

Listing Code: No. 4063 (URL: <http://www.shinetsu.co.jp/>)

Listing Stock Exchange: Tokyo and Nagoya

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Date of the filing of the quarterly consolidated financial statements: August 9, 2017

Date of dividend payment: —

Preparation of supplemental explanatory materials: No

Holding of quarterly financial results meeting: Yes (for investment analysts and institutional investors)

Amounts are stated in millions of yen by discarding fractional amounts less than 1 million.

Percentage figures indicate increase (decrease) over previous corresponding period.

**1. Consolidated Operating Performance for the First Quarter Ended June 30, 2017**

(From April 1, 2017 to June 30, 2017)

**(1) Results of consolidated operations**

(Millions of yen)

|                   | Net sales |        | Operating income |       | Ordinary income |       | Profit attributable to owners of parent |       |
|-------------------|-----------|--------|------------------|-------|-----------------|-------|---|-------|
| April - June 2017 | 336,242   | 11.8%  | 74,142           | 23.5% | 77,040          | 33.2% | 53,710                                  | 18.5% |
| April - June 2016 | 300,716   | (4.2%) | 60,027           | 16.8% | 57,839          | 5.1%  | 45,309                                  | 20.4% |

(Note) Comprehensive income (Millions of yen) From April 1, 2017 to June 30, 2017: 30,552 [—%]  
From April 1, 2016 to June 30, 2016: (4,593) [—%]

|                   | Basic earnings per share (yen) | Diluted earnings per share (yen) |
|-------------------|--------------------------------|----------------------------------|
| April - June 2017 | 125.96                         | 125.95                           |
| April - June 2016 | 106.37                         | 106.36                           |

**(2) Consolidated financial position**

(Millions of yen)

|                | Total assets | Net assets | Stockholders' equity ratio | Net assets per share (yen) |
|----------------|--------------|------------|----------------------------|----------------------------|
| June 30, 2017  | 2,635,560    | 2,194,870  | 81.1%                      | 5,013.33                   |
| March 31, 2017 | 2,655,636    | 2,190,082  | 80.3%                      | 5,002.16                   |

(Note) Stockholders' equity (Millions of yen) As of June 30, 2017: 2,137,784 As of March 31, 2017: 2,132,832  
Stockholders' equity used for the calculation of indices is net assets excluding both share subscription rights and non-controlling interests in consolidated subsidiaries.

**2. Cash Dividends**

|                                    | Cash dividends per share in the fiscal year (yen) |                         |                         |          |             |
|------------------------------------|---|-------------------------|-------------------------|----------|-------------|
|                                    | 1 <sup>st</sup> quarter                           | 2 <sup>nd</sup> quarter | 3 <sup>rd</sup> quarter | Year-end | Fiscal year |
| April 2016 - March 2017            | -   | 60.00                   | -                       | 60.00    | 120.00      |
| April 2017 - March 2018            | -   | -                       | -                       | -        | -           |
| April 2017 - March 2018 (forecast) | -   | 65.00                   | -                       | 65.00    | 130.00      |

(Note) Revision of the latest forecast of cash dividends: Yes

**3. Forecast of Consolidated Operating Performance for the Fiscal Year Ending March 31, 2018**

(From April 1, 2017 to March 31, 2018)

(Millions of yen)

|             | Net sales |      | Operating income |       | Ordinary income |       | Profit attributable to owners of parent |      | Basic earnings per share (yen) |
|-------------|-----------|------|------------------|-------|-----------------|-------|---|------|--------------------------------|
| Fiscal year | 1,350,000 | 9.1% | 268,000          | 12.3% | 280,000         | 15.6% | 190,000                                 | 8.0% | 445.57                         |

(Note) Revision of the latest forecast of consolidated operating performance: Yes

Forward-looking statements such as the forecast of results of operations made in this document involves risks and uncertainties since they are based on management's assumptions and beliefs in light of the information currently available to it. The reader should be aware that actual results may be materially different from any future results expressed herein due to various factors. Material factors affecting the actual results may include overall economic conditions in which the businesses of our company and our group companies are involved, the relevant market trends and fluctuations in foreign exchange rates of the yen, in particular, the exchange rate between the U.S. dollar and the yen; provided, however, that such factors as may affect results of operations are not limited to those enumerated above.

#### **4. Notes**

**(1) Changes in significant subsidiaries during the first quarter ended June 30, 2017: No**

(Note) This item indicates whether there were changes in significant subsidiaries affecting the scope of consolidation during the first quarter ended June 30, 2017.

