

Financial Summary

for the six months ended September 30, 2016

Contents

Net Sales.....	1
Operating Income.....	2
Ordinary Income.....	3
Net Income.....	4
Net Income per Share.....	5
Net Sales by Segment	6
Operating Income by Segment	7
Ordinary Income to Net Sales Ratio, Net Income to Net Sales Ratio.....	8
Total Assets, Net Assets.....	9
Equity Ratio, Return on Equity, Return (Ordinary Income) on Total Assets.....	10
Capital Expenditure and Cash Flow	11



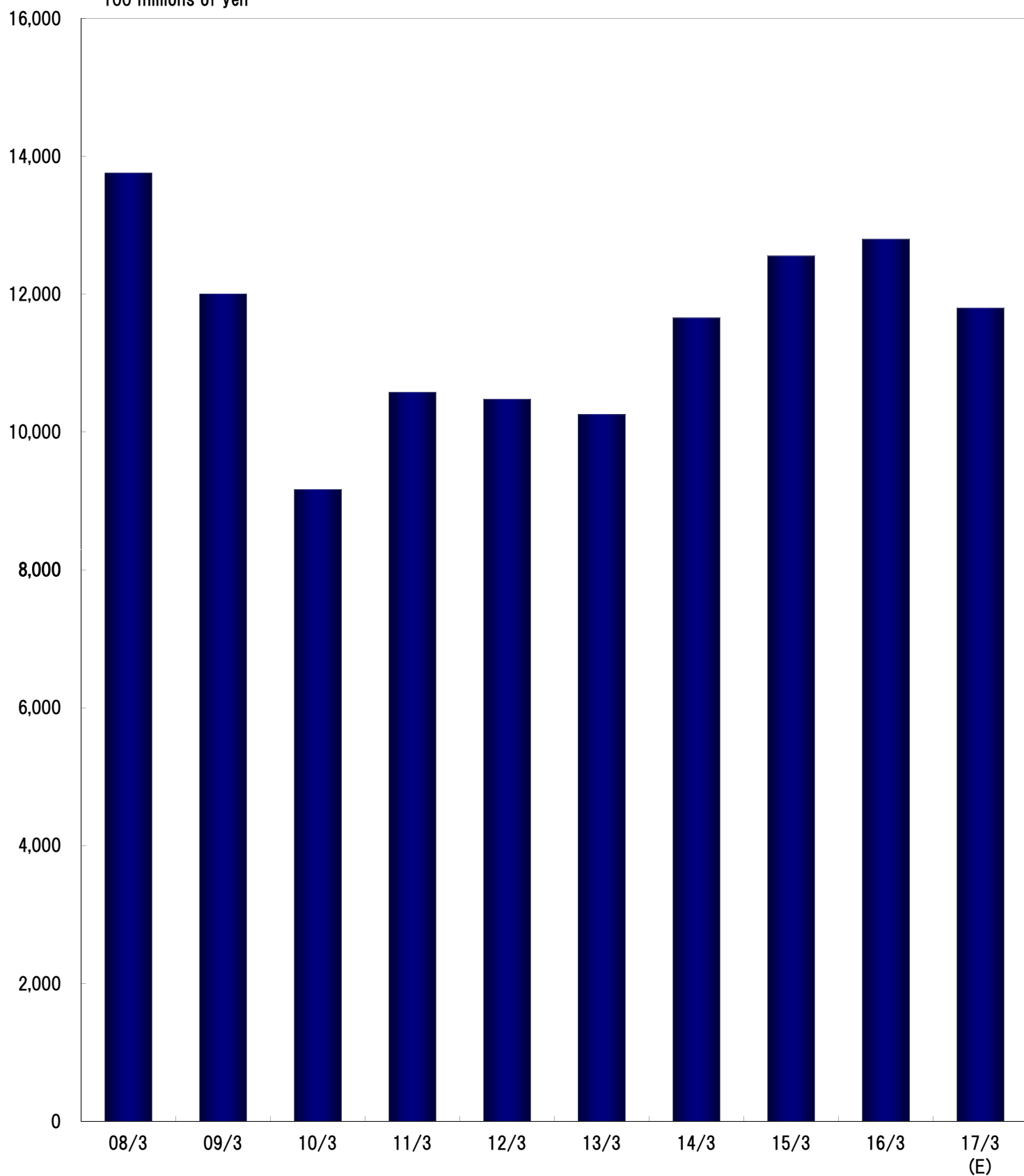
Shin-Etsu Chemical Co., Ltd.

