Financial Results for the 2nd Quarter of the FY2022/12 (April 1, 2022-September 30, 2022)

October 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 1,227　Non-Consolidated 628（as of September 30, 2022）

▼Share of Stock

■Issued shares　52 million shares　■Number of shareholders　4,375（as of September 30, 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 KEIZAI CORPORATION
・SHIKOKU KEIZAI KANTO CORPORATION
・NIHON KOHKI CORPORATION
・SHIKOKU SYSTEM KOHBOH CORPORATION
・Shikoku Foods & Trading Company
・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)

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Highlights of Financial Results for the Q2 of FY2022/12

(millions of yen)

	Consolidated cumulative Q2				Increase of amount	Changes
	FY2022/3		FY2022/12			
	Amount	Percentage	Amount	Percentage		
Net sales	25,266	100.0%	31,297	100.0%	6,031	23.9%
Operating profit	3,795	15.0%	4,371	14.0%	576	15.2%
Ordinary profit	4,116	16.3%	5,480	17.5%	1,364	33.1%
Profit attributable to owners of parent	2,943	11.6%	3,707	11.8%	764	26.0%
Exchange rate (USD)	110		132			
Exchange rate (EUR)	131		136			

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

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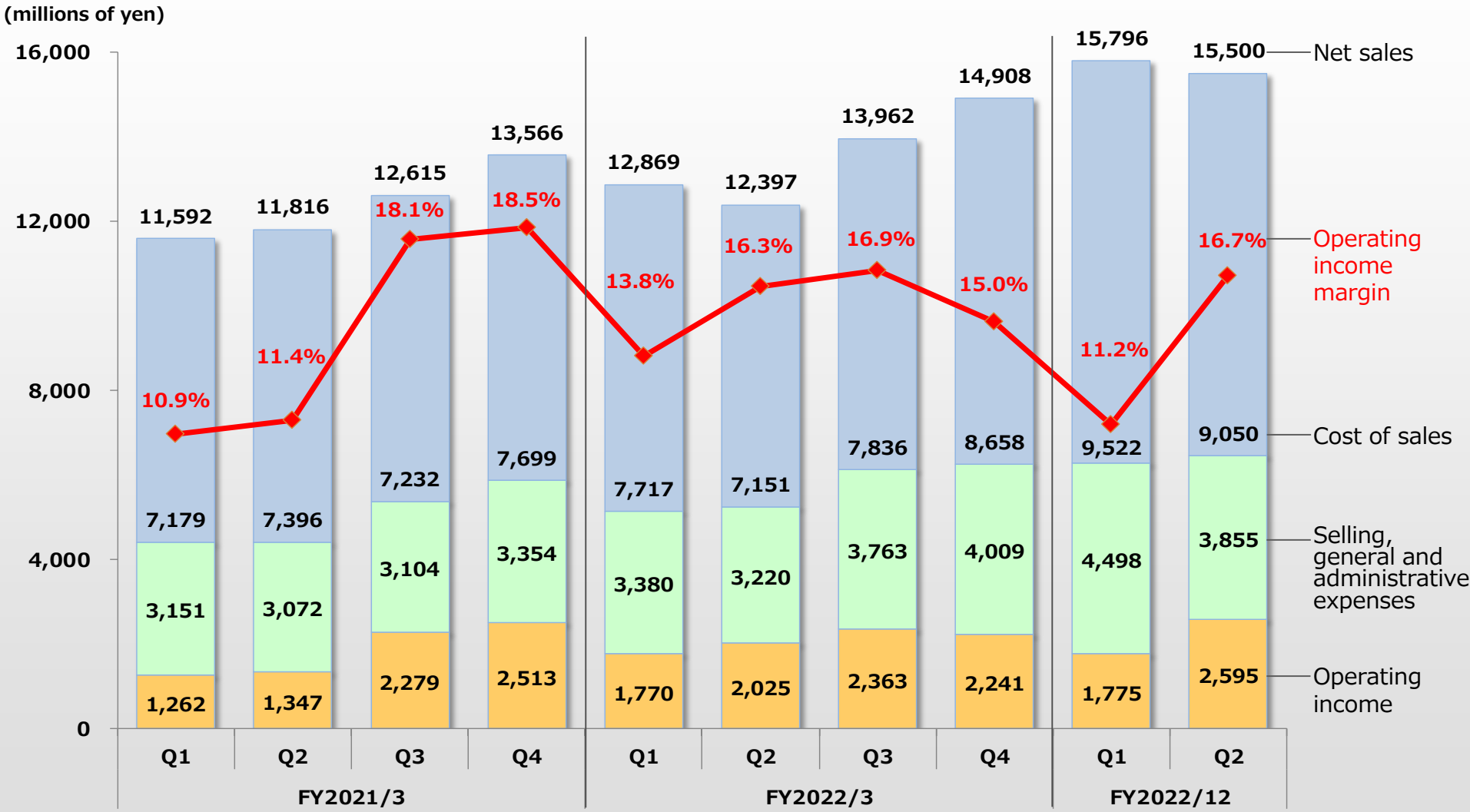
Financial Results Trend (consolidated and quarter)



