



**Financial Results**  
**for the 2<sup>nd</sup> Quarter of the FY2020**  
**(April 1, 2019–September 30, 2019)**



**October 29, 2019**



**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,Shingapore
- Capital 6,867 million yen
- Number of employees Consolidated1,202 Non-Consolidated 677(As of September 30, 2019)

## ▼Share of stock

- Issued Shares 58 million shares
- Number of Shareholders 4,294(As of September 30, 2019)

## ▼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 2Q of FY2020

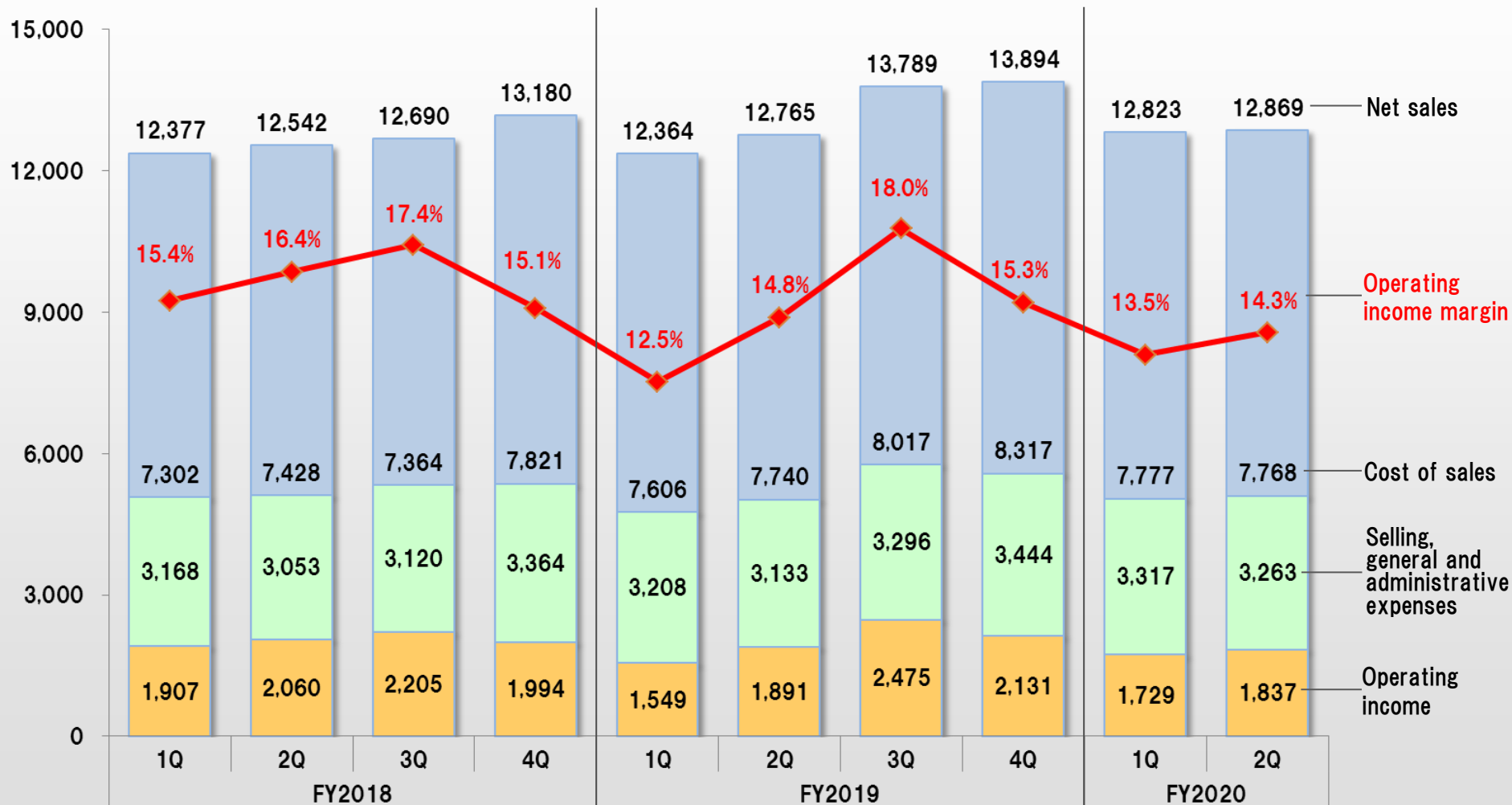
(Millions of yen)

	Consolidated cumulative 2Q				Increase of amount	Changes
	FY2019		FY2020			
	Amount	Percentage	Amount	Percentage		
Net sales	25,130	100.0%	25,693	100.0%	563	2.2%
Operating Income	3,441	13.7%	3,567	13.9%	126	3.7%
Ordinary income	3,746	14.9%	3,626	14.1%	▲ 120	▲ 3.2%
Net income attributable to owners of the parent	2,541	10.1%	2,534	9.9%	▲ 7	▲ 0.3%
Exchange rate (USD)	110		109			
Exchange rate (EUR)	130		123			

