

## CONSOLIDATED FINANCIAL RESULTS for fiscal year ended 31 March 2010

(1 April 2009 through 31 March 2010)

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

14 May 2010

Company name : **JANOME SEWING MACHINE CO., LTD.** Tokyo Stock Exchange in 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  
 Date of ordinary general shareholders' meeting: 24 June 2010  
 Filing date of financial statements: 25 June 2010  
 Payment date of cash dividends: ----

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

### 1. Consolidated results for fiscal year (1 April 2009 through 31 March 2010)

#### (1) Consolidated financial results

(Percent indication shows percentage 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	%
<b>31 March 2010</b>	<b>35,746</b>	<b>(11.7)</b>	<b>1,341</b>	<b>192.0</b>	<b>957</b>	--	<b>529</b>	--
31 March 2009	40,487	(14.6)	459	(65.0)	(171)	--	(5,083)	--

Fiscal year ended	Net income per share - basic	Net income per share - diluted	Ratio of net income to shareholders equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	yen	yen	%	%	%
<b>31 March 2010</b>	<b>2.74</b>	--	<b>4.2</b>	<b>1.9</b>	<b>3.8</b>
31 March 2009	(26.30)	--	(32.9)	(0.3)	1.1

Ref: Equity in net income of subsidiaries: Nil for fiscal year ended 31 March 2010, and nil for fiscal year ended 31 March 2009

#### (2) Consolidated financial position

Fiscal year ended	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	yen
<b>31 March 2010</b>	<b>50,512</b>	<b>13,649</b>	<b>25.9</b>	<b>67.56</b>
31 March 2009	50,997	12,740	23.9	63.10

Ref: Equity 13,060 million yen at the end of March 2010, and 12,198 million yen at the end of March 2009

#### (3) Consolidated cash flow position

Fiscal year ended	Operating activities	Investing activities	Financing activities	Cash & cash equivalents
	Million yen	Million yen	Million yen	Million yen
<b>31 March 2010</b>	<b>3,543</b>	<b>153</b>	<b>(1,692)</b>	<b>6,869</b>
31 March 2009	543	(2,061)	2,208	4,866

## 2. Cash dividends

	Cash dividends per share					Total amount of cash dividends	Payout ratio of cash dividends	Ratio of total amount of cash dividends to net assets
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual	annual	consolidated	consolidated
Fiscal year ended	yen	yen	yen	yen	yen	Million yen	%	%
31 March 2009	--	0.00	--	0.00	0.00	--	--	--
<b>31 March 2010</b>	--	0.00	--	0.00	0.00	--	--	--
31 March 2010 (Forecast)	--	0.00	--	0.00	0.00		--	

## 3. Forecast of consolidated results for next fiscal year (1 April 2010 through 31 March 2011)

(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 2010)	17,500	4.3	800	343.7	500	--	300	--
Full year (ending 31 March 2011)	37,000	3.5	1,800	34.2	1,200	25.4	800	51.2

	Net Income per share - basic
	yen
First half (six-month period ending 30 September 2010)	1.55
Full year (ending 31 March 2011)	4.14

## 4. Others

(1) Changes in significant subsidiaries during this fiscal year ended 31 March 2010 (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 of consolidated financial statements  
(significant basic matters regarding preparation of 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 fiscal year (including treasury stock)

195,214,448 shares at the end of March 2010

195,214,448 shares at the end of March 2009

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

1,892,066 shares at the end of March 2010

1,891,795 shares at the end of March 2009

**Ref: Overview of non-consolidated results**

1. Non-consolidated results (1 April 2009 through 31 March 2010)

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

(1) Non-consolidated financial results

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
<b>31 March 2010</b>	<b>26,992</b>	<b>(12.4)</b>	<b>273</b>	<b>59.4</b>	<b>290</b>	--	<b>208</b>	--
31 March 2009	30,809	(12.2)	171	(66.4)	(95)	--	(4,694)	--