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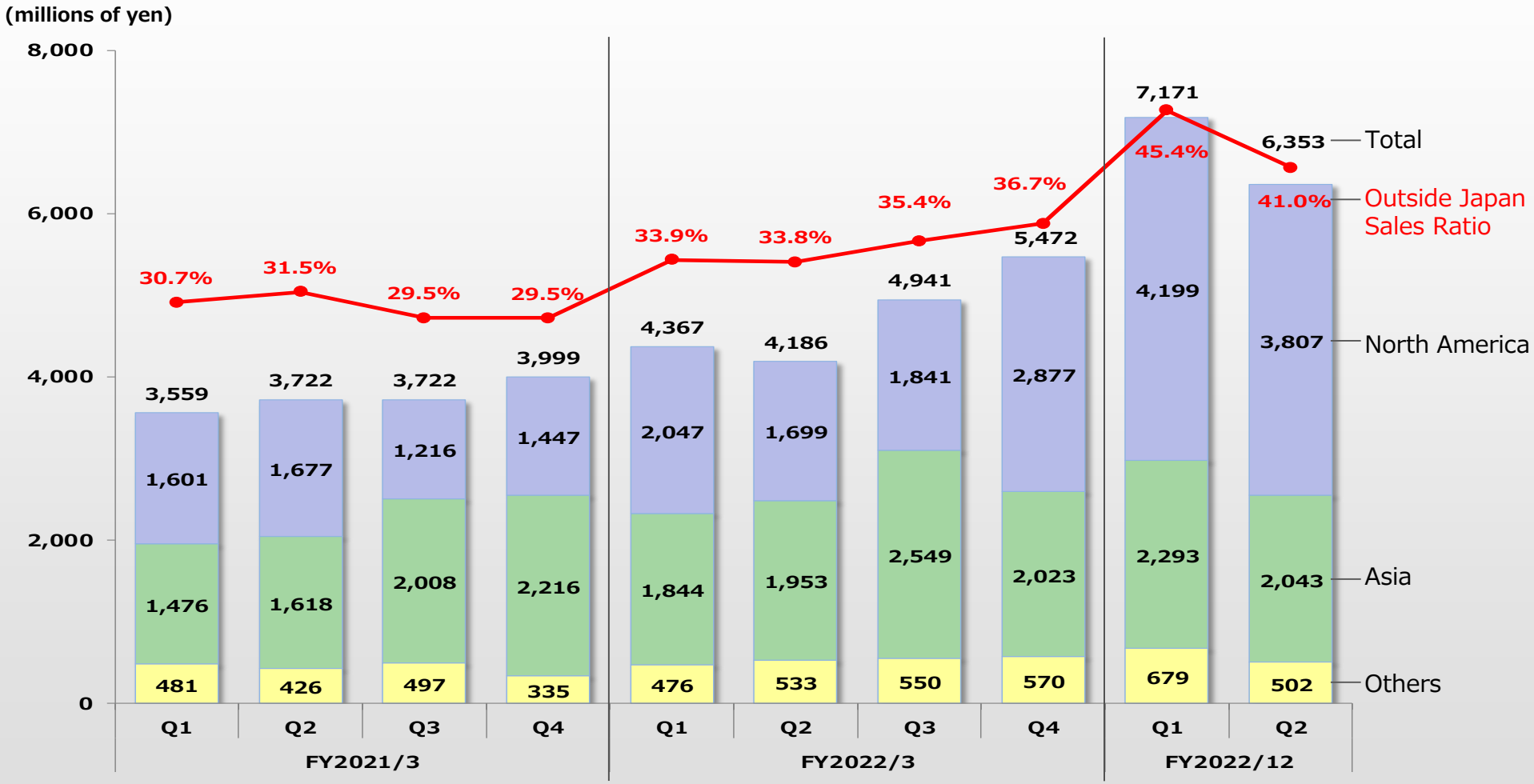
Sales Trends by Region (consolidated and quarter)



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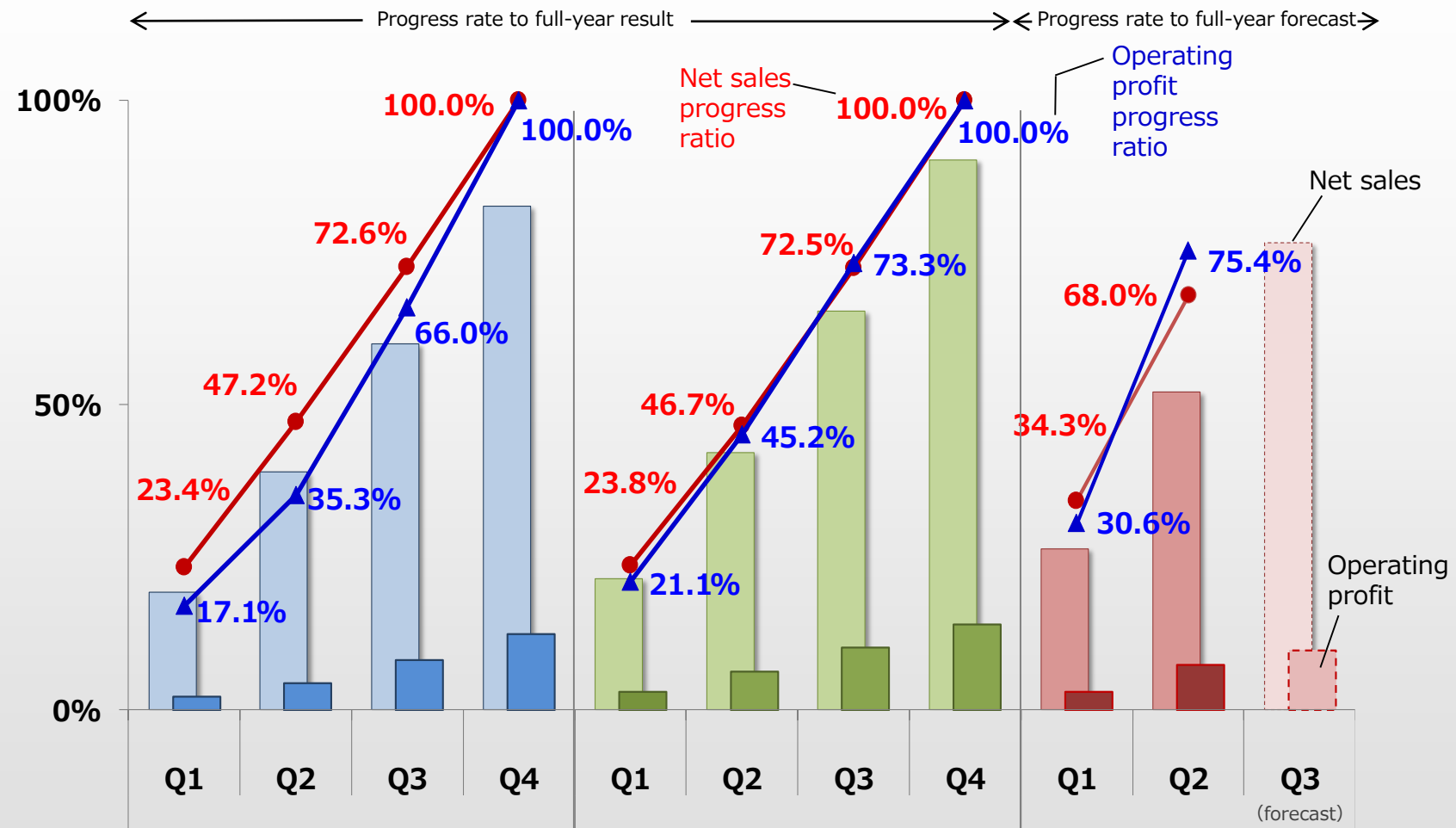
Progress Report (consolidated and quarter)



