# Financial Results for the 3rd Quarter of the FY2021

## (April 1, 2020- December31, 2020)

January 27, 2021

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　〔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,7 sales offices 〔Overseas〕U.S.A,China(Shanghai,Shenzhen), Taiwan,Shingapore
- ■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.

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# Highlights of Financial Results for the 3Q of FY2021

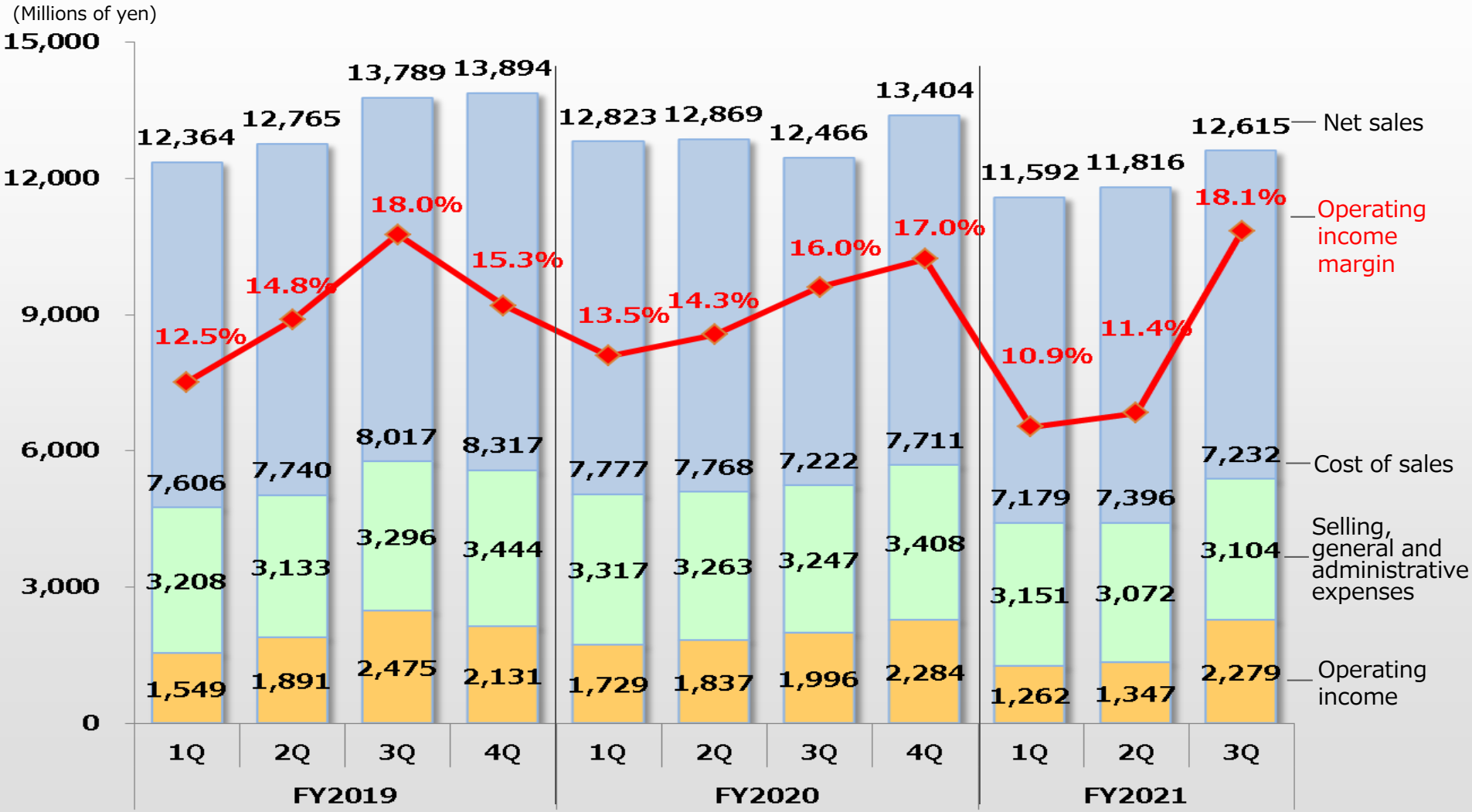
(Millions of yen)

| | Consolidated cumulative 3Q | | | | Increase of amount | Changes |
|---|---|---|---|---|---|---|
| | FY2020 | | FY2021 | | | |
| | Amount | Percentage | Amount | Percentage | | |
| Net sales | 38,160 | 100.0% | 36,024 | 100.0% | ▲ 2,136 | ▲5.6% |
| Operating Income | 5,564 | 14.6% | 4,888 | 13.6% | ▲ 676 | ▲12.2% |
| Ordinary income | 5,760 | 15.1% | 5,206 | 14.5% | ▲ 554 | ▲9.6% |
| Net income attributable to owners of the parent | 4,027 | 10.6% | 3,911 | 10.9% | ▲ 115 | ▲2.9% |
| Exchange rate (USD) | 109 | | 106 | | | |
| Exchange rate (EUR) | 122 | | 121 | | | |

