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**FY2017**  
**Financial Announcement**  
( April 1, 2016 to March 31, 2017 )

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Presentation  
May 10, 2017 - HQ  
May 16, 2017 - Tokyo

**MEC COMPANY LTD.**  
Securities Code: 4971

# Topics of business results for the fiscal year ended March 31, 2017 (48th term)

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1

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

(JPY - USD)

Assumed rate: 105 yen / actual rate: 110.26 yen

It was 120.97 yen in the previous year

2

Shipment volume of chemicals increased by 5.5% compared with the same period last year.

3

Selling, general and administrative expenses increased by 8.0% year-on-year. This was due to completion of a new company building in which the functions of the head office, research laboratories, and production have been aggregated, and personnel expenses.

4

From the 49th term, the settlement period will be changed. It will go from March 31 every year to December 31 every year.

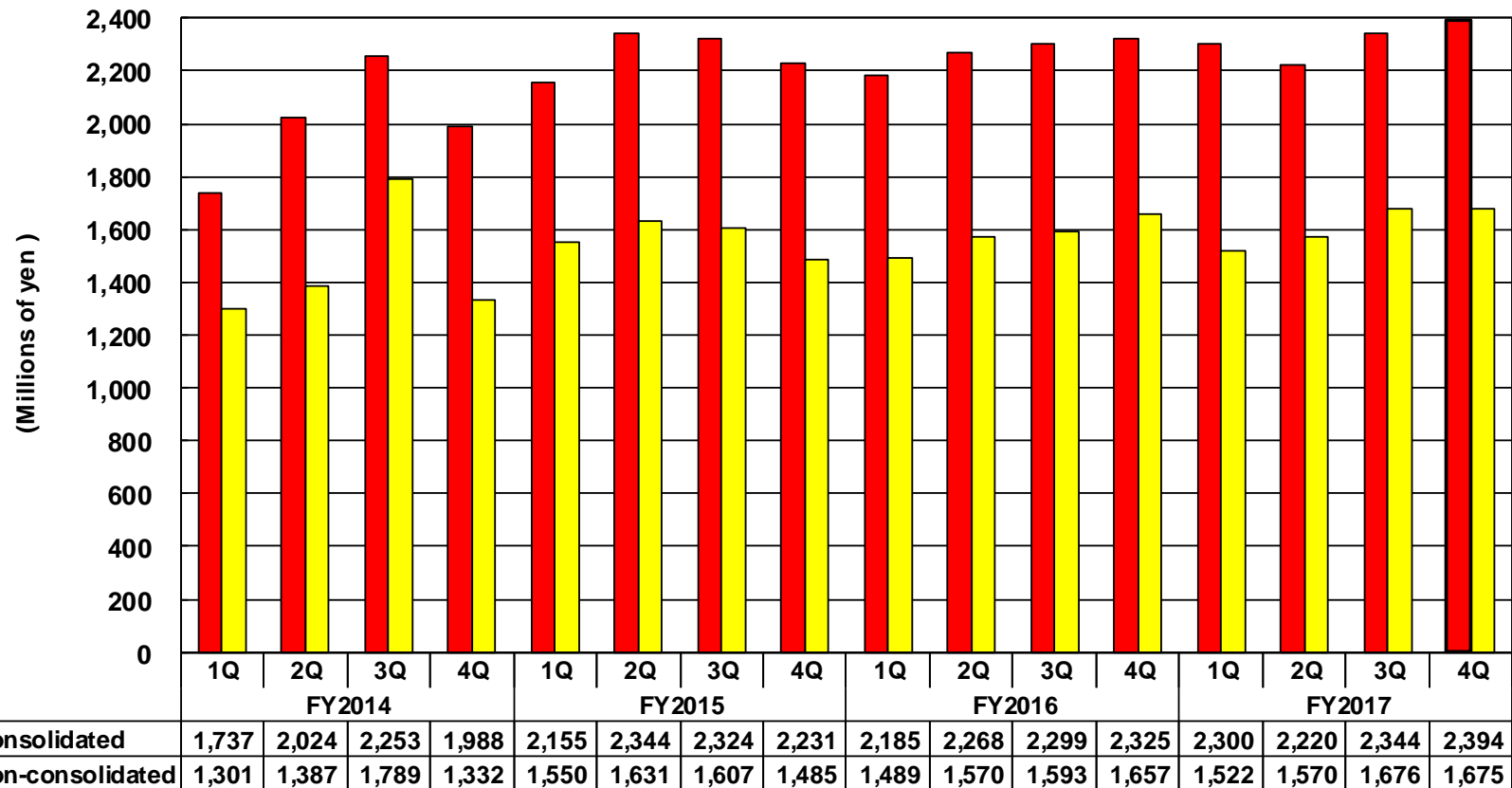
# Points of FY2017

1)		FY2016	FY2017	Y-o-Y
	Net sales	¥ 9,078 million	¥ 9,259 million	+ 2.0 %
	Operating income	¥ 2,185 million	¥ 1,887 million	-13.6 %
	Ordinary income	¥ 2,207 million	¥ 1,888 million	- 14.5 %
	Net income	¥ 1,514 million	¥ 1,642 million	+ 8.4 %
2)	Chemical sales	¥ 8,718 million	¥ 8,862 million	
	Ratio of Net sales	96.0 %	95.7 %	(- 0.3 points )
3)	Overseas sales ratio	54.6 %	54.6 % *	-
4)	CZ series sales	¥ 4,641 million	¥ 4,589 million	
	Ratio of chemical sales	53.2 %	51.8 %	(- 1.4 points)
5)	Gross profit	66.5 %	65.3 %	(-1.2 points )

