

Consolidated Balance Sheets

As of September 30,2011 and December 31,2010

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥76.65)
	FY2010 (As of December 31, 2010)	FY2011 third quarter (As of September 30, 2011)	FY2011 third quarter (As of September 30, 2011)
Assets			
Current assets:			
Cash on hand and in banks	¥1,838	¥1,844	\$24,069
Notes and accounts receivable-trade	6,008	6,895	89,956
	7,847	8,740	114,025
Less: allowance for doubtful accounts	(51)	(50)	(656)
	7,795	8,689	113,368
Merchandise and finished goods	2,257	2,291	29,893
Work in process	1,298	1,579	20,607
Raw materials and supplies	1,715	1,846	24,095
Other current assets	297	409	5,339
Total current assets	13,364	14,816	193,304
Property,plant and equipment:			
Land	2,476	2,460	32,094
Buildings and structures	9,073	8,971	117,041
Machinery, equipment and vehicles	18,534	18,253	238,145
Construction in progress	346	262	3,425
Other	3,291	3,337	43,541
	33,722	33,285	434,249
Less: accumulated depreciation	(22,239)	(22,697)	(296,122)
Total property,plant and equipment	11,482	10,587	138,126
Intangible fixed assets:			
Consolidation adjust account	63	51	674
Other intangible fixed assets	133	123	1,611
Total intangible fixed assets	197	175	2,286
Investments and other assets:			
Investment securities	179	140	1,836
Other investments	2,069	2,057	26,847
	2,248	2,198	28,684
Less: allowance for doubtful accounts	(1,834)	(1,832)	(23,900)
Total investments and other assets	414	366	4,783
Total assets	¥25,459	¥25,946	\$338,500
Liabilities and Net assets			
Current liabilities:			
Notes and accounts payable-trade	¥5,770	¥5,470	\$71,374
Short-term loans payable	3,441	5,248	68,477
Current portion of long-term loans payable	3,965	4,312	56,259
Current portion of bonds	300	300	3,913
Income taxes payable	57	63	823
Provision	-	230	3,002
Other current liabilities	1,222	1,261	16,460
Total current liabilities	14,757	16,886	220,311
Long-term liabilities:			
Bonds payable	450	225	2,935
Long-term loans payable	4,635	3,116	40,653
Deferred tax liabilities for land revaluation	259	259	3,386
Reserve for retirement benefits	1,626	1,656	21,613
Other provision	56	65	854
Other long-term liabilities	265	210	2,747
Total long-term liabilities	7,294	5,533	72,190
Net assets:			
Shareholders' equity:			
Capital stock	3,508	3,508	45,777
Capital surplus	496	496	6,472
Retained earnings	(435)	(152)	(1,989)
Treasury stock	(4)	(4)	(54)
Total shareholders' equity	3,565	3,848	50,206
Valuation and translation adjustments:			
Net unrealized (losses) on securities	(11)	(21)	(278)
Revaluation reserve for land	389	389	5,079
Foreign currency translation adjustments	(729)	(811)	(10,583)
Total valuation and translation adjustments	(351)	(443)	(5,782)
Minority interests	193	120	1,575
Total net assets	3,407	3,525	45,998
Total liabilities and net assets	¥25,459	¥25,946	\$338,500

Consolidated Statements of Income

FY2011 third quarter (the nine months ended September 30,2011)

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥76.65)
	FY2010 third quarter Jan'10-Sep'10	FY2011 third quarter Jan'11-Sep'11	FY2011 third quarter Jan'11-Sep'11
Net sales	¥22,092	¥22,687	\$295,988
Cost of sales	19,650	19,465	253,954
Gross profit	2,442	3,221	42,034
Selling,general and administrative expenses	2,352	2,269	29,611
Operating income	90	952	12,422
Non-operating income:			
Interest income	3	2	30
Other	67	30	391
	71	32	421
Non-operating expenses:			
Interest expenses	293	328	4,290
Foreign exchange losses	200	98	1,282
Other	113	146	1,908
	607	573	7,482
Ordinary income(loss)	(445)	411	5,362
Extraordinary gains:			
Gain on sales of fixed assets	13	0	0
Reversal of allowance for doubtful accounts	16	5	65
	29	5	65
Extraordinary losses:			
Loss on disaster	-	55	718
Loss on sales or disposal of fixed assets	1	1	14
Loss on valuation of investment securities	57	63	831
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	68	889
	58	188	2,453
Income(loss) before income taxes	(474)	227	2,973
Income taxes - Current	40	40	524
Income taxes - Deferred	(80)	(34)	(443)
	(39)	6	81
Income(loss) before minority interests	-	221	2,892
Minority interests in income(loss) of consolidated subsidiaries	(80)	(60)	(795)
Net income(loss)	¥(353)	¥282	\$3,687
		Yen	U.S.Dollars
Per share:			
Net income(loss)	¥(8.50)	¥6.79	\$0.09
Weighted average number of shares	41,593,811	41,592,218	

