



CONTENTS

Introduction

Content / Editorial policy, etc.	2
Corporate philosophy, etc.	4
JUKI's business closely tied to people's daily lives and industry	6

Corporate value creation

History of value creation	8
Corporate value creation process	12
ESG management	14

Medium-term Management Plan

Message from Representative Director Chairman	16
Overall outline of the Medium-term Management Plan	22
Message from Representative President	28

Business strategies

Business overview	30
Sewing Machinery and Systems	
Industrial Sewing Machinery Business	32
Household Sewing Machinery Business	34
Industrial Equipment and Systems	
Electronics Assembly & Systems Businesses	36
Group Business	38
IoT Platform Equipment and Systems Business	40
Storage business	42
New businesses	
Living environment support business	43

Business foundation

Message from Director in charge of Finance	44
DX (Digital Transformation)	46
Strengthening of human resources	48
Technological development	50
Production	52
Procurement	54
Quality management	55

Intellectual property strategy	56
Design strategy	57

ESG initiatives

Environmental initiatives	
Reduction of environmental load	58
Social initiatives	
Solving social challenges	62
Corporate governance initiatives	
Directors, Audit & Supervisory Board Members and Corporate Officers	64
Roundtable Discussion with Outside Directors	66
Corporate governance	68
Compliance	73
Risk management	74

Data sections

Financial/Non-financial data	76
11-year key consolidated financial data	78
JUKI's global bases	80
Company outline and stock information	82

Create the Sustainable Future with Smart Solution

Editorial policies

JUKI began publishing this yearly Integrated Report in 2022 to present an organized overview of our management policy, financial information, and ESG information. We expect the report to deepen awareness about the JUKI Group among our shareholders, investors, and other important stakeholders, and are using the report as a tool for dialog with them.

This Integrated Report 2024 presents specific measures we are taking to realize the growth strategies set forth in our Medium-term Management Plan under the "Growth & Transformation Plan 2025" slogan, a comprehensive set of initiatives for attaining an ideal JUKI Group. The readers of this report will also gain a deeper understanding of our own potentials for sustainable growth.

We will continue working to solve social challenges through our business model and strengthen communication with JUKI's stakeholders by proactively disclosing information.

Reporting coverage

This report covers the activities of JUKI CORPORATION and its 25 group companies. Some sections, however, cover JUKI CORPORATION on a stand-alone basis.

Reporting period

The reporting period is fiscal year 2023 (January 1-December 31, 2023), but some information on fiscal year 2024 is included.

Note on forward-looking statements

This report contains forward-looking statements on the outlooks, goals, plans, and strategies of the JUKI Group. These statements are based on judgments derived from information available when this report has been published. Readers should be aware that a variety of factors may cause the actual results to differ materially from those mentioned in the forward-looking statements.

Referenced guidelines/documents

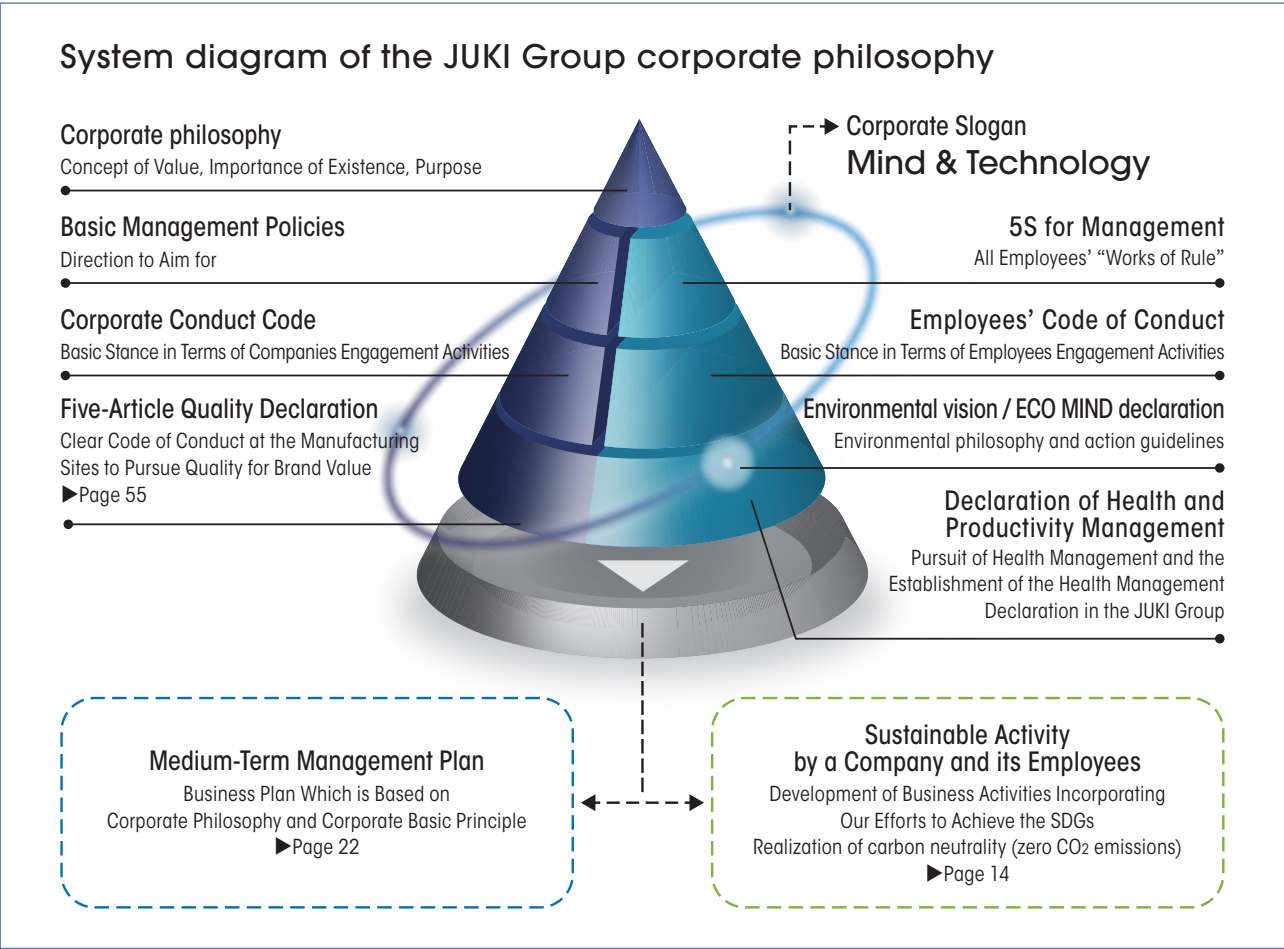
"Guidance on Integrated Disclosure and Dialogue for Value Creation" issued by the Ministry of Economy, Trade and Industry

About the front covers

The design motif for the front and back covers is based JUKI's key visual for FY2024.

The key visual represents the Six Xs, the foundational transformations that underpin the transformation of JUKI as a whole.

Six transformations: Borderless X, Business Model X, SDGs Management X, R&D Model X, Work-style Reform X, and Financial Structure X



Corporate Philosophy

- The men and women of JUKI work hand in hand to spread happiness and enrich society.
- JUKI technologies are constantly evolving and creating new value.

Basic Management Policies

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

Five-Article Quality Declaration

1. We comply with laws, rules, and the commitments we make to our customers when providing our products and services.
2. We give the highest priority to the customer's safety and peace of mind in our work on the quality of our products and services.
3. We rely deeply on the customer's voice to guide our unceasing efforts towards quality improvement.
4. We raise quality based on the five-Gen principles* to earn the customer's trust and grow our business.
5. We contribute to the sustainable development of society by improving the quality of our products and services.

* The five-Gen principles: *Genba*, *Genbutsu*, *Genjitsu*, + *Genri*, *Gensoku*

Corporate Conduct Code

- In accordance with this Code of Conduct, the men and women of JUKI will comply with all laws and international rules, respect the spirit of the laws and rules, and act with social common sense.
- JUKI will not only pursue its corporate interests through fair competition, but also aim to remain a company with a worthy reason for being for its customers, shareholders, business partners, employees, and society overall.

* The full text of the Corporate Code of Conduct is posted on our website.

5S For Management

- | | |
|------------------|-------------------------------------|
| S imple | straightforward |
| S lim | no waste |
| S peedy | move ahead of schedule with agility |
| + | |
| S eamless | altogether with no barriers |
| S mart | intelligent and productive |

JUKI Group Code of Conduct "Ten-Provisions"

1. We will comply with any and all applicable laws, regulations, rules and any kind whatsoever.
2. We will supply our customers with products and render services for our customers, which products and services will satisfy our customers.
3. We will make the best decision for JUKI Group.
4. We will work for JUKI Group in fair and active ways with integrity.
5. We, as the members of JUKI Group (Globalized Enterprise Group) will respect the fundamental human rights conferred upon people, and will never illegally discriminate against people in any respect. In addition, we will respect cultures throughout the world.
6. We will secure our safety and stay in health by ourselves, and in addition, we will use the efforts to do the same for other people.
7. We will act and work in consideration of the global environment, and will,also, contribute to society as members of the community.
8. We will continuously improve teamwork at the workplace, by means of actively assisting with the spirit of "MenDoMi."

Environmental vision / ECO MIND declaration

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

ECO MIND Declaration
Environmental Philosophy

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

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

9. We will study for self-development/ improvement, and will, also, improve and train your subordinates and younger employees.
10. We will actively procure and collect various information, and prepare effective information, and will effectively use such information, and in addition, we will strictly administer such information.

Declaration of Health and Productivity Management

The JUKI Group positions the "establishment of an organization with innovative and active personnel" as one of its basic management policies. To realize this policy, it will be important for each and every employee to be mentally and physically healthy and infused with the energy necessary to make the best of his / her capabilities. JUKI believes that the health and energy of its employees will contribute not only to improved productivity and creativity, but also to better customer service.

With these firm convictions in mind, JUKI hereby declares that it will do all in its powers to promote management focused on the pursuit and improvement of the health and energy of its employees. Based on this Declaration of Health and Productivity Management, JUKI will strengthen its structure for promoting the maintenance and improvement of the health and energy of its employees and support employees who enhance health awareness within the group by spontaneously and voluntarily participating in health maintenance/ improvement activities. JUKI also promotes the establishment of a healthy and energetic organization in combination with supports for work style reform, and comprehensively implements higher levels of health and productivity management.

Environmental Action Policy

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

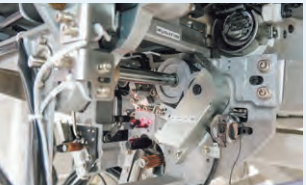
JUKI's business closely tied to people's daily lives and industry

-
- Engine parts
- Hydraulic equipment
- Undercarriage parts
- Swimwear
- Spacesuits
- Screws
- Awnings
- Smartphones
- LED lighting
- Tablets
- School bags
- Children's wear
- School lunch bags
- Carrier bags
- Automated warehouse
- Multifunction machines
- Air conditioners
- Routers
- Blouses
- Shoes
- Sterilization robot
- Robot parts
- Thouser
- Sports shoes
- Sports gear
- Baby strollers
- Reusable shopping bags
- Skirts
- Business bags
- Electron microscopes parts
- Personal computers
- Dress shirts
- Audio products
- Security cameras
- Traffic lights
- Cushions
- Sofas
- Video games
- Recorders
- Liquid crystal display TVs
- Vacuum cleaners
- Smart speakers (AI speakers)
- Rice cookers
- Microwave ovens
- Refrigerators
- Rug
- Telepresence robot
- Tablecloths
- Aprons
- Washing machines
- Innerwear
- Mattresses
- Curtains
- Knitwear
- Digital cameras
- Tents
- Solar power generator
- Artificial joints
- CT scans
- Handbags
- Jeans
- Dresses
- Neckties
- Suits
- Power tool parts
- Dog wear
- Leash
- Car seats
- Air bags
- Seatbelts
- Boards for in-car devices
- Engine parts

Corporate value creation

History of value creation

This is a history of the JUKI Group, a conglomerate of companies that have steadily grown their businesses and value by responding to the needs of customers and society, driven by a commitment to manufacturing for “peace.”

Historical background	● Postwar reconstruction ● End of the war		● San Francisco Peace Treaty ● Dissemination of the three sacred treasures		● Rapid economic growth ● Joined the OECD (Organisation for Economic Co-operation and Development) ● National Income Doubling Plan ● Tokyo Olympic Games		● The Nixon shock ● Oil crisis ● Osaka World Expo ● Normalization of Japan-China diplomatic relations, Conclusion of the Japan-China Peace and Friendship Treaty		● Plaza Accord, Strong yen ● Highest Nikkei stock average (38,915 yen) ● Black Monday ● Introduction of the consumption tax		● Financial Big Bang ● Collapse of the bubble economy ● Failures of major financial institutions ● Asian currency crisis ● Inauguration of the European Union (EU) ● Great Hanshin-Awaji Earthquake		● Burst of the information technology bubble ● Lehman shock ● Lowest Nikkei stock average (7,054 yen) ● Postal service privatization	
	1940s		1950s		1960s		1970s		1980s		1990s		2000s	
Stages	Since 1938		Business start-up period		Rapid growth period		Cornerstone for manufacturing companies		Cornerstone of globalization		Business reconstruction			
Timeline of important turning developments for JUKI	Conversion to a sewing machine business Establishment of JUKI's position as a comprehensive domestic sewing machine manufacturer		Entry into the electronics field		Building of foundations for quality management		Expansion of overseas sales and production systems		Concentration on core businesses Withdrawal from unprofitable businesses					
	● 1946 A trial assembly of household sewing machines commences based on the drawings prepared by domestic sewing machine industry associations. ● 1947 The HA-1, JUKI's first household sewing machine, is completed based on the unified Sewing Machine Dimension Standards. 		● 1950, 1952 to 1955 Winners of Japan's New Year postcard lotteries receive JUKI sewing machines as Special Prizes. ● 1953 JUKI's first industrial sewing machine is launched (DDW-II).  ● 1957 JUKI industrial sewing machines are first exported to Hong Kong. ● 1959 The newly inaugurated Sewing Efficiency Research Institute begins sewing factory diagnosis.		● 1961 Electronics-related business begins. (Card punch)  ● 1962 The development of special sewing machines begins. ● 1969 An automatic thread-trimming mechanism is developed. 		● 1971 The OHTAWARA PLANT is established.  1976 TQC activities commence. 1977 JUKI holds its first meeting to present TQC results. 		1981 JUKI wins the Deming Prize.  ● 1986 The development and manufacturing of computer peripherals (input/output devices) begins. ● 1987 JUKI begins developing and selling PCB manufacturing equipment for the mounting of electronic components (chip mounters). 		● 1990 to 2000 Manufacturing plants are established in China and Vietnam (5 plants).  ● 1992 ZEVATEC introduces its image (laser) recognition technology. ● 1998 The development and sale of automatic bobbin thread feeders begin. 		2000 JUKI Credit Co., Ltd. is sold off. ● 2001 An R&D center is established in China. 2004 Tokyo JUKI Industrial Co., Ltd. exits the food business. ● 2008 An R&D base is established in Vietnam. 2008 ● Union Special Corporation is sold off through an MBO. ● Door-to-door sales of household sewing machines are discontinued. ● Three domestic factories and the amusement business are transferred to a third party through an EBO.	
Cultivated strengths and values	● In-house production of sewing machine parts and a manufacturing system for finished products ● Start of “JUKI” design ● Differentiation of sewing machines through the development of new technologies (Japan)		● Overseas market development ● Launch as a solutions provider for customers ● Establishment of an after-sales service system ● Differentiation of sewing machines through new technology development (overseas)		● Position as a TOP manufacturer of industrial sewing machines ● Customer-oriented quality management through company-wide improvements based on TQC		● Improved line productivity based on a modular concept (combination of chip and general-purpose machines) ● Differentiation using image-recognition technology		● Establishment of a manufacturing system to support global sales		● Concentration of management on core businesses			
Numerous awards	1950, 1952 to 1955 Winners of Japan's New Year postcard lotteries receive JUKI household sewing machines as Special Prizes. 1950 A JUKI sewing machine wins the “Minister of International Trade and Industry Award” at the 3rd National Examination Committee for Sewing Machine Performance. 1954 The DDW-II wins “The Governor of Tokyo Award” at the All-Japan Invention Exhibition.		1955 The DDW-9 wins the “Patent Office Commissioner Award” at the Tokyo Invention Exhibition. 1957 JUKI wins the “Imperial Invention Prize” for inventing the single-axis rotational thread take-up lever.		1963 Kenichi Yamaoka, the third JUKI president, is awarded a “Blue Ribbon Medal.” 1978 The Japan Society for the Promotion of Machine Industry awards JUKI with the “Automatization Prize for Small and Medium Sized Firms and Companies” in recognition of its development of the Model ECS-150, an edge control seamer.		1989 JUKI wins a “Dark Blue Ribbon Medal” for donating household sewing machines to schools. The HZL-8800 household sewing machine wins the “Award of Excellence” in the “Camera and Daily Living Goods” category at the Nikkei Annual Awards for Outstanding Products. 1997 JUKI wins the “Japan Society Prize for the Promotion of Machine Industry” for developing an automatic bobbin thread winding and feeding device for industrial sewing machines (AW-1A).							

Corporate value creation
History of value creation

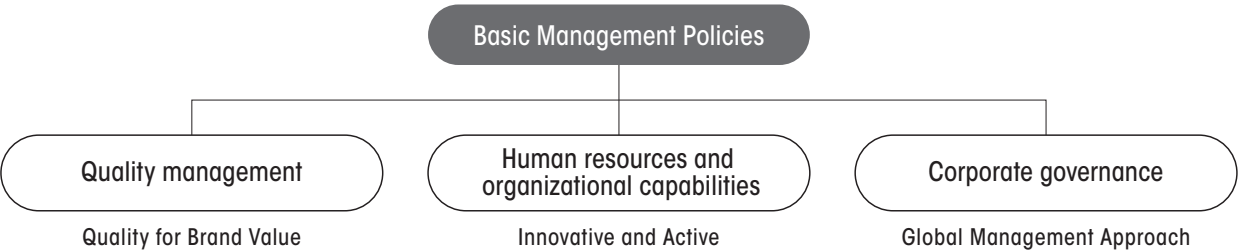
This is a history of the JUKI Group, a conglomerate of companies that have steadily grown their businesses and value by responding to the needs of customers and society, driven by a commitment to manufacturing for “peace.”

Historical background	● Super-strong yen (75 yen to the dollar) ● Technological innovation through AI, IoT, and 5G (shifting from products to services) ● Smartphone diffusion ● Great East Japan Earthquake			● Recovery from the stagnation of economic activities caused by the COVID-19 pandemic ● Living with the COVID-19 pandemic, advent Postal service privatization of the new normal society ● Practical applications of IoT, AI, and 5G in corporate and personal life			
	2010s			2020s			
Stages	Expansion of core business areas			Business redefined (equipment & systems) New business areas expanded, ESG management established			
Timeline of important turning developments for JUKI	Reinforcement of the industrial sewing machine business for knitwear and non-apparel, as well as the household sewing machine line-up		Reinforcement of the electronics assembly & systems lineup	Building of the pillars for the Group business and parts service business	Building of the pillars for the Sewing Machinery and Systems business and Industrial Equipment and Systems business	SDGs integration into management	
	● 2011 A business alliance is formed with SIRUBA in Taiwan to expand sewing machines for knits. ● 2012 A Non-Apparel Company is established in-house to strengthen the product line-up and sales system. ● 2015 The development and sale of sewing machines for quilts begin. ● 2016 The development and sale of professional-use sewing machines are strengthened. ● 2016 Digital sewing machines are launched to the market. 		● 2016 The smart-factory concept for sewing factories is established and its promotion begins. ● 2017 Automatic bobbin thread winding and feeding device are upgraded. ● 2018 Sales of JaNets for industrial sewing machines begin. ● 2019 Joint development with YKK for improved-productivity zipper sewing commences.	● 2011 An MI business is launched. ● 2014 JUKI AUTOMATION SYSTEMS CORPORATION is established to realize a full product line-up following the integration with Sony's SMT business department.  ● 2017 Sales of JaNets for electronics assembly & systems begin. ● 2018 Smarter PCB mounting factories are realized in collaboration with Hitachi, Ltd. ● 2019 A joint venture company is established with ESSEGI AUTOMATION S.r.l. to strengthen the development of the automated warehouse business. 	2015 The JGQMF begins. JUKI's quality-oriented management is rebuilt.  ● 2015 JUKI's Group business becomes independent. A plant in Vietnam starts operating in union with. ● 2017 A customer business commercializing parts sales and services begins. ● 2018 JUKI's contracted design and engineering business is strengthened.	● 2020 JUKI invests in XTIA Ltd. and deploys XTIA's technology to expand its inspection and measurement business domain.  ● 2021 An Asian branch office is established, and JUKI enters into a storage business. ● 2022 A capital and business alliance is formed with AIMECHATEC Ltd. to promote the expansion of business domains.	2020 A UI/UX design is promoted on a full scale. ● 2021 A business alliance is formed with PEGASUS CO., LTD. to expand sewing machines for knitwear. ● 2022 A new company (JUKI TECHNOSOLUTIONS CORPORATION) is jointly established with a subsidiary of Mitsubishi Electric Corporation to strengthen the development and sale of sewing machines for non-apparel. 2023 ● An IoT platform equipment and systems business is launched to commercialize a support business. ● A base is established in Vietnam to strengthen the development of the Asian market. ● JUKI Vietnam establishes its fifth factory. 2024 JUKI's business is redefined and grouped into the following three categories: Sustainable Mainstay Foundation, Expansion and Growth Foundation, and New Exploration Foundation. ● The storage business is spun off as an independent business. ● A factory is established in India.
Cultivated strengths and values	● Next-generation revolution in lockstitch sewing machines ● Shift to management tailored to heavy users in the household sewing machine business ● Strengthened lineup of surface-mounting machines (high-speed machines, inspection machines, and screen printers) to offer one-stop solutions ● Persistently high level of quality management for globally deployed quality assurance				● 3-Dimensionalization of inspection machines and deployment of 3D to inspection and measurement machines ● Development of products and services using IoT, AI, and 5G ● Transformation into solution proposals based on “Monodzukuri” (manufacturing) and “Kotodzukuri” (value creation) through the redefinition of JUKI businesses		
Numerous awards	2017 The DDL-9000CFMS (Full Digital Specification) industrial sewing machine wins the “Texprocess Innovation Award 2019.”		2021 The OHTAWARA PLANT wins a “GOOD FACTORY Award” in the Monodzukuri Process Innovation Award category (sponsored by the Japan Management Association).	2022 The AW-3S, an automatic bobbin thread winding and feeding device for industrial sewing machines, wins both the “Texprocess Innovation Award 2022” and the “Sustainability at Texprocess Award.” The HZL-UX8 computerized sewing machine for home use wins the Good Design Award.		2023 Industrial sewing machine DDW-12 and the like are registered as “Important Historical Materials on Science and Technology (Heritage of Future Technology).” The MO-3000/2800 series, a family of compact lockstitch machines for home use, receives the Good Design Award. The SL-700EX, a lockstitch sewing machine for professional use, receives the Long Life Design Award.	

Corporate value creation

Corporate value creation process

JUKI products are used by customers in 185 countries around the world. Our mission as a global company is to solve social challenges and enrich people’s lives around the world through the creation of corporate value. The corporate value creation process demonstrates how sustainable circulation enhances both social value and business value.



ESG management

Thorough management focused on sustainability perspectives

Realizing social value enhancements

1. Creation of employment opportunities
2. Promotion of social participation by various human resources
3. Ensuring occupational health and safety
4. Contributing to reduced clothing waste
5. Support for technological innovation through improvement to productivity in the electronics industry
6. Reduction of environmental load

Corporate value

Realizing a sustainable society that enriches lives all over the world!

Achieving a rich living environment where people around the world can enjoy quality clothing and fashion

Improving industrial infrastructure through IoT and AI

Realizing a world without climate change by achieving carbon neutrality

Corporate Philosophy

The men and women of JUKI work hand in hand to spread happiness and enrich society.

JUKI technologies are constantly evolving and creating new value.

Corporate Slogan

Mind & Technology

Typical inputs
(As of December 31, 2023)

Total capital: 18,044.71million yen

Total assets: 139,304million yen

Years in business: 85

Number of Group employees: 4,713

Number of consolidated subsidiaries: 25
(As of July 1, 2024)

Number of licensed items: 1,680

«Growth engine»

Global market development capabilities

Number of sales and service sites: 15

Number of countries where distributors are set up: 104

Number of countries where products and services are sold: 185 or more

Number of development sites: 9

Number of manufacturing sites: 13

«Growth engine»

Customer-oriented development and manufacturing capabilities



Realizing business value enhancements

Achieving the Medium-term Management Plan (FY2025)

Net sales: 141,200 million yen

Ordinary profit: 5,800 million yen

ROIC management

Clarifying “investment and return” for each business to maximize earnings

Stakeholders

- Shareholders
- Customers
- Business partners (subcontractors and distributors)
- Employees and local communities

Corporate value creation

Corporate value creation
ESG management

To assure JUKI’s sustainability, we embody the ideas behind the “Mind & Technology” corporate slogan and aim for manufacturing based on the “customer-first principle (customer creed).” Every JUKI employee works to improve the quality of their work and refine their skills, keeping their sights set on the customer’s satisfaction and passing on “JUKI’s heart-to-heart technologies” to the future. We will incorporate solutions to various sustainability challenges into our Medium-term Management Plan and thoroughly emphasize ESG perspectives in management, in order to realize JUKI’s long-term vision of becoming a “global, innovative *mono-koto zukuri* (manufacturing and value-creation) company that survives in the 21st century.” By doing so, we will realize a sustainable society and pursue sustainable growth for JUKI.

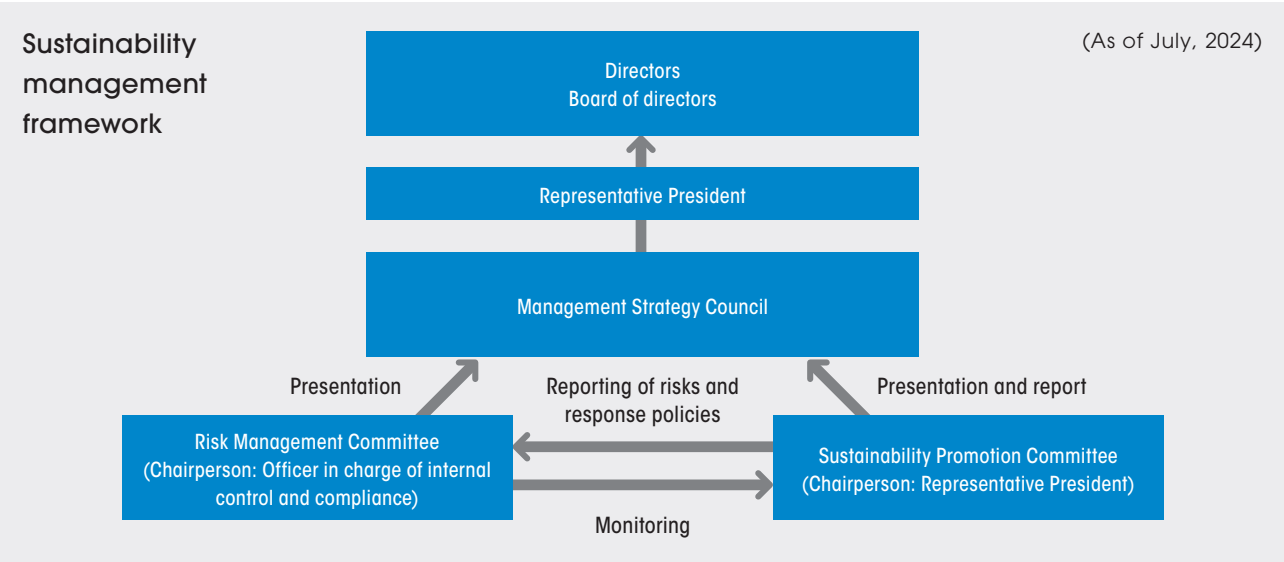
Sustainability policy

We will realize a sustainable society by continuing to create and provide products and services that benefit society based on heart-to-heart technologies and the customer-first principle (customer creed)–the core elements expressed in JUKI’s “Mind & Technology” corporate slogan.

We will act in accordance with our “Corporate Philosophy,” “Basic Management Policies,” and “Corporate Code of Conduct” and sustainably enhance our corporate value.

Our framework to promote sustainability

JUKI established its Sustainability Promotion Committee in August of 2022. Chaired by the Representative Director, Chairman, and CEO, the committee meets four times a year to deliberate and decide on sustainability policies, plans, and measures, manage progress, and report and make proposals to the Board of Directors and other relevant bodies. Risks identified, addressed, and examined by the Sustainability Promotion Committee are reported to the Risk Management Committee to strengthen governance.



Commitments

1. Achieve carbon neutrality

We will further enhance our initiatives to reduce CO₂ emissions in our product development and production/ business activities with a view to achieving carbon neutrality by 2050.

2. Endorse the TCFD recommendations

In July 2022, the head office of the JUKI Group endorses the TCFD (Task Force on Climate-related Financial Disclosure) recommendations established by the Financial Stability Board (FSB) and has announced its participation in the TCFD Consortium organized by companies that support the recommendations. The JUKI Group will proceed with the disclosure of information based on the TCFD recommendations.



► See p. 60 for details.

Materiality

The JUKI Group analyzes risks and opportunities within the changing external environment and extracts priority challenges based on the perspectives of both JUKI and its stakeholders. The JUKI Group also creates social and business value by tackling social challenges head-on through its business activities.

Processes to identify social challenges

STEP1

Organizing the social challenges

We will organize challenges into two broad categories based on an analysis of risks and opportunities in the business environment: those with significant impacts on JUKI and its stakeholders, and those which, if solved, will open the way to significant corporate value enhancements.

STEP2

Identifying the important social challenges

Among the social challenges categorized, we will identify a set of “important social challenges” that should be addressed based on how they relate with our in-house policies and activities.

STEP3

Incorporating the social challenges into the Medium-term Management Plan

We will discuss initiatives to solve important social challenges at the Management Strategy Council and incorporate them into our Medium-term Management Plan.

Categories	Materiality	Main initiatives	Related SDGs
Environment (E)	Reduction of environmental load	- Reduction of environmental load through business activities - Environmental consideration in product life cycles	 ► Page 58
Society (S)	Creating employment opportunities	- Creating new jobs in emerging countries - Increasing the working population and improving the working conditions for workers through vocational education support	 ► Page 62
	Ensuring occupational health and safety	Supporting the building of safe and secure sewing factories	 ► Page 63
	Contributing to reduced clothing waste	- Providing a system to achieve moderate-volume production - Spreading JUKI’s “upcycling” activity using old clothes, waste materials, and by-products	 ► Page 63
	Support for technological innovation through improvement to productivity in the electronics industry	- Realizing a factory that produces high-quality products in a short time at low cost - Making sewing and mounting factories smarter and supporting technological innovation - Improving a pre- and -pro process infrastructure at SMT factories	 ► Page 48
Governance (G)	Strengthening corporate governance	- Enhancing JUKI’s corporate governance system - Providing thorough compliance and strengthening risk management	 ► Page 64



JUKI

Akira Kiyohara
Representative
Director Chairman
JUKI Corporation

Medium-term Management Plan Message from Representative Director Chairman

We will build a business foundation for sustainable growth by investing our management resources in priority items through a process of selection and concentration.

Review of business activity and performance for FY2023

Since its establishment in 1938, JUKI has maintained its commitment to the creation of new value while steadily creating and evolving technologies with “*Monodzukuri*” (manufacturing) as the core of its business.

In fiscal 2023 we strived to achieve drastic structural reforms and business expansion in order to establish a new growth trajectory amid accelerating technological innovations such as AI/IoT/5G/VR and the evolving market and customer needs in the post-COVID-19 landscape. The year was nonetheless tough for JUKI, with sales and profits declining year on year.

Net sales fell by 19.3% from the previous year to 94.75 billion yen due to delayed capital investment linked to the economic stagnation in China and Southeast Asia, JUKI’s largest markets. To shore up ordinary profit, we reformed our cost structure by reducing distribution costs, scaling back on personnel at our sales bases, thoroughly curbing recurring expenses, and implementing furloughs and production cost reductions at our domestic and overseas plants. In parallel, however, greater-than expected declines in net sales prompted thorough production adjustments, and the weakening yen pushed up various costs such as overseas material costs and expenses. As a result, operating loss reached 2,699 million yen and ordinary loss reached 3,684 million yen.

While economic stagnation in the major countries where we do business was partly to blame, we believe that two shortfalls in our performance contributed more to our lagging results: JUKI had a less-than-complete grasp of market and customer trends in the growth areas and was unable to draw up a scenario for full-fledged implementation to achieve its goals.

In the **Sewing Machinery and Systems Business**, our core business segment, net sales of industrial sewing machines fell 27.2% from the previous year to 58,204 million yen. The decline was mainly the result of delays in the materialization of capital investment in sewing factories, chiefly in China and Southeast Asia, and postponements in purchases caused by foreign currency shortages in emerging countries in regions such as South Asia. Though an ordinary loss of 3.3 billion yen was incurred overall, we are reaping the benefits of our cost structure reforms through cost reductions in distribution, sales, and production and normalized costs for semiconductors.

Our Industrial Sewing Machinery Business still holds the top share in the global market and has already wrested free from its dependent relation with China. While the business is now fully engaged in market development in Southeast Asia, India,

the Middle East, and even Africa, we have yet to step up our efforts to capture demand in these favorable regions.

Net sales in the **Industrial Equipment and Systems Business** fell by 2.7% from the previous year to 36,231 million yen, and ordinary profit fell to 392 million yen. The main constraints to sales and profit were a decline in sales of our electronics assembly & systems in China, lower factory operating ratios, and higher overseas costs caused by the weaker yen. Net sales of mainstay electronics assembly & systems rose year on year in Europe and the U.S. on the back of firm capital investment demand from contract electronic component manufacturing factories. At the same time, overall net sales declined year on year due to sluggish capital investment in China, JUKI’s largest market. In addition, firm net sales were reported by the Group Business, a JUKI segment engaged in operations such as contract processing mainly in Japan, with rising demand for capital investment generated by factors such as fragmenting customer supply chains.

These two major business segments could have extended their gains by making fuller efforts to offset the declines in underperforming markets and business areas with strong markets and business areas. Meanwhile, the IoT Platform Equipment and Systems Business, a segment spun off as a future earnings pillar, was launched smoothly. While this segment has made headway, we believe more could have been done to intensively invest management resources toward achieving even greater growth through new business models such as direct marketing.

