

March, 16,2026

Dear Shareholders

JUKI CORPORATION
(Securities Cord : 6440 TSE Prime Market)

Our Views on the Voting Recommendations issued by ISS

Regarding “Proposal No. 2: Election of Six Directors,” to be submitted to the 111th Annual General Meeting of Shareholders of JUKI CORPORATION scheduled for March 30, 2026, International Shareholder Services Inc. (hereinafter “ISS”), a proxy advisory firm, has issued a report recommending a vote against the election of Candidate No. 1, Mr. Atsushi Narikawa, and Candidate No. 4, Ms. Hiroko Nihei.

We would like to explain our views regarding ISS’s recommendation to vote against the proposal as follows, and we kindly ask our shareholders for their understanding regarding this matter.

1. Agenda Item No. 2: Election of Six Directors—Regarding Candidate No. 1, Atsushi Narikawa

(1) Content of opposing recommendation by ISS

ISS has established voting guidelines regarding director nomination proposals, stating that “for companies with poor performance in terms of capital productivity (those with an average return on equity (ROE) of less than 5% over the past five fiscal years), ISS will, in principle, oppose the appointment of a CEO unless improvement is evident (i.e., an ROE of 5% or higher in the most recent fiscal year).”

As shown in the table below, our average ROE over the past five years is -4.0%, and our ROE for the most recent fiscal year (ended December 2025) was 4.4%. Therefore, based on the above criteria, ISS recommends opposing the appointment of Mr. Atsushi Narikawa, our Representative Director and President, to the Board of Directors.

<Our ROE Trends>

	5-year Avg.	FY 2025	FY 2024	FY 2023	FY2022	FY2021
ROE(%)	-4.0	4.4	-10.3	-20.6	-0.2	6.5

(2) Our Views and Opinion

Since assuming the position of President and CEO of our company in July 2024, Mr. Atsushi Narikawa has implemented various reforms and worked diligently to restore our financial performance. As a result, we achieved profitability across all profit metrics for the fiscal year ending in 2025. In fiscal year 2026, we will continue to drive our business turnaround. For the current fiscal year, we forecast revenue of 90 billion yen, operating income of 4.5 billion yen, recurring income of 2 billion yen, and net income of 1.5 billion yen, and we plan to pay a dividend of 15 yen per share.

We believe that Mr. Atsushi Narikawa’s continued leadership is essential for the successful implementation of our 5-Year Medium-Term Management Plan (Building Sustainable JUKI).

We ask for the understanding and support of our shareholders regarding these initiatives.

(Reference)

Financial Results Briefing for the Full Year of 2025 : <https://www.juki.co.jp/en/ir/library/financial-results/>

5-year Medium-Term Management Plan : <https://www.juki.co.jp/en/ir/library/management/>

FY2026 Full-Year Forecast



100 million yen	FY2025 Actual	FY2026 Earnings forecast	YoY Change	YoY Rate of change	(Reference) Medium-term plan	
					FY2027	FY2029
Net sales	888	900	+12	1%	1,000	1,250
Operating income	27	45	+18	69%	95	160
Ordinary income	14	20	+6	42%	80	150
Net Income	14	15	+1	7%	55	100
Dividends	JPY10 per share	JPY15 per share	+JPY5 per share	-	-	-
USD Average exchange rate	JPY150	JPY145	ΔJPY5	-	-	-

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History of Business Recovery



FY2024 (July: Start of new management team)

FY2025

Sales Leveling

⇒ No Forced End-of-term Sales Push

- Normalize production, sales, and inventory balance
- Improved efficiency

Shift to benefit-oriented strategy

⇒ Focus on high-end markets

Right-sizing of Production Capacity

⇒ Reduction of models, particularly low-margin models



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2. Agenda Item No. 2: Election of Six Directors—Regarding Candidate No. 4, Ms. Hiroko Nihei

(1) Content of opposing recommendation by ISS

ISS has established voting guidelines stipulating that “if a candidate for outside director has served on the Board of Auditors as an outside auditor, their attendance rate at Board of Auditors meetings must be 75% or higher, in addition to their attendance at Board of Directors meetings.” Regarding Candidate No. 4, Ms. Hiroko Nihei, ISS recommends voting against the proposal to appoint her as a director on the grounds that her attendance rate at Audit Committee meetings as an outside auditor—specifically, the number of meetings she attended from January 2025 through the conclusion of the Ordinary General Meeting of Shareholders on March 25 of the same year—is not disclosed, making it impossible to calculate her attendance rate as an outside auditor.

(2) Our Views and Opinion

Ms. Hiroko Nihei stepped down as an outside auditor of the Company and assumed the position of outside director upon the conclusion of the 110th Annual General Meeting of Shareholders held on March 25, 2025. Her attendance record (attendance rate) at Audit Committee meetings and Board of Directors meetings is as follows. As an Outside Auditor, her attendance rate at Audit Committee meetings was 100%, meeting ISS’s voting guidelines.

※Number of times Ms. Hiroko Nihei attended Board of Directors and Board of Auditors meetings (attendance rate)

	Meetings of the board of statutory auditors	Meeting of the board of directors
Attendance as an Outside Statutory Auditor (attendance rate) (Jan.-Mar. 2025)	4 out of 4 (100%)	2 out of 2 (100%)
Attendance as an Outside Director (attendance rate) (Mar.-Dec. 2025)	—	11 out of 11 (100%)

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