
Financial Results Briefing for Q3 FYE 12/2019

November 12, 2019: HQ
November 13, 2019: Tokyo

 **MEC COMPANY LTD.**

Securities code: 4971

<https://www.mec-co.com/en/>

Q3 FYE 12/2019 Key factors

1 Assumed/actual exchange rate

JPY to NTD Assumed rate: 3.66 yen / Actual rate: 3.53 yen (previous year was 3.66 yen)
JPY to RMB Assumed rate: 16.85 yen / Actual rate: 15.93 yen (previous year was 16.82 yen)
JPY to EUR Assumed rate: 130.88 yen / Actual rate: 122.83 yen (previous year was 131.00 yen)
JPY to USD Assumed rate: 109.00 yen / Actual rate: 109.39 yen (previous year was 109.92 yen)

2 Exchange rate impact (YOY change)

Sales: Down 222 million yen,
Operating income: Down 99 million yen.

3 Major products sales (YOY change)

EXE was firm, BO was sluggish, CZ and SF were almost flat

4 Chemicals (YOY change)

Sales: Down 4.1%, Shipments: Down 3.6%

Q3 FYE 12/2019 Results - 1

	Q3 FYE12/2018		Q3 FYE12/2019		vs. same period		vs. forecasts	
	Amount (million yen)	Profit ratio (%)	Amount (million yen)	Profit ratio (%)	Amount (million yen)	YOY change (%)	Amount (million yen)	Ratio (%)
Net sales	8,432	-	8,104	-	-327	-3.9	-2,595	75.7
Operating income	1,747	20.7	1,366	16.9	-381	-21.8	-183	88.1
Ordinary income	1,763	20.9	1,395	17.2	-367	-20.9	-204	87.2
Net income	1,429	17.0	1,006	12.4	-422	-29.6	-143	87.6
EPS (¥)	74.58	-	53.07	-	-21.51	-	-	-

Q3 FYE 12/2019 Results - 2

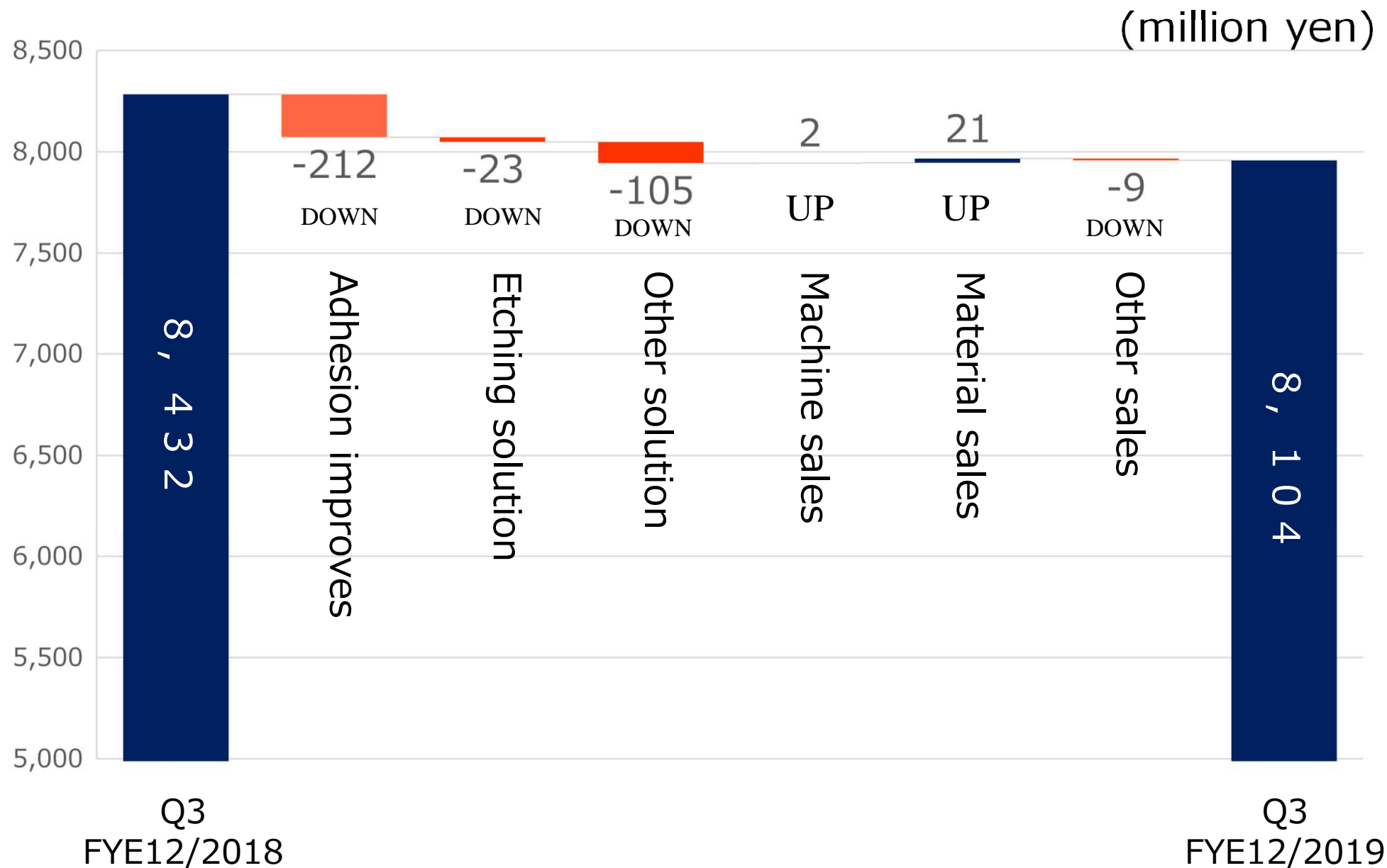
	Q3 FYE12/2018	Q3 FYE12/2019	vs. same period	
	Amount (million yen)	Amount (million yen)	Amount (million yen)	YOY change* (%)
Chemical sales	8,284	7,942	-341	-4.1%
Ratio of net sales (%)	98.2%	98.0%	-	-0.2pt
CZ series sales	4,222	4,049	-173	-4.1%
Ratio of net sales (%)	51.0%	51.0%	-	-pt
Overseas sales ratio (%)	54.7%	55.3%	-	-0.6pt
Gross profit (%)	64.2%	61.8%	-	-2.4pt

Overseas sales ratio is 74.7%

(same period of the previous year: 73.5%)

