



JUKI

Mind&Technology



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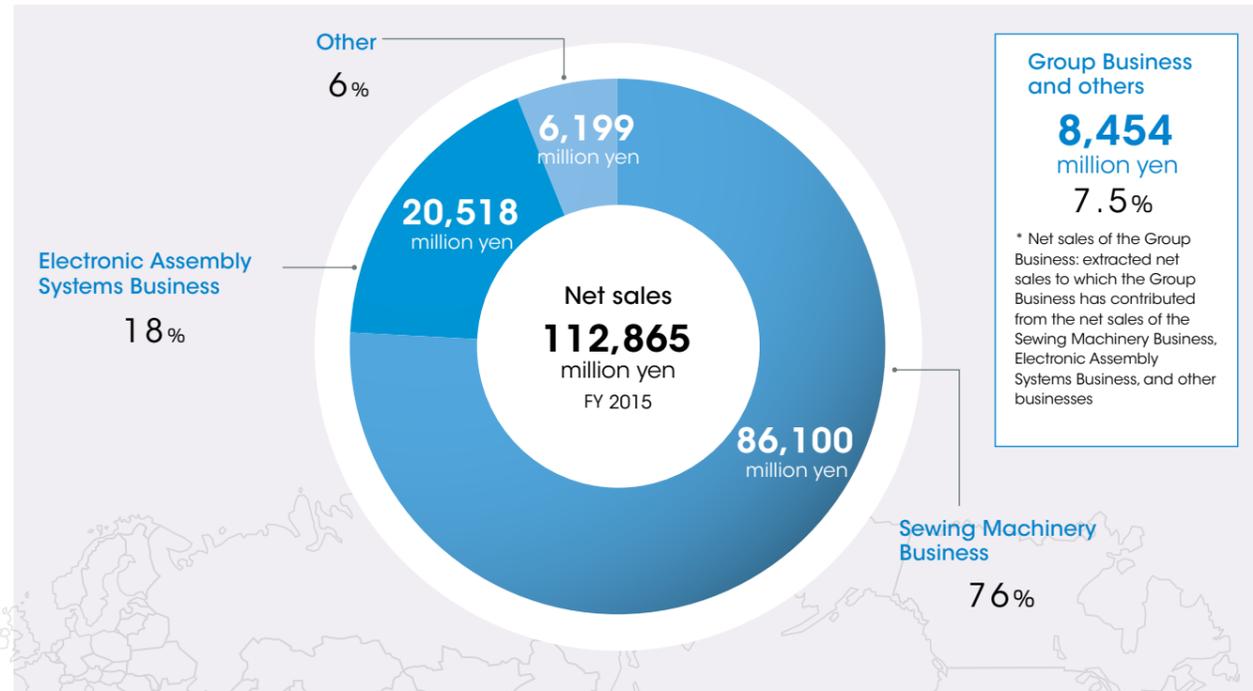
JUKI Corporate Report 2016 integrates a corporate profile and environmental report together into a single document. This year's report offers more detailed information on ESG (Environment, Society, and Governance) to ensure that JUKI's shareholders, investors and all other stakeholders understand the mid- to long-term creation of value by the JUKI Group.

Disclaimer regarding forward-looking statements

This material contains forward-looking statements concerning future plans, target, strategies and assumptions of JUKI CORPORATION and its consolidated subsidiaries in light of the economic, financial and other data currently available when the material was prepared. Furthermore, they are subject to a number of risks and uncertainties. JUKI therefore wishes to caution readers that actual results may differ materially from those projected in such forward-looking statements.

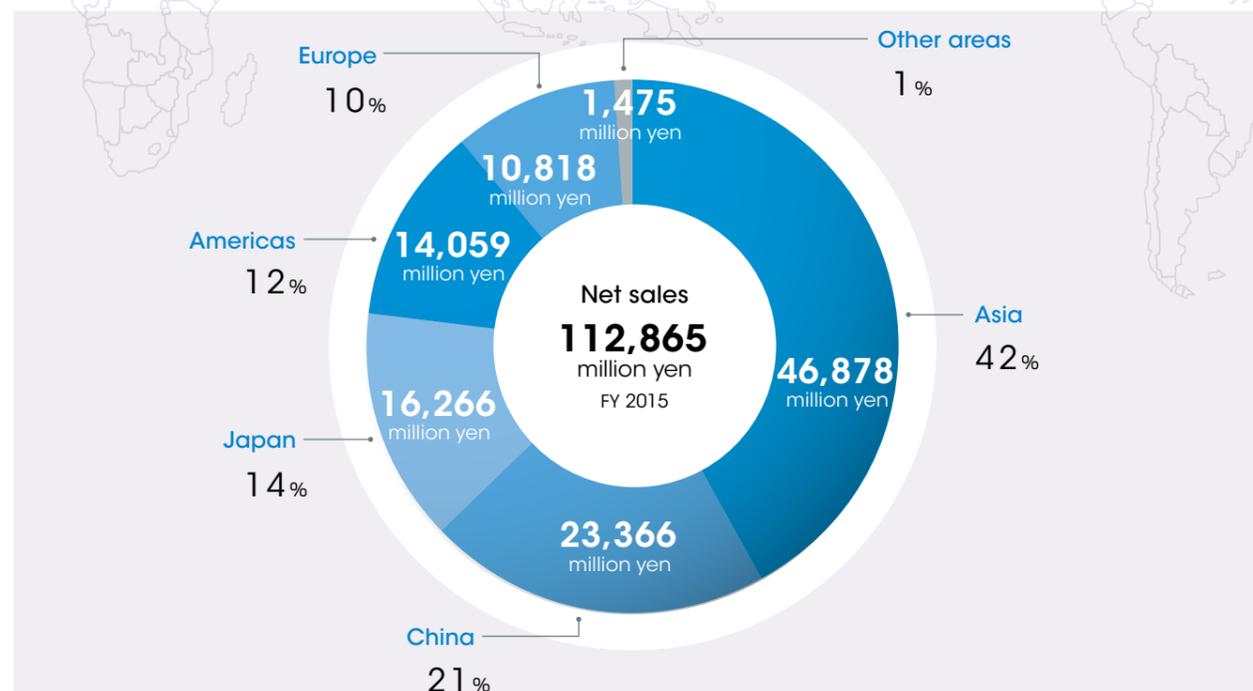
Ratio of net sales by business

JUKI has supported production in various fields all over the world through advanced and valuable technologies focused on JUKI's core Sewing Machinery Business.



Ratio of net sales by area

JUKI has won strong support from customers all over the world by operating a sales and service network in about 180 countries.



Sewing Machinery Business

Industrial Sewing Machinery Business



This business develops, manufactures, and sells industrial sewing machines utilized mainly in sewing factories engaged in mass production. JUKI's industrial sewing machines provide the "stitches" for sewn products from all fields, from Maison brand products proposing the latest trends to casual apparel, sporting goods, car seats, and more.

Household Sewing Machinery Business



This business develops, manufactures, and sells household sewing machines to general households and professionals. JUKI's household sewing machines support a comfortable sewing life with exceptional sewing quality and performance using technologies developed by JUKI's Industrial Sewing Machine business.

Electronic Assembly Systems Business

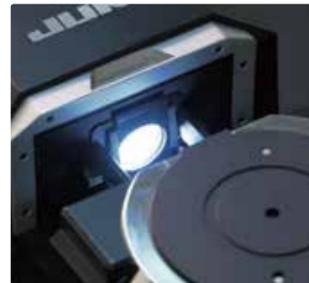
Electronic Assembly Systems Business



This business develops, manufactures, and sells machines and devices for industrial use such as mounters for electronic components used for electronics products, solder paste printers, and PWB inspection machines. The machines and devices from this business support the manufacture of electronics products indispensable to our industries and daily lives.

Group Business and others

Group Business



This business entrusts various companies of the JUKI Group with the manufacturing and machining of products using development, design, production, and production management knowhow created during the production of JUKI's main products. By deepening and combining manufacturing (Monozukuri) processes such as precision casting, precision machining, sheet-metal processing, and mold manufacturing, it embodies technology as products customers desire.

Sleep Buster



This business promotes safe and untroubled driving using drowsy driving data and a warning device for drowsy drivers. The work done here helps prevent traffic accidents and reduce overtime driving.

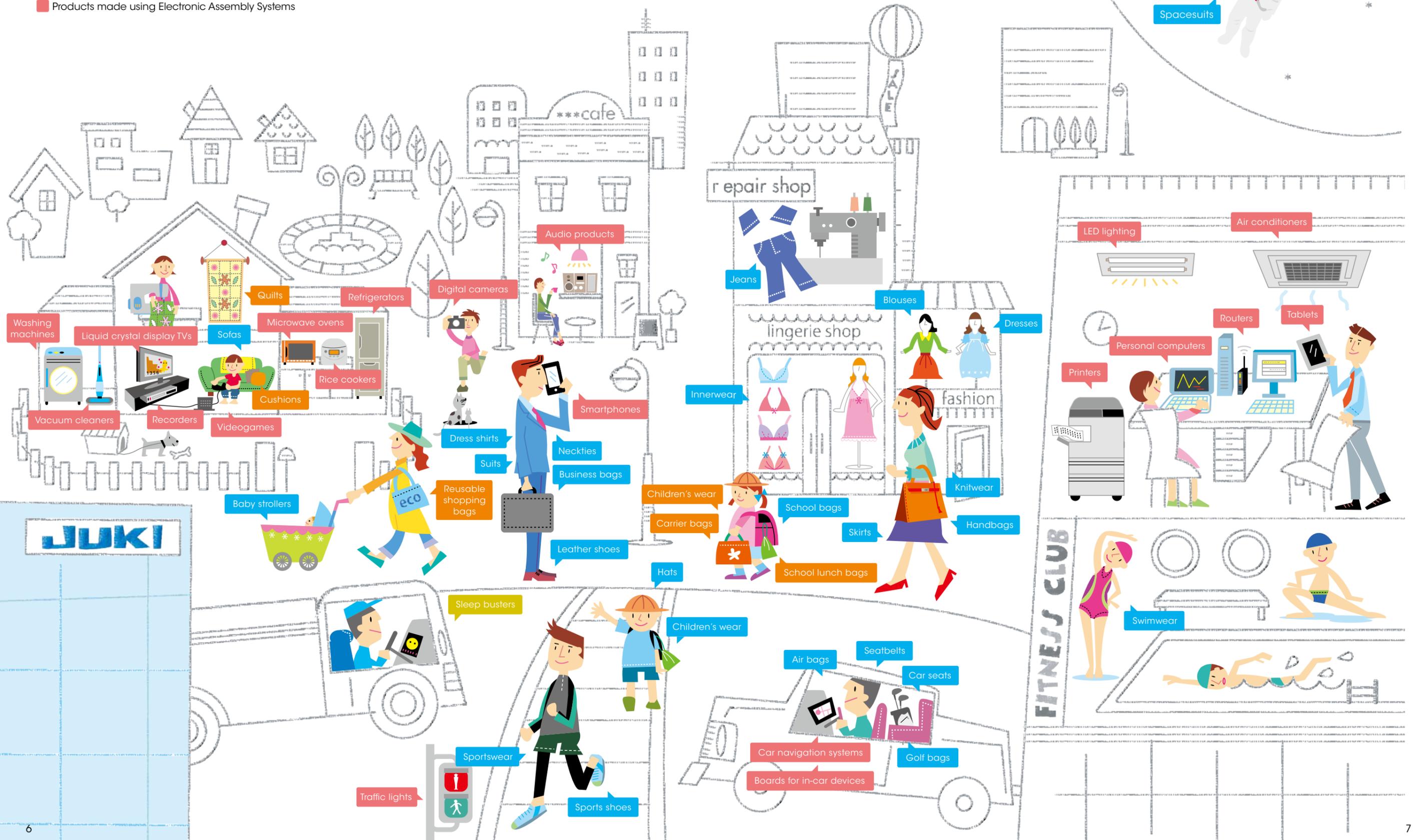
Data Entry System



This business produces a data entry device to help the information-processing industry cope with the huge volumes of data now being generated. The device is especially responsive to needs in data-intensive industries such as life insurance, banking, and so on.

JUKI machines and systems make everyday products the public knows.

- Products made using Industrial Sewing Machines
- Products made using Household Sewing Machines
- Products made using Electronic Assembly Systems



Spacesuits

LED lighting

Air conditioners

Jeans

Blouses

Dresses

Printers

Personal computers

Routers

Tablets

Smartphones

Innerwear

fashion

Knitwear

Handbags

School bags

Skirts

School lunch bags

Hats

Children's wear

Swimwear

Seatbelts

Car seats

Air bags

Golf bags

Boards for in-car devices

Car navigation systems

Sportswear

Sports shoes

Traffic lights

Sleep busters

Suits

Business bags

Neckties

Dress shirts

Reusable shopping bags

Carrier bags

Children's wear

Baby strollers

Videogames

Recorders

Vacuum cleaners

Cushions

Rice cookers

Microwave ovens

Sofas

Quilts

Refrigerators

Digital cameras

Audio products

repair shop

lingerie shop

fashion

FITNESS CLUB

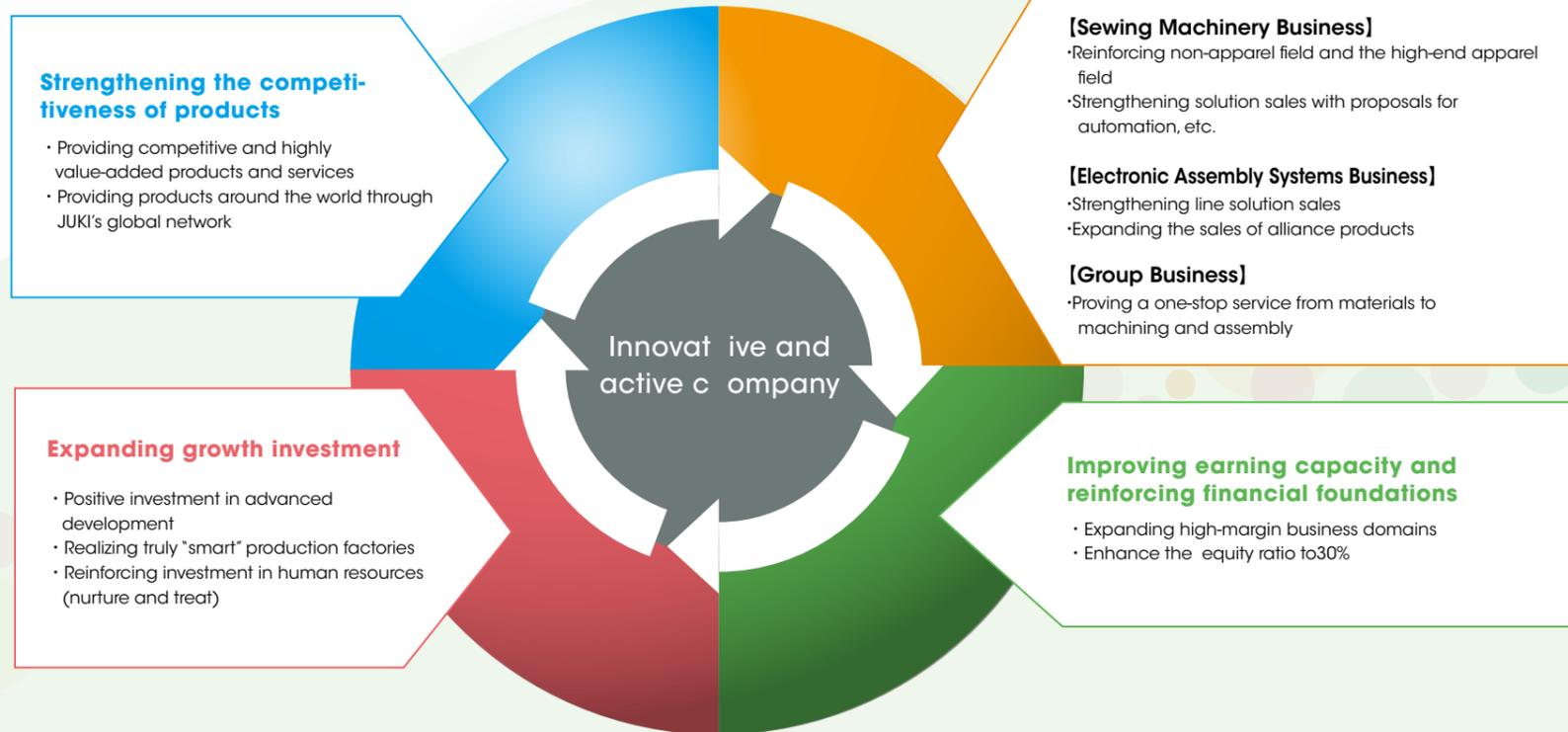
JUKI

Flow for the creation of JUKI's Corporate Value (Business model)

JUKI has worked to create corporate value for its stakeholders—customers, suppliers, employees, shareholders, investors, and society—by stressing three "management policies."

JUKI's growth cycle strengthens the company as an innovative and active company and further enhances the creation of JUKI's corporate value.

JUKI's growth cycle



JUKI's three "management policies"

- Quality for Brand Value
- Innovative and Active
- Global Management Approach

Process for creating corporate value ▶ P10-11

JUKI generates corporate value through close cooperation between all of its people working in development, production, sales, and technical support.



