

Summary of Financial Information and Business Results
for the First Three Months of Fiscal Year 2014 Ending December 31, 2014
on a Consolidated Basis
<under Japanese GAAP>

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 Listing: First Section of the Tokyo Stock Exchange
 Securities code: 6440
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Scheduled date to file the quarterly securities report: May 9, 2014
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results presentation meeting: None

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance for the first three months of fiscal year 2014 ending December 31, 2014 (January 1, 2014 to March 31, 2014)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes)

Three months ended	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
March 31, 2014	25,201	11.4	1,867	632.1	1,734	–	1,113	–
March 31, 2013	22,624	18.4	255	–	(531)	–	(2,128)	–

Note: Comprehensive income Three months ended March 31, 2014: 591 million yen [– %]
 Three months ended March 31, 2013: (690) million yen [– %]

Three months ended	Net income per share	Diluted net income per share
	yen	yen
March 31, 2014	8.62	–
March 31, 2013	(16.47)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	million yen	million yen	%
March 31, 2014	114,991	13,103	10.4
December 31, 2013	113,189	11,806	10.1

Reference: Equity As of March 31, 2014: 12,007 million yen

As of December 31, 2013: 11,432 million yen

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended December 31, 2013	–	0.00	–	0.00	0.00
Fiscal year ending December 31, 2014	–				
Fiscal year ending December 31, 2014 (Forecast)		0.00	–	2.00	2.00

Note: Revisions to the dividend forecasts most recently announced: Yes

Although the forecast for the second quarter-end of the fiscal year ending December 31, 2014 was yet to be determined in the forecasts most recently announced, it has now been determined as presented above. For a detailed description, please refer to “Notice of Earnings Forecasts and Dividend Forecasts,” which was released today (May 8, 2014). The dividend forecast for the fiscal year-end is unchanged.

3. Consolidated earnings forecasts for the fiscal year 2014 ending December 31, 2014 (January 1, 2014 to December 31, 2014)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending June 30, 2014	51,000	8.7	3,700	146.2	3,100	737.1	2,000	–	15.48
Fiscal year ending December 31, 2014	102,000	8.1	6,300	22.3	5,000	28.9	3,700	23.1	28.63

Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

Although the forecasts for the six months ending June 30, 2014 were yet to be determined in the forecasts most recently announced, they have now been determined as presented above. For a detailed description, please refer to “Notice of Earnings Forecasts and Dividend Forecasts,” which was released today (May 8, 2014). The forecasts for the fiscal year ending December 31, 2014 are unchanged.

*** Notes**

- (1) Changes in significant subsidiaries during the three months under review (changes in specified subsidiaries resulting in changes in the scope of consolidation): None
- (2) Application of special accounting for preparing quarterly consolidated financial statements: Yes
Note: For a detailed description, please refer to “(2) Application of special accounting for preparing quarterly consolidated financial statements” of “2. Matters regarding summary information (Notes)” on page 4 of the [Attached Material].
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
- a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatement of prior period financial statements after error corrections: None

(4) Number of issued shares (common shares)

- a. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2014	129,370,899 shares
As of December 31, 2013	129,370,899 shares

- b. Number of treasury shares at the end of the period

As of March 31, 2014	162,183 shares
As of December 31, 2013	161,683 shares

- c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2014	129,208,971 shares
Three months ended March 31, 2013	129,215,417 shares

*** Indication regarding execution of quarterly review procedures**

This quarterly financial results report is not subject to the quarterly review procedures under the Financial Instruments and Exchange Act, and at the time of disclosure hereof, the quarterly review procedures for quarterly consolidated financial statements under the Financial Instruments and Exchange Act have been completed.

*** Disclaimer regarding forward-looking statements**

This report contains forward-looking statements concerning future plans, strategies and assumptions in light of the economic, financial and other data currently available. Furthermore, they are subject to a number of risks and uncertainties. JUKI therefore wishes to caution readers that actual results may differ materially from those projected in such forward-looking statements. Significant factors that may have an impact on actual results include the economic environment surrounding JUKI's business, political situations in key markets, and foreign exchange rate fluctuations (primarily the yen to U.S. dollar rate).

