

NOTICE: For the convenience of capital market participants, NIPPON PAINT HOLDINGS CO., LTD. makes efforts to provide English translations of the information disclosed in Japanese, provided that the original Japanese version prevails over its English translation version in the case of any discrepancy found between the original and translation.

Consolidated Financial Results for the Six Months Ended September 30, 2015 [Japanese GAAP]



November 6, 2015

Company name: NIPPON PAINT HOLDINGS CO., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 4612
 URL: <http://www.nipponpaint-holdings.com/>
 Representative: Tetsushi Tado, Representative Director and President
 Contact: Hiroshi Hanaoka, General Manager of Corporate Administration
 Phone: +81-6-6455-9141
 Scheduled date of filing quarterly securities report: November 11, 2015
 Scheduled date of commencing dividend payments: December 2, 2015
 Availability of supplementary briefing material on quarterly financial results: Yes
 Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2015 (April 1, 2015 to September 30, 2015)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2015	263,270	106.9	32,053	104.3	33,689	47.6	13,279	(14.9)
September 30, 2014	127,246	0.3	15,690	(5.2)	22,832	0.6	15,603	2.0

Note: Comprehensive income: Six months ended September 30, 2015: ¥25,103 million [62.3%]

Six months ended September 30, 2014: ¥15,464 million [-43.9%]

	Profit per share	Diluted profit per share
Six months ended September 30, 2015	Yen 41.41	Yen 41.41
September 30, 2014	59.85	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2015	822,809	584,344	58.2
As of March 31, 2015	810,727	589,923	59.2

Reference: Equity: As of September 30, 2015: ¥478,636 million

As of March 31, 2015: ¥479,829 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2015	Yen -	Yen 10.00	Yen -	Yen 12.00	Yen 22.00
Fiscal year ending March 31, 2016	-	15.00			
Fiscal year ending March 31, 2016 (Forecast)			-	15.00	30.00

Note: Revision to the forecast for dividends announced most recently: Yes

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2016 (April 1, 2015 to March 31, 2016)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	530,000	103.4	70,000	107.4	73,000	48.2	32,000	(82.4)	99.78

Note: Revision to the financial results forecast announced most recently: Yes

* Notes:

- (1) Changes in significant subsidiaries during the period under review: No
- (2) Accounting treatments adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: Yes
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - September 30, 2015: 325,402,443 shares
 - March 31, 2015: 325,402,443 shares
 - 2) Total number of treasury shares at the end of the period:
 - September 30, 2015: 4,695,764 shares
 - March 31, 2015: 4,694,319 shares
 - 3) Average number of shares during the period:
 - Six months ended September 30, 2015: 320,707,337 shares
 - Six months ended September 30, 2014: 260,720,450 shares

* Presentation regarding the implementation status of the quarterly review procedures

These quarterly financial results are outside the scope of quarterly review procedures under the Financial Instruments and Exchange Act, and quarterly review procedures for the quarterly consolidated financial statements are performed separately.

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that are judged to be reasonable. Actual results, etc. may differ greatly from the forecast figures depending on various factors. For the assumptions underlying the forecasts and precautions when using the forecasts, please refer to "Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information" on page 4 of the Attachment.

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1. Qualitative Information on Quarterly Financial Results for the Period under Review

(1) Explanation of Operating Results

During the six months ended September 30, 2015, consolidated net sales of NIPPON PAINT HOLDINGS CO., LTD. (the “Company”) and its group companies (collectively, the “Group”) increased by 106.9% from the corresponding period of the previous year (the “previous year”), to ¥263,270 million due to the acquisition of equity of joint venture companies in the Asian region (making them into subsidiaries). Consolidated operating income increased by 104.3% from the previous year, to ¥32,053 million as a result of the effects of acquiring equity in the joint venture companies and the recording of related amortization expenses for goodwill and intangible assets in selling and administrative expenses, and consolidated ordinary income increased by 47.6% from the previous year, to ¥33,689 million. Profit attributable to owners of parent decreased by 14.9% from the previous year, to ¥13,279 million as a result of the elimination of profit attributable to non-controlling interests. Results by business segment are as follows. Overseas group companies, with the exception of some companies, adopt a December fiscal year-end, and a corresponding period for the period under review is from January to June 2015.

