

# Ten-Year Summary

SHIN-ETSU CHEMICAL CO., LTD. AND SUBSIDIARIES For the fiscal years ended March 31, 2012 through 2021

For more detailed information, please see the Investor Information on our corporate website.

[WEB https://www.shinetsu.co.jp/en/ir/ir-data/](https://www.shinetsu.co.jp/en/ir/ir-data/)

For the year:	2012					2013					2021	
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021	
	Millions of yen										Millions of U.S. dollars (Note 1)	
<b>Net sales</b>	¥ 1,047,731	¥ 1,025,409	¥ 1,165,819	¥ 1,255,543	¥ 1,279,807	¥ 1,237,405	¥ 1,441,432	¥ 1,594,036	¥ 1,543,525	<b>¥ 1,496,906</b>	<b>\$ 13,485</b>	
<b>Cost of sales</b>	798,592	769,427	873,879	940,399	930,019	868,404	963,008	1,039,979	987,782	<b>953,203</b>	<b>8,587</b>	
<b>Selling, general and administrative expenses</b>	99,505	98,938	118,130	129,814	141,262	130,383	141,601	150,352	149,702	<b>151,489</b>	<b>1,364</b>	
<b>Operating income</b>	149,632	157,043	173,809	185,329	208,525	238,617	336,822	403,705	406,041	<b>392,213</b>	<b>3,533</b>	
<b>Ordinary income</b>	165,237	170,207	180,605	198,025	220,005	242,133	340,308	415,311	418,242	<b>405,101</b>	<b>3,649</b>	
<b>Net income attributable to owners of parent</b>	100,643	105,714	113,617	128,606	148,840	175,912	266,235	309,125	314,027	<b>293,732</b>	<b>2,646</b>	
<b>Capital expenditures</b>	87,165	86,841	83,155	109,903	134,753	145,647	176,283	240,618	265,018	<b>228,801</b>	<b>2,061</b>	
<b>R&amp;D costs</b>	35,725	37,671	43,546	47,165	53,165	49,020	51,768	56,436	48,536	<b>51,264</b>	<b>461</b>	
<b>Depreciation and amortization</b>	82,868	80,961	91,445	96,918	100,466	93,087	112,016	137,570	131,172	<b>143,807</b>	<b>1,295</b>	
<b>At year-end:</b>												
<b>Total assets</b>	¥ 1,809,841	¥ 1,920,903	¥ 2,198,912	¥ 2,452,306	¥ 2,510,085	¥ 2,655,636	¥ 2,903,137	¥ 3,038,717	¥ 3,230,485	<b>¥ 3,380,615</b>	<b>\$ 30,455</b>	
<b>Working capital (Current assets - Current liabilities)</b>	694,803	832,878	981,667	1,100,999	1,170,679	1,232,607	1,324,495	1,358,614	1,446,724	<b>1,551,662</b>	<b>13,978</b>	
<b>Common stock</b>	119,419	119,419	119,419	119,419	119,419	119,419	119,419	119,419	119,419	<b>119,419</b>	<b>1,075</b>	
<b>Net assets</b>	1,494,573	1,623,176	1,822,135	2,012,711	2,080,465	2,190,082	2,413,025	2,532,556	2,723,141	<b>2,886,625</b>	<b>26,005</b>	
<b>Interest-bearing debt</b>	15,732	13,929	15,638	14,328	13,470	14,642	15,814	14,920	30,383	<b>34,456</b>	<b>310</b>	
<b>Per share (Yen and U.S. dollars):</b>												
<b>Net income per share</b>	¥ 237.03	¥ 248.94	¥ 267.20	¥ 302.05	¥ 349.46	¥ 412.86	¥ 624.28	¥ 725.99	¥ 755.17	<b>¥ 706.76</b>	<b>\$ 6.367</b>	
<b>Diluted net income per share</b> <sup>(Note2)</sup>	—	248.92	267.07	301.98	349.42	412.83	624.10	725.92	755.01	<b>706.26</b>	<b>6.363</b>	
<b>Cash dividends</b>	100.00	100.00	100.00	100.00	110.00	120.00	140.00	200.00	220.00	<b>250.00</b>	<b>2.252</b>	
<b>Payout ratio (%)</b>	42.2	40.2	37.4	33.1	31.5	29.1	22.4	27.5	29.1	<b>35.4</b>	<b>35.4</b>	
<b>Net assets</b>	3,422.93	3,709.19	4,165.28	4,602.80	4,761.48	5,002.16	5,511.98	5,915.47	6,377.93	<b>6,769.72</b>	<b>60.988</b>	
<b>General:</b>												
<b>Operating income to net sales ratio (%)</b>	14.3	15.3	14.9	14.8	16.3	19.3	23.4	25.3	26.3	<b>26.2</b>	<b>26.2</b>	
<b>Net income attributable to owners of parent to net sales ratio (%)</b>	9.6	10.3	9.7	10.2	11.6	14.2	18.5	19.4	20.3	<b>19.6</b>	<b>19.6</b>	
<b>ROE (%)</b>	7.0	7.0	6.8	6.9	7.5	8.5	11.9	12.8	12.3	<b>10.7</b>	<b>10.7</b>	
<b>ROA (%)</b>	9.2	9.1	8.8	8.5	8.9	9.4	12.2	14.0	13.3	<b>12.3</b>	<b>12.3</b>	
<b>Equity ratio (%)</b>	80.3	82.0	80.6	79.9	80.8	80.3	81.0	81.1	82.1	<b>83.2</b>	<b>83.2</b>	
<b>Number of employees</b>	16,167	17,712	17,892	18,276	18,407	19,206	20,155	21,735	22,783	<b>24,069</b>	<b>24,069</b>	
<b>Number of shares issued (Thousands)</b>	432,106	432,106	432,106	432,106	432,106	432,106	432,106	427,606	416,662	<b>416,662</b>	<b>416,662</b>	