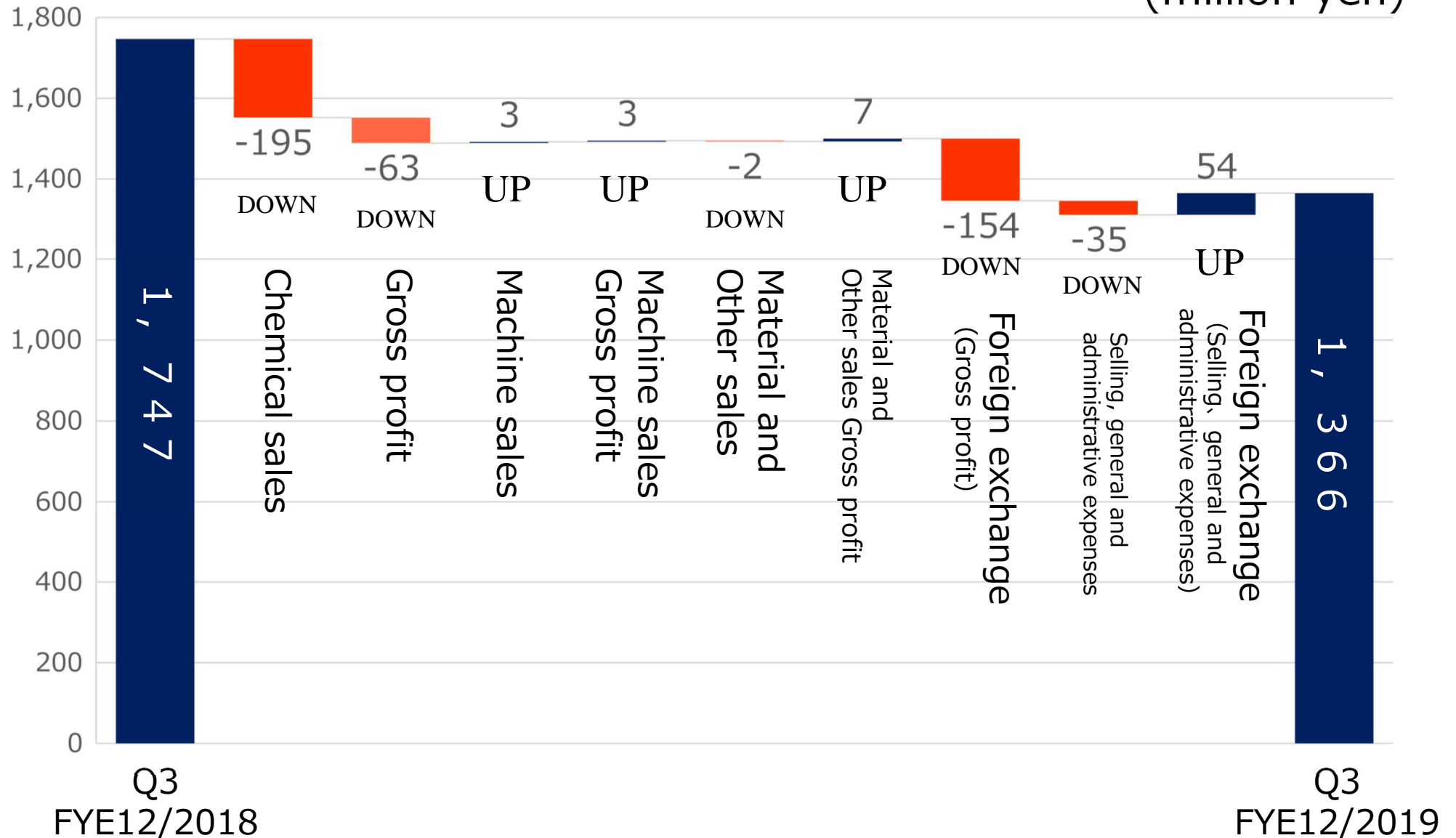
if domestic agents' overseas chemical sales are included

