

Financial Results for the 1st Quarter of the FY2021 (April 1, 2020-June 30, 2020)

July 28, 2020

 **SHIKOKU CHEMICALS CORPORATION**

Stock Code:4099



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Corporate Profile

▼ Company overview

- Company name SHIKOKU CHEMICALS CORPORATION
- Incorporated October 10, 1947
- Lines of Business The Company was established in Marugame, Kagawa Prefecture, as a producer of carbon disulfide.
〔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, 10 sales offices 〔Overseas〕U.S.A, China (Shanghai, Shenzhen), Taiwan, Singapore
- Capital 6,867 million yen
- Number of employees Consolidated 1,206 Non-Consolidated 660 (As of March 31, 2020)

▼ Share of stock

- Issued Shares 55 million shares
- Number of Shareholders 4,307 (As of March 31, 2020)

▼ 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 FY2021

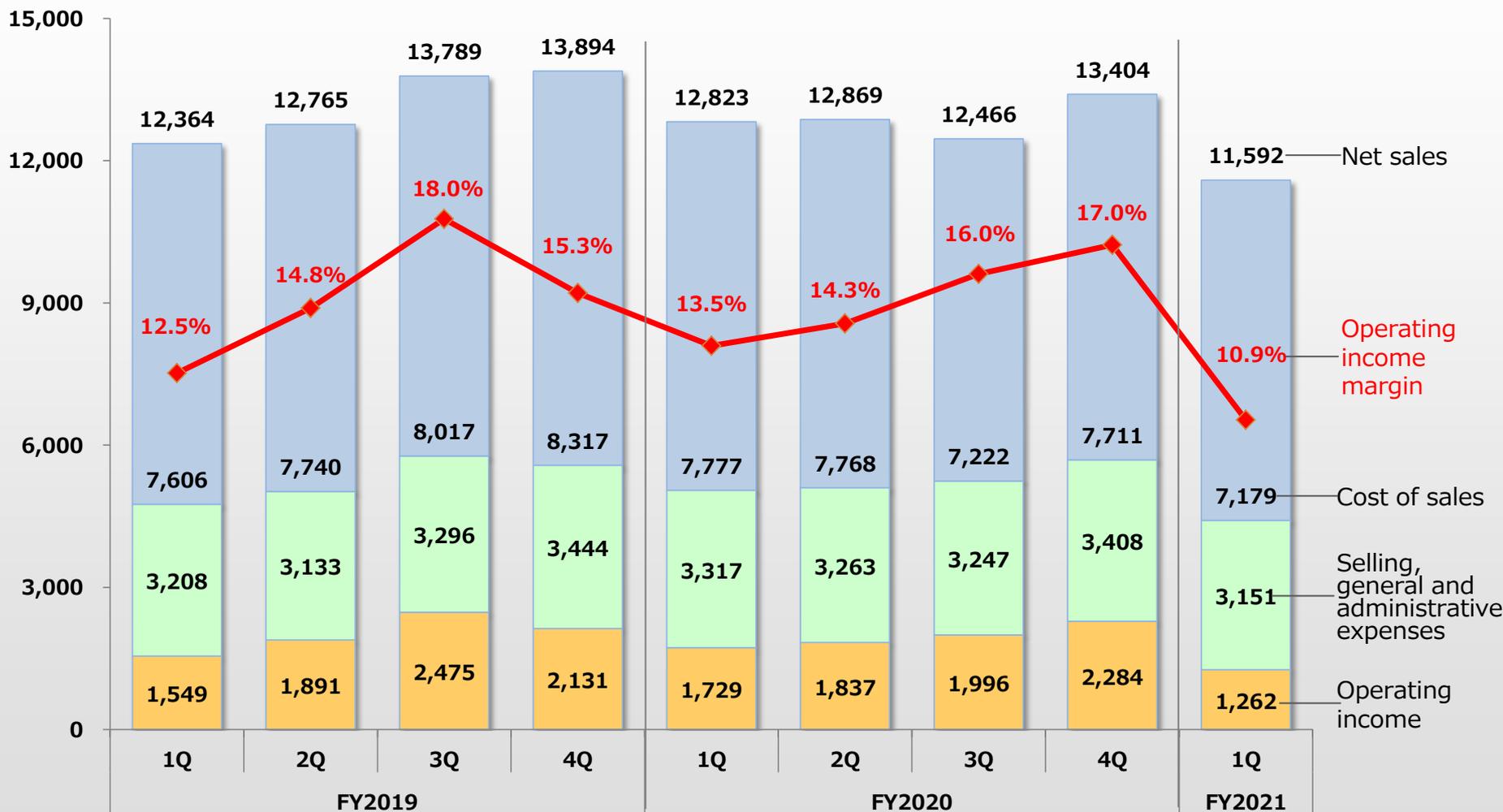
(Millions of yen)

