

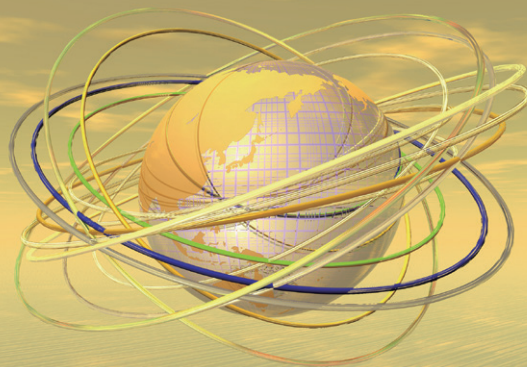
MEIKO REPORT

50th Report to Shareholders

(From April 1, 2024 to March 31, 2025)

Securities code: 6787

MEIKO ELECTRONICS CO., LTD.



Financial highlights

Net sales

206,806 million yen

Operating income

19,083 million yen

Net income attributable to owners of parent

14,924 million yen

Consolidated balance sheet

(in million yen)

	Previous period (As of March 31, 2024)	Current period (As of March 31, 2025)
Assets		
Current assets	102,839	114,112
Noncurrent assets	127,120	142,253
Property, plant and equipment	112,065	129,570
Intangible assets	6,418	5,696
Investments and other assets	8,636	6,986
Total assets	229,960	256,366
Liabilities		
Current liabilities	81,714	100,257
Noncurrent liabilities	42,786	40,502
Total liabilities	124,501	140,760
Net assets		
Shareholders' equity	69,566	81,691
Capital	12,888	12,888
Capital surplus	14,242	13,820
Retained earnings	45,146	57,649
Treasury stocks	△2,710	△2,666
Cumulative other comprehensive income	28,617	26,547
Valuation difference on available-for-sale securities	94	92
Deferred gains or losses on hedges	45	50
Foreign currency translation adjustment	28,467	26,322
Non-controlling interests	10	82
Total net assets	105,458	115,605
Total liabilities and net assets	229,960	256,366

Consolidated statement of income

(in million yen)

	Previous period (year to date) (April 1, 2023 to March 31, 2024)	Current period (year to date) (April 1, 2024 to March 31, 2025)
Net sales	179,458	206,806
Cost of sales	148,910	167,030
Gross profit	30,548	39,775
Selling, general and administrative expenses	18,887	20,692
Operating income	11,660	19,083
Non-operating income	3,917	1,890
Non-operating expenses	1,310	2,210
Ordinary income	14,267	18,763
Extraordinary income	542	172
Extraordinary losses	936	391
Net income before income taxes	13,873	18,544
Income taxes	2,458	3,448
Net income	11,415	15,096
Net income (loss) attributable to non-controlling interests	105	171
Net income attributable to owners of parent	11,310	14,924

Consolidated statement of cash flows

(in million yen)

	Previous period (year to date) (April 1, 2023 to March 31, 2024)	Current period (year to date) (April 1, 2024 to March 31, 2025)
Net cash generated from operating activities	23,357	21,655
Net cash expended in investment activities	△21,586	△24,327
Net cash generated from/expended in financing activities	681	4,141
The effect of changes in the exchange rate on cash and cash equivalents	1,577	△373
Increase (decrease) in cash and cash equivalents	4,028	1,095
Cash and cash equivalents at the beginning of the period	17,334	21,363
Increase (decrease) in cash and cash equivalents resulting from the change in scope of consolidation	—	453
Cash and cash equivalents at the end of the period	21,363	22,913

Key points of the financial results

●Consolidated balance sheet

Total assets at the end of the fiscal year under review increased 26,406 million yen from the end of previous fiscal year to 256,366 million yen.

This is mainly attributable to increases of 1,549 million yen in cash and deposits, 6,349 million yen in notes and accounts receivable-trade, and 2,895 million yen in inventories included in current assets, as well as an increase of 17,504 million yen in property, plant and equipment and a decrease of 841 million yen in investment securities included in non-current assets.

