

FY 2013

**Nippon Paint Group
Analysts' Meeting for
Financial Results of First Half FY 2013**

sunshine red

ocean blue

**November 18, 2013
Nippon Paint Co., Ltd.**

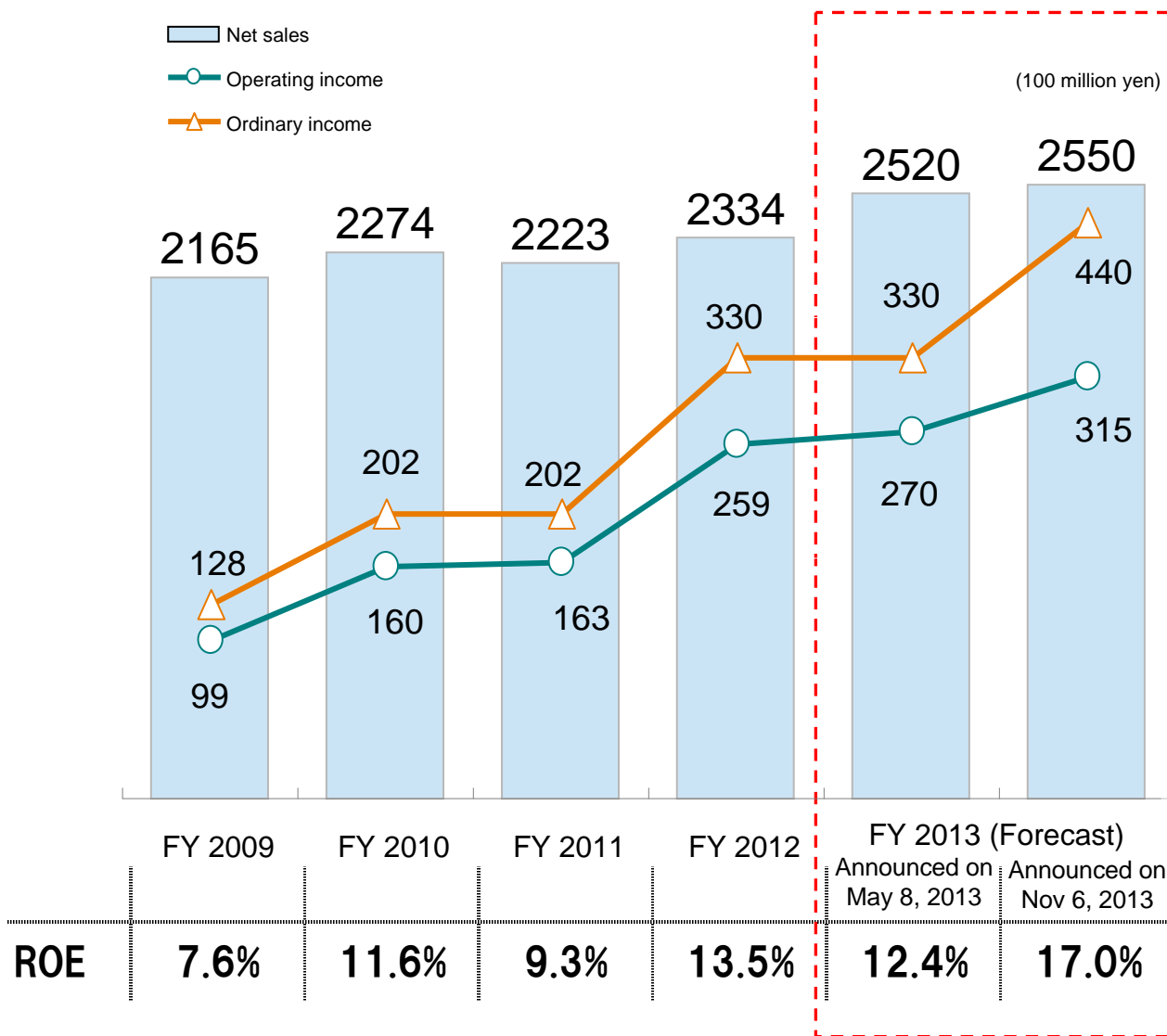


The forward-looking statements in this document are based on information available at the time of preparation and involve inherent risks and uncertainties. Accordingly, the actual results and performance of Nippon Paint Co., Ltd. and the Nippon Paint Group may be significantly different from the forward-looking statements. Please be advised that Nippon Paint Co., Ltd. and information providers will not take any responsibility for any damage suffered by any person relying on any information or statements contained herein.

This document has been translated from the original Japanese version. In the event of any discrepancy between the original and translation, the original prevails.

Trends of Financial Results for Full Year & Summary	.....	P3
1. Financial Results of 1H FY 2013	.....	P5
2. Forecast of FY 2013	.....	P11
3. Progress of 2014 Middle-Term Management Plan	.....	P21
<Reference Materials>	.....	P30

Financial Results Trend



Financial Results of 1H FY 2013

- (i) Japan: Automobile production exceeded the Company's estimate. The Company saw a last-minute rise in demand for trade-use paints and industrial-use coatings before the consumption tax hike.
- (ii) Equity-method affiliates: Sales were strong and profitability improved due to the Chinese-version Survival Challenge program.
- (iii) Net sales and profits in overseas business grew due to the depreciation of the yen.

Forecast of 2H FY 2013

- (i) Japan: Sales of trade-use paints are likely to decrease from 1H due to seasonal factors; sales of automotive and industrial-use coatings are expected to remain flat (vs. 1H).
- (ii) Equity-method affiliates: Sales of the Chinese business are likely to keep growing. Profits are expected to increase significantly (vs. FY2012) because the weaker yen also contributed to the increase.
- (iii) Profits are forecast to decrease from 1H, since Nippon estimates that raw material prices will soar and automotive coating sales will decline in North America and Thailand. However, profits are expected to increase (vs. FY2012).

1. Financial Results of 1H FY 2013

Financial Results for 1H FY 2013

(100 million yen)

	1H FY 2013	Change	YoY Comparison		Impact of foreign exchange rates	Change vs. announcement on Jul 19, 2013
			Percent change			
Net sales	1269.0	+75.7	+6.3%		+65.2	+9.0
Operating income	165.5	+30.0	+22.1%		+5.2	+5.5
(Equity in earnings of affiliates)	51.1	+29.0	+131.7%		+8.3	+4.1
Ordinary income	226.9	+80.4	+54.9%		+33.3	+11.9
Net income	153.0	+74.7	+95.5%		+23.6	+8.0

Market environment in 1H FY 2013 (figures of FY2012)

- Number of automobiles produced in Japan: 4.74 million units (4.91 million units)
- Japan-produced naphtha price: 64,700 yen (54,800 yen)
- Foreign exchange rate (PL conversion): 95.9 yen to the US dollar (79.8 yen to the US dollar)
- Number of housing starts: 494,000 units (443,000 units)

Net Sales by Business Segment

(100 million yen)

		1H FY 2013	YoY Comparison			Change vs. announcement on Jul 19, 2013
			Change	Percent change	Impact of foreign exchange rates	
Paint business	Automotive coatings	457.4	+42.8	+10.3%	+42.3	-0.6
	Trade-use paints	243.4	+23.4	+10.6%	+5.5	+4.4
	Industrial-use coatings	233.5	+13.4	+6.1%	+5.0	+2.5
	Other paints and coatings	262.7	-10.1	-3.7%	+8.4	-0.3
	Sub-total	1197.0	+69.5	+6.2%	+61.2	+6.0
Fine Chemicals business		72.0	+6.2	+9.3%	+4.0	+3.0
Total		1269.0	+75.7	+6.3%	+65.2	+9.0

