

# Financial Summary

for the six months ended September 30, 2011

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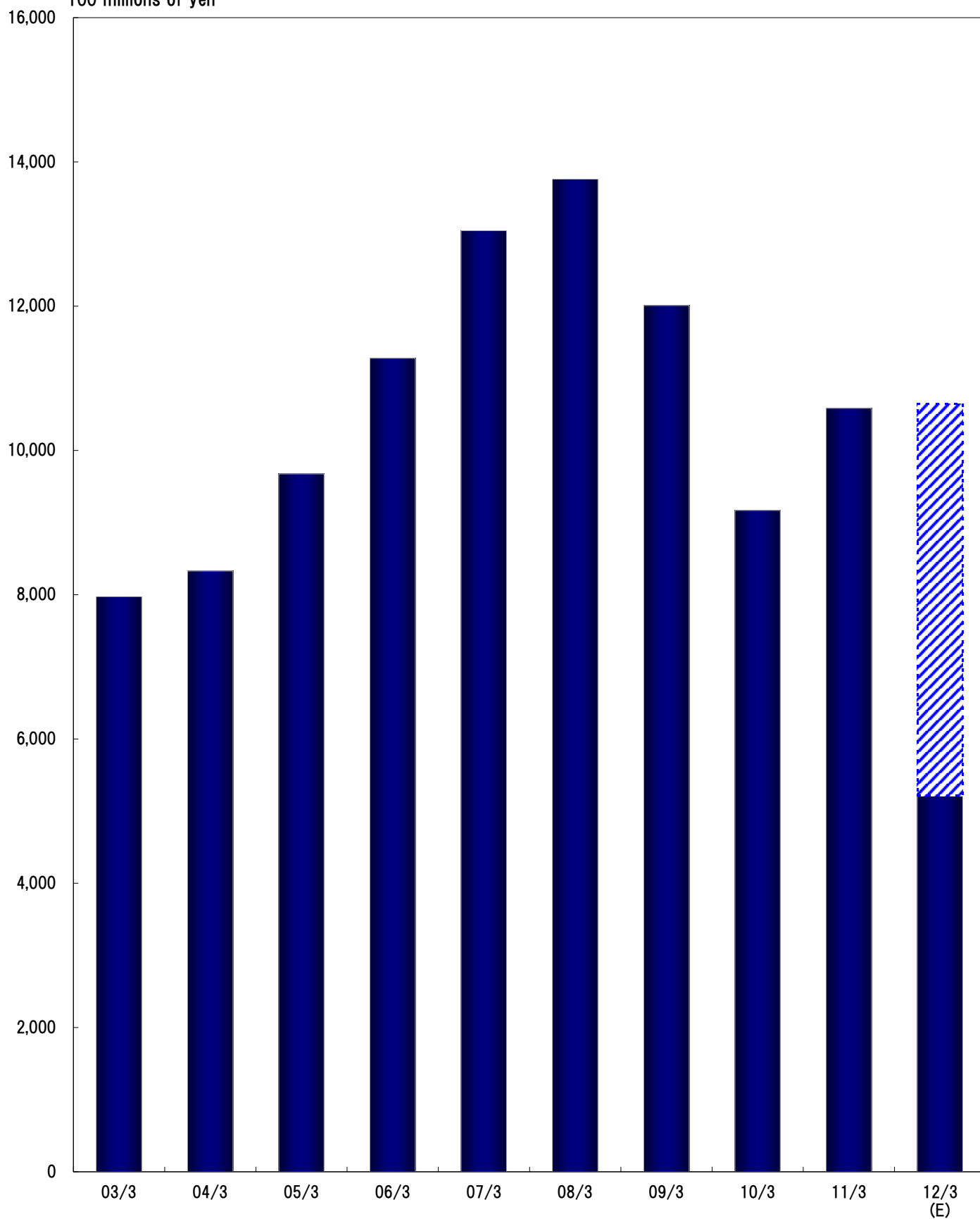
Shin-Etsu Chemical Co., Ltd.

