

To Our Shareholders



Business Report for the First Half of the 95th Business Term

(April 1, 2009 through September 30, 2009)

JUKI CORPORATION

Security code: 6440

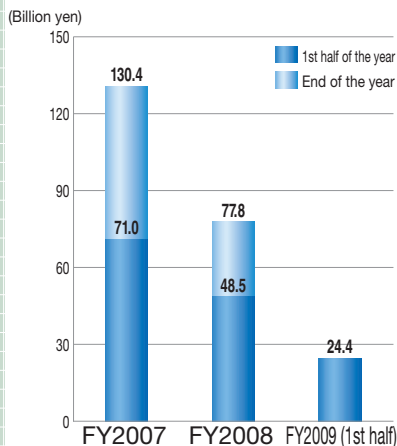
FINANCIAL HIGHLIGHTS

MAJOR POINTS OF BUSINESS PERFORMANCE

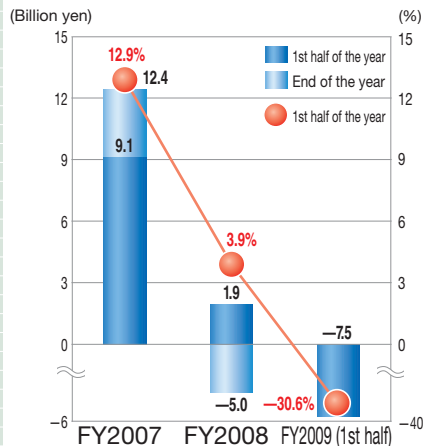
Net sales fell by 16.9%.
Deficits of operating and ordinary incomes increased.

Net sales 24.4 billion yen
(-4.9 billion yen compared to the previous fiscal year)
Operating income -7.5 billion yen
(-0.6 billion yen compared to the previous fiscal year)
Ordinary income -7.5 billion yen
(-0.1 billion yen compared to the previous fiscal year)
Net income -7.5 billion yen
(+1.3 billion yen compared to the previous fiscal year)

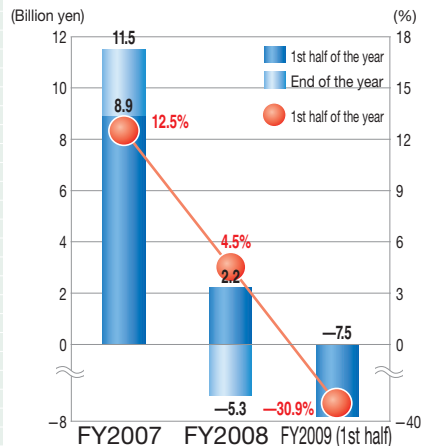
Net sales



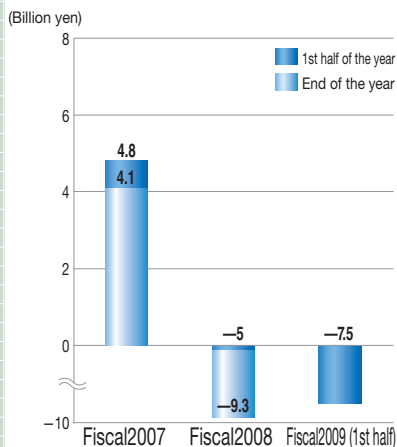
Operating income Ratio of operating income to net sales



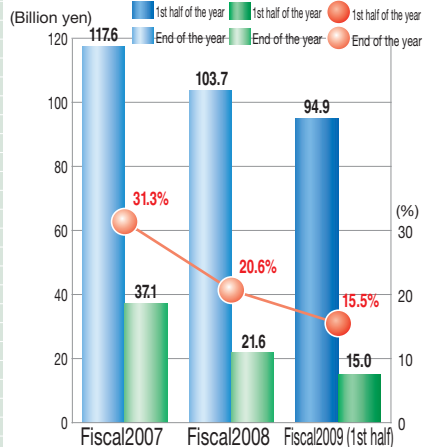
Ordinary income Ratio of ordinary income to net sales



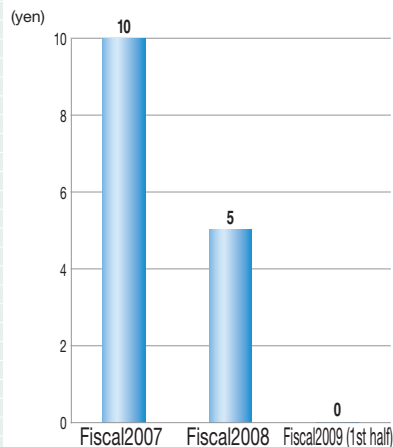
Net income



Total assets Net assets Shareholders' equity ratio



Cash dividends per share



To Our Shareholders

We would like to express our appreciation for your ongoing support of our business activities.

