

Financial Summary

for the six months ended September 30, 2010

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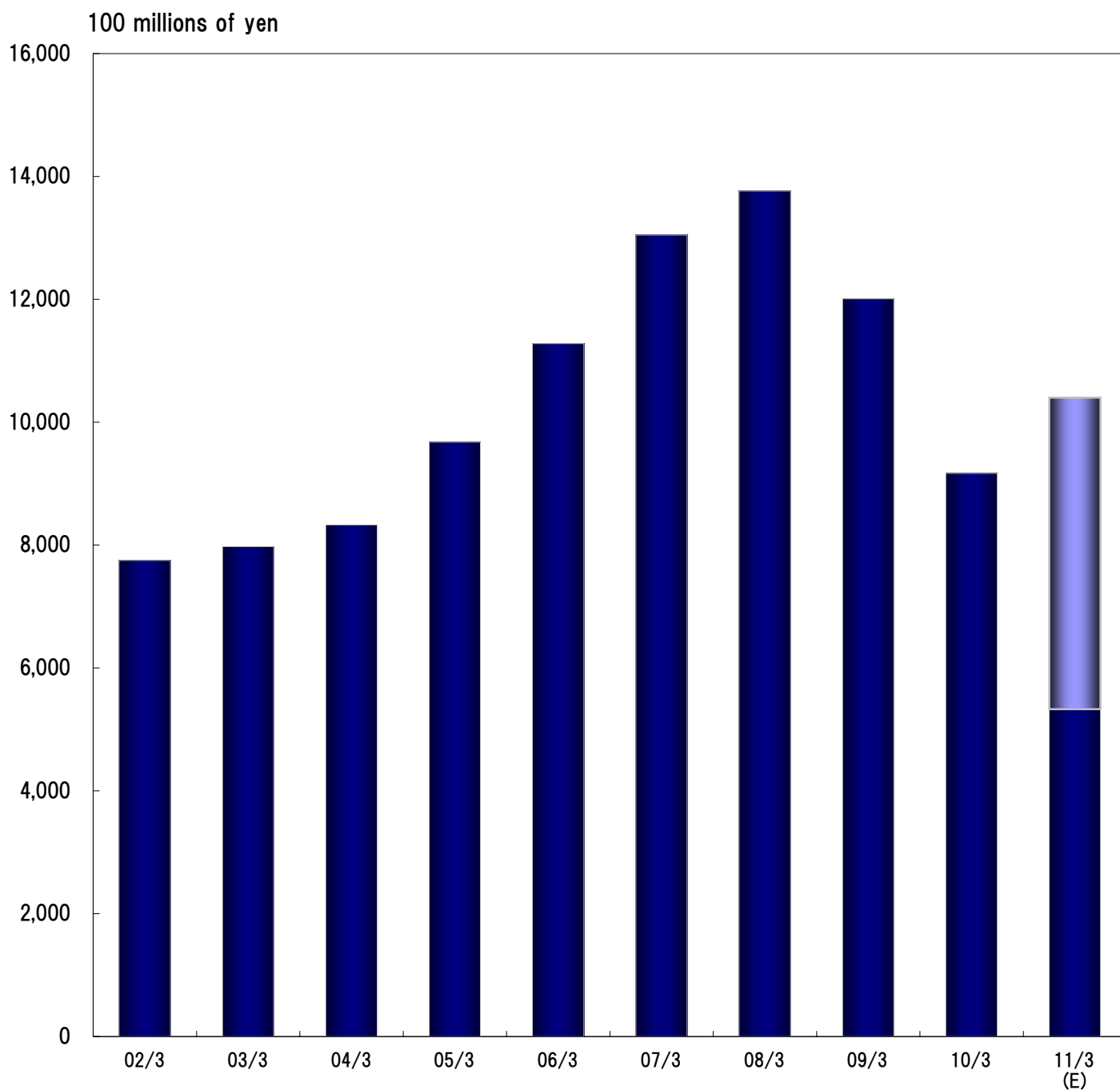


Shin-Etsu Chemical Co., Ltd.

(Note)

Forward-looking statements such as the forecast of results of operations made in this document involves risks and uncertainties since they are 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.

