



Chairman president and C.E.O.

Kazuichi Satomi

Business Report

139th period

April 1, 2023 ▶ March 31, 2024

To Our Shareholders

Thank you very much for your continued support. It is a pleasure to present our final report for the 139th fiscal period, April 1, 2023 to March 31, 2024.

During this period, the Japanese economy gradually recovered as social and economic activity continued to normalize, and we were able to see a recovery in personal consumption and corporate production. However, the cost of raw materials and energy remained high, exchange rate fluctuations were volatile, and the outlook remained uncertain. When we looked at the global economy, consumer spending remained firm in the U.S., with signs of a moderate recovery. However, the outlook remained uncertain worldwide due to tight monetary policies, inflation in various countries, and concerns about an economic slowdown, including a real estate slump in China.

Among our key customers in the automotive industry, the semiconductor and parts supply shortages were mitigated, and the production of automobiles increased globally. At the same time, auto output in Japan also increased over the previous year. For our key customers in the steel industry, the demand for steel for the automotive industry has recovered. However, demand for steel for construction was sluggish due to high materials prices and delays in construction schedules, resulting in a fall in crude steel production in Japan compared to the previous year, while global production remained flat.

Against such a backdrop, the Parker Group worked to cultivate new business in existing fields, develop new business in all our business segments, and expand our business globally under its fourth mid-term management plan, which started last year. In addition, we actively sought solutions to environmental and social issues and worked to improve our corporate value with a long-term perspective. We also strengthened our quality control and quality assurance Group-wide to ensure the supply of products and services that have the trust of our customers.

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

Regarding the final dividend for this period, the Company determined that we have secured investment funds for growth and a certain degree of financial security, will return as much as possible to shareholders for the time being and have resolved to pay a final dividend of twenty yen per share.

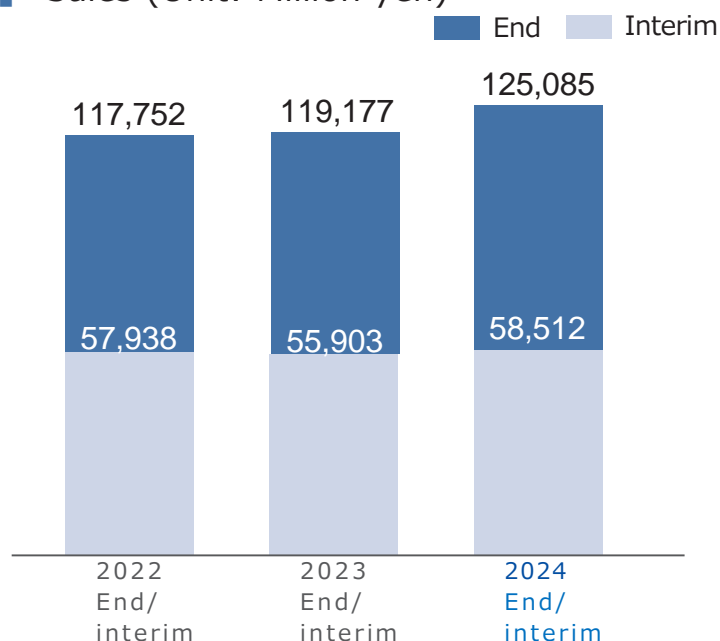
Regarding the economic outlook, Japan's economy is expected to recover moderately as equipment investment increases following improvements in corporate profits. Overseas, the U.S. economy remains strong, and while Asia is concerned about a slowdown in China, economic growth is expected to continue, led by India. However, the economic outlook will remain uncertain due to a number of risk factors, such as high materials and energy prices, continued inflationary pressures, and concerns about an economic downturn due to global monetary tightening.

Against such an economic backdrop, the Parker Group will strengthen its financial management foundations to develop new growth as it heads towards its centenary in 2028. We will aim for sustainable growth by promoting research and development to cultivate existing fields, create new businesses, and strengthen our global quality control and quality assurance.

