

# Financial Summary

For the year ended March 31, 2019

(April 26, 2019)

Shin-Etsu Chemical Co., Ltd.



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# Operating Performance

(Billions of Yen)

	Consolidated		
	Fiscal year 17/4-18/3	Fiscal year 18/4-19/3	Increase (Decrease)
Net Sales	1,441.4	1,594.0	10.6% 152.6
Operating income	336.8	403.7	19.9% 66.9
Ordinary income	340.3	415.3	22.0% 75.0
Net income attributable to owners of parent	* 266.2	309.1	16.1% 42.9
ROIC (Note 1)	18.2%	21.5%	3.3points
ROE (Note 2)	11.9%	12.8%	0.9points
ROA (Note 3)	12.2%	14.0%	1.8points
<b>Per share (Yen)</b>			
Net income	* 624	726	102
Cash dividends	140	(forecast) 200	60

\* The effect of reversal of deferred tax assets and liabilities due to U.S. Tax Reform.

Net income attributable to owners of parent +¥29.8 billion (gain)

Net income per share (Yen) +70 Yen/share (gain)

Notes: (1) ROIC: Return on invested capital.

Net operating income after taxes excluding the effects of the U.S. Tax Reform \*  
/ (Net assets + Interest-bearing liabilities – Cash)

(2) ROE: Return (Net income) on equity.

Equity used for this calculation is net assets excluding both Share subscription rights and Non-controlling interests in consolidated subsidiaries.

(3) ROA: Return (Ordinary income) on total assets.

# Financial Highlights

(Billions of Yen)

	Consolidated	
	Fiscal year 17/4-18/3	Fiscal year 18/4-19/3
<b>Net Assets</b>	<b>2,413.0</b>	<b>2,532.5</b>
<b>Total Assets</b>	<b>2,903.1</b>	<b>3,038.7</b>
<b>Net Assets per share (Yen)</b>	<b>5,512</b>	<b>5,915</b>
<b>Capital expenditures</b>	<b>176.2</b>	<b>240.6</b>
<b>Depreciation and amortization</b>	<b>112.0</b>	<b>137.5</b>
<b>R&amp;D costs</b>	<b>51.7</b>	<b>56.4</b>
<b>Interest-bearing liabilities</b>	<b>15.5</b>	<b>14.6</b>
<b>Number of employees</b>	<b>20,155</b>	<b>21,735</b>
<b>Exchange rate Jan - Dec (Avg)</b> <sup>(Note)</sup>	<b>112.2</b>	<b>110.4</b>
<b>(Yen/US\$) Apr - Mar (Avg)</b>	<b>110.9</b>	<b>110.9</b>

- Notes**
- An average exchange rate between January and December was used for the Consolidated Income Statements of overseas subsidiaries.
  - For further exchange rate data, please see Appendix on page 21.



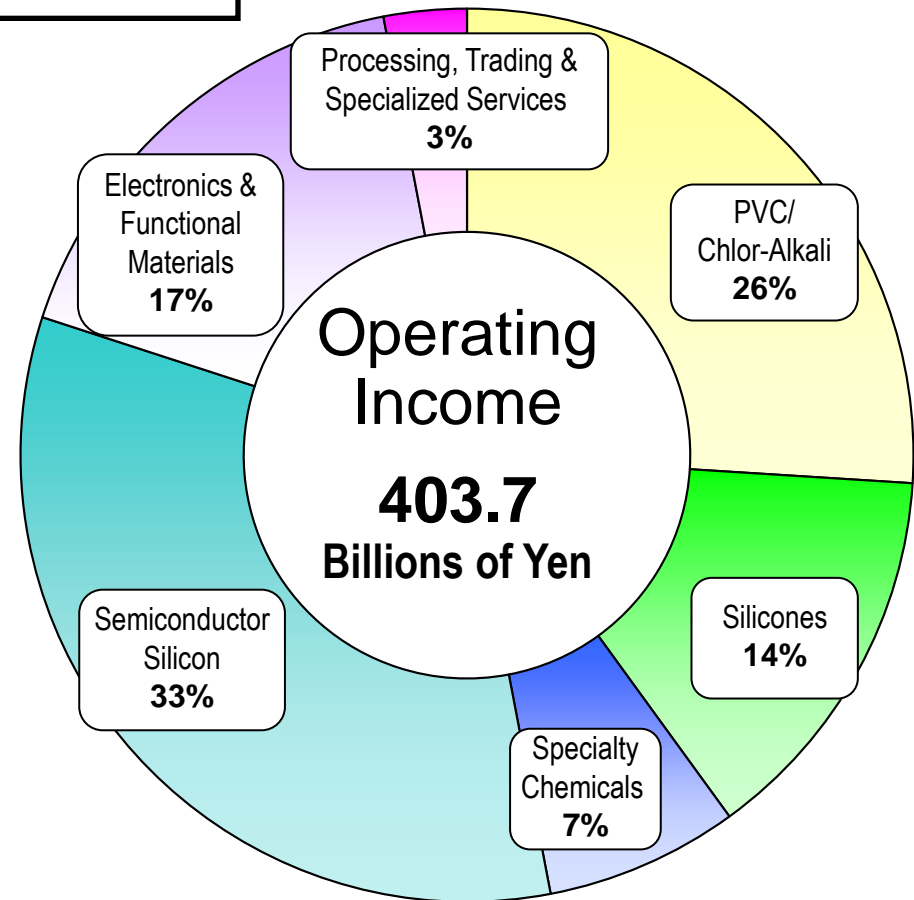
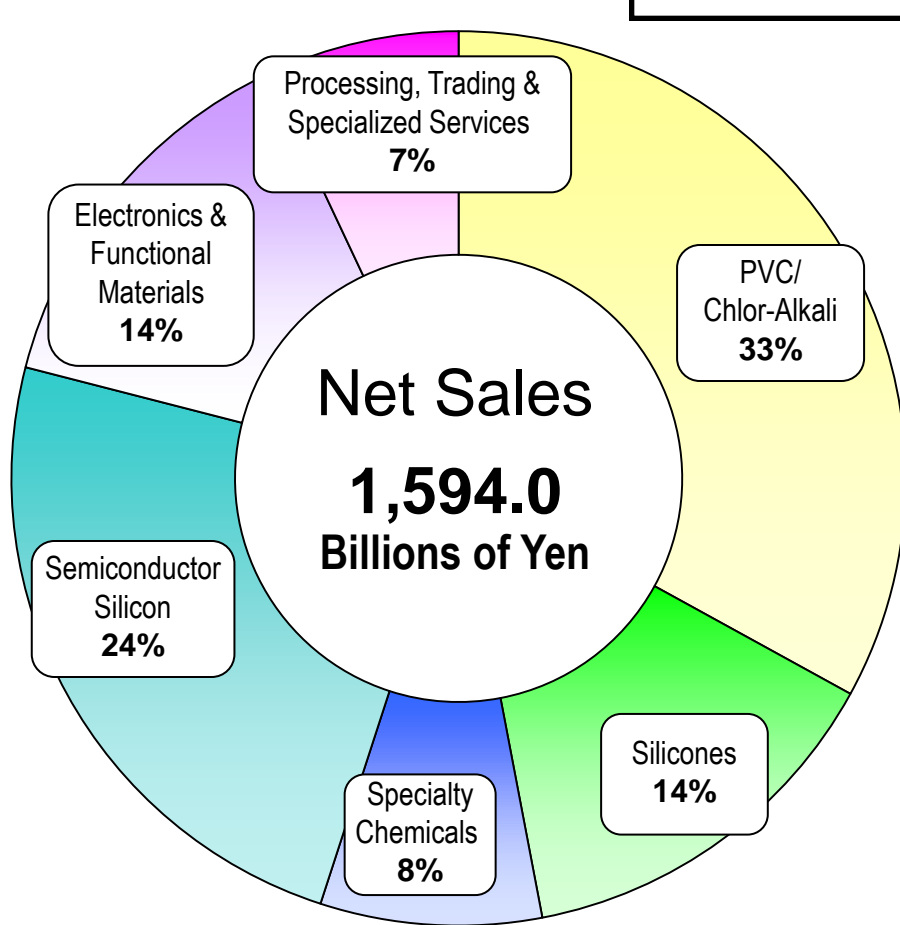
# Segment Information

