

MEIKO CSR Report 2010

MEIKO Corporate Social Responsibility



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Meiko Group Business Principles

We will provide our customers with outstanding value and services and make a contribution to society.

We will strive to be the very best.

We will enhance our corporate value and bring happiness to our employees and the community.

In addition to trying to make reasonable profit through fair competition, our aim is 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 respect for

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 bit 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, at both the local and global levels, as part of our international business activities and will respect and contribute to the development of local cultures and customs.
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 2010 (English version)

Fiscal 2009 was a challenging year, which we began with a determination to work our way through an unprecedented global economic downturn. Demand fortunately showed signs of recovering, and we spent the year working on procedural reforms prompted by the lessons of the recession, and on heat releasing circuit boards and high current circuit boards, preparing us for our Recovery Strategy starting in Fiscal 2010. We published our third CSR Report 2010 (Japanese version) in late June. However, we have plants in China and Vietnam, and customers worldwide.

In the hope of communicating our intentions to all stakeholders, we have been working on an English version of the Report, and I am pleased to announce that it has now been published. We hope that many people will read it and that you 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.

Tsuneyoshi Kawahito
Executive Officer (CSR)

Intended audience

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

Coverage

Meiko Electronics Co., Ltd. and affiliated companies

*Please see page 39 for a list of organizations covered.

Reporting period

This report refers to CSR activities undertaken during Fiscal 2009 (April 1, 2009 to March 31, 2010) 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 2010 onwards.

Date of publication

Previous report: August 2009

This report: June 2010

*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.

INDEX

■ Meiko Group Business Principles	01	■ Sociality Report	
■ In publishing the CSR Report 2010	02	● Initiatives for Quality Assurance	17
■ Message from the President	03	● Research and Development	19
■ Meiko's Approach to CSR	05	● Improvement and Expansion of IR Activities	20
■ Special Feature		● Creation of Comfortable Working Environment	21
■ Our Green Society Initiatives	07	● Social Contribution	23
■ Management System		● Supply Chain	27
● Corporate Governance	11	■ Environmental Report	
● Measures for Ensuring Compliance	13	● System for Environmental Management	30
● Measures for Information Security	15	● Initiatives for Preventing Global Warming	31
● Measures for Risk Management	16	● Zero Emissions	33
		● Environmental Quality of Products	34
		● Measures for Reducing Environmental Burdens	35
		■ Communication Tools	
		● Communication with Stakeholders	37
		■ Financial Performance	
		● Fiscal 2009 Annual Report	38
		■ Corporate Profile	
			39

Message from the President

As part of the global community, Meiko is working to implement sustainable production methods that are in alignment with environmentally conscience practices.



In an effort to put an end to the global economic downturn that hit the year before last, governments the world over have issued a range of economic stimulus packages. One of the key elements in these packages is infrastructure redevelopment, revolving around initiatives such as harnessing renewable energy and actively investing in clean energy. Efforts to establish a low-carbon society are gathering momentum in every corner of the world. 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.

As we, just like everyone else, benefit from everything that the planet has to offer, we are fully committed to tackling issues such as these. We will continue to reduce environmental impact and minimize the environmental risks inherent in our business activities, whilst also promoting resource efficiency in an effort to reduce the environmental impact of society as a whole and help create a sustainable society. More and more attention is being focused on solar cells, which are expected to become a key source of clean, renewable energy in the future, and environmentally friendly products such as hybrid cars, electric vehicles, LED TVs and LED lighting. 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 in China.

In addition to incorporating environmentally friendly technology and expertise into the manufacturing process for electronic PWB on the production side of things, we intend to actively manufacture PWB 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 build trusting relationships with all of our stakeholders, from our customers, suppliers, investors and shareholders to our 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 in an effort to reinforce compliance amongst all of 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, we have set out a Quality Policy and 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.

President & CEO Yuichiro Naya

名屋 佑一郎



Meiko's Approach to CSR

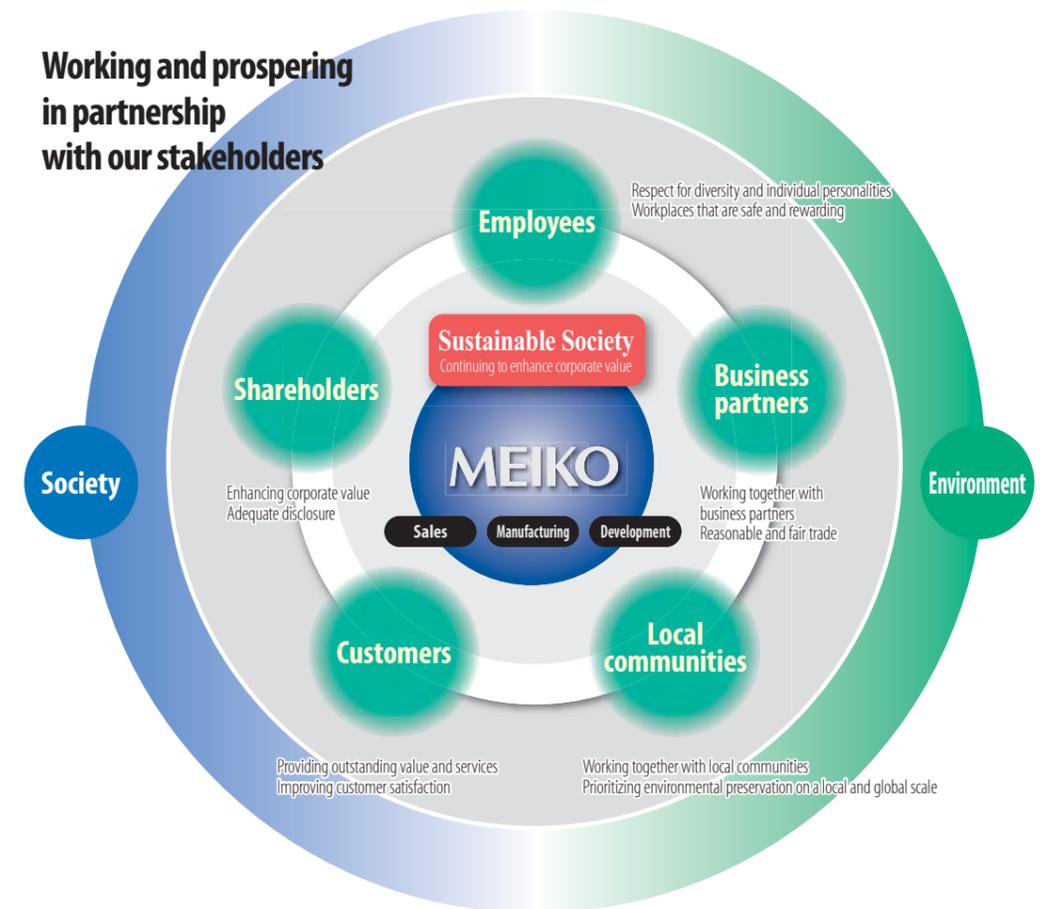
With customers and operations all over the world, Meiko works in harmony with its environment and communities. We are thankful for this harmony and in turn engage in Corporate Social Responsibility (CSR) activities.



Meiko's CSR Declaration

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

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.

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

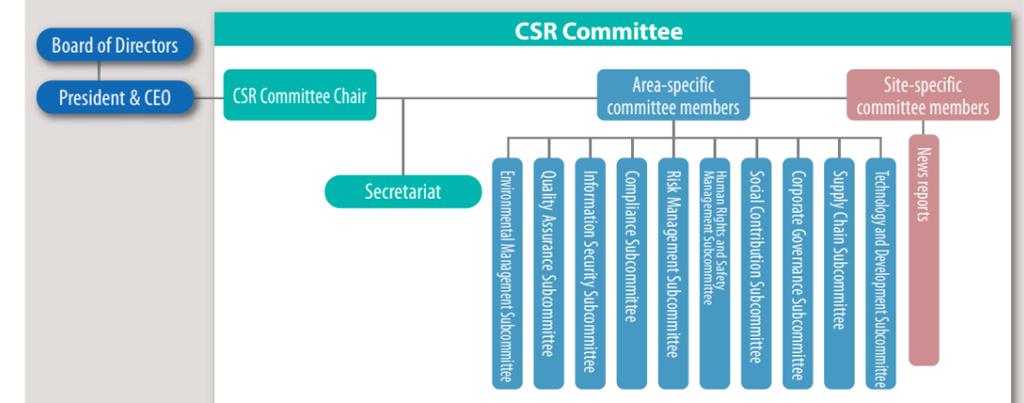
continuing to provide our customers with outstanding value and services via our core electronic PWB operations.

