

Creating new worlds
in the niches
between the current ones

Financial Results for the 3rd Quarter of the FY2018 (April 1, 2017 – December 31, 2017)

January 30, 2018

 **SHIKOKU CHEMICALS CORPORATION**

Stock 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,Singapore
- Capital 6,867 million yen
- Number of employees Consolidated1,120 Non-Consolidated 617(As of September 30, 2017)

▼Share of stock

- Issued Shares 58,948,063
- Number of Shareholders 3,609(As of September 30, 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 3Q of FY2018

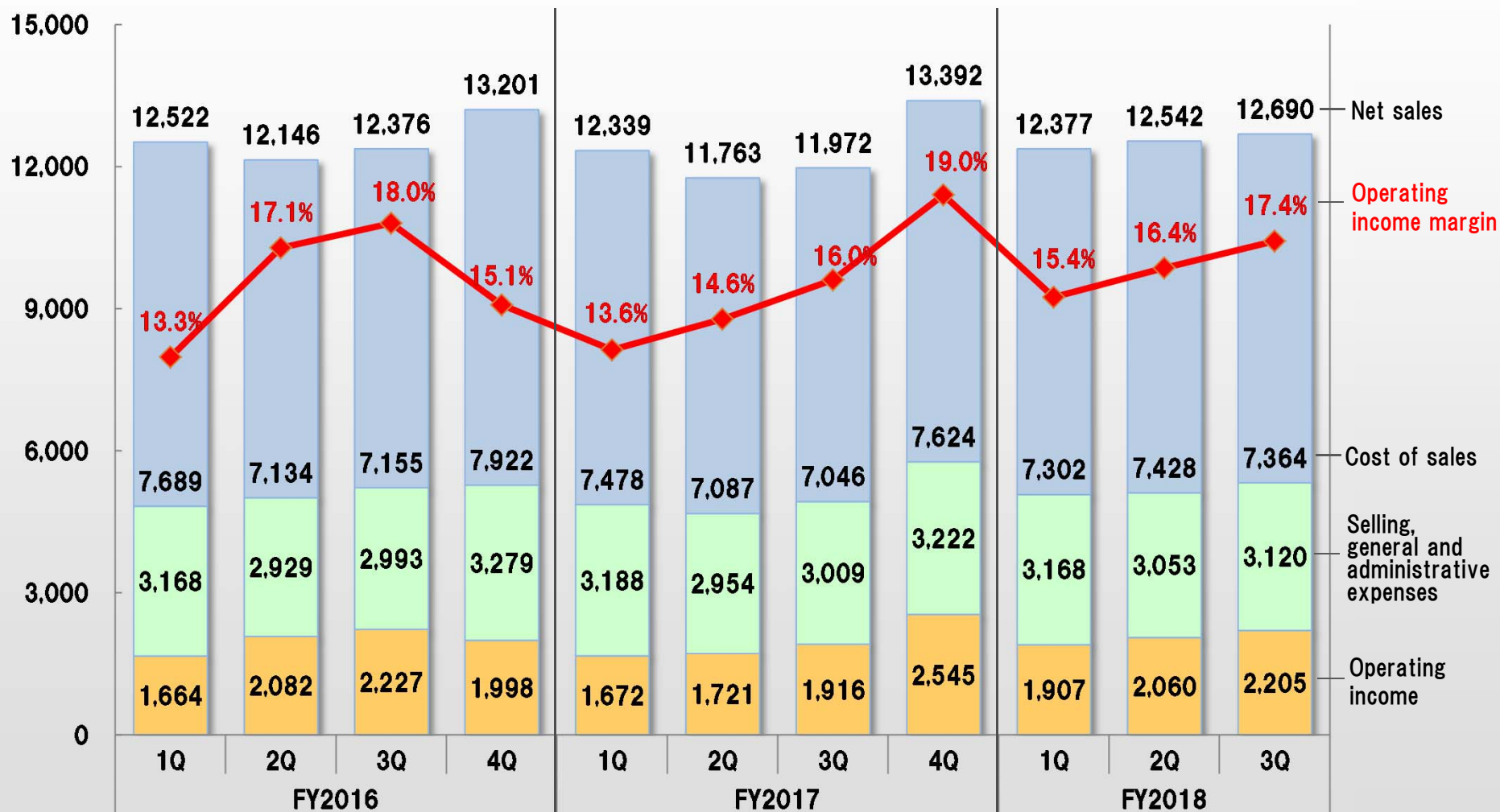
(Millions of yen)

	Consolidated cumulative 3Q				Increase of amount	Changes
	FY2017		FY2018			
	Amount	Percentage	Amount	Percentage		
Net sales	36,074	100.0%	37,610	100.0%	1,535	4.3%
Operating Income	5,310	14.7%	6,172	16.4%	862	16.2%
Ordinary income	5,940	16.5%	6,596	17.5%	656	11.0%
Net income attributable to owners of the parent	4,048	11.2%	4,511	12.0%	463	11.4%
Exchange rate (USD)	106		112			
Exchange rate (EUR)	119		127			

