Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

July 23, 2026

Company name: SHIN-ETSU POLYMER Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 7970
URL: https://www.shinpoly.co.jp/en
Representative: Toshiaki Deto, Representative Director, President and Chief Executive Officer
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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, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	30,585	9.3	4,148	8.6	4,125	3.5	2,415	(22.3)
June 30, 2025	27,977	9.2	3,820	18.7	3,985	16.4	3,109	37.3

Note: Comprehensive income For the three months ended June 30, 2026: ¥ 3,547 million [607.6%]
For the three months ended June 30, 2025: ¥ 501 million [(89.8) %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	30.05	29.79
June 30, 2025	38.65	38.48

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	153,372	130,597	84.9
March 31, 2026	153,003	129,553	84.4

Reference: Equity As of June 30, 2026: ¥ 130,170 million
As of March 31, 2026: ¥ 129,106 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, 2026	-	30.00	-	32.00	62.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		33.00	-	33.00	66.00

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

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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	120,000	4.2	16,000	14.0	16,000	14.2	10,500	6.1	130.64

Note: Revisions to the financial result forecast most recently announced: Yes

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: — (Company name)

Excluded: — (Company name)

(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)

As of June 30, 2026	82,623,376 shares
As of March 31, 2026	82,623,376 shares

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

As of June 30, 2026	2,188,825 shares
As of March 31, 2026	2,251,655 shares

3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	80,400,731 shares
Three months ended June 30, 2025	80,443,624 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, 2026, the global economy continued to recover moderately despite the impact of instability in the Middle East, as AI-related demand expanded. In the U.S., personal consumption and capital investment, including AI-related investment, remained firm, although rising energy prices exerted downward pressure on the economy. In Europe, inflationary pressures increased due to heightened tensions in the Middle East, slowing the pace of economic expansion. In China, the economy decelerated moderately due to stagnation in the real estate market, while exports to the U.S., ASEAN and other regions increased. In India and the ASEAN region, economic conditions remained firm.

The Japanese economy recovered moderately, supported by semiconductor-related capital investment and resilient personal consumption.

Industries related to Shin-Etsu Polymer Group performed as follows. In the semiconductor industry, demand for semiconductors for AI applications remained at a high level against the backdrop of the widespread use of AI and expanding construction of new and additional data centers. In the automotive industry, sales of hybrid vehicles increased in regions around the world against the backdrop of rising fuel prices, and EV sales also remained firm in some regions.

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.

As a result, for the three months ended June 30, 2026, net sales totaled ¥30,585 million (up 9.3% year on year), operating profit amounted to ¥4,148 million (up 8.6% year on year), ordinary profit was ¥4,125 million (up 3.5% year on year), and profit attributable to owners of parent was ¥2,415 million (down 22.3% year on year).

Operating results by segment are as follows.

1) Electronic Devices segment

In the Electronic Devices segment, demand for automotive input devices increased in each region including Japan, reflecting continued strong sales of hybrid vehicles. Meanwhile, sales of component-related products fell below the year-ago level, as demand for wipers had completed a cycle, although gaskets and LED light guides for automotive applications remained firm. In non-automotive applications, connectors for LCDs and View/light path control film (VCF) were weak, while demand for connectors for testing remained at a stable level.

As a result, for this business segment, net sales totaled ¥6,421 million (up 0.5% year on year), and segment profit (operating profit) amounted to ¥287 million (down 12.2% year on year).

2) Precision Molding Products segment

In the Precision Molding Products segment, both shipping containers and in-process containers for overseas markets remained strong among semiconductor-related containers. Sales of OA device components were steady for rollers for multifunction printers, while rollers for printers continued to be affected by the demand cycle. Sales of carrier tape-related products increased year on year, as demand for small electronic components applications recovered gradually and demand for large-sized electronic components applications for AI servers remained strong. Demand for silicone rubber molded products used in medical devices such as catheters remained stable.

As a result, for this business segment, net sales totaled ¥15,305 million (up 6.9% year on year), and segment profit (operating profit) amounted to ¥2,838 million (down 1.6% year on year).

3) Housing and Living Materials segment

In the Housing and Living Materials segment, adoption of colored wraps for the food service industry continued to expand. In addition, demand increased for wire coating applications for FA equipment using functional compounds and for low-friction products for automotive applications. Shipments of these high-value-added proprietary products expanded, resulting in sales exceeding the year-ago level.

As a result, for this business segment, net sales totaled ¥6,232 million (up 11.4% year on year), and segment profit (operating profit) amounted to ¥841 million (up 69.9% year on year).

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4) Others segment

In the Others segment, net sales totaled ¥2,626 million (up 57.3% year on year), and segment profit (operating profit) amounted to ¥181 million (up 61.5% year on year).

(2) Explanation of Financial Position

Total assets as of the end of the three months under review amounted to ¥153,372 million (an increase of ¥368 million from the end of the previous fiscal year). This was mainly attributable to increases of ¥869 million in electronically recorded monetary claims - operating, ¥357 million in cash and deposits, ¥326 million in accounts receivable - other, and ¥309 million in investment securities, despite decreases of ¥597 million in merchandise and finished goods, ¥407 million in deferred tax assets, ¥324 million in machinery, equipment and vehicles, net, and ¥292 million in buildings and structures, net.

Total liabilities as of the end of the three months under review stood at ¥22,775 million (a decrease of ¥675 million from the end of the previous fiscal year). This result was mainly due to an increase of ¥541 million in other current liabilities, despite decreases of ¥544 million in provision for bonuses, ¥282 million in income taxes payable, ¥241 million in notes and accounts payable - trade, and ¥226 million in accrued expenses.

