

Japan Vilene Company, Ltd. and Subsidiaries

Consolidated Balance Sheets
March 31, 2007 and 2006

ASSETS	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)	LIABILITIES AND EQUITY	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2007	2006	2007		2007	2006	2007
CURRENT ASSETS:				CURRENT LIABILITIES:			
Cash and cash equivalents	¥ 4,118	¥ 3,043	\$ 34,898	Short-term bank loans (Note 8)	¥ 4,231	¥ 4,002	\$ 35,856
Time deposits	23	23	195	Current maturities of long-term debt (Note 8)	2,206	392	18,695
Notes and accounts receivable (Note 15):				Notes and accounts payable (Note 15):			
Trade notes	4,231	3,869	35,856	Trade notes	1,561	1,349	13,229
Trade accounts	9,643	9,743	81,720	Trade accounts	4,811	4,673	40,771
Allowance for doubtful receivables	(14)	(58)	(119)	Other	1,459	1,361	12,364
Inventories (Note 4)	6,645	6,087	56,314	Income taxes payable (Note 9)	552	491	4,678
Deferred tax assets (Note 9)	756	698	6,407	Accrued expenses and other current liabilities	2,615	2,582	22,161
Prepaid expenses and other current assets (Note 15)	1,320	1,349	11,187				
Total current assets	26,722	24,754	226,458	Total current liabilities	17,435	14,850	147,754
PROPERTY, PLANT AND EQUIPMENT (Notes 5, 6 and 8)	65,952	63,906	558,915	LONG-TERM LIABILITIES:			
Accumulated depreciation	(46,374)	(45,433)	(393,000)	Long-term debt (Note 8)	941	2,431	7,975
Net property, plant and equipment	19,578	18,473	165,915	Liability for retirement benefits (Note 10)	3,144	3,690	26,644
INVESTMENTS AND OTHER ASSETS:				Deferred tax liabilities (Note 9)	513	444	4,347
Investment securities (Note 3)	1,100	1,026	9,322	Other	813	896	6,890
Investments in and advances to associated companies	7,177	6,904	60,822	Total long-term liabilities	5,411	7,461	45,856
Guarantee deposits	1,047	1,049	8,873	MINORITY INTERESTS IN NET INCOME		289	
Deferred tax assets (Note 9)	1,221	1,552	10,347	COMMITMENTS AND CONTINGENT LIABILITIES			
Other assets	1,515	1,580	12,839	(Notes 7, 12 and 17)			
Total investments and other assets	12,060	12,111	102,203	EQUITY (Notes 11, 13 and 19):			
				Common stock—authorized, 152,713,000 shares; issued, 65,140,945 shares in 2007 and 2006	9,816	9,816	83,186
				Capital surplus	7,495	7,497	63,517
				Stock acquisition rights	17		144
				Retained earnings	17,601	15,521	149,161
				Unrealized gain on available-for-sale securities	242	203	2,051
				Foreign currency translation adjustments	155	(207)	1,313
				Treasury stock—at cost, 218,286 shares in 2007 and 209,637 shares in 2006	(104)	(92)	(881)
				Total	35,222	32,738	298,491
				Minority interests	292		2,475
				Total equity	35,514	32,738	300,966
TOTAL	¥ 58,360	¥ 55,338	\$ 494,576	TOTAL	¥ 58,360	¥ 55,338	\$ 494,576

See notes to consolidated financial statements.