[Qualitative Information]

1. Consolidated financial results

For the period covering the first six months, amid lingering stagnant sentiment in the global economy stemming from the financial uncertainty of the past year, although signs of economic upturn are starting to be seen thanks to stimulus measures for the bottomed-out domestic demand, the forecast for the future is still unclear due to a delayed recovery in facility investments, slow consumer spending impacted by deterioration in employment and household income, and further steep appreciation of the yen.

Under these circumstances, the Group focused on delivering profits by implementing a radical reduction in production costs and expenditures including restructuring and integration of the production and sales bases.

[Operational results by segment]

Home use sewing machines:
Although domestic Japan sales proceeded favorably keeping the same level as the corresponding period of the previous year, due to the effect of the global recession on the overseas market, unit sales totaled 750 thousand units (down 100 thousand units compared to the corresponding period of the previous fiscal year) with net sales of 12.888 billion yen (down 21.2% compared to the corresponding period of the previous fiscal year). However, operating income climbed to 410 million yen, an increase of 227 million yen compared to the corresponding period of the previous fiscal year.

Industrial equipment:
In addition to the continued gearing-down in facility investment, and in particular due to a significant decrease in orders in the die-cast business, net sales were 1.286 billion yen (down 48.2% compared to the corresponding period of the previous fiscal year) with an operating loss of 180 million yen.

EDP and other services:
Net sales were 1.829 billion yen (down 11.1% compared to the corresponding period of the previous fiscal year) with an operating loss of 10 million yen.

24-Hour Clean Bath systems:
Net sales were 779 million yen (down 9.2% compared to the corresponding period of the previous fiscal year) with an operating loss of 34 million yen.

Reflecting these, Janome Group net sales totaled 16.782 billion yen (down 4.969 billion yen compared to the corresponding period of the previous fiscal year), the operating income was 180 million yen (down 46 million yen compared to the corresponding period of the previous fiscal year) with ordinary income of 11 million yen (down 154 million yen compared to the corresponding period of the previous fiscal year) to give net income of 21 million yen for this period (a net loss of 551 million yen for the corresponding period of the previous fiscal year).

[Geographic information]

Japan:
Net sales including exports were 11.318 billion yen (down 23.7% compared to the corresponding period of the previous fiscal year) with an operating loss of 259 million yen (down 490 million yen compared to the corresponding period of the previous fiscal year).

North America:
Net sales were 2.671 billion yen (down 21.7% compared to the corresponding period of the previous fiscal year) with an operating income of 18 million yen (up 24 million yen compared to the corresponding period of the previous fiscal year).

South East Asia:
Net sales were 256 million yen (down 31.5% compared to the corresponding period of the previous fiscal year) and operating income rose 270 million yen (up 404 million yen compared to the corresponding period of the previous fiscal year).

Other regions:
Net sales decreased to 2.535 billion yen (down 19.1% compared to the corresponding period of the previous fiscal year), with an operating income of 146 million yen (up 46 million yen compared to the corresponding period of the previous fiscal year).

2. Consolidated financial position

Total assets as of 30th September 2009 were 48.34 billion yen (down 2.656 billion yen from the previous fiscal year ended 31st March 2009).

Current assets decreased to 16.803 billion yen (down 2.31 billion yen from the previous fiscal year ended 31st March 2009) due to a decrease in cash and deposits and inventory assets. Fixed assets decreased to 31.536 billion yen (down 346 million yen from the previous fiscal year ended 31st March 2009) due to depreciation of tangible fixed assets.

Current liabilities decreased to 17.961 billion yen (down 674 million yen from the previous fiscal year ended 31st March 2009) mainly due to a decrease in short-term borrowings, and fixed liabilities were 17.707 billion yen (down 1.913 billion yen from the previous fiscal year ended 31st March 2009).

[Overview of cash flow position]

Cash and cash equivalents on a consolidated basis as of 30th September 2009 decreased by 1.405 billion yen from the previous fiscal year ended 31st March 2009 to total 3.461 billion yen.

Net cash generated by operating activities was 1.187 billion yen. This was mainly due to a decrease in inventory assets.

Net cash generated by investing activities was negative 150 million yen. This was mainly due to a decrease in the purchase of tangible fixed assets.

Net cash used for financing activities was negative 2.372 billion yen. This was mainly due to a decrease in short-term borrowings.

3. Forecast of consolidated results for fiscal year ending 31st March 2010

Note that the full year consolidated forecast for fiscal year ending 31st March 2010 is amended as announced on 6th November 2009 in the notice concerning amendment to financial forecast.

With respect to the remainder of this fiscal period ending 31st March 2010, assuming average exchange rates of 85 yen per U.S. dollar and 125 yen per euro, second half net sales are expected to remain at the same level as the first half actual results due to the following concerns:

1) Although signs are beginning to show that the global recession has already hit bottom, it will take more time for there to be full-fledged economic recovery.

2) The outlook for currency exchange markets is unclear.

Meantime, the Group will continue further efforts towards improving and strengthening profitability and financial conditions through comprehensive reduction in production costs and expenditures.

[Amendment to the full year consolidated forecast for fiscal year ending 31st March 2010]
(1st April 2009 through 31st March 2010)

Unit: Million yen

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share
Previous forecast (A)	37,000	1,000	500	600	¥3.10
Revised forecast (B)	33,500	1,000	500	200	¥1.03
Increase/decrease (B-A)	(3,500)	--	--	(400)	--
% change	(9.5)	--	--	(66.7)	--
Results of previous fiscal year, ended 31 March 2009 (Reference)	40,487	459	(171)	(5,083)	(¥26.30)

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

Simplified accounting methods are applied in the calculation of certain income tax expenses, depreciation of fixed assets as well as allowances.

③ Changes in accounting method such as principles, procedures and presentations, relating to preparation of quarterly consolidated financial statements

None.

④ Significant events regarding going concern assumptions

With respect to the Company's borrowings, a decrease in net assets compared to the corresponding period of the previous fiscal year resulted in a breach of the financial covenant clause in existing loan agreements. However, the Company obtained understanding from the main lending financial institutions for continued support as previously without requiring a termination of lending term benefits so that no cash flow problems have been incurred.