Japan

In this region, as a result of the effects of a decrease in the number of automobiles manufactured, net sales of automotive coatings decreased from the previous year. As for industrial coatings, in line with a decline in market conditions, decreased sales of coatings for construction materials and construction machinery and other factors led to lower net sales compared to the previous year. With respect to trade-use paints, while performance has been weak in the overall market, owing to efforts in sales promotion activities, net sales remained at the same level as the previous year.

As a result of these factors, consolidated net sales for the Japan segment decreased by 5.9% from the previous year, to ¥86,265 million. Consolidated operating income increased by 143.4% from the previous year, to ¥29,732 million due to the transition to a holding company that occurred on October 1, 2014 leading to the recording of dividend income from overseas group companies (recording ¥16,243 million for the six months ended September 30, 2015).

Additionally, such amount is eliminated as an internal transaction under “Inter-segment transaction eliminations and other adjustments.”

Asia

In this region, net sales and operating income increased substantially due to the acquisition of equity of joint venture companies in the Asian region (making them into subsidiaries). Particularly, in China, the core region of the Asia segment, net sales were robust for trade-use paints such as paints for housing interiors. However, due to making the companies into subsidiaries, share of profit of entities accounted for using equity method decreased.

As a result of these factors, consolidated net sales for the Asia segment increased by 622.9% from the previous year, to ¥156,461 million, consolidated operating income increased by 658.5% from the previous year, to ¥16,048 million, and share of profit of entities accounted for using equity method decreased by 90.7% from the previous year, to ¥582 million.

North America

In this region, net sales increased due to an increase in the number of automobiles manufactured. Furthermore, in addition to reduced expenses for the import of raw materials due to a strong dollar (a weaker yen), continued activities to reduce costs led to a significant improvement in profitability.

As a result, consolidated net sales for the North America segment increased by 35.7% from the previous year, to ¥16,313 million, and consolidated operating income increased by 111.1% from the previous year, to ¥2,495 million.

Other

Consolidated net sales for this geographic segment increased by 117.6% from the previous year to ¥4,230 million due to the consolidation of a German paint manufacturer, and consolidated operating income decreased by 54.5% from the previous year to ¥41 million due to an increase in amortization of goodwill.

(2) Explanation of Financial Position

Total assets at the end of the second quarter of the fiscal year under review increased by ¥12.08 billion from the end of the previous fiscal year to ¥822,809 million. Of these, current assets increased by ¥26.01 billion from the end of the previous fiscal year, primarily caused by strong performance in sales of coatings in the Asian region, and an increase in notes and accounts receivable - trade.

Non-current assets decreased by ¥13.93 billion from the end of the previous fiscal year, primarily caused by factors such as the application of the Accounting Standard for Business Combinations etc. which led to a decrease in goodwill, and a decrease in investment securities due to falling stock prices.

Liabilities increased by ¥17.66 billion from the end of the previous fiscal year to ¥238,464 million. The increase was mainly attributable to increases in notes and accounts payable - trade and short-term loans payable.

Net assets including non-controlling interests decreased by ¥5.58 billion from the end of the previous fiscal year to ¥584,344 million. This was mainly attributable to a decrease in capital surplus due to the application of the Accounting Standard for Business Combinations, etc., despite an increase in retained earnings stemming from the recording of profit attributable to owners of parent.

As a result, equity ratio fell from 59.2% at the end of the previous fiscal year to 58.2%.

(Status of Cash Flows)

During the six months ended September 30, 2015, net cash provided by operating activities was ¥13,711 million, net cash used in investing activities was ¥7,264 million, and net cash used in financing activities was ¥4,393 million. As a result, cash and cash equivalents (hereinafter "cash") amounted to ¥80,955 million, an increase of ¥2.25 billion from the end of the previous fiscal year.