In presenting our business results for the first half of the 95th business term (from April 1, 2009 through September 30, 2009), I would like to take the opportunity to convey a few words to our shareholders.

In spite of the positive measures to stimulate domestic demand in countries such as China, the world economic condition continues to plod along with a heavy step. Within this severe business climate, we advanced various measures to improve performance, including major restructurings of its industrial sewing machines business and SMT systems business.

In spite of these efforts, the consolidated business results for the first half of fiscal 2009 declined from the preceding period (the second half of fiscal 2008). Net sales stood at 24,353 million yen, down by 16.9% from the preceding period, while ordinary income posted a loss of 7,534 million yen, down by 1.2% from the preceding period. In addition, we posted a net loss of 7,494 million yen, including the decrease of extraordinary loss.

On the basis of these results, we deeply regret to announce that no dividend will be paid for the first half of fiscal 2009. We ask that you understand the financial situation of the company for the time being.

In the second half of fiscal 2009, we will endeavor for the earliest possible recovery of its business results by further expanding sales and reducing costs. Within this challenging economic climate, we ask for the ongoing support and guidance of our shareholders.



Kazuyuki Nakamura,
President

Industrial Sewing Machines Business

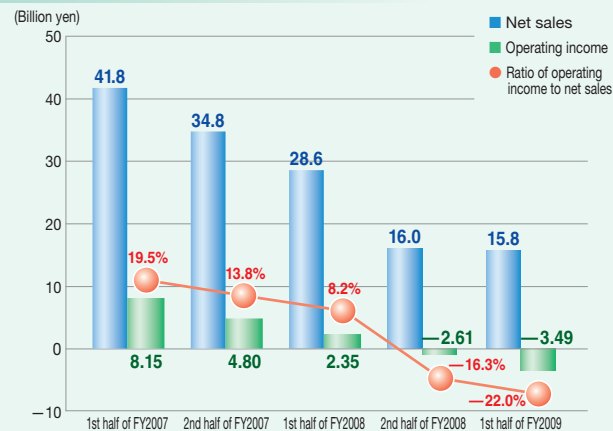
We noted a sign of recovery of market demands after touching bottom in October through December 2008 in China, but those in the European, US and other Asian countries have not been recovered enough. As a result, the consolidated net sales stood at 15,839 million yen, down by 1.1% from the second half of previous fiscal 2008 owing to the high yen value as well. Moreover, operating income recorded a deficit of 3,486 million yen due to additional negative factors such as the price policy.

In the second half of fiscal 2009, we will improve our earnings by expanding sales of new products and also speeding up cost reductions for the existing models.

