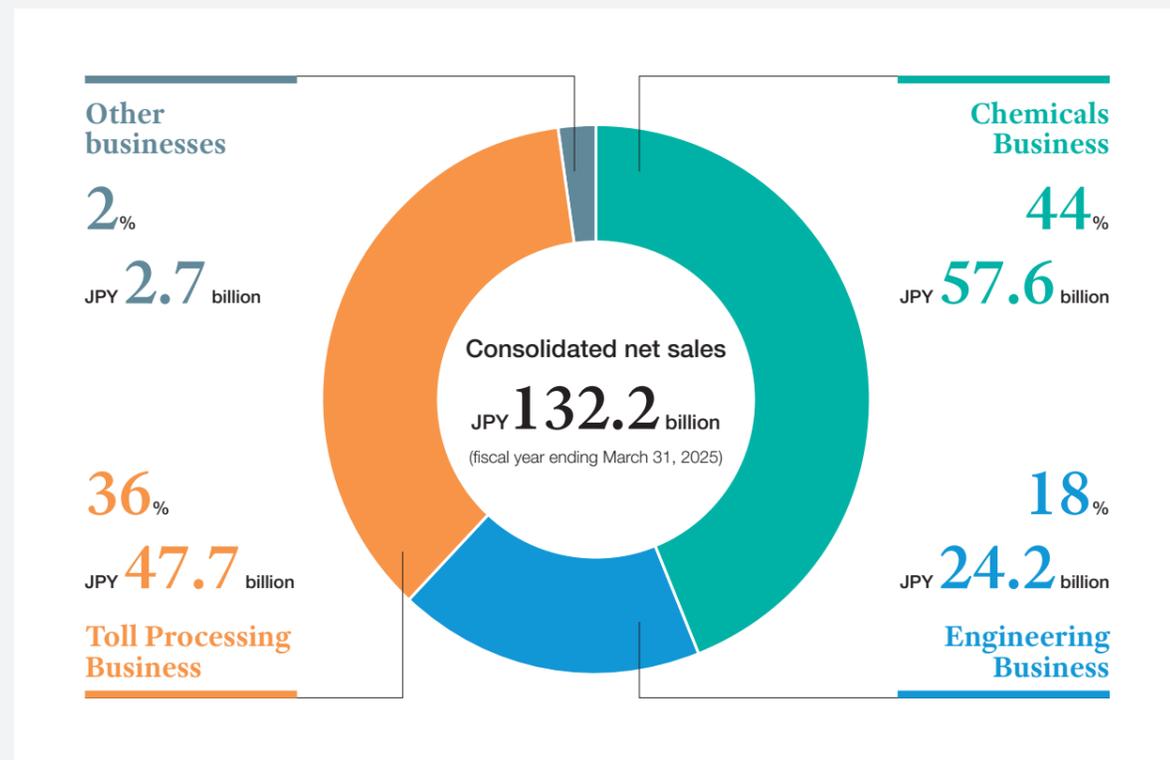


Business Portfolio

The Nihon Parkerizing Group has three reportable segments: the Chemicals Business, the Engineering Business, and the Toll Processing Business. They are based on the type of management organization and the characteristics of the products and services.

In the Chemicals Business, we manufacture and sell primarily chemicals that enhance the added value of metals and other substrates. They form conversion coatings that improve their performance in terms of corrosion resistance, wear resistance, lubricating and so on. In the Engineering Business, we design, build, and install equipment such as pretreatment and painting systems, powder coating systems, and more. In the Toll Processing Business, we offer surface treatment services, including rustproofing, heat treatment, and plating.

We also have various other operations beyond these three core businesses, including the sale of medical devices, building maintenance and construction, and solar power generation.



Since establishing its first joint venture company in Taiwan in 1965, the Nihon Parkerizing Group has actively pursued globalization across all segments. In addition to Japan, we supply our wide range of products and services in many countries and regions, including the United States, China, South Korea, Taiwan and Thailand, accommodating everything from industrial to household applications.

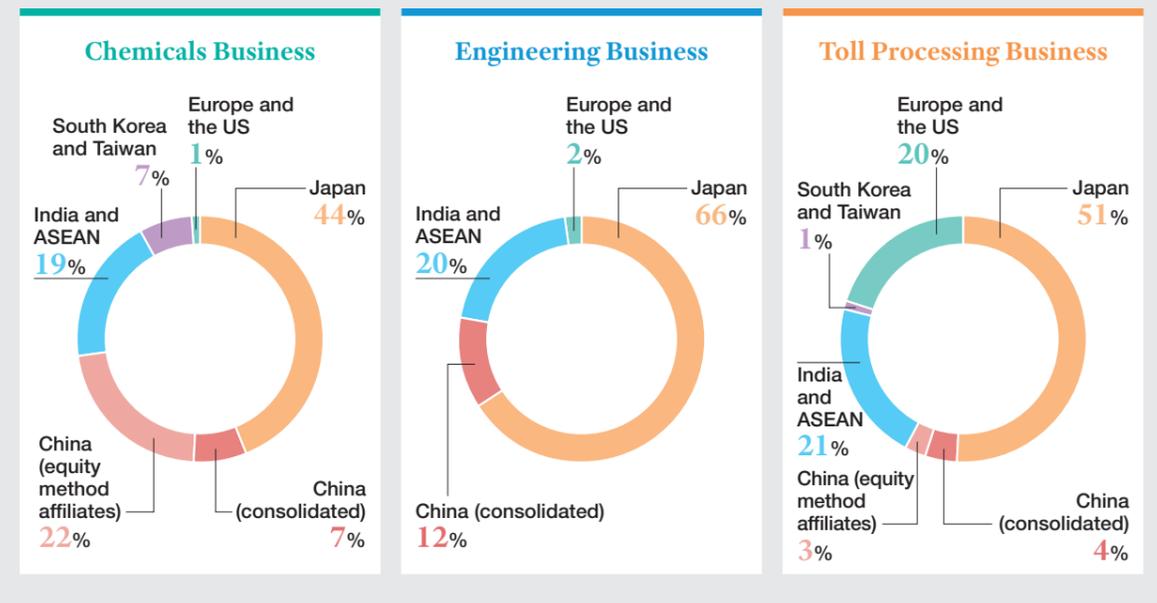
Furthermore, since FY2024, Nihon Parkerizing has adopted a regional management approach to strengthen collaboration between its domestic businesses and expand its overseas businesses. Our operating areas are split into five regions: Japan, East Asia (Taiwan and South Korea), India and ASEAN, China, and Europe and the US. By assigning executive officers as regional managers

overseeing each region, we are promoting marketing activities and technological development to meet regional needs. This structure improves coordination between segments and regions, enabling swift decision-making.

In Japan, we have strengthened our provision of comprehensive solutions to customers by deepening coordination among group companies that deal with chemicals, equipment, toll processing, medical devices, and so on, as part of our efforts to gain a stronger foothold in existing markets while developing new ones.

Overseas, we aim to further expand our operations by adopting market-driven perspectives to understand customer needs and implement strategies aligned with local characteristics, particularly in regions expected to experience high future growth, such as India and ASEAN.

Sales Composition by Segment and Region (Note: includes sales from Chinese equity method affiliates)



Trends in Consolidated Results

