

---

# **FY12/2018 1Q**

# **Financial Announcement**

( January 1, 2018 to March 31, 2018 )

---

Presentation

May 15, 2018 - HQ

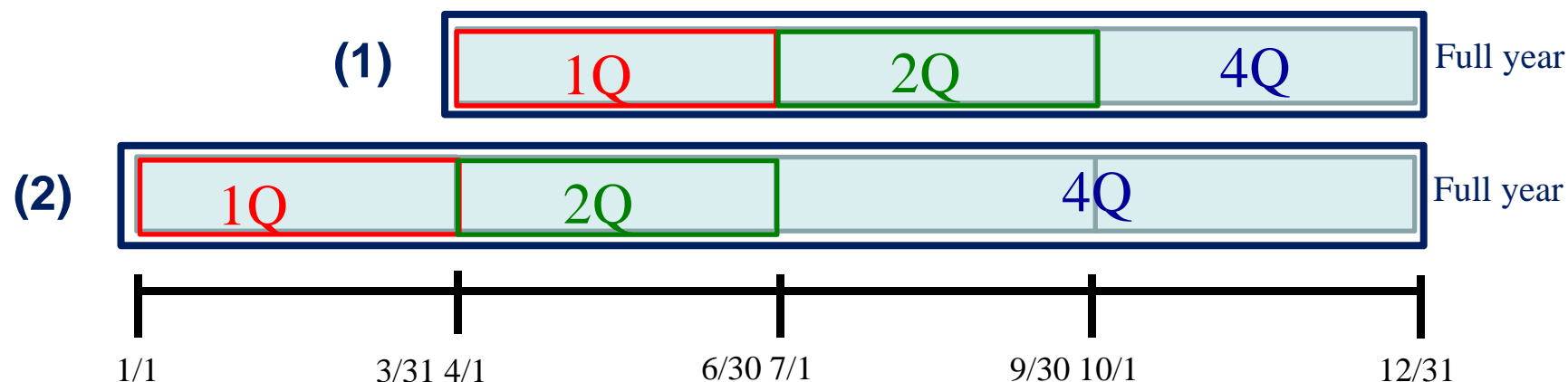
May 21, 2018 - Tokyo

**MEC COMPANY LTD.**

Securities Code: 4971

# Change to settlement period(from FY2017/49th term)

- It will change from March 31 to December 31 from the 49th term
- Consolidated period of the 49th term which is the transitional period
  - (1) Japan alone: 9 months  
(From April 1, 2017 to December 31, 2017)
  - (2) Overseas subsidiaries: 12 months  
(From January 1, 2017 to December 31, 2017)



- In this document, on the fiscal comparison of FY12/2018 1Q compare with January to March 2017

# *Fiscal year ending December 2018*

## *Topics related to first-quarter results*

---

1

Foreign exchange rate progresses to a weaker yen than the assumed rate.

(JPY to USD) Assumed rate: 113.00 yen / Actual rate: 108.83 yen (previous year was 113.74 yen)

(JPY to NTD) Assumed rate: 3.70 yen / Actual rate: 3.70 yen (previous year was 3.66 yen)

(JPY to RMB) Assumed rate: 17.00 yen / Actual rate: 17.10 yen (previous year was 16.50 yen)

3

Foreign exchange impact compared with the same period last year \*

Sales: UP 44 million yen, operating income: Up 18 million yen.

\* (Comparison period) FY12/2018 1Q vs. January to March 2017

2

Chemicals compared with the previous year \*

Sales: Up 13.5%, Shipments: Up 12.0%.

\* (Comparison period) FY12/2018 1Q vs. January to March 2017

# Points of FY12/2018 Q1

1)		January to March 2017	Q1 FY2018/12	Compare same period
	Net sales	¥ 2,374 million	¥ 2,660 million	+ 12.1 %
	Operating income	¥ 307 million	¥ 520 million	+ 69.4 %
	Ordinary income	¥ 292 million	¥ 511 million	+ 75.1 %
	Net income	¥ 180 million	¥ 365 million	+ 103.0 %
2)	Chemical sales	¥ 2,301 million	¥ 2,612 million	13.5 %
	Ratio of Net sales	96.9 %	98.2 %	(+ 1.3 points )
3)	Overseas sales ratio	57.0 %	55.6 % *	- 1.4 points
4)	CZ series sales	¥ 1,193 million	¥ 1,401 million	+ 17.4 %
	Ratio of chemical sales	51.9 %	53.7 %	(+ 1.8 points)
5)	Gross profit	63.2 %	63.5 %	( + 0.3 points )

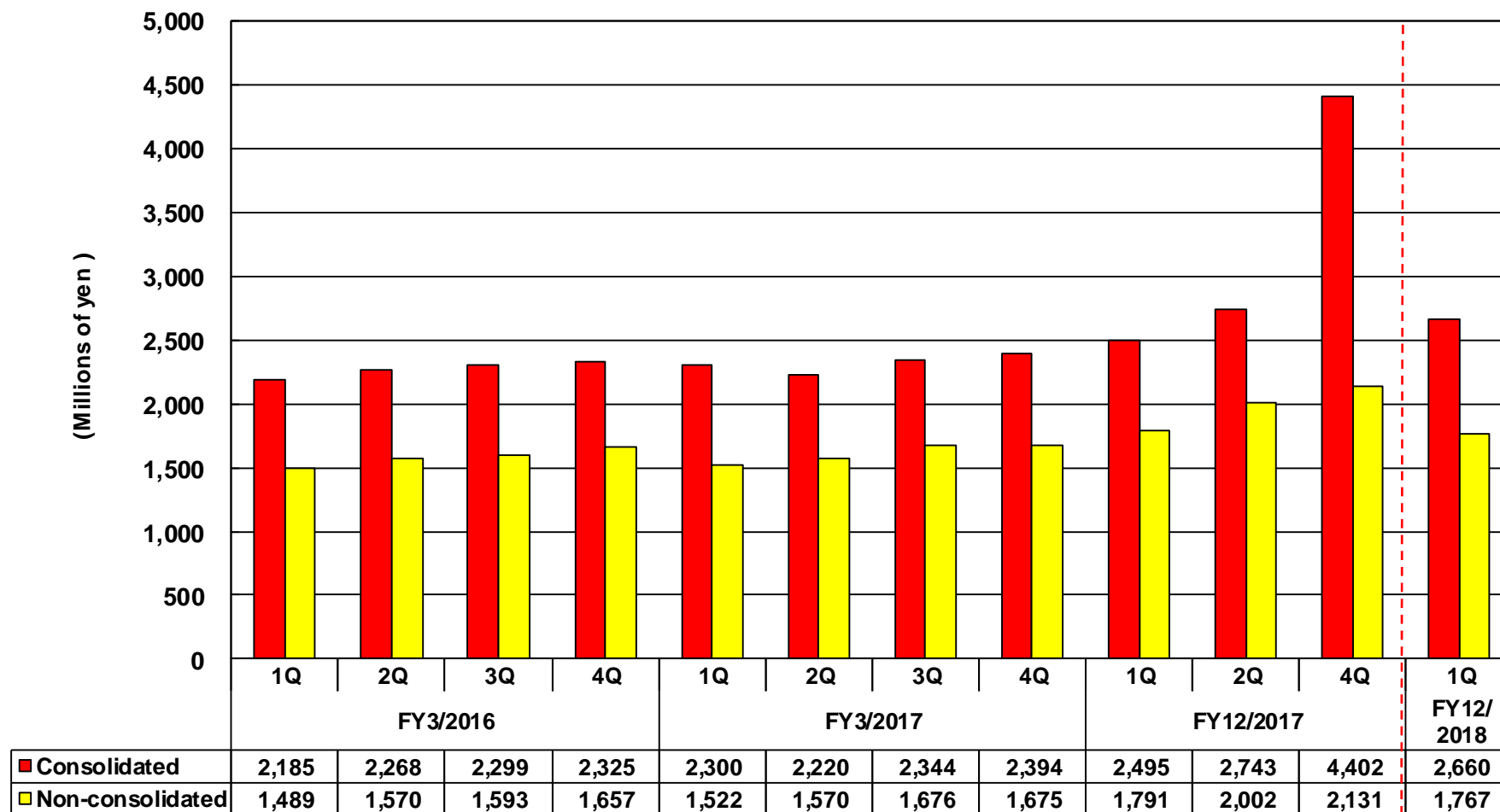
\* If the overseas chemical sales achieved by domestic agents is added to the overseas sales, the ratio becomes 73.9 %.  
( Same period: 72.2 %)

Impact of change in foreign exchange rate: Net sales + ¥ 44 million, Operating income + ¥ 18 million.

# Net Sales①

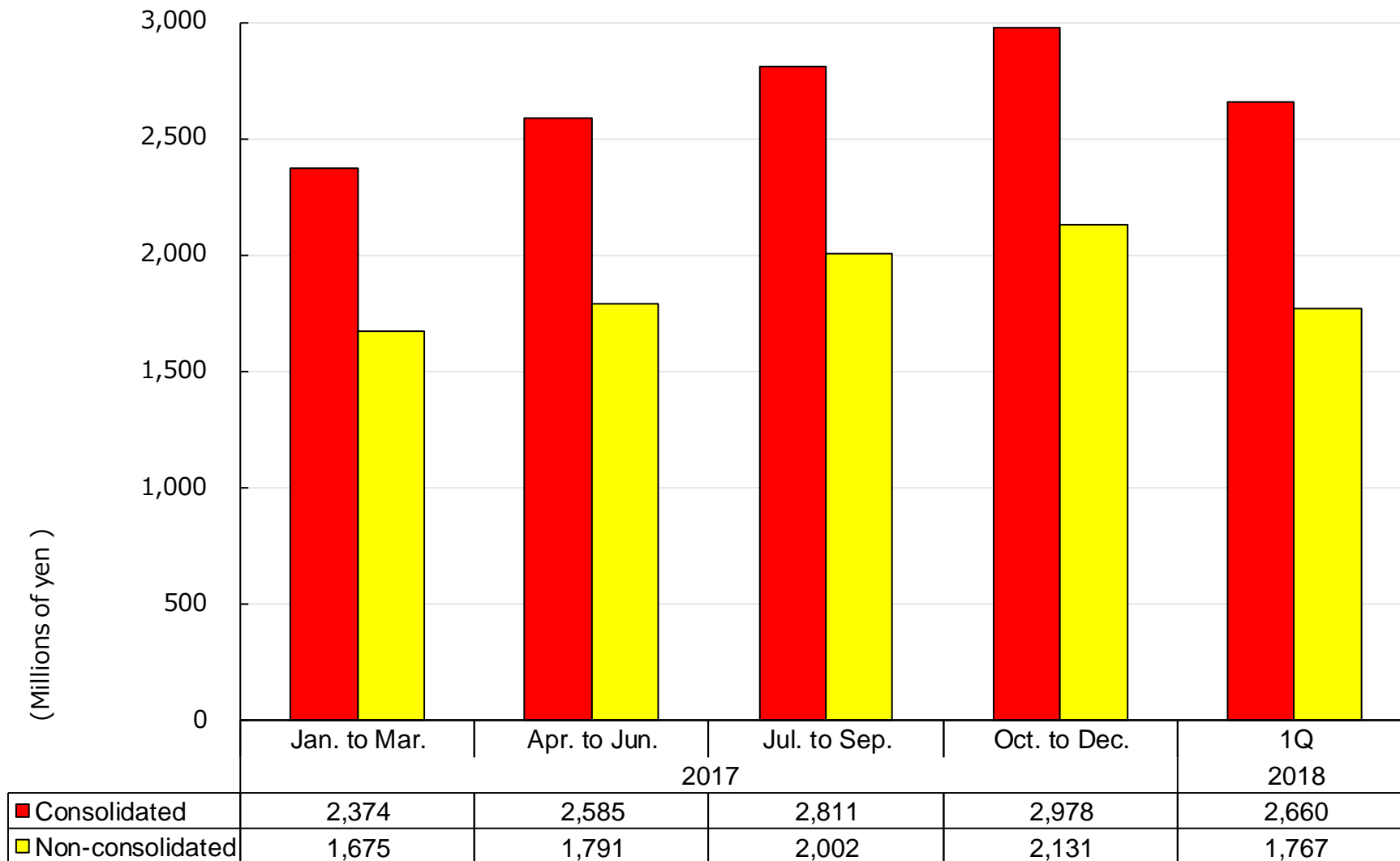
\* FY12/2017 Irregular settlement : Full year ( Japan : 9 months , Overseas subsidiaries: 12 months )  
4Q( Japan : 3 months , Overseas subsidiaries: 6 months )

