



FY2017 First-Quarter Results

July 20, 2016
Enplas Corporation

▪ *“fiscal 2016” or “FY2016” refers to the year ending March 31, 2016.*

▪ *“fiscal 2017” or “FY2017” refers to the year ending March 31, 2017.*

Agenda

- FY2017 Management Policy
- FY2017 1st Quarter Results
- FY2017 1st Quarter Results Overview
- FY2017 Plan (Consolidated)
- Trend and Business Strategy by Segment

Operational Excellence

Specification Technology

Multiple Growth

FY2017 First Quarter Business Results

(100 million yen)

	FY2017	FY2016		FY2017	
	1Q Results	1Q Results	Change	Half-year Plan	Full-year Plan
Sales	76.2	96.7	$\Delta 21.1\%$	170.0	340.0
COGS Ratio	51.7%	45.0%	6.7_{pt}	51.7%	51.7%
Operating Income	9.6	27.3	$\Delta 64.8\%$	25.0	50.0
Ordinary Income	8.1	27.9	$\Delta 70.8\%$	25.0	50.0
Net Income	7.5	19.3	$\Delta 61.2\%$	17.0	34.0
Comprehensive Income	$\Delta 9.0$	22.5	$\Delta 140.1\%$	—	—
Net Income Per Share	58.32_{yen}	142.31_{yen}	<math>\Delta 83.99_{yen}</math>	132.84_{yen}	265.69_{yen}

Quarterly Results

(100 million yen)

	FY2017	FY2016			
	1Q	4Q	3Q	2Q	1Q
Sales	76.2	91.8	101.1	97.7	96.7
COGS Ratio	51.7%	48.3%	44.2%	47.1%	45.0%
Operating Income	9.6	17.7	29.1	25.0	27.3
Ordinary Income	8.1	15.2	29.3	25.6	27.9
Net Income	7.5	△2.0	20.5	18.3	19.3
Net Income Per Share	58.32yen	△16.63yen	159.93yen	139.48yen	142.31yen



FY2017 First Quarter Results by Segment

(100 million yen)

	FY2017	FY2016			
	1Q	4Q	3Q	2Q	1Q
Engineering Plastic Business	30.5	33.0	31.4	32.7	32.6
COGS Ratio	66.5%	65.8%	63.5%	65.4%	64.9%
Operating Income	△0.1	1.7	1.6	1.3	1.9
Semiconductor Peripherals Business	20.5	22.8	23.5	22.3	20.3
COGS Ratio	50.1%	48.7%	46.5%	47.5%	45.0%
Operating Income	2.1	4.1	4.8	4.3	4.3
Plastic Optics Business	25.1	35.9	46.1	42.6	43.6
COGS Ratio	35.1%	31.9%	29.8%	32.8%	30.1%
Operating Income	7.6	11.8	22.6	19.2	21.1
Net Sales	76.2	91.8	101.1	97.7	96.7
COGS Ratio	51.7%	48.3%	44.2%	47.1%	45.0%
Operating Income	9.6	17.7	29.1	25.0	27.3

➤➤➤ FY2017 Business Results Overview

◆ COGS Ratio

FY2017 1Q	FY2016 1Q	Change
51.7%	45.0%	6.7 _{pt}

- Decline in sales of high value-added products
- Strong yen had negative impact on sales

◆ SGA

(100 million yen)

FY2017 1Q	FY2016 1Q	Change
27.1	25.7	1.4

- Research & development expense increased
- Retirement benefit expense increased

◆ Non-operating profit and loss

(100 million yen)

FY2017 1Q	FY2016 1Q	Change
△1.4	0.6	△2.0

- Loss on investment in affiliates of 120 million yen
- Foreign exchange loss of 60 million yen

➤➤➤ FY2017 First Quarter Actions Implemented

◆ Development of global management ◆

➤ Establishment of Enplas (Europe) Ltd.

- Location: Heathrow, United Kingdom
- Date of establishment: May 2016

Purpose

- Develop new businesses
 - Develop advanced technology and recruit skilled employees
 - Develop European business
- ⇒ Increase corporate value

»» FY2017 Plan (Consolidated)

FY2017 Plan

(100 million yen)

	FY2017	
	Full-year	1 st Half
Sales	340.0	170.0
COGS Ratio	51.7%	51.7%
Operating Income	50.0	25.0
Ordinary Income	50.0	25.0
Net Income	34.0	17.0
Net Income Per Share	265.69 _{yen}	132.84 _{yen}

FY2017 Plan by Segment

(100 million yen)

	FY2017	
	Full-year	1 st Half
Engineering Plastic Business	132.0	64.0
Semiconductor Peripherals Business	100.0	48.0
Plastic Optics Business	108.0	58.0

▶▶▶ FY2017 Plan (Reference)

(100 million yen)

