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Securities code: 6440
March 3, 2021

To All Shareholders:

Shinsuke Uchinashi
Representative Director
JUKI CORPORATION
2-11-1, Tsurumaki, Tama-shi,
Tokyo, Japan

CONVOCAION NOTICE OF THE 106TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We are pleased to announce the 106th Ordinary General Meeting of Shareholders (the “Meeting”) of JUKI CORPORATION (the “Company”) to be held as indicated below.

From the perspective of preventing the spread of the novel coronavirus disease (COVID-19) and ensuring the safety of all of our shareholders, you are kindly requested that you refrain from attending on the day of the Meeting, regardless of the state of your health, and exercise your voting rights in advance with the enclosed Voting Right Exercise Form or via the Internet. In the event that you exercise your voting rights in writing or by electronic method (Internet), the voting deadline is, as stated on the next page, 6:00 p.m. on Wednesday, March 24, 2021 (Japan Standard Time).

Thank you very much for your cooperation.

1. **Date and Time:** Thursday, March 25, 2021, at 10:00 a.m.
2. **Place:** Multi-purpose hall, 3rd floor of the East Tower of the Company’s Head Office, 2-11-1, Tsurumaki, Tama-shi, Tokyo, Japan
3. **Meeting Agenda:**
 1. **Report matters:**
 1. The Business Report and the Consolidated Financial Statements for the 106th Fiscal Year (January 1, 2020 to December 31, 2020), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
 2. Non-consolidated Financial Statements for the 106th Fiscal Year (January 1, 2020 to December 31, 2020)

Resolution matters:

- First proposal:** Appropriation of Surplus
- Second proposal:** Election of 5 Directors
- Third proposal:** Election of 1 Audit & Supervisory Board Member
- Fourth proposal:** Election of 2 Substitute Audit & Supervisory Board Members

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- If you plan to attend the Meeting, please submit the enclosed Voting Right Exercise Form to the receptionist at the Meeting.
 - Any amendments to the Reference Materials for the Ordinary General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements will be posted on the Company’s website (URL: <https://www.juki.co.jp>).
 - Pursuant to relevant laws and regulations and Article 16 of the Articles of Incorporation, “Notes to Consolidated Financial Statements” and “Notes to Non-consolidated Financial Statements” are not

included in the documents attached to this convocation notice since they have been made accessible on the Company's website instead. The Consolidated Financial Statements or the Non-consolidated Financial Statements stated in the documents attached to this convocation notice are a part of the Consolidated Financial Statements or the Non-consolidated Financial Statements audited by the Accounting Auditor and the Audit & Supervisory Board Member in preparing their respective audit reports.

Instructions on Exercise of Voting Rights

Please review the Reference Materials for the Ordinary General Meeting of Shareholders (pages 35 to 42) and exercise your voting rights.

To exercise your voting rights, please follow one of the methods described below.

Exercise of voting rights by attending the Meeting in person

Please bring the enclosed Voting Right Exercise Form and submit the form to the receptionist.

Please also bring this Notice with you.

Date and time of the Meeting: 10:00 a.m. on Thursday, March 25, 2021

Exercise of voting rights when not attending the Meeting

Exercise of voting rights in writing

Please indicate your approval or disapproval of each of the proposals on the enclosed Voting Right Exercise Form and mail it to us so that it arrives no later than the deadline.

Deadline: To be received no later than 6:00 p.m. on Wednesday, March 24, 2021

Exercise of voting rights via the Internet using the “Smart Voting” method

Please scan the QR code for “Smart Voting” printed on the bottom right of the Vote Right Exercise Form with your smartphone or tablet, and enter your approval or disapproval of each of the proposals.

Deadline: No later than 6:00 p.m. on Wednesday, March 24, 2021

Please refer to the next page for details.

Exercise of voting rights via the Internet by accessing the website

Please access Exercise of Voting Rights Website designated by the Company and enter your approval or disapproval of each of the proposals in accordance with the instructions on the screen.

Deadline: No later than 6:00 p.m. on Wednesday, March 24, 2021

Please refer to the next page for details.

Instructions on Exercise of Voting Rights via the Internet

Smart Voting Scanning the QR Code

You can simply log in to the voting website without entering the Exercise of Voting Rights Code and the Password.

1. Please scan the QR Code printed on the right-hand side of the Voting Right Exercise Form.
* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
This requires installation of an application or functionality that enables a device to read QR Codes.
2. Please enter your approval or disapproval in accordance with the instructions on the screen.

Note that your voting rights can be exercised only once by using the “Smart Voting” method.

If you need to make a correction to your approval/disapproval after you have exercised your voting rights, please access the website in accordance with “Entering Exercise of Voting Rights Code and Password” written on the right, and exercise your voting rights again.

- * If you scan the QR code again, you will be transferred to the Exercise of Voting Rights Website.

Exercise by Accessing the Website Entering Exercise of Voting Rights Code and Password

Exercise of Voting Rights Website:
<https://soukai.mizuho-tb.co.jp/>

1. Please access the Exercise of Voting Rights Website.
2. Please enter the Exercise of Voting Rights Code (ID) printed on the right-hand side of the back of the Voting Right Exercise Form.
3. Please enter the password printed on the Voting Right Exercise Form. It is necessary for you to change your password when you log in for the first time.
4. Please enter information in accordance with the instructions on the screen.

- * If you enter your password incorrectly for a certain number of times, the password will be locked and you will no longer be able to use it. If this occurs, please complete the procedures indicated in the instructions on the screen.
- * If you exercise your voting rights both in writing and via the Internet, only your vote via the Internet shall be deemed effective. If you exercise your voting rights several times via the Internet, only your final vote shall be deemed effective.
- * You shall bear your own expenses for connection to the Internet.

If you have any questions on how to exercise your voting rights via the Internet using a personal computer or a smartphone, please contact the contact information stated on the right.

Stock Transfer Agency Department,
Mizuho Trust & Banking Co., Ltd.
0120-768-524 (toll free within Japan only)
(9:00 a.m. to 9:00 p.m. on weekdays)

(Attached materials)

Business Report
(January 1, 2020 to December 31, 2020)

1. Overview of the JUKI Group (the “Group”)

(1) Business Progress and Results

In the business environment in the fiscal year ended December 31, 2020, economic activity was revitalized in some countries and regions, such as China, due to the increase of demand for semiconductors, which have been driven by 5G, etc., and automotive-related demand in the second half despite the continuing of restrained capital investment and declines in personal consumption due to the impact of the spread of COVID-19.

The environment surrounding the Company was considerably affected by the spread of COVID-19 in the first half in particular, but recovery of demand for capital investment, mainly in China and other countries, was seen from the second half, and there began to be signs leading to business chances for the Company such as responding to customers’ supply chain fragmentation (decentralization of production areas).

Under the vision “a *Mono-Koto dzukuri* (manufacturing-value creation) enterprise, capable of elevating the corporate value of both JUKI and its customers through JUKI products and services” of the Medium-Term Management Plan Phase II, which serves as the focal point for structural reforms from 2020 to 2022, the Company has been carrying out structural reforms centered on the “5 Reforms*.” To accomplish this, the Company has (i) carried out cost structural reforms through streamlining, etc. of administrative and indirect operations, (ii) maximized added value by expanding business areas, such as by strengthening sales capabilities in highly profitable areas and (iii) strengthened the customer base by eliminating borders, such as by improving efforts to develop the middle market.

*5 Reforms

- 1) Developing markets and customers with potential for growth
- 2) Expanding business areas for increasing profitability
- 3) Expanding innovative technical areas
- 4) Constructing a production organization and administrative (indirect) work organization centered on the management 5Ss (Simple, Slim, Speedy, Seamless and Smart)
- 5) Conducting “sustainable” management

At the same time, the Company worked to improve profitability by further deepening the structural reforms that were begun at the beginning of the fiscal year in order to respond to the difficult business environment during the COVID-19 pandemic, making significant production adjustments, which include stopping all operations at the head office and Group factories in Japan and overseas, temporarily suspending administrative (indirect) functions, introducing new forms of working, implementing reforms of personnel systems (including treatment), and reviewing the capital investment plan, etc., resulting in fixed-cost reductions of approximately 7.2 billion yen year-on-year.

As a result, net sales stood at 70,401 million yen (down by 29.0% year-on-year) for the fiscal year under review. Net sales began to recover after bottoming out in the second quarter, and net sales in the fourth quarter recovered to 95.5% year-on-year as it rose by 45.1% compared to the third quarter.

In terms of profits for the fiscal year under review, operating loss stood at 4,469 million yen (compared to operating profit of 3,838 million yen for the previous fiscal year), ordinary loss stood at 3,957 million yen (compared to ordinary profit of 2,941 million yen for the previous fiscal year), and loss attributable to owners of parent stood at 4,688 million yen (compared to profit attributable to owners of parent of 1,763 million yen for the previous fiscal year). However, due to improvements to sales and the cost structural reforms mentioned above, the Company began to recover from the third quarter and became profitable in the fourth quarter.

Business results by major segment are as follows:

1) Sewing Machinery and Systems Business Segment

Sales of industrial sewing machines declined significantly year-on-year due to being considerably affected by a low level of demand for capital investment as a result of low operating rates at the sewing factories that make up our customers in a number of countries and regions in the first half in particular because of the spread of COVID-19. However, as sales in the fourth quarter rose by 62.8% compared to the third quarter, certain recovery of sales, such as net sales in China and the Americas rising above the

previous fiscal year, progressed. By meeting the increase in demand generated by people staying at home following the spread of COVID-19, sales of household sewing machines rose in Japan and European markets. As a result, net sales for the overall Sewing Machinery and Systems Business for the fiscal year under review stood at 42,732 million yen (down by 33.5% year-on-year).