Liabilities at the end of the fiscal year under review increased 16,259 million yen from the end of previous fiscal year to 140,760 million yen.

This is mainly attributable to a 2,566 million yen increase in notes and accounts payable-trade, an 8,153 million yen increase in short-term borrowings, a 2,175 million yen increase in current portion of long-term borrowings, and a 5,473 million yen increase in other included in current liabilities, as well as a 2,549 million yen decrease in long-term borrowings included in non-current liabilities.

Net assets at the end of the fiscal year under review increased 10,147 million yen from the end of previous fiscal year to 115,605 million yen.

This is mainly attributable to a 421 million yen decrease in capital surplus, a 12,502 million yen increase in retained earnings and a 2,145 million yen decrease in foreign currency translation adjustment.



To our shareholders

I would like to express my sincere gratitude to all shareholders and investors for the outstanding support. The following is a report summarizing the operating results for the term ended March 2025.

Yuichiro Naya, President & CEO

Consolidated Results for FY2024/Forecast for FY2025

(in billion yen)

		FY2023		FY2024		YoY		FY2025		YoY	
		Full-year results	Profit margin	Full-year results	Profit margin	Increase/decrease	Increase/decrease rate	Full-year forecast	Profit margin	Increase/decrease	Increase/decrease rate
Net sales	PCB	149.2		170.6		21.4	14.3%	174.0		3.4	2.0%
	Electronic device	30.3		36.2		5.9	19.5%	39.0		2.8	7.7%
		179.5		206.8		27.3	15.2%	213.0		6.2	3.0%
Operating income	PCB	10.8	7.2%	17.2	10.1%	6.4	59.3%	17.7	10.2%	0.5	2.9%
	Electronic device	0.9	3.0%	1.9	5.2%	1.0	111.1%	2.3	5.9%	0.4	21.1%
		11.7	6.5%	19.1	9.2%	7.4	63.7%	20.0	9.4%	0.9	4.8%
Ordinary income		14.3	8.0%	18.8	9.1%	4.5	31.5%	19.0	8.9%	0.2	1.3%
Net income		11.3	6.3%	14.9	7.2%	3.6	32.0%	15.5	7.3%	0.6	3.9%
Average FX rate (JPY/USD)		145.31		152.57				140			

Sales by Product Application/Forecast for FY2025

(in billion yen)

	Full-year results for FY2023	Full-year results for FY2024	Increase/decrease	YoY	Full-year forecast for FY2025	Increase/decrease	YoY
Automotive	94.7	90.4	-43	-4.5%	91.0	0.6	0.7%
Smartphones	23.5	22.5	-10	-4.3%	22.5	0	0.0%
Telecommunications	4.6	22.7	181	393.5%	25.0	2.3	10.1%
Semiconductor package	0.7	1.0	3	42.9%	1.5	0.5	50.0%
Module	8.5	13.4	49	57.6%	13.5	0.1	0.7%
Amusement/smart home appliances/industrial equipment/others	17.2	20.6	34	19.8%	20.5	-0.1	-0.5%
Electronic device	30.3	36.2	59	19.5%	39.0	2.8	7.7%
Total	179.5	206.8	273	15.2%	213.0	6.2	3.0%

Sales by Product Specification/Forecast for FY2025

(in billion yen)

	Full-year results for FY2023	Full-year results for FY2024	Increase/decrease	YoY	Full-year forecast for FY2025	Increase/decrease	YoY
4 layers or less	43.6	42.3	-1.3	-3.0%	39.0	-3.3	-7.8%
6 layers or less	36.3	33.3	-3.0	-8.3%	34.0	0.7	2.1%
MLB	79.9	75.6	-4.3	-5.4%	73.0	-2.6	-3.4%
8 layers or less	36.4	50.9	14.5	39.8%	51.0	0.1	0.2%
10 layers or less	25.8	37.8	12.0	46.5%	43.0	5.2	13.8%
HDI	62.2	88.7	26.5	42.6%	94.0	5.3	6.0%
Semiconductor package	0.7	1.0	0.3	42.9%	1.5	0.5	50.0%
Rigid flexible/flexible/heat dissipation/large current/other PCBs	6.4	5.3	-1.1	-17.2%	5.5	0.2	3.8%
EMS	14.0	18.5	4.5	32.1%	20.0	1.5	8.1%
ODM	16.3	17.7	1.4	8.6%	19.0	1.3	7.3%
Electronic device	30.3	36.2	5.9	19.5%	39.0	2.8	7.7%
Total	179.5	206.8	27.3	15.2%	213.0	6.2	3.0%