(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

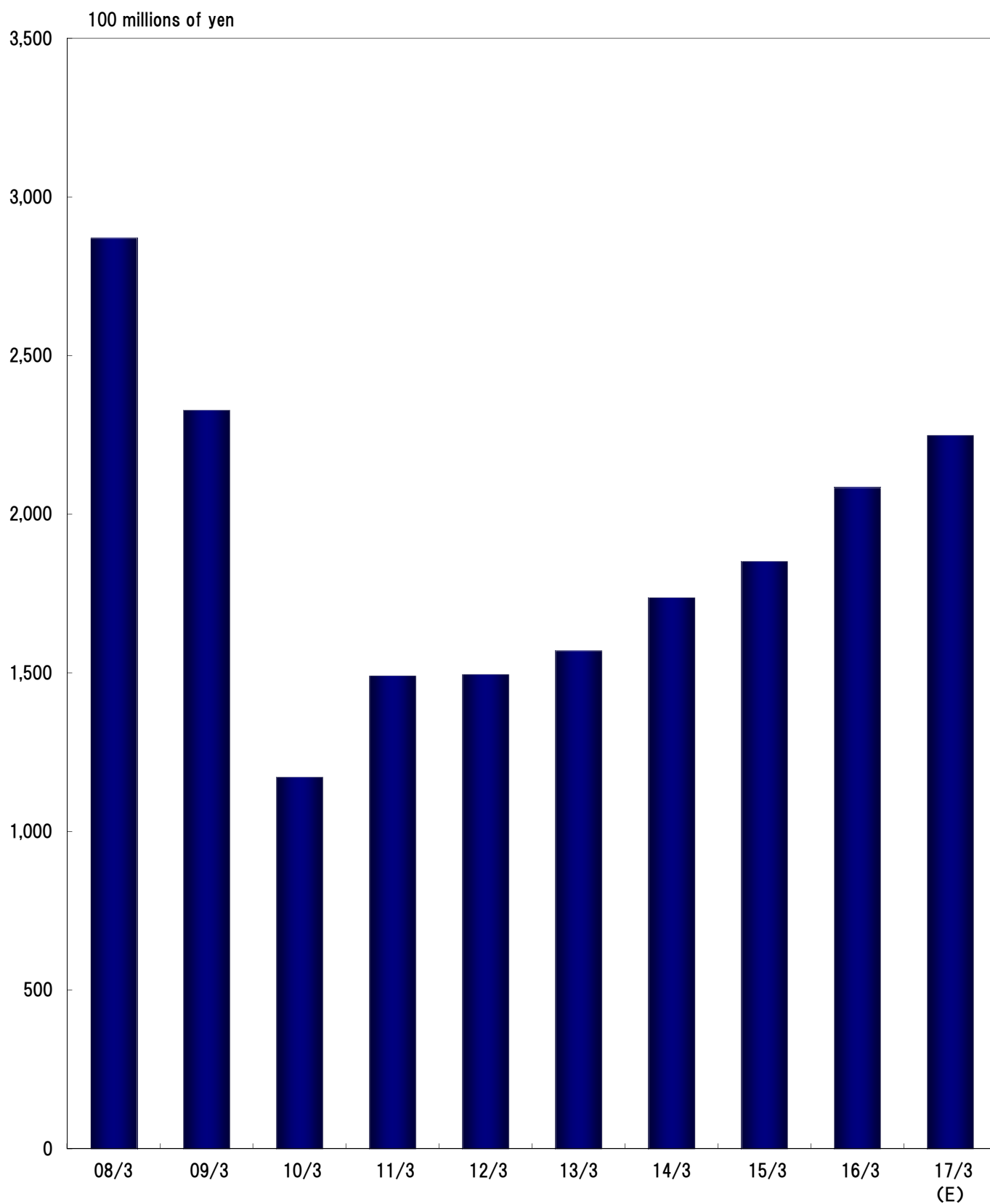
100 millions of yen



(100 millions of yen)

	08/3	09/3	10/3	11/3	12/3	13/3	14/3	15/3	16/3	16/9 (First Half)	17/3 (E)
Net Sales	13,763	12,008	9,168	10,582	10,477	10,254	11,658	12,555	12,798	6,130	11,800

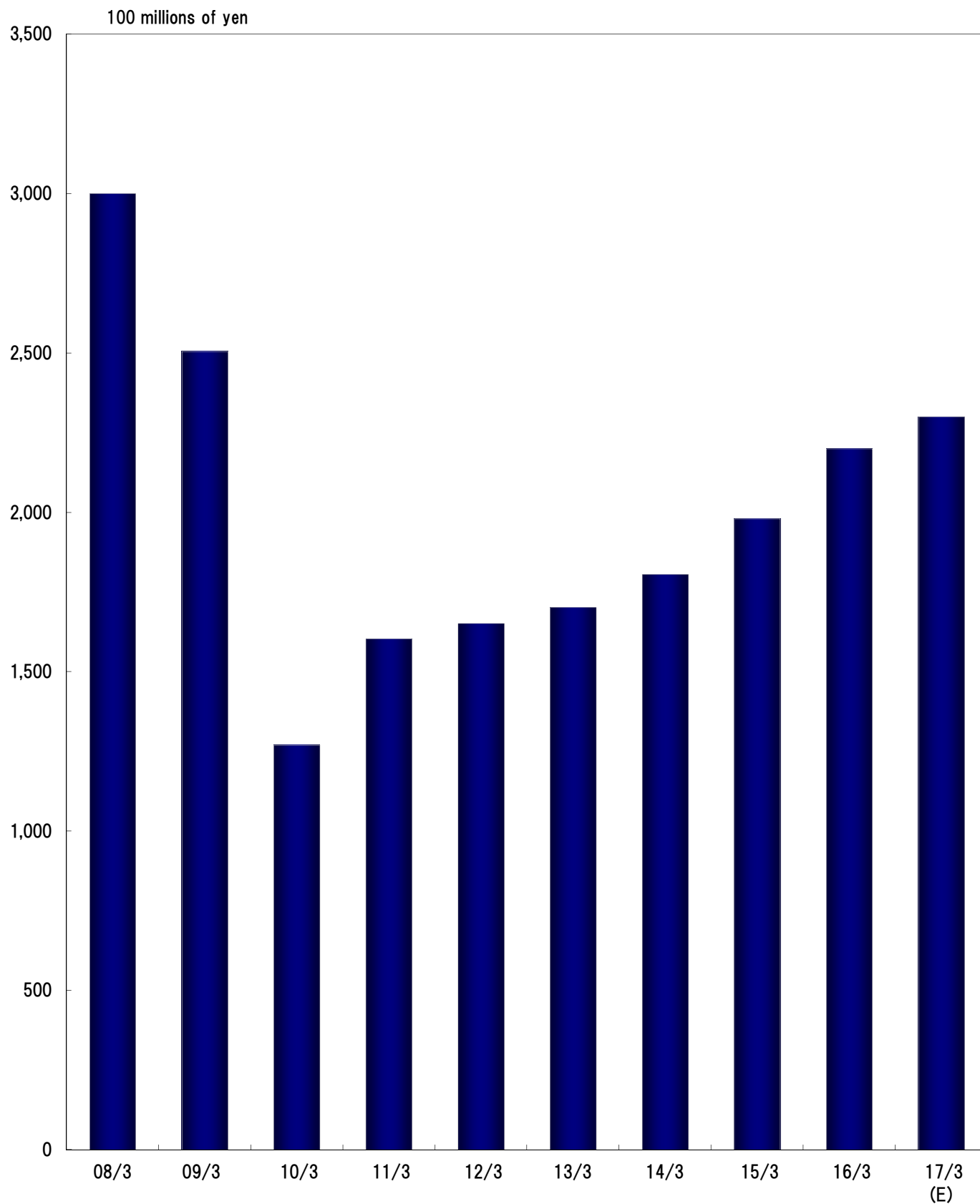
Operating Income



(100 millions of yen)

	08/3	09/3	10/3	11/3	12/3	13/3	14/3	15/3	16/3	16/9 (First Half)	17/3 (E)
Operating Income	2,871	2,329	1,172	1,492	1,496	1,570	1,738	1,853	2,085	1,220	2,250

