

# Briefing on Business Results for the Fiscal Year Ended March 2007

 **MEC COMPANY LTD.**

Amagasaki: May 18, 2007

Tokyo: May 21, 2007

**Securities Code: 4971**

**1<sup>st</sup> section of TSE**

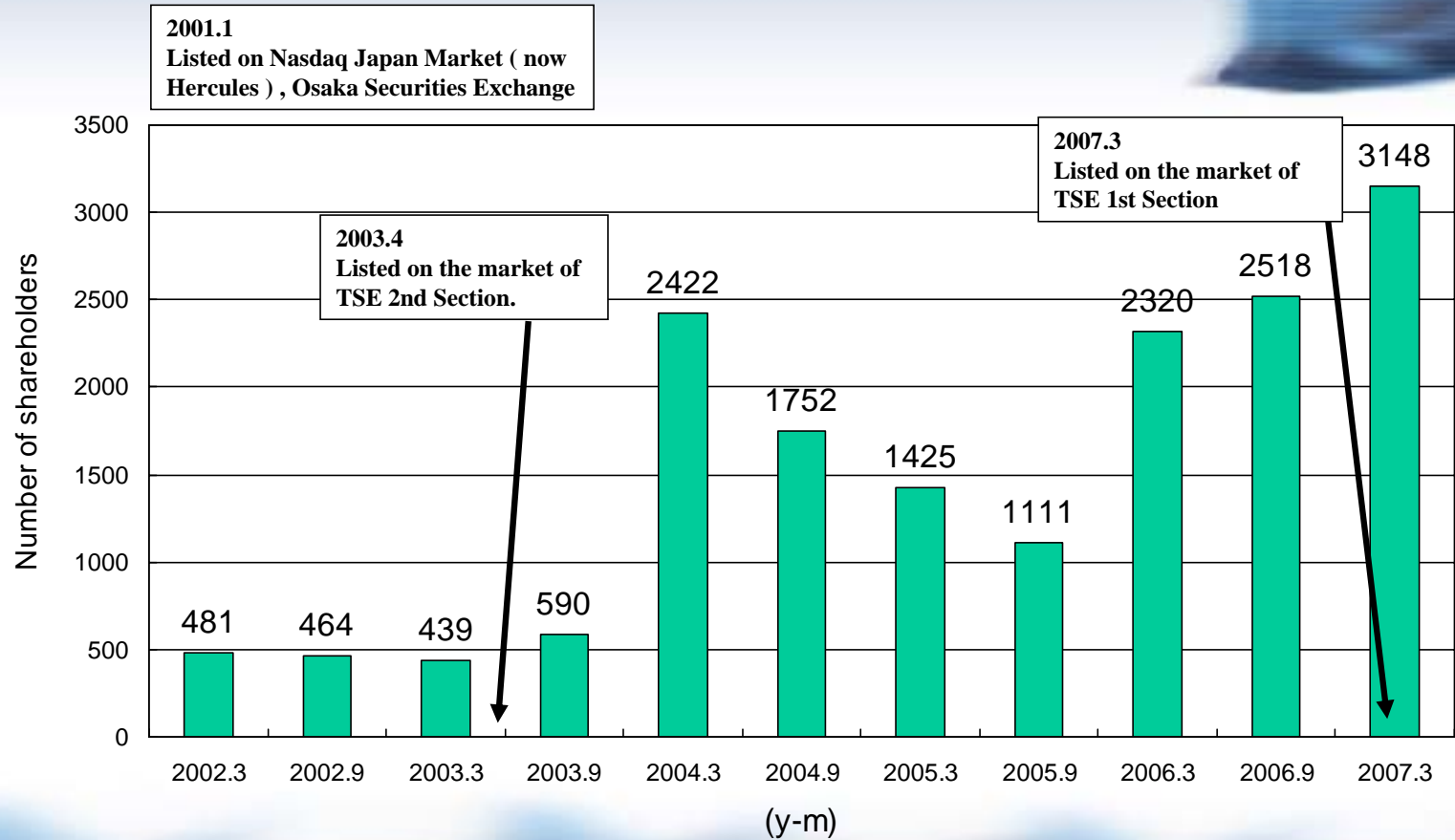
**Hercules of OSE**

**<http://www.mec-co.com/>**

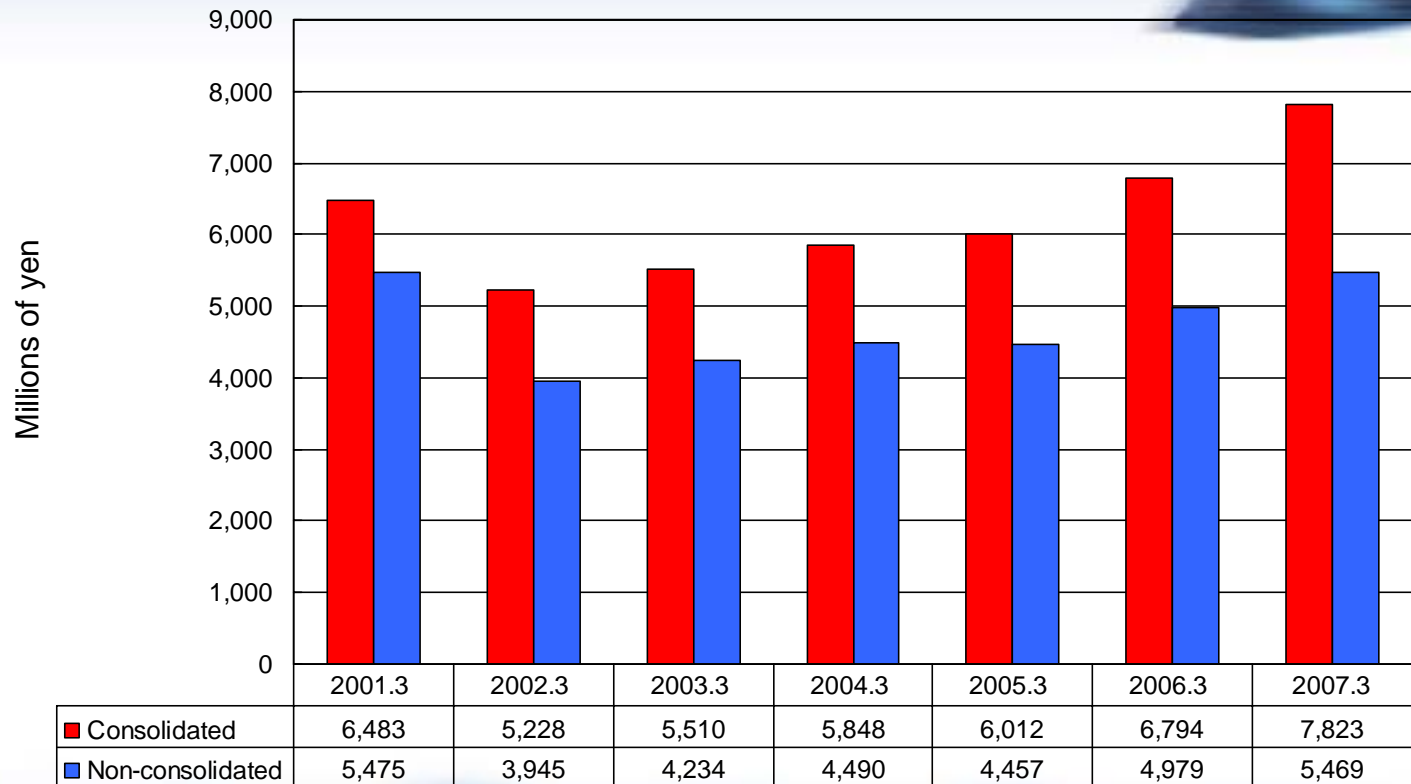
## Points of Business Results for the Fiscal Year Ended March 2007

