

May 15, 2024

FY2024 1Q Financial Results Presentation Material

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Supplementary Information

Analysis of operational results

In this document, we present our operational results in two formats: the reported basis (“Tanshin”) and the adjusted basis (“Non-GAAP”).

The analysis of factors contributing to changes primarily utilize Non-GAAP data, except for QoQ analysis

- The Tanshin basis reflects financial metrics that are identical or consistent with those in the consolidated financial statements, matching the figures disclosed in our financial reports
- The Non-GAAP basis presents Tanshin figures adjusted for FX impact and excludes one-off factors (subsidiaries, etc., M&A-related expenses, new consolidation, etc.) to accurately depict the YoY changes in earnings

	Tanshin	Non-GAAP
Exchange rates applied	FX for the corresponding quarter	Prior quarter FX for both current/previous reporting period
One-off factors (Subsidiaries, etc., M&A-related expenses, new consolidation, etc.)	Included	Excluded

FX rates used

P/L: average rate

F/P: closing rate

(For reference)
Estimates of FX sensitivity

	FY2023				FY2024				FY2024	FY2023	FY2024	Impact per 1 yen change (FY2023 full-year impact)		
	3M	6M	9M	F/Y	3M	6M	9M	F/Y	Guidance	As of Dec. 31	As of Mar. 31	Revenue	Operating profit	
JPY/USD	133.4	136.5	139.6	141.2	149.9	-	-	-	141.2	141.8	151.3	USD	c. ¥0.7 bn	c. ¥0.1 bn
JPY/RMB	19.4	19.6	19.7	19.9	20.8	-	-	-	19.9	19.9	20.8	RMB	c. ¥27.5 bn	c. ¥3.3 bn
JPY/AUD	91.2	91.6	92.7	93.6	97.8	-	-	-	93.6	96.9	98.6	AUD	c. ¥2.4 bn	c. ¥0.3 bn
JPY/EUR	144.0	147.9	151.2	153.2	162.2	-	-	-	153.2	157.1	163.2			
JPY/TRY*	7.0	5.6	5.5	4.8	4.7	-	-	-	4.8	4.8	4.7			
JPY/IDR	0.0089	0.0091	0.0092	0.0093	0.0095	-	-	-	0.0093	0.0092	0.0095			

*Closing rates are used following the application of hyperinflationary accounting

Terminology

•RMCC	:	Raw Material Cost Contribution	•CC	:	Construction Chemicals
•CCM	:	Computerized Color Matching	•NPCS	:	Nippon Paint Corporate Solutions
•ETICS	:	External Thermal Insulation Composite System	•c.	:	Circa (approximately)
•SAF	:	Sealants, Adhesives & Fillers			

1. FY2024 1Q Operational Results –Increased Revenue/Profit with Margin Improvement

FY2024 1Q



(Tanshin)

(Billion yen)	Results	YoY
Revenue	384.3	+16.4%
Operating Profit	42.7	+22.2%
OP margin	11.1%	+0.5pp

(Non-GAAP)

(Billion yen)	Results	YoY
Revenue	365.0	+10.6%
Operating Profit	39.8	+15.9%
OP margin	10.9%	+0.5pp

◆ Tanshin

- Increased revenue (+16.4%), propelled by volume growth and flow-through of price increases, notably in decorative business, FX impact and new consolidation
- Gross profit margin improved by 1.5pp YoY, attributed to an improved RMCC ratio
- Continued application of hyperinflationary accounting in Türkiye (1Q impact: revenue c. +¥0.1 bn, OP c. -¥1.8 bn)
- Higher operating profit (+22.2%) driven by increased revenue and an improved gross profit margin
- OP margin up 0.5pp YoY to 11.1% (+0.5pp on Non-GAAP base)
- In Japan, OP margin improved by 2.4pp YoY (+2.4pp on Non-GAAP base), primarily due to an improved RMCC ratio

◆ Non-GAAP

- China TUC revenue grew 15%, due to stronger sales volume driven by marketing activities and continued strong growth across Tier 3 to 6 cities.
TUB revenue remains soft, and is down 15% compared to last year with real estate market remaining soft
- China operating profit increased, as a result of higher revenue despite some sales mix impact
- Decorative revenue increased in NIPSEA and the Americas, driven by volume growth and flow-through of price increases
- Automotive revenue decreased in Japan due to lower auto production but increased in China and the Americas

Revenue YoY analysis

Paint and Coatings Business			Adjacencies Business	FX	New consolidation
Volumes	Price/Mix	Paint (others)*			
c. +4%	c. +3%	c. +2%	c. +2%	c. +4%	c. +2%

2. Raw Material Market Conditions and Impact on Our Operations

No significant change in the RMCC ratio anticipated with prices varying across regions and raw materials

FY2024 1Q

- Crude oil prices have increased by 20% since December 2023, influenced by factors including an influx of speculative investments following the extension of voluntary oil output reductions by OPEC+ members such as Saudi Arabia and Russia, renewed geopolitical tensions in the Middle East, a robust U.S. economy, and anticipated recovery in the Chinese economy
- Japanese chemical manufacturers are intensifying their emphasis on profitability. The shift, combined with ongoing logistical challenges and rising wages, has contributed to an upward trend in chemical prices
- Against this backdrop of the business environment, our gross profit margin improved by 1.5pp YoY and 0.2pp QoQ

◆ Gross profit margin

FY2022 1Q	FY2022 2Q	FY2022 3Q	FY2022 4Q	FY2022
37.6%	36.1%	37.0%	38.4%	37.2%

FY2023 1Q	FY2023 2Q	FY2023 3Q	FY2023 4Q	FY2023
39.3%	40.0%	39.7%	40.6%	39.9%

FY2024 1Q	YoY	QoQ
40.8%	+1.5pp	+0.2pp

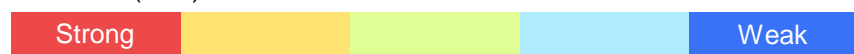
FY2024 2Q and beyond

- The crude oil market has resumed its upward trajectory, influenced by intensified production cuts by OPEC+, renewed geopolitical tensions in the Middle East, and an influx of speculative capital
- Based on current market conditions, we expect the challenges related to raw materials to intensify, exceeding the levels seen in FY2024 1Q
- Considering the ongoing global situation and the persistent depreciation of the yen, there are no apparent factors that would lead to a decrease in prices for either crude oil or naphtha
- Prices are varying across regions and raw materials; no significant change in the RMCC ratio is anticipated overall

3. Market & Business Environment

		Japan	NIPSEA China		DGL (Pacific)	DGL (Europe)	Americas
FY2024 1Q	Automotive	➡	➡		/	/	↶
	Decorative	➡	↶ TUC	➡ TUB	➡	➡	➡
FY2024 2Q (outlook)	Automotive				/	/	
	Decorative		TUC	TUB			

■ Market (YoY)



■ Business (vs. Market)*



*NPHD's estimates

4. Summary of Operating Results in Major Segments

(Billion yen)		Tanshin		Non-GAAP		Overview
		FY2024 1Q	YoY	FY2024 1Q	YoY	
Japan	Revenue	46.4	-1.2%	46.1	-1.9%	Revenue remained flat, impacted by soft market conditions in the automotive, decorative, and industrial segments
	OP	3.7	+40.7%	3.6	+40.7%	Higher profit due to an improved RMCC ratio
NIPSEA China	Revenue	130.3	+20.1%	121.5	+12.2%	Higher revenue driven by higher TUC sales from continued strong growth in Tier 3-6 cities, which more than offset the lower TUB sales resulting from the soft property market
	OP	17.2	+20.6%	15.6	+11.6%	Higher profit from higher revenue despite some sales mix impact
NIPSEA Except China	Revenue	86.0	+23.7%	89.1	+28.1%	Higher revenue, benefitting from growth in Malaysia Group, Singapore Group, and Türkiye despite a flat Vietnam and a weaker Thailand Automotive business
	OP	14.3	+38.1%	13.9	+34.4%	Higher profit on higher revenue and better RMCC ratio due to flow-through of price increases
DGL (Pacific)	Revenue	57.3	+13.0%	53.4	+5.3%	Higher revenue from small-scale acquisitions of local businesses, with organic growth impacted by soft markets and lower retail volumes (continuing to normalize post COVID peak)
	OP	6.6	+4.9%	6.2	-1.8%	Profit lower despite higher revenue, with SG&A costs higher due to inflation and timing of marketing spend
DGL (Europe)	Revenue	35.9	+15.5%	29.7	-4.3%	Lower revenue from further market volume decline in France and mix impacts, partially offset by growth in southern and central Europe
	OP	0.6	-42.5%	0.3	-72.8%	Profit lower due to lower revenue, with SG&A costs higher due to inflation, partially offset by GM% normalization
Americas	Revenue	28.5	+21.6%	25.3	+7.8%	Higher revenue driven by strong automotive sales and recovery in decorative sales
	OP	1.2	+60.6%	1.0	+40.4%	Higher profit achieved through higher revenue and an improved RMCC ratio, resulting from flow-through of price increases in the automotive business

