
2023.3 First-Quarter Results

July 29, 2022

Enplas Corporation

60th
Anniversary

Agenda

2023.3 Management Policy

2023.3 First-Quarter Results

- **Financial Results**
- **Financial Results Overview**

2023.3 Financial Forecast

Business Trend and Strategy for Each Segment

»» 2023.3 Management Policy

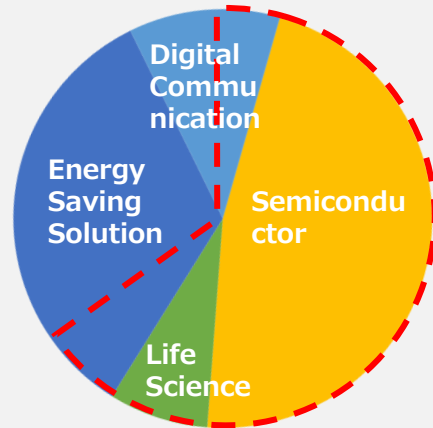
Focus on Essential* Business Fields

Semiconductor	Already essential and high growth business
Life Science	
Energy Saving Solution	Transition to more essential areas within the business e.g. Eco friendly cars, Optoplanics
Digital Communication	

*Essential: Business fields that enhance quality of life (QOL) for people and the planet.

Image of Sales breakdown

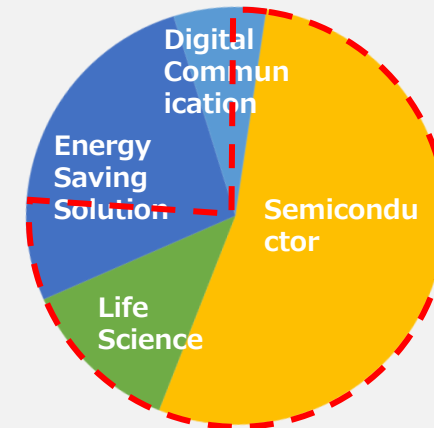
Rate of Essential: **60%**



2022.3



75%



2025.3

Management Policy

Management Policy

Grow by Co-Creation and Competitiveness

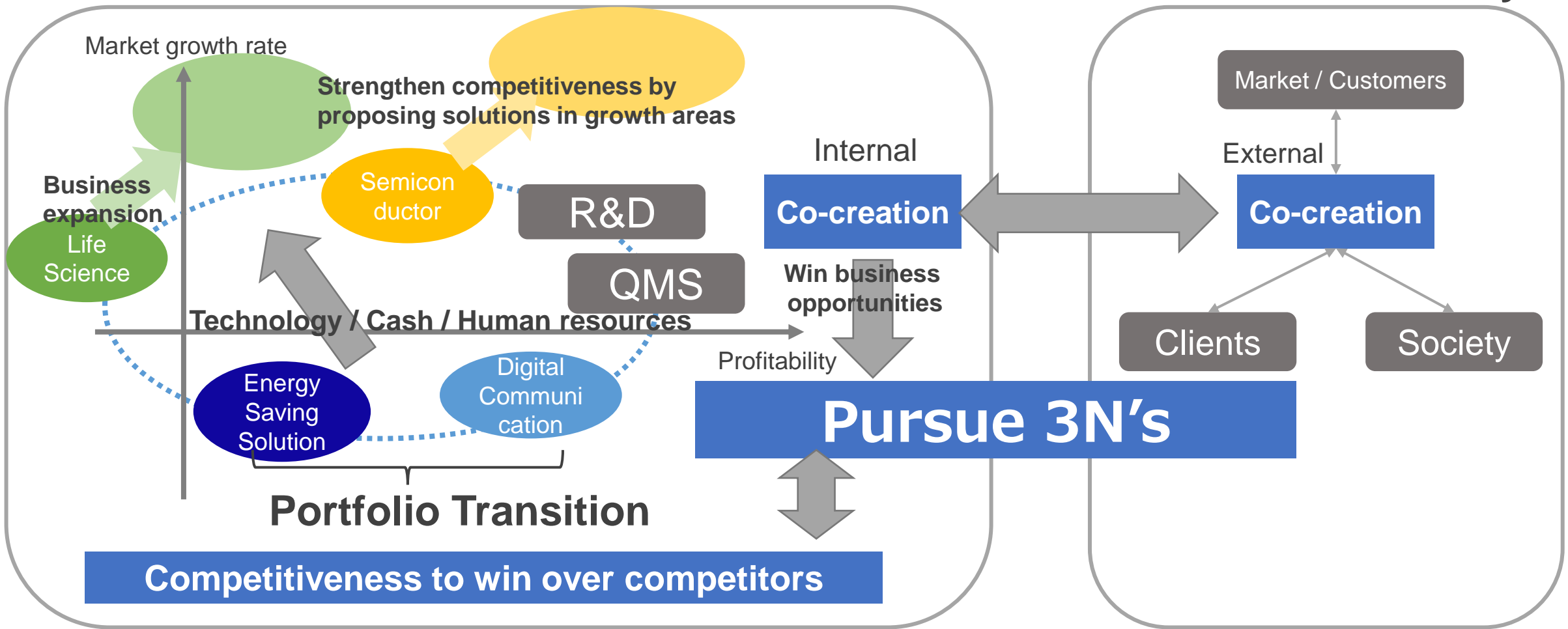
Priority Items

- Enhance our Competitiveness
- Co-create more
- Pursue the 3N's (New technology, New customer, New applications)

Management Policy: Business Portfolio (Priority Items)