\* FY12/2018 Or later : Full year ( Japan : 12 months , Overseas subsidiaries: 12 months )





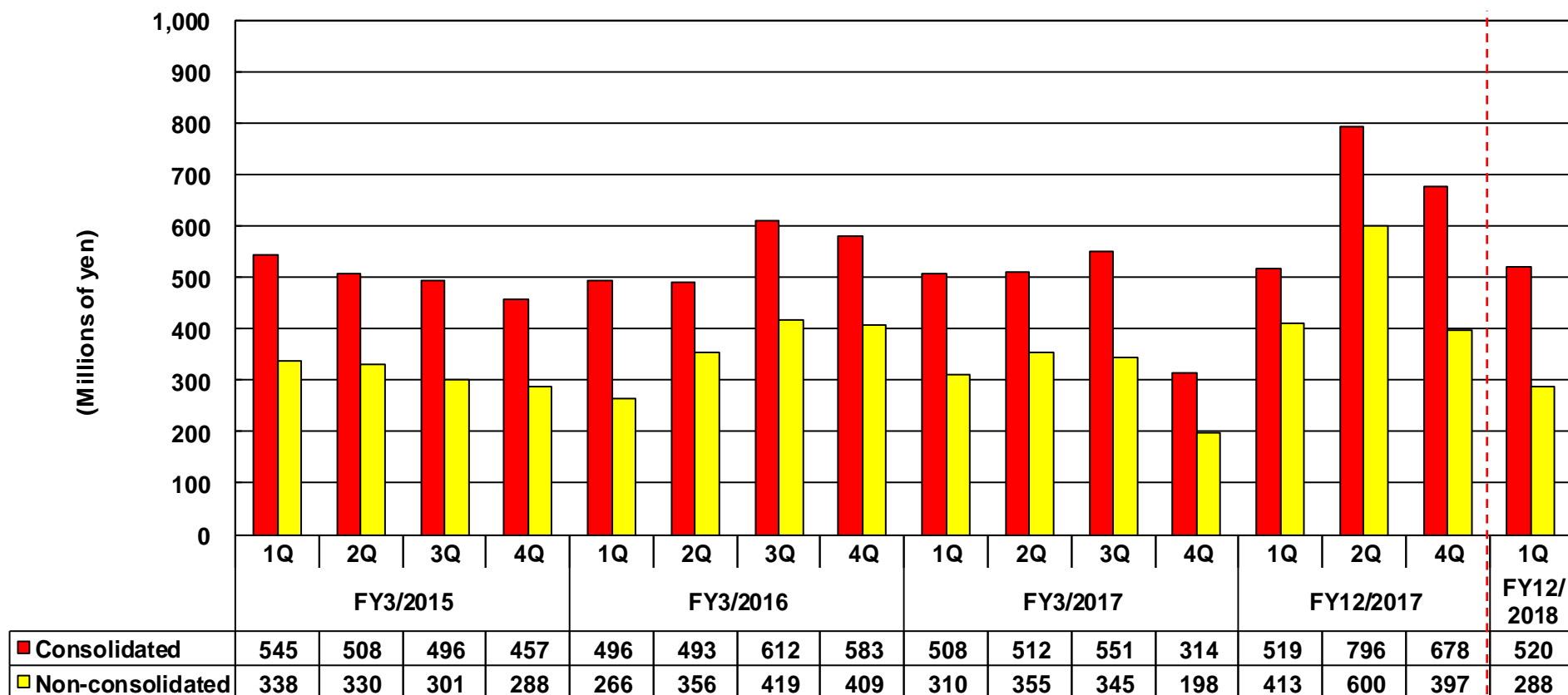
# Net Sales③



# Operating Income①

\* FY12/2017 Irregular settlement : Full year ( Japan : 9 months , Overseas subsidiaries: 12 months )  
4Q( Japan : 3 months , Overseas subsidiaries: 6 months )

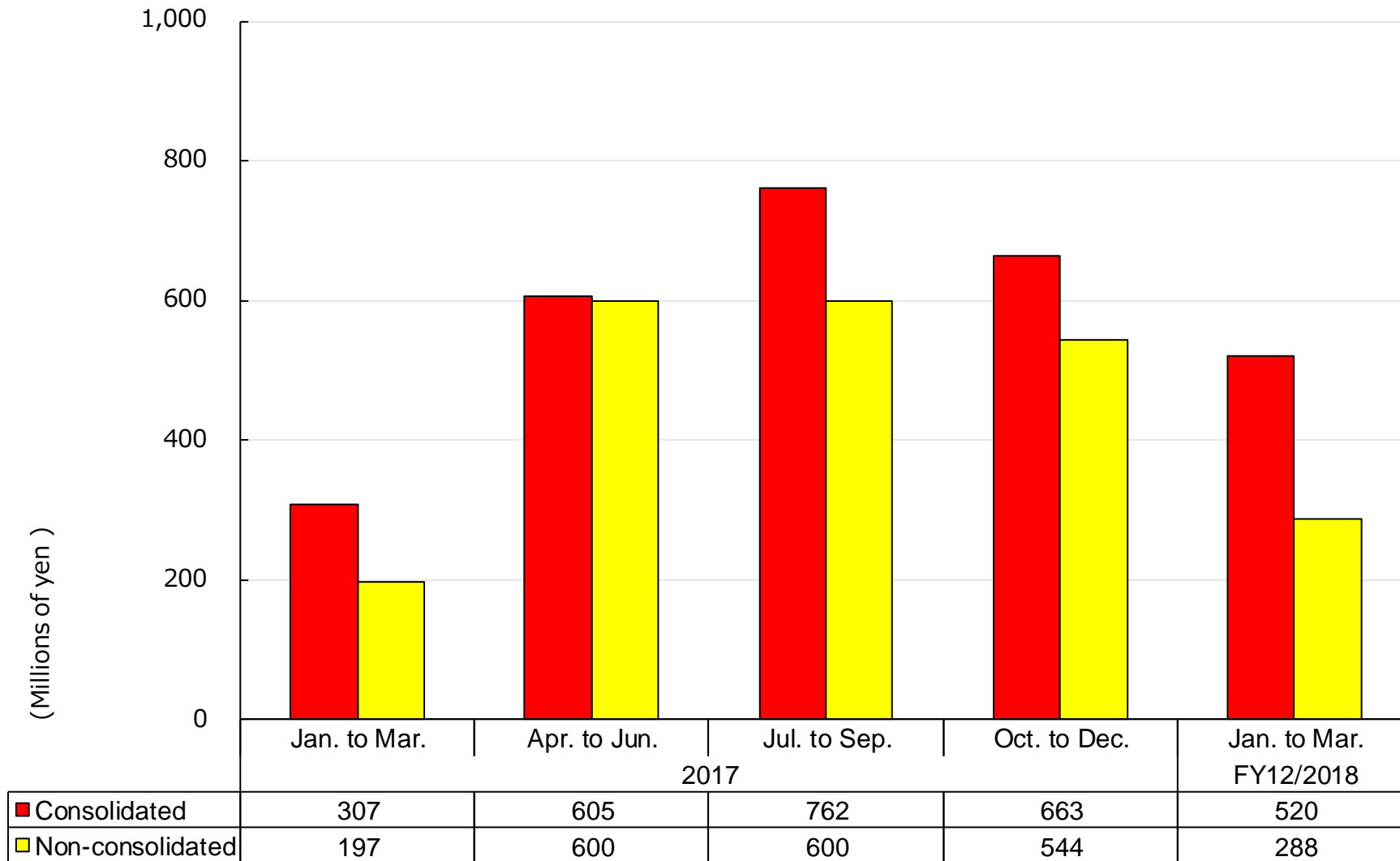
\* FY12/2018 Or later : Full year ( Japan : 12 months , Overseas subsidiaries: 12 months )







