

CONSOLIDATED FINANCIAL RESULTS
for the 1st quarter of fiscal year ending 31 March 2010
(1 April 2009 through 30 June 2009)

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)
 English translation from the original Japanese language document

7 August 2009

Company name : **JANOME SEWING MACHINE CO., LTD.**
 Stock exchange on which the shares are listed : Tokyo, Japan
 Securities code : 6445
 URL : <http://www.janome.co.jp>
 Representative : Name: Hachiro Makabe
 Title: President
 Contact person : Name: Minoru Tokunaga
 Title: Accounting General Manager
 Phone: +81 42 661 3071
 Filing date of financial statements for the first quarter period : 12 August 2009
 Payment date of cash dividends : ----

(Amounts less than one million yen are rounded down.)

1. Consolidated results (1 April 2009 through 30 June 2009)

(1) Consolidated financial results

Percent indication shows percentage of change from the corresponding period of the preceding year.

| 1Q ended | Net sales | | Operating income | | Ordinary income | | Net income | |
|---------------------|--------------|---------------|------------------|----|-----------------|----|--------------|----|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| 30 June 2009 | 8,063 | (26.1) | (220) | -- | (260) | -- | (265) | -- |
| 30 June 2008 | 10,905 | -- | 68 | -- | 80 | -- | (99) | -- |

| 1Q ended | Net income per share - basic | Net income per share - diluted |
|---------------------|------------------------------|--------------------------------|
| 30 June 2009 | (1.37) | -- |
| 30 June 2008 | (0.51) | -- |

(2) Consolidated financial position

| 1Q ended | Total assets | Net assets | Equity ratio | Net assets per share |
|---------------------|---------------|---------------|--------------|----------------------|
| 30 June 2010 | 50,656 | 12,704 | 24.0 | 62.95 |
| FYE 31 March 2009 | 50,997 | 12,740 | 23.9 | 63.10 |

Ref. Equity 12,168 million yen at the end of June 2009, and 12,198 million yen at the end of March 2009

2. Cash dividends

| (Record Date) | Cash dividends per share | | | | |
|-----------------------------|--------------------------|-----------|-----------|----------|--------|
| | End of 1Q | End of 2Q | End of 3Q | Year-end | Annual |
| Fiscal year ending | yen | yen | yen | yen | yen |
| 31 March 2008 | -- | 0.00 | -- | 0.00 | 0.00 |
| 31 March 2009 | -- | | | | |
| 31 March 2010 (Forecast) | | 0.00 | -- | 0.00 | 0.00 |

Note: Revisions to the forecast of cash dividends in the current quarter: None

3. Forecast of consolidated results for fiscal year ending 31 March 2010

(1 April 2009 through 31 March 2010)

Percent indication shows percentage of change from the corresponding period of the preceding year.

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|--|-------------|--------|------------------|-------|-----------------|--------|-------------|----|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| First half (six-month period ending 30 September 2009) | 18,000 | (17.3) | 300 | 32.1 | 100 | (39.8) | 300 | -- |
| Full year (ending 31 March 2010) | 37,000 | (8.6) | 1,000 | 117.5 | 500 | -- | 600 | -- |

| | Net Income per share - basic |
|--|------------------------------|
| | yen |
| First half (six-month period ending 30 September 2009) | 1.55 |
| Full year (ending 31 March 2010) | 3.10 |

Note: Revisions to the forecast of consolidated results in the current quarter: None

4. Others

- (1) Changes in significant subsidiaries during this period (changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Adoption of simplified accounting methods as well as specifically applied accounting methods for quarterly consolidated financial statements: Yes
- (3) Changes of accounting method such as principles, procedures and presentations, relating to preparation of quarterly consolidated financial statements (significant basic matters regarding preparation of quarterly consolidated financial statements)
 - ① Changes due to amendments in accounting principles: Yes
 - ② Any changes other than the aforementioned: None
- (4) Number of shares issued and outstanding (common stock)
 - ① Number of shares issued and outstanding at the end of fiscal year (including treasury stock)
 - 195,214,448 shares at the end of June 2009
 - 195,214,448 shares at the end of March 2009
 - ② Number of treasury stock at the end of fiscal year
 - 1,892,046 shares at the end of June 2009
 - 1,891,795 shares at the end of March 2009
 - ③ Average number of shares during this period (1 April 2009 through 30 June 2009)
 - 193,322,528 shares at the end of June 2009
 - 193,325,218 shares at the end of June 2008

Explanation regarding the appropriate use of forecast of results:

The forward-looking statements including the forecasts of the results stated in this report have been prepared according to the information that the Company currently has available, and based on management assumptions considered reasonable by the Company. Actual performance may be materially different from any forecasts due to various factors.