In terms of profits, factors such as the significant decline in sales and the fall in capacity utilization rates at factories resulted in a segment loss (ordinary loss) of 2,201 million yen for the fiscal year under review (compared to segment profit of 2,680 million yen for the previous fiscal year). However, due to improvements to sales and efforts to reduce costs, such as the structural reforms mentioned above, the Company reduced the amount of red ink, and finally became profitable in the fourth quarter.

2) Industrial Equipment and Systems Business Segment

With respect to Electric Assembly Systems Businesses, despite being considerably affected by the spread of COVID-19, recovery of demand for capital investment in relation to 5G, mainly in China and other countries, and net sales in the fourth quarter rose by 64.2% compared to the third quarter and certain recovery of sales, such as net sales rising above the same period of the previous fiscal year, progressed. On the other hand, sales failed to grow in Group Businesses such as contract manufacturing, mainly for in-car-related products, with the result that net sales for the Industrial Equipment and Systems Business as a whole declined by 20.8% year-on-year to 27,447 million yen for the fiscal year under review.

In terms of profits, factors such as the decline in sales and the fall in capacity utilization rates at factories in the first half resulted in segment loss (ordinary loss) of 42 million yen for the fiscal year under review (compared to segment profit of 1,853 million yen for the previous fiscal year). However, the Company became profitable in the third quarter due to improvements to sales and the progression of efforts to reduce costs, such as the structural reforms mentioned above, and improvements to capacity utilization rates at factories, and achieved a year-on-year increase in profits as a result of achieving a significant increase in profits in the fourth quarter (an increase of 539 million yen from the previous quarter).

(2) Capital Investments

Capital investment totaling 1,977 million yen was disbursed in FY 2020, including 628 million yen for machinery, equipment and vehicles, and 537 million yen for buildings and structures.

(3) Financing

Financing for FY 2020 was arranged using the Group's own funds and borrowings from financial institutions, etc.

(4) Issues to Address

The Company assumes that there will be economic slowdown and an intensification of competition with competitors in the business environment surrounding the Company due to the impact of the spread of COVID-19 and trade friction between the U.S. and China. Meanwhile, new business developments are progressing due to technological innovation accelerating for AI, IoT, 5G, and other technologies, and changes in the market and customers with a focus on the post-coronavirus era. It is necessary to create new business models and management foundations that can respond to this kind of new normal environment. In addition, society as a whole has further accelerated efforts to create a sustainable society from a long-term outlook in view of the "Sustainable Development Goals (SDGs).

Based on these kinds of changes in the business environment, the Company has revised the Medium-Term Management Plan Phase II, the duration of which is from 2020 to 2022.

In the new Medium-Term Management Plan 2021-2022, the Company will promote added value structural reforms and the strengthening of cost structural reforms, and will make qualitative transformations while getting back on track for growth by promoting the strengthening of reforms to business strategies and organizational strategies with the "6 Reforms*."

*6 Reforms

- 1) Borderless X: The Company will develop markets and customers in an emerging market (middle market) and those implementing the relocation of production facilities that are expected to grow.
- 2) Business Model X: The Company will further expand business areas that will increase profitability, such as non-apparel, inspection equipment and automated warehousing.
- 3) SDGs Management X: The Company will realize "sustainable" management by solving social issues such as by creating employment opportunities in emerging countries through our business

and reducing clothing waste loss by supporting the introduction of smart technologies into sewing factories.

- 4) R&D Model X: The Company will strengthen the Network/Platform Business and the Robot Business through the utilization of cutting-edge technologies, and expand innovative technical areas such as by developing convenient products and services that have a high level of value.
- 5) Workstyle Reform X: The Company will construct a production organization and administrative (indirect) work organization centered on the management 5Ss, such as by introducing smart technologies into factories, streamlining indirect operations and introducing a job-style employment system that focuses on duties and results.
- 6) Financial Strength X: The Company will strengthen equity and improve asset efficiency through the enhancement of financial strength, such as by shrinking the cash conversion cycle by optimizing the turnover period of notes and accounts receivable - trade and inventories.

The entire Group is working on these issues, and endeavoring to respond to shareholders' expectations. We kindly ask you for your further encouragement and support.

(5) Changes in Assets and Profit (Loss)

1) Group

(million yen, except for per share amounts)

Item	The 103rd fiscal year ended December 31, 2017	The 104th fiscal year ended December 31, 2018	The 105th fiscal year ended December 31, 2019	The 106th fiscal year ended December 31, 2020
Net sales	103,659	112,064	99,169	70,401
Ordinary profit (loss)	7,839	8,385	2,941	(3,957)
Profit (loss) attributable to owners of parent	5,642	6,640	1,763	(4,688)
Basic earnings (loss) per share	¥192.61	¥226.68	¥60.20	¥(160.04)
Total assets	110,554	119,121	114,715	110,230
Net assets	33,343	37,241	37,752	31,368
Net assets per share	¥1,117.07	¥1,246.93	¥1,264.28	¥1,059.32

(Note) Basic earnings (loss) per share is calculated using the average number of outstanding shares during the fiscal year (excluding treasury shares). Net assets per share is calculated using the number of outstanding shares as of the end of the fiscal year (excluding treasury shares).

2) Company

(million yen, except for per share amounts)

Item	The 103rd fiscal year ended December 31, 2017	The 104th fiscal year ended December 31, 2018	The 105th fiscal year ended December 31, 2019	The 106th fiscal year ended December 31, 2020
Net sales	49,487	59,696	50,988	28,326
Ordinary profit (loss)	2,793	3,941	1,430	(2,914)
Profit (loss)	2,157	3,657	1,202	(2,806)
Basic earnings (loss) per share	¥73.66	¥124.84	¥41.05	¥(95.81)
Total assets	89,903	94,571	89,045	86,531
Net assets	29,172	31,337	31,670	28,135
Net assets per share	¥995.75	¥1,069.69	¥1,081.06	¥960.41

(Note) Basic earnings (loss) per share is calculated using the average number of outstanding shares during the fiscal year (excluding treasury shares). Net assets per share is calculated using the number of outstanding shares as of the end of the fiscal year (excluding treasury shares).

(6) Principal Subsidiaries

1) Principal Subsidiaries

Company name	Capital	The Company's percentage of voting rights		Main business
		Direct	Indirect	
JUKI AUTOMATION SYSTEMS CORPORATION	(million yen) 2,618	91.8%	–	Sales of mounters, inspection equipment, printing equipment and others
JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION	300	100%	–	Manufacture and sales of mounters, inspection equipment, printing equipment and others
JUKI SALES (JAPAN) CORPORATION	86	100%	–	Sales of sewing machinery in Japan
JUKI SINGAPORE PTE. LTD.	U.S.\$29,435 thousand	100%	–	Sales of sewing machinery in Asian regions
JUKI (CHINA) CO., LTD.	RMB358,365 thousand	100%	–	Administration of subsidiaries in China and sales of sewing machinery
JUKI (SHANGHAI) INDUSTRIAL CO., LTD.	RMB239,025 thousand	21.3%	78.7%	Manufacture and sales of industrial sewing machines
JUKI AMERICA, INC.	U.S.\$26,346 thousand	100%	–	Sales of sewing machinery in the Americas
TOKYO JUKI INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	RMB5,001 thousand	100%	–	Sales of mounters, inspection equipment, printing equipment and others in China
JUKI CENTRAL EUROPE SP. ZO.O.	PLN50 thousand	100%	–	Sales of sewing machinery in European regions
JUKI (VIETNAM) CO., LTD.	U.S.\$5,000 thousand	100%	–	Manufacture and sales of industrial sewing machines, precision casting parts and others
JUKI (LANGFANG) INDUSTRIAL CO., LTD.	RMB160,000 thousand	–	100%	Manufacture and sales of industrial sewing machines

(Notes) 1. JUKI (SHANGHAI) INDUSTRIAL CO., LTD. absorbed JUKI (NINGBO) PRECISION CO., LTD. in an absorption-type merger in January 2020.

2. JUKI (LANGFANG) INDUSTRIAL CO., LTD. became a wholly owned subsidiary of the Company in September 2020 and changed its name from JUKI XINXING INDUSTRY CO., LTD.

2) Status of Specified Wholly Owned Subsidiaries

No items to report.

(7) Principal Businesses

Segment	Summary of business
Sewing Machinery and Systems Business Unit	Manufacture and sales of industrial sewing machines and household sewing machines
Industrial Equipment and Systems Business Unit	Manufacture and sales of electronics assembly & systems (mounters, inspection equipment and others), sales of parts, maintenance services and commissioned processing business

(8) Principal Offices and Plants

Company name	Office or plant	Location
JUKI CORPORATION	Head Office	Tokyo
	Ohtawara Plant	Tochigi
JUKI AUTOMATION SYSTEMS CORPORATION	Head Office	Tokyo
JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION	Head Office and Plant	Akita
JUKI SALES (JAPAN) CORPORATION	Head Office	Tokyo
JUKI SINGAPORE PTE. LTD.	Head Office	Singapore
JUKI (CHINA) CO., LTD.	Head Office	Shanghai, China
JUKI (SHANGHAI) INDUSTRIAL CO., LTD.	Head Office and Plant	Shanghai, China
JUKI AMERICA, INC.	Head Office	Florida, U.S.A.
TOKYO JUKI INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	Head Office	Shanghai, China
JUKI CENTRAL EUROPE SP. ZO.O.	Head Office	Warsaw, Poland

(9) Employees

1) Group

(As of December 31, 2020)

Segment	Number of employees	Change from previous fiscal year-end
Sewing Machinery and Systems Business Unit	3,115	(445)
Industrial Equipment and Systems Business Unit	1,831	(25)
Other business	96	0
Corporate headquarters (common)	245	(5)
Total	5,287	(475)

(Note) The above figures include contract employees and part-timers and exclude dispatched employees.