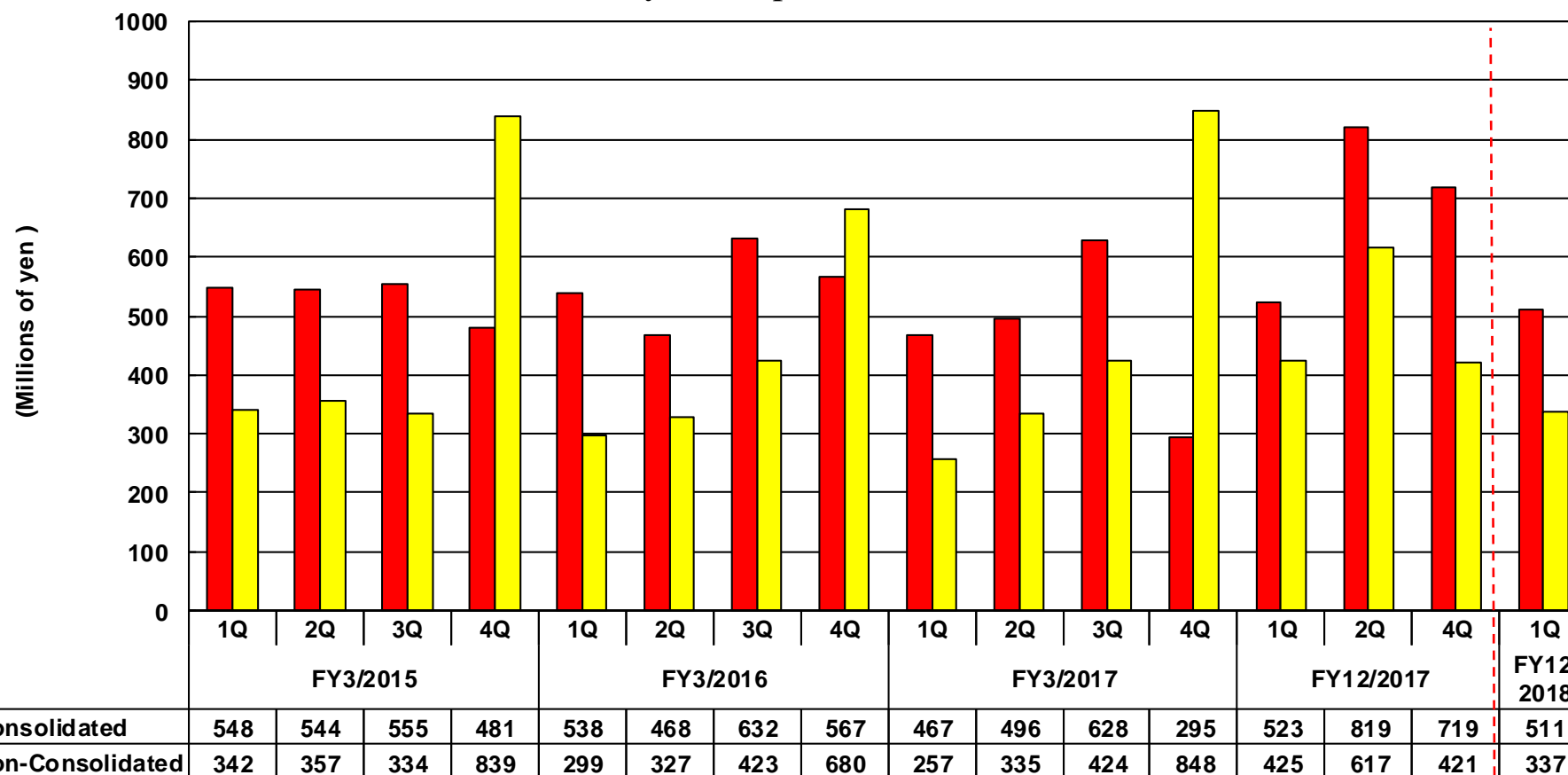
# Operating Income③



# Ordinary Income①

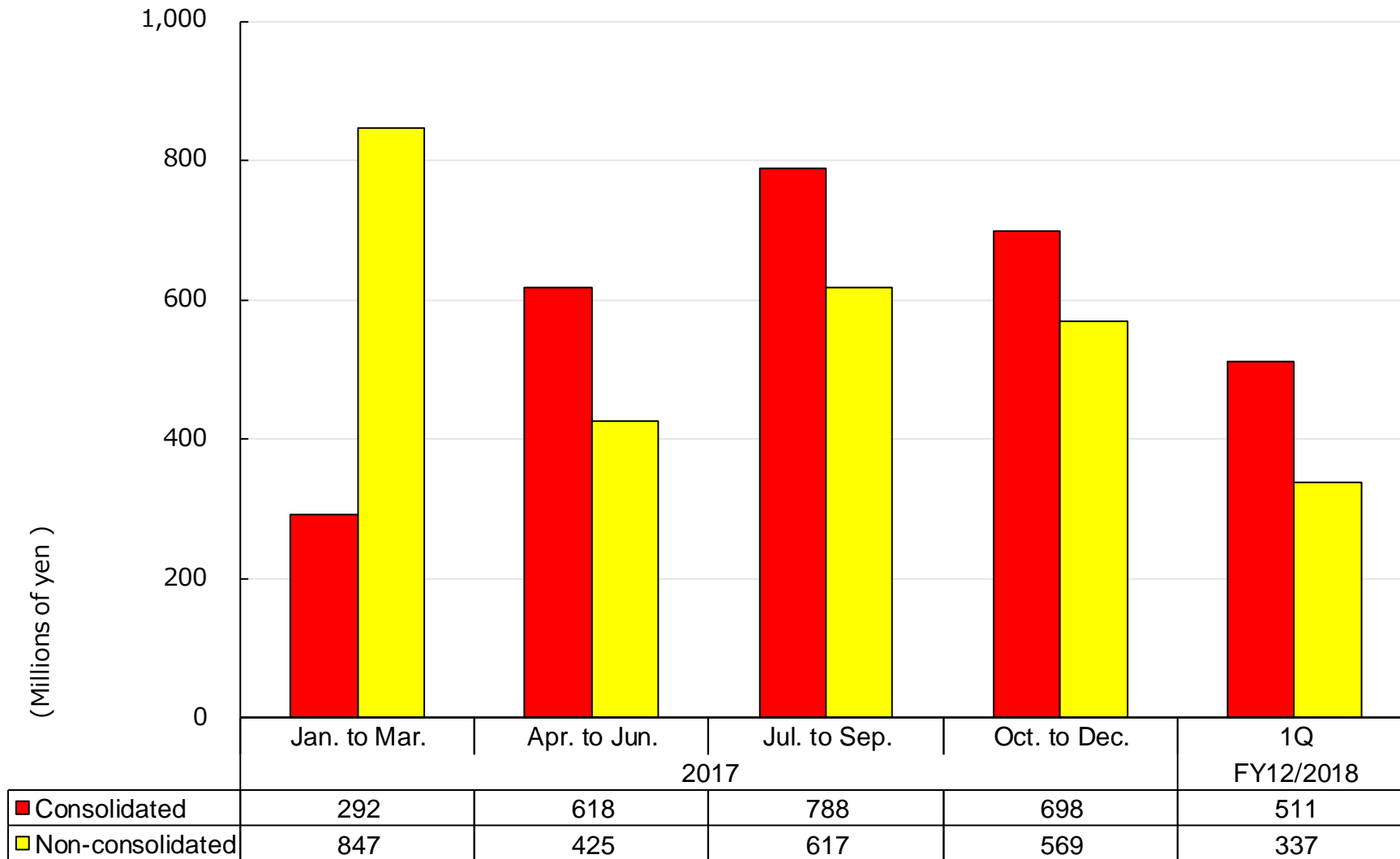
\* FY12/2017 Irregular settlement : Full year ( Japan : 9 months , Overseas subsidiaries: 12 months )  
4Q( Japan : 3 months , Overseas subsidiaries: 6 months )

\* FY12/2018 Or later : Full year ( Japan : 12 months , Overseas subsidiaries: 12 months )





