



Financial Results **for the 2nd Quarter of the FY2021** **(April 1, 2020-September 30, 2020)**

October 27, 2020

 **SHIKOKU CHEMICALS CORPORATION**

Code number : 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 1,217 Non-Consolidated 632 (As of September 30, 2020)

▼ Share of stock

- Issued Shares 56 million shares
- Number of Shareholders 4,128 (As of September 30, 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 2Q of FY2021

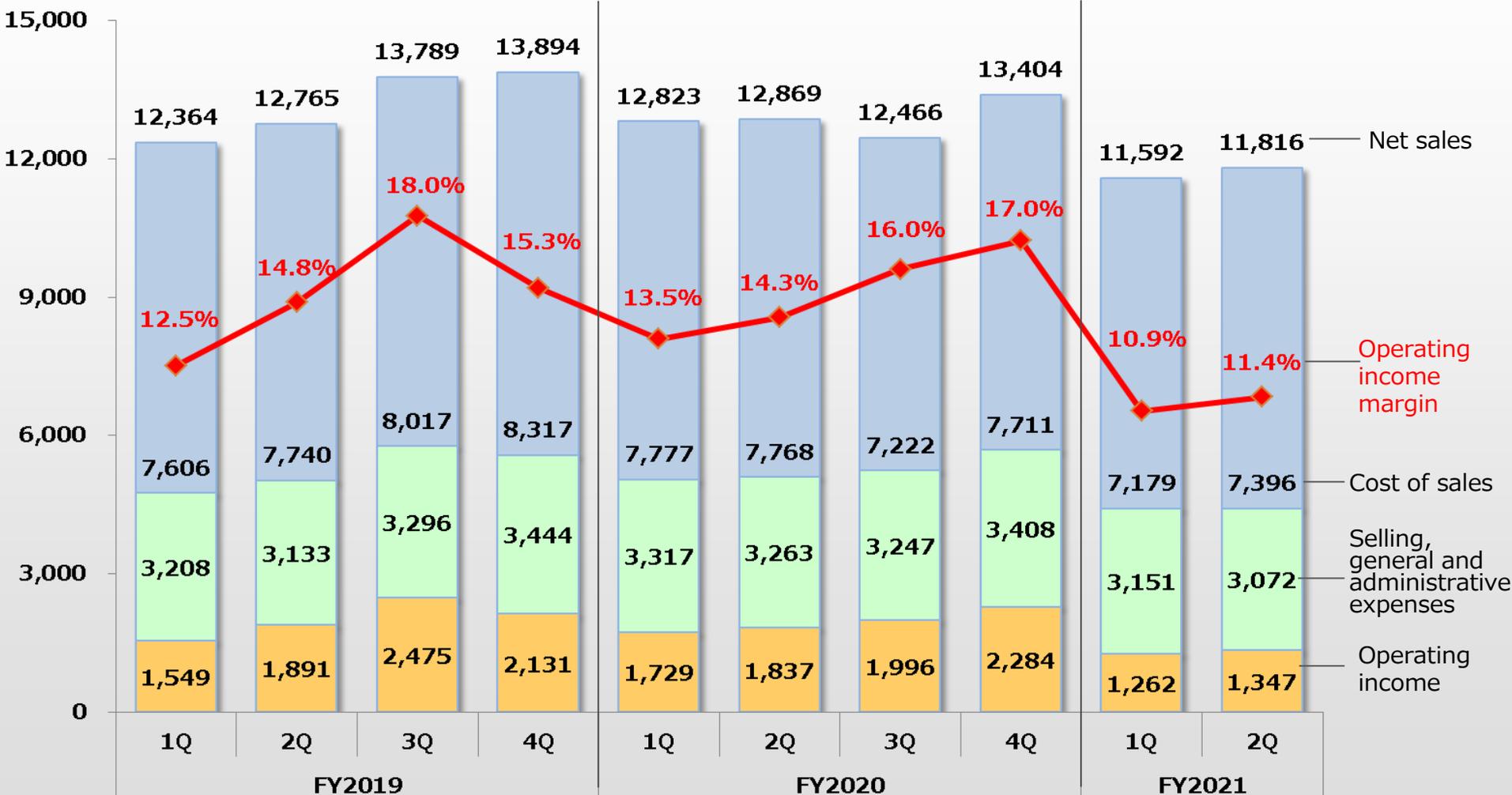
(Millions of yen)

	Consolidated cumulative 2Q				Increase of amount	Changes
	FY2020		FY2021			
	Amount	Percentage	Amount	Percentage		
Net sales	25,693	100.0%	23,408	100.0%	▲ 2,285	▲ 8.9%
Operating Income	3,567	13.9%	2,609	11.1%	▲ 958	▲ 26.9%
Ordinary income	3,626	14.1%	2,822	12.1%	▲ 803	▲ 22.2%
Net income attributable to owners of the parent	2,534	9.9%	1,924	8.2%	▲ 609	▲ 24.1%
Exchange rate (USD)	109		107			
Exchange rate (EUR)	123		120			