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.

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, we look at the following examples of our diverse environmental activities:

- I. Helping to create a green society with eco-friendly products (heat dissipation PWBs and high-power PWBs)
- II. Taking steps to cut CO₂ emissions to counter global warming



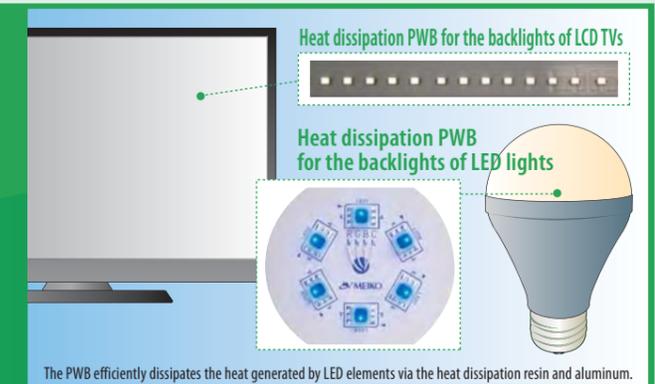
I Helping to create a green society with eco-friendly products

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.

01

Heat dissipation PWB: promoting the use of LED lighting



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. Aiming to boost the heat dissipation performance of

PWBs while keeping prices low through the establishment of a mass production system, Meiko is leading the way in research and development focused on aluminum heat dissipation PWBs, which combine highly cost-effective aluminum with high-quality heat dissipation resin. We began producing these PWBs in Japan this year. We are also planning to establish a mass production line at our Wuhan Plant in China in the near future.

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.

From Product Development Kouji Nakayama Manager 2nd Product Development Dept.

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.



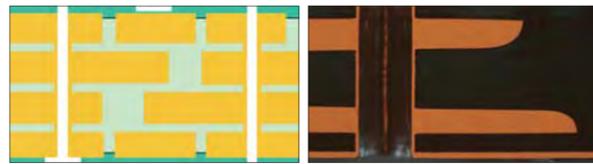


02

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



Heavy copper PWBs, which are capable of passing a much higher current than conventional PWBs, are enjoying widespread demand as society increasingly depends on electronics.



High-power PWBs (structural drawing and cross-section photo)

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 CO₂. 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 high-power 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 high-power PWBs, because electronic controls are used for many of the parts, including high-power motors used as alternatives to gasoline engines.

A high-power 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, high-power PWBs. As with heat dissipation PWBs, we plan to establish a mass production line for high-power PWBs at our second plant in Wuhan, China.

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

I

From the Wuhan Plant

Toshihiko Kimura Plant Manager Wuhan Plant

Aiming for "harmony" with the land of Wuhan

The national slogan of China is "harmony." This means harmony between a company's production activities, the natural environment, and the people in the local community with whom the company shares its environment. Wuhan, where our plants are located, is a historic location with a rich natural environment nurtured by the Chang Jiang river that has produced many prominent figures. I am highly motivated when I think about the great significance and potential that is associated with the production of heat dissipation PWBs and high-power PWBs for eco-friendly products, here at Wuhan.



II

Cutting CO₂ emission to counter global warming

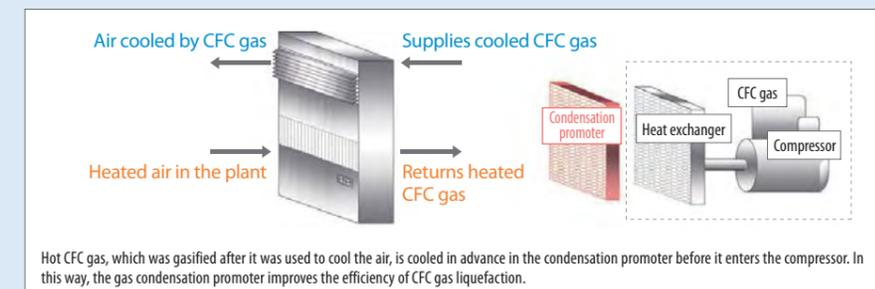
Meiko believes that it needs to adopt its own, voluntary initiatives to address global warming. We have been striving to cut CO₂ emissions by combining the creative ideas of our employees.

In this Special Feature, we describe the steps we have taken at the Kanagawa Plant and the Guangzhou Plant in China. These are examples of the initiatives we take at our plants, which are the source of the reductions we achieve in CO₂ emissions.

01 A creative measure for saving energy used for air-conditioners at the Kanagawa Plant

The process of manufacturing PWBs involves the use of a range of machines. As a consequence of this, air-conditioners are in full operation to dispel the heat generated by the machines, and the cooling load is extremely high in summer. To improve air-conditioning efficiency and reduce energy consumption at our

Kanagawa Plant, we installed a CFC gas condensation promoter and a hybrid fan on the plant's air-conditioner to reduce power consumption. This has enabled us to reduce power consumption and CO₂ emissions by 17%.

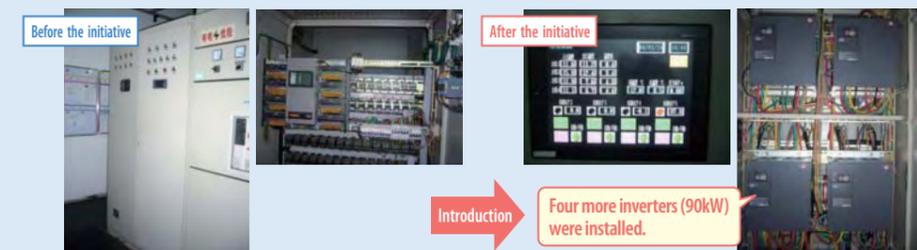


02 Saving energy used for freezers and compressors at the Guangzhou Plant

Because of its rapid economic development, China is experiencing a dramatic rise in its CO₂ emissions. A response is urgently needed.

We began operating our first plant in China in Guangzhou in 2001, followed by a second plant in the same area in 2004. We are striving to reduce CO₂ emissions from these plants to fulfill our own responsibilities and to contribute to the initiatives being taken by China as a nation. Above all, we took steps to reduce the energy

used for freezers and the compressors included in the infrastructure equipment, which consume much more power than is used by manufacturing equipment. For the freezers, we introduced a system that meticulously controls the number of rotations by using inverters. For the compressors, we adopted a system for controlling the number of units to eliminate waste. This resulted in a 270-ton reduction in annual CO₂ emissions.



The conventional method of operating the freezing machines by using a contactor was inefficient, because workers had to switch the freezing pump on/off manually depending on the cooling load. We therefore installed inverters and a touch panel for the freezing pump, permitting automatic operation control (by measuring the temperature of freezing water and controlling the flow volume accordingly). In addition, the operational state (efficiency) of the freezing pump is displayed for constant monitoring.

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.



