

**Japan Vilene Company, Ltd. and Consolidated Subsidiaries**

**Consolidated Balance Sheets**  
**March 31, 2005 and 2004**

ASSETS	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)	LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2005	2004	2005		2005	2004	2005
<b>CURRENT ASSETS:</b>				<b>CURRENT LIABILITIES:</b>			
Cash and cash equivalents	¥ 3,495	¥ 3,648	\$ 32,664	Short-term bank loans (Note 8)	¥ 5,308	¥ 7,337	\$ 49,607
Time deposits	23	23	215	Current maturities of long-term debt (Note 8)	178	118	1,664
Notes and accounts receivable (Note 14):				Notes and accounts payable (Note 14):			
Trade notes	3,277	2,768	30,626	Trade notes	1,363	751	12,738
Trade accounts	9,916	9,459	92,673	Trade accounts	4,810	4,426	44,953
Allowance for doubtful receivables	(50)	(29)	(467)	Other	1,376	1,335	12,860
Inventories (Note 5)	5,573	5,319	52,084	Income taxes payable (Note 9)	564	32	5,271
Deferred tax assets (Note 9)	752	600	7,028	Accrued expenses and other current liabilities	2,163	1,843	20,215
Prepaid expenses and other current assets	2,022	1,093	18,897				
Total current assets	25,008	22,881	233,720	Total current liabilities	15,762	15,842	147,308
<b>PROPERTY, PLANT AND EQUIPMENT (Notes 6 and 8)</b>	62,263	62,667	581,897	<b>LONG-TERM LIABILITIES:</b>			
Accumulated depreciation	(44,272)	(44,636)	(413,757)	Long-term debt (Note 8)	2,633	2,609	24,608
Net property, plant and equipment	17,991	18,031	168,140	Liability for retirement benefits (Note 10)	4,350	4,315	40,654
				Deferred tax liabilities (Note 9)	259	261	2,421
				Other	507	458	4,738
				Total long-term liabilities	7,749	7,643	72,421
<b>INVESTMENTS AND OTHER ASSETS:</b>				<b>MINORITY INTERESTS</b>	264	256	2,467
Investment securities (Note 4)	6,000	5,545	56,075	<b>COMMITMENTS AND CONTINGENT LIABILITIES</b>			
Guarantee deposits	1,051	1,063	9,822	(Notes 7, 12 and 16)			
Deferred tax assets (Note 9)	1,707	2,008	15,953	<b>SHAREHOLDERS' EQUITY (Notes 11 and 18):</b>			
Other assets	1,572	1,912	14,692	Common stock—authorized, 152,713,000 shares; issued, 65,140,945 shares in 2005 and 2004	9,816	9,816	91,738
Total investments and other assets	10,330	10,528	96,542	Capital surplus—additional paid-in capital	7,413	7,410	69,281
				Retained earnings	13,667	11,897	127,729
				Unrealized gain on available-for-sale securities	132	91	1,234
				Foreign currency translation adjustments	(1,402)	(1,369)	(13,103)
				Treasury stock—at cost, 209,396 shares in 2005 and 492,080 shares in 2004	(72)	(146)	(673)
				Total shareholders' equity	29,554	27,699	276,206
<b>TOTAL</b>	<b>¥ 53,329</b>	<b>¥ 51,440</b>	<b>\$ 498,402</b>	<b>TOTAL</b>	<b>¥ 53,329</b>	<b>¥ 51,440</b>	<b>\$ 498,402</b>

See notes to consolidated financial statements.