

CONSOLIDATED FINANCIAL RESULTS for fiscal year ended 31 March 2008

(1 April 2007 through 31 March 2008)

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

19 May 2008

Company name : **JANOME SEWING MACHINE CO., LTD.**
 Stock exchange on which the shares are listed : Tokyo, Japan (First Section)
 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 Division
 Phone: +81 3 3277 2111
 Date of ordinary general shareholders' meeting: 26 June 2008
 Filing date of financial statements: 27 June 2008

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

1. Consolidated results for fiscal year (1 April 2007 through 31 March 2008)

(1) Consolidated financial results % 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	%
Fiscal year ended 31 March 2008	47,421	(2.7)	1,312	(33.9)	324	(82.6)	(1,207)	--
31 March 2007	48,729	(1.3)	1,985	(34.6)	1,871	(27.3)	461	(80.7)

	Net income per share - basic	Net income per share - diluted	Ratio of shareholders equity to net income	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Fiscal year ended 31 March 2008	yen (6.23)	yen --	% (6.0)	% 0.6	% 2.8
31 March 2007	2.37	2.36	2.2	3.1	4.1

(Ref) Equity in net income of subsidiaries: Nil for fiscal year ended 31 March 2008, and 4 million yen for fiscal year ended 31 March 2007

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
Fiscal year ended 31 March 2008	Million yen 58,299	Million yen 19,281	% 32.1	yen 96.79
31 March 2007	59,553	22,373	36.4	111.05

(Ref) Equity: 18,711 million yen at the end of March 2008, and 21,674 million yen at the end of March 2007

(3) Consolidated cash flow position

	Operating activities	Investing activities	Financing activities	Cash & cash equivalents
Fiscal year ended 31 March 2008	Million yen 1,445	Million yen (1,958)	Million yen 1,708	Million yen 4,361
31 March 2007	1,617	(2,110)	(2,417)	3,067

2. Cash dividends

(Record Date)	Cash dividends per share			Total amount of cash dividends (Annual) Million yen	Payout ratio of cash dividends (Consolidated) %	Ratio of total amount of cash dividends to net assets (Consolidated) %
	Interim	Year end	Annual			
Fiscal year ended 31 March 2007	yen --	yen 2.00	yen 2.00	390	84.4	1.9
31 March 2008	--	--	--	--	--	--
31 March 2009 (Forecast)	--	not yet decided	not yet decided	--	--	--

3. Forecast of consolidated results for next fiscal year (1 April 2008 through 31 March 2009)

% 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 Sep 2008)	23,000	(0.5)	600	43.9	400	30.7	100	--
Full year (ending 31 March 2009)	48,000	1.2	1,900	44.8	1,400	332.1	400	--

	Net Income per share - basic yen
First half (six-month period ending 30 Sep 2008)	0.52
Full year (ending 31 March 2009)	2.70

4. Others

(1) Changes in significant subsidiaries during this fiscal year ended 31 March 2008 (Changes in specified subsidiaries resulting in changes in scope of consolidation) : None

(2) Changes of accounting method such as principles, procedures and presentations, relating to preparation for consolidated financial statements (Significant basic matters in preparation for consolidated financial statements)

(2)-1. Changes due to amendments in accounting principles : None

(2)-2. Any changes other than the aforementioned : None

(3) Number of shares issued and outstanding (common stock)

(3)-1. Number of shares issued and outstanding at the end of year (including treasury stock) :

195,214,448 shares at the end of March 2008

195,214,448 shares at the end of March 2007

(3)-2. Number of treasury stock at the end of year :

1,889,069 shares at the end of March 2008

34,710 shares at the end of March 2007

(Ref) Overview of non-consolidated results

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

1. Non-consolidated results (1 April 2007 through 31 March 2008)

(1) Non-consolidated financial results (% of change from the corresponding period of the preceding year)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
31 March 2008	35,084	(6.1)	511	(53.7)	1,062	(48.3)	(289)	--
31 March 2007	37,366	(2.2)	1,104	(33.6)	2,057	(10.0)	973	(60.7)

