

April 28, 2008

Notice of a change concerning Shin-Etsu Chemical's expected FY 2008 year-end dividend

Shin-Etsu Chemical Co., Ltd. (Head Office: Tokyo, President Chihiro Kanagawa) has made an upward revision in its forecast of cash dividends per share of FY 2008 (ending March 31, 2008). The explanation and details are as follows:

1. Reason for the change in the expected dividend for FY 2008

Taking a long-term perspective, Shin-Etsu is focusing on expanding company earnings and strengthening the make-up of the Group's structure. At the same time, it is our basic policy to share the results of such successful management efforts by appropriately distributing dividends to reward all of our shareholders.

Based on this policy, Shin-Etsu has forecasted a dividend of 50 yen per share for the second half of FY 2008 (which ended on March 31, 2008), an increase of 10 yen over the previous forecast of 40 yen. With this increase, the dividend for FY 2008 will become 90 yen per share, which is an increase of 20 yen compared to the annual dividend (70 yen) paid out during the previous fiscal year.

This matter is scheduled to be taken up at the board of directors' meeting to be held in May 2008 and then placed on the agenda for final approval at the annual shareholders' meeting to be held in June 2008.

2. Details of the change

| Dividend term | Dividend per share (Yen) | | |
|--|--------------------------|----------|--------|
| | Interim | Year-end | Annual |
| Previous forecast (as of Oct. 24, 2007) | - | 40 | 80 |
| Revised expected dividend | - | 50 | 90 |
| Fiscal year ending March 31, 2008 | 40 | - | - |
| Fiscal year ending March 31, 2007 | 25 | 45 | 70 |

(For reference) Dividends in previous years

| | Dividend per share (Yen) | | |
|-----------------------------------|--------------------------|----------|--------|
| | Interim | Year-end | Annual |
| Fiscal year ending March 31, 2006 | 17.5 | 17.5 | 35 |
| Fiscal year ending March 31, 2005 | 10 | 10 | 20 |
| Fiscal year ending March 31, 2004 | 8 | 8 | 16 |
| Fiscal year ending March 31, 2003 | 7 | 7 | 14 |

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