	Consolidated cumulative 1Q				Increase of amount	Changes
	FY2020		FY2021			
	Amount	Percentage	Amount	Percentage		
Net sales	12,823	100.0%	11,592	100.0%	▲ 1,231	▲9.6%
Operating Income	1,729	13.5%	1,262	10.9%	▲ 467	▲27.0%
Ordinary income	1,782	13.9%	1,441	12.4%	▲ 341	▲19.2%
Net income attributable to owners of the parent	1,209	9.4%	946	8.2%	▲ 263	▲21.8%
Exchange rate (USD)	111		108			
Exchange rate (EUR)	125		118			

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

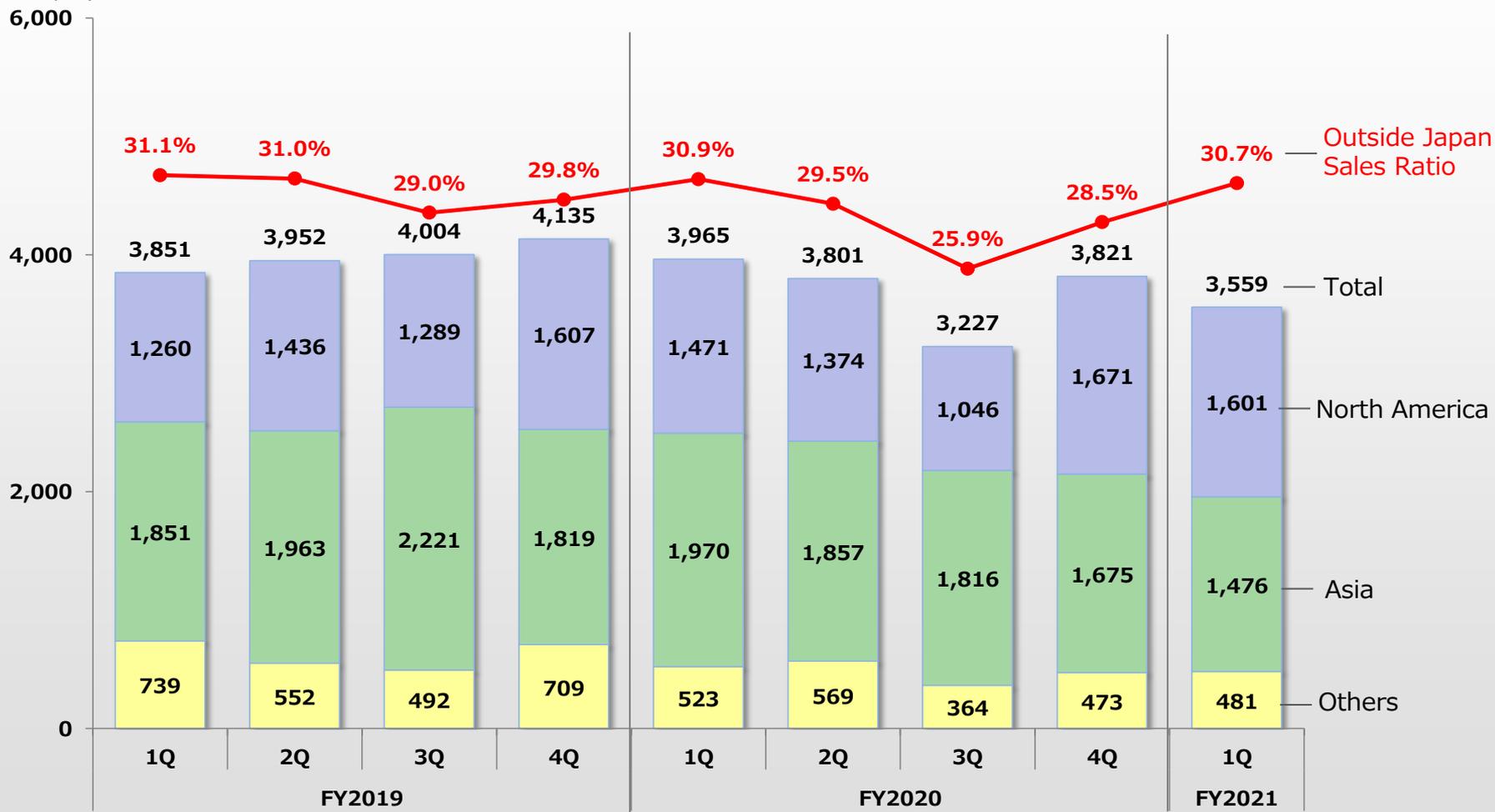
Financial Results Trend (consolidated and quarter)

(Millions of yen)



