Financial Results for the 3rd Quarter of FY2022 (April 1, 2021-December 31, 2021)

January 25, 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 1,218, non-consolidated 628 (as of September 30, 2021)

▼Share of Stock

- ■Issued shares: 54 million shares
- ■Number of shareholders: 3,988 (as of September 30, 2021)

▼SHIKOKU CHEMICALS CORPORATION Group

〔Japan〕 10 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 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. (Unconsolidated)

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Highlights of Financial Results for the Q3 of FY2022

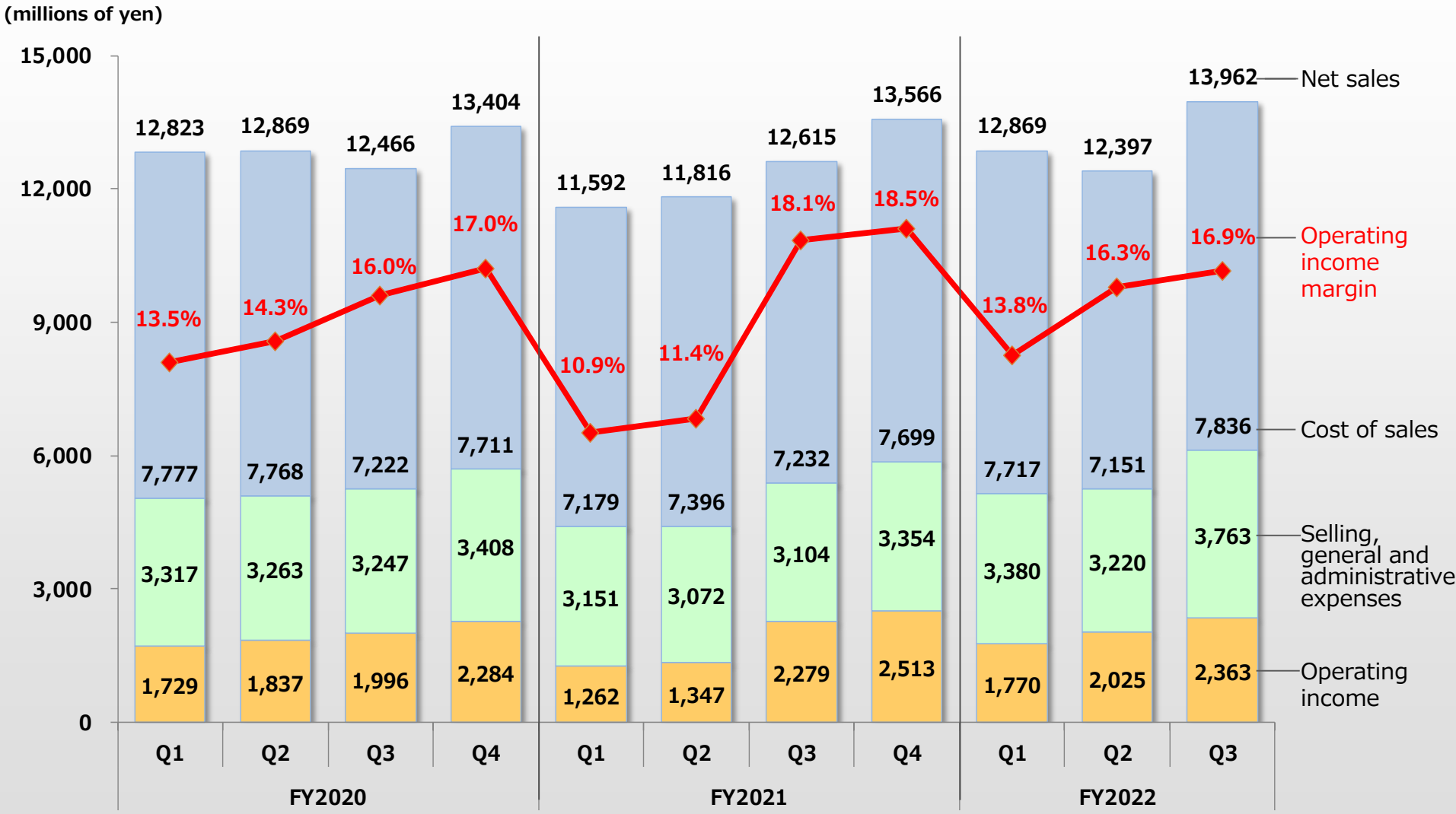
(millions of yen)

	Consolidated cumulative Q3				Increase of amount	Changes
	FY2021		FY2022			
	Amount	Percentage	Amount	Percentage		
Net sales	36,024	100.0%	39,229	100.0%	3,205	8.9%
Operating income	4,888	13.6%	6,158	15.7%	1,270	26.0%
Ordinary income	5,206	14.5%	6,721	17.1%	1,515	29.1%
Net income attributable to owners of the parent	3,911	10.9%	4,794	12.2%	883	22.6%
Exchange rate (USD)	106		111			
Exchange rate (EUR)	121		131			