Net sales **15.8 billion yen**

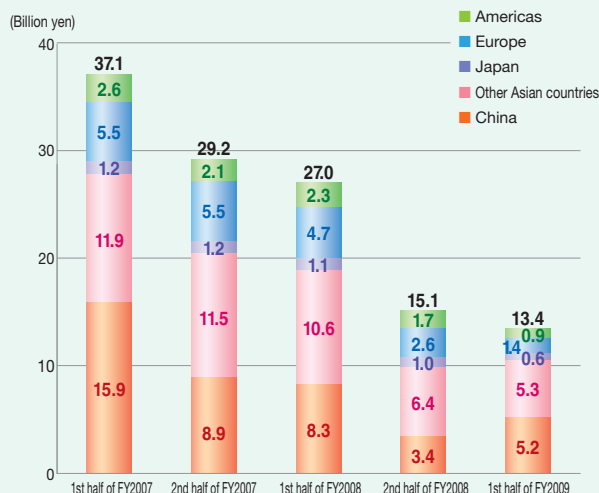
Operating income **-3.49 billion yen**

Changes in net sales and operating income



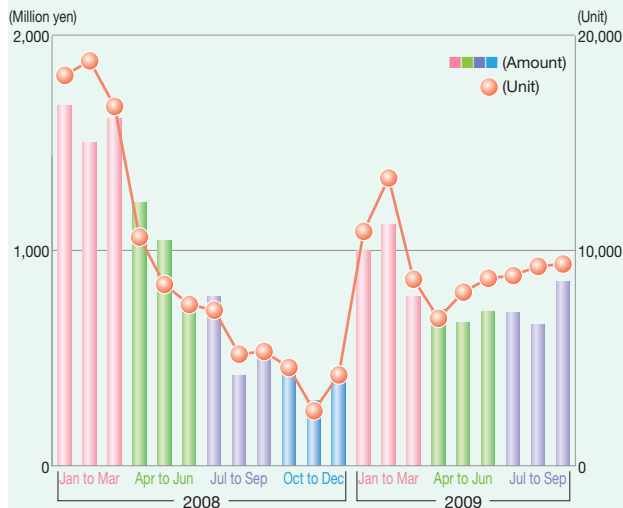
Changes in net sales by region (excluding parts, etc)

Increased in China only
Decrease in all regions except China



Changes in sales by unit and mount in China

Largely increased in January through March 2009 due to seasonal demand
Firmly maintained a sales increase in April through June due to domestic consumption



SMT Systems Business

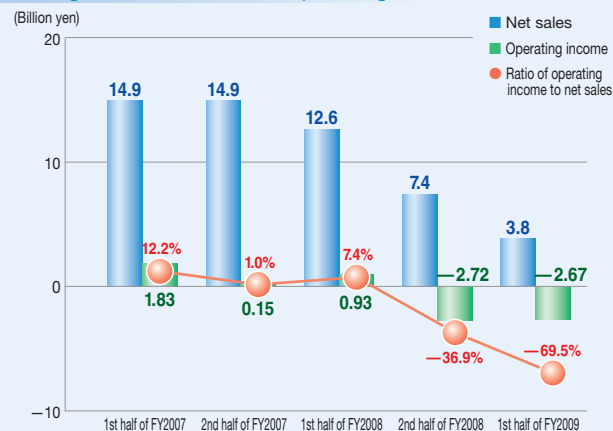
The increasing trend supported by domestic demand is standing firm after touching bottom in January through March 2009 in China, but the weak recovery are shown in the European, US and other Asian countries. In addition, due to the influence of severe price competition, etc., the consolidated net sales stood at 3,844 million yen, down by 47.8% from the second half of previous fiscal 2008. Moreover, operating income recorded a deficit of 2,670 million yen that is smaller than that for the second half of previous fiscal 2008 due to the advantage effect of restructuring.

In the second half of fiscal 2009, we will increase sales of the high-speed machine FX-3 mainly and also implement further reduction in manufacturing costs.

Net sales **3.8 billion yen**

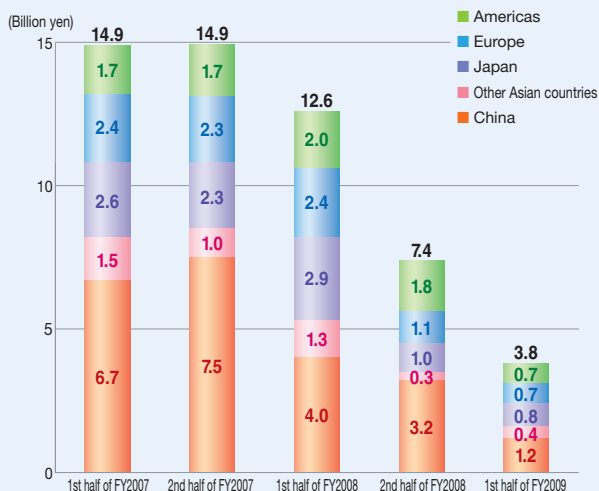
Operating income **-2.67 billion yen**

Changes in net sales and operating income



Changes in net sales by region

Decreased in all the regions except other Asian countries
Decreased in China and Americas by two thirds



Changes in sales by unit and mount in China

Sales increased due to recovery of domestic consumption after hitting bottom in January through March 2009.



