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Consolidated Financial Results for the Six Months Ended September 30, 2025 [Under Japanese GAAP]

October 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 file semi-annual securities report: November 7, 2025

Scheduled date to commence dividend payments: November 26, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for analysts)

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (April 1, 2025 to September 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	%
Six months ended September 30, 2025	56,215	2.7	7,110	2.7	7,247	9.3	5,483	19.5
September 30, 2024	54,737	2.4	6,922	17.7	6,633	3.6	4,589	(0.6)

(Note) Comprehensive income: Six months ended September 30, 2025: ¥ 2,277 million [-77.8%]
Six months ended September 30, 2024: ¥ 10,278 million [28.8%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	68.12	67.72
September 30, 2024	56.81	56.52

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	149,365	123,530	82.4
March 31, 2025	152,988	123,154	80.2

(Reference) Equity:

As of September 30, 2025: ¥ 123,025 million
As of March 31, 2025: ¥ 122,744 million

2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third 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	-	30.00			
Fiscal year ending March 31, 2026 (Forecast)			-	30.00	60.00

(Note) Revisions to the forecast of cash dividends most recently announced: Yes

Regarding the revision of the dividends forecast, please refer to the "Notice of Regarding Dividend of Surplus (Interim Dividend) and Revision of Year-End Dividend Forecast" announced today (October 23, 2025).

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) Revisions to the financial result forecast most recently announced: None

* 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 semi-annual 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):

As of September 30, 2025 82,623,376 shares

As of March 31, 2025 82,623,376 shares

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

As of September 30, 2025 2,037,285 shares

As of March 31, 2025 2,180,585 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2025 80,489,227 shares

Six months ended September 30, 2024 80,781,025 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements)

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.

(How to obtain the presentation materials for the financial results briefing)

The Company plans to hold a financial results briefing for analysts on Friday, November 7, 2025. At this briefing, in addition to an explaining of the financial results for the Six Months ended September 30, 2025, we will also provide details and perspectives on revised medium-term management plan “Shin-Etsu Polymer Global & Growth 2029”, the fiscal year ending March 31, 2030. The materials used in this briefing will be posted on the Company’s website on the date of the briefing.

Table of Contents - Attachments

1. Qualitative Information on Semi-annual Financial Results	2
(1) Explanation of Operating Results	2
(2) Explanation of Financial Position	3
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information.....	3
2. Semi-annual Consolidated Financial Statements and Principal Notes	4
(1) Semi-annual Consolidated Balance Sheets	4
(2) Semi-annual Consolidated Statements of Income and Comprehensive Income	6
Semi-annual Consolidated Statements of Income	6
Semi-annual Consolidated Statements of Comprehensive Income	7
(3) Semi-annual Consolidated Statements of Cash Flows	8
(4) Notes to Semi-annual Consolidated Financial Statements	9
(Notes on going concern assumption)	9
(Notes in case of significant changes in shareholders' equity)	9
(Segment information, etc.)	9

1. Qualitative Information on Semi-Annual Financial Results

(1) Explanation of Operating Results

During the six months ended September 30, 2025, the global economy showed a rebound; however, the pace of recovery slowed due to the impact of U.S. trade policy. The U.S. economy was beginning to feel downward pressure as increases in tariffs weighed on corporate earnings. The European economy saw its recovery trend come to a standstill due to continued production adjustments caused by a reaction following increased exports. The Chinese economy experienced slowing growth in domestic demand due to the waning effects of economic stimulus measures, despite higher exports to ASEAN and other regions.

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.

As a result, for the six months ended September 30, 2025, net sales totaled ¥56,215 million (up 2.7% year on year), operating profit amounted to ¥7,110 million (up 2.7% year on year), ordinary profit was ¥7,247 million (up 9.3% year on year), and profit attributable to owners of parent was ¥5,483 million (up 19.5% year on year).

Operating results by segment are as follows.

