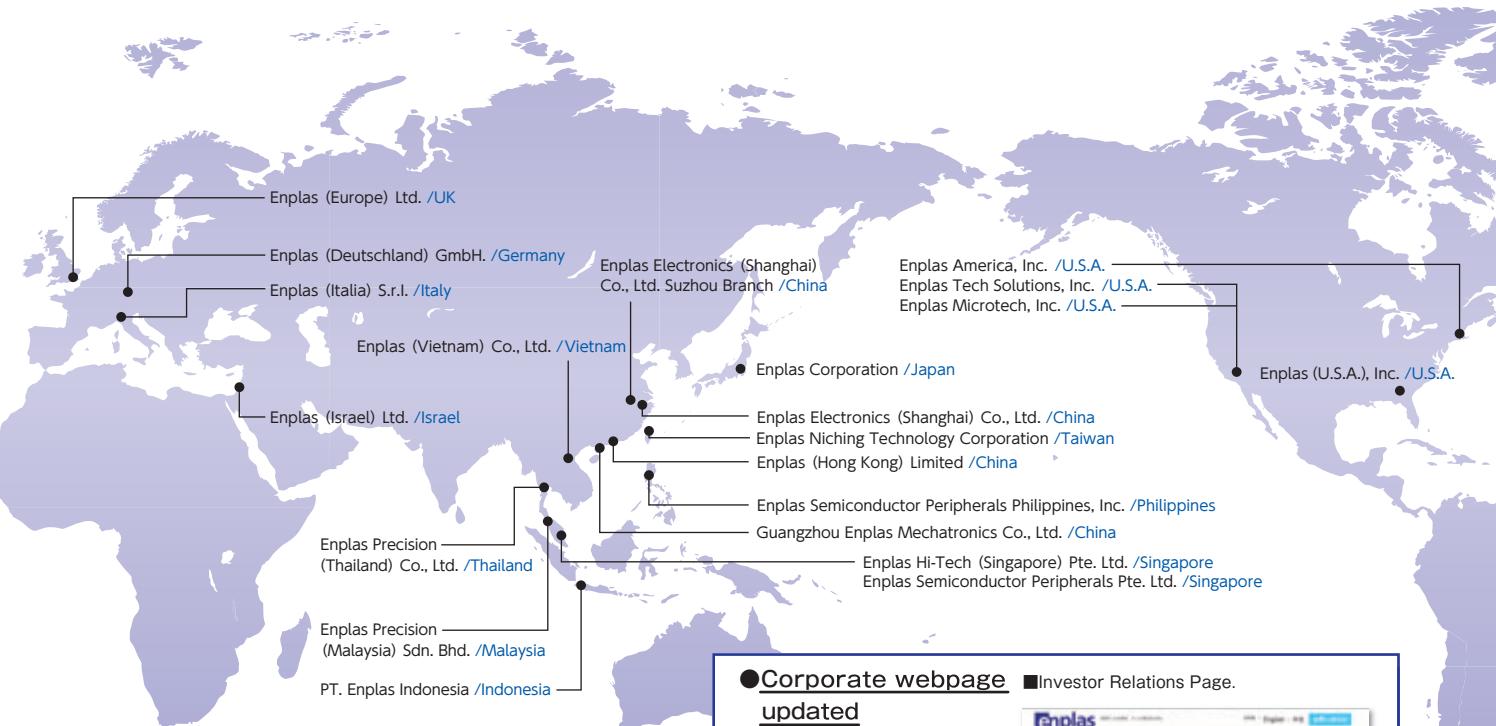


Overseas Network

Global network based on client trust and superior technology.

The “Enplas” group is in business 24 hours a day through our global network with locations in Asia, North America and Europe. Through our global network, we build partnerships based on trust with top manufacturers in various industrial arenas from planning and development stages.