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

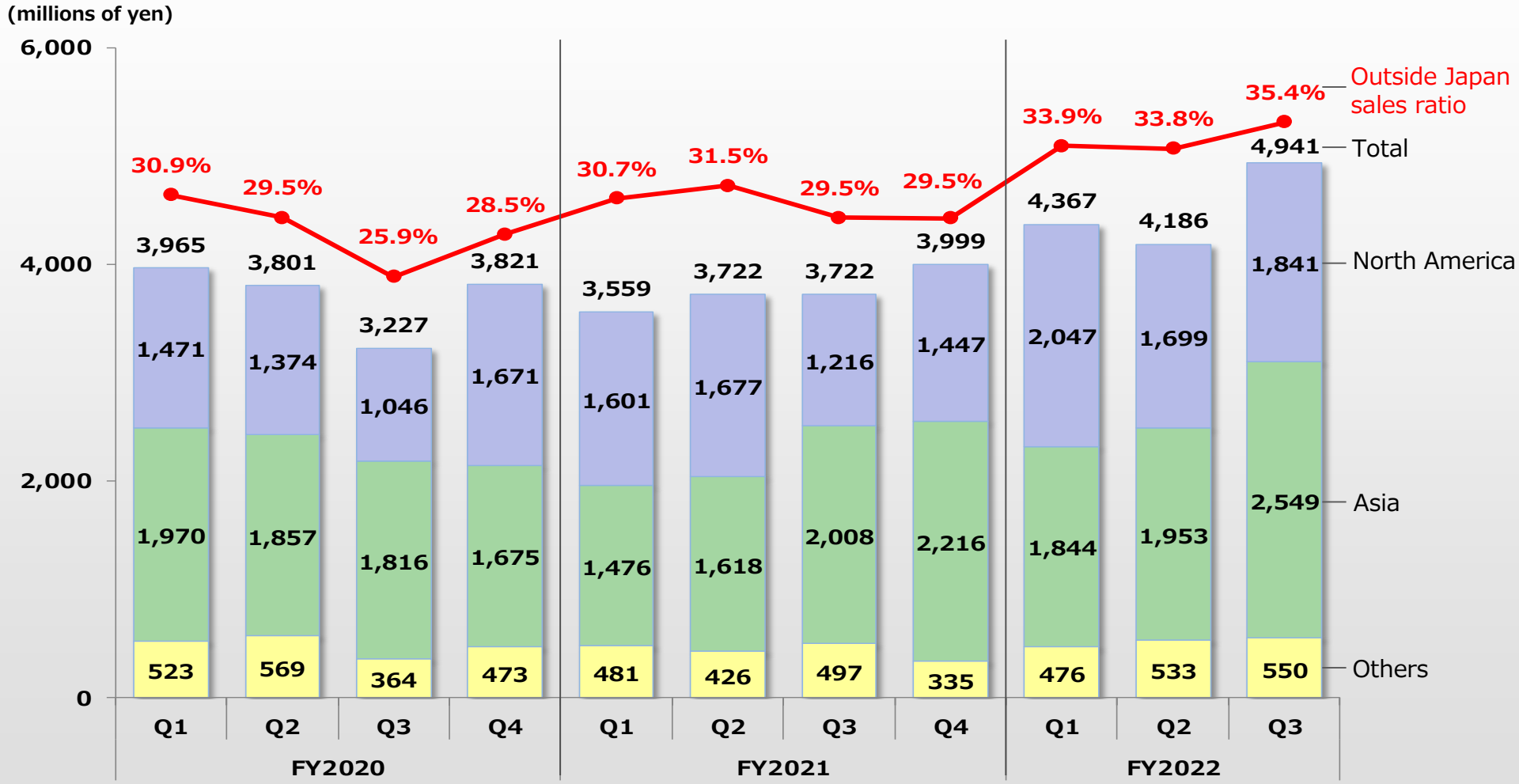
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Financial Results Trend (Consolidated and Quarter)



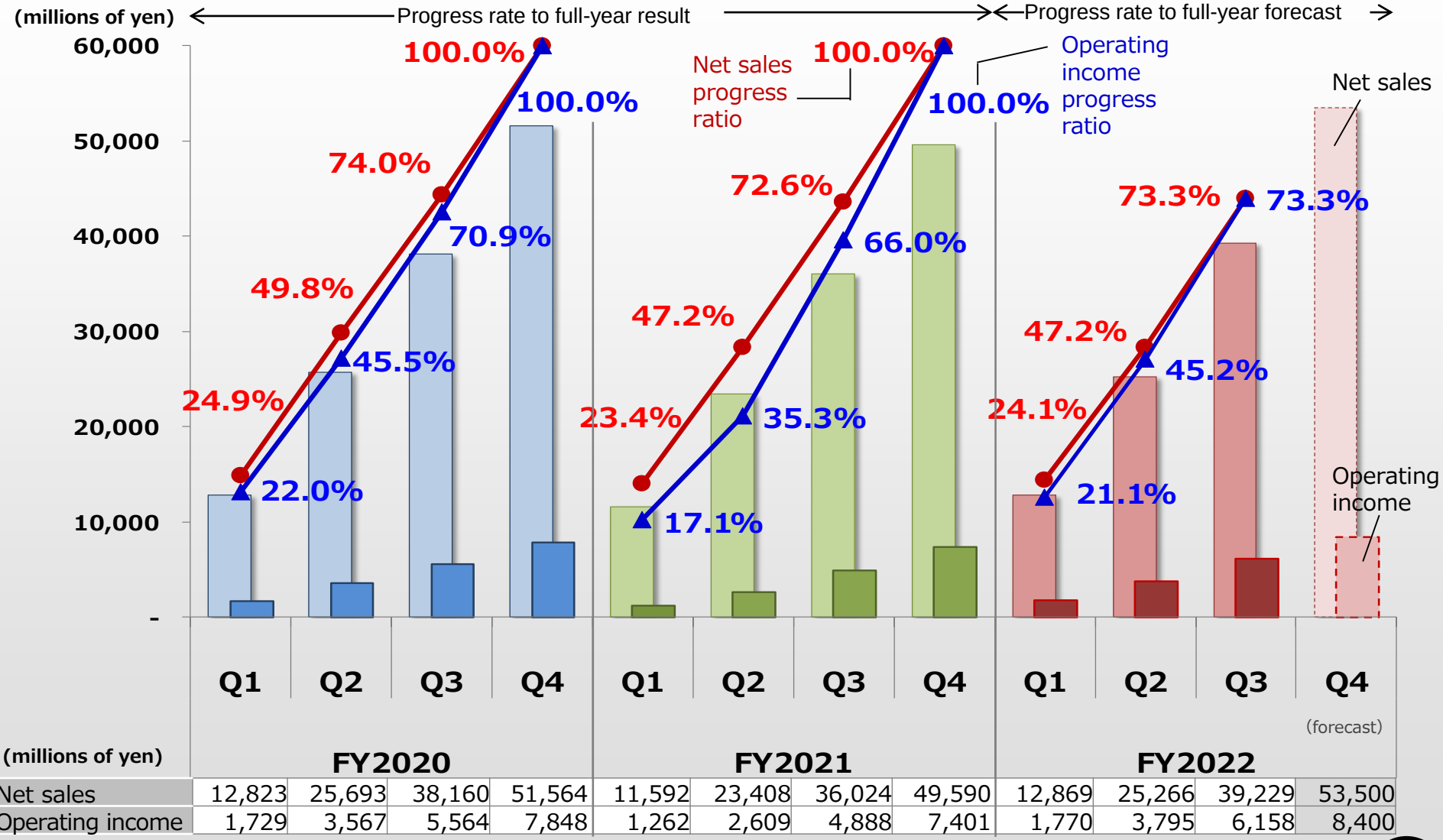
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Sales Trends by Region (Consolidated and Quarter)



