

Financial Summary

for the six months ended September 30, 2006

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(Consolidated)	
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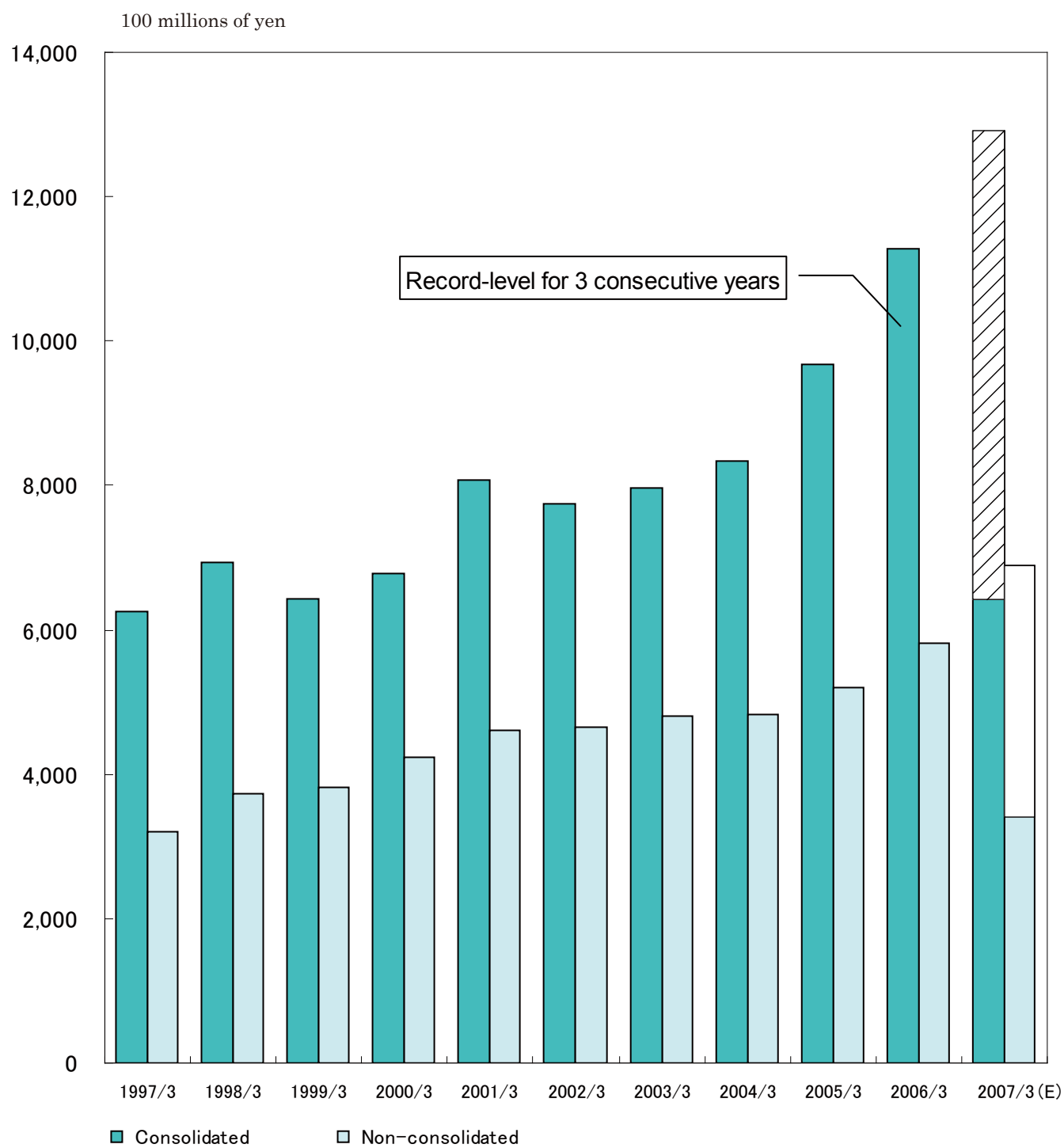


Shin-Etsu Chemical Co., Ltd.

(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 result 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 business 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.