Enplas Corporation

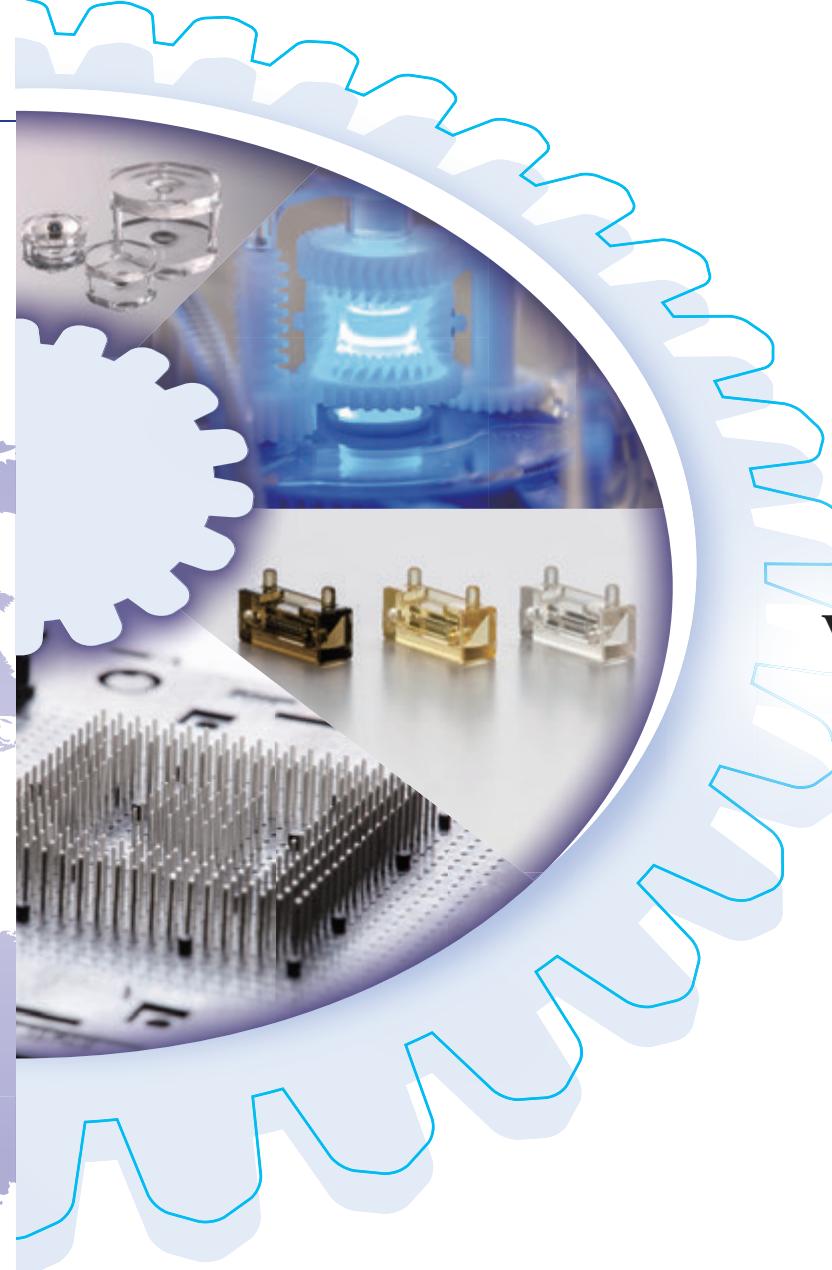
Address: 2-30-1 Namiki, Kawaguchi City, Saitama 332-0034, Japan
 Tel: 81-48-253-3131 Fax: 81-48-255-1688
 http://www.enplas.com



● **Corporate webpage updated** ■ Investor Relations Page.

Please take a look at the corporate webpage. It provides all the latest information, including a corporate overview and financial information in format that makes it even easier to understand.

エンプラス IR 検索



Working for a Better Tomorrow

Business Report 2017
 April 1, 2016 to March 31, 2017





株式会社エンプラス

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- 01. Corporate Philosophy
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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.



Daisuke Yokota, President
Enplas Corporation



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.

