



Transforming a diverse range
of surfaces with chemistry

Fiscal year ended March 31, 2026

Financial Results Briefing

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Measures to realize Vision 2030

- Measures to realize Vision 2030
- Technology development for expanding the business portfolio
- Management that is mindful of the cost of capital

Supplementary information

- Subsidiaries and affiliated companies (As of March 31, 2026)
- Consolidated financial highlights

Financial summary

Consolidated income statement

(Unit: million yen)

Accounts	2025/3	2026/3	Change	% Change	comment
Net Sales	132,281	138,155	+5,874	4.4%	Revenue increased in all segments. (Chemicals +1,302, Equipment +3,414, Jobbing +816, Other +339)
Operating income	14,998	14,814	-184	-1.2%	Chemicals and Jobbing saw decreased profits, while equipment saw increased profits. Overall, profits decreased. (Chemicals -976, Equipment +1,430, Jobbing -341, Others -296)
Ordinary income	19,936	19,667	-269	-1.3%	Non-operating income 5,689 million yen (Equity in earnings of affiliates 1,454 million yen, etc.) Non-operating expenses 835 million yen
Net income attributable to parent company shareholders	13,112	12,940	-172	-1.3%	Extraordinary gain 4,791 million yen (Gain on sales of investment securities 4,235 million yen, etc.) Extraordinary loss 1,508 million yen (impairment loss of fix assets 805 million yen, etc.)
Net income per share	112.20yen	117.16yen	-	-	
Ratio of ordinary income to total assets	7.4%	7.3%	-	-	
Return on equity (ROE)	6.9%	6.5%	-	-	
The average exchange rate (USD)	151.58yen	149.71yen	-	-	<ul style="list-style-type: none"> • Previous period: Average exchange rate from January 2024 to December 2024 • Current period: Average exchange rate from January 2025 to December 2025

■ Overseas sales ratio (※Including exports from Japan) : 46.0%

■ Foreign currency translation effect : Sales approx. -643 million yen, Operating income approx. -80 million yen.

Variation analysis of operating income

(Unit: million yen)

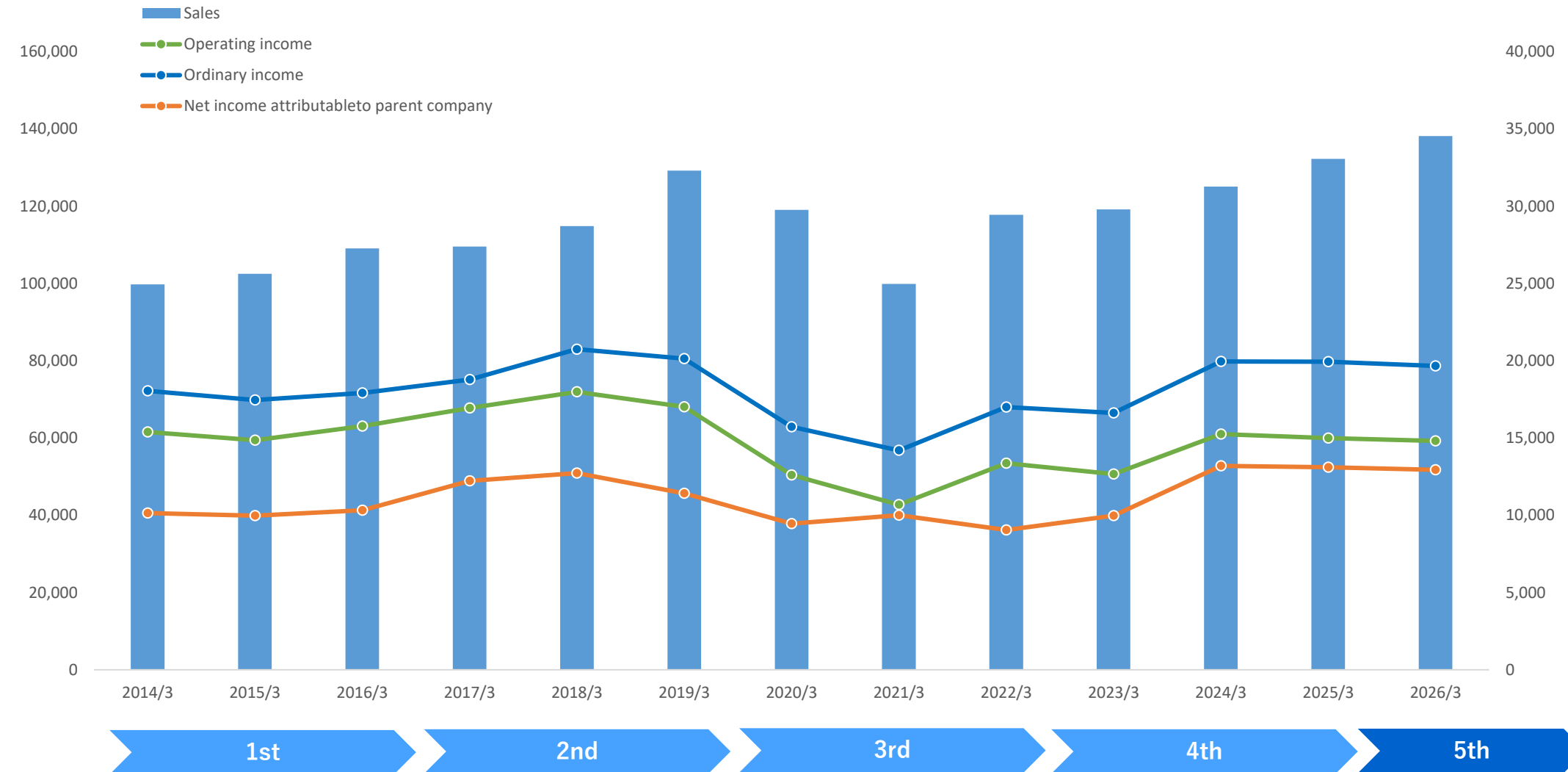


Consolidated Business Results

(Unit: million yen)