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

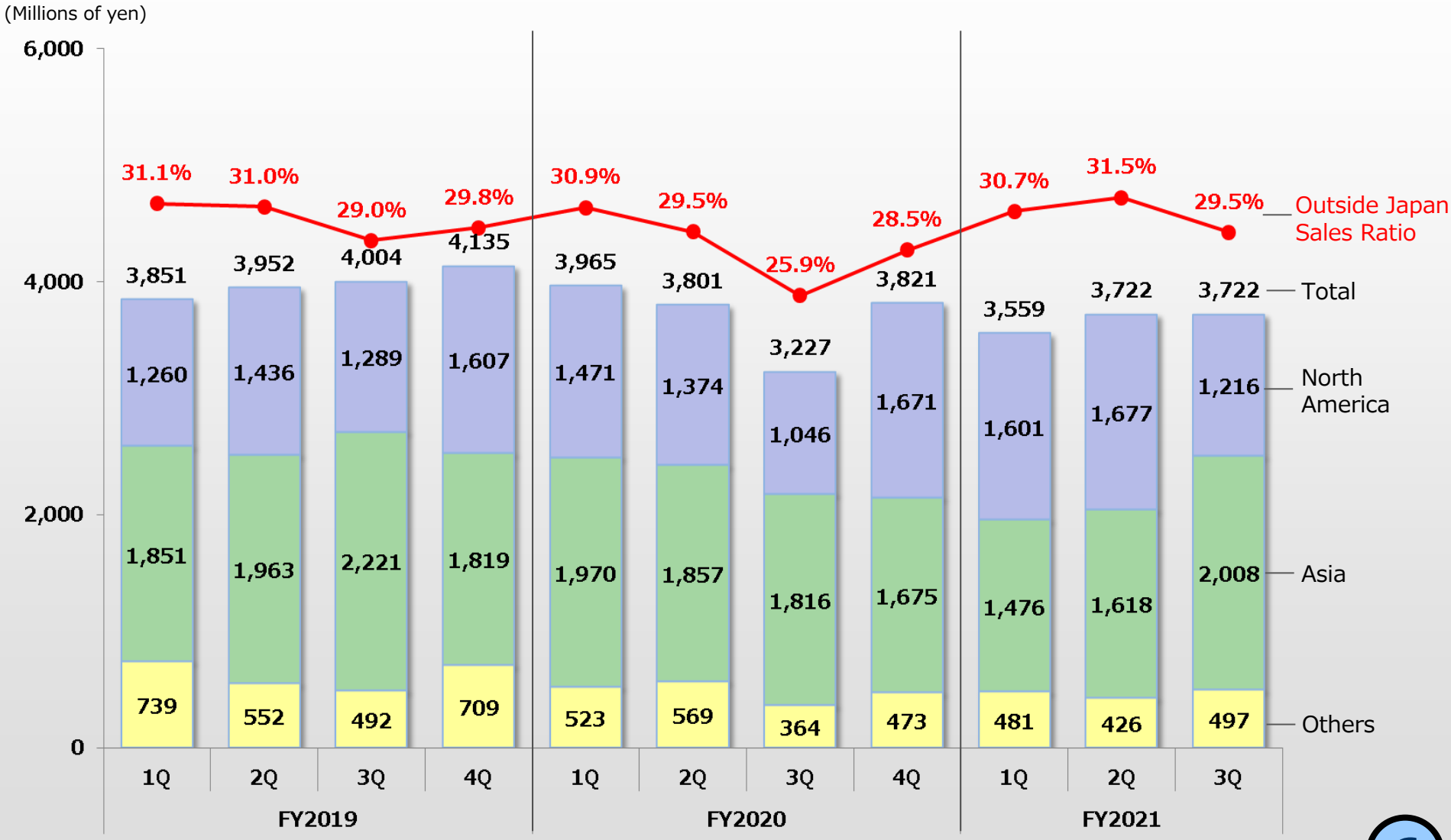
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# Financial Results Trend (consolidated and quarter)



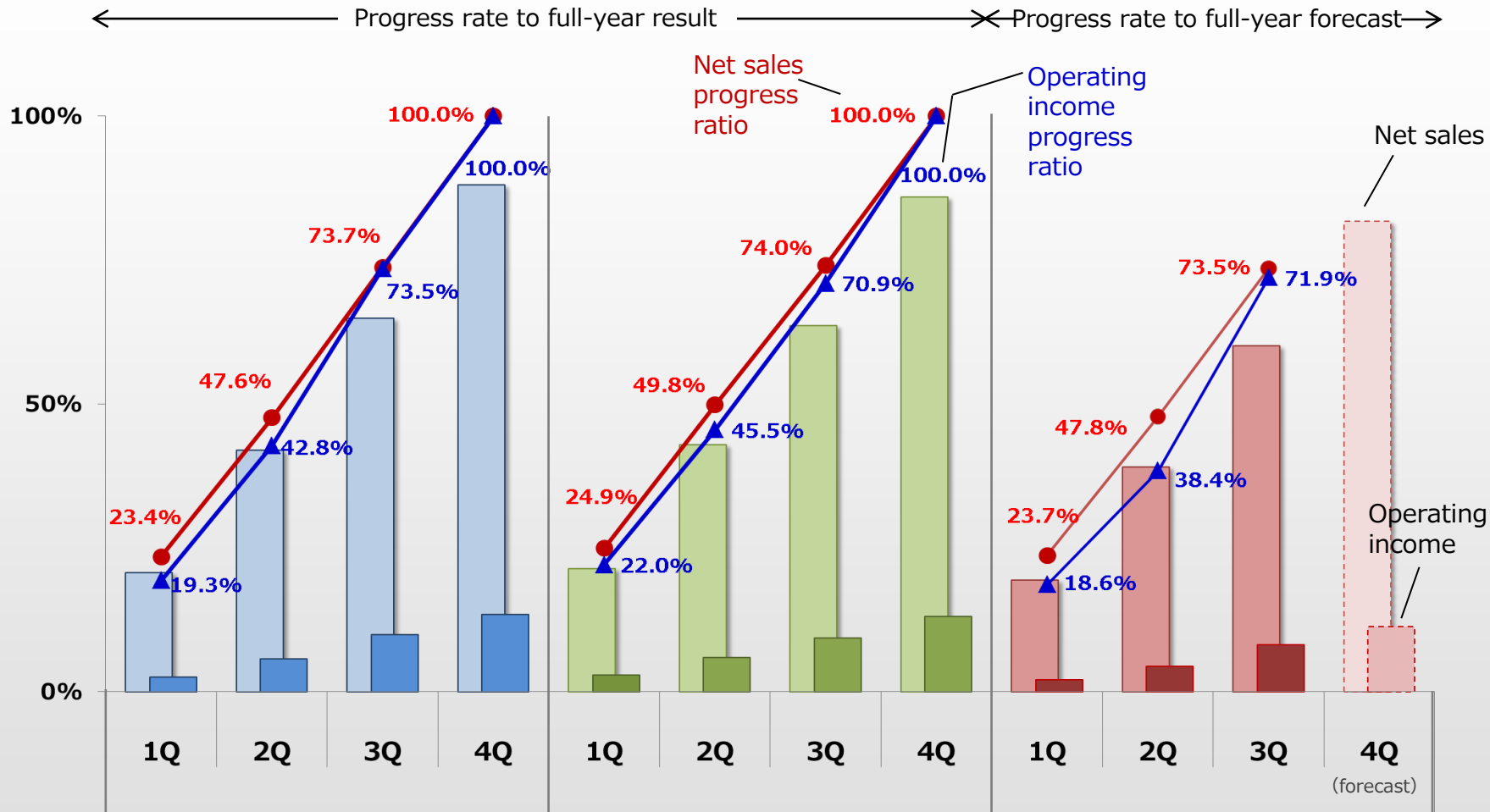
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# Sales Trends by Region