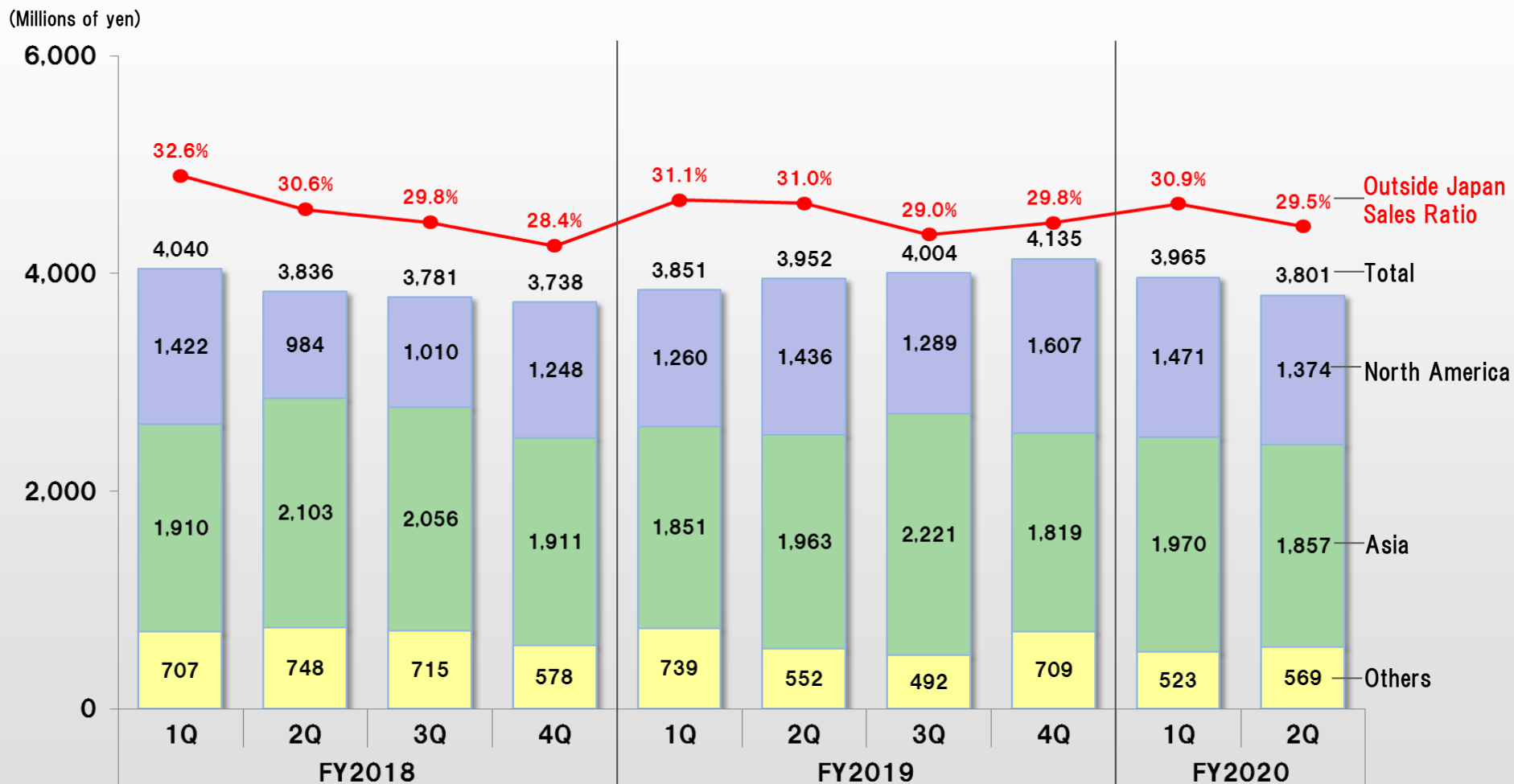
The exchange rates given above are average rates for the period from April to September.

# Financial Results Trend (consolidated and quarter)

(Millions of yen)