5. Major Topics

Changed the Closing Schedule of the Buyback of the Two India Businesses (NPI and BNPA) (Announced on May 15)

- Closing date has been changed from the first half of 2024 to within 2024 due to the approval process from the Indian authorities taking longer than anticipated
- The impact on our FY2024 guidance will be limited*

Awarded the Grand Prize G at the Nikkei Integrated Report Award 2023 (Announced on February 27)

- The recognition by Nikkei Inc. highlights our Report's outstanding overall quality, ranking just behind the Grand Prize winners. It particularly praises the exceptional narrative quality in the Corporate Governance section
- Reasons for the Award: "Focus on Maximization of Shareholder Value as the sole mission; a unique and engaging logic tree that illustrates the business model aimed at maximizing EPS and PER; the detailed disclosures of the Nomination, Audit, and Compensation Committees, alongside the discussions by the Board of Directors, are outstanding, serving as a model for other companies"
- We are dedicated to continuously refining our Integrated Report, drawing on feedback and requests from investors received during the Integrated Report Briefing and regular investor engagements. We are committed to fostering proactive interactions with investors and stakeholders worldwide

Supplemental Material

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- (Appendix) Reference Data

1. FY2024 1Q Results: Highlights

1-1. Highlights (Consolidated)

(Billion yen)	Results (Tanshin)			Results (Non-GAAP)			
	FY2023 1Q	FY2024 1Q	YoY (%)	FY2023 1Q	FY2024 1Q	YoY (Amount)	YoY (%)
Revenue	330.2	384.3	16.4%	330.0	365.0	35.0	10.6%
Operating profit	34.9	42.7	22.2%	34.3	39.8	5.4	15.9%
OP margin	10.6%	11.1%	0.5pp	10.4%	10.9%	-	0.5pp
EBITDA	47.0	57.0	21.5%	-	-	-	-
EBITDA margin	14.2%	14.8%	0.6pp	-	-	-	-
Profit before tax	33.4	41.3	23.6%	32.9	37.5	4.7	14.2%
Profit*	25.3	30.3	19.5%	24.9	26.8	1.9	7.5%

Key one-off factors

(the difference between Tanshin and Non-GAAP excluding FX impact)

*Please refer to "Breakdown of Adjustments" in the Reference Data section in the appendix

FY2023 1Q

Revenue -

OP •NIPSEA China: Subsidies, etc. +¥0.3bn
•Adjustments: Settlement income +¥0.3bn

FY2024 1Q

Revenue •DGL (Europe): New consolidation of NPT +¥2.5 bn
•NIPSEA Except China: New consolidation of Alina +¥4.7bn

OP •DGL (Europe): New consolidation of NPT (including amortization of intangible assets from PPA) +¥0.3bn
•NIPSEA Except China: New consolidation of Alina +¥0.6bn
•NIPSEA China: Subsidies, etc. +¥0.5bn

Major reasons for changes

<Revenue>

- Decorative revenue increased in NIPSEA and the Americas, driven by volume growth and flow-through of price increases
- Automotive revenue decreased in Japan due to reduced auto production but increased in China and the Americas

<Operating profit>

Higher operating profit on higher revenue and an improved RMCC ratio

1-2. Highlights (by Segment)

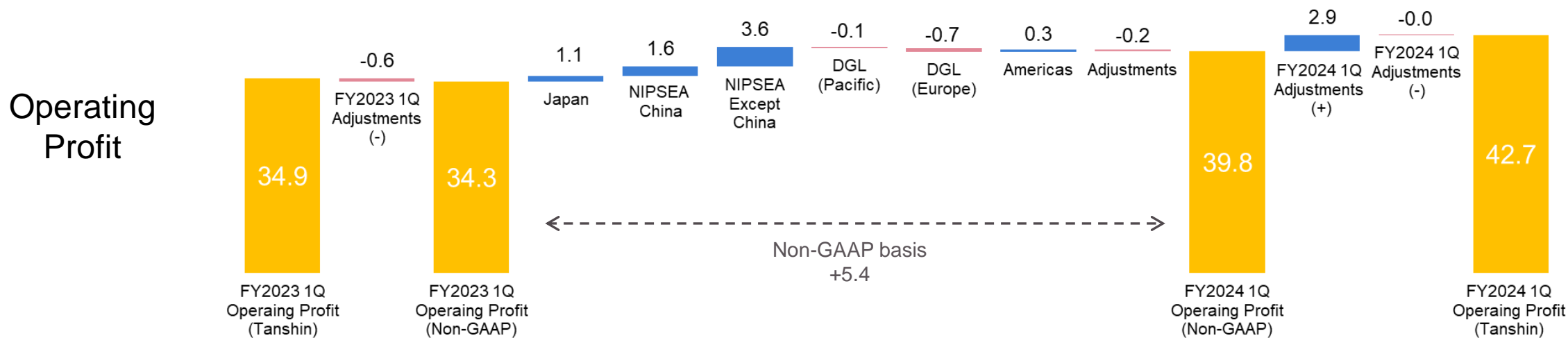
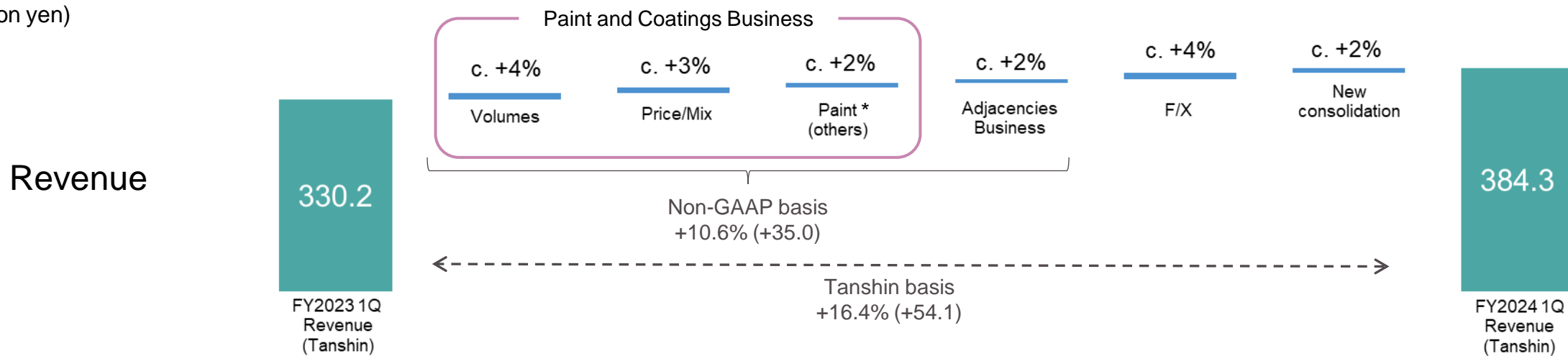
(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2023 1Q	FY2024 1Q	YoY (%)	FY2023 1Q	FY2024 1Q	YoY (Amount)	YoY (%)
Japan	Revenue	47.0	46.4	-1.2%	47.0	46.1	-0.9	-1.9%
	Operating profit	2.6	3.7	40.7%	2.6	3.6	1.1	40.7%
NIPSEA	Revenue	178.0	216.3	21.5%	177.8	210.6	32.7	18.4%
	Operating profit	24.6	31.4	28.0%	24.3	29.5	5.2	21.3%
DuluxGroup	Revenue	81.7	93.1	13.9%	81.7	83.1	1.3	1.6%
	Operating profit	7.3	7.2	-1.5%	7.3	6.5	-0.8	-11.4%
Americas	Revenue	23.4	28.5	21.6%	23.4	25.3	1.8	7.8%
	Operating profit	0.7	1.2	60.6%	0.7	1.0	0.3	40.4%
Adjustments	Revenue	-	-	-	-	-	-	-
	Operating profit	-0.3	-0.9	-	-0.6	-0.8	-0.2	-
Total	Revenue	330.2	384.3	16.4%	330.0	365.0	35.0	10.6%
	Operating profit	34.9	42.7	22.2%	34.3	39.8	5.4	15.9%