Business conditions and results

While economic conditions in North America showed some uncertainty with the start of the new presidential administration, a gentle growth trend continued. In China, while public investment provided some underlying support for the market, the real estate market showed signs of overheating. Emerging markets showed signs of overall improvement, as the high value of the dollar on international currency markets led to a slowing of capital outflows.

Japan's economy during this consolidated fiscal year trended toward gentle recovery, thanks to economic recovery overseas and rising capital investment for the upcoming Olympic Games. However, future economic prospects remain difficult to forecast as a chronic labor shortage manifested itself and uncertainty about the future increased in connection with the Brexit issue in Europe, generating concerns about various matters, including a rise of protectionism around the world and risks of rapid exchange rate fluctuations.

Under these conditions, with the goal of achieving continuing growth, the Enplas Group adopted the following fundamental management policies during this fiscal year:

1. Operational Excellence: Firmly establishing business improvement processes
2. Specification Technology: Progress in the spec business
3. Multiple Growth: Implementing diverse growth strategies

Based on the fundamental management policies above, we also advanced the following priority measures to adapt swiftly to intensifying global competition and other changes in the business climate, increase corporate value, and grow shareholder value:

1. Proactive investment in innovation
2. Enhanced marketing functions
3. Promoting the development of strategic products
4. Enhancing state-of-the-art evaluation technologies
5. Creating diverse business opportunities

The primary measures implemented during this consolidated fiscal year included broad-ranging enhancements in coordination functions

for our North American operations, establishing a British subsidiary to coordinate our European operations, and promoting business development—all with the goal of further progress in our global management. In addition, to enhance our solutions businesses, we expanded proactive investments intended to develop state-of-the-art evaluation technologies and to create diverse business opportunities. We also issued stock options as incentives for working in solidarity to improve future business performance by increasing employee sense of participation in management.

Topics to be addressed

The Group's business areas of engineering plastics, semiconductor peripherals, and plastic optics are industries subject to dramatic changes in market conditions as new technologies are introduced day after day. Given these conditions, outlined below are some of the issues the Company must address.

(i) Implementing diverse growth strategies

The Company's earnings structure remains weighted toward the plastic optics business, even as the semiconductor peripherals business grows. We have identified as a pressing issue the need to stabilize and diversify earnings by increasing the earnings potential of the engineering plastics business and further growing the semiconductor peripherals business, as well as promoting the development of new businesses.

We plan to enhance global business foundations in the engineering plastics business and the semiconductor peripherals business while moving forward with companywide initiatives in the research and development of new products and promoting the creation of diverse business opportunities through mergers and acquisitions (M&A) and investments in new technologies.

(ii) Progress in the spec business

The Enplas Group operates in the electronic components industry, an

industry characterized by the diversification and advancement of customer needs. To propose solutions that deliver value to customers, we believe it is essential to implement necessary evaluations based on the customer's point of view and to carry out functional assurance. To achieve these goals, we plan to promote the development of state-of-the-art evaluation technologies and to differentiate ourselves from the competition through more advanced technological proposals.

(iii) Responding to business risks

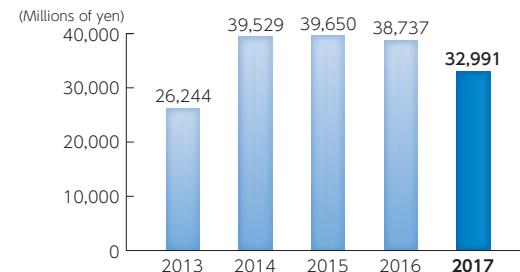
We expect the progress of globalization to present ever-growing business risks for the Group. Having identified as risks capable of impacting our business the risks associated with intellectual property rights, risks arising from intensifying price competition in the market and inventory adjustments, risks of fluctuations in exchange rates, country risks, and risks arising from natural disasters and similar events, we will review and determine suitable countermeasures. We also see the task of minimizing risks related to IP rights in the products and technologies we develop to be an issue of the utmost importance.

We are striving to protect the intellectual property rights we hold and working to secure even stronger IP.

