

CONSOLIDATED FINANCIAL RESULTS
for the first nine months of fiscal year ending 31 March 2009
(1 April through 31 December 2008)

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

13 February 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: Sumikazu Kato
 Title: President
 Contact person : Name: Kengo Seki
 Title: Managing Director in charge of Administration Operations
 Phone: +81 3 3277 2111

Filing date of financial statements for the first nine months: 13 February 2009

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

1. Consolidated results (1 April 2008 through 31 December 2008)

(1) Consolidated financial results

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 9 months ended 31 December 2008	32,266	--	602	--	(120)	--	(2,135)	--
31 December 2007	35,886	(0.2)	842	(48.1)	572	(62.1)	(149)	--

	Net income per share - basic	Net income per share - diluted
First 9 months ended	yen	yen
31 December 2008	(11.04)	--
31 December 2007	(0.77)	--

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
First 9 months ended	Million yen	Million yen	%	yen
31 December 2008	54,645	15,354	27.2	76.80
FYE 31 March 2008	58,299	19,281	32.1	96.79

Ref: Equity 14,847 million yen at the end of December 2008, and 18,711 million yen at the end of March 2008

2. Cash dividends

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

Note: Changes in dividend forecast for fiscal year ending 31 March 2009 as of 31 December 2008: None

3. Forecast of consolidated results for fiscal year ending 31 March 2009

(1 April 2008 through 31 March 2009)

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	%
Full year (1 April 2008 through 31 March 2009)	42,000	(11.4)	900	(31.4)	40	(87.7)	(2,000)	--

	Net Income per share - basic
	yen
Full year (1 April 2008 through 31 March 2009)	(10.35)

Note: Changes in forecast of consolidated results as of 31 December 2008: Yes

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 December 2008
 - 195,214,448 shares at the end of March 2008
 - ② Number of treasury stock at the end of fiscal year
 - 1,891,039 shares at the end of December 2008
 - 1,889,068 shares at the end of March 2008
 - ③ Average number of shares during this period (1 April through 31 December 2008)
 - 193,324,507 shares at the end of December 2008
 - 193,883,163 shares at the end of December 2007

Explanation regarding the appropriate use of forecast of results and other notes:

1. The forward-looking statements including the forecast 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.

2. Effective 1 April 2008, the Company adopted the Accounting Standard for Quarterly Financial Statements (ASBJ Statement No. 12) and its Implementation Guidance on Accounting Standards for Quarterly Financial Statements (ASBJ Guidance No. 14). In addition, the Company prepares its quarterly consolidated financial statements in accordance with the specific rules governing the reporting of quarterly financial results in Japan.

Consolidated Balance Sheets

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

Million yen

	Current First 9 Months as of 31 December 2008	Previous Fiscal Year as of 31 March 2008 (condensed)
ASSETS		
Current assets		
Cash and deposits	4,744	5,030
Notes and accounts receivable	7,000	7,773
Marketable securities	209	370
Merchandise and products	4,950	5,413
Semi-finished products	602	578
Raw materials and work in process	2,109	1,983
Other current assets	1,539	1,847
Allowance for doubtful accounts	(121)	(127)
Total current assets	21,034	22,870
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	6,236	6,066
Land	16,429	16,673
Other tangible fixed assets (net)	2,977	3,116
Total tangible fixed assets	25,643	25,856
Intangible fixed assets		
Goodwill	1,443	1,590
Other intangible fixed assets	591	618
Total intangible fixed assets	2,034	2,208
Investments and other assets	5,931	7,363
Total fixed assets	33,610	35,428
TOTAL ASSETS	54,645	58,299
LIABILITIES		
Current liabilities		
Notes and accounts payable	3,398	4,462
Short-term borrowings	12,082	8,658
Income taxes payable	198	264
Allowance for employees bonuses	345	565
Other current liabilities	3,105	3,664
Total current liabilities	19,129	17,615
Fixed liabilities		
Bonds	800	800
Long-term borrowings	8,762	10,252
Liability for employees retirement payments	4,524	4,198
Other fixed liabilities	6,073	6,152
Total fixed liabilities	20,160	21,402
TOTAL LIABILITIES	39,290	39,018

