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Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under IFRS)

DATE: April 25, 2025

Company name: JTEKT Corporation
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 6473 URL: <https://www.jtekt.co.jp/e/>
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 Scheduled date of annual general meeting of shareholders: June 25, 2025
 Scheduled date to commence dividend payments: May 23, 2025
 Scheduled date to file securities report (Japanese only): June 23, 2025
 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, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Business profit		Operating profit		Profit before income taxes	
Fiscal year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	1,884,397	(0.4)	64,938	(10.9)	38,452	(38.2)	30,876	(57.4)
March 31, 2024	1,891,504	12.7	72,898	16.3	62,196	26.1	72,513	29.7

	Profit for the year		Profit attributable to owners of the parent company		Comprehensive income for the year		Basic earnings per share
Fiscal year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2025	16,544	(62.2)	13,713	(65.9)	2,706	(98.1)	40.36
March 31, 2024	43,724	17.1	40,257	17.4	144,173	164.9	117.37

	Diluted earnings per share	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
Fiscal year ended	Yen	%	%	%
March 31, 2025	40.34	1.8	1.9	3.4
March 31, 2024	117.32	5.5	4.7	3.9

(Reference) Share of the profit (loss) of investments accounted for using equity method

Fiscal year ended March 31, 2025: 1,016 million yen, Fiscal year ended March 31, 2024: 833 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 parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2025	1,565,391	777,469	745,044	47.6	2,340.55
March 31, 2024	1,628,514	822,770	788,984	48.4	2,300.32

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	80,238	(75,936)	(52,076)	119,060
March 31, 2024	154,461	(71,352)	(47,224)	167,019

2. Cash dividends

	Annual dividends per share					Total cash 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			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	—	16.00	—	20.00	36.00	12,349	30.7	1.7
Fiscal year ended March 31, 2025	—	25.00	—	25.00	50.00	16,534	123.9	2.2
Fiscal year ending March 31, 2026 (Forecast)	—	30.00	—	30.00	60.00		95.5	

3. Forecast of consolidated financial results for the year ending March 31, 2026**(from April 1, 2025 to March 31, 2026)**

(Percentages indicate year-on-year changes.)

	Revenue		Business profit		Operating profit		Profit before income taxes	
	Millions of yen	%	Millions of yen	%			Millions of yen	%
Full year	1,770,000	(6.1)	60,000	(7.6)	50,000	30.0	45,000	45.7
	Profit attributable to owners of the parent company		Basic earnings per share					
	Millions of yen	%	Yen					
Full year	20,000	45.8	62.83					

***Notes**

(1) Significant changes in the scope of consolidation during the period: None

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

- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(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, 2025	318,608,107 shares
As of March 31, 2024	343,286,307 shares

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

As of March 31, 2025	288,238 shares
As of March 31, 2024	297,894 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Fiscal year ended March 31, 2025	339,751,084 shares
Fiscal year ended March 31, 2024	342,986,389 shares

(Note) For the basic number of shares of calculating basic earnings per share, please see “(5) Note on condensed consolidated financial statements (Earning per share)” under “3. Consolidated financial statements and main notes” on page 17 of the attachments.

(Reference) Summary of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025
(from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Ordinary profit		Profit for the year	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	808,034	0.1	20,228	(17.3)	73,580	0.5	53,097	(4.2)
March 31, 2024	807,382	16.1	24,459	19.7	73,236	(25.6)	55,436	30.2

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	156.27	156.20
March 31, 2024	161.61	161.54

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	942,962	448,916	47.6	1,410.10
March 31, 2024	966,571	464,231	48.0	1,353.34

(Reference) Equity

Fiscal year ended March 31, 2025: 448,916 million yen, Fiscal year ended March 31, 2024: 464,231 million yen

(Note) The number in non-consolidated financial results are based on Japanese Standards.

* Review of the Japanese-language originals of the attached consolidated financial statements by certified public accountants or an audit firm: None

* 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. For more information on forecasts, please see “(3) Explanation for forecast of consolidated financial results” under “1. Qualitative information for financial results” on page 2 of the attachments.

