



President and C.O.O.

Mitsuru Matsumoto

Chairman and C.E.O.

Kazuichi Satomi

# 136th Business Report

period

April 1, 2020 ▶ March 31, 2021

## To Our Shareholders

Thank you very much for your continued support.

It is our pleasure to present our year-end report for the 136th period, April 1st 2020 to March 31st 2021.

As you well know, in this period the global economy faced extremely difficult conditions due to the global spread of COVID-19 and the resulting significant restrictions placed on social and economic activity worldwide. In the latter half of the period, resumption of economic activity and the effects of economic policies led to a moderate improvement, however in some countries lockdowns were imposed once again and COVID-19 variants emerged indicating the pandemic may worsen, and the situation continues to be unpredictable. In the Japanese economy also, signs of recovery were seen as personal consumption and corporate profits improved following the resumption of economic activity after the lifting of the state of emergency. However, in addition to the restrictions on economic activity due to the re-imposition of a state of emergency in some regions and stay-at-home requests, rises in the price of raw materials, the semi-conductor shortage and other risk factors remain, and the outlook continues to be uncertain.

The business environment faced by the Parker Group is one in which, while our key customers in the automotive industry are currently recovering, automotive output in key countries around the world has stagnated, and the number of vehicles produced each month has continued to fall year-on-year, leading to a difficult business circumstances. In addition, our key customers in the steel industry faced a difficult business environment due to not only the effects of the COVID-19 pandemic, but also the long-running trade friction between the U.S. and China and the high price of iron ore which is pushing up production costs.

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, and 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 the year ending March 31, 2021 were as described in the latter part of this report.

In consideration of the business achievements and the company's dividend policy, the year-end dividend for this period will be fourteen (14) yen per share.

Regarding the economic outlook, while we anticipate that the moderate recovery will continue due to the economic policy measures taken by countries around the world as well as measures to prevent the spread of COVID-19, concerns that the COVID-19 pandemic may worsen again remain and the economic outlook continues to be uncertain.

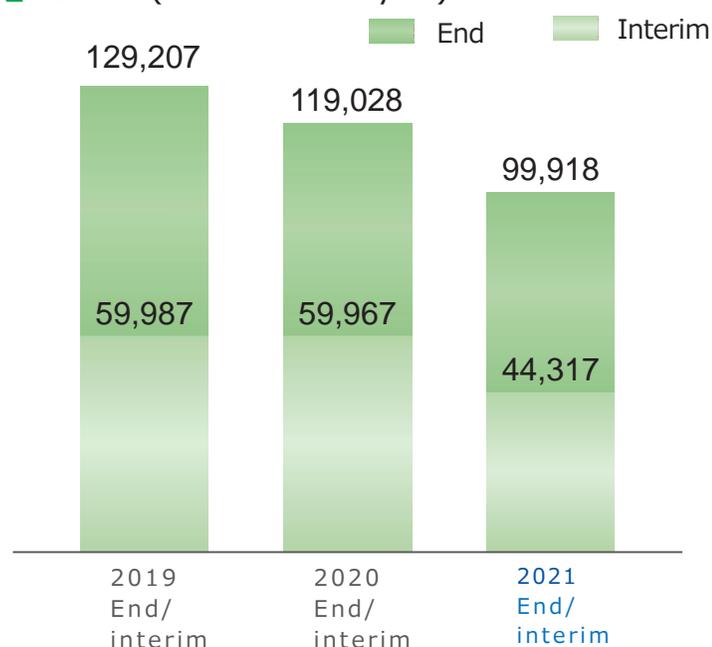
Against such an economic backdrop, the Parker Group will continue to pursue a range of policies to achieve the targets of our third mid-term management plan while aiming for sustainable growth.

We look forward to the continuing support of our shareholders.

