

Financial Results for the 1st Quarter of the FY2022/12 (April 1, 2022-June 30, 2022)

July 26, 2022

 **SHIKOKU CHEMICALS CORPORATION**

Code number : 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 [Chemicals operations] Inorganic chemicals, organic chemicals, fine chemicals
[Housing materials operations] Interior, exterior finishes and paving materials, exterior products
- R&D, plant facilities 1 R&D, 7 Plants
- Directory [Japan] 2 branches, 7 sales offices
[Overseas] U.S.A, China (Shanghai, Shenzhen), Taiwan, Singapore
- Capital 6,867 million yen
- Number of employees Consolidated 1,210 Non-Consolidated 619 (as of March 31, 2022)

▼ Share of Stock

- Issued shares 54 million shares
- Number of shareholders 3,986 (as of March 31, 2022)

▼ SHIKOKU CHEMICALS CORPORATION Group

[Japan] 13 Consolidated subsidiaries [Overseas] 1 Consolidated subsidiary and 1 Unconsolidated subsidiary

- SHIKOKU INTERNATIONAL CORPORATION
- Nippon Ryutan Kogyo Co., Ltd.
- Shikoku Environmental Business Company
- Shikoku Analytical Laboratories
- SHIKOKU KOSAN CORPORATION
- Shikoku Foods & Insurance Service Co., Ltd.
- SHIKOKU CHEMICALS CORPORATION CHEMICALS OPERATIONS SPLIT PREPARATION CORPORATION
- SHIKOKU CHEMICALS CORPORATION HOUSING MATERIAL OPERATIONS SPLIT PREPARATION CORPORATION
- SHIKOKU CHEMICALS CORPORATION SHARED SERVICES SPLIT PREPARATION CORPORATION
- Shikoku (Shanghai) Co., Ltd. (Unconsolidated)
- SHIKOKU KEIZAI CORPORATION
- SHIKOKU KEIZAI KANTO CORPORATION
- NIHON KOHKI CORPORATION
- SHIKOKU SYSTEM KOHBOH CORPORATION
- Shikoku Foods & Trading Company

Highlights of Financial Results for the Q1 of FY2022/12

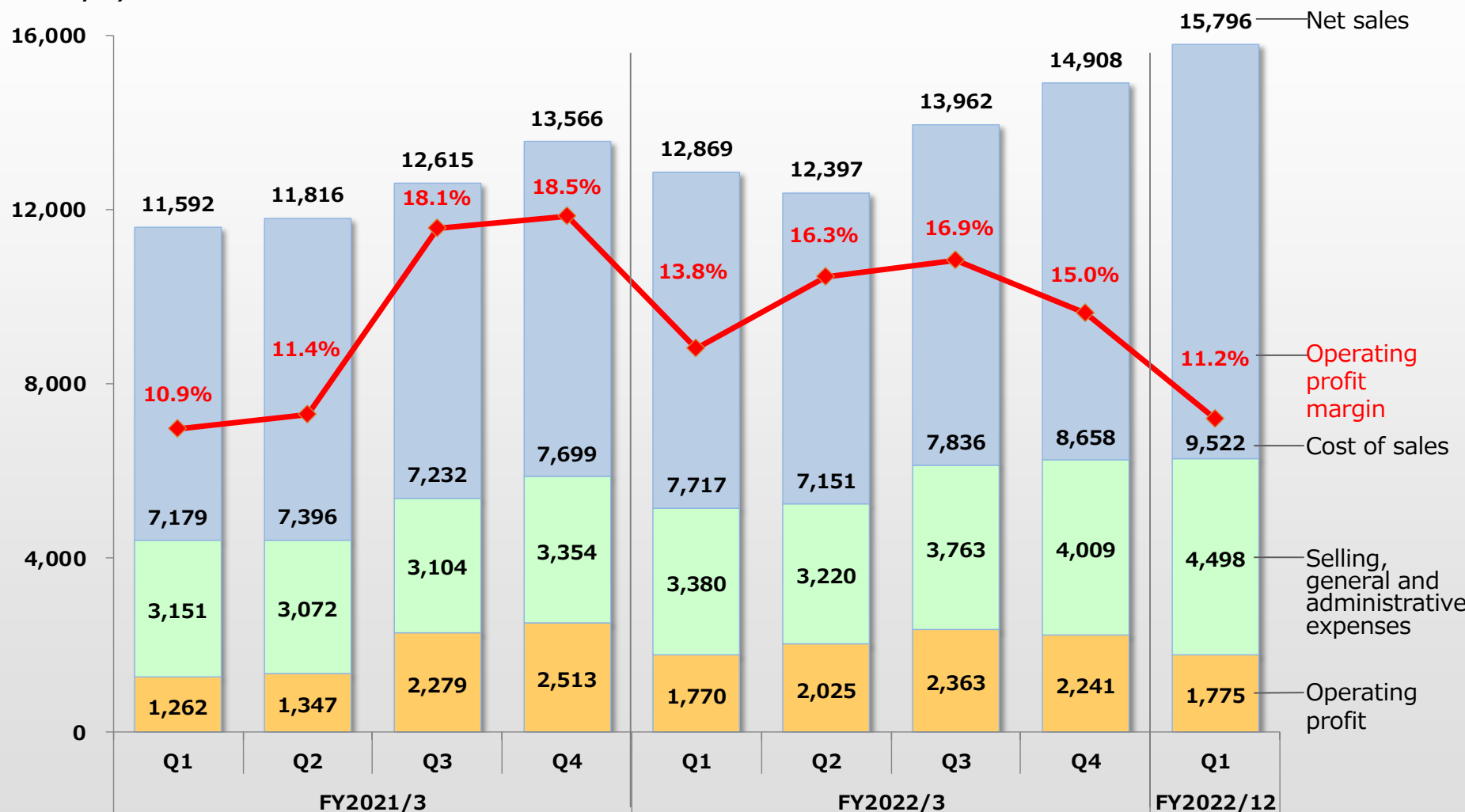
(millions of yen)