Table of Contents of Attachments

1. Qualitative information for financial results	2
(1) Explanation for operating results.....	2
(2) Explanation for financial position	4
(3) Explanation for cash flows	4
(4) Explanation for forecast of consolidated financial results.....	4
2. Basic policy regarding the selection of accounting standards	5
3. Consolidated financial statements and main notes	6
(1) Consolidated statement of financial position.....	6
(2) Consolidated statement of profit or loss and Consolidated statement of comprehensive income	8
(3) Consolidated statement of changes in equity	10
(4) Consolidated statement of cash flows	12
(5) Note on condensed consolidated financial statements.....	14
(Assumption of going concern).....	14
(Changes in accounting policies)	14
(Changes in presentation).....	14
(Segment information)	14
(Earnings per share)	17
(Significant subsequent events)	17

1. Qualitative information for financial results

(1) Explanation for operating results

Although the global economy showed steady growth during the fiscal year, uncertainties about the economic outlook in our business domain increased due to stagnant automobile production in Japan and continued economic stagnation in Europe and China. Despite the challenging external environment, we have focused on building a system to realize “transformation into a solution provider” with the JTEKT Group 2030 Vision, which we set as our goal by 2030. We aim to become a solution provider by generating resources for growth by adding value to existing products and using those resources to take on challenges in new fields.

Based on our Second Medium-Term Business Plan (FY2024-2026), we have been steadily implementing strategies in line with this plan. We have solidified the foundation for growth through our key initiatives: “Strengthening Solution Creativity,” “Strengthening Competitiveness,” and “Restructuring the Global Structure.” In addition, to strengthen our management foundation, we have also focused on “People and Site 1st management,” “Promoting carbon neutrality” and “Cash Allocation and Shareholder Returns.”

Regarding “Strengthening Solution Creativity,” we established a Solution Co-Creation Center (SCC) in January 2025. We are all working together to create a platform based on the technologies and knowledge (core competencies) of the JTEKT Group, and SCC plays a role in connecting them and works together to solve the challenges received from inside and outside the company. SCC has already received over 100 consultations, including some cases of solutions that have led to increased customer satisfaction, and we are seeing steady results. By utilizing SCC's system and continuing to create solutions to problems both inside and outside the company, we will transform the entire company into a solution provider.

As part of our efforts to “Strengthening Competitiveness,” in the Automotive Business Unit, we have been developing C-EPS with the concept of “lightweight and compact”, and the second generation of RP-EPS with the concept of “high quality and low cost” to meet customer needs. Additionally, looking ahead to future business, we have been focusing on the development of Steer by Wire based on our core technology, and have been aiming to evolve Pairdriver® towards autonomous driving by adding high value.

In the Industrial and Bearing Business Unit, we have been working to establish competitive advantages, such as shortening development lead times using digital technology. In the bearing design process, we have achieved a reduction in design review time to one-fourth of the conventional time by centralizing the management of design data and developing and introducing a system that automates repetitive calculations by designers.

In the Machine Tools & Manufacturing Systems Business Unit, we have been developing large models of grinders to meet a wide range of customer needs, and equipment to support the evolution of batteries for electric vehicles. We also have been strengthening our proposals for automation and process consolidation, as well as digital services to improve the efficiency of maintenance operations to contribute to solving issues such as labor shortages and environmental issues.

In the Aftermarket Business Unit, we have been focusing on exploring emerging overseas markets and developing products that meet new customer needs. To contribute to the prevention of water damage caused by climate change, we have announced the water level gauge “STD series,” which excels in environmental resistance and achieves long life even in harsh environments such as seawater areas and cold regions.

To strengthen the digital infrastructure that supports these businesses, we have promoted digital Monozukuri across the company, such as improving IT literacy, introducing AI and automation in production sites to improve productivity. In the company-wide activity called “Digital Festival,” we developed IT digital tools and organized events and launched a site to share digital utilization examples. Through these activities, we have gained momentum to voluntarily promote digitization within our work. In production sites, we have steadily advanced digital Monozukuri, such as developing an AI utilization platform that can be easily used without programming in inspection processes.

