

Consolidated Balance Sheets

As of June 30,2008,2007 and December 31,2007

Assets	Millions of Yen			Thousands of U.S.Dollars
	2007.6.30	2007.12.31	2008.6.30	(1US\$=¥106.42) 2008.6.30
Current assets:				
Cash on hand and in banks	¥1,714	¥1,513	¥2,057	\$19,330
Notes and accounts receivable	7,401	7,626	7,714	72,494
	9,116	9,140	9,772	91,825
Less: allowance for doubtful accounts	(12)	(55)	(70)	(664)
	9,103	9,084	9,701	91,161
Inventories	6,092	7,015	7,187	67,541
Deferred tax assets - current	143	328	297	2,797
Other current assets	462	296	350	3,291
Total current assets	15,801	16,724	17,537	164,791
Property,Plant and equipment:				
Land	3,056	3,031	2,900	27,254
Property,Plant and equipment - At cost	33,419	33,640	33,358	313,458
Construction in progress	499	367	684	6,430
	36,975	37,038	36,943	347,143
Less: accumulated depreciation	(22,147)	(22,548)	(22,156)	(208,195)
Total property,plant and equipment	14,828	14,490	14,786	138,948
Intangible fixed assets	125	119	120	1,129
Investments and other assets:				
Investments in securities	238	209	201	1,890
Long-term loans	400	303	212	2,000
Deferred tax assets	7	137	135	1,276
Other investments	938	1,095	1,069	10,045
	1,584	1,746	1,619	15,213
Less: allowance for doubtful accounts	(3)	(3)	(3)	(33)
Total investments and other assets	1,580	1,743	1,615	15,180
Total assets	¥32,336	¥33,077	¥34,059	\$320,050

Consolidated Balance Sheets

As of June 30,2008,2007 and December 31,2007

Liabilities and Net assets	Millions of Yen			Thousands of
	2007.6.30	2007.12.31	2008.6.30	U.S.Dollars (1US\$=¥106.42)
Current liabilities:				2008.6.30
Notes and accounts payable	¥6,551	¥7,937	¥7,854	\$73,809
Short-term loans	4,289	3,298	3,007	28,264
Current-portion of long-term debt	3,607	3,849	4,063	38,181
Income taxes payable	39	109	113	1,066
Notes payable for facilities	267	274	482	4,530
Other current liabilities	1,838	1,517	1,829	17,187
Total current liabilities	16,594	16,988	17,350	163,039
Long-term liabilities:				
Long-term loans	5,649	5,202	5,923	55,662
Deferred tax liabilities - fixed	295	589	623	5,855
Deferred tax liabilities for revaluation	265	259	259	2,438
Reserve for retirement benefits	1,888	1,840	1,828	17,182
Reserve for directors' retirement benefits	51	54	61	575
Other long-term liabilities	30	15	8	79
Total long-term liabilities	8,180	7,962	8,704	81,794
Net assets:				
Owners' equity:				
Paid-in capital	3,508	3,508	3,508	32,971
Capital surplus	1,979	1,979	1,824	17,146
Earned surplus	302	1,083	1,534	14,415
Treasury stock	(3)	(3)	(3)	(34)
Total owners' equity	5,787	6,568	6,863	64,498
Valuation and translation adjustments:				
Net unrealized holding gains on securities	12	(5)	(12)	(120)
Deferred gains or losses on hedges	(2)	-	-	-
Land revaluation excess	397	389	389	3,658
Foreign currency translation adjustments	232	88	(287)	(2,706)
Total valuation and translation adjustments	640	471	88	831
Minority interests	1,134	1,086	1,051	9,885
Total net assets	7,562	8,127	8,004	75,215
Total liabilities and net assets	¥32,336	¥33,077	¥34,059	\$320,050