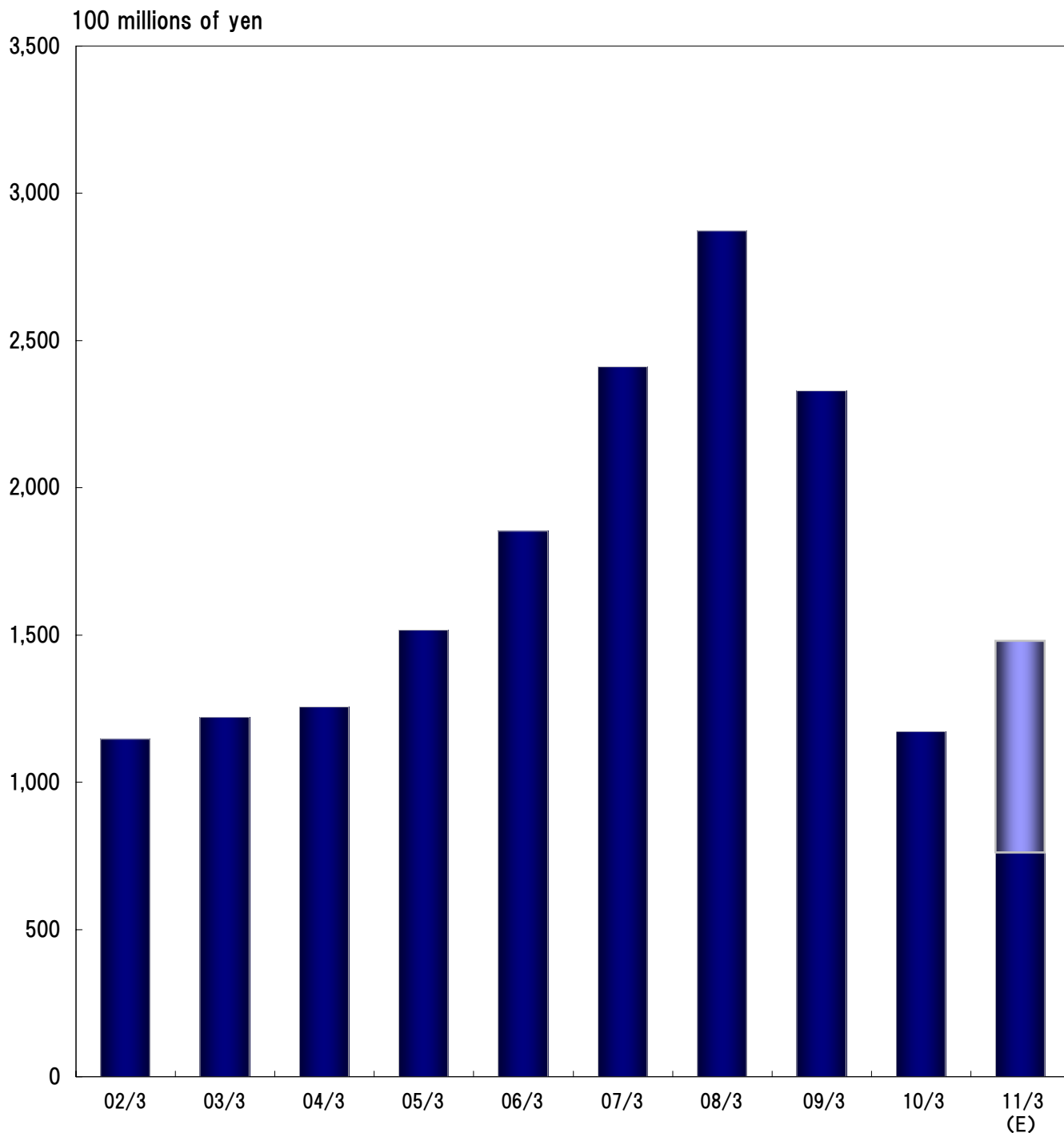
Net Sales



(100 millions of yen)

	02/3	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	10/9 (First Half)	11/3 (E)
Net Sales	7,751	7,975	8,328	9,675	11,279	13,047	13,764	12,008	9,168	5,236	10,400

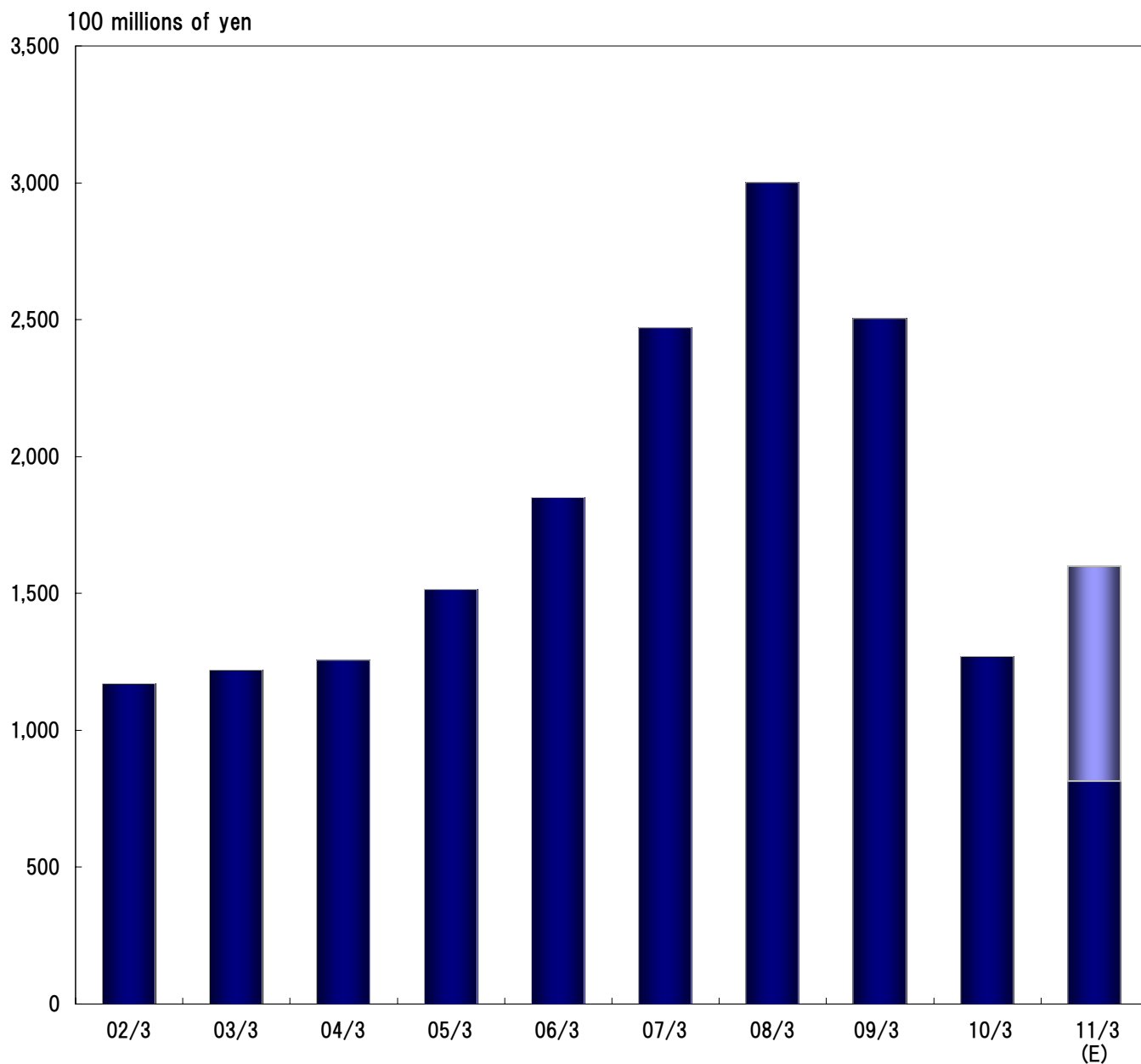
Operating Income



(100 millions of yen)

	02/3	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	10/9 (First Half)	11/3 (E)
Operating Income	1,147	1,221	1,256	1,517	1,853	2,410	2,871	2,329	1,172	761	1,480