Business results in FY2024

Demand from the automobile market was sluggish for the electronic parts industry in the fiscal year under review. On the other hand, demand continued to expand in fields such as AI servers and game consoles. Concerns about plans to impose large-scale tariff with the inauguration of the new administration in the U.S. increased uncertainty about the future in the second half of the year.

In this environment, our group was affected by sluggish demand for automotive PCBs. Sales of smartphone PCBs fell below the level in the previous year due to changes in the product mix. Sales of telecommunications PCBs greatly increased mainly for satellite communications. Sales of module PCBs were strong for both SSDs and communication modules. Sales in the electronic device business also increased greatly. In terms of profit, the significant increase in high value-added HDI, improved factory operating rates and productivity improvements resulted in strong performance, combined with cost reduction effects. Accordingly, we achieved record highs for both net sales and profits.

As a result, we posted net sales of 206,806 million yen (+15.2% year on year), up 27,347 million yen from the previous consolidated fiscal year. In terms of profit, we posted operating income of 19,083 million yen (+63.7% year on year), ordinary income of 18,763 million yen (+31.5% year on year) and net income attributable to owners of parent of 14,924 million yen (+32.0% year on year).

Forecast for FY2025

In the electronic parts industry in which our group operates business, we expect to see an expansion in demand for high-performance electronic parts due to autonomous driving and the construction of the underpinning communications infrastructure, the growing demand for AI, and other factors. We have assumed an exchange rate of 140 yen in our earnings forecast for FY2025. We have also factored in the slump in demand due to the large-scale hike in tariffs by the U.S. The impact on sales will be 12 billion yen due to the exchange rate and 10 billion yen owing to the tariffs. We anticipate an increase in electric vehicle projects in North America and China in terms for automotive PCBs in our substrate business. We predict an increase in sales of telecommunications PCBs mainly for satellite communications. We forecast sales of smartphone PCBs and module PCBs to remain at the same level as the previous fiscal year. If we look at PCBs by their specifications, we foresee an increase in sales of HDI. Among this increase, we will take on highly profitable projects of 10 layers or more. We will expand our highly profitable ODM business to raise profitability in the electronic device business.

In terms of production, we will work to quickly achieve profitability at our Ishinomaki Factory No. 2 and our Vietnam Plant No. 3, which are responsible for the production of semiconductor package PCBs and module PCBs. Together with this, we will devote our efforts to launching our Vietnam Plant No. 4 and our Hoa Binh Plant.

In terms of profit, we will continue to further strengthen profitability by promoting productivity improvements including factory automation, labor saving and yield improvement.

Financial indicators and shareholder return

1. We will continue to expand sales and profit through investment in equipment and R&D.
2. We will work to strengthen our balanced financial structure.
3. We will aim for a consolidated dividend payout ratio of 15%.
4. We will expand profits and strive to increase shareholder value and dividends.

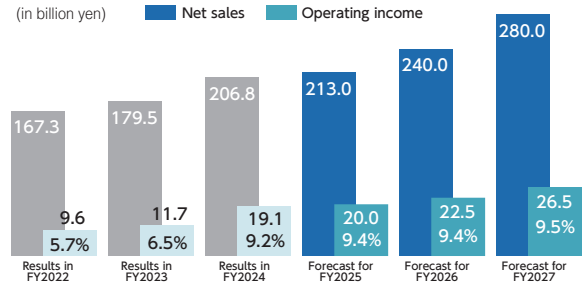
(in billion yen)