Sustainable Growth

Sustainable Society



»» 2023.3 First-Quarter Results

2023.3 First-Quarter Financial Results

(100 million yen)

	2022.3	2023.3	Change	(Reference) Plan
	1Q Results	1Q Results		
Sales	82.3	101.1	22.9%	170.0
COGS Ratio	59.4%	53.7%	△5.7 pt	58.8%
Operating Income	8.7	19.5	124.5%	20.0
Ordinary Income	7.6	21.3	178.5%	19.0
Profit attributable to owners of parent	4.5	15.0	231.8%	13.3
Earnings Per Share	51.49 _{yen}	170.44 _{yen}	118.95 _{yen}	150.86 _{yen}
Average Foreign Exchange rate (US\$)	110.01 _{yen}	129.03 _{yen}	19.02 _{yen}	(Planned rate) 115.00 _{yen}

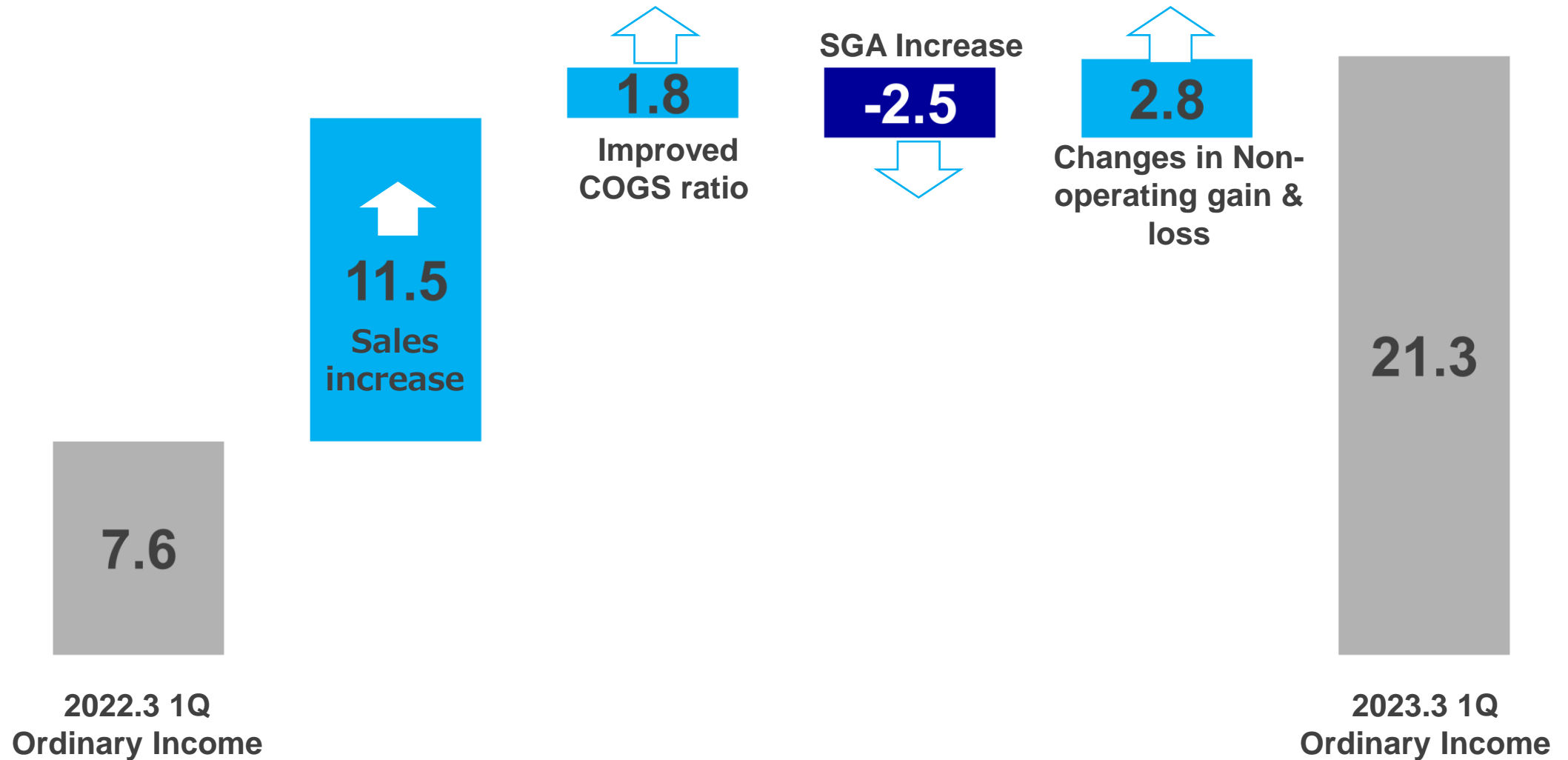
Effect of Foreign exchange (“FX”) rate

Average FX rate for the 2023.3 First-Quarter (US\$)	129.03 yen
Planned FX rate (US\$)	115.00 yen
FX sensitivity (US\$) ※Effect of 1 yen change (Full-year)	Net sales Approx. 200 million yen Operating income Approx. 150 million yen
Effect of FX rate change for the 2023.3 First-Quarter ※Difference from planned rate	Net sales +670 million yen, Operating income +500 million yen (Excluding effect of FX rate : Net sales 9,440 million yen, Operating income 1,450 million yen)
Overseas sales ratio (2022.3)	Approx. 80%

2023.3 First-Quarter Ordinary Income Analysis

<2023.3 First-Quarter vs. 2022.3 First-Quarter>

(100 million yen)