As for “Restructuring the global structure,” we clarified strategies for each major region and implemented measures to maximize corporate value globally. In India, which we position as a growth market, we decided to establish our new factory in October 2024. In Europe, where the market continues to be sluggish and improvement of profitability is urgently needed, we have accelerated structural reforms. We reviewed the production system for each base and executed the sale of the hydraulic pump manufacturing base and the needle roller bearing business. In Europe, we will implement further structural reforms and aim to return to profitability as soon as possible through appropriate investment of management resources.

As a human capital strategy, we are committed to “People and Site 1st management.” We have promoted a company culture that encourages employees to take on new challenges based on the idea that challenges nurture people, and people create new solutions. We implemented new initiatives such as “Considerate Communication Training” and “Mutual Respect Month,” positioning the improvement of employee engagement as a key factor in transforming into a solution provider.

In terms of initiatives in consideration of the environment, we established the CN Lab at the Kariya Plant, as part of “promoting carbon neutrality”. The CN Lab is a model plant that can generate and store hydrogen using solar power. We aim to achieve carbon neutrality at our global sites by 2035, we have obtained SBT* certification for our group's greenhouse gas emission reduction target by FY2030 (compared to FY2021). These efforts to address climate change have been highly evaluated externally, such as receiving the highest rating of A in the latest climate change field assessment by CDP, an international environmental non-profit organization. We will also focus on realizing a circular economy, and will promote initiatives, such as resource reuse and waste reduction.

Regarding “Cash Allocation and Shareholder Returns,” we planned to return 100 billion yen to shareholders during the period of the Second Medium-Term Business Plan and have been steadily implementing measures. We revised our return policy to a DOE target of 2-3% to clarify our stance on continuing stable dividends and increasing dividends. Additionally, we conducted our first share buyback, totaling over 28 billion yen. We will continue to increase our corporate value and enhance returns to shareholders. We are also steadily reducing our cross-shareholdings to zero. We will actively invest the funds generated by the reduction in human resources, research and development, and other areas to achieve sustainable growth, and we will strive to optimize capital efficiency.

*SBT: Greenhouse gas emission reduction targets set by companies that are aligned with the levels required by the Paris Agreement

In addition to these measures, we have redefined JTEKT's Mission Vision Value (MVV) as the foundation for our leap to becoming a solution provider. The Mission, which is our reason for existence, is inspired by the thoughts embedded in the company name JTEKT, such as “Joint technology” and “JOY.” The Vision shows the company's goal to realize the Mission, which is the “JTEKT Group 2030 Vision.” The Value is a set of shared values that more clearly express JTEKT's basic philosophy and has been established so that all employees can always move forward with the same mindset. We will continue to contribute to society by co-creating optimal solutions, gathering the collective strength of the group, with MVV as our common axis of decision-making.

Under these conditions, for the fiscal year ended March 31, 2025, revenue decreased by 7,107 million yen or 0.4%, year on year, to 1,884,397 million yen. Business profit decreased by 7,960 million yen or 10.9%, year on year, to 64,938 million yen. Profit attributable to owners of the parent company decreased by 26,544 million yen or 65.9%, year on year, to 13,713 million yen.

Business results by reportable segments are as follows.

Revenue of “Automotive” segment decreased by 11,287 million yen or 0.8 %, year on year, to 1,333,150 million yen due to a significant decrease in sales in Europe and China, despite a favorable impact of exchange rate fluctuations. Business profit decreased by 6,695 million yen or 14.9 %, year on year, to 38,344 million yen mainly due to a decrease in revenue, and declining productivity in North America, despite a favorable impact of exchange rate fluctuations and effect of cost reductions.

Revenue of “Industrial and bearings” segment decreased by 5,808 million yen or 1.6 %, year on year, to 352,268 million yen due to a decrease in sales in Japan and Europe, despite a favorable impact of exchange rate fluctuations. Business profit decreased by 4,036 million yen or 31.8 %, year on year, to 8,649 million yen due to a significant decrease in revenue, despite a favorable impact of exchange rate fluctuations and effect of cost reductions.