	Consolidated cumulative Q1				Increase of amount	Changes
	FY2022/3		FY2022/12			
	Amount	Percentage	Amount	Percentage		
Net sales	12,869	100.0%	15,796	100.0%	2,927	22.7%
Operating profit	1,770	13.8%	1,775	11.2%	5	0.3%
Ordinary profit	1,975	15.3%	2,561	16.2%	586	29.6%
Profit attributable to owners of parent	1,351	10.5%	1,578	10.0%	227	16.8%
Exchange rate (USD)	109		127			
Exchange rate (EUR)	131		134			

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

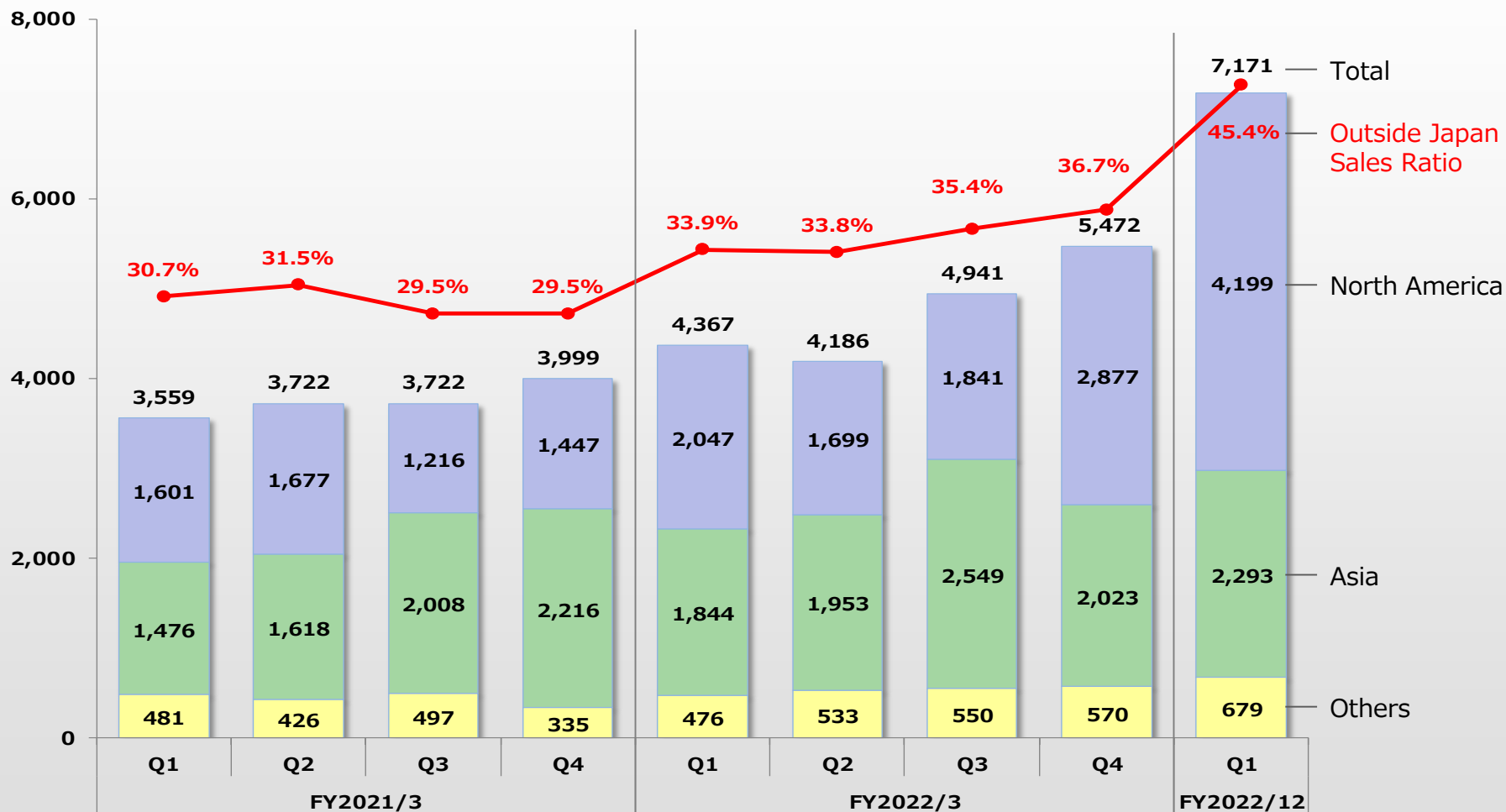
Financial Results Trend (consolidated and quarter)

(millions of yen)



