Shin-Etsu Polymer Co., Ltd.
President's Address at the Financial Results Briefing for the Six Months Ended September 30, 2025

My name is Toshiaki Deto, and I am the President and Chief Operating Officer.
Thank you for attending our financial results briefing. I would like to take this opportunity to thank you for your continued support.

In the first six months of the fiscal year under review, the demand for legacy semiconductors, which make up the mass-market segment, experienced a slow recovery. In contrast, sales of wafer containers were strong, driven by the rising demand for advanced semiconductors due to the growing generative AI market. We captured new demand for automotive silicone molded products, including silicone wipers and fire prevention cushions, resulting in a significant increase in sales, however, sales of automotive input devices were sluggish given the demand environment, which remained challenging, including a slowdown in EV sales. Additionally, sales of rollers for OA devices were also weak due to the significant effects of the printer demand cycle. On the other hand, our unique product, colored wrapping film's sales ratio was expanded among the wrapping film products and sales of medical products were also increased for the components used in medical devices.

Overall consolidated results in the first six months of the fiscal year ending March 2026 were as follows:
- Net sales 56,215 million yen (up 1,478 million year on year)
- Operating income 7,110 million yen (up 188 million year on year)
- Ordinary income 7,247 million yen (up 614 million year on year)
- Profit attributable to owners of parent 5,483 million yen (up 894 million yen year on year)
- Interim dividends 30 yen per share

We have unchanged the full-year consolidated financial forecasts announced on July 23.
- Net sales 113,500 million yen (up 2.6% year on year)
- Operating income 13,900 million yen (up 4.7% year on year)
- Ordinary income 14,000 million yen (up 5.9% year on year)
- Profit attributable to owners of parent 9,500 million yen (up 0.7% year on year).
- Based on the full-year forecasts, we have revised the annual dividend forecast for this fiscal year from 56 yen per share, announced on July 23, to 60 yen per share.

We will continue to strive to boost our sales capabilities and improve productivity in our base areas while capturing new demand in growth areas. Additionally, we have decided to revise our Medium-term Management Plan, announced in May 2023, after assessing the results in the first half of this fiscal year, which marks the halfway point, and recognizing rapid changes in the environment, especially in the semiconductor and automotive markets.
The semiconductor market is showing signs of demand stagnation, except for AI-related products. However, we anticipate that excess market inventory will eventually decline at some point, improving the overall supply-demand balance for semiconductor devices. While EV sales are currently declining due to policy changes across countries, we believe technological advancements will improve battery performance, ultimately leading to widespread market penetration.
After closely examining the environmental changes affecting our core businesses, there might be a delay from the timing for our business revenue expansion, originally set for 2023.

Given these business environment changes, today we would like to inform to our shareholders that we had decided to adjust our projected time for our Medium-term Management Plan.

This concludes my report.

Shin-Etsu Polymer Co., Ltd.

Summary of Q&A about the Financial Results for the Six Months Ended September 30, 2025

Date and time	Friday, November 7, 2025 14:00-14:50	
Venue	Webinar (Live Streaming)	
Attendance	•Chairman, Executive Officer	Yoshiaki Ono
	•President, Chief Executive Officer	Toshiaki Deto
	•Director, Managing Executive Officer of Corporate Research & Development Unit	Satoru Sugano
	•Managing Executive Officer, General Manager of Sales Unit	Naoki Kobayashi
	•Executive Officer, General Manager of Corporate Planning Department & Accounting Department	Osamu Kowada
	•Executive Officer, Division Director of Sales & Marketing Division III	Kazuhiko Yamamoto

<Precision Molding Products Segment >

Q1. Please provide an overview of the current performance and full-year forecast for silicone rubber molding products in the Precision Molding Products segment, as well as the segment's capital expenditure plans under the Medium-term Management Plan.

A1. We launched new medical-related products during the first half of the fiscal year and expect its growth in the second half and beyond. We have been invested in medical products as part of the Medium-term Management Plan. We have completed investments for products launched in the first half of the fiscal year and will continue to invest in expansions and new facilities as needed according to the market conditions.

Q2. Do you expect the new medical products launched in the first half of the fiscal year to grow steadily in the second half and beyond?

A2. There are general-use silicone products and the medical-use products in our silicone rubber molding products. Sales of these products have been growing steadily, but the rate of growth was relatively low. For future, we do expect this segment to grow further driven by the growth in medical products.

<Medium-term Management Plan >

Q3. Numerical targets, including net sales, profits, and ROE, remain unchanged following the update of the Medium-term Management Plan, although the timeline for achieving these targets has been postponed. Have you set numerical targets in the updated plan, expecting them to be challenging, even though you have changed the foreign exchange

assumption to a weaker yen?

A3. Our basic policy remains unchanged from the previous Medium-term Management Plan. We strongly believe that the driving force behind our business growth is semiconductors and EVs. Although the demand for legacy semiconductors is recovering slowly, the semiconductor segment is expected to grow further. Another our growth area, EVs are facing challenges at this moment, however, we do receive many inquiries related with EVs. Therefore, we have not changed our business strategies and aim to achieve the initial targets, net sales of 150 billion yen and an ordinary profit of 20 billion yen. The current exchange rate Japan yen is over 150 yen to US dollar. However, for the period of the Medium-term Management Plan, we assume an exchange rate of 140 to 145 yen per dollar. For the updated plan, we have adopted a rate of 140 yen per dollar.