

FOR IMMEDIATE RELEASE:

SHIN-ETSU CHEMICAL PLANS \$21.3 MILLION PRODUCTION/FACILITY INVESTMENT

EXPANSION IN U.S.: AKRON, OH PLANT DEVELOPMENT REPRESENTS PROACTIVE FOCUS ON EXPANDING SILICONE BUSINESS GLOBALLY AS 4-YEAR INVESTMENT REACHES \$577 MILLION.



Akron, OH—October 2017

Shin-Etsu Chemical Co. Ltd. (Head Offices: Tokyo / President: Yasuhiko Saitoh) is one of the largest chemical company in Japan, and is in its 64th year of manufacturing silicone products worldwide—producing over 5,000 different silicone products. As part of its continuously progressive expansion effort over the past four years, which represents \$577 million in global investment, approximately \$21.3 million in facility and production investments are being dedicated to expanding their Akron, OH Plant to 44,000 sq. ft. for their U.S. subsidiary Shin-Etsu Silicones of America, Inc. (SESA)— which is aimed for completion in the middle of 2019.

SESA, which is engaged in the manufacturing and sales of highly functional silicones in the U.S., produces various silicone products that possess diversified forms and applications such as high consistency silicone rubber, liquid silicone rubber for adhesives and sealing materials, silicones for cosmetics, and heat-dissipating silicones for applications in automobiles and electronics parts. This new investment is for the purpose of expanding its production capacity for these silicone products and additionally to set up a new production facility for its silicone emulsions.

In addition, SESA has established a new 14,000 sq. ft., state-of-the-art Technical Center facility in the State of New Jersey in 2015 to expand its capabilities of R&D and technical services for customers in various industries. The expansion also included absorbing SESA's Cosmetic Application Laboratory (CAL) to provide the distinct advantage of sharing comprehensive R&D capabilities and resources under one roof.

4-YEAR SILICONE EXPANSION BOOM:

Over the past four years, Shin-Etsu Chemical has been carrying out the global expansion of its silicone business by setting up production bases in Asia, the United States, and Europe. The objective of the new facility investments in their silicone business in these key markets is to strengthen and expand its silicones facilities at each stage—from R&D and trial production to mass production, as it seeks to steadily capture the globally expanding demand for highly functional silicone products.

Notable expansion markets include:

THAILAND: Expanded in Thailand the production capacity of its existing silicones plant and obtained new adjacent industrial land adjoining its existing Thai silicone facilities.

GUNMA PREFECTURE, JAPAN: Shin-Etsu Chemical's Gunma Complex is its largest production base in Japan, and has invested approximately \$106.6 million in expansion at those facilities. In order to carry out such silicone projects that are used in fields where demand growth is expected such as automotive, cosmetics, chemicals, and healthcare. An additional \$44.4 million was invested for the construction of a new research building adjoining its existing Silicone-Electronics Materials Research Center, which began its operations in the spring of 2016.

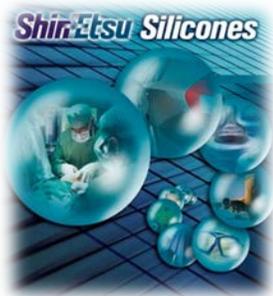
Including the new SESA Akron Plant investment for expanding production capacity in the U.S., the total investment amount Shin-Etsu has made in its silicones business over just the past four years now comes to \$577 million. With its research, production and sales capabilities coming together as one, Shin-Etsu Chemical has been accomplishing a great deal of fruitful results in Japan and will go ahead with employing the same approach globally.

The new expansion project in the U.S. is part of this plan, and by making the maximum use of Shin-Etsu's strengths in technology that have been nurtured over a long period of years in the field of silicon chemistry and the development of high-value-added products, Shin-Etsu will continue to strive to steadily capture the robustly growing demand for silicones in the U.S.

According to SESA President, Kazuhiro Kitani, "SESA is determined to grow our specialty silicones businesses, and we are committed to expanding our local production capacity to improve our service levels and responsiveness to changing industry requirements."

For more detailed information, visit the Shin-Etsu Chemical Co., Ltd. web site at: www.shinetsu.co.jp

CORPORATE PROFILE: A U.S. subsidiary of Shin-Etsu Chemical Co. Ltd., Japan, Shin-Etsu Silicones of America Inc. offers vast technical and capital resources to formulate solutions as a major supplier of silicone materials to North America's medical, automotive, electronics, aerospace, cosmetics, and manufacturing industries. Shin-Etsu's premium silicone compounds incorporate leading-edge technology, staff expertise, and value-added service; offering customers the highest levels of quality and consistency in specialty silicone materials.



Author: Eric Bishop / Shin-Etsu Silicones of America, Inc. / 513-232-8917 ebishop@shinetsusilicones.com
Editorial & Photo Contact: Ray Farrar / Method Media LLC / 216-861-0862 rayf@methmedia.net

Japan Contact: Public Relations Dept. / Tetsuya Koishikawa
03-3246-5091, or from outside Japan: 81-3-3246-5091
Email: sec-pr@shinetsu.jp

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