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

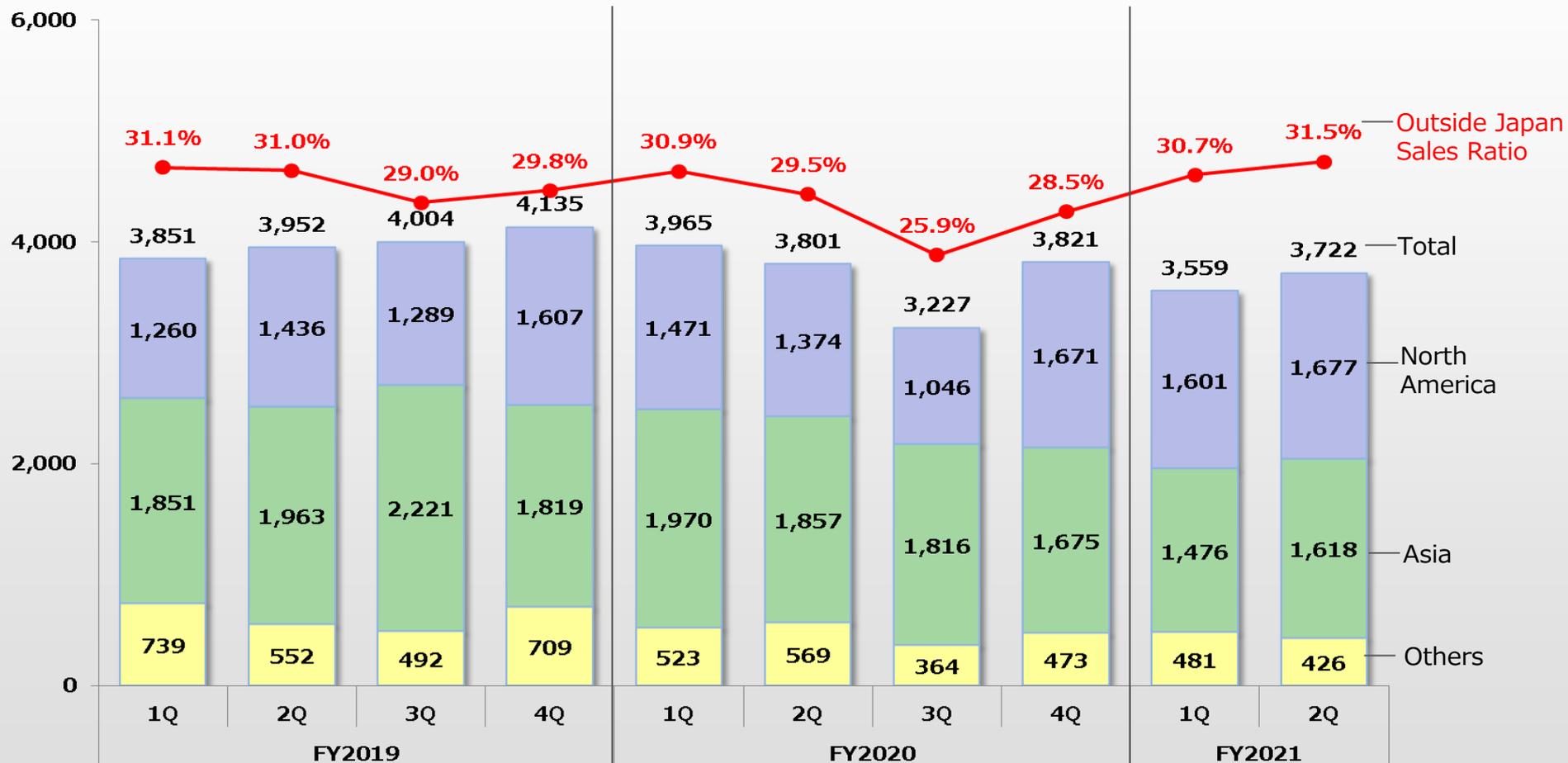
Financial Results Trend (consolidated and quarter)

(Millions of yen)