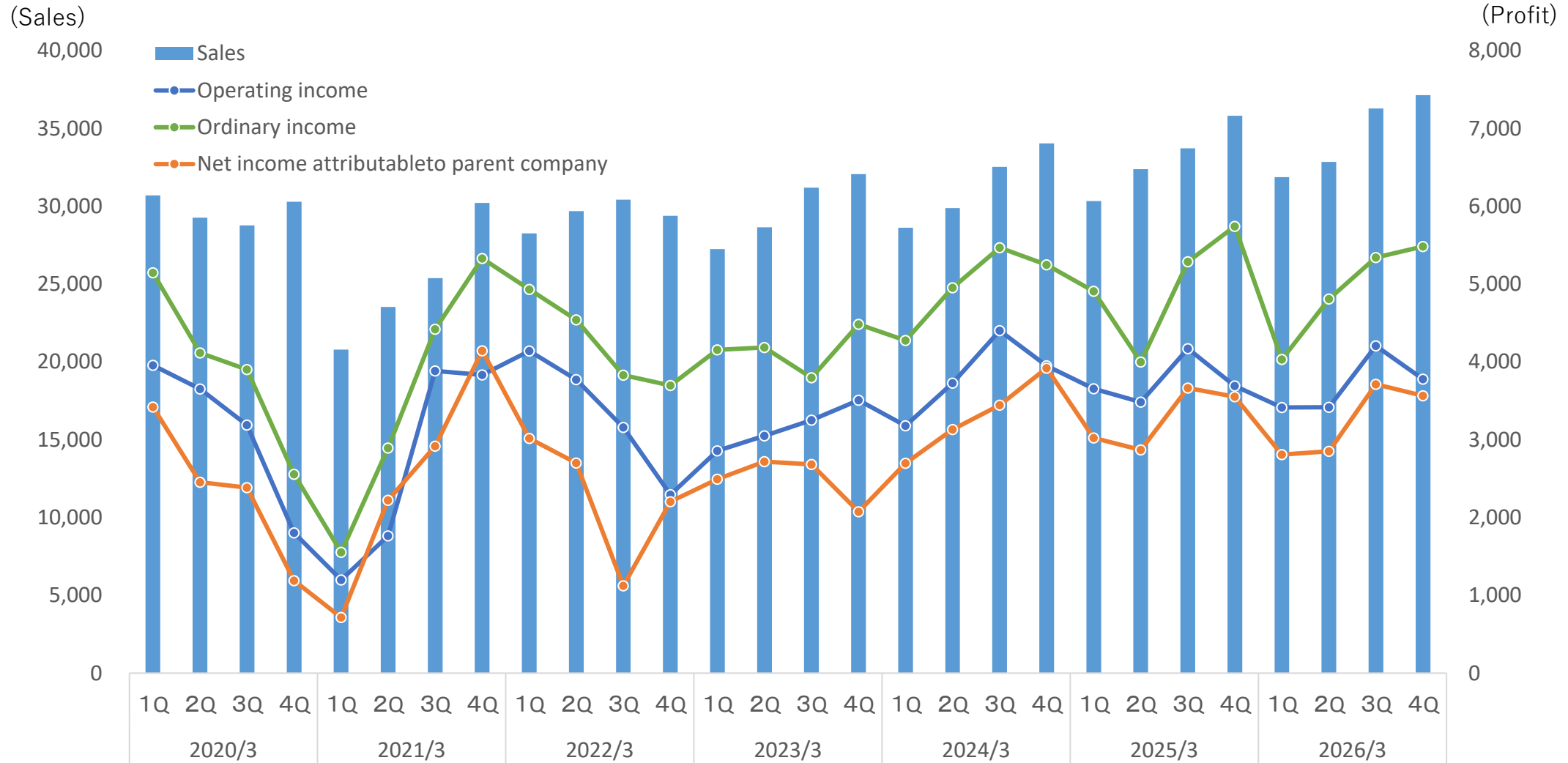
(Sales)

(Profit)



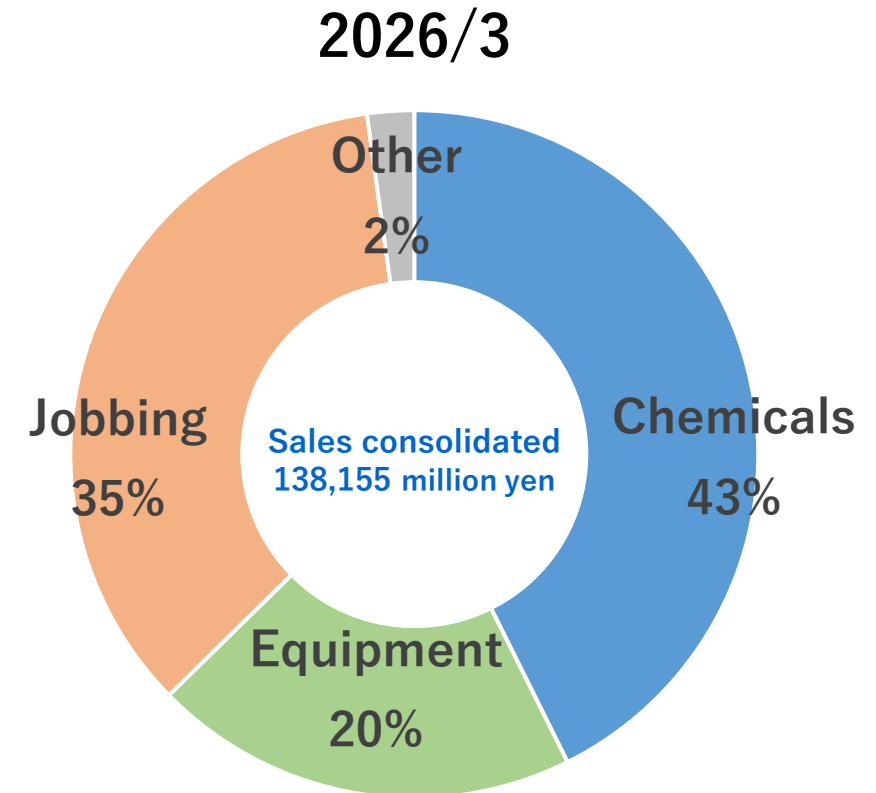
Consolidated quarterly trend

(Unit: million yen)



Business segment and sales composition ratios

Business segment	Main business
Chemicals	<ul style="list-style-type: none"> ● Surface treatment chemicals for adding corrosion resistance, creating a paint base, providing lubrication ● Rolling oil and lubricants ● Rust proof oil ● Electroless plating solution (KANIGEN PLATING) ● Other products for design features and other various purpose
Equipment	<ul style="list-style-type: none"> ● Pretreatment, E-coat equipment ● Wastewater treatment ● Paint application and Robots ● Paint Booth and Air Supply Unit ● Powder Coating Equipment (PARKER IONICS) ● Conveyors ● Wet booths and Dry booths, etc.
Jobbing	<ul style="list-style-type: none"> ● Rust proof coating ● Salt-bath nitriding (ISONITE) ● Gas carburizing, Carbonitriding, Low temperature carbonitriding ● Gas nitrocarburizing ● Electroless plating process (KANIGEN PLATING) ● Solid lubrication ● Other various surface treatment
Other	<ul style="list-style-type: none"> ● Building maintenance ● Medical ● Others



Financial results of business segments by area

(Unit: million yen)

	Sales			Operating income		
	2025/3	2026/3	Changes	2025/3	2026/3	Changes
Japan	32,284	33,204	+919	5,245	4,814	-431
Asia	24,262	24,840	+577	4,091	3,726	-364
Europe and North America	1,069	874	-194	231	93	-137
Inter-segment	1,379	1,231	-147	772	729	-42
Chemicals	58,996	60,151	+1,155	10,340	9,363	-976
Japan	16,003	16,173	+170	224	655	+430
Asia	7,617	10,711	+3,093	111	1,020	+908
Europe and North America	585	737	+151	79	76	-3
Inter-segment	479	773	+293	269	364	+94
Equipment	24,686	28,395	+3,708	685	2,116	+1,430
Japan	24,944	26,143	+1,199	3,261	3,971	+709
Asia	12,701	12,599	-101	1,455	1,025	-429
Europe and North America	10,108	9,827	-281	74	-569	-643
Inter-segment	51	72	+21	226	247	+21
Jobbing	47,805	48,643	+838	5,016	4,675	-341
others	2,846	3,113	+267	75	-19	-94
Sub-total	134,333	140,303	+5,969	16,118	16,136	+17
Adjustments and Eliminations	-2,052	-2,147	-95	-1,120	-1,322	-202
Consolidated	132,281	138,155	+5,873	14,998	14,814	-184

(Note) Sales and profit of each segment include internal sales and transfers between segments.

