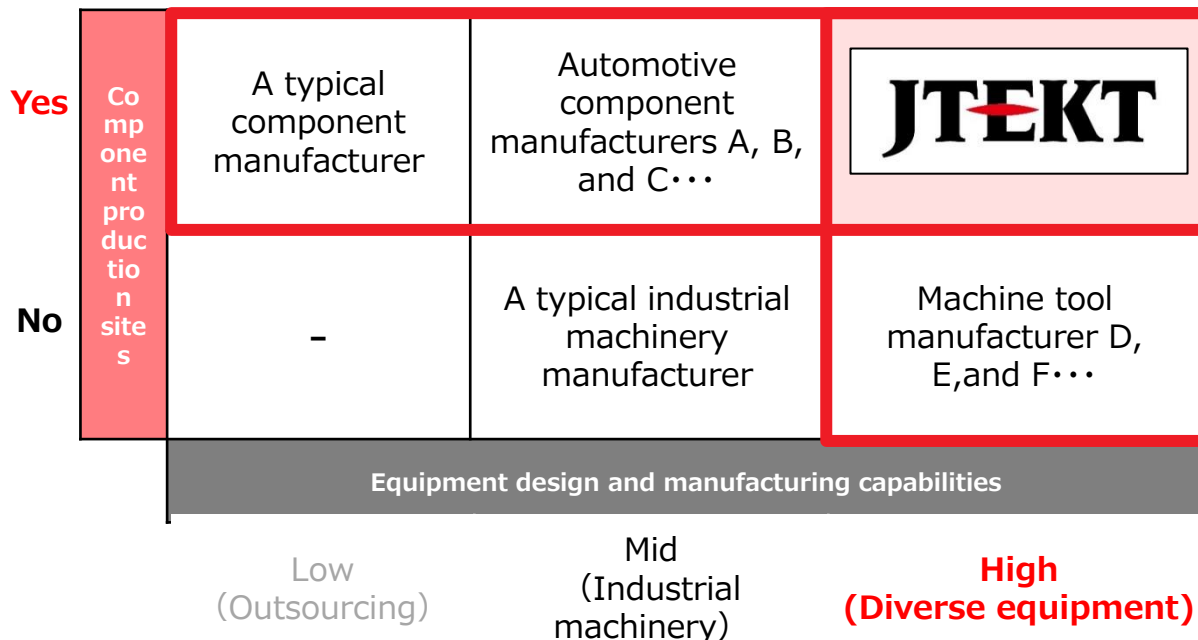
3-2-6) Initiatives toward the 3rd period of Mid-Term plan

Why factory solutions?

■ **Our unique positioning—spanning components, equipment, and on-site operations—enables us to deliver value by addressing “factory-level challenges”**

■ JTEKT’s positioning = a unique position

- ✓ A rare manufacturer that **combines in-house component production** with the technological expertise to **develop machine tools and equipment**
- ✓ Our greatest strength: **first-hand insight into both “maker” and “user”**

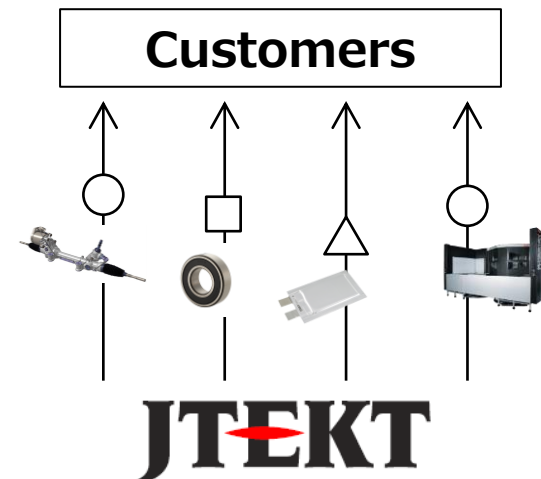


■ Steps toward becoming a solution provider

- ✓ All the “pieces” needed to solve factory challenges are already in place; but offerings remain limited to **standalone products**.
- ✓ Leveraging JTEKT’s unique strengths to provide **total solutions to other factories, addressing not only current but also “next-level factory challenges”**

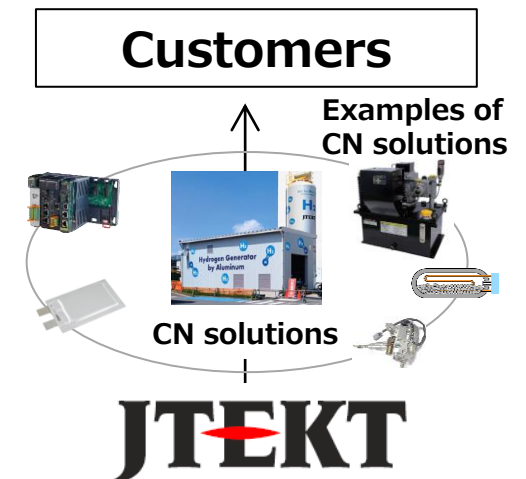
(Current status)

“Point” solutions (standalone offerings)



(Target vision)

Total solution proposals



- 1 . FY2025 Results P 4
- 2 . FY2026 Forecast P 9
- 3 . Progress of 2nd period of Mid-Term Plan P 14
 - 1) Achievements of 2nd period of Mid-Term Plan
 - 2) Initiatives toward the 3rd period of Mid-Term plan
 - 3) Capital Policy & Governance
- 4 . Appendix P 36

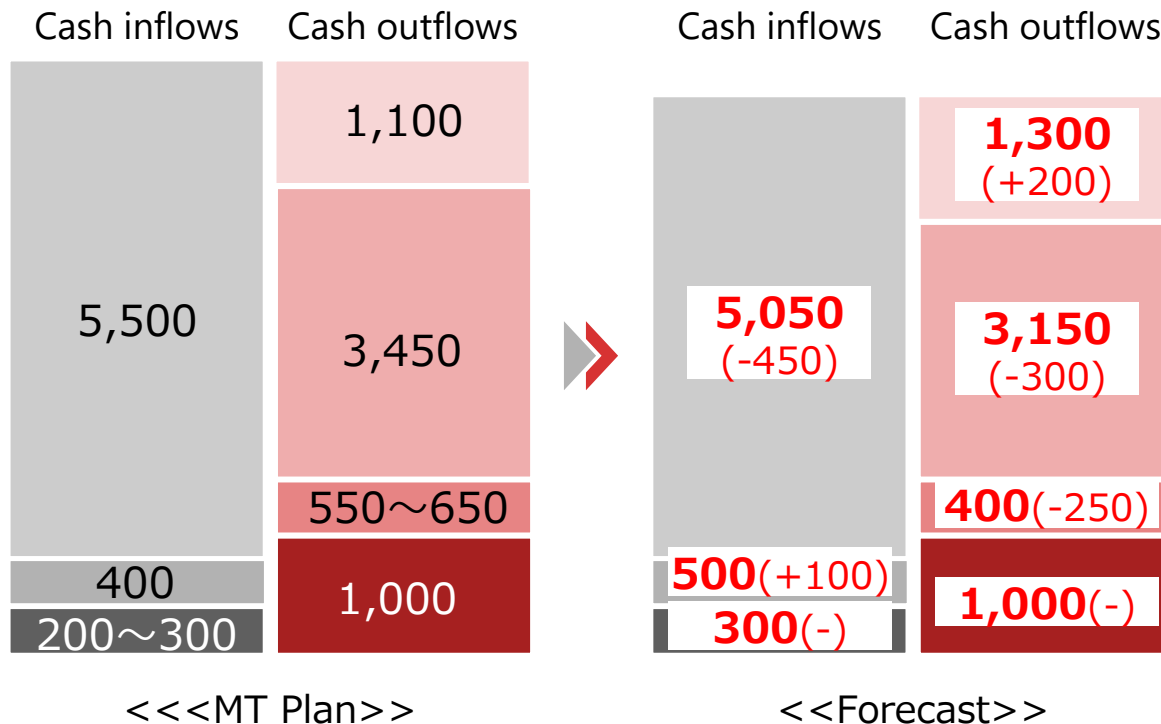
3-3-1) Capital Policy & Governance

Cash Allocation

- Despite market-driven declines in revenue and profit, efficiency gains and lower restructuring costs support continued **investment for future operations & planned shareholder returns**

Cash inflows ■ Operating CF (excl. R&D & Business Reform) ■ Disposal of cross-shareholdings ■ Fundings
Cash outflows ■ Growth Investment ■ Investment to maintain business ■ Business Reforms ■ Shareholder returns

【Cash Allocations during 2nd MT Plan】



【Key changes in cash inflows】

- ✓ **Operating cash** declines due to market shift
 - Lower revenue (China, Europe, Industrial BRG)
 - US tariffs impact
- ✓ **Disposal of cross-shareholdings** are on track
 - Higher cash due to stock price increase