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# Progress report



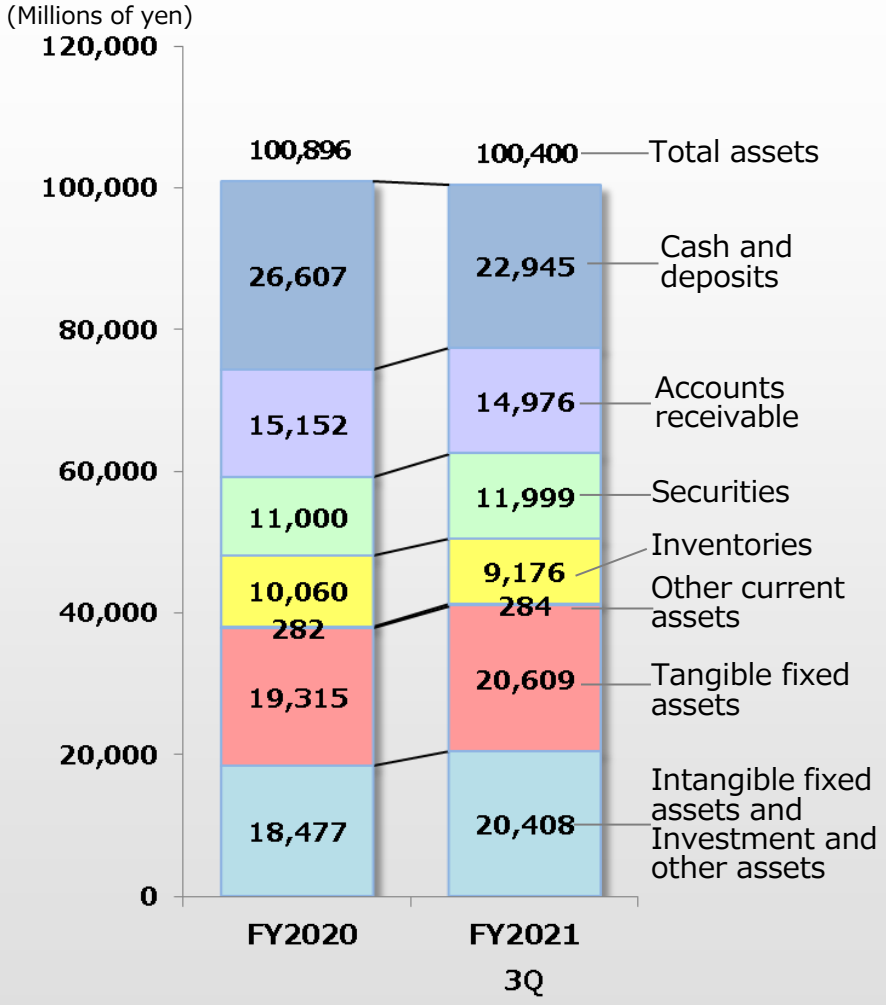

(Millions of yen)

