



## Consolidated Financial Summary (Japanese Accounting Standards) (For the fiscal year ended March 31, 2020)

April 27, 2020

### Listed company: Shin-Etsu Polymer Co., Ltd.

Listing code: No. 7970 (URL <https://www.shinpoly.co.jp/>)  
 Listing stock exchange: Tokyo  
 Representative: Yoshiaki Ono, Representative Director, President  
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Scheduled date of annual shareholders' meeting: June 24, 2020  
 Scheduled date of dividend payout: June 25, 2020  
 Scheduled date to submit the Securities Report (*Yukashoken Hokokusho*): June 24, 2020  
 Supplementary documents for quarterly results: Yes  
 Quarterly results briefing: Yes (for analysts)

(Amounts under a million yen are truncated.)

### 1. Consolidated Financial Highlights (April 1, 2019 to March 31, 2020)

#### (1) Consolidated Financial Results (The percentages indicate the rates of increase or decrease compared with the preceding fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 2020	80,254	(6.1)	7,756	(4.9)	8,097	0.9	6,288	4.0
March 2019	85,460	7.7	8,153	13.1	8,026	10.3	6,049	10.9

(Note) Comprehensive income (loss): March 2020: ¥5,587 million (25.0%); March 2019: ¥4,468 million (-28.4%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
March 2020	77.55	77.46	7.6	7.6	9.7
March 2019	74.27	74.17	7.7	7.6	9.5

(Reference) Equity in income of affiliates accounted for by the equity method: March 2020: ¥– million; March 2019: ¥– million

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 2020	105,378	84,538	80.0	1,042.40
March 2019	107,032	80,560	75.1	989.44

(Reference) Equity capital: March 2020: ¥84,308 million; March 2019: ¥80,388 million

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the term
	Million yen	Million yen	Million yen	Million yen
March 2020	7,688	(4,629)	(1,813)	41,675
March 2019	9,498	(6,745)	(3,204)	40,802

### 2. Dividends

	Dividend per share					Total dividends paid (annual)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 2019	–	8.00	–	8.00	16.00	1,303	21.5	1.7
March 2020	–	8.00	–	10.00	18.00	1,458	23.2	1.8
March 2021 (forecast)	–	–	–	–	–	–	–	–

(Note) Dividends of Year-end for the fiscal year ending March 31, 2020 is being corrected.

Dividends for the fiscal year ending March 31, 2021 are not yet decided. The dividends will be disclosed as soon as the Company's performance for the fiscal year ending March 31, 2021 can be estimated.

### 3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

Consolidated financial forecasts for the fiscal year ending March 31, 2021 are not announced, as it is difficult to reasonably estimate consolidated financial results at this point. Going forward, the consolidated performance forecast will be disclosed promptly when such data becomes available.

\* Notes

(1) Any change in important subsidiaries during the year  
(any changes in specific subsidiaries accompanied by a change in the scope of consolidating): None  
Newly added: None, Eliminated: None

(2) Any changes in accounting policies and changes or restatement of accounting estimates  
1. Changes in accounting policies associated with the revision of accounting standards, etc.: Yes  
2. Changes in accounting policies other than the above: None  
3. Changes in accounting estimates: None  
4. Restatement: None

(3) Number of shares issued (common stock)

1. Number of shares issued as of the term end (including treasury shares):	March 2020	82,623,376 shares
	March 2019	82,623,376 shares
2. Number of treasury shares as of the term end:	March 2020	1,744,611 shares
	March 2019	1,377,302 shares
3. Average number of shares during the term:	March 2020	81,087,500 shares
	March 2019	81,446,617 shares

Reference: Non-Consolidated Financial Summary

1. Non-Consolidated Financial Highlights (April 1, 2019 to March 31, 2020)

(1) Non-Consolidated Financial Results (The percentages indicate the rates of increase or decrease compared with the preceding fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 2020	55,507	(7.2)	2,778	(21.6)	3,901	(25.1)	3,191	(25.3)
March 2019	59,795	17.0	3,544	28.7	5,207	27.7	4,272	(14.6)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 2020	39.36	39.31
March 2019	52.46	52.39

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 2020	70,257	50,623	71.7	623.08
March 2019	74,355	49,224	66.0	603.76

(Reference) Equity capital: March 2020: ¥50,393 million; March 2019: ¥49,052 million

This report on summaries of accounts is not subject to audits by certified public accountants or auditing firms.