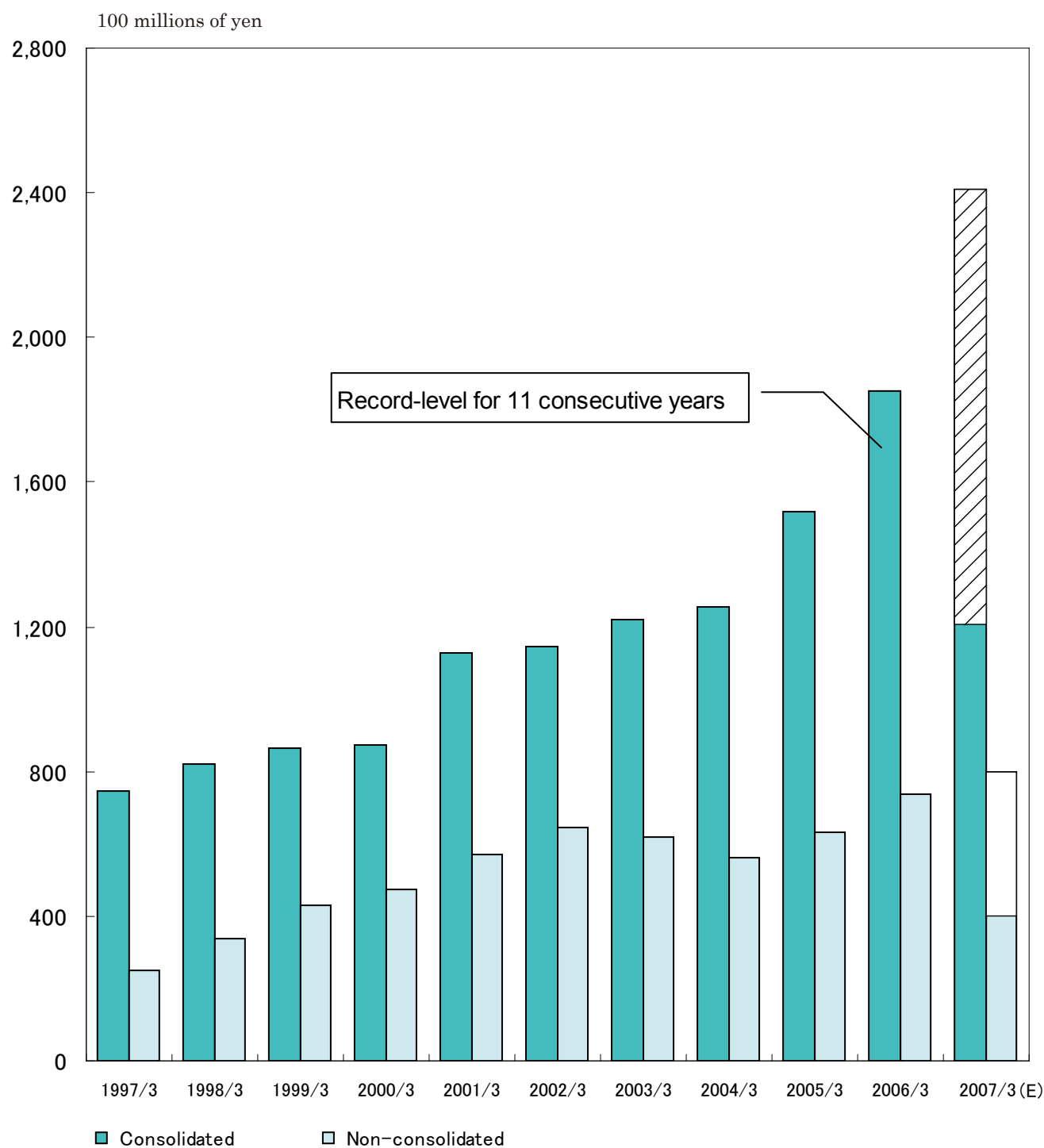
Net Sales



(millions of yen)

		1997/3	1998/3	1999/3	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2006/9	2007/3(E)
Net Sales	Consolidated	624,405	693,274	642,795	678,858	807,484	775,096	797,523	832,804	967,486	1,127,915	639,049	1,290,000
	Non-consolidated	321,202	372,304	381,069	422,508	461,008	465,333	480,243	482,580	520,289	582,426	334,650	690,000
Consolidated to Non-consolidated Net Sales Ratio (times)		1.94	1.86	1.69	1.61	1.75	1.67	1.66	1.73	1.86	1.94	1.91	1.87

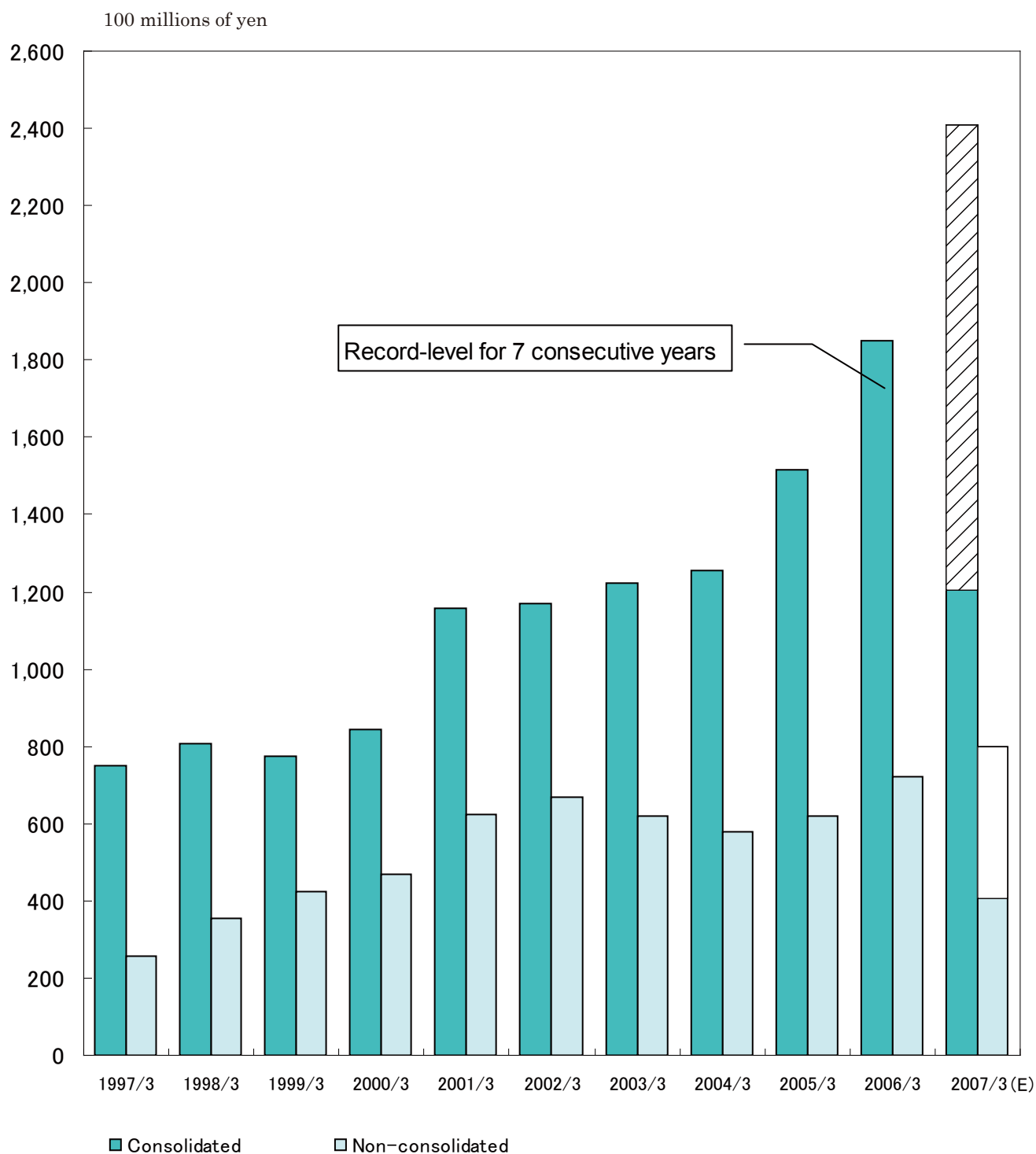
Operating Income



(millions of yen)

		1997/3	1998/3	1999/3	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2006/9	2007/3(E)
Operating Income	Consolidated	74,820	82,079	86,322	87,465	112,677	114,723	122,149	125,625	151,734	185,320	120,024	241,000
	Non-consolidated	25,229	33,597	42,868	47,267	57,039	64,612	62,014	56,073	63,081	73,685	40,243	80,000