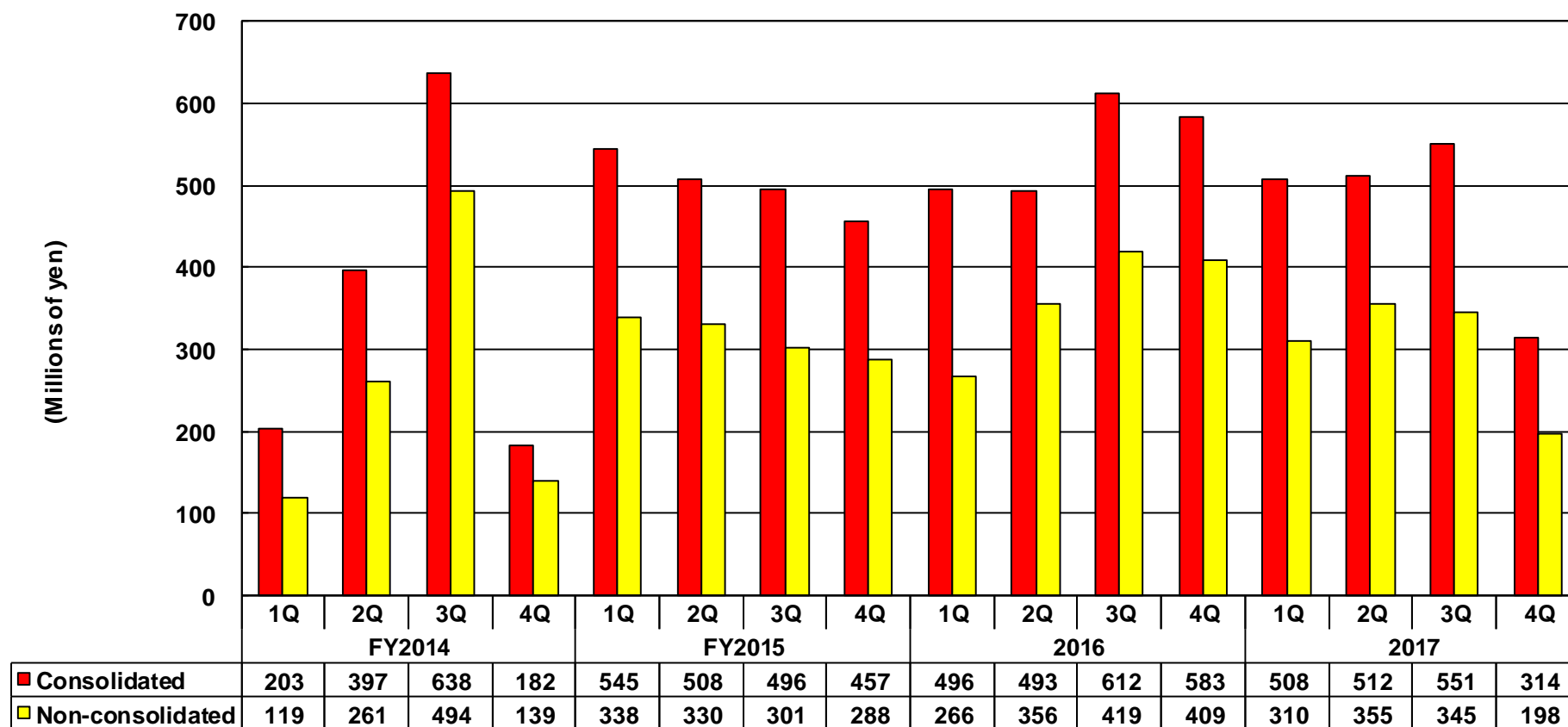
\* If the overseas chemical sales achieved by domestic agents is added to the overseas sales, the ratio becomes 77.6 %.  
(FY2016: 74.9 %)

Impact of change in foreign exchange rate: Net sales -¥678 million, Operating income -¥369 million.

