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May 15, 2026

To whom it may concern

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 President and Representative Director Hiroki Sugiwaki
 (Securities Code: 3388, TSE Prime Market)
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Notice Concerning Action to Implement Management that is Conscious of Cost of Capital and Stock Price

MEIJI ELECTRIC INDUSTRIES CO., LTD. (the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on May 15, 2026, to reanalyze the current status of its measures for implement management that is conscious of cost of capital and stock price and resolved on future initiatives as follows.

1. Assessment of the current situation

The ROE of the Company has remained at the same level as the previous year. In addition, the Company’s PBR has been below 1x for an extended period, and it will continue to strive to gain market recognition and improve its PBR.

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales (Millions of yen)	67,749	70,947	74,580	78,672	76,360
Operating profit (Millions of yen)	2,008	2,724	2,914	3,294	3,670
Ordinary profit (Millions of yen)	2,439	3,050	3,332	3,596	4,090
Profit attributable to owners of parent (Millions of yen)	1,780	2,191	2,426	2,435	2,844
Operating profit margin(%)	3.0	3.8	3.9	4.2	4.8
ROE (%)	6.9	7.8	7.8	7.3	7.9
Year-end stock price(Yen)	1,030	1,209	1,573	1,505	2,010
PBR (Times)	0.48	0.52	0.61	0.56	0.68

2. Policy for improvement

Based on this assessment, the Company will continue to strengthen our profitability in accordance with the Company's 11th Medium-Term Management Plan (fiscal year ended March 31, 2025 to fiscal year ending March 31, 2027). With this, the Company is seeking appropriate evaluations from shareholders and investors so as to improve its PBR.

3. Efforts for improvement

(1) Strengthening profitability

The following policies in the 11th Medium-Term Management Plan will be promoted in order to improve profitability.

[1] Improvement of business quality

- Improve business quality (safety and quality) in each region
Promote Company-wide safety and quality improvements = Achieve number one status in safety and quality in the area
(Improving safety and quality in engineering and parts businesses).

[2] Investment for growth and strengthening profitability

- Make human capital investments in growth areas
Invest resources in business areas with high potential and profitability in each area.
- Improve productivity
Promote in-house DX to improve labor value-added productivity.
- Strengthen core businesses and expand to all areas
Promote engineering and parts businesses based on high safety and quality, and improve profitability through Company-wide development.
Utilize the highly specialized skills to achieve number one status in the area in regards to the ability to make proposals and Company appeal.
- Expand overseas business
Strengthen organizational capabilities to support globalized manufacturing.

[3] Promotion of sustainability

- Contribute to social issues through business
Strengthen proposals for further automation and labor saving in order to prepare for the decline in the labor force.
Promote decarbonization business (support for reducing environmental impact in manufacturing) and promote in-house carbon neutrality.
- Promote sustainability management
Revision of the personnel system and review of education program to strengthen human capital.
Develop a sustainability promotion system.

(2) Enhancing shareholder returns (Dividend Policy)

The Company regards the return of profits to shareholders as a key management priority, and its basic policy is to pay dividends while enhancing internal reserves necessary for sustainable future growth, targeting a consolidated dividend payout ratio of 40%.

For the remainder of the 11th Medium-Term Management Plan period (from the fiscal year ending March 31, 2026 through the fiscal year ending March 31, 2027), the minimum annual dividend per share will be 88 yen per year.

(3) Enhancing IR activities

The Company will strive to increase opportunities for dialogue with shareholders and investors and actively disclose information on its business activities. Disclosure of non-financial information in addition to financial information will also be enhanced.