1) Electronic Devices segment

In the Electronic Devices segment, although the penetration of hybrid vehicles in automotive markets in each region progressed, demand environment remained generally challenging, and overall sale of automotive input devices remained sluggish. Furthermore, sales of component-related products significantly increased year on year, thanks to 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 ¥12,679 million (down 0.2% year on year), and operating profit amounted to ¥646 million (down 26.2% 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 significantly 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 and products for general-purpose semiconductor applications, despite a recovery trend of sales of products for small electronic component 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 ¥29,185 million (up 6.6% year on year), and operating profit amounted to ¥5,516 million (up 5.6% year on year).

3) Housing and Living Materials segment

In the Housing and Living Materials segment, among wraps for the food industry, the sales share of colored wraps—our unique high-value-added products—increased. In addition, sales of functional compounds exceeded those for the same period in the previous fiscal year due to a recovery in demand in ASEAN

markets.

As a result, for this business segment, net sales totaled ¥10,874 million (down 2.0% year on year), and operating profit amounted to ¥781 million (up 29.0% year on year).

4) Others segment

In the Others segment, net sales totaled ¥3,476 million (down 2.3% year on year), and operating profit amounted to ¥166 million (down 23.2% year on year).

(2) Explanation of Financial Position

Total assets as of the end of the six months under review amounted to ¥149,365 million (a decrease of ¥3,622 million from the end of the previous fiscal year). This was mainly attributable to decreases of ¥1,871 million in accounts receivable - other; ¥892 million in construction in progress; ¥729 million in merchandise and finished goods; ¥357 million in other, net under property, plant and equipment; ¥355 million in raw materials and supplies; ¥296 million in machinery, equipment and vehicles, net, despite an increase of ¥1,491 million in cash and deposits.

Liabilities as of the end of the six months under review stood at ¥25,835 million (a decrease of ¥3,998 million from the end of the previous fiscal year). This result was mainly due to decreases of ¥1,608 million in notes and accounts payable - trade; ¥830 million in income taxes payable; ¥788 million in other under current liabilities; ¥542 million in electronically recorded obligations - operating.

Net assets as of the end of the six months under review stood at ¥123,530 million (an increase of ¥375 million from the end of the previous fiscal year), mainly reflecting an increase of ¥3,311 million in retained earnings, as well as a decrease of ¥3,245 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 82.4 % 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 announced on July 23, 2025 remains unchanged.

2. Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	44,901	46,392
Notes and accounts receivable - trade, and contract assets	24,588	24,353
Electronically recorded monetary claims - operating	3,449	3,613
Merchandise and finished goods	13,563	12,834
Work in process	1,672	1,687
Raw materials and supplies	6,692	6,336
Accounts receivable - other	4,065	2,194
Other	597	536
Allowance for doubtful accounts	(116)	(281)
Total current assets	99,414	97,668
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	27,292	27,101
Machinery, equipment and vehicles, net	9,016	8,719
Land	6,825	6,741
Construction in progress	3,688	2,796
Other, net	2,970	2,612
Total property, plant and equipment	49,793	47,971
Intangible assets		
Software	836	811
Goodwill	81	38
Other	61	59
Total intangible assets	978	909
Investments and other assets		
Investment securities	929	974
Deferred tax assets	881	969
Other	990	872
Total investments and other assets	2,801	2,815
Total non-current assets	53,573	51,697
Total assets	152,988	149,365

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,917	11,308
Electronically recorded obligations - operating	3,281	2,739
Accounts payable - other	1,057	762
Income taxes payable	2,776	1,946
Accrued expenses	2,739	2,695
Provision for bonuses	1,695	1,746
Provision for bonuses for directors (and other officers)	73	29
Other	2,023	1,235
Total current liabilities	26,566	22,463
Non-current liabilities		
Retirement benefit liability	1,358	1,295
Other	1,909	2,076
Total non-current liabilities	3,268	3,371
Total liabilities	29,834	25,835
Net assets		
Shareholders' equity		
Share capital	11,635	11,635
Capital surplus	10,730	10,733
Retained earnings	90,495	93,806
Treasury shares	(2,628)	(2,455)
Total shareholders' equity	110,234	113,720
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	371	409
Foreign currency translation adjustment	12,149	8,903
Remeasurements of defined benefit plans	(10)	(8)
Total accumulated other comprehensive income	12,509	9,304
Share acquisition rights	410	504
Total net assets	123,154	123,530
Total liabilities and net assets	152,988	149,365

