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Date of the filing of semi-annual securities report: November 13, 2026

Date of dividend payment: November 18, 2026

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 Half Ended September 30, 2026

(From April 1, 2026 to September 30, 2026)

(1) Results of consolidated operations

(Millions of yen)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
April - September 2026	1,420,684	10.6%	385,918	15.6%	415,108	13.0%	286,939	11.3%
April - September 2025	1,284,522	1.4%	333,935	(17.7%)	367,339	(17.1%)	257,844	(12.3%)

(Note) Comprehensive income (Millions of yen) From April 1, 2026 to September 30, 2026: 407,148 [416.8 %]

From April 1, 2025 to September 30, 2025: 78,788 [(88.2 %)]

	Net income per share (yen)		Diluted net income per share (yen)	
April - September 2026	155.71	14.0%	155.45	13.8%
April - September 2025	136.61	(7.6%)	136.56	(7.5%)

(2) Consolidated financial position

(Millions of yen)

	Total assets	Net assets	Stockholders' equity ratio	Net assets per share (yen)
September 30, 2026	5,955,899	4,688,362	75.6%	2,480.18
March 31, 2026	5,661,907	4,643,307	78.7%	2,400.39

(Reference) Stockholders' equity (Millions of yen) As of September 30, 2026: 4,503,343 As of March 31, 2026: 4,456,833

2. Cash Dividends

	Cash dividends per share in the fiscal year (yen)				
	1 st quarter	2 nd quarter	3 rd quarter	Year-end	Fiscal year
April 2025 - March 2026	-	53.00	-	53.00	106.00
April 2026 - March 2027	-	78.00			
April 2026 - March 2027 (forecast)			-	58.00	136.00

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

Dividend per share for the 2nd quarter of the fiscal year ending March 31, 2027, consists of an ordinary dividend of ¥58 and a 100th anniversary commemorative dividend of ¥20.

3. Forecast of Consolidated Operating Performance for the Fiscal Year Ending March 31, 2027

(From April 1, 2026 to March 31, 2027)

(Millions of yen)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share (yen)	
Fiscal year	2,700,000	4.9%	700,000	10.2%	770,000	8.7%	525,000	10.7%	286.00	13.2%

(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 half ended September 30, 2026: No

(2) Adoption of special accounting methods for presenting 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: Yes

Changes in accounting policies other than the above: No

Changes in accounting estimates: No

Retrospective restatement: No

(Note) Please see [2. Consolidated Financial Statements (4) Notes to Consolidated Financial Statements, “Notes on Changes in Accounting Policies Applied”] on page 14 for further details.

(4) Number of shares outstanding (common stock)

	September 30, 2026	March 31, 2026
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	169,263,147	128,283,489
	April - September 2026	April - September 2025
Weighted-average number of shares outstanding over period	1,842,756,911	1,887,444,198

(Note) A resolution was made at the Board of Directors Meeting held on April 28, 2026 concerning the repurchase of up to 45 million shares (250 billion yen) by April 27, 2027. We have repurchased 10,069,480 shares (52,713 million yen) in July 2026 and 34,672,400 shares (197,285 million yen) in August 2026. As a result, the acquisition of treasury shares pursuant to the resolution has been completed.

(Information regarding audit procedures)

The financial information contained in this report is not subject to audit procedures by independent auditors.

The review report will be attached to the semi-annual securities report scheduled to be submitted on November 13, 2026.

(Attached Documents)

INDEX

1. Results of Operations and Financial Overview	2
(1) Quarterly Results of Operations Overview	2
(2) Explanation Regarding Information Relevant to Forecasts such as Consolidated Business Forecast	8
2. Consolidated Financial Statements	9
(1) Consolidated Balance Sheets.....	9
(2) Consolidated Statements of Income and Statements of Comprehensive Income	11
(3) Consolidated Statements of Cash Flows	13
(4) Notes to Consolidated Financial Statements	14
(Notes on Premise of Going Concern).....	14
(Notes on Significant Changes in Stockholders' Equity)	14
(Notes on Changes in Accounting Policies Applied).....	14

(Appendix)

1. Quarterly Operating Results	15
2. Capital Expenditures and Depreciation and Amortization	16
3. Other Financial Items (Consolidated)	17
4. Comparative Balance Sheets (Consolidated).....	17
5. Cash Dividends per Share	18
6. Sales by Manufacturing Location for Each Segment	18
7. Sales by Region	19
8. Average Exchange Rate	19
9. Topics (Apr. 2026 – Sep. 2026).....	20
10. Capital Investments (that have been announced).....	20

1. Results of Operations and Financial Overview

(1) Quarterly Results of Operations Overview

During the first half of the fiscal year ending March 31, 2027 (April 1, 2026 to September 30, 2026), the global economy progressed in a manner actualizing the real GDP growth rate in the 3% range indicated by the International Monetary Fund this month in its World Economic Outlook Report for this fiscal year, despite facing various challenges. In addition to trade frictions with no end or resolution in sight and geopolitical divisions and turmoil, inflationary pressures continued unabated and interest rates rose in response. Nevertheless, we believe that the global economy has managed to hold up thanks to the continuing spectacular expansion of AI-related investment, which has induced investment across various industries, and the unrelenting efforts made by companies.

Under these circumstances, we have also 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 increased by 27%, the ordinary income increased by 20% in the July-September of the current fiscal year compared with the same period of the previous year. 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 first half of the fiscal year ending March 31, 2027, are as follows:

	2025 Apr - Sep	2026 Apr - Sep	(Billions of yen)		2026	
			Increase (Decrease)		Apr - Jun	Jul - Sep
Net sales	1,284.5	1,420.6	11%	136.1	662.4	758.2
Operating income	333.9	385.9	16%	52.0	173.7	212.1
Ordinary income	367.3	415.1	13%	47.8	192.1	222.9
Net income attributable to owners of parent	257.8	286.9	11%	29.1	130.8	156.1

Ratio of operating income to net sales	26.0%	27.2%	1 point
Ratio of net income attributable to owners of parent to net sales	20.1%	20.2%	0.1 point
ROIC (annualized)	15.9%	16.9%	1 point
ROE (annualized)	11.6%	12.8%	1 point
Per Share (Yen)			
Net Income	137	156	14%
			19
Cash Dividends	53	78	25
		(Ordinary) 58	5
		(Commemorative) 20	20