2023.3 First-Quarter Results by Segment

(100 million yen)

		2022.3	2023.3	
		1Q Results	1Q Results	Change
Semiconductor	Sales	36.5	56.6	55.0%
	COGS Ratio	56.9%	49.9%	△7.0pt
	Operating Income	5.4	14.5	167.4%
Life Science	Sales	5.7	7.9	37.8%
	COGS Ratio	80.2%	54.5%	△25.7pt
	Operating Income	△3.7	△1.0	-
Digital Communication	Sales	11.4	9.4	△17.8%
	COGS Ratio	40.0%	38.6%	△1.4pt
	Operating Income	3.9	3.5	△8.7%
Energy Saving Solution	Sales	28.6	27.2	△4.9%
	COGS Ratio	66.2%	66.6%	0.4pt
	Operating Income	3.1	2.5	△18.6%

Quarterly Results

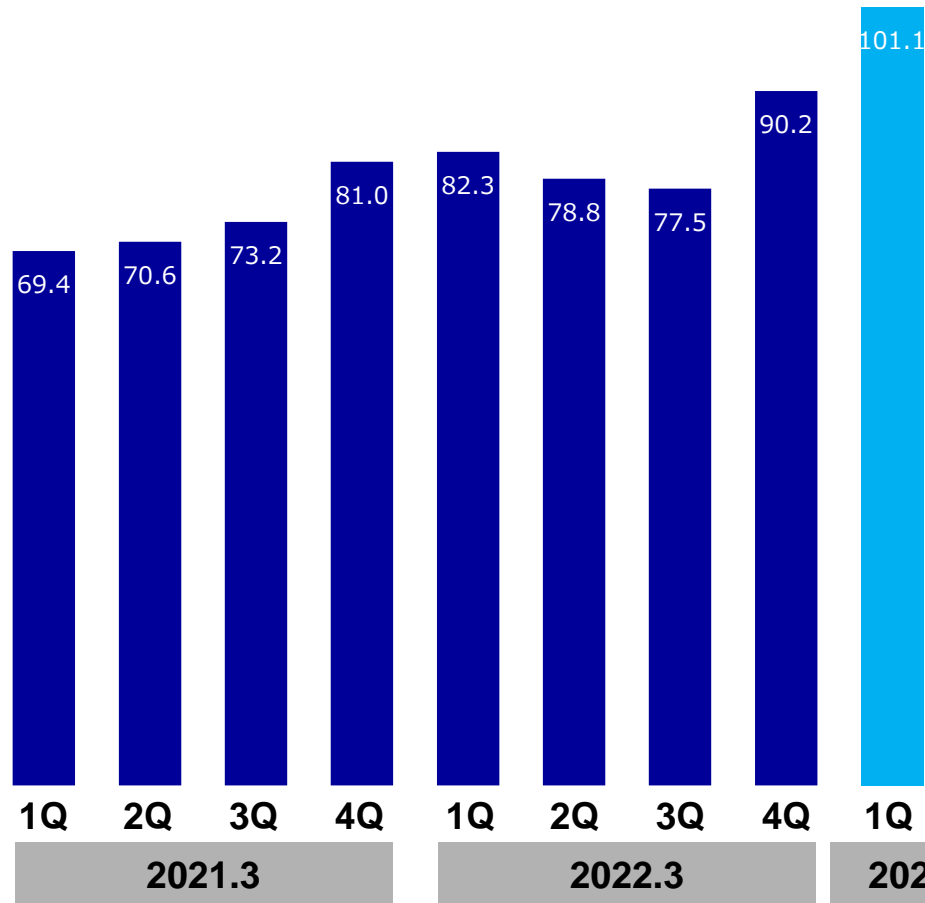
(100 million yen)

	2022.3				2023.3
	1Q	2Q	3Q	4Q	1Q
Sales	82.3	78.8	77.5	90.2	101.1
COGS Ratio	59.4%	59.7%	62.0%	56.8%	53.7%
Operating Income	8.7	7.8	5.6	13.8	19.5
Ordinary Income	7.6	7.6	5.3	13.8	21.3
Profit attributable to owners of parent	4.5	4.5	5.2	10.8	15.0
Earnings Per Share	51.49_{yen}	51.96_{yen}	59.97_{yen}	123.61_{yen}	170.44_{yen}