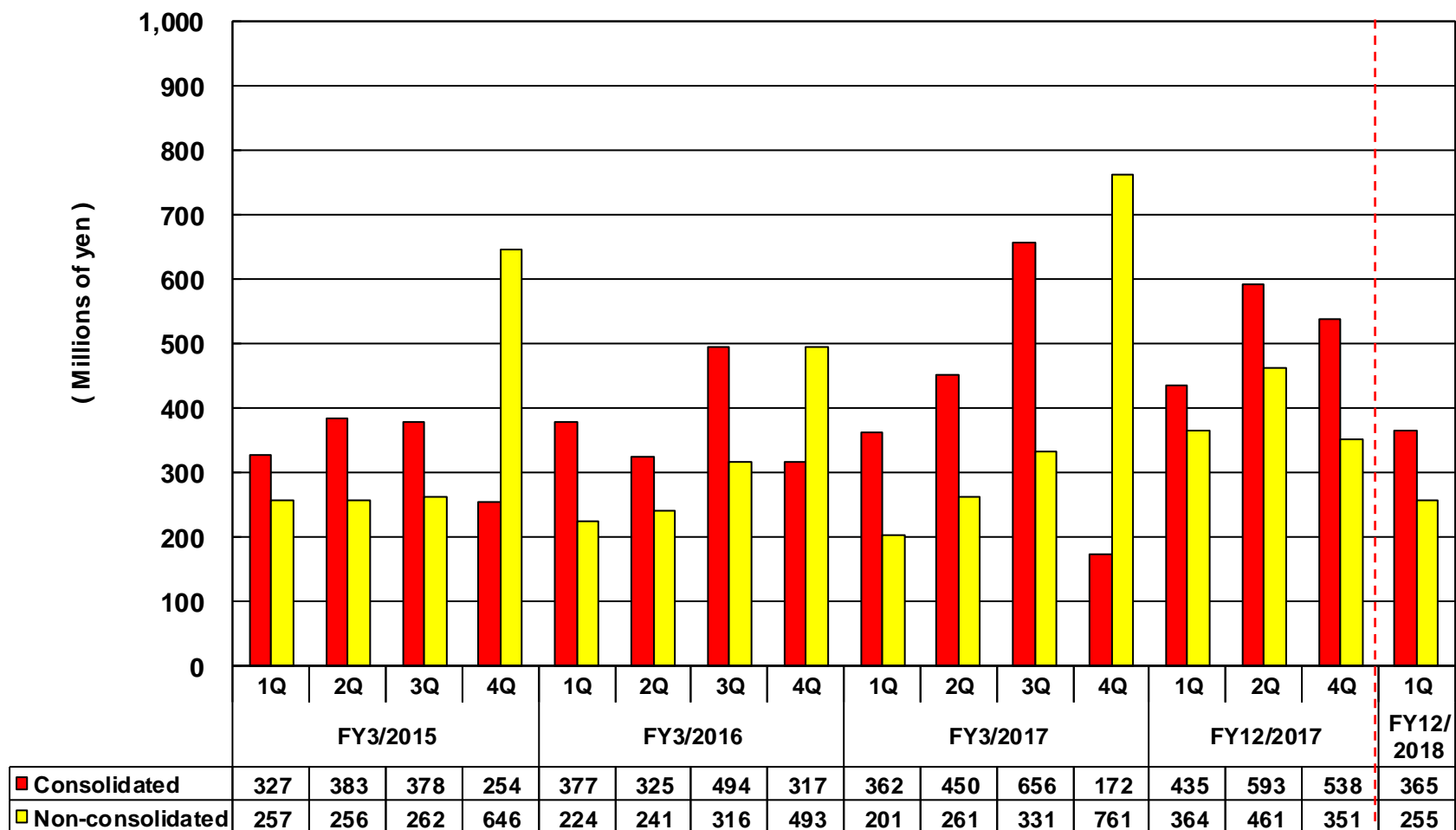
# Ordinary Income③



# Net Income①

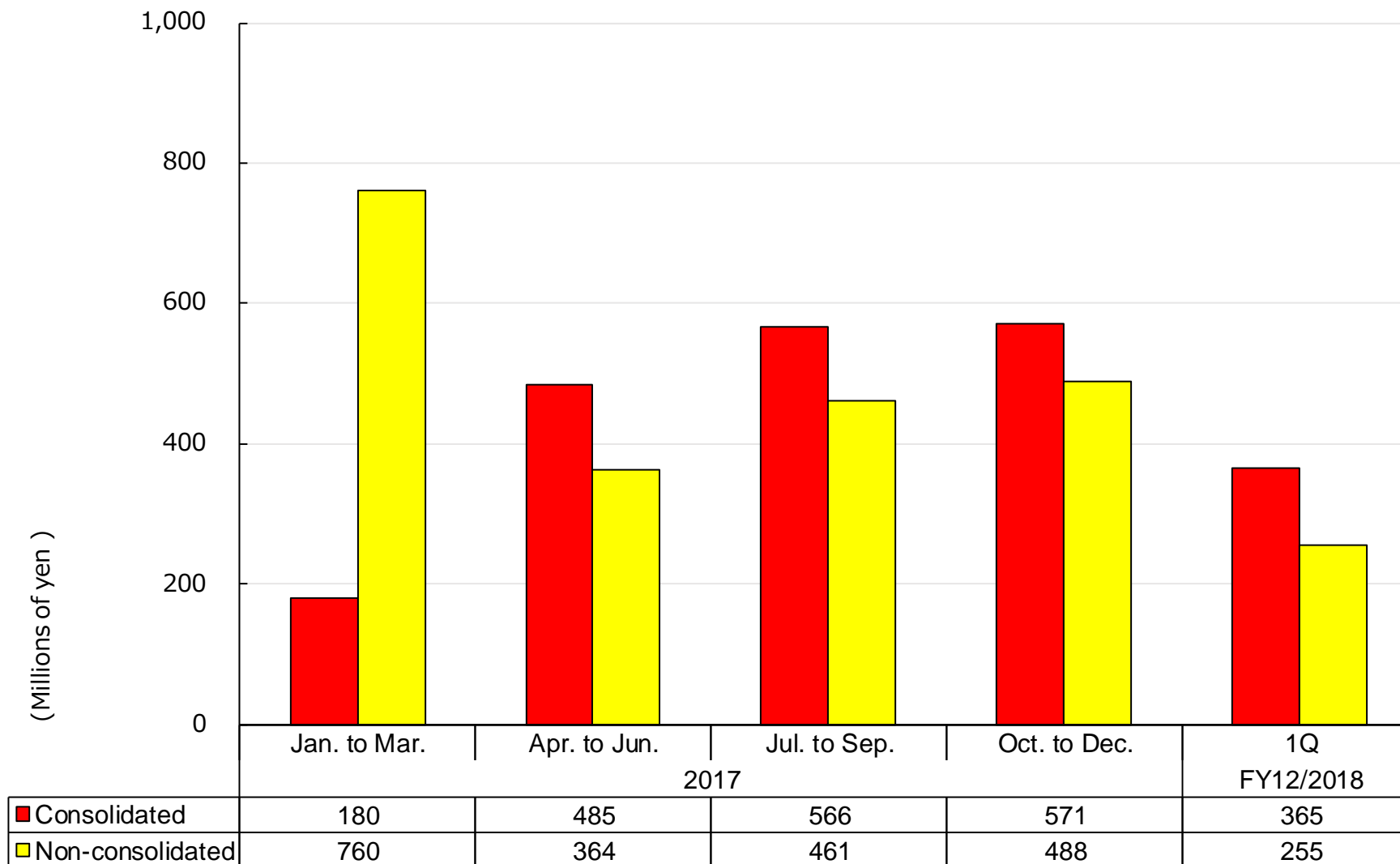
\* FY12/2017 Irregular settlement : Full year ( Japan : 9 months , Overseas subsidiaries: 12 months )  
4Q( Japan : 3 months , Overseas subsidiaries: 6 months )

\* FY12/2018 Or later : Full year ( Japan : 12 months , Overseas subsidiaries: 12 months )





# Net Income③



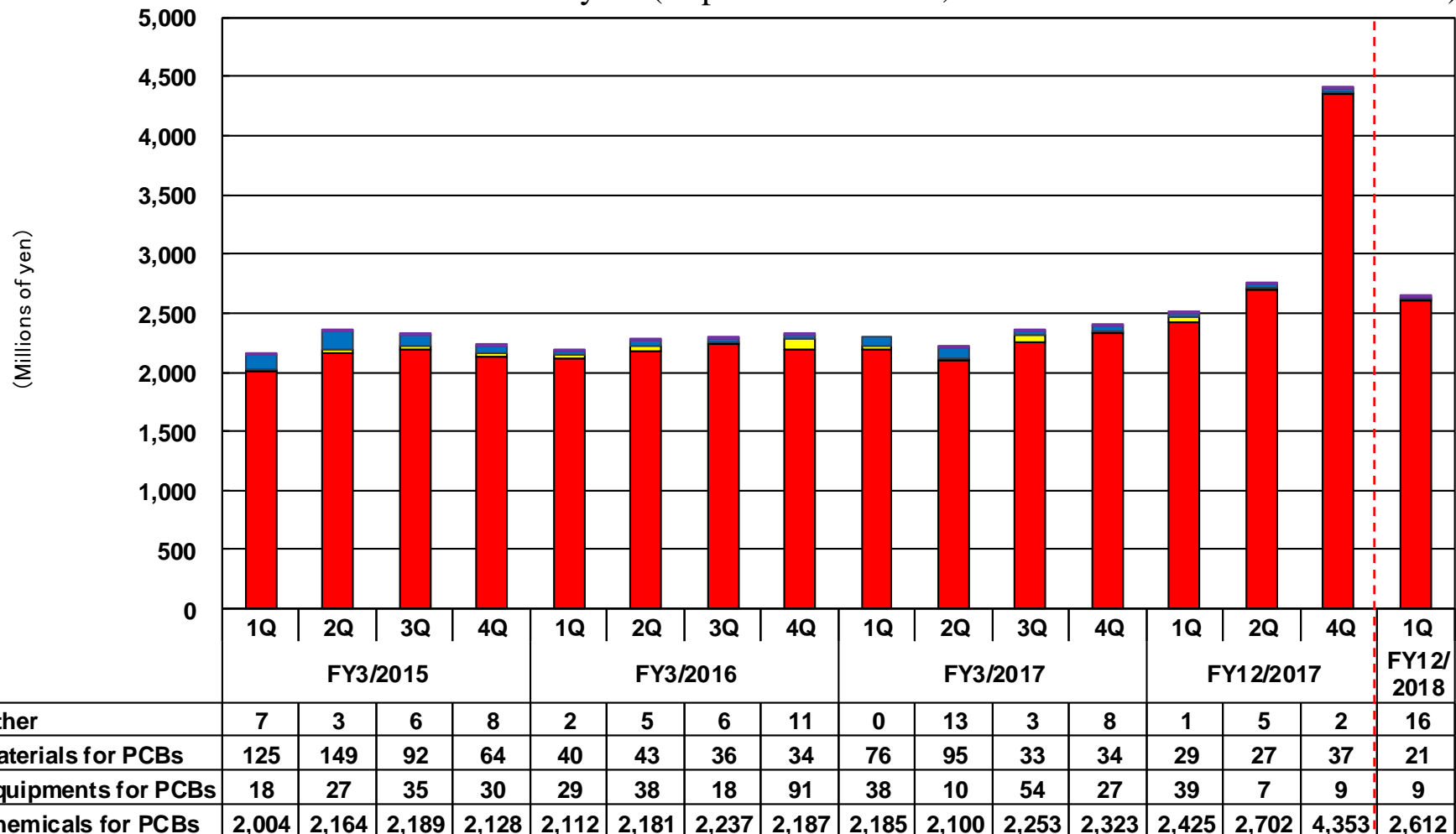
\*平成29年（2017年）は参考値（組替数値）



# Sales by Product – Consolidated①

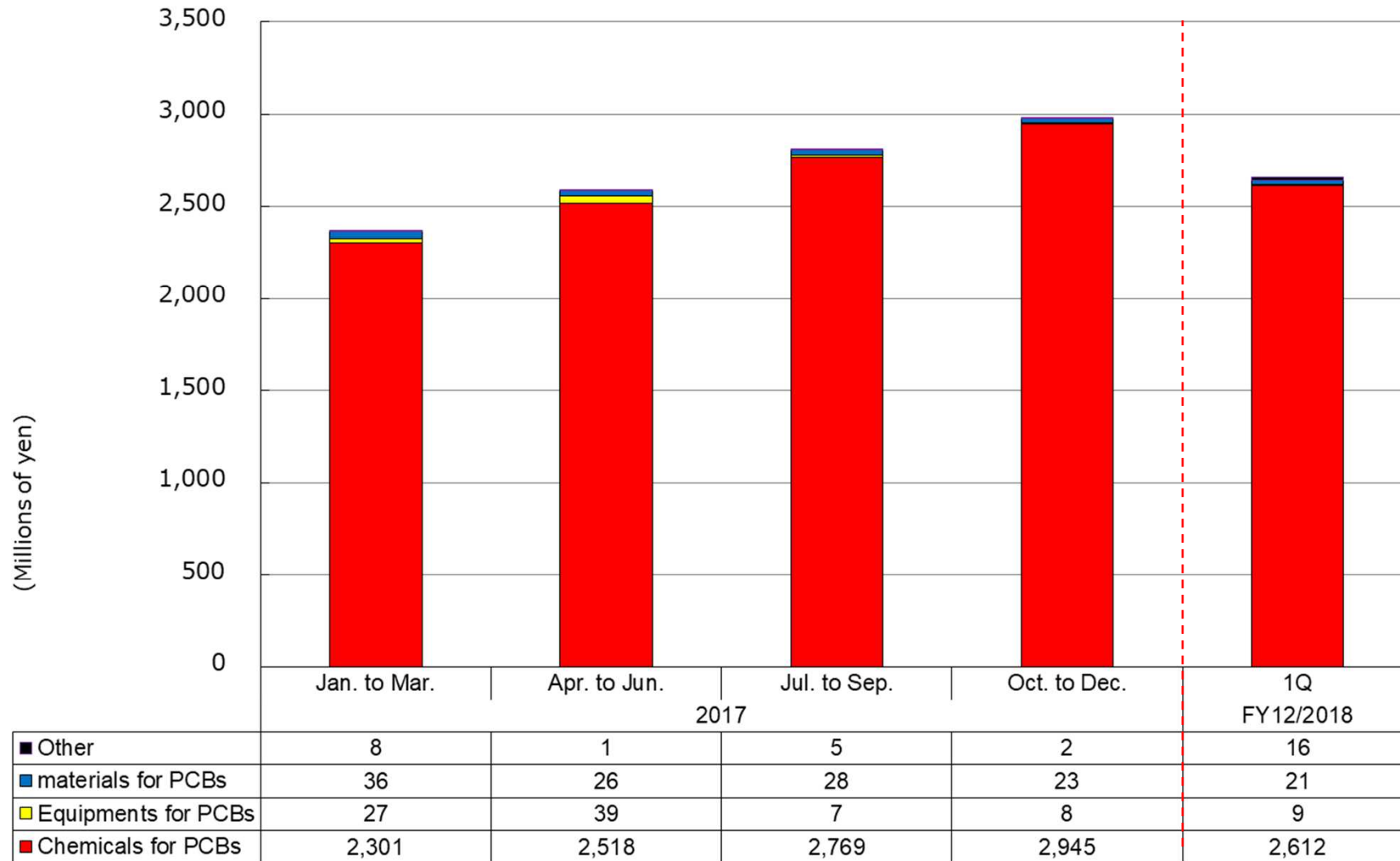
\* FY12/2017 Irregular settlement : Full year ( Japan : 9 months , Overseas subsidiaries: 12 months )  
4Q( Japan : 3 months , Overseas subsidiaries: 6 months )

\* FY12/2018 Or later : Full year ( Japan : 12 months , Overseas subsidiaries: 12 months )