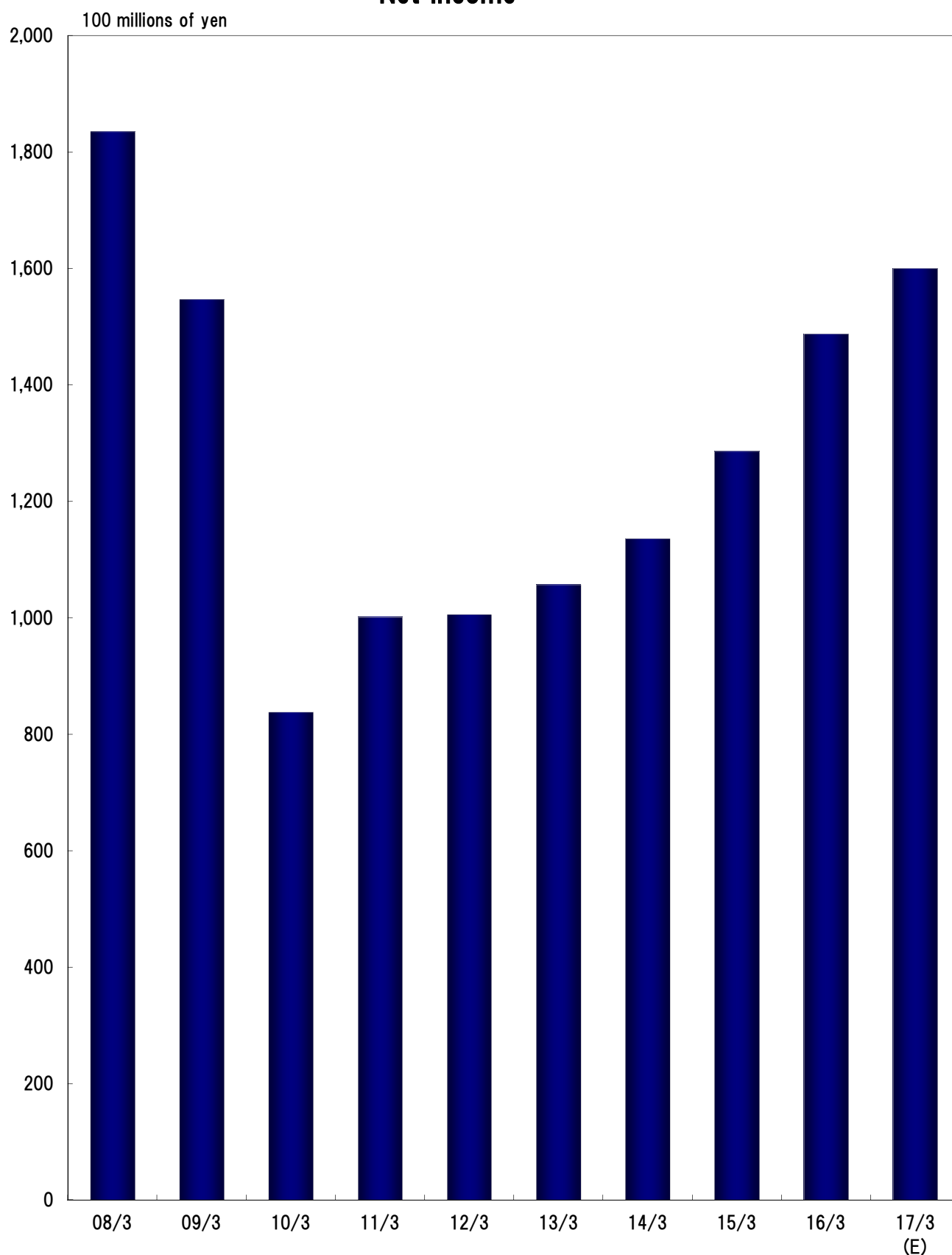
Ordinary Income



(100 millions of yen)

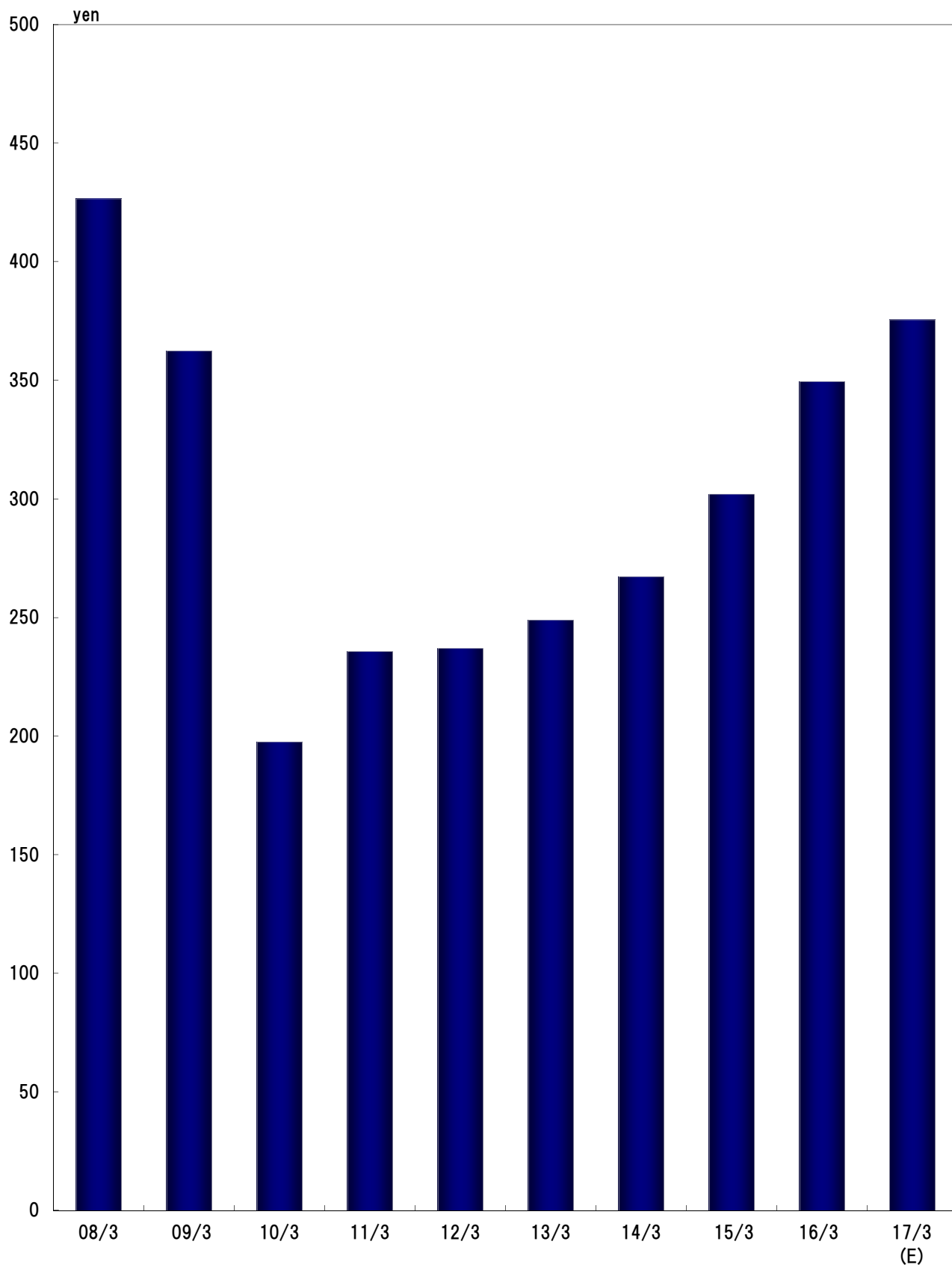
	08/3	09/3	10/3	11/3	12/3	13/3	14/3	15/3	16/3	16/9 (First Half)	17/3 (E)
Ordinary Income	3,000	2,505	1,270	1,603	1,652	1,702	1,806	1,980	2,200	1,182	2,300