【Key changes in cash outflows】

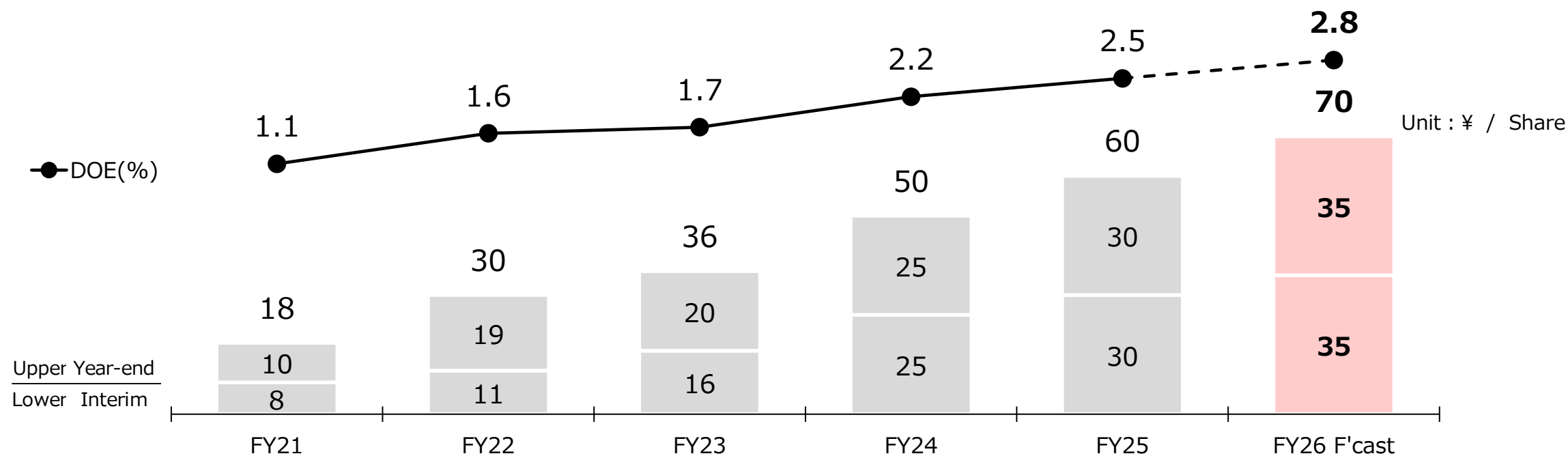
- ✓ **Prioritized, efficient spend reduced R&D and investments to maintain business**
- ✓ **Continued growth investment** (R&D, sales expansion, digital)
- ✓ **Lower Business reform costs** (EU Auto: closure → sale)
- ✓ **Shareholders returns on plan**

3-3-2) Capital Policy & Governance

Shareholder Returns

- Expand shareholder returns in line with the mid-term plan

FY27/3 dividend: **¥70** (+¥10; ¥35 interim / ¥35 year-end, **DOE 2.8%**)



1st MT Plan
『 Profit payout ratio 』

2nd MT Plan
『 DOE 』

Net Profit(¥B)※	20.6	34.2	40.2	13.7	11.9	50
EPS(¥)	60.31	99.94	117.37	40.36	37.62	157.07
Payout ratio(%)	29.8	30.0	30.7	123.9	159.5	44.6

3-3-3) Capital policy and governance enhancement

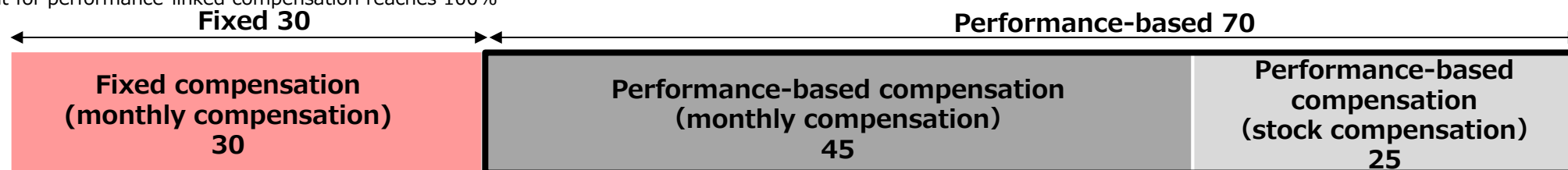
Review of executive compensation

- Enhancing transparency in executive compensation design and strengthening its alignment with management targets to reinforce incentives for increasing corporate value

- ✓ Previously, only the post-evaluation payout ratio was disclosed; however, to clarify the philosophy behind compensation, we have **newly disclosed the compensation design**.
- ✓ Starting from FY2026, **KPIs under the Mid-Term business plan**—ROE, CO₂ reduction, and employee engagement—have been incorporated into performance-linked compensation.

Disclosure of compensation design

If target achievement for performance-linked compensation reaches 100%



Revision of performance-linked KPIs

Before the revision



After the revision



※50% of the amount calculated based on business profit and ROE is granted as stock compensation

- Preparation for 3rd period of Mid-Term plan is underway, with an announcement planned for early 2027

J-Nyan

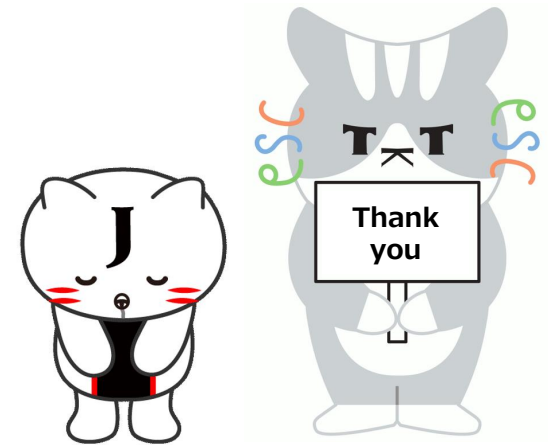


TEK-NYAN

Joint Technology

JTEKT

Yes for All, by All !



- 1 . FY2025 Results P 4
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 - 3) Capital Policy & Governance
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4-1) Management indicators