Revenue of “Machine tools” segment increased by 9,989 million yen or 5.3 %, year on year, to 198,978 million yen due to an increase in sales, especially in North America and China, and an impact of exchange rate fluctuations. Business profit increased by 2,674 million yen or 18.1 %, year on year, to 17,410 million yen mainly due to a favorable impact of exchange rate fluctuations and effect of cost reductions.

(2) Explanation for financial position

Assets amounted to 1,565,391 million yen, decreased by 63,122 million yen from the end of the previous fiscal year, mainly due to a decrease in “Cash and cash equivalents” and “Inventories”.

Liabilities amounted to 787,922 million yen, decreased by 17,821 million yen from the end of the previous fiscal year, mainly due to a decrease in “Deferred tax liabilities” and “Retirement benefit liabilities”.

Equity amounted to 777,469 million yen, decreased by 63,122 million yen from the end of the previous fiscal year, mainly due to a decrease in “Retained earnings” from dividends and Cancellation of treasury stock.

(3) Explanation for cash flows

Consolidated cash flows are as follows.

Operating activities provided net cash of 80,238 million yen (In the previous fiscal year, provided net cash of 154,461 million yen) mainly due to record “Profit before income taxes”.

Investing activities used net cash of 75,936 million yen (In the previous fiscal year, used net cash of 71,352 million yen) mainly due to the payment of purchases of property, plant and equipment, despite proceeds from sales of investment securities.

Financing activities used net cash of 52,076 million yen (In the previous fiscal year, used net cash of 47,224 million yen) mainly due repayments of long-term borrowings and dividends.

As a result of adding foreign currency translation adjustments, cash and cash equivalents at the end of year amounted to 119,060 million yen.

(4) Explanation for forecast of consolidated financial results

In the JTEKT Group 2030 Vision, our mid- to long-term goal, we have set the target of becoming “a solution provider creating the future of mobility society through Monozukuri and Monozukuri equipment.” We would like to contribute to society with innovative solutions that can only be realized by our strength in Monozukuri for automotive parts and bearings and Monozukuri equipment for machine tools. To achieve this goal, it is essential for us to enhance the added value of existing products by combining our core technologies and competencies, while also challenging new areas and developing them into growth businesses. As an advanced example, the high-heat-resistant lithium-ion capacitor “Libuddy®,” developed as an auxiliary power supply for our main product, electric power steering, is providing new solutions in many fields by combining with our various competencies. For example, we are working on developing a drone attitude control system by combining Libuddy® with the competencies we have cultivated in electric power steering, such as motor control technology and safety design technology. We aim to contribute to improving the performance of drones, the next generation of mobility, through further development and verification. We will aggressively challenge new areas by leveraging the wide range of technologies and strengths we have accumulated over the years.

To demonstrate our value in a mobility society where people and things can move freely, we must make a significant shift from a passive business to a solution business. As the first step, we are focusing on building a platform called the Core Competence Platform (CCP), which aggregates the core technologies and skilled human resources of our Group. In addition, the newly established Solution Co-Creation Center (SCC) accepts issues faced by customers and within the company and aim to create optimal solutions by connecting CCP. We will first accumulate examples of utilizing CCP and SCC and will build the foundation for a solution business. By brushing up this system, we will convert all businesses to solution ones and transform into a solution provider.

In addition, to strengthen the management foundation supporting the leap to becoming a solution provider, we will thoroughly reduce unnecessary costs and fixed costs, restructure, and review and streamline our operations. Particularly in North America, we are currently facing issues of declining productivity and unnecessary cost increases due to rising employee turnover rates since the COVID-19 pandemic. To normalize production and minimize costs, we have dispatched a task force team to the local area to work on improving profitability. We will minimize unnecessary costs not only in the North American but also in the company as a whole and build a system that can generate healthy profits.