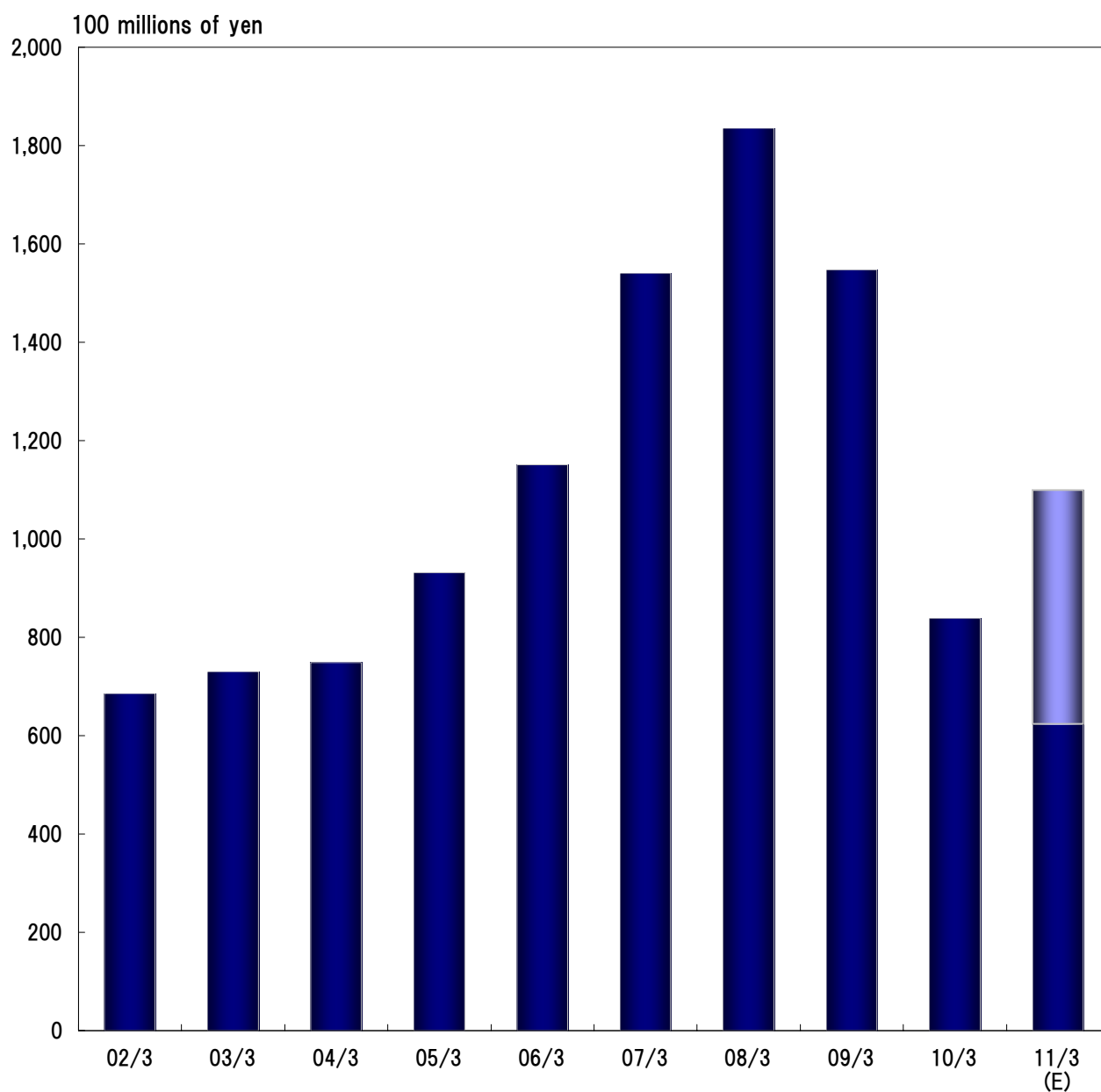
Ordinary Income



(100 millions of yen)

	02/3	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	10/9 (First Half)	11/3 (E)
Ordinary Income	1,170	1,221	1,256	1,515	1,850	2,470	3,000	2,505	1,270	812	1,600

