

(Reference Translation)



May 11, 2015

**Summary of Financial Information and Business Results
for the First Three Months of Fiscal Year 2015 Ending December 31, 2015
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 12, 2015
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 2015 ending
December 31, 2015
(January 1, 2015 to March 31, 2015)**

(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, 2015	28,136	11.6	1,793	(4.0)	1,544	(10.9)	1,019	(8.4)
March 31, 2014	25,201	11.4	1,867	632.1	1,734	–	1,113	–

Note: Comprehensive income Three months ended March 31, 2015: 1,031 million yen [74.3 %]
Three months ended March 31, 2014: 591 million yen [– %]

Three months ended	Net income per share	Diluted net income per share
	yen	yen
March 31, 2015	6.83	–
March 31, 2014	8.62	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	million yen	million yen	%
March 31, 2015	129,026	26,537	19.8
December 31, 2014	130,751	25,010	18.4

Reference: Equity As of March 31, 2015: 25,497 million yen

As of December 31, 2014: 23,994 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, 2014	–	0.00	–	4.00	4.00
Fiscal year ending December 31, 2015	–				
Fiscal year ending December 31, 2015 (Forecast)		0.00	–	25.00	25.00

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

* On July 1, 2015, the Company will carry out a one-for-five common share consolidation. Consequently, the fiscal year-end dividends per share for the fiscal year ending December 31, 2015 (forecast) is an amount that takes into account the impact of this share consolidation. (If the share consolidation is not taken into account, the amount is ¥5).

3. Consolidated earnings forecasts for the fiscal year 2015 ending December 31, 2015 (January 1, 2015 to December 31, 2015)

(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, 2015	57,000	12.4	4,200	14.1	3,600	2.6	2,600	1.2	17.43
Fiscal year ending December 31, 2015	116,000	7.8	9,500	15.6	8,700	12.8	6,600	8.9	221.18

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

The consolidated earnings forecasts for the six months ending June 30, 2015, which were yet to be determined at the time of the most recent announcement, have now been set as shown in the table above. For the details, please refer to “Notice of Earnings Forecasts,” which was announced today (May 11, 2015). The consolidated earnings forecasts for the fiscal year ending December 31, 2015 are unchanged.

* Net income per share in the consolidated earnings forecasts for the fiscal year ending December 31, 2015, is an amount that takes into account the impact of this share consolidation. (If the share consolidation is not taken into account, the amount is ¥44.24).

* 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 3 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: Yes
 - 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: NoneNote: For a detailed description, please refer to “(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections” of “2. Matters regarding summary information (Notes)” on page 3 of the [Attached Material].

- (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, 2015	149,370,899 shares
As of December 31, 2014	149,370,899 shares

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

As of March 31, 2015	169,025 shares
As of December 31, 2014	168,411 shares

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

Three months ended March 31, 2015	149,202,260 shares
Three months ended March 31, 2014	129,208,971 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).

(Earnings forecasts and dividends after share consolidation)

At the 100th Ordinary General Meeting of Shareholders held on March 26, 2015, a proposal to carry out a one-for-five common share consolidation with the effective date of July 1, 2015, was approved and adopted. As a result, dividends per share for the fiscal year ending December 31, 2015 (forecast) and net income per share in the consolidated earnings forecasts are amounts calculated in accordance with a number of shares calculated on the basis of the share consolidation.

[Attached Material]

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

(1) Explanation regarding operating results

In the three months ended March 31, 2015, although sales were generally weak for the Sewing Machinery Business and Electronic Assembly Systems Business in China, net sales were 28,136 million yen (up by 11.6% from the same period of the previous fiscal year), as a result of 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.

With respect to profits, operating income was 1,793 million yen (down by 4.0% from the same period of the previous fiscal year), due mainly to the impact from an increase in development expenses in the Electronic Assembly Systems Business. In addition, ordinary income was 1,544 million yen (down by 10.9% from the same period of the previous fiscal year) and net income was 1,019 million yen, (down by 8.4% from the same period of the previous fiscal year), due mainly to foreign exchange losses resulting from a dramatic turn in the euro towards depreciation in the period under review.

