

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	million yen	million yen	%
September 30, 2014	122,316	21,375	16.7
December 31, 2013	113,189	11,806	10.1

Reference: Equity As of September 30, 2014: 20,370 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	–	0.00	–		
Fiscal year ending December 31, 2014 (Forecast)				3.00	3.00

Note: Revisions to the dividend forecasts most recently announced: None

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
Fiscal year ending December 31, 2014	104,000	10.2	6,900	34.0	6,300	62.5	4,600	53.0	34.20

Note: Revisions to the consolidated earnings forecasts most recently announced: None

*** Notes**

- (1) Changes in significant subsidiaries during the nine 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 September 30, 2014	149,370,899 shares
As of December 31, 2013	129,370,899 shares

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

As of September 30, 2014	166,079 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)

Nine months ended September 30, 2014	134,513,143 shares
Nine months ended September 30, 2013	129,214,048 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]

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

(1) Explanation regarding operating results

In the nine months ended September 30, 2014, although sales were generally weak for the Sewing Machinery Business and Electronic Assembly Systems Business in China, a firm performance for the Sewing Machinery Business in Asia's emerging markets, continuing on from the previous fiscal year, and the effect of yen depreciation, led to net sales rising 10.4% year on year to 76,750 million yen. In addition, boosted by positive effects from the group-wide structural reforms that have been implemented since the previous fiscal year, operating income was 5,850 million yen (up by 74.9% from the same period of the previous fiscal year), ordinary income was 5,370 million yen (up by 157.2% from the same period of the previous fiscal year) and net income was 4,214 million yen (compared with a net income of 146 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 by company split (absorption-type company split) on March 1, 2014. As a result, we are now making efforts to improve development efficiency, enhance product lineup, and strengthen solution sales through utilizing both companies' mounting technology knowhow in order to reconstruct the JUKI Group's Electronic Assembly Systems Business in the areas of development, sales and production.

Furthermore, the Company implemented a capital increase of 4,188 million yen through exercises of subscription rights to shares in July and August 2014 in order to realize the construction of a "solid business foundation" capable of continuing to generate earnings sustainably in the future. This enabled the Company to further strengthen its capital base and improve its financial position as steps toward a new growth strategy.

(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 55,634 million yen (up by 11.1% from the same period of the previous fiscal year).

b. Electronic Assembly Systems Business

Although the sales contribution from new products including mounters, printing equipment and inspection equipment added in the business integration was still to be fully realized, sales of labor-saving systems increased. As a result, net sales of the Electronic Assembly Systems Business as a whole were 15,800 million yen (up by 10.3% from the same period of the previous fiscal year).

(2) Explanation regarding financial position

Assets, liabilities and net assets

Total assets as of September 30, 2014 were 122,316 million yen, an increase of 9,127 million yen compared to the previous fiscal year-end. This was mainly due to an increase in cash and deposits and an increase in inventories. Liabilities were 100,941 million yen, a decrease of 441 million yen compared to the previous fiscal year-end. This primarily reflected a decrease in short-term loans payable, despite an increase in notes and accounts payable - trade. Net assets were 21,375 million yen, an increase of 9,568 million yen compared to the previous fiscal year-end. This was mainly due to the recording of net income and capital increase through exercises of subscription rights to shares.

As a result of the recording of net income, losses were eliminated and retained earnings as of September 30, 2014 were 1,910 million yen, compared to loss of 2,304 million yen at the end of the previous fiscal year.

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

The Company has not changed its consolidated earnings forecasts for the fiscal year ending December 31, 2014, which were announced on August 6, 2014.

Going forward, the Company will closely examine its earnings forecasts after taking into account the impact on the Company's earnings from factors including the state of the global economy and exchange rate trends.

2. Matters regarding summary information (Notes)

(1) Changes in significant subsidiaries during the nine 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 for the fiscal year, and multiplying the quarterly income before income taxes 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 September 30, 2014
Assets		
Current assets		
Cash and deposits	6,254	9,732
Notes and accounts receivable - trade	24,879	25,554
Inventories	44,328	49,301
Other	5,168	5,052
Allowance for doubtful accounts	(1,125)	(1,190)
Total current assets	79,505	88,451
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,204	14,698
Land	6,774	6,774
Other, net	4,635	4,701
Total property, plant and equipment	26,614	26,174
Intangible assets	1,579	2,233
Investments and other assets		
Other	6,926	7,036
Allowance for doubtful accounts	(1,436)	(1,578)
Total investments and other assets	5,489	5,457
Total non-current assets	33,683	33,865
Total assets	113,189	122,316
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,875	14,005
Short-term loans payable	53,074	49,774
Current portion of bonds	10	-
Income taxes payable	873	896
Provision for bonuses	54	557
Other	6,962	7,397
Total current liabilities	72,850	72,632
Non-current liabilities		
Long-term loans payable	21,655	21,353
Provision for retirement benefits	5,217	5,370
Provision for directors' retirement benefits	165	168
Other	1,492	1,416
Total non-current liabilities	28,531	28,308
Total liabilities	101,382	100,941