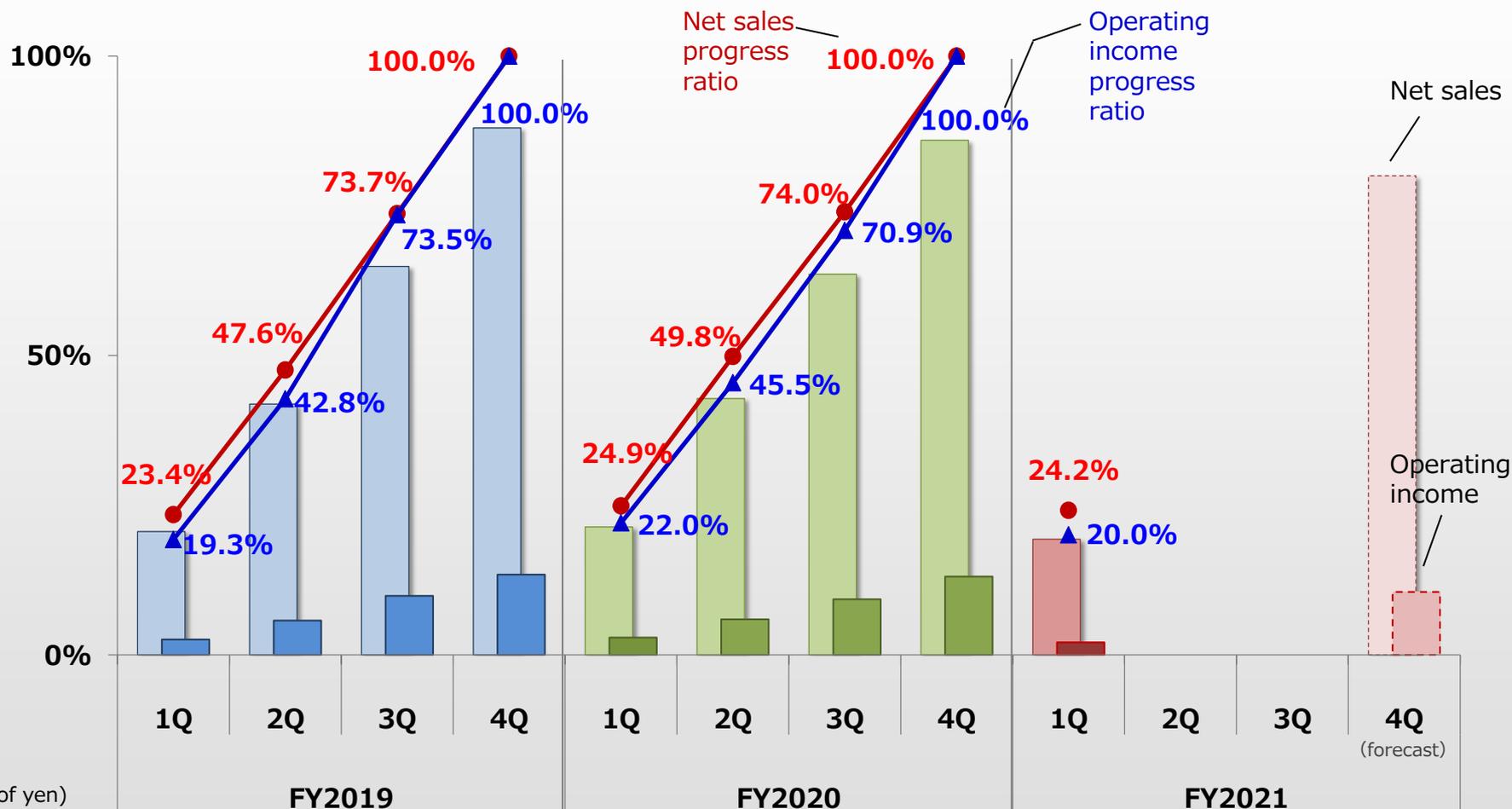
Sales Trends by Region

(Millions of yen)



Progress report

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



(Millions of yen)