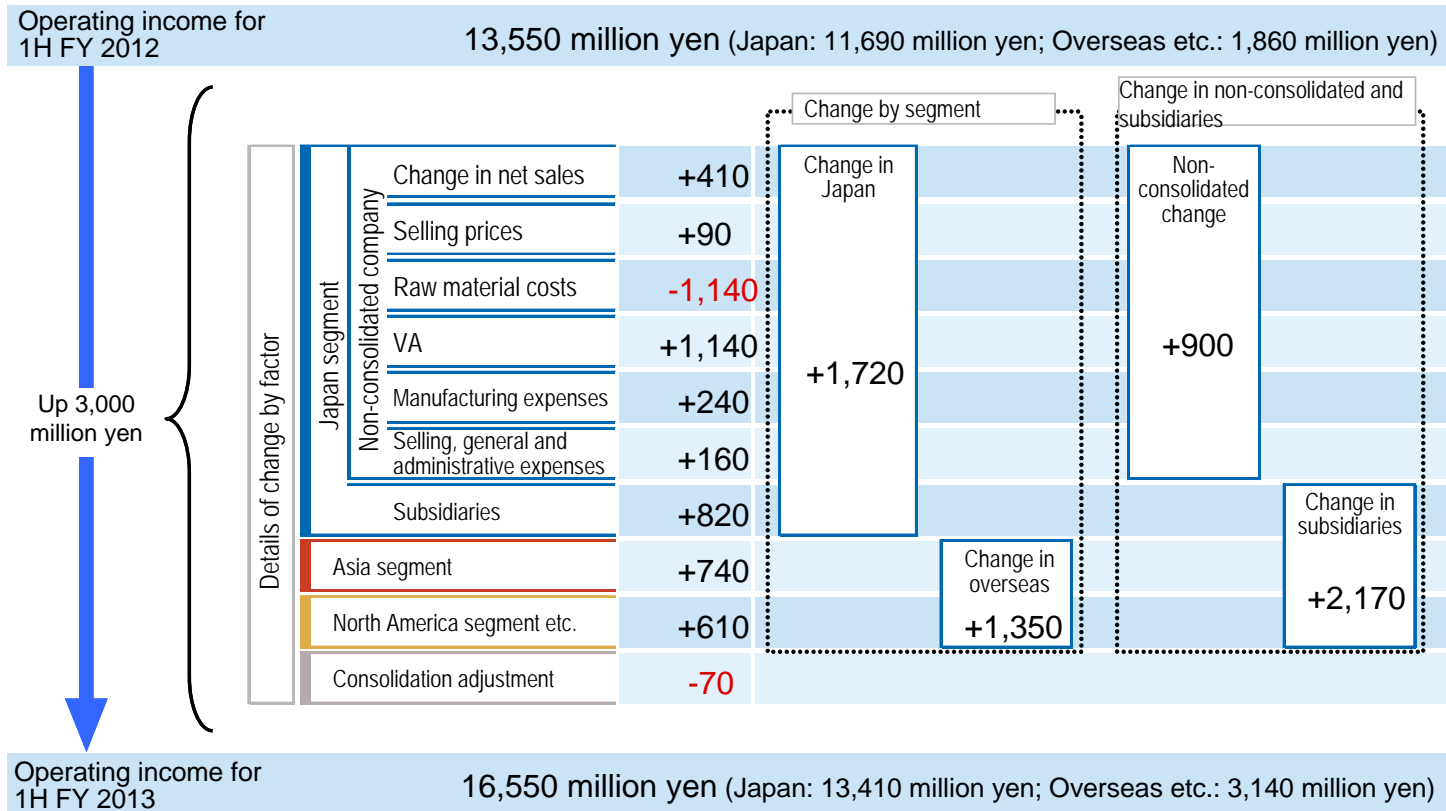
- (i) Sales of automotive coatings in Japan decreased (vs. FY2012), while those in Thailand and North America increased even on a local currency basis.
- (ii) Sales of trade-use paints in Japan increased by 8.9% (vs. FY2012).
- (iii) Sales of other paints declined (vs. FY2012), for example, due to a sharp decrease in new shipbuilding orders in Japan.

Net Sales and Profits by Geographic Segment

		YoY Comparison			(100 million yen)
		1H FY 2013	Change	Impact of foreign exchange rates	Change vs. announcement on Jul 19, 2013
Japan	Net sales	909.1	+13.3	-	+9.1
	Operating income	134.1	+17.2	-	+4.1
Asia	Net sales	225.5	+39.3	+43.9	+0.5
	Operating income	19.1	+7.4	+3.7	+0.1
	Equity in earnings of affiliates	51.1	+29.0	+8.3	+4.1
North America	Net sales	119.5	+21.3	+19.7	-0.5
	Operating income	11.5	+5.7	+2.1	+0.5
Other	Net sales	14.9	+1.8	+1.5	-0.1
	Operating income	0.2	+0.4	0	+0.2

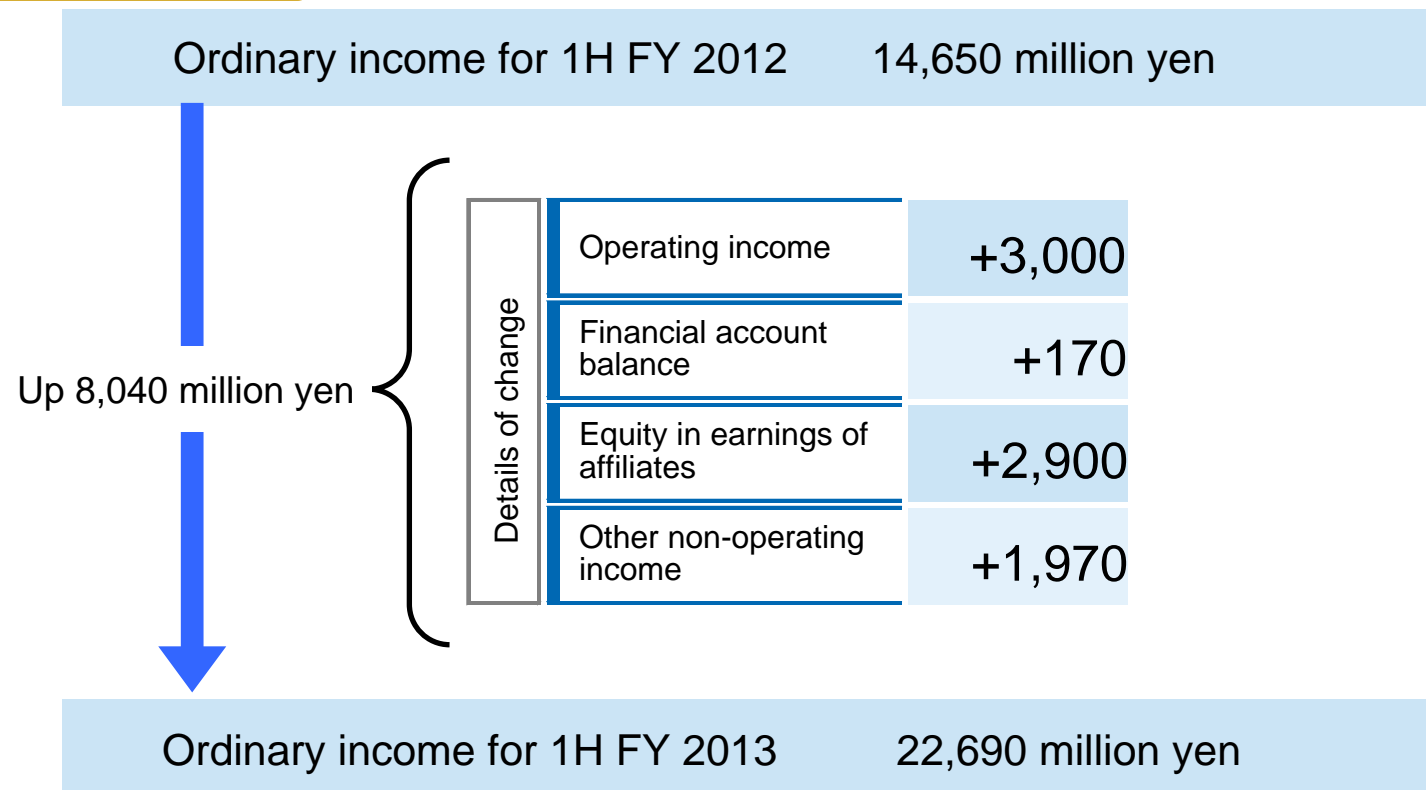
- (i) Sales in Japan increased (vs. FY2012) due to a rise in sales of trade-use and industrial-use paints, etc., although sales of automotive coatings declined.
- (ii) Sales in Asia declined (vs. FY2012) in real terms due to a drop in sales of paints for ships etc., though sales of automotive coatings grew in real terms.
- (iii) In North America, sales for Japanese automobile manufacturers remained strong even on a local currency basis.

Y-on-Y Comparison



- (i) Soaring Japan-produced naphtha prices pushed up raw material costs.
- (ii) Rising raw material prices were absorbed by cost reduction efforts (VA).
- (iii) Overseas subsidiaries importing raw materials in yen saw operating income increase due to foreign exchange fluctuations (weaker yen).

Y-on-Y Comparison



- (i) Most of the increase in equity in earnings of affiliates were attributable to the Chinese business. Sales of profitable trade-use paints were especially robust.
- (ii) The Company had foreign exchange gains of around 2,000 million yen due to the weaker yen.