(Business overview by primary segment)

a. Sewing Machinery Business

In the apparel sewing industry, sales expanded in emerging Asian regions such as Vietnam and Bangladesh. By product, sales to manufacturers of non-apparel sewn products such as car seats and sports shoes, and sales to makers of knitwear products increased. As a result, net sales of the Sewing Machinery Business as a whole were 21,223 million yen (up by 13.8% from the same period of the previous fiscal year).

b. Electronic Assembly Systems Business

Although sales in China, our largest market, were weak, there was also an impact from yen depreciation. By product, sales of core products such as mounters, printing equipment and inspection equipment were about level with those of the same period of the previous fiscal year, but sales of labor-saving systems and purchased products increased. As a result, net sales of the Electronic Assembly Systems Business as a whole were 5,367 million yen (up by 12.0% 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, 2015 were 129,026 million yen, a decrease of 1,725 million yen compared to the previous fiscal year-end. This was mainly due to a decrease in inventories. Liabilities were 102,488 million yen, a decrease of 3,252 million yen compared to the previous fiscal year-end. This primarily reflected a decrease in notes and accounts payable - trade. Net assets were 26,537 million yen, an increase of 1,527 million yen compared to the previous fiscal year-end. This was mainly due to the recording of net income and the transfer of the amount of impact from a change in the accounting standard for retirement benefits to retained earnings at the beginning of the period.

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

For the consolidated earnings forecasts for the six months ending June 30, 2015, which were yet to be determined at the time of the previous announcement (February 12), please refer to "Notice of Earnings Forecasts," which was announced today. The consolidated earnings forecasts for the fiscal year ending December 31, 2015 have not been revised from those previously announced.

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 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

Changes in accounting policies

(Application of the Accounting Standard for Retirement Benefits, etc.)

Regarding the “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, May 17, 2012; hereinafter the “Accounting Standard”) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, March 26, 2015; hereinafter the “Guidance”), effective from the first quarter ended March 31, 2015, the Company has applied the provisions of the main clauses of Paragraph 35 of the Accounting Standard and Paragraph 67 of the Guidance, reviewed its calculation method for retirement benefit obligations and service costs, and changed its method of attributing expected benefits to periods from the straight-line basis to the benefit formula basis. In addition, the Company has changed the method for determining the discount rate from one that uses a discount rate based on a period approximate to the expected average remaining working lives of employees, to one that uses a single weighted average discount rate reflecting each estimated timing and amount of benefit payment.

Application of the Accounting Standard and Guidance is in line with the transitional measures provided in Paragraph 37 of the Accounting Standard, and the effect of the revision to the calculation method for retirement benefit obligations and service costs has been added to or deducted from retained earnings as of January 1, 2015.

As a result, net defined benefit asset as of January 1, 2015 (included and recorded in “Other” under Investments and other assets) increased by 806 million yen, net defined benefit liability decreased by 394 million yen and retained earnings increased by 1,087 million yen. The impact of this change on profit and loss for the three months ended March 31, 2015, is immaterial.

3. Quarterly consolidated financial statements

(1) Consolidated balance sheet

(million yen)

	As of December 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	9,491	9,350
Notes and accounts receivable - trade	31,275	32,243
Inventories	50,248	48,310
Other	7,353	6,094
Allowance for doubtful accounts	(579)	(530)
Total current assets	97,789	95,468
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,625	14,426
Land	6,774	6,774
Other, net	4,904	4,748
Total property, plant and equipment	26,304	25,950
Intangible assets	2,216	2,088
Investments and other assets		
Other	5,940	7,034
Allowance for doubtful accounts	(1,500)	(1,516)
Total investments and other assets	4,440	5,518
Total non-current assets	32,961	33,557
Total assets	130,751	129,026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,892	12,386
Short-term loans payable	52,492	52,217
Income taxes payable	913	688
Provision for bonuses	69	673
Other	9,734	8,012
Total current liabilities	77,101	73,979
Non-current liabilities		
Long-term loans payable	21,751	22,016
Provision for directors' retirement benefits	171	167
Net defined benefit liability	5,270	4,927
Other	1,446	1,398
Total non-current liabilities	28,639	28,509
Total liabilities	105,741	102,488