Quarterly Results

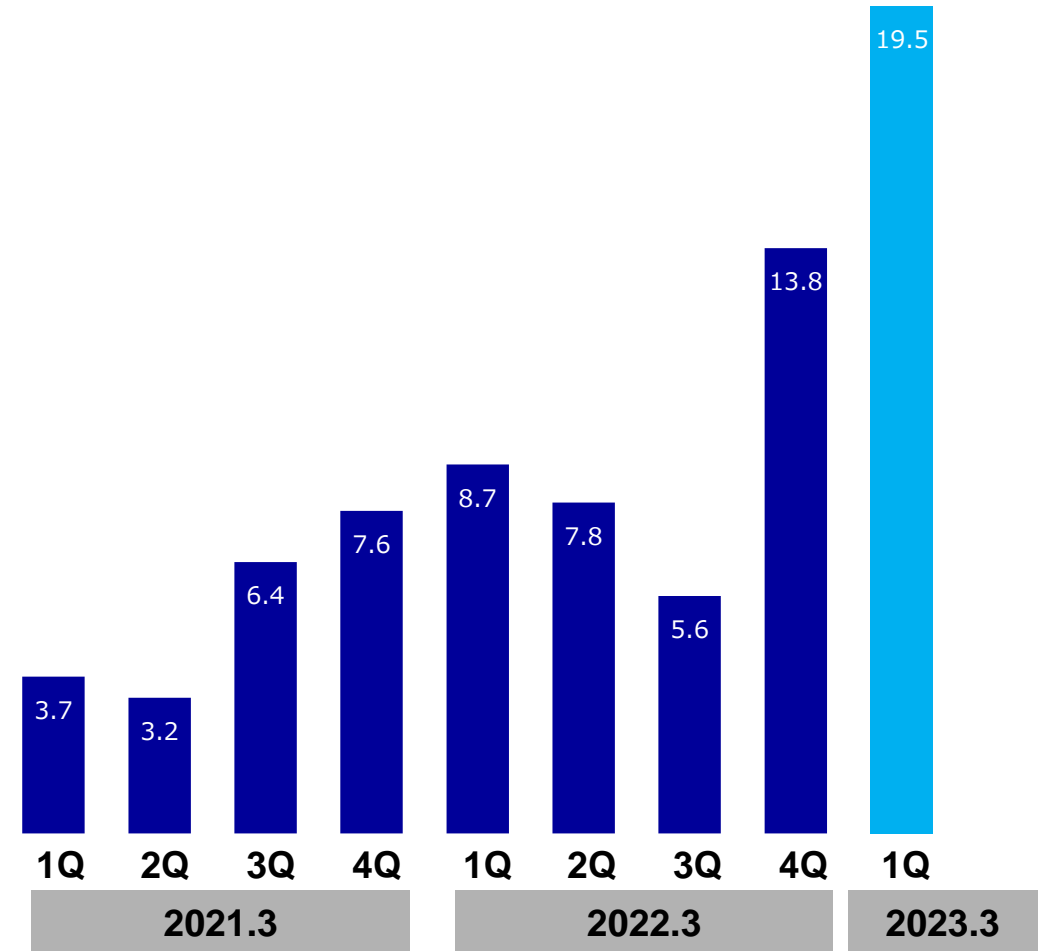
<Sales>

(100 million yen)



<Operating Income>

(100 million yen)



Quarter Results by Segment

(100 million yen)

		2022.3				2023.3
		1Q	2Q	3Q	4Q	1Q
Semiconductor	Sales	36.5	36.7	37.2	48.6	56.6
	COGS Ratio	56.9%	59.2%	59.0%	52.1%	49.9%
	Operating Income	5.4	4.5	4.6	11.3	14.5
Life Science	Sales	5.7	6.2	5.9	6.7	7.9
	COGS Ratio	80.2%	67.8%	63.4%	58.4%	54.5%
	Operating Income	△ 3.7	△ 2.9	△ 2.9	△ 2.2	△ 1.0
Digital Communication	Sales	11.4	9.0	7.5	7.3	9.4
	COGS Ratio	40.0%	41.2%	46.0%	45.0%	38.6%
	Operating Income	3.9	2.7	1.8	2.0	3.5
Energy Saving Solution	Sales	28.6	26.7	26.8	27.4	27.2
	COGS Ratio	66.2%	64.6%	70.3%	67.8%	66.6%
	Operating Income	3.1	3.4	1.9	2.6	2.5

Financial Results Overview

■ 2023.3 First-Quarter Financial Results

Summary : YoY sales and profit increase due to strong demand for semiconductors.
(Sales +22.9%, Operating Income +124.5%, Profit attributable to owners of parent +231.8%)

Segment : In Semiconductor business, sales reached a record high, despite concerns of a recession in semiconductor market, particularly for memory applications, demand for semiconductors is expected to continue to increase in the future.

In Life Science business, orders from existing and new customers, and prototype orders are strong, and are expected to continue to increase in the future.

In Digital Communication business, the impact of global semiconductor shortage for the optical fiber lenses is improving. In LED diffusion lens, sales and profits declined in YoY due to the impact of lower demand.

In Energy Saving Solution business, sales and profits declined in YoY due to customers' production adjustment caused by semiconductor shortages, component procurement difficulties, Shanghai's COVID Lockdown.

■ 2023.3 Financial Forecast : Upward revision

2023.3 First-Quarter Actions Implemented

Issuance of Stock options

Allotment date : July 19, 2022

Exercise period of stock options :
June 28, 2025 to June 27, 2027

Total number of stock options : 2,942 stock options (294,200 shares)

