



Shin-Etsu Polymer Co.,Ltd.

Listing code : 7970

Q2 FY2024

Financial Results

(Six Months Ended September 30, 2024)

November 8th, 2024

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【Company Information】

Company Profile
Business Segment
Domestic/Overseas Network

【Reference Materials】

Changes in Main Management Indicators
Quarterly Changes by Business Segment
Changes in Dividends and Overseas Sales

1. Highlights of Consolidated Financial Results

A sign of recovery from inventory glut in the semiconductor industry mainly from high value-added products



Gradual growth in semiconductor-related containers

Japanese automotive manufacturers performed a stable sales supported by the weaker yen



Solid demand in automotive input devices, in-vehicle silicone products, and view/light path control film

2. Highlights of Consolidated Financial Results

(Millions of yen)

	1st half FY2023	1st half FY2024	Change	
Net sales	53,456	54,737	1,281	2.4 %
Operating profit	5,883	6,922	1,039	17.7 %
Ordinary profit	6,403	6,633	230	3.6 %
Profit attributable to owners of parent	4,617	4,589	△ 28	△ 0.6 %
Net income per share (yen)	57.0	56.8	△ 0.2	△ 0.4 %
Dividend per share (yen)	22.0	25.0	3.0	13.6 %
ROE (Return of equity) (%)	8.6 %	7.9 %		
ROA (Return of assets) (%)	9.3 %	9.1 %		
Exchange Rate Jan.-Jun. (Avg.)	134.9	152.3		
(yen/US\$) Apr.-Sep. (Avg.)	141.0	152.6		

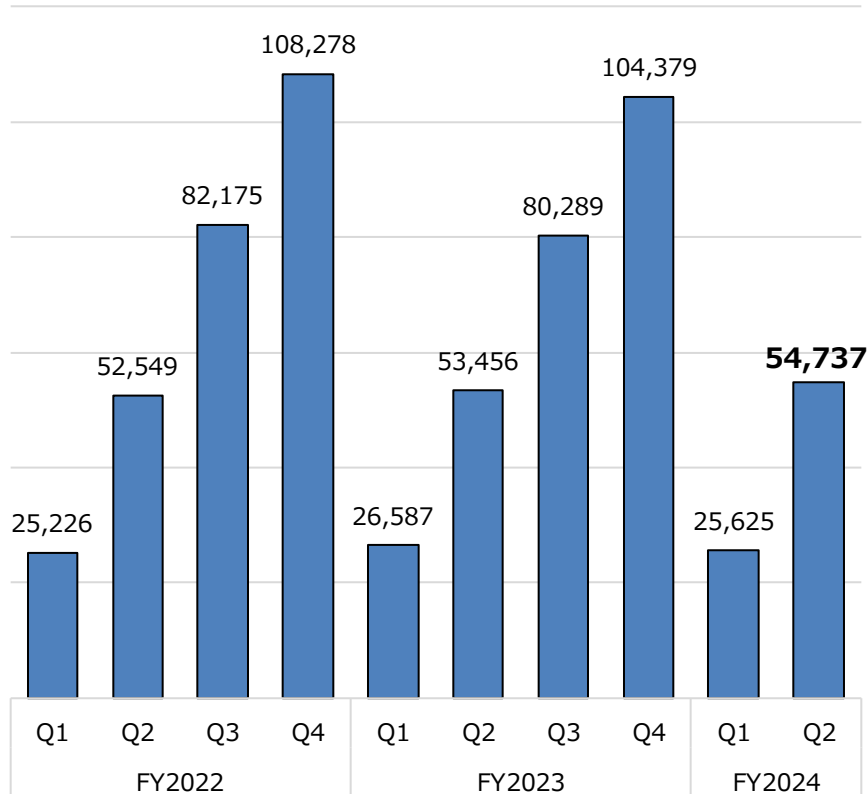
※ Average exchange rates for January-June are used by converting the income statements of overseas subsidiaries into yen.

※ ROE (Return on equity) and ROA (Return on assets) (per annum) are calculated by doubling first-half net income and ordinary profit.

3. Changes in Consolidated Financial Results

Net Sales

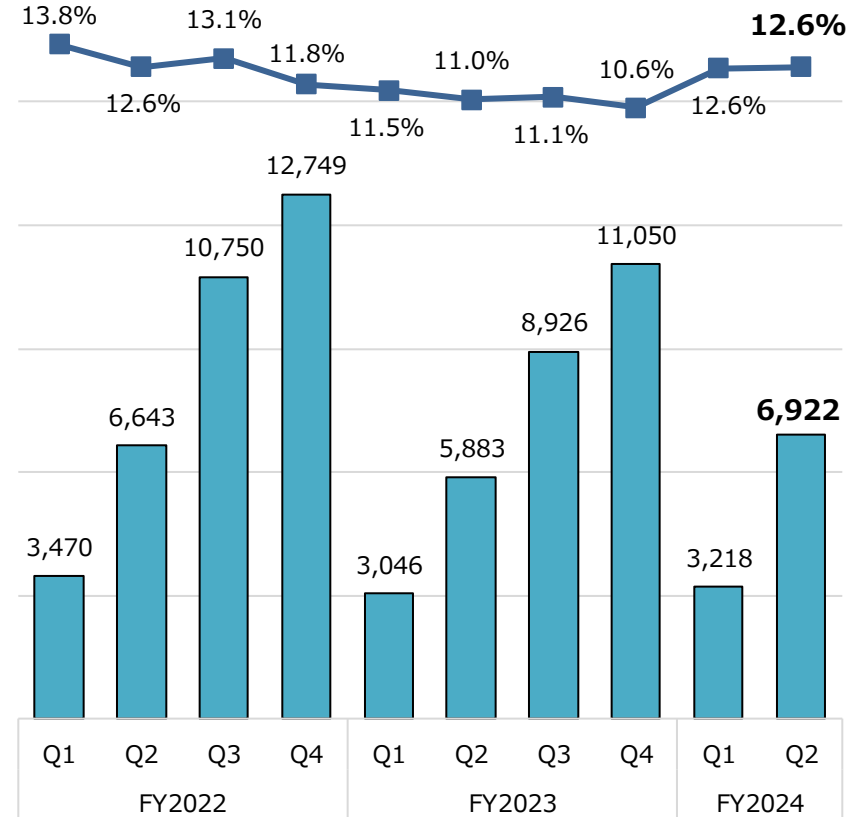
(Millions of yen)