Net sales YOY

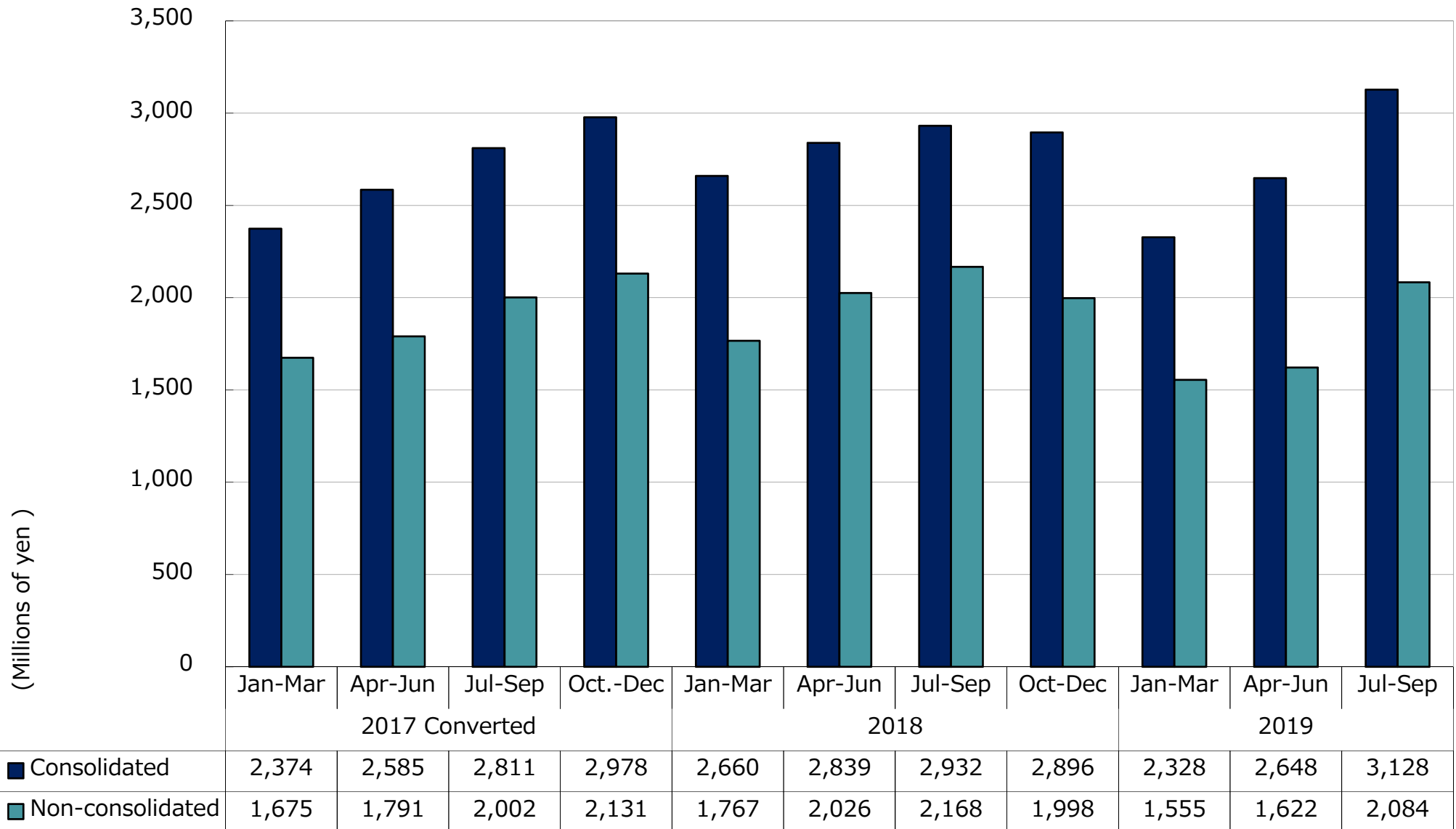


Operating income YOY

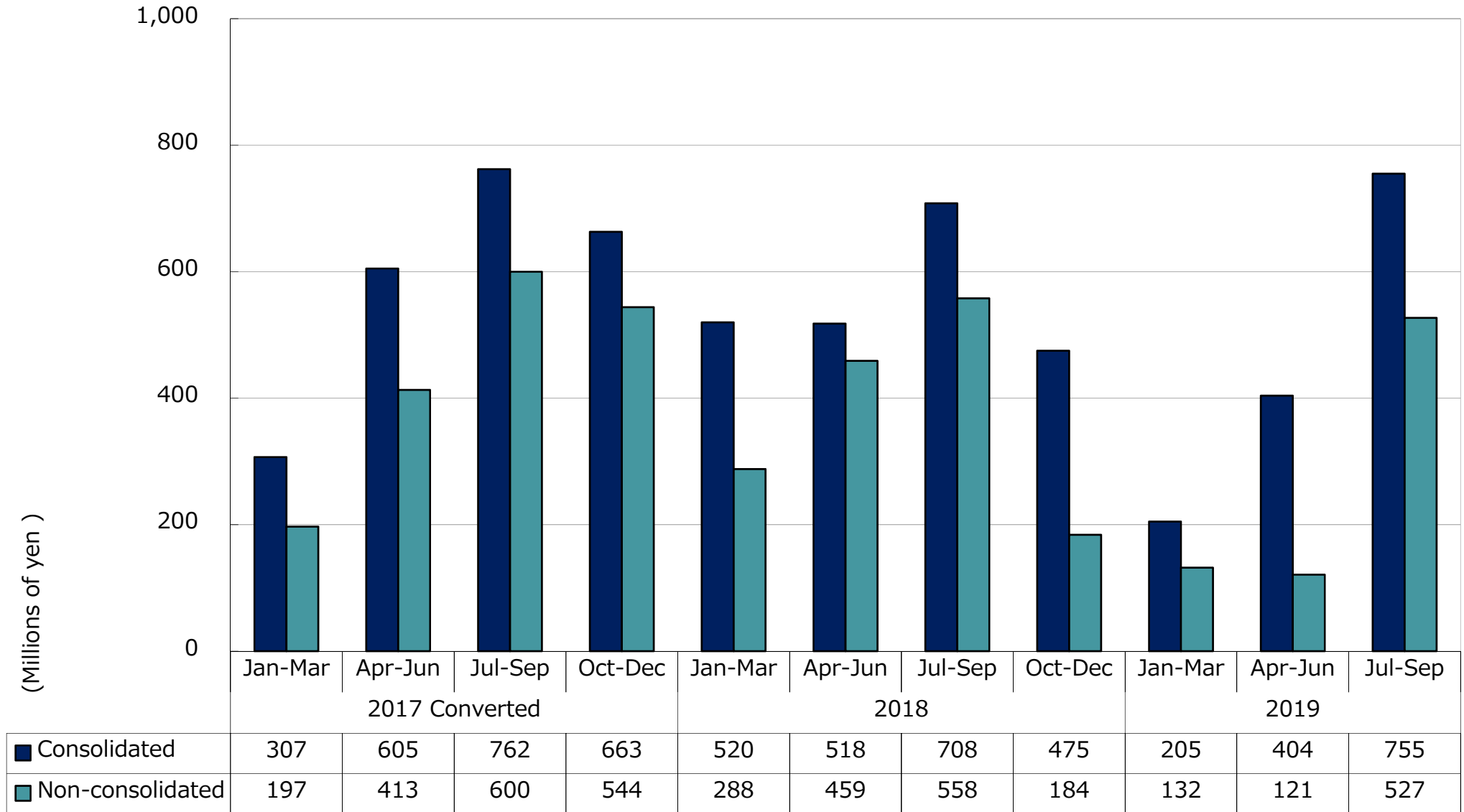
(million yen)



