

# Press Release

## Consolidated Financial Results for the First Three Quarters Ended December 31, 2025



### Shin-Etsu Chemical Co., Ltd.

(JP GAAP)

January 27, 2026

Listing Code: No. 4063 (URL: <https://www.shinetsu.co.jp/en/>)

Listing Stock Exchange: Tokyo and Nagoya

Representative: Yasuhiko Saitoh (Mr.) Representative Director/President

Personnel to contact: Toshiyuki Kasahara (Mr.) Corporate Officer, General Manager of Finance & Accounting Department

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Date of dividend payment: -

Preparation of supplemental explanatory materials: Yes (“Appendix” is attached.)

Holding of quarterly financial results meeting: Yes (for investment analysts and institutional investors)

Amounts are stated in millions of yen by discarding fractional amounts less than 1 million.

Percentage figures indicate increase (decrease) over previous corresponding period.

### 1. Consolidated Operating Performance for the First Three Quarters Ended December 31, 2025

(From April 1, 2025 to December 31, 2025)

#### (1) Results of consolidated operations

(Millions of yen)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
April - December 2025	1,934,000	0.2%	498,026	(14.8%)	557,414	(13.5%)	384,320	(11.1%)
April - December 2024	1,929,698	5.8%	584,439	4.5%	644,231	4.6%	432,539	6.4%

(Note) Comprehensive income (Millions of yen) From April 1, 2025 to December 31, 2025: 285,803 [(40.3%)]

From April 1, 2024 to December 31, 2024: 478,863 [(35.3%)]

	Net income per share (yen)	Diluted net income per share (yen)
April - December 2025	204.12	203.98
April - December 2024	217.76	217.53

#### (2) Consolidated financial position

(Millions of yen)

	Total assets	Net assets	Stockholders' equity ratio	Net assets per share (yen)
December 31, 2025	5,451,351	4,489,768	79.2%	2,303.72
March 31, 2025	5,636,601	4,837,585	82.6%	2,375.48

(Reference) Stockholders' equity (Millions of yen) As of December 31, 2025: 4,316,288 As of March 31, 2025: 4,656,236

### 2. Cash Dividends

	Cash dividends per share in the fiscal year (yen)				
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	Year-end	Fiscal year
April 2024 - March 2025	-	53.00	-	53.00	106.00
April 2025 - March 2026	-	53.00	-		
April 2025 - March 2026 (forecast)				53.00	106.00

(Note) Revision of the latest forecast of cash dividends: No

### 3. Forecast of Consolidated Operating Performance for the Fiscal Year Ending March 31, 2026

(From April 1, 2025 to March 31, 2026)

(Millions of yen)

	Net sales	Operating income		Ordinary income		Net income attributable to owners of parent	Net income per share (yen)
Fiscal year	2,400,000 (6.3%)	635,000	(14.4%)	700,000	(14.7%)	470,000 (12.0%)	250.00

(Note) Revision of the latest forecast of consolidated operating performance: No

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. dollar and the yen; provided, however, that such factors as may affect results of operations are not limited to those enumerated above.

**(Notes)**

**(1) Significant changes in scope of consolidation during the first three quarters ended December 31, 2025: No**

**(2) Adoption of special accounting methods for presenting quarterly consolidated financial statements: No**

**(3) Changes in accounting policies applied, changes in accounting estimates and retrospective restatement**

Changes in accounting policies applied due to revisions of accounting standards: No

Changes in accounting policies other than the above: No

Changes in accounting estimates: No

Retrospective restatement: No

**(4) Number of shares outstanding (common stock)**

	December 31, 2025	March 31, 2025
Number of shares issued at period end (including treasury stock)	1,984,995,865	1,984,995,865
Number of shares of treasury stock at period end	111,376,154	24,869,464
	April - December 2025	April - December 2024
Weighted-average number of shares outstanding over period	1,882,782,210	1,986,285,679

(Note) A resolution was made at the Board of Directors Meeting held on April 25, 2025 concerning the repurchase of up to 200 million shares (500 billion yen) by April 24, 2026, and we have repurchased a total of 87,393,400 shares (399,999 million yen) as of May 2025.

► **Review procedures on the quarterly consolidated financial statements contained in this report by independent auditors: Yes (voluntary)**

**(Attached Documents)**

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## 1. Results of Operations and Financial Overview

### (1) Quarterly Results of Operations and Financial Overview

#### 1) Explanation of Operating Results

During the third quarter of the fiscal year ending March 31, 2026 (April 1, 2025 to December 31, 2025), the global economy and industries have been tossed about by the various policies taken by the U.S. under its America First agenda since last April. However, as indicated in the World Economic Outlook of the IMF and the World Bank, growth has slowed but has managed to weather the storm. On the other hand, Chinese oversupply has not yet subsided; rather, we conducted business with the expectation that this oversupply would continue for a considerable period. In addition, the world's geopolitical situation presented a markedly different picture from the one anticipated (by Francis Fukuyama) in "The End of History and the Last Man," published in 1989, requiring even greater caution. Under these circumstances, we have maintained close communication with our customers, continued to provide a reliable supply of products with required quality, and conducted sales with agility. As a result, the operating income, the ordinary income and the net income respectively achieved approximately 80% of the forecasts announced in July. We will focus even more on business growth and improved operating performance. To that end, we will accelerate the development of products that are valuable to our customers and actively continue capital investments with a medium- to long-term perspective in order to meet the needs and demands of the customers and markets in a timely manner.

The business results for the third quarter of the fiscal year ending March 31, 2026, are as follows:

(Billions of yen)						
	2024 Apr - Dec	2025 Apr - Dec	Increase (Decrease)	2025		
				Apr - Jun	Jul - Sep	Oct - Dec
Net sales	1,929.6	<b>1,934.0</b>	0% 4.4	628.5	655.9	649.4
Operating income	584.4	<b>498.0</b>	(15%) (86.4)	166.8	167.1	164.0
Ordinary income	644.2	<b>557.4</b>	(13%) (86.8)	181.6	185.7	190.0
Net income attributable to owners of parent	432.5	<b>384.3</b>	(11%) (48.2)	126.4	131.4	126.4

Ratio of operating income to net sales	30.3%	<b>25.8%</b>	(5 points)
Ratio of net income attributable to owners of parent to net sales	22.4%	<b>19.9%</b>	(3 points)
ROIC (annualized)	19.5%	<b>15.3%</b>	(4 points)
ROE (annualized)	13.3%	<b>11.4%</b>	(2 points)
Net income per share(Yen)	218	<b>204</b>	(14)