FY2019

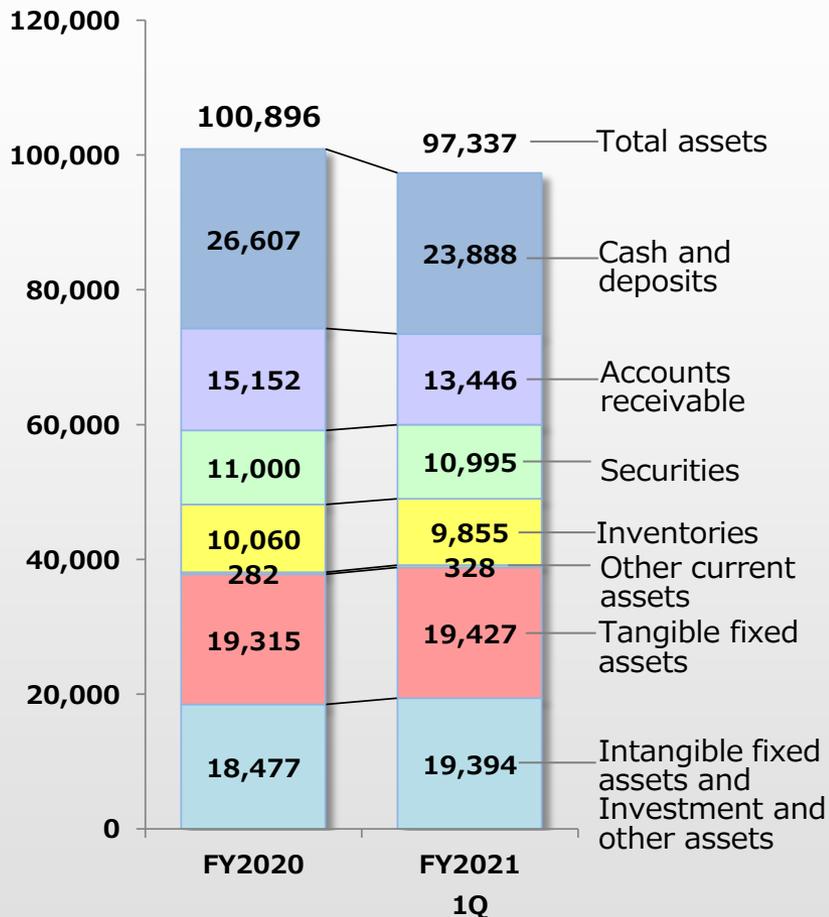
FY2020

FY2021

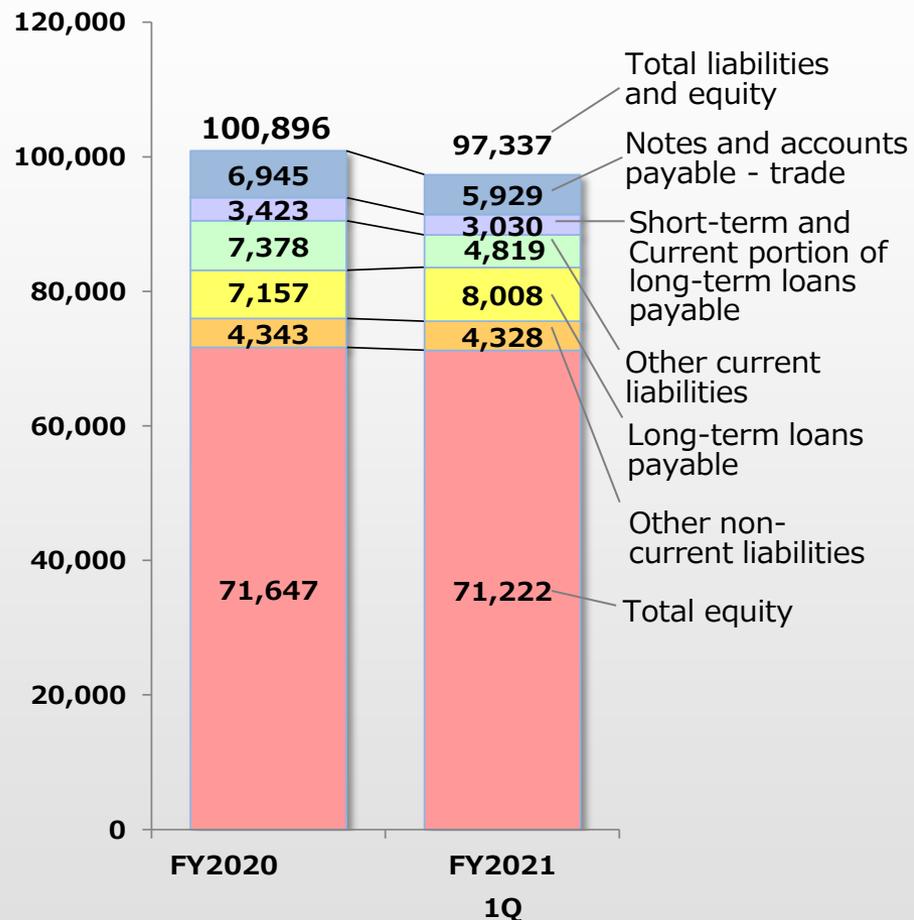
Net sales	12,364	25,130	38,919	52,813	12,823	25,693	38,160	51,564	11,592			48,000
Operating income	1,549	3,441	5,917	8,049	1,729	3,567	5,564	7,848	1,262			6,300

Assets / liabilities, and a total equity (consolidated)

(Millions of yen)



(Millions of yen)