As a company that values “Safety First, Quality Second,” we will further strengthen governance to ensure labor safety and foster a workplace culture that does not tolerate fraud, under the value of “Yes for All, by All!” We will continue to make continuous improvements to remain a company trusted by society.

Consolidated financial results forecasts for the fiscal year ending March 31, 2026, we expect Revenue of 1,770 billion yen, Business profit of 60 billion yen, Operating profit of 50 billion yen, Profit before income taxes of 45 billion yen, and Profit attributable to owners of the parent company of 20 billion yen.

The exchange rate assumption is 140 yen to the U.S. dollar and 160 yen to the euro.

2. Basic policy regarding the selection of accounting standards

We have adopted International Financial Reporting Standards (“IFRS”) for its consolidated financial statements in the annual report since the fiscal year ended March 31, 2020.

3. Consolidated financial statements and main notes

(1) Consolidated statement of financial position

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and cash equivalents	167,019	119,060
Trade and other receivables	360,180	368,216
Inventories	267,057	257,771
Other financial assets	2,914	993
Income tax receivable	4,954	1,810
Other current assets	3,350	2,430
Sub total	805,476	750,283
Assets held for sale	—	12,559
Total current assets	805,476	762,843
Non-current assets		
Property, plant and equipment	476,426	480,570
Goodwill and Intangible assets	49,967	45,462
Other financial assets	192,529	190,027
Investments accounted for using equity method	15,718	17,302
Deferred tax assets	18,605	21,228
Other non-current assets	69,789	47,956
Total non-current assets	823,038	802,548
Total assets	1,628,514	1,565,391

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	388,909	379,649
Bonds and borrowings	61,127	54,351
Other financial liabilities	3,661	3,219
Income taxes payable	6,501	9,627
Provisions	9,963	16,499
Other current liabilities	12,057	11,405
Sub total	482,220	474,752
Liabilities directly associated with assets held for sale	—	7,497
Total current liabilities	482,220	482,250
Non-current liabilities		
Bonds and borrowings	180,820	186,123
Other financial liabilities	13,184	13,635
Retirement benefit liabilities	71,044	60,779
Provisions	159	89
Deferred tax liabilities	49,691	36,493
Other non-current liabilities	8,621	8,550
Total non-current liabilities	323,522	305,672
Total liabilities	805,743	787,922
Equity		
Capital stock	45,591	45,591
Capital surplus	102,534	101,058
Treasury stock	(396)	(330)
Other components of equity	72,791	67,991
Retained earnings	568,463	530,733
Equity attributable to owners of the parent company	788,984	745,044
Non-controlling interests	33,786	32,425
Total equity	822,770	777,469
Total liabilities and equity	1,628,514	1,565,391

(2) Consolidated statement of profit or loss and
Consolidated statement of comprehensive income
Consolidated statement of profit or loss

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Revenue	1,891,504	1,884,397
Cost of revenue	(1,607,576)	(1,603,106)
Gross profit	283,927	281,291
Selling, general and administrative expenses	(211,029)	(216,352)
Business profit	72,898	64,938
Other income	11,437	7,996
Other expenses	(22,140)	(34,482)
Operating profit	62,196	38,452
Finance income	19,238	8,547
Finance costs	(9,754)	(17,139)
Share of profit of investments accounted for using equity method	833	1,016
Profit before income taxes	72,513	30,876
Income tax expense	(28,788)	(14,331)
Profit for the year	43,724	16,544
Attributable to		
Owners of the parent company	40,257	13,713
Non-controlling interests	3,467	2,831
Earnings per share		
Basic (Yen)	117.37	40.36
Diluted (Yen)	117.32	40.34

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit for the year	43,724	16,544
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	40,135	3,655
Remeasurements of defined benefit pension plans	24,167	(12,347)
Share of other comprehensive income of investments accounted for using equity method	329	33
Total	64,632	(8,659)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	35,074	(5,815)
Share of other comprehensive income of investments accounted for using equity method	741	636
Total	35,815	(5,178)
Total other comprehensive income	100,448	(13,837)
Comprehensive income for the year	144,173	2,706
Attributable to		
Owners of the parent company	138,504	245
Non-controlling interests	5,669	2,461

