

(Reference Translation)



February 10, 2017

To whom it may concern:

Company Name: JUKI Corporation

Name and Title of Representative:

Akira Kiyohara, President

(TSE 1st Section Securities Code: 6440)

Name and Title of Contact Person:

Masahiko Suzuki, Corporate Officer and General Manager
of Finance & Accounting Department

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Notice of “Differences from Consolidated Earnings Forecasts for the Fiscal Year Ended December 31, 2016” and “Recording of Loss on Valuation of Shares of Subsidiaries and Associates (Extraordinary Losses)”

JUKI Corporation (the “Company”) hereby announces that differences have arisen between consolidated earnings forecasts and actual results for the fiscal year ended December 31, 2016 (January 1, 2016 to December 31, 2016), which were announced on August 3, 2016. In addition the Company announces the recording of loss on valuation of shares of subsidiaries and associates in its non-consolidated actual results. The details are as follows.

1. Differences between consolidated earnings forecasts and actual results for the fiscal year ended December 31, 2016 (January 1, 2016 to December 31, 2016)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Basic earnings per share
Forecasts previously announced (A)	million yen 104,000	million yen 4,200	million yen 2,400	million yen 1,000	yen 33.90
Revised forecasts (B)	97,724	4,651	3,022	1,883	63.94
Difference (B-A)	(6,276)	451	622	883	–
Increase/decrease (%)	(6.0)	10.7	25.9	88.3	–
Reference: Results for the fiscal year ended December 31, 2015	112,865	7,110	5,728	3,853	129.14

2. Reason for difference

Net sales were lower than the previously announced forecast. Operating income and ordinary income, however, increased due to improvement in the cost ratio and reduction in selling, general and administrative expenses. In addition, the amount recorded for total income taxes was lower than the initial estimate, which led to an increase in profit attributable to owners of parent.

3. Details of loss on valuation of shares of subsidiaries and associates

The real value of the shares of subsidiaries and associates held by the Company has fallen due to recent performance weakness of those companies. Accordingly, the Company has decided to recognize loss on valuation of shares of subsidiaries and associates of ¥2,491 million in extraordinary losses of the non-consolidated settlement of accounts in accordance with the “Accounting Standard for Financial Instruments.”

The above does not have any impact on the consolidated financial results because the loss on valuation of shares of subsidiaries and associates will be offset and eliminated on the consolidated financial statements.