Chemicals

- Domestically, sales showed a gradual recovery trend, mainly in the steel and automotive sectors. While sales remained sluggish in Europe and the Americas, sales increased in Asia. As a result, overall chemical sales increased.
- Operating profit decreased due to rising raw material prices, increased labor costs, and increased depreciation expenses.

Equipment

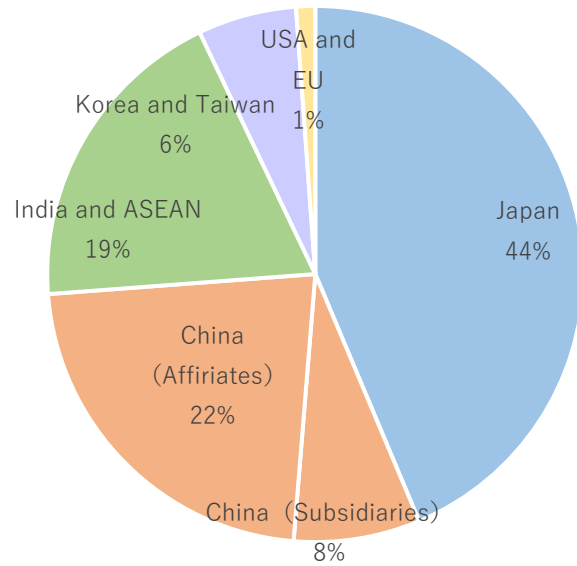
- In addition to expanding sales overseas in countries such as India and China, domestic sales also increased. As a result, overall sales in the equipment business increased.
- Operating profit also increased along with the increase in sales.

Jobbing

- Domestically, orders increased, particularly from the automotive industry. However, our sales decreased due to stagnant sales by Japanese automakers in Thailand, China, and other countries. Sales also declined in other regions, including the United States.
- Operating profit decreased due to persistently high raw material and utility costs, as well as increased labor and depreciation expenses.

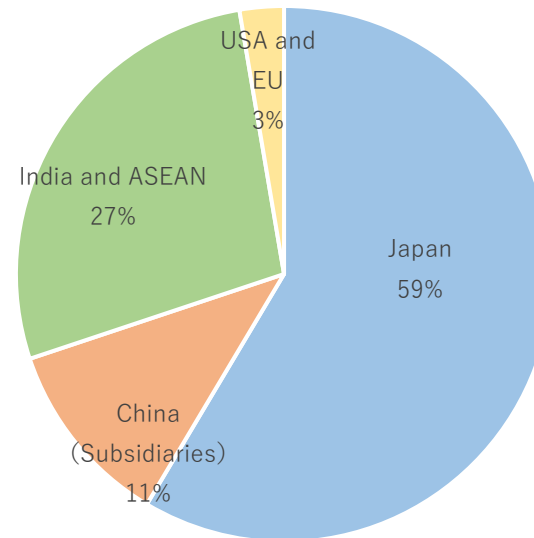
Percentage of sales by area (※including sales of equity method affiliates in China)

Chemicals



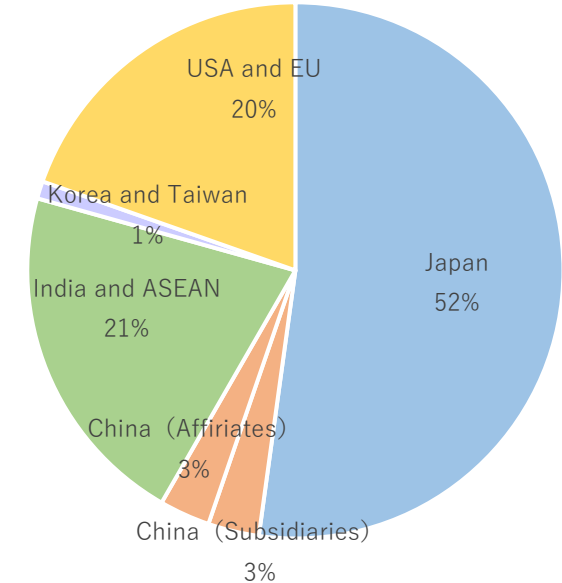
Subsidiaries 58,919 million yen
Affiliates 17,120 million yen

Equipment



Subsidiaries 27,621 million yen
Affiliates - million yen

Jobbing



Subsidiaries 48,570 million yen
Affiliates 1,531 million yen

Promoting regional management
- Strengthening group collaboration and expanding overseas business -

Non-operating income and Extraordinary gain and loss

- In addition to interest and dividends received, equity in earnings of affiliates in Japan and China, as well as technology fees received, were recorded. As a result, ordinary profit amounted to 19,667 million yen.
- We recorded extraordinary profits of 4,791 million yen (including gains on sales of investment securities of 4,235 million yen) and extraordinary losses of 1,508 million yen (Including impairment loss of fix assets 805 million yen, etc.). As a result, Net income attributable to parent company shareholders amounted to 12,940 million yen.

(Unit: million yen)

	2025/3	2026/3	増減
Operating income	14,998	14,814	-184
Non-operating profit	5,690	5,689	-1
Interest income	1,069	1,039	-29
Dividend income	802	809	+6
Technical support fee	791	892	+100
Equity in earnings of affiliates	1,825	1,454	-370
Other income	1,201	1,493	+293
Non-operating expenses	753	835	+82
Interest expense	17	8	-9
Other expense	735	827	+92
Ordinary income	19,936	19,667	-268
Extraordinary income	1,186	4,791	+3,605
Extraordinary loss	1,420	1,508	+87
Income before income taxes	19,702	22,951	+3,249
Income taxes	5,514	8,659	+3,145
Net income attributable to non-controlling interests	1,075	1,350	+275
Net income attributable to parent company shareholders	13,112	12,940	-172

Revenue from China and Taiwan area
(Profits from subsidiaries and affiliates)