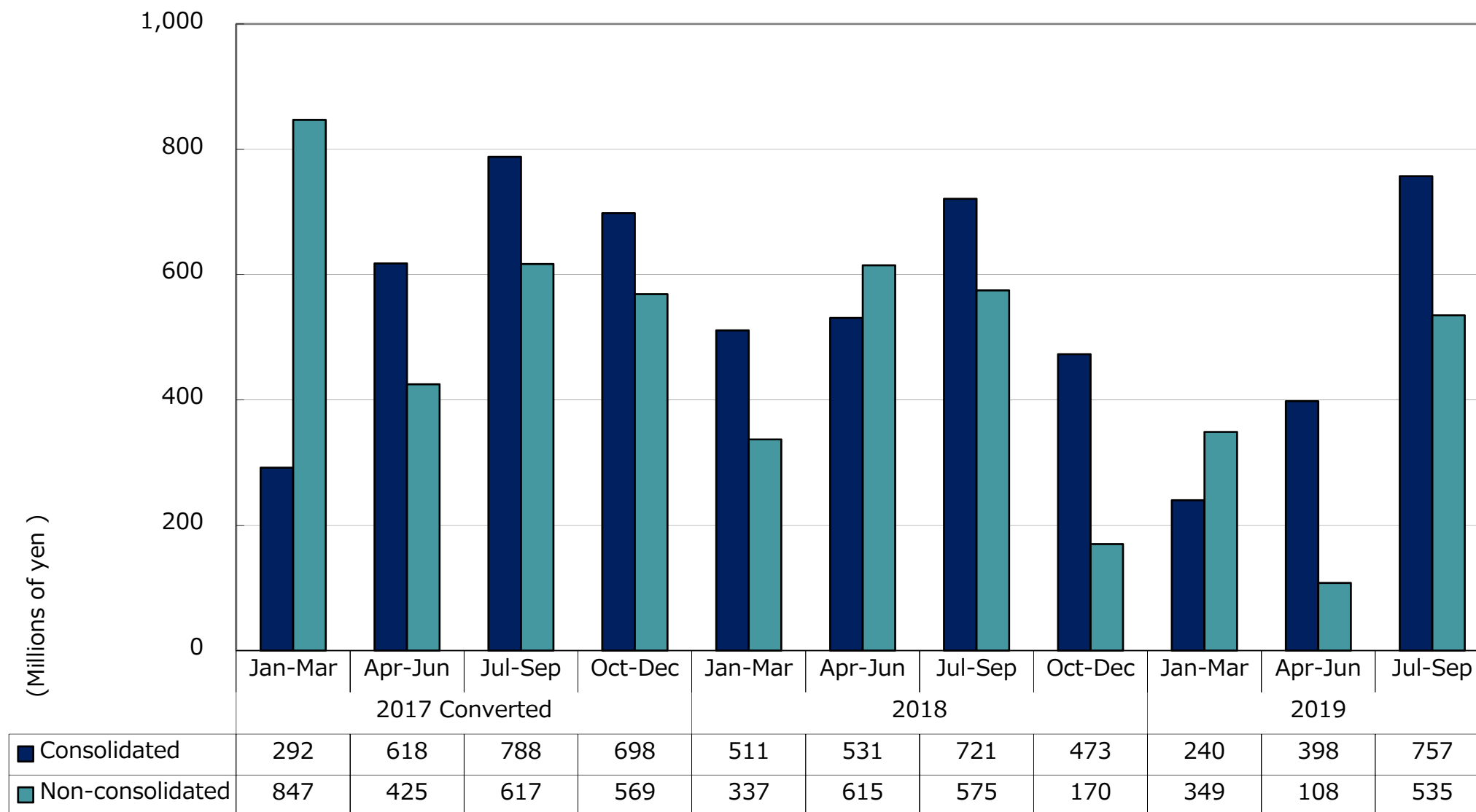
Quarterly net sales



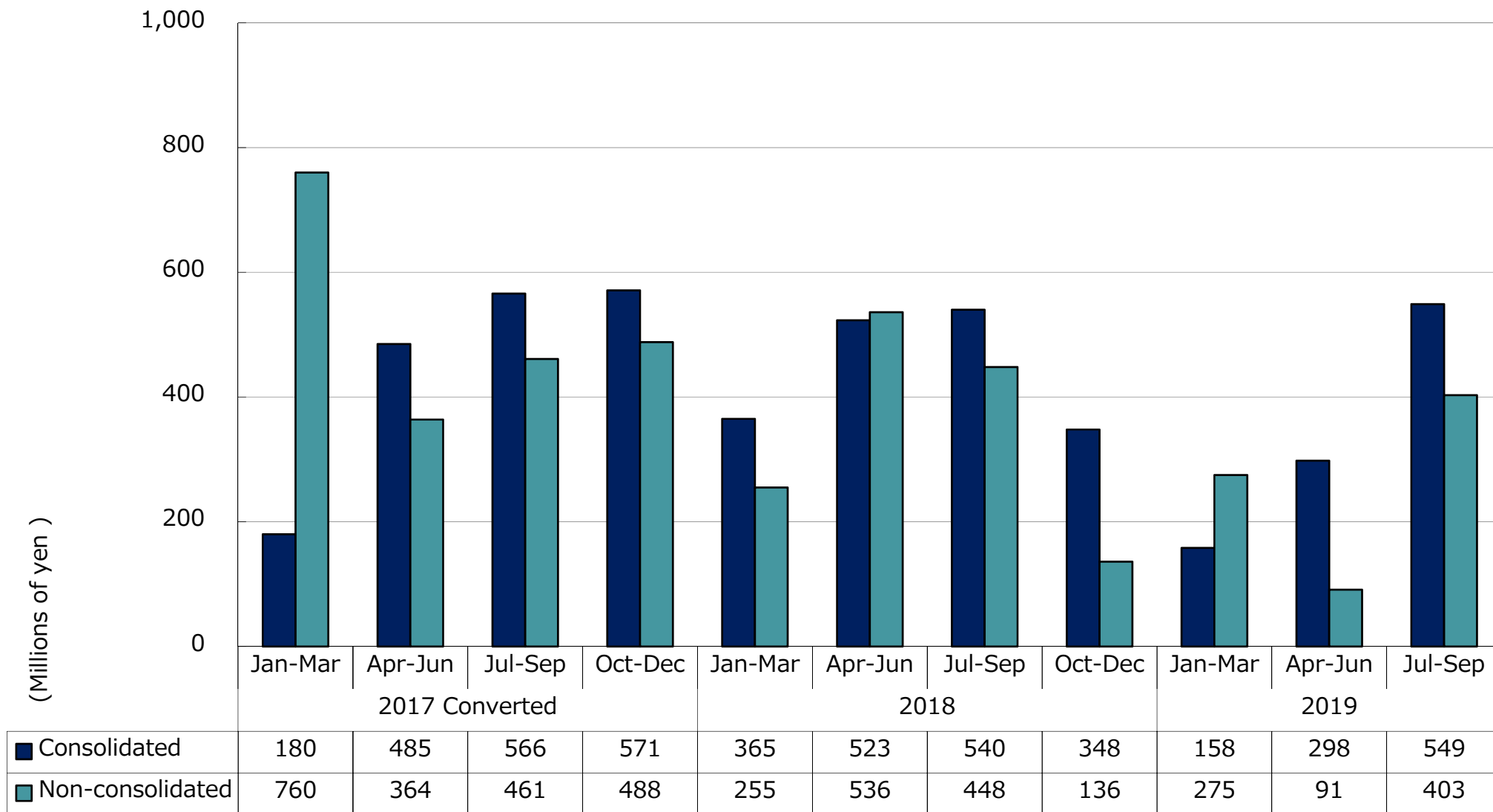
Quarterly operating income



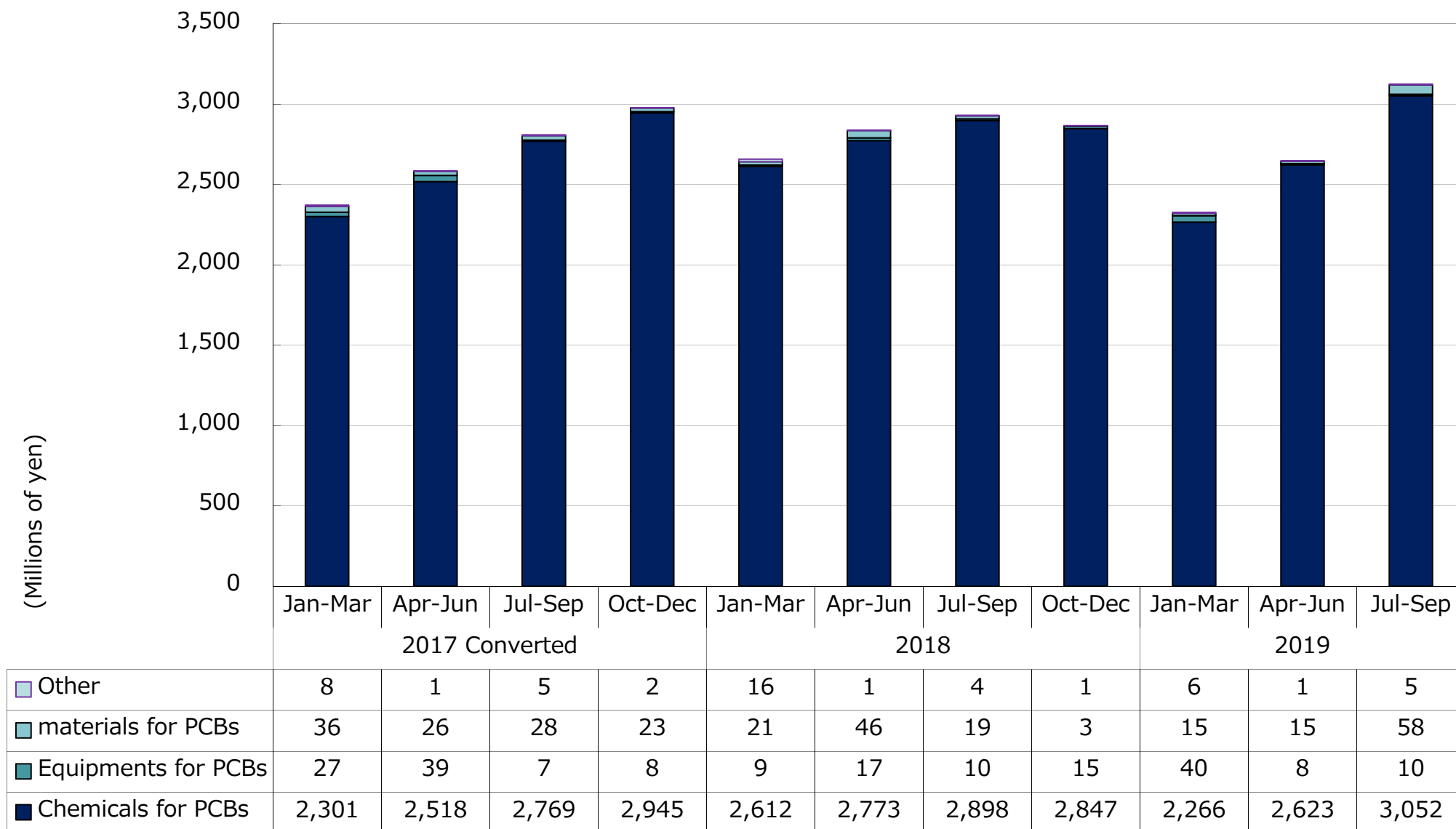
