MEIKO
CSR Report
2011

MEIKO CORPORATE SOCIAL RESPONSIBILITY

MEIKO ELECTRONICS CO., LTD.

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VEGETABLE OIL INK

MEIKO

Meiko Group Business Principles

Provide the best quality and service to customers
and contribute to betterment of society.
Strive to create "the best".
Elevate our corporate value to improve
the well-being of our employees and society.

In addition to trying to make reasonable profit through fair competition, our aim is to establish the Meiko Group as a useful presence to as many members of society as possible. Acting in accordance with the following nine principles, we are therefore committed to the respect of human rights and compliance with the law and other applicable rules, in letter and in spirit, both at home and overseas.

By upholding these lofty ideals, our aim is to act as a global company contributing to the creation of a sustainable society.

Corporate Charter

1. We will develop and supply products and services that are both useful to society and highly reliable in order to guarantee customer satisfaction and earn their trust, paying full attention to quality, safety and customer data protection.
2. We will strive to develop creative technology and pave the way for new business in order to help create a brighter future.
3. We will engage in fair, free and transparent competition and fair trade and will maintain sound, healthy relationships with political and administrative bodies.
4. We will communicate with our shareholders, customers, investors, business partners, employees and other stakeholders and actively disclose corporate information in a fair and timely manner to ensure that our corporate activities are as transparent as possible.
5. We will respect diversity and individual employees' personalities and ensure that all working environments are safe, motivating and comfortable.
6. We will reduce environmental impact and contribute to the creation of a sustainable society, in recognition of the fact that we all need to do our part to tackle environmental issues.
7. We will actively engage in social contribution activities as a good corporate citizen, including research, education, environmental preservation and community services, and will resolutely oppose antisocial individuals and organizations.
8. We will comply with all applicable rules, laws and regulations, at both the local and global levels, as part of our international business activities and will respect local cultures and customs and contribute to the development.
9. Management will enforce this charter within the company, leading by example in recognition that it is their responsibility to put the spirit of this charter into practice, and raise awareness amongst group companies and suppliers. Management will continually monitor internal and external feedback, exercise effective governance and rigorously implement corporate ethics.

In publishing the CSR Report 2011 (English version)

We would first like to express our sympathy for the victims of the Great East Japan Earthquake that occurred a short time ago. We pray for the safety and speedy recovery of all.

We published our fourth CSR Report 2011 (Japanese version) in late July. This report has been organized to be comprised Message from the President, Special Feature, Management System, Sociality Report, Environmental Report, Communication Tools and Financial Performance sections. We hope that many people will read this report, and will find in the Report that we are united in a constant commitment to earn your trust by acting responsibly as a good corporate citizen.

Intended audience
All stakeholders with an interest in Meiko Electronics Co., Ltd.

Coverage
Meiko Electronics Co., Ltd. and affiliated companies
*Please see page 37 for a list of organizations

Reporting period
This report refers to CSR activities undertaken during Fiscal 2010 (April 1, 2010 to March 31, 2011) as a rule. Sections outlining past activities however may include details relating to before that period. Similarly, in order to provide the very latest information, this report may also contain details relating to April 2011 onwards.

Reference guidelines
- "Environmental Reporting Guideline (Fiscal Year 2007 Version)" (Ministry of the Environment)
- "Sustainability Reporting Guidelines 2006"

Date of publication
Previous report: June 2010
This report: July 2011

* For the purposes of this report, "Meiko" refers to the Meiko Group as a whole, consisting of Meiko Electronics Co., Ltd. and its affiliated companies.

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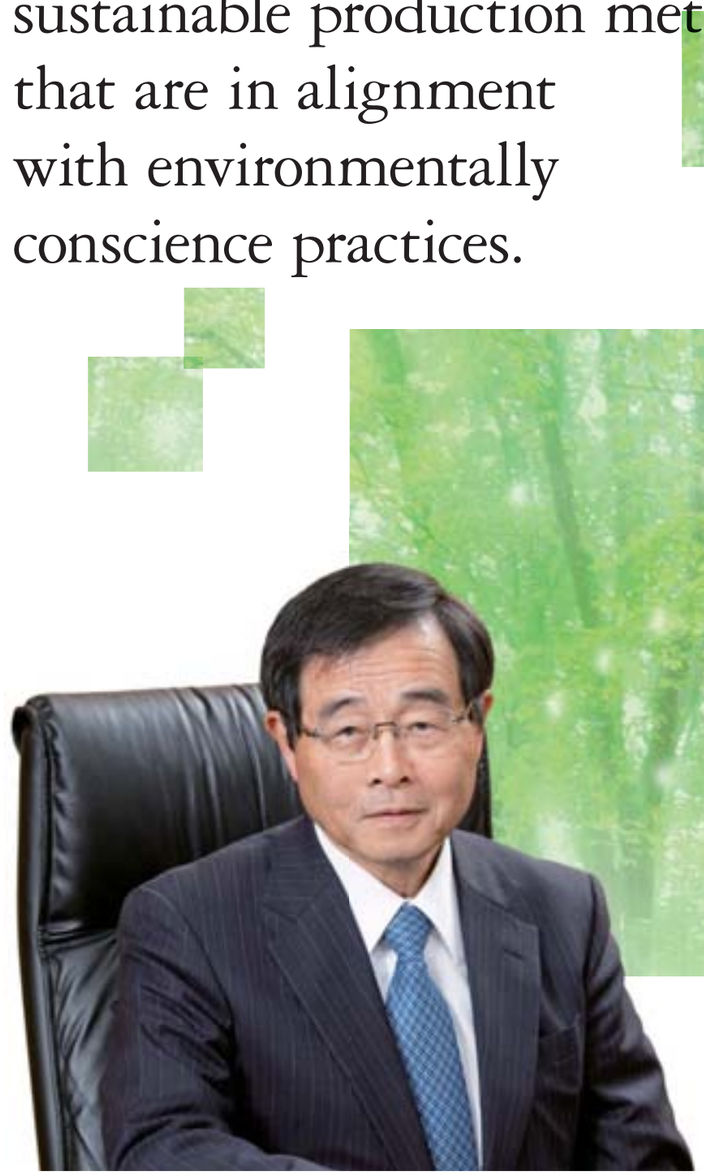
Message from the President

Through all our business activities, Meiko is working to implement sustainable production methods that are in alignment with environmentally conscience practices.



President and CEO
Yuichiro Naya
名尾 佑一郎

We would like to express our condolences to the victims of the Great East Japan Earthquake that occurred in March this year. Our plants in Ishinomaki City, Miyagi Prefecture and Hironomachi, Fukushima Prefecture, were also damaged in the earthquake disaster. Five individuals unfortunately lost their lives at the Miyagi Plant and one person is yet unaccounted for. The Fukushima Plant had been inaccessible and the production line consequently stopped due to the accident at the nuclear power plant. The plant has currently resumed operation following modification of the evacuation zone.

The accident at the nuclear power plant drew the attention of the world and has rekindled debate over the safety of nuclear power. As the world accelerates the movement to realize a low-carbon society, it is likely that people will begin to search for renewable and clean energies to take the place of nuclear power generation.

If we are to continue to thrive on this planet, then coexisting with the environment has to be our top priority. Here at Meiko, making a contribution to this process is one of our top priorities as a company.

Meiko is actively involved in solving energy problems and environmental issues such as global warming. We are making efforts to reduce environmental burdens and risks produced from our production process and enhancing resource efficiency in order to contribute to reduction of the environmental impact on our society as a whole and to promote the construction of a sustainable society. Attention has been focused on photovoltaic power generation, which produces clean and renewable energy, and environmentally-friendly products such as hybrid cars, electric vehicles, LED TVs and LED lighting, together with a future potential of smart grid society. For our part, we have quickly established production lines for the likes of high-power and Heat Dissipation PWBs (Printed Wiring Boards), without which such products couldn't function, at our second plant in Wuhan China.
In addition to incorporating environmentally friendly technology and expertise into the manufacturing process for electronic PWB's, we intend to actively supply PWB's that are capable of making a difference to the environment on the product front as well.

In addition to focusing on the environment, it is crucial that we also gain trust from all of our stakeholders, including our customers, investors, employees and members of the local community, in order to sustain our corporate activities within our modern day society. Each and every one of our employees here at Meiko is made aware of this fact and trained to effectively promote CSR initiatives. The bare minimum that we can do to earn the public's trust is to ensure that we comply with the law and adhere to rules, regulations and ethical standards in different societies around the world. With that in mind, we have formulated a set of Compliance Regulations and a Compliance Manual for trainings to our employees.

The quality of our products is one of our key priorities as a manufacturer. Once you start to have issues in terms of quality, not only do you lose all of the trust that you worked so hard to earn, but you also create problems for customers using your products and all of the other stakeholders with an interest in the company. As we appreciate just how important quality is here at Meiko and reflect the awareness in our Business Principles, we are committed to achieving levels of quality and reliability that guarantee the highest possible levels of customer satisfaction.

We will continue to contribute to the creation of a sustainable society through activities such as these as we strive to earn the public's trust. I hope we can continue to rely on your support and cooperation in the future.

Meiko's Approach to CSR

With customers and operations all over the world, Meiko works in harmony with its environment and communities. We are thankful for this harmony and in turn engage in Corporate Social Responsibility (CSR) activities.

Meiko's CSR Declaration

Meiko's Business Principles and activities align with the global social responsibilities and in turn support an environmentally sustainable society.

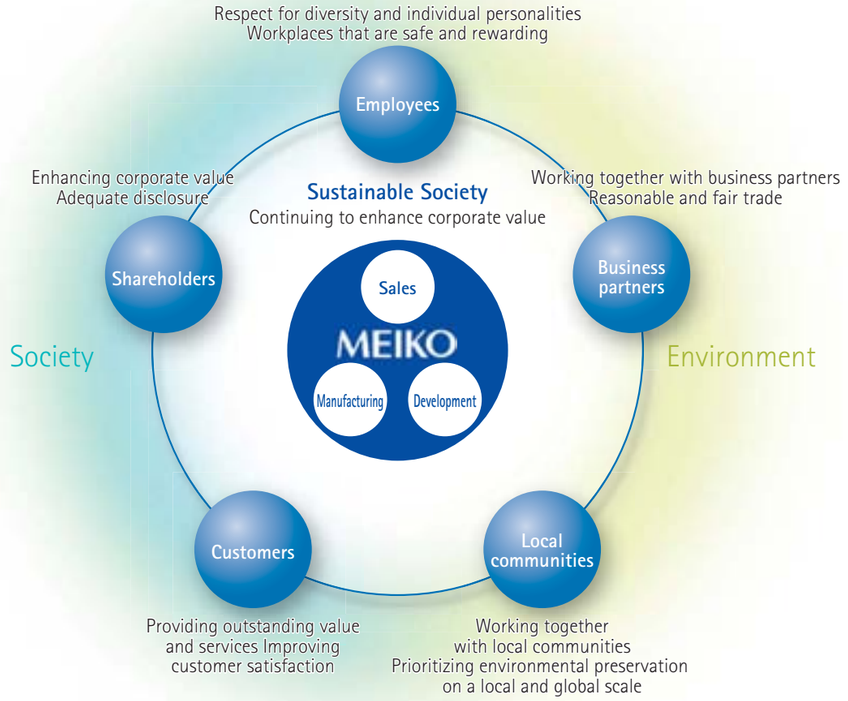
Actively expanding and maintaining CSR activities

All of our CSR activities here at Meiko are underpinned by our Business Principles and our accompanying Corporate Charter. We are confident that we can contribute to the creation of a sustainable society by continuing to provide our customers with outstanding value and services via our core electronic PWB operations.

Working and prospering in partnership with our stakeholders

A company's business revolves around interaction with the various stakeholders who have an interest in the company, including its customers, business partners, investors, shareholders, employees and the local community. Establishing relationships with and effectively handling the various matters of interest to each of these stakeholders is therefore of the utmost importance. Here at Meiko, all of our employees around the world recognize that CSR is central to every aspect of our business activities and carry out their duties at the local level with the aim of establishing trust in the company. Through our CSR activities, we will continue to fulfill our responsibilities as a member of society as we strive to establish a sustainable society through environmental and social contribution initiatives.