2) Company

(As of December 31, 2020)

Number of employees	Change from previous fiscal year-end	Average age	Average years of service
909	2 persons increased	44.5 years old	18.5 years

(Note) The above figures include contract employees and part-timers and exclude dispatched employees.

(10) Major Creditors and Balance of Borrowings

(As of December 31, 2020)

Creditor	Balance of borrowings (million yen)
Mizuho Bank, Ltd.	15,389
Sumitomo Mitsui Trust Bank, Limited	6,599
Development Bank of Japan Inc.	6,017
The Hiroshima Bank, Ltd.	4,734
Mizuho Trust & Banking Co., Ltd.	4,080
The Shoko Chukin Bank, Ltd.	3,951

2. Status of Shares (As of December 31, 2020)

- (1) Total Number of Authorized Shares 80,000,000 shares
- (2) Total Number of Issued Shares 29,874,179 shares
(including 578,890 treasury shares)
- (3) Number of Shareholders 12,548 persons

(4) Major Shareholders (Top 10)

Shareholder name	Number of shares	Shareholding ratio
	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,838	6.27
Custody Bank of Japan, Ltd. (Trust Account)	1,066	3.63
Mizuho Bank, Ltd.	938	3.20
Nippon Life Insurance Company	732	2.49
Asahi Mutual Life Insurance Company	569	1.94
The Dai-ichi Life Insurance Company, Limited	511	1.74
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	494	1.68
Meiji Yasuda Life Insurance Company	460	1.57
Custody Bank of Japan, Ltd. (Trust Account 5)	438	1.49
Mizuho Trust & Banking Co., Ltd.	401	1.36

(Note) The shareholding ratio is calculated by means of deducting treasury shares (578,890 shares) from the number of the issued shares.

3. Company Officers

(1) Directors and Audit & Supervisory Board Members

(As of December 31, 2020)

Position	Name	Areas of responsibility within the Company	Significant concurrent positions
Representative Director and President	Akira Kiyohara		President of JUKI AUTOMATION SYSTEMS CORPORATION
Representative Director and Senior Managing Officer	Shinsuke Uchinashi	“In charge of Global Cooperate Center (Finance & Accounting Dept.)”, “In charge of Business Operation Center (Industrial Equipment and Systems Business Unit, Electronic Assembly Systems Company, and Group Business Company)” and “In charge of Production Center”	
Director and Managing Officer	Toshimasa Miura	“In charge of Global Cooperate Center (Human Resources & General Affairs Dept., Business Process Innovation Dept.)”, “In charge of Secretariat”, “In charge of Group Internal Auditing Dept.”, “In charge of Group Quality Assurance Dept.”, “In charge of Internal Control and Compliance” and General Manager of Human Resources & General Affairs Dept.	Chairman of JUKI PROSERVE CORPORATION
Director and Managing Officer	Takehige Hamasoto	“In charge of Business Operation Center (Sewing Machinery and Systems Business Unit)”, Executive Unit Officer of Sewing Machinery and Systems Business Unit and “In charge of Business Operation Center (Customer Business Company)”	Director of JUKI SALES (JAPAN) CORPORATION
Director	Kazumi Nagasaki		
Director	Yutaka Hori		Attorney Executive and Vice President, National University Corporation Chiba University Outside Director of FIDEA Holdings Co. Ltd.

Position	Name	Areas of responsibility within the Company	Significant concurrent positions
Audit & Supervisory Board Member (Full-time)	Masahiko Suzuki		Audit & Supervisory Board Member of JUKI AUTOMATION SYSTEMS CORPORATION, Audit & Supervisory Board Member of JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION, Auditor of JUKI (CHINA) CO., LTD. and Auditor of TOKYO JUKI INTERNATIONAL TRADING (SHANGHAI) CO., LTD.
Audit & Supervisory Board Member	Masato Tanaka		Attorney Appeal Examination Counselor of the Japan Patent Office Ad Hoc Member, the Industrial Structure Council Professor of Law, Waseda Law School (with Fixed-term of office)
Audit & Supervisory Board Member	Junko Watanabe		Managing Director of Joban Kosan Co., Ltd.,

- (Notes) 1. Audit & Supervisory Board Member Ms. Junko Watanabe was newly elected and assumed her position at the 105th Ordinary General Meeting of Shareholders held on March 26, 2020.
2. Directors, Mr. Kazumi Nagasaki and Mr. Yutaka Hori, are Outside Directors as defined in Article 2, item (xv) of the Companies Act.
3. Directors, Mr. Kazumi Nagasaki and Mr. Yutaka Hori, are such independent officers as specified by the Tokyo Stock Exchange.
4. Audit & Supervisory Board Members, Mr. Masato Tanaka and Ms. Junko Watanabe, are Outside Audit & Supervisory Board Members as defined in Article 2, item (xvi) of the Companies Act.
5. Masato Tanaka has not been designated as an independent officer as specified by the Tokyo Stock Exchange in accordance with the policy of the office he belongs to and therefore no notification has been set to the aforementioned exchange concerning his appointment.
6. Audit & Supervisory Board Member Ms. Junko Watanabe is an independent officer as specified by the Tokyo Stock Exchange.
7. Audit & Supervisory Board Members, Mr. Masahiko Suzuki and Ms. Junko Watanabe, have many years of financial- and accounting-related experience, etc. and have sufficient financial and accounting knowledge.
8. The following changes were made concerning the positions of some Directors on January 1, 2021.

Name	Before change	After change
Akira Kiyohara	Representative Director and President	Representative Director, Chairman and CEO
Shinsuke Uchinashi	Representative Director and Senior Managing Officer	Representative Director, President and COO

(2) Total Amount of Remuneration, etc. to Directors and Audit & Supervisory Board Members for FY 2020

Title	Number of payees	Amount of remuneration, etc. (million yen)
Director	6	131
Audit & Supervisory Board Member	4	25
Total	10	156

(Note) The above number of payees and amount of remuneration, etc. include one Audit & Supervisory Board Member who retired during FY 2020.

(3) Outside Officers

1) Significant concurrent positions

Significant concurrent positions held by outside officers are as described on pages 12 to 13. There are no specific relationships between the Company and such outside officers/the organizations where their concurrent positions are held.

2) Main activities

Title	Name	Main activities
Director	Kazumi Nagasaki	Participated in all 13 Board of Directors' meetings held in FY 2020, and provided expert opinions, mainly as an experienced corporate manager, as necessary.
	Yutaka Hori	Participated in all 13 Board of Directors' meetings held in FY 2020, and provided expert opinions, mainly as an attorney, as necessary.
Audit & Supervisory Board Member	Masato Tanaka	Participated in all 13 Board of Directors' meetings and in all 14 Audit & Supervisory Board meetings held in FY 2020; provided expert opinions, mainly as an attorney, as necessary.
	Junko Watanabe	Participated in all 11 Board of Directors' meetings and in all 11 Audit & Supervisory Board meetings held after she assumed office as outside Audit & Supervisory Board Member; provided expert opinions, mainly as an experienced corporate manager, as necessary.

3) Summary of contract for limitation of liability

The Company has concluded contracts for limitation of liability with Outside Directors, Mr. Kazumi Nagasaki and Mr. Yutaka Hori, and Outside Audit & Supervisory Board Members, Mr. Masato Tanaka and Ms. Junko Watanabe, to limit their liability as stipulated in Article 423, paragraph (1) of the Companies Act up to the total sum stipulated in Article 425, paragraph (1) of the Companies Act.

4) Total amount of remuneration, etc. to outside officers for FY 2020

	Number of payees	Amount of remuneration, etc. (million yen)
Total amount of remuneration, etc.	5	26

(Notes) 1. The above number of payees and amount of remuneration, etc. include one Audit & Supervisory Board Member who retired during FY 2020.

