[Qualitative Information]

1. Consolidated financial results

For the period covering the first nine months, amid lingering stagnant sentiment in the global economy stemming from the financial uncertainty of the past two years, although effects of stimulus measures in each countries as well as signs of economic upturn mainly in emerging countries are starting to be seen, 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, deflationary concerns, and an unclear outlook for the exchange market.

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 a moderate recovery was seen in the overseas market and the holiday sales season, unit sales totaled 1.28 million units (down 90 thousand units compared to the corresponding period of the previous fiscal year) with net sales of 20.465 billion yen (down 15.5% compared to the corresponding period of the previous fiscal year). However, operating income climbed to 1.057 billion yen, an increase of 467 million yen compared to the corresponding period of the previous fiscal year, partly due to implementation of the profitability improvement plan.

Industrial equipment:
Though signs of economic upturn are being seen in the Asian market, mainly in mainland China, because of the continued gearing-down in facility investment in domestic market and a significant decrease in orders in the die-cast business, net sales were 2.081 billion yen (down 41.4% compared to the corresponding period of the previous fiscal year) with an operating loss of 175 million yen.

EDP and other services:
Net sales were 2.674 billion yen (down 11.7% compared to the corresponding period of the previous fiscal year) with an operating income of 49 million yen.

24-Hour Clean Bath systems:
Net sales were 1.298 billion yen (down 11.2% compared to the corresponding period of the previous fiscal year) with an operating loss of 66 million yen.

Reflecting these, Janome Group net sales totaled 26.519 billion yen (down 5.746 billion yen compared to the corresponding period of the previous fiscal year), operating income was 864 million yen (up 261 million yen compared to the corresponding period of the previous fiscal year) with ordinary income of 590 million yen (an ordinary loss of 120 million yen for the corresponding period of the previous fiscal year) to give net income of 344 million yen for this period (a net loss of 2.135 billion yen for the corresponding period of the previous fiscal year).

[Geographic information]

Japan:
Net sales including exports were 17.314 billion yen (down 19.6% compared to the corresponding period of the previous fiscal year) with an operating loss of 186 million yen (down 349 million yen compared to the corresponding period of the previous fiscal year).

North America:
Net sales were 4.49 billion yen (down 19.4% compared to the corresponding period of the previous fiscal year) with an operating income of 99 million yen (up 90 million yen compared to the corresponding period of the previous fiscal year).

South East Asia:
Net sales were 416 million yen (down 23.8% compared to the corresponding period of the previous fiscal year) and operating income rose 434 million yen (up 419 million yen compared to the corresponding period of the previous fiscal year).

Other regions:
Net sales decreased to 4.297 billion yen (down 7.0% compared to the corresponding period of the previous fiscal year), with an operating income of 351 million yen (up 194 million yen compared to the corresponding period of the previous fiscal year).

2. Consolidated financial position

Total assets as of 31st December 2009 were 49.031 billion yen (down 1.965 billion yen from the previous fiscal year ended 31st March 2009).

Current assets decreased to 18.229 billion yen (down 884 million yen from the previous fiscal year ended 31st March 2009) due to a decrease in inventory assets, while increasing accounts and notes receivable. Fixed assets decreased to 30.801 billion yen (down 1.081 billion yen from the previous fiscal year ended 31st March 2009) due to sales and depreciation of fixed assets.

Current liabilities decreased to 19.223 billion yen (down 2.344 billion yen from the previous fiscal year ended 31st March 2009) mainly due to a decrease in short-term borrowings, and fixed liabilities were 16.688 billion yen (down 2.931 billion yen from the previous fiscal year ended 31st March 2009).

Among net assets, the 1.666 billion yen gain due to upward land revaluation accompanying the sale of fixed assets was reversed and the same amount was transferred to retained earnings.

[Overview of cash flow position]

Cash and cash equivalents on a consolidated basis as of 31st December 2009 decreased by 16 million yen from the previous fiscal year ended 31st March 2009 to total 4.85 billion yen.

Net cash generated by operating activities was 2.347 billion yen (up 2.96 billion yen compared to the corresponding period of the previous fiscal year). This was mainly due to a decrease in inventory assets.

Net cash generated by investing activities was 129 million yen (up 1.545 billion yen compared to the corresponding period of the previous fiscal year). This was mainly due to an increase in the sales of tangible fixed assets.

Net cash used for financing activities was negative 2.371 billion yen (down 4.423 billion yen compared to the corresponding period of the previous fiscal year). 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 as announced on 6th November 2009 in the consolidated financial results for the first half of fiscal year ending 31 March 2010 and there is no revision in the forecast of consolidated results for fiscal year ending 31st March 2010.

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 as of 30th September 2009 from the previous fiscal first half ended 30th September 2008 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 so that no cash flow problems have been incurred.