



President and C.O.O.

Mitsuru Matsumoto

Chairman and C.E.O.

Kazuichi Satomi

136th

period

Interim
Business
Report

April 1, 2020 ▶ September 30, 2020

To Our Shareholders

Thank you very much for your continued support.

It is our pleasure to present our mid-term report for the 136th period, April 1st to September 30th, 2020.

As you well know, in this period the global economy was affected by the COVID-19 global pandemic, and subsequent restrictions on social and economic activity created very difficult circumstances. While economic activity has gradually resumed closer to home, in some countries and regions of the world the pandemic is spreading once again, and the situation continues to be unpredictable. In the Japanese economy also, while consumer spending and corporate profits showed signs of rebounding after the lifting of the state of emergency, the outlook remains uncertain.

The business environment faced by the Parker Group was one in which our key customers in the automotive industry shutdown factory operations and adjusted production due to a fall in demand globally, resulting in a lower auto output. In addition, our key customers in the steel industry also faced difficult circumstances as they reduced production due to stagnation of demand for steel.

In this period, the Parker Group entered the second year of its third mid-term management plan. Aiming to be a true global company as a surface modification specialist, the Group instituted a variety of policies as we worked to achieve our targets based on our key policies of growth strategies to win in global competition, group management optimization and reform of governance in order to establish 3G Management (Global, Group, Governance). In addition, we reflected on our founding spirit of sincerity and honesty, facing our customers sincerely, while pursuing innovation based on our core technology in order to be able to provide swift and accurate service and high quality products, and endeavoring to strengthen our global quality improvement initiatives and research and development organization.

As a result, our consolidated business achievements for interim period were as described in the latter part of this report. As resolved at the meeting of the Board of Directors on November 6, 2020, the interim dividend for this period will be twelve yen per share, to be paid on December 10, 2020.

Regarding the economic outlook, it is anticipated that it will take some time for a solid recovery of economic activity that had stagnated due to the effects of the COVID-19 pandemic as well as the continuing trade friction between the U.S. and China.

Regarding the business outlook for the Parker Group, there are concerns that recovery of demand in the automotive and steel industries will be continue to be difficult, and the outlook remains uncertain.

Against such an economic backdrop, the Parker Group will continue to pursue a range of policies to achieve the targets of our third mid-term management plan while aiming for sustainable growth.

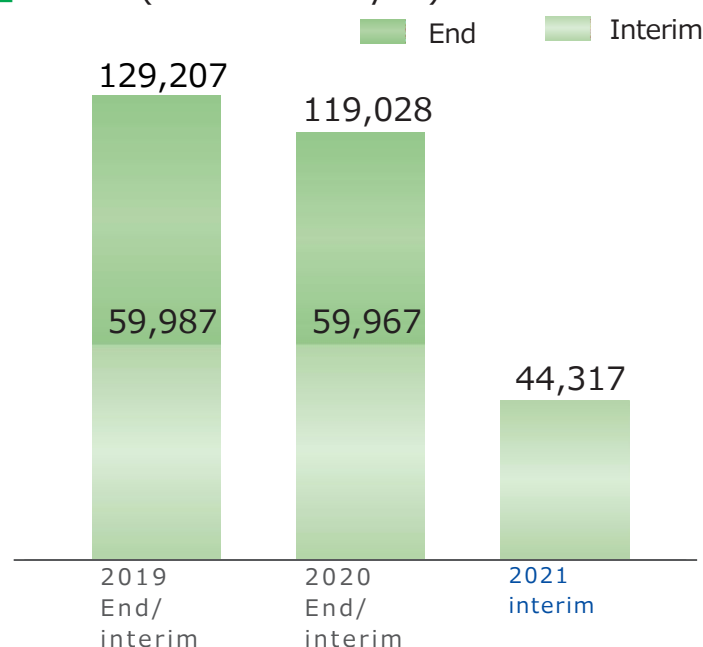
We look forward to the continuing support of our shareholders.

Thank you very much for your continued support.

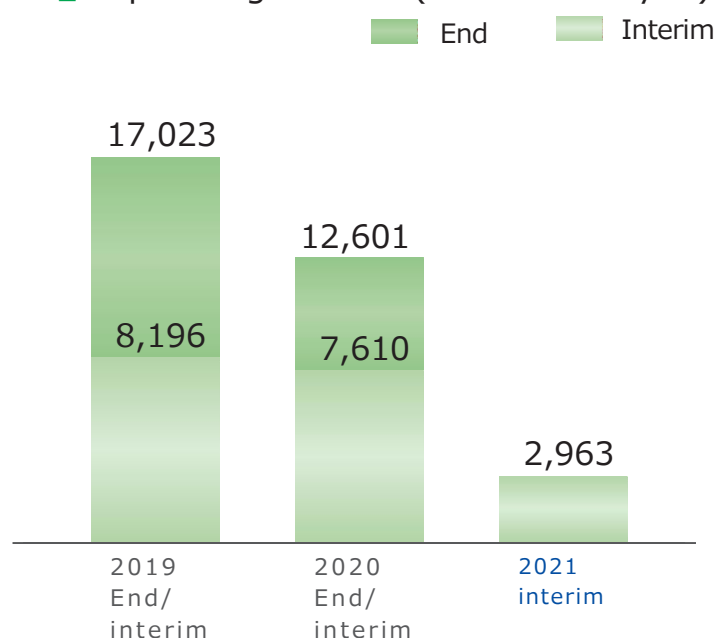
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Consolidated results

