



June 27, 2008

6-1, Ohtemachi 2-chome, Chiyoda-ku, Tokyo
Shin-Etsu Chemical Co., Ltd.
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(Code No. 4063)
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**Announcement Concerning Resolution Regarding Buyback of Shares
(Buyback of Shares Based on Provision of Articles of Incorporation
Relating to Article 165.2 of the Company Act)**

Shin-Etsu Chemical Co., Ltd. (the “Company”) hereby announces that it resolved at its meeting of the board of directors held on June 27, 2008 as follows concerning the buyback of its own shares, based on Article 156 of the Company Act, which is made applicable by Article 165.3 of the Company Act.

1. Reason for Buyback of Shares:

in order to facilitate flexible capital strategies

2. Details of Acquisition of Shares:

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|---|---|
| (1) type of shares to be acquired: | common shares of the Company |
| (2) number of shares to be acquired: | 900,000 (maximum)
(0.21% of issued shares,
excluding treasury shares) |
| (3) aggregate acquisition cost of shares: | ¥6.2 billion (maximum) |
| (4) method of acquisition: | open market |
| (5) acquisition period: | July 1, 2008 to July 22, 2008 |

Note: Status of treasury shares as of May 31, 2008

total number of issued shares (excluding treasury shares):	430,260,187 shares
number of treasury shares:	1,846,506 shares