

August 9, 2018

To Whom It May Concern:

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Representative: President & CEO Kazuo MAEDA  
(Securities Code: 4971)  
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### **Additional Contributions to the Share Issuance Trust for Directors and Share Issuance Trust for Executive Officers**

At a board of directors meeting held on May 10, 2016, MEC COMPANY LTD. (hereinafter “the Company”) decided to introduce a performance-linked stock-based compensation plan for its directors (excluding outside directors; the same applies hereinafter; the plan is hereinafter referred to as “the stock-based compensation plan for directors,” and the trust set up for the said plan is hereinafter referred to as “the share issuance trust for directors”). The introduction of the stock-based compensation plan for directors was approved at the 47th Ordinary General Meeting of Shareholders held on June 21, 2016. Since signing a trust agreement and setting up the share issuance trust for directors by entrusting money on August 18, 2016, the Company has maintained the stock-based compensation plan for directors to date. The Company also decided at a board of directors meeting held on July 29, 2016, to introduce a performance-linked stock-based compensation plan for its executive officers (excluding those who also serve as directors; the same applies hereinafter; the plan is hereinafter referred to as “the stock-based compensation plan for executive officers,” and the trust set up for the said plan is hereinafter referred to as “the share issuance trust for executive officers”). Since signing a trust agreement and setting up “the share issuance trust for executive officers” by entrusting money on August 18, 2016, the Company has maintained the stock-based compensation plan for executive officers to date.

At a board of directors meeting held today, the Company decided to make additional contributions to the share issuance trust for directors and the share issuance trust for executive officers (hereinafter collectively referred to as “the trusts”) in order to maintain the stock-based compensation plan for directors and the stock-based compensation plan for executive officers (hereinafter collectively referred to as “the plans”) as detailed below.

The Company also decided at the same meeting to dispose of 68,500 shares out of its 763,957 shares of treasury stock (as of June 30, 2018) by selling them all to Sumitomo Mitsui Trust Bank, Limited (trust account) [re-trustee: Japan Trustee Services Bank, Ltd. (trust account)]. For more information, refer to “Disposal of Treasury Stock through Third-party Allotment due to Retention of Stock-based Compensation Plans” dated today.

#### Details

##### 1. Outline and Purpose of the Plans

The plans are designed to issue the Company’s shares to directors and executive officers who meet specified eligibility requirements in accordance with the share issuance rules prescribed by the Company.

The Company decided to introduce the plans with an eye to boosting the morale of its directors and executive officers with the additional hope that allowing them to share value with the stockholders would motivate them to improve the Company’s stock price and financial performance.

Refer to “Determination of Details of the Performance-linked Stock-based Compensation Plan for the Directors of the Company” and “Details of Introducing Share Issuance Trust for Executive Officers” dated July 29, 2016 for an outline of the plans.

##### 2. Reason for Additional Contributions

Based on the previous decision to extend the trust period and sustain the plans, the Company decided to make additional contributions to the trusts in order to ensure that the trusts would have the necessary funds to buy the additional shares that will need to be issued.

Translation

3. Outline of Additional Trust

(1) Name	Share issuance trust for directors	Share issuance trust for executive officers
(2) Settlor	The Company	
(3) Trustee	Sumitomo Mitsui Trust Bank, Limited (Re-trustee: Japan Trustee Services Bank, Ltd.)	
(4) Beneficiary	Directors who meet the beneficiary requirements	Executive officers who meet the beneficiary requirements
(5) Type of trust	Trust of money other than money trust (third-party benefit trust)	
(6) Purpose of trust	To issue the Company's shares to beneficiaries according to the share issuance rules	
(7) Date of additional trust	Friday, August 31, 2018 (scheduled)	
(8) Additional trust amount	72,177,400 yen (planned)	75,851,100 yen (planned)