

February 14, 2024

FY2023 4Q 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 (Subsidies, 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

	FY2022				FY2023				FY2024	FY2022	FY2023	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 Dec. 31		Revenue	Operating profit
JPY/USD	117.8	124.5	129.5	132.1	133.4	136.5	139.6	141.2	141.2	132.7	141.8	USD	c. ¥0.7 bn	c. ¥0.1 bn
JPY/RMB	18.6	19.1	19.5	19.5	19.4	19.6	19.7	19.9	19.9	19.0	19.9	RMB	c. ¥27.5 bn	c. ¥3.3 bn
JPY/AUD	85.2	88.9	90.7	91.2	91.2	91.6	92.7	93.6	93.6	89.6	96.9	AUD	c. ¥2.4 bn	c. ¥0.3 bn
JPY/EUR	131.6	135.2	136.6	138.5	144.0	147.9	151.2	153.2	153.2	141.4	157.1			
JPY/TRY*	8.4	8.3	7.8	7.1	7.0	5.6	5.5	4.8	4.8	7.1	4.8			
JPY/IDR	0.0082	0.0086	0.0088	0.0088	0.0089	0.0091	0.0092	0.0093	0.0093	0.0085	0.0092			

*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. Summary: FY2023 4Q Operational Results –Increased Revenue/Profit with Margin Improvement

FY2023 4Q^{*1}



(Tanshin)

(Billion yen)	Results	YoY
Revenue	356.7	+8.4%
Operating Profit	37.1	+23.5%
OP margin	10.4%	+1.3pp

(Non-GAAP)

(Billion yen)	Results	YoY
Revenue	348.1	+6.0%
Operating Profit	35.6	+11.1%
OP margin	10.2%	+0.5pp

◆ Tanshin

- Increased revenue (+8.4%), propelled by volume growth and pricing flow-through, notably in decorative business
- Gross profit margin improved 2.2pp YoY, attributed to improved RMCC ratio
- Continued application of hyperinflationary accounting in Türkiye (4Q impact: revenue c. -¥1.8 bn, OP c. -¥1.1 bn)
- Higher operating profit (+23.5%) driven by increased revenue and an improved gross profit margin
- OP margin up 1.3pp YoY to 10.4% (+0.5pp on Non-GAAP base)
- OP margin in Japan improved 10.3pp YoY, attributed to the recovery of automobile production, pricing flow-through, among other factors

◆ Non-GAAP

- China TUC revenue grew 8%, 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 1% compared to last year with real estate market remaining soft, offset partially by the expanded contribution from outside the traditional core residential sector
- China operating profit decreased, despite higher revenue and improved RMCC ratio, due to higher logistics and advertising expenses
- Decorative revenue increased in NIPSEA and DuluxGroup due to volume growth and pricing flow-through
- Higher automotive revenue in Japan and the Americas due to ongoing recovery in auto production

Revenue
YoY analysis

Paint and Coatings Business			Adjacencies Business	FX	New consolidation
Volumes	Price/Mix	Paint (others) ^{*2}			
c. +4%	c. -1%	c. +1%	c. +1%	c. +2%	c. +1%

^{*1} The earnings for each quarter of FY2022 have been adjusted retrospectively due to the finalization of PPA amortization on Cromology and JUB. The same adjustments are made throughout this presentation

^{*2} Products included in the Paint and Coatings Business with unit prices and volumes significantly different from paint products, such as semi-finished products and fine chemicals, are disclosed separately from volumes and price/mix in the above graph to provide more reasonable data

2. Summary: FY2023 Operational Results –Record Revenue and Operating Profit

FY2023



(Tanshin)

(Billion yen)	Results	YoY
Revenue	1,442.6	+10.2%
Operating Profit	168.7	+50.8%
OP margin	11.7%	+3.2pp
Profit*1	118.5	+49.2%
EPS	¥50.45	+49.2%

(Non-GAAP)

(Billion yen)	Results	YoY
Revenue	1,418.3	+8.4%
Operating Profit	157.7	+29.7%
OP margin	11.1%	+1.8pp

◆ Tanshin

- [Record revenue] Achieved through volume growth and pricing flow-through, primarily in decorative business, new consolidation, and favorable FX; approximately meeting ¥1,450 bn as per November revenue guidance
- [Record operating profit] Realized through increased revenue and improved gross profit margin, despite hyperinflationary accounting effects in Türkiye; meeting ¥168.0 bn as per November guidance
- [Profit/EPS] Both profit and EPS surpassed November guidance of ¥115.0 bn and ¥48.97, respectively due to higher revenue and profit

◆ Non-GAAP

- Increased revenue and operating profit, even after excluding one-off factors like new consolidation, subsidies, M&A-related expenses

<Key factors>

- ↑ NIPSEA China TUC revenue increased by 13% due to pricing flow-through and robust sales in Tier 3-6 cities
- ↑ Betek Boya revenue increased mainly due to pricing flow-through aligned with inflation and successful roll-out of brand strategy
- ↑ DuluxGroup revenue increased due to pricing flow-through and strong trade paint volumes
- ↑ Increased automotive revenue in Japan and the Americas due to ongoing auto production rebound
- ↓ Revenue decreased by 7% in NIPSEA China TUB due to the persistent soft real estate market

Revenue YoY analysis

Paint and Coatings Business			Adjacencies Business	FX	New consolidation
Volumes	Price/Mix	Paint (others)*2			
c. +5%	c. +1%	c. +1%	c. +2%	c. +1%	c. +1%

*1 Profit attributable to owners of parent

*2 Products included in the Paint and Coatings Business with unit prices and volumes significantly different from paint products, such as semi-finished products and fine chemicals, are disclosed separately from volumes and price/mix in the above graph to provide more reasonable data

3. Summary: FY2024 Forecast –Expecting Another Year of Record Revenue and Operating Profit

FY2024 Forecast



(Tanshin)

(Billion yen)	Forecast	YoY
Revenue	1,600	+10.9%
Operating Profit	184	+9.0%
OP margin	11.5%	-0.2pp
Profit Before tax	174	+7.7%
Profit*1	124	+4.7%
EPS	¥52.8	+4.7%
Dividends	¥15	+¥1

◆ Summary

- Expect +10.9% revenue growth to a record ¥1,600 bn, driven by organic growth (c. +7~7.5%) from market share strategies in all regions, agencies business enhancement, and new consolidation (c. +3.5~4%)
- Expect slight decrease in RMCC ratio, influenced by varying raw material price trends across countries and regions
- Expect +9.0% operating profit growth to a record ¥184 bn attributed mainly to higher revenue
- The guidance figures were calculated using FY2023 actual exchange rates
- EPS guidance: ¥52.8 (+4.7% YoY), with annual dividends guidance at ¥15 (+¥1 YoY) per share

◆ Revenue (+10.9% YoY)

- Anticipate flat decorative market conditions, especially in advanced countries. China's TUC market is poised for some growth due to increased repainting demand, while the TUB market is expected to stagnate due to low confidence in new built markets
- Auto production is likely to remain flat versus last year
- Factor in new consolidation of Kazakhstan-based Alina (full-year contribution) and two India businesses (NPI and BNPA, six-month contribution)