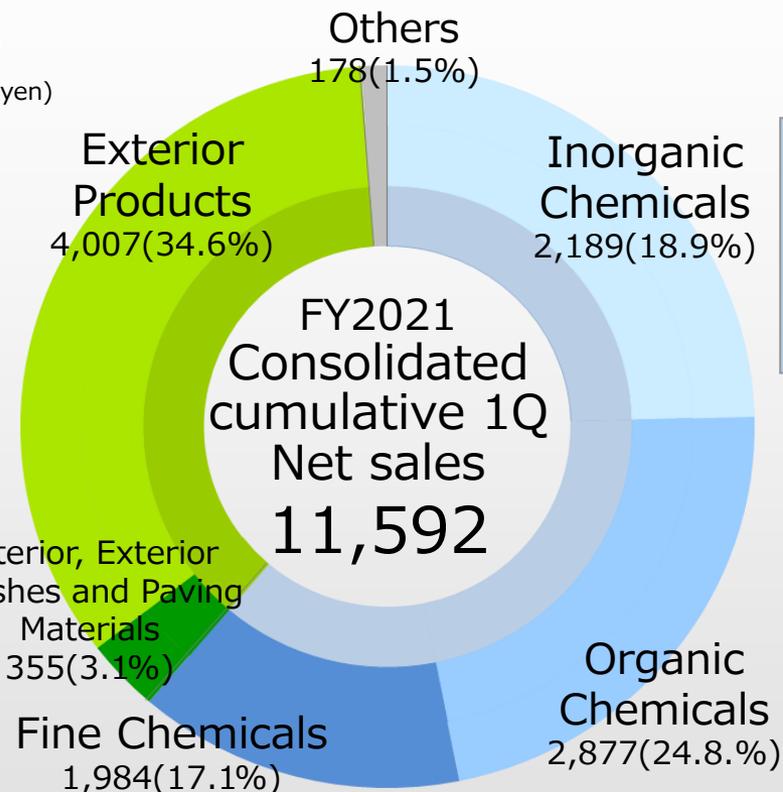


interest-bearing debt (millions of yen)	10,838	11,308
net interest-bearing debt (millions of yen)	▲ 15,769	▲ 12,579
Equity ratio (%)	70.2%	72.4%

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
	FY2020	FY2021		
Net sales				
Chemical operations	7,854	7,051	▲ 802	▲10.2%
Housing Materials operations	4,821	4,362	▲ 458	▲9.5%
Segment profit				
Chemical operations	1,514	1,093	▲ 421	▲27.8%
Housing Materials operations	704	601	▲ 102	▲14.6%

Sales and Profit by Business segments (consolidated and quarter)

(Millions of yen)

