

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

Listing Stock Exchange: Tokyo and Nagoya

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Date of the filing of the quarterly consolidated financial statements: August 9, 2023

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 Quarter Ended June 30, 2023

(From April 1, 2023 to June 30, 2023)

(1) Results of consolidated operations

(Millions of yen)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
April - June 2023	599,201	(8.8%)	190,820	(23.6%)	217,115	(17.3%)	153,633	(16.6%)
April - June 2022	656,707	51.2%	249,620	93.8%	262,633	100.7%	184,124	92.3%

(Note) Comprehensive income (Millions of yen) From April 1, 2023 to June 30, 2023: 184,910 [(39.5 %)]
From April 1, 2022 to June 30, 2022: 305,432 [67.1%]

	Net income per share (yen)	Diluted net income per share (yen)
April - June 2023	76.13	76.06
April - June 2022	89.26	89.20

(Note) The Company enacted a five-for-one stock split of its common stock with an effective date of April 1, 2023. Based on "Accounting Standard for Earnings Per Share," per share information for the fiscal year ended March 31, 2023 represents the amount after the stock split.

(2) Consolidated financial position

(Millions of yen)

	Total assets	Net assets	Stockholders' equity ratio	Net assets per share (yen)
June 30, 2023	4,757,574	4,102,042	82.8%	1,950.53
March 31, 2023	4,730,394	4,026,209	81.8%	1,918.37

(Reference) Stockholders' equity (Millions of yen) As of June 30, 2023: 3,937,029 As of March 31, 2023: 3,870,394

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 2022 - March 2023	-	225.00	-	275.00	500.00
April 2023 - March 2024	-				
April 2023 - March 2024 (forecast)		50.00	-	50.00	100.00

(Note 1) Revision of the latest forecast of cash dividends: Yes

(Note 2) The Company enacted a five-for-one stock split of its common stock with an effective date of April 1, 2023. "Cash dividends per share" for April 2022 - March 2023 represents the actual amount prior to the stock split. For April 2023 - March 2024 (forecast), the amount after the stock split is shown, and the annual dividend (forecast) without reflecting the stock split would be ¥500 per share.

3. Forecast of Consolidated Operating Performance for the Fiscal Year Ending March 31, 2024

(From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share (yen)	
Fiscal year	2,300,000	(18.1%)	700,000	(29.9%)	760,000	(25.5%)	520,000	(26.6%)	257.60	

(Note) Revision of the latest forecast of consolidated operating performance: Yes

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) Changes in significant subsidiaries during the first quarter ended June 30, 2023: No

(Note) This item indicates whether there were changes in significant subsidiaries affecting the scope of consolidation during the first quarter ended June 30, 2023.

(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)

	June 30, 2023	March 31, 2023
Number of shares outstanding at period end	2,024,122,965	2,024,122,965
Number of shares of treasury stock at period end	5,686,705	6,576,200
	April - June 2023	April - June 2022
Weighted-average number of shares outstanding over period	2,018,063,509	2,062,871,230

(Note) Number of shares for the fiscal year ended March 31, 2023 is calculated based on the assumption that the stock split was implemented at the beginning of the same period.

(Information regarding quarterly review procedures)

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

(Attached Documents)

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1. Qualitative Information Regarding Quarterly Results

(1) Explanation Regarding the Operating Results

During the first quarter of the fiscal year ending March 31, 2024 (April 1 to June 30, 2023), the unfavorable situation of the economy and the market that transpired in the second half of the previous fiscal year did not improve generally, and adjustments continued in fields related to our main products. Under these circumstances, we 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, profits decreased from the same period of last year, but increased from the previous quarter. We will work to improve our operating performance with the recognition that no optimism is warranted on the economic situation. We will accelerate the development of products that are valuable to the customers and continue capital investments and R&D activities so as to meet the needs and demands of customers and markets in a timely manner.

The business results for the first quarter of the fiscal year ending March 31, 2024, are as follows:

	2022 April - June	2023 April - June	(Billions of yen) Increase (Decrease)	(Reference) 2023 January - March
Net sales	656.7	599.2	(9%) (57.5)	645.5
Operating income	249.6	190.8	(24%) (58.8)	189.9
Ordinary income	262.6	217.1	(17%) (45.5)	195.9
Net income attributable to owners of parent	184.1	153.6	(17%) (30.5)	129.7
ROIC (per annum)	35.4%	22.2%	(13 points)	
ROE (per annum)	21.9%	15.7%	(6 points)	
ROA (per annum)	25.5%	18.3%	(7 points)	
Net income per share (Yen)	89	76	(13)	

