



Creating new worlds
in the niches
between the current ones

Financial Results for the 1st Quarter of the FY2018 (April 1, 2017–June 30, 2017)

July 26, 2017



SHIKOKU CHEMICALS CORPORATION

70TH
ANNIVERSARY

Security Code:4099

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Corporate Profile

▼Company overview

- Company name SHIKOKU CHEMICALS CORPORATION
- Incorporated October 10, 1947
The Company was established in Marugame, Kagawa Prefecture, as a producer of carbon disulfide.
- Lines of Business [Chemical operations]Inorganic Chemicals, Organic Chemicals, Fine Chemicals
[Housing Materials operations]Interior, Exterior Finishes and Paving Materials, Home Exterior Products,Decorative Exterior Products
- R&D,Plant Facilities 1 R&D,7 Plants
- Directory [Japan]2 branches,11 sales offices [Overseas]U.S.A,China(Shanghai,Shenzhen), Taiwan,Shingapore
- Capital 6,867 million yen
- Number of employees Consolidated1,074 Non-Consolidated 599(As of March 31, 2017)

▼Share of stock

- Issued Shares 58,948,063
- Number of Shareholders 3,770(As of March 31, 2017)

▼SHIKOKU CHEMICALS CORPORATION Group

[Japan]10 consolidated subsidiaries

[Overseas]one consolidated subsidiary and one unconsolidated subsidiary

SHIKOKU INTERNATIONAL CORPORATION
Nippon Ryutan Kogyo Co., Ltd.
Shikoku Environmental Business Company
Shikoku Analytical Laboratories
SHIKOKU KOSAN CORPORATION

SHIKOKU KEIZAI CORPORATION
SHIKOKU KEIZAI KANTO CORPORATION
NIHON KOHKI CORPORATION
SHIKOKU SYSTEM KOHBOH CORPORATION
Shikoku Foods & Trading Company
Shikoku Foods & Insurance Service Co., Ltd.
Shikoku (Shanghai) Co., Ltd.

Highlights of Financial Results for the 1Q of FY2018

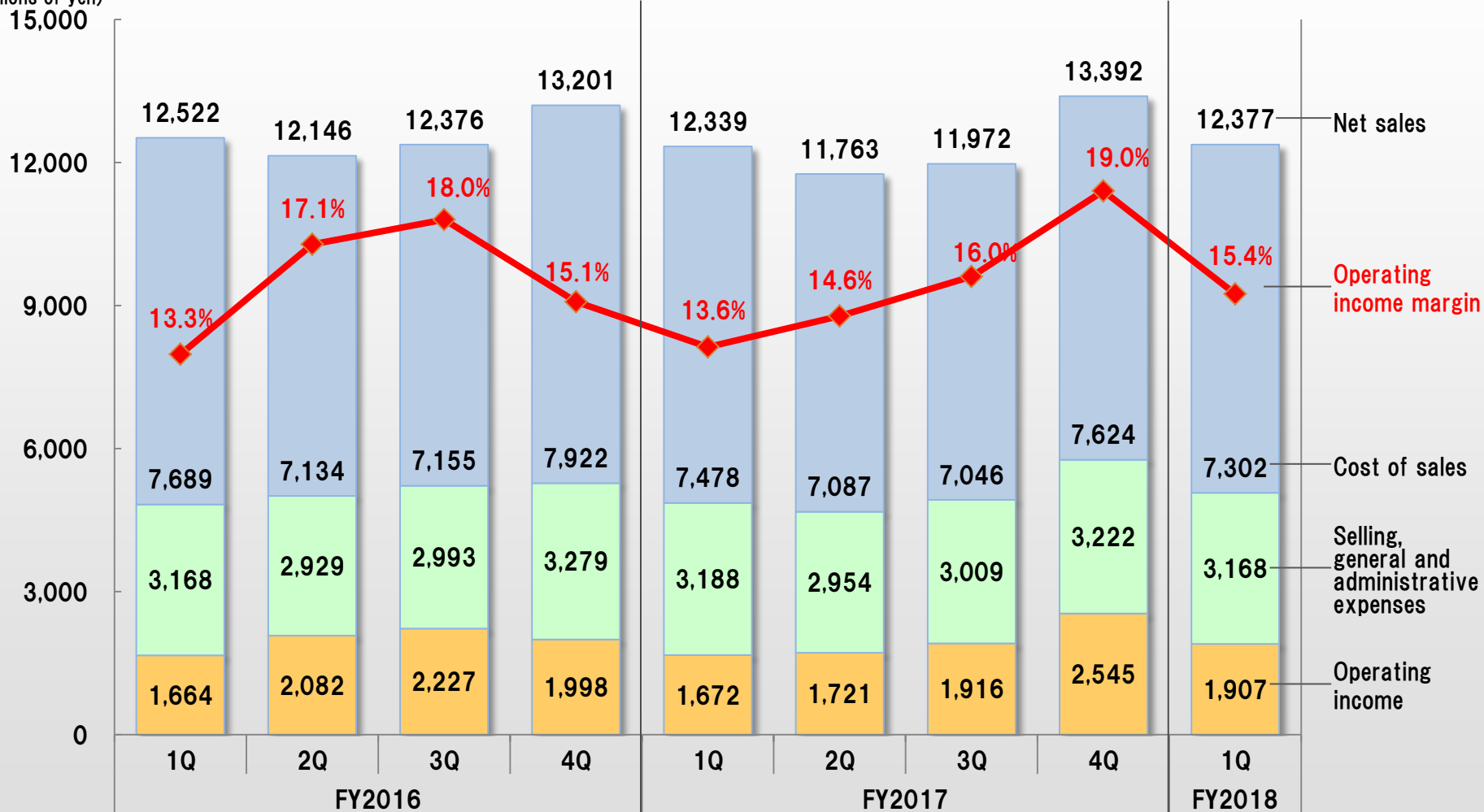
(Millions of yen)

