

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>			
A	This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☒ a single-employer plan ☐ a DFE (specify) ____		
B	This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	If the plan is a collectively-bargained plan, check here. ☐		
D	Check box if filing under:	☒ Form 5558 ☐ special extension (enter description)	☐ automatic extension ☐ the DFVC program

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>NITTO AMERICAS INC. 401(K) RETIREMENT PLAN</u>	1b	Three-digit plan number (PN) <u>001</u>
		1c	Effective date of plan <u>01/01/1978</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>NITTO AMERICAS INC.</u> <u>300 FRANK W. BURR BLVD.</u> <u>5TH FLOOR SUITE 66</u> <u>TEANECK, NJ 07666</u>	2b	Employer Identification Number (EIN) <u>13-2623346</u>
		2c	Plan Sponsor's telephone number <u>210-645-4950</u>
		2d	Business code (see instructions) <u>339900</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2017	STACIE KNOPF
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2017	STACIE KNOPF
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 1967
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 1616 6a(2) 1948 6b 2 6c 394 6d 2344 6e 0 6f 2344 6g 2344 6h 17
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2F 2E 2J 2K 3H 2G 2T 3D 2S b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ <u>1</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 <hr/> 2016 <hr/> This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning **01/01/2016** and ending **12/31/2016**

A Name of plan NITTO AMERICAS INC. 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 NITTO AMERICAS INC.	D Employer Identification Number (EIN) 13-2623346	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier

PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-1050034	93629	041707	2344	01/01/2016	12/31/2016

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end **4** 21812844**5** Current value of plan's interest under this contract in separate accounts at year end..... **5** 297640**6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier**6b****c** Premiums due but unpaid at the end of the year**6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount**6d**

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☒ other ▶ GUARANTEED GENERAL ACCOUNT CONTRACT**b** Balance at the end of the previous year **7b** 17141832**c** Additions: (1) Contributions deposited during the year **7c(1)** 2556639(2) Dividends and credits..... **7c(2)**(3) Interest credited during the year..... **7c(3)** 361265(4) Transferred from separate account..... **7c(4)**(5) Other (specify below)..... **7c(5)** 5008549

▶ LOAN REPAYMENTS, TRANSFERS IN MISCELLANEOUS IN FORFEITURE CREDITS

(6) Total additions **7c(6)** 7926453**d** Total of balance and additions (add lines **7b** and **7c(6)**). **7d** 25068285**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)** 1475059(2) Administration charge made by carrier..... **7e(2)** 3712(3) Transferred to separate account..... **7e(3)** 33314(4) Other (specify below)..... **7e(4)** 1743356

▶ LOAN INITIATIONS, TRANSFERS OUT MISCELLANEOUS OUT FORFEITURES DEBITS

(5) Total deductions **7e(5)** 3255441**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**)..... **7f** 21812844

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. Specify nature of costs.	10b	

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning **01/01/2016** and ending **12/31/2016**

A Name of plan NITTO AMERICAS INC. 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 NITTO AMERICAS INC.	D Employer Identification Number (EIN) 13-2623346

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 37 50 64	NONE	141668	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

UBS FINANCIAL SERVICES INC. IS BILL

13-2638166

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	122793	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

WITHUMSMITH & BROWN, PC

22-2027092

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 49	NONE	8780	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="border: 1px solid black; padding: 5px; display: inline-block;"> 2016 </div> This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>NITTO AMERICAS INC. 401(K) RETIREMENT PLAN</u>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:80%;">B Three-digit plan number (PN) ►</td> <td style="width:20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2" style="height: 20px;"></td> </tr> </table>	B Three-digit plan number (PN) ►	<u>001</u>		
B Three-digit plan number (PN) ►	<u>001</u>				
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>NITTO AMERICAS INC.</u>	D Employer Identification Number (EIN) <u>13-2623346</u>				

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRU DAY ONE IFX TARG BAL

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN <u>06-1050034-697</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>297640</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Internal Revenue Service</small> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>		
A Name of plan <u>NITTO AMERICAS INC. 401(K) RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NITTO AMERICAS INC.</u>	D Employer Identification Number (EIN) <u>13-2623346</u>	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	557	981
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	23903	0
(2) Participant contributions	1b(2)	22380	0
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)	3272912	3783867
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	0	297640
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	80283671	93458193
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	17141832	21812844
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	100745255 119353525
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	100745255 119353525

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	3811654
	(B) Participants	2a(1)(B)	8044154
	(C) Others (including rollovers)	2a(1)(C)	3500533
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	15356341
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	148767
	(F) Other	2b(1)(F)	361265
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	510032
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1662410
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	1662410
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		1955
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		7388085
c Other income.....	2c		163647
d Total income. Add all income amounts in column (b) and enter total.....	2d		25082470

Expenses**e** Benefit payment and payments to provide benefits:

(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	6056039	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		6056039
f Corrective distributions (see instructions)	2f		2086
g Certain deemed distributions of participant loans (see instructions)	2g		8080
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	407995	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		407995
j Total expenses. Add all expense amounts in column (b) and enter total	2j		6474200

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		18608270
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: WITHUMSMITHBROWN PC

(2) EIN: 22-2027092

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a	X		772546
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		2000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year (See instructions.)

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>NITTO AMERICAS INC. 401(K) RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NITTO AMERICAS INC.</u>	D Employer Identification Number (EIN) <u>13-2623346</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>22-1211670</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
----------------	---

18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment	☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)	
	a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%	
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more	
	c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____	

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	

NITTO AMERICAS INC. 401(K) RETIREMENT PLAN
Financial Statements
December 31, 2016 and 2015
With Independent Auditors' Report

Nitto Americas Inc. 401(k) Retirement Plan
December 31, 2016 and 2015

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INDEPENDENT AUDITORS' REPORT

To the Trustees,
Nitto Americas Inc. 401(k) Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Nitto Americas Inc. 401(k) Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Retirement Insurance and Annuity Company, the trustee of the plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2016 and 2015 and for the year ended December 31, 2016, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter - Supplemental Schedules

The supplemental schedules of delinquent participant contributions and assets (held at end of year) as of and for the year ended December 31, 2016 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Withum Smith & Brown, PC

October 11, 2017

Nitto Americas Inc. 401(k) Retirement Plan
Statements of Net Assets Available for Benefits
December 31, 2016 and 2015

	2016	2015
Assets		
Cash	\$ 981	\$ 557
Investments, at fair value		
Pooled separate accounts	297,640	--
Registered investment companies	<u>93,458,193</u>	<u>80,283,671</u>
Total investments, at fair value	<u>93,755,833</u>	<u>80,283,671</u>
Fully benefit-responsive investment contract, at contract value	21,812,844	17,141,832
Receivables		
Participant contributions	--	22,380
Employer contributions	--	23,903
Notes receivable from participants	<u>3,783,867</u>	<u>3,272,912</u>
Total receivables	<u>3,783,867</u>	<u>3,319,195</u>
Net assets available for benefits	<u><u>\$ 119,353,525</u></u>	<u><u>\$ 100,745,255</u></u>

The Notes to Financial Statements are an integral part of these statements.

Nitto Americas Inc. 401(k) Retirement Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2016

Additions	
Investment income	
Net appreciation in fair value of investments	\$ 7,390,040
Interest and dividend income	2,023,675
Total investment income	<u>9,413,715</u>
Interest from participants notes receivable	148,767
Contributions	
Participant	8,044,154
Employer	3,811,654
Rollovers	3,500,533
Total contributions	<u>15,356,341</u>
Other income	<u>163,647</u>
Total additions	25,082,470
Deductions	
Benefits paid	6,066,205
Administrative expenses	407,995
Total deductions	<u>6,474,200</u>
Net increase in net assets available for benefits	18,608,270
Net assets available for benefits, beginning of year	<u>100,745,255</u>
Net assets available for benefits, end of year	<u><u>\$ 119,353,525</u></u>

The Notes to Financial Statements are an integral part of this statement.