(Cash flows from operating activities)

Net cash provided by operating activities for the six months ended September 30, 2015 was ¥13,711 million (a decrease of ¥0.87 billion from the previous year). This was mainly attributable to a cash inflow of ¥49,303 million owing to income before income taxes after taking into account non-cash expenses such as depreciation and other items (excluding increases and decreases in working capital), offset by factors such as a significant increase in notes and accounts receivable – trade at the end of the second quarter under review in line with the early collection of notes and accounts receivable – trade at the end of the previous fiscal year at a consolidated subsidiary in China leading to a decrease of ¥20,602 million in cash stemming from an increase in working capital, and income taxes paid of ¥14,989 million.

(Cash flows from investing activities)

Net cash used in investing activities for the six months ended September 30, 2015 was ¥7,264 million (an increase of ¥5.2 billion from the previous year). This was mainly attributable to purchase of property, plant and equipment of ¥9,133 million, offset by an increase of ¥2,782 million in cash stemming from net decrease in short-term investment securities.

(Cash flows from financing activities)

Net cash used in financing activities for the six months ended September 30, 2015 was ¥4,393 million (a decrease of ¥6.84 billion from the previous year). This was mainly attributable to ¥11,186 million in cash dividends paid, offset by cash inflows of ¥7,035 million as a result of an increase in loans payable.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information

Concerning the financial results forecast for the full year, due to factors such as the effects of a deceleration in the economic conditions in the Asia segment, centered on China, results are expected to be lower than the full-year financial results forecast announced on May 12, 2015.

In light of the above, the previously announced financial results forecast has been revised as follows.

Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2016 (April 1, 2015 to March 31, 2016)

(Million yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
Previous forecast (A)	560,000	74,000	76,500	33,000
Revised forecast (B)	530,000	70,000	73,000	32,000
Difference (B – A)	(30,000)	(4,000)	(3,500)	(1,000)
Rate of change (%)	(5.4)	(5.4)	(4.6)	(3.0)

2. Matters Concerning Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Six Months ended September 30, 2015

There is no relevant information.

(2) Accounting Treatments Adopted Specially for the Preparation of Quarterly Consolidated Financial Statements

(Special Accounting Treatments)

Calculation of tax expenses

Tax expenses have been calculated by multiplying income before income taxes by an effective tax rate, which is reasonably estimated after the application of tax effect accounting to income before income taxes for the consolidated fiscal year including the second quarter of the fiscal year under review.

(3) Changes in Accounting Policies, Changes in Accounting Estimates and Retrospective Restatement

(Changes in Accounting Policies)

Effective from the first quarter of the fiscal year under review, the Company has applied the “Accounting Standard for Business Combinations” (Accounting Standards Board of Japan (ASBJ) Statement No. 21, September 13, 2013; hereinafter the “Business Combination Accounting Standard”), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, September 13, 2013; hereinafter the “Consolidated Financial Statement Accounting Standard”), and “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013; hereinafter the “Business Divestiture Accounting Standard”), and along with recording differences in the Company’s holding value for subsidiaries for which control continues as capital surplus, the method for recording expenses related to acquisition has been changed to the consolidated fiscal year in which the expenses were incurred. Furthermore, concerning business combinations which occur at or after the beginning of the first quarter of the fiscal year under review, the method has been changed to reflect revisions to distribution amounts for acquisition costs resulting from settlement of provisional accounting treatment to the quarterly consolidated financial statements for the consolidated accounting period to which the business combination applies. As a result, changes in presentation in net income, etc. as well as a change in presentation from “minority interests” to “non-controlling interests” have been made. In order to reflect these changes in presentation, reclassifications have been made in the quarterly consolidated financial statements and the consolidated financial statements for the six months ended September 30, 2014 and the previous consolidated fiscal year.