Consolidated Statements of Cash Flows

FY2011 third quarter (the nine months ended September 30,2011)

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥76.65)
	FY2010 third quarter	FY2011 third quarter	FY2011 third quarter
	Jan'10-Sep'10	Jan'11-Sep'11	Jan'11-Sep'11
Cash flows from operating activities:			
Income(loss) before income taxes	(¥474)	¥227	\$2,973
Depreciation and amortization	1,398	1,338	17,464
Amortization of consolidation adjust accounts	10	11	152
(Decrease) in allowance for doubtful accounts	(13)	(2)	(38)
Increase (decrease) in reserve for retirement benefits	(20)	30	394
Interest and dividend income	(6)	(5)	(70)
Interest expenses	293	328	4,290
Foreign exchange (gains) losses	70	(3)	(45)
Loss (gain) on sales or disposal of fixed assets	(12)	1	14
Loss on valuation of investments securities	57	63	831
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	68	889
(Increase) in notes and accounts receivable-trade	(778)	(1,031)	(13,454)
(Increase) in inventories	(482)	(677)	(8,842)
(Decrease) increase in notes and accounts payable-trade	781	(73)	(965)
Other, net	254	415	5,414
Subtotal	1,078	690	9,009
Interest and dividend income received	6	5	70
Interest expenses paid	(259)	(306)	(4,004)
Income taxes paid	(36)	(28)	(368)
Net cash provided by operating activities	789	360	4,708
Cash flows from investing activities:			
Payments for purchase of investments securities	(4)	(35)	(460)
Payments for purchase of fixed assets	(667)	(904)	(11,805)
Proceeds from sale of fixed assets	0	0	0
Payments of long-term loans receivable	(7)	-	-
Purchase of investments in subsidiaries	(222)	-	-
Other, net	19	6	78
Net cash (used in) investing activities	(881)	(934)	(12,187)
Cash flows from financing activities:			
Increase in short-term loans payable,net	1,297	1,989	25,955
Proceeds from long-term loans payable	2,775	2,200	28,701
Repayments of long-term loans payable	(3,053)	(3,340)	(43,577)
Proceeds from issuance of bonds	738	-	-
Redemption of bonds	-	(225)	(2,935)
Other, net	(6)	(17)	(228)
Net cash provided by financing activities	1,751	606	7,915
Effect of exchange rate changes on cash and cash equivalents	7	(26)	(349)
Net increase in cash and cash equivalents	1,666	6	86
Cash and cash equivalents at beginning of current period	1,010	1,388	18,112
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(35)	-	-
Cash and cash equivalents at end of current period	¥2,641	¥1,394	\$18,198

Business Segment Information

FY2011 third quarter (the nine months ended September 30,2011)

	Millions of Yen				
	Capacitor	Printed circuit boards	Total	Adjustments	Consolidated
Sales :					
Outside customers	¥6,506	¥16,180	¥22,687	-	¥22,687
Intersegment	-	-	-	-	-
Total sales	<u>6,506</u>	<u>16,180</u>	<u>22,687</u>	<u>-</u>	<u>22,687</u>
Operating income	<u>¥270</u>	<u>¥681</u>	<u>¥952</u>	<u>-</u>	<u>¥952</u>

	Thousands of U.S.Dollars (1US\$=¥76. 65)				
	Capacitor	Printed circuit boards	Total	Adjustments	Consolidated
Sales :					
Outside customers	\$84,886	\$211,101	\$295,988	-	\$295,988
Intersegment	-	-	-	-	-
Total sales	<u>84,886</u>	<u>211,101</u>	<u>295,988</u>	<u>-</u>	<u>295,988</u>
Operating income	<u>\$3,535</u>	<u>\$8,887</u>	<u>\$12,422</u>	<u>-</u>	<u>\$12,422</u>

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>