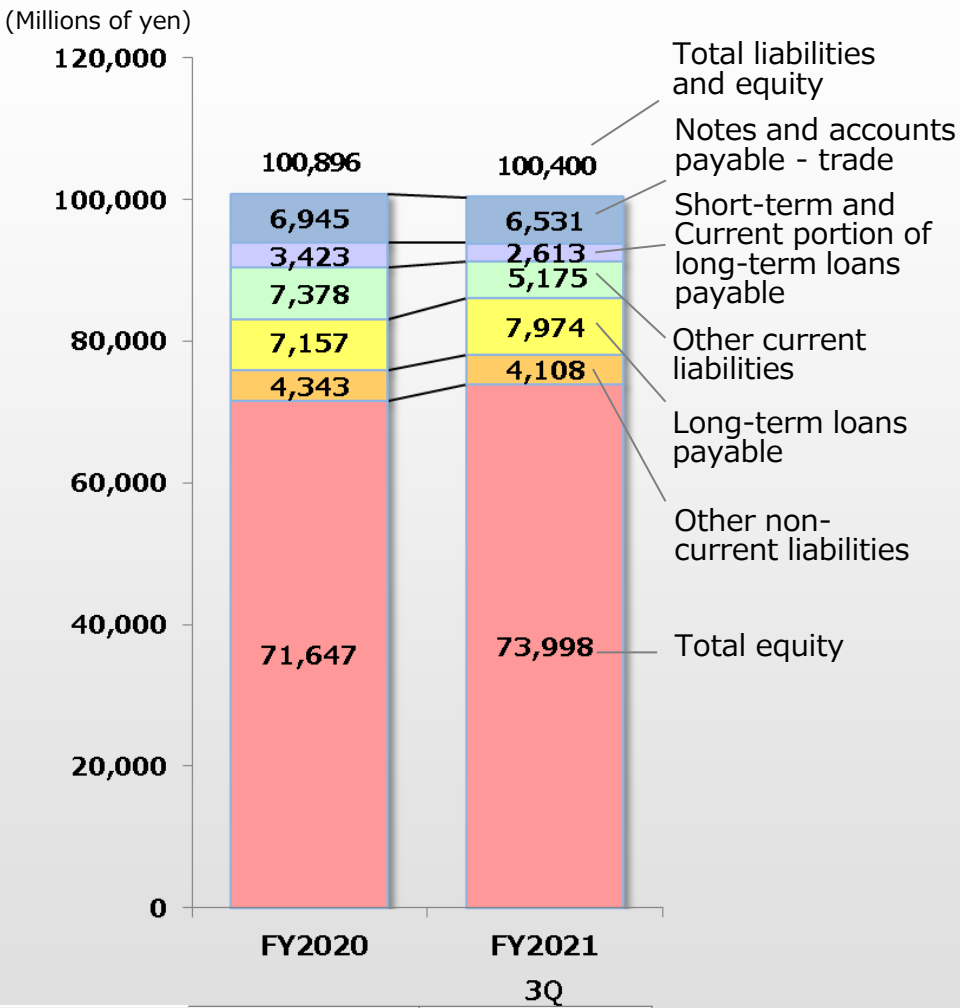
| | FY2019 | | | | FY2020 | | | | FY2021 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q (forecast) |
| Net sales | 12,364 | 25,130 | 38,919 | 52,813 | 12,823 | 25,693 | 38,160 | 51,564 | 11,592 | 23,408 | 36,024 | 49,000 |
| Operating income | 1,549 | 3,441 | 5,917 | 8,049 | 1,729 | 3,567 | 5,564 | 7,848 | 1,262 | 2,609 | 4,888 | 6,800 |

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

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




| | | |
|---|---|---|
| **interest-bearing debt** (millions of yen) | 10,838 | 10,859 |
| **net interest-bearing debt** (millions of yen) | ▲ 15,769 | ▲12,086 |
| **Equity ratio** (%) | 70.2% | 72.9% |

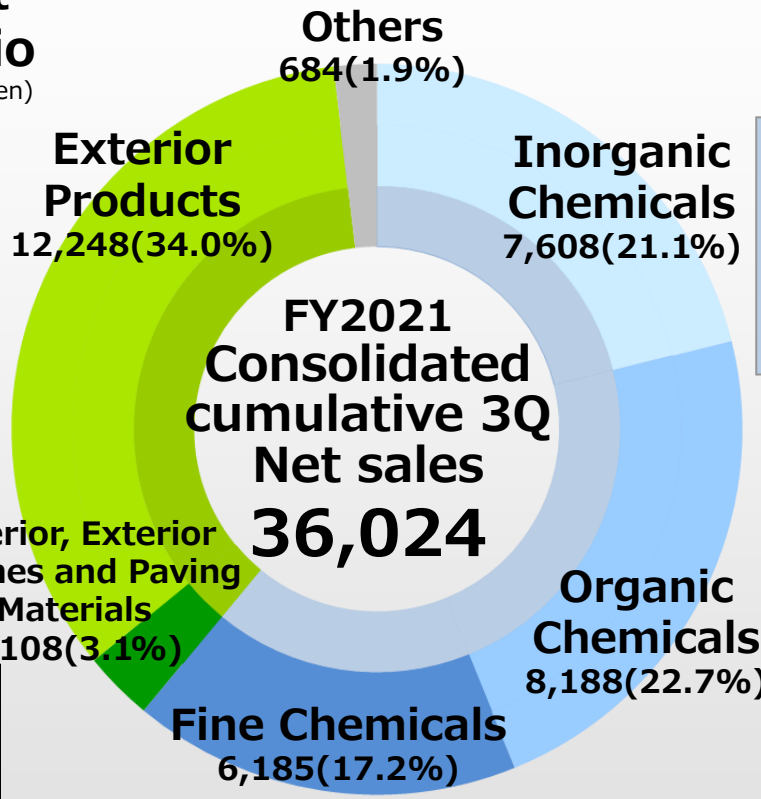
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# Sales and Profit by Business segments

## ■ Sales amount constituent ratio

(Millions of yen)