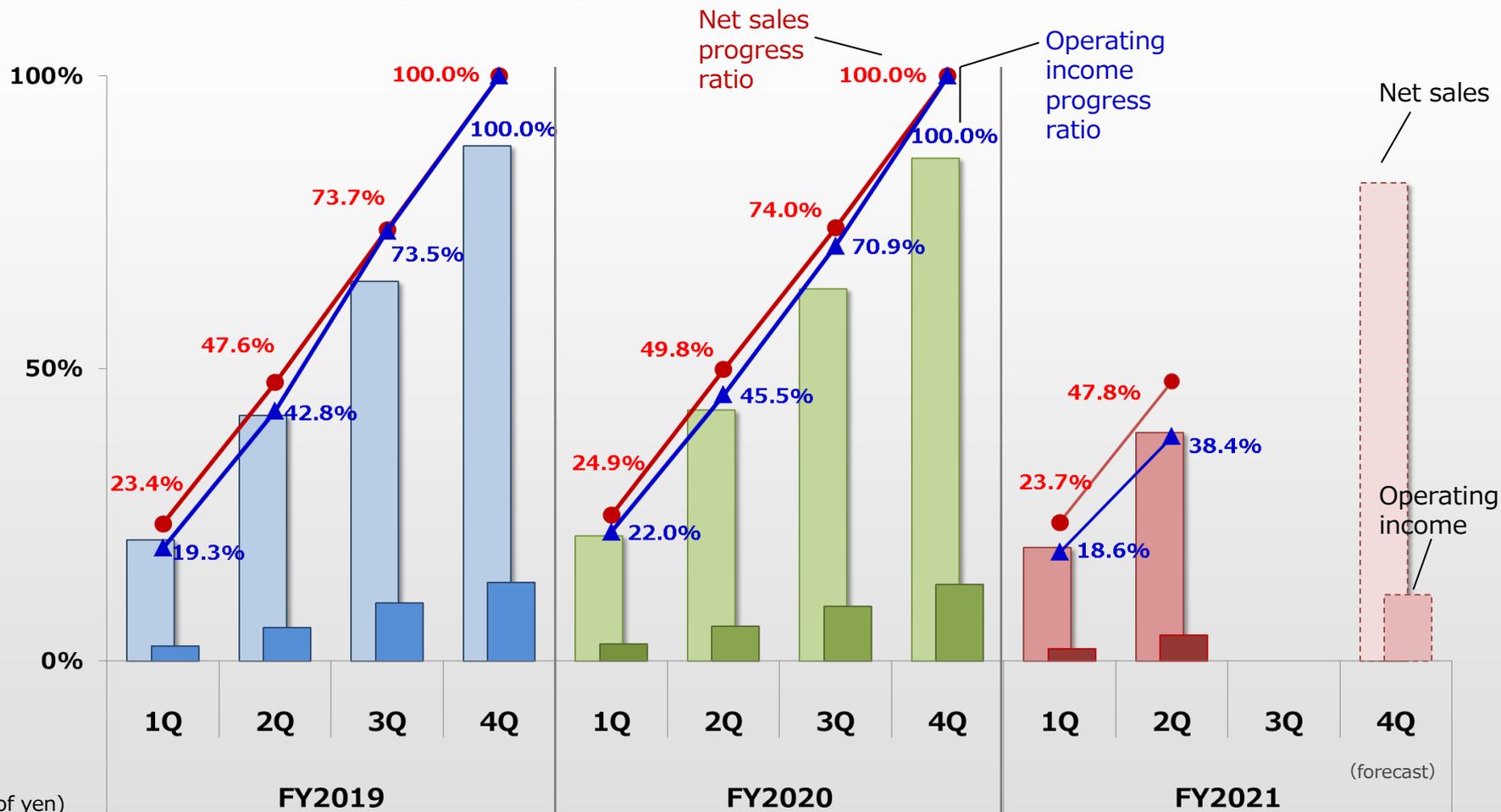
Sales Trends by Region

(Millions of yen)



Progress report

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



(Millions of yen)

FY2019

FY2020

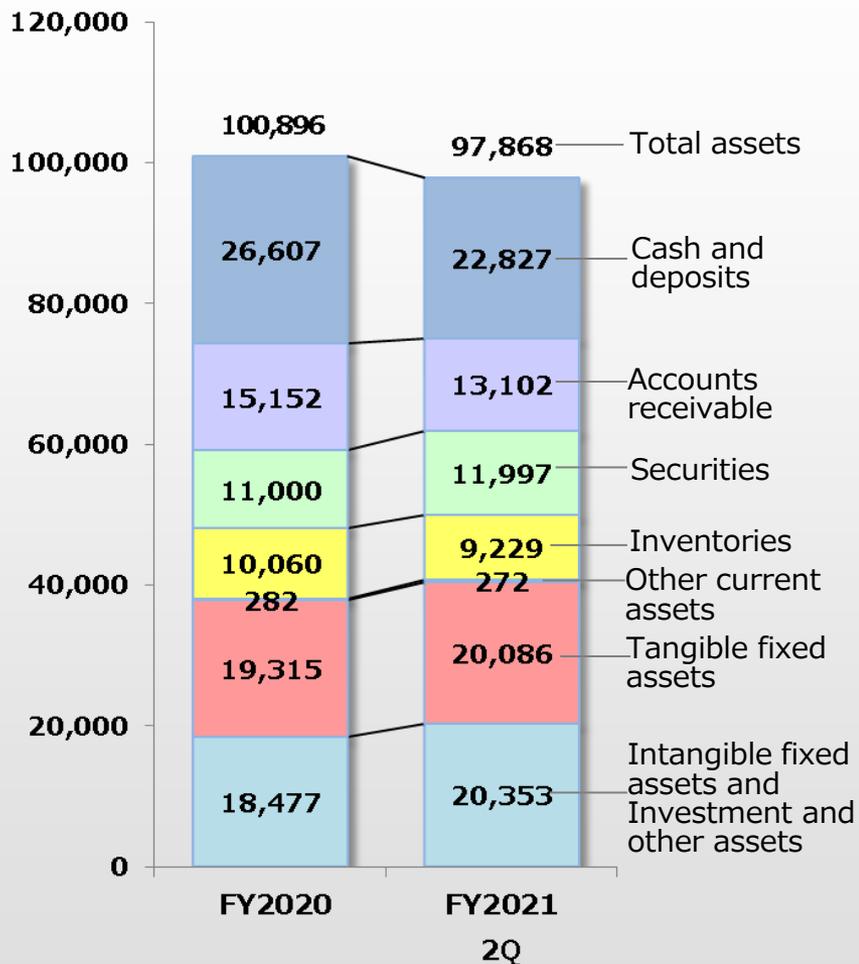
FY2021

(forecast)