2. Forecast of FY 2013

Forecast of FY 2013

(100 million yen)

	FY 2013			YoY comparison			Change vs. announcement on Jul 19, 2013
	Full-year	1H	2H	Change	Percent change	Impact of foreign exchange rates	
Net sales	2550	1269	1281	+216.2	+9.3%	+131.2	+20.0
Operating income	315	165	150	+56.4	+21.8%	+10.6	+15.0
(Equity in earnings of affiliates)	110	51	59	+61.1	+124.9%	+20.7	+25.0
Ordinary income	440	227	213	+110.4	+33.5%	+51.4	+50.0
Net income	300	153	147	+99.8	+49.9%	+41.3	+45.0

- (i) Operating income is forecast to decrease in 2H (vs. 1H), since raw material prices are likely to rise further.
- (ii) Equity in earnings of affiliates is expected to grow in 2H (vs. 1H) because equity-method affiliated companies in China fared well in the 3Q.

Net Sales by Business Segment

(100 million yen)

		FY 2013			YoY comparison			Change from announcement on July 19, 2013
		Full-year	1H	2H	Change	Percent change	Change due to foreign exchange rates	
Paint business	Automotive coatings	910	457	453	+97.1	+11.9%	+83.9	+6.0
	Trade-use paints	481	243	238	+43.3	+9.9%	+10.3	+3.0
	Industrial-use coatings	467	233	234	+30.6	+7.0%	+9.3	+1.0
	Other paints and coatings	548	263	285	+31.1	+6.0%	+19.0	+8.0
	Sub-total	2406	1197	1209	+202.1	+9.2%	+122.5	+18.0
Fine Chemicals business		144	72	72	+14.1	+10.9%	+8.7	+2.0
Total		2550	1269	1281	+216.2	+9.3%	+131.2	+20.0

- (i) Sales of automotive coatings in Japan, Thailand, and North America are forecast to decrease in 2H (vs. 1H), while sales of paints for plastic components in China is likely to increase.
- (ii) Sales of trade-use paints in Japan are expected to decline in 2H (vs. 1H) due to seasonal factors.

Net Sales and Profits by Geographic Segment

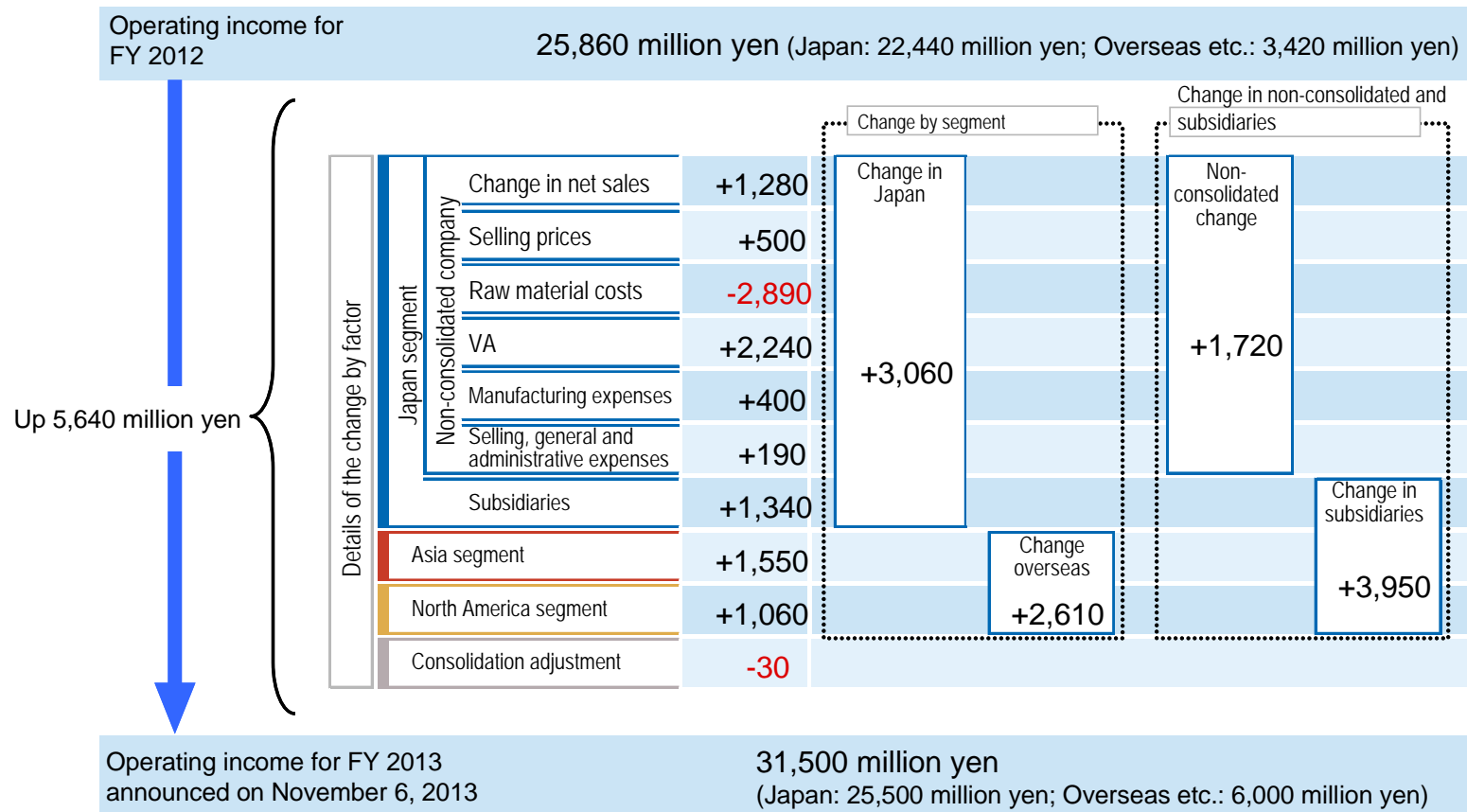
(100 million yen)

		FY 2013			YoY comparison		Change vs. announcement on Jul 19, 2013
		Full-year	1H	2H	Change	Impact of foreign exchange rates	
Japan	Net sales	1813	909	904	+67.8	-	+26.0
	Operating income	255	134	121	+30.6	-	+11.0
Asia	Net sales	469	226	243	+98.3	+86.8	-10.0
	Operating income	40	19	21	+15.5	+7.7	+1.0
	Equity in earnings of affiliates	110	51	59	+61.1	+20.7	+25.0
North America	Net sales	233	119	114	+41.6	+40.1	+2.0
	Operating income	19	12	7	+9.8	+3.7	+3.0
Other	Net sales	35	15	20	+8.5	+4.2	+2.0
	Operating income	0	0	0	+0.8	0	+0.0

- (i) Operating income is forecast to decrease in 2H (vs. 1H), since sales of automotive coatings are likely to decline in Japan and raw material prices are expected to increase in 2H.
- (ii) Operating income in Thailand is forecast to decline in 2H (vs. 1H), while sales and operating income from paints for the plastic component business in China are likely to grow.
- (iii) Operating income in North America is forecast to decrease in 2H (vs. 1H) due to the initial costs, etc. for a new plant in Mexico.