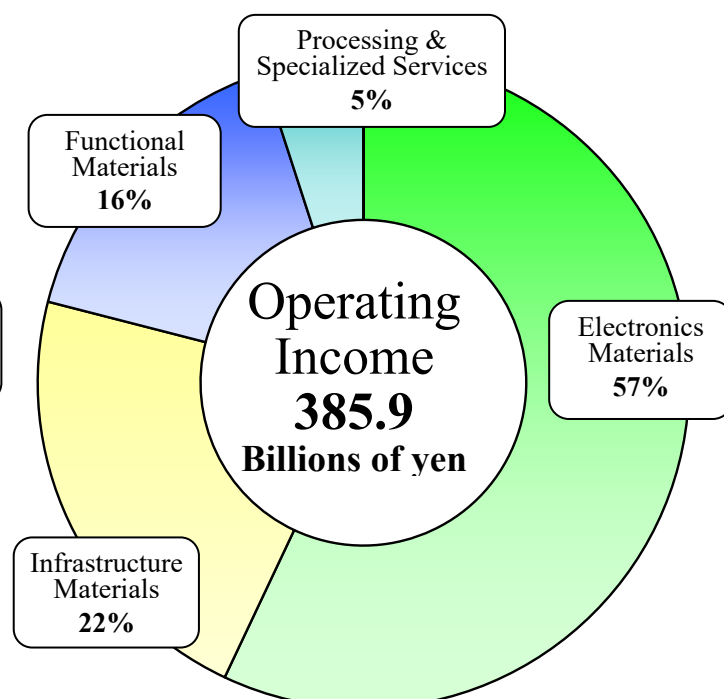
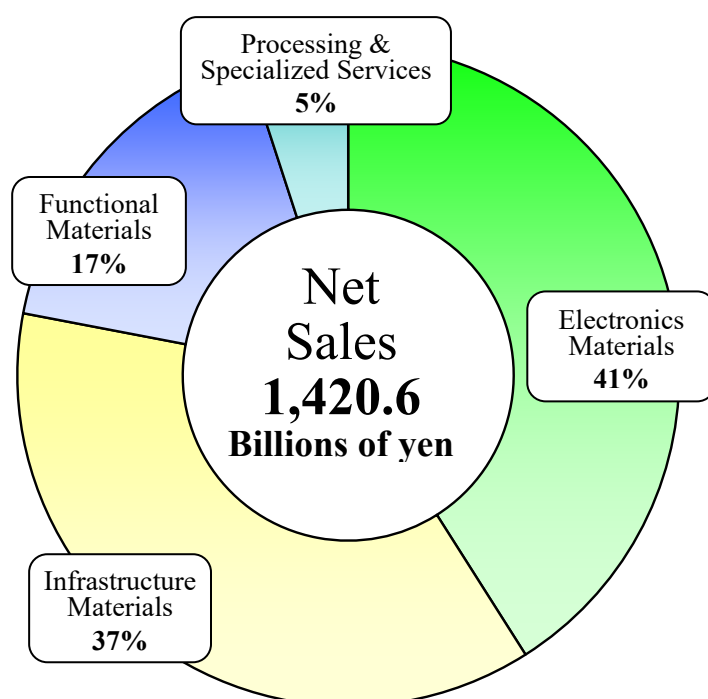
- Notes:
- ROIC: Return on invested capital
Net operating income after tax / (Net assets + Interest-bearing liabilities — Cash)
 - ROE: Return (net income attributable to owners of parent) on equity
Equity used for this calculation is net assets excluding both share subscription rights and non-controlling interests in consolidated subsidiaries.
 - ROIC, ROE (annualized) are calculated by doubling first-half net operating income after tax and net income attributable to owners of parent, respectively.
 - Commemorative dividend: 100th anniversary commemorative dividend

► 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)

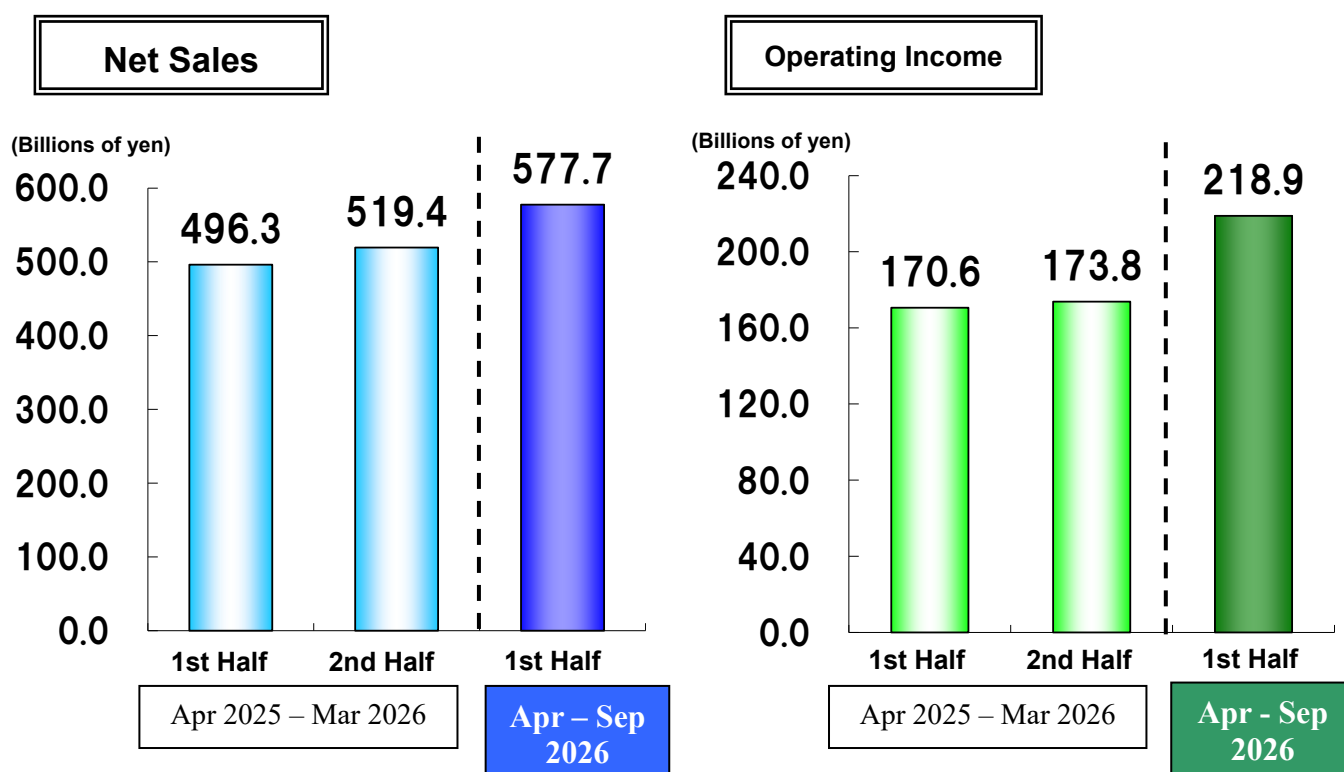
	Net Sales			Operating Income		
	2025 Apr - Sep	2026 Apr - Sep	Increase (Decrease)	2025 Apr - Sep	2026 Apr - Sep	Increase (Decrease)
Electronics Materials	496.3	577.7	16% 81.4	170.6	218.9	28% 48.3
Infrastructure Materials	500.4	522.1	4% 21.7	102.3	86.2	(16%) (16.1)
Functional Materials	220.6	245.6	11% 25.0	48.1	63.2	31% 15.1
Processing & Specialized Services	67.1	75.1	12% 8.0	13.6	17.4	28% 3.8
Total	1,284.5	1,420.6	11% 136.1	333.9	385.9	16% 52.0