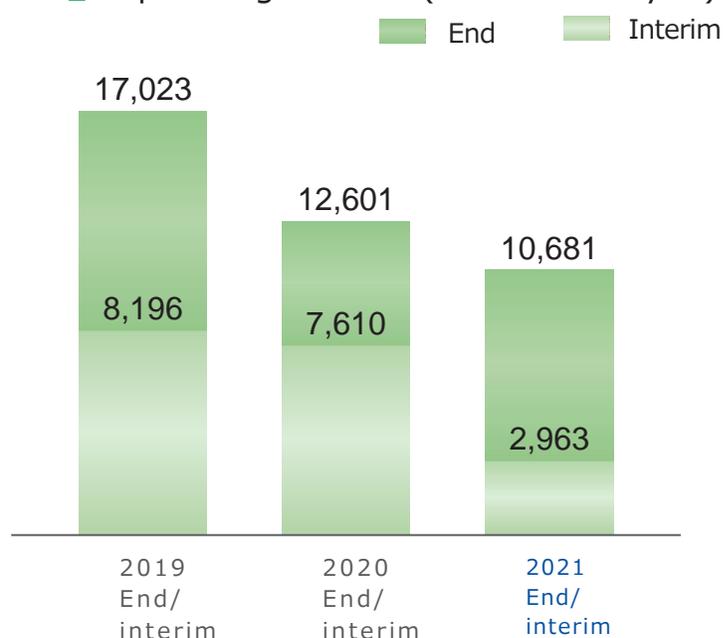
Thank you very much for your continued support.

## Consolidated results

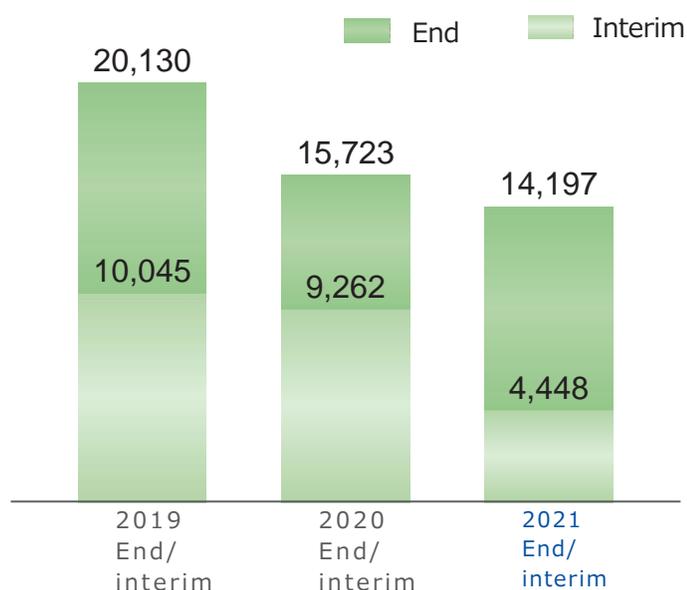
### Sales (Unit: Million yen)



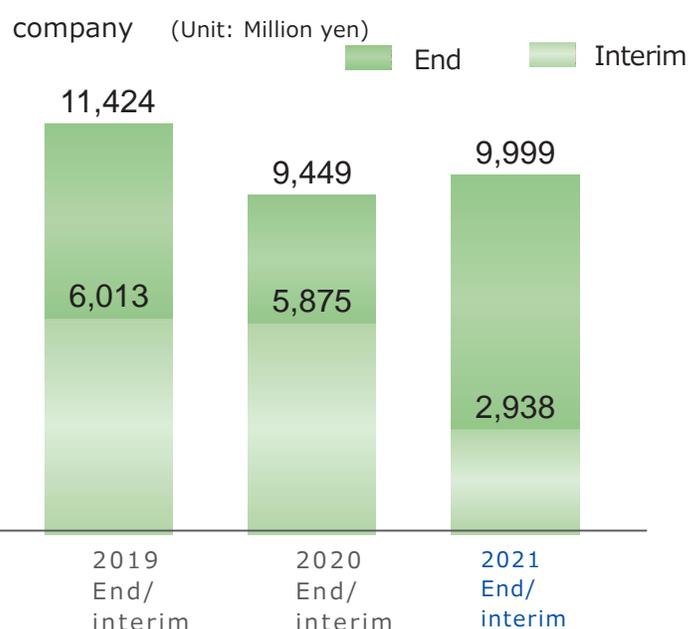
### Operating income (unit: Million yen)



### Ordinary income (Unit: Million yen)



### Net income attributable to parent



### Company outline [As of March 31, 2021]

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:	4,397
	(consolidated)
Listing:	First Section of Tokyo Stock Exchange

### Directors [As of March 31, 2021]

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, Solar power generation business, etc.

