

Consolidated Balance Sheets

As of December 31,2010 and 2009

Assets	Millions of Yen		Thousands of U.S.Dollars
	2009	2010	(1US\$=¥81.49) 2010
Current assets:			
Cash on hand and in banks	¥1,460	¥1,838	\$22,558
Notes and accounts receivable-trade	5,475	6,008	73,736
	<u>6,936</u>	<u>7,847</u>	<u>96,295</u>
Less: allowance for doubtful accounts	(1)	(51)	(633)
	<u>6,934</u>	<u>7,795</u>	<u>95,662</u>
Merchandise and finished goods	2,108	2,257	27,706
Work in process	1,210	1,298	15,928
Raw materials and supplies	1,503	1,715	21,054
Deferred tax assets	84	116	1,434
Other current assets	248	180	2,218
Total current assets	<u>12,090</u>	<u>13,364</u>	<u>164,003</u>
Property,plant and equipment:			
Land	2,475	2,476	30,386
Buildings and structures	9,127	9,073	111,341
Machinery, equipment and vehicles	19,225	18,534	227,449
Construction in progress	350	346	4,253
Other	3,085	3,291	40,392
	<u>34,264</u>	<u>33,722</u>	<u>413,823</u>
Less: accumulated depreciation	(21,992)	(22,239)	(272,913)
Total property,plant and equipment	<u>12,272</u>	<u>11,482</u>	<u>140,909</u>
Intangible fixed assets:			
Leasehold right	105	102	1,255
Right of using facilities	12	12	158
Consolidation adjust account	58	63	778
Other intangible fixed assets	17	18	225
Total intangible fixed assets	<u>194</u>	<u>197</u>	<u>2,418</u>
Investments and other assets:			
Investment securities	165	179	2,200
Long-term loans receivable	431	436	5,355
Long-term accounts receivable-other	1,566	1,549	19,015
Deferred tax assets	17	15	189
Other investments	70	68	836
	<u>2,251</u>	<u>2,248</u>	<u>27,596</u>
Less: allowance for doubtful accounts	(1,925)	(1,834)	(22,505)
Total investments and other assets	<u>326</u>	<u>414</u>	<u>5,090</u>
Total assets	<u>¥24,884</u>	<u>¥25,459</u>	<u>\$312,421</u>

Consolidated Balance Sheets

As of December 31,2010 and 2009

Liabilities and Net assets	Millions of Yen		Thousands of U.S.Dollars
	2009	2010	(1US\$=¥81.49) 2010
Current liabilities:			
Notes and accounts payable-trade	¥5,479	¥5,770	\$70,813
Short-term loans payable	2,546	3,441	42,237
Current portion of long-term loans payable	3,798	3,965	48,656
Current portion of bonds	-	300	3,681
Income taxes payable	33	57	710
Notes payable-facilities	46	295	3,632
Other current liabilities	773	926	11,368
Total current liabilities	<u>12,678</u>	<u>14,757</u>	<u>181,100</u>
Long-term liabilities:			
Bonds payable	-	450	5,522
Long-term loans payable	5,879	4,635	56,888
Deferred tax liabilities	119	41	513
Deferred tax liabilities for land revaluation	259	259	3,184
Reserve for retirement benefits	1,701	1,626	19,958
Reserve for directors' retirement benefits	60	56	693
Other long-term liabilities	225	224	2,748
Total long-term liabilities	<u>8,245</u>	<u>7,294</u>	<u>89,510</u>
Net assets:			
Shareholders' equity:			
Capital stock	3,508	3,508	43,058
Capital surplus	496	496	6,088
Retained earnings	(243)	(435)	(5,339)
Treasury stock	(3)	(4)	(51)
Total shareholders' equity	<u>3,757</u>	<u>3,565</u>	<u>43,755</u>
Valuation and translation adjustments:			
Net unrealized (losses) on securities	(10)	(11)	(138)
Revaluation reserve for land	389	389	4,777
Foreign currency translation adjustments	(690)	(729)	(8,952)
Total valuation and translation adjustments	<u>(311)</u>	<u>(351)</u>	<u>(4,313)</u>
Minority interests	<u>513</u>	<u>193</u>	<u>2,368</u>
Total net assets	<u>3,959</u>	<u>3,407</u>	<u>41,811</u>
 Total liabilities and net assets	<u>¥24,884</u>	<u>¥25,459</u>	<u>\$312,421</u>

