

Chairman president and C.E.O.

**Kazuichi Satomi****138th Business Report**

period

April 1, 2022 ▶ March 31, 2023

**To Our Shareholders**

Thank you very much for your continued support.

It is our pleasure to present our end of year report for the 138th period, April 1, 2022 to March 31, 2023.

As you well know, in this period in the global economy, many countries lifted restrictions on movement, and the normalization of social and economic activity led to signs of a moderate economic recovery. However, there were factors of concern including the rising price of resources and energy and the persistent inflationary pressures. In addition, there remain concerns for an economic slowdown following tightening of monetary policy in Europe and the U.S., and the economic outlook is uncertain. Social and economic activity is also returning to normal in Japan, and there are signs of a mild economic recovery particularly with an uptick in capital investment and personal consumption. However, the strength of the recovery is restrained by the rising prices of raw materials and constraints on parts supplies, and corporate profits and production have weakened in some industries, with the economic outlook remaining difficult to predict.

Our key customers in the automotive industry continue to be affected by the reduced auto production resulting from the shortage of semiconductors however there are signs that auto output is improving in Asia, and the auto industry also experienced a moderate recovery in Japan over the second half of the period. In addition, among our key customers in the steel industry, the output of crude steel in India increased over the previous year due to economic growth in India. However, output fell compared to the previous year in Japan, China and the U.S. following the continued reduction of auto production and the worsening real estate market in China.

Against such a backdrop, the Nihon Parkerizing Group embarked on its fourth mid-term management plan from April 2022. As we head toward the centenary of the founding of Nihon Parkerizing in 2028, we have positioned this period as an important one for achieving new growth and have been working to increase corporate value from a long-term perspective by cultivating existing markets in all of our business segments and developing new fields, expanding global business, and seeking solutions to environmental problems and other social issues. In addition, we have been working to strengthen quality control and quality assurance throughout the whole Group to supply products and services that our customers can trust.

As a result, our consolidated business achievements for the period were as outlined below.

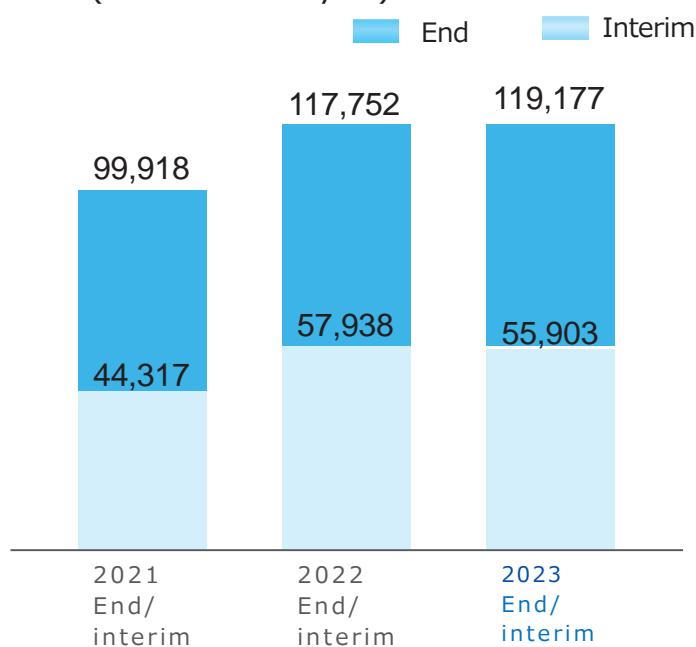
Regarding the year-end dividend, as we have secured investment funds for growth and a certain degree of safety in our financial base and aim to return as much as possible to our shareholders as dividends for the time being, the company has resolved to pay a dividend of twenty yen per share.

Looking ahead, while the situation remains uncertain due to continuing high resources and energy prices and inflationary pressures, concerns for a weakening of the economy due to global fiscal tightening and other risk factors such as the continuing conflict in Ukraine, we expect a moderate recovery to continue for some time supported by the firm personal consumption and capital investment