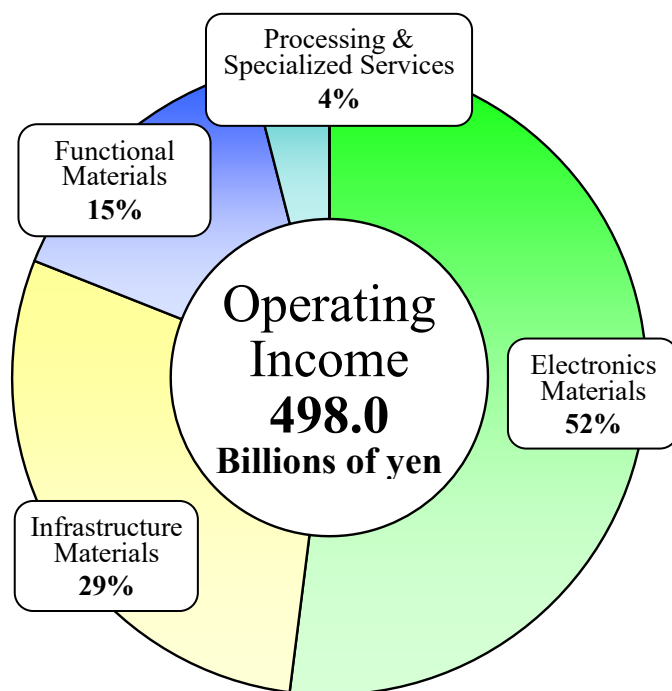
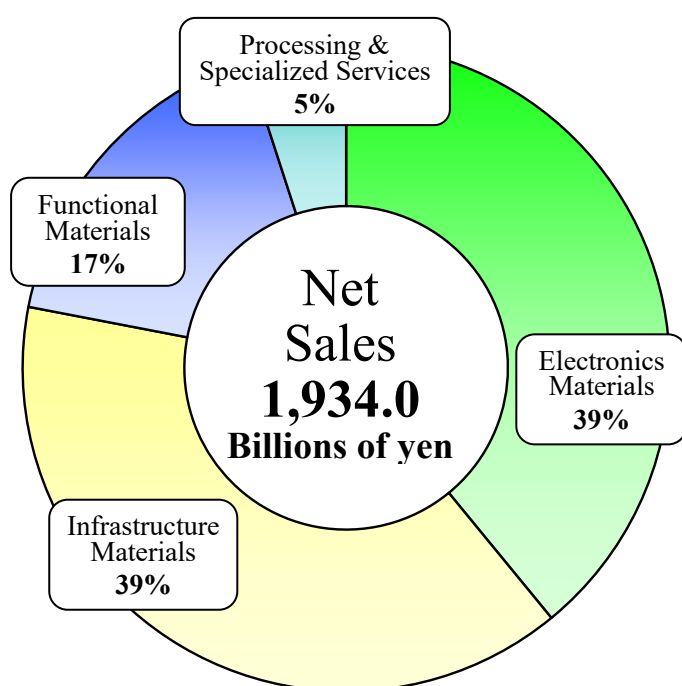
- Notes:
- ROIC: Return on invested capital  
Net operating income after tax / (Net assets + Interest-bearing liabilities — Cash)
  - ROE: Return (Net income attributable to owners of parent) on equity  
Equity used for this calculation is net assets excluding both share subscription rights and non-controlling interests in consolidated subsidiaries.
  - ROIC and ROE (annualized) are calculated by multiplying net operating income after tax and net income attributable to owners of parent for the first three quarters by four over three, respectively.

► Amounts are stated in billions of yen by discarding fractional amounts less than 0.1 billion on this summary.

## Net Sales and Operating Income by Segment

(Billions of yen)

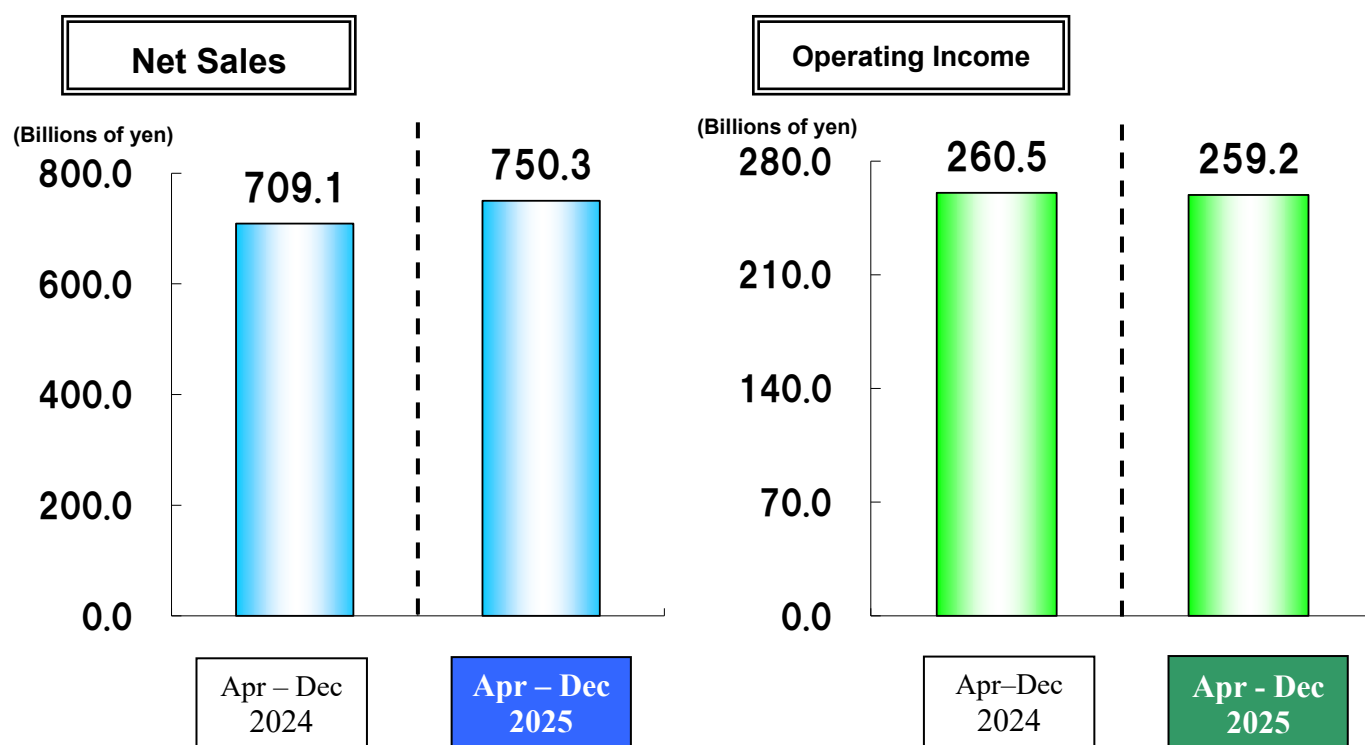
	Net Sales			Operating Income		
	2024 Apr - Dec	2025 Apr - Dec	Increase (Decrease)	2024 Apr - Dec	2025 Apr - Dec	Increase (Decrease)
<b>Electronics Materials</b>	709.1	<b>750.3</b>	6% 41.2	260.5	<b>259.2</b>	(0%) (1.3)
<b>Infrastructure Materials</b>	777.5	<b>747.9</b>	(4%) (29.6)	226.3	<b>146.3</b>	(35%) (80.0)
<b>Functional Materials</b>	341.3	<b>333.7</b>	(2%) (7.6)	78.3	<b>72.5</b>	(7%) (5.8)
<b>Processing &amp; Specialized Services</b>	101.5	<b>101.9</b>	0% 0.4	21.6	<b>21.1</b>	(2%) (0.5)
<b>Total</b>	1,929.6	<b>1,934.0</b>	0% 4.4	584.4	<b>498.0</b>	(15%) (86.4)