	Consolidated cumulative 1Q				Increase of amount	Changes
	FY2017		FY2018			
	Amount	Percentage	Amount	Percentage		
Net sales	12,339	100.0%	12,377	100.0%	38	0.3%
Operating Income	1,672	13.6%	1,907	15.4%	234	14.0%
Ordinary income	1,894	15.4%	2,144	17.3%	249	13.2%
Net income attributable to owners of the parent	1,240	10.1%	1,423	11.5%	182	14.7%
Exchange rate (USD)	110		112			
Exchange rate (EUR)	125		120			

The exchange rates given above are average rates for the period from April to June.

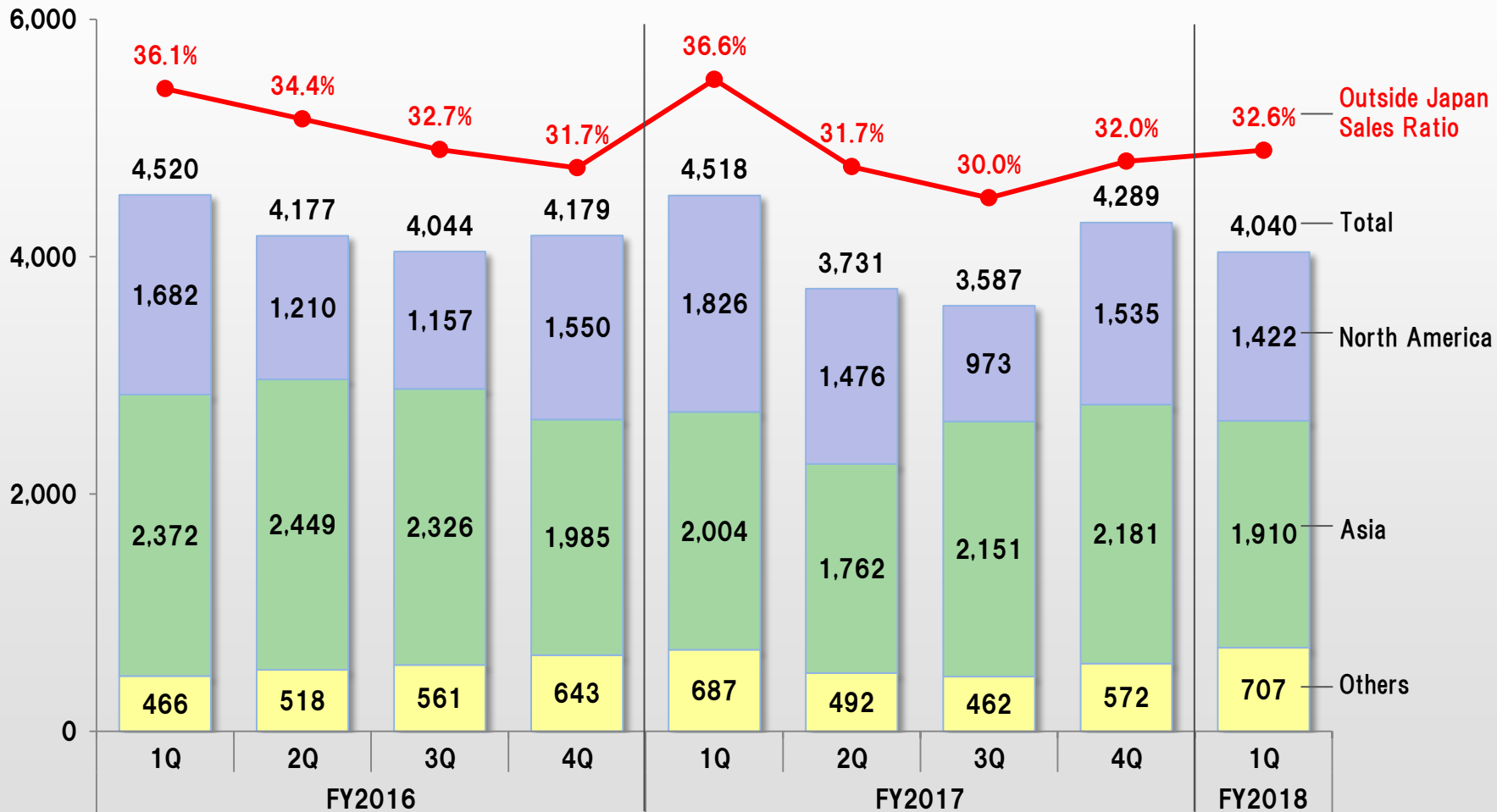
Financial Results Trend (consolidated and quarter)