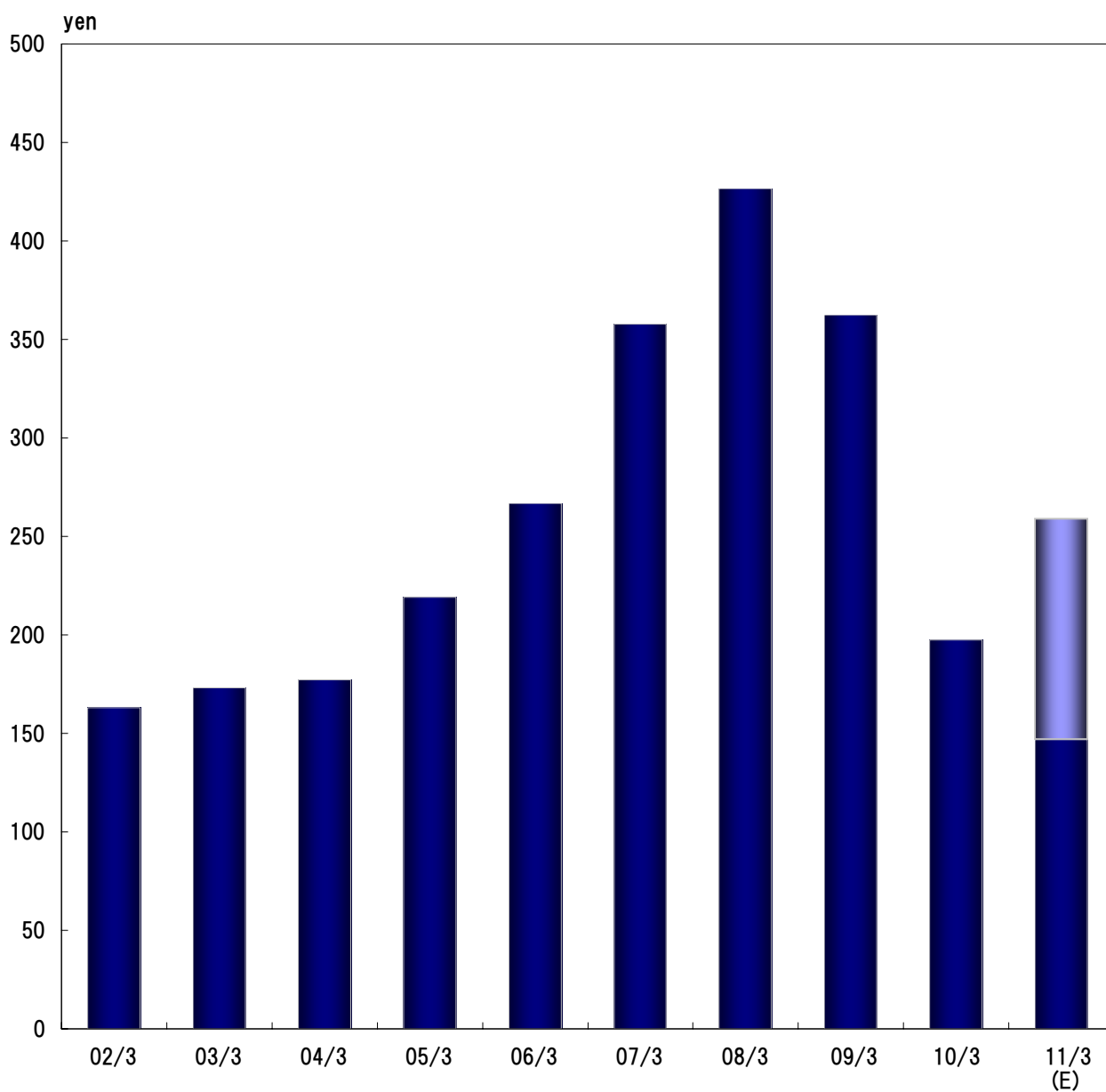
Net Income



(100 millions of yen)

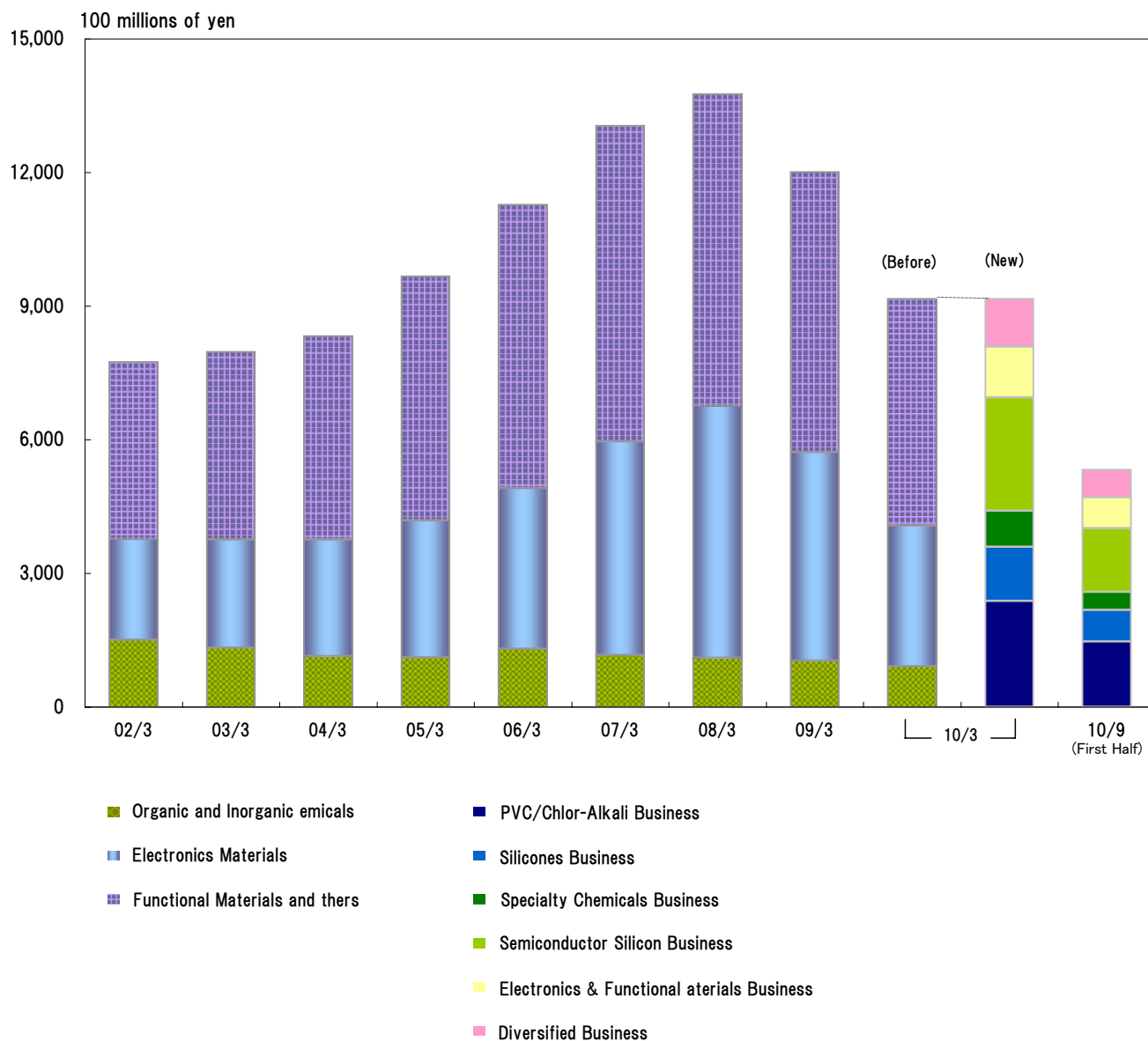
	02/3	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	10/9 (First Half)	11/3 (E)
Net Income	685	730	748	932	1,150	1,540	1,836	1,547	839	623	1,100

Net Income per Share



	(yen)										
	02/3	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	10/9 (First Half)	11/3
Net Income per Share	162.93	173.13	177.25	219.10	266.63	357.78	426.63	362.39	197.53	146.83	259.07

Net Sales by Segment (Consolidated)