(millions of yen)

	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	31,297	46,000
Operating profit	1,262	2,609	4,888	7,401	1,770	3,795	6,158	8,400	1,775	4,371	5,800

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

*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.

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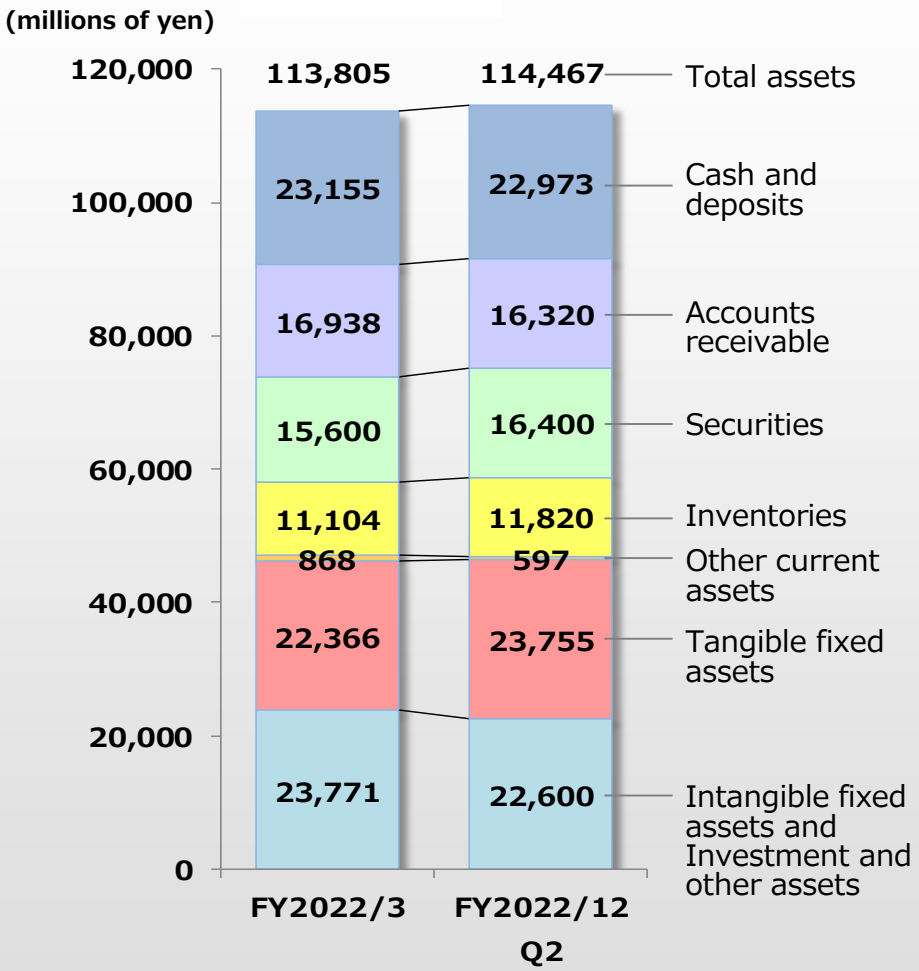
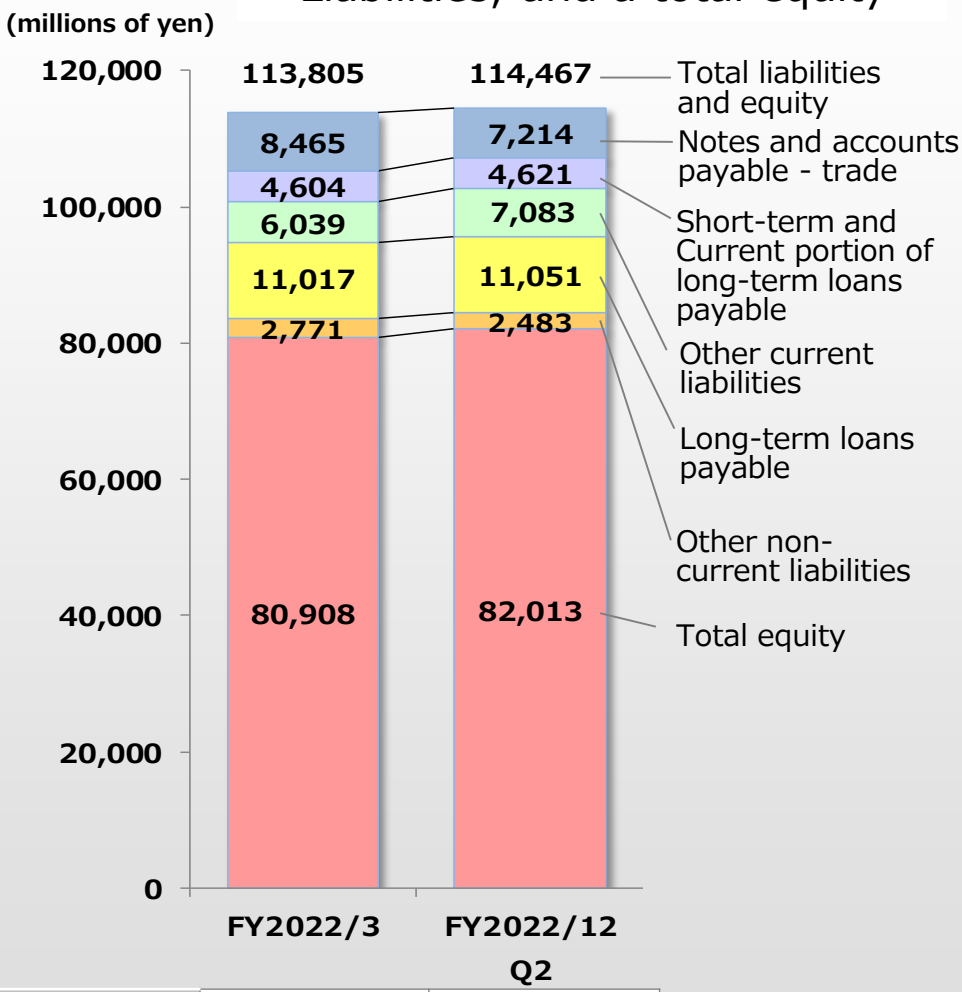
Assets / Liabilities, and a Total Equity (consolidated and quarter)

