

Enplas Corporation

(Securities code:6961)



Working for a Better **Tomorrow**

Business Report 2013
April 1, 2012 to March 31, 2013

enplas



Contents

- 01. Corporate Philosophy
- 02. To Our Shareholders
- 04. Trends in the Consolidated Performance
- 05. Outline by Businesses
- 07. Special Report:
The Engineering Plastics Business
- 08. Consolidated Financial Outline
- 09. Corporate Profile / Stock Information
- 10. Memorandum for Shareholders
- 11. Offices and Group Companies

Corporate Mission

Based on ties of trust, and keeping our solid management footing that allows us to respond to any changes with confidence, we strive to:

1. Offer products and services that satisfy our customers,
2. Nurture and maintain a high level of motivation among employees through appraisal and recognition of capabilities and achievements, and
3. Enhance the value of our business to meet the expectations of shareholders.

By fulfilling the ideals set forth in our mission statement, we are confident that our contributions to society will help build a better, more prosperous world for all.

Business Domain

Enplas will continue pursuing cutting-edge technology and offering creative value to the global market, based on advanced expertise cultivated in the field of engineering plastics.

Management Philosophy

1. We pursue greater competitive and growth capabilities by providing outstanding technology and reliable products.
2. We ensure steady corporate development by maintaining a sound financial position.
3. We aim to provide consistent quality in all our corporate activities.

Guiding Principles for Our Employees

1. We seek to challenge ourselves by setting creative goals and pursuing them enthusiastically.
2. We value a sense of gratitude and an attitude to learn from others.
3. We make a clear distinction between public and private affairs and act in a fair and direct manner.

To Our Shareholders

We have advanced and utilized the overall technology of engineering plastics since the establishment of our company, and constantly strive for higher precision, higher functionality, and higher quality. We will contribute to the advancement of our society by providing our customers with high quality products and services that they appreciate.



President, Daisuke Yokota

Tell us about the business environment during this term.

In the engineering plastics related business, our core business, the electronics parts business declined due to the downturn of the global Office Automation Equipment related demand. The automobile production and sales in the U.S. recovered, and the Japanese market also showed quick recovery. In the television industry, the market for LCD television sets which use LEDs as light sources are moving towards lower prices since the direct backlight types have succeeded in lowering costs. In the semiconductor industry, the growth of PCs has reached an end, while smart phones and tablets have been on the rise in its place.

With the global market being increasingly competitive, what steps have you taken related to the business activities during this term?

We first set the “reinforcement of management basis” as the key management principle. The elements of this reinforcement were “the customer base,” “the manufacturing

base,” “the creativity base,” “the quality base,” and “the financial base,” and various steps were taken. Global marketing were reinforced towards the main players in the market. Global production system was reinforced for stable delivery of diffusing lenses for LEDs, whose demand is ever increasing. Global procurement was reinforced to lower cost, and new business development was also reinforced.

The new plant in Shanghai, to become our flagship plant in the China and Asia region, went into full production in April 2012. The new plant in Pinthong, which went into production after the flood in Thailand in 2011, has moved from vertical start-up to stable production, and has contributed to meet the growing demand of the Asian market.

As the result, we have achieved a V-shaped turnaround, the thorough investment recovery has been enforced, and we have reshaped our profit structure to levels exceeding those before the Lehman’s Fall.

To Our Shareholders

Q Please tell us about the steps taken this term (53th term).

Our company group has set as the key mid to long-term strategic management principle, the quick recovery to growth in our businesses centered on our Engineering Plastics Businesses, the execution of global management to realize the “Global Enplas,” and formation of our corporate growth basis based on our core technology.

In order to realize the above, we have set the following three as the key management principle for this term (53th term), and will conduct our businesses aggressively.

1. Achieve growth by challenging into new products and new areas.
2. Pursue component technology to back up strong and sustainable businesses, and also advanced technology aiming to establish our technological theory basis.
3. Reinforcement of global management base for quick and efficient management decision in the global base.



The new plant in Shanghai, to become our flagship plant in the China and Asia region

Q Tell us about the redistribution of profits.

We have maintained a solid financial structure through sound and steady management. It is our fundamental

Management Policy for the 53th Term, Ended March 2014

- Growth by continuous challenges for new products and new business opportunity
- Pursue cutting-edge technology
- Strengthen the global management base

policy to distribute the fruits of our management activities to our shareholders in a clear manner. We set the dividends based on the future earnings forecasts with stable redistribution on our mind.