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Progress Report (Consolidated and Quarter)



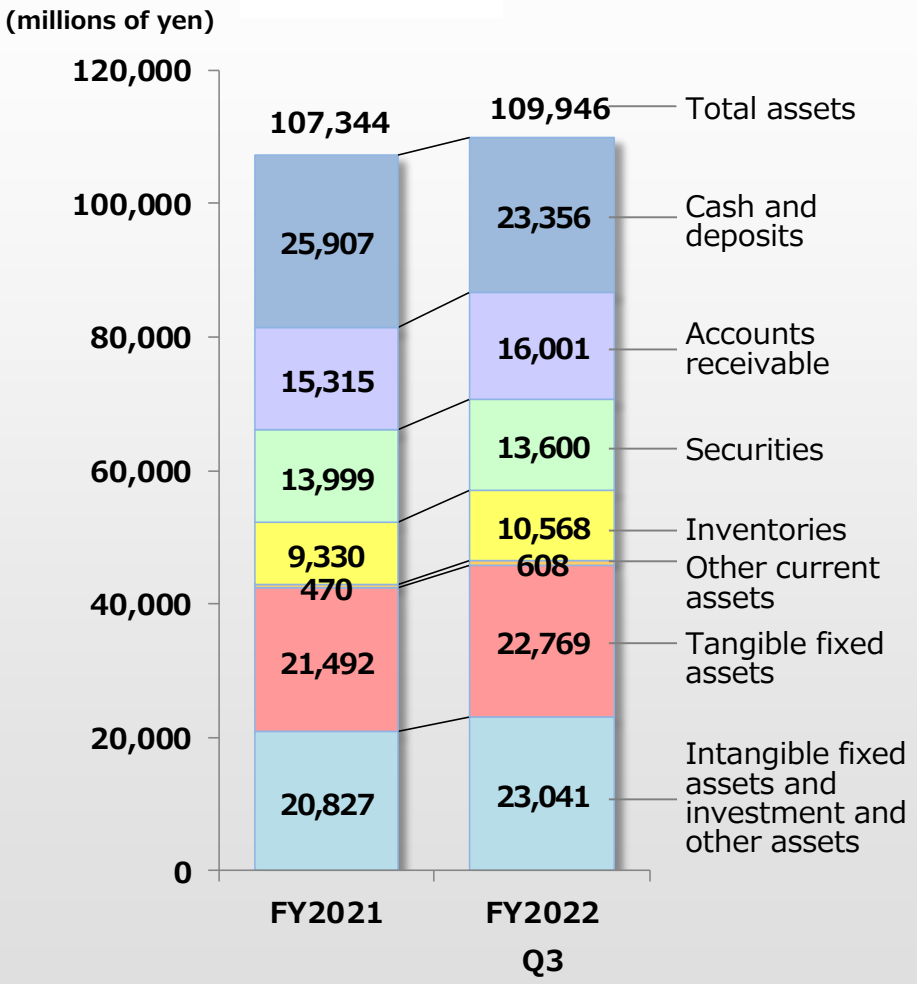
(millions of yen)	FY2020				FY2021				FY2022			
Net sales	12,823	25,693	38,160	51,564	11,592	23,408	36,024	49,590	12,869	25,266	39,229	53,500
Operating income	1,729	3,567	5,564	7,848	1,262	2,609	4,888	7,401	1,770	3,795	6,158	8,400

