

Consolidated Financial Results for the Year Ended March 31, 2009 (Fiscal year ended March 31, 2009)

May 15, 2009

Stock exchange: Tokyo

Company name: Japan Vilene Co., Ltd.

Head Office: Tokyo

Listing Code number: 3514

Tel: +81 (3) 3258-3333

URL: <http://www.vilene.co.jp>

Annual Meeting of Shareholders : June 26, 2009

Representative: Mitsuo Kanno, President

Dividend payment : June 29, 2009

Contact Person: Keiji Abo, Director, Management & Finance Dept.

Submission of Yukashouken-houkokusho : June 26, 2009

1. Consolidated Financial Results for the Fiscal Year 2008 (From April 1, 2008 to March 31, 2009)

Note: Amounts less than one million yen are rounded down, except for per share information.

(1) Consolidated operating results

	Net sales		Operating income		Ordinary income		Net income	
	JPY (million)	%	JPY (million)	%	JPY (million)	%	JPY (million)	%
FY2008	50,239	-14.9	1,323	-65.8	1,905	-56.5	672	-72.4
FY2007	59,020	4.8	3,869	2.8	4,379	-5.0	2,434	-16.2

	Earnings per share basic	Earnings per share diluted	ROE (Return on equity)	Ordinary income ratio to total assets	Operating income ratio to net sales
	JPY	JPY	%	%	%
FY2008	10.36	10.35	1.9	3.5	2.6
FY2007	37.50	37.46	6.8	7.7	6.6

Notes: 1) Equity in earnings of affiliates (JPY million) : FY2008 336 FY2007 634

2) The percentages of changes for net sales, operating income, ordinary income and net income represent rate of increases or decreases from the results of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio to total assets	Shareholders' equity per share
	JPY (million)	JPY (million)	%	JPY
FY2008	52,619	33,824	63.7	516.33
FY2007	55,788	36,789	65.4	561.81

Note: Shareholders' equity (JPY million) : FY2008 33,496 FY2007 36,467

(3) Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	JPY (million)	JPY (million)	JPY (million)	JPY (million)
FY2008	4,082	-2,393	3,052	7,301
FY2007	4,765	-3,215	-2,886	2,739

2. Cash dividends

(Record date)	Cash dividends per share					Dividends in total (Annual)	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual			
	JPY	JPY	JPY	JPY	JPY	JPY (million)	%	%
FY2007	-	6.00	-	6.00	12.00	778	32.0	2.2
FY2008	-	6.00	-	6.00	12.00	778	115.8	2.2
FY2009 (Forecast)	-	4.00	-	4.00	8.00		86.5	

3. Forecast for Consolidated Operating Results for the Fiscal Year Ending March 31, 2010 (From April 1, 2009 to March 31, 2010)

	Net sales		Operating income		Ordinary income		Net income		Earnings per share basic
	JPY (million)	%	JPY (million)	%	JPY (million)	%	JPY (million)	%	JPY
FY2009 First-half	21,800	-21.3	120	-92.5	60	-97.0	0	-100.0	0.00
FY2009	46,000	-8.4	1,100	-16.9	1,000	-47.5	600	-10.7	9.25

Note: The percentages of changes represent rate of increases or decreases from the results of the corresponding period of the previous fiscal year.

4. Others

(1) Changes in the scope of consolidation for significant subsidiaries during the fiscal year ended March 31, 2009 : No

(2) Changes in the significant accounting policies

- 1) Adoption of new accounting standards : Yes
- 2) Others : No

(3) Number of common stocks

1) Number of common stocks issued at the end of period, including treasury stocks
FY2008 65,140,945 shares FY2007 65,140,945 shares

2) Number of treasury stocks at the end of period
FY2008 266,606 shares FY2007 230,096 shares

Note: The above forecasts of future performance are based on information available to the Company at the present time and are subject to potential risks and uncertainty. Accordingly, the users should be aware that actual results may differ significantly from any expressed future performance herein due to various factors.