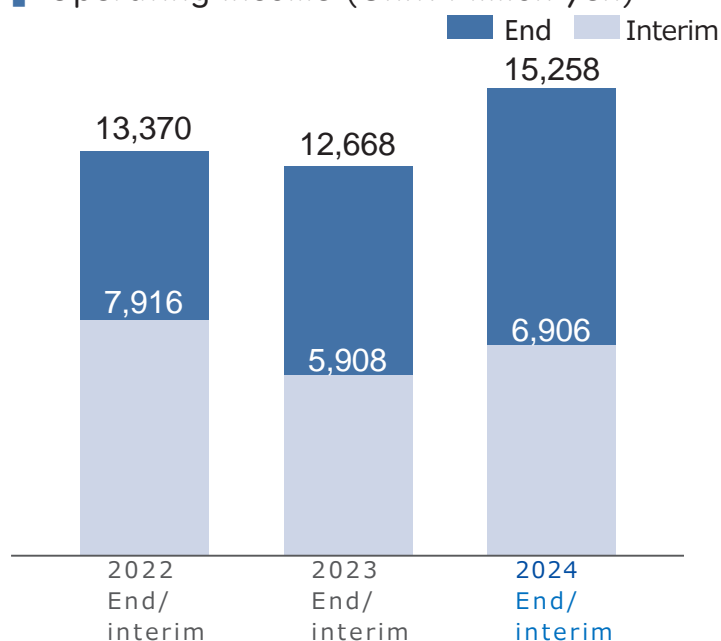
We look forward to the continuing support of our shareholders.

Consolidated results

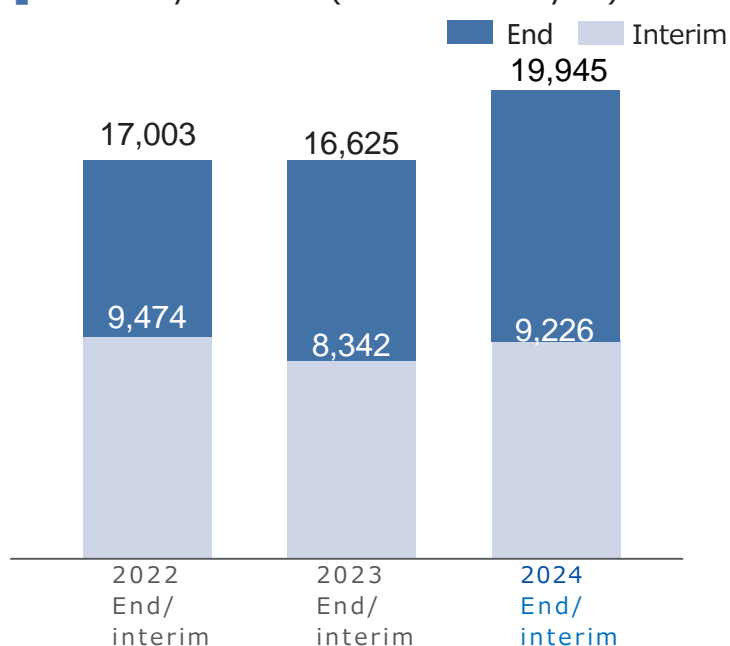
Sales (Unit: Million yen)



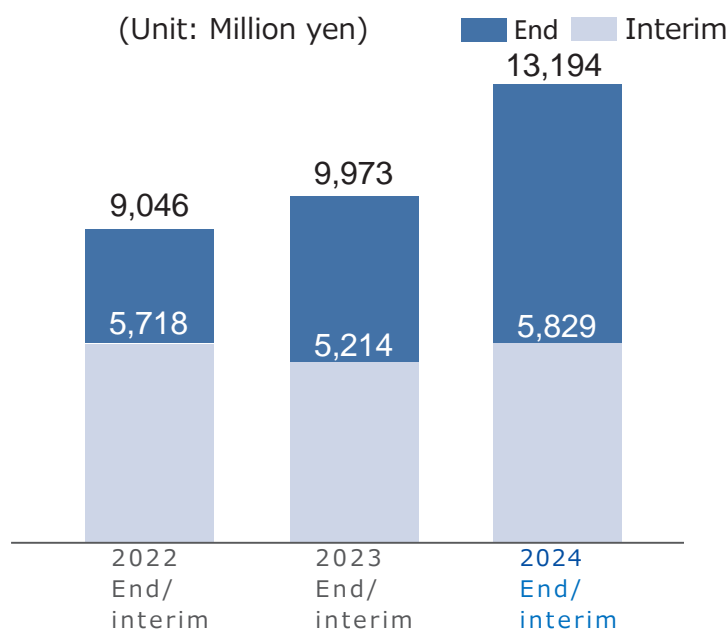
Operating income (Unit: Million yen)



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: 4,279
(consolidated)

Listing: Prime Market of Tokyo Stock
Exchange

Directors [As of June 27 , 2024]

Chairman	Kazuichi	Satomi	Chief Executive Officer
Representative Director	Masayuki	Aoyama	President, Executive Officer
Representative Director	Hiroyasu	Tamura	Vice President, Executive Officer
Director	Yasumasa	Fukuta	Executive Officer
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.