Creating corporate value for stakeholders

Customers

- Contributing to improved competitiveness
- Proposing total solutions
- Global support and more

Suppliers

- Co-existence and co-prosperity
- Creating relationships that promote mutual development through friendly competition and more

Employees

- Active organizational climate
- Improving the satisfaction of employees and others

Shareholders and investors

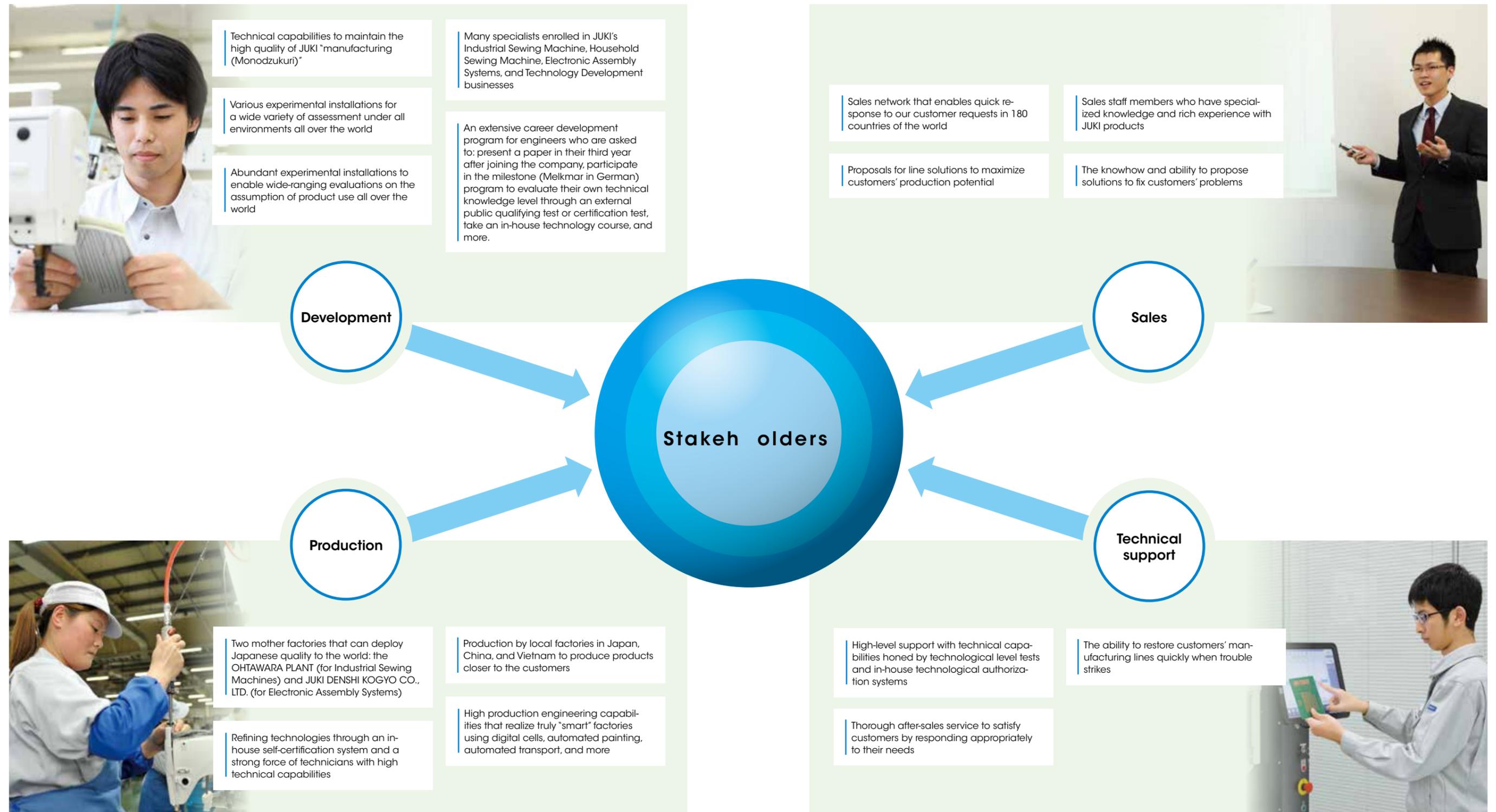
- Improving financial standing
- Improving shareholder value
- Stable dividends and more

Society

- Exchanges with the local community
- Respect for other cultures and contribution to local development
- Approaches to environmental issues and more

Process for creating corporate value (JUKI's advantage)

Ever since its establishment, JUKI has positioned "manufacturing (Monodzukuri)" at the center of its business and continued offering new value to the market. By creating corporate value in its forte operations of "Development," "Production," "Sales" and "Technical support," JUKI also continues to pursue valuable technologies, products, solutions and support for its stakeholders.





President
**Akira
Kiyohara**

Interview with the President

Accelerating JUKI's further growth by deepening relationships with customers and reinforcing business foundations

JUKI company employees interviewed Mr. Kiyohara, the company president, to discuss JUKI's approach toward enhanced corporate value. Could you tell us about JUKI's growth strategy? How is it geared to today's highly competitive global market?

● Interviewers



Strong global competitiveness to support JUKI's advance

—Tell us about JUKI's business performance in fiscal 2015.

In fiscal 2015, JUKI achieved net sales of 112.9 billion yen, ordinary income of 5.7 billion yen and current net income of 3.9 billion yen. We recorded a decrease in profits in spite of an increase in sales. Overall we can rate business performance as satisfactory. We performed well enough to pay our shareholders a dividend, mainly through expanding sales.

Nevertheless, capital investment has declined since August because of the economic slowdown in China. This weighed on the sales of the Electronic Assembly Systems Business, in particular, keeping it at a plateau. Sales by the Sewing Machinery Business expanded in emerging countries and sales by the Group Business increased smoothly. Looking at performance as a whole, however, it is a big problem for us as we head into the future that our profit has declined.

Tough competition in the market is largely behind this result. Competition has tightened further even in the markets for industrial sewing machines and mounters, resulting in stricter price competition and lower profits.

—Could you give us a breakdown of the situation in each business domain?

We worked to expand our business domains in every field in order to establish earning foundations in today's globally competitive environment.

First, in the industrial sewing machine of our Sewing Machinery Business, we have aggressively expanded the production of machines for non-apparel products such as cars and bags, as well as the production of our globally dominant machines for apparel. We have also set up a representative office in Africa (Ethiopia and South Africa), a region we expect to become the next growing market, while strengthening our system in Asia in response to the emigration of production areas from China. On a third front we have executed an area strategy by dealing with growing numbers of customers in Latin America, as well.

Turning to household sewing machines, we have patiently worked to achieve "a business that burns bright" in spite of its relatively small scale. We have no plans to build a global user base for our tailor-use sewing machines, small lock sewing machines, or quilt-making sewing machines, product lines where JUKI offers strong advantages. As we see it, our survival and success hinge on our ability to offer high-level advice together with our sewing machines to customer segments in target areas. We are willing to invest



The growth cycle is energized by a line solution proposal that enables the integrate support for our customers.

in the development of this capability.

In the Electronic Assembly Systems Business, we released products such as mounters, solder paste printers, and PWB inspection machines. We also worked to improve the productivity of the whole SMT lines of customers by proposing a line solution and reinforcing our product line-ups through a business alliance. In parallel, we have proceeded with our growth strategy in overseas markets such as China, India, Europe, and America.

Turning to the Group Business, the return of manufacturing (Monodzukuri) to Japan, a trend driven by factors such as the weak yen, has pushed up the outsourcing demand for high-precision machining parts or finished products to high levels. Under this circumstance, we set up a "Super-

visory Department" at the JUKI head office and a "Suboffice" at each JUKI Group company to arrange a system of integrated management. We continue to make efforts to build up the Group Business as a pillar of profit as a third JUKI business to supplement our revenue from Sewing Machinery and Electronics Assembly Systems, businesses that tend to sway in response to movements in business conditions.

Each business shares the common strategy of increasing customers by expanding its business areas and domains. And for overseas business in particular, we have to make snap decisions and take quick action in response to fast-changing business situations and share know-how at every business base. In autumn of 2015, JUKI SINGAPORE

PTE. LTD. was launched as an area headquarters to serve such a function. We will be practicing a field-oriented policy in every country of Asia with this company at the core.

Let's innovate technologies that respond to "mass customization" and attract customers who "want everything from JUKI."

—What approach is JUKI taking toward fiscal 2016?

We will continue to make all-out efforts to drive the growth cycle this fiscal year by putting the three basic policies into practice under our vision as a "global manufacturing (Monodzukuri) company surviving in the 21st century - A company with innovative and vibrant company employees who join forces to create flexible and robust businesses."

We will mainly achieve a line solution proposal that enhances the productivity of whole factories for customers and seek differentiation from the competitors.

While JUKI has developed and marketed a long succession of new products equipped with new functions, it is difficult to differentiate itself from the competitors with only individual item. Going forward, we will support our customers to improve the productivity of a whole factory with precise proposals based on JUKI's know-how in factory diagnosis and consultations.

In the Sewing Machinery Business, for example, we will propose solutions that improve overall efficiency of a factory by selling equipment for non-sewing processes such as bonding, printing, and cutting. As for the Electronics Assembly Systems Business, we expect to achieve overall

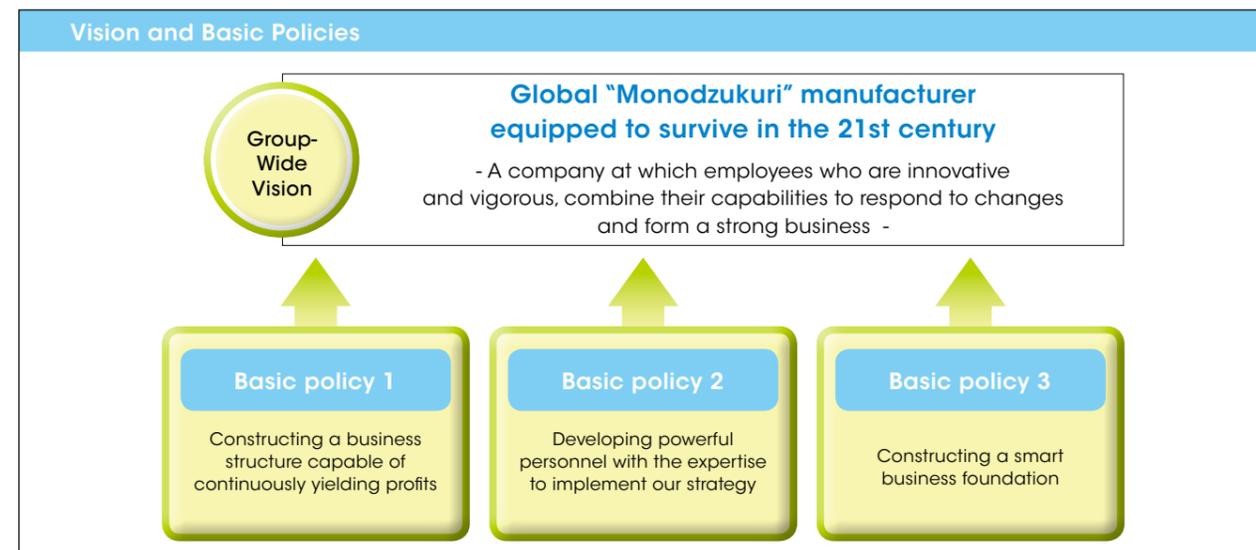
high productivity by proposing labor-saving and manpower-saving solutions to reduce troublesome operations processes outside the SMT line. One example is the introduction of the AGV (Automated Guided Vehicle) into ISM (Intelligent Storage Management for automated parts storage) or conveyor line. These solutions will also make it easier for the employees of our customers to do their work. We would like to work together with our customers to create a "smart factory" in this way.

—Could you tell us how we should achieve it?

There are two main ways of thinking when running a company. One is to attain a single business domain thoroughly. The other is to handle a business-wide product comprehensively.

Both ways of thinking have strengths and weaknesses, but JUKI aims for the latter. As previously explained, the trend of the times is certainly the latter, which means that it's time for JUKI to show its stuff. I want the people in charge of development and production as well as the people in charge of sales to deepen their knowledge of industrial engineering, plant engineering, and so on and respond properly to the customers' expectations as professionals of a line solution proposal.

Of course, it is difficult for one person to be familiar with all products. We have to share the know-how and cooperate with one another through cross-sectoral communication. I want all of employees to hold fast to the principle of "say yes" to customer requests. Up to now, JUKI has deployed sales mainly to provide products developed in-house. We were therefore sometimes unable to propose solutions sufficient to meet the plant equipment needs of our cus-





Every person works hand in hand flexibly, which would bring about innovative power to open up JUKI's future.



tomers. We have now begun to change over to a "customer-first" way of thinking, providing alliance products to supplement the products not developed in-house. To receive a customer's request not by individual product but in total and offer a device or system for the lines as a whole based on the overall design: that's the line solution proposal JUKI should achieve from now on. By promoting this approach, we can deepen our relationships with customers all over the world and reinforce both our customer base and a virtuous development cycle.

Meanwhile, it is also important to continue pursuing high quality in every product we offer. Quality is the basis of manufacturing (Monodzukuri). We would like to reach a high state of function and quality all the time. When cus-

tomers speak of any of our industrial sewing machines, mounters, or household sewing machines, they would say "JUKI is great as we'd expect."

—The management environment is going through big changes. Could you tell us how JUKI will deal with the changes?

Recent capital investment of the industries from Japan and overseas shows a generally cautious trend. We guess, however, that strong and growing companies will be increasingly investing to improve productivity and save manpower. JUKI will respond quickly to these trends and complete the creation of a reliable business foundation even under severe conditions.

The goal is to develop a line solution proposal that helps our customers control a whole factory through automation, robotization, digitalization, systemization, and so on. We will work vigorously to develop technologies that make our customers want to "ask JUKI for everything." The requests we receive vary by customer. Many overseas customers have so far deployed large-lot production, that is, "mass production." But customers who demand small-lot production, namely, "mass customization," are on the increase now that the consumer's sense of value is diversifying. JUKI will also have to switch to a business model that responds to the customer's need for equipment capable of "mass customization."

JUKI will be more attractive by pursuing diversity and inclusion (acceptance of diversity).

—By working to improve corporate value, what kind of company will JUKI grow into in the future?

JUKI is deploying a business built upon the ideas expressed in the words "innovation," "global," and "quality." These words lead directly an improved corporate climate.

(Comment: a) is a better expression, with the words instead of the passwords)

The road we will walk from now on is filled with unknowns. We want to secure ourselves safe passage by connecting the power of each person into a bigger, greater power. Depending on the circumstances, we will also need to collaborate with the other companies. We will not stick to a principle of self-sufficiency, but be innovative by cooperating flexibly.

We also expect overseas national staff to play active roles.

Overseas national staff has already been brought into our group management meeting, a meeting of group companies from Japan and overseas attended not only by the presidents of our sales group companies in the United States and Europe, but also branch managers from local companies in India and Sri Lanka. In pace with these movements, we will also try to apply a carrier development program and practice a system of cross-border job rotation of employees. By getting our national staff to experience different businesses in different environments over 6 to 12-month periods, we expect to plant seeds for further growth.

Seeing the working styles of the overseas national staff, we are often impressed with their hunger to acquire information and the speed with which they apply the information for business. By contacting them, I expect that the working style of our domestic employees will change through contact with the overseas national staff, and JUKI culture will change as well.

Such movements also lead to the promotion of diversity. Customers as well as overseas national staff have different cultures and values. The essence of diversity is "the acceptance of difference in others." By playing active roles and interacting, overseas national staff in every country will further enhance JUKI's corporate value. We, top management, will be creating the new environment to encourage these changes.

JUKI will drive the growth cycle of "strengthening the competitiveness of products," "firm business foundations," "improving earning capacity," and "expanding growth investment" while continuing to aggressively work on improving its corporate value.

Sewing Machinery Business



Net sales of the Sewing Machinery Business



Sales of both the industrial sewing machine business and household sewing machine business did well in fiscal 2015. Net sales of the sewing machinery business recorded an increase of 11% year-on-year. For our industrial sewing machines, we will try to expand sales of sewing machines for non apparel, automatic machines, and sewing machines for knitwear while expanding sales in Africa and Latin America following Southeast Asia and South Asia. For household sewing machines, we will try to expand sales in Europe and America with a focus on the quilt-making sewing machines and household sewing machines we launched last year.

Industrial Sewing Machinery Business

Vision and growth strategy

Vision: Number one share business in all sectors and areas

— Creating a FA (Factory Automation) business model through the full-scale deployment of line solutions (smart sewing system sales) —

Growth strategy

JUKI's industrial sewing machine business holds an approximately 30% share of the global market, making it the undisputed market leader.

We will further expand business domains for sewing machines for non apparel, automatic machines, and sewing machines for knitwear while expanding sales in emerging countries of Asia and Africa, and aim to take the top market share in all industries and all areas.

Expansion of our line solution proposal

JUKI has broken away from conventional single-item sales and aggressively worked on a line solution proposal that solves problems for customers. JUKI has suggested the introduction of automatic machines and a system for the overall automation and digitalization of a sewing factory while promoting a "one-

stop line solution" by procuring the products from alliance partners to supplement the products not developed in-house but our customers require.