Electronics Materials

	Apr - Sep 2025 (Billions of yen)	Apr - Sep 2026 (Billions of yen)	Increase / (Decrease)
Net sales	496.3	577.7	16%
Operating income	170.6	218.9	28%

The semiconductor market grew significantly, driven by what could be called historic AI-related investment, centered on data centers. As a result, the supply of some products became tight. We increased the sales of semiconductor materials by implementing meticulous supply coordination and revising prices.

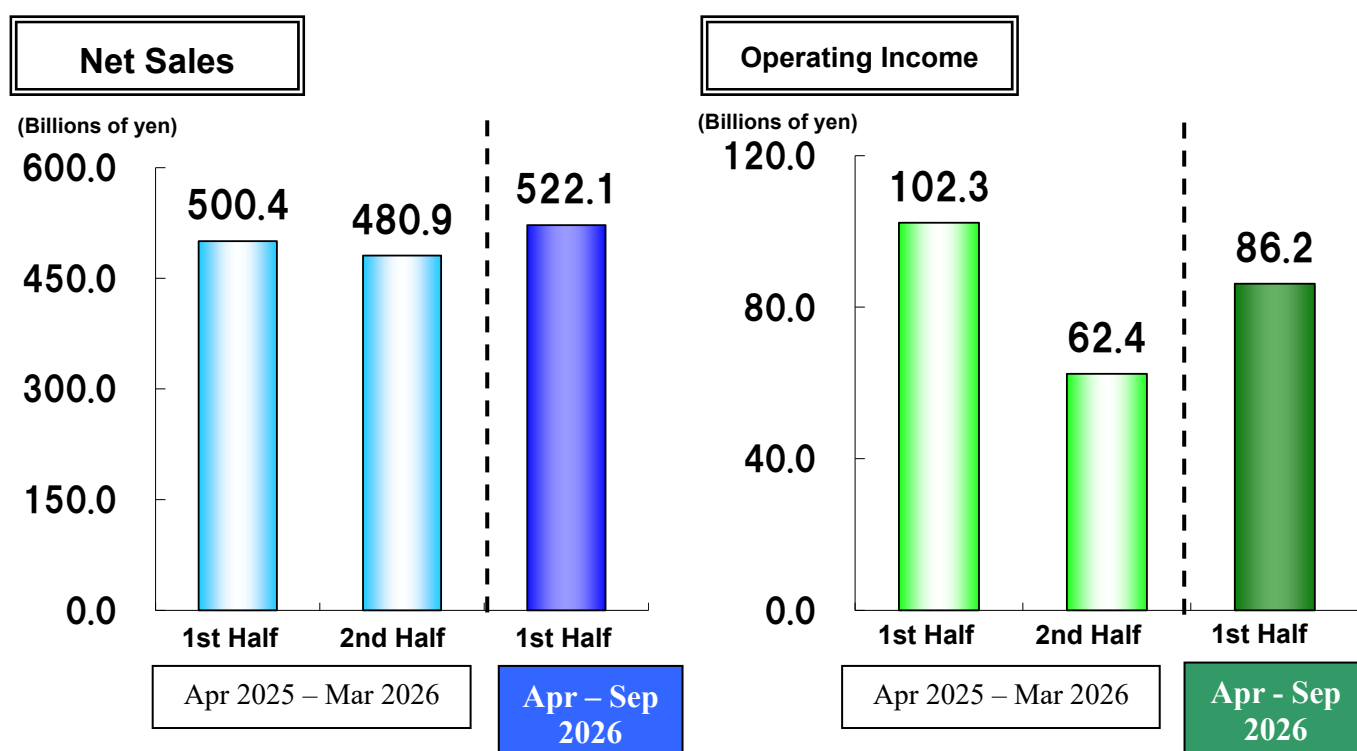


- Implementing measures to reliably capture the growth of the semiconductor market, which is expected to reach an annual scale of \$2 trillion in three years.
- Strengthening and expanding electronic materials technologies needed for the formation and advancement of the AI economic zone.
- Promote measures to address raw materials issues for magnetic materials business.

Infrastructure Materials

	Apr - Sep 2025 (Billions of yen)	Apr - Sep 2026 (Billions of yen)	Increase / (Decrease)
Net sales	500.4	522.1	4%
Operating income	102.3	86.2	(16%)

As for PVC, market conditions weakened in the latter half of May this year due to overstock and slowing demand in Asia and the surrounding regions; however, we were able to implement a price increase in July. Since then, although market conditions have seesawed, price have remained stable. Caustic soda remained generally firm.

