



Financial Results
for the 1st Quarter of the FY2020
(April 1, 2019–June 30, 2019)

July 30, 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 Consolidated1,167 Non-Consolidated 660(As of March 31, 2019)

▼Share of stock

- Issued Shares 58 million shares
- Number of Shareholders 4,363(As of March 31, 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 1Q of FY2020

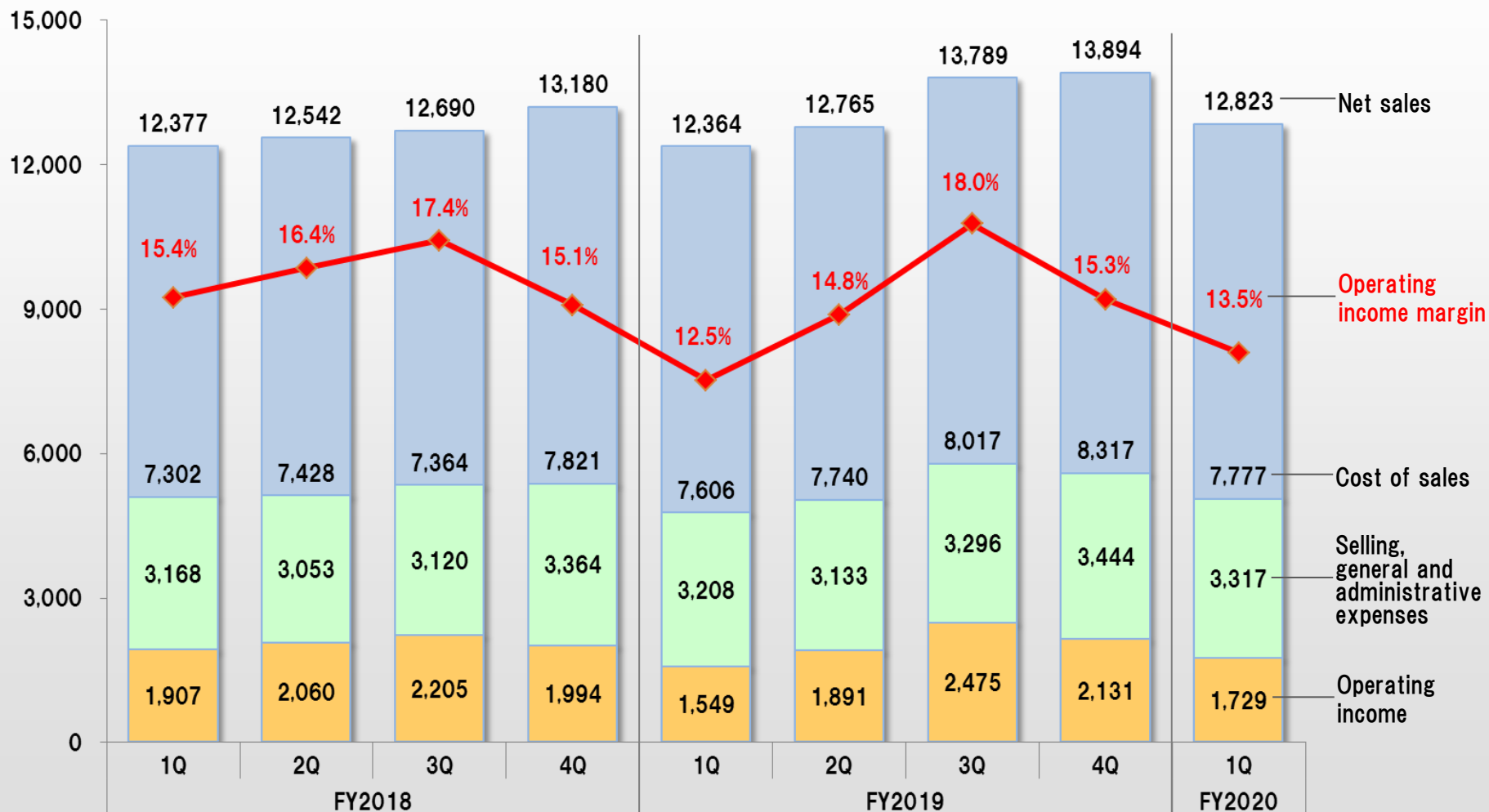
(Millions of yen)

	Consolidated cumulative 1Q				Increase of amount	Changes
	FY2019		FY2020			
	Amount	Percentage	Amount	Percentage		
Net sales	12,364	100.0%	12,823	100.0%	459	3.7%
Operating Income	1,549	12.5%	1,729	13.5%	179	11.6%
Ordinary income	1,866	15.1%	1,782	13.9%	▲ 83	▲ 4.5%
Net income attributable to owners of the parent	1,234	10.0%	1,209	9.4%	▲ 24	▲ 2.0%
Exchange rate (USD)	108		111			
Exchange rate (EUR)	131		125			

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

Financial Results Trend (consolidated and quarter)