2. No bonuses for Outside Officers have been paid and are payable.

(Reference) Managing Officers and Corporate Officers

(As of December 31, 2020)

Position	Name	Responsibilities and significant concurrent positions
Managing Officer	Hirofumi Gotoh	Executive Director and General Manager of Head Office of JUKI (CHINA) CO., LTD.
Managing Officer	Yutaka Abe	“In charge of Business Operation Center (deputy) (Sewing Machinery and Systems Business Unit)” President (Sales) of JUKI (CHINA) CO., LTD., Chairman of the Board of JUKI (HONG KONG) LTD. and Chairman of the Board of JUKI SINGAPORE PTE. LTD.
Managing Officer	Jirou Ishibashi	“In charge of Development Center (Technology Planning Dept., Technology Development Dept., Platform UX Development Dept., IoT/Network Development Dept., Sewing Machinery Development Dept.)” Managing Officer of JUKI AUTOMATION SYSTEMS CORPORATION
Managing Officer	Katsumi Nihei	“In charge of Business Operation Center (deputy) (Sewing Machinery and Systems Business Unit)” President of JUKI INDIA PVT. LTD.
Corporate Officer (“In charge of Group Companies”)	Satohiro Hama	Company President of Electronic Assembly Systems Company Director and Senior Managing Officer of JUKI AUTOMATION SYSTEMS CORPORATION
Corporate Officer (“In charge of Group Companies”)	Minoru Nitta	Deputy Executive Unit Officer of Sewing Machinery and Systems Business Unit President of JUKI AMERICA, INC.
Corporate Officer (“In charge of Group Companies”)	Kiyoshi Matsumoto	Representative Director and President of JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION
Corporate Officer	Hiroshi Anzai	“In charge of Global Cooperate Center (Corporate Planning Dept. and Information System Dept.)”, “In charge of Development Center (Innovation Promotion Dept.)” and General Manager of Corporate Planning Dept.
Corporate Officer	Kunio Nukui	Company President of Group Business Company, General Manager of Development Dept., Group Business Company Corporate Officer of JUKI AUTOMATION SYSTEMS CORPORATION
Corporate Officer	Kenji Nakao	“In charge of Production Center (deputy)” and General Manager of <i>Monodzukuri</i> Technology Dept.
Corporate Officer	Hiroki Konishi	“In charge of SCM Reform” and “In charge of Order Placement and Acceptance Management for Sewing Machinery and Systems Business Unit”
Corporate Officer	Takashi Nittou	General Manager in charge of <i>Monodzukuri</i> Technology Dept.
Corporate Officer	Toyoji Maeda	Deputy Executive Unit Officer of Sewing Machinery and Systems Business Unit
Corporate Officer (“In charge of Group Companies”)	Masanori Suzuki	President and CEO of JUKI AIZU CORPORATION
Corporate Officer	Yasuyuki Suzuki	General Manager of Sewing Machinery Development Dept.
Corporate Officer (“In charge of Group Companies”)	Toshiyuki Yamanaka	Managing Director of JUKI SINGAPORE PTE. LTD. and Managing Director of JUKI (THAILAND) CO., LTD.
Corporate Officer	Daizo Minami	General Manager of Finance & Accounting Dept.

Position	Name	Responsibilities and significant concurrent positions
Corporate Officer ("In charge of Group Companies")	Shuichi Nozaki	President of JUKI (VIETNAM) CO., LTD.

4. Accounting Auditor

(1) Accounting Auditor's Name

Deloitte Touche Tohmatsu LLC

(2) Accounting Auditor's Remuneration, etc.

1) Remuneration to Accounting Auditor as provided in Article 2, paragraph (1) of the Certified Public Accountants Act of Japan	71 million yen
2) Total amount of cash and other property benefits payable by the Company and its subsidiaries to Accounting Auditor	81 million yen

- (Notes) 1. The audit contract between the Company and Accounting Auditor does not clearly distinguish between remuneration, etc. paid for the audit conducted in accordance with the Companies Act and remuneration, etc. paid for the audit conducted in accordance with Financial Instruments and Exchange Act. It is practically impossible to make such a distinction. Accordingly, the amount specified in 1) above is the aggregate amount of remuneration, etc. for these two types of audits.
2. The Audit & Supervisory Board has checked and reviewed the audit plan, the status of the execution of duties of the Accounting Auditor and the grounds for calculation of remuneration estimates. As a result of this review, the Audit & Supervisory Board consents to the remuneration for the Accounting Auditor in accordance with Article 399, paragraph (1) of the Companies Act.
3. The Company has paid remuneration to the Accounting Auditor for services other than those stipulated in Article 2, paragraph (1) of the Certified Public Accountants Act which include advice and guidance concerning the review of accounting policies for the application of "Accounting Standard for Revenue Recognition," and that amount is included in the total amount of remuneration mentioned in 2) above.
4. Among the principal subsidiaries, JUKI SINGAPORE PTE. LTD., JUKI (CHINA) CO., LTD., JUKI (SHANGHAI) INDUSTRIAL CO., LTD., TOKYO JUKI INTERNATIONAL TRADING (SHANGHAI) CO., LTD., JUKI CENTRAL EUROPE SP. ZO.O., JUKI (VIETNAM) CO., LTD., and JUKI (LANGFANG) INDUSTRIAL CO., LTD. are audited by audit corporations other than the Company's Accounting Auditor.

(3) Policy Regarding Determination of Termination or Nonrenewal of Appointment of Accounting Auditors

If any of the reasons provided in the Article 340, paragraph (1) of the Companies Act applies to the Accounting Auditor, the Audit & Supervisory Board shall terminate the appointment of the Accounting Auditor with the full consensus of the Audit & Supervisory Board Members. In such cases, an Audit & Supervisory Board Member appointed by the Audit & Supervisory Board shall report on the termination and the reason for it at the first General Meeting of the Shareholders of the Company to be convened following the termination.

Moreover, the Audit & Supervisory Board shall determine the content of proposals for submission to the General Meeting of Shareholders of the Company relating to the termination or nonrenewal of Accounting Auditors if it judges that it is difficult for the Accounting Auditor to carry out its duties appropriately.

5. Systems to ensure that business is conducted properly

Details of the systems for ensuring appropriate business operations resolved by the Board of Directors of the Company on February 12, 2020, are as follows.

(1) System to ensure that Directors execute their duties in compliance with relevant laws and regulations and the Articles of Incorporation of the Company

- 1) The Company shall establish the “JUKI Code of Conduct”, which shall provide the principles of the JUKI corporate philosophy as a legal entity, in order to make clear its positive attitude towards legal compliance.
- 2) The Company shall establish the “JUKI Group Employees’ Code of Conduct”, a set of specific guidelines for the execution of duties, in order to make officers and employees proactively acknowledge the importance of compliance with laws and regulations.
- 3) The system for compliance and compliance management of the whole business group consisting of the Company and its subsidiaries (hereinafter “group companies”) shall be provided in the “Compliance Rules”.
- 4) The Company shall take a resolute attitude toward any antisocial individuals and organizations that adversely influence social order and sound corporate activities.

(2) System to store and control information related to Directors’ execution of duties

- 1) The Company shall establish the “Rules for Retaining Important Documents”, and shall retain and control information related to the execution of duties by Directors in accordance with the said Rules.

(3) Rules and other systems for managing risk of loss of the Company and group companies

- 1) The Company shall establish the “Risk Management Rules” to manage risks of the Company and all group companies.
- 2) The Company shall establish the “Risk Management Committee” to examine significant risks the Company faces and prepare preventive measures against such risks, and shall manage each division’s and each department’s preventive measures activities against risks.
- 3) The “Crisis-Management Task Force” shall take prompt actions against any realized risks.

(4) System to ensure that Directors, etc. of the Company and group companies execute their duties efficiently

- 1) The Company is striving to facilitate the prompt execution of duties by Directors by adopting a Managing Officer and Corporate Officer system (Corporate officers are Managing Officers who are not Directors) under which the Managing Officers and Corporate Officers may be given some of the authority required for executing Directors’ duties.
- 2) Employees may be given some of the authority required for executing Directors’ duties in accordance with the “Authorization Rules”, for the purpose of efficient decision making.
- 3) Important decision-making matters shall be discussed at the “Management Strategy Committee” and shall be decided by the President after such discussion.
- 4) Rules for executing Directors’ duties shall be provided in the “Organization Rules”, and Directors shall make efforts to efficiently execute their duties in accordance with the said Rules.

(5) System to ensure that employees of the Company, and Directors, etc. and employees of group companies execute their duties in compliance with relevant laws and regulations and the Articles of Incorporation of the Company

- 1) The Company shall establish the “JUKI Code of Conduct”, which shall provide the principles of the JUKI corporate philosophy as a legal entity, in order to make clear its positive attitude towards legal compliance.
- 2) The Company shall establish the “JUKI Group Employees’ Code of Conduct”, a set of specific guidelines for the execution of duties, in order to make employees proactively acknowledge the importance of compliance with laws and regulations.
- 3) The department in charge of handling legal affairs shall conduct activities to spread compliance education and compliance management for enhanced legal compliance.
- 4) The position of Corporate Officer in charge of Internal Control & Compliance shall be established, and this Officer shall be responsible for legal compliance and shall bear the duties of supervision of relevant organizations and their activities.
- 5) The system for compliance and compliance management of the Company and all group companies shall be provided in the “Compliance Rules”.
- 6) The Company shall establish a “Compliance Helpline” available for direct access by employees, for the purpose of making such Helpline available to respond to questions related to compliance raised by employees.

(6) System to report to the Company of matters related to the execution of duties of Directors, etc. of group companies

- 1) The group companies shall report the management policies and management plans to the Company at the “Group Management Conference”, and check and adjust them.
- 2) The group companies shall report to the Company regularly and as required, in accordance with the “Group companies management rules”.
- 3) The Directors, etc. of the group companies shall promptly report to the Corporate Officer in charge of Internal Control & Compliance of the Company on any event likely to cause significant damage to their group companies, any sign of fraudulence in the Directors’ execution of duties, any serious event in violation of laws and regulations or the Articles of Incorporation, and other events equivalent thereto.

(7) Other systems to ensure the propriety of the business operations of the business group consisting of the Company and group companies

- 1) The Company shall determine the management control system according to functional organization in its “Organization Rules” and “Group companies management rules”.
- 2) Decision making on the allocation of management resources in group companies shall be provided in the “Authorization Rules”.
- 3) The Internal Auditing Department of the Company shall conduct internal audits, as needed, on group companies.

(8) Employees to be assigned at the request of Audit & Supervisory Board Members for their assistance

- 1) The “Audit & Supervisory Board Members Section” directly reporting to the Audit & Supervisory Board Members shall be established as an organization to assist the Audit & Supervisory Board Members.