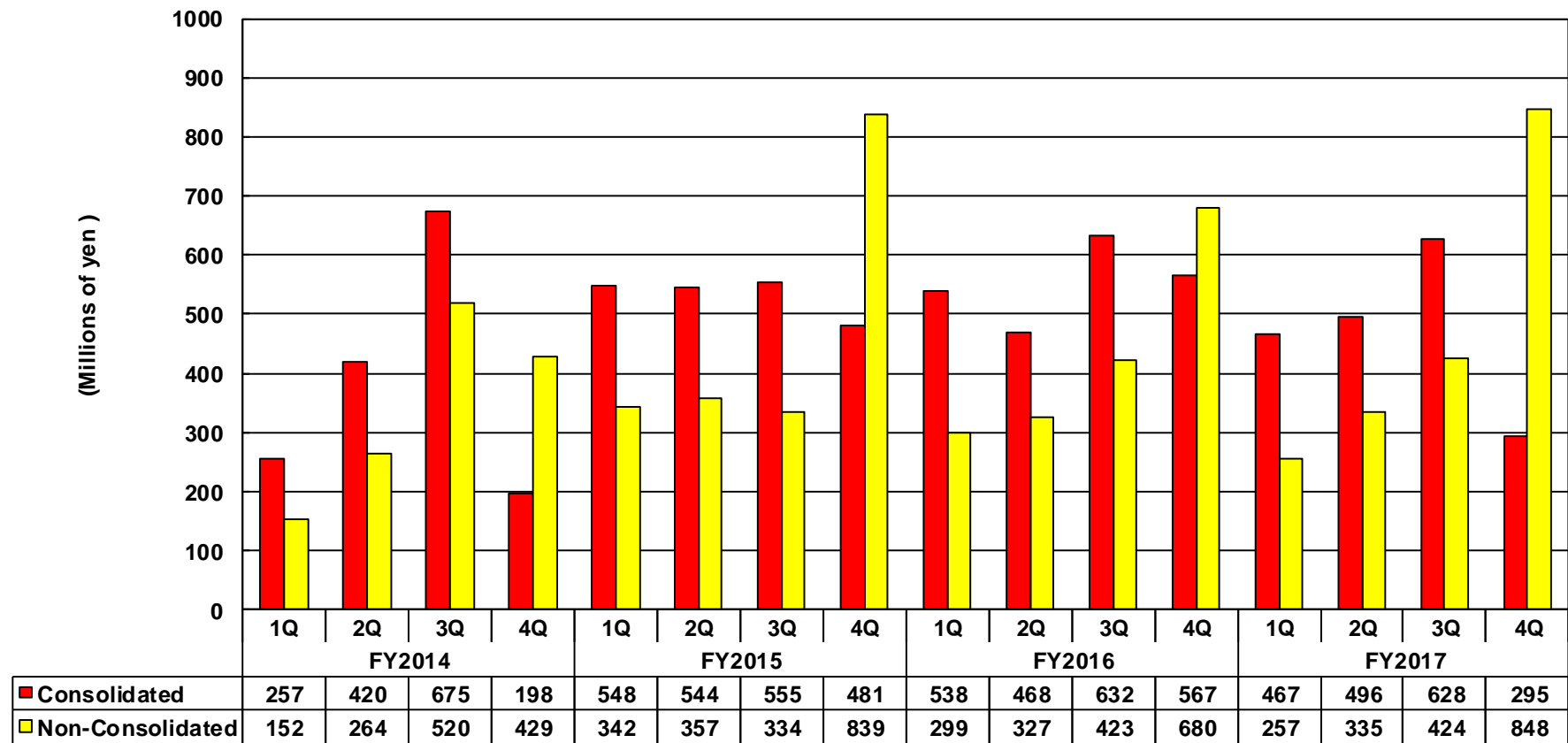
# Net Sales



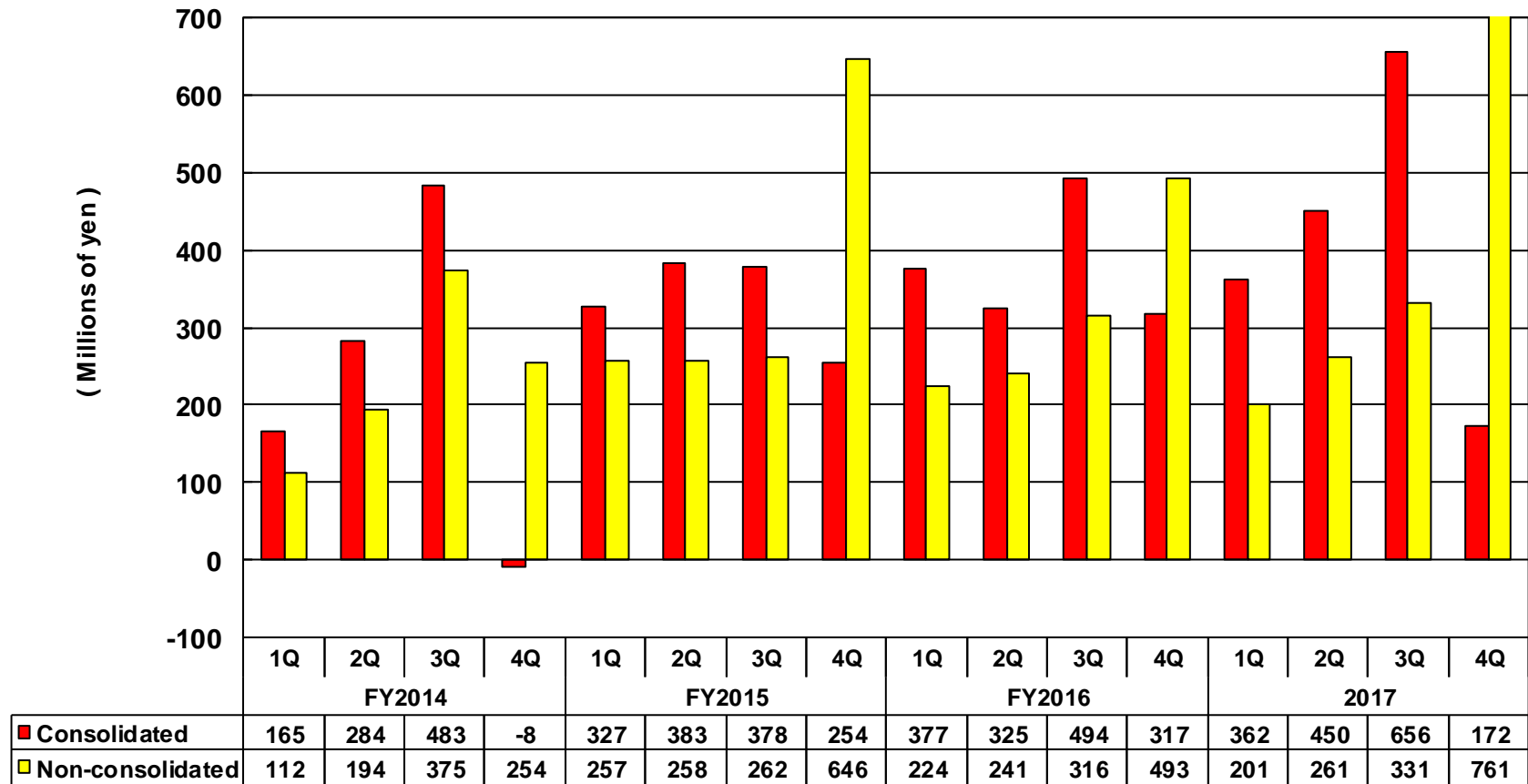
# Operating Income



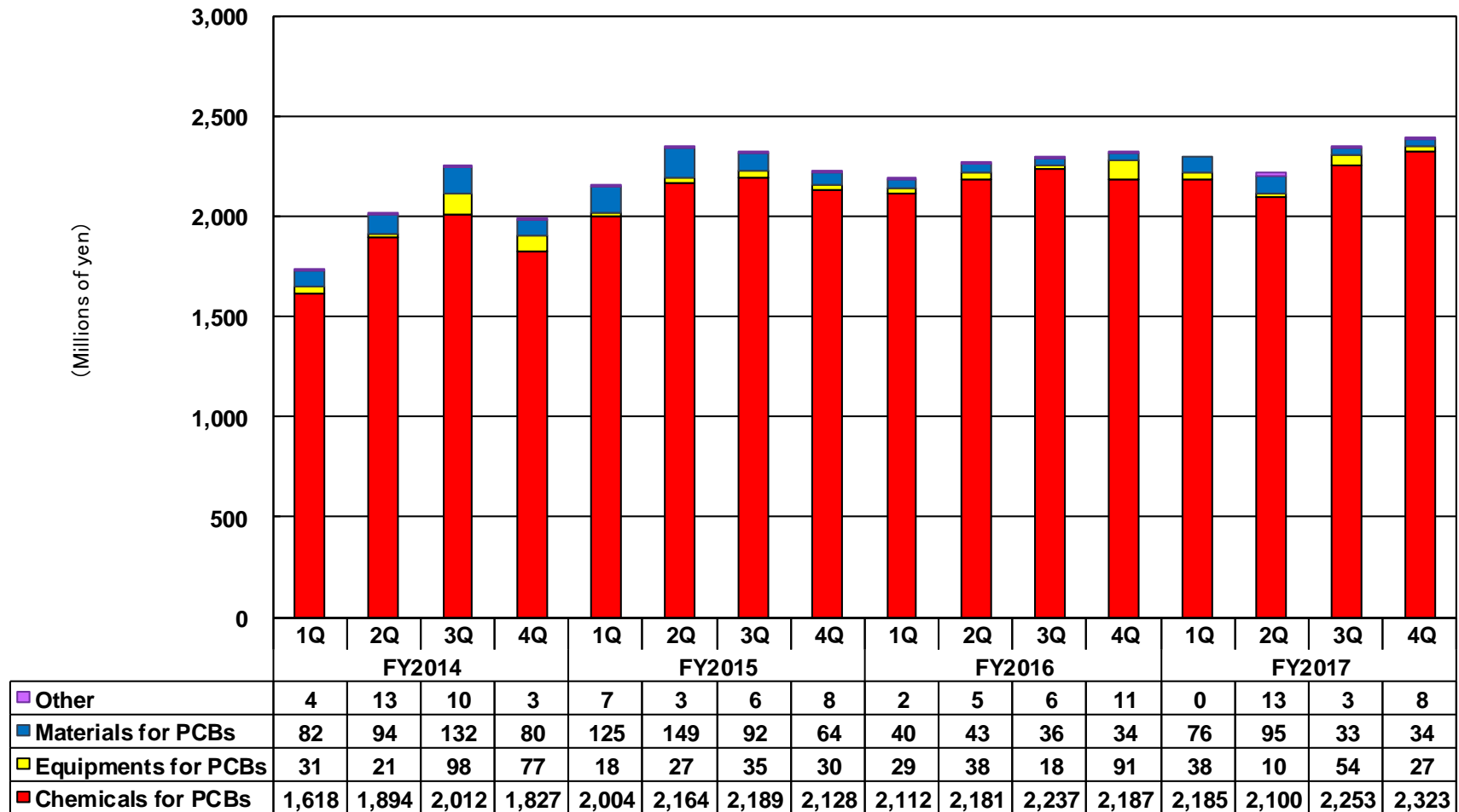
