

**CONSOLIDATED FINANCIAL RESULTS**  
**for the first nine months of fiscal year ending 31 March 2010**  
**(1 April 2009 through 31 December 2009)**

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

English translation from the original Japanese language document

10 February 2010

Tokyo Stock Exchange in Japan

Company name : **JANOME SEWING MACHINE CO., LTD.**

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 nine months : 12 February 2010

Payment date of cash dividends : ----

(Amounts less than one million yen are rounded down)

**1. Consolidated results (1 April 2009 through 31 December 2009)**

(1) Consolidated financial results (for the nine months ended 31 December 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 9 months ended <b>31 December 2009</b>	<b>26,519</b>	<b>(17.8)</b>	<b>864</b>	<b>43.4</b>	<b>590</b>	--	<b>344</b>	--
31 December 2008	32,266	--	602	--	(120)	--	(2,135)	--

	Net income per share - basic	Net income per share - diluted
	yen	yen
First 9 months ended <b>31 December 2009</b>	<b>1.78</b>	--
31 December 2008	(11.04)	--

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	yen
First 9 months ended <b>31 December 2009</b>	<b>49,031</b>	<b>13,119</b>	<b>25.6</b>	<b>64.94</b>
FYE 31 March 2009	50,997	12,740	23.9	63.10

Ref. Equity 12,555 million yen at the end of December 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	yen	yen	yen	yen	yen
31 March 2009	--	0.00	--	0.00	0.00
<b>31 March 2010</b>	--	<b>0.00</b>			
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 December 2009
    - 195,214,448 shares at the end of March 2009
  - ② Number of treasury stock at the end of fiscal year
    - 1,892,066 shares at the end of December 2009
    - 1,891,795 shares at the end of March 2009
  - ③ Average number of shares during this period (for the nine months ended 31 December 2009)
    - 193,322,446 shares at the end of December 2009
    - 193,324,507 shares at the end of December 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

	<b>Current First 9 Months as of 31 December 2009</b>	Previous Fiscal Year as of 31 March 2009 (condensed)
<b>ASSETS</b>		
Current assets		
Cash and deposits	5,491	5,548
Accounts and notes receivable	6,456	5,937
Marketable securities	--	20
Merchandise and products	3,626	4,565
Semi-finished products	435	508
Raw materials and work in process	1,568	1,678
Other current assets	783	1,003
Allowance for doubtful accounts	(132)	(148)
Total current assets	<u>18,229</u>	<u>19,114</u>
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	7,167	7,548
Land	16,097	16,434
Other tangible fixed assets (net)	2,176	2,269
Total tangible fixed assets	<u>25,441</u>	<u>26,251</u>
Intangible fixed assets		
Goodwill	1,106	1,237
Other intangible fixed assets	559	586
Total intangible fixed assets	1,665	1,824
Investments and other assets	3,694	3,806
Total fixed assets	<u>30,801</u>	<u>31,883</u>
<b>TOTAL ASSETS</b>	<u><b>49,031</b></u>	<u><b>50,997</b></u>

Million yen

	<b>Current First 9 Months as of 31 December 2009</b>	Previous Fiscal Year as of 31 March 2009 (condensed)
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable	2,903	2,221
Short-term borrowings	12,972	13,900
Current portion of short-term bonds	800	--
Income taxes payable	377	277
Allowance for employees bonuses	241	370
Other current liabilities	1,928	1,866
Total current liabilities	19,223	18,635
Fixed liabilities		
Bonds and notes	60	860
Long-term borrowings	6,536	8,092
Deferred income taxes for revaluation	5,079	5,082
Liability for employee retirement payments	4,284	4,633
Other fixed liabilities	729	950
Total fixed liabilities	16,688	19,620
<b>TOTAL LIABILITIES</b>	<b>35,912</b>	<b>38,256</b>
<b>NET ASSETS</b>		
Shareholders equity		
Common stock	11,372	11,372
Capital surplus	823	823
Retained earnings	(3,150)	(1,844)
Treasury stock, at cost	(325)	(325)
Total shareholders equity	8,720	10,026
Difference from revaluation and translation adjustment		
Revaluation of other marketable securities	(78)	(53)
Gain (loss) on deferred hedge	(4)	(4)
Land revaluation difference	5,956	4,295
Foreign currency translation adjustments	(2,039)	(2,065)
Total difference from revaluation and translation adjustments	3,834	2,172
Minority interest share	563	541
<b>TOTAL NET ASSETS</b>	<b>13,119</b>	<b>12,740</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>49,031</b>	<b>50,997</b>