We have distributed our internal reserves with mid to long-range vision, to manufacturing equipment, research and development, information systems, and M&A for new business development. We believe these investments will be eventually distributed to our shareholders by improving future profitability.

We have already distributed 20 yen per share for the interim dividend, and plan to distribute 20 yen per share for the year-end dividend, bringing the total dividend for the term to 40 yen per share.

Q Please give a word to our shareholders.

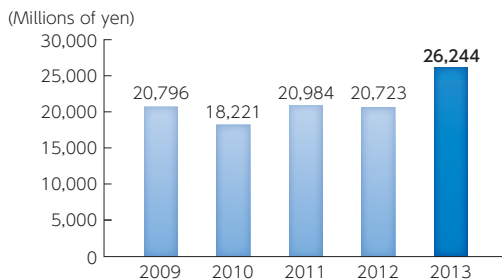
Our company will continue to create new values. We will continue to deliver services and values to our customers that they can rely on, and all of our employees will meet our customers' trust and expectations by maintaining our determination and sense of unity.

Your continued guidance and support would be greatly appreciated.

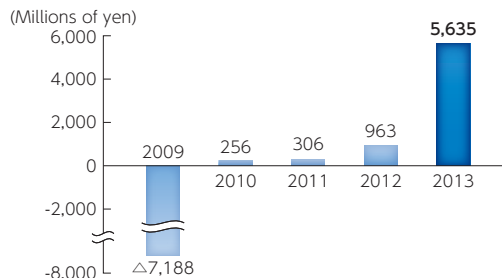
June 2013

Trends in the Consolidated Performance

■ Consolidated Sales 1

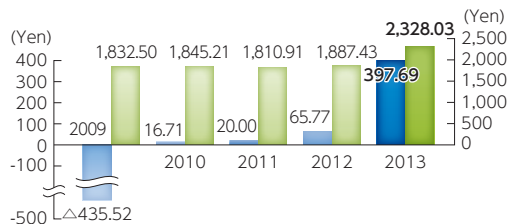


■ Consolidated Net Income (Δnet loss) 3

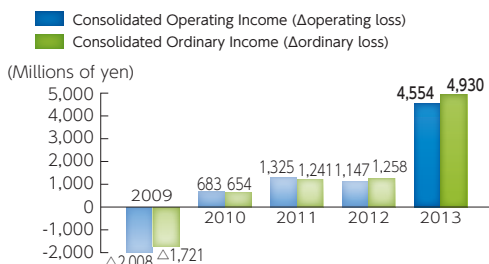


■ Net Income per Share (Δnet loss)/ Net Assets per Share

■ Net Income per Share (Δnet loss)
■ Net Assets per Share



■ Consolidated Operating Income (Δoperating loss)/ Consolidated Ordinary Income (Δordinary loss) 2



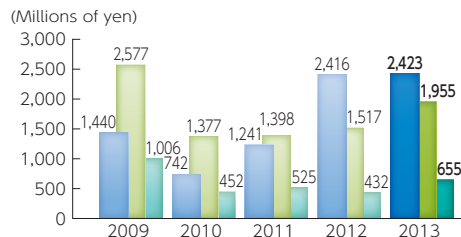
■ Consolidated Total Assets/Consolidated Net Assets/ Consolidated Equity Ratio 4

■ Consolidated Total Assets ■ Consolidated Net Assets
■ Consolidated Equity Ratio



■ Amount of Capital Investment/Depreciation Expense/ Research and Development Cost

■ Amount of Capital Investment ■ Depreciation Expense
■ Research and Development Cost



Point 1

Our consolidated sales for this term reached 26,244 million yen (an increase by 26.6% from the previous term).

Point 2

The consolidated operating income for this term was 4,554 million yen (an increase by 297.0% from the previous term), and the consolidated ordinary income was 4,930 million yen (an increase by 291.9% from the previous term).

Point 3

The consolidated net income was 5,635 million yen (an increase by 485.1% from the previous term).

Point 4

The total assets were 33,645 million yen, which brings the equity ratio to 86.6%, an increase by 1.8% compared to the previous consolidated fiscal year.

Distribution of Profits

The dividend per share is 40.00 yen

It is our fundamental policy to distribute the fruits of our management activities to our shareholders in a clear manner. We set the annual dividends per share including the interim dividends to 40.00 yen based on the future earnings forecasts with stable redistribution on our mind.