# Ordinary Income



# Net Income

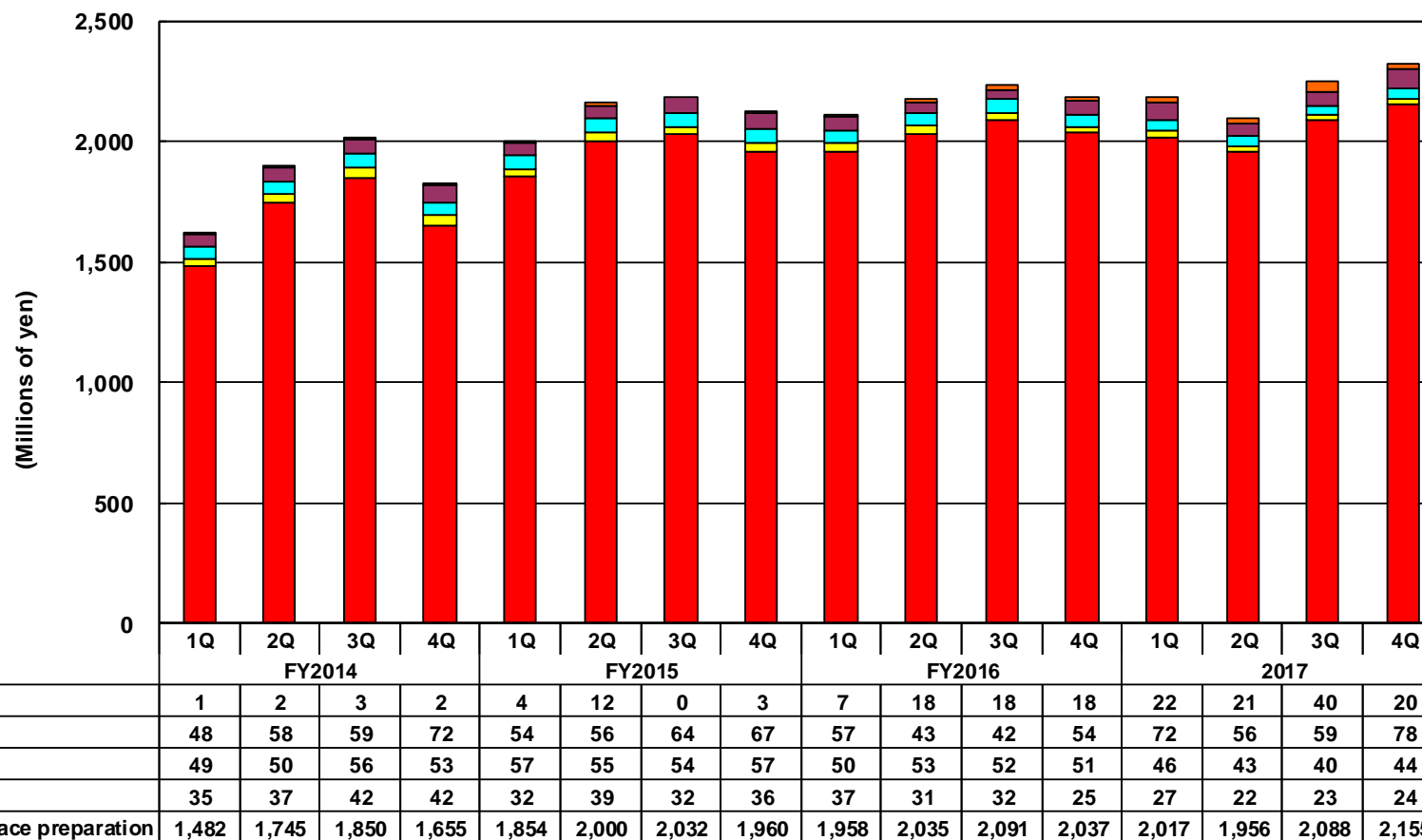


# Sales by Product - Consolidated

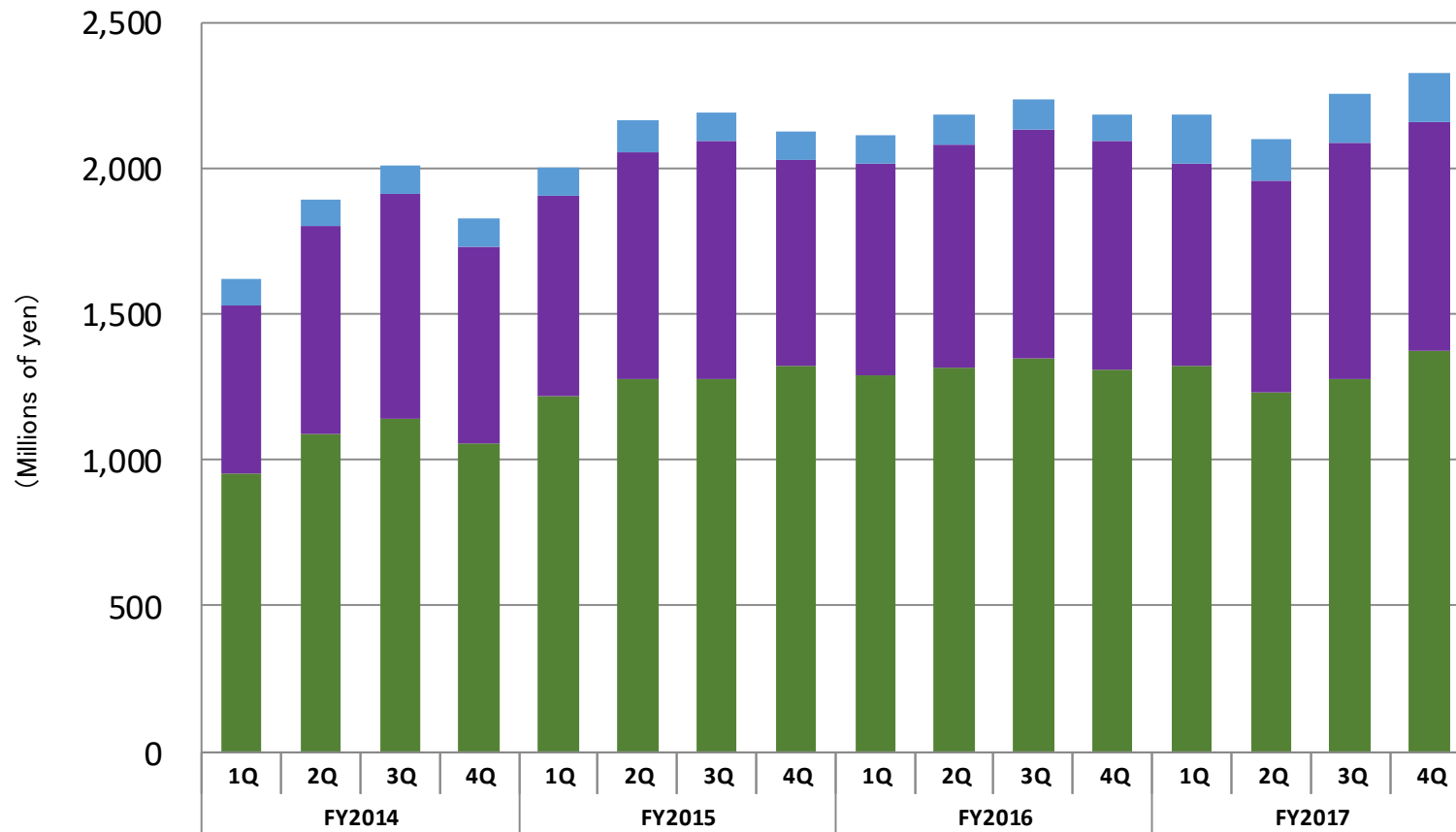




