

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

**Consolidated Statements of Shareholders' Equity  
Years Ended March 31, 2005 and 2004**

	Thousands Outstanding Number of Shares of Common Stock	Millions of Japanese Yen					Treasury Stock
		Common Stock	Capital Surplus	Retained Earnings	Unrealized Gain (Loss) on Available-for-sale Securities	Foreign Currency Translation Adjustments	
BALANCE, APRIL 1, 2003	64,456	¥ 9,816	¥ 7,409	¥ 10,124	¥ (10)	¥ (757)	¥ (202)
Net income				2,037			
Cash dividends, ¥4 per share				(258)			
Bonuses to directors				(6)			
Disposal of treasury stock	228		1				69
Repurchase of treasury stock	(35)						(13)
Net increase in unrealized gain on available-for-sale securities					101		
Net change in foreign currency translation adjustments						(612)	
BALANCE, MARCH 31, 2004	64,649	9,816	7,410	11,897	91	(1,369)	(146)
Net income				2,379			
Cash dividends, ¥9 per share				(582)			
Bonuses to directors				(27)			
Disposal of treasury stock	322		3				97
Repurchase of treasury stock	(39)						(23)
Net increase in unrealized gain on available-for-sale securities					41		
Net change in foreign currency translation adjustments						(33)	
BALANCE, MARCH 31, 2005	<u>64,932</u>	<u>¥ 9,816</u>	<u>¥ 7,413</u>	<u>¥ 13,667</u>	<u>¥ 132</u>	<u>¥ (1,402)</u>	<u>¥ (72)</u>

	Thousands of U.S. Dollars (Note 1)					
	Common Stock	Capital Surplus	Retained Earnings	Unrealized Gain on Available-for-sale Securities	Foreign Currency Translation Adjustments	Treasury Stock
BALANCE, MARCH 31, 2004	\$ 91,738	\$ 69,253	\$ 111,187	\$ 851	\$ (12,794)	\$ (1,364)
Net income			22,234			
Cash dividends, \$0.08 per share			(5,439)			
Bonuses to directors			(253)			
Disposal of treasury stock		28				906
Repurchase of treasury stock						(215)
Net increase in unrealized gain on available-for-sale securities				383		
Net change in foreign currency translation adjustments					(309)	
BALANCE, MARCH 31, 2005	<u>\$ 91,738</u>	<u>\$ 69,281</u>	<u>\$ 127,729</u>	<u>\$ 1,234</u>	<u>\$ (13,103)</u>	<u>\$ (673)</u>

See notes to consolidated financial statements.