More efforts in emerging countries

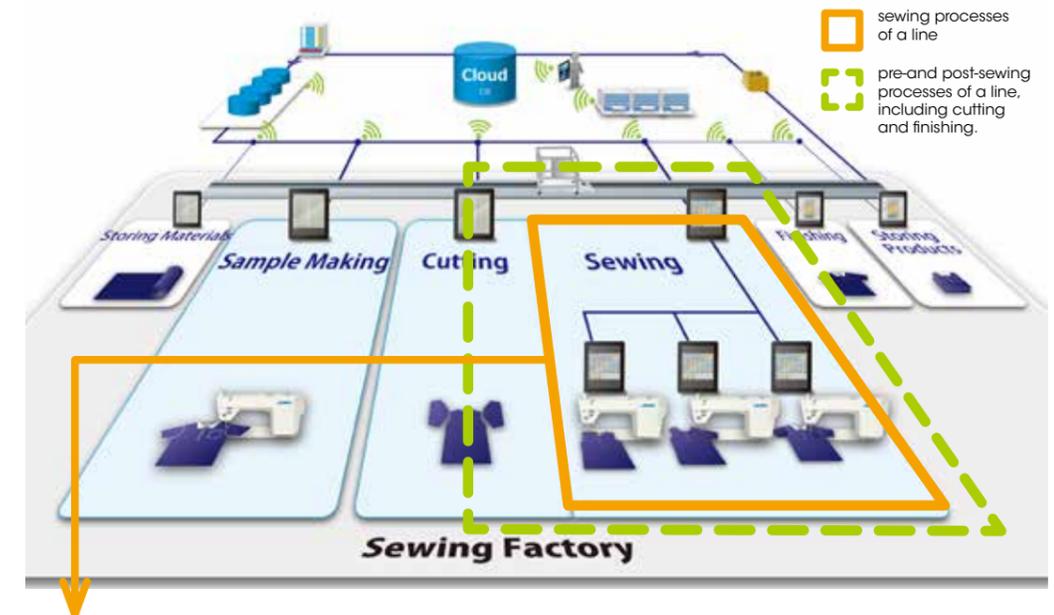
In recent years, one of the world's major sewing production regions has migrated from China to Southeast Asia and South Asia.

The trend has been driven by rising labor expenses and a dwindling labor supply in the sewing factories of China. Southeast Asia and South Asia provide sizeable labor pool and would be sewing production regions with strong prospects for ongoing growth. Looking at the figures by region, net sales to the market in Southeast Asia and South Asia now accounts for 56% (more than half) of the company's total net sales. This share is expected to increase.

Expanding JUKI's line solution proposal

JUKI has worked on business solutions for customers by offering three "smart solution" proposals. The first is "production system in which human skill and automation collaborate;" introduction of a sophisticated automatic machine, automation and manpower-saving to assist workers on the line, and a digitalized sewing production system.

The second is "one-stop line solution;" to provide all products customers need with alliance products to supplement pre- and post-sewing processes of a line. The third is promoting "system linkage by IoT" and networked production lines to reinforce a system that supports the management of sewing factories deployed worldwide.



Creating a "smart factory line" based on a line solution proposal - Proposing a people - and environment - friendly factory with high productivity where human skill and automation collaborate -

Example of a polo shirt sewing line

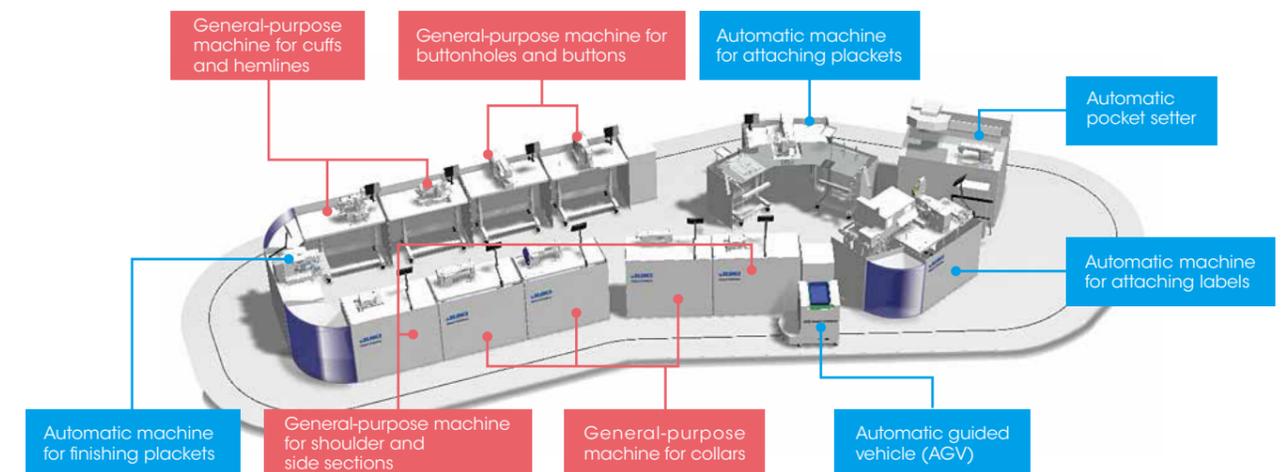
By systematizing a sewing line that usually requires 13 operators, in addition to digitizing and automating the line and introducing automatic machines, sewing operation with four operators is enabled, effectively doubling productivity.

system according to the production item

- Reducing adjustment time and achieving the most suitable seams using digitalized sewing machines
- Proposing a system that enables our customer to know the output and progress toward the target number on the sewing line in real time
- Providing products for pre- and post- sewing processes of a line as alliance products

Main contents of JUKI's line solution proposal

- Suggesting the most suitable product, layout, and production

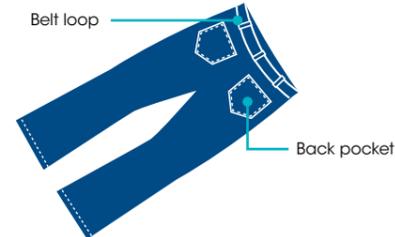
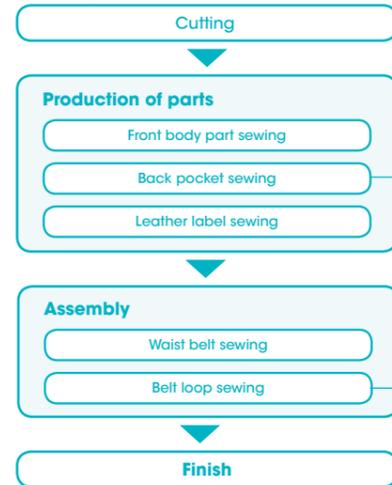


An example of a line solution proposal introduced

Apparel products

Line solution proposal for sewing jeans

Sewing process



[Example of a line solution proposal]

Sewing machine designed to sew the back pockets of jeans (AP-876)

A series of processes such as the pocket fold, set to the back body, and sewing operation is required to sew the back pockets of jeans. This sewing machine can perform all of these processes all by itself and sew high-quality pockets with very high productivity.



Sewing machine designed to sew the belt loops of jeans (MOL-254)

This sewing machine automatically sews the belt loops of jeans with a supply device. It automatically cuts, folds, and sews the belt loops to achieve substantially improved productivity.

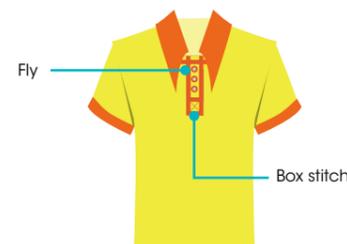
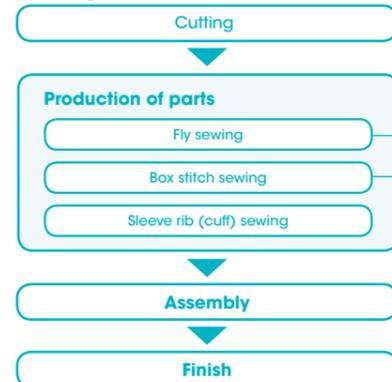


[Examples of effects gained from its introduction]



Line solution proposal for polo shirt sewing

Sewing process



[Example of a line solution proposal]

Sewing machine designed to sew the fly of a polo shirt (AMS-221EN-SS3020)

This sewing machine achieves high productivity by automatically sewing the flies of polo shirts. It can sew a fly automatically once the fly cloth is set on the front body cloth.



Sewing machine designed to perform the box stitch sewing operation for polo shirts (AMS-210EN-1306)

This sewing machine automatically sews the box part under the fly of a polo shirt. The use of this sewing machine enables smooth sewing in spite of the complicated sewing operation and small sewing area involved in box stitch sewing.



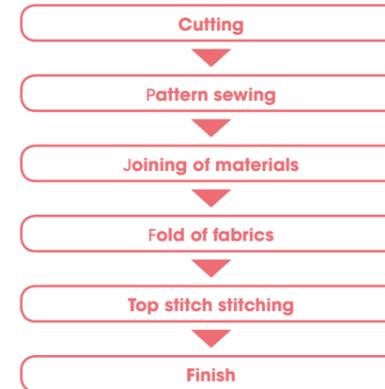
[Examples of effects gained from its introduction]



Non-apparel products

Line solution proposal for car seat sewing

Sewing process



[Example of a line solution proposal]

Sewing machine designed to join materials for car seats (LU-2828A-7)

This sewing machine is the most suitable type for joining materials for car seats. It has shorter thread trimming specifications to reduce thread pick-up work after sewing and large hook specifications to improve productivity by reducing the time required for bobbin exchange. The adoption of a smart device improves productivity by preventing human error.



[Examples of effects gained from its introduction A]



[Examples of effects gained from its introduction B]



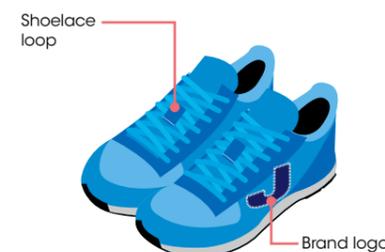
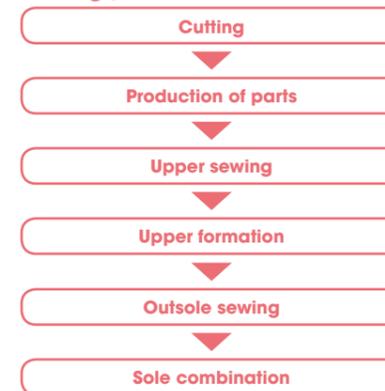
Sewing machine designed to sew top stitches for car seats (PLC-2760-7)

This sewing machine sews the seams seen on the surface parts of car seats. It can sew beautiful top stitches in thick fabrics, leather, and so on while improving both the quality and productivity of sewing.



Line solution proposal for sports shoes sewing

Sewing process



[Example of a line solution proposal]

Sewing machine designed to sew shoelace loops for sports shoes (AB-1360/ CR10A)

This sewing machine automatically sews the shoelace loops for sports shoes. It can handle the cutting, folding and sewing for the loop in a single operation, enabling both manpower-saving and deskilling.



[Examples of effects gained from its introduction]



Sewing machine designed to sew parts such as brand logos on the upper portions of sports shoes (AMS-224EN-4530)

This sewing machine sews parts such as brand logos on the upper portions of sports shoes. It improves the quality and productivity of sewing by memorizing and executing various shaped sewing patterns for brand logos and the like.



Global network covering 180 countries of the world

JUKI has bases around the world and will use this network respond to the broad spectrum of customer needs everywhere.



More efforts in emerging countries: JUKI will find new customers in Africa and Latin America in addition to Southeast Asia and South Asia.

Southeast Asia and South Asia are growing as the world's most attractive sewing production bases by dint of their abundant labor and lower wage costs compared to China. Popular sewing industries are also emerging in countries like Ethiopia and South Africa in Africa. JUKI assigned an area headquarters function to JUKI SINGAPORE PTE. LTD. in October of last year to expand sales and reinforce management in these growing sewing production areas.

Our customers are also globalizing their sewing factories. The

sewing factories of customers in China, for example, are actively immigrating to Southeast Asia. JUKI assigns overseas national staff in China as a representative stationed in Southeast Asia and has strengthened its global system by responding to the needs of Chinese customers and so on.

We will continue to deploy strong sales activities from customer viewpoints in a drive to achieve a number one market share in these regions.

Sales network managed by JUKI SINGAPORE PTE. LTD.

[Southeast Asia]

Vietnam, Laos, Cambodia, Thailand, Myanmar, Malaysia, Singapore, Indonesia, and Philippines

[South Asia]

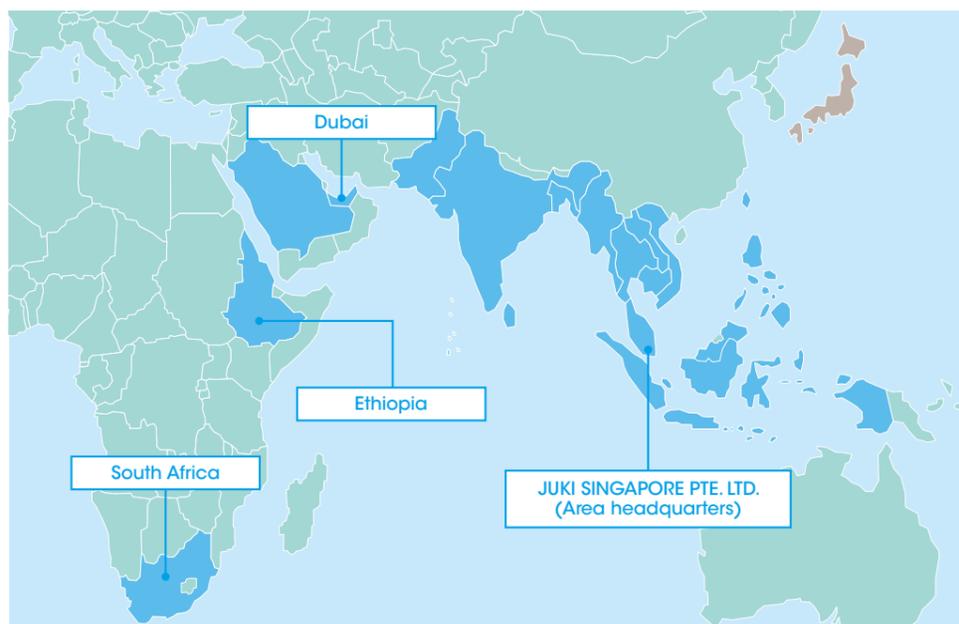
India, Pakistan, Bangladesh, and Sri Lanka

[Middle East]

Dubai, Saudi Arabia, and Bahrain

[Africa]

Ethiopia and South Africa



Household Sewing Machinery Business

Vision and growth strategy

Vision: **A business that's both strong and bright**

- Emphasizing contact points with consumer markets and using industrial sewing machine technologies -

JUKI, as a comprehensive manufacturer, has developed and distributed sewing machines by incorporating the highly precise technologies it has cultivated for its industrial sewing machines into all of the other sewing machines it produces, from household sewing machines to tailor-use sewing machines, compact lock sewing machines, and quilt-making sewing machines with long arms. The high-quality stitches and user-friendly operability

achieved in JUKI's uniquely wide range of industrial sewing machine products and technologies has been extensively supported by customers of all levels of sewing expertise, from beginners to professionals. JUKI will continue to deploy a business from customer viewpoints to ensure that real sewing can be enjoyed comfortably at home.

JUKI household sewing machines loved by a wide range of people

JUKI has made regular presentations at events such as hobby shows and provided sewing machines for exhibits and cosponsored events.

JUKI has made sewing machines available to customers to give them hands-on experience and conducted workshops for the

production of small products made with sewing machines. JUKI's household sewing machines business is its only business that comes into direct contact with general consumers first hand. We gain valuable opportunities to talk directly to them at events such as shows.



Ms. Felisa Nakazawa, a teacher who introduced JUKI quilt-making sewing machines at the Quilt Festival



A workshop held in countries all over the world



Sewing machine patchwork

We have cosponsored or made presentations at quilt shows and handmade events held around the world.

We not only exhibit sewing machines but also hold hands-on sewing workshops and teach how to use a sewing machine there. We have, not just selling sewing machines, promoted handmade hobby culture and the pursuit of free expression by customers who like to create.

Topics

Sewing authors and celebrities who use the JUKI sewing machines habitually visit the booth at exhibition events. Ms. Tomoe Shinohara, for example, visited the JUKI booth at the JAPAN HOBBY SHOW held in April 2016.

Ms. Shinohara has been using a JUKI tailor-use sewing machine since her days as a student, mainly for remaking kimonos and sewing clothes.



A breast ribbon is sewn using the cloth of an arranged kimono. The silk fabrics for the kimono are sewn together with a JUKI tailor-use sewing machine.

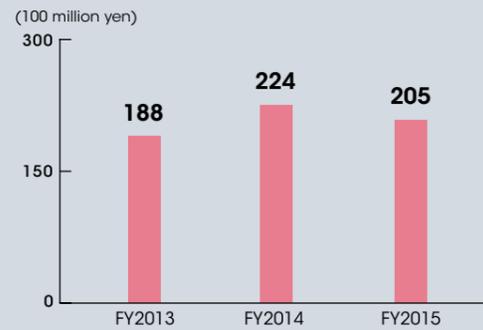


We provided a new product, the HZL-EX7, for her to try. Ms. Shinohara excels at dressmaking and has published a book.

Electronic Assembly Systems Business



Net sales of the Electronic Assembly Systems Business



Sales of new mounters, labor-saving equipment, and so on increased in fiscal 2015, but net sales decreased by 9% due to a sharp decline in investing demand linked to the slowdown in China, the biggest market, from the latter half of the year. We will focus on not only a "line solution proposal" that improves the productivity of the whole SMT line, but also a total solution proposal encompassing the provision of alliance products such as storage systems to respond to customer needs.