Consolidated Statements of Income

For the years ended December 31,2010 and 2009

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥81.49)
	2009	2010	2010
Net sales	¥26,429	¥29,819	\$365,933
Cost of sales	23,315	26,409	324,086
Gross profit	3,114	3,410	41,847
Selling,general and administrative expenses	3,085	3,137	38,507
Operating income	29	272	3,339
Non-operating income:			
Interest and dividend income	28	8	101
Rent income	2	1	17
Material supplying income	16	6	83
Other	98	118	1,455
	145	135	1,659
Non-operating expenses:			
Interest expenses	387	394	4,840
Foreign exchange losses	30	248	3,045
Other	275	178	2,188
	693	821	10,075
Ordinary income(loss)	(519)	(413)	(5,076)
Extraordinary gains:			
Gain on sales of fixed assets	2	13	167
Reversal of allowance for doubtful accounts	66	95	1,165
	69	108	1,333
Extraordinary losses:			
Loss on valuation of inventories	90	-	-
Loss on sales or disposal of fixed assets	5	80	990
Special retirement expenses	178	-	-
	274	80	990
Income(loss) before income taxes	(724)	(385)	(4,732)
Income taxes - Current	50	44	547
Income taxes - Deferred	(199)	(108)	(1,329)
Minority interests in income(loss) of consolidated subsidiaries	(99)	(127)	(1,567)
Net income(loss)	¥(476)	¥(194)	\$(2,383)
	Yen	Yen	U.S.Dollars
Per share:			
Net income(loss)	¥(11.46)	¥(4.66)	\$(0.05)
Weighted average number of shares	41,595,525	41,593,536	

Consolidated Statements of Changes in Net Assets

For the years ended December 31,2010 (January 1, 2010 - December 31, 2010)

(Millions of Yen)

	Shareholders' equity					Valuation and translation adjustments				Minority interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized (losses)gains on securities	Revaluation reserve for land	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of December 31,2009	¥3,508	¥496	¥(243)	¥(3)	¥3,757	¥(10)	¥389	¥(690)	¥(311)	¥513	¥3,959
Changes of items during the fiscal year											
Change of scope of consolidation			2		2						2
Net income(loss)			(194)		(194)						(194)
Purchase of treasury stock				(0)	(0)						(0)
Net changes of items other than shareholders' equity						(0)	-	(39)	(40)	(320)	(360)
Total changes of items during the fiscal year	-	-	(191)	(0)	(191)	(0)	-	(39)	(40)	(320)	(552)
Balance as of December 31,2010	¥3,508	¥496	¥(435)	¥(4)	¥3,565	¥(11)	¥389	¥(729)	¥(351)	¥193	¥3,407

(Thousands of U.S.Dollars (1US\$=¥81.49))

	Shareholders' equity					Valuation and translation adjustments				Minority interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized (losses)gains on securities	Revaluation reserve for land	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of December 31,2009	\$43,058	\$6,088	\$(2,987)	\$(48)	\$46,110	\$(128)	\$4,777	\$(8,471)	\$(3,822)	\$6,302	\$48,590
Changes of items during the fiscal year											
Change of scope of consolidation			31		31						31
Net income(loss)			(2,383)		(2,383)						(2,383)
Purchase of treasury stock				(2)	(2)						(2)
Net changes of items other than shareholders' equity						(9)	-	(481)	(490)	(3,933)	(4,424)
Total changes of items during the fiscal year	-	-	(2,352)	(2)	(2,354)	(9)	-	(481)	(490)	(3,933)	(6,779)
Balance as of December 31,2010	\$43,058	\$6,088	\$(5,339)	\$(51)	\$43,755	\$(138)	\$4,777	\$(8,952)	\$(4,313)	\$2,368	\$41,811

For the years ended December 31, 2009 (January 1, 2009 - December 31, 2009)

(Millions of Yen)

	Shareholders' equity					Valuation and translation adjustments				Minority interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized (losses) gains on securities	Revaluation reserve for land	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of December 31, 2008	¥3,508	¥1,824	¥(848)	¥(3)	¥4,480	¥(3)	¥389	¥(863)	¥(477)	¥808	¥4,811
Effect of changes in accounting policies applied to foreign subsidiaries			¥(246)		¥(246)						¥(246)
Changes of items during the fiscal year											
Transfer of other capital surplus to retained earnings brought forward		(1,328)	1,328		-						-
Net income(loss)			(476)		(476)						(476)
Purchase of treasury stock				(0)	(0)						(0)
Net changes of items other than shareholders' equity						(7)	-	173	166	(294)	(128)
Total changes of items during the fiscal year	-	(1,328)	851	(0)	(477)	(7)	-	173	166	(294)	(605)