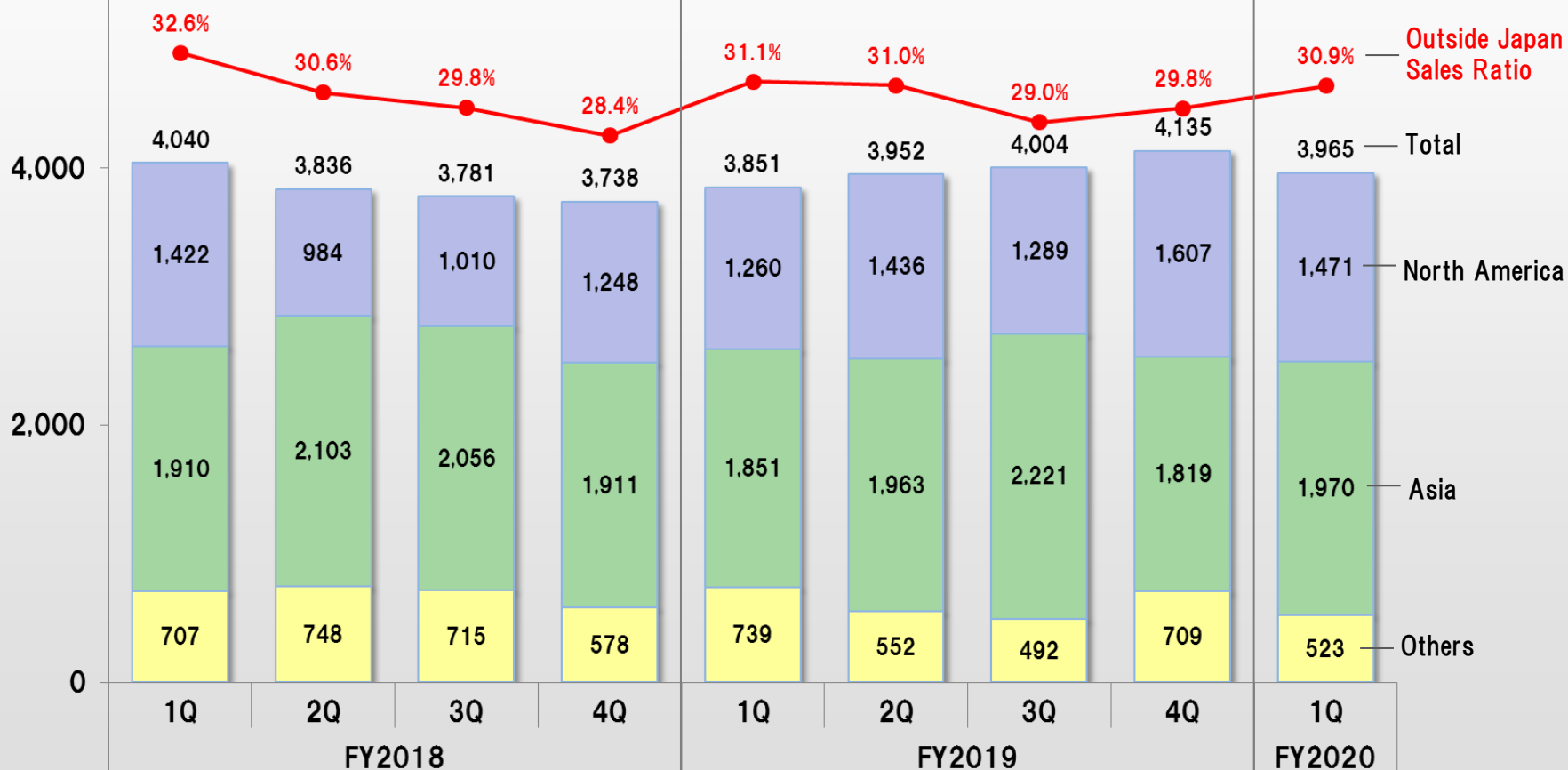
(Millions of yen)