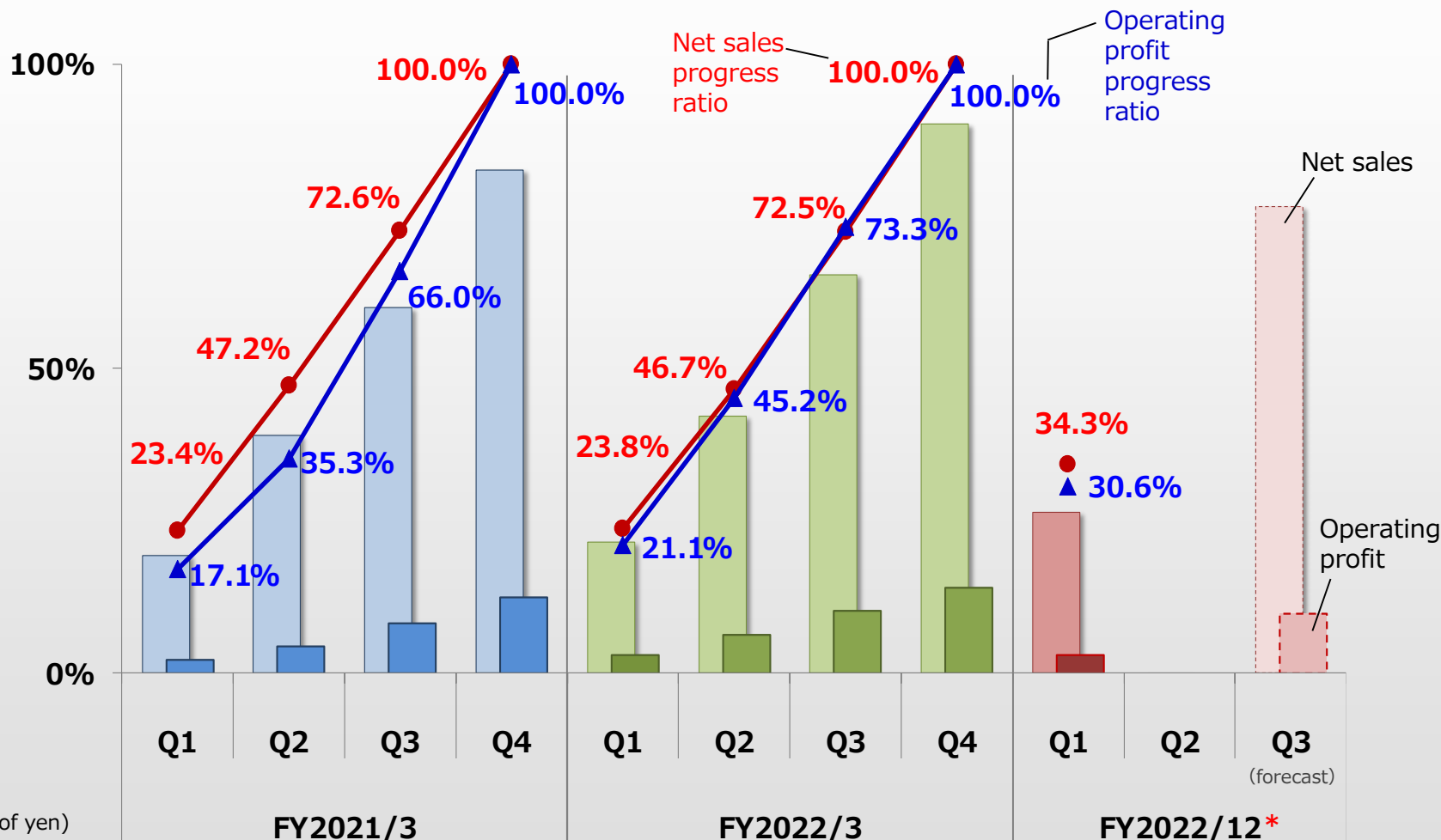
Sales Trends by Region (consolidated and quarter)

(millions of yen)



Progress Report (consolidated and quarter)

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



(millions of yen)