Electronic Assembly Systems Business

Vision and growth strategy

Vision: Business with outstanding capabilities for the deployment of line solutions

— Creating a business model for thoroughly tracking customer needs and offering solutions —

Growth strategy

The need for high density and high accuracy continues to grow in the board assembly market. In the past we proposed a line solution with solder paste printers, PWB inspection machines, and mounters. In recent years, however, we see a fast-rising need for a whole-factory solution proposal linking with network elements such as "customer key systems," the "IoT (Internet of Things)," and "ERP."

Differentiation poses difficulty for the efficient running of the SMT line. Improved productivity and quality management through automation in other process are now demanded.

To meet this demand we will offer the total line solution proposals for SMT floor of a factory, which only JUKI can provide, including products with efficiency and manpower-saving advantages outside of SMT lines, while further strengthening our rapid-response system for technical support.

We are convinced that we can lead JUKI's growth by contributing to creation of an "EASY to USE" factory in response to customer needs and offering solutions for customer problems and worries as a true business partner.

System proposal for the whole factory

Many electronic products and mobile devices such as smartphones, tablets, televisions, cameras, cars, and game machines are used in our daily life. The electronic circuit boards included in these products serve as "the brains."

Manufacturers who assemble electronic circuit boards, our customers, are working on various problems to improve the productivity of their whole SMT lines and manufacture high-quality products.

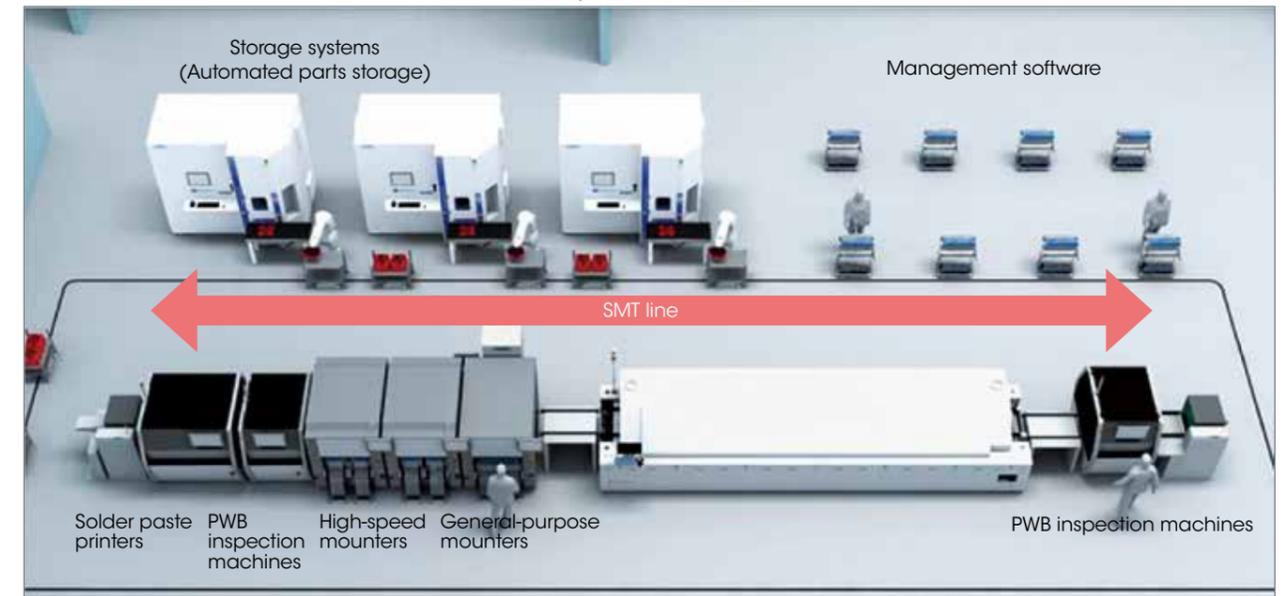
JUKI aims to improve the production efficiency of a whole factory by its line solution proposal for solder paste printers, PWB inspection machines, and mounters, with help from alliance

products.

JUKI has also helped create user-friendly production environments by making system proposals to automate processes traditionally done by hand.

JUKI will respond to customer needs and continue proposing to meet even better the needs of our customers. In the situation where demand for manpower-saving, efficiency, and reliable quality become stronger and stronger, JUKI will deploy highly useful products, systems, and after-sales services with a forceful and comprehensive commitment to help the customer.

Production of the whole SMT floor of a factory



Case of Electronics Assembly Systems

An example of a storage system introduced (automated parts storage)

Substantial manpower-saving and space-saving for parts management will be achieved through the introduction of a JUKI storage system (ISM-2000).

- Parts management personnel: Reduction of about 50%
- Parts storage space: Reduction of about 70%



Before introduction

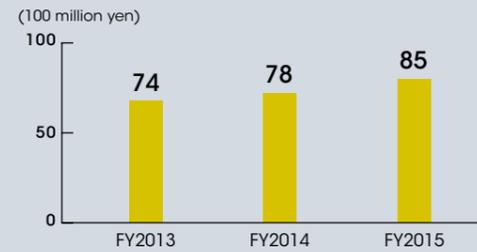


After introduction

Group Business and others



Net sales of the Group Business and others



In fiscal 2015, JUKI increased net sales by 8% year-on-year through strengthened cooperation with its nine domestic group companies and one overseas group company and the aggressive deployment of order-taking activities in an environment where some major customers began bringing their production bases back to Japan. JUKI will further strengthen its cooperation with its domestic and overseas group companies to ensure that they can expand sales by delivering manufacturing capabilities beyond what the customer expects.

Group Business

Vision and growth strategy

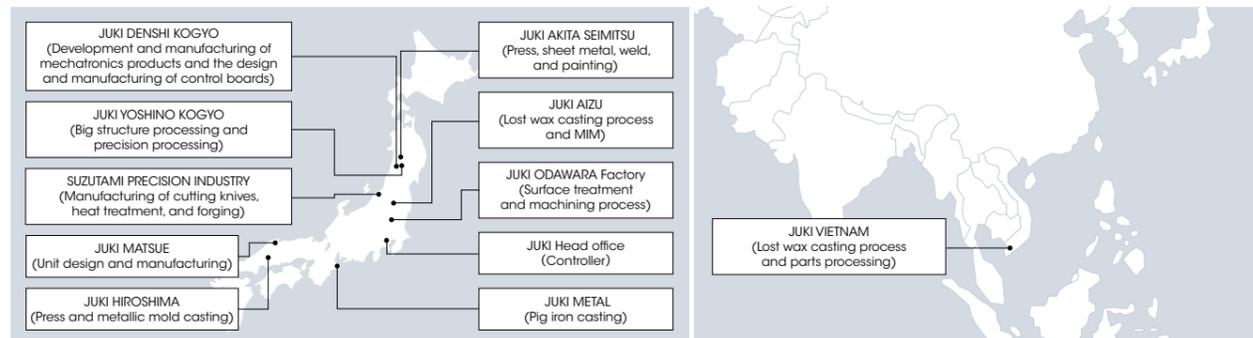
Vision: Becoming a manufacturing (Monodzukuri) company group strong in high-precision machining and assembly through cooperation with domestic and overseas group companies.

Growth strategy

The Group Business is a business that mobilized the manufacturing (Monodzukuri) capabilities of 10 JUKI manufacturing companies, 9 from Japan and 1 from overseas. The development capabilities of the Group Business have been cultivated in processes ranging from the design and development of industrial sewing machines, household sewing machines, and mounters, our core products, to parts manufacturing and

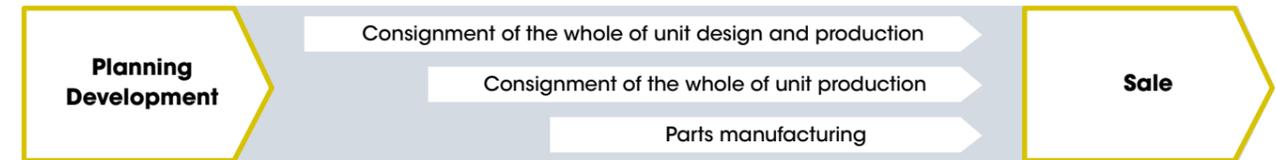
product assembly. The Group Business has the wide-ranging, high-level manufacturing (Monodzukuri) capabilities of precision casting, precision processing, sheet-metal processing, metallic mold casting and so on.

JUKI's Group Business intensifies and combines manufacturing (Monodzukuri) technologies and works to expand sales by embodying them as products customers want.



Various manufacturing methods in the Group Business

JUKI's Group Business utilizes the various manufacturing capabilities grown in the development and production of JUKI's main products such as industrial sewing machines and mounters, enabling all phases of manufacturing (Monodzukuri) from planning and development to consignment of the whole of unit production and parts manufacturing. The Group Business meets customer demands in wide-ranging fields such as optical equipment, OA/FA-related equipment, medical equipment, and aircraft parts.



Case of products

● Spectrophotometer



JUKI DENSHI KOGYO CORPORATION

The spectrum colorimeter developed and manufactured in-house has been distributed through the company's sales channel.

● Meter display plate



JUKI HIROSHIMA CORPORATION

The company has produced a high-precision press metallic mold necessary for sheet metal parts processing for cars.

● Artificial joint



JUKI AIZU CORPORATION

The titanium alloy composing the artificial joint has been fabricated by the lost wax method.

Sleep Buster

Supporting the driver's safe run

The Sleep Buster is a device developed to reduce traffic accidents and to prevent overwork driving.

Sensor pads attached to the driver's seat monitors physiological signals in driver's upper body second by second. Built-in algorithms assess the degree of driver fatigue and issue warning displays or sounds whenever the driver's concentration or physical condition decreases or suddenly changes (e.g., when the driver drifts toward sleep).

The driver's stress, concentration, arousal, and fatigue can all be analyzed in more detail by downloading the sensor data to a personal computer using JUKI's exclusive software called "Human Tachometer."



Drowsy driving warning device "Sleep Buster"

Data Entry System

JUKI's original information-processing system

A data entry system is a system for rapidly inputting large volumes of alphanumeric data.

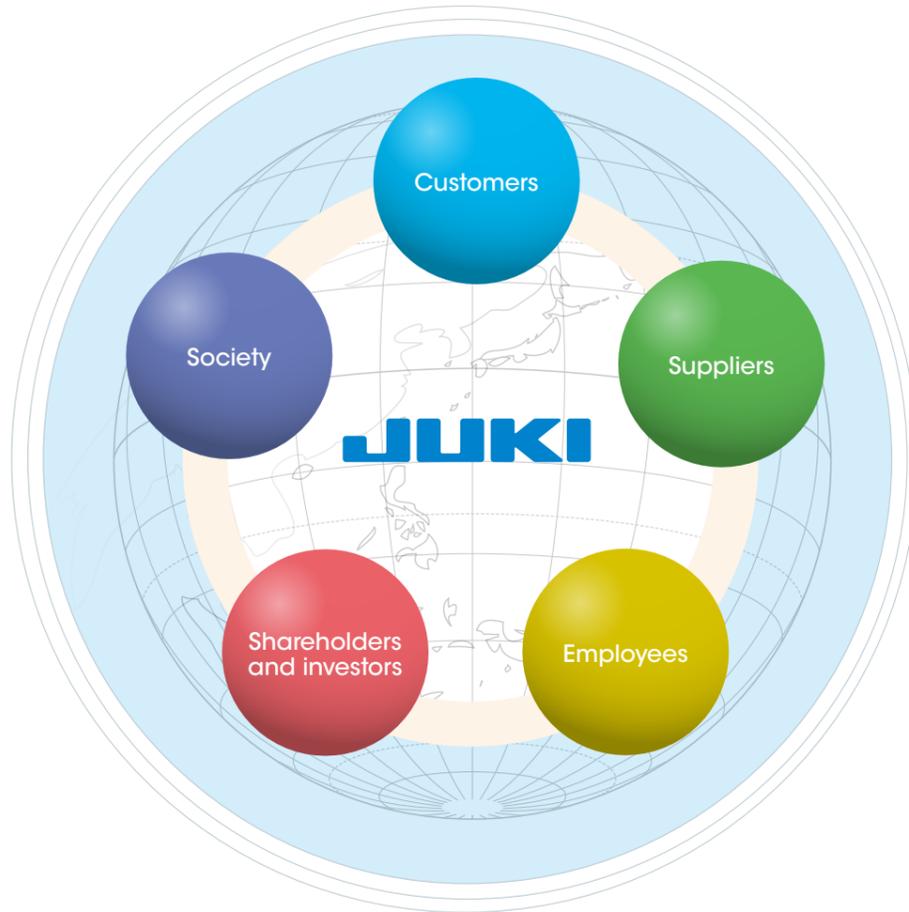
Insurance companies, banks, and other organizations that process great deals of information are members of the information processing industry. JUKI is now developing equipment to enhance processing capabilities and reduce human error for these organizations.

Foremost among their needs are the "protection of confidential and personal information," "more efficient image entry with help from OCR processing," and "deliveryless system using high-speed communications infrastructure."



Stakeholder involvement

We believe that a company that seeks to achieve mutual benefits with its stakeholders in all of its activities will steadily increase its corporate value. We aim to be a company that all of its stakeholders need.



Customers

We are striving to maximize the customer's lifetime value by providing the products and services of the JUKI Group.



Suppliers

We strive to establish relationships with suppliers that encourage friendly competition from a viewpoint of "mutual harmony and benefit."



Employees

We strive to establish an organization and workplace climate where our people and to improve ES (Employment Satisfaction) wherever we have employees.



Shareholders and investors

We are trying to further improve our financial strength and distribute dividends in a stable manner by boosting shareholder value.



Society

We aim to deepen our exchanges with communities and society as a good corporate citizen and work on environmental issues seriously as a company that is valuable and attractive socially.

Relationship with customers

JUKI has worked to enhance a support system and the use of SNS to perfect its ability to hear the customer's voice directly. JUKI continues to provide products and services that satisfy customers by increasing contact points with customers.

Production management consultation

The Smart Sewing System Department (Sewing Research Institute) has visited factories directly based on the results of more than 5,000 consultations, conducted surveys and analyses of the current situation according to customer needs, and provided appropriate advice for productivity improvement.

- Ratio-delay study
- Process analysis
- Motion study
- Time study
- Process planning
- Layout



Support to dressmaking schools

JUKI SALES (JAPAN) CORPORATION supports education on techniques for using and performing regular maintenance on sewing machines at dressmaking schools (see the picture) and colleges around the country. The dressmaking schools and colleges have a class where the students use sewing machines to understand the apparel industry and JUKI employee sometimes contributes his/her time as a guest instructor in the class to demonstrate sewing machine operating methods, precautions, and so on. During enrollment season, when students make frequent sewing machine purchases, JUKI opens up a sales booth at the school and answers the questions on the way of choosing and using a sewing machine from the students. We also regularly provide maintenance service for the sewing machines delivered to the schools as equipment. We are now spreading similar cooperative arrangements with dressmaking schools overseas.



Seminar for customers

On November 14, 2015, the customers of JUKI's data entry system came to the multi-purpose hall at the JUKI head office to attend the 4th JUKI Seminar. Customers come to the seminar not as an opportunity for exchange with JUKI, but for direct exchange with other customers to develop mutually in business. Results from collaborations between customers have gradually emerged. Customers from Aomori to Okinawa Prefecture have engaged in serious discussions in a friendly, win-win atmosphere. JUKI will also be planning an event that enables JUKI and its customers to step up the pace of their development.

Communication with customers

● JUKI magazine (jm)
This website magazine for apparel industry insiders reports practical case histories at factories, news on the business trends of apparel industries, and information on new products for the apparel business. Chinese and English editions are also available. "jm News," a digest delivered by email, provides previews of upcoming content from JUKI Magazine and comprehensive information on apparel.



● Facebook/YouTube
For household sewing machines, we post tutorials on the use of machine attachments on YouTube and provide information on various shows and products through Facebook.



Relationship with suppliers

The JUKI Group promotes green procurement with its vendors as a globally active company. The JUKI Group focuses on even and fair deals and improves technical capabilities in mutual harmony and benefit with its suppliers. The Group also strengthens communications with its suppliers through briefing sessions and workshops.

Procurement policy

JUKI selects suppliers by conducting fair evaluations with a "supplier evaluation system." The suppliers are treated equally in the evaluation process, regardless of the countries where they are based. Criteria include compliance with laws and regulations and prescriptive social norms, respect for fundamental human rights, conformance to the "JUKI Group Green Procurement Activity Guideline," approaches to occupational safety and health, approaches to intellectual property protection, and the quality, cost, and delivery conditions JUKI requests.



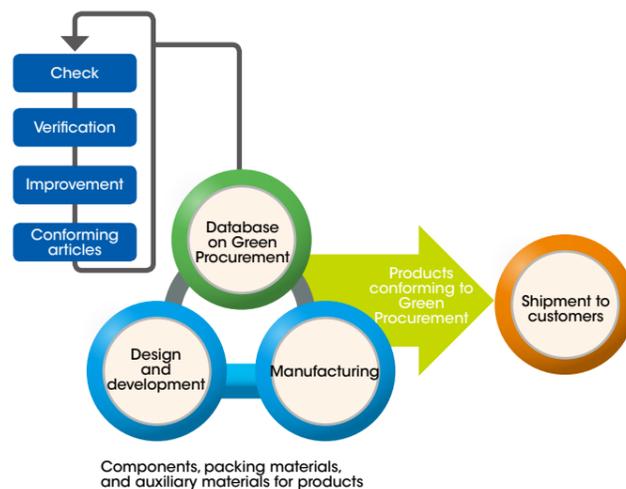
Communication with suppliers

JUKI holds social events with suppliers three times a year to communicate mutually. In the workshop during Quality Month every November, we present a lecture on the environment surrounding JUKI and the company's future directions to all suppliers and award the "Excellent Company Award" and grant "Guaranteed Delivery Certificates" to suppliers that achieve outstanding performance. In 2015, 102 companies (or 106 persons) from Japan and overseas attended the workshop at the JUKI head office. Awards were bestowed upon one "Excellent Company" and six "Effortful Companies." "Guaranteed Delivery Certificates" were granted to 56 companies. JUKI is trying to maintain and grow its partnerships with suppliers.



