



President and C.O.O.

Mitsuru Matsumoto

Chairman and C.E.O.

Kazuichi Satomi**137th**

period

April 1, 2021 ▶ September 30, 2021

**Interim
Business
Report**

To Our Shareholders

Thank you very much for your continued support.

It is our pleasure to present our mid-term report for the 137th period, April 1st to September 30th 2021.

As you well know, in this period in the global economy, while there were differences between countries and regions, overall the trend was for a continued recovery from the pandemic-induced economic slowdown as a result of the economic policies of governments around the world and the progress of the COVID-19 immunization program. The Japanese economy also showed signs of recovery with an increase in exports due to the overseas economic rebound and an uptick in corporate production and equipment investment.

The business environment faced by the Parker Group was one in which our key customers in the automotive industry saw a recovery in production and sales due to robust demand in line with the economic recovery. However, the shortage of semiconductors gradually led to a downward revision of production plans, and the number of automobiles produced in Japan since August 2021 has fallen below the figures for the previous year. In the steel industry, although China instituted a policy of reducing crude steel production, our key customers in the industry fared well with the crude steel production volume in Japan increasing by around 30% year on year, boosted by public investment and the recovery in demand from the manufacturing industry.

Against such a backdrop, the Parker Group has formulated its Vision2030 to put our corporate philosophy into action and contribute to the creation of a sustainable society as we head towards 2028, the centenary of the founding of Nihon Parkerizing. In our Vision2030, with the catchphrase of “transforming a diverse range of surfaces with chemistry,” we aim to develop surface modification technology that provides diverse functions to a wide range of materials, and to contribute to finding solutions for social issues through our three business fields of chemicals, equipment and processing, to spur sustainable growth and development together with society. In addition, we are aiming to enter a new stage of growth by implementing a number of policies based on our key strategies of developing new fields and cultivating existing markets, accelerating global rollout, strengthening Group governance and diversifying human resources.

As a result, our consolidated business achievements for the interim period were as described in the latter part of this report.

As resolved at the meeting of the Board of Directors on November 5, 2021, the interim dividend for this period will be thirteen yen per share, to be paid on December 10, 2021.

Regarding the economic outlook, while it is anticipated that the economy will return to normal following the progress of the immunization program, the outlook remains uncertain due to negative factors such as anticipated further waves of the COVID-19 pandemic, the shortage of semiconductors in the face of a sharp increase in demand globally, and the high prices of raw materials.

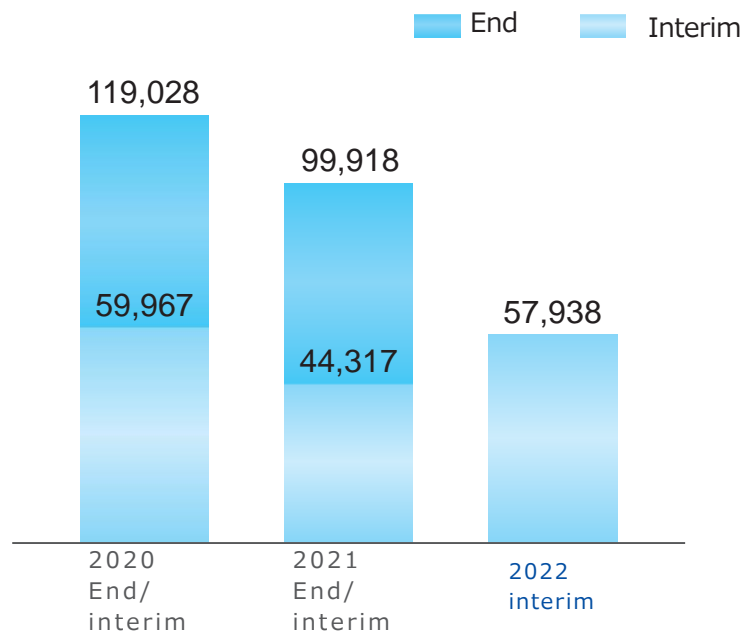
Against such an economic backdrop, the Parker Group will continue to implement policies to achieve the targets in the third mid-term management plan, which is in its final year, as we aim for sustainable growth.

