

Consolidated Balance Sheets

As of March 31,2018 and December 31,2017

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥106.24)
	FY2017 (As of December 31, 2017)	FY2018 first quarter (As of March 31, 2018)	FY2018 first quarter (As of March 31, 2018)
Assets			
Current assets:			
Cash on hand and in banks	¥2,346	¥1,787	\$16,829
Notes and accounts receivable-trade	4,829	4,971	46,793
	7,176	6,759	63,622
Less: allowance for doubtful accounts	(8)	(7)	(70)
	7,168	6,751	63,551
Merchandise and finished goods	2,305	2,342	22,045
Work in process	1,820	1,687	15,887
Raw materials and supplies	2,072	1,944	18,306
Other current assets	494	385	3,627
Total current assets	13,861	13,112	123,419
Property,plant and equipment:			
Land	2,176	2,175	20,477
Buildings and structures	9,829	9,788	92,132
Machinery, equipment and vehicles	19,446	18,835	177,288
Construction in progress	142	145	1,372
Other	3,957	3,932	37,010
	35,552	34,876	328,281
Less: accumulated depreciation	(27,173)	(26,574)	(250,135)
Total property,plant and equipment	8,379	8,302	78,145
Intangible fixed assets	129	126	1,194
Investments and other assets:			
Investment securities	101	89	846
Other investments	261	251	2,366
Total investments and other assets	363	341	3,213
Total assets	¥22,734	¥21,882	¥205,972
Liabilities and Net assets			
Current liabilities:			
Notes and accounts payable-trade	¥4,893	¥4,818	\$45,354
Short-term loans payable	4,573	14,942	140,647
Current portion of long-term loans payable	299	19	178
Accounts payable - other	278	2,569	24,189
Income taxes payable	120	121	1,147
Provision	21	92	871
Provision for loss on business restructuring	1,090	904	8,511
Other current liabilities	864	1,047	9,861
Total current liabilities	12,140	24,516	230,762
Long-term liabilities:			
Long-term loans payable	9,548	-	-
Deferred tax liabilities for land revaluation	133	133	1,258
Net defined benefit liability	845	859	8,086
Other long-term liabilities	973	797	7,504
Total long-term liabilities	11,500	1,790	16,850
Shareholders' equity:			
Capital stock	4,011	4,011	37,758
Capital surplus	998	998	9,401
Retained earnings	(5,980)	(9,547)	(89,862)
Treasury stock	(4)	(4)	(45)
Total shareholders' equity	(974)	(4,541)	(42,747)
Accumulated other comprehensive income:			
Net unrealized gains on securities	21	13	125
Deferred gains or (losses) on hedges	(1)	-	-
Revaluation reserve for land	310	310	2,923
Foreign currency translation adjustments	(295)	(240)	(2,264)
Remeasurements of defined benefit plans	9	11	106
Total accumulated other comprehensive income	45	94	891
Subscription rights to shares	23	23	217
Total net assets	(906)	(4,423)	(41,639)
Total liabilities and net assets	¥22,734	¥21,882	\$205,972

Consolidated Statements of Income

FY2018 first quarter (the three months ended March 31,2018)

	Millions of Yen		Thousands of U.S.Dollars (1US\$=¥106.24)
	FY2017 first quarter Jan'17-Mar'17	FY2018 first quarter Jan'18-Mar'18	FY2018 first quarter Jan'18-Mar'18
Net sales	¥7,156	¥6,456	\$60,775
Cost of sales	6,140	6,242	58,759
Gross profit	1,016	214	2,015
Selling,general and administrative expenses	740	836	7,875
Operating income (loss)	275	(622)	(5,859)
Non-operating income:			
Interest income	0	1	11
Foreign exchange gains	29	-	-
Other	3	5	51
	34	6	62
Non-operating expenses:			
Interest expenses	183	97	919
Foreign exchange losses	-	300	2,828
Commission fee	130	194	1,831
Other	34	46	436
	348	639	6,015
Ordinary (loss)	(38)	(1,255)	(11,812)
Extraordinary gains:			
Gain on sales of fixed assets	0	0	0
Reversal of allowance for business restructuring loss	-	178	1,679
	0	178	1,680
Extraordinary losses:			
Loss on sales or disposal of fixed assets	0	0	0
Loss on anti monopoly act	52	2,457	23,131
	52	2,457	23,131
(Loss) before income taxes	(90)	(3,534)	(33,264)
Income taxes - Current	13	17	162
Income taxes - Deferred	14	15	143
	27	32	305
Profit (loss)	(118)	(3,566)	(33,570)
(Loss) attributable to owners of parent	¥(118)	¥(3,566)	\$(33,570)
Profit (loss)	(118)	(3,566)	(33,570)
Other comprehensive income			
Net unrealized gains (losses) on securities	4	(8)	(78)
Deferred gains or (losses) on hedges	0	1	13
Revaluation reserve for land	-	-	-
Foreign currency translation adjustments	85	54	513
Remeasurements of defined benefit plans, net of tax	0	2	19
	91	49	467
Comprehensive income	(26)	(3,516)	(33,103)
Comprehensive income attributable to:			
owners of the parent	(26)	(3,516)	(33,103)
non-controlling interests	-	-	-
	Yen		
Per share:			
Net (loss)	¥(2.09)	¥(53.03)	\$(0.49)
Weighted average number of shares	56,615,853	67,253,381	

Business Segment Information

FY2018 first quarter (the three months ended March 31,2018)

	Millions of Yen					Consolidated
	Capacitor	Printed circuit boards	Other	Total	Adjustments	
Sales :						
Outside customers	¥3,329	¥3,107	¥19	¥6,456	-	¥6,456
Intersegment	-	-	-	-	-	-
Total sales	<u>3,329</u>	<u>3,107</u>	<u>19</u>	<u>6,456</u>	<u>-</u>	<u>6,456</u>
Operating income (loss)	<u>¥199</u>	<u>(¥827)</u>	<u>¥4</u>	<u>(¥622)</u>	<u>-</u>	<u>(¥622)</u>

	Thousands of U.S.Dollars (1US\$=¥106. 24)					Consolidated
	Capacitor	Printed circuit boards	Other	Total	Adjustments	
Sales :						
Outside customers	\$31,341	\$29,252	\$181	\$60,775	-	\$60,775
Intersegment	-	-	-	-	-	-
Total sales	<u>31,341</u>	<u>29,252</u>	<u>181</u>	<u>60,775</u>	<u>-</u>	<u>60,775</u>
Operating income (loss)	<u>\$1,880</u>	<u>(\$7,786)</u>	<u>\$46</u>	<u>(\$5,859)</u>	<u>-</u>	<u>(\$5,859)</u>

FY2017 first quarter (the three months ended March 31,2017)

	Millions of Yen					Consolidated
	Capacitor	Printed circuit boards	Other	Total	Adjustments	
Sales :						
Outside customers	¥3,277	¥3,859	¥19	¥7,156	-	¥7,156
Intersegment	-	-	-	-	-	-
Total sales	<u>3,277</u>	<u>3,859</u>	<u>19</u>	<u>7,156</u>	<u>-</u>	<u>7,156</u>
Operating income (loss)	<u>¥306</u>	<u>(¥35)</u>	<u>¥5</u>	<u>¥275</u>	<u>-</u>	<u>¥275</u>