### (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

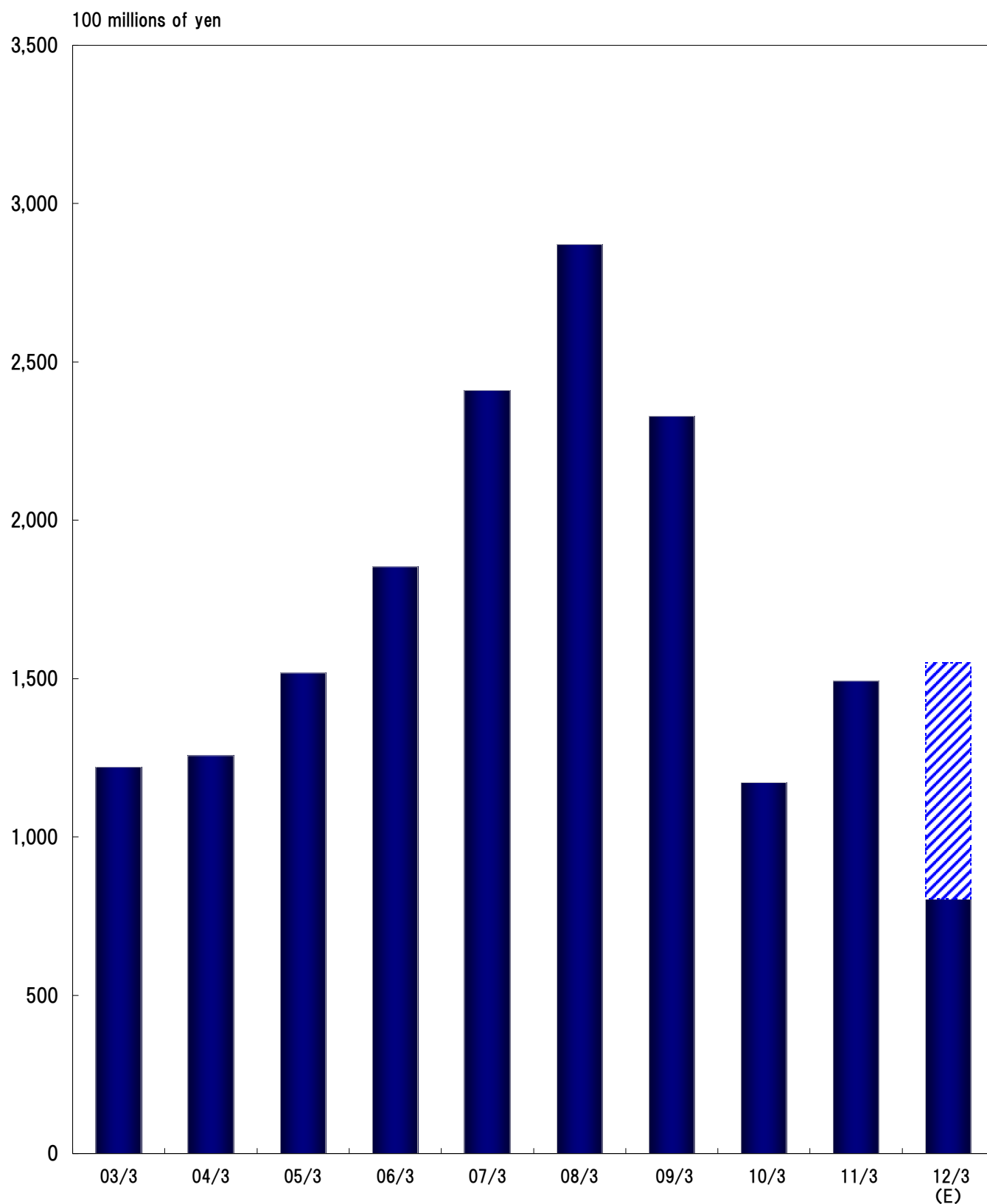
100 millions of yen



(100 millions of yen)

	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	11/3	11/9 (First Half)	12/3 (E)
Net Sales	7,975	8,328	9,675	11,279	13,047	13,764	12,008	9,168	10,583	5,214	10,650

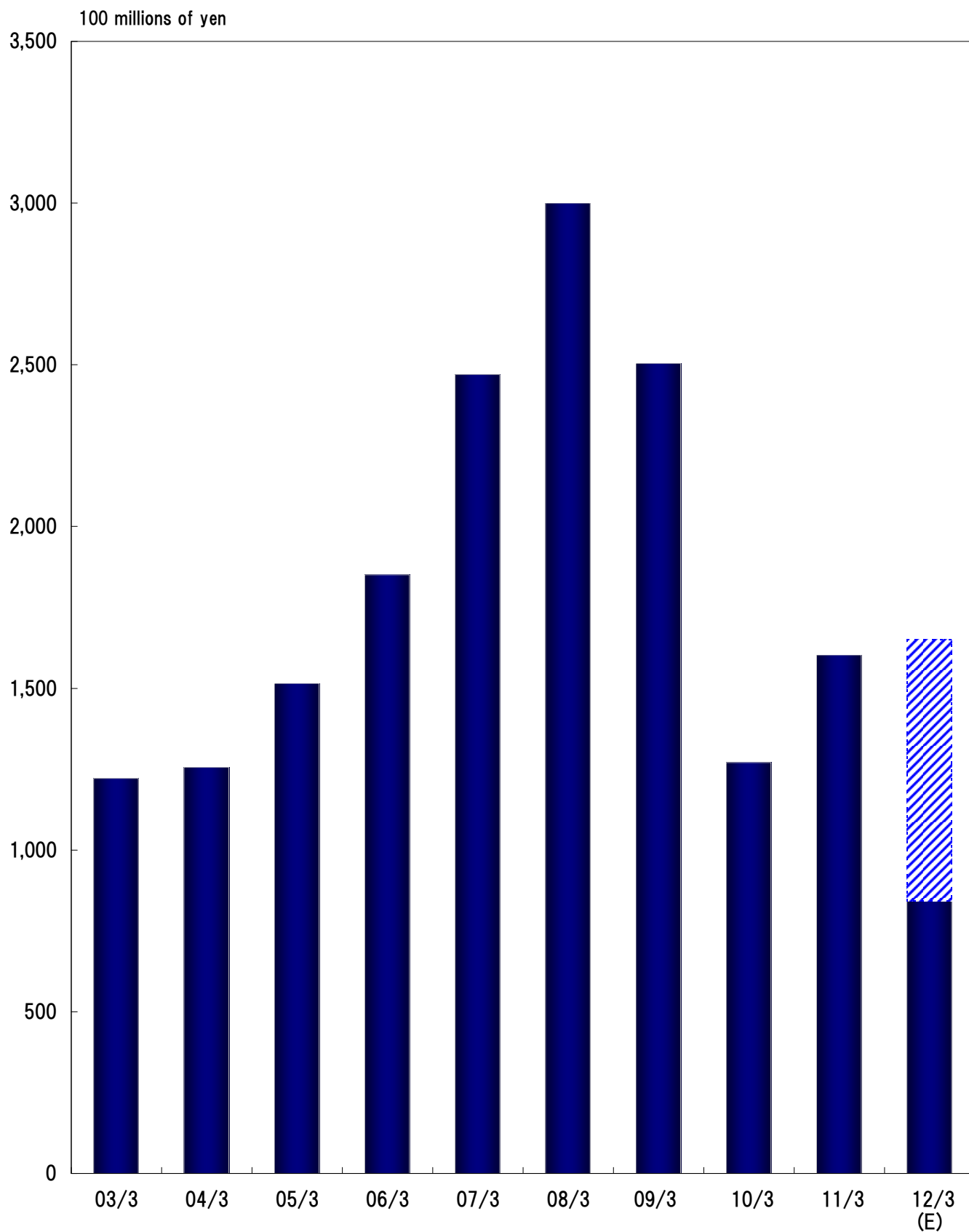
## Operating Income



(100 millions of yen)

	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	11/3	11/9 (First Half)	12/3 (E)
Operating Income	1,221	1,256	1,517	1,853	2,410	2,871	2,329	1,172	1,492	804	1,550