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

1. DESCRIPTION OF PLAN

The following description of the Nitto Americas Inc. 401(k) Retirement Plan (the “Plan”) provides only general information. Participants should refer to the summary plan description for a more complete description of the Plan’s provisions.

General

The Plan is a defined contribution savings plan sponsored by Nitto Americas Inc. (“Plan Sponsor”), that covers substantially all employees of Nitto Denko Automotive Missouri, Inc. (Nitto Missouri Salary and Hourly), Nitto Denko Automotive Ohio, Inc. (Nitto Ohio), Nitto Denko Automotive New Jersey, Inc. (Nitto-Permacel), Nitto Denko Americas Inc., Nitto Denko Avecia, Inc., Nitto Denko Automotive Virginia, Inc. Nitto Denko Automotive Kentucky, Inc., Hydranautics, Nitto Denko Technical Corporation, Nitto Innovations Incorporated, Nitto BioPharma, Inc., and Nitto Avecia Pharma Services, Inc. (collectively the “Employers”). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Below is a description of the Plan provisions.

The Plan was restated on December 22, 2014, which such changes, as described below, became effective January 1, 2015. This restatement of the Plan merged in four existing plans: Hydranautics 401(k) Profit Sharing Plan, Nitto Denko Automotive Virginia 401(k) Profit Sharing Plan and Trust, Nitto Denko Automotive Kentucky, Inc. 401(k) Plan and Nitto Denko Avecia Deferred Compensation Plan.

Eligibility

Employees become eligible to participate in the Plan on the first day of the month coinciding with or immediately following the date the participant has completed two months of service.

Contributions

The Plan permits employees to make pre-tax or Roth contributions to the Plan. Each year, participants may contribute pre-tax annual compensation up to the Section 402(g) limit, as defined in the Plan. The Plan permits participants to make catch-up contributions, as defined in the Plan. Participants may also roll over amounts representing distributions from other plans into various investment options offered by the Plan. Participants direct the investment of their contributions into various fund investment options offered by the Plan.

The Plan includes a qualified automatic contribution arrangement, pursuant to which all eligible employees are enrolled automatically with a five percent pre-tax contribution rate, unless the employee elects otherwise. These contributions are invested in the Plan’s default investment option. Employees may opt out of the automatic enrollment, stop contributions, modify their contribution rate, or change investment elections at any time. Starting the first year after a participant is automatically enrolled in the Plan, the participant’s pre-tax contribution rate is automatically increased by one percent annually, up to a maximum of 10 percent. This occurs with the first payroll period in January of each year, and participants may decline these rate increases or elect a different rate.

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

The Employers will contribute a safe harbor match of 100 percent of the first three percent of participants' eligible compensation that he or she contributes to the Plan plus 50 percent of the next two percent of the participants' eligible compensation that he or she contributes to the Plan. In addition, at the discretion of the Employers, the Plan allows regular matching contributions, true-up matching contributions, qualified matching contributions, qualified nonelective contribution and nonelective contributions. Union employees covered under a collective bargaining agreement receive an employer nonelective match equal to six percent of eligible compensation at a percentage based on years of service plus \$0.15 per hour worked.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of the Employers' contribution and Plan earnings and charged with an allocation of transaction expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

A participant's vested interest in his 401(k) contributions sub-account, including his separate Roth 401(k) contributions sub-account, shall be 100 percent at all times. A participant's vested interest in his qualified nonelective, qualified matching and safe harbor matching contributions sub-accounts shall be 100 percent at all times.

A participant's vesting schedule is determined by his employer. The following are the various vesting schedules for each participating employer.

The vested interest of a participant who is employed by Nitto Denko Automotive, Ohio, Inc., Nitto Denko Automotive, Alabama, LLC, Nitto Denko Automotive, New Jersey, Inc., Nitto Denko Automotive, Missouri, Inc. (salaried Employees), Nitto Denko Automotive, Missouri, Inc. (hourly Employees), Nitto Denko Automotive, Inc. or Nitto Denko Americas, Inc. in his nonelective contributions sub-account shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 1 year	0%
After 1 year	20%
After 2 years	40%
After 3 years	60%
After 4 years	80%
After 5 years	100%

The vested interest of a participant who is employed by Nitto Denko Automotive, Ohio, Inc. or Nitto Denko Automotive, Alabama, LLC in his regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 2 years	0%
After 2 years	25%
After 3 years	50%
After 4 years	75%
After 5 years	100%

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

The vested interest of a participant who is employed by Nitto Denko Automotive, New Jersey, Inc. in his regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 2 years	0%
After 2 years	20%
After 3 years	100%

The vested interest of a participant who is employed by Nitto Denko Americas, Inc. who was hired on or after January 1, 2014 or who is employed by Nitto Denko Automotive, Missouri, Inc. (salaried Employees), Nitto Denko Automotive, Missouri, Inc. (hourly Employees) or Nitto Denko Automotive, Inc. in his regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 1 year	0%
After 1 year	20%
After 2 years	40%
After 3 years	60%
After 4 years	80%
After 5 years	100%

The vested interest of a participant who is employed by Nitto Denko Americas, Inc. who was hired prior to January 1, 2014 in his regular and true-up matching contributions sub-accounts shall be zero percent until the participant has completed three years of Vesting Service, at which time his vested interest in his regular and true-up matching contributions sub-accounts shall be 100 percent.

The vested interest of a participant who participated in the Nitto Denko Avecia Deferred Compensation Plan as of October 1, 2014 or who formerly participated in the Hydranautics 401(k) Profit Sharing Plan in his nonelective and regular and true-up matching contributions sub-accounts shall be 100 percent at all times.

The vested interest of a participant who formerly participated in the Nitto Denko Automotive Kentucky, Inc. 401(k) Plan in his nonelective and regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 2 year	0%
After 2 years	20%
After 3 years	40%
After 4 years	60%
After 5 years	80%
After 6 years	100%

The vested interest of a participant who formerly participated in the Nitto Denko Automotive Virginia 401(k) Profit Sharing Plan and Trust in his nonelective and regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

Years of vesting service	Vested Interest
Less than 1 year	0%
After 1 year	25%
After 2 years	50%
After 3 years	75%
After 4 years	100%

Notes Receivable From Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of 50 percent of their vested account balance not to exceed \$50,000. The loans are collateralized by the balance in the participant's account and bear interest at rates at Prime plus 1 percent as of the date of the transfer, which are commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest are paid ratably through payroll deductions. The interest rates on outstanding loans at December 31, 2016 ranged from 3.25 percent to 10.5 percent per year. Delinquent participant loans are reclassified as distributions based upon terms of the Plan document.

Payment of Benefits

Participants may make complete or partial withdrawals from their accounts at any time after reaching age 59 ½, termination of employment or financial hardship, subject to certain limitations. If a participant continues employment with the Employers after age 59 ½, the participant shall receive a distribution of the entire amount of their account as of the earlier of their retirement date or as required by the IRC. In the event of the death of a participant, the participant's account is distributed to the participant's beneficiary. All benefit distributions are payable in a lump sum, installment, or partial distribution.

Forfeitures

Participants who terminate employment within any sub-plan will forfeit the non-vested portion of their accounts. The forfeitable portion of a terminated participant's account is applied to pay Plan expenses and then used to reduce the Employers' future matching contribution. At December 31, 2016 and 2015, forfeited non-vested accounts totaled \$75,836 and \$5,249, respectively. Forfeitures used to offset the Company's contributions for the year ended December 31, 2016 were \$95,680.