(million yen)

	As of December 31, 2014	As of March 31, 2015
Net assets		
Shareholders' equity		
Capital stock	18,044	18,044
Capital surplus	2,094	2,094
Retained earnings	3,754	5,264
Treasury shares	(62)	(62)
Total shareholders' equity	23,831	25,340
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	817	920
Deferred gains or losses on hedges	(3)	(1)
Foreign currency translation adjustment	(695)	(831)
Remeasurements of defined benefit plans	44	68
Total accumulated other comprehensive income	163	156
Minority interests	1,015	1,040
Total net assets	25,010	26,537
Total liabilities and net assets	130,751	129,026

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

Consolidated statement of income (cumulative)

(million yen)

	Three months ended March 31, 2014	Three months ended March 31, 2015
Net sales	25,201	28,136
Cost of sales	17,764	19,657
Gross profit	7,437	8,478
Selling, general and administrative expenses	5,569	6,685
Operating income	1,867	1,793
Non-operating income		
Interest income	31	41
Dividend income	4	57
Foreign exchange gains	85	–
Other	137	133
Total non-operating income	258	232
Non-operating expenses		
Interest expenses	364	351
Foreign exchange losses	–	79
Other	27	50
Total non-operating expenses	391	481
Ordinary income	1,734	1,544
Extraordinary income		
Gain on sales of non-current assets	4	2
Gain on sales of investment securities	3	–
Total extraordinary income	8	2
Extraordinary losses		
Loss on sales and retirement of non-current assets	5	6
Loss on change in equity	5	–
Total extraordinary losses	10	6
Income before income taxes and minority interests	1,732	1,540
Income taxes	589	497
Income before minority interests	1,143	1,043
Minority interests in income	30	23
Net income	1,113	1,019

Consolidated statement of comprehensive income (cumulative)

(million yen)

	Three months ended March 31, 2014	Three months ended March 31, 2015
Income before minority interests	1,143	1,043
Other comprehensive income		
Valuation difference on available-for-sale securities	120	102
Deferred gains or losses on hedges	7	2
Foreign currency translation adjustment	(679)	(135)
Remeasurements of defined benefit plans, net of tax	–	19
Total other comprehensive income	(551)	(11)
Comprehensive income	591	1,031
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	575	1,012
Comprehensive income attributable to minority interests	15	19

**(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, 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 business (the production and sale of lost-wax products, etc.), the IT-related equipment business and the dies and press processing parts business 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 each reportable segment.
3. Segment profit is adjusted with ordinary income in the quarterly consolidated statement of income.

Three months ended March 31, 2015 (January 1, 2015 to March 31, 2015) (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	21,223	5,367	26,591	1,545	28,136	–	28,136
Inter-segment sales or transfers	19	72	91	184	276	(276)	–
Total	21,242	5,440	26,683	1,729	28,413	(276)	28,136
Segment profit (loss)	1,925	(134)	1,791	70	1,861	(316)	1,544

- (Notes) 1. The “Other Businesses” category refers to business segments not included in reportable segments under which businesses such as the precision casting business (the production and sale of lost-wax products, etc.), the precision processing and assembly business and the IT-related equipment business are classified.
2. Included in the 316 million yen deducted from segment profit as adjustment are a deduction of 12 million yen in inter-segment eliminations and a deduction of 304 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 each 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

No items to report.

3. Matters regarding changes in reportable segments

As stated in changes in accounting policies, in line with a change in the calculation method for retirement benefit obligations and service costs from the first quarter ended March 31, 2015, the calculation method for retirement benefit obligations and service costs of business segments has been changed in the same way.

The impact from this change on profit and loss of each reportable segment in the three months ended March 31, 2015, is immaterial.