

To Our Shareholders

## Business Report for the First Half of the 111th Business Term

(January 1 through June 30, 2025)



# JUKI CORPORATION

Securities code: 6440

## *Building Sustainable JUKI*

### TOP MESSAGE

The foundation for achieving a  
sustainable JUKI has been established

Representative  
Director & President  
Atsushi Narikawa



In last year's Business report, we declared our commitment to "creating a sustainable JUKI through new challenges." Since then, we have focused on building a robust foundation for sustainable growth by implementing the following key initiatives:

- Shifting our management focus from sales volume to profitability
- Streamlining our product lineup and optimizing production capacity to enhance manufacturing efficiency

As a result, we have successfully established a structure that generates stable profits with approximately 20% lower sales compared to previous levels, and enables smooth global supply with production capacity at 50% of its peak.

Consequently, we recorded positive operating profit, ordinary profit, and net profit in the fourth quarter of last year (October to December) for the first time in nine quarters. This trend continued into the second quarter of this year (April to June), demonstrating steady recovery in our business performance.

Going forward, we will further accelerate the initiatives we have implemented thus far. In addition, we will effectively utilize the cash flow generated through improvements in financial ratios—such as asset allocation based on investment efficiency, and shorter inventory and accounts receivable turnover periods—as a financial resource to advance the two key initiatives outlined in our medium-term management plan:

- Realization of the Smart Factory concept, a key initiative integrating sewing machinery and IoT technologies
- Strengthening customer engagement strategies centered around our "Global 100" key accounts

We are also committed to enhancing returns to our employees and shareholders.  
We sincerely appreciate your continued support and encouragement.

## Financial Highlights

(Unit: 100 million yen)	FY2024		FY2025	
	First half	Second half	First half	Full year (forecast)
Net sales	458	493	443	1050
Operating income	△14	4	1	20
Ordinary income	△21	△12	△10	10
Net income	△19	△12	1	10
Inventory	587	582	525	-
Interest-bearing debt (Deduction of cash and deposits)	736	695	619	-

- In the 2nd quarter on a standalone basis, positive results across all major profit categories.  
(Operating income:400-million-yen, Ordinary income:20-million-yen, Net income: 100-million-yen)
- Profit secured despite 20% revenue drop, driven by high-end market shift in the Sewing Machinery Business and streamlined production capacity through model reduction.  
(Net sales FY2024 Q4:27.8-billion-yen/FY2025 Q2:21.4-billion-yen, 23.1% reduction)
- 5.7-billion-yen cut in inventory, and 7.6-billion-yen reduction in interest-bearing debt.

## Business Overview

(Unit: 100 million yen)		FY2024		FY2025	YoY Change
		First half	Second half	First half	
Sewing Machinery	Net sales	331	366	338	+6
	Ordinary income	△9	4	12	+21
Industrial Equipment	Net sales	125	124	103	△22
	Ordinary income	△9	△2	△9	0

### Sewing Machinery Business

Although sales were affected by a temporary slowdown in customer investment activities due to uncertainty surrounding U.S. tariff policies, we successfully captured last-minute demand in the U.S. automotive sector ahead of tariff implementation. Additionally, steady performance in regions such as Asia contributed to a 2.1% year-on-year increase in revenue.

On the profit side, we achieved a 2.1-billion-yen year-on-year increase in ordinary income, driven by improvements in gross margin resulting from a strategic shift in marketing focus toward the high-end market, as well as optimization of production capacity through product lineup consolidation.

Improvement measures are currently underway, and we will continue to enhance our profitability going forward.