Quarterly ordinary income



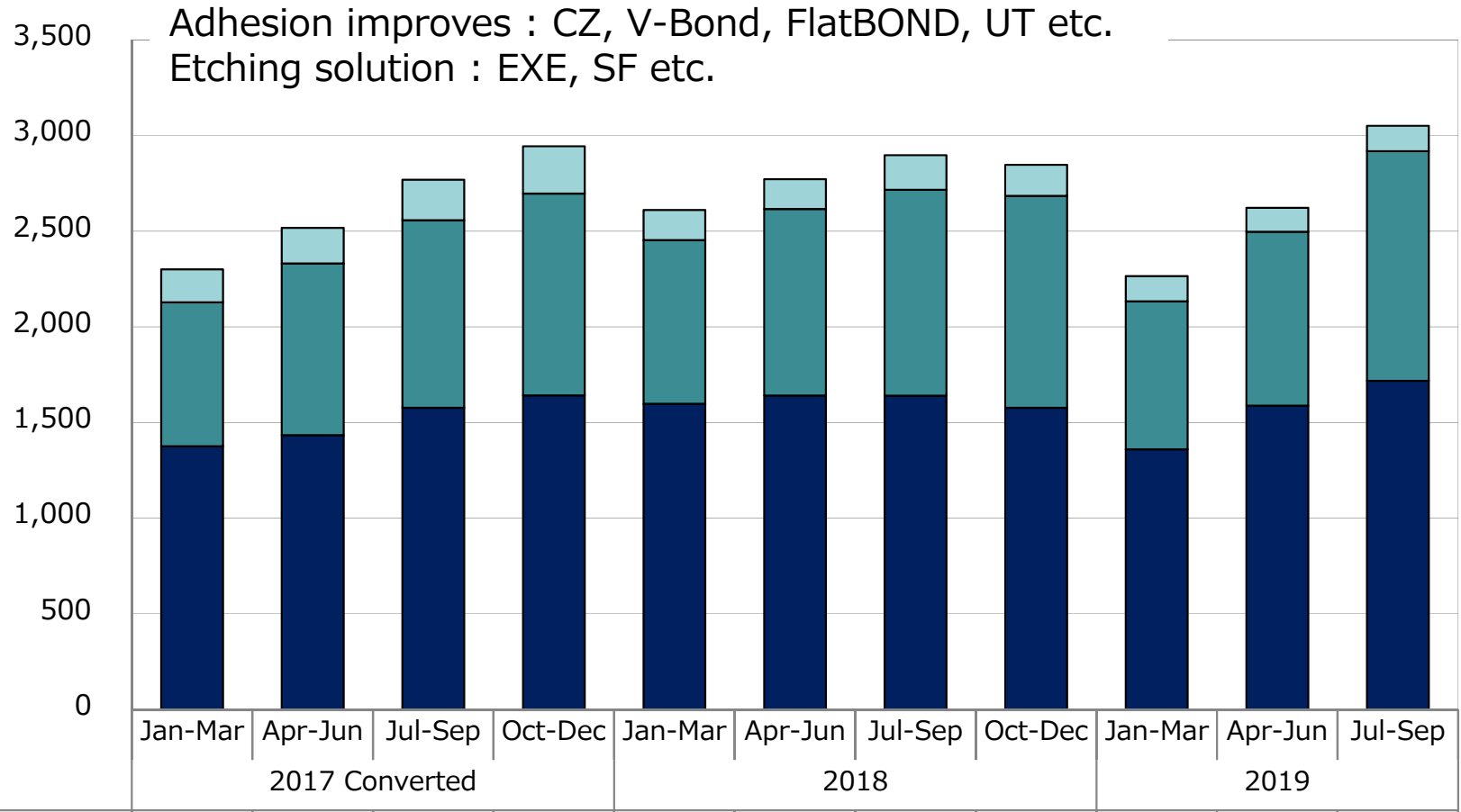
Quarterly net income



Product-specific quarterly sales (consolidated)