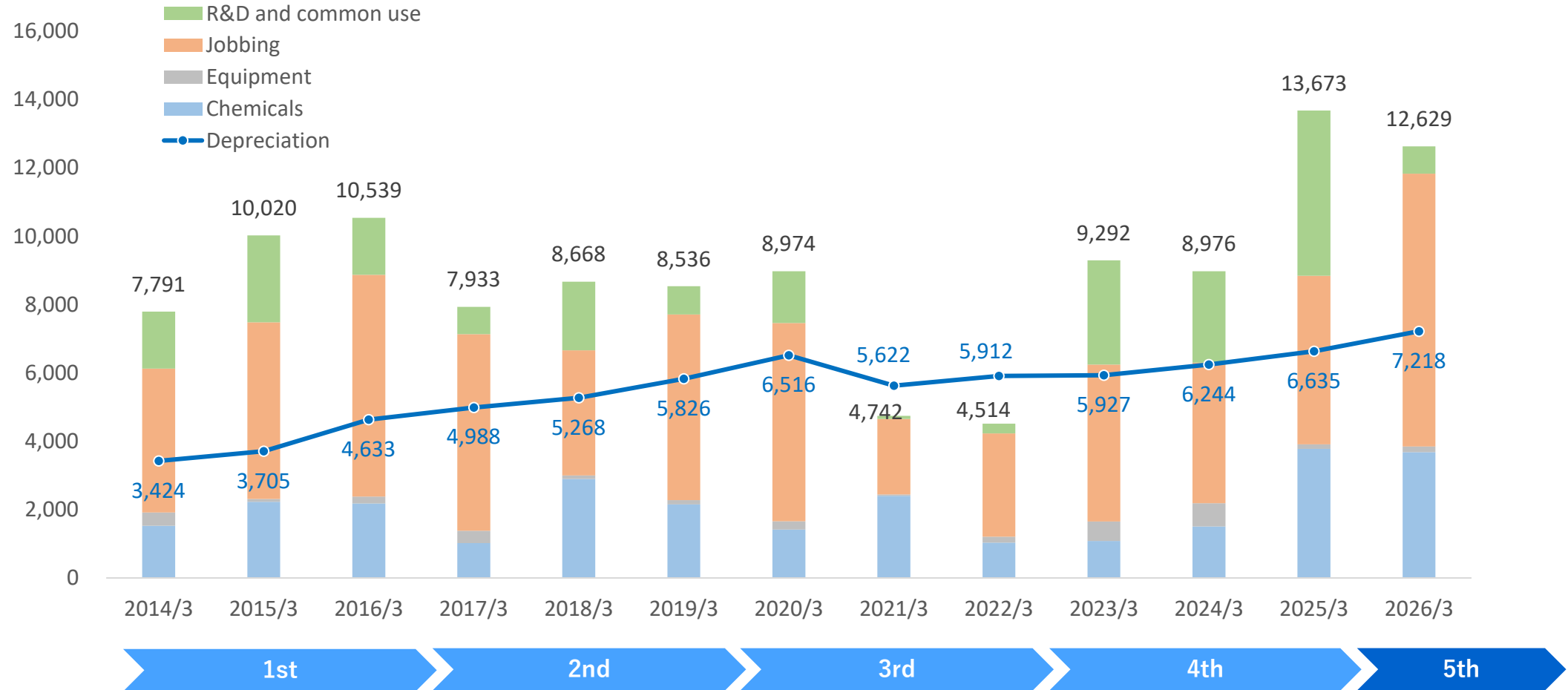
	2025/3	2026/3	Changes
Operating income	372	542	+170
Technical support fee	243	298	+55
Equity in earnings of affiliates	749	671	-78
Total	1,365	1,511	+146

Including gain on sales of investment securities 4,235 million yen, etc.

Including impairment loss of fix assets 805 million yen, etc.

Capital investment

(Unit: million yen)

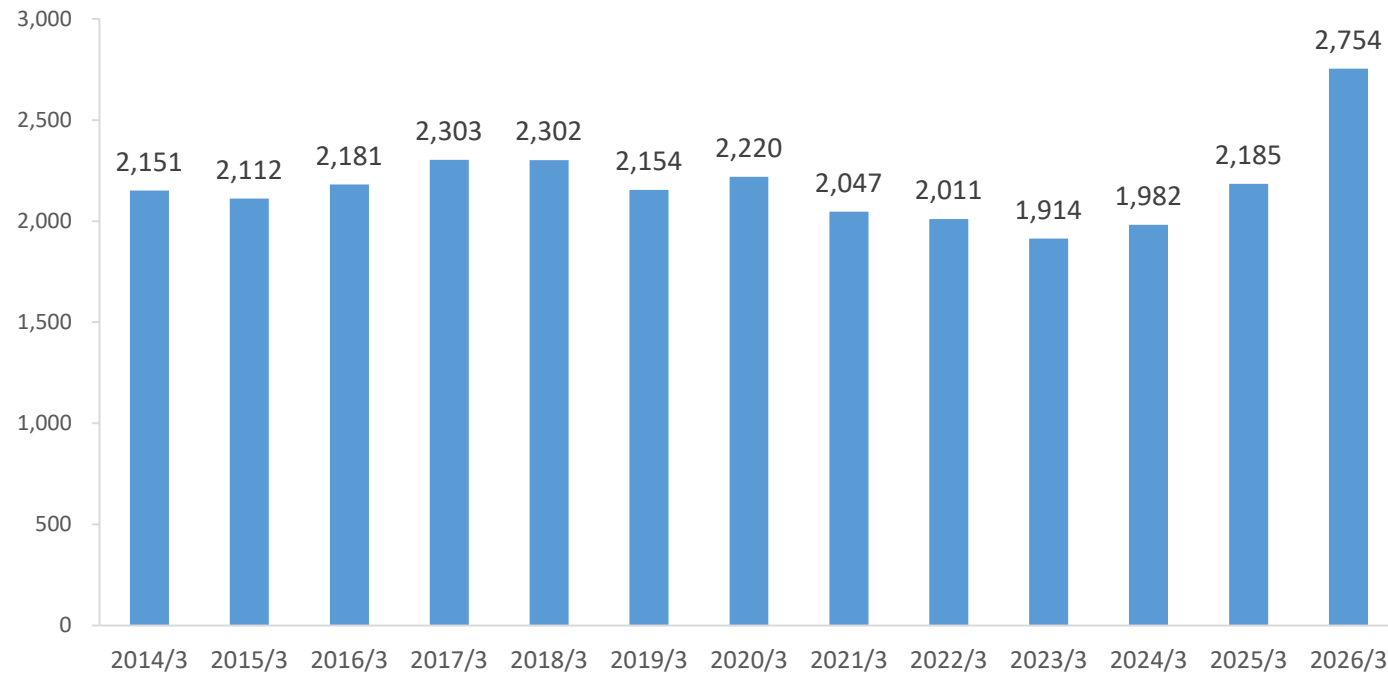


■ We will implement investments in expanding processing plants in Japan and Vietnam.

Research and Development

(Unit: million yen)

Research and Development Expenses



Steel	Automotive
Non-ferrous metal	Advanced technology fields
Cold Forming	Rolling Oil
Fundamental research	Analytical Science
Surface Hardening	Multiplex Surface Treatment

More than 130 employees work at Parker Innovation Center, and we will continue to invest approximately 2,000 million yen in Research and Development every year.

- Parker Innovation Center opens, and the Advanced Technology Research Department and Core Technology Research Department are established.
 - Development of surface treatment technologies that contribute to lubrication, insulation, CO₂ emission reduction, and energy conservation.
 - Development of medical device products utilizing surface treatment technologies (obtained Class I medical device manufacturing and sales license in February 2023).
 - Development of differentiated technologies integrating pharmaceuticals, equipment, and processing.