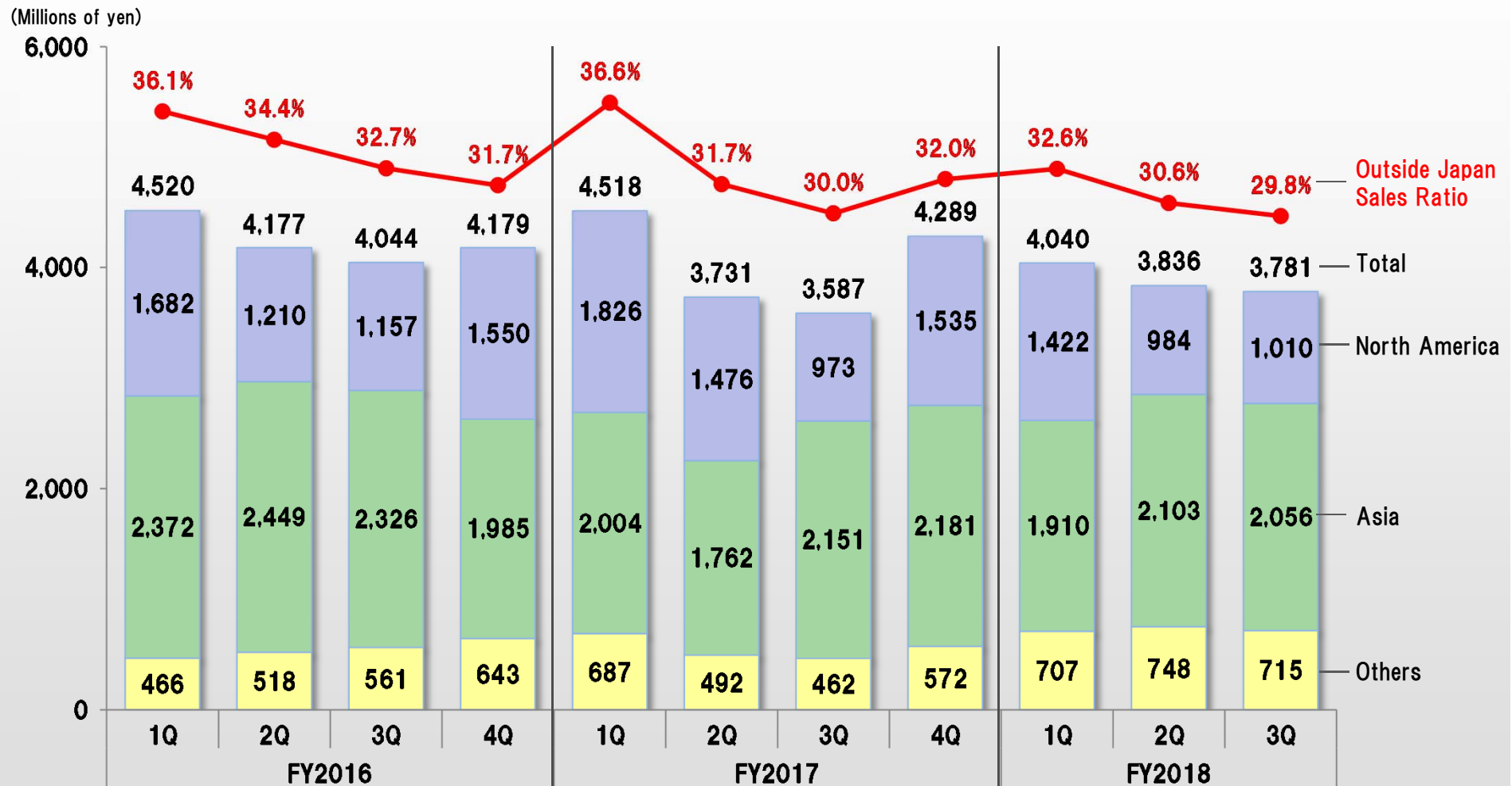
The exchange rates given above are average rates for the period from April to December.

Financial Results Trend (consolidated and quarter)