Sales Trends by Region

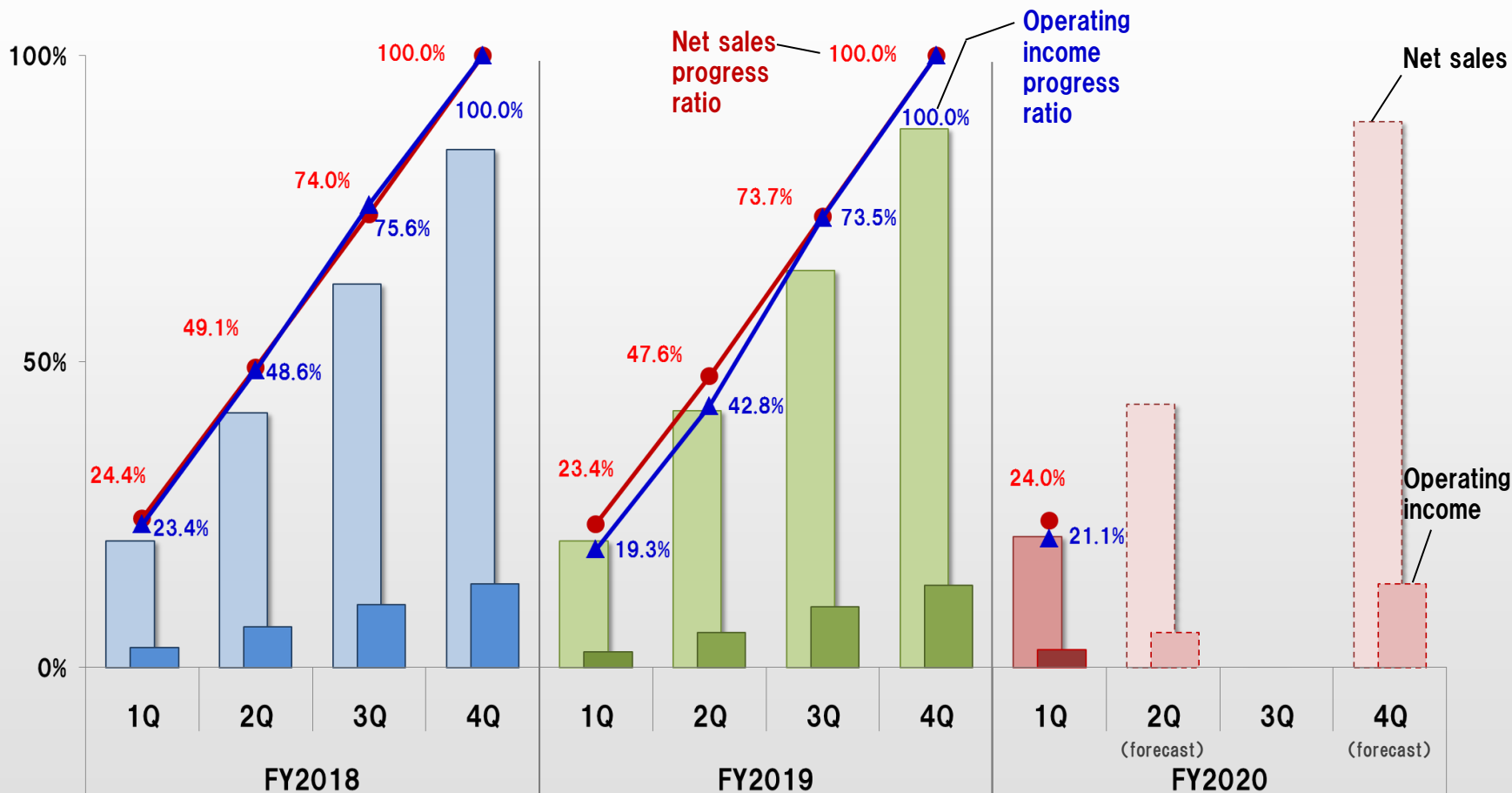
(Millions of yen)

6,000



Progress report

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



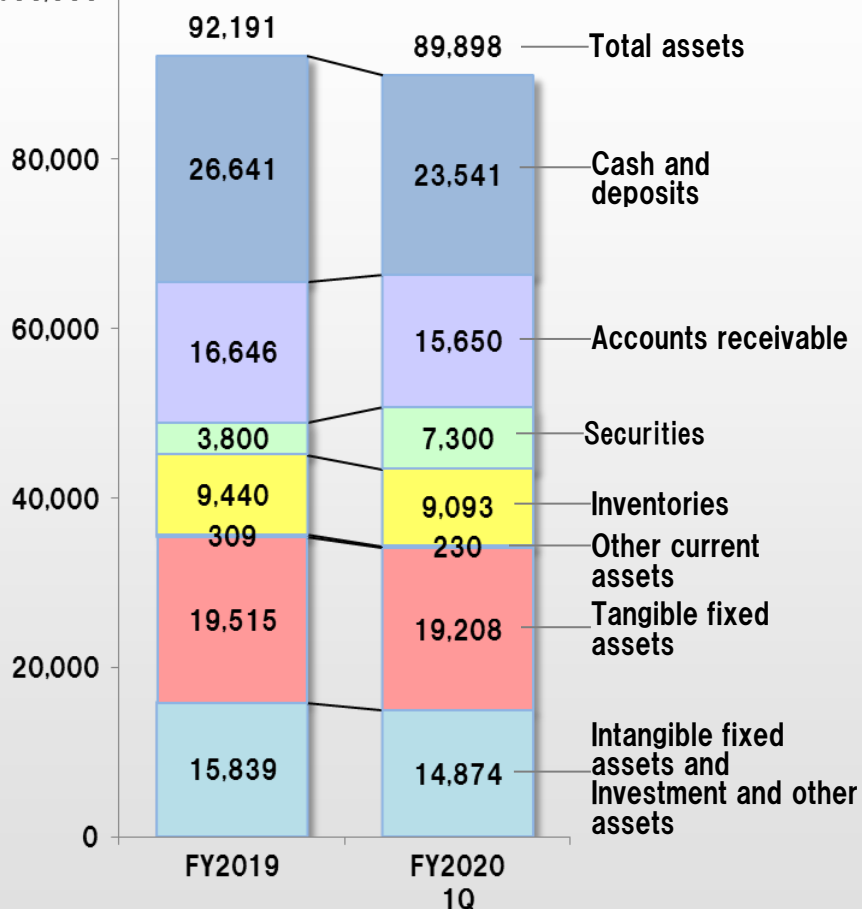
(Millions of yen)