Green procurement

JUKI Group has been working on the earth-conscious environmental preservation activities based on the "ECO MIND Declaration" together with its suppliers. The priority procurement and purchase of materials, parts, and products with reduced environmental load reduces the discharge of hazardous chemical substances into the environment. Since 2011, the Group has adopted the industry standard JAMP AIS investigation tool for material management in its supply chain and has been developing environmental preservation activities in its bases in Japan and overseas. The Group is preventing the unexpected contamination by analyzing hazardous chemical substances when parts and materials are delivered to its manufacturing bases. The social responsibility and demand for environmentally sound practices are expected to rise in step with tightening environmental regulation. As the trend advances, the Group will position green procurement as an important priority and respond to regulations in every country by strictly confirming that shipped items conform to target substance specifications and additional material management requirements in accordance with the REACH regulations, the CLP regulation in Europe, and the like.



Relationship with employees

The global companies of the JUKI Group continue to grow with guidance from JUKI staff at bases around the world. We try to create a good corporate culture where JUKI company employees all around the world work pleasantly together. We are striving to improve working environments both domestically and overseas to encourage various human resources to play active parts and develop the company.

Length-of-service awards

The SHANGHAI JUKI SEWING MACHINE CO., LTD., JUKI Group's first overseas factory, celebrated the 25th anniversary of its 1990 founding. Letters of thanks and other tokens of appreciation were presented to four long-service employees who have contributed greatly to the development of the SHANGHAI JUKI SEWING MACHINE CO., LTD. and the JUKI Group over the last 25 years. While developing globally, we will try to create a corporate culture where employees work and support one another in pleasant workplace environments.



Promotion of health management

Below we introduce exemplary cases of health promotion efforts at JUKI.

- Vegetables first
In June 2016 JUKI held a vegetable fair entitled the "Health Management Campaign in early summer" to promote healthy eating habits at the staff canteen of the head office. Small bowls of vegetables were served at a reasonable price to encourage a "vegetables first" mentality and create a nutritionally balanced set menu.
- Total ban on smoking
The "JUKI Health Management Seminar - Are the Japanese the only ones who do not know the truth about the global cigarette standard?" - was held at the head office in Tama in July 2015. A total ban on smoking in the building and during working hours has been put into effect since October 2015.

- Floor for company staff
In June 2014 the head office set up a special "floor for company staff" to promote the health and self-development of employees. The area is provided with light exercise equipment such as ping-pong tables, stationary bikes, and balance balls, as well as rest area with reclining chairs and place for using household sewing machines for fun.

Approach toward an improved corporate culture

On the occasion of its 75th anniversary, JUKI is conducting a Mendomi (caring) campaign to create a "caring corporate climate" where employees will think of others seriously in the ensuing decades leading up to JUKI's centennial. A circle of facilitators selected from various workplaces with a secretariat has been formed to stage the Mendomi (caring) campaign effective in forging a caring corporate climate.



Joint training for "TWI-JI (Training Within Industry - Job Instruction)"

The JUKI Group is conducting "TWI-JI education," a form of training that teach the managers of the manufacturing divisions the skills and methods to precisely and promptly instruct the workers how to perform their jobs. Six newly appointed managers of the manufacturing divisions of JUKI (SHANGHAI) INDUSTRIAL CO., LTD. and eight managers of the manufacturing divisions of SHANGHAI JUKI SEWING MACHINE CO., LTD. participated in TWI-JI in order that both companies may share the common skills and methods to instruct the workers of each company. Hands-on practice and case studies have been intensively incorporated into the program in the belief that "A skill can be mastered with training and practice." Participants use the know-how learned in the program to conduct business and make better work environments.



Relationship with shareholders and investors

The JUKI Group would like to improve management transparency through correct and timely information disclosure to shareholders and investors. The JUKI Group is also making an effort to respond to shareholder and investor expectations by keeping track of their opinions.

Reverse stock split and change in the share unit number

JUKI carried out a reverse stock split and changed the number of shares per unit of stock as of July 1, 2015 according to the policy of the Japanese Stock Exchanges; to unify the trading lot size for domestic listed companies to 100 shares for the purpose of improving convenience for investors and other market participants and enhancing the international competitiveness of Japan's securities markets. Our company performed a reverse stock split to comply with the standard investment unit range (over 50,000 yen and under 500,000 yen) deemed desirable by the stock exchange. The trading lot size was accordingly changed from 1,000 shares to 100 shares.

General meeting of shareholders

JUKI holds an ordinary general meeting in March every year. To ensure that more people attend, it schedules the event on days when few other companies hold shareholder meetings of their own. On March 29, 2016, JUKI held the "101th Ordinary General Meeting of Shareholders" at its head office and many general shareholders joined. The company also organized a tour for attending shareholders after the meeting to show them JUKI's core products and deepen communications with them. JUKI makes continuous efforts to respond to shareholder expectations and reflect shareholder opinions into the company's future actions.

Briefing of IR results

JUKI has worked actively to disclose information appropriately to and promote understanding of shareholders and investors in order to enhance communications with them. As one activity, briefings on JUKI's performance are held twice a year for institutional investors. JUKI held a briefing at Japan Investor Relations and Investor Support, Inc. (Nihonbashi, Chuo-ku) on February 15, 2016 to present an "outline of achievements for the fiscal year ended December 31, 2015" and JUKI's "approach toward the Medium-Term Management Plan (2015 to 2016) and priority policies in fiscal 2016." JUKI is trying to engage in proactive dialogue by responding to inquiries from individual shareholders and taking individual interviews from securities analysts, fund managers and the like.

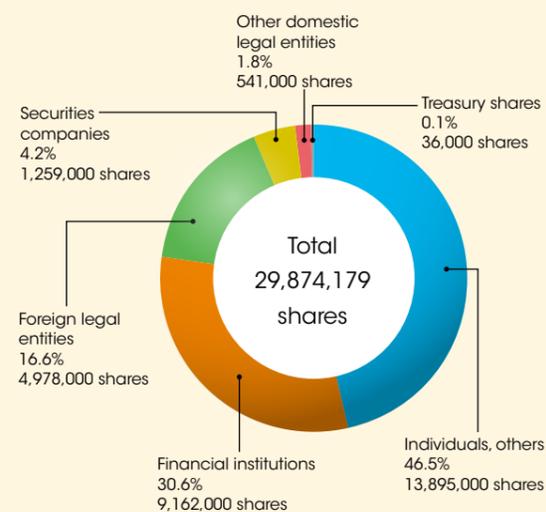


Major shareholders (the top 10)

Name of shareholder	Number of shares owned (1,000 shares)	Ownership ratio (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	1,511	5.06
Mizuho Bank, Ltd.	938	3.14
The Master Trust Bank of Japan, Ltd. (Trust Account)	774	2.59
Nippon Life Insurance Company	732	2.45
JP MORGAN CHASE BANK 380634	695	2.33
BNP PARIBAS SECURITIES SERVICES LUXEMBOURG / JASDEC / FIM / LUXEMBOURG FUNDS	620	2.08
Asahi Mutual Life Insurance Company	569	1.90
CBNY-GOVERNMENT OF NORWAY	553	1.85
The Dai-ichi Life Insurance Company, Limited	511	1.71
STATE STREET BANK AND TRUST CLIENT OMNIBUS ACCOUNT OM02505002	499	1.67

As of December 31, 2015

Stock Distribution Status by Owner Type



Relationship with society

The JUKI Group has supplied products to customers in about 180 countries through its worldwide sales network. The JUKI Group is working to establish good relationships with society in every country where it does business.

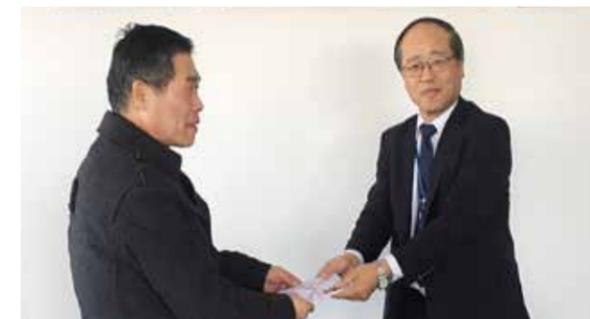
Field trips to the head office

Fifth-year students from nearby elementary schools began taking field trips to the JUKI head office after its move to Tama-City, Tokyo under a JUKI program to build better relationships with the local community. In the sixth annual field trip hosted by JUKI in October 2015, some 190 people came to our office from Minamitsurumaki elementary school and Oomatsudai elementary school. The students visited the rooftop garden, staff canteen, central monitoring room, showroom, and other parts of the head office complex. After the visit, the schools presented a copy of the "JUKI shinbun (newspaper)" to the head office with a summary of what each student had learned.



Donations to the local area

JUKI (CHINA) CO., LTD. has placed a donation box in its office since the latter half of 2015 as a social contribution activity. Funds collected from company employees and business travelers were presented to an Office Work Management Center (a local agency of the ward office) in Putuo district, Shanghai city. JUKI (CHINA) CO., LTD. invited the chief of the Management Center, Mr. Tang, and other two persons to visit its office for a presentation ceremony on February 3, on the occasion of the Chinese New Year. Mr. Goto, Chairman of JUKI (CHINA) CO., LTD., presented the funds. This company was highly evaluated and thanked for this activity, the first such activity undertaken by a foreign capital enterprise in the region. This company will strive to deepen cooperation with the local government and region and continue contributing to the community.



Mr. Tang,
Chief of the
Management Center

Mr. Goto,
Chairman of
JUKI (CHINA) CO., LTD.

Tote bag-making workshop

Ninety people, parents and children paired into 44 teams, took part in "tote bag-making workshop with parents and children" over a two day period, July 23 and 24, 2015. This workshop has been held in summer holidays every year for nine years for the purpose of sharing the pleasure of using sewing machines and fun of manufacturing. After selecting their favorite fabric patterns, the parents sewed their own "bag in bag" accessories with zipper pockets while their children sewed practical tote bags for storing A4 size articles. We would like to continue to promote this activity to share the pleasure of using sewing machines and fun of manufacturing.



Visiting classes at junior high schools

In October and November of 2015, Mr. Hiroyuki Watanabe, president of SUZUTAMI PRECISION INDUSTRY CO., LTD., presented lectures to 82 second-graders from Teradomari junior high school and 263 first-graders from Tohoku junior high school on the theme, "Let's learn about the world from a company in Nagaoka." The Nagaoka City Board of Education, the class planner, asked Mr. Watanabe to recount his actual experiences as an individual directly related to a local company and to give the children the opportunity to start shaping their future dreams. Mr. Watanabe, a company president experienced in living in China, told the children that an active life overseas requires an "ambition to take on new challenges." Passivity, he told them, would get them nowhere. One of the classes was reported in a local newspaper, the "Niigata Nippo."



Approach toward quality management

We, JUKI Group, will secure levels of quality that will satisfy our customers and make overall efforts to enhance the quality of our products and services and improve business as a "reliable JUKI" that aims for sustainable growth through ongoing effort.

JUKI GLOBAL QUALITY MANAGEMENT FORUM



The first "JUKI GLOBAL QUALITY MANAGEMENT FORUM" was held on November 24, 2015 with the attendance of 377 participants mainly composed of board members and company employees. This convention is a combination of the "QC Circle World Convention" conventionally held at JUKI's manufacturing bases and "Top-down Activity Recital". JUKI organized it as a company-wide activity within the JUKI Group for the "evolution of quality man-

agement," one of JUKI's management priorities. From many applications on management themes, seven top-down themes and four bottom-up themes were selected. Presentations of them gave us the opportunity to study excellent approaches toward quality in the whole JUKI Group. We continue to conduct an activity to deepen every employee's understanding of quality management.

Approach toward a quality assurance system and product safety

JUKI has worked on the manufacturing (Monodzukuri) with quality at the core since its establishment. The company won the Deming prize in 1981. This emphasis on quality has been inherited up to the present. JUKI's quality management has been fully supported from the very beginning. We will continue to perform an activity focused on the maintenance and improvement of quality and deploy products and before- and after-services satisfactory to our customers. Considering it as one of the most important points in CS (Customer Satisfaction) to provide our customers with the products that can be used safely, the JUKI Group is making further progress toward total product safety

Support system

The passion for "keeping customer manufacturing lines running without a halt" supports the generous support system of the Electronic Assembly Systems Business. The target is to respond to machine troubles within 24 hours. We have won the trust of customers by establishing a rigid support system, responding flexibly to unexpected situations, and ensuring safety for customers all over the world every day of the year.

Innovative approach

We are taking on new challenges such as sewing robot and smart factory to propose creative solutions for customers.



Promotion of diversity

The Diversity Promotion Section was set up in the Human Resource Department on April 1, 2016. We will aim to enhance organizational performance and reform our ways of working by offering various human resources the opportunities to show their abilities to the full.

Aiming for organization where various human resources can show their abilities to the full



Ms. Eiko Nakano
section manager of
the Diversity Promotion
Section

conditions. JUKI is nurturing innovative, vibrant company employees and a richly diverse corporate culture, and improve organizational performance, reform the ways of working, and improve productivity.

— Could you tell us how you will approach diversity?

There are three pillars to JUKI's approach toward diversity: (1) Promotion of the success of female employees, (2) global arrangement of human resources, and (3) promotion of outstanding performance of rehired and contract employees. We will work to encourage the success of female employees as the main pillar. We will try to get rid of factors that obstruct the success of female employees and cultivate a work environment where females play more active roles through the enhancement of job experience and skill development. As for global arrangement of human resources, we will maintain our system to enable the appointment of overseas national staff (company employees hired at overseas subsidiary companies) to senior positions and personnel exchanges in the group for the fosterage of leaders who will shoulder the responsibilities of building the JUKI Group of the future.

As for the outstanding performance of rehired and contract employees, we will flexibly match the ways of working with the treatments to help employees show their respective abilities to the full.

We will continue to encourage active discussions among company employees from various backgrounds with different viewpoints in the company and JUKI Group, and make it a springboard for the creation of a vibrant corporate culture.

— Could you please tell us about the working environment of the JUKI Group?

(1) A shrinking labor force linked to factors such as Japan's falling birth rate and aging population and (2) the globalization of JUKI's business activity are bringing about big changes in the working environment within JUKI. Recognizing the importance of securing excellent human resources on an ongoing basis under these circumstances, the JUKI Group set up the Diversity Promotion Section in the Human Resources Department in April 2016. We respect differences in gender, age, nationality, etc. and would accept various working style such as shorter working hours or no transfers in order to create the working environments where company employees show their abilities in their own current

Purpose of a diversity management

To achieve the policy of the Middle Term Management Plan, the "global manufacturing (Monodzukuri) company surviving in the 21st century," we will secure the excellent human resources and strengthen the foundation of human resources.

Diversity of attributes

Gender Age Nationality

Diverse ways of working

Place of work Job type Working hours

We accept diversified human resources and various ways of working to create an environment where their abilities can be displayed.

We spearhead the creation of such an environment with a view to enhancing organizational performance, reforming ways of working, and improving productivity.

Main themes to work on

1. Promotion of the success of female employees

Ratio of female managers to all managers

by 2020

4% → 10%



Compared with the ratio of female company employees, the ratio of female managers in all of our workplaces and office organizations is low. The skill development and success of female employees are big challenges for JUKI.

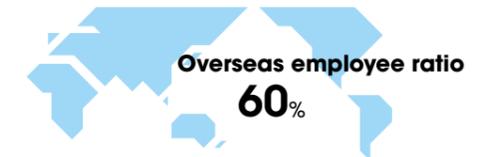
To make headway in the support of career-development of female employees, we will be creating an action plan and putting more emphasis on promoting the success of female employees.

<<Action plan for promoting the success of female employees>>

- [Action plan 1] Promoting hiring and job rotation based on the abilities, motivation, and experience of each female employee
- [Action plan 2] Planning the development of abilities through job experience and the expansion of job responsibilities
- [Action plan 3] Fair evaluations based on the outcome
- [Action plan 4] Promoting work that does not spill into long working hours, through improved organizational management and reformed ways of working

2. Promotion of the outstanding performance of global human resources

With the advancement of globalization of the JUKI Group, 60% of JUKI's 6,245 employees work overseas. In addition to transferring Japanese employees to overseas business offices, we now aim to establish a system to enable overseas employees to play more active roles on transfer assignments between overseas bases. We will also promote a training program to impart the knowledge and skills employees from Japan and overseas will need to play active roles globally.



3. Promotion of the outstanding performance of rehired and contract employees

We will try to create an environment where company employees continue to work after retirement (age 60 years) and contract employees can play active roles through various ways of working such as shorter working hours, no transfers, or professional career.

Opinion-exchange meeting of female managers from group companies

As a first-time effort, JUKI held an opinion-exchange meeting between female managers from group companies at its head office on July 12, 2016.