## Electronics Materials

	Apr - Dec 2024 (Billions of yen)	Apr - Dec 2025 (Billions of yen)	Increase / (Decrease)
<b>Net sales</b>	709.1	<b>750.3</b>	6%
<b>Operating income</b>	260.5	<b>259.2</b>	(0%)

In the semiconductor market, the demand related to AI continued to be strong, while the demands in other sectors have finally started to rise. By capturing this trend, we increased the sales of semiconductor materials such as silicon wafer, photoresist and photomask blanks.

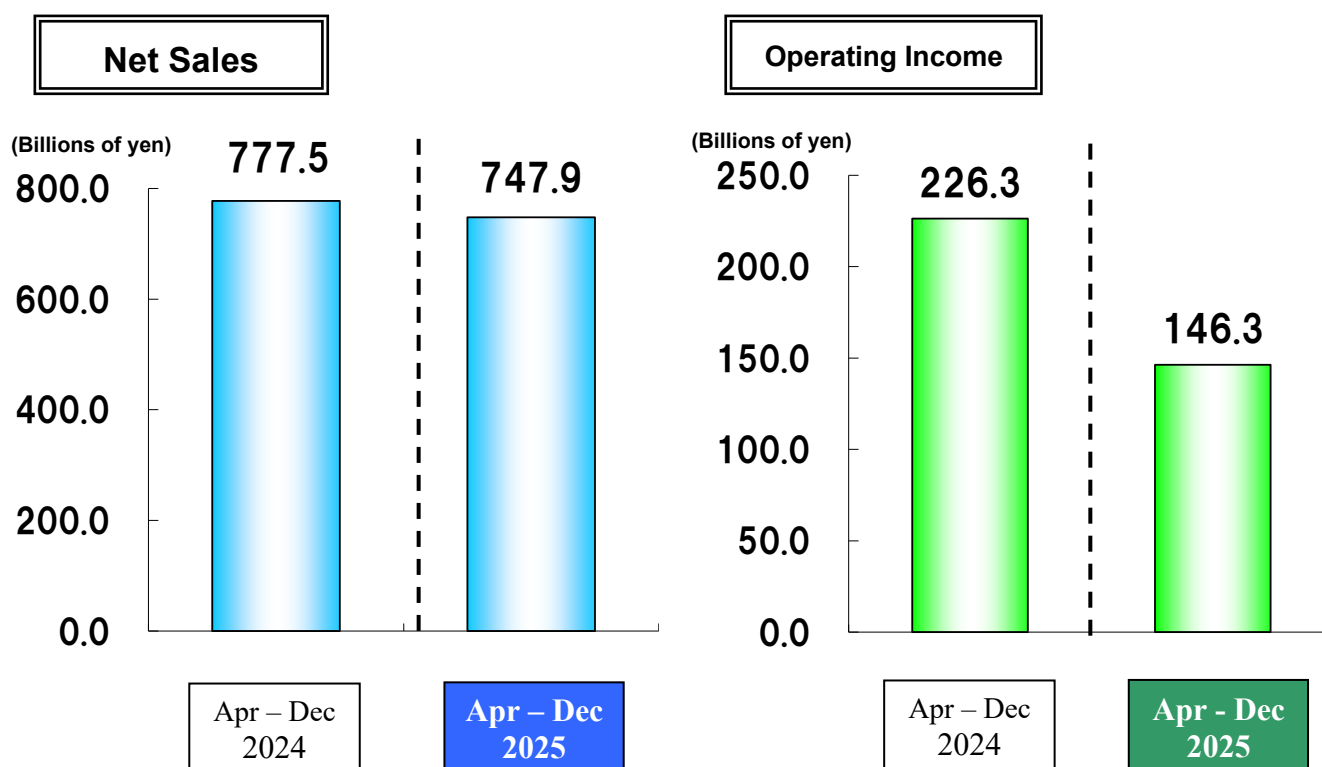


- Providing and proposing materials and technologies essential to the semiconductor market, which is sure to see rapid growth in the three aspects of quantity, quality, and variety.
- New production base focusing on photoresist – The Isesaki Plant will begin operations in April this year.
- Taking measures to address raw materials issues for magnetic materials business.
- Expansion of new functions as a diversified electronics materials manufacturer.

## Infrastructure Materials

	Apr - Dec 2024 (Billions of yen)	Apr - Dec 2025 (Billions of yen)	Increase / (Decrease)
<b>Net sales</b>	777.5	<b>747.9</b>	(4%)
<b>Operating income</b>	226.3	<b>146.3</b>	(35%)

As for PVC, the demand in North America was strong from the beginning of the year through mid-year, but the market has softened since then. Although prices have been sluggish in Asian and other overseas markets, we have utilized our extensive sales network to make the best sales possible. As for caustic soda, we have generally secured stable sales in terms of both price and quantity.