Net sales	12,377	24,920	37,610	50,791	12,364	25,130	38,919	52,813	12,823	25,800	53,500
Operating income	1,907	3,967	6,172	8,167	1,549	3,441	5,917	8,049	1,729	3,400	8,200

Assets / liabilities, and a total equity (consolidated)

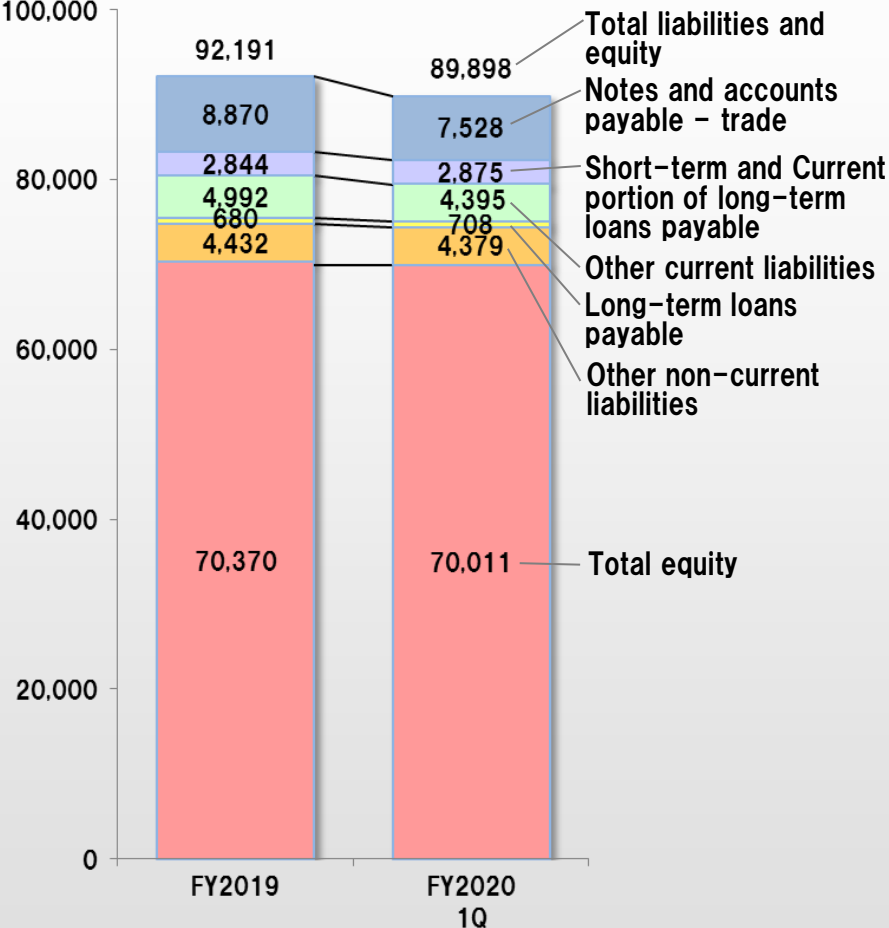
(Millions of yen)

100,000



(Millions of yen)

100,000

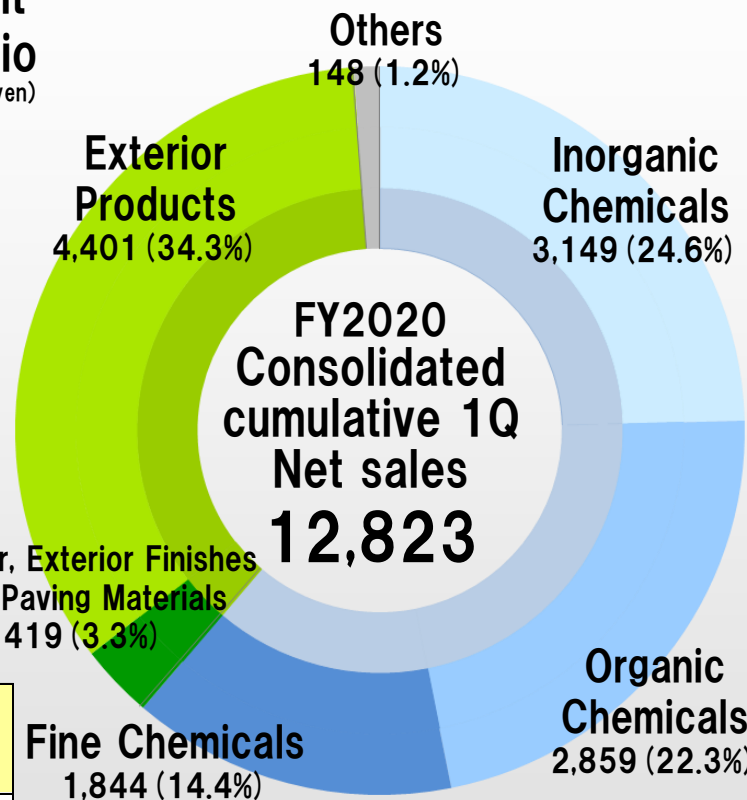


interest-bearing debt (millions of yen)	3,768	3,839
net interest-bearing debt (millions of yen)	▲ 22,872	▲ 19,701
Equity ratio(%)	75.5%	77.0%