In the quarterly consolidated statements of cash flows for the six months ended September 30, 2015, cash flows relating to purchase or sales of shares of subsidiaries not resulting in change in scope of consolidation are classified as “cash flows from financing activities,” and cash flows relating to expenses arising from purchase of shares of subsidiaries resulting in change in scope of consolidation, or cash flows relating to expenses arising from purchase or sales of shares of subsidiaries not resulting in change in scope of consolidation, are now classified in “cash flows from operating activities.”

The application of Business Combination Accounting Standard, etc., have been adopted in accordance with transitional treatments stipulated in Business Combination Accounting Standard, Paragraph 58-2 (3), Consolidated Financial Statement Accounting Standard, Paragraph 44-5 (3), and Business Divestiture Accounting Standard, Paragraph 57-4 (3), and the amount of the cumulative effect as of the beginning of the first quarter of the fiscal year under review when the new accounting standards are retroactively applied to all previous periods has been added to or subtracted from capital surplus and retained earnings.

As a result, as of the beginning of the first quarter of the fiscal year under review, goodwill and capital surplus decreased by ¥11,753 million and ¥14,886 million, respectively, while retained earnings increased by ¥3,008 million. In addition, during the six months ended September 30, 2015, operating income increased by ¥520 million, and ordinary income and income before income taxes each increased by ¥530 million.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	89,007	90,339
Notes and accounts receivable - trade	136,694	157,441
Securities	43,752	41,974
Inventories	53,279	56,337
Deferred tax assets	7,218	6,834
Other	14,962	18,746
Allowance for doubtful accounts	(3,179)	(3,923)
Total current assets	341,736	367,750
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	43,570	44,500
Other, net	57,360	62,653
Total property, plant and equipment	100,930	107,153
Intangible assets		
Goodwill	210,538	196,528
Trademark right	54,017	53,076
Other	53,518	53,251
Total intangible assets	318,073	302,856
Investments and other assets		
Investment securities	47,284	41,971
Deferred tax assets	917	739
Other	1,958	2,549
Allowance for doubtful accounts	(174)	(211)
Total investments and other assets	49,987	45,048
Total non-current assets	468,991	455,058
Total assets	810,727	822,809

(Million yen)

	As of March 31, 2015	As of September 30, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	82,272	85,822
Electronically recorded obligations - operating	11,456	10,230
Short-term loans payable	11,109	19,776
Income taxes payable	9,931	7,489
Other	52,208	63,488
Total current liabilities	166,977	186,807
Non-current liabilities		
Long-term loans payable	2,612	2,243
Deferred tax liabilities	27,404	25,491
Provision for directors' retirement benefits	172	109
Provision for environmental measures	304	335
Net defined benefit liability	16,763	16,180
Other	6,568	7,297
Total non-current liabilities	53,826	51,657
Total liabilities	220,804	238,464
Net assets		
Shareholders' equity		
Capital stock	78,862	78,862
Capital surplus	78,338	63,451
Retained earnings	314,743	327,183
Treasury shares	(6,432)	(6,437)
Total shareholders' equity	465,513	463,061
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,218	9,289
Deferred gains or losses on hedges	13	8
Foreign currency translation adjustment	4,307	8,379
Remeasurements of defined benefit plans	(2,224)	(2,100)
Total accumulated other comprehensive income	14,316	15,575
Subscription rights to shares	–	13
Non-controlling interests	110,094	105,694
Total net assets	589,923	584,344
Total liabilities and net assets	810,727	822,809