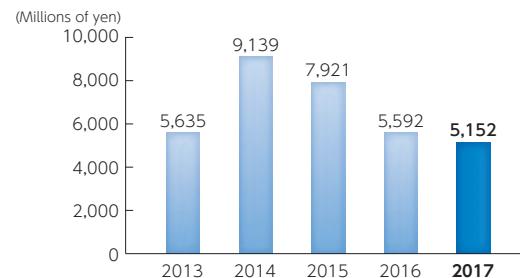
We will seek to realize sustainable growth by proactively advancing these measures.

Moving forward, we look forward to continuing support and encouragement from all our shareholders.

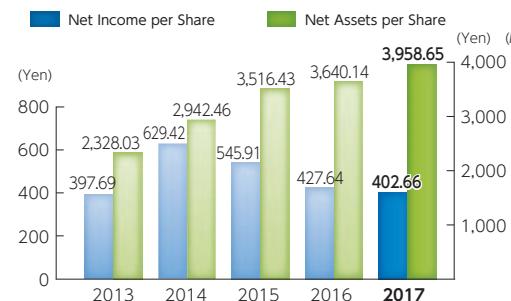
Consolidated Sales



Consolidated Profit attributable to owners of parent



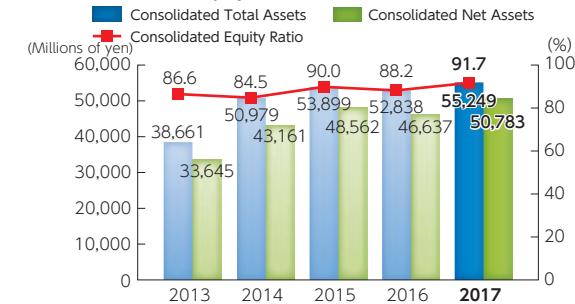
Net Income per Share / Net Assets per Share



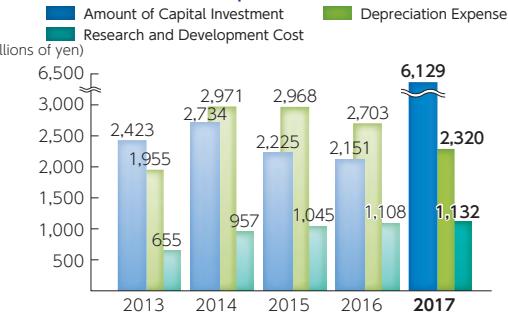
Consolidated Operating Income / Consolidated Ordinary Income



Consolidated Total Assets/Consolidated Net Assets/Consolidated Equity Ratio



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



Point 1

Consolidated sales for this term were 32,991 million yen (down 14.8% YOY).

Point 2

Consolidated operating income was 4,151 million yen (down 58.2% YOY), and the consolidated ordinary income was 4,077 million yen (down 58.5% YOY).

Point 3

Consolidated profit attributable to owners of parent was 5,152 million yen (down 7.9% YOY).

Point 4

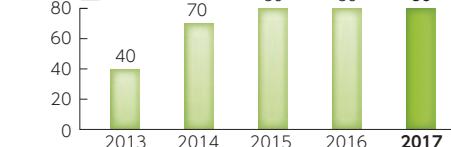
Consolidated net assets were 50,783 million yen (down 8.9% YOY), and the capital-to-asset ratio was 91.7% (up 3.5 percentage points YOY).

Distribution of Profits

The dividend per share is 80 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 80 yen based on the future earnings forecasts with stable redistribution on our mind.