(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, 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 for the period	—	—	—	—	—	—
Other comprehensive income	—	—	—	40,123	24,509	33,614
Comprehensive income for the period	—	—	—	40,123	24,509	33,614
Acquisition of treasury stock	—	—	(4)	—	—	—
Disposal of treasury stock	—	(0)	0	—	—	—
Cancellation of treasury stock	—	—	—	—	—	—
Dividends	—	—	—	—	—	—
Share-based payment transactions	—	(3)	24	—	—	—
Transfer to retained Earnings	—	—	—	(40,123)	(24,509)	—
Changes in the ownership interest in subsidiaries without a loss of control	—	(4,564)	—	—	—	—
Total transactions with the owners	—	(4,568)	19	(40,123)	(24,509)	—
As of March 31, 2024	45,591	102,534	(396)	—	—	72,791
As of April 1, 2024	45,591	102,534	(396)	—	—	72,791
Increase (decrease) based on inflation accounting of subsidiary that is consolidated and located in Argentina	—	—	—	—	—	—
As of April 1, 2024 (adjusted)	45,591	102,534	(396)	—	—	72,791
Profit of the period	—	—	—	—	—	—
Other comprehensive income	—	—	—	3,652	(12,320)	(4,800)
Comprehensive income for the period	—	—	—	3,652	(12,320)	(4,800)
Acquisition of treasury stock	—	—	(28,839)	—	—	—
Disposal of treasury stock	—	(0)	0	—	—	—
Cancellation of treasury stock	—	(1,473)	28,888	—	—	—
Dividends	—	—	—	—	—	—
Share-based payment transactions	—	(2)	16	—	—	—
Transfer to retained Earnings	—	—	—	(3,652)	12,320	—
Changes in the ownership interest in subsidiaries without a loss of control	—	—	—	—	—	—
Total transactions with the owners	—	(1,476)	66	(3,652)	12,320	—
As of March 31, 2025	45,591	101,058	(330)	—	—	67,991

(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, 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 for the period	—	40,257	40,257	3,467	43,724
Other comprehensive income	98,246	—	98,246	2,202	100,448
Comprehensive income for the period	98,246	40,257	138,504	5,669	144,173
Acquisition of treasury stock	—	—	(4)	—	(4)
Disposal of treasury stock	—	—	0	—	0
Cancellation of treasury stock	—	—	—	—	—
Dividends	—	(12,005)	(12,005)	(3,492)	(15,498)
Share-based payment transactions	—	—	20	—	20
Transfer to retained Earnings	(64,632)	64,632	—	—	—
Changes in the ownership interest in subsidiaries without a loss of control	—	—	(4,564)	(1,891)	(6,456)
Total transactions with the owners	(64,632)	52,626	(16,554)	(5,384)	(21,939)
As of March 31, 2024	72,791	568,463	788,984	33,786	822,770
As of April 1, 2024	72,791	568,463	788,984	33,786	822,770
Increase (decrease) based on inflation accounting of subsidiary that is consolidated and located in Argentina	—	75	75	—	75
As of April 1, 2024 (adjusted)	72,791	568,538	789,059	33,786	822,846
Profit of the period	—	13,713	13,713	2,831	16,544
Other comprehensive income	(13,467)	—	(13,467)	(370)	(13,837)
Comprehensive income for the period	(13,467)	13,713	245	2,461	2,706
Acquisition of treasury stock	—	—	(28,839)	—	(28,839)
Disposal of treasury stock	—	—	0	—	0
Cancellation of treasury stock	—	(27,414)	—	—	—
Dividends	—	(15,436)	(15,436)	(3,822)	(19,258)
Share-based payment transactions	—	—	14	—	14
Transfer to retained Earnings	8,667	(8,667)	—	—	—
Changes in the ownership interest in subsidiaries without a loss of control	—	—	—	—	—
Total transactions with the owners	8,667	(51,518)	(44,261)	(3,822)	(48,083)
As of March 31, 2025	67,991	530,733	745,044	32,425	777,469

