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Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (Under IFRS)

DATE: April 27, 2023

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 of annual general meeting of shareholders: June 22, 2023
 Scheduled date to commence dividend payments: May 24, 2023
 Scheduled date to file quarterly securities report (Japanese only): June 22, 2023
 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 fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

| Fiscal year ended | Revenue | | Business profit | | Profit before income taxes | | Profit for the year | |
|-------------------|-----------------|------|-----------------|-------|----------------------------|-------|---------------------|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| March 31, 2023 | 1,678,146 | 17.5 | 62,658 | 48.0 | 55,889 | 27.2 | 37,344 | 58.1 |
| March 31, 2022 | 1,428,426 | 14.6 | 42,346 | 166.1 | 43,934 | 186.2 | 23,616 | 633.0 |

| Fiscal year ended | Profit attributable to owners of the parent company | | Comprehensive income for the year | | Basic earnings per share | Diluted earnings per share |
|-------------------|---|------|-----------------------------------|--------|--------------------------|----------------------------|
| | Millions of yen | % | Millions of yen | % | Yen | Yen |
| March 31, 2023 | 34,276 | 65.7 | 54,418 | (35.7) | 99.94 | 99.90 |
| March 31, 2022 | 20,682 | — | 84,660 | 33.3 | 60.31 | 60.28 |

| Fiscal year ended | Ratio of profit to equity attributable to owners of the parent company | Ratio of profit before income taxes to total assets | Ratio of business profit to revenue |
|-------------------|--|---|-------------------------------------|
| | % | % | % |
| March 31, 2023 | 5.3 | 4.0 | 3.7 |
| March 31, 2022 | 3.5 | 3.3 | 3.0 |

Reference: Share of the profit of associates and joint ventures accounted for using the equity method:
 Fiscal year ended March 31, 2023: 880 million yen Fiscal year ended March 31, 2022: 486 million yen

(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 | Equity attributable to owners of the parent company per share |
|----------------|-----------------|-----------------|---|--|---|
| As of | Millions of yen | Millions of yen | Millions of yen | % | Yen |
| March 31, 2023 | 1,441,355 | 700,735 | 667,234 | 46.3 | 1,945.44 |
| March 31, 2022 | 1,386,463 | 660,415 | 624,012 | 45.0 | 1,819.47 |

(3) Consolidated cash flows

| | Net cash provided by (used in) operating activities | Net cash provided by (used in) investing activities | Net cash provided by (used in) financing activities | Cash and cash equivalents at end of year |
|-------------------|---|---|---|--|
| Fiscal year ended | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| March 31, 2023 | 78,279 | (52,109) | (28,707) | 123,850 |
| March 31, 2022 | 67,039 | (25,265) | (43,531) | 124,254 |

2. Cash dividends

| | Annual dividends per share | | | | | Total amount of dividends (Total) | Payout ratio (Consolidated) | Ratio of dividends to equity attributable to owners of parent (Consolidated) |
|--|----------------------------|--------------------|-------------------|-----------------|--------------|-----------------------------------|-----------------------------|--|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total | | | |
| Fiscal year ended March 31, 2022 | Yen — | Yen 8.00 | Yen — | Yen 10.00 | Yen 18.00 | Millions of yen 6,174 | % 29.8 | % 1.1 |
| Fiscal year ended March 31, 2023 | — | 11.00 | — | 19.00 | 30.00 | 10,290 | 30.0 | 1.6 |
| Fiscal year ending March 31, 2024 (Forecast) | — | 16.00 | — | 16.00 | 32.00 | | 31.4 | |

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 | 1,800,000 | 7.3 | 75,000 | 19.7 | 65,500 | 17.2 | 35,000 | 2.1 | 102.05 |

***Notes**

- (1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

Excluded: 4 companies

JTEKT AUTOMOTIVE TENNESSEE-MORRISTOWN, INC.
JTEKT AUTOMOTIVE TENNESSEE-VONORE, LLC
JTEKT AUTOMOTIVE LYON S.A.S.
JTEKT AUTOMOTIVE DIJON SAINT-ETIENNE S.A.S.