■ Net sales (YTD)

Operating Profit

(Millions of yen)



■ Ordinary profit (YTD) ■ Operating profit margin (YTD)

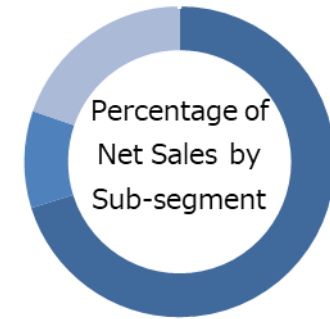
4. Summary of Performance by Business Segment

(Millions of yen)

	Net Sales				Operating Profit			
	1st half FY2023	1st half FY2024	Change		1st half FY2023	1st half FY2024	Change	
Electronic Devices	12,153	12,699	546	4.5 %	821	876	55	6.6 %
Precision Molding Products	24,885	27,382	2,497	10.0 %	4,129	5,224	1,095	26.5 %
Housing & Living Materials	12,854	11,098	△ 1,756	△ 13.7 %	684	605	△ 79	△ 11.6 %
Others	3,564	3,557	△ 7	△ 0.2 %	246	216	△ 30	△ 12.3 %
Total	53,456	54,737	1,281	2.4 %	5,883	6,922	1,039	17.7 %

Key Points

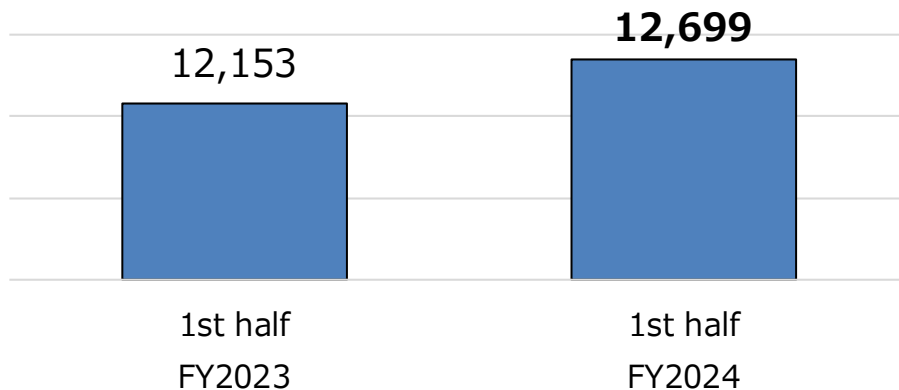
- ✓ Increased sales of input devices, in-vehicle silicone products, and view/light path control film (VCF), etc. due to steady demand from the automotive industry.
- ✓ Strong demand of connector for LCDs for consumer devices and connectors for testing electronic components because of the market recovery.



- Input devices
- Display-related products
- Component-related products

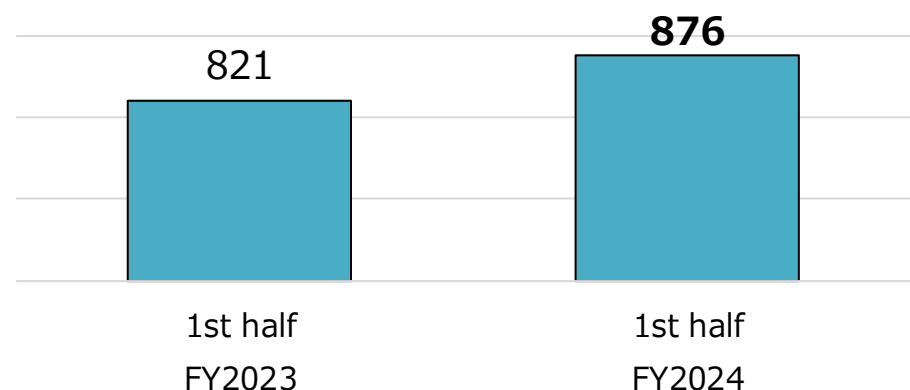
Net Sales

(Millions of yen)



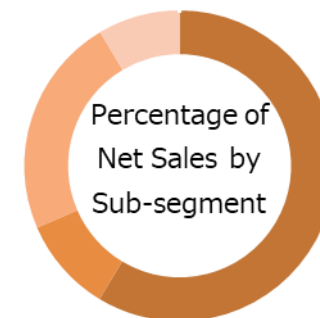
Operating Profit

(Millions of yen)



Key Points

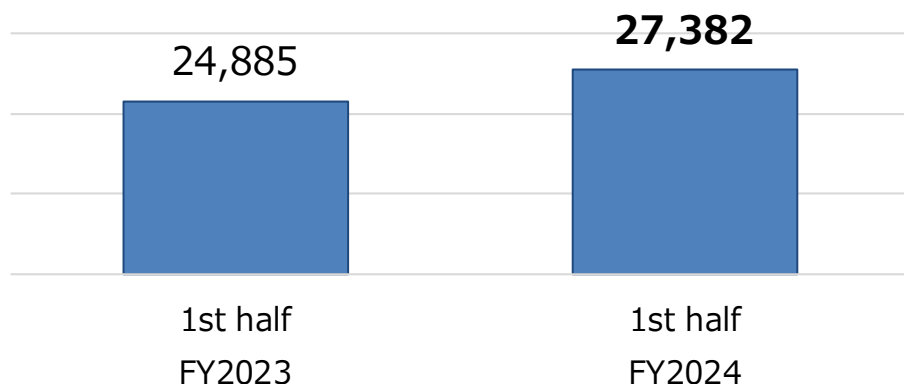
- ✓ Gradual recovery in semiconductor-related containers Subject to regions.
- ✓ Increased OA device components supply in-line with higher demand from printers and a replacement cycle of multifunction printer.
- ✓ Recovered demand for carrier tape-related products used in small-sized electronic components.



