

Consolidated Balance Sheets

As of September 30,2017 and December 31,2016

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥112.73)
	FY2016 (As of December 31, 2016)	FY2017 third quarter (As of September 30, 2017)	FY2017 third quarter (As of September 30, 2017)
Assets			
Current assets:			
Cash on hand and in banks	¥1,702	¥1,973	\$17,502
Notes and accounts receivable-trade	8,044	5,585	49,548
	9,746	7,558	67,051
Less: allowance for doubtful accounts	(9)	(8)	(73)
	9,737	7,550	66,978
Merchandise and finished goods	2,346	2,346	20,817
Work in process	1,704	1,912	16,967
Raw materials and supplies	1,800	2,032	18,030
Other current assets	396	367	3,259
Total current assets	15,985	14,210	126,053
Property,plant and equipment:			
Land	2,171	2,175	19,294
Buildings and structures	9,700	9,795	86,896
Machinery, equipment and vehicles	18,574	19,029	168,803
Construction in progress	148	142	1,259
Other	4,117	3,902	34,618
	34,713	35,044	310,871
Less: accumulated depreciation	(25,879)	(26,534)	(235,377)
Total property,plant and equipment	8,834	8,510	75,494
Intangible fixed assets	135	129	1,149
Investments and other assets:			
Investment securities	83	89	791
Other investments	343	370	3,283
	427	459	4,074
Less: allowance for doubtful accounts	-	0	0
Total investments and other assets	427	459	4,074
Total assets	¥25,382	¥23,309	\$206,772
Liabilities and Net assets			
Current liabilities:			
Notes and accounts payable-trade	¥5,290	¥4,951	\$43,921
Short-term loans payable	4,936	3,857	34,216
Current portion of long-term loans payable	518	307	2,723
Income taxes payable	178	104	925
Provision	30	57	513
Other current liabilities	1,502	1,440	12,776
Total current liabilities	12,457	10,718	95,077
Long-term liabilities:			
Long-term loans payable	9,847	9,618	85,318
Deferred tax liabilities for land revaluation	133	133	1,186
Net defined benefit liability	839	817	7,253
Other long-term liabilities	1,312	1,037	9,204
Total long-term liabilities	12,133	11,607	102,963
Net assets:			
Shareholders' equity:			
Capital stock	3,511	4,011	35,585
Capital surplus	498	998	8,860
Retained earnings	(3,569)	(4,289)	(38,048)
Treasury stock	(4)	(4)	(42)
Total shareholders' equity	435	716	6,353
Accumulated other comprehensive income:			
Net unrealized gains on securities	8	12	113
Deferred gains or (losses) on hedges	(3)	(1)	(16)
Revaluation reserve for land	310	310	2,755
Foreign currency translation adjustments	0	(94)	(842)
Remeasurements of defined benefit plans	16	18	163
Total accumulated other comprehensive income	333	245	2,173
Subscription rights to shares	23	23	204
Total net assets	791	984	8,731
Total liabilities and net assets	¥25,382	¥23,309	\$206,772

Consolidated Statements of Income

FY2017 third quarter (the nine months ended September 30,2017)

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥112.73)
	FY2016 third quarter Jan'16-Sep'16	FY2017 third quarter Jan'17-Sep'17	FY2017 third quarter Jan'17-Sep'17
Net sales	¥21,490	¥20,444	\$181,354
Cost of sales	18,766	17,691	156,938
Gross profit	2,723	2,752	24,416
Selling,general and administrative expenses	2,209	2,219	19,686
Operating income	513	533	4,730
Non-operating income:			
Interest income	3	3	31
Foreign exchange gains	16	-	-
Other	9	10	92
	29	13	124
Non-operating expenses:			
Interest expenses	557	530	4,709
Foreign exchange losses	-	72	641
Commission fee	226	261	2,315
Other	145	127	1,135
	929	992	8,801
Ordinary (loss)	(386)	(444)	(3,947)
Extraordinary gains:			
Gain on sales of fixed assets	2	0	6
	2	0	6
Extraordinary losses:			
Loss on sales or disposal of fixed assets	1	1	11
Loss on anti monopoly act	778	223	1,983
	779	224	1,995
(Loss) before income taxes	(1,163)	(669)	(5,936)
Income taxes - Current	153	102	912
Income taxes - Deferred	11	(52)	(466)
	165	50	446
Profit (loss)	(1,329)	(719)	(6,382)
(Loss) attributable to owners of parent	¥(1,329)	¥(719)	\$(6,382)
Profit (loss)	(1,329)	(719)	(6,382)
Other comprehensive income			
Net unrealized gains (losses) on securities	(10)	3	34
Deferred gains or (losses) on hedges	(3)	1	10
Revaluation reserve for land	8	-	-
Foreign currency translation adjustments	347	(95)	(846)
Remeasurements of defined benefit plans, net of tax	8	2	20
	350	(87)	(780)
Comprehensive income	(978)	(807)	(7,162)
Comprehensive income attributable to:			
owners of the parent	(978)	(807)	(7,162)
non-controlling interests	-	-	-
	Yen		
Per share:			
Net (loss)	¥(23.48)	¥(11.44)	\$(0.10)
Weighted average number of shares	56,617,216	62,850,295	

Business Segment Information

FY2017 third quarter (the nine months ended September 30,2017)

	Millions of Yen					Consolidated
	Capacitor	Printed circuit boards	Other	Total	Adjustments	
Sales :						
Outside customers	¥9,815	¥10,550	¥78	¥20,444	-	¥20,444
Intersegment	-	-	-	-	-	-
Total sales	<u>9,815</u>	<u>10,550</u>	<u>78</u>	<u>20,444</u>	<u>-</u>	<u>20,444</u>
Operating income (loss)	<u>¥992</u>	<u>(¥496)</u>	<u>¥36</u>	<u>¥533</u>	<u>-</u>	<u>¥533</u>

	Thousands of U.S.Dollars (1US\$=¥101.12)					Consolidated
	Capacitor	Printed circuit boards	Other	Total	Adjustments	
Sales :						
Outside customers	\$87,066	\$93,591	\$696	\$181,354	-	\$181,354
Intersegment	-	-	-	-	-	-
Total sales	<u>87,066</u>	<u>93,591</u>	<u>696</u>	<u>181,354</u>	<u>-</u>	<u>181,354</u>
Operating income (loss)	<u>\$8,805</u>	<u>(\$4,402)</u>	<u>\$326</u>	<u>\$4,730</u>	<u>-</u>	<u>\$4,730</u>

FY2016 third quarter (the nine months ended September 30,2016)

	Millions of Yen					Consolidated
	Capacitor	Printed circuit boards	Other	Total	Adjustments	
Sales :						
Outside customers	¥9,382	¥12,030	¥77	¥21,490	-	¥21,490
Intersegment	-	-	-	-	-	-
Total sales	<u>9,382</u>	<u>12,030</u>	<u>77</u>	<u>21,490</u>	<u>-</u>	<u>21,490</u>
Operating income (loss)	<u>¥1,028</u>	<u>(¥551)</u>	<u>¥36</u>	<u>¥513</u>	<u>-</u>	<u>¥513</u>