2. FY2024 1Q Results: By Segment

2-1. Revenue and Operating Profit Analysis

(Billion yen)



2-2. Japan

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)			
		FY2023 1Q	FY2024 1Q	YoY (%)	FY2023 1Q	FY2024 1Q	YoY (Amount)	YoY (%)
Revenue	Automotive coatings	10.4	9.3	-10.9%	10.4	9.3	-1.1	-10.9%
	Decorative paints	11.1	10.7	-3.7%	11.1	10.7	-0.4	-3.7%
	Industrial coatings	9.3	9.2	-0.4%	9.3	9.2	-0.0	-0.4%
	Fine chemicals	2.0	2.1	4.7%	2.0	2.1	0.1	4.7%
	Others ^{*1}	14.1	15.1	6.7%	14.1	14.7	0.6	4.1%
	Total	47.0	46.4	-1.2%	47.0	46.1	-0.9	-1.9%
Operating profit		2.6	3.7	40.7%	2.6	3.6	1.1	40.7%
OP margin		5.6%	8.0%	2.4pp	5.5%	7.9%	-	2.4pp

Key one-off factors

(the difference between Tanshin and Non-GAAP excluding FX impact)

*Please refer to "Breakdown of Adjustments" in the Reference Data section in the appendix.

FY2023 1Q

-

FY2024 1Q

-

Major reasons for changes

<Revenue>

- Automotive: Lower revenue due to a decrease in auto production (-12%*² YoY)
- Decorative: Lower revenue despite flow-through of price increases, due to restrained consumer spending and a shift in demand towards economy products amid inflation concerns
- Industrial: Flat revenue despite flow-through of price increases, attributed to soft market conditions

<Operating profit>

Higher profit due to an improved RMCC ratio

2-3. NIPSEA China

(Billion yen)

	Results (Tanshin)			Results (Non-GAAP)			
	FY2023	FY2024	YoY	FY2023	FY2024	YoY	YoY
	1Q	1Q	(%)	1Q	1Q	(Amount)	(%)
Revenue							
Automotive coatings	9.6	12.1	25.7%	9.6	11.3	1.7	17.5%
Decorative paints	93.2	112.3	20.5%	93.1	104.8	11.8	12.6%
Industrial coatings	5.2	5.4	4.2%	5.2	5.1	-0.1	-2.6%
Others*1	0.5	0.4	-13.8%	0.5	0.4	-0.1	-19.4%
Total	108.5	130.3	20.1%	108.3	121.5	13.2	12.2%
Operating profit	14.2	17.2	20.6%	14.0	15.6	1.6	11.6%
OP margin	13.1%	13.2%	0.1pp	12.9%	12.8%	-	-0.1pp

Key one-off factors

(the difference between Tanshin and Non-GAAP excluding FX impact)
*Please refer to "Breakdown of Adjustments" in the Reference Data section in the appendix.

FY2023 1Q

▶ OP
Subsidies, etc. +¥0.3bn

FY2024 1Q

▶ OP
Subsidies, etc. +¥0.5bn

Major reasons for changes

<Revenue>

- Automotive: Higher revenue primarily due to the higher overall automobile production (+8%*2 YoY) which benefited topline growth
- Decorative: TUC revenue increased by 15%, supported by stronger growth from Tier 3 to 6 cities and marketing activities
Revenue for TUB segment is down by 15% with real estate market conditions still very weak
- Industrial: Lower revenue due to lower contribution from Powder and General Industrial Use coating segments which was offset by a stronger Coil Coating performance

<Operating profit>

Higher profit as a result of the higher revenue and despite some sales mix impact

2-4. NIPSEA Except China*1

(Billion yen)

Figures are adjusted for hyperinflationary accounting

	Results (Tanshin)			Results (Non-GAAP)			
	FY2023 1Q	FY2024 1Q	YoY (%)	FY2023 1Q	FY2024 1Q	YoY (Amount)	YoY (%)
Revenue	69.5	86.0	23.7%	69.5	89.1	19.5	28.1%
Operating profit	10.3	14.3	38.1%	10.3	13.9	3.6	34.4%
OP margin	14.9%	16.6%	1.7pp	14.9%	15.6%	-	0.7pp

Key one-off factors

(the difference between Tanshin and Non-GAAP excluding FX impact)
*Please refer to "Breakdown of Adjustments" in the Reference Data section in the appendix.

FY2023 1Q

-

FY2024 1Q

- ▶ Revenue
New consolidation of Alina +¥4.7bn
- ▶ OP
New consolidation of Alina +¥0.6bn

Major reasons for changes

<Revenue>

- Malaysia Grp.: Higher revenue due to growth across countries in Malaysia, Thailand (Decorative), Philippines, Pakistan, Bangladesh, Vital and CMI
- Singapore Grp.: Overall revenue is up due to the stronger performance in Singapore and Sri Lanka, Myanmar and a rather flattish Vietnam performance
- Thailand Grp.: Lower revenue due to a drop in automobile production (-18%*2 YoY) despite the Auto Refinish business performing better

<Operating profit>

Higher profit on higher revenue with improved RMCC ratio benefitting from the flow-through of price increases

2-5. PT Nipsea (Indonesia) & Betek Boya (Türkiye)

(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2023	FY2024	YoY	FY2023	FY2024	YoY	YoY
		1Q	1Q	(%)	1Q	1Q	(Amount)	(%)
PT Nipsea (Indonesia)	Revenue	16.3	16.6	1.7%	16.3	15.5	-0.8	-4.7%
	Operating profit	5.5	6.1	11.0%	5.5	5.7	0.2	3.5%
	OP margin	33.9%	37.0%	3.1pp	33.9%	36.8%	-	2.9pp
	OP margin*	34.3%	37.4%	3.1pp	34.3%	37.3%	-	2.9pp

Figures are adjusted for hyperinflationary accounting

		Results (Tanshin)			Results (Non-GAAP)			
		FY2023	FY2024	YoY	FY2023	FY2024	YoY	YoY
		1Q	1Q	(%)	1Q	1Q	(Amount)	(%)
Betek Boya (Türkiye)	Revenue	16.9	22.8	34.7%	16.9	33.9	17.0	100.3%
	Operating profit	0.2	2.7	-	0.2	3.6	3.3	-
	OP margin	1.4%	11.8%	10.4pp	1.4%	10.5%	-	9.1pp

Impact of hyperinflationary accounting						(Billion yen)
FY2023	1Q	2Q	3Q	4Q	F/Y	
Revenue	c.+0.2	c.-5.2	c.+8.0	c.-1.8	c.+1.2	
OP	c.-1.4	c.-1.5	c.-1.4	c.-1.1	c.-5.2	
FY2024	1Q	2Q	3Q	4Q	F/Y	
Revenue	c.+0.1	-	-	-	-	
OP	c.-1.8	-	-	-	-	