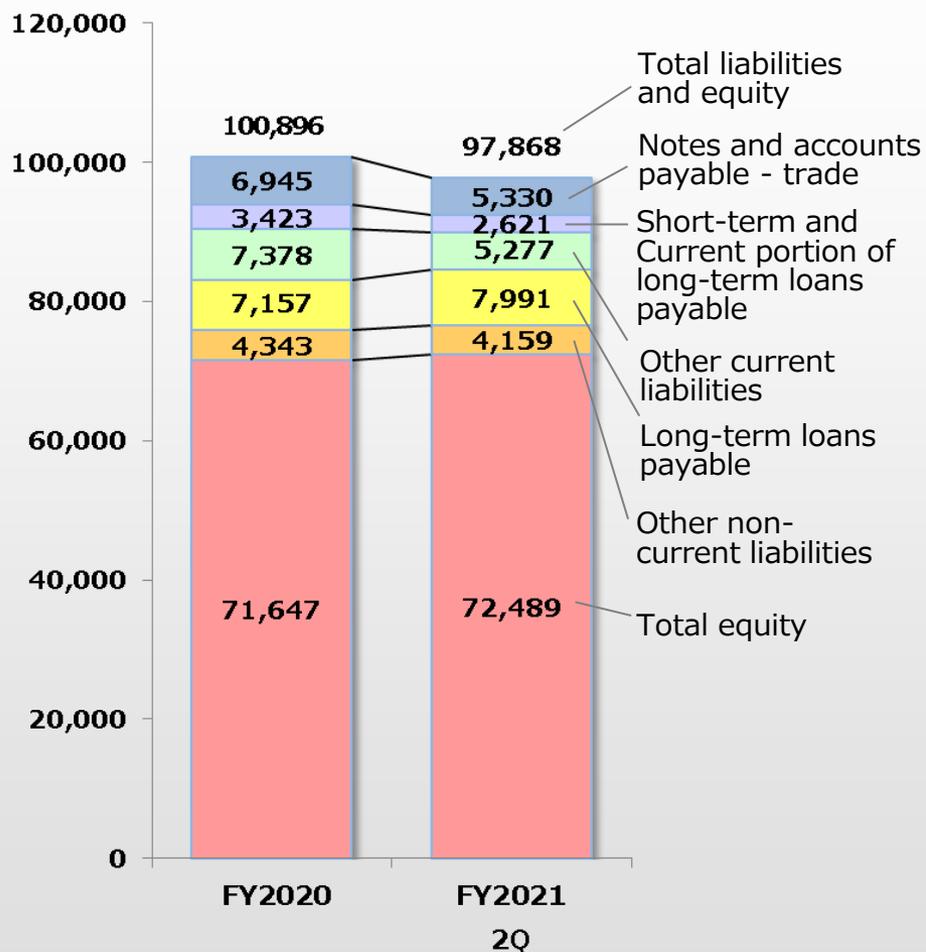
Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

Assets / Liabilities, and a total equity (consolidated)

(Millions of yen)



(Millions of yen)

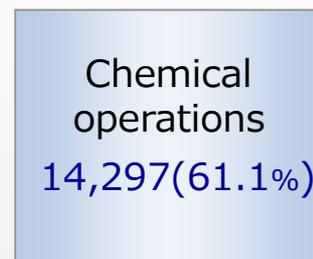
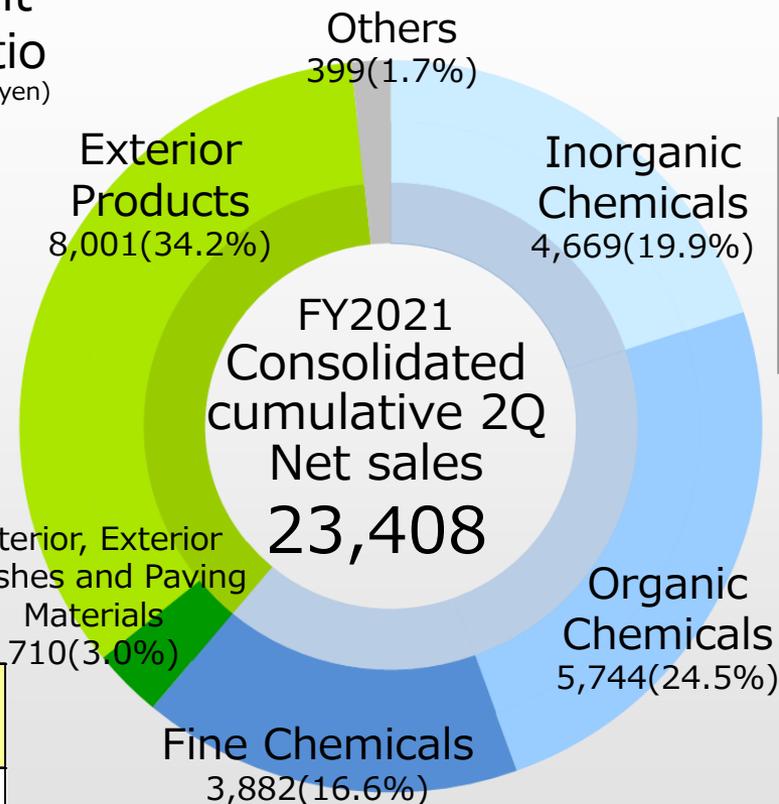


interest-bearing debt (millions of yen)	10,838	10,883
net interest-bearing debt (millions of yen)	▲ 15,769	▲ 11,944
Equity ratio (%)	70.2%	73.3%