# Chemical Sales – Consolidated 1

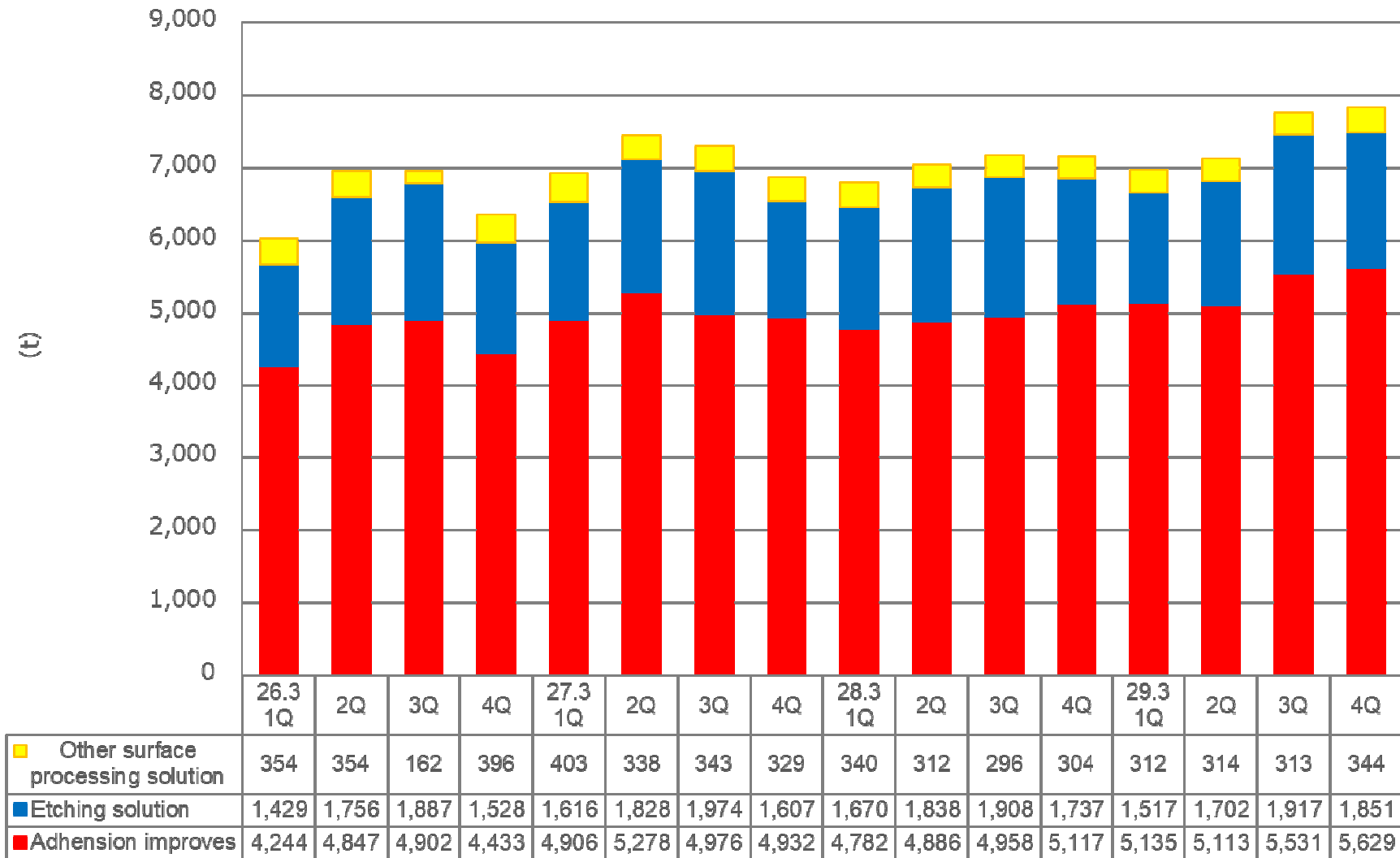


# Chemical Sales – Consolidated 2

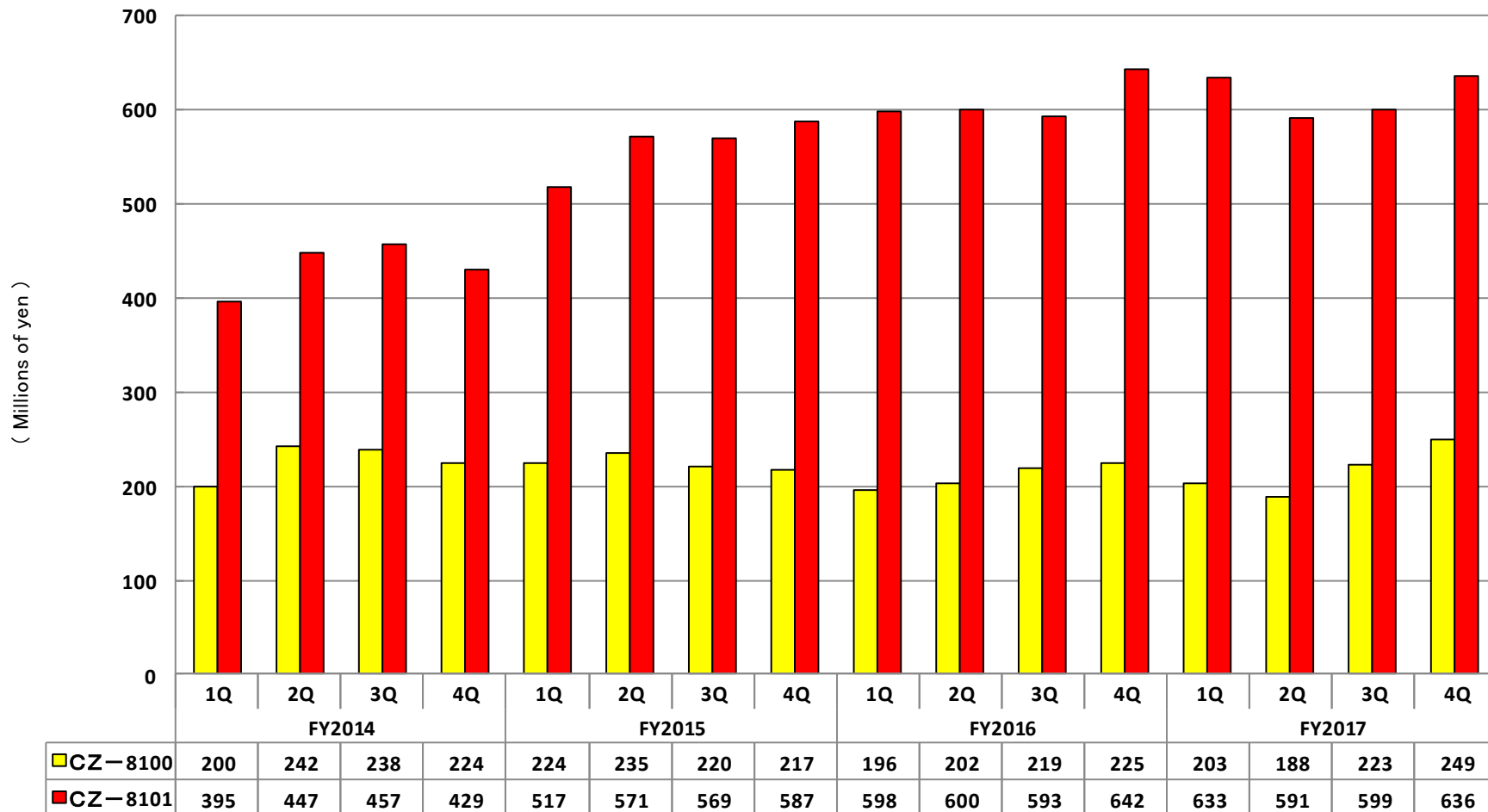


Other surface processing solution	