

Consolidated Financial Highlights for the Third Quarter Ended December 31, 2009

February 5, 2010

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1. Consolidated Financial Highlights for the Third Quarter Ended December 31, 2010

(1) Consolidated Operating Results

	Net Sales		Operating profit		Ordinary profit		Net profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
3Q ended December 31, 2009	15,129	△20.3	△786	-	△1,127	-	△1,226	-
3Q ended December 31, 2008	18,987	-	△1,283	-	△1,741	-	△2,345	-

	Net profit per share	Diluted net profit per share
	Yen	Yen
3Q ended December 31, 2009	△64.67	-
3Q ended December 31, 2008	△123.60	-

(2) Consolidated Financial Positions

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2009	29,765	16,618	55.7	874.54
As of March 31, 2009	30,560	17,634	57.6	928.05

Note: Shareholders' equity as of December 31, 2009: ¥16,593 million; as of March 31, 2009: ¥17,608 million.

2. Dividends

	Dividends per share				
	1Q	2Q	3Q	4Q	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2009	-	0.00	-	0.00	0.00
Year ending March 31, 2010	-	0.00	-	-	-
Forecast: Year ending March 31, 2010	-	-	-	0.00	0.00

3. Forecast of Consolidated operating results for the year ending March 31, 2010

	Net Sales	Operating profit	Ordinary profit	Net profit	Net profit per share
	Millions of yen %	Millions of yen %	Millions of yen %	Millions of yen %	Yen
Year ending March 31, 2010	21,000 △6.4	△700 -	△1,150 -	△1,400 -	△73.79

4. Number of shares outstanding:

1. Issued shares including treasury stock As of December 31, 2009: 20,537,875 As of March 31, 2009: 20,537,875
2. Number of treasury stock As of December 31, 2009: 1,563,845 As of March 31, 2009: 1,563,784
3. Average number of issued shares outstanding As of December 31, 2009: 18,974,080
As of December 31, 2008: 18,974,255

The forecast contains forward-looking statements that are based on available data at the time of release. Some factors could cause actual results to differ from expectations.

5. Quantitative Information on Consolidated Operating Results

The economic situation in the current third quarter consolidated cumulative period (from April 1, 2009 to December 31, 2009) remained severe with equipment investment holdback and employment situation aggravation against the background of corporate earnings stagnation, rapidly rising strong yen, deflation progress, etc. despite signs of recovery thanks to the effects of export pickup and economic-stimulus measures implementation.

In the electronics industry in which our Corporate Group is involved, semiconductor equipment investment that had continued stagnant began to pick up and expansion trends were seen with demand for digital products including notebook-type PCs and flat-screen TVs. However, the situation still remains severe with bleak business prospects due to the progress of strong yen and continuing stagnation of advanced nation markets.

Under these severe business environments, our Corporate Group made efforts to secure orders and sales for new products etc., pushed low-cost operation structuring through production shift to overseas plants to reinforce price competitiveness in global markets, and implemented business structure renovation including integration of domestic sales offices, restructuring of domestic physical distribution bases, and personnel rationalization through voluntary retirement for contraction of aggregate total cost.

As a result, sales for the current third quarter consolidated cumulative period were ¥15,129 million (down 20.3% from the same period a year ago). Quarter-wise sales showed signs of recovery with ¥4,151 million (down 43.6%) for the first quarter (April-June 2009), ¥5,126 million (down 24.4%) for the second quarter (July-September 2009) and ¥5,851 million (up 20.5%) for the third quarter (October-December 2009).

Particulars of profits and losses for the current third quarter consolidated cumulative period were operating loss of ¥786 million (operating loss of ¥1,283 million for the same period a year ago) and ordinary loss of ¥1,127 million (ordinary loss of ¥1,741 million for the same period a year ago). Net loss was ¥1,226 million (net loss of ¥2,345 million for the same period a year ago) due to special loss of ¥652 million recorded because of special retirement benefits etc. for the voluntary retirement implemented in December despite special profit of ¥552 million recorded for profits from retirement benefit system termination and investment securities sale. Improvement accelerated along with progress of business structure renovation and sales recovery for the current third quarter (October-December 2009) with operating profit of ¥214 million, ordinary profit of ¥264 million and net loss of ¥99 million.