	FY2022 (results)	FY2023 (results)	FY2024 (results)	Rate of increase between FY2022 and FY2024	FY2025 (forecast)
Total net sales	167.3	179.5	206.8	×1.2	213.0
Operating income	9.6	11.7	19.1	×2.0	20.0
Operating income margin	5.7%	6.5%	9.2%	×1.6	9.4%
Ordinary income	11.2	14.3	18.8	×1.7	19.0
Profit	8.8	11.3	14.9	×1.7	15.5

Future outlook

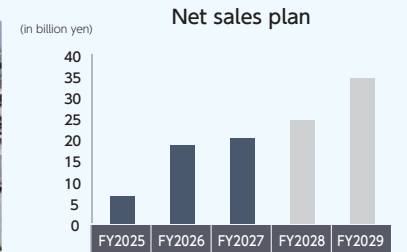
We have predicted net sales of 213 billion yen and operating income of 20 billion yen in our FY2025 earnings forecast while taking into account the effects of recent exchange rates and tariffs. However, there are no major changes to our future growth outlook. Accordingly, we have brought forward the timing of growth investments in the Hoa Binh Plant. We have set the amount of investment at 51 billion yen.

We describe the details of these growth investments below.



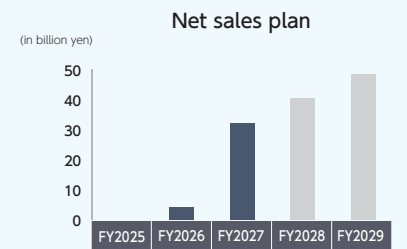
●Vietnam Plant No. 4

Our Vietnamese plants continue to operate at high capacity. We are building a plant to meet future growth in demand. We are currently moving in production equipment. We will begin partial operation in July.



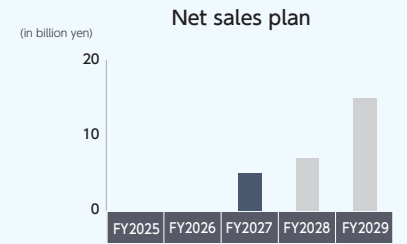
●Hoa Binh Plant

We are building a plant in response to the increase in demand for AI equipment. We are currently moving in production equipment. We will then proceed with customer certification from the second half of the year. We will begin production in FY2026 and plan to start full-scale production in FY2027.



●Nanyo Factory (EMS)

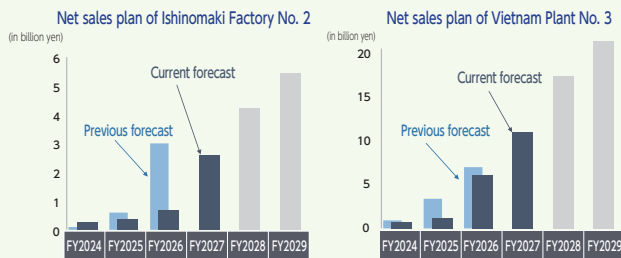
We will build a factory capable of producing the distance measuring devices required for autonomous driving and other applications. This factory will handle semiconductor mounting and active alignment for optical units. We will begin building the factory in FY2025. We plan to start production in FY2027.



The following is an explanation on the situation of the package business and the Tendo Factory, both of whose investment have been completed.

●Situation of the package business

We are facing a delay in our plans due to market conditions. We will continue to work hard to achieve profitability.



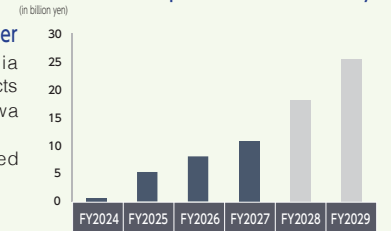
●Situation of Tendo Factory

We will gradually begin mass production as customer certification progresses. We will also launch the Tendo Development Center.