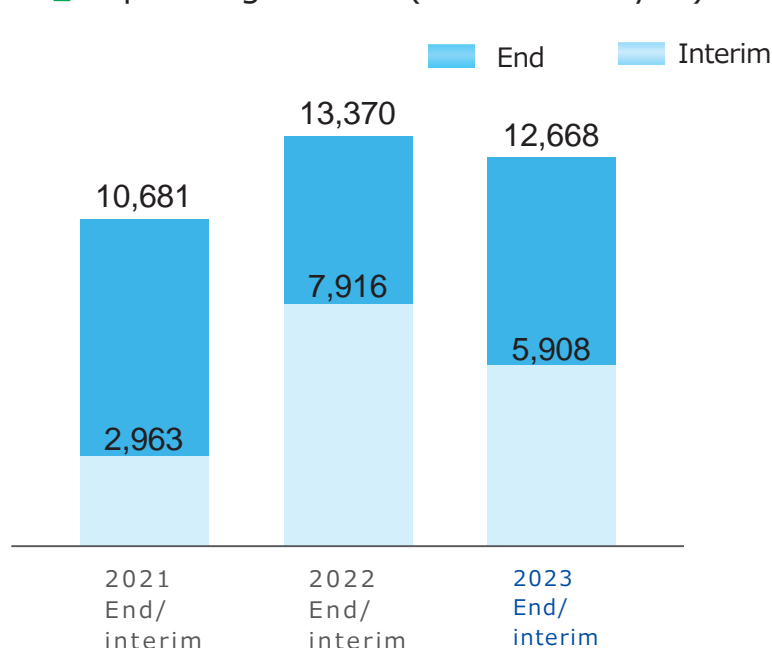
Against such an economic backdrop, the Nihon Parkerizing Group will aim to increase its corporate value by actively implementing the policies outlined in the Group's fourth mid-term management plan.

We look forward to the continued support of our shareholders.

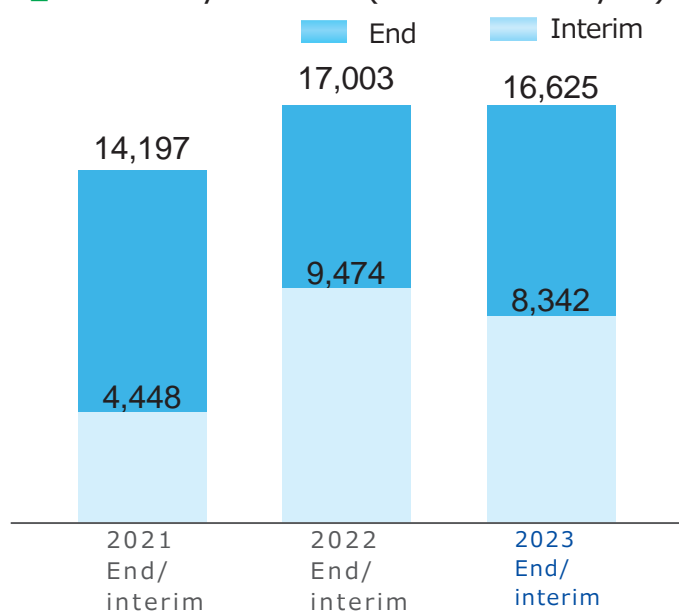
## Sales (Unit: Million yen)



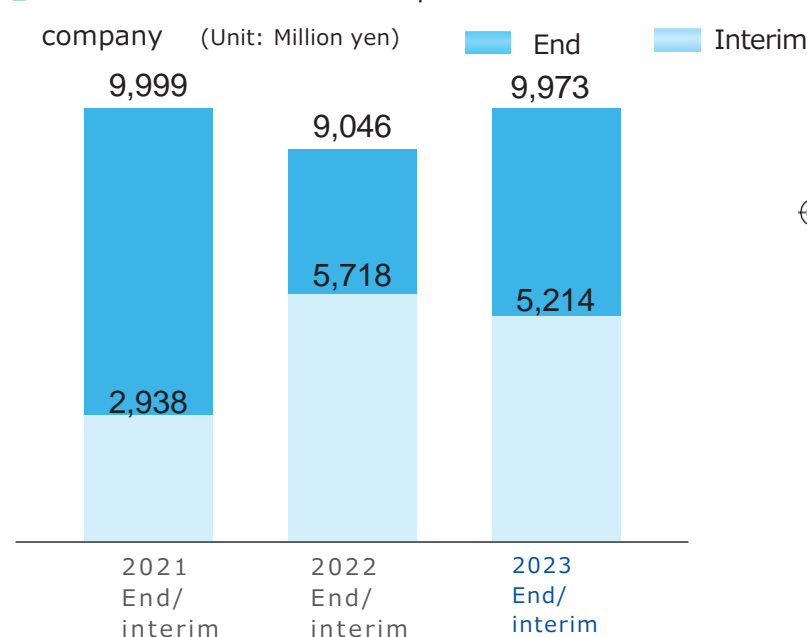
## Operating income (unit: Million yen)



## Ordinary income (Unit: Million yen)



## Net income attributable to parent company (Unit: Million yen)



## Company outline

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: 4,317  
(consolidated)

Listing: Prime Market of Tokyo Stock Exchange

## Directors [As of June 29, 2023]

Position	Name	Role
Chairman President	Kazuichi Satomi	Chief Executive Officer
Representative Board Director	Hiroyasu Tamura	In charge of the Administration Division and Group Management Division
Representative Board Director	Masayuki Yoshida	In charge of the Technical Division and Corporate Planning Division
Director	Yasumasa Fukuta	In charge of the Chemicals Division and Commercial Processing Division
Outside Director	Shimako Emori	
Outside Director	Tatsuya Mori	
Outside Director	Masaharu Kubota	Audit and Supervisory Committee Member
Director	Hayato Hosogane	Audit and Supervisory Committee Member
Outside Director	Koji Chika	Audit and Supervisory Committee Member
Outside Director	Shigetaka Hazeyama	Audit and Supervisory Committee Member

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

## Other

Building maintenance, solar power generation business, etc.