- Semiconductor-related containers
- OA device components
- Carrier tape-related products
- Silicone rubber molded products

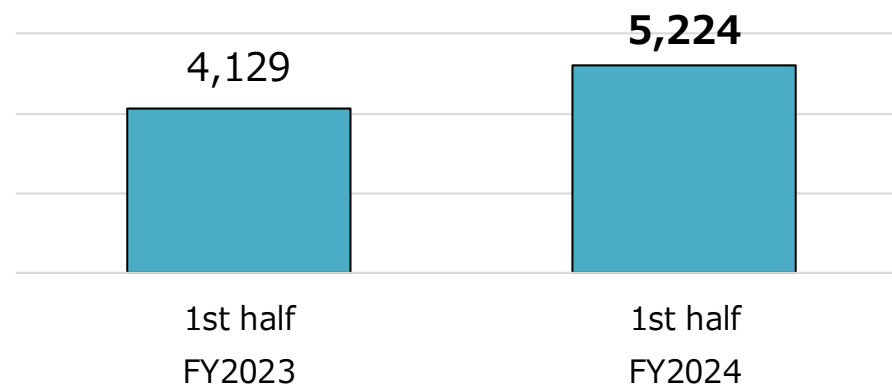
Net Sales

(Millions of yen)



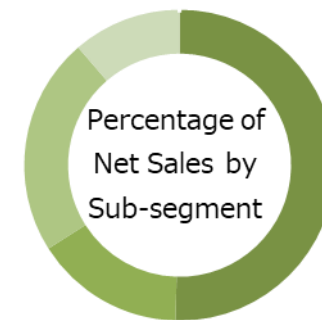
Operating Profit

(Millions of yen)



Key Points

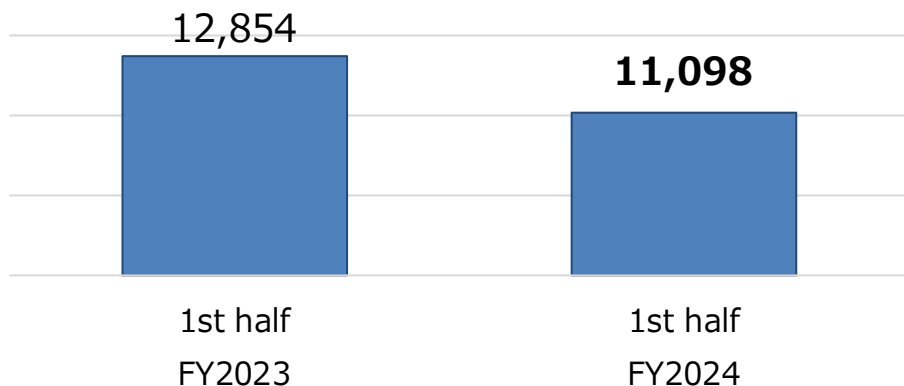
- ✓ Steady sales of cling wraps to the food service industry, mainly for color wraps.
- ✓ Improved quarterly sales in functional compounds amid the ongoing inventory adjustments.
- ※ Transferred the PVC pipes business in November 2023.



- Wrapping films
- Functional materials
- Functional compounds
- Construction material products

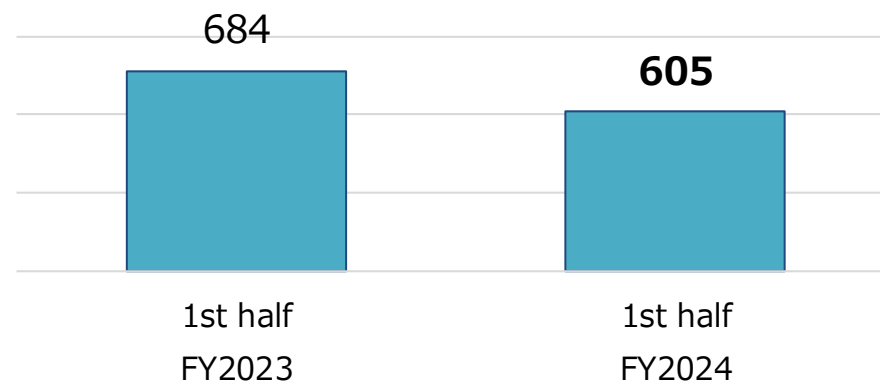
Net Sales

(Millions of yen)



Operating Profit

(Millions of yen)



6. Financial Statements Comparative Balance Sheet

		(Millions of yen)		
		As of End of Mar. 2024	As of End of Sep. 2024	Change
Current assets	Cash and deposits	42,453	44,139	1,686
	Notes and accounts receivable - trade Electronically recorded monetary claims -operating	26,080	27,971	1,891
	Inventory assets	20,213	20,154	△ 59
	Other	3,964	3,476	△ 488
	Total	92,712	95,741	3,029
Non-current assets	Property, plant and equipment	44,420	50,480	6,060
	Intangible assets	986	991	5
	Other	2,658	2,698	40
	Total	48,066	54,170	6,104
Total assets		140,778	149,912	9,134
Current liabilities	Notes and accounts payable - trade Electronically recorded obligations - operating	16,250	15,441	△ 809
	Other	8,619	10,055	1,436
	Total	24,870	25,497	627
Non-current liabilities	Net defined benefit liability	1,369	1,388	19
	Other	1,571	1,602	31
	Total	2,941	2,991	50
Total liabilities		27,811	28,488	677
Total net assets		112,967	121,424	8,457
Total liabilities and net assets		140,778	149,912	9,134