◆ Operating profit (+9.0% YoY)

- Assumes the exclusion of c. +¥8.5 bn from one-off income/expenses (subsidies, etc.) recorded in FY2023, and a substantial reduction in provisions in China
- Considering the aforementioned factors, we expect OP growth of c. +7.5~8% through organic growth and c. +3.5~4% through new consolidation

		Organic growth	New consolidation
Revenue	+10.9%	c. +7~7.5%	c. +3.5~4%
Operating Profit	+11%*2	c.+7.5~8%*2	c.+3.5~4%

4. Assumptions for FY2024 Forecast (1)

		Revenue		OP margin		Overview
		FY2023 Results (Tanshin/bn yen)	FY2024 Forecast (In LCY ^{*1})	FY2023 Results (Tanshin/%)	FY2024 Forecast (In LCY) ^{*2}	
Japan	Segment total	201.5	+0~5%	9.5%	→	
	Automotive	42.1	c. -5%			Slightly lower revenue reflecting a flat outlook for auto production
	Decorative	48.5	+5~10%			Revenue is surpassing market growth, driven by customer development and sales expansion achieved through digital transformation, and the development and sales expansion of high-performance and differentiated products
	Industrial	39.7	c. +5%			Higher revenue driven by market recovery, customer development, and development and sales expansion of high-performance products
NIPSEA China	Segment total	482.7	+5~10%	12.5%	→	
	Decorative (TUC)	408.2	c. +15%			Expanding and consolidating channels and customers' network, aiming for higher growth and increasing share especially in the Tier 3 to 6 cities
	Decorative (TUB)		+0~5%			Enhancing our share in the repainting segment and diversifying contributions from infrastructure, affordable housing, and government related projects
	Automotive	50.4	c. +5%			Expanding Automotive part business and our business in EV (electric vehicle) key components. Strengthening relationship with strategic key accounts
NIPSEA Except China	Segment total	288.8	+10~15%	17.4%	→	
	Malaysia Grp. Singapore Grp. Thailand Grp.		+5~10%		→	Driving total coating and construction solutions, building brand thought leadership and capitalizing distribution network strength to accelerate adjacencies business expansion and growth
	PT Nipsea (Indonesia)	60.9	+5~10%	32.9%	→	Driving stronger distribution of CCM machines, increasing product penetration, expanding distribution points across Indonesia, offering new product lines to complete total coating solutions ranging from tools and accessories to SAF
	Betek Boya (Türkiye)	75.2	c. +15%	10.9%	→	Accelerating adjacencies business expansion, including in tools and accessories and reinforcing the brand image and portfolio to maintain premium positioning among customers

4. Assumptions for FY2024 Forecast (2)

		Revenue		OP margin		Overview
		FY2023 Results (Tanshin/bn yen)	FY2024 Forecast (In LCY)	FY2023 Results (Tanshin/%)	FY2024 Forecast (In LCY)*	
DuluxGroup	Segment total	360.4	c. +10%	9.6%	→	
	DGL (Pacific)	222.5	c. +10%	12.8%	→	Organic growth of mid-single digits, despite flat markets, complemented by small-scale acquisitions of local businesses in 2023
	DGL (Europe)	137.9	c. +10%	4.4%	↗	Organic growth of mid-single digits, complemented by the 2023 acquisition of NPT. OP margin increases, mainly due to GM% improvements
Americas	Segment total	109.2	c. +5%	6.5%	→	
	Automotive	40.9	+0~5%			Higher revenue driven by auto production recovery and flow through of pricing
	Decorative	66.4	+5~10%			Higher revenue due to normalized weather and improving US economy and housing market

New consolidation

*FY2022 and FY2023 results are both pro-forma and unaudited figures. FY2024 forecast assumes 12-month contribution from NPI and BNPA.
Exchange rates used for both FY2022 and FY2023 figures are 1INR=1.74 JPY and 1KZT=0.31 JPY

	Revenue			OP margin			Overview
	FY2022 Results (¥ bn)	FY2023 Results (¥ bn)	FY2024 Forecast (In LCY)	FY2022 Results (%)	FY2023 Results (%)	FY2024 Forecast (In LCY)*	
Alina (Kazakhstan)	18.2	22.9	+5~10%	22.8%	20.2%	→	Pursuing more growth in the paint and coatings business by supplying brands with wide ranging price points in line with Betek Boya's strategy
NPI (India)	37.0	38.1	+10~15%	0.3%	4.5%	→	Strong focus on brand building activities and expanding the channel networks to penetrate all tier towns in the current focused states
BNPA (India)	4.5	5.8	+0~5%	2.7%	6.4%	→	Expanding existing businesses in OEM business and focusing on the EV market

5. Raw Material Market Conditions and Impact on Our Operations

Anticipate a slight decrease in RMCC ratio, while monitoring market trends closely

FY2023 4Q

- Crude oil prices have declined by 20% since September, due to the failure of OPEC+ to agree on production cuts, fading expectations for demand growth resulting from prolonged economic slowdown in China and Europe, and concerns about recession in the U.S. economy. Naphtha spot prices followed suit
- Japanese chemical manufacturers are prioritizing profitability, leading to price increases or stability amid poor performance
- The RMCC ratio fell across the Group, except for Dunn-Edwards in the Americas
- Consequently, gross profit margin increased 2.2pp YoY and 0.9pp QoQ

FY2024 1Q and beyond

- With the recent downturn in crude oil prices in FY2023 4Q, it was expected that Japan's naphtha price would dip below ¥70,000 in FY2024 1Q. However, the price has rebounded to the ¥70,000 range due to renewed risks in the Middle East
- The global economic outlook remains uncertain, with expectations of sluggish demand for both crude oil and naphtha
- We anticipate a minor decline in the RMCC ratio and will closely monitor market trends accordingly

◆Gross profit margin



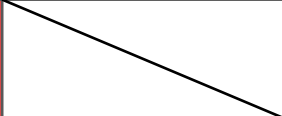
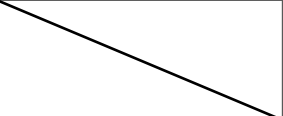





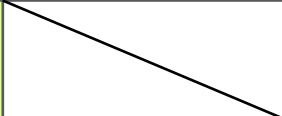
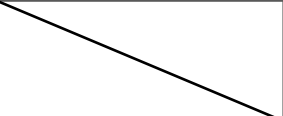
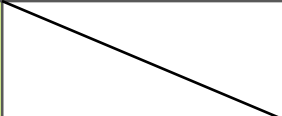
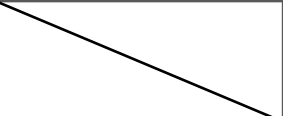
FY2022 1Q	FY2022 2Q	FY2022 3Q	FY2022 4Q
37.6%	36.1%	37.0%	38.4%