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

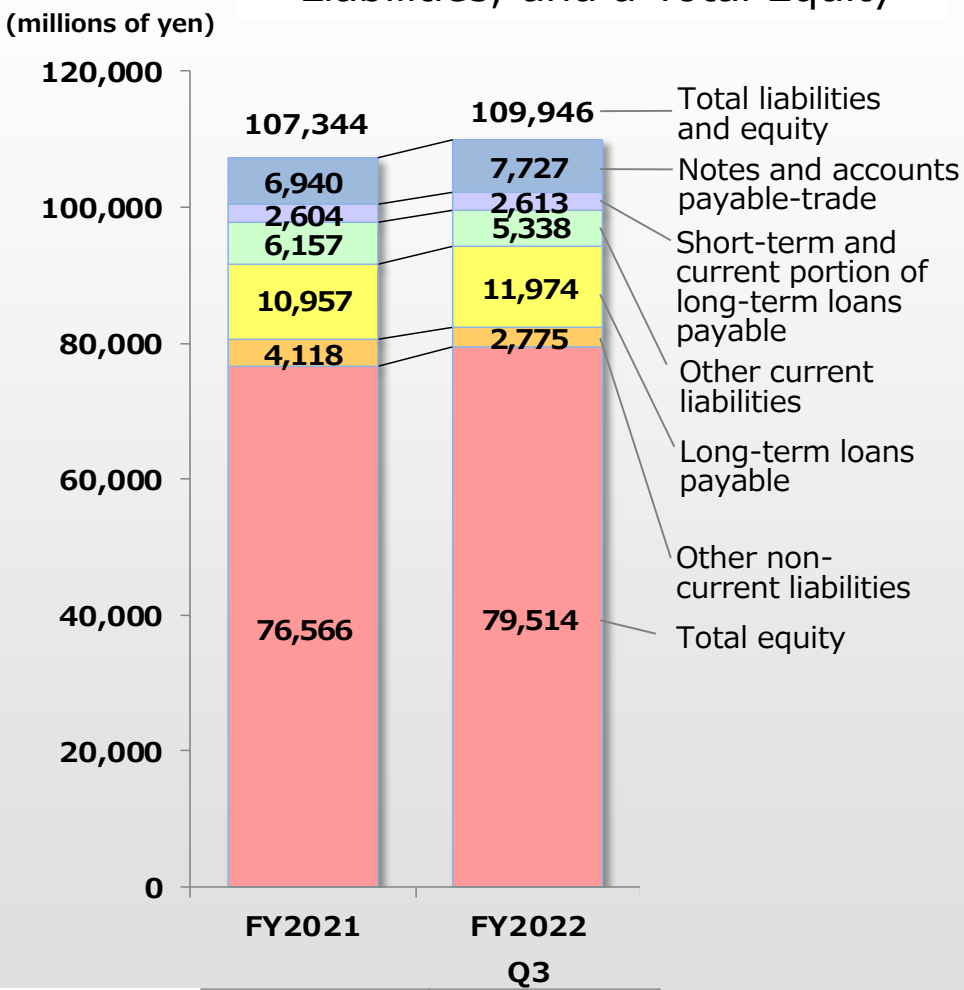
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Assets / Liabilities, and a Total Equity (Consolidated)

■Assets



■Liabilities, and a Total Equity



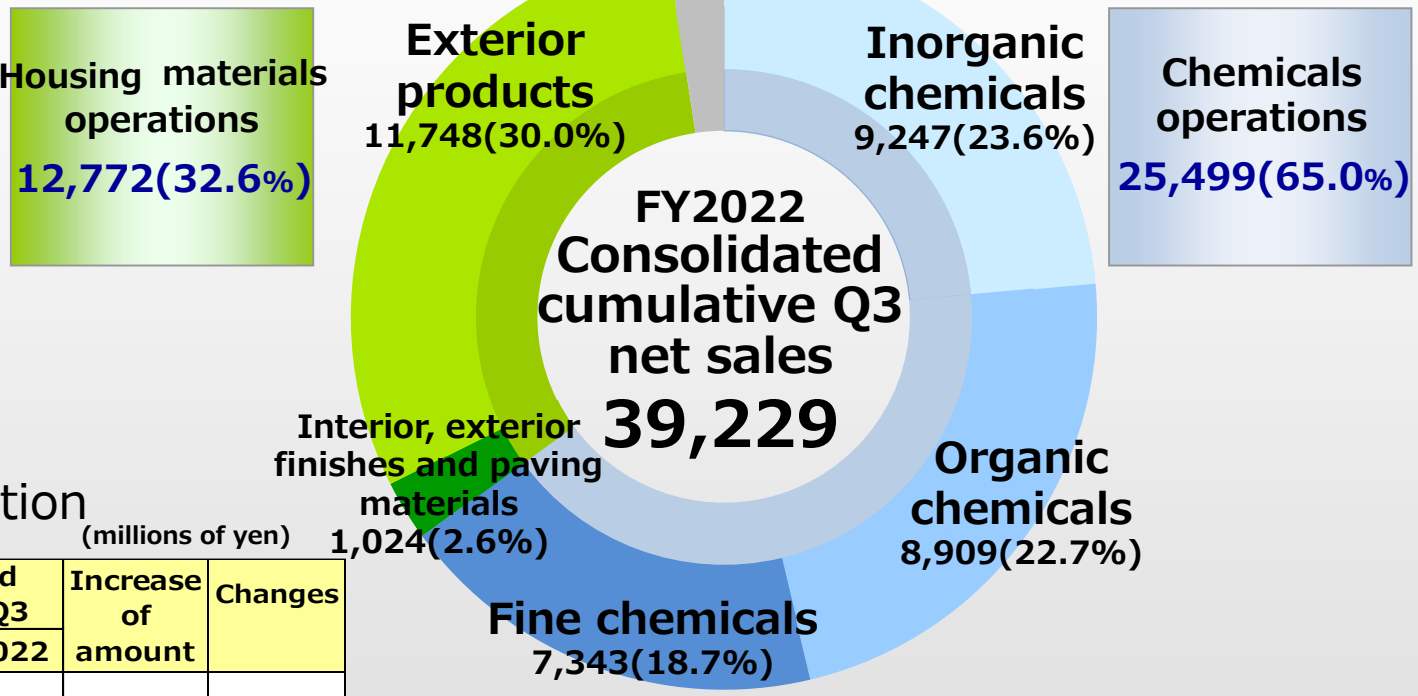
Interest-bearing debt (millions of yen)	13,834	14,865
Net interest-bearing debt (millions of yen)	▲ 12,072	▲8,491
Equity ratio (%)	70.5	71.5