Administrative Fees

All administrative expenses are paid by the Plan. In addition, the Plan received \$149,450 of income from Prudential Trust Company based on a profitability arrangement with the Plan. This income is recorded as other income on the statement of changes in net assets available for benefits. Administrative expenses amounted to \$407,995 for the year ended December 31, 2016. In addition, certain investment related expenses have been offset with net investment income and are not readily determinable

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared in conformity with accounting principles generally accepted in the United States of America in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification.

Investment Valuation And Income Recognition

The Plan's investments are stated at fair value and are held by Prudential Trust Company (the "Trustee"), which has been designated as both the Trustee and custodian. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

at the measurement date. Investments in pooled separate accounts are valued at the net asset value of the shares held by the Plan at year end. See Note 5 for a discussion of fair value measurements. The investment in a fully benefit-responsive investment contract is stated at contract value (see Note 4).

Contributions

Participant contributions are recognized when withheld. Company matching contributions are recognized concurrently with participant contributions.

Payment of Benefits

Benefits are recorded when paid.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent loans are treated as distributions based upon the terms of the Plan document.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates and assumptions.

3. INFORMATION PREPARED AND CERTIFIED BY TRUSTEE (UNAUDITED)

All investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2016 and 2015, and net appreciation in fair value of investments, interest and dividend income for the year ended December 31, 2016 were obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the trustee. Based on information provided and certified by the Trustee, there are no fixed income obligations, leases or debt instruments in default or deemed uncollectible, as defined by ERISA, for the years ended December 31, 2016 and 2015.

	2016	2015
Cash	\$ 981	\$ 557
Investments		
Pooled separate accounts, fair value	\$ 297,640	\$ --
Registered investment companies, fair value	\$ 93,458,193	\$ 80,283,671
Guaranteed investment contract, contract value	\$ 21,812,844	\$ 17,141,832
Notes receivable from participants	\$ 3,783,867	\$ 3,272,912
Investment income		
Net appreciation in fair value of investments	\$ 7,390,040	
Interest and dividend income	\$ 2,023,675	
Interest income - notes receivable from participants	\$ 148,767	

4. INVESTMENT IN GUARANTEED INVESTMENT CONTRACT

The Plan invests in the Prudential Retirement Insurance and Annuity Company (PRIAC) Guaranteed Income Fund. This fund is considered a stable value fund and meets the definition of a fully benefit responsive investment contract. PRIAC maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The crediting interest rates are based on an agreed-upon formula with the issuer and are guaranteed for an agreed upon period, usually six months.

Certain events may limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan Sponsor or other Plan Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under Employee Retirement Income Security Act of 1974. The Plan administrator does not believe that the occurrence of any such value event, which would limit the Plan's ability to transact at contract value with participants, is probable.

5. FAIR VALUE ACCOUNTING

The FASB established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access. Such inputs include quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for the Plan's assets measured at fair value. There have been no changes in the methodologies used for the periods presented in these financial statements.

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

Pooled separate accounts

Shares of pooled separate accounts are valued at net asset value ("NAV") based on the quoted market prices of the underlying investments.

Registered investment companies

Valued at the closing price reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

	2016			
	Level 1	Level 2	Level 3	Total
Registered investment companies	<u>\$ 93,458,193</u>	<u>\$ --</u>	<u>\$ --</u>	\$ 93,458,193
Investments measured at net asset value*				<u>297,640</u>
				<u>\$ 93,755,833</u>

	2015			
	Level 1	Level 2	Level 3	Total
Registered investment companies	<u>\$ 80,283,671</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 80,283,671</u>

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation to the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

6. PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are managed by Prudential Trust Company. Prudential Trust Company is the Trustee of the Plan; and, therefore, these transactions qualify as party-in-interest transactions. Certain investment related fees are reflected as an offset of net investment income and are not readily determinable. Notes receivable from participants are transactions with participants; these loan transactions qualify as exempt party-in-interest transactions.

7. PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of a Plan termination, participants will become fully vested in their accounts.

8. INCOME TAX STATUS

The Plan is qualified under provisions of the Internal Revenue Code ("IRC") and is exempt from federal income taxes. The Internal Revenue Service ("IRS") has determined and informed the Plan Sponsor by a letter dated March 31, 2014, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan Sponsor believes the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016 and 2015 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. In addition, there have been no tax related interest or penalties for periods presented in these financial statements.

9. RISKS AND UNCERTAINTIES

The Plan invests in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and such changes could materially affect the amounts reported in the statement of net assets available for plan benefits.

Users of these financial statements should be aware that the financial markets' volatility may significantly impact the subsequent valuation of the Plan's investments. Accordingly, the valuation of investments at December 31, 2016 may not necessarily be indicative of amounts that could be realized in a current market exchange.

10. VOLUNTARY CORRECTION PROGRAM

During the year ended December 31, 2015, the Plan filed an application with the IRS for a compliance statement under the Voluntary Correction Program ("VCP") to resolve certain issues identified by Plan management regarding excess matching contributions and timely payment of required qualified matching contributions. Since filing the application, the Plan has implemented the corrections as described in the application. On January 27, 2016, an approved Compliance Statement was received from the IRS which indicates that the IRS agreed with the corrective action.

11. PROHIBITED TRANSACTIONS

During 2015, the Plan Sponsor inadvertently failed to deposit \$772,546 of participant deferrals within the required timeframe as stated by the United States Department of Labor regulations. During 2016, the Plan sponsor reimbursed the Plan for lost interest in the amount of \$1,365. In accordance with ERISA regulations, these participant deferrals will be reported on the attached supplemental schedule of delinquent participant contributions through the year after the year of correction.

12. SUBSEQUENT EVENTS

Subsequent events were evaluated through October 11, 2017 which is the date the financial statements were available to be issued. Based on that evaluation, the Plan has determined that there were no subsequent events which would require disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

Nitto Americas Inc. 401(k) Retirement Plan
(E.I.N. 13-2623346 Plan 001)
Schedule H, Line 4a – Schedule of Delinquent Participant Contributions
Year Ended December 31, 2016

<u>Plan Year</u>	<u>Participant Contributions Transferred Late to Plan</u>	<u>Total that Constituted Nonexempt Prohibited Transactions</u>			<u>Contributions Pending Correction in VFCP</u>	<u>Total Fully Corrected Under VFCP and PTE 2002-51</u>
		<u>Contributions Not Corrected</u>	<u>Contributions Corrected Outside VFCP</u>			
2015	\$ 772,546	\$ --	\$ 772,546	\$ --	\$ --	

Nitto Americas Inc. 401(k) Retirement Plan
(E.I.N. 13-2623346 Plan 001)
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2016

(a)	(b) Identity of issue, borrower, lesser, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(e) Current Value
Pooled separate accounts			
*	Prudential Financial Inc.	Prudential Day One IFX Target Balance	\$ 297,640
Registered investment companies			
	The Vanguard Group	Vanguard Wellington Admiral	3,903,519
	Metropolitan West	Metropolitan West Total Return	6,130,556
	The Vanguard Group	Vanguard Mid Cap Growth Index Admiral	3,788,639
	American Funds	American Funds Europacific Growth	11,456,462
	American Funds	American Funds Amcap	12,113,090
	BlackRock Inc.	BlackRock Strategic Income Ops Instl	1,821,530
	Oppenheimer Funds	Oppenheimer Developing Markets	2,390,582
	The Vanguard Group	Vanguard REIT Index Fund	1,197,381
	Dodge & Cox	Dodge & Cox Global Stock	1,905,613
	Franklin Templeton	Templeton Global Bond	2,464,790
	DFA Securities LLC	DFA US Large Cap Value Port	10,314,948
	Aston/Fairpointe	ASTON/Fairpointe Mid Cap	4,415,316
	The Vanguard Group	Vanguard Inflation-Protected Secs Adm	2,141,050
*	Prudential Financial Inc.	Prudential Jennison Small Company	3,257,770
	DFA Securities LLC	DFA US Targeted Value	2,937,219
	The Vanguard Group	Vanguard Selected Value	2,820,169
	The Vanguard Group	Vanguard Small Cap Index Admiral	3,994,997
	The Vanguard Group	Vanguard 500 Index Fund Admiral	13,433,329
	American Funds	American Funds Small Cap World	2,971,233
			93,458,193
Fully benefit-responsive investment contract			
*	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund	21,812,844
*	Notes receivable from participants	Maturing between 2017 and 2032, with interest rates ranging from 3.25% to 10.50%.	3,783,867
	Total		\$ 119,352,544
*	Represents a party-in-interest.		