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Net sales	127,246	263,270
Cost of sales	81,629	155,896
Gross profit	45,617	107,374
Selling, general and administrative expenses	29,927	75,320
Operating income	15,690	32,053
Non-operating income		
Interest income	63	463
Dividend income	442	461
Share of profit of entities accounted for using equity method	6,267	431
Foreign exchange gains	632	–
Gain on investment of securities	–	690
Other	554	1,208
Total non-operating income	7,960	3,256
Non-operating expenses		
Interest expenses	100	153
Foreign exchange losses	–	487
Other	718	978
Total non-operating expenses	818	1,619
Ordinary income	22,832	33,689
Extraordinary income		
Gain on sales of non-current assets	12	8
Other	3	0
Total extraordinary income	15	8
Extraordinary losses		
Loss on sales and retirement of non-current assets	80	154
Other	23	9
Total extraordinary losses	104	164
Income before income taxes	22,743	33,533
Income taxes	6,021	11,106
Profit	16,722	22,426
Profit attributable to non-controlling interests	1,119	9,147
Profit attributable to owners of parent	15,603	13,279

Quarterly Consolidated Statements of Comprehensive Income
Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Profit	16,722	22,426
Other comprehensive income		
Valuation difference on available-for-sale securities	1,863	(2,938)
Deferred gains or losses on hedges	17	(9)
Foreign currency translation adjustment	(1,735)	5,280
Remeasurements of defined benefit plans, net of tax	423	123
Share of other comprehensive income of entities accounted for using equity method	(1,827)	219
Total other comprehensive income	(1,258)	2,676
Comprehensive income	15,464	25,103
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,771	14,539
Comprehensive income attributable to non-controlling interests	693	10,563

(3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Cash flows from operating activities		
Income before income taxes	22,743	33,533
Depreciation	2,939	7,913
Amortization of goodwill	478	5,110
Interest and dividend income	(505)	(925)
Interest expenses	100	153
Share of (profit) loss of entities accounted for using equity method	(6,267)	(431)
Loss (gain) on sales and retirement of property, plant and equipment	68	146
Decrease (increase) in notes and accounts receivable - trade	998	(19,395)
Decrease (increase) in inventories	931	(834)
Increase (decrease) in notes and accounts payable - trade	(2,570)	(372)
Increase (decrease) in net defined benefit liability	1,240	(724)
Other, net	(2,483)	3,690
Subtotal	17,673	27,862
Interest and dividend income received	4,624	991
Interest expenses paid	(112)	(152)
Income taxes paid	(7,605)	(14,989)
Net cash provided by (used in) operating activities	14,579	13,711
Cash flows from investing activities		
Net decrease (increase) in short-term investment securities	37	2,782
Purchase of property, plant and equipment	(1,999)	(9,133)
Proceeds from sales of property, plant and equipment	76	116
Purchase of investment securities	(21)	(189)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(301)
Other, net	(160)	(539)
Net cash provided by (used in) investing activities	(2,067)	(7,264)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(214)	10,561
Proceeds from long-term loans payable	40	308
Repayments of long-term loans payable	(7,205)	(3,833)
Repayments of lease obligations	(139)	(230)
Cash dividends paid	(3,128)	(3,848)
Dividends paid to non-controlling interests	(570)	(7,338)
Other, net	(19)	(11)
Net cash provided by (used in) financing activities	(11,236)	(4,393)
Effect of exchange rate change on cash and cash equivalents	(190)	200
Net increase (decrease) in cash and cash equivalents	1,085	2,253
Cash and cash equivalents at beginning of period	43,787	78,702
Increase in cash and cash equivalents from newly consolidated subsidiary	346	-
Cash and cash equivalents at end of period	45,218	80,955

(4) Notes to Quarterly Consolidated Financial Statements
(Notes on going concern assumption)

There is no relevant information.

(Notes in the case of significant changes in shareholders' equity)

There is no relevant information.

(Segment information, etc.)

[Segment information]

I. For the six months ended September 30, 2014

1. Information on net sales and income (loss) by reportable segment

(Million yen)

	Reportable segment				Other (Note)	Total
	Japan	Asia	North America	Subtotal		
Net sales						
Net sales to outside customers	91,634	21,643	12,023	125,302	1,944	127,246
Inter-segment net sales or transfers	6,068	2,139	73	8,282	559	8,841
Total	97,703	23,783	12,097	133,584	2,504	136,088
Segment income	12,215	2,115	1,182	15,513	90	15,603
Share of profit (loss) of entities accounted for using equity method	–	6,279	–	6,279	(12)	6,267

Note: "Other" represents business segments that are not included in the reportable segments, and contains business activities by overseas subsidiaries in Europe, etc.

