

Consolidated Balance Sheets

As of September 30,2010 and December 31,2009

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥83. 82)
	FY2009 (As of December 31, 2009)	FY2010 third quarter (As of September 30, 2010)	FY2010 third quarter (As of September 30, 2010)
Assets			
Current assets:			
Cash on hand and in banks	¥1,460	¥3,091	\$36,887
Notes and accounts receivable-trade	5,475	6,097	72,741
	6,936	9,189	109,629
Less: allowance for doubtful accounts	(1)	(55)	(664)
	6,934	9,133	108,964
Merchandise and finished goods	2,108	2,135	25,478
Work in process	1,210	1,443	17,219
Raw materials and supplies	1,503	1,685	20,102
Other current assets	332	232	2,777
Total current assets	12,090	14,630	174,543
Property,plant and equipment:			
Land	2,475	2,475	29,530
Buildings and structures	9,127	9,206	109,836
Machinery, equipment and vehicles	19,225	19,544	233,167
Construction in progress	350	348	4,152
Other	3,085	3,254	38,823
	34,264	34,828	415,510
Less: accumulated depreciation	(21,992)	(22,986)	(274,240)
Total property,plant and equipment	12,272	11,841	141,269
Intangible fixed assets:			
Consolidation adjust account	58	67	803
Other intangible fixed assets	136	138	1,655
Total intangible fixed assets	194	206	2,458
Investments and other assets:			
Investment securities	165	104	1,250
Other investments	2,086	2,043	24,377
	2,251	2,148	25,628
Less: allowance for doubtful accounts	(1,925)	(1,909)	(22,774)
Total investments and other assets	326	239	2,853
Total assets	¥24,884	¥26,916	\$321,125
Liabilities and Net assets			
Current liabilities:			
Notes and accounts payable-trade	¥5,479	¥6,002	\$71,614
Short-term loans payable	2,546	3,763	44,898
Current portion of long-term loans payable	3,798	3,968	47,347
Current portion of bonds	-	225	2,684
Income taxes payable	33	36	432
Provision	-	165	1,980
Other current liabilities	820	1,208	14,411
Total current liabilities	12,678	15,369	183,368
Long-term liabilities:			
Bonds payable	-	525	6,263
Long-term loans payable	5,879	5,435	64,853
Deferred tax liabilities for land revaluation	259	259	3,096
Reserve for retirement benefits	1,701	1,681	20,064
Other provision	60	53	643
Other long-term liabilities	344	246	2,940
Total long-term liabilities	8,245	8,202	97,862
Net assets:			
Shareholders' equity:			
Capital stock	3,508	3,508	41,861
Capital surplus	496	496	5,918
Retained earnings	(243)	(594)	(7,095)
Treasury stock	(3)	(4)	(48)
Total shareholders' equity	3,757	3,406	40,635
Valuation and translation adjustments:			
Net unrealized (losses) on securities	(10)	(18)	(224)
Revaluation reserve for land	389	389	4,644
Foreign currency translation adjustments	(690)	(678)	(8,089)
Total valuation and translation adjustments	(311)	(307)	(3,670)
Minority interests	513	245	2,928
Total net assets	3,959	3,343	39,894
Total liabilities and net assets	¥24,884	¥26,916	\$321,125

Consolidated Statements of Income

FY2010 third quarter (the nine months ended September 30,2010)

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥83. 82)
	FY2009 third quarter Jan'09-Sep'09	FY2010 third quarter Jan'10-Sep'10	FY2010 third quarter Jan'10-Sep'10
Net sales	¥19,017	¥22,092	\$263,576
Cost of sales	16,810	19,650	234,437
Gross profit	2,206	2,442	29,138
Selling,general and administrative expenses	2,355	2,352	28,062
Operating income (loss)	(148)	90	1,076
Non-operating income:			
Interest income	20	3	47
Other	92	67	805
	112	71	853
Non-operating expenses:			
Interest expenses	290	293	3,500
Foreign exchange losses	47	200	2,394
Other	225	113	1,350
	563	607	7,245
Ordinary income(loss)	(599)	(445)	(5,315)
Extraordinary gains:			
Gain on sales of fixed assets	2	13	162
Reversal of allowance for doubtful accounts	-	16	190
	2	29	352
Extraordinary losses:			
Special retirement expenses	178	-	-
Loss on valuation of inventories	90	-	-
Loss on sales or disposal of fixed assets	2	1	14
Loss on devaluation of investments in securities	-	57	682
	272	58	696
Income(loss) before income taxes	(869)	(474)	(5,658)
Income taxes - Current	21	40	487
Income taxes - Deferred	(179)	(80)	(960)
Minority interests in income(loss) of consolidated subsidiaries	(80)	(80)	(964)
Net income(loss)	¥(630)	¥(353)	\$(4,221)
	Yen		U.S.Dollars
Per share:			
Net income(loss)	(¥15.16)	¥(8.50)	\$(0.10)
Weighted average number of shares	41,595,784	41,593,811	