	FY2017		FY2016
	Full-year	1Q Results	Results
<u>Capital expenditures</u>	68.0	51.8	21.5
<u>Depreciation</u>	27.0	5.8	27.0
<u>R&D</u>	11.0	2.6	11.0

※Capital expenditures plan changed

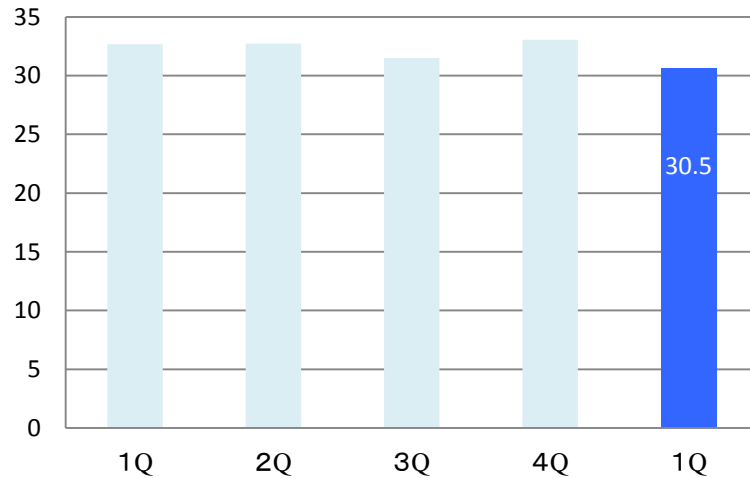
- ◆ **Invest in innovation**
(enter new markets, develop new products, and create new markets)
- **Strengthen marketing function**
- **Develop strategic products**
 - 1) **Create an advantage through innovation**
 - 2) **Strong intellectual property**
 - 3) **Support from customers**
- **Strengthen technology evaluation**

Business Trend and Strategy for Each Segment

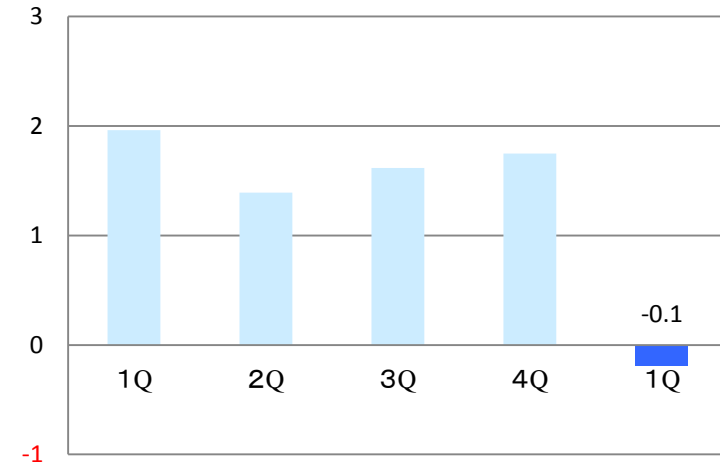
Engineering Plastic Business

(100 million yen)

Sales



Operating Income



- Strengthen ability to offer specification based solutions to customers
- Develop a thorough product strategy
- Establish a high efficiency global production system

FY2017

Sales Plan: 13.20 billion yen

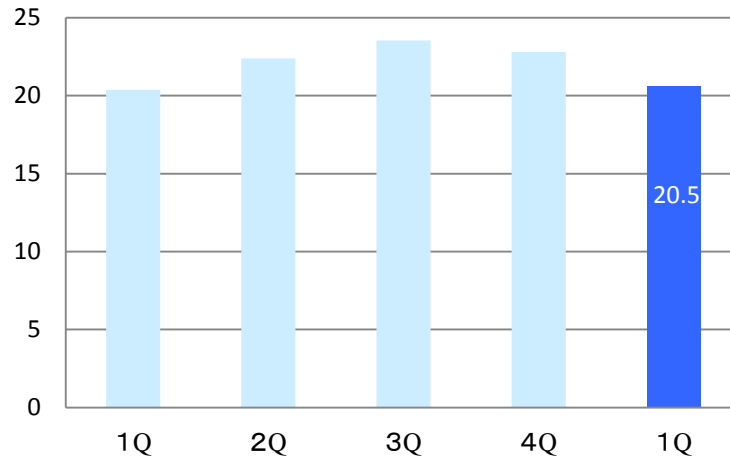
(FY2017 Total: 3.05 billion yen)