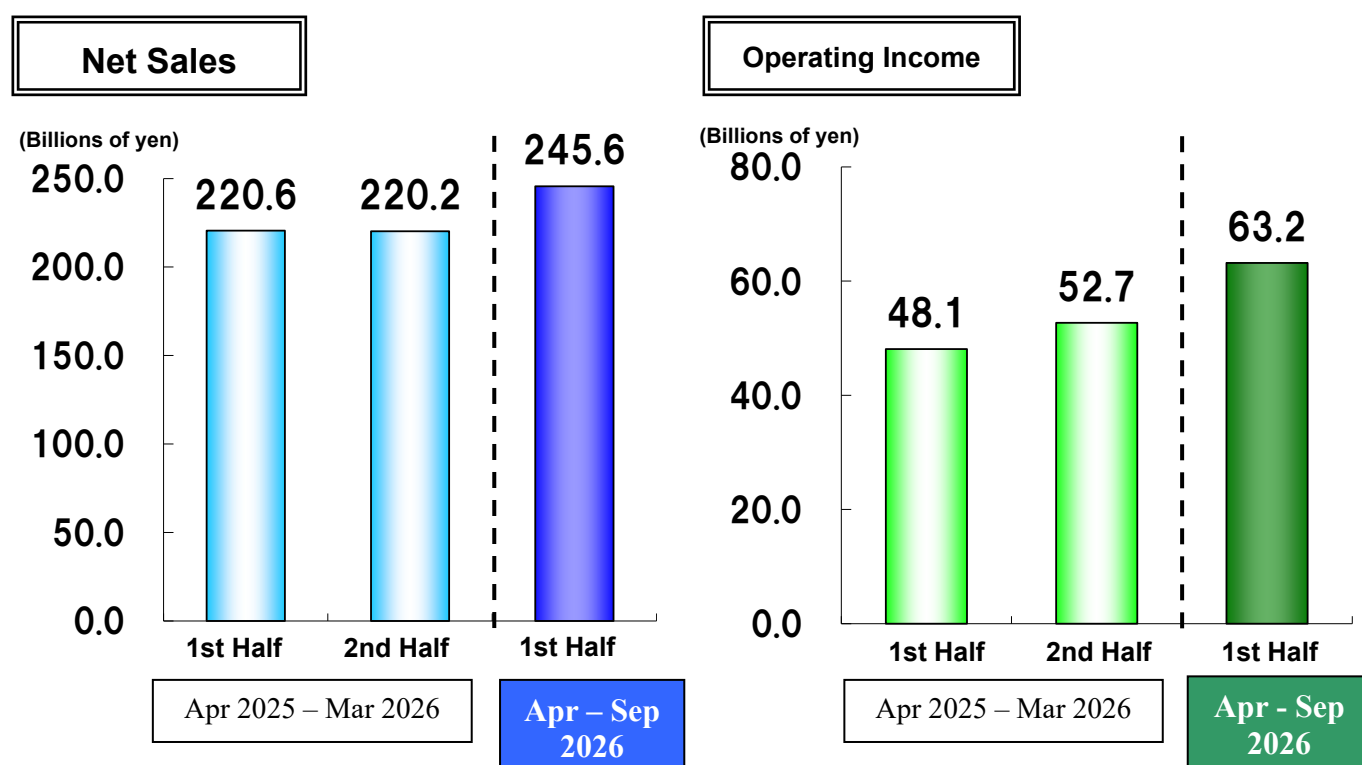


- Maintaining price levels and timely price increases.

Functional Materials

	Apr - Sep 2025 (Billions of yen)	Apr - Sep 2026 (Billions of yen)	Increase / (Decrease)
Net sales	220.6	245.6	11%
Operating income	48.1	63.2	31%

We further increased the sales of our high-value-added product lineup, which are one of our strengths, and led to improved profitability.

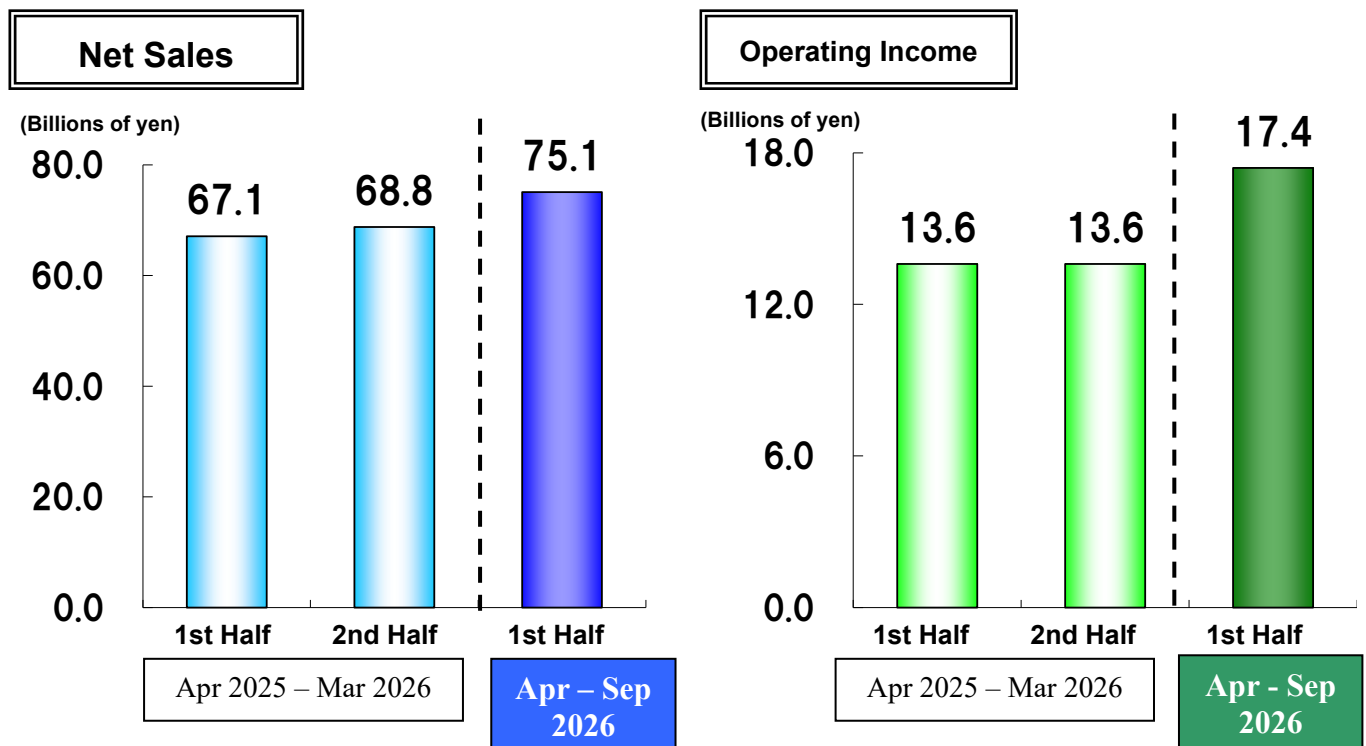


- Accelerate the launch of proprietary (Shin-Etsu Chemical originals) products fully utilizing silicones.
- Product development and strengthening the supply system necessary for building AI infrastructure.
- Growth in cellulose derivatives products for pharmaceuticals application.

Processing & Specialized Services

	Apr - Sep 2025 (Billions of yen)	Apr - Sep 2026 (Billions of yen)	Increase / (Decrease)
Net sales	67.1	75.1	12%
Operating income	13.6	17.4	28%

The demand for semiconductor-related containers was strong, resulting in increased sales.



- Technological development and expansion of the supply system necessary for building AI infrastructure.