(Billions of Yen)

	Net Sales			Operating Income		
	Fiscal year 17/4-18/3	Fiscal year 18/4-19/3	Increase (Decrease)	Fiscal year 17/4-18/3	Fiscal year 18/4-19/3	Increase (Decrease)
PVC/Chlor-Alkali Business	501.3	524.2	4.6% 22.9	93.2	106.5	14.2% 13.3
Silicones Business	206.2	233.3	13.1% 27.1	51.9	58.5	12.7% 6.6
Specialty Chemicals Business	117.1	121.1	3.4% 4.0	25.7	26.6	3.4% 0.9
Semiconductor Silicon Business	308.3	380.3	23.3% 72.0	92.9	131.9	42.0% 39.0
Electronics & Functional Materials Business	207.4	226.0	9.0% 18.6	61.6	66.9	8.7% 5.3
Processing, Trading & Specialized Services Business	100.7	108.7	8.0% 8.0	11.4	13.2	15.8% 1.8
<b>Total</b>	<b>1,441.4</b>	<b>1,594.0</b>	<b>10.6% 152.6</b>	<b>336.8</b>	<b>403.7</b>	<b>19.9% 66.9</b>

● ● ● | Sales and Operating Income by Segment (Proportion)

Fiscal year  
2018/4-2019/3



# Capital expenditures and Depreciation and amortization by Segment

(Billions of Yen)

	Fiscal year 17/4-18/3	Fiscal year 18/4-19/3
<b>Capital expenditures</b>	<b>176.2</b>	<b>240.6</b>
PVC/Chlor- Alkali Business	63.6	76.4
Silicones Business	29.1	28.2
Specialty Chemicals Business	7.0	18.0
Semiconductor Silicon Business	51.5	69.3
Electronics & Functional Materials Business	20.2	40.1
Processing, Trading & Specialized Services Business	5.0	8.8
<b>Depreciation and amortization</b>	<b>112.0</b>	<b>137.5</b>
PVC/Chlor- Alkali Business	32.9	32.8
Silicones Business	12.2	14.6
Specialty Chemicals Business	10.1	10.6
Semiconductor Silicon Business	32.4	53.7
Electronics & Functional Materials Business	20.1	20.7
Processing, Trading & Specialized Services Business	4.3	5.1

● ● ● | PVC/Chlor-Alkali Business Segment

**Net Sales**

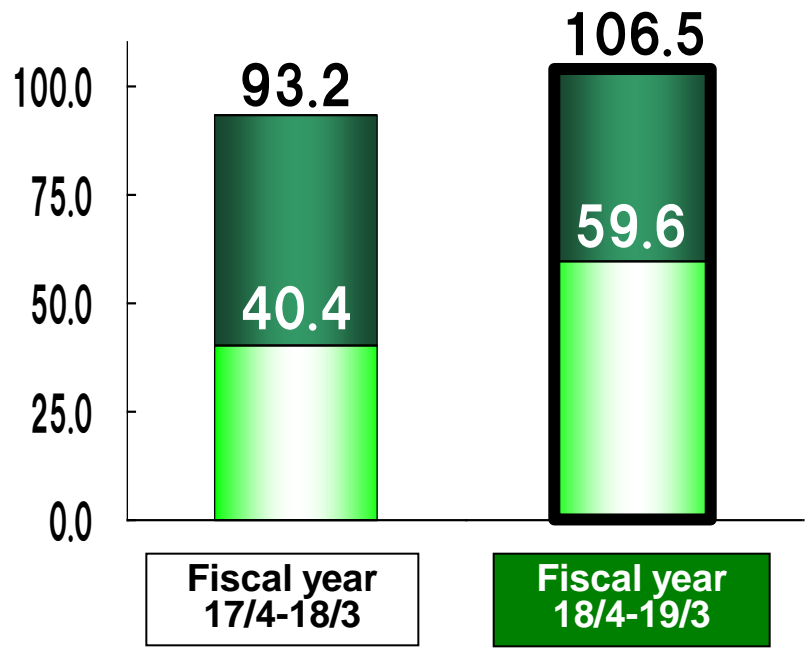
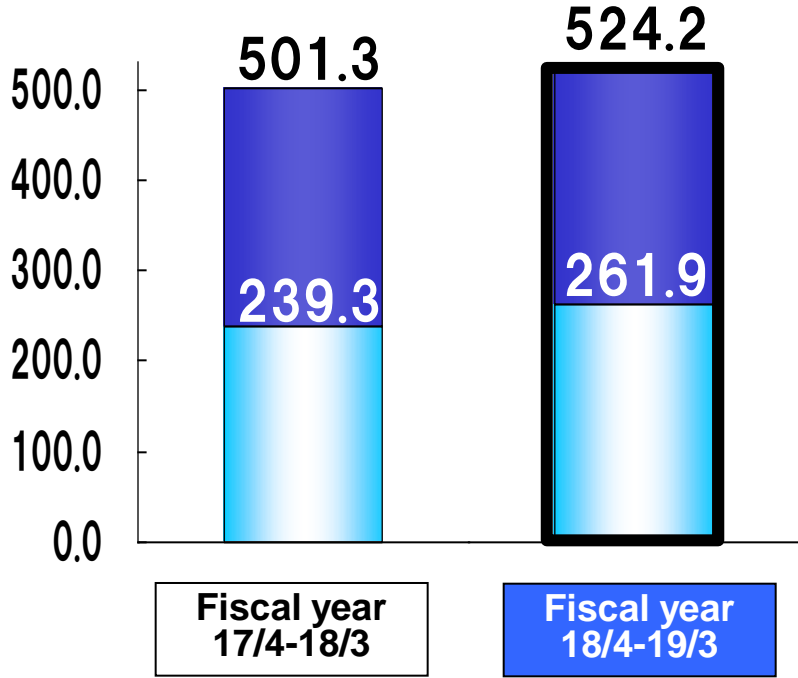


**Operating Income**



(Billions of Yen)

(Billions of Yen)



- With regard to our PVC/Chlor-Alkali business, at Shintech in the U.S. with its advantageous U.S. domestic raw materials situation in its background, both PVC and caustic soda continued high levels of shipments and increased its business results.
- Because market conditions in Europe continued to be steady, our European bases increased sales volume and did well.
- Shipments to overseas decreased at our bases in Japan due to the effects of the large-scale periodic maintenance held during the first quarter of this fiscal year.



