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Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under IFRS)

DATE: July 31, 2025

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 Stock exchange listing: Tokyo, Nagoya
 Stock code: 6473 URL: <https://www.jtekt.co.jp/e/>
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 Scheduled date to commence dividend payments: —
 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 three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Revenue		Business profit		Operating profit		Profit before income taxes		Profit for the period	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	454,794	(2.0)	14,036	63.8	13,526	21.4	10,323	(38.4)	6,964	(39.9)
June 30, 2024	464,057	4.1	8,570	(38.7)	11,144	(40.9)	16,758	(32.8)	11,581	(25.9)

	Profit attributable to owners of the parent company		Comprehensive income for the period		Basic earnings per share	Diluted earnings per share
Three months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
June 30, 2025	6,510	(39.8)	(8,222)	—	20.45	20.44
June 30, 2024	10,813	(27.8)	49,046	(5.5)	31.53	31.51

(Note) Business profit is calculated by deducting cost of revenue and selling, general and administrative expenses from revenue.

(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
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2025	1,541,750	760,798	729,069	47.3
March 31, 2025	1,565,391	777,469	745,044	47.6

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	25.00	—	25.00	50.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		30.00	—	30.00	60.00

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

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	%	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

(Note) 1 Changes in the forecast of consolidated financial results in this quarter: No

2 Business profit is calculated by deducting cost of revenue and selling, general and administrative expenses from revenue.

***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 June 30, 2025	318,608,107 shares
As of March 31, 2025	318,608,107 shares

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

As of June 30, 2025	274,708 shares
As of March 31, 2025	288,238 shares

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

Three months ended June 30, 2025	318,320,565 shares
Three months ended June 30, 2024	342,988,904 shares

* Review of the Japanese-language originals of the attached consolidated quarterly 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 quarterly financial results” on page 3 of the attachments.

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1. Qualitative information for quarterly financial results

(1) Explanation for operating results

For the three months ended June 30, 2025, despite increasing uncertainty regarding U.S. trade policies, the economic environment remained robust with capital investment and business confidence in the overall manufacturing industry showing signs of firmness. Whereas, the outlook of business environment is becoming increasingly challenging due to many uncertainties, including the stagnation in global economic activity due to U.S. trade policies and the slowdown in economic growth in China and Europe.

Under these conditions, for the three months ended June 30, 2025, revenue decreased by 9,262 million yen or 2.0%, year on year, to 454,794 million yen. Business profit increased by 5,466 million yen or 63.8%, year on year, to 14,036 million yen. Operating profit increased by 2,382 million yen or 21.4%, year on year, to 13,526 million yen. Profit attributable to owners of the parent company decreased by 4,303 million yen or 39.8%, year on year, to 6,510 million yen.

Business profit is calculated by deducting cost of revenue and selling, general and administrative expenses from revenue.

Business results by reportable segments are as follows.

① Automotive

Revenue decreased by 7,325 million yen or 2.2%, year on year, to 323,882 million yen due to an impact of unfavorable foreign exchange rate and a decrease in sales in Europe and China, despite an increase in sales in Japan and North America. Business profit increased by 1,031 million yen or 20.3%, year on year, to 6,106 million yen mainly due to an increase in revenue and effect of cost reductions, despite an impact of unfavorable foreign exchange rate and U.S. tariff.

② Industrial and bearings

Revenue decreased by 2,518 million yen or 2.8%, year on year, to 86,107 million yen mainly due to an impact of unfavorable foreign exchange rate. Business profit increased by 2,942 million yen or 245.8 %, year on year, to 4,140 million yen mainly due to an effect of cost reductions, despite an impact of unfavorable foreign exchange rate.

③ Machine

Revenue increased by 581 million yen or 1.3%, year on year, to 44,805 million yen due to an increase in sales, especially in North America and China, despite an impact of unfavorable foreign exchange rate. Business profit increased by 1,773 million yen or 84.2%, year on year, to 3,879 million yen mainly due to an increase in revenue and an effect of cost reductions.

(2) Explanation for financial position

(Financial position)

Assets amounted to 1,541,750 million yen, a decrease by 23,641 million yen from the end of the previous fiscal year, mainly due to a decrease in trade receivables and a decrease in other financial assets by the fair value measurement of investment securities.

