Greetings from the new President

First of all, I would like to express my gratitude for your continuing support.

I am very proud to have been appointed President and COO of Nihon Parkerizing following the 132nd General Meeting of Shareholders and subsequent Meeting of the Board of Directors.

Throughout the 89 years since its establishment in 1928, our corporate philosophy has been "to contribute to the conservation of our global environment and the creation of a richer society by promoting the effective use of limited resources and creating new value for resources through surface modification of a variety of materials" and we have grown to become the leading global company in the field of surface modification technology. This achievement is solely due to the continuing support of our stakeholders over the years.

In recent years, domestic and overseas circumstances have become difficult to anticipate. However, for the further growth of Nihon Parkerizing, we aim to implement policies to further promote research and innovation, create a company that inspires the pride and passion of its employees, and realize sustainable growth.

Currently, Nihon Parkerizing is capable of meeting the needs of customers around the world through its extensive network encompassing Nihon Parkerizing and 57 affiliated companies as well as through its tie-up with the German chemicals manufacturer Henkel AG&Co. KGaA. In Japan, we are able to provide close technical support for our customers by utilizing our network of regional technical centers with our Central Research Laboratories at the core. In addition, we have also created a system for providing surface analysis and technical support overseas centering on Parker Surface Technologies (Shanghai) Co., Ltd. and Thai Parkerizing Co., Ltd. I firmly believe that with the strong ties that we have between our staff around the world, we can gain the satisfaction of our customers well beyond their expectations.

Following on in the spirit of a "technology-driven company" built up by our predecessors, we will implement a variety of initiatives to pursue innovation based on the axis of our accumulated core technology, further enhance quality control and improve business efficiency.

I look forward to your continued support in the future.

Kentaro Sato President and COO Nihon Parkerizing Co., Ltd. July 2017