Aim of Tendo Development Center

- Strengthen industry-academia collaborative development projects
- Collaborate with the Yonezawa ODM business
- Mass-produce newly developed products

Net sales plan of Tendo Factory



We are taking a number of measures for improvement with utmost efforts to elevate our performance and corporate value in order to live up to the support and expectations of our shareholders and all other stakeholders. We would appreciate your further kind support and encouragement from now on as well.

	(in billion yen)				
	FY2022 (results)	FY2023 (results)	FY2024 (results)	Rate of increase between FY2022 and FY2024	FY2025 (forecast)
Investment amount	17.4	19.9	29.8	×1.7	51.0
R&D expenses	4.5	5.3	6.3	×1.4	6.5
EBITDA	19.4	22.8	31.6	×1.6	33.9
Total net assets	84.5	105.5	115.6	×1.4	125.4
Interest-bearing liability balance	75.3	79.3	86.8	×1.2	116.7
Capital adequacy ratio	38.2%	42.7%	42.2%	×1.1	43.5%
D/E ratio	0.89	0.75	0.75	×0.8	0.93
ROE	10.5%	10.7%	12.9%	×1.2	12.3%

	(in billion yen)				
	FY2022 (results)	FY2023 (results)	FY2024 (results)	Rate of increase between FY2022 and FY2024	FY2025 (forecast)
Share price	2,922yen	5,420yen	6,840yen	×2.3	-
Market cap	74.9	139.0	177.6	×2.4	-
EPS	338.94yen	428.70yen	569.47yen	×1.7	591.78yen
PER	8.47	12.29	12.03	×1.4	-
PBR	0.97	1.42	1.51	×1.6	-
Dividend	55yen	68yen	88yen	×1.6	90yen
Payout ratio	16.2%	15.9%	15.5%	-	15.2%
FX rate (JPY/USD)	136.00yen	145.31yen	152.57yen	-	140yen



Shinichi Hashimoto
Audit & Supervisory Board Member

Since being elected at the General Meeting of Shareholders in 2024, I have been performing my duties as an outside member of the Audit and Supervisory Board. The year 2024 marks the 50th anniversary of the founding of the Company. It was also the year in which sales for the fiscal year exceeded 200 billion yen for the first time. There is a need to improve governance qualitatively to maintain and increase corporate value as the scale of the Company's business expands. Therefore, I would like to contribute to the development of the Company from my position as an outside member of the Audit and Supervisory Board.

It appears the global situation this year will remain chaotic for the time being, due to factors such as the movement to solve conflicts around the world and U.S. economic policies, including the Trump tariffs, since President Trump took office. It is important that the Company strives to increase its corporate value in the future even against the backdrop of this global situation by further refining the production, technological and sales capabilities it has built up over the past 50 years as well as its global competitive structure and diverse portfolio that have arisen from those capabilities.

The effectiveness of outside officers to deal with management issues at companies has come into question in recent years. Nevertheless, I will do my best to meet the expectations of all the Company's stakeholders. Accordingly, I ask for your continued support.

Corporate data (As of March 31, 2025)

Corporate Profile

Name	MEIKO ELECTRONICS CO., LTD.
Established	November 25, 1975
Capital	12,888 million yen
No. of Employees	12,706 (consolidated) (Japan: 1,358) (Overseas: 11,348)
Outline of Business	Design and manufacturing and sales of PCBs and auxiliary electronics business

Executives

President & CEO	Yuichiro Naya
Vice President & CEO	Atsushi Sakate
Director and Senior Managing Executive Officer	Junya Wada
Director and Managing Executive Officer	Yoshihito Kikyo
Director and Managing Executive Officer	Shigeru Naya
Director	Nao Tsuchiya
Director	Yosuke Nishiyama
Director	Takashi Harada
Director	Toshifumi Kobayashi
Audit & Supervisory Board Member (Standing)	Takahiro Matsuda
Audit & Supervisory Board Member	Kotomi Ejiri
Audit & Supervisory Board Member	Shinichi Hashimoto