- [1] **The amount of sales is 7,823,000,000 yen (up 15.1% from the previous year; percentage achievement: 101.6%), operating income is 1,784,000,000 yen (up 25.1% from the previous year; percentage achievement: 98.7%), ordinary income is 1,800,000,000 yen (up 21.3% from the previous year; percentage achievement: 100.9%), and the current term net profit is 1,184,000,000 yen (up 21.0% from the previous year; percentage achievement: 102.8%).**
- [2] **The ratio of overseas sales is increased to 47.2% for the current fiscal term from 46.1% in the business year ending in March 2006. In the segment sales by locations, Asia achieved 2,839,000,000 yen (up 17.1% from the previous year) and Europe 705,000,000 yen (up 23.1%).**
- [3] **The sales of Agent for PCBs reached 7,089,000,000 yen, accounting for 90.6% of the total sales (6,136,000,000 yen, accounting for 90.3% in the fiscal year ended March 2006). The CZ sales reached 3,817,000,000 yen, a 25.1% increase from the 3,051,000,000 yen in the fiscal year ended March 2006.**

# Number of Shareholders

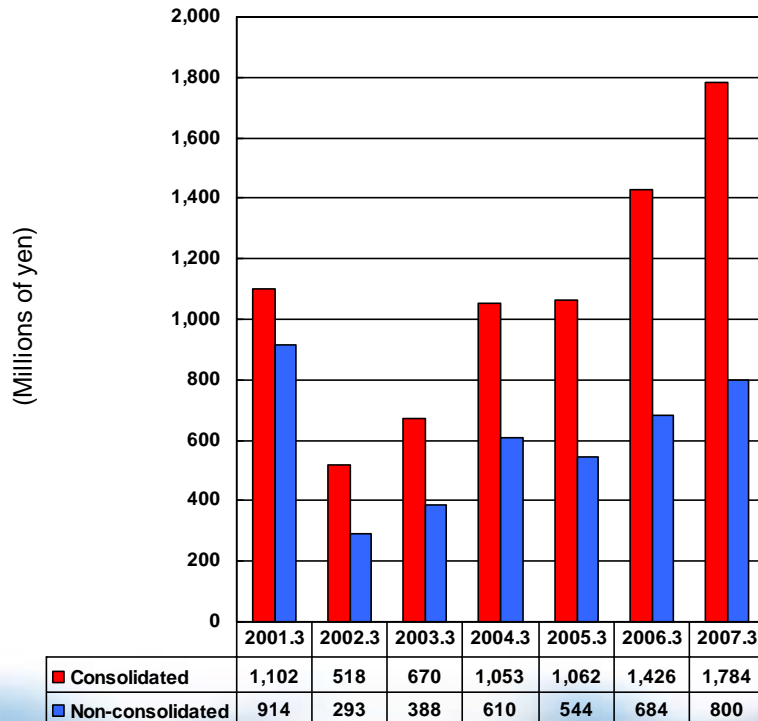


# Sales Trends

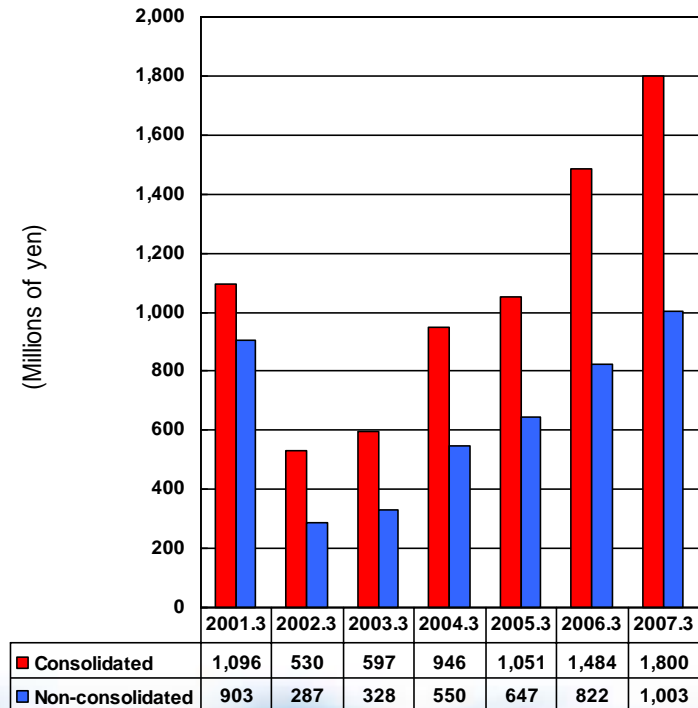


# Operating income and Ordinary income

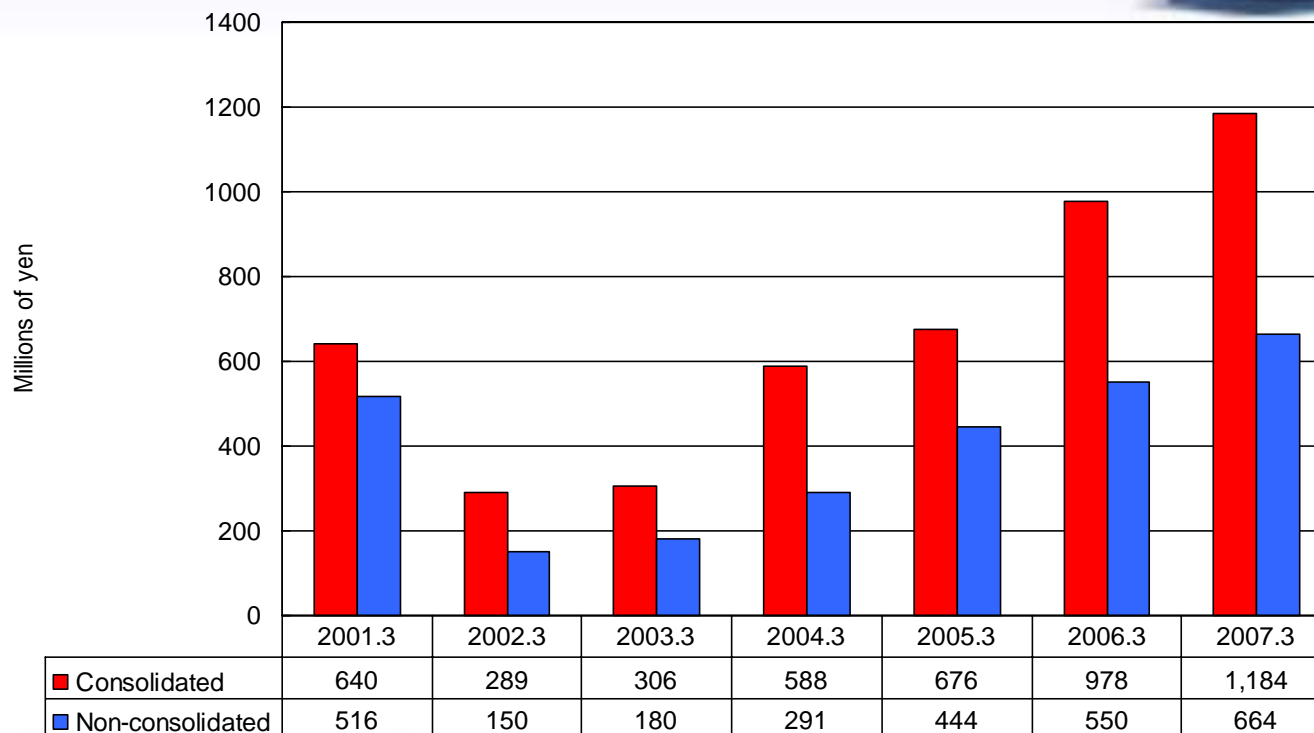