Dividends

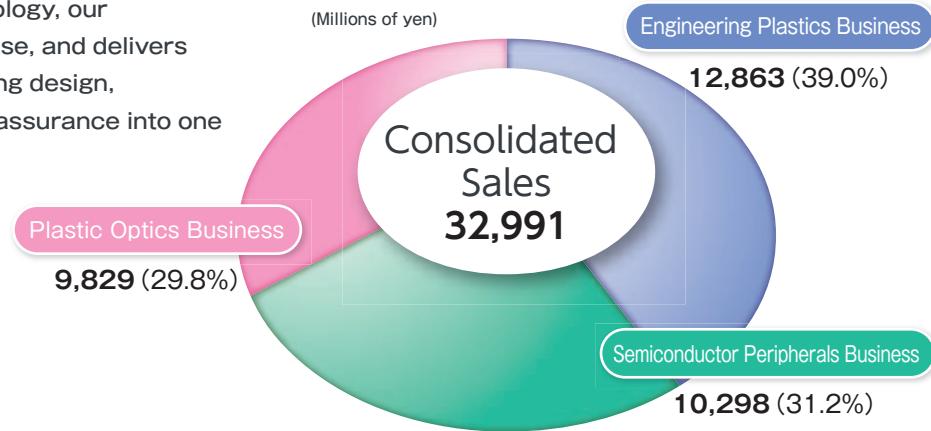


Note: "Consolidated Net Income" refers to consolidated net income attributable to owners of the parent.

Outline by Businesses

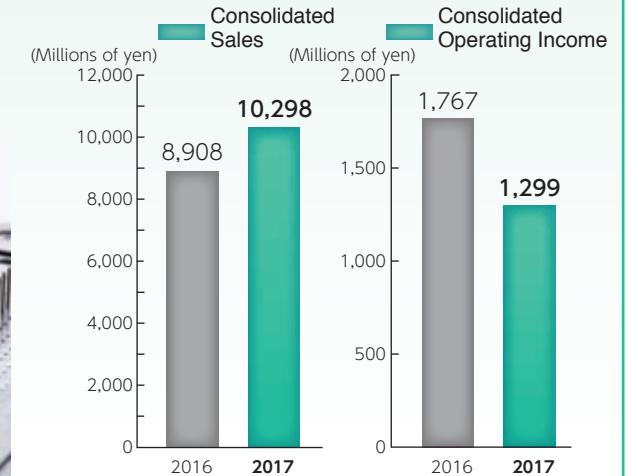
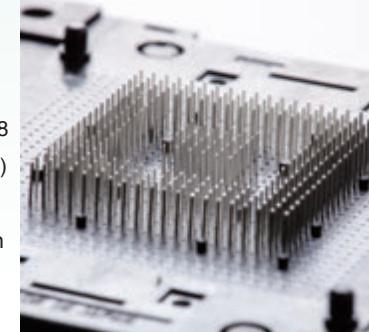
Breakdown of Sales by Business Segment The term ended March 2017 (from April 1, 2016 to March 31, 2017)

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



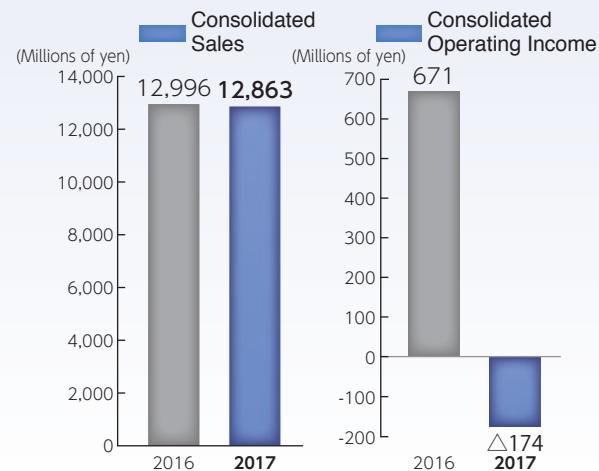
Semiconductor Peripherals Business

Despite the effects of production adjustments by key overseas customers, orders received grew for IC test sockets, a strategic priority during this term, while sales for automotive uses were also strong. In addition to the strong effects of the high value of the yen on international currency markets, these factors resulted in consolidated sales for this term of 10,298 million yen (up 15.6% YOY) and segment operating income of 1,299 million yen (down 26.5% YOY).