FY2022
37.2%

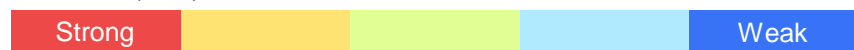
FY2023 1Q	FY2023 2Q	FY2023 3Q	FY2023 4Q	YoY	QoQ	FY2023
39.3%	40.0%	39.7%	40.6%	+2.2pp	+0.9pp	39.9%

6. Market & Business Environment

Both the automotive and decorative markets expected to remain roughly flat in FY2024

		Japan	NIPSEA China		DGL (Pacific)	DGL (Europe)	Americas
FY2023 4Q	Automotive						
	Decorative		 TUC	 TUB			
FY2024 1Q (outlook)	Automotive						
	Decorative		TUC	TUB			
FY2024 (outlook)	Automotive						
	Decorative		TUC	TUB			

■ Market (YoY)



■ Business (vs. Market)*



*NPHD's estimates

7. Summary of Operating Results in Major Segments

(Billion yen)		Tanshin		Non-GAAP		Overview
		FY2023 4Q	YoY	FY2023 4Q	YoY	
Japan	Revenue	54.5	+6.1%	54.3	+5.8%	Higher revenue, despite decorative and industrial revenue holding steady, driven mainly by strong automotive revenue
	OP	6.7	+577.7%	6.6	+108.8%	Higher profit on higher automotive revenue, combined with improved RMCC ratio and SG&A reduction efforts
NIPSEA China	Revenue	109.7	+7.4%	105.1	+3.5%	Higher revenue as higher TUC sales, driven by strong growth in Tier 3-6 cities, more than offset lower TUB sales on soft property market
	OP	9.8	+0.9%	7.3	-22.5%	Lower profit from higher logistics and advertising expenses despite higher revenue and better RMCC ratio
NIPSEA Except China	Revenue	70.0	+3.8%	75.3	+11.7%	Higher revenue, benefitting from pricing flow-through in Malaysia Group, Indonesia, and Türkiye despite softness in Vietnam and Thailand Automotive business
	OP	13.5	+4.6%	13.4	+4.2%	Higher profit on higher revenue and better RMCC ratio due to pricing flow-through
DGL (Pacific)	Revenue	60.2	+8.2%	57.7	+3.8%	Higher revenue from small-scale acquisitions of local businesses, with organic growth impacted by soft markets
	OP	7.1	+5.8%	7.5	+9.1%	Profit higher due to normalized GM%, together with timing of marketing spend (ie. higher in H1)
DGL (Europe)	Revenue	34.0	+22.7%	28.7	+3.4%	Higher revenue from volume growth in Southern and Central Europe, partly offset by softer retail market volumes in France and the UK
	OP	-0.8	-	-0.0	-	Seasonal operating loss (European winter), with improvement versus last year due to normalization of GM%
Americas	Revenue	28.4	+14.0%	27.0	+8.6%	Higher revenue driven mainly by strong automotive sales
	OP	1.6	+95.0%	1.5	+89.9%	Higher profit on higher automotive revenue, improved RMCC ratio resulting from pricing flow-through, and SG&A reduction efforts in the decorative business

8. Major Topics

Completed Acquisition of Alina, a Kazakhstani Paint and Dry-Mix Mortars (adjacencies) Manufacturer (Announced on January 18)

- Acquired 75% of the share capital of Alina through NIPSEA Group.
We are entitled to purchase the remaining 25% of the share capital in three years or earlier, subject to agreement with the seller
- We will aim to leverage the expertise of Alina and synergies with our partner companies, such as Betek Boya, to increase our market share in Central Asia markets, particularly in Kazakhstan, and in the CC area



Integrated Report 2023 Briefing (Held on January 19)

- The first briefing held on Integrated Report 2023, which was released on September 30, 2023
- During the briefing, the key components of the Report were explained to communicate our strategic initiatives in pursuit of Maximization of Shareholder Value (MSV)
- The objective is to incorporate the feedback and requests obtained during the briefing and other investor engagement activities into our efforts to maximize PER and plan and produce the 2024 edition of the Report



Supplemental Material

- | | |
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1. FY2023 4Q Results: Highlights

1-1. Highlights (Consolidated)

(Billion yen)	Results (Tanshin)			Results (Non-GAAP)			
	FY2022 4Q*1	FY2023 4Q	YoY (%)	FY2022 4Q*1	FY2023 4Q	YoY (Amount)	YoY (%)
Revenue	329.1	356.7	8.4%	328.5	348.1	19.6	6.0%
Operating profit	30.1	37.1	23.5%	32.0	35.6	3.6	11.1%
OP margin	9.1%	10.4%	1.3pp	9.7%	10.2%	-	0.5pp
EBITDA	43.1	51.8	20.3%	-	-	-	-
EBITDA margin	13.1%	14.5%	1.4pp	-	-	-	-
Profit before tax	24.9	34.5	38.6%	26.8	32.4	5.6	20.9%
Profit ^{*2}	24.7	25.0	1.2%	26.0	23.8	-2.3	-8.7%

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

FY2022 4Q

Revenue -

OP •Japan: Special retirement payment c. -¥2.2 bn

FY2023 4Q

Revenue •DGL (Europe): New consolidation of NPT +¥2.4 bn

OP •NIPSEA China: Subsidies, etc. +¥2.0 bn
•DGL (Europe): New consolidation of NPT (including PPA (one-off expenses)) -¥0 bn
•DGL (Europe): Impairment loss at Craig & Rose -¥0.6 bn

Major reasons for changes

<Revenue>

- Higher decorative revenue (NIPSEA and DuluxGroup) driven by volume growth and pricing flow-through and higher automotive revenue (Japan and the Americas) driven by continued recovery in auto production

<Operating profit>

Higher operating profit on higher revenue and improved RMCC ratio

1-2. Highlights (by Segment)