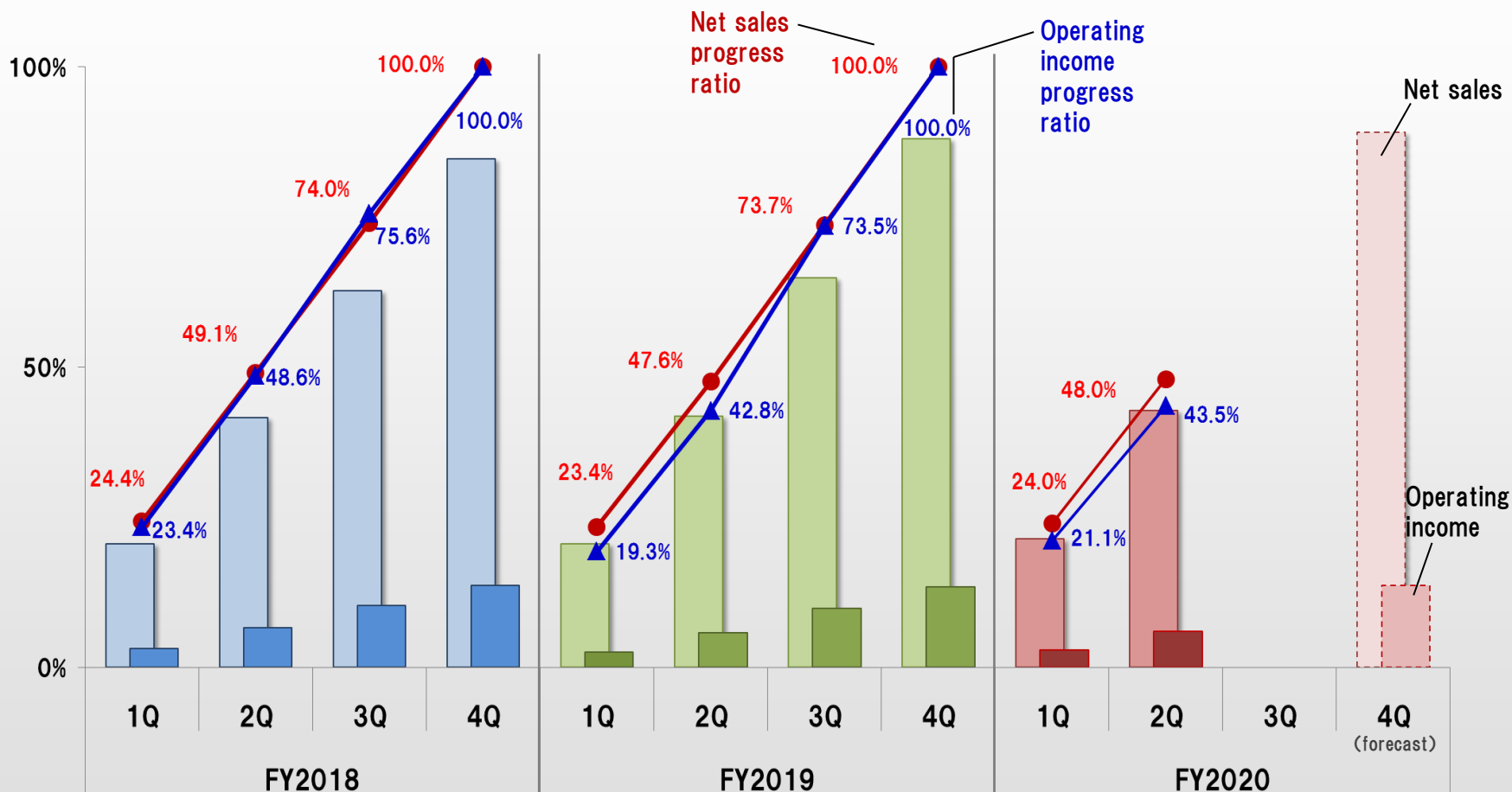


# Sales Trends by Region



# Progress report

← Progress rate to full-year result → ← Progress rate to full-year forecast →



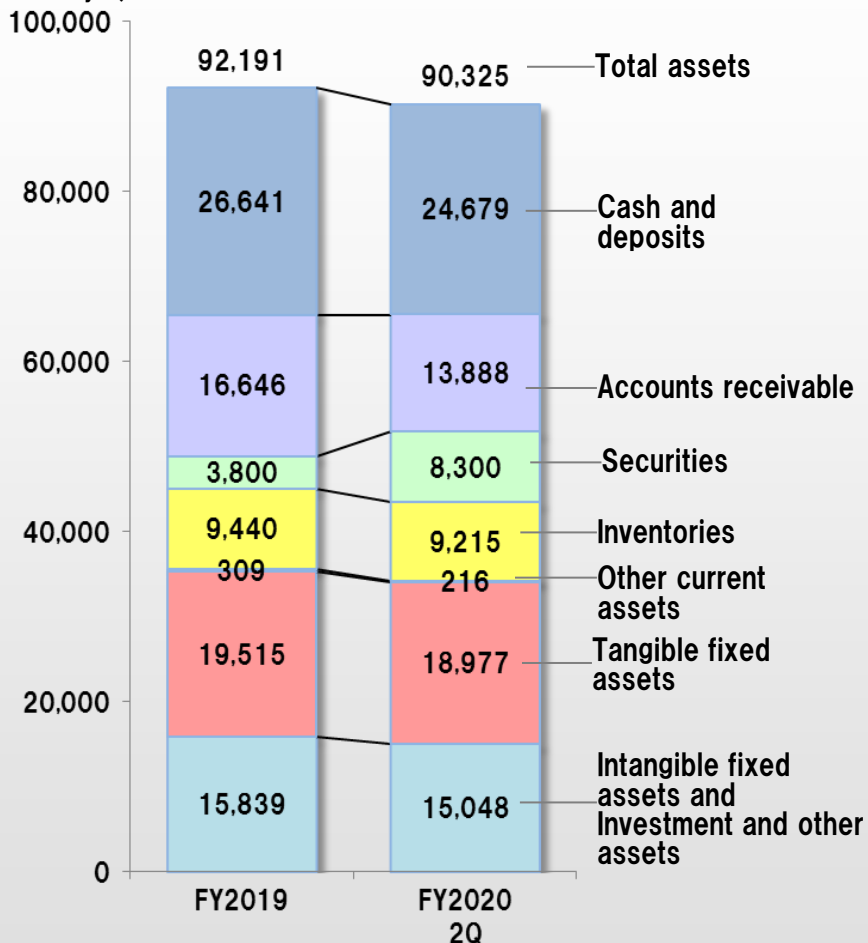
(Millions of yen)

Net sales	12,377	24,920	37,610	50,791	12,364	25,130	38,919	52,813	12,823	25,693	53,500
Operating income	1,907	3,967	6,172	8,167	1,549	3,441	5,917	8,049	1,729	3,567	8,200