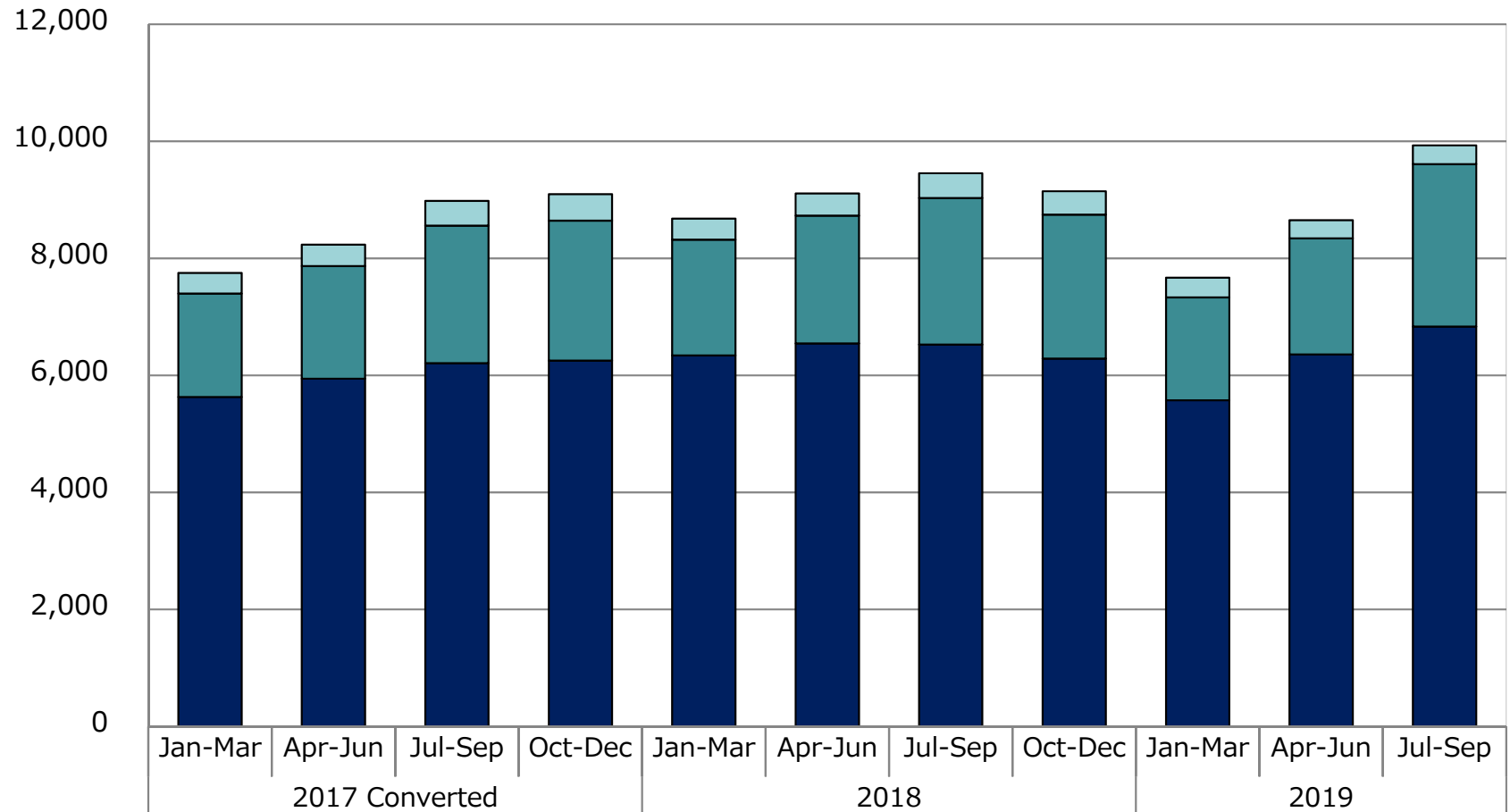


Quarterly chemical sales (consolidated)



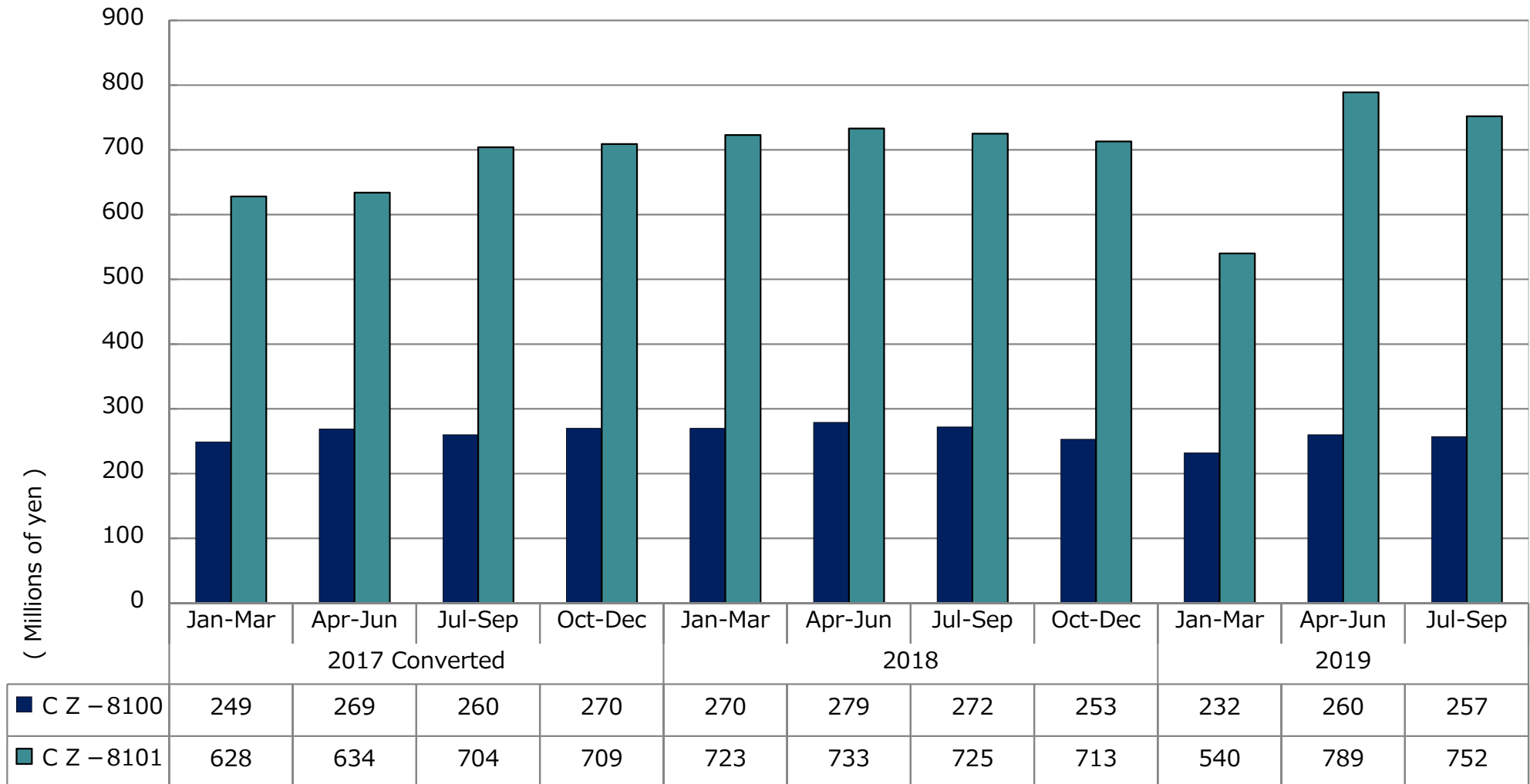
	2017				2018				2019		
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
Other surface processing solution	172	186	212	247	158	156	181	162	132	125	133
Etching solution	752	897	980	1,055	855	975	1,076	1,108	773	909	1,200
Adhesion improves	1,376	1,434	1,577	1,642	1,598	1,641	1,640	1,577	1,360	1,588	1,718

