

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT.
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Consolidated Financial Results for the Six Months Ended September 30, 2009 (Fiscal year ending March 31, 2010)

November 11, 2009

Stock exchange: Tokyo

Tel: +81 (3) 3258-3333

Company name: Japan Vilene Co., Ltd.

Listing Code number: 3514

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

Representative: Mitsuo Kanno, President

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

Submission of Shihanki-houkokusho: November 13, 2009

Dividend payment: December 8, 2009

1. Consolidated Financial Results for the Six Months Ended September 30, 2009 (From April 1, 2009 to September 30, 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)	%
Six months ended September 30, 2009	20,897	-24.6	495	-69.1	612	-69.1	354	-63.3
Six months ended September 30, 2008	27,712	-	1,602	-	1,980	-	966	-

	Earnings per share Basic	Earnings per share Diluted
	JPY	JPY
Six months ended September 30, 2009	5.47	5.47
Six months ended September 30, 2008	14.89	14.88

Note: The percentages of changes represent rate of increases or decreases from the results of the corresponding period 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
As of September 30, 2009	52,505	33,745	64.3	519.85
As of March 31, 2009	52,619	33,824	63.7	516.33

Note: Shareholders' equity (JPY million) : As of September 30, 2009 33,739 As of March 31, 2009 33,496

2. Cash dividends

	Cash dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual
	JPY	JPY	JPY	JPY	JPY
FY2008	-	6.00	-	6.00	12.00
FY2009	-	4.00	-	-	-
FY2009 (Forecast)	-	-	-	4.00	8.00

Note: Changes in the forecast for the dividends payment : No

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	44,000	-12.4	1,100	-16.9	1,300	-31.8	800	19.0	12.33

Note: 1) Changes in the forecast for the consolidated operating results for the fiscal year ending March 31, 2010 : No

2) 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 six months ended September 30, 2009 : No
- (2) Adoption of simplified accounting methods : Yes
- (3) Changes in the significant accounting policies
- 1) Adoption of new accounting standard : No
 - 2) Others : No
- (4) Number of common stocks
- 1) Number of common stocks issued at the end of period, including treasury stocks
 - As of September 30, 2009 65,140,945 shares As of March 31, 2009 65,140,945 shares
 - 2) Number of treasury stocks at the end of period
 - As of September 30, 2009 238,903 shares As of March 31, 2009 266,606 shares
 - 3) Average number of common stocks issued during period, excluding treasury stocks
 - For the six months ended September 30, 2009 64,885,004 shares For the six months ended September 30, 2008 64,903,494 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)	
	Current Second Quarter (As of September 30,2009)	Previous Fiscal Year (As of March 31,2009) (Condensed)
Assets		
Current assets		
Cash and deposits	7,431	7,320
Notes and accounts receivable-trade	9,866	8,901
Merchandise and finished goods	4,073	4,664
Work in process	775	605
Raw materials and supplies	1,449	1,651
Other	1,852	2,050
Allowance for doubtful accounts	-8	-4
Total current assets	25,439	25,189
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	7,712	7,878
Machinery, equipment and vehicles, net	5,335	5,519
Land	3,762	4,076
Other, net	1,031	1,007
Total property, plant and equipment	17,842	18,482
Intangible assets		
Total intangible assets	385	369
Investments and other assets		
Investment securities	4,211	3,912
Other	4,659	4,715
Allowance for doubtful accounts	-32	-50
Total investments and other assets	8,838	8,577
Total noncurrent assets	27,066	27,430
Total assets	52,505	52,619

(in millions of Yen)

	Current Second Quarter (As of September 30,2009)	Previous Fiscal Year (As of March 31,2009) (Condensed)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	3,715	3,162
Short-term loans payable	5,348	5,366
Current portion of long-term loans payable	115	147
Income taxes payable	82	29
Provision for bonuses	588	592
Provision for directors' bonuses	21	64
Other	2,002	2,296
Total current liabilities	11,873	11,660
Noncurrent liabilities		
Long-term loans payable	3,350	3,416
Provision for retirement benefits	2,153	2,182
Provision for directors' retirement benefits	16	67
Provision for contingent loss	83	83
Other	1,283	1,385
Total noncurrent liabilities	6,886	7,135
Total liabilities	18,760	18,795
Net assets		
Shareholders' equity		
Capital stock	9,816	9,816
Capital surplus	7,492	7,493
Retained earnings	18,853	19,148
Treasury stock	-115	-128
Total shareholders' equity	36,046	36,329
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	166	94
Deferred gains or losses on hedges	-1	-1
Foreign currency translation adjustment	-2,472	-2,925
Total valuation and translation adjustments	-2,307	-2,833
Subscription rights to shares	5	14
Minority interests	-	312
Total net assets	33,745	33,824
Total liabilities and net assets	52,505	52,619

(2) Consolidated Statement of Income

The Six Months Ended September 30, 2009

(in millions of Yen)

	Six months ended September 30, 2008 (From April 1,2008 To September 30,2008)	Six months ended September 30, 2009 (From April 1,2009 To September 30,2009)
Net sales	27,712	20,897
Cost of sales	21,676	16,586
Gross profit	6,036	4,310
Selling, general and administrative expenses		
Total selling, general and administrative expenses	4,433	3,815
Operating income	1,602	495
Non-operating income		
Dividends income	53	32
Equity in earnings of affiliates	193	55
Compensation income	100	-
Subsidy income	-	48
Other	143	67
Total non-operating income	490	203
Non-operating expenses		
Interest expenses	49	56
Compensation expenses	35	-
Other	26	30
Total non-operating expenses	112	86
Ordinary income	1,980	612
Extraordinary income		
Reversal of allowance for doubtful accounts	-	18
Gain on sales of noncurrent assets	18	0
Other	1	-
Total extraordinary income	19	19
Extraordinary loss		
Loss on retirement of noncurrent assets	42	11
Loss on sales of subsidiaries' stocks	-	12
Loss on valuation of inventories	56	-
Impairment loss	250	22
Provision for contingent loss	83	-
Other	0	-
Total extraordinary losses	432	45
Income before income taxes and minority interests	1,568	586
Income taxes-current	528	113
Income taxes-deferred	60	113
Total income taxes	589	226
Minority interests in income	12	4
Net income	966	354