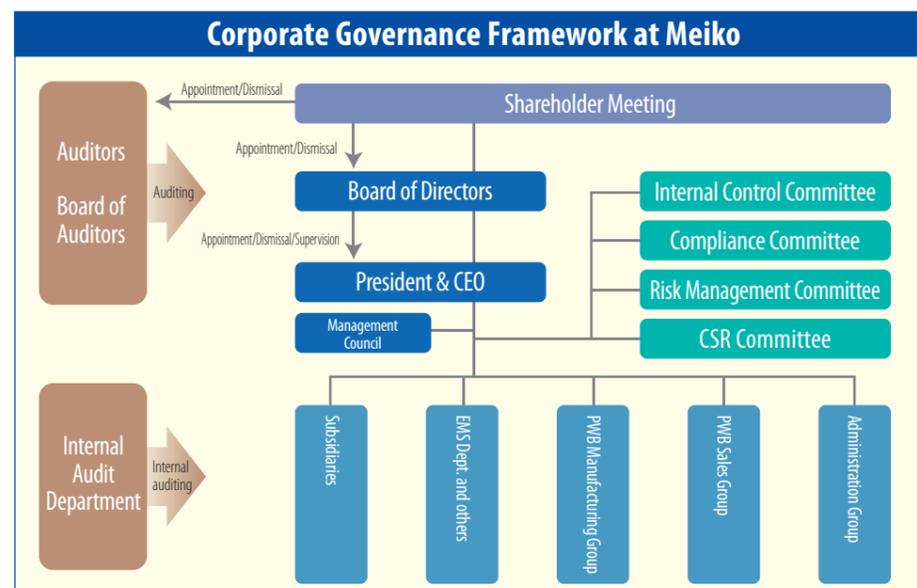
Corporate Governance

Our organization

At the Meiko Group, the Board of Directors and Management Council are the principal decision-making bodies.

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.



Board of Directors: Met 22 times during Fiscal 2009
(Note) Meiko is a company with a Board of Auditors, and therefore does not appoint Outside Directors.

Board of Auditors: Met 12 times during Fiscal 2009
(Note) Two of the three auditors are Outside Auditors. They attended all meetings of the Board of Directors. Our Outside Auditors Kunihiro Sugawara and Yutaka Gotoh do not have any personal, capital, or business relationships with Meiko or otherwise have any interest in the Company.

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 develop 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 2009 the effectiveness of our Companywide internal

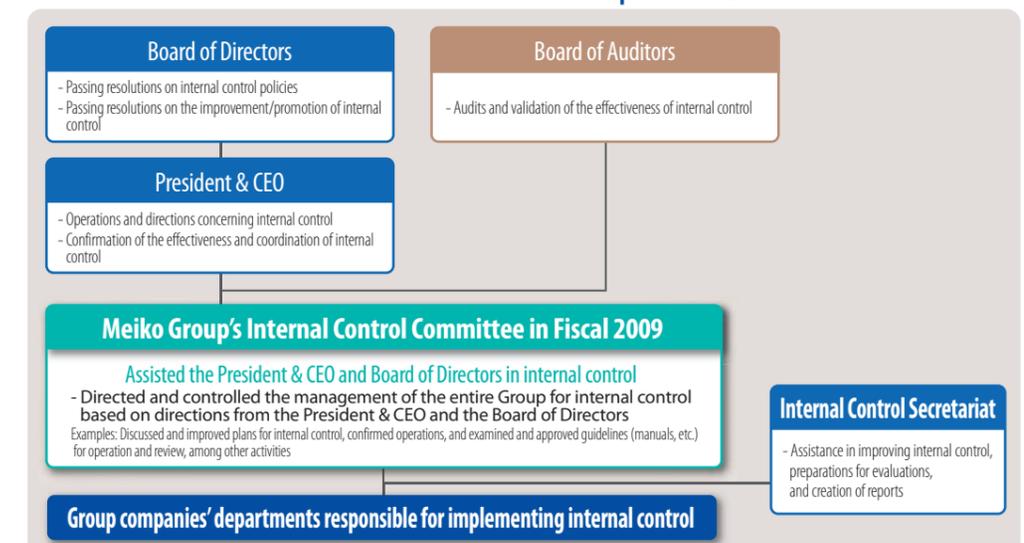
control (including account settlement and financial reporting processes) which would have a substantial influence on our overall consolidated financial reporting. Based on the outcome, we evaluated the effectiveness of our IT control and internal control, which is incorporated in our business process 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 will state that "Our internal control over financial reporting has been effective" in our internal control report for Fiscal 2009, and will receive appropriate opinions from our auditors.

We will submit our internal control report and financial reports for Fiscal 2009 to the Kanto Finance Bureau following a resolution by the Board of Directors.

Internal Control of the Meiko Group in Fiscal 2009





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 and developing Compliance Regulations and a Compliance Manual. We 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 Fiscal 2009, we placed the Compliance Manual and Compliance Handbook, which summarizes familiar examples of compliance matters, on our in-house website to raise awareness among our executives and employees. In the future, we will use the Handbook to provide group education to all of our employees.

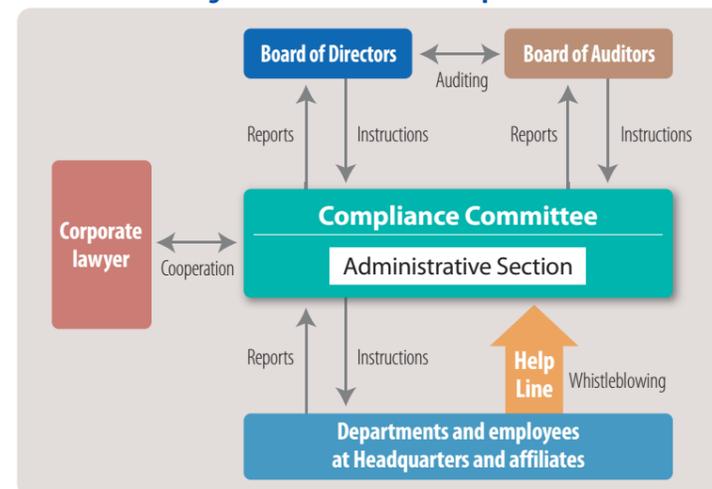
Compliance Regulations and Organizations

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

- Organization for promoting compliance
- Whistleblowing system (Help Line)
- Responsibilities of executives and employees
- Compliance training

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

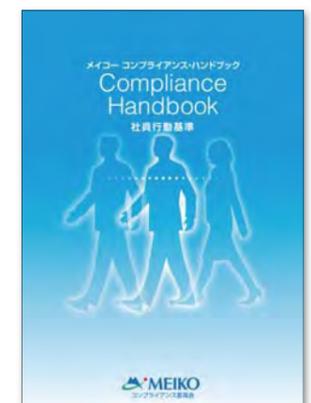
At Meiko, we provide compliance education because we believe that the idea of compliance will be effective only when it is adopted by all executives and employees across the entire organization. We issue warnings on

insider trading to all employees at the time of quarterly settlement. In addition, we placed the Compliance Handbook on our in-house website in Fiscal 2009.

Compliance Handbook made accessible on our in-house website

We have been providing compliance education to our employees, and the contents of the education programs are summarized in the Compliance Handbook, which we made accessible on our internal website in March 2010. The Handbook contains 50 specific case examples that employees are most likely to face. It gives easy-to-understand case studies that clarify problems from a compliance perspective and highlight the points employees need to note.

The in-house website is accessible to all employees. The Compliance Handbook has been uploaded to the site to further strengthen Meiko's compliance.





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.

Future information security initiatives

We will continue to strive to expand the scope of our certification. We are introducing ISMS at all plants manufacturing electronic PWBs and sales branches in Japan and at our overseas manufacturing bases.

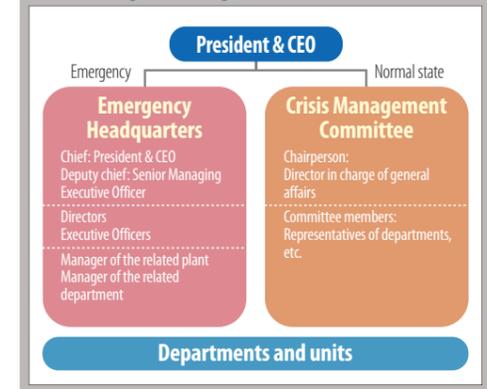
Measures for Risk Management

Meiko has created a set of Crisis Management Regulations, which assume a variety of risks associated with management, information, plants, and facilities.