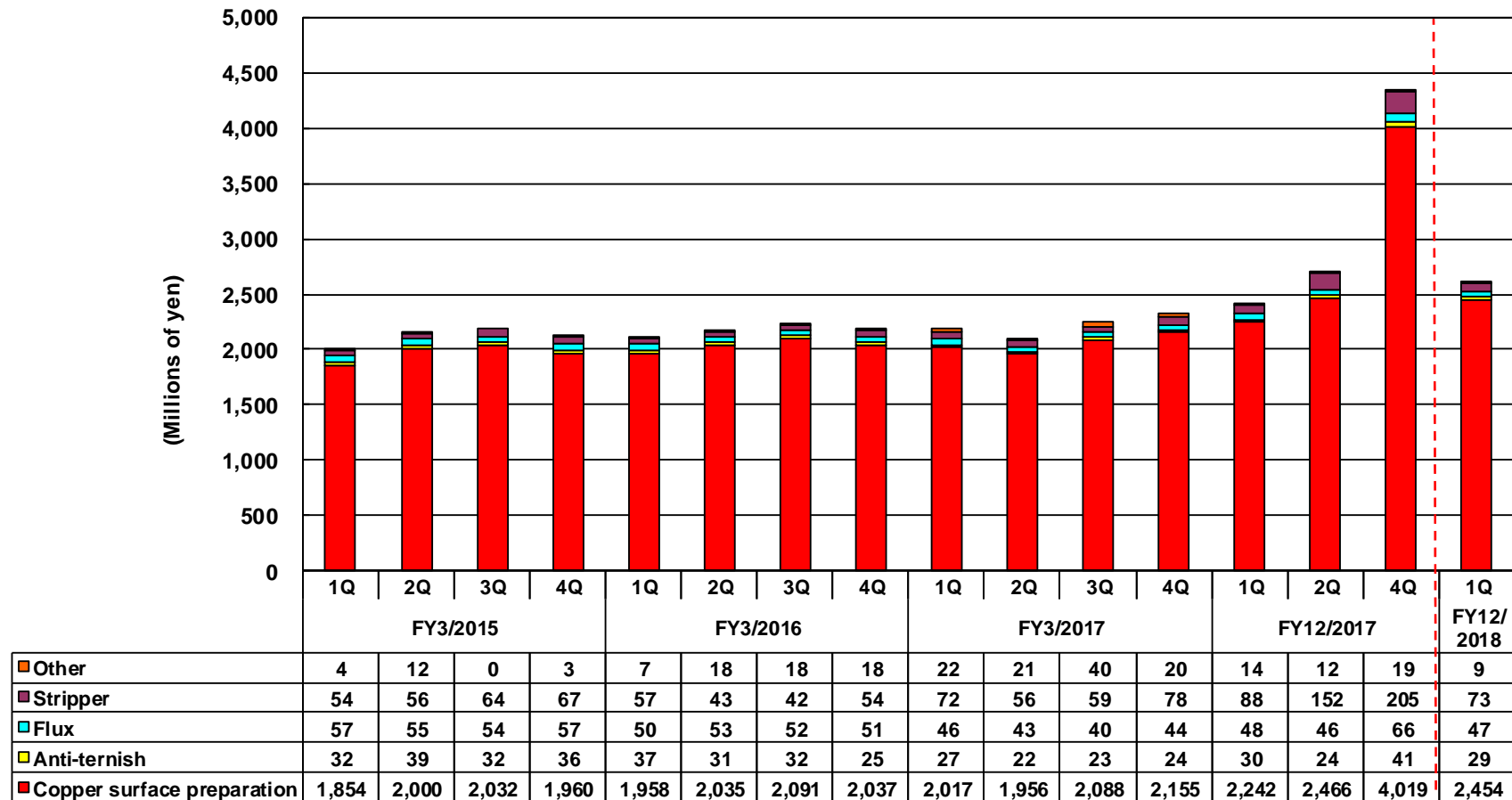
# Sales by Product – Consolidated③



# Chemical Sales – Consolidated 1-①

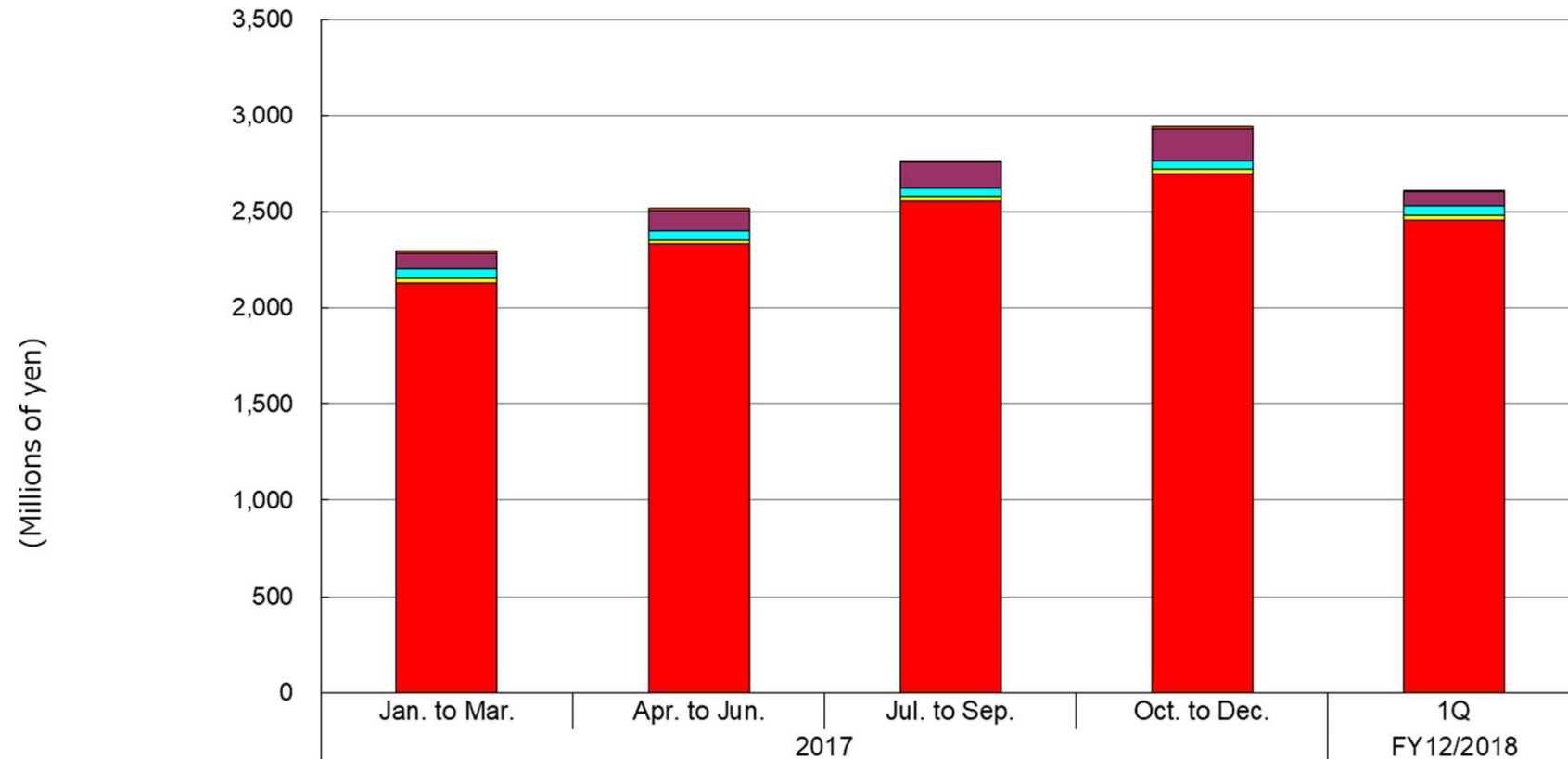
\* FY12/2017 Irregular settlement : Full year ( Japan : 9 months , Overseas subsidiaries: 12 months )  
4Q( Japan : 3 months , Overseas subsidiaries: 6 months )

\* FY12/2018 Or later : Full year ( Japan : 12 months , Overseas subsidiaries: 12 months )





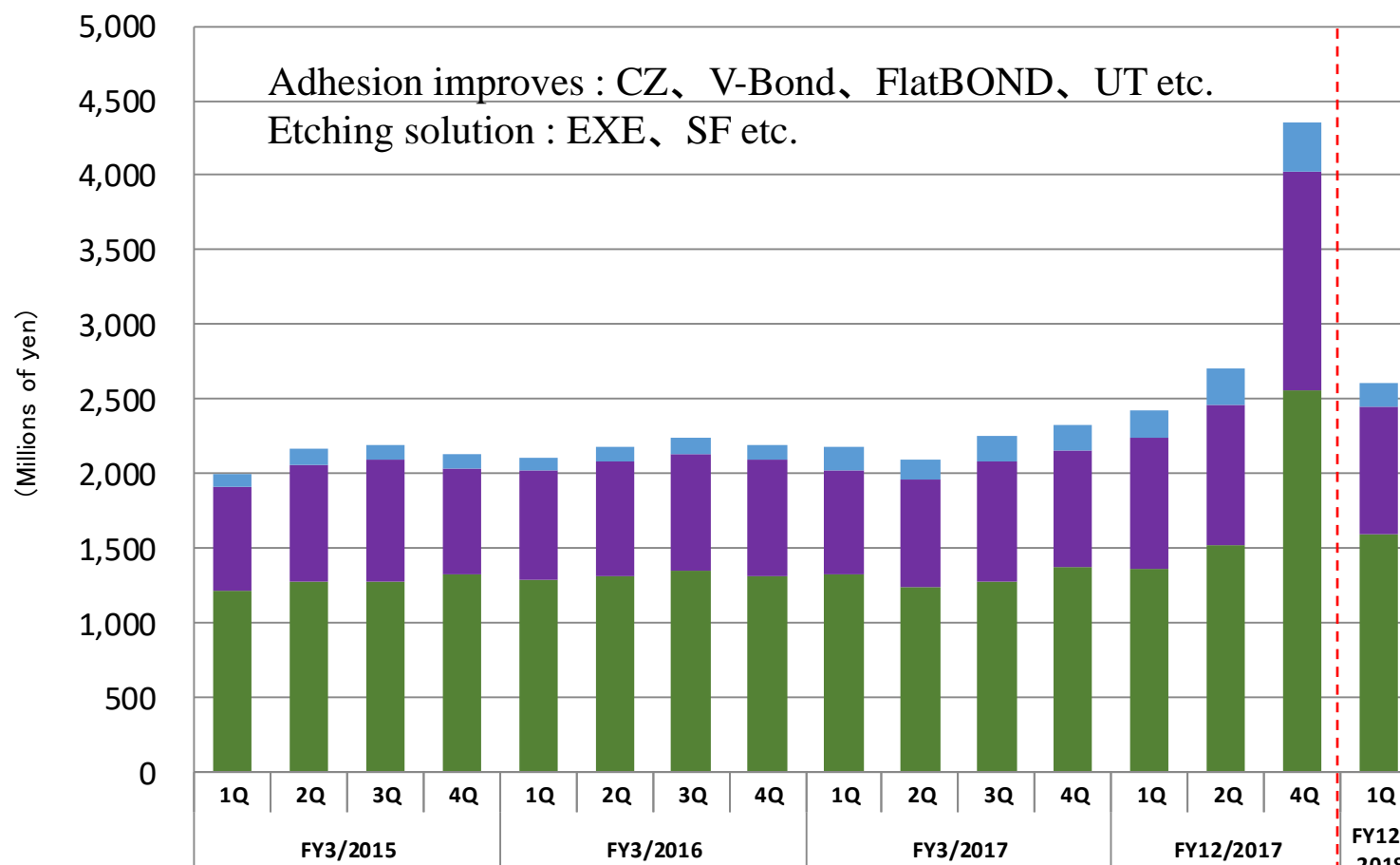
# Chemical Sales – Consolidated 1-③



# Chemical Sales – Consolidated 2-①

\* FY12/2017 Irregular settlement : Full year ( Japan : 9 months , Overseas subsidiaries: 12 months )  
4Q( Japan : 3 months , Overseas subsidiaries: 6 months )