**Parker Innovation Center
(Opening in April 2025)**

Consolidated balance sheet

(Unit: million yen)

	2025/3	2026/3	Changes	
Current assets	137,868	127,104	-10,763	Cash and deposits -5,051
Fixed assets	129,381	145,989	+16,607	
Tangible and Intangible assets	75,848	80,661	+4,812	Acquisition + 12,269, Depreciation - 7,218
Investments and other assets	53,532	65,327	+11,795	Investment Securities +6,019
Total assets	267,250	273,094	+5,843	
Current liabilities	32,617	36,436	+3,818	Notes and accounts payable -398, Unpaid corporate taxes +4,225
Fixed liabilities	11,334	15,200	+3,866	
Total liabilities	43,951	51,636	+7,685	
Total net assets	223,298	221,457	-1,841	
Shareholders' equity	165,531	163,993	-1,536	Current profit + 12,940, Treasury stock -8,640, Dividends -5,612
Accumulated other comprehensive profit	29,687	37,828	+8,140	
Non-controlling interests	28,080	19,635	-8,445	
Total liabilities and net assets	267,250	273,094	+5,843	
Shareholders' equity ratio	73.0%	73.9%		Shareholders' equity ratio is stable.

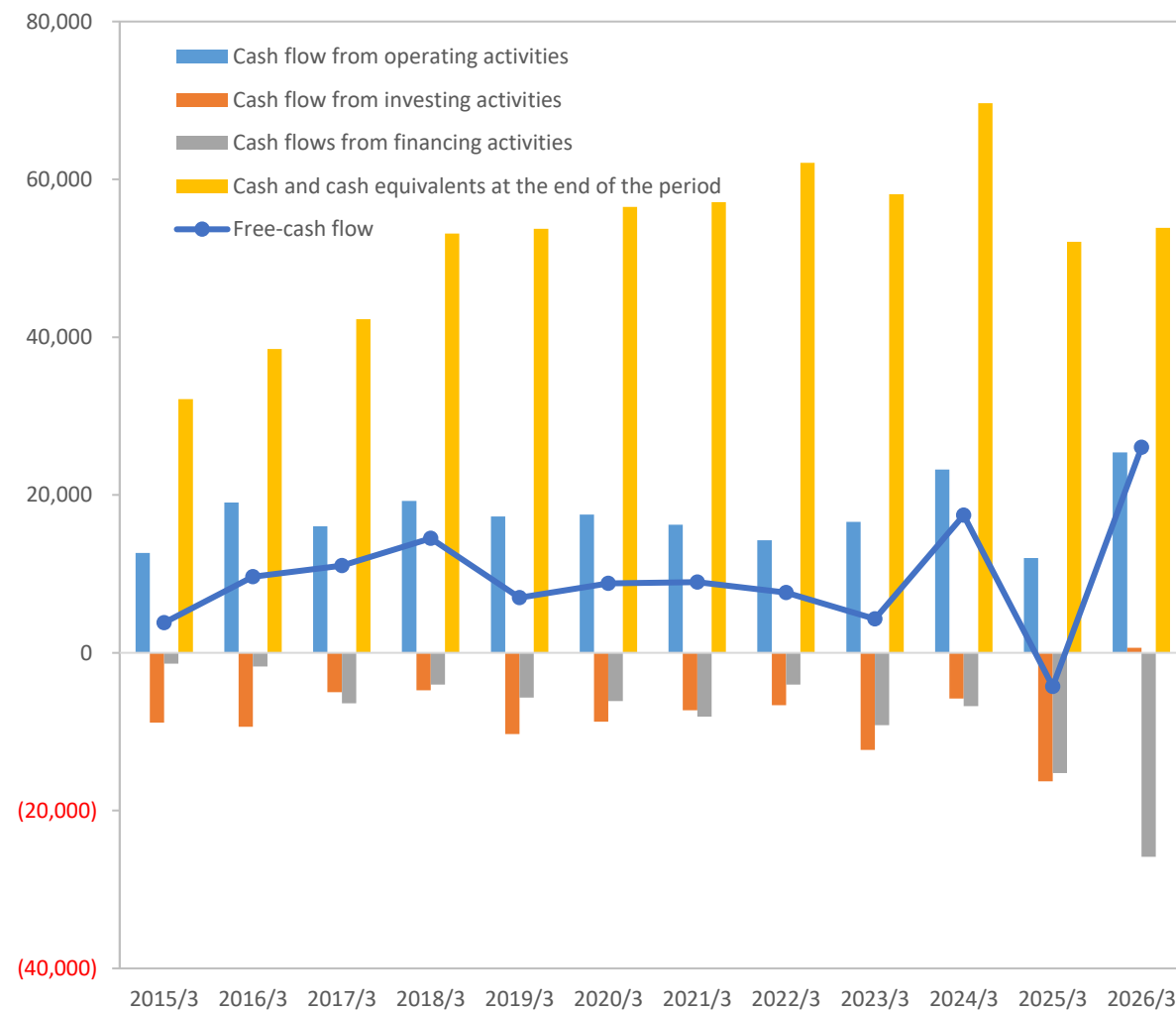
※Shareholders' equity ratio = ("Total net assets" - "Non-controlling interests") / Total liabilities and net assets

Consolidated cash flow

(Unit: million yen)

	2025/3	2026/3
Net cash provided by operating activities	12,010	25,402
Profit before income taxes	19,702	22,951
Depreciation and amortization	6,635	7,218
Others	-14,327	-4,767
Net cash used in investing activities	-16,283	617
Purchase of property, plant and equipment	-11,127	-11,776
Others	-5,156	12,393
Net cash used in financing activities	-15,227	-25,857
Cash dividends paid	-5,420	-5,754
Dividend payments to Non-controlling interests	-1,196	-7,313
Purchase of treasury shares	-8,062	-8,640
Expenditures from the acquisition of subsidiary shares without changing the scope of consolidation	-182	-4,103
Others	-365	-45
Effect of exchange rate change on cash and cash equivalents	1,937	1,588
Net increase (decrease) in cash and cash equivalents	-17,563	1,751
Cash and cash equivalents at beginning of the fiscal year	69,661	52,097
Cash and cash equivalents at end of the fiscal year	52,097	53,849