If a major crisis should take place, we will set up an Emergency Headquarters led by the President & CEO, and will take comprehensive measures to deal with the crisis promptly and prevent any recurrence. In addition, 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.

We have also created a Business Continuity Plan (BCP) for the four plants in Japan, to ensure a quick recovery and continuous supply in the event of an emergency such as a major earthquake.

Crisis Management Organization



Excerpt from BCP

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 (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

Protection of intellectual property rights

Meiko recognizes the importance of protecting intellectual property rights and takes 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 after confirming that it will not infringe on any intellectual property rights held by others.

Antisocial forces

Meiko is committed to building a fair society and maintains a resolute stance against dealing with antisocial forces. *The following is an excerpt from the section on "Antisocial Forces" in the Compliance Manual.

Meiko Group resolutely rejects any unfair demands for transactions or money from antisocial forces and will never enter into any kind of relationship with such forces. We will never provide corporate racketeers with economic benefits concerning the exercise of shareholder's rights.



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 apply

the Quality Policy and improve the reliability of our products to guarantee the highest possible levels of customer satisfaction and contribute to society.



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. We intend to assure quality as promptly as possible by strengthening our cooperation with our plants and sales offices in Japan and overseas.

Measures for eliminating malfunctions and reducing defects

At Meiko, we have specified malfunctions that affect the performance of our customers' products as crisis management defects, and have been striving to eliminate such defects at each of our plants. In Fiscal 2008 and 2009, we implemented projects to reduce the defect rate as part of the Eco Project.

Starting from Fiscal 2010, we will undertake production and quality process reforms under the management policy of "No serious defect in shipped products." We will also carry out companywide activities to reduce defects under a three-year plan we have formulated.

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.

The ISO9001 and ISO/TS16949 certifications we have obtained

ISO9001	Date	Details
	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	Integrated certification obtained by MEIKO FINE Co., Ltd. (Mounting of PWBs) (Obtained individually on February 28, 1998)
ISO/TS16949	Date	Details
	Apr. 19, 2004	Guangzhou Plant in China obtained certification.



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.

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)

Expansion of TPM activities into plants in China (production reform)

In furthering production reform for Fiscal 2010, we will expand our TPM activities into our plants in China. Starting with the 5S's and self-maintenance, we will reduce defects by eliminating foreign substances as the root cause of defects and improving production conditions to ensure superior quality.

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. We now utilize a method that detects changes in resistance to conduction to supply highly-reliable products.



Four-terminal electric checker

Confirmation of workers' skills with dedicated cards showing individual workers' familiarity with their work

At our plants in China, we clarify the details of the work to be undertaken by each worker (specific tasks, measures for ensuring safety, and how to handle abnormalities). In addition, we regularly check whether individual workers are familiar with the work assigned to them in order to maintain and improve their skills.



A card showing a worker's familiarity with his work

Training in Japan provided for future executives of our plants in China

We regularly provide training in Japan for future executives of our plants in China. After returning from Japan, the trainees discuss the differences between the plants in Japan and China and identify problems in the way they work and the way they think so as to improve their operations.



Discussion held by trainees after returning from Japan



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

* B²it: Buried Bump Interconnection Technology

technologies, including the any-layer construction, flexible PWB, flex-rigid PWB, package module PWB, and PWB-incorporating components.

Activities in Fiscal 2009

In Fiscal 2009, 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 1st Product Development Dept., which is responsible for developing products and manufacturing processes two or three years in advance, including any-layer HDIs (High Density Interconnects) and embedded PWBs

2nd Product Development Dept., which is responsible for developing products and manufacturing processes for aluminum heat dissipation PWBs and heavy copper PWBs; and engineers from individual plants who undertake mass production using the developed technologies.

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

1 Development of Embedded PWBs

Embedded PWBs components have chip capacitors or chip resistors 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 wider areas for mounting PWBs, 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. We commenced the mass production of these PWBs at our plants in Japan in October 2009.

2008: Development of element technologies completed
March 2009: Press release
October 2009: Mass production commenced at plants in Japan
As of June 2010: Development efforts are underway toward even thinner PWBs with higher density

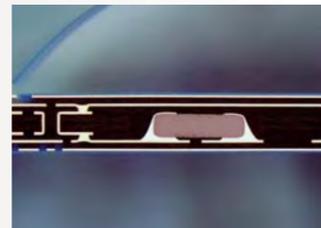
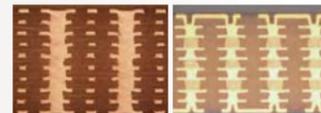


Photo showing cross-section of an embedded PWB

2 Development of any-layer PWBs

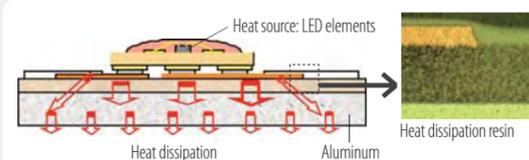
Any-layer PWBs permit unlimited connections between layers. They combine laser technologies and filled plating technology, which permit ultra-fine processing, B²it technology, which permits thinner plates, and other technologies. The use of this PWB enables 0.4mm-pitch CSP wiring and slimmer equipment dimensions. We mass-produce the "10-layer M-VIAlII" and "8-layer/10-layer M-VIAB PWB" used for mobile phones and smartphones.



10-layer M-VIAlII PWB 10-layer M-VIAB PWB
(Cross-section photos)

3 Development of aluminum heat dissipation PWBs

PWBs used for LED lights are required to dissipate heat, because the LED elements themselves generate heat and lose brightness when overheated. In response, we developed an aluminum heat dissipation PWB, which dissipate the heat of LED elements. We began producing this PWB at the Yamagata Plant in September 2009 and at the Guangzhou Plant and Wuhan Plant in China in June 2010. (See page 8 for details.)



Plans and objectives of activities for Fiscal 2010

- 1) Development of thin embedded PWBs
- 2) Development of PWBs for 0.3mm-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 0.3mm-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 2009 included dividend information and an interview article in which our president provided a message and briefings on Meiko's business.



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 are now constructing a plant in Vietnam as well. 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, and 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 and 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, and 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 overseas training programs and the training of overseas workers in Japan.



Training session for new recruits (manufacturing simulation training)

Educational and training programs for Fiscal 2010

Rank	Job-class-specific training	Departmental training				Global	OJT	Self-development
		Engineering	Sales	Manufacturing	Clerical work			
Executive	Executive training							
Department head	Department head training					Foreign language training for overseas employees		
Managerial employee	Follow-up training for managerial workers					TOEIC registration examination program		Correspondence course program
	Training for new managerial workers	EMEA and quality/statistics training	Sales skill training	Plant manager and supervisor training	Specialized training			
Supervisory employee	Assistant manager training	Program to support qualification acquisition						
	Mid-career employee training	Safety and health training	Safety and health training	Safety and health training	Safety and health training		On-the-job training	
General employee	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

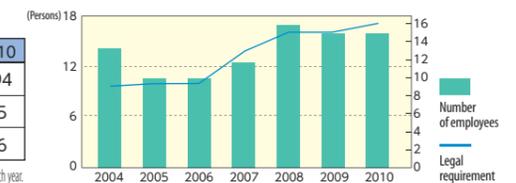
In Fiscal 1991, Meiko Electronics Co., Ltd. (excluding its group companies) first achieved the legally required number of employees with disabilities in accordance with the Act on Encouraging the Employment of Persons with Disabilities. Since then, we met the legal requirement for 19 consecutive years up until Fiscal 2009. In April 2010, however, we were not able to meet the legal requirement, partly because the overall number of employees increased due to the employment of new graduates. We will strive to meet it again in Fiscal 2011.

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

Changes in the number of our employees with disabilities and the number required by law (Fiscal 2004 – 2010)

Fiscal year	2004	2005	2006	2007	2008	2009	2010
No. of employees	538	565	578	663	877	869	894
No. of employees with disabilities	14	11	11	12	16	15	15
Legal requirement	9	10	10	11	15	15	16

(Note) The numbers of employees and employees with disabilities shown above are those of Meiko Electronics Co., Ltd. only as of April 1 each year.