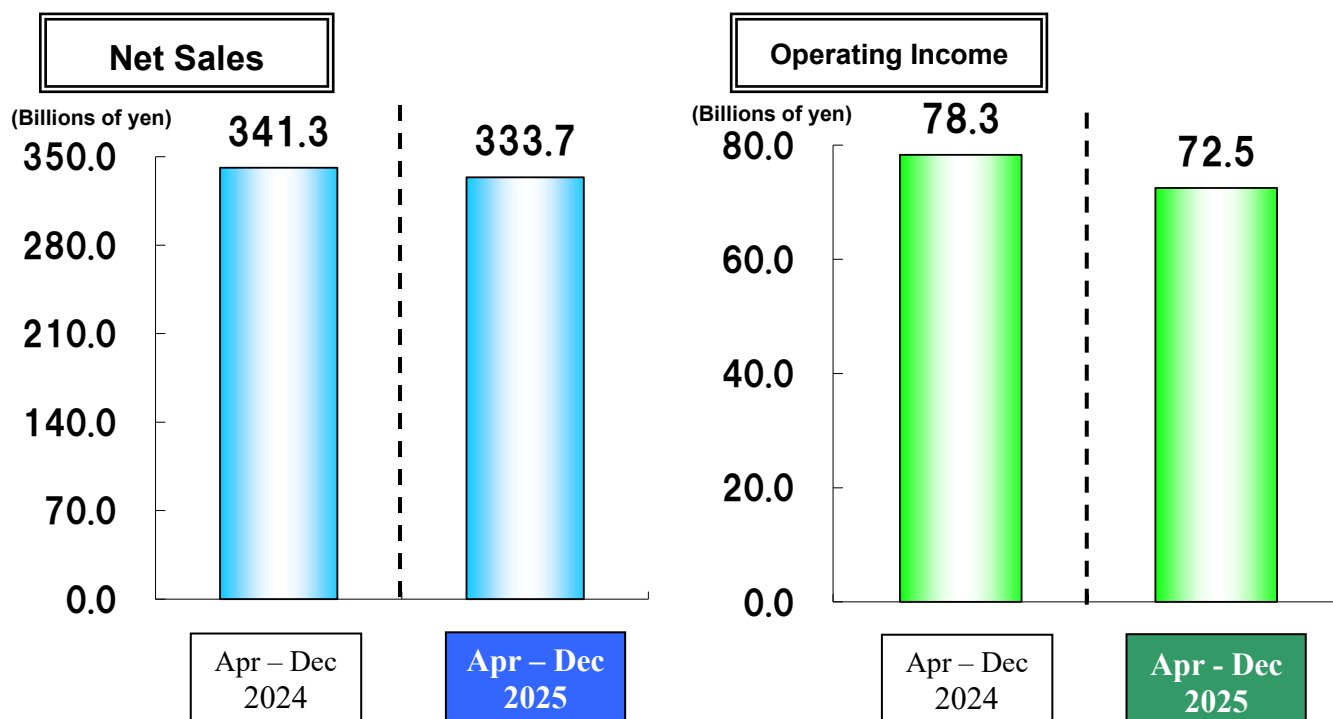


- Both PVC and caustic soda are focusing on price increases.

## Functional Materials

	Apr - Dec 2024 (Billions of yen)	Apr - Dec 2025 (Billions of yen)	Increase / (Decrease)
<b>Net sales</b>	341.3	<b>333.7</b>	(2%)
<b>Operating income</b>	78.3	<b>72.5</b>	(7%)

We focused on significantly increasing the sales of highly functional product groups and make up for the shortfall in profits.



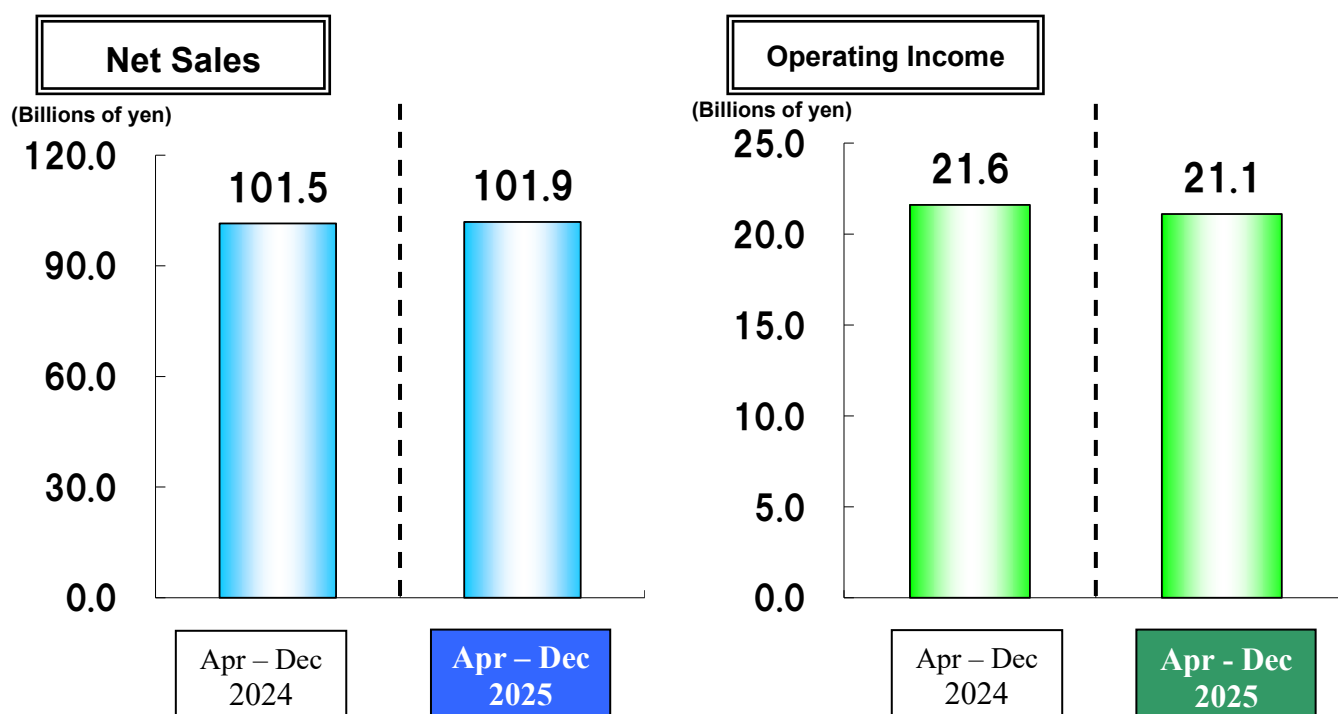
- Rapid expansion of functionality provision centered on silicones.
- Expansion of electrical and electronic application (including for data communications and AI servers).
- Expansion of cellulose derivatives products for pharmaceuticals application.



## Processing & Specialized Services

	Apr – Dec 2024 (Billions of yen)	Apr - Dec 2025 (Billions of yen)	Increase / (Decrease)
<b>Net sales</b>	101.5	<b>101.9</b>	0%
<b>Operating income</b>	21.6	<b>21.1</b>	(2%)

The demand for semiconductor-related containers was strong. In the automotive-related products, the sales for silicone molded products increased.



- Start of operations at the new plant for semiconductor-related containers.