6. Financial Statements Comparative Statement of Income

(Millions of yen)

	1st half FY2023	1st half FY2024	Change	
Net sales	53,456	54,737	1,281	2.4 %
Cost of sales	37,658	37,492	△ 166	△ 0.4 %
Selling, general and administrative expenses	9,915	10,321	406	4.1 %
Operating profit	5,883	6,922	1,039	17.7 %
Non-operating income	569	300	△ 269	△ 47.3 %
Non-operating expenses	49	590	541	—
Ordinary profit	6,403	6,633	230	3.6 %
Extraordinary income	75	17	△ 58	△ 77.3 %
Extraordinary loss	62	—	△ 62	—
Profit before income taxes	6,416	6,650	234	3.6 %
Income taxes - current	1,774	2,177	403	22.7 %
Income taxes - deferred	25	△ 115	△ 140	—
Profit attributable to owners of parent	4,617	4,589	△ 28	△ 0.6 %

6. Financial Statements Statement of Cash Flows

(Millions of yen)

	1st half FY2023	1st half FY2024
Cash flows from operating activities	6,378	8,622
Cash flows from investing activities	△ 7,446	△ 7,590
Free cash flows	△ 1,068	1,031
Cash flows from financing activities	△ 1,687	△ 2,042
Cash and cash equivalents at end of period	42,636	41,851

7. Financial Forecasts

(Millions of yen)

	FY2023	FY2024 (Forecast)	Change	
Net sales	104,379	106,000	1,621	1.6 %
Operating profit	11,050	12,800	1,750	15.8 %
Ordinary profit	11,530	13,000	1,470	12.7 %
Profit attributable to owners of parent	8,674	8,800	126	1.5 %
Net income per share (yen)	107.3	109.0	1.7	1.6 %
Dividend per share (yen)	46.0	50.0	4.0	8.7 %

8. Financial Forecasts by Business Segment

(Millions of yen)

	Net Sales				Operating Profit							
	FY2023	FY2024 (Forecast)	Change		FY2023	FY2024 (Forecast)	Change					
Electronic Devices	25,506	22,700	△	2,806	△	11.0 %	2,075	1,500	△	575	△	27.7 %
Precision Molding Products	47,602	54,600		6,998		14.7 %	7,211	9,600		2,389		33.1 %
Housing & Living Materials	24,184	21,600	△	2,584	△	10.7 %	1,374	1,300	△	74	△	5.4 %
Others	7,085	7,100		15		0.2 %	389	400		11		2.8 %
Total	104,379	106,000		1,621		1.6 %	11,050	12,800		1,750		15.8 %

9. Capital Expenditure, Depreciation, R&D Costs

(Millions of yen)

	FY2021	FY2022	FY2023	FY2024 (Forecast)
Capital expenditure	6,107	10,110	15,481	10,840
Depreciation	3,543	3,935	4,593	5,300
R&D costs	3,454	3,638	3,758	3,830

[Topics]

- (1) Expansion production capacity is ongoing both at Itoigawa and Tokyo Plants for 300mm wafer shipping containers.
- (2) Mass production of fire prevention cushions for EV batteries.
- (3) Attempt to capture top market share in the food service industry by merging with KitchaNista.

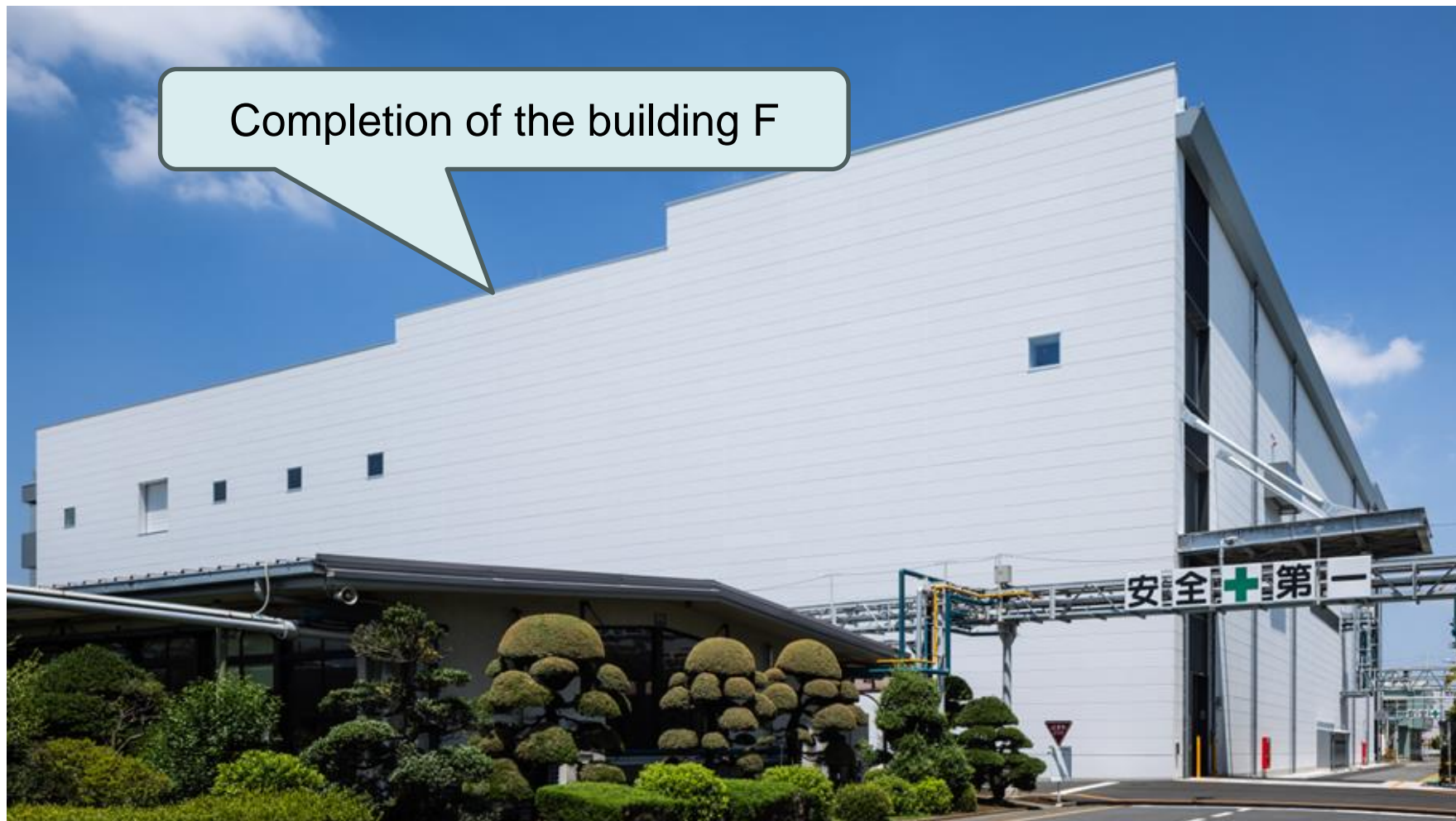
(1) Expansion production capacity for 300mm shipping containers.