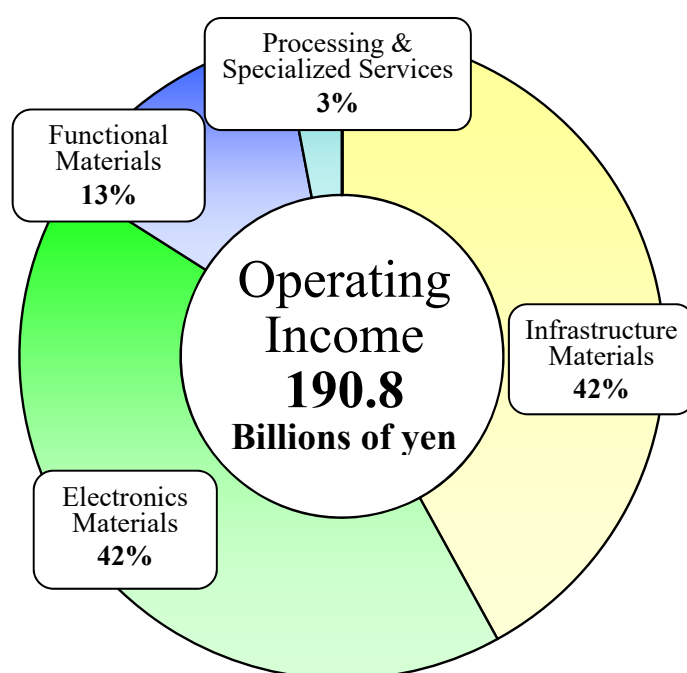
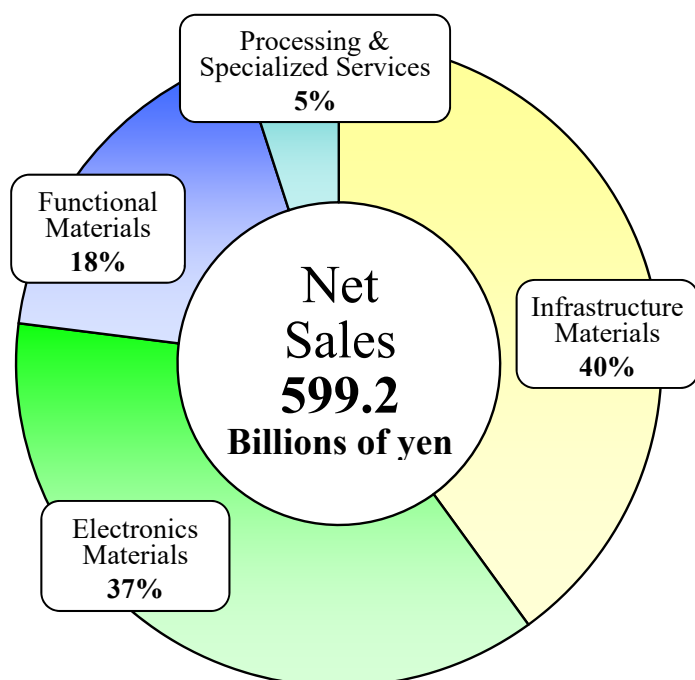
- Notes:
- ROIC: Return on invested capital
Net operating income after tax / (Net assets + Interest-bearing liabilities — Cash)
 - ROE: Return (Net Income) on equity
Equity used for this calculation is net assets excluding both share subscription rights and non-controlling interests in consolidated subsidiaries.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

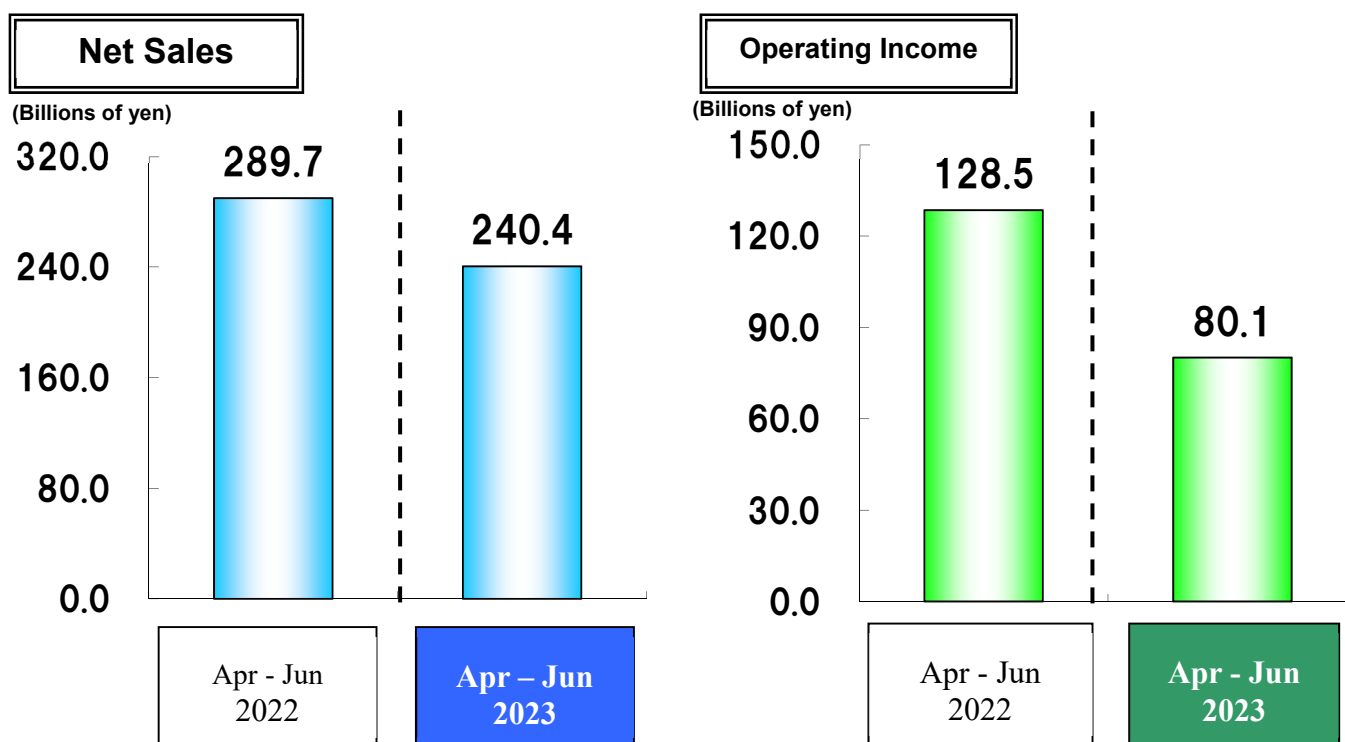
	Net Sales			Operating Income		
	2022 Apr - Jun	2023 Apr - Jun	Increase (Decrease)	2022 Apr - Jun	2023 Apr - Jun	Increase (Decrease)
Infrastructure Materials	289.7	240.4	(17%) (49.3)	128.5	80.1	(38%) (48.4)
Electronics Materials	211.1	220.5	4% 9.4	77.5	80.0	3% 2.5
Functional Materials	125.1	108.0	(14%) (17.1)	36.7	25.6	(30%) (11.1)
Processing & Specialized Services	30.6	30.1	(2%) (0.5)	7.0	5.4	(22%) (1.6)
Total	656.7	599.2	(9%) (57.5)	249.6	190.8	(24%) (58.8)



