

CONSOLIDATED FINANCIAL RESULTS
for the first half of fiscal year ending 31 March 2010
(1 April 2009 through 30 September 2009)

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

English translation from the original Japanese language document

6 November 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 half year : 13 November 2009

Payment date of cash dividends : ---

(Amounts less than one million yen are rounded down)

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

(1) Consolidated financial results (for the six months ended 30 September 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	%
First half year ended 30 September 2009	16,782	(22.8)	180	(20.6)	11	(93.0)	21	--
30 September 2008	21,752	--	227	--	166	--	(551)	--

	Net income per share - basic	Net income per share - diluted
First half year ended 30 September 2009	yen 0.11	yen --
30 September 2008	(2.85)	--

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
First half year ended 30 September 2009	Million yen 48,340	Million yen 12,672	% 25.1	yen 62.82
31 March 2009	50,997	12,740	23.9	63.10

Ref. Equity 12,144 million yen at the end of September 2009, and 12,198 million yen at the end of March 2009

2. Cash dividends

	Cash dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
Fiscal year ending 31 March 2009	yen --	yen 0.00	yen --	yen 0.00	yen 0.00
31 March 2010	--	0.00	--	0.00	0.00
31 March 2010 (Forecast)			--	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	%
Full year (1 April 2009 through 31 March 2010)	33,500	(17.3)	1,000	117.6	500	--	200	--

	Net Income per share - basic
	yen
Full year (1 April 2009 through 31 March 2010)	1.03

Note: Revisions to the forecast of consolidated results in the current quarter: 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: None
 - 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 September 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 September 2009
 - 1,891,795 shares at the end of March 2009
 - ③ Average number of shares during this period (for the six months ended 30 September 2009)
 - 193,322,474 shares at the end of September 2009
 - 193,324,908 shares at the end of September 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 Half as of 30 September 2009	Previous Fiscal Year as of 31 March 2009 (condensed)
ASSETS		
Current assets		
Cash and deposits	4,136	5,548
Accounts and notes receivable	5,876	5,937
Marketable securities	--	20
Merchandise and products	4,108	4,565
Semi-finished products	479	508
Raw materials and work in process	1,506	1,678
Other current assets	843	1,003
Allowance for doubtful accounts	(147)	(148)
Total current assets	16,803	19,114
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	7,469	7,548
Land	16,405	16,434
Other tangible fixed assets (net)	2,187	2,269
Total tangible fixed assets	26,061	26,251
Intangible fixed assets		
Goodwill	1,149	1,237
Other intangible fixed assets	574	586
Total intangible fixed assets	1,724	1,824
Investments and other assets	3,751	3,806
Total fixed assets	31,536	31,883
TOTAL ASSETS	48,340	50,997
LIABILITIES		
Current liabilities		
Notes and accounts payable	2,805	2,221
Short-term borrowings	12,925	13,900
Income taxes payable	235	277
Allowance for employees bonuses	304	370
Other current liabilities	1,689	1,866
Total current liabilities	17,961	18,635
Fixed liabilities		
Bonds and notes	860	860
Long-term borrowings	6,569	8,092
Deferred income taxes for revaluation	5,079	5,082
Liability for employees retirement payments	4,463	4,633
Other fixed liabilities	734	950
Total fixed liabilities	17,707	19,620
TOTAL LIABILITIES	35,668	38,256

Million yen

	Current First Half as of 30 September 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	(1,794)	(1,844)
Treasury stock, at cost	(325)	(325)
Total shareholders equity	10,076	10,026
Difference from revaluation and translation adjustment		
Revaluation of other marketable securities	(55)	(53)
Gain (loss) on deferred hedge	(4)	(4)
Difference from revaluation of land	4,290	4,295
Foreign currency translation adjustments	(2,163)	(2,065)
Total difference from revaluation and translation adjustments	2,068	2,172
Minority interest share	527	541
TOTAL NET ASSETS	12,672	12,740
TOTAL LIABILITIES AND NET ASSETS	48,340	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 Half 1 April 2008 through 30 September 2008	Current First Half 1 April 2009 through 30 September 2009
Net sales	21,752	16,782
Cost of sales	11,959	9,904
Gross profit	9,793	6,877
Selling, general and administrative expenses	9,566	6,697
Operating income/(loss)	227	180
Non-operating income		
Interest income	19	14
Dividend income	19	46
Foreign exchange profit	171	9
Miscellaneous income	113	134
Total non-operating income	323	204
Non-operating expenses		
Interest expenses	252	242
Miscellaneous expenses	132	130
Total non-operating expenses	384	373
Ordinary income/(loss)	166	11
Extraordinary profit		
Gain on sales of fixed assets	1	9
Compensation received	--	421
Total extraordinary profit	1	430
Extraordinary losses		
Loss on valuation of investment securities	245	--
Loss on disposal and sales of fixed assets	148	26
Accrual of allowance for doubtful accounts	--	117
Impairment losses	24	--
Total extraordinary losses	418	143
Income(loss) before income taxes and minority interests	(250)	298
Income tax, resident tax and business tax	186	216
Income tax adjustment	83	37
Total taxes	269	254
Minority interests	30	23
Net income (loss)	(551)	21