Sales and Profit by Business segments

■ Sales amount constituent ratio

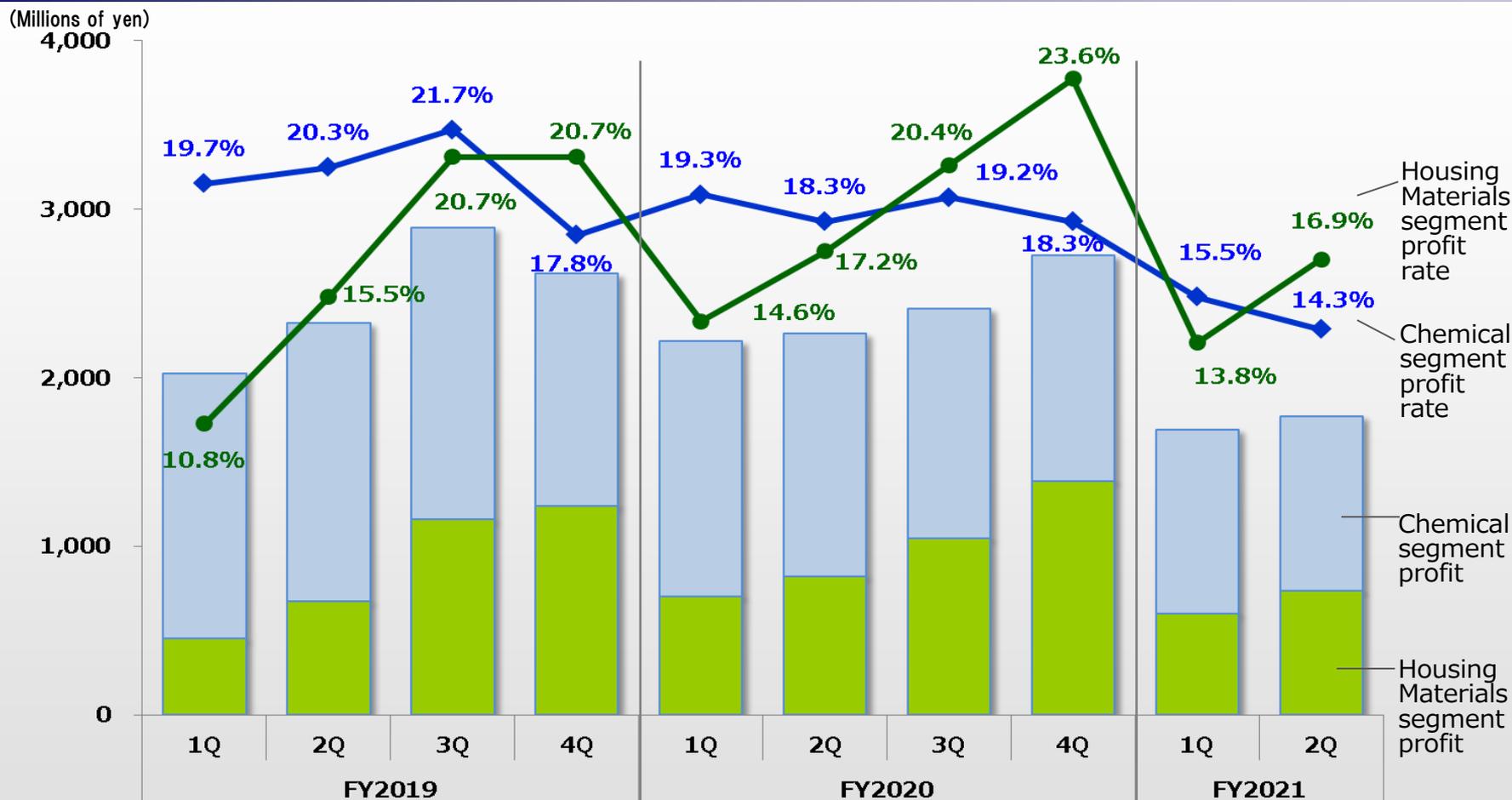
(Millions of yen)



■ Segment information (Millions of yen)

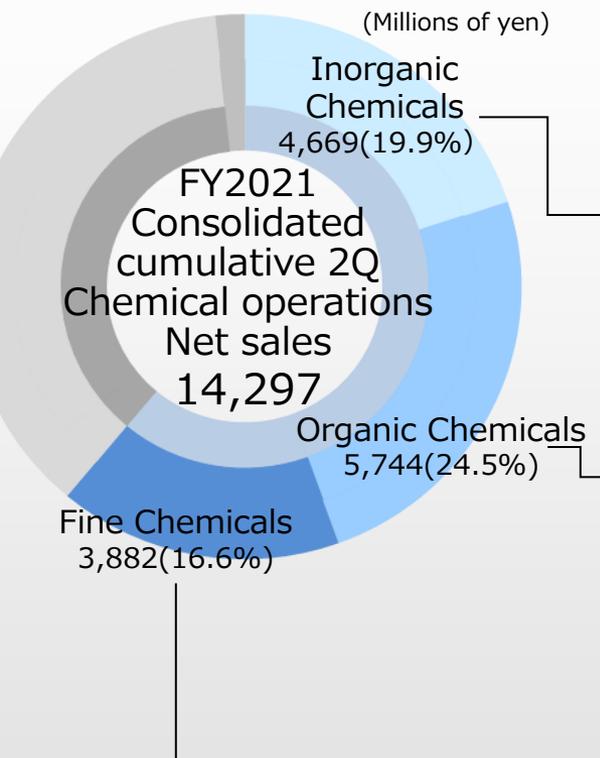
	Consolidated cumulative 2Q		Increase of amount	Changes
	FY2020	FY2021		
Net sales				
Chemical operations	15,740	14,297	▲ 1,442	▲9.2%
Housing Materials operations	9,593	8,711	▲ 881	▲9.2%
Segment profit				
Chemical operations	2,955	2,131	▲ 823	▲27.9%
Housing Materials operations	1,527	1,337	▲ 190	▲12.4%

