

June 22, 2011

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Notice of FY2011 Financial Forecast

Due to the current business environment, the Company has announced its financial forecast.

Consolidated Operating Results Forecast for the First Half FY 2011 (From April 1, 2011 to September 30, 2011)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share basic
	JPY (million)	JPY (million)	JPY (million)	JPY (million)	JPY
Previous projection (A)	—	—	—	—	—
Revised projection (B)	20,500	-100	650	550	10.04
Variance in amount (B-A)	—	—	—	—	—
Variance in percentage (%)	—	—	—	—	—
(Note) FY2010 First-half	24,228	1,722	2,431	1,490	29.91

Consolidated Operating Results Forecast for the FY 2011 (From April 1, 2011 to March 31, 2012)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share basic
	JPY (million)	JPY (million)	JPY (million)	JPY (million)	JPY
Previous projection (A)	—	—	—	—	—
Revised projection (B)	45,000	1,200	2,400	1,650	33.11
Variance in amount (B-A)	—	—	—	—	—
Variance in percentage (%)	—	—	—	—	—
(Note) FY2010	45,979	2,232	3,347	2,232	44.80

Reasons for the Announcement

Due to the impact of the Great East Japan Earthquake, it was difficult to make a reasonable forecast for the FY 2011. However, based on information available to the Company at the present time, the Company has announced its forecast for the FY 2011.

In the first half of the fiscal year, sales of automotive related products will decrease largely due to the impact of the Great East Japan Earthquake. In the second half, sales are expected to rebound sharply. However, the company predicts that the increase in sales during the second half will not make up fully for the more significant decrease in sales during the first half. Coupled with a slight delay in the recovery of sales of automobile floor mats in North America, the full year sales for FY 2011 is expected to decrease compared with the previous fiscal year.

The profit is expected to decrease from the previous year due to the decline in sales, an increase in depreciation cost as a result of the new nonwoven manufacturing line for the Industrial Materials Division, and the strength of the yen. Operating income will be 1,200 million yen, ordinary income will be 2,400 million yen, and net income will be 1,650 million yen.

The above forecasts are based on a foreign exchange rate assumption of 82 yen to the US dollar for the year.

(Note)

Net Sales Forecast for Business Divisions and Major Market Segments

Net Sales Forecast for the First Half FY 2011 (From April 1, 2011 to September 30, 2011)

(% change from the previous year)

	FY2011 First Half (Forecast)	FY2010 First Half	%
	JPY (million)	JPY (million)	
Industrial Materials Div.	13,050	13,773	-5.2
(Apparel & Medical Materials Dept.)	4,450	4,550	-2.2
(Industrial & Electrical Materials Dept.)	4,900	5,457	-10.2
(Air-Filters Materials Dept.)	3,400	3,508	-3.1
(Others)	300	256	17.2
Automotive Materials Div.	7,450	10,455	-28.7
(Automotive Materials Dept.)	7,300	10,325	-29.3
(Others)	150	129	16.3
Net Sales	20,500	24,228	-15.4

Net Sales Forecast for the FY 2011 (From April 1, 2011 to March 31, 2012)

	FY2011 (Forecast)	FY2010	%
	JPY (million)	JPY (million)	
Industrial Materials Div.	27,800	26,609	4.5
(Apparel & Medical Materials Dept.)	9,100	8,830	3.1
(Industrial & Electrical Materials Dept.)	10,700	10,167	5.2
(Air-Filters Materials Dept.)	7,400	7,031	5.2
(Others)	600	579	3.6
Automotive Materials Div.	17,200	19,369	-11.2
(Automotive Materials Dept.)	16,900	19,052	-11.3
(Others)	300	316	-5.1
Net Sales	45,000	45,979	-2.1

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.