Fiscal year ended	Net income per share - basic	Net income per share - diluted
	yen	yen
31 March 2008	(1.50)	--
31 March 2007	5.00	4.99

(2) Non-consolidated financial position

Fiscal year ended	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	yen
31 March 2008	51,449	16,447	32.0	85.08
31 March 2007	51,446	17,664	34.3	90.51

(Ref) Equity: 16,447 million yen at the end of 31 March 2008, and 17,664 million yen at the end of March 2007

[Cautionary statement with respect to forward-looking statements]

The forward-looking statements including the forecasts for the results stated in this report have been prepared according to the best judgment of our company on the basis of currently available information. Actual performance may be materially different from any forecasts contained in this report due to any number of factors.

Consolidated Balance Sheets

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

	as of 31 March 2008	as of 31 March 2007	Million yen Increase (Decrease)
(ASSETS)			
Current assets	22,870	23,932	(1,061)
Cash and deposits	5,030	3,885	1,145
Accounts and notes receivable	7,773	9,005	(1,231)
Marketable securities	370	589	(219)
Inventories	7,976	8,737	(761)
Deferred tax assets	963	1,298	(335)
Other current assets	884	698	186
Allowance for doubtful accounts	(127)	(282)	154
Fixed assets	35,428	35,620	(191)
Tangible fixed assets	25,856	24,628	1,228
Buildings and structures	6,066	4,425	1,640
Machinery and vehicles	1,277	1,145	132
Land	16,673	16,813	(139)
Construction in progress	781	1,047	(265)
Other tangible fixed assets	1,057	1,195	(138)
Intangible fixed assets	2,208	2,292	(83)
Goodwill	1,590	1,662	(72)
Other intangible fixed assets	618	629	(11)
Investments and other assets	7,363	8,700	(1,336)
Investment securities	1,474	2,564	(1,090)
Deferred tax assets	4,869	5,013	(144)
Other investments and assets	1,125	1,180	(54)
Allowance for doubtful accounts	(106)	(59)	(47)
TOTAL ASSETS	58,299	59,553	(1,253)

	as of 31 March 2008	as of 31 March 2007	Million yen Increase (Decrease)
(LIABILITIES)			
Current liabilities	17,615	17,162	452
Notes and accounts payable	4,462	4,677	(215)
Short-term borrowings	6,093	6,605	(512)
Current portion of long-term borrowings	2,565	1,480	1,085
Current portion of short-term bonds	1,300	1,250	50
Income taxes payable	264	399	(135)
Allowance for employees bonuses	565	585	(20)
Other current liabilities	2,364	2,164	200
Fixed liabilities	21,402	20,017	1,385
Bonds and notes	800	2,100	(1,300)
Long-term borrowings	10,252	7,328	2,924
Deferred income taxes for revaluation	5,112	5,137	(24)
Liability for employees retirement payments	4,198	4,262	(64)
Liability for directors retirement benefits	--	418	(418)
Other fixed liabilities	1,039	770	268
TOTAL LIABILITIES	39,018	37,179	1,838
(NET ASSETS)			
Shareholders equity			
Common stock	11,372	11,372	--
Capital surplus	823	823	0
Retained earnings	3,704	5,266	(1,561)
Treasury stock, at cost	(325)	(4)	(320)
Total shareholders equity	15,575	17,457	(1,882)
Difference from revaluation and translation adjustments			
Revaluation of other marketable securities	(78)	146	(224)
Gain (loss) on deferred hedge	(5)	(2)	(3)
Difference from revaluation of land	4,334	4,369	(35)
Foreign currency translation adjustments	(1,114)	(296)	(817)
Total difference from revaluation and translation adjustments	3,135	4,216	(1,081)
Minority interest share	570	699	(128)
TOTAL NET ASSETS	19,281	22,373	(3,092)
TOTAL OF LIABILITIES AND NET ASSETS	58,299	59,553	(1,253)