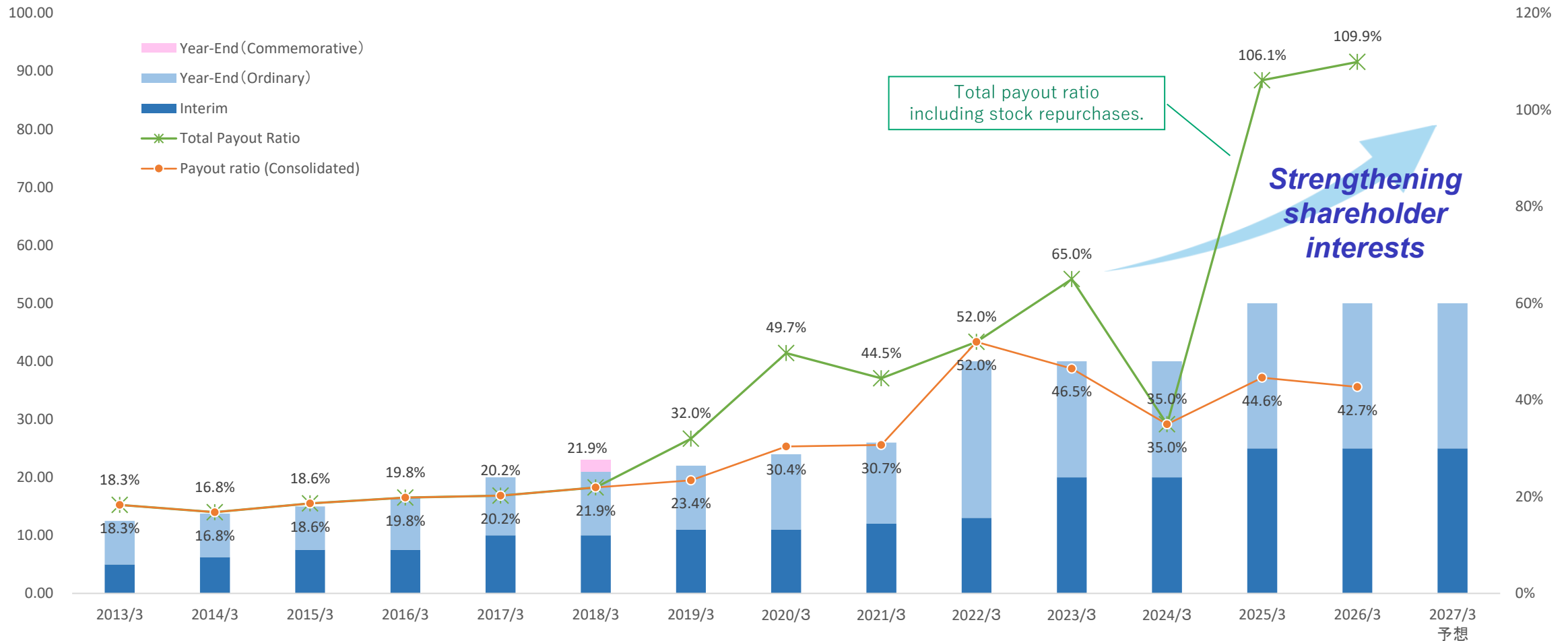
- Although expenditures due to capital investments and share buybacks increased, the year-end balance increased.



(Note: Free cash flow = "Income from operating activities" - "Expenditures from investing activities")

Dividend policy and shareholder return

- Regarding dividends, we have determined that we have secured a certain level of investment capital necessary for the growth and stabilization of our financial base. Therefore, we plan to maintain a stable dividend payout ratio and, considering the total shareholder return (TSR), continue to pay dividends exceeding our current dividend policy (consolidated dividend payout ratio of approximately 30%) for the time being.
- Furthermore, in order to improve ROE and strengthen capital efficiency, we will timely implement share buybacks, such as our cash reserves and the trends in the stock market.



Forecast for next fiscal year and prospects

(Unit: million yen)

	A Actual 2026/3	B Forecast 2027/3	B-A Change
Net Sales	138,155	134,000	-4,155
Chemicals	58,919	61,500	+2,581
Equipment	27,621	21,400	-6,221
Jobbing	48,570	48,119	-451
Others	3,043	2,981	-62
Operating income	14,814	15,000	+186
Ordinary income	19,667	19,000	-667
Net income attributable to parent company shareholders	12,940	14,000	+1,060
Operating profit margin	10.7%	11.2%	-
Sales ordinary income ratio	14.2%	14.2%	-
Ratio of ordinary income to total assets	149.71 yen	156.00 yen	-

In addition to concerns such as continued global price increases, fluctuations in financial and capital markets, and the impact of U.S. trade policy, rising energy prices and raw material costs are also expected due to the escalating tensions in the Middle East. Therefore, the outlook remains uncertain. In this context, we recognize that reflecting rising raw material prices in sales prices in a timely and appropriate manner, while gaining customer understanding, is a crucial challenge, and we are strengthening our efforts to secure appropriate profits.

Given this business environment, our performance forecast for the fiscal year ending March 2027 is projected at 134 billion yen in total sales.

Measures to realize Vision 2030

Measures to realize Vision 2030

To realize Vision 2030, we will promote the following measures in our 5th Group Medium-Term Plan!

Expanding Overseas Business ~Promoting Regional Management~

- Delegation of authority to each region
- Strengthening regional marketing functions targeting overseas companies
- Rapid response to regional needs

Creating new businesses ~ Challenge for change~

- Active promotion of M&A and strategic alliances to expand the business portfolio
- Product development utilizing the group's surface treatment technology
- Medical devices (establishment of Parker MedTech Co., Ltd.)
- Components (intermediate components manufactured by applying heat and force to materials such as metals)

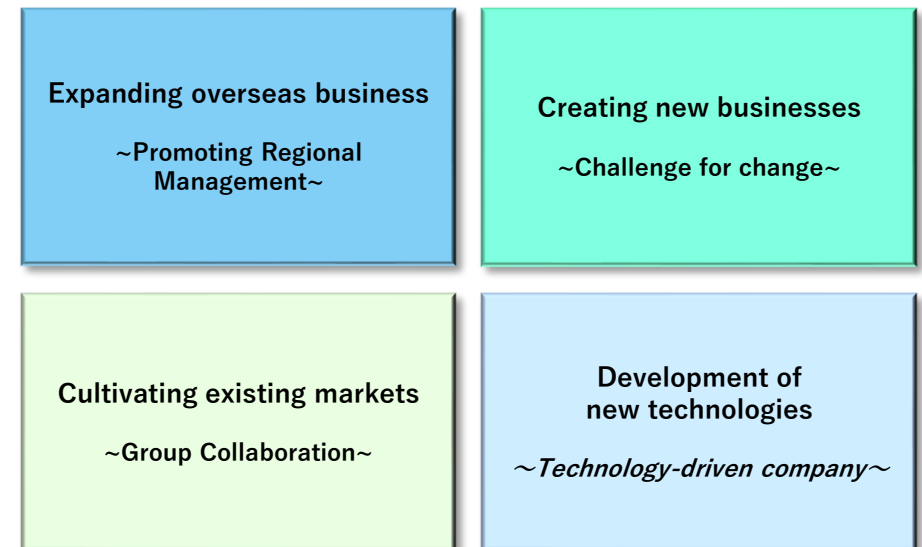
Development of new technologies ~Technology-driven company~

- Technology development contributing to a decarbonized society, such as improving sliding properties and wear resistance
- Technology development in the fields of electronics and new energy

Cultivating existing markets ~Group Collaboration~

- We will promote integrated sales and technological development of chemicals, equipment, and processing technologies.
- We will promote initiatives to improve management efficiency, including group restructuring.
 - We increased our shareholder ratio in Thai Parkerizing from 49% to 67% (December 2025).
 - We established Parker Processing Co., Ltd. (integrating our processing business division into Parker Processing) (April 2026).
 - We absorbed Hokkaido Parkerizing Co., Ltd. (April 2026).