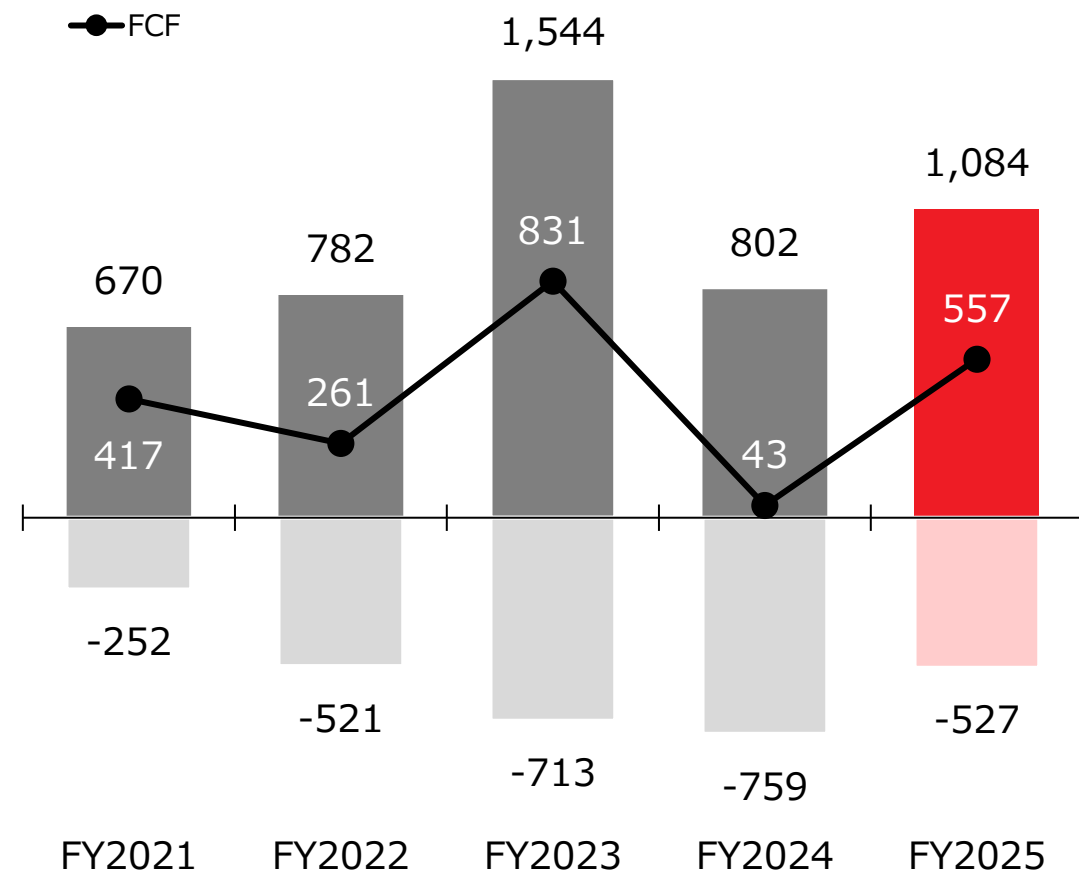
Cash Flow

Upper row Cash flows from operating activities

Lower row Cash flows from investing activities

Unit : 100M of yen

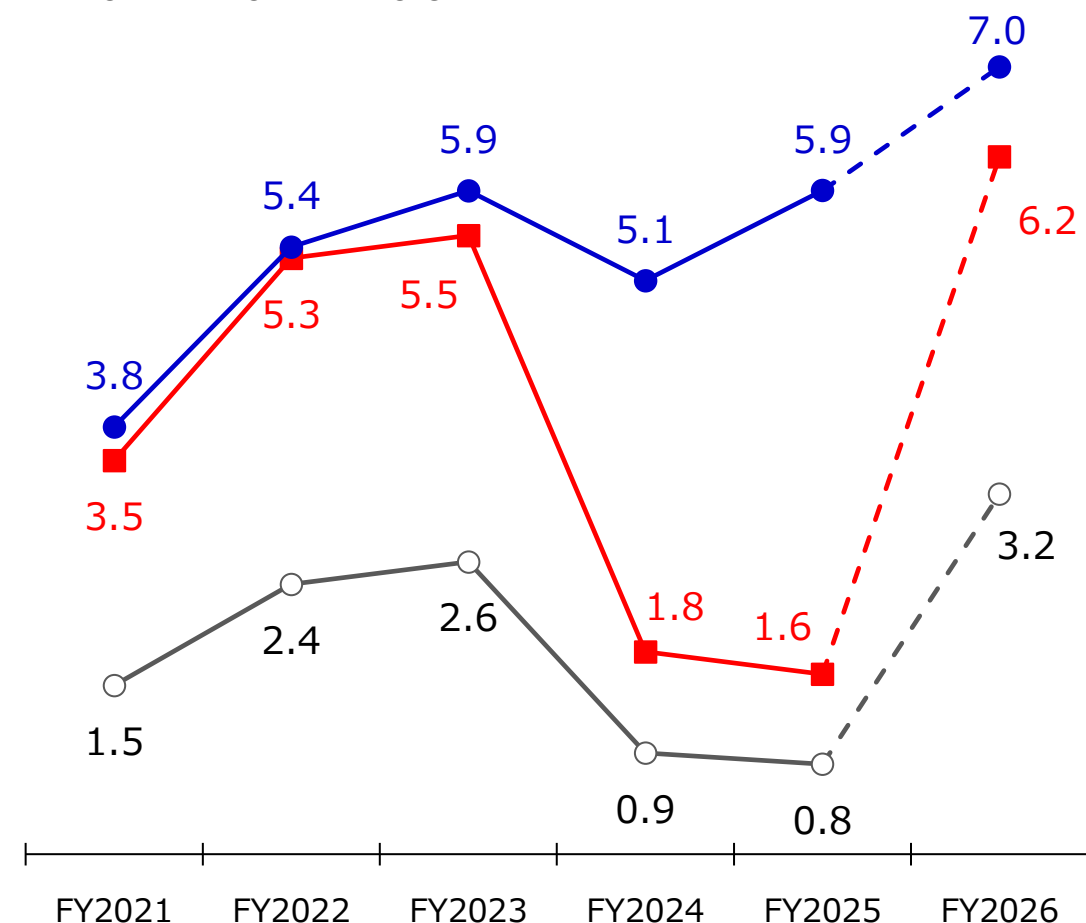
● FCF



Capital Efficiency Indicators

■ ROE ○ ROA ● ROIC

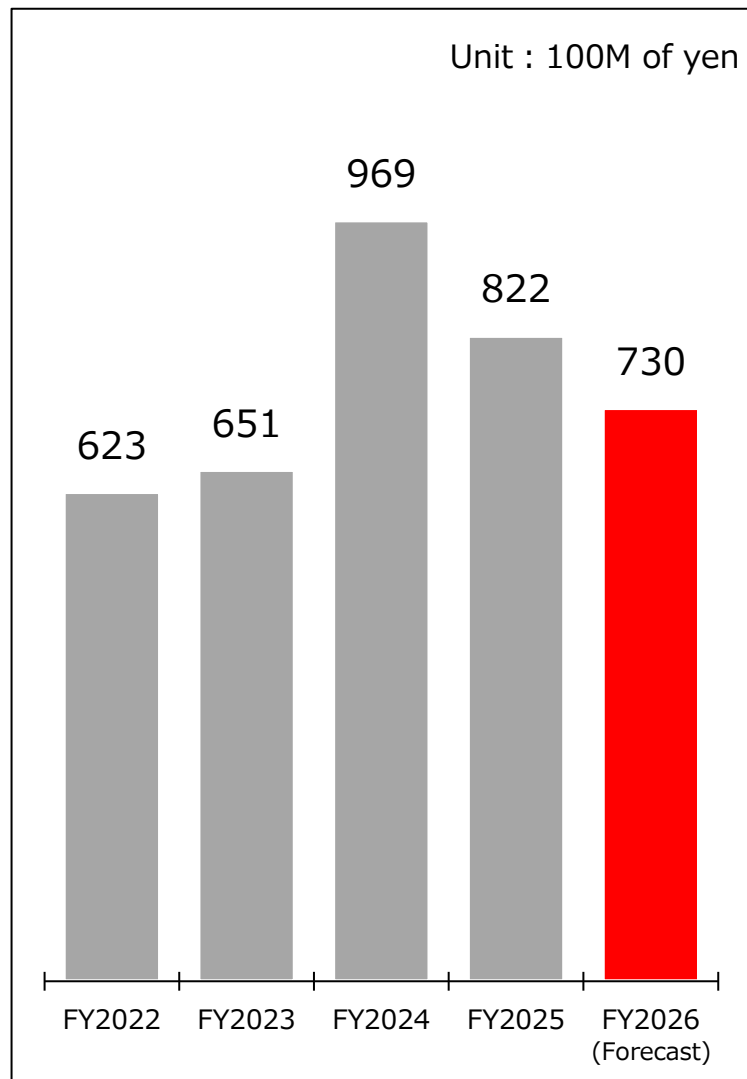
(%)



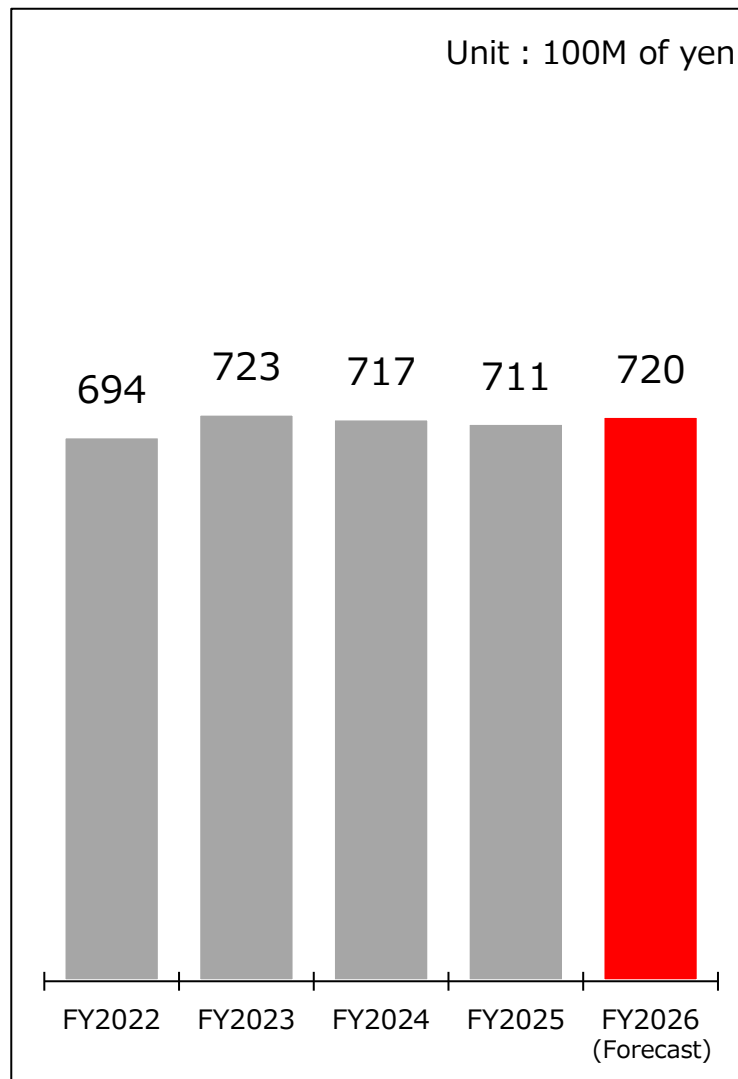
* ROE, ROA and ROIC forecasts are calculated based on balance sheet as of the end of March 2026.