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	54,737	56,215
Cost of sales	37,492	38,932
Gross profit	17,244	17,283
Selling, general and administrative expenses	10,321	10,173
Operating profit	6,922	7,110
Non-operating income		
Interest income	143	123
Gain on sale of investment securities	-	67
Other	157	99
Total non-operating income	300	290
Non-operating expenses		
Interest expenses	14	19
Foreign exchange losses	560	115
Other	14	18
Total non-operating expenses	590	153
Ordinary profit	6,633	7,247
Extraordinary income		
Gain on reversal of share acquisition rights	17	8
Total extraordinary income	17	8
Profit before income taxes	6,650	7,256
Income taxes - current	2,177	1,876
Income taxes - deferred	(115)	(103)
Total income taxes	2,061	1,773
Profit	4,589	5,483
Profit attributable to owners of parent	4,589	5,483

Semi-annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	4,589	5,483
Other comprehensive income		
Valuation difference on available-for-sale securities	(27)	38
Foreign currency translation adjustment	5,749	(3,245)
Remeasurements of defined benefit plans, net of tax	(32)	2
Total other comprehensive income	5,689	(3,205)
Comprehensive income	10,278	2,277
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,278	2,277

(3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	6,650	7,256
Depreciation	2,499	3,112
Amortization of goodwill	36	38
Interest and dividend income	(172)	(155)
Interest expenses	14	19
Foreign exchange losses (gains)	527	31
Loss (gain) on sale of investment securities	-	(67)
Decrease (increase) in trade receivables	(121)	(824)
Decrease (increase) in inventories	1,093	497
Increase (decrease) in trade payables	(1,848)	(1,432)
Increase (decrease) in retirement benefit liability	(33)	(45)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(308)	1,488
Other, net	1,054	356
Subtotal	9,393	10,275
Interest and dividends received	177	163
Interest paid	(16)	(18)
Income taxes refund (paid)	(932)	(2,672)
Net cash provided by (used in) operating activities	8,622	7,748
Cash flows from investing activities		
Decrease (increase) in time deposits	(352)	(268)
Purchase of property, plant and equipment	(7,174)	(2,343)
Purchase of intangible assets	(139)	(142)
Other, net	76	199
Net cash provided by (used in) investing activities	(7,590)	(2,554)
Cash flows from financing activities		
Dividends paid	(1,935)	(2,170)
Proceeds from sale of treasury shares	80	172
Other, net	(187)	(204)
Net cash provided by (used in) financing activities	(2,042)	(2,201)
Effect of exchange rate change on cash and cash equivalents	2,189	(1,649)
Net increase (decrease) in cash and cash equivalents	1,178	1,342
Cash and cash equivalents at beginning of period	40,672	42,736
Cash and cash equivalents at end of period	41,851	44,078

(4) Notes to Semi-annual 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 six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(Millions of yen)

	Reportable segment				Others (Note)	Amount recorded in Semi-annual Consolidated Statements of Income
	Electronic Devices	Precision Molding Products	Housing and Living Materials	Total		
Net sales						
Net sales to outside customers	12,699	27,382	11,098	51,179	3,557	54,737
Inter-segment net sales or transfers	—	—	—	—	—	—
Total	12,699	27,382	11,098	51,179	3,557	54,737
Segment profit (Operating profit)	876	5,224	605	6,706	216	6,922

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

For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(Millions of yen)

	Reportable segment				Others (Note)	Amount recorded in Semi-annual Consolidated Statements of Income
	Electronic Devices	Precision Molding Products	Housing and Living Materials	Total		
Net sales						
Net sales to outside customers	12,679	29,185	10,874	52,739	3,476	56,215
Inter-segment net sales or transfers	-	-	-	-	-	-
Total	12,679	29,185	10,874	52,739	3,476	56,215
Segment profit (Operating profit)	646	5,516	781	6,944	166	7,110

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