



January 24, 2017

JUKI Corporation and YKK Corporation Announce Conclusion of Joint-Development Agreement

JUKI Corporation
YKK Corporation

JUKI Corporation (President: Akira Kiyohara; head office: Tama-shi, Tokyo; hereinafter “JUKI”) and YKK Corporation (President: Masayuki Sarumaru; head office: Chiyoda-ku, Tokyo; hereinafter “YKK”) hereby announce that we have entered into a Joint Development Agreement, effective today, pursuant to a Letter of Intent that was signed on September 30, 2016. We plan to leverage our fastening products and our sewing technologies and expertise to develop solution products focused on resolving various challenges experienced by sewing factories — our common customer base.

Outline of the Joint Development Agreement

1. Jointly develop sewing machines for attaching zippers onto products with distinctive technologies that generate new value for customers in relevant markets.

We are in possession of hard-won development and manufacturing expertise — JUKI in sewing facilities and YKK in fastening products. Because sewing machines are the primary vehicle for the attachment of zippers in both the apparel and non-apparel sectors, JUKI and YKK can leverage each other’s strengths and jointly develop proprietary sewing technologies for fastening products.

Attaching zippers is one of the most challenging and time-consuming processes of product making, requiring a high level of skill from its operators. We aspire to develop automated, simplified sewing machines for attaching zippers onto products as well as improved fastening products, achieving both a significant improvement in productivity and an advanced manufacturing process that requires much less experience and fewer skills.

We plan to complete and put on the market our first jointly developed sewing machines for attaching zippers onto products by the end of fiscal year 2017.

2. Generate synergy, enhancing our capability for proposing solutions for our common customers.

JUKI and YKK have common customers because zippers are mostly sewn onto products using sewing machines. Our sales channels all over the world and our proprietary sewing machines for attaching zippers onto products will allow JUKI and YKK to offer more wide-ranging and in-depth solutions to customers. JUKI's extensive knowledge of garment factories throughout the world and YKK's network of brand holders will give the collaboration a strong competitive edge.

The amalgamation of our technological and service-offering capabilities is sure to generate this synergy and support the strengthening and expansion of our businesses, as well as contribute to the further development of the garment industry.

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