Option price : 737 yen per share

Exercise price : 3,353 yen per share

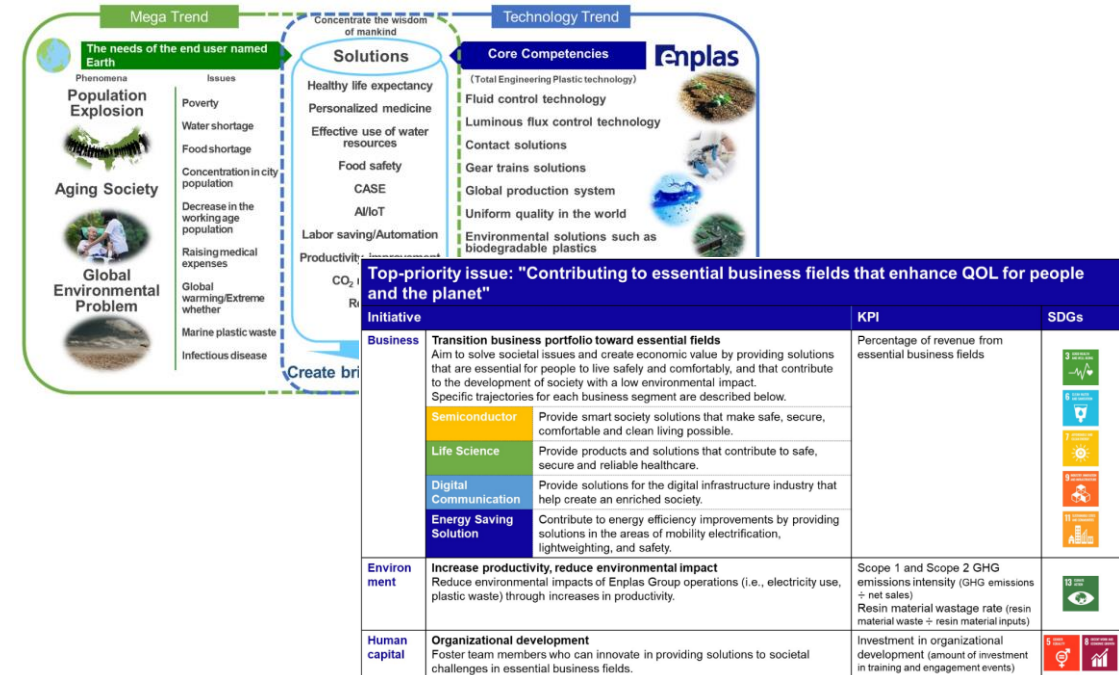
Cancellation of treasury stock

Number of shares to be cancelled : 3,500,000 shares (26.45% of total number of issued shares before the cancellation)

Scheduled date of cancellation : August 31, 2022

Sustainability initiatives

Enplas' sustainability initiatives, including climate change issues (reporting based on TCFD recommendations), are disclosed on our website.



<https://www.enplas.co.jp/english/company/governance/>

»» 2023.3 Financial Forecast

Assumptions for 2023.3 Financial Forecast

Global Consolidation

- The consolidated earnings forecast is revised upward reflecting First-Quarter results and the impact of FX rate.
- Planned FX rate (US\$): 115.00 yen → 130.00 yen

Semiconductor business

- Despite concerns about a recession in demand for semiconductors, particularly for memory applications, demand for servers and automotive applications, on which we focus, is expected to continue to increase as forecasted.

Life Science business

- The genetic testing market is expected to expand as forecasted.

Digital Communication business

- No change from the previous forecast.

Energy Saving Solution business

- Previous forecast is revised downward due to the impact of Shanghai's COVID lockdown.
- The recovery of the semiconductors supply shortage is being delayed.

2023.3 Financial Forecast

(100 million yen)

	2023.3 (April Forecast)		2023.3 (Revised)	
	1 st Half	Full-year	1 st Half	Full-year
Net Sales	170.0	350.0	190.0	375.0
COGS Ratio	58.8%	58.6%	53.7%	53.3%
Operating Income	20.0	42.0	34.0	65.0
Ordinary Income	19.0	40.0	35.0	65.0
Profit attributable to owners of parent	13.3	28.0	25.0	46.0
Earnings Per Share	150.86_{yen}	317.60_{yen}	283.57_{yen}	521.78_{yen}
Dividends Per Share	25.00_{yen}	50.00_{yen}	25.00_{yen}	50.00_{yen}

2023.3 Financial Forecast by Segment

(100 million yen)

	2023.3 (April Forecast)		2023.3 (Revised)	
	1 st Half	Full-year	1 st Half	Full-year
Semiconductor	82.0	170.0	101.0	196.0
Life Science	14.0	30.0	16.0	32.0
Digital Communication	18.0	36.0	18.0	36.0
Energy Saving Solution	56.0	114.0	55.0	111.0

2023.3 Capital Expenditures, Depreciation, R&D (Reference)

(100 million yen)

	2022.3	2023.3	2023.3
	Results	1Q Results	Full-year
Capital expenditures	17.4	2.6	30.0
Depreciation	23.1	5.5	24.0
R&D	6.6	2.8	12.0

※Capital expenditures and R&D Forecast changed

»» Business Trend and Strategy for Each Segment

Semiconductor Business

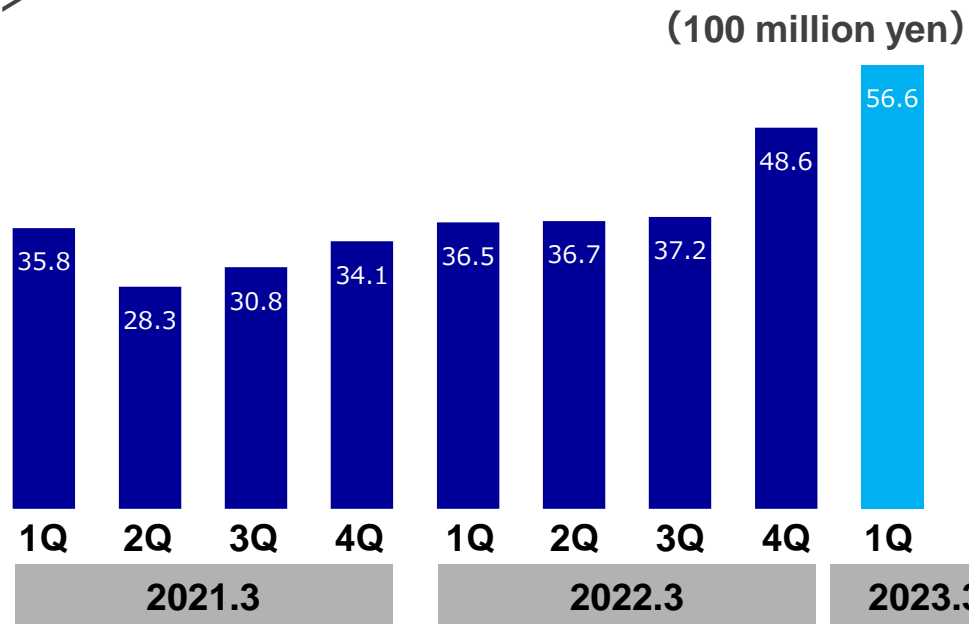
Environment

- Demand for server, PC, automotive, and analog applications remains high.
- Despite concerns about a recession in demand for semiconductors, particularly for memory applications, demand for servers and automotive applications, on which we focus, is expected to continue to increase.