Itoigawa Plant (Itoigawa city, Niigata prefecture)



(1) Expansion production capacity for 300mm shipping containers.

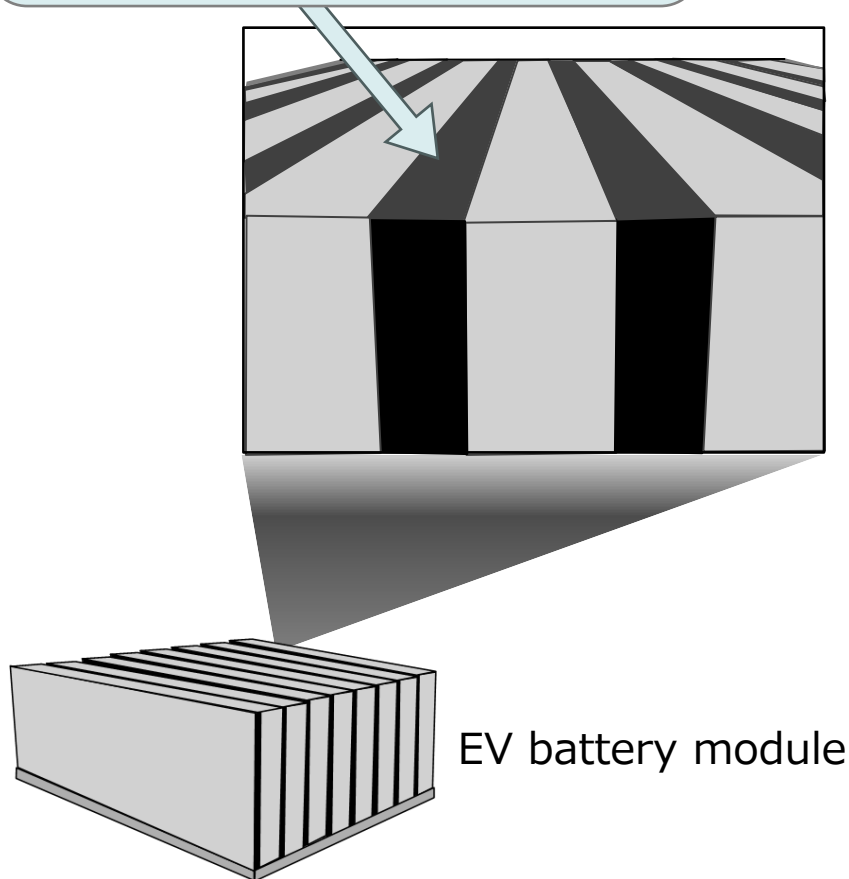
Tokyo Plant (Saitama city, Saitama prefecture)



(2) Mass production of fire prevention cushions.

Structure

Fire prevention cushions



Characteristics

- Heat insulation between battery cells in case of abnormal heating
- Cushioning function during expansion and contraction between cells
- Sustainable in low-temperature -40°C
- Excellent compression set properties