[Attached Material]

Index

1. Qualitative information regarding consolidated performance for the first three months	2
(1) Explanation regarding operating results	2
(2) Explanation regarding financial position	3
(3) Explanation regarding forward-looking statements such as consolidated earnings forecasts.....	3
2. Matters regarding summary information (Notes).....	4
(1) Changes in significant subsidiaries during the three months under review	4
(2) Application of special accounting for preparing quarterly consolidated financial statements.....	4
(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections	4
3. Quarterly consolidated financial statements.....	5
(1) Consolidated balance sheet	5
(2) Consolidated statement of income and consolidated statement of comprehensive income.....	7
Consolidated statement of income (cumulative).....	7
Consolidated statement of comprehensive income (cumulative).....	8
(3) Notes on quarterly consolidated financial statements.....	9
(Notes on premise of going concern).....	9
(Notes on significant changes in the amount of shareholders' equity)	9
(Segment information, etc.)	9

1. Qualitative information regarding consolidated performance for the first three months

(1) Explanation regarding operating results

In the three months ended March 31, 2014, although sales were generally weak for the Sewing Machinery Business and Electronic Assembly Systems Business in China, a continuation of firm year-on-year performance in the Sewing Machinery Business in Asia's emerging markets, and the effect of yen depreciation led to net sales rising 11.4% year on year to 25,201 million yen. In addition, boosted by positive effects from the group-wide structural reforms that have been implemented since the preceding year, operating income was 1,867 million yen (compared with an operating income of 255 million yen in the same period of the previous fiscal year), ordinary income was 1,734 million yen (compared with an ordinary loss of 531 million yen in the same period of the previous fiscal year) and net income was 1,113 million yen (compared with a net loss of 2,128 million yen in the same period of the previous fiscal year).

JUKI AUTOMATION SYSTEMS CORPORATION, a consolidated subsidiary of the Company, succeeded to the surface-mount technology ("SMT") equipment and related businesses of Sony Corporation and its subsidiary SONY EMCS Corporation (hereinafter, "SONY Corporation, etc.") by company split (absorption-type company split). As a result, we are now making efforts to improve development efficiency, expand sales through an enhanced product lineup, and strengthen solution sales through utilizing both companies' mounting technology knowhow through reconstructing the JUKI Group's Electronic Assembly Systems Business, in the areas of development, sales and production. Going forward, we will continue to strengthen the business foundation while expanding business areas.

(Business overview by primary segment)

a. Sewing Machinery Business

In the apparel sewing industry, there is a growing trend of a shift in clothing production bases from China into emerging Asian regions. Sales in these regions proceeded firmly and sales to manufacturers of non-apparel sewn products such as car seats and sports shoes increased. As a result, net sales for the Sewing Machinery Business as a whole were 18,657 million yen (up by 13.1% from the same period of the previous fiscal year).

b. Electronic Assembly Systems Business

Although sales in China, our largest market, were weak, sales to the Japanese domestic market increased and sales of mounters and labor-saving systems for the LED market increased. As a result, net sales of the Electronic Assembly Systems Business as a whole were 4,792 million yen (up by 8.6% from the same period of the previous fiscal year).

(2) Explanation regarding financial position

Assets, liabilities and net assets

Total assets as of March 31, 2014 were 114,991 million yen, an increase of 1,801 million yen compared to the previous fiscal year-end. This was mainly due to an increase in cash and deposits and an increase in intangible assets accompanying the company split with Sony Corporation, etc. Liabilities were 101,887 million yen, an increase of 504 million yen compared to the previous fiscal year-end. This primarily reflected an increase in long-term loans payable. Net assets were 13,103 million yen, an increase of 1,296 million yen compared to the previous fiscal year-end. This was mainly due to the recording of net income and the increase in minority interests from the execution of a company split at a subsidiary.