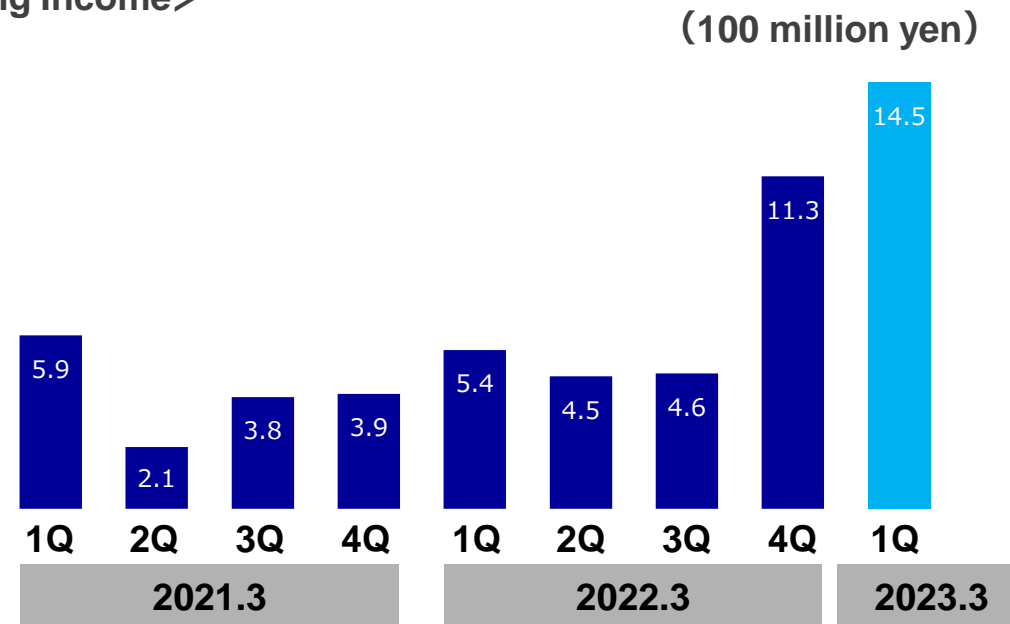
Strategy

- Strengthening competitiveness.
- Strengthen manufacturing structure (promote co-creation).
- Promote to develop new solutions.

<Sales>



<Operating Income>



Life Science Business

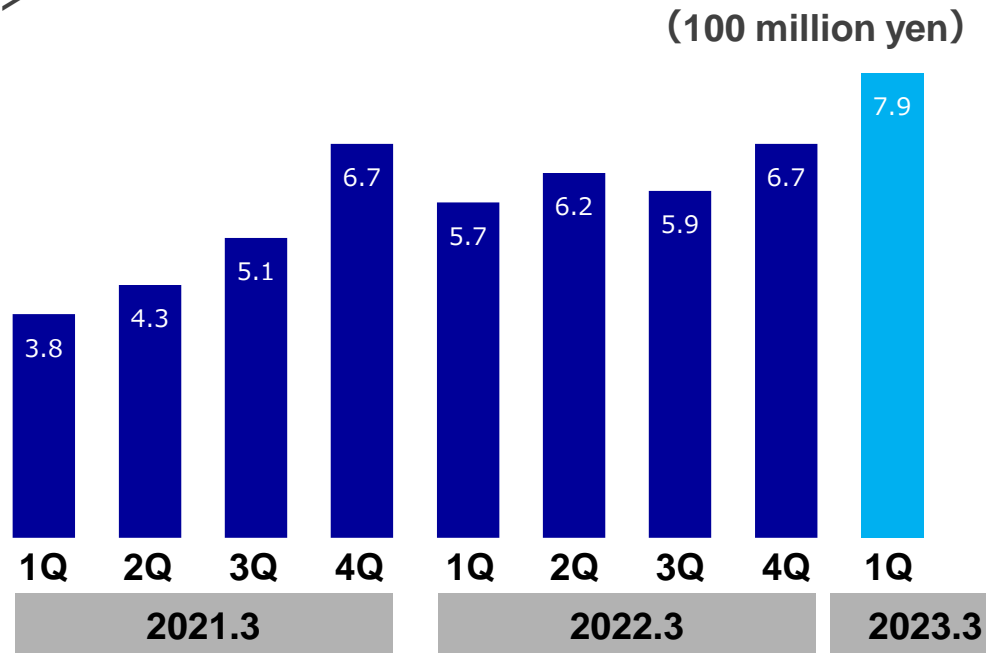
Environment

- Expect growth of the genetic testing market in Life Science business.
- Increasing demand for immediate clinical field testing and home-use clinical testing devices due to the spread of COVID-19.