Ordinary Income

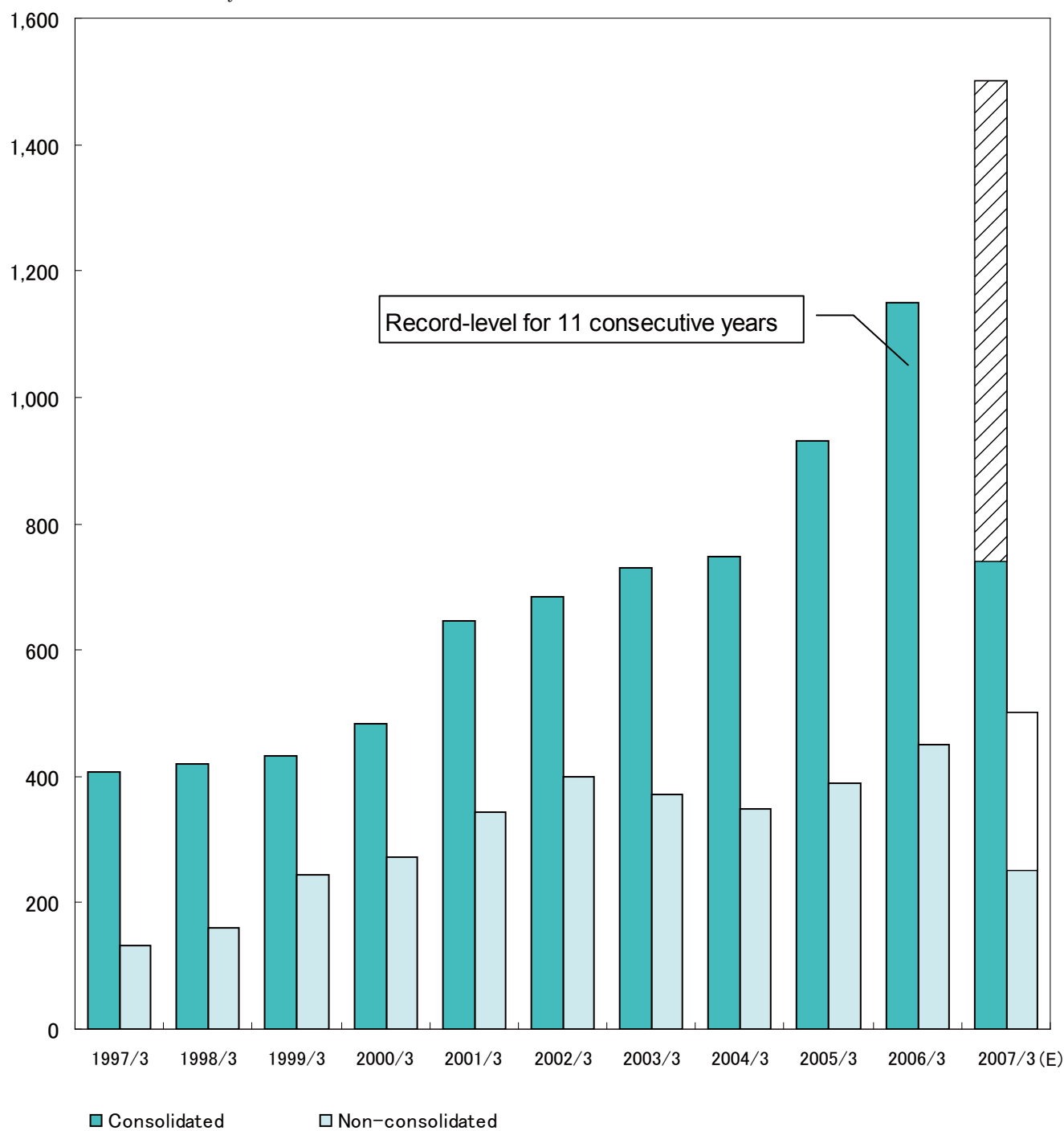


(millions of yen)

		1997/3	1998/3	1999/3	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2006/9	2007/3(E)
Ordinary Income	Consolidated	75,127	80,742	77,551	84,423	115,797	117,031	122,119	125,612	151,503	185,040	120,043	241,000
	Non-consolidated	25,803	35,542	42,231	47,040	62,224	67,032	62,011	58,065	62,030	72,115	39,711	80,000