FY2021/3

FY2022/3

FY2022/12*

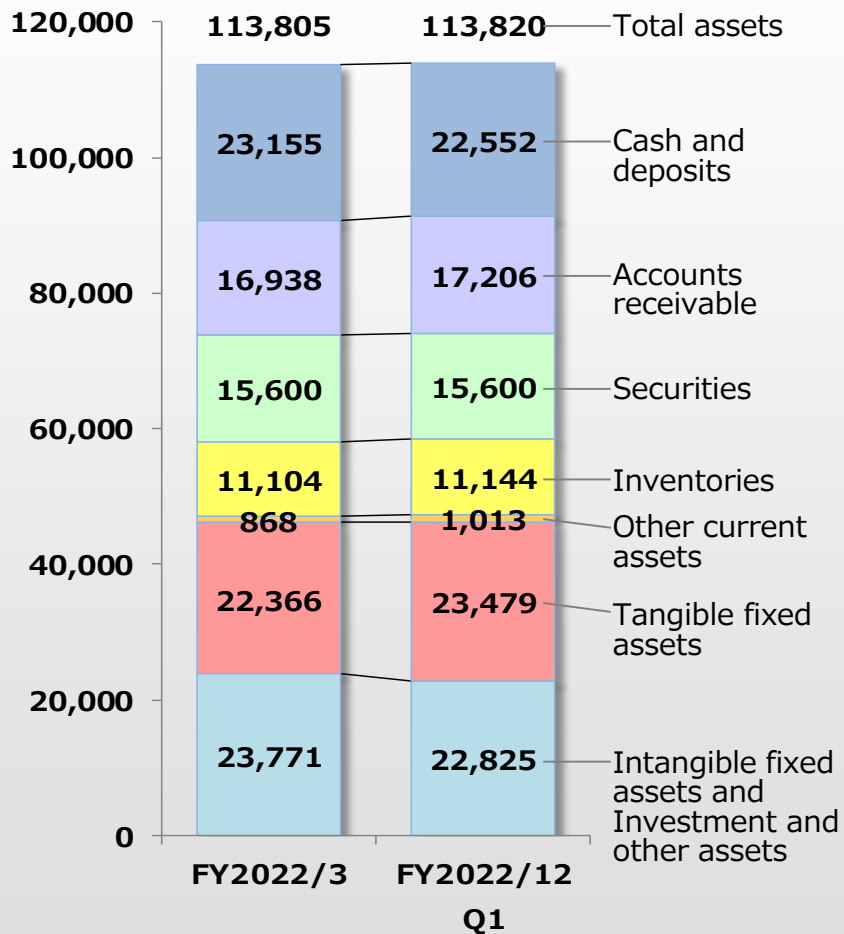
Net sales	11,592	23,408	36,024	49,590	12,869	25,266	39,229	54,137	15,796		46,000
Operating profit	1,262	2,609	4,888	7,401	1,770	3,795	6,158	8,400	1,775		5,800

*Due to change in fiscal year-end, the fiscal year will be a transitional period of nine months from April 1,2022 to December 31,2022. Q3 is the end of this fiscal year.

Assets / Liabilities, and a Total Equity (consolidated and quarter)

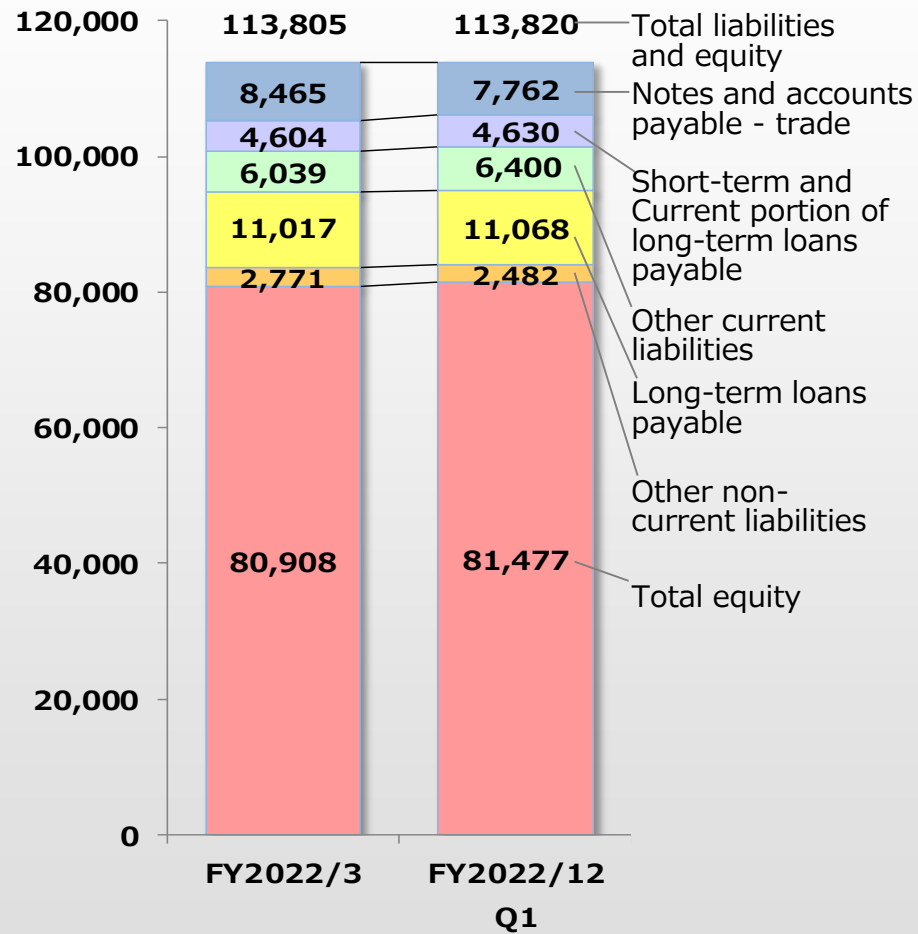
■ Assets

(millions of yen)



■ Liabilities, and a total equity

(millions of yen)