(9) Independence from Directors of such employees as specified in the preceding item (8) and matters related to ensuring the effectiveness of instructions of Audit & Supervisory Board Members of the Company to such employees

- 1) The Audit & Supervisory Board Members may express opinions on the personnel transfer and performance evaluation of the employees belonging to the “Audit & Supervisory Board Members Section”.
- 2) Employees belonging to the “Audit & Supervisory Board Members Section” shall follow the directions and instructions of the Audit & Supervisory Board Members and collect information necessary for the Audit & Supervisory Board Members’ audit promptly.

(10) System for Directors, etc. and employees of the Company and group companies to report to Audit & Supervisory Board Members of the Company

- 1) Full-time Audit & Supervisory Board Members shall attend the Board of Directors’ meetings, Management Strategy Committee, Group Management Conference, Risk Management Committee, and other important meetings, and collect necessary information by themselves.
- 2) Directors, etc. and employees of the Company and group companies shall promptly report to the Audit & Supervisory Board Members on any event likely to cause significant damage to the Company or group companies, any sign of fraudulence in the Directors’ execution of duties, any serious event in violation of laws and regulations or the Articles of Incorporation, and other events equivalent thereto.
- 3) Audit & Supervisory Board Members shall request the relevant departments of the Company and Directors, etc. and employees of group companies to directly report to them on any information the Audit & Supervisory Board Members deem to be necessary.

(11) System to ensure that the reporting person of the preceding item (10) does not receive unfavorable treatment for making such report

- 1) The Company shall state in the “Compliance Rules” that a person who has made a report to an Audit & Supervisory Board Member shall not receive unfavorable treatment for making such a report, and it shall give the widest possible publicity of this rule to Directors, etc. and employees of the Company and group companies.

(12) Procedures for prepayment or reimbursement of costs arising from the execution of duties of the Audit & Supervisory Board Members and policy related to the handling of costs and liabilities arising from the execution of other duties

- 1) The Company shall ensure the availability of funds to meet costs, etc. arising from the execution of duties of Audit & Supervisory Board Members by including a planned budget for Audit & Supervisory Board Members in annual budgeting.
- 2) The Company shall respond appropriately in the event of the expectation of the occurrence of costs judged by the Audit & Supervisory Board Member as necessary to ensure the effectiveness of audits, regardless of whether it was included in the budgeting of the previous sub-item.

(13) Other systems to ensure that the Audit & Supervisory Board Members conduct audits effectively

- 1) In addition to expressing their opinions at the Board of Directors’ meetings, the Audit & Supervisory Board Members shall exchange opinions with Representative Directors as needed in order to enhance the effectiveness of the Audit & Supervisory Board Members’ audits.
- 2) Audit & Supervisory Board Members shall conduct the Audit & Supervisory Board Members’ audit in cooperation with the Group Internal Auditing Department, as needed.
- 3) Audit & Supervisory Board Members shall conduct the Audit & Supervisory Board Members’ audit in cooperation with corporate attorneys and certified public accountants, as needed.

(14) System to ensure the reliability of financial reporting

- 1) The Company shall develop and manage systems for effective internal control over financial reporting, in order to ensure reliable financial reporting.

6. Overview of operation status of system to ensure that business is conducted properly

An overview of the operation status of the system to ensure that business is conducted properly in FY 2020 is as follows.

(1) Compliance system

- In accordance with the “Compliance Rules”, the Company and its group companies have been rigorously applying the system to ensure compliance.
- The “JUKI Group Employees’ Code of Conduct” has been enacted, the contents of which is made simple and universal so that the group employees overseas can easily understand. The Japanese version and Chinese and English translations have been distributed to ensure that each group employee has a thorough understanding of compliance.
- The Company has made a “Declaration with Regard to Antisocial Forces”, which is reflected in clauses of contracts.

(2) Risk management system

- In accordance with the “Risk Management Rules”, the Company held the Risk Management Committee meetings once every quarter in principle to identify, evaluate and take measures to risks including those at group companies.
- The Crisis-Management Task Force takes prompt actions against any realized risk.

(3) System for Directors to execute their duties

- Under the “Board of Directors Rules”, “Director and Managing Officer Rules”, “Corporate Officer Rules”, “Authorization Rules”, and “Organization Rules”, the Company strives to ensure that duties are executed promptly and efficiently by Directors.
- The Management Strategy Committee is held twice a month in principle, and decisions on important matters are made promptly.

(4) System for management of group companies

- The Company has determined the reporting system, and the management control system by functional organization in its “Organization Rules” and “Group Companies Management Rules”. The Group Management Conference was held once every half-year to report on management policies and management plans of group companies, and to check and adjust their implementation.

(5) Internal audits

- Internal audits of group companies were conducted in accordance with an internal audit plan.
- Self-assessments centered on key matters and individual topics were carried out, targeting group companies and sites, and guidance for improvement was given based on the outcomes of these self-assessments.

(6) System relating to activities of the Audit & Supervisory Board Members

- The “Audit & Supervisory Board Members Section” has been established as an organization to assist the Audit & Supervisory Board Members, and has been collecting necessary information.
- The Audit & Supervisory Board Members have been exchanging opinions with Representative Director once every three months.
- The Audit & Supervisory Board Members have been regularly exchanging information with certified public accountants regarding accounting audits, to ensure the effectiveness of the audits.

Consolidated Financial Statements
(January 1, 2020 - December 31, 2020)

Consolidated Balance Sheet
(As of December 31, 2020)

(million yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	75,990	Current liabilities	49,952
Cash and deposits	13,831	Notes and accounts payable - trade	7,124
Notes and accounts receivable - trade	23,326	Electronically recorded obligations - operating	3,004
Merchandise and finished goods	26,365	Short-term borrowings	34,053
Work in process	3,115	Lease obligations	108
Raw materials and supplies	7,228	Accounts payable - other	811
Forward exchange contracts	67	Accrued expenses	2,755
Other	2,585	Income taxes payable	337
Allowance for doubtful accounts	(530)	Provision for bonuses	29
Non-current assets	34,240	Notes payable - facilities	76
Property, plant and equipment	23,484	Other	1,651
Buildings and structures, net	11,213	Non-current liabilities	28,909
Machinery, equipment and vehicles, net	3,367	Long-term borrowings	21,989
Tools, furniture and fixtures, net	982	Lease obligations	227
Land	6,322	Provision for retirement benefits for directors (and other officers)	63
Leased assets, net	332	Retirement benefit liability	5,253
Construction in progress	202	Other	1,375
Other	1,063	Total liabilities	78,861
Intangible assets	1,922	(Net assets)	
Investments and other assets	8,833	Shareholders' equity	34,501
Investment securities	3,921	Share capital	18,044
Long-term loans receivable	110	Capital surplus	1,990
Long-term prepaid expenses	295	Retained earnings	15,073
Deferred tax assets	2,439	Treasury shares	(607)
Retirement benefit asset	1,333	Accumulated other comprehensive income	(3,468)
Other	2,070	Valuation difference on available-for-sale securities	478
Allowance for doubtful accounts	(1,338)	Foreign currency translation adjustment	(4,063)
		Remeasurements of defined benefit plans	116
		Non-controlling interests	335
		Total net assets	31,368
Total assets	110,230	Total liabilities and net assets	110,230

(Note) Figures less than one million yen are rounded down to the nearest million.

Consolidated Statement of Income
(January 1, 2020 - December 31, 2020)

(million yen)

Description	Amount	
Net sales		70,401
Cost of sales		55,090
Gross profit		15,310
Selling, general and administrative expenses		19,780
Operating loss		4,469
Non-operating income		
Interest income	40	
Dividend income	127	
Commission income	158	
Reversal of allowance for loan losses	60	
Subsidy income	1,301	
Other	288	1,976
Non-operating expenses		
Interest expenses	837	
Share of loss of entities accounted for using equity method	77	
Foreign exchange losses	453	
Other	94	1,464
Ordinary loss		3,957
Extraordinary income		
Gain on sales of non-current assets	34	
Gain on sales of investment securities	23	57
Extraordinary losses		
Loss on sales and retirement of non-current assets	176	
Loss on valuation of investment securities	147	
Extra retirement payments	243	567
Loss before income taxes		4,466
Income taxes - current	571	
Income taxes - deferred	(257)	313
Loss		4,780
Loss attributable to non-controlling interests		91
Loss attributable to owners of parent		4,688

(Note) Figures less than one million yen are rounded down to the nearest million.

Consolidated Statement of Changes in Equity
(January 1, 2020 - December 31, 2020)

(million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,044	2,035	20,494	(607)	39,966
Changes of items during period					
Dividends of surplus			(732)		(732)
Loss attributable to owners of parent			(4,688)		(4,688)
Purchase of treasury shares				(0)	(0)
Capital increase of consolidated subsidiaries		(44)			(44)
Net changes in items other than shareholders' equity					
Total changes during period	-	(44)	(5,420)	(0)	(5,465)
Balance at end of period	18,044	1,990	15,073	(607)	34,501

(million yen)

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	468	(3,437)	40	(2,929)	714	37,752
Changes of items during period						
Dividends of surplus						(732)
Loss attributable to owners of parent						(4,688)
Purchase of treasury shares						(0)
Capital increase of consolidated subsidiaries						(44)
Net changes in items other than shareholders' equity	10	(626)	75	(539)	(379)	(918)
Total changes during period	10	(626)	75	(539)	(379)	(6,383)
Balance at end of period	478	(4,063)	116	(3,468)	335	31,368

(Note) Figures less than one million yen are rounded down to the nearest million.