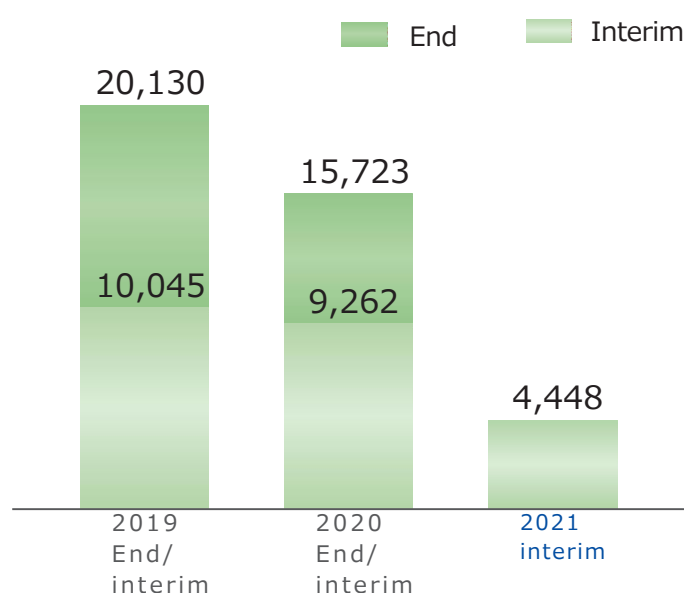
Sales (Unit: Million yen)



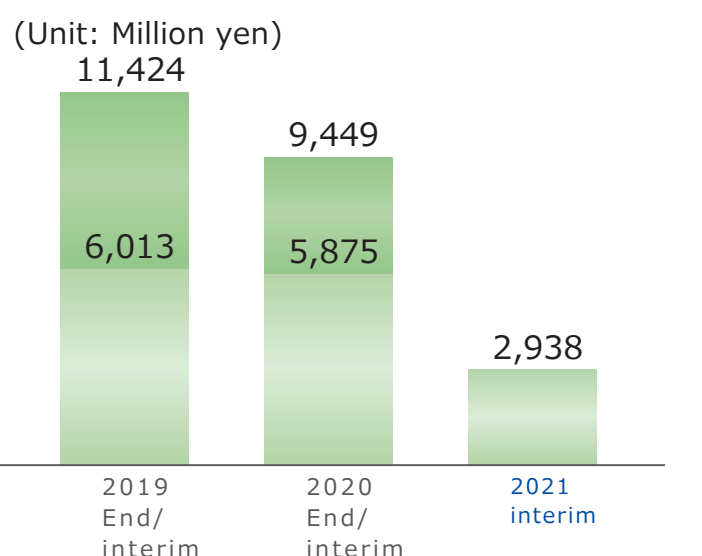
Operating income (unit: Million yen)



Ordinary income (Unit: Million yen)



Net income attributable to parent company



Company outline[As of September 30,2020]

Company name:	NIHON PARKERIZING CO.,LTD.
Established:	July 12, 1928
Head Office:	15-1, 1-chome, Nihonbashi, Chuo-ku, Tokyo
Capital:	4.56 billion yen
Employees:	4,390
(consolidated)	
Listing:	First Section of Tokyo Stock Exchange

Directors [As of September 30,2020]

Chairman and C.E.O.	Kazuichi Satomi	Chief Executive Officer
President and C.O.O.	Mitsuru Matsumoto	Chief Operating Officer
Director	Hiroyasu Tamura	General Manager of Administration Division
Director	Masayuki Yoshida	General Manager of Technical Division and Central Research Laboratories
Outside Director	Shimako Emori	
Outside Director	Tatsuya Mori	
Director	Hayato Hosogane	Audit and Supervisory Committee Member
Outside Director	Masaharu Kubota	Audit and Supervisory Committee Member
Outside Director	Koji Chika	Audit and Supervisory Committee Member

Overview by Business Segment (Business outline & share of sales)

Other

Building maintenance, manufacture and sale of bolts, etc.

1,543 million yen (3.5%)



Chemicals

Manufacture and sale of metal surface treatment chemicals, rust preventive oil, rolling oil, paint, industrial cleaners, and electroless nickel plating liquid, etc.

18,200 million yen (41.1%)



**Total
44,317
million yen**

Jobbing

Rust preventive jobbing, heat treatment jobbing, etc.

17,022 million yen (38.4%)



Equipment

Manufacture and sale of metal surface treatment equipment, coating equipment, etc.