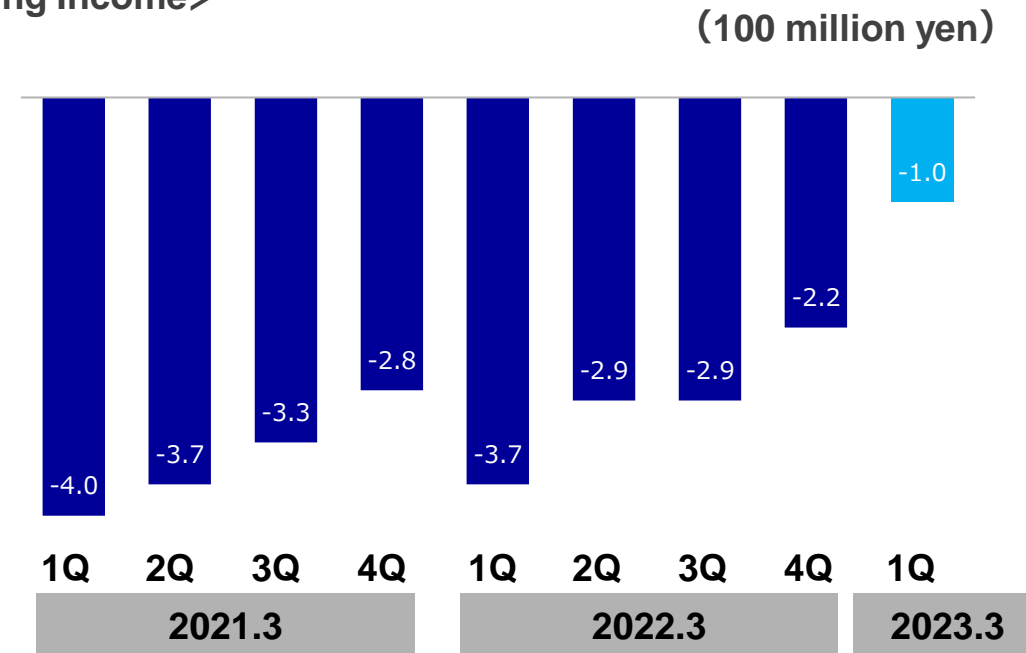
Strategy

- Contribution to the spread of genetic testing.
- Contribution to QOL enhancement.

<Sales>



<Operating Income>



Digital Communication Business

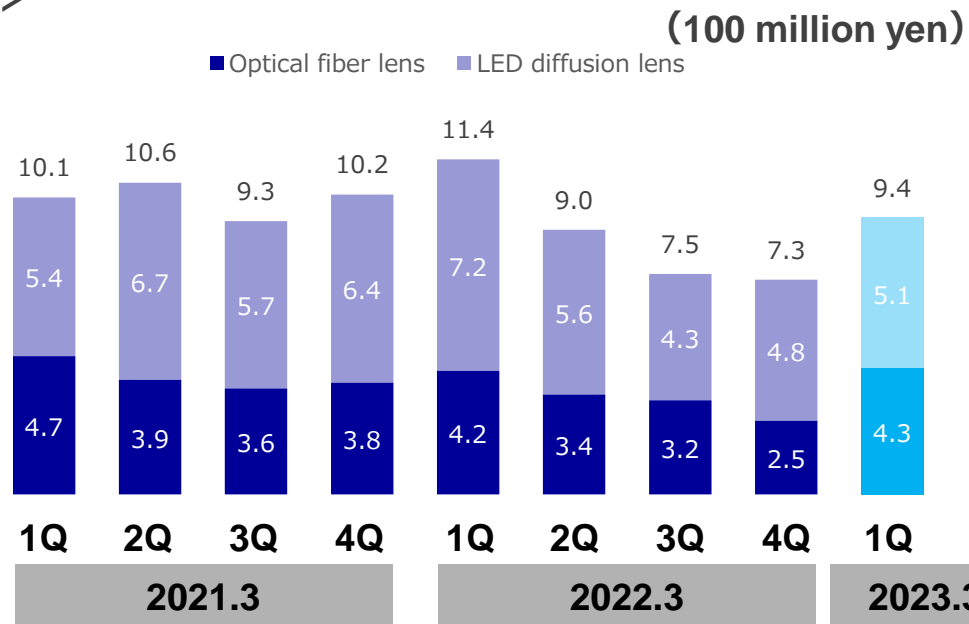
Environment

- In the optical fiber lenses, demand for data centers is on the rise as data traffic increases.
- TV market declined due to market downturn caused by completion of stay-at-home demand and the impact of lower demand caused by the situation in Ukraine.