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	72,513	30,876
Depreciation and amortization	72,350	71,794
Impairment losses	10,337	14,327
Finance costs (income)	469	440
Share of the loss (profit) of associates and joint ventures accounted for using the equity method	(833)	(1,016)
Net increase (decrease) in provisions	(10,478)	6,815
Increase (Decrease) in retirement benefit liabilities	(1,225)	(6,840)
Decrease (Increase) in retirement benefit assets	(30,944)	22,719
Decrease (Increase) in inventories	(1,207)	(1,375)
Net decrease (increase) in trade and other Receivables	11,239	(10,230)
Net increase (decrease) in trade and other Payables	23,399	(11,257)
Other	29,972	(16,886)
Subtotal	175,594	99,366
Interest received	3,320	2,524
Dividends received	2,180	2,473
Interest paid	(6,698)	(5,095)
Income taxes paid	(19,934)	(19,029)
Net cash provided by (used in) operating activities	154,461	80,238
Cash flows from investing activities		
Payment of Purchases of property, plant and equipment	(58,746)	(88,298)
Proceeds from sales of property, plant and equipment	4,440	5,239
Purchases of intangible assets	(22,702)	(3,221)
Payment of purchases of investment securities	(468)	(303)
Proceeds from sales of investment securities	6,807	11,196
Other	(682)	(549)
Net cash provided by (used in) investing activities	(71,352)	(75,936)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term Borrowings	(18,184)	(1,249)
Proceeds from long-term borrowings	1,063	35,274
Repayment of long-term borrowings	(15,845)	(44,925)
Proceeds from issuance of bonds	20,000	20,000
Redemption of bonds	(10,000)	(10,000)
Dividends paid	(12,005)	(15,436)
Dividends paid to non-controlling interests	(3,450)	(3,822)
Purchase of treasury stock	(4)	(28,839)
Payment of acquisition of subsidiaries' stock not resulting in change in scope of consolidation	(6,103)	—
Other	(2,693)	(3,077)
Net cash provided by (used in) financing activities	(47,224)	(52,076)
Foreign currency translation adjustments on cash and cash equivalents	7,283	(183)
Net increase (decrease) in cash and cash equivalents	43,168	(47,958)
Cash and cash equivalents at beginning of period	123,850	167,019
Cash and cash equivalents at end of period	167,019	119,060

(5) Note on condensed consolidated financial statements

(Assumption of going concern)

There are no applicable items.

(Changes in accounting policies)

There are no applicable items.

(Changes in presentation)

Consolidated statement of cash flows

“Purchase of treasury stock”, which were included in “Others” under “Cash flow from financing activities” in previous fiscal year, have been separately presented from this fiscal year due to increased significance. The consolidated cash flow statement for the previous fiscal year has been reclassified to reflect this change in presentation.

As a result, the amount of (2,697) million yen previously shown as “Others” under “Cash flow from financing activities” in the consolidated cash flow statement for the previous fiscal year has been reclassified as (4) million yen for “Purchase of treasury stock” and (2,693) million yen for “Others”

(Segment information)

1. Outline of reportable segments

The Group's reportable segments are components of an entity for which separate financial information is available. Such information is evaluated regularly by the board of directors for the purpose of making decisions on how to allocate resources and assessing performance.

The Group establishes Business Headquarter by market. Each Business Headquarter develops a domestic and overseas comprehensive strategy about products and services handled and has developed business activities.

Therefore, the Group is composed of segments by market, by service based on Business Headquarters, the Group determined that “Automotive”, “Industrial and bearings” and “Machine tools” are its reportable segments.

“Automotive” segment consolidates two business segments, “steering systems” and “drivelines” due to the similarity of their economic characteristics such trends in revenue.

“Automotive” segment mainly manufactures and sells products for automotive industry as steering systems and drivelines.

“Industrial and bearings” segment mainly manufactures and sells bearings for industrial machinery.

“Machine tools” segment mainly manufactures and sells machine tools, control machine, and industrial heat treatment furnace.