● ● ● | Silicones Business Segment

**Net Sales**

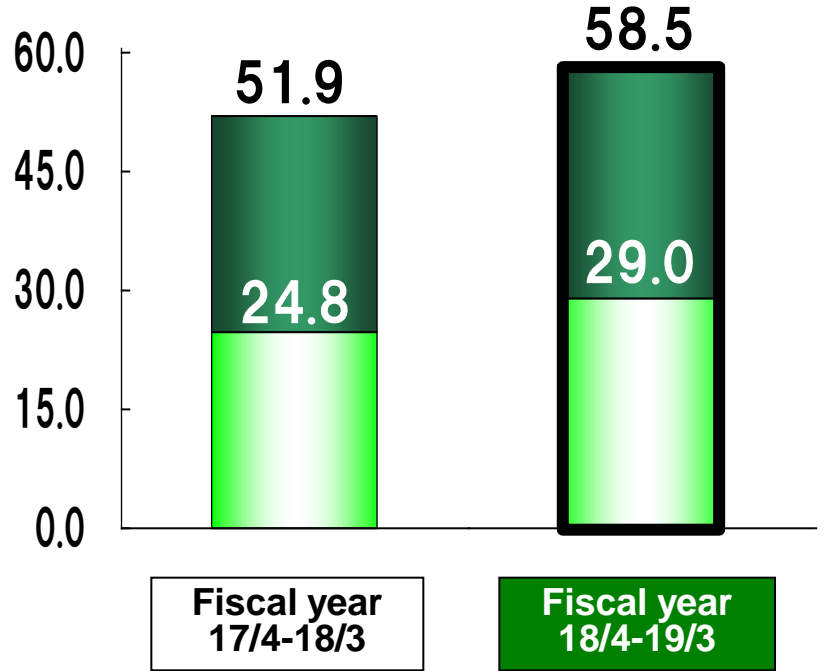
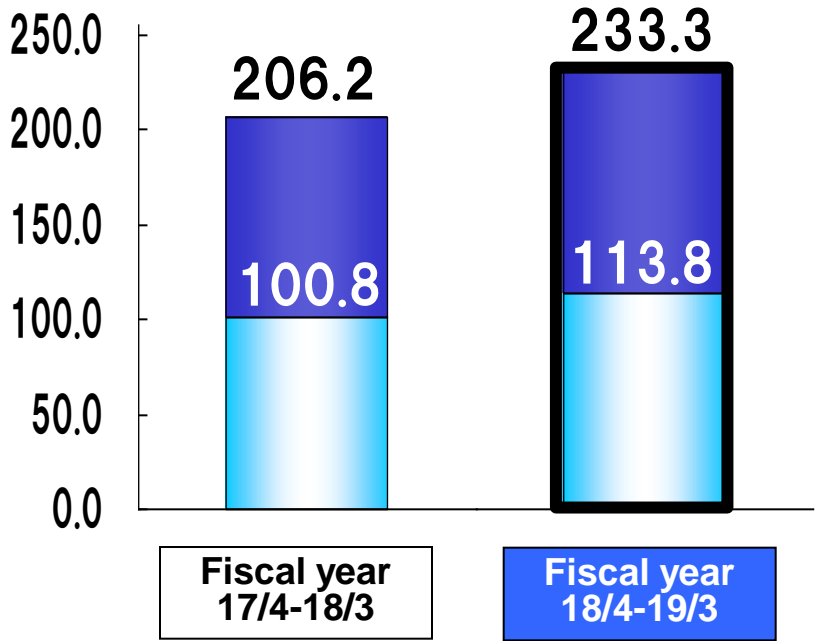


**Operating Income**



(Billions of Yen)

(Billions of Yen)



- With regard to the silicones business, as a result of price adjustments made for both general-purpose and functional products and, at the same time, meeting strong worldwide demand by carrying out maximum production and selling it out, the segment's business results increased.



# Specialty Chemicals Business Segment

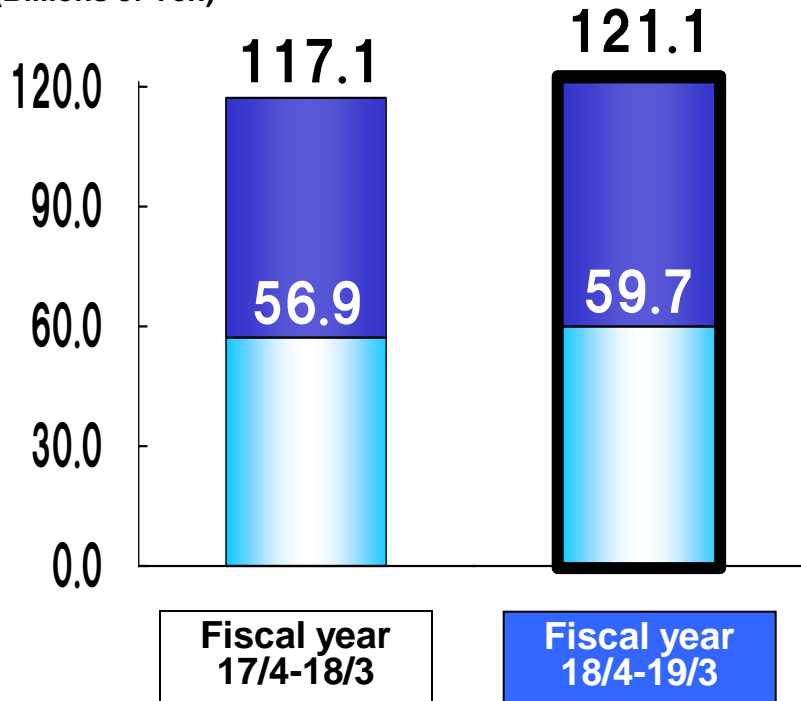
## Net Sales

Annual  
First Half

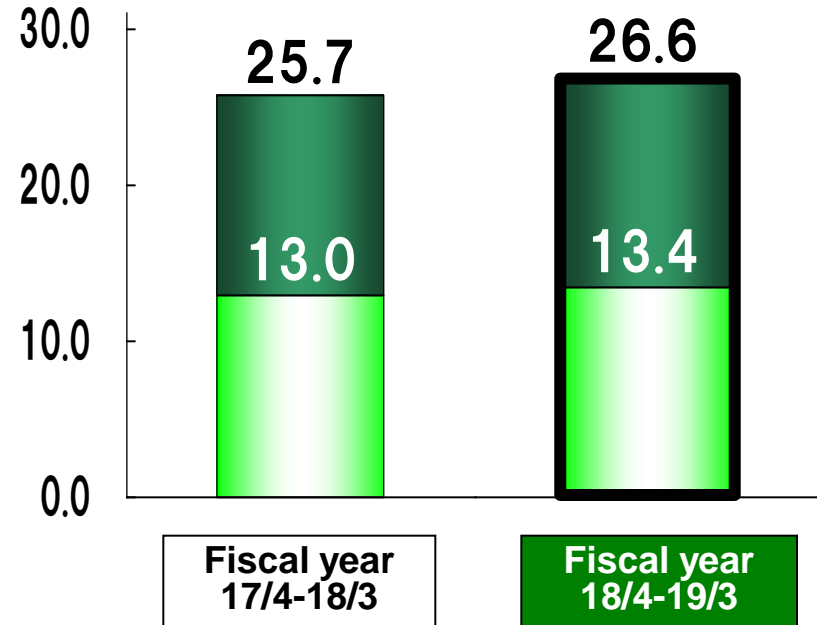
## Operating Income

Annual  
First Half

(Billions of Yen)



(Billions of Yen)



- With regard to cellulose derivatives, in addition to pharmaceutical-use products continuing to have good shipments, construction materials products and coating products continued to perform steadily.
- Pheromone products and POVAL products and others also on the whole had firm shipments.