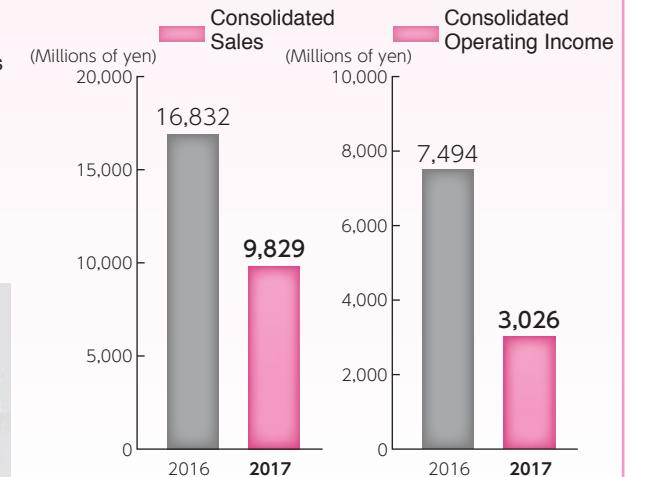
Engineering Plastics Business

While sales of automotive parts were stable thanks to the support of strong market conditions centered on North America, performance of printer parts was sluggish due to intensifying market competition, combined with the maturation of the printer market. These developments resulted in consolidated sales for this term of 12,863 million yen (down 1.0% YOY) and segment operating losses of 174 million yen (vs. segment operating income of 671 million yen in the previous term).



Plastic Optics Business

In the area of optical communication lenses, despite steady server demand, strong sales centered on high-end products, and progress on efforts to enhance and expand the customer base through proactive proposal of solutions in the category of LED diffusing lenses (one of our core products), sales were sluggish due to the strong effects of production adjustments by our main customers. Consolidated sales for this term were 9,829 million yen (down 41.6% YOY). Segment operating income was 3,026 million yen (down 59.6% YOY).



Quality Policy

Earning customer trust and appreciation by supplying superior quality products and services worldwide

- The quality policy applies globally to all Enplas entities and activities.
- All Enplas entities have adopted ISO9001 as the fundamental framework of their quality management system.
- Based on the quality first policy, Enplas has made improvements across all business processes to manufacture and supply products that satisfy customers.
- In addition to being monitored locally, quality is also monitored and supported by headquarters to maintain quality worldwide.

[Registered Organization]
Enplas Corporation
[The Scope of the Registration]



1. Design, development, production and production management of precision plastic gears, plastic carburetor floats, optical elements and other injection molded engineering plastic precision products.
2. Design, development and production management of IC Sockets and Carriers.

Environment

Environmental commitment.

As the world population nears eight billion, the environmental stress to our planet is evident in terms of air and water pollution and associated climate impact. The path that Enplas must follow with respect to environmental conservation is clear.

We believe that as a global enterprise it is a necessity for Enplas to obtain the ISO 14001 certification, a global standard for Environment Management Systems. In addition to having attained ISO 14001 certification, Enplas has developed an environmental manual based on ISO 14001 guidelines and made a 'Declaration of Compliance' in each section, including those which create fewer burdens to the environment. Our approach to environmental conservation is one conducted with strict self-discipline.

Environmental Policy

Enplas is actively engaged in environmental protection related activities across all aspects of the manufacturing process.

- We set environmental targets, built a company-wide environmental management system in order to achieve them, and continually work for improvement.
- Through the rationalization and improvement of the business, we will reduce the environmental burden and promote energy conservation (reduction of power usage/ CO2 emissions).
- We will promote the reduction and recycling of waste plastic.
- In cooperation with suppliers we will strive to reduce the environmental impact of our supply chain.
- We will comply with all environmental regulations and environmental agreements.
- We will strive to prevent the emission of pollution from our corporate activities.
- As members of society, we will contribute to the protection of the environment.

