7 Company Profiles

Shin-Etsu Chemical Co., Ltd.

Shin-Etsu is Japan's top producer of semiconductor silicon and polyvinyl chloride (PVC). Currently, the company exports its polymerization process to over 20 countries. A subsidiary of Shin-Estu Chemical, Shin-Etsu Handotai, is currently ranked as the world's leading manufacturer of silicon. The company is strengthening high-tech areas such as biotechnology and superconductivity. Shin-Etsu's strengths lie in its ability to operate internationally.

The company is currently constructing manufacturing facilities to produce silicon resin in the Netherlands. The plant was scheduled to begin production in the summer of 1990. Shin-Etsu also plans to expand its domestic facilities producing silicon, magnets, etc. The company owns and operates a PVC plant in the United States. Shin-Etsu currently produces rare earth oxides and compounds from xenotime in its Fukui prefecture plant.

For the fiscal year ended March 31, 1989, sales increased 34 per cent over the previous year to ¥247 279 million, while net profits totalled ¥10 931 million, a 22 per cent increase over the last year. The substantial increases are a result of an irregular business term brought about by a change in settlement date in 1988. Facilities investment for the same year totalled ¥25 241 million.

As of September 1989, Shin-Etsu's sales percentage shares by business sector were estimated as follows:

- synthetic resin chemicals: 44 per cent;
- other chemicals: 9 per cent;
- electronic materials: 37 per cent;
- fertilizers, alloys: 4 per cent; and
- others: 6 per cent.

The company's ratio of exports to sales was 14 per cent.

Major shareholders include Nippon Life Insurance Co. (7.7 per cent), Mitsubishi Bank (4.4 per cent), Long Term Credit Bank (4 per cent) and Dai-ichi Kangyo Bank (4 per cent).

Hitachi Metals Ltd.

Hitachi Metals is a subsidiary of Hitachi Ltd. and a major producer of special steel and various electronic materials with strong multinational ties. The company maintains production facilities in the United States, Europe and the Republic of Korea, using Hitachi Metals International as a base. The company also has a sales subsidiary in Australia.

For the fiscal year ended March 31, 1989, sales rose 15 per cent over the previous year to ¥288 711 million, while net profits totalled ¥6 735 million, up 42 per cent over 1988. Facilities investment for the same year totalled ¥18 180 million.

As of September 1989 Hitachi Metals sales percentage shares by business sector were estimated as follows:

- special steel: 34 per cent;
- magnetic materials: 14 per cent;
- pipe fittings: 14 per cent;
- rolled products: 6 per cent;
- malleable cast iron: 13 per cent;
- light alloy castings: 9 per cent; and
- others: 10 per cent.

The company's ratio of exports to sales was 12 per cent.