Net Income



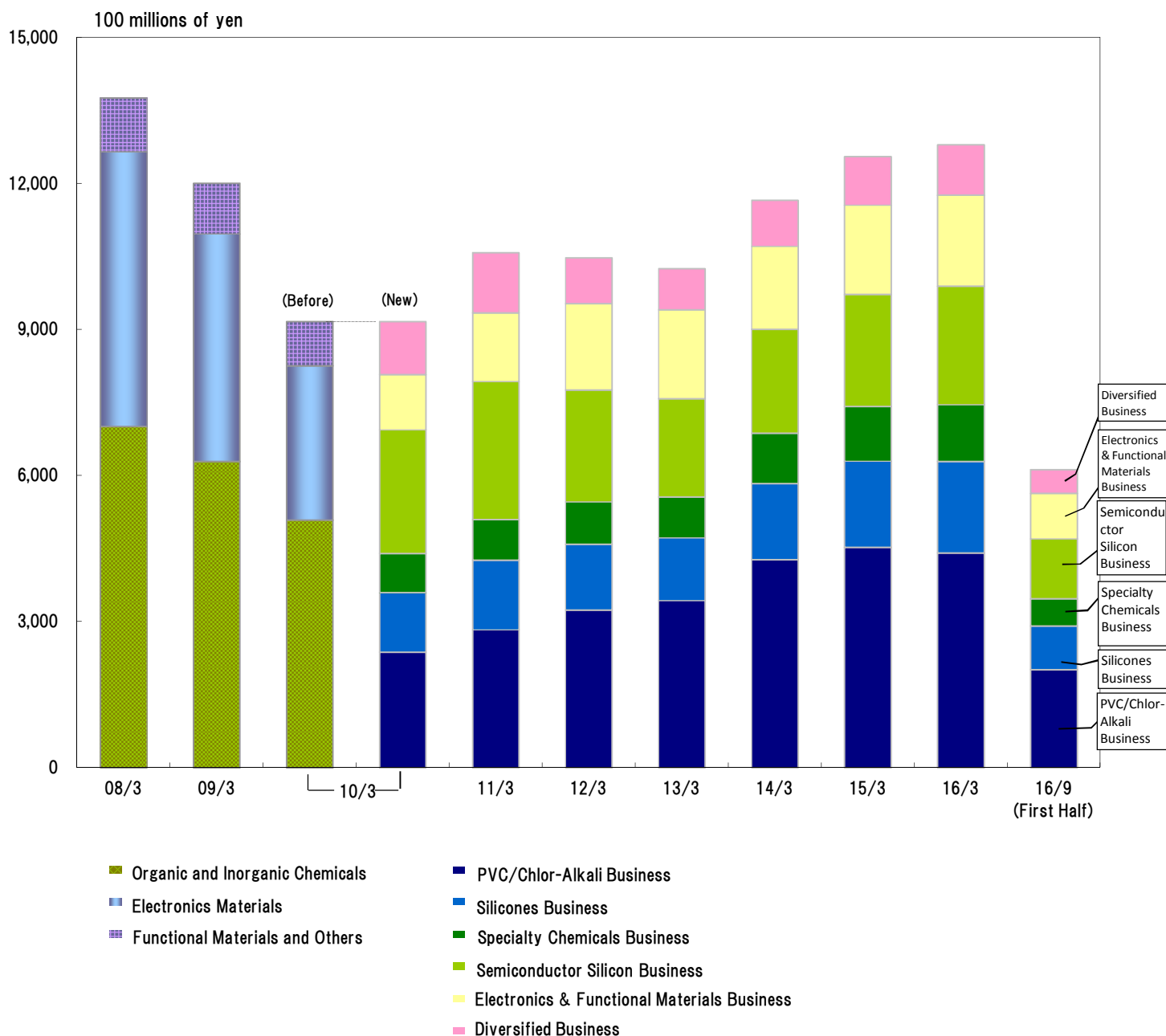
	08/3	09/3	10/3	11/3	12/3	13/3	14/3	15/3	16/3	(100 millions of yen)	
										16/9 (First Half)	17/3 (E)
Net Income	1,835	1,547	838	1,001	1,006	1,057	1,136	1,286	1,488	874	1,600

Net Income per Share



	08/3	09/3	10/3	11/3	12/3	13/3	14/3	15/3	16/3	16/9 (First Half)	17/3 (E)
Net Income per Share	426.63	362.39	197.53	235.80	237.03	248.94	267.20	302.05	349.46	205.26	375.61

Net Sales by Segment



	08/3	09/3	10/3
Organic and Inorganic Chemicals	7,010	6,291	5,090
Electronics Materials	5,646	4,675	3,171
Functional Materials and Others	1,106	1,041	906