Major reasons for changes

<Revenue>

- PT Nipsea (Indonesia): Lower revenue compared to last year partly due to slower sales during the campaign and election period, as well as Ramadan which started earlier this year
- Betek Boya (Türkiye): Higher revenue due to selling price increases in part due to inflation and the successful roll-out of brand strategy implementation

<Operating profit>

- PT Nipsea (Indonesia): Higher profit as a result of the improved RMCC, despite lower revenue and higher commission
- Betek Boya (Türkiye): Higher profit due largely to higher revenue and an improved RMCC ratio

2-6. DGL (Pacific)

(Billion yen)		Results (Tanshin)			Results (Non-GAAP) ^{*1}			
		FY2023 1Q	FY2024 1Q	YoY (%)	FY2023 1Q	FY2024 1Q	YoY (Amount)	YoY (%)
Revenue	Decorative paints	26.7	30.0	12.4%	27.7	28.0	0.3	1.0%
	Industrial coatings	2.0	2.4	21.7%	2.0	2.3	0.3	13.3%
	Adjacencies business	21.9	24.8	12.9%	21.0	23.1	2.1	10.2%
	Total	50.7	57.3	13.0%	50.7	53.4	2.7	5.3%
Operating profit		6.3	6.6	4.9%	6.3	6.2	-0.1	-1.8%
OP margin		12.4%	11.6%	-0.9pp	12.4%	11.6%	-	-0.8pp
OP margin ^{*2}		13.2%	12.3%	-0.9pp	13.3%	12.4%	-	-0.9pp

Key one-off factors

(the difference between Tanshin and Non-GAAP excluding FX impact)

*Please refer to "Breakdown of Adjustments" in the Reference Data section in the appendix.

FY2023 1Q

- ▶ OP
M&A related expenses -¥0bn

FY2024 1Q

- ▶ OP
Subsidies, etc. -¥0 bn, M&A related expenses -¥0bn

Major reasons for changes

<Revenue>

- Decorative: Revenue flat due to a decline in retail volumes (normalization post the COVID peak) and soft markets, offset by price impacts
- Adjacencies business: Higher revenue from small-scale acquisitions of local businesses, with organic growth impacted by soft markets

<Operating profit>

Profit lower despite higher revenue, with SG&A costs higher due to inflation and timing of marketing spend

2-7. DGL (Europe)

(Billion yen)		Results (Tanshin)			Results (Non-GAAP) ^{*1}			
		FY2023 1Q	FY2024 1Q	YoY (%)	FY2023 1Q	FY2024 1Q	YoY (Amount)	YoY (%)
Revenue	Decorative paints	26.4	28.9	9.3%	27.1	25.7	-1.4	-5.0%
	Adjacencies business	4.7	7.0	50.4%	4.0	4.0	0.0	0.5%
	Total	31.1	35.9	15.5%	31.1	29.7	-1.3	-4.3%
Operating profit		1.0	0.6	-42.5%	1.0	0.3	-0.7	-72.8%
OP margin		3.2%	1.6%	-1.6pp	3.2%	0.9%	-	-2.3pp
OP margin ^{*2}		4.6%	3.1%	-1.5pp	4.6%	2.4%	-	-2.2pp

Key one-off factors

(the difference between Tanshin and Non-GAAP excluding FX impact)
*Please refer to "Breakdown of Adjustments" in the Reference Data section in the appendix.

FY2023 1Q

-

FY2024 1Q

- ▶ Revenue
New consolidation of NPT +¥2.5bn
- ▶ OP
New consolidation of NPT (including amortization of intangible assets from PPA) +¥0.3bn

Major reasons for changes

<Revenue>

- Decorative: Lower revenue from further market volume decline in France and sales mix, partially offset by growth in southern and central Europe
- Adjacencies business: Revenue largely in line

<Operating profit>

Profit lower due to lower revenue, with SG&A costs higher due to inflation, partially offset by GM% normalization.

2-8. Americas

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)			
		FY2023 1Q	FY2024 1Q	YoY (%)	FY2023 1Q	FY2024 1Q	YoY (Amount)	YoY (%)
Revenue	Automotive coatings	9.2	11.8	27.7%	9.2	10.4	1.2	12.5%
	Decorative paints	13.8	16.1	16.4%	13.8	14.4	0.5	3.7%
	Fine chemicals	0.4	0.6	57.9%	0.4	0.5	0.2	40.6%
	Total	23.4	28.5	21.6%	23.4	25.3	1.8	7.8%
Operating profit		0.7	1.2	60.6%	0.7	1.0	0.3	40.4%
OP margin		3.2%	4.2%	1.0pp	3.2%	4.1%	-	1.0pp

Key one-off factors

(the difference between Tanshin and Non-GAAP excluding FX impact)

*Please refer to "Breakdown of Adjustments" in the Reference Data section in the appendix.

FY2023 1Q

-

FY2024 1Q

-

Major reasons for changes

<Revenue>

- Automotive: Higher revenue mainly due to robust production mainly at Japanese automakers and flow-through of price increases, despite flat automobile production in the Americas compared to the previous year ($\pm 0\%$ * YoY)
- Decorative: Higher revenue, despite a sluggish U.S. economy and housing market due to lower rainfall, both in terms of quantity and frequency, compared to the previous year

<Operating profit>

Higher profit achieved through higher revenue and an improved RMCC ratio, resulting from flow-through of price increases in the automotive business

2-9. Quarterly Financial Performance Trends in Major Segments

(For reference) Basic seasonal factors *Market-based

High demand ←————→ Low demand

Region	Segment	High demand						Low demand	Notes
Japan	Decorative	4Q	>	2Q	>	3Q	>	1Q	Demand tends to be lower in 1Q due to the deepening cold and in 3Q due to more intensely hot days that will slow construction projects
NIPSEA China	TUC	3Q	>	2Q	>	1Q	>	4Q	Demand tends to be lower in 1Q (due to CNY festive holidays) and 4Q (colder weather in winter)
	TUB	3Q	≒	2Q	>	4Q	>	1Q	Demand tends to be lower in 1Q (due to CNY festive holidays) and 4Q (colder weather in winter)
NIPSEA Except China	PT Nipsea (Indonesia)	1Q	>	4Q	>	3Q	>	2Q	Demand tends to be lower in 2Q due to Hari Raya Idul Fitri, a national holiday, creating some demand surge in 1Q
	Betek Boya (Türkiye)	3Q	>	2Q	>	4Q	>	1Q	Demand tends to be higher in 2Q and 3Q due to favorable weather
DGL (Pacific)	Decorative	3Q	≒	4Q	>	1Q	≒	2Q	Demand tends to be higher in 3Q and 4Q due to spring/summer season
DGL (Europe)	Decorative	2Q	>	3Q	>	1Q	>	4Q	Demand tends to be lower in 1Q and 4Q due to winter season
Americas	Decorative	2Q	>	3Q	>	4Q	or	1Q	Demand is highest in 2Q and 3Q due to favorable weather. 4Q and 1Q often have the most rain impact

Quarterly financial performance trend (Tanshin)/QoQ analysis *Please refer to the (Appendix) Reference Data for the revenue and OP trend by segment

(Billion yen)	FY2022 4Q		FY2023 1Q		FY2023 4Q		FY2024 1Q		Major reasons for changes (vs. FY2023 4Q)
	Revenue	OP	Revenue	OP	Revenue	OP	Revenue	OP	
Japan	51.3	1.0	47.0	2.6	54.5	6.7	46.4	3.7	Lower profit due to seasonal factors and softer markets
NIPSEA China	102.2	9.7	108.5	14.2	109.7	9.8	130.3	17.2	Higher profit due to seasonal factors
NIPSEA Except China	67.4	12.9	69.5	10.3	70.0	13.5	86.0	14.3	Higher profit due to seasonal factors
PT Nipsea (Indonesia)	13.7	5.4	16.3	5.5	16.1	5.5	16.6	6.1	Higher profit due to seasonal factors
Betek Boya (Türkiye)	16.8	2.8	16.9	0.2	12.2	0.9	22.8	2.7	Higher profit benefitting from selling price increases due to the inflationary environment
DGL (Pacific)	55.6	6.7	50.7	6.3	60.2	7.1	57.3	6.6	Lower profit, mainly due to seasonal factors and softer markets
DGL (Europe)	27.7	-0.3	31.1	1.0	34.0	-0.8	35.9	0.6	Higher profit mainly due to non-repeat of Craig & Rose impairment and restructuring provision in Q4 2023
Americas	24.9	0.8	23.4	0.7	28.4	1.6	28.5	1.2	Lower profit due to seasonality for decorative paints

NIPPON PAINT HOLDINGS CO., LTD. Investor Relations

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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 Holdings Co., Ltd. and the Nippon Paint Holdings Group may differ significantly from the forward-looking statements.