Fiscal year ended	Net income per share - basic	Net income per share - diluted
	yen	yen
<b>31 March 2010</b>	<b>1.08</b>	--
31 March 2009	(24.28)	--

(2) Non-consolidated financial position

Fiscal year ended	Total assets	Net assets	Ratio of shareholders equity	Net assets per share
	Million yen	Million yen	%	yen
<b>31 March 2010</b>	<b>46,550</b>	<b>11,977</b>	<b>25.7</b>	<b>61.96</b>
31 March 2009	45,893	11,772	25.7	60.90

Ref: Equity 11,977 million yen at the end of March 2010, and 11,772 million yen at the end of March 2009

**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

	as of 31 March 2009	as of <b>31 March 2010</b>
<b>ASSETS</b>		
Current assets		
Cash and deposits	5,548	7,471
Accounts and notes receivable	5,937	6,128
Marketable securities	20	--
Merchandise and products	4,565	3,751
Semi-finished products	508	397
Raw materials and work in process	1,678	1,499
Deferred tax assets	490	545
Other current assets	512	484
Allowance for doubtful accounts	(148)	(117)
Total of current assets	19,114	20,162
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	7,548	7,129
Machinery and vehicles (net)	1,075	920
Land	16,434	15,945
Construction in progress	281	383
Other tangible fixed assets	912	880
Total of tangible fixed assets	26,251	25,260
Intangible fixed assets		
Goodwill	1,237	1,000
Other intangible fixed assets	586	554
Total of intangible fixed assets	1,824	1,555
Investments and other assets		
Investment securities	1,230	1,224
Deferred tax assets	1,766	1,710
Other investments and assets	922	745
Allowance for doubtful accounts	(112)	(146)
Total of investments and other assets	3,806	3,534
Total of fixed assets	31,883	30,350
<b>TOTAL OF ASSETS</b>	<b>50,997</b>	<b>50,512</b>

	Million yen	
	as of 31 March 2009	as of 31 March 2010
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable	2,221	2,990
Short-term borrowings	10,755	10,748
Current portion of long-term borrowings	3,144	3,783
Current portion of short-term bonds	--	800
Income taxes payable	277	282
Allowance for employees bonuses	370	306
Other current liabilities	1,866	2,054
Total of current liabilities	<u>18,635</u>	<u>20,966</u>
Fixed liabilities		
Bonds and notes	860	60
Long-term borrowings	8,092	5,681
Deferred income taxes for revaluation	5,082	5,064
Liability for employees retirement payments	4,633	4,368
Other fixed liabilities	950	723
Total of fixed liabilities	<u>19,620</u>	<u>15,897</u>
<b>TOTAL OF LIABILITIES</b>	<u>38,256</u>	<u>36,863</u>
<b>NET ASSETS</b>		
Shareholders equity		
Common stock	11,372	11,372
Capital surplus	823	823
Retained earnings	(1,844)	(2,936)
Treasury stock, at cost	(325)	(325)
Total of shareholders equity	<u>10,026</u>	<u>8,935</u>
Difference from revaluation and translation adjustments		
Revaluation of other marketable securities	(53)	(51)
Gain (loss) on deferred hedge	(4)	(2)
Land revaluation difference	4,295	5,927
Foreign currency translation adjustments	(2,065)	(1,748)
Total of difference from revaluation and translation adjustments	<u>2,172</u>	<u>4,125</u>
Minority interest share	<u>541</u>	<u>588</u>
<b>TOTAL OF NET ASSETS</b>	<u>12,740</u>	<u>13,649</u>
<b>TOTAL OF LIABILITIES AND NET ASSETS</b>	<u>50,997</u>	<u>50,512</u>