- (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 March 31, 2023 | 343,286,307 shares |
| As of March 31, 2022 | 343,286,307 shares |

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

| | |
|----------------------|----------------|
| As of March 31, 2023 | 311,980 shares |
| As of March 31, 2022 | 321,786 shares |

- (iii) Average number of shares outstanding during the period

| | |
|----------------------------------|--------------------|
| Fiscal year ended March 31, 2023 | 342,972,521 shares |
| Fiscal year ended March 31, 2022 | 342,965,632 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 documents are based on the information that the Company has obtained at the time of disclosure.

Actual results may differ significantly from the forecast due to a various factors in the future.

Consolidated financial statements

(1) Consolidated Statement of Financial Position

(Millions of yen)

| | As of March 31, 2022 | As of March 31, 2023 |
|---|----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 124,254 | 123,850 |
| Trade and other receivables | 319,084 | 350,366 |
| Inventories | 229,074 | 247,587 |
| Other financial assets | 5,099 | 3,548 |
| Income tax receivable | 943 | 4,960 |
| Other current assets | 4,522 | 4,986 |
| Sub total | 682,979 | 735,299 |
| Assets held for sale | 2,518 | — |
| Total current assets | 685,497 | 735,299 |
| Non-current assets | | |
| Property, plant and equipment | 460,012 | 466,972 |
| Goodwill and Intangible assets | 34,590 | 32,323 |
| Other financial assets | 139,771 | 139,163 |
| Investments accounted for using equity method | 13,091 | 13,964 |
| Deferred tax assets | 17,414 | 17,630 |
| Other non-current assets | 36,085 | 36,000 |
| Total non-current assets | 700,965 | 706,055 |
| Total assets | 1,386,463 | 1,441,355 |

(Millions of yen)

| | As of March 31, 2022 | As of March 31, 2023 |
|---|----------------------|----------------------|
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | 317,672 | 346,599 |
| Bonds and borrowings | 85,749 | 47,529 |
| Other financial liabilities | 3,128 | 3,584 |
| Income taxes payable | 13,375 | 3,993 |
| Provisions | 6,547 | 18,865 |
| Other current liabilities | 6,258 | 7,182 |
| Sub total | 432,732 | 427,755 |
| Liabilities directly associated with assets held for sale | 2,047 | — |
| Total current liabilities | 434,779 | 427,755 |
| Non-current liabilities | | |
| Bonds and borrowings | 176,012 | 207,640 |
| Other financial liabilities | 7,657 | 8,308 |
| Retirement benefit liabilities | 75,110 | 70,556 |
| Provisions | 228 | 119 |
| Deferred tax liabilities | 24,432 | 18,410 |
| Other non-current liabilities | 7,827 | 7,827 |
| Total non-current liabilities | 291,268 | 312,864 |
| Total liabilities | 726,048 | 740,619 |
| Equity | | |
| Capital stock | 45,591 | 45,591 |
| Capital surplus | 107,638 | 107,103 |
| Treasury stock | (430) | (416) |
| Other components of equity | 27,253 | 39,177 |
| Retained earnings | 443,960 | 475,777 |
| Equity attributable to owners of the parent company | 624,012 | 667,234 |
| Non-controlling interests | 36,402 | 33,501 |
| Total equity | 660,415 | 700,735 |
| Total liabilities and equity | 1,386,463 | 1,441,355 |

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

Consolidated Statement of Profit or Loss

(Millions of yen)

| | Fiscal year ended March 31, 2022 | Fiscal year ended March 31, 2023 |
|---|-------------------------------------|-------------------------------------|
| Revenue | 1,428,426 | 1,678,146 |
| Cost of revenue | (1,218,547) | (1,423,000) |
| Gross profit | 209,878 | 255,146 |
| Selling, general and administrative expenses | (167,532) | (192,487) |
| Business profit | 42,346 | 62,658 |
| Other income | 8,939 | 8,291 |
| Other costs | (14,885) | (21,624) |
| Operating profit | 36,401 | 49,325 |
| Finance income | 10,466 | 10,773 |
| Finance costs | (3,419) | (5,090) |
| Share of the profit of associates and joint ventures accounted for using the equity method | 486 | 880 |
| Profit before income taxes | 43,934 | 55,889 |
| Income tax expense | (20,317) | (18,544) |
| Profit for the year | 23,616 | 37,344 |
| Attributable to | | |
| Owners of the parent company | 20,682 | 34,276 |
| Non-controlling interests | 2,933 | 3,068 |
| Earnings per share | | |
| Basic (Yen) | 60.31 | 99.94 |
| Diluted (Yen) | 60.28 | 99.90 |