**(2) Adoption of special accounting methods for presenting quarterly consolidated financial statements: No**

**(3) Changes in accounting policies applied, changes in accounting estimates and retrospective restatement**

Changes in accounting policies applied due to revisions of accounting standards: No

Changes in accounting policies other than the above: No

Changes in accounting estimates: No

Retrospective restatement: No

**(4) Number of shares outstanding (common stock)**

|   | June 30, 2017     | March 31, 2017    |
|---|-------------------|-------------------|
| Number of shares outstanding at period end                | 432,106,693       | 432,106,693       |
| Number of shares of treasury stock at period end          | 5,687,005         | 5,724,030         |
|   | April - June 2017 | April - June 2016 |
| Weighted-average number of shares outstanding over period | 426,405,860       | 425,978,707       |

**(Information regarding quarterly review procedures)**

The financial information contained in this report is not subject to quarterly review procedures by independent auditors.

**(Attached Documents)**

**INDEX**

|  |   |
|--|---|
| 1. Qualitative Information Regarding Quarterly Results.....  | 2 |
| (1) Explanation Regarding the Operating Results .....  | 2 |
| (2) Explanation Regarding Information Relevant to Forecasts such as Consolidated Business<br>Forecast..... | 4 |
| 2. Consolidated Financial Statements.....  | 5 |
| (1) Consolidated Balance Sheets .....  | 5 |
| (2) Consolidated Statements of Income and Statements of Comprehensive Income .....                         | 7 |
| (3) Notes to Consolidated Financial Statements.....  | 9 |
| (Segment Information)  |   |

Appendix: Quarterly Operating Results

## 1. Qualitative Information Regarding Quarterly Results

### (1) Explanation Regarding the Operating Results

With regard to the world economy, during the first quarter of FY 2018 (April 1, 2017 to June 30, 2017), although in the United States the recovery of its economy continued, economic growth in Japan and Europe was able to record only a slight increase. In China, the tendency of sluggish economic growth continued, and in the emerging economies, although movement toward recovery in these economies was seen, weakness in the economy remained in some areas.

In these circumstances, in order to achieve continued increases in our business results, the Shin-Etsu Group endeavored (1) to deepen its relationships with its customers and further expand its global customer base; (2) to constantly carry out product development that strongly supports our customers' needs, improve product quality and achieve further differentiation in technologies; and (3) to continue our policy of strict cost management.

As a result, the business results for the first quarter of FY 2018 are as follows:

|   | April - June 2017<br>(Millions of yen) | Increase / (Decrease) |
|---|--|-----------------------|
| Net sales                               | 336,242                                | 11.8%                 |
| Operating income                        | 74,142                                 | 23.5%                 |
| Ordinary income                         | 77,040                                 | 33.2%                 |
| Profit attributable to owners of parent | 53,710                                 | 18.5%                 |

The situation of each of our business segments is as follows:

#### PVC/Chlor-Alkali Business

|                  | April - June 2017<br>(Millions of yen) | Increase / (Decrease) |
|------------------|--|-----------------------|
| Net sales        | 113,563                                | 20.9%                 |
| Operating income | 17,646                                 | 33.3%                 |

With regard to our PVC business, because Shintech in the U.S., making good use of its expanded production capacity, made aggressive sales efforts, it was able to realize further sales expansion both within and outside of North America, and it greatly increased its business results. By accurately capturing market trends, Shin-Etsu PVC in Europe also continued firm shipments. The PVC business in Japan increased its sales volume and the business continued to do well.

#### Silicones Business

|                  | April - June 2017<br>(Millions of yen) | Increase / (Decrease) |
|------------------|--|-----------------------|
| Net sales        | 49,978                                 | 10.0%                 |
| Operating income | 12,174                                 | 18.9%                 |

With regard to the silicones business, in Japan, shipments of product applications for cosmetics, on-board automobiles and electronics equipment continued to be firm. Globally as well, shipments of functional products for the United States, Europe and Asia generally did well, and sales of general-purpose products also increased.

### **Specialty Chemicals Business**

|                  | April - June 2017<br>(Millions of yen) | Increase / (Decrease) |
|------------------|--|-----------------------|
| Net sales        | 28,308                                 | (0.7%)                |
| Operating income | 6,521                                  | 3.2%                  |

With regard to cellulose derivatives, in Japan, although there were inventory adjustments in pharmaceutical-use products, a recovery movement was seen in sales of construction materials products. The business of SE Tylose in Europe continued to be steady on the whole for coating products and construction materials products. JAPAN VAM & POVAL Co., Ltd. had firm shipments of its POVAL products.