	02/3	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3
Organic and Inorganic Chemicals	3,980	4,210	4,570	5,490	6,365	7,084	7,010	6,292	5,090
Electronics Materials	2,265	2,434	2,622	3,069	3,614	4,794	5,647	4,675	3,171
Functional Materials and Others	1,507	1,331	1,136	1,116	1,300	1,169	1,107	1,041	907

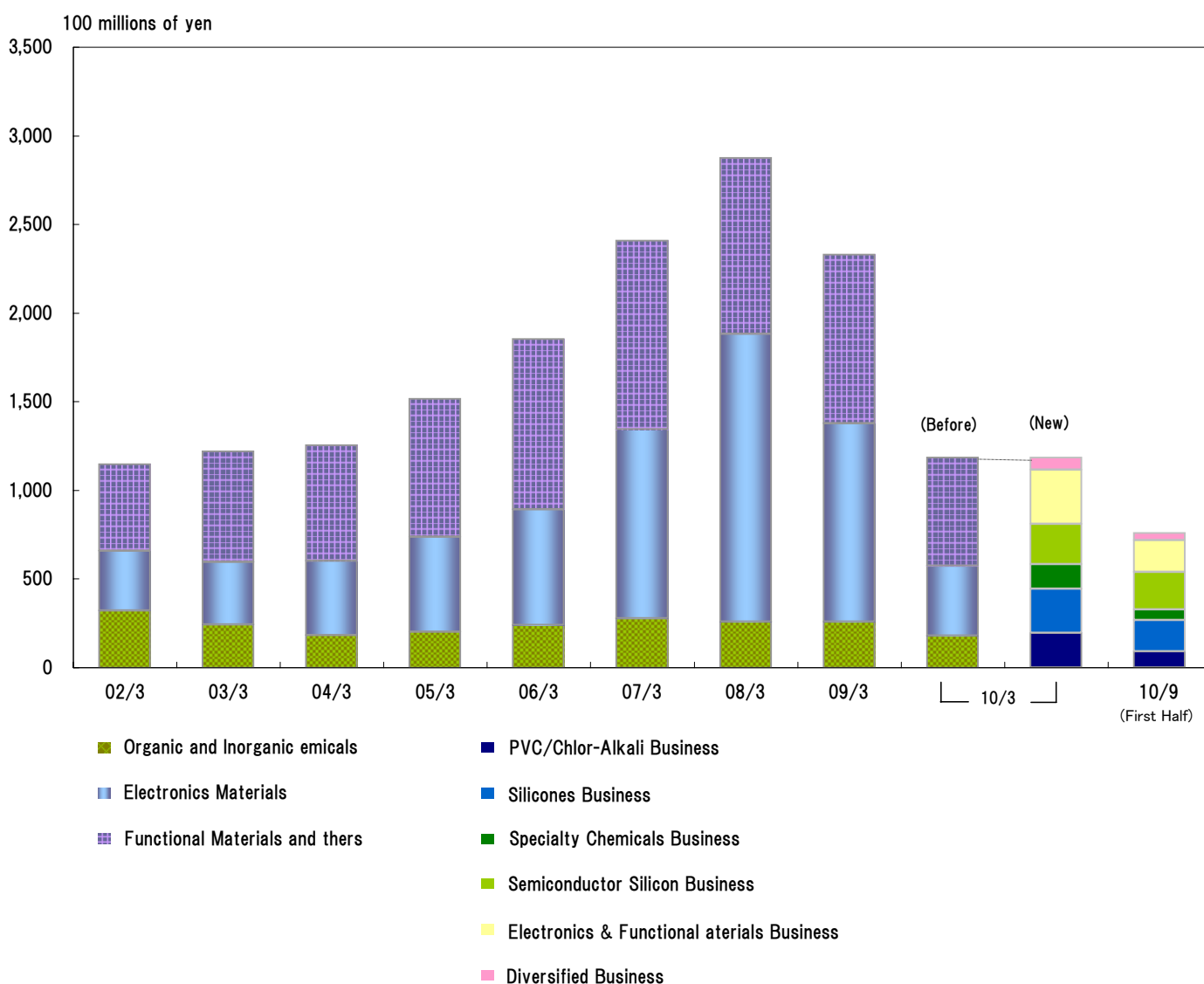
(100 millions of yen)

	10/3	10/9 (First Half)
PVC/Chlor-Alkali Business	2,377	1,465
Silicones Business	1,223	717
Specialty Chemicals Business	805	402
Semiconductor Silicon Business	2,540	1,424
Electronics & Functional Materials Business	1,138	696
Diversified Business	1,085	622

※1 From 2011 onward the business segments are in the new structure due to applying to the changes of Japanese accounting standard.

※2 The result for FY2010 is shown in both previous structure and new structure.

Operating Income by Segment (Consolidated)



	02/3	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3
Organic and Inorganic Chemicals	488	624	651	779	962	1,067	995	952	611
Electronics Materials	337	352	422	537	653	1,066	1,621	1,122	395
Functional Materials and Others	322	243	182	201	240	276	260	257	180

(100 millions of yen)

