

# Year in Review

Principal events during the past year

<b>May 2002</b>	<ul style="list-style-type: none"><li>●UNITIKA Ltd. and Shin-Etsu Chemical establish JAPAN VAM &amp; POVAL CO., LTD. to further consolidate their VAM and POVAL businesses.</li><li>●In the silicone business, Shin-Etsu Chemical together with Asahi Denka Co., Ltd. develop a Silicone-mold Modeling System (SMS) that molds precise details of 3-dimensional models for such products as chocolate.</li></ul>
<b>June</b>	<ul style="list-style-type: none"><li>●Shin-Etsu Chemical transfers its chemical fertilizer business to CO-OP Chemical Co., Ltd.</li><li>●Shin-Etsu Chemical announces the establishment of a joint-venture company, Zhejiang Shin-Etsu High-Tech Chemical Co., Ltd. in China, that will manufacture and sell silicone products.</li><li>●Shin-Etsu Polymer Co., Ltd. develops MW300G, a 300mm wafer shipping box that is compatible with next-generation quality. Sales to wafer manufacturers, device makers and semiconductor equipment makers commence.</li></ul>
<b>August</b>	<ul style="list-style-type: none"><li>●Shin-Etsu Handotai Co., Ltd. expands 200mm silicon wafer production capacity at its subsidiary S.E.H. Malaysia Sdn. Bhd.</li></ul>
<b>September</b>	<ul style="list-style-type: none"><li>●Nissin Chemical Industry Co., Ltd. develops the NISSIN HOT MELT BR Series, an environmentally friendly hot-melt adhesive used in such applications as bookbinding and commences full commercial sales.</li></ul>
<b>December</b>	<ul style="list-style-type: none"><li>●Eight Shin-Etsu Group companies take part in SEMICON Japan 2002, the world's largest scale international exposition of semiconductor equipment and materials.</li><li>●Shin-Etsu Chemical receives the Toyo Keizai Award as "Company of the Year 2002," an award from Japan's oldest leading economic journal.</li></ul>
<b>January 2003</b>	<ul style="list-style-type: none"><li>●President and CEO Chihiro Kanagawa receives the "CEO of the Year" award from Zaikai Co., Ltd, a publisher of one of Japan's leading economic magazines.</li><li>●Shin-Etsu Chemical decides to join the Cosmos Alliance, a U.S.-based venture capital joint-development organization, which promotes the commercialization of innovative breakthrough bio life sciences.</li></ul>
<b>February</b>	<ul style="list-style-type: none"><li>●Shin-Etsu Silicones of America, Inc. commences commercial production of functional silane at its Freeport Plant in Texas.</li></ul>
<b>March</b>	<ul style="list-style-type: none"><li>●Shin-Etsu Handotai announces plans to expand production capacity of its 300mm silicon wafers to 200,000 units monthly by the end of fiscal 2003, and to progressively expand production to 300,000 units monthly thereafter.</li></ul>
<b>June</b>	<ul style="list-style-type: none"><li>●Shin-Etsu PVC B.V. in the Netherlands announces plans to expand its PVC production capacity from 400,000 to about 440,000 tons annually. At the same time, the company announces plans to expand its VCM production capacity from 500,000 tons to 600,000 tons annually.</li></ul>