Sales and Profit by Business segments

■ Sales amount constituent ratio (Millions of yen)

Housing Materials operations
4,821 (37.6%)



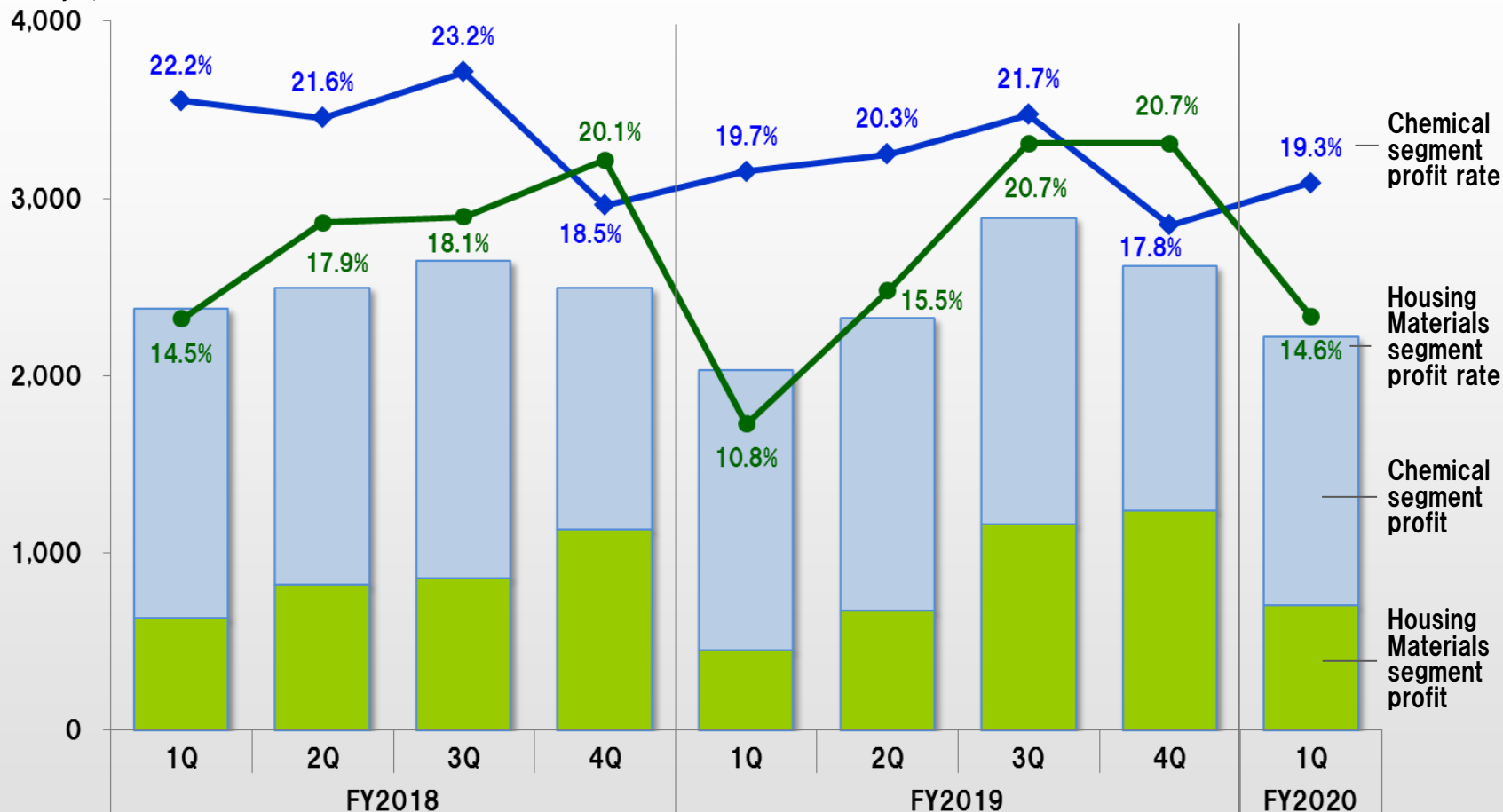
Chemical operations
7,854 (61.2%)

■ Segment information (Millions of yen)

	Consolidated cumulative 1Q		Increase of amount	Changes
	FY2019	FY2020		
Net sales				
Chemical operations	8,024	7,854	▲ 169	▲ 2.1%
Housing Materials operations	4,193	4,821	627	15.0%
Segment profit				
Chemical operations	1,577	1,514	▲ 62	▲ 4.0%
Housing Materials operations	452	704	252	55.8%