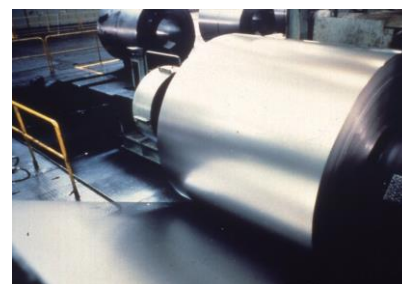
2,843 million yen (2.3%)



Chemicals

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

56,269 million yen (45.0%)



**Total
125,085
million yen**

Jobbing

Rust preventive jobbing, heat treatment jobbing, etc.

46,822 million yen (37.4%)



Equipment

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

19,149 million yen (15.3%)



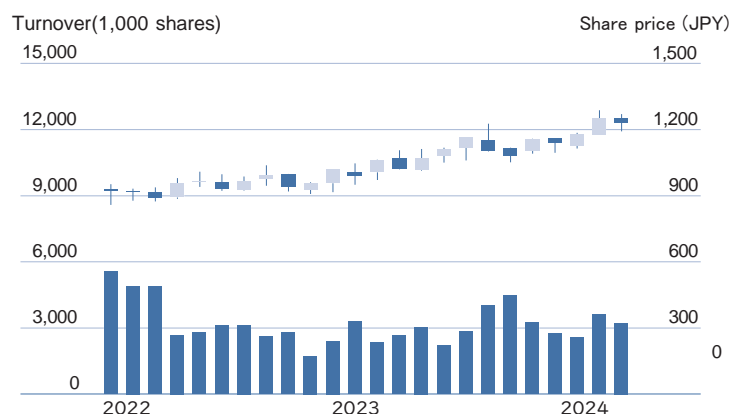
Stock information

(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	6,636
(4) Principal shareholders	

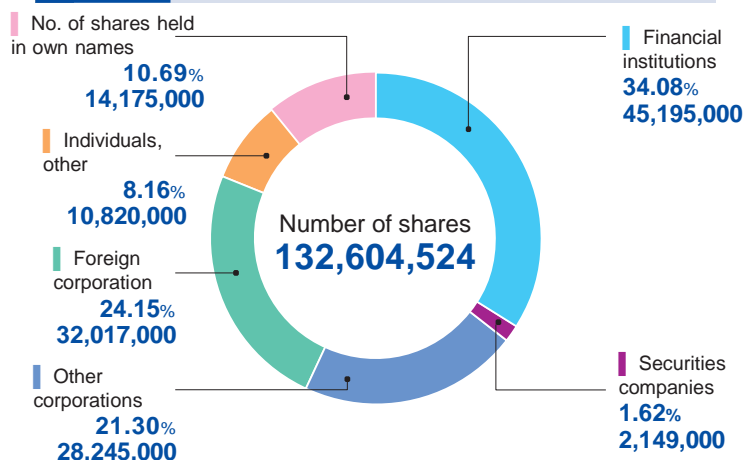
Name	Shares held (Unit: 1,000)	Ownership ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	12,139	10.25
Nippon Life Insurance Company	7,015	5.92
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS	6,776	5.72
Meiji Yasuda Life Insurance Company	5,020	4.23
The Chiba Bank, Ltd.	4,765	4.02
Yugen Co., Ltd.	4,708	3.97
The Satomi Scholarship Foundation	4,633	3.91
Custody Bank of Japan, Ltd. (Trust account)	3,945	3.33
Sumitomo Mitsui Banking Corporation	3,113	2.62
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	2.24

(Note) 1. Nihon Parkerizing holds 14,175,000 treasury shares. (Not included in the above principal shareholders list.)
 2. Shareholder ratios are calculated excluding the treasury shares.
 3. Nihon Parkerizing has introduced a "Board Benefit Trust (BBT)" and the Custody Bank of Japan, Ltd. (Trust account E) (hereinafter the "Trust Account E") has acquired 325,000 of the Company's shares.
 The shares of Nihon Parkerizing held by Trust Account E are not included in treasury stock.

Transition of share price



Distribution by ownership



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/>

