



Consolidated Financial Results for the Three Months Ended June 30, 2025 [Under Japanese GAAP]

July 23, 2025

Company name: SHIN-ETSU POLYMER Co., Ltd.

Listing: Tokyo Stock Exchange

Securities code: 7970

URL: <https://www.shinpoly.co.jp/en/>

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Scheduled date to commence dividend payments: —

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	27,977	9.2	3,820	18.7	3,985	16.4	3,109	37.3
June 30, 2024	25,625	(3.6)	3,218	5.7	3,424	2.3	2,265	(1.5)

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 501 million [-89.8%]
Three months ended June 30, 2024: ¥ 4,890 million [66.5%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	38.65	38.48
June 30, 2024	28.05	27.90

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	145,759	121,478	83.1
March 31, 2025	152,988	123,154	80.2

(Reference) Equity: As of June 30, 2025: ¥ 121,077 million
As of March 31, 2025: ¥ 122,744 million

2. Cash Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total dividends
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	25.00	-	27.00	52.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		28.00	-	28.00	56.00

(Note) Revision to the forecast for dividends announced most recently: Yes

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026(April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	113,500	2.6	13,900	4.7	14,000	5.9	9,500	0.7	118.10

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: — (Company name:)

Excluded: 1 (Company name: KitcheNista Co., Ltd.)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2025: 82,623,376 shares

March 31, 2025: 82,623,376 shares

2) Number of treasury shares at the end of the period:

June 30, 2025: 2,178,085 shares

March 31, 2025: 2,180,585 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 80,443,624 shares

Three months ended June 30, 2024: 80,757,661 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The financial forecast and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and are not intended as a guarantee that they will be achieved by the Company. Actual results may differ significantly from these forecasts due to a wide range of factors.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the three months ended June 30, 2025, the global economy maintained solid growth as real income improved due to subdued inflation. The U.S. economy generally remained strong, despite a rebound from the surge in imports in anticipation of the trade policy. The European economy saw a recovery trend in production with increased exports and other factors, and the economy is picking up against the backdrop of stabilized employment. The Chinese economy experienced increased downward pressure with sluggish external demand due to U.S. trade policy while domestic demand was recovering thanks to the economic stimulus measures.

The Japanese economy saw a drop in consumer spending as prices continued to rise, and faced increased risk of a further downturn due to the impact of U.S. trade policy.

Industries related to Shin-Etsu Polymer Group performed as follows. In the automotive industry, EV sales continued to slow down while sales of environmentally friendly vehicles remained strong. In the semiconductor industry, demand for semiconductors for servers and data centers increased against the backdrop of progress in digitalization through the use of AI.

In this operating environment, the Group continued to focus its business activities on boosting sales and streamlining in the base areas, expanding capacity and searching for new themes in growth areas. The Group also continued efforts to expand the production capacity of semiconductor-related containers, and began full-scale production of fire prevention cushions for EV batteries.

As a result, for the three months ended June 30, 2025, net sales totaled ¥27,977 million (up 9.2% year on year), operating profit amounted to ¥3,820 million (up 18.7% year on year), ordinary profit was ¥3,985 million (up 16.4% year on year), and profit attributable to owners of parent was ¥3,109 million (up 37.3% year on year).

Operating results by segment are as follows.

1) Electronic Devices segment

In the Electronic Devices segment, although sales in the automotive industry in some regions were strong, demand environment remained generally challenging, and overall sale of automotive input devices remained sluggish. Meanwhile, sales of component-related products significantly increased year on year, thanks to the full-scale mass production of fire prevention cushions, and increased demand for in-vehicle silicone molded products such as wipers.

Regarding non-automotive industry in this segment, sales of connector-related products decreased year on year due to sluggish demand for connectors for testing although sales of touch pads for laptop computers increased.

As a result, for this business segment, net sales totaled ¥6,388 million (up 4.0% year on year), and segment profit (operating profit) amounted to ¥327 million (down 32.6% year on year).

2) Precision Molding Products segment

In the Precision Molding Products segment, sales of semiconductor-related containers remained firm for both shipping containers and in-process containers for overseas markets. Sales of OA device components were affected by the demand cycle for rollers of printers. Sales of carrier tape-related products decreased year on year due to sluggish sales of products for large-sized electronic components other than those for AI servers and products for general-purpose semiconductor applications. Sales of silicone rubber molded products increased year on year, backed by the growth of components for medical equipment such as catheters.