■Assets



■Liabilities, and a total equity



interest-bearing debt (millions of yen)	15,899	15,962
net interest-bearing debt (millions of yen)	▲ 7,256	▲7,010
equity ratio (%)	70.3	70.9

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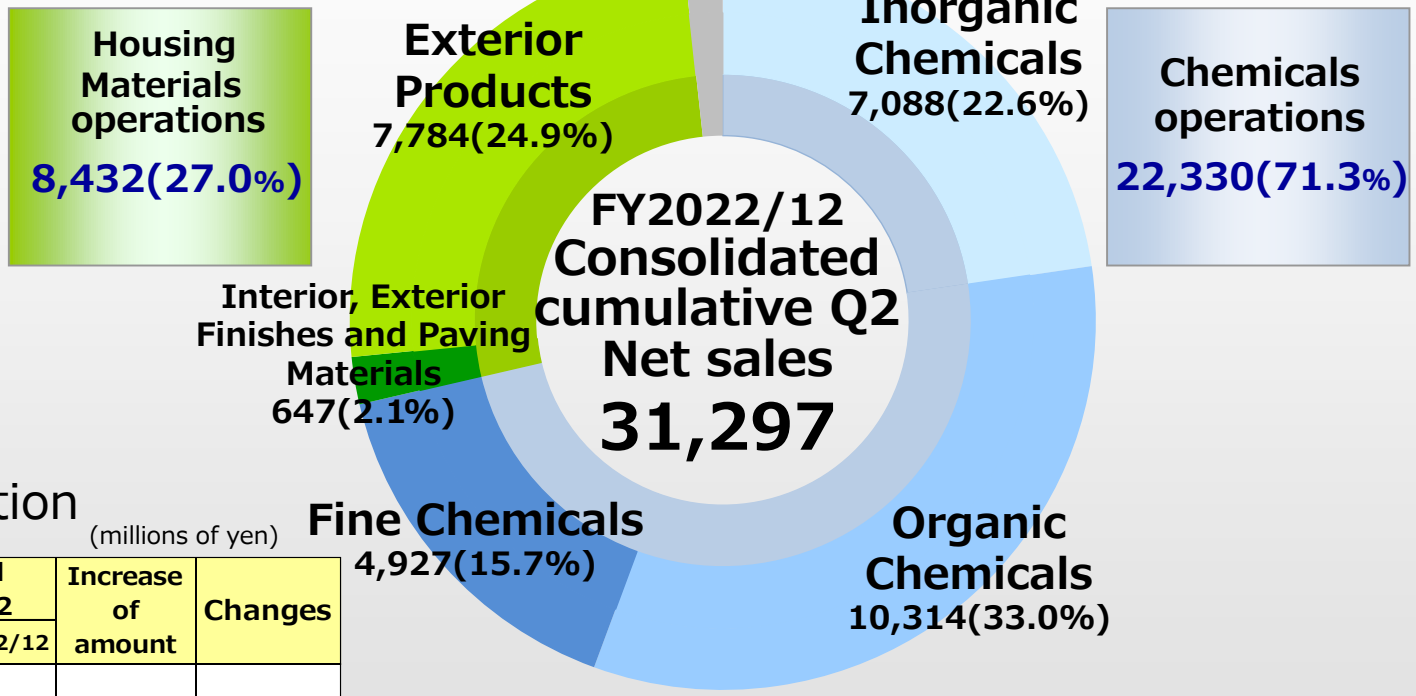
Sales and Profit by Business Segments (consolidated and quarter)

■ Sales amount constituent ratio

(millions of yen)



■ Segment information

(millions of yen)

	Consolidated cumulative Q2		Increase of amount	Changes
	FY2022/3	FY2022/12		
Net sales				
Chemicals operations	16,407	22,330	5,923	36.1%
Housing Materials operations	8,199	8,432	233	2.8%
Segment profit				
Chemicals operations	3,614	4,521	907	25.1%
Housing Materials operations	1,058	758	▲ 300	▲28.3%