Liabilities amounted to 780,951 million yen, a decrease by 6,971 million yen from the end of the previous fiscal year, mainly due to a decrease in trade payables, despite an increase in borrowings.

Equity amounted to 760,798 million yen, a decrease by 16,670 million yen from the end of the previous fiscal year, mainly due to a decrease in retained earnings from dividends and the fair value measurement of investment securities.

(Cash flows)

Operating activities provided net cash of 36,004 million yen (in the three months ended June 30, 2024, provided net cash of 26,179 million yen) mainly due to record profit before income taxes.

Investing activities used net cash of 22,572 million yen (in the three months ended June 30, 2024, used net cash of 9,862 million yen) mainly due to the payment of purchases of property, despite proceeds from sales of investment securities.

Financing activities provided net cash of 5,780 million yen (in the three months ended June 30, 2024, used net cash of 20,644 million yen) mainly due proceeds from long-term borrowings despite repayments of dividends.

As a result of adding foreign currency translation adjustments, cash and cash equivalents amounted to 138,261 million yen.

(3) Explanation for forecast of consolidated financial results

No revisions have been made to the consolidated earnings forecast announced on April 25, 2025.

The exchange rate assumption is 141 yen to the U.S. dollar and 161 yen to the euro (after the second quarter, 140 yen to the U.S. dollar and 160 yen to the euro).

2. Condensed quarterly consolidated financial statements and main notes

(1) Condensed quarterly consolidated statement of financial position

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and cash equivalents	119,060	138,261
Trade and other receivables	368,216	351,322
Inventories	257,771	256,256
Other financial assets	993	567
Income tax receivable	1,810	1,394
Other current assets	2,430	2,776
Subtotal	750,283	750,578
Assets held for sale	12,559	14,145
Total current assets	762,843	764,723
Non-current assets		
Property, plant and equipment	480,570	475,904
Goodwill and Intangible assets	45,462	44,675
Other financial assets	190,027	169,446
Investments accounted for using equity method	17,302	16,835
Deferred tax assets	21,228	21,907
Other non-current assets	47,956	48,255
Total non-current assets	802,548	777,026
Total assets	1,565,391	1,541,750

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	379,649	364,482
Bonds and borrowings	54,351	58,912
Other financial liabilities	3,219	4,968
Income taxes payable	9,627	7,115
Provisions	16,499	16,857
Other current liabilities	11,405	12,233
Subtotal	474,752	464,569
Liabilities directly associated with assets held for sale	7,497	8,974
Total current liabilities	482,250	473,544
Non-current liabilities		
Bonds and borrowings	186,123	196,194
Other financial liabilities	13,635	12,372
Retirement benefit liabilities	60,779	61,189
Provisions	89	89
Deferred tax liabilities	36,493	29,349
Other non-current liabilities	8,550	8,211
Total non-current liabilities	305,672	307,406
Total liabilities	787,922	780,951
Equity		
Capital stock	45,591	45,591
Capital surplus	101,058	101,056
Treasury stock	(330)	(314)
Other components of equity	67,991	62,751
Retained earnings	530,733	519,984
Equity attributable to owners of the parent company	745,044	729,069
Non-controlling interests	32,425	31,729
Total equity	777,469	760,798
Total liabilities and equity	1,565,391	1,541,750

(2) Condensed quarterly consolidated statement of profit or loss and
condensed quarterly consolidated statement of comprehensive income

Condensed quarterly consolidated statement of profit or loss

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Revenue	464,057	454,794
Cost of revenue	(400,301)	(385,681)
Gross profit	63,755	69,113
Selling, general and administrative expenses	(55,185)	(55,077)
Other income	4,112	1,594
Other expenses	(1,537)	(2,104)
Operating profit	11,144	13,526
Finance income	10,045	4,160
Finance costs	(4,747)	(7,311)
Share of profit (loss) of investments accounted for using equity method	316	(51)
Profit before income taxes	16,758	10,323
Income tax expense	(5,177)	(3,359)
Profit for the period	11,581	6,964
Attributable to		
Owners of the parent company	10,813	6,510
Non-controlling interests	767	453
Earnings per share		
Basic (Yen)	31.53	20.45
Diluted (Yen)	31.51	20.44

