

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

For the first quarter and three months ended June 30, 2013

(ENGLISH TRANSLATION)

NOTE:

This document is an excerpt translation of the Quarterly Report (“Shihanki Houkokusho”) of Meiko Electronics Co., Ltd. (the “Company”), for the first quarter and three months ended June 30, 2013, 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 August 9, 2013.

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 first quarter (April 1, 2013 - June 30, 2013), and those for the first quarter and three months ended June 30, 2013, 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 U.S. dollars	
	March 31, 2013	June 30, 2013	June 30, 2013	June 30, 2013
Assets				
Current assets				
Cash and deposits	¥ 9,007	¥ 9,086	\$ 92,169	
Notes and accounts receivable-trade	*2 12,129	*2 14,268	*2 144,732	
Merchandise and finished goods	3,418	4,520	45,850	
Work in process	2,597	2,559	25,956	
Raw materials and supplies	4,472	4,943	50,137	
Other	3,493	2,163	21,944	
Allowance for doubtful accounts	(15)	(16)	(158)	
Total current assets	<u>35,101</u>	<u>37,523</u>	<u>380,630</u>	
Noncurrent assets				
Property, plant and equipment				
Buildings and structures, net	24,998	26,124	265,002	
Machinery, equipment and vehicles, net	27,525	28,628	290,404	
Land	1,944	1,944	19,723	
Construction in progress	6,588	7,490	75,983	
Other, net	717	742	7,528	
Total property, plant and equipment	<u>61,772</u>	<u>64,928</u>	<u>658,640</u>	
Intangible assets	469	481	4,882	
Investments and other assets	*1 4,704	*1 5,850	*1 59,341	
Total noncurrent assets	<u>66,945</u>	<u>71,259</u>	<u>722,863</u>	
Total assets	¥ <u><u>102,046</u></u>	¥ <u><u>108,782</u></u>	\$ <u><u>1,103,493</u></u>	

	Millions of yen		Thousands of
	March 31, 2013	June 30, 2013	U.S. dollars
			June 30, 2013
Liabilities			
Current liabilities			
Notes and accounts payable-trade	*2 ¥ 7,243	*2 ¥ 9,203	*2 \$ 93,351
Short-term loans payable	13,971	16,745	169,867
Current portion of long-term loans payable	13,108	12,971	131,574
Income taxes payable	739	500	5,072
Provision for bonuses	440	255	2,591
Other	*2 4,677	*2 5,405	*2 54,836
Total current liabilities	<u>40,178</u>	<u>45,079</u>	<u>457,291</u>
Noncurrent liabilities			
Long-term loans payable	22,557	21,998	223,153
Provision for retirement benefits	1,517	1,563	15,855
Provision for directors' retirement benefits	261	261	2,648
Other	806	848	8,600
Total noncurrent liabilities	<u>25,141</u>	<u>24,670</u>	<u>250,256</u>
Total liabilities	<u>65,319</u>	<u>69,749</u>	<u>707,547</u>
Net assets			
Shareholders' equity			
Capital stock	10,546	10,546	106,975
Capital surplus	12,467	12,467	126,467
Retained earnings	13,827	14,290	144,961
Treasury stock	(396)	(396)	(4,021)
Total shareholders' equity	<u>36,444</u>	<u>36,907</u>	<u>374,382</u>
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	(115)	(109)	(1,109)
Deferred gains or losses on hedges	(206)	(153)	(1,555)
Foreign currency translation adjustment	604	2,388	24,228
Total accumulated other comprehensive income	<u>283</u>	<u>2,126</u>	<u>21,564</u>
Total net assets	<u>36,727</u>	<u>39,033</u>	<u>395,946</u>
Total liabilities and net assets	¥ <u>102,046</u>	¥ <u>108,782</u>	\$ <u>1,103,493</u>

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income
For the Three Months Ended June 30, 2013
Meiko Electronics Co., Ltd. and its consolidated subsidiaries

	Millions of yen		Thousands of
	Three months ended June 30, 2012	Three months ended June 30, 2013	U.S. dollars Three months ended June 30, 2013
Net sales	¥ 14,144	¥ 18,260	\$ 185,226
Cost of sales	11,921	15,906	161,345
Gross profit	2,223	2,354	23,881
Selling, general and administrative expenses	1,897	2,118	21,486
Operating income	326	236	2,395
Non-operating income			
Interest income	4	4	40
Dividends income	2	3	26
Subsidy income	0	19	192
Damage compensation income	16	—	—
Foreign exchange gains	—	1,066	10,815
Other	21	39	401
Total non-operating income	43	1,131	11,474
Non-operating expenses			
Interest expenses	217	216	2,194
Foreign exchange losses	626	—	—
Other	237	73	740
Total non-operating expenses	1,080	289	2,934
Ordinary income (loss)	(711)	1,078	10,935
Extraordinary income			
Gain on sales of noncurrent assets	4	1	8
Compensation income	—	160	1,619
Total extraordinary income	4	161	1,627
Extraordinary loss			
Loss on sales and retirement of noncurrent assets	16	122	1,238
Loss on valuation of investment securities	336	—	—
Loss on abandonment of inventories	24	—	—
Total extraordinary losses	376	122	1,238
Income (loss) before income taxes	(1,083)	1,117	11,324
Income taxes	(159)	654	6,629
Income (loss) before minority interests	(924)	463	4,695
Net income (loss)	¥ (924)	¥ 463	\$ 4,695