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 Half 1 April 2008 through 30 September 2008	Current First Half 1 April 2009 through 30 September 2009
Cash flows from operating activities		
Net income/(loss) before income taxes and minority interests	(250)	298
Depreciation	585	507
Impairment losses	24	--
Goodwill amortization	97	87
Increase/(decrease) of employees retirement benefits	(146)	(170)
Interest and dividend income	(38)	(60)
Interest expenses	252	242
(Profit)/Loss on valuation of investment securities	245	--
(Increase)/decrease in accounts receivable	119	(194)
(Increase)/decrease of inventory assets	(1,286)	610
Increase/(decrease) of accounts payable	97	591
Others	75	(297)
Sub total	<u>(223)</u>	<u>1,615</u>
Interest and dividend received	41	60
Interest paid	(252)	(268)
Income taxes paid	(263)	220
Net cash generated by operating activities	<u>(697)</u>	<u>1,187</u>
Cash flows from investing activities		
Outflow to depositing of term-deposits	(26)	--
Inflow from repayment of term-deposits	7	13
Proceeds from sales and redemption of investment securities	210	--
Expenditures for purchase of tangible fixed assets	(1,341)	(429)
Others	30	265
Net cash generated by investing activities	<u>(1,119)</u>	<u>(150)</u>
Cash flows from financing activities		
Net increase/(decrease) in short-term borrowings	2,536	(1,215)
Inflow from long-term borrowings	--	450
Outflow to repayment of long-term debts	(939)	(1,573)
Expenditures for redemption of bonds	(125)	--
Others	(9)	(33)
Net cash used for financing activities	<u>1,462</u>	<u>(2,372)</u>
Effect of exchange rate changes on cash and cash equivalents	(164)	(10)
Increase/(decrease) in cash and cash equivalents	<u>(519)</u>	<u>(1,346)</u>
Decrease in cash and cash equivalents		
due to exclusion from consolidation	--	(58)
Cash and cash equivalents at beginning of this period	<u>4,361</u>	<u>4,866</u>
Cash and cash equivalents at end of this period	<u>3,842</u>	<u>3,461</u>

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 half (1 April 2009 through 30 September 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	12,888	1,286	1,829	779	16,782	--	16,782
(2) Intersegment sales or transfers	16	282	442	15	756	(756)	--
Total	12,904	1,568	2,271	795	17,539	(756)	16,782
Operating expenses	12,494	1,749	2,281	829	17,355	(752)	16,602
Operating income/(loss)	410	(180)	(10)	(34)	184	(4)	180

Previous first half (1 April 2008 through 30 September 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	16,356	2,481	2,056	858	21,752	--	21,752
(2) Intersegment sales or transfers	15	525	548	21	1,110	(1,110)	--
Total	16,371	3,007	2,605	879	22,863	(1,110)	21,752
Operating expenses	16,189	2,876	2,637	941	22,645	(1,119)	21,525
Operating income/(loss)	182	130	(32)	(62)	218	9	227

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 half (1 April 2009 through 30 September 2009)

Million yen

	Japan	North America	South East Asia	Other Regions	Total	Elimination / Corporate	Consolidated
Net sales							
(1) Net sales to external customers	11,318	2,671	256	2,535	16,782	--	16,782
(2) Intersegment sales or transfers	3,414	--	6,230	14	9,659	(9,659)	--
Total	14,732	2,671	6,487	2,550	26,442	9,659	16,782
Operating expenses	14,991	2,653	6,216	2,403	26,265	9,663	16,602
Operating income/(loss)	(259)	18	270	146	176	4	180

Previous first half (1 April 2008 through 30 September 2008)

Million yen

	Japan	North America	South East Asia	Other Regions	Total	Elimination / Corporate	Consolidated
Net sales							
(1) Net sales to external customers	14,830	3,413	375	3,132	21,752	--	21,752
(2) Intersegment sales or transfers	5,523	--	8,756	19	14,300	(14,300)	--
Total	20,354	3,413	9,131	3,152	36,052	(14,300)	21,752
Operating expenses	20,123	3,419	9,265	3,052	35,861	(14,335)	21,525
Operating income/(loss)	230	(5)	(133)	100	191	35	227

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 half (1 April 2009 through 30 September 2009)

Million yen

	North America	Europe	Other Regions	Total
I Overseas sales	2,858	3,358	3,249	9,465
II Consolidated sales				16,782
III Ratio of overseas sales to consolidated sales	17.0%	20.0%	19.4%	56.4%

Previous first half (1 April 2008 through 30 September 2008)

Million yen

	North America	Europe	Other Regions	Total
I Overseas sales	3,674	5,196	4,158	13,029
II Consolidated sales				21,752
III Ratio of overseas sales to consolidated sales	16.9%	23.9%	19.1%	59.9%

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.