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

Consolidated Statements of Income

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

Million yen

	Fiscal year 1 April 2007 through 31 March 2008	Fiscal year 1 April 2006 through 31 March 2007	Increase (Decrease)
Net sales	47,421	48,729	(1,307)
Cost of sales	25,964	25,584	380
Gross profit	21,456	23,144	(1,688)
Selling, general and administrative expenses	20,143	21,159	(1,015)
Operating income	1,312	1,985	(672)
Other income	255	553	(298)
Interest income	53	74	(21)
Dividend income	32	36	(4)
Foreign exchange profit	--	264	(264)
Equity in net income of subsidiaries	--	4	4
Miscellaneous	169	173	(4)
Other expenses	1,242	667	575
Interest expenses	466	435	30
Loss from marketable securities	78	38	39
Foreign exchange losses	479	--	479
Miscellaneous	218	193	25
Ordinary profit	324	1,871	(1,546)
Extraordinary profit	100	473	(373)
Gain on sales of investment securities	87	457	(370)
Gain on sales of fixed assets	13	15	(2)
Extraordinary loss	685	605	80
Sales and depreciation of fixed assets	146	156	(9)
Impairment losses	88	--	88
Loss on valuation of investment securities	179	--	179
Loss on valuation of other investments	27	--	27
Compensation for repairs	181	--	181
Settlement fees	60	--	60
Business reorganization expense	--	133	(133)
Attorneys fees	--	128	(128)
Loss on revaluation of inventories	--	95	(95)
Loss on liquidation of associated company	--	54	(54)
Other extraordinary loss	--	37	(37)
Income before income taxes and minority interests	(260)	1,740	(2,000)
Income tax, residend tax and business tax	502	606	(104)
Income tax adjustment	436	637	(200)
Minority interests	7	34	(27)
Net income	(1,207)	461	(1,668)

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

Average exchange rate during period

Currency	1 April 2007 through 31 March 2008	1 April 2006 through 31 March 2007	Increase (Decrease)
1 US\$ =	¥114.43	¥116.97	(¥2.54)

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

Fiscal year ended 31 March 2008 (1 April 2007 through 31 March 2008)

Unit: Million yen

	Shareholders Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total
Balances at 31 March 2007	11,372	823	5,266	(4)	17,457
Increase (Decrease)					
1. Cash dividends			(390)		(390)
2. Net income (loss)			(1,207)		(1,207)
3. Purchase of treasury stock				(320)	(320)
4. Sales/Disposal of treasury stock		0		0	0
5. Transfer of difference from revaluation of land			35		35
6. Increase (Decrease) of items other than shareholders equity (net)					
Total increase (decrease)	--	0	(1,561)	(320)	(1,882)
Balances at 31 March 2008	11,372	823	3,704	(325)	15,575

Unit: Million yen

	Difference from Revaluation and Translation Adjustments					Minority interest share	Total net assets
	Revaluation of other marketable securities	Gain (loss) on deferred hedge	Revaluation of land	Foreign currency translation adjustments	Total difference		
Balances at 31 March 2007	146	(2)	4,369	(296)	4,216	699	22,373
Increase (Decrease)							
1. Cash dividends							(390)
2. Net income (loss)							(1,207)
3. Purchase of treasury stock							(320)
4. Sales/Disposal of treasury stock							0
5. Transfer of difference from revaluation of land							35
6. Increase (Decrease) of items other than shareholders equity (net)	(224)	(3)	(35)	(817)	(1,081)	(128)	(1,209)
Total increase (decrease)	(224)	(3)	(35)	(817)	(1,081)	(128)	(3,092)
Balances at 31 March 2008	(78)	(5)	4,334	(1,114)	3,135	570	19,281

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

Fiscal year ended 31 March 2007 (1 April 2006 through 31 March 2007)

Unit: Million yen

	Shareholders Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total
Balances at 31 March 2006	10,622	3,000	1,892	(4)	15,510
Increase (Decrease)					
1. Issuance of common stock	749	749			1,499
2. Net income			461		461
3. Purchase of treasury stock				(0)	(0)
4. Sales/Disposal of treasury stock		0		0	0
5. Transfer of capital reserve to retained earnings		(2,926)	2,926		--
6. Transfer of difference from revaluation of land			(13)		(13)
7. Increase (Decrease) of items other than shareholders equity (net)					
Total increase (decrease)	749	(2,176)	3,374	(0)	1,947
Balances at 31 March 2007	11,372	823	5,266	(4)	17,457