(a) (b) (c) (e) - Represents corresponding lines on Form 5500 Schedule H, Line 4i.

NITTO AMERICAS INC. 401(K) RETIREMENT PLAN
Financial Statements
December 31, 2016 and 2015
With Independent Auditors' Report

Nitto Americas Inc. 401(k) Retirement Plan
December 31, 2016 and 2015

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INDEPENDENT AUDITORS' REPORT

To the Trustees,
Nitto Americas Inc. 401(k) Retirement Plan

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Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter - Supplemental Schedules

The supplemental schedules of delinquent participant contributions and assets (held at end of year) as of and for the year ended December 31, 2016 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Withum Smith & Brown, PC

October 11, 2017

Nitto Americas Inc. 401(k) Retirement Plan
Statements of Net Assets Available for Benefits
December 31, 2016 and 2015

	2016	2015
Assets		
Cash	\$ 981	\$ 557
Investments, at fair value		
Pooled separate accounts	297,640	--
Registered investment companies	<u>93,458,193</u>	<u>80,283,671</u>
Total investments, at fair value	93,755,833	80,283,671
Fully benefit-responsive investment contract, at contract value	21,812,844	17,141,832
Receivables		
Participant contributions	--	22,380
Employer contributions	--	23,903
Notes receivable from participants	<u>3,783,867</u>	<u>3,272,912</u>
Total receivables	<u>3,783,867</u>	<u>3,319,195</u>
Net assets available for benefits	<u><u>\$ 119,353,525</u></u>	<u><u>\$ 100,745,255</u></u>

The Notes to Financial Statements are an integral part of these statements.

Nitto Americas Inc. 401(k) Retirement Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2016

Additions	
Investment income	
Net appreciation in fair value of investments	\$ 7,390,040
Interest and dividend income	2,023,675
Total investment income	<u>9,413,715</u>
Interest from participants notes receivable	148,767
Contributions	
Participant	8,044,154
Employer	3,811,654
Rollovers	3,500,533
Total contributions	<u>15,356,341</u>
Other income	<u>163,647</u>
Total additions	25,082,470
Deductions	
Benefits paid	6,066,205
Administrative expenses	407,995
Total deductions	<u>6,474,200</u>
Net increase in net assets available for benefits	18,608,270
Net assets available for benefits, beginning of year	<u>100,745,255</u>
Net assets available for benefits, end of year	<u><u>\$ 119,353,525</u></u>

The Notes to Financial Statements are an integral part of this statement.

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

1. DESCRIPTION OF PLAN

The following description of the Nitto Americas Inc. 401(k) Retirement Plan (the “Plan”) provides only general information. Participants should refer to the summary plan description for a more complete description of the Plan’s provisions.

General

The Plan is a defined contribution savings plan sponsored by Nitto Americas Inc. (“Plan Sponsor”), that covers substantially all employees of Nitto Denko Automotive Missouri, Inc. (Nitto Missouri Salary and Hourly), Nitto Denko Automotive Ohio, Inc. (Nitto Ohio), Nitto Denko Automotive New Jersey, Inc. (Nitto-Permacel), Nitto Denko Americas Inc., Nitto Denko Avecia, Inc., Nitto Denko Automotive Virginia, Inc. Nitto Denko Automotive Kentucky, Inc., Hydranautics, Nitto Denko Technical Corporation, Nitto Innovations Incorporated, Nitto BioPharma, Inc., and Nitto Avecia Pharma Services, Inc. (collectively the “Employers”). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Below is a description of the Plan provisions.

The Plan was restated on December 22, 2014, which such changes, as described below, became effective January 1, 2015. This restatement of the Plan merged in four existing plans: Hydranautics 401(k) Profit Sharing Plan, Nitto Denko Automotive Virginia 401(k) Profit Sharing Plan and Trust, Nitto Denko Automotive Kentucky, Inc. 401(k) Plan and Nitto Denko Avecia Deferred Compensation Plan.

Eligibility

Employees become eligible to participate in the Plan on the first day of the month coinciding with or immediately following the date the participant has completed two months of service.

Contributions

The Plan permits employees to make pre-tax or Roth contributions to the Plan. Each year, participants may contribute pre-tax annual compensation up to the Section 402(g) limit, as defined in the Plan. The Plan permits participants to make catch-up contributions, as defined in the Plan. Participants may also roll over amounts representing distributions from other plans into various investment options offered by the Plan. Participants direct the investment of their contributions into various fund investment options offered by the Plan.

The Plan includes a qualified automatic contribution arrangement, pursuant to which all eligible employees are enrolled automatically with a five percent pre-tax contribution rate, unless the employee elects otherwise. These contributions are invested in the Plan’s default investment option. Employees may opt out of the automatic enrollment, stop contributions, modify their contribution rate, or change investment elections at any time. Starting the first year after a participant is automatically enrolled in the Plan, the participant’s pre-tax contribution rate is automatically increased by one percent annually, up to a maximum of 10 percent. This occurs with the first payroll period in January of each year, and participants may decline these rate increases or elect a different rate.

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

The Employers will contribute a safe harbor match of 100 percent of the first three percent of participants' eligible compensation that he or she contributes to the Plan plus 50 percent of the next two percent of the participants' eligible compensation that he or she contributes to the Plan. In addition, at the discretion of the Employers, the Plan allows regular matching contributions, true-up matching contributions, qualified matching contributions, qualified nonelective contribution and nonelective contributions. Union employees covered under a collective bargaining agreement receive an employer nonelective match equal to six percent of eligible compensation at a percentage based on years of service plus \$0.15 per hour worked.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of the Employers' contribution and Plan earnings and charged with an allocation of transaction expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

A participant's vested interest in his 401(k) contributions sub-account, including his separate Roth 401(k) contributions sub-account, shall be 100 percent at all times. A participant's vested interest in his qualified nonelective, qualified matching and safe harbor matching contributions sub-accounts shall be 100 percent at all times.

A participant's vesting schedule is determined by his employer. The following are the various vesting schedules for each participating employer.