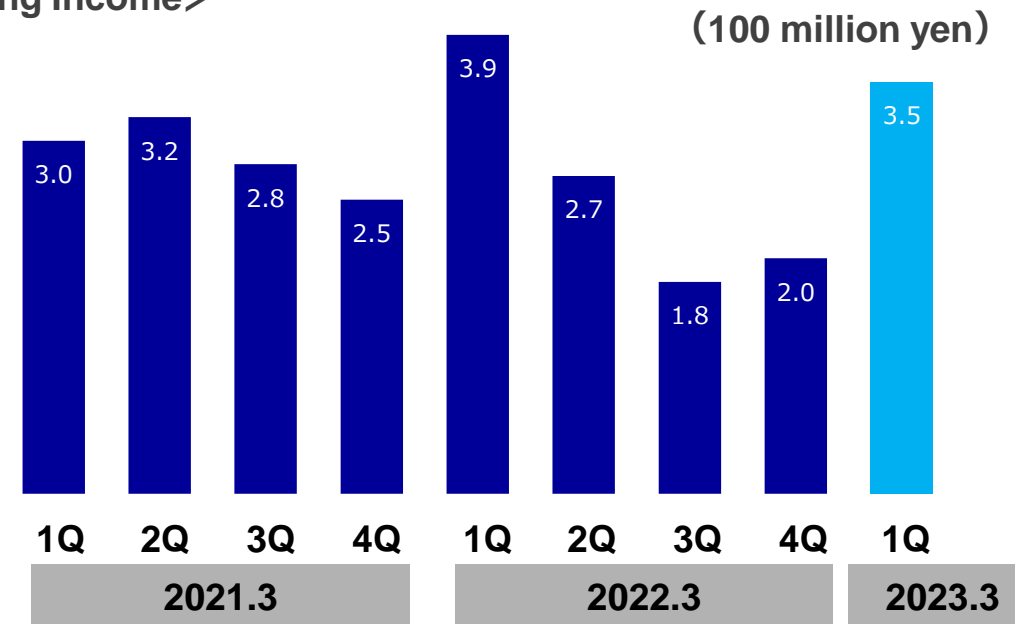
Strategy

- In the optical fiber lenses, expand new products in the high-end area and expand business areas other than data centers.
- In LED diffusion lens, secure profitability in existing areas and develop new solutions.

<Sales>



<Operating Income>

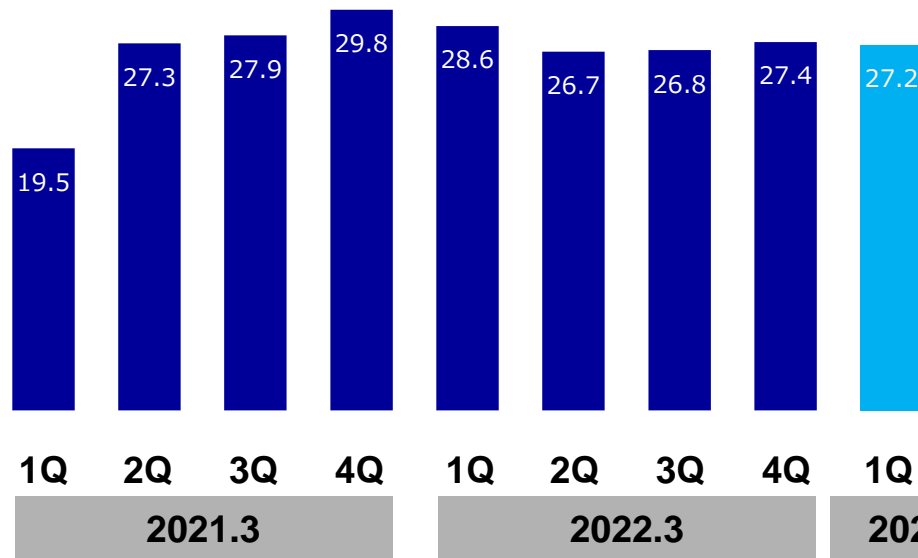


Energy Saving Solution Business

Environment	<ul style="list-style-type: none"> ■ Demand is growing in the automotive market as economic activity resumes and the trend toward EVs accelerates. ■ In the automotive and the OA, customers continue to adjust production due to the global shortage of semiconductors and difficulties in procuring parts.
Strategy	<ul style="list-style-type: none"> ■ Business portfolio transition. ■ Growth in the Gear solution Business.

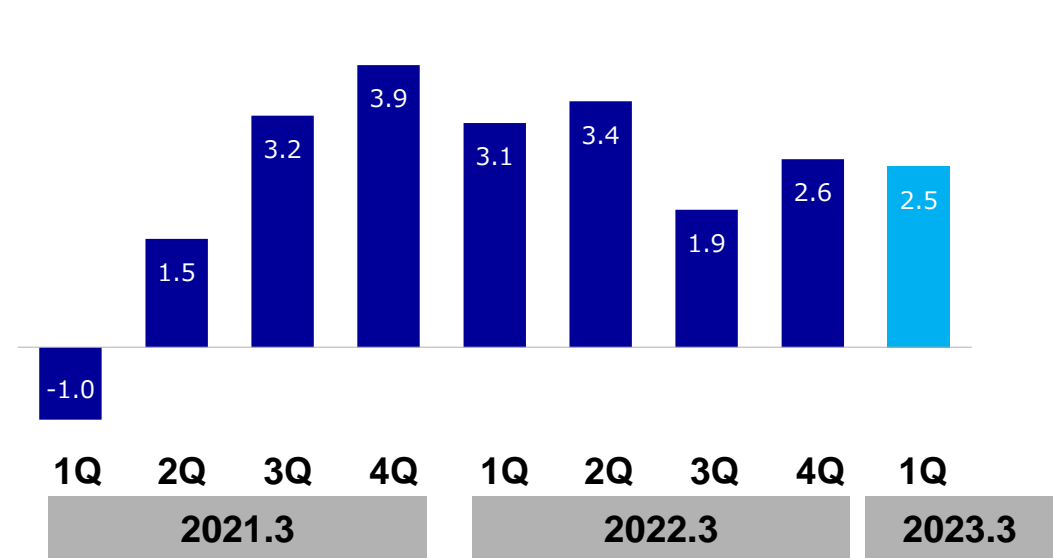
<Sales>

(100 million yen)



<Operating Income>

(100 million yen)



Enplas Corporation

Financial Results for the First-Quarter of the Year Ending March 31, 2023

<https://www.enplas.co.jp/english/>

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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