Infrastructure Materials

	Apr - Jun 2022 (Billions of yen)	Apr - Jun 2023 (Billions of yen)	Increase / (Decrease)
Net sales	289.7	240.4	(17%)
Operating income	128.5	80.1	(38%)

As for PVC, export pressures did not recover due to the weakness of construction and housing investment in China, and the market conditions did not improve as expected. The caustic soda market was in a similar situation.

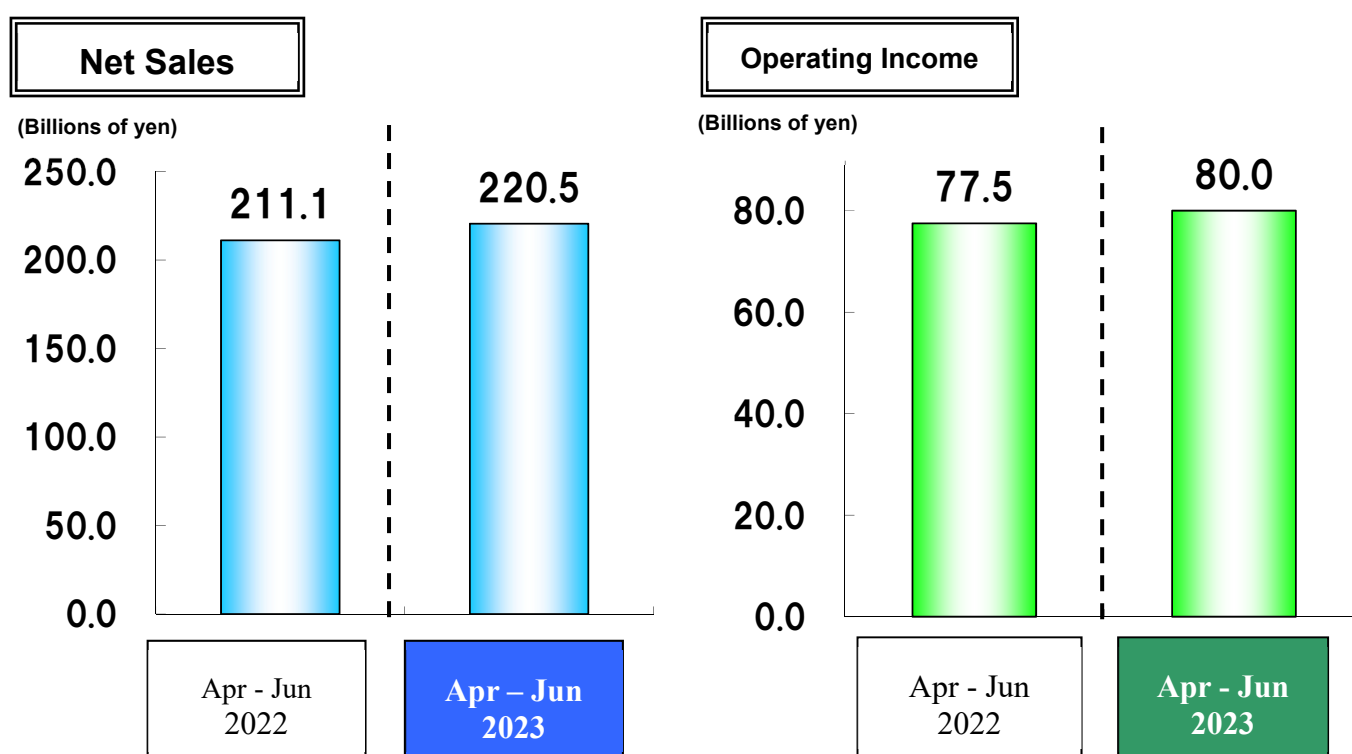


- Focus on price reversal.
- Taking advantage of the competitive edge of the US operation and conducting sales activities in the global market with meticulous care.
- Further improvement of the comprehensive strength of PVC business.