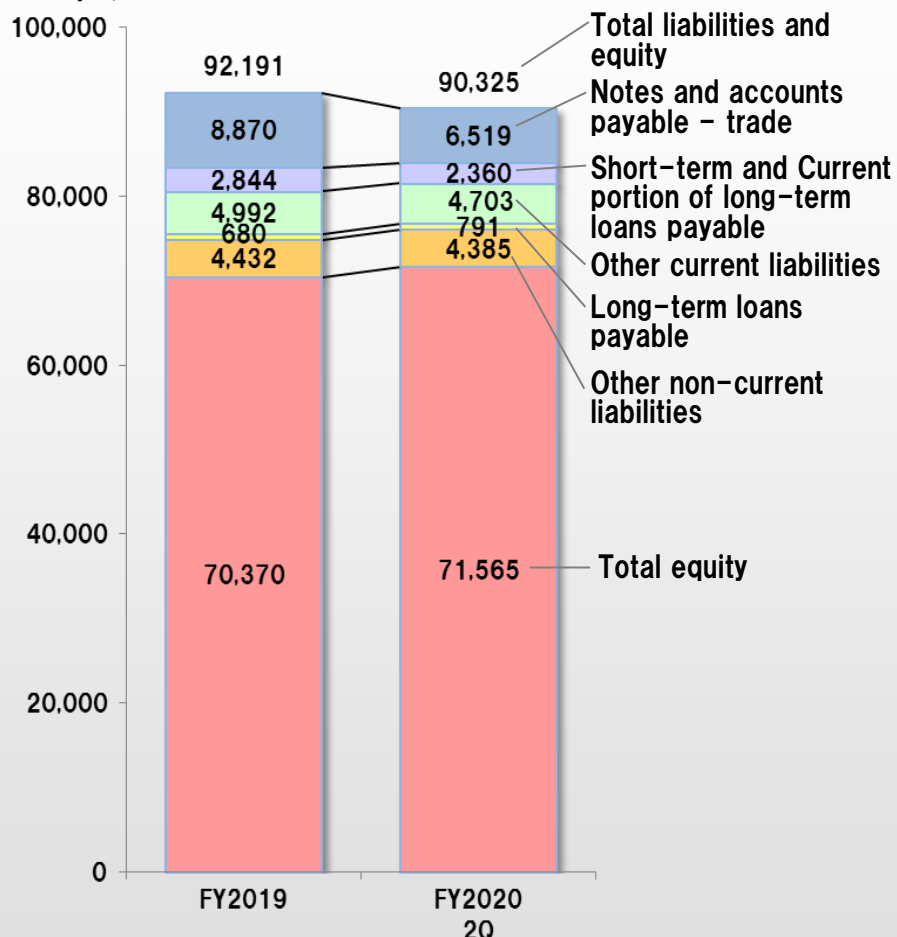
Note: Revisions to the consolidated earnings forecasts most recently announced: No

# Assets / Liabilities, and a total equity (consolidated)

(Millions of yen)



(Millions of yen)



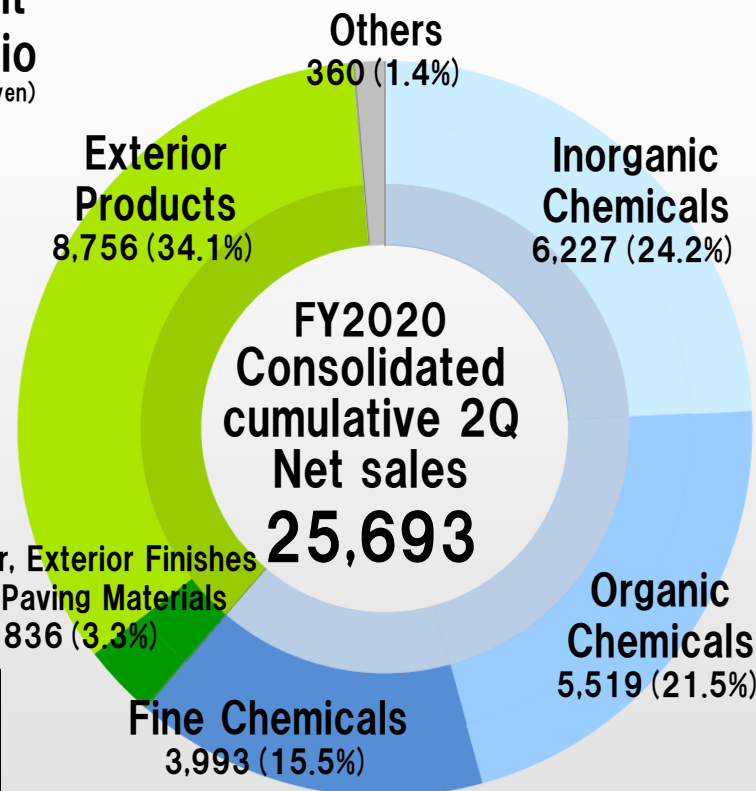
interest-bearing debt (millions of yen)	3,768	3,408
net interest-bearing debt (millions of yen)	▲ 22,872	▲ 21,270
Equity ratio(%)	75.5%	78.3%