Basic Strategy for Achieving Vision 2030

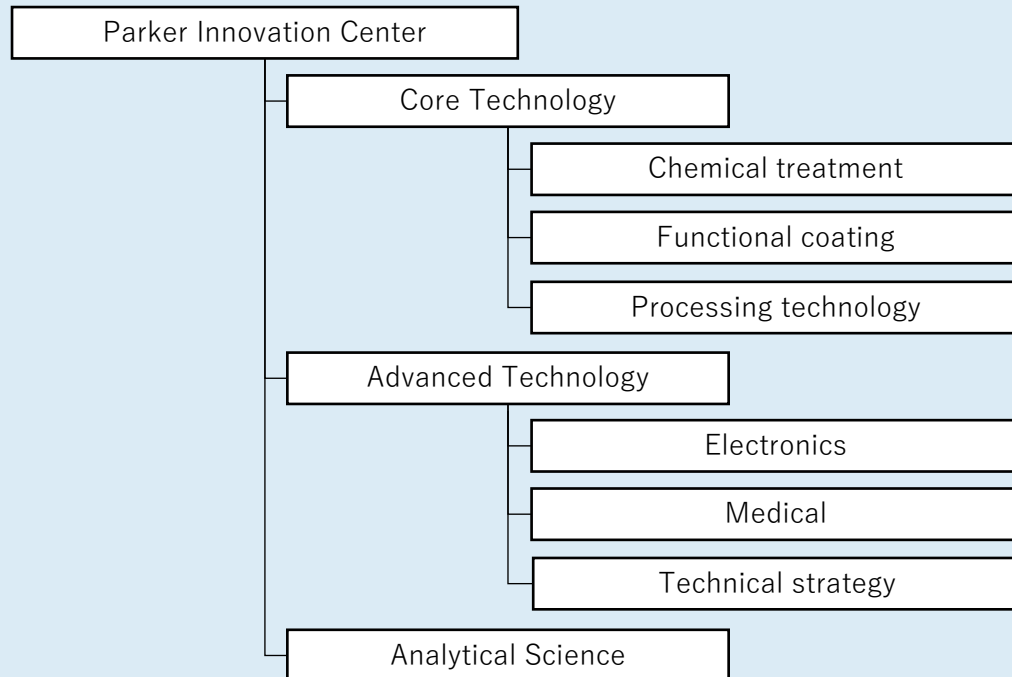


Technology development for expanding the business portfolio (1/2)

Parker Innovation Center opens, and the Advanced Technology Research Department and Core Technology Research Department are established.

- Development of surface modification technologies that contribute to solving social issues, such as realizing a decarbonized society.
- Technological development tailored to local needs overseas (collaboration with R&D bases in China and Thailand).
- Development of technologies for electric vehicles (EVs) and next-generation vehicles.
- Development of products (medical devices, etc.) that apply our surface treatment technologies.
- Development of composite technologies combining pre-treatment and post-treatment.
- Feasibility studies and research for entering new fields.

<Organizational structure of the Parker Innovation Center>



(Opening in April 2025)

Developing technologies to meet local needs

Parker Innovation Center



PARKER SURFACE TECHNOLOGIES (SHANGHAI) CO.,LTD.



PARKER SURFACE TECHNOLOGY ASIA PACIFIC CO., LTD. (in THAI PARKERIZING CO.,LTD.)

Providing technical support to customers

Technology development for expanding the business portfolio (2/2)

1 化成処理技術

- Surface modification technology.
- Film Thickness Control from Nanometers to Tens of Microns.
- Environmentally Friendly Low-Temperature Chemical Treatment Technology.
- Support System to Guarantee Stable Operation.

2 Functional coating technology

- Film Forming Technology for Achieving Multifunctionality and Addition of New Functions.
- Surface Treatment Design Technology Tailored to Materials and Processing Methods.
- Modification and Control of Material Surfaces and Near-Surface Surfaces.

3 Processing technology

- Environmental Load Reduction Technology, such as Extending Lifespan through Improved Wear Resistance and Heat Resistance.
- Development of Low-Distortion, High-Strength Heat Treatment Technology.
- Development of Composite Technologies Combining Pre-treatment and Post-treatment.
- Integrated Technology Development for Chemicals, Equipment, and Processing.

4 Technological development for exploring new fields

- Technology Development in the Electronics Field.
- Development of Energy-Saving Technologies through Improved Insulation and Conductivity.
- Development of products (Medical Devices, etc.) applying Our Surface Treatment Technology.
- Technology Development in the New Energy Field.

Parker Innovation Center

Industry-academia collaboration

- Joint research with universities and research institutions
- Participation in consortia

Joint research

- Joint research and technology partnerships with companies in different industries
- Promotion of proposal-based research and development



Group collaboration

- Mutual utilization of knowledge and expertise within the group
- Collaboration with overseas R&D bases (China and Thailand)

Challenging new businesses

- Technical feasibility studies and development theme formulation
- Collaboration with startups