Female managers from Japan and overseas (the head office and area controlling bases) gathered and discussed issues such as the problems faced in JUKI's diversity management and the ways female employees play active roles at the various bases. They shared the ideas on management problems that will emerge when company employees from various backgrounds start acting toward the same targets.

Participants in positions to manage organizations exchanged the following opinions on the success of female employees and so on with each other.

- To achieve a good work-life balance, the operational efficiency, fosterage of subordinates, and decentralization of work due to the delegation of authority are required
- To keep the business from being disrupted even if any company employee is absent from office with urgent private business, management designed for multi-skill development is required
- To prevent long working hours, managing deadlines and prioritizing tasks are required.



Work-life balance support system for JUKI's employees

- Short working hour system
 - This system can shorten working hours per day by up to two hours.
 - The system is available for an employee who is bringing up an elementary school child (up to the sixth-grade) or has a family member requiring nursing care.
- System of maternity leave
 - To protect the health of mothers around the time of childbirth, a six-week leave before childbirth and a ten-week leave after childbirth are arranged.
- System of leave
 - This system allows the employees to take leave for up to fifteen months for the purpose of childcare or nursing care.

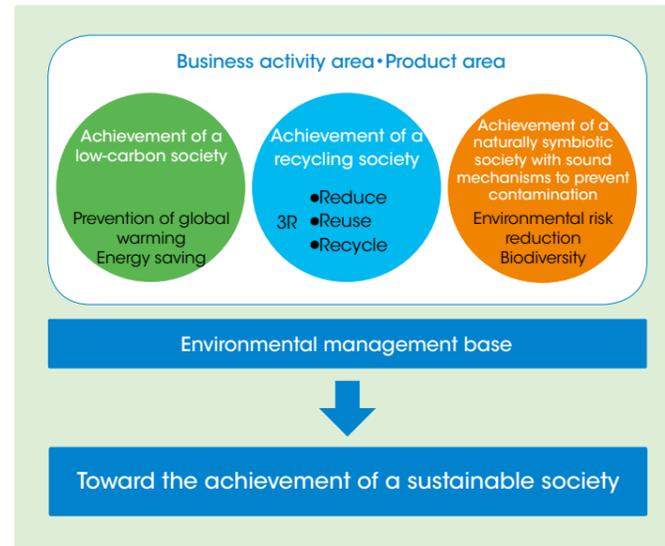
Environmental Vision

JUKI will strive to contribute to customers and the global environment through eco-friendly manufacturing (*Monodzukuri*).

The JUKI Group places importance on the global environment as a manufacturing (*Monodzukuri*) company and works aggressively on the effective use of resources, recycling, and energy saving. The Group also provides safe products that place less environmental load on customers and is helping to develop industry in the region with the aim of being widely trusted and valued by both society and JUKI customers.

The JUKI Group's stance toward environmental conservation activities

The JUKI Group practices environmental management in three areas to contribute to the realization of a sustainable society: "Realization of a low carbon society," "Realization of a recycling society," and "Pollution prevention and the realization of an inclusive society rich with nature." The Group has established the "ECO MIND Declaration" to show its environmental activities more concretely to all of its stakeholders. The ECO MIND Declaration consists of an "Environmental Philosophy" and "Environmental Action Policy." The "ECO MIND Declaration" has been issued by adding "Environment" (environmental consideration) to the existing concepts of "Quality," "Customer satisfaction," and "Respect for humanity" (concepts based on the "Mind" in JUKI's "Mind & Technology" corporate slogan.) Based on this, the JUKI Group has mapped out an "Environmental Conservation Guideline," a guideline for promoting detailed environmental approaches and practicing the environmental conservation activities as the JUKI Group. JUKI Group companies also exchange information with each other and develop information horizontally to raise the level of the whole Group.



ECO MIND Declaration

Environmental Philosophy

The JUKI Group recognizes that activities of enterprises are closely related to the global environment, and is making efforts to:

1. Contribute to the local community and society by environment-conscious activities.
2. Provide people around the world with environmentally friendly products.
3. Play an active role to hand down a better global environment to future generations through continuous activities.



Environmental Action Policy

1. Prevent global warming by promoting energy-saving in all business activities and use resource efficiently by implementing the 3Rs (Reduce, Reuse, and Recycle).
2. Provide products with less environmental load by planning, researching, developing, procuring, and manufacturing with environmental influences in mind.
3. Contribute to countries and regions by modifying environmental conservation activities to suit local conditions wherever JUKI does business as a global company.
4. Observe environmental laws and other agreed requirements, and prevent environmental pollution.
5. Actively disclose environmental information.
6. Raise "awareness of ecological problems" among employees through educational campaigns.

Topics

Environmental consideration design in the head office building

Eco-friendly and energy-saving features were designed into the head office building opened in December 2009 as the new base for the JUKI Group. Energy use is monitored by energy type (electricity, gas, and water), usage, and designated zones inside the building using the BEMS system for operational improvement. Energy-saving equipment such as a rainwater processor and high-insulated-layer (Low-E) glass has been introduced.

The building has been awarded the equivalent of the "A rank" in the CASBEE (Comprehensive Assessment System for Built Environment Efficiency) rating system for environmental performance. Beyond the environmental dimension, ease of use is also considered for the planning of spaces for interpersonal communication among JUKI employees.

Using rain water

Rainfall is collected from the roof, passed through a sand-filtration sterilization process, and reused as water for washing laboratory and sprinkler water for plants on the premises.

Rooftop and premises greening

Maximum possible greening for the rooftop and building premises (about 2.5 times the greening standard area of Tokyo) improves the building insulation efficiency and helps prevent the heat island phenomenon. JUKI is creating a sylvan landscape for the neighborhood by greening the land in three dimensions from the boundary of the premises. Tree-planting and other greening techniques can create an environment that comforts employees and relieves them from general fatigue.

Use of natural light

Installation of top lights
By taking in more natural light, JUKI saves energy in the whole building and improves the working environment at the basement level.



Blocking solar insolation

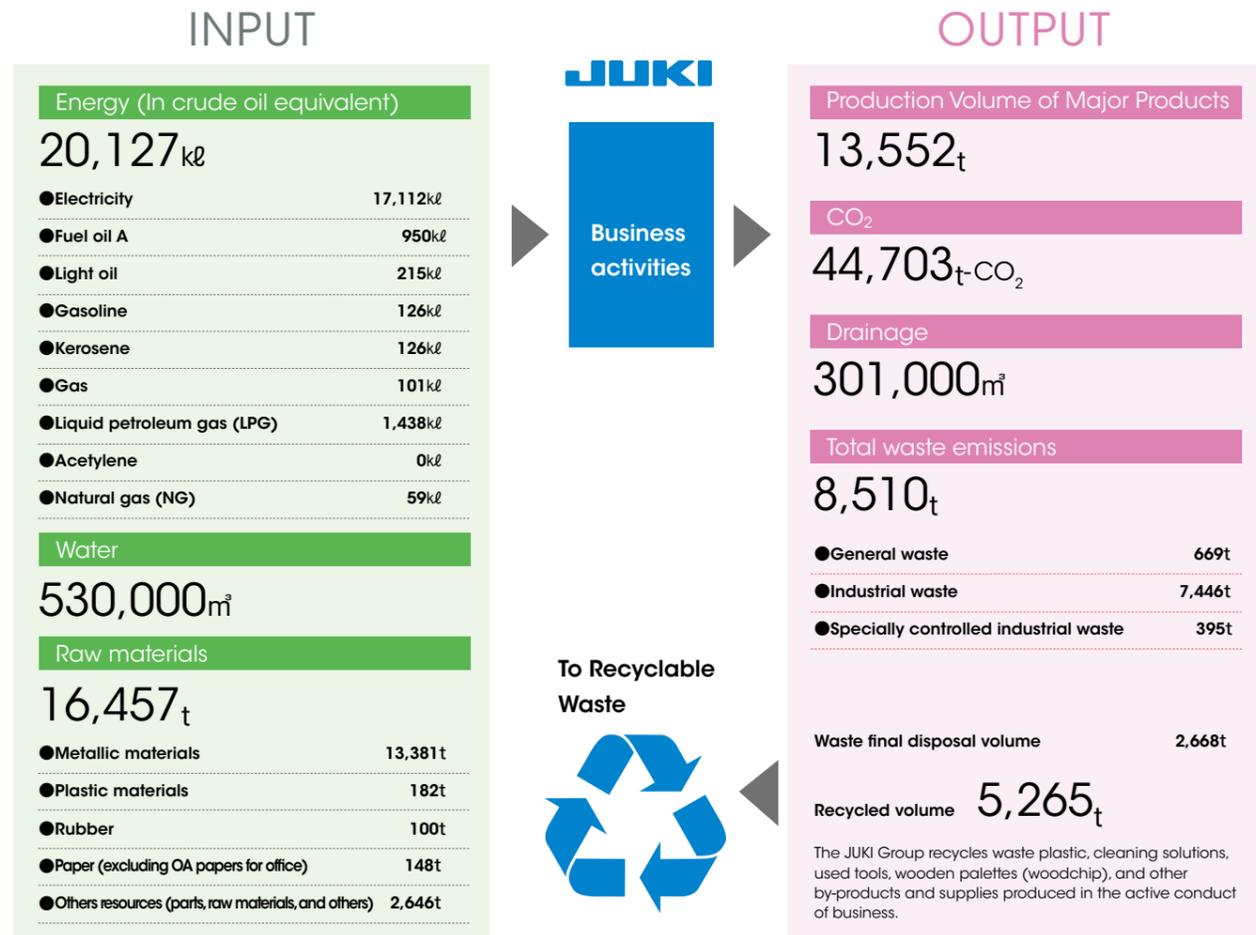
High insulation Low-E glass reduces the solar insolation and air-conditioning loads. The ratio of natural energy usage is improved by applying Titanium coatings over outside walls and glass to activate the natural cleansing actions of light and rainwater.

Lighting control

Most of the energy-saving at the head office is achieved with highly effective and long-life Hf (High frequency) fluorescent lamps. The brightness of the lamps is automatically adjusted with dimmer controls based on data sent from dimmer sensors.

Environmental influences on the JUKI Group's business activities

JUKI products are still manufactured using abundant energy and resources, including precious resources for parts and materials. As an energy and resource consumer, the JUKI Group is determined to clarify the environmental load of its business activities and improve its environmental performance.



* These figures summarize Fiscal Year 2015 data gathered from JUKI and its manufacturing group companies in Japan and overseas.
 * Some group companies lack complete or sufficient information on raw materials.

INPUT

- **Electricity** : the electric power used in the factories and offices.
- **Fuel oil A** : used for operating equipment such as drying furnaces at painting facilities.
- **Light oil** : the fuel for trucks.
- **Gasoline** : the fuel for company-owned cars.
- **Kerosene** : the fuel for warm-air heating.
- **Liquid petroleum gas** : the fuel for regular-use electricity generators.
- **Acetylene** : the fuel for gas welding for equipment repairs and cutting and soldering sheet steel.
- **Natural gas** : fuel for cooking in kitchens or supplying hot water.
- **Metallic materials, plastic materials, and rubber** : materials for parts.
- **Paper** : cardboard for transporting and packing products and preventing the collapse of cargo and denting of products in the manufacturing processes.

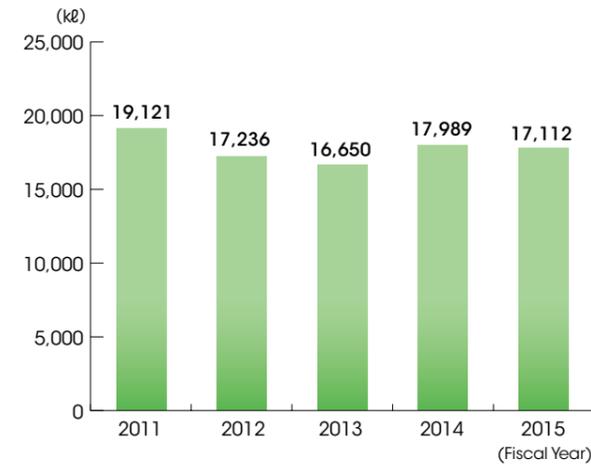
*Crude oil equivalent : the conversion volume to crude oil using the heating value, for comparisons among different energy volumes using a common measure.

OUTPUT

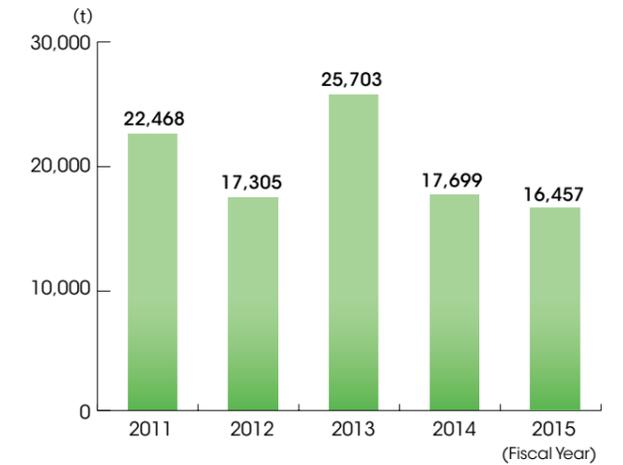
- **CO₂** : caused by the use of electricity and fuel.
- **General waste** : all waste discharged from homes and enterprises except industrial waste. Includes garbage from kitchens and other garbage discharged in business activities.
- **Industrial waste** : twenty kinds of waste set up by laws, rules, and regulations, among the wastes generated by business activities by entities such as factories. Includes abolished sand used for molds, pallets (made from wood pellets), cutting oil, and prototype machines for experiments and research.
- **Specially controlled industrial waste** : highly explosive, toxic, and infectious waste that may cause suffering to human health and the living environment. Especially strict management is crucial. The waste includes PCBs and the like contained in old condensers and other components.
- **Final disposal** : disposal of garbage at reclaimed disposal sites.
- **Recycle** : effective use of resources by recycling.

Transition of major INPUTS

Electricity (In crude oil equivalent)

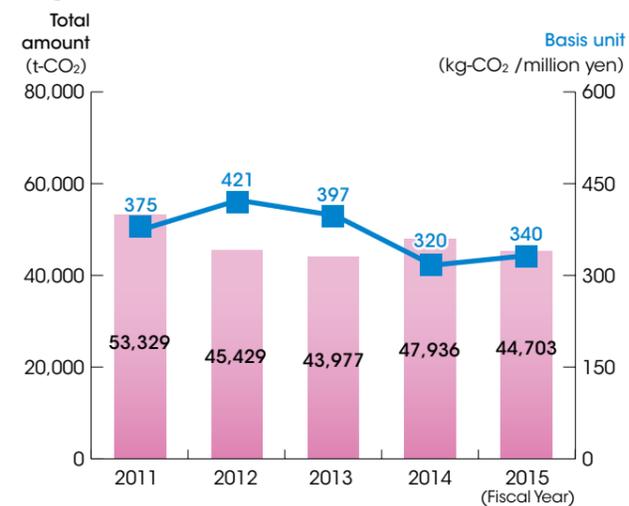


Total waste emission



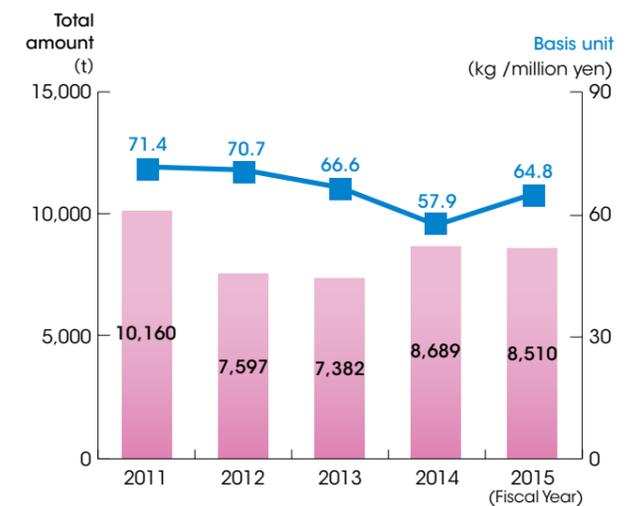
Transition of major OUTPUTS

CO₂ emissions



Electricity usage accounts for greater than or equal to 80% of the factor for CO₂ emission by the JUKI Group. The Group is taking various steps to reduce electricity usage, including a thorough rethinking of production methods and running times for equipment.

Total waste emissions



JUKI's manufacturing (Monodzukuri) sites consume raw materials for production activities every day. To reduce waste emissions in the production process, the JUKI Group is working on different measures for handling waste and promoting the sale of valuable forms of waste for reuse and recycling in manufacturing sites.

Topics

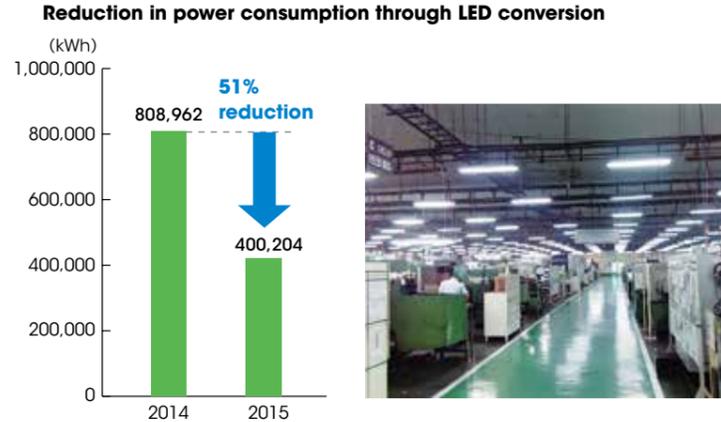
Approach toward carbon offset at SUZUTAMI PRECISION INDUSTRY CO., LTD.