87	90	102	98	94	107	92	100	95	103	103	95	168	144	164	168
Etching solution	580	716	767	667	688	777	817	707	729	763	783	779	691	721	809	783
Adhesion improves	950	1,087	1,142	1,060	1,220	1,279	1,278	1,320	1,287	1,315	1,351	1,312	1,325	1,234	1,279	1,372

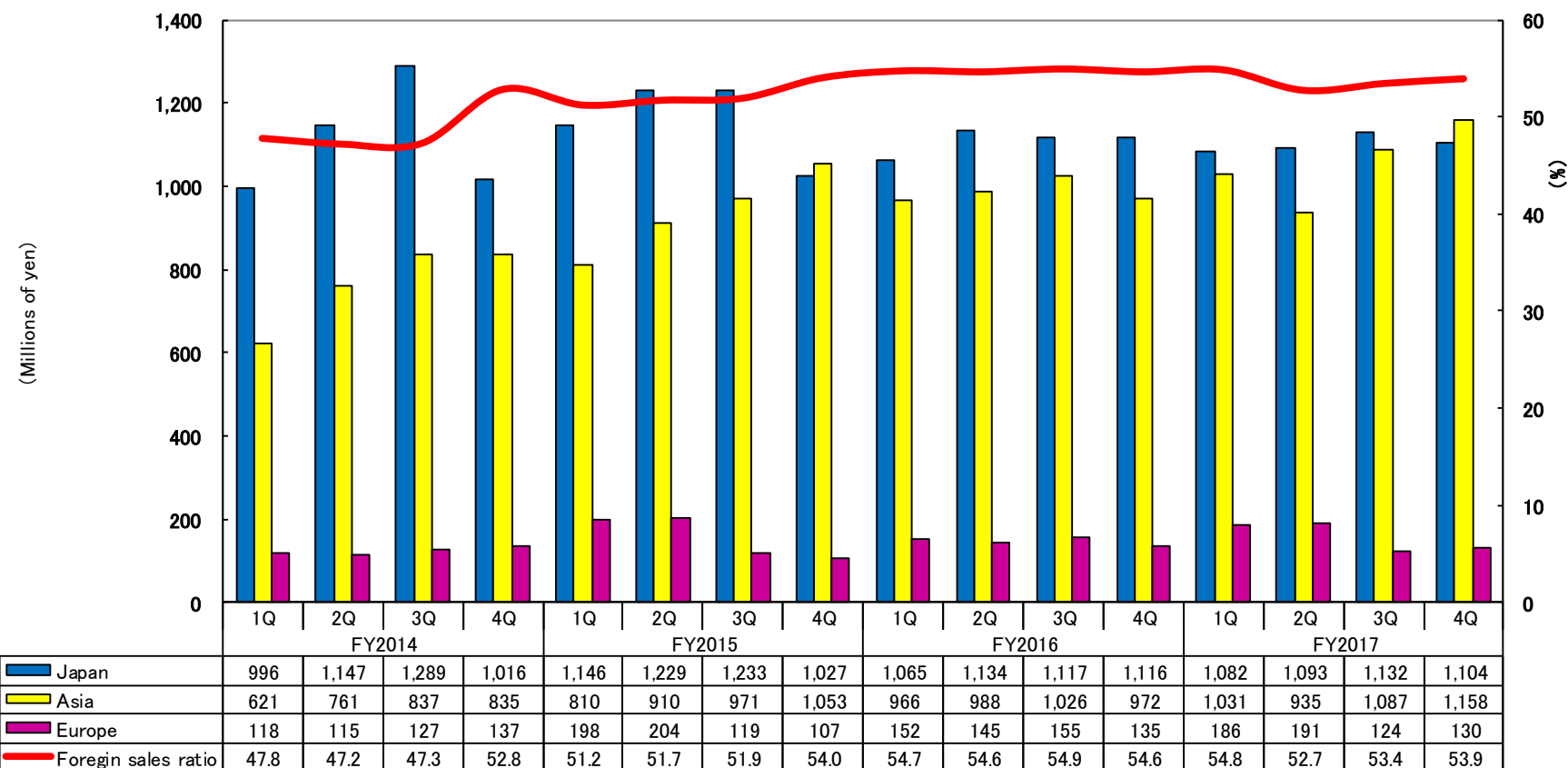
# Chemical Sales(quantity) – Consolidated