(Millions of yen)

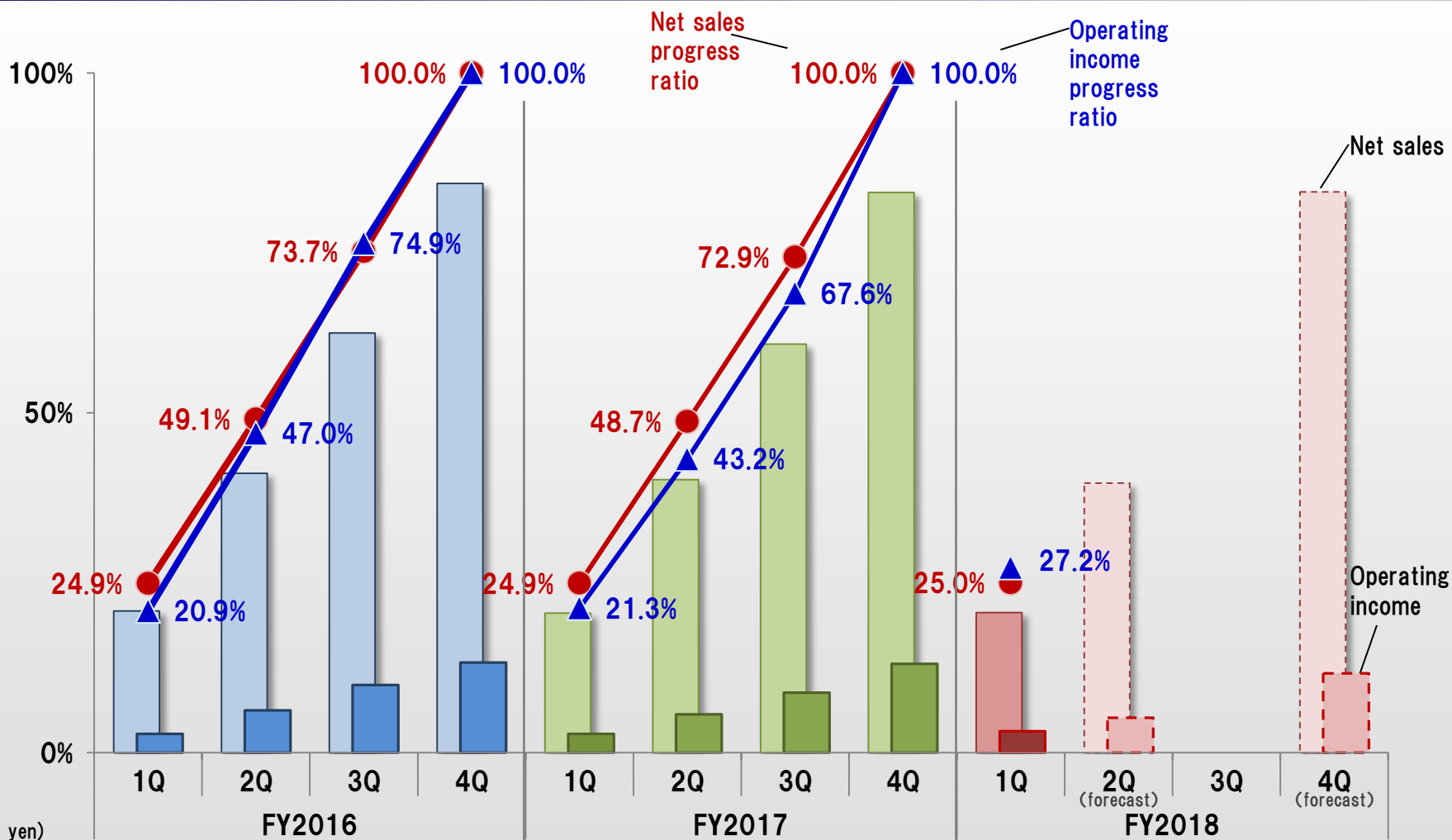


Sales Trends by Region

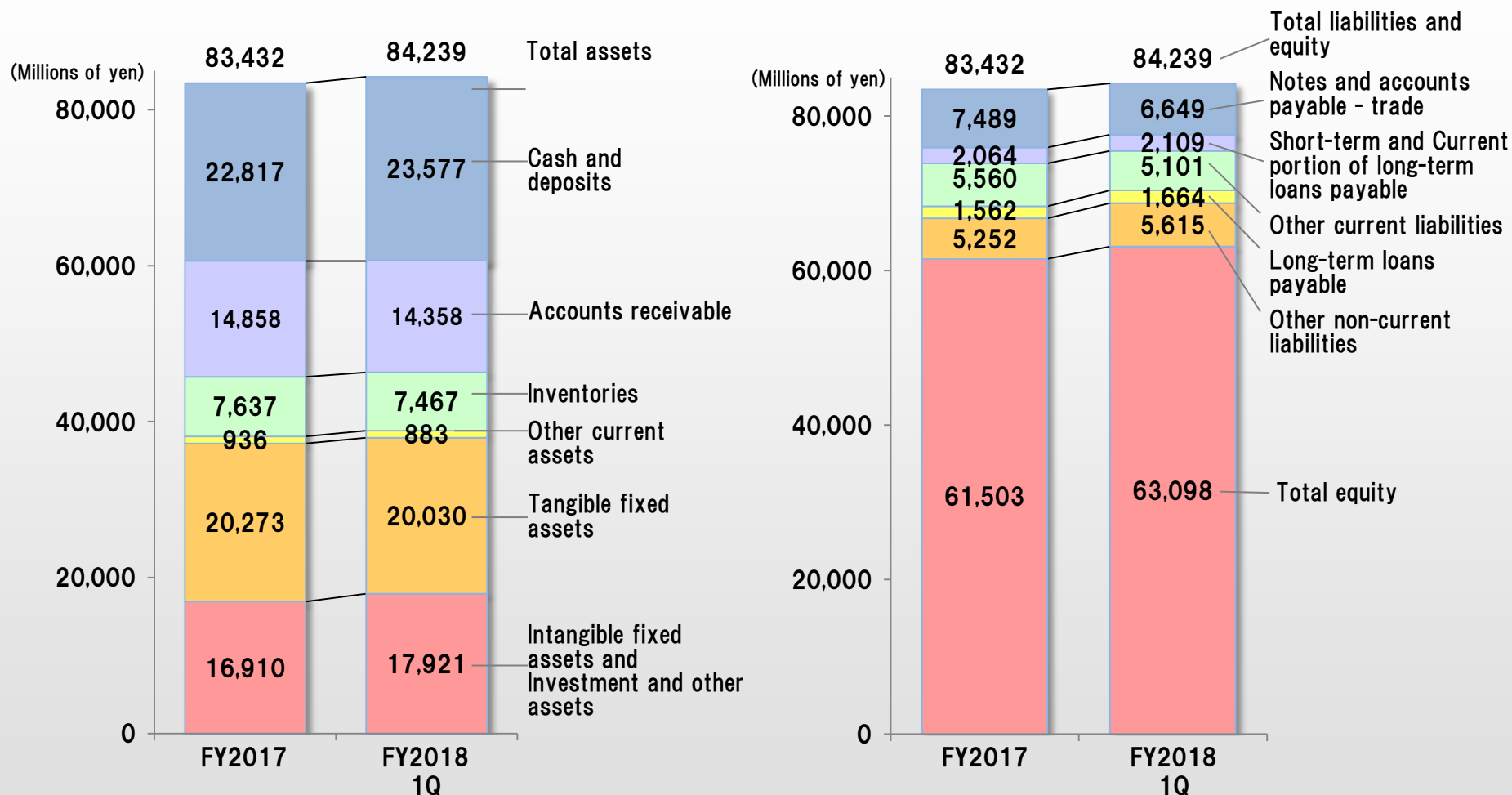
(Millions of yen)



Progress report



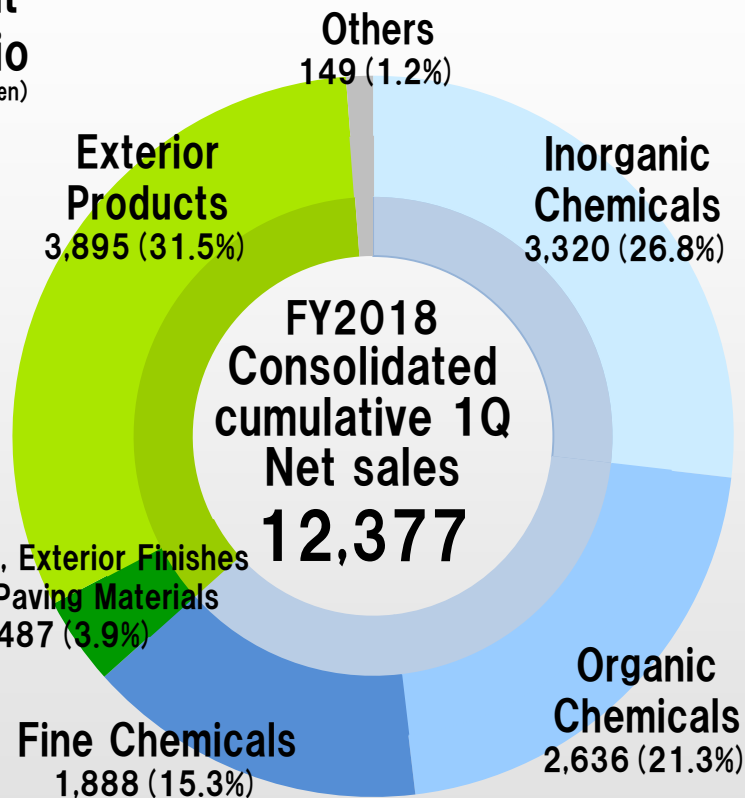
Assets / liabilities, and a total equity (consolidated)



interest-bearing debt (millions of yen)	3,853	4,010
net interest-bearing debt (millions of yen)	▲ 18,963	▲ 19,566
Equity ratio(%)	72.9	74.1