## **2) Financial Position Overview**

At the end of third quarter of the fiscal year ending March 31, 2026 (December 31, 2025), total assets decreased by ¥185.3 billion compared with that at the end of the previous fiscal year to ¥5,451.3 billion, total liabilities increased by ¥162.5 billion to ¥961.5 billion, and total net assets decreased by ¥347.8 billion to ¥4,489.7 billion.

As shown on the page 20 [4. Comparative Balance Sheets (Consolidated)], overseas consolidated subsidiary assets, liabilities and net assets have decreased due to yen appreciation. While net income attributable to owners of parent was ¥384.3 billion, cash and deposits have decreased due to ¥400.0 billion for repurchase of shares, ¥203.1 billion for cash dividends payments, and income tax payments, and there was an increase in long-term borrowings.

## (2) Explanation Regarding Information Relevant to Forecasts such as Consolidated Business Forecast

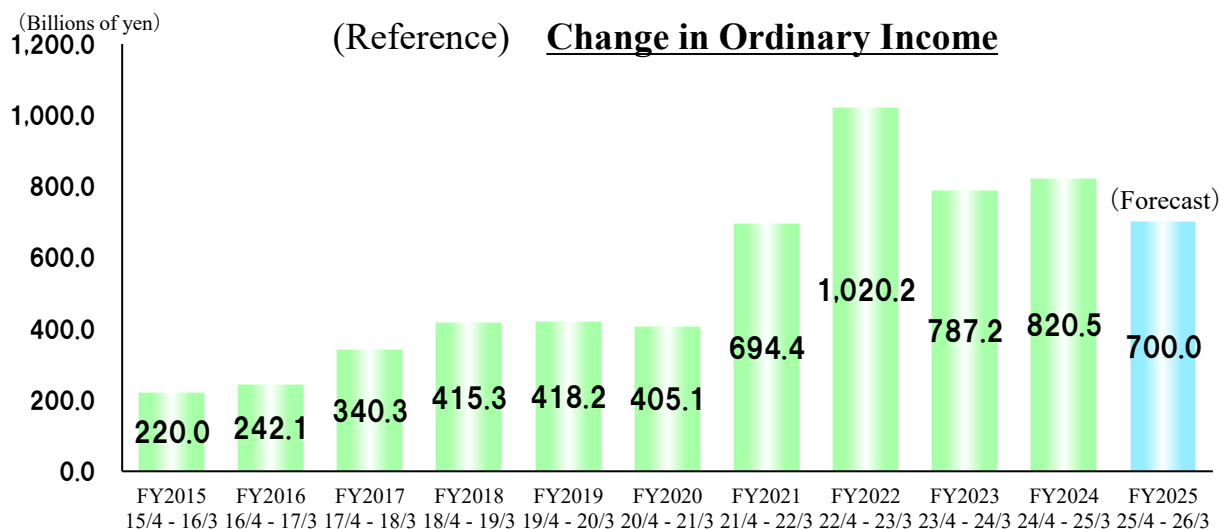
The business forecast for this fiscal year depends on various variable factors, but we will maintain the earning forecast announced in July. We strive to grow our business performance.

(Billions of yen)

	<b>FY 2024 24/4 - 25/3 Actual</b>	<b>FY 2025 25/4 - 26/3 Forecast</b>	<b>Increase (Decrease)</b>
<b>Net sales</b>	2,561.2	<b>2,400.0</b>	(6%)
<b>Operating income</b>	742.1	<b>635.0</b>	(14%)
<b>Ordinary income</b>	820.5	<b>700.0</b>	(15%)
<b>Net income attributable to owners of parent</b>	534.0	<b>470.0</b>	(12%)
<b>Net income per share (Yen)</b>	270	<b>250</b>	(7%)
<b>Ratio of operating income to net sales</b>	29.0%	<b>26.5%</b>	(3 points)
<b>Ratio of net income attributable to owners of parent to net sales</b>	20.9%	<b>19.6%</b>	(1 point)
<b>Cash Dividends per Share (Yen)</b>	106	<b>106</b>	—
<b>DOE</b>	4.7%	<b>4.6%</b>	0 point
<b>Dividend payout ratio</b>	39.3%	<b>42.4%</b>	3 points

(Note) Forward-looking statements such as the forecast of results of operations made in this document are as described on the cover page under [3. Forecast of Consolidated Operating Performance for the Fiscal Year Ending March 31, 2026].

The year-end dividend for the fiscal year ending March 31, 2026 is expected to be ¥53 per share as was announced in July, 2025 as well, the same amount as the interim dividend. As a result, the dividend on an annual basis will be ¥106 per share, the same amount as the previous fiscal year.



## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

As of March 31 and December 31, 2025

	Millions of yen	
	March 31, 2025	December 31, 2025
ASSETS		
Current Assets:		
Cash and deposits	1,708,438	1,485,976
Notes, accounts receivable-trade and contract assets	514,702	594,104
Securities	103,240	12,393
Inventories	769,967	760,021
Other	123,243	124,401
Less: Allowance for doubtful accounts	(9,941)	(12,800)
Total current assets	3,209,652	2,964,096
Fixed Assets:		
Property, plant and equipment:		
Machinery and equipment, net	1,081,151	1,024,264
Other, net	984,793	1,081,864
Total property, plant and equipment	2,065,945	2,106,129
Intangible assets	36,908	35,229
Investments and other assets:		
Investments and other assets	329,324	351,423
Less: Allowance for doubtful accounts	(5,228)	(5,527)
Total investments and other assets	324,095	345,896
Total fixed assets	2,426,949	2,487,255
TOTAL ASSETS	5,636,601	5,451,351

	Millions of yen	
	March 31, 2025	December 31, 2025
<b>LIABILITIES</b>		
Current Liabilities:		
Notes and accounts payable-trade	184,369	183,487
Short-term borrowings	9,389	7,127
Provisions	6,475	6,160
Other	336,859	276,427
Total current liabilities	537,094	473,203
Long-term Liabilities:		
Long-term borrowings	7,452	236,303
Net defined benefit liability	33,172	34,705
Other	221,296	217,370
Total long-term liabilities	261,922	488,379
<b>TOTAL LIABILITIES</b>	<b>799,016</b>	<b>961,583</b>
<b>NET ASSETS</b>		
Stockholders' Equity:		
Common stock	119,419	119,419
Additional paid-in capital	125,694	125,597
Retained earnings	3,755,274	3,933,846
Less: Treasury stock, at cost	(121,025)	(516,902)
Total stockholders' equity	3,879,362	3,661,960
Accumulated Other Comprehensive Income:		
Unrealized gains (losses) on available-for-sale securities	32,481	38,145
Deferred gains (losses) on hedges	777	(1,540)
Foreign currency translation adjustments	734,201	611,610
Remeasurements of defined benefit plans	9,412	6,112
Total accumulated other comprehensive income	776,873	654,327
Share subscription rights	6,237	8,104
Non-controlling interests in consolidated subsidiaries	175,112	165,375
<b>TOTAL NET ASSETS</b>	<b>4,837,585</b>	<b>4,489,768</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>5,636,601</b>	<b>5,451,351</b>