# Sales and Profit by Business segments

## ■ Sales amount constituent ratio (Millions of yen)

**Housing Materials operations**  
**9,593 (37.3%)**

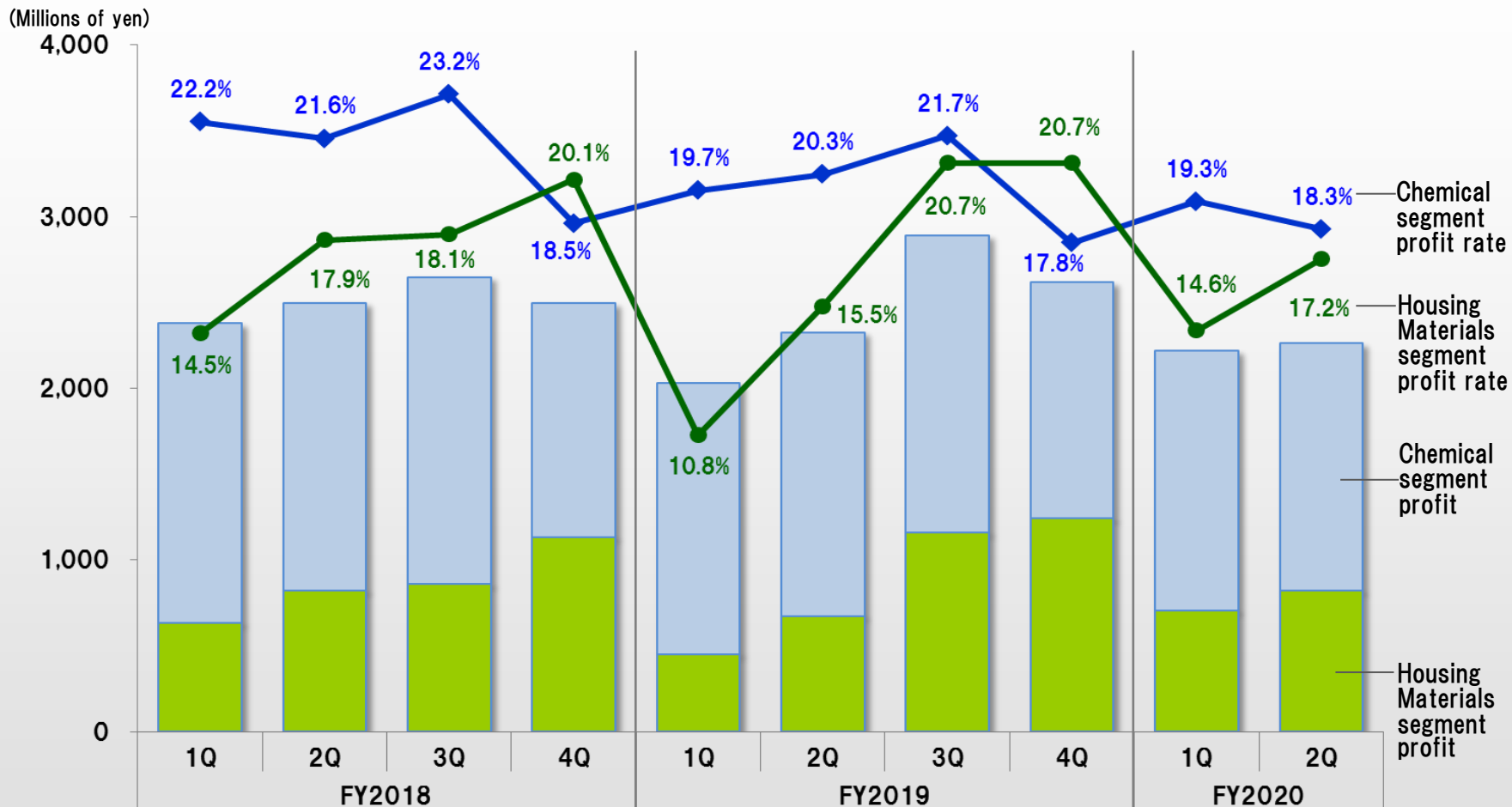


**Chemical operations**  
**15,740 (61.3%)**

## ■ Segment information (Millions of yen)

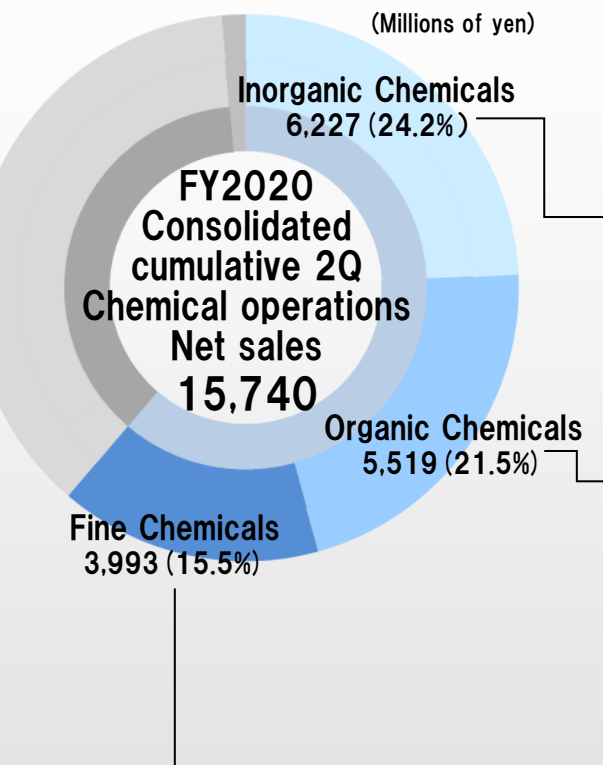
	Consolidated cumulative 2Q		Increase of amount	Changes
	FY2019	FY2020		
<b>Net sales</b>				
Chemical operations	16,156	15,740	▲ 416	▲2.6%
Housing Materials operations	8,543	9,593	1,049	12.3%
<b>Segment profit</b>				
Chemical operations	3,230	2,955	▲ 275	▲8.5%
Housing Materials operations	1,125	1,527	402	35.7%

# Sales and Profit by Business segments (consolidated and quarter)



	FY2018				FY2019				FY2020	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Chemical operations net sales	7,845	7,750	7,726	7,379	8,024	8,132	7,988	7,734	7,854	7,885
Housing Materials operations net sales	4,383	4,609	4,751	5,632	4,193	4,350	5,593	5,986	4,821	4,772
Chemical segment profit	1,745	1,675	1,790	1,362	1,577	1,652	1,731	1,377	1,514	1,440
Housing Materials segment profit	633	823	859	1,133	452	673	1,160	1,241	704	822

# Chemicals operations segment



## 【 Main products 】

- Insoluble sulfur  
Vulcanizing agent for rubber
- Carbon Disulfide
- Sodium Sulfate
- Sodium carbonate



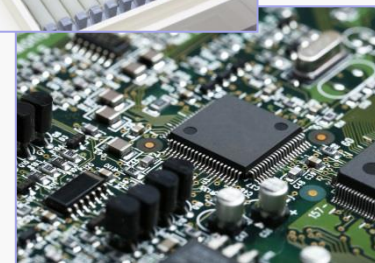
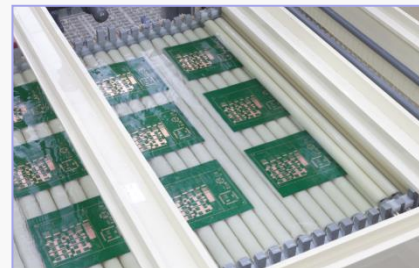
## 【 Main products 】