# Semiconductor Silicon Business Segment

## Net Sales

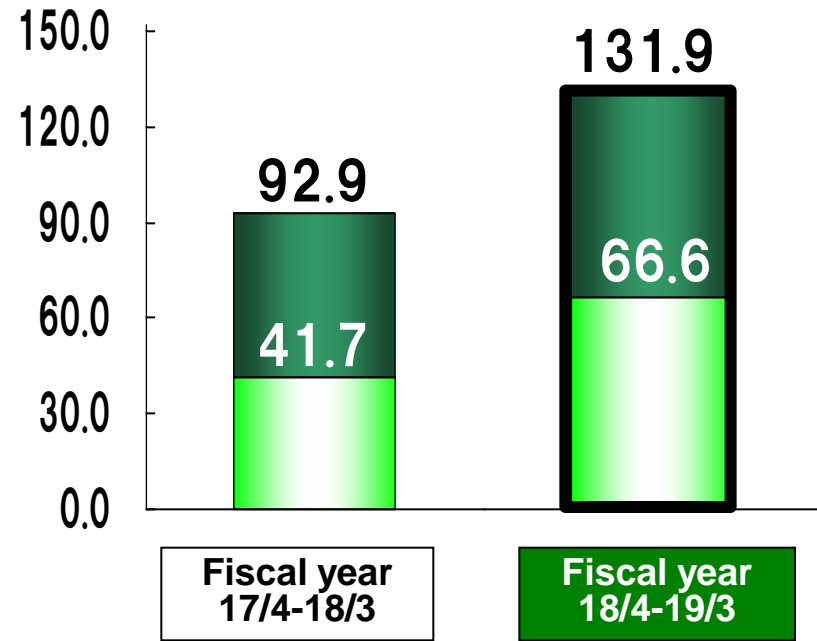
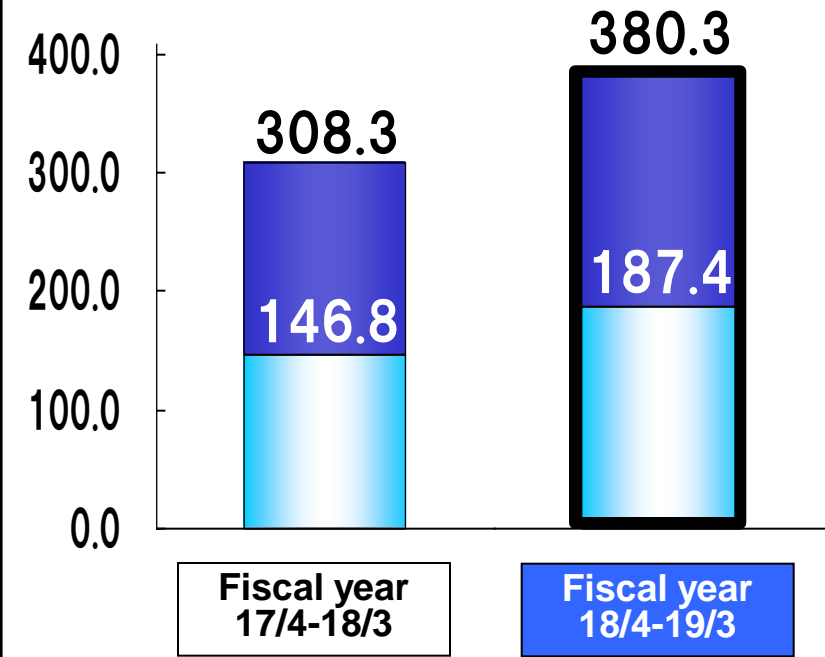
■ Annual  
■ First Half

## Operating Income

■ Annual  
■ First Half

(Billions of Yen)

(Billions of Yen)



- With regard to the semiconductor silicon business, in addition to its high level of shipments, the implementation of a product price adjustment contributed as well, and as a result this segment's business results increased.

# Electronics & Functional Materials Business Segment

## Net Sales

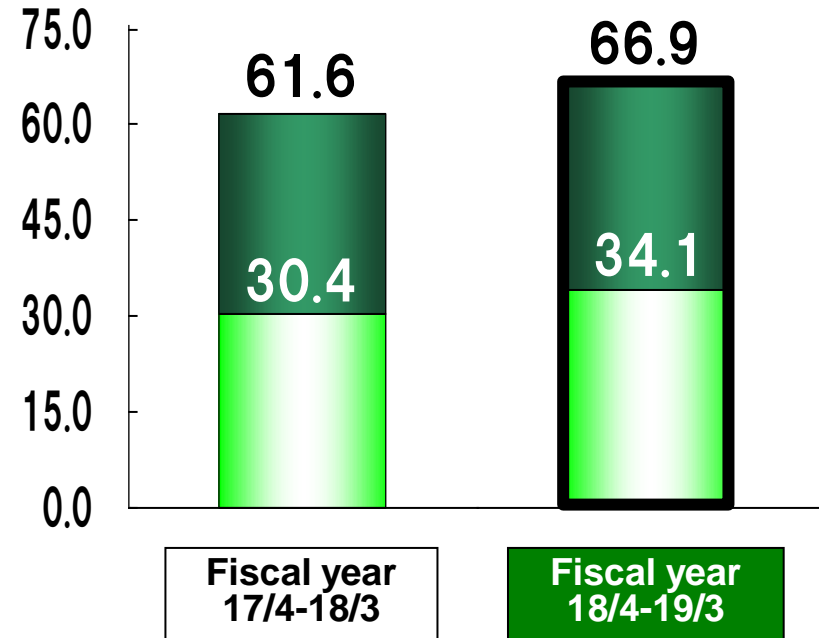
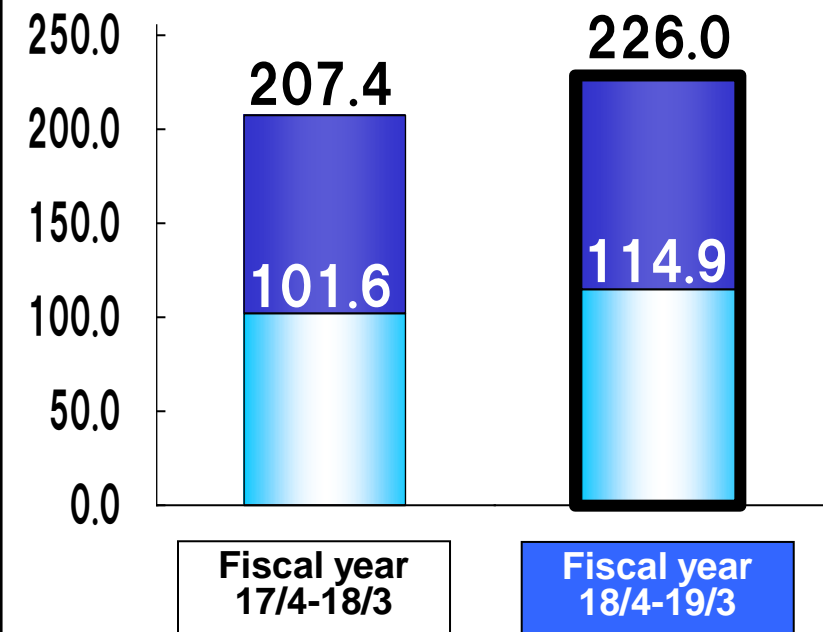
Annual  
First Half