Unit: Million yen

	Difference from Revaluation and Translation Adjustments					Minority interest share	Total net assets
	Revaluation of other marketable securities	Gain (loss) on deferred hedge	Revaluation of land	Foreign currency translation adjustments	Total difference		
Balances at 31 March 2006	657	--	4,355	(792)	4,221	607	20,339
Increase (Decrease)							
1. Issuance of common stock							1,499
2. Net income							461
3. Purchase of treasury stock							(0)
4. Sales/Disposal of treasury stock							0
5. Transfer of capital reserve to retained earnings							--
6. Transfer of difference from revaluation of land							(13)
7. Increase (Decrease) of items other than shareholders equity (net)	(511)	(2)	13	495	(4)	92	87
Total increase (decrease)	(511)	(2)	13	495	(4)	92	2,034
Balances at 31 March 2007	146	(2)	4,369	(296)	4,216	699	22,373

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

Consolidated Statements of Cash Flows

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

Million yen

	Fiscal year 1 April 2007 through 31 March 2008	Fiscal year 1 April 2006 through 31 March 2007
I Cash flows from operating activities		
Net income before taxes and minority interest	(260)	1,740
Depreciations	1,158	1,113
Impairment losses	88	--
Goodwill amortization	178	74
Increase/(decrease) of allowance for doubtful accounts	(92)	(283)
Increase/(decrease) of employees retirement benefits	(64)	(156)
Interest and dividend income	(86)	(111)
Interest expenses	466	435
Proceeds from sales of investment securities	(87)	(457)
Loss on valuation of investment securities	179	--
Compensation for repairs	181	--
Business reorganization expenses	--	133
Settlement fees	60	--
Attorneys fees	--	128
Loss on liquidation of associated company	--	54
Claims	--	37
(Increase)/decrease in accounts receivable	339	1,057
(Increase)/decrease in inventories	42	(1,003)
Increase/(decrease) in accounts payable	329	169
Others	311	(97)
Sub total	2,747	2,834
Interest and dividends received	84	108
Interest paid	(463)	(414)
Business reorganization expenses paid	(2)	(131)
Compensation for repairs paid	(181)	--
Attorneys fees paid	--	(128)
Settlement fees paid	(60)	--
Claims paid	(12)	(25)
Income taxes paid	(665)	(626)
Net cash generated by operating activities	1,445	1,617
II Cash flows from investing activities		
Outflow to depositing of term-deposits	(80)	(1)
Inflow from repayment of term-deposits	178	8
Proceeds from sales of securities	511	1,081
Expenditures for purchase of tangible fixed assets	(2,689)	(1,907)
Expenditures for purchase of investment securities	(68)	(54)
Proceeds from sales of investment securities	439	761
Expenditures for acquisition of subsidiary's shares	--	(1,947)
Others	(248)	(51)
Net cash generated by investing activities	(1,958)	(2,110)
III Cash flows from financing activities		
Net increase/(decrease) in short-term borrowings	(274)	1,963
Inflow from long-term borrowings	5,800	6,616
Outflow to repayment of long-term debts	(1,782)	(9,663)
Expenditures for redemption of bonds	(1,250)	(1,250)
Expenditures for acquisition of own shares	(320)	--
Cash dividends paid	(380)	--
Cash dividends paid to minority shareholders	(83)	(63)
Others	0	(19)
Net cash used for financing activities	1,708	(2,417)
IV Effect of exchange rate changes on cash and cash equivalents	98	29
V Increase/(decrease) in cash and cash equivalents	1,294	(2,880)
VI Cash and cash equivalents at beginning of the year	3,067	5,947
VII Cash and cash equivalents at end of the year	4,361	3,067

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

Consolidated Segment Information

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

1. Operational results by segment

Fiscal year ended 31 March 2008 (1 April 2007 through 31 March 2008)

