

June 1, 2020

To whom it may concern,

Company name Meiko Electronics Co., Ltd.
Representative President & CEO Yuichiro Naya
(Code Number: 6787 JASDAQ)
C o n t a c t Corporate Communications Dept. Keisuke Yoshikawa
P h o n e 0 4 6 7 - 7 6 - 6 0 0 1

Announcement on the rationalization efforts

MEIKO ELECTRONICS CO., LTD. (hereinafter referred to as 'Meiko') announces that it has determined to implement the following rationalization efforts in order to get over the hostile business environment in the current fiscal year.

1. Reason to implement the rationalization

The PCB that Meiko manufactures are primarily for automotive parts and smartphones. The outlook of its business performance is uncertain as the demand for commodities are globally sluggish due to the spreading novel coronavirus (COVID-19) infection. Thus, Meiko has determined to “reduce fix cost and selling, general and administrative expenses”, “improve production efficiency”, “limit overtime work”, “optimize the number of operation days”, and so forth.

2. The contents of the rationalization efforts

(1) Reduction of director's remuneration

- a. 40% reduction of the President & CEO'S's total remuneration
- b. 25% reduction of the Director and Senior Managing Executive Officer's total remuneration
- c. 20% reduction of the Director and Managing Executive Officer's total remuneration
- d. 12% reduction of the Director's total remuneration

* 30% reduction of bonus payment of the Directors in addition to the above

(2) Reduction of management level employees' salaries

- a. 12% reduction of executive officer's monthly salary
- b. 5-10% reduction of the management level employee's salary other than above

* The reduction is not applied for the bonus payment.

(3) Above reductions are implemented from June to December 2020.

(4) Optimizing the number of operations of the factories in Japan should be 10 days at the most.

3. Impact on the FY2020 plan

These efforts were taken into consideration in the FY2020 plan, which had been announced on May 21, 2020.