Statement regarding the proper use of financial forecasts and other special remarks

The Company plans to hold a results briefing for analysts on May 8, 2020 (Friday). Documents to be distributed at the results briefing will be posted on the Company's website before the briefing is held.

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## 1. Outline of Consolidated Financial Results, etc.

### (1) Outline of consolidated financial results for the fiscal year under review

The global economy continued to experience a moderate economic expansion, particularly in developed countries, during the consolidated fiscal year ended March 31, 2020, although the sense of uncertainty about the future outlook further increased, primarily due to the coronavirus pandemic and the escalation of trade friction attributable to protectionist economic policies. In the U.S., employment circumstances continued to improve and consumer spending remained firm, despite the slowdown in export growth. European economies continued to see strong domestic demand but showed a slowdown in growth mainly in the manufacturing industry. In Asia, although the economies were generally firm, the Chinese economy continued to slow.

In the Japanese economy, while corporate capital expenditure and consumer spending increased at a moderate pace, production and exports continued to show weakness.

The Group's business environment remained weak overall, because the semiconductor and electronics component industries experienced sluggish businesses and demand in the automotive sector remained flat from a year ago.

In this operating environment, the Group continued to focus its sales activities on boosting sales of both key products and new businesses in Japan and overseas, to expand the production/supply systems as well.

As a result, consolidated net sales during the fiscal year under review decreased 6.1% year on year, to ¥80,254 million, operating profit fell 4.9% year on year, to ¥7,756 million, ordinary profit grew 0.9% year on year, to ¥8,097 million, and profit attributable to owners of parent was up 4.0% year on year, to ¥6,288 million.

Consolidated results by segment are as follows.

#### 1) Electronic Devices segment

In the Electronic Devices segment, overall sales were lower than the year-ago level despite steady shipments at the year-ago level particularly of automotive input devices.

In the business of input devices, shipments of car-mounted electronic switches remained stable but shipments of touchpads for slim notebook personal computers showed slow growth, and sales fell year on year. Sales of display-related products remained at a low level due to a fall in demand caused by weak market conditions. Sales of component-related products grew, reflecting steady shipments of electronic-part testing connectors.

As a result, segment sales amounted to ¥19,725 million (down 4.7% year on year), and segment operating profit was ¥1,644 million (up 10.2% year on year).

#### 2) Precision Molding Products segment

In the Precision Molding Products segment, overall sales were lower than the year-ago level due to sluggish shipments of semiconductor-related containers and carrier tape-related products.

Sales of semiconductor-related containers decreased because of sluggish shipments for 300-mm wafer in-process containers due to an investment slowdown in the semiconductor industry. Sales of components for office automation equipment were lower than the year-ago level in the absence of growth in demand for development rollers for laser printers, which are mainstay products. Sales of carrier tape-related products were slow despite gradual recovery in demand for electronic components for high-end smartphones. Sales of silicone rubber molded products were generally shrunk despite the strong sales of mainstay medical equipment.

As a result, segment sales stood at ¥33,451 million (down 9.8% year on year), and operating profit was ¥5,125 million (down 13.2% year on year).

#### 3) Housing & Living Materials segment

In the Housing & Living Materials segment, the Company implemented new pricing, worked to increase production efficiency, and promoted sales of products in new businesses amid the extremely harsh market environment of PVC products, however, growth in overall sales was slow.

In the segment of packing materials such as wrapping films, sales remained at the level of a year earlier, reflecting poor shipments overall, despite price revisions in certain areas. Sales of PVC pipes and related products showed slow growth due to the failure to maintain the shipment volume despite the successful

implementation of new pricing for some products amid intensifying market competition. Sales of functional compounds remained flat, reflecting sluggish shipments of robot cables since the beginning of the year, coupled with a slowdown in the growth of automobile-related demand. Sales of exterior materials were unchanged from a year ago despite the expansion of sales to new customers, implementation of price revisions, and special demand caused by disaster recovery because special demand came to an end early in the second half. Sales of conductive polymer, a new business product, were weak due to a sharp drop in demand for use in smartphone components caused by a change in customer manufacturing methods and a slowdown in orders for use in automotive electronic components from the second half.

As a result, segment sales stood at ¥19,009 million (down 4.6% year on year) and operating profit was ¥508 million (down 5.2% year on year).