We look forward to the continuing support of our shareholders.

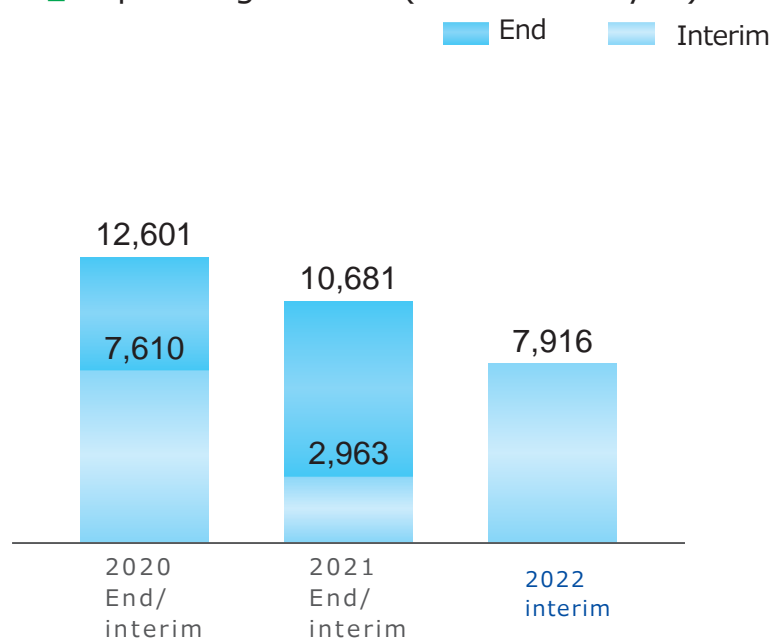
Thank you for your support.

Consolidated results

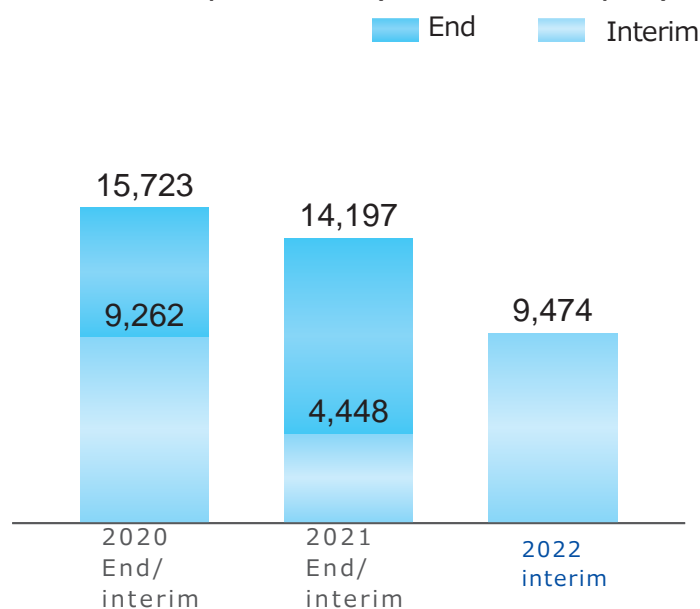
Sales (Unit: Million yen)



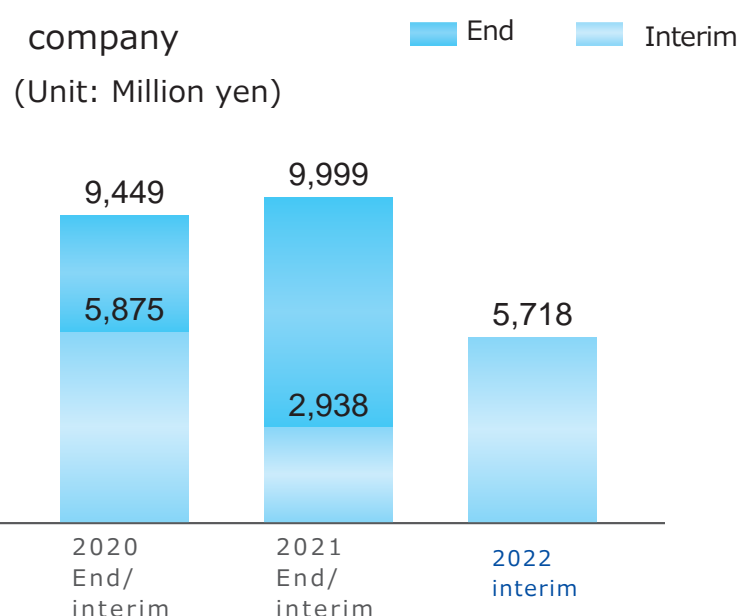
Operating income (unit: Million yen)