Consolidated Statements of Cash Flows

For the years ended December 31,2010 and 2009

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥81.49)
	Jan'09-Dec'09	Jan'10-Dec'10	Jan'10-Dec'10
Cash flows from operating activities:			
Income(loss) before income taxes	(¥724)	(¥385)	(\$4,732)
Depreciation and amortization	1,885	1,842	22,606
Amortization of consolidation adjust accounts	-	14	179
(Decrease) in allowance for doubtful accounts	(35)	(93)	(1,141)
(Decrease) in reserve for retirement benefits	(152)	(75)	(926)
(Decrease) in reserve for directors' retirement benefits	(3)	(4)	(53)
Interest and dividend income	(28)	(8)	(101)
Interest expenses	387	394	4,840
Foreign exchange losses	4	38	472
Loss on sales or disposal of fixed assets	2	54	674
(Increase) decrease in notes and accounts receivable-trade	58	(813)	(9,983)
(Increase) decrease in inventories	1,350	(556)	(6,830)
Increase (decrease) in notes and accounts payable-trade	(612)	633	7,772
Other, net	(13)	148	1,820
Subtotal	2,118	1,189	14,593
Interest and dividend income received	28	8	101
Interest expenses paid	(404)	(390)	(4,788)
Income taxes paid	(69)	(25)	(309)
Net cash provided by operating activities	1,671	782	9,597
Cash flows from investing activities:			
Proceeds from withdrawal of time deposits	18	-	-
Payments for purchase of investments securities	(6)	(5)	(70)
Payments for purchase of fixed assets	(1,102)	(875)	(10,739)
Proceeds from sale of fixed assets	5	0	11
Payments of long-term loans receivable	(6)	(8)	(100)
Proceeds from collection of long-term loans receivable	3	2	35
Purchase of investments in subsidiaries	(251)	(222)	(2,727)
Other, net	17	18	227
Net cash (used in) investing activities	(1,321)	(1,088)	(13,363)
Cash flows from financing activities:			
Increase (decrease) in short-term loans payable,net	(576)	1,042	12,797
Proceeds from long-term loans payable	4,300	2,775	34,053
Repayments of long-term loans payable	(4,027)	(3,844)	(47,175)
Proceeds from issuance of bonds	-	738	9,068
Other, net	(4)	(10)	(131)
Net cash provided by (used in) financing activities	(308)	701	8,612
Effect of exchange rate changes on cash and cash equivalents	84	18	222
Net increase in cash and cash equivalents	125	413	5,069
Cash and cash equivalents at beginning of current period	885	1,010	12,403
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(35)	(435)
Cash and cash equivalents at end of current period	¥1,010	¥1,388	\$17,036

Business Segment Information

For the years ended December 31,2010 (January 1, 2010 - December 31, 2010)

	Millions of Yen				
	Capacitor	Printed circuit boards	Total	Elimination or corporate	Consolidated
Sales :					
Outside customers	¥8,171	¥21,648	¥29,819	-	¥29,819
Intersegment	-	-	-	-	-
Total sales	8,171	21,648	29,819	-	29,819
Operating expenses	8,230	21,316	29,547	-	29,547
Operating income(loss)	(¥59)	¥331	¥272	-	¥272

	Thousands of U.S.Dollars (1US\$=¥81. 49)				
	Capacitor	Printed circuit boards	Total	Elimination or corporate	Consolidated
Sales :					
Outside customers	\$100,271	\$265,662	\$365,933	-	\$365,933
Intersegment	-	-	-	-	-
Total sales	100,271	265,662	365,933	-	365,933
Operating expenses	101,004	261,589	362,593	-	362,593
Operating income(loss)	(\$733)	\$4,073	\$3,339	-	\$3,339

For the years ended December 31,2009 (January 1, 2009 - December 31, 2009)

	Millions of Yen				
	Capacitor	Printed circuit boards	Total	Elimination or corporate	Consolidated
Sales :					
Outside customers	¥6,187	¥20,242	¥26,429	-	¥26,429
Intersegment	-	-	-	-	-
Total sales	6,187	20,242	26,429	-	26,429
Operating expenses	6,886	19,514	26,400	-	26,400
Operating income(loss)	(¥698)	¥727	¥29	-	¥29