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

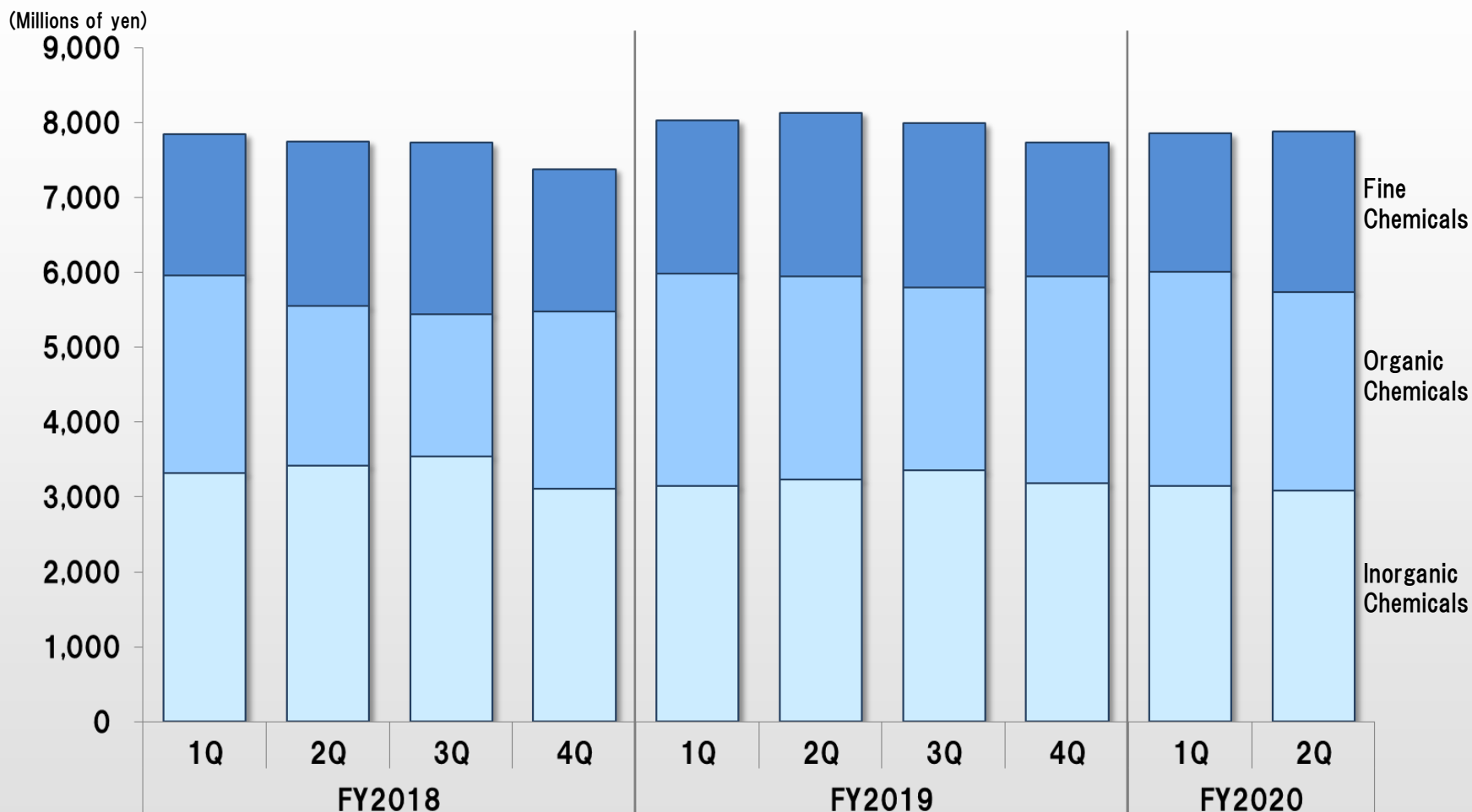


## 【 Main products 】

- 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	1,888	2,202	2,283	1,910	2,044	2,190	2,188	1,790	1,844	2,148
Organic Chemicals	2,636	2,126	1,900	2,358	2,839	2,707	2,450	2,761	2,859	2,659
Inorganic Chemicals	3,320	3,420	3,543	3,110	3,140	3,233	3,350	3,183	3,149	3,077

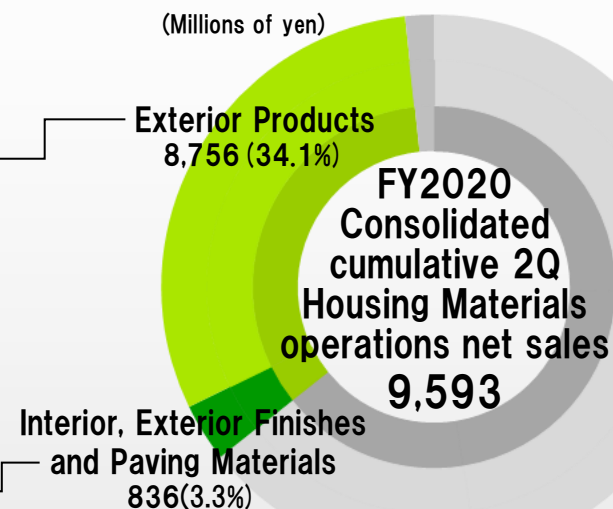
# Housing Materials operations segment

## 【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



“Fun roof” ( terrace )