4-2) Management indicators

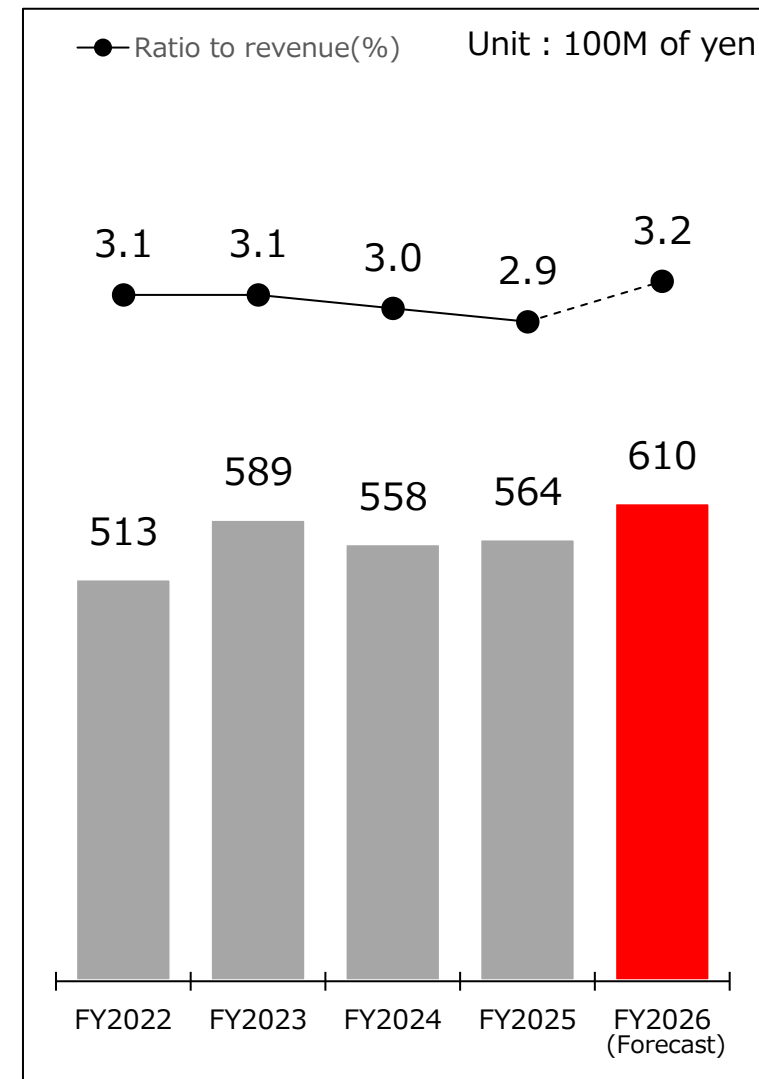
Capital expenditures



Depreciation & amortization

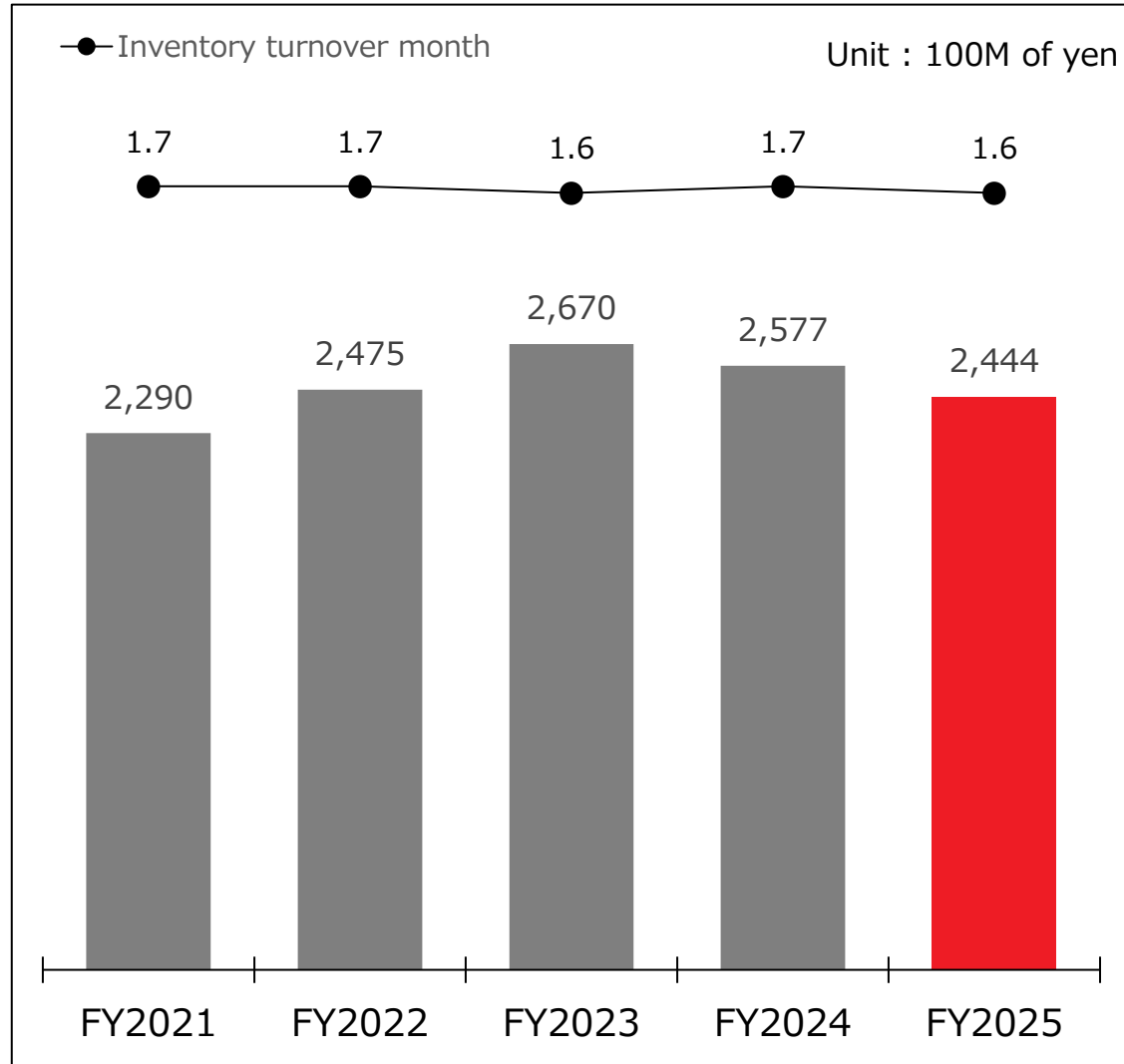


R&D expenses

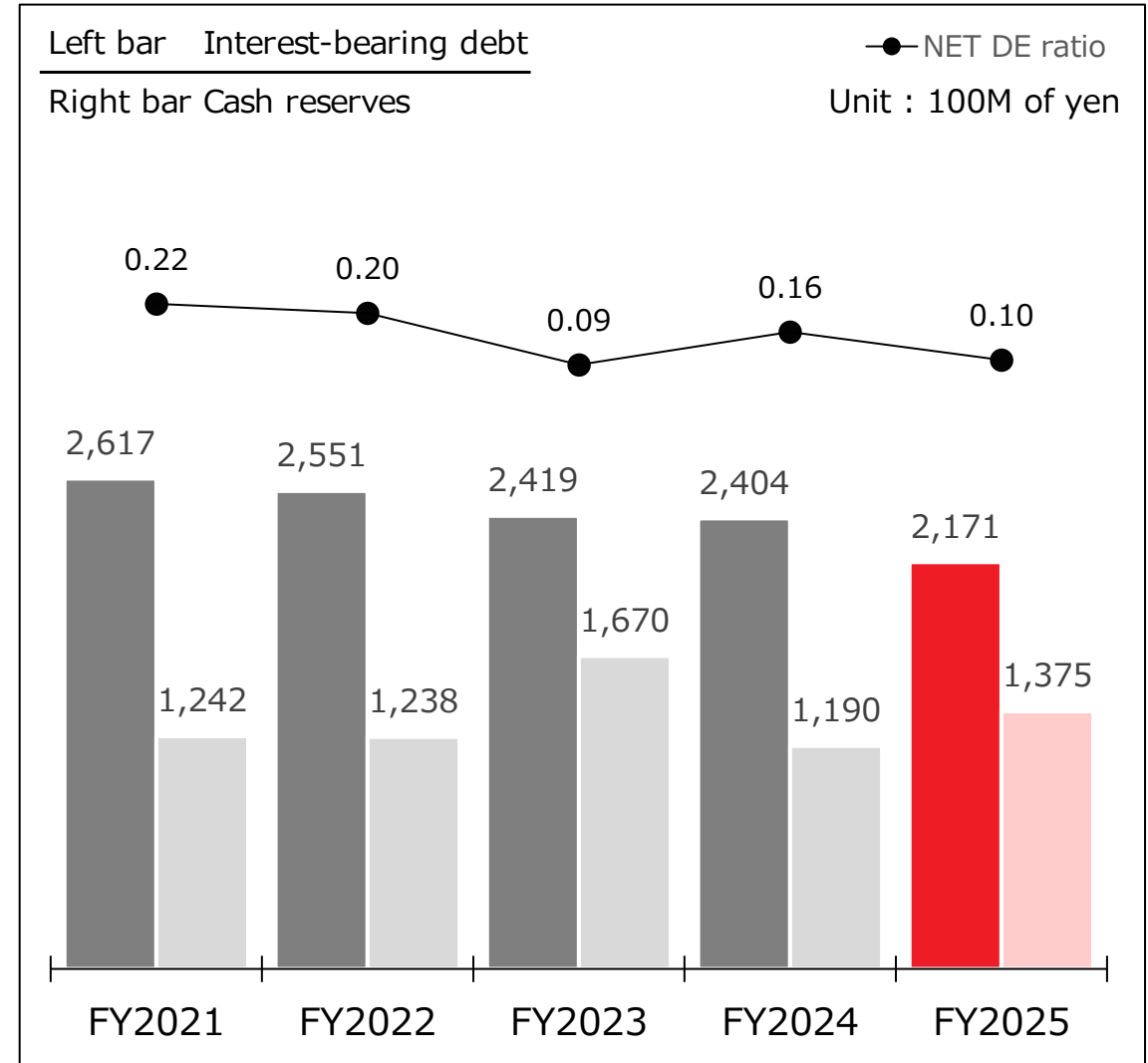


4-3) Management indicators

Inventories



Interest-bearing debt / Cash reserves



4-4-1) Financial statements

Assets

Assets	FY2024	FY2025	Change
Cash and cash equivalents	1,190	1,375	+184
Trade and other receivables	3,682	3,495	-186
Inventories	2,577	2,444	-133
Other current assets	177	677	+499
Property, plant and equipment	4,805	4,981	+175
Other non-current assets	3,219	2,803	-416
Total assets	15,653	15,776	+123