Analysis on Changes in Operating Income

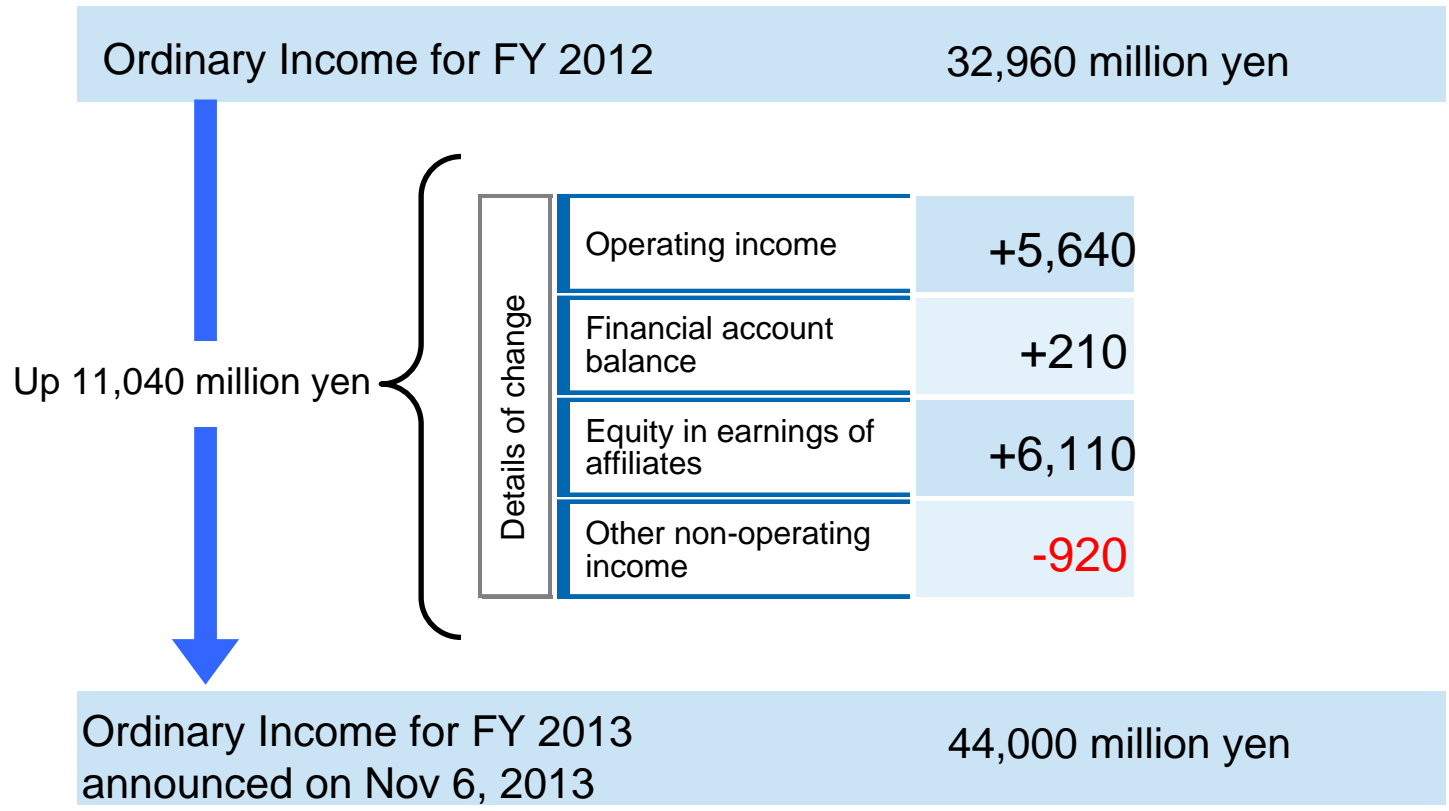
Y-on-Y Comparison



- (i) The Company is expected to achieve the annual cost reduction (VA) target of 2,000 million yen.
- (ii) Overseas subsidiaries importing raw materials in yen will see operating income increase due to foreign exchange fluctuations (weaker yen).

Analysis on Change in Ordinary Income

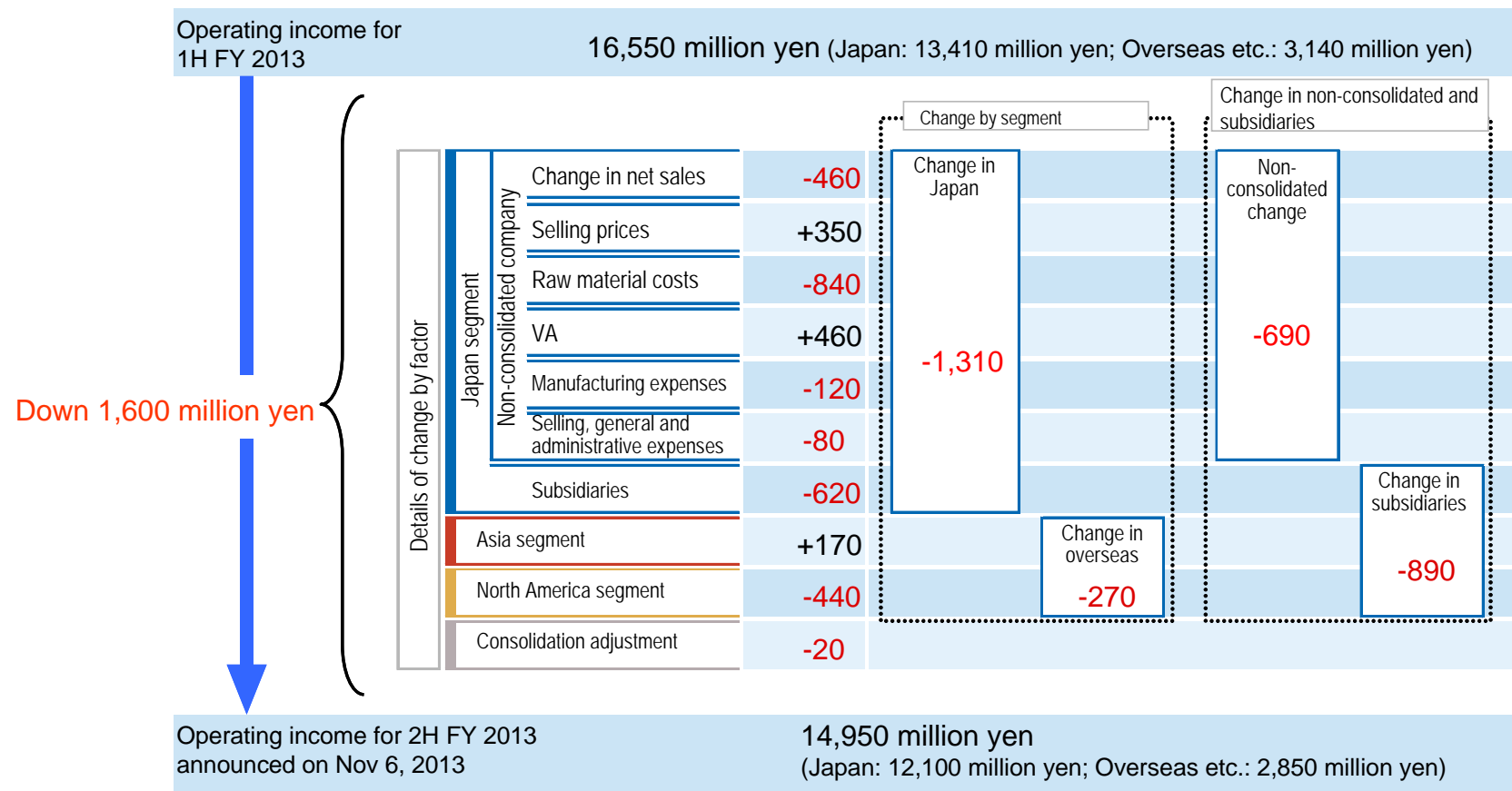
Y-on-Y Comparison



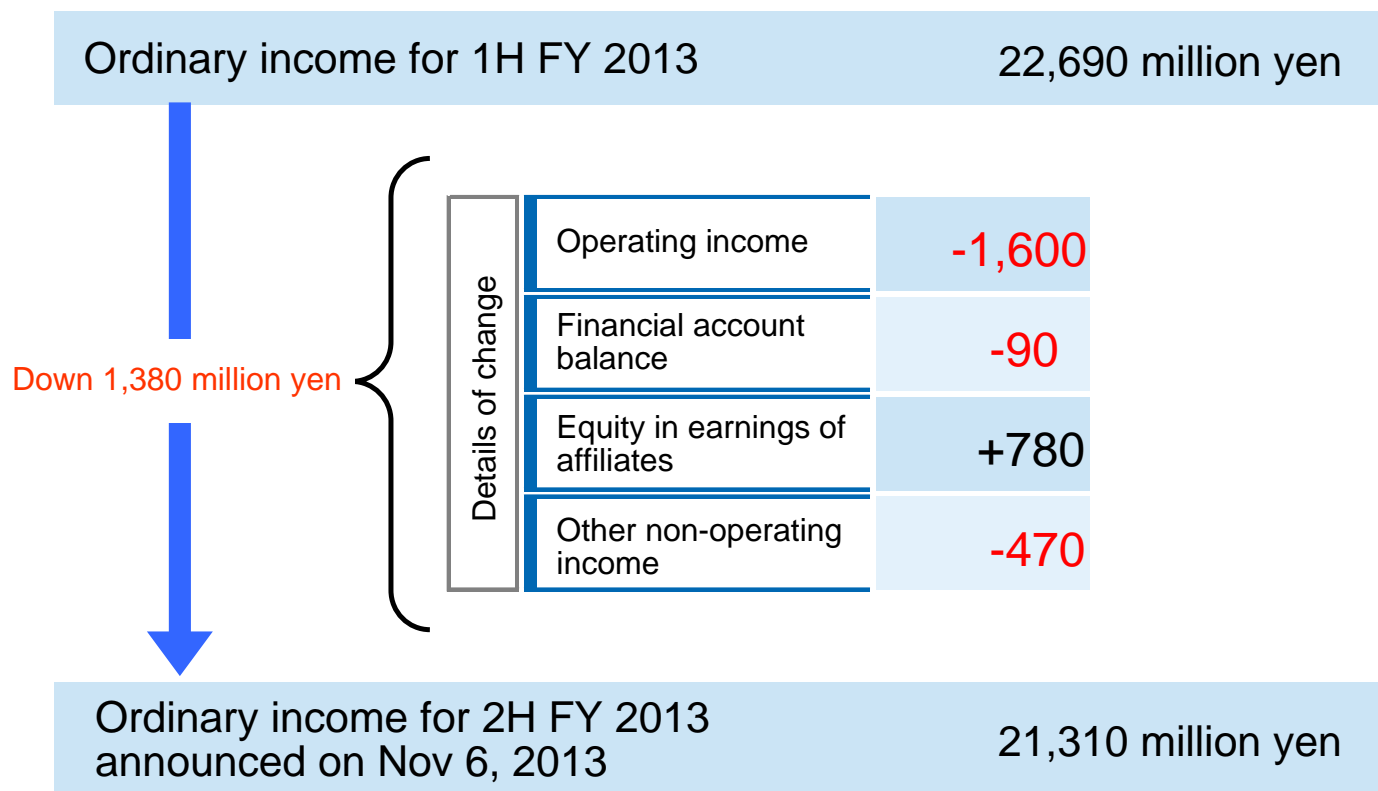
- (i) Most of the increase in equity in earnings of affiliates will be attributable to the Chinese business.
- (ii) The Company expects to see the gain on valuation of foreign currency-denominated assets decrease (vs. FY2012).