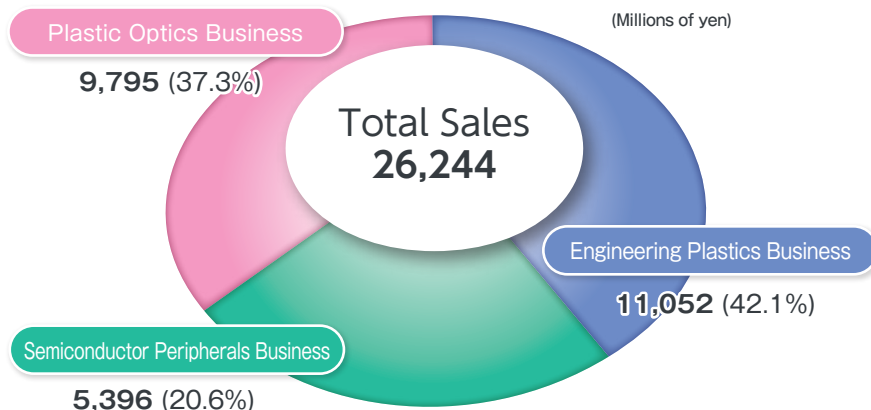
■ Dividends



Outline by Businesses

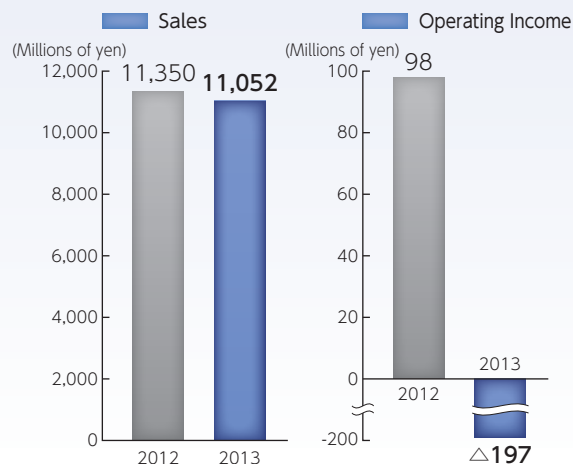
Breakdown of Sales by Business Segment The term ended March 2013 (from April 1, 2012 to March 31, 2013)

Each of our business merges the cutting-edge optics and electronics technology into the engineering plastics technology, our fundamental technology base, and delivers reliable quality by integrating design, manufacturing and quality assurance into one system.



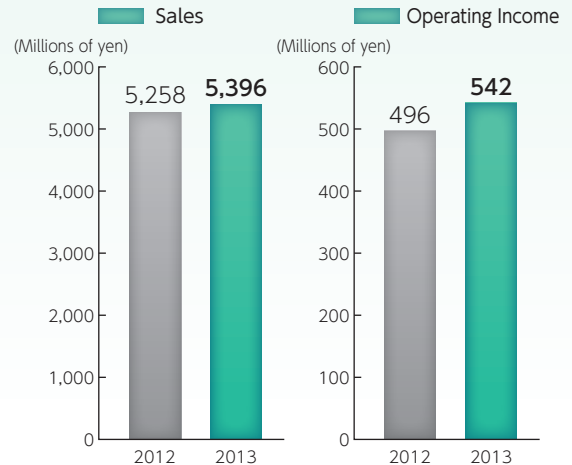
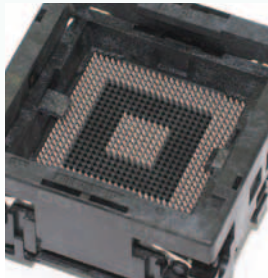
Engineering Plastics Business

Auto parts have stayed firm in the U.S. and Asia, but printer parts have declined due to global decline in demand. Moreover, initial operating costs for the new Shanghai plant has increased. Consequently, the sales for the consolidated fiscal year were 11,052 million yen (a decline by 2.6% from the previous term), and the segment operating loss was 197 million yen (from segment operating income of 98 million yen in the previous term).