[Registered Organization]
Enplas Kanuma Plant



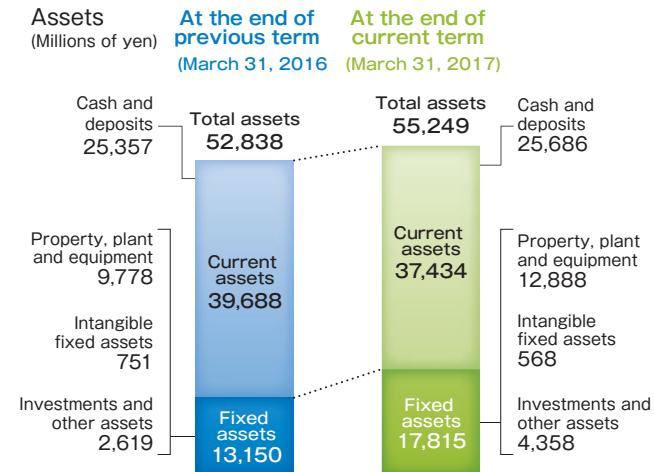
[Scope of Registration]
Development and manufacturing of plastic / composite material based precision components.

ISO 14001 REGISTERED

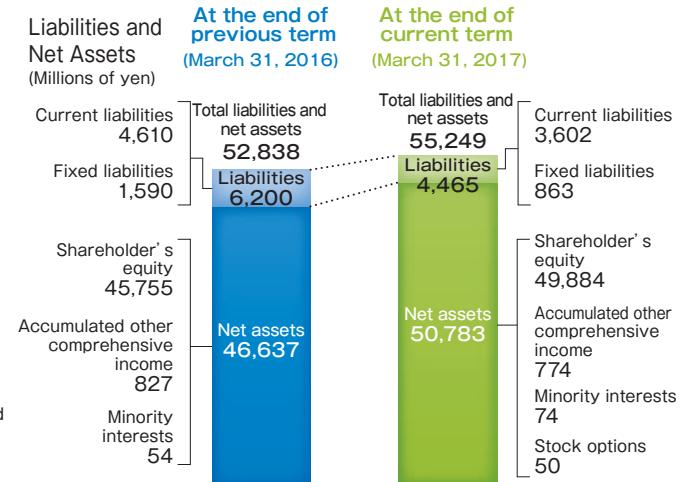
Registration Status

Units and physical boundaries of the organization	Classification	Description of Business
Enplas Corporation	Self-Declaration	Development and manufacture of precision plastic components.
Global Head Office	Self-Declaration	
Head Office	Self-Declaration	
Kanuma Plant	Examination Registrations	
Enplas Corporation	Self-Declaration	Development and manufacture of precision plastic components.
Hamamatsucho Office	Self-Declaration	
Domestic Group Companies	Self-Declaration	
Enplas Laboratories, Inc.	Self-Declaration	
Enplas Display Device Corporation	Self-Declaration	
Enplas Semiconductor Peripheral Corporation	Self-Declaration	Development and manufacture of precision plastic components.
QMS Co., Ltd.	Self-Declaration	

Outline of the Consolidated Balance Sheet

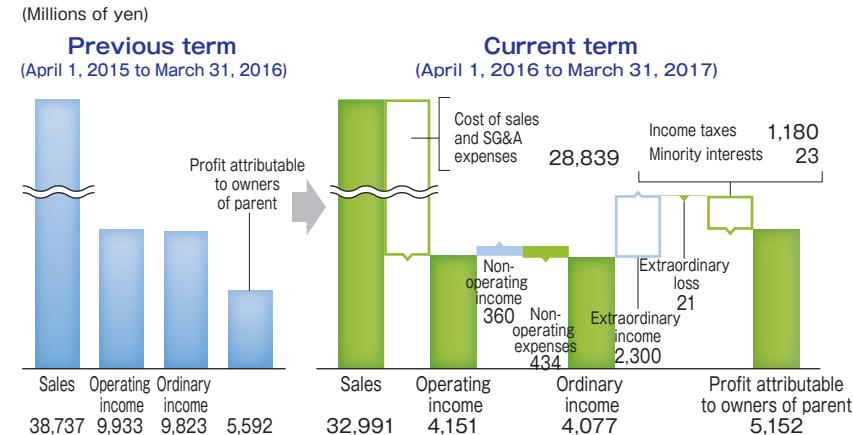


Total assets were 55,249 million yen, up 2,410 million yen from the previous term. While current assets decreased by 2,254 million yen, fixed assets increased by 4,664 million yen. Major factors driving the increase in total assets included increases of 3,109 million yen in property, plant and equipment and 1,738 million yen in investments and other assets.