Notes: 1. The U.S. dollar amounts represent conversion of yen, for convenience only, at the rate of ¥111 = US\$1, the approximate rate of exchange on March 31, 2021.  
2. Diluted net income per share for the fiscal year ended March 31, 2012 is not presented as there were no securities with dilutive effect.  
3. \* Partial Amendments to "Accounting Standard for Tax-Effect Accounting," etc. (ASBJ Statement No. 28, February 16, 2018) were applied from the beginning of the fiscal year ended March 31, 2019. Accordingly, the main management indicators, etc., for the previous fiscal year are those after retroactive application of said Accounting Standard, etc.

## Consolidated Balance Sheet

SHIN-ETSU CHEMICAL CO., LTD. AND SUBSIDIARIES As of March 31, 2020 and 2021

ASSETS	2020	Millions of U.S. dollars		LIABILITIES	2020	Millions of U.S. dollars	
		2021	2021			2021	2021
<b>Current Assets:</b>				<b>Current Liabilities:</b>			
Cash and time deposits	¥ 836,448	¥ 866,882	\$ 7,809	Notes and accounts payable—trade	¥ 136,442	¥ 125,410	\$ 1,129
Notes and accounts receivable—trade	325,489	343,896	3,098	Short-term borrowings	8,295	11,768	106
Securities	251,377	286,039	2,576	Accounts payable—other	75,094	63,595	572
Merchandise and finished goods	173,358	157,401	1,418	Accrued expenses	73,292	69,226	623
Work in process	16,828	13,102	118	Accrued income taxes	44,377	48,049	432
Raw materials and supplies	175,479	194,528	1,752	Accrued bonuses for employees	3,661	3,663	33
Other	52,723	59,085	532	Accrued bonuses for directors	728	707	6
Less: Allowance for doubtful accounts	(7,186)	(6,028)	(54)	Other	35,901	40,825	367
Total current assets	1,824,519	1,914,909	17,251	Total current liabilities	377,794	363,246	3,272
<b>Fixed Assets:</b>				<b>Long-Term Liabilities:</b>			
<b>Property, Plant and Equipment:</b>				Long-term debt	15,124	15,986	144
Buildings and structures, net	202,848	206,246	1,858	Deferred tax liabilities	59,378	55,289	498
Machinery and equipment, net	440,595	559,992	5,044	Net defined benefit liability	36,243	41,456	373
Land	92,577	90,159	812	Other	18,803	18,011	162
Construction in progress	367,309	290,901	2,620	Total long-term liabilities	129,549	130,743	1,177
Other, net	16,584	17,850	160	<b>Total Liabilities</b>	<b>507,343</b>	<b>493,990</b>	<b>4,450</b>
Total property, plant and equipment	1,119,915	1,165,149	10,496				
				<b>NET ASSETS</b>	<b>2020</b>	<b>2021</b>	<b>2021</b>
<b>Intangible Assets</b>	10,099	8,922	80				
				<b>Stockholders' Equity:</b>			
				Common stock	119,419	119,419	1,075
				Additional paid-in capital	128,323	128,954	1,161
				Retained earnings	2,413,769	2,616,081	23,568
				Less: Treasury stock, at cost	(7,123)	(12,612)	(113)
				Total stockholders' equity	2,654,388	2,851,842	25,692
				<b>Accumulated Other Comprehensive Income:</b>			
				Unrealized gains (losses) on available-for-sale securities	10,296	25,027	225
				Deferred gains (losses) on hedges	(2,799)	(2,703)	(24)
				Foreign currency translation adjustments	(8,187)	(58,618)	(528)
				Remeasurements of defined benefit plans	(1,387)	(2,409)	(21)
				Total accumulated other comprehensive income	(2,078)	(38,704)	(348)
				<b>Share Subscription Rights</b>	1,904	2,014	18
				<b>Non-Controlling Interests in Consolidated Subsidiaries</b>	68,927	71,473	643
<b>Total Assets</b>	¥ 3,230,485	¥ 3,380,615	\$ 30,455	<b>Total Net Assets</b>	2,723,141	2,886,625	26,005
				<b>Total Liabilities and Net Assets</b>	¥ 3,230,485	¥ 3,380,615	\$ 30,455