Consolidated Statement of Comprehensive Income

(Millions of yen)

| | Fiscal year ended March 31, 2022 | Fiscal year ended March 31, 2023 |
|--|-------------------------------------|-------------------------------------|
| Profit for the year | 23,616 | 37,344 |
| 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 | 15,092 | (192) |
| Remeasurements of defined benefit pension plans | 9,517 | 4,876 |
| Share of other comprehensive income of investments accounted for using equity method | (12) | (248) |
| Total | 24,596 | 4,435 |
| Items that may be reclassified subsequently to profit or loss | | |
| Exchange differences on translation of foreign operations | 35,423 | 12,069 |
| Share of other comprehensive income of investments accounted for using equity method | 1,023 | 568 |
| Total | 36,446 | 12,637 |
| Total other comprehensive income | 61,043 | 17,073 |
| Comprehensive income for the year | 84,660 | 54,418 |
| Attributable to | | |
| Owners of the parent company | 78,470 | 50,624 |
| Non-controlling interests | 6,189 | 3,793 |

(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 その他の資本の構成要素 | | |
| | | | | 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, 2021 | 45,591 | 107,397 | (428) | — | — | (5,934) |
| Increase (Decrease) based on inflation accounting of Argentina consolidated subsidiary | — | — | — | — | — | — |
| As of April 1, 2021 (adjusted) | 45,591 | 107,397 | (428) | — | — | (5,934) |
| Profit for the year | — | — | — | — | — | — |
| Other comprehensive income | — | — | — | 15,108 | 9,491 | 33,187 |
| Comprehensive income for the year | — | — | — | 15,108 | 9,491 | 33,187 |
| Acquisition of treasury stock | — | — | (2) | — | — | — |
| Disposal of treasury stock | — | △0 | 0 | — | — | — |
| Dividends | — | — | — | — | — | — |
| Share-based payment transactions | — | — | — | — | — | — |
| Transfer to retained Earnings | — | — | — | (15,108) | (9,491) | — |
| Change of scope of consolidation | — | (27) | — | — | — | — |
| Changes in the ownership interest in subsidiaries without a loss of control | — | 269 | — | — | — | — |
| Total transactions with the owners | — | 241 | (2) | (15,108) | (9,491) | — |
| As of March 31, 2022 | 45,591 | 107,638 | (430) | — | — | 27,253 |
| Increase (Decrease) based on inflation accounting of Argentina consolidated subsidiary | — | — | — | — | — | — |
| As of April 1, 2022 (adjusted) | 45,591 | 107,638 | (430) | — | — | 27,253 |
| Profit of the year | — | — | — | — | — | — |
| Other comprehensive income | — | — | — | (216) | 4,639 | 11,924 |
| Comprehensive income for the year | — | — | — | (216) | 4,639 | 11,924 |
| Acquisition of treasury stock | — | — | (2) | — | — | — |
| Disposal of treasury stock | — | — | — | — | — | — |
| Dividends | — | — | — | — | — | — |
| Share-based payment transactions | — | △4 | 16 | — | — | — |
| Transfer to retained Earnings | — | — | — | 216 | (4,639) | — |
| Change of scope of consolidation | — | — | — | — | — | — |
| Changes in the ownership interest in subsidiaries without a loss of control | — | (530) | — | — | — | — |
| Total transactions with the owners | — | (535) | 14 | 216 | (4,639) | — |
| As of March 31, 2023 | 45,591 | 107,103 | (416) | — | — | 39,177 |

(Millions of yen)