As a result, for this business segment, net sales totaled ¥14,323 million (up 14.8% year on year), and segment profit (operating profit) amounted to ¥2,885 million (up 26.3% year on year).

3) Housing and Living Materials segment

In the Housing and Living Materials segment, demand of colored wraps for the food industry grew, and overseas sales of functional compounds remained on a recovery trajectory, leading to a year-on-year increase in sales. In addition, an absorption-type merger of KitcheNista Co., Ltd. was conducted to improve efficiency by consolidating management resources.

As a result, for this business segment, net sales totaled ¥5,595 million (up 1.4% year on year), and segment profit (operating profit) amounted to ¥495 million (up 34.9% year on year).

4) Others segment

In the Others segment, net sales totaled ¥1,670 million (up 12.7% year on year), and segment profit (operating profit) amounted to ¥112 million (up 37.4% year on year).

(2) Explanation of Financial Position

Total assets as of the end of the three months under review amounted to ¥145,759 million (a decrease of ¥7,229 million from the end of the previous fiscal year). This was mainly attributable to decreases of ¥3,480 million in cash and deposits; ¥1,199 million in notes and accounts receivable - trade, and contract assets; ¥616 million in merchandise and finished goods; ¥598 million in buildings and structures, net; ¥547 million in construction in progress; and ¥340 million in raw materials and supplies.

Liabilities as of the end of the three months under review stood at ¥24,280 million (a decrease of ¥5,553 million from the end of the previous fiscal year). This result was mainly due to decreases of ¥2,236 million in notes and accounts payable - trade; ¥1,875 million in income taxes payable; ¥715 million in provision for bonuses; and ¥505 million in accounts payable - other.

Net assets as of the end of the three months under review stood at ¥121,478 million (a decrease of ¥1,675 million from the end of the previous fiscal year), mainly reflecting an increase of ¥937 million in retained earnings, as well as a decrease of ¥2,612 million in foreign currency translation adjustment due to the stronger yen against the accounting currencies of major consolidated subsidiaries overseas compared to the end of the previous fiscal year.

As a result, the equity ratio increased to 83.1% from 80.2% at the end of the previous fiscal year.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

Consolidated financial results forecast for the fiscal year ending March 31, 2026 had not been announced, as it was difficult to reasonably estimate consolidated financial results; however, the Company decided to announce its consolidated financial results forecast in light of the recent business environment, its performance trend, and other factors.

As for consolidated financial results for the fiscal year ending March 31, 2026, the Company forecasts net sales of ¥113,500 million, operating profit of ¥13,900 million, ordinary profit of ¥14,000 million, and profit attributable to owners of parent of ¥9,500 million.

In addition, the Company also decided to announce its dividend forecasts for the fiscal year ending March 31, 2026, which had been undecided, in conjunction with the release of the consolidated financial results forecast.

As for dividends for the fiscal year ending March 31, 2026, the annual dividend will total ¥56 per share (second quarter-end: ¥28 per share, fiscal year-end: ¥28 per share), which is ¥4 higher than that for the previous fiscal year.

Forecast of consolidated financial results and dividends for the fiscal year ending March 31, 2026 is also disclosed in the “Notice Regarding Operating Performance and Dividend Forecasts” which is separately released today.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	44,901	41,421
Notes and accounts receivable - trade, and contract assets	24,588	23,388
Electronically recorded monetary claims - operating	3,449	3,565
Merchandise and finished goods	13,563	12,947
Work in process	1,672	1,719
Raw materials and supplies	6,692	6,352
Accounts receivable - other	4,065	3,870
Other	597	732
Allowance for doubtful accounts	(116)	(246)
Total current assets	99,414	93,750
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	27,292	26,694
Machinery, equipment and vehicles, net	9,016	9,101
Land	6,825	6,744
Construction in progress	3,688	3,141
Other, net	2,970	2,797
Total property, plant and equipment	49,793	48,478
Intangible assets		
Software	836	857
Goodwill	81	57
Other	61	38
Total intangible assets	978	953
Investments and other assets		
Investment securities	929	934
Deferred tax assets	881	723
Other	990	919
Total investments and other assets	2,801	2,576
Total non-current assets	53,573	52,009
Total assets	152,988	145,759