【Consolidated Financial Statements】

(1) Consolidated Balance Sheets

(in millions of Yen)

	Previous Fiscal Year (As of March 31,2008)	Current Fiscal Year (As of March 31,2009)
Assets		
Current assets		
Cash and deposits	2,758	7,320
Notes and accounts receivable-trade	12,917	8,901
Inventories	6,812	—
Merchandise and finished goods	—	4,664
Work in process	—	605
Raw materials and supplies	—	1,651
Deferred tax assets	767	437
Other	1,400	1,613
Allowance for doubtful accounts	△ 15	△ 4
Total current assets	24,639	25,189
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	22,357	22,014
Accumulated depreciation	△ 13,723	△ 14,135
Buildings and structures, net	8,634	7,878
Machinery, equipment and vehicles	34,753	35,284
Accumulated depreciation	△ 29,052	△ 29,764
Machinery, equipment and vehicles, net	5,700	5,519
Tools, furniture and fixtures	5,931	5,937
Accumulated depreciation	△ 5,105	△ 5,154
Tools, furniture and fixtures, net	825	783
Land	4,136	4,076
Construction in progress	485	224
Total property, plant and equipment	19,782	18,482
Intangible assets		
Software	379	308
Other	64	61
Total intangible assets	443	369
Investments and other assets		
Investment securities	5,879	3,912
Deferred tax assets	1,023	974
Other	4,059	3,740
Allowance for doubtful accounts	△ 39	△ 50
Total investments and other assets	10,922	8,577
Total noncurrent assets	31,149	27,430
Total assets	55,788	52,619

(in millions of Yen)

	Previous Fiscal Year (As of March 31,2008)	Current Fiscal Year (As of March 31,2009)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	5,654	3,162
Short-term loans payable	4,339	5,366
Current portion of long-term loans payable	154	147
Accounts payable-other	1,223	803
Income taxes payable	327	29
Provision for bonuses	1,025	592
Provision for directors' bonuses	102	64
Notes payable-facilities	131	234
Other	1,255	1,258
Total current liabilities	14,213	11,660
Noncurrent liabilities		
Long-term loans payable	753	3,416
Deferred tax liabilities	554	573
Provision for retirement benefits	2,526	2,182
Provision for directors' retirement benefits	65	67
Provision for contingent loss	—	83
Other	884	812
Total noncurrent liabilities	4,785	7,135
Total liabilities	18,998	18,795
Net assets		
Shareholders' equity		
Capital stock	9,816	9,816
Capital surplus	7,493	7,493
Retained earnings	19,255	19,148
Treasury stock	△ 112	△ 128
Total shareholders' equity	36,452	36,329
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	212	94
Deferred gains or losses on hedges	△ 1	△ 1
Foreign currency translation adjustment	△ 195	△ 2,925
Total valuation and translation adjustments	14	△ 2,833
Subscription rights to shares	14	14
Minority interests	307	312
Total net assets	36,789	33,824
Total liabilities and net assets	55,788	52,619

(2) Consolidated Statement of Income

(in millions of Yen)

	Previous Fiscal Year (From April 1,2007 to March 31,2008)	Current Fiscal Year (From April 1,2008 to March 31,2009)
Net sales	59,020	50,239
Cost of sales	46,248	40,392
Gross profit	12,772	9,846
Selling, general and administrative expenses		
Total selling, general and administrative expenses	8,903	8,522
Operating income	3,869	1,323
Non-operating income		
Interest income	34	27
Dividends income	55	72
Equity in earnings of affiliates	634	336
Foreign exchange gains	—	23
Compensation income	—	100
Other	173	237
Total non-operating income	898	798
Non-operating expenses		
Interest expenses	149	104
Foreign exchange losses	110	—
Compensation expenses	—	57
Delivery delay expenses	9	—
Other	118	54
Total non-operating expenses	388	216
Ordinary income	4,379	1,905
Extraordinary income		
Reversal of allowance for doubtful accounts	2	8
Gain on sales of noncurrent assets	5	21
Gain on sales of investment securities	0	17
State subsidy	121	—
Other	3	—
Total extraordinary income	133	46
Extraordinary loss		
Loss on retirement of noncurrent assets	73	80
Loss on valuation of inventories	—	56
Impairment loss	281	250
Provision for contingent loss	—	83
Other	0	4
Total extraordinary losses	356	475
Income before income taxes and minority interests	4,156	1,476
Income taxes-current	1,439	440
Refund of income taxes	—	△ 160
Income taxes-deferred	253	505
Total income taxes	1,693	785
Minority interests in income	29	19
Net income	2,434	672