



December 1, 2016

To Whom it may concern:

Company Name: MEC COMPANY LTD.
Representative: President & CEO Kazuo MAEDA
(Securities code: 4971)
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Start of consideration regarding the establishment of an overseas subsidiary

We hereby notify you that at a meeting of the board of directors held on December 1, 2016, the Company resolved to begin considering the establishment of an overseas subsidiary. The details are as follows.

1. Reason for establishing the subsidiary

Our chemicals are widely used in processes for manufacturing electronic substrates that in turn are used in electronic appliances such as information and communication equipment, digital home appliances, cars, and medical inspection instruments. In order to meet the increase in demand in the Southeast Asia region that has occurred in recent years, we decided to start considering a plan to establish a subsidiary in Thailand.

2. Overview of the subsidiary (plan)

- (1) Name: MEC Thailand (provisional)
- (2) Location: Thailand
- (3) Business description: Manufacture and sale of chemicals for use in manufacturing electronic substrates and parts
- (4) Investment ratio: The Company 100%
- (5) Date of establishment: January 2018 (planned)

3. Future outlook

We believe the impact that this establishment would have on the earnings forecast for the current consolidated fiscal year is insignificant at this time. In addition, we will promptly disclose information about whether an amendment is necessary from now on and any matters that should be disclosed.