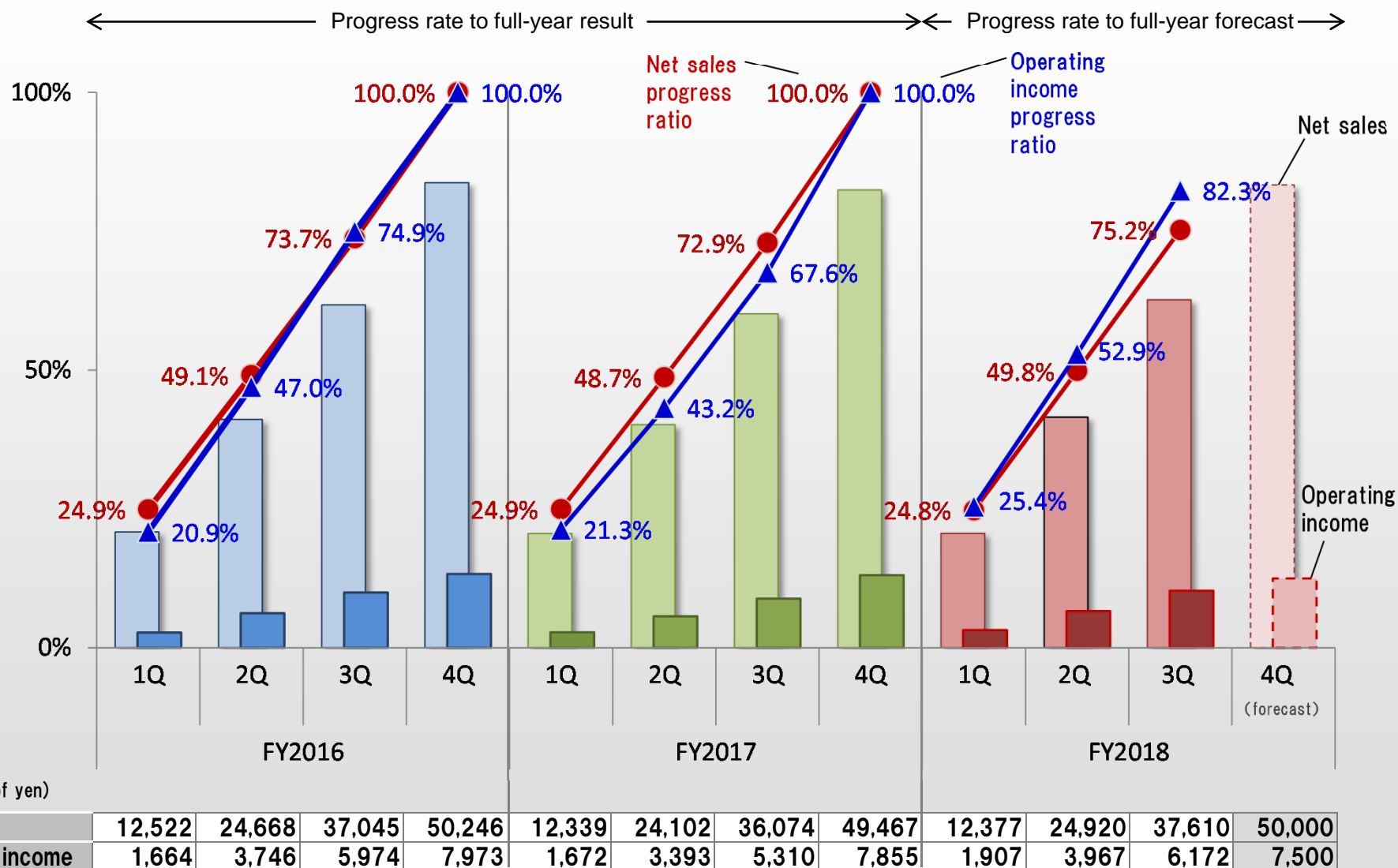
(Millions of yen)