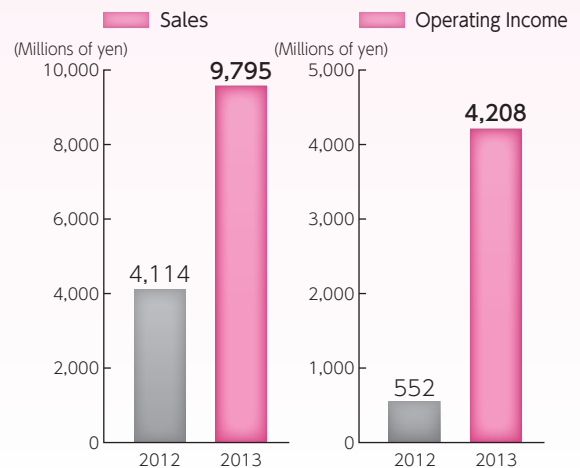
Semiconductor Peripherals Business

The order for products for auto and CPU from overseas that were looking up the first half of the term declined in the second half, but overall, the sales have been strong due to new products in the domestic market. The increase in the overseas procurement has lowered costs, and the segment sales has reached 5,396 million yen (an increase by 2.6% from the previous term), and the segment operating income reached 542 million yen (an increase by 9.4% from the previous term) for the current consolidated fiscal year.



Plastic Optics Business

More LED-backlit LCD TV models have employed the direct backlight types that have cost merit, and our diffusing lens for LED, which is our core product, have been employed by more models. Consequently, our sales have reached 9,795 million yen (an increase by 138.1%) and the segment operating income has reached 4,208 million yen (an increase by 661.2%) for the consolidated fiscal year.



We will introduce our Engineering Plastics Business, especially the gear business from the businesses in the Enplas Corporation.

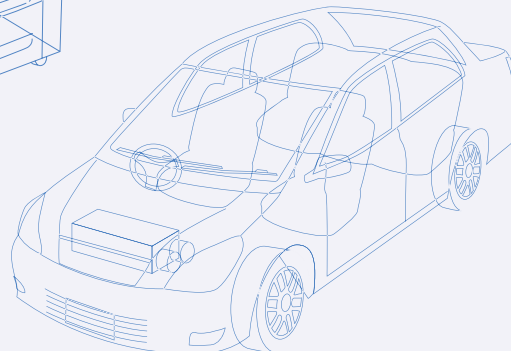
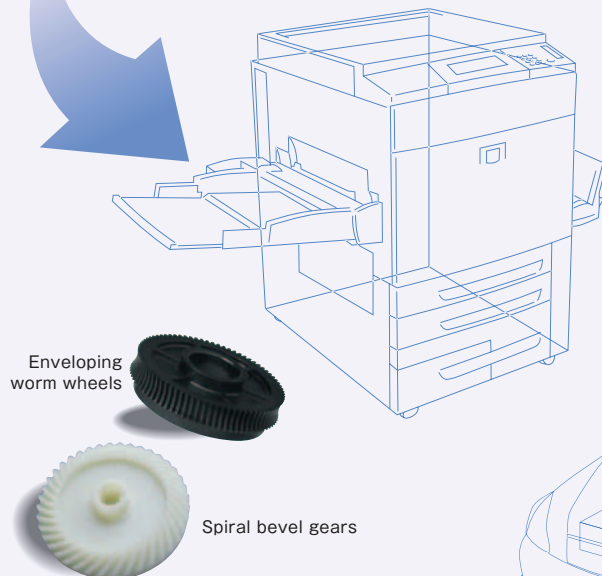
Enplas has successfully manufactured gears with the polyacetal resin for the first time in Japan in 1963, and since has been striving to improve the technology as the pioneer in engineering plastics. We continue to globally provide high precision, high functionality plastic products based on a high functionality material engineering plastics technology.

The Features and Advantages of Enplas

- High precision gears that are used in Office automation equipment such as printers and copiers. High-level heat resistance and durability required for high rigidity gears used in automobile parts. Low noise gears that enable quiet operation. These gears receive high marks and trust from a wide range of customers around the globe.
- With metalworking and forming techniques that enable precisions in units of 1/1,000 mm, we provide high functionality plastic gears to the market.
- Based on valuable data on materials from our extensive experience, we help our customers with top level product development meeting high customer demands.
- We have implemented a global network of domestic sites and sites in cities around the U.S., Europe and Asia, with ISO9001, QS9000 certifications.

Special Products Business

- We have succeeded in developing products and mass produced resin impellers for turbo chargers, plastic floats for carburetors, which were thought not possible at the time, using our unique metalworking and forming technology.



※Engineering plastics is plastics with high durability, and with specific functions reinforced such as high heat resistance.