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 2008 through 31 March 2009	Fiscal year 1 April 2009 through 31 March 2010
Net sales	40,487	35,746
Cost of sales	22,065	21,195
Gross profit	18,422	14,551
Selling, general and administrative expenses	17,962	13,209
Operating income	459	1,341
Non-operating income		
Interest income	29	22
Dividend income	23	49
Compensation received	120	--
Employment adjustment subsidies	--	85
Miscellaneous income	138	165
Total of non-operating income	311	323
Non-operating expenses		
Interest expenses	499	471
Foreign exchange loss	243	64
Miscellaneous expenses	200	171
Total of other expenses	942	707
Ordinary income (loss)	(171)	957
Extraordinary profit		
Gain on sales of fixed assets	4	24
Compensation received	--	421
Total of extraordinary profit	4	446
Extraordinary losses		
Loss on disposal and sales of fixed assets	226	74
Impairment losses	80	132
Loss on valuation of investment securities	268	13
Loss from business re-organization	--	47
Loss on sales of investment securities	--	6
Accrual of allowance of doubtful accounts	--	81
Loss on liquidation of associated companies	348	--
Total of extraordinary losses	924	356
Income (loss) before income taxes and minority interests	(1,091)	1,047
Income tax, resident tax and business tax	309	409
Income tax adjustment	3,623	64
Total of taxes	3,933	474
Minority interests	59	43
Net income/(loss)	(5,083)	529

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

# Consolidated Statements of Shareholders Equity

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

Million yen

	Fiscal year 1 April 2008 through 31 March 2009	Fiscal year 1 April 2009 through 31 March 2010
Shareholders equity		
Common stock		
Balance at end of the previous year	11,372	11,372
Increase (decrease)		
Total of increase (decrease)	--	--
Balance at end of the year	11,372	11,372
Capital surplus		
Balance at end of the previous year	823	823
Increase (decrease)		
Sales/Disposal of treasury stock	(0)	--
Total of increase (decrease)	(0)	--
Balance at end of the year	823	823
Retained earnings		
Balance at end of the previous year	3,704	(1,844)
Increase (decrease) due to changes of accounting method in overseas subsidiaries	(504)	--
Increase (decrease)		
Net income/(loss)	(5,083)	529
Changes in scope of consolidation	--	10
Sales/Disposal of treasury stock	(0)	--
Transfer of land revaluation difference	38	(1,631)
Total of increase (decrease)	(5,045)	(1,091)
Balance at end of the year	(1,844)	(2,936)
Treasury stock		
Balance at end of the previous year	(325)	(325)
Increase (decrease)		
Purchase of treasury stock	(0)	(0)
Sales/Disposal of treasury stock	0	--
Total of increase (decrease)	0	(0)
Balance at end of the year	(325)	(325)
Total of shareholders equity		
Balance at end of the previous year	15,575	10,026
Increase (decrease) due to changes of accounting method in overseas subsidiaries	(504)	--
Increase (decrease)		
Net income/(loss)	(5,083)	529
Changes in scope of consolidation	--	10
Purchase of treasury stock	(0)	(0)
Sales/Disposal of treasury stock	0	--
Transfer of land revaluation difference	38	(1,631)
Total of increase (decrease)	(5,045)	(1,091)
Balance at end of the year	10,026	8,935

	Million yen	
	Fiscal year 1 April 2008 through 31 March 2009	Fiscal year 1 April 2009 through 31 March 2010
Difference from revaluation and translation adjustments		
Revaluation of other marketable securities		
Balance at end of the previous year	(78)	(53)
Increase (decrease)		
Increase (decrease) in items other than shareholders equity, net	24	1
Total of increase (decrease)	24	1
Balance at end of the year	(53)	(51)
Gain (loss) on deferred hedge		
Balance at end of the previous year	(5)	(4)
Increase (decrease)		
Increase (decrease) in items other than shareholders equity, net	1	1
Total of increase (decrease)	1	1
Balance at end of the year	(4)	(2)
Land revaluation difference		
Balance at end of the previous year	4,334	4,295
Increase (decrease)		
Increase (decrease) in items other than shareholders equity, net	(38)	1,631
Total of increase (decrease)	(38)	1,631
Balance at end of the year	4,295	5,927
Foreign currency translation adjustments		
Balance at end of the previous year	(1,114)	(2,065)
Increase (decrease)		
Increase (decrease) in items other than shareholders equity, net	(950)	317
Total of increase (decrease)	(950)	317
Balance at end of the year	(2,065)	(1,748)
Total of difference from revaluation and translation adjustments		
Balance at end of the previous year	3,135	2,172
Increase (decrease)		
Increase (decrease) in items other than shareholders equity, net	(962)	1,952
Total of increase (decrease)	(962)	1,952
Balance at end of the year	2,172	4,125
Minority interest share		
Balance at end of the previous year	570	541
Increase (decrease)		
Increase (decrease) in items other than shareholders equity, net	(28)	46
Total of increase (decrease)	(28)	46
Balance at end of the year	541	588