Chemical shipment volume (consolidated)

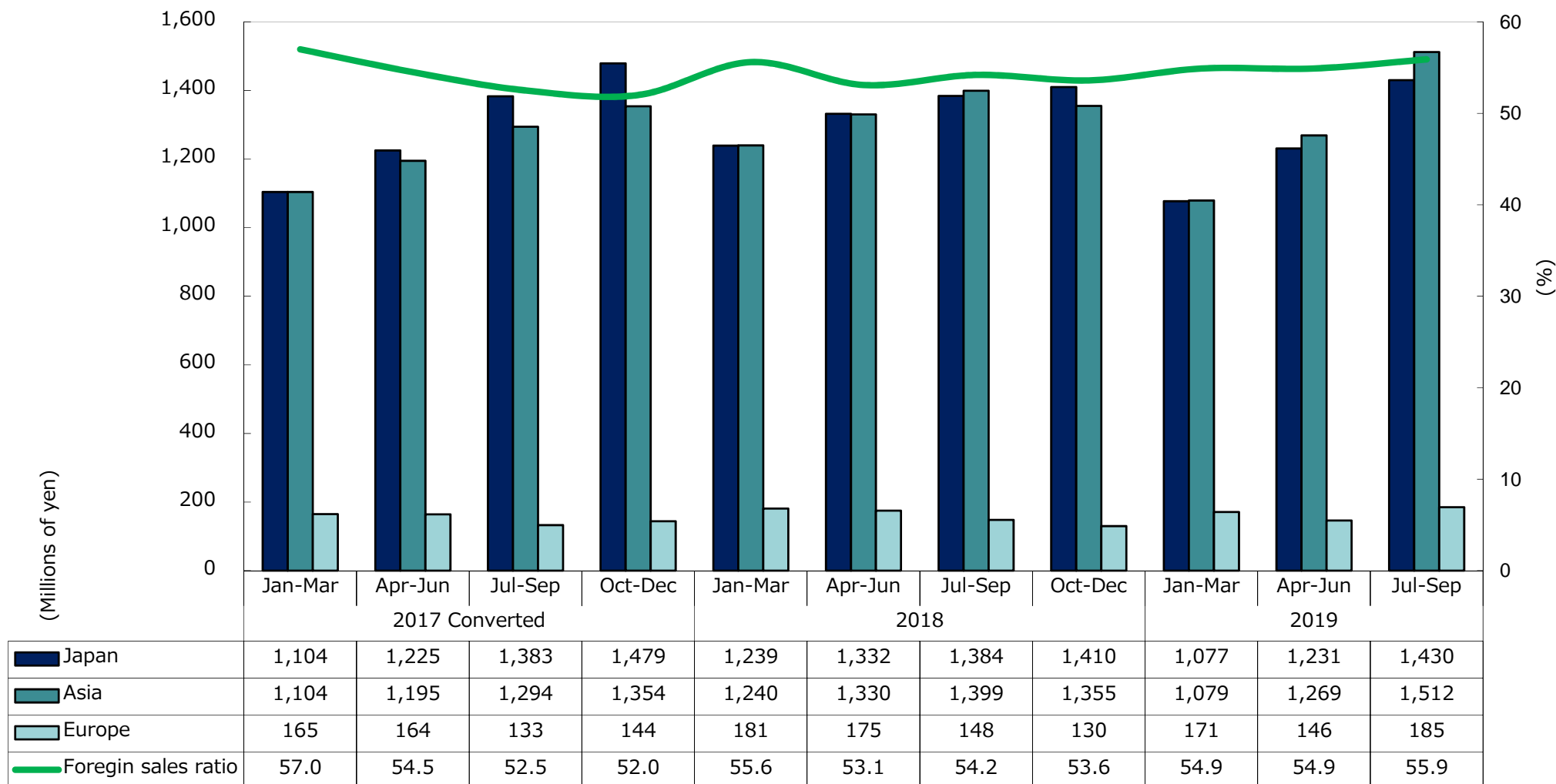


Other surface processing solution	352	366	423	451	360	377	424	399	338	310	320
Etching solution	1,768	1,925	2,350	2,394	1,978	2,186	2,504	2,462	1,758	1,986	2,777
Adhesion improves	5,630	5,944	6,209	6,252	6,341	6,546	6,527	6,286	5,575	6,356	6,833