Retrospective review of the first year of the Medium-term Management Plan (2023-2025)

In fiscal 2023 we started our “Growth & Transformation Plan 2025,” our Medium-term Management Plan ending in fiscal 2025. **We at JUKI continue to pursue an ideal vision for 2025: “To continue to serve customers as a ‘solution partner’ that delivers ‘good impressions’ and ‘peace of mind,’ and as a practitioner of robust ESG management that is trusted and needed by society.”** The new Medium-term Management Plan focuses on three structural reforms to realize this vision: “maintaining and expanding our customer base through value-added structure reform,” “improving capital efficiency through cost structure reform,” and “transforming people and culture through behavioral reform.” As a growth engine to promote these “Three Structural Reforms,” we took steps to “strengthen strategies for future growth” and “build a business foundation that responds to the New Normal” by operating

Medium-term Management Plan
Message from Representative Director Chairman

our "Six Transformations (6Xs)." Yet the progress we have aimed for through these steps has so far been hindered. The main factor holding us back has been the lagging speed of our transformations in "Borderless X," "Business Model X," "R&D Model X," and "Financial Structure X."

Regarding "Borderless X," which aims to develop markets and customers with growth potential, we were unable to fully respond to business opportunities in regions such as Europe, the Americas, and India due to delays in developing emerging industrial sewing machine markets and reducing our dependence on China in the electronics assembly & systems segment.

Regarding "Business Model X," which aims to expand business areas to increase profitability, we achieved reasonable results from the launch of the IoT Platform Equipment and Systems Business but were delayed in expanding priority areas such as knit sewing machines and non-apparel (leather and thick fabrics) sewing machines in the Industrial Sewing Machinery Business, MI (odd-shaped components insertion machines) in the Electronics Assembly & Systems Businesses, and automated warehouse and inspection and measurement systems.

Regarding "R&D Model X," which aims to expand innovative business areas, we made progress in strengthening design and intellectual property strategies but did not go far enough in planning and developing products that differentiate us from competitors. Zooming out to global markets as a whole, there are examples, such as the EV market, where we can greatly increase our market share even within short time frames by rapidly planning and developing differentiated products. I believe that JUKI will be able to heighten its competitiveness by harnessing its unique planning, conceptualization, and technological application capabilities and by better responding to market and customer needs.

Turning to "Financial Strength X," we regrettably entered a vicious cycle: sluggish sales delayed the adjustment of production plans and pushed up inventories, which in turn drove up our interest-bearing debt. We have already begun to see results from our inventory reductions from the end of last year through thorough PSI (Production, Sales, and Inventory) management, and our work to achieve early financial improvements is on track.

Turning to "SDGs Management X" and "Work-style Reform X," which implement sustainable management



practices, we are happy to report that we have produced remarkable results. With regard to "SDGs Management X," JUKI has established a JUKI Sustainable Products Certification System, developed upcycling activities using used clothes, waste materials, and by-products outside the company, disclosed information on Scope 3 (greenhouse gas emissions by other companies related to JUKI business activities not categorized as Scope 1 or 2), and borrowed 5.8 billion yen through a Sustainability Linked Loan. Thus, JUKI's efforts to enhance corporate value by balancing activities to realize a sustainable society and achieve the sustainable growth of JUKI's businesses are taking shape.

Regarding "Work-style Reform X," progress was made in establishing a system centered on the 5S for Management* for improving operational efficiency through the renewal of ERP (Enterprise Resources Planning), adopting data-driven management, and introducing a performance-linked bonus system and job-based human resource management system that enhance employee engagement, etc. By linking to performance and responsibilities on the job.

In fiscal 2024 we hope to strongly push through the "Three Structural Reforms" set forth in the Medium-term Management Plan by having officers and department heads plan and execute the "Six Transformations (6Xs)" on their own initiative and with more dynamic ideas.

*5S For Management
(Simple (Straightforward), Slim (No waste), Speedy (Move ahead of schedule with agility), Seamless (Altogether with no barriers), Smart (Intelligent and productive))

Revising the Medium-term Management Plan and redoubling efforts to achieve the plan with greater certainty

Based on our performance review and retrospective review of reforms in 2023, the first year of the Medium-term Management Plan, along with recent changes in the business environment, we have fundamentally revised the remaining two years of the Medium-term Management Plan from 2024 to 2025. For JUKI stakeholders, the new Medium-term Management Plan can be seen as a commitment to achieving our goals with greater certainty.

While JUKI's vision for 2025 and longer-term vision of "being a global and innovative "Monodzukuri (Manufacturing) and Kotodzukuri (Value-creation)" company that survives in the 21st century" remain unchanged in the new Medium-term Management Plan, the strategic framework for realizing these visions has been rebuilt. "Data Driven Management" and the "Three Structural Reforms" and "Six Transformations (6Xs)" we have been promoting as priority management measures are our basic strategies for achieving JUKI's rapid growth as a global company.

The most important component of the new Medium-term Management Plan is the "redefinition of business." Looking back to fiscal 2023, as I have mentioned again and again, we need to strengthen our ability to respond to changes in

the business environment and implement measures.

We have made several adjustments with a view to addressing these needs. After analyzing changes in the target market, looking at trends in the competitive environment, and verifying JUKI's growth potential, we have redefined our businesses into three categories: "Sustainable Mainstay Foundation," "Expansion and Growth Foundation," and "New Exploration Foundation." We have also decided to strengthen our execution capabilities by thoroughly focusing our management resources through a process of selection and concentration and by reviewing our organizational structure and officers in charge.

The base businesses needed to sustain the company during periods of slow market recovery are designated as our "Sustainable Mainstay Foundation." Product-wise, the targets in this category include household sewing machines, fabric sewing machines as the industrial sewing machines, and mounters for surface mounting and visual inspection machines for PCBs in the Electronics Assembly & Systems Businesses. The businesses we expect to grow significantly based on market growth and business development potential are designated as the "Expansion and Growth Foundation." The targets in this category include our knit sewing machines, our non-apparel sewing machines, the MI Series (odd-shaped component insertion machines) as the electronics assembly & systems, our IoT Platform Equipment and Systems Business, our contract engineering work in the Group Business, and the Storage Business we newly established this year. Our sewing machines for knitwear are positioned in the important field of apparel products in anticipation of the spread of casual wear in the new-normal society, while our sewing machines for non-apparel products are positioned to respond to the expanding markets for car seats, sports shoes, and furniture. Both types of sewing machine have core positions in the areas where high growth potential is expected. Now that the Storage Business, a segment specialized in automated warehouse systems, etc., has been spun off from the Electronics Assembly & Systems Businesses, we expect it to expand its market as general companies and factories more actively pursue logistics reforms. So far, the IoT Platform Equipment and System Business has been mainly supplying parts and

providing technical services. As sewing factories become smarter, we expect this business to evolve into a direct marketing business with additional lineups of network systems and automation equipment.

The "New Exploration Foundation" is focused on the creation of new businesses as our next-generation pillar. Here, through a process of trial and error, we will be taking on the challenge of commercializing inspection and measurement systems for general companies and factories, semiconductor equipment, and our new businesses centered on product fields such as the vital sensing technologies and robotics developed by our group subsidiary, JUKI PROSERVE CORPORATION.

We formed the new Medium-term Management Plan by reviewing our goals (targets) and growth scenarios for 2025 while redefining our businesses.

(Growth Potential)

As a first target, we intend to build a solid market position as a global company by increasing net sales and gross profit in growing regions and business fields. We will achieve "net sales of 140 billion yen or more" by maintaining the industry's top share in industrial sewing machines, developing the high-speed machine market in the Electronics Assembly & Systems Businesses, and enhancing our presence in the distinctive mounting business through our MI business.

(Profitability)

Second, we aim to establish a profit structure that manages market risk by adhering to a fixed cost level and target variable cost ratio while keeping our break-even point ratio below 85%, the average for the manufacturing industry.

(Financial Strength)

Third, we will improve our financial strength to the levels required by stakeholders by reducing interest-bearing debt through inventory reduction and targeting an equity ratio of 30% or more and a Net D/E ratio (debt-to-equity ratio) of less than 1.5.

(Comprehensive Strength)

Finally, we will establish a business foundation with high capital efficiency by achieving each of the above goals focused on growth potential, profitability, and financial strength, and achieving an ROE (return on equity) of 10% or more, a level higher than the average for prime market

Redefine our businesses

Sustainable Mainstay Foundation	Base businesses needed to sustain the company	● Industrial Sewing Machinery Business (fabrics) ● Household Sewing Machinery Business ● Electronics Assembly & Systems Businesses (mounters, visual inspection machines for PCBs)
Expansion and Growth Foundation	Businesses that will grow significantly based on market growth and business development potential	● Industrial Sewing Machinery Business (knitwear, non-apparel) ● Electronics Assembly & Systems Businesses (odd-shaped components insertion machines) ● Group Business (contract development and manufacturing) ● IoT Platform Equipment and Systems Business (parts / services / systems / automation equipment) ● Storage Business (automated warehouse systems)
New Exploration Foundation	Businesses that will be newly developed as pillars of the next generation	● Group Business (inspection and measurement machines, semiconductor equipment) ● Business developed by JUKI PROSERVE CORPORATION (Robotics, etc.)

Medium-term Management Plan

Message from Representative Director Chairman

listed companies, and an ROIC (return on invested capital) of 4% or more.

Our upcoming reforms to JUKI’s business portfolio will be based on the policies shaping our redefined businesses in order to realize these “goals” and “growth scenarios.”

The basic aim is to grow the “Expansion and Growth Foundation” at a faster rate than the “Sustainable Mainstay Foundation.” Through this approach, we expect the former to contribute a larger share of our net sales and gross profits overall.

Key policies and Business Plans for fiscal 2024

Fiscal 2024 is the first year of our newly revised Medium-term Management Plan. The first of these goals is to improve our business performance at a faster rate through the three structural reforms, in order to establish a firm market position as a global company. Specifically, we will be pursuing the numerical targets (projected performance figures) of 113 billion yen in net sales and 2.5 billion yen in ordinary profit. Second, we will work to strengthen our financial foundation and improve management efficiency to meet the expectations of stakeholders (customers, shareholders, financial institutions, etc.) as investors seeking value and a sense of security. Third, we will “restore and improve our policies for the treatment of employees” by lifting furloughs and normalizing the application of a performance-based bonus system.

In particular, we will quickly establish a new business structure by giving top priority to the cost structure reforms, thoroughly curbing fixed costs, cost of sales, and SG&A expenses, and promoting the integration of group companies. While we will need to curb investments overall to achieve this, we will also be making strategic investments for future growth through a process of selection and concentration to achieve a cycle of growth.

Our investments in capital, development, human resources, and IT will also continue.

In our **human resources investments**, we will focus on building a system that enhances the abilities of every employee and leads to behavioral change by providing opportunities for employees to relearn and grow. In our capital investments, we will build a global parallel production system in response to market and customer trends, automate factories, and establish an efficient supply chain. Turning to development, we will be investing higher amounts in forefront development areas focused on differentiated products, services that use advanced technologies, and products that reduce environmental impact. Investments in existing products will be reduced. We will also continue to aggressively **invest in IT** and promote DX (Digital Transformation) by renewing our ERP system as a foundation for data-driven management.

We will concentrate management resources in growing regions and businesses and strengthen our field sales and technical service capabilities on the front lines of sales.

The officers in charge of the Business Units and Companies are responsible for carrying out their commitments to the business plans of their businesses and enhancing the execution of strategies and priority measures.

Overall, the **Sewing Machinery and Systems Business** targets net sales of **115% year-on-year**. In the **Industrial Sewing Machinery Business**, we will strengthen our sales structure by leveraging the results of our knitwear and non-apparel alliances. Our new plant slated to launch into operation in India this June will bring key advantages for the new businesses we are developing in middle markets in emerging countries and regions such as India, the Middle East, and Africa. In the **Household Sewing Machinery Business**, we hope to continue delighting die-hard hobbyists by offering the unique, unrivalled functions and services that go into our Good-Design-Award-winning products.

The **Industrial Equipment and Systems Business** targets net sales of **127% year-on-year**. The **Electronics Assembly & Systems Businesses** will fundamentally focus on the deployment of equipment and services related to surface

mounting. We will serve growing customers and markets by aggressively expanding sales of not only our labor-saving MI Series (odd-shaped component insertion machines), but also two JUKI lineups incorporating Sony technologies under a business integration agreement: JUKI’s visual inspection machines for PCBs and JUKI’s latest high-speed, compact, state-of-the-art mounters launched in 2023.

Now that the **Storage Business** has been spun off as the “Expansion and Growth Foundation, we will work to develop new fields in the business such as parts management for semiconductor manufacturing plants and general factories.

The **Group Business** will shift its focus from materials, parts processing, assembly, and other contract operations to development and engineering operations, while scaling up the returns from development and engineering to take up a greater share of total sales and earnings, both in Japan and overseas.

The **IoT Platform Equipment and Systems Business** will also be developing network systems and automation equipment, promoting the direct marketing of parts and services, and strengthening our customer support system (Techno Center) with the help of dealers and distributors. This business will be meeting the growing need for automation and labor-saving in various industries as labor shortages widen.

Becoming a company that delivers “good impressions” and “peace of mind” by practicing ESG management

Our ESG management at JUKI aligns with our “Mind & Technology” slogan and strenuously pursues our corporate philosophy, “The men and women of JUKI work hand in hand to spread happiness and enrich society,” and “JUKI technologies are constantly evolving and creating new value.” Based on our philosophy and slogan, we have been providing products and services from the customer’s perspective, learning from the customer, and creating new value together with the customer.

As part of our commitment to **the environment (E)**, we have been working to achieve carbon neutrality as a top priority over the last few years with the longer-term aim of creating a sustainable society in the face of the various global-scale crises triggered by climate change and global warming. Beyond our efforts to reduce CO2 emissions in our own business activities, we contribute to power consumption reductions at the factories that deploy JUKI products by developing energy-saving products and collaborating with suppliers.

As a service to **society (S)**, we have contributed to the creation of industries and economic development in emerging countries from our very first days in business 85 years ago. We believe that our corporate activities themselves demonstrate our commitment to realizing a society that meets the SDGs. From a resource perspective, we have been contributing to the reduction of clothing waste since 2021 by promoting upcycling activities using used clothing, waste materials, and by-products. Some of our waste-reduction activities on this front support the production of sewn products from the early stages of product development by optimizing

low-volume production, improving efficiency in mass production, and expanding our business domains.

Regarding **Governance (G)**, we have positioned an appropriate maintenance and operation regime for our corporate governance system as one of our top priorities. We are working to improve and enhance this system with a view to ensuring sound and efficient management and meeting the trust of our stakeholders. We will enhance management transparency through the timely and accurate disclosure of information while working to ensure compliance and strengthen risk management.

We aim to remain a valuable company that contributes to the “peaceful and prosperous lives” of people around the world in the future by implementing our “Action Plan for Sustainable Growth.”

Creating social and economic value based on “My Purpose”

In closing, I would like to touch on the third structural reform, “People/Culture transformation through behavioral reform.” A group of young employee volunteers at JUKI are working on corporate culture reform by launching a project to reform behaviors for further growth toward our 90th and 100th anniversaries.

They have proposed that a “My Purpose Declaration” (individual commitment) should be issued to all employees and officers based on the recognition that the first step toward behavioral reform is to think and practice “what we should do for the sustainable growth of society, customers, and each of us.” The My Purpose Declaration is already moving into the implementation phase. You will embrace and develop the core principle of “living and working well in your own way” as an individual and will be able to design your own career and job. And as the number of highly motivated employees increases and their connection to the company’s purpose deepens, we hope the process will be a driving force for corporate change.

Corporate value is the sum of the abilities of every employee. My conviction that the value of employees is linked to the value of the company was one of the starting points on my managerial path. Every employee will restore **the four essentials of JUKI’s DNA** to create social and economic value as we grow toward the 90th and even 100th anniversary of our founding.

We invite you to anticipate JUKI’s challenges leading us up to our next 100th anniversary and ask you for your ongoing support.

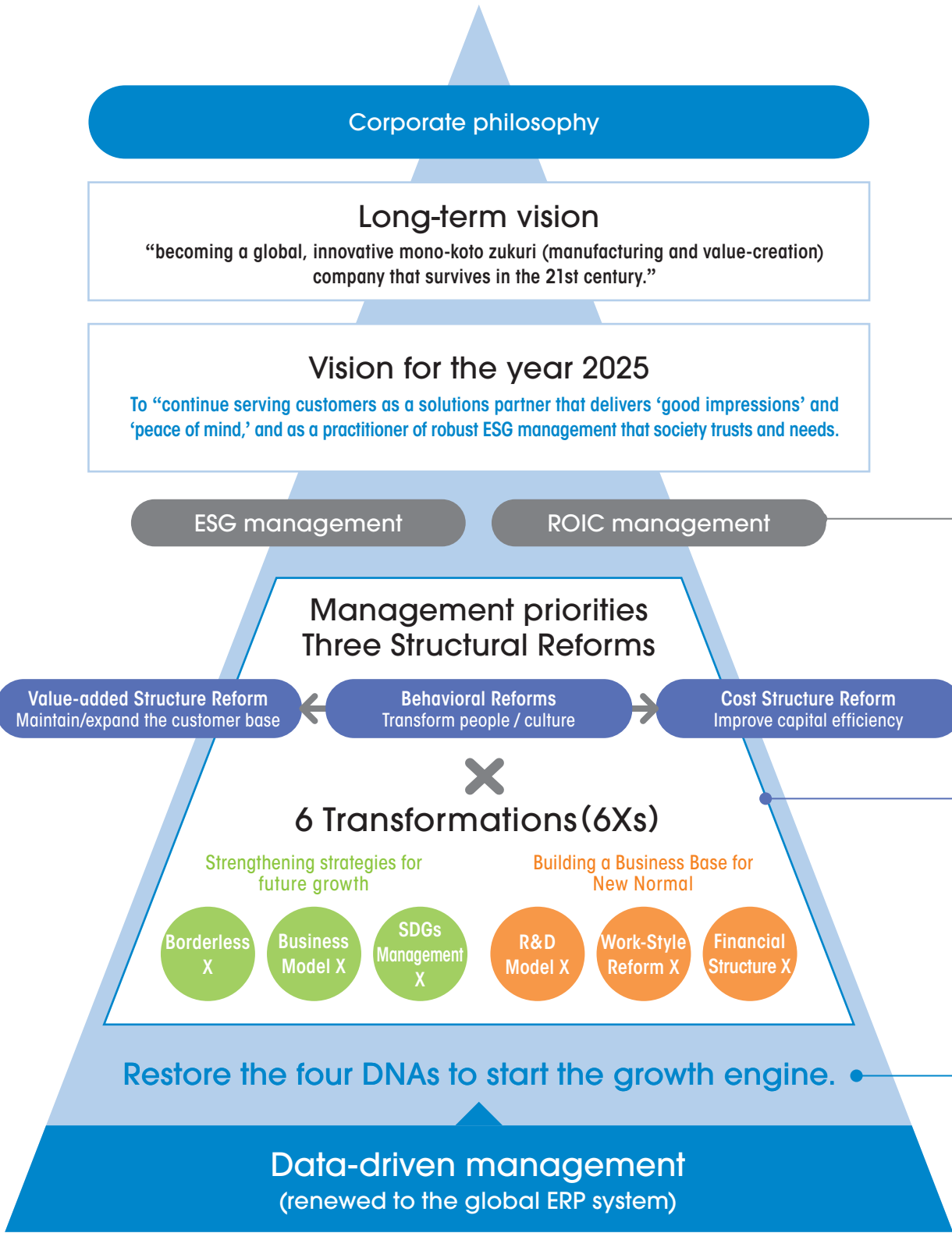
Restore the four DNAs to start the growth engine.

- DNA of being the first to develop markets
- DNA of providing technologies and services
- DNA of launching world-first technologies
- DNA of manufacturing products of world-class quality

Medium-term Management Plan
Medium-term Management Plan under the “Growth & Transformation Plan 2025”

Overall vision (corporate objectives) and framework

The Medium-term Management Plan under the “Growth & Transformation Plan 2025” slogan calls for enhancements in our corporate value based on the three structural reforms and six transformations (6Xs). By following this plan, JUKI will continue pursuing its vision of continuing to serve customers as a solutions partner that delivers “good impressions” and “peace of mind,” and as a practitioner of robust ESG management that is trusted and needed by society.



ESG management	ROIC management
Ensure management with an emphasis on sustainability perspectives. JUKI’s commitment Respond to carbon neutrality / TCFD.	Clarify the investment and return for each business to maximize revenue. *Including investment in facilities / development / IT / human resources, and the implementation of staffing Set KPIs to improve the productivity of every employee.

Three Structural Reforms (Management priorities)		
Value-added Structure Reform Maintain/expand the customer base.	Behavior Reform Transform people/culture.	Cost Structure Reform Improve capital efficiency.
Maintain and expand the customer base by strengthening high value-added areas. ● Create a new business model by expanding our business domains. ● Strengthen collaboration with alliance partners.	Strengthen every employee’s ability to implement measures. ● Use diverse human resources on a global scale. ● Develop next-generation leaders and provide opportunities for relearning to employees at all levels. ● Implement job-based management based on job responsibilities and performance at work. ● Provide officers and employees with opportunities for relearning.	Review our cost structure in light of the changes taking place in the business environment. ● Restructure our production, logistics, and procurement networks. ● Integrate our business functions and streamline the operations of our administrative departments. ● Eliminate all forms of waste.

6 Transformations (6Xs)		
Borderless X	Business Model X	SDGs Management X
● Rebuild our distributor network and develop emerging markets by leveraging trading companies. ● Retain and expand high-end customers by strengthening our ability to propose solutions. ● Retain loyal customers through the integrated management of our head office and sales companies.	● Expand our business domains to increase profitability. ● Create new businesses not confined to existing areas.	● Reduce CO2 emissions by taking environmental measures (energy saving, etc.) at in-house factories. ● Reduce environmental load in the supply chain in consideration of product life cycles (product development/ refurbishment business). ● Support the development of emerging countries through e-learning, vocational training, factory diagnosis, etc.
R&D Model X	Work-style Reform X	Financial Structure X
● Develop innovative products using new technologies. ● Rebuild a patent network and corporate branding by effectively using intellectual property/design functions. ● Significantly reduce manufacturing costs through design revolution. ● Strengthen our business planning function by improving our marketing capabilities.	● Promote automation by strengthening production technology. ● Review supply chains in line with market trends. ● Drastically overhaul our administrative overhead costs. ● Improve our operational efficiency using smart tools. ● Strengthen our corporate communication. ● Use diverse human resources and provide employees at all levels with opportunities for relearning.	● Reduce inventory/trade receivables by restructuring the supply chain. ● Reduce interest-bearing debt (achieve a D/E ratio target). ● Shorten the cash conversion cycle.

Restore the four DNAs to start the growth engine.
● DNA of being the first to develop markets ● DNA of providing technologies and services ● DNA of launching world-first technologies ● DNA of manufacturing products of world-class quality

Medium-term Management Plan
Medium-term Management Plan under the “Growth & Transformation Plan 2025” (FY2024-2025 Plan Review)

FY2024-2025 Plan Review Policy

JUKI's three-year Medium-term Management Plan (2023-2025) was commenced in 2023. We have now formulated a two-year (2024-2025) Medium-term Management Plan based on a review of the previous three-year plan in light changes in the business environment in 2023 and current results in 2024.

Business environment awareness (Risks and opportunities)

Turning to the business environment, we are concerned about the delays in demand recovery in China and Southeast Asia and ongoing delays in capital investment due to foreign currency shortages in South Asia and other emerging-economy regions. At the same time, we expect capital investment demand to expand in growing economies such as India and westward, Central and South America, Eastern Europe, and Africa. We also expect to see more activity as companies adapt to the new normal environment and the use of new technologies that will lead to new business opportunities.

Risks

External environments	● Ongoing turmoil and strife caused by Russia's invasion of Ukraine ● Ongoing tensions between the U.S. and China ● Delayed economic recovery in China and Southeast Asia	Competitive environments	● In our core businesses of industrial sewing machines and electronics assembly & systems, our competitors are approaching customers with a growing number of proposals for smarter production and factories. ● Accelerated product price reductions in overseas markets
-----------------------	---	--------------------------	--

Opportunities

External environments	● The changing market and customer values after the COVID-19 pandemic ● Expected expansion of capital investment in growing regional economies such as India, Europe (Eastern Europe), the Americas (Latin America), and Africa ● Accelerated technological innovation in AI/IoT/5G, etc. ● Social demand for a reduced environmental load	JUKI	● Establishment of a new business model and management foundation adapted to the new normal society. ● Development of new markets through strengthened solution proposals. ● Development of leading-edge products and services using advanced technologies. ● Building of a flexible production system that responds to changes in the environment. ● Initiatives for a sustainable society (SDGs)
-----------------------	--	------	--

A review of goals (targets) and growth scenarios for FY2025

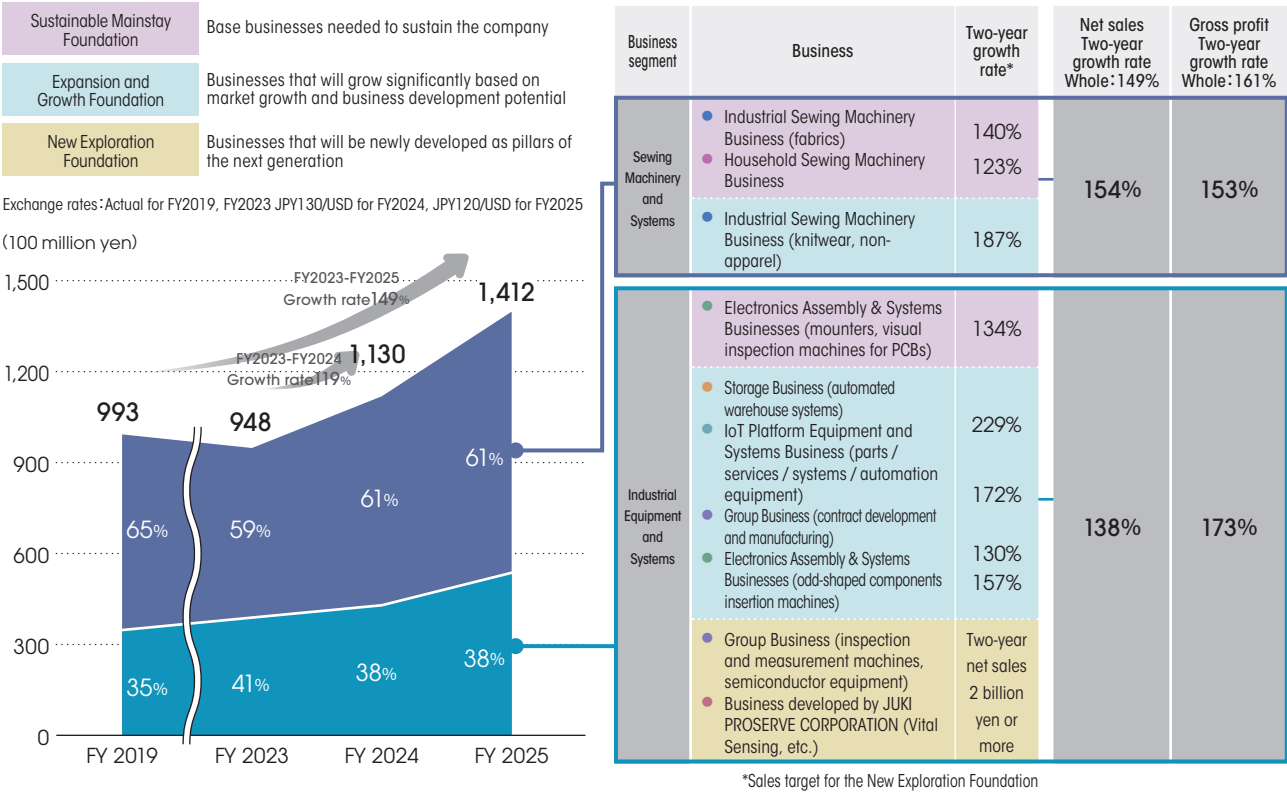
Growth Potential	● Build a solid market position as a global company. ● Sewing Machinery: Maintain a top share in industrial sewing machines. ● Industrial Equipment: Develop the high-speed machine market and establish a distinctive surface-mounting business by globally expanding JUKI's MI business. ● Increase net sales / gross profits in growing regions and business areas.	Net sales 140 billion yen or more
Profitability	● Secure a profit rate that stakeholders recognize and appreciate. ● Establish an earnings structure that manages market risk. ● Maintain an appropriate level of fixed costs and target variable cost ratios. ● Reduce the break-even point ratio to a level below the manufacturing industry average of 85%. ● Improve gross profit ratios / reduce fixed costs.	Ordinary profit ratio 4% or more
Financial Strength	● Improve and stabilize the financial structure. ● Reduce interest-bearing debt through inventory reduction, improve the cash conversion cycle, and accumulate equity capital.	Equity ratio 30% or more Net D/E ratio less than 1.5
Comprehensive Strength	● Establish a business base with high capital efficiency.	ROE 10% or more ROIC 4% or more

Our Business Portfolio

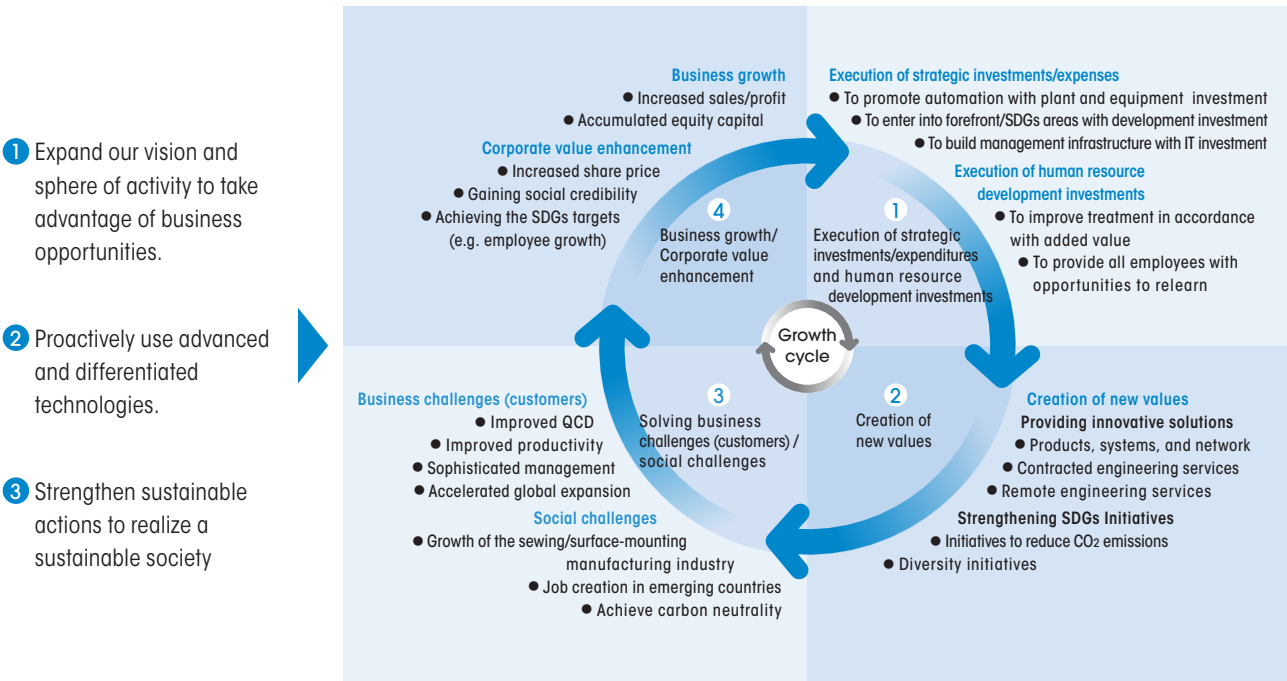
We will intensively invest management resources in the “Expansion and Growth Foundation.”

We will steadily improve our portfolio by expanding our business, especially in the high value-added field of Industrial Equipment and Systems.

Net sales Growth rate



Action plans for sustainable growth (Growth cycle diagram)



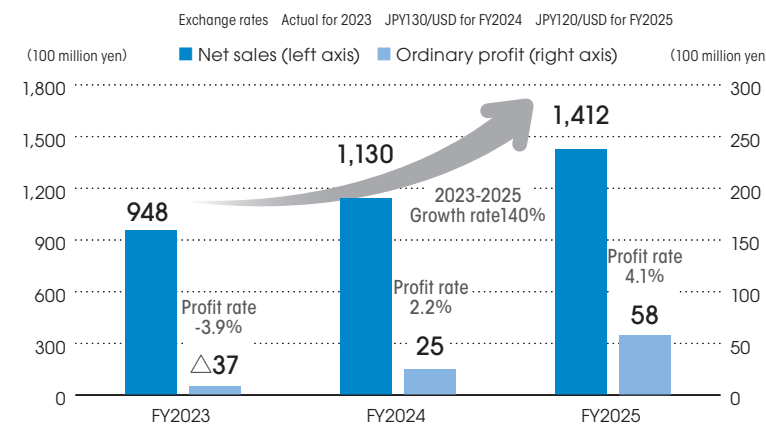
Medium-term Management Plan

Quantitative plans and measures in the Medium-term Management Plan

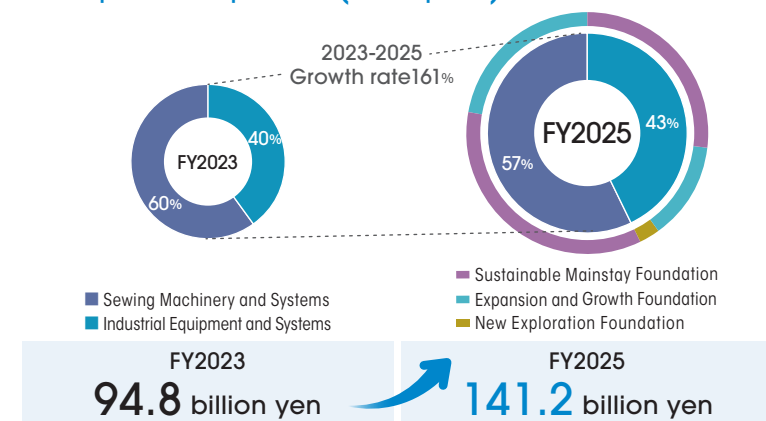
JUKI has formulated a set of quantitative targets, along with KPIs and measures to achieve them, in its new “Medium-term Management Plan” (The FY2024-2025 Plan has been reviewed.). We will make strategic investments and carry out solid measures.

Planned value

Net sales • Ordinary profit



Gross profit composition (Gross profit)



Major financial items

Exchange rates : Actual for 2023, JPY 120/USD for FY2025 (100 million yen)

	FY2023 results	FY2025 plan
Trade receivables (turnover days)	361 (4.6 months)	357 (3.0 months)
Inventories (turnover days)	569 (7.2 months)	358 (3.0 months)
Cash Conversion Cycle (CCC)	320days	161days
Interest-bearing debt	840	591
Equity ratio (%)	22.7	30.1
Net D/E ratio (times)	2.4	1.5

ROIC management



ROE



Priority policies

ESG management

Strengthen efforts to surely realize carbon neutrality and TCFD information disclosure, while making progress in solving social challenges through our core business.

DX (Digital Transformation)

Restructure data-driven management with DX.

Enhancing human resources

Build a highly productive organization by promoting diversity and work-life balance.

Business growth

Adopt a marketing-based market strategy and transform our portfolio by expanding high value-added areas.