## Operating income



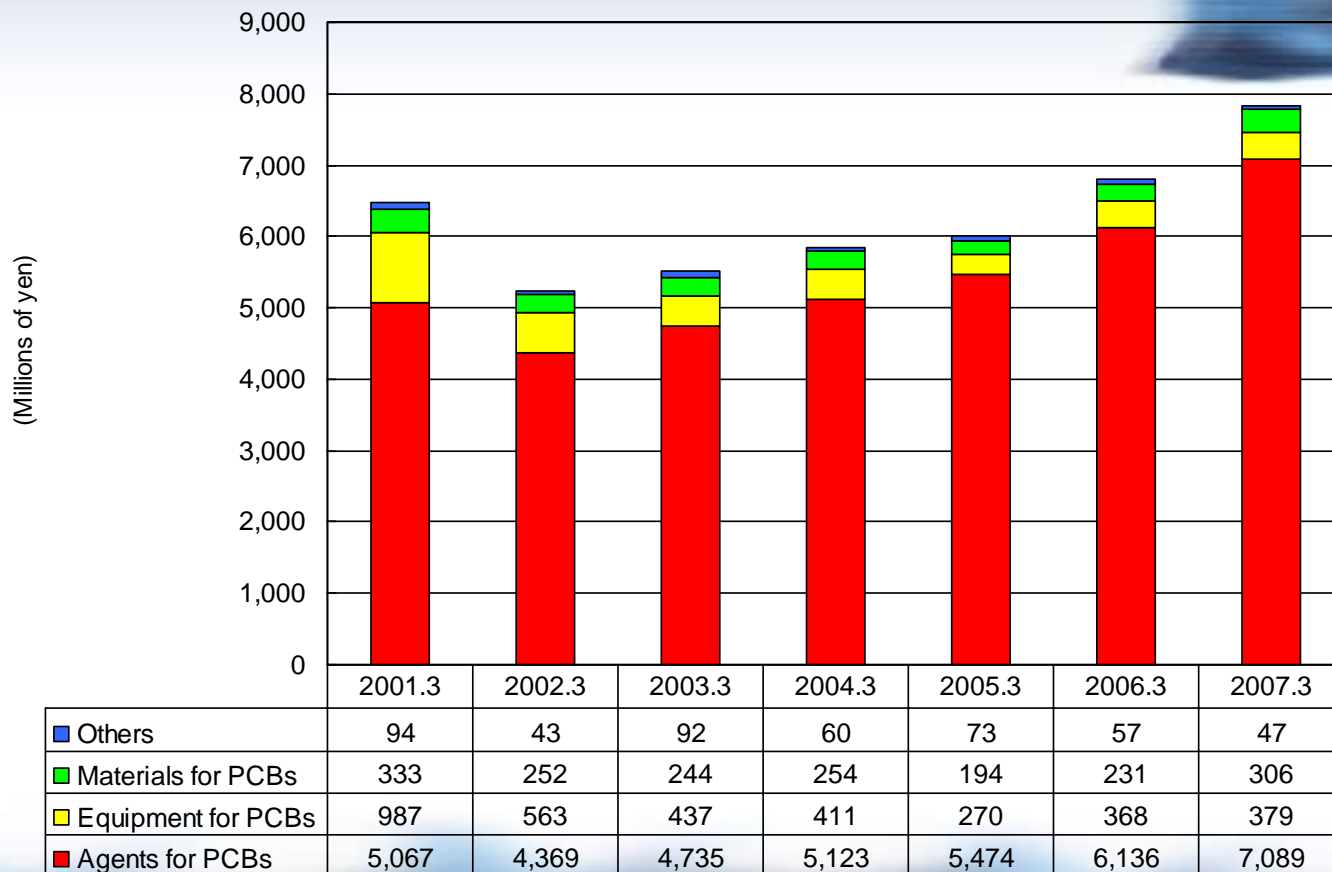
## Ordinary income



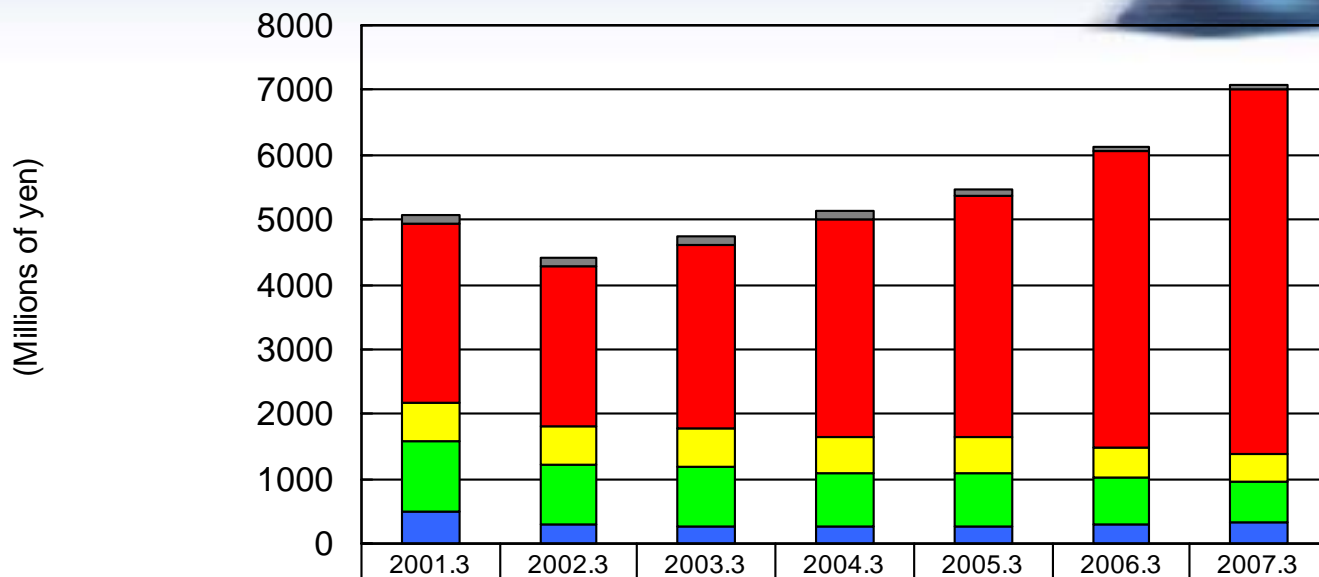
# Net Income



# Sales Trend by Product (Consolidated)

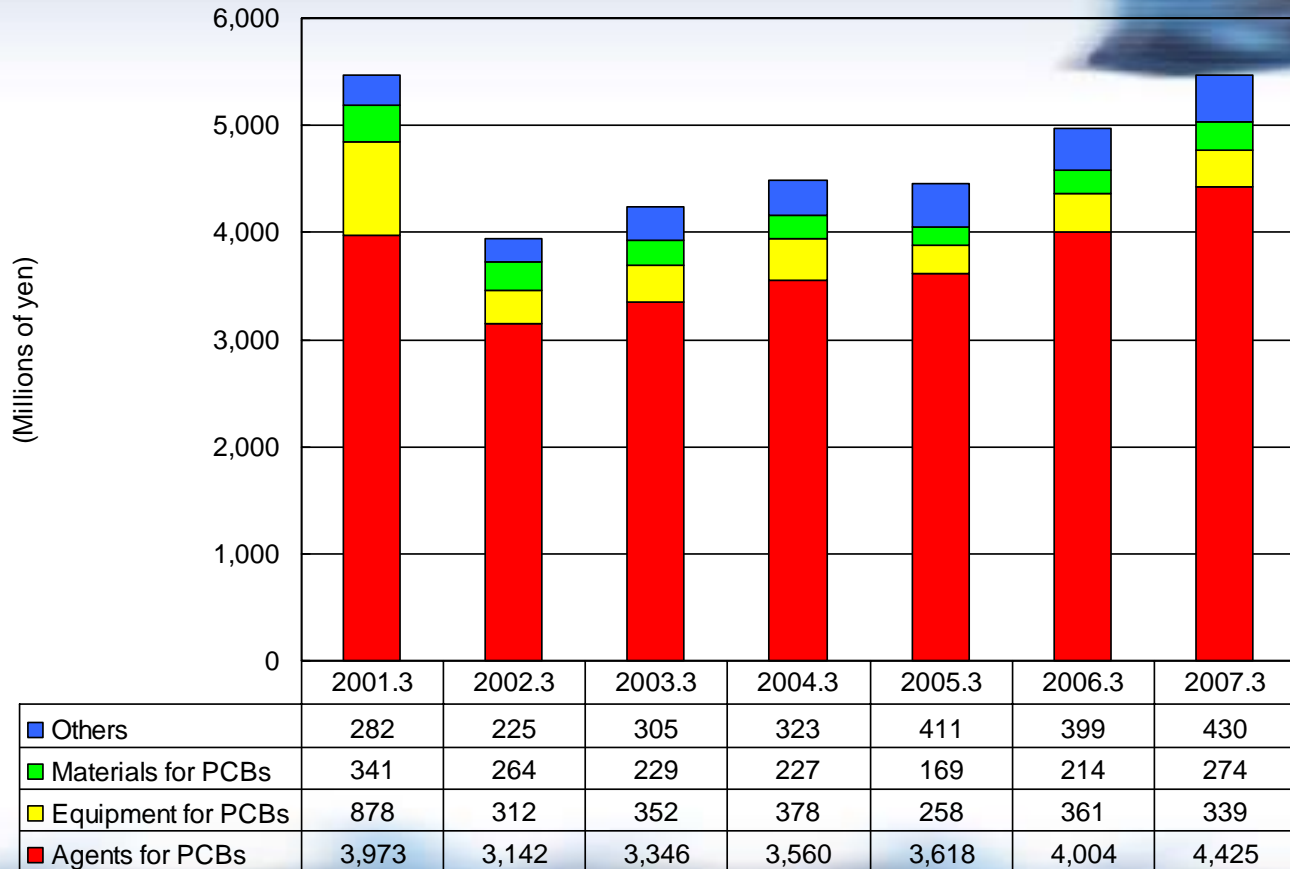


# Sales Trends by Agents (Consolidated)

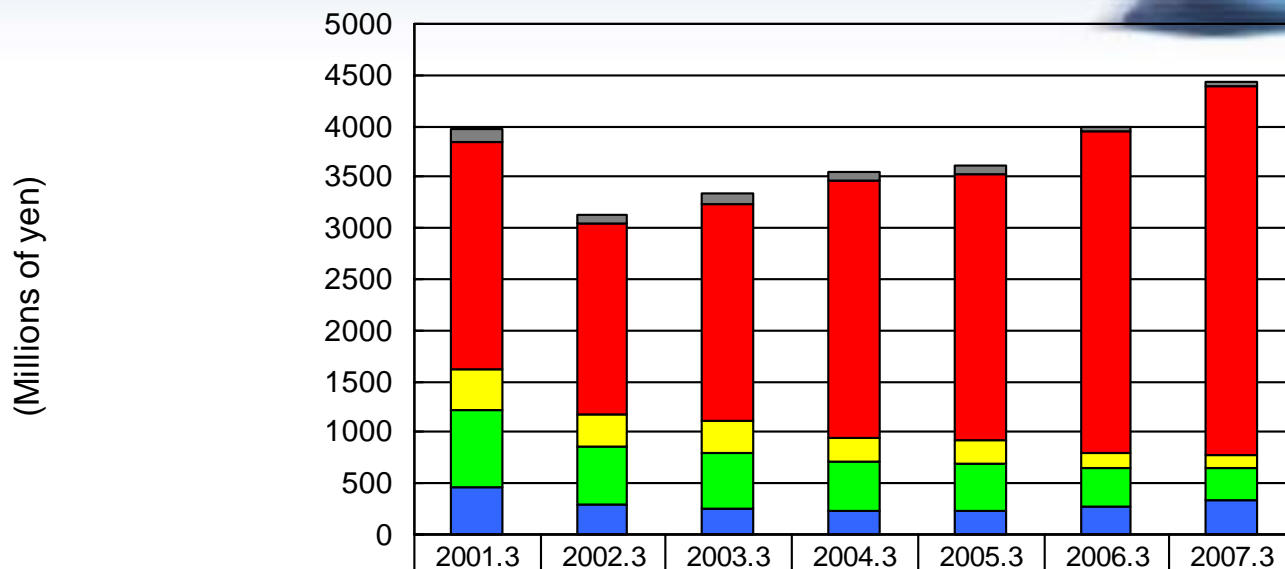


Others	135	128	109	123	112	82	70
Copper Surface Treatment Agents	2,749	2,475	2,831	3,347	3,728	4,576	5,625
Anti-tarnish Agents	612	607	607	561	559	459	439
Flux Agents	1,082	903	913	840	822	719	610
Metal resist stripping Agents	488	307	273	249	251	299	343