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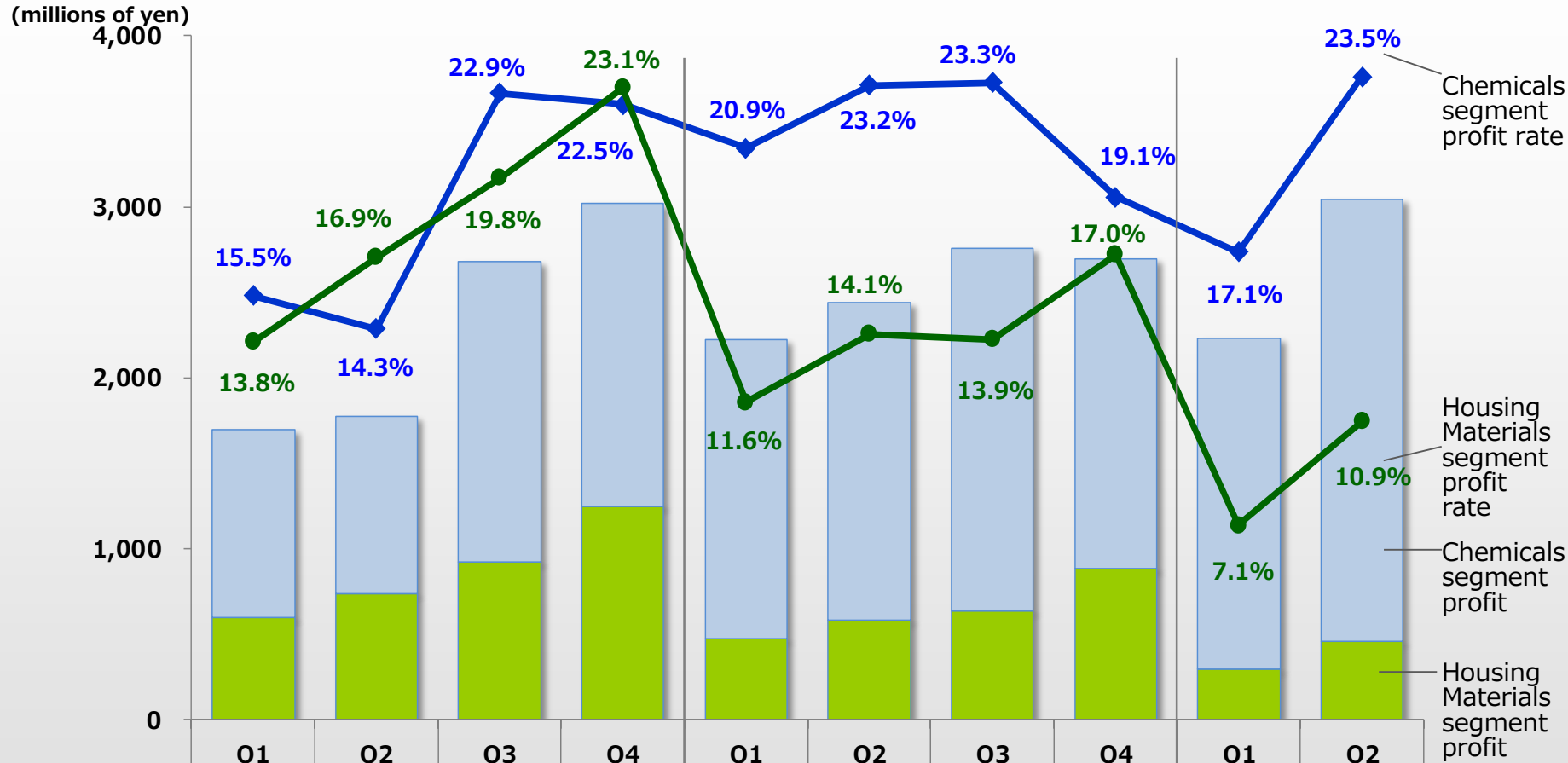
Sales and Profit by Business Segments (consolidated and quarter)



	FY2021/3				FY2022/3				FY2022/12	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Chemicals operations net sales	7,051	7,245	7,686	7,867	8,391	8,016	9,091	9,495	11,327	11,002
Housing Materials operations net sales	4,362	4,349	4,644	5,404	4,077	4,122	4,572	5,188	4,174	4,257
Chemicals segment profit	1,093	1,038	1,761	1,771	1,753	1,860	2,120	1,810	1,937	2,584
Housing Materials segment profit	601	735	919	1,249	474	583	635	883	296	462

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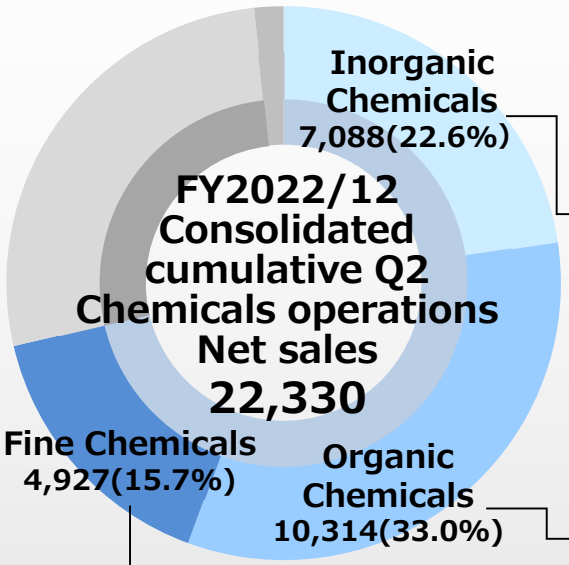
Chemicals Operations Segment (consolidated and quarter)

(millions of yen)