Unit: 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	35,463	5,477	4,351	2,128	47,421	--	47,421
(2) Intersegment sales or transfers	55	1,125	1,308	43	2,533	(2,533)	--
Total	35,519	6,603	5,660	2,172	49,954	(2,533)	47,421
Operating expenses	34,771	6,096	5,565	2,192	48,625	(2,516)	46,108
Operating income	748	506	94	(20)	1,329	(16)	1,312
Assets	30,684	7,209	7,963	3,230	49,087	9,212	58,299
Depreciation expenses	720	294	107	37	1,158	--	1,158
Impairment losses	--	--	--	--	--	88	88
Capital expenditure	1,499	1,217	35	130	2,883	--	2,883

Fiscal year ended 31 March 2007 (1 April 2006 through 31 March 2007)

Unit: 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	36,448	4,685	5,125	2,470	48,729	--	48,729
(2) Intersegment sales or transfers	51	1,259	1,063	45	2,419	(2,419)	--
Total	36,499	5,944	6,188	2,515	51,148	(2,419)	48,729
Operating expenses	35,056	5,570	6,070	2,487	49,185	(2,441)	46,744
Operating income	1,443	373	118	28	1,963	21	1,985
Assets	31,984	6,581	7,918	3,326	49,810	9,743	59,553
Depreciation expenses	767	220	90	36	1,113	--	1,113
Impairment losses	--	--	--	--	--	--	--
Capital expenditure	1,194	676	33	106	2,011	--	2,011

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

3. Company assets listed under "Elimination/Corporate" mainly consist of assets held by the parent company as surplus funds (cash and marketable securities), long-term investment funds (investment securities), as well as assets connected to administrative divisions.

9,619 million yen for fiscal year ended 31 March 2008

10,130 million yen for fiscal year ended 31 March 2007

2. Geographic information

Fiscal year ended 31 March 2008 (1 April 2007 through 31 March 2008)

Unit: Million yen

	Japan	North America	South East Asia	Other Regions	Total	Elimination / Corporate	Consolidated
Net sales							
(1) Net sales to external customers	30,823	9,390	651	6,555	47,421	--	47,421
(2) Intersegment sales or transfers	10,974	--	17,952	60	28,988	(28,988)	--
Total	41,798	9,390	18,604	6,615	76,409	(28,988)	47,421
Operating expenses	41,332	9,457	18,036	6,356	75,183	(29,074)	46,108
Operating income	466	(67)	567	259	1,226	86	1,312
Assets	46,937	4,565	9,498	3,477	64,478	(6,179)	58,299

Fiscal year ended 31 March 2007 (1 April 2006 through 31 March 2007)

Unit: Million yen

	Japan	North America	South East Asia	Other Regions	Total	Elimination / Corporate	Consolidated
Net sales							
(1) Net sales to external customers	32,030	10,236	709	5,752	48,729	--	48,729
(2) Intersegment sales or transfers	11,643	--	19,406	251	31,301	(31,301)	--
Total	43,674	10,236	20,116	6,003	80,030	(31,301)	48,729
Operating expenses	42,439	10,122	19,638	5,812	78,012	(31,268)	46,744
Operating income	1,235	113	477	191	2,018	(32)	1,985
Assets	47,159	5,748	10,155	3,247	66,311	(6,757)	59,553

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
- Company assets listed under "Elimination/Corporate" mainly consist of assets held by the parent company as surplus funds (cash and marketable securities), long-term investment funds (investment securities), as well as assets connected to administrative divisions.
 - 9,619 million yen for fiscal year ended 31 March 2008
 - 10,130 million yen for fiscal year ended 31 March 2007

3. Overseas sales by region

Fiscal year ended 31 March 2008 (1 April 2007 through 31 March 2008)

Unit: Million yen

	North America	Europe	Other Regions	Total
I Overseas sales	10,076	11,084	7,642	28,803
II Consolidated sales				47,421
III Ratio of overseas sales to consolidated sales	21.2%	23.4%	16.1%	60.7%

Fiscal year ended 31 March 2007 (1 April 2006 through 31 March 2007)

Unit: Million yen

	North America	Europe	Other Regions	Total
I Overseas sales	11,007	10,588	6,482	28,079
II Consolidated sales				48,729
III Ratio of overseas sales to consolidated sales	22.6%	21.7%	13.3%	57.6%

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.