# Sales Trends by product (Non-consolidated)

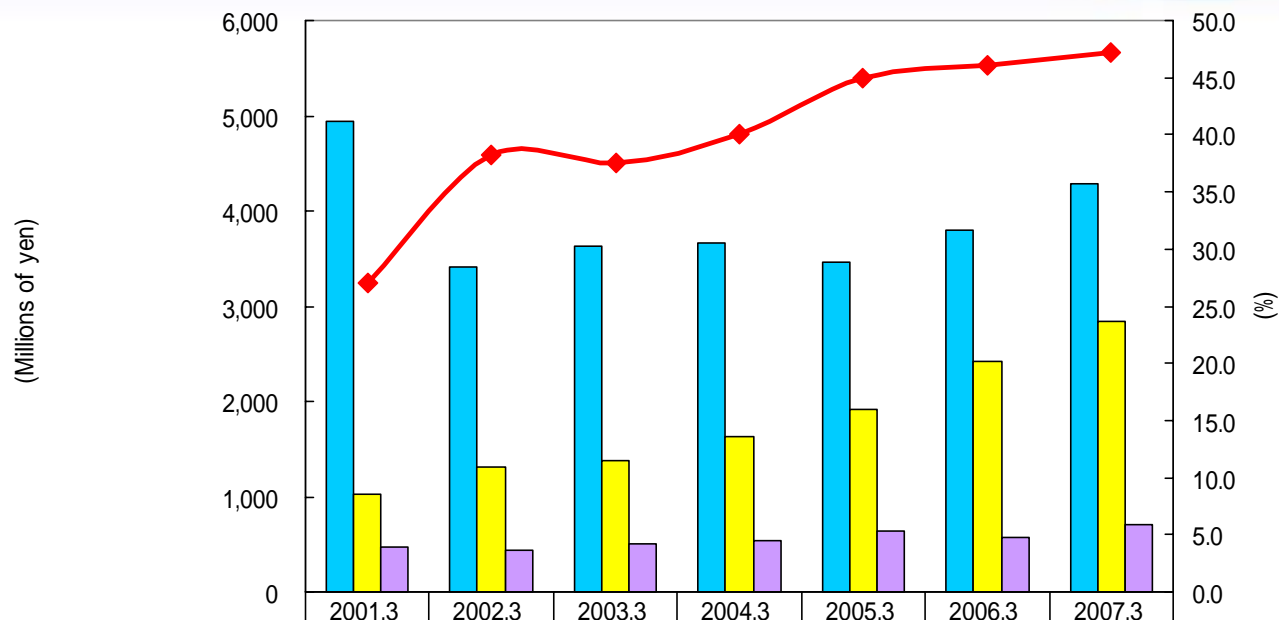


# Sales Trends by Agents (Non-consolidated )



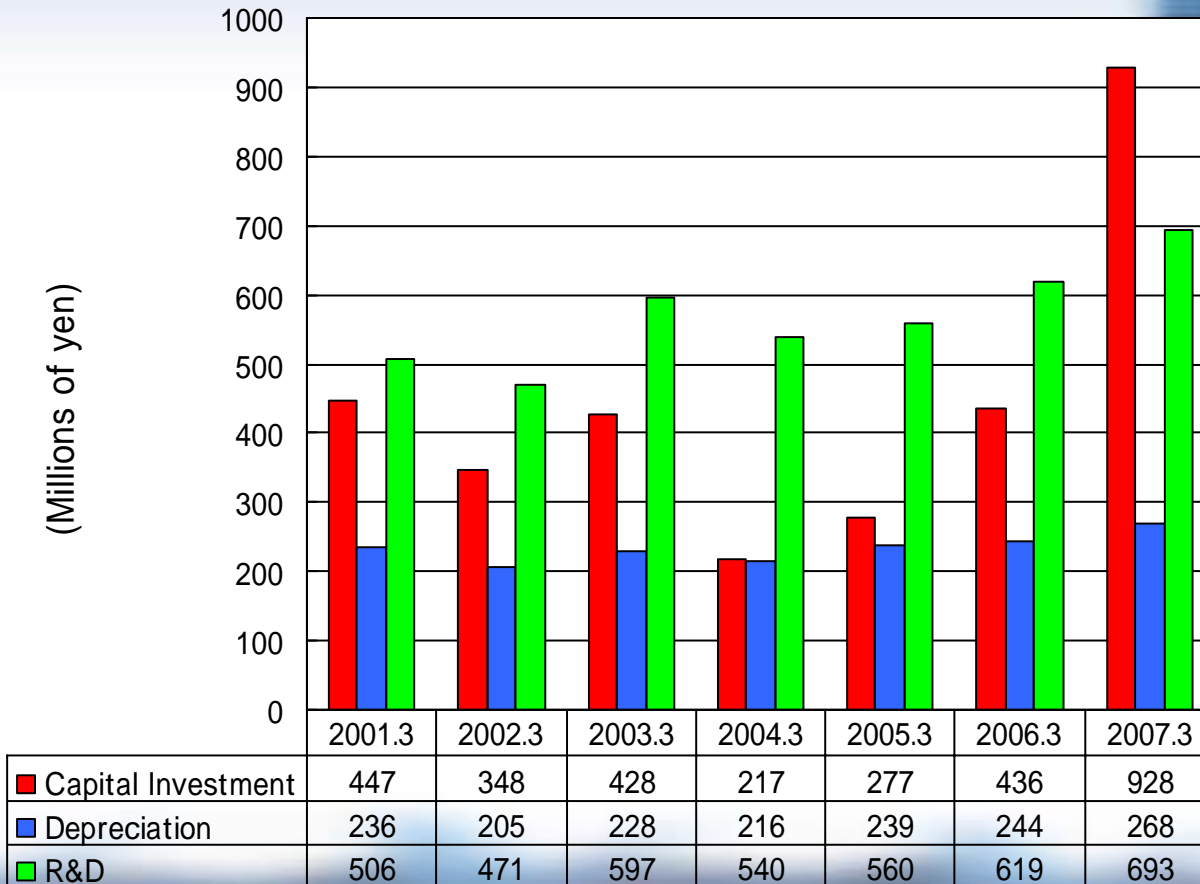
Others	119	84	109	97	77	53	42
Copper Surface Treatment Agents	2,230	1,886	2,131	2,518	2,624	3,155	3,611
Anti-tarnish Agents	394	306	299	228	219	149	115
Flux Agents	764	578	551	490	465	362	325