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FY2024 1Q Financial Results Presentation Material Reference Data

May 15, 2024
Nippon Paint Holdings Co., Ltd.

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*For the market data of each region, please see the "Global Market Data" page on our IR website

▶ Global Market Data <https://www.nipponpaint-holdings.com/en/ir/results/market/>

1. Trends in Consolidated Financial Results and Key Financial Data

<Consolidated earnings>

(Billion yen)	FY2021 ^{*1}					FY2022 ^{*2}					FY2023					FY2024
	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q
Revenue	222.7	259.1	254.5	262.0	998.3	285.1	337.0	357.9	329.1	1,309.0	330.2	362.7	393.0	356.7	1,442.6	384.3
Operating profit	24.7	24.3	17.1	21.5	87.6	21.9	20.2	39.7	30.1	111.9	34.9	48.8	47.9	37.1	168.7	42.7
OP margin	11.1%	9.4%	6.7%	8.2%	8.8%	7.7%	6.0%	11.1%	9.1%	8.5%	10.6%	13.5%	12.2%	10.4%	11.7%	11.1%
Profit ^{*3}	16.4	17.5	14.8	17.9	66.6	13.2	13.7	27.7	24.7	79.4	25.3	35.6	32.5	25.0	118.5	30.3

<Per share information, Major indicators>

	FY2021 ^{*1}					FY2022 ^{*2}					FY2023					FY2024
	As of Mar. 31	As of June 30	As of Sep. 30		As of Dec. 31	As of Mar. 31	As of June 30	As of Sep. 30		As of Dec. 31	As of Mar. 31	As of June 30	As of Sep. 30		As of Dec. 31	As of Mar. 31
EPS (yen)	7.62	14.82	21.78		29.41	5.63	11.49	23.29		33.82	10.79	25.93	39.79		50.45	12.89
Dividends per share (yen) ^{*4}	-	5.00	-		5.00	-	5.00	-		6.00	-	6.00	-		8.00	-
Equity attributable to owners of parent to total assets (%)	48.2	47.9	48.1		49.1	45.3	46.4	47.0		47.0	48.2	50.1	50.3		50.1	49.8
Net debt (billion yen) ^{*5}	440.0	441.8	437.7		429.3	631.7	643.3	609.1		574.4	598.6	549.1	536.5		484.4	554.7

<Capital Expenditure, Depreciation, R&D Expenses>

(Billion yen)		FY2021 ^{*1}					FY2022 ^{*2}					FY2023					FY2024
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q
Capital expenditure	Property, plant and equipment	8.8	10.5	12.4	13.8	45.5	11.4	11.3	13.0	10.6	46.2	7.8	11.4	8.1	20.1	47.4	20.2
	Intangible assets	0.9	0.9	0.2	2.6	4.7	1.2	0.3	1.1	0.9	3.6	1.4	0.2	0.2	0.7	2.5	0.3
	Total	9.7	11.5	12.6	16.4	50.2	12.6	11.6	14.1	11.5	49.8	9.2	11.5	8.4	20.8	49.9	20.5
Depreciation	Property, plant and equipment	6.7	6.8	6.8	7.1	27.4	8.2	8.5	9.8	9.9	36.4	9.3	9.9	11.3	10.7	41.2	11.5
	Intangible assets	1.7	1.8	1.6	1.6	6.7	2.6	2.6	2.8	2.7	10.7	2.7	2.8	2.4	3.2	11.1	2.8
	Total	8.4	8.6	8.4	8.8	34.1	10.7	11.1	12.6	12.6	47.1	12.0	12.7	13.7	13.8	52.3	14.4
R&D expenses		5.6	5.6	5.8	7.7	24.8	6.2	7.2	7.3	7.4	28.1	6.9	7.3	7.8	8.0	30.0	7.8

*1 The earnings for FY2021 1Q and 2Q have been adjusted retrospectively following ①Reclassification of the European automotive coatings business and the India business as discontinued operations following their transfer to the Wuthelam Group (announced on August 10, 2021), ②Change in accounting policies involving cloud computing agreements beginning with FY2021 4Q, and ③Finalization of PPA for PT Nipsea (Indonesia business).

Following ③ above, the earnings for FY2021 3Q have been adjusted retrospectively

*2 Following the finalization of PPA on Cromology and JUB, the earnings in each quarter of FY2022 have been adjusted retrospectively

*3 Profit attributable to owners of parent

*4 The interim dividend for FY2021 includes the 140th anniversary commemorative dividend of 1 yen per share

*5 Net debt = Bonds and borrowings (current and non-current) + Other financial liabilities (current and non-current) - Cash and cash equivalents - Other financial assets (current)

2. Revenue & Operating Profit Transition by Segment

*For the trends in earnings under the former reportable segments, please see the "Data by Segment" page of our IR website. ▶Data by Segment <https://www.nipponpaint-holdings.com/en/ir/results/segment/>

(Billion yen)		FY2021 ^{*1}					FY2022 ^{*2}					FY2023					FY2024
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q
Japan	Automotive	10.2	8.5	7.6	8.9	35.3	8.7	7.4	9.1	10.0	35.1	10.4	10.0	10.5	11.2	42.1	9.3
	Decorative	9.9	11.9	11.4	12.1	45.4	10.4	12.8	11.9	12.7	47.8	11.1	12.7	12.0	12.7	48.5	10.7
	Industrial	9.0	9.6	9.6	10.0	38.1	9.1	10.2	10.2	10.5	40.0	9.3	9.8	10.1	10.5	39.7	9.2
	Fine chemicals	2.3	2.4	2.0	1.8	8.4	2.0	2.3	2.3	2.1	8.6	2.0	2.2	2.4	2.3	8.9	2.1
	Others ^{*3}	11.2	11.5	11.7	12.3	46.8	11.7	13.0	13.7	16.0	54.5	14.1	15.6	14.6	17.8	62.2	15.1
	Revenue	42.6	43.9	42.3	45.1	174.0	41.8	45.7	47.2	51.3	186.1	47.0	50.3	49.7	54.5	201.5	46.4
	Operating profit	4.3	2.8	1.2	1.3	9.5	0.3	2.2	1.8	1.0	5.3	2.6	5.3	4.5	6.7	19.2	3.7
OP margin	10.0%	6.4%	2.8%	2.9%	5.5%	0.7%	4.9%	3.8%	1.9%	2.8%	5.6%	10.6%	9.1%	12.2%	9.5%	8.0%	
One-time factor ^{*4}	-	-	-0.1	-0.0	-0.1	-0.5	-	-	-2.2	-2.7	0.0	-	-	-	0.0	-	
DuluxGroup	Decorative	21.5	21.6	22.0	25.3	90.4	44.3	51.7	51.4	52.6	199.9	53.1	57.4	57.9	58.0	226.3	58.9
	Industrial	1.6	1.9	1.9	2.0	7.4	1.9	2.3	2.5	2.4	9.1	2.0	2.4	2.6	2.6	9.6	2.4
	Adjacencies business	18.4	19.2	19.7	21.2	78.4	21.8	25.1	30.6	28.3	105.8	26.6	29.2	35.1	33.6	124.5	31.8
	Revenue	41.5	42.7	43.6	48.5	176.2	68.0	79.1	84.5	83.3	314.9	81.7	89.0	95.5	94.2	360.4	93.1
	Operating profit	5.7	5.3	5.1	2.9	19.0	5.3	8.7	9.2	6.4	29.7	7.3	11.2	9.8	6.3	34.6	7.2
	OP margin	13.8%	12.4%	11.7%	6.0%	10.8%	7.8%	11.0%	10.9%	7.7%	9.4%	8.9%	12.6%	10.3%	6.7%	9.6%	7.7%
One-time factor ^{*4}	-	-	-0.4	-0.4	-0.8	-2.0	-0.3	0.7	-0.1	-1.7	-0.0	1.3	-0.2	-1.5	-0.4	-0.0	

