

**Quarterly Consolidated Financial Statements
Included in the Quarterly Report
Meiko Electronics Co., Ltd.
and its consolidated subsidiaries**

For the second quarter and six months ended September 30, 2011

(ENGLISH TRANSLATION)

NOTE:

This document is an excerpt translation of the Quarterly Report (“Shihanki Houkokusho”) of Meiko Electronics Co., Ltd. (the “Company”), for the second quarter and six months ended September 30, 2011, filed with the Director of the Kanto Local Finance Bureau of the Ministry of Finance of Japan pursuant to the Financial Instruments and Exchange Law of Japan on November 11, 2011.

Please note that the quarterly consolidated financial statements in this document are a translation of the reviewed quarterly consolidated financial statements presented in Japanese. The translation of the quarterly consolidated financial statements and notes has NOT been audited by KPMG AZSA LLC, who reviewed the original Japanese figures.

The Company provides this translation for your reference and convenience only without any warranty as to its accuracy. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail. The final decision and responsibility for investments rests solely with the reader of this document.

Financial Information

1 Basis of preparation of the quarterly consolidated financial statements

The quarterly consolidated financial statements of the Company are prepared in accordance with the “Regulation for Terminology, Forms and Preparation of Quarterly Consolidated Financial Statements” (Cabinet Office Ordinance No. 64 of 2007) (the “Regulation for Quarterly Consolidated Financial Statements”).

2 Review reports

The quarterly consolidated financial statements of the Company for the second quarter (July 1, 2011 - September 30, 2011), and those for the second quarter and six months ended September 30, 2011, were reviewed by KPMG AZSA LLC, pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Law of Japan.

1 Consolidated Financial Statements

(1) Consolidated Balance Sheets

Meiko Electronics Co., Ltd. and its consolidated subsidiaries

	Millions of yen		Thousands of
	March 31, 2011	September 30, 2011	U.S. dollars
			September 30, 2011
Assets			
Current assets			
Cash and deposits	¥ 2,728	¥ 4,109	\$ 53,610
Notes and accounts receivable-trade	14,634	14,907	194,478
Merchandise and finished goods	4,380	4,063	53,004
Work in process	2,364	2,794	36,445
Raw materials and supplies	4,571	3,928	51,252
Other	3,219	4,130	53,881
Allowance for doubtful accounts	(13)	(12)	(155)
Total current assets	31,883	33,919	442,515
Noncurrent assets			
Property, plant and equipment			
Buildings and structures, net	16,304	18,371	239,675
Machinery, equipment and vehicles, net	22,460	24,332	317,441
Land	1,944	1,944	25,366
Construction in progress	10,969	7,985	104,169
Other, net	658	612	7,985
Total property, plant and equipment	52,335	53,244	694,636
Intangible assets			
Investments and other assets	*1 4,990	*1 4,721	*1 61,589
Total noncurrent assets	57,933	58,578	764,227
Total assets	¥ 89,816	¥ 92,497	\$ 1,206,742

	Millions of yen		Thousands of
	March 31, 2011	September 30, 2011	U.S. dollars
			September 30, 2011
Liabilities			
Current liabilities			
Notes and accounts payable-trade	¥ 8,591	¥ 7,641	\$ 99,681
Short-term loans payable	4,149	8,789	114,658
Current portion of long-term loans payable	9,211	9,827	128,206
Income taxes payable	79	207	2,700
Provision for bonuses	435	406	5,298
Provision for loss on disaster	773	480	6,257
Other	6,381	5,389	70,313
Total current liabilities	29,619	32,739	427,113
Noncurrent liabilities			
Long-term loans payable	23,944	26,297	343,077
Provision for retirement benefits	1,200	1,195	15,597
Provision for directors' retirement benefits	269	261	3,406
Other	1,804	1,377	17,965
Total noncurrent liabilities	27,217	29,130	380,045
Total liabilities	56,836	61,869	807,158
Net assets			
Shareholders' equity			
Capital stock	10,546	10,546	137,582
Capital surplus	12,467	12,467	162,650
Retained earnings	14,359	13,530	176,517
Treasury stock	(396)	(396)	(5,170)
Total shareholders' equity	36,976	36,147	471,579
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	(106)	(228)	(2,971)
Deferred gains or losses on hedges	(204)	(328)	(4,277)
Foreign currency translation adjustment	(3,686)	(4,963)	(64,747)
Total accumulated other comprehensive income	(3,996)	(5,519)	(71,995)
Total net assets	32,980	30,628	399,584
Total liabilities and net assets	¥ 89,816	¥ 92,497	\$ 1,206,742