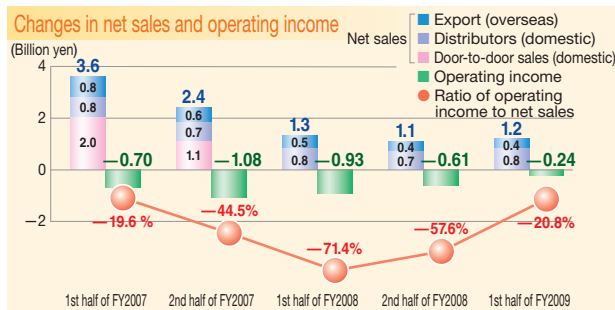
Household Sewing Machines Business

Due to the good effect of launching new product "EXCEED" series (computerized sewing machines), the consolidated net sales stood at 1,166 million yen, up by 10.1% from the second half of previous fiscal 2008. Moreover, operating income recorded a deficit of 242 million yen that is smaller than that for the second half of previous fiscal 2008 due to the advantage effect of restructuring.

In the second half of fiscal 2009, we will expand the sales by strengthening the dealer network and also implementing further cost reductions.

Net sales **1.2 billion yen**

Operating income **-0.24 billion yen**

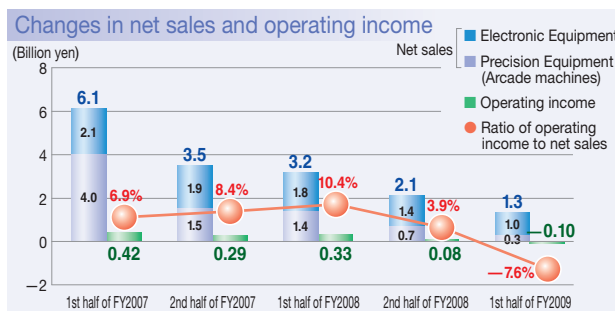


Electronic Equipment and Precision Equipment Businesses

Due to withdrawal in August this year from precision equipment business (Arcade machines) plunged into the red and also continued efforts to giving priority to profitability in electronic equipment business, the consolidated net sales stood at 1,281 million yen, down by 40.2% from the second half of previous fiscal 2008. Moreover, operating income recorded a deficit of 97 million yen. In the second half of fiscal 2009, we will move into the black due to the anticipated effect of withdrawal from precision equipment business.

Net sales **1.3 billion yen**

Operating income **-0.1 billion yen**



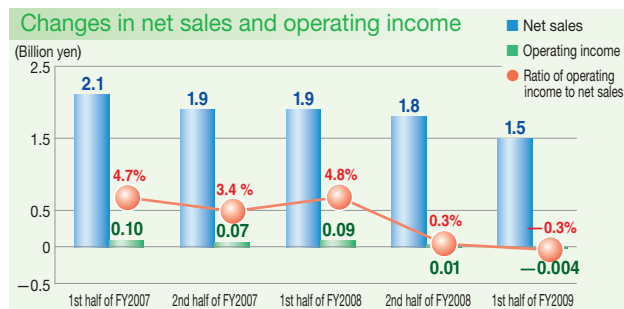
Precision Casting Business

Due to sluggish demand for housing, etc., the consolidated net sales stood at 1,523 million yen, down by 16.4% from the second half of previous fiscal 2008. Moreover, operating income recorded a deficit of 4 million yen.

In the second half of fiscal 2009, we will increase sales of high-value added lost-wax process products mainly in order to move into the black as early as possible.

Net sales **1.5 billion yen**

Operating income **-0.004 billion yen**



Consolidated Financial Statements for the first half (summary)

Consolidated Balance Sheets

(Unit: Million yen)

Item	End of previous FY2008 as of Mar 31, 2009	End of 1st half of FY2009 as of Sep 30, 2009	Year-on-year change
Assets			
Current assets	62,971	53,383	(9,588)
Fixed assets	40,683	41,490	807
Tangible fixed assets	29,016	28,987	(29)
Intangible fixed assets	2,524	2,534	10
Investments and other assets	9,142	9,967	825
Total assets	103,654	94,874	(8,780)
Liabilities			
Current liabilities	64,501	54,708	(9,793)
Fixed liabilities	17,564	25,159	7,595
Total liabilities	82,065	79,867	(2,198)
Net assets			
Shareholders' equity	27,264	19,769	(7,495)
Capital stock	15,950	15,950	0
Capital surplus	8,977	8,976	(1)
Retained earnings	2,394	(5,099)	(7,493)
Treasury stock	(57)	(57)	0
Valuation and translation adjustments	(5,943)	(5,030)	913
Minority interests	267	266	(1)
Total net assets	21,589	15,006	(6,583)
Total liabilities and net assets	103,654	94,874	(8,780)

Consolidated Statements of income for the first half

(Unit: Million yen)