**Housing Materials operations**
**13,356(37.1%)**



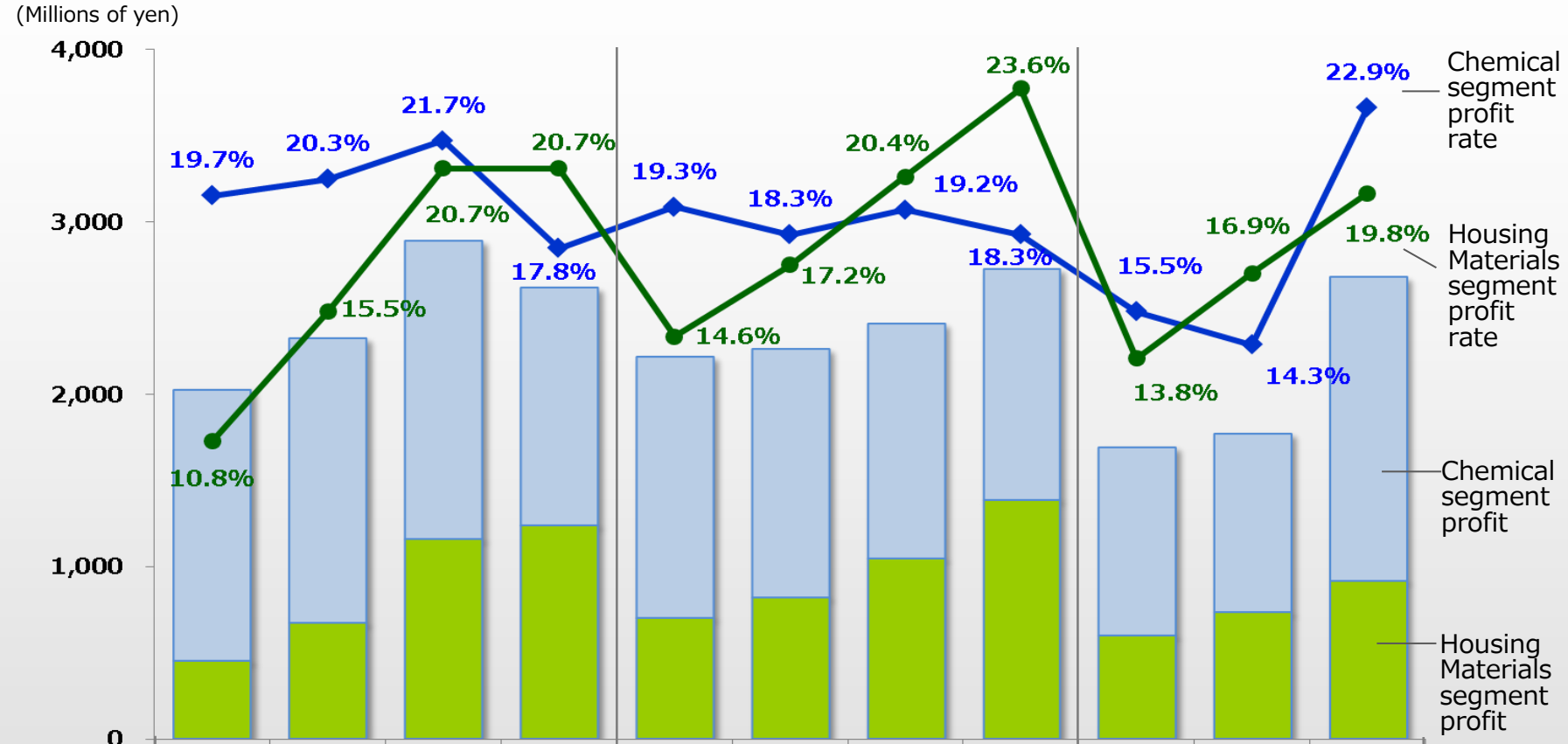

**Chemical operations**
**21,983(61.0%)**

## ■ Segment information (Millions of yen)

| | Consolidated cumulative 3Q | | Increase of amount | Changes |
|---|---|---|---|---|
| | FY2020 | FY2021 | | |
| **Net sales** | | | | |
| Chemical operations | 22,832 | 21,983 | ▲ 849 | ▲3.7% |
| Housing Materials operations | 14,731 | 13,356 | ▲ 1,374 | ▲9.3% |
| **Segment profit** | | | | |
| Chemical operations | 4,317 | 3,892 | ▲ 424 | ▲9.8% |
| Housing Materials operations | 2,575 | 2,256 | ▲ 319 | ▲12.4% |

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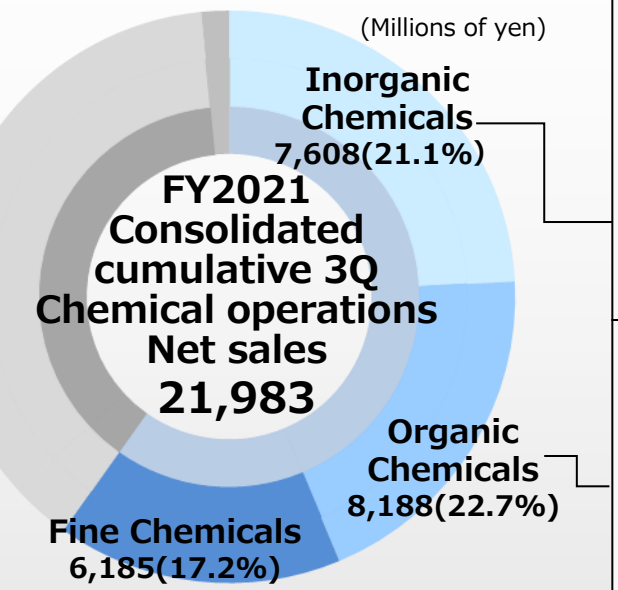