7,550 million yen (17.0%)



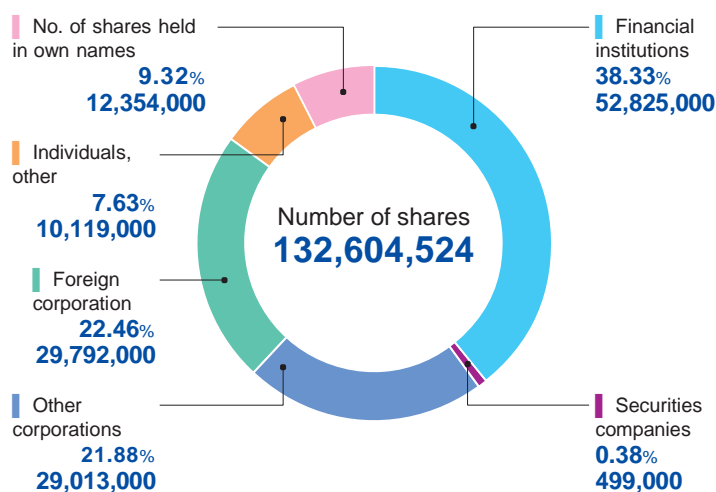
Stock information

(1) Total number of authorized shares	300,000,000
(2) Number of shares outstanding	132,604,524
(3) Number of shareholders at end of period	4,042
(4) Principal shareholders	

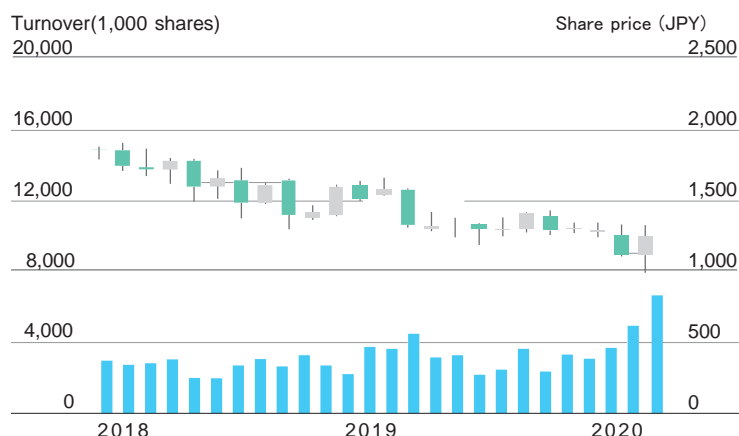
Name	Shares held (Unit: 1,000)	Ownership ratio (%)
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS	8,541	7.10
Nippon Life Insurance Company	7,015	5.83
The Master Trust Bank of Japan, Ltd. (Trust account)	6,657	5.53
Meiji Yasuda Life Insurance Company	5,578	4.63
The Chiba Bank, Ltd.	4,765	3.96
Yugen Co., Ltd.	4,708	3.91
The Satomi Scholarship Foundation	4,633	3.85
Custody Bank of Japan, Ltd. (Trust account)	4,157	3.45
Sumitomo Mitsui Banking Corporation	3,113	2.58
Custody Bank of Japan, Ltd. as trustee for NIPPON STEEL CORPORATION Retirement Benefit Trust Account re-trusted by Mizuho Trust and Banking Co., Ltd	2,664	2.21

(Note) 1. Nihon Parkerizing holds 12,354,000 treasury shares. (Not included in the above principal shareholders list.)
2. Shareholder ratios are calculated excluding the treasury shares.

Distribution by ownership



Transition of share price



Shareholders' Memo

Fiscal year: April 1 to March 31

Regular General Meeting of Shareholders: June

Dividends: Year-end Dividend Record Date: March 31

Interim Dividend Record Date: September 30

The method of public notice will be by electronic public notice; provided however that, if notices cannot be made by electronic public notice due to unavoidable circumstances, notices will be published in The Nikkei.

* For notices on Nihon Parkerizing website URL:

<https://www.parker.co.jp/>

Shareholder Registry Administrator and Special Accounts Administrator:

Mitsubishi UFJ Trust and Banking Corporation

Contact:

Securities Agency Division, Mitsubishi UFJ Trust and Banking Corporation,

Address: 1-1 Nikko-cho, Fuchu-shi, Tokyo

Telephone: 0120 (232) 711 (Free dial)

Postal address: Securities Agency Division, Mitsubishi UFJ Trust and Banking Corporation, P.O. Box 29, Shin Tokyo Post Office, 137-8081

IR Calendar

1st Quarter			2nd Quarter			3rd Quarter			4th Quarter		
Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Announcements of Annual Financial Statements			General Meeting of Shareholders			Announcement of 1st quarter financial statements			Announcement of 2nd quarter financial statements		
Financial Results Briefing									Announcement of 3rd quarter financial statements		

Website

Please refer to the website of Nihon Parkerizing Co., Ltd for detailed IR information.

Nihon Parkerizing

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<https://www.parker.co.jp/>