Consolidated Statements of Income

For the interim period ended June 30,2008,2007 and years ended December 31,2007

	Millions of Yen			Thousands of U.S.Dollars
	Jan'07-Jun'07	Jan'07-Dec'07	Jan'08-Jun'08	(1US\$=¥106.42) Jan'08-Jun'08
Net sales	¥18,482	¥39,203	¥20,078	\$188,674
Cost of sales	15,492	32,642	16,778	157,658
Gross profit	2,989	6,560	3,300	31,016
Selling,general and administrative expenses	2,188	4,429	2,256	21,205
Operating income	801	2,131	1,044	9,810
Non-operating income:				
Interest income	23	40	16	157
Foreign exchange gains	95	-	-	-
Other	57	121	64	606
	176	162	81	764
Non-operating expenses:				
Interest expenses	243	468	199	1,878
Foreign exchange losses	-	16	91	858
Equity in losses of affiliated company	74	136	59	556
Other	79	237	113	1,065
	396	859	463	4,358
Ordinary income	580	1,435	661	6,216
Extraordinary gains:				
Gain on sales of fixed assets	2	8	1	11
Extraordinary losses:				
Loss on sales or disposal of fixed assets	47	54	7	73
Impairment loss	59	74	-	-
Loss on sales of stocks of affiliates	-	13	-	-
	107	142	7	73
Income before income taxes	476	1,300	655	6,155
Income taxes - Current	16	186	93	882
Income taxes - Deferred	(81)	(97)	88	830
Minority interests in income(loss) of consolidated subsidiaries	21	(81)	22	211
Net income	¥519	¥1,292	¥450	\$4,231
		Yen		U.S.Dollars
Per share:				
Net income	¥12.49	¥31.08	¥10.82	\$0.10
Weighted average number of shares	41,599,302	41,598,906	41,597,268	

Consolidated Statements of Changes in Net Assets

For the interim period ended June 30,2008 (January 1, 2008 - June 30, 2008)

(Millions of Yen)

	Owners' equity					Valuation and translation adjustments				Minority interests	Total net assets
	Paid-in capital	Capital surplus	Earned surplus	Treasury stock	Total owners' equity	Net unrealized holding gains on securities	Land revaluation excess	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of December 31,2007	¥3,508	¥1,979	¥1,083	¥(3)	¥6,568	¥(5)	¥389	¥88	¥471	¥1,086	¥8,127
Changes of items during the interim period											
Dividends from surplus		(154)			(154)						(154)
Net income			450		450						450
Purchase of treasury stock				(0)	(0)						(0)
Net changes of items other than owners' equity						(7)	-	(376)	(383)	(34)	(418)
Total changes of items during the interim period	-	(154)	450	(0)	295	(7)	-	(376)	(383)	(34)	(122)
Balance as of June 30,2008	¥3,508	¥1,824	¥1,534	¥(3)	¥6,863	¥(12)	¥389	¥(287)	¥88	¥1,051	¥8,004

(Thousands of U.S.Dollars (1US\$=¥106.42))

	Owners' equity					Valuation and translation adjustments				Minority interests	Total net assets
	Paid-in capital	Capital surplus	Earned surplus	Treasury stock	Total owners' equity	Net unrealized holding gains on securities	Land revaluation excess	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of December 31,2007	\$32,971	\$18,600	\$10,183	\$(33)	\$61,722	\$(53)	\$3,658	\$830	\$4,434	\$10,214	\$76,371
Changes of items during the interim period											
Dividends from surplus		(1,454)			(1,454)						(1,454)
Net income			4,231		4,231						4,231
Purchase of treasury stock				(1)	(1)						(1)
Net changes of items other than owners' equity						(66)	-	(3,536)	(3,603)	(328)	(3,932)
Total changes of items during the interim period	-	(1,454)	4,231	(1)	2,776	(66)	-	(3,536)	(3,603)	(328)	(1,155)
Balance as of June 30,2008	\$32,971	\$17,146	\$14,415	\$(34)	\$64,498	\$(120)	\$3,658	\$(2,706)	\$831	\$9,885	\$75,215