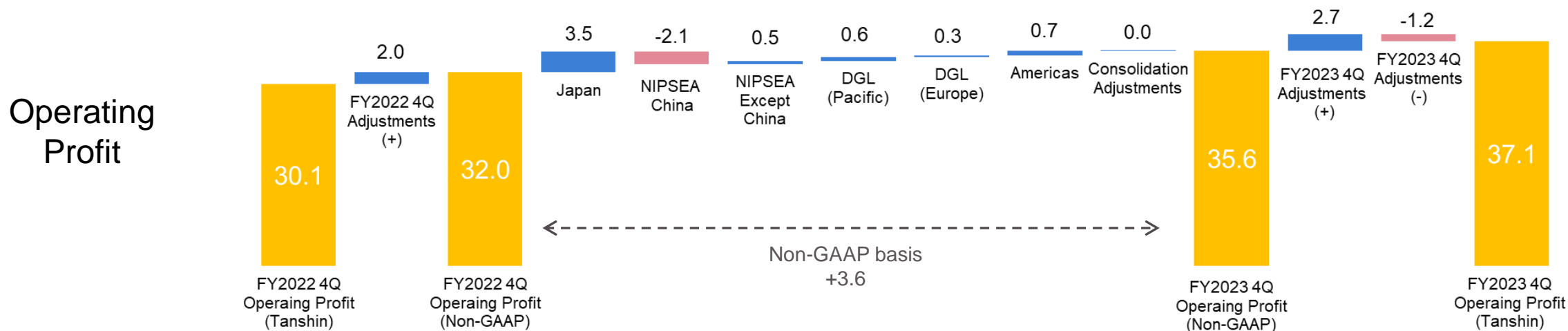
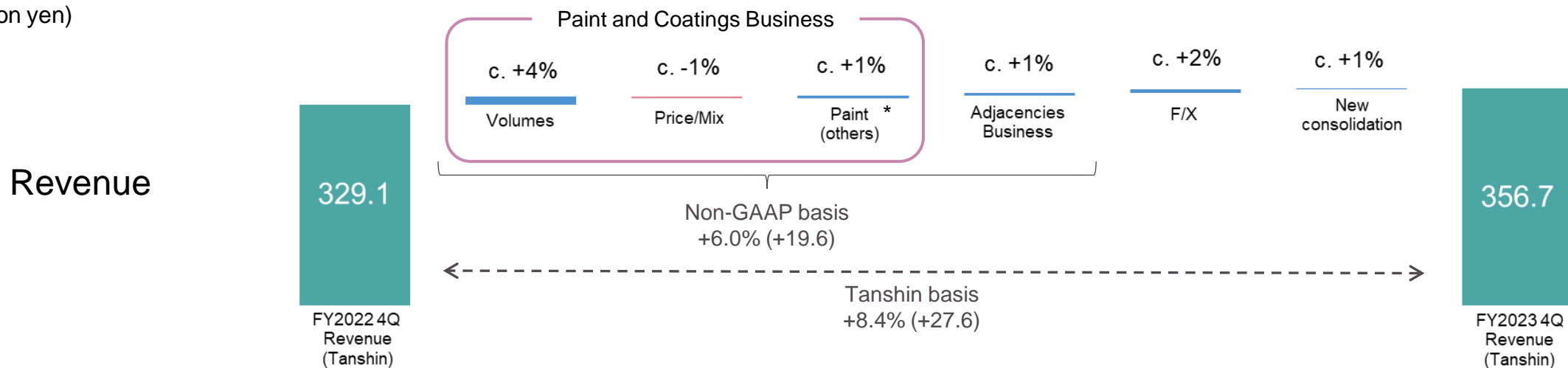
(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2022 4Q [*]	FY2023 4Q	YoY (%)	FY2022 4Q [*]	FY2023 4Q	YoY (Amount)	YoY (%)
Japan	Revenue	51.3	54.5	6.1%	51.3	54.3	3.0	5.8%
	Operating profit	1.0	6.7	577.7%	3.2	6.6	3.5	108.8%
NIPSEA	Revenue	169.6	179.7	6.0%	169.0	180.4	11.5	6.8%
	Operating profit	22.6	23.3	3.0%	22.2	20.7	-1.6	-7.0%
DuluxGroup	Revenue	83.3	94.2	13.0%	83.3	86.4	3.1	3.7%
	Operating profit	6.4	6.3	-2.0%	6.6	7.5	0.9	13.6%
Americas	Revenue	24.9	28.4	14.0%	24.9	27.0	2.1	8.6%
	Operating profit	0.8	1.6	95.0%	0.8	1.5	0.7	89.9%
Adjustments	Revenue	-	-	-	-	-	-	-
	Operating profit	-0.8	-0.8	-	-0.8	-0.8	0.0	-
Total	Revenue	329.1	356.7	8.4%	328.5	348.1	19.6	6.0%
	Operating profit	30.1	37.1	23.5%	32.0	35.6	3.6	11.1%

2. FY2023 4Q Results: By Segment

2-1. Revenue and Operating Profit Analysis

(Billion yen)



2-2. Japan

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)			
		FY2022	FY2023	YoY	FY2022	FY2023	YoY	YoY
		4Q	4Q	(%)	4Q	4Q	(Amount)	(%)
Revenue	Automotive coatings	10.0	11.2	12.3%	10.0	11.2	1.2	12.3%
	Decorative paints	12.7	12.7	-0.4%	12.7	12.7	-0.0	-0.4%
	Industrial coatings	10.5	10.5	0.1%	10.5	10.5	0.0	0.1%
	Fine chemicals	2.1	2.3	8.8%	2.1	2.3	0.2	8.8%
	Others ^{*1}	16.0	17.8	11.1%	16.0	17.6	1.6	9.9%
	Total	51.3	54.5	6.1%	51.3	54.3	3.0	5.8%
Operating profit		1.0	6.7	577.7%	3.2	6.6	3.5	108.8%
OP margin		1.9%	12.2%	10.3pp	6.2%	12.2%	-	6.0pp

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.

FY2022 4Q

►OP

Special retirement payment c. ¥-2.2 bn

FY2023 4Q

-

Major reasons for changes

<Revenue>

- Automotive: Higher revenue due to a recovery in auto production (+12%^{*2} YoY)
- Decorative: Flat revenue as the effects of pricing flow-through were counterbalanced by consumer spending restraint and increased demand for economy products amid concerns about inflation
- Industrial: Flat revenue despite pricing flow-through, attributed to soft market conditions

<Operating profit>

Higher profit attributed to higher automotive revenue, improved RMCC ratio, and SG&A reduction efforts

2-3. NIPSEA China

(Billion yen)

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)			
		FY2022 4Q	FY2023 4Q	YoY (%)	FY2022 4Q	FY2023 4Q	YoY (Amount)	YoY (%)
Revenue	Automotive coatings	17.3	14.9	-13.6%	15.1	14.4	-0.7	-4.8%
	Decorative paints	78.1	88.8	13.8%	79.6	85.0	5.4	6.8%
	Industrial coatings	6.3	5.5	-12.4%	6.2	5.3	-1.0	-15.4%
	Others ^{*1}	0.6	0.5	-21.3%	0.6	0.4	-0.1	-24.2%
	Total	102.2	109.7	7.4%	101.5	105.1	3.6	3.5%
Operating profit		9.7	9.8	0.9%	9.4	7.3	-2.1	-22.5%
OP margin		9.5%	8.9%	-0.6pp	9.2%	6.9%	-	-2.3pp

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.