Analysis on Changes in Operating Income

H-on-H Comparison



H-on-H Comparison



- (i) Sales and profits of equity-method affiliated companies in China tend to be bigger in 3Q than other quarters.
- (ii) The gain on valuation of foreign currency assets is expected to be zero in 2H (1H: around 980 million yen).

Net Sales and Earnings of Equity-Method Affiliated Companies

net sales trends

(100 million yen)

		FY 2011		FY 2012		FY 2013	
		Interim	Full-year	Interim	Full-year	Interim	Full-year (forecast)
NIPSEA	China G	537	1044	517	1103	740	1677
	Singapore G	41	88	40	100	68	139
	Malaysia G	58	114	63	120	82	160
	India	27	56	36	74	43	88
	Total	663	1303	656	1397	933	2064
	Noroo (South Korea)	79	158	82	163	127	237
	Total	743	1461	738	1560	1060	2301
earnings trend							
	Total	24	43	22	49	51	110

Percent change in net sales of equity-method affiliated companies (YoY comparison on a local currency basis)

		FY 2011		FY 2012		FY 2013	
		Interim	Full-year	Interim	Full-year	Interim	Full-year (forecast)
NIPSEA	China G	+18.3%	+8.6%	-2.8%	+5.8%	+16.6%	+21.1%
	Singapore G	-5.7%	-6.1%	-0.5%	+11.9%	+38.8%	+15.7%
	Malaysia G	-1.0%	-1.0%	+13.5%	+8.6%	+8.4%	+13.8%
	India	+52.5%	+44.0%	+54.2%	+47.7%	+14.1%	+18.5%
	Total	-	-	-	-	-	-
	Noroo (South Korea)	+29.2%	+29.2%	+13.3%	+7.0%	+5.1%	+6.8%
	Total	-	-	-	-	-	-

NIPSEA: A collective term of businesses in the Asian region that are operated by a joint venture between Nippon and Singapore based Wuthelam.

Singapore G: Consists of the Singapore, Vietnam, and Sri Lanka businesses

Malaysia G: Consists of the Malaysia and Pakistan businesses

Noroo (South Korea): The automotive coating business that is operated by a joint venture between Nippon and South Korean paint manufacturer

Update on businesses in the main areas

[China G] Sales centering on trade-use paints grew compared to the same period in the previous year and the plan.

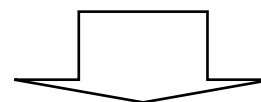
[Singapore G] In September 2012, the Group acquired a paint manufacturer in Sri Lanka. Sales of trade-use paints increased from the previous year in Singapore due to strong private-sector demand.

[Noroo (South Korea)] Sales rose from the previous year because the Company obtained orders for new colors in the automotive coating business.

Nippon generate funds from profits obtained in 1st & 2nd stages of Survival Challenge to invest them in the growth strategy for 3rd stage and later.

(100 million yen)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013 (forecast)
CF from operating activities	86.4	174.9	203.5	224.8	318.5	320
CF from investing activities	-106.8	-76.3	-84.9	-37.1	-69.2	-80
FCF	-20.4	98.6	118.6	187.7	249.3	240



Investment for growth

- ✓ Implementation of M&A
- ✓ Entry into new regions
- ✓ Cultivation of untapped business fields

		FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Return to shareholders	Annual dividends (yen)	6	6	8	9	14	16
	Treasury stock purchase (100 million yen)	-	-	-	-	-	60
Strengthening of financial standings	Interest-bearing debts (100 million yen)	520.1	548.6	456.1	362.2	217.4	*1 136.1
	Cash and deposits (100 million yen)	170.3	285.2	283.5	351.3	428.0	*1 314.0
	NET DE ratio (%)	32.0	21.9	13.5	0.8	-	-

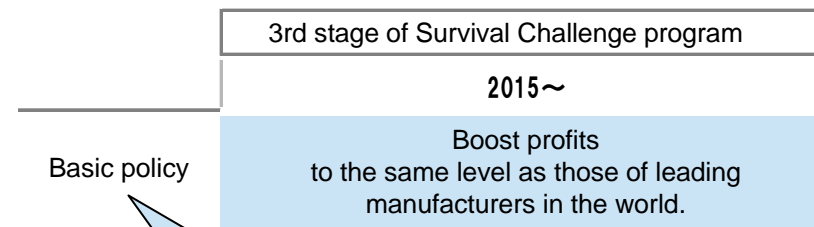
(*1) Figures for the 1H FY 2013

3. Progress of 2014 Middle-Term Management Plan

In the 2nd stage

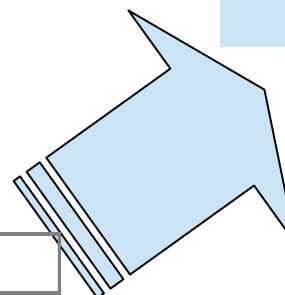
- Nippon will promptly solve unsolved problems in 1st stage of Survival Challenge (SC) program.
- Nippon will sow the seeds for future growth.

Step to Jump



Hop

	2nd stage of Survival Challenge program		
	2012	2013	2014
Basic policy	Establish a solid profitable structure Transform into a growth company (Transform into a corporate structure that enables Nippon to generate profits in the market)		
Basic strategy I Japan	Revamp the cost structure Expand the sales and profits of existing businesses Create new markets		
Basic strategy II Overseas	Achieve sustainable growth and improve profitability in the Asian region Improve profitability in North America		



Nippon is expected to achieve the financial target one year earlier than planned.

- Management placed more emphasis on management efficiency, for example, ROE, ROA, etc.
- Preconditions at the time of formulating the plan, such as foreign exchange rates, raw material prices, and the number of automobile produced, etc., changed.
- Equity-method companies in China implemented Lean for Growth (Chinese-version of Survival Challenge program).
- The management promoted design and procurement at affordable costs as planned.

The period for sowing the seeds for great achievement at 3rd stage

- In the U.S.: Focus on the automotive coating business (sell the powder coating business)
- In Europe: Expand the automotive coating business (invest in an automotive coating manufacturer in Germany)

Financial strategy focused on the growth strategy

- Aim to maximize FCF using secured profits and allocate funds to the investment for growth and the return to shareholders
- Examine every option including share-buyback

Sow the Seeds for 3rd Stage of Survival Challenge: Automotive Coatings Global Strategy

In the U.S.: Focus on the automotive coating business

Sold NPAC* powder coating business to Protech Chemicals (Canada)

* NPA Coating Inc.