The vested interest of a participant who is employed by Nitto Denko Automotive, Ohio, Inc., Nitto Denko Automotive, Alabama, LLC, Nitto Denko Automotive, New Jersey, Inc., Nitto Denko Automotive, Missouri, Inc. (salaried Employees), Nitto Denko Automotive, Missouri, Inc. (hourly Employees), Nitto Denko Automotive, Inc. or Nitto Denko Americas, Inc. in his nonelective contributions sub-account shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 1 year	0%
After 1 year	20%
After 2 years	40%
After 3 years	60%
After 4 years	80%
After 5 years	100%

The vested interest of a participant who is employed by Nitto Denko Automotive, Ohio, Inc. or Nitto Denko Automotive, Alabama, LLC in his regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 2 years	0%
After 2 years	25%
After 3 years	50%
After 4 years	75%
After 5 years	100%

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

The vested interest of a participant who is employed by Nitto Denko Automotive, New Jersey, Inc. in his regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 2 years	0%
After 2 years	20%
After 3 years	100%

The vested interest of a participant who is employed by Nitto Denko Americas, Inc. who was hired on or after January 1, 2014 or who is employed by Nitto Denko Automotive, Missouri, Inc. (salaried Employees), Nitto Denko Automotive, Missouri, Inc. (hourly Employees) or Nitto Denko Automotive, Inc. in his regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 1 year	0%
After 1 year	20%
After 2 years	40%
After 3 years	60%
After 4 years	80%
After 5 years	100%

The vested interest of a participant who is employed by Nitto Denko Americas, Inc. who was hired prior to January 1, 2014 in his regular and true-up matching contributions sub-accounts shall be zero percent until the participant has completed three years of Vesting Service, at which time his vested interest in his regular and true-up matching contributions sub-accounts shall be 100 percent.

The vested interest of a participant who participated in the Nitto Denko Avecia Deferred Compensation Plan as of October 1, 2014 or who formerly participated in the Hydranautics 401(k) Profit Sharing Plan in his nonelective and regular and true-up matching contributions sub-accounts shall be 100 percent at all times.

The vested interest of a participant who formerly participated in the Nitto Denko Automotive Kentucky, Inc. 401(k) Plan in his nonelective and regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 2 year	0%
After 2 years	20%
After 3 years	40%
After 4 years	60%
After 5 years	80%
After 6 years	100%

The vested interest of a participant who formerly participated in the Nitto Denko Automotive Virginia 401(k) Profit Sharing Plan and Trust in his nonelective and regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

Years of vesting service	Vested Interest
Less than 1 year	0%
After 1 year	25%
After 2 years	50%
After 3 years	75%
After 4 years	100%

Notes Receivable From Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of 50 percent of their vested account balance not to exceed \$50,000. The loans are collateralized by the balance in the participant's account and bear interest at rates at Prime plus 1 percent as of the date of the transfer, which are commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest are paid ratably through payroll deductions. The interest rates on outstanding loans at December 31, 2016 ranged from 3.25 percent to 10.5 percent per year. Delinquent participant loans are reclassified as distributions based upon terms of the Plan document.

Payment of Benefits

Participants may make complete or partial withdrawals from their accounts at any time after reaching age 59 ½, termination of employment or financial hardship, subject to certain limitations. If a participant continues employment with the Employers after age 59 ½, the participant shall receive a distribution of the entire amount of their account as of the earlier of their retirement date or as required by the IRC. In the event of the death of a participant, the participant's account is distributed to the participant's beneficiary. All benefit distributions are payable in a lump sum, installment, or partial distribution.

Forfeitures

Participants who terminate employment within any sub-plan will forfeit the non-vested portion of their accounts. The forfeitable portion of a terminated participant's account is applied to pay Plan expenses and then used to reduce the Employers' future matching contribution. At December 31, 2016 and 2015, forfeited non-vested accounts totaled \$75,836 and \$5,249, respectively. Forfeitures used to offset the Company's contributions for the year ended December 31, 2016 were \$95,680.

Administrative Fees

All administrative expenses are paid by the Plan. In addition, the Plan received \$149,450 of income from Prudential Trust Company based on a profitability arrangement with the Plan. This income is recorded as other income on the statement of changes in net assets available for benefits. Administrative expenses amounted to \$407,995 for the year ended December 31, 2016. In addition, certain investment related expenses have been offset with net investment income and are not readily determinable

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared in conformity with accounting principles generally accepted in the United States of America in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification.

Investment Valuation And Income Recognition

The Plan's investments are stated at fair value and are held by Prudential Trust Company (the "Trustee"), which has been designated as both the Trustee and custodian. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

at the measurement date. Investments in pooled separate accounts are valued at the net asset value of the shares held by the Plan at year end. See Note 5 for a discussion of fair value measurements. The investment in a fully benefit-responsive investment contract is stated at contract value (see Note 4).

Contributions

Participant contributions are recognized when withheld. Company matching contributions are recognized concurrently with participant contributions.

Payment of Benefits

Benefits are recorded when paid.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent loans are treated as distributions based upon the terms of the Plan document.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates and assumptions.

3. INFORMATION PREPARED AND CERTIFIED BY TRUSTEE (UNAUDITED)

All investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2016 and 2015, and net appreciation in fair value of investments, interest and dividend income for the year ended December 31, 2016 were obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the trustee. Based on information provided and certified by the Trustee, there are no fixed income obligations, leases or debt instruments in default or deemed uncollectible, as defined by ERISA, for the years ended December 31, 2016 and 2015.

	2016	2015
Cash	\$ 981	\$ 557
Investments		
Pooled separate accounts, fair value	\$ 297,640	\$ --
Registered investment companies, fair value	\$ 93,458,193	\$ 80,283,671
Guaranteed investment contract, contract value	\$ 21,812,844	\$ 17,141,832
Notes receivable from participants	\$ 3,783,867	\$ 3,272,912
Investment income		
Net appreciation in fair value of investments	\$ 7,390,040	
Interest and dividend income	\$ 2,023,675	
Interest income - notes receivable from participants	\$ 148,767	

4. INVESTMENT IN GUARANTEED INVESTMENT CONTRACT

The Plan invests in the Prudential Retirement Insurance and Annuity Company (PRIAC) Guaranteed Income Fund. This fund is considered a stable value fund and meets the definition of a fully benefit responsive investment contract. PRIAC maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The crediting interest rates are based on an agreed-upon formula with the issuer and are guaranteed for an agreed upon period, usually six months.

Certain events may limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan Sponsor or other Plan Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under Employee Retirement Income Security Act of 1974. The Plan administrator does not believe that the occurrence of any such value event, which would limit the Plan's ability to transact at contract value with participants, is probable.

5. FAIR VALUE ACCOUNTING

The FASB established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access. Such inputs include quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for the Plan's assets measured at fair value. There have been no changes in the methodologies used for the periods presented in these financial statements.

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

Pooled separate accounts

Shares of pooled separate accounts are valued at net asset value ("NAV") based on the quoted market prices of the underlying investments.

Registered investment companies

Valued at the closing price reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

	2016			
	Level 1	Level 2	Level 3	Total
Registered investment companies	<u>\$ 93,458,193</u>	<u>\$ --</u>	<u>\$ --</u>	\$ 93,458,193
Investments measured at net asset value*				<u>297,640</u>
				<u>\$ 93,755,833</u>

	2015			
	Level 1	Level 2	Level 3	Total
Registered investment companies	<u>\$ 80,283,671</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 80,283,671</u>

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation to the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

6. PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are managed by Prudential Trust Company. Prudential Trust Company is the Trustee of the Plan; and, therefore, these transactions qualify as party-in-interest transactions. Certain investment related fees are reflected as an offset of net investment income and are not readily determinable. Notes receivable from participants are transactions with participants; these loan transactions qualify as exempt party-in-interest transactions.

7. PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of a Plan termination, participants will become fully vested in their accounts.

8. INCOME TAX STATUS

The Plan is qualified under provisions of the Internal Revenue Code ("IRC") and is exempt from federal income taxes. The Internal Revenue Service ("IRS") has determined and informed the Plan Sponsor by a letter dated March 31, 2014, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan Sponsor believes the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016 and 2015 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. In addition, there have been no tax related interest or penalties for periods presented in these financial statements.

9. RISKS AND UNCERTAINTIES

The Plan invests in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and such changes could materially affect the amounts reported in the statement of net assets available for plan benefits.