Working and prospering in partnership with our stakeholders

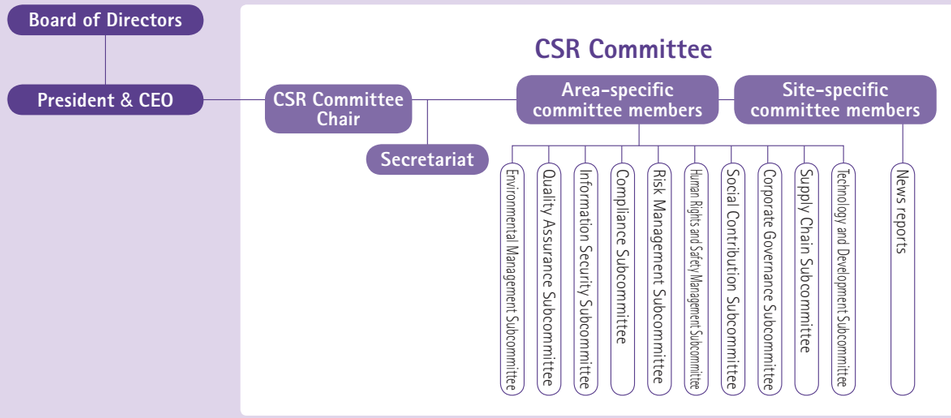


CSR promotion framework

We have established a CSR Committee and make every effort to improve and expand our CSR activities here at Meiko.

The CSR Committee is made up of site-specific committee members representing individual plants, sales offices and other premises and area-specific committee members operating on a groupwide basis. This makes it possible to organize activities covering all areas of the group's operations in line with our CSR Declaration and respond in good faith to input from our stakeholders.

CSR Promotion Framework (CSR Committee)



Our Green Society Initiatives

Meiko recognizes that protecting the global environment and committing to clean air and water are critical responsibilities that we have for the generations that come after us. We use resources effectively and operate in a way that is compatible with our living environment. Under this Basic Environmental Policy, we aspire to create an environmentally friendly society through our business activities.

In this Special Feature, this year again, we look at the following examples of our diverse environmental activities:

I. Taking steps to cut CO_2 emissions to counter global warming

II. Helping to create a green society with eco-friendly products. (Heat Dissipation PWBs and Large Electric Current PWBs)

I Cutting CO_2 emission to counter global warming

Meiko believes that it needs to adopt its own, voluntary initiatives to address global warming. We have been striving to cut CO_2 emissions by combining the creative ideas of our employees.

In this Special Feature, we describe the steps we have taken at the Guangzhou Plant and the Wuhan Plant in China. These are examples of the initiatives we take at our plants, which are the source of the reductions we achieve in CO_2 emissions.

1. Saving energy by automatic cleaning of cooling water piping used for air-conditioning at our Guangzhou Plant

At the Guangzhou Plant, freezers used for air-conditioners used to be shut down periodically and the inside of the cooling water piping was cleaned by hand. We have since introduced automatic washing equipment that enhances operating efficiency by automatically cleaning the piping 18 times a day without shutting down the freezers. It also saves electricity by keeping the freezing function in optimal condition. As a result, we succeeded in reducing the amount of electric power used and CO_2 emission by 15%.

Before

Inside of freezer

After

Automatic washing equipment installed

Inside of piping is cleaned by circulating sponge-shaped balls through the system.

2. Saving energy by introduction of LED lighting at our Wuhan Plant

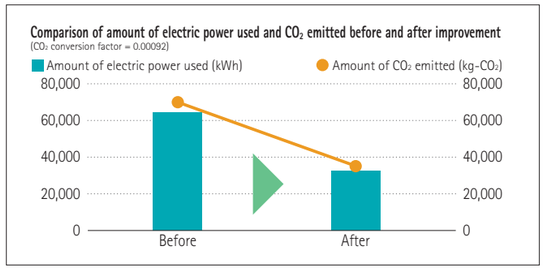
Reduction of energy consumption was planned for the Fiscal 2010 at the office and first plant by replacing fluorescent lighting (1548 40W lamps, 1082 20W lamps) with LED lighting. As a result, we were able to reduce the amount of power and amount of CO_2 emitted by the lighting by 50%. In the future we plan to continue the switch to LED lighting gradually to further cut down on the amount of electric power used.

Before

Fluorescent lamp, 4 20W lamps

After

LED lamp, 4 20W lamps

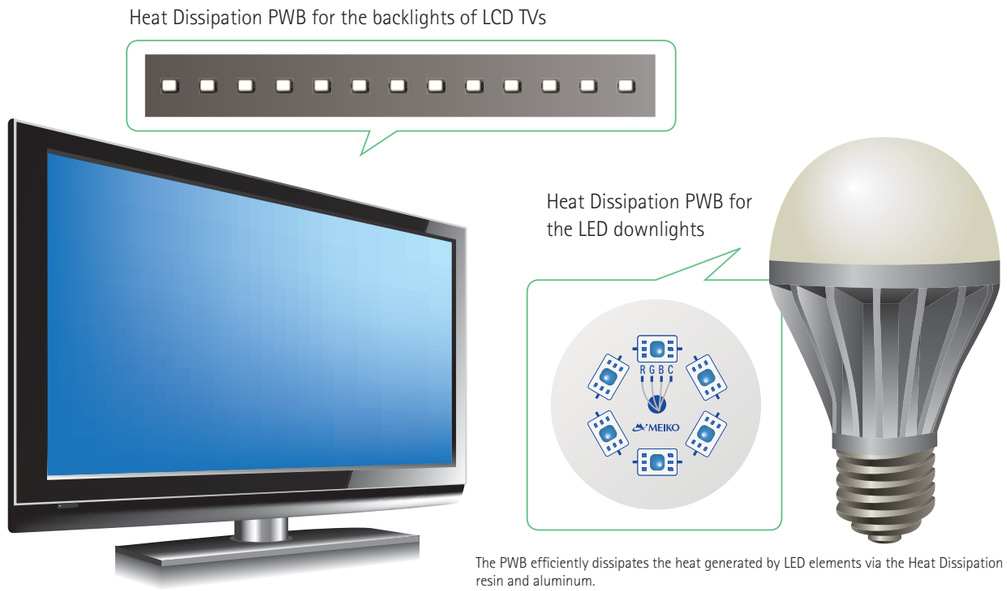


Helping to create a green society with eco-friendly products

Given rising concern over environmental issues such as global warming and pollution, we are witnessing a rapid development and practical application of eco-friendly products and technologies, including LED lighting, photovoltaic power generation, and hybrid cars. The emergence of these new products and technologies require the use of corresponding PWBs.

At Meiko, we aspire to contribute to the creation of a green society by manufacturing and supplying the high-quality PWBs that these eco-friendly products need.

1. Heat Dissipation PWB: promoting the use of LED lighting



The PWB efficiently dissipates the heat generated by LED elements via the Heat Dissipation resin and aluminum.

LEDs are promising, next-generation light source, and important eco-friendly products. They boast low power consumption and great durability. In addition, they contain no harmful substances like mercury. LEDs are likely to find even broader application in the future, in areas such as lighting equipment for homes, offices, and vehicles, and backlights for LCD TVs.

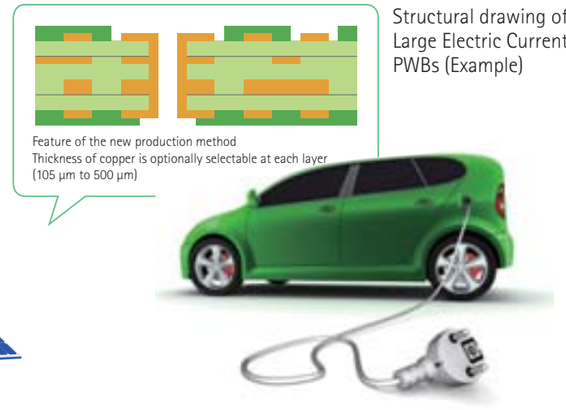
Although the light from LEDs generate less heat compared with conventional incandescent lamps and fluorescent lamps, the LED elements themselves generate heat and are vulnerable to heat, too. In addition, LED elements are a type of semiconductor and are mounted directly on PWBs in many cases. As a consequence, these PWBs are required to dissipate heat more efficiently than conventional models.

Meiko is aiming to boost the heat dissipation performance of PWBs while keeping prices low through the establishment of a mass production system. We are leading the way in research and development focused on Aluminum base Heat Dissipation PWBs which combine highly cost-effective aluminum with high-quality heat dissipation resin, and have established mass production system both inside and outside of Japan.

Characteristics required of LEDs differ significantly according to applications. LED headlights used by automobiles, for example, must offer both heat dissipation and reliability at an extremely high level. At Meiko, we are therefore involved in research and development of materials and production methods that fit each application best.

Thus, the emergence of LED lighting requires solutions to technical issues and the establishment of a system that ensures a stable supply of high-quality products at low prices. At Meiko, we will help protect the global environment by supporting the growth of LED lighting through the development and mass production of Heat Dissipation PWBs using aluminum and other materials.

2. More powerful PWBs encourage the rise of photovoltaic power generation and eco-cars



Structural drawing of Large Electric Current PWBs (Example)

The issue of global warming caused by greenhouse gases is a pressing problem that requires a concerted effort on the part of the international community. One technology for countering the problem is photovoltaic power, a natural and clean energy source that emits only tiny quantities of CO_2. The installation of photovoltaic power generators is consequently being encouraged all over the world, and the devices are being promoted in Japan under the initiative of the government.

A solar cell used for photovoltaic power generation directly converts light energy into an electric current and accumulates the current via PWB. Photovoltaic power generation requires the use of Large Electric Current PWBs that are capable of passing a higher current than conventional PWBs used for personal computers and other devices.

In addition, the automobile industry is experiencing a shift from gasoline-powered cars to hybrid cars and electric vehicles. The next-generation vehicles also require Large Electric Current PWBs, because electronic controls are used for many of the parts, including high-power motors used as alternatives to gasoline engines.

A Large Electric Current PWB needs to have a much wider area for the current path than is seen with conventional PWBs. Therefore, the copper pattern for its circuit needs to be much thicker. Meiko has pioneered the development of heavy copper PWBs, and has successfully mass produced low-cost, high-quality, Large Electric Current PWBs and have established a mass production line at our second plant in Wuhan, China.

The Large Electric Current PWBs we are researching and developing at Meiko feature an ecological manufacturing process whereby waste liquid drainage is dramatically reduced by adopting a new production method developed exclusively by Meiko in place of conventional etching when forming circuits. We have furthermore combined technologies for Large Electric Current PWBs with those of Heat Dissipation PWBs, and are conducting research and development of Large Electric Current PWBs that create a superior heat dissipation effect employing materials such as aluminum and heat dissipation resin.

Thus, to contribute to a low-carbon society, Meiko will continue to evolve and develop Large Electric Current PWBs that will become the components of photovoltaic power generation and eco-friendly products such as hybrid cars.

From Product Development

Kouji Nakayama, General Manager, Meiko Research and Development Center

We aim to take on the new challenges that will accompany the growth of LEDs.

LEDs can be made to fit diverse product designs, as they permit diverse combinations of small elements. In addition, they are environmentally friendly and boast superior durability. So we believe that LEDs will find new applications in the future. As it is used in more fields, the level of performance required will rise, leading to the generation of new issues. We plan to overcome these issues by calling on the same accumulated technologies and enthusiasm we bring to the development of any new technology.

Special Feature

Management System

To ensure that operations are efficient and appropriate, Meiko has improved its transparency and established a management framework that will earn the trust of its stakeholders, establishing a system that allows audits and internal control to function appropriately.

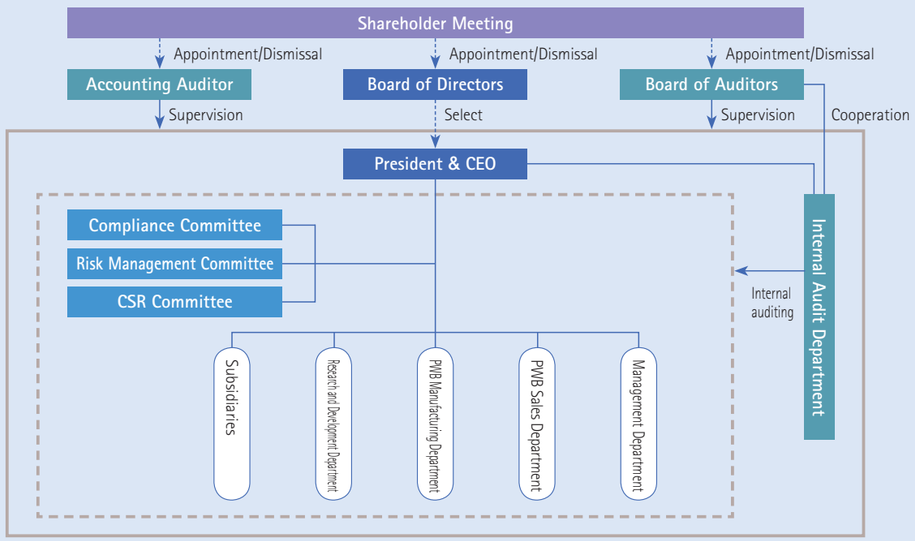
Corporate Governance

Our organization

At the Meiko Group, the Board of Directors is the principal decision-making body.