## (2) Consolidated Statements of Income and Statements of Comprehensive Income

### Consolidated Statements of Income

For the first three quarters ended December 31, 2024 and 2025

	Millions of yen	
	April 1, 2024 - December 31, 2024	April 1, 2025 - December 31, 2025
Net sales	1,929,698	1,934,000
Cost of sales	1,170,381	1,254,594
Gross profit	759,317	679,406
Selling, general and administrative expenses	174,877	181,380
Operating income	584,439	498,026
Non-operating income:		
Interest income	65,872	46,935
Other income	12,235	18,311
Total non-operating income	78,108	65,246
Non-operating expenses:		
Interest expenses	1,291	2,316
Other expenses	17,024	3,541
Total non-operating expenses	18,316	5,858
Ordinary income	644,231	557,414
Extraordinary income:		
Gain on sale of investment securities	10,840	10,504
Gain on step acquisitions	5,421	-
Total extraordinary income	16,262	10,504
Income before income taxes and non-controlling interests	660,493	567,918
Income taxes:		
Current	162,624	155,763
Deferred	29,224	3,214
Total income taxes	191,848	158,978
Net income	468,645	408,940
Net income attributable to non-controlling interests	36,105	24,619
Net income attributable to owners of parent	432,539	384,320

## Consolidated Statements of Comprehensive Income

For the first three quarters ended December 31, 2024 and 2025

	Millions of yen	
	April 1, 2024 - December 31, 2024	April 1, 2025 - December 31, 2025
Net income	468,645	408,940
Other comprehensive income:		
Unrealized gains (losses) on available-for-sale securities	(5,169)	5,720
Deferred gains (losses) on hedges	(20)	(2,318)
Foreign currency translation adjustments	17,847	(123,265)
Remeasurements of defined benefit plans	(2,241)	(3,287)
Share of other comprehensive income of affiliates accounted for using the equity method	(197)	13
Total other comprehensive income	10,218	(123,136)
Comprehensive income	478,863	285,803
(Breakdown)		
Comprehensive income attributable to owners of parent	441,916	261,774
Comprehensive income attributable to non-controlling interests	36,947	24,029

### (3) Notes to Consolidated Financial Statements

#### (Notes on Segment Information)

#### I For the first three quarters of the fiscal year ending March 31, 2026 (From April 1, 2025 to December 31, 2025)

##### i ) Information on Sales, Income of Reportable Segments

	Millions of yen						Figures in consolidated statements of income
	Electronics Materials	Infrastructure Materials	Functional Materials	Processing & Specialized Services	Total	Adjustment*	
Sales to outside customers	750,340	747,912	333,776	101,971	1,934,000	-	1,934,000
Intersegment sales	4,198	3,263	8,874	124,886	141,222	(141,222)	-
Total	754,538	751,176	342,650	226,857	2,075,223	(141,222)	1,934,000
Segment income (Operating income)	259,226	146,362	72,562	21,162	499,313	(1,287)	498,026

\*Elimination of intersegment transactions.

##### ii ) Information Concerning Impairment Loss of Fixed Assets and Goodwill by Reportable Segment.

Not applicable

#### II For the first three quarters of the fiscal year ended March 31, 2025 (From April 1, 2024 to December 31, 2024)

##### i ) Information on Sales, Income of Reportable Segments

	Millions of yen						Figures in consolidated statements of income
	Electronics Materials	Infrastructure Materials	Functional Materials	Processing & Specialized Services	Total	Adjustment*	
Sales to outside customers	709,182	777,584	341,377	101,552	1,929,698	-	1,929,698
Intersegment sales	3,526	3,444	10,719	113,872	131,563	(131,563)	-
Total	712,709	781,029	352,097	215,425	2,061,261	(131,563)	1,929,698
Segment income (Operating income)	260,513	226,351	78,310	21,674	586,849	(2,409)	584,439

\*Elimination of intersegment transactions.

##### ii ) Information Concerning Impairment Loss of Fixed Assets and Goodwill by Reportable Segment.

Not applicable



**(Notes on Significant Changes in Stockholders' Equity)**

Not applicable

**(Notes on Premise of Going Concern)**

Not applicable

**(Notes on Quarterly Consolidated Statements of Cash Flows)**

	Millions of yen	
	April 1, 2024 - December 31, 2024	April 1, 2025 - December 31, 2025
Depreciation	171,360	176,295
Amortization of goodwill	1,019	1,376

(Reference) Quarterly Consolidated Statements of Cash Flows for the first three quarters ended December 31, 2025 are not prepared, but “Comparative Statements of Cash Flows (Consolidated)” are disclosed on page 21 on an informal basis.

(English Translation)

## Independent Auditor's Interim Review Report

January 27, 2026

The Board of Directors  
Shin-Etsu Chemical Co., Ltd.

Ernst & Young ShinNihon LLC  
Tokyo, Japan

Noriaki Kenmochi  
Designated Engagement Partner  
Certified Public Accountant

Satoshi Kanazawa  
Designated Engagement Partner  
Certified Public Accountant

Tetsuya Kawawaki  
Designated Engagement Partner  
Certified Public Accountant

### Auditor's Conclusion

We have reviewed the accompanying quarterly consolidated financial statements of Shin-Etsu Chemical Co., Ltd. and its consolidated subsidiaries (the Group), which comprise the quarterly consolidated balance sheet as at December 31, 2025, and the quarterly consolidated statements of income, comprehensive income for the nine-month period ended December 31, 2025, and notes to the quarterly consolidated financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying quarterly consolidated financial statements are not prepared, in all material respects, in accordance with Article 4, Paragraph 1 of the Tokyo Stock Exchange, Inc.'s and the Nagoya Stock Exchange, Inc.'s Standards for the Preparation of Quarterly Financial Statements (the Standards) and accounting principles for quarterly financial statements generally accepted in Japan, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.

### Basis for Auditor's Conclusion

We conducted our review in accordance with review standards for interim financial statements generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Review of the Quarterly Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained provides a basis for our conclusion.

### Responsibilities of Management, the Corporate Auditor and the Board of Corporate Auditors for the Quarterly Consolidated Financial Statements

Management is responsible for the preparation of these quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Standards and accounting principles for quarterly financial statements generally accepted in Japan, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards, and for the internal controls as management determines are necessary to enable the preparation of quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, including the disclosures related to matters of going concern as required by Article 4, Paragraph 1 of the Standards and accounting principles for quarterly financial statements generally accepted in Japan, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.