Technological development

Develop differentiated products by creating customer value and social value, and develop products and systems that expand our business domains.

Production

Improve quality, reduce costs, and shorten delivery times by deploying a production site strategy.

Financial strategy

Strengthen our ability to implement a value-added structure reform and cost structure reform.

Measures

- Clarify the definition of Scope 1, 2, and 3 of CO₂ emissions and promote their calculation.
- Appropriately disclose in-house information on climate change (including TCFD).
- Strengthen initiatives on social challenges.
- Strengthen governance.

▶ Page 58

- Restructure our Global ERP system.
- Visualize management of inventory, sales, ROIC, etc.
- Reform supply chain management.

▶ Page 46

- Use diverse human resources and promote their success.
- Overhaul employee treatment based on performance and results.
- Enhance individual/organizational skills through relearning.
- Create a pleasant work environment.

▶ Page 48

- Strengthen our marketing capabilities and collaboration from a global sales perspective.
- Strengthen our ability to propose market-oriented products and solutions.
- Strengthen collaboration with alliance partners.
- Expand new business and business domains.

▶ Page 30

- Strengthen efforts to address the SDGs (carbon neutrality, environmental load, etc.).
- Smartize our customers' factories.
- Improve the efficiency of JUKI development.
- Execute and promote the intellectual property and design strategies.

▶ Page 50

- Promote smart production at each site across the departments.
- Stabilize quality and reduce F-costs (manufacturing failure costs).
- Stabilize procurement and promote cost reduction.
- Respond to the risk of supply chain fragmentation and promote production site strategies linked to sales market trends.
- Strengthen measures to achieve carbon neutrality.

▶ Page 52

- Reorganize the group companies through consolidation.
- Improve productivity at the Head Office and in the field.
- Create an efficient supply chain system.

▶ Page 44

KPI (Key Performance Indicator)

CO₂ emissions reduction

By 2025
-37%
(Compared to the 2013 level)
(Scope 1 and Scope 2)

Introduction of a global ERP system

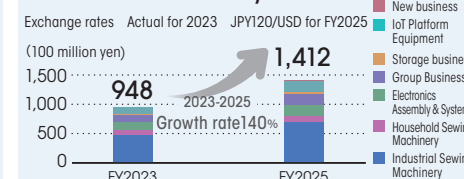
100% compliance with scheduled dates

2023: Two major sales companies
2024: Sales companies and plants in Asia
2025: Manufacturing companies in Japan

Ratio of female management positions

FY2023 7.4% → FY2025 10%

Net sales by business



New product sales ratio

FY2023 12% → FY2025 30%

Investment effect on smartization (cumulative total)

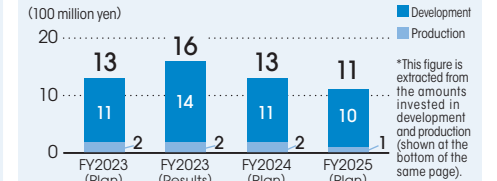
FY2023 Cumulative total 500 million yen → FY2025 Cumulative total 2,500 million yen

Effects of cost reductions, etc.

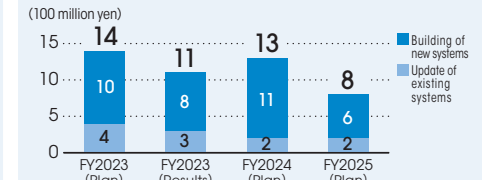
FY2024
1.9 billion yen

Amount invested

SDGs investment



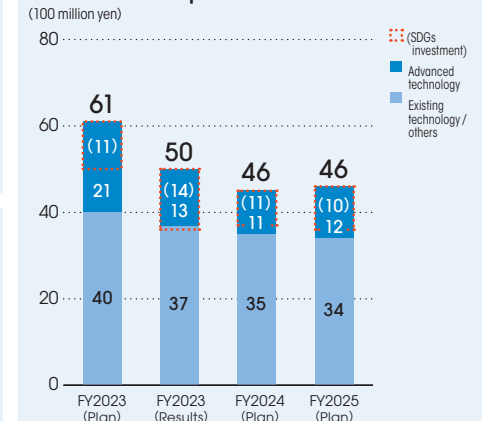
IT investment



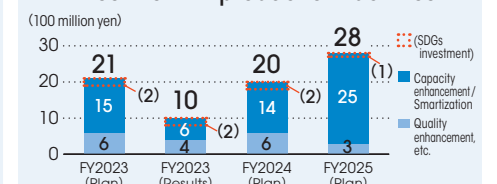
Investment to strengthen human resources (Training and development, relearning, etc.)

500 million yen
(Total from 2023 to 2025)

Development investment



Investment in production facilities



My mission is to make JUKI a sustainable and robust company by harnessing the growth and happiness of our employees as a growth engine.

On assuming the position of Representative President

JUKI is now pressed to make major corporate changes within social and market environments that are undergoing drastic, rapid, and unpredictable changes.

In order to “survive” and keep growing in the 21st century, the company and its employees must look directly at the changes in the world, deploy speedy measures to address those changes, and evolve in response. I believe this is the only way we can become a sustainable company. As we press ahead with our corporate activities in today’s difficult business environment, I believe we have opportunities to work for change and must encourage each other to embrace challenging new initiatives.

New Medium-term Management Plan initiatives

Our first and foremost goal in the new Medium-term Management Plan (2024-2025) is to get back on a growth trajectory in fiscal 2024. We aim to establish a profitable structure that can respond to market risks while confirming the effects of the cost structure reforms initiated in fiscal 2023. In fiscal 2025 we will further strengthen our Industrial Sewing Machinery Business and Electronics Assembly & Systems Businesses. As we do, we will identify the third and fourth business pillars that will serve as our future earnings base and develop a structure that will enable us to concentrate resources on these businesses in preparation for the next Medium-term Management Plan. Once built appropriately, these business foundations will support the formation of a sustainable business model in the future.

The “Growth and Happiness of Employees” as JUKI’s Growth Engine

The most important underpinnings to the achievement of our goals are the growth and happiness of our employees, the most vital contributors to JUKI’s corporate activities.

JUKI manufacturing DNA has been cultivated from long in the past. JUKI’s greatest strengths lie in its earnest pursuit of a single path, its sincere approach to manufacturing, and its will and ability to develop global markets. We seek to enhance corporate value by strongly promoting the growth of employees in the belief that the “growth of employees” is tantamount to “corporate growth.” By focusing on the “happiness of employees,” we will create an environment in which employees can freely demonstrate their abilities, share high goals with their colleagues, and build an organization in which they can seek the rewards of “taking on challenges” and “achievement” at the same time. Our aim in creating this environment is to achieve employee wellbeing and the further evolution of JUKI.

Positioning the “growth and happiness of employees” as the growth engine of JUKI, we strive to create a sustainable and robust JUKI by putting our business performance on a growth track and taking on new challenges as soon as we possibly can.

Representative President

Atsushi Narikawa

The day of assuming the post:
July 1, 2024



Create the Sustainable Future with Smart Solution

We create a sustainable future with smart solutions.

We classify our businesses into three categories: the “Sustainable Mainstay Foundation,” “Expansion and Growth Foundation,” and “New Exploration Foundation” in order to invest management resources effectively in these foundations.

Sustainable Mainstay Foundation

Base businesses needed to sustain the company

Expansion and Growth Foundation

Businesses that will grow significantly based on market growth and business development potential

New Exploration Foundation

Businesses that will be newly developed as pillars of the next generation

Business segment	Business	Business description	Main target customers	Main products and services, and the classification of the business foundations		
Sewing Machinery and Systems A business to support “stitches” of all types by supplying more than 2,000 sewing machine models and systems for customers at every level, from professionals to hobbyists.	Industrial Sewing Machinery Business A business to driving the sewing machinery business as a world-wide top leader ▶Page 32	This business assists in the creation of optimal sewing factories by providing products centered on the world’s No. 1 market share industrial sewing machines and in combination with automation equipment and IT systems.	Sewing factories	Sustainable Mainstay Foundation • For apparel (fabrics) sewing machines • Automatic machine 	Expansion and Growth Foundation • For apparel (knit) sewing machines • For non-apparel (leather and thick fabrics) sewing machines  	
	Household Sewing Machinery Business A business to provide products to stimulate the creativity of home sewers ▶ Page 34	This business supports a comfortable sewing life with reliable product capabilities that incorporate the performance of industrial sewing machines.	General customers	Sustainable Mainstay Foundation • Home-use sewing machines • Small overlock sewing machines • Professional-use sewing machines   		
Industrial Equipment and Systems A business to support customers’ production factories by providing products, systems, development capacity and manufacturing capacity while utilizing“manufacturing (Monodzukuri) capabilities” developed over many years.	Electronics Assembly & Systems Businesses A business to provide total solutions to support circuit boards manufacturing factories ▶ Page 36	This business supports the smartening of entire factories by providing equipment and systems for the production of PCBs (printed circuit boards).	Circuit boards manufacturing factories	Sustainable Mainstay Foundation • Mounter for PCB production • Visual inspection machines for PCBs 	Expansion and Growth Foundation • Odd-shaped components insertion machines 	
	Group Business A business to support manufacturing companies through the collective strengths of “people, equipment, methods, and materials” ▶ Page 38	This business contracts the development, manufacturing, processing, etc. of various products using the know-how that JUKI Group companies have accumulated in development, design, production, and production management in the course of manufacturing their main products.	Manufacturing factories	Expansion and Growth Foundation • Contract manufacturing (Material / Parts processing / Assembly) • Development/ Design/Engineering 	New Exploration Foundation • Inspection and measurement machines • Semiconductor equipment 	
	Storage business A business to automate the inventory management of parts and small items and their entry and dispatch to and from warehouses ▶ Page 42	In addition to automating the inventory management of parts and small items and their entry and dispatch to and from warehouses, this business helps automate transportation tasks by linking with AMRs and picking robots.	Circuit boards manufacturing factories Manufacturing factories General companies	Expansion and Growth Foundation • Automated warehouse systems 		
	IoT Platform Equipment and System Business A business to solve customer challenges through automation and various services ▶ Page 40	With the IoT platform at its core, this business supports factory operations that are one step ahead of the competition by providing various solution services such as proactive prevention services and smarter operations.	Sewing factories Circuit boards manufacturing factories	Expansion and Growth Foundation • Parts supply • Repair & Maintenance • Educational support • Software • Automation equipment   		
New business	Living environment support business A business to support the living environment by leveraging our expertise and cultivated know-how ▶ Page 43	This business provides support through services tailored to customer needs, robot systems, etc. to create comfortable environments.	General companies General customers	New Exploration Foundation • Vital sensing technologies • Robotics systems  		

Business strategies Sewing Machinery and Systems
Industrial Sewing Machinery Business



Minoru Nitta

Senior Managing Officer,
and General Manager of the
Sewing Machinery and Systems
Business Unit, and President
of JUKI TECHNOSOLUTIONS
CORPORATION

Strengths

- Brand power with the No.1 global market share
- Unparalleled product lineups responding to every process in the manufacture of sewn items
- Simultaneous pursuit of high quality and performance based on core technologies
- JUKI's DNA as a developer of global markets
- Solution capabilities backed by more than 60 years of consulting activities

Progress of Business Strategies in the Medium-term Management Plan

The Industrial Sewing Machinery Business supports the growth of sewing factories by providing products and services to apparel, automotive and other sewing factories while engaging in a range of solution activities. JUKI products are used in 185 countries around the world. Their global deployment leads to economic development and expanded job opportunities, especially in emerging economies.

The business environment for industrial sewing machines deteriorated in fiscal 2023 due to the sluggish economy in China and steep price hikes caused by global inflation, etc. In the automotive field, net sales grew in Japan and Europe due to JUKI's expanded product range and sales network resulting from the launch of the new company. In the fields of apparel and knitwear, net sales were significantly dampened by delays in the materialization of capital investment in sewing factories in China and Southeast Asia and postponements in purchases stemming from foreign currency shortages in emerging countries in regions such as South Asia.

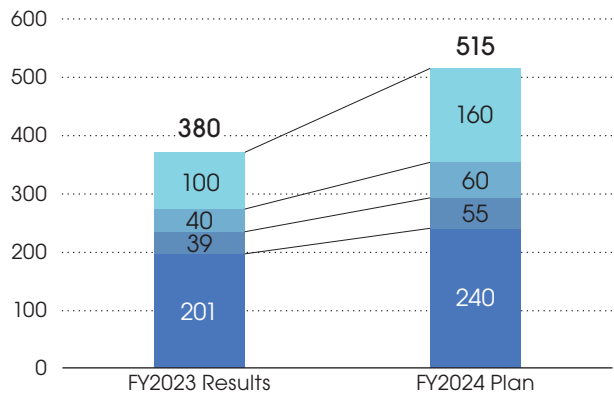
The business environment in fiscal 2024 is expected to see growing demand for capital investment in the growing economies of the Global South such as India and the Middle East, Latin America, Central Asia, and Africa. We will work to meet the demand by strengthening our sales and service system and building a new distributor network. In the growing field of knitwear, we will strive to use the sales channels of our business partner PEGASUS CO., LTD. and expand sales of jointly developed products. In non-apparel, a field growing with the shift to EVs and sports shoes, we will strive to expand sales by taking advantage of our growing product range and sales channels with the launch of JUKI's new company. To strengthen support for sewing companies as they accelerate the relocation of their production sites to Asia, the Asia Global Sales Department established in Vietnam last year will fully engage in activities to help realize smart factories.

Business Environment

Opportunities	Risks
● Accelerated relocation of the production sites of global companies ● Positive change in the awareness of SDGs, labor issues, etc. ● Booming knitwear and bottom markets with the growth of casual wear ● Automation and systemization needs generated by labor shortages ● New needs driven by changes in the automotive industry such as the shift to EVs	● Improved product development capabilities and sales expansion by automatic machine makers in China ● Paradigm shift in fashion with the advent of the new normal ● Delayed materialization of capital investment arising from slow demand recovery in China and Southeast Asia and foreign currency shortages in emerging economies in regions such as South Asia

FY2023 Results and FY2024 Initiatives

Exchange rate: in-house planned rate
■ fabric ■ Automatic machine ■ Knit ■ Non-apparel
(100 million yen)



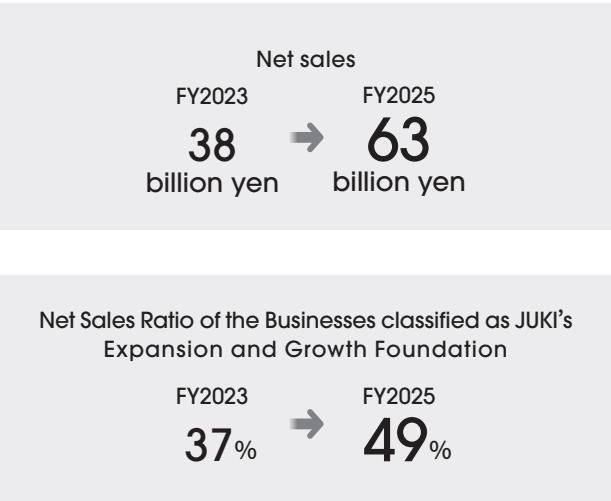
	Compared to FY2023	FY2024 Initiatives
Non-apparel (leather and thick fabrics) sewing machines	160%	• Reinforced sales of the former flagship products of Meiryō Technica Corporation to major automotive customers • Strengthened acquisition of new customers for sports shoes with the introduction of new models
For apparel (knit) sewing machines	150%	• Use of the sales channels of PEGASUS CO., LTD. and the sale of jointly developed products
Automatic machine	141%	• Enhanced deployment of total solutions for sewing factories
For apparel (fabrics) sewing machines	119%	• Development of new customers in the growing markets of Southeast Asia, India, the Middle East, Africa, etc.

Vision

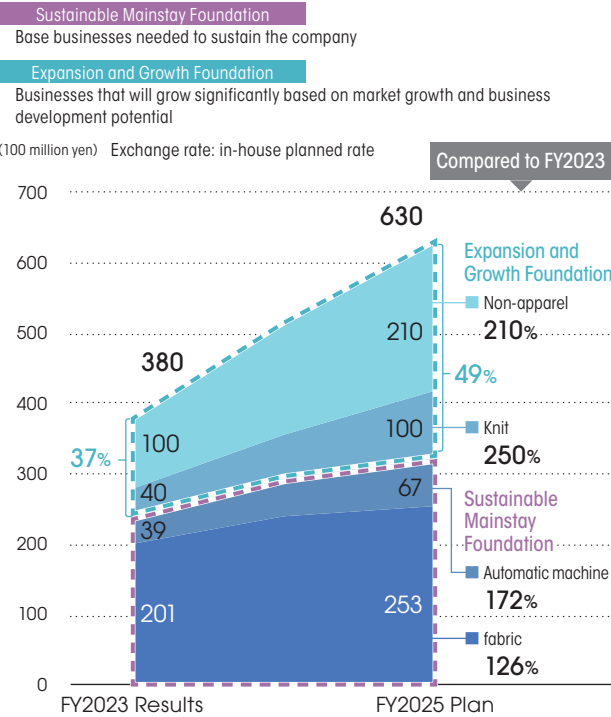
Working under the “JUKI Smart Solutions” concept, JUKI helps customers innovate by offering inventive technologies and system proposals.

FY2025 Goals

We will strive to increase net sales and gross profit in growing regions and business fields in a changing global environment by building a system to closely follow up the movements of industrial sewing machine customers. We will also steadfastly maintain our number one market share in industrial sewing machines by strengthening the development of new customers.



Business classification through a process of selection and concentration



TOPICS

Establishment of a Middle East & Africa Sales Support Section to strengthen JUKI's business structure in India and westward.

We established a Middle East & Africa Sales Support Section as an organization under the direct control of the head office to strengthen customer support in the markets of the Middle East and Africa, where more and more sewing factories are relocating from Europe, the U.S., China, and Asia. We will form a team in collaboration with local group companies and the head office to further strengthen our global support system in these regions.



Opening ceremony of the distributor's office in Ghana

The LK-1900C Series, a family of computer-controlled, high-speed, bartacking, lockstitch, and button-sewing systems, is released.

This machine achieves higher productivity than a conventional machine by sewing at faster speeds and promising easier sewing positioning. The bobbin thread accommodates a big hook, which greatly reduces the downtime associated with frequent thread changes. Noise and vibration have also been reduced to lessen the burden on the operator. In addition, the electrical head has been integrated for easy setup.



LK-1900C

Minoru Nitta

Senior Managing Officer,
and General Manager of the Sewing
Machinery and Systems Business Unit

Strengths

- Trust in a brand based on industrial sewing machines
- Pioneer in the field of semi professional sewing machines
- High performance and quality based on core technologies
- Support from sewing influencers
- JUKI's DNA as a pursuer of user-oriented products

Progress of Business Strategies in the Medium-term Management Plan

The Household Sewing Machinery Business spreads the joys of hobby life by selling equipment and accessories that enhance the creativity of home sewing.

JUKI's high-quality, high-performance, high-class products have the same outstanding reliability guaranteed by JUKI's industrial sewing machines. On the strength of their performance, they have garnered a strong base of faithful customers who genuinely appreciate quality, from hobbyists to sole proprietors who sell their creations. The need for highly specialized sewing machines continues to grow as more and more customers with a strong interest in home sewing begin to sell their works online.

Fiscal 2023 was an unstable year. JUKI businesses were strained by a host of factors, including widespread economic recession, the prolonged conflict between Russia and Ukraine, sharp rises in resource prices driven by the ongoing U.S.-China tensions, and heightened geopolitical risk caused by the conflicts in the Middle East.

Even within this unstable environment, JUKI managed to aggressively expand its business to customers with specialized expertise in sewing through the sale of new buttonholers for professional-use sewing machines and automatic-thread-tension, compact overlock sewing machines with a chain-off thread cutting function. Many customers in Japan and the Americas expressed high satisfaction with their newly acquired JUKI products.

In fiscal 2024 we will promote marketing that further strengthens our contacts with distributors and street stores while expanding the number of JUKI fans by disseminating attractive information through SNS. We will also be expanding sales of JUKI's new buttonholers and compact overlock sewing machines to promote value creation by JUKI's unique businesses. As part of our SDGs activities, we will create a growing number of upcycling sewing studios in collaboration with new distributors that have started doing business with us based on our in-house expertise.

Business Environment

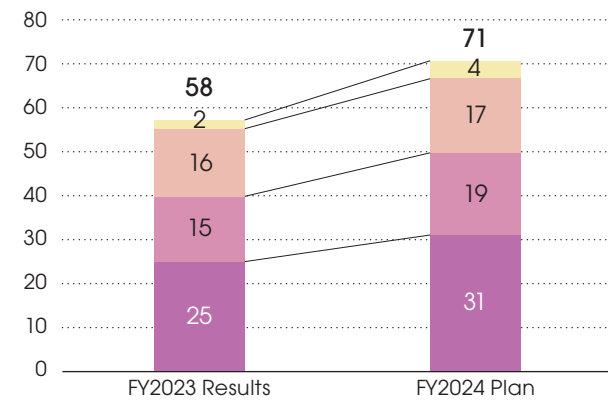
Opportunities	Risks
● Expansion of information transmission through social media to influence customers, highly sophisticated hobbyists of sewing machines. ● Expand opportunities for online sales, etc. ● Upcycling activities in collaboration with external parties	● End of the stay-at-home demand ● Higher prices of commodities, including prices for infrastructure use, worldwide ● Higher uncertainty in specific regions ● Changes in the competitive environment amid industry restructuring

FY2023 Results and FY2024 Initiatives

Exchange rate: in-house planned rate

- Home-use sewing machines ■ Overlock sewing machines
- Professional-use sewing machines ■ Others

(100 million yen)

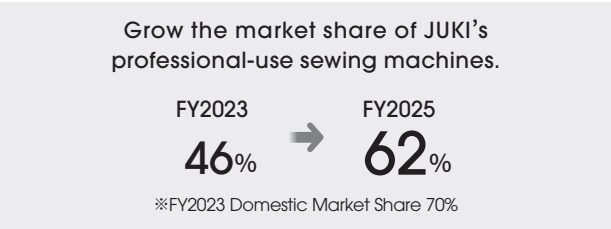


	Compared to FY2023	FY2024 Initiatives
Others	200%	• Strengthen sales of buttonholers, etc. in product sets.
Professional-use sewing machines	106%	• Further grow our market share. • Highlight our achievement as a winner of multiple Good Design Awards.
Overlock sewing machines	127%	• Respond to the demand for knitwear. • Take various initiatives for heavy users.
Home-use sewing machines	124%	• Grow customer awareness of key products and strengthen JUKI's brand power through digital marketing in Europe and the U.S. • Expand sales of core products.

Vision Creating new fun with hobbyists

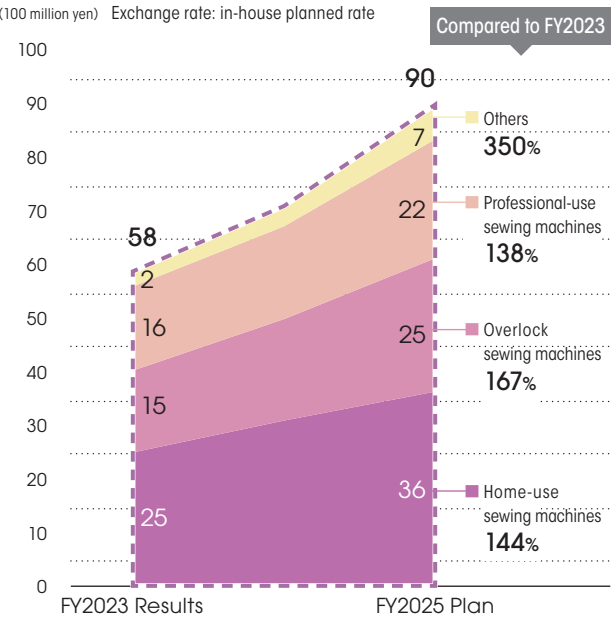
FY2025 Goals

We aim to expand our customer base with a product lineup tailored to the characteristics of each market we serve. We will also facilitate the creation of “*Kotodzukuri*” (value creation) for sewing machine users by developing high-value-added products.



Business classification through a process of selection and concentration

Sustainable Mainstay Foundation
Base businesses needed to sustain the company



TOPICS

The “*Kotodzukuri*” (value creation) is provided through upcycling.

Clothing waste is one of the several social issues JUKI is addressing. In 2021 we began holding in-house upcycling events focused on the recycling of old clothes and waste materials into new items of value. In 2023 we began to expand the number of venues where sewing machine users can enjoy upcycling sewing across Japan by working with the sewing machine stores (called “JUKI Upcycle Sewing Studio”) that support JUKI's upcycling initiatives. For the first Upcycling Sewing Studio event, we collaborated with an apparel manufacturer on a studio workshop to remake old clothes into bags. We will be tying up with more cooperating sewing machine stores to work towards a sustainable society. We also plan to hold upcycling events at larger commercial facilities in the future.



Seventy percent share of the domestic market is achieved for professional-use sewing machines. We support “hobbies” that use our sewing machine as “real tools.”

With the boom in the handmade market in recent years, more hobbyist and home sewers seek to purchase professional-use sewing machines capable of sewing thick and thin fabrics such as canvas and leather. These sewers represent an emergent base of customers with an earnest commitment to deepening their sewing hobby. JUKI's professional-use sewing machines are highly praised by serious sewing machine users who prefer to work with “real tools.” JUKI's exhibitors at the 2024 JAPAN HOBBY SHOW held a workshop to share the joys of sewing at a higher level and invite visitors to experience JUKI's industrial-quality sewing.

While finding ways to transforming a company that sells sewing machines to a company that enhances the delights of sewing and the mastery of hobby skills, we will continue to serve sewing enthusiasts who are rigidly committed to the real thing.



Japan Hobby Show held in April 2024



Hirokazu Nagashima

Executive Vice President,
General Manager of the Industrial
Equipment and Systems Business Unit
and the Electronics Assembly &
Systems Company of the company,
and Representative Director,
President of JUKI AUTOMATION
SYSTEMS CORPORATION

Strengths

- Numerous proprietary core technologies based on optical technologies
- The human resources and technological capabilities of JUKI and SONY (Management integration with the same business department of SONY in 2014)
- Customer-oriented solution capabilities
- JUKI's DNA as a late starter that grew to become a developer of markets

Progress of Business Strategies in the Medium-term Management Plan

The Electronics Assembly & Systems Businesses are automating warehouses for components, manual insertion processes, and inspection processes for customers operating the circuit boards manufacturing factories. Their automated solutions support the smartization of both the surface-mounting process and surface-mounting factory overall.

Though the impacts of the COVID-19 pandemic were greatly reduced in fiscal 2023, geopolitical risks and the trade friction between the U.S. and China drastically changed the business environment. The Electronics Assembly & Systems Businesses have been responding to customer needs under these circumstances by enhancing the hardware for the automated-warehouse businesses and inspection-

and- measurement business. The systems they provide and the comprehensive software built into them are geared to achieving JUKI's medium-term vision of "building a win-win partnership towards creating smart factories."

In fiscal 2024 we will be launching new products and further strengthening our global support system, for the automation business of post-SMT production process, one of the strongest of our Electronics Assembly & Systems Businesses. Our SMT's mainstay mounter business will be a core focus as we do. We have added the "high speed and flexibility" concept to our existing "versatile JUKI" concept in another push to meet customer requirements.

Business Environment

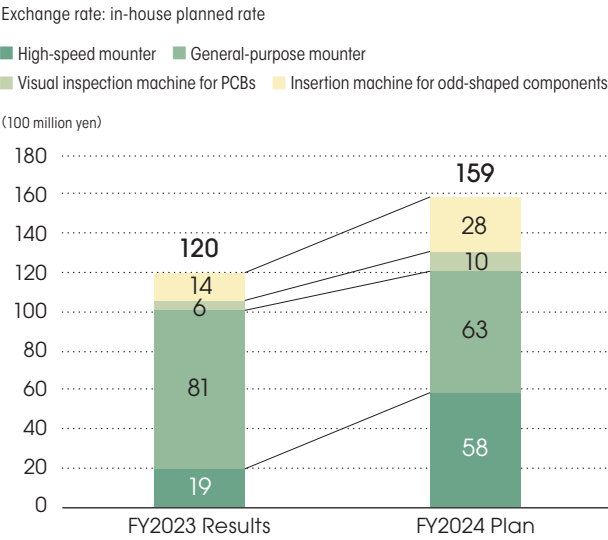
Opportunities

- Expanded capital investment with the acceleration of DX, the shift to EVs, and the growing base of electronics products
- Increased labor-saving and automation needs due to production efficiency and labor shortages
- Progress in transferring production from China to India, Eastern Europe, Mexico, Vietnam, etc.

Risks

- Reduction in the workloads at the PCB mounting factories band willingness to invest due to ongoing shortages of semiconductors and electronic components
- Soaring material costs and reduced cost competitiveness
- Intensifying competition due to the entry of Chinese competitors and rivals from other industries
- Decline in product competitiveness as competitors expand their business areas and make technological progress

FY2023 Results and FY2024 Initiatives



	Compared to FY2023	FY2024 Initiatives
Insertion machine for odd-shaped components	200%	• Increase and nurture business partners at every location. • Reduce costs for JUKI's existing series and launch new models.
Visual inspection machine for PCBs	167%	• Strengthen sales in the markets of Europe, the United States, and India.
General-purpose mounter	78%	• Capture major global companies and acquire AVL. • Expand sales in the LED market.
High-speed mounter	305%	• Create a second market in Eastern Europe, India, Vietnam, etc.

Vision

To be a trusted business partner for customers by strengthening the mounter business and expanding our non-mounter areas

FY2025 Goals

We aim to expand our business in priority regions by strengthening sales in the markets of Europe, the United States, Southeast Asia, and India. Turning to insertion machines for odd-shaped components, a business categorized as JUKI's Expansion and Growth Foundation, we will expand the business globally by increasing and nurturing sales partners in every location and introducing new JM series models.

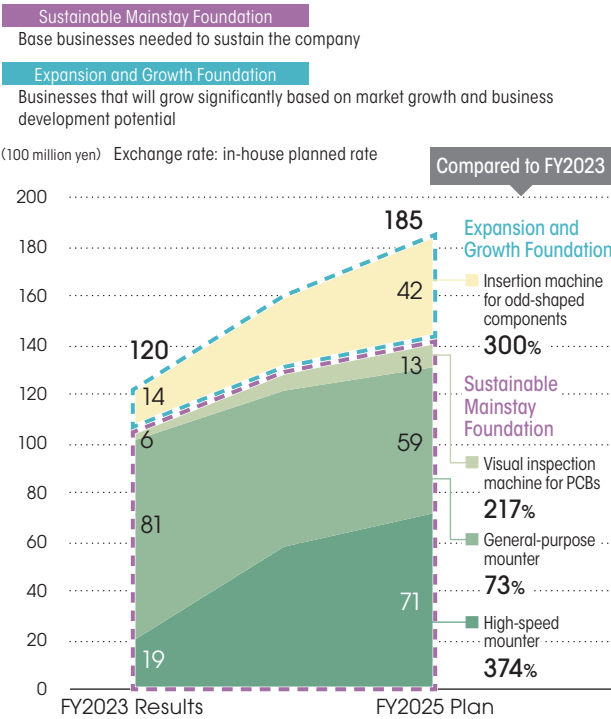
Net sales

FY2023 12 billion yen → FY2025 18.5 billion yen

Expansion and Growth Foundation

FY2023 12% → FY2025 23%

Business classification through a process of selection and concentration



TOPICS

JUKI releases the LX-8, a flexible mounter that achieves new levels of versatility and speed.

The LX-8 is a high-speed, flexible mounter with component-placing stations on the left and right sides of the main unit. The machine promises high area productivity and versatility while saving space by combining two types of interchangeable head. The LX-8 operates with a "Planet Head P20S" capable of high-speed, high-precision mounting of ultra-small chips and a "Takumi Head" configured to handle a wide range of component types, both medium and large. With this design, the LX-8 can flexibly place and place components on an extensive range of PCBs and achieve highly efficient production by interchanging heads with different features. We are now conducting a market evaluation to improve the quality of the products set to launch in the summer of 2024.

LX-8

Solution proposals at surface-mounting exhibitions

JUKI actively took part in various exhibitions internationally and proposed solutions for the circuit boards manufacturing factories. The latest solutions were introduced under the exhibition theme of "JUKI Smart Solutions - Solving problems together with customers! Improve Productivity with DX of Production Processes." Foremost among them were solutions to integrate the latest surface-mounting lines with the "JaNets" surface-mounting integration system software, to optimize SMT processes, and to automate the pre- and post-surface-mounting processes.

Exhibition held in April 2024 in the US



Keiichi Hashimoto
Managing Officer,
In charge of Group Business
Company within the Industrial
Equipment and Systems Business Unit

Strengths

- Core technologies for JUKI's 80-odd years of abundant manufacturing
- Precision development and manufacturing capabilities in wide-ranging fields, from mechanical to electronic products
- Engineering capabilities based on production technology
- Passion for success in Japanese manufacturing
- Experience in developing the devices for different industries and medical equipment

Progress of Business Strategies in the Medium-term Management Plan

JUKI launched its contract manufacturing business in 2015 to serve a wide-ranging customer base. Our strengths in manufacturing know-how, production technology, and manufacturing technology are vertically integrated into production system that spans the phases from material procurement to processing, assembly, and completion. The process capabilities integrated in our production systems have been cultivated through decades of business development in the fields of industrial and household sewing machines and electronics assembly & systems. JUKI has recently been strengthening its engineering business to provide a wide range of integrated contract services, from development and design to production. The engineering business operates alongside JUKI's contract manufacturing business done mainly in seven domestic manufacturing bases and one overseas manufacturing base. Sales rose in fiscal 2023 as a result of firm growth in capital investment demand arising from the changes customers are making in response to supply chain fragmentation and other factors. Profits were also higher, largely thanks to the improved profit ratios resulting from higher sales and

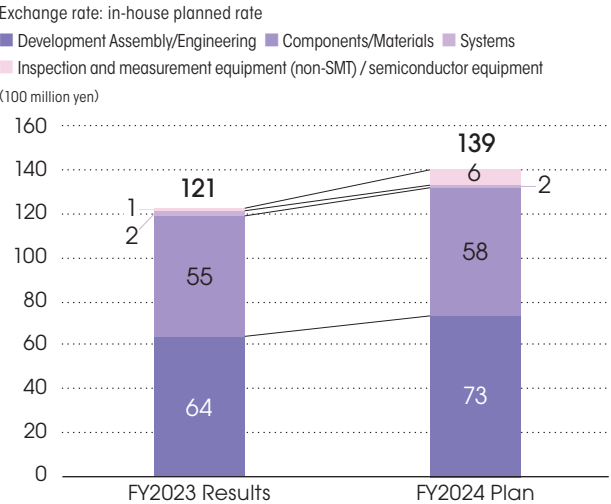
ongoing efforts to reduce costs through productivity improvements. To extend the leap forward from fiscal 2023 into fiscal 2024, JUKI will expand the scope of its activities in three areas of focus: reinforcing engineering structure, expanding the customer base, and introducing self-developed products to customers. JUKI will reinforce its engineering structure by shifting in-house development and design personnel to the Group Business and expanding both quality and quantity. Part of JUKI's progress in expanding customers so far has stemmed from orders received from Japanese-affiliated customers. Moving into fiscal 2024, JUKI will expand the acquisition of new customers by reinforcing sales activities to non-Japanese customers, especially in Southeast Asia. Turning to the introduction of its self-developed products to customers, JUKI will introduce new ensembles of inspection and measurement equipment developed in-house for use on surface-mounting lines. These machines will improve the visual inspection process in non-SMT lines, an area seeing a rising demand for automation amid the twin pressures of labor shortfalls and the aging of the workforce.