## Operating Income

Annual  
First Half

(Billions of Yen)

(Billions of Yen)



- With regard to the rare earth magnets business, although since the latter half of FY 2019, customers' inventory adjustments were seen in a part of the applications, products for applications in automobiles including those for hybrid cars resulted in continued good shipments.
- With regard to our photoresist products business, KrF resists, ArF resists and trilayer materials all continued to be firm.
- With regard to photomask blanks, in addition to our most advanced cutting-edge products, both our general-purpose products and leading-edge products increased sales and did well.
- With regard to the business of optical fiber preform, although signs of a slowdown in optical fiber demand were seen, the sales of our joint-venture companies in China continued to be firm.



# Processing, Trading & Specialized Services Business Segment

## Net Sales

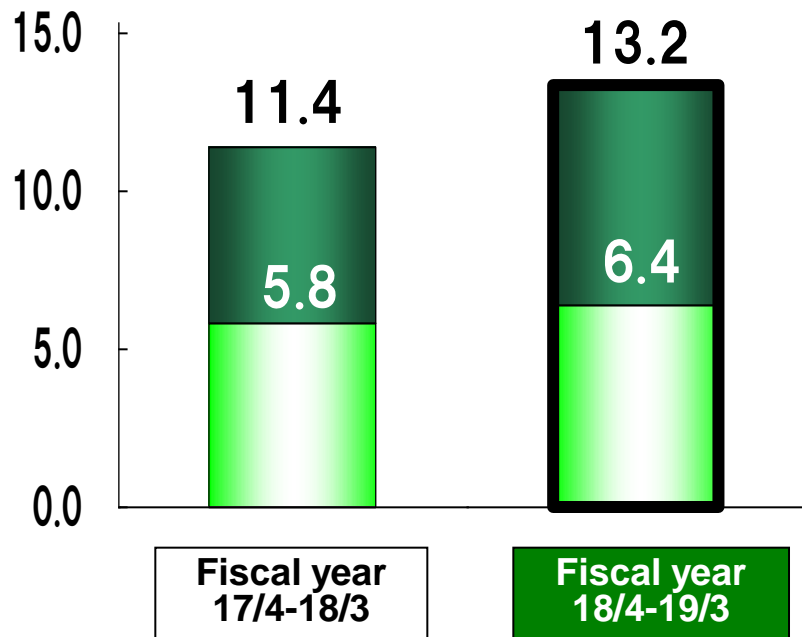
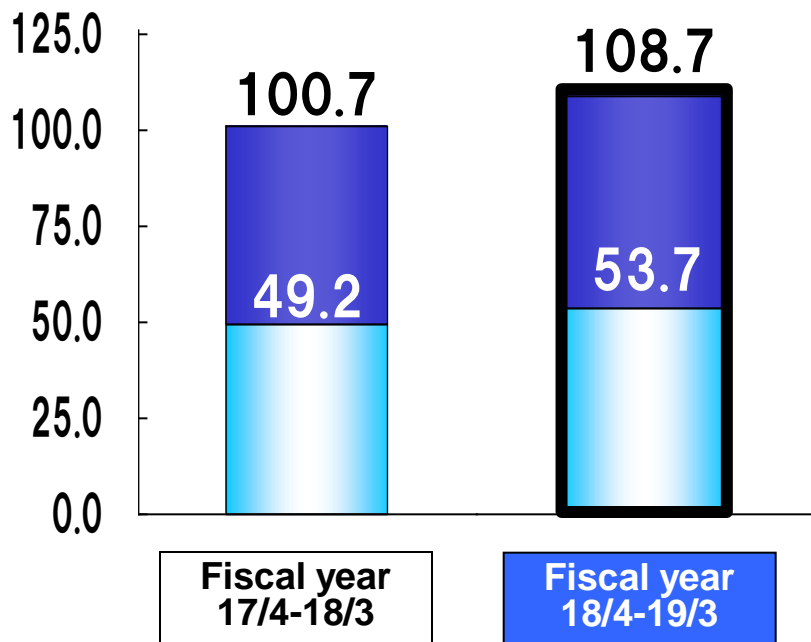
Annual  
First Half

## Operating Income

Annual  
First Half

(Billions of Yen)

(Billions of Yen)



- Shin-Etsu Polymer Co., Ltd.'s business of semiconductor wafer-related containers maintained a high level of shipments and continued to do well.



## Segment Topics

### ➤ **PVC/Chlor-Alkali Business**

To see how the market may develop,

- ◆ We keep an eye on resolution of “two Indian issues”: Conclusion of sunset review of anti-dumping duties on PVC imports and resumption of imports of caustic soda.
- ◆ We look to Asian PVC price rebound, with its strong correlation with oil price (correlation coefficient: 0.83).

### ➤ **Silicones Business**

- ◆ Progress on our capital investment plan (¥110.0bn) for monomers and polymers announced in September 2018: We invested ¥6.0bn in FY March 2019 and will be investing ¥47.3bn in FY March 2020.
- ◆ Market adjustments have ended and general-purpose market has stabilized. We will continue to expand our lineup of high-performance, high-value-added and custom order products.

### ➤ **Semiconductor Silicon Business**

While silicon wafer markets have been going through adjustments, we see good progress in inventory correction.

We keep an eye on device demand development.



## Segment Topics (Continued)

### ➤ **Specialty Chemicals Business**

We provide customers with solutions through hybridizing our silicone, POVAL, cellulose, fluoropolymer and other polymer materials (launching of “cross-material development”)

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

- ◆ Number of motors in next-generation environmental vehicles is forecast to grow at a CAGR of 24%, driven by increasing number of vehicles and advancement in vehicle electrification. We expect demand for rare earth magnets used in cars to continue to grow.
- ◆ Market growth is strong for functional materials such as lithography materials as evident in a recently announced acquisition.

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

We will create new value through further collaboration with key affiliate, Shin-Etsu Polymer Co., Ltd.