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

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

	FY 2025 25/4 - 26/3 Actual	FY 2026 26/4 - 27/3 Forecast	Increase (Decrease)
Net sales	2,573.9	2,700.0	5%
Operating income	635.2	700.0	10%
Ordinary income	708.2	770.0	9%
Net income attributable to owners of parent	474.4	525.0	11%
Net income per share (Yen)	253	286	13%

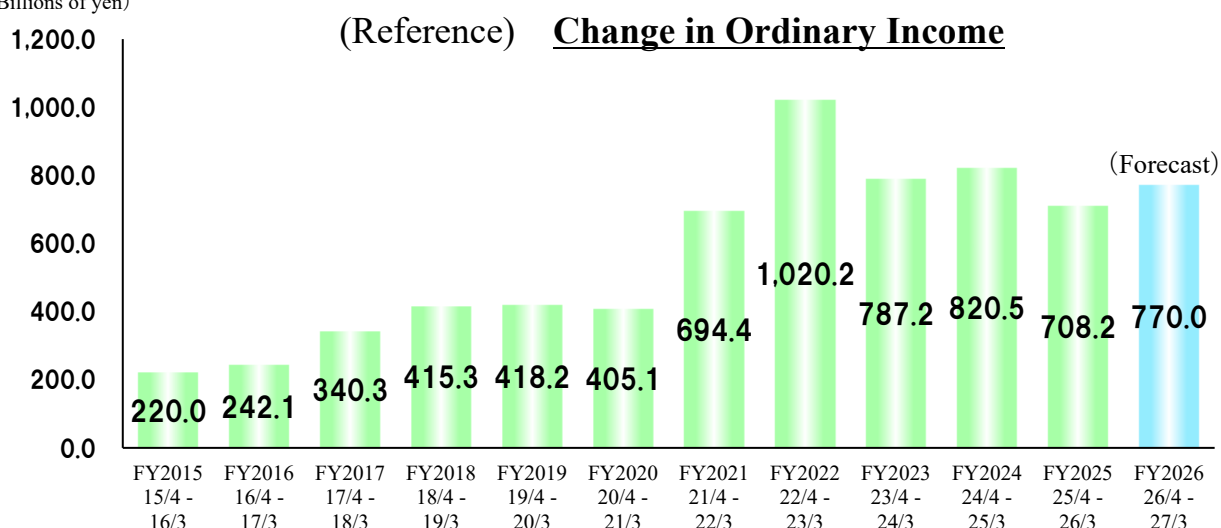
Ratio of operating income to net sales	24.7%	25.9%	1 point
Ratio of net income attributable to owners of parent to net sales	18.4%	19.4%	1 point

Cash Dividends per Share (Yen)	106	136 (Ordinary)116 (Commemorative)20	30 10 20
Dividend on equity ratio	4.4%	5.5%	1 point
Dividend payout ratio	41.9%	47.6%	6 points

- (Notes) • 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, 2027].
- The dividend on equity ratio and dividend payout ratio are calculated including the 100th anniversary commemorative dividend. Based solely on the ordinary dividend, the dividend on equity ratio is 4.7% and the dividend payout ratio is 40.6%.

The annual dividend is expected to be ¥136 per share as announced on September 15. The interim dividend is ¥78 per share, consisting of the ordinary dividend of ¥58 and the 100th anniversary commemorative dividend of ¥20. The year-end dividend is expected to be ¥58 per share.

(Billions of yen)



2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

As of March 31 and September 30, 2026

	Millions of yen	
	March 31, 2026	September 30, 2026
ASSETS		
Current Assets:		
Cash and deposits	1,660,060	1,751,095
Notes, accounts receivable-trade and contract assets	535,383	633,061
Securities	7,035	1,869
Inventories	790,911	816,089
Other	126,156	106,691
Less: Allowance for doubtful accounts	(13,491)	(11,151)
Total current assets	3,106,055	3,297,654
Fixed Assets:		
Property, plant and equipment:		
Machinery and equipment, net	1,044,095	1,071,430
Other, net	1,109,192	1,176,416
Total property, plant and equipment	2,153,287	2,247,847
Intangible assets	34,695	33,276
Investments and other assets:		
Investments and other assets	372,487	381,695
Less: Allowance for doubtful accounts	(4,618)	(4,574)
Total investments and other assets	367,868	377,121
Total fixed assets	2,555,852	2,658,244
TOTAL ASSETS	5,661,907	5,955,899

	Millions of yen	
	March 31, 2026	September 30, 2026
LIABILITIES		
Current Liabilities:		
Notes and accounts payable-trade	176,399	192,695
Short-term borrowings	6,929	4,163
Accrued income taxes	89,167	103,922
Provisions	6,727	6,212
Other	243,407	300,733
Total current liabilities	522,631	607,727
Long-term Liabilities:		
Long-term borrowings	236,366	397,437
Net defined benefit liability	25,966	26,850
Other	233,637	235,520
Total long-term liabilities	495,969	659,809
TOTAL LIABILITIES	1,018,600	1,267,536
NET ASSETS		
Stockholders' Equity:		
Common stock	119,419	119,419
Additional paid-in capital	126,256	126,245
Retained earnings	4,022,591	4,196,069
Less: Treasury stock, at cost	(612,696)	(844,574)
Total stockholders' equity	3,655,570	3,597,160
Accumulated Other Comprehensive Income:		
Unrealized gains (losses) on available-for-sale securities	42,390	49,114
Deferred gains (losses) on hedges	(997)	(319)
Foreign currency translation adjustments	749,285	849,134
Remeasurements of defined benefit plans	10,584	8,254
Total accumulated other comprehensive income	801,262	906,183
Share subscription rights	7,596	9,190
Non-controlling interests in consolidated subsidiaries	178,877	175,828
TOTAL NET ASSETS	4,643,307	4,688,362
TOTAL LIABILITIES AND NET ASSETS	5,661,907	5,955,899

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

Consolidated Statements of Income

For the first half ended September 30, 2025 and 2026

	Millions of yen	
	April 1, 2025 - September 30, 2025	April 1, 2026 - September 30, 2026
Net sales	1,284,522	1,420,684
Cost of sales	828,780	909,789
Gross profit	455,742	510,894
Selling, general and administrative expenses	121,806	124,976
Operating income	333,935	385,918
Non-operating income:		
Interest income	31,968	31,133
Other income	8,221	12,700
Total non-operating income	40,189	43,834
Non-operating expenses:		
Foreign exchange losses	2,721	6,281
Other expenses	4,064	8,362
Total non-operating expenses	6,786	14,643
Ordinary income	367,339	415,108
Extraordinary income:		
Gain on sale of investment securities	9,665	6,240
Total extraordinary income	9,665	6,240
Income before income taxes and non-controlling interests	377,005	421,349
Income taxes:		
Current	105,499	127,337
Deferred	(2,900)	(6,924)
Total income taxes	102,598	120,412
Net income	274,406	300,937
Net income attributable to non-controlling interests	16,562	13,997
Net income attributable to owners of parent	257,844	286,939