■Breakdown of DuluxGroup^{*5}

DGL (Pacific)	Decorative	21.5	21.6	22.0	25.3	90.4	23.6	24.5	27.3	29.1	104.6	26.7	26.5	29.1	31.1	113.4	30.0
	Industrial	1.6	1.9	1.9	2.0	7.4	1.9	2.3	2.5	2.4	9.1	2.0	2.4	2.6	2.6	9.6	2.4
	Adjacencies business	18.4	19.2	19.7	21.2	78.4	19.1	21.5	25.2	24.1	89.9	21.9	23.6	27.5	26.5	99.5	24.8
	Revenue	41.5	42.7	43.6	48.5	176.2	44.7	48.3	55.0	55.6	203.6	50.7	52.5	59.2	60.2	222.5	57.3
	Operating profit	5.7	5.3	5.1	2.9	19.0	5.6	6.0	7.8	6.7	26.1	6.3	7.8	7.3	7.1	28.5	6.6
	OP margin	13.8%	12.4%	11.7%	6.0%	10.8%	12.5%	12.5%	14.1%	12.1%	12.8%	12.4%	14.9%	12.3%	11.8%	12.8%	11.6%
One-time factor ^{*4}	-	-	-0.4	-0.4	-0.8	-0.9	-0.2	1.0	-0.1	-0.2	-0.0	1.3	-0.2	-0.7	0.4	-0.0	
DGL (Europe)	Decorative	Not disclosed					20.7	27.1	24.1	23.5	95.3	26.4	30.8	28.8	26.9	112.9	28.9
	Adjacencies business	Not disclosed					2.7	3.6	5.4	4.2	15.9	4.7	5.6	7.6	7.1	25.0	7.0
	Revenue	Not disclosed					23.4	30.7	29.5	27.7	111.3	31.1	36.5	36.3	34.0	137.9	35.9
	Operating profit	Not disclosed					-0.3	2.7	1.5	-0.3	3.6	1.0	3.4	2.6	-0.8	6.1	0.6
	OP margin	Not disclosed					-1.3%	8.8%	5.0%	-1.1%	3.2%	3.2%	9.2%	7.1%	-2.4%	4.4%	1.6%
One-time factor ^{*4}	Not disclosed					-1.1	-0.1	-0.3	-	-1.6	-	-0.0	-0.0	-0.8	-0.8	-	

*1 The earnings for FY2021 1Q and 2Q have been adjusted retrospectively following ①Reclassification of the European automotive coatings business and the India business as discontinued operations following their transfer to the Wuthelam Group (announced on August 10, 2021), ②Change in accounting policies involving cloud computing agreements beginning with FY2021 4Q, ③Finalization of PPA for PT Nipsea (Indonesia business), and ④Change in reportable segment from FY2022 1Q. Following ② and ④ above, the earnings for FY2021 3Q have been adjusted retrospectively. The earnings for FY2021 4Q and full year FY2021 have been adjusted retrospectively following ④ above

*2 Following the finalization of PPA on Cromology and JUB, the earnings in each quarter of FY2022 have been adjusted retrospectively

*3 Includes marine business (including overseas business), auto refinish business, etc.

*4 One-time factor is the total amount of subsidy/insurance, etc. (subsidy income, insurance income, gain on sale of non-current assets, expenses for production facility restructuring projects in Japan, settlement income), M&A related expenses, one-off PPA adjustments, impairment loss, credit loss provision and change in fair value of contingent consideration which are items included in Adjustments in the reference data of the financial results presentation material in prior periods

*5 Following the change in segmentation of DuluxGroup to DGL (Pacific) and DGL (Europe) beginning with FY2023 3Q, the figures for FY2022 and FY2023 1Q-2Q have been revised retrospectively.

The figures for DGL (Pacific) in FY2021 correspond to the DuluxGroup consolidated figures. DGL (Europe) includes Cromology, JUB and NPT as well as the Craig&Rose and Maison Deco businesses

2. Revenue & Operating Profit Transition by Segment

*For the trends in earnings under the former reportable segments, please see the "Data by Segment" page of our IR website. ▶Data by Segment <https://www.nipponpaint-holdings.com/en/ir/results/segment/>

(Billion yen)		FY2021 ^{*1}					FY2022 ^{*2}					FY2023					FY2024
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q
NIPSEA ^{*5}	Automotive	18.6	18.4	16.0	21.0	74.1	21.2	20.3	24.5	30.5	96.5	21.8	24.0	25.5	28.0	99.3	23.7
	Decorative	85.5	112.2	114.4	107.4	419.5	111.8	140.2	149.7	112.3	514.0	132.3	146.4	162.5	127.2	568.4	164.5
	Industrial	8.9	10.4	9.9	10.1	39.3	9.4	11.5	10.8	14.6	46.3	9.7	10.1	11.3	9.9	40.9	10.1
	Fine chemicals	1.6	1.7	1.6	1.9	6.8	2.1	2.0	2.2	2.4	8.7	2.1	2.3	2.6	2.5	9.5	2.5
	Others ^{*3}	2.6	2.8	2.6	3.4	11.5	2.9	3.5	3.7	3.8	13.8	3.7	5.1	4.9	5.1	18.8	6.4
	Adjacencies business	3.6	6.3	4.8	5.8	20.5	6.3	8.9	8.0	6.0	29.2	8.4	6.9	12.3	7.0	34.6	9.0
	Revenue	120.8	151.8	149.3	149.6	571.6	153.6	186.5	198.9	169.6	708.5	178.0	194.9	219.0	179.7	771.5	216.3
	Operating profit	19.5	17.7	12.1	19.6	68.8	16.5	5.9	27.7	22.6	72.7	24.6	30.3	32.2	23.3	110.4	31.4
OP margin	16.1%	11.6%	8.1%	13.1%	12.0%	10.7%	3.2%	13.9%	13.3%	10.3%	13.8%	15.6%	14.7%	13.0%	14.3%	14.5%	
One-time factor ^{*4}	-1.1	0.4	-2.5	1.3	-2.0	0.4	-11.0	3.3	0.4	-7.0	0.3	5.6	0.6	2.0	8.5	0.5	