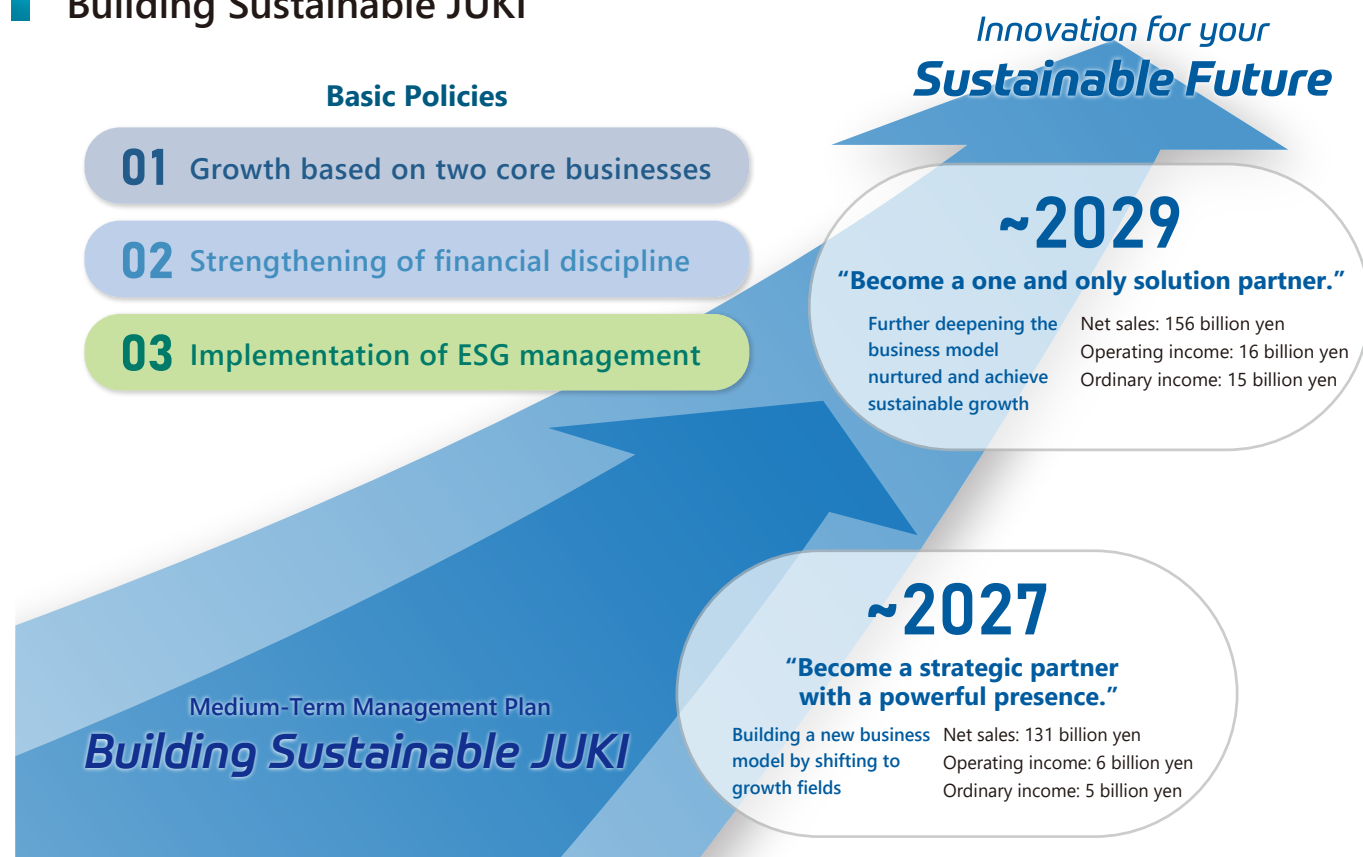
### Industrial Equipment Business

While sales of peripheral equipment such as automated warehouses remained on par with the previous year, sales of mounters declined due to sluggish demand in China, Europe, and the United States, resulting in a 17.6% year-on-year decrease in revenue.

Although cost reduction efforts, including fixed cost savings, had a positive impact, the decline in sales led to profit levels remaining roughly unchanged from the same period last year.

The delayed recovery in the Chinese market began to show signs of improvement in the latter half of the second quarter, and we aim to expand sales from the third quarter onward.

