

September 24, 2019

Nippon Paint Holdings Co., Ltd. Corporate Communications

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**Nippon Paint (USA) Inc., a subsidiary of the Nippon Paint Holdings Group,  
Announces the Establishment of a New Plant in the Southern U.S.**

Nippon Paint (USA) Inc. (headquartered in New Jersey, CEO: Tetsuro Fujita), a subsidiary of Nippon Paint Holdings Co., Ltd. (headquartered in Kita-ku, Osaka City, President & CEO: Tetsushi Tado), has decided to invest approximately \$60 million to establish a facility in Chattanooga, Tennessee to produce automotive coatings. The new facility will be able to supply electrocoat (“E-Coat”) and other automotive coatings to customers in the U.S., Canada and Mexico.

This facility will be the first of Nippon Paint’s US plants to start local production of E-Coat. This investment will be used for the new facility to introduce the most advanced production control system and production technologies and combine the strengths of digital and human resources, thereby becoming a cutting-edge plant balancing pleasant working conditions and high efficiency. The new plant is also expected to create 150 jobs in Tennessee (over the next five to seven years) and acquire LEED (Leadership in Energy and Environmental Design) green building certification.

With this new base in the southern U.S., the Nippon Paint Holdings Group aims to accelerate the infrastructure development of its automotive coatings business, further expand its share of the US automotive coatings market, and work towards its goal for 2030, to become “a leading company committed to continuously creating new value.”

#### Overview of Investment in Production Expansion

- Location of construction: CHATTANOOGA, Tenn. (USA)
- Total land area: 117,350 m<sup>2</sup>
- Production item:  
*automotive paint and coatings* (1st phase: *electrocoat (“E-Coat”)* /resin)
- Amount invested: Approx. 60MM US\$ (1st phase: 36MM US\$)
- Investment plan:
  - 1st phase: Construction is expected to begin in January 2020;  
Construction is expected to complete in September 2021.
- Related Release: <https://tnecd.com/news/governor-lee-commissioner-rolfe-announce-nippon-paint-to-establish-facility-in-chattanooga/>
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