

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT.
This is a translation of the original Japanese-language document and is provided for convenience only. In all cases, the Japanese-language original shall take precedence.

Consolidated Financial Results for the Year Ended March 31, 2010 (Fiscal year ended March 31, 2010)

May 14, 2010

Stock exchange: Tokyo

Company name: Japan Vilene Co., Ltd.

Tel: +81 (3) 3258-3333

Listing Code number: 3514

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

Annual Meeting of Shareholders : June 29, 2010

Representative: Mitsuo Kanno, President

Dividend payment : June 30, 2010

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

Submission of Yukashouken-houkokusho : June 29, 2010

1. Consolidated Financial Results for the Fiscal Year 2009 (From April 1, 2009 to March 31, 2010)

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)	%
FY2009	45,837	-8.8	1,654	25.0	1,972	3.5	1,265	88.3
FY2008	50,239	-14.9	1,323	-65.8	1,905	-56.5	672	-72.4

	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	%	%	%
FY2009	20.60	20.59	4.1	3.8	3.6
FY2008	10.36	10.35	1.9	3.5	2.6

Notes: 1) Equity in earnings of affiliates (JPY million) : FY2009 242 FY2008 336

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
FY2009	50,549	27,500	54.4	551.67
FY2008	52,619	33,824	63.7	516.33

Note: Shareholders' equity (JPY million) : FY2009 27,494 FY2008 33,496

(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)
FY2009	5,030	-1,476	-4,693	6,158
FY2008	4,082	-2,393	3,052	7,301

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)	%	%
FY2008	-	6.00	-	6.00	12.00	778	115.8	2.2
FY2009	-	4.00	-	6.00	10.00	558	48.5	1.9
FY2010 (Forecast)	-	6.00	-	6.00	12.00		39.9	

Note: Cash dividends for Year-end of the FY2009 include a commemorative dividend of JPY2.00 per share.

3. Forecast for Consolidated Operating Results for the Fiscal Year Ending March 31, 2011 (From April 1, 2010 to March 31, 2011)

	Net sales		Operating income		Ordinary income		Net income		Earnings per share basic
	JPY (million)	%	JPY (million)	%	JPY (million)	%	JPY (million)	%	JPY
FY2010 First-half	24,000	14.8	1,000	101.8	1,200	95.9	750	111.4	15.05
FY2010	48,000	4.7	2,000	20.9	2,400	21.7	1,500	18.5	30.10

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

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4. Others

(1) Changes in the scope of consolidation for significant subsidiaries during the fiscal year ended March 31, 2010 : 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
FY2009 65,140,945 shares FY2008 65,140,945 shares
- 2) Number of treasury stocks at the end of period
FY2009 15,301,695 shares FY2008 266,606 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 31,2009)	Current Fiscal Year (As of March 31,2010)
Assets		
Current assets		
Cash and deposits	7,320	6,158
Notes and accounts receivable-trade	8,901	11,165
Merchandise and finished goods	4,664	4,079
Work in process	605	724
Raw materials and supplies	1,651	1,351
Deferred tax assets	437	668
Other	1,613	1,013
Allowance for doubtful accounts	-4	-4
Total current assets	25,189	25,156
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	22,014	21,239
Accumulated depreciation	-14,135	-13,887
Buildings and structures, net	7,878	7,352
Machinery, equipment and vehicles	35,284	34,682
Accumulated depreciation	-29,764	-29,841
Machinery, equipment and vehicles, net	5,519	4,840
Tools, furniture and fixtures	5,937	5,727
Accumulated depreciation	-5,154	-5,109
Tools, furniture and fixtures, net	783	617
Land	4,076	3,520
Construction in progress	224	156
Total property, plant and equipment	18,482	16,487
Intangible assets		
Software	308	285
Other	61	52
Total intangible assets	369	337
Investments and other assets		
Investment securities	3,912	4,064
Deferred tax assets	974	838
Other	3,740	3,696
Allowance for doubtful accounts	-50	-31
Total investments and other assets	8,577	8,567
Total noncurrent assets	27,430	25,392
Total assets	52,619	50,549

(in millions of Yen)

	Previous Fiscal Year (As of March 31,2009)	Current Fiscal Year (As of March 31,2010)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	3,162	4,240
Short-term loans payable	5,366	5,082
Current portion of long-term loans payable	147	150
Accounts payable-other	803	1,141
Income taxes payable	29	351
Provision for bonuses	592	908
Provision for directors' bonuses	64	54
Notes payable-facilities	234	81
Other	1,258	1,204
Total current liabilities	11,660	13,215
Noncurrent liabilities		
Long-term loans payable	3,416	6,230
Deferred tax liabilities	573	630
Provision for retirement benefits	2,182	2,204
Provision for directors' retirement benefits	67	11
Provision for contingent loss	83	83
Other	812	672
Total noncurrent liabilities	7,135	9,832
Total liabilities	18,795	23,048
Net assets		
Shareholders' equity		
Capital stock	9,816	9,816
Capital surplus	7,493	7,492
Retained earnings	19,148	19,504
Treasury stock	-128	-6,741
Total shareholders' equity	36,329	30,071
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	94	147
Deferred gains or losses on hedges	-1	- 0
Foreign currency translation adjustment	-2,925	-2,723
Total valuation and translation adjustments	-2,833	-2,576
Subscription rights to shares	14	5
Minority interests	312	—
Total net assets	33,824	27,500
Total liabilities and net assets	52,619	50,549

(2) Consolidated Statement of Income

(in millions of Yen)

	Previous Fiscal Year (From April 1,2008 to March 31,2009)	Current Fiscal Year (From April 1,2009 to March 31,2010)
Net sales	50,239	45,837
Cost of sales	40,392	36,236
Gross profit	9,846	9,600
Selling, general and administrative expenses		
Total selling, general and administrative expenses	8,522	7,945
Operating income	1,323	1,654
Non-operating income		
Interest income	27	33
Dividends income	72	41
Equity in earnings of affiliates	336	242
Foreign exchange gains	23	—
Compensation income	100	—
Subsidy income	—	55
Other	237	92
Total non-operating income	798	467
Non-operating expenses		
Interest expenses	104	106
Compensation expenses	57	—
Other	54	43
Total non-operating expenses	216	149
Ordinary income	1,905	1,972
Extraordinary income		
Reversal of allowance for doubtful accounts	8	20
Gain on sales of noncurrent assets	21	26
Gain on sales of investment securities	17	—
Total extraordinary income	46	46
Extraordinary loss		
Loss on retirement of noncurrent assets	80	115
Loss on valuation of inventories	56	—
Impairment loss	250	22
Provision for contingent loss	83	—
Other	4	17
Total extraordinary losses	475	155
Income before income taxes and minority interests	1,476	1,862
Income taxes-current	440	681
Refund of income taxes	-160	—
Income taxes-deferred	505	-88
Total income taxes	785	592
Minority interests in income	19	4
Net income	672	1,265