Net Income

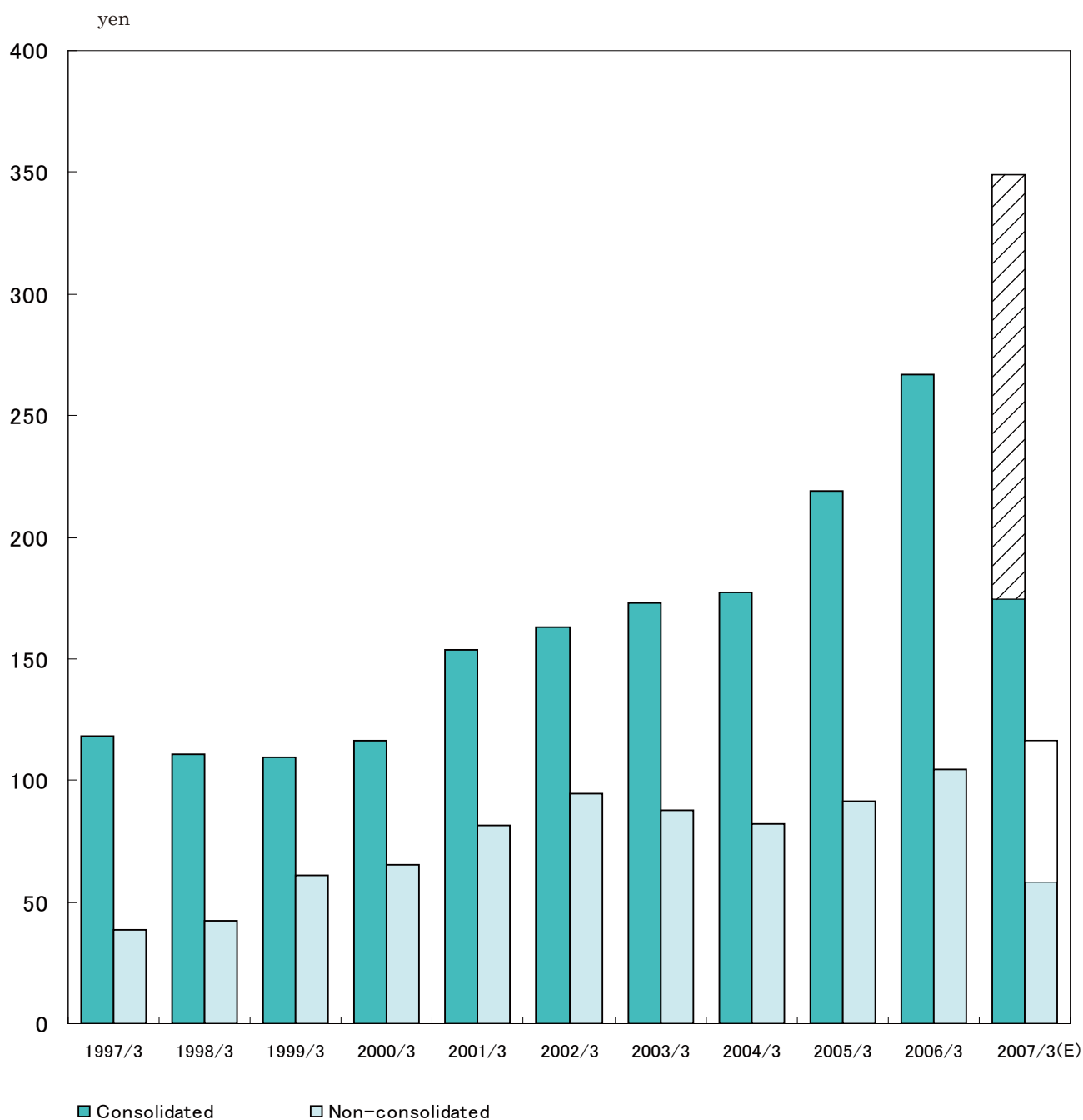
100 millions of yen



(millions of yen)

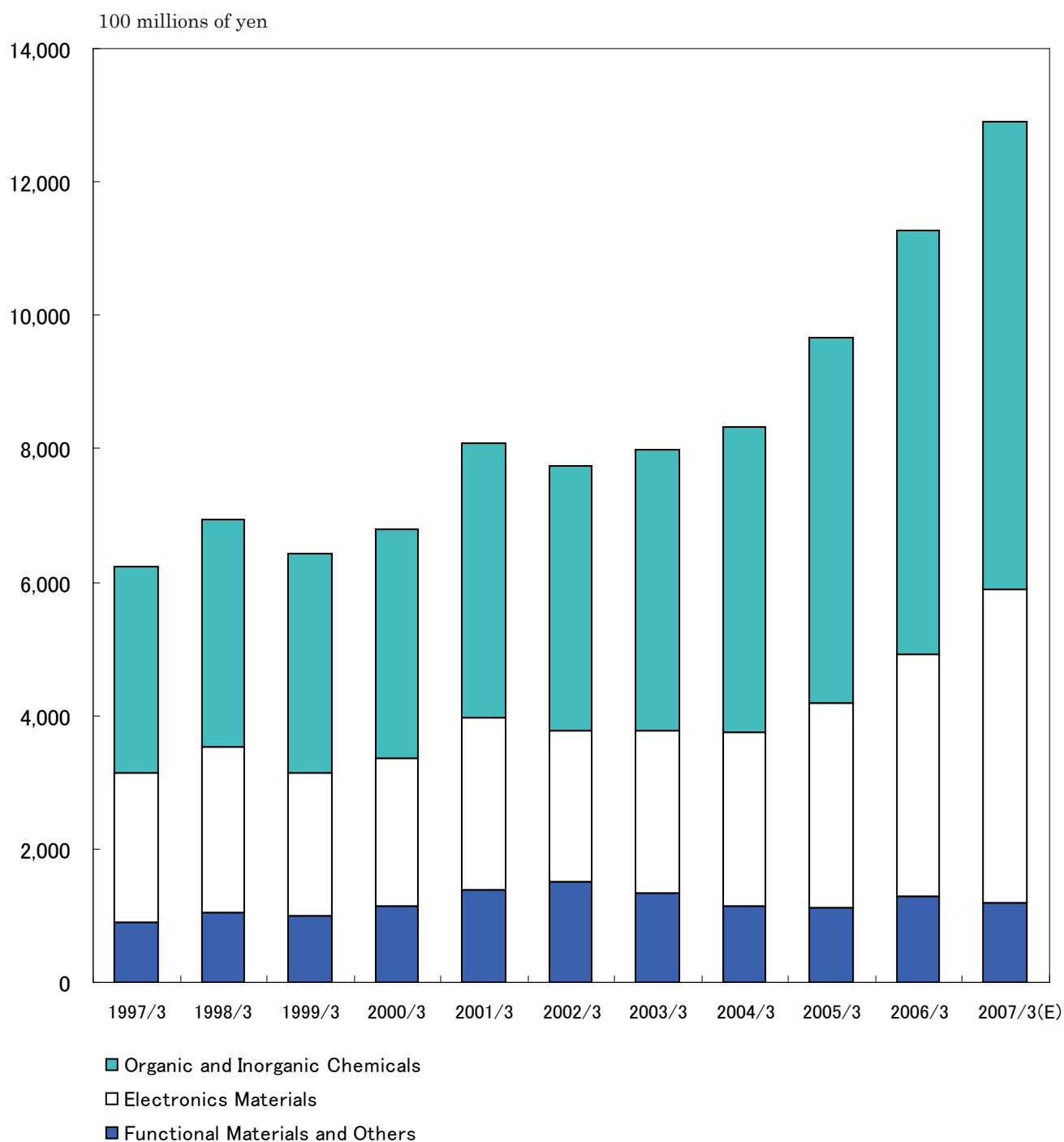
		1997/3	1998/3	1999/3	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2006/9	2007/3(E)
Net Income	Consolidated	40,614	42,027	43,362	48,229	64,505	68,518	73,015	74,805	93,160	115,045	74,932	150,000
	Non-consolidated	13,323	15,972	24,322	27,141	34,307	39,888	37,028	34,725	39,020	45,065	25,311	50,000
Consolidated to Non-consolidated Net Income Ratio (times)		3.05	2.63	1.78	1.78	1.88	1.72	1.97	2.15	2.39	2.55	2.96	3.00

Net Income per Share



(yen)													
		1997/3	1998/3	1999/3	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2006/9	2007/3(E)
Net Income per Share	Consolidated	118.24	110.73	109.36	116.56	153.58	162.93	173.13	177.25	219.10	266.63	174.08	348.69
	Non-consolidated	38.79	42.02	61.15	65.32	81.32	94.85	87.83	82.25	91.73	104.21	58.80	116.23