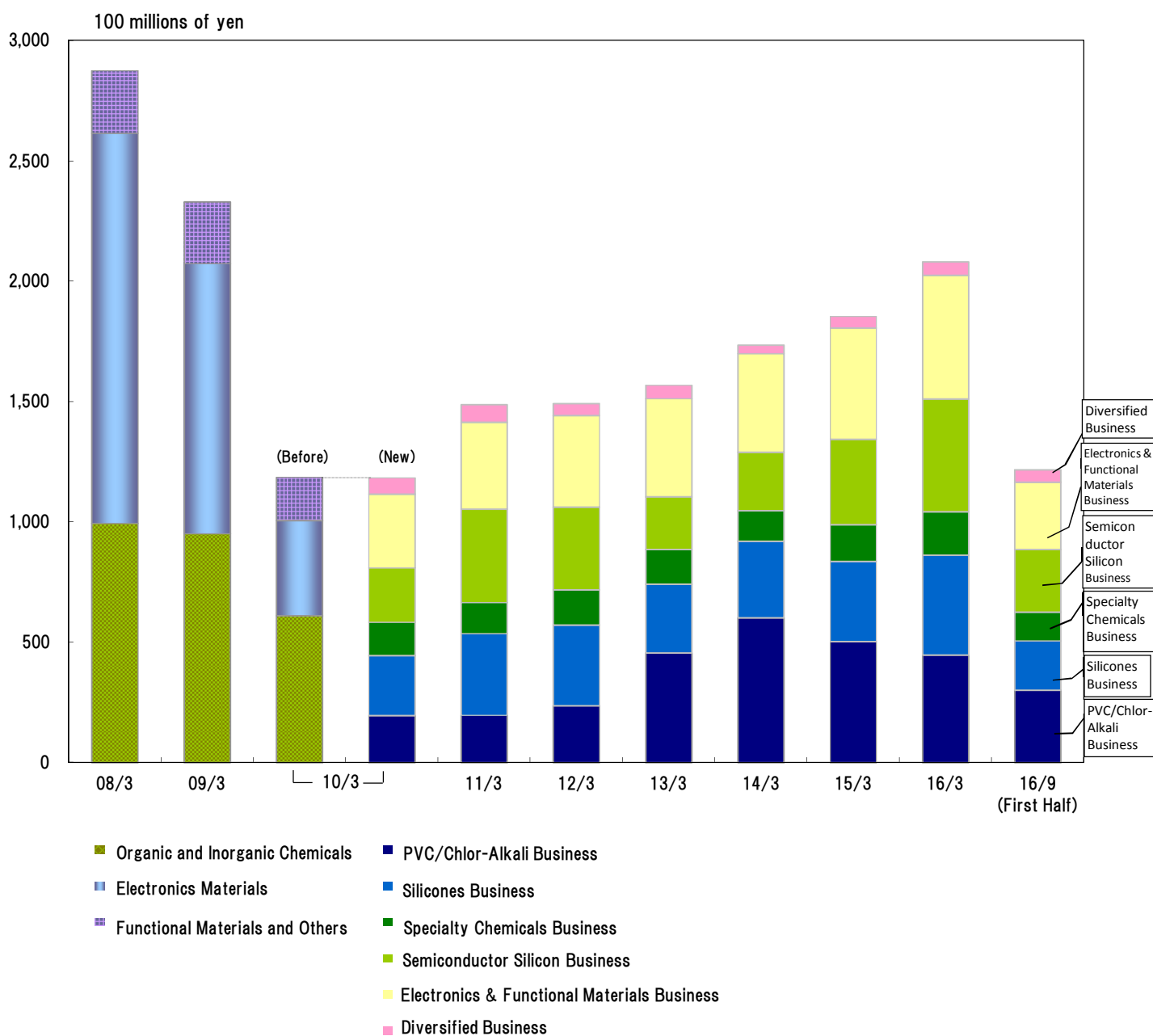
※1 From 2011 onward the business segments are in the new structure due to applying to the changes of Japanese Accounting standard.

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

(100 millions of yen)

	10/3	11/3	12/3	13/3	14/3	15/3	16/3	16/9 (First Half)
PVC/Chlor-Alkali Business	2,377	2,835	3,240	3,436	4,278	4,526	4,417	2,017
Silicones Business	1,223	1,430	1,354	1,290	1,564	1,774	1,877	899
Specialty Chemicals Business	804	835	871	835	1,032	1,123	1,168	555
Semiconductor Silicon Business	2,540	2,837	2,296	2,024	2,132	2,300	2,433	1,233
Electronics & Functional Materials Business	1,137	1,413	1,777	1,827	1,709	1,835	1,867	932
Diversified Business	1,084	1,229	936	839	941	995	1,034	492

Operating Income by Segment



	08/3	09/3	10/3
Organic and Inorganic Chemicals	994	951	610
Electronics Materials	1,621	1,122	395
Functional Materials and Others	260	257	180

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

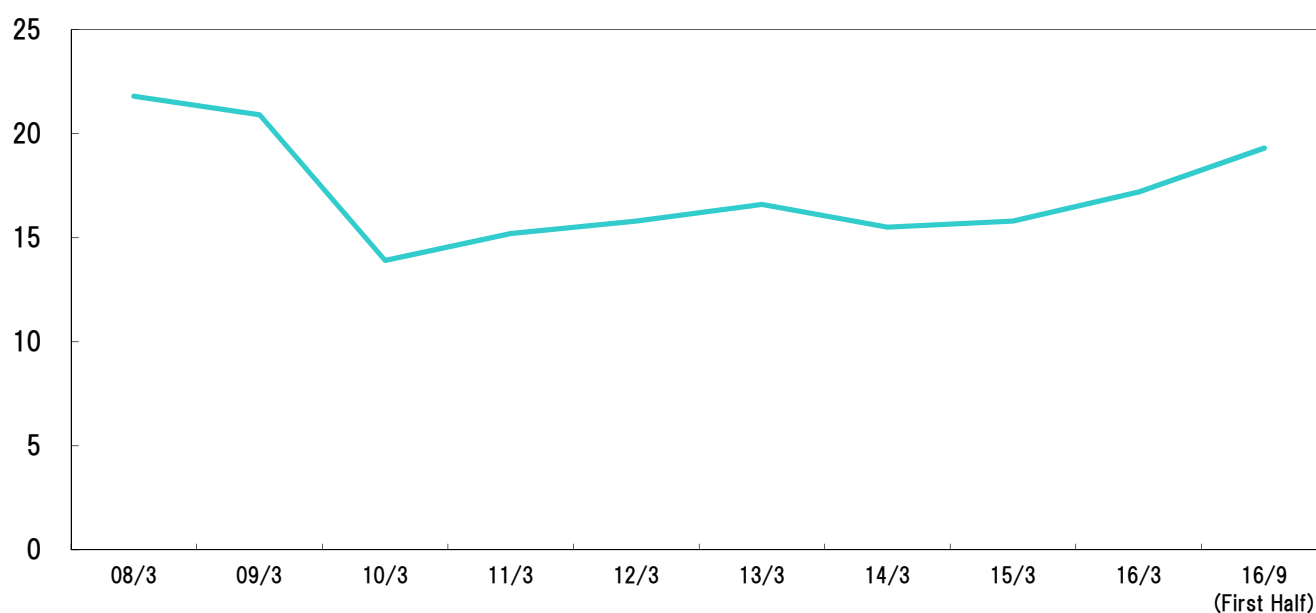
※2 The result for FY2010 is shown in both previous structure and new structure.