Sales Trends by Region

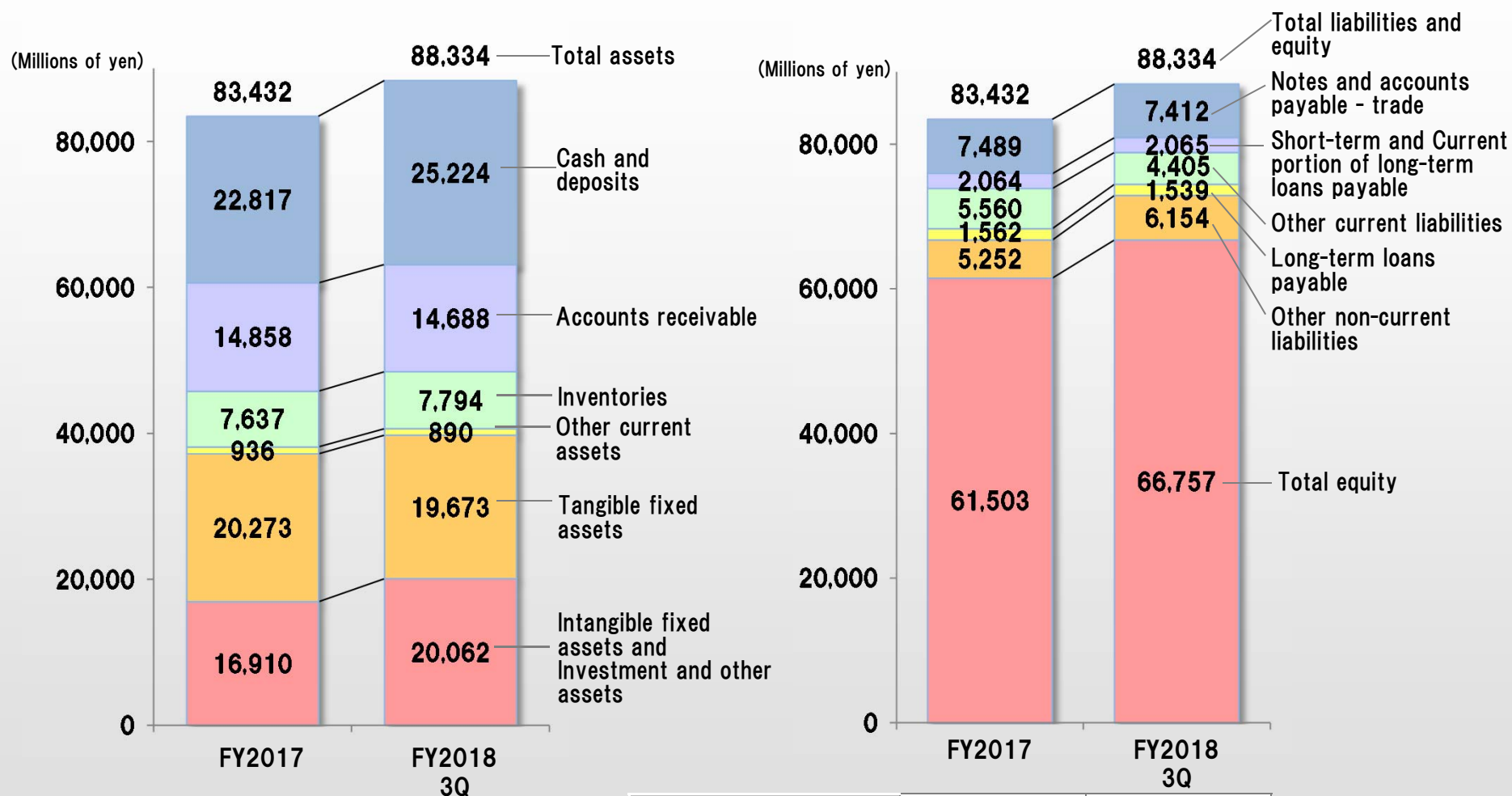


Progress report



Note: Revisions to the consolidated earnings forecasts most recently announced: None

Assets / Liabilities, and a total equity (consolidated)



interest-bearing debt (millions of yen)	3,853	3,841
net interest-bearing debt (millions of yen)	▲ 18,963	▲ 21,383
Equity ratio(%)	72.9	74.7

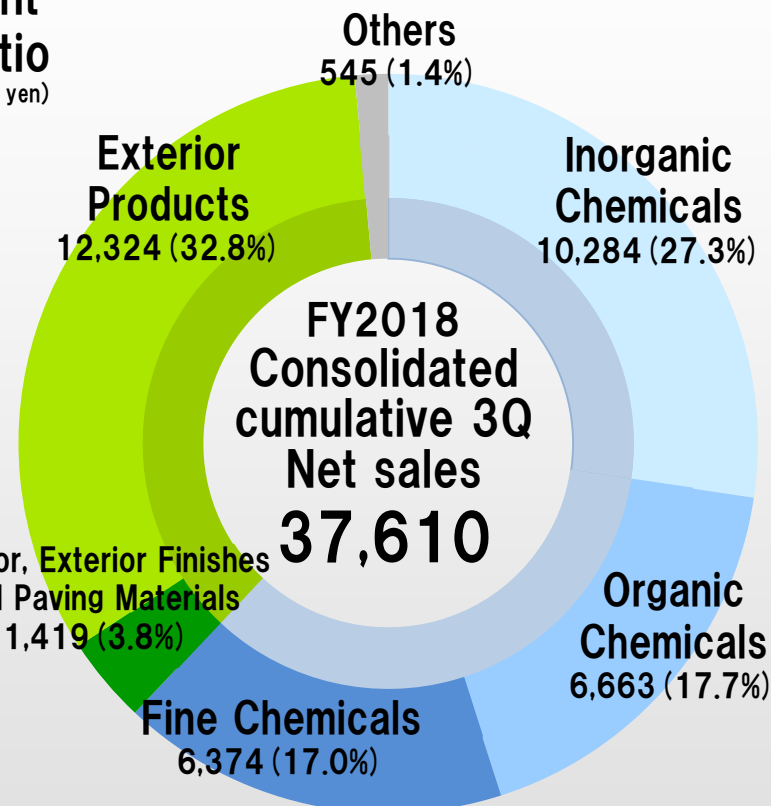
Sales and Profit by Business segments

■ Sales amount constituent ratio

(Millions of yen)

Housing Materials operations

13,743 (36.6%)