Sales and Profit by Business segments (consolidated and quarter)



	FY2019				FY2020				FY2021	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Chemical operations net sales	8,024	8,132	7,988	7,734	7,854	7,885	7,092	7,317	7,051	7,245
Housing Materials operations net sales	4,193	4,350	5,593	5,986	4,821	4,772	5,137	5,888	4,362	4,349
Chemical segment profit	1,577	1,652	1,731	1,377	1,514	1,440	1,362	1,338	1,093	1,038
Housing Materials segment profit	452	673	1,160	1,241	704	822	1,048	1,390	601	735

Chemicals operations segment



【 Main products 】

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



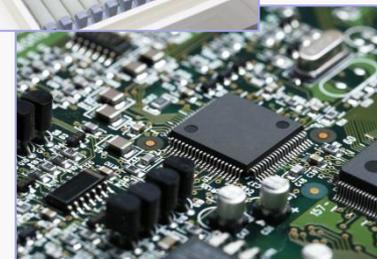
【 Main products 】

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



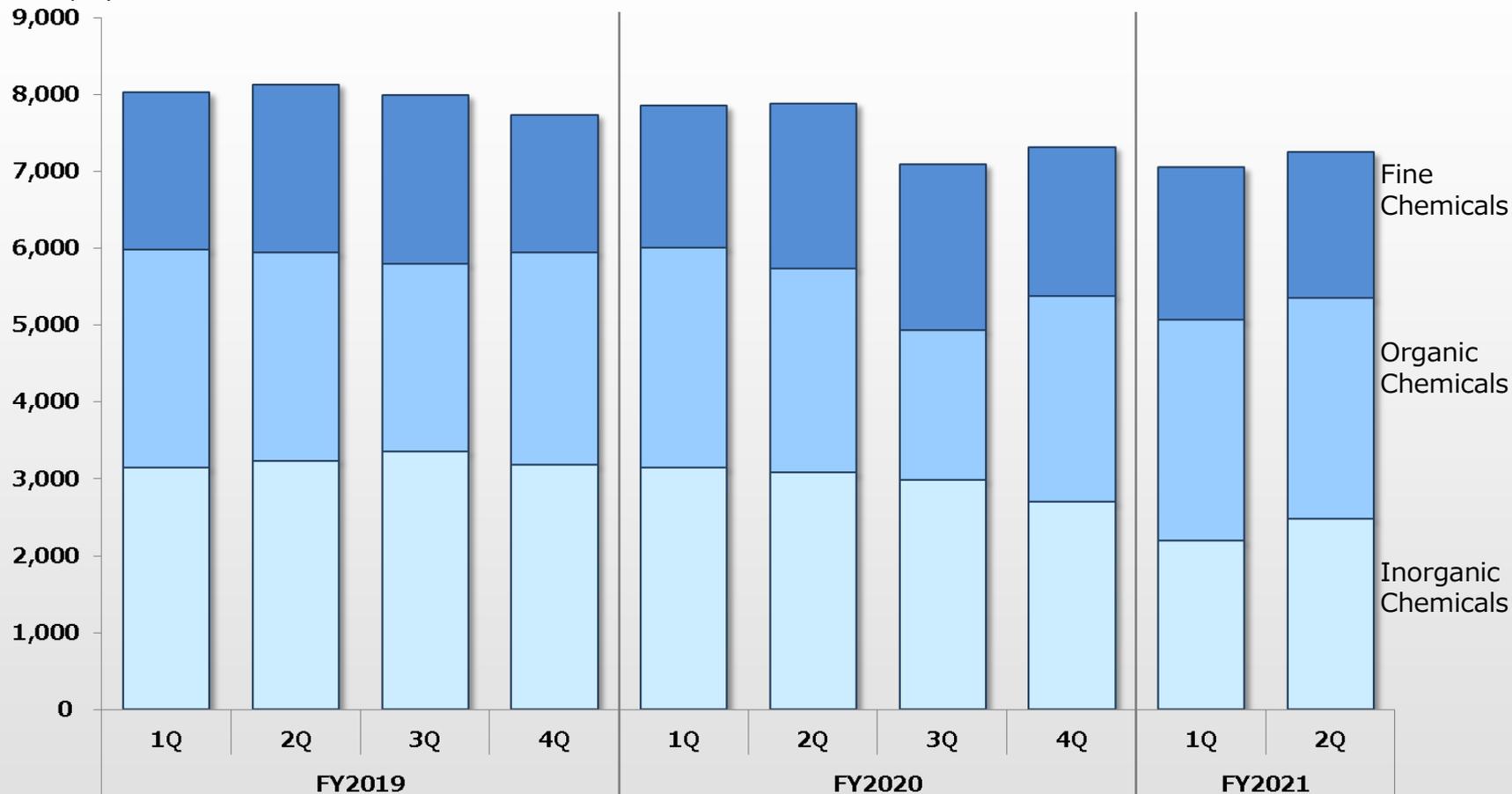
【 Main products 】

- 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)