Item	1st half of previous FY2008 (Apr 1 through Sep 30, 2008)	1st half of FY2009 (Apr 1 through Sep 30, 2009)	Year-on-year change
Net sales	48,531	24,353	(24,178)
Cost of sales	31,299	21,163	(10,136)
Gross profit	17,231	3,189	(14,042)
Selling, general and administrative expenses	15,349	10,644	(4,705)
Operating income	1,881	(7,454)	(9,335)
Non-operating income	880	955	75
Non-operating expenses	578	1,036	458
Ordinary income	2,183	(7,534)	(9,717)
Extraordinary income	53	219	166
Extraordinary loss	2,347	628	(1,719)
Net income before taxes and minority interests	(110)	(7,943)	(7,833)
Corporate income tax, inhabitants tax, and enterprise taxes	(68)	(2,985)	(2,917)
Corporate tax adjustments	457	2,549	2,092
Minority interests	19	(12)	(31)
Net income	(518)	(7,494)	(6,976)

Consolidated Statements of Cash Flows for the first half

(Unit: Million yen)

Item	1st half of previous FY2008 (Apr 1 through Sep 30, 2008)	1st half of FY2009 (Apr 1 through Sep 30, 2009)	Year-on-year change
Cash flow from operating activities	(5,363)	212	5,575
Cash flow from investing activities	(2,128)	(6,068)	(3,940)
Cash flow from financing activities	4,545	3,744	(801)
Effect of exchange rate changes on cash and cash equivalents	(57)	212	269
Net increase (or decrease) in cash and cash equivalents	(3,003)	(1,898)	1,105
Cash and cash equivalents at the beginning of the fiscal year	9,940	8,925	(1,015)
Cash and cash equivalents at the end of the fiscal year	6,937	7,027	90

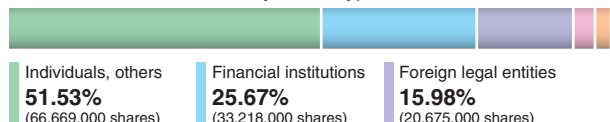
Corporate information

■ Corporate profile (as of September 30, 2009)

Trade name	JUKI CORPORATION
Founded on	December 15, 1938
Paid in capital	15,950.26 million yen
Business items	Industrial Sewing Machines, SMT Systems, Household Sewing Machines, Electronic Equipment and Precision Equipment, Precision Casting, etc.
Number of employees	5,903 (consolidated basis)
Consolidated subsidiary companies	35 companies

■ Stock information (as of September 30, 2009)

- Total number of authorized shares: 400,000,000 shares
- Total number of shares issued: 129,370,899 shares
- Total number of shareholders: 15,027
- Stock distribution status by owner type



Map of our new office buildings

We will start our business on December 16, 2009 at the new office buildings.



JUKI CORPORATION

2-11-1, Tsurumaki, Tama-shi, Tokyo 206-8551
Tel: 042-357-2211

Shareholder's memo

Business year: April 1 through March 31 of the next year (year after year)

Ordinary general meeting of shareholders: June

Record date for the ordinary general meeting of shareholders: March 31

Unit stock: 1,000 shares

Method of public notice: We will issue public notices electronically on our website (<http://www.juki.co.jp>). If accidents or unforeseen causes prevent us from issuing public notices electronically, we will publish the notice in the newspaper *Nippon Keizai Shinbun* (*The Nikkei*).

Listed stock exchange: Tokyo Stock Exchange, 1st section (Security code: 6440)

Shareholders list administrator and Special account administrator: Mizuho Trust & Banking Co., Ltd.

(Mailing address): Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.
8-4, Izumi 2-chome, Suginami-ku, Tokyo 168-8507

(Inquiry contact): 0120-288-324 (toll free)
Business hours: 9:00 – 17:00 (excluding Saturdays, Sundays, and national holidays)

Administration office for special account: Branch offices of Mizuho Trust & Banking Co., Ltd.
Headquarters and branch offices of Mizuho Investors Securities Co., Ltd.

* Please contact your securities companies to report address changes and other administrative matters.

Special account

For shareholders who were not using JASDEC prior to the implementation of the electronic stock system, we open accounts ("special accounts") in their names with Mizuho Trust & Banking Co., Ltd., the administrator of the shareholders list.

Please telephone the above number for any inquiries about your special account, address changes, or other administrative matters.

Website guidance



Top homepage



To Our Shareholders

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http://www.juki.co.jp/ir_e/index.html