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income
For the Six Months Ended September 30, 2011
Meiko Electronics Co., Ltd. and its consolidated subsidiaries

	Millions of yen		Thousands of
	Six months ended September 30, 2010	Six months ended September 30, 2011	U.S. dollars Six months ended September 30, 2011
Net sales	¥ 38,375	¥ 32,320	\$ 421,658
Cost of sales	32,268	28,194	367,831
Gross profit	6,107	4,126	53,827
Selling, general and administrative expenses	*1 4,098	*1 3,677	*1 47,974
Operating income	2,009	449	5,853
Non-operating income			
Interest income	12	8	105
Dividends income	1	11	145
Subsidy income	80	25	329
Insurance income	—	50	657
Other	79	48	621
Total non-operating income	172	142	1,857
Non-operating expenses			
Interest expenses	371	405	5,289
Foreign exchange losses	349	869	11,340
Other	172	338	4,401
Total non-operating expenses	892	1,612	21,030
Ordinary income (loss)	1,289	(1,021)	(13,320)
Extraordinary income			
Gain on sales of noncurrent assets	5	14	186
Total extraordinary income	5	14	186
Extraordinary loss			
Loss on sales and retirement of noncurrent assets	85	2	31
Loss on disaster	—	135	1,764
Total extraordinary losses	85	137	1,795
Income (loss) before income taxes	1,209	(1,144)	(14,929)
Income taxes	335	94	1,231
Refund of income taxes	—	(409)	(5,347)
Income (loss) before minority interests	874	(829)	(10,813)
Minority interests in income	0	—	—
Net income (loss)	¥ 874	¥ (829)	\$ (10,813)

Consolidated Statements of Comprehensive Income
For the Six Months Ended September 30, 2011
Meiko Electronics Co., Ltd. and its consolidated subsidiaries

	Millions of yen		Thousands of
	Six months ended September 30, 2010	Six months ended September 30, 2011	U.S. dollars Six months ended September 30, 2011
Income (loss) before minority interests	¥ 874	¥ (829)	\$ (10,813)
Other comprehensive income			
Valuation difference on available-for-sale securities	(9)	(122)	(1,595)
Deferred gains or losses on hedges	(54)	(124)	(1,614)
Foreign currency translation adjustment	(2,415)	(1,276)	(16,655)
Total other comprehensive income	(2,478)	(1,522)	(19,864)
Comprehensive income	(1,604)	(2,351)	(30,677)
Comprehensive income attributable to			
Comprehensive income attributable to owners of the parent	¥ (1,604)	¥ (2,351)	\$ (30,677)
Comprehensive income attributable to minority interests	0	—	—

(3) Consolidated Statements of Cash Flows
For the Six Months Ended September 30, 2011
Meiko Electronics Co., Ltd. and its consolidated subsidiaries