### **Semiconductor Silicon Business**

|                  | April - June 2017<br>(Millions of yen) | Increase / (Decrease) |
|------------------|--|-----------------------|
| Net sales        | 71,471                                 | 14.3%                 |
| Operating income | 19,773                                 | 45.0%                 |

With regard to semiconductor silicon, supported by demand in a wide range of fields for applications such as smartphones, public facility- and industrial-use products, and on-board automobile use, a high level of shipments continued both in memory devices and logic devices.

### **Electronics & Functional Materials Business**

|                  | April - June 2017<br>(Millions of yen) | Increase / (Decrease) |
|------------------|--|-----------------------|
| Net sales        | 49,175                                 | 4.8%                  |
| Operating income | 15,096                                 | 7.8%                  |

With regard to the rare earth magnets business, sales greatly increased in products for applications in automobiles, including those for hybrid cars, and also for industrial equipment. With regard to the photoresist products business, trilayer materials and KrF resists increased, and at the same time, photomask blanks also continued to be firm. The business of optical fiber preform and the business of materials for LED packaging had firm shipments.

### **Processing, Trading & Specialized Services Business**

|                  | April - June 2017<br>(Millions of yen) | Increase / (Decrease) |
|------------------|--|-----------------------|
| Net sales        | 23,745                                 | 1.4%                  |
| Operating income | 2,899                                  | 7.9%                  |

Shin-Etsu Polymer Co., Ltd.'s business of input devices for automobiles and semiconductor wafer-related containers continued to do well.

## (2) Explanation Regarding Information Relevant to Forecasts such as Consolidated

### Business Forecast

The world economy contains many uncertain factors and it does not allow for optimism.

Among the main products of the Shin-Etsu Group, there are those products that will be greatly affected by such factors as fluctuations in raw material prices and in market conditions as well as in supply and demand conditions. In addition, over 70% of the Group's sales consist of sales outside of Japan, and exchange rate fluctuations affect our company's business. Exchange rate fluctuations also affect us when converting Shin-Etsu Chemical's overseas companies' business results into Japanese yen.

Facing such a situation, the Shin-Etsu Group will carefully focus on developments in world markets and aggressively develop our sales activities while accurately capturing trends in demand. At the same time, we will further accelerate the development of our global business by such means as constructing manufacturing bases at optimal locations in the world and strengthening and expanding existing facilities. In addition, we will further focus on enhancing productivity and product quality, and at the same time, we will strive to develop products that have value for customers and we will also strive to assure the stable supply of our products. For this purpose, while continuing to maintain a sound financial base, we will proactively utilize our financial strength to carry out appropriate investments in a timely manner.

The forecast for FY 2018's consolidated operating performance is as mentioned below.

With regard to dividends, the forecast is ¥65 per share for both interim and year-end dividends, an increase of ¥5 compared with the corresponding period of the previous fiscal year; thus, the total annual dividend for FY 2018 will become ¥130 per share, an increase of ¥10 compared with FY 2017.

The forecasts of consolidated operating performance and dividends were released today in "Notice Regarding Operating Performance and Dividend Forecasts" as well.

(Millions of yen)

|             | Net sales |      | Operating income |       | Ordinary income |       | Profit attributable to owners of parent |      | Basic earnings per share (yen) |
|-------------|-----------|------|------------------|-------|-----------------|-------|---|------|--------------------------------|
| Fiscal year | 1,350,000 | 9.1% | 268,000          | 12.3% | 280,000         | 15.6% | 190,000                                 | 8.0% | 445.57                         |

Percentage figures indicate increase over previous corresponding period.

(Note)

Forward-looking statements such as the forecast of results of operations made in this document involves risks and uncertainties since they are based on management's assumptions and beliefs in light of the information currently available to it.

The reader should be aware that actual results may be materially different from any future results expressed herein due to various factors. Material factors affecting the actual results may include overall economic conditions in which the businesses of our company and our group companies are involved, the relevant market trends and fluctuations in foreign exchange rates of the yen, in particular, the exchange rate between the U.S. dollars and the yen; provided, however, that such factors as may affect results of operations are not limited to those enumerated above.