Electronics Materials

	Apr - Jun 2022 (Billions of yen)	Apr - Jun 2023 (Billions of yen)	Increase / (Decrease)
Net sales	211.1	220.5	4%
Operating income	77.5	80.0	3%

In the semiconductor market, the adjustment phase since the autumn of last year continued during the period under review. It is expected to take some time to settle. Under these circumstances, we focused on shipping semiconductor materials such as silicon wafer, photoresist and photomask blanks as planned. As for rare earth magnets, adjustment also continued in HDD application and industrial application, but we focused on expanding sales to other markets.

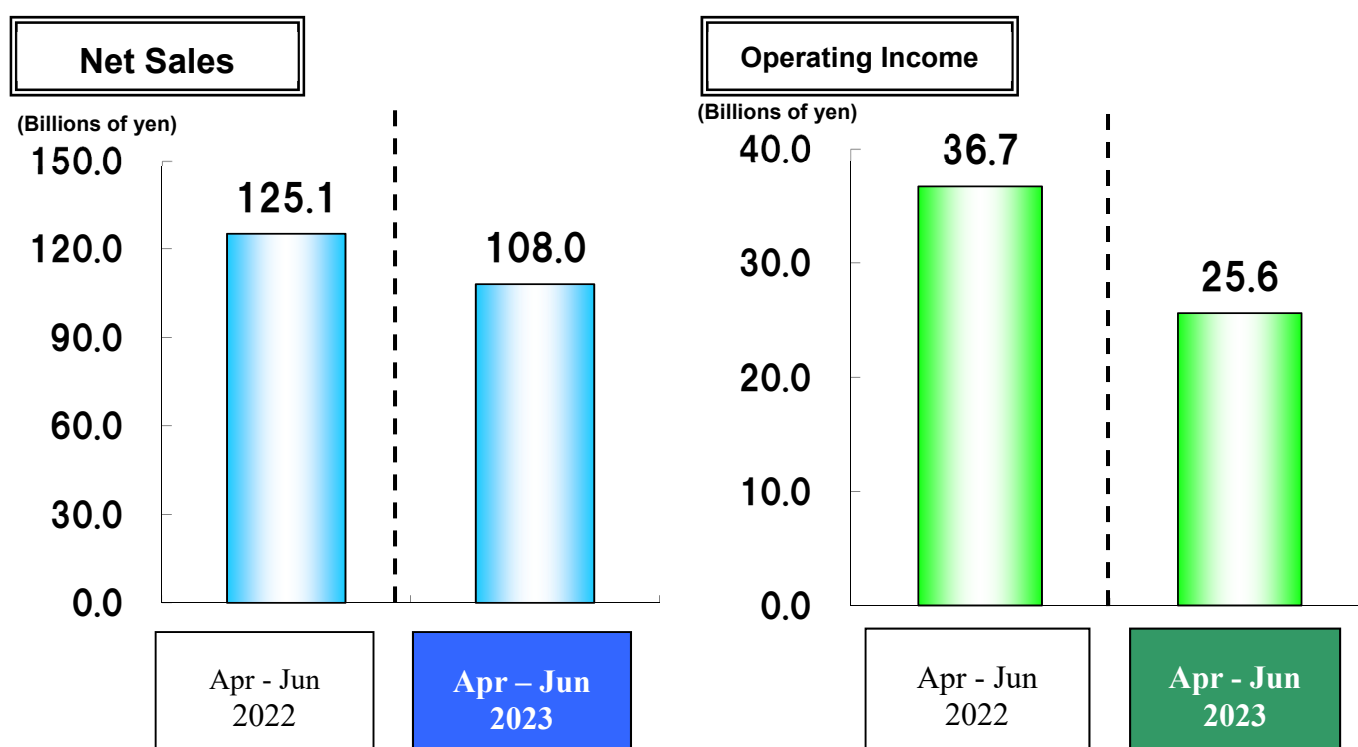


- Contributing to the growth of the device industry brought about by the spectacular evolution of AI, in addition to the expansion of semiconductor applications such as 5G, IOT and VR/AR/metaverse and those markets.
- Expanding the magnet product lineup such as those without heavy rare earths and other products that meet customer requirements.
- Contributing to the reduction of greenhouse gas emissions by proposing technologies that enhance energy saving and electrification.

Functional Materials

	Apr - Jun 2022 (Billions of yen)	Apr - Jun 2023 (Billions of yen)	Increase / (Decrease)
Net sales	125.1	108.0	(14%)
Operating income	36.7	25.6	(30%)

Although commodity product groups were affected by the inventory adjustment and the slowdown in the market, we strived to make up for it with the shipment of highly functional product groups.