In September 2015, SUZUTAMI PRECISION INDUSTRY CO., LTD. participated in the "Daishi Eco-action Carbon Offset Project" undertaken by Daishi Bank, Ltd. This project provides "support funds for energy-saving equipment" including a carbon offset for an installation of energysaving equipment. The loan of 10,000,000 yen in this project allows the use of carbon credits created in Niigata Prefecture to compensate for 1 ton of greenhouse gas emissions. The credits are granted according to the amounts of CO2 emission reduction and absorption recognized in the following projects: "Forest for Japanese crested ibises (Toki)" implemented by Sado City, Niigata Prefecture, the "Forest for dragons (Ryuu-jin)" at the base of Mt. Naeba" project, the "Forest for famous water in Minamiuonuma" tree-thinning project, the "Eternal Forest in Aga" tree-thinning project, and a project for the introduction of a biogas generator at a sewage treatment plant operated by the Kashiwazaki City Gas Waterworks Department. 97 tons of greenhouse gases have been offset through this system; about 6,790 cedar trees will absorb such amount of gases.



Approach toward energy-saving at JUKI (VIETNAM) CO., LTD

JUKI (VIETNAM) CO., LTD. converted fluorescent lights in its factory to LED in its approach toward the environment in fiscal 2015. The LED conversion reduced power consumption by about 51%. In total, 3,820 lights in the 1st to 3rd factories were replaced, resulting in reduction of 408,758kwh compared with the fiscal year 2014.



Approach toward energy-saving at Ohtawara plant, JUKI CORPORATION

Ohtawara plant has made ongoing approaches toward energy-saving. One approach is a low-temperature coating for industrial sewing machines. JUKI's industrial sewing machines are painted with a powder coating and then transferred to a drying furnace to dry (bake) the coating. The temperature in the drying furnace was formerly 180 °C. We are now able to dry the paint at 160 °C. This improvement has reduced the usage of the liquefied petroleum gas, the fuel for the drying furnace, by 26%.



Main "JUKI ECO PRODUCTS" in 2015

JUKI makes products that behave in eco-friendly ways throughout their whole life cycles. The company evaluates 38 environmental criteria in the development phase with a view to improving the operability and maintenance of its products, heightening product performance, saving electric power or energy, and more. A product that achieves eco-friendliness at a high level is recognized as a "JUKI ECO PRODUCT."



"JUKI ECO PRODUCTS" in 2015



Computer-controlled, High-speed, Lockstitch Buttonholing Machine
LBH-1790AB (Shorter Thread Remaining Functions)



High-speed, Overlock / Safety Stitch Machine
MO-6800S -30P Series



Household Computerized Sewing Machine
HZL-EX7



2-Needle, 4-Thread Overlock Machine with Differential Feed
MO-114D



High-speed Compact Modular Mounter
RX-6R



Long Board SMT Placement Machine
JX-350

Directors, Audit & Supervisory Board Members and Corporate officers
(as of August 1, 2016)

Directors



Akira Kiyohara
President and Representative Director, and Representative Director of JUKI Automation Systems Corporation



Naotake Miyashita
Director and Managing Officer "in charge of the Business Operation Center (for the Sewing Machinery Business Unit," Company President of the Knitwear Machinery Company of the Sewing Machinery Business Unit, Director and General Manager for Sales of JUKI (CHINA) CO., LTD., and Chairperson of the board of directors of JUKI SINGAPORE PTE. LTD.



Minoru Wada
Director and Managing Officer "in charge of the Development Center" and "in charge of the Quality Assurance Department"



Toshihiko Ozaki
Director (Outside)



Kazumi Nagasaki
Director (Outside)



Yutaka Hori
Director (Outside)

Audit & Supervisory Board Members

Yoshihiro Otake
Audit & Supervisory Board Member (Full-time)

Masato Tanaka
Audit & Supervisory Board Member (Outside)

Yasuaki Isobe
(Outside)

Managing Officers

Hirofumi Gotoh
Shinsuke Uchinashi
Katsumi Nihei

Corporate Officers

Kimio Honma
Toshimasa Miura
Toshinobu Shinozuka
Satoshiro Hama
Robert J. Black Jr.
Hiroki Konishi
Kikuo Takahashi
Takehige Hamasoto
Minoru Nitta
Kiyoshi Matsumoto
Jirou Ishibashi
Masahiko Suzuki

JUKI Group's corporate governance operation system

The Group continuously endeavors to reinforce its governance system, strengthen compliance, and achieve highly transparent management.

Corporate governance

To secure the health and efficiency of management and respond to the trust of a stakeholder, JUKI regards the suitable maintenance and operation of its corporate governance system as one of the highest priority issues and strives to improve and enrich the corporate governance system. JUKI also enhances management transparency through the disclosure of timely and accurate information.

JUKI's board of directors has decided upon statutory matters or important matters of management and has supervised the status of business execution in a successively. JUKI has also introduced a Corporate Officer system to try to facilitate business execution and clarify responsibility.

In March 2016, the number of the outside directors was increased to three persons from two persons out of six directors to boost the management monitoring function of the directors and the board of directors and strengthen the company's system to actively incorporate the external voices in management.

A Corporate Strategy Committee has also been organized under the Board of Directors. The Directors, Corporate Officers and general managers of the departments in charge attend the meetings of the Committee and discuss basic management policies, strategies, etc. of the business group consisting of our company and group companies from various angles to enable more appropriate decision-making and operations.

A Risk Management Committee and Crisis Management Task Force have been set up as core parts of the risk management system.

An Internal Auditing Department has been set up as an organization for internal audits and has audited the business operations of all of JUKI's departments and each group company. The members of the Audit & Supervisory Board have performed audits in accordance with the audit policy and work divisions set by the board, in cooperation with the Internal Auditing Department and accounting auditors. A Corporate Auditors Section has been established as an organization to assist the Audit & Supervisory Board Members.

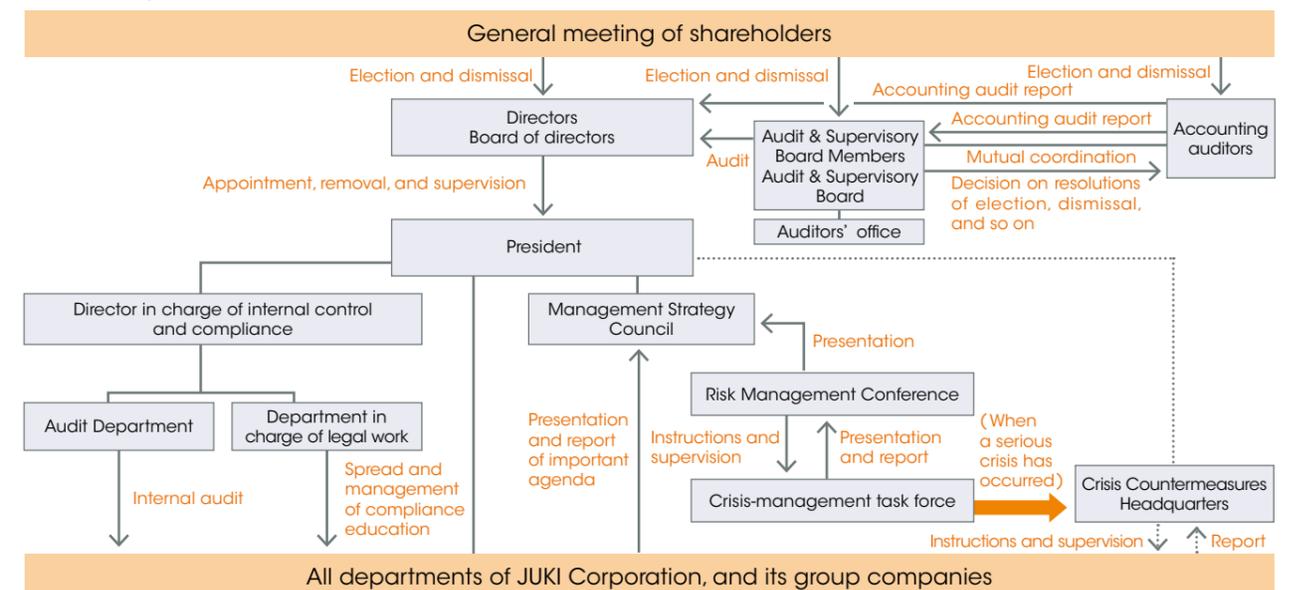
Compliance

The JUKI Group positions compliance as a management foundation important for maintaining the Group's status as a business group that is widely trusted by customers and all of society and offers enough value to society to merit its existence. Corporate officers and employees of the group are asked to thoroughly behave in compliance with "The JUKI Group Employees' Standards of Conduct - 10 Articles" and to understand its explanations on legal compliance and common-sense behavior. JUKI and its group companies have a system for consulting with employees or answering their questions quickly at Compliance Helpline. The companies of the Group also manage important risks related to compliance at the Risk Management Conference.

Risk management

The JUKI Group has set up a Risk Management Conference as a core part of its risk management system. The Risk Management Conference manages company-wide risks and important risks and directs the parties concerned to take remediation measures for risk reduction. The Group also sets up crisis-management task forces before and after crises (exteriorization of the risk) such as natural disasters, fires, explosions, and PL (product liability) incidents, and has a system to examine and execute its response measures. When a serious crisis has occurred, a "Crisis Countermeasures Headquarters" is set up to take quick countermeasures.

Corporate governance system



Major financial and non-financial data for two years (Consolidated)

	(million yen)		
	FY2013	FY2014	FY2015
Profit or loss situation(Fiscal year)			
Net sales	94,385	107,581	112,865
(Ratio of overseas sales to net sales)	(83.8%)	(84.1%)	(85.6%)
Gross profit	26,291	33,503	34,571
Operating income	5,151	8,217	7,110
Ordinary income	3,878	7,710	5,728
Net income	3,006	6,058	3,853
Capital expenditure	1,062	1,964	1,252
Depreciation	2,940	3,115	2,990
R&D expenses	3,859	4,826	4,871
Financial position(End of the fiscal year)			
Total assets	113,189	130,751	119,281
Net assets	11,806	25,010	28,477
Shareholders' equity	11,432	23,994	27,678
Financial index			
Equity ratio	10.1%	18.4%	23.2%
Return on equity (ROE)	37.4%	34.2%	14.6%
Cash flow situation(Fiscal year)			
Cash flows from operating activities	6,405	3,459	8,924
Cash flows from investing activities	293	△ 1,868	△ 1,218
Free cash flows	6,698	1,590	7,705
Cash flows from financing activities	△ 9,445	837	△ 9,044
Per share information (* Data is described according to standards applicable after the reverse stock split implemented on July 1, 2015.)			
Earnings per share (EPS)	116.35yen	219.17yen	129.14yen
Dividend per share (DPS)	—	20yen	35yen
Book-value per share (BPS)	442.38yen	804.10yen	927.63yen
Non-financial data			
Number of employees	5,872	6,153	6,245
Ratio of overseas employees to total employees	58.8%	59.1%	59.9%

Consolidated balance sheet

	(million yen)		(million yen)	
	FY2014	FY2015	FY2014	FY2015
Assets				
Current assets				
Cash and deposits	9,491	7,906		
Notes and accounts receivable - trade	31,275	31,263		
Merchandise and finished goods	37,685	31,689		
Work in process	4,230	3,532		
Raw materials and supplies	8,332	7,424		
Deferred tax assets	3,050	2,595		
Other	4,303	2,945		
Allowance for doubtful accounts	△ 579	△ 400		
Total current assets	97,789	86,958		
Non-current assets				
Property, plant and equipment				
Buildings and structures, net	14,625	13,844		
Machinery, equipment and vehicles, net	3,324	3,036		
Tools, furniture and fixtures, net	1,116	1,047		
Land	6,774	6,656		
Lease assets, net	428	342		
Construction in progress	35	97		
Total property, plant and equipment	26,304	25,024		
Intangible assets	2,216	1,797		
Investments and other assets				
Investment securities	3,051	3,009		
Long-term loans receivable	448	432		
Long-term prepaid expenses	473	353		
Deferred tax assets	124	202		
Net defined benefit asset	—	982		
Other	1,841	2,316		
Allowance for doubtful accounts	△ 1,500	△ 1,795		
Total investments and other assets	4,440	5,501		
Total non-current assets	32,961	32,323		
Total assets	130,751	119,281		
Liabilities				
Current liabilities				
Notes and accounts payable - trade			13,892	10,126
Short-term loans payable			52,492	46,870
Lease obligations			207	123
Account payable - other			1,906	1,718
Accrued expenses			3,343	3,473
Income taxes payable			913	745
Provision for bonuses			69	60
Notes payable - facilities			120	111
Forward exchange contract			2,800	—
Other			1,354	1,205
Total current liabilities			77,101	64,436
No-current liabilities				
Long-term loans payable			21,751	20,101
Lease obligations			297	281
Provision for directors' retirement benefits			171	171
Net defined benefit liability			5,270	5,084
Other			1,148	728
Total non-current liabilities			28,639	26,367
Total liabilities			105,741	90,803
Net assets				
Shareholders' equity				
Capital stock			18,044	18,044
Capital surplus			2,094	2,094
Retained earnings			3,754	7,800
Treasury shares			△ 62	△ 66
Total shareholders' equity			23,831	27,873
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities			817	817
Deferred gains or losses on hedges			△ 3	—
Foreign currency translation adjustment			△ 695	△ 1,148
Remeasurements of defined benefit plans			44	136
Total accumulated other comprehensive income			163	△ 194
Minority interests			1,015	799
Total net assets			25,010	28,477
Total liabilities and net assets			130,751	119,281

Consolidated statements of income

(million yen)

	FY2014	FY2015
Net sales	107,581	112,865
Cost of sales	74,078	78,293
Gross profit	33,503	34,571
Selling, general and administrative expenses	25,285	27,461
Operating income	8,217	7,110
Non-operating income		
Interest income	160	127
Dividend income	102	147
Commission fee	163	193
Foreign exchange gains	259	—
Other	383	445
Total non-operating income	1,069	914
Non-operating expenses		
Interest expenses	1,410	1,321
Foreign exchange losses	—	819
Other	166	155
Total non-operating expenses	1,576	2,296
Ordinary income	7,710	5,728
Extraordinary income		
Gain on sales of non-current assets	21	50
Others	3	0
Total extraordinary income	24	51
Extraordinary losses		
Loss on sales and retirement of non-current assets	82	65
Loss from valuation of investment securities	—	34
Impairment loss	59	32
Loss on change in equity	5	—
Other	—	4
Total extraordinary losses	147	137
Income before income taxes and minority interests	7,587	5,642
Income tax - current	1,416	1,625
Income taxes for prior periods	486	—
Income tax - deferred	△ 274	364
Total income taxes	1,628	1,989
Income before minority interests	5,958	3,652
Minority interests in loss	△ 100	△ 200
Net income	6,058	3,853

Consolidated statements of comprehensive income

(million yen)

	FY2014	FY2015
Income before minority interests	5,958	3,652
Other comprehensive income		
Valuation difference on available-for-sale securities	186	0
Deferred gains or losses on hedges	20	3
Foreign currency translation adjustment	2,100	△ 471
Re-measurements of defined benefit plans	—	88
Total other comprehensive income	2,307	△ 379
Comprehensive income	8,266	3,273
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	8,331	3,495
Comprehensive income attributable to minority interests	△ 64	△ 221

Consolidated statements of cash flows

(million yen)

	FY2014	FY2015
Cash flows from operating activities		
Income before income taxes and minority interests	7,587	5,642
Depreciation	3,115	2,990
Impairment loss	59	32
Increase (Decrease) in allowance for doubtful accounts	△ 523	137
Increase (Decrease) of provision for bonuses	12	△ 7
Increase (Decrease) of provision for retirement benefits	△ 5,217	—
Increase (Decrease) of net defined benefit liability	5,410	163
Increase (Decrease) of net defined benefit assets (△ : increase)	—	△ 62
Interest and dividends income	△ 262	△ 275
Interest expenses	1,410	1,321
Foreign exchange losses (gains)	1,010	259
Loss (gain) on sales and retirement of property, plant and equipment and intangible assets	61	15
Profit and loss from valuation of investment securities (△ : profit)	—	34
Decreased (increase) in notes and accounts receivable-trade	△ 3,785	△ 704
Decrease (increase) in inventories	△ 1,770	6,631
Increase (Decrease) in notes and accounts payable	1,519	△ 3,605
Increase (Decrease) in notes discounted	△ 49	117
Other, net	△ 1,982	△ 871
Subtotal	6,594	11,820
Interest and dividends income received	262	274
Interest expenses paid	△ 1,421	△ 1,331
Income taxes (paid) refund	△ 1,976	△ 1,838
Net cash provided by (used in) operating activities	3,459	8,924
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	△ 1,727	△ 1,402
Proceeds from sales of property, plant and equipment and intangible assets	39	205
Purchases of investment securities	△ 0	△ 0
Proceeds from sales of investment securities	4	—
Payments of loans receivable	△ 5	△ 8
Collection of loans receivable	24	21
Other, net	△ 203	△ 34
Net cash provided by (used in) investing activities	△ 1,868	△ 1,218
Cash flows from financing activities		
Net increase (decrease) in short-time loans payable	△ 3,206	△ 3,866
Proceeds from long-term loans payable	13,552	9,924
Repayments of long-term loans payable	△ 13,323	△ 13,210
Redemption of bonds	△ 10	—
Proceeds from issuance of subscription rights to shares	14	—
Proceeds from issuance of shares resulting from exercise of subscription rights to shares	4,174	—
Cash dividends paid	△ 0	△ 889
Proceeds of sale and installment back	674	57
Repayments of sale and installment back payables	△ 564	△ 638
Others, net	△ 474	△ 422
Net cash provided by (used in) financing activities	837	△ 9,044
Effect of exchange rate change on cash and cash equivalents	617	△ 275
Net increase (decrease) in cash and cash equivalents	3,045	△ 1,613
Cash and cash equivalents at beginning of period	6,239	9,285
Cash and cash equivalents at end of period	9,285	7,671

1938 1940 1950 1960 1970 1980 1990 2000 2010 2015

1938.12
About 900 machinery manufacturers in Tokyo invested in the corporation and commenced operation.
Corporate name: "TOKYO JUKI MANUFACTURERS ASSOCIATION."