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Sales and Profit by Business Segments

■ Sales Amount Constituent Ratio

(millions of yen)



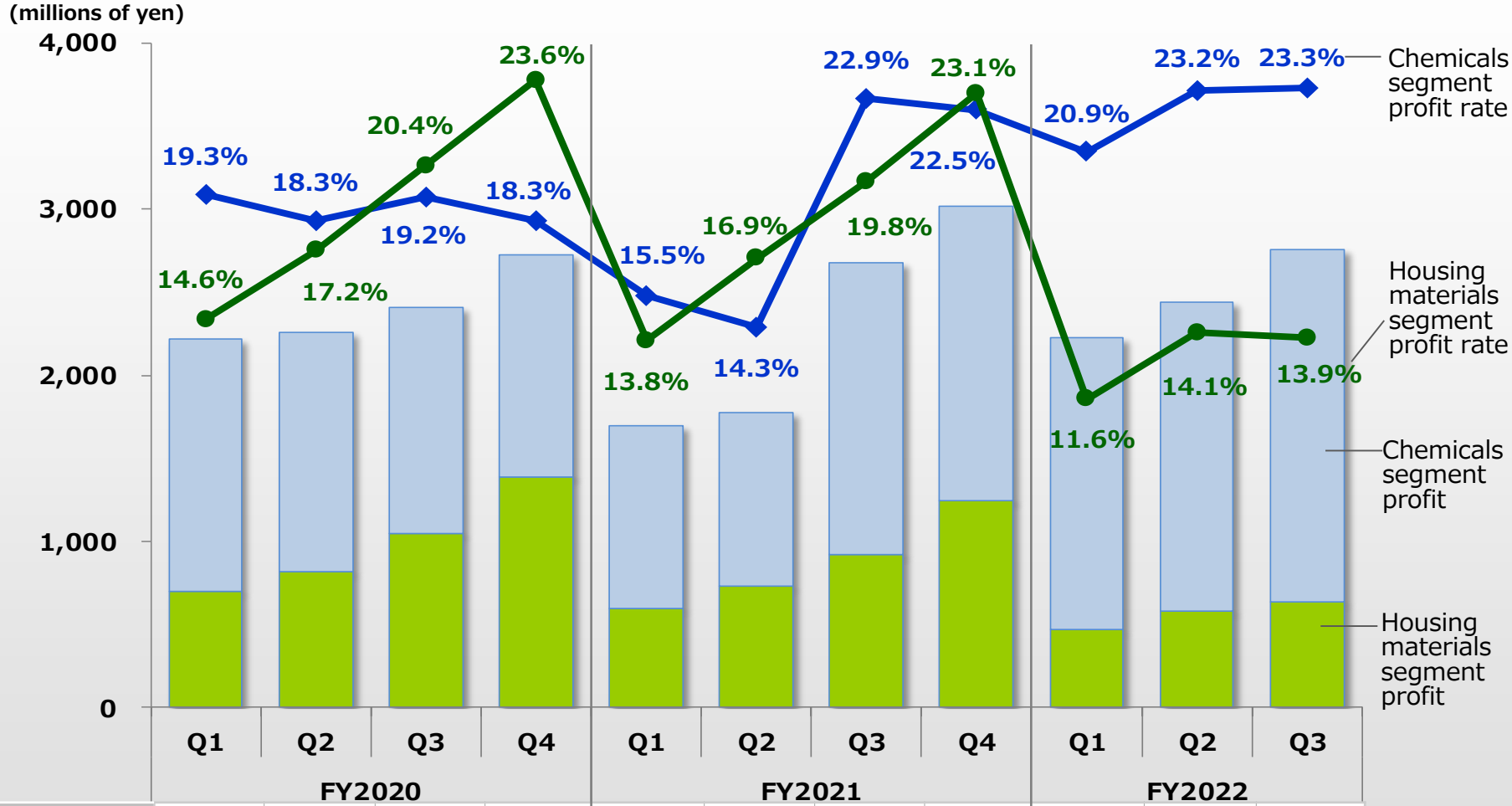
■ Segment Information

(millions of yen)

	Consolidated cumulative Q3		Increase of amount	Changes
	FY2021	FY2022		
Net sales				
Chemicals operations	21,983	25,499	3,516	16.0%
Housing materials operations	13,356	12,772	▲ 584	▲4.4%
Segment profit				
Chemicals operations	3,892	5,734	1,842	47.3%
Housing materials operations	2,256	1,693	▲ 563	▲25.0%

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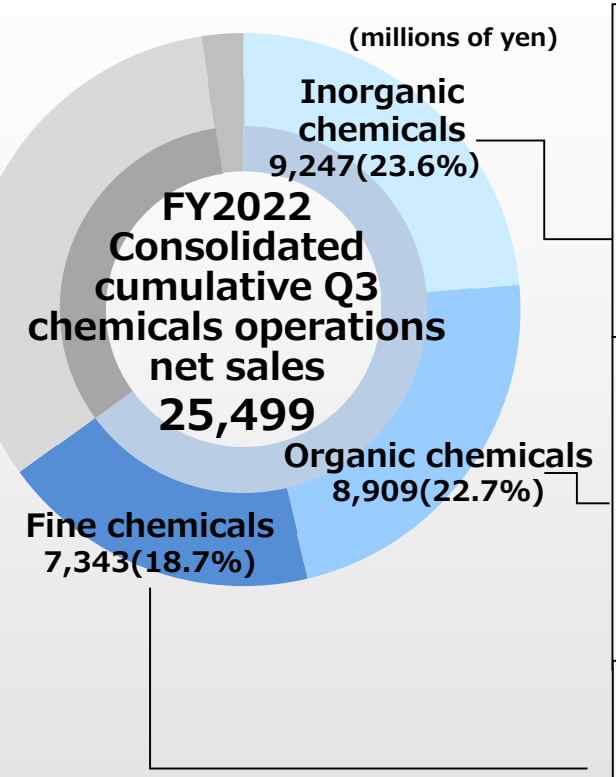
Sales and Profit by Business Segments (Consolidated and Quarter)