	Millions of yen		Thousands of
	Six months ended September 30, 2010	Six months ended September 30, 2011	U.S. dollars Six months ended September 30, 2011
Net cash provided by (used in) operating activities			
Income (loss) before income taxes	¥ 1,209	¥ (1,144)	\$ (14,929)
Depreciation and amortization	3,196	3,056	39,869
Amortization of goodwill	32	32	415
Increase (decrease) in allowance for doubtful accounts	0	1	19
Increase (decrease) in provision for retirement benefits	73	(4)	(50)
Increase (decrease) in provision for bonuses	12	(29)	(381)
Increase (decrease) in provision for directors' bonuses	(24)	—	—
Increase (decrease) in provision for directors' retirement benefits	—	(8)	(109)
Interest and dividends income	(13)	(19)	(249)
Interest expenses	371	405	5,289
Foreign exchange losses (gains)	(21)	424	5,535
Loss (gain) on sales and retirement of property, plant and equipment	80	(12)	(155)
Loss on disaster	—	135	1,763
Decrease (increase) in notes and accounts receivable-trade	(4,757)	(1,694)	(22,106)
Decrease (increase) in inventories	(1,612)	46	594
Increase (decrease) in notes and accounts payable-trade	1,342	(653)	(8,522)
Decrease (increase) in other assets	(98)	109	1,422
Increase (decrease) in other liabilities	756	172	2,256
Subtotal	546	817	10,661
Interest and dividends income received	13	19	249
Interest expenses paid	(366)	(393)	(5,133)
Payments for loss on disaster	—	(598)	(7,804)
Income taxes refund	—	450	5,870
Income taxes paid	(126)	(81)	(1,052)
Net cash provided by (used in) operating activities	67	214	2,791
Net cash provided by (used in) investing activities			
Purchase of property, plant and equipment	(9,010)	(7,198)	(93,909)
Proceeds from sales of property, plant and equipment	9	30	386
Purchase of intangible assets	(15)	(93)	(1,212)
Purchase of investment securities	(611)	0	0
Purchase of insurance funds	(31)	(26)	(344)
Proceeds from maturity of insurance funds	—	73	951
Other, net	(306)	(61)	(787)
Net cash provided by (used in) investing activities	(9,964)	(7,275)	(94,915)
Net cash provided by (used in) financing activities			
Net increase (decrease) in short-term loans payable	6,304	4,758	62,071
Proceeds from long-term loans payable	8,464	8,588	112,038
Repayment of long-term loans payable	(4,168)	(4,358)	(56,849)
Repayments of installment payables	(369)	(449)	(5,858)
Purchase of treasury stock	(0)	—	—
Cash dividends paid	(184)	(1)	(9)
Net cash provided by (used in) financing activities	10,047	8,538	111,393
Effect of exchange rate change on cash and cash equivalents	(157)	(96)	(1,244)
Net increase (decrease) in cash and cash equivalents	(7)	1,381	18,025
Cash and cash equivalents at beginning of period	4,009	2,509	32,728
Cash and cash equivalents at end of period	*1 ¥ 4,002	*1 ¥ 3,890	*1 \$ 50,753

Matters concerning Going Concern Assumption

Not applicable

Change in scope of Consolidation and Application of the Equity Method

Not applicable

Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements of Meiko Electronics Co., Ltd. (the "Company") have been prepared in accordance with the provisions set forth in the Financial Instruments and Exchange Act of Japan and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates. The translation of Japanese yen amounts into U.S. dollar amounts is included solely for the convenience of readers outside Japan and have been made at the rate of ¥76.65 to \$1, the approximate rate of exchange at September 30, 2011. Such translation should not be construed as representation that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

Change in Accounting Policies

Not applicable

Specific Accounting Treatments Adopted in Preparing the Quarterly Consolidated Financial Statements

Six months ended September 30, 2011

Computation of Tax Expense

Tax expenses are calculated by reasonably estimating the effective tax rate after the adoption of tax-effect accounting that is applicable to income before income taxes for the fiscal year ending March 31, 2012, and multiplied by this estimated effective tax rate.

Additional Information

Six months ended September 30, 2011

From accounting changes and error corrections starting at the beginning of the first quarter of the fiscal year ending March 31, 2012, the Company applied the "Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Statement No. 24; December 4, 2009) and "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Guidance No. 24; December 4, 2009).