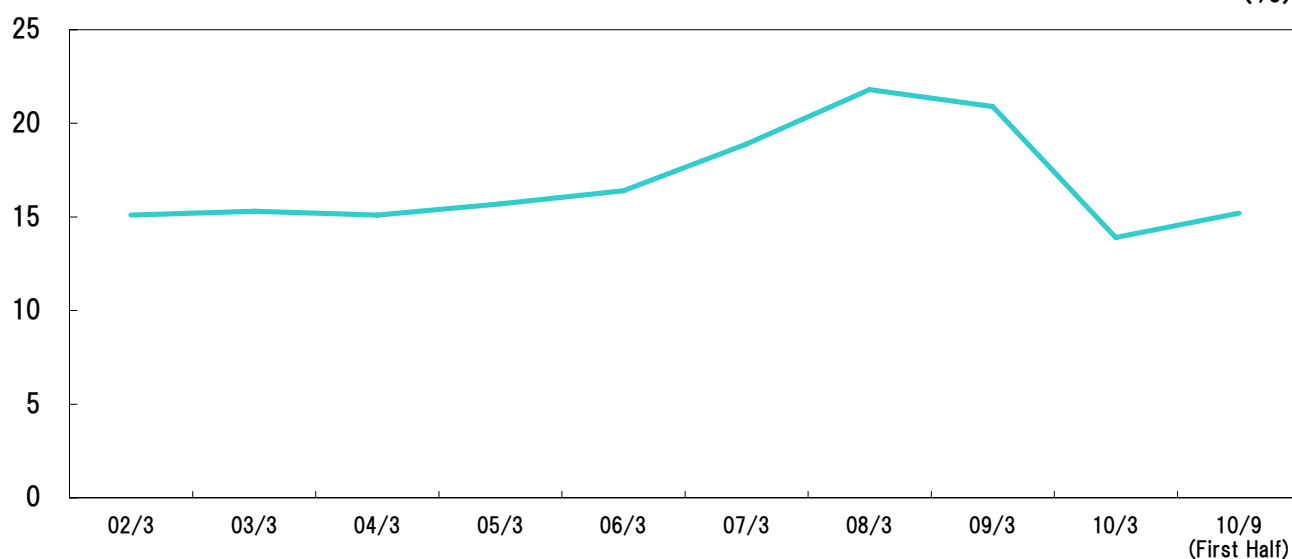
	10/3	10/9 (First Half)
PVC/Chlor-Alkali Business	196	93
Silicones Business	249	175
Specialty Chemicals Business	139	60
Semiconductor Silicon Business	226	210
Electronics & Functional Materials Business	307	180
Diversified Business	68	42

※1 From 2011 onward the business segments are in the new structure due to applying to the changes of Japanese accounting standard.

※2 The result for FY2010 is shown in both previous structure and new structure.

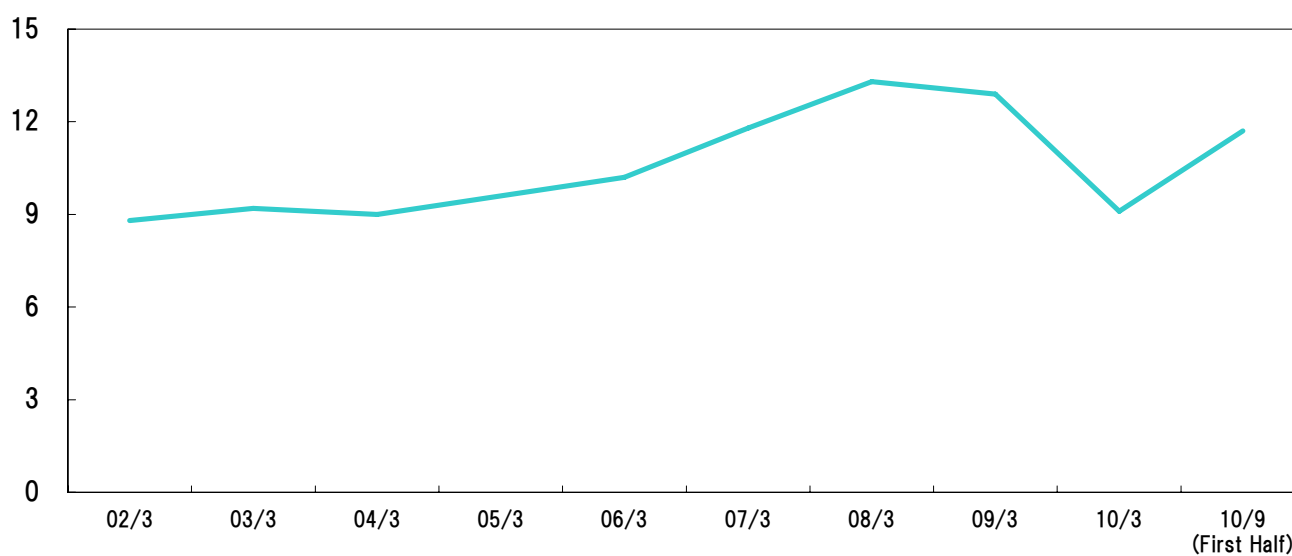
Ordinary Income to Net Sales Ratio

(%)



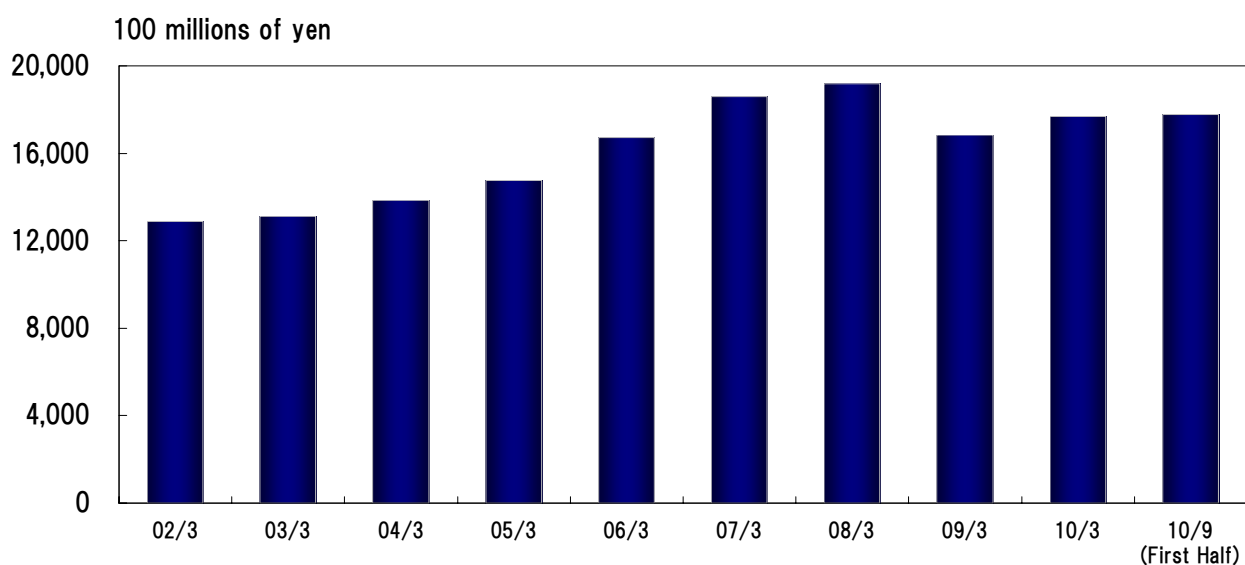
Net Income to Net Sales Ratio

(%)