Consolidated Statements of Comprehensive Income

For the first half ended September 30, 2025 and 2026

	Millions of yen	
	April 1, 2025 - September 30, 2025	April 1, 2026 - September 30, 2026
Net income	274,406	300,937
Other comprehensive income:		
Unrealized gains (losses) on available-for-sale securities	243	6,869
Deferred gains (losses) on hedges	(1,119)	677
Foreign currency translation adjustments	(192,606)	100,864
Remeasurements of defined benefit plans	(2,362)	(2,329)
Share of other comprehensive income of affiliates accounted for using the equity method	226	129
Total other comprehensive income	(195,618)	106,211
Comprehensive income	78,788	407,148
(Breakdown)		
Comprehensive income attributable to owners of parent	63,277	391,860
Comprehensive income attributable to non-controlling interests	15,510	15,288

(3) Consolidated Statements of Cash Flows

For the first half ended September 30, 2025 and 2026

	Millions of yen	
	April 1, 2025 - September 30, 2025	April 1, 2026 - September 30, 2026
Cash flows from operating activities:		
Income before income taxes and non-controlling interests	377,005	421,349
Depreciation and amortization	116,312	115,787
Loss (gain) on sale of investment securities	(9,665)	(6,240)
Interest and dividend income	(34,290)	(34,130)
Exchange (gains) losses	(3,277)	6,876
(Increase) decrease in accounts receivable	(57,672)	(89,168)
(Increase) decrease in inventories	15,642	(14,781)
Increase (decrease) in accounts payable	(8,012)	14,011
Other, net	25,026	63,400
Subtotal	421,068	477,104
Proceeds from interest and dividends	38,786	33,364
Payments of interest	(592)	(1,660)
Payments of income taxes	(112,194)	(98,051)
Net cash provided by operating activities	347,066	410,757
Cash flows from investing activities:		
Net (increase) decrease in time deposits	(79,334)	(92,034)
Net (increase) decrease in marketable securities	(6,355)	950
Purchases of investments in securities	(1,742)	(1,730)
Proceeds from sales and redemption of investments in securities	14,953	7,125
Purchases of property, plant and equipment	(213,920)	(169,121)
Other, net	(14,302)	(1,752)
Net cash used for investing activities	(300,701)	(256,562)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	(864)	(1,755)
Proceeds from long-term borrowings	230,010	161,050
Repayments of long-term borrowings	(1,343)	(1,086)
Purchases of treasury stock	(400,002)	(250,002)
Cash dividends paid	(103,886)	(98,405)
Other, net	(27,231)	(20,009)
Net cash used for financing activities	(303,317)	(210,209)
Effect of exchange rate changes on cash and cash equivalents	(5,662)	8,184
Net increase (decrease) in cash and cash equivalents	(262,614)	(47,830)
Cash and cash equivalents at beginning of period	882,736	562,089
Cash and cash equivalents at end of period	620,121	514,258

(4) Notes to Consolidated Financial Statements

(Notes on Premise of Going Concern)

Not applicable

(Notes on Significant Changes in Stockholders' Equity)

Not applicable

(Notes on Changes in Accounting Policies Applied)

(Application of “Accounting Standard for Interim Financial Reporting”, etc.)

“Accounting Standard for Interim Financial Reporting” (ASBJ Statement No.37, on October 16, 2025) and “Implementation Guidance on Accounting Standard for Interim Financial Reporting” (ASBJ Implementation Guidance No.34, on October 16, 2025) are applied from the first half of the fiscal year ending March 31, 2027. These changes had no impact on the consolidated financial statements.

(Application of “Practical Guidelines on Accounting for Financial Instruments”)

“Practical Guidelines on Accounting for Financial Instruments” (ASBJ Transferred Guidance No. 9, on March 11, 2025) is applied from the first half of the fiscal year ending March 31, 2027. This change had no impact on the consolidated financial statements.

(Appendix)

1. Quarterly Operating Results

(Billions of yen)

	FY 2025 April 1, 2025 - March 31, 2026					FY 2026 April 1, 2026 - March 31, 2027		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	Total
Net Sales	628.5	655.9	649.4	639.9	2,573.9	662.4	758.2	1,420.6
Electronics Materials	240.2	256.0	254.0	265.4	1,015.7	279.2	298.4	577.7
Infrastructure Materials	244.4	256.0	247.4	233.4	981.3	227.7	294.3	522.1
Functional Materials	110.0	110.6	113.1	107.0	440.8	118.2	127.4	245.6
Processing & Specialized Services	33.9	33.2	34.8	34.0	135.9	37.1	38.0	75.1
Operating Income	166.8	167.1	164.0	137.1	635.2	173.7	212.1	385.9
Electronics Materials	83.1	87.5	88.5	85.3	344.5	101.9	117.0	218.9
Infrastructure Materials	52.8	49.5	43.9	18.5	164.8	34.8	51.4	86.2
Functional Materials	24.0	24.1	24.3	28.3	100.9	28.8	34.3	63.2
Processing & Specialized Services	7.1	6.5	7.5	6.1	27.3	7.6	9.8	17.4
Ordinary Income	181.6	185.7	190.0	150.8	708.2	192.1	222.9	415.1
Net Income Attributable to Owners of Parent	126.4	131.4	126.4	90.1	474.4	130.8	156.1	286.9
R&D Costs	18.2	19.0	18.2	22.2	77.8	17.0	18.2	35.3
Overseas Sales	490.3	518.2	513.0	502.3	2,024.0	506.7	601.5	1,108.3
Ratio of Overseas Sales to Net Sales	78%	79%	79%	78%	79%	76%	79%	78%

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

(Billions of yen)

	FY 2025 April 1, 2025 - March 31, 2026					FY 2026 April 1, 2026 - March 31, 2027		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	Total
Capital Expenditures	66.1	138.4	74.8	60.2	339.7	91.7	75.0	166.7
Electronics Materials	33.5	105.2	36.6	36.9	212.3	44.8	32.4	77.2
Infrastructure Materials	18.0	18.5	21.1	10.1	67.8	35.4	27.9	63.4
Functional Materials	12.4	13.6	16.8	13.0	56.0	9.5	12.6	22.2
Processing & Specialized Services	2.6	1.7	1.4	1.3	7.2	1.8	2.2	4.0
Depreciation and Amortization	57.3	58.9	61.3	65.3	242.9	57.5	58.1	115.7
Electronics Materials	25.6	27.4	27.3	29.1	109.5	25.3	26.0	51.3
Infrastructure Materials	21.0	20.5	21.8	22.5	86.1	21.2	21.7	43.0
Functional Materials	9.0	9.3	10.3	11.5	40.3	9.5	9.0	18.5
Processing & Specialized Services	1.8	2.0	2.1	2.3	8.3	1.7	1.7	3.5