Our auditors audit and check the execution of duties by each Director in accordance with the policies of our Board of Auditors. The Internal Audit Department improves and expands our internal check system and ensures that corporate governance and compliance function effectively based on the policy for our internal control system.

Corporate Governance Framework at Meiko



Internal Control System

Our Board of Directors passes resolutions and seeks to refine the following aspects of our system (Basic Policy on Internal Control System) for ensuring proper operations in accordance with the Companies Act and Ordinance for Enforcement of the Companies Act.

Basic Policy on Internal Control System

1. A system for ensuring that the duties of our Directors and employees comply with laws and regulations and our Articles of Incorporation
2. A system for ensuring that the duties of our Directors are executed efficiently
3. A system for storage and management of information concerning the execution of duties by our Directors
4. A system regarding rules, etc. on the management of the risk of loss
5. Improvement of the auditing environment for our Auditors
6. A system for ensuring proper operations by Meiko Electronics Co., Ltd. and its Group companies

Internal control concerning financial reporting

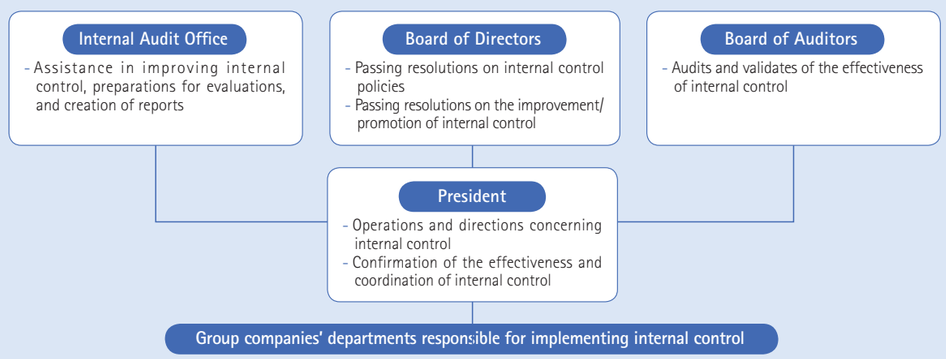
With the full enforcement of the Financial Instruments and Exchange Act, it became mandatory in Fiscal 2008 for listed companies to evaluate their internal control over financial reporting and create and submit internal control reports based on the outcomes of the evaluations to ensure that their financial reporting was reliable.

Under the Basic Policy on Internal Control System shown above, we developed policies and plans concerning the policy, procedures, and methods of evaluating our internal control, the framework of evaluations, scope of evaluations, schedules of evaluations, and recording and storage of evaluation outcomes. We have established a framework for evaluations to be led by management. In this process, we followed the Practice Standards for Management Assessment and Audit concerning Internal Control over Financial Reporting set by the Financial Services Agency.

Based on these policies and plans, we again evaluated in Fiscal 2010 the effectiveness of our Companywide internal control (including account settlement and financial reporting processes) which would have a substantial influence on our overall consolidated financial reporting. Based on the outcome, we evaluated the effectiveness of our IT control and internal control, which is incorporated in our business process and executed in an integrated manner (internal control concerning business processes including account settlement, financial reporting, sales and inventory management, and purchases).
All issues with our internal control identified through the evaluation processes were rectified during the term.

As a result of these processes, we stated that "Our internal control over financial reporting has been effective" in our internal control report for Fiscal 2010, and received appropriate opinions from our auditors.
We have submitted our internal control report and financial reports for Fiscal 2010 to the Kanto Finance Bureau following a resolution by the Board of Directors.

Internal Control of the Meiko Group in Fiscal 2010



Measures for Ensuring Compliance

Meiko positions compliance as a critical aspect of management. Each of our employees complies with laws and ordinances, social ethics, and morals in their work. We have codified our standards in the Corporate Charter of the Meiko Group and the Code of Conduct. We also explain the framework of our activities in our Compliance Regulations, while the Compliance Manual shows more specific compliance rules to be observed by the Company and its employees.

Past and Future Initiatives

The initiatives we have taken to ensure compliance include setting up a Compliance Committee, developing Compliance Regulations and a Compliance Manual. We have also introduced a whistleblowing system and set up the Help Line as a direct point of contact with employees. Matters reported under this system are discussed by the Compliance Committee as necessary and responses are considered by the Committee.

In order to have everyone in the Company striving for compliance, we believe it is essential not only to prepare a system, but to foster an atmosphere and sense of compliance awareness. The Company's own unique Compliance Handbook can be accessed on our in-house website and pamphlets are distributed to all executives and employees in order to raise awareness of employees.

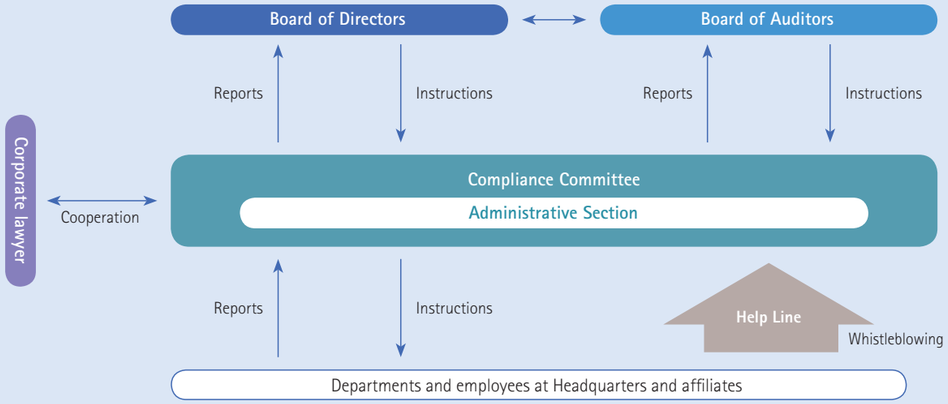
Compliance Regulations and Organizations

Meiko has established its own framework for compliance activities. The figure below shows the major elements of the Compliance Regulations.

Major components of the Compliance Regulations

- Set-up of Compliance Committee
- Establishment of a whistleblowing system (Help Line), obligation to provide notification and measures following notification
- Responsibilities of executives and employees
- Provide compliance trainings

Organizational Chart on Compliance



Compliance Manual

The Compliance Manual provides specific explanations of Meiko's approach to compliance, the compliance structure, and areas requiring compliance by executives and employees. These are listed below.

Compliance Manual (Areas Requiring Compliance)

1. **Compliance for our customers**
   (1) Confidentiality obligation (2) Sincere attitudes (3) Product liability (4) Eliminating inappropriate relationships with customers (5) Prohibiting transactions based on personal considerations
2. **Compliance for our suppliers**
   (1) Fair selection of business partners (2) Prohibition of requests for kickbacks (3) Prohibition of excessive gifts and entertainment (4) Prohibition of the reception of other conveniences and facilities
3. **Compliance for our investors**
   (1) Disclosure of appropriate corporate information (2) Correct recording (3) Comprehensive internal auditing
4. **Compliance for our community**
   (1) Compliance with related laws and ordinances, etc. (2) Compliance with the Antimonopoly Act (3) Compliance with the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors (4) Compliance with laws and ordinances on insider trading (5) Respect for intellectual property rights (6) Confrontation with antisocial forces
5. **Compliance for our employees**
   (1) Respect for human rights (2) Prohibition of sexual harassment (3) Prohibition of power harassment (4) Protection of personal information (5) Compliance with labor laws
6. **Compliance for the profits and assets of the Company**
   (1) Compliance with internal rules (2) Prohibition of conflicts of interest (3) Respect for the Company's assets (4) Fair reporting of expenses

Introduction of the Help Line

We have introduced a whistleblowing system (Help Line), which permits our employees to report violations or possible violations of laws, ordinances, or other regulations without hesitations. We protect information and conduct fact-finding with particular care so as to protect whistleblowers from any disadvantages. Whistleblowers can choose to remain anonymous.

Provision of compliance education

At Meiko, we provide compliance education because we believe that the idea of compliance will be effective only when it is adopted by all executives and employees across the entire organization. We issue warnings on insider trading to all employees at the time of quarterly settlement. In addition, efforts are made to raise awareness by providing examples of compliance violations, in our newsletters and on our in-house website.

Protection of intellectual property rights

Meiko recognizes the importance of protecting intellectual property rights and take steps to avoid infringing, or allowing others to infringe, on such rights.

* The following is an excerpt from the section titled "Protection of Intellectual Property Rights" in the Compliance Manual.

> At Meiko Group, we respect the intellectual property rights of others, including patent rights and copyrights. We develop a new product only after confirming that it will not infringe on any intellectual property rights held by others.

Antisocial forces

Meiko refuses to have anything to do with any individuals and organizations perceived as antisocial forces that threaten the social order and safety, not only its attributes, but pursuit of economic gain using violence, force or fraudulent techniques or its use, and is resolutely determined to work in close cooperation with external dedicated institutions such as the police in accordance with "Regulations for dealing with antisocial forces" and various "Manuals".

Measures for Information Security

Our business is the manufacture and sales of electronic PWBs. To continue our business, we believe that it is essential that our customers have faith that our information security is sufficiently reliable that we will never leak important information.

As a company-wide initiative on information security, we have obtained ISO27001 certification in Information Security Management System (ISMS), with which we will strengthen information management systems with our customers.

Information Security Policy

To protect customer information and maintain stable corporate activities, security measures to protect our information assets from threats are vital.
To this end, Meiko Electronics Co., Ltd. has instituted the following policy on information security.

1. We protect customer information and in doing so build trust with our customers in accordance with one of our Business Principles, namely, "We will provide our customers with outstanding value and services and make a contribution to society."
2. We maintain and improve our corporate ethics and fulfill our corporate social responsibility by adopting information security measures and complying with relevant laws and ordinances.
3. We secure the resources needed to sustain our corporate activities.
4. To facilitate information security action, we ensure and continuously improve our Information Security Management System (ISMS).

Protection of personal information

To comply with laws concerning the protection of personal information and to handle personal information appropriately, Meiko has adopted the "Personal Information Protection Regulations." Based on these regulations, we handle information with particular care.

Protecting customer information

Protecting the confidential information of our customers is the most fundamental requirement. We take comprehensive measures to protect customer information in accordance with Section 1 of our Information Security Policy.

* The following is an excerpt from the "Confidentiality Obligations" section of the Compliance Manual.

> We will never disclose to third parties any confidential information obtained through transactions with our customers, except when required to do so by laws or ordinances or when our customers have approved the disclosure for compelling business reasons.

Past information security initiatives

At Meiko, we receive important information from customers. We therefore recognize the importance of information security, and the Information System Division of our Headquarters obtained ISO27001 certification in 2006. Since then, we have been taking steps so that our entire company can obtain the certification.

January 2006	The Information System Division obtained BS7799-2 certification.
January 2007	Transfer to ISO27001 certification was completed. (At the same time, we expanded the scope to eight departments and successfully obtained certification.)
October 2009	Four applicable departments at Wuhan Plant in China obtained ISO27001 certification.
March 2010	We obtained ISO27001 certification after expanding the applicable range to 20 departments at the Headquarters and four sales branches.
December 2010	Six applicable departments at the Guangzhou Plant in China obtained ISO27001 certification
March 2011	We obtained ISO27001 certification after expanding the applicable range to all four PWB plants in Japan and four sales and research bases.

Future information security initiatives

We will continue to strive to expand the scope of our certification. ISMS has been introduced for all domestic production, sales and R&D bases, and overseas Guangzhou, Wuhan and Vietnam production departments.

Measures for Risk Management

Meiko has created a set of Crisis Management Regulations and also Emergency Manual, which assume a variety of risks associated with environments, disasters, quality and information security. We have also created a Business Continuity Plan (BCP) to minimize impact on the customer's production plan in preparation for emergencies. As a measure to prevent information-related crises, we have set up a server at the Yamagata Plant as well as at Headquarters and we constantly back up our data to the additional server.

In the event of a disaster or accident, we will immediately set up an Emergency Headquarters led by the President & CEO, and we have prepared an organization to determine the cause, assess the situation and take comprehensive future measures, to quickly cope with risk and prevent reoccurrence.