Non-consolidated Financial Statements
(January 1, 2020 - December 31, 2020)

Non-consolidated Balance Sheet
(As of December 31, 2020)

(million yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	38,389	Current liabilities	39,442
Cash and deposits	5,042	Notes payable - trade	278
Notes receivable - trade	185	Electronically recorded obligations - operating	363
Accounts receivable - trade	11,528	Accounts payable - trade	4,521
Merchandise and finished goods	2,597	Short-term borrowings	18,969
Work in process	1,078	Short-term borrowings from subsidiaries and associates	1,462
Raw materials and supplies	41	Lease obligations	55
Accrued income	660	Accounts payable - other	12,129
Short-term loans receivable	7,615	Accrued expenses	1,344
Accounts receivable - other	7,602	Income taxes payable	6
Forward exchange contracts	67	Deposits received	107
Other	1,969	Notes payable - facilities	8
Non-current assets	48,141	Other	194
Property, plant and equipment	12,548	Non-current liabilities	18,953
Buildings, net	7,490	Long-term borrowings	15,770
Structures, net	90	Lease obligations	132
Machinery and equipment, net	264	Provision for retirement benefits	2,929
Vehicles, net	1	Other	120
Tools, furniture and fixtures, net	199	Total liabilities	58,395
Land	4,226	(Net assets)	
Leased assets, net	185	Shareholders' equity	27,651
Construction in progress	91	Share capital	18,044
Intangible assets	1,400	Capital surplus	2,094
Patent right	375	Legal capital surplus	2,094
Software	1,009	Retained earnings	8,120
Leased assets, net	1	Legal retained earnings	563
Other	14	Other retained earnings	7,556
Investments and other assets	34,192	Retained earnings brought forward	7,556
Investment securities	2,263	Treasury shares	(607)
Shares of subsidiaries and associates	20,968	Valuation and translation adjustments	483
Investments in capital of subsidiaries and associates	8,416	Valuation difference on available-for-sale securities	483
Investments in capital	352	Total net assets	28,135
Long-term accounts receivable from subsidiaries and associates - other	2,512	Total liabilities and net assets	86,531
Distressed receivables	139		
Long-term prepaid expenses	52		
Deferred tax assets	1,098		
Other	274		
Allowance for doubtful accounts	(1,885)		
Total assets	86,531		

(Note) Figures less than one million yen are rounded down to the nearest million.

Non-consolidated Statement of Income
(January 1, 2020 - December 31, 2020)

(million yen)

Description	Amount	
Net sales		28,326
Cost of sales		27,433
Gross profit		893
Selling, general and administrative expenses		6,220
Operating loss		5,326
Non-operating income		
Interest and dividend income	1,456	
Commission income	778	
Subsidy income	577	
Other	444	3,256
Non-operating expenses		
Interest expenses	479	
Foreign exchange losses	341	
Other	22	844
Ordinary loss		2,914
Extraordinary income		
Gain on sales of non-current assets	26	
Gain on liquidation of subsidiaries and associates	23	49
Extraordinary losses		
Loss on sales and retirement of non-current assets	5	
Loss on valuation of investment securities	137	143
Loss before income taxes		3,008
Income taxes - current	185	
Income taxes - deferred	(386)	(201)
Loss		2,806

(Note) Figures less than one million yen are rounded down to the nearest million.

Non-consolidated Statement of Changes in Equity
(January 1, 2020 - December 31, 2020)

(million yen)

	Shareholders' equity					
	Share capital	Capital surplus		Retained earnings		
		Legal capital surplus	Total capital surpluses	Legal retained earnings	Other retained earnings	Total retained earnings
				Retained earnings brought forward		
Balance at beginning of period	18,044	2,094	2,094	490	11,168	11,659
Changes of items during period						
Provision of legal retained earnings				73	(73)	–
Dividends of surplus					(732)	(732)
Loss					(2,806)	(2,806)
Purchase of treasury shares						
Net changes in items other than shareholders' equity						
Total changes during period	–	–	–	73	(3,612)	(3,539)
Balance at end of period	18,044	2,094	2,094	563	7,556	8,120

(million yen)

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(607)	31,191	478	478	31,670
Changes of items during period					
Provision of legal retained earnings					–
Dividends of surplus		(732)			(732)
Loss		(2,806)			(2,806)
Purchase of treasury shares	(0)	(0)			(0)
Net changes in items other than shareholders' equity			4	4	4
Total changes during period	(0)	(3,539)	4	4	(3,534)
Balance at end of period	(607)	27,651	483	483	28,135

(Note) Figures less than one million yen are rounded down to the nearest million.

Independent Auditor's Report

February 12, 2021

To the Board of Directors
JUKI CORPORATION

Deloitte Touche Tohmatsu LLC
Tokyo Office

Kenichiro Okamoto, CPA
Designated Unlimited Liability Partner,
Engagement Partner
Kentaro Sugimoto, CPA
Designated Unlimited Liability Partner,
Engagement Partner

Audit opinion

Pursuant to Article 444, paragraph (4) of the Companies Act, we have audited the consolidated financial statements, that is, the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity and notes to consolidated financial statements of JUKI CORPORATION (the "Company") for the fiscal term from January 1, 2020 to December 31, 2020.

In our opinion, the above consolidated financial statements fairly present, in every material aspect, the financial position and results of operations of the Group consisting of the Company and its consolidated subsidiaries for the relevant term of the consolidated financial statements, in accordance with the business accounting standards generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that we have obtained sufficient and appropriate audit evidence to support our audit opinion.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

The responsibility of management is to prepare consolidated financial statements in accordance with business accounting standards generally accepted in Japan and present appropriate accounting information. This responsibility includes the establishment and operation of internal controls deemed necessary by management for the preparation of consolidated financial statements free of material misstatement due to fraud or error and the presentation of appropriate accounting information.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of the Group's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. Design and perform audit procedures responsive to those risks. The procedures selected to be applied depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of auditing the consolidated financial statements to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements or, if such notes are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the overall presentation of the consolidated financial statements and the notes thereto are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the notes thereto, and whether the consolidated financial statements represent the underlying transactions and accounting events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors.

Interests in the Company

Our firm and its engagement partners have no interest in the Group which shall be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Notice to Readers:

The original consolidated financial statements, which consist of the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity and the notes to consolidated financial statements, are written in Japanese.

(English Translation)

Certified copy of Accounting Auditor's audit report on the Non-consolidated Financial Statements

Independent Auditor's Report

February 12, 2021

To the Board of Directors
JUKI CORPORATION

Deloitte Touche Tohmatsu LLC
Tokyo Office

Kenichiro Okamoto, CPA
Designated Unlimited Liability Partner,
Engagement Partner
Kentaro Sugimoto, CPA
Designated Unlimited Liability Partner,
Engagement Partner

Audit opinion

Pursuant to Article 436, Paragraph (2), item (i) of the Companies Act, we have audited the non-consolidated financial statements, that is, the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity and notes to non-consolidated financial statements, and the supplementary schedules (collectively, "non-consolidated financial statements, etc.") of JUKI CORPORATION (the "Company") for the 106th fiscal term from January 1, 2020 to December 31, 2020.

In our opinion, the above non-consolidated financial statements, etc. fairly present, in every material aspect, the financial position and results of operations of the Company for the relevant term of the non-consolidated financial statements and the supplementary schedules, in accordance with the business accounting standards generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc. section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that we have obtained sufficient and appropriate audit evidence to support our audit opinion.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements, Etc.

The responsibility of management is to prepare non-consolidated financial statements, etc. in accordance with business accounting standards generally accepted in Japan and present appropriate accounting information. This responsibility includes the establishment and operation of internal controls deemed necessary by management for the preparation of non-consolidated financial statements, etc. free of material misstatement due to fraud or error and the presentation of appropriate accounting information.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of the Company's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the non-consolidated financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, etc., whether due to fraud or error, and design and perform audit procedures responsive to those risks. The procedures selected to be applied depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of auditing the non-consolidated financial statements, etc. to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements, etc. and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the non-consolidated financial statements, etc. or, if such notes are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation of the non-consolidated financial statements, etc. and the notes thereto are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the non-consolidated financial statements, etc., including the notes thereto, and whether the non-consolidated financial statements, etc. represent the underlying transactions and accounting events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors.

Interests in the Company

Our firm and its engagement partners have no interest in the Company which shall be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Notice to Readers:

The original non-consolidated financial statements, which consist of the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity and the notes to non-consolidated financial statements, and the supplementary schedules thereof, are written in Japanese.

(English Translation)

Certified copy of the Audit & Supervisory Board's audit report

Audit Report

The Audit & Supervisory Board, following review and deliberations on the reports made by each Audit & Supervisory Board Member concerning the execution of duties by Directors for the 106th fiscal term from January 1, 2020 to December 31, 2020, prepared this Audit Report and hereby submits it as follows:

1. Summary of Auditing Methods by Audit & Supervisory Board Members and the Audit & Supervisory Board

(1) The Audit & Supervisory Board established auditing policies and the division of duties, received reports regarding the status of audits and the results thereof from each Audit & Supervisory Board Member, received reports regarding the status of the execution of duties from Directors and the Accounting Auditor, and requested explanation as necessary.

(2) In accordance with the auditing standards for Audit & Supervisory Board Members determined by the Audit & Supervisory Board, and in compliance with auditing policies and the division of duties, each Audit & Supervisory Board Member made efforts to collect information and establish auditing circumstances through communication with Directors, internal audit staff and other employees, and perform the audit in accordance with the following procedures.

1. Each Audit & Supervisory Board Member attended the Board of Directors' meetings and other important meetings to receive reports regarding execution of duties from Directors and employees, and requested explanations as necessary. Each Audit & Supervisory Board Member also inspected the approved documents and examined the status of operations and conditions of assets at the head office and principal offices. And each Audit & Supervisory Board Member communicated and shared information with the directors, auditors, etc. of the subsidiaries and received from the subsidiaries their business reports as necessary.