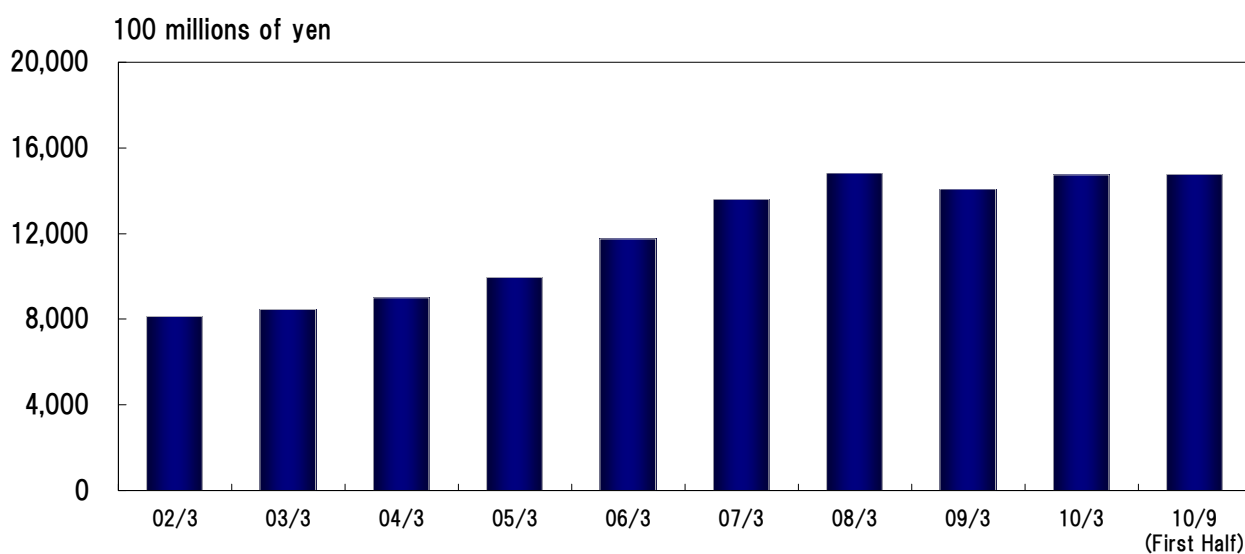


	02/3	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	10/9 (First Half)
Ordinary Income to Net Sales Ratio	15.1	15.3	15.1	15.7	16.4	18.9	21.8	20.9	13.9	15.2
Net Income to Net Sales Ratio	8.8	9.2	9.0	9.6	10.2	11.8	13.3	12.9	9.1	11.7

Total Assets



Net Assets

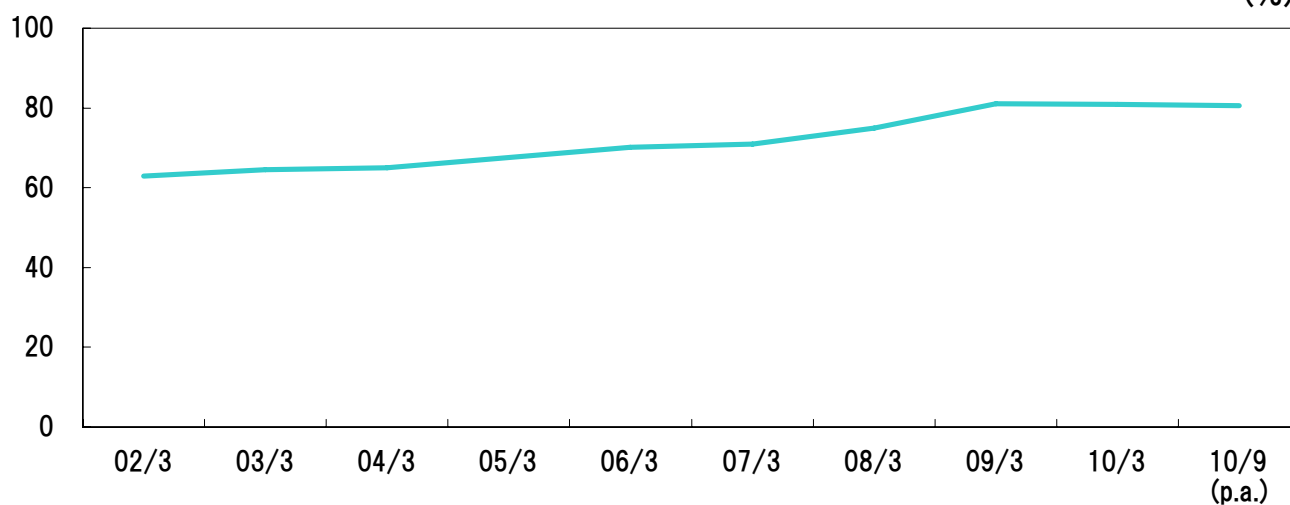


(100 millions of yen)

	02/3	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	10/9 (First Half)
Total Assets	12,884	13,109	13,862	14,762	16,713	18,600	19,185	16,849	17,691	17,778
Net Assets	8,121	8,470	9,007	9,963	11,737	13,603	14,837	14,074	14,742	14,762