(3) Explanation regarding forward-looking statements such as consolidated earnings forecasts

The company has not revised its consolidated earnings forecasts for the fiscal year ending December 31, 2014, which were announced on February 14, 2014.

For our consolidated earnings forecasts for the six months ending June 30, 2014, which were yet to be determined as of February 14, 2014, please refer to “Notice of Earnings Forecasts and Dividend Forecasts,” which was announced today (May 8, 2014).

2. Matters regarding summary information (Notes)

(1) Changes in significant subsidiaries during the three months under review

No items to report.

(2) Application of special accounting for preparing quarterly consolidated financial statements

(Calculation of taxes)

Taxes are calculated by reasonably estimating the effective tax rate after application of tax effect accounting to income before income taxes and minority interests for the fiscal year, and multiplying the quarterly income before income taxes and minority interests by such estimated effective tax rate.

It should be noted that income taxes-deferred are included in income taxes.

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

No items to report.

3. Quarterly consolidated financial statements

(1) Consolidated balance sheet

(million yen)

	As of December 31, 2013	As of March 31, 2014
Assets		
Current assets		
Cash and deposits	6,254	7,385
Notes and accounts receivable - trade	24,879	25,214
Inventories	44,328	43,962
Other	5,168	5,283
Allowance for doubtful accounts	(1,125)	(1,120)
Total current assets	79,505	80,725
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,204	14,952
Land	6,774	6,774
Other, net	4,635	4,738
Total property, plant and equipment	26,614	26,465
Intangible assets	1,579	2,342
Investments and other assets		
Other	6,926	6,909
Allowance for doubtful accounts	(1,436)	(1,452)
Total investments and other assets	5,489	5,456
Total non-current assets	33,683	34,265
Total assets	113,189	114,991
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,875	11,507
Short-term loans payable	53,074	52,895
Current portion of bonds	10	—
Income taxes payable	873	1,036
Provision for bonuses	54	494
Other	6,962	6,202
Total current liabilities	72,850	72,137
Non-current liabilities		
Long-term loans payable	21,655	22,933
Provision for retirement benefits	5,217	5,297
Provision for directors' retirement benefits	165	166
Other	1,492	1,352
Total non-current liabilities	28,531	29,749
Total liabilities	101,382	101,887

(million yen)

	As of December 31, 2013	As of March 31, 2014
Net assets		
Shareholders' equity		
Capital stock	15,950	15,950
Retained earnings	(2,304)	(1,190)
Treasury shares	(60)	(60)
Total shareholders' equity	13,585	14,698
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	630	751
Deferred gains or losses on hedges	(23)	(15)
Foreign currency translation adjustment	(2,760)	(3,426)
Total accumulated other comprehensive income	(2,153)	(2,690)
Minority interests	374	1,095
Total net assets	11,806	13,103
Total liabilities and net assets	113,189	114,991

(2) Consolidated statement of income and consolidated statement of comprehensive income**Consolidated statement of income (cumulative)**

(million yen)

	Three months ended March 31, 2013	Three months ended March 31, 2014
Net sales	22,624	25,201
Cost of sales	17,264	17,764
Gross profit	5,359	7,437
Selling, general and administrative expenses	5,104	5,569
Operating income	255	1,867
Non-operating income		
Interest income	41	31
Dividend income	6	4
Subsidies for employment adjustment	58	–
Foreign exchange gains	–	85
Other	108	137
Total non-operating income	215	258
Non-operating expenses		
Interest expenses	427	364
Foreign exchange losses	513	–
Other	61	27
Total non-operating expenses	1,002	391
Ordinary income (loss)	(531)	1,734
Extraordinary income		
Gain on sales of non-current assets	27	4
Gain on sales of investment securities	0	3
Total extraordinary income	28	8
Extraordinary losses		
Loss on sales and retirement of non-current assets	4	5
Impairment loss	76	–
Loss on change in equity	–	5
Special retirement expenses	1,461	–
Total extraordinary losses	1,542	10
Income (loss) before income taxes and minority interests	(2,045)	1,732
Income taxes	79	589
Income (loss) before minority interests	(2,125)	1,143
Minority interests in income	2	30
Net income (loss)	(2,128)	1,113

