

President's Message



President
Yasuhiko Saitoh

Mobilizing our strengths to provide products that help solve customer and societal issues in an effort to achieve sustainable growth

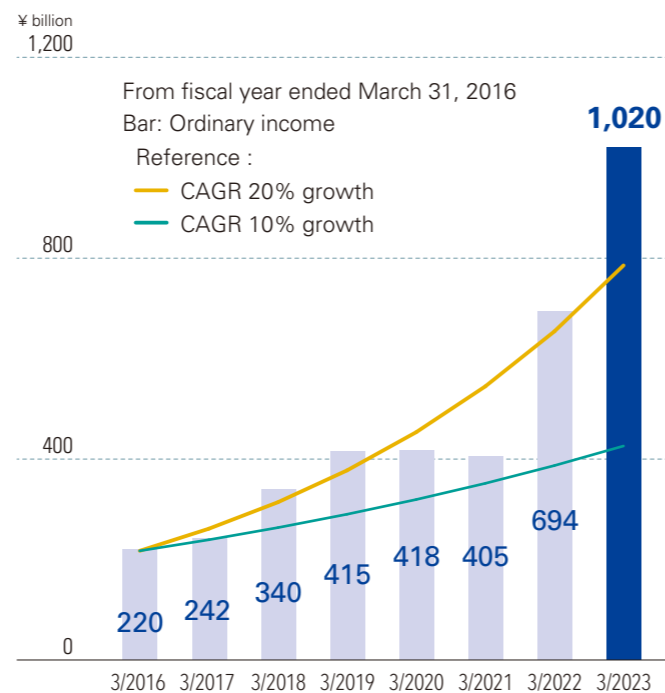
Record performance by leveraging our strengths

In the fiscal year ending March 31, 2023 (FY2022), our company extended its growth path with another set of monumental results. I would like to reiterate that the results reflect the underlying strength of our line of products, technology, operational system, and our people's professionalism. We are very pleased that we have contributed to the well-being of our communities while renewing the records across the top line and bottom line and in key financial ratios.

Shareholder returns and future growth

With this performance and further enhanced financial strength, we declared an annual dividend of ¥500 per share (before the share split), which is 25% higher than last year and records the highest mark in the company's dividend history. It represents our sincere appreciation to our shareholders for their understanding and support.

Ordinary income



There may be some concern among our shareholders and investors about how we will sustain this level of earnings and grow from it. In this regard, with a strong sense of purpose, we keep our focus on providing our customers with products which make it attainable for them to do what they pursue. We tirelessly help solve what our customers need to solve. As changes take place fast and our customers' needs constantly evolve, opportunities present themselves for us. With a strong market-in mindset and aspiration, we work with our customers more closely than ever. We are determined to be a most reliable supplier to all our customers with best-in-class quality, technology and practice.

Current situation and outlook for each business segment

If I may elaborate on it by laying out our prospects and on-going endeavors in each of our business segments,

Infrastructure Materials Business

We are determined to maintain our capacity edge and cost competitive edge. Building upon it, we will reinforce our engagement in broader applications and to make our products the greenest infrastructure materials, we will reduce the carbon footprint in our manufacturing of the products.

Electronics Materials Business

The demand for semi-conductor devices will keep expanding in an appreciable manner. As the growth is not only quantitative but also qualitative, we will stay tuned to capacity increases and product developments. There is an evolving array of new ways of device making, to which we apply our expertise and ingenuity. Electrification is rapidly expanding and the so-called green transformation is irreversible. To this end, we will exploit the periodic table as much as we can for our customers and industries. Furthermore, initiatives for economic security are being taken by major nations. We play an essential role every aspect of all these developments.

Functional Materials Business

We are bringing more of new products to various markets and are broadening our capabilities for our customers. We add touch points in industries and markets so that our total addressable markets will be greater. We develop our product offerings with this focus and make contributions in such a manner that the more our products are used, the better the industries and human society become.

Processing & Specialized Services Business

With this group of businesses and operations, we enhance the synergy within the group.

Being a good partner for society

Concerning carbon neutrality, we have recently announced our plan. We are determined to do our part as an essential supplier to human life and industries in the world.

To continue to do what we have been able to do for our customers, our shareholders and our communities, it is essential that the company continues to grow. We will remain focused on our customers and their needs to be relevant to them, will remain committed to governance to be relevant to our shareholders and will remain responsible to be relevant to our communities.

Succession of "Kanagawa management" and appreciation to all stakeholders

I must mention that the passing of Mr. Kanagawa at the beginning of the year was a great loss for our company. We will carry on his torch and move forward with vigor. Our board, newly realigned, will assure you of it. I sincerely thank our shareholders for their confidence, our customers for their partnership and our entire Shin-Etsu team for their dedication to our operations.