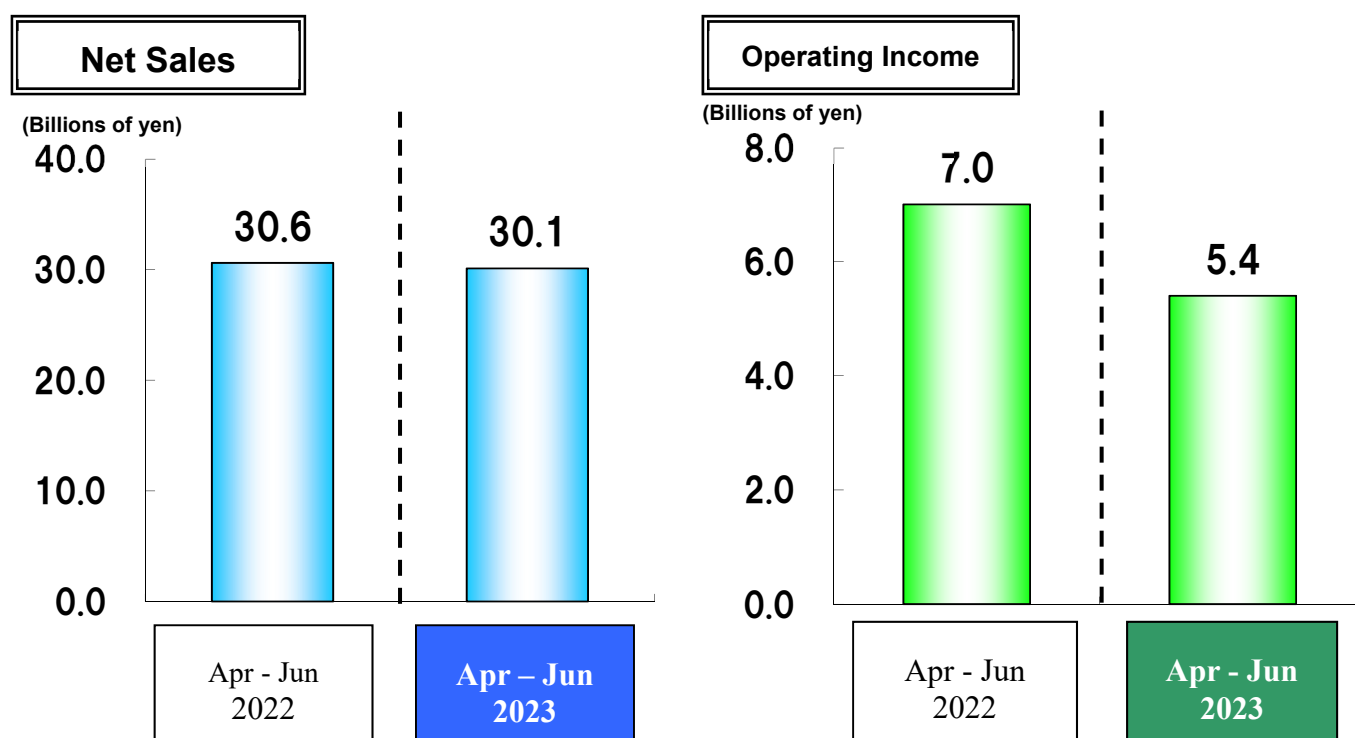


- Promoting the development and marketing of products with reduced environmental impact.
- Closely monitoring the recovering customer demands by application and region. Further developing highly functional products for automotive applications, personal care applications, healthcare applications, etc.

Processing & Specialized Services

	Apr - Jun 2022 (Billions of yen)	Apr - Jun 2023 (Billions of yen)	Increase / (Decrease)
Net sales	30.6	30.1	(2%)
Operating income	7.0	5.4	(22%)

The sales of semiconductor wafer-related containers were strong mainly for 300mm wafer use, and the sales of input devices for automobiles also remained strong as the automobiles industry recovered. The sales of PVC wrapping films have increased for food service industry against the background of the increase in inbound demand.



- Going ahead with the enhancement of the production capacity of semiconductor wafer-related containers, development and the market penetration of EV-related products.

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

While monetary policies aimed at calming inflation are putting downward pressure on the economy, geopolitical issues are also causing turbulence in the global economy. The Chinese economy is not recovering as expected, and the economic slowdown in other regions is also a concern. For some time yet, the headwinds facing the industries and companies are, if anything, likely to become stronger, not weaker. Under the circumstances, it is still difficult for us to forecast the full-year business results for the fiscal year ending March 2024. Therefore, we have set the following earnings forecasts for the current fiscal year and will strive to grow each business.

(Billions of yen)

	FY 2022 22/4 - 23/3 Actual	FY 2023 23/4 - 24/3 Forecast	Increase (Decrease)
Net sales	2,808.8	2,300.0	(18%)
Operating income	998.2	700.0	(30%)
Ordinary income	1,020.2	760.0	(26%)
Net income attributable to owners of parent	708.2	520.0	(27%)
Net income per share (Yen)	* 348	258	(90)
Cash Dividends per Share (Yen)	* 100	100	—

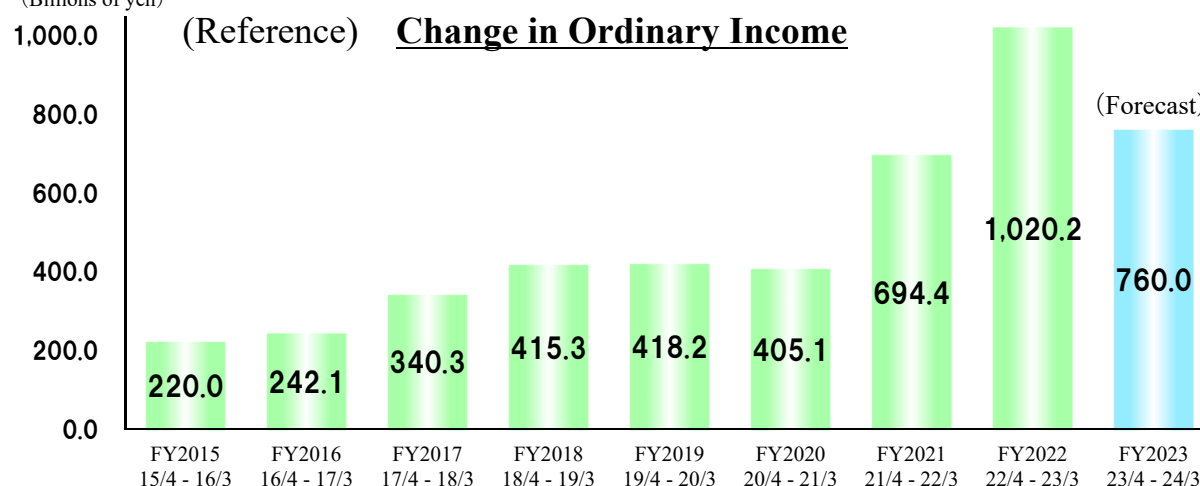
* The Company enacted a five-for-one stock split of its common stock with an effective date of April 1, 2023. “Net Income per Share” and “Cash Dividends per Share” for FY 2022 are calculated based on the assumption that a five-for-one stock split was implemented at the beginning of the same period.