## **2. Consolidated Financial Statements**

### **(1) Consolidated Balance Sheets**

As of March 31 and June 30, 2017

|  | Millions of yen  |                  |
|--|------------------|------------------|
|  | March 31, 2017   | June 30, 2017    |
| <b>ASSETS</b>                              |                  |                  |
| Current Assets:                            |                  |                  |
| Cash and time deposits                     | 752,675          | 746,803          |
| Notes and accounts receivable-trade        | 287,853          | 298,237          |
| Securities                                 | 186,591          | 187,403          |
| Inventories                                | 267,157          | 255,107          |
| Other                                      | 69,878           | 60,615           |
| Less: Allowance for doubtful accounts      | (14,549)         | (14,071)         |
|  | 1,549,607        | 1,534,095        |
| <b>Total current assets</b>                |                  |                  |
| Fixed Assets:                              |                  |                  |
| Property, plant and equipment              |                  |                  |
| Machinery and equipment, net               | 437,775          | 437,440          |
| Other, net                                 | 408,795          | 401,904          |
|  | 846,570          | 839,344          |
| <b>Total property, plant and equipment</b> |                  |                  |
| Intangible assets                          | 10,229           | 9,673            |
| Investments and other assets:              |                  |                  |
| Investments and other assets               | 251,068          | 254,307          |
| Less: Allowance for doubtful accounts      | (1,840)          | (1,861)          |
|  | 249,228          | 252,446          |
| <b>Total investments and other assets</b>  |                  |                  |
| <b>Total fixed assets</b>                  | 1,106,028        | 1,101,464        |
| <b>TOTAL ASSETS</b>                        | <b>2,655,636</b> | <b>2,635,560</b> |

|  | Millions of yen |               |
|--|-----------------|---------------|
|  | March 31, 2017  | June 30, 2017 |
| <b>LIABILITIES</b>   |                 |               |
| Current Liabilities:                                       |                 |               |
| Notes and accounts payable-trade                           | 123,823         | 116,145       |
| Short-term borrowings                                      | 12,788          | 13,277        |
| Accrued income taxes                                       | 32,711          | 22,118        |
| Allowances   | 3,511           | 3,032         |
| Other  | 144,164         | 140,463       |
|  | 317,000         | 295,036       |
| Long-term Liabilities:                                     |                 |               |
| Long-term debt   | 1,578           | 1,899         |
| Net defined benefit liability                              | 35,809          | 36,897        |
| Other  | 111,165         | 106,855       |
|  | 148,553         | 145,652       |
|  | 465,553         | 440,689       |
| <b>NET ASSETS</b>  |                 |               |
| Stockholders' Equity:                                      |                 |               |
| Common stock   | 119,419         | 119,419       |
| Additional paid-in capital                                 | 129,626         | 129,704       |
| Retained earnings  | 1,857,857       | 1,885,972     |
| Less: Treasury stock, at cost                              | (31,213)        | (31,013)      |
|  | 2,075,690       | 2,104,083     |
| Accumulated Other Comprehensive Income:                    |                 |               |
| Unrealized gains (losses) on available-for-sale securities | 22,887          | 26,472        |
| Deferred gains (losses) on hedges                          | 862             | 713           |
| Foreign currency translation adjustments                   | 35,154          | 8,098         |
| Remeasurements of defined benefit plans                    | (1,761)         | (1,583)       |
|  | 57,142          | 33,701        |
| Share subscription rights                                  | 152             | 141           |
| Non-controlling interests in consolidated subsidiaries     | 57,096          | 56,944        |
|  | 2,190,082       | 2,194,870     |
|  | 2,655,636       | 2,635,560     |



## (2) Consolidated Statements of Income and Statements of Comprehensive Income

### Consolidated Statements of Income

For the first quarter ended June 30, 2016 and 2017

|   | Millions of yen                  |                                  |
|---|----------------------------------|----------------------------------|
|   | April 1, 2016 -<br>June 30, 2016 | April 1, 2017 -<br>June 30, 2017 |
| Net sales   | 300,716                          | 336,242                          |
| Cost of sales   | 208,277                          | 228,235                          |
| Gross profit  | 92,439                           | 108,006                          |
| Selling, general and administrative expenses                | 32,411                           | 33,864                           |
| Operating income  | 60,027                           | 74,142                           |
| Non-operating income:                                       |                                  |                                  |
| Interest income   | 1,192                            | 1,375                            |
| Dividend income   | 826                              | 953                              |
| Other income  | 4,892                            | 1,418                            |
| Total non-operating income                                  | 6,910                            | 3,747                            |
| Non-operating expenses:                                     | 9,098                            | 849                              |
| Ordinary income   | 57,839                           | 77,040                           |
| Income before income taxes and<br>non-controlling interests | 57,839                           | 77,040                           |
| Income taxes:   |                                  |                                  |
| Current   | 6,896                            | 22,658                           |
| Deferred  | 4,995                            | (43)                             |
| Total income taxes  | 11,892                           | 22,614                           |
| Profit  | 45,947                           | 54,425                           |
| Profit attributable to<br>non-controlling interests         | 637                              | 715                              |
| Profit attributable to owners of parent                     | 45,309                           | 53,710                           |