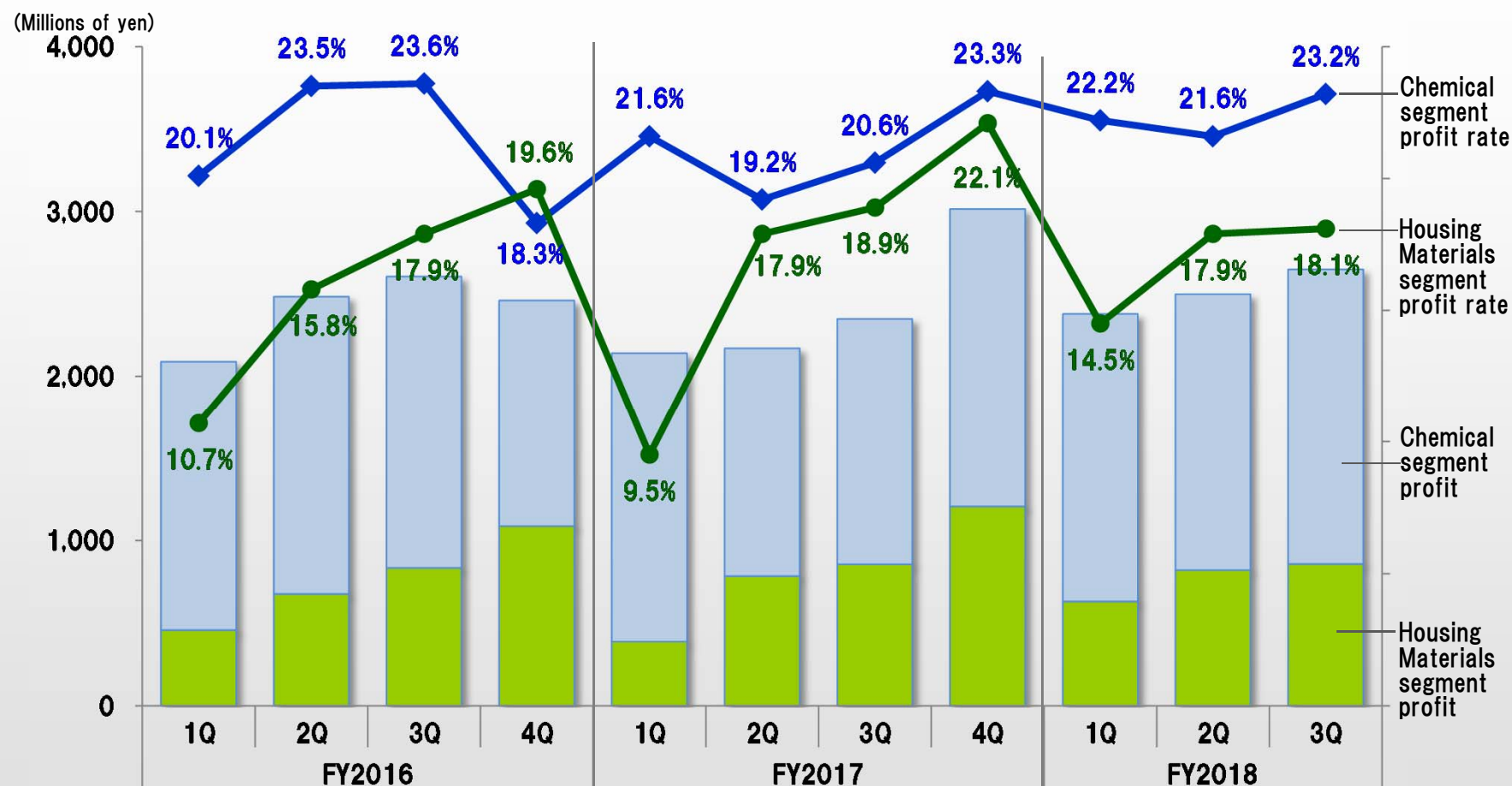
Chemical operations
23,321 (62.0%)

■ Segment information

(Millions of yen)

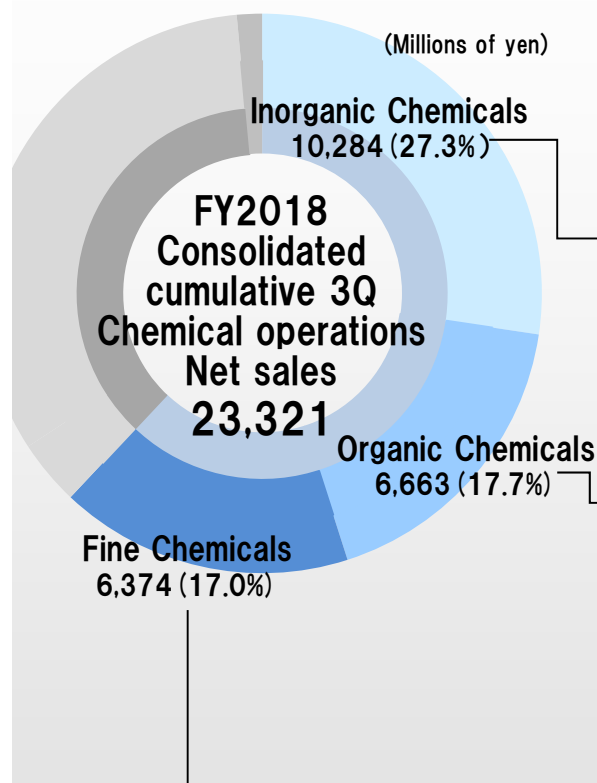
	Consolidated cumulative 3Q		Increase of amount	Changes
	FY2017	FY2018		
Net sales				
Chemical operations	22,563	23,321	758	3.4%
Housing Materials operations	12,994	13,743	749	5.8%
Segment profit				
Chemical operations	4,630	5,210	579	12.5%
Housing Materials operations	2,032	2,316	283	14.0%