■ Breakdown of NIPSEA

NIPSEA China	Automotive	9.3	9.8	8.6	10.7	38.4	11.0	10.0	11.9	17.3	50.1	9.6	12.8	13.1	14.9	50.4	12.1
	Decorative	57.3	85.0	92.1	78.1	312.4	79.3	104.9	111.9	78.1	374.2	93.2	109.5	116.6	88.8	408.2	112.3
	Industrial	5.7	7.1	6.4	6.5	25.7	5.4	6.2	6.3	6.3	24.1	5.2	5.8	5.7	5.5	22.2	5.4
	Others ^{*3}	0.6	0.7	0.5	0.7	2.6	0.6	0.5	0.6	0.6	2.4	0.5	0.6	0.5	0.5	2.0	0.4
	Revenue	72.9	102.5	107.6	96.0	379.1	96.3	121.6	130.7	102.2	450.7	108.5	128.7	135.8	109.7	482.7	130.3
	Operating profit	9.4	10.0	7.2	9.2	35.9	8.0	-1.8	19.0	9.7	34.9	14.2	17.6	18.5	9.8	60.2	17.2
OP margin	12.8%	9.8%	6.7%	9.6%	9.5%	8.3%	-1.4%	14.6%	9.5%	7.8%	13.1%	13.7%	13.6%	8.9%	12.5%	13.2%	
One-time factor ^{*4}	0.2	0.4	-2.5	1.3	-0.6	0.4	-11.0	3.3	0.4	-7.0	0.3	5.6	0.6	2.0	8.5	0.5	
NIPSEA Except China ^{*5}	Revenue	47.9	49.3	41.7	53.6	192.5	57.3	64.8	68.2	67.4	257.8	69.5	66.2	83.1	70.0	288.8	86.0
	Operating profit	10.1	7.6	4.9	10.3	33.0	8.5	7.6	8.7	12.9	37.8	10.3	12.7	13.7	13.5	50.2	14.3
	OP margin	21.1%	15.5%	11.7%	19.3%	17.1%	14.9%	11.8%	12.8%	19.1%	14.6%	14.9%	19.2%	16.5%	19.3%	17.4%	16.6%
	One-time factor ^{*4}	-1.4	-	-	-	-1.4	-	-	-	-	-	-	-	-	-	-	-
Americas	Automotive	6.2	6.1	5.5	5.5	23.3	7.0	7.6	9.1	8.6	32.3	9.2	9.9	10.5	11.4	40.9	11.8
	Decorative	11.2	14.3	13.4	12.9	51.8	14.3	17.8	17.8	15.8	65.7	13.8	18.2	17.9	16.5	66.4	16.1
	Fine chemicals	0.3	0.3	0.2	0.4	1.3	0.4	0.3	0.4	0.5	1.5	0.4	0.4	0.4	0.5	1.8	0.6
	Revenue	17.7	20.7	19.2	18.8	76.4	21.6	25.7	27.3	24.9	99.5	23.4	28.5	28.8	28.4	109.2	28.5
	Operating profit	0.9	1.8	1.2	-0.3	3.6	0.9	4.2	2.2	0.8	8.1	0.7	2.7	2.1	1.6	7.1	1.2
	OP margin	5.2%	8.8%	6.2%	-1.8%	4.7%	4.0%	16.3%	8.0%	3.3%	8.1%	3.2%	9.5%	7.2%	5.7%	6.5%	4.2%
One-time factor ^{*4}	-	-	-	-	-	-	1.6	0.2	0.0	1.8	-	-	-	-	-	-	
Adjustments	Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	#VALUE!
	Operating profit	-5.7	-3.3	-2.5	-1.9	-13.4	-1.0	-0.8	-1.2	-0.8	-3.9	-0.3	-0.7	-0.8	-0.8	-2.6	-0.9
	One-time factor ^{*4}	-2.6	-1.0	-	-0.2	-3.9	-	-	-	-0.0	-0.0	0.3	-	-	-	0.3	-
Total	Revenue	222.7	259.1	254.5	262.0	998.3	285.1	337.0	357.9	329.1	1,309.0	330.2	362.7	393.0	356.7	1,442.6	384.3
	Operating profit	24.7	24.3	17.1	21.5	87.6	21.9	20.2	39.7	30.1	111.9	34.9	48.8	47.9	37.1	168.7	42.7
	OP margin	11.1%	9.4%	6.7%	8.2%	8.8%	7.7%	6.0%	11.1%	9.1%	8.5%	10.6%	13.5%	12.2%	10.4%	11.7%	11.1%
	One-time factor ^{*4}	-3.7	-0.7	-3.0	0.6	-6.8	-2.2	-9.7	4.2	-2.0	-9.7	0.6	6.8	0.4	0.5	8.4	0.5

*1 The earnings for FY2021 1Q and 2Q have been adjusted retrospectively following ①Reclassification of the European automotive coatings business and the India business as discontinued operations following their transfer to the Wuthelam Group (announced on August 10, 2021), ②Change in accounting policies involving cloud computing agreements beginning with FY2021 4Q, ③Finalization of PPA for PT Nipsea (Indonesia business), and ④Change in reportable segment from FY2022 1Q. Following ② and ④ above, the earnings for FY2021 3Q have been adjusted retrospectively. The earnings for FY2021 4Q and full year FY2021 have been adjusted retrospectively following ④ above

*2 Following the finalization of PPA on Cromology and JUB, the earnings in each quarter of FY2022 have been adjusted retrospectively

*3 Includes auto refinish business, etc.

*4 One-time factor is the total amount of subsidy/insurance, etc. (subsidy income, Loss or gain on insurance claimse, gain on sale of non-current assets, expenses for production facility restructuring projects in Japan, settlement income), M&A related expenses, one-off PPA adjustments, impairment loss, credit loss provision and change in fair value of contingent consideration which are items included in Adjustments in the reference data of the financial results presentation material in prior periods

*5 Applied hyperinflation accounting for Turkish subsidiaries beginning with FY2022 2Q. FY2022, FY2023 and FY2024 1Q figures reflect the application of this accounting policy

3. Revenue & Operating Profit Contribution from DuluxGroup, Betek Boya, PT Nipsea and Alina

(Billion yen)		FY2021 ^{*1}					FY2022 ^{*1}					FY2023 ^{*1}					FY2024 ^{*1}
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q
DuluxGroup	Revenue	41.5	42.7	43.6	48.5	176.2	68.0	79.1	84.5	83.3	314.9	81.7	89.0	95.5	94.2	360.4	93.1
	Operating profit	5.7	5.3	5.1	2.9	19.0	5.3	8.7	9.2	6.4	29.7	7.3	11.2	9.8	6.3	34.6	7.2
	OP margin	13.8%	12.4%	11.7%	6.0%	10.8%	7.8%	11.0%	10.9%	7.7%	9.4%	8.9%	12.6%	10.3%	6.7%	9.6%	7.7%

■ Breakdown of DuluxGroup^{*2}

DGL (Pacific)	Revenue	41.5	42.7	43.6	48.5	176.2	44.7	48.3	55.0	55.6	203.6	50.7	52.5	59.2	60.2	222.5	57.3
	Operating profit	5.7	5.3	5.1	2.9	19.0	5.6	6.0	7.8	6.7	26.1	6.3	7.8	7.3	7.1	28.5	6.6
	OP margin	13.8%	12.4%	11.7%	6.0%	10.8%	12.5%	12.5%	14.1%	12.1%	12.8%	12.4%	14.9%	12.3%	11.8%	12.8%	11.6%
DGL (Europe)	Revenue	Not disclosed					23.4	30.7	29.5	27.7	111.3	31.1	36.5	36.3	34.0	137.9	35.9
	Operating profit	Not disclosed					-0.3	2.7	1.5	-0.3	3.6	1.0	3.4	2.6	-0.8	6.1	0.6
	OP margin	Not disclosed					-1.3%	8.8%	5.0%	-1.1%	3.2%	3.2%	9.2%	7.1%	-2.4%	4.4%	1.6%
Betek Boya (Türkiye) ^{*3}	Revenue	11.4	13.7	11.7	12.3	49.2	13.6	20.0	20.1	16.8	70.5	16.9	16.5	29.5	12.2	75.2	22.8
	Operating profit	1.5	1.5	1.5	2.9	7.5	0.9	1.3	1.1	2.8	6.1	0.2	3.8	3.2	0.9	8.2	2.7
	OP margin	13.1%	11.0%	13.2%	23.7%	15.2%	6.4%	6.6%	5.5%	16.8%	8.7%	1.4%	22.8%	11.0%	7.5%	10.9%	11.8%
PT Nipsea (Indonesia)	Revenue	9.9	9.7	8.1	11.7	39.5	13.1	11.9	13.6	13.7	52.3	16.3	13.8	14.7	16.1	60.9	16.6
	Operating profit	2.5	3.2	2.0	4.1	11.8	4.2	3.2	3.9	5.4	16.7	5.5	4.3	4.7	5.5	20.0	6.1
	OP margin	25.2%	32.3%	24.1%	35.4%	29.7%	31.9%	26.5%	29.0%	39.5%	31.9%	33.9%	31.3%	32.0%	34.0%	32.9%	37.0%
Alina (Kazakhstan)	Revenue	Before consolidation														4.7	
	Operating profit	Before consolidation														0.6	
	OP margin	Before consolidation														12.0%	

		1Q	2Q	3Q	F/Y	1Q	2Q	3Q	F/Y	1Q	2Q	3Q	F/Y	1Q
Exchange rate (average rate)	JPY/USD	107.1	108.5	109.1	110.4	117.8	124.5	129.5	132.1	133.4	136.5	139.6	141.2	149.9
	JPY/RMB	16.5	16.8	16.9	17.1	18.6	19.1	19.5	19.5	19.4	19.6	19.7	19.9	20.8
	JPY/AUD	82.6	83.4	82.4	82.7	85.2	88.9	90.7	91.2	91.2	91.6	92.7	93.6	97.8
	JPY/EUR	-	-	-	-	131.6	135.2	136.6	138.5	144.0	147.9	151.2	153.2	162.2
	JPY/TRY ^{*4}	14.0	13.5	13.3	12.5	8.4	8.3	7.8	7.1	7.0	5.6	5.5	4.8	4.7
	JPY/IDR	0.0075	0.0076	0.0076	0.0077	0.0082	0.0086	0.0088	0.0088	0.0089	0.0091	0.0092	0.0093	0.0095

*1 The earnings of the above companies are on a segment basis (after elimination of intersegment transactions and after PPA).