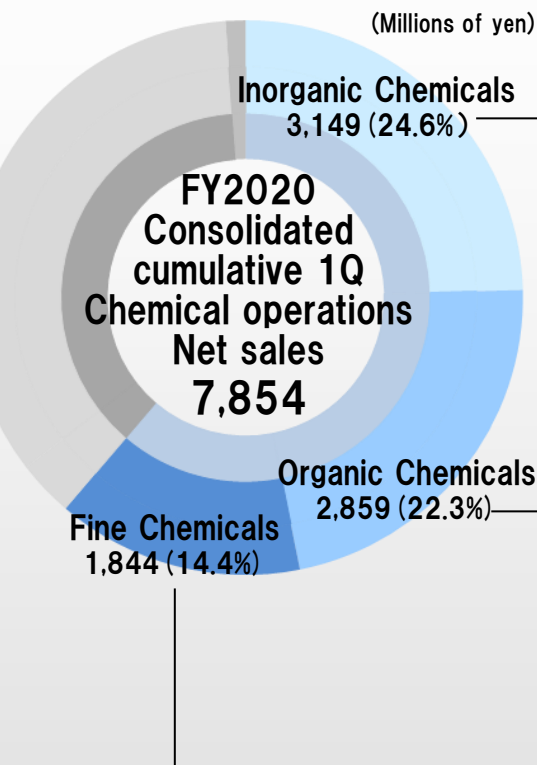
Sales and Profit by Business segments (consolidated and quarter)

(Millions of yen)



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

Chemicals operations segment



【 Main products 】

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



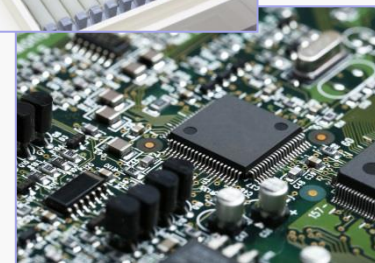
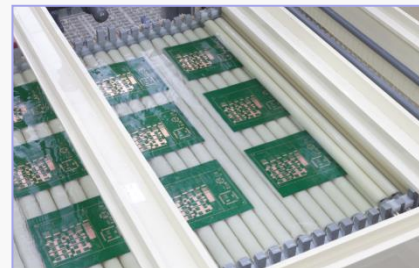
【 Main products 】