Notes to the Consolidated Financial Statements

Consolidated Balance Sheets

*1 Amount of allowance directly deducted from the amount of investments and other assets	Millions of yen		Thousands of U.S. dollars
	Fiscal year ended March 31, 2011	Six months ended September 30, 2011	Six months ended September 30, 2011
Allowance for doubtful accounts	¥ 109	¥ 111	\$ 1,454
Allowance for investment loss	69	69	900

Consolidated Statements of Income

*1 Main items and corresponding amounts recorded as selling, general and administrative expenses are shown below:	Millions of yen		Thousands of U.S. dollars
	Six months ended September 30, 2010	Six months ended September 30, 2011	Six months ended September 30, 2011
Salaries, allowances, and other salaries	¥ 847	¥ 816	\$ 10,645
Experiment and research expenses	541	411	5,367
Provision for bonuses	161	164	2,140
Provision of allowance for doubtful accounts	0	2	30
Retirement benefit expenses	32	39	508

Consolidated Statements of Cash Flows

*1 The relationship between cash and cash equivalents outstanding as of September 30, 2011, and the amounts shown on the Consolidated Balance Sheets is shown below:	Millions of yen		Thousands of U.S. dollars
	Six months ended September 30, 2010	Six months ended September 30, 2011	Six months ended September 30, 2011
Cash and deposits	¥ 4,221	¥ 4,109	\$ 53,610
Time deposits with tenors exceeding 3 months ..	(219)	(219)	(2,857)
Cash and cash equivalents	4,002	3,890	50,753

Total Shareholders' Equity

Six months ended September 30, 2010

1 Cash Dividends Paid

Resolution

June 29, 2010 Shareholders' meeting

Type of Shares	Common stock
Total Dividends (Millions of Yen)	184
Dividend per Share (Yen)	10.00
Record Date	March 31, 2010
Effective Date	June 30, 2010
Dividend Resource	Retained earnings

2 Of the dividends whose record date falls during the six months ended September 30, 2010, those dividends whose effective date fell after the last day of the second quarter

Resolution

November 10, 2011, Board of Directors' meeting

Type of Shares	Common stock
Total Dividends (Millions of Yen)	221
Dividend per Share (Yen)	12.00
Record Date	September 30, 2010
Effective Date	November 30, 2011
Dividend Resource	Retained earnings

Six months ended September 30, 2011

1 Cash Dividends Paid

Not applicable

2 Of the dividends whose record date falls during the six months ended September 30, 2011, those dividends whose effective date will fall after the last day of the second quarter

Not applicable

Segment Information

I Six months ended September 30, 2010

As the Group's businesses are all in the single segment of PWB design, manufacturing, sales, and ancillary operations, this section is omitted.

II Six months ended September 30, 2011

As the Group's businesses are all in the single segment of PWB design, manufacturing, sales, and ancillary operations, this section is omitted.

Financial Instruments

There were no significant changes in the amount of other financial instruments recorded in the Consolidated Balance Sheets compared with that of March 31, 2011.

Securities

There were no significant changes in the amount of other securities recorded in the Consolidated Balance Sheets compared with that of March 31, 2011.

Derivative Transactions

There were no significant changes in the contract amounts, etc. of derivative transactions as of September 30, 2011, compared with those of March 31, 2011.

Business Combinations, etc.

Not applicable

Per Share Information

The basis for calculating net income (loss) per share is shown below:

Item	Six months ended September 30, 2010	Six months ended September 30, 2011
Net income (loss) per share (Yen)	47.32	(44.15)
Basis for calculation		
Net income (loss) (millions of yen)	874	(829)
Amounts not attributable to common shareholders (millions of yen)	-	-
Net income (loss) attributable to common shareholders (millions of yen)	874	(829)
Average number of common shares outstanding for the period (shares)	18,460,558	18,774,150

Note: Diluted net income per share is not disclosed as there were no diluted shares.

Significant Subsequent Events

Partial suspension of operations at a consolidated subsidiary

As directed by the Wuhan city government, operations at the No. 2 Plant of the consolidated subsidiary Meiko Electronics (Wuhan) Co., Ltd. were suspended from October 18, 2011, because of problems related to the approval process for the environmental assessment. Corrective measures are currently being implemented based on the instructions of the Wuhan city government, and the plant intends to resume operations upon completion of the corrective measures.

The timing of the resumption of operations is pending, and as a result the impact of the suspension on consolidated earnings has not been determined.

2 Other

As per a resolution passed by the Board of Directors at its meeting held on May 18, 2011, an interim dividend will not be paid for the fiscal year ending March 31, 2012.