(million yen)

	As of December 31, 2013	As of September 30, 2014
Net assets		
Shareholders' equity		
Capital stock	15,950	18,044
Capital surplus	–	2,094
Retained earnings	(2,304)	1,910
Treasury shares	(60)	(61)
Total shareholders' equity	13,585	21,987
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	630	731
Deferred gains or losses on hedges	(23)	(6)
Foreign currency translation adjustment	(2,760)	(2,342)
Total accumulated other comprehensive income	(2,153)	(1,617)
Minority interests	374	1,005
Total net assets	11,806	21,375
Total liabilities and net assets	113,189	122,316

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

Consolidated statement of income (cumulative)

(million yen)

	Nine months ended September 30, 2013	Nine months ended September 30, 2014
Net sales	69,525	76,750
Cost of sales	50,763	52,586
Gross profit	18,761	24,164
Selling, general and administrative expenses	15,417	18,314
Operating income	3,344	5,850
Non-operating income		
Interest income	96	99
Dividend income	116	72
Foreign exchange gains	–	112
Other	484	396
Total non-operating income	696	680
Non-operating expenses		
Interest expenses	1,232	1,071
Foreign exchange losses	597	–
Other	123	88
Total non-operating expenses	1,953	1,160
Ordinary income	2,088	5,370
Extraordinary income		
Gain on sales of non-current assets	126	16
Gain on sales of investment securities	0	3
Total extraordinary income	126	19
Extraordinary losses		
Loss on sales and retirement of non-current assets	11	67
Impairment loss	108	–
Loss on change in equity	–	5
Special retirement expenses	1,478	–
Total extraordinary losses	1,598	72
Income before income taxes and minority interests	616	5,317
Income taxes	446	1,185
Income before minority interests	169	4,132
Minority interests in income (loss)	23	(81)
Net income	146	4,214

Consolidated statement of comprehensive income (cumulative)

(million yen)

	Nine months ended September 30, 2013	Nine months ended September 30, 2014
Income before minority interests	169	4,132
Other comprehensive income		
Valuation difference on available-for-sale securities	298	100
Deferred gains or losses on hedges	104	17
Foreign currency translation adjustment	1,838	425
Total other comprehensive income	2,241	543
Comprehensive income	2,411	4,675
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,352	4,750
Comprehensive income attributable to minority interests	58	(74)

**(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)

In the nine months ended September 30, 2014, capital stock and legal capital surplus each increased by 2,094 million yen through exercises of subscription rights to shares. As of September 30, 2014, capital stock was 18,044 million yen and capital surplus was 2,094 million yen.

(Segment information, etc.)

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

Nine months ended September 30, 2013 (January 1, 2013 to September 30, 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	50,093	14,324	64,417	5,107	69,525	–	69,525
Inter-segment sales or transfers	187	147	334	640	975	(975)	–
Total	50,280	14,472	64,752	5,748	70,500	(975)	69,525
Segment profit	2,111	293	2,405	267	2,672	(584)	2,088

- (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 584 million yen deducted from segment profit as adjustment are a deduction of 0 million yen in inter-segment eliminations and a deduction of 583 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.

Nine months ended September 30, 2014 (January 1, 2014 to September 30, 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	55,634	15,800	71,434	5,315	76,750	–	76,750
Inter-segment sales or transfers	254	263	518	729	1,247	(1,247)	–
Total	55,888	16,064	71,952	6,044	77,997	(1,247)	76,750
Segment profit (loss)	5,660	(123)	5,536	248	5,785	(415)	5,370

- (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 415 million yen deducted from segment profit (loss) as adjustment are a deduction of 10 million yen in inter-segment eliminations and a deduction of 404 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 income in the quarterly consolidated statement of income.

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

Nine months ended September 30, 2013 (January 1, 2013 to September 30, 2013)

(Significant impairment loss on non-current assets)

In the nine months ended September 30, 2013, impairment losses comprising 29 million yen in assets of the Sewing Machinery Business segment, 3 million yen in assets of other segments and 76 million yen in idle assets which have not been attributed to reportable segments were recorded as extraordinary loss.

Nine months ended September 30, 2014 (January 1, 2014 to September 30, 2014)

No items to report.