1943. 9
The corporation was reorganized as a joint stock corporation and renamed the "TOKYO JUKI INDUSTRIAL CO., LTD."

1947. 4
The first household sewing machine was introduced to the market.
The HA-1 household sewing machine, JUKI's first household model, is made with about 70% in-house manufactured parts and is consistently rated as outstanding in both quality and performance. The HA-1 was awarded the Minister of International Trade and Industry Prize, the highest prize awarded by the ministerial examination committee.



1953. 3
The first industrial sewing machine was introduced to the market.
Six years after sales of household sewing machines were launched, JUKI was awarded the Imperial Invention Prize for the "DDW-II," an industrial sewing machine the company had started selling anew. "JUKI's history as a technology-oriented manufacturer" began then.



1957. 4
The company was awarded the Imperial Invention Prize for the invention of the single-axis rotational thread take-up lever.

1961. 10
Company stock listed on the Second Section of the Tokyo Stock Exchange.

1963. 7
JUKI HIROSHIMA CORPORATION was established.

1964. 8
Company stock listed on the First Section of the Tokyo Stock Exchange and the Osaka Stock Exchange.

1966. 7
JUKI MATSUE CORPORATION was integrated into the JUKI Group.

1969. 1
SUZUTAMI PRECISION INDUSTRY CO., LTD. was integrated into the JUKI Group.

1969. 2
Developing an industrial sewing machine equipped with a stable "automatic thread trimmer" for the first time in the world.
JUKI started to sell the model DDL-555-2 which was equipped with a stable automatic thread trimmer for the first time in the world. It was a dream technology that all of JUKI's competitors were trying to achieve. This success opened doors for JUKI in the sewing industry and JUKI has expanded its overseas markets.



1969. 9
JUKI METAL CORPORATION was established.

1970. 7
JUKI (HONG KONG) LTD. was established.
JUKI started exporting in 1956. Two years later we stationed an engineer in Hong Kong. In 1970, JUKI established its first overseas sales company in Hong Kong. JUKI then established the sales companies in Europe (Germany) in 1972 and in the United States in 1974 to set up better service support systems nearby the customers.



1971. 4
Ohtawara Plant completed.
When the production volume of industrial sewing machines expanded and the production capacity of the factory located at the head office (at that time) was exceeded, JUKI decided to construct an integrated manufacturing factory. The company constructed the factory in Ohtawara-shi, where investment incentives from the municipality and the mix of nearby subcontracting factories satisfied its requirements. JUKI now operates fourteen factories in Japan and overseas. The Ohtawara Plant plays an important role as the mother factory.



1972. 4
JUKI (EUROPE) GMBH was established.

1973. 4
JUKI AIZU CORPORATION was established.

1973. 9
JUKI DENSHI KOGYO CORPORATION was established.

1973. 11
JUKI YOSHINO KOGYO CORPORATION was established.

1973. 11
JUKI AKITA SEIMITSU CORPORATION was established.

1974. 3
JUKI AMERICA, INC. was established.

1981. 10
The Deming Prize (Deming Application Prize for Division) awarded to the headquarters of the Industrial Sewing Machines Business.
JUKI introduced TQC management as an approach to improve the quality of all of work, both services and products. The Company conducted ongoing guidance and education programs to establish and upgrade a thorough style of management using statistical methods. Five years after the introduction of TQC management, JUKI won the Deming prize.



1987. 7
The first pick-and-place was introduced to the market.
JUKI has developed a chip mounter based on mechatronics technologies cultivated during the development and production of industrial sewing machines and electronic equipment, and entered into an electronic assembly systems business. Though large and high speed chip mounters were popular around that time, JUKI's new chip mounters with modular concept were well accepted in the industry.



1988. 4
The company name was changed to JUKI CORPORATION.
JUKI shifted its focus away from the manufacturing of heavy machinery to become the "JUKI" now recognized as a maker of products. To plan for further globalization, JUKI changed its corporate name from "Tokyo JUKI Industrial Co., Ltd." to JUKI Corporation and renewed the "JUKI logotype" and established its new corporate slogan "Mind & Technology."



1990. 6
SHANGHAI JUKI SEWING MACHINE CO., LTD. was established.

1994. 11
TOKYO JUKI INTERNATIONAL TRADING (SHANGHAI) CO., LTD. was established.

1995. 1
JUKI (VIETNAM) CO., LTD. was established.
JUKI and eight companies in the JUKI Group jointly invested and established a parts manufacturing company in Vietnam to reduce the cost of parts production. Factory expansion to Vietnam was out of the norm at that time. The new JUKI production company was the first Japanese affiliate to set up shop in the country. Now, JUKI (Vietnam) Co., Ltd. is one of important production bases for development and production in the south-eastern Asia market.



1995. 3
JUKI SINGAPORE PTE. LTD. was established.

1995. 9
JUKI XINXING INDUSTRY CO., LTD. was established.
JUKI established JUKI XINXING INDUSTRY CO., LTD. as a joint venture with a government-run company in China. With help from the mother factory, "Ohtawara plant", JUKI XINXING became the factory to manufacture products having a high quality as JUKI factories in Japan produce. JUKI established JUKI (NINGBO) PRECISION CO., LTD., a supplier of parts, in November 1995 and established JUKI (SHANGHAI) INDUSTRIAL CO., LTD., which is second assembly factory in China in 2000.



1995. 11
JUKI (NINGBO) PRECISION CO., LTD. was established.

1997.12
JUKI was conferred the Japan Society Prize for the Promotion of the Machine Industry to recommend the development of the world's first "bobbin thread automatic feeder" for industrial sewing machines.

1999.10
JUKI SALES (JAPAN) CORPORATION was established.

2000.10
JUKI (SHANGHAI) INDUSTRIAL CO., LTD. was established.

2000.10
JUKI INDIA PVT. LTD. was established.

2001. 1
JUKI (CHINA) CO., LTD. was established.

2001. 10
JUKI AUTOMATION SYSTEMS INC. was integrated into the JUKI Group.

2005. 7
JUKI CENTRAL EUROPE SPZO.O was established.

2006.10
JUKI SMT ASIA CO., LTD. was established.

2009.12
Functions of a head office and an R&D were moved to new premises in Tama City, Tokyo.
The head office and R&D functions were moved to JUKI's new office building in "Tsurumaki, Tama-city". The new building consists of eight stories aboveground and two underground stories equipped with inspection hardware for the assessment of noise, vibration, and durability to further improve work efficiency and product quality.



2011. 7
JUKI MACHINERY BANGLADESH LTD. was established.

2012. 5
JUKI MACHINERY VIETNAM CO., LTD. was established.

2013. 8
JUKI AUTOMATION SYSTEMS CORPORATION was established.

2014. 3
Integration between JUKI Automation Systems Corporation and the division handling surface-mounting devices for Sony EMCS Corporation.
JUKI Automation Systems Corporation integrated its electronic assembly systems business with the division handling surface mounting devices for SONY EMCS Corporation. With this integration, the Corporation has gotten overall lineup to propose line solutions with general-purpose machines, JUKI's mainstream product, alongside Sony's high-speed mounting, printing, and inspection machines.



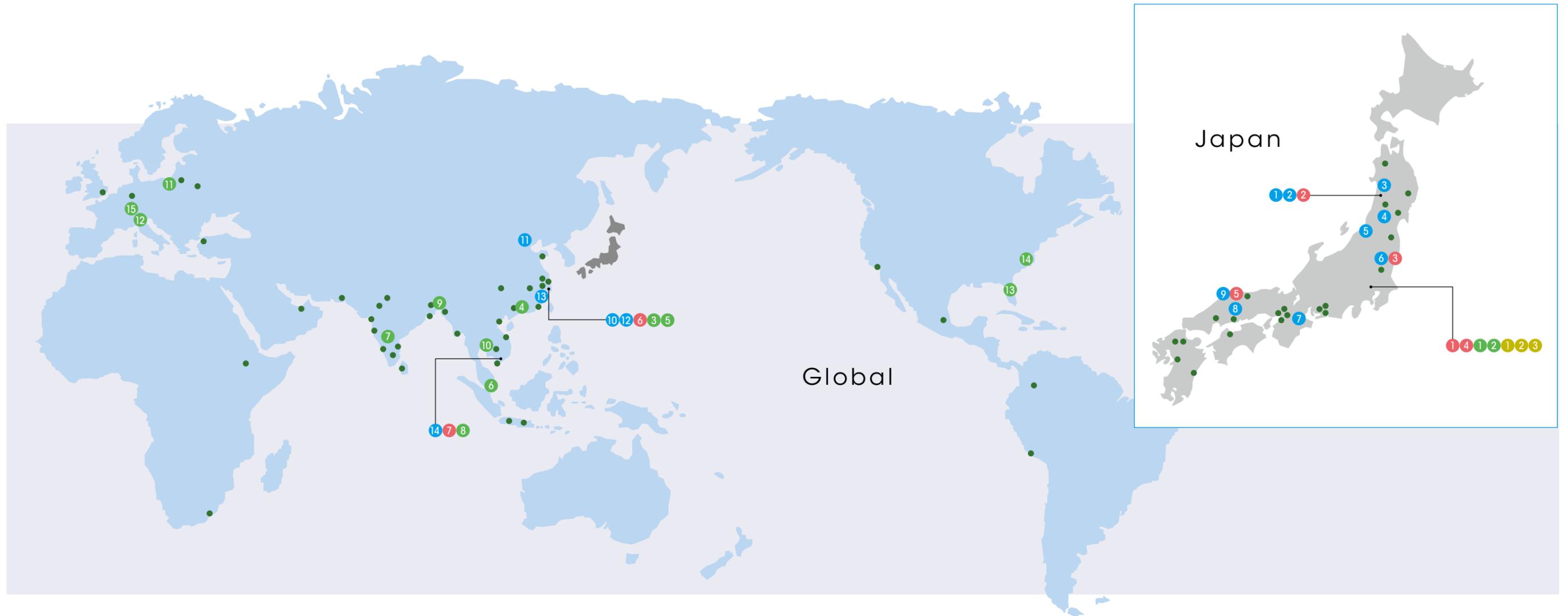
What kind of company is JUKI?

What JUKI aims for

JUKI's businesses

Power to support the creation of corporate value

Data sections



PRODUCTION BASES

Japan		
1 JUKI DENSHI KOGYO CORPORATION	Yokote-shi, Akita	Manufacture of chip mounter, electronic equipment, etc.
2 JUKI YOSHINO KOGYO CORPORATION	Yokote-shi, Akita	Manufacture of parts for precision machinery and appliances
3 JUKI AKITA SEIMITSU CORPORATION	Daisen-shi, Akita	Manufacture of press processing and steel plate parts, etc.
4 JUKI AIZU CORPORATION	Kitakata-shi, Fukushima	Manufacture of parts with lost-wax and MIM production
5 SUZUTAMI PRECISION INDUSTRY CO., LTD.	Nagaoka-shi, Niigata	Manufacture of parts for industrial sewing machines, etc.
6 JUKI CORPORATION OHTAWARA PLANT	Ohtawara-shi, Tochigi	Manufacture of industrial sewing machines, etc.
7 JUKI METAL CORPORATION	Odaicho, Mie	Manufacture of pig-iron mold casting
8 JUKI HIROSHIMA CORPORATION	Miyoshi-shi, Hiroshima	Manufacture of die, press processing parts, etc.
9 JUKI MATSUE CORPORATION	Matsue-shi, Shimane	Manufacture of industrial sewing machines, etc.
Global		
10 JUKI (SHANGHAI) INDUSTRIAL CO., LTD.	Shanghai, China	Manufacture of industrial sewing machines
11 JUKI XINXING INDUSTRY CO., LTD.	Hebei, China	Manufacture of industrial sewing machines
12 SHANGHAI JUKI SEWING MACHINE CO., LTD.	Shanghai, China	Manufacture of household sewing machines
13 JUKI (NINGBO) PRECISION CO., LTD.	Zhejiang, China	Manufacture of parts, etc. for industrial sewing machines
14 JUKI (VIETNAM) CO., LTD.	Ho Chi Minh, Vietnam	Manufacture of industrial sewing machines, Manufacture of parts with lost-wax production

DEVELOPMENT BASES

Japan		
1 JUKI CORPORATION	Tama-shi, Tokyo	Development of Industrial sewing machines, Household sewing machines, Chip mounters, Electronic equipment, etc.
2 JUKI DENSHI KOGYO CORPORATION	Yokote-shi, Akita	Development of Chip mounters, Electronic equipment, etc., and development of products related to the Group Business
3 JUKI CORPORATION OHTAWARA PLANT	Ohtawara-shi, Tochigi	Development of industrial sewing machines
4 JUKI AUTOMATION SYSTEMS CORPORATION	Tama-shi, Tokyo	Development of Chip mounters, etc.
5 JUKI MATSUE CORPORATION	Matsue-shi, Shimane	Development of industrial sewing machines
Global		
6 JUKI (SHANGHAI) INDUSTRIAL CO., LTD	Shanghai, China	Development of industrial sewing machines
7 JUKI (VIETNAM) CO., LTD	Ho Chi Minh, Vietnam	Development of industrial sewing machines

MAIN SALES BASES

Japan		
1 JUKI AUTOMATION SYSTEMS CORPORATION	Tama-shi, Tokyo	Sales of Chip mounters, etc.
2 JUKI SALES (JAPAN) CORPORATION	Tama-shi, Tokyo	Sales of industrial sewing machines, household sewing machines, etc.
● Branch Sales Offices, Service Centers, and others		
Global		
3 JUKI (CHINA) CO., LTD.	Shanghai, China	Sales of industrial sewing machines, household sewing machines, etc.
4 JUKI (HONG KONG) LTD.	Hong Kong, China	Sales of industrial sewing machines, etc.
5 TOKYO JUKI INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	Shanghai, China	Sales of chip mounters, etc.
6 JUKI SINGAPORE PTE. LTD.	Cyberhub, Singapore	Sales of industrial sewing machines, household sewing machines, etc.
7 JUKI INDIA PVT.LTD.	Bangalore, India	Sales of industrial sewing machines, chip mounters, etc.
8 JUKI MACHINERY VIETNAM CO.,LTD.	Ho Chi Minh, Vietnam	Sales of industrial sewing machines, household sewing machines, etc.
9 JUKI MACHINERY BANGLADESH LTD.	Dhaka, Bangladesh	Sales of industrial sewing machines, etc.
10 JUKI SMT ASIA CO., LTD.	Chan Buri, Thailand	Sales of chip mounters, etc.
11 JUKI CENTRAL EUROPE SPZO.O.	Warsaw, Poland	Sales of industrial sewing machines, household sewing machines, etc.

12 JUKI ITALIA S.P.A.	Milan, Italy	Sales of industrial sewing machines, household sewing machines, etc.
13 JUKI AMERICA, INC.	FL, U.S.A.	Sales of industrial sewing machines, household sewing machines, etc.
14 JUKI AUTOMATION SYSTEMS INC.	NC, U.S.A.	Sales of chip mounters, etc.
15 JUKI AUTOMATION SYSTEMS AG.	Solothurn, Switzerland	Sales of chip mounters, etc.
● Branch Offices, Representative Offices, Service Centers, and others		

OTHER BASES

1 JUKI Household Product Customer Center Corporation	Tokyo, Japan	Maintenance services for Household Sewing Machines
2 JUKI Living Club Corporation	Tokyo, Japan	Management of Friends Meetings (Tomo-no-kai)
3 JUKI GENERAL SERVICE CORPORATION	Tokyo, Japan	Service of facility management, renovation and printing, etc.

CORPORATE SUMMARY

Trade name JUKI CORPORATION
 Established December 15, 1938
 Paid-in Capital ¥18,044 million
 Major business office Head office 2-11-1, Tsurumaki, Tama-shi, Tokyo 206-8551 Japan Tel : 81-42-357-2211
 Ohtawara plant 1863, Kitakanemaru, Ohtawara-shi, Tochigi 324-0011 Japan Tel : 81-287-23-5111
 Fiscal year ending December 31
 Ordinary general meeting of shareholders March
 Number of employees 6,245 (on a consolidated basis), 807 (on a non-consolidated basis)
 Number of affiliated companies 31

Stock information

Number of shares Aggregate number of issued shares: 29,874,179 shares
 Number of shareholders 15,741
 Listed on The first section of the Tokyo Stock Exchange (margin trading issue)
 Securities code 6440
 Shareholder registry administrator Mizuho Trust & Banking Co., Ltd.

Stock price chart covering the past five years



: Stock price after the reverse stock split that came into force on July 1, 2015

Mind&Technology



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http://www.juki.co.jp/index_e.html