【 Main products 】

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



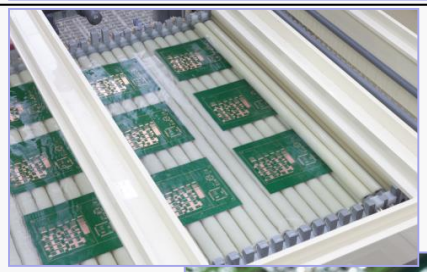
【 Main products 】

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

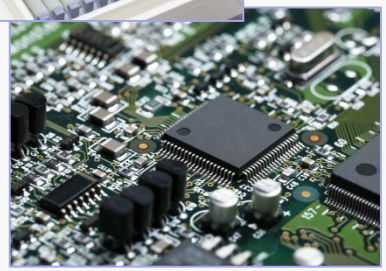


【 Main products 】

- **Glicoat-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**



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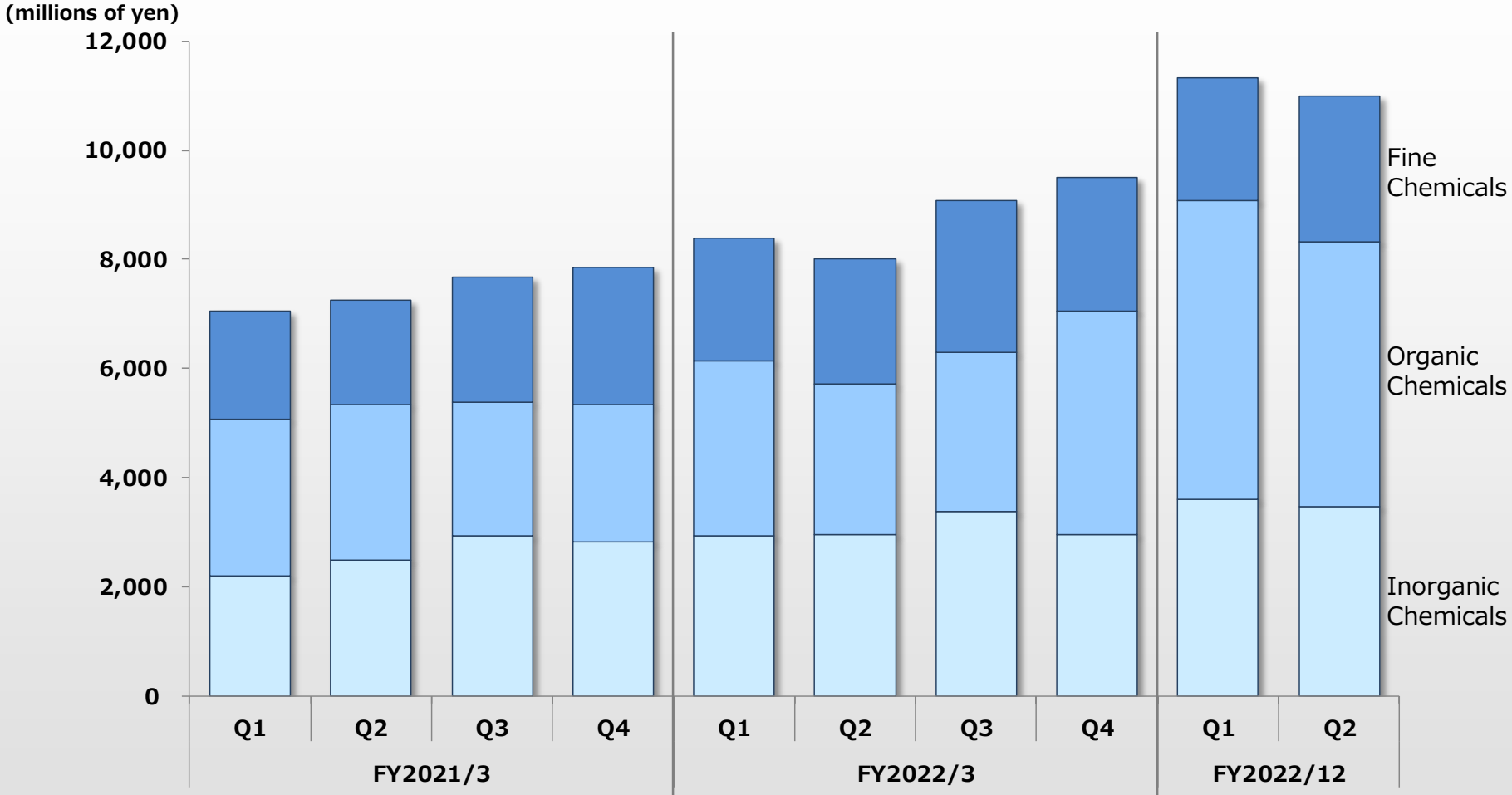
Sales Trend of Chemicals Operations (consolidated and quarter)



Fine Chemicals	1,984	1,898	2,303	2,520	2,243	2,295	2,804	2,435	2,239	2,687
Organic Chemicals	2,877	2,867	2,443	2,520	3,220	2,771	2,917	4,114	5,476	4,837
Inorganic Chemicals	2,189	2,479	2,939	2,826	2,928	2,949	3,369	2,945	3,610	3,477

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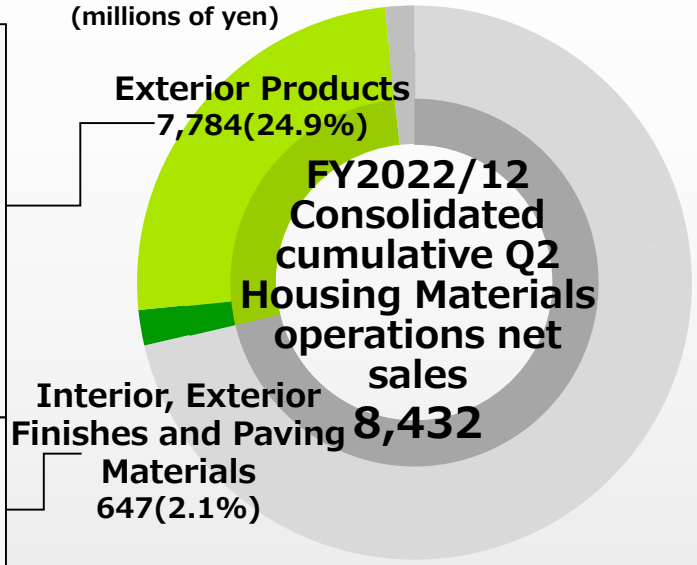
Housing Materials Operations Segment (consolidated and quarter)