## Integration of SDGs and Management

- We will add “contributing to SDGs” as a new guideline to our Group Management Objectives for FY2019, and we will work on the following points:
  - ◆ Providing materials that contribute to solving the problems indicated in the SDGs
  - ◆ Saving as much energy and resources as possible to reduce environmental impact
- We will provide the following functions to help improve people’s living standards and solve problems in the market:
  - ◆ Data input, processing, transfer and output
  - ◆ Network connectivity
  - ◆ Efficient use of resources and energy
  - ◆ Productivity enhancement
  - ◆ Development of infrastructure for a smart society
  - ◆ Promotion of health





# Quarterly Net Sales by Segment

**(Net Sales)**

**(Billions of Yen)**

	Fiscal year 17/4-18/3					Fiscal year 18/4-19/3				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
PVC/Chlor-Alkali Business	113.5	125.7	125.6	136.3	501.3	123.1	138.7	137.4	124.9	524.2
Silicones Business	49.9	50.9	52.1	53.2	206.2	55.6	58.2	59.8	59.6	233.3
Specialty Chemicals Business	28.3	28.6	31.2	28.9	117.1	30.5	29.2	32.5	28.8	121.1
Semiconductor Silicon Business	71.4	75.3	78.6	82.8	308.3	90.9	96.4	98.1	94.7	380.3
Electronics & Functional Materials Business	49.1	52.4	52.5	53.2	207.4	56.0	58.8	57.7	53.4	226.0
Processing, Trading & Specialized Services Business	23.7	25.5	25.8	25.6	100.7	27.2	26.5	29.4	25.5	108.7
<b>Total</b>	<b>336.2</b>	<b>358.6</b>	<b>366.1</b>	<b>380.3</b>	<b>1,441.4</b>	<b>383.6</b>	<b>408.0</b>	<b>415.1</b>	<b>387.1</b>	<b>1,594.0</b>



# Quarterly Operating Income by Segment

**(Operating Income)**

**(Billions of Yen)**

	Fiscal year 17/4-18/3					Fiscal year 18/4-19/3				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
PVC/Chlor-Alkali Business	17.6	22.8	24.7	28.0	93.2	26.3	33.3	31.2	15.5	106.5
Silicones Business	12.1	12.7	13.5	13.5	51.9	13.5	15.5	16.7	12.7	58.5
Specialty Chemicals Business	6.5	6.5	6.3	6.3	25.7	6.8	6.6	7.5	5.6	26.6
Semiconductor Silicon Business	19.7	21.9	24.5	26.7	92.9	30.0	36.6	37.3	28.0	131.9
Electronics & Functional Materials Business	15.0	15.3	15.3	15.8	61.6	16.0	18.1	18.3	14.5	66.9
Processing, Trading & Specialized Services Business	2.8	2.9	2.5	3.1	11.4	3.0	3.4	4.0	2.7	13.2
<b>Total</b>	<b>74.1</b>	<b>82.1</b>	<b>87.0</b>	<b>93.4</b>	<b>336.8</b>	<b>95.4</b>	<b>113.8</b>	<b>115.3</b>	<b>79.0</b>	<b>403.7</b>

# Comparative Income Statements (Consolidated)

(Billions of Yen)

	Fiscal year 17/4-18/3	Fiscal year 18/4-19/3	Increase (Decrease)
<b>Net Sales</b>	<b>1,441.4</b>	<b>1,594.0</b>	<b>10.6%</b> <b>152.6</b>
<b>Cost of sales</b>	<b>963.0</b>	<b>1,039.9</b>	<b>76.9</b>
<b>Selling, general and administrative expenses</b>	<b>141.6</b>	<b>150.3</b>	<b>8.7</b>
<b>Operating Income</b>	<b>336.8</b>	<b>403.7</b>	<b>19.9%</b> <b>66.9</b>
<b>Non-operating income/expenses</b>	<b>3.4</b>	<b>11.6</b>	<b>8.2</b>
<b>Ordinary Income</b>	<b>340.3</b>	<b>415.3</b>	<b>22.0%</b> <b>75.0</b>
<b>Income Before Income Taxes</b>	<b>340.3</b>	<b>415.3</b>	<b>22.0%</b> <b>75.0</b>
<b>Income taxes</b>	<b>* 70.2</b>	<b>101.3</b>	<b>31.1</b>
<b>Net income attributable to non-controlling interests</b>	<b>3.8</b>	<b>4.8</b>	<b>1.0</b>
<b>Net income attributable to owners of parent</b>	<b>* 266.2</b>	<b>309.1</b>	<b>16.1%</b> <b>42.9</b>

\* Income taxes and Net income attributable to owners of parent include ¥29.8 billion (gain) as a result of the revaluation of deferred tax assets and liabilities following the enactment of tax reform legislation in the United States.

# Comparative Balance Sheets (Consolidated)

(Billions of Yen)

	Mar 31 2018	Mar 31 2019	Increase (Decrease)		Mar 31 2018	Mar 31 2019	Increase (Decrease)
<b>Current Assets</b>	<b>1,702.9</b>	<b>1,750.4</b>	<b>47.5</b>	<b>Current Liabilities</b>	<b>378.4</b>	<b>391.8</b>	<b>13.4</b>
Cash and time deposits	854.5	826.6	(27.9)	Notes and accounts payable-trade	136.8	141.0	4.2
Notes and accounts receivable-trade	332.8	338.7	5.9	Short-term borrowings	7.0	7.0	0.0
Securities	197.3	215.4	18.1	Accrued income taxes	58.9	45.7	(13.2)
Inventories	282.0	329.4	47.4	Other	175.5	198.0	22.5
Other	36.1	40.1	4.0				
<b>Fixed Assets</b>	<b>1,200.2</b>	<b>1,288.2</b>	<b>88.0</b>	<b>Long-term Liabilities</b>	<b>111.6</b>	<b>114.3</b>	<b>2.7</b>
Property, Plant and Equipment	899.7	987.9	88.2	Long-term debt	8.4	7.6	(0.8)
Machinery and equipment, net	454.8	445.9	(8.9)	Other	103.2	106.6	3.4
Other, net	444.8	541.9	97.1	<b>Total Liabilities</b>	<b>490.1</b>	<b>506.1</b>	<b>16.0</b>
<b>Intangible Assets</b>	<b>9.4</b>	<b>8.7</b>	<b>(0.7)</b>	<b>Stockholders' Equity</b>	<b>2,289.9</b>	<b>2,436.7</b>	<b>146.8</b>
<b>Investments and Other Assets</b>	<b>291.0</b>	<b>291.5</b>	<b>0.5</b>	<b>Accumulated Other Comprehensive Income</b>	<b>61.3</b>	<b>28.8</b>	<b>(32.5)</b>
Investments in securities	145.4	141.6	(3.8)	Share Subscription Rights Non - Controlling Interests in Consolidated Subsidiaries	61.7	66.9	5.2
Other	145.6	149.8	4.2	<b>Total Net Assets</b>	<b>2,413.0</b>	<b>2,532.5</b>	<b>119.5</b>
<b>Total Assets</b>	<b>2,903.1</b>	<b>3,038.7</b>	<b>135.6</b>	<b>Total Liabilities and Net Assets</b>	<b>2,903.1</b>	<b>3,038.7</b>	<b>135.6</b>

Note: We applied Amendments to Accounting Standard for Tax Effect Accounting, effective April 1, 2018. Furthermore, we retrospectively applied this amendments to the consolidated financial statements in FY 2018. As a result, total assets and total liabilities as of March 31, 2018 decreased by ¥5.1 billion.

