The Group comprises Shin-Etsu Chemical and 146 Group companies that cooperate to develop their respective business activities. These business activities are divided into six segments: PVC/Chlor-Alkali Business, Semiconductor Silicon Business, Silicones Business, Electronics and Functional Materials Business, Specialty Chemicals Business and Diversified Business. In each of these fields, we have products with strong market share, with the world’s top share in polyvinyl chloride (PVC) and semiconductor silicon and the top domestic share for silicones.

**Net sales by region** (For the year ended March 31, 2016)

- **Europe**: ¥144.7 billion (11%)
- **Japan**: ¥331.4 billion (26%)
- **United States**: ¥295.6 billion (23%)
- **Asia/Oceania**: ¥394.6 billion (31%)
- **Other**: ¥113.2 billion (9%)

**Consolidated net sales**

¥1,279.8 billion

(For the year ended March 31, 2016)

Domestic approximately 26%

Overseas approximately 74%
The Group comprises Shin-Etsu Chemical and 146 Group companies that cooperate to develop their respective business activities. These business activities are divided into six segments: PVC/Chlor-Alkali Business, Semiconductor Silicon Business, Silicones Business, Electronics and Functional Materials Business, Specialty Chemicals Business and Diversified Business. In each of these fields, we have products with strong market share, with the world’s top share in polyvinyl chloride (PVC) and semiconductor silicon and the top domestic share for silicones.

### Business Activities

#### PVC/Chlor-Alkali Business
Providing a stable supply of high-quality products as the world’s top manufacturer of basic materials, including PVC and caustic soda, which are indispensable for housing and infrastructure development.

#### Semiconductor Silicon Business
Providing silicon wafers for semiconductor device substrates used in a wide range of applications, including various mobile devices, automobiles and home appliances.

#### Silicones Business
Providing highly functional silicone products offering a variety of features, including heat and cold resistance and water repellency, in a wide range of areas such as automobiles, electronics, cosmetics, construction and food.

#### Electronics and Functional Materials Business
Providing rare earth magnets, semiconductor encapsulation materials, LED coating materials, photoresists, synthetic quartz and other products for a wide range of high-tech applications, including electronic components, automobile sensors and magneto-optical disks.

#### Specialty Chemicals Business
Providing cellulose derivatives, POVAL and synthetic pheromones as agricultural materials for pest control. Also, providing silicon metal, the main raw material for silicones, semiconductor silicon and synthetic quartz.

#### Diversified Business
Providing processed plastic products, technology and plant export, import and export of goods, engineering, information processing and other services.

### Net Sales

<table>
<thead>
<tr>
<th>Business</th>
<th>Net Sales (¥ billion)</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Polyvinyl chloride (PVC)</td>
<td>441.7 (34%)</td>
<td>Global No. 1</td>
</tr>
<tr>
<td>Semiconductor silicon</td>
<td>243.3 (19%)</td>
<td>Global No. 1</td>
</tr>
<tr>
<td>Silicones</td>
<td>187.7 (15%)</td>
<td>Japan No. 1, Global No. 4</td>
</tr>
<tr>
<td>Photoresists</td>
<td>186.7 (15%)</td>
<td>Global No. 2, Advanced photomask blanks share</td>
</tr>
<tr>
<td>Cellulose</td>
<td>116.8 (9%)</td>
<td>Global No. 2, Japan No. 1</td>
</tr>
<tr>
<td>Pheromone formulation</td>
<td>103.4 (8%)</td>
<td>Global No. 1</td>
</tr>
</tbody>
</table>

### Market Share

- **Polyvinyl chloride (PVC) resin share**: Global No. 1
- **Semiconductor silicon share**: Global No. 1
- **Silicones share**: Japan No. 1, Global No. 4
- **Photoresists share**: Global No. 2, Advanced photomask blanks share
- **Cellulose share**: Global No. 2, Japan No. 1
- **Pheromone formulation share**: Global No. 1