Consolidated Balance Sheets

JANOME SEWING MACHINE CO., LTD. AND ITS CONSOLIDATED SUBSIDIARIES

Million yen

| | Current First Quarter as of 30 June 2009 | Previous Fiscal Year as of 31 March 2009 (condensed) |
|---|---|--|
| ASSETS | | |
| Current assets | | |
| Cash and deposits | 5,731 | 5,548 |
| Accounts and notes receivable | 5,605 | 5,937 |
| Marketable securities | 20 | 20 |
| Merchandise and products | 4,490 | 4,565 |
| Semi-finished products | 503 | 508 |
| Raw materials and work in process | 1,592 | 1,678 |
| Other current assets | 982 | 1,003 |
| Allowance for doubtful accounts | (143) | (148) |
| Total current assets | 18,782 | 19,114 |
| Fixed assets | | |
| Tangible fixed assets | | |
| Buildings and structures (net) | 7,454 | 7,548 |
| Land | 16,438 | 16,434 |
| Other tangible fixed assets (net) | 2,290 | 2,269 |
| Total tangible fixed assets | 26,182 | 26,251 |
| Intangible fixed assets | | |
| Goodwill | 1,193 | 1,237 |
| Other intangible fixed assets | 578 | 586 |
| Total intangible fixed assets | 1,771 | 1,824 |
| Investments and other assets | 3,919 | 3,806 |
| Total fixed assets | 31,874 | 31,883 |
| TOTAL ASSETS | 50,656 | 50,997 |
| LIABILITIES | | |
| Current liabilities | | |
| Notes and accounts payable | 2,565 | 2,221 |
| Short-term borrowings | 13,053 | 13,900 |
| Income taxes payable | 201 | 277 |
| Allowance for employees bonuses | 209 | 370 |
| Other current liabilities | 2,295 | 1,866 |
| Total current liabilities | 18,325 | 18,635 |
| Fixed liabilities | | |
| Bonds and notes | 860 | 860 |
| Long-term borrowings | 8,385 | 8,092 |
| Deferred income taxes for revaluation | 5,080 | 5,082 |
| Liability for employees retirement payments | 4,521 | 4,633 |
| Other fixed liabilities | 778 | 950 |
| Total fixed liabilities | 19,626 | 19,620 |
| TOTAL LIABILITIES | 37,951 | 38,256 |

Million yen

| | Current First Quarter as of 30 June 2009 | Previous Fiscal Year as of 31 March 2009 (condensed) |
|---|---|--|
| NET ASSETS | | |
| Shareholders equity | | |
| Common stock | 11,372 | 11,372 |
| Capital surplus | 823 | 823 |
| Retained earnings | (2,107) | (1,844) |
| Treasury stock, at cost | (325) | (325) |
| Total shareholders equity | 9,763 | 10,026 |
| Difference from revaluation and translation adjustments | | |
| Revaluation of other marketable securities | 1 | (53) |
| Gain (loss) on deferred hedge | (4) | (4) |
| Difference from revaluation of land | 4,292 | 4,295 |
| Foreign currency translation adjustments | (1,884) | (2,065) |
| Total difference from revaluation and translation adjustm | 2,405 | 2,172 |
| Minority interest share | 535 | 541 |
| TOTAL NET ASSETS | 12,704 | 12,740 |
| TOTAL LIABILITIES AND NET ASSETS | 50,656 | 50,997 |

Note: Amounts less than one million yen are rounded down.

Consolidated Statement of Income

JANOME SEWING MACHINE CO., LTD. AND ITS CONSOLIDATED SUBSIDIARIES

Million yen

| | Previous First Quarter 1 April 2008 through 30 June 2008 | Current First Quarter 1 April 2009 through 30 June 2009 |
|--|---|--|
| Net sales | 10,905 | 8,063 |
| Cost of sales | 6,062 | 4,878 |
| Gross profit | 4,843 | 3,185 |
| Selling, general and administrative expenses | 4,775 | 3,405 |
| Operating income/(loss) | 68 | (220) |
| Non-operating income | | |
| Interest income | 7 | 6 |
| Dividend income | 17 | 12 |
| Foreign exchange profit | 179 | 87 |
| Miscellaneous income | 34 | 44 |
| Total non-operating income | 239 | 151 |
| Non-operating expenses | | |
| Interest expenses | 127 | 123 |
| Miscellaneous expenses | 99 | 68 |
| Total non-operating expenses | 226 | 191 |
| Ordinary income/(loss) | 80 | (260) |
| Extraordinary profit | | |
| Gain on sales of fixed assets | 1 | 4 |
| Compensation received | -- | 130 |
| Total extraordinary profit | 1 | 135 |
| Extraordinary losses | | |
| Impairment losses | 24 | -- |
| Loss on disposal and sales of fixed assets | 19 | 20 |
| Total extraordinary losses | 43 | 20 |
| Income/(loss) before income taxes and minority interests | 37 | (145) |
| Income tax, resident tax and business tax | 54 | 100 |
| Income tax adjustment | 58 | 13 |
| Total taxes | 113 | 114 |
| Minority interests | 23 | 5 |
| Net income (loss) | (99) | (265) |