\* FY12/2018 Or later : Full year ( Japan : 12 months , Overseas subsidiaries: 12 months )

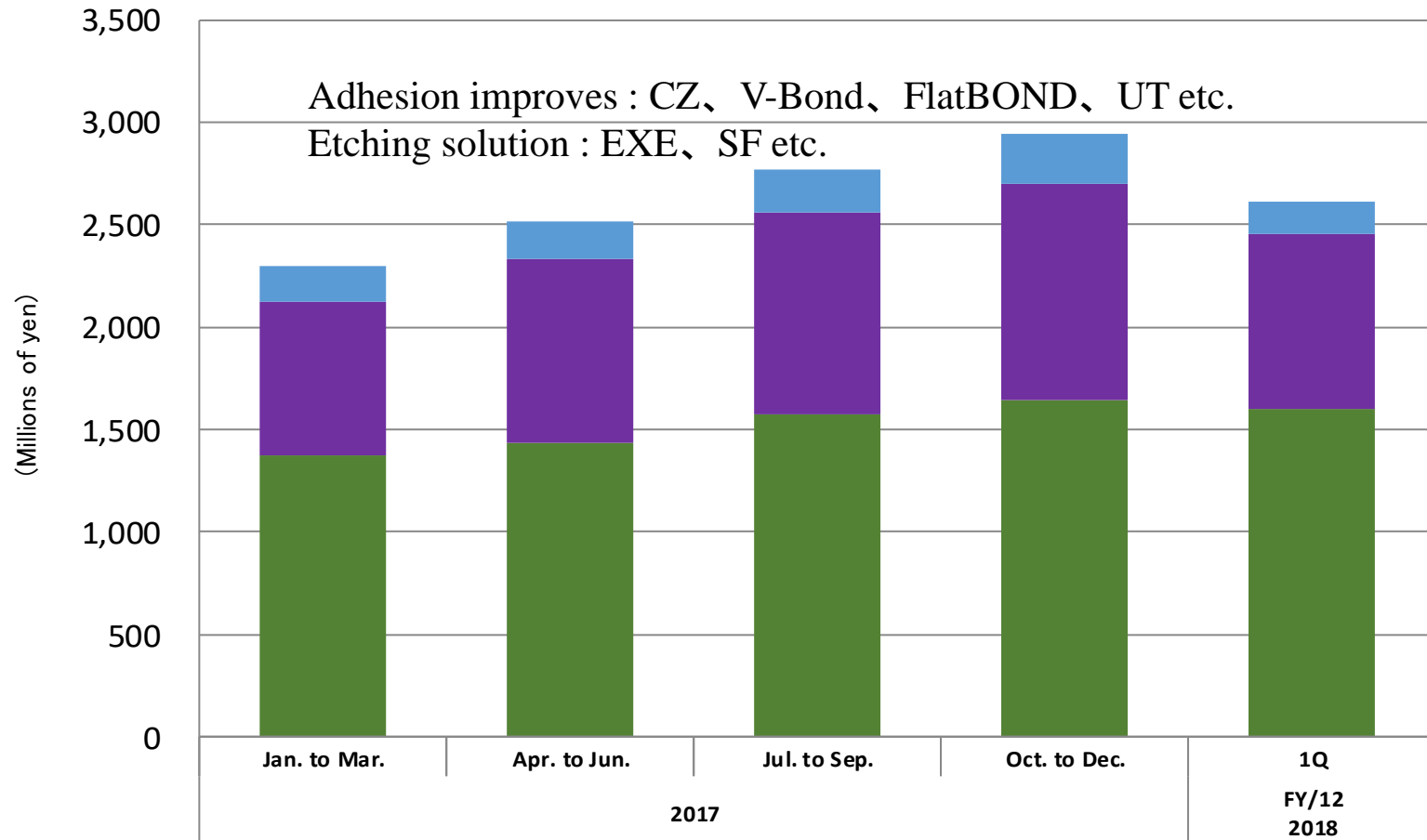


Other surface processing solution	94	107	92	100	95	103	103	95	168	144	164	168	182	235	333	158
Etching solution	688	777	817	707	729	763	783	779	691	721	809	783	881	946	1,463	855
Adhesion improves	1,220	1,279	1,278	1,320	1,287	1,315	1,351	1,312	1,325	1,234	1,279	1,372	1,361	1,520	2,555	1,598





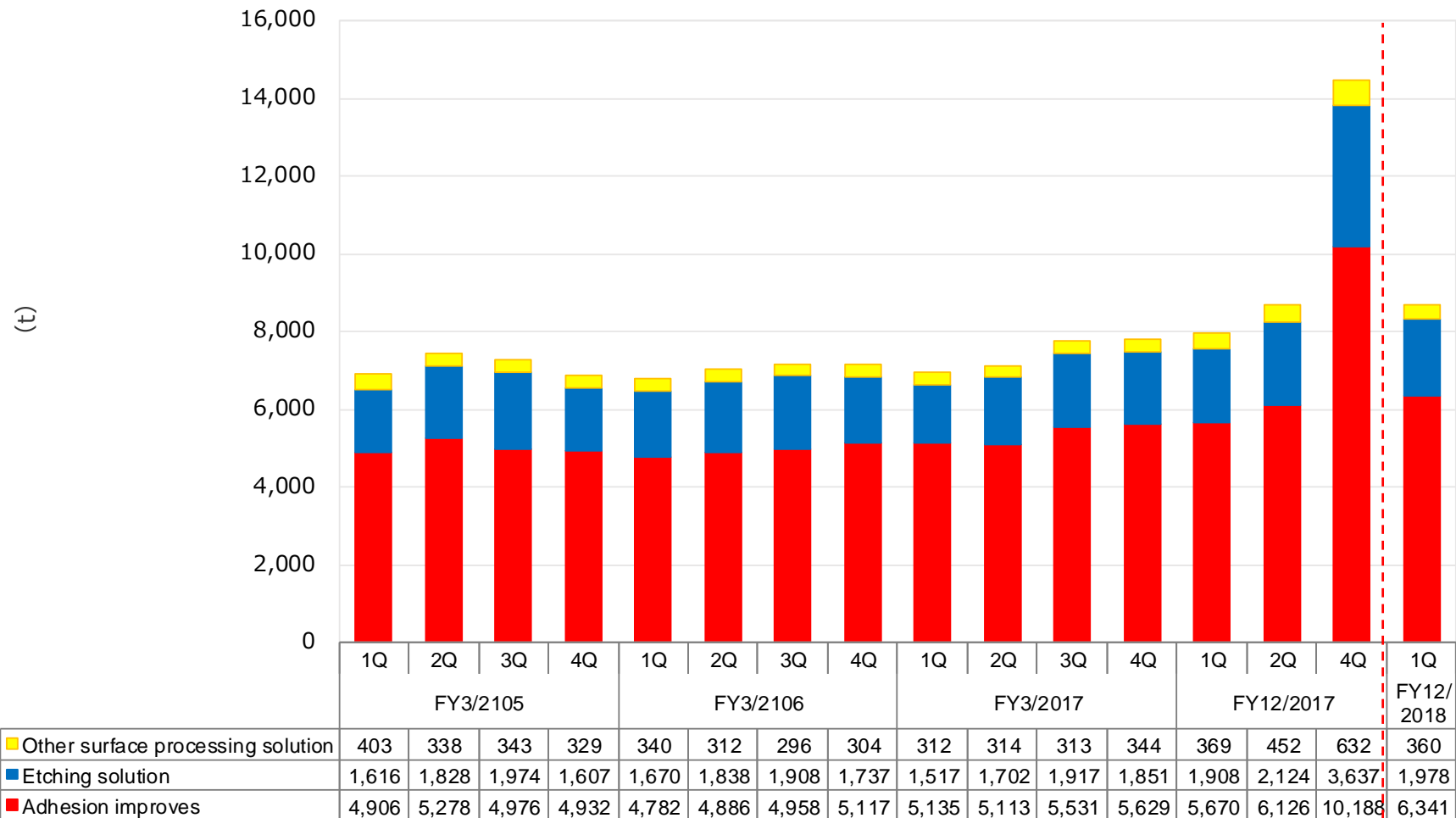
# Chemical Sales – Consolidated 2-③



# Chemical Sales(quantity) – Consolidated①

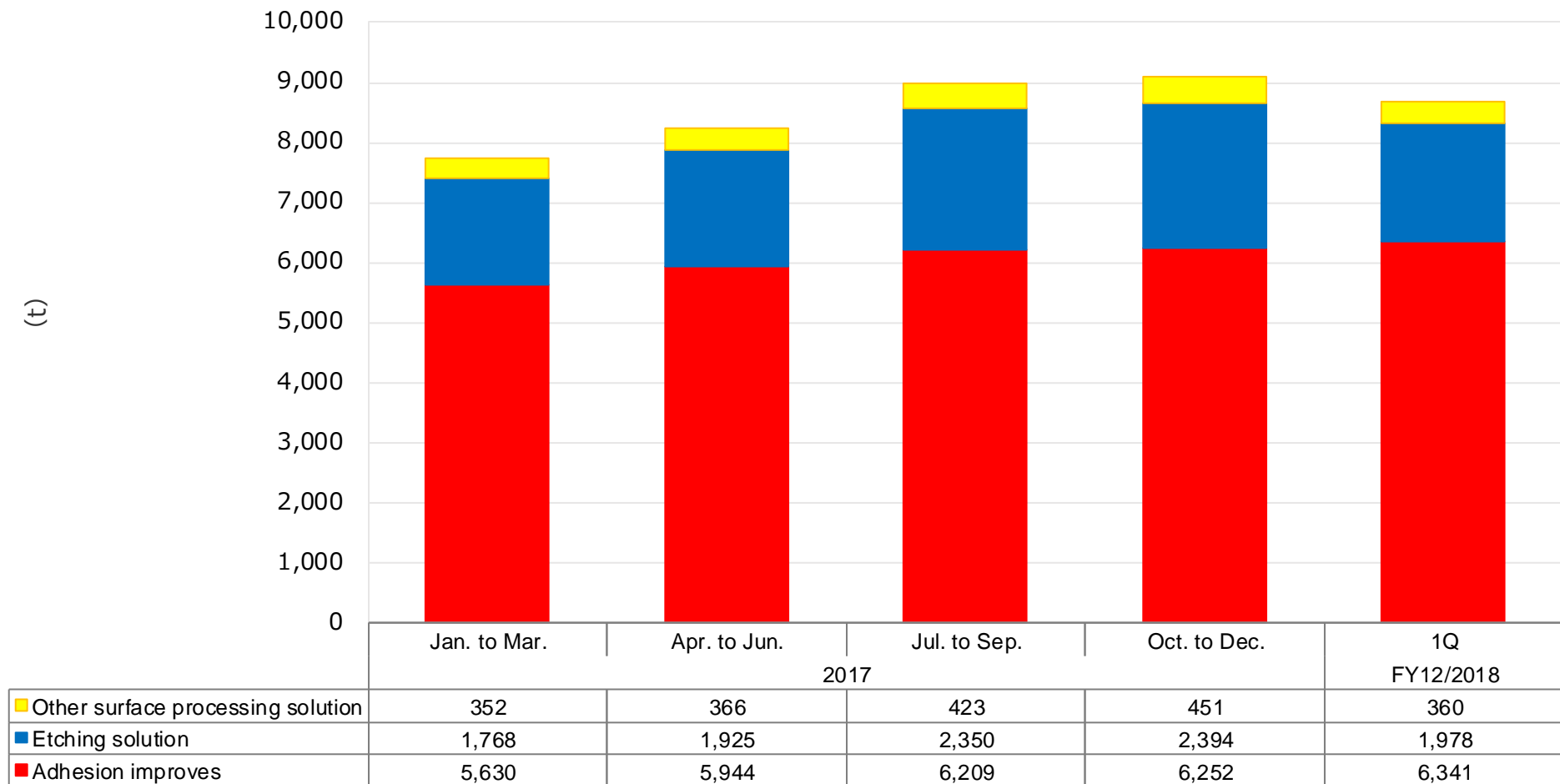
\* FY12/2017 Irregular settlement : Full year ( Japan : 9 months , Overseas subsidiaries: 12 months )  
4Q( Japan : 3 months , Overseas subsidiaries: 6 months )