(100 millions of yen)

	10/3	11/3	12/3	13/3	14/3	15/3	16/3	16/9 (First Half)
PVC/Chlor-Alkali Business	195	196	236	455	601	502	446	301
Silicones Business	249	340	336	286	318	334	415	205
Specialty Chemicals Business	139	129	146	144	127	152	181	119
Semiconductor Silicon Business	226	388	343	219	244	356	469	261
Electronics & Functional Materials Business	307	361	381	408	409	462	514	278
Diversified Business	67	73	50	56	36	48	56	53

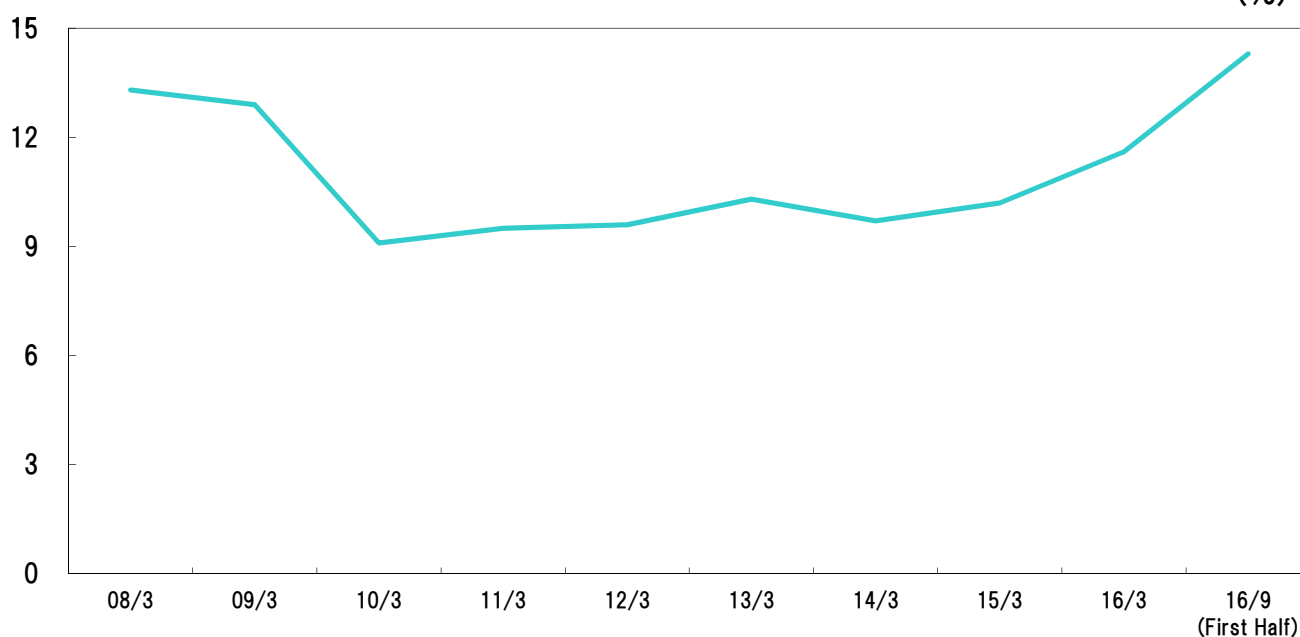
Ordinary Income to Net Sales Ratio

(%)



Net Income to Net Sales Ratio

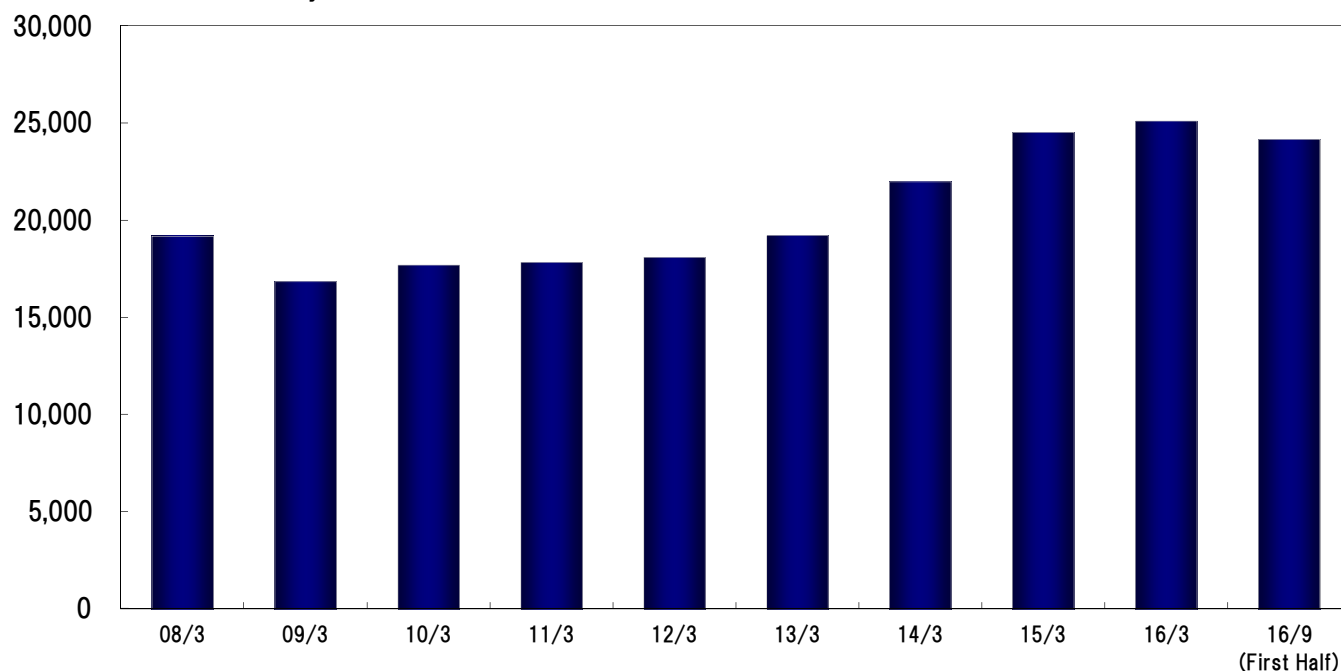
(%)



	08/3	09/3	10/3	11/3	12/3	13/3	14/3	15/3	16/3	16/9 (First Half)
Ordinary Income to Net Sales Ratio	21.8	20.9	13.9	15.2	15.8	16.6	15.5	15.8	17.2	19.3
Net Income to Net Sales Ratio	13.3	12.9	9.1	9.5	9.6	10.3	9.7	10.2	11.6	14.3