#### 4) Others segment

Overall sales were solid due to an increase in orders for new construction and renovation of commercial facilities, particularly in Tokyo and neighboring areas, and the interior construction of public facilities in the construction business. New business development-related projects that are not included in any of the above business segments are also included in the Others segment.

As a result, segment sales amounted to ¥8,067 million (up 4.2% year on year) and operating profit was ¥478 million (up 117.1% year on year).

### (2) Outline of financial position for the consolidated fiscal year under review

Total assets at the end of the consolidated fiscal year under review decreased ¥1,654 million from the end of the previous fiscal year, to ¥105,378 million. This result was mainly attributable to decreases of ¥977 million in notes and accounts receivable - trade, ¥668 million in machinery, equipment and vehicles, net, ¥538 million in accounts receivable -other, ¥522 million in electronically recorded monetary claims - operating, ¥370 million in investment securities, and ¥224 million in buildings and structures, net, despite increases of ¥770 million in merchandise and finished goods, ¥540 million in cash and deposits, ¥381 million in other of current assets, and ¥363 million in construction in progress.

Liabilities at the end of the consolidated fiscal year under review decreased ¥5,632 million from the end of the previous fiscal year, to ¥20,839 million. This result was mainly due to decreases of ¥1,808 million in notes and accounts payable - trade, ¥1,331 million in accounts payable-other, ¥1,224 million in other of current liabilities, ¥528 million in income taxes payable, and ¥319 million in accrued expenses.

Net assets at the end of the consolidated fiscal year under review increased ¥3,977 million from the end of the previous fiscal year, to ¥84,538 million, mainly reflecting an increase of ¥4,975 million in retained earnings, despite a decrease of ¥516 million in foreign currency translation adjustment.

### (3) Outline of cash flows for the consolidated fiscal year under review

Cash and cash equivalents (hereinafter “cash”) at the end of the consolidated fiscal year under review increased ¥873 million from the end of the previous fiscal year, to ¥41,675 million.

Cash flows by activities and contributing factors were as follows:

#### (Cash flows from operating activities)

Net cash provided by operating activities was ¥7,688 million for the consolidated fiscal year under review, a decrease of ¥1,809 million from the previous fiscal year. Contributing factors included income taxes paid of ¥2,082 million, a decrease of ¥1,936 million in notes and accounts-payable trade, and a decrease of ¥663 million in inventories, as well as factors that contributed to an increase, including profit before income taxes of ¥8,097 million, depreciation of ¥3,939 million, and a decrease in notes and accounts receivable-trade of ¥1,330 million yen.

#### (Cash flows from investing activities)

Net cash used in investing activities in the consolidated fiscal year under review was ¥4,629 million (a year-on-year decrease in net cash used of ¥2,116 million), which was primarily attributable to the payment of ¥4,956 million for purchase of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities in the consolidated fiscal year under review was ¥1,813 million, a year-on-year decrease in net cash used of ¥1,391 million. This result mainly reflected ¥1,301 million for dividends paid and the payment of ¥434 million for the purchase of treasury shares.

(4) Future outlook

With respect to the future business environment, there is an increasing sense of global economic uncertainty mainly due to the coronavirus pandemic, trade friction between the United States and China and Europe's political woes. Meanwhile, in the Japanese economy, corporate capital spending is remaining mostly flat and, amid weak consumer spending and continued labor shortages, there is concern over the impact of the coronavirus outbreak and its fallout.

Under these circumstances, the Group will accelerate the global expansion of its business through sales efforts that accurately anticipate growth in demand in the worldwide market, and by ensuring optimal production locations. At the same time, however, the future business environment surrounding the electric and electronic device and semiconductor industries, etc., the Group's business domains, remains uncertain and does not permit optimism. This reflects the unpredictable production trends of the Group's customers and intensifying competition with rival companies.

In addition, the Group's mainstay products include those whose material prices are significantly affected by the market conditions and demand fluctuations and those that are traded in foreign currencies and are subject to exchange fluctuations. Accordingly, we have decided not to state our results forecast for the next fiscal year as of the time of the announcement of this consolidated financial summary, as it is difficult to reasonably estimate the business performance of the Group. We will announce our consolidated forecast as soon as it can be estimated.