Consolidated statement of comprehensive income (cumulative)

(million yen)

	Three months ended March 31, 2013	Three months ended March 31, 2014
Income (loss) before minority interests	(2,125)	1,143
Other comprehensive income		
Valuation difference on available-for-sale securities	243	120
Deferred gains or losses on hedges	68	7
Foreign currency translation adjustment	1,122	(679)
Total other comprehensive income	1,434	(551)
Comprehensive income	(690)	591
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(715)	575
Comprehensive income attributable to minority interests	24	15

**(3) Notes on quarterly consolidated financial statements
(Notes on premise of going concern)**

No items to report.

(Notes on significant changes in the amount of shareholders' equity)

No items to report.

(Segment information, etc.)

1. Information regarding the amounts of net sales and profit/loss by reportable segment

Three months ended March 31, 2013 (January 1, 2013 to March 31, 2013) (million yen)

	Reportable segment			Other Businesses (Note 1)	Total	Adjustments (Note 2)	Amount recorded in the quarterly consolidated statement of income (Note 3)
	Sewing Machinery Business	Electronic Assembly Systems Business	Total				
Net sales							
To external customers	16,492	4,414	20,906	1,717	22,624	–	22,624
Inter-segment sales or transfers	39	39	78	216	295	(295)	–
Total	16,532	4,453	20,985	1,934	22,919	(295)	22,624
Segment profit (loss)	(104)	(144)	(248)	90	(158)	(373)	(531)

- (Notes) 1. The “Other Businesses” category refers to business segments not included in reportable segments under which businesses such as the precision casting (the production and sale of lost-wax products, etc.), the IT-related equipment, and the dies and press processing parts are classified.
2. Included in the 373 million yen deducted from segment profit (loss) as adjustment are 0 million yen in inter-segment eliminations and a deduction of 373 million yen in corporate expenses that cannot be allocated to any reportable segment. The corporate expenses are mainly costs related to the administrative functions of the Company that have not been attributed to a reportable segment.
3. Segment profit (loss) is adjusted with ordinary loss in the quarterly consolidated statement of income.

Three months ended March 31, 2014 (January 1, 2014 to March 31, 2014) (million yen)

	Reportable segment			Other Businesses (Note 1)	Total	Adjustments (Note 2)	Amount recorded in the quarterly consolidated statement of income (Note 3)
	Sewing Machinery Business	Electronic Assembly Systems Business	Total				
Net sales							
To external customers	18,657	4,792	23,449	1,751	25,201	–	25,201
Inter-segment sales or transfers	84	63	147	218	365	(365)	–
Total	18,741	4,855	23,597	1,969	25,566	(365)	25,201
Segment profit	1,735	68	1,804	49	1,853	(119)	1,734

- (Notes) 1. The “Other Businesses” category refers to business segments not included in reportable segments under which businesses such as the precision casting (the production and sale of lost-wax products, etc.), the IT-related equipment, and the dies and press processing parts are classified.
2. Included in the 119 million yen deducted from segment profit as adjustment are a deduction of 2 million yen in inter-segment eliminations and a deduction of 116 million yen in corporate expenses that cannot be allocated to any reportable segment. The corporate expenses are mainly costs related to the administrative functions of the Company that have not been attributed to a reportable segment.
3. Segment profit is adjusted with ordinary income in the quarterly consolidated statement of income.

2. Information regarding loss on impairment of non-current assets and goodwill by reportable segment

Three months ended March 31, 2013 (January 1, 2013 to March 31, 2013)
(Significant impairment loss on non-current assets)

As for idle assets which have not been attributed to reportable segments, the Company reduced their book values to recoverable values due to a decline of their market values and recorded this reduction as impairment loss under extraordinary losses. The recognized amount as impairment loss was 76 million yen for the three months ended March 31, 2013.

Three months ended March 31, 2014 (January 1, 2014 to March 31, 2014)

No items to report.