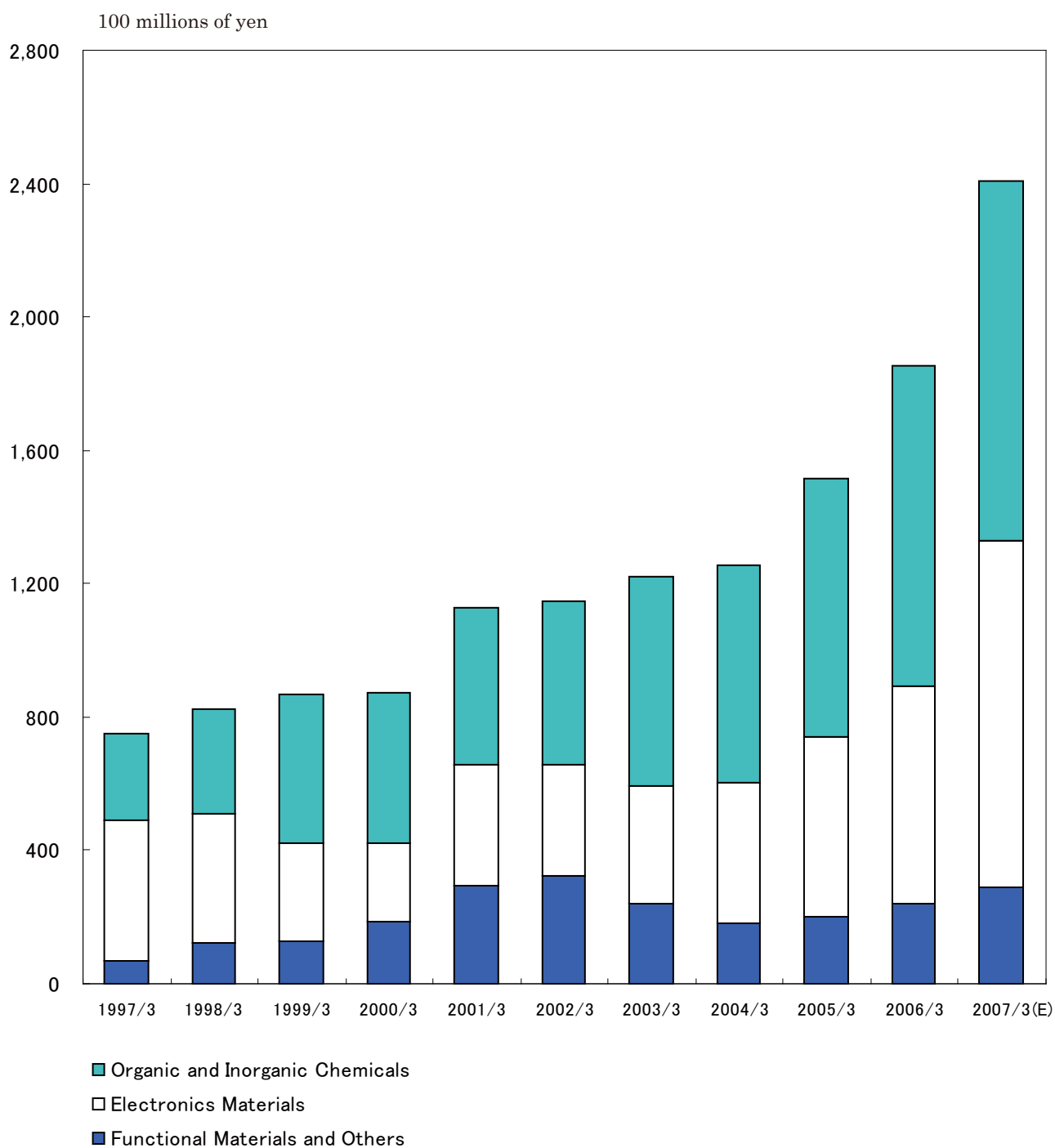
Net Sales by Segment (Consolidated)



(millions of yen)

	1997/3	1998/3	1999/3	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2006/9	2007/3(E)
Organic and Inorganic Chemicals	310,030	340,050	328,925	343,412	410,370	397,983	421,021	457,009	548,950	636,491	353,051	700,000
Electronics Materials	224,607	247,707	214,604	220,131	258,746	226,459	243,427	262,245	306,925	361,452	225,354	470,000
Functional Materials and Others	89,767	105,515	99,265	115,314	138,367	150,652	133,074	113,550	111,610	129,970	60,642	120,000

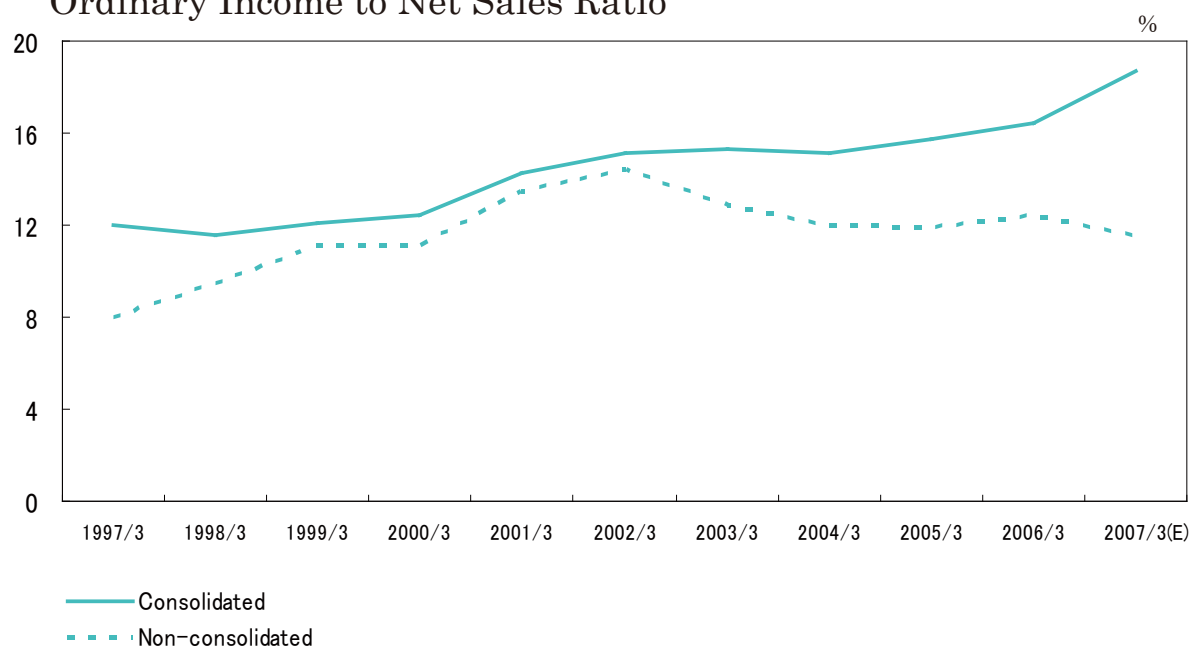
Operating Income by Segment (Consolidated)