(Reference) Breakdown of Comparative Balance Sheets  
(Consolidated)

(Billions of Yen)

	Mar 31 2018	Mar 31 2019	Increase (Decrease) [a]	Effect of exchange rate [b]	[a]-[b]		Mar 31 2018	Mar 31 2019	Increase (Decrease) [a]	Effect of exchange rate [b]	[a]-[b]
<b>Current Assets</b>	<b>1,702.9</b>	<b>1,750.4</b>	<b>47.5</b>	<b>(21.3)</b>	<b>68.8</b>	<b>Current Liabilities</b>	<b>378.4</b>	<b>391.8</b>	<b>13.4</b>	<b>(3.9)</b>	<b>17.3</b>
Cash and time deposits	854.5	826.6	(27.9)	(11.9)	(16.0)	Notes and accounts payable-trade	136.8	141.0	4.2	(1.5)	5.7
Notes and accounts receivable-trade	332.8	338.7	5.9	(5.1)	11.0	Short-term borrowings	7.0	7.0	0.0	(0.1)	0.1
Securities	197.3	215.4	18.1	0.0	18.1	Accrued income taxes	58.9	45.7	(13.2)	(0.6)	(12.6)
Inventories	282.0	329.4	47.4	(4.2)	51.6	Other	175.5	198.0	22.5	(1.8)	24.3
Other	36.1	40.1	4.0	(0.2)	4.2	Long-term Liabilities	111.6	114.3	2.7	(2.1)	4.8
						Total Liabilities	490.1	506.1	16.0	(6.0)	22.0
<b>Fixed Assets</b>	<b>1,200.2</b>	<b>1,288.2</b>	<b>88.0</b>	<b>(16.9)</b>	<b>104.9</b>	Stockholders' Equity	2,289.9	2,436.7	146.8	0.0	146.8
Property, Plant and Equipment	899.7	987.9	88.2	(15.8)	104.0	Accumulated Other Comprehensive Income	61.3	28.8	(32.5)	(32.1)	(0.4)
Intangible Assets	9.4	8.7	(0.7)	(0.3)	(0.4)	Share Subscription Rights Non - Controlling Interests in Consolidated Subsidiaries	61.7	66.9	5.2	(0.1)	5.3
Investments and Other Assets	291.0	291.5	0.5	(0.8)	1.3	Total Net Assets	2,413.0	2,532.5	119.5	(32.2)	151.7
<b>Total Assets</b>	<b>2,903.1</b>	<b>3,038.7</b>	<b>135.6</b>	<b>(38.2)</b>	<b>173.8</b>	Total Liabilities and Net Assets	2,903.1	3,038.7	135.6	(38.2)	173.8

# Comparative Statements of Cash Flows (Consolidated)

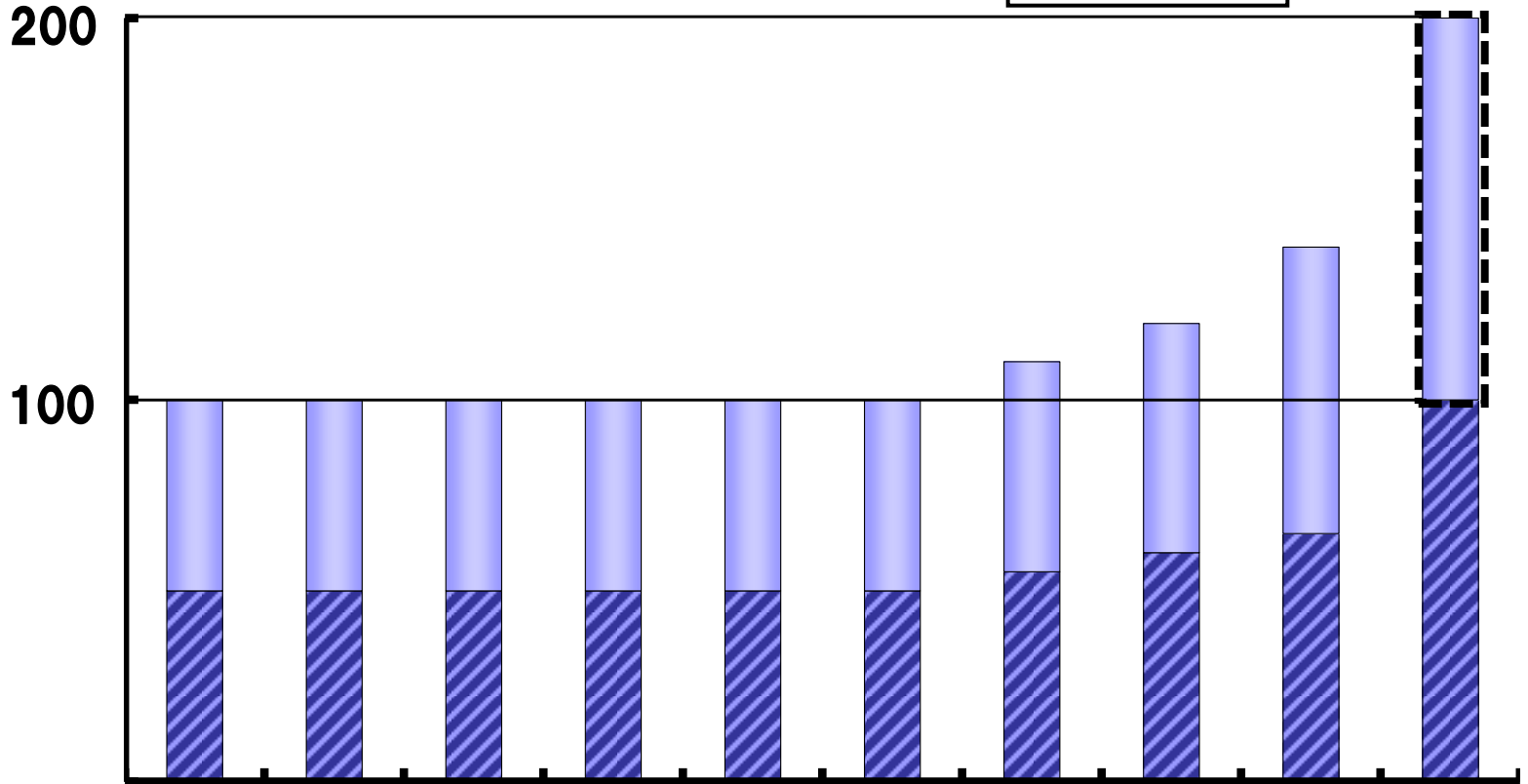
(Billions of Yen)

	Fiscal year 17/4-18/3	Fiscal year 18/4-19/3	Increase (Decrease)
<b>(1) Cash Flows from Operating Activities</b>	<b>332.7</b>	<b>400.6</b>	<b>67.9</b>
Income Before Income Taxes	340.3	415.3	75.0
Payments of income taxes	(74.7)	(121.5)	(46.8)
Depreciation and amortization	112.0	137.5	25.5
(Increase)Decrease in working capital	(43.8)	(54.5)	(10.7)
Others	(0.8)	23.9	24.7
<b>(2) Cash Flows from Investing Activities</b>	<b>(237.6)</b>	<b>(181.5)</b>	<b>56.1</b>
Capital expenditures	(163.7)	(228.1)	(64.4)
(Increase)Decrease in securities (mainly Negotiable certificates of deposit)	(46.9)	(3.2)	43.7
(Increase)Decrease in time deposits	(22.6)	55.1	77.7
Others	(4.3)	(5.2)	(0.9)
<b>(3) Cash Flows from Financing Activities</b>	<b>(50.0)</b>	<b>(164.5)</b>	<b>(114.5)</b>
Increase(Decrease) in borrowings	1.1	(0.4)	(1.5)
Cash dividends paid	(53.3)	(74.6)	(21.3)
Purchases of treasury stock	(0.0)	(89.4)	(89.4)
Others	2.2	0.0	(2.2)
<b>(4) Effect of Exchange Rate Changes on Cash and Cash Equivalents, and other</b>	<b>1.9</b>	<b>(6.6)</b>	<b>(8.5)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>47.1</b>	<b>47.8</b>	<b>0.7</b>
<b>Balance of Cash and Cash Equivalents</b>	<b>780.4</b>	<b>828.3</b>	<b>47.8</b>
<b>Balance of Interest-bearing Liabilities</b>	<b>15.5</b>	<b>14.6</b>	<b>(0.9)</b>