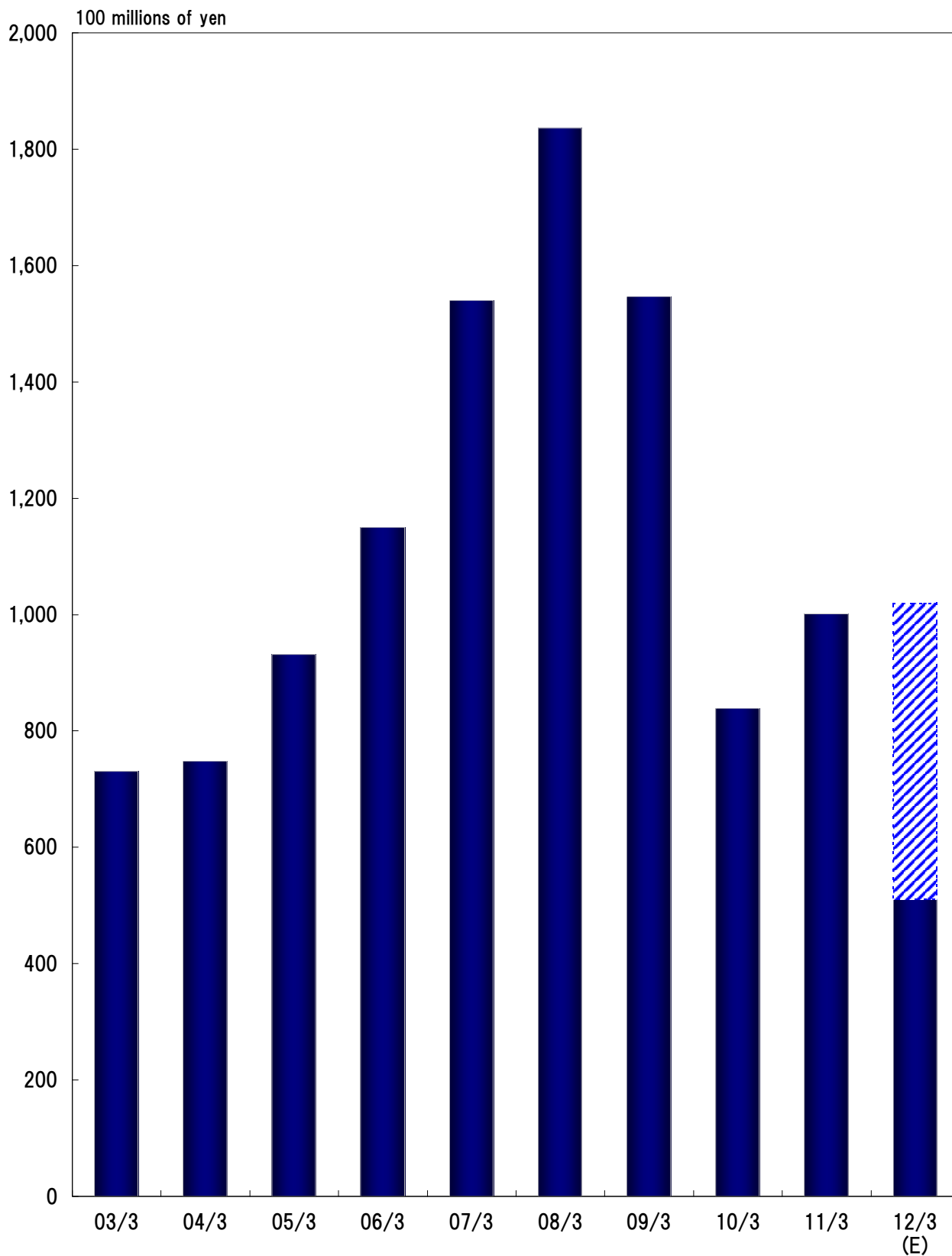
## Ordinary Income



(100 millions of yen)

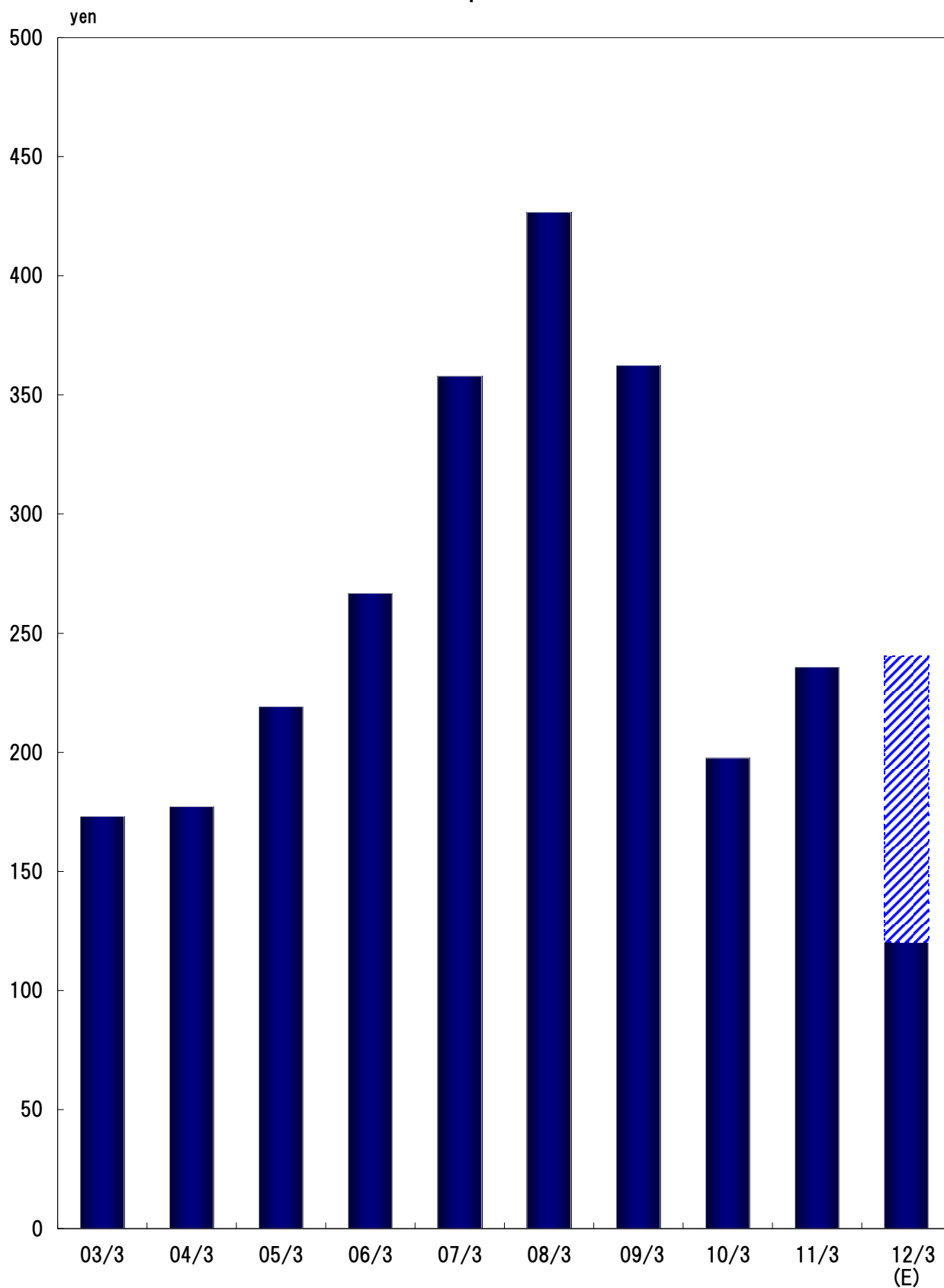
	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	11/3	11/9 (First Half)	12/3 (E)
Ordinary Income	1,221	1,256	1,515	1,850	2,470	3,000	2,505	1,270	1,603	843	1,650