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 80 Japanese employees are working overseas. These numbers have been increasing every

year. In addition, up until Fiscal 2009, a total of 114 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

To make Meiko the No. 1 company in the world

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 International 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. Specifically, I check customer requests and select a Meiko Group plant for the mass production of the corresponding product. I then serve as the liaison between the customer and the plant from the test production phase until the commencement of mass production of the new product. I continue to follow up on the process after mass production begins.

In addition to the four plants in Japan, Meiko has production bases in Guangzhou and Wuhan in China, as well as one in Vietnam. Our customer base is not limited to Japan, but has expanded into North America, Europe, and Southeast Asia.

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

Yamagata

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

Fukushima

- Assistance with Hironomachi Summer Festival 2009
- Environment beautification campaign in the industrial park

Miyagi

- Assistance with fireworks display in the Ishimaki Kawabiraki Festival

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 2009 organized by the Commerce, Industry, and Labor Bureau of Kanagawa Prefecture

Wuhan

- Social event with a local university

Guangzhou

- Donation to Qinghai Yushu quake victims
- Participation in blood donation activities

Activities in local communities

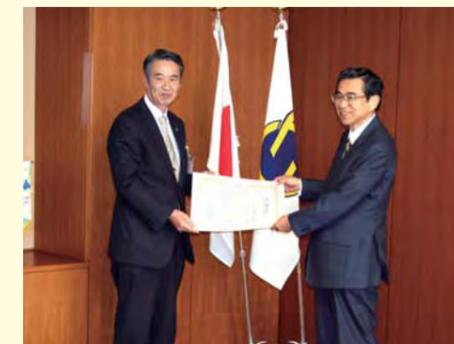
At Meiko, we deepen exchanges with communities where our business bases are located by actively participating in environmental beautification activities and other events organized by the local governments

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.

Action 1

Donation of LED light bulbs to facilities in Ayase City, Kanagawa Prefecture

As part of our social contributions, we donated 225 LED light bulbs to the Citizens' Cultural Center of Ayase City. The aim of the donation is to help Ayase City with its activities for cutting CO₂ emissions. At the certificate of appreciation presentation ceremony held in May 2010, the Mayor of Ayase City thanked us, saying "We will make full use of these bulbs to reduce our energy consumption and cut CO₂ emissions in Ayase City, and to make savings on the maintenance and management costs of the Citizens' Cultural Center."



Certificate of appreciation presentation ceremony



The Citizens' Cultural Center of Ayase City

Action 2

Plant Tour for elementary school children

On November 25, 2009, we organized a plant tour for approximately 50 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."



Explanation about PWBs being given to the children



The children listening to the explanation provided by one of our employees



Action 3

Donation to Qinghai Yushu quake victims

Early in the morning of April 14, 2010, two large earthquakes of magnitude 7.1 hit Yushu, Qinghai in China. The earthquakes killed around 2,300 people and injured more than 10,000. The quakes also caused the collapse of 90% of the local houses made of earth and wood, resulting in a significant impact on the local people. Immediately after the disaster, people from all over the country gave donations and carried out various relief activities. At Meiko's Guangzhou Plant, we called for the assistance of our employees, collected a total of 57,720 yuan, and donated the money to the quake victims.



Area hit by the Qinghai Yushu earthquake

Action 4

Participation in blood donation activities

Seventy employees from our Guangzhou Plant participated in the Fiscal 2009 Blood Donation Activity organized by the Nansha District of Guangzhou City in China. The Guangzhou Plant has been proactive with regard to these activities, and was selected as the "Fiscal 2008 Guangzhou City Blood Donation Activity Advanced Unit."



Meiko employees donating blood

Action 5

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 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.



Flower planting activity in the autumn



Flower planting activity in the spring

Action 6

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 Kanagawa Plant every year. In fiscal 2009, 60 workers participated voluntarily in the activities and picked up garbage in a nearby park and the area around our premises.

In addition, our Fukushima Plant employees cleaned up the area from the entrance of the industrial park to around the plant. We will continue to protect local environments through our cleanup activities.



Meiko employees cleaning up a nearby park (Kanagawa Plant)



Participating in a river cleanup activity organized by the local community association (Kanagawa Plant)



Meiko employees cleaning up the entrance to the industrial park (Fukushima Plant)

From the Local Community Mr. Masanobu Mikami President of Ogami Community Association of Ayase City

Meiko Electronics was established in Ayase, and its Headquarters are located in Ogami. The company always assists with a variety of activities organized by our Ogami Community Association. I hereby express my sincere gratitude to Meiko.

In the Community Association, we have been supporting local activities under the slogan, "Let's make Ogami a town where you want to live forever." We are strongly supported by the activities of Meiko, which has encouraged community-based social contribution activities by displaying the slogan, "Working together with local communities."

I really hope that Meiko will develop further as a community-based company loved by the local communities, and that it will become an even more reliable and trustworthy company.





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 between the production and sales bases in Japan and overseas, 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, and (3) environmental protection. 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, in Fiscal 2009, we sought the assistance of our business partners and began to take action to reduce the environmental burden of distribution and packaging with the results for Fiscal 2008 as the benchmark.

For example, we succeeded in reducing industrial waste by 4% at our Headquarters and the Kanagawa Plant, as described below.

Industrial waste from Headquarters and Kanagawa Plant	
Fiscal 2008	2,000,000m ³
Fiscal 2009	1,920,000m ³ (down 4%)

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) Emergency communication channels

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.

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 50 companies, including 20 companies added in Fiscal 2009.

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. Kiyohito Nakayama

Assistant General Manager
Electronics Department
The Kouyoh Trading Company, Ltd.

In accordance with our belief that a company cannot continue to exist unless it is in harmony with the global environment, in 2004 we obtained Environmental ISO 14001 certification after being examined by LRQA.

We have made it our corporate policy to devote ourselves to building a sustainable world together with society, local communities, and our business partners through the corporate activities we practice as a trading company.

In providing materials for PWBs to Meiko Electronics Co., Ltd., we would like to propose a variety of products that

comply with environmental regulations in accordance with the company's Basic Procurement Policy. In addition, we would like to reduce the environmental burdens of the company's products by taking the manufacture, collection, and disposal of the products into consideration. In doing so, we aim to contribute to the global environment while continuing to do business with Meiko Electronics Co., Ltd.



*Mr. Nakayama is second from the left.



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 air, noise, water quality and use, and energy consumption.

In accordance with our basic environmental policy, we fully comprehend the impact our business activities have on local communities. We make every effort, in both technical and financial terms, 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 properly manage chemical substances to limit their usage and reduce their environmental impact.
4. We fully comprehend the impact of environmental pollutants and work to prevent environmental pollution.
5. We observe all laws, regulations, ordinances, and other requirements concerning the environment.
6. We set environmental goals and objectives, conduct environmental conservation activities, and strive to improve these activities.
7. We provide training and instruction to all our employees with the aim of instilling a strong awareness of environmental conservation activities in them.
8. We are documenting this environmental policy and distributing it to all our employees, and are also making it available to the public.