## **2. Basic Concept of the Selection of Accounting Standards**

The Group has decided to continue using the Japanese accounting standards, taking into account the year-on-year comparability and intercompany comparability of the consolidated financial statements. Meanwhile, we will examine the application of the Introduction of International Financial Reporting Standards (IFRS) by considering the conditions in Japan and abroad.

**3. Consolidated Financial Statements and Key Notes****(1) Consolidated Balance Sheets**

(Million yen)

	Year ended March 31, 2019 (As of March 31, 2019)	Year ended March 31, 2020 (As of March 31, 2020)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	41,974	42,514
Notes and accounts receivable - trade	20,228	19,250
Electronically recorded monetary claims - operating	3,392	2,870
Merchandise and finished goods	6,316	7,086
Work in process	1,557	1,396
Raw materials and supplies	3,236	3,212
Accounts receivable - other	1,629	1,090
Other	383	765
Allowance for doubtful accounts	(326)	(511)
<b>Total current assets</b>	<b>78,391</b>	<b>77,676</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	8,753	8,512
Machinery, equipment and vehicles, net	5,805	5,137
Land	6,666	6,652
Construction in progress	1,139	1,503
Other, net	1,741	1,774
<b>Total property, plant and equipment</b>	<b>24,106</b>	<b>23,579</b>
<b>Intangible assets</b>		
Software	101	74
Other	70	81
<b>Total intangible assets</b>	<b>172</b>	<b>156</b>
<b>Investments and other assets</b>		
Investment securities	2,244	1,874
Long-term loans receivable	4	75
Deferred tax assets	1,195	1,058
Other	918	957
<b>Total investments and other assets</b>	<b>4,362</b>	<b>3,966</b>
<b>Total non-current assets</b>	<b>28,641</b>	<b>27,701</b>
<b>Total assets</b>	<b>107,032</b>	<b>105,378</b>

## Shin-Etsu Polymer Co., Ltd. (7970) Financial Summary (For the fiscal year ended March 31, 2020)

(Million yen)

	Year ended March 31, 2019 (As of March 31, 2019)	Year ended March 31, 2020 (As of March 31, 2020)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	12,399	10,591
Electronically recorded obligations - operating	2,309	2,057
Accounts payable - other	2,384	1,053
Income taxes payable	1,049	520
Accrued expenses	2,460	2,141
Provision for bonuses	1,336	1,296
Provision for directors' bonuses	52	57
Other	2,277	1,053
<b>Total current liabilities</b>	<b>24,272</b>	<b>18,771</b>
Non-current liabilities		
Net defined benefit liability	1,512	1,341
Other	687	726
<b>Total non-current liabilities</b>	<b>2,200</b>	<b>2,068</b>
<b>Total liabilities</b>	<b>26,472</b>	<b>20,839</b>
<b>Net Assets</b>		
Shareholders' equity		
Capital stock	11,635	11,635
Capital surplus	10,718	10,718
Retained earnings	61,284	66,259
Treasury shares	(1,329)	(1,683)
<b>Total shareholders' equity</b>	<b>82,310</b>	<b>86,930</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	375	190
Foreign currency translation adjustment	(2,260)	(2,776)
Remeasurements of defined benefit plans, net of tax	(36)	(36)
<b>Total accumulated other comprehensive income</b>	<b>(1,922)</b>	<b>(2,622)</b>
Share acquisition rights	172	229
<b>Total net assets</b>	<b>80,560</b>	<b>84,538</b>
<b>Total liabilities and net assets</b>	<b>107,032</b>	<b>105,378</b>



## (2) Consolidated Statements of Income / Consolidated Statement of Comprehensive Income

## Consolidated Statements of Income

(Million yen)

	Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
Net sales	85,460	80,254
Cost of sales	58,697	54,561
Gross profit	26,762	25,693
Selling, general and administrative expenses	18,608	17,936
Operating profit	8,153	7,756
Non-operating income		
Interest income	341	333
Foreign exchange gains	127	–
Gain on sales of investment securities	13	199
Other	120	134
Total non-operating income	602	666
Non-operating expenses		
Interest expenses	24	30
Foreign exchange losses	–	260
Loss on valuation of shares of subsidiaries and associates	561	–
Impairment loss	88	–
Other	55	35
Total non-operating expenses	730	326
Ordinary profit	8,026	8,097
Profit before income taxes	8,026	8,097
Income taxes - current	1,933	1,601
Income taxes - deferred	43	207
Total income taxes	1,976	1,808
Profit	6,049	6,288
Profit attributable to owners of parent	6,049	6,288