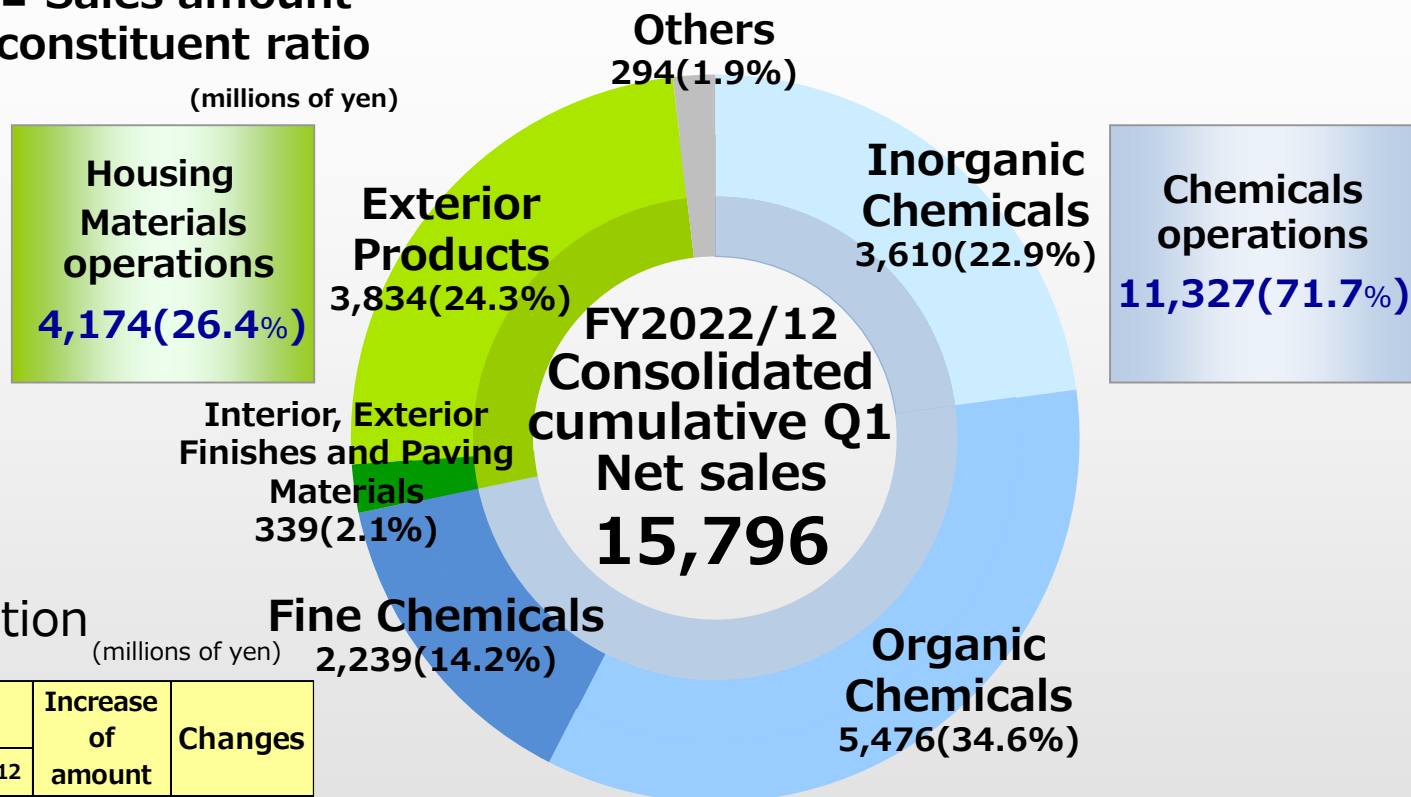


Interest-bearing debt (millions of yen)	15,899	15,988
Net interest-bearing debt (millions of yen)	▲7,256	▲6,564
Equity ratio (%)	70.3	70.9

Sales and Profit by Business Segments (consolidated and quarter)

■ Sales amount constituent ratio

(millions of yen)



■ Segment Information

(millions of yen)

	Consolidated cumulative Q1		Increase of amount	Changes
	FY2022/3	FY2022/12		
Net sales				
Chemicals operations	8,391	11,327	2,936	35.0%
Housing Materials operations	4,077	4,174	97	2.4%
Segment profit				
Chemicals operations	1,753	1,937	184	10.5%
Housing Materials operations	474	296	▲ 178	▲ 37.6%

Sales and Profit by Business Segments (consolidated and quarter)

(millions of yen)