Condensed quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit for the period	11,581	6,964
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	16,201	(9,506)
Remeasurements of defined benefit pension plans	441	(61)
Share of other comprehensive income of investments accounted for using equity method	3	0
Total	16,646	(9,566)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	20,363	(5,154)
Share of other comprehensive income of investments accounted for using equity method	455	(465)
Total	20,819	(5,620)
Total other comprehensive income	37,465	(15,187)
Comprehensive income for the period	49,046	(8,222)
Attributable to		
Owners of the parent company	46,661	(8,169)
Non-controlling interests	2,384	(52)

(3) Condensed quarterly 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, 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 for the period	—	—	—	—	—	—
Other comprehensive income	—	—	—	16,197	451	19,198
Comprehensive income for the period	—	—	—	16,197	451	19,198
Acquisition of treasury stock	—	—	(0)	—	—	—
Dividends	—	—	—	—	—	—
Share-based payment transactions	—	(2)	16	—	—	—
Transfer to retained Earnings	—	—	—	(16,197)	(451)	—
Changes in the ownership interest in subsidiaries without a loss of control	—	—	—	—	—	—
Total transactions with the owners	—	(2)	16	(16,197)	(451)	—
As of June 30, 2024	45,591	102,532	(380)	—	—	91,990
As of April 1, 2025	45,591	101,058	(330)	—	—	67,991
Increase (decrease) based on inflation accounting of subsidiary that is consolidated and located in Argentina	—	—	—	—	—	—
As of April 1, 2025 (adjusted)	45,591	101,058	(330)	—	—	67,991
Profit of the period	—	—	—	—	—	—
Other comprehensive income	—	—	—	(9,513)	73	(5,240)
Comprehensive income for the period	—	—	—	(9,513)	73	(5,240)
Acquisition of treasury stock	—	—	(0)	—	—	—
Dividends	—	—	—	—	—	—
Share-based payment transactions	—	—	16	—	—	—
Transfer to retained Earnings	—	—	—	9,513	(73)	—
Changes in the ownership interest in subsidiaries without a loss of control	—	(1)	—	—	—	—
Total transactions with the owners	—	(1)	15	9,513	(73)	—
As of June 30, 2025	45,591	101,056	(314)	—	—	62,751

(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, 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	—	(116)	(116)	—	(116)
As of April 1, 2024 (adjusted)	72,791	568,346	788,868	33,786	822,654
Profit for the period	—	10,813	10,813	767	11,581
Other comprehensive income	35,847	—	35,847	1,617	37,465
Comprehensive income for the period	35,847	10,813	46,661	2,384	49,046
Acquisition of treasury stock	—	—	(0)	—	(0)
Dividends	—	(6,860)	(6,860)	(660)	(7,520)
Share-based payment transactions	—	—	14	—	14
Transfer to retained Earnings	(16,649)	16,649	—	—	—
Changes in the ownership interest in subsidiaries without a loss of control	—	—	—	—	—
Total transactions with the owners	(16,649)	9,788	(6,846)	(660)	(7,506)
As of June 30, 2024	91,990	588,948	828,683	35,510	864,194
As of April 1, 2025	67,991	530,733	745,044	32,425	777,469
Increase (decrease) based on inflation accounting of subsidiary that is consolidated and located in Argentina	—	139	139	—	139
As of April 1, 2025 (adjusted)	67,991	530,873	745,183	32,425	777,609
Profit of the period	—	6,510	6,510	453	6,964
Other comprehensive income	(14,680)	—	(14,680)	(506)	(15,187)
Comprehensive income for the period	(14,680)	6,510	(8,169)	(52)	(8,222)
Acquisition of treasury stock	—	—	(0)	—	(0)
Dividends	—	(7,958)	(7,958)	(642)	(8,601)
Share-based payment transactions	—	(0)	15	—	15
Transfer to retained Earnings	9,440	(9,440)	—	—	—
Changes in the ownership interest in subsidiaries without a loss of control	—	—	(1)	(0)	(2)
Total transactions with the owners	9,440	(17,399)	(7,945)	(642)	(8,588)
As of June 30, 2025	62,751	519,984	729,069	31,729	760,798

