

## Summary of Financial Information and Business Results for the First Quarter of FY2009 ending March 31, 2010

Date: August 7, 2009

Company Name : Juki Corporation  
 Listed on : Tokyo Stock Exchange (1st Section)  
 Security code : 6440  
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 Planned Date for Start of Dividend Payment : —

(Rounded down to the nearest million yen)

1. Consolidated financial results for the 1st quarter of FY2009 ending March 31, 2010 (April 1, 2009 through June 30, 2009)

(1) Consolidated operating results (accumulated) (Percentage figures denote year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
1st quarter of FY2009 ending March 31, 2010	12,456	-50.7	-3,513	—	-3,601	—	-2,740	—
1st quarter of FY2008 ended March 31, 2009	25,248	—	1,500	—	1,965	—	512	—

	Net income per share	Diluted net income per share
	yen	yen
1st quarter of FY2009 ending March 31, 2010	-21.20	—
1st quarter of FY2008 ended March 31, 2009	3.96	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
1st quarter of FY2009 ending March 31, 2010	102,464	20,036	19.3	152.90
FY2008 ended March 31, 2009	103,654	21,589	20.6	164.98

(Reference) Shareholders' equity: 1st quarter of FY2009 ending March 31, 2010: 19,759 million yen; FY2008 ended March 31, 2009: 21,321 million yen

2. Dividends

(Record date)	Cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Financial year end	Annual
FY2008 ended March 31, 2009	—	5.00	—	0.00	5.00
FY2009 ending March 31, 2010	—				
FY2009 ending March 31, 2010 (forecast)		0.00	—	0.00	0.00

(Note) Correction of dividend payment forecast in the 1st quarter: None

3. Business performance forecasts for FY2009 ending March 31, 2010 (April 1, 2009 through March 31, 2010)

(Percentages denote year-over-year changes, and 2nd quarter consolidated and accumulated denotes increase/decrease ratio on a year-over-year basis)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
2nd quarter (consolidated and accumulated)	—		—		—		—		—
Full year	78,000	0.2	-3,200	—	-4,000	—	-4,000	—	-30.96

(Note) Correction of consolidated business performance forecast in the 1st quarter: None  
 The consolidated and accumulated business forecast of the 2nd quarter is not described.

4. Others

(1) Transfer of important subsidiaries during the period under review (Transfer of specific subsidiaries that results in a change in the scope of consolidation):

None

(2) Simple accounting processing and particular accounting processing in association with the preparation of consolidated financial statements of the quarter:

Applied

[(Note) Refer to the details described in P. 4 (Item No.4 "Others" of the "Qualitative information and financial statements, etc.")]

(3) Changes in accounting principles, accounting procedures, presentation method and others in association with the preparation of consolidated financial statements of the 1st quarter (Those which are stated in the "Basis of Preparation of the Consolidated Financial Statements of the 1st quarter")

1) Changes due to the revision to the accounting standards, etc.: None

2) Changes due to any reason other than those in 1) above: None

(4) Number of shares issued (common stock)

1) Number of shares and outstanding at the end of the fiscal year (including treasury stock):

1st quarter of FY2009 ending March 31, 2010: 129,370,899 shares, FY2008 ended March 31, 2008: 129,370,899 shares

2) Number of treasury stock at the end of the fiscal year:

1st quarter of FY2009 ending March 31, 2010: 137,865 shares, FY2008 ended March 31, 2009: 137,789 shares

3) Average number of shares during the fiscal year (consolidated and accumulated period of the quarter):

1st quarter of FY2009 ending March 31, 2010: 129,233,159 shares, 1st quarter of the FY2008 ended March 31, 2009: 129,190,560 shares

\* Explanation on the appropriate usage of business performance forecasts and other specific matters.

The above forecasts of operating results are made based on the assumptions, prospects and plans for the future available as of the date hereof.

The actual results may differ from the forecasted figures due to risks and uncertain factors involved in world economy, competitive status, and exchange rate fluctuations.