In China: Cultivate business with U.S. and European automobile manufacturers

PSA

VW

Daimler

GM (Asia Pacific)

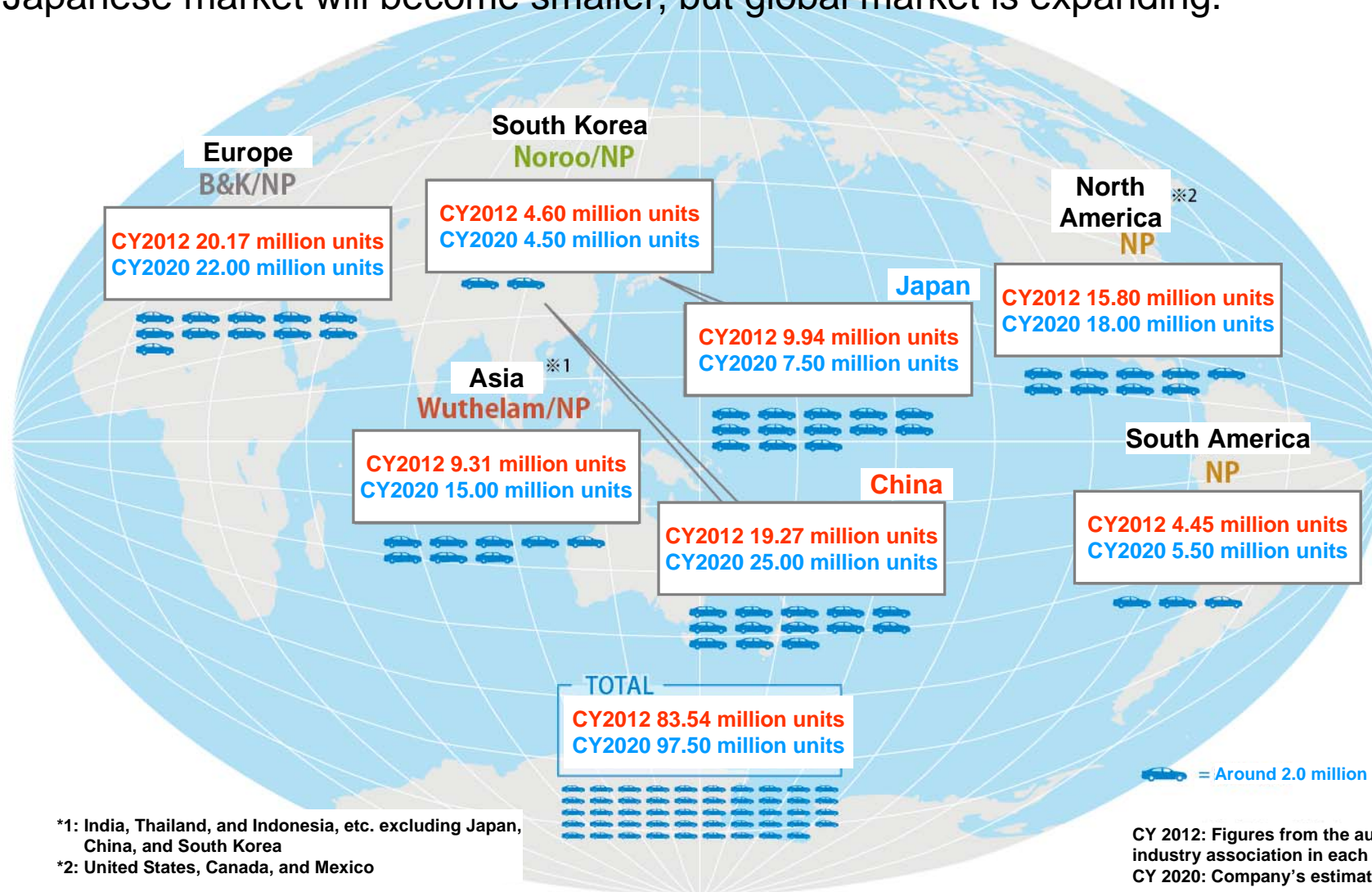
Renault

In Europe: Expand the automotive coating business

-Acquired a 39% equity in Bolling & Kemper (Germany), an automotive coating manufacturer

-Cultivated business with European automobile manufacturers to create synergy by using the capital alliance as a foothold

Japanese market will become smaller, but global market is expanding.



Automotive Coatings Global Strategy: New Target -Regions, Customers and Products -

**Nippon aims to become one of top three companies
as full lineup global supplier.**

Expansion of profits of existing businesses and <New Target> X <Localization>



	China	Europe	North America	Japan	Other Asia	South America
Japanese automobiles	Under implementation	Regional strategy X Customer strategy	Regional strategy X Customer strategy	Under implementation	Under implementation	Regional strategy X Customer strategy
American automobiles	Regional strategy X Customer strategy	No market	No market	No market	No market	No market
European automobiles	Regional strategy X Customer strategy	Regional strategy X Customer strategy	Regional strategy X Customer strategy	No market	No market	Regional strategy X Customer strategy
Chinese automobiles	Under implementation	No market	No market	No market	No market	No market
South Korean automobiles	Regional strategy X Customer strategy	Regional strategy X Customer strategy	Regional strategy X Customer strategy	No market	Under implementation	Regional strategy X Customer strategy

Examples of measures

- ✓ New painting process and shortening of manufacturing process
- Environmentally friendly products
- Product design based on local consumption of locally produced products
- ✓ Implementation of global alliance strategy

Acquired a 39% of Equity in B&K, a German Paint Manufacturer

Company name: BOLLIG & KEMPER GmbH & CO. KG



Establishment: 1919

Location: Cologne, Germany

Capital stock: 5.7 million Euros

Net sales: Around 10,000 million yen (in 2012)

Main bases: Headquarters and plant: Cologne, Germany;
Plant: Fleury, France

Main businesses: Automotive coatings [primer surfacer and
top coat], automotive component (plastic)
paints

Main customers: VW, Daimler, PSA, BMW (U.S.), etc.



[Company's building at the time
of the establishment]

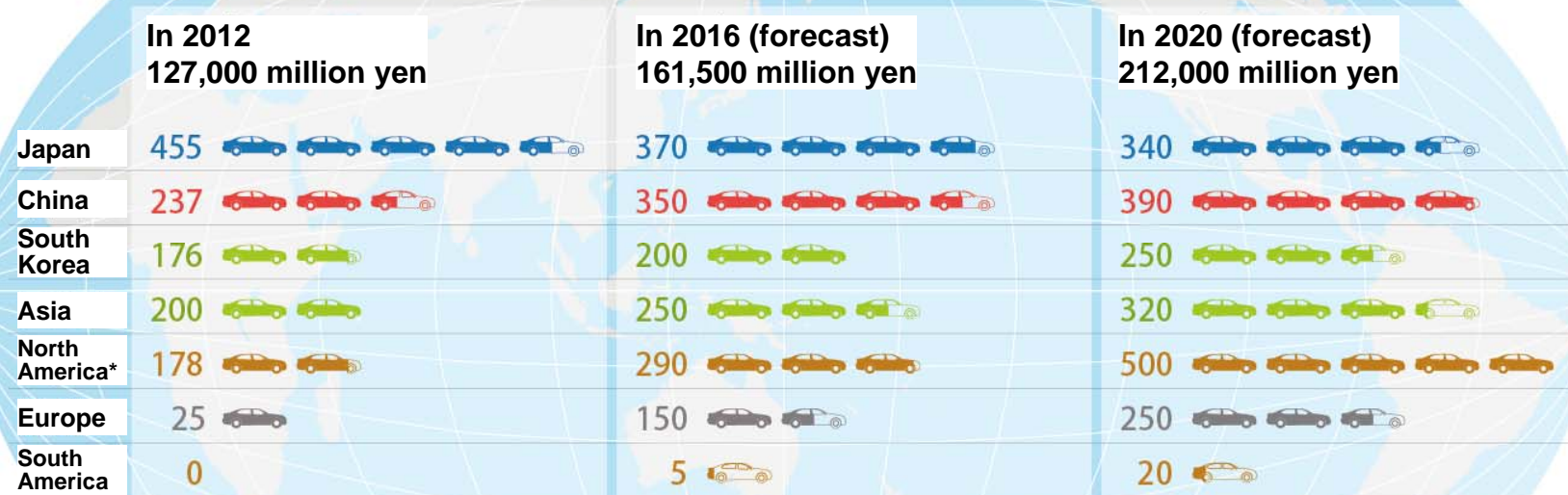


[Front gate]

- ✓ Nippon will accelerate the expansion of supplies to European automobile manufacturers in China and Europe.
- ✓ Nippon will aim to globally grow and develop the automotive coatings business in the future.

Nippon aims to expand the automotive coatings business by riding the tide of market growth.

