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Shin-Etsu Chemical will further strengthen the production and R&D systems of its silicones business

Production capacity increases planned in Thailand; new Technical Center to be established in the U.S.

Aiming to expand its silicones business, one of the company's main business pillars, Shin-Etsu Chemical Co., Ltd., (Head Office: Tokyo, President: Shunzo Mori) will greatly expand and strengthen the production capacity of its manufacturing plants in Thailand. At the same time, Shin-Etsu decided to establish a new Technical Center in the State of New Jersey in the United States.

Silicone is a highly functional material and is used in wide range of application fields in such industries as electric, electronics, automobile, housing, and cosmetics and toiletries. Shin-Etsu Chemical has expanded its silicone business by developing and supplying products that meet the wide-ranging requirements of its customers. As a result, it has achieved the growth of its silicones business, reaching a market share of over 50% in Japan. Globally, Shin-Etsu has been carrying out the expansion of its silicones business by setting up production bases in Asia, the United States and Europe.

In the United States, which has the world's largest level of demand, the demand for silicones is steadily growing. Furthermore, in the emerging economies where economic growth is progressing, the demand for highly functional silicone materials is increasing and demand is expected to expand. Shin-Etsu Chemical will globally spread the systems and expertise that were cultivated and achieved success in Japan by research, manufacturing and sales activities coming together as one. The silicones business expansion plans being announced at this time are a part of Shin-Etsu's silicones business expansion strategy and will enable the company to steadily capture the vigorously growing global silicones demand.

Production capacity increases planned for silicone monomer and silicone polymer plants in Thailand

Shin-Etsu Chemical began global production of silicone monomer by establishing Asia Silicones Monomer Ltd. (ASM) in Thailand as a joint-venture company with General Electric Company (GE) in 2001. In 2013, Shin-Etsu acquired the total shares held by GE, making ASM a wholly owned Shin-Etsu Group company. At the same time, using the raw material of silicone monomer supplied by ASM, Shin-Etsu Silicones (Thailand), is manufacturing silicone polymer, an end-product, at a manufacturing facility located on land adjacent to the ASM plant.

With the implementation of this new expansion plan, Shin-Etsu Chemical will increase the silicone monomer plant's production capacity by 50% – from the present annual production of 70,000 ton to 105,000 tons. At the same time, Shin-Etsu will increase its silicone polymer production capacity by about 40% – from 54,000 tons to 74,000 tons. Construction of this expansion project is scheduled to be completed in 2017, and the investment amount is estimated to be about ¥20 billion.

New Technical Center to be established in the State of New Jersey in the U.S.

Presently Shin-Etsu Chemical is carrying out production of silicone polymer in the United States at plants in the states of Texas and Ohio. Now, in addition to these production bases, Shin-Etsu has decided to establish a new Technical Center in the State of New Jersey.

The aim of establishing this new technical center is to help the company speedily meet the demand for silicone products coming from U.S. customers and work on the development of new products and applications. In cooperation with the Silicone-Electronics Materials Research Center in Annaka City, Gunma Prefecture in Japan, the new Technical Center will work on expanding Shin-Etsu's silicones business in the U.S. by intensively researching the needs of customers.

For inquires about this matter, please contact:

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