FY2022 4Q

►OP

Subsidies, etc. +¥0.6 bn, credit loss provision -¥0.3 bn

FY2023 4Q

►OP

Subsidies, etc. +¥2.0 bn

Major reasons for changes

<Revenue>

- Automotive: Lower revenue despite higher overall automobile production (+16%^{*2} YoY), due to a decrease in contribution from our Japanese and European OEM customers
- Decorative: TUC revenue increased by 8%, supported by stronger growth from Tier 3 to 6 cities.
Revenue for TUB segment is slightly down 1% with real estate market conditions still very soft, offset partially by the expanded contribution from outside the traditional core residential sector
- Industrial: Revenue is down due to the weaker performance in the Coil, Powder and Protective Coating business

<Operating profit>

Lower profit from higher logistics and advertising expenses despite higher revenue and an improved RMCC ratio

2-4. NIPSEA Except China^{*1}

(Billion yen)	Results (Tanshin)			Results (Non-GAAP)				Key one-off factors (the difference between Tanshin and Non-GAAP excluding FX impact) <small>*Please refer to "Breakdown of Adjustments" in the Reference Data section in the appendix.</small>
	FY2022 4Q	FY2023 4Q	YoY (%)	FY2022 4Q	FY2023 4Q	YoY (Amount)	YoY (%)	
Revenue	67.4	70.0	3.8%	67.4	75.3	7.9	11.7%	FY2022 4Q
Operating profit	12.9	13.5	4.6%	12.9	13.4	0.5	4.2%	-
OP margin	19.1%	19.3%	0.1pp	19.1%	17.8%	-	-1.3pp	FY2023 4Q
								-

Major reasons for changes

<Revenue>

- Malaysia Grp.: Higher revenue due to growth across countries in Malaysia, Thailand (Decorative), Philippines and CMI
- Singapore Grp.: Overall revenue is up due to the stronger performance in Singapore and Sri Lanka, which has been brought down by the weaker Vietnam performance
- Thailand Grp.: Lower revenue due to a drop in automobile production (-13%^{*2} YoY) despite the Auto Refinish business performing better

<Operating profit>

Higher profit on higher revenue, better RMCC ratio and flow through of price increases

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

(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2022 4Q	FY2023 4Q	YoY (%)	FY2022 4Q	FY2023 4Q	YoY (Amount)	YoY (%)
PT Nipsea (Indonesia)	Revenue	13.7	16.1	17.4%	13.7	14.8	1.1	7.7%
	Operating profit	5.4	5.5	1.2%	5.4	5.0	-0.4	-7.0%
	OP margin	39.5%	34.0%	-5.4pp	39.5%	34.1%	-	-5.4pp
	OP margin*	40.0%	34.5%	-5.5pp	40.0%	34.5%	-	-5.4pp
		Results (Tanshin)			Results (Non-GAAP)			
		FY2022 4Q	FY2023 4Q	YoY (%)	FY2022 4Q	FY2023 4Q	YoY (Amount)	YoY (%)
Betek Boya (Türkiye)	Revenue	16.8	12.2	-27.5%	16.8	20.5	3.7	22.0%
	Operating profit	2.8	0.9	-67.6%	2.8	1.6	-1.3	-45.2%
	OP margin	16.8%	7.5%	-9.3pp	16.8%	7.5%	-	-9.2pp

Figures are adjusted for
hyperinflationary accounting

Impact of hyperinflationary accounting (Billion yen)					
FY2022	1Q	2Q	3Q	4Q	F/Y
Revenue	c.+1.0	c.+2.0	c.+1.0	c.-2.1	c.+1.9
OP	c.-1.3	c.-2.0	c.-1.4	c.-1.7	c.-6.4
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

Major reasons for changes

<Revenue>

- PT Nipsea (Indonesia): Higher revenue due to volume growth and price increases, expansion of distribution network, increase of distributors, more CCM installed, with sales growth primarily in the decorative business
- 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): Lower profit as a result of higher logistics and advertising, despite higher revenue and improved RMCC ratio
- Betek Boya (Türkiye): Lower profit due to higher selling, general and administrative expenses, including advertising expenses, despite a much improved RMCC ratio

2-6. DGL (Pacific)

(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2022 4Q	FY2023 4Q	YoY (%)	FY2022 4Q	FY2023 4Q	YoY (Amount)	YoY (%)
Revenue	Decorative paints	29.1	31.1	6.7%	29.1	29.8	0.7	2.4%
	Industrial coatings	2.4	2.6	9.1%	2.4	2.5	0.1	4.7%
	Adjacencies business	24.1	26.5	9.9%	24.1	25.4	1.3	5.5%
	Total	55.6	60.2	8.2%	55.6	57.7	2.1	3.8%
Operating profit		6.7	7.1	5.8%	6.9	7.5	0.6	9.1%
OP margin		12.1%	11.8%	-0.3pp	12.4%	13.0%	-	0.6pp
OP margin*		12.7%	12.5%	-0.2pp	13.0%	13.7%	-	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.

FY2022 4Q

►OP

Subsidies, etc. +¥0 bn, M&A related expenses -¥0.1 bn

FY2023 4Q

►OP

Subsidies, etc. -¥0.2 bn, M&A related expenses -¥0.5 bn

Major reasons for changes

<Revenue>

- Decorative: Higher revenue from pricing actions and growth in trade volumes, with retail volumes largely flat (market driven)
- Adjacencies business: Higher revenue from small-scale acquisitions of local businesses, with organic growth impacted by soft markets

<Operating profit>

Profit higher due to normalized GM%, together with timing of marketing spend (ie. higher in H1)

2-7. DGL (Europe)

(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2022 4Q	FY2023 4Q	YoY (%)	FY2022 4Q	FY2023 4Q	YoY (Amount)	YoY (%)
Revenue	Decorative paints	23.5	26.9	14.6%	23.5	24.3	0.9	3.8%
	Adjacencies business	4.2	7.1	67.5%	4.2	4.3	0.1	1.6%
	Total	27.7	34.0	22.7%	27.7	28.7	0.9	3.4%
Operating profit		-0.3	-0.8	-	-0.3	-0.0	0.3	-
OP margin		-1.1%	-2.4%	-1.3pp	-1.1%	-0.1%	-	1.0pp
OP margin*		0.5%	-0.4%	-0.9pp	0.5%	1.5%	-	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.

FY2022 4Q

-

FY2023 4Q

► Revenue

New consolidation of NPT +¥2.4 bn

► OP

New consolidation of NPT (including PPA (one-off expenses)) -¥0 bn

Impairment loss at Craig & Rose -¥0.6 bn, M&A related expenses -¥0.1 bn

Major reasons for changes

<Revenue>

- Decorative: Higher revenue from volume growth in Southern and Central Europe, partly offset by softer retail market volumes in France and the UK
- Adjacencies business: Slightly higher revenue driven by ETICS

<Operating profit>

Seasonal operating loss (European winter), with improvement versus last year due to normalization of GM%

2-8. Americas

(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2022 4Q	FY2023 4Q	YoY (%)	FY2022 4Q	FY2023 4Q	YoY (Amount)	YoY (%)
Revenue	Automotive coatings	8.6	11.4	32.6%	8.6	10.7	2.1	24.8%
	Decorative paints	15.8	16.5	4.1%	15.8	15.8	-0.0	-0.2%
	Fine chemicals	0.5	0.5	10.6%	0.5	0.5	0.0	5.6%
	Total	24.9	28.4	14.0%	24.9	27.0	2.1	8.6%
Operating profit		0.8	1.6	95.0%	0.8	1.5	0.7	89.9%
OP margin		3.3%	5.7%	2.4pp	3.3%	5.7%	-	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.