Metal resist stripping Agents	464	285	255	226	230	283	330

# Sales Trends by Region and Proportion of Overseas Sales

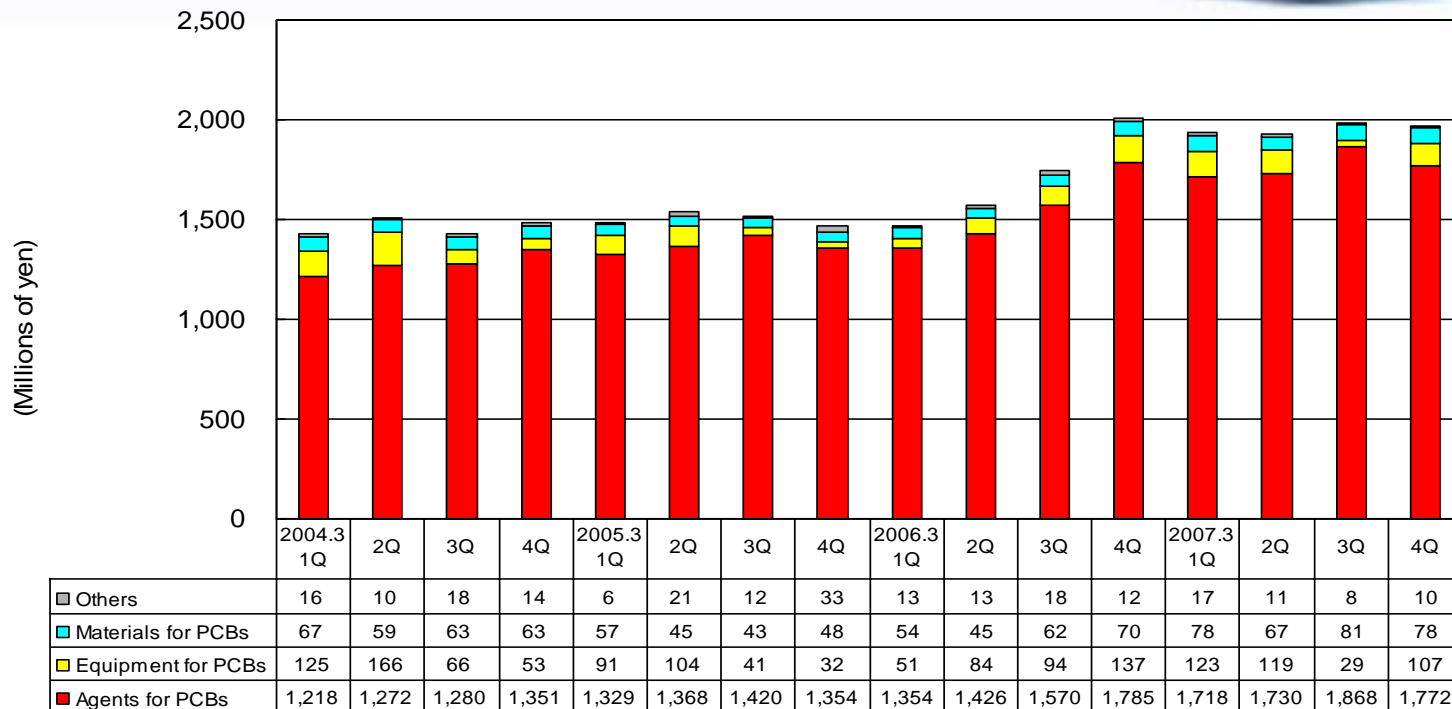


	2001.3	2002.3	2003.3	2004.3	2005.3	2006.3	2007.3
Japan	4,934	3,417	3,628	3,664	3,460	3,796	4,278
Asia	1,023	1,319	1,371	1,637	1,911	2,424	2,839
Europe	465	435	506	546	640	573	705
Proportion of Overseas Sales	27.1	38.2	37.5	40.1	45.0	46.1	47.2