Revised (No. 5) on October 1, 2009
Established on March 6, 2000

President & CEO Yuichiro Naya

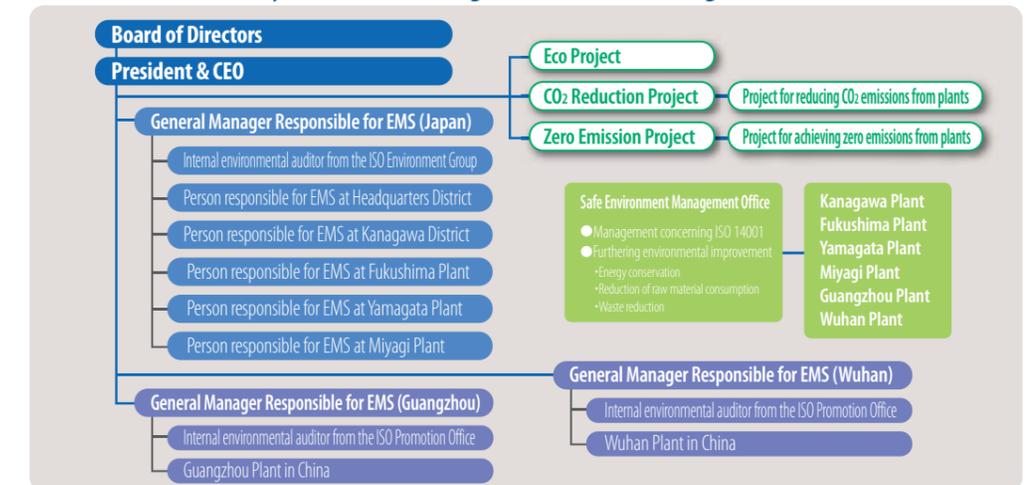
System for Environmental Management

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

CO2 emissions and achieve zero emissions.

In April 2009 we established a Safe Environment Management Office, which controls the environmental management activities of the entire company. Through these initiatives, we are further strengthening our measures as we engage in environmentally-friendly business activities.

System for furthering Environmental Management



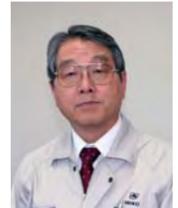
General Manager Responsible for EMS

Haruyuki Naya Director, Managing Executive Officer

At Meiko, we have been encouraging environmentally friendly production activities with a focus on energy conservation, resource conservation, and waste reduction.

In Fiscal 2009, we held monthly committee meetings on energy conservation and the reduction of raw material consumption with employees from our bases in Japan.

Beginning in Fiscal 2010, we will introduce TPM activities as part of production reform at our plants in Japan and overseas. Through these activities, we will aim to improve the operational efficiency of facilities and reduce raw material consumption, mainly at production sites, thereby furthering our environmental management to address environmental issues.



Acquisition of ISO14001 certification

We view ISO14001 as an important standard for environmental management, and began to take action toward obtaining certification in Fiscal 2000. Since our Headquarters and Kanagawa Plant obtained certification in Fiscal 2001, all our existing plants in Japan and overseas began to work toward obtaining certification. We also took prompt action to obtain it at newly constructed and expanded plants, including the Wuhan Plant. Consequently,

all our production bases have now obtained ISO14001 certification.

Each of our plants has been striving to maintain and improve its ISO14001 system, and their efforts have been recognized in regular examinations and update examinations.



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
Extended certification obtained by MD SYSTEMS Co., Ltd.

Apr. 28, 2006 Extended certification obtained by Miyagi Plant
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 MEIKO FINE Co., Ltd.



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	<ul style="list-style-type: none"> Basic Act on Establishing a Sound Material-Cycle Society Act on Improvement of Pollution Prevention Systems in Specified Factories 	Ozone layer protection	<ul style="list-style-type: none"> 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
Pollution control	<ul style="list-style-type: none"> Air Pollution Control Act Water Pollution Control Act Sewerage Act Noise Regulation Act Vibration Regulation Act Offensive Odor Control Act Industrial Water Act Soil Contamination Countermeasures Act Purification Tank Act 	Energy conservation	<ul style="list-style-type: none"> Act on the Rational Use of Energy (Energy Saving Act)
Prevention of global warming	<ul style="list-style-type: none"> Act on Promotion of Global Warming Countermeasures 	Ordinances and related regulations	<ul style="list-style-type: none"> Kanagawa Prefecture Basic Environmental Ordinance Kanagawa Prefecture Basic Environmental Plan Kanagawa Prefectural Ordinance on Conservation of Living Environment Ayase City Ordinance on Sewerage
Waste regulation	<ul style="list-style-type: none"> 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) 		<ul style="list-style-type: none"> Fukushima Prefecture Basic Environmental Ordinance Fukushima Prefecture Basic Environmental Plan Fukushima Prefectural Ordinance on Conservation of Living Environment
Toxic substance control	<ul style="list-style-type: none"> 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 		<ul style="list-style-type: none"> Yamagata Prefecture Basic Environmental Ordinance Yamagata Prefectural Ordinance on Conservation of Living Environment
			<ul style="list-style-type: none"> Miyagi Prefecture Basic Environmental Ordinance Miyagi Prefecture Basic Environmental Plan Miyagi Prefecture Pollution Prevention Ordinance (water, air, noise, vibration, and offensive odors)

Results of the initiatives we took in Fiscal 2009

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.

Fiscal 2009 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	Up 13.8%	△	×	△	×	×	×
Heavy oil	Up 3.7%	×	×	×	×	×	-
Natural gas	Down 4.4%	-	-	-	-	-	○
Gasoline	Down 12.5%	○	○	×	-	○	○
Water	Down 1.4%	×	×	○	△	○	×
Photocopying paper	Down 9.2%	△	○	○	○	○	○
Plastic waste	Down 19.0%	○	○	○	○	-	△
Waste acid	Up 5.6%	○	○	○	○	×	-
Waste alkali	Down 17.7%	○	×	○	○	-	-
Sludge	Up 1.1%	×	○	○	×	×	×

Note 1: The results at left 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.

Initiatives for Preventing Global Warming

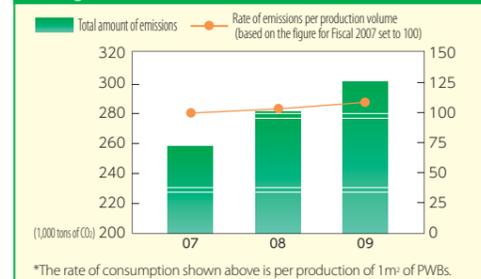
Meiko views the issue of greenhouse gas as a significant threat to our precious earth. As a result, since Fiscal 2008, we have been undertaking initiatives focused on the reduction of CO2 emissions to respond to the revised Energy Saving Act and the Act on Promotion of Global Warming Countermeasures. However, the impact of the decrease in orders due to the economic crisis in Fiscal

2008 continued until the first half of Fiscal 2009, and our electricity consumption increased from the previous year, both in terms of the total amount of consumption and the rate of consumption per production volume. A reduction trend commenced in the latter half of Fiscal 2009, and we will focus on strengthening measures for further reduction.

Our CO2 emissions and initiatives for their reduction (electricity, heavy oil, natural gas, and gasoline)

In accordance with our Environmental Policy and Environmental Action Guidelines, we have been striving to reduce the use of electricity, heavy oil, and other sources of energy that cause CO2 emissions. In Fiscal 2009, however, both the total amount of emissions and rate of emissions per production volume increased from the previous year due to the decrease in production volume in the first half of the fiscal year. In the next fiscal year, we will save even more energy to ensure that the emission rate is reduced.

Changes in the amount of our CO2 emissions

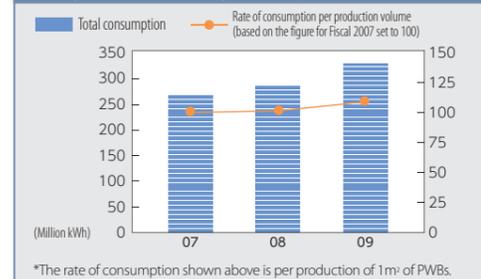


*The rate of consumption shown above is per production of 1m³ of PWBs.

Initiatives concerning electricity

The greatest source of CO2 emissions at Meiko is the use of electricity. In Fiscal 2009, both the total amount of consumption and rate of consumption per production volume increased from the previous year because of the operation loss caused by the decrease in orders in the first half of the fiscal year and the delay in improving our energy-saving measures. We will save on the amount of electricity used for the air-conditioning system and other facilities.