FY2022 4Q

-

FY2023 4Q

-

Major reasons for changes

<Revenue>

- Automotive: Higher revenue fueled by a substantial rise in auto production among Japanese automakers (auto production in the overall Americas was +4 %* YoY) and pricing flow-through
- Decorative: Revenue remained steady, despite the impact of the sluggish US economy and soft housing market, due to better weather —less rain both in terms of inches and number of days than in a normal year

<Operating profit>

Higher profit on higher automotive revenue, improved RMCC ratio resulting from pricing flow-through, and SG&A reduction efforts in the decorative business

2-9. Quarterly Financial Performance Trends in Major Segments

(For reference) Basic seasonal factors *Market-based

High demand ← → Low demand

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 (New Year holidays) in May, which causes 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 3Q		FY2022 4Q		FY2023 3Q		FY2023 4Q		Major reasons for changes (vs. FY2023 3Q)
	Revenue	OP	Revenue	OP	Revenue	OP	Revenue	OP	
Japan	47.2	1.8	51.3	1.0	49.7	4.5	54.5	6.7	Higher profit on higher revenue due to seasonal factors
NIPSEA China	130.7	19.0	102.2	9.7	135.8	18.5	109.7	9.8	Lower revenue and lower profit due to seasonal factors
NIPSEA Except China	68.2	8.7	67.4	12.9	83.1	13.7	70.0	13.5	Lower revenue and lower profit due to seasonal factors
PT Nipsea (Indonesia)	13.6	3.9	13.7	5.4	14.7	4.7	16.1	5.5	Higher profit due to growth in overall business and an improved RMCC ratio
Betek Boya (Türkiye)	20.1	1.1	16.8	2.8	29.5	3.2	12.2	0.9	Lower profit due to lower 4Q sales. 3Q sales were much higher as a result of pending orders which could not be delivered till late 2Q (affected by earthquake and elections), hence the flow-over and higher sales in 3Q
DGL (Pacific)	55.0	7.8	55.6	6.7	59.2	7.3	60.2	7.1	Lower profit, mainly due to one-off expenses relating to local acquisitions
DGL (Europe)	29.5	1.5	27.7	-0.3	36.3	2.6	34.0	-0.8	Seasonal operating loss (European winter) and impairment of Craig & Rose
Americas	27.3	2.2	24.9	0.8	28.8	2.1	28.4	1.6	Lower profit due to seasonal factors mainly in the decorative paints

3. FY2023 Results

3-1. Highlights (Consolidated)

(Billion yen)

	Results (Tanshin)			Results (Non-GAAP)			
	FY2022 ^{*1}	FY2023	YoY (%)	FY2022 ^{*1}	FY2023	YoY (Amount)	YoY (%)
Revenue	1,309.0	1,442.6	10.2%	1,308.0	1,418.3	110.3	8.4%
Operating profit	111.9	168.7	50.8%	121.6	157.7	36.1	29.7%
OP margin	8.5%	11.7%	3.2pp	9.3%	11.1%	-	1.8pp
EBITDA	159.9	222.0	38.9%	-	-	-	-
EBITDA margin	12.2%	15.4%	3.2pp	-	-	-	-
Profit before tax	104.5	161.5	54.6%	114.2	146.8	32.6	28.5%
Profit ^{*2}	79.4	118.5	49.2%	87.1	106.4	19.3	22.1%

3-2. Highlights (by Segment)

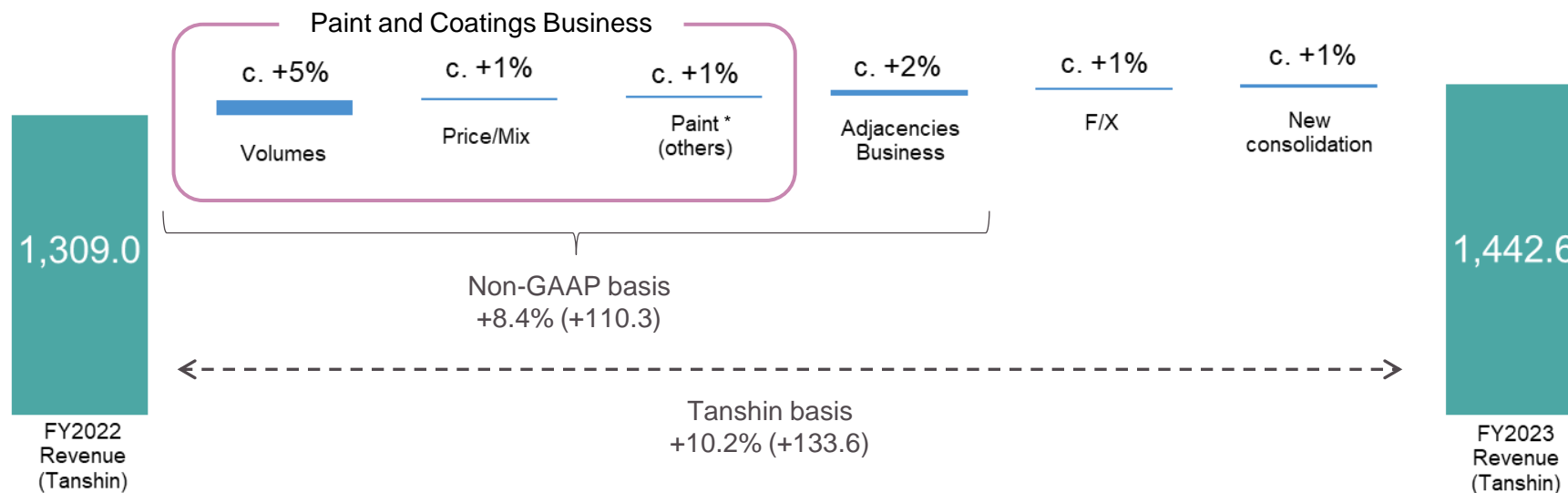
(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2022 *	FY2023	YoY (%)	FY2022 *	FY2023	YoY (Amount)	YoY (%)
Japan	Revenue	186.1	201.5	8.3%	186.1	200.7	14.7	7.9%
	Operating profit	5.3	19.2	261.9%	8.0	19.0	11.0	138.0%
NIPSEA	Revenue	708.5	771.5	8.9%	707.5	785.9	78.4	11.1%
	Operating profit	72.7	110.4	51.8%	79.7	102.1	22.4	28.0%
DuluxGroup	Revenue	314.9	360.4	14.4%	314.9	330.2	15.3	4.8%
	Operating profit	29.7	34.6	16.7%	31.4	32.7	1.3	4.2%
Americas	Revenue	99.5	109.2	9.7%	99.5	101.5	2.0	2.0%
	Operating profit	8.1	7.1	-11.5%	6.3	6.6	0.4	5.8%
Adjustments	Revenue	-	-	-	-	-	-	-
	Operating profit	-3.9	-2.6	-	-3.9	-2.9	1.0	-
Total	Revenue	1,309.0	1,442.6	10.2%	1,308.0	1,418.3	110.3	8.4%
	Operating profit	111.9	168.7	50.8%	121.6	157.7	36.1	29.7%