【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**




Interior


Garbage collection container


Fence

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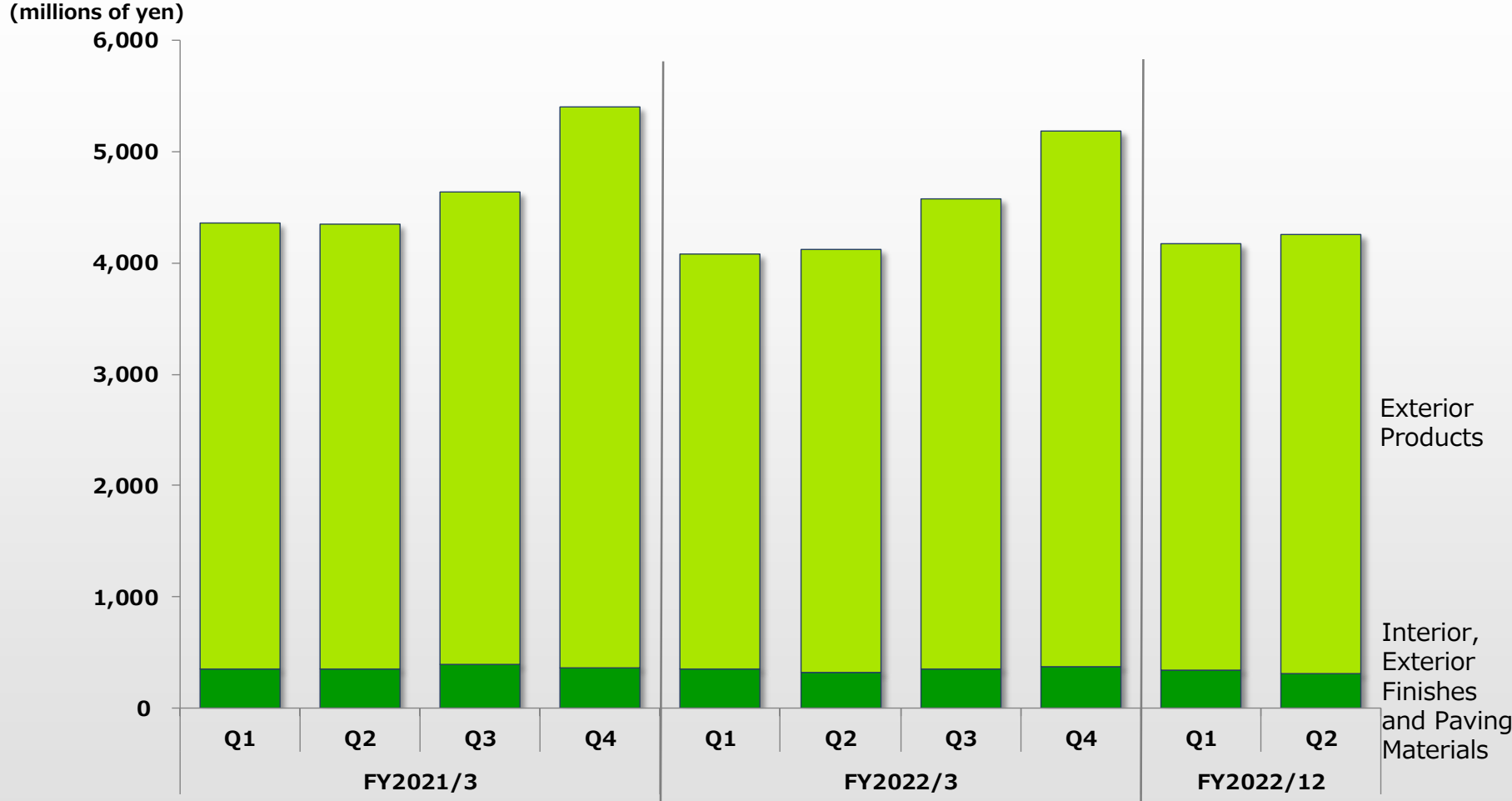
Sales Trend of Housing Materials Operations (consolidated and quarter)



Exterior Products	4,007	3,994	4,247	5,037	3,729	3,797	4,221	4,817	3,834	3,950
Interior, Exterior Finishes and Paving Materials	355	355	397	367	348	324	351	371	339	307

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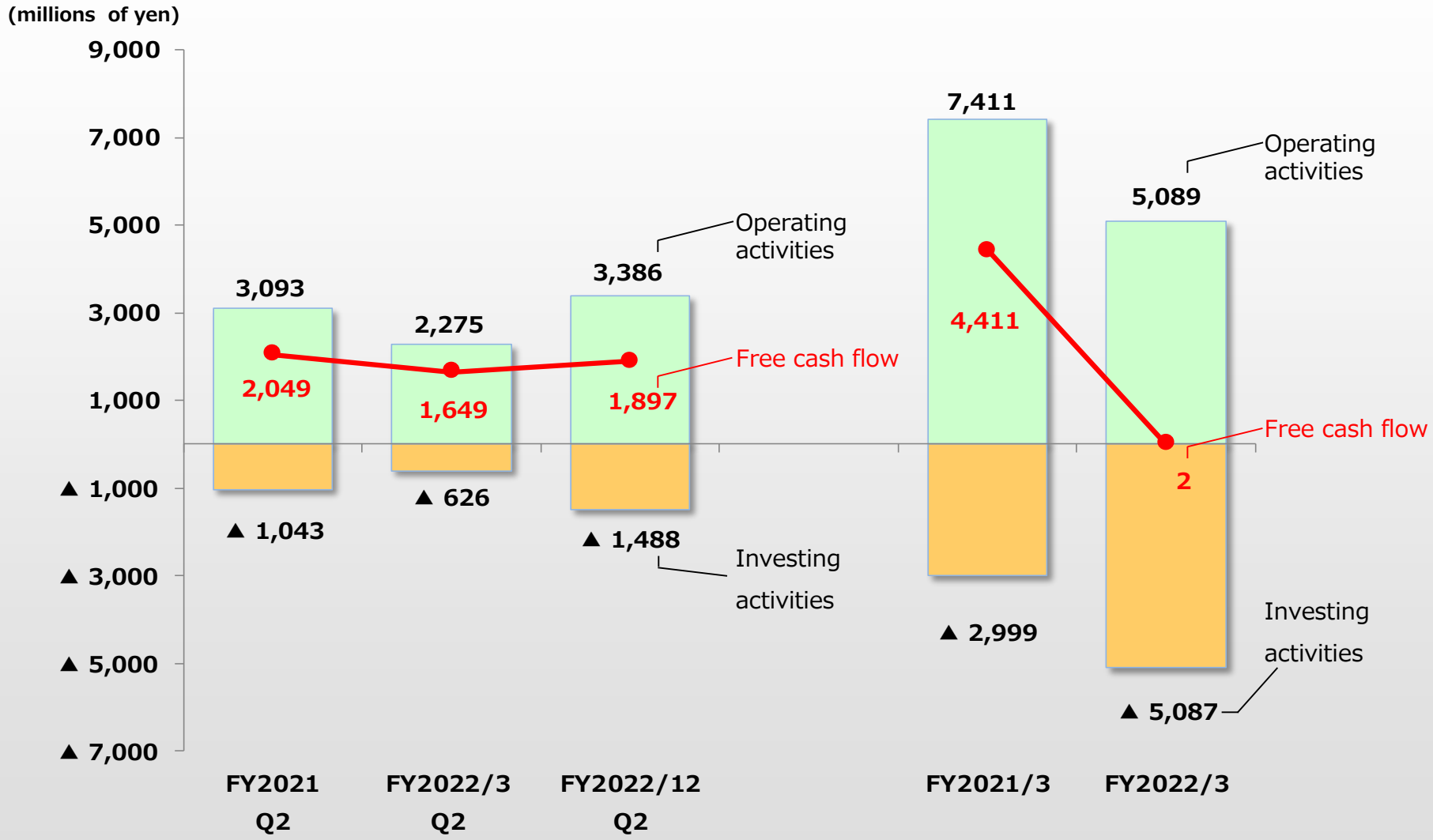
Cash Flow Overview (consolidated)