| | Equity attributable to owners of the parent company | | | | |
|--|---|-------------------|---------|------------------------------|--------------|
| | Other components of equity | Retained Earnings | Total | Non-controlling interests | Total equity |
| | Total 合計 | | | | |
| As of April 1, 2021 | (5,934) | 404,281 | 550,908 | 34,179 | 585,088 |
| Increase (Decrease) based on inflation accounting of Argentina consolidated subsidiary | — | △108 | △108 | — | △108 |
| As of April 1, 2021 (adjusted) | (5,934) | 404,172 | 550,799 | 34,179 | 584,979 |
| Profit for the year | — | 20,682 | 20,682 | 2,933 | 23,616 |
| Other comprehensive income | 57,788 | — | 57,788 | 3,255 | 61,043 |
| Comprehensive income for the year | 57,788 | 20,682 | 78,470 | 6,189 | 84,660 |
| Acquisition of treasury stock | — | — | (2) | — | (2) |
| Disposal of treasury stock | — | — | 0 | — | 0 |
| Dividends | — | (5,488) | (5,488) | (2,149) | (7,637) |
| Share-based payment transactions | — | — | — | — | — |
| Transfer to retained Earnings | (24,600) | 24,600 | — | — | — |
| Change of scope of consolidation | — | (8) | (36) | (1) | (37) |
| Changes in the ownership interest in subsidiaries without a loss of control | — | — | 269 | (1,815) | (1,546) |
| Total transactions with the owners | (24,600) | 19,104 | (5,257) | (3,966) | (9,224) |
| As of March 31, 2022 | 27,253 | 443,960 | 624,012 | 36,402 | 660,415 |
| Increase (Decrease) based on inflation accounting of Argentina consolidated subsidiary | — | 308 | 308 | — | 308 |
| As of April 1, 2022 (adjusted) | 27,253 | 444,269 | 624,321 | 36,402 | 660,724 |
| Profit of the year | — | 34,276 | 34,276 | 3,068 | 37,344 |
| Other comprehensive income | 16,347 | — | 16,347 | 725 | 17,073 |
| Comprehensive income for the year | 16,347 | 34,276 | 50,624 | 3,793 | 54,418 |
| Acquisition of treasury stock | — | — | (2) | — | (2) |
| Disposal of treasury stock | — | — | — | — | — |
| Dividends | — | (7,203) | (7,203) | (7,458) | (14,661) |
| Share-based payment transactions | — | — | 11 | — | 11 |
| Transfer to retained Earnings | (4,423) | 4,423 | — | — | — |
| Change of scope of consolidation | — | 11 | 11 | (53) | (41) |
| Changes in the ownership interest in subsidiaries without a loss of control | — | — | (530) | 817 | 287 |
| Total transactions with the owners | (4,423) | (2,767) | (7,711) | (6,694) | (14,406) |
| As of March 31, 2023 | 39,177 | 475,777 | 667,234 | 33,501 | 700,735 |

(4) Consolidated Statement of Cash Flows

(Millions of yen)

| | Fiscal year ended March 31, 2022 | Fiscal year ended March 31, 2023 |
|---|-------------------------------------|-------------------------------------|
| Cash flows from operating activities | | |
| Profit before income taxes | 43,934 | 55,889 |
| Depreciation and amortization | 66,990 | 69,493 |
| Impairment losses | 3,540 | 3,403 |
| Finance income (costs) | (740) | 800 |
| Share of the loss (profit) of associates and joint ventures accounted for using the equity method | (486) | (880) |
| Net increase (decrease) in provisions | 619 | 11,536 |
| Increase (Decrease) in retirement benefit liabilities | (5,192) | (5,454) |
| Decrease (Increase) in retirement benefit assets | (10,622) | (204) |
| Decrease (Increase) in inventories | (32,556) | (8,733) |
| Net decrease (increase) in trade and other Receivables | (13,071) | (21,437) |
| Net increase (decrease) in trade and other Payables | 20,413 | 14,788 |
| Other | 11,089 | (1,606) |
| Subtotal | 83,918 | 117,594 |
| Interest received | 1,361 | 1,786 |
| Dividends received | 2,288 | 1,995 |
| Interest paid | (2,907) | (3,997) |
| Income taxes paid | (17,622) | (39,099) |
| Net cash provided by (used in) operating activities | 67,039 | 78,279 |
| Cash flows from investing activities | | |
| Payment of Purchases of property, plant and equipment | (42,684) | (55,783) |
| Proceeds from sales of property, plant and equipment | 1,383 | 4,348 |
| Payment of purchases of investment securities | (82) | (388) |
| Proceeds from sales of investment securities | 24,161 | 2,003 |
| Payment of acquisition of subsidiaries' stock resulting in change in scope of consolidation | 6 | 65 |
| Other | (8,050) | (2,355) |
| Net cash provided by (used in) investing activities | (25,265) | (52,109) |