Sales and Profit by Business segments

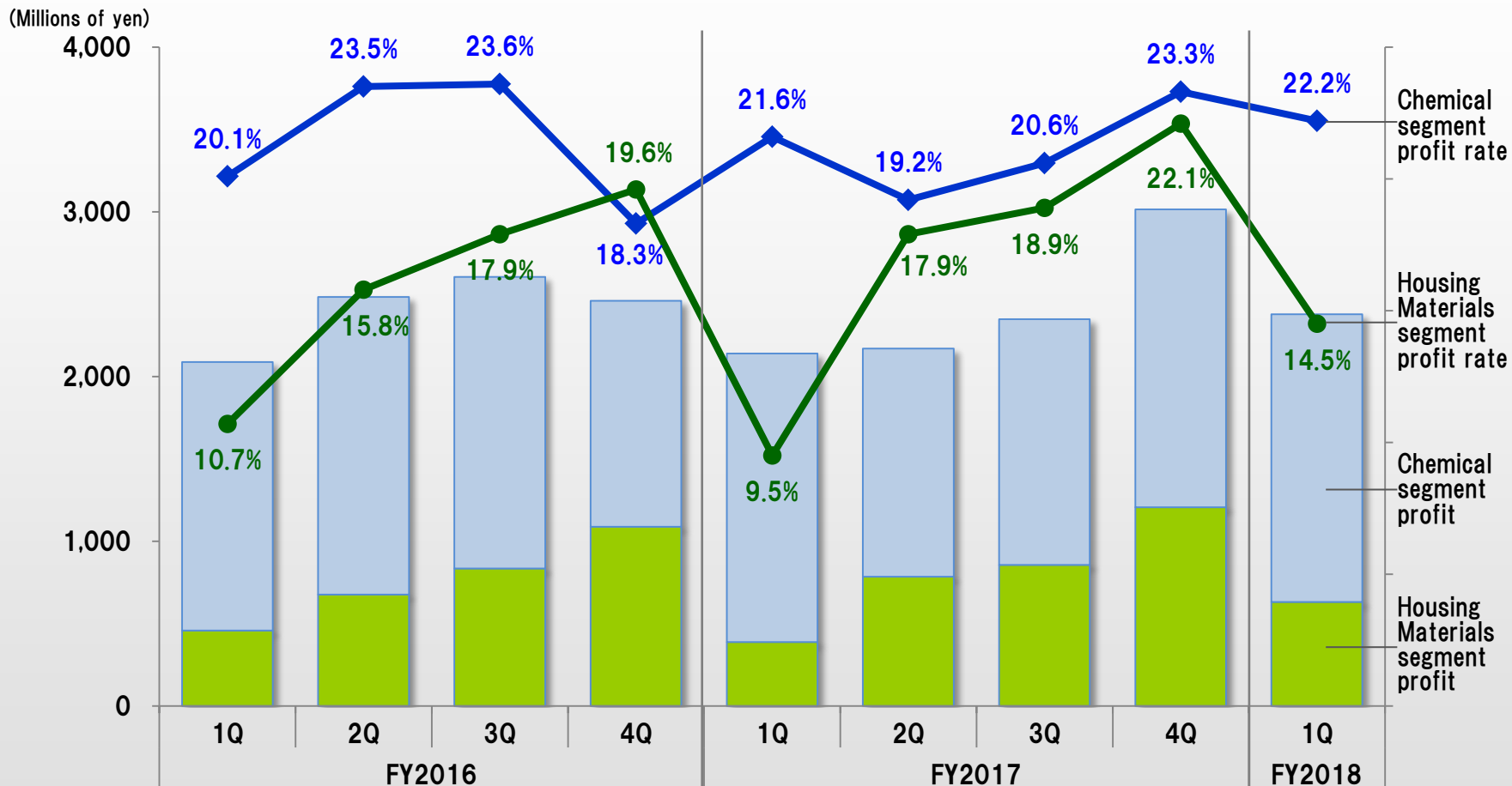
■ Sales amount constituent ratio (Millions of yen)



■ Segment information (Millions of yen)