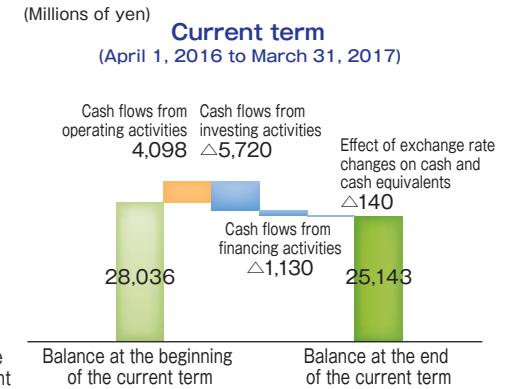
Net assets were 50,783 million yen, up 4,145 million yen from the previous term. As a result, the equity ratio increased by 3.5 percentage points from the end of the previous term to 91.7%.

Outline of the Consolidated Profit and Loss Statement



Consolidated sales were 32,991 million yen (down 14.8% YOY), consolidated operating income was 4,151 million yen (down 58.2% YOY), consolidated ordinary income was 4,077 million yen (down 58.5% YOY), and Profit attributable to owners of parent was 5,152 million yen (down 7.9% YOY).

Outline of the Statement of the Consolidated Cash Flow



Cash and cash equivalents for this term were 25,143 million yen, a decrease of 2,893 million yen from the end of the previous term.

(As of June 23, 2017)

(As of March 31, 2017)

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

Directors and Executive Officers

President : Daisuke Yokota
 Member of the Board
 Senior Managing Executive Officer : Takashi Sakai
 Member of the Board (Audit Committee) : Yoong Yoon Liong
 Member of the Board (Audit Committee) : Masanori Kazamaki
 Member of the Board (Audit Committee) : Ichiro Hasegawa
 Managing Director, Executive Officer : Yutaka Kikuchi
 Managing Executive Officer : Yoshio Tamiya
 Managing Executive Officer : Shigeo Kutsuzawa
 Managing Executive Officer : Naoaki Takayama
 Executive Officer : Kiyotaka Hoshino
 Executive Officer : Shoji Miyasaka
 Executive Officer : Shigeya Fujita

Stock Information

Total Number of Authorized Shares : 62,400,000
 Shares of Common Stock Issued : 18,232,897
 Number of Shareholders : 4,987

Distribution of Shares by Shareholders



Memorandum for Shareholders

Fiscal year : April 1 to March 31 of the year following
 Annual general meeting of shareholders : June of each year
 Shareholder registry administrator : Tokyo Securities Transfer Agent Co., Ltd.
 Agency services are available at the head office and branches within Japan of the Mitsui-Sumitomo Trust Bank Ltd.
 Mailing address/contact information : Address inquiries to: Administrative Center, Tokyo Securities Transfer Agent Co., Ltd., 8-4 Izumi 2-chome, Suginami, Tokyo 168-8522, Japan Toll-free: **0120-49-7009**
 Record date : March 31 for voting at annual general meeting of shareholders
 Method of public notice : Electronic notification (<http://www.enplas.com>)
 If public notification by this method is not possible, the public notification will appear in the Nikkei newspaper.
 The balance sheet and the profit and loss statement are disclosed to the public in place of the mandatory financial statements via EDINET (<http://info.edinet-fsa.go.jp/>).
 Stock Listing : Tokyo Stock Exchange, Inc., First section

Domestic Network

Global Head Office
 9F, Shin-Marunouchi Center Building, 1-6-2 Marunouchi, Chiyoda-ku, Tokyo
Headquarters
 2-30-1 Namiki, Kawaguchi City, Saitama



Tokyo
 • Global Head Office
 • Single Cell Technology Corporation
 • Hamamatsucho Office



Headquarters
Enplas Display Device Corporation



Kanuma Plant



Enplas Semiconductor Peripheral Corporation



QMS Co., Ltd.



Enplas Laboratories, Inc.