

### Scale

In the most recent fiscal year, consolidated net sales were ¥643 billion. Net income was more than ¥43 billion, the fourth consecutive record high. Shin-Etsu's market capitalization of ¥1,547 billion ranks 43rd\* among all Japanese companies, making the company the most valuable member of Japan's chemical industry.

*\*The Nikkei Financial Daily, May 28, 1999*

### Global Activity

Based in Tokyo, Japan, Shin-Etsu is a global organization with production facilities in Japan, the United States, the United Kingdom, the Netherlands, Malaysia, and other countries. Constantly expanding, Shin-Etsu purchased the semiconductor silicon crystal operations of Hitachi, Ltd. in April 1999 and plans to build its second U.S. polyvinyl chloride (PVC) plant in the current year.

### A Balanced Platform

In line with its fundamental policy, Shin-Etsu concentrates on fostering core businesses that have high global market shares. Further distinguishing Shin-Etsu is a balanced platform of businesses. Some sectors like PVC and silicones target markets that are expanding steadily and support stable earnings. Other sectors like semiconductor silicon, rare earth magnets, and synthetic quartz cater to high-potential markets that have grown rapidly in recent years and are likely to continue expanding rapidly in the future.