### Net Income



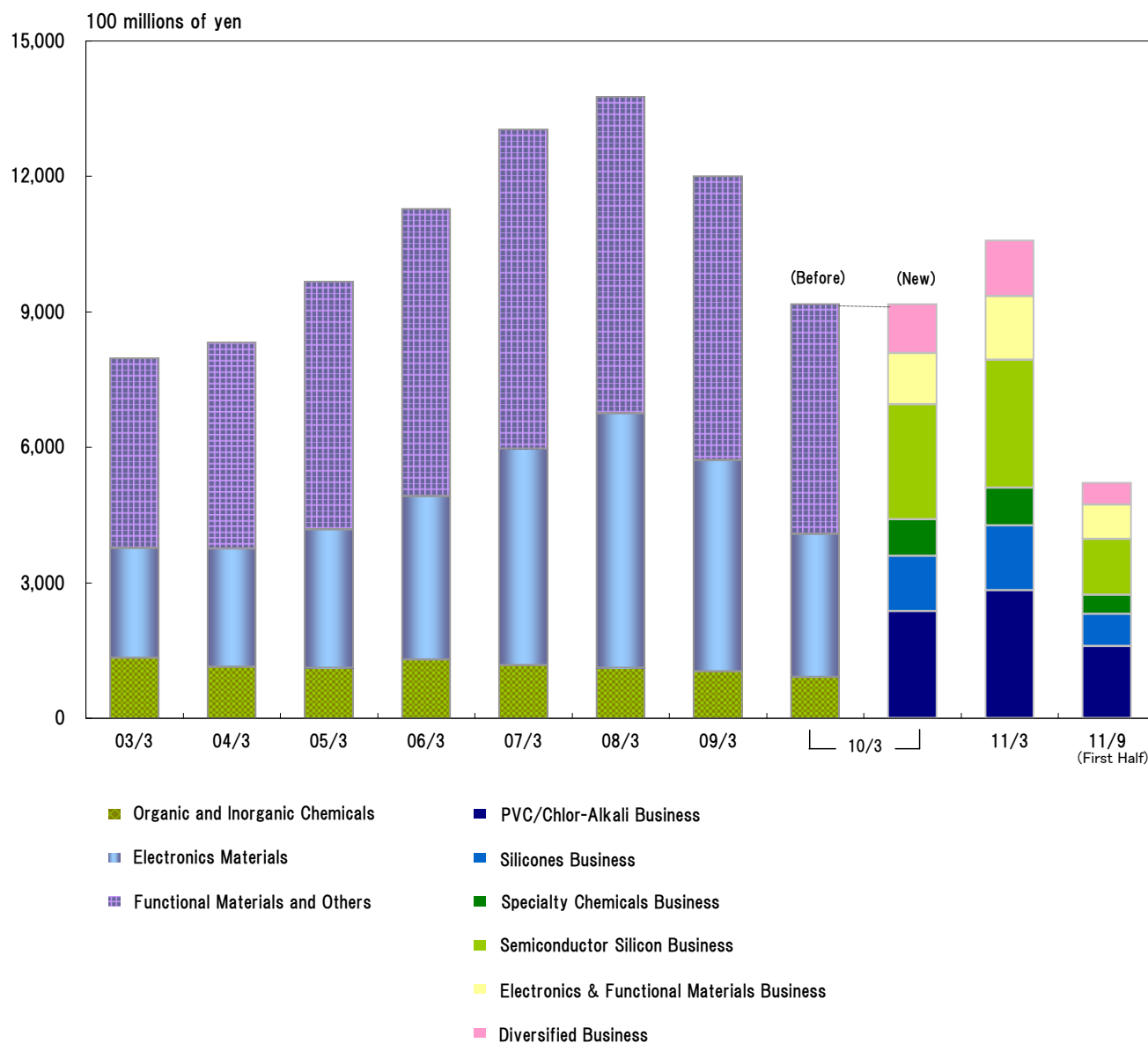
	(100 millions of yen)										
	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	11/3	11/9 (First Half)	12/3 (E)
Net Income	730	748	932	1,150	1,540	1,836	1,547	839	1,001	510	1,020

### Net Income per Share



	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	11/3	11/9 (First Half)	12/3 (E)
Net Income per Share	173.13	177.25	219.10	266.63	357.78	426.63	362.39	197.53	235.80	120.21	240.23