## **[Qualitative information and financial statements, etc.]**

### **1. Qualitative information on the business results (consolidated basis)**

Consolidated sales of the first quarter stood at 12,456 million yen (down 50.7% from the same period of the preceding fiscal year), and operating profit recorded a deficit of 3,513 million yen (a decline from the positive 1.5 billion yen posted in the same period of the preceding fiscal year). Ordinary income stood at 3,601 million yen (a decline from the positive 1,965 million yen in the same period of the preceding fiscal year). Net income recorded a deficit of 2.74 billion yen (a decline from the positive net income of 512 million yen in the same period of the preceding fiscal year).

Following is the outline of the business results in each of our major business segments.

#### **(1) Industrial sewing machines business**

In the first quarter, visible signs of recovery were beginning to be shown in the Chinese market, but the severe situation continued in the other markets including European and US economies. As a consequence, consolidated net sales of industrial sewing machines stood at 8,363 million yen (down 47.1% from the same period of the preceding fiscal year).

#### **(2) SMT systems business (pick-and-placers, etc.)**

Owing to the influences of restricted capital investment due to the worldwide recession continued from the second half of the preceding fiscal year, the demand of the pick-and-placers remains sluggish, and consolidated net sales of SMT systems stood at 1,694 million yen (down 72.0% from the same period of the preceding fiscal year).

#### **(3) Household sewing machines business**

Due to the influences of the sluggish personal consumption in the domestic market, consolidated net sales of household sewing machines stood at 571 million yen (down 5.4% from the same period of the preceding fiscal year).

#### **(4) Electronic equipment and computer peripherals business (IT-related equipment and related equipment of arcade machines, etc.)**

By advancing the review of the business of precision equipment (related equipment of arcade machines, etc.), consolidated net sales of the electronic equipment and computer peripherals stood at 616 million yen (down 53.8% from the same period of the preceding fiscal year).

#### **(5) Precision casting business (lost-wax products, etc.)**

The sales continued to be sluggish due to the influences of restricted capital investment caused by the recession of domestic economy, and consolidated net sales of the precision casting business stood at 844 million yen (down 14.1% from the same period of the preceding fiscal year).

### **2. Qualitative information of the consolidated financial position.**

(Assets, liabilities, and net assets)

Total assets of the first quarter stood at 102,464 million yen by reduction of 1,190 million yen from the end of the preceding fiscal year. Current assets stood at 60,212 million yen by reduction of 2,758 million yen from the end of the preceding fiscal year by reduction of notes receivable-trade, account receivable-trade and inventories. Current liabilities stood at 56,150 million yen by reduction of 8,351 million yen owing to a decrease of notes payable relating to the capital equipment. Net assets decreased by 1,552 million yen compared to the end of the preceding fiscal year, and stood at 20,036 million yen. This depends on the reduction of retained earnings (2,740 million yen) and the reduction of valuation and translation adjustments (1,178 million yen) such as foreign currency translation adjustments.

(Cash flows)

Cash flow from operating activities was an outgo of 685 million yen, due to mainly a decrease in notes and accounts receivable-trade and inventories, while small net loss of

the quarter before adjusting tax, etc. was posted.

Cash flow from investing activities was an outgo of 5,465 million yen, due to the acquisition of tangible fixed assets.

Cash flow from financing activities was an income of 5,854 million yen, due to the increase of long-term debt.

As a consequence, cash and cash equivalents at the end of the first quarter stood at 8,913 million yen, and decreased by 12 million yen in comparison with that of the end of preceding fiscal year.

### 3. Qualitative information of the consolidated business performance forecast

It seems that the economical environment goes under an unclear transition henceforth also, and we refrain from announcing the business forecast of the consolidated and accumulated second quarter this time. The business forecast for fiscal 2009 leaves our forecast announced on May 19, 2009 unchanged by the same reason.

### 4. Others

(1) Transfer of important subsidiaries during the period under review (Transfer of specific subsidiaries that results in a change in the scope of consolidation)

None

(2) Simple accounting processing and particular accounting processing in making the consolidated financial statements of the quarter

(Simple accounting processing)

1) Evaluation method of inventories

At the calculation of the inventory at the end of the first quarter, physical inventory check is abbreviated, and a rational method for calculating it on the basis of the physical inventory at the end of the preceding consolidated fiscal year is applied.