Consolidated Statements of Comprehensive Income
For the Three Months Ended June 30, 2013
Meiko Electronics Co., Ltd. and its consolidated subsidiaries

	Millions of yen		Thousands of U.S. dollars
	Three months ended June 30, 2012	Three months ended June 30, 2013	Three months ended June 30, 2013
Income (loss) before minority interests	¥ (924)	¥ 463	\$ 4,695
Other comprehensive income			
Valuation difference on available-for-sale securities	178	6	60
Deferred gains or losses on hedges	(81)	52	531
Foreign currency translation adjustment	(1,059)	1,785	18,104
Total other comprehensive income	(962)	1,843	18,695
Comprehensive income	<u>(1,886)</u>	<u>2,306</u>	<u>23,390</u>
Comprehensive income attributable to			
Comprehensive income attributable to owners of the parent	¥ (1,886)	¥ 2,306	\$ 23,390
Comprehensive income attributable to minority interests	—	—	—

Notes to the Consolidated Financial Statements

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 Law 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 ¥98.58 to \$1, the approximate rate of exchange at June 30, 2013. 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

Three months ended June 30, 2013

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, 2014, and multiplied by this estimated effective tax rate.

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	
	March 31, 2013	June 30, 2013	June 30, 2013	
Allowance for doubtful accounts.....	¥ 40	¥ 40	\$	404

*2 Accounting treatment for notes maturing on June 30, 2013

Notes maturing on the final day of a quarterly reporting period are accounted for as if they had been settled on the final day of the period.

Because the final day of the first quarter (June 30, 2013) was a bank holiday, the following notes maturing on the final day of the quarter were accounted for as if they had been settled on the maturity date.

	Millions of yen		Thousands of U.S. dollars	
	March 31, 2013	June 30, 2013	June 30, 2013	
Notes receivable–trade.....	¥ 31	¥ 28	\$	287
Notes payable–trade.....	49	48		491
Notes payable–facilities.....	2	1		7

3 Discounted notes receivable are summarized below:

	Millions of yen		Thousands of U.S. dollars	
	March 31, 2013	June 30, 2013	June 30, 2013	
Discounted notes receivable–trade.....	¥ 38	¥ 33	\$	331

Consolidated Statements of Cash Flows

No consolidated statements of cash flow were prepared for the three months ended June 30, 2013. Depreciation and amortization (including amortization related to intangible assets, except for goodwill) for the three months ended June 30, 2013 and the amortization of goodwill are shown below:

	Millions of yen		Thousands of
	Three months ended June 30, 2012	Three months ended June 30, 2013	U.S. dollars
Depreciation and amortization	¥ 1,666	¥ 1,477	\$ 14,984
Amortization of goodwill	16	—	—

Total Shareholders' Equity

Three months ended June 30, 2012

1 Cash dividends paid

Resolution

June 27, 2012 Shareholders' meeting

Type of shares Common stock

Total dividends (Millions of yen) 94

Dividend per share (Yen) 5.00

Record date March 31, 2012

Effective date June 28, 2012

Dividend resource Retained earnings

2 Of the dividends whose record date falls during the three months ended June 30, 2012, those dividends whose effective date fell after the last day of the first quarter

Not applicable

Three months ended June 30, 2013

1 Cash dividends paid

Not applicable

2 Of the dividends whose record date falls during the three months ended June 30, 2013, those dividends whose effective date will fall after the last day of the first quarter

Not applicable

Segment Information

I Three months ended June 30, 2012

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

II Three months ended June 30, 2013

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

Pursuant to the provisions of Article 17-2 of the Regulation for Quarterly Consolidated Financial Statements, this section is omitted.

Securities

Pursuant to the provisions of Article 17-2 of the Regulation for Quarterly Consolidated Financial Statements, this section is omitted.

Derivative Transactions

Pursuant to the provisions of Article 17-2 of the Regulation for Quarterly Consolidated Financial Statements, this section is omitted.

Business Combinations, etc.

Not applicable

Per Share Information

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

Item	Three months ended June 30, 2012	Three months ended June 30, 2013
Net income (loss) per share (Yen)	(49.23)	24.65
Basis for calculation		
Net income (loss) (Millions of yen)	(924)	463
Amounts not attributable to common shareholders (Millions of yen)	—	—
Net income (loss) attributable to common shares (Millions of yen)	(924)	463
Average number of common shares outstanding for the period (Shares)	18,774,076	18,774,076

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

Significant Subsequent Events

Not applicable

2 Other

Not applicable