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,917	10,681
Electronically recorded obligations - operating	3,281	3,105
Accounts payable - other	1,057	552
Income taxes payable	2,776	901
Accrued expenses	2,739	2,801
Provision for bonuses	1,695	980
Provision for bonuses for directors (and other officers)	73	14
Other	2,023	1,948
Total current liabilities	26,566	20,985
Non-current liabilities		
Retirement benefit liability	1,358	1,341
Other	1,909	1,953
Total non-current liabilities	3,268	3,294
Total liabilities	29,834	24,280
Net assets		
Shareholders' equity		
Share capital	11,635	11,635
Capital surplus	10,730	10,731
Retained earnings	90,495	91,432
Treasury shares	(2,628)	(2,625)
Total shareholders' equity	110,234	111,175
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	371	374
Foreign currency translation adjustment	12,149	9,537
Remeasurements of defined benefit plans	(10)	(9)
Total accumulated other comprehensive income	12,509	9,902
Share acquisition rights	410	401
Total net assets	123,154	121,478
Total liabilities and net assets	152,988	145,759

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

	(Millions of yen)	
	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	25,625	27,977
Cost of sales	17,385	19,207
Gross profit	8,240	8,769
Selling, general and administrative expenses	5,021	4,949
Operating profit	3,218	3,820
Non-operating income		
Interest income	71	56
Foreign exchange gains	91	45
Other	59	81
Total non-operating income	222	183
Non-operating expenses		
Interest expenses	6	10
Loss on retirement of non-current assets	5	8
Other	4	0
Total non-operating expenses	16	19
Ordinary profit	3,424	3,985
Extraordinary income		
Gain on reversal of share acquisition rights	17	8
Total extraordinary income	17	8
Profit before income taxes	3,441	3,993
Income taxes - current	1,071	720
Income taxes - deferred	104	163
Total income taxes	1,176	884
Profit	2,265	3,109
Profit attributable to owners of parent	2,265	3,109

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	2,265	3,109
Other comprehensive income		
Valuation difference on available-for-sale securities	34	3
Foreign currency translation adjustment	2,584	(2,612)
Remeasurements of defined benefit plans, net of tax	6	1
Total other comprehensive income	2,625	(2,607)
Comprehensive income	4,890	501
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,890	501

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable

(Notes in case of significant changes in shareholders' equity)

Not applicable

(Segment information, etc.)

Information on net sales, profits or losses by reportable segments

For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(Millions of yen)

	Reportable segment				Others (Note)	Amount recorded in Quarterly Consolidated Statements of Income
	Electronic Devices	Precision Molding Products	Housing and Living Materials	Total		
Net sales						
Net sales to outside customers	6,143	12,479	5,520	24,144	1,481	25,625
Inter-segment net sales or transfers	—	—	—	—	—	—
Total	6,143	12,479	5,520	24,144	1,481	25,625
Segment profit (Operating profit)	485	2,284	367	3,137	81	3,218

(Note) "Others" is a business segment that is not included in the reportable segments and includes the constructing business, etc.

For the three months ended December 30, 2025 (from April 1, 2025 to June 30, 2025)

(Million yen)

	Reportable segment				Others (Note)	Amount recorded in Quarterly Consolidated Statements of Income
	Electronic Devices	Precision Molding Products	Housing and Living Materials	Total		
Net sales						
Net sales to outside customers	6,388	14,323	5,595	26,307	1,670	27,977
Inter-segment net sales or transfers	—	—	—	—	—	—
Total	6,388	14,323	5,595	26,307	1,670	27,977
Segment profit (Operating profit)	327	2,885	495	3,708	112	3,820

(Note) "Others" is a business segment that is not included in the reported segments and includes the constructing business, etc.

(Notes on Quarterly Consolidated Statement of Cash Flows)

The Company has not prepared quarterly consolidated statements of cash flows for the three months ended June 30, 2025. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the three months ended June 30, 2025 as follows.

	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	¥1,171 million	¥1,495 million
Amortization of goodwill	¥18 million	¥19 million