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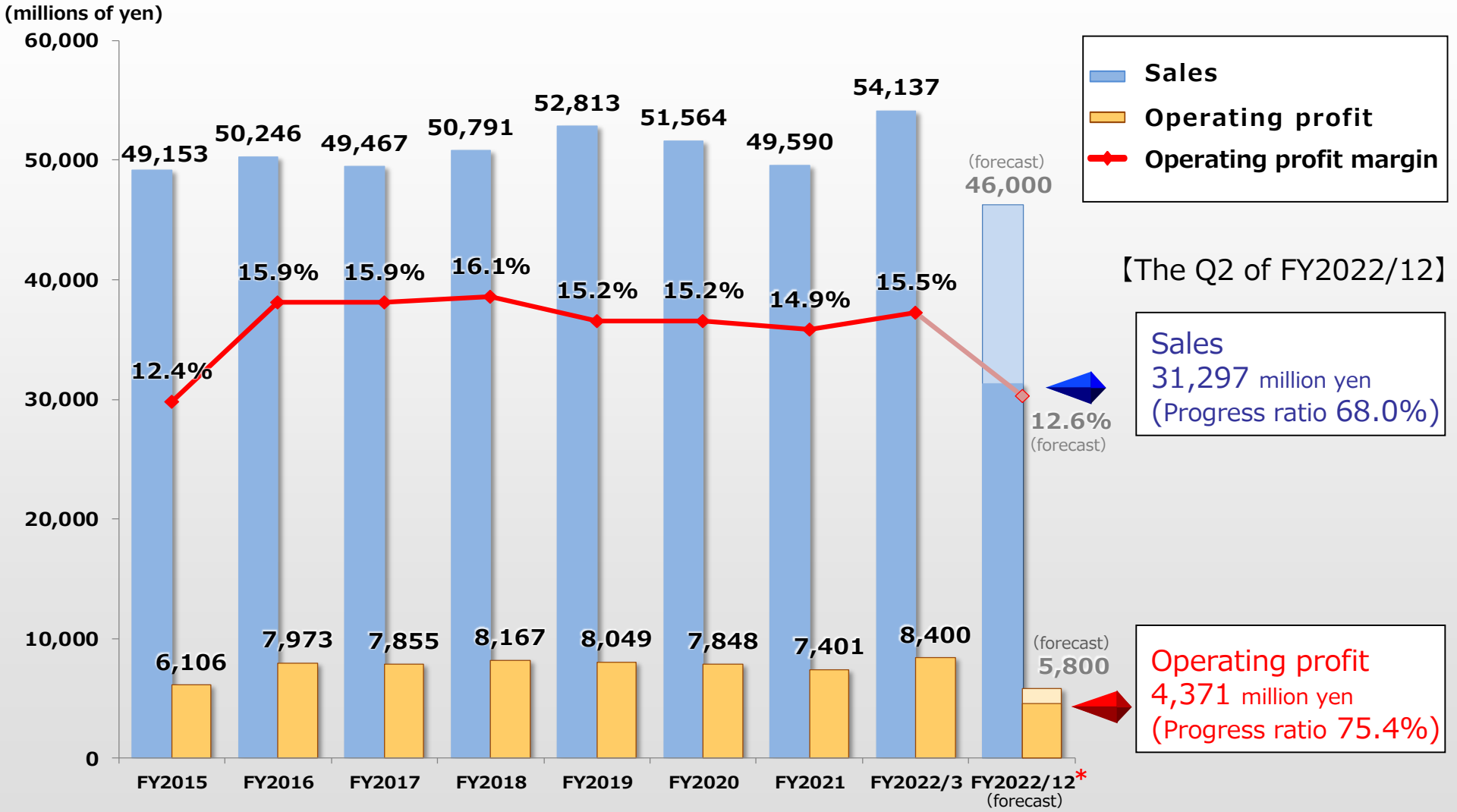
Sales/Operating Profit Trend (consolidated)



【The Q2 of FY2022/12】

Sales
31,297 million yen
(Progress ratio 68.0%)

Operating profit
4,371 million yen
(Progress ratio 75.4%)

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

*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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