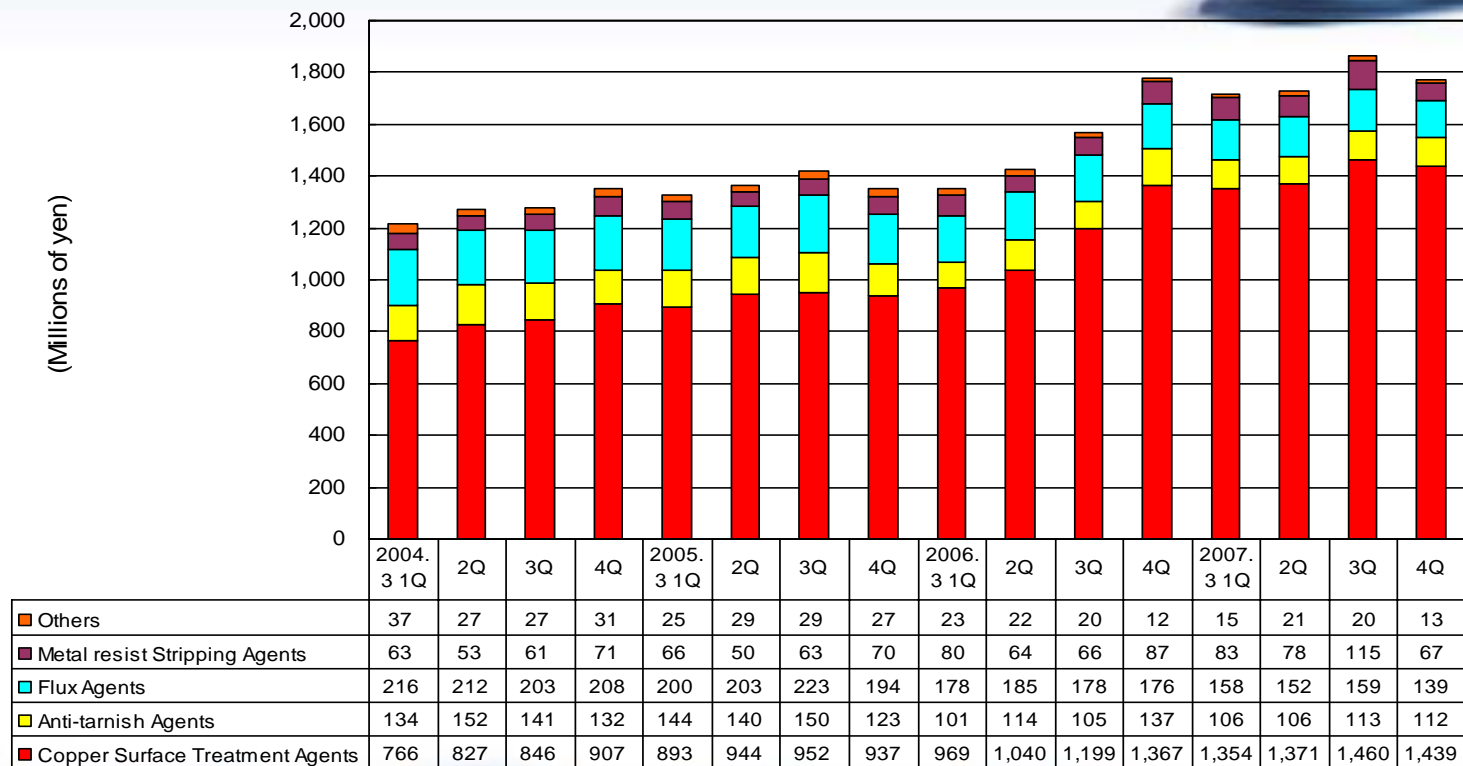
# Plant Investment, etc



# Quarterly Sales Trend by Product (Consolidated)



# Quarterly Sales Trends by Agents (Consolidated)



# Forecast for the Year End March 31, 2008

## Consolidated

	2007.3	2008.3		
	The previous term (Millions of yen)	Forecast for the current term (Millions of yen)	Previous year comparison (%)	Increase/Decrease (Millions of yen)
Net Sales	7,823	8,345	106.7	522
Operating Sales	1,784	1,864	104.5	79
Ordinary Sales	1,800	1,833	101.8	33
Net Income	1,184	1,218	102.9	34

## Non-consolidated

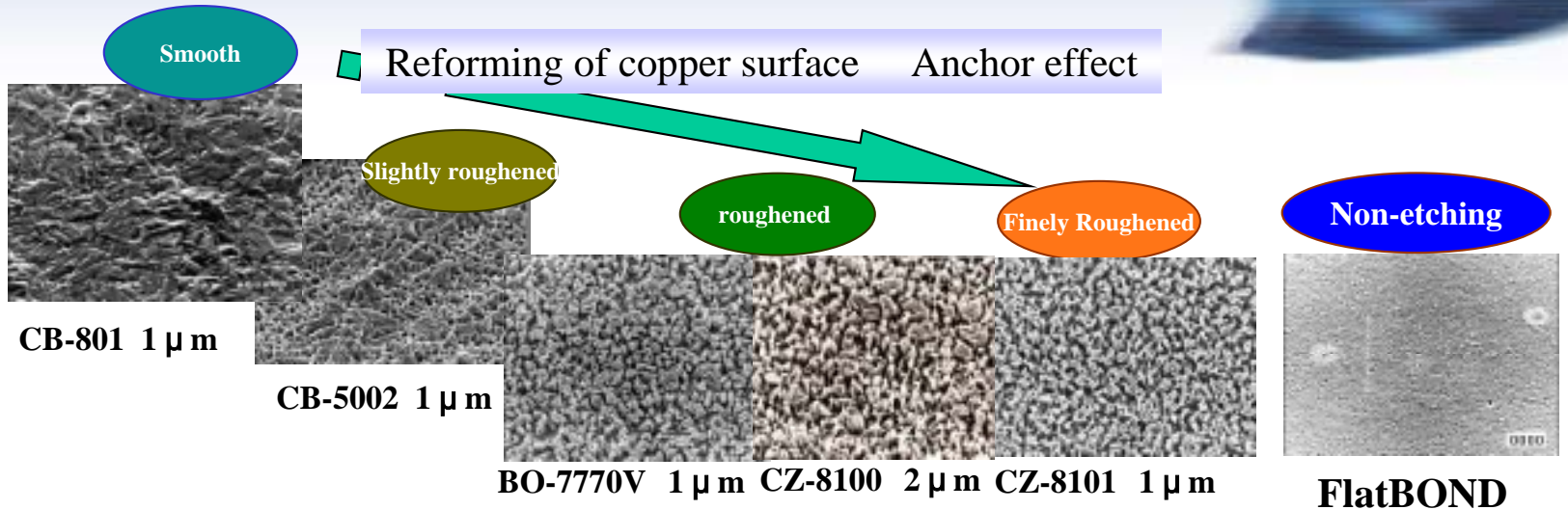
	2007.3	2008.3		
	The previous term (Millions of yen)	Forecast for the current term (Millions of yen)	Previous year comparison (%)	Increase/Decrease (Millions of yen)
Net Sales	5,469	6,074	111.1	605
Operating Sales	800	844	105.4	43
Ordinary Sales	1,003	1,005	100.2	1
Net Income	664	665	100.2	1

