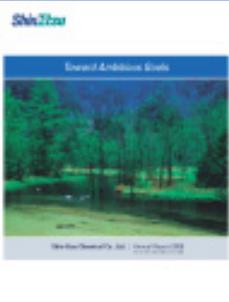


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About the Cover

Taisho Lake in Nagano Prefecture, from the Shin-Etsu Group Original Calendar 2008 "NATURE AND LIFE"

Photo by Shin Yoshino

Forward-looking Statements

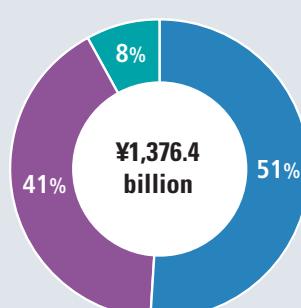
This annual report contains forward-looking statements regarding the Company's plans, outlook, strategies and results for the future. All forward-looking statements are based on judgments derived from the information available to the Company at the time of publication.

Certain risks and uncertainties could cause the Company's actual results to differ materially from any projections presented in this report. These risks and uncertainties include, but are not limited to, the economic circumstances surrounding the Company's businesses, competitive pressures, changes in related laws and regulations, status of product development programs, and changes in exchange rates.

Profile

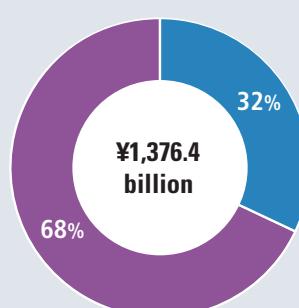
The Shin-Etsu Group offers a broad array of market-leading products in its Organic and Inorganic Chemicals, Electronics Materials, and Functional Materials and Others businesses. The Group has also pursued a global strategy from its early days of selecting the optimal production sites near its main markets and raw materials procurement sources around the world. We focus on cultivating businesses with future growth potential that contribute to the advancement of society while achieving consistently favorable results in daily business. At the same time, the Group places priority on safety, the environment and corporate ethics in its operations around the world in order to be a trusted corporate citizen.

Net Sales by Business Segment



- Organic and Inorganic Chemicals
- Electronics Materials
- Functional Materials and Others

Net Sales in Japan and Overseas



- Japan
- Overseas