2) Calculation method of deferred and accrued accounts

A gross figure on the basis of a rational calculation method is applied for the amounts that fixed expenses occupy the major part and that the difference between the budgets and results is trifling.

3) Elimination of unrealized income and loss

The amount of inventory assets which occupy in the stock amount at the end of the quarter, and the ratio of gain and loss are calculated by estimating rationally.

4) Calculation method of deferred tax asset and liability

Regarding the judgment of collection possibility of the deferred tax asset, the significant change cannot be recognized in the managerial environment from the end of the preceding consolidated fiscal year, and in the temporary difference. Accordingly, the future business forecast and the tax planning used in the preceding consolidated fiscal year are used.

(Particular accounting processing in association with the preparation of quarterly consolidated financial statements)

1) Calculation of tax expenses

The normal effective tax rate after applying the tax effect accounting to net income before tax of the current consolidated fiscal year is rationally estimated. Thereafter, tax expenses are computed by multiplying quarterly net income by normal effective tax rate or by multiplying quarterly net loss by normal effective statutory tax rate.

(3) Changes in accounting principles, accounting procedures, presentation method and others in association with the preparation of consolidated financial statements of the 1st quarter

None

## 5. Consolidated Financial Statements of the First Quarter

### (1) Consolidated Balance Sheets of the First Quarter

(Unit: Million yen)

	End of the 1st Quarter of FY2009 consolidated (as of June 30, 2009)	Summarized Consolidated Financial Statements of FY2008 (as of March 31, 2009)
<b>Assets</b>		
Current assets		
Cash and deposits	9,125	8,955
Notes and accounts receivable-trade	11,651	12,821
Marketable securities	10	44
Inventories, merchandise and products	25,866	27,286
Work in process	3,672	3,644
Raw materials and supplies	4,860	5,140
Others	6,194	6,145
Allowance for doubtful accounts	-1,168	-1,065
Total current assets	60,212	62,971
Fixed assets		
Tangible fixed assets		
Buildings and structures-net	9,191	8,862
Land	7,527	7,490
Others-net	12,809	12,662
Total tangible fixed assets	29,528	29,016
Intangible fixed assets	2,520	2,524
Investments and other assets		
Others	11,829	10,779
Allowance for doubtful accounts	-1,626	-1,636
Total investments and other assets	10,202	9,142
Total fixed assets	42,251	40,683
Total assets	102,464	103,654

(Unit: Million yen)

	End of the 1st Quarter of FY2009 consolidated (as of June 30, 2009)	Summarized Consolidated Financial Statements of FY2008 (as of March 31, 2009)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	3,896	4,946
Short-term borrowings	43,264	45,326
Corporate bonds redeemable within 1 year	40	40
Income taxes payable, etc.	109	206
Reserve for bonuses	751	924
Others	8,087	13,057
<b>Total current liabilities</b>	<b>56,150</b>	<b>64,501</b>
Fixed liabilities		
Corporate bonds	650	660
Long-term borrowings	17,962	9,544
Reserve for retirement benefits	6,320	6,306
Accrued retirement benefits for Directors and Corporate Auditors	381	393
Others	963	659
<b>Total fixed liabilities</b>	<b>26,277</b>	<b>17,564</b>
<b>Total liabilities</b>	<b>82,427</b>	<b>82,065</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	15,950	15,950
Capital surplus	8,976	8,977
Retained earnings	-345	2,394
Treasury stock	-57	-57
<b>Total shareholders' equity</b>	<b>24,524</b>	<b>27,264</b>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	20	-77
Deferred gains or losses on hedges	-1	-2
Foreign currency translation adjustment	-4,782	-5,863
<b>Total valuation and translation adjustments</b>	<b>-4,764</b>	<b>-5,943</b>
Minority interests	277	267
<b>Total net assets</b>	<b>20,036</b>	<b>21,589</b>
<b>Total liabilities and net assets</b>	<b>102,464</b>	<b>103,654</b>

(2) Consolidated Statements of Income of the Quarter  
Consolidated Statements of Income of the First Quarter

(Unit: Million yen)