Business Environment

- Opportunities
- Higher demand for automation and labor-saving solutions generated by changing work styles with the advent of the new normal in production factories
 - Growing number of fabless companies (manufacturers without factories)
 - Return of Japanese manufacturers to Japan in the face of soaring overseas labor costs and sharply fluctuating transportation costs caused by the weak yen

- Risks
- Delays in parts procurement
 - Price hikes of raw materials and materials
 - Emergence of low-cost products from foreign parts suppliers

FY2023 Results and FY2024 Initiatives



	Compared to FY2023	FY2024 Initiatives
Inspection and measurement equipment (non-SMT) / semiconductor equipment	600%	• Launch a visual inspection machine for small components. • Search for a visual inspection machine for extremely small components.
Systems	100%	• Increase revenue by expanding the data entry field.
Components/Materials	105%	• Develop non-Japanese customers in Asia.
Development Assembly/Engineering	114%	• Expand business areas and develop new sales channels for core customers.

Vision

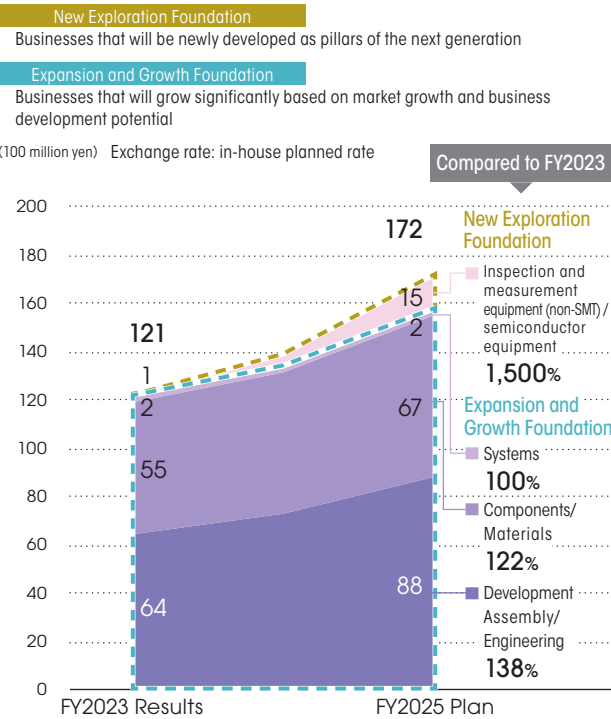
We build win-win relationships with customers through proactive solution proposals that leverage the strengths each plant.

FY2025 Goals

The contract manufacturing business will strengthen human resources in development and engineering and increase the number of projects in new fields. In parallel, JUKI will be expanding the inspection and measurement business and semiconductor business, the two components of the New Exploration Foundation, and take steps to establish the whole of the Group Business as the second pillar of JUKI's operations along with the Electronics Assembly & Systems Businesses.



Business classification through a process of selection and concentration



TOPICS

The Group Business expands the sale of inspection and measurement equipment.

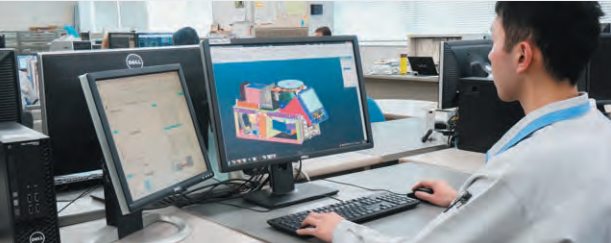
The sales of "inspection and measurement" equipment developed and marketed to automotive and manufacturing factories, an area of expansion for the Electronics Assembly & Systems Businesses, will be transferred to the Group Business, a business that shares the same target market and constitutes the "New Exploration Foundation" aiming for expanded sales channels. In May 2024, JUKI launched a compact visual inspection machine called the SE100. Designed for the inspection of metal parts, the inexpensive and space-saving SE100 is configured with a lighting unit (one of JUKI's core technologies) that won immediate acclaim with the release of the first SE1000 model in December 2021. JUKI will seek synergistic effects with the Group Business that has its strengths in production, development, and manufacturing technologies while addressing the manpower demands in the skill-intensive inspection process.



SE100

The development structure is reinforced.

JUKI has increased its development structure by 1.2 times compared to fiscal 2023 in order to further expand development projects under contract. JUKI is also giving shape to products that meet customer needs in fields such as medical equipment, beauty-related equipment, semiconductor-related equipment, electrical-related manufacturing equipment, automotive-related units, and the like. The mechanical, electrical, and system development capabilities that go into these products have been cultivated through JUKI's many decades of developing industrial sewing machines and electronics assembly & systems. JUKI will create new technologies that incorporate IoT, AI, and other new capabilities to win new projects, while strengthening its development structure.



Contract CAD design for products



Jirou Ishibashi
Managing Officer, and
General Manager of the
IoT Platform Equipment and
Systems Business Unit

- Strengths
- High expectations of the JUKI brand based on many years of business
 - A large number of products in operation in the market
 - The handling of an unparalleled number of parts and the possession of core parts based on JUKI's No. 1 global share in the industrial sewing machine market
 - Solutions and technical support based on abundant knowledge and experience

Progress of Business Strategies in the Medium-term Management Plan

Our IoT Platform Equipment and Systems Business was launched in March 2023 as outgrowth of its predecessor, the “Customer Business.” The business is organizationally expanding and set to grow into one of JUKI’s core revenue sources. We will be consolidating functions that have been cultivated in JUKI’s Industrial Sewing Machinery Business and Electronics Assembly & Systems Businesses, such as parts sales, support services, and system software sales. Next, by adding an automation support function for sewing factories and a proposal-making function for non-sewing equipment, we will offer customers further-enhanced value as the IoT Platform Equipment and Systems Business.

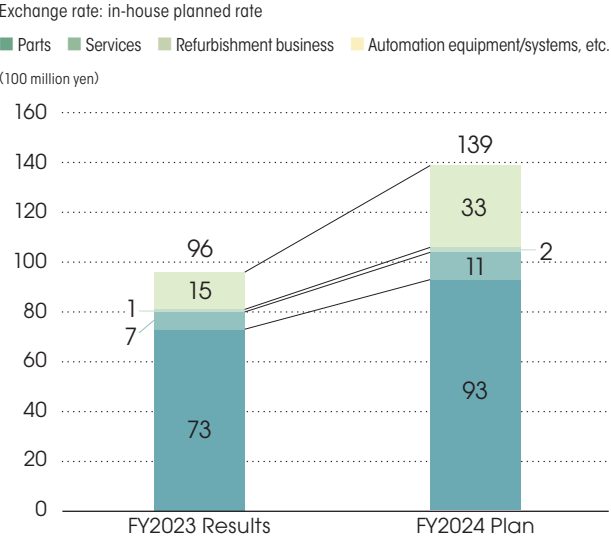
We will be adopting two strategies to achieve these goals. First, we will provide advanced services and supply parts and equipment in short timeframes by sharing technical information and providing remote support to solve customer issues. Second, to solve social

issues targeted under the SDGs, we will create e-learning opportunities in emerging countries regarding our Sewing Machinery Business, while reducing waste products through the provision of high-quality services and expanding activities to reduce environmental impact by promoting the collection of used products from customers and their resale as refurbishments regarding our Electronics Assembly & Systems Businesses. We will also establish the “JUKI TECHNO CENTER” and conduct activities in unison with our distributors to further strengthen our customer support capabilities, in 2024. The actions undertaken under the new Medium-term Management Plan will greatly expand the fields in which JUKI has a competitive advantage in selling products (mono-uri) and providing systems and services (koto-uri), to support the smartization of customer factories as a whole.”

Business Environment

Opportunities	Risks
● Technological innovation and practical application of XR (AR/VR/MR), AI, etc. ● Changes in capital investment and production systems stemming from SDGs needs ● Acceleration of online operations in the post-COVID-19 society ● Permanent web-based seminars	● Prolonged conflict in Russia and Ukraine resulting in sharp rises in resource prices and supply chain fragmentations ● Global inflation leading to higher material and freight costs, as well as higher costs for labor and property

FY2023 Results and FY2024 Initiatives



	Compared to FY2023	FY2024 Initiatives
Automation equipment/systems	220%	• Respond to the demand for automation / manpower-saving at customer factories against a backdrop of labor shortages, etc.
Refurbishment business	200%	• Establish a business to refurbish PCBs. • Expand the refurbishment business using external resources.
Services	157%	• Strengthen customer retention through ShuHaRi / e-learning. • Promote proactive service activities to improve customer productivity
Parts (sewing machinery / electronics assembly & systems)	127%	• Expand sales of priority items and newly developed models. • Share information and streamline operations related to sales promotion activities through DX.

Vision Commercialization of Koto-uri (selling systems and services) to improve production efficiency close to the customer

FY2025 Goals

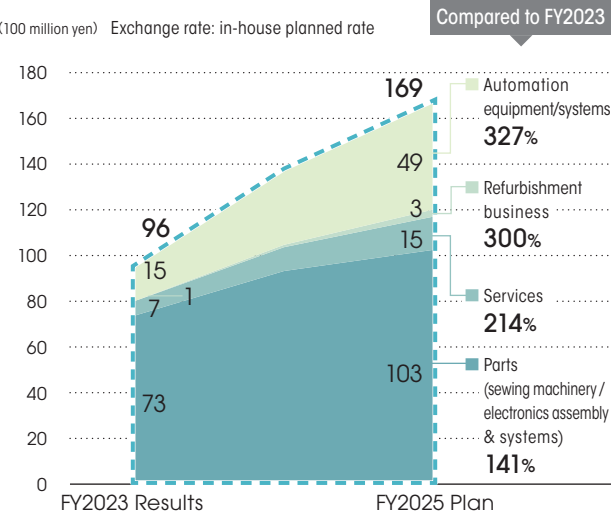
Since this business as a whole is classified as JUKI’s Expansion and Growth Foundation, we aim to secure a large gross profit by leveraging our existing customer base in the Sewing Machinery Business, Electronics Assembly & Systems Businesses, and Group Business.

We will promote direct marketing and establish a techno center to strengthen our customer response capabilities and provide enhanced value to customers.



Business classification through a process of selection and concentration

Expansion and Growth Foundation
Businesses that will grow significantly based on market growth and business development potential



TOPICS

The development of an e-learning menu and the introduction of credit card payments

“JUKI e-learning” can be described as an online learning site developed for the apparel sewing industry. The site transfers knowledge by leveraging the sewing and machine maintenance know-how JUKI has cultivated over many years. We are now further expanding the e-learning content by distributing “Digital Content for Seminar Instructors.” The site deepens customer knowledge about sewing techniques and machines by expanding the distribution of video content for specific models of industrial sewing machines. A web-based payment system will be introduced in the coming months for e-learners (customers) seeking enhanced convenience (launch scheduled for May 2024 in Japan and June 2024 in the Americas).



JUKI’s new Showroom for the Hanger System and PS Series

JUKI opened a showroom at its head office (Tama City, Tokyo) to provide visitors the opportunity to see the “JaNets Hanger System,” and “PS Series,” JUKI’s newest family of automatic sewing machines. Showroom visitors can learn about an assortment of systems and products that contribute to JUKI’s proposals for factory automation and labor-saving. This showroom is also available for seminars on products and machine demonstrations.



Establishment of the JUKI TECHNO CENTER

The JUKI TECHNO CENTER is another new channel to provide strengthened technical support to customers. JUKI TECHNO CENTER seminars will be held for target distributors who meet certain qualification standards and possess the required technical capabilities. Technicians from the target distributors will receive a certificate upon seminar completion to certify that their skills meet the JUKI standard. Starting with Indonesia, we will be holding seminars close to JUKI customers around the world to transfer “technology and service DNA that ensure that customer factories never stop.”



Vision

This business supports the digital transformation (DX) of the warehousing and logistics industry through solution proposals.

This business is spun off from the Electronics Assembly & Systems Businesses.

The storage business provides automation solutions to automate transportation tasks by linking them to AMRs (Autonomous Mobile Robots) and picking robots, in addition to the inventory management of parts and small items and their entry and dispatch to and from the automated warehouse.

The Italian company Essegi S.r.l. developed the automated warehouse for the storage and management of electronic components in its in-house circuit boards manufacturing factory. Essegi S.r.l. began selling the automated warehouse to other companies and industries in 2013. Since the commercial launch of the automated warehouse, the company has strengthened the development of its warehousing systems and supported the creation of smarter circuit boards manufacturing factories by linking their core processes and surface-mounting equipment.

In response to the recently growing need for efficiency and labor-saving through automation in a logistics industry beset with chronic labor shortages, we positioned our storage business as an “Expansion and Growth Foundation in the Medium-term Management Plan (a review of FY2024-2025) and strengthened its core storage business functions and capacities by ensuring that its organizational structure remains independent from our existing Electronics Assembly & Systems Businesses. We will strengthen the planning, development, and sales functions while expanding the automated warehouse functions in even closer collaboration with the automated warehouse creator, Essegi S.r.l. Next, we will deploy the automated warehouse to customers in multiple industries, including circuit boards manufacturing factories and other manufacturing factories, as a system to streamline the storage management of high-value materials, parts, and products.

Business Environment

Opportunities	Risks
● Growing need for DX in the semiconductor industry / EV and battery industry ● Expanding need for automation to mitigate labor shortages and enhance efficiency in the logistics industry	● Increased competition from new entrants ● Diversified stored items

FY2024-2025 Initiatives

For circuit boards manufacturing factories, we will continue proposing solutions that strengthen and benefit customer production lines by introducing JUKI’s automated warehouses to meet the growing demand for automation and for recovered capital investment in semiconductors

For general manufacturing factories, we will develop new sales channels by assessing needs and proposing solutions for the automation of parts management.



The main products we handle



Automated warehouse ISM3600
This equipment automates the inventory management of parts and small items and their entry and dispatch to and from the automated warehouse.



Automated warehouse ISM3600 F.A.
Easy to link with AMRs



Autonomous Mobile Robot, AMR



Parts acceptance and registration System Incoming Material Station
This equipment enables efficient receiving operations with reduced operational error.

2013	The purchase and sale of the automated warehouse created by Essegi S.r.l. is launched.
2014	A distributorship agreement is signed with Essegi S.r.l. Production commences at JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION.
2019	A joint venture company is established with ESSEGI AUTOMATION S.r.l.
2024	The Electronics Assembly & Systems Businesses spin off a storage business.

TOPICS

A model factory is built using automated warehouse systems in manufacturing factories.

In February 2024, JUKI installed multiple units of the ISM3600 automated warehouse at the Parts Center of JUKI CORPORATION OHTAWARA PLANT to begin parts management operations linked to the production control system. We examined the introduction of ISM while isolating conventional issues such as mistakes in the picking of parts, mistakes or oversights linked to handwritten work, and mistakes in sorting after parts are taken. This has allowed us to build linkages with data and systems, automate operations for parts entry and dispatch to and from warehouses even when skilled workers are unavailable, and reduce inventory work hours. The new ways of working are saving labor and increasing work efficiency. In the field of industrial sewing machines, JUKI keeps about 100,000 different parts in stock and promptly delivers them to meet customer demand.



Vision

Support for the creation of comfortable environments for customers through the use of robots, systems, etc.

Business overview

The Living Environment Support Business is operated by JUKI PROSERVE CORPORATION, a purchaser and seller of service-type robots, vital sensing (safe driving support) systems, and health and safety equipment. Our Medium-term Management Plan (a review of FY2024-2025) positions this business classified in the “New Exploration Foundation,” an engine for the creation of new businesses, as a next-generation pillar of JUKI’s business expansion.

The vital sensing business (for safe driving support equipment) will expand its domain from the existing logistics and transportation industry to more vital sensing needs in general. The robot business will provide robots to support human activities in commercial facilities, medical institutions, schools, and nursing care facilities. The health and safety equipment business will provide merchandise to create safe, secure, and comfortable environments in the workplace and residential life. The products and systems these businesses provide will support overall living environments.

We will strengthen our marketing activities by further exploring merchandise that meets the demand for labor shortages and efficiency and manpower-saving through automation and labor shortages, while reinforcing our businesses adapted to market needs.

Business Environment

Opportunities	Risks
● Evolving use of new technologies in robotics and related fields. ● The growing need for robots and automated processes to cope with human resource shortages and unstable processes for securing labor ● Increased robot merchandise	● Increased competition from new entrants

FY2024-2025 Initiatives

As a New Exploration Foundation, JUKI will expand and create new types of merchandise both in and outside of JUKI’s traditional business areas. We will begin by reinforcing our structure. In the field of robotics, we will horizontally deploy our business to the same industry based on our track record of delivering products to hospitals, department stores, and schools. In the field of vital sensing technologies, we will capture the sensing needs triggered by the logistics problems that industries are encountering in 2024. In the field of health and safety equipment, we will expand our lineup and sales of merchandise.

Net sales target
FY2025
500
million yen

TOPICS

JAPAN SHOP 2024

In March 2024, a JUKI booth installed at JAPAN SHOP 2024 (Tokyo Big Sight) exhibited products and systems from the Robotics, Vital Sensing, and Health and Safety equipment businesses. JAPAN SHOP, a comprehensive industry fair focused on town and store creation, attracted 70,740 visitors. JUKI PROSERVE CORPORATION participated in JAPAN SHOP +Plus, a special exhibition that proposed a new style of store and wellbeing space creation. Inquiries about the three businesses streamed in, along with questions about the centerpiece product, Japan’s first “pizza vending machine.”



Business foundation

Message from Director in charge of the Finance Department



Shinsuke Uchinashi
Director in charge of the Finance Department
(Chairman of the Cost Structure Reform Committee)

Initiatives in the new Medium-term Management Plan

JUKI has formulated a new Medium-term Management Plan for the 2024-to-2025 period based on a retrospective review of its performance in fiscal 2023 and changes in the business environment. The new Medium-term Management Plan sets out to improve JUKI's business structure by simultaneously promoting a "cost structure reform," "inventory reduction," and "value-added structure reform" (JUKI's "Triangle Reform"). A Cost Structure Reform Committee is now taking the lead in the reform drive by aggressively pushing for a lower break-even point through cost reductions and improving JUKI's financial position through inventory reductions.

First, as part of our cost structure reform, we have been working to reduce logistics costs in our supply chain. In January 2023 we established a Logistics Management Department and conducted a thorough review of logistics costs for the entire JUKI Group. Warehousing and transportation costs were found to be significant in the review. In a full-scale effort to reduce warehousing and logistics costs based on a drastic review, we discontinued 9 warehouses, reducing the total number from 41 to 32 globally, at the end of 2023. Our plan is to further reduce the number of warehouses by 7, bringing the total down to 25, in fiscal 2024. The large reduction in warehouses last year has led to significant cost reductions in the current year.

In the area of logistics, we implemented logistics reforms in the Americas. JUKI used to operate three logistics hubs in the Americas: Miami, Los Angeles, and Mexico. We have now closed our hub in Mexico and operate a new hub in Panama, an optimal location for shipments to Central and South America. By locating the hub in Panama, we have been able to reduce shipping costs to Latin America and reduce transportation costs from our factories in Japan, China, and Vietnam. We are reducing waste and cost by fundamentally reviewing our logistics systems from a new perspective. In doing so, we are reviewing and rectifying the supply chain flow to minimize and optimize costs.

To reduce inventory, the JUKI Group as a whole has improved the accuracy of its production and sales forecasts by changing the methods used to operate production and sales meetings. As a result, inventories were reduced by 5.5 billion yen, from 62.4 billion yen to 56.9 billion yen, over the one-year period of fiscal 2023. A reduction of 8.9 billion was achieved, excluding the impact of foreign exchange fluctuations. Stagnant sales in fiscal 2023 allowed us to reduce inventories significantly through a series of painful factory production adjustments and a strong sales focus on inventory reduction.

We will continue to work aggressively to improve our financial strength by tackling supply chain reforms and inventory reductions head-on and achieving steady results in a stepwise fashion.

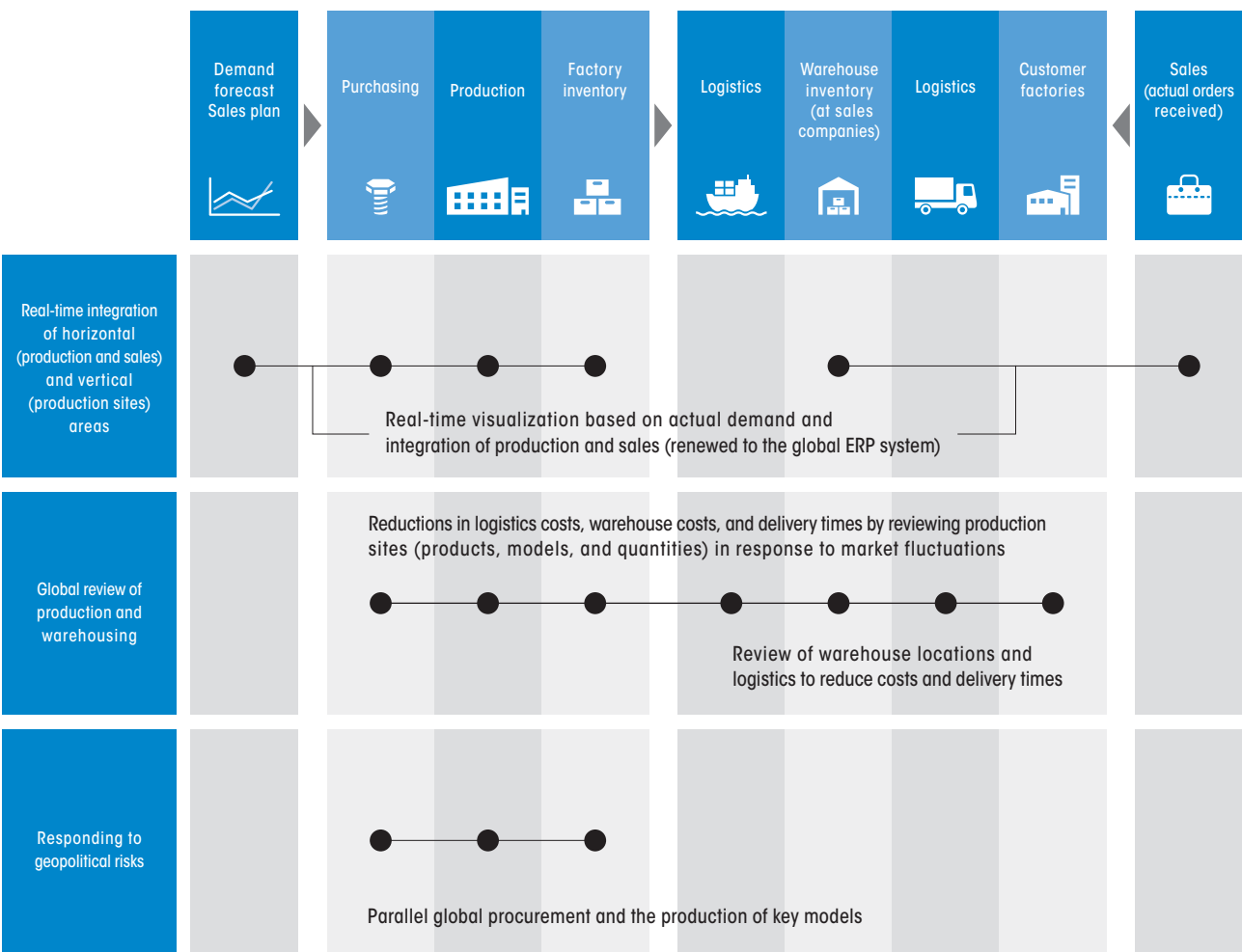
Major financial items

Exchange rates : Actual in FY2022, JPY120/USD in FY2025

(100 million yen)

	FY2022 results	FY2023 results	FY2025 plan
Inventories (turnover days)	624 (6.4 months)	569 (7.2 months)	358 (3.0 months)
Interest-bearing debt	793	840	591
Trade receivables (turnover days)	375 (3.8 months)	361 (4.6 months)	357 (3.0 months)
Cash Conversion Cycle (CCC)	265 days	320 days	161 days
Equity ratio (%)	25.3	22.7	30.1
Net D/E ratio (times)	2.0	2.4	1.5

Supply chain reform

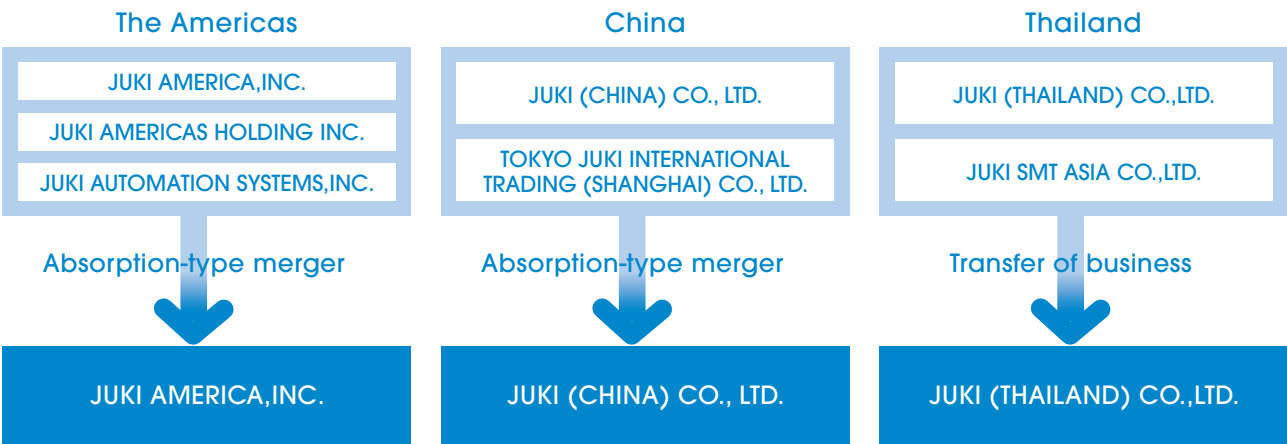


Reorganization of the group

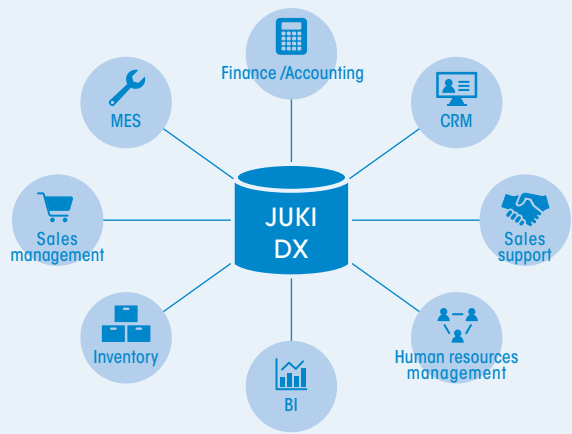
As of April 1, 2024, we have adapted to the drastically changing business and social environments by building a highly streamlined business structure that integrates our sales companies in China, Thailand, and the U.S. The number of overseas sales offices has been reduced by 4, from 12 to 8, as a result. In the U.S., JUKI AMERICA, INC. absorbed JUKI AUTOMATION SYSTEMS, INC. and JUKI AMERICAS HOLDING INC. In China, JUKI (CHINA) CO., LTD. absorbed TOKYO JUKI INTERNATIONAL TRADING (SHANGHAI) CO., LTD.

The businesses run by JUKI SMT ASIA CO., LTD., a company in charge of JUKI's Electronics Assembly & Systems Businesses, were transferred to JUKI (THAILAND) CO., LTD., a subsidiary in Thailand.

As coming steps, JUKI plans to build a leaner sales structure by further integrating its legal entities in Vietnam and other countries.



Business foundation
DX (Digital Transformation)



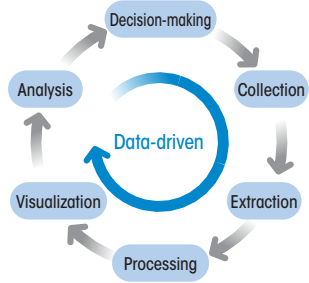
Vision
Restructuring of data driven
management with DX

* CRM: Customer Relationship Management
MES: Manufacturing Execution System
ERP: Enterprise Resources Planning

Basic concepts behind the initiatives

1. Establish a data-driven management (attack and defense) system.

We will establish a system that seamlessly visualizes operations and enhances governance and business strategy for top management using logical data analysis. We will also create added value and establish a competitive advantage in the market by analyzing the collected and accumulated data.



2. Implement work-style reforms from a systems perspective

As the evolution and practical application of IT systems using new technologies such as AI and 5G accelerate, we will introduce RPA to automate tasks like transcription and establish automated systems that improve efficiency and productivity without the use of people. These systems will allow us to make corrections in working hours. And



Tomohiro Takeda
Corporate Officer,
CDO (Chief Digital Officer),
and General Manager of the
Information System Dept.

JUKI is simultaneously reforming its supply chain operations and renewing its information system under the banner of “Rebuilding Data-Driven Management through DX.”

In fiscal 2023, JUKI built a template for sales companies. In January of 2024, a new ERP system and reporting system symbolizing data-driven management launched in China. The new ERP system transcends the traditional method of creating reporting materials by making reports far more visible and palpable. The new system represents a serious operational reform. In fiscal 2024 we will set up an in-house data analysis team to automate numerous reports and push forward with operational reforms and cost reduction.

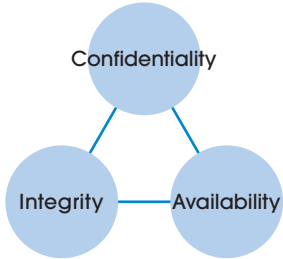
A template for manufacturing companies is also being built in parallel. Once completed, the new template will be applied to JUKI’s factory in Vietnam and new factory in India. This will enable us to visualize sales and manufacturing, the core operations of the manufacturing industry, and finally establish an infrastructure that will allow the head office to understand the status of the supply chain in near real time.

Reform comes with obstacles, but that is exactly what operational reforms are all about. We will work with an unyielding spirit to create a new culture at JUKI.

as manpower shortages become increasingly serious due to declining birthrates, the system will support flexible work styles such as telework.

3. Ensure high-level information security

We will keep our information assets in good working order and bolster them against the various threats in the information environment by securing confidentiality, integrity, and availability. Access to information is granted only to authorized persons, and only when needed, to prevent the unauthorized alteration or destruction of information.



* RPA: Robotic Process Automation

Medium-term Management Plan (Initiatives for 2024-2025)

Priority measures	Details on the initiatives	
	FY2023	2024-2025 (Plan)
Renewal of the ERP system	• Preparations have been completed for the introduction of the sales company model to sales companies in China. • Preparations are underway for the introduction of a template for the manufacturing model.	• Sales companies in China launch into operation. (2024) • The sales company model and manufacturing model go into operation in Vietnam and India. (2024) • The ERP system is introduced to sales companies in China and domestic group companies. (2025)
Visualization of management	• Preparations are underway for the introduction of the sales company model.	• Operation of the “visualized” sales company model commences. (2024) • Operation of the “visualized” manufacturing model commences. (2024) • The automation of management reports is advanced. (2025)
The assurance of infrastructure security	• The operation and monitoring systems for critical infrastructure are redesigned at the head office.	• Operation and monitoring for critical infrastructure commence at the head office. (2024) • Protection measures are implemented for design data. (2024) • Protection measures for critical data are horizontally deployed. (2025)

Target level
Introduction of a global ERP system Schedule compliance rate

100%

We will deepen cooperation with the sales companies and production factories to ensure that every measure is implemented.

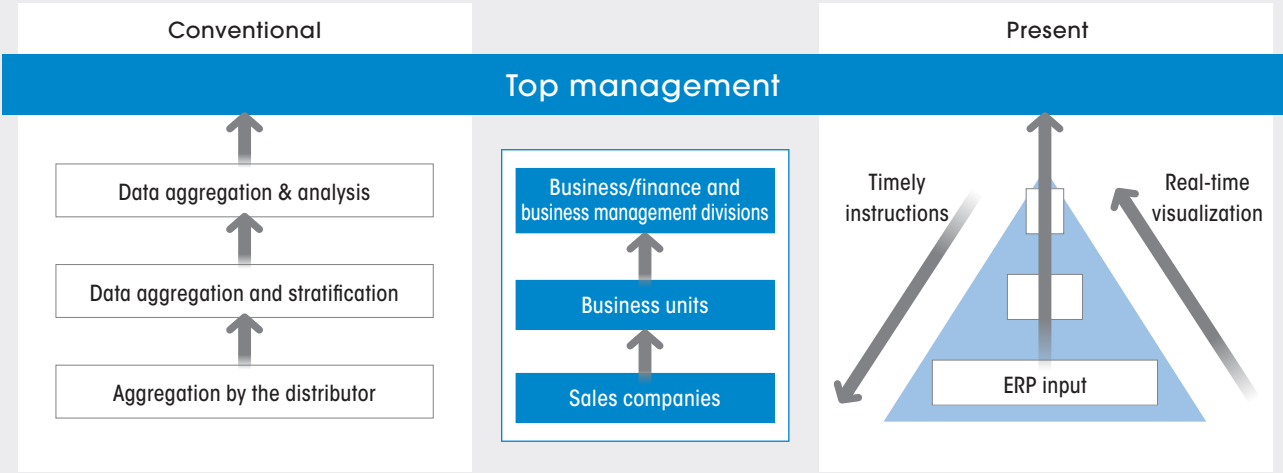
TOPICS

“Real-time management visualization” starts with ERP renewal.

We have completed the renewal of the ERP system at JUKI (CHINA) CO., LTD., the company responsible for the sale of sewing machines and electronics assembly & systems, JUKI’s main business, and are now testing the operation of the “real-time management visualization” system. The ERP system visualizes the values on the preliminary P/L statement and the divergences from the planned values for each business output directly from the ERP. Preparations are underway to enable reporting of the P/L statement and other financial statements without human intervention. To accelerate these DX activities, the Information System Department has taken the lead in launching a “Data Analysis Project” with additional support from the personnel in charge of accounting in each business division.

We will work concurrently to reform the mindsets and working styles of the personnel engaged in the work of preparing materials. Reform will be vital, as the new processes depart considerably from the former processes of compiling and stratifying materials through the cooperation of various departments, including the sales companies and business/finance and business management divisions at the head office.