Million yen

	Current First 9 Months as of 31 December 2008	Previous Fiscal Year as of 31 March 2008 (condensed)
NET ASSETS		
Shareholders equity		
Common stock	11,372	11,372
Capital surplus	823	823
Retained earnings	1,094	3,704
Treasury stock, at cost	(325)	(325)
Total shareholders equity	12,966	15,575
Difference from revaluation and translation adjustments		
Revaluation of other marketable securities	(39)	(78)
Gain/(loss) on deferred hedge	(3)	(5)
Difference from revaluation of land	4,303	4,334
Foreign currency translation adjustments	(2,380)	(1,114)
Total difference from revaluation and translation adjustments	1,880	3,135
Minority interest share	507	570
TOTAL NET ASSETS	15,354	19,281
TOTAL LIABILITIES AND NET ASSETS	54,645	58,299

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
	Current First 9 Months 1 April 2008 through 31 December 2008
Net sales	32,266
Cost of sales	17,616
Gross profit	14,650
Selling, general and administrative expenses	14,047
Operating income	602
Non-operating income	
Interest income	24
Dividend income	19
Compensation received	45
Miscellaneous income	92
Total non-operating income	181
Non-operating expenses	
Interest expenses	379
Foreign exchange loss	360
Miscellaneous expenses	166
Total non-operating expenses	905
Ordinary income	(120)
Extraordinary profit	
Gain on sales of fixed assets	2
Total extraordinary profit	2
Extraordinary losses	
Loss on valuation of investment securities	245
Loss on disposal and sales of fixed assets	170
Impairment losses	50
Total extraordinary losses	467
Income/(loss) before income taxes and minority interests	(585)
Income tax, resident tax and business tax	272
Income tax adjustments	1,222
Total taxes	1,494
Minority interests	54
Net income/(loss)	(2,135)

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
	Current First 9 Months 1 April 2008 through 31 December 2008
<hr/>	
Cash flows from operating activities	
Net income/(loss) before income taxes and minority interests	(585)
Depreciation	845
Impairment losses	50
Goodwill amortization	135
Increase/(decrease) of employees retirement benefits	(168)
Interest and dividend income	(44)
Interest expenses	379
(Profit)/loss on valuation of investment securities	245
(Increase)/decrease in accounts receivable	(609)
(Increase)/decrease in inventory assets	(878)
Increase/(decrease) in accounts payable	(62)
Others	536
Sub total	<u>(154)</u>
Interest and dividend received	46
Interest paid	(285)
Income taxes paid	(220)
Net cash generated by operating activities	<u>(612)</u>
Cash flows from investing activities	
Expenditures for term-deposits	(26)
Inflow from repayment of term-deposits	28
Proceeds from sales and redemption of investment securities	270
Expenditures for purchase of tangible fixed assets	(1,694)
Others	6
Net cash generated by investing activities	<u>(1,416)</u>
Cash flows from financing activities	
Net increase/(decrease) in short-term borrowings	3,530
Outflow to repayment of long-term debts	(1,165)
Expenditures for redemption of bonds	(300)
Others	(12)
Net cash used for financing activities	<u>2,052</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(270)</u>
Increase/(decrease) in cash and cash equivalents	<u>(247)</u>
Cash and cash equivalents at beginning of this period	<u>4,361</u>
Cash and cash equivalents at end of this period	<u>4,114</u>

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

Effective 1 April 2008, the Company adopted the Accounting Standard for Quarterly Financial Statements (ASBJ Statement No. 12) and its Implementation Guidance on Accounting Standards for Quarterly Financial Statements (ASBJ Guidance No. 14). In addition, the Company prepares its quarterly consolidated financial statements in accordance with the specific rules governing the reporting of quarterly financial results in Japan.

Notes regarding going concern assumptions

None.

Consolidated Segment Information

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

[Operational results by segment]

Current first nine months (1 April 2008 through 31 December 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	24,225	3,551	3,028	1,461	32,266	--	32,266
(2) Intersegment sales or transfers	27	692	881	35	1,636	(1,636)	--
Total	24,252	4,243	3,910	1,496	33,903	(1,636)	32,266
Operating expenses	23,662	4,134	3,941	1,576	33,314	(1,650)	31,663
Operating income/(loss)	590	109	(31)	(79)	588	14	602

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 and die-cast products/plastic parts
- 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 nine months (1 April 2008 through 31 December 2008)