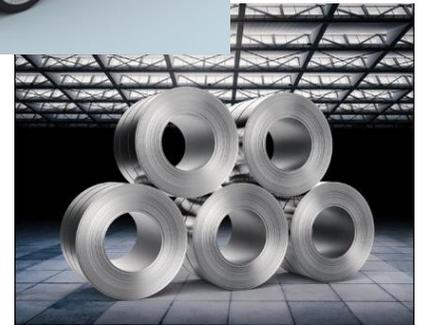
**2,705 million yen (2.8%)**



## Chemicals

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

**40,605 million yen (40.6%)**



**Total  
99,918  
million yen**

## Jobbing

Rust preventive jobbing, heat treatment jobbing, etc.

**39,096 million yen (39.1%)**



## Equipment

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

**17,511 million yen (17.5%)**



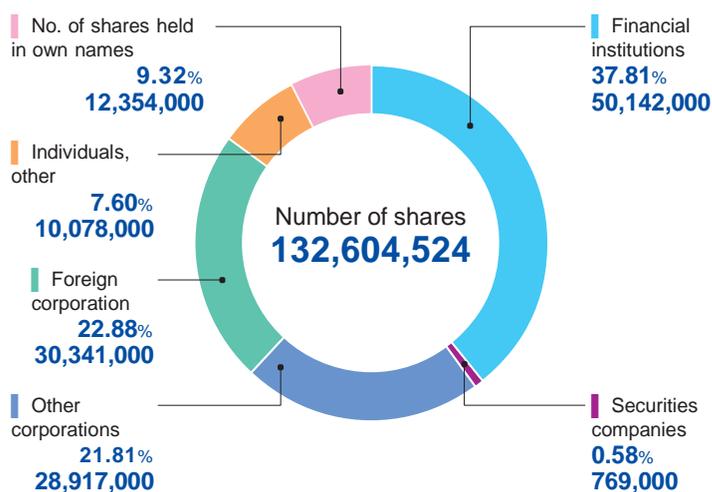
## Stock information

(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	4,246
(4) Principal shareholders	

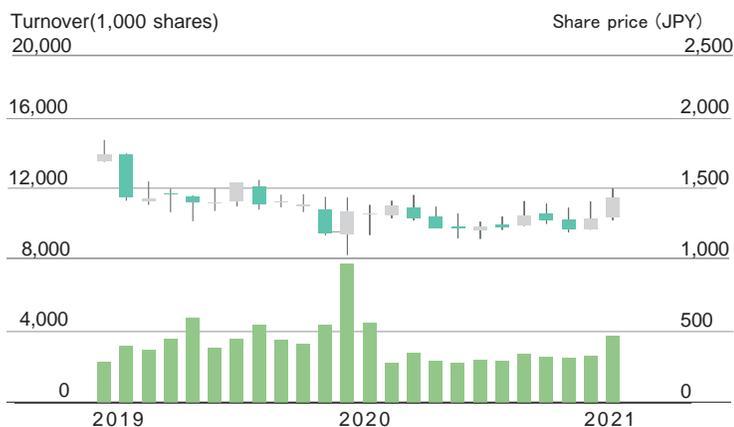
Name	Shares held (Unit: 1,000)	Ownership ratio (%)
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS	8,691	7.22
The Master Trust Bank of Japan, Ltd. (Trust account)	7,081	5.88
Nippon Life Insurance Company	7,015	5.83
Meiji Yasuda Life Insurance Company	5,578	4.63
The Chiba Bank, Ltd.	4,765	3.96
Yugen Co., Ltd.	4,708	3.91
The Satomi Scholarship Foundation	4,633	3.85
Custody Bank of Japan, Ltd. (Trust account)	3,778	3.14
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



## Website

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

Nihon Parkerizing

search



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

NIHON PARKERIZING CO., LTD.

Our surface treatment chemicals support diverse industries. We supply environmentally-friendly, cost-effective technology!

SURFACE TREATMENT PROCESSING SERVICES