- Changes to the management visualization system when reporting
 - Real-time reporting
 - Unattended report creation
- ERP data



Business foundation

Strengthening of human resources



Vision

Building a highly productive organization by promoting diversity/work-life balance



Kiyoshi Matsumoto

Managing Officer, in charge of the Human Resources Dept. within the Global Co-operate Center

JUKI is committed to maximizing human capital to achieve sustainable growth. JUKI's Medium-term Management Plan focuses on “Behavioral Reforms (Transformation of People and Culture)” and cycles through the following three overarching measures to strengthen human resources.

1. Providing opportunities for growth^{(*)1}: Provide employees with opportunities to improve their skills and abilities, 2. Embracing diverse values^{(*)2}: Foster a culture that leverages diversity and respects different backgrounds and perspectives, 3. Responding to expanded job responsibilities and performance at work^{(*)3}: Expand the scope of duties and focus on results. We will strive for the growth of every employee and the vitalization of the organization by pressing forward with these measures.

In fiscal 2023, we made progress in establishing a job-based human resource management system based on results and job responsibilities. With this system, we expect to heighten employee engagement, implement performance-linked bonuses, and promote both the usage and success of diverse human resources. Beginning in fiscal 2024, we will conduct career interviews with the Human Resources Department for younger employees and introduce a re-employment system for employees up to the age of 70. These activities will allow us to create an organizational environment in which an even more diverse range of employees can play active roles.

We actively recruit, develop, and use diverse human resources and endeavor to place them in positions and workplaces where they can demonstrate their individual aptitudes. To facilitate our success in these endeavors, we have established an enhanced set of internal systems that are easy to work with from long-term perspectives and are effective in improving the knowledge capabilities of our workforce, motivating employees, and honing our focus to the careers of individual employees.

Through these initiatives, we will expand the sphere of our activities as an organization and transform ourselves into an entity that broadly captures business opportunities.

Basic concepts underpinning the strengthening of human resources

Providing opportunities for growth ^{(*)1}

We invest in strengthened human resources by providing opportunities for autonomous career development that nurture the growth of every employee, along with the education needed to make that happen. We expect this investment to raise productivity and promote both organizational and individual growth.

We will also will rotzate human resources more widely and frequently throughout Japan and overseas, improve individual abilities, and share diversity and values by tailoring our human resource system to careers and expertise and more often sending younger employees on overseas business trips. In our overseas offices, we are actively promoting national staff to management positions.

Embracing diverse values ^{(*)2}

The JUKI Group is a globally operating entity that engages employees from various social backgrounds who hold diverse values. To secure excellent human resources and create innovation, we must mutually recognize the diversity of every employee regardless of gender, age, or nationality and create attractive work environments where every person can play active roles.

The promotion of diversity will maximize organizational performance by promoting of the advancement of female employees and assigning global human resources. JUKI hires not only new graduates, but also mid-career workers. We welcome a diverse workforce that includes local housewives, foreign nationals, and people with disabilities.

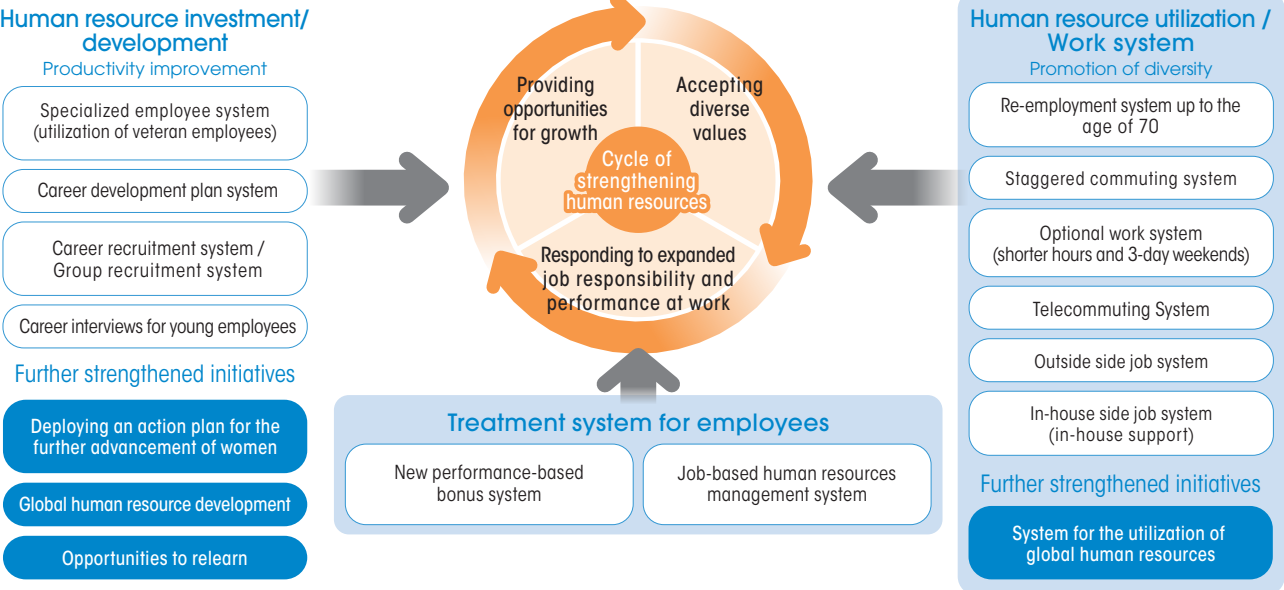
Responding to expanded job responsibility and performance at work ^{(*)3}

This system adjusts the treatment of employees dynamically based on their willingness to take on challenges and achieve results without fear of failure. Regarding salaries, we have introduced a job-based human resource management system (job duties and job performance) for both managers and rank-and-file employees and link their bonuses to their business performance. For our managers, we are now reflecting performance results to a far greater extent. For young and mid-career employees, we will take steps to quickly develop them into competitive forces and promote them to managerial positions as soon as possible.

Comfortable and rewarding work environments

We are actively introducing the use of satellite offices and free-address systems in workplaces to better enable employees at different locations to comfortably carry out their work. We have also introduced the My Purpose concept. Under this concept, every employee makes a commitment to think about the actions we should take for the sustainable growth of society, for our customers, for each other, and for ourselves, and to put those actions into practice. We are working to create a culture in which our people recognize diverse values and celebrate each other.

JUKI’s personnel system

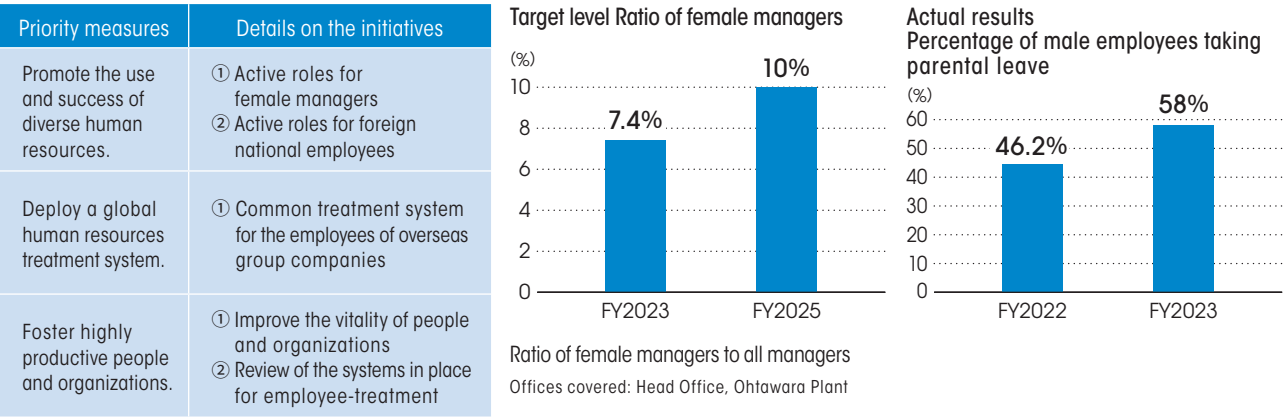


Comfortable and rewarding work environments

Health Management

Fostering a corporate culture

Medium-term Management Plan (Initiatives for FY2024-2025)



TOPICS

Town hall meetings

Town hall meetings are held to realize every employee’s “My Purpose” and to provide opportunities for direct dialogue between management and employees. The meetings aim to deepen mutual understanding between management and front-line employees by providing opportunities for frank exchanges of opinions on various management issues. We will proceed with the transformation of people and culture by integrating the My Purpose declaration into our town hall meetings.



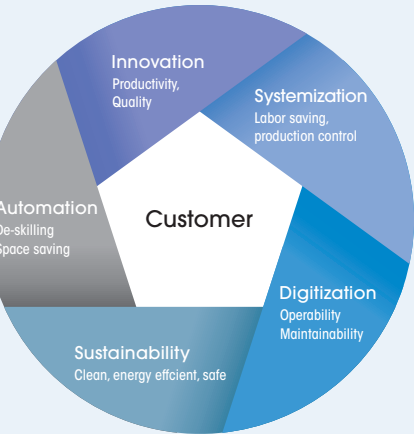
Young employees working globally

We develop global human resources, both Japanese and national staff, who make the most of their talents and play active roles in the company. In particular, we actively assign young employees to overseas bases from the early stages of their careers to develop them into global human resources. We are also working to establish a new employee-treatment system and to spark the motivation to work overseas. Many of our young employees at JUKI are working globally and playing active roles at overseas locations.



(Second from the left)
A twenty-something JUKI employee who has been stationed in India since 2022

Business foundation
Technology development



Vision

Working as a group to create solutions
for the problems customers face in
“*Monodzukuri*” one by one

Strengths

- Technologies and products created based on a consistent “customer first” policy
- External technology introduced actively through alliance arrangements, and technology evolved through integration
- Products and services evolved through the use of the latest technologies such as IoT and AI
- Products evolved from an SDGs perspective
- Accumulated mechatronics technologies coupled with JUKI’s DNA as a developer of world-first technologies

Risks and Opportunities

Risks

- Ongoing rises in procurement costs due to higher component prices
- Accelerated price competition and lower barriers to entry due to product commoditization
- Stricter targets and regulations for SDGs in different countries
- Intensifying competition for technical personnel in Japan

Opportunities

- Expanding DX-oriented needs for networking and automation
- Technological innovation and practical use of AI, IoT, 5G, etc.
- Response to the SDGs and the social demand for reduced environmental load
- Growing demand for automated equipment due to workforce declines in developed countries

Major Initiatives for FY2023

Development of industrial sewing machines

- The LZ-2280B series, a family of high-speed, single-needle, staggered stitch machines
- The PS-910 series, a family of head rotary pattern seamers...TOPICS①
- The AW-3SD, an automatic, retrofittable bobbin thread feeder for the PLK-J series
- Further evolution of the JaNets network system

Development of household sewing machines

The EB-1, a computerized buttonholer device for professional-use sewing machines

Development of electronics assembly & systems

The LX-8, a high-speed flexible mounter...TOPICS②

Development of the Group Business

The SE100 visual inspection machine

Storage business

- Responding to expanded applications for automated warehouses
- Strengthening system integration with the surface-mounting process

Other activities

- Establishing the “JUKI SUSTAINABLE PRODUCTS” Certification System...TOPICS③
- Providing speedy support for customized development at JUKI’s development bases in China and Vietnam through market-based activities



Hiroshi Anzai

Managing Officer,
In charge of the Development
Center of the Company,
JUKI AUTOMATION SYSTEMS
CORPORATION, and JUKI
TECHNOSOLUTIONS CORPORATION

Under our Medium-term Management Plan, the “Growth & Transformation Plan 2025,” we are identifying issues from the customer’s perspective and providing solutions (products and services) to fix them.

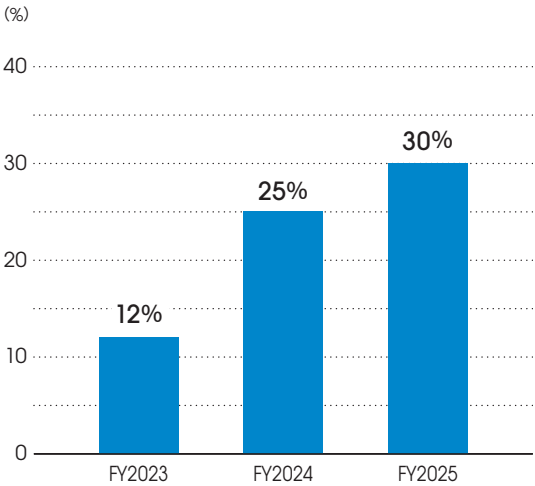
In fiscal 2023 we released industrial sewing machine products such as the PS Series to advance sewing automation and an automatic bobbin thread feeder for PLK, along with various devices in the household sewing machine field and an automatic button sewing device that can be attached to professional-use sewing machines customers possess. In the electronics assembly & systems field, we launched the LX-8, the first general-purpose mounter configured to dramatically improve the flexibility of production equipment by incorporating a head-replacement function.

In fiscal 2024 we will update our technology roadmap to adapt to the latest market environment and technology trends while promoting the development of elemental technologies to incorporate into products based on this roadmap. We will also pursue CO2 emission reductions throughout the product lifecycle using AI as an elemental technology for the future and deploy it in products, materials, and structures. To better identify issues from the customer’s perspective, we will collaborate with the Design Strategy Department on the formulation of customer-journey maps in the industrial sewing machine and electronics assembly & systems fields. These maps will build upon our achievements last year in the household sewing machine field.

Through these initiatives, we will thoroughly identify apparent and latent issues from the customer’s perspective and create technologies and products that advance the manufacturing process of our customers.

Medium-term Management Plan (Initiatives for 2024-2025)

Priority measures	Details on the initiatives	Target level Ratio of new product sales (%)
Strengthen the SDGs initiatives	① Strengthen carbon-neutral initiatives by building technology to reduce power consumption by 30%. ② Work on an oil-free structure and approach the introduction of SDGs materials. ③ Accumulate conceptual CAE data for sound and vibration and apply it to products.	40
Initiatives to differentiate JUKI from the competition	① Improve productivity, develop automation technologies, and create innovation from the customer’s perspective. ② Use AI and deploy it in products. ③ Promote the development of forefront technologies for business domain expansion.	30
Implement and promote IP and design strategies.	Intellectual property strategy ▶ See p.56 Design strategy ▶ See p.57	12



TOPICS

①JUKI develops two model types and four specifications for the PS-910 series of head rotary pattern seamers.

This machine can automatically sew attractive patterns stored on the panel by combining two mechanisms: 360 degree rotation of the sewing machine head and four-axis motion of the fabric (back and forth, left and right). JUKI has developed two models. The first is designed with a large sewing area for apparel applications such as the quilting of down jackets. The second is designed with a compact sewing area that can be used in various fields, including non-apparel applications such as the sewing of airbags. Both machines operate at extremely high speeds as rotary head types.



PS-910SB-13090 ▶

②JUKI develops the LX-8, a high-speed flexible mounter with replaceable heads.

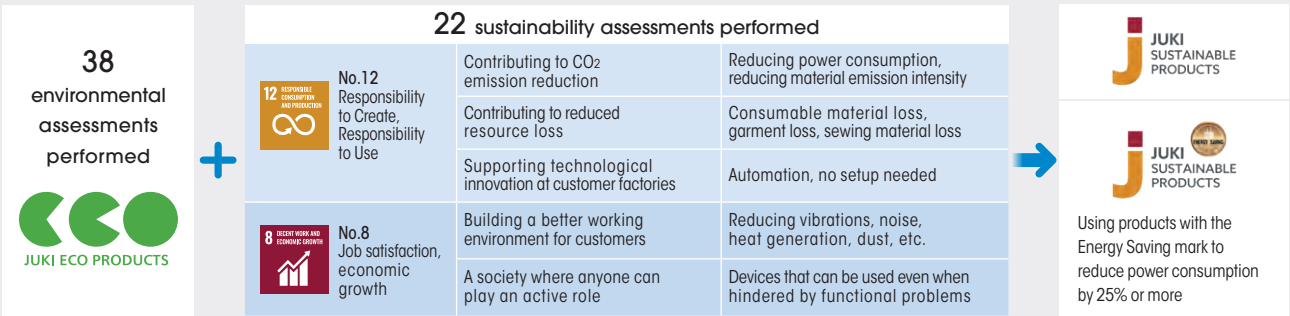
The LX-8 was developed to operate with two types of replaceable, interchangeable heads at high speeds with high versatility. As a follow-up to its earlier mounter with a head for general-purpose use, JUKI has developed a head for high-speed machines and commercialized a mounter with a replaceable head. Thanks to its dual-head capability, this mounter dramatically improves the flexibility of production equipment and allows for the all-around construction of highly detailed production lines optimized to the items to be manufactured.

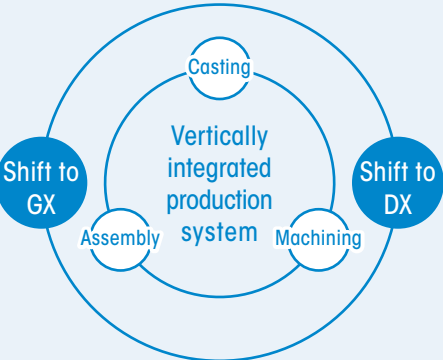


③JUKI establishes the “JUKI SUSTAINABLE PRODUCTS” certification system.

JUKI has established a new “JUKI SUSTAINABLE PRODUCTS” certification system to achieve the materiality set forth in the SDGs. This system certifies products that have achieved internal standards by adding 22 sustainable assessments performed to the JUKI ECO PRODUCT evaluations, a set of product assessment standards JUKI has been using for some time. JUKI is committed to creating solutions to various social issues from the product side, such as working environment improvements and reductions in CO2 emissions and resource loss.

JUKI SUSTAINABLE PRODUCTS “LK-1900C” with the “Energy Saving” mark ▶





Global production strategy tailored to markets

Vision

Avoiding the risk of supply chain fragmentation to ensure a stable supply of products to customers

Strengths

- Integrated production system for casting, machining, and assembly within the JUKI Group
- Technological wherewithal to create unique production methods such as digital production
- The “Improvement Awareness” mindset rooted in every JUKI factory
- Cooperation among production sites in Japan and overseas

*1: Digital Transformation
*2: Green Transformation
*3: Supply Chain Management

Risks and Opportunities

- Risks**
- Production in China amid the U.S.-China trade frictions, etc.
 - (JUKI) Aging of employees at domestic business sites, technology transfer necessitated by the aging of our workforce, and difficulty in hiring new employees
 - Production methods required to curb CO₂ emissions
 - Ongoing rises in procurement costs due to geopolitical risks across multiple regions of the world
 - Technology transfer with the relocation of production sites



Keiichi Hashimoto
Managing Officer,
In charge of the Production Center

JUKI’s vertically integrated production system integrates all of the production phases from casting to machining and assembly. We regard this system as one of our core competencies and are working to evolve “*Monodzukuri*” (manufacturing) based on this integrated production approach. To this end, we are restructuring our global production strategy and further strengthening the shift to DX*¹ and GX*² in our factories. The new structure we are adopting under our global production strategy will minimize the risk of supply chain fragmentation in the face of newly emerging geopolitical risks and tailor our supply system to better respond to geographical fluctuations in the market. As part of our restructuring, we closed one of our four production plants in China in 2023 and established a new factory in India (JUKI India Private Limited, Gujarat Factory). Our new factory in India commenced operations in June 2024 and will soon be supplying products to India’s domestic market. We will also be further promoting local production for local consumption by expanding the local procurement of parts.

In our shift to DX, we will strengthen our production technology development system by proactively incorporating forefront technologies and deploying DX horizontally to other factories after introducing it at the Ohtawara Plant, JUKI’s mother plant. In addition to automating processes, we will be strengthening the SCM*³ capability of factories by visualizing process information and linking it to the supply chain mechanism.

The shift to GX is one of the key elements supporting the JUKI Group’s SDGs management approach. As carbon-neutral initiatives, we will introduce renewable energy, switch to high-efficiency equipment, promote the horizontal deployment of energy-saving activities, and visualize environment-related information to further reduce energy consumption and CO₂ emissions at our plants.

- Opportunities**
- New production site strategies responsive to supply chain fragmentation and logistics disruption
 - Technological innovations such as IoT, AI, and 5G and their practical use in production factories
 - Production innovations needed to reduce CO₂ emissions
 - Promotion of local procurement overseas
 - Technology transfer through the use of automation/digitalization

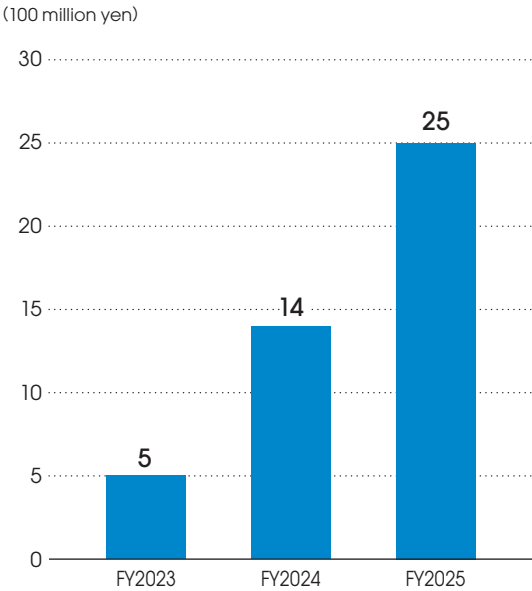
Major Initiatives for FY2023

- Invest in automation for smarter factories.
- Promote local procurement, mainly in the ASEAN region.
- Reorganize JUKI’s bases in China.
- Expand JUKI’s factory in Vietnam and establish a parallel production system for household sewing machines.
- Conduct cross-site technical exchange meetings, mutual process audits, and supplier audits as dedicated quality-improvement activities.

Medium-term Management Plan (Initiatives for 2024-2025)

Priority measures	Details of initiatives
Promote smarter operations at each business site across the departments	① Promote smarter production through collaboration on production technology with the group company’s business sites ② Strongly promote the shift to DX/GX with leading-edge technology.
Stabilize quality and reduce F-costs (manufacturing failure costs)	① Provide audit guidance to priority suppliers. ② Reinforce mutual audits between bases.
Stabilize procurement and promote cost reduction	① Establish a local-production-for-local-consumption system in parts procurement. ② Perform proactive management by forecasting the supply-demand balance of key components.
Respond to SCM fragmentation risk and promote production site strategies linked to sales market trends	① Promote a global parallel production system. ② Commence operation of the new factory in India (JUKI India Private Limited, Gujarat Factory).
Reinforce measures to achieve carbon neutrality	① Switch to high-efficiency equipment through the execution of a carefully selected capital investment plan. ② Expand energy creation. ③ Continue using renewable energy.

Target level
Investment effect for smarter factories(cumulative yen value)



We are improving work efficiency by making factories smarter through automation and other means. The target value is the amount of improvement in overall work efficiency.

TOPICS

Waste-free factory creation is promoted using 3D layout software.

As one of our initiatives for the advancement of automation, the Production Engineering Department at the head office has taken the lead in forming a cross-sectional group of production engineering departments from group companies to promote the creation of waste-free factories that make full use of DX/GX technology.

In one of our core automation projects in 2023, we customized 3D layout software to our own specifications and put it to practical use. VR simulations and spatial understanding in three dimensions enable a DR to discover the optimal factory layout before the factory is built. DRs have already been implemented at JUKI’s Ohtawara plant and at a new factory in India.



A new factory starts operation in India. (JUKI India Private Limited, Gujarat Factory)

JUKI India Private Limited established a factory in Gujarat, India and launched it operationally in June. As a smart factory incorporating forefront technology, the Gujarat factory will begin local production ahead of other companies. And as a global company, JUKI will begin supplying products to the Indian market and developing the Gujarat factory as a supply base for the future markets in India and westward.



JUKI India Private Limited, Gujarat Factory

Business foundation

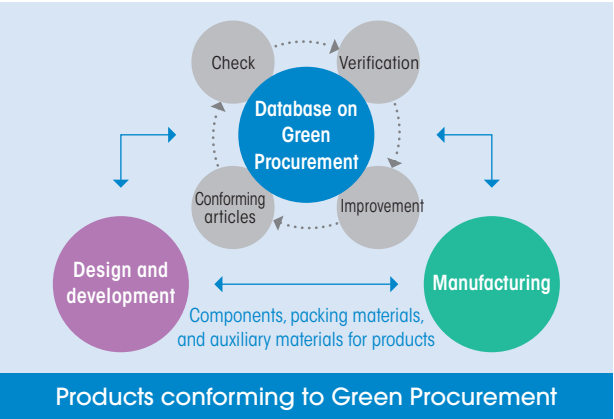
Procurement

Basic policies for JUKI's procurement activities

The procurement policies of the JUKI Group place high priority on “Compliance with laws and regulations,” “Coexistence and co-prosperity,” and “Fair and equitable evaluation and selection” with suppliers. The Group’s procurement activities adhere to these priorities in every global region.

Compliance with laws and regulations.

We conduct our global procurement activities in compliance with the regulatory requirements and standards governing safety and health, global environmental protection, legal compliance, fair trade, corporate ethics, etc.



Coexistence and co-prosperity

We actively communicate with suppliers to deepen our relationships of trust with them and conduct manufacturing activities that encourage our mutual growth. As an active supporter of co-existence and co-prosperity, we regularly hold a workshop for cooperating companies to share JUKI's initiatives, sense of direction, and goals. We aim for coexistence and co-prosperity with cooperating companies by learning from each other as good partners and existing and developing together sustainably into the future.

Fair and equitable evaluation and selection

JUKI selects suppliers based on a comprehensive evaluation of ① the quality, price, delivery time, etc. of procured products, ② technical capabilities, and ③ reliability as a company.

We will always respond sincerely and provide fair and equitable opportunities to new entrants, regardless of their scale or where they are based (domestic or international).

Suppliers who make notable contributions to QCD are commended at JUKI's regularly held workshop for cooperative companies, and all suppliers who meet JUKI's quality assessment standards are issued a Certificate of Guaranteed Delivery.



Procurement transactions are conducted in line with changes in the environment.

We promote initiatives for procurement activities that respond to changes in the environment in Japan and overseas.

- **Avoid supply chain fragmentation risks.**
 - ▶ Promote procurement appropriate to a production system geared to local production for local consumption. (Promote local procurement.)
- **Implement new procurement activities in line with the production system.**
 - ▶ Search for new suppliers to support the establishment of JUKI's new factory in India.
 - ▶ Promote the procurement of key parts in ASEAN.

Medium-term Management Plan

Details on the initiatives

We will work to “stabilize procurement and promote cost reductions.”

- ① Build a local production system for local consumption, including parts procurement, and expand local procurement.
- ② Promote cost reduction activities with an emphasis on major sales models.
- ③ Forecast the demand-and-supply balance in major parts industries and manage it ahead of time to ensure stable procurement.

TOPICS

Workshop(JUKI Cooperation Association Activities)

In July 2023 we held our first face-to-face workshop after the four-year hiatus during the COVID-19 pandemic. Participants visited a company that operates a home appliance recycling business, observed the product recycling process, and learned about environmental/SDG-related initiatives.



In November 2023, “Quality Month,” we held a workshop at the Ohtawara Plant. Participants took a tour of JUKI's smarter factory and attended a presentation by an outside lecturer. In workshop dialogs, participants shared information about JUKI's global production strategy and managerial responses to the market and business environments.



Business foundation

Quality management

Basic stance on quality control

JUKI Quality was based on QC activities introduced in the 1970s. In 1981, JUKI was awarded the Deming Application Prize for Divisions in the business section of the industrial sewing machine category. After subsequent developments, JUKI instituted a core basic management policy called “Promote Total Quality Management,” in 1988. JUKI has managed business with an emphasis on quality ever since.

Five-Article Quality Declaration

JUKI has established the Five Articles of Quality, a set of action standards for quality to be observed within all departments of the JUKI Group. With the articles, JUKI ensures that all employees are thoroughly familiar with the Five Articles and cultivate a quality mindset to guarantee the quality that JUKI provides.

Five-Article Quality Declaration for Safety and Peace of Mind

1. We **comply with laws, rules, and the commitments we make to our customers** when providing our products and services.
2. We **give the highest priority to the customer's safety and peace of mind** in our work on the quality of our products and services.
3. We **rely deeply on the customer's voice to guide our unceasing efforts towards quality improvement.**
4. We **raise quality based on the five-Gen principles* to earn the customer's trust** and grow our business.
5. We **contribute to the sustainable development of society** by improving the quality of our products and services.



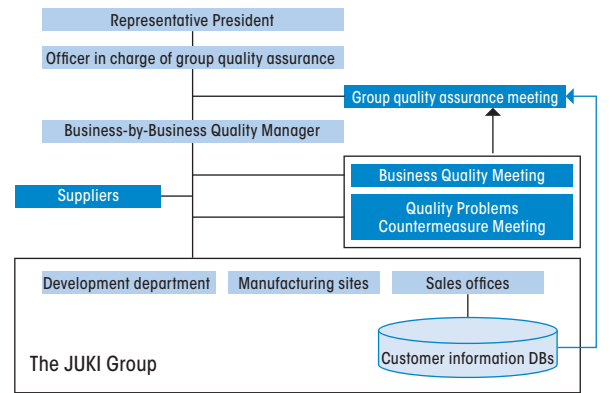
* The five-Gen principles: Genba, Genbutsu, Genjitsu, + Genri, Gensoku

◀ Japanese, English, Chinese, and Vietnamese versions are distributed to all speakers of those languages in the JUKI workforce.

Quality control system

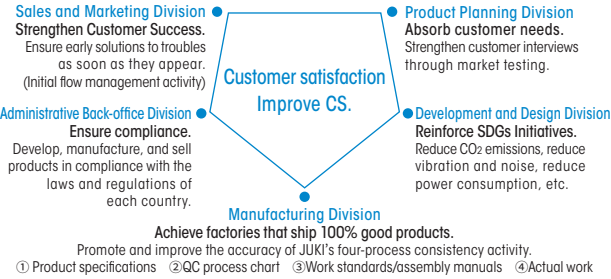
JUKI maintains and improves quality by holding regular meetings for the development, manufacturing, and sales departments of each business, including its suppliers. In the unlikely event of a quality problem, the JUKI Group has established a Group-wide system to act quickly and quickly to solve the defects.

The JUKI Group Quality System Chart



Various initiatives are taken to improve Customer Satisfaction (CS).

In its pursuit of total quality management, JUKI is improving customer satisfaction (CS) by achieving “factories that ship 100% good products” in manufacturing, “absorbing customer needs” in product planning, “strengthening customer success” in sales and marketing, “reinforcing SDGs initiatives” in development and design, and “ensuring compliance” in administrative back-office operations. Through total quality management, JUKI is working to ensure that its customers and society can use JUKI products and services with peace of mind.



Medium-term Management Plan

Details on the initiatives

We will work to stabilize quality and reduce F-costs (production failure costs).

We conduct quality re-inspection activities themed on “We don't accept,” “We don't produce,” and “We don't overlook” in accordance with our “From Reactive to Proactive” slogan.

- ① Improve the quality of delivered parts by evaluating suppliers.
- ② Implement process re-inspection activities from an objective viewpoint (cross auditing among business sites)

TOPICS

Initiatives for “Quality Month”

We conduct educational activities to raise and maintain quality awareness among all group employees during Quality Month of every year.

For the launch for our November 2023 Quality Month, the officer in charge of quality sent out a message under the theme, “Unite for Growth - Creating Quality in a New Era through Human Resource Development and a Strong Organization.” Two major events were held in the coming days to horizontally deploy good practices. First, employees from group companies attended a Quality Month workshop at the Ohtawara plant. Later, on the 22nd, group-wide employees attended the JUKI GLOBAL QUALITY MANAGEMENT FORUM, a global presentation on improvement proposals held online.



▲A workshop held in 2023

Business foundation
Intellectual property strategy

The concept behind JUKI’s intellectual property strategy

Intellectual property is an important asset for securing competitive advantage and ongoing business growth. We are creating and operating an intellectual property strategy for accumulating and using intellectual property (attack) while respecting the rights of third parties (defense).

Accumulation and use of intellectual property (attack)

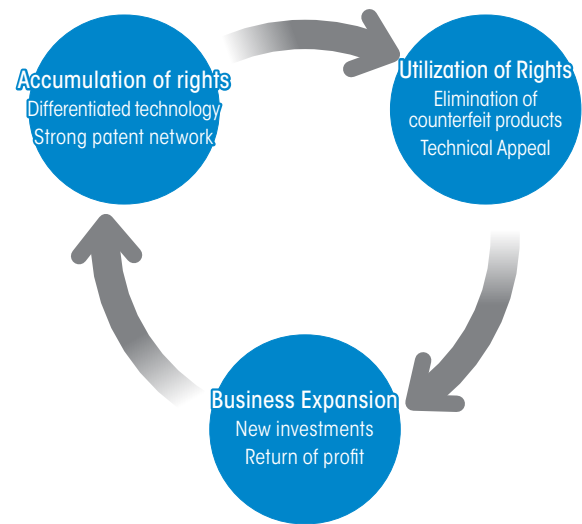
We are also working to build a strong patent network that will be reinforced by technologies that are expected to be developed in the near future, in order to appropriately protect the fruits of our research and development efforts and to ensure competitive advantage and freedom of development centered around the key development themes of our business in the years ahead. Our business policy overseas is to file global patent applications, especially in China, in light of the competition. We strive to maintain and enhance our brand image by appropriately eliminating counterfeit products through legal action and the issuance of warnings. The registered “JUKI” trademark acquired legally protected status as a famous trademark in China in 2018, thanks to our anti-counterfeit efforts.

Respect for the third-party rights (defense)

We strive to reduce the risk of infringement of third-party rights by establishing and operating a system to investigate and review third-party rights at all stages of the development cycle: before development begins, during development, and after development is complete.

Cycle of Growth

The “accumulation” and “utilization” of intellectual property are closely related activities. Our goals are to use acquired intellectual property to contribute to corporate growth by generating profits and expanding business, and to bring superior products to the market.



Medium-term Management Plan

Details on the initiatives
① Reinforce the accumulation of rights - Based on the sales targets, development policies, and assumed competitive conditions set forth in the mid-term business plan, we will set the number of intellectual property rights deemed to be necessary for our future competitiveness and the target number of annual patent applications deemed to be necessary to achieve this goal. Moving forward, we will continue to systematically strengthen the accumulation of more intellectual properties in the future. - We will also increase the overall value of the intellectual property rights we hold by proactively disposing of obsolete rights and reallocating the cost of maintaining rights to investments in new patent applications.
② Utilize ownership rights - By identifying the links between the differentiating technologies of our products and the rights we hold, we will be scaling up the use of those technologies as a means of promoting the superiority of JUKI’s products. - We will strengthen applications for design rights as an effective means of eliminating counterfeit products and safeguarding important intellectual properties that enhance JUKI’s brand image.
③ Work on the use of intellectual property information. We are analyzing the application trends of our competitors and using this information to develop competitive products. We will continuously analyze and improve the accuracy of our analyses in order to better formulate business strategies and development policies.

TOPICS

JUKI actively utilizes intellectual property rights to combat counterfeit products on the market. JUKI prevailed in bringing two intellectual property claims in fiscal 2023, one in a trademark infringement lawsuit in August and another in a patent infringement lawsuit in November. JUKI will continue to take strict action against the infringement of intellectual property rights in order to protect the interests of its customers and products.