## Net Sales by Segment



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

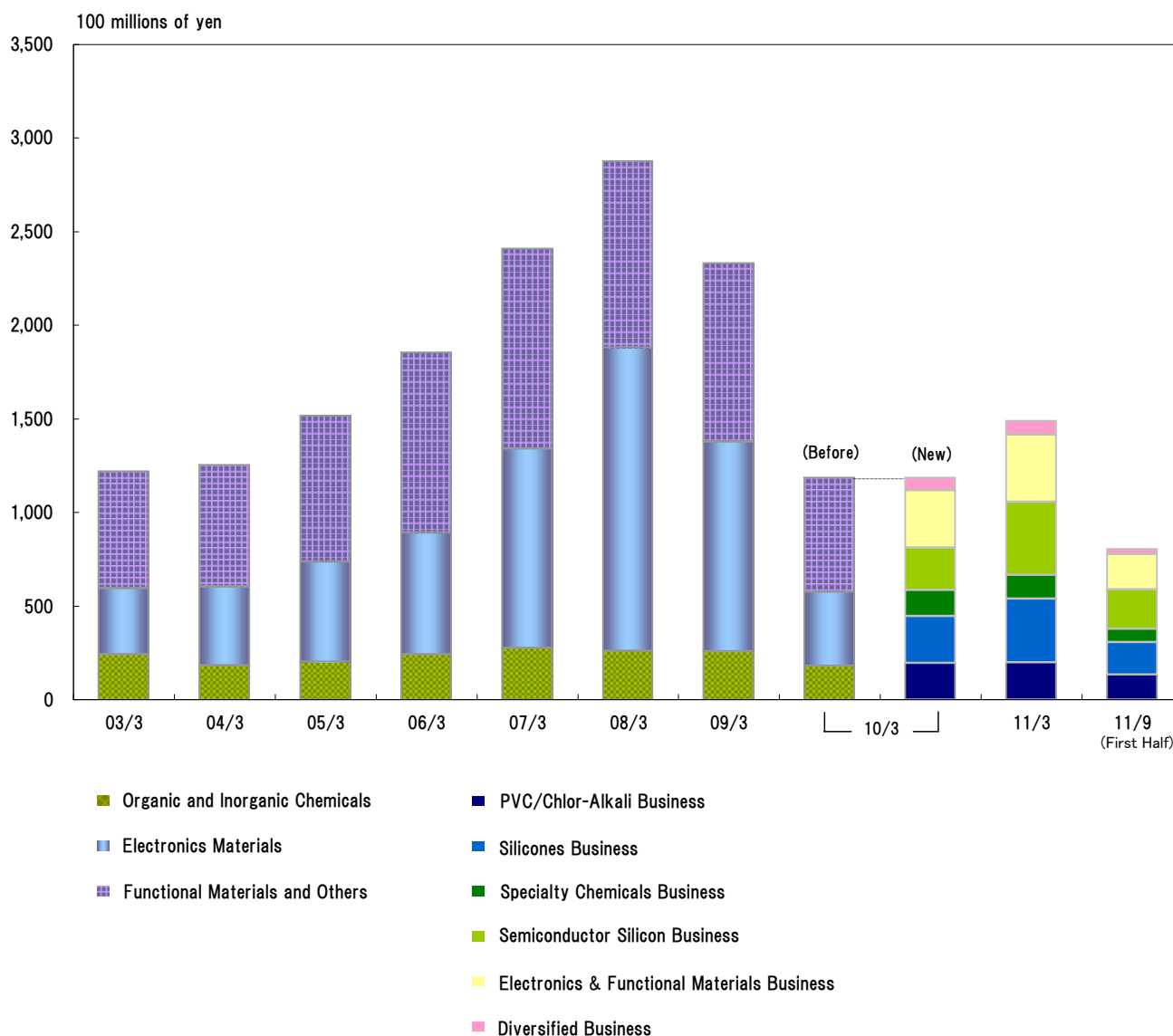
※1 From 2011 onward the business segments are in the new structure due to applying to the changes of Japanese Accounting standard.

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

(100 millions of yen)

	10/3	11/3	11/9 (First Half)
PVC/Chlor-Alkali Business	2,377	2,835	1,601
Silicones Business	1,223	1,431	705
Specialty Chemicals Business	805	835	422
Semiconductor Silicon Business	2,540	2,838	1,242
Electronics & Functional Materials Business	1,138	1,414	765
Diversified Business	1,085	1,230	479

## Operating Income by Segment



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

	(100 millions of yen)		
	10/3	11/3	11/9 (First Half)
PVC/Chlor-Alkali Business	196	197	134
Silicones Business	249	341	174
Specialty Chemicals Business	139	129	70
Semiconductor Silicon Business	226	389	211
Electronics & Functional Materials Business	307	361	188
Diversified Business	68	73	27