Annual

(Billions of yen)

	Apr 2026 - Mar 2027 Forecast
Investments	380.0
Depreciation and Amortization	240.0

3. Other Financial Items (Consolidated)

(Billions of yen)

	Sep 30 2025	Sep 30 2026	Mar 31 2026
Net Assets	4,381.4	4,688.3	4,643.3
Total Assets	5,356.7	5,955.8	5,661.9
Net Assets per Share (Yen)	2,251	2,480	2,400
Interest-bearing Liabilities	243.9	401.6	243.2
Number of Employees	27,234	28,239	27,342
Exchange Rate: Jan - Jun (Avg)	148.6	158.2	
(Yen/US\$) Apr - Sep (Avg)	146.0	159.4	

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

4. Comparative Balance Sheets (Consolidated)

(Billions of yen)

	Mar 31 2026	Sep 30 2026	Increase (Decrease)	Effect of exchange rate *	[a]-[b]		Mar 31 2026	Sep 30 2026	Increase (Decrease)	Effect of exchange rate *	[a]-[b]
			[a]	[b]					[a]	[b]	
Current Assets	3,106.0	3,297.6	191.6	73.3	118.3	Current Liabilities	522.6	607.7	85.1	6.1	79.0
Cash and deposits	1,660.0	1,751.0	91.0	52.3	38.7	Notes and accounts payable-trade	176.3	192.6	16.3	2.3	14.0
Notes and accounts receivable-trade	535.3	633.0	97.7	8.5	89.2	Other	346.2	415.0	68.8	3.8	65.0
Securities	7.0	1.8	(5.2)	0.1	(5.3)	Long-term Liabilities	495.9	659.8	163.9	6.8	157.1
Inventories	790.9	816.0	25.1	10.6	14.5	Long-term borrowings	236.3	397.4	161.1	0.0	161.1
Other	112.6	95.5	(17.1)	1.8	(18.9)	Other	259.6	262.3	2.7	6.8	(4.1)
						Total Liabilities	1,018.6	1,267.5	248.9	12.9	236.0
Fixed Assets	2,555.8	2,658.2	102.4	45.1	57.3	Stockholders' Equity	3,655.5	3,597.1	(58.4)	0.0	(58.4)
Property, Plant and Equipment and Intangible Assets	2,187.9	2,281.1	93.2	43.4	49.8	Accumulated Other Comprehensive Income	801.2	906.1	104.9	100.9	4.0
Investments and Other Assets	367.8	377.1	9.3	1.7	7.6	Other	186.4	185.0	(1.4)	4.6	(6.0)
						Total Net Assets	4,643.3	4,688.3	45.0	105.5	(60.5)
Total Assets	5,661.9	5,955.8	293.9	118.4	175.5	Total Liabilities and Net Assets	5,661.9	5,955.8	293.9	118.4	175.5

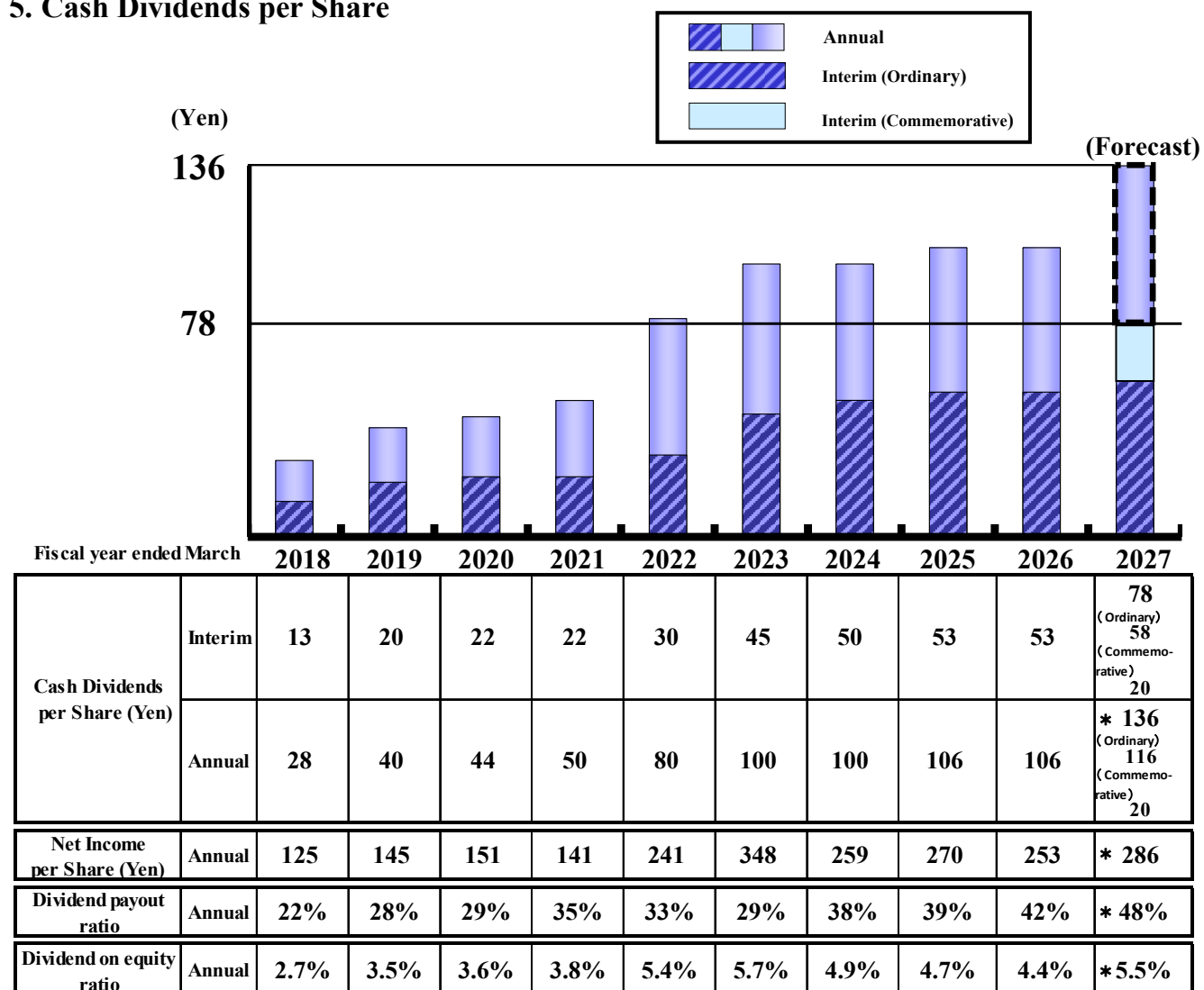
* Effect of exchange rate

For conversion into Japanese yen of the balance sheets of overseas subsidiaries, the exchange rate at the end of December 2025 was used for the end of the fiscal year ended March 31, 2026 in accordance with the fiscal year end of such overseas subsidiaries.
The exchange rate at the end of June 2026 was used for the first half of the fiscal year ending March 31, 2027.