“JUKI wins a trademark infringement lawsuit held by JUKI (CHINA) CO., LTD. in China.”

Under a final judgment of the first instance, the defendant was ordered to stop manufacturing and selling products that infringed the registered trademark “JIN” and to pay RMB 50,000 in compensation for the infringement.



▲Trademark lawsuit
Trademarks covering the JUKI Group

“JUKI wins a patent infringement lawsuit in China on JUKI industrial sewing machines.”

The judgment ordered the defendant to stop manufacturing, selling, and offering products that infringed the patent and to compensate the defendant for economic loss caused by the infringement plus reasonable costs associated with the enforcement of the right. The total amount awarded was RMB 1,000,000.



▲Patent lawsuit
JUKI products to be covered

Business foundation
Design strategy

Toward brand value enhancement through design

We are working to promote design thinking and user experience (UX).

In FY2023, we focused mainly on how to spread the concept of UX throughout the company. We engage in customer-oriented product development and design activities using our customer-journey map as a starting point. Our aim in developing XR technology is to enable new user experiences with AR and VR devices as soon as possible. When it comes to brand design, we are strengthening our internal branding to ensure that every member of the JUKI Group remains ever-aware of the JUKI brand in their activities.

Medium-term Management Plan

Details on the initiatives
① Product design We aim to redefine JUKI’s identity while improving both the appearance and usability of JUKI’s products and services based on the concepts of “collaboration with people” and “people-friendly design.” In 2023 we implemented integrated planning, development, and design activities using our customer-journey map as a starting point. We will be expanding our activities globally in 2024, including in the B-to-B field. We will also be systematizing our UX activities and restructuring our decision-making processes on product design. Promote a product design strategy Build a UX development process Improve attentive ease of use
② Develop XR technology We have commenced the in-house production of marketing videos that apply XR technology from the early stage of product development through the one-source multi-use of CAD data. These videos have proven to be highly effective in QCD+E. We will continue to accelerate our digital transformation (DX) in the value chain in 2024. Multiple uses of 3D CAD data Development of virtual prototypes Improved customer experience through use in sales
③ Brand design For higher brand consistency, we are carrying out in-house education activities to keep our senior managers and employees fully up to date on the revised JUKI logotype. Turning to CI (corporate identity) and VI (visual identity), we are creating an assortment of logos and visual presentations that accurately and impressively communicate our products and corporate activities to JUKI stakeholders. Brand image enhancement Release of a brand story Visualization of JUKI’s vision and management strategy

TOPICS

The UX design activities are accelerated even further. We are pressing ahead with our customer-journey mapping activities to more quickly improve the experience of using JUKI professional-use sewing machines. We are working across departmental boundaries to create future technologies and innovations by observing how users use our products, visualizing sewing operations over time, and conducting detailed user analysis to solve problems and find and address latent needs.



Initiatives for one-source multi-use with help from CAD data

At “Texprocess2024,” the international trade fair in Frankfurt, Germany, we showed audiences a series of JUKI-produced videos introducing the advanced functions and high-level performance of JUKI products to highlight their appeals. Most of the computer graphics in these videos were produced in-house. Moving images are far superior to still images in introducing the internal structures of our machines and systems and highlighting their appeals.



Good Design Award 2023

JUKI received the Good Design Award for two consecutive years, in 2022 and 2023. JUKI’s SL-700EX, a professional-use sewing machine (first generation machine name: Spool 90), won the Long Life Design Award. We will continue our efforts to enhance JUKI’s corporate value in order to earn the trust of society and JUKI customers in third-party evaluations.



Jury’s comments on the Good Design Award and Long Life Design Award

[The SL-700EX, a professional-use sewing machine (first generation machine name: Spool 90)] Sewing machines remind me of JUKI. The overwhelming market share of JUKI products makes sense. Their uncompromising quality reminds me of the underlying strength of Japanese manufacturing (*Monodzukuri*). The market presence of JUKI sewing machines seems to have raised the quality of sewing products overall, especially in the world of Japanese apparel. JUKI’s reputation for quality affects not only Japan, but all of the world. Winning this Long Life Design Award is a significant achievement in terms of not only quality, but also the long-loved design of the product itself. JUKI’s long-running practice of providing all of the needed functions without adding them as separate accessories or extras attests to the company’s integrity, confidence, and determination to serve the customer as best as it possibly can. We hope to create a world where this kind of design remains appreciated and demanded.

ESG initiatives Environmental initiatives

Reduction of environmental load

Relation to the SDGs

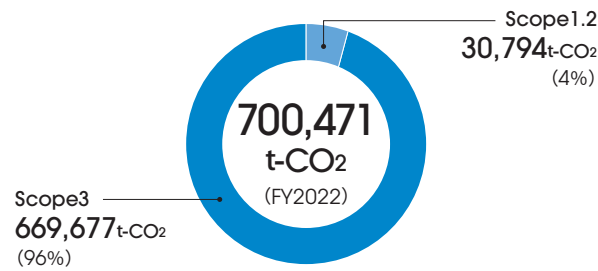


We are working to reduce our environmental load through business activities focused on reducing greenhouse gas emissions, complying with environmental regulations, and developing safe and eco-friendly products.

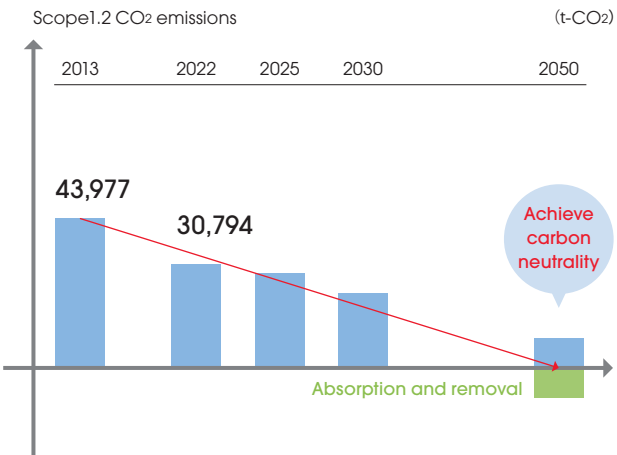
Achieve carbon neutrality

To address climate change and other global environmental issues, the JUKI Group has made a commitment to achieving carbon neutrality by 2050 using CO₂ emissions as a metric. To achieve this goal, we have set the medium-term targets of reducing Scope 1 (direct emissions by the company) and Scope 2 (indirect emissions from energy sources used by the company) CO₂ emissions by 37% in FY2025 and by 50% in FY2030, compared to the FY2013 levels. We will aim to achieve these targets by promoting energy-saving activities throughout our business operations, promoting the decarbonization of production facilities in cooperation and collaboration with suppliers, and introducing renewable energy generation facilities, storage batteries, carbon-free electricity, and the like.

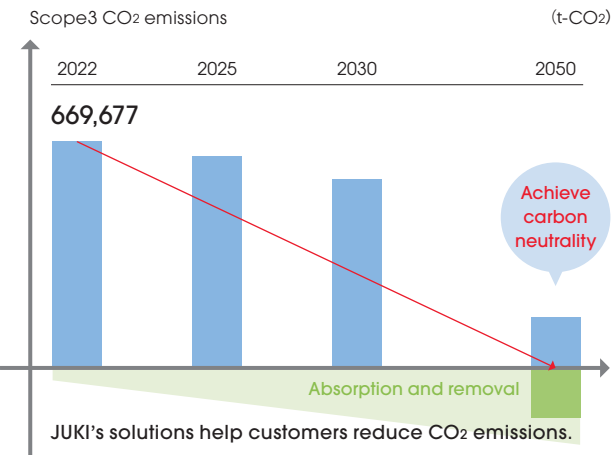
CO₂ emissions by Scope



CO₂ emission reduction target (Scope 1.2)



CO₂ emission reduction target (Scope 3)



* Achieve carbon neutrality by 2050 through absorption and removal measures as well as the CO₂ emission reductions contributed by customers using JUKI solutions.

Developing eco-friendly products

ECO PRODUCTS certified in FY2023

The product meets the JUKI Group Green Procurement Guidelines, a set of standards even stricter than the RoHS Directive and other regulations governing the handling and use of hazardous chemical substances.

Industrial sewing machines



High-speed, single-needle, lockstitch and zigzag stitching machine LZ-2280B series

Household sewing machines



Computer-controlled buttonholer for JUKI professional-use sewing machines EB-1

Electronics assembly & systems



Advanced flexible mounter LX-8

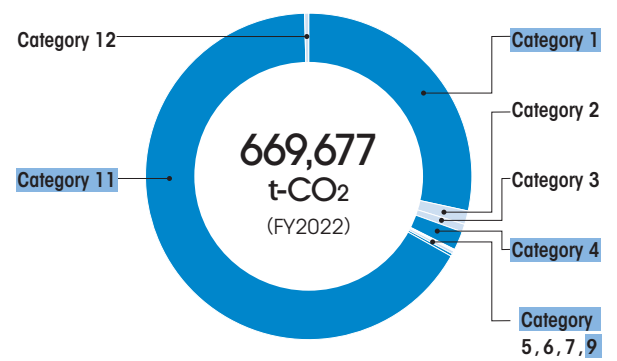
Calculation of CO₂ emissions for all supply chains in total (Scope 3)

The JUKI Group began calculating Scope 3 emissions (non-Scope 1 and non-Scope 2 emissions related to JUKI's business activities in the value chain, such as raw material procurement, logistics, and sales) in FY2022. Because of the structure of our businesses, Category 1 (purchased products and services), Category 4 (transportation and delivery (upstream)), Category 9 (transportation and delivery (downstream)), and Category 11 (use of products sold) emissions account for most of JUKI's CO₂ emissions overall. Category 11 emissions are the largest among these categories. We initially prioritized our survey to cover the above four categories and conducted the survey for all categories in FY2023. Scope 3 emissions account for more than 90% of the Group's total CO₂ emissions (total of Scope 1, 2, and 3). We will strive to reduce Scope 3 emissions through the development and supply of products with enhanced environmental performance.

Initiatives to Reduce Environmental Impact

Scope 1.2	Production facilities  - Switching to the facilities with less environmental impact - Switching to the smarter production methods
	Buildings  - Visualizing the energy loads - Promoting the switch to energy-saving equipment
	Electricity  Replacing non-renewable energy with renewable energy
	Absorption/ removal of CO₂  Using carbon credits (Support for afforestation projects, etc.)
Scope 3	Procurement / Logistics  - Improving the use of recycled materials - Improving logistics methods for procurement
	Development  - Further promoting the planning and development of energy-saving products - Using eco-friendly materials - Downsizing product weights and sizes
	Products/Services  - Supporting and consulting to help customer factories become smarter and energy-efficient - Promoting a refurbishment business

CO₂ Emissions by Scope 3 Category



■ : Categories that account for most of our CO₂ emissions

Categories/Details		CO ₂ Emissions (t-CO ₂)
1	Purchased products and services	190,210
2	Capital goods	9,035
3	Fuel and energy-related activities not included in Scope 1 and 2	5,166
4	Transportation and delivery (upstream)	12,501
5	Waste from business activities	702
6	Business travel	605
7	Employer commuting	1,879
8	Leased assets (upstream)	—
9	Transportation and delivery (downstream)	1,772
10	Processing of products sold	—
11	Use of products sold	445,108
12	Disposal of products sold	2,698
13	Leased assets (downstream)	—
14	Franchises	—
15	Investment	—
Total		669,677

(—) is not applicable.



Disclosure of information based on the TCFD recommendations

The JUKI Group has made a commitment to achieving carbon neutrality by 2050 by increasing its efforts to reduce CO₂ emissions in product development, production, and business activities to the greatest possible extent. In July 2022, the Group endorsed the TCFD (Task Force on Climate-related Financial Disclosures) recommendations established by the Financial Stability Board (FSB) and announced its participation in the TCFD Consortium, a group of companies that support the TCFD recommendations.



As a TCFD member committed to carbon neutrality, the JUKI Group has analyzed the risks and opportunities that climate change poses to its business. We will reflect this analysis in our management and business strategies, practice thorough information disclosure, and strengthen our efforts to achieve carbon neutrality.

Governance

In August 2022 the JUKI Group established a Sustainability Promotion Committee to enrich its business activities by incorporating a sustainability concept that aims to ensure the stability and sustainability of the “environment,” “society,” and “economy” into the future without losses of corporate value, while solving social challenges and achieving sustainable growth for the entire Group. The Sustainability Promotion Committee, the Management Strategy Council, and the Risk Management Meeting work together to formulate long-term corporate strategies to promote management from a sustainability perspective.

Strategies (scenario analysis)

JUKI has identified climate change-related risks and opportunities that may affect the Group’s businesses now and in the future under two scenarios, a 1.5°C scenario (Note 1) and 4°C scenario (Note 2) assumed as a climate-related scenario, along with the risks (Note 3) and opportunities (Note 4) for the Group businesses under each scenario.

The following risks and opportunities related to climate change in the JUKI Group have been identified based on the results of our scenario analysis, along with their impacts and the countermeasures against them.

(Note 1)

Rapid social changes toward carbon neutrality in 2050 will limit the global average temperature increase to 1.5°C at the end of the 21st century.

<Scenarios referenced>

- Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report SSP1-1.9 (Common Social Pathways SSP1 / Representative Concentration Pathways RCP1.9)
- RCP2.6 (While the RCP2.6 scenarios are similar to the scenarios of less than 2°C, some supplemental data is drawn from other references.)
- International Energy Agency (IEANetZero by 2050)

(Note 2)

Social activities to reduce greenhouse gas emissions will not progress, resulting in a global average temperature increase of more than 4°C at the end of the 21st century.

<Scenarios referenced>

- Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report SSP5-8.5 (Shared Social Pathways SSP5 / Representative Concentration Pathways RCP8.5)

(Note 3)

Identified in line with the Group’s business in terms of transition risk (policy, regulation, technology, market, reputation) and physical risk (acute, chronic)

(Note 4)

Based on transition and physical risks identified in line with the Group’s business in terms of resource efficiency, energy sources, products/services, markets, and resilience.

Climate-related risks and opportunities

Scenarios	Risks / Opportunities		Time frame	Impact on business	Response measures	Financial impact
1.5°C	Transition risks	Policies/Regulations	Medium-term to Long-term	● Increased business costs incurred through the introduction and strengthening of climate change policies and regulations such as carbon pricing (introduction of a carbon tax, capital investment for decarbonization, raw material price hikes, higher transportation costs, etc.)	● Promotion of decarbonized production facilities (conversion of electricity to lower-carbon fuels, hydrogen, biomass, synthetic fuels, etc., and non-petroleum fuels) ● Rebuilding of the production, logistics, and procurement networks in cooperation with suppliers	Medium
		Technology market	Medium-term to Long-term	● Lower demand when the rising demand for products and services that lead to decarbonization drives up the cost of R&D to improve the environmental performance of products and cannot be offset by lower price competitiveness. ● Price hikes and procurement difficulties due to changes in the supply-demand balance of raw materials, semiconductors, etc. accompanying the decarbonization of society	● Further promotion of the planning and development of products with high environmental performance (especially energy saving) ● Promotion of the use of eco-friendly materials (strengthen green procurement, increase the use of recycled materials, etc.) ● Improved efficiency of raw material use through reductions in product weights, sizes, etc.	Medium
		Reputation	Short-term to Long-term	● The emergence of adverse effects on financial arrangements, business relationships, etc. if climate change measures are delayed	● Systematic and steady promotion of initiatives to achieve carbon neutrality	Small
	Opportunities	Market	Medium-term to Long-term	● Growing demand for products and services that help customers improve productivity and save energy, as well as for products and services that contribute to the circular economy and reduce CO ₂ emissions over their lifecycles	● Provision of products and services to increase productivity and energy-saving performance, including support and consulting services to make customer factories smarter and more energy-efficient ● Deepening of the used equipment business and the establishment of a recycling system for the products and parts after being sold.	Large to medium
			Short-term to Long-term	● Increased demand for our products thanks to rapid growth in demand for circuit boards (PCB) as a result of digitization in all sectors as a contribution to decarbonization	● Continuation of planned production by maintaining production facilities capable of responding to increased demand	Medium

Scenarios	Risks / Opportunities		Time frame	Impact on business	Response measures	Financial impact
4°C	Physical risks	Acute	Long-term	● More frequent occurrence of natural disasters such as floods, severe typhoons, torrential rains, and storm surges, causing damage to JUKI's production facilities, etc. and supply chains, as well as losses due to operational shutdowns, etc.	● Strengthened business continuity plan (BCP) in all operational areas, including JUKI's supply chains	Medium to small
		Chronic	Long-term	● Worsened employee working environments and a higher risk of heat stroke ● Higher costs for air-conditioning and temperature control	● Introduction of equipment, etc. that will improve working environments ● Promotion of automation and labor-saving solutions in factories	Medium
	Opportunities	Resilience	Long-term	● Better maintenance of customer production systems through the provision of a stable supply of products in the event of a disaster	● Strengthened business continuity plan (BCP) in all operational areas, including JUKI's supply chains	Medium

(Time frame)Short-term: 5 years, Medium-term: 10 years, Long-term: more than 10 years.

Risk management

JUKI has established and operates a risk management system to appropriately address all Group risks. The system is centered on the Management Strategy Council, which handles strategic risks, the Crisis Measures Headquarters, which is responsible for business continuity, and the Risk Management Meeting, which consists of corporate officers and the heads of business units and group companies. We respond to the ever-changing risk environment by conducting annual policy reviews and quarterly risk assessment and monitoring audits and by reporting to the Board of Directors on the details of our risk response and the occurrence of major risks, with a view to making continuous improvements.

Indexes and Targets

►P.58 and P.59 “Reduction of Environmental Load”

ESG initiatives Social initiatives

Solving social challenges

Creating employment opportunities



JUKI's industrial sewing machines business support the growth of the labor-intensive sewing industry in developing countries. JUKI's equipment and systems change simple labor-intensive workplaces into people friendly working environments by making factories smarter.

Creating employment opportunities in developing countries

Since its founding in 1959, JUKI's Sewing Efficiency Research Institute has provided support activities focused on performance optimization by using production management and IE technologies to maximize the power of "materials, equipment, and people."

The institute's activities have been applied in ODA (Official Development Assistance) projects to foster export industries in developing countries towards the creation of national wealth and employment. JUKI has worked with government agencies in many countries, including Cambodia, Myanmar, Ghana, and Madagascar, to provide equipment and educational training to local apparel training centers.

The goal is to create a cycle of employment in developing countries by cultivating the training participants as future managers and key personnel.



Promotion of social participation by various human resources



The world is still full of illiterate people, especially in developing countries. JUKI organizes vocational education programs and works in other ways to increase the employment of workers with poor literacy skills and improve their treatment in the workplace.

Developing e-learning menus and providing them to worker trainees

We continue to offer seminars and group training to improve productivity and sewing quality in sewing factories and to disseminate maintenance techniques to customers. We launched these activities to provide "e-learning" training services in 2020. We will further expand our training service menu and promote highly specialized e-learning education to nurture advanced operators and maintenance personnel.



Sewing Operator Training Course

Providing an inspection support system that leads to employee development

Industrial sewing machines are provided with voice guidance functions and explanatory illustrations and symbols.

A system that supports daily sewing machine inspections in sewing factories with both a smartphone application and PC browser application is available free of charge. The system guides users through sewing machine inspections of 10 to 20 items with easy-to-understand pictures and teaches them about the important parts of sewing machines in the process.

JUKI aims to use this system to promote employment in developing countries.



The images illustrate inspections and daily maintenance.

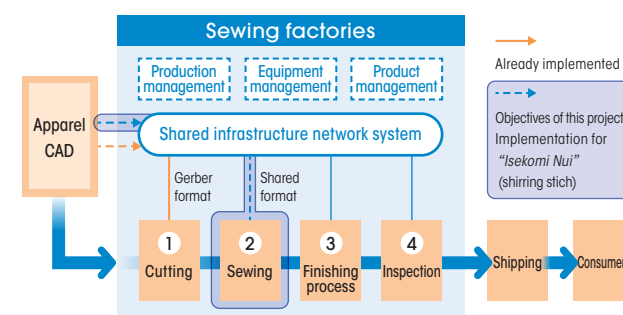
Simplifying difficult processes by linking sewing machines

The JAPAN SEWING MACHINERY MANUFACTURERS ASSOCIATION*1 (Chairman: JUKI Director Shinsuke Uchinashi) was commissioned by the Mechanical Social Systems Foundation in fiscal 2023 to develop an innovative strategy to simplify difficult, skilled processes such as "Isekomai Nui" (shirring stitches) by directly importing CAD data into sewing machines.

CAD-created data serving as the blueprint of a garment is directly imported into a digital sewing machine to realize sewing that can be executed without relying on the skills of experienced workers. We begin this process by creating a "shared format" that links all apparel CAD systems and digital sewing machines to enable the automation of the sewing process and the mass production of customized garments in the future.

*1 A Japanese industry association of manufacturers of sewing machinery, parts, and accessories. The association promotes the planning, standardization, and hosting of international exhibitions (JIAM) for the industry.

Sewing factory network system diagram



* Information on each process is used in a coordinated manner through a network.

Reference: (General Incorporated Foundation) The Mechanical Social Systems Foundation*2

*2 A general incorporated foundation in Japan. This incorporated foundation conducts projects related to the research, development, and dissemination of mechanical systems that adapt to societal needs.

Contributing to reduced clothing waste



Mass production and large inventories have resulted in clothing waste. From the standpoint of supporting the production of sewn products, we will work to solve this challenge by optimizing low-volume production, improving the efficiency of mass production, and expanding JUKI's business domains.

Achieving the production in just the right amount through automation, digitalization, networking, and consulting

To achieve production in just the right amount, JUKI is building a highly productive and compact line that optimizes the amount of inventory in short-cycle production by making full use of automation, digitalization, and networking technologies. The seam values registered in a digital machine can be adjusted with just a few touches, making it easy to accommodate changes in sewn items. Automation saves labor, and the network-based JaNets system enables production progress and volume control. JUKI is also leveraging its 60-plus years of consulting experience to build a production system that eliminates clothing waste according to every customer's individual needs.



JaNets and Hanger System exhibition at JIAM (Japan International Apparel Machinery & Textile Industry Trade Show)

The upcycling activities using old clothes and waste materials expands outside the company.

JUKI has been conducting "upcycling" activities to recycle old clothes and waste materials that have outlived their usefulness into new and valuable goods. Various JUKI upcycling events have been held in-house since 2021.

In 2023, we are beginning to expand our upcycling activities on a nationwide scale in cooperation with 12 sewing machine stores (called "JUKI upcycling sewing studios") that have been cooperating with JUKI's upcycling activities.

The first event, sponsored by an apparel manufacturer, was an upcycling sewing workshop. Participants brought in used clothes from their own homes and transformed them into bags.

Moving forward, we will continue to work with a growing number of sewing machine stores to promote upcycling activities nationwide.



Ensuring occupational health and safety



Safer and more secure work conditions protect JUKI employees from workplace accidents and create working environments that allow each individual to reach their full potential. JUKI is committed to creating good working environments with its products and support.

Toward safe and clean sewing factories

JUKI develops products that realize clean and less fatiguing working environments by integrating functions to suppress operating noise and vibration while improving operability, safety, and dust collection efficiency. JUKI will also realize people-friendly working environments through initiatives to deskill the workplace and reduce heavy workloads through automation.



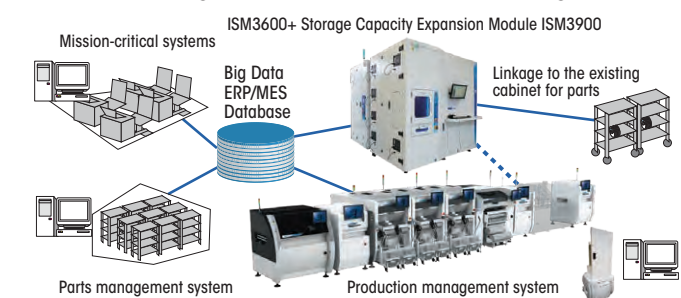
Support for technological innovation through improvement to productivity in the electronics industry



As a comprehensive manufacturer of board mounting equipment, we support the evolution of circuit boards for electronic and electrical appliances by responding to increasingly miniaturized chip components and complicated, irregularly shaped components. We support the industries that design the future with DX through technological innovation.

Improvement to back-and-forth process infrastructure in PCB mounting factories

We are working to realize smart factories that incorporate the latest technologies and reduce manpower to the greatest possible extent. We seek to reduce labor in the processes before and after the manpower-intensive PCB mounting line by developing an automated warehouse to store and manage electronic components, an automatic insertion machine that automates manual work in the post-mounting process, and a system that can be linked to mission-critical systems. We will realize convenient and comfortable lifestyles by making factories smarter through labor saving strategies and distributing inexpensive, high quality products throughout the world.



ESG initiatives Corporate governance initiatives

Directors, Audit & Supervisory Board Members and Corporate Officers

(as of July 1, 2024)

Directors



Akira Kiyohara

Chairman
Member of the Nominating and Compensation Advisory Committee



Atsushi Narikawa

Representative Director, President
Chairman of the Board of Directors
Member of the Nominating and Compensation Advisory Committee
Chairman of the Sustainability Promotion Committee



Shinsuke Uchinashi

Director, in charge of finance department (chairman of the Cost Structure Reform Committee) and in charge of internal control and compliance (chairman of the Risk Management Committee)

May 2009 Joined the Company, Advisor
June 2009 Senior Managing Director, CAO, and COO
July 2009 Senior Managing Director, CFO, CAO, and COO
June 2010 Representative Director and President
August 2013 Representative Director and President, and President of JUKI AUTOMATION SYSTEMS CORPORATION
January 2021 Representative Director, Chairman and CEO
March 2021 Representative Director, Chairman and CEO, and Representative Director, Chairman and CEO of JUKI AUTOMATION SYSTEMS CORPORATION
July 2022 Representative Director, Chairman, and CEO of the Company, Representative Director, Chairman, and CEO of JUKI AUTOMATION SYSTEMS CORPORATION, and Representative Director, Chairman, and CEO of JUKI TECHNO SOLUTIONS CORPORATION
March 2023 Representative Director, Chairman, CEO, and COO of the Company, Representative Director, Chairman, and CEO of JUKI AUTOMATION SYSTEMS CORPORATION, and Representative Director, Chairman, and CEO of JUKI TECHNOSOLUTIONS CORPORATION
July 2024 Representative Director, Chairman (present)
April 1982 Joined Fuji Bank, Ltd. (currently Mizuho Bank, Ltd.)
March 2006 Seoul Branch Manager of the same bank
April 2009 Executive Officer and General Manager of Sales Department 13 of the same bank
April 2010 Managing Executive Officer of the same bank
May 2015 Joined Foster Electric Company, Limited, Senior Managing Director
June 2020 President and Representative Director, and COO of the same company
June 2022 President and Representative Director, and CEO of the same company
June 2023 Chairman of the Board of the same company
March 2024 Joined the Company, Director
April 2024 Director, Executive Vice President, and corporate officer of the Company
July 2024 Representative Director and President, and Representative Director, Chairman of JUKI AUTOMATION SYSTEMS CORPORATION, and Representative Director, Chairman of JUKI TECHNOSOLUTIONS CORPORATION (present)
May 2011 Joined the Company, Senior Executive Operating Officer
March 2013 Managing Officer
March 2017 Director and Managing Officer
March 2018 Director and Senior Managing Officer
March 2020 Representative Director and Senior Managing Officer
January 2021 Representative Director, President and COO
March 2023 Director and President of the Company in charge of the finance department
July 2024 Director of the Company, Officer in charge of the finance department (present)

Outside Directors



Kazumi Nagasaki

Outside Director
(Independent Directors)
Member of the Nominating and Compensation Advisory Committee



Yutaka Hori

Outside Director
(Independent Directors)
Chairman of the Nominating and Compensation Advisory Committee



Junko Watanabe

Outside Director
(Independent Directors)
Member of the Nominating and Compensation Advisory Committee

April 1976 Joined Bridgestone Tire Co., Ltd. (currently Bridgestone Corporation)
November 1998 General Manager of Production System Development Dept. of the same company
March 2003 Plant Manager of Kumamoto Plant, of the same company
January 2005 Plant Manager of Yokohama Plant, of the same company
July 2005 Manager of Chemical and Industrial Products Production Div. of the same company
July 2008 President of Bridgestone EMK Co., Ltd.
February 2014 Senior Advisor of the same company
March 2014 Director of the Company (present)

April 1979 Registered as an attorney (Dai-ichi Tokyo Bar Association)
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

April 1980 Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)
June 2003 General Manager of Hiyoishi Branch, of Mizuho Bank, Ltd.
February 2006 General Manager of Oji Branch, of the same bank
April 2008 General Manager of Diversity Promotion Office, Human Resources Dept. of the same bank
September 2010 Executive Officer of Mizuho Research Institute Ltd.
May 2011 Senior Executive Officer of the same bank
April 2014 Joined Joban Kosan Co., Ltd., Executive Officer
March 2020 Audit & Supervisory Board Member of the Company
June 2020 Managing Director of Joban Kosan Co., Ltd.,
June 2022 Outside Audit & Supervisory Board Member of KYB Corporation (currently Kayaba Corporation) (present)
March 2023 Director of the Company (present)

Audit & Supervisory Board Members



Masahiko Suzuki

Audit & Supervisory Board Member
(Full-time)



Hiroko Nihei

Audit & Supervisory Board Member
(Outside)
(Independent Directors)



Minoru Takenaka

Audit & Supervisory Board Member
(Outside)
(Independent Directors)



Takashi Yoneyama

Audit & Supervisory Board Member
(Outside)
(Independent Directors)

April 1980 Joined the Company
June 2011 General Manager of Finance & Accounting Dept.
April 2016 Corporate Officer and General Manager of Finance & Accounting Dept.
March 2019 Full-time Audit & Supervisory Board Member (present)

April 1999 Joined Fuji Bank, Ltd. (currently Mizuho Bank, Ltd.)
March 2008 Retired from Mizuho Bank, Ltd.
September 2009 Completed legal apprenticeship. Registered as a lawyer (Daiichi Tokyo Bar Association)
October 2009 Joined O'Melveny & Myers gaikokuho kyodogogyo horitsujimusho, Associate Attorney at Law
September 2014 Received a master of laws degree from the University of Oxford
January 2016 Counsel Attorney at Law at the same law firm (present)
March 2019 Received a master of laws degree from Waseda University, Graduate School of Law (major in advanced legal studies, Intellectual Property Law)
June 2019 Outside Audit & Supervisory Board Member of Seed Corporation (to present)
January 2020 Supervisory Director of Invesco Office J-REIT, Inc.
June 2022 Outside Director of Hokuetu Corporation (present)
March 2023 Audit & Supervisory Board Member of the Company (present)

October 2000 Joined Deloitte Touche Tohmatsu LLC
June 2009 Retired from Deloitte Touche Tohmatsu LLC
March 2015 Registered as a certified public accountant
December 2015 Registered as a certified tax accountant
December 2015 Manager of Takenaka Minoru Accounting Firm (present)
March 2024 Audit & Supervisory Board Member of the Company (present)

October 2003 Registered as an attorney at law (Daini Tokyo Bar Association)
October 2003 Joined TMI Associates
May 2009 Graduated from University of Southern California Law School (LL.M.)
May 2010 Admitted to the New York State Bar
January 2014 Appointed a Partner of TMI Associates (present)
March 2024 Audit & Supervisory Board Member of the Company (present)

Corporate Officer with special titles

Hirokazu Nagashima

Executive Vice President and Corporate Officer, In charge of Electronics Assembly & Systems Company within the Industrial Equipment and Systems Business Unit, and General Manager of Electronics Assembly & Systems Company, President and Representative Director of JUKI AUTOMATION SYSTEMS CORPORATION, as well as in charge of Quality Assurance, and Chairman of the Board of JUKI AMERICA INC.

Katsumi Nihei

Senior Managing Officer, Deputy in charge of the Sewing Machinery and Systems Business Unit within the Business Operation Center (responsible for Southwest Asia, Middle East, and South-Central Africa regions), Chairman of the Board of JUKI INDIA PVT.LTD., Chairman of JUKI MACHINERY BANGLADESH LTD., Head of Project Team for Sports Shoes Key Accounts, and in charge of JINGF (JINGF: JUKI India Gujarat Factory).

Minoru Nitta

Senior Managing Officer, General Manager of the Sewing Machinery and Systems Business Unit as well as Non-Apparel Company, "in charge of the Sewing Machinery and Systems Business Unit within the Business Operation Center (responsible for Southeast Asia and Oceania region)," President of JUKI TECHNOSOLUTIONS CORPORATION, Chairman of the Board of JUKI SINGAPORE PTE. LTD., and Director of JUKI AMERICA INC. as well as JUKI SALES (JAPAN) CORPORATION

Yutaka Abe

Managing Officer, Deputy in charge of Electronics Assembly & Systems Company within the Industrial Equipment and Systems Business Unit. Deputy in charge of the Sewing Machinery and Systems Business Unit within the Business Operation Center (responsible for Europe, CIS and Northern Africa region), Chairman of the Board of JUKI AUTOMATION SYSTEMS GmbH. Chairman of the Board, JUKI CENTRAL EUROPE SP. ZO.O., Chairman of the Board of JUKI ITALIA S.P.A. and in charge of ESSEGI AUTOMATION S.r.l.

Jirou Ishibashi

Managing Officer, General Manager of the IoT Platform Equipment and Systems Business Unit and deputy in charge of the Business Operation Center (the Sewing Machinery and Systems Business Unit) responsible for the Business Planning Dept., the Smart Solution Company, and Alliances)

Kiyoshi Matsumoto

Managing Officer, In charge of Corporate Planning Dept. (Alliance), General Affairs Dept., Human Resources Dept., Information Systems Dept., Corporate Communications Dept. within the Global Co-Operate Center, in charge of Storage Business Company within the Industrial Equipment and Systems Business Unit, and Vice Chairman of Cost Structure Reform Committee

Hiroshi Anzai

Managing Officer, In charge of the Development Center, in charge of Design Strategy Dept. within the Global Co-Operate Center, Managing Officer of JUKI Automation Systems Corporation in charge of the Development Center, Director and Managing Officer of JUKI TECHNOSOLUTIONS CORPORATION in charge of the Development Center as well as A Project

Keiichi Hashimoto

Managing Officer, In charge of the Production Center, in charge of Group Business Company within the Industrial Equipment and Systems Business Unit, and General Manager of Production Planning Dept.

Corporate Officers

Tsuyoshi Inoue

General Manager of the Development Center at JUKI AUTOMATION SYSTEMS CORPORATION on temporary assignment

Tomohiro Takeda

CDO and General Manager of the Information System Dept.
* CDO: Chief Digital Officer

Kunio Nukui

(In charge of group companies)
Executive Director and HQ General Manager of JUKI (CHINA) CO., LTD.