# Sales and Profit by Business segments (consolidated and quarter)




| | FY2019 1Q | FY2019 2Q | FY2019 3Q | FY2019 4Q | FY2020 1Q | FY2020 2Q | FY2020 3Q | FY2020 4Q | FY2021 1Q | FY2021 2Q | FY2021 3Q |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Chemical operations net sales | 8,024 | 8,132 | 7,988 | 7,734 | 7,854 | 7,885 | 7,092 | 7,317 | 7,051 | 7,245 | 7,686 |
| 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 | 4,644 |
| Chemical segment profit | 1,577 | 1,652 | 1,731 | 1,377 | 1,514 | 1,440 | 1,362 | 1,338 | 1,093 | 1,038 | 1,761 |
| Housing Materials segment profit | 452 | 673 | 1,160 | 1,241 | 704 | 822 | 1,048 | 1,390 | 601 | 735 | 919 |

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# Chemicals operations segment




## 【 Main products 】

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



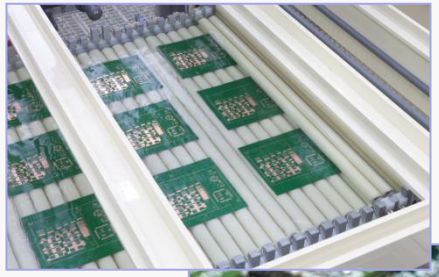
## 【 Main products 】

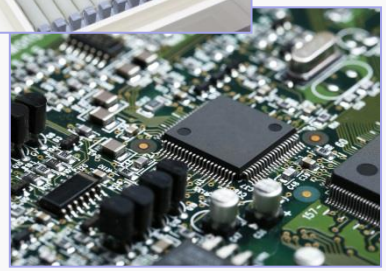
- **Cyanuric acid derivatives**
  for swimming pool and septic tank disinfectants
- **Hipolka**



## 【 Main products 】

- **Glicoat-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**

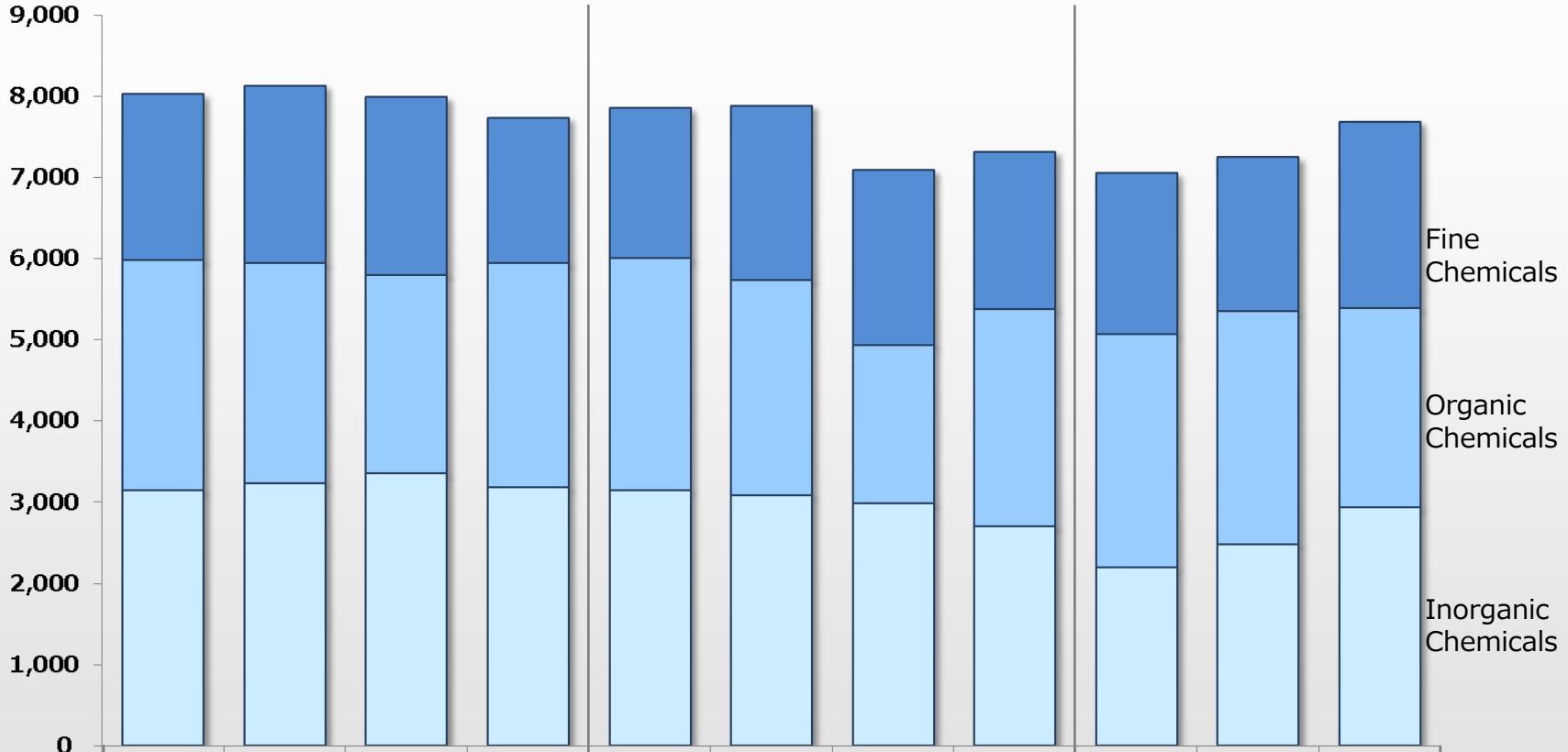




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# Sales Trend of Chemical operations (consolidated and quarter)