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	7,750	7,726
Housing Materials operations net sales	4,279	4,298	4,657	5,556	4,086	4,376	4,532	5,474	4,383	4,609	4,751
Chemical segment profit	1,630	1,806	1,771	1,371	1,752	1,385	1,492	1,808	1,745	1,675	1,790
Housing Materials segment profit	459	678	835	1,089	389	785	857	1,207	633	823	859

Chemicals operations segment



【 Main products 】

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



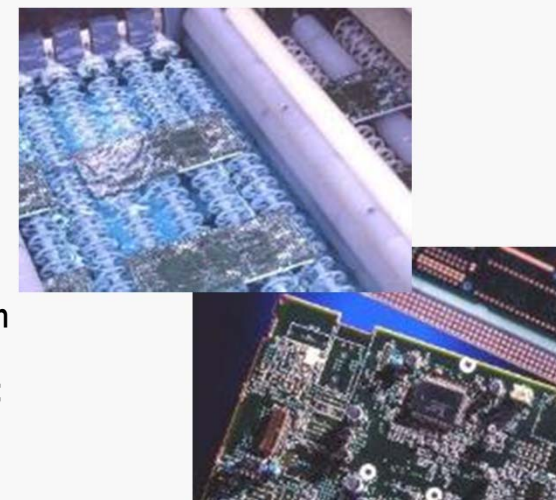
【 Main products 】

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



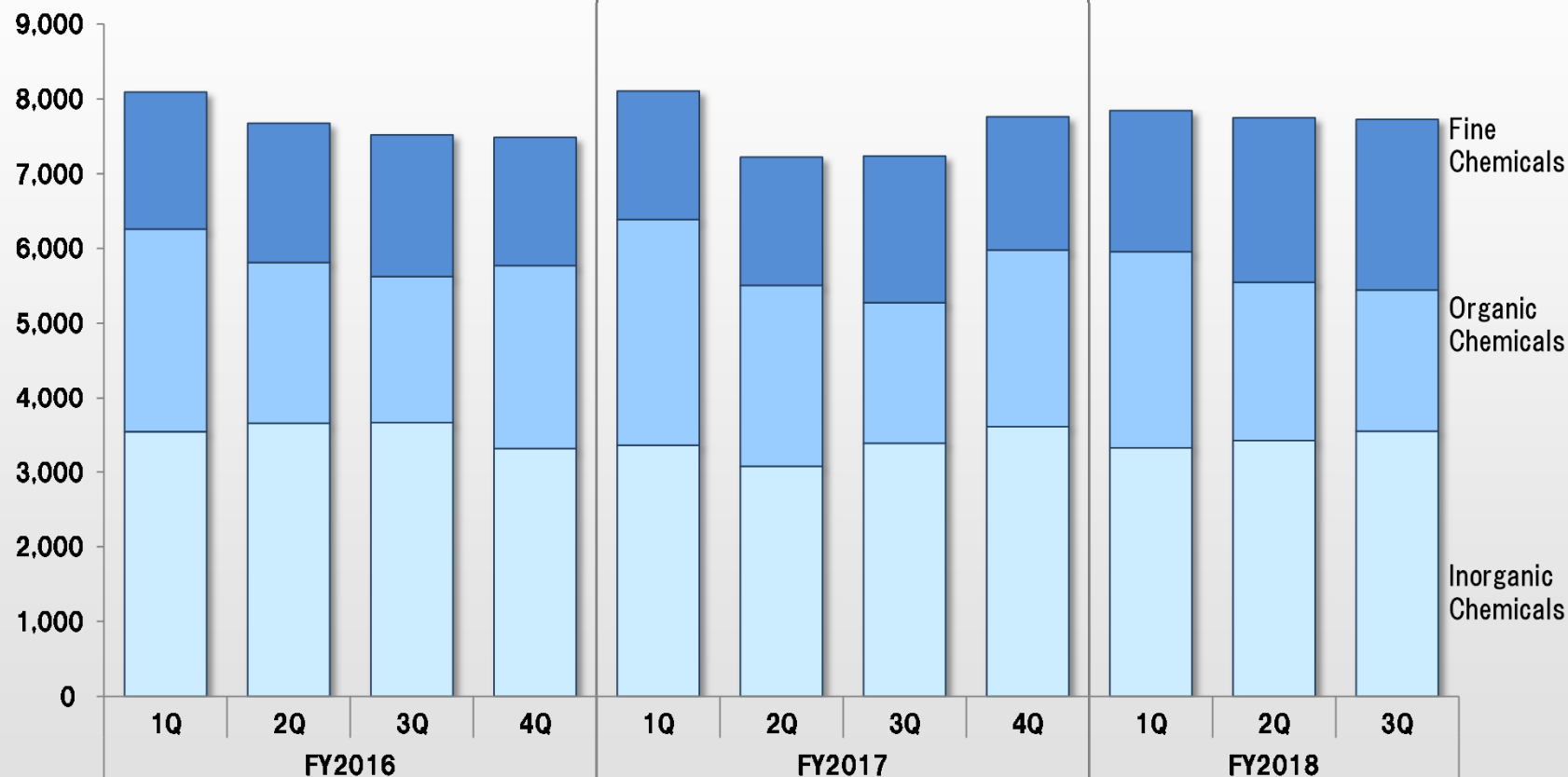
【 Main products 】