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



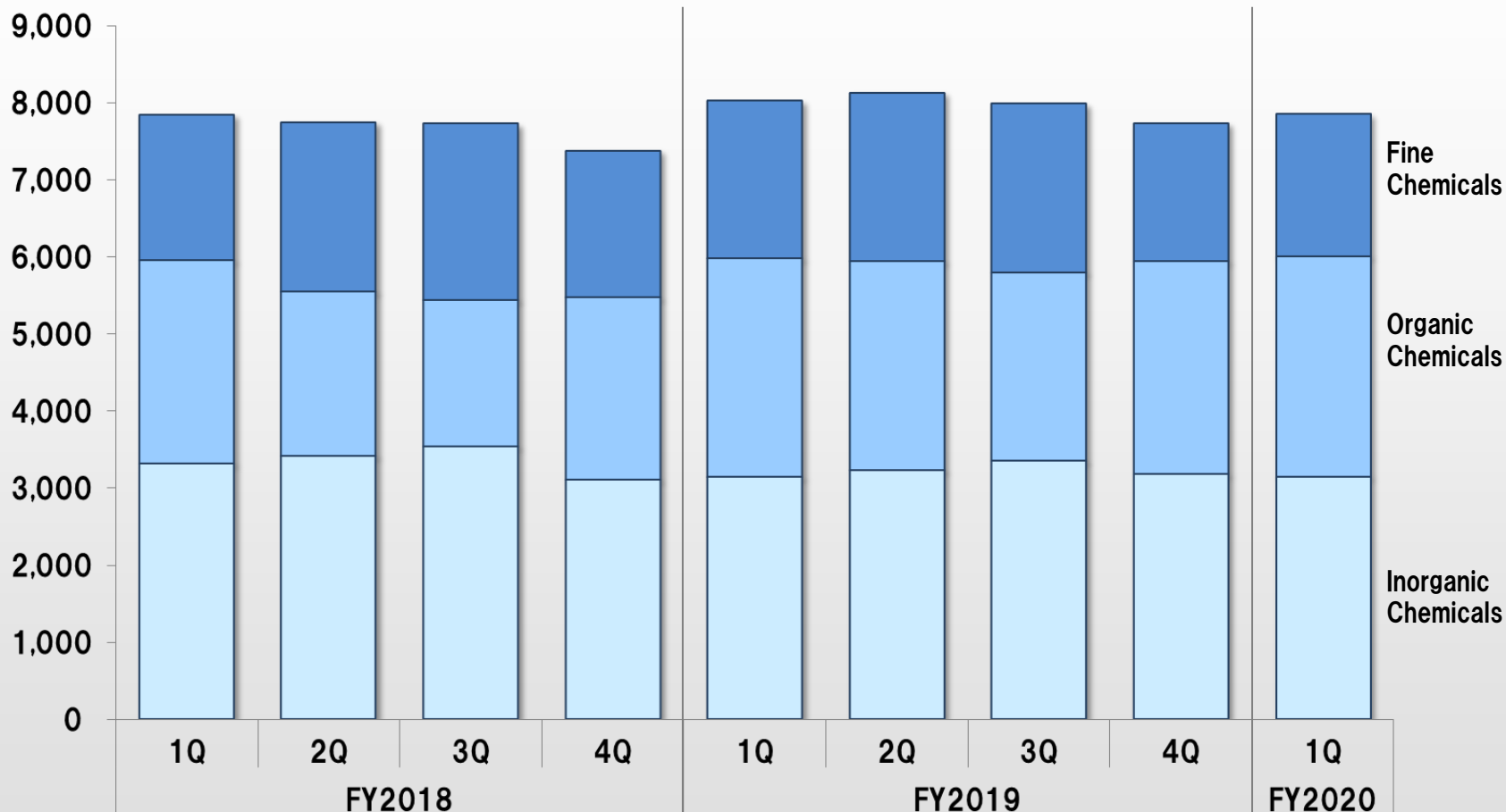
【 Main products 】

- 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)



	FY2018				FY2019				FY2020
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Fine Chemicals	1,888	2,202	2,283	1,910	2,044	2,190	2,188	1,790	1,844
Organic Chemicals	2,636	2,126	1,900	2,358	2,839	2,707	2,450	2,761	2,859
Inorganic Chemicals	3,320	3,420	3,543	3,110	3,140	3,233	3,350	3,183	3,149

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
4,401 (34.3%)

FY2020
Consolidated
cumulative 1Q
Housing Materials
operations net sales
4,821

Interior, Exterior Finishes
and Paving Materials
419 (3.3%)



“Fun roof” (terrace)



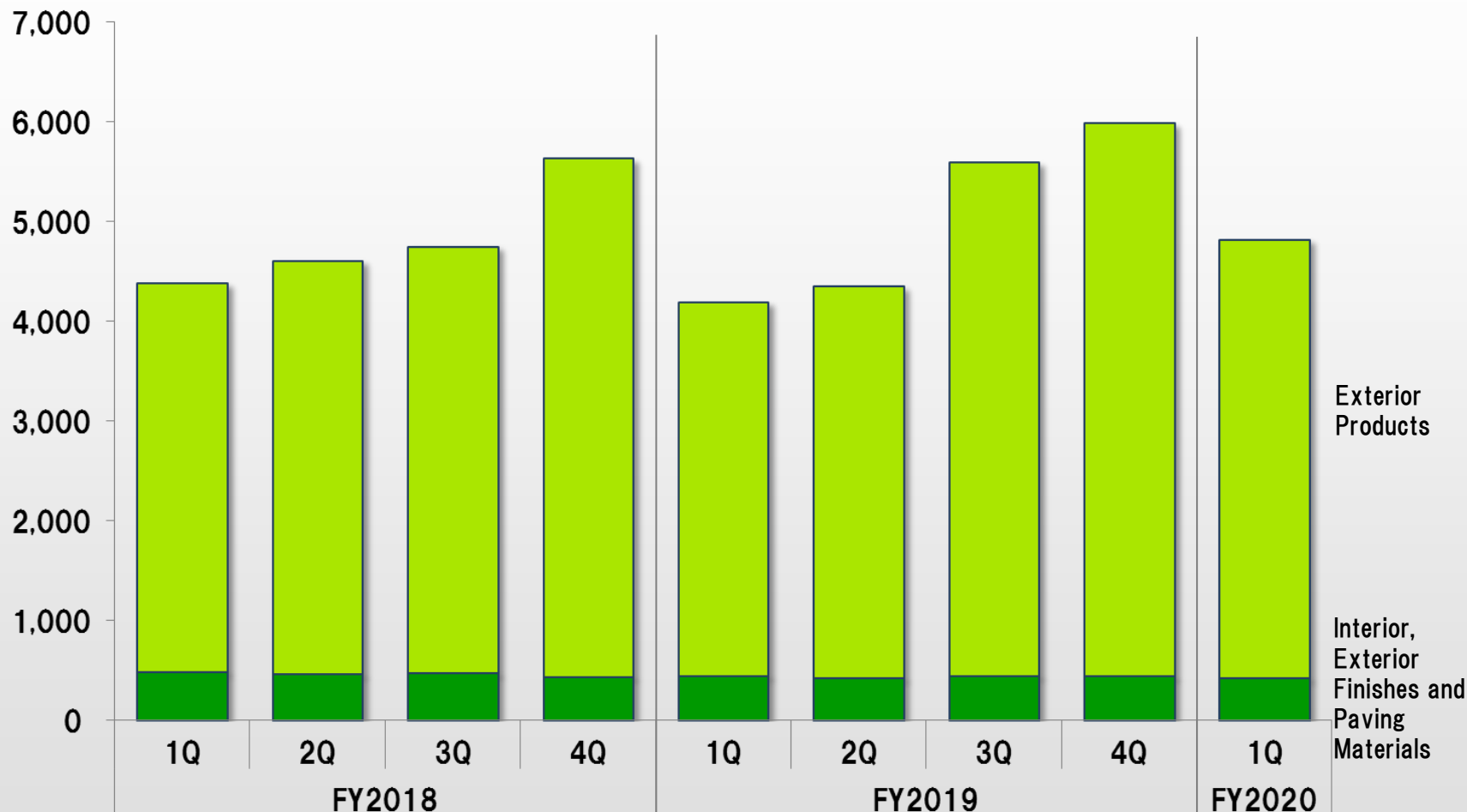
“Alegria fence TM” (fence)
“Alegria TM side gate”