## Consolidated Statement of Income

SHIN-ETSU CHEMICAL CO., LTD. AND SUBSIDIARIES

For the fiscal years ended March 31, 2020 and 2021

	2020	Millions of U.S. dollars	
		2021	2021
<b>Net Sales</b>	¥ 1,543,525	¥ 1,496,906	\$ 13,485
<b>Cost of Sales</b>	987,782	953,203	8,587
Gross profit	555,743	543,702	4,898
<b>Selling, General and Administrative Expenses</b>	149,702	151,489	1,364
Operating income	406,041	392,213	3,533
<b>Other Income (Expenses):</b>			
Interest income	10,777	5,016	45
Dividend income	7,388	7,417	66
Equity in earnings (losses) of affiliates	4,327	5,364	48
Interest expenses	(749)	(728)	(6)
Loss on disposal of property, plant and equipment	(1,202)	(1,954)	(17)
Other, net	(8,340)	(2,227)	(20)
Ordinary income	418,242	405,101	3,649
<b>Extraordinary income:</b>			
Gain on sales of investment securities	7,774	-	-
<b>Extraordinary loss:</b>			
Loss on disaster	-	2,955	26
Income before income taxes and non-controlling interests	426,017	402,145	3,622
<b>Income Taxes:</b>			
Current	108,290	105,356	949
Deferred	(564)	(2,387)	(21)
Total Income Taxes	107,726	102,968	927
<b>Net Income</b>	318,290	299,177	2,695
<b>Net Income Attributable to Non-Controlling Interests</b>	(4,263)	(5,444)	(49)
<b>Net Income Attributable to Owners of Parent</b>	¥ 314,027	¥ 293,732	\$ 2,646
<b>Earnings per Share:</b>			
Net income attributable to owners of parent—basic	¥ 755.17	¥ 706.76	6.367
Net income attributable to owners of parent—fully diluted	755.01	706.26	6.363
Cash dividends	220.00	250.00	2.252
<b>Weighted-Average Number of Shares Outstanding (Thousands)</b>	415,838	415,602	415,602

## Consolidated Statement of Comprehensive Income

SHIN-ETSU CHEMICAL CO., LTD. AND SUBSIDIARIES

For the fiscal years ended March 31, 2020 and 2021

	2020	Millions of U.S. dollars	
		2021	2021
<b>Net Income</b>	¥ 318,290	¥ 299,177	\$ 2,695
<b>Other Comprehensive Income:</b>			
Unrealized gains (losses) on available-for-sale securities	(12,732)	14,787	133
Deferred gains (losses) on hedges	(2,530)	93	0
Foreign currency translation adjustments	(13,642)	(50,887)	(458)
Remeasurements of defined benefit plans	(2,371)	(1,010)	(9)
Share of other comprehensive income (loss) of affiliates accounted for using the equity method	(125)	70	0
Total other comprehensive income (loss)	(31,401)	(36,946)	(332)
<b>Comprehensive Income</b>	¥ 286,889	¥ 262,230	\$ 2,362
(Breakdown)			
Comprehensive income attributable to owners of parent	¥ 283,128	¥ 257,106	\$ 2,316
Comprehensive income attributable to non-controlling interests	3,760	5,123	46