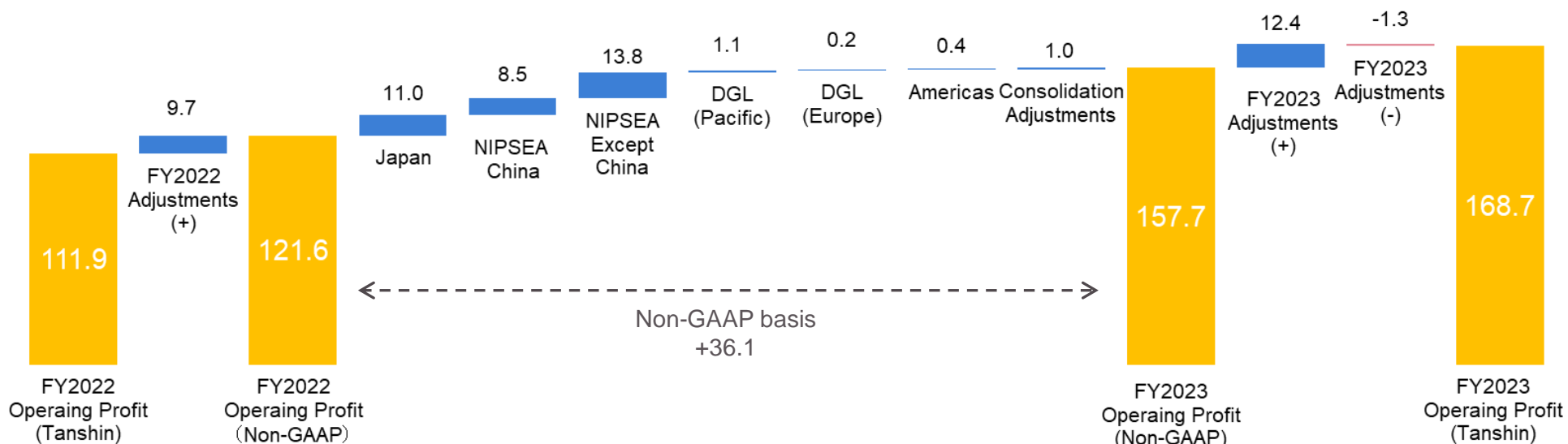
3-3. Revenue and Operating Profit Analysis

(Billion yen)

Revenue



Operating Profit



3-4. Japan & NIPSEA China

Japan

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)		
		FY2022	FY2023	YoY (%)	FY2022	FY2023	YoY (Amount) YoY (%)
Revenue	Automotive coatings	35.1	42.1	20.1%	35.1	42.1	7.1 20.1%
	Decorative paints	47.8	48.5	1.5%	47.8	48.5	0.7 1.5%
	Industrial coatings	40.0	39.7	-0.8%	40.0	39.7	-0.3 -0.8%
	Fine chemicals	8.6	8.9	3.5%	8.6	8.9	0.3 3.5%
	Others ^{*1}	54.5	62.2	14.1%	54.5	61.4	6.9 12.7%
	Total	186.1	201.5	8.3%	186.1	200.7	14.7 7.9%
Operating profit		5.3	19.2	261.9%	8.0	19.0	11.0 138.0%
OP margin		2.8%	9.5%	6.7pp	4.3%	9.5%	- 5.2pp

NIPSEA China

		Results (Tanshin)			Results (Non-GAAP)		
		FY2022	FY2023	YoY (%)	FY2022	FY2023	YoY (Amount) YoY (%)
Revenue	Automotive coatings	50.1	50.4	0.6%	49.4	49.4	-0.1 -0.1%
	Decorative paints	374.2	408.2	9.1%	373.9	399.5	25.6 6.8%
	Industrial coatings	24.1	22.2	-8.1%	24.1	21.7	-2.4 -9.9%
	Others ^{*2}	2.4	2.0	-16.1%	2.4	1.9	-0.4 -17.7%
	Total	450.7	482.7	7.1%	449.8	472.5	22.7 5.1%
Operating profit		34.9	60.2	72.3%	42.0	50.5	8.5 20.3%
OP margin		7.8%	12.5%	4.7pp	9.3%	10.7%	- 1.4pp

3-5. NIPSEA Except China & PT Nipsea (Indonesia) & Betek Boya (Türkiye)

(Billion yen)

NIPSEA Except China^{*1}

^{*1}Including earnings of PT Nipsea (Indonesia) and Betek Boya (Türkiye)

	Results (Tanshin)			Results (Non-GAAP)			
	FY2022	FY2023	YoY (%)	FY2022	FY2023	YoY (Amount)	YoY (%)
Revenue	257.8	288.8	12.0%	257.8	313.4	55.7	21.6%
Operating profit	37.8	50.2	33.0%	37.8	51.6	13.8	36.6%
OP margin	14.6%	17.4%	2.7pp	14.6%	16.5%	-	1.8pp

PT Nipsea (Indonesia)

	Results(Tanshin)			Results(Non-GAAP)			
	FY2022	FY2023	YoY (%)	FY2022	FY2023	YoY (Amount)	YoY (%)
Revenue	52.3	60.9	16.3%	52.3	57.6	5.3	10.1%
Operating profit	16.7	20.0	19.9%	16.7	18.9	2.2	13.4%
OP margin	31.9%	32.9%	1.0pp	31.9%	32.9%	-	1.0pp
OP margin ^{*2}	32.4%	33.3%	0.9pp	32.4%	33.3%	-	0.9pp

Betek Boya^{*1} (Türkiye)

	Results(Tanshin)			Results(Non-GAAP)			
	FY2022	FY2023	YoY (%)	FY2022	FY2023	YoY (Amount)	YoY (%)
Revenue	70.5	75.2	6.7%	70.5	110.9	40.5	57.4%
Operating profit	6.1	8.2	33.8%	6.1	11.8	5.7	93.5%
OP margin	8.7%	10.9%	2.2pp	8.7%	10.7%	-	2.0pp

3-6. DGL (Pacific) & DGL (Europe)

DGL (Pacific)

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)		
		FY2022	FY2023	YoY (%)	FY2022	FY2023	YoY (Amount) (%)
Revenue	Decorative paints	104.6	113.4	8.4%	104.6	110.4	5.8 5.6%
	Industrial coatings	9.1	9.6	5.2%	9.1	9.3	0.2 2.5%
	Adjacencies business	89.9	99.5	10.7%	89.9	96.9	7.0 7.8%
	Total	203.6	222.5	9.3%	203.6	216.7	13.1 6.4%
Operating profit		26.1	28.5	9.3%	26.3	27.4	1.1 4.2%
OP margin		12.8%	12.8%	0.0pp	12.9%	12.6%	- -0.3pp
OP margin ^{*1}		13.5%	13.6%	0.1pp	13.6%	13.4%	- -0.2pp

DGL (Europe)