2. Information about reportable segments

Intersegment revenues and transfers of intersegment transactions are determined each period through price negotiations, taking into account market price and total cost. Reportable segment profit is measured on the basis of business profit in the consolidated statement of profit or loss.

Business profit is the profit or loss arising from the operating activities of each reportable segment. Operating transactions are aggregated in accordance with the managerial accounting categories, and headquarter expenses are allocated to reportable segments by the accounting department in an appropriate method.

For the nine months ended March 31, 2024

(Millions of yen)

	Reportable segment				Adjustments	Consolidated
	Automotive	Industrial and bearings	Machine tools	Total		
Revenue						
Customers	1,344,438	358,077	188,989	1,891,504	—	1,891,504
Intersegment	3,313	20,768	24,208	48,291	(48,291)	—
Total	1,347,752	378,845	213,198	1,939,795	(48,291)	1,891,504
Segment profit (loss)	45,039	12,686	14,736	72,461	437	72,898
Other income						11,437
Other expenses						(22,140)
Operating profit						62,196
Finance income						19,238
Finance costs						(9,754)
Share of profit of investments accounted for using equity method						833
Profit before income taxes						72,513

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

For the fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segment				Adjustments	Consolidated
	Automotive	Industrial and bearings	Machine tools	Total		
Revenue						
Customers	1,333,150	352,268	198,978	1,884,397	—	1,884,397
Intersegment	2,883	20,426	25,589	48,899	(48,899)	—
Total	1,336,034	372,694	224,567	1,933,297	(48,899)	1,884,397
Segment profit (loss)	38,344	8,649	17,410	64,404	534	64,938
Other income						7,996
Other expenses						(34,482)
Operating profit						38,452
Finance income						8,547
Finance costs						(17,139)
Share of profit of investments accounted for using equity method						1,016
Profit before income taxes						30,876

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

3. Information about products and service

Since similar information is disclosed in “(1) Overview of Reporting Segments,' it is omitted here”.

4. Information about regions

① Revenue for Customers

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Japan	699,361	706,585
North America		
America	390,960	395,047
Others	78,020	92,986
Europe	235,509	212,054
Asia & Oceania		
China	189,088	175,008
Others	253,925	259,419
Other regions	44,639	43,295
Total	1,891,504	1,884,397

(Note) 1 Revenue is classified by country or region based on the location of the customers.

2 There is no country in Europe where the amount of revenue exceeds 10% of the consolidated revenue.

② Non-current assets

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Japan	268,163	280,410
North America		
America	77,652	76,868
Others	26,694	23,371
Europe	33,423	19,671
Asia & Oceania		
China	52,785	47,968
Others	64,142	74,711
Other regions	11,304	11,729
Total	534,166	534,731

(Note) 1 Investments, other financial assets, and deferred tax assets accounted for using the equity method are not included.

2 Non-current assets are the total of property, plant, equipment and intangible assets.

(Earnings per share)

The basis of calculating basic earnings per share and diluted earnings per share attributable to the owners of the parent company is as follows.

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
The basis of calculating basic earnings per share		
Profit attributable to owners of the parent company (Millions of Yen)	40,257	13,713
Profit non-attributable to common shareholders (Millions of Yen)	—	—
Profit related to calculating basic earnings per share (Millions of Yen)	40,257	13,713
Average number of common shares (Thousands of shares)	342,986	339,751
Basic earnings per share (Yen)	117.37	40.36
The basis of calculating diluted earnings per share		
Profit related to calculating basic earnings per share (Millions of Yen)	40,257	13,713
Adjustments to Profit (Millions of Yen)	—	—
Profit related to calculating diluted earnings per share (Millions of Yen)	40,257	13,713
Average number of common shares (Thousands of shares)	342,986	339,751
Increase in number of common shares by restricted stock compensation plan (Thousands of shares)	150	150
Diluted average number of common shares (Thousands of shares)	343,136	339,901
Diluted earnings per share (Yen)	117.32	40.34

(Significant subsequent events)

There are no applicable items.