(Millions of yen)




| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | FY2019 | | | | FY2020 | | | | FY2021 | | |
| Fine Chemicals | 2,044 | 2,190 | 2,188 | 1,790 | 1,844 | 2,148 | 2,159 | 1,937 | 1,984 | 1,898 | 2,303 |
| Organic Chemicals | 2,839 | 2,707 | 2,450 | 2,761 | 2,859 | 2,659 | 1,948 | 2,679 | 2,877 | 2,867 | 2,444 |
| Inorganic Chemicals | 3,140 | 3,233 | 3,350 | 3,183 | 3,149 | 3,077 | 2,984 | 2,700 | 2,189 | 2,479 | 2,939 |

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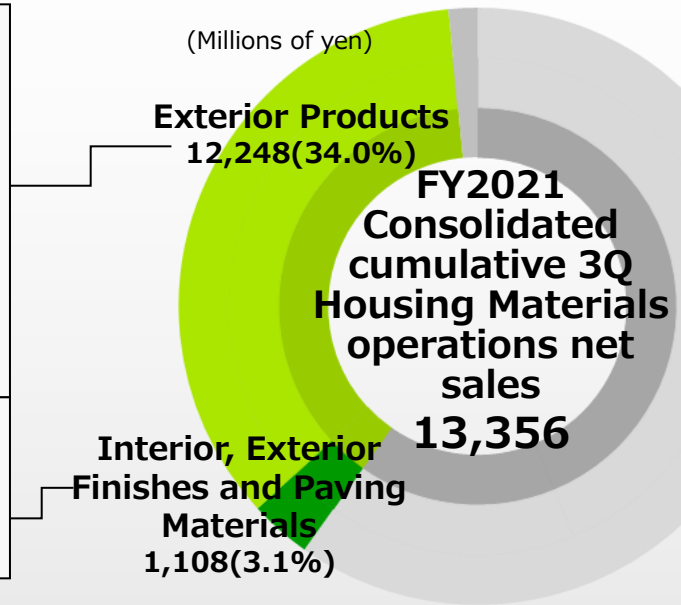