Fine Chemicals	2,044	2,190	2,188	1,790	1,844	2,148	2,159	1,937	1,984	1,898
Organic Chemicals	2,839	2,707	2,450	2,761	2,859	2,659	1,948	2,679	2,877	2,867
Inorganic Chemicals	3,140	3,233	3,350	3,183	3,149	3,077	2,984	2,700	2,189	2,479

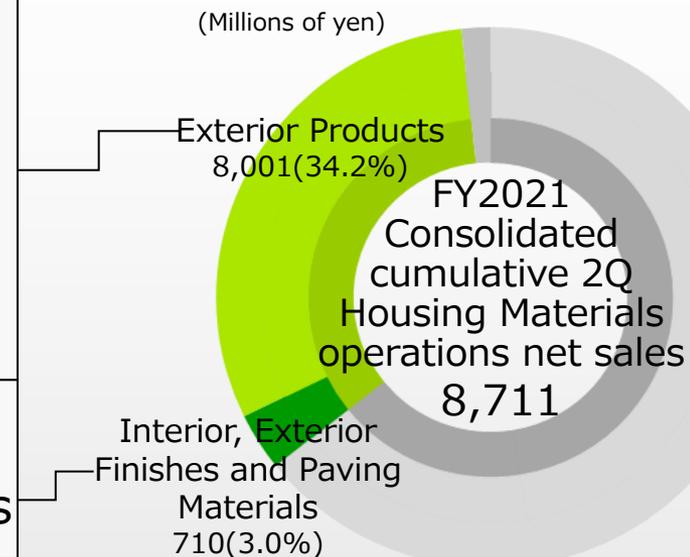
Housing Materials operations segment

【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



“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

1Q

2Q

3Q

4Q

1Q

2Q

3Q

4Q

1Q

2Q

FY2019

FY2020

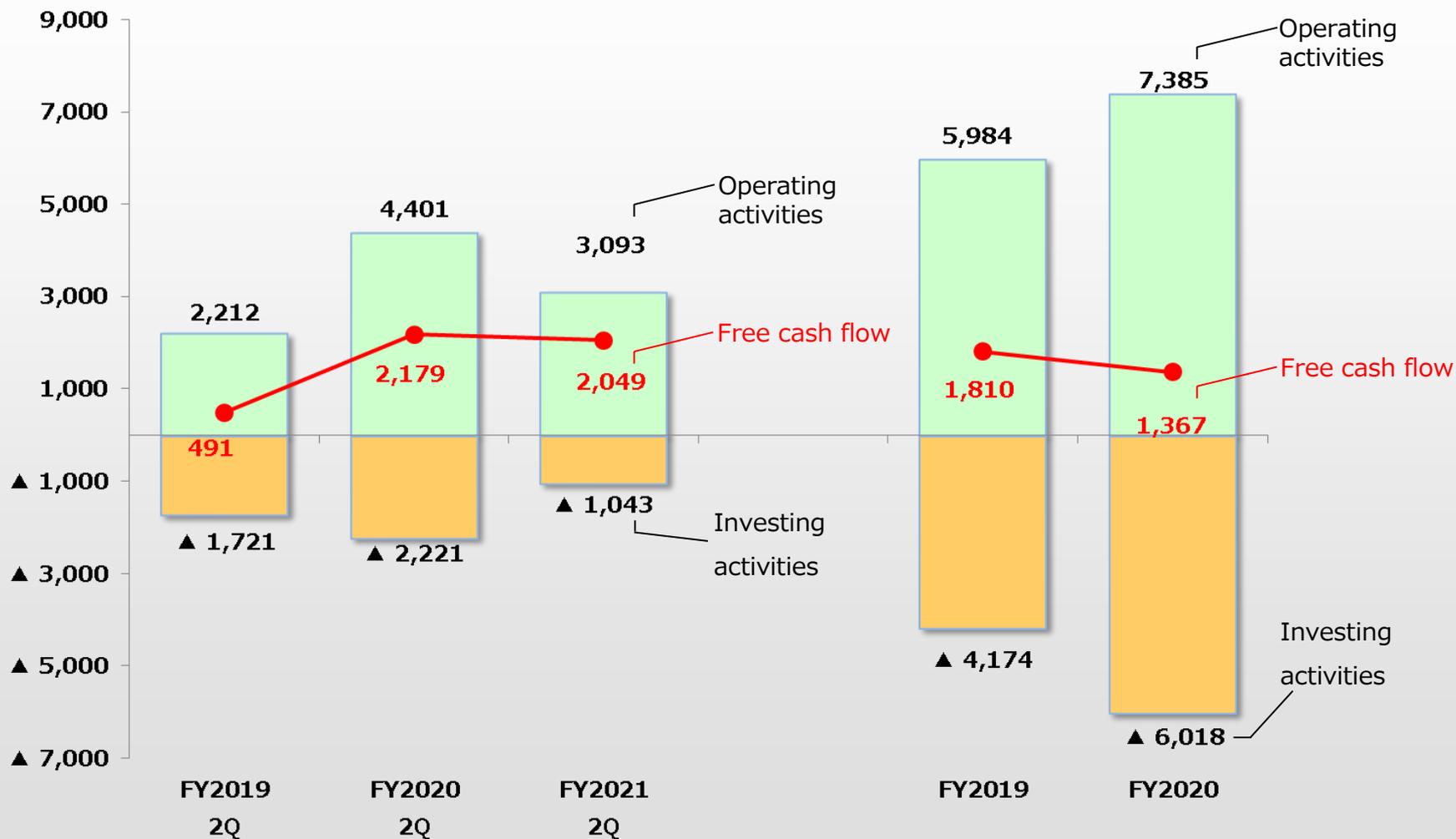
FY2021

Exterior
ProductsInterior,
