

CSR Initiatives That Realize Business Strategies Strengthening Production Capabilities

Harnessing Our Power to Become the World's Foremost Watch Factory

The Birth of Citizen Watch Manufacturing

Citizen Watch Manufacturing Co., Ltd., will consolidate into a single company Citizen Heiwa Watch Co., Ltd., Citizen Tohoku Co., Ltd., Citizen Micro Co., Ltd., Citizen Watch Miyota Co., Ltd., and Citizen Watch Kawaguchiko Co., Ltd., as well as Citizen Watch's manufacturing functions. Funneling our expertise in watch manufacturing into one entity should result in more robust manufacturing functions and set the stage for us to become a truly global company.

Hideo Ogiwara

President and CEO
Citizen Watch Manufacturing Co., Ltd.



CITIZEN

Micro HumanTech

Slogan

**Becoming the World's
Foremost Watch Factory**

Management Philosophy

**We aim to be a company that is genuine,
working with employees toward shared dreams.**

Strengthening Production Capabilities in Japan

In the past, the watch manufacturing divisions within the Citizen Watch Group have grown as a result of competition between Group companies. This healthy competition also came with downsides, however, such as a lack of sharing of expertise among competing companies in the same group, the failure to develop efficient manufacturing structures, and no sharing of personnel. To grow beyond the current state, we recognize the need to break through these barriers by merging into a single group handling the watches and clocks business. We have undergone this organizational restructuring in order to emerge with a system capable of competing with the world's leading manufacturers.

Becoming the World Leader by Cultivating Human Resources and Carrying on Technology Traditions

Cultivating human resources is the single most important theme to address if we are to become the world leader. Watches exist at the nexus of high-tech products that rely on leading-edge technologies and the craftsmanship of skilled artisans. For this reason, it is essential to marry the most advanced technologies of the day with time-honored designs. Specifically to this point, we are reinforcing our watch school, which is attended entirely by employees who aim to become watch professionals. People are also needed to connect engineers and technical experts with the organizations that can maximize their skills. Our proactive efforts to cultivate human resources aim to foster personnel with these management attributes and leadership skills.

Benefiting from the Merger

Pooling the expertise cultivated individually into a single Group company will allow us to share the best elements of each former company. In a manner that was not possible before, we look forward to optimizing the location of our manufacturing structure, increasing efficiencies, optimizing personnel placement, and accelerating communications. These improvements should enable us to maximize and accelerate progress toward our numerical and other targets. By setting "turning Citizen Watch Manufacturing into the world's foremost watch factory" as the rallying point for all employees, we will move toward the Group objective of becoming a truly global company.

Benefiting All Employees Who Work Here

Transforming our recently established company into the world's foremost watch factory all comes down to our employees. My most important mission is to ensure that the people who work here are happy. I am convinced that this factor will inspire the company to reach world-beating levels. The overarching question for those of us in management is how to go about building a company with a bright future in which employees play a leading role.

It will be no easy task to channel the 2,000 people working at companies that have grown as separate entities for the past 50 years toward the same goals. For that very reason, it is essential to develop a corporate culture that is forward-looking and embodies a sense of challenge. In addition to success on the work front, achieving this objective will lead to happy employees and a world-leading company.