“Myroof 7” (garage)

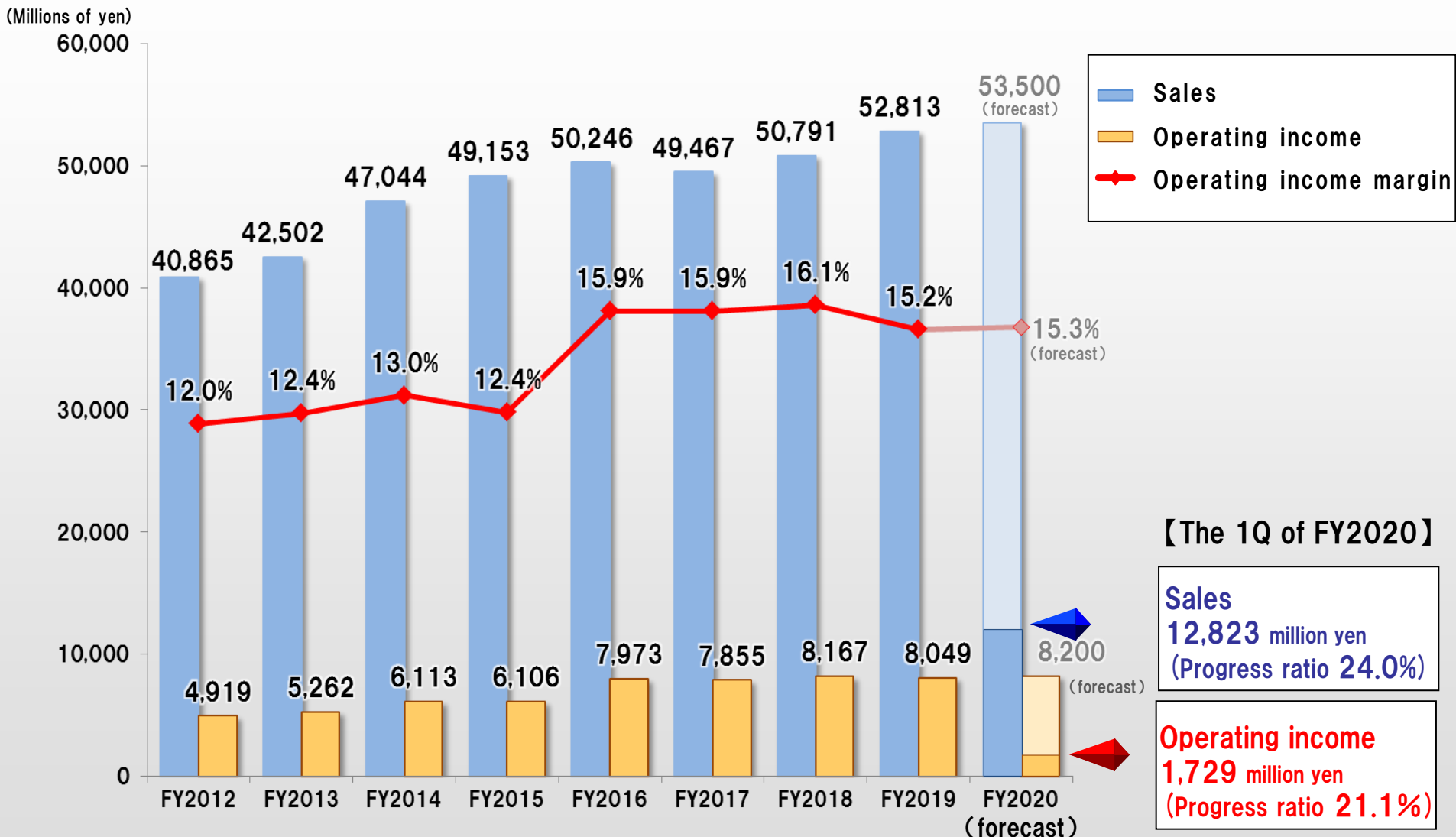
Sales Trend of Housing Materials operations (consolidated and quarter)

(Millions of yen)



Exterior Products	3,895	4,148	4,279	5,195	3,746	3,926	5,147	5,547	4,401
Interior, Exterior Finishes and Paving Materials	487	460	471	437	446	423	446	438	419

Sales/Operating Income Trend (consolidated)



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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.