



November 14, 2023

For immediate release

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Notice Regarding Revision to Earnings and Dividend Guidance

Nippon Paint Holdings Co., Ltd. is pleased to announce that its Board of Directors has today approved a resolution to revise our consolidated earnings and dividend guidance for the fiscal year ending December 31, 2023 (January 1, 2023 to December 31, 2023), released on August 10, 2023. This revision is based on a thorough assessment of factors such as recent earnings trends.

1. Revision to the Consolidated Earnings Guidance for the Fiscal Year Ending December 31, 2023 (January 1, 2023 to December 31, 2023)

(Billion yen)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent
Previous guidance (A)	1,450	158	151	110
Revised guidance (B)	1,450	168	158	115
Amount of change (B-A)	0	10	7	5
Percentage change (%)	0%	6.3%	4.6%	4.5%
(For reference) Consolidated earnings results for FY2022	1,309	111.9	104.5	79.4

2. Revision to dividend guidance

(Yen)

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Previous guidance			—	7.00	13.00
Revised guidance			—	8.00	14.00
Dividend paid in FY2023	—	6.00			
(For reference) Dividend paid in FY2022	—	5.00	—	6.00	11.00

3. Reasons for revising the earnings and dividend guidance

Our revenue is projected to grow in line with our plan after taking into account the weaker yen compared to the exchange rate assumed when we created the previous guidance and the outperformance in Japan Group, roughly offset by the lower revenue in the China TUB and other businesses.

In the meantime, the improved raw material cost contribution ratio in Japan and Türkiye, along with sustained profitability in China and other regions achieved through effective control of SG&A expenses, coupled with the depreciation of the yen, are expected to positively impact all profit indicators.

Considering these diverse factors, we anticipate surpassing our earlier guidance, leading to an upward revision in our expectations for operating profit, profit before tax, and profit attributable to owners of the parent company.

We adhere to a dividend policy focused on providing a stable and consistent dividend payout. Our target is a payout ratio of 30%, carefully considering factors such as earnings trends and available investment opportunities.

The year-end dividend forecast for the fiscal year ending December 31, 2023, has been revised to 8 yen per share.

This reflects a 1 yen increase from the previous guidance, attributable to the anticipation of surpassing the previously announced full-year earnings projection, as detailed above. Consequently, the annual dividend forecast stands at 14 yen per share.

End