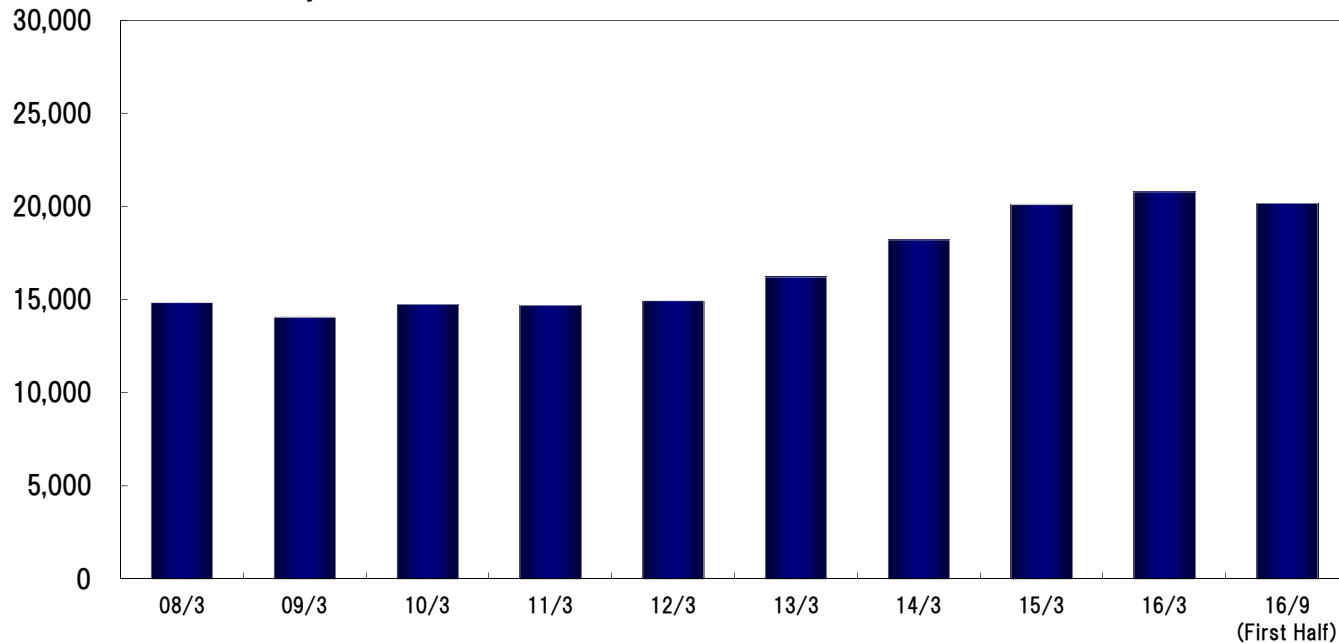
Total Assets

100 millions of yen



Net Assets

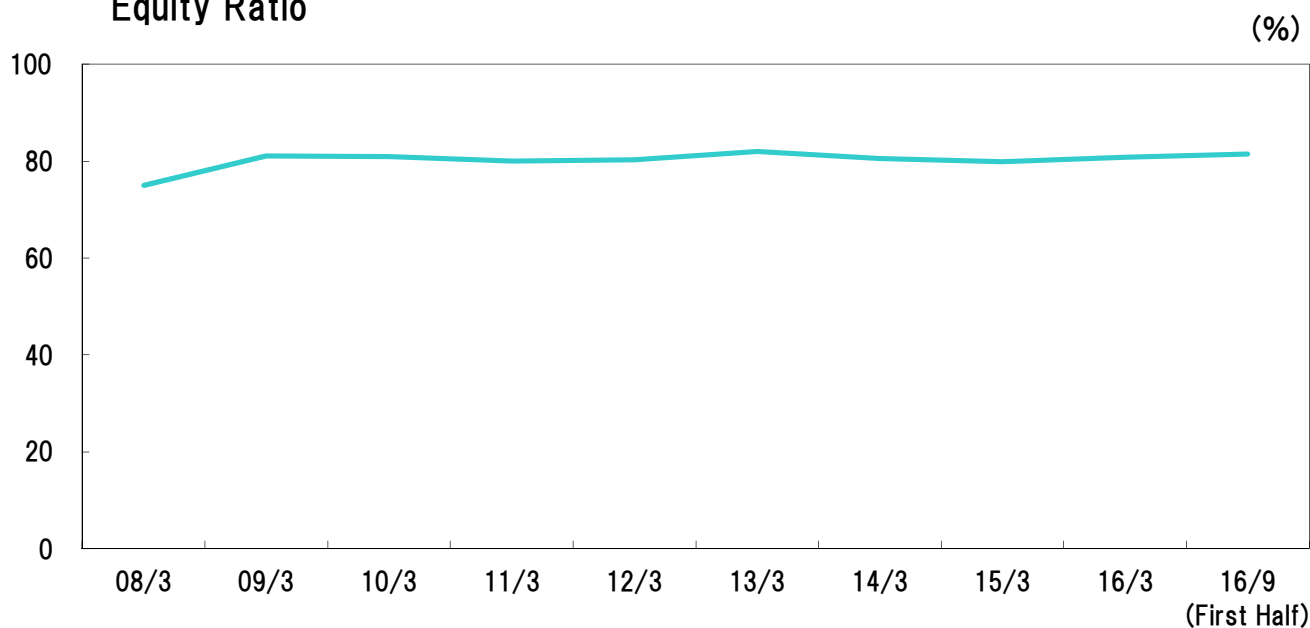
100 millions of yen



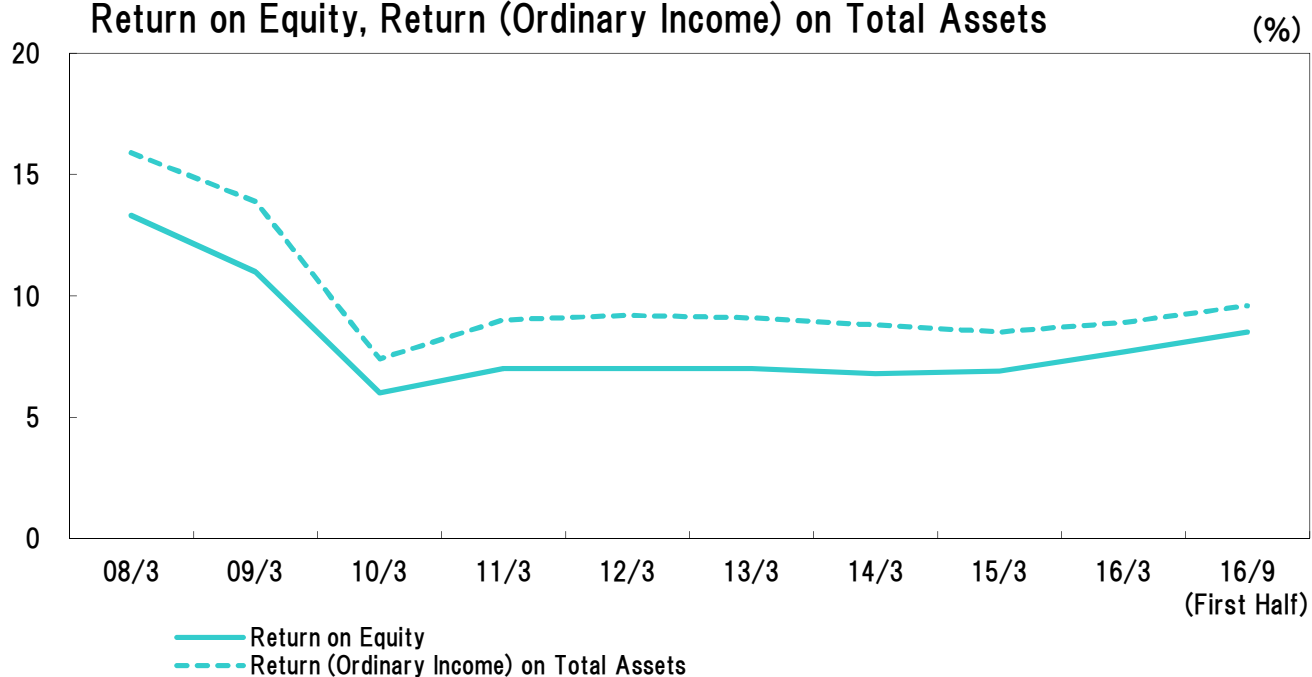
(100 millions of yen)