Response to Great East Japan Earthquake

When the Great East Japan Earthquake occurred on March 11, 2011, we established the Emergency Headquarters with allocation of staff immediately following the quake. This group assessed the damage and confirmed what needed to be done including coming up with ways to care for employees, restoring the factory, continuing to conduct business, explaining the situation to customers and studying future measures. Through this set of actions, we were able to determine progress, make decisions and give instructions in real time.

At the Miyagi Plant, the route to the site was confirmed and staff in charge was immediately dispatched to set up local relief headquarters, whereby safety of all local employees was checked and aid was provided. Immediately following the earthquake, because the Fukushima Plant was in the evacuation zone for the nuclear power accident, employees were emergency-evacuated, and emergency shelter and care were provided for the evacuees with the cooperation of Ayase City in Kanagawa Prefecture, where our Head Office is located. Concerning production activities, production of the items that were being produced at the stricken plant was shifted to other plants in Japan and overseas.

Type of crises and risks

● Risk factors

1. Management	(1) Downturn in profitability (2) Competitive advantage (3) Market disruption (4) Decline/fluctuation in stock price (5) Shareholder lawsuit (6) Overstepping of authority (7) Unstable labor-management relations (8) Labor shortages (9) Violations of laws or ordinances
2. Information	(1) Leakage of important or confidential information (2) False information (3) Data falsification (4) Loss of information concerning customer, supplier, etc, (5) Internet harassment
3. Plants and facilities	(1) Damage to major plants and facilities (2) Damage to the supply route of major raw materials (3) Closure of major plants or facilities (4) Disruption to major plants
4. Human resources	(1) Estrangement of core management personnel or staff (2) Increase in absence without permission (3) Illegal acts (4) Increases in accidents (5) Violence and blackmail in the workplace (6) Discrimination and sexual harassment
5. Trust	(1) Slander (2) Gossip (3) Falsification of corporate logo (4) Problems related to intellectual property right (5) Collapse of credit (6) Pollution/environmental problems
6. Antisocial acts	(1) Product tampering (2) Kidnapping (3) Threats to business or intimidation (4) Terrorism (5) Connections with antisocial forces (6) Wars
7. Natural disasters	(1) Earthquakes and tsunamis (2) Fires (3) Floods (4) Typhoons (5) Lightning strikes, blackouts
8. Organization	(1) Organizational culture (2) Insufficient systems for internal checks (3) Deviations from standards and regulations (4) Dishonest acts (5) Overseas risks

Sociality Report

**At Meiko, we manufacture and sell PWBs, devices that are essential for industrial development, by interacting with diverse people in various countries, regions, and communities.
We recognize that we are a social entity, and we fulfill our responsibilities accordingly.
At the same time, we give consideration to our stakeholders as we engage in our business activities.**

Initiatives for Quality Assurance

At Meiko, we have defined a Quality Policy aimed at achieving one of our Business Principles: We will provide our customers with outstanding value and services and make a contribution to society. We improve the reliability of our products to guarantee the highest possible levels of customer satisfaction and contribute to society.

Quality Policy

Ensuring quality that meets customer expectations and instills confidence

Quality demanded by customers

Expectations and confidence

Ensuring quality that meets customer needs

Quality assurance by the Meiko Group

Our approach to quality assurance and organizational efforts to ensure high quality

In the Quality Policy, we have stipulated that we need to continuously improve the quality of our operations as well as our products by ensuring that the management cycle operates in every process of our operations. The management cycle targets continuous innovations in technologies and operations. In terms of quality assurance, we assure the quality of all products within the plant where they are manufactured. In the middle of globalization, we intend to assure quality as promptly as possible by strengthening our cooperation with our plants and sales offices.

Initiatives for Cutting in-process defect ratio in half and Emphasis on job site and Shift from quantity to quality

Measures for cutting the in-process defect ratio in half and shift emphasis from quantity to quality

In Fiscal 2011, we will expand our business activities with the emphasis on establishing quality under the three management policies; "Cutting in-process defect ratio in half", "Emphasis on job site", and "Shift from quantity to quality".

Acquisition of ISO9001 and ISO/TS16949 certifications

At Meiko, we have obtained ISO9001 and ISO/TS16949 certifications, which are global standards, and have been working on continuous improvements.

ISO9001 (Japan)

TS16949 (Guangzhou Plant, China)

* The plants in Japan obtained certification from Japan Electrical Safety & Environment Technology Laboratories (JET). The plants in China obtained certification from TÜV Rheinland.

The ISO9001 and ISO/TS16949 certifications we have obtained

● ISO9001

May	13, 1997	Meiko Electronics Co., Ltd. obtained certification for its PWBs.
May	1, 2002	Guangzhou Plant in China obtained certification.
Jan.	27, 2003	ISO9001:2000 became the unified standard in Japan.
Jan.	27, 2003	Extended certification obtained by MD SYSTEMS Co., Ltd. (Design of PWBs)
Jan.	27, 2006	Extended certification obtained by the Miyagi Plant
Nov.	29, 2006	Wuhan Plant in China obtained certification
Feb.	20, 2008	Extended certification obtained by Metal Mask Dept.
Jan.	27, 2010	Extended certification obtained by Tool Department.
Jun.	18, 2010	Vietnam Plant obtained certification.

● ISO/TS16949

Apr.	19, 2004	Guangzhou Plant in China obtained certification.
March	22, 2011	Wuhan Plant in China obtained certification.

Examples of our activities

● Design Review (DR) meeting using a video conference call system

Based on design data, specifications, and drawings from customers, we review the design of the product (DR meeting) by linking our plant, sales office, and Headquarters via a video conference call system. The aim of the meeting is to prevent problems with mass production through initial production control.

DR meeting (video conference call)

● Use of four-terminal electric checkers

It is difficult to ensure the connection reliability of HDI PWBs with the two-terminal electric checkers we used previously. Through introduction of four-terminal electric checkers, we now utilize a method that detects changes in conductor resistance to supply highly-reliable products.

Four-terminal electric checker

● Pursue cause of defects by introducing FT-IR and identifying foreign matter

The cause of defects is investigated by introducing FT-IR and analyzing foreign matter. Through in-house analysis, the cause can be determined and measures to deal with the problem can be devised more quickly.

*Fourier Transform Infrared Spectroscopy (FT-IR) is a method of acquiring information about molecular structure by measuring infrared ray absorption through vibration of molecules of a compound.

FT-IR

● 5 principles sheet training for manufacturing and management department staff at plants in China

A workshop was held for manufacturing and management department staff at plants in China to enhance the ability to solve problems by 5-principles sheet and "why-why" analysis. By repeatedly asking why, the underlying cause can be learned from direct cause and consequently recurrence of defects can be prevented.

Guangzhou chief training

● Foreign matter elimination activities at plants in China (plant cleaning)

The most significant factor behind PWB problems is "foreign matter." In addition to countermeasures against foreign matter by voluntary improvement of the manufacturing department, our manufacturing department and the management department work together to promote cleaner plants and raise employees' awareness of foreign matter by taking part in the plant-wide cleaning before starting the afternoon work.

Plant-wide cleaning in the office

Research and Development

The evolution of electronics means the evolution of PWBs. By making use of our laser processing technologies and B2it technology* in our PWB business, we at Meiko have created a number of state-of-the-art technologies, including the any-layer PWB, flexi PWB, flex-rigid PWB, package module PWB, and PWB-incorporating components.

*B2it: Buried Bump Interconnection Technology

Activities in Fiscal 2010

In Fiscal 2010, our research and development activities were conducted by the following: the Meiko Research and Development Center, which is responsible for the development of elements for state-of-the-art technologies; the Product Development Dept., which is responsible for developing products and manufacturing processes two or three years in advance, including any-layer PWBs and embedded PWBs; and engineers from individual plants who commercialize those products using the developed technologies.

The following sections introduce our research and development efforts with regard to advanced PWBs.

1 Development of Any-Layer PWBs

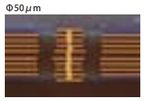
Smartphones and mobile phones, which have the strictest requirements for thinner profile and higher function, use Any-Layer PWBs that realize the most advanced high-density wiring.

Any-Layer PWBs permit unlimited connections between layers. They combine laser technologies and filled plating technology, which permit ultra-fine processing and allow free connection between all layers by via filling. We provide many customers, primarily overseas businesses, with Any-Layer PWBs.

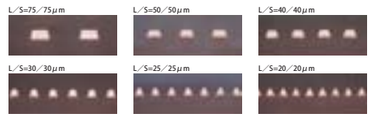
We are currently working on higher density by finer wiring and smaller diameter of laser via.

10-layer Any-Layer PWBs

6-layer Any-Layer PWBs



Smaller diameter of laser via



Ultra fine wiring

2 Development of Embedded PWBs

Embedded PWB components have passive components (chip capacitors or chip resisters, etc.) embedded in them. We developed these PWBs in response to the increasing density and higher performance of PWBs. The use of these PWBs has contributed to three-dimensional mounting and consequently, smaller equipment dimensions. It has also enabled the shortest possible wiring distance between the surface-mount IC and embedded PWBs passive components, thereby improving the electric properties. Since starting mass production in 2009, we have striven to achieve thinner circuit boards capable of higher density.

In 2010, concerning layer-to-layer connection of embedded components, in addition to conventional connection by solder, we are developing a connection process using laser via and plating. This contributes to enhanced heat resistance and higher mounting density thanks to narrower component pitch.

2009	Mass production commenced at plants in Japan
2010	Plating connection process development promotion
2011	Development of embedded active devices PWB

Mass production of product

Solder connection embedded PWBs

Development product

Plate connection embedded PWBs

Plans and objectives of activities for Fiscal 2011

1. Development of embedded active devices PWB
2. Development of PWBs for 0.4mm-pitch CSP Wiring
3. Carrying out new development projects

Level we aim to reach within three to five years

1. Mass production of products under development (thin, embedded HDIs, PWBs for 0.4mm-pitch CSP Wiring, etc.) (within one to two years)
2. Furthering the development projects of the Research and Development Center
3. Studying, selecting, and undertaking new development projects in line with the road map

Improvement and Expansion of IR Activities

One of the pledges made in our Code of Conduct is: "We will ensure that our corporate activities and management practices are sound and transparent, and we will continue to be a trustworthy company to our shareholders and investors to generate corporate value." Based on this pledge, we are striving to maximize our corporate value by engaging in sound, fair corporate activities while complying with laws and ordinances.

Timely and adequate disclosure of information

In accordance with the timely disclosure regulations, we adequately disclose key information considered to influence the investment decisions of our shareholders and investors. We also disclose other key information via prompt, adequate, and fair means to ensure the transparency of our management practices.

Fair, prompt disclosure of information on our website

We ensure that our financial statements and other data are published on our website at the same time as they are disclosed, so that the information is disclosed in a fair, prompt manner. For institutional investors and securities analysts, we hold not only biannual results briefings but also individual explanatory meetings to communicate better with them. We provide the materials used for the results briefings to general investors on our website so they can use them to improve their understanding of Meiko.

Results briefings

Publication of the MEIKO REPORT

We publish and send the MEIKO REPORT to our shareholders at the halfway point and at the end of each fiscal year to improve their understanding of the Meiko Group as a whole. The report provides business reporting, topics, an overview of our performance and financial statements, and corporate data for the relevant period in an easy-to-understand format. The MEIKO REPORT for Fiscal 2010 included dividend information and an interview article in which our president provided a message and briefings on Meiko's business.

MEIKO REPORT

Discussion sessions with our shareholders

We hold a "Discussion Session with Shareholders" after the shareholder meeting every year. In this session, our president reports on our business activities during the past year and explains our business strategies for the future. This is followed by informal discussions and exchanges of opinions between our executives and shareholders.

Discussion session with shareholders

Creation of a Comfortable Working Environment

At Meiko, we have accelerated the progress of our globalization in recent years. We already have plants in Guangzhou and Wuhan in China, and we have also newly set up a plant in Vietnam. We have also opened sales offices in Europe and the United States in addition to Asia.

A large number of local people work at these overseas plants and offices.

In addition, numerous Japanese employees are dispatched overseas, while dozens of workers from overseas, including China, work at our Headquarters and plants in Japan.

This means that employees of different nationalities and from diverse cultural backgrounds are involved in the business activities of Meiko.

In line with the concept that "the greatest asset of a company is its human resources," we focus on the creation of a comfortable working environment that is safe, secure, hygienic for all our employees, respects their diversity, and allows them to develop.