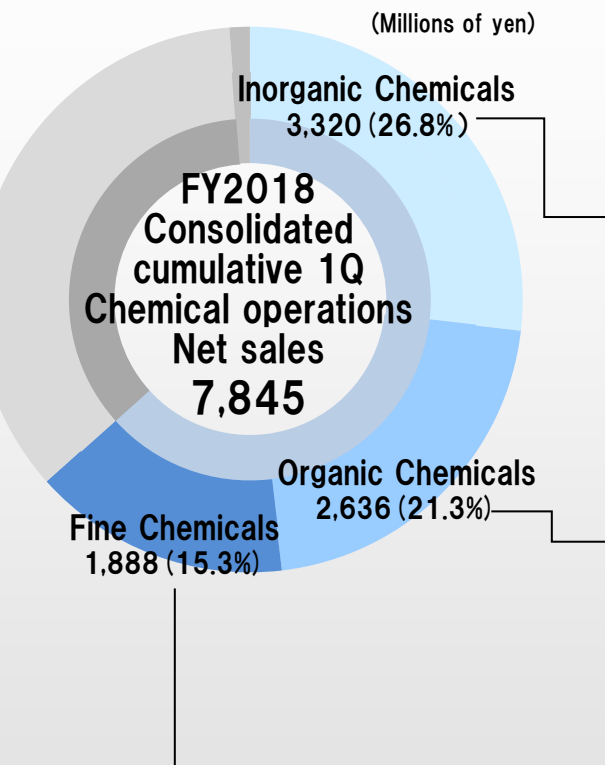
	Consolidated cumulative 1Q		Increase of amount	Changes
	FY2017	FY2018		
Net sales				
Chemical operations	8,107	7,845	▲ 262	▲3.2%
Housing Materials operations	4,086	4,383	297	7.3%
Segment profit				
Chemical operations	1,752	1,745	▲ 6	▲0.4%
Housing Materials operations	389	633	243	62.5%

Sales and Profit by Business segments (consolidated and quarter)



Chemical operations net sales	8,091	7,673	7,519	7,485	8,107	7,221	7,235	7,761	7,845
Housing Materials operations net sales	4,279	4,298	4,657	5,556	4,086	4,376	4,532	5,474	4,383
Chemical segment profit	1,630	1,806	1,771	1,371	1,752	1,385	1,492	1,808	1,745
Housing Materials segment profit	459	678	835	1,089	389	785	857	1,207	633

Chemicals operations segment



【 Main products 】

- Insoluble sulfur
Vulcanizing agent for radial tires
- Carbon Disulfide
- Sodium Sulfate
- Sodium carbonate



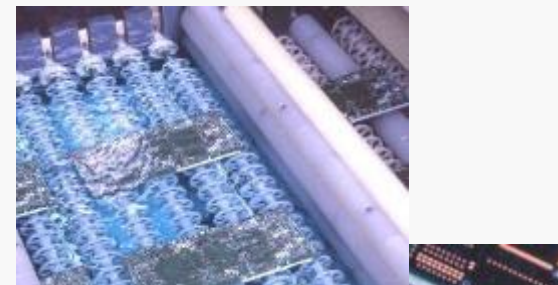
【 Main products 】

- Cyanuric acid derivatives
for swimming pool and
septic tank disinfectants
- Hipolka