The Corporate Auditor and the Board of Corporate Auditors are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Review of the Quarterly Consolidated Financial Statements**

Our responsibility is to express a conclusion on these quarterly consolidated financial statements based on our review.

As part of a review in accordance with review standards for interim financial statements generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters and apply analytical and other interim review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude based on the evidence obtained whether anything has come to our attention that causes us to believe that the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards and accounting principles for quarterly financial statements generally accepted in Japan, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards, should we determine that a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. Additionally, if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's interim review report to the related disclosures in the quarterly consolidated financial statements or, if such disclosures are inadequate, to modify our conclusion. Our conclusions are based on the evidence obtained up to the date of our auditor's interim review report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether anything has come to our attention that causes us to believe that the overall presentation and disclosure of the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards and accounting principles for quarterly financial statements generally accepted in Japan, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.
- Obtain evidence regarding the financial information of the entities or business activities within the Group as a basis for expressing a conclusion on the quarterly consolidated financial statements. We are responsible for the direction, supervision and review of the documentation of the interim review. We remain solely responsible for our conclusion.

We communicate with the Corporate Auditor and the Board of Corporate Auditors regarding the planned scope and timing of the review and significant review findings.

We also provide the Corporate Auditor and the Board of Corporate Auditors with a statement that we have complied with the ethical requirements regarding independence that are relevant to our review of the quarterly consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

### **Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

<p>* The original Independent Auditor's Interim Review Report related to the quarterly consolidated financial statements is in Japanese. This English translation is prepared only for readers' convenience.</p>
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## (Appendix)

### 1. Quarterly Operating Results

(Billions of yen)

	FY 2024 April 1, 2024 - March 31, 2025					FY 2025 April 1, 2025 - March 31, 2026			
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total
Net Sales	597.9	668.5	663.2	631.5	2,561.2	628.5	655.9	649.4	1,934.0
Electronics Materials	227.0	237.4	244.6	225.1	934.3	240.2	256.0	254.0	750.3
Infrastructure Materials	232.5	276.8	268.1	263.9	1,041.5	244.4	256.0	247.4	747.9
Functional Materials	106.7	119.3	115.3	107.2	448.6	110.0	110.6	113.1	333.7
Processing & Specialized Services	31.6	34.8	35.0	35.1	136.7	33.9	33.2	34.8	101.9
Operating Income	191.0	214.6	178.7	157.6	742.1	166.8	167.1	164.0	498.0
Electronics Materials	89.5	97.2	73.7	64.2	324.7	83.1	87.5	88.5	259.2
Infrastructure Materials	67.9	84.2	74.1	65.1	291.4	52.8	49.5	43.9	146.3
Functional Materials	26.7	27.0	24.4	21.7	100.0	24.0	24.1	24.3	72.5
Processing & Specialized Services	7.0	7.9	6.7	7.1	28.7	7.1	6.5	7.5	21.1
Ordinary Income	219.8	223.1	201.3	176.3	820.5	181.6	185.7	190.0	557.4
Net Income Attributable to Owners of Parent	144.0	150.0	138.4	101.4	534.0	126.4	131.4	126.4	384.3
R&D Costs	16.9	16.8	17.7	21.6	73.1	18.2	19.0	18.2	55.5
Overseas Sales	469.8	536.2	527.6	505.0	2,038.8	490.3	518.2	513.0	1,521.6
Ratio of Overseas Sales to Net Sales	79%	80%	80%	80%	80%	78%	79%	79%	79%

## 2. Capital Expenditures and Depreciation and Amortization (Including intangible assets)

(Billions of yen)

	FY 2024 April 1, 2024 - March 31, 2025					FY 2025 April 1, 2025 - March 31, 2026			
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total
Capital Expenditures	115.5	137.5	103.4	78.0	434.5	66.1	138.4	74.8	<b>279.4</b>
Electronics Materials	55.4	89.3	63.2	37.3	245.5	33.5	105.2	36.6	<b>175.4</b>
Infrastructure Materials	40.9	31.3	26.0	15.6	114.0	18.0	18.5	21.1	<b>57.6</b>
Functional Materials	13.5	15.9	13.1	23.1	65.8	12.4	13.6	16.8	<b>43.0</b>
Processing & Specialized Services	6.2	2.3	1.5	2.4	12.6	2.6	1.7	1.4	<b>5.8</b>
Depreciation and Amortization	52.0	56.4	63.9	65.9	238.3	57.3	58.9	61.3	<b>177.6</b>
Electronics Materials	22.2	26.7	31.8	29.9	110.8	25.6	27.4	27.3	<b>80.4</b>
Infrastructure Materials	18.9	19.7	20.2	22.9	81.8	21.0	20.5	21.8	<b>63.5</b>
Functional Materials	9.5	8.8	10.3	11.5	40.1	9.0	9.3	10.3	<b>28.7</b>
Processing & Specialized Services	1.4	1.4	1.9	1.9	6.8	1.8	2.0	2.1	<b>5.9</b>

### Annual

(Billions of yen)

	Apr 2025 - Mar 2026 Forecast
Investments	<b>370.0</b>
Depreciation and Amortization	<b>240.0</b>

### 3. Other Financial Items (Consolidated)

(Billions of yen)

	Dec 31 2024	Dec 31 2025	Mar 31 2025
Net Assets	4,573.2	4,489.7	4,837.5
Total Assets	5,285.9	5,451.3	5,636.6
Net Assets per Share (Yen)	2,220	2,304	2,375
Interest-bearing Liabilities	19.0	243.4	16.8
Number of Employees	27,177	27,348	27,274
Exchange Rate: Jan - Sep (Avg) (Yen/US\$) Apr - Dec (Avg)	151.3 152.6	148.2 148.7	

Note : An average exchange rate between January and September was used for the Consolidated Income Statements of overseas subsidiaries.