Note: Amounts less than one million yen are rounded down.

Consolidated Statement of Cash Flows

JANOME SEWING MACHINE CO., LTD. AND ITS CONSOLIDATED SUBSIDIARIES

Million yen

| | Previous First Quarter 1 April 2008 through 30 June 2008 | Current First Quarter 1 April 2009 through 30 June 2009 |
|--|---|--|
| Cash flows from operating activities | | |
| Net income/(loss) before income taxes and minority interests | 37 | (145) |
| Depreciation | 286 | 269 |
| Impairment losses | 24 | -- |
| Goodwill amortization | 48 | 43 |
| Increase/(decrease) of employees retirement benefits | (48) | (112) |
| Interest and dividend income | (24) | (19) |
| Interest expenses | 127 | 123 |
| (Increase)/decrease in accounts receivable | 345 | 437 |
| (Increase)/decrease of inventories | (470) | 323 |
| Increase/(decrease) of accounts payable | (178) | 218 |
| Others | 140 | 66 |
| Sub total | 288 | 1,204 |
| Interest and dividend received | 27 | 19 |
| Interest paid | (47) | (49) |
| Income taxes paid | (152) | (179) |
| Net cash generated by operating activities | 116 | 995 |
| Cash flows from investing activities | | |
| Inflow from repayment of term-deposits | 7 | 13 |
| Proceeds from sales and redemption of investment securities | 75 | -- |
| Expenditures for purchase of tangible fixed assets | (781) | (167) |
| Others | (17) | (7) |
| Net cash generated by investing activities | (716) | (161) |
| Cash flows from financing activities | | |
| Net increase/(decrease) in short-term borrowings | 1,152 | (1,021) |
| Inflow from long-term borrowings | -- | 450 |
| Outflow to repayment of long-term debts | (219) | (9) |
| Expenditures for redemption of bonds | (125) | -- |
| Others | (8) | (28) |
| Net cash used for financing activities | 798 | (609) |
| Effect of exchange rate changes on cash and cash equivalents | (105) | (15) |
| Increase/(decrease) in cash and cash equivalents | 93 | 209 |
| Cash and cash equivalents at beginning of this period | 4,361 | 4,866 |
| Cash and cash equivalents at end of this period | 4,455 | 5,076 |

Note: Amounts less than one million yen are rounded down.

Notes regarding going concern assumptions

None.

Consolidated Segment Information

JANOME SEWING MACHINE CO., LTD. AND ITS CONSOLIDATED SUBSIDIARIES

[Operational results by segment]

Current first quarter (1 April 2009 through 30 June 2009)

Million yen

| | Home use sewing machines | Industrial equipment | EDP and other services | 24-Hour Clean Bath systems | Total | Elimination / Corporate | Consolidated |
|-------------------------------------|--------------------------|----------------------|------------------------|----------------------------|-------|-------------------------|--------------|
| Net sales | | | | | | | |
| (1) Net sales to external customers | 6,135 | 582 | 953 | 392 | 8,063 | -- | 8,063 |
| (2) Intersegment sales or transfers | 14 | 123 | 227 | 9 | 374 | (374) | -- |
| Total | 6,149 | 706 | 1,180 | 401 | 8,438 | (374) | 8,063 |
| Operating expenses | 6,231 | 821 | 1,197 | 409 | 8,659 | (376) | 8,283 |
| Operating income/(loss) | (81) | (115) | (16) | (7) | (221) | 1 | (220) |

Previous first quarter (1 April 2008 through 30 June 2008)

