

Japan Vilene Company, Ltd. and Consolidated Subsidiaries

Consolidated Balance Sheets
March 31, 2006 and 2005

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)
	2006	2005	2006		2006	2005	2006
CURRENT ASSETS:				CURRENT LIABILITIES:			
Cash and cash equivalents	¥ 3,043	¥ 3,495	\$ 26,008	Short-term bank loans (Note 8)	¥ 4,002	¥ 5,308	\$ 34,205
Time deposits	23	23	197	Current maturities of long-term debt (Note 8)	392	178	3,350
Notes and accounts receivable (Note 15):				Notes and accounts payable (Note 15):			
Trade notes	3,869	3,277	33,068	Trade notes	1,349	1,363	11,530
Trade accounts	9,743	9,916	83,273	Trade accounts	4,673	4,810	39,940
Allowance for doubtful receivables	(58)	(50)	(496)	Other	1,361	1,376	11,633
Inventories (Note 4)	6,087	5,573	52,026	Income taxes payable (Note 9)	491	564	4,197
Deferred tax assets (Note 9)	698	752	5,966	Accrued expenses and other current liabilities	2,582	2,163	22,068
Prepaid expenses and other current assets (Note 15)	1,349	2,022	11,530				
Total current assets	24,754	25,008	211,572	Total current liabilities	14,850	15,762	126,923
PROPERTY, PLANT AND EQUIPMENT (Notes 5, 6 and 8)	63,906	62,263	546,205	LONG-TERM LIABILITIES:			
Accumulated depreciation	(45,433)	(44,272)	(388,316)	Long-term debt (Note 8)	2,431	2,633	20,778
Net property, plant and equipment	18,473	17,991	157,889	Liability for retirement benefits (Note 10)	3,690	4,350	31,538
INVESTMENTS AND OTHER ASSETS:				Deferred tax liabilities (Note 9)	444	259	3,795
Investment securities (Note 3)	7,529	6,000	64,350	Other	896	507	7,658
Guarantee deposits	1,049	1,051	8,966	Total long-term liabilities	7,461	7,749	63,769
Deferred tax assets (Note 9)	1,552	1,707	13,265	MINORITY INTERESTS	289	264	2,470
Other assets	1,981	1,572	16,932	COMMITMENTS AND CONTINGENT LIABILITIES			
Total investments and other assets	12,111	10,330	103,513	(Notes 7, 12 and 17)			
				SHAREHOLDERS' EQUITY (Notes 11, 13 and 19):			
				Common stock—authorized, 152,713,000 shares; issued, 65,140,945 shares in 2006 and 2005	9,816	9,816	83,897
				Capital surplus	7,497	7,413	64,077
				Retained earnings	15,521	13,667	132,658
				Unrealized gain on available-for-sale securities	203	132	1,735
				Foreign currency translation adjustments	(207)	(1,402)	(1,769)
				Treasury stock—at cost, 209,637 shares in 2006 and 209,396 shares in 2005	(92)	(72)	(786)
				Total shareholders' equity	32,738	29,554	279,812
TOTAL	¥ 55,338	¥ 53,329	\$ 472,974	TOTAL	¥ 55,338	¥ 53,329	\$ 472,974

See notes to consolidated financial statements.