<Sales of automotive coatings by region>



* Including Mexico

Figures obtained by simply adding sales of the automotive coating business of the Nippon Paint Group (including equity-method affiliated companies)

= About 10,000 million yen



Basic & New

NIPPON PAINT CO.,LTD.

<Reference Materials>

Change in Consolidated Financial Results

(100 million yen)

	FY 2009		FY 2010		FY 2011		FY 2012		FY 2013	
	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year forecast
Net sales	1026.2	2165.5	1151.5	2273.8	1068.3	2222.6	1193.3	2333.8	1269.0	2550
Operating income	27.0	98.8	92.1	159.8	50.2	163.2	135.5	258.6	165.5	315
(Equity in earnings of affiliates)	22.4	49.2	32.6	63.4	24.4	43.3	22.1	48.9	51.1	110
Ordinary income	38.6	128.3	111.1	201.9	64.7	201.9	146.5	329.6	226.9	440
Net income	27.7	87.3	72.0	143.5	35.3	123.1	78.3	200.2	153.0	300
ROE (%)	-	7.6	-	11.6	-	9.3	-	13.5	-	17.0

Change in Consolidated Financial Results by Geographic Segment

(100 million yen)

		FY 2009		FY 2010		FY 2011		FY 2012		FY 2013	
		1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year forecast
Japan	Net sales	841.2	1727.1	881.1	1737.2	822.0	1723.3	895.8	1745.2	909.1	1813
	Operating income	43.2	94.4	77.3	131.7	47.9	152.7	116.9	224.4	134.1	255
Asia	Net sales	121.1	283.0	172.7	350.6	163.0	324.0	186.3	370.7	225.5	469
	Operating income	3.0	23.0	16.7	30.5	7.3	13.6	11.7	24.5	19.1	40
	Equity in earnings of affiliates	22.4	49.2	32.6	63.4	24.4	43.3	22.1	48.9	51.1	110
North America	Net sales	54.6	133.4	84.0	159.8	71.1	150.8	98.2	191.4	119.5	233
	Operating income	-16.2	-15.8	-1.2	-1.7	-4.4	-2.8	5.8	9.2	11.5	19
Other	Net sales	9.3	22.0	13.7	26.3	12.2	24.5	13.1	26.5	14.9	35
	Operating income	-1.0	-2.5	-0.5	-1.4	-0.3	-0.4	-0.2	-0.8	0.2	0

Change in Consolidated Net Sales by Business Segment

Consolidated total net sales

(100 million yen)

		FY 2009		FY 2010		FY 2011		FY 2012		FY 2013	
		1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year forecast
Paint business	Automotive coatings	297.0	676.0	386.6	747.5	328.7	724.1	414.7	812.9	457.4	910
	Trade-use paints	217.8	428.3	211.4	416.9	191.9	397.6	220.0	437.7	243.4	481
	Industrial-use coatings	179.9	371.9	205.1	409.3	211.2	421.3	220.1	436.4	233.5	467
	Other paints and coatings	273.3	561.2	279.8	567.4	268.3	545.0	272.8	516.9	262.7	548
	Sub-total	967.9	2037.3	1083.0	2141.0	1000.1	2088.1	1127.5	2203.9	1197.0	2406
Fine Chemicals business		58.3	128.1	68.6	132.8	68.2	134.5	65.8	129.9	72.0	144
Total		1026.2	2165.5	1151.5	2273.8	1068.3	2222.6	1193.3	2333.8	1269.0	2550

Change in Consolidated Net Sales by Business Segment

Japan

(100 million yen)

		FY 2009		FY 2010		FY 2011		FY 2012		FY 2013	
		1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year forecast
Paint business	Automotive coatings	192.4	417.6	219.3	415.8	176.8	415.5	224.7	428.2	217.8	432
	Trade-use paints	202.9	396.7	192.8	380.9	173.1	363.2	198.2	395.0	215.8	425
	Industrial-use coatings	165.4	338.5	183.5	368.0	189.5	380.4	198.9	394.6	207.5	415
	Other paints and coatings	231.6	468.7	231.2	467.7	228.8	457.5	222.5	427.7	216.8	441
	Sub-total	792.3	1621.5	826.8	1632.4	768.2	1616.6	844.3	1645.5	857.9	1713
Fine Chemicals business		48.9	105.6	54.3	104.8	53.8	106.7	51.5	99.7	51.2	100
Total		841.2	1727.1	881.1	1737.2	822.0	1723.3	895.8	1745.2	909.1	1813

Change in Consolidated Net Sales by Business Segment

Asia

(100 million yen)

		FY 2009		FY 2010		FY 2011		FY 2012		FY 2013	
		1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year forecast
Paint business	Automotive coatings	46.5	113.0	75.4	156.3	73.9	143.8	84.5	179.1	111.7	224
	Trade-use paints	14.9	31.6	18.6	36.0	18.8	34.4	21.8	42.7	27.6	56
	Industrial-use coatings	14.6	33.4	21.6	41.3	21.7	40.9	21.2	41.8	26.0	52
	Other paints and coatings	35.7	82.4	42.8	89.0	34.2	77.1	44.5	76.9	39.4	93
	Sub-total	111.7	260.4	158.4	322.6	148.6	296.2	172.0	340.5	204.7	425
Fine Chemicals business		9.4	22.6	14.3	28.0	14.4	27.8	14.3	30.2	20.8	44
Total		121.1	283.0	172.7	350.6	163.0	324.0	186.3	370.7	225.5	469

Change in Consolidated Capital Expenditures, Depreciation, and R&D Expenses

(100 million yen)

	FY 2009		FY 2010		FY 2011		FY 2012		FY 2013	
	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year forecast
Capital Expenditures	32.9	67.5	29.8	55.5	18.9	35.5	27.2	51.1	27.8	60
Depreciation	43.1	90.4	42.3	82.9	37.5	75.3	31.7	64.2	30.0	65
R&D Expenses	37.8	77.1	35.1	70.3	33.0	65.7	30.6	60.2	29.1	60

Changes in Consolidated Cash Flows

(100 million yen)

	FY 2009		FY 2010		FY 2011		FY 2012		FY 2013
	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year	1H
Cash flows from operating activities	50.9	174.9	70.4	203.5	21.6	224.8	101.8	318.5	75.5
Cash flows from investing activities	-49.1	-76.3	-42.0	-84.9	-14.0	-37.1	-26.2	-69.2	-29.2
Cash flows from financing activities	38.0	14.5	-84.9	-115.8	-85.4	-119.4	-153.8	-187.4	-171.4

Consolidated Statements of Income: Change in Foreign Exchange Rates (Term Average)

	FY 2009		FY 2010		FY 2011		FY 2012		FY 2013	
	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year forecast
US Dollar	96.0	93.7	91.0	87.3	81.8	79.7	79.8	80.1	95.9	97.7
Chinese Yuan	14.6	14.2	13.9	13.4	13.0	12.9	12.6	12.7	15.5	16.0
Thai Baht	2.81	2.81	2.87	2.83	2.77	2.68	2.56	2.58	3.20	3.10

Change in Main Consolidated Indicators

	FY 2009		FY 2010		FY 2011		FY 2012		FY 2013
	1H	Full-year	1H	Full-year	1H	Full-year	1H	Full-year	1H
Gross profit ratio (%)	31.7	32.7	33.7	33.0	31.6	33.0	34.7	35.2	36.4
Operating income ratio (%)	2.6	4.6	8.0	7.0	4.7	7.3	11.4	11.1	13.0
Ordinary income ratio (%)	3.8	5.9	9.6	8.9	6.1	9.1	12.3	14.1	17.9
Net income ratio (%)	2.7	4.0	6.2	6.3	3.3	5.5	6.6	8.6	12.1
Net assets per share (yen)	434.8	454.4	463.9	481.4	485.8	514.5	531.9	609.2	684.8
Net income per share (yen)	10.5	33.0	27.2	54.2	13.3	46.5	29.6	75.6	57.9
Capital adequacy ratio (%)	44.5	44.6	46.4	47.9	49.7	49.7	52.8	56.0	59.9
Ratio of ordinary income to total assets (%)	-	4.9	-	7.5	-	7.5	-	11.7	-
Consolidated payout ratio (%)	-	18.2	-	14.8	-	19.4	-	18.5	-

Market Condition: Change in Japan-Produced Naphtha Prices

	(Yen/kg)			
	1Q	2Q	3Q	4Q
FY 2010	49,700	42,700	45,100	52,400
FY 2011	59,000	54,900	51,700	54,100
FY 2012	60,600	49,800	55,800	63,800
FY 2013	65,500	63,900	66,000	

* The figure for the 2nd half of FY 2013 is the Company's estimate.

