



July 26, 2012

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 Shin-Etsu Chemical Co., Ltd.
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Notice Regarding Operating Performance and Dividend Forecasts

Shin-Etsu Chemical Co., Ltd. (the “Company”) hereby announces the forecasts for its Consolidated Operating Performances and dividend for the fiscal year 2013, which ends on March 31, 2013. The forecasts are as follows;

1. Forecasts of Consolidated Operating Performances

Note) The forecast figures are approximations.

- (1) Forecast of Consolidated Operating Performance for the fiscal year ending March 31, 2013
 (April 1, 2012 - March 31, 2013)

(Millions of Yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (in yen)
Previous Forecast (A)	-	-	-	-	-
Current Forecast (B)	1,060,000	160,000	170,000	105,000	247.29
Change (B-A)	-	-	-	-	-
Percentage Change (%)	-	-	-	-	-
(reference) Results for the fiscal year ended March 31, 2012	1,047,731	149,632	165,237	100,643	237.03

- (2) Forecast of Consolidated Operating Performance for the first half ending September 30, 2012
 (April 1, 2012 - September 30, 2012)

(Millions of Yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (in yen)
Previous Forecast (A)	-	-	-	-	-
Current Forecast (B)	535,000	83,000	86,000	54,000	127.18
Change (B-A)	-	-	-	-	-
Percentage Change (%)	-	-	-	-	-
(reference) Results for the first half ended September 30, 2011	521,368	80,411	84,330	51,040	120.21

2. Forecast of Dividend for the Fiscal year ending March 31, 2013

	Cash dividends per share (in yen)		
	Interim	Year-end	Total Annual
Previous Forecast	Undecided	Undecided	Undecided
Current Forecast	50.00	50.00	100.00
Results for the fiscal year ended March 31, 2012	50.00	50.00	100.00

3. A summary of the announcement

Up until now, the Company had not yet announced the forecasts for its Consolidated Operating Performance for the fiscal year 2013. However, based on trends in its recent business performance, we are now announcing our forecasts for this fiscal year. With regard to the dividend, our forecast is ¥50 per share for both the interim and year-end dividends, the same amount as for the corresponding period of the previous fiscal year. The forecast for the total annual dividend for the fiscal year 2013 will become ¥100 per share, the same amount as in the previous fiscal year.

(Note)

The forecast of results of operations made in this document involves risks and uncertainties since the forecast is based on management's assumptions and beliefs in light of the information currently available to it. The reader should be aware that actual results may be materially different from any future results expressed herein due to various factors. Material factors affecting the actual results may include overall economic conditions in which the businesses of our company and our group companies are involved, the relevant market trends and fluctuations in foreign exchange rates of the yen, in particular, the exchange rate between the U.S. dollars and the yen; provided, however, that such factors as may affect results of operations are not limited to those enumerated above.