Million yen

	Japan	North America	South East Asia	Other Regions	Total	Elimination / Corporate	Consolidated
Net sales							
(1) Net sales to external customers	21,526	5,573	546	4,619	32,266	--	32,266
(2) Intersegment sales or transfers	7,722	--	12,361	20	20,104	(20,104)	--
Total	29,249	5,573	12,908	4,639	52,370	(20,104)	32,266
Operating expenses	29,085	5,564	12,893	4,482	52,026	(20,363)	31,663
Operating income/(loss)	163	8	14	157	344	258	602

Notes:

1. Countries or regional analyses presented are based on geographic proximity.

2. 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 nine months (1 April 2008 through 31 December 2008)

Million yen

	North America	Europe	Other Regions	Total
I Overseas sales	5,862	7,784	5,700	19,347
II Consolidated sales				32,266
III Ratio of overseas sales to consolidated sales	18.2%	24.1%	17.7%	60.0%

Notes:

1. Countries or regional analyses presented are based on geographic proximity.
2. 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
3. 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.

[Reference]

(Condensed) Consolidated Statement of Income
for the interim period ended 31 December 2007

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

	Interim Period
	1 April 2007
	through
	31 December 2007
	Million yen
Net sales	35,886
Cost of sales	19,668
Gross profit	16,217
Selling, general and administrative expenses	15,375
Operating income	842
Non-operating income	274
Non-operating expense	544
Ordinary income	572
Extraordinary profit	96
Extraordinary loss	316
Income before income taxes and minority interests	352
Income taxes	475
Minority interests	26
Net income	(149)

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

[Reference]

(Condensed) Consolidated Statement of Cash Flows
for the interim period ended 31 December 2007

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

	Interim Period 1 April 2007 through 31 December 2007
	Million yen
I Cash flows from operating activities	
Net income before income taxes and minority interests	352
Depreciation	816
Interest and dividend income	(65)
Interest expenses	346
(Increase)/decrease in accounts receivable	(370)
(Increase)/decrease in inventory assets	78
Increase/(decrease) in accounts payable	101
Others	(50)
Sub total	1,208
Interest and dividend received	66
Interest paid	(349)
Income taxes paid	(453)
Others	(115)
Net cash generated by operating activities	356
II Cash flows from investing activities	
Expenditures for purchase of tangible fixed assets	(2,243)
Others	389
Net cash generated by investing activities	(1,854)
III Cash flows from financing activities	
Net increase/(decrease) in short-term borrowings	4,568
Outflow to repayment of long-term debts	(1,327)
Others	(989)
Net cash used for financing activities	2,251
IV Effect of exchange rate changes on cash and cash equivalents	108
V Increase/(decrease) in cash and cash equivalents	861
VI Cash and cash equivalents at beginning of this period	3,067
VII Cash and cash equivalents at end of this period	3,929

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

[Reference]

Consolidated Segment Information

for the interim period ended 31 December 2007

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

[Operational results by segment]

Interim period (1 April 2007 through 31 December 2007)

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	26,960	4,063	3,283	1,578	35,886	--	35,886
(2) Intersegment sales or transfers	42	852	970	31	1,896	(1,896)	--
Total	27,003	4,916	4,253	1,610	37,783	(1,896)	35,886
Operating expenses	26,573	4,585	4,142	1,617	36,919	(1,874)	35,044
Operating income (loss)	429	330	111	(7)	864	(21)	842

Note:

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 and die-cast products/plastic parts
- 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]

Interim period (1 April 2007 through 31 December 2007)

Million yen

	Japan	North America	South East Asia	Other Regions	Total	Elimination / Corporate	Consolidated
Net sales							
(1) Net sales to external customers	22,787	7,429	518	5,151	35,886	--	35,886
(2) Intersegment sales or transfers	9,037	--	13,685	48	22,772	(22,772)	--
Total	31,824	7,429	14,204	5,200	58,658	(22,772)	35,886
Operating expenses	31,476	7,529	13,776	5,009	57,792	(22,747)	35,044
Operating income (loss)	348	(99)	427	190	866	(24)	842

Notes:

1. Countries or regional analyses presented are based on geographic proximity.

2. 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]

Interim period (1 April 2007 through 31 December 2007)

Million yen

	North America	Europe	Other Regions	Total
I Overseas sales	8,036	8,164	5,820	22,020
II Consolidated sales				35,886
III Ratio of overseas sales to consolidated sales	22.4%	22.8%	16.2%	61.4%

Notes:

1. Countries or regional analyses presented are based on geographic proximity.

2. 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

3. Overseas sales include sales by the Company and its subsidiaries in countries and regions outside Japan.