Production system

SOP

October 2024

Location

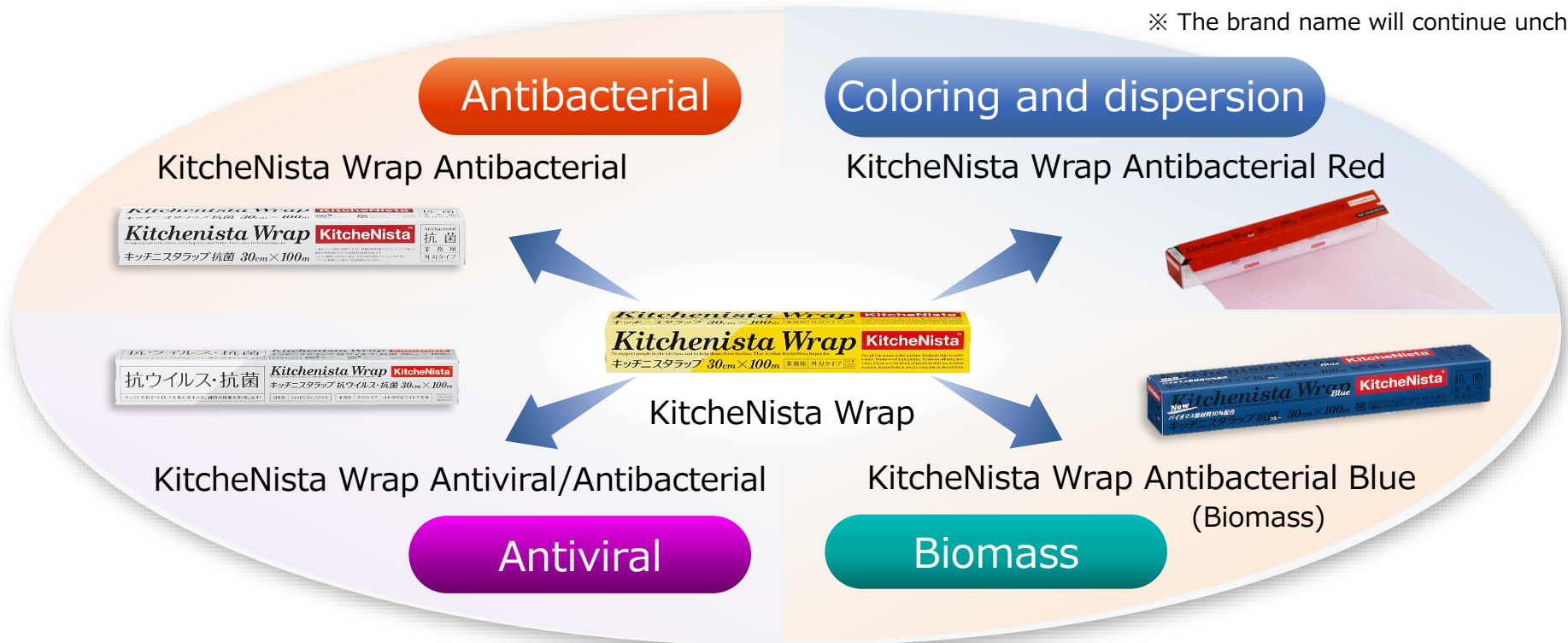
Kodama Plant
(Kodama county,
Saitama prefecture)

(3) Merging with KitcheNista to solidify top market position.

- Purpose : Enhance management efficiency to promptly respond to diverse needs from customer.
- The merger date : April 1st, 2025
- Strengths : Wide ranges of products



※ The brand name will continue unchanged.





Company Information

【Company Information】 Company Profile

Company Profile

Company Name	Shin-Etsu Polymer Co., Ltd.
Established	September 15, 1960
Head Office	Ote Center Building, 1-1-3 Otemachi, Chiyoda-ku, Tokyo, Japan
Paid-in Capital	¥11,635 million
Stock Listing	Tokyo Stock Exchange, Prime Market
Number of Employees ※	4,457 (Consolidated) 962 (Non-Consolidated)
Subsidiaries	17

※As of March 31, 2024

Corporate Mission Statement

The Group strictly complies with all law and regulations, conducts fair business practices and contributes to the development of industry and society with technologies and products that create value.

Our Strengths

Comprehensive Strengths of the Shin-Etsu Group

The Shin-Etsu Polymer Group collaborates with the Shin-Etsu Chemical Group, integrating Group strengths ranging from materials development to processing.

Technological Strengths as a Manufacturer of Molded Plastic Products

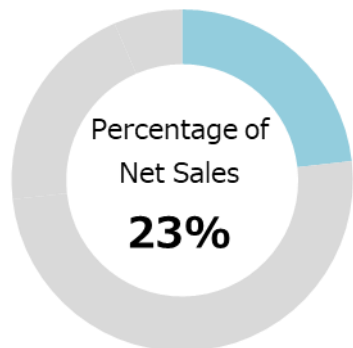
We develop applications for our core technologies using silicone and various plastics, and provide high-value-added products that utilize our sophisticated technologies.

Ability to Meet Global Needs

We use our network covering Japan, Europe, North America and Asia to produce and sell products that meet the diverse needs of customers in a wide range of business fields.