	FY2020				FY2021				FY2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Chemicals operations net sales	7,854	7,885	7,092	7,317	7,051	7,245	7,686	7,867	8,391	8,016	9,091
Housing materials operations net sales	4,821	4,772	5,137	5,888	4,362	4,349	4,644	5,404	4,077	4,122	4,572
Chemicals segment profit	1,514	1,440	1,362	1,338	1,093	1,038	1,761	1,771	1,753	1,860	2,120
Housing materials segment profit	704	822	1,048	1,390	601	735	919	1,249	474	583	635

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Chemicals Operations Segment



【 Main products 】

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



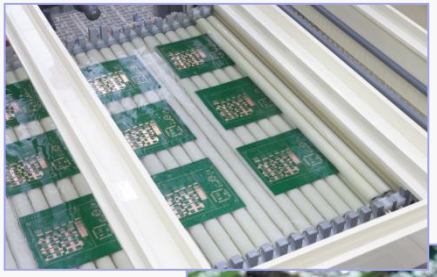
【 Main products 】

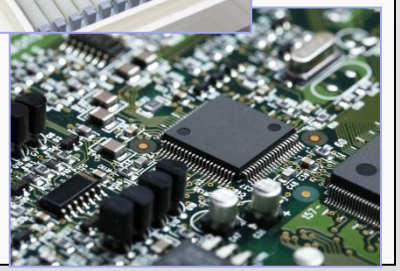
- **Chlorinated Isocyanuric Acid**
  for swimming pool and septic tank disinfectants
- **Hipolka**



【 Main products 】

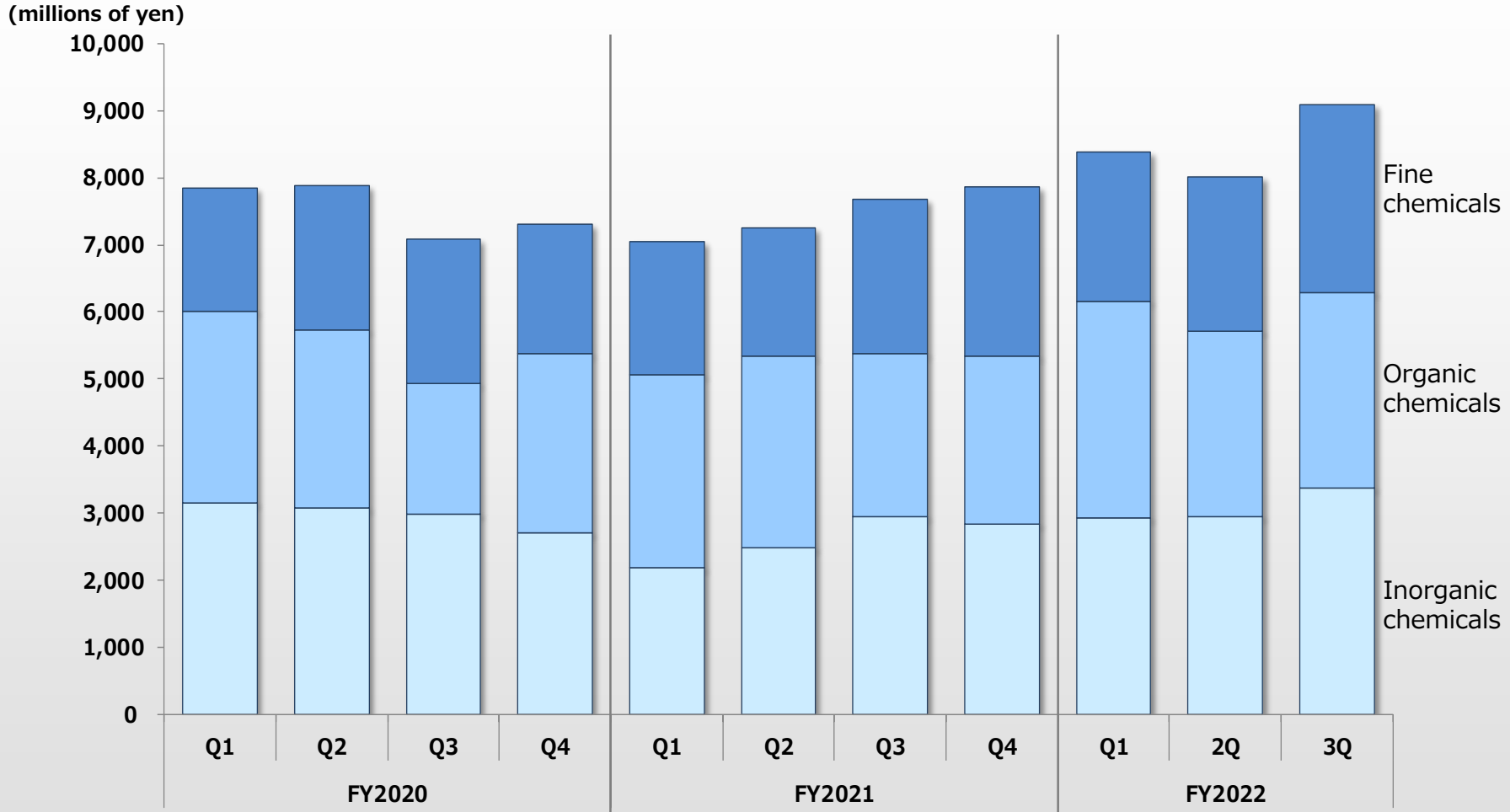
- **Glicoat-SMD**
  Heat-resistant OSP (Organic Solderability Preservative) for printed wiring boards
- **Imidazoles**
  Imidazole derivatives for an epoxy resin curing agent and a raw material for pharmaceuticals and other applications; modifiers for high-added-value resins
- **THEIC**