CZ series sales

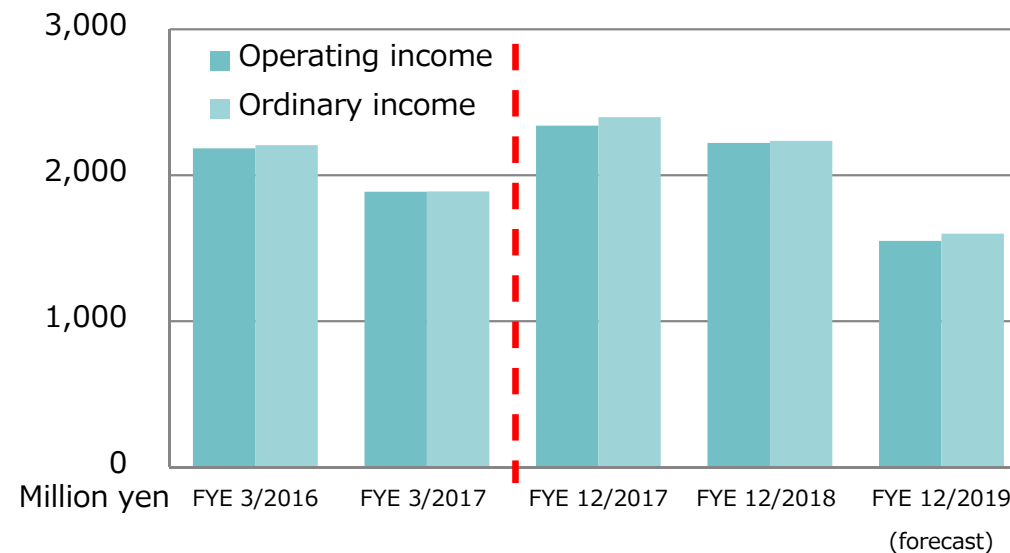
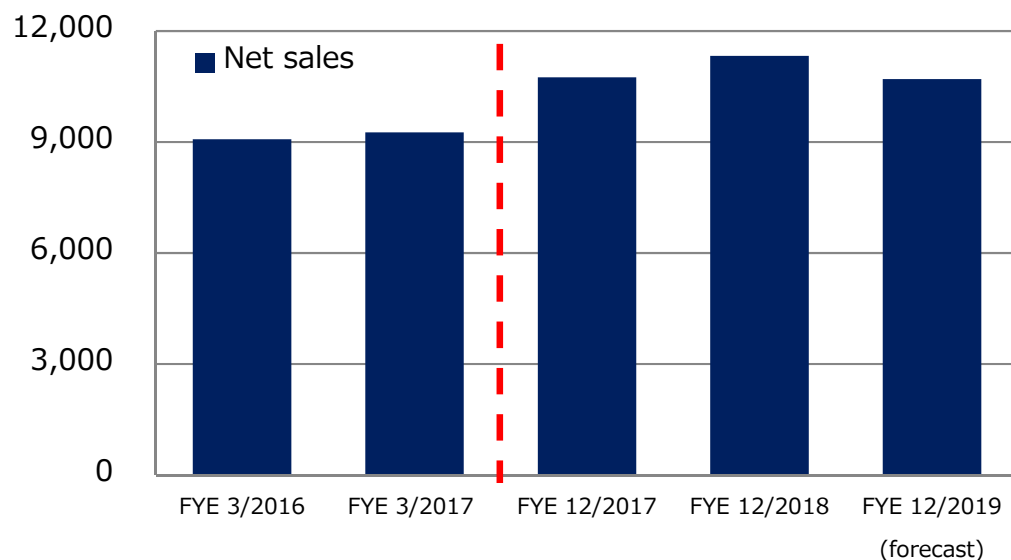


Region-specific sales and overseas sales ratio



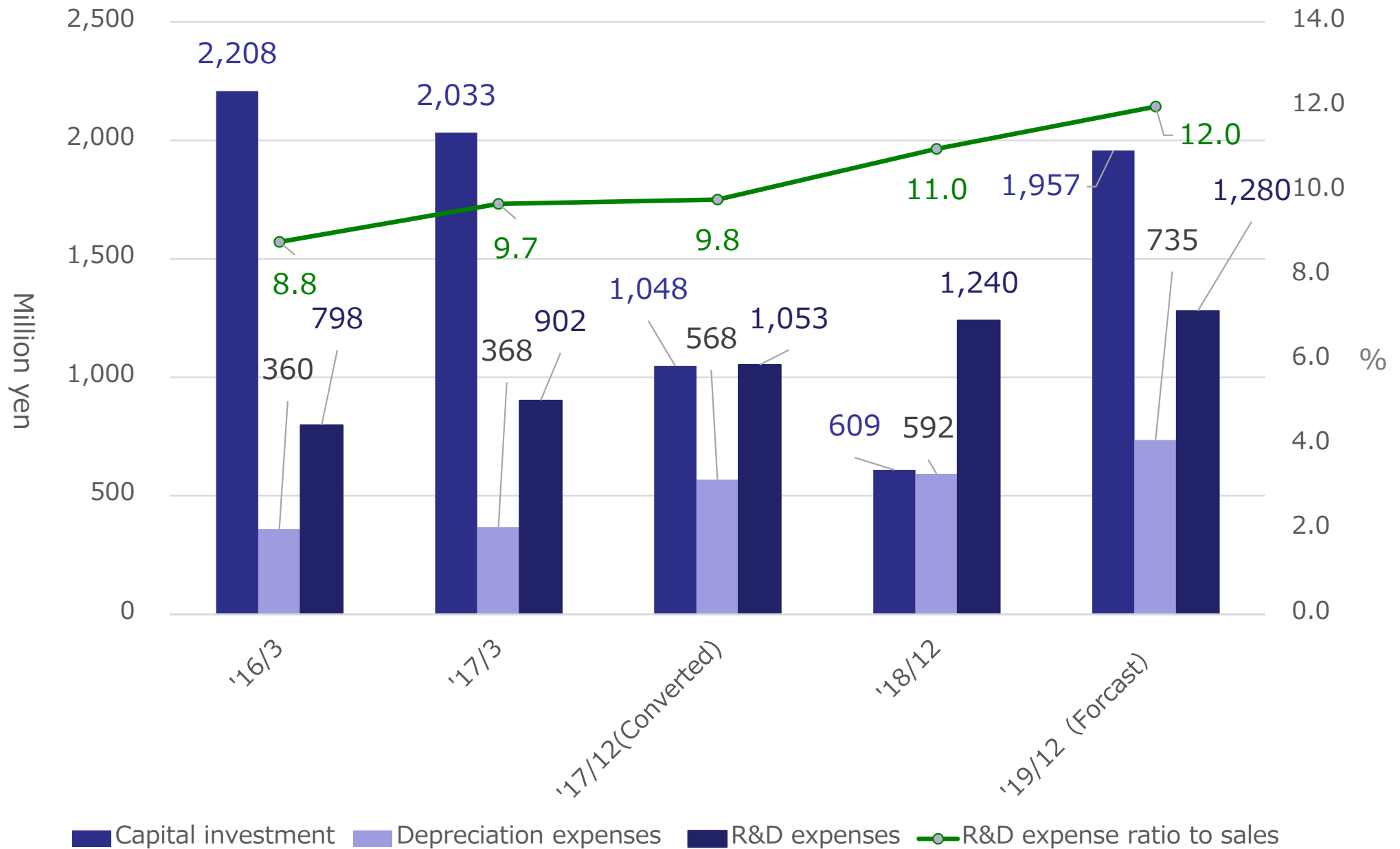
FYE 12/2019 Full-year forecasts

	FYE 12/2018 (50th term)		FYE 12/2019 (51th term)		
	Amount (million yen)	Profit ratio (%)	Amount (million yen)	Profit ratio (%)	YOY change* (%)
Net sales	11,328	-	10,700	-	-5.6
Operating income	2,222	19.6	1,550	14.5	-30.3
Ordinary income	2,236	19.7	1,600	15.0	-28.5
Net income	1,778	15.7	1,150	10.7	-35.3



FYE 12/2017 & FYE 12/2018: Full-year = Jan-Dec

Capital investment, Depreciation expenses and R&D expenses



Dividend, Payout ratio and ROE