【Company Information】 Business Segment

Electronic Devices



Market/Business Field



Automobiles



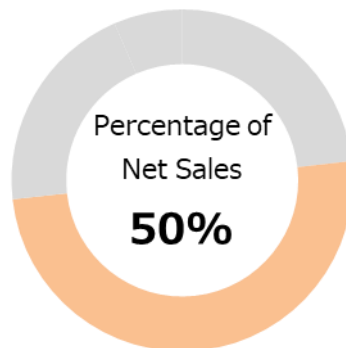
Information Devices

【Base Area】 Input devices

【Growth Area】 EV-related products



Precision Molding Products



Market/Business Field



Semiconductors & Electronic Components



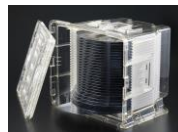
Medical & Chemical Products



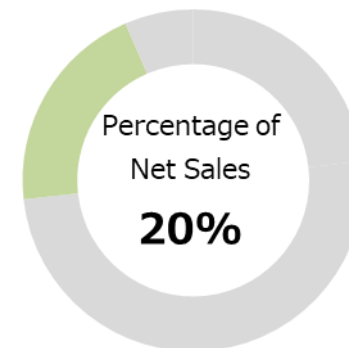
Office Equipment

【Base Area】 OA rollers

【Growth Area】 Semiconductor-related products
Medical-related products



Housing & Living Materials



Market/Business Field



Packaging



Construction & Infrastructure
Maintenance Materials



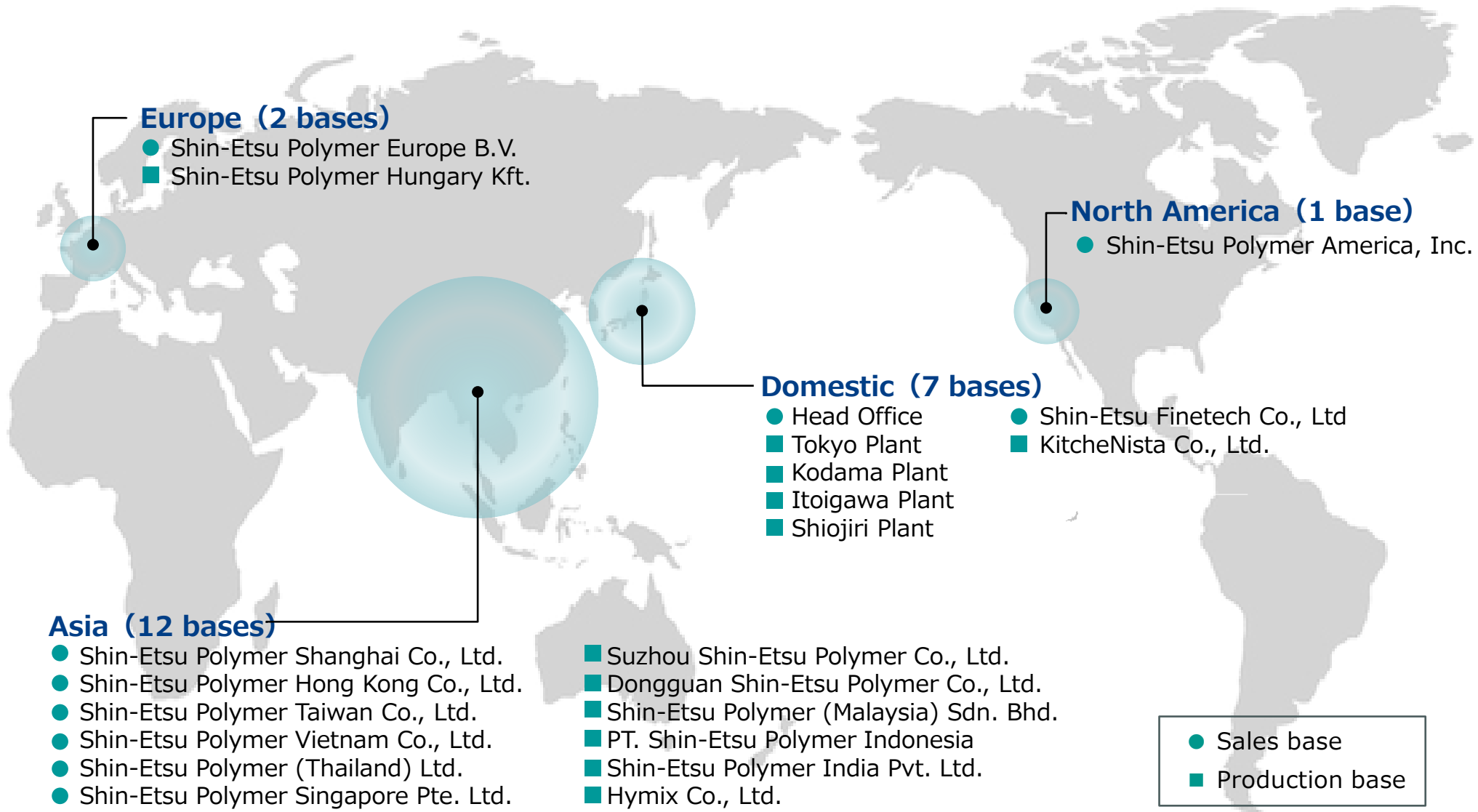
Materials

【Base Area】 Packing materials
Compounds

【Growth Area】 Functional materials



【Company Information】 Domestic/Overseas Network





Reference Materials

【Reference Materials】 Changes in Main Management Indicators

	FY2019	FY2020	FY2021	FY2022	(Millions of yen) FY2023
Net sales	80,254	76,904	92,640	108,278	104,379
Operating profit	7,756	7,217	9,732	12,749	11,050
Ordinary profit	8,097	7,021	10,129	12,986	11,530
Profit attributable to owners of parent	6,288	4,536	6,308	8,529	8,674
Total assets	105,378	108,212	122,577	135,364	140,778
Net assets	84,538	86,677	94,337	105,128	112,967
Equity ratio (%)	80.0 %	79.8 %	76.7 %	77.4 %	80.0 %
Net income per share (yen)	77.55	56.09	78.15	105.68	107.31
Dividend per share (yen)	18.00	20.00	26.00	38.00	46.00
Operating profit margin (%)	9.7 %	9.4 %	10.5 %	11.8 %	10.6 %
ROE (Return on equity) (%)	7.6 %	5.3 %	7.0 %	8.6 %	8.0 %
ROA (Return on assets) (%)	7.6 %	6.6 %	8.8 %	10.1 %	8.4 %
Number of employees (people)	4,655	5,089	5,157	4,706	4,457