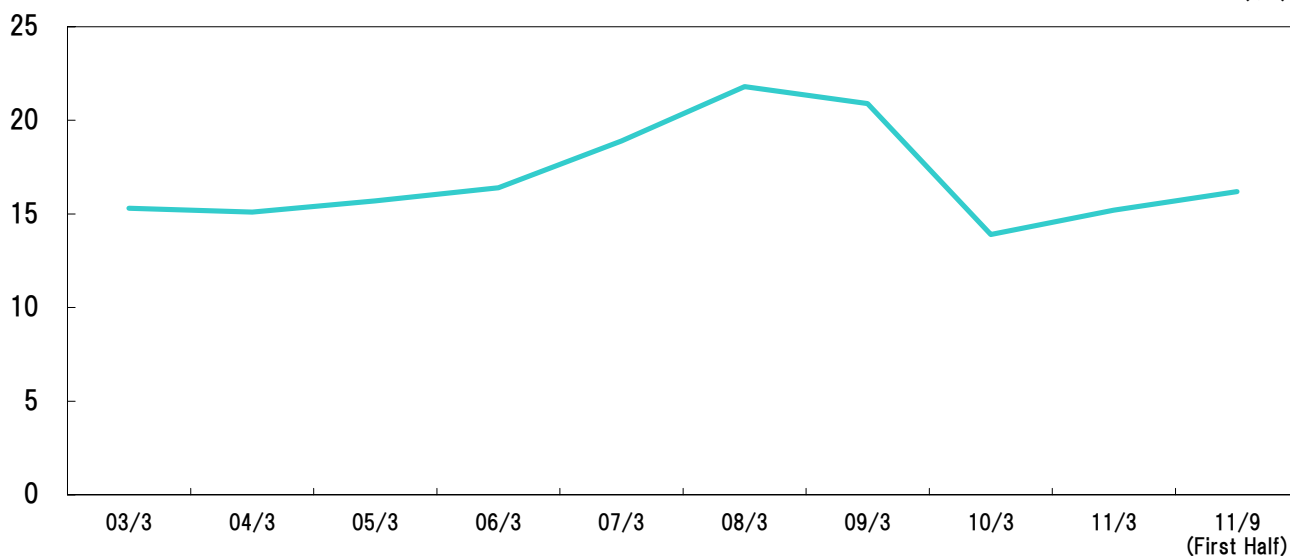
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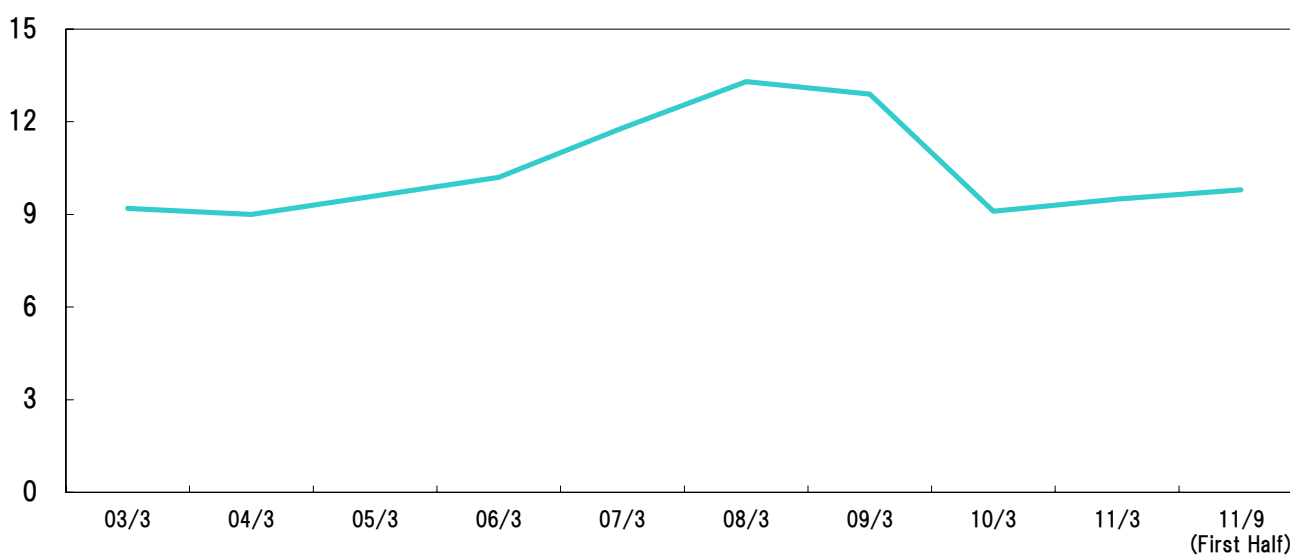
Ordinary Income to Net Sales Ratio

(%)



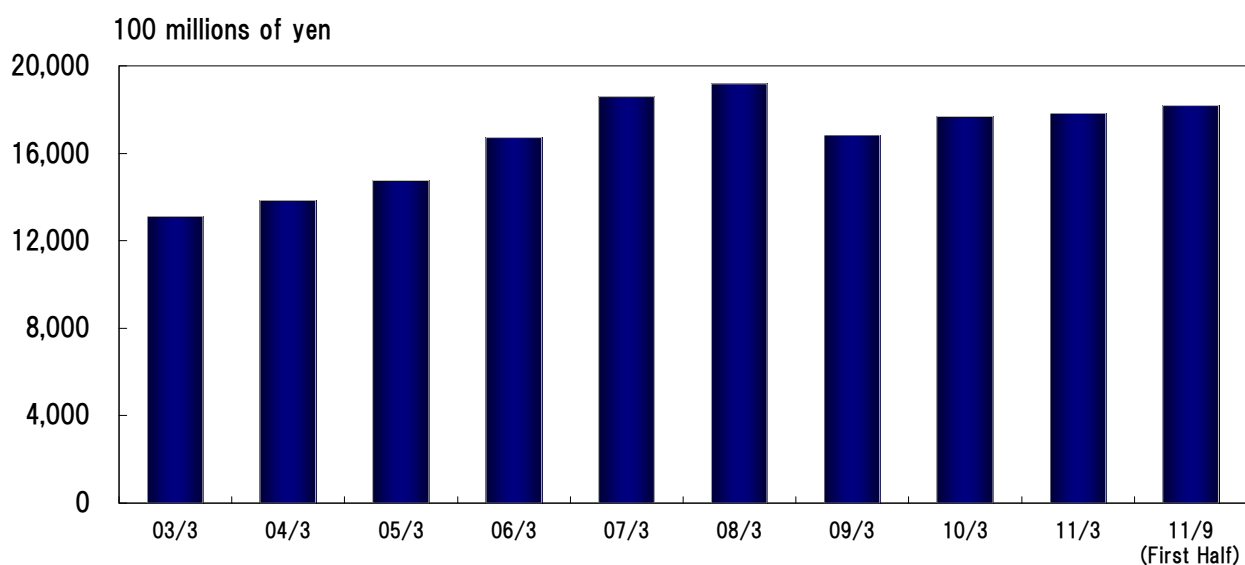
Net Income to Net Sales Ratio

(%)