The earnings of Cromology and JUB, which are included in DGL (Europe), are after the finalization of PPA, while the earnings of NPT, which is also included in DGL (Europe), are pro-forma figures and before the finalization of PPA. DuluxGroup was included in our consolidated earnings from September 2019, Betek Boya from July 2019, PT Nipsea from January 2021, Cromology from January 2022, JUB from June 2022, NPT from July 2023 and Alina from January 2024

*2 Following the change in segmentation of DuluxGroup to DGL (Pacific) and DGL (Europe) beginning with FY2023 3Q, the figures for FY2022 and FY2023 1Q-2Q have been revised retrospectively.

The figures for DGL (Pacific) in FY2021 correspond to the DuluxGroup consolidated figures. DGL (Europe) includes Cromology, JUB and NPT, as well as the Craig&Rose and Maison Deco businesses

*3 Retrospective adjustment has been made to figures beginning with FY2021 1Q following a change in accounting treatment from intersegment transactions to intrasegment transactions due to the change in reportable segments.

Applied hyperinflation accounting for Turkish subsidiaries beginning with FY2022 2Q. FY2022, FY2023 and FY2024 1Q figures reflect the application of this accounting policy

*4 The closing exchange rates have been used from FY2022 as a result of the application of hyperinflationary accounting in Türkiye

4. Breakdown of Adjustments (FY2023 1Q vs. FY2024 1Q)

(Billion yen)		FY2023 1Q							FY2024 1Q							
		FX	Subsidy, etc. ^{*1}	M&A related expenses	Impairment loss	Credit loss provision	New acquisitions	Total	FX	Subsidy, etc. ^{*1}	M&A related expenses	Impairment loss	Credit loss provision	New acquisitions	Total	
Japan	Automotive	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Decorative	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Industrial	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Fine chemicals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Others ^{*2}	-	-	-	-	-	-	-	0.4	-	-	-	-	-	-	0.4
	Revenue	-	-	-	-	-	-	-	0.4	-	-	-	-	-	-	0.4
Operating profit	-	0.0	-	-	-	-	0.0	0.1	-	-	-	-	-	-	0.1	
DuluxGroup	Decorative	1.7	-	-	-	-	-	1.7	5.2	-	-	-	-	-	-	5.2
	Industrial	0.0	-	-	-	-	-	0.0	0.2	-	-	-	-	-	-	0.2
	Adjacencies business	-1.7	-	-	-	-	-	-1.7	2.2	-	-	-	-	2.5	-	4.7
	Revenue	0.0	-	-	-	-	-	0.0	7.5	-	-	-	-	2.5	-	10.1
	Operating profit	-	-	-0.0	-	-	-	-0.0	0.5	-0.0	-0.0	-	-	0.3	-	0.7
■ Breakdown of DuluxGroup																
DGL (Pacific)	Decorative	1.0	-	-	-	-	-	1.0	2.0	-	-	-	-	-	-	2.0
	Industrial	0.0	-	-	-	-	-	0.0	0.2	-	-	-	-	-	-	0.2
	Adjacencies business	-1.0	-	-	-	-	-	-1.0	1.7	-	-	-	-	-	-	1.7
	Revenue	-	-	-	-	-	-	-	3.9	-	-	-	-	-	-	3.9
Operating profit	-	-	-0.0	-	-	-	-0.0	0.5	-0.0	-0.0	-	-	-	-	0.4	
DGL (Europe)	Decorative	0.7	-	-	-	-	-	0.7	3.1	-	-	-	-	-	-	3.1
	Adjacencies business	-0.7	-	-	-	-	-	-0.7	0.5	-	-	-	-	2.5	-	3.0
	Revenue	-	-	-	-	-	-	-	3.6	-	-	-	-	2.5	-	6.2
Operating profit	-	-	-	-	-	-	-	0.0	-	-	-	-	0.3	-	0.3	

*1 Subsidy, etc. includes subsidy income, insurance income and settlement income

*2 Includes marine business (including overseas business), auto refinish business, etc.

4. Breakdown of Adjustments (FY2023 1Q vs. FY2024 1Q)

(Billion yen)		FY2023 1Q						FY2024 1Q							
		FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acquisitions	Total	FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acquisitions	Total
NIPSEA	Automotive	0.0	-	-	-	-	-	0.0	1.3	-	-	-	-	-	1.3
	Decorative	0.2	-	-	-	-	-	0.2	3.0	-	-	-	-	4.7	7.7
	Industrial	0.0	-	-	-	-	-	0.0	-0.3	-	-	-	-	-	-0.3
	Fine chemicals	-	-	-	-	-	-	-	0.2	-	-	-	-	-	0.2
	Others*2	0.0	-	-	-	-	-	0.0	0.4	-	-	-	-	-	0.4
	Adjacencies business	-	-	-	-	-	-	-	-3.5	-	-	-	-	-	-3.5
	Revenue	0.2	-	-	-	-	-	0.2	1.0	-	-	-	-	4.7	5.7
Operating profit	-	0.3	-	-	-	-	0.3	0.9	0.5	-	-	-	0.6	2.0	

■ Breakdown of NIPSEA

NIPSEA China	Automotive	0.0	-	-	-	-	-	0.0	0.8	-	-	-	-	-	0.8
	Decorative	0.2	-	-	-	-	-	0.2	7.5	-	-	-	-	-	7.5
	Industrial	0.0	-	-	-	-	-	0.0	0.4	-	-	-	-	-	0.4
	Others*2	0.0	-	-	-	-	-	0.0	0.0	-	-	-	-	-	0.0
	Revenue	0.2	-	-	-	-	-	0.2	8.7	-	-	-	-	-	8.7
Operating profit	-	0.3	-	-	-	-	0.3	1.1	0.5	-	-	-	-	1.6	
NIPSEA Except China	Revenue	-	-	-	-	-	-	-7.8	-	-	-	-	-	4.7	-3.1
	Operating profit	-	-	-	-	-	-	-0.2	-	-	-	-	-	0.6	0.4
Americas	Automotive	-	-	-	-	-	-	-	1.4	-	-	-	-	-	1.4
	Decorative	-	-	-	-	-	-	-	1.8	-	-	-	-	-	1.8
	Fine chemicals	-	-	-	-	-	-	-	0.1	-	-	-	-	-	0.1
	Revenue	-	-	-	-	-	-	-	3.2	-	-	-	-	-	3.2
Operating profit	-	-	-	-	-	-	-	0.2	-	-	-	-	-	0.2	
Adjustments	Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Operating profit	-	0.3	-	-	-	-	0.3	-0.0	-	-	-	-	-	-0.0
Total	Revenue	0.2	-	-	-	-	-	0.2	12.1	-	-	-	-	7.2	19.3
	Operating profit	-	0.6	-0.0	-	-	-	0.6	1.6	0.5	-0.0	-	-	0.8	2.9

*1 Subsidy, etc. includes subsidy income, insurance income and settlement income

*2 Includes auto refinish business, etc.