## Consolidated Statement of Comprehensive Income

(Million yen)

	Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
Profit	6,049	6,288
Other comprehensive income		
Valuation difference on available-for-sale securities	(88)	(184)
Foreign currency translation adjustment	(1,452)	(516)
Remeasurements of defined benefit plans, net of tax	(38)	0
Total other comprehensive income	(1,580)	(700)
Comprehensive income	4,468	5,587
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,468	5,587

## (3) Consolidated Statements of Changes in Net Assets

(Million yen)

	Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
Shareholders' equity:		
Capital stock:		
Balance at the beginning of the year	11,635	11,635
Changes during the fiscal year:		
Total changes during the fiscal year	–	–
Balance at the year-end	11,635	11,635
Capital surplus:		
Balance at the beginning of the year	10,718	10,718
Changes during the fiscal year:		
Total changes during the fiscal year	–	–
Balance at the year-end	10,718	10,718
Retained earnings:		
Balance at the beginning of the year	56,403	61,284
Changes during the fiscal year:		
Dividends of surplus	(1,142)	(1,299)
Profit attributable to owners of parent	6,049	6,288
Disposal of treasury shares	(25)	(13)
Total changes during the fiscal year	4,880	4,975
Balance at the year-end	61,284	66,259
Treasury shares:		
Balance at the beginning of the year	(1,033)	(1,329)
Changes during the fiscal year:		
Purchase of treasury shares	(438)	(434)
Disposal of treasury shares	142	80
Total changes during the fiscal year	(295)	(354)
Balance at the year-end	(1,329)	(1,683)
Total shareholders' equity:		
Balance at the beginning of the year	77,724	82,310
Changes during the fiscal year:		
Dividends of surplus	(1,142)	(1,299)
Profit attributable to owners of parent	6,049	6,288
Purchase of treasury shares	(438)	(434)
Disposal of treasury shares	117	66
Change of scope of consolidation	–	–
Total changes during the fiscal year	4,585	4,620
Balance at the year-end	82,310	86,930

## Shin-Etsu Polymer Co., Ltd. (7970) Financial Summary (For the fiscal year ended March 31, 2020)

(Million yen)

	Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
<b>Accumulated other comprehensive income:</b>		
Valuation difference on available-for-sale securities:		
Balance at the beginning of the year	463	375
Changes during the fiscal year:		
Net changes of items other than shareholders' equity	(88)	(184)
Total changes during the fiscal year	(88)	(184)
Balance at the year-end	375	190
Foreign currency translation adjustment:		
Balance at the beginning of the year	(807)	(2,260)
Changes during the fiscal year:		
Net changes of items other than shareholders' equity	(1,452)	(516)
Total changes during the fiscal year	(1,452)	(516)
Balance at the year-end	(2,260)	(2,776)
Remeasurements of defined benefit plans, net of tax:		
Balance at the beginning of the year	2	(36)
Changes during the fiscal year:		
Net changes of items other than shareholders' equity	(38)	0
Total changes during the fiscal year	(38)	0
Balance at the year-end	(36)	(36)
Total accumulated other comprehensive income:		
Balance at the beginning of the year	(341)	(1,922)
Changes during the fiscal year:		
Net changes of items other than shareholders' equity	(1,580)	(700)
Total changes during the fiscal year	(1,580)	(700)
Balance at the year-end	(1,922)	(2,622)
Share acquisition rights:		
Balance at the beginning of the year	127	172
Changes during the fiscal year:		
Net changes of items other than shareholders' equity	44	57
Total changes during the fiscal year	44	57
Balance at the year-end	172	229

## Shin-Etsu Polymer Co., Ltd. (7970) Financial Summary (For the fiscal year ended March 31, 2020)

(Million yen)

	Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
<b>Total net assets:</b>		
Balance at the beginning of the year	77,510	80,560
<b>Changes during the fiscal year:</b>		
Dividends of surplus	(1,142)	(1,299)
Profit attributable to owners of parent	6,049	6,288
Purchase of treasury shares	(438)	(434)
Disposal of treasury shares	117	66
Change of scope of consolidation	–	–
Net changes of items other than shareholders' equity	(1,536)	(642)
<b>Total changes during the fiscal year</b>	<b>3,049</b>	<b>3,977</b>
<b>Balance at the year-end</b>	<b>80,560</b>	<b>84,538</b>