# Cash Dividends per Share

Cash Dividend per Share (Yen)



Fiscal year ended March    2010    2011    2012    2013    2014    2015    2016    2017    2018    2019

Cash Dividend per Share (Yen)	First half	50	50	50	50	50	50	55	60	65	100
	Annual	100	100	100	100	100	100	110	120	140	200*
Net Income per Share (Yen)	Annual	197.5	235.8	237.0	248.9	267.2	302.0	349.5	412.9	624.3	726.0
Dividend payout ratio	Annual	50.6%	42.4%	42.2%	40.2%	37.4%	33.1%	31.5%	29.1%	22.4%	27.5%*

\*Forecast

# Appendix (For Reference)

## 1) Average Exchange Rate

		US\$ (yen/\$)					EUR (yen/€)				
		Quarterly	6 months		12 months		Quarterly	6 months		12 months	
			Jan-Jun Jul-Dec	Apr-Sep Oct-Mar	Jan-Dec *	Apr-Mar		Jan-Jun Jul-Dec	Apr-Sep Oct-Mar	Jan-Dec *	Apr-Mar
2017	Jan-Mar	113.6	112.4	111.1	112.2	110.9	121.1	121.6	126.3	126.7	129.7
	Apr-Jun	111.1					122.2				
	Jul-Sep	111.0	112.0	130.4			131.7				
	Oct-Dec	113.0	110.6	133.0			133.1				
2018	Jan-Mar	108.3	108.7	110.3	110.4	110.9	133.2	131.6	129.8	130.4	128.4
	Apr-Jun	109.1					130.1				
	Jul-Sep	111.5	112.2	129.6			129.2				
	Oct-Dec	112.9	111.6	128.8			127.0				
2019	Jan-Mar	110.2					125.1				

Exchange rate as of Dec 31, 2017 113.00 Mar 31, 2018 106.24 Dec 31, 2017 134.94 Mar 31, 2018 130.52  
 Dec 31, 2018 111.00 Mar 31, 2019 110.99 Dec 31, 2018 127.00 Mar 31, 2019 124.56

\* An average exchange rate between January and December was used for the Consolidated Income Statements of overseas subsidiaries.



# Appendix (For Reference)

## 2) Sales by Region

(Billions of Yen)

	Japan	Overseas					Total	Total Consolidated Net Sales
		U.S.	Asia/Oceania		Europe	Other Areas		
			China					
Fiscal year 17/4-18/3	26%	23%	32%	10%	11%	8%	74%	1,441.4
	373.8	335.7	458.1	138.3	162.1	111.6	1,067.6	
Fiscal year 18/4-19/3	26%	22%	33%	10%	12%	7%	74%	1,594.0
	413.1	356.3	531.1	152.8	182.7	110.6	1,180.8	

Note: % indicates the proportion of total consolidated net sales

## 3) Assets by Segments

(Billions of Yen)

	PVC/ Chlor-Alkali Business	Silicones Business	Speciality Chemicals Business	Semiconductor Silicon Business	Electronics & Functional Materials Business	Processing, Trading & Specialized Services Business	Corporate assets	Consolidated total
March 31 2018	810.1	251.8	167.4	739.9	253.9	149.0	530.7	2,903.1
March 31 2019	879.4	282.0	174.3	827.3	294.7	160.4	420.3	3,038.7

Note: These amounts were prepared on an informal basis.



## Appendix (For Reference)

### 4) Topics (Apr. 1, 2018 – Apr. 26, 2019)

- Apr. 2018**      **Shin-Etsu Chemical announced cancellation of treasury stock.**
- Jul. 2018**      **Shintech decided to construct a new integrated PVC plant in the U.S.**
- Sep. 2018**      **Shin-Etsu Chemical announced facility investments for silicone at main bases in seven countries such as Japan and Thailand.**
- Oct. 2018**      **Shin-Etsu Chemical announced capacity expansion of photomask blanks in Japan.**
- Mar. 2019**      **Shin-Etsu Chemical announced decisions relating to repurchase of shares and cancellation of treasury shares.**

★ Please refer to news releases related to these matters on our website at <http://www.shinetsu.co.jp/en/news/>

# Appendix (For Reference)

## 5) Capital Investments

★: complete ☆: completion schedule

Company	Projects	Investment Amount	2017		2018		2019		2020		2021	
			1H	2H	1H	2H	1H	2H	1H	2H	1H	2H
Shintech (USA)	Establishment of a manufacturing plant for ethylene	\$1,400 million					☆					
Shintech (USA)	Establishment of a new integrated PVC plant	\$1,490 million								☆		
Shin-Etsu Chemical (Saitama)	Expansion of silicone rubber molding and processing Technical Center	—	★									
Shin-Etsu Chemical (Gunma, Naoetsu)	Reinforcement of the production capacity for highly functional silicone products	¥20 billion	★	*1 →								
Asia Silicones Monomer (Thailand) Shin-Etsu Silicones (Thailand)	Increase of the production capacity for silicone products	¥20 billion			★							
Shin-Etsu Chemical (Naoetsu)	Construction of a functional silane plant	¥2.3 billion			★							
Shin-Etsu Silicones of America (USA)	Reinforcement of the production capacity for silicone products	¥2.4 billion						☆				
Shin-Etsu Chemical and main overseas bases (Gunma, Thailand, etc.)	Reinforcement of the production capacity for silicone monomer and polymer	¥110 billion				*1 →				☆		
Shin-Etsu Chemical (Naoetsu) SE Tylose (Germany)	Facility investments for cellulose derivatives	¥20 billion						☆				
Shin-Etsu Magnetic Materials (Vietnam)	Reinforcement of the production capacity for rare earth magnets plant	¥5 billion				★						
Shin-Etsu Electronics Materials Taiwan (Taiwan)	Establishment of a new plant for photoresist-related products	¥13 billion				★						
Shin-Etsu Chemical (Takefu, Naoetsu)	Reinforcement of the production capacity for photomask blanks	¥14 billion						☆ <sup>*2</sup>				☆ <sup>*3</sup>
Shin-Etsu Chemical (Kashima) Shin-Etsu (Jiangsu) Optical Preform (China) Shin-Etsu YOFC (Hubei) Optical Preform (China)	Reinforcement of the production capacity for optical fiber preform	¥18 billion						☆				

\*1 Starting up gradually \*2 Naoetsu \*3 Takefu