Division-wise overviews are as follows:

Because of the business division alteration implemented effective from the first quarter consolidated accounting period, overviews for the preceding third quarter consolidated cumulative period are rearranged accordingly to divisions after the alteration for comparison with the corresponding quarter a year ago.

[Connector / PV Solution Business]

Against the background of demand recovery for digital product electronics parts, orders were received steadily for flat-screen TV and amusement equipment high-speed transmission cables (YFLEX products) and connector products, and compact memory card connector products for digital cameras and notebook-size PCs also saw big order increases since early fall. However, the effort-focused solar cell module coupling parts attained results below initial plans, as their full-scale startup had to be put off till and after the next accounting period for reasons including delays in initially scheduled shipments.

As a result, sales for the current third quarter consolidated cumulative period were ¥7,103 million (down 8.8% from the same period a year ago). Sales for the third quarter (October-December 2009) are ¥2,742 million (up 28.0%) showing signs of recovery.

[Test Solution Business]

With the start of pickup of semiconductor equipment investment that had continued stagnant, orders increased since summer for the main lines of the Corporate Group, IC socket products for semiconductor testing, including flash memory and DDR3 memory semiconductor burn-in socket products. Orders also recovered since early fall for PC and in-car logic semiconductor burn-in socket and test socket products.

As a result, sales for the current third quarter consolidated cumulative period were ¥5,099 million (down 24.5% from the same period a year ago). Sales for the third quarter (October-December 2009) were ¥2,058 million (up 18.7%).

[Optical-Related / EMS Business]

Orders are recovering for general optical apparatus and optical communication thin-film filter products in the optical-related business. Board mounting in overseas EMS business saw a big income decrease from the same period a year ago due to a switch of materials acquisition methods from transactions based on gross sales recording to those based on net sales recording. However, orders are tending to increase for new board mounting. LCD assembly in domestic EMS business tackled staying in the back through all-around cost reduction activities since orders remained dull for medium and small size LCD panels.

As a result, sales for the current third quarter consolidated cumulative period were ¥2,926 million (down 34.1% from the same period a year ago). Sales for the third quarter (October-December 2009) were ¥1,050 million (up 7.4%).

Location-wise segment overviews are as follows:

[Japan]

Against the background of demand recovery for digital product electronics parts in Japan, business ran favorably for flat-screen TV and amusement equipment high-speed transmission cables (YFLEX products) and connector products, and also for digital camera and notebook-size PC compact memory card connector products since early fall. With semiconductor equipment investment beginning to recover, orders also recovered for IC socket products for semiconductor testing including memory and then logic semiconductor burn-in socket and test socket products.

As a result, the current third quarter consolidated cumulative period saw sales of ¥6,930 million (down 10.1% from the same period a year ago) and operating profit of ¥26 million (down 89.1%). The third quarter (October-December 2009) had sales of ¥2,778 million (up 13.2%) and operating profit of ¥399 million (operating loss of ¥139 million for the same period a year ago).

[North America]

Business improved in North America for memory semiconductor burn-in socket products etc., but sales contribution remained small for solar cell module coupling parts due to delays in mass-sales time.

As a result, the current third quarter consolidated cumulative period saw sales of ¥1,666 million (down 18.1% from the

same period a year ago) and operating loss of ¥42 million (¥47 million for the same period a year ago). The third quarter (October-December 2009) had sales of ¥714 million (up 16.4% from the same period a year ago) and operating profit of ¥9 million (operating loss of ¥4 million for the same period a year ago).

[Asia]

Active business inquiries continued in Asia for IC socket products for semiconductor testing because of business recovery for memory and then logic semiconductors in Korea and Southeast Asia, and orders increased for connector products for digital products like flat-screen TVs and notebook-size PCs. Big improvement was attained in profit-loss respect through disposal of unprofitable board mounting products in EMS business, cost-reduction activities in production divisions in China and the Philippines, etc.

As a result, the current third quarter consolidated cumulative period saw sales of ¥4,497 million (down 26.7% from the same period a year ago) and operating profit of ¥394 million (up 232.9%). The third quarter (October-December 2009) had sales of ¥1,611 million (up 52.1%) and operating profit of ¥164 million (operating loss of ¥51 million for the same period a year ago).

[Europe]

Efforts were focused in Europe on the startup of solar cell module coupling parts, but sales contribution remained small because of delays in mass-sales time. Business remained dull for FA instrument connector products and semiconductor testing IC socket products and efforts were made to ensure staying in the black through all-around cost reduction activities.