【Reference Materials】 Quarterly Changes by Business Segment

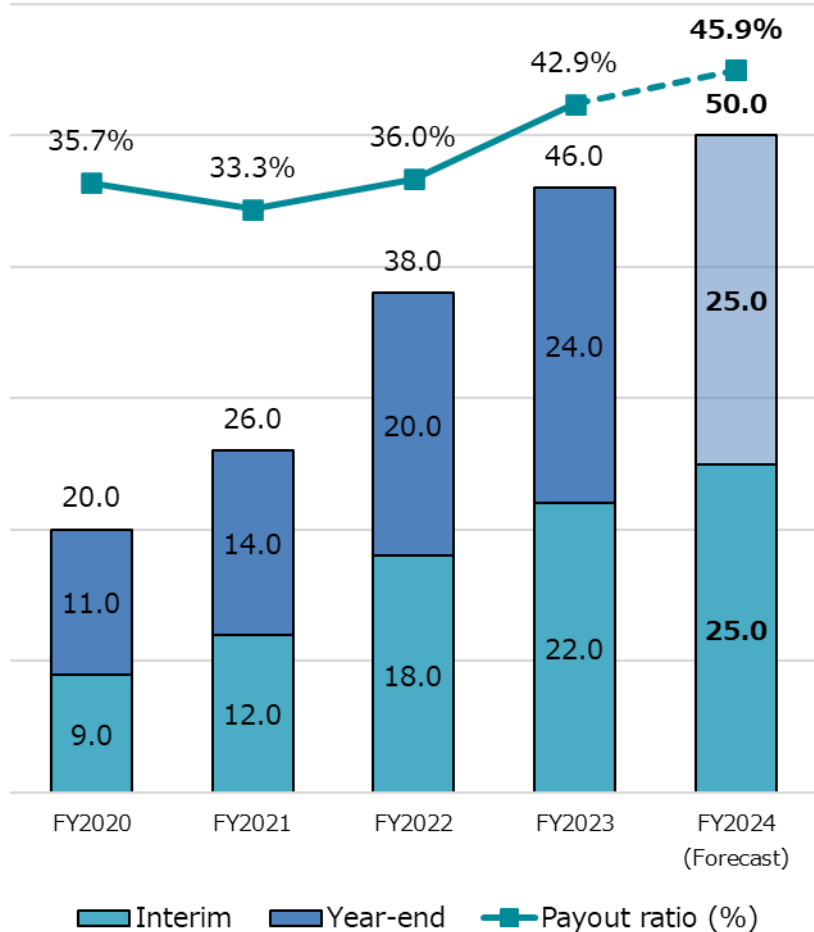
(Millions of yen)

		FY2023						FY2024		
		Q1	Q2	1st half	Q3	Q4	2nd half	Q1	Q2	1st half
Electronic Devices	Net sales	5,712	6,440	12,153	6,761	6,592	13,353	6,143	6,556	12,699
	Operating profit	323	498	821	673	580	1,253	485	391	876
Precision Molding Products	Net sales	12,436	12,448	24,885	11,744	10,973	22,717	12,479	14,903	27,382
	Operating profit	2,268	1,860	4,129	1,776	1,305	3,081	2,284	2,940	5,224
Housing & Living Materials	Net sales	6,567	6,286	12,854	6,317	5,012	11,329	5,520	5,578	11,098
	Operating profit	334	350	684	495	193	689	367	238	605
Others	Net sales	1,869	1,694	3,564	2,009	1,511	3,521	1,481	2,076	3,557
	Operating profit	118	127	246	97	44	142	81	135	216
Total	Net sales	26,587	26,869	53,456	26,833	24,089	50,922	25,625	29,112	54,737
	Operating profit	3,046	2,837	5,883	3,043	2,123	5,167	3,218	3,704	6,922

【Reference Materials】 Changes in Dividends and Overseas Sales

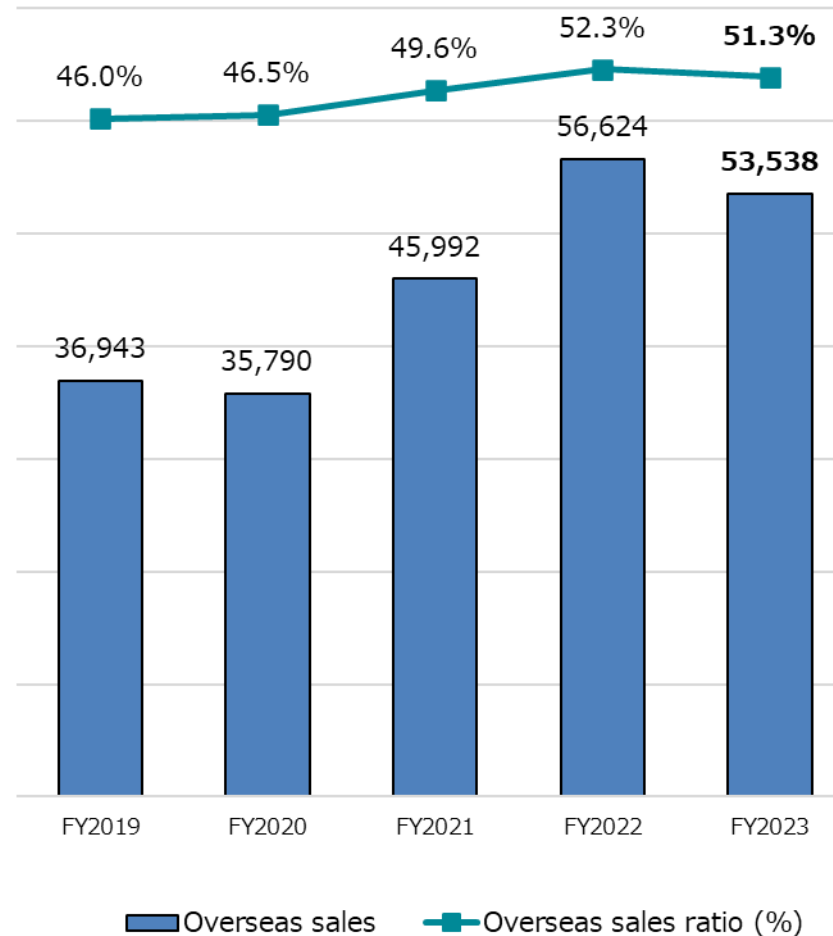
Dividends

(Yen)



Overseas Sales

(Millions of yen)





Forward-Looking Statements

This document contains information about Shin-Etsu Polymer's current plans, strategies and other items not based on historical fact. These are forward-looking statements that involve risks and uncertainties. Actual results may differ significantly from those discussed in the forward-looking statements due to various factors in the Company's operating environment, including changes in economic and market conditions, foreign exchange rates and demand trends.

Note: All yen figures in this document have been rounded down to the nearest unit.