	Million yen	
	Fiscal year 1 April 2008 through 31 March 2009	<b>Fiscal year 1 April 2009 through 31 March 2010</b>
Total of net assets		
Balance at end of the previous year	19,281	12,740
Increase (decrease) due to changes of accounting method in overseas subsidiaries	(504)	--
Increase (decrease)		
Net income/(loss)	(5,083)	529
Changes in scope of consolidation	--	10
Purchase of treasury stock	(0)	(0)
Sales/Disposal of treasury stock	0	--
Transfer of land revaluation difference	38	(1,631)
Increase (decrease) in items other than shareholders equity, net	(991)	1,999
Total of increase (decrease)	<u>(6,036)</u>	<u>908</u>
Balance at end of the year	<u>12,740</u>	<u>13,649</u>

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

	Fiscal year 1 April 2008 through 31 March 2009	Fiscal year 1 April 2009 through 31 March 2010
<b>Cash flows from operating activities</b>		
Net income/(loss) before income taxes and minority interests	(1,091)	1,047
Depreciation	1,115	982
Impairment losses	80	132
Goodwill amortization	193	175
Increase/(decrease) of allowance for doubtful accounts	46	(3)
Increase/(decrease) of employees retirement benefits	(78)	(265)
Interest and dividend income	(52)	(71)
Interest expenses	499	471
Loss on liquidation of associated companies	348	--
(Profit)/loss on valuation of investment securities	268	13
(Increase)/decrease in accounts receivable	669	(112)
(Increase)/decrease in inventory assets	306	1,223
Increase/(decrease) in accounts payable	(1,378)	674
Others	266	65
Sub total	<u>1,194</u>	<u>4,334</u>
Interest and dividends received	55	71
Interest paid	(504)	(496)
Income taxes paid	(201)	(366)
Net cash generated by operating activities	<u>543</u>	<u>3,543</u>
<b>Cash flows from investing activities</b>		
Outflow to depositing of term-deposits	(38)	(35)
Inflow from repayment of term-deposits	28	45
Proceeds from sales of securities	360	--
Expenditures for purchase of tangible fixed assets	(2,541)	(848)
Proceeds from sales of tangible fixed assets	--	721
Expenditures for purchase of investment securities	(3)	(1)
Proceeds from sales of investment securities	--	0
Others	133	270
Net cash generated by investing activities	<u>(2,061)</u>	<u>153</u>
<b>Cash flows from financing activities</b>		
Net increase/(decrease) in short-term borrowings	5,040	99
Inflow from long-term borrowings	1,011	1,500
Outflow to repayment of long-term debts	(2,580)	(3,273)
Inflow from issuance of bonds	60	--
Expenditures for redemption of bonds	(1,300)	--
Cash dividends paid	(5)	(0)
Expenditures for acquisition of own shares	(0)	(0)
Cash dividends paid to minority shareholders	(8)	(23)
Others	(8)	5
Net cash used for financing activities	<u>2,208</u>	<u>(1,692)</u>
Effect of exchange rate changes on cash and cash equivalents	(186)	81
Increase/(decrease) in cash and cash equivalents	<u>505</u>	<u>2,086</u>
Cash and cash equivalents at beginning of the year	4,361	4,866
(Decrease) in cash and cash equivalents resulting from consolidation exclusion	--	(83)
Cash and cash equivalents at end of the year	<u>4,866</u>	<u>6,869</u>