Liabilities and equity

Liabilities and equity	FY2024	FY2025	Change
Trade and other payables	3,796	3,518	-277
Interest-bearing debt	2,404	2,171	-233
Other current liabilities	482	844	+362
Other non-current liabilities	1,195	990	-205
Equity attributable to owners of the parent company	7,450	7,902	+451
Non-controlling interests	324	350	+25
Total liabilities and equity	15,653	15,776	+123

4-4-2) Financial statements

Consolidated Profit and Loss statement

Unit : 100M of yen

	FY2024	FY2025	Change
Revenue	18,843	19,249	+ 405
Business Profit	649	756	+ 107
Other income / Other expenses	-264	-508	-243
Operating Profit	384	248	-136
Financial income / financial costs	-75	25	+ 101
Income tax expenses / Non-controlling interests	-171	-154	+ 17
Profit attributable to owners of parent	137	119	-17

Consolidated Cash Flow statement

Unit : 100M of yen

	FY2024	FY2025	Change
Cash flows from operating activities	802	1,084	+ 282
Cash flows from investing activities	-759	-527	+ 232
Free Cash flows	43	557	+ 514
Cash flows from financing activities	-520	-469	+ 50
Foreign currency translation adjustments	-1	96	+ 98
Net increase (decrease) in cash and cash equivalents	-479	184	+ 664
Cash and cash equivalents	1,190	1,375	+ 184

4-5-1) Performance comparison – FY2025 Results (by Region)

* Including the impact of the sale of the NRB business in Europe... Revenue : -115 Business Profit : +13 Unit:100M of yen

	Region	FY2024	FY2025	change		Foreign exchange	FY2025 (excluding FX)	Change excluding foreign exchange	
Revenue	Japan	7,390	7,599	+209	+2.8%	-	7,599	+209	+2.8%
	North America	4,853	5,254	+400	+8.2%	-39	5,294	+440	+9.1%
	Europe	2,151	2,006	* -145	-6.8%	+126	1,880	* -271	-12.6%
	China	1,603	1,396	-207	-12.9%	+9	1,386	-217	-13.5%
	Asia & others	2,844	2,992	+148	+5.2%	+28	2,964	+120	+4.2%
	Total	18,843	19,249	+405	+2.2%	+124	19,125	+281	+1.5%
Business profit	Japan	262	289	+27	+10.4%	+15	274	+11	+4.6%
	North America	57	175	+117	+203.7%	-0	175	+117	+203.8%
	Europe	-67	-105	* -37	-%	-5	-99	* -31	-%
	China	122	99	-23	-19.0%	-0	99	-22	-18.7%
	Asia & Others	253	313	+60	+23.8%	+12	301	+48	+19.1%
	Elimination	21	-16	-37	-%	-	-16	-37	-%
	Total	649	756	+107	+16.5%	+21	735	+9	+13.3%

4-5-2) Performance comparison – FY2025 Results (by Business unit)

* Including the impact of the sale of the NRB business in Europe ... Revenue : -115 Business Profit : +13

Unit:100M of yen

Business unit		FY2024	FY2025	change		Foreign exchange	FY2025 (excluding FX)	Change excluding foreign exchange	
Revenue	Steering	8,957	9,076	+118	+1.3%	+116	8,960	+2	+0.0%
	Drivelines	4,373	4,593	+219	+5.0%	+7	4,585	+212	+4.9%
	Automotive	13,331	13,670	+338	+2.5%	+123	13,546	+214	+1.6%
	Industrial&Bearings	3,522	3,470	* -52	-1.5%	+13	3,457	* -65	-1.9%
	Machine tools	1,964	2,088	+123	+6.3%	-13	2,101	+136	+6.9%
	Others	24	20	-4	-17.8%	+0	20	-4	-17.8%
	Machine tools	1,989	2,108	+118	+6.0%	-13	2,121	+132	+6.6%
	Total	18,843	19,249	+405	+2.2%	+124	19,125	+281	+1.5%
Business profit	Steering	275	328	+53	+19.4%	+7	320	+45	+16.6%
	Drivelines	108	138	+30	+28.1%	+3	135	+27	+25.3%
	Automotive	383	467	+83	+21.8%	+10	456	+73	+19.0%
	Industrial&Bearings	86	112	* +25	+29.6%	+10	101	* +14	+17.0%
	Machine tools	204	200	-3	-1.8%	-0	200	-3	-1.7%
	Others	-30	-26	+4	-%	-0	-26	+4	-%
	Machine tools	174	174	+0	+0.2%	+0	174	+0	+0.5%
	Elimination	5	3	-2	-42.0%	-	3	-2	-41.8%
	Total	649	756	+107	+16.5%	+21	735	+86	+13.3%

4-6-1) Quarterly result trend – by Region

Unit : 100M of yen

FY2024	Q1			Q2			Q3			Q4		
	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%
Elimination		-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	Q1			Q2			Q3			Q4		
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	
Japan	1,809	25	1.4%	1,945	93	4.8%	1,877	86	4.6%	1,967	84	4.3%
North America	1,220	14	1.2%	1,255	42	3.4%	1,270	-1	-0.1%	1,508	120	8.0%
Europe	514	-29	-5.7%	454	-29	-6.6%	463	-33	-7.2%	574	-12	-2.1%
China	329	21	6.7%	361	26	7.3%	377	36	9.7%	328	13	4.2%
Asia & Others	673	61	9.1%	737	78	10.6%	743	66	9.0%	837	107	12.8%
Elimination		46			-19			-18			-25	
Total	4,547	140	3.1%	4,753	191	4.0%	4,731	136	2.9%	5,215	288	5.5%

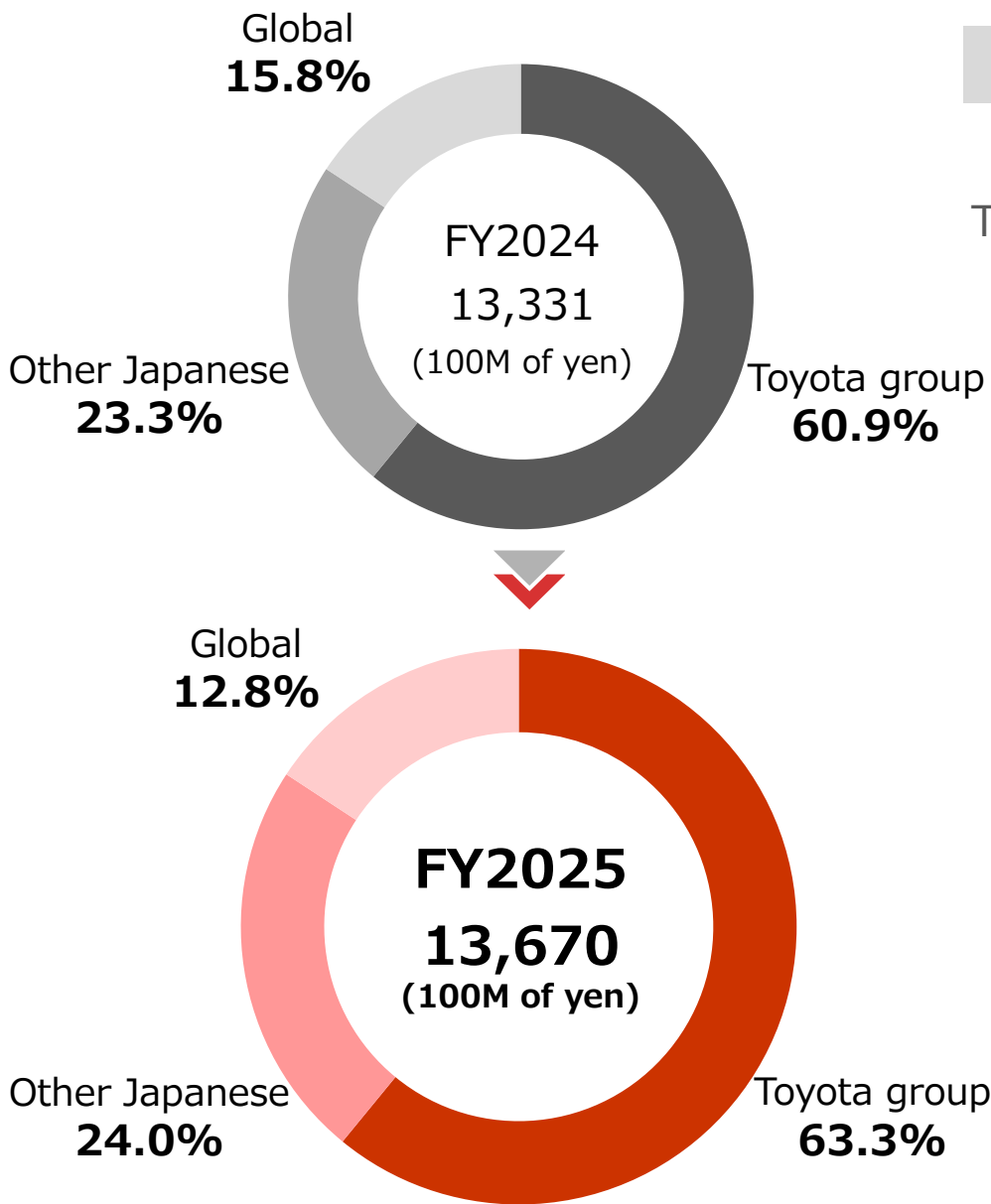
4-6-2) Quarterly result trend – by Business unit