(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, 2024].

We expect to pay a dividend of ¥50 per share for both the interim and year-end dividends, for a total annual dividend of ¥100 per share, the same amount as the previous fiscal year (equivalent to ¥500 before the stock split). The forecast of our consolidated operating performance and dividend is disclosed separately in “Notice Regarding Operating Performance and Dividend Forecasts” today.

In addition, a resolution was made and released concerning the repurchase of the Company’s shares up to ¥100 billion today. Please refer to “Notice Concerning Decisions Relating to Repurchase of Shares and Cancellation of Treasury Shares” for more details.

(Billions of yen)



2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

As of March 31 and June 30, 2023

	Millions of yen	
	March 31, 2023	June 30, 2023
ASSETS		
Current Assets:		
Cash and time deposits	1,449,617	1,429,919
Notes, accounts receivable-trade and contract assets	472,557	494,173
Securities	151,031	127,534
Inventories	688,477	695,434
Other	107,535	106,898
Less: Allowance for doubtful accounts	(5,695)	(6,536)
Total current assets	2,863,524	2,847,423
Fixed Assets:		
Property, plant and equipment		
Machinery and equipment, net	877,848	875,398
Other, net	640,341	682,538
Total property, plant and equipment	1,518,190	1,557,937
Intangible assets	10,351	10,324
Investments and other assets:		
Investments and other assets	344,380	348,479
Less: Allowance for doubtful accounts	(6,051)	(6,591)
Total investments and other assets	338,328	341,888
Total fixed assets	1,866,870	1,910,150
TOTAL ASSETS	4,730,394	4,757,574

	Millions of yen	
	March 31, 2023	June 30, 2023
LIABILITIES		
Current Liabilities:		
Notes and accounts payable-trade	185,006	163,272
Short-term borrowings	10,998	11,178
Allowances	4,942	3,739
Other	306,863	278,807
Total current liabilities	507,810	456,997
Long-term Liabilities:		
Long-term debt	18,812	18,611
Other	177,562	179,921
Total long-term liabilities	196,375	198,533
TOTAL LIABILITIES	704,185	655,531
NET ASSETS		
Stockholders' Equity:		
Common stock	119,419	119,419
Additional paid-in capital	128,320	128,312
Retained earnings	3,310,205	3,352,267
Less: Treasury shares	(22,891)	(19,796)
Total stockholders' equity	3,535,053	3,580,203
Accumulated Other Comprehensive Income:		
Unrealized gains (losses) on available-for-sale securities	31,511	35,998
Deferred gains (losses) on hedges	(410)	(4,785)
Foreign currency translation adjustments	297,855	318,936
Remeasurements of defined benefit plans	6,385	6,677
Total accumulated other comprehensive income	335,341	356,826
Share subscription rights	3,814	3,426
Non-controlling interests in consolidated subsidiaries	151,999	161,587
TOTAL NET ASSETS	4,026,209	4,102,042
TOTAL LIABILITIES AND NET ASSETS	4,730,394	4,757,574

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

Consolidated Statements of Income

For the first quarter ended June 30, 2022 and 2023

	Millions of yen	
	April 1, 2022 - June 30, 2022	April 1, 2023 - June 30, 2023
Net sales	656,707	599,201
Cost of sales	356,189	358,002
Gross profit	300,517	241,198
Selling, general and administrative expenses	50,897	50,377
Operating income	249,620	190,820
Non-operating income:		
Interest income	727	12,573
Foreign exchange gain	10,244	11,869
Other income	3,803	4,599
Total non-operating income	14,776	29,043
Non-operating expenses:		
Interest expenses	264	687
Loss on retirement of non-current assets	493	836
Other expenses	1,005	1,224
Total non-operating expenses	1,763	2,748
Ordinary income	262,633	217,115
Extraordinary income		
Gain on sale of investment securities	-	7,114
Total extraordinary income	-	7,114
Income before income taxes and non-controlling interests	262,633	224,229
Income taxes:		
Current	61,240	53,479
Deferred	5,479	7,946
Total income taxes	66,719	61,426
Net income	195,913	162,803
Net income attributable to non-controlling interests	11,789	9,170
Net income attributable to owners of parent	184,124	153,633