As a result, the current third quarter consolidated cumulative period saw sales of ¥2,035 million (down 34.5% from the same period a year ago) and operating loss of ¥169 million (operating loss of ¥121 million for the same period a year ago). The third quarter (October-December 2009) had sales of ¥746 million (up 2.8% from the same period a year ago) and operating loss of ¥16 million (operating loss of ¥161 million for the same period a year ago).

6. Quantitative Information on Consolidated Financial Position

Total assets at the end of the current third quarter consolidated accounting period were ¥29,765 million (down ¥794 million from the end of the preceding consolidated accounting period).

Current assets decreased ¥437 million from the end of the preceding consolidated accounting period because of cash and deposit decrease etc. due to special retirement benefit payment etc. despite income from investment securities sale, insurance reserve fund cancellation, etc. Investments and other assets decreased ¥39 million from the end of the preceding consolidated accounting period because of insurance reserve fund cancellation etc. despite recording of evaluation surplus from the rise of investment securities market prices.

Liabilities were ¥13,146 million (up ¥221 million from the end of the preceding consolidated accounting period) because of purchase liabilities increase etc. accompanying the order increase despite accounts payable decrease etc. due to special retirement benefit payment etc. implemented in the preceding consolidated accounting period.

Net assets were ¥16,618 million (down ¥1,016 million from the end of the preceding consolidated accounting period). Shareholders' equity decreased ¥1,226 million because of the recording of the quarterly net loss.

ENGLISH TRANSLATION OF JAPANESE - LANGUAGE DOCUMENT.

This is a translation of the original Japanese-language document and is provided for convenience only. In all cases, the Japanese-language original shall take precedence.

7. Quantitative Information on Consolidated Operating Results Forecast

Concerning the forecast of operating results for the period ending March 2010, contents announced officially on October 30, 2009 have been amended. For particulars, please refer to "Notice on Performance Forecast Amendment" announced officially today (February 5, 2010).

The above forecasts were prepared on the basis of information obtainable as of the date of release of this document. Going forward, due to changes in business conditions, actual operating results may differ from the estimated values.

Consolidated Balance Sheets

(Thousand of yen)

	As of December 31, 2009	As of March 31, 2009
	Amount	Amount
(ASSETS)		
Current assets		
Cash and deposits	3,621,900	5,999,239
Notes and accounts receivable-trade	7,751,536	6,455,677
Merchandise and finished goods	1,325,111	1,118,255
Work in process	438,720	421,446
Raw materials and supplies	1,532,999	1,090,012
Deferred tax assets	126,900	112,604
Other	715,659	732,063
Allowance for doubtful accounts	△35,634	△14,605
Total current assets	15,477,193	15,914,693
Fixed assets		
Tangible fixed assets		
Buildings and structures	3,556,904	3,715,648
Machinery, equipment and vehicles	1,952,258	1,883,431
Tools, furniture and fixtures	1,694,030	1,819,686
Land	3,869,676	3,911,723
Lease assets	9,625	11,932
Construction in progress	120,577	114,229
Total tangible fixed assets	11,203,074	11,456,651
Intangible fixed assets		
Goodwill	62,862	82,025
Other	180,690	225,668
Total intangible fixed assets	243,552	307,693
Investments and other assets		
Investment securities	1,619,283	1,447,221
Deferred tax assets	121,589	73,853
Other	1,197,289	1,456,593
Allowance for doubtful accounts	△ 96,243	△ 96,445
Total investments and other assets	2,841,919	2,881,223
Total fixed assets	14,288,547	14,645,568
Total assets	29,765,740	30,560,262

(Thousand of yen)