Corporate Profile/Stock Information

Corporate Profile

Corporation Name : Enplas Corporation
Address : 2-30-1 Namiki, Kawaguchi City,
Saitama 332-0034, Japan
Established : February 21, 1962
Capital : 8,080,450,000 yen

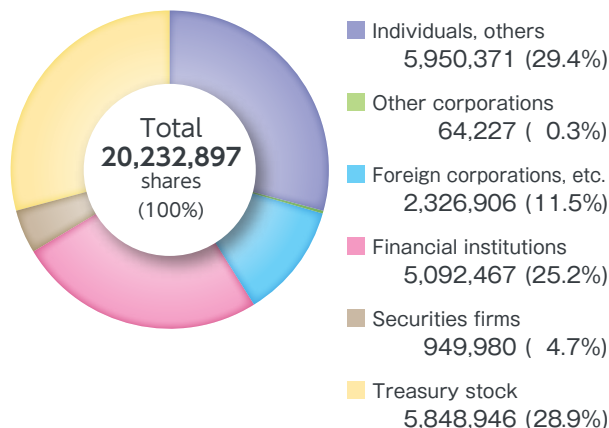
Board of Directors

President : Daisuke Yokota
Director : Takashi Sakai
Director : Noboru Sugawara
Director : Yutaka Kikuchi
Director : Ryoji Maruyama
Director : Yoshio Tamiya
Director : Ichiro Hasegawa
Corporate Auditor : Haruki Teshima
Auditor : Takeshi Danbara
Auditor : Sakae Ochiai

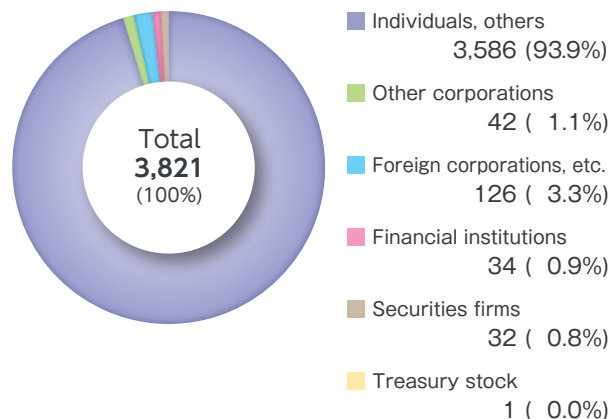
Stock Information

Total Number of Authorized Shares : 62,400,000
Shares of Common Stock Issued : 20,232,897
Number of Shareholders : 3,821
Distribution of Shares by Shareholders

Breakdown of Shares by Shareholder Type



Breakdown of Shareholders by Type



Memorandum for Shareholders / Introduction to the Corporate Web page

Memorandum for Shareholders

Fiscal year	: April 1 to March 31 of the year following
Annual meeting of shareholders	: June of each year
Shareholder registry administrator	: Tokyo Securities Transfer Agent Co., Ltd. Fourth floor, Nihon Building 2-8-4 Ootemachi, Chiyoda, Tokyo Japan. The administrative duties will be carried out by all branches within Japan, including the head branch, of the Mitsui-Sumitomo Trust Bank Ltd.
Mail address and contact (all inquiries)	: Administration center, Tokyo Securities Transfer Agent 2-8-4 Izumi, Suginami, Tokyo 168-8522 Japan. Tel: +81-120-49-7009.
Record dates	: Voting rights at the general meeting of the shareholders : March 31. Year-end dividends : March 31. Interim dividends : September 30.
Method of public notice	: Electronic notification (http://www.enplas.com). If public notification by this method is not possible, the public notification will appear on the Nikkei newspaper. The balance sheet and the profit and loss statement are disclosed to the public via EDINET (http://info.edinet-fsa.go.jp/) in place of the mandatory financial statement.
Stock Listing	: Tokyo Stock Exchange, Inc., First section

■ Top Page of the Corporate Web page. ■ Investor Relations Page.

Please take a look in the corporate web page which discloses latest information including the corporate overview, financial information, business operations, and press releases.



▷ enplas.co.jp/english/

▷ enplas.co.jp/english/ir/

■ How to apply for changes to the mailing address and to demand purchase of shares under one unit.

Please apply at your brokerage firm with your account. If the stocks are recorded in special securities accounts, all applications should be submitted to the Tokyo Securities Transfer Agent which oversees all special securities accounts

■ How to apply for unpaid dividends.