Consolidated Statements of Changes in Net Assets

For the interim period ended June 30,2007 (January 1, 2007 - June 30, 2007)

(Millions of Yen)

	Owners' equity					Valuation and translation adjustments					Minority interests	Total net assets
	Paid-in capital	Capital surplus	Earned surplus	Treasury stock	Total owners' equity	Net unrealized holding gains on securities	Deferred gains or losses on hedges	Land revaluation excess	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of December 31,2006	¥3,508	¥2,009	¥(217)	¥(3)	¥5,297	¥18	¥(2)	¥397	¥(51)	¥362	¥1,051	¥6,711
Changes of items during the interim period												
Dividends from surplus		(30)			(30)							(30)
Net income			519		519							519
Purchase of treasury stock				(0)	(0)							(0)
Net changes of items other than owners' equity						(6)	(0)	-	284	277	82	360
Total changes of items during the interim period	-	(30)	519	(0)	489	(6)	(0)	-	284	277	82	850
Balance as of June 30,2007	¥3,508	¥1,979	¥302	¥(3)	¥5,787	¥12	¥(2)	¥397	¥232	¥640	¥1,134	¥7,562

For the years ended December 31,2007 (January 1, 2007 - December 31, 2007)

(Millions of Yen)

	Owners' equity					Valuation and translation adjustments					Minority interests	Total net assets
	Paid-in capital	Capital surplus	Earned surplus	Treasury stock	Total owners' equity	Net unrealized holding gains on securities	Deferred gains or losses on hedges	Land revaluation excess	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of December 31,2006	¥3,508	¥2,009	¥(217)	¥(3)	¥5,297	¥18	¥(2)	¥397	¥(51)	¥362	¥1,051	¥6,711
Changes of items during the fiscal year												
Dividends from surplus		(30)			(30)							(30)
Net income			1,292		1,292							1,292
Reversal of land revaluation excess			8		8			(8)		(8)		-
Purchase of treasury stock				(0)	(0)							(0)
Net changes of items other than owners' equity						(24)	2	-	139	117	35	153
Total changes of items during the fiscal year	-	(30)	1,301	(0)	1,270	(24)	2	(8)	139	109	35	1,415
Balance as of December 31,2007	¥3,508	¥1,979	¥1,083	¥(3)	¥6,568	¥(5)	-	¥389	¥88	¥471	¥1,086	¥8,127