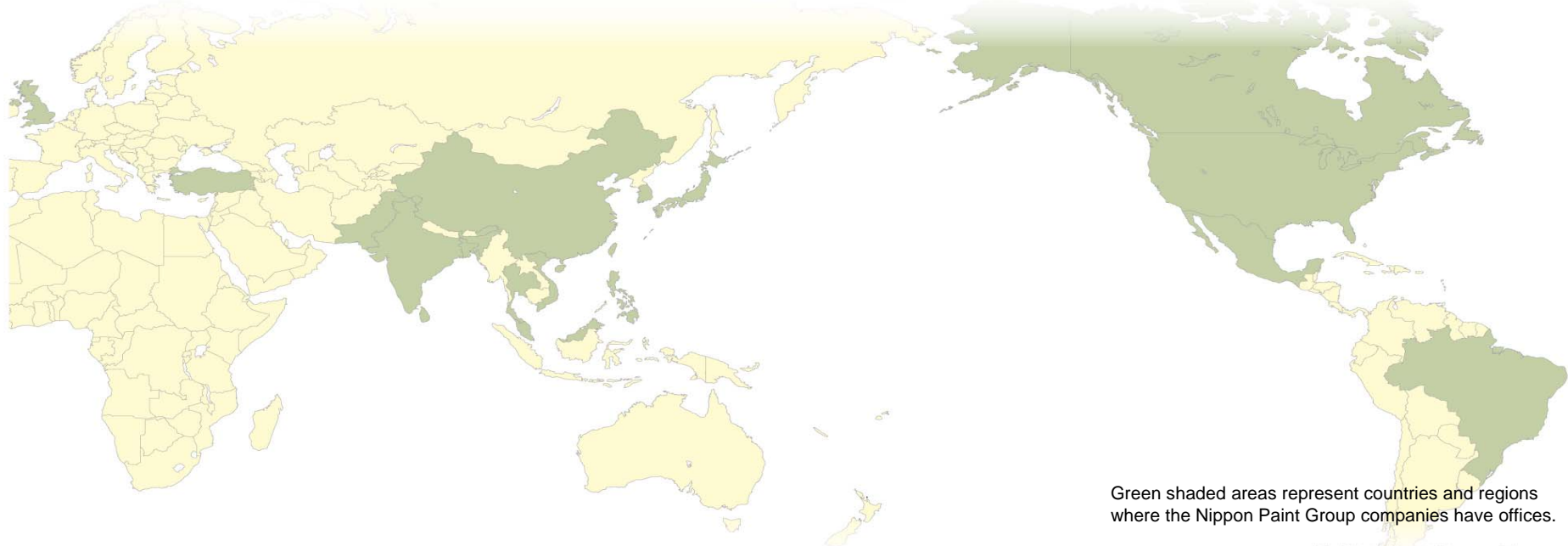
Market Condition: Change in the Number of Automobiles Produced in Japan

(10,000 units)

	1H	2H	Full-year
FY 2010	478	421	899
FY 2011	390	537	927
FY 2012	490	465	955
FY 2013	474	490	964

* The figures for the 2nd half and full-year of FY 2013 are the Company's estimates.

List of Main Companies in the Nippon Paint Group



Green shaded areas represent countries and regions where the Nippon Paint Group companies have offices.

Green shaded areas represent countries and regions where the Nippon Paint Group companies have offices.

List of main group companies

● Subsidiaries ○ Equity-method affiliates ○ Other

Japan

- | | |
|---|--|
| ● Nippon Paint Co., Ltd. | ● Nippon Paint Anti-Corrosive Coatings Co., Ltd. |
| ● Nippon Paint Hanbai Co., Ltd. | ● Nippe Trading Co., Ltd. |
| ● Nippon Paint Industrial Coating Co., Ltd. | ● Nippon Fine Coatings, Inc. |
| ● Daiwa Paint Trading Co., Ltd. | ● Nippon Paint Marine Coatings Co., Ltd. |
| ● AS Paint Co., Ltd. | ● Nippon Bee Chemical Co., Ltd. |
| ● Nippon Liner Co., Ltd. | ● AS Resin Co., Ltd. |
| ● Nippe Home Products Co., Ltd. | ○ Eco Systems Co., Ltd. |
| ● NP Color Plaza Co., Ltd. | ○ San Home Service Co., Ltd., etc. |

China

- NIPSEA CHEMICAL (SHANGHAI) CO., LTD.
- NIPPON PAINT (SHANGHAI) CHEMICAL CO., LTD.
- NIPPON PAINT (CHONGQING) CHEMICALS CO., LTD.
- NIPPE TRADING (SHANGHAI) CO., LTD.
- NIPPON PAINT MARINE (CHINA) CO., LTD.
- NIPPON PAINT MARINE (ZHANGJIAGANG) CO., LTD.
- NIPPON PAINT MARINE (H.K.) CO., LTD.
- CHANGCHUN DUNYANG NBC CO., LTD.
- NBC (PANYU NANSHA) CHEMICAL CO., LTD.
- TIANJIN NBC CO., LTD.
- WUHAN NBC CO., LTD.
- NANJING NBC CO., LTD.
- NB (SHANGHAI) TRADING CO., LTD.
- NIPPON PAINT (CHINA) CO., LTD.
- GUANGZHOU NIPPON PAINT CO., LTD.
- GUANG LI CHEMICALS (SHANGHAI) CO., LTD.
- NIPPON PAINT (CHENGDU) CO., LTD.
- NIPPON PAINT (H.K.) CO., LTD.
- WATANABE NPIC CO., LTD.
- LANGFANG NIPPON PAINT CO., LTD.
- NIPPON PAINT (TIANJIN) CO., LTD.
- YASHILI PAINT (SHUZHOU) CO., LTD. , etc.

South Korea

- NIPSEA CHEMICAL CO., LTD.
- NIPPON PAINT MARINE (KOREA) CO., LTD.
- NOROO AUTOMOTIVE COATINGS CO., LTD.
- NOROO BEE CHEMICAL CO., LTD.

Thailand

- NIPPON PAINT (THAILAND) CO., LTD.
- NIPPON PAINT DECORATIVE COATINGS (THAILAND) CO., LTD.
- NBC (ASIA) CO., LTD.
- NP AUTO REFINISHES CO., LTD.

Malaysia

- NIPPON PAINT MARINE (MALAYSIA) SDN. BHD.
- NIPPON PAINT (MALAYSIA) SDN. BHD.
- PAINT MARKETING COMPANY (M) SDN. BHD.
- NIPPON PAINT (SABAH) SDN. BHD. , etc.

India

- BNB COATINGS INDIA LIMITED
- NIPPON PAINT (INDIA) PTE., LTD.

Singapore

- NIPPON PAINT MARINE (SINGAPORE) PTE., LTD.
- NIPPON PAINT (SINGAPORE) CO., PTE., LTD.
- NIPSEA MANAGEMENT COMPANY PTE., LTD.
- NIPSEA TECHNOLOGIES PTE., LTD.

Vietnam

- NIPPON PAINT (VIETNAM) CO., LTD.
- NIPPON PAINT VIETNAM (HANOI) CO., LTD.

Taiwan

- ASIA INDUSTRIES LTD.
- NIPPON PAINT MARINE (TAIWAN) CO., LTD.
- TUNG YANG CHEMICAL CO., LTD. , etc.

Pakistan

- NIPPON PAINT (PAKISTAN) (PRIVATE) LIMITED

Philippines

- NIPPON PAINT PHILIPPINES, INC.

Bangladesh

- NIPPON PAINT (BANGLADESH) PRIVATE LIMITED

Sri Lanka

- NIPPON PAINT LANKA (PRIVATE) LIMITED

United States

- NIPPON PAINT (USA) INC.
- NPA COATINGS INC.
- NB COATINGS, INC.
- NB COATINGS USA, LLC , etc.

Canada

- NB COATINGS CANADA, INC.

Mexico

- NB COATINGS DE MEXICO SDERL DE CV
- NIPPON BEE CHEMICAL MEXICO,S.A DE C.V.

United Kingdom

- NIPPON PAINT (EUROPE) LTD.
- NP AUTOMOTIVE COATINGS (EUROPE) LTD.

Turkey

- NIPPON PAINT BOYA SANAYI VE TICARET LIMITED COMPANY

Brazil

- NIPPON BEE DO BRASIL TINTAS ESPECIAL LTDA.



Basic & New

NIPPON PAINT CO.,LTD.