

May 9, 2022

JUKI CORPORATION

JUKI TECHNOSOLUTIONS CORPORATION, a Joint Venture Company in the Industrial Sewing Machines Business, is soon to be launched

As announced in an earlier press release dated November 8, 2021, JUKI CORPORATION ("JUKI"), Mitsubishi Electric Corporation ("Mitsubishi Electric"), and Meiryō Technica Corporation ("Meiryō Technica") have agreed to establish a joint venture company to branch out into an expanded industrial sewing machines business in non-apparel industry. While the joint venture company was originally slated to commence operations in May of 2022, it took several more months than expected to obtain the necessary approvals and licenses from the appropriate government authorities pertaining to the antitrust laws and competition laws.

JUKI has at length obtained all of the necessary approvals from the appropriate government authorities. Consequently, JUKI is pleased to announce that the joint venture company, "JUKI TECHNOSOLUTIONS CORPORATION," will be established and commence operations on July 1, 2022.

There has been no change in the original terms for the joint venture company. Meiryō Technica, a corporation handling the industrial sewing machines within the Mitsubishi Electric Group, will establish the new company, and JUKI and Mitsubishi Electric will invest in 80% and 20% stakes, respectively, to make it a joint venture company.

JUKI TECHNOSOLUTIONS CORPORATION will combine the advanced technologies and product and system lineups of JUKI and Mitsubishi Electric to provide advanced and distinctive solutions to customers worldwide in non-apparel industry focused on automobile-related products and sports shoes. By differentiating itself in this way, JUKI TECHNOSOLUTIONS CORPORATION aims to become both the world's leader and the most powerful technology innovator in non-apparel industry.

The establishment of JUKI TECHNOSOLUTIONS CORPORATION will enable the overseas subsidiaries of JUKI Group to take over the business assets of the Mitsubishi Electric Group's overseas industrial sewing machines business in each region, including human resources and product inventories. JUKI TECHNOSOLUTIONS CORPORATION will thereby strengthen JUKI's ability to provide solutions and support to customers around the world.

- Outline of JUKI TECHNOSOLUTIONS CORPORATION -

1. Leading up to the establishment

JUKI continues to expand its industrial sewing machines business in both apparel and non-apparel industries, while the Mitsubishi Electric Group focuses on industrial sewing machines for non-apparel industries. The two companies have agreed to establish a new joint venture company for further business development and to increase their business competitiveness in non-apparel industry, an industry expected to grow swiftly in the coming years. The joint venture company will be promoting the industrial sewing machines businesses of both JUKI and the Mitsubishi Electric Group.

2. Business policies

(1) The JUKI Group and the Mitsubishi Electric Group will combine and develop the advanced technologies and product and system lineups of both groups to expand their business domains with a focus on industrial sewing machines in non-apparel industry. JUKI TECHNOSOLUTIONS CORPORATION will create solutions to solve problems at customer manufacturing sites and deliver the solutions to customers all around the world.

(2) JUKI TECHNOSOLUTIONS CORPORATION will continuously strengthen its ability to support diverse customers in non-apparel industry at their manufacturing sites by further leveraging the JUKI Group's global sales and service network.

(3) JUKI TECHNOSOLUTIONS CORPORATION will meet the ever-more-sophisticated demands of

customers for smart factories at a high level by further deploying the drive and control technologies and IoT technologies (e.g., e-Factory) of the Mitsubishi Electric Group.

3. Company details

- (1) Company name: JUKI TECHNOSOLUTIONS CORPORATION
- (2) Address: Head office at 2-11-1, Tsurumaki, Tama-shi, Tokyo 206-8551, Japan
Nagoya Office at 2039-1, Shimoi, Shimoi-machi, Owariasahi-shi, Aichi 488-0052, Japan
- (3) Description of business: Development, design, sales, after-sales service, etc. of Industrial Sewing Machines
- (4) Date of establishment: July 1, 2022
- (5) Capital contribution ratio: JUKI 80%, Mitsubishi Electric 20%
- (6) Officers: Akira Kiyohara, Representative Director, Chairperson and CEO
Masanori Awasaki, Representative Director, President and COO
Takayuki Tsuzuki, Director (Senior General Manager, Nagoya Works, Mitsubishi Electric Corporation)
Hiroshi Anzai, Director (Managing Officer, JUKI CORPORATION)
Masahiko Suzuki, Audit & Supervisory Board Member
- (7) Number of employees: 60 (not yet fixed)

4. Information on major sewn products in non-apparel industry

- (1) Automobile-related products
Car seats, airbags, seatbelts, decorative interior parts, etc.
- (2) Shoes
Sports shoes, etc.
- (3) Bags
Leather bags, outdoor bags, casual bags, accessories, etc.
- (4) Furniture
Sofa-cushion-related products, etc.
- (5) Other
Belts for cargo handling, safety belts for working at heights, other outdoor equipment, etc.

5. Investor information

- (1) JUKI CORPORATION

Company name	JUKI CORPORATION
Address	2-11-1, Tsurumaki, Tama-shi, Tokyo
Date of establishment	December 15, 1938
Description of business	Industrial Sewing Machinery Business, Household Sewing Machinery Business, Electronic Assembly Systems Business, Contract Manufacturing Business, After-sales Services, etc.

- (2) Mitsubishi Electric Corporation

Company name	Mitsubishi Electric Corporation
Address	2-7-3, Marunouchi, Chiyoda-ku, Tokyo
Date of establishment	January 15, 1921
Description of business	Manufacturing and sales of Heavy Electric Systems, Industrial Mechatronics (Sequencers, Servos, Numerical Controllers, Displays, Inverters, Robots, Three-phase Motors, Electromagnetic Switches, Transformers, Software, etc.), Information Communication Systems, Electronic Devices, and Household Appliances