- 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)

(Millions of yen)



Fine Chemicals	1,832	1,860	1,895	1,715	1,719	1,713	1,962	1,783	1,888	2,202	2,283
Organic Chemicals	2,723	2,160	1,965	2,459	3,029	2,430	1,891	2,375	2,636	2,126	1,900
Inorganic Chemicals	3,535	3,652	3,659	3,310	3,357	3,077	3,381	3,602	3,320	3,420	3,543

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)

Exterior Products
12,324 (32.8%)

FY2018
Consolidated
cumulative 3Q
Housing Materials
operations net sales
13,743

Interior, Exterior Finishes
and Paving Materials
1,419 (3.8%)



“Exsucc roof” (Open facade)

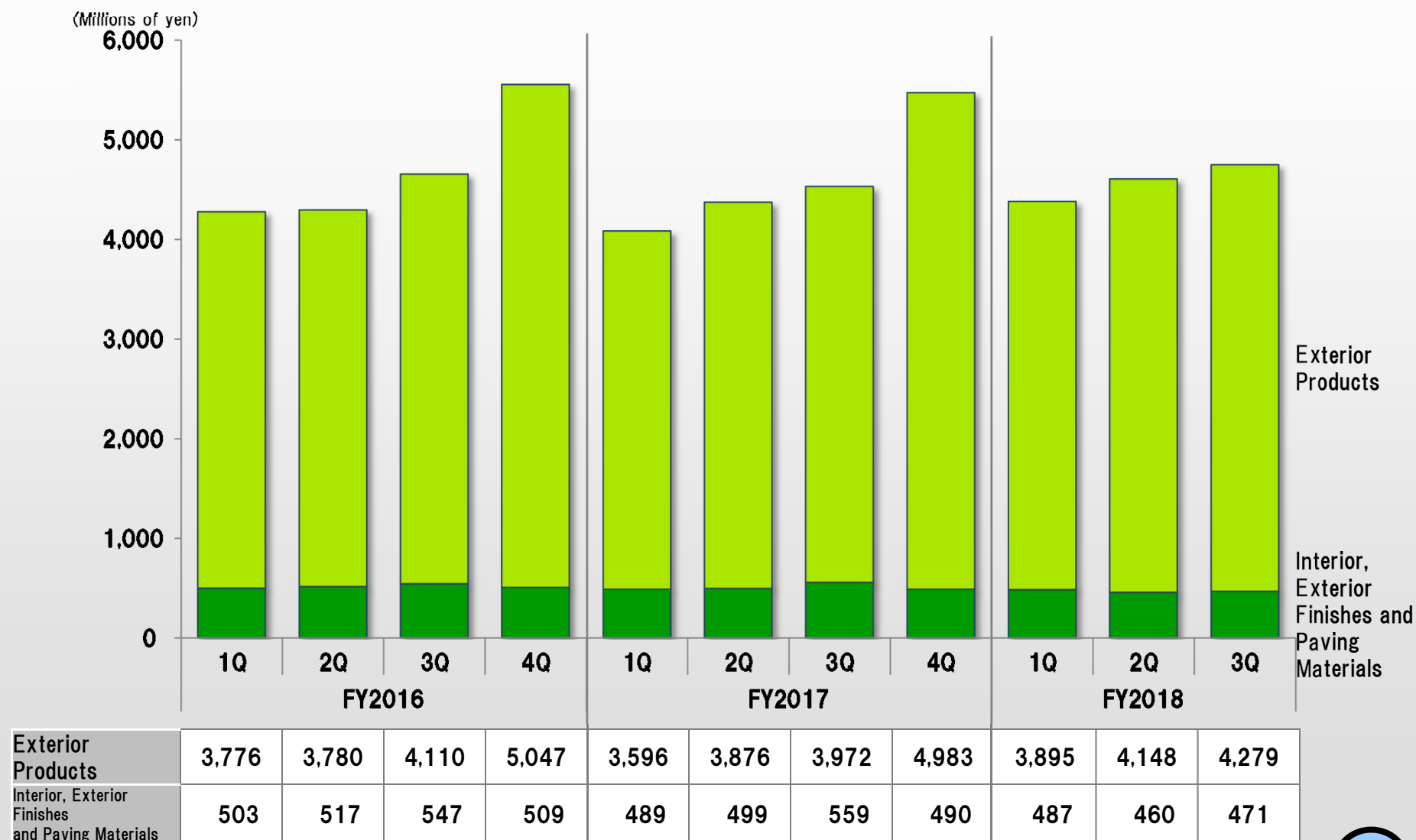


“Myport Origin” (garage)