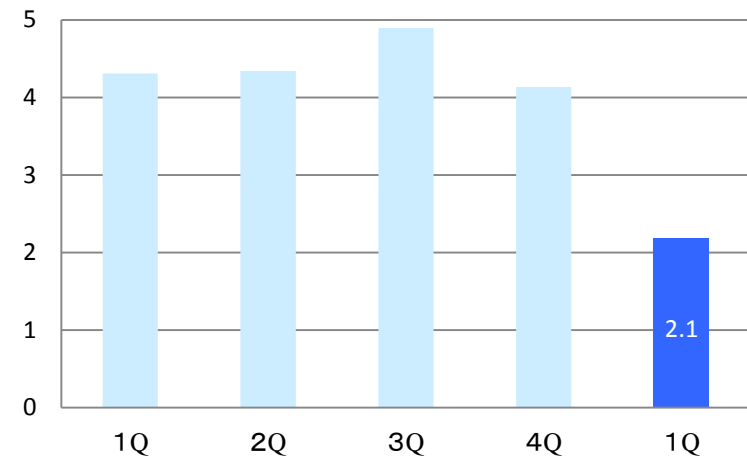
»»»Semiconductor Peripherals Business

(100 million yen)

Sales



Operating Income

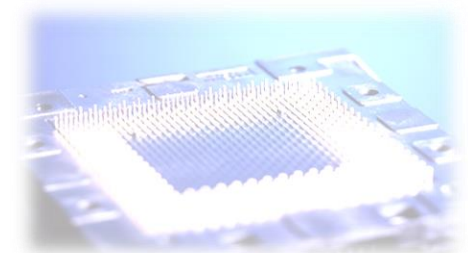


- Improve ability to adapt to changes in the business environment
- Strengthen global production system
- Develop competitive solutions
- Create competitive advantage based on speed

FY2017

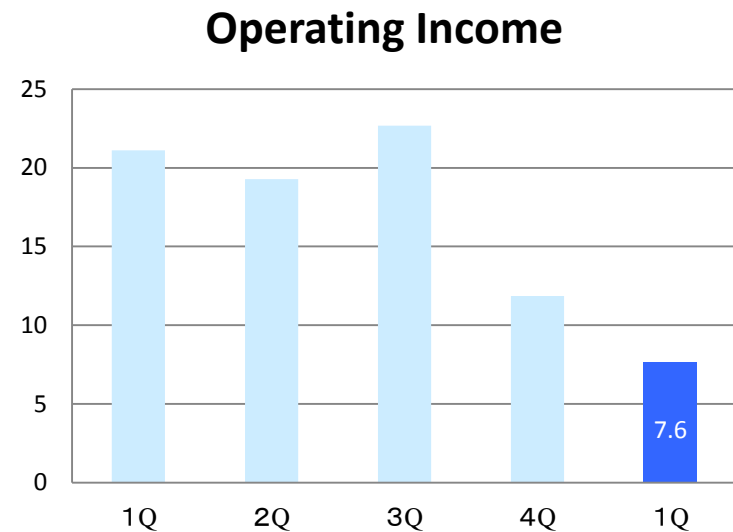
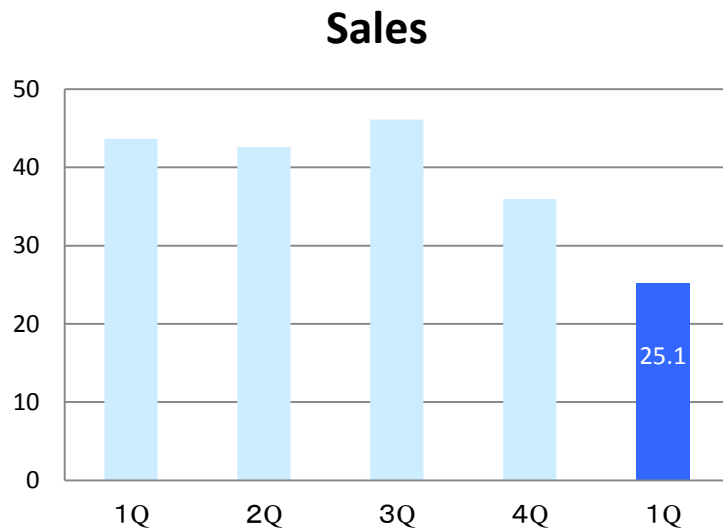
Sales Plan: 10.00 billion yen

(FY2017 Total: 2.05 billion yen)



Plastic Optics Business

(100 million yen)



- Achieve stable growth by expanding customer base
- Revise production system
- Develop new products for the high-speed communications market

FY2017

Sales Plan: 10.80 billion yen

(FY2017 Total: 2.51 billion yen)





Enplas Corporation

Financial Results for the First Quarter of the Year Ending March 31, 2017

<http://www.enplas.co.jp/>

Any statements in this presentation which are not historical are future projections based on certain assumptions and executive judgments drawn from currently available information. Please note that actual performance may vary significantly from any particular projection due to various factors.

Factors affecting our actual performance include but are not limited to: (i) changes in economic conditions or demand trends related to Enplas's business operations; (ii) fluctuation of foreign exchange rates or interest rates; and (iii) our ability to continue R&D, manufacturing and marketing in a timely manner in the electronics business sector, where technological innovations are rapid and new products are launched continuously.

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