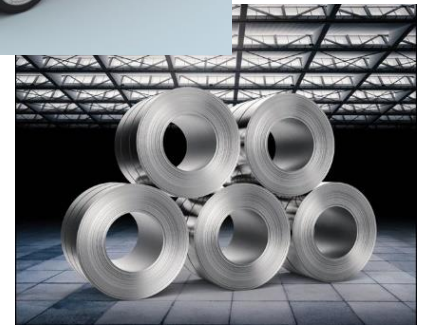
**2,732 million yen (2.3%)**



## Chemicals

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

**52,911 million yen (44.4%)**



**Total  
119,177  
million yen**

## Jobbing

Rust preventive jobbing, heat treatment jobbing, etc.

**46,743 million yen (39.2%)**



## Equipment

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

**16,790 million yen (14.1%)**



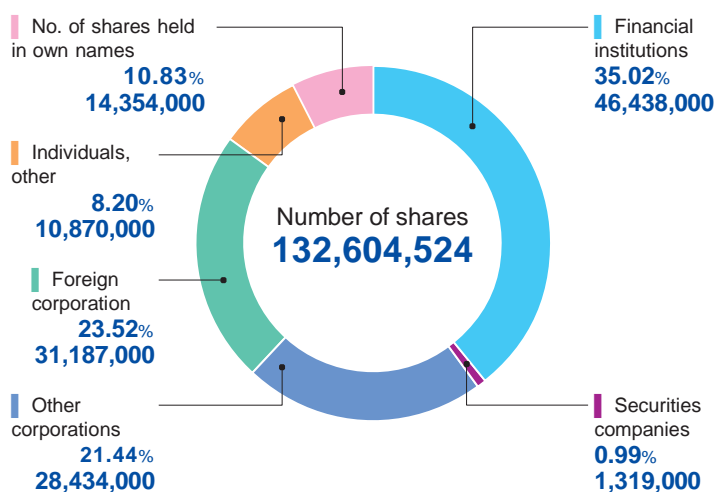
## Stock information

(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	6,656
(4) Principal shareholders	

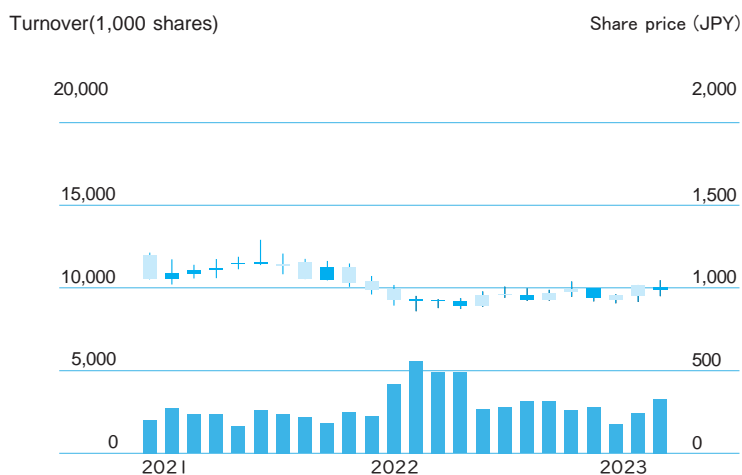
Name	Shares held (Unit: 1,000)	Ownership ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	12,960	10.96
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS	7,302	6.17
Nippon Life Insurance Company	7,015	5.93
Meiji Yasuda Life Insurance Company	5,020	4.24
The Chiba Bank, Ltd.	4,765	4.02
Yugen Co., Ltd.	4,708	3.98
The Satomi Scholarship Foundation	4,633	3.91
Custody Bank of Japan, Ltd. (Trust account)	3,771	3.18
Sumitomo Mitsui Banking Corporation	3,113	2.63
Custody Bank of Japan, Ltd. as trustee for NIPPON STEEL CORPORATION Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co., Ltd	2,664	2.25

(Note) 1. Nihon Parkerizing holds 14,354,000 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/>

The screenshot shows the top navigation bar with links for Home, Contact, Site Map, JAPANESE, and CHINESE. Below the navigation is a banner with the text "WE SUPPORT YOUR LIFE AND FUTURE THROUGH SURFACE TREATMENT." and a background image of a modern building at night. A small text box at the bottom of the banner mentions the NIKKAWAGUCHI steel tower built in 1936. The footer includes "WHAT'S NEW" and "SOLAR POWER Solar power energy output".