Consolidated Statements of Cash Flows

For the interim period ended June 30,2008,2007 and years ended December 31,2007

	Millions of Yen			Thousands of U.S.Dollars (1US\$=¥106.42)
	Jan'07-Jun'07	Jan'07-Dec'07	Jan'08-Jun'08	Jan'08-Jun'08
Cash flows from operating activities:				
Income before income taxes	¥476	¥1,300	¥655	\$6,155
Depreciation	938	1,874	972	9,142
Impairment loss	59	74	-	-
Amortization of goodwill	5	11	5	56
Equity in losses of affiliated company	74	136	59	556
Increase in allowance for doubtful accounts	-	42	15	146
(Decrease) in reserve for retirement benefits	(65)	(114)	(11)	(109)
Increase(decrease) in reserve for directors' retirement benefits	(29)	(26)	6	59
Interest and dividend income	(26)	(44)	(16)	(157)
Interest expenses	243	468	199	1,878
Foreign exchange losses (gains)	23	(58)	(31)	(299)
Loss(gain) on sales or disposal of fixed assets	37	38	6	61
Loss on sales of stocks of affiliates	-	13	-	-
(Increase) in notes and accounts receivable	(103)	(540)	(308)	(2,896)
Decrease(increase) in inventories	376	(644)	(506)	(4,755)
Increase(decrease) in notes and accounts payable	(1,585)	28	249	2,345
Other	601	359	343	3,226
Subtotal	1,026	2,921	1,639	15,409
Interest and dividend income received	26	44	16	157
Interest expenses paid	(247)	(440)	(219)	(2,060)
Income taxes paid	(29)	(131)	(85)	(806)
Net cash provided by operating activities	775	2,394	1,351	12,700
Cash flows from investing activities:				
Proceeds from withdrawal of time deposits	3,000	3,000	-	-
Payments for purchase of investments in securities	(1)	(3)	(3)	(29)
Proceeds from sales of investments in securities	-	0	-	-
Payments for purchase of fixed assets	(862)	(1,754)	(1,617)	(15,200)
Proceeds from sales of fixed assets	10	32	1	12
Proceeds from sales of stocks of affiliates	-	98	-	-
Payments of long-term loans receivable	(1)	(1)	-	-
Proceeds from collection of long-term loans	0	0	0	3
Other	21	27	2	20
Net cash (used in) provided by investing activities	2,166	1,398	(1,616)	(15,192)
Cash flows from financing activities:				
(Decrease) in short-term loans	(3,038)	(3,837)	(81)	(767)
Proceeds from long-term loans	2,200	3,453	4,170	39,189
Repayments of long-term loans	(2,180)	(3,623)	(3,084)	(28,982)
Cash dividends paid	(30)	(30)	(154)	(1,454)
Cash dividends paid to minority shareholders	-	(13)	-	-
Other	(0)	(0)	(0)	(1)
Net cash (used in) provided by financing activities	(3,049)	(4,051)	849	7,983
Effect of exchange rate changes on cash and cash equivalents	(31)	(79)	(41)	(386)
Net (increase)decrease in cash and cash equivalents	(138)	(338)	543	5,104
Cash and cash equivalents at beginning of the year	1,384	1,384	1,045	9,828
Cash and cash equivalents at end of the year	¥1,246	¥1,045	¥1,589	\$14,933

Business Segment Information

For the interim period ended June 30,2008 (January 1, 2008 - June 30, 2008)

	Millions of Yen				Consolidated
	Capacitor	Printed circuit boards	Total	Elimination or corporate	
Sales :					
Outside customers	¥6,156	¥13,922	¥20,078	-	¥20,078
Intersegment	-	-	-	-	-
Total sales	6,156	13,922	20,078	-	20,078
Operating expenses	6,094	12,939	19,034	-	19,034
Operating income	¥61	¥982	¥1,044	-	¥1,044

	Thousands of U.S.Dollars (1US\$=¥106.42)				Consolidated
	Capacitor	Printed circuit boards	Total	Elimination or corporate	
Sales :					
Outside customers	\$57,847	\$130,827	\$188,674	-	\$188,674
Intersegment	-	-	-	-	-
Total sales	57,847	130,827	188,674	-	188,674
Operating expenses	57,272	121,591	178,864	-	178,864
Operating income	\$574	\$9,236	\$9,810	-	\$9,810

For the interim period ended June 30,2007 (January 1, 2007 - June 30, 2007)

	Millions of Yen				Consolidated
	Capacitor	Printed circuit boards	Total	Elimination or corporate	
Sales :					
Outside customers	¥6,417	¥12,064	¥18,482	-	¥18,482
Intersegment	-	-	-	-	-
Total sales	6,417	12,064	18,482	-	18,482
Operating expenses	6,355	11,325	17,680	-	17,680
Operating income	¥62	¥738	¥801	-	¥801

For the years ended December 31,2007 (January 1, 2007 - December 31, 2007)

	Millions of Yen				Consolidated
	Capacitor	Printed circuit boards	Total	Elimination or corporate	
Sales :					
Outside customers	¥13,394	¥25,808	¥39,203	-	¥39,203
Intersegment	-	-	-	-	-
Total sales	13,394	25,808	39,203	-	39,203
Operating expenses	13,079	23,992	37,071	-	37,071
Operating income	¥315	¥1,815	¥2,131	-	¥2,131