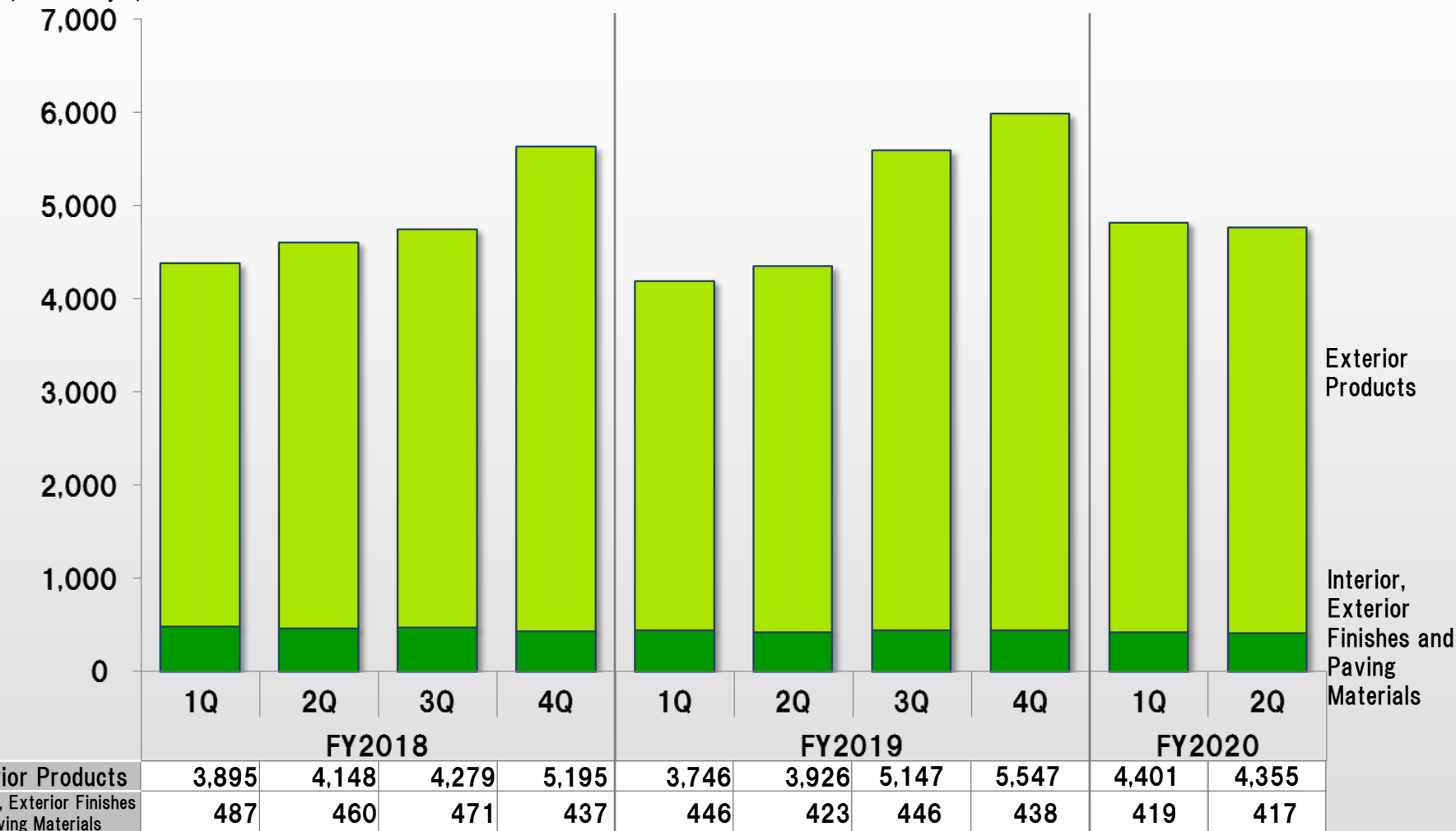
“Alegria fence TM” ( fence )  
“Alegria TM side gate”



“Myroof 7” ( garage )

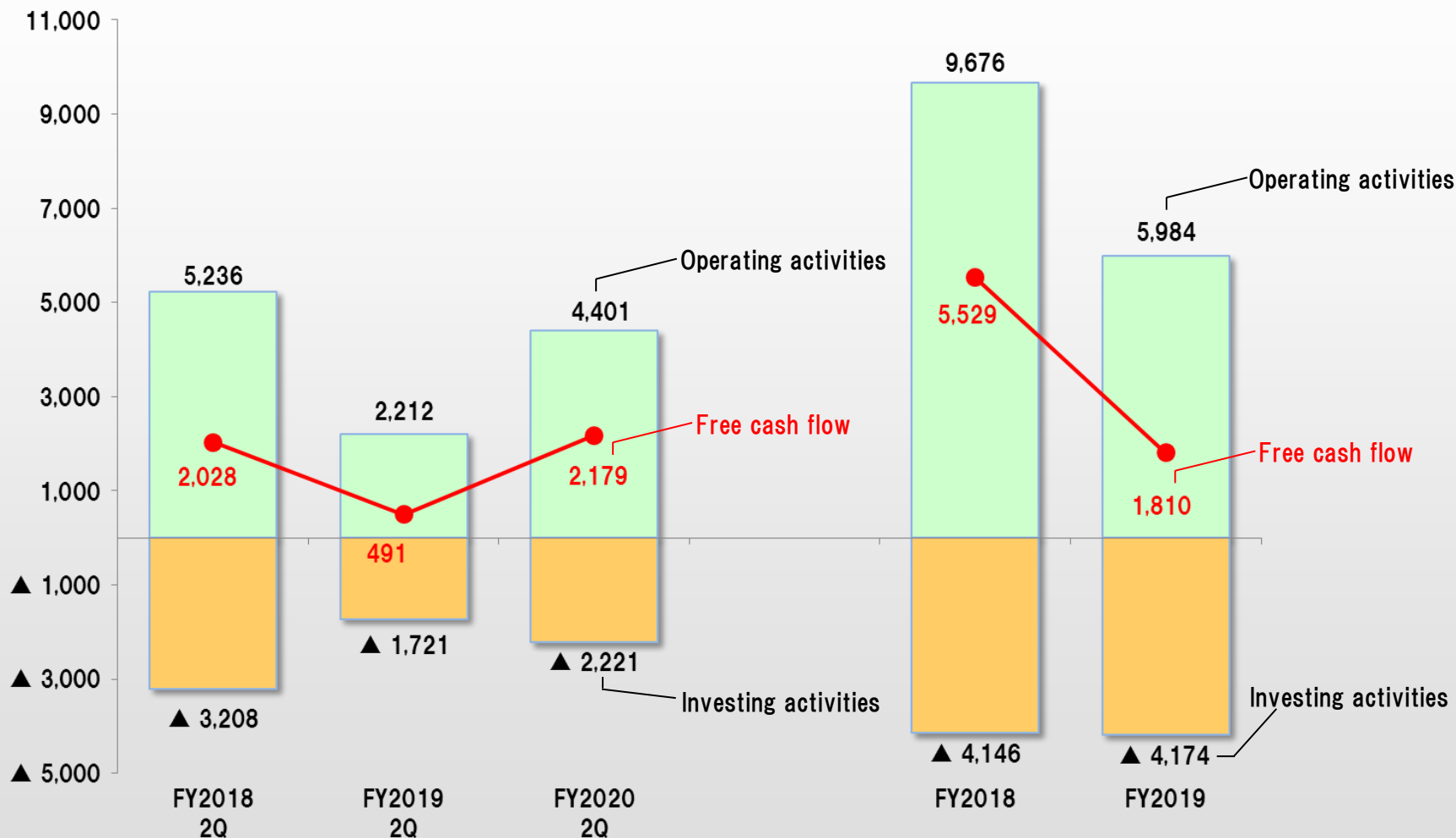
# Sales Trend of Housing Materials operations (consolidated and quarter)

