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Director and President

(Securities code: 6440, Prime Market, Tokyo Stock Exchange)

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Notice Regarding Implementation of Rationalization of Manufacturing Base Structure

JUKI Corporation (hereinafter referred to as ""the Company"") has implemented rationalization of the domestic and international group manufacturing base structure as part of cost structure reform efforts in the third quarter, as detailed below.

Details

1. Reason for Implementation

The business environment surrounding the Company is expected to remain challenging due to prolonged uncertainties such as U.S. tariff policies, the prolonged downturn in the Chinese economy, high crude oil prices, and unstable exchange rates.

Under such circumstances, the Company has implemented ""rationalization of manufacturing base structure" as part of the cost structure reform efforts undertaken by the entire company. By executing this rationalization, we will optimize the allocation of human resources and scale in accordance with the business policies formulated in the new medium-term plan.

2. Overview of Rationalization of Manufacturing Base Structure

(1) Applicable Group Companies

JUKI Matsue Corporation (Japan), JUKI (Shanghai) Industrial Co., Ltd. (China), JUKI (Langfang) Industrial Co., Ltd. (China)

(2) Implementation Details and Effects of Rationalization

We reviewed the personnel structure in line with the production scale at each manufacturing base and implemented a reduction of 209 personnel, and will record approximately 310 million yen as structural reform costs associated with this personnel reduction in the third quarter. (Breakdown: JUKI Matsue 10 million yen, JUKI (Shanghai) Industrial 140 million yen, JUKI (Langfang) Industrial 160 million yen)

The effects of this rationalization are expected to result in fixed cost reductions of approximately 150 million yen in fiscal year 2025 and approximately 600 million yen per year from 2026 onwards.

3. Impact on Performance

The structural reform costs of approximately 310 million yen due to this rationalization, along with approximately 190 million yen in additional costs related to the ""Next Career Program" announced on July 14, and approximately 60 million yen in other structural reform costs, totaling approximately 560 million yen, are planned to be recorded as a special loss in the third quarter. Please note that these structural reform costs have already been incorporated into the consolidated earnings forecast, and there is no change to the earnings forecast.

End