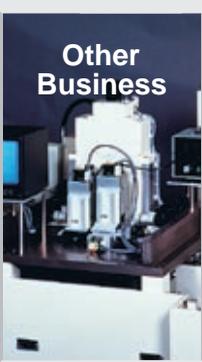


	Products	Market Strengths	Major Contributors
 <p>Chemicals Business</p>	<p>Polyvinyl chloride, silicones, vinyl acetate monomer, polyvinyl alcohol, methanol, caustic soda, chloromethanes, cellulose derivatives, synthetic pheromones, lime nitrogen, fused phosphates, ferroalloys, silicon metal, plastic products and others</p>	<p>The Shin-Etsu Group is the world's preeminent supplier of PVC. A Shin-Etsu subsidiary, Shintech, Inc. in the United States, has the world's largest PVC production capacity. In silicones, Shin-Etsu ranks first in Japan and among the leaders worldwide. With silicone used in more than 4,000 products, the company serves an extremely diverse range of customers. This creates an operating base that is resistant to a downturn in any particular industry, thus contributing to stable growth. Shin-Etsu also sells cellulose derivatives to a well balanced customer base, yielding consistent gains in sales and earnings.</p>	<p>Manufacturing and sales: Shin-Etsu Chemical Co., Ltd. Shintech, Inc. Shin-Etsu Polymer Co., Ltd. Nissin Chemical Industry Co., Ltd.</p> <p>Manufacturing: Shin-Etsu Vinyl Acetate Co., Ltd. Kashima Vinyl Chloride Monomer Co., Ltd.</p> <p>Sales: Shin-Etsu Astech Co., Ltd.</p> <p>and 50 other companies</p>
 <p>Electronics Materials Business</p>	<p>Semiconductor silicon; oxide single crystal, synthetic quartz products (photomask substrates and fiber-optic preform), organic materials for the electronics industry; rare earths and rare earth magnets</p>	<p>With a global market share of 25 percent, Shin-Etsu is the world's largest manufacturer of semiconductor silicon. This material is made by subsidiary Shin-Etsu Handotai Co., Ltd. (SEH) and SEH Group companies. An aggressive expansion program is raising output to meet surging demand in all areas of the world and make the SEH Group even more competitive. Shin-Etsu has captured large shares of the markets for synthetic quartz substrates, epoxy encapsulant products and other materials. Outside the semiconductor field, the company is a leading supplier of synthetic quartz fiber-optic preforms. Shin-Etsu is a prominent maker of powerful rare earth magnets, which are invaluable in electrical machinery, computers, automobiles and many other applications.</p>	<p>Manufacturing and sales: Shin-Etsu Chemical Co., Ltd. Shin-Etsu Handotai Co., Ltd. Shin-Etsu Handotai America, Inc. Shin-Etsu Quartz Products Co., Ltd.</p> <p>Processing and sales: S.E.H. Malaysia Sdn. Bhd. Shin-Etsu Handotai Europe, Ltd.</p> <p>Processing: Naoetsu Electronics Co., Ltd.</p> <p>and 28 other companies</p>
 <p>Other Business</p>	<p>Exports of technology and machinery; export and import of merchandise; construction and plant engineering; information processing services; other services</p>	<p>Shin-Etsu offers a number of value-added services by focusing on fields that draw on strengths in core businesses. Knowledge gained through the design and construction of its own production facilities, particularly in electronics and chemicals, is one example. Shin-Etsu is also skilled in the design of production machinery. This comprehensive plant engineering and construction capability is much in demand from companies in a number of industries.</p>	<p>Shin-Etsu Chemical Co., Ltd. Shin-Etsu Astech Co., Ltd. Shin-Etsu Engineering Co., Ltd.</p> <p>and 32 other companies</p>

Note: The above figures include non-consolidated subsidiaries and affiliated companies.