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Sales Trend of Chemicals Operations (Consolidated and Quarter)



Fine chemicals	1,844	2,148	2,159	1,937	1,984	1,898	2,303	2,520	2,243	2,295	2,804
Organic chemicals	2,859	2,659	1,948	2,679	2,877	2,867	2,443	2,520	3,220	2,771	2,917
Inorganic chemicals	3,149	3,077	2,984	2,700	2,189	2,479	2,939	2,826	2,928	2,949	3,369

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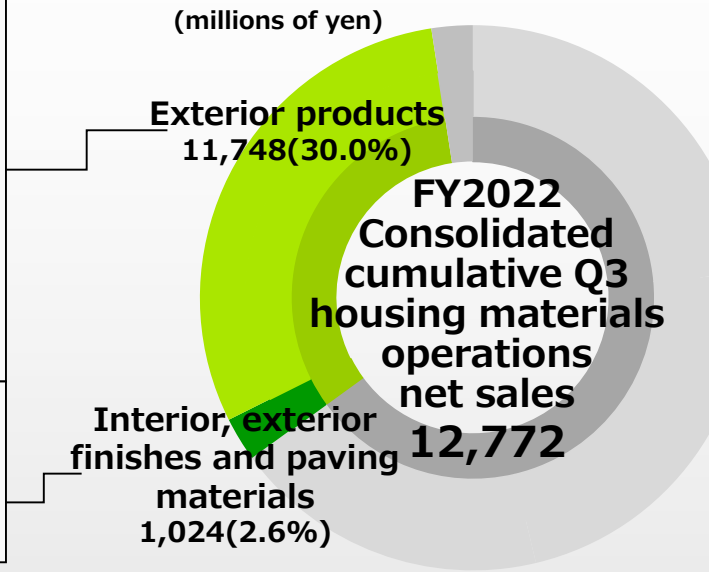
Housing Materials Operations Segment