Total net assets as of the end of the three months under review stood at ¥130,597 million (an increase of ¥1,043 million from the end of the previous fiscal year), mainly reflecting an increase of ¥918 million in foreign currency translation adjustment due to the weaker yen against the accounting currencies of major consolidated subsidiaries overseas compared to the end of the previous fiscal year, as well as a decrease of ¥156 million in retained earnings.

As a result, the equity ratio increased to 84.9% from 84.4% at the end of the previous fiscal year.

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

The Company had not previously announced its consolidated financial results forecast for the fiscal year ending March 31, 2027 as it had been difficult to make a reasonable estimate. In light of the recent business environment and performance trends, however, the Company has decided to announce its forecast.

As for consolidated financial results for the fiscal year ending March 31, 2027, the Company forecasts net sales of ¥120,000 million, operating profit of ¥16,000 million, ordinary profit of ¥16,000 million, and profit attributable to owners of parent of ¥10,500 million.

In addition, the Company decided to announce its dividend forecast for the fiscal year ending March 31, 2027, which had been undecided, in conjunction with the release of the consolidated financial results forecast.

For the fiscal year ending March 31, 2027, the Company forecasts an annual dividend of ¥66 per share (second quarter-end: ¥33 per share, fiscal year-end: ¥33 per share), up ¥4 from the previous fiscal year.

Forecasts for consolidated financial results and dividends for the fiscal year ending March 31, 2027 are also disclosed in the “Notice on Consolidated Financial Results Forecast and Dividend Forecast”, which is separately released today.

Quarterly Consolidated Financial Statements and Primary Notes

Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	50,073	50,431
Notes and accounts receivable - trade, and contract assets	24,333	24,183
Electronically recorded monetary claims - operating	3,610	4,479
Merchandise and finished goods	12,974	12,376
Work in process	2,067	1,920
Raw materials and supplies	6,419	6,525
Accounts receivable - other	2,121	2,448
Other	548	685
Allowance for doubtful accounts	(186)	(176)
Total current assets	101,964	102,875
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	26,939	26,646
Machinery, equipment and vehicles, net	8,330	8,006
Land	6,849	6,846
Construction in progress	2,816	2,979
Other, net	2,522	2,577
Total property, plant and equipment	47,459	47,055
Intangible assets		
Software	715	663
Other	44	52
Total intangible assets	760	715
Investments and other assets		
Investment securities	1,149	1,459
Deferred tax assets	781	374
Other	888	890
Total investments and other assets	2,820	2,724
Total non-current assets	51,039	50,496
Total assets	153,003	153,372

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,638	10,396
Electronically recorded obligations - operating	984	911
Accounts payable - other	514	594
Income taxes payable	1,680	1,397
Accrued expenses	3,012	2,786
Provision for bonuses	1,579	1,034
Provision for bonuses for directors (and other officers)	59	13
Other	1,497	2,039
Total current liabilities	19,968	19,174
Non-current liabilities		
Retirement benefit liability	1,342	1,333
Other	2,139	2,267
Total non-current liabilities	3,482	3,600
Total liabilities	23,450	22,775
Net assets		
Shareholders' equity		
Share capital	11,635	11,635
Capital surplus	10,718	10,723
Retained earnings	95,795	95,639
Treasury shares	(3,017)	(2,933)
Total shareholders' equity	115,132	115,064
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	529	742
Foreign currency translation adjustment	13,474	14,393
Remeasurements of defined benefit plans	(30)	(30)
Total accumulated other comprehensive income	13,974	15,105
Share acquisition rights	446	426
Total net assets	129,553	130,597
Total liabilities and net assets	153,003	153,372

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	27,977	30,585
Cost of sales	19,207	21,110
Gross profit	8,769	9,475
Selling, general and administrative expenses	4,949	5,326
Operating profit	3,820	4,148
Non-operating income		
Interest income	56	69
Dividend income	29	30
Foreign exchange gains	45	-
Other	51	51
Total non-operating income	183	151
Non-operating expenses		
Interest expenses	10	10
Foreign exchange losses	-	160
Other	8	4
Total non-operating expenses	19	174
Ordinary profit	3,985	4,125
Extraordinary income		
Gain on reversal of share acquisition rights	8	7
Total extraordinary income	8	7
Extraordinary losses		
Loss on cancellation of outsourcing agreement	-	48
Total extraordinary losses	-	48
Profit before income taxes	3,993	4,083
Income taxes - current	720	1,207
Income taxes - deferred	163	461
Total income taxes	884	1,668
Profit	3,109	2,415
Profit attributable to owners of parent	3,109	2,415

Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	3,109	2,415
Other comprehensive income		
Valuation difference on available-for-sale securities	3	212
Foreign currency translation adjustment	(2,612)	918
Remeasurements of defined benefit plans, net of tax	1	(0)
Total other comprehensive income	(2,607)	1,131
Comprehensive income	501	3,547
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	501	3,547

(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, 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.

For the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(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	6,421	15,305	6,232	27,959	2,626	30,585
Inter-segment net sales or transfers	–	–	–	–	–	–
Total	6,421	15,305	6,232	27,959	2,626	30,585
Segment profit (Operating profit)	287	2,838	841	3,967	181	4,148

(Note) "Others" is a business segment that is not included in the reportable 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, 2026. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the three months ended June 30, 2026 as follows.

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation	¥1,495 million	¥1,300 million
Amortization of goodwill	¥19 million	― million