## Consolidated Statements of Comprehensive Income

For the first quarter ended June 30, 2016 and 2017

|   | Millions of yen                  |                                  |
|---|----------------------------------|----------------------------------|
|   | April 1, 2016 -<br>June 30, 2016 | April 1, 2017 -<br>June 30, 2017 |
| Profit  | 45,947                           | 54,425                           |
| Other comprehensive income:   |                                  |                                  |
| Unrealized gains (losses)<br>on available-for-sale securities                                 | (2,911)                          | 3,609                            |
| Deferred gains (losses) on hedges   | 1,001                            | (146)                            |
| Foreign currency translation<br>adjustments   | (48,692)                         | (27,691)                         |
| Remeasurements of defined benefit plans   | 245                              | 191                              |
| Share of other comprehensive income of<br>affiliates accounted for using the equity<br>method | (182)                            | 164                              |
| Total other comprehensive income  | (50,540)                         | (23,873)                         |
| Comprehensive income  | (4,593)                          | 30,552                           |
| (Breakdown)   |                                  |                                  |
| Comprehensive income attributable to<br>owners of parent                                      | (4,449)                          | 30,269                           |
| Comprehensive income attributable to<br>non-controlling interests                             | (143)                            | 283                              |

**(3) Notes to Consolidated Financial Statements  
(Segment Information)**

Information on sales, income (loss) and other items of reportable segments

1) For the first quarter ended June 30, 2017 (From April 1, 2017 to June 30, 2017)

|                                   | Millions of yen               |               |                     |                       |                                    |  |                | Adjustment*     | Figures in consolidated financial statements |
|-----------------------------------|-------------------------------|---------------|---------------------|-----------------------|------------------------------------|--|----------------|-----------------|--|
|                                   | April 1, 2017 - June 30, 2017 |               |                     |                       |                                    |  |                |                 |  |
|                                   | PVC/Chlor-Alkali              | Silicones     | Specialty Chemicals | Semiconductor Silicon | Electronics & Functional Materials | Processing, Trading & Specialized Services | Total          |                 |  |
| Sales to outside customers        | 113,563                       | 49,978        | 28,308              | 71,471                | 49,175                             | 23,745                                     | 336,242        | -               | 336,242                                      |
| Intersegment sales                | 845                           | 1,391         | 3,508               | 0                     | 1,587                              | 19,185                                     | 26,517         | (26,517)        | -  |
| <b>Total</b>                      | <b>114,408</b>                | <b>51,369</b> | <b>31,816</b>       | <b>71,471</b>         | <b>50,762</b>                      | <b>42,931</b>                              | <b>362,759</b> | <b>(26,517)</b> | <b>336,242</b>                               |
| Segment income (Operating income) | 17,646                        | 12,174        | 6,521               | 19,773                | 15,096                             | 2,899                                      | 74,112         | 30              | 74,142                                       |

\*Elimination of intersegment transactions

2) For the first quarter ended June 30, 2016 (From April 1, 2016 to June 30, 2016)

|                                   | Millions of yen               |               |                     |                       |                                    |  |                | Adjustment*     | Figures in consolidated financial statements |
|-----------------------------------|-------------------------------|---------------|---------------------|-----------------------|------------------------------------|--|----------------|-----------------|--|
|                                   | April 1, 2016 - June 30, 2016 |               |                     |                       |                                    |  |                |                 |  |
|                                   | PVC/Chlor-Alkali              | Silicones     | Specialty Chemicals | Semiconductor Silicon | Electronics & Functional Materials | Processing, Trading & Specialized Services | Total          |                 |  |
| Sales to outside customers        | 93,922                        | 45,443        | 28,501              | 62,530                | 46,912                             | 23,406                                     | 300,716        | -               | 300,716                                      |
| Intersegment sales                | 681                           | 1,488         | 3,089               | 0                     | 1,676                              | 20,141                                     | 27,077         | (27,077)        | -  |
| <b>Total</b>                      | <b>94,603</b>                 | <b>46,932</b> | <b>31,590</b>       | <b>62,531</b>         | <b>48,588</b>                      | <b>43,547</b>                              | <b>327,794</b> | <b>(27,077)</b> | <b>300,716</b>                               |
| Segment income (Operating income) | 13,238                        | 10,242        | 6,321               | 13,640                | 14,001                             | 2,687                                      | 60,133         | (105)           | 60,027                                       |