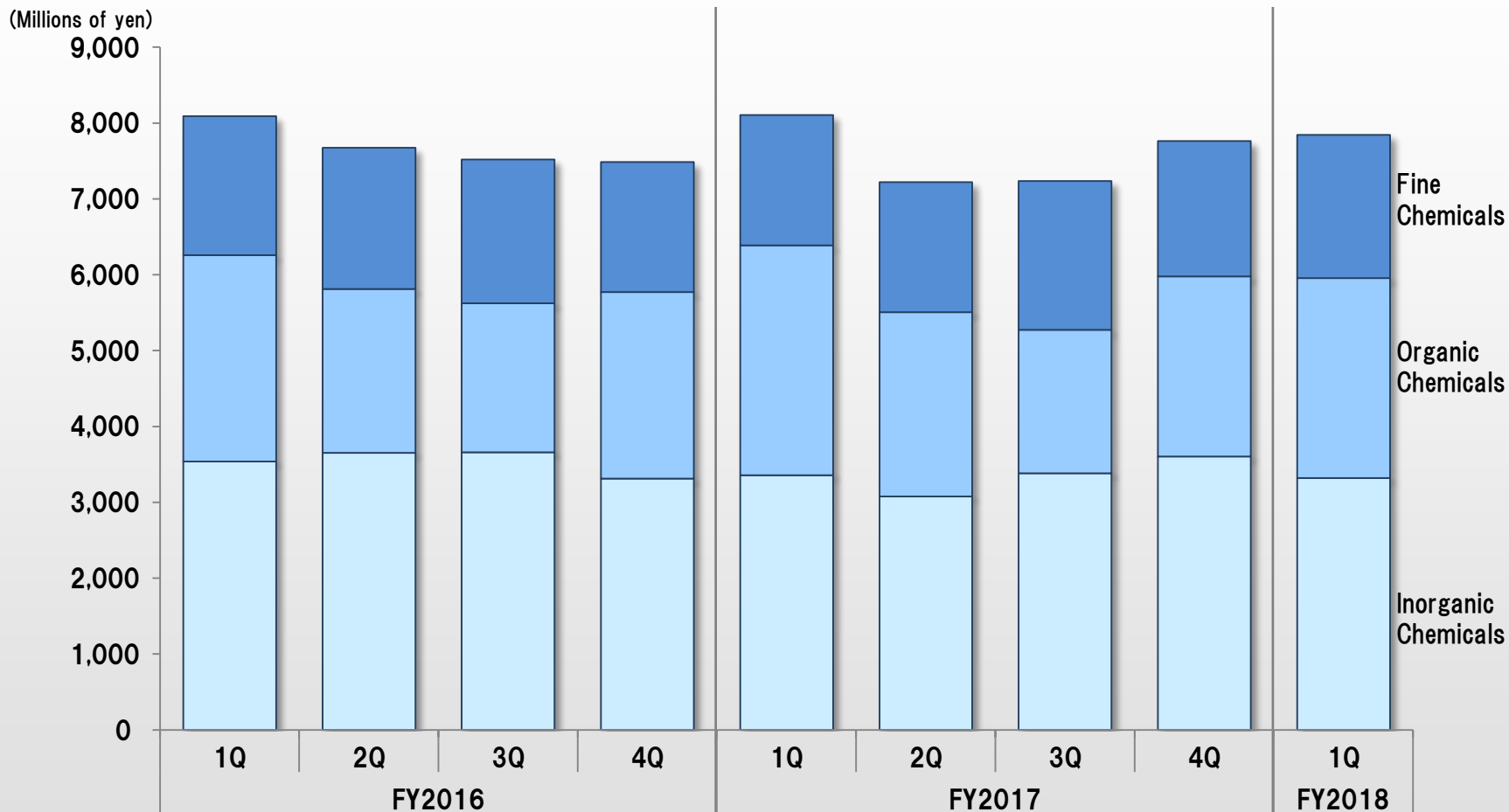


【 Main products 】

- Gliccoat-SMD
Heat-resistant OSP (Organic
Solderability Preservative) for
printed wiring boards
- Imidazoles
Imidazole derivatives for an epoxy resin
curing agent and a raw material for
pharmaceuticals and other applications;
modifiers for high-added-value resins
- THEIC



Sales Trend of Chemical operations (consolidated and quarter)



Fine Chemicals	1,832	1,860	1,895	1,715	1,719	1,713	1,962	1,783	1,888
Organic Chemicals	2,723	2,160	1,965	2,459	3,029	2,430	1,891	2,375	2,636
Inorganic Chemicals	3,535	3,652	3,659	3,310	3,357	3,077	3,381	3,602	3,320

Housing Materials operations segment

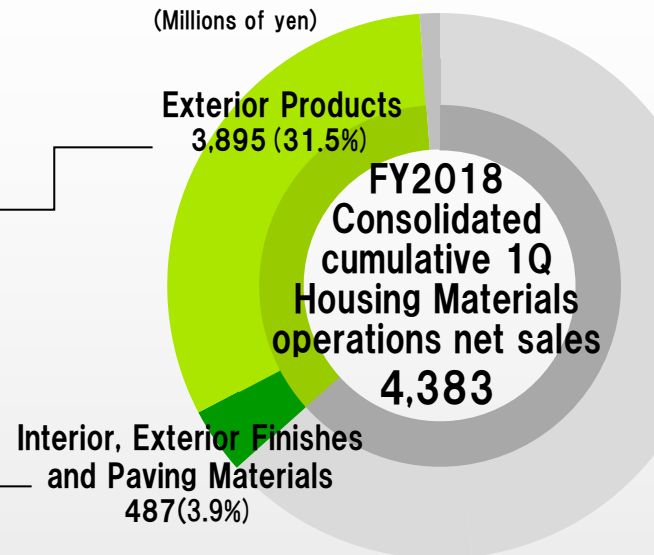
【Main products】

- Home Exterior Products
gates, fences , garage and accordion gate
- Decorative Exterior Products
large gates and fences , shelter, bicycle parking, garbage collection container and Greening system

【Main products】

- Interior, Exterior Finishes and Paving Materials

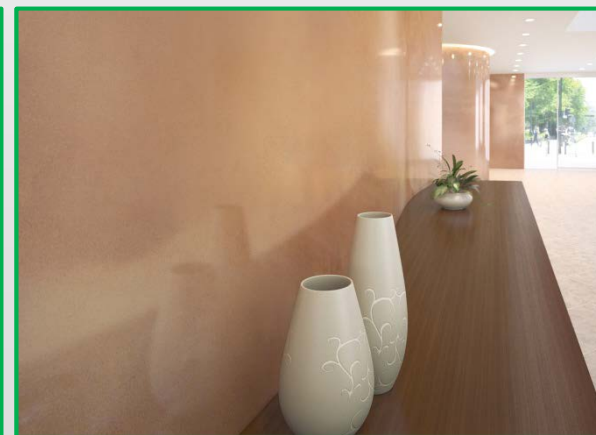
(Millions of yen)