Unit : 100M of yen

FY2024	Q1			Q2			Q3			Q4		
	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%
Elimination		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	Q1			Q2			Q3			Q4		
	Revenue	Business profit		Revenue	Business profit		Revenue	Business profit		Revenue	Business profit	
Steering Systems	2,119	32	1.5%	2,189	56	2.6%	2,243	59	2.6%	2,524	180	7.2%
Drivelines	1,119	29	2.6%	1,159	46	4.0%	1,132	23	2.0%	1,182	39	3.4%
Automotive	3,238	61	1.9%	3,348	103	3.1%	3,376	82	2.4%	3,706	220	5.9%
Industrial & Bearings	861	41	4.8%	860	35	4.1%	843	20	2.4%	905	15	1.7%
Machine tools	444	43	9.9%	539	55	10.3%	506	40	8.0%	597	60	10.2%
Others	3	-4		5	-4		4	-6		6	-10	
Machine tools	448	38	8.7%	544	50	9.3%	511	34	6.7%	604	50	8.4%
Elimination		-0			2			0			1	
Total	4,547	140	3.1%	4,753	191	4.0%	4,731	136	2.9%	5,215	288	5.5%

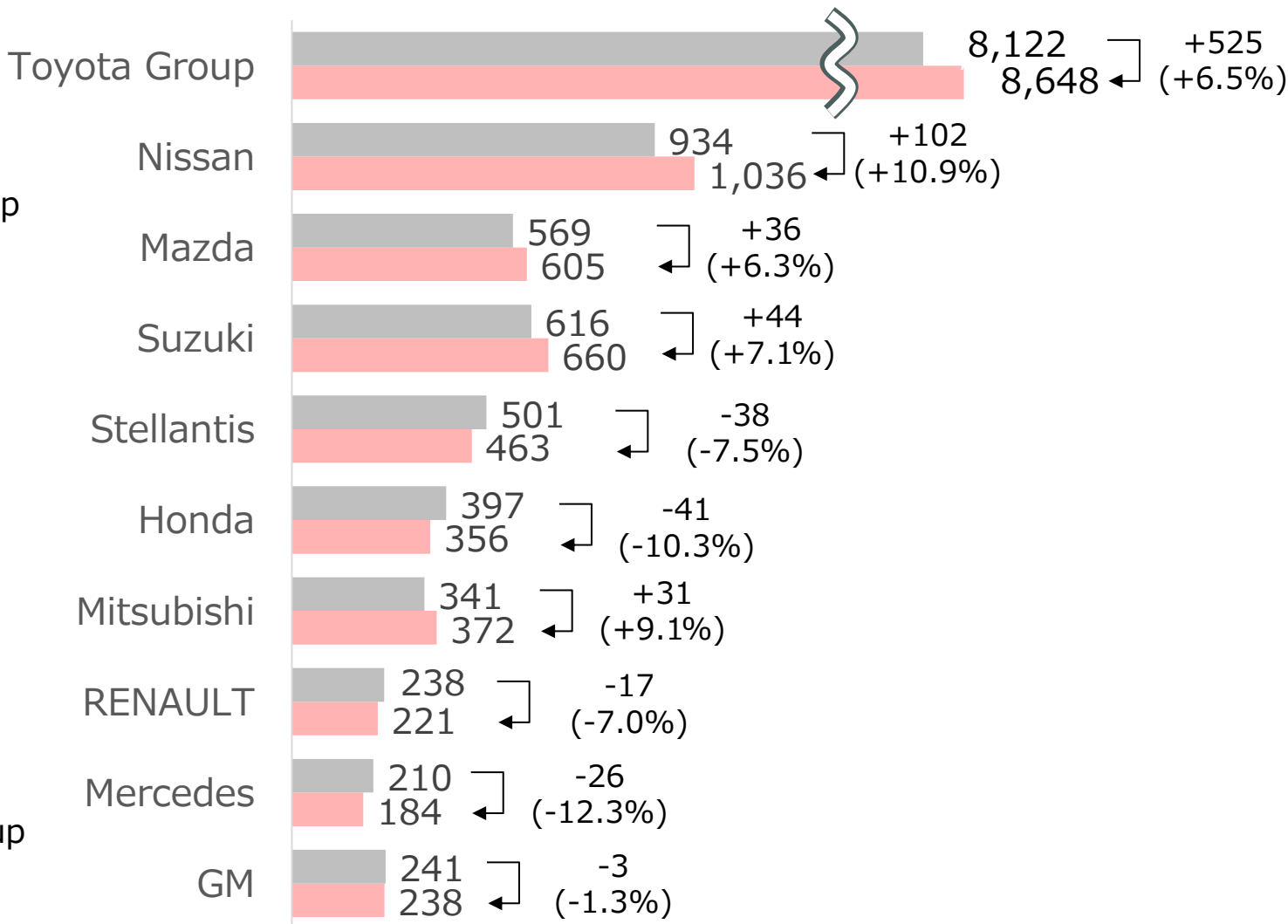
4-7-1) Automotive (Steering/Drivelines) Revenue by Customer



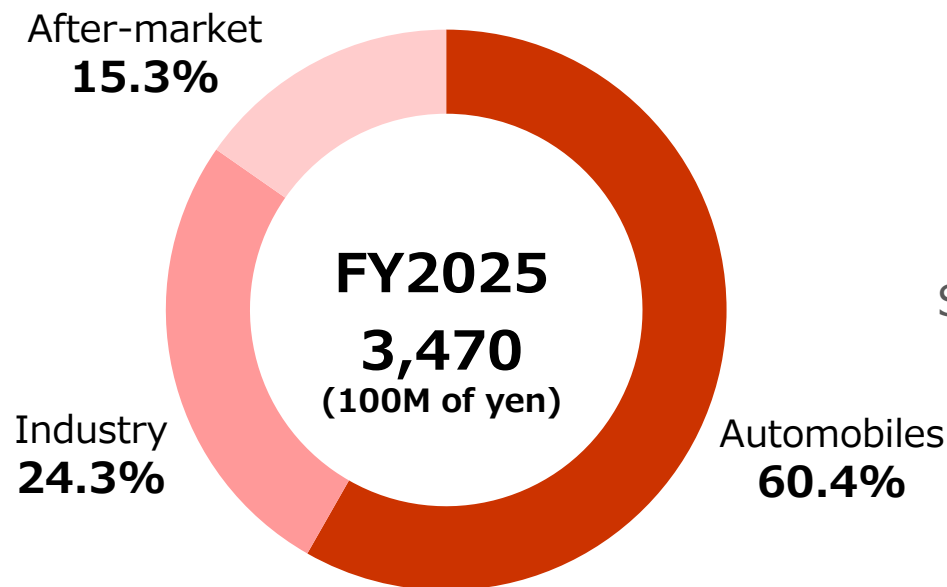
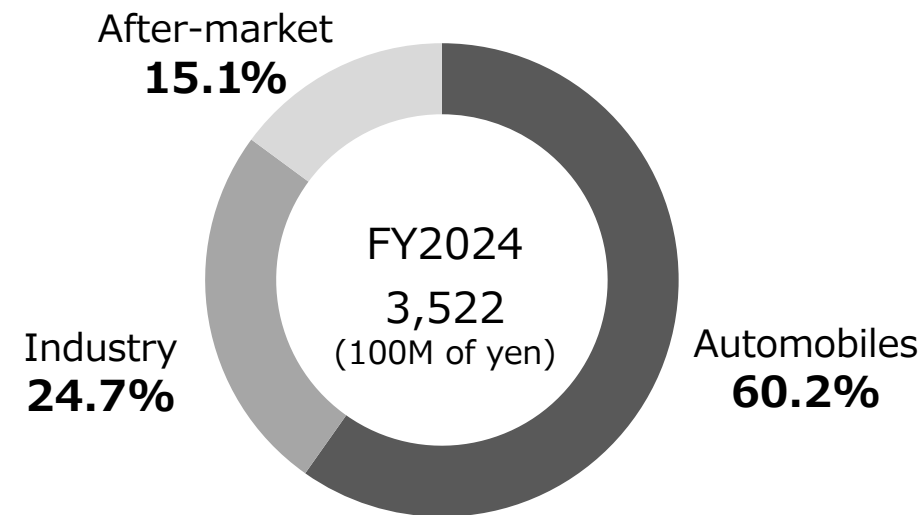
Revenue by major customer