2. Each Audit & Supervisory Board Member verified the resolutions adopted by the Board of Directors regarding the establishment of a system for ensuring that the Directors' duties, as stated in the business report, are executed in conformity of laws and regulations, and the Articles of Incorporation of the Company, and the establishment of a system necessary to ensure proper business operations of the whole business group consisting of a stock company and its subsidiaries set forth in Article 100, paragraphs (1) and (3) of the Regulation for Enforcement of the Companies Act. It also regularly received reports from Directors and employees on the status of the establishment and operation of the system (internal control system) established in accordance with such resolutions adopted by the Board of Directors, and requested explanations as necessary and expressed his/her opinions. With regard to the internal control over financial reporting, Audit & Supervisory Board Members received reports from Directors and Deloitte Touche Tohmatsu LLC on the status of discussion between them and the evaluation of such internal control and the status of audit, and requested explanations as necessary.

3. Audit & Supervisory Board Members monitored and verified that the Accounting Auditor maintains independence and conduct the audits appropriately. Each Audit & Supervisory Board Member also received reports on the status of the execution of duties from Accounting Auditor and requested explanation as necessary. In addition, we were informed of the arrangement of the "System for ensuring that the duties are performed appropriately" (matters stipulated in the items of Article 131 of the Regulation on Accounting of Companies in accordance with "Standards for the Quality Control of Audits" (Business Accounting Council, October 28, 2005)) from the Accounting Auditor and requested explanations as necessary.

In accordance with the procedures mentioned above, we reviewed the business reports and supplementary schedules, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity and notes to non-consolidated financial statements), the supplementary schedules thereto, and the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity and notes to consolidated financial statements) for the fiscal term ended December 31, 2020.

2. Results of Audit

(1) Results of Audit of Business Report and Other Relevant Documents

1. The business report and supplementary schedules present fairly the financial condition of the Company in conformity with related laws and regulations and the Articles of Incorporation of the Company.
2. Regarding the execution of duties by Directors, there were no instances of misconduct or material matters in violation of laws and regulations, nor of the Articles of Incorporation of the Company.
3. The resolution of the Board of Directors regarding the internal control system is fair and reasonable. There are no matters requiring additional comment regarding the contents of the business report on such internal control and the execution of duties by Directors. With regard to the internal control over financial reporting, the Audit & Supervisory Board received reports from Directors and Deloitte Touche Tohmatsu LLC that there were no material defects as of the date this audit report was prepared.

(2) Results of Audit of Non-consolidated Financial Statements and Supplementary Schedules

The auditing methods and results of the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

(3) Results of Audit of Consolidated Financial Statements

The auditing methods and results of the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

February 12, 2021

Audit & Supervisory Board, JUKI CORPORATION

Audit & Supervisory Board Member (Full-time)	Masahiko Suzuki
Audit & Supervisory Board Member	Masato Tanaka
Audit & Supervisory Board Member	Junko Watanabe

(Note) Audit & Supervisory Board Members Masato Tanaka and Junko Watanabe are Outside Audit & Supervisory Board Members who are required to be appointed in accordance with Article 2, item (xvi) and Article 335, paragraph (3) of the Companies Act.

Reference Materials for the Ordinary General Meeting of Shareholders

Proposals and Reference Information

First proposal: Appropriation of Surplus

For distribution of profit, we maintain the basic policy of striving to improve the return of profit to our shareholders based on the stable payment of dividends in comprehensive consideration of factors such as the results of the current fiscal year and the internal reserve provided for capital expenditures and proactive development investment in order to build a stable business base for the future.

In accordance with this policy and after taking into consideration the recovery of results, the Company proposes to pay year-end dividends for the 106th fiscal year as follows.

Year-end dividend

(1) Type of dividend assets

Cash

(2) Distribution of dividend assets to shareholders and the total amount of dividends

Payment of 20.00 yen per share of common shares

Total amount of dividends: 585,905,780 yen

(3) Effective date of distribution of surplus

March 26, 2021

Second proposal: Election of 5 Directors

The term of office of all (6) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the election of 5 Directors (including 2 Outside Directors) is proposed.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1	Reelection Akira Kiyohara (November 26, 1951)	April 1974	Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)	43,813 shares
		April 2002	Executive Officer and General Manager of Corporate Planning Dept. of Mizuho Bank, Ltd.	
		March 2003	Managing Executive Officer, ditto	
		March 2007	President of Mizuho Capital Co., Ltd.	
		May 2009	Joined the Company, Advisor	
		June 2009	Senior Managing Director, CAO, and CCO	
		July 2009	Senior Managing Director, CFO, CAO, and CCO	
		June 2010	President	
		August 2013	President, and President of JUKI AUTOMATION SYSTEMS CORPORATION	
		January 2021	Representative Director, Chairman and CEO, and President of JUKI AUTOMATION SYSTEMS CORPORATION (Present)	
	<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Akira Kiyohara served as President of the Company from 2010, and since January 2021, he has been serving as Representative Director, Chairman and CEO. He has properly managed the Board of Directors' meetings as Chairman and has appropriately fulfilled his role in decision-making and supervising. He possesses an excellent track record in controlling the overall management of the Group through his wealth of experience and his knowledge as management. The Company determined that he is capable of exercising strong leadership to drive the Company toward its vision of improved corporate value over the medium to long term for the entire Group.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Reelection Shinsuke Uchinashi (March 26, 1957)	<p>April 1979 Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)</p> <p>August 2004 General Manager of Kamata Branch, Mizuho Bank, Ltd.</p> <p>April 2010 Executive Officer and General Manager of Credit Supervision Division IV, ditto</p> <p>May 2011 Joined the Company, Senior Executive Operating Officer</p> <p>March 2013 Managing Officer “In charge of Administration Center (Corporate Administration Dept. and Finance & Accounting Dept.)”</p> <p>March 2014 Managing Officer “In charge of Administration Center (Finance & Accounting Dept.)” and “In charge of Production Center”</p> <p>January 2017 Managing Officer “In charge of Global Cooperate Center (Finance & Accounting Dept.)”, “In charge of Business Operation Center (Group Business Company)” and “In charge of Production Center”</p> <p>March 2017 Director and Managing Officer</p> <p>March 2018 Director and Senior Managing Officer</p> <p>March 2020 Representative Director and Senior Managing Officer</p> <p>January 2021 Representative Director, President and COO (Present)</p>	21,035 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Shinsuke Uchinashi has served as Director since 2017. He possesses a wealth of experience and knowledge from taking charge of a wide swath of departments, including Finance & Accounting, Group Business, and Production Center, and has appropriately fulfilled his duties in both administration and business management. In 2020, he was appointed to be assistant to the President as a Representative Director, and since January 2021, he has been serving as Representative Director, President and COO. The Company determined that he has been able to enhance the executability of the business plan by strengthening business execution capabilities as COO.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<p style="text-align: center;">Reelection</p> <p style="text-align: center;">Hirokazu Nagashima (February 1, 1958)</p>	<p>April 1978 Joined the Company</p> <p>January 2004 Executive Operating Officer and Deputy Division Manager of Electronic Assembly and Test Systems Div.</p> <p>March 2005 Executive Operating Officer and Division Manager of Electronic Assembly and Test Systems Div.</p> <p>June 2005 Director and Division Manager of Electronic Assembly and Test Systems Div.</p> <p>June 2006 Managing Director and Division Manager of Electronic Assembly and Test Systems Div.</p> <p>April 2011 Managing Director, “In charge of Business Operation Center (Electronic Assembly Systems Business Unit)”, “In charge of Quality Assurance Dept.,” and Executive Unit Officer of Electronic Assembly Systems Business Unit</p> <p>March 2013 Director and Managing Officer “In charge of Business Operation Center (Electronic Assembly Systems Business Unit)”, and Executive Unit Officer of Electronic Assembly Systems Business Unit</p> <p>August 2013 Director, Senior Managing Director of JUKI AUTOMATION SYSTEMS CORPORATION</p> <p>March 2014 Director, Director and Senior Managing Officer of JUKI AUTOMATION SYSTEMS CORPORATION</p> <p>March 2016 Director and Senior Managing Officer of JUKI AUTOMATION SYSTEMS CORPORATION</p> <p>April 2019 Director and Executive Vice President of JUKI AUTOMATION SYSTEMS CORPORATION (Present)</p>	19,341 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Hirokazu Nagashima served as Director from 2005 to 2016. He later has applied his wealth of experience and knowledge of marketing and sales in the Electronic Assembly and Test Systems Division as Director and Executive Vice President of JUKI AUTOMATION SYSTEMS, where he has appropriately fulfilled his duties in charge of the Electronic Assembly and Test Systems business. The Company determined that he is capable of contributing to expanding the customer base and business areas through solution sales activities going forward.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held	
4	Reelection Outside Independent Kazumi Nagasaki (May 28, 1951)	April 1976	Joined Bridgestone Tire Co., Ltd. (currently Bridgestone Corporation)	0 shares
		November 1998	General Manager of Production System Development Dept., ditto	
		March 2003	Plant Manager of Kumamoto Plant, ditto	
		January 2005	Plant Manager of Yokohama Plant, ditto	
		July 2005	Manager of Chemical and Industrial Products Production Div., ditto	
		July 2008	President of Bridgestone EMK Co., Ltd.	
		January 2014	Director Senior Advisor, ditto	
		February 2014	Senior Advisor, ditto	
		March 2014	Director of the Company (Present)	
[Reasons for nomination as candidate for Outside Director] Mr. Kazumi Nagasaki has served as Outside Director of the Company since 2014, and his term of office will have been seven years at the conclusion of this Ordinary General Meeting of Shareholders. He possesses a wealth of experience and knowledge as a manufacturing manager, as well as considerable insight and supervisory ability with regard to corporate management. The Company determined that he is an appropriate person to serve as Outside Director because he can be expected to provide objective and pertinent advice and make decisions.				
5	Reelection Outside Independent Yutaka Hori (October 5, 1949)	April 1979	Registered as an attorney (Dai-ichi Tokyo Bar Association)	0 shares
		December 1989	Representative attorney of Hori & Associates Law Office (currently Hori & Partners) (Present)	
		June 1999	Lecturer of Graduate School of International Corporate Strategy, Hitotsubashi University	
		April 2004	Executive and Vice President, National University Corporation Chiba University (Present)	
		April 2010	Commissioner of Public Interest Corporation Commission (PICC) of the Cabinet Office	
		March 2016	Director of the Company (Present)	
		June 2016	Outside Director of FIDEA Holdings Co. Ltd. (Present)	
		August 2017	Outside Director of Pasona Group Inc.	
[Reasons for nomination as candidate for Outside Director] Mr. Yutaka Hori has served as Outside Director of the Company since 2016, and his term of office will have been five years at the conclusion of this Ordinary General Meeting of Shareholders. The Company determined that he is an appropriate person to serve as Outside Director because he can be expected to appropriately provide pertinent advice and make decisions on matters such as compliance based on the legal expertise he has built up as an attorney over many years and his experience serving as director for other companies in the business world.				