## Consolidated Statement of Changes in Net Assets

SHIN-ETSU CHEMICAL CO., LTD. AND SUBSIDIARIES

	Thousands		Millions of yen			
	Number of shares of common stock	Common stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost	Total
<b>Balance at April 1, 2019</b>	427,606	¥ 119,419	¥ 128,299	¥ 2,283,760	¥ (94,702)	¥ 2,436,777
Cash dividends				(87,410)		(87,410)
Net income attributable to owners of parent				314,027		314,027
Purchase of treasury stock					(10,566)	(10,566)
Disposal of treasury stock			145		1,391	1,537
Retirement of treasury stock	(10,943)		(96,753)		96,753	
Transfer to additional paid-in capital from retained earnings			96,608	(96,608)		
Others			23			23
Net changes of items other than stockholders' equity						
<b>Balance at March 31, 2020</b>	416,662	¥ 119,419	¥ 128,323	¥ 2,413,769	¥ (7,123)	¥ 2,654,388

	Millions of yen						
	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total	Share subscription rights	Non-controlling interests in consolidated subsidiaries
<b>Balance at April 1, 2019</b>	¥ 22,955	¥ (266)	¥ 5,143	¥ 987	¥ 28,820	¥ 1,143	¥ 65,814
Cash dividends							(87,410)
Net income attributable to owners of parent							314,027
Purchase of treasury stock							(10,566)
Disposal of treasury stock							1,537
Retirement of treasury stock							
Transfer to additional paid-in capital from retained earnings							
Others							23
Net changes of items other than stockholders' equity	(12,659)	(2,533)	(13,331)	(2,375)	(30,899)	760	3,112
<b>Balance at March 31, 2020</b>	¥ 10,296	¥ (2,799)	¥ (8,187)	¥ (1,387)	¥ (2,078)	¥ 1,904	¥ 68,927

	Thousands		Millions of yen			
	Number of shares of common stock	Common stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost	Total
<b>Balance at April 1, 2020</b>	416,662	¥ 119,419	¥ 128,323	¥ 2,413,769	¥ (7,123)	¥ 2,654,388
Cash dividends				(91,420)		(91,420)
Net income attributable to owners of parent				293,732		293,732
Purchase of treasury stock					(10,657)	(10,657)
Disposal of treasury stock			627		5,167	5,795
Others			3			3
Net changes of items other than stockholders' equity						
<b>Balance at March 31, 2021</b>	416,662	¥ 119,419	¥ 128,954	¥ 2,616,081	¥ (12,612)	¥ 2,851,842

	Millions of yen						
	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total	Share subscription rights	Non-controlling interests in consolidated subsidiaries
<b>Balance at April 1, 2020</b>	¥ 10,296	¥ (2,799)	¥ (8,187)	¥ (1,387)	¥ (2,078)	¥ 1,904	¥ 68,927
Cash dividends							(91,420)
Net income attributable to owners of parent							293,732
Purchase of treasury stock							(10,657)
Disposal of treasury stock							5,795
Others							3
Net changes of items other than stockholders' equity	14,730	95	(50,430)	(1,021)	(36,625)	110	2,546
<b>Balance at March 31, 2021</b>	¥ 25,027	¥ (2,703)	¥ (58,618)	¥ (2,409)	¥ (38,704)	¥ 2,014	¥ 71,473

	Thousands		Millions of U.S. dollars			
	Number of shares of common stock	Common stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost	Total
<b>Balance at April 1, 2020</b>	416,662	\$ 1,075	\$ 1,156	\$ 21,745	\$ (64)	\$ 23,913
Cash dividends				(823)		(823)
Net income attributable to owners of parent				2,646		2,646
Purchase of treasury stock					(96)	(96)
Disposal of treasury stock			5		46	52
Others			0			0
Net changes of items other than stockholders' equity						
<b>Balance at March 31, 2021</b>	416,662	\$ 1,075	\$ 1,161	\$ 23,568	\$ (113)	\$ 25,692