Unit : 100M of yen

FY2024 FY2025



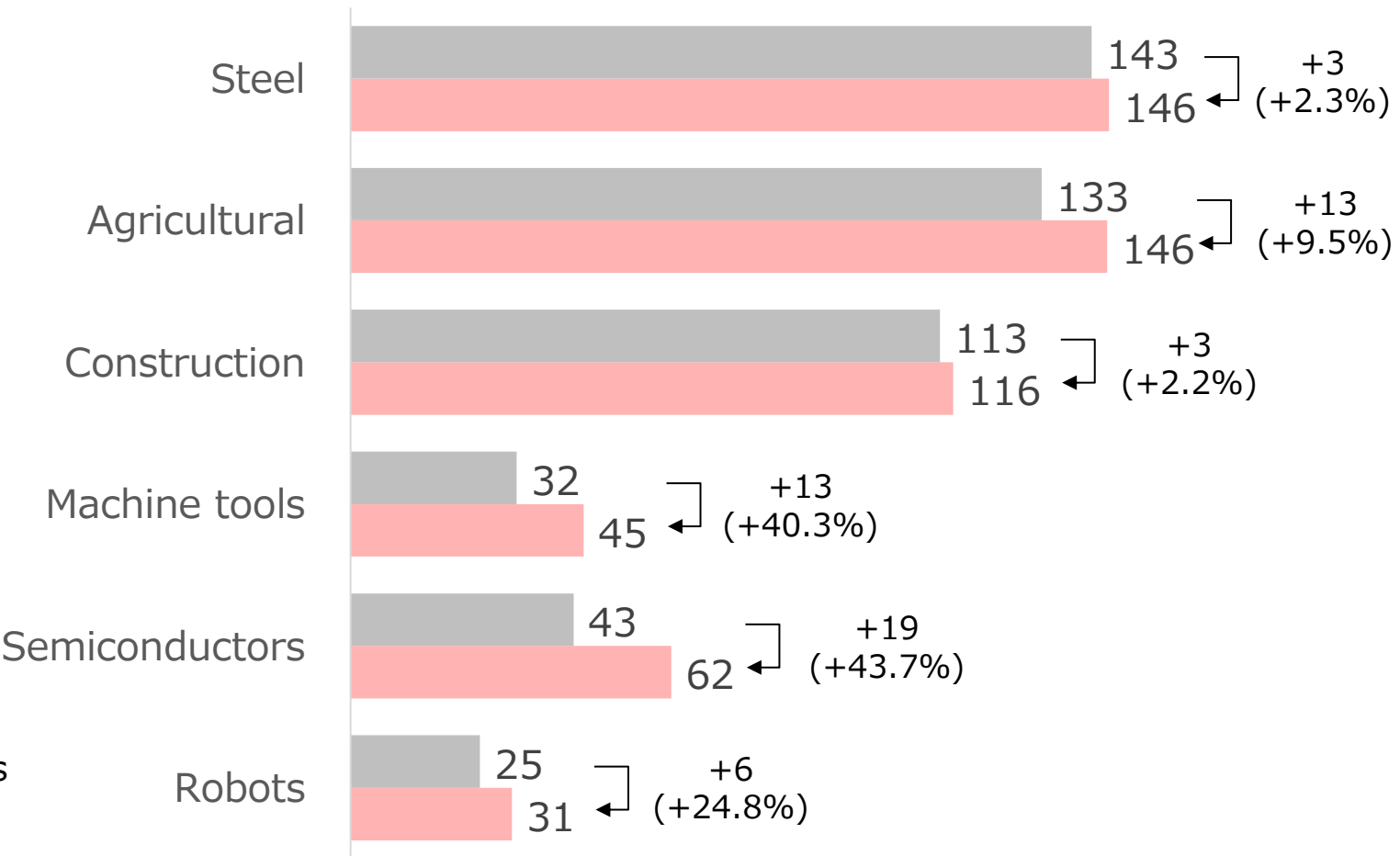
4-7-2) Industrial & Bearings Revenue by Industry