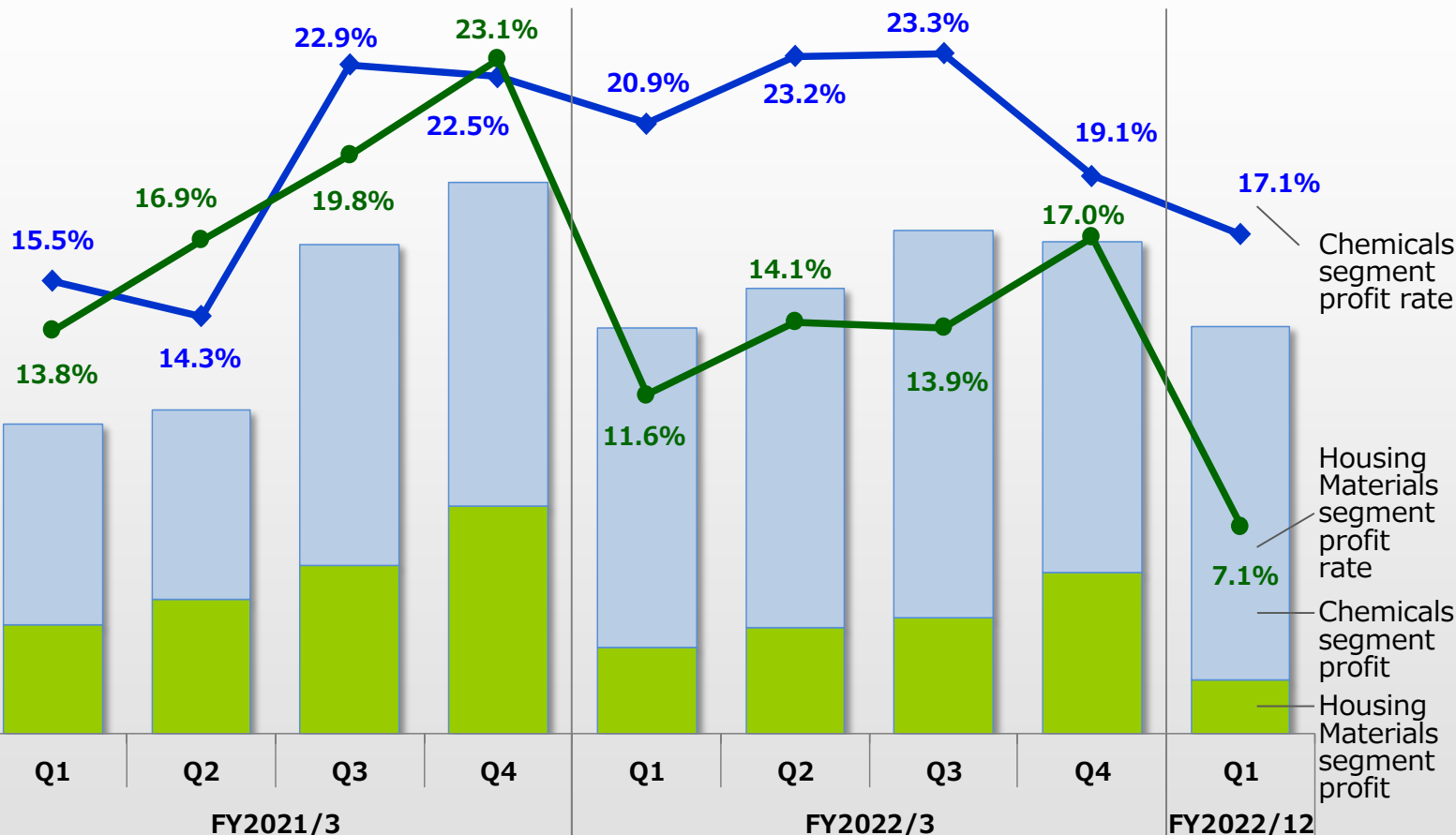
4,000

3,000

2,000

1,000

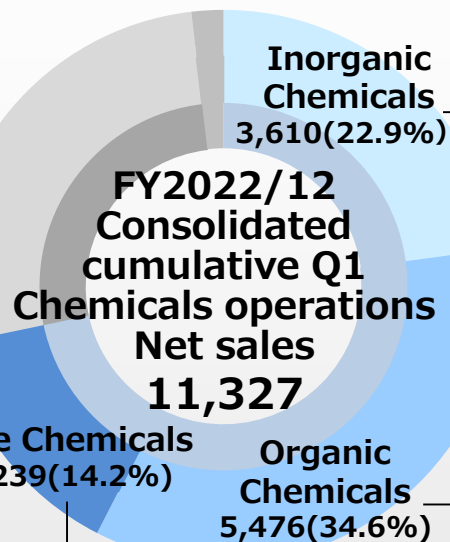
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	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
	FY2021/3				FY2022/3				FY2022/12
Chemicals operations net sales	7,051	7,245	7,686	7,867	8,391	8,016	9,091	9,495	11,327
Housing Materials operations net sales	4,362	4,349	4,644	5,404	4,077	4,122	4,572	5,188	4,174
Chemicals segment profit	1,093	1,038	1,761	1,771	1,753	1,860	2,120	1,810	1,937
Housing Materials segment profit	601	735	919	1,249	474	583	635	883	296

Chemicals Operations Segment (consolidated and quarter)

(millions of yen)



【 Main products 】

- **Insoluble Sulfur**
Vulcanizing agent for rubber
- **Carbon Disulfide**
- **Sodium Sulfate**
- **Sodium Carbonate**



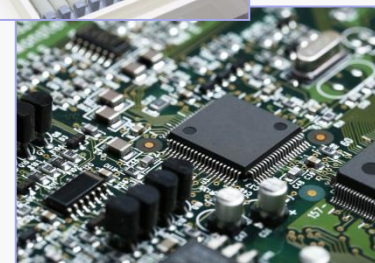
【 Main products 】

- **Chlorinated Isocyanuric Acid**
for swimming pool and septic tank disinfectants
- **Hipolka**