	Millions of U.S. dollars						
	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total	Share subscription rights	Non-controlling interests in consolidated subsidiaries
<b>Balance at April 1, 2020</b>	\$ 92	\$ (25)	\$ (73)	\$ (12)	\$ (18)	\$ 17	\$ 620
Cash dividends							(823)
Net income attributable to owners of parent							2,646
Purchase of treasury stock							(96)
Disposal of treasury stock							52
Others							0
Net changes of items other than stockholders' equity	132	0	(454)	(9)	(329)	0	22
<b>Balance at March 31, 2021</b>	\$ 225	\$ (24)	\$ (528)	\$ (21)	\$ (348)	\$ 18	\$ 643

## Consolidated Statement of Cash Flows

SHIN-ETSU CHEMICAL CO., LTD. AND SUBSIDIARIES

For the fiscal years ended March 31, 2020 and 2021

	Millions of yen		Millions of U.S. dollars
	2020	2021	2021
<b>Cash Flows from Operating Activities:</b>			
Income before income taxes and non-controlling interests	¥ 426,017	¥ 402,145	\$ 3,622
Depreciation and amortization	131,172	143,807	1,295
Loss on impairment of fixed assets	912	936	8
Increase (decrease) in net defined benefit liability	2,723	2,860	25
(Gain) loss on sales of investments in securities	(7,774)	(1,687)	(15)
(Gain) loss on revaluation of investments in securities	–	520	4
Increase (decrease) in allowance for doubtful accounts	(493)	(1,185)	(10)
Interest and dividend income	(18,166)	(12,434)	(112)
Interest expenses	749	728	6
Exchange (gain) loss	3,464	(4,909)	(44)
Equity in (earnings) losses of affiliates	(4,327)	(5,364)	(48)
(Increase) decrease in notes and accounts receivable	11,215	(22,016)	(198)
Loss on disaster	–	2,955	26
(Increase) decrease in inventories	(36,910)	(3,898)	(35)
(Increase) decrease in long-term advance payment	3,579	4,109	37
Increase (decrease) in notes and accounts payable	(3,892)	(9,584)	(86)
Other, net	(7,404)	(8,859)	(79)
Subtotal	500,865	488,123	4,397
Proceeds from interest and dividends	19,852	15,026	135
Payments of interest	(508)	(571)	(5)
Payments of income taxes	(107,824)	(101,402)	(913)
<b>Net cash provided by operating activities</b>	412,384	401,176	3,614
<b>Cash Flows from Investing Activities:</b>			
(Increase) decrease in time deposits	(127,525)	(12,334)	(111)
Purchases of securities	(117,000)	(87,500)	(788)
Proceeds from redemption of securities	115,936	82,354	741
Purchases of property, plant and equipment	(268,365)	(236,195)	(2,127)
Proceeds from sales of property, plant and equipment	65	3,836	34
Purchases of intangible fixed assets	(1,063)	(1,177)	(10)
Purchases of investments in securities	(6,520)	(3,616)	(32)
Proceeds from sales of investments in securities	12,606	3,471	31
Payments of loans	(74)	(70)	(0)
Purchases of investments in subsidiaries resulting in change in scope of consolidation	(1,966)	–	–
Proceeds from collection of loans	615	461	4
Other, net	(1,256)	51	0
<b>Net cash provided by (used for) investing activities</b>	(394,547)	(250,719)	(2,258)
<b>Cash Flows from Financing Activities:</b>			
Net increase (decrease) in short-term borrowings	1,265	701	6
Proceeds from long-term debt	8,384	4,578	41
Repayments of long-term debt	(743)	(796)	(7)
Purchases of treasury stock	(10,566)	(10,657)	(96)
Proceeds from sales of treasury stock	1,398	5,150	46
Cash dividends paid	(87,410)	(91,420)	(823)
Cash dividends paid to non-controlling interests	(1,077)	(1,249)	(11)
Other, net	(5,306)	2,569	23
<b>Net cash used for financing activities</b>	(94,055)	(91,123)	(820)
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	(7,001)	(2,861)	(25)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(83,220)	56,471	508
<b>Cash and Cash Equivalents at Beginning of Year</b>	828,345	745,125	6,712
<b>Cash and Cash Equivalents at End of Year</b>	¥ 745,125	¥ 801,596	\$ 7,221