

April 9, 2007

Notice of a change concerning Shin-Etsu Chemical's expected FY 2007 year-end dividend

Shin-Etsu Chemical will make the following change with regard to its expected FY 2007 year-end (March 31, 2007) dividend:

1. The reason for the change in the expected dividend

With regard to the dividend paid out to our shareholders, until now, Shin-Etsu Chemical has increased its dividend on a continuous and stable basis. From now on, in addition to continuing this policy concerning its dividend, Shin-Etsu wishes to meet the desires of all of its shareholders by gradually increasing the dividend payout ratio.

This matter will be taken up at the annual shareholders' meeting scheduled to be held in June 2007.

2. Details of the change (value in Japanese yen)

| Dividend record dates | Dividend per share | | |
|--|--------------------|----------|--------|
| | Interim | Year-end | Annual |
| Previous forecast (as of Oct. 23, 2006) | - | 25 | 50 |
| Expected dividend | - | 45 | 70 |
| Fiscal year ending March 31, 2007 | 25 | - | - |
| Fiscal year ending March 31, 2006 | 17.5 | 17.5 | 35 |

(For reference) Dividends in previous years (value in Japanese yen)

| | Dividend per share | | |
|--------------------------------------|--------------------|----------|--------|
| | Interim | Year-end | Annual |
| Fiscal year ending March 31, 2005 | 10 | 10 | 20 |
| Fiscal year ending March 31, 2004 | 8 | 8 | 16 |
| Fiscal year ending March 31, 2003 | 7 | 7 | 14 |
| Fiscal year ending March 31, 2002 | 6 | 6 | 12 |

For inquires, please contact:

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