Users of these financial statements should be aware that the financial markets' volatility may significantly impact the subsequent valuation of the Plan's investments. Accordingly, the valuation of investments at December 31, 2016 may not necessarily be indicative of amounts that could be realized in a current market exchange.

10. VOLUNTARY CORRECTION PROGRAM

During the year ended December 31, 2015, the Plan filed an application with the IRS for a compliance statement under the Voluntary Correction Program ("VCP") to resolve certain issues identified by Plan management regarding excess matching contributions and timely payment of required qualified matching contributions. Since filing the application, the Plan has implemented the corrections as described in the application. On January 27, 2016, an approved Compliance Statement was received from the IRS which indicates that the IRS agreed with the corrective action.

11. PROHIBITED TRANSACTIONS

During 2015, the Plan Sponsor inadvertently failed to deposit \$772,546 of participant deferrals within the required timeframe as stated by the United States Department of Labor regulations. During 2016, the Plan sponsor reimbursed the Plan for lost interest in the amount of \$1,365. In accordance with ERISA regulations, these participant deferrals will be reported on the attached supplemental schedule of delinquent participant contributions through the year after the year of correction.

12. SUBSEQUENT EVENTS

Subsequent events were evaluated through October 11, 2017 which is the date the financial statements were available to be issued. Based on that evaluation, the Plan has determined that there were no subsequent events which would require disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

Nitto Americas Inc. 401(k) Retirement Plan
(E.I.N. 13-2623346 Plan 001)
Schedule H, Line 4a – Schedule of Delinquent Participant Contributions
Year Ended December 31, 2016

<u>Plan Year</u>	Participant Contributions Transferred Late to Plan	Total that Constituted Nonexempt Prohibited Transactions			Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
		Contributions Not Corrected	Contributions Corrected Outside VFCP			
2015	\$ 772,546	\$ --	\$ 772,546	\$ --	\$ --	

Nitto Americas Inc. 401(k) Retirement Plan
(E.I.N. 13-2623346 Plan 001)
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2016

(a)	(b) Identity of issue, borrower, lesser, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(e) Current Value
Pooled separate accounts			
*	Prudential Financial Inc.	Prudential Day One IFX Target Balance	\$ 297,640
Registered investment companies			
	The Vanguard Group	Vanguard Wellington Admiral	3,903,519
	Metropolitan West	Metropolitan West Total Return	6,130,556
	The Vanguard Group	Vanguard Mid Cap Growth Index Admiral	3,788,639
	American Funds	American Funds Europacific Growth	11,456,462
	American Funds	American Funds Amcap	12,113,090
	BlackRock Inc.	BlackRock Strategic Income Ops Instl	1,821,530
	Oppenheimer Funds	Oppenheimer Developing Markets	2,390,582
	The Vanguard Group	Vanguard REIT Index Fund	1,197,381
	Dodge & Cox	Dodge & Cox Global Stock	1,905,613
	Franklin Templeton	Templeton Global Bond	2,464,790
	DFA Securities LLC	DFA US Large Cap Value Port	10,314,948
	Aston/Fairpointe	ASTON/Fairpointe Mid Cap	4,415,316
	The Vanguard Group	Vanguard Inflation-Protected Secs Adm	2,141,050
*	Prudential Financial Inc.	Prudential Jennison Small Company	3,257,770
	DFA Securities LLC	DFA US Targeted Value	2,937,219
	The Vanguard Group	Vanguard Selected Value	2,820,169
	The Vanguard Group	Vanguard Small Cap Index Admiral	3,994,997
	The Vanguard Group	Vanguard 500 Index Fund Admiral	13,433,329
	American Funds	American Funds Small Cap World	<u>2,971,233</u>
			93,458,193
Fully benefit-responsive investment contract			
*	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund	21,812,844
*	Notes receivable from participants	Maturing between 2017 and 2032, with interest rates ranging from 3.25% to 10.50%.	<u>3,783,867</u>
	Total		<u><u>\$ 119,352,544</u></u>
*	Represents a party-in-interest.		

(a) (b) (c) (e) - Represents corresponding lines on Form 5500 Schedule H, Line 4i.

NITTO AMERICAS INC. 401(K) RETIREMENT PLAN
Financial Statements
December 31, 2016 and 2015
With Independent Auditors' Report

Nitto Americas Inc. 401(k) Retirement Plan
December 31, 2016 and 2015

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INDEPENDENT AUDITORS' REPORT

To the Trustees,
Nitto Americas Inc. 401(k) Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Nitto Americas Inc. 401(k) Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Retirement Insurance and Annuity Company, the trustee of the plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2016 and 2015 and for the year ended December 31, 2016, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter - Supplemental Schedules

The supplemental schedules of delinquent participant contributions and assets (held at end of year) as of and for the year ended December 31, 2016 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Withum Smith & Brown, PC

October 11, 2017

Nitto Americas Inc. 401(k) Retirement Plan
Statements of Net Assets Available for Benefits
December 31, 2016 and 2015

	2016	2015
Assets		
Cash	\$ 981	\$ 557
Investments, at fair value		
Pooled separate accounts	297,640	--
Registered investment companies	<u>93,458,193</u>	<u>80,283,671</u>
Total investments, at fair value	<u>93,755,833</u>	<u>80,283,671</u>
Fully benefit-responsive investment contract, at contract value	21,812,844	17,141,832
Receivables		
Participant contributions	--	22,380
Employer contributions	--	23,903
Notes receivable from participants	<u>3,783,867</u>	<u>3,272,912</u>
Total receivables	<u>3,783,867</u>	<u>3,319,195</u>
Net assets available for benefits	<u><u>\$ 119,353,525</u></u>	<u><u>\$ 100,745,255</u></u>

The Notes to Financial Statements are an integral part of these statements.

Nitto Americas Inc. 401(k) Retirement Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2016

Additions	
Investment income	
Net appreciation in fair value of investments	\$ 7,390,040
Interest and dividend income	2,023,675
Total investment income	<u>9,413,715</u>
Interest from participants notes receivable	148,767
Contributions	
Participant	8,044,154
Employer	3,811,654
Rollovers	3,500,533
Total contributions	<u>15,356,341</u>
Other income	<u>163,647</u>
Total additions	25,082,470
Deductions	
Benefits paid	6,066,205
Administrative expenses	407,995
Total deductions	<u>6,474,200</u>
Net increase in net assets available for benefits	18,608,270
Net assets available for benefits, beginning of year	<u>100,745,255</u>
Net assets available for benefits, end of year	<u><u>\$ 119,353,525</u></u>

The Notes to Financial Statements are an integral part of this statement.

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
December 31, 2016 and 2015

1. DESCRIPTION OF PLAN

The following description of the Nitto Americas Inc. 401(k) Retirement Plan (the “Plan”) provides only general information. Participants should refer to the summary plan description for a more complete description of the Plan’s provisions.

General

The Plan is a defined contribution savings plan sponsored by Nitto Americas Inc. (“Plan Sponsor”), that covers substantially all employees of Nitto Denko Automotive Missouri, Inc. (Nitto Missouri Salary and Hourly), Nitto Denko Automotive Ohio, Inc. (Nitto Ohio), Nitto Denko Automotive New Jersey, Inc. (Nitto-Permacel), Nitto Denko Americas Inc., Nitto Denko Avecia, Inc., Nitto Denko Automotive Virginia, Inc. Nitto Denko Automotive Kentucky, Inc., Hydranautics, Nitto Denko Technical Corporation, Nitto Innovations Incorporated, Nitto BioPharma, Inc., and Nitto Avecia Pharma Services, Inc. (collectively the “Employers”). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Below is a description of the Plan provisions.