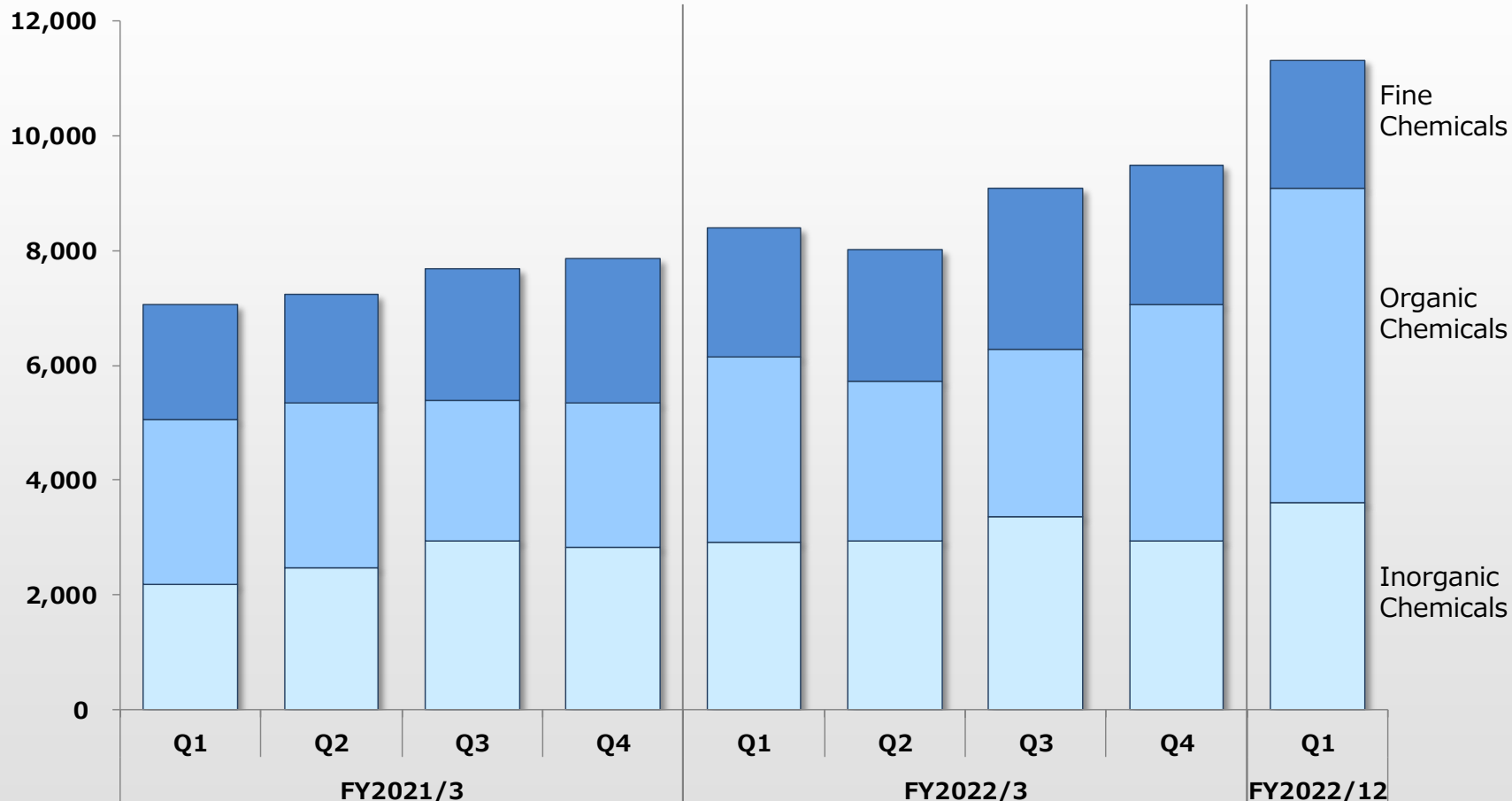
【 Main products 】

- **Gliccoat-SMD**
Heat-resistant OSP (Organic Solderability Preservative) for printed wiring boards
- **Advanced & Specialty Chemicals**
epoxy resin curing agent (imidazoles), resin modifier and semiconductor processing materials
- **THEIC**



Sales Trend of Chemicals Operations (consolidated and quarter)

(millions of yen)



	FY2021/3				FY2022/3				FY2022/12
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Fine Chemicals	1,984	1,898	2,303	2,520	2,243	2,295	2,804	2,435	2,239
Organic Chemicals	2,877	2,867	2,443	2,520	3,220	2,771	2,917	4,114	5,476
Inorganic Chemicals	2,189	2,479	2,939	2,826	2,928	2,949	3,369	2,945	3,610

Housing Materials Operations Segment (consolidated and quarter)

【Main products】

■ Home Exterior Products

gates, fences, carports and accordion gate

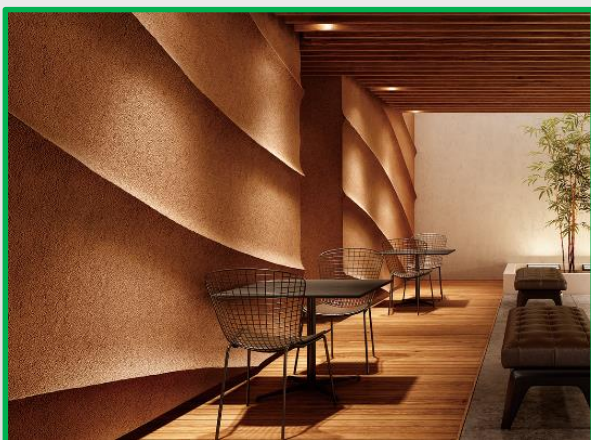
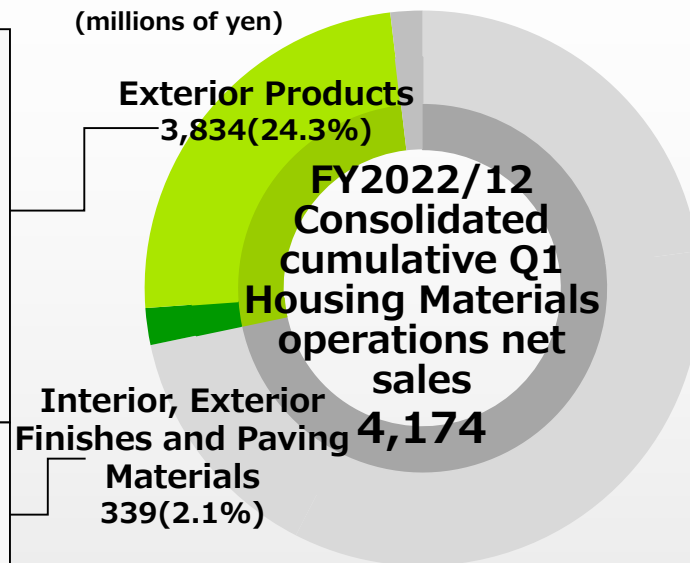
■ Decorative Exterior Products