“Exsucc roof” (Open facade)



“Myport Origin” (garage)



“Lumidecor” (shiny interior finish)

Sales Trend of Housing Materials operations (consolidated and quarter)

(Millions of yen)

6,000

5,000

4,000

3,000

2,000

1,000

0

1Q

2Q

3Q

4Q

1Q

2Q

3Q

4Q

1Q
FY2018

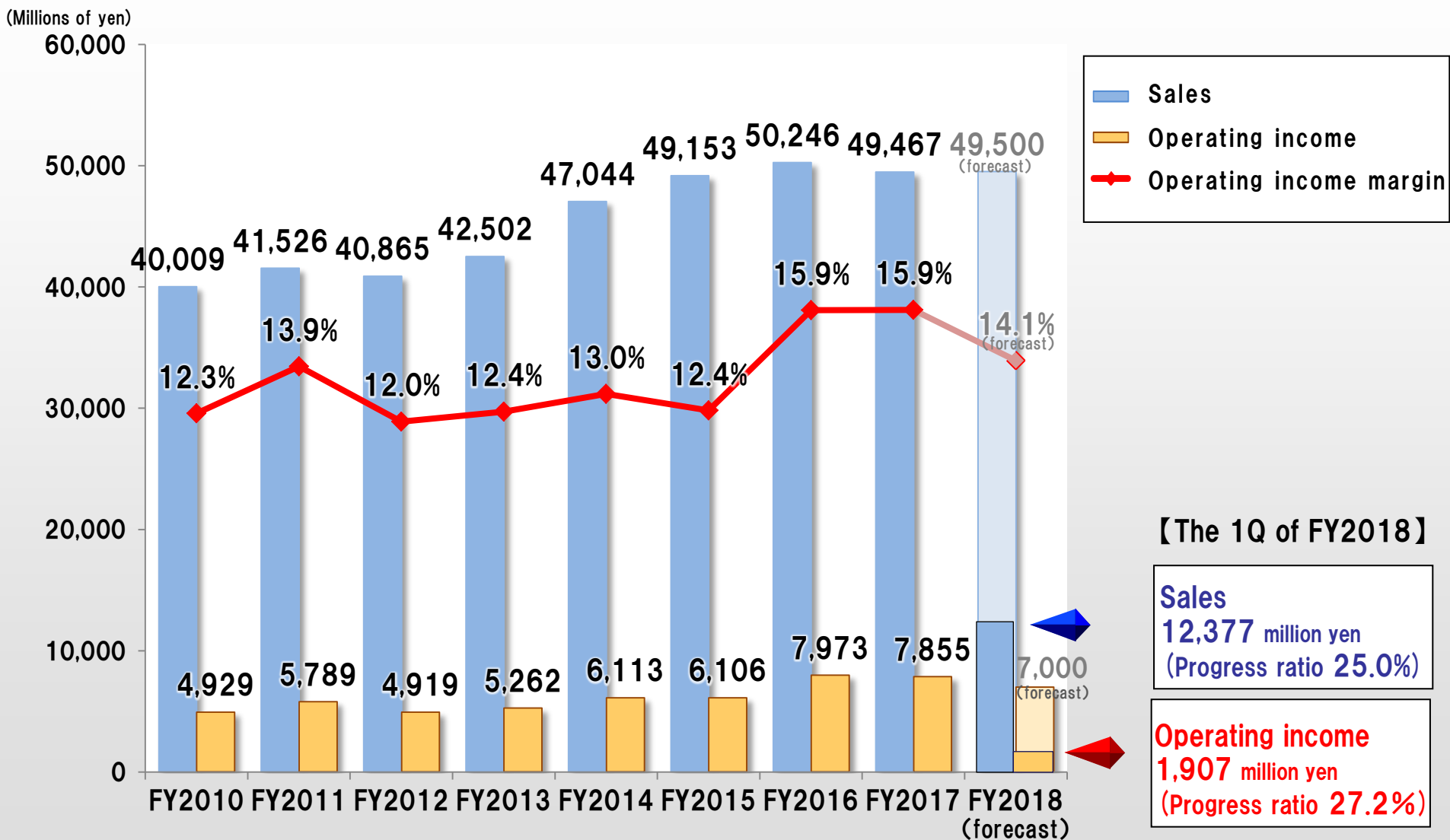
FY2016

FY2017

Exterior
ProductsInterior,
Exterior
Finishes and
Paving
Materials

Exterior Products	3,776	3,780	4,110	5,047	3,596	3,876	3,972	4,983	3,895
Interior, Exterior Finishes and Paving Materials	503	517	547	509	489	499	559	490	487

Sales/Operating Income Trend (consolidated)



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[Note regarding this document]

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Further, the purpose of this material is to provide information to the investors, and not to serve as a recommendation to buy or to sell. Please note that Shikoku Chemical Corporation will not be responsible for the consequences of investments etc.