The Plan was restated on December 22, 2014, which such changes, as described below, became effective January 1, 2015. This restatement of the Plan merged in four existing plans: Hydranautics 401(k) Profit Sharing Plan, Nitto Denko Automotive Virginia 401(k) Profit Sharing Plan and Trust, Nitto Denko Automotive Kentucky, Inc. 401(k) Plan and Nitto Denko Avecia Deferred Compensation Plan.

Eligibility

Employees become eligible to participate in the Plan on the first day of the month coinciding with or immediately following the date the participant has completed two months of service.

Contributions

The Plan permits employees to make pre-tax or Roth contributions to the Plan. Each year, participants may contribute pre-tax annual compensation up to the Section 402(g) limit, as defined in the Plan. The Plan permits participants to make catch-up contributions, as defined in the Plan. Participants may also roll over amounts representing distributions from other plans into various investment options offered by the Plan. Participants direct the investment of their contributions into various fund investment options offered by the Plan.

The Plan includes a qualified automatic contribution arrangement, pursuant to which all eligible employees are enrolled automatically with a five percent pre-tax contribution rate, unless the employee elects otherwise. These contributions are invested in the Plan’s default investment option. Employees may opt out of the automatic enrollment, stop contributions, modify their contribution rate, or change investment elections at any time. Starting the first year after a participant is automatically enrolled in the Plan, the participant’s pre-tax contribution rate is automatically increased by one percent annually, up to a maximum of 10 percent. This occurs with the first payroll period in January of each year, and participants may decline these rate increases or elect a different rate.

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The Employers will contribute a safe harbor match of 100 percent of the first three percent of participants' eligible compensation that he or she contributes to the Plan plus 50 percent of the next two percent of the participants' eligible compensation that he or she contributes to the Plan. In addition, at the discretion of the Employers, the Plan allows regular matching contributions, true-up matching contributions, qualified matching contributions, qualified nonelective contribution and nonelective contributions. Union employees covered under a collective bargaining agreement receive an employer nonelective match equal to six percent of eligible compensation at a percentage based on years of service plus \$0.15 per hour worked.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of the Employers' contribution and Plan earnings and charged with an allocation of transaction expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

A participant's vested interest in his 401(k) contributions sub-account, including his separate Roth 401(k) contributions sub-account, shall be 100 percent at all times. A participant's vested interest in his qualified nonelective, qualified matching and safe harbor matching contributions sub-accounts shall be 100 percent at all times.

A participant's vesting schedule is determined by his employer. The following are the various vesting schedules for each participating employer.

The vested interest of a participant who is employed by Nitto Denko Automotive, Ohio, Inc., Nitto Denko Automotive, Alabama, LLC, Nitto Denko Automotive, New Jersey, Inc., Nitto Denko Automotive, Missouri, Inc. (salaried Employees), Nitto Denko Automotive, Missouri, Inc. (hourly Employees), Nitto Denko Automotive, Inc. or Nitto Denko Americas, Inc. in his nonelective contributions sub-account shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 1 year	0%
After 1 year	20%
After 2 years	40%
After 3 years	60%
After 4 years	80%
After 5 years	100%

The vested interest of a participant who is employed by Nitto Denko Automotive, Ohio, Inc. or Nitto Denko Automotive, Alabama, LLC in his regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 2 years	0%
After 2 years	25%
After 3 years	50%
After 4 years	75%
After 5 years	100%

Nitto Americas Inc. 401(k) Retirement Plan
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The vested interest of a participant who is employed by Nitto Denko Automotive, New Jersey, Inc. in his regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 2 years	0%
After 2 years	20%
After 3 years	100%

The vested interest of a participant who is employed by Nitto Denko Americas, Inc. who was hired on or after January 1, 2014 or who is employed by Nitto Denko Automotive, Missouri, Inc. (salaried Employees), Nitto Denko Automotive, Missouri, Inc. (hourly Employees) or Nitto Denko Automotive, Inc. in his regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 1 year	0%
After 1 year	20%
After 2 years	40%
After 3 years	60%
After 4 years	80%
After 5 years	100%

The vested interest of a participant who is employed by Nitto Denko Americas, Inc. who was hired prior to January 1, 2014 in his regular and true-up matching contributions sub-accounts shall be zero percent until the participant has completed three years of Vesting Service, at which time his vested interest in his regular and true-up matching contributions sub-accounts shall be 100 percent.

The vested interest of a participant who participated in the Nitto Denko Avecia Deferred Compensation Plan as of October 1, 2014 or who formerly participated in the Hydranautics 401(k) Profit Sharing Plan in his nonelective and regular and true-up matching contributions sub-accounts shall be 100 percent at all times.

The vested interest of a participant who formerly participated in the Nitto Denko Automotive Kentucky, Inc. 401(k) Plan in his nonelective and regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Years of vesting service	Vested Interest
Less than 2 year	0%
After 2 years	20%
After 3 years	40%
After 4 years	60%
After 5 years	80%
After 6 years	100%

The vested interest of a participant who formerly participated in the Nitto Denko Automotive Virginia 401(k) Profit Sharing Plan and Trust in his nonelective and regular and true-up matching contributions sub-accounts shall be determined in accordance with the following schedule:

Nitto Americas Inc. 401(k) Retirement Plan
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Years of vesting service	Vested Interest
Less than 1 year	0%
After 1 year	25%
After 2 years	50%
After 3 years	75%
After 4 years	100%

Notes Receivable From Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of 50 percent of their vested account balance not to exceed \$50,000. The loans are collateralized by the balance in the participant's account and bear interest at rates at Prime plus 1 percent as of the date of the transfer, which are commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest are paid ratably through payroll deductions. The interest rates on outstanding loans at December 31, 2016 ranged from 3.25 percent to 10.5 percent per year. Delinquent participant loans are reclassified as distributions based upon terms of the Plan document.

Payment of Benefits

Participants may make complete or partial withdrawals from their accounts at any time after reaching age 59 ½, termination of employment or financial hardship, subject to certain limitations. If a participant continues employment with the Employers after age 59 ½, the participant shall receive a distribution of the entire amount of their account as of the earlier of their retirement date or as required by the IRC. In the event of the death of a participant, the participant's account is distributed to the participant's beneficiary. All benefit distributions are payable in a lump sum, installment, or partial distribution.

Forfeitures

Participants who terminate employment within any sub-plan will forfeit the non-vested portion of their accounts. The forfeitable portion of a terminated participant's account is applied to pay Plan expenses and then used to reduce the Employers' future matching contribution. At December 31, 2016 and 2015, forfeited non-vested accounts totaled \$75,836 and \$5,249, respectively. Forfeitures used to offset the Company's contributions for the year ended December 31, 2016 were \$95,680.

Administrative Fees

All administrative expenses are paid by the Plan. In addition, the Plan received \$149,450 of income from Prudential Trust Company based on a profitability arrangement with the Plan. This income is recorded as other income on the statement of changes in net assets available for benefits. Administrative expenses amounted to \$407,995 for the year ended December 31, 2016. In addition, certain investment related expenses have been offset with net investment income and are not readily determinable

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared in conformity with accounting principles generally accepted in the United States of America in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification.

Investment Valuation And Income Recognition

The Plan's investments are stated at fair value and are held by Prudential Trust Company (the "Trustee"), which has been designated as both the Trustee and custodian. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants

Nitto Americas Inc. 401(k) Retirement Plan
Notes to Financial Statements
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at the measurement date. Investments in pooled separate accounts are valued at the net asset value of the shares held by the Plan at year end. See Note 5 for a discussion of fair value measurements. The investment in a fully benefit-responsive investment contract is stated at contract value (see Note 4).