Revenue in industry
by 6 priority industries

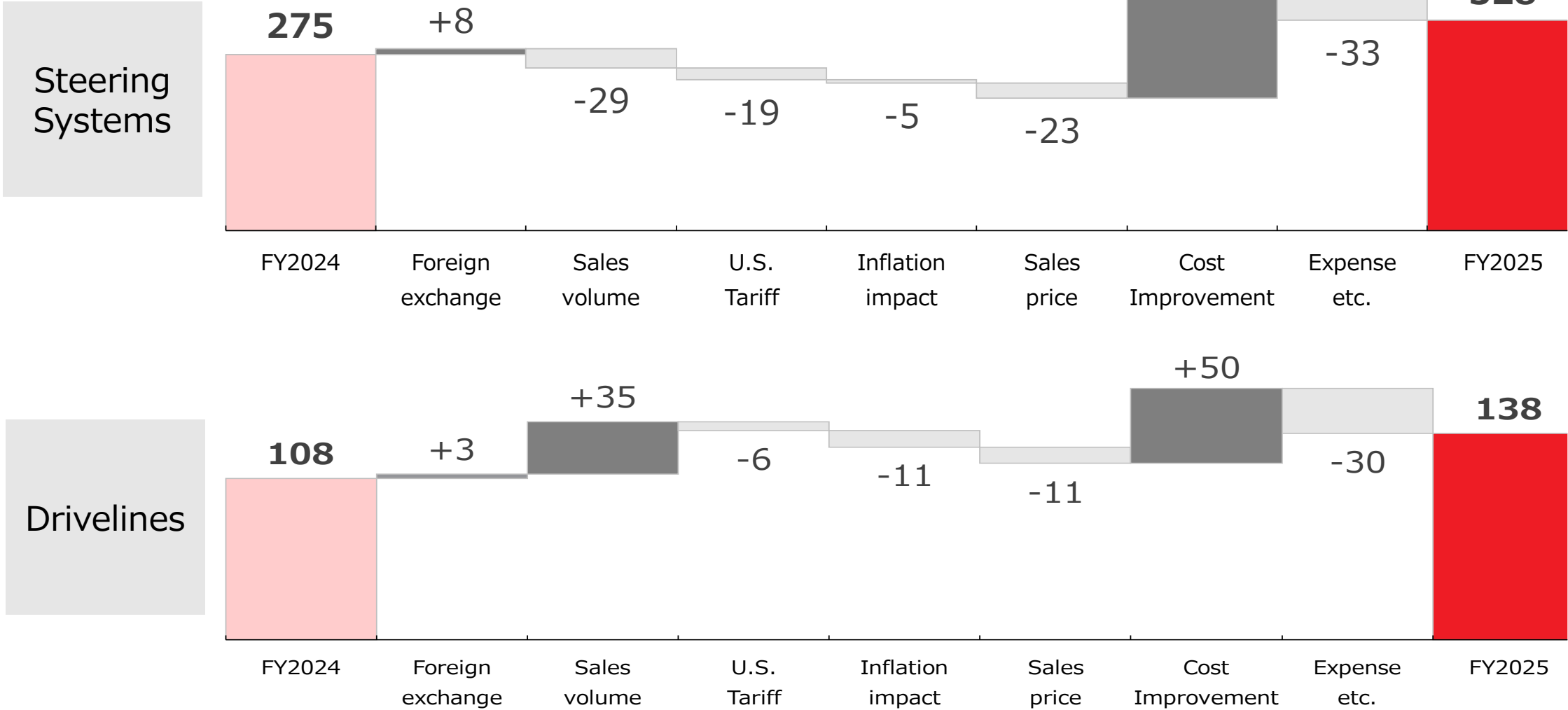
Unit : 100M of yen

FY2024 FY2025

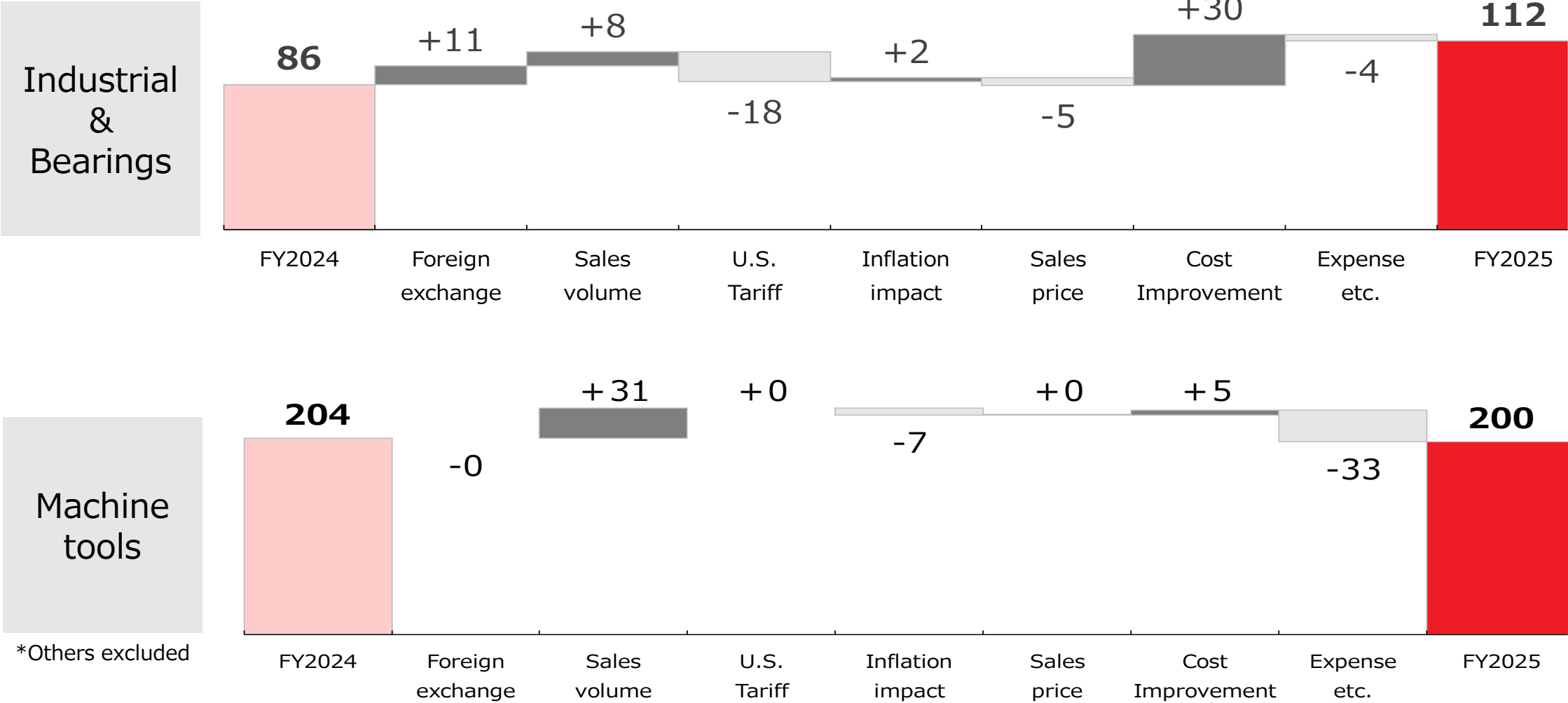


4-8-1) Business profit analysis – Steering Systems / Drivelines

Unit : 100M of yen



4-8-2) Business profit analysis – Industrial & Bearings / Machine tools



4-9-1) Performance comparison – FY2026 Forecasts (by Region)

* Including the impact of the transfer Auto business with Euro customers

Unit:100M of yen

	Region	FY2025	FY2026	Change		Foreign exchange	FY2026 (excluding FX)	Change excluding foreign exchange	
Revenue	Japan	7,599	7,165	-434	-5.7%	-	7,165	-434	-5.7%
	North America	5,254	5,525	* +270	+5.2%	+164	5,360	* +105	+2.0%
	Europe	2,006	1,450	* -556	-27.7%	+43	1,406	* -599	-29.9%
	China	1,396	1,310	-86	-6.2%	+44	1,266	-130	-9.3%
	Asia & others	2,992	3,350	+357	+11.9%	+26	3,324	+331	+11.1%
	Total	19,249	18,800	-449	-2.3%	+278	18,521	-727	-3.8%
Business profit	Japan	289	290	+0	+0.1%	+0	249	-40	-14.1%
	North America	175	257	* +81	+46.4%	+5	251	* +76	+43.4%
	Europe	-105	-80	* +25	-%	-2	-77	* +27	-%
	China	99	85	-14	-14.2%	+2	82	-16	-16.7%
	Asia & others	313	348	+34	+10.9%	+3	344	+30	+9.7%
	Elimination	-16	0	+16	-%	-	0	+16	-%
	Total	756	900	+143	+18.9%	+50	850	+93	+12.3%

4-9-2) Performance comparison – FY2025 Forecasts (by Business unit)

* Including the impact of the transfer Auto business with Euro customers

Unit:100M of yen

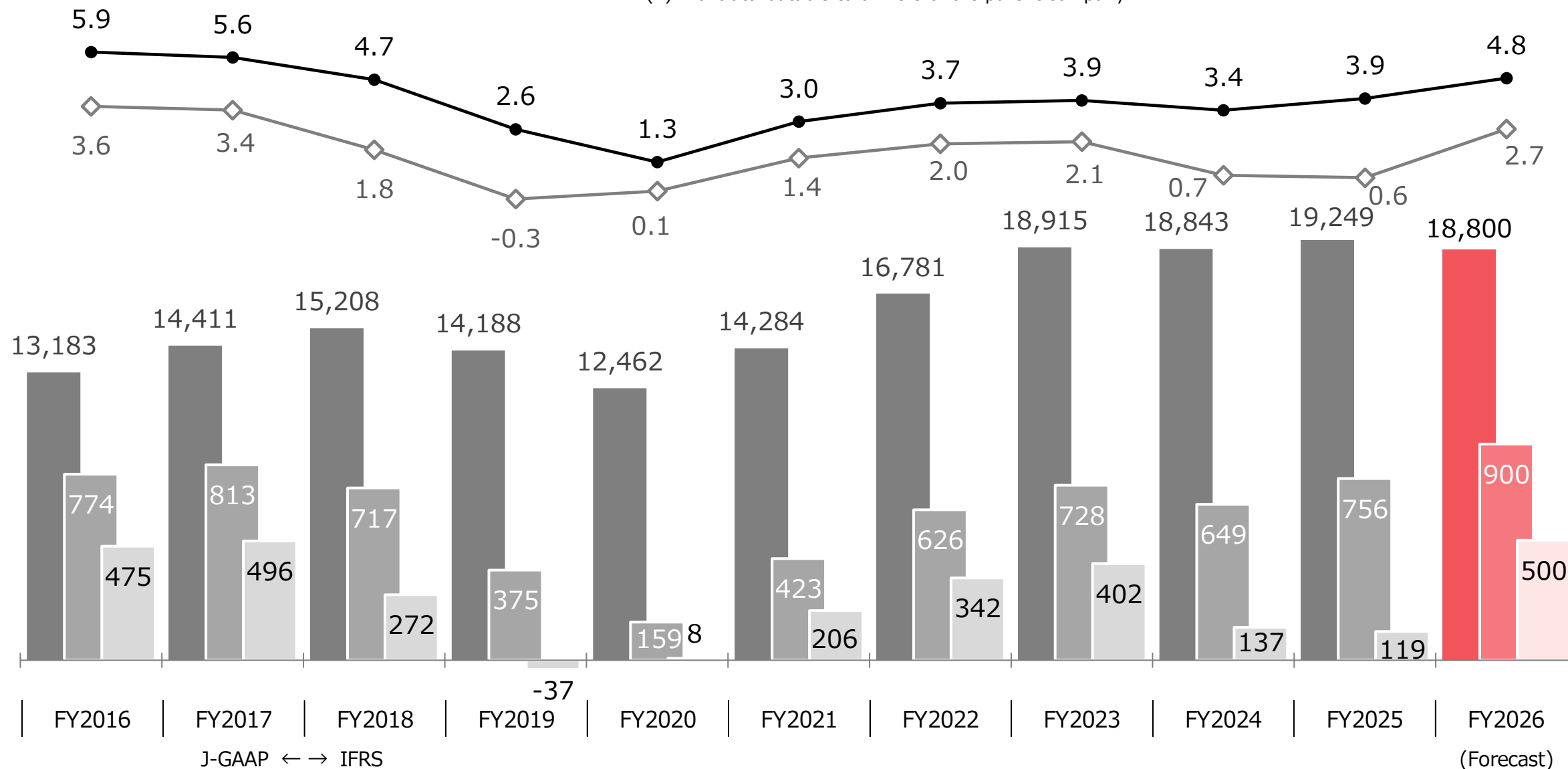
Business unit		FY2025	FY2026	Change		Foreign exchange	FY2026 (excluding FX)	Change excluding foreign exchange	
Revenue	Steering	9,076	8,635	*	-441	-4.9%	+ 16.3	8,472	* -604 -6.7%
	Drivelines	4,593	4,535	*	-58	-1.3%	+ 3.2	4,503	* -90 -2.0%
	Automotive	13,670	13,170		-499	-3.7%	+ 19.5	12,975	-694 -5.1%
	Industrial&Bearings	3,470	3,435		-35	-1.0%	+ 4.7	3,388	-82 -2.4%
	Machine tools	2,088	2,175		+ 86	+4.2%	+ 3.6	2,139	+ 50 +2.4%
	Others	20	20		-0	-2.5%	+ 0.0	20	-0 -2.5%
	Machine tools	2,108	2,195		+ 86	+4.1%	+ 3.6	2,159	+ 50 +2.4%
	Total	19,249	18,800		-449	-2.3%	+ 27.8	18,521	-727 -3.8%
Business profit	Steering	328	402	*	+ 74	+22.7%	+ 27	375	* +47 +14.4%
	Drivelines	138	146	*	+ 8	+5.9%	+ 4	142	* +3 +2.7%
	Automotive	467	549		+ 82	+17.7%	+ 31	518	+ 51 +10.9%
	Industrial&Bearings	112	159		+ 47	+42.3%	+ 13	146	+ 33 +30.3%
	Machine tools	200	210		+ 9	+4.7%	+ 5	204	+ 4 +2.1%
	Others	-26	-19		+ 6	-%	+ 0	-19	+ 6 -%
	Machine tools	174	190		+ 15	+9.2%	+ 5	185	+ 10 +6.2%
	Elimination	3	0		-3	-%	-	0	-3 -%
	Total	756	900		+ 143	+18.9%	+ 50	850	+ 93 +12.3%

4-10) Revenue and profit trend

Revenue Business profit Profit for the period(*) Business profit(%) Profit for the period(%)

Unit : 100M of yen

(*) 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.