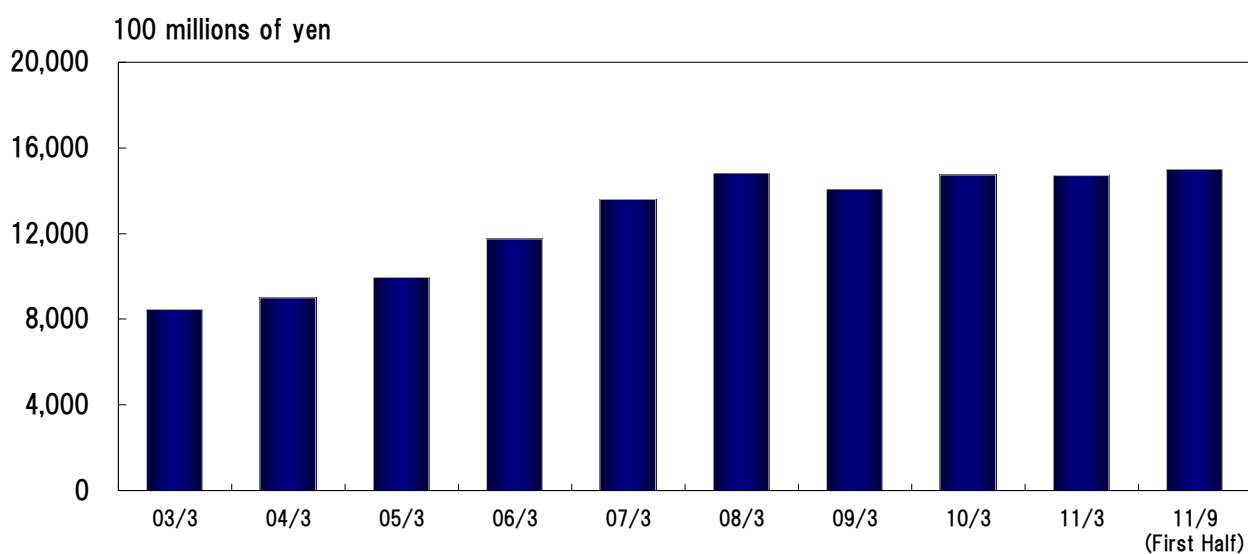


	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	11/3	11/9 (First Half)
Ordinary Income to Net Sales Ratio	15.3	15.1	15.7	16.4	18.9	21.8	20.9	13.9	15.2	16.2
Net Income to Net Sales Ratio	9.2	9.0	9.6	10.2	11.8	13.3	12.9	9.1	9.5	9.8

### Total Assets



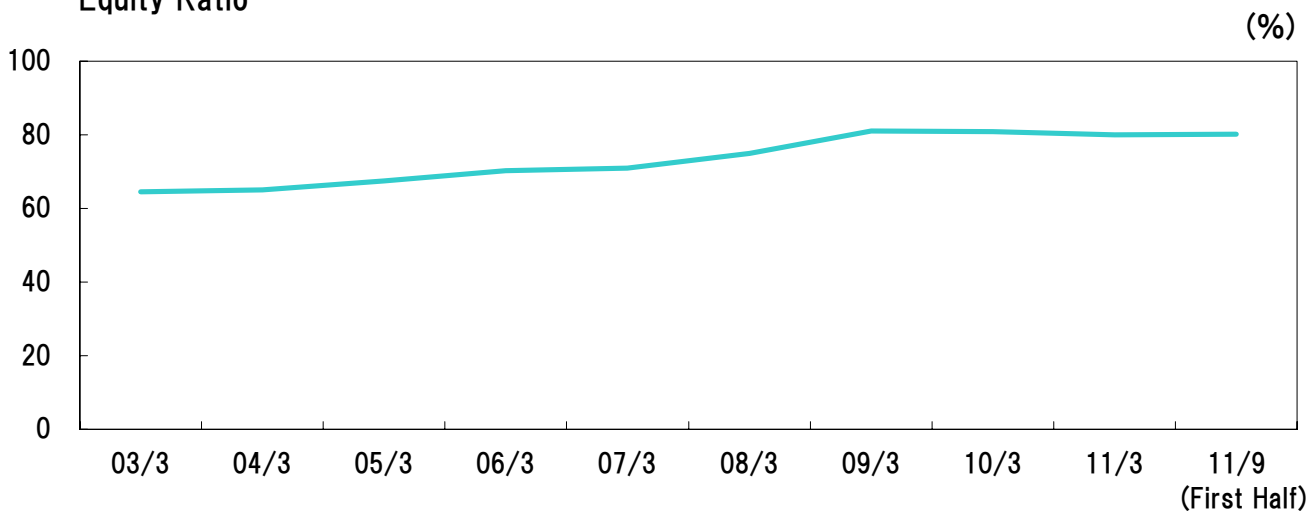
### Net Assets



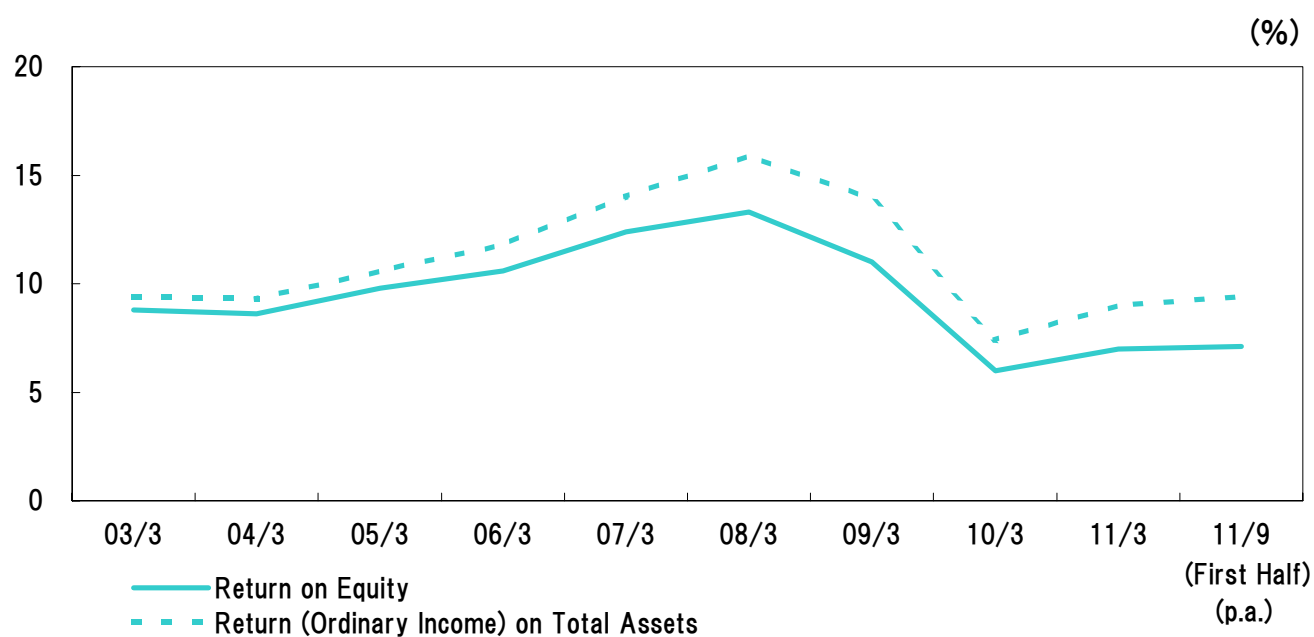
(100 millions of yen)