\* FY12/2018 Or later : Full year ( Japan : 12 months , Overseas subsidiaries: 12 months )





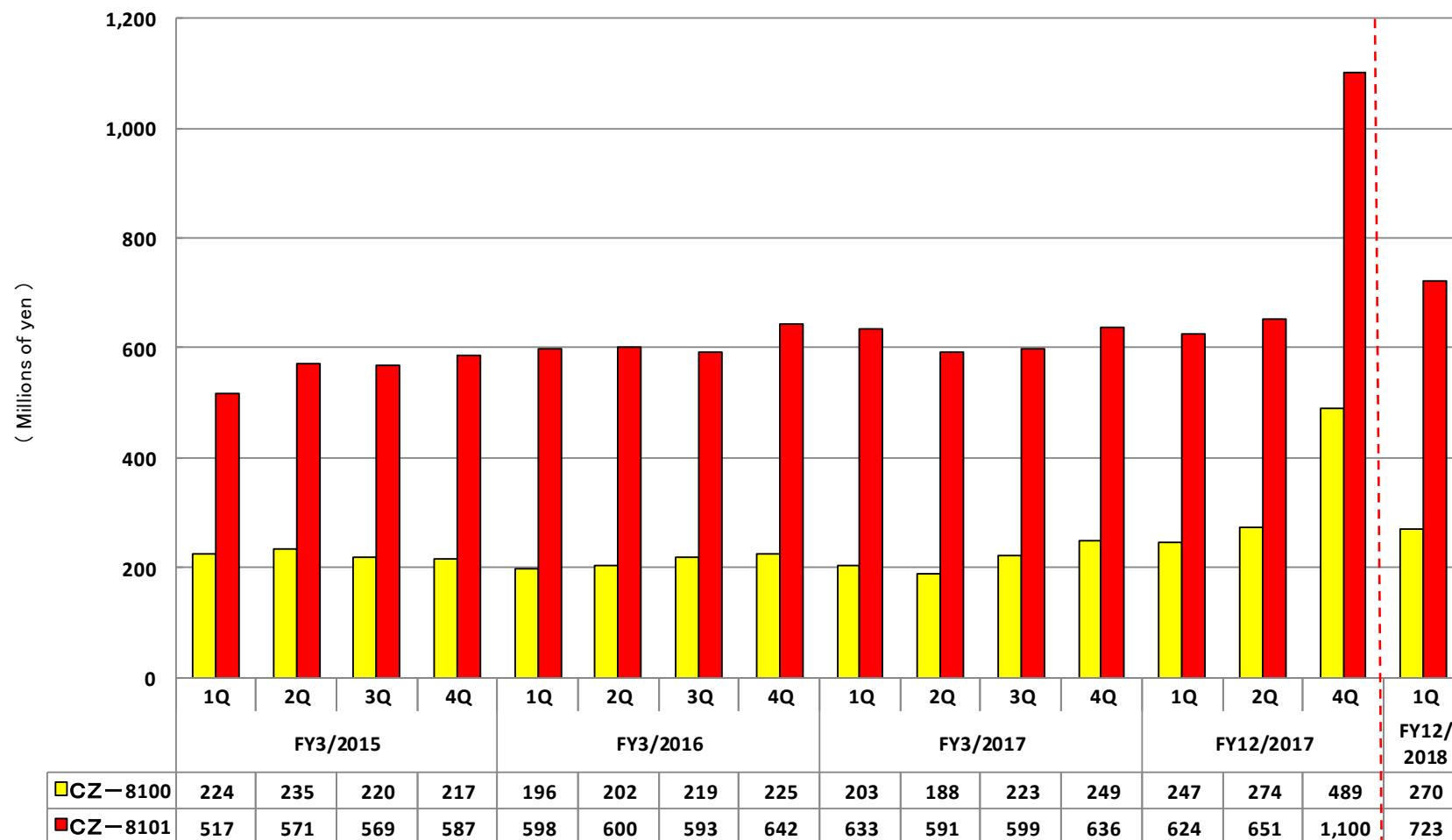
# Chemical Sales(quantity) – Consolidated③



# CZ Series Sales①

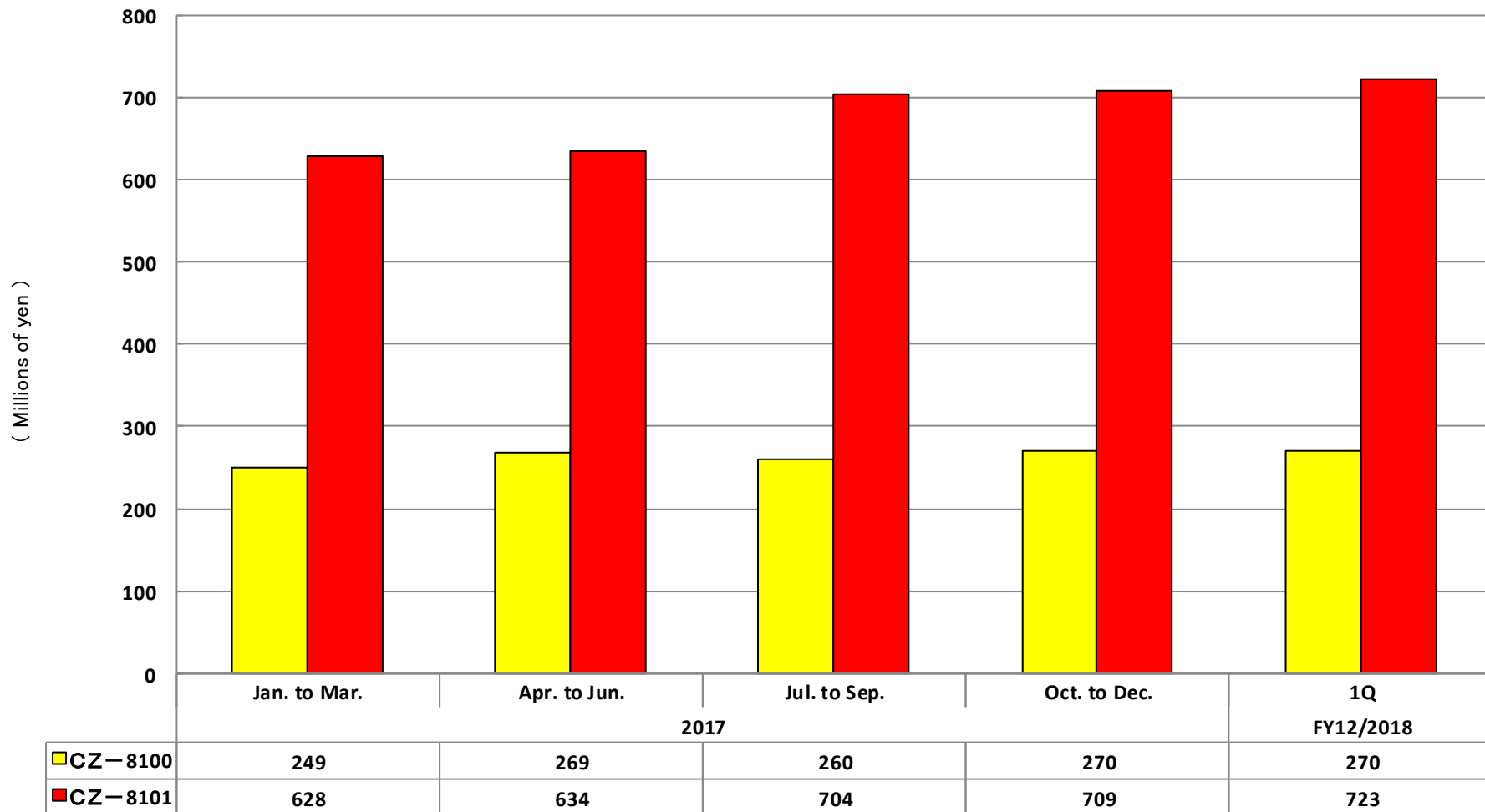
\* FY12/2017 Irregular settlement : Full year ( Japan : 9 months , Overseas subsidiaries: 12 months )  
4Q( Japan : 3 months , Overseas subsidiaries: 6 months )

\* FY12/2018 Or later : Full year ( Japan : 12 months , Overseas subsidiaries: 12 months )