## (4) Consolidated Statements of Cash Flows

(Million yen)

	Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
<b>Cash flows from operating activities</b>		
Profit before income taxes	8,026	8,097
Depreciation	3,790	3,939
Impairment loss	88	–
Increase (decrease) in net defined benefit liability	(200)	(171)
Interest and dividend income	(372)	(363)
Interest expenses	24	30
Foreign exchange losses (gains)	31	132
Loss (gain) on sales of investment securities	(13)	(199)
Loss on valuation of shares of subsidiaries and associates	561	–
Decrease (increase) in notes and accounts receivable - trade	(1,730)	1,330
Decrease (increase) in inventories	(740)	(663)
Increase (decrease) in notes and accounts payable - trade	76	(1,936)
Decrease/increase in consumption taxes receivable/payable	182	499
Other, net	1,407	(1,254)
Subtotal	11,132	9,431
Interest and dividend income received	376	361
Interest expenses paid	(23)	(30)
Income taxes (paid) refund	(1,987)	(2,082)
Net cash provided by (used in) operating activities	9,498	7,688
<b>Cash flows from investing activities</b>		
Decrease (increase) in time deposits	(88)	315
Purchase of property, plant and equipment	(6,596)	(4,956)
Proceeds from sales of investment securities	31	324
Other, net	(92)	(312)
Net cash provided by (used in) investing activities	(6,745)	(4,629)
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	(438)	(434)
Cash dividends paid	(1,143)	(1,301)
Payments from changes in ownership interests in subsidiaries that does not result in change in scope of consolidation	(1,740)	–
Other, net	116	(77)
Net cash provided by (used in) financing activities	(3,204)	(1,813)
Effect of exchange rate change on cash and cash equivalents	(727)	(372)
Net increase (decrease) in cash and cash equivalents	(1,179)	873
Cash and cash equivalents at the beginning of the year	41,982	40,802
Cash and cash equivalents at the end of the year	40,802	41,675

## (5) Explanatory Notes to Consolidated Financial Statements

**Segment Information****Information on net sales, profits or losses, assets, liabilities and other amounts by reported segment**

Previous term: Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(Million yen)

Item	Reported segments				Others (Note 1)	Total
	Electronic Devices	Precision Molding Products	Housing & Living Materials	Sub-total		
Net sales						
Sales to outside customers	20,699	37,089	19,931	77,719	7,740	85,460
Inter-segment sales or transfers	–	–	–	–	–	–
Total	20,699	37,089	19,931	77,719	7,740	85,460
Segment profit (Operating profit)	1,492	5,904	535	7,933	220	8,153
Other items						
Depreciation	1,082	1,998	426	3,506	284	3,790
Impairment loss (Note 2)	131	–	93	225	39	264

(Notes) 1. “Others” is a business segment that is not included in the reported segments and includes the constructing business, etc.

2. In the Electronic Devices segment, the Group posted an impairment loss incurred at Suzhou Shin-Etsu Polymer Co., Ltd., a foreign subsidiary, under operating expenses in the consolidated statement of income.

In the Housing &amp; Living Materials segment, the Group posted an impairment loss of 4 million yen in relation to Shin-Etsu Polymer (Malaysia) Sdn. Bhd., a foreign subsidiary, under operating expenses in the consolidated statement of income.

In the Other segment, the Group posted an impairment loss incurred in relation to new business development at Shin-Etsu Polymer (Malaysia) Sdn. Bhd., a foreign subsidiary, under operating expenses in the consolidated statement of income.

The impairment losses of these two companies are recorded in accordance with the International Financial Reporting Standards.

Current term: Year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(Million yen)

Item	Reported segments				Others (Note 1)	Total
	Electronic Devices	Precision Molding Products	Housing & Living Materials	Sub-total		
Net sales						
Sales to outside customers	19,725	33,451	19,009	72,186	8,067	80,254
Inter-segment sales or transfers	–	–	–	–	–	–
Total	19,725	33,451	19,009	72,186	8,067	80,254
Segment profit (Operating profit)	1,644	5,125	508	7,277	478	7,756
Other items						
Depreciation	1,163	2,166	565	3,895	43	3,939
Impairment loss (Note 2)	–	–	–	–	–	–

(Notes) 1. “Others” is a business segment that is not included in the reported segments and includes the constructing business, etc.