Exterior
Finishes
and Paving
Materials

Exterior Products	3,746	3,926	5,147	5,547	4,401	4,355	4,705	5,492	4,007	3,994
Interior, Exterior Finishes and Paving Materials	446	423	446	438	419	417	431	396	355	355

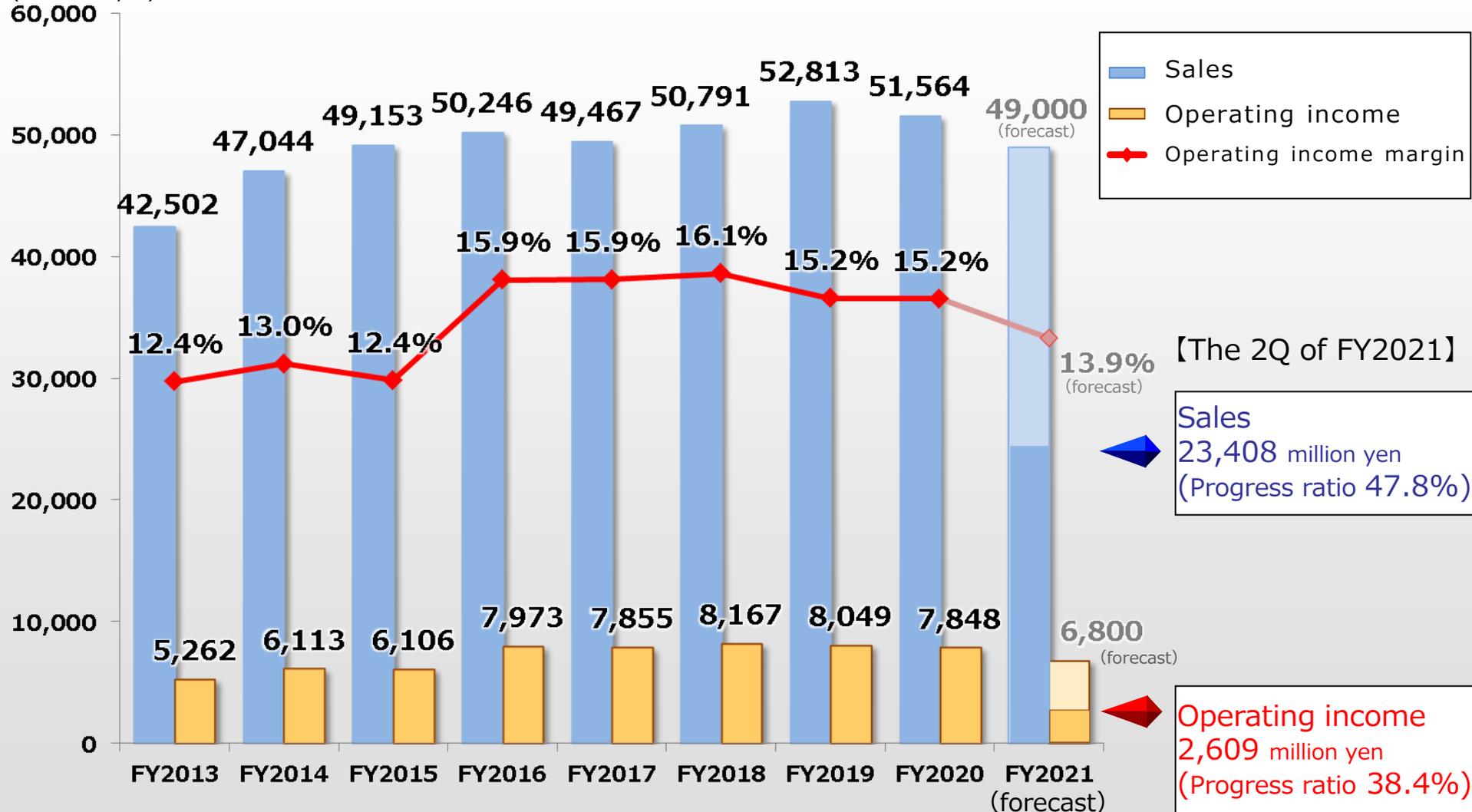
Cash Flow Overview (consolidated)

(Millions of yen)



Sales/Operating Income Trend (consolidated)

(Millions of yen)



Note : Revisions to the consolidated earnings forecasts most recently announced : Yes

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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.