Shunsuke Yoshida

(In charge of group companies)
In charge of the Sewing Machinery and Systems Business Unit within the Business Operation Center (responsible China region), Chairman of JUKI (CHINA) CO., LTD. (Sewing Machinery Sales), Chairman of the Board of JUKI (HONG KONG) LTD. and Senior Managing Corporate Officer of JUKI TECHNOSOLUTIONS CORPORATION

Kenji Nakao

Deputy in charge of the Production Center, General Manager of the Automation Promotion Center, and General Manager of the Production Engineering Dept. and General Manager of Ohtawara Plant

Keiichi Uekusa

Deputy General Manager of the IoT Platform Equipment and Systems Business Unit, General Manager of the Customer Business Company

Akira Tsukano

General Manager of Human Resources Dept. and President and Representative Director of JUKI PROSERVE CORPORATION

Masanori Suzuki

(In charge of group companies)
President and Representative Director of SUZUTAMI PRECISION INDUSTRY CO., LTD., and General Manager of Suzutami sub-office of Engineering Business Dept. within Group Business Company

Yasuyuki Suzuki

In charge of the Development Center (responsible for sewing machinery development) and General Manager of the Development Center at JUKI TECHNOSOLUTIONS CORPORATION on temporary assignment

Daizo Minami

General Manager of Finance & Accounting Dept.

Hideya Sudo

(In charge of group companies)
President and CEO of JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION

Masanori Awasaki

(In charge of group companies)
In charge of the Sewing Machinery and Systems Business Unit within the Business Operation Center (responsible for Americas region), and President of JUKI AMERICA INC.

Michinari Sougawa

General Manager of the Corporate Communications Dept. and the Secretarial Office and leader of Public Relations Group

Shuichi Nozaki

(In charge of group companies)
President and Representative Director of JUKI AIZU CO., LTD. General Manager of Aizu sub-office of Engineering Business Dept. within Group Business Company, and dedicated to handling quality issues of the Production Center

Hidehiko Koike

(In charge of group companies)
General Manager of Asia Global Sales Dept. within the Sewing Machinery and Systems Business Unit, President of JUKI SINGAPORE PTE.LTD. (responsible for Vietnam, Cambodia, Thailand and Myanmar regions), President of JUKI (VIETNAM) CO., LTD. and President of JUKI (THAILAND) CO., LTD.

ESG initiatives Corporate governance initiatives

Roundtable discussion with Outside Directors



Roles expected of the Outside Directors by stakeholders

Hori

As I understand it, the outside directors are to perform the role of monitoring and supervising management while considering the viewpoints and positions of the shareholders. I have and will continue to express my opinions to management in a timely and appropriate manner, without hesitation, while always weighing whether the actions JUKI takes are in the best interest of its shareholders. This has been my consistent view since taking up my post as an outside director.



Nagasaki

It is very important to provide effective supervision in a fair and objective manner. From that starting point, I believe that one of my core roles in serving JUKI's stakeholders is to contribute to JUKI's medium- to long-term growth by using the knowledge I have garnered over my many years in the manufacturing industry. Another important role is to always respect the corporate culture and traditions that JUKI has cultivated, yet to be willing to promptly review them if ever I perceive points that may be at issue or in any way uncomfortable.

Watanabe

I believe that companies like JUKI, with its history, tradition, and high technological capabilities, tend to be homogenized. While a highly homogeneous company is strong in times of stability, its survival may be challenged when social conditions are rapidly changing. A company draws strength from having a mix of different people with diverse experiences and opinions. My role is to create new value for JUKI by incorporating slightly different perspectives.

Issues and expectations considered in reviewing the Medium-term Management Plan

Nagasaki

The Medium-term Management Plan (2023-2025) was formulated with the participation of the outside directors. I believe that the newly reviewed Medium-term Management Plan is well thought out. Looking back at the timing, however, I think that the review should have been conducted before the beginning of 2023. When a gap forms between goal and results, quick action to get back on the right course is crucial. Given the three-year time frame for this Medium-term Management Plan, course corrections to close the gaps as soon as possible will raise the certainty that JUKI's goals will be reached.

Watanabe

I also think that the review of the Medium-term Management Plan should be rather proactive. As I see it, the Medium-term Management Plan should consist of at least 70% "Certainty," that is, goals that will certainly be achieved, and 30% "Challenge," or goals that are more lofty and ambitious. While this new Medium-term

Management Plan is also challenging, I hope to work flexibly and with a sense of speed to achieve its goals.

Hori

The new Medium-term Management Plan has been restructured as a "commitment with greater certainty" without changing the "long-term vision" or the "corporate vision for 2025" from JUKI's original plans. The plan calls for the strengthening of JUKI's management execution capabilities by redefining JUKI's businesses into three categories based on an examination of their growth potential, ensuring focused investment of management resources, and reviewing JUKI's organizational structure. I am confident that we are fully capable of achieving our goals.

ESG management initiatives

Watanabe

We are making good progress in ESG management. Behavioral Reforms (Transformation of People and Culture) are at the center of the three structural reforms in the Medium-term Management Plan. One of the basic concepts for strengthening JUKI's human resources is the acceptance of diverse values. As a company operating globally, JUKI engages employees with various social backgrounds and values. With a workforce as far-reaching as JUKI's, the company must create an environment in which every employee, regardless of gender, age, or nationality, can work successfully by recognizing the diversity of their peers. Systems for "promoting the advancement of female employees" and "assigning global human resources," for example, are actively advancing. While the overseas offices are making progress in promoting national staff to the management level, I would like to see JUKI go one step further and actively place foreign nationals and young executives in top-level management positions.



Nagasaki

JUKI's commitments to human resources development and environmental initiatives are also commendable. The other day I took part in the JUKI GLOBAL QUALITY MANAGEMENT FORUM (JGQMF), an activity aimed at improving quality. The presentations by the JUKI Group's overseas sites were outstanding. I can confidently report that JUKI has been solidly strengthening its human resources and bolstering their experience and knowhow in the field. Fundamental areas such as quality, safety, disaster prevention, and the environment, or what we call defensive areas, are extremely important to the manufacturing industry. We

have also established a new certification system called JUKI SUSTAINABLE PRODUCTS to achieve carbon neutrality. I look forward to the development of certified products.

Hori

JUKI is also committed to strengthening corporate governance. Director Junko Watanabe was added as an outside director in 2023 and three outside audit & supervisory board members served in office in 2024. JUKI has strengthened its system for incorporating diverse opinions from outside the company. This is commendable as a means of ensuring management soundness and transparency.

What JUKI should do to achieve sustainable growth

Nagasaki

JUKI's business is based on foundations of history and tradition. JUKI's strength lies in its ability to operate its business under the strong leadership of top management. We have accumulated high technological capabilities even within today's severe business environment. I am convinced that our corporate value will be further enhanced if we move forward in unison with the conviction that the progress we make each day will decide our outcome.



Watanabe

JUKI has stable business foundations and robust technological capabilities. JUKI's future hinges on its success in implementing the PDCA cycles toward its goals. JUKI must implement the cycles with steady resolution, unmoved by momentary mood swings between joy and sorrow. When talking with JUKI employees, I notice that each has their own emotion toward the company, their own personality, and their own high-level expertise. By actively communicating these emotions and personalities within and outside the group, I believe JUKI will grow into a more attractive and powerful company.

Hori

I agree that a company draws its strength from the abilities of all of its employees. JUKI is now developing various initiatives to enhance its corporate value. The "My Purpose Declaration," a project initiated for Behavioral Reforms, is one example. We, as outside directors, will contribute to JUKI's sustainable growth by closely monitoring whether the corporate philosophy and medium- to long-term vision have been properly disseminated across the board, whether there is any divergence in the company's direction in the midst of a drastically changing business environment, and whether the management strategies are being rationally carried out.

ESG initiatives Corporate governance initiatives

Corporate governance

JUKI aims to achieve highly transparent management by communicating with our business partners, investors, and shareholders, improving our corporate governance system, ensuring compliance, and strengthening risk management.

Basic concepts

JUKI has positioned the appropriate maintenance and operation of its corporate governance system as one of its most important issues and has been working to improve and enhance the system to ensure the soundness and efficiency of management and respond to the trust of its stakeholders.

JUKI also enhances the transparency of its management by making timely and accurate information disclosures.

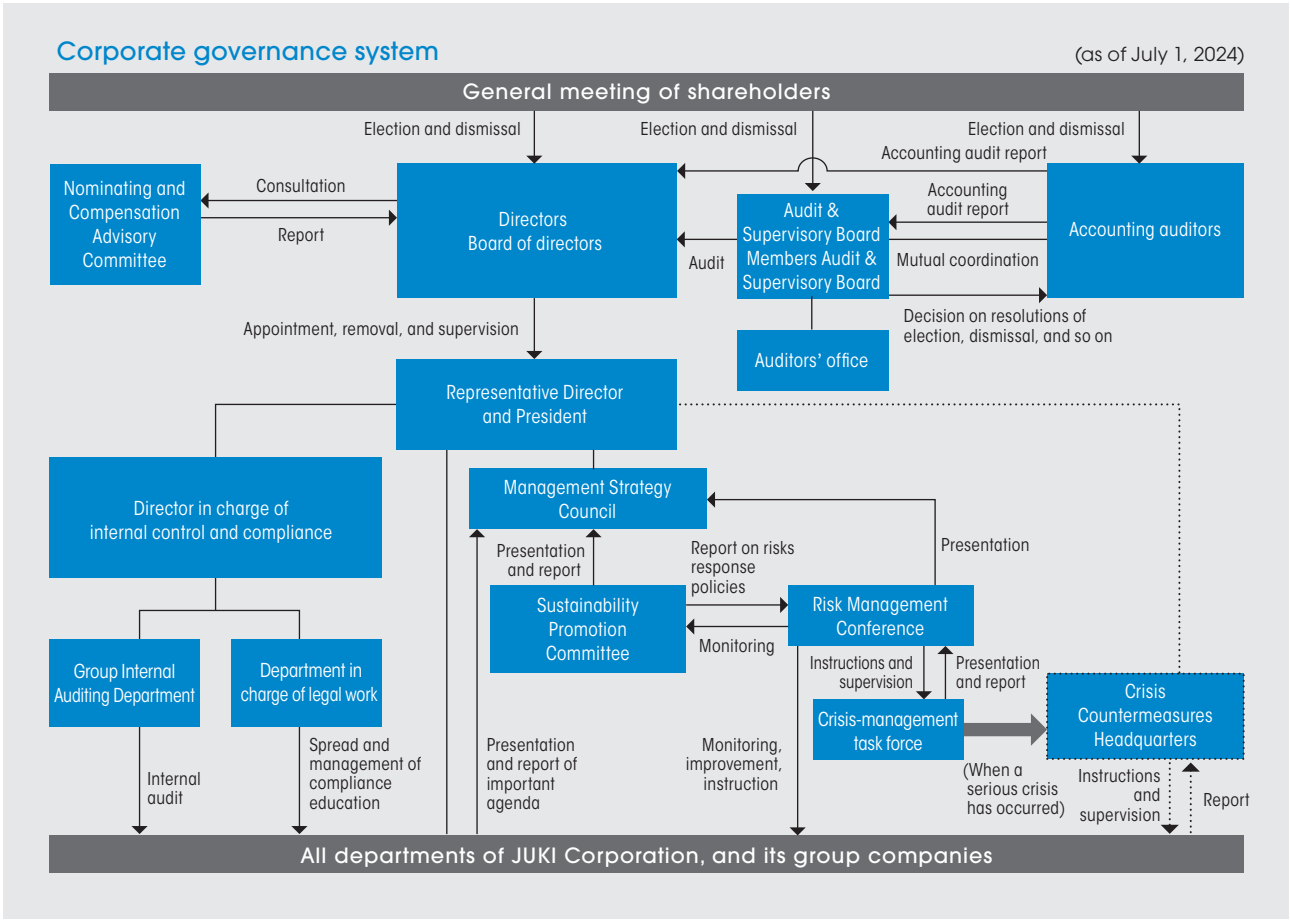
Corporate governance system

Board of Directors

The Board of Directors, which consists of six directors (Akira Kiyohara, Atsushi Narikawa, Shinsuke Uchinashi, Kazumi Nagasaki (Outside Director), Yutaka Hori (Outside Director), and Junko Watanabe (Outside Director)), makes decisions on legally prescribed matters and important management matters and supervises the status of business execution in a sequential manner.

Training for Directors and Audit & Supervisory Board Members

The Company has appointed persons who can fully fulfill the roles and responsibilities expected of Directors and Audit & Supervisory Board Members, including Outside Officers. In light of this, the Company promotes the understanding of the roles and responsibilities expected of Directors, including legal knowledge, of newly appointed officers, who have been promoted internally, by utilizing external training sessions and such. As for Outside Directors and Outside Audit & Supervisory Board Members, the Company conducts activities to understand the business and functions of the Company at the time of their appointment and periodically thereafter.



Audit & Supervisory Board

The Audit & Supervisory Board, which consists of four Audit & Supervisory Board Members (Masahiko Suzuki (Chair: Full-time Audit & Supervisory Board Member), Hiroko Nihei (Outside Corporate Auditor), Minoru Takenaka (Outside Audit & Supervisory Board Member), and Takashi Yoneyama (Outside Audit & Supervisory Board Member)), has established an Auditor's office to assist the Audit & Supervisory Board Members. Each Audit & Supervisory Board Member conducts audits in accordance with the audit policy, allocation of duties, etc. determined by the Audit & Supervisory Board and audits the execution of duties by directors.

Internal audit

The Company has established the Group Internal Auditing Department, which consists of seven (7) members. As part of its business activities, the Company conducts business audits of each division of the Company and group companies.

Nomination and Remuneration Advisory Committee

In addition, the Company has established the Nomination and Remuneration Advisory Committee as a voluntary advisory body under the Board of Directors for the purpose of strengthening the independence, objectivity and accountability of the functions of the Board of Directors regarding the nomination and remuneration of the senior management and Directors and Audit & Supervisory Board Members.

The said committee is composed of four members: Hiroshi Hori (Chairman: Outside Director), Kazumi Nagasaki (Outside Director), Junko Watanabe (Outside Director), Akira Kiyohara (Representative Director, Chairman) and Atsushi Narikawa (Representative Director, President).

Organizational Structure

Organizational Structure	A company with an Audit and Supervisory Board
Total number of directors	6 (Inside: 3; Outside: 3)
Ratio of outside (independent) directors	50%
Director's term of office	1 year
Executive officer system introduced	Yes
Organization to assist the president in making decision	Nomination and Remuneration Advisory Committee

An Executive Officer System and a Corporate Officer System

By Introducing an Executive Officer System and a Corporate Officer System (applied to executive positions, excluding the Executive Officers), the Company facilitates their business execution and clarifies their responsibilities. All the directors except Kazumi Nagasaki, Yutaka Hori, and Junko Watanabe concurrently serve as the Corporate Officers with special titles. While the number of the Corporate Officers with special titles is eight, the number of the Corporate Officers is 15. The Company is also positioning and developing corporate officers as a group to succeed the titled executive officers, and is working to revitalize the Company by selecting younger employees. The Management Strategy Council is organized under the Board of Directors and attended by directors, titled executive officers in charge, corporate officers in charge, and department heads in charge. The council discusses basic management policies and strategies of the corporate group consisting of the Company and its group companies from various perspectives to enable more appropriate decision-making and execution of business operations. Particularly important matters among the matters discussed by the Management Strategy Council are decided by the Board of Directors.

Initiatives Taken to Enhance Corporate Governance

2015	A "JUKI Group Employees' Code of Conduct" is established.
2018	A "JUKI Group Corporate Philosophy System Chart" is established. A Nomination and Remuneration Advisory Committee is established.
2020	A system for Corporate Officers equivalent function of Executive Officers is introduced, excluding Corporate Officers with special titles.
2021	The positions of Representative Director, Chairman and CEO (Chief Executive Officer) and Representative Director, President and COO (Chief Operating Officer) are established.
2022	A restricted stock-based remuneration system for directors (excluding outside directors), etc. is introduced. A Sustainability Promotion Committee has been established.
2023	The Representative Director, Chairman, and CEO (Chief Executive Officer) also serves as COO (Chief Operating Officer). The Board of Directors is composed of two inside and three outside members. An outside director was appointed as chairman of the A Nomination and Remuneration Advisory Committee
2024	The Representative Director, Chairman and The Representative Director, President is appointed. The Board of Directors consists of three inside and three outside members. The Audit & Supervisory Board consists of one inside and three outside members.

Evaluation of the Effectiveness of the Board of Directors

The operating status of the Company’s Board of Directors is as follows.

- (1) In accordance with the Board of Directors Regulations, the Board of Directors selects all important matters as proposals and meets monthly in principle to discuss them in a timely and appropriate manner.
- (2) Prior to deliberation by the Board of Directors, problems, issues, risks and their countermeasures are clarified at meetings such as the Corporate Strategy Committee, and the effectiveness of discussions is enhanced.
- (3) In order for the Board of Directors to conduct smooth and active discussions and conduct sufficient deliberations, materials for the Board of Directors are distributed in advance, and in particular, the content is explained to Outside Directors and Outside Audit & Supervisory Board Members in advance.

The Company conducts self-evaluation through questionnaires once a year for Directors and Audit & Supervisory Board Members, and after totaling the self-evaluation, the Board of Directors conducts“Analysis and Evaluation of the Effectiveness of the Board of Directors.” In the evaluation for fiscal 2022, we confirmed that the effectiveness of the Board of Directors as a whole is ensured for the following reasons.

- (1) The composition of the Board of Directors is appropriate in light of the content and scale of the Company’s business.
- (2) The management of the Board of Directors is appropriately conducted from the viewpoints of the frequency of meetings and the content of materials.
- (3) The deliberations of the Board of Directors are appropriate from the perspective of the content of the deliberations, such as the selection of agenda items, the deliberation time, and the statements of the attendees.
- (4) The system to support Directors is appropriate from the perspective of opportunities to exchange information with top management or to deepen understanding of the contents of proposals and business other than the Board of Directors.

Our initiatives to strengthen Corporate Governance to date

The Board of Directors is mainly held face-to-face to facilitate the close exchange of opinions among officers, while taking into account the current situation and constraints posed by COVID-19. An online meeting format is also used when the situation so merits. In light of the “Analysis and Evaluation of the Effectiveness of the Board of Directors,” we will further improve the allocation of the time required for deliberation and use more focused handouts for the Board of Directors. We will also continue to make further efforts to ensure the effectiveness of the Board of Directors by further enhancing the exchange of opinions at the Board of Directors. In this way, we will aim to build a more comprehensive corporate governance system and further enhance our corporate value.

Remuneration system for Officers

Matters related to the policy for determining the details of individual remuneration for Directors

Basic policy

The remuneration, etc., for Directors of the Company, is provided under a remuneration system whereby incentives function to enhance the company’s sustainable growth and corporate value.

The total amount of remuneration for directors is determined at the Ordinary General Meeting of Shareholders. The amount consists of a “Monthly Remuneration (fixed remuneration),” a “Performance-based Remuneration (bonus)” that varies according to the achievement of the consolidated performance targets, and a “Restricted Stock-based Remuneration.”

Directors’ monthly remuneration is determined based on the evaluation of the Director’s responsibilities every fiscal year. Performance-linked remuneration (bonus) is determined based on the evaluation of individual performance and achievement and paid at a determined point in time every fiscal year by taking into account comprehensive factors, including the status of achieving company business performance and dividends and calculating the total payment amount using consolidated ordinary profit as a key indicator, which reflects the level of earning power of the Company Group. To promote further value-sharing with shareholders, we will also determine the Restricted Stock-based Compensation by allocating shares in a quantity commensurate with job responsibilities, based on an evaluation of job responsibilities performed in each fiscal year. Consolidated ordinary loss for the said fiscal year was 3,684 million yen.

Remuneration, etc., for Outside Directors consists of only monthly remuneration from the viewpoint of their role of overseeing and supervising management and their independence.

The overview of restricted stock-based remuneration is as follows:

- Maximum amount of restricted stock-based remuneration: 50 million yen in total (per year)
- Maximum number of restricted stocks granted: 100,000 (per year)
- Transfer restriction period: Until the day of resignation

Determination process

In the process for determining directors’ remuneration, etc., the Nominating and Compensation Advisory Committee, a body consisting of five directors, including three independent outside directors, deliberates on remuneration proposals made by the Representative Director, Chairman and reports to the Board of Directors, with a view to strengthening the independence and objectivity of the functions related to the determination of director’s remuneration. The Board of Directors deliberates and decides on the appropriateness of the report received from the Committee.

With respect to the individual remuneration of directors for the current fiscal year, the Board of Directors has confirmed that the method of determining the details of remuneration and the details of the determined remuneration are consistent with the decision policy approved by the Board of Directors, and has judged that they are in line with the said decision policy, based on the report from the Committee.

Matters related to the resolution of the Board of Directors concerning remuneration, etc.

The 92nd Ordinary General Meeting of Shareholders held on June 28, 2007, resolved that the maximum amount of the remuneration, etc. for the Directors (excluding employee salary for employees concurrently assuming a position as a Director) and Audit & Supervisory Board Members of the Company would be 480 million yen and 80 million yen per year, respectively.

The number of directors at the conclusion of the said Ordinary General Meeting was nine.

In addition, pursuant to a resolution adopted at the 107th Ordinary General Meeting of Shareholders held on March 28, 2022, the annual amount of the Restricted Stock-based Compensation within the scope of the above compensation, etc. for Directors other than Outside Directors shall not exceed 50 million yen, and the maximum number of shares shall not exceed 100,000. The number of directors other than outside directors at the conclusion of the said Ordinary General Meeting of Shareholders was three.

Internal control system

The Board of Directors has adopted the “Basic Policy for the Establishment of an Internal Control System.” The contents of the policy are as follows.

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.

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.

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 Control Headquarters” or the “Crisis-Management Task Force” shall take prompt actions against any materialized risks depending on the scale of the risks.

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

- (1) By adopting an Executive Officer System and a Corporate Officer System (applied to executive positions, excluding the Titles Executive Officers), the Company will strive to expedite the execution of duties by transferring part of the authority to execute duties of directors to the Titled Executive Officers and Corporate Officers.
- (2) In accordance with the “Regulations of the Board of Directors” and the “Regulations of Authority,” part of the directors’ authority to execute their duties shall be transferred to employees in order to facilitate efficient decision-making.
- (3) Important decision-making matters shall be discussed at the “Management Strategy Council,” and decisions shall be made by the Representative Director, President.
- (4) The Sustainability Promotion Committee shall deliberate and decide on the formulation of company-wide policies and goals regarding sustainability, establish and maintain a system to put these policies and goals into practice, and monitor various measures.
- (5) The roles of the directors in the execution of duties shall be defined in the “Organization Regulations” so that the directors may make efforts to execute duties efficiently.

System to ensure that the execution of the duties of our employees and the execution of the duties of the directors and employees of our group companies comply with the regulations and the articles of incorporation

- (1) We shall establish a “JUKI Corporate Code of Conduct” prescribing the basic ways we are to act as a company and clarifying the concepts of legal compliance.
- (2) We shall establish a “JUKI Employee’s Code of Conduct” as a detailed standard of behavior for employees in the execution of their duties and shall strive to carry out thorough legal compliance.
- (3) In order to carry out thorough legal compliance, our department in charge of legal affairs shall conduct and disseminate education on compliance and managerial activities.
- (4) We shall appoint an officer in charge of internal control and compliance and endeavor to control the related organizations and activities.
- (5) Our “Regulations on Compliance” shall establish a system and procedures for the compliance of our company and the group companies.
- (6) We shall provide a “consultation service for employees” to directly respond to employees’ questions on compliance.

System for reporting to our company on matters regarding the execution of the duties of the directors of our group company, etc.

- (1) A group company shall report management policies and management plans to our company in “the Group Management Meeting” to enable our company to check and adjust the same.
- (2) A group company shall report to our company in accordance with the “Regulation on the Management of Group Companies,” regularly according to need.
- (3) The directors of a group company, etc. shall report promptly to our executive officer in charge of internal control and compliance in the event that there are facts indicating remarkable damage incurred by a company, fraudulence in a director’s execution of duties, or violations in regulations or the articles of incorporation.

Other systems to ensure adequate business in the business group consisting of our company and the group companies.

- (1) We shall establish a management control system according to our functional organization in our “Regulations on Organization” and “the Regulations on the Management of Our Group Companies.”
- (2) We shall establish a rule on decision-making on the distribution of management resources in our group companies in the “Regulations of Authority.”
- (3) Our Group Internal Auditing Department shall conduct internal audits of our group companies when needed.

Matters regarding an employee appointed by the Audit & Supervisory Board Members to assist them in the execution of their duties

- (1) We shall establish “Auditor’s office” that reports to the Audit & Supervisory Board Members as an organization to assist them.

Matters regarding the independence of the employee stipulated in the preceding clause from the directors and measures taken to secure the effectiveness of instructions from the directors to the said employee

- (1) An Audit & Supervisory Board Member may remark on a personnel transfer and personnel evaluation of an employee who belongs to the Auditor’s office.

(2) An employee who belongs to the Auditor’s office collects information necessary for the Audit & Supervisory Board Member’s audit promptly in accordance with their instructions.

System for enabling our directors, directors of our group companies and employees to report to the Audit & Supervisory Board Member

- (1) A full-time Audit & Supervisory Board Member shall attend meetings of important bodies such as the Board of Directors Meeting, Management Strategy Council, Group Management Meeting, Risk Management Conference, etc. to collect necessary information in person.
- (2) Our directors, directors of our group companies, and employees shall report to an Audit & Supervisory Board Member promptly upon becoming aware of any facts suggestive of the risk that the company will incur significant damage, that a director has committed fraud in the execution of duties, or that the regulations or articles of incorporation of the company are violated.
- (3) An Audit & Supervisory Board Member shall receive information directly from a department in charge, directors of our group companies, and employees in case that he or she judges to be necessary.

System to ensure that a person who has made a report stipulated in the preceding clause is not unfavorably treated on the grounds of making the said report.

- (1) The “compliance regulations” clearly state that a person who reports to an Audit & Supervisory Board Member are not to be unfavorably treated for doing so, and our directors, directors of our group company, and employees shall be kept informed about this regulation.

Policies regarding procedures for advance payment of expenses or reimbursement of expenses that accrue during the execution of an Audit & Supervisory Board Member’s work or regarding the processing of expenses or debts that accrue during the execution of other work.

- (1) We shall pay expenses that accrue during the execution of an Audit & Supervisory Board Member’s work and appropriate the budget he or she plans every year.
- (2) When an Audit & Supervisory Board Member judges that the occurrence of expenses is necessary to ensure the effectiveness of an audit, we shall handle the expenses appropriately even if they are outside the budget stipulated in the preceding item.

Other systems to ensure that an Audit & Supervisory Board Member’s audit is conducted effectively

- (1) In addition to attending the board of directors’ meetings to express his or her opinions, he or she may exchange views with a representative director at any time to raise the effectiveness of the Audit & Supervisory Board Member’s audit.
- (2) An Audit & Supervisory Board Member shall cooperate with the Group Internal Auditing Department and conduct audits as the need arises.
- (3) An Audit & Supervisory Board Member shall cooperate with a corporate lawyer and an accounting auditor, and conduct audits as the need arises.

System to ensure the reliability of financial reporting

- (1) We shall prepare and operate a system that enables the effective functioning of the internal control of reliable financial reporting.

Overview of operation status

The following is an overview of the operation of the system to ensure the appropriateness of business operations in fiscal 2023.

Compliance system

- In accordance with the “Compliance Regulations,” we are working to ensure that the compliance system is thoroughly implemented throughout all of JUKI, including the group companies.
- By distributing a “JUKI Group Employees’ Code of Conduct” that has been revised to make it simpler, more universal, and easier for Group employees to understand, we ensure compliance among all Group employees.
- The “Declaration on Anti-Social Forces” is posted and reflected in the terms of business agreements.

Risk management system

- In accordance with the “Risk Management Regulations,” a “Risk Management Conference” was held once a quarter, in principle, to identify risks, assess risks, and implement countermeasures together with the group companies.
- A “Crisis Response Task Force” and “Crisis Measures Headquarters” have been set up to respond to crises in line with the region, scale, and content of crises as they occur and to improve the risk management system by reporting to and deliberating with the Board of Directors.

System for Directors to execute their duties

- The “Regulations of the Board of Directors,” “Regulations for Titled Executive Officers,” “Regulations for Corporate Officers,” “Regulations of Authority,” and “Organization Regulations” are designed to ensure that duties are executed promptly and efficiently.
- The “Management Strategy Council” is, in principle, held twice a month for prompt decision-making on important matters.
- The Sustainability Promotion Committee meets four times a year, in principle, to discuss and decide on the policies, plans, and measures on sustainability, confirm their progress, and report and make proposals to the Board of Directors and other relevant bodies.

System for management of group companies

- The “Organization Regulations” and “Regulations for the Management of Group Companies” stipulate the management control system through separate organizations. In fiscal 2023, the “Group Management Meeting” was held three times to report on the management policies and management plans of group companies and to check and adjust their operation status.

Internal audits

- Internal audits of the Company and its group companies were conducted in accordance with the internal audit plan.
- Self-assessments focused on major items and individual themes were conducted for JUKI Group companies and bases, and the results were used to provide guidance for improvement.

System relating to activities of the Audit & Supervisory Board Members

- The “Auditor’s office” has been established as an organization to assist the Audit & Supervisory Board Members in gathering necessary information.
- The Audit & Supervisory Board Members exchange opinions with representative directors once every three months.
- The Audit & Supervisory Board Members regularly exchange information with certified public accountants regarding accounting audits, to ensure the effectiveness of audits.

Compliance

Basic concepts

To fulfill our accountability as a company, secure the trust of our stakeholders, and maintain and further enhance our corporate value, we strive to efficiently ensure thorough compliance, including ethics and soft law, as well as legal compliance in the JUKI Group as a matter of course.

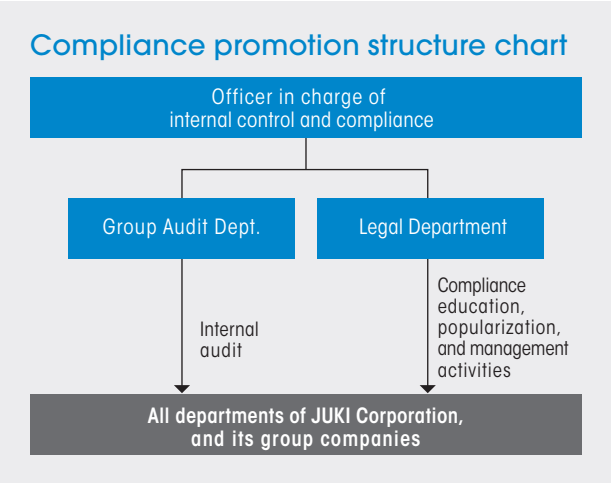
We have established the “JUKI Corporate Code of Conduct” and the “JUKI Group Employee’ Code of Conduct,” as well as other compliance-related rules and regulations that serve as norms for the JUKI Group and its officers and employees, in order to choose appropriate actions, maintain a compliance system based on these rules and regulations, and educate JUKI Group officers and employees.

Within our internal control system, compliance is positioned and managed as one of the most important management issues to be promoted and addressed by the JUKI Group as a whole.

Framework for promoting compliance

We make decisions on the maintenance and improvement of the compliance system and important compliance-related matters in the Board of Directors. Under this framework, as the chief officer in charge of “Internal Control and Compliance,” oversees the Group Audit Dept. and the Legal Department. The Risk Management Meeting, which is operated by the Legal Department as the secretariat, appropriately maintains the compliance system established by the JUKI Group, provides overall management and guidance on new compliance risks due to changes in the environment, and strengthens the management of the entire JUKI Group.

In accordance with the Compliance Regulations, we also ensure thorough compliance by establishing, maintaining, and operating a compliance system that is applied to all Group companies. We have also established the “JUKI Group Employee’ Code of Conduct” to keep our group officers and employees informed about compliance, and we present a “Declaration on Antisocial Forces” to our stakeholders and supply chain to maintain good relationships with them.



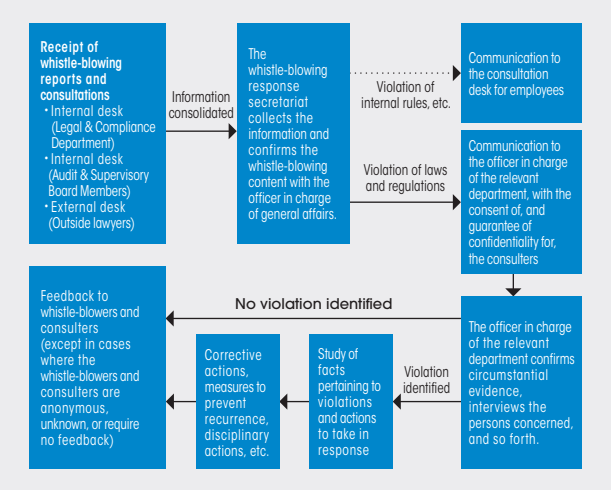
Public interest reporting system

The JUKI Group has established a “Consultation Desk for employees” as a public interest reporting system that allows anonymous whistle-blowing, and has reported on its operation status at both the Risk Management Conference and Audit & Supervisory Board. The basic policy for the internal control system and internal rules clearly states that whistle-blowers will not be subjected to any disadvantage.

In addition to the existing “Consultation Desk for employees,” we have established a public interest reporting system based on the “Public interest reporting Regulations” in force in all domestic group companies, in order to maintain mechanisms by which whistle-blowing works properly.

A whistle-blowing desk can be used anonymously to facilitate whistle-blowing by informants, and can be accessed from both an internal desk (Legal & Compliance Department and full-time Audit & Supervisory Board Members) and external desk (outside lawyers). The operation status of the whistle-blower system is regularly reported at both the Risk Management Conference and the Audit & Supervisory Board.

In addition, the “Public interest reporting Regulations” clearly stipulate the confidentiality of the identities of informants and fact-finding collaborators, the prohibition of detrimental treatment of whistle-blowers, the prohibition of claims for damages against whistle-blowers, etc., in order to protect whistle-blowers.



Main Initiatives

To ensure thorough compliance, our Legal Department, group companies, and overseas controlling companies have their own roles to play in addressing compliance. Our Legal Department is responsible for compliance activities as the JUKI Group’s cross-functional compliance control department.

Group-wide compliance risks that could have a significant impact on management and business through the Group’s supply chains are managed by the members of the Risk Management Meeting. Specifically, we convene a Risk Management Meeting to discuss and evaluate the compliance risk trends, the implementation and monitoring of remedial measures, the determination of additional countermeasures, and the appropriateness of those countermeasures.

The department in charge of compliance also provides training on the following topics to officers and employees who are seconded to the group companies as presidents or directors: the “JUKI Group Employees’ Code of Conduct,” compliance risks that may be faced in corporate management, risk management, and compliance with the regulations and laws in different countries.

We also work with the group companies to gather information on the enactment and amendment of domestic and foreign laws and regulations that may relate to business activities, and take necessary measures by examining how such enactments and amendments affect our business activities.

ESG initiatives Corporate governance initiatives

Risk management

JUKI assumes risks that could have a significant impact on its financial position, operating results, and cash flow position in the future, and JUKI manages these risks to minimize damage if they occur.