Consolidated Statements of Comprehensive Income

For the first quarter ended June 30, 2022 and 2023

	Millions of yen	
	April 1, 2022 - June 30, 2022	April 1, 2023 - June 30, 2023
Net income	195,913	162,803
Other comprehensive income:		
Unrealized gains (losses) on available-for-sale securities	(646)	4,511
Deferred gains (losses) on hedges	(109)	(4,359)
Foreign currency translation adjustments	110,056	21,649
Remeasurements of defined benefit plans	(37)	305
Share of other comprehensive income of affiliates accounted for using the equity method	255	(1)
Total other comprehensive income	109,518	22,106
Comprehensive income	305,432	184,910
 (Breakdown)		
Comprehensive income attributable to owners of parent	291,661	175,117
Comprehensive income attributable to non-controlling interests	13,771	9,792

(3) Notes to Consolidated Financial Statements

(Notes on Premise of Going Concern)

Not applicable

(Notes on Significant Changes in Stockholders' Equity)

Not applicable

(Appendix)

1. Quarterly Operating Results

(Billions of yen)

	FY 2022 April 1, 2022 - March 31, 2023					FY 2023 April 1, 2023 - March 31, 2024
	1Q	2Q	3Q	4Q	Total	1Q
Net Sales	656.7	752.6	753.9	645.5	2,808.8	599.2
Infrastructure Materials	289.7	361.8	357.1	299.2	1,308.0	240.4
Electronics Materials	211.1	228.2	233.1	203.1	875.6	220.5
Functional Materials	125.1	130.2	128.7	109.2	493.3	108.0
Processing & Specialized Services	30.6	32.3	34.7	33.9	131.6	30.1
Operating Income	249.6	286.6	271.9	189.9	998.2	190.8
Infrastructure Materials	128.5	161.2	149.6	101.8	541.3	80.1
Electronics Materials	77.5	82.0	83.7	58.0	301.4	80.0
Functional Materials	36.7	36.8	32.6	24.4	130.6	25.6
Processing & Specialized Services	7.0	7.0	6.8	5.4	26.3	5.4
Ordinary Income	262.6	296.3	265.1	195.9	1,020.2	217.1
Net Income Attributable to Owners of Parent	184.1	208.2	186.1	129.7	708.2	153.6
R&D Costs	16.1	16.8	15.2	18.9	67.2	15.5
Overseas Sales	520.7	614.0	615.6	519.6	2,270.0	461.3
Ratio of Overseas Sales to Net Sales	79%	82%	82%	80%	81%	77%

2. Capital Expenditures and Depreciation and Amortization

(Billions of yen)

	FY 2022 April 1, 2022 - March 31, 2023					FY 2023 April 1, 2023 - March 31, 2024
	1Q	2Q	3Q	4Q	Total	1Q
Capital Expenditures	53.9	80.2	84.0	99.8	318.0	84.8
Infrastructure Materials	22.1	21.1	29.4	27.3	100.0	35.4
Electronics Materials	23.4	47.6	37.5	60.2	168.8	34.2
Functional Materials	6.4	8.6	13.6	11.0	39.8	9.0
Processing & Specialized Services	2.1	3.2	3.8	2.3	11.4	6.5
Depreciation and Amortization	46.7	48.4	54.3	64.1	213.6	52.0
Infrastructure Materials	17.8	16.2	18.9	19.6	72.6	18.1
Electronics Materials	19.8	22.7	25.0	34.1	101.8	24.1
Functional Materials	8.0	8.5	9.2	9.2	35.1	8.7
Processing & Specialized Services	1.1	1.1	1.3	1.4	5.0	1.2

Annual

(Billions of yen)

	Apr 2023 - Mar 2024 Forecast
Capital Expenditures	380.0
Depreciation and Amortization	240.0

3. Other Financial Items (Consolidated)

(Billions of yen)

	Jun 30 2022	Jun 30 2023	Mar 31 2023
Net Assets	3,532.9	4,102.0	4,026.2
Total Assets	4,173.1	4,757.5	4,730.3
Net Assets per Share (Yen)	1,667	1,951	1,918
Interest-bearing Liabilities	30.9	29.7	29.8
Number of Employees	25,134	25,694	25,717
Exchange Rate: Jan - Mar (Avg)	116.2	132.3	
(Yen/US\$) Apr - Jun (Avg)	129.6	137.4	

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

4. Comparative Balance Sheets (Consolidated)

(Billions of yen)

	Mar 31 2023	Jun 30 2023	Increase (Decrease)	Effect of exchange rate	[a]-[b]		Mar 31 2023	Jun 30 2023	Increase (Decrease)	Effect of exchange rate	[a]-[b]
			[a]	[b]					[a]	[b]	
Current Assets	2,863.5	2,847.4	(16.1)	17.2	(33.3)	Current Liabilities	507.8	456.9	(50.9)	3.1	(54.0)
Cash and time deposits	1,449.6	1,429.9	(19.7)	10.8	(30.5)	Notes and accounts payable-trade	185.0	163.2	(21.8)	0.8	(22.6)
Notes and accounts receivable-trade	472.5	494.1	21.6	2.6	19.0	Other	322.8	293.7	(29.1)	2.3	(31.4)
Securities	151.0	127.5	(23.5)	0.0	(23.5)	Long-term Liabilities	196.3	198.5	2.2	1.4	0.8
Inventories	688.4	695.4	7.0	2.9	4.1	Total Liabilities	704.1	655.5	(48.6)	4.5	(53.1)
Other	101.8	100.3	(1.5)	0.9	(2.4)	Stockholders' Equity	3,535.0	3,580.2	45.2	0.0	45.2
Fixed Assets	1,866.8	1,910.1	43.3	9.3	34.0	Accumulated Other Comprehensive Income	335.3	356.8	21.5	20.9	0.6
Property, Plant and Equipment and Intangible Assets	1,528.5	1,568.2	39.7	9.2	30.5	Other	155.8	165.0	9.2	1.1	8.1
Investments and Other Assets	338.3	341.8	3.5	0.1	3.4	Total Net Assets	4,026.2	4,102.0	75.8	22.0	53.8
Total Assets	4,730.3	4,757.5	27.2	26.5	0.7	Total Liabilities and Net Assets	4,730.3	4,757.5	27.2	26.5	0.7