	As of December 31, 2009	As of March 31, 2009
	Amount	Amount
(LIABILITIES)		
Current liabilities		
Notes and accounts payable-trade	3,463,285	3,163,501
Short-term loans payable	5,293,200	5,742,531
Income taxes payable	57,906	66,723
Provision for bonuses	7,549	6,300
Deferred tax liabilities	244,168	273,330
Other	2,571,538	2,804,806
Total current liabilities	11,637,648	12,057,191
Long-term liabilities		
Long-term borrowings	1,130,868	484,492
Accrued severance indemnities	84,713	163,198
Allowance for director's retirement benefits	53,482	62,427
Deferred tax liabilities	184,834	63,426
Other	55,438	94,701
Total long-term liabilities	1,509,338	868,245
Total liabilities	13,146,986	12,925,437
(NET ASSETS)		
Shareholders' equity		
Common stock	10,013,634	10,013,634
Capital surplus	10,971,518	10,971,518
Retained earnings	△1,246,664	△19,681
Treasury stock - at cost	△2,281,311	△2,281,300
Total shareholders' equity	17,457,177	18,684,170
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	262,184	89,140
Foreign currency translation adjustments	△1,125,903	△1,164,408
Total valuation and translation adjustments	△863,718	△1,075,267
Minority interests	25,295	25,922
Total net assets	16,618,754	17,634,825
Total liabilities and total net assets	29,765,740	30,560,262

Consolidated Statements of Income

(Thousand of yen)

	3Q period of previous year (From April 1, 2008 to December 31, 2008)	3Q period of current year (From April 1, 2009 to December 31, 2009)
	Amount	Amount
Net sales	18,987,783	15,129,868
Cost of sales	14,707,910	11,776,936
Gross profit	4,279,873	3,352,932
Selling, general and administrative expenses	5,562,959	4,139,531
Operating income	△1,283,085	△786,598
Non-operating income		
Interests income	42,343	11,273
Dividends income	41,411	27,994
Other	78,231	158,886
Total non-operating income	161,986	198,154
Non-operating expenses		
Interests expense	66,198	129,366
Foreign exchange loss	445,083	224,474
Other	108,626	185,636
Total non-operating expenses	619,909	539,478
Ordinary income	△1,741,008	△1,127,922
Extraordinary income		
Gain on sales of fixed assets	35,964	16,873
Gain on sales of investment securities	55,930	279,470
Gain on transfer of the retirement benefit plan		253,839
Other	19,432	2,303
Total extraordinary income	111,328	552,486
Extraordinary loss		
Loss on disposal of fixed assets	36,580	53,600
Loss on sale of fixed assets	1,236	37,694
Loss on valuation of investment securities	165,179	1,233
Loss on valuation of inventories	146,517	
Extraordinary added retirement benefits		560,157
Other	37,577	
Total extraordinary loss	387,091	652,686
Income before income taxes	△2,016,771	△1,228,121
Income taxes	328,779	△540
Minority interests	△357	△598
Net income	△2,345,193	△1,226,982

Consolidated Statements of Cash Flows

(Thousand of yen)

	3Q period of previous year (From April 1, 2008 to December 31, 2008)	3Q period of current year (From April 1, 2009 to December 31, 2009)
	Amount	Amount
Cash flows from operating activities		
Income before income taxes and other adjustments to net income	△2,016,771	△1,228,121
Depreciation and amortization	1,767,677	1,307,842
Interest and dividends income	△83,755	△39,268
Interest expenses	66,198	129,366
Exchange (gain) loss	440,924	181,573
(Increase) decrease in trade receivables	1,085,195	△1,329,477
(Increase) decrease in inventories	459,857	△698,522
Increase (decrease) in trade payables	△1,473,669	318,498
Other, net	△99,853	429,715
Sub total	145,803	△928,393
Interest and dividends received	91,441	37,929
Interest paid	△59,465	△144,972
Extraordinary added retirement benefits paid		△810,114
Income taxes paid	△209,477	△106,147
Net cash provided by (used in) operating activities	△31,699	△1,951,698
Cash flows from investing activities		
Purchase of property, plant and equipment	△1,793,362	△1,266,529
Proceeds from sales of property, plant and equipment	299,559	45,297
Proceeds from sale of investment securities		409,365
Income on refund of investments in insurance funds	454,519	431,339
Other, net	△163,066	△185,815
Net cash provided by (used in) investing activities	△1,202,350	△566,342
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	2,554,275	3,225
Increase from long-term borrowings	450,000	950,000
Repayment of long-term loans payable	△2,611,124	△748,624
Cash dividends paid	△57,663	△1,011
Other, net	△51,854	△39,941
Net cash provided by (used in) financing activities	283,632	163,648
Effect of exchange rate change on cash and cash equivalents	△377,789	△22,947
Net increase (decrease) in cash and cash equivalents	△1,328,206	△2,377,340
Cash and cash equivalents at beginning of period	5,131,499	5,993,787
Cash and cash equivalents at end of period	3,803,292	3,616,447