# CZ Series Sales

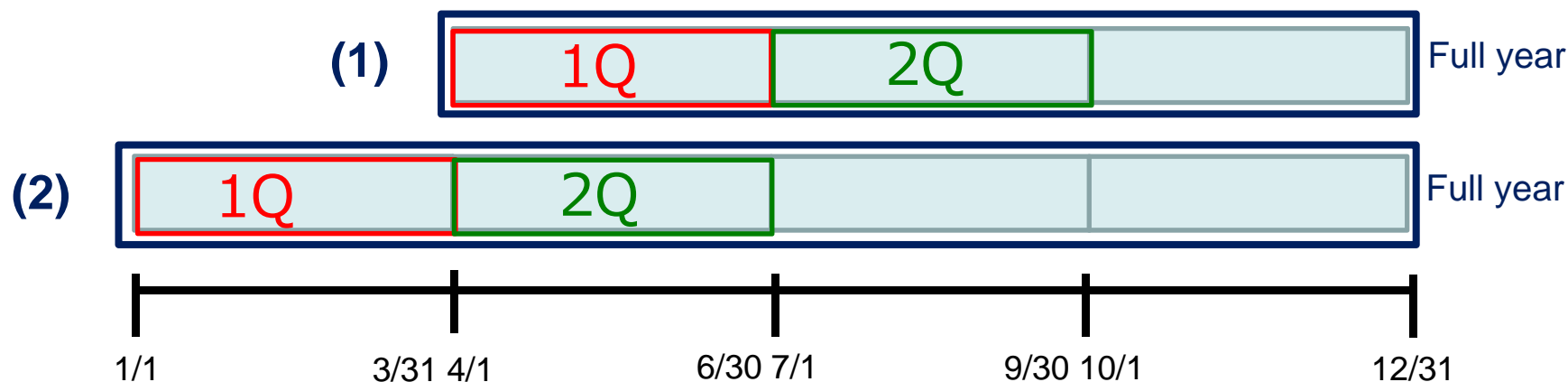


# Sales by Region & Foreign Sales Ratio



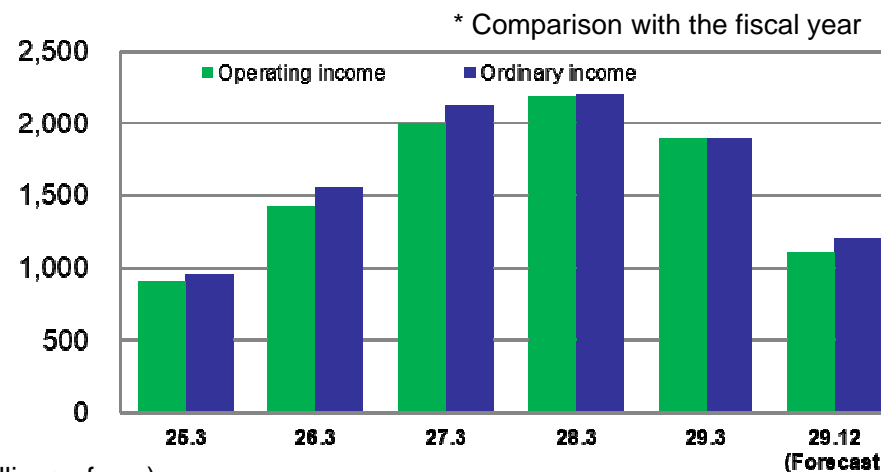
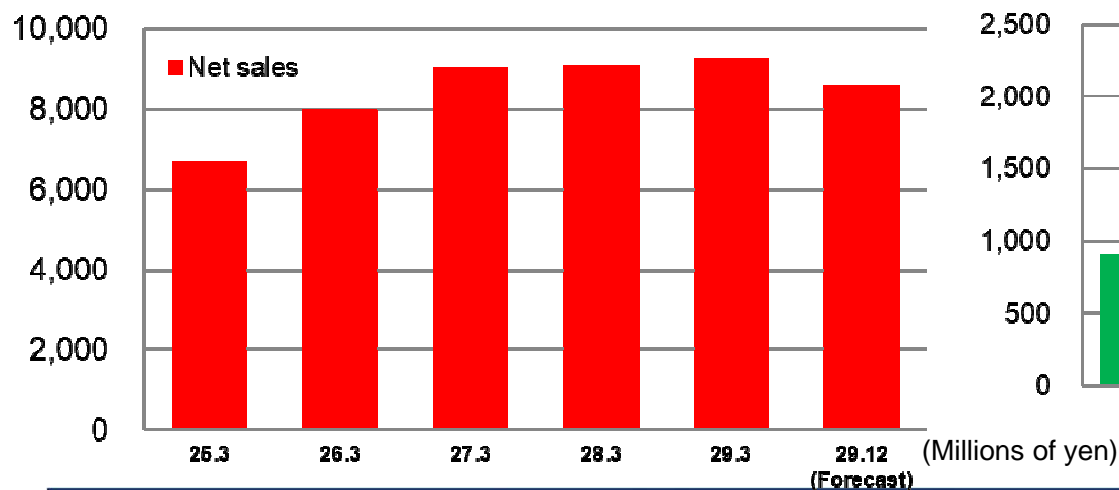
## Change to settlement period(from FY2017/49th term)

- 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)



# FYE December 2017 Full-year consolidated financial forecasts

	FYE March 31, 2017 (48th Term)		FYE December 2016 (48th Term, replacement)			FYE December 2017 (49th Term)		
	Amount	Profit ratio (%)	Amount	Profit ratio (%)	Compared to previous period (%)	Amount	Profit ratio (%)	Compared to previous period* (%)
Net sales	9,259 million yen	-	8,158 million yen	-	-	8,600 million yen	-	5.4
Operating income	1,887 million yen	20.4	1,685 million yen	20.7	-	1,100 million yen	12.8	-34.7
Ordinary income	1,888 million yen	20.4	1,697 million yen	20.8	-	1,200 million yen	14.0	-29.3
Net income	1,642 million yen	17.7	1,514 million yen	18.6	-	850 million yen	9.9	-43.9



**Change to the settlement period from the 49th term (going from the end of March every year to the end of December every year)**

\* Subject to approval for partial amendment of the articles of incorporation at the General Meeting of Shareholders to be held in June 2017