Changes in our electricity consumption

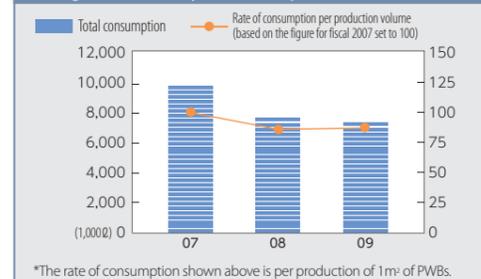


*The rate of consumption shown above is per production of 1m³ of PWBs.

Initiatives concerning heavy oil

Heavy oil is the second greatest source of our CO2 emissions, followed by electricity, because we use it as boiler fuel at our plants in Japan and the Guangzhou Plant in China. In Fiscal 2009, we reduced both the total amount of consumption and the rate of consumption per production volume thanks to more efficient facility operations. We will reduce the use of heavy oil by improving how we use it or by switching to natural gas, for example.

Changes in our heavy oil consumption

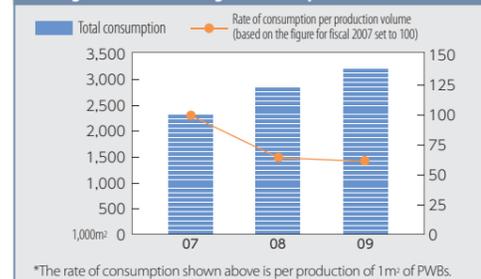


*The rate of consumption shown above is per production of 1m³ of PWBs.

Initiatives concerning natural gas

We use natural gas as boiler fuel at the Wuhan Plant in China. In Fiscal 2009, we reduced the rate of consumption per production volume thanks to more efficient facility operations.

Changes in our natural gas consumption

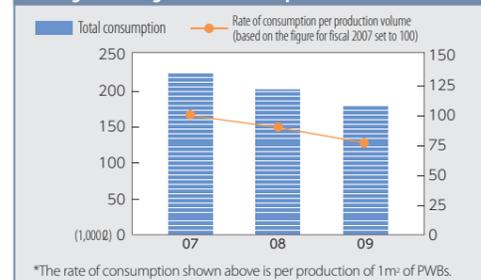


*The rate of consumption shown above is per production of 1m³ of PWBs.

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 CO2 emissions due to distribution.

Changes in our gasoline consumption



*The rate of consumption shown above is per production of 1m³ of PWBs.



Zero Emissions

Reduction and recycling of waste

We have been reducing waste based on the 3R strategy (reuse, reduce, and recycle). In the last three years, we have been particularly focusing our efforts on the separation of waste for recycling. In Fiscal 2009, we carried out a project named "Zero

Emission Pro" to reduce waste and recycle it into valuable resources. The recycling rate of waste - the percentage of waste that was used for purposes other than landfill - exceeded 95% at our plants in Japan in Fiscal 2009.

*"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

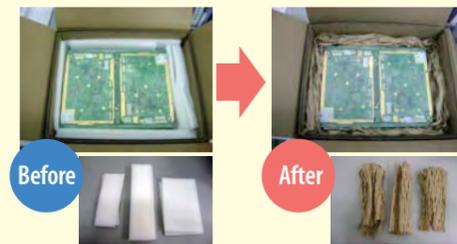
Internal treatment of concentrated waste acid (Miyagi Plant)

We used to dispose of concentrated waste acid, which is generated in the production process, as waste liquid. In August 2009, we introduced a treatment device with which we internally treat all the concentrated waste acid. This resulted in a reduction in the amount of our waste liquid disposal.



Recycling of craft paper (Guangzhou Plant)

We used to purchase white sponges to use as cushioning materials when packaging products. We succeeded in recycling waste craft paper, which is generated in the buildup process, into cushioning materials. The efficient use of the waste was enabled by using a dedicated processor to cut the paper.



Waste reduction through garbage separation (Kanagawa Plant)

We have been encouraging the careful separation of garbage, which used to be disposed of as industrial waste. This has resulted in a significant reduction of waste and an increased garbage recycling rate. The separated garbage is collected by specialized contractors and recycled into resources such as raw materials and fuel. This is an efficient means of reducing our environmental burdens that requires no initial investment or maintenance costs.



Reduction of waste sensitive material and developer (Wuhan Plant)

We reduced waste dry film and developer sludge, which are industrial waste, by steam-heating and draining them and compressing them with a vacuum pump to achieve a volume reduction.



Environmental Quality of Products

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



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		Measurement unit	g/m ³ N	v/vppm
	Actual value	8.2	14.0	17	—	Steam boiler	Actual value	0.0044	93
	Standard value	5.7~8.6	River: 25 Public sewerage: 300	River: 25 Public sewerage: 300	River: 70 Public sewerage: 300		Standard value	—	180 Air Pollution Control Act
Fukushima Plant	Measurement unit	—	mg/L	mg/L	mg/L		Measurement unit	g/m ³ N	v/vppm
	Actual value	7.7	18.0	13.0	3	Steam boiler	Actual value	0.046	99
	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		Measurement unit	g/m ³ N	v/vppm
	Actual value	7.12	17.7	16.69	2.81	boiler	Actual value	0.0045	59.5
	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		Measurement unit	g/m ³ N	v/vppm
	Actual value	7.3	110	68	6.0	boiler	Actual value	0.012	76
	Standard value	5.8~8.6	160 (120)	160 (120)	200 (150)		Standard value	0.3 Air Pollution Control Act	180 Air Pollution Control Act
Guangzhou Plant	Measurement unit	—	mg/L	mg/L	mg/L		Measurement unit	g/m ³ N	v/vppm
	Actual value	7.3	18.6	79.7	13.0	boiler	Actual value	48.10	339.65
	Standard value	6~9	20.0 (300) *	90.0 (500) *	60		Standard value	National std: 100 Local std: 80	400
Wuhan Plant	Measurement unit	—	mg/L	mg/L	mg/L		Measurement unit	g/m ³ N	v/vppm
	Actual value	7.45	15.2	50.0	61.0	Steam boiler	Actual value	40.1	130.10
	Standard value	6~9	20.0	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.

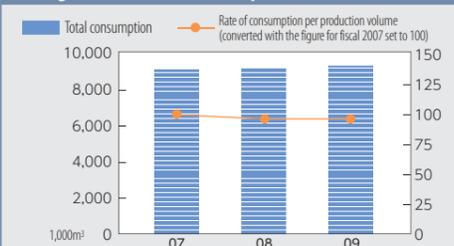
*The water quality measurement items are partial disclosures of the living environment items of the Water Pollution Control Act.

*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.

Water consumption

A large amount of water is used in the manufacture of PWBs for cleaning them. We have reduced the amount of water used by improving the manufacturing processes and using reverse osmosis (RO) water. In Fiscal 2009, we launched 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.

Changes in our water consumption



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

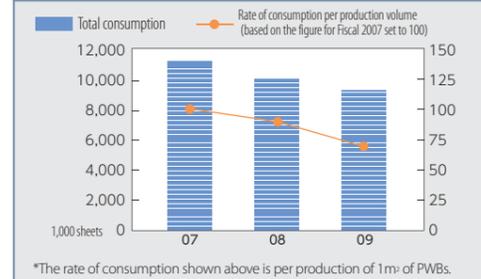
*RO water refers to water purified using reverse osmosis. It is used for cleaning the PWBs.

Paper consumption

We have been making comprehensive efforts to reduce the use of paper to help save and protect forest resources.

We also purchase FSC-certified paper, which is made from materials from well-managed forests. We also encourage reduced use by promoting a paperless office through computerization.

Changes in our photocopying paper consumption



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

*FSC certification: The FSC, the Forest Stewardship Council, is an international organization that certifies forests that produce timber and checks whether or not the timber from such forests is used in the production and processing of goods. The FSC certifies that the timber is produced using methods that are friendly to the forest environment, profitable for local communities, and economically sustainable. In addition, consumers can contribute indirectly to the protection of the world's forests by purchasing products with FSC labels.