2. Difference between total reportable segment income (loss) and the amount recorded in the quarterly consolidated statements of income, and major details of said difference (matters related to adjustments of differences)

(Million yen)

Income	Amount
Total reportable segment income	15,513
Segment income from "Other"	90
Inter-segment transaction eliminations and other adjustments	86
Operating income recorded in the quarterly consolidated statement of income	15,690

3. Information regarding impairment loss on non-current assets or goodwill, etc. by reportable segment

There is no relevant information.

4. Information on products and services

(Million yen)

Net sales to outside customers	Amount	Change from the previous year (%)
Paints	119,671	(0.0)
Automotive	45,093	(1.4)
Trade-use	23,597	(3.1)
Industrial	23,224	(0.5)
Other paints	27,755	5.7
Fine chemicals	7,575	5.3
Total	127,246	0.3

Note: Consumption taxes are not included in these amounts.

II. For the six months ended September 30, 2015

1. Information on net sales and income (loss) by reportable segment

(Million yen)

	Reportable segment				Other (Note)	Total
	Japan	Asia	North America	Subtotal		
Net sales						
Net sales to outside customers	86,265	156,461	16,313	259,040	4,230	263,270
Inter-segment net sales or transfers	26,812	2,797	87	29,697	533	30,230
Total	113,078	159,258	16,400	288,737	4,763	293,501
Segment income	29,732	16,048	2,495	48,276	41	48,317
Share of profit (loss) of entities accounted for using equity method	(4)	582	–	578	(146)	431

Note: "Other" represents business segments that are not included in the reportable segments, and contains business activities by overseas subsidiaries in Europe, etc.

2. Difference between total reportable segment income (loss) and the amount recorded in the quarterly consolidated statements of income, and major details of said difference (matters related to adjustments of differences)

(Million yen)

Income	Amount
Total reportable segment income	48,276
Segment income from "Other"	41
Inter-segment transaction eliminations and other adjustments	(16,264)
Operating income recorded in the quarterly consolidated statement of income	32,053

Note: "Inter-segment transaction eliminations and other adjustments" for the six months ended September 30, 2015 includes inter-segment dividend income.

3. Changes to reportable segments

(Application of the Accounting Standard of Business Combinations)

As described in “Changes in Accounting Policies”, effective from the first quarter of the fiscal year under review, the Company records differences in the Company’s holding value for subsidiaries for which control continues as capital surplus, and the method for recording expenses related to acquisition has been changed to the consolidated fiscal year in which the expenses were incurred.

As a result of these changes, segment income for the six months ended September 30, 2015 has increased by ¥487 million in the “Japan” segment and increased by ¥33 million in the “Asia” segment, compared to that recorded using the previous method.

4. Information regarding impairment loss on non-current assets or goodwill, etc. by reportable segment

(Significant changes to goodwill amounts)

From the first quarter of the fiscal year under review, the application of the Business Combination Accounting Standard, Consolidated Financial Statement Accounting Standard, and Business Divestiture Accounting Standard, etc., has resulted in a decrease in goodwill. As a result of these changes, the amount of goodwill at the beginning of the first quarter of the fiscal year under review decreased by ¥10,475 million in the “Japan” segment and decreased by ¥1,277 million in the “Asia” segment.

5. Information on products and services

(Million yen)

Net sales to outside customers	Amount	Change from the previous year (%)
Paints	254,418	112.6
Automotive	65,753	45.8
Trade-use	125,727	432.8
Industrial	33,905	46.0
Other paints	29,031	4.6
Fine chemicals	8,852	16.9
Total	263,270	106.9

Note: Consumption taxes are not included in these amounts.