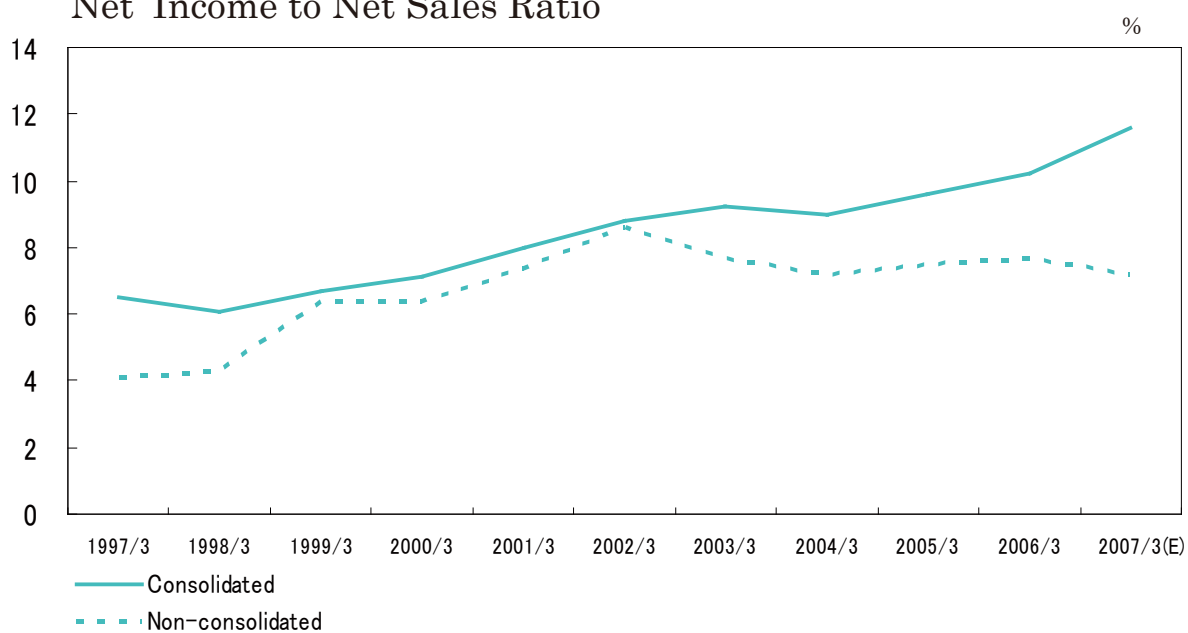
(millions of yen)

	1997/3	1998/3	1999/3	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2006/9	2007/3(E)
Organic and Inorganic Chemicals	25,913	31,492	44,365	45,162	47,015	48,807	62,409	65,112	77,894	96,171	55,127	108,000
Electronics Materials	42,014	39,044	29,398	23,344	36,360	33,678	35,248	42,182	53,684	65,275	50,455	104,000
Functional Materials and Others	6,869	12,061	12,797	18,651	29,328	32,193	24,251	18,169	20,123	24,022	14,312	29,000

