



May 9, 2014

Company name: MEC COMPANY LTD.
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(Securities code: 4971)
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Reconsideration of Plan to Construct a New Plant

We issued a press release on February 18, 2011 titled "Cancellation of the Plan to Construct the New Plant." However, we hereby announce that it was decided at a meeting of the board of directors today to reconsider the plan, as follows.

1. Overview of new plant whose construction is being reconsidered
Location: 3-chome, Kuiseminamishinmachi, Amagasaki-shi, Hyogo Prefecture
Site area: 14,214.88 square meters (Company land)
Aggregated functions: Manufacturing and research and development

We will decide on other details in future.

2. Reason for reconsidering the plan
We issued a press release on February 18, 2011 titled "Cancellation of the Plan to Construct the New Plant." The main reason was that, at the time the business environment surrounding the Company was uncertain, and we decided to cancel the investment plan as a result of reviewing it.
However, the situation now is that the market needs for our chemicals are expanding and we have enhanced our personnel but our facilities have not kept pace with these changes. In particular, it has become hard to secure enough space for our research establishments in our existing buildings. Also, we are in a situation where we are also facing space constraints in the existing buildings of the production plants in Nishinomiya that was founded in June 1985 and we urgently need to update our facilities in order to rationalize our work spaces.
In consideration of these matters, we have decided that in order to expand our business in the future we should plan to construct a new plant on land we hold that is an idle asset, and thus we decided to start reconsidering the construction plan.
3. Future outlook
Our reconsidering the construction of the new plant will have only a minor influence on our consolidated results for the term ending in March 2015.
We will promptly announce our investment plans for the future once we have decided them.