(4) Condensed quarterly consolidated statement of cash flows

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	16,758	10,323
Depreciation and amortization	17,785	16,721
Impairment losses	792	231
Finance costs (income)	(639)	(380)
Share of the loss (profit) of associates and joint ventures accounted for using the equity method	(316)	51
Net increase (decrease) in provisions	(46)	207
Increase (Decrease) in retirement benefit liabilities	(459)	(102)
Decrease (Increase) in retirement benefit assets	(226)	(309)
Decrease (Increase) in inventories	(4,574)	1,126
Net decrease (increase) in trade and other Receivables	12,905	17,637
Net increase (decrease) in trade and other Payables	(4,192)	(6,191)
Other	(7,488)	5,467
Subtotal	30,298	44,782
Interest received	473	351
Dividends received	1,333	1,280
Interest paid	(1,224)	(1,424)
Income taxes paid	(4,702)	(8,984)
Net cash provided by (used in) operating activities	26,179	36,004
Cash flows from investing activities		
Payment of Purchases of property, plant and equipment	(18,797)	(23,795)
Proceeds from sales of property, plant and equipment	2,508	135
Payment of purchases of investment securities	(0)	(0)
Proceeds from sales of investment securities	7,286	1,431
Other	(859)	(343)
Net cash provided by (used in) investing activities	(9,862)	(22,572)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term Borrowings	2,711	4,179
Proceeds from long-term borrowings	—	11,020
Repayment of long-term borrowings	(15,121)	(191)
Dividends paid	(6,860)	(7,958)
Dividends paid to non-controlling interests	(660)	(642)
Payment of acquisition of subsidiaries' stock not resulting in change in scope of consolidation	—	(2)
Other	(713)	(624)
Net cash provided by (used in) financing activities	(20,644)	5,780
Foreign currency translation adjustments on cash and cash equivalents	4,976	(12)
Net increase (decrease) in cash and cash equivalents	649	19,200
Cash and cash equivalents at beginning of period	167,019	119,060
Cash and cash equivalents at end of period	167,669	138,261

(5) Note on condensed quarterly consolidated financial statements

(Assumption of going concern)

There are no applicable items.

(Changes in presentation)

Condensed quarterly consolidated statement of cash flows

“Purchases of intangible assets”, which were separately presented under “Cash flow from investing activities” in the three months ended June 30, 2024, have been included in “Others” from the three months ended June 30, 2025 due to decreased significance. The condensed quarterly consolidated cash flow statement for the three months ended June 30, 2024, has been reclassified to reflect this change in presentation.

As a result, the amount of (599) million yen for “Purchase of intangible assets” and (260) million yen for “Others” under “Cash flow from investing activities” in the condensed quarterly consolidated cash flow statement for the three months ended June 30, 2024, has been reclassified as (859) 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 calculated by deducting cost of revenue and selling, general and administrative expenses from revenue.

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 Three months ended June 30, 2024

(Millions of yen)

	Reportable segment				Adjustments	Consolidated
	Automotive	Industrial and bearings	Machine tools	Total		
Revenue						
Customers	331,207	88,626	44,223	464,057	—	464,057
Intersegment	893	4,769	5,855	11,518	(11,518)	—
Total	332,101	93,395	50,078	475,576	(11,518)	464,057
Segment profit (loss)	5,075	1,197	2,105	8,379	190	8,570
Other income						4,112
Other expenses						(1,537)
Operating profit						11,144
Finance income						10,045
Finance costs						(4,747)
Share of profit (loss) of investments accounted for using equity method						316
Profit before income taxes						16,758

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

For the Three months ended June 30, 2025

(Millions of yen)

	Reportable segment				Adjustments	Consolidated
	Automotive	Industrial and bearings	Machine tools	Total		
Revenue						
Customers	323,882	86,107	44,805	454,794	—	454,794
Intersegment	702	4,951	5,745	11,399	(11,399)	—
Total	324,584	91,059	50,550	466,194	(11,399)	454,794
Segment profit (loss)	6,106	4,140	3,879	14,126	(90)	14,036
Other income						1,594
Other expenses						(2,104)
Operating profit						13,526
Finance income						4,160
Finance costs						(7,311)
Share of profit (loss) of investments accounted for using equity method						(51)
Profit before income taxes						10,323

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