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 2010 (1 April 2009 through 31 March 2010)

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	27,479	3,047	3,526	1,692	35,746	--	35,746
(2) Intersegment sales or transfers	13	695	888	40	1,637	(1,637)	--
Total	27,492	3,743	4,414	1,733	37,384	(1,637)	35,746
Operating expenses	26,014	3,859	4,358	1,812	36,043	(1,639)	34,404
Operating income	1,478	(116)	56	(78)	1,340	1	1,341
Assets	27,296	5,823	6,967	2,860	42,947	7,565	50,512
Depreciation expenses	531	300	105	43	982	--	982
Impairment losses	--	61	--	--	61	70	132
Capital expenditure	524	283	10	54	873	--	873

Fiscal year ended 31 March 2009 (1 April 2008 through 31 March 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	30,336	4,157	4,085	1,908	40,487	--	10,487
(2) Intersegment sales or transfers	32	769	1,127	45	1,974	(1,974)	--
Total	30,368	4,926	5,213	1,954	42,462	(1,974)	40,487
Operating expenses	29,800	4,968	5,205	2,049	42,023	(1,995)	40,028
Operating income	568	(41)	7	(95)	439	20	459
Assets	27,741	6,113	8,137	3,033	45,026	5,970	50,997
Depreciation expenses	621	344	113	36	1,115	--	1,115
Impairment losses	--	--	--	--	--	80	80
Capital expenditure	1,821	486	35	239	2,582	--	2,582

#### 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

## 2. Geographic information

Fiscal year ended 31 March 2010 (1 April 2009 through 31 March 2010)

Million yen

	Japan	North America	South East Asia	Other Regions	Total	Elimination / Corporate	Consolidated
Net sales							
(1) Net sales to external customers	23,708	5,956	549	5,531	35,746	--	35,746
(2) Intersegment sales or transfers	7,615	--	13,471	29	21,116	(21,116)	--
Total	31,324	5,956	14,020	5,560	56,862	(21,116)	35,746
Operating expenses	31,292	5,798	13,439	5,098	55,628	(21,224)	34,404
Operating income	32	158	581	461	1,233	108	1,341
Assets	49,522	4,024	9,318	3,077	65,943	(15,430)	50,512

Fiscal year ended 31 March 2009 (1 April 2008 through 31 March 2009)

Million yen

	Japan	North America	South East Asia	Other Regions	Total	Elimination / Corporate	Consolidated
Net sales							
(1) Net sales to external customers	27,242	6,928	660	5,657	40,487	--	40,487
(2) Intersegment sales or transfers	9,159	--	14,799	21	23,979	(23,979)	--
Total	36,401	6,928	15,459	5,678	64,467	(23,979)	40,487
Operating expenses	36,522	6,932	15,410	5,413	64,278	(24,250)	40,028
Operating income	(120)	(4)	48	265	189	270	459
Assets	49,804	3,785	7,198	2,825	63,613	(12,616)	50,997

### 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.
  - 7,983 million yen for fiscal year ended 31 March 2010
  - 6,181 million yen for fiscal year ended 31 March 2009

### 3. Overseas sales by region

Fiscal year ended 31 March 2010 (1 April 2009 through 31 March 2010)

Million yen

	North America	Europe	Other Regions	Total
I Overseas sales	6,352	7,621	7,237	21,211
II Consolidated sales				35,746
III Ratio of overseas sales to consolidated sales	17.8%	21.3%	20.2%	59.3%

Fiscal year ended 31 March 2009 (1 April 2008 through 31 March 2009)

Million yen

	North America	Europe	Other Regions	Total
I Overseas sales	7,372	9,576	6,801	23,751
II Consolidated sales				40,487
III Ratio of overseas sales to consolidated sales	18.2%	23.7%	16.8%	58.7%

#### 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.