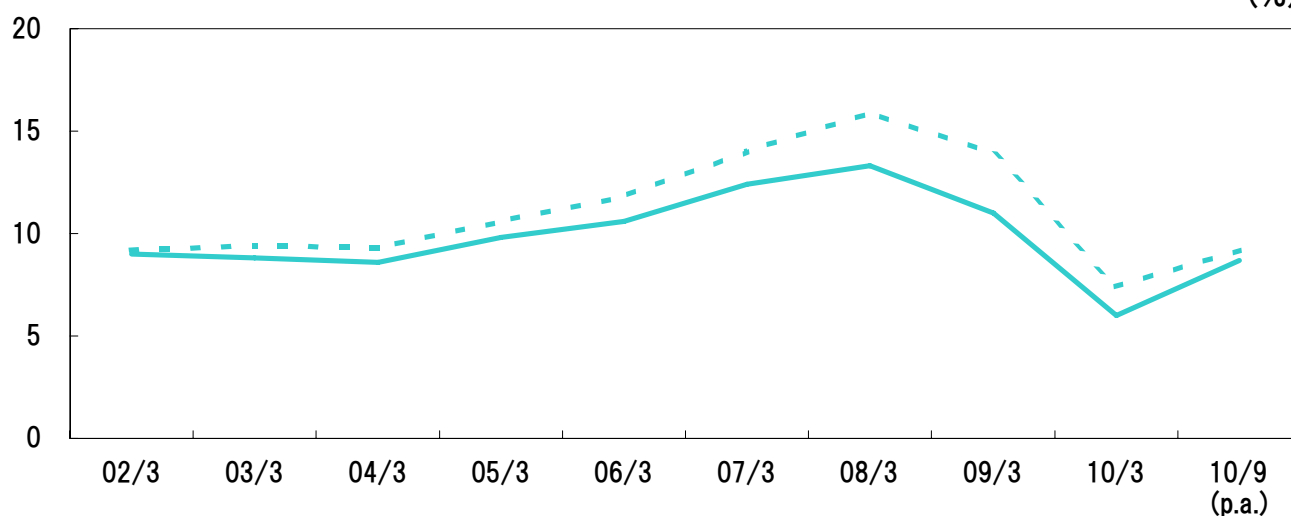
Equity Ratio (Consolidated)

(%)



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

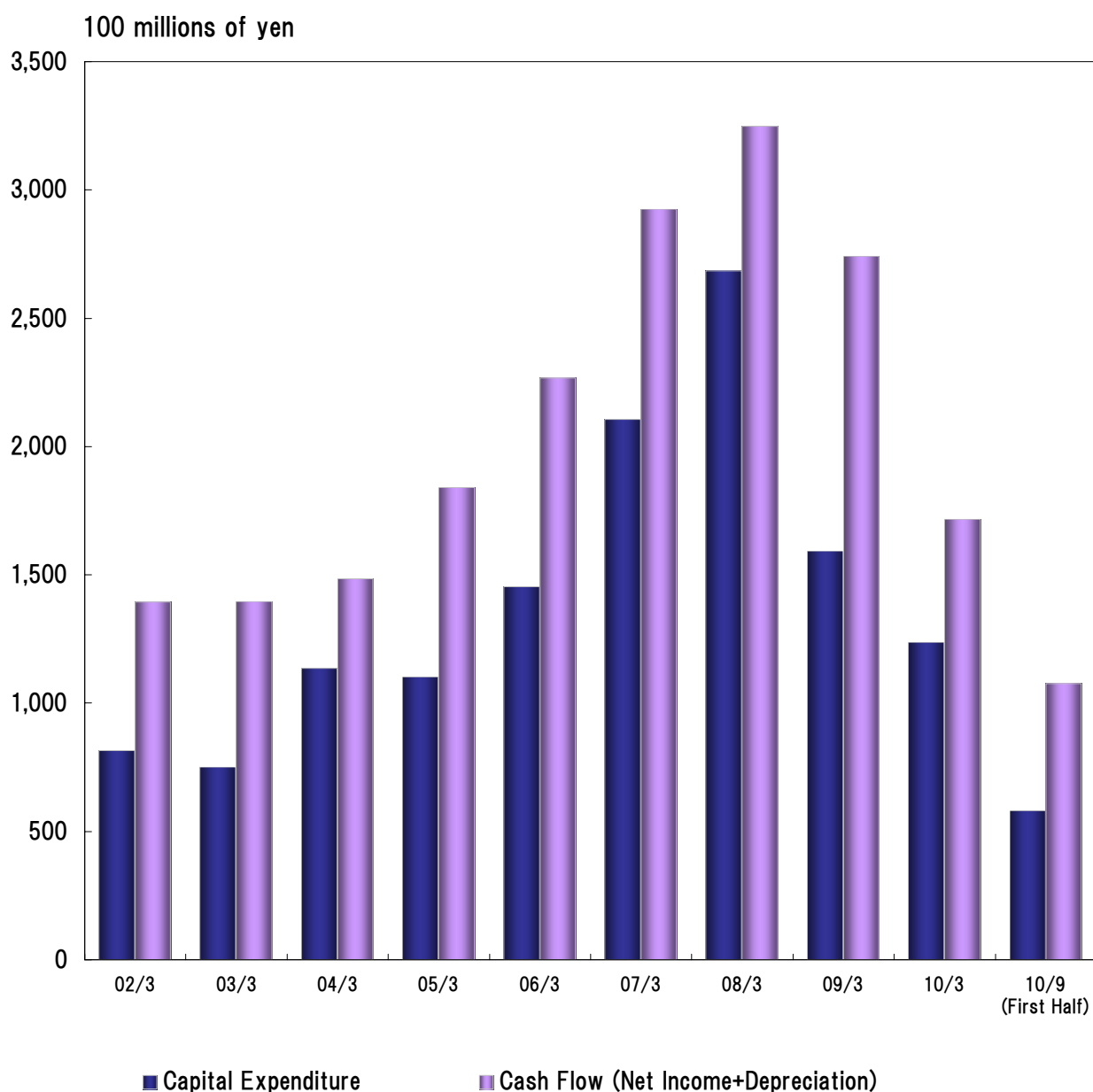
(%)



— Return on Equity
 - - - Return (Ordinary Income) on Total Assets

	02/3	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	10/9 (First Half)
Equity Ratio	63.0	64.6	65.0	67.5	70.2	71.0	75.0	81.1	80.9	80.6
Return on Equity	9.0	8.8	8.6	9.8	10.6	12.4	13.3	11.0	6.0	8.7 (p.a.)
Return (Ordinary Income) on Total Assets	9.2	9.4	9.3	10.6	11.8	14.0	15.9	13.9	7.4	9.2 (p.a.)

Capital Expenditure and Cash Flow (Consolidated)



(100 millions of yen)

	02/3	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	10/9 (First Half)
Capital Expenditure	815	752	1,136	1,103	1,453	2,106	2,685	1,594	1,238	582
Depreciation	709	666	736	909	1,116	1,385	1,413	1,195	877	453
Cash Flow (Net Income+Depreciation)	1,394	1,396	1,484	1,840	2,267	2,925	3,249	2,742	1,716	1,077