Ordinary income (Unit: Million yen)



Net income attributable to parent company



Company outline [As of September 30, 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:	4,390
(consolidated)	
Listing:	First Section of Tokyo Stock Exchange

Directors [As of September 30, 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.

1,359 million yen (2.3%)



Chemicals

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

23,268 million yen (40.2%)



**Total
57,938
million yen**

Jobbing

Rust preventive jobbing, heat treatment jobbing, etc.

22,586 million yen (39.0%)



Equipment

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

10,722 million yen (18.5%)



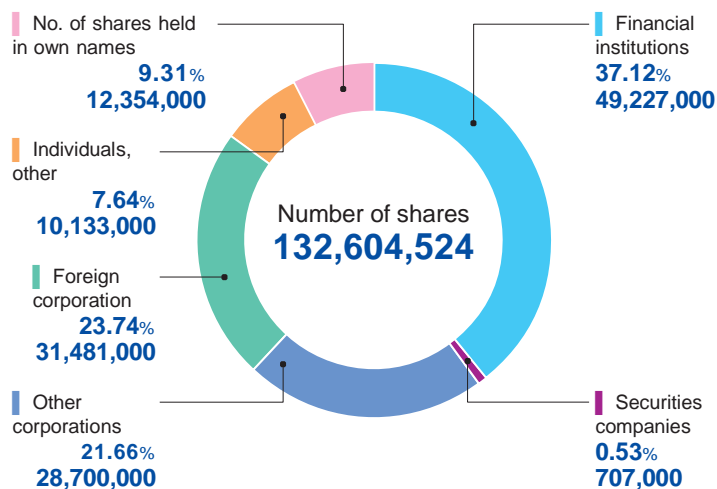
Stock information

(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	4,392
(4) Principal shareholders	

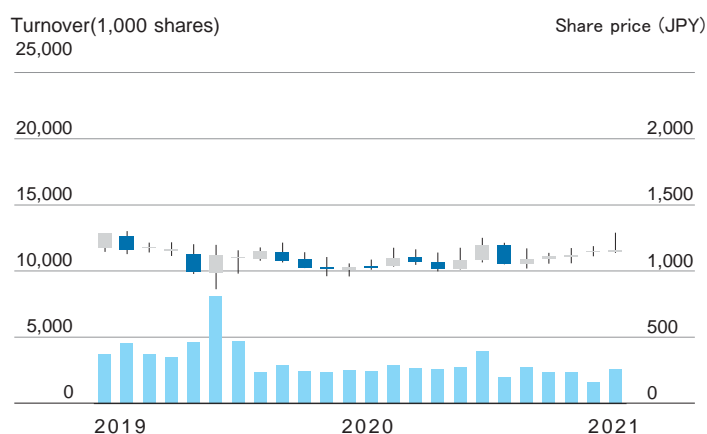
Name	Shares held (Unit: 1,000)	Ownership ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	12,305	10.23
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS	9,076	7.54
Nippon Life Insurance Company	7,015	5.83
Meiji Yasuda Life Insurance Company	5,020	4.17
The Chiba Bank, Ltd.	4,765	3.96
Yugen Co., Ltd.	4,708	3.91
The Satomi Scholarship Foundation	4,633	3.85
Custody Bank of Japan, Ltd. (Trust account)	3,765	3.13
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/>