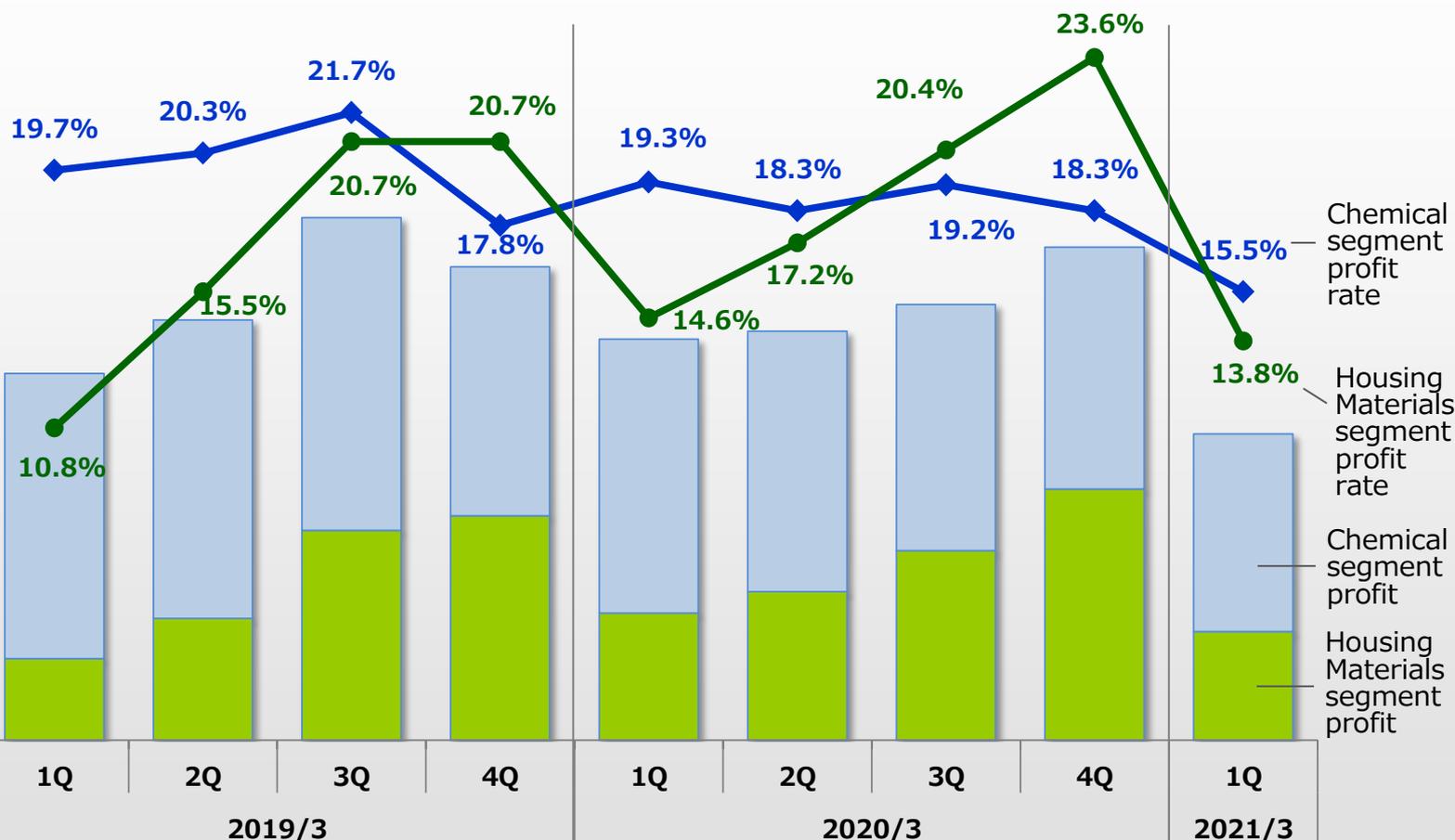
4,000

3,000

2,000

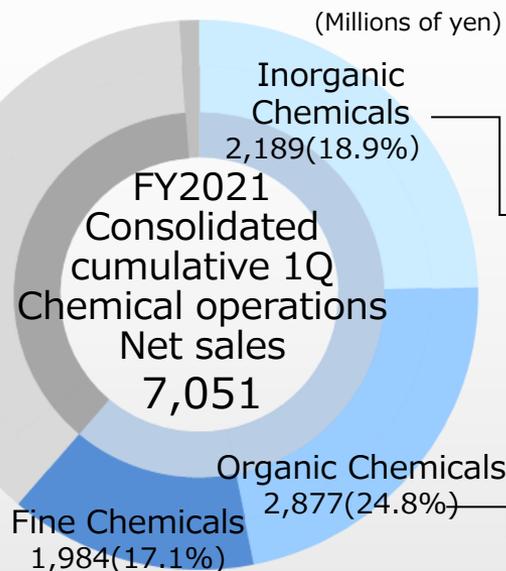
1,000

0



	2019/3				2020/3				2021/3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Chemical operations net sales	8,024	8,132	7,988	7,734	7,854	7,885	7,092	7,317	7,051
Housing Materials operations net sales	4,193	4,350	5,593	5,986	4,821	4,772	5,137	5,888	4,362
Chemical segment profit	1,577	1,652	1,731	1,377	1,514	1,440	1,362	1,338	1,093
Housing Materials segment profit	452	673	1,160	1,241	704	822	1,048	1,390	601

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



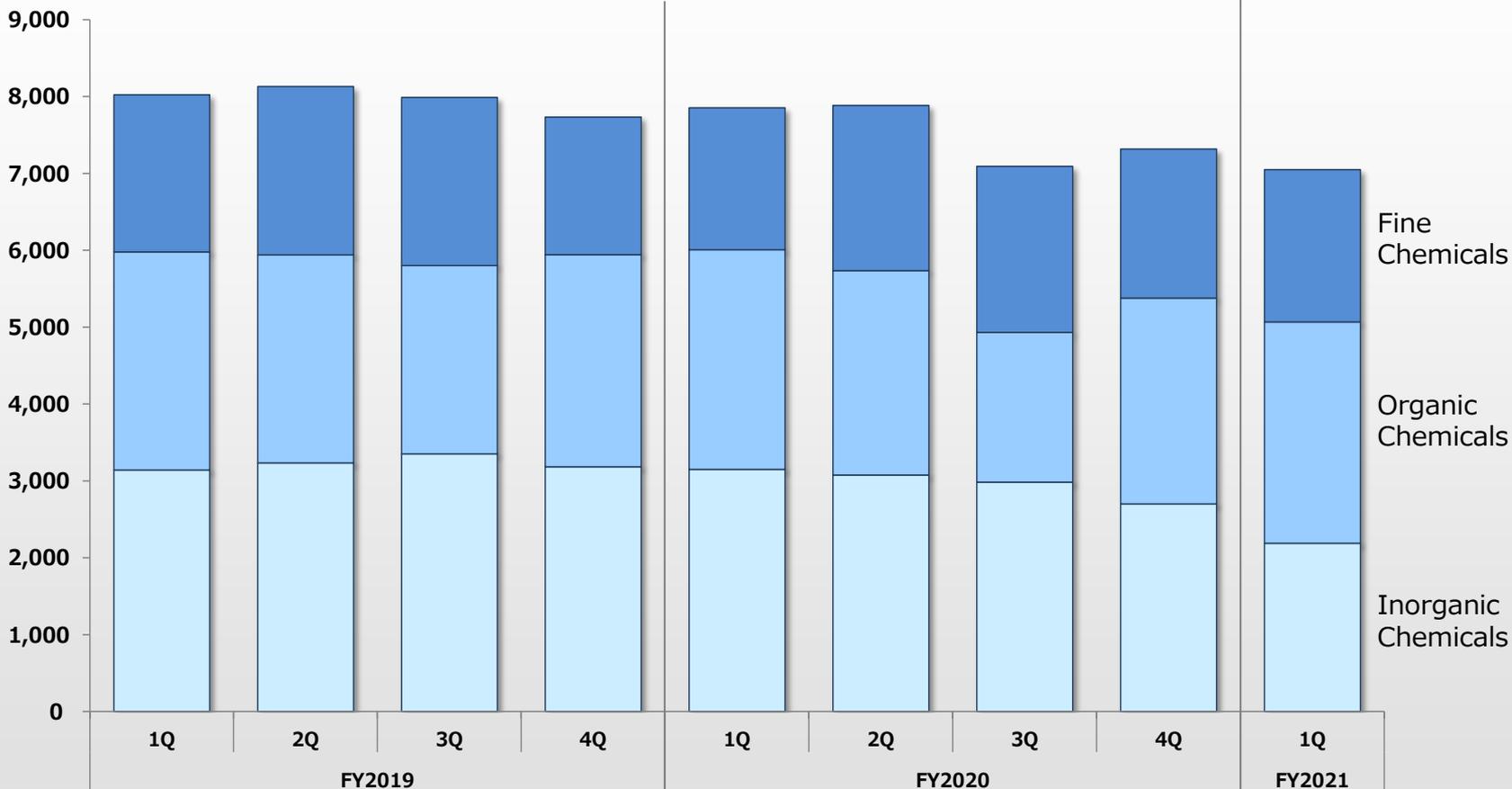
【 Main products 】

- 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)