	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	11/3	11/9 (First Half)
Total Assets	13,109	13,862	14,762	16,713	18,600	19,185	16,849	17,691	17,842	18,175
Net Assets	8,470	9,007	9,963	11,737	13,603	14,837	14,074	14,742	14,694	14,995

### Equity Ratio

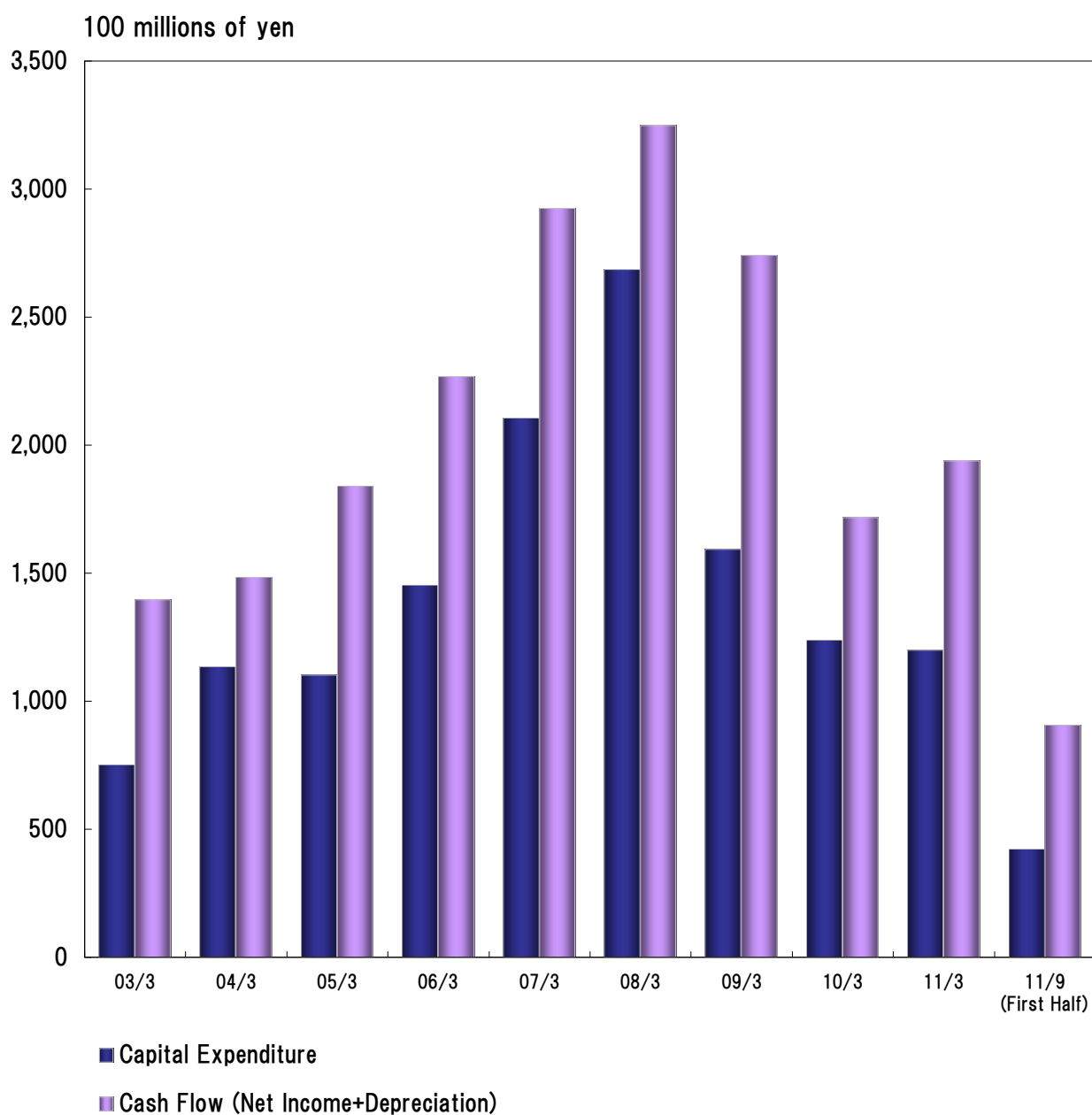


### Return on Equity, Return (Ordinary Income) on Total Assets



	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	11/3	11/9 (First Half)
Equity Ratio	64.6	65.0	67.5	70.2	71.0	75.0	81.1	80.9	80.0	80.2
Return on Equity	8.8	8.6	9.8	10.6	12.4	13.3	11.0	6.0	7.0	7.1 (p.a.)
Return (Ordinary Income) on Total Assets	9.4	9.3	10.6	11.8	14.0	15.9	13.9	7.4	9.0	9.4 (p.a.)

## Capital Expenditure and Cash Flow



(100 millions of yen)

	03/3	04/3	05/3	06/3	07/3	08/3	09/3	10/3	11/3	11/9 (First Half)
Capital Expenditure	752	1,136	1,103	1,453	2,106	2,685	1,594	1,238	1,199	422
Depreciation	666	736	909	1,116	1,385	1,413	1,195	877	937	396
Cash Flow (Net Income+Depreciation)	1,396	1,484	1,840	2,267	2,925	3,249	2,742	1,716	1,939	906