Consolidated Statements of Cash Flows

FY2010 third quarter (the nine months ended September 30,2010)

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥83. 82)
	FY2009 third quarter	FY2010 third quarter	FY2010 third quarter
	Jan'09-Sep'09	Jan'10-Sep'10	Jan'10-Sep'10
Cash flows from operating activities:			
Income(loss) before income taxes	(¥869)	(¥474)	(\$5,658)
Depreciation and amortization	1,409	1,398	16,688
Amortization of consolidation adjust accounts	-	10	127
(Decrease) increase in allowance for doubtful accounts	36	(13)	(166)
(Decrease) in reserve for retirement benefits	(136)	(20)	(239)
Interest and dividend income	(22)	(6)	(81)
Interest expenses	290	293	3,500
Foreign exchange losses(gains)	(12)	70	836
(Gain) loss on sales or disposal of fixed assets	0	(12)	(148)
Loss on valuation of investments securities	-	57	682
(Increase) in notes and accounts receivable-trade	(183)	(778)	(9,283)
(Increase) decrease in inventories	1,003	(482)	(5,751)
Increase (decrease) in notes and accounts payable-trade	(804)	781	9,322
Other, net	247	254	3,036
Subtotal	959	1,078	12,864
Interest and dividend income received	22	6	81
Interest expenses paid	(268)	(259)	(3,097)
Income taxes paid	(47)	(36)	(432)
Net cash provided by operating activities	666	789	9,416
Cash flows from investing activities:			
Proceeds from withdrawal of time deposits	18	-	-
Payments for purchase of investments securities	(4)	(4)	(55)
Payments for purchase of fixed assets	(912)	(667)	(7,965)
Proceeds from sale of fixed assets	4	0	5
Payments of long-term loans receivable	(5)	(7)	(89)
Purchase of investments in subsidiaries	-	(222)	(2,651)
Other, net	(60)	19	235
Net cash (used in) investing activities	(960)	(881)	(10,520)
Cash flows from financing activities:			
Increase (decrease) in short-term loans payable,net	(610)	1,297	15,481
Proceeds from long-term loans payable	4,300	2,775	33,106
Repayments of long-term loans payable	(3,226)	(3,053)	(36,423)
Proceeds from issuance of bonds	-	738	8,816
Other, net	(2)	(6)	(82)
Net cash provided by financing activities	460	1,751	20,897
Effect of exchange rate changes on cash and cash equivalents	58	7	90
Net increase in cash and cash equivalents	224	1,666	19,884
Cash and cash equivalents at beginning of current period	885	1,010	12,058
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(35)	(423)
Cash and cash equivalents at end of current period	¥1,110	¥2,641	\$31,518

Business Segment Information

FY2010 third quarter (the nine months ended September 30,2010)

	Millions of Yen				
	Capacitor	Printed circuit boards	Total	Elimination or corporate	Consolidated
Sales :					
Outside customers	¥6,101	¥15,991	¥22,092	-	¥22,092
Intersegment	-	-	-	-	-
Total sales	<u>6,101</u>	<u>15,991</u>	<u>22,092</u>	<u>-</u>	<u>22,092</u>
Operating income(loss)	<u>(¥121)</u>	<u>¥211</u>	<u>¥90</u>	<u>-</u>	<u>¥90</u>

	Thousands of U.S.Dollars (1US\$=¥83. 82)				
	Capacitor	Printed circuit boards	Total	Elimination or corporate	Consolidated
Sales :					
Outside customers	\$72,792	\$190,784	\$263,576	-	\$263,576
Intersegment	-	-	-	-	-
Total sales	<u>72,792</u>	<u>190,784</u>	<u>263,576</u>	<u>-</u>	<u>263,576</u>
Operating income(loss)	<u>(\$1,445)</u>	<u>\$2,522</u>	<u>\$1,076</u>	<u>-</u>	<u>\$1,076</u>

FY2009 third quarter (the nine months ended September 30,2009)

	Millions of Yen				
	Capacitor	Printed circuit boards	Total	Elimination or corporate	Consolidated
Sales :					
Outside customers	¥4,414	¥14,602	¥19,017	-	¥19,017
Intersegment	-	-	-	-	-
Total sales	<u>4,414</u>	<u>14,602</u>	<u>19,017</u>	<u>-</u>	<u>19,017</u>
Operating income(loss)	<u>(¥680)</u>	<u>¥531</u>	<u>(¥148)</u>	<u>-</u>	<u>(¥148)</u>