【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**




Large Gates

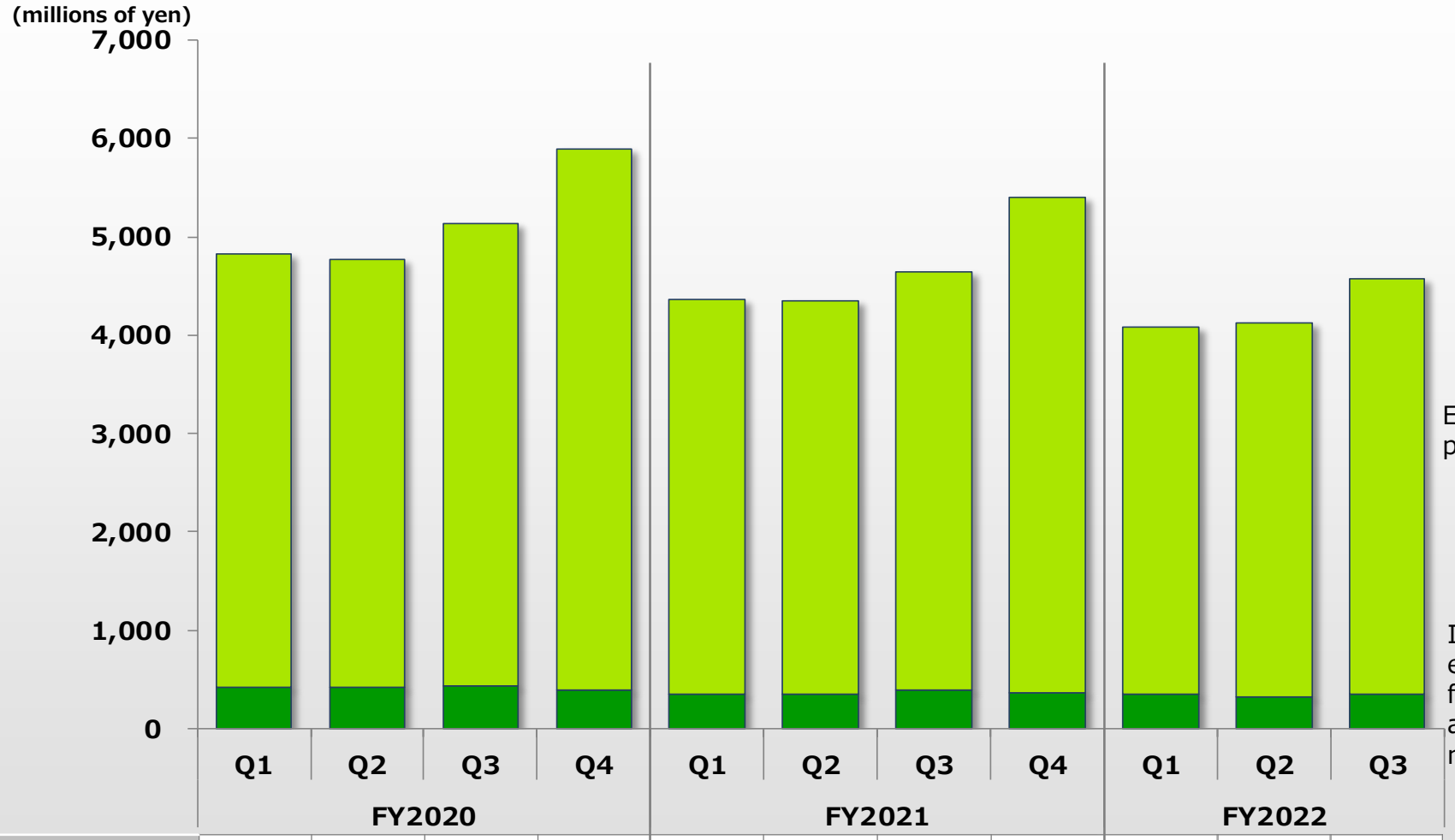

Interior



“Fun roof” （ Terrace ）

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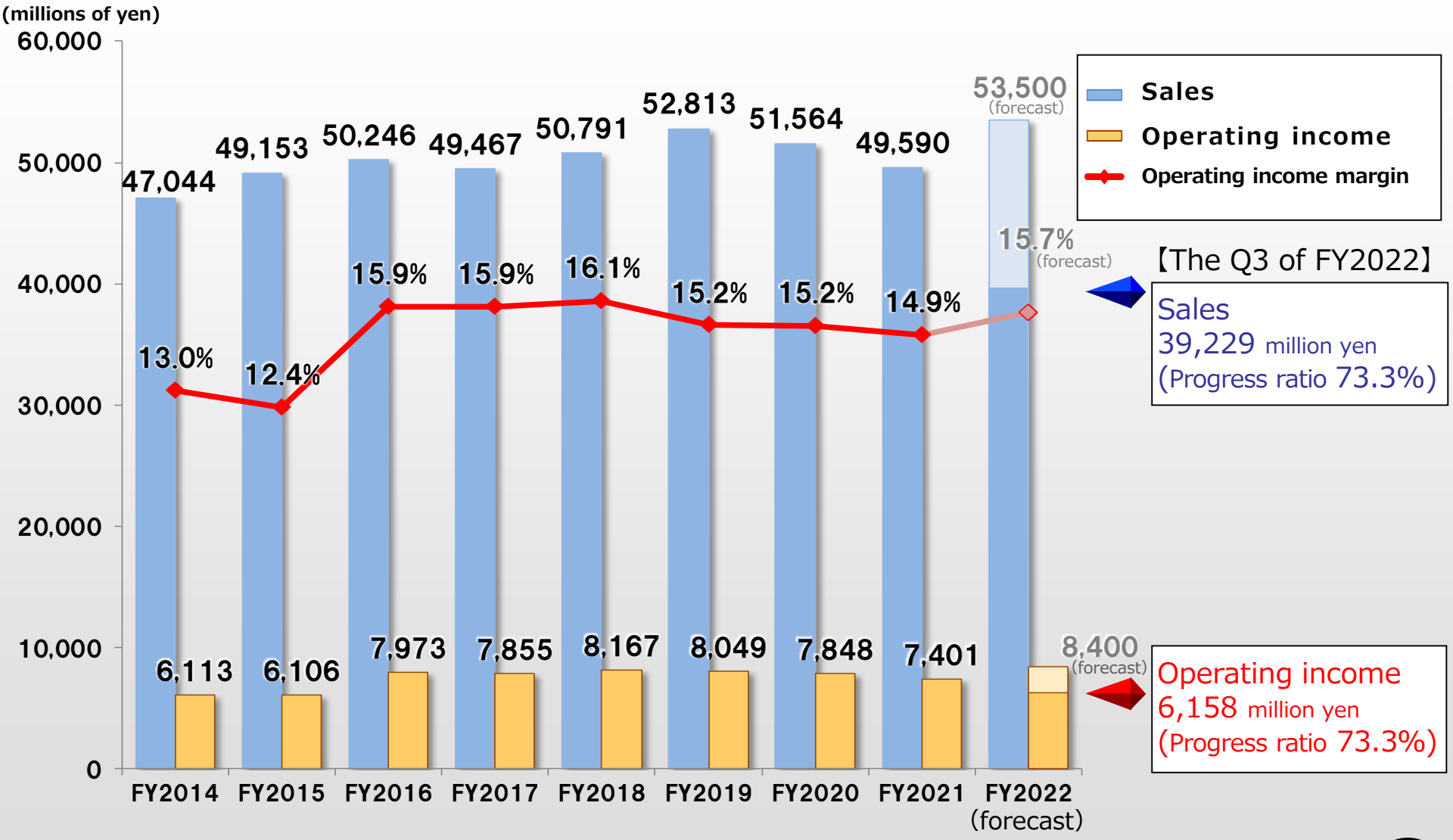
Sales Trend of Housing Materials Operations (Consolidated and Quarter)



	FY2020				FY2021				FY2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Exterior products	4,401	4,355	4,705	5,492	4,007	3,994	4,247	5,037	3,729	3,797	4,221
Interior, exterior finishes and paving materials	419	417	431	396	355	355	397	367	348	324	351

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Sales/Operating Income Trend (Consolidated)



【The Q3 of FY2022】

Sales
39,229 million yen
(Progress ratio 73.3%)

Operating income
6,158 million yen
(Progress ratio 73.3%)

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

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Contact Information

Corporate Planning Dept.

SHIKOKU CHEMICALS CORPORATION

TEL : **+81-(0)877-21-4119**

FAX : **+81-(0)877-22-0411**

www.shikoku.co.jp

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