Employee safety and health initiatives

The objectives of these initiatives are to eliminate dangers improve the environment in all workplaces, and to encourage the good health of all employees.

We have established a PDCA cycle, in which problems found during safety and health patrols by Safety and Health Committee members are deliberated by the Committee, corrective measures are introduced to workplaces, and the results of the measures are validated. These efforts are aimed at creating better working environments, not to mention preventing work accidents.

To ensure that problems are found efficiently, we have arranged for our workplaces to be patrolled by industrial physicians, industrial health consultants, and other experts. In addition, our Safety and Health Committee members undertake patrols of the plants. What is more, we estimate risks through risk assessments, based upon which we implement measures to prevent work accidents and improve the level of our safety and health management.

We also strive to raise each employee's awareness of safety and health. Our measures to this end include accident-free record activities, training in predicting dangers, and continued safety and health training for each job class.

In recent years, damage to health caused by long working hours and mental health problems have been social issues. At Meiko, we encourage the good health of all employees by providing training on mental health problems to managerial workers, having those in charge of occupational health conduct interviews with workers, offering counseling provided by mental healthcare professionals, and implementing a variety of other measures through cooperation between employers and workers.

Safety and health patrol by Safety and Health Committee members

Firefighting training

Educational programs

At Meiko, we provide job-class-specific training to new recruits, mid-career employees, and executives. We also hold departmental training specific to functions and job categories. These training programs are aimed at extracting the potential ability of individual employees, strengthening their ability to work in teams, and improving their overall abilities that are universal to all organizations. In addition, we offer qualification programs and provide financial assistance with correspondence courses to help our employees with their self-development and encourage them to obtain technical qualifications. We are also developing employees who can work globally by improving and expanding foreign language training programs for domestic workers and the training of overseas workers in Japan.

Training session for new recruits (manufacturing simulation training)

● **Educational and training programs for Fiscal 2011**

Rank	Job-class-specific training		Departmental training: Engineering	Departmental training: Sales	Departmental training: Manufacturing	Departmental training: Clerical work	Global	OJT	Self-development
Executive	Executive training	Training for mid-career employees	Program to support qualification acquisition; FMEA and quality/statistics training; Safety and health training	Program to support qualification acquisition; Sales skill training	Program to support qualification acquisition; Plant manager and supervisor training; Safety and health training	Program to support qualification acquisition; Specialized training	Foreign language training (English, Chinese, and Vietnamese); Japanese language training for overseas employees; TOEIC registration/examination program	On-the-job training	Correspondence course program
Department head	Department head training								
Managerial employee	Follow-up training for managerial workers; Training for new managerial workers	Employee evaluation training							
Supervisory employee	Assistant manager training								
General employee	Mid-career employee training; Follow-up training; New recruit training								

Respect for diversity

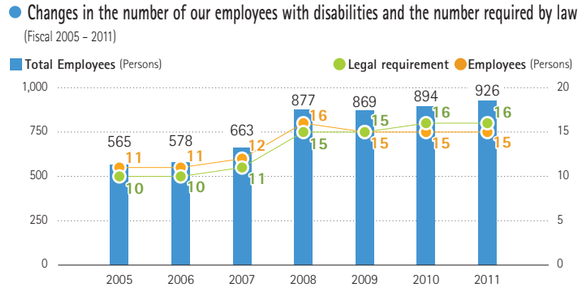
At Meiko, we respect human rights and strive to recruit, evaluate, and treat our employees without discrimination on the basis of race, creed, religion, nationality, age, gender, disability, and other attributes, so that diverse employees are able to exercise their abilities. We also transfer personnel and exchange employees between Meiko Group companies, both in Japan and overseas, to develop global human resources and stimulate the further revitalization of our human resources.

Employment of persons with disabilities

Since Fiscal 1991, Meiko Electronics Co., Ltd. (excluding its Group companies) has continued to achieve the legally required number of employees with disabilities in accordance with the Act on Encouraging the Employment of Persons with Disabilities up until Fiscal 2009. In Fiscal 2010 and Fiscal 2011, however, we were not able to meet the legal requirement, partly because the overall number of employees increased. We will strive to meet it again in Fiscal 2012.

● **Changes in the number of our employees with disabilities and the number required by law**

(Fiscal 2005 - 2011)



(Note) Legally required number of employees with disabilities = Number of permanent employees × Legal rate of employment (rounded down to the nearest whole number)

Employment and exchanges of global human resources

Currently, approximately 40 employees from overseas countries, including China, are working at Meiko's business establishments in Japan, while approximately 100 Japanese employees are working overseas. These numbers have been increasing every year. In addition, up until Fiscal 2010, a total of 139 persons had completed the language and skill training in Japan intended for future executives of our overseas subsidiaries, which has been offered every year since Fiscal 2003.

From a Global Employee

Wang Yi Deputy Division Chief International Sales Division International Sales Dept. Guangzhou Plant

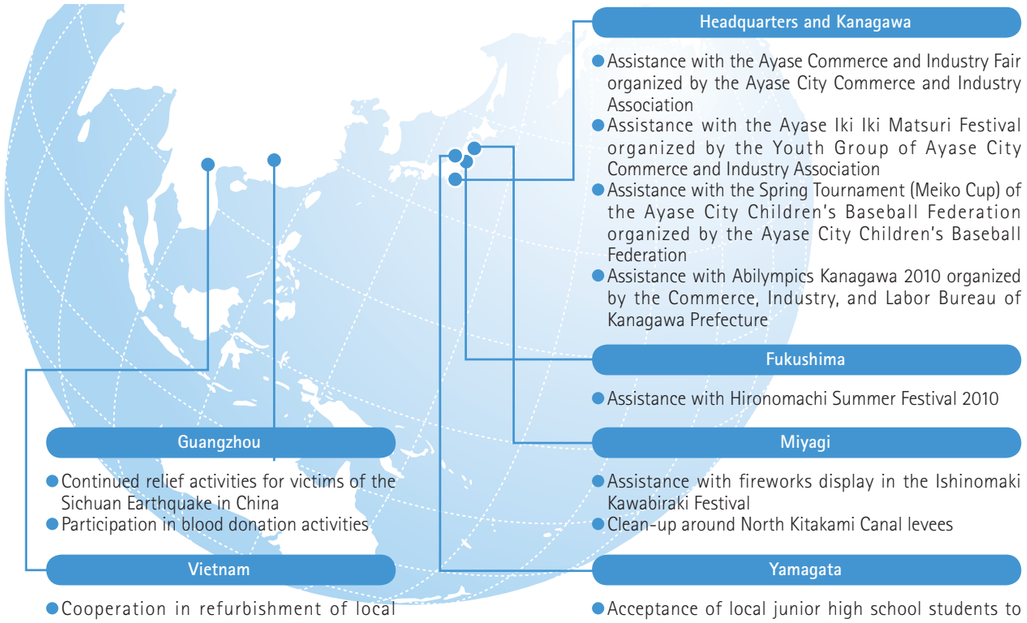
I completed a master's degree program at a university in Japan in 2005 and joined Meiko as a new graduate. I am now assigned to the Guangzhou Plant as a member of the Internation al Sales Department, in charge of customers outside Japan. The level of customer demand regarding the products is quite high, but I am striving to provide the optimum value and service in my sales activities.

As our production and sales are globalized, Meiko has been recruiting a large number of non-Japanese employees like me, and we are assigned to important jobs, regardless of our nationality and age.

At Meiko, our objective is to be the world leader in the PWB field. I would like to contribute to achieving this ambitious goal as much as possible through my daily sales activities.

Social Contribution

At Meiko, we encourage social contributions by our Headquarters and group companies to build close relationships with local communities. We will continue to ensure harmony between all our business bases, including the Headquarters and local communities, and undertake activities for mutual development.



Headquarters and Kanagawa

- Assistance with the Ayase Commerce and Industry Fair organized by the Ayase City Commerce and Industry Association
- Assistance with the Ayase Iki Iki Matsuri Festival organized by the Youth Group of Ayase City Commerce and Industry Association
- Assistance with the Spring Tournament (Meiko Cup) of the Ayase City Children's Baseball Federation organized by the Ayase City Children's Baseball Federation
- Assistance with Abilympics Kanagawa 2010 organized by the Commerce, Industry, and Labor Bureau of Kanagawa Prefecture

Fukushima

- Assistance with Hironomachi Summer Festival 2010

Guangzhou

- Continued relief activities for victims of the Sichuan Earthquake in China
- Participation in blood donation activities

Miyagi

- Assistance with fireworks display in the Ishinomaki Kawabiraki Festival
- Clean-up around North Kitakami Canal levees

Vietnam

- Cooperation in refurbishment of local soccer stadium

Yamagata

- Acceptance of local junior high school students to help them learn through work experience
- Provision of company tour to local high school students
- Internship program for local high school students

Activities in local communities

At Meiko, we deepen exchanges with communities where our business bases are located by actively participating in environmental beautification activities and other events organized by the local governments in the various areas. We will continue to fulfill our responsibility as a good corporate citizen by encouraging social contribution activities in each local community.

From the Local Community

Mr. Torao Ichinosawa, Chairman of the Ayase City Ogami Area Council of Social Welfare

Meiko, a company born and raised in the area, takes care of the locals. We are proud to have such a wonderful company in Ogami, Ayase City.

The Ayase City Ogami Area Council of Social Welfare is a volunteer group consisting of 230 local resident applicants. The main activities of the group are holding social gatherings and taking care of the elderly and those who need assistance, watching elementary schools student go to school, and anti-crime patrol for local safety and security.

It is because of Meiko's generous support that we have been able to willingly conduct such wide-ranging activities. We shall continue to play our role as a volunteer activities organization needed by the local community. We pray that Meiko will continue to grow and prosper as a local symbol.

Action1 Plant Tour for elementary school children

On November 16, 2010, we organized a plant tour for 77 third-grade students from Ayase City Kitanodai Elementary School, a local elementary school in the area where our Headquarters and Kanagawa Plant are located. The children were able to handle real PWBs, and received explanations about their functions and use. They later observed the manufacturing processes at the plant. The children's comments included, "We gained a good understanding of the fact that these PWBs are used in electrical appliances that we are familiar with."

Kitanodai Elementary School plant tour

Action2 Blood donation activities

Meiko is actively involved in blood donation activities at bases in Japan and overseas. The blood donation activity was conducted at the Yamagata Plant on February 4, 2010 in keeping with the annual tradition that has continued for more than 10 years now. There have been comments from the staff about wanting to do what they can as part of their contribution to society.

Yamagata Plant blood donation activity

Action3 Planting activities

We assisted with the planting activities organized by Ayase City, Kanagawa Prefecture, where our Headquarters is located. In addition, our employees from the Headquarters and the Kanagawa Plant planted flowers in the green belt on the walkway in front of our main gate as part of our own activities for beautifying the local area. We planted salvias, begonias, and marigolds in the spring and pansies, violas, and tulips in the autumn. The pedestrians enjoyed the beautiful flowers as they passed down the walkway. We will continue to plant flowers twice every year to help beautify the local area.

Kanagawa area planting activities

Action4 Activities to beautify the local areas

Each Meiko plant undertakes activities to beautify the local area and participates in the environment beautification activities organized by the local government.

We clean up the area surrounding the Headquarters and the Kanagawa Plant every year. In Fiscal 2010, a large number of workers participated voluntarily in the activities and picked up garbage in a nearby park and the area around our premises. In addition, employees of our other plants in Japan have also actively participated in beautification activities organized by the industrial parks.

We will continue to protect local environments through our cleanup activities.

Beautification activities at the Headquarters and the Kanagawa Plant

Beautification activities at the Miyagi Plant

Supply Chain

At Meiko, we have formulated a Basic Procurement Policy to serve as the guidelines for ensuring that our business partners understand our CSR Policy, Environmental Policy, and so on. In accordance with this Policy, we strengthen our measures concerning environmental protection and response to environmental issues, and further our CSR activities by cooperating with other companies.

Currently, a company is required to have, as its basic framework, a consistent supply chain covering the entire process from material procurement from business partners through to production, distribution, and sales of products. In line with this trend, we at Meiko believe that the most important aspect of our procurement activities is to establish win-win relationships and relationships of mutual trust with our business partners We ensure cooperation not only between the production and sales bases in Japan but also with overseas bases, and select business partners through a comprehensive assessment of quality, delivery punctuality, price, and management, under the basic principles of (1) understanding our Basic Procurement Policy, (2) compliance with laws, ordinances, and social norms, (3) environmental protection and (4) exclusion of antisocial forces, along with consideration of back-up system in case of an accident and a disaster. In this way, we are strongly emphasizing CSR practices within our supply chain.