Exchange Rate at End of December 2025: 156.6yen/US\$

Exchange Rate at End of June 2026: 162.4yen/US\$

5. Cash Dividends per Share



*Forecast

Note: The commemorative dividend marks the Company's 100th anniversary. The dividend payout ratio and dividend on equity ratio are calculated including the commemorative dividend. Based solely on the ordinary dividend, the dividend payout ratio is 41% and the dividend on equity ratio is 4.7%.

6. Sales by Manufacturing Location for Each Segment

(Billions of yen)

		Electronics Materials	Infrastructure Materials	Functional Materials	Processing & Specialized Services	Total
2025 April - Sep	Goods Manufactured in Japan	408.0	59.3	143.5	50.3	661.2
	Goods Manufactured overseas	88.2	441.0	77.1	16.8	623.2
		496.3	500.4	220.6	67.1	1,284.5
2026 April - Sep	Goods Manufactured in Japan	466.2	54.1	160.9	56.5	738.0
	Goods Manufactured overseas	111.4	467.9	84.7	18.5	682.6
		577.7	522.1	245.6	75.1	1,420.6

7. Sales by Region

(Billions of yen)

		Japan	Overseas						Total Consolidated Net Sales
			U.S.	Asia/Oceania		Europe	Other Areas	Total	
					China				
	First Half	21%	28%	35%	10%	9%	7%	79%	1,284.5
	Apr - Sep 2025	275.9	351.1	443.1	122.2	119.7	94.5	1,008.6	
	Second Half	21%	28%	36%	10%	9%	6%	79%	1,289.4
	Oct 2025 - Mar 2026	274.0	353.9	458.7	124.7	121.2	81.4	1,015.4	
	Fiscal Year	21%	28%	35%	10%	9%	7%	79%	2,573.9
	ended March 2026	549.9	705.0	901.9	246.9	241.0	175.9	2,024.0	
	First Half	22%	26%	34%	10%	11%	7%	78%	1,420.6
	Apr - Sep 2026	312.3	362.9	486.6	138.1	152.3	106.2	1,108.3	

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

8. Average Exchange Rate

		US\$ (yen/\$)					EUR (yen/€)				
		Quarterly	6 months		12 months		Quarterly	6 months		12 months	
			Jan-Jun	Apr-Sep	Jan-Dec	Apr-Mar		Jan-Jun	Apr-Sep	Jan-Dec	Apr-Mar
			Jul-Dec	Oct-Mar				Jul-Dec	Oct-Mar		
2025	Jan-Mar	152. 6	148. 6		149. 7		160. 5	162. 2		169. 0	
	Apr-Jun	144. 6				163. 8					
	Jul-Sep	147. 5	150. 8	146. 0		150. 8	172. 3	175. 9	168. 1		174. 8
	Oct-Dec	154. 2					179. 4				
2026	Jan-Mar	156. 9	158. 2	155. 5			183. 7	184. 5	181. 5		
	Apr-Jun	159. 5					185. 4				
	Jul-Sep	159. 3		159. 4				183. 3			

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

	US\$	EUR
Shin-Etsu's assumption for the forecast from October 2026	Around 157Yen/\$	Around 176Yen/€

9. Topics (Apr. 2026 – Sep. 2026)

Apr. 2026	Shin-Etsu Chemical has announced decisions for the repurchase of 45 million shares (maximum) (2.42% of the total shares issued and outstanding, excluding treasury shares), 250 billion yen (maximum)
May 2026	Notice regarding tender offer for own shares (as part of the share repurchase program of up to 250 billion yen announced in April 2026, approximately 52.7 billion yen was acquired)
May 2026	Shin-Etsu Chemical has established a new interim target for reducing greenhouse gas emissions
Jul. 2026	Notice regarding the acquisition of own shares through the off-auction share repurchase trading system (ToSTNet-3) (Acquisition of own shares through fully committed share repurchase (Japanese ASR)) (as part of the share repurchase program of up to 250 billion yen announced in April 2026, approximately 197.3 billion yen was acquired)
Sep. 2026	Notice regarding implementation of 100th anniversary commemorative dividend (20 yen per share)

★ Please refer to news releases related to these matters on our website at <https://www.shinetsu.co.jp/en/news/>

10. Capital Investments (that have been announced)

Company	Projects	Investment Amount	★ : Completion ☆ : Completion Schedule									
			2024		2025		2026		2027		2028	
			1H	2H	1H	2H	1H	2H	1H	2H	1H	2H
Shin-Etsu Chemical (Isesaki)	Build a new manufacturing and research-and-development base for semiconductor lithography materials	¥83 billion					★					
Shintech (USA)	Facility investment in PVC (2nd phase)	\$1.25 billion		★								
Shintech (USA)	Expansion of PVC feedstock production facilities	\$3.4 billion					*1	—	—	—	—	—
Shin-Etsu Chemical (Gunma, Takefu, Naoetsu)	Reinforcement of the production capacity for silicone advanced functional products line	¥80 billion	*2	—	—	—	★					
Shin-Etsu Chemical and main overseas bases (Gunma, Thailand, etc.)	Expansion of the applications of our silicones products and work to enhance the advanced functionality of our product line-up and expand our environmentally friendly silicones	¥100 billion		*2	—	—	—	—	—	—	—	—
Shin-Etsu Silicone (Pinghu) (China)	Construct a new silicone products plant	¥2.1 billion					★					
Shin-Etsu Chemical (Naoetsu)	Capital Investment in pharmaceutical cellulose products	¥10 billion						☆				
Shin-Etsu Chemical (Naoetsu) SE Tylose (Germany)	Strengthening of pharmaceutical cellulose products (Germany) and their warehouse storage capacity (Naoetsu)	¥10 billion				*3	★	*4	☆			

*1 Scheduled completion by the end of 2030

*2 Starting up gradually

*3 Naoetsu

*4 Germany