(Millions of yen)

| | Fiscal year ended March 31, 2022 | Fiscal year ended March 31, 2023 |
|---|-------------------------------------|-------------------------------------|
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term Borrowings | (3,311) | (6,671) |
| Proceeds from long-term borrowings | 134,777 | 84,501 |
| Repayment of long-term borrowings | (143,624) | (90,399) |
| Redemption of bonds | (20,000) | — |
| Dividends paid | (5,488) | (7,203) |
| Dividends paid to non-controlling interests | (2,149) | (7,458) |
| Payment of acquisition of subsidiaries' stock not resulting in change in scope of consolidation | (1,590) | (21) |
| Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation | — | 322 |
| Proceeds from sale and leaseback | — | 112 |
| Other | (2,143) | (1,888) |
| Net cash provided by (used in) financing activities | (43,531) | (28,707) |
| Foreign currency translation adjustments on cash and cash equivalents | 7,588 | 2,134 |
| Net increase (decrease) in cash and cash equivalents | 5,830 | (403) |
| Cash and cash equivalents at beginning of year | 118,645 | 124,254 |
| Net increase in cash and cash equivalents from newly consolidated subsidiaries | 1 | — |
| Decreases in cash and cash equivalents from exclusion of subsidiaries from consolidation | (222) | — |
| Cash and cash equivalents at end of year | 124,254 | 123,850 |

Segment information

For the year ended March 31, 2022

(Millions of yen)

| | Reportable segment | | | | Adjustments | Consolidated |
|--|--------------------|-------------------------|---------------|-----------|-------------|--------------|
| | Automotive | Industrial and Bearings | Machine tools | Total | | |
| Revenue | | | | | | |
| Customers | 965,363 | 311,588 | 151,474 | 1,428,426 | — | 1,428,426 |
| Intersegment | 1,281 | 19,577 | 19,968 | 40,828 | (40,828) | — |
| Total | 966,645 | 331,165 | 171,443 | 1,469,254 | (40,828) | 1,428,426 |
| Segment profit (loss): Business profit | 14,776 | 16,391 | 9,936 | 41,104 | 1,242 | 42,346 |
| Other income | | | | | | 8,939 |
| Other costs | | | | | | (14,885) |
| Operating profit | | | | | | 36,401 |
| Finance income | | | | | | 10,466 |
| Finance costs | | | | | | (3,419) |
| Share of the profit of associates and joint ventures accounted for using the equity method | | | | | | 486 |
| Profit before income taxes | | | | | | 43,934 |
| Other items | | | | | | |
| Depreciation and Amortization | 39,210 | 17,565 | 10,215 | 66,990 | — | 66,990 |
| Impairment losses | 3,227 | 313 | — | 3,540 | — | 3,540 |
| Capital expenditure | 37,118 | 6,697 | 10,307 | 54,122 | — | 54,122 |

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

For the year ended March 31, 2023

(Millions of yen)

| | Reportable segment | | | | Adjustments | Consolidated |
|--|--------------------|-------------------------|---------------|-----------|-------------|--------------|
| | Automotive | Industrial and Bearings | Machine tools | Total | | |
| Revenue | | | | | | |
| Customers | 1,142,693 | 351,507 | 183,945 | 1,678,146 | — | 1,678,146 |
| Intersegment | 2,385 | 19,162 | 22,253 | 43,801 | (43,801) | — |
| Total | 1,145,079 | 370,670 | 206,198 | 1,721,947 | (43,801) | 1,678,146 |
| Segment profit (loss): Business profit | 30,992 | 17,040 | 13,758 | 61,792 | 866 | 62,658 |
| Other income | | | | | | 8,291 |
| Other costs | | | | | | (21,624) |
| Operating profit | | | | | | 49,325 |
| Finance income | | | | | | 10,773 |
| Finance costs | | | | | | (5,090) |
| Share of the profit of associates and joint ventures accounted for using the equity method | | | | | | 880 |
| Profit before income taxes | | | | | | 55,889 |
| Other items | | | | | | |
| Depreciation and Amortization | 41,157 | 17,784 | 10,551 | 69,493 | — | 69,493 |
| Impairment losses | 3,118 | 219 | 65 | 3,403 | — | 3,403 |
| Capital expenditure | 41,369 | 12,748 | 11,794 | 65,912 | — | 65,912 |

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