EV



Electronics



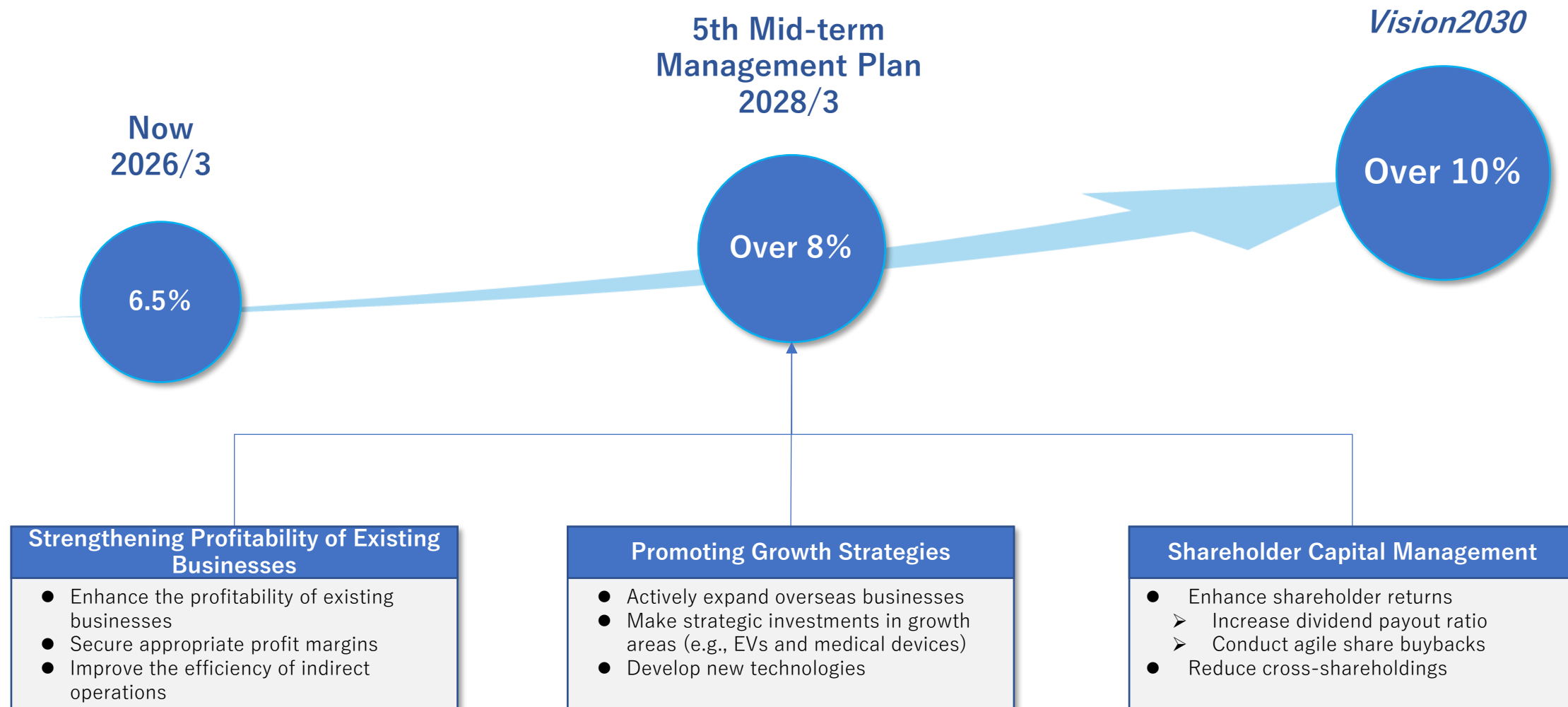
Medical



Processing

Management that is mindful of the cost of capital

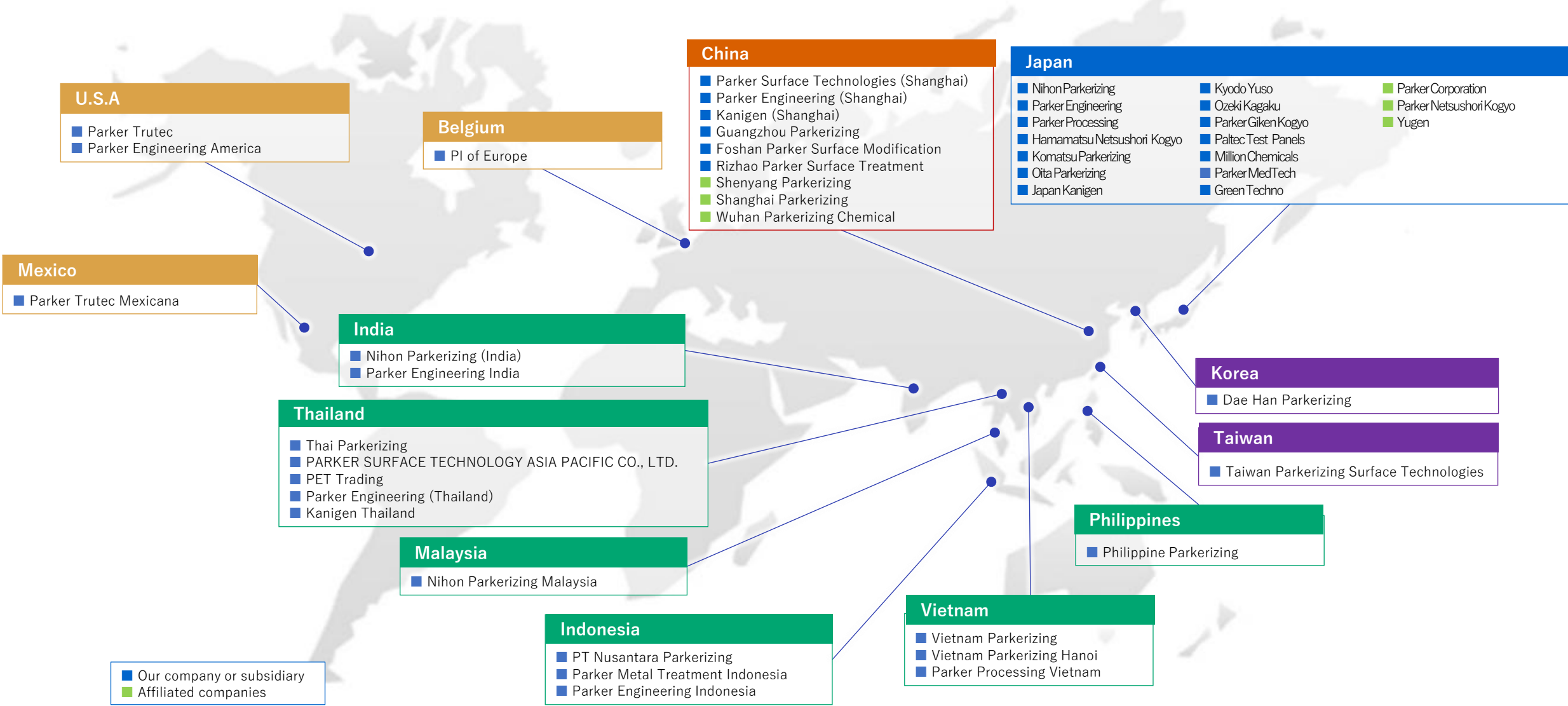
To achieve a price-to-book ratio (PBR) of 1.0 or higher, we will set medium- to long-term targets for return on equity (ROE) that exceed the cost of capital and improve capital efficiency by allocating funds in a balanced manner to investments in growth strategies, shareholder returns and maintaining financial soundness.



(Supplementary information)

Subsidiaries and affiliated companies (As of March 31, 2026)

Strengthening cooperation between group companies × Expanding overseas business



Consolidated financial highlights

(Unit: million yen)

	1st		2nd		3rd		4th		5th				
Net Sales	2014/3	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3	2026/3
Operating income	99,793	102,514	109,063	109,569	114,840	129,207	119,028	99,918	117,752	119,177	125,085	132,281	138,155
Ordinary income	15,393	14,850	15,766	16,934	17,984	17,023	12,601	10,681	13,370	12,668	15,258	14,998	14,814
Net income attributable to parent company shareholders	18,046	17,453	17,921	18,779	20,750	20,130	15,723	14,197	17,003	16,625	19,945	19,936	19,667
Operating profit margin	10,142	9,975	10,320	12,228	12,721	11,424	9,449	9,999	9,046	9,973	13,194	13,112	12,940
Sales ordinary income ratio	15.4%	14.5%	14.5%	15.5%	15.7%	13.2%	10.6%	10.7%	11.4%	10.6%	12.2%	11.3%	10.7%
Ratio of ordinary income to total assets	18.1%	17.0%	16.4%	17.1%	18.1%	15.6%	13.2%	14.2%	14.4%	13.9%	15.9%	15.1%	14.2%
Return on equity (ROE)	11.5%	9.9%	9.5%	9.7%	10.0%	9.2%	7.2%	6.5%	7.6%	7.1%	7.9%	7.4%	7.3%
Shareholders' equity ratio	11.1%	9.4%	8.9%	10.2%	9.7%	8.2%	6.7%	6.8%	5.8%	6.1%	7.5%	6.9%	6.5%
Net Sales	59.5%	61.1%	61.5%	62.5%	62.9%	64.2%	66.1%	68.8%	70.0%	70.3%	69.4%	73.0%	73.9%

The forward-looking statements such as forecast of financial consolidated results contained in this document are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. Actual results may differ from these forecast due to various factors.

Significant factors which may affect actual results include but are not limited to; a)state of the economy b)fluctuations in exchange rates c)product competitiveness, d)regulations and e)limits of intellectual property protection.

The information in this document is not intended to solicit investment.

Please make investment decisions at your own discretion.

VISION 2030

**Transforming a diverse range
of surfaces with chemistry**