(Millions of yen)

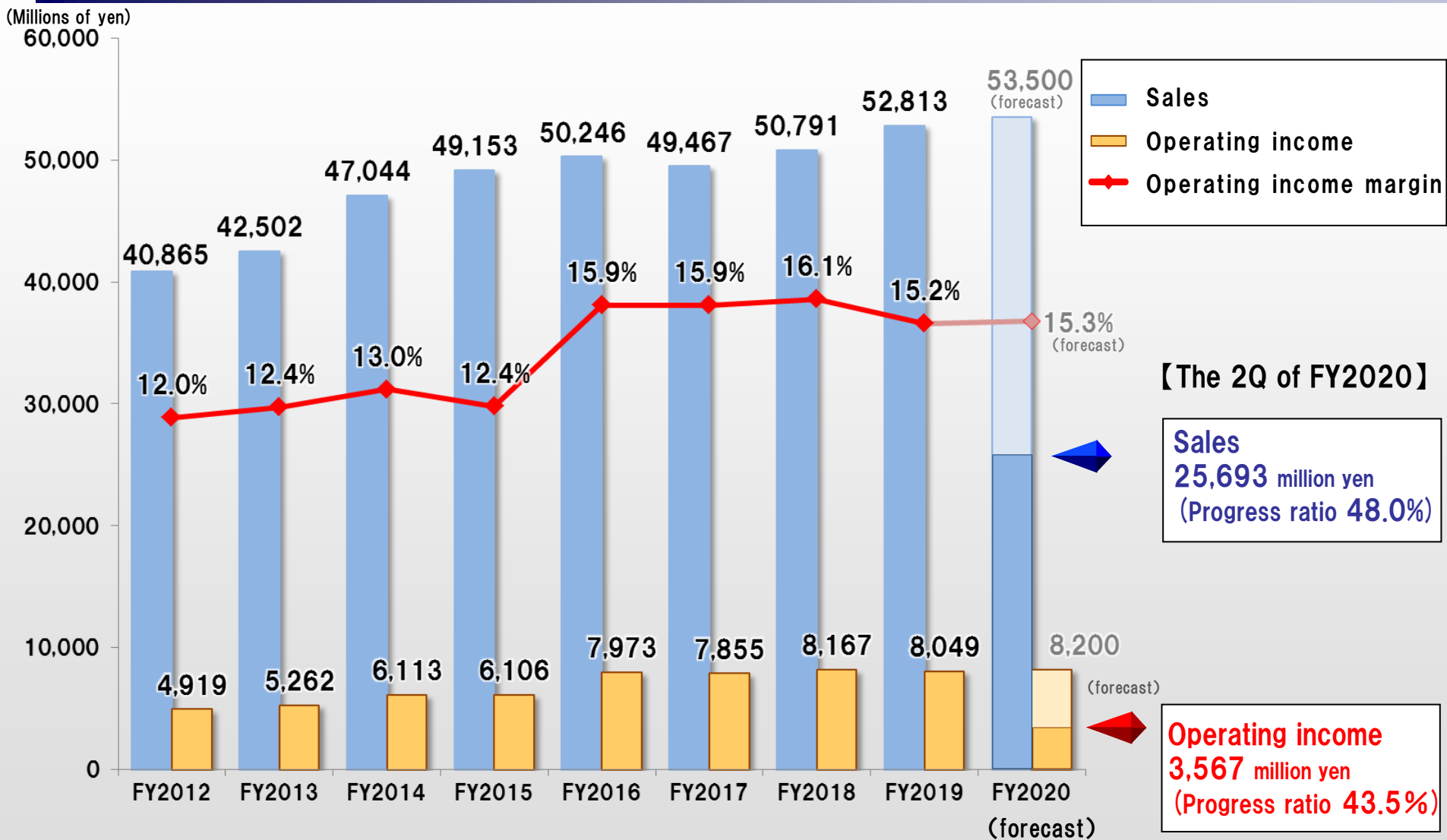


# Cash Flow Overview (consolidated)

(Millions of yen)



# Sales/Operating Income Trend (consolidated)



Note: Revisions to the consolidated earnings forecasts most recently announced: No



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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.