(Millions of yen)



	FY2019				FY2020				FY2021
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Fine Chemicals	2,044	2,190	2,188	1,790	1,844	2,148	2,159	1,937	1,984
Organic Chemicals	2,839	2,707	2,450	2,761	2,859	2,659	1,948	2,679	2,877
Inorganic Chemicals	3,140	3,233	3,350	3,183	3,149	3,077	2,984	2,700	2,189

Housing Materials operations segment

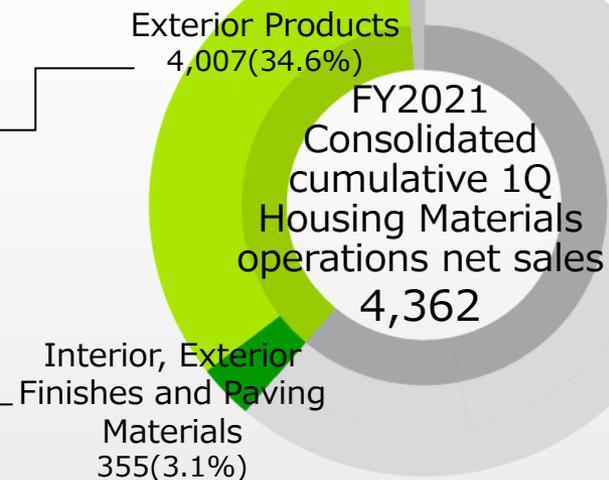
【Main products】

- 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)



“ALPHAGRAN” (facade)



“Fun roof” (terrace)

Sales Trend of Housing Materials operations (consolidated and quarter)

(Millions of yen)