Please apply at the Tokyo Securities Transfer Agent, our shareholder registry administrator.

Offices and Group Companies

With bonds of technology and trust, scene of Enplas' s activities expands in global market

The "Enplas" group is in business 24 hours a day through our global network with global locations in Asia, the United States and Europe. Through our global network, we build our partnership on trust with top manufacturers in various industrial arenas from planning and development stages. Enplas is about to take off as a global company.



Operation Bases in Japan

Headquarters

2-30-1 Namiki, Kawaguchi City, Saitama 332-0034 Japan

Kanuma Plant

7-2 Satsuki-Cho, Kanuma City, Tochigi 322-0014 Japan

Nagoya Office

3F, Matsuoka Building, 2-45-7 Meieki, Nakamura-ku, Nagoya City, Aichi 450-0002 Japan

Group Companies in Japan

Enplas Laboratories, Inc.

2-38-5 Namiki, Kawaguchi City, Saitama 332-0034 Japan

QMS Co., Ltd.

1-3-12 Kamiaoki, Kawaguchi City, Saitama 333-0844 Japan

■ Nishi-nihon office

9F, MF Shin-Osaka Building, 2-14-4 Miyahara, Yodogawa-ku, Osaka City, Osaka 532-0003 Japan

Enplas Semiconductor Peripherals, Corp.

1-19-57 Kamiaoki, Kawaguchi City, Saitama 333-0844 Japan

■ Kyushu office

2F, Hakata Ekimae Dai-1 Building, 1-2-3 Hakataeki-minami, Hakata-ku, Fukuoka City, Fukuoka 812-0016 Japan

Enplas Display Device Corp.

2-30-1 Namiki, Kawaguchi City, Saitama 332-0034 Japan

(Established on April 2, 2012.)

Overseas Group Companies

Enplas (U.S.A.) , Inc.

1901 West Oak Circle, Marietta, Georgia 30062, U.S.A.

Enplas Tech Solutions. Inc.

1225 Innsbruck Dr., Sunnyvale, CA 94089-1317, U.S.A.

Enplas Hi-Tech (Singapore) Pte. Ltd.

No.28 Genting Lane, #07-03/04/05, Singapore 349585, Republic of Singapore

Enplas Precision (Malaysia) Sdn. Bhd.

No.9&9A Jalan Hasil 2, Kawasan Perindustrian, Jalan Hasil 81200 Johor Bahru, Malaysia

Enplas Precision (Thailand) Co., Ltd.

Hi-Tech Industrial Estate 104 Moo 1, Bhan Lain, Bang Pa-In, Ayutthaya 13160, Thailand

Pinthong Factory (Thailand)

Pinthong Industrial Estate 2 150/30 Moo 9, Tambol Nongkham, Amphur Sriracha, Chonburi 20110, Thailand

Enplas (Vietnam) Co., Ltd.

K-3 Plot, Thang Long Industrial Park, Dong Anh District, Hanoi, Vietnam

Enplas Electronics (Shanghai) Co., Ltd.

Standard Building 85, No.177, Yi Wei Road,

Shanghai Waigaoqiao Free Trade Zone, Shanghai 200131, PRC

Guangzhou Enplas Mechatronics Co., Ltd.

Floor1, Standard Building 1, Hexing Industry Park, 10 Yongsheng Road,

Yong He Economic Zone, Guangzhou Economic & Technological Development District,

Guangzhou City 511356, P.R.C.

Enplas Niche Technology Corporation

4F-1, No.27 Puding Road, Hsinchu City, 300 Taiwan, R.O.C.

Enplas (Hong Kong) Limited

Suite 515, 5/F World Commerce Centre, Harbour City, 11 Canton Road, Tsim Sha Tsui,

Kowloon, Hong Kong

PT.Enplas Indonesia

Kawasan Industri Jababeka Tahap 3 Jl. Tekno Boulevard Blok 6 F

Desapasirgombong, Kec. Cikarang Utara, Bekasi 17550, Indonesia

Korea Branch

#710, Hyundai Office Building, 240-3, Hwangsa-eul-ro, Bundang-gu, Seongnam-si, Gyeonggi-do,

463-783, Korea

Enplas Corporation

Address: 2-30-1 Namiki, Kawaguchi City, Saitama 332-0034, Japan

Tel: 81-48-253-3131 Fax: 81-48-255-1688

<http://www.enplas.com>



Easy to read universal design fonts that are used.