Basic Procurement Policy

At Meiko, we encourage the continuation of procurement activities based on the Basic Procurement Policy below.

Basic Procurement Policy

1. Procurement activities best suited to our global production
2. Smooth, fair, appropriate procurement activities based on closer communication and strengthened cooperation with our business partners
3. Strengthened environmental measures (chemical substances / green procurement)

Request for our business partners

In accordance with the measures for the environment included in our Basic Procurement Policy, we are calling for more than 300 business partners to understand and practice matters concerning the four points below. In addition to control of greenhouse gas emissions, waste reduction, and management of specified chemical substances, which we naturally undertake in our internal production activities, we also implement a variety of measures to ensure environmentally-friendly procurement. We ask our business partners to implement and recommend green procurement, and also request that distribution and sales activities be undertaken in an environmentally friendly manner.

In addition, from Fiscal 2009 onward, we have been promoting to reduce the environmental burden of distribution and packaging with the results for Fiscal 2008 as the benchmark.

Requests for our business partners

(1) Focus on green procurement, compliance with the green procurement standard, provision of information concerning "eco products"
(2) No idling
(3) Waste reduction
(4) Cooperation with contact in case of an emergency

Measures concerning purchase and procurement

Internal control and compliance

At Meiko, we undertake smooth operations with our business partners by complying with the following rules on purchasing and procurement. We carry out appropriate transactions with our business partners by undertaking internal training concerning adherence to laws and ordinances, including the Act against Delays in the Payment of Subcontract Proceeds to Subcontractors, and confirmation of compliance with other regulations.

1. Fair, appropriate operations with business partners shall be undertaken through compliance with laws and ordinances concerning purchase and procurement activities.
2. Business partners' information that we obtain through purchase and procurement activities shall be kept confidential, and the information security system for preventing the leakage of confidential and personal information shall be strengthened.
3. Entertainment and gifts for business partners shall be permitted to the extent that would normally be considered reasonable, but shall be prohibited if such acts result in personal profits.
4. Exclusion of antisocial forces shall be exercised.

Environmental measures (green procurement)

In accordance with the "standards concerning the environment," we encourage environmentally-friendly purchase and procurement activities together with our business partners.

1. We confirm laws and regulations (RoHS Directive, ELV Directive, and REACH Regulations) and the content of environmentally hazardous substances to encourage the procurement of compliant products and maintain and improve the environmental quality of our products.

(1) RoHS Directive	: EU restriction on the use of certain hazardous substances in electrical and electronic equipment
(2) ELV Directive	: A directive adopted by the EU to reduce the environmental burdens of end-of-life vehicles
(3) REACH Regulations	: EU law for protecting people's health and the environment
(4) JIG (1-R)	: Legally controlled substances specified in the guidelines concerning the disclosure of information regarding chemical substances contained in electrical and electronic equipment
(5) Customers' standards	

2. We encourage the signing of the Memorandum on Environmental Protection and Guarantee of Non-Use of Environmentally Hazardous Substances to ensure environmental protection together with our business partners. We sign this Memorandum and Guarantee with our major business partners, including manufacturers to whom we outsource processing. We have signed these documents with approximately 52 companies, including 2 companies added in Fiscal 2010.
3. We strive to reduce the discharge of industrial waste and encourage the use of this waste as a valuable resource by recycling it or using it in other ways together with our business partners.

From Our Business Partners

Mr. Hiroshi Takada, Copper Fail Sales Group, EFE Sales dept, FUKUDA METAL FOIL & POWDER CO., LTD.

Founded in 1700, FUKUDA METAL FOIL & POWDER CO., LTD. has over 310 years of history. As a comprehensive manufacturer of nonferrous metal foil and powder, we provide safe, high quality products to various fields of industry including the PWB industry. We acquired environmental ISO14001 in September 2000, and announced that we would "pursue business activities that protect the environment" as the basic environmental policy in December of that year, and have since carried out environmentally friendly business activities.

We have had a long relationship of over 20 years with Meiko, the leading company in the PWB industry. Meiko gives "strengthened environmental measures (chemical substances/green procurement) " as one of its basic procurement policies, and we focus on it especially.

We strives to contribute to preservation of the environment by providing products that use environmentally friendly materials , such as the electrolytic foil that Meiko uses.

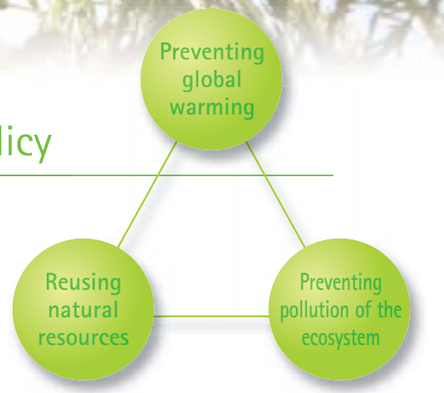
We will devote ourselves to continue to become a better supplier for your company with a high sense of awareness of environmental conservation/social contribution, and we hope to continue our partnership for many years to come.

Environmental Report

At Meiko, we believe that minimizing the environmental burdens of our business activities is our mission and our responsibility as a company helping to achieve a sustainable society.

Basic Environmental Policy

"Meiko recognizes that protecting the global environment and committing to clean air and water are critical responsibilities that we have for the generations that come after us. We use resources effectively and operate in a way that is compatible with our living environment."



Environmental Action Guidelines

Meiko's businesses include the pattern design and manufacture of printed wiring boards and the manufacture of metal masks, as well as the development and manufacture of electronic devices. We consider the implications of these activities for the environment, and emphasize the importance of reducing their impact in terms of prevention of global warming, cyclical use of resources and prevention of contaminating the ecosystem.

In accordance with our basic environmental policy, we fully comprehend the impact our business activities have on the environment. We make every effort to prevent environmental pollution and reduce our environmental footprint through the following measures:

1. We have established a structure for strengthening our environmental conservation activities, and we develop and revise our environmental management system, operate the system appropriately to reduce our impact on the environment, and work continuously to improve both.
2. We contribute to environmental conservation by making efforts to conserve resources and energy, reduce waste, and encourage recycling.
3. We will properly manage chemical substances in products so that the product does not contain harmful chemicals.
4. We properly manage chemical substances contained in our products and make sure our products do not contain toxic chemical substances.
5. We properly manage chemical substances in the production process to limit their usage and reduce their environmental impact.
6. We observe all laws, regulations, ordinances, and other requirements concerning the environment.
7. We set environmental goals and objectives, conduct environmental conservation activities, and strive to improve these activities.
8. We provide training and instruction to all our employees with the aim of instilling a strong awareness of environmental conservation activities in them.
9. We are documenting this environmental policy and distributing it to all our employees, and are also making it available to the public.

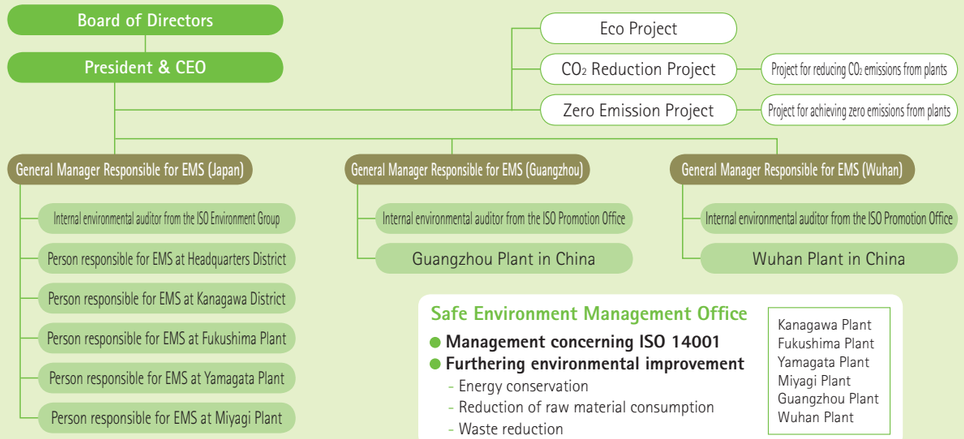
Revised (No. 6) on December 1, 2010
Established on March 6, 2000

President & CEO **Yuichiro Naya**

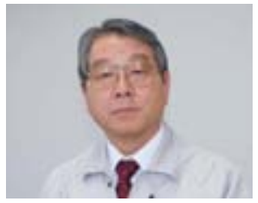
System for Environmental Management

To implement our Basic Environmental Policy, we have established an ISO environmental management system, and have appointed a person responsible for controlling the environmental management system (EMS) at each plant in Japan and overseas. We have also launched a comprehensive project named the "Eco Project," in which we undertake activities to reduce CO_2 emissions and achieve zero emissions.

System for furthering Environmental Management



General Manager Responsible for EMS Haruyuki Naya Director, Managing Executive Officer



Beginning in Fiscal 2010, we introduced TPM and IE activities as part of production reform at our plants in Japan and overseas. Through these activities, we have improved the operational efficiency of facilities and reduce the amount of raw material consumption, mainly at production sites, thereby achieving energy savings and preservation of resources.

While our domestic operations have been affected by the Great East Japan Earthquake that occurred on March 11, we will carry out further production reform and contribute to environmental management by working on prevention of global warming, cyclical use of resources, and prevention of environmental pollution in Fiscal 2011.

Acquisition of ISO14001 certification

We view ISO14001 as an important standard for environmental management, began to take action toward obtaining certification in Fiscal 2000, and have since continued these initiatives at our plants in Japan and overseas.

ISO14001 Certificate (Japan)

ISO14001 Certificate (Guangzhou, China)

<Our acquisition of ISO14001 certification>

Mar. 27, 2001	Headquarters and Kanagawa Plant
Sept. 25, 2001	Yamagata Plant
Apr. 17, 2003	Extended certification obtained by the Fukushima Plant
Apr. 30, 2003	Guangzhou Plant in China obtained certification
Apr. 22, 2005	Integrated certification obtained by the three Plants in Japan
Apr. 22, 2005	Extended certification obtained by MD SYSTEMS Co., Ltd.
Apr. 28, 2006	Extended certification obtained by Miyagi Plant
Apr. 28, 2006	Extended certification obtained by Metal Mask Dept.
Feb. 20, 2007	Wuhan Plant in China obtained certification
Mar. 26, 2009	Extended certification obtained by Meiko Research and Development Center, Yamato Technology Center, and Tool Department

System for complying with environmental laws and ordinances

Environmental laws and ordinances have been amended due to increasing awareness of environmental impact. We believe that ensuring our compliance with all the amended laws and ordinances of individual regions will lead to our contributing to environmental protection in each local community.

In accordance with ISO14001, we identify the laws and ordinances of individual regions that are related to our business activities, and watch for any amendments to ensure full compliance.

Environmental laws and ordinances

Basic acts
- Basic Act on Establishing a Sound Material-Cycle Society
- Act on Improvement of Pollution Prevention Systems in Specified Factories

Pollution control
- Air Pollution Control Act
- Sewerage Act
- Vibration Regulation Act
- Industrial Water Act
- Purification Tank Act
- Water Pollution Control Act
- Noise Regulation Act
- Offensive Odor Control Act
- Soil Contamination Countermeasures Act

Prevention of global warming
- Act on Promotion of Global Warming Countermeasures

Waste regulation
- Waste Management and Public Cleansing Act
- Act on the Promotion of Effective Utilization of Resources (Recycling Law)
- Act on Recycling of Specified Kinds of Home Appliances (Home Appliance Recycling Act)
- Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, (Chemical Substances Control Law)

Toxic substance control
- Act on Confirmation, of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (PRTR Act)
- Fire Service Act (Hazardous Materials Regulations)
- Poisonous and Deleterious Substances Control Act
- Industrial Safety and Health Act

Ozone layer protection
- Act on the Protection of the Ozone Layer through the Control of Specified Substances and Other Measures
- Act on Ensuring the Implementation of Recovery and Destruction of Fluorocarbons concerning Designated Products

Energy conservation
- Act on the Rational Use of Energy (Energy Saving Act)

Ordinances and related regulations
- Kanagawa Prefecture Basic Environmental Ordinance
- Kanagawa Prefecture Basic Environmental Plan
- Kanagawa Prefectural Ordinance on Conservation of Living Environment
- Ayase City Ordinance on Sewerage
- Fukushima Prefecture Basic Environmental Ordinance
- Fukushima Prefecture Basic Environmental Plan
- Fukushima Prefectural Ordinance on Conservation of Living Environment
- Yamagata Prefecture Basic Environmental Ordinance
- Yamagata Prefectural Ordinance on Conservation of Living Environment
- Miyagi Prefecture Basic Environmental Ordinance
- Miyagi Prefecture Basic Environmental Plan
- Miyagi Prefecture Pollution Prevention Ordinance (water, air, noise, vibration, and offensive odors)

Promotion of environmental targets plan

Meiko conducted an assessment of the environmental impact of our corporate activities. As a result, we found that the types of energy that have a significant impact on the environment include electricity, heavy oil, gas, and gasoline. Also closely related to environmental impact are resources such as raw materials, water, and paper, which should be saved, and waste, including plastic waste, sludge, waste acid, and waste alkali, which should be reduced.