Affiliated Companies

Yamagata Meiko Electronics Co., Ltd.	Auxiliary electronics business
Miyagi Meiko Electronics Co., Ltd.	Auxiliary electronics business
Meiko Tech Co., Ltd.	Auxiliary electronics business
Meiko Techno Co., Ltd.	Auxiliary electronics business
Meiko Electronic Development Co., Ltd.	Auxiliary electronics business
Meiko Electronic Manufacturing Co., Ltd.	Auxiliary electronics business
Meiko Elec. Hong Kong Co., Ltd.	Auxiliary electronics business
Meiko Electronics (Guangzhou Nansha) Co., Ltd.	Auxiliary electronics business
Meiko Electronics (Wuhan) Co., Ltd.	Auxiliary electronics business
Guangzhou Speed Trading Co., Ltd.	Auxiliary electronics business
Meiko Electronics Vietnam Co., Ltd.	Auxiliary electronics business
Meiko Electronics Thang Long Co., Ltd.	Auxiliary electronics business
Meiko Electronics Hoa Binh Co., Ltd.	Auxiliary electronics business
Meiko Electronics Hai Duong Vietnam Co., Ltd.	Auxiliary electronics business
Meiko Electronics America, Inc.	Auxiliary electronics business

Stock Information

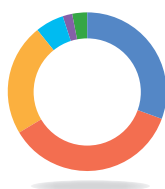
Number of Shares Authorized	Common stock: 70,000,000 shares First bond-type stock: 100 shares
Number of Shares Issued	Common stock: 26,000,673 shares (excluding treasury stock of 802,647 shares) First bond-type stock: 70 shares
Number of Shareholders	Common stock: 3,472 First bond-type stock: 1

Principal Shareholders

Name of shareholder	Number of shares held (thousands of shares)	% of shares held
Yuichiro Naya	4,704	18.09
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,817	14.68
Custody Bank of Japan, Ltd. (Trust Account)	3,216	12.37
CLEARSTREAM BANKING S.A.	975	3.75
Meiko Kosan Co., Ltd.	608	2.34
BNP PARIBAS LUXEMBOURG/2S/JASDEC /FIM/ LUXEMBOURG FUNDS/UCITS ASSETS	582	2.24
Yuhō, Ltd.	521	2.00
JP MORGAN CHASE BANK 385632	438	1.69
BOFAS INC SEGREGATION ACCOUNT	392	1.51
Sumitomo Mitsui Banking Corporation	377	1.45

*The Company owns treasury stock of 802,647 shares and is excluded from the above principal shareholders. The percentages for the total number of issued shares have been calculated after excluding treasury stock.

Shareholding Structure (Common Stock)



Individuals and others	30.70%
Financial institutions	35.72%
Foreign institutions and others	22.81%
Other institutions	5.79%
Financial instruments business operators	1.99%
Treasury stock	2.99%

Shareholders' Information

Fiscal year	April 1 to March 31 of the following year
Annual shareholders' meeting	June
Record date	Year-end dividends: March 31 Interim dividends: September 30
Transfer agent	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo, 100-8233 Japan
Transfer office	Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Dept. 1-4-1 Marunouchi, Chiyoda-ku, Tokyo, 100-8233 Japan
Address for sending mails	Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Dept. 2-8-4 Izumi, Suginami-ku, Tokyo, 168-0063 Japan
Contact	Tel: 0120-782-031
Stock exchange	Prime Market, Tokyo Stock Exchange
Method of public notice	Electronic public notice in our official page Official Page: https://www.meiko-elec.com/ir/pa.shtml In the event of an accident or other unforeseen events that prevent publication of the electronic public notice, it will be published in The Nikkei.

Enquiries concerning shareholdings

- Shareholders who need to update information on shareholdings, including change of address and method of receiving dividends, are advised to contact the securities companies where securities accounts are held.
- Shareholders who do not have accounts with securities companies and need to process payments of dividends are advised to contact Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Dept. as stated above.

Notes on Forecasts

The information in this report contains future forecasts, such as the plans and business results of the Company. These forecasts are based on information available at the time when these forecasts were made and certain preconditions that the Company believes to be reasonable. Please note that actual business results may differ from the forecasts herein due to a variety of factors.