- (Notes)
- None of the above candidates for Directors have any special interest with the Company.
 - Mr. Kazumi Nagasaki and Mr. Yutaka Hori are candidates for Outside Directors and are independent officers as specified by the Tokyo Stock Exchange.
 - The Company has concluded a "Contract for Limitation of Liability" with Mr. Kazumi Nagasaki, and Mr. Yutaka Hori for the purpose of limiting their liability, as provided for in Article 423, paragraph (1) of the Companies Act, in accordance with Article 31 of the Company's Articles of Incorporation. The maximum amount of liability under said contracts is the amount provided for in the applicable laws and regulations. If they are reelected, the Company plans to renew the aforementioned contracts.
 - The Company has entered into a directors and officers liability insurance policy with an insurance agency. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as an officer, etc. or claims pertaining to the pursuit of such liability. The insurance policy was renewed as of February 27, 2021, with the details unchanged, and at the expiry of one year, the Company plans to once again renew this insurance policy with the details unchanged.

Third proposal: Election of 1 Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member, Mr. Masahiko Suzuki will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of 1 Audit & Supervisory Board Member is proposed.

The Audit & Supervisory Board consented to the proposal of this resolution.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
<p style="text-align: center;">Reelection</p> <p style="text-align: center;">Masahiko Suzuki (January 25, 1958)</p>	<p>April 1980 Joined the Company</p> <p>November 2006 Deputy General Manager of Accounting Dept.</p> <p>November 2009 Deputy General Manager of Corporate Planning Dept., Planning HQ</p> <p>June 2011 General Manager of Finance & Accounting Dept.</p> <p>April 2016 Corporate Officer and General Manager of Finance & Accounting Dept.</p> <p>March 2019 Full-time Audit & Supervisory Board Member, and Audit & Supervisory Board Member of JUKI AUTOMATION SYSTEMS CORPORATION Audit & Supervisory Board Member of JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION, Auditor of JUKI (CHINA) CO., LTD. and Auditor of TOKYO JUKI INTERNATIONAL TRADING (SHANGHAI) CO., LTD. (Present)</p>	6,507 shares
<p>[Reasons for nomination as candidate for Audit & Supervisory Board Member]</p> <p>Mr. Masahiko Suzuki has served as Full-time Audit & Supervisory Board Member since 2019, objectively and neutrally auditing the Directors' execution of their duties. He is experienced as a person responsible for management control in group companies, and finance and accounting management at the head office, and possesses a wealth of knowledge and experience in these fields. As such, the Company has determined that he is an appropriate person to serve as Audit & Supervisory Board Member.</p>		

- (Notes) 1. The above candidate for Audit & Supervisory Board Member has no special interest with the Company.
2. The Company has entered into a directors and officers liability insurance policy with an insurance agency. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as an officer, etc. or claims pertaining to the pursuit of such liability. The insurance policy was renewed as of February 27, 2021, with the details unchanged, and at the expiry of one year, the Company plans to once again renew this insurance policy with the details unchanged.

Fourth proposal: Election of 2 Substitute Audit & Supervisory Board Members

The resolution by the General Meeting of Shareholders on the election of substitute Audit & Supervisory Board Members, Mr. Hiroshi Nakamura and Ms. Hiroko Nihei, shall remain in effect until the start of this Ordinary General Meeting of Shareholders. Accordingly, in order to prepare for a case in which the number of Audit & Supervisory Board Members falls short of the number stipulated by laws and regulations, the election of 2 substitute Audit & Supervisory Board Members is proposed.

The Audit & Supervisory Board consented to the proposal of this resolution.

The candidates for substitute Audit & Supervisory Board Members are as follows:

No.	Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
1	Hiroshi Nakamura (December 23, 1953)	<p>April 1978 Joined the Company</p> <p>June 2006 Director and CIO, and General Manager of Corporate Planning Dept.</p> <p>June 2010 Managing Director, HQ General Manager of Planning HQ and General Manager of Corporate Planning Dept.</p> <p>June 2011 Senior Executive Operating Officer, “In charge of Administration Center (Human Resources Dept. and General Affairs Dept.)”, “In charge of Business Development Center”, “In charge of Secretariat”, “In charge of Internal Auditing Dept.”, General Manager of General Affairs Dept., and “In charge of Internal Control and Compliance”</p> <p>March 2013 Managing Officer</p> <p>March 2014 Director and Managing Officer</p> <p>March 2016 Senior Corporate Officer</p> <p>April 2019 Advisor “In charge of the liaison with Industry organization” (Present)</p>	27,076 shares
<p>[Reasons for nomination as candidate for substitute Audit & Supervisory Board Member]</p> <p>The Company determined that Mr. Hiroshi Nakamura is an appropriate person because he can be expected to provide pertinent advice and audits on the Company’s overall management based on his wealth of experience serving for many years in critical positions in departments such as Corporate Planning, Financial Planning, Internal Auditing, Internal Control and Compliance, etc.</p>			
2	Hiroko Nihei (August 23, 1976)	<p>April 1999 Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)</p> <p>March 2008 Resigned from Mizuho Bank, Ltd.</p> <p>September 2009 Completed the Legal Training and Research Institute of the Supreme Court of Japan, and registered as an attorney (Dai-ichi Tokyo Bar Association)</p> <p>October 2009 Joined O’Melveny & Myers LLP, Associate</p> <p>September 2014 Received Magister Juris (MJur) from University of Oxford</p> <p>January 2016 Counsel of O’Melveny & Myers LLP (Present)</p> <p>March 2019 Received Master of Laws in Studies of Legal Frontiers from Waseda University, Graduate School of Law, LL.M. in Intellectual Property Law</p> <p>June 2019 Outside Auditor of SEED Co., Ltd. (Present)</p> <p>January 2020 Supervisory Director of Invesco Office J-REIT, Inc. (Present)</p>	0 shares
<p>[Reasons for nomination as candidate for substitute Audit & Supervisory Board Member]</p> <p>The Company determined that Ms. Hiroko Nihei is an appropriate person as substitute Outside Audit & Supervisory Board Member, because the Company can expect her to be capable of appropriately providing advice and conducting audits on matters such as compliance based on her vast experience in legal matters such as international commerce, etc. and the legal expertise she has built up as an attorney in addition to the perspective of promotion of diversity.</p>			

(Notes) 1. None of the above candidates for substitute Audit & Supervisory Board Members have any special interest with the Company.

2. Mr. Hiroshi Nakamura is a substitute for Audit & Supervisory Board Member other than Outside Audit & Supervisory Board Member, and Ms. Hiroko Nihei is a substitute for Outside Audit & Supervisory Board Member.
3. Ms. Hiroko Nihei satisfies the requirements for an independent officer specified by the Tokyo Stock Exchange. Upon the approval of the election of Ms. Hiroko Nihei in this proposed resolution and her assuming office as Audit & Supervisory Board Member, the Company plans to submit notification to the aforementioned exchange concerning her appointment as an independent officer.
4. Upon the approval of the election of Ms. Hiroko Nihei in this proposed resolution and her assuming office as Outside Audit & Supervisory Board Member, the Company will conclude a “Contract for Limitation of Liability” with her for the purpose of limiting her liability, as provided for in Article 423, paragraph (1) of the Companies Act, in accordance with Article 43 of the Company’s Articles of Incorporation. The maximum amount of liability under said contract is the amount provided for in the applicable laws and regulations.
5. The Company has entered into a directors and officers liability insurance policy with an insurance agency in which the Audit & Supervisory Board Members are listed as the insured persons. If the substitute for Outside Audit & Supervisory Board Member should be appointed as Audit & Supervisory Board Member, this insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as an officer, etc. or claims pertaining to the pursuit of such liability.
6. The Company may cancel the election of substitute Audit & Supervisory Board Members before they assume office as Audit & Supervisory Board Members. The cancellation shall be resolved by a majority of the Board of Directors and shall require the consent of the Audit & Supervisory Board.