Million yen

| | Home use sewing machines | Industrial equipment | EDP and other services | 24-Hour Clean Bath systems | Total | Elimination / Corporate | Consolidated |
|-------------------------------------|--------------------------|----------------------|------------------------|----------------------------|--------|-------------------------|--------------|
| Net sales | | | | | | | |
| (1) Net sales to external customers | 8,162 | 1,291 | 1,026 | 425 | 10,905 | -- | 10,905 |
| (2) Intersegment sales or transfers | 11 | 261 | 272 | 10 | 555 | (555) | -- |
| Total | 8,173 | 1,552 | 1,298 | 435 | 11,460 | (555) | 10,905 |
| Operating expenses | 8,149 | 1,506 | 1,327 | 413 | 11,396 | (559) | 10,837 |
| Operating income/(loss) | 24 | 46 | (28) | 22 | 64 | 4 | 68 |

Notes:

1. Business segments presented are classified by product category.

2. Major products in each business segment are as follows:

- | | | |
|------------------------------|-------|--|
| ① Home use sewing machines | | Home use sewing machines and sewing-related products/accessories |
| ② Industrial equipment | | Industrial robots, electro-press machines, injection molding products and die-cast products |
| ③ EDP and other services | | IT software/electronic data processing services, real estate, maintenance services and restaurant operations |
| ④ 24-Hour Clean Bath systems | | 24-Hour Clean Bath and water ionizers |

[Geographic information]

Current first quarter (1 April 2009 through 30 June 2009)

Million yen

| | Japan | North America | South East Asia | Other Regions | Total | Elimination / Corporate | Consolidated |
|-------------------------------------|-------|---------------|-----------------|---------------|--------|-------------------------|--------------|
| Net sales | | | | | | | |
| (1) Net sales to external customers | 5,609 | 1,113 | 113 | 1,226 | 8,063 | -- | 8,063 |
| (2) Intersegment sales or transfers | 1,316 | -- | 2,834 | 0 | 4,151 | (4,151) | -- |
| Total | 6,926 | 1,113 | 2,947 | 1,227 | 12,215 | (4,151) | 8,063 |
| Operating expenses | 7,193 | 1,129 | 2,882 | 1,185 | 12,391 | (4,107) | 8,283 |
| Operating income/(loss) | (267) | (15) | 65 | 41 | (176) | (43) | (220) |

Previous first quarter (1 April 2008 through 30 June 2008)

Million yen

| | Japan | North America | South East Asia | Other Regions | Total | Elimination / Corporate | Consolidated |
|-------------------------------------|-------|---------------|-----------------|---------------|--------|-------------------------|--------------|
| Net sales | | | | | | | |
| (1) Net sales to external customers | 7,555 | 1,575 | 199 | 1,575 | 10,905 | -- | 10,905 |
| (2) Intersegment sales or transfers | 2,166 | -- | 4,123 | 8 | 6,299 | (6,299) | -- |
| Total | 9,722 | 1,575 | 4,322 | 1,584 | 17,204 | (6,299) | 10,905 |
| Operating expenses | 9,731 | 1,595 | 4,360 | 1,540 | 17,227 | (6,390) | 10,837 |
| Operating income/(loss) | (9) | (19) | (37) | 43 | (22) | 90 | 68 |

Notes:

- Countries or regional analyses presented are based on geographic proximity.
- Major countries or regions are as follows:
 - ① North America U.S.A., Canada
 - ② South East Asia R.O.C. (Taiwan), Thailand
 - ③ Other regions U.K., Netherlands, Switzerland, Australia, New Zealand, Chile

[Overseas sales by region]

Current first quarter (1 April 2009 through 30 June 2009)

Million yen

| | North America | Europe | Other Regions | Total |
|---|---------------|--------|---------------|-------|
| I Overseas sales | 1,185 | 1,657 | 1,509 | 4,352 |
| II Consolidated sales | | | | 8,063 |
| III Ratio of overseas sales to consolidated sales | 14.7% | 20.5% | 18.7% | 53.9% |

Previous first quarter (1 April 2008 through 30 June 2008)

Million yen

| | North America | Europe | Other Regions | Total |
|---|---------------|--------|---------------|--------|
| I Overseas sales | 1,737 | 2,579 | 2,180 | 6,497 |
| II Consolidated sales | | | | 10,905 |
| III Ratio of overseas sales to consolidated sales | 15.9% | 23.7% | 20.0% | 59.6% |

Notes:

- Countries or regional analyses presented are based on geographic proximity.
- Major countries or regions are as follows:
 - ① North America U.S.A., Canada
 - ② Europe U.K., Netherlands, Germany, Switzerland
 - ③ Other regions South East Asia, Oceania, Middle East, Africa, Central/South America
- Overseas sales include sales by the Company and its subsidiaries in countries and regions outside Japan.

Notes regarding significant changes in the amount of shareholders equity

None.