\*Elimination of intersegment transactions

The main products and services of each segment are as follows:

| Segment   | Main products and services   |
|---|--|
| PVC/Chlor-Alkali Business                           | Polyvinyl chloride, Caustic soda, Methanol, Chloromethane  |
| Silicones Business                                  | Silicones  |
| Specialty Chemicals Business                        | Cellulose derivatives, Silicon metal, Polyvinyl alcohol, Synthetic pheromones  |
| Semiconductor Silicon Business                      | Semiconductor silicon  |
| Electronics & Functional Materials Business         | Rare earth magnets for electronics industry and general applications, Semiconductor encapsulating materials, Packaging materials for LEDs, Photoresists, Photomask blanks, Synthetic quartz products, Liquid fluoroelastomers, Pellicles |
| Processing, Trading & Specialized Services Business | Processed plastics, Export of plant equipment, Technology licensing, International trade, Engineering  |

## Appendix: Quarterly Operating Results

(Billions of yen)

|   | FY 2017<br>April 1, 2016 - March 31, 2017 |       |       |       |         | FY 2018<br>April 1, 2017 -<br>March 31, 2018 |
|---|---|-------|-------|-------|---------|--|
|   | 1Q  | 2Q    | 3Q    | 4Q    | Total   | 1Q   |
| Net Sales                                     | 300.7                                     | 312.3 | 309.2 | 315.1 | 1,237.4 | 336.2  |
| PVC / Chlor-Alkali                            | 93.9                                      | 107.8 | 106.4 | 103.4 | 411.6   | 113.5  |
| Silicones                                     | 45.4                                      | 44.5  | 43.4  | 45.8  | 179.2   | 49.9   |
| Specialty Chemicals                           | 28.5                                      | 27.0  | 26.4  | 26.0  | 108.0   | 28.3   |
| Semiconductor<br>Silicon                      | 62.5                                      | 60.7  | 62.7  | 66.4  | 252.6   | 71.4   |
| Electronics &<br>Functional Materials         | 46.9                                      | 46.3  | 45.6  | 49.0  | 187.9   | 49.1   |
| Processing, Trading<br>& Specialized Services | 23.4                                      | 25.8  | 24.4  | 24.2  | 97.9    | 23.7   |
| Operating Income                              | 60.0                                      | 62.0  | 59.0  | 57.5  | 238.6   | 74.1   |
| PVC / Chlor-Alkali                            | 13.2                                      | 16.9  | 14.1  | 8.8   | 53.1    | 17.6   |
| Silicones                                     | 10.2                                      | 10.3  | 11.0  | 10.9  | 42.5    | 12.1   |
| Specialty Chemicals                           | 6.3                                       | 5.6   | 4.9   | 5.2   | 22.2    | 6.5  |
| Semiconductor<br>Silicon                      | 13.6                                      | 12.4  | 13.3  | 16.4  | 55.9    | 19.7   |
| Electronics &<br>Functional Materials         | 14.0                                      | 13.8  | 13.5  | 13.8  | 55.2    | 15.0   |
| Processing, Trading<br>& Specialized Services | 2.6                                       | 2.6   | 2.0   | 2.2   | 9.5     | 2.8  |
| Ordinary Income                               | 57.8                                      | 60.3  | 66.8  | 57.0  | 242.1   | 77.0   |
| Profit Attributable to<br>Owners of Parent    | 45.3                                      | 42.1  | 47.7  | 40.6  | 175.9   | 53.7   |
| Depreciation and<br>Amortization              | 20.7                                      | 23.0  | 23.7  | 25.5  | 93.0    | 24.3   |
| Capital Expenditures                          | 27.1                                      | 33.4  | 32.6  | 52.4  | 145.6   | 35.6   |
| R&D Costs                                     | 12.5                                      | 10.9  | 13.1  | 12.3  | 49.0    | 12.2   |
| Overseas Sales                                | 215.7                                     | 229.2 | 223.3 | 227.0 | 895.4   | 246.3  |
| Ratio of Overseas Sales<br>to Net Sales       | 72%                                       | 73%   | 72%   | 72%   | 72%     | 73%  |

(Note) Amounts are stated in billions of yen by discarding fractional amounts less than 0.1 billion.