### 4. Comparative Balance Sheets (Consolidated)

(Billions of yen)

	Mar 31 2025	Dec 31 2025	Increase (Decrease) [a]	Effect of exchange rate [b] *	[a]-[b]		Mar 31 2025	Dec 31 2025	Increase (Decrease) [a]	Effect of exchange rate [b] *	[a]-[b]
Current Assets	3,209.6	2,964.0	(245.6)	(88.5)	(157.1)	Current Liabilities	537.0	473.2	(63.8)	(9.3)	(54.5)
Cash and deposits	1,708.4	1,485.9	(222.5)	(71.8)	(150.7)	Notes and accounts payable-trade	184.3	183.4	(0.9)	(2.6)	1.7
Notes and accounts receivable-trade	514.7	594.1	79.4	(6.9)	86.3	Other	352.7	289.7	(63.0)	(6.7)	(56.3)
Securities	103.2	12.3	(90.9)	(0.1)	(90.8)	Long-term Liabilities	261.9	488.3	226.4	(9.1)	235.5
Inventories	769.9	760.0	(9.9)	(9.6)	(0.3)	Long-term borrowings	7.4	236.3	228.9	(0.1)	229.0
Other	113.3	111.6	(1.7)	(0.1)	(1.6)	Other	254.4	252.0	(2.4)	(9.0)	6.6
						Total Liabilities	799.0	961.5	162.5	(18.4)	180.9
Fixed Assets	2,426.9	2,487.2	60.3	(59.0)	119.3	Stockholders' Equity	3,879.3	3,661.9	(217.4)	0.0	(217.4)
Property, Plant and Equipment and Intangible Assets	2,102.8	2,141.3	38.5	(58.2)	96.7	Accumulated Other Comprehensive Income	776.8	654.3	(122.5)	(122.7)	0.2
Investments and Other Assets	324.0	345.8	21.8	(0.8)	22.6	Other	181.3	173.4	(7.9)	(6.4)	(1.5)
						Total Net Assets	4,837.5	4,489.7	(347.8)	(129.1)	(218.7)
Total Assets	5,636.6	5,451.3	(185.3)	(147.5)	(37.8)	Total Liabilities and Net Assets	5,636.6	5,451.3	(185.3)	(147.5)	(37.8)

\* Effect of exchange rate

For conversion into Japanese yen of the balance sheets of overseas subsidiaries, the exchange rate at the end of December 2024 was used for the end of the fiscal year ended March 31, 2025 in accordance with the fiscal year end of such overseas subsidiaries.  
The exchange rate at the end of September 2025 was used for the end of the first three quarters of the fiscal year ending March 31, 2026.

Exchange Rate at End of December 2024: 158.2yen/US\$  
Exchange Rate at End of September 2025: 148.9yen/US\$

## 5. Comparative Statements of Cash Flows (Consolidated)

(Billions of yen)

	2024 Apr-Dec	2025 Apr-Dec	Increase (Decrease)
<b>(1) Cash Flows from Operating Activities</b>	616.9	451.5	(165.4)
Income Before Income Taxes	660.4	567.9	(92.5)
Payments of income taxes	(172.4)	(200.1)	(27.7)
Depreciation and amortization	172.3	177.6	5.3
(Increase)Decrease in working capital	(42.6)	(84.6)	(42.0)
Other	(0.9)	(9.2)	(8.3)
<b>(2) Cash Flows from Investing Activities</b>	(265.9)	(402.6)	(136.7)
Capital expenditures	(360.9)	(292.3)	68.6
(Increase)Decrease in securities	18.2	19.1	0.9
(Increase)Decrease in time deposits	128.9	(113.5)	(242.4)
Other	(52.3)	(15.9)	36.4
<b>(3) Cash Flows from Financing Activities</b>	(344.3)	(409.0)	(64.7)
Increase(Decrease) in borrowings	(5.7)	226.9	232.6
Cash dividends paid	(204.7)	(203.1)	1.6
Purchases of treasury stock	(100.0)	(400.0)	(300.0)
Other	(33.9)	(32.8)	1.1
<b>(4) Effect of Exchange Rate Changes on Cash and Cash Equivalents, and other</b>	(15.7)	1.6	17.3
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(9.2)	(358.3)	(349.1)
<b>Balance of Cash and Cash Equivalents</b>	580.9	524.3	(56.6)
<b>Balance of Interest-bearing Liabilities</b>	19.0	243.4	224.4

Note : These statements were prepared on an informal basis.

## 6. Cash Dividends per Share

(Yen)

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(Forecast)

Fiscal year ended March		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Cash Dividends per Share (Yen)	Interim	12	13	20	22	22	30	45	50	53	53
	Annual	24	28	40	44	50	80	100	100	106	* 106
Net Income per Share (Yen)	Annual	83	125	145	151	141	241	348	259	270	* 250
Dividend payout ratio	Annual	29%	22%	28%	29%	35%	33%	29%	38%	39%	* 42%
Dividend on equity ratio	Annual	2.5%	2.7%	3.5%	3.6%	3.8%	5.4%	5.7%	4.9%	4.7%	* 4.6%

\* Forecast

## 7. Sales by Manufacturing Location for Each Segment

(Billions of yen)

		Electronics Materials	Infrastructure Materials	Functional Materials	Processing & Specialized Services	Total
2024 Apr - Dec	Goods Manufactured in Japan	581.3	90.0	215.5	75.9	962.9
	Goods Manufactured overseas	127.8	687.5	125.7	25.6	966.7
		709.1	777.5	341.3	101.5	1,929.6
2025 Apr - Dec	Goods Manufactured in Japan	616.4	92.9	222.0	76.5	1,008.0
	Goods Manufactured overseas	133.8	654.9	111.7	25.3	925.9
		750.3	747.9	333.7	101.9	1,934.0

## 8. Sales by Region

(Billions of yen)

	Japan	Overseas						Total Consolidated Net Sales
		U.S.	Asia/Oceania		Europe	Other Areas	Total	
				China				
2024 Apr - Dec	21%	31%	32%	9%	9%	7%	79%	1,929.6
	395.9	604.2	622.3	177.0	181.0	126.1	1,533.7	
2025 Apr - Dec	21%	28%	35%	9%	9%	7%	79%	1,934.0
	412.3	533.4	670.8	182.5	183.6	133.7	1,521.6	

Note: % indicates the proportion of total consolidated net sales.

## 9. Average Exchange Rate

		US\$ (yen/\$)					EUR (yen/€)				
		Quarterly	9 months		12 months		Quarterly	9 months		12 months	
			Jan-Sep	Apr-Dec	Jan-Dec	Apr-Mar		Jan-Sep	Apr-Dec	Jan-Dec	Apr-Mar
2024	Jan-Mar	148. 6	151. 3		151. 6		161. 3	164. 4		163. 9	
	Apr-Jun	155. 9				167. 9					
	Jul-Sep	149. 4		152. 6		164. 0	164. 8		163. 7		
	Oct-Dec	152. 4			162. 6						
2025	Jan-Mar	152. 6	148. 2		149. 7		160. 5	165. 5		169. 0	
	Apr-Jun	144. 6				163. 8					
	Jul-Sep	147. 5		148. 7		172. 3	171. 8		169. 0		
	Oct-Dec	154. 2			179. 4						

Note: An average exchange rate between January and September was used for the Consolidated Income Statements of overseas subsidiaries.