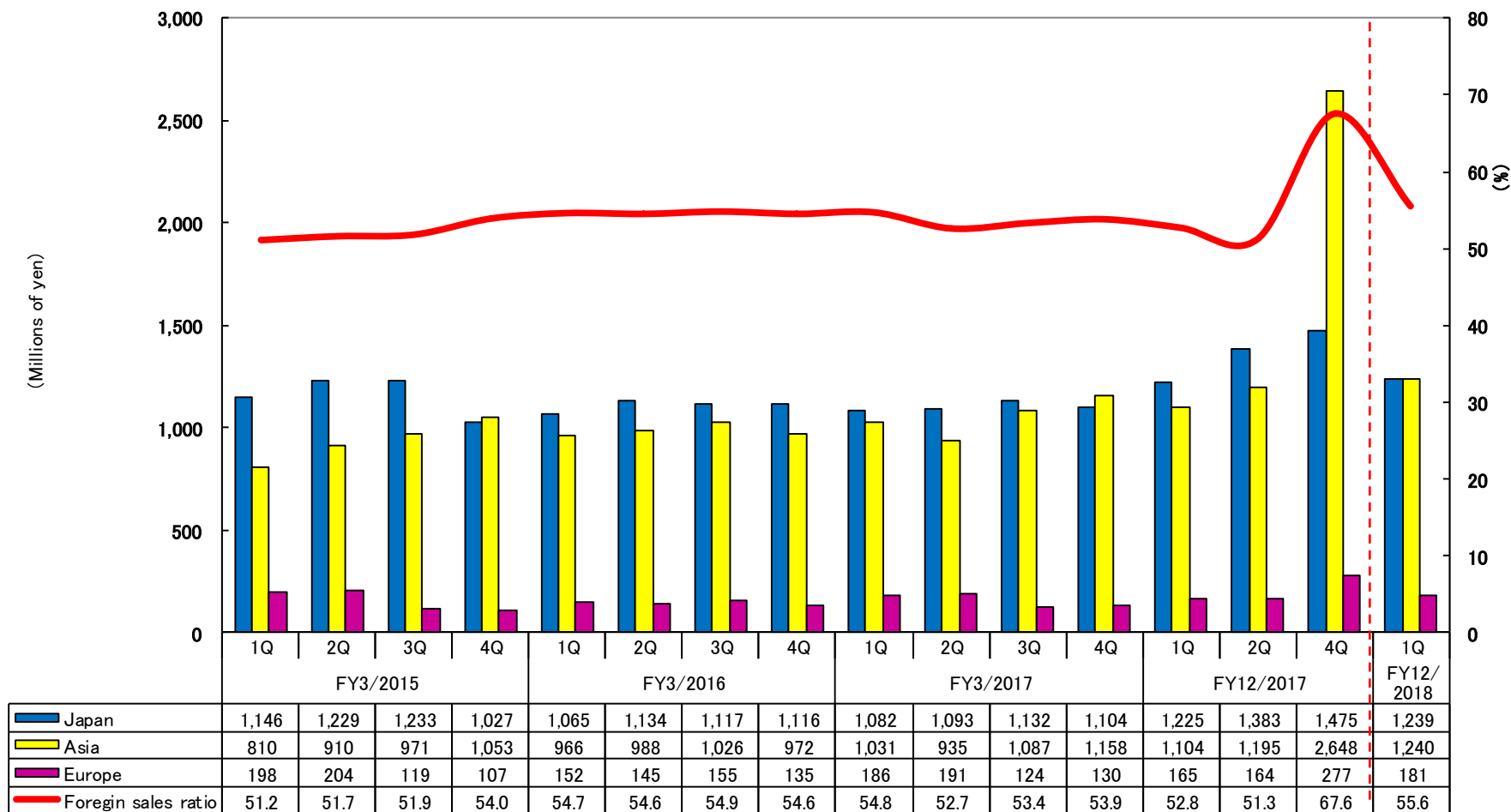
# CZ Series Sales③



# Sales by Region & Foreign Sales Ratio①

\* FY12/2017 Irregular settlement : Full year ( Japan : 9 months , Overseas subsidiaries: 12 months )  
4Q( Japan : 3 months , Overseas subsidiaries: 6 months )

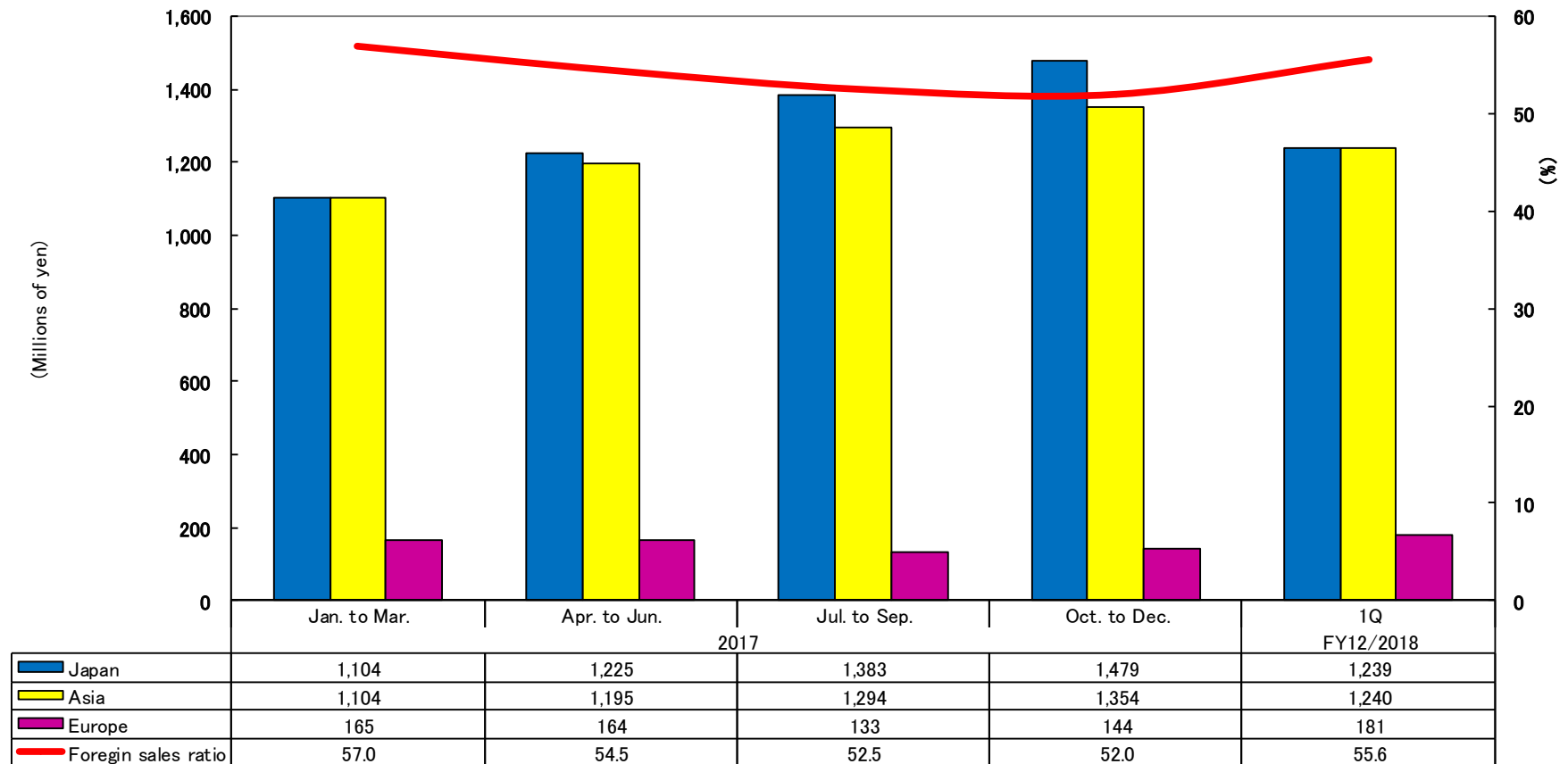
\* FY12/2018 Or later : Full year ( Japan : 12 months , Overseas subsidiaries: 12 months )







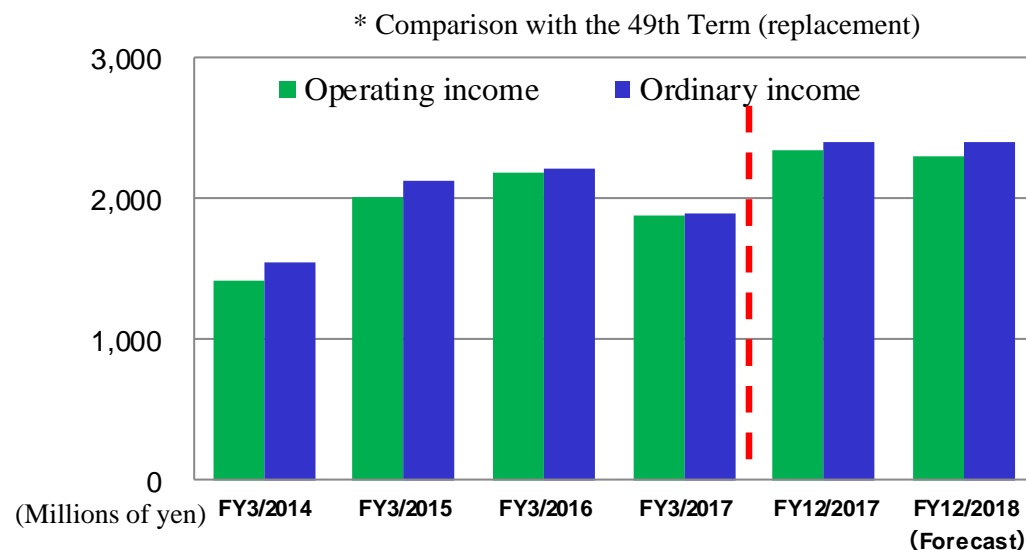
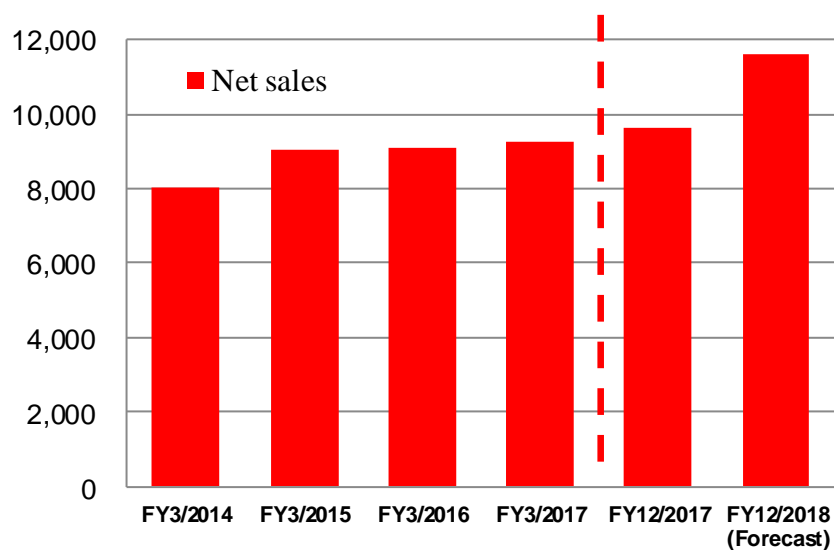
# Sales by Region & Foreign Sales Ratio③



# FYE December 2018

## Full-year consolidated financial forecasts

	FYE March 2017 (49th Term)		FYE December 2017 (49th Term, replacement)		FYE December 2018 (50th Term)		
	Amount	Profit ratio (%)	Amount	Profit ratio (%)	Amount	Profit ratio (%)	Compared with previous period* (%)
Net sales	9,641 million yen	-	10,749 million yen	-	11,600 million yen	-	7.9
Operating income	1,993 million yen	20.7	2,339 million yen	21.8	2,300 million yen	19.8	-1.7
Ordinary income	2,063 million yen	21.4	2,397 million yen	22.3	2,400 million yen	20.7	0.1
Net income	1,567 million yen	16.3	1,803 million yen	16.8	1,750 million yen	15.1	-3.0



Graph : The target period is January – December from FY12/2017