Risk management initiatives

JUKI has established and operates a risk management system to appropriately address all Group risks. The risk management functions under the system are largely controlled by the Management Strategy Council, a body that handles strategic risks, the Crisis Response Headquarters, a body responsible for business continuity, and the Risk Management Committee, a body made up of executive officers and the heads of departments and Group companies.

JUKI also conducts annual policy reviews and quarterly risk assessments and monitoring surveys to respond to changes in the risk environment, including changes in political and economic conditions, quality assurance, environmental regulations, information security, security trade, compliance, and occupational health and safety. If a major risk emerges, the details of the risk response are reported and discussed at the Board of Directors to ensure continuous improvement.

Significant risks and ways to respond to them

Item	Risks	An approach useful for responding
Item Risks An approach useful for responding	Adverse effects due to unpredictable demand fluctuations caused by political systems, economic conditions, conflicts, and economic fluctuations in countries and regions where we do business around the world	● Gather reports and information from each group company at the Group Management Meeting held twice a year, and take appropriate action.
Business activities	Fluctuations and trends in production and sales activities, the competitive environment, customer needs, laws and regulations, and operational bases such as logistics	● Analyze and reflect on appropriate measures at the Risk Management Meeting held four times a year. ● Establish an internal system to promptly respond to those regulations as appropriate. ● Strengthen supply chains by establishing a flexible and streamlined logistics system linked to sales and production strategies.
Financial market	Conversion and transaction risks caused by fluctuations in exchange and interest rates Impact on the prices of products sold or materials procured in foreign currencies	● Identify and gather information on the occurrence of foreign exchange risks at the monthly foreign exchange meetings. ● Take countermeasures by appropriating foreign currency revenues from exports to settle imports, using forward exchange contracts, raising funds based on interest rate levels, and reducing interest-bearing debt.
Research & Development activities	Fluctuations in market needs due to changes in the social environment	● Find new market needs by building close relationships with customers, and leverage cases of products being used in the new markets. ● Reinforce the function of the R&D centers close to markets. ● Utilize open innovation for R&D resilient to changes in the market environment.
Intellectual property Protection	Dealing with specific areas where protection of that property is difficult Unintentionally infringing the intellectual property rights of other companies, or infringement of our intellectual property rights by other companies	● Use an appropriate management system established by the Intellectual Property Dept.
Product Liability (PL)	Product liability risks not covered by insurance	● Strengthen quality measures at the group quality assurance meetings held six times a year and deploy daily quality improvement activities.
Environment	Even tighter legal regulations on diverse environmental issues in different countries	● Identify and address the environmental regulations in different countries at the Risk Management Meeting held four times a year. ● Formulate green procurement guidelines that go beyond compliance with laws and regulations, and engage in activities to reduce environmental load based on different policies decided by the company.

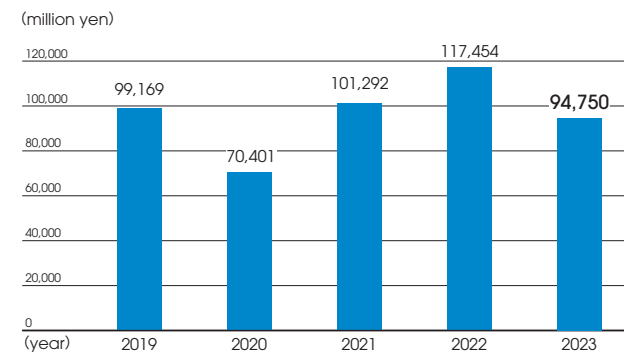
Item	Risks	An approach useful for responding
Security-related management	Tightening the regulations according to changing international conditions	● Identify and address the security-related regulations in different countries at the Risk Management Meeting held four times a year. ● Establish an internal system to promptly respond to those regulations as appropriate.
Securement of human resources	Low birthrate and longevity in Japan Rapid changes in labor markets overseas Impact on business due to no progress in human resources development	● Secure and develop human resources on a global scale at more than 30 subsidiaries and affiliates in Japan and overseas.
Various hazards	Natural disasters such as earthquakes and floods, and global infectious disease pandemics Material and human damage caused by war and terrorism	● Build a security system by developing a business continuity plan (BCP), etc. ● Establishing internal response systems and promptly responding to situations involving risk, as appropriate.
Important lawsuits, etc.	Lawsuits on consumer protection, the protection of private information, and various other legal regulations	● Get the latest information to keep abreast of legal and regulatory trends in different countries. ● Promptly responding to situations involving litigation risks, together with the legal departments.
Risk of information leaks	Accidents related to leaks of customer information, confidential business and technical information, and the like	● Maintain the confidentiality of information, establish a management system to protect information from unauthorized access, and take appropriate security measures against the falsification, destruction, leakage, and loss of information.
Credibility of the purchasers	Obstacles to debt collection due to unforeseen circumstances or business partner bankruptcies.	● Confirming the creditworthiness of business partners by reviewing financial information.
Impairment accounting	Application of fixed asset impairment accounting due to a significant decline in the market value of fixed assets and a significant deterioration in the profitability of the business	● Monitoring the performance of each subsidiary and identifying and responding to any signs of insolvency.
Hostile buyout	Damage to our corporate value due to a tender offer (TOB) for shares or the purchase of a large number of shares in a market transaction	● Improve our profitability and financial structure in order to reduce the risk of hostile acquisitions. ● Enhancing corporate value. ● Disseminating and disclosing information to gain the trust of shareholders, as appropriate.
Spreading false rumors	Spreading of bad publicity, malicious rumors, or slanderous or libelous attacks over the Internet, etc. Damage to the credit and corporate image of the company	● Implement proper business operations on a daily basis. ● Resolve unfavorable situations appropriately through fact-finding and legal proceedings.
Labor risks	Occurrence of work-related accidents due to deficient labor management, and declines in the health of employees caused by working long hours Loss of the company's social credibility	● Implement labor management of employee safety and health in compliance with laws and regulations. ● Take countermeasures based on the monitoring of labor management status and countermeasures at the Risk Management Meeting held four times a year.
Compliance	Exposure to criminal, civil, or administrative liability and losses of social credibility due to violations of laws and regulations, etc.	● Establish and run a compliance system in accordance with the Compliance Regulations. ● Ensure that every employee is familiar with the Code of Conduct.

Data sections

Financial/Non-financial data

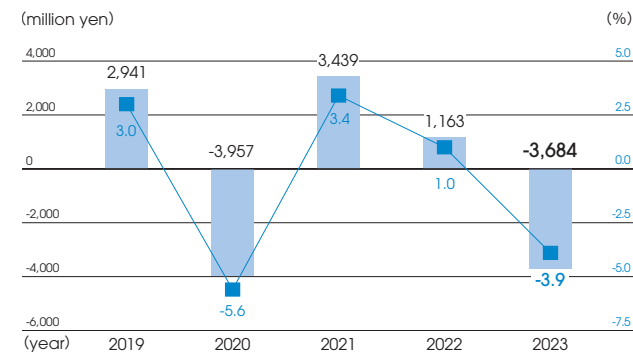
Financial highlights

Net sales



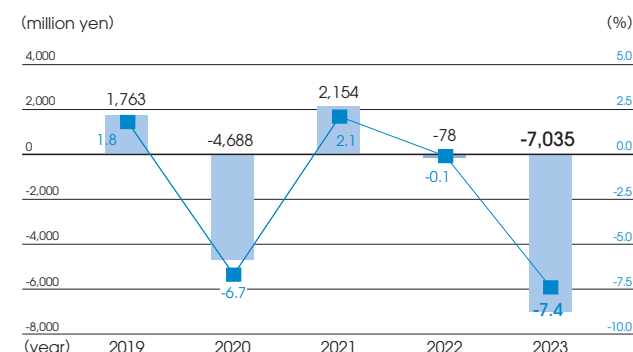
Net sales fell by 19.3% year-on-year to 94.75 billion yen due to delays in the materialization of capital investments in China and Southeast Asia, JUKI's largest markets, and postponements in purchases due to the foreign currency shortages in emerging countries in South Asia and other regions.

Ordinary profit / Ordinary profit ratio



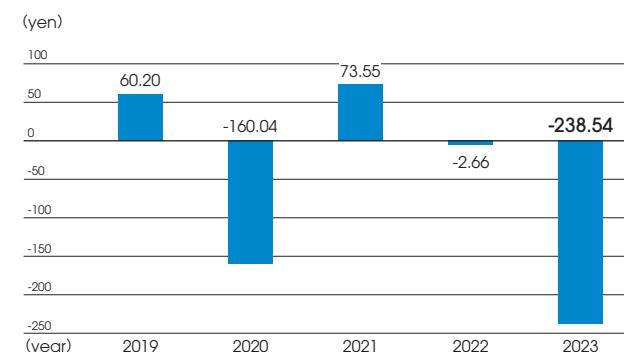
The decrease in ordinary profit resulted from a larger-than-expected decline in sales, thorough production adjustments, and increases in various costs such as costs and expenses for overseas materials due to the weaker yen. These factors resulted in a 4,847 million yen decrease year-on-year to minus 3,684 million yen.

Net income attributable to owners of the parent / Net income ratio



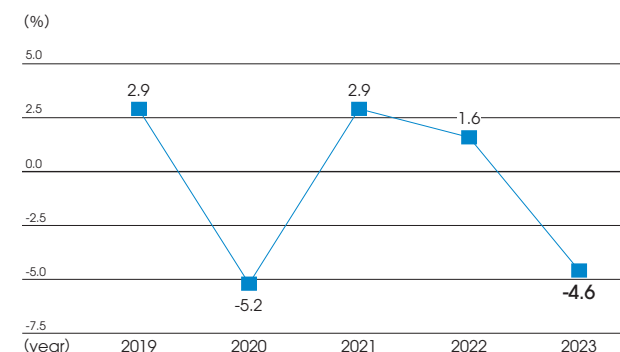
Extraordinary losses were recorded due to special severance payments resulting from cost structure reforms and impairment losses on fixed assets in anticipation of factory reorganization. In addition, the Company reviewed the realizability of deferred tax assets and withdrew a portion of the deferred tax assets, resulting in a 6,957 million yen decrease year-on-year to 7,035 million yen.

Net income per share



Net income per share for FY2023 was minus 238.54 yen.

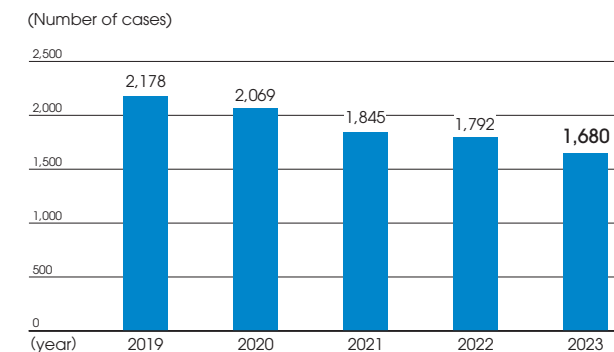
Return on Invested Capital (ROIC)



The ROIC for FY2023 was minus 4.6%.

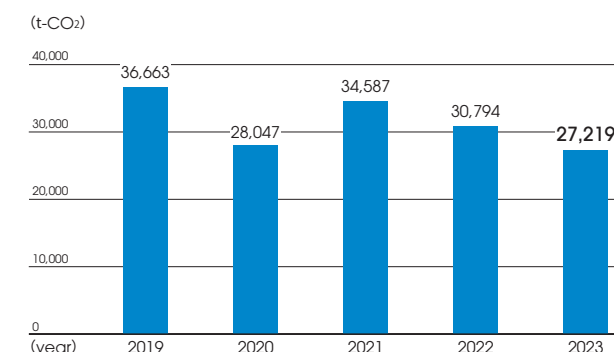
Non-financial highlights

Total number of industrial property rights (domestic and foreign patent and design rights) obtained



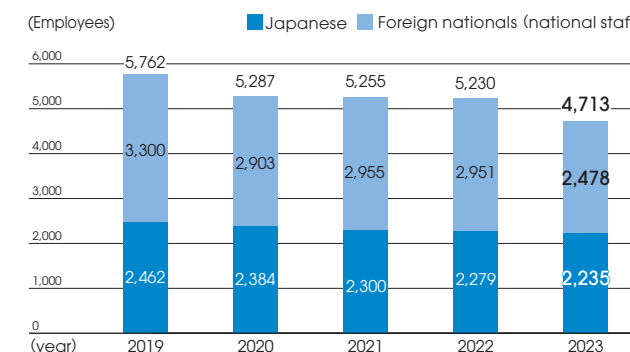
The total number of industrial property rights (domestic and foreign patent and design rights) obtained as a result of R&D activities was 1,680.

CO2 emissions (Scope1.2)



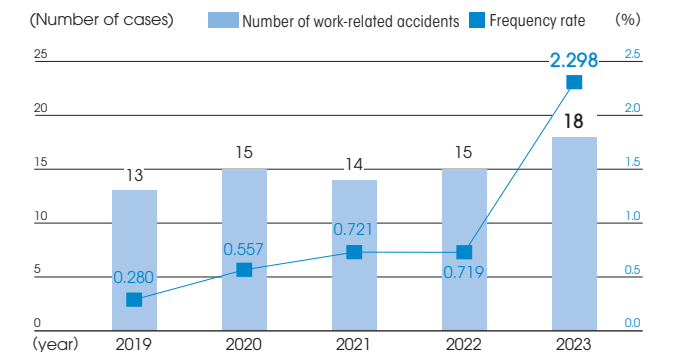
We are promoting the replacement of our existing energy sources with renewable energies by switching to equipment with less environmental load, adopting smarter production methods, installing solar panels, etc. (Note) Offices covered: the head office in Tama City, the OHTAWARA PLANT of JUKI CORPORATION, and 10 manufacturing companies of the JUKI Group.

Number of employees (Japanese / Foreign nationals)



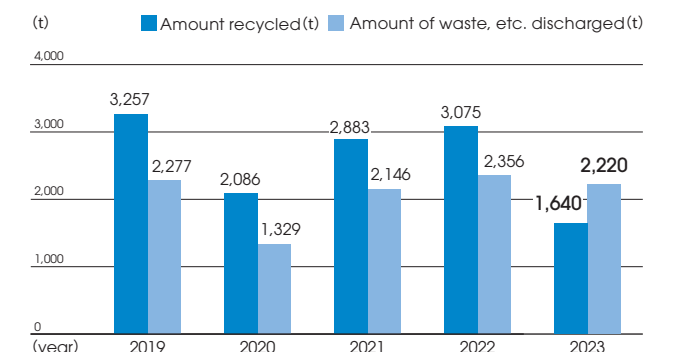
As the human resources secured in FY2023 were mainly from overseas sites, the ratio of national staff accounted for 53% of the total staff for the year. We are proactively recruiting foreign nationals in Japan and are promoting national staff to management positions overseas.

Changes in the number of work-related accidents



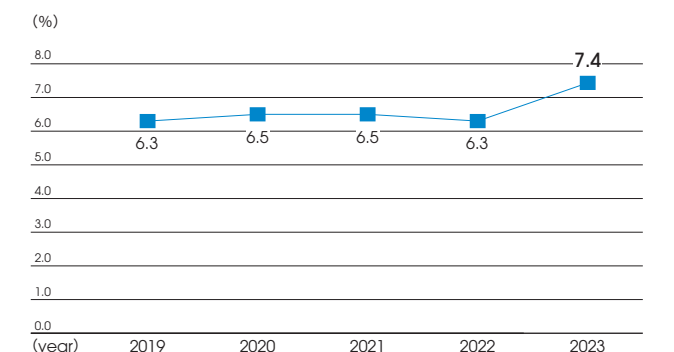
(Note) Starting from FY2022, the number of work-related accidents occurring at the Tama head office, Ohtawara Plant, and 10 domestic and overseas manufacturing sites are included in the number of work-related accidents overall (including accidents not resulting in lost worktime).

Amount of waste, etc. discharged / Amount recycled



Due to the recovery of business activities in FY2023 following the peak constraints from the COVID-19 pandemic, the amount of waste and other emissions for the year totaled 2,220 tons, of which 1,660 tons were recycled. This marked a decrease in the amount of waste from the FY2022 level (Note) Offices covered: the head office in Tama City, the OHTAWARA PLANT of JUKI CORPORATION, and 10 manufacturing companies of the JUKI Group.

Ratio of female management positions



The ratio of female managers in fiscal 2023 was increased from the previous year through the active promotion of female employees to management positions. (Note) Offices covered: the head office in Tama City, the OHTAWARA PLANT of JUKI CORPORATION

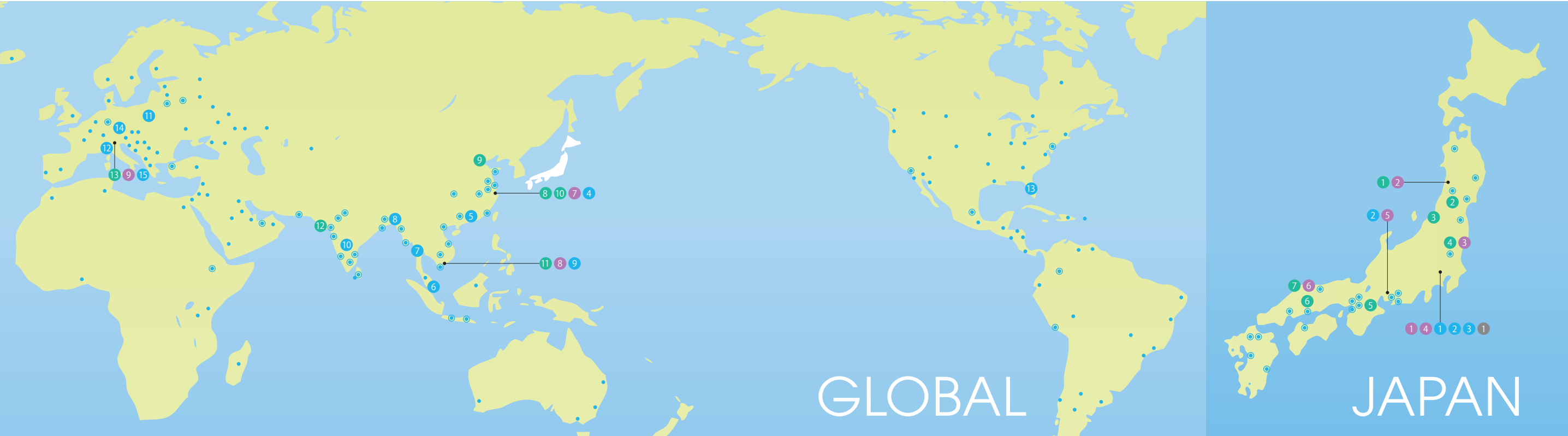
Data sections

11-year key consolidated financial data (As of December 31, 2023)

(Unit: million yen)

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Operating results											
Sales revenue (Net sales)	94,385	107,581	112,865	97,724	103,659	112,064	99,169	70,401	101,292	117,454	94,750
Cost of sales	68,094	74,078	78,293	68,134	71,748	77,921	70,300	55,090	73,281	85,182	70,990
Gross profit	26,291	33,503	34,571	29,590	31,911	34,143	28,869	15,310	28,011	32,271	23,760
Selling, general and administrative expenses	21,139	25,285	27,461	24,938	23,755	24,995	25,030	19,780	24,143	29,413	26,459
Operating profit	5,151	8,217	7,110	4,651	8,156	9,148	3,838	△4,469	3,868	2,858	△2,699
Ordinary profit	3,878	7,710	5,728	3,022	7,839	8,385	2,941	△3,957	3,439	1,163	△3,684
Ordinary profit ratio (%)	4.1%	7.2%	5.1%	3.1%	7.6%	7.5%	3.0%	△5.6%	3.4%	1.0%	△3.9%
Income before income taxes	2,434	7,587	5,642	3,090	7,727	8,353	2,930	△4,466	3,345	1,049	△4,576
Net income	3,026	5,958	3,653	1,637	5,696	6,779	1,788	△4,779	2,246	16	△7,006
Net income attributable to owners of the parent	3,006	6,058	3,853	1,883	5,642	6,640	1,763	△4,688	2,154	△78	△7,035
Depreciation and amortization	2,940	3,115	2,990	2,583	2,343	2,525	3,063	3,162	2,945	3,252	3,114
Capital/IT investment	1,062	1,964	1,252	1,642	2,312	2,721	2,907	2,176	1,286	3,232	3,005
R&D Expenses	3,859	4,826	4,871	4,408	4,781	5,675	5,398	4,608	4,571	4,844	4,953
Net D/E ratio (times)	5.9	2.6	2.1	1.9	1.3	1.2	1.3	1.4	1.5	2.0	2.4
Financial position											
Total assets	113,189	130,751	119,281	111,365	110,554	119,121	114,715	110,230	129,114	145,169	139,304
Net assets	11,806	25,010	28,477	27,582	33,343	37,241	37,752	31,368	35,672	37,482	32,370
Equity attributable to owners of the parent (net assets)	11,432	23,995	27,678	27,006	32,726	36,529	37,037	31,032	35,245	36,738	31,597
Equity attributable to owners of the parent (equity ratio) (%)	10.1%	18.4%	23.2%	24.3%	29.6%	30.7%	32.3%	28.2%	27.3%	25.3%	22.7%
Interest-bearing debt	75,507	74,747	67,377	60,158	50,553	52,378	53,878	57,443	58,978	79,320	84,004
Cash flows											
Cash flows from operating activities	6,405	3,459	8,924	9,819	10,489	2,682	3,054	8,509	△6,589	△14,641	2,254
Cash flows from investing activities	293	△1,868	△1,219	△1,047	△1,757	△2,390	△3,430	△2,698	△857	△4,930	△2,751
Cash flows from financing activities	△9,446	837	△9,044	△8,100	△10,373	968	△811	2,034	△370	17,485	2,456
Cash and cash equivalents at end of year	6,240	9,286	7,672	7,893	6,336	7,302	5,977	13,821	6,566	4,910	7,168
Per share information											
Net assets per share (yen)	442.40	804.10	927.63	921.78	1,117.07	1,246.93	1,264.28	1,059.32	1,203.14	1,250.84	1,069.34
Net income (loss) per share (yen)	116.35	219.17	129.14	63.94	192.61	226.68	60.20	△160.04	73.55	△2.66	△238.54
Price earnings ratio (times)	9.84	9.88	8.42	16.53	9.67	4.91	14.65	-	11.53	-	-
Dividend per share (yen)	0	20	35	20	35	30	25	20	25	20	15
Consolidated dividend payout ratio (%)	-	9.1%	27.1%	31.3%	18.2%	13.2%	41.5%	-	34.0%	-	-
Profitability											
ROE (%)	37.4%	34.2%	14.9%	6.9%	18.9%	19.2%	4.8%	△13.8%	6.5%	△0.2%	△20.6%
ROIC (%)	6.4%	6.7%	5.4%	3.6%	7.3%	8.3%	2.9%	△5.2%	2.9%	1.6%	△4.6%
ROA (%)	2.7%	4.6%	3.2%	1.7%	5.1%	5.6%	1.5%	△4.3%	1.7%	△0.1%	△5.1%
Key non-financial indicators											
Number of consolidated employees (persons)	5,872	6,153	6,245	6,021	5,899	5,891	5,762	5,287	5,255	5,230	4,713

Data sections
JUKI's global bases (As of July 1, 2024)



- 1 4 1 2 3 1 JUKI CORPORATION, JUKI AUTOMATION SYSTEMS CORPORATION, JUKI TECHNOSOLUTIONS CORPORATION, JUKI SALES (JAPAN) CORPORATION, JUKI PROSERVE CORPORATION
- 4 3 JUKI CORPORATION OHTAWARA PLANT
- 1 2 JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION
- 7 6 JUKI MATSUE CORPORATION
- 8 JUKI (SHANGHAI) INDUSTRIAL CO., LTD.
- 9 JUKI (LANGFANG) INDUSTRIAL CO., LTD.
- 10 SHANGHAI JUKI SEWING MACHINE CO., LTD.
- 11 8 9 JUKI (VIETNAM) CO., LTD.
- 4 JUKI (CHINA) CO., LTD.
- 6 JUKI SINGAPORE PTE. LTD.
- 11 JUKI CENTRAL EUROPE SP.ZO.O.
- 13 JUKI AMERICA, INC.

PRODUCTION BASES

Japan			
1	JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION	Yokote-shi, Akita	Manufacturing of surface mounting-related equipment Manufacturing of units and parts related to the group business
2	JUKI AIZU CORPORATION	Kitakata-shi, Fukushima	Manufacturing of parts with lost-wax and MM process Manufacturing of parts related to the group business
3	SUZUTAMI PRECISION INDUSTRY CO., LTD.	Nagaoka-shi, Niigata	Manufacturing of parts for industrial sewing machines, etc. Manufacturing of parts related to the group business
4	JUKI CORPORATION OHTAWARA PLANT	Ohtawara-shi, Tochigi	Manufacturing of industrial sewing machines and automated warehouses Manufacturing of parts related to the group business
5	JUKI METAL CORPORATION	Odaicho, Mie	Manufacturing of pig-iron mold casting etc. Manufacturing of parts related to the group business
6	JUKI HIROSHIMA CORPORATION	Miyoshi-shi, Hiroshima	Manufacturing of die, press processing parts, etc. Manufacturing of parts related to the group business
7	JUKI MATSUE CORPORATION	Matsue-shi, Shimane	Manufacturing of industrial sewing machines etc. Manufacturing of products and parts related to the group business
Global			
8	JUKI (SHANGHAI) INDUSTRIAL CO., LTD.	Shanghai, China	Manufacturing of industrial sewing machines etc. Manufacturing of feeders for chip mounters
9	JUKI (LANGFANG) INDUSTRIAL CO., LTD.	Hebei, China	Manufacturing of industrial sewing machines etc.
10	SHANGHAI JUKI SEWING MACHINE CO., LTD.	Shanghai, China	Manufacturing of household sewing machines etc.
11	JUKI (VIETNAM) CO., LTD.	Ho Chi Minh, Vietnam	Manufacturing of industrial sewing machines, household sewing machines, etc. Manufacturing of parts with lost-wax production Manufacturing of parts related to the group business

12	JUKI INDIA PVT.LTD., Gujarat Factory	Gujarat, India	Manufacturing of industrial sewing machines
13	ESSEGI AUTOMATION S.r.l.	Vicenza, Italy	Manufacture of automated warehouses

DEVELOPMENT BASES

Japan			
1	JUKI CORPORATION	Tama-shi, Tokyo	Product development and system development of industrial sewing machines, household sewing machines, surface mounting-related equipment, etc. Development of surface mounting-related equipment, electronic equipment, etc., and development of products related to the Group Business.
2	JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION	Yokote-shi, Akita	
3	JUKI CORPORATION OHTAWARA PLANT	Ohtawara-shi, Tochigi	Development of industrial sewing machines.
4	JUKI AUTOMATION SYSTEMS CORPORATION	Tama-shi, Tokyo	Development of surface mounting-related equipment etc.
5	JUKI TECHNOSOLUTIONS CORPORATION	Nagoya-shi, Aichi	Development of industrial sewing machines.
6	JUKI MATSUE CORPORATION	Matsue-shi, Shimane	Development of industrial sewing machines.
Global			
7	JUKI (CHINA) CO., LTD.	Shanghai, China	Development of industrial sewing machines.
8	JUKI (VIETNAM) CO., LTD.	Ho Chi Minh, Vietnam	Development of industrial sewing machines.
9	ESSEGI AUTOMATION S.r.l.	Vicenza, Italy	Development of automated warehouses

MAIN SALES BASES

Japan		
1	JUKI AUTOMATION SYSTEMS CORPORATION	Tama-shi, Tokyo Sales of surface mounting-related equipment etc.
2	JUKI TECHNOSOLUTIONS CORPORATION	Tama-shi, Tokyo/ Nagoya-shi, Aichi Sales of industrial sewing machines
3	JUKI SALES (JAPAN) CORPORATION	Tama-shi, Tokyo Sales of industrial sewing machines, household sewing machines, etc.
JBranch Sales Offices, Service Centers, and others		
Global		
4	JUKI (CHINA) CO., LTD.	Shanghai, China Sales of industrial sewing machines, household sewing machines, surface mounting-related equipment, etc.
5	JUKI (HONG KONG) LTD.	Hong Kong, China Sales of industrial sewing machines, etc.
6	JUKI SINGAPORE PTE. LTD.	Macpherson, Singapore Sales of industrial sewing machines, household sewing machines, etc. (Main bases: 7 countries: Indonesia, Cambodia, Myanmar, United Arab Emirates, Pakistan, Ethiopia, Jordan)
7	JUKI (THAILAND) CO., LTD.	THAI, Bangkok Sales of industrial sewing machines and surface mounting-related equipment
8	JUKI MACHINERY BANGLADESH LTD.	Dhaka, Bangladesh Sales of industrial sewing machines, etc.
9	JUKI (VIETNAM) CO., LTD.	Ho Chi Minh, Vietnam Sales of industrial sewing machines
10	JUKI INDIA PVT.LTD.	Bangalore, India Sales of industrial sewing machines and surface mounting-related equipment
11	JUKI CENTRAL EUROPE SP.ZO.O.	Warsaw, Poland Sales of industrial sewing machines, household sewing machines, and surface mounting-related equipment (Other bases: Turkey, Russia, and France)

12	JUKI ITALIA S.P.A.	Milan, Italy	Sales of industrial sewing machines, household sewing machines, etc.
13	JUKI AMERICA, INC.	FL, U.S.A.	Sales of industrial sewing machines, household sewing machines, and surface mounting-related equipment (Other bases: North Carolina, Mexico, Peru and Colombia)
14	JUKI AUTOMATION SYSTEMS GmbH.	Nuremberg, Germany	Sales of surface mounting-related equipment
15	ESSEGI AUTOMATION S.r.l.	Vicenza, Italy	Sale of automated warehouses
JUKI's own Branch Offices, Sales Offices, Service Centers, and others			
Major distributors			

OTHER BASES

Japan			
1	JUKI PROSERVE CORPORATION	Tama-shi, Tokyo	Service of facility management and document business, etc.

Number of Major bases

	Japan	Global	Total
PRODUCTION	7	6	13
DEVELOPMENT	6	3	9
SALES	3	12	15
OTHER	1	0	1

*Companies with multiple functions are counted more than once.

Data sections

Company outline and stock information

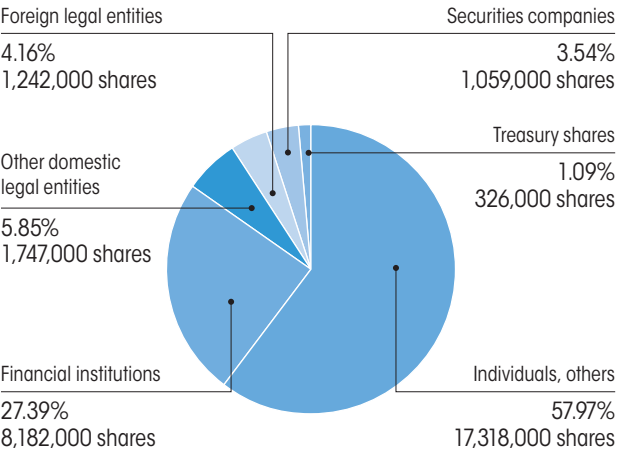
CORPORATE SUMMARY (As of July 1, 2024)

Trade name	JUKI CORPORATION	Ordinary general meeting of shareholders	March
Established	December 15, 1938		
Representative	Representative Director, Chairman Akira Kiyohara Representative Director, President Atsushi Narikawa	Number of employees	4,713 (on a consolidated basis), 815 (on a non-consolidated basis) ※As of December 31, 2023
Paid-in capital	¥18,044 million	Number of affiliated companies	25
Fiscal year ending	December 31		
Major business office	Head office : 2-11-1 Tsurumaki, Tama-shi, Tokyo 206-8551 Japan Tel : 81-42-357-2211	OHTAWARA PLANT : 1863 Kitakanemaru, Ohtawara-shi, Tochigi 324-0011 Japan Tel: 81-287-23-5111	

STOCK INFORMATION (As of December 31, 2023)

Total number of authorized shares	80,000,000 shares	Listed on	Prime Market of the Tokyo Stock Exchange (From April 4, 2022)
Total number of issued shares	29,874,179 shares	Securities code	6440
Total number of shareholders	18,351	Shareholder registry administrator	Mizuho Trust & Banking Co., Ltd.

STOCK DISTRIBUTION STATUS BY OWNER TYPE

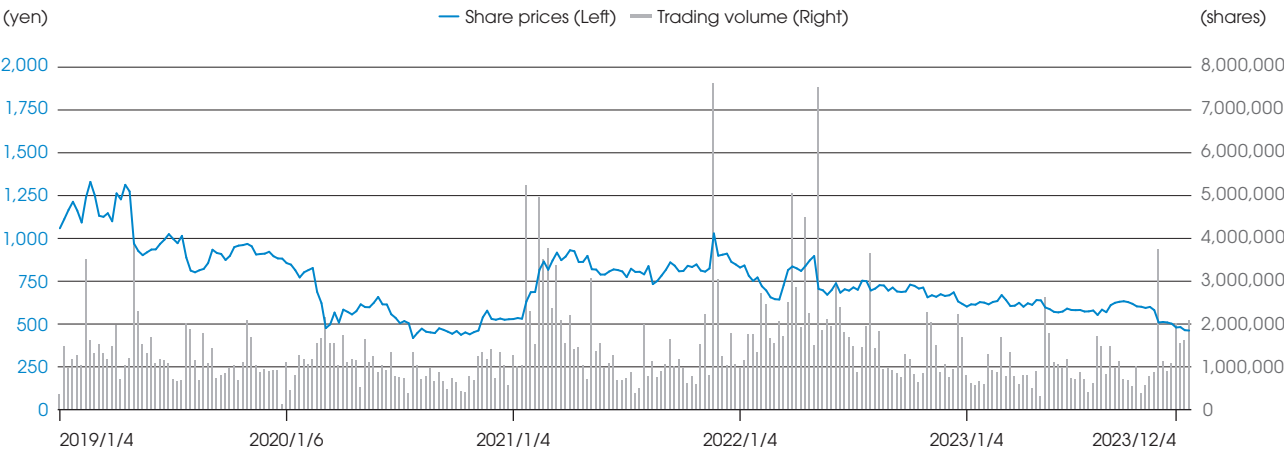


Major shareholders (Top 10)

Name of shareholders	Number of shares held (unit: 1,000 shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	2,815	9.53
PEGASUS Co., Ltd.	1,045	3.54
Mizuho Bank, Ltd.	938	3.17
Nippon Life Insurance Company	732	2.48
Asahi Mutual Life Insurance Company	569	1.93
The Dai-ichi Life Insurance Company, Limited	511	1.73
Custody Bank of Japan, Ltd. (Trust account)	470	1.59
Meiji Yasuda Life Insurance Company	460	1.56
Mizuho Trust & Banking Co., Ltd.	401	1.36
Shareholding association for JUKI's business partners	351	1.19

(Note) A shareholding ratio is calculated excluding treasury stock (325,926 shares).

Trends in share prices and trading volume



Mind & Technology