Given these results, we have been taking actions under a new medium-term plan for Fiscal 2009 to 2011, with Fiscal 2008 being the benchmark year.

<Goals and results of initiatives we took in Fiscal 2010>

● Fiscal 2010 results – status of achievement of environmental targets and initiatives taken

Target: 5% reduction from Fiscal 2008 level

	Status of achievement	Initiatives taken at each plant for achieving environmental targets					
		Kanagawa	Fukushima	Yamagata	Miyagi	Guangzhou	Wuhan
Electricity	Down 0.33%	×	×	○	×	×	○
Heavy oil	Up 7.3%	○	×	○	×	—	—
Natural gas	Down 13.2%	—	—	—	—	○	△
Gasoline	Down 37.5%	○	×	×	—	×	○
Water	Down 27.5%	△	△	○	×	○	○
Photocopying paper	Down 19.7%	○	○	○	○	×	×
Plastic waste	Up 2.6%	○	×	○	×	—	○
Waste acid	Up 14.9%	×	○	○	○	×	—
Waste alkali	Down 32.5%	○	×	△	○	—	—
Sludge	Up 1.3%	△	○	○	×	×	○

Note 1: The results above show the extent to which we have achieved the targets. They are not the aggregated values of all the plants. The results shown at left are the values per square meter of production in comparison with the Fiscal 2008 results, which are the benchmark of the environmental targets we set according to a three-year plan that runs from Fiscal 2009 to 2011.

Prevention of Global Warming

Meiko views the issue of greenhouse gas as a significant threat to our precious earth. As a result, since Fiscal 2008, we have been undertaking initiatives focused on the reduction of CO_2 emissions to respond to the revised Energy Saving Act and the Act on Promotion of Global Warming Countermeasures. The total amount of energy consumption increased in conjunction with an increase in production volume in Fiscal 2010, however, we succeeded in reducing the rate of CO_2 emission per production volume in comparison with the previous year through initiatives to improve energy saving at the various plants.

We will continue reducing CO_2 emissions with further initiatives, particularly those involving efficient operation of facilities.

Initiatives concerning electricity

The greatest source of CO_2 emissions at Meiko is the use of electricity. While the result for Fiscal 2010 showed an increase in the total amount of energy used due to an increase in production volume following the commencement of operation of the Wuhan No. 2 Plant, we also succeeded in reducing the rate of consumption per production volume by improved energy saving.

Initiatives concerning heavy oil

We completed switching at the Guangzhou Plant over to natural gas and were able to dramatically decrease the total amount of heavy oil consumption for Fiscal 2010, but were unable to reduce the rate of consumption per production volume for our plants in Japan, resulting in an overall increase in comparison with Fiscal 2009. We will reduce the use of heavy oil by improving the fuel usage method, etc.

Initiatives concerning natural gas

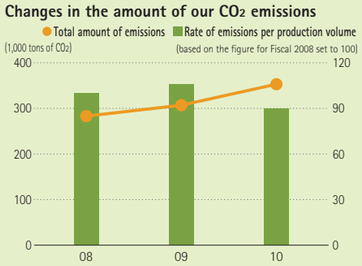
We use natural gas as boiler fuel at the Guangzhou and the Wuhan Plants in China. While the result for Fiscal 2010 included a dramatic increase in that total amount of energy consumption due to switching our Guangzhou Plant's boiler fuel over to natural gas, we were able to decrease the rate of consumption per production volume by efficient facility operations.

Initiatives concerning gasoline

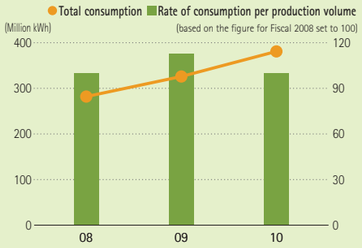
Meiko has been striving to reduce the volume of gasoline used in Company-owned vehicles. These efforts have proved successful.

In addition, we are implementing activities for reducing CO_2 emissions due to distribution.

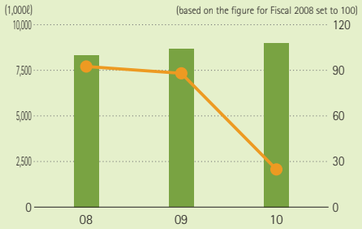
Changes in the amount of our CO_2 emissions



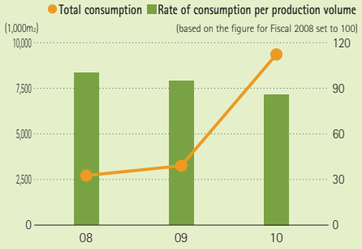
Changes in our electricity consumption



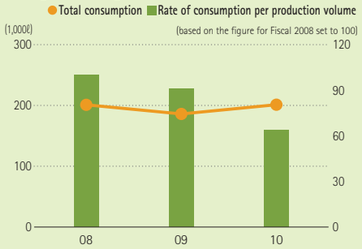
Changes in our heavy oil consumption



Changes in our natural gas consumption



Changes in our gasoline consumption



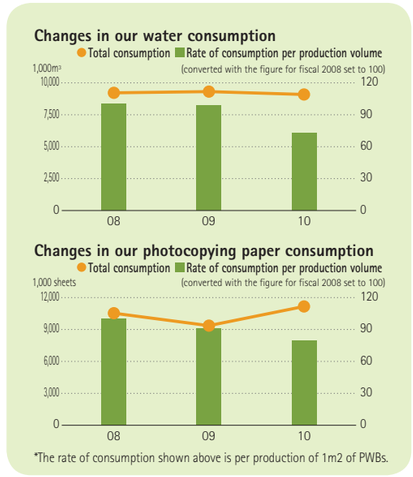
*The rate of consumption shown above is per production of 1m2 of PWBs.

Cyclical Use of Resources

Water consumption

A large amount of water is used in the manufacture of PWBs for cleaning. We have reduced the amount of water used by managing the amount used at each facility and using reverse osmosis (RO) water. In Fiscal 2010, from Fiscal 2009 onward, we carried on our efforts to use the minimum amount of water required to maintain product quality in each process and to use discharged water through ion exchanging. These efforts have proven effective in terms of achieving reductions.

*RO water refers to water purified using reverse osmosis. It is used for cleaning the PWBs.



*The rate of consumption shown above is per production of 1m2 of PWBs.

Paper consumption

We have been making comprehensive efforts by employing electronic media for all company data, eliminating unnecessary copying, etc., to help protect forest resources.

Reduction and recycling of waste

We have been reducing waste based on the 3R strategy (reuse, reduce, and recycle). In Fiscal 2010, from FY 2009 onward, efforts were actively made to reduce the amount of waste liquid disposed of by outside contractors by internally treating it and recycling waste into valuable resources, both of which have shown positive results. The recycling rate of waste – the percentage of waste that was used for purposes other than landfill - exceeded 98% at our plants in Japan in Fiscal 2010.

*"Recycling" above includes thermal recycling.
*The recycling rates at our plants in China (Guangzhou and Wuhan) are excluded because they are not fully known.

Examples of our initiatives for reducing and recycling waste

Internal treatment of waste alkali liquid (Kanagawa Plant)

We used to dispose of waste alkali liquid, which is generated in the production process, by outsourcing for treatment as waste liquid.

We achieved an internal treatment of waste alkali liquid by installing waste alkali liquid treatment device in July 2010, thereby enabling a dramatic reduction.


Waste alkali liquid treatment device at the Kanagawa Plant

Recycling soft etching waste liquid into valuable resources

We used to dispose of soft etching waste liquid, which is generated in the production process, as waste liquid.

By working together with partner companies, we established a method for extracting copper contained in soft etching waste liquid into electrodes, thus enabling us to recycle it into valuable resources.


Soft etching waste liquid treatment device

Prevention of contamination in ecosystem

Chemical substances contained in products

In accordance with our Environmental Action Guidelines, we strictly manage our production process to ensure that our products do not contain hazardous substances prohibited by the RoHS Directive, ELV Directive, REACH Regulations, and other laws and regulations. Specifically, we stipulate prohibited substances ourselves in our chemical substance control rules, and request that our business partners submit guarantees of non-use and analysis reports. We respond to our customers' requests for research by using tables of ingredients submitted by our business partners so that our customers can use our products with a sense of security.

(Note) At Meiko, our initiatives for ensuring the superior environmental quality of our products have been highly rated by our customers. As a result, we have been recognized as a Green Partner by many of our customers, who have issued us with Green Certificates.

* RoHS Directive: RoHS is an acronym for Restriction of Hazardous Substances used in electrical and electronic equipment. The RoHS Directive is an EU regulation on hazardous substances that restricts the use of six substances - lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyl (PBB), and polybrominated diphenyl ether (PBDE) - in electrical and electronic equipment released in EU countries from July 1, 2006 onward.
* ELV Directive: An EU directive that restricts the use of environmentally hazardous substances - lead, cadmium, mercury, and hexavalent chromium - in vehicles. This regulation is aimed at recycling end of life vehicles (ELV).
* REACH Regulations: REACH stands for Registration, Evaluation, Authorization of Chemicals. These are EU regulations on the use of chemical substances that came into force in June 2007 to protect people's health and the environment from hazardous chemical substances.

Prohibited chemical substances (substances the manufacturing and use of which is prohibited by the laws of Japan and other countries)

We have specified the following 25 substances as prohibited chemical substances and request that our business partners submit a guarantee of the non-use of these substances and an analysis report when we procure materials from them.

1. Asbestos
2. Azo dyes and pigments that form specific amines
3. Cadmium and its compounds
4. Hexavalent chromium and its compounds
5. Lead and its compounds
6. Mercury and its compounds
7. Specific bromine series flame retardant (PBB/PBDEs)
8. Cobalt chloride
9. Polychlorinated terphenyls (PCTs)
10. Polychlorinated biphenyls (PCBs)
11. Polychlorinated naphthalene (with three or more chlorine atoms)
12. Polyvinyl chloride (PVC)
13. Short-chain chlorinated paraffins (C10 - C13)
14. Specific organotin compounds (TBT, TPT, trisubstituted organotin compound)
15. Radioactive materials
16. Ozone depleting substances (CFCs, halons, carbon tetrachloride, 1.1.1-trichloroethane)
17. Fluorinated greenhouse gases (PFC, SF6, HFC)
18. Phthalic acid/phthalate compounds, di-isobutyl (DEHP, DBP, BBP, DINP, DIDP, DNOP, DIBP)
19. Perfluorooctane sulfonate and its salts (PFOSs)
20. Chlorinated flame retardant (TCEP etc.)
21. Dimethyl fumarate
22. Specific benzotriazole
23. Tetrabromo-bisphenol A
24. Inorganic phosphorus flame retardant
25. Dioxins (including dibenzofurans)

Measures for Reducing Environmental Burdens

Meiko is aware of the significance of the impact of its plant operations on the local environment and believe it has a duty to reduce these burdens.

Specifically, we comply strictly with laws and ordinances for preventing pollution and the standards agreed on with local communities. We are also striving to reduce the total emissions, water consumption, and paper consumption confirmed in accordance with the PRTR Act.

Activities for reducing environmentally hazardous emissions

We control the quality of the water we discharge and the state of the gases we emit into the atmosphere by measuring them on a regular basis to help maintain the local environment. The table below shows the levels of the substances we have emitted from our plants, all of which are below the standard.