large gates and fences, shelter, bicycle parking, garbage collection container and Greening system

【Main products】

■ Interior, Exterior Finishes and Paving Materials

(millions of yen)



Interior



Garbage collection container



Fence

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

Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

Q1

FY2021/3

FY2022/3

FY2022/12

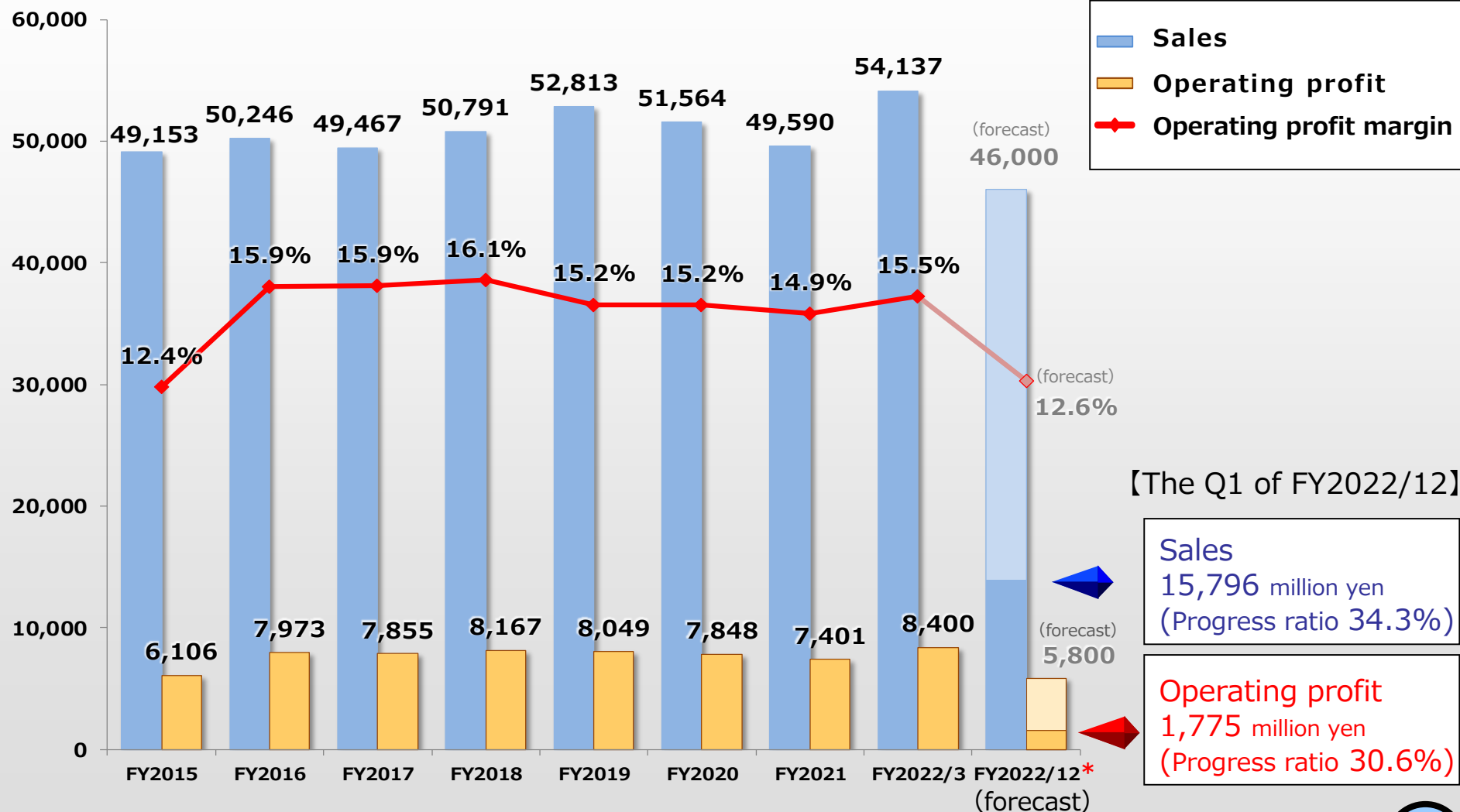
Exterior Products	4,007	3,994	4,247	5,037	3,729	3,797	4,221	4,817	3,834
Interior, Exterior Finishes and Paving Materials	355	355	397	367	348	324	351	371	339

Exterior Products

Interior, Exterior Finishes and Paving Materials

Sales/Operating Profit Trend (consolidated)

(millions of yen)



*Due to change in fiscal year-end, the fiscal year will be a transitional period of nine months from April 1, 2022 to December 31, 2022.

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[Note regarding this document]

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