Contributions

Participant contributions are recognized when withheld. Company matching contributions are recognized concurrently with participant contributions.

Payment of Benefits

Benefits are recorded when paid.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent loans are treated as distributions based upon the terms of the Plan document.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates and assumptions.

3. INFORMATION PREPARED AND CERTIFIED BY TRUSTEE (UNAUDITED)

All investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2016 and 2015, and net appreciation in fair value of investments, interest and dividend income for the year ended December 31, 2016 were obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the trustee. Based on information provided and certified by the Trustee, there are no fixed income obligations, leases or debt instruments in default or deemed uncollectible, as defined by ERISA, for the years ended December 31, 2016 and 2015.

	2016	2015
Cash	\$ 981	\$ 557
Investments		
Pooled separate accounts, fair value	\$ 297,640	\$ --
Registered investment companies, fair value	\$ 93,458,193	\$ 80,283,671
Guaranteed investment contract, contract value	\$ 21,812,844	\$ 17,141,832
Notes receivable from participants	\$ 3,783,867	\$ 3,272,912
Investment income		
Net appreciation in fair value of investments	\$ 7,390,040	
Interest and dividend income	\$ 2,023,675	
Interest income - notes receivable from participants	\$ 148,767	

4. INVESTMENT IN GUARANTEED INVESTMENT CONTRACT

The Plan invests in the Prudential Retirement Insurance and Annuity Company (PRIAC) Guaranteed Income Fund. This fund is considered a stable value fund and meets the definition of a fully benefit responsive investment contract. PRIAC maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The crediting interest rates are based on an agreed-upon formula with the issuer and are guaranteed for an agreed upon period, usually six months.

Certain events may limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan Sponsor or other Plan Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under Employee Retirement Income Security Act of 1974. The Plan administrator does not believe that the occurrence of any such value event, which would limit the Plan's ability to transact at contract value with participants, is probable.

5. FAIR VALUE ACCOUNTING

The FASB established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access. Such inputs include quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for the Plan's assets measured at fair value. There have been no changes in the methodologies used for the periods presented in these financial statements.

Nitto Americas Inc. 401(k) Retirement Plan
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Pooled separate accounts

Shares of pooled separate accounts are valued at net asset value ("NAV") based on the quoted market prices of the underlying investments.

Registered investment companies

Valued at the closing price reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

	2016			
	Level 1	Level 2	Level 3	Total
Registered investment companies	<u>\$ 93,458,193</u>	<u>\$ --</u>	<u>\$ --</u>	\$ 93,458,193
Investments measured at net asset value*				<u>297,640</u>
				<u>\$ 93,755,833</u>

	2015			
	Level 1	Level 2	Level 3	Total
Registered investment companies	<u>\$ 80,283,671</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 80,283,671</u>

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation to the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

6. PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are managed by Prudential Trust Company. Prudential Trust Company is the Trustee of the Plan; and, therefore, these transactions qualify as party-in-interest transactions. Certain investment related fees are reflected as an offset of net investment income and are not readily determinable. Notes receivable from participants are transactions with participants; these loan transactions qualify as exempt party-in-interest transactions.

7. PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of a Plan termination, participants will become fully vested in their accounts.

8. INCOME TAX STATUS

The Plan is qualified under provisions of the Internal Revenue Code ("IRC") and is exempt from federal income taxes. The Internal Revenue Service ("IRS") has determined and informed the Plan Sponsor by a letter dated March 31, 2014, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan Sponsor believes the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016 and 2015 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. In addition, there have been no tax related interest or penalties for periods presented in these financial statements.

9. RISKS AND UNCERTAINTIES

The Plan invests in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and such changes could materially affect the amounts reported in the statement of net assets available for plan benefits.

Users of these financial statements should be aware that the financial markets' volatility may significantly impact the subsequent valuation of the Plan's investments. Accordingly, the valuation of investments at December 31, 2016 may not necessarily be indicative of amounts that could be realized in a current market exchange.

10. VOLUNTARY CORRECTION PROGRAM

During the year ended December 31, 2015, the Plan filed an application with the IRS for a compliance statement under the Voluntary Correction Program ("VCP") to resolve certain issues identified by Plan management regarding excess matching contributions and timely payment of required qualified matching contributions. Since filing the application, the Plan has implemented the corrections as described in the application. On January 27, 2016, an approved Compliance Statement was received from the IRS which indicates that the IRS agreed with the corrective action.

11. PROHIBITED TRANSACTIONS

During 2015, the Plan Sponsor inadvertently failed to deposit \$772,546 of participant deferrals within the required timeframe as stated by the United States Department of Labor regulations. During 2016, the Plan sponsor reimbursed the Plan for lost interest in the amount of \$1,365. In accordance with ERISA regulations, these participant deferrals will be reported on the attached supplemental schedule of delinquent participant contributions through the year after the year of correction.

12. SUBSEQUENT EVENTS

Subsequent events were evaluated through October 11, 2017 which is the date the financial statements were available to be issued. Based on that evaluation, the Plan has determined that there were no subsequent events which would require disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

Nitto Americas Inc. 401(k) Retirement Plan
(E.I.N. 13-2623346 Plan 001)
Schedule H, Line 4a – Schedule of Delinquent Participant Contributions
Year Ended December 31, 2016

<u>Plan Year</u>	Participant Contributions Transferred Late to Plan	Total that Constituted Nonexempt Prohibited Transactions			Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
		Contributions Not Corrected	Contributions Corrected Outside VFCP			
2015	\$ 772,546	\$ --	\$ 772,546	\$ --	\$ --	

Nitto Americas Inc. 401(k) Retirement Plan
(E.I.N. 13-2623346 Plan 001)
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2016

(a)	(b) Identity of issue, borrower, lesser, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(e) Current Value
Pooled separate accounts			
*	Prudential Financial Inc.	Prudential Day One IFX Target Balance	\$ 297,640
Registered investment companies			
	The Vanguard Group	Vanguard Wellington Admiral	3,903,519
	Metropolitan West	Metropolitan West Total Return	6,130,556
	The Vanguard Group	Vanguard Mid Cap Growth Index Admiral	3,788,639
	American Funds	American Funds Europacific Growth	11,456,462
	American Funds	American Funds Amcap	12,113,090
	BlackRock Inc.	BlackRock Strategic Income Ops Instl	1,821,530
	Oppenheimer Funds	Oppenheimer Developing Markets	2,390,582
	The Vanguard Group	Vanguard REIT Index Fund	1,197,381
	Dodge & Cox	Dodge & Cox Global Stock	1,905,613
	Franklin Templeton	Templeton Global Bond	2,464,790
	DFA Securities LLC	DFA US Large Cap Value Port	10,314,948
	Aston/Fairpointe	ASTON/Fairpointe Mid Cap	4,415,316
	The Vanguard Group	Vanguard Inflation-Protected Secs Adm	2,141,050
*	Prudential Financial Inc.	Prudential Jennison Small Company	3,257,770
	DFA Securities LLC	DFA US Targeted Value	2,937,219
	The Vanguard Group	Vanguard Selected Value	2,820,169
	The Vanguard Group	Vanguard Small Cap Index Admiral	3,994,997
	The Vanguard Group	Vanguard 500 Index Fund Admiral	13,433,329
	American Funds	American Funds Small Cap World	2,971,233
			93,458,193
Fully benefit-responsive investment contract			
*	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund	21,812,844
*	Notes receivable from participants	Maturing between 2017 and 2032, with interest rates ranging from 3.25% to 10.50%.	3,783,867
	Total		\$ 119,352,544
*	Represents a party-in-interest.		

(a) (b) (c) (e) - Represents corresponding lines on Form 5500 Schedule H, Line 4i.