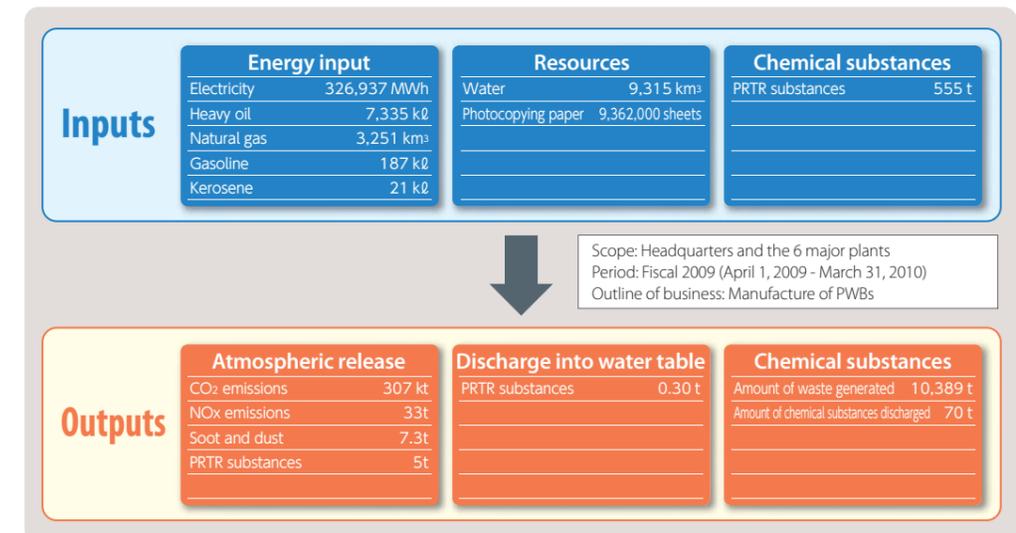
Table showing burdens

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 2009. We will aim to achieve greater

by 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



From the field

Hiroshi Fukushima

Assistant Manager
Environmental Technology Section
General Affairs Division Kanagawa Plant

At Kanagawa Plant, our environmental policy is "voluntary action." We do not have complicated rules or agreements, and all employees take part in activities on a voluntary basis. Many employees have made suggestions to reduce waste and save water, which demonstrates a widespread increase in awareness of the need to reduce our environmental footprint.

In our Environmental Technology Section, we provide the latest information and technical support for reducing environmental burdens so that all our employees can take action with a sense of security.

We plan to cooperate with the Safe Environment Management Office of the Headquarters to send information on our successes at the Kanagawa Plant to other production bases.



Communication Tools

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 2009 and the Printed Wiring Board Expo in January 2010. In addition to attracting a lot of attention with energy-saving, eco-friendly products such as our aluminum heat dissipating PWBs and high-power PWBs, 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.



Meiko's President chaired the organizing committee for the JPCA Show in June 2009



Our booth at the Printed Wiring Board Expo in January 2010

Publication of the MEIKO REPORT and creation 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 and have established an in-house website called MEIKO EXPRESS. In addition to providing information, including messages from the President and details of management policies, we use these as tools for communication between employees.



Our in-house newsletter MEIKO

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 2009, 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.

Financial Performance

Fiscal 2009 Annual Report

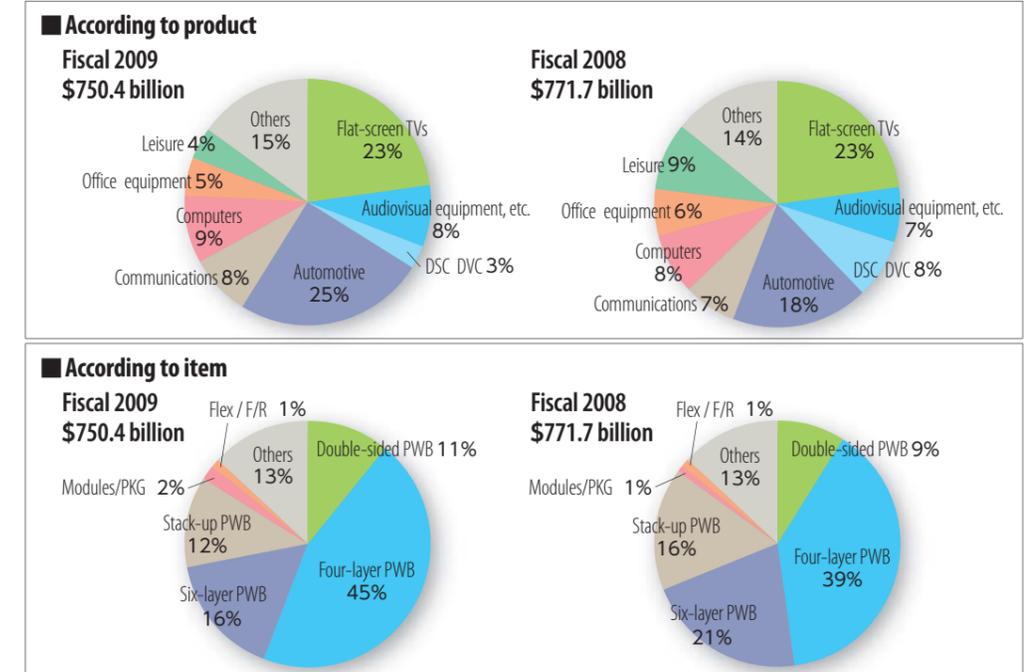
At the start of Fiscal 2009, our earnings were down and we were facing tough conditions due to the continuing impact of the global economic downturn that hit during fall the previous year. Since then however, economic stimulus packages issued by national governments the world over have started to take effect and demand from emerging countries has continued to increase. This, along with efforts to strengthen our foundations

through restructuring and our dedication to sales activities on a global scale, enabled us to steadily increase order volumes and bring about a recovery, to the extent that we were able to achieve close to full production at our core Guangzhou and Wuhan Plants in China during the second half of the year. In spite of a decline in net sales, we therefore managed to significantly increase income compared to the previous year.

Thousands of U.S. dollars

	Fiscal 2007	Fiscal 2008	Fiscal 2009
Net sales	783,674	771,727	750,384
Operating income	72,941	17,926	40,772
Operating margin	9.3%	2.3%	5.4%
Net income	56,296	5,319	19,650
Net margin	7.2%	0.7%	2.6%
Ratio of interest-bearing debt	32.4%	40.1%	37.2%
ROA	7.0%	0.6%	2.1%
ROE	17.2%	1.4%	5.0%
Net income per share	\$3.28	\$0.31	\$1.15

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



Corporate Profile

Corporate Profile

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
- **Yamagata Plant (Yamagata Meiko Electronics Co., Ltd.)**
250, Aza-Maki, Yachi, Kahoku-cho, Nishimurayama-gun, Yamagata Prefecture, Japan 999-3511
- **Miyagi Plant (Miyagi Meiko Electronics Co., Ltd.)**
8-5, Shigeyoshi-cho, Ishinomaki City, Miyagi Prefecture, Japan 986-0844
- **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.)**
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 | Masanori Matsuura, Director, Executive Officer |
| Seiichi Naya, Director, Senior Managing Executive Officer | Koichi Suzuki, Director |
| Takahide Hirayama, Director, Senior Managing Executive Officer | Yasuo Nishiwaki, Senior Corporate Auditor |
| Haruyuki Naya, Director, Managing Executive Officer | Kunihiro Sugawara, Auditor |
| Tetsuro Suzuki, Director, Managing Executive Officer | Yutaka Gotoh, Auditor |

No. of Employees: 10,149 (Japan: 983; Overseas: 9,166) *As of March 31, 2010

Business:

Design, manufacturing, and sales of PWBs
Design: Pattern design
Manufacturing: Double-sided through-hole PWBs, multi-layer through-hole PWBs, IVH multi-layer PWBs, HDI PWBs, Flex-rigid PWBs, package modules, etc.
Component mounting

Development, manufacturing, and sales of electronic equipment
PWB testers
Simultaneous multi-image display systems

Organizational Chart (As of May 1, 2010)