● **Measured values for discharged water quality and atmospheric measurements**

Plant name	Water quality					Atmosphere			
		pH	BOD	COD	SS	Equipment	Substance	Soot and dust concentration	Nitrogen oxide concentration (NOx)
Kanagawa Plant	Measurement unit	—	mg/L	mg/L	mg/L	Steam boiler	Measurement unit	g/m³N	v / v ppm
	Actual value	8.3	16.0	22.0	—		Actual value	0.0036	70
	Standard value	5.7～8.6	River: 25 Public sewerage: 300	River: 25 Public sewerage: -	River: 70 Public sewerage: 300		Standard value	—	180 Air Pollution Control Act
Fukushima Plant	Measurement unit	—	mg/L	mg/L	mg/L	Steam boiler	Measurement unit	g/m³N	v / v ppm
	Actual value	7.9	18.0	16.0	2.8		Actual value	0.050	88
	Standard value	5.8～8.6	25(20)	25(20)	70(50)		Standard value	0.3 Air Pollution Control Act	180 Air Pollution Control Act
Yamagata Plant	Measurement unit	—	mg/L	mg/L	mg/L	Steam boiler	Measurement unit	g/m³N	v / v ppm
	Actual value	7.15	9.38	12.7	2.2		Actual value	0.004	77
	Standard value	5.8～8.6	25(20)	160(120)	60(50)		Standard value	0.3 Air Pollution Control Act	180 Air Pollution Control Act
Miyagi Plant	Measurement unit	—	mg/L	mg/L	mg/L	boiler	Measurement unit	g/m³N	v / v ppm
	Actual value	7.3	110.0	86.0	17.0		Actual value	0.016	86
	Standard value	5.8～8.6	160(120)	160(120)	200(150)		Standard value	0.3	180 Air Pollution Control Act
Guangzhou Plant	Measurement unit	—	mg/L	mg/L	mg/L	boiler	Measurement unit	mg/m³N	v / v ppm
	Actual value	7.2	26.6	73.8	13.5		Actual value	32	92
	Standard value	6～9	20 (300)*	90 (500)*	60		Standard value	National std: 100 Local std: 80	400
Wuhan Plant	Measurement unit	—	mg/L	mg/L	mg/L	Steam boiler	Measurement unit	mg/m³N	v / v ppm
	Actual value	7.08	15.9	39.0	26.0		Actual value	45	196
	Standard value	6～9	20	100	70		Standard value	50	400

- The value in each "Standard value" column represents the upper limit per product, and the value in parentheses in the column represents the upper limit of the daily average.
- The water quality measurement items are partial disclosures of the living environment items of the Water Pollution Control Act.

* In consideration of the fluctuations in the measured values of BOD and COD, the pipes of the Guangzhou Plant have been connected to the sewage treatment center of Guangzhou City. As a result, the standard value of BOD was changed from 20 to 300 and that of COD was changed from 90 to 500 in November 2009.

Table showing environmental burdens

At Meiko, we take measures to gain an understanding of the full scope of our environmental burdens. The table below shows our environmental burdens for Fiscal 2010. We will aim to achieve greater by accurately classifying the inputs into energy, water, materials, and chemical agents, and the outputs into atmospheric release, water discharge, waste and resources, and recycling.

Environmental burdens of our business activities

INPUT

Energy input			Resources			Chemical substances		
Electricity	(MWh)	381,164	Water	(km^3)	9,048	PRTR substances	(t)	611
Heavy oil	(kℓ)	2,073	Photocopying paper (thousand sheets)		11,155			
Natural gas	(km^3)	9,357						
Gasoline	(kℓ)	202						
Kerosene	(kℓ)	14						

Scope: Headquarters and the 6 major plants
Period: Fiscal 2010 (April 1, 2010 - March 31, 2011)
Outline of business: Manufacture of PWBs

OUTPUT

Atmospheric release			Discharge into water table			Chemical substances		
CO_2 emissions	(kt)	353	PRTR substances	(t)	0.50	Amount of waste generated	(t)	6,652
NO_X emissions	(t)	38				Amount of chemical substances discharged	(t)	46
Soot and dust	(t)	5.8						
PRTR substances	(t)	5						

From the Field

Shigenori Shiratori, Intermediate process engineer, Environmental Preservation Department, Guangzhou Plant

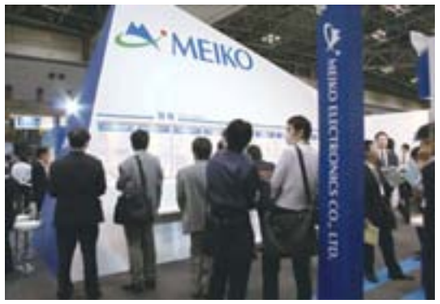
I was involved in environmental preservation activities primarily for reducing consumption of energy and resources at our Miyagi Plant. For the purpose of promoting environmental improvement that can contribute to company management, we strove to reduce heavy oil consumption by enhancing combustion efficiency by supplying oxygen to boiler fuel and reduce the amount of tap water used through recycling waste water from the production process by ion conversion. These have shown good results. The Miyagi Plant was unfortunately damaged by the Great East Japan Earthquake, but the improvement expertise gained was not lost. I hope that putting experience accumulated thus far to use at the Guangzhou Plant in China will contribute to further advancement of environment conservation.

Communication with Stakeholders

One of the pledges made in our Code of Conduct is that "we will ensure that our corporate activities and management practices are sound and transparent and continue to be a trustworthy company in order to generate corporate value." In addition to complying with fair disclosure and other related laws and regulations in every aspect of our operating activities and services and in response to inquiries from investors and shareholders, we avoid using any expressions that could potentially contradict the facts with regard to our management practices, products or services. We also implement measures such as securely managing personal data in order to firmly establish Meiko as a company that can be trusted.

Participating in exhibitions

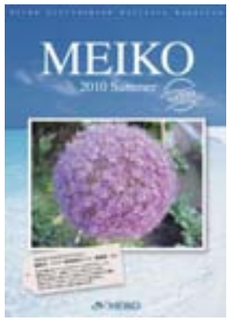
We took part in the JPCA Show in June 2010 and the Printed Wiring Board Expo in January 2011. In addition to attracting a lot of attention with energy-saving, eco-friendly products such as our aluminum heat dissipating PWBs and Large Electric Current PWB, the Meiko booths at both exhibitions also showcased embedded PWBs using state-of-the-art technology. A great many customers came to see our booths and shared their honest opinions and requests, making both events a great success.



A scene from the JPCA Show 2010 in June 2010

Publication of the MEIKO REPORT and renewal of an in-house newsletter and website

We publish the MEIKO REPORT at the halfway point and at the end of each fiscal year in order to provide our shareholders with an overview of our performance and activities during the relevant period and improve their understanding of the Meiko Group as a whole. For our employees, we publish an in-house newsletter entitled MEIKO, with an aim to providing information, including messages from the President and details of management policies, and have also renewed an in-house website called MEIKO EXPRESS to use as tools for communication between employees.



In-house newsletter, "MEIKO"


In-house website, "MEIKO EXPRESS"

Releasing information via a range of different media

We take every opportunity to publicize information on subjects such as trends within the group and our strategies and philosophy via newspapers, magazines, company websites and other media. Once again in Fiscal 2010, we published a large amount of information via economic newspapers, industry journals and media aimed at shareholders. We will continue to keep our individual and institutional investors, customers, business partners, employees and all of our other stakeholders informed about Meiko so as to give them a better understanding of the group as a whole.

Fiscal 2010 Annual Report

While the environment of the global economy for Fiscal 2010 was initially expected to remain severe due mainly to financial uncertainty in Europe and fading effect of economic stimulus measures, led by economic growth primarily in Asia, the overall economy showed a trend toward recovery. The electronics industry, the Group's main customers, showed a tendency toward recovery due to increased demand for digital household appliances and soaring popularity of new products such as smartphones in emerging countries. The automobile industry also showed a sign of recovery due primarily to increased demand for automobiles and successful launches of fuel-efficient cars in emerging countries. The number of orders received by the Group steadily increased as a result of growing sales for overseas corporations promoted since the year before last, development of new customers and active investment in products for which new growth was foreseen. The Great East Japan Earthquake that occurred in March 2011 however damaged our Miyagi and Fukushima Plants, and consequently we posted an extraordinary loss.

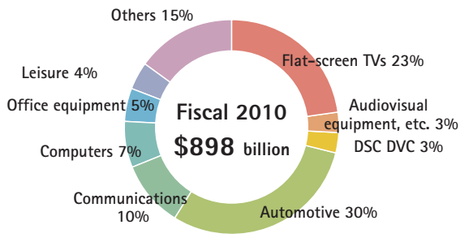
As a result, in spite of an increase in net sales, income was significantly lower compared to the previous year.

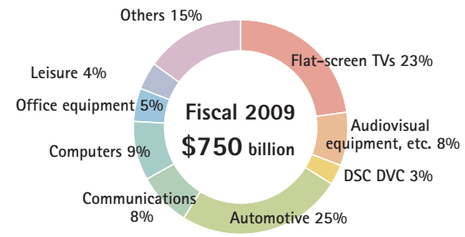
(Thousand of U.S. dollars)

	Fiscal 2008	Fiscal 2009	Fiscal 2010
Net sales	771,727	750,384	898,670
Operating income	17,926	40,772	39,662
Operating margin	2.3%	5.4%	4.4%
Net income (loss)	5,319	19,650	(37,220)
Net margin	0.7%	2.6%	-4.1%
ROA	0.6%	2.1%	2.0%
ROE	1.4%	5.0%	-8.7%
Net income (loss) per share	$0.31	$1.15	($2.00)

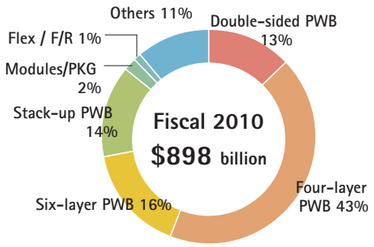
Printed wiring board (PWB) sales according to product and item

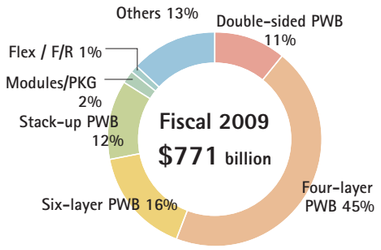
According to product





According to item





Corporate Profile (as of July 1, 2011)

Headquarters	5-14-15, Ogami, Ayase City, Kanagawa Prefecture, Japan 252-1104
Plants	●Kanagawa Plant 5-14-15, Ogami, Ayase City, Kanagawa Prefecture, Japan 252-1104 ●Fukushima Plant 1-2, Aza-Iwasawa, Kamikitaba, Hironomachi, Futaba-gun, Fukushima Prefecture, Japan 979-0401 ●Miyagi Plant 8-5, Shigeyoshi-cho, Ishinomaki City, Miyagi Prefecture, Japan 986-0844 ●Yamagata Plant (Yamagata Meiko Electronics Co., Ltd.) 250, Aza-Maki, Yachi, Kahoku-cho, Nishimurayama-gun, Yamagata Prefecture, Japan 999-3511 ●Ebina Office 1012, Kamigo, Ebina City, Kanagawa Prefecture, Japan 243-0434 ●Guangzhou Plant (Meiko Electronics (Guangzhou Nansha) Co., Ltd.) No.2 Guangsheng Road, Western Industrial District, Nansha Economic and Technological Development Zone, Guangzhou, Guangdong Province, P. R. China ●Wuhan Plant (Meiko Electronics (Wuhan) Co., Ltd.) No.9 Shenlong Road, Wuhan Economic and Technological Development Zone, Hubei Province, P. R. China ●Vietnam Plant (Meiko Electronics Vietnam Co., Ltd.) Lot LD4, Thach That -Quoc Oai Industrial Zone., Hanoi
Established	November 25, 1975
Capital	10,545.63 million yen
Executives	Yuichiro Naya, President & CEO Seiichi Naya, Director, Senior Managing Executive Officer Takahide Hirayama, Director, Senior Managing Executive Officer Masakuni Shinozaki, Director, Senior Managing Executive Officer Haruyuki Naya, Director, Managing Executive Officer Tetsuro Suzuki, Director, Managing Executive Officer Kunihiko Sato, Director Hitoshi Iyomoto, Senior Corporate Auditor Kunihiro Sugawara, Auditor Yutaka Gotoh, Auditor
No. of Employees	13,161 (Japan: 981; Overseas: 12,180) *As of March 31, 2011
Business	Design, manufacturing, and sales of PWBs Design: Pattern design Manufacturing: Double-sided through-hole PWBs, multi-layer through-hole PWBs, HDI PWBs, flexible PWBs, Flex-rigid PWBs, high current copper thickness PWBs, Heat Dissipation PWBs, embedded PWBs, etc. EMS, Metal Mask Development, manufacturing, and sales of electronic equipment PWB testers Simultaneous multi-image display systems

Organizational Chart
(As of July 1, 2011)