	08/3	09/3	10/3	11/3	12/3	13/3	14/3	15/3	16/3	16/9 (First Half)
Total Assets	19,185	16,849	17,691	17,841	18,098	19,209	21,989	24,523	25,100	24,163
Net Assets	14,836	14,073	14,742	14,694	14,945	16,231	18,221	20,127	20,804	20,180

Equity Ratio

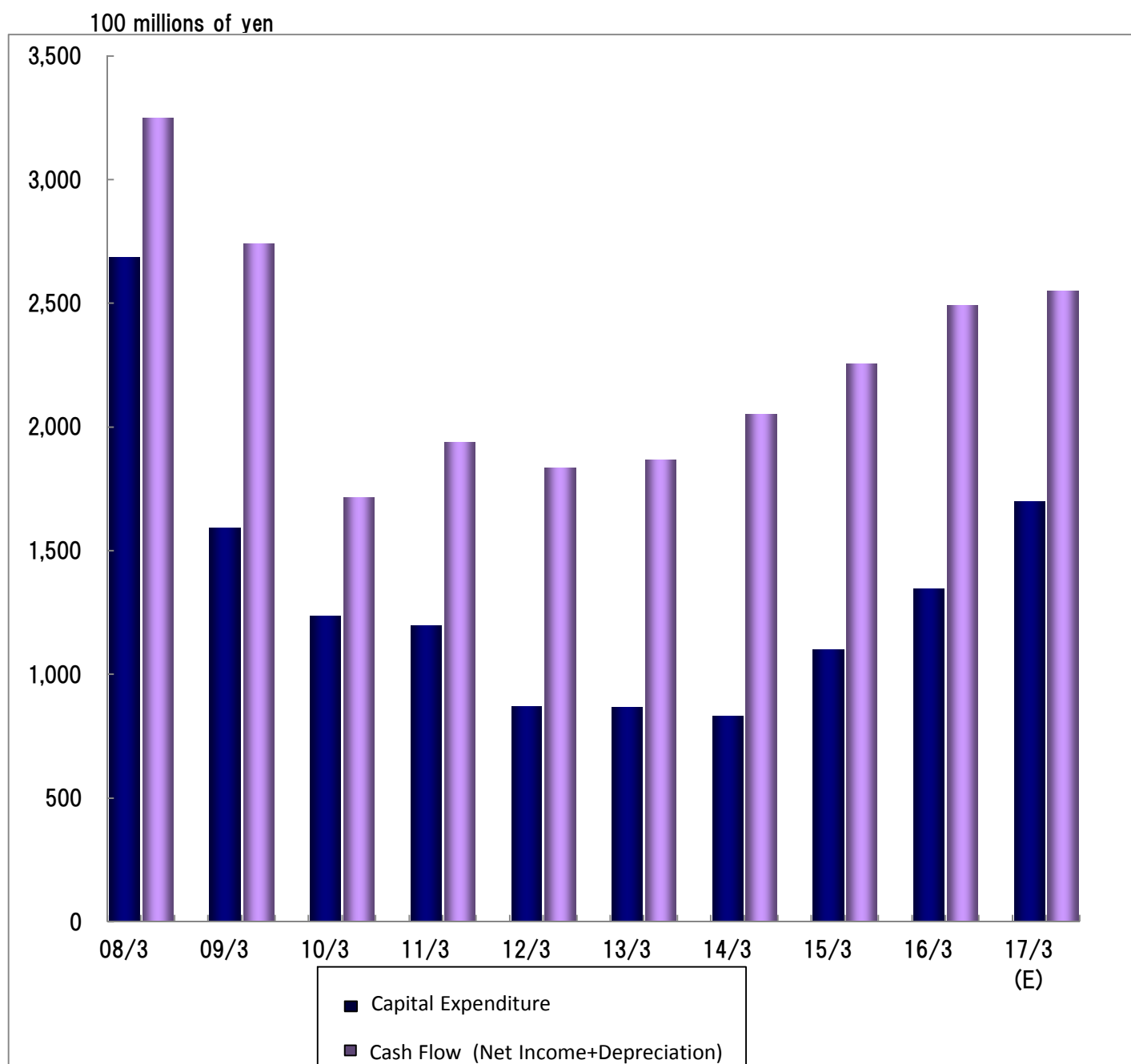


Return on Equity, Return (Ordinary Income) on Total Assets



	08/3	09/3	10/3	11/3	12/3	13/3	14/3	15/3	16/3	16/9 (First Half)
Equity Ratio	75.0	81.1	80.9	80.0	80.3	82.0	80.6	79.9	80.8	81.4
Return on Equity	13.3	11.0	6.0	7.0	7.0	7.0	6.8	6.9	7.7	8.5 (p.a.)
Return (Ordinary Income) on Total Assets	15.9	13.9	7.4	9.0	9.2	9.1	8.8	8.5	8.9	9.6 (p.a.)

Capital Expenditure and Cash Flow



(100 millions of yen)

	08/3	09/3	10/3	11/3	12/3	13/3	14/3	15/3	16/3	16/9 (First Half)	17/3 (E)
Capital Expenditure	2,684	1,594	1,237	1,198	871	868	831	1,099	1,347	606	1,700
Depreciation	1,384	1,412	1,194	877	937	828	809	914	1,004	438	950
Cash Flow (Net Income+Depreciation)	3,248	2,741	1,715	1,938	1,835	1,866	2,050	2,255	2,493	1,312	2,550