# Planning points in the future

- 1. Complete control over state-of-the-art process**
- 2. Deployment to a new PCB s\* process**
- 3. Horizontal development of CZ**
- 4. Energy focused on vehicle-mounted PCB s**
- 5. Energy focused on Asia centering on China**

\*PCB stands for Printed circuit board

# Variety of Surface Finish by Copper Surface Treatment Agents



Double Sided PCBs ~ Multipurpose Multilayer PCBs ~ High-density electronics PCBs ~ Package PCBs

Next generation

Magnification : 3,500

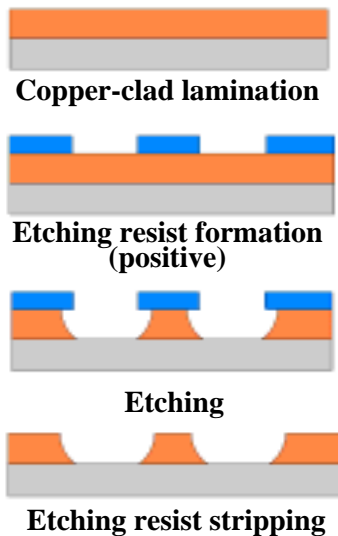
Stage angle : 45 °

Copper type : electrolytic copper foil

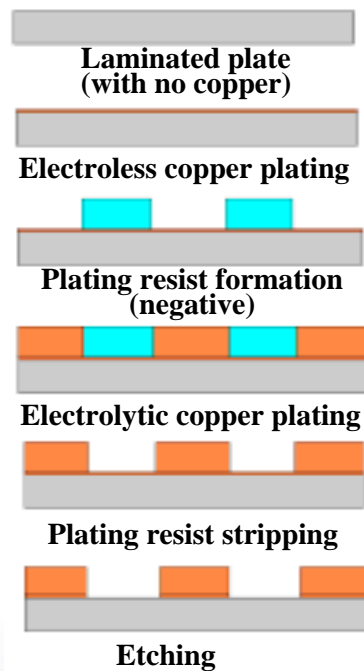
# Copper wiring pattern forming method

## Wiring pattern forming method

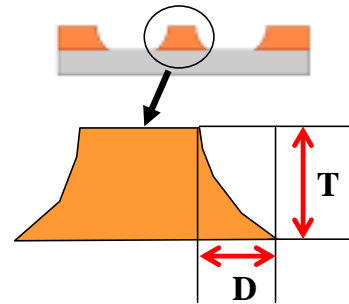
### Subtractive Method



### Semi-additive Method



### Etch factor T/D

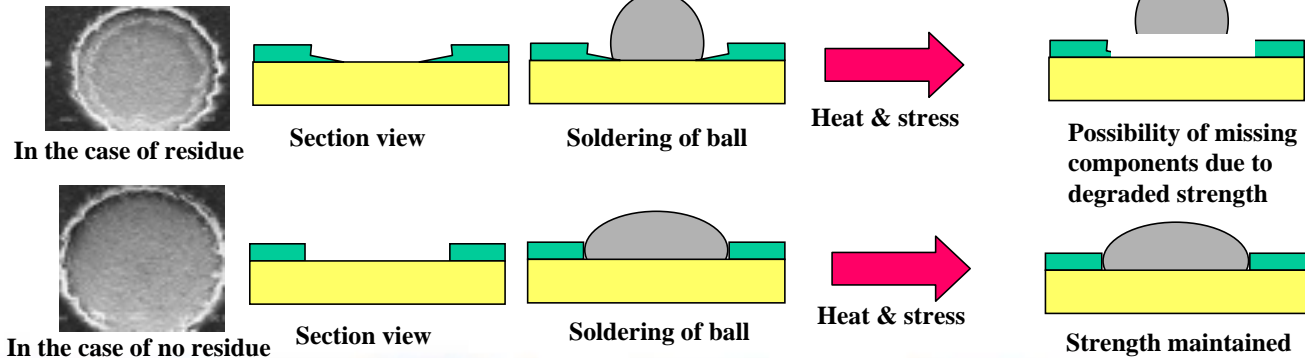
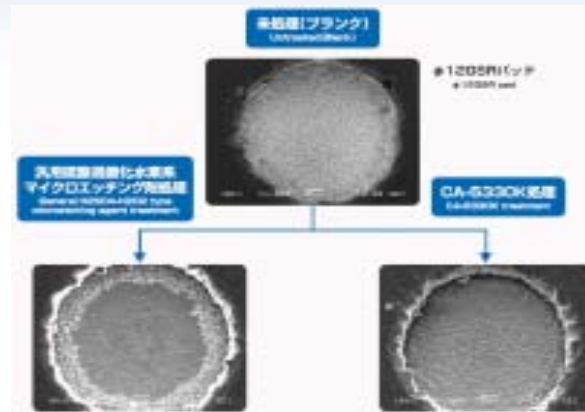


As the etch factor  $T/D$  decreases, the percent defect such as disconnections, etc. increases.

	Manufacturing cost	T/D	Percent defect	Productivity
Subtractive Method	Low	Small	High	High
Semi-additive Method	High	Large	Low	Low

Comparison by construction methods (pitch of 50 microns or less assumed)

# Small Diameter SR Pad Cleaning Agent



# New Factory - MEC CHINA (SUZHOU)



- Location: 中華人民共和國江蘇省蘇州市蘇州工業園區第5期
- Production capacity: 750ton/month
- Total ground area: 9,270m<sup>2</sup>
- Total building area: 4,000m<sup>2</sup>
- Start operations: May, 2008 (schedule)