# Housing Materials operations segment

【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 ）

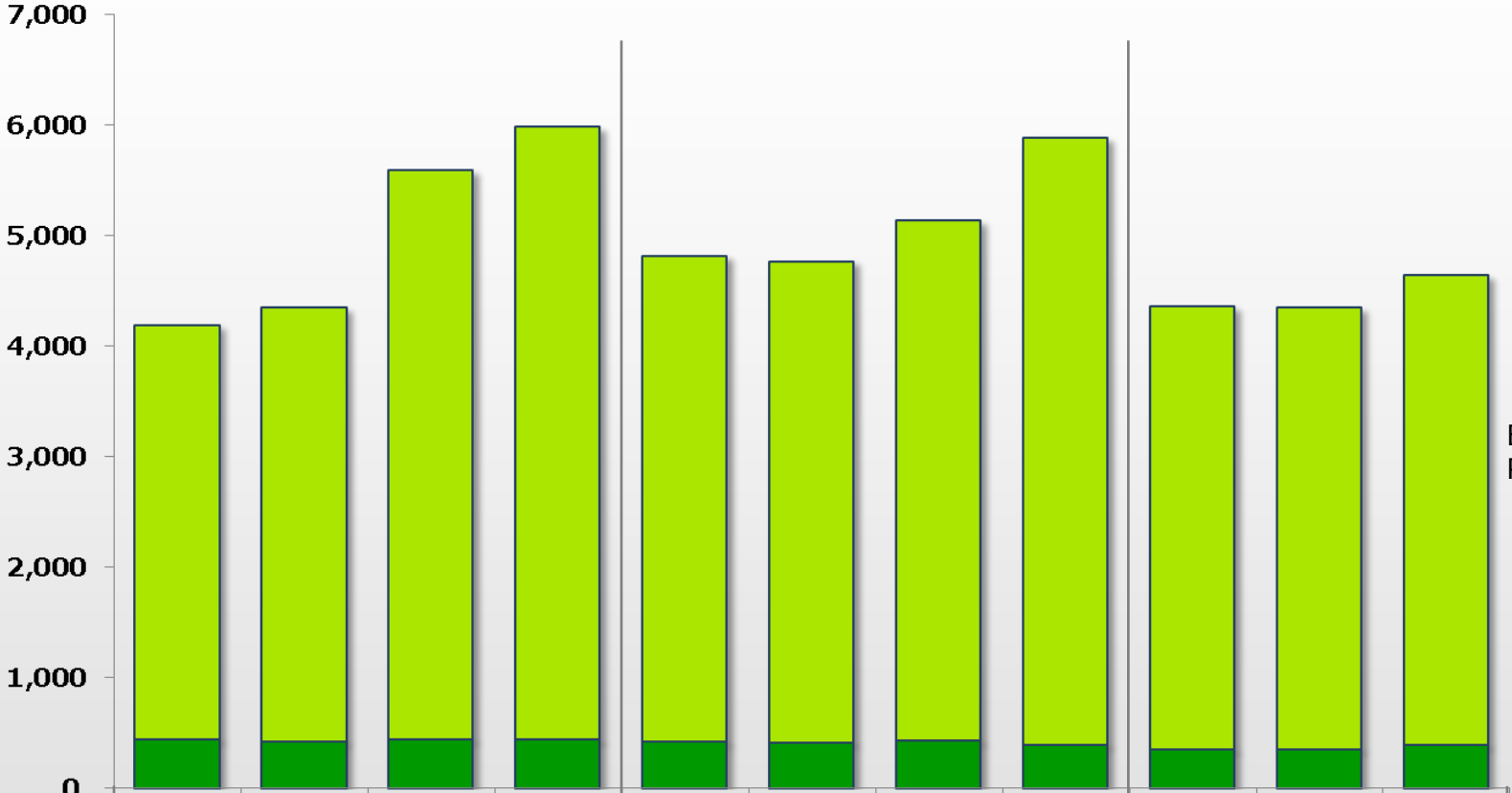



"Fun roof" （ terrace ）

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

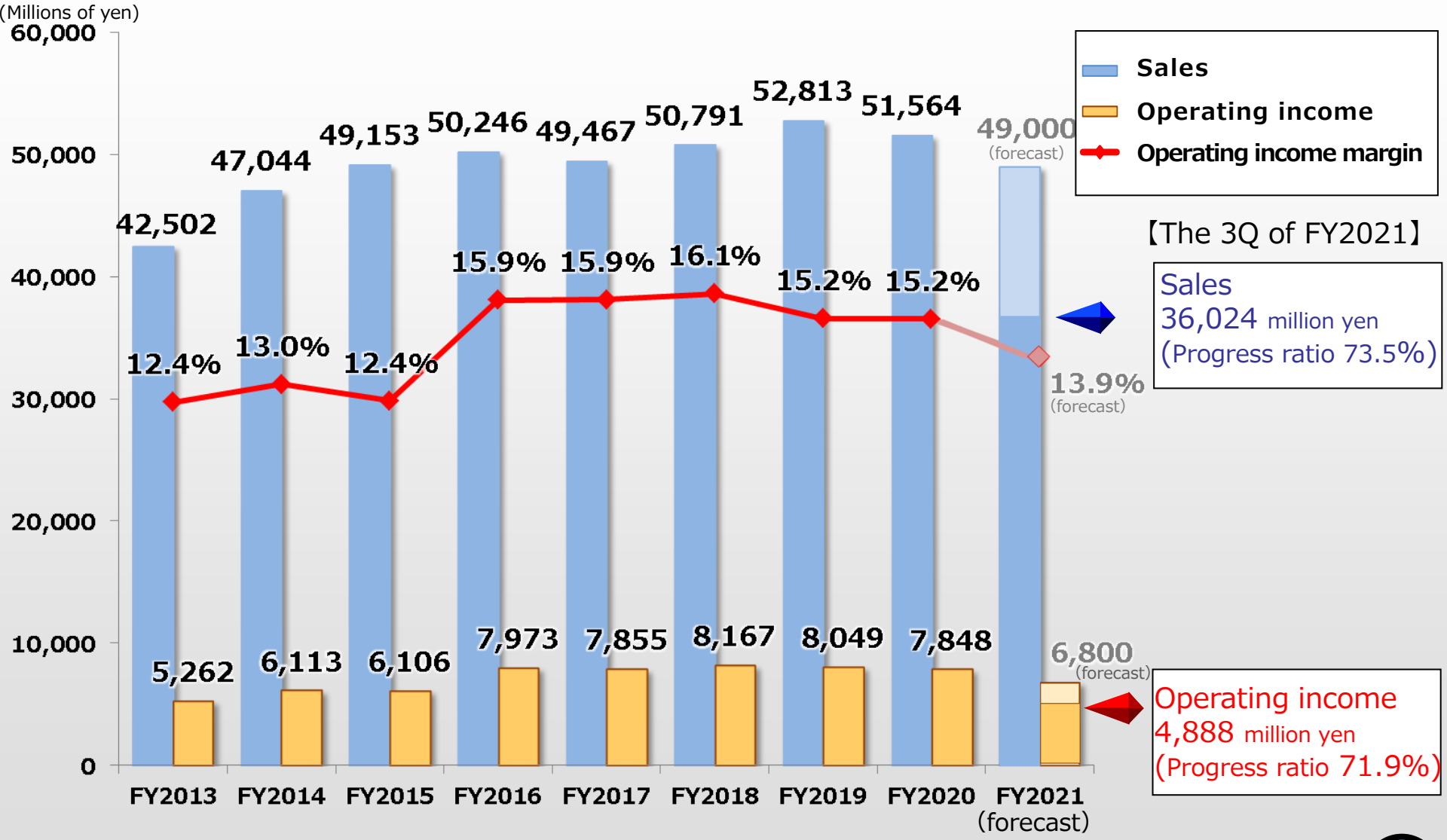
(Millions of yen)




| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | FY2019 | | | | FY2020 | | | | FY2021 | | |
| Exterior Products | 3,746 | 3,926 | 5,147 | 5,547 | 4,401 | 4,355 | 4,705 | 5,492 | 4,007 | 3,994 | 4,247 |
| Interior, Exterior Finishes and Paving Materials | 446 | 423 | 446 | 438 | 419 | 417 | 431 | 396 | 355 | 355 | 397 |

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# Sales/Operating Income Trend (consolidated )




【The 3Q of FY2021】

Sales
36,024 million yen
(Progress ratio 73.5%)

Operating income
4,888 million yen
(Progress ratio 71.9%)

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

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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.**