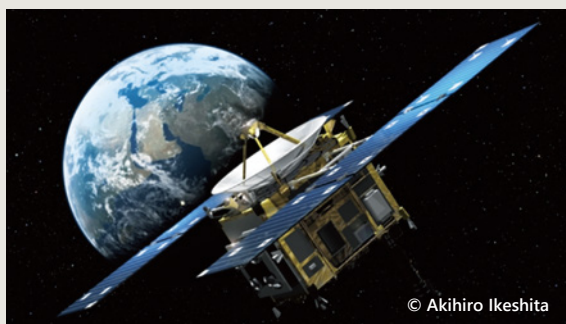
## Launched the 5-year Medium-Term Management Plan “Building Sustainable JUKI”



## Initiatives in New Business: Sewing of Aerospace Material MLI (Multi-Layer Insulation)

Multi-Layer Insulation (MLI) is a type of thermal insulation material used in satellites and rockets. With extremely low emissivity and excellent thermal shielding performance, MLI is in high demand as an insulation and thermal control material in space environments. While the space-related market continues to expand, MLI sewing in Japan remains largely dependent on manual work by skilled operators, resulting in a persistent gap between growing demand and production capacity.

Leveraging its advanced technological capabilities and product portfolio as a sewing machine manufacturer, JUKI is working to automate the sewing of MLI. Through this initiative, we aim to stabilize quality and improve productivity, thereby contributing to the advancement of the space industry.



The gold-colored sections of satellites and space probes are the Multi-Layer Insulation (MLI)



Sample of MLI sewn by JUKI

## Our Contribution to the Sustainable Future of the Apparel Industry

JUKI is actively working to contribute to the future of the apparel industry.

At Bunka Fashion College (located in Shibuya, Tokyo), our sewing machines are widely used and appreciated. We are proud to support the college's educational philosophy: "Fostering talent capable of delivering value to a sustainable society through fashion, based on international co-creative education."



Students passionately engaged in creative work using JUKI sewing machines



Creations from the 2024 Bunka Fashion College Cultural Festival Fashion Show

## Organizing Investor Relations Events for Individual Shareholders

To deepen understanding of JUKI among individual investors, we held our first-ever company briefing for retail investors in December 2024. Through our IR activities, we place great importance on dialogue with shareholders and investors, and will continue to actively promote two-way communication.

### 【Planned Activities for 2025】

Sep: Nomura IR Co-hosted Seminar for Individual Investors

Dec: Web-based Company Briefing for Individual Investors

## Corporate Information (as of June 30, 2025)

### Company Profile

Trade name	JUKI CORPORATION
Founded on	December 15, 1938
Paid-in capital	18,044.71 million yen
Head office	2-11-1, Tsurumaki, Tama-shi, Tokyo, Japan
Fiscal year-end	December
Business items	Industrial sewing machines, SMT systems, household sewing machines, etc.
Number of employees	4,364 (on a consolidated basis)
Number of consolidated subsidiaries	23

### Directors and Audit & Supervisory Board Members

Representative Director & President	Atsushi Narikawa
Director & Managing Officer	Hiroshi Anzai
Director & Managing Officer	Keiichi Hashimoto
Outside Director	Yutaka Hori
Outside Director	Junko Watanabe
Outside Director	Hiroko Nihei
Audit & Supervisory Board Members (Full-time)	Michinari Sougawa
Audit & Supervisory Board Members (Outside)	Minoru Takenaka
Audit & Supervisory Board Members (Outside)	Takashi Yoneyama

### Stock Information

Total number of authorized shares	80,000,000 shares
Total number of issued shares	29,874,179 shares
Total number of shareholders	16,030

### Major Shareholders

Shareholder name	Number of shares (1,000 shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,852	12.91
PEGASUS CO., LTD.	1,045	3.51
Mizuho Bank, Ltd.	938	3.14
Nippon Life Insurance Company	732	2.45
Asahi Mutual Life Insurance Company	569	1.91

### Stock Distribution Status by Owner Type

Individuals, others 53.5% (15,985,000 shares)	Financial institutions 30.7% (9,168,000 shares)	Foreign legal entities 6.6% (1,982,000 shares)
Other domestic legal entities 5.9% (1,761,000 shares)	Securities companies 3.2% (934,000 shares)	Treasury shares 0.1% (42,000 shares)