	End of the 1st Quarter of FY2008 (From April 1 through June 30, 2008)	End of the 1st Quarter of FY2009 (From April 1 through June 30, 2009)
Net sales	25,248	12,456
Cost of sales	16,060	10,595
Gross profit	9,188	1,861
Selling, general and administrative expenses	7,687	5,374
Operating income (loss)	1,500	-3,513
Non-operating income		
Interest income	48	54
Dividends income	133	29
Foreign exchange gains	315	199
Others	237	333
Total non-operating income	735	617
Non-operating expenses		
Interest expenses	246	287
Syndicated loan commission	—	392
Others	24	25
Total non-operating expenses	270	704
Ordinary income (loss)	1,965	-3,601
Extraordinary income		
Gain on sale of fixed assets	3	0
Foreign exchange gains through finance to subsidiaries	—	163
Others	—	19
Total extraordinary income	3	184
Extraordinary loss		
Loss on sale and disposal of fixed assets	—	5
Valuation loss on investment securities	—	74
Loss on valuation of inventories	415	—
Others	165	38
Total extraordinary loss	581	118
Net income (loss) before taxes and minority interests	1,387	-3,535
Corporate income tax, inhabitants tax, and enterprise taxes	707	-1,249
Corporate tax adjustments	160	461
Total income taxes	868	-787
Minority interests (loss)	7	-6
Net income (loss)	512	-2,740

## (3) Consolidated Statements of Cash Flows of the First Quarter

(Unit: Million yen)

	End of the 1st Quarter of FY2008 (From April 1 through June 30, 2008)	End of the 1st Quarter of FY2009 (From April 1 through June 30, 2009)
<b>Cash flow from operating activities</b>		
Net income (loss) before taxes	1,387	-3,535
Depreciation and amortization	811	789
Increase (Decrease) in allowance for doubtful accounts	135	19
Increase (Decrease) of reserve for retirement benefits	68	14
Increase (Decrease) of reserve for bonuses	-463	-173
Increase (Decrease) of reserve for bonuses to directors and corporate auditors	-85	—
Interest and dividends income	-182	-84
Interest expenses	246	287
Decrease (Increase) in notes and accounts receivable-trade	321	1,781
Decrease (Increase) in inventories	960	3,026
Increase (Decrease) in notes and accounts payable-trade	-1,312	-1,108
Increase (Decrease) in accrued consumption taxes	-371	-3
Increase (Decrease) in notes discounted	-447	-162
Others	-1,873	-473
Subtotal	-805	377
Interest and dividends income received	182	83
Interest expenses paid	-237	-265
Payments for business reorganization	-1,791	-674
Income taxes paid	-622	-205
<b>Cash flow from operating activities</b>	<b>-3,274</b>	<b>-685</b>
<b>Cash flow from investing activities</b>		
Purchase of tangible fixed assets	-861	-5,372
Proceeds from sale of tangible fixed assets	191	6
Others	72	-98
<b>Cash flow from investing activities</b>	<b>-597</b>	<b>-5,465</b>
<b>Cash flow from financing activities</b>		
Increase (Decrease) in short-term borrowings-net	4,446	-1,905
Proceeds from long-term debt	250	9,540
Repayments of long-term debt	-2,298	-1,990
Payment for redemption of bonds	—	-10
Cash dividends paid	-546	-1
Cash dividends paid to minority shareholders	-4	—
Others	0	221
<b>Cash flow from financing activities</b>	<b>1,846</b>	<b>5,854</b>
Effect of exchange rate changes on cash and cash equivalents	-429	283
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-2,455</b>	<b>-12</b>
Cash and cash equivalents at the beginning of the fiscal year	9,940	8,925
<b>Cash and cash equivalents at the end of the 1st quarter</b>	<b>7,485</b>	<b>8,913</b>

(4) Events and Conditions which indicate there could be Substantial Doubt about Going Concern Assumption  
None

## (5) Business Segment Information

[Segment information by business]

1st Quarter of FY2008 consolidated (April 1, 2008 through June 30, 2008) (Unit: Million yen)