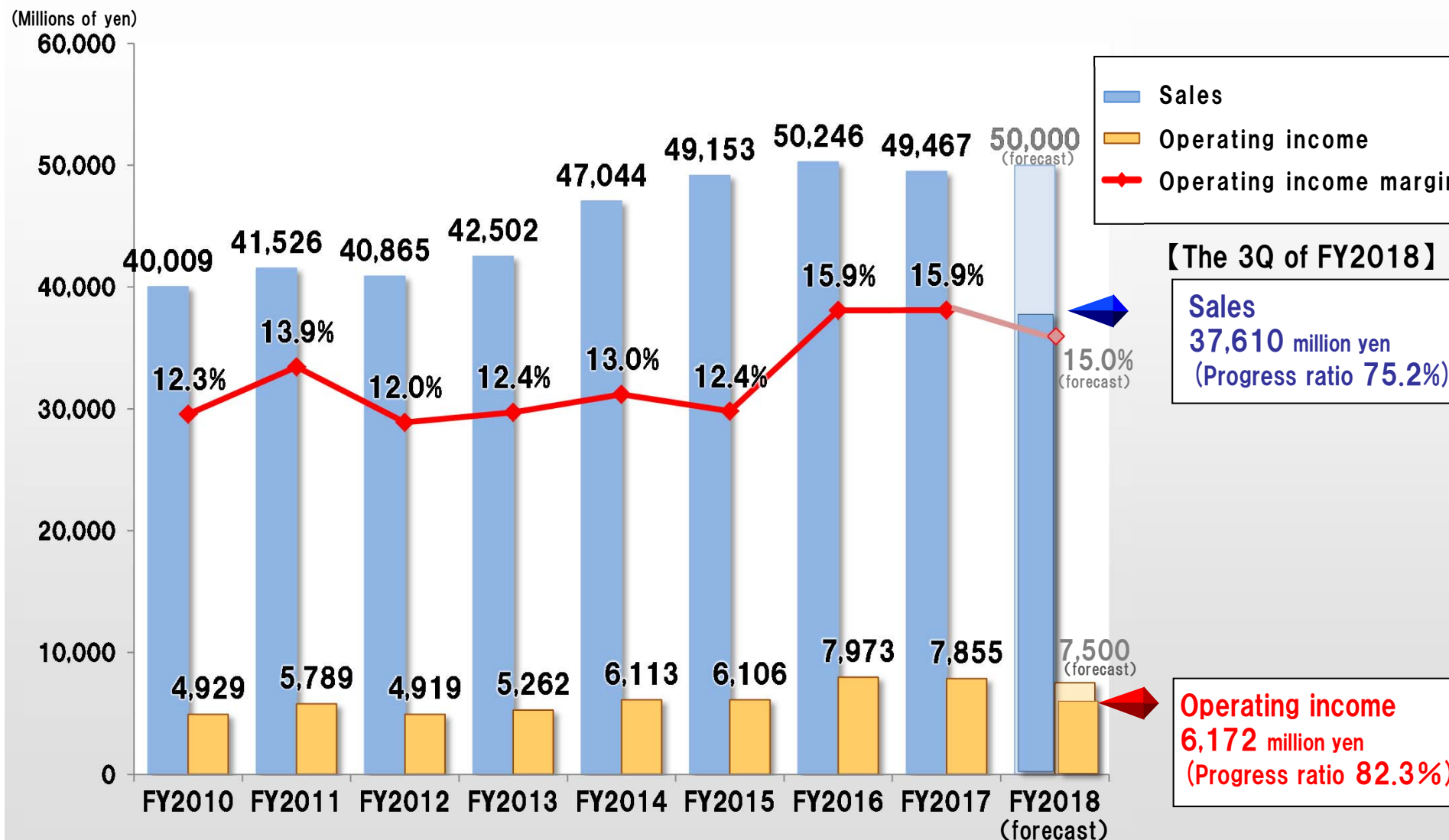


“Lumidecor” (shiny interior finish)

Sales Trend of Housing Materials operations (consolidated and quarter)



Sales/Operating Income Trend (consolidated)



Note: Revisions to the consolidated earnings forecasts most recently announced: None

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[Note regarding this document]

Forward-looking statements or projections mentioned in this document, including earnings are based on currently available information and actual results may differ from the projection due to various factors.

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.