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 9 Months 1 April 2008 through 31 December 2008	<b>Current 9 Months 1 April 2009 through 31 December 2009</b>
Net sales	32,266	26,519
Cost of sales	17,616	15,681
Gross profit	14,650	10,837
Selling, general and administrative expenses	14,047	9,973
Operating income	602	864
Non-operating income		
Interest income	24	18
Dividend income	19	46
Foreign exchange profit	--	5
Compensation received	45	--
Employment adjustment subsidies	--	66
Miscellaneous income	92	96
Total non-operating income	181	232
Non-operating expenses		
Interest expenses	379	362
Foreign exchange loss	360	--
Miscellaneous expenses	166	144
Total non-operating expenses	905	507
Ordinary income/(loss)	(120)	590
Extraordinary profit		
Gain on sales of fixed assets	2	23
Compensation received	--	421
Total extraordinary profit	2	444
Extraordinary losses		
Loss on valuation of investment securities	245	13
Loss on disposal and sales of fixed assets	170	56
Accrual of allowance for doubtful accounts	--	102
Impairment losses	50	19
Loss from business re-organization	--	47
Total extraordinary losses	467	238
Income (loss) before income taxes and minority interests	(585)	796
Income tax, resident tax and business tax	272	366
Income tax adjustment	1,222	41
Total taxes	1,494	407
Minority interests	54	44
Net income (loss)	(2,135)	344

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 9 Months 1 April 2008 through 31 December 2008	<b>Current 9 Months 1 April 2009 through 31 December 2009</b>
<b>Cash flows from operating activities</b>		
Net income/(loss) before income taxes and minority interests	(585)	796
Depreciation	845	749
Impairment losses	50	19
Goodwill amortization	135	131
Increase/(decrease) of employees retirement benefits	(168)	(349)
Interest and dividend income	(44)	(64)
Interest expenses	379	362
(Profit)/Loss on valuation of investment securities	245	13
(Increase)/decrease in accounts receivable	(609)	(645)
(Increase)/decrease of inventory assets	(878)	1,156
Increase/(decrease) of accounts payable	(62)	656
Others	536	(6)
Sub total	<u>(154)</u>	<u>2,819</u>
Interest and dividend received	46	64
Interest paid	(285)	(314)
Income taxes paid	(220)	(222)
Net cash generated by operating activities	<u>(612)</u>	<u>2,347</u>
<b>Cash flows from investing activities</b>		
Outflow to depositing of term-deposits	(26)	(34)
Inflow from repayment of term-deposits	28	13
Proceeds from sales and redemption of investment securities	270	--
Expenditures for purchase of tangible fixed assets	(1,694)	(717)
Proceeds from sales of tangible fixed assets	--	590
Others	6	277
Net cash generated by investing activities	<u>(1,416)</u>	<u>129</u>
<b>Cash flows from financing activities</b>		
Net increase/(decrease) in short-term borrowings	3,530	(1,174)
Inflow from long-term borrowings	--	500
Outflow to repayment of long-term debts	(1,165)	(1,657)
Expenditures for redemption of bonds	(300)	--
Others	(12)	(38)
Net cash used for financing activities	<u>2,052</u>	<u>(2,371)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(270)</u>	<u>(37)</u>
Increase/(decrease) in cash and cash equivalents	<u>(247)</u>	<u>67</u>
Decrease in cash and cash equivalents due to exclusion from consolidation	--	(83)
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>4,114</u>	<u>4,850</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 nine months (1 April 2009 through 31 December 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	20,465	2,081	2,674	1,298	26,519	--	26,519
(2) Intersegment sales or transfers	17	660	666	27	1,371	(1,371)	--
Total	20,483	2,741	3,340	1,325	27,891	(1,371)	26,519
Operating expenses	19,425	2,917	3,291	1,392	27,027	(1,372)	25,654
Operating income/(loss)	1,057	(175)	49	(66)	864	0	864

Previous 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, 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 nine months (1 April 2009 through 31 December 2009)

Million yen

	Japan	North America	South East Asia	Other Regions	Total	Elimination / Corporate	Consolidated
Net sales							
(1) Net sales to external customers	17,314	4,490	416	4,297	26,519	--	26,519
(2) Intersegment sales or transfers	5,349	--	9,736	21	15,108	(15,108)	--
Total	22,664	4,490	10,153	4,319	41,627	(15,108)	26,519
Operating expenses	22,850	4,390	9,719	3,967	40,928	(15,273)	25,654
Operating income/(loss)	(186)	99	434	351	699	165	864

Previous 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 2009 through 31 December 2009)

Million yen

	North America	Europe	Other Regions	Total
I Overseas sales	4,800	5,290	5,579	15,670
II Consolidated sales				26,519
III Ratio of overseas sales to consolidated sales	18.1%	19.9%	21.0%	59.1%

Previous 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

During the period covering the first nine months, the Company sold fixed assets. Accompanying this, 1.666 billion yen gain due to upward land revaluation was reversed and the same amount was transferred to retained earnings.