5. Comparative Statements of Cash Flows (Consolidated)

(Billions of yen)

	2022 Apr-Jun	2023 Apr-Jun	Increase (Decrease)
(1) Cash Flows from Operating Activities	140.4	143.0	2.6
Income Before Income Taxes	262.6	224.2	(38.4)
Payments of income taxes	(72.3)	(60.2)	12.1
Depreciation and amortization	46.7	52.0	5.3
(Increase)Decrease in working capital	(94.9)	(44.8)	50.1
Other	(1.5)	(28.0)	(26.5)
(2) Cash Flows from Investing Activities	(113.0)	(268.9)	(155.9)
Capital expenditures	(59.3)	(88.2)	(28.9)
(Increase)Decrease in securities	9.1	21.9	12.8
(Increase)Decrease in time deposits	(61.9)	(202.5)	(140.6)
Other	(0.8)	(0.1)	0.7
(3) Cash Flows from Financing Activities	(217.4)	(118.7)	98.7
Increase(Decrease) in borrowings	(0.6)	(0.2)	0.4
Cash dividends paid	(103.8)	(110.9)	(7.1)
Purchases of treasury stock	(100.0)	0.0	100.0
Other	(12.9)	(7.5)	5.4
(4) Effect of Exchange Rate Changes on Cash and Cash Equivalents, and other	30.0	8.2	(21.8)
Net Increase (Decrease) in Cash and Cash Equivalents	(159.9)	(236.4)	(76.5)
Balance of Cash and Cash Equivalents	849.0	1,010.8	161.8
Balance of Interest-bearing Liabilities	30.9	29.7	(1.2)

Note : These statements were prepared on an informal basis.

6. Cash Dividends per Share



Fiscal year ended March		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Cash Dividend per Share (Yen)	First half	10	11	12	13	20	22	22	30	45	* 50
	Annual	20	22	24	28	40	44	50	80	100	* 100
Net Income per Share (Yen)	Annual	60	70	83	125	145	151	141	241	348	* 258
Dividend payout ratio	Annual	33%	31%	29%	22%	28%	29%	35%	33%	29%	* 39%

Note: The Company enacted a five-for-one stock split of its common stock with an effective date of April 1, 2023. "Net Income per Share" and "Cash Dividends per Share" are calculated based on the assumption that a five-for-one stock split was implemented at the beginning of the fiscal year ended March 31, 2015.

*Forecast

7. Sales by Manufacturing Location for Each Segment

(Billions of yen)

		Infrastructure Materials	Electronics Materials	Functional Materials	Processing & Specialized Services	Total
2022 April - June	Goods Manufactured in Japan	29.9	163.0	73.3	21.6	288.0
	Goods Manufactured overseas	259.8	48.0	51.8	8.9	368.6
		289.7	211.1	125.1	30.6	656.7
2023 April - June	Goods Manufactured in Japan	29.7	178.6	68.8	22.0	299.2
	Goods Manufactured overseas	210.6	41.8	39.2	8.1	299.9
		240.4	220.5	108.0	30.1	599.2

8. Sales by Region

(Billions of yen)

	Japan	Overseas					Total	Total Consolidated Net Sales
		U.S.	Asia/Oceania		Europe	Other Areas		
			China					
2022 April - June	21%	33%	28%	8%	10%	8%	79%	656.7
	135.9	215.9	186.6	54.2	67.1	50.9	520.7	
2023 April - June	23%	30%	31%	9%	10%	6%	77%	599.2
	137.8	176.9	184.6	53.7	62.5	37.2	461.3	

Note: % indicates the proportion of total consolidated net sales

9. Average Exchange Rate

		US\$ (yen/\$)				EUR (yen/€)					
		Quarterly	6 months		12 months		Quarterly	6 months		12 months	
			Jan-Jun Jul-Dec	Apr-Sep Oct-Mar	Jan-Dec	Apr-Mar		Jan-Jun Jul-Dec	Apr-Sep Oct-Mar	Jan-Dec	Apr-Mar
2022	Jan-Mar	116.2	122.9	131.4	135.5	130.4	134.3	138.7	138.0	141.0	
	Apr-Jun	129.6				138.1					
	Jul-Sep	138.4	140.0			139.3	141.8				
	Oct-Dec	141.6	137.0			144.3	143.2				
2023	Jan-Mar	132.3	134.9			142.1	145.8				
	Apr-Jun	137.4				149.5					

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

	US\$	EUR
Shin-Etsu's assumption for the forecast from July 2023	Around 135Yen/\$	Around 145Yen/€