Ordinary Income to Net Sales Ratio



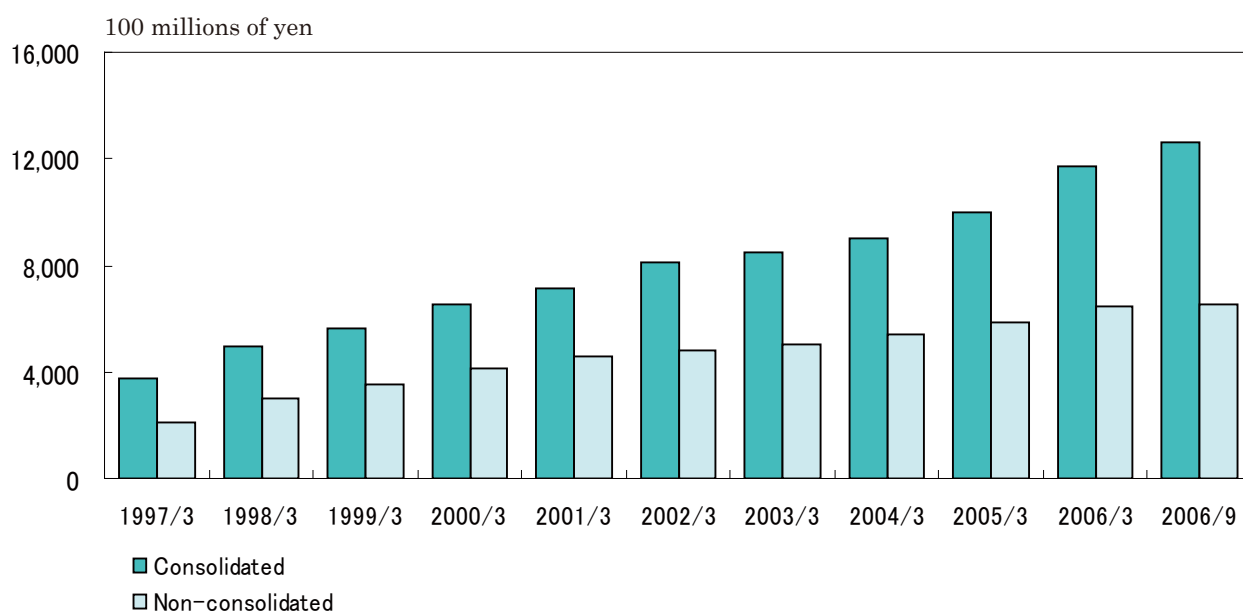
Net Income to Net Sales Ratio



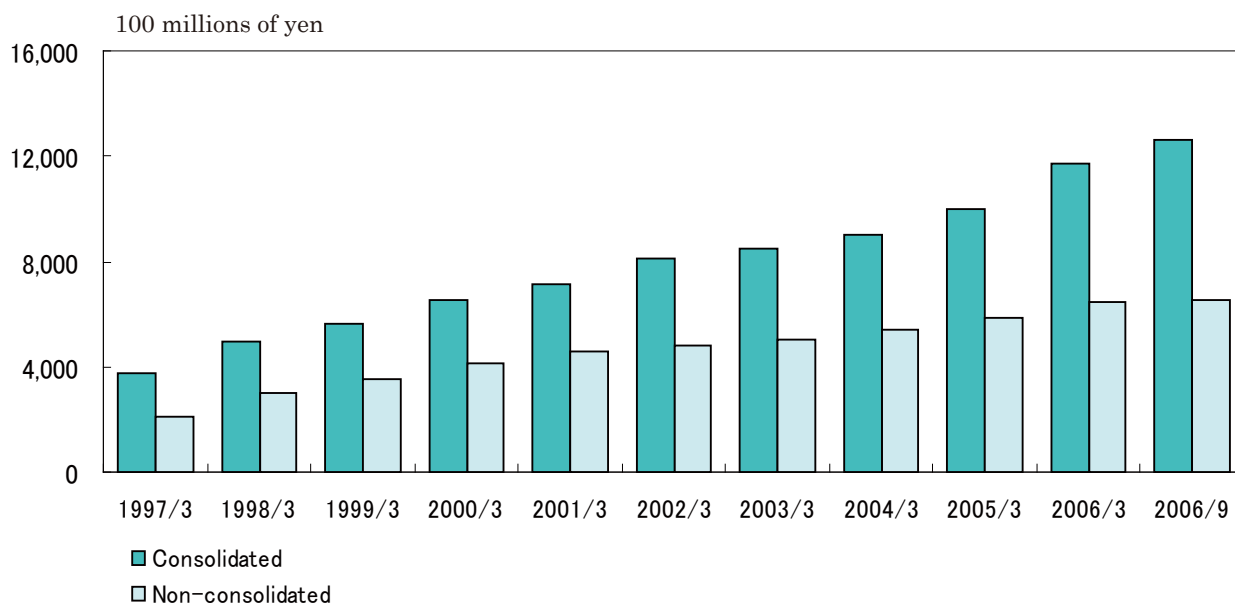
(%)

		1997/3	1998/3	1999/3	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2006/9	2007/3(E)
Ordinary Income to Net Sales Ratio	Consolidated	12.0	11.6	12.1	12.4	14.3	15.1	15.3	15.1	15.7	16.4	18.8	18.7
	Non-consolidated	8.0	9.5	11.1	11.1	13.5	14.4	12.9	12.0	11.9	12.4	11.9	11.6
Net Income to Net Sales Ratio	Consolidated	6.5	6.1	6.7	7.1	8.0	8.8	9.2	9.0	9.6	10.2	11.7	11.6
	Non-consolidated	4.1	4.3	6.4	6.4	7.4	8.6	7.7	7.2	7.5	7.7	7.6	7.2

Total Assets



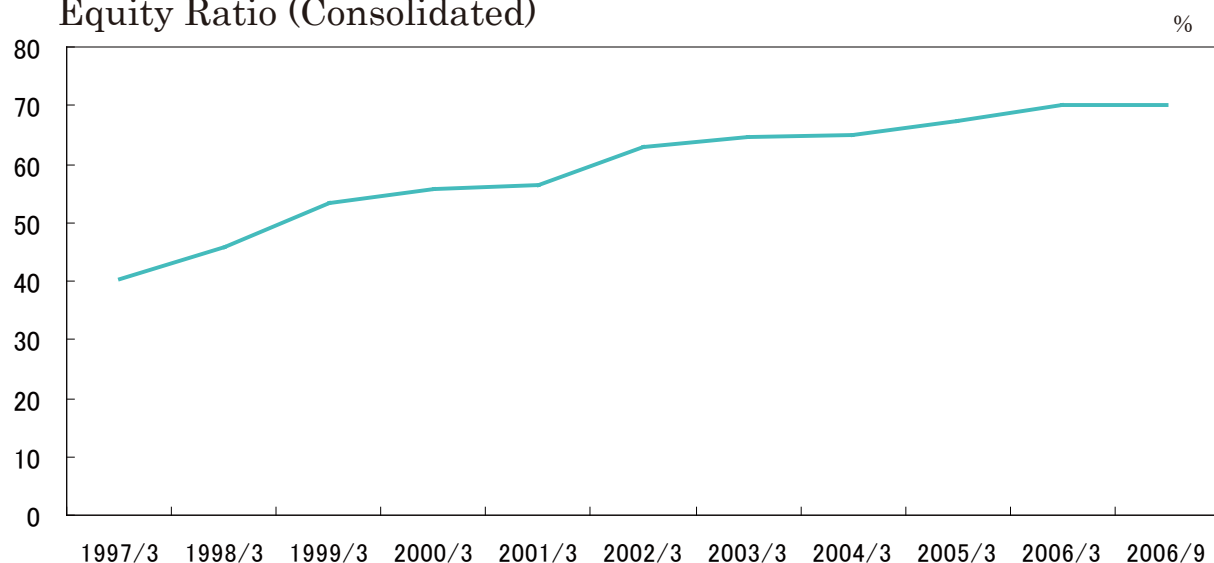
Net Assets



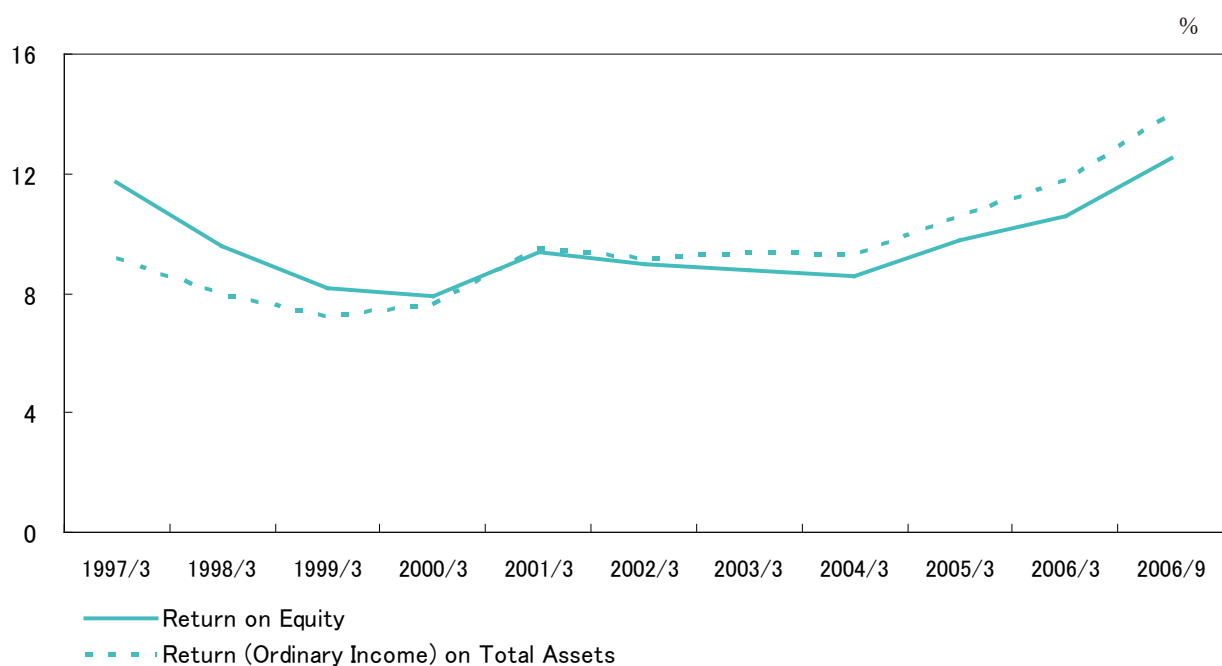
(millions of yen)