	Industrial Sewing Machines	SMT Systems	Household Sewing Machines	Electronic Equipment and Computer Peripherals	Precision Casting	Others	Total	Intersegment Elimination and/or Unallocated Amount	Consolidated
Net sales									
(1) Sales to external customers	15,800	6,050	604	1,333	983	475	25,248	—	25,248
(2) Intersegment sales or transfer	156	44	133	178	25	20	561	(561)	—
Total	15,957	6,095	738	1,512	1,008	496	25,809	(561)	25,248
Operating income (loss)	1,590	762	-521	61	61	-56	1,898	(397)	1,500

1st Quarter of FY2009 consolidated (April 1, 2009 through June 30, 2009) (Unit: Million yen)

	Industrial Sewing Machines	SMT Systems	Household Sewing Machines	Electronic Equipment and Computer Peripherals	Precision Casting	Others	Total	Intersegment Elimination and/or Unallocated Amount	Consolidated
Net sales									
(1) Sales to external customers	8,363	1,694	571	616	844	366	12,456	—	12,456
(2) Intersegment sales or transfer	72	48	65	63	7	58	317	(317)	—
Total	8,436	1,743	637	680	852	424	12,773	(317)	12,456
Operating income (loss)	-1,489	-1,466	-95	26	1	-50	-3,073	(440)	-3,513

(Notes) 1. The business segments are based on the classification used by the Company internally for its business.

2. Principal products by business segment are as follows:

- |                                                             |                                                           |
|-------------------------------------------------------------|-----------------------------------------------------------|
| (1) Industrial Sewing Machines Business:                    | Industrial sewing machines                                |
| (2) SMT Systems Business:                                   | Pick-and-placers                                          |
| (3) Household Sewing Machines Business:                     | Household sewing machines                                 |
| (4) Electronic Equipment and Computer Peripherals Business: | Arcade machines, IT-related equipment, etc.               |
| (5) Precision Casting Business:                             | Lost-wax products, MIM (Metal Injection Molding) products |
| (6) Others:                                                 | Dies and molds, press products, etc.                      |

## [Geographical Segments Information]

1st Quarter of FY2008 (April 1, 2008 through June 30, 2008)

(Unit: Million yen)

	Japan	Americas	Asia	Europe	Total	Intersegment Elimination and/or Unallocated	Consolidated
Sales and Operating Income (Loss)							
Net sales							
(1) Sales to customers	7,883	2,476	11,947	2,940	25,248	—	25,248
(2) Intersegment sales	13,658	2	2,657	43	16,361	(16,361)	—
Total	21,541	2,478	14,605	2,984	41,610	(16,361)	25,248
Operating income (loss)	1,363	75	250	208	1,898	(397)	1,500

1st Quarter of FY2009 (April 1, 2009 through June 30, 2009)

(Unit: Million yen)

	Japan	Americas	Asia	Europe	Total	Intersegment Elimination and/or Unallocated	Consolidated
Sales and Operating Income (Loss)							
Net sales							
(1) Sales to customers	3,929	1,027	6,628	871	12,456	—	12,456
(2) Intersegment sales	3,629	24	1,029	23	4,706	(4,706)	—
Total	7,558	1,052	7,657	894	17,163	(4,706)	12,456
Operating income (loss)	-3,029	-92	-331	-13	-3,466	(47)	-3,513

[Overseas Sales]

1st Quarter of FY2008 consolidate (April 1, 2008 through June 30, 2008) (Unit: Million yen)

	Americas	Asia	Europe	Others	Total
I Overseas sales	2,490	12,713	3,958	7	19,170
II Consolidated sales	—	—	—	—	25,248
III Percentage of overseas sales in consolidated sales	9.9%	50.3%	15.7%	0.0%	75.9%

1st Quarter of FY2009 (April 1, 2009 through June 30, 2009) (Unit: Million yen)

	Americas	Asia	Europe	Others	Total
I Overseas sales	1,033	6,886	1,035	1	8,957
II Consolidated sales	—	—	—	—	12,456
III Percentage of overseas sales in consolidated sales	8.3%	55.3%	8.3%	0.0%	71.9%

(6) Extreme variation in Shareholders' equity:

None