7,000

6,000

5,000

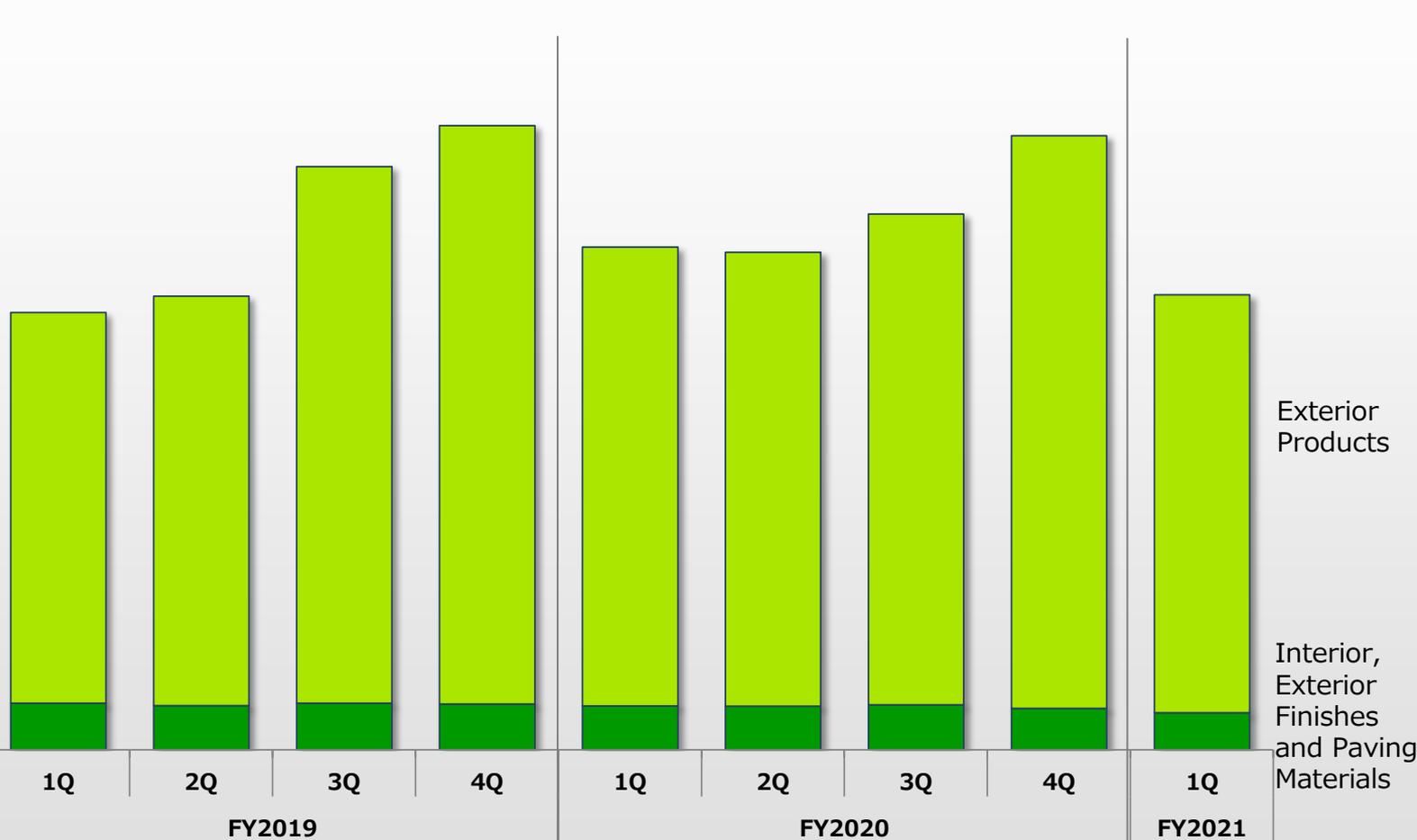
4,000

3,000

2,000

1,000

0



Exterior Products

3,746

3,926

5,147

5,547

4,401

4,355

4,705

5,492

4,007

Interior, Exterior Finishes and Paving Materials

446

423

446

438

419

417

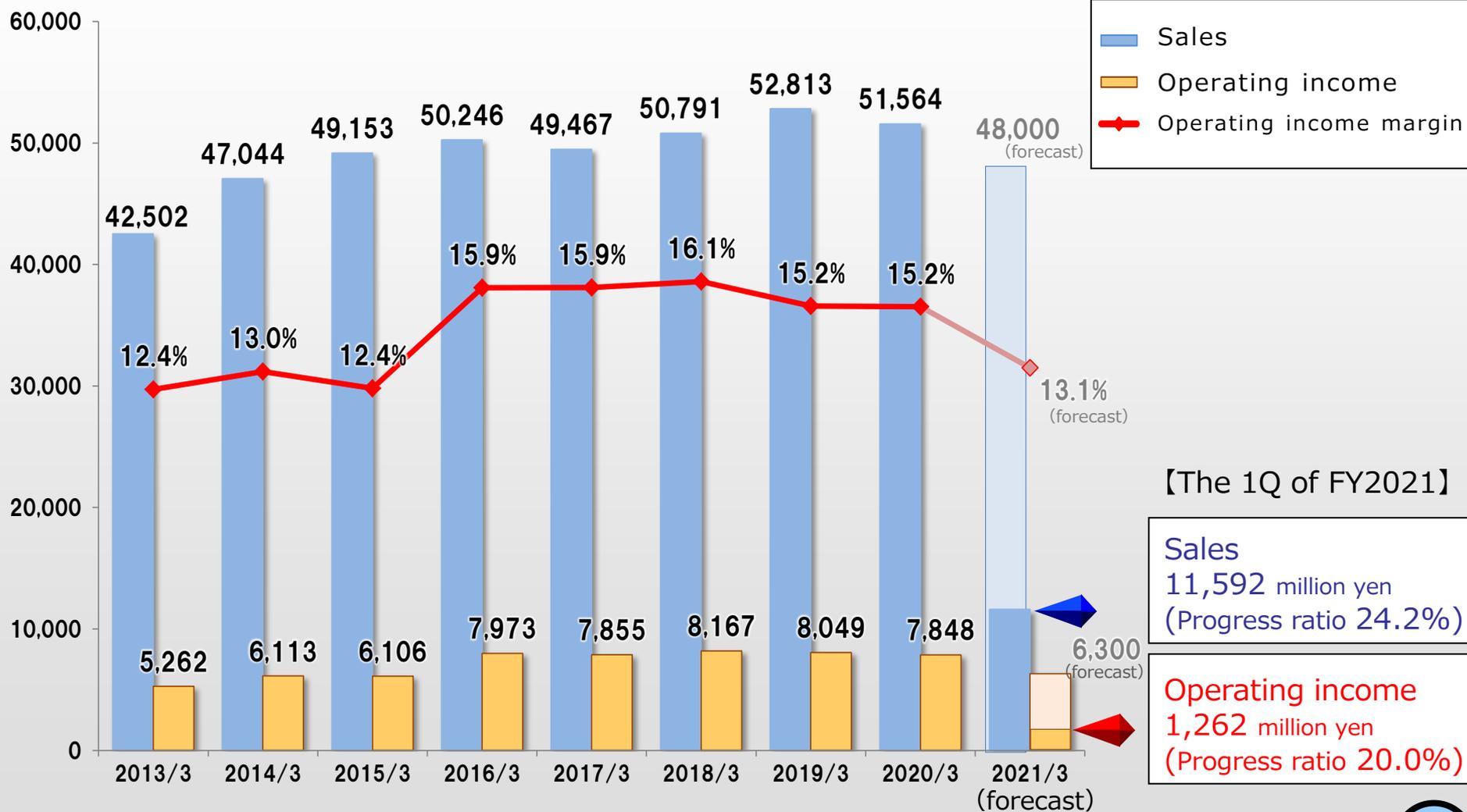
431

396

355

Sales/Operating Income Trend (consolidated)

(Millions of yen)



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[Note regarding this document]

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