		1997/3	1998/3	1999/3	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2006/9
Total Assets	Consolidated	931,158	1,083,780	1,060,973	1,168,729	1,265,799	1,288,432	1,310,874	1,386,216	1,476,248	1,671,280	1,753,571
	Non-consolidated	508,737	573,105	581,632	663,813	675,403	659,852	679,380	758,820	777,928	874,186	889,915
Net Assets	Consolidated	374,725	497,311	564,066	651,261	714,996	812,068	846,961	900,724	996,307	1,173,679	1,264,767
	Non-consolidated	207,491	303,911	353,305	412,216	457,786	478,180	502,912	544,266	588,048	647,050	656,406

Equity Ratio (Consolidated)

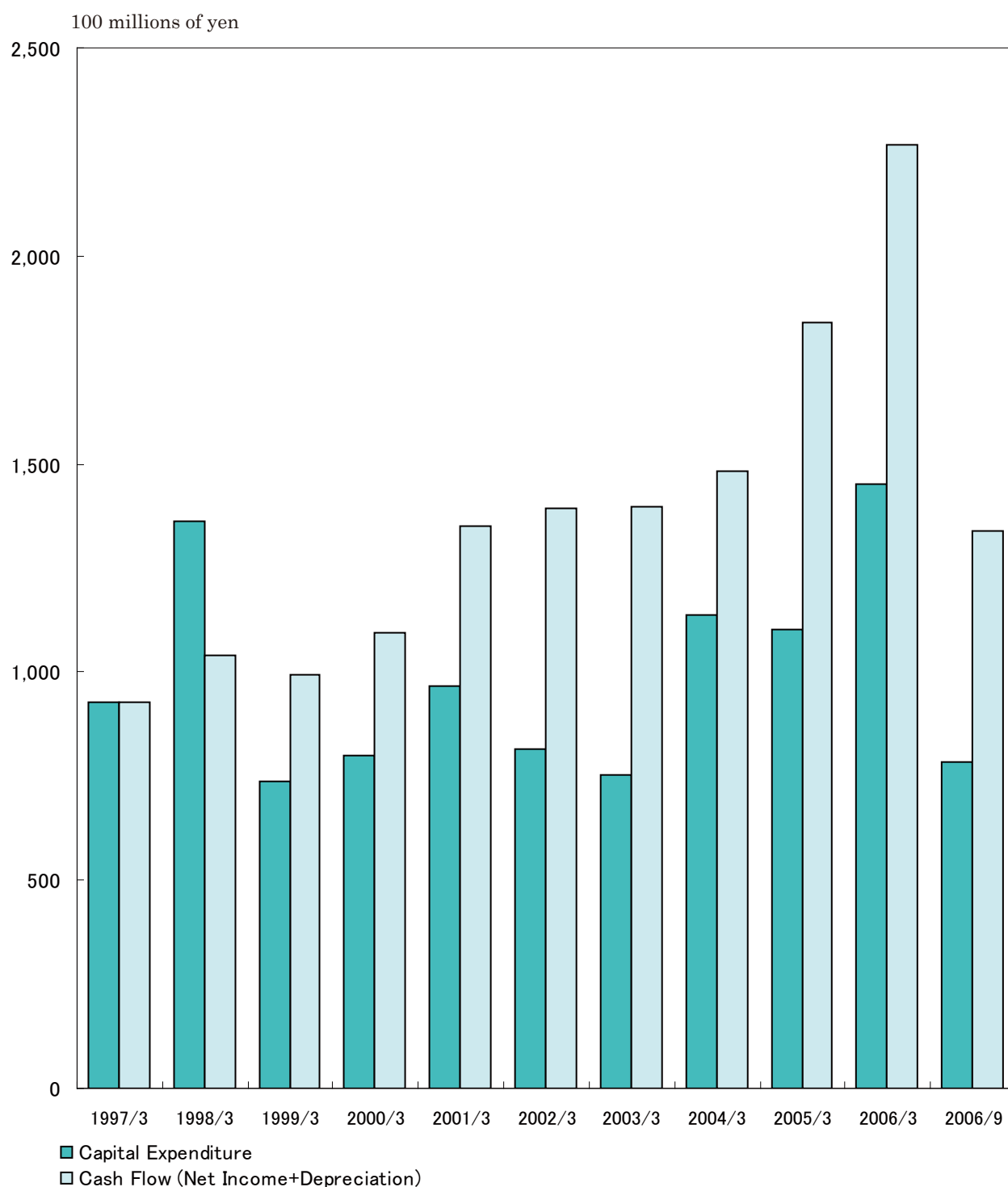


Return on Equity, Return (Ordinary Income) on Total Assets (Consolidated)



		(%)										
		1997/3	1998/3	1999/3	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2006/9
Equity Ratio	Consolidated	40.2	45.9	53.2	55.7	56.5	63.0	64.6	65.0	67.5	70.2	70.0
Return on Equity	Consolidated	11.7	9.6	8.2	7.9	9.4	9.0	8.8	8.6	9.8	10.6	12.5 (p.a.)
Return (Ordinary Income) on Total Assets	Consolidated	9.2	8.0	7.2	7.6	9.5	9.2	9.4	9.3	10.6	11.8	14.0 (p.a.)

Capital Expenditure and Cash Flow (Consolidated)



(millions of yen)

	1997/3	1998/3	1999/3	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2006/9
Capital Expenditure	92,844	136,383	73,641	80,003	96,770	81,543	75,220	113,591	110,277	145,329	78,382
Depreciation	52,190	62,143	56,196	61,384	70,767	70,878	66,566	73,581	90,874	111,637	58,873
Cash Flow (Net Income+Depreciation)	92,804	104,170	99,558	109,613	135,272	139,396	139,581	148,387	184,035	226,682	133,805