		Results (Tanshin)			Results (Non-GAAP)		
		FY2022 ^{*2}	FY2023	YoY (%)	FY2022 ^{*2}	FY2023	YoY (Amount) (%)
Revenue	Decorative paints	95.3	112.9	18.5%	95.3	97.3	1.9 2.0%
	Adjacencies business	15.9	25.0	56.6%	15.9	16.2	0.3 1.8%
	Total	111.3	137.9	23.9%	111.3	113.5	2.2 2.0%
Operating profit		3.6	6.1	70.4%	5.1	5.4	0.2 4.2%
OP margin		3.2%	4.4%	1.2pp	4.6%	4.7%	- 0.1pp
OP margin ^{*1}		6.1%	6.0%	-0.2pp	6.1%	6.2%	- 0.1pp

3-7. Americas

Americas

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)			
		FY2022	FY2023	YoY (%)	FY2022	FY2023	YoY (Amount)	YoY (%)
Revenue	Automotive coatings	32.3	40.9	26.7%	32.3	37.7	5.4	16.7%
	Decorative paints	65.7	66.4	1.1%	65.7	62.1	-3.6	-5.4%
	Fine chemicals	1.5	1.8	17.0%	1.5	1.7	0.1	9.5%
	Total	99.5	109.2	9.7%	99.5	101.5	2.0	2.0%
Operating profit		8.1	7.1	-11.5%	6.3	6.6	0.4	5.8%
OP margin		8.1%	6.5%	-1.6pp	6.3%	6.6%	-	0.2pp

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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FY2023 4Q Financial Results Presentation Material Reference Data

February 14, 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				
	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y
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
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
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%
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

<Per share information, Major indicators>

	FY2021 ^{*1}					FY2022 ^{*2}					FY2023				
	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
EPS (yen)	7.62	14.82	21.78		29.41	6.11	12.16	23.50		33.82	10.79	25.93	39.79		50.45
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
Net debt ^{*5} (billion yen)	440.0	441.8	437.7		429.3	631.7	643.3	609.1		574.4	598.6	549.1	536.5		484.4

<Capital Expenditure, Depreciation, R&D Expenses>

(Billion yen)		FY2021 ^{*1}					FY2022 ^{*2}					FY2023				
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y
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
	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
	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
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
	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
	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
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

*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 ② 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				
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y
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
	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
	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
	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
	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
	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
	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
	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%
	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
	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
	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
	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
	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
	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%
	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

■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
	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
	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
	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
	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
	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%
	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
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
	Adjacencies business						2.7	3.6	5.4	4.2	15.9	4.7	5.6	7.6	7.1	25.0
	Revenue						23.4	30.7	29.5	27.7	111.3	31.1	36.5	36.3	34.0	137.9
	Operating profit						-0.3	2.7	1.5	-0.3	3.6	1.0	3.4	2.6	-0.8	6.1
	OP margin						-1.3%	8.8%	5.0%	-1.1%	3.2%	3.2%	9.2%	7.1%	-2.4%	4.4%
	One-time factor ^{*4}						-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				
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y
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
	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
	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
	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
	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
	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
	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
	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
	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%
	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

■ 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
	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
	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
	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
	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
	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
	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%
	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
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
	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
	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%
	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
	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
	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
	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
	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
	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%
	One-time factor ^{*4}	-	-	-	-	-	-	1.6	0.2	0.0	1.8	-	-	-	-	-
Adjustments	Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	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
	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
	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
	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%
	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

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

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

(Billion yen)		FY2020 ^{*1}					FY2021 ^{*1}					FY2022 ^{*1}					FY2023 ^{*1}				
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y
DuluxGroup	Revenue	31.8	35.0	40.3	41.2	148.3	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
	Operating profit	3.3	4.6	5.2	2.2	15.4	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
	OP margin	10.5%	13.2%	13.0%	5.4%	10.4%	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%
■ Breakdown of DuluxGroup ^{*2}																					
DGL (Pacific)	Revenue	31.8	35.0	40.3	41.2	148.3	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
	Operating profit	3.3	4.6	5.2	2.2	15.4	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
	OP margin	10.5%	13.2%	13.0%	5.4%	10.4%	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%
DGL (Europe)	Revenue	Not disclosed					Not disclosed					23.4	30.7	29.5	27.7	111.3	31.1	36.5	36.3	34.0	137.9
	Operating profit											-0.3	2.7	1.5	-0.3	3.6	1.0	3.4	2.6	-0.8	6.1
	OP margin											-1.3%	8.8%	5.0%	-1.1%	3.2%	3.2%	9.2%	7.1%	-2.4%	4.4%
Betek Boya (Türkiye) ^{*3}	Revenue	8.0	7.4	11.3	9.5	36.2	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
	Operating profit	1.0	0.6	2.0	1.3	4.9	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
	OP margin	12.4%	8.3%	18.0%	13.6%	13.6%	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%
PT Nipsea (Indonesia)	Revenue	Before consolidation					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
	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
	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%
Exchange rate (average rate)	JPY/USD	109.1	108.2	107.2		106.4	107.1	108.5	109.1		110.4	117.8	124.5	129.5		132.1	133.4	136.5	139.6		141.2
	JPY/RMB	15.5	15.3	15.3		15.4	16.5	16.8	16.9		17.1	18.6	19.1	19.5		19.5	19.4	19.6	19.7		19.9
	JPY/AUD	70.5	71.1	72.8		73.7	82.6	83.4	82.4		82.7	85.2	88.9	90.7		91.2	91.2	91.6	92.7		93.6
	JPY/EUR	-	-	-		-	-	-	-		-	131.6	135.2	136.6		138.5	144.0	147.9	151.2		153.2
	JPY/TRY ^{*4}	17.5	16.6	15.8		15.2	14.0	13.5	13.3		12.5	8.4	8.3	7.8		7.1	7.0	5.6	5.5		4.8
	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

*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 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 and NPT from July 2023

*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 and FY2023 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 (FY2022 4Q vs. FY2023 4Q)

		FY2022 4Q							FY2023 4Q						
(Billion yen)		FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acqui- sitions	Total	FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acqui- sitions	Total
Japan	Automotive	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Decorative	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Industrial	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Fine chemicals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Others*2	-	-	-	-	-	-	-	0.2	-	-	-	-	-	0.2
	Revenue	-	-	-	-	-	-	-	0.2	-	-	-	-	-	0.2
	Operating profit	-	-2.2	-	-	-	-	-2.2	0.0	-	-	-	-	-	0.0
DuluxGroup	Decorative	-	-	-	-	-	-	-	3.8	-	-	-	-	-	3.8
	Industrial	-	-	-	-	-	-	-	0.1	-	-	-	-	-	0.1
	Adjacencies business	-	-	-	-	-	-	-	1.5	-	-	-	-	2.4	3.9
	Revenue	-	-	-	-	-	-	-	5.4	-	-	-	-	2.4	7.8
	Operating profit	-	0.0	-0.1	-	-	-	-0.1	0.2	-0.2	-0.6	-0.6	-	-0.0	-1.2
■ Breakdown of DuluxGroup															
DGL (Pacific)	Decorative	-	-	-	-	-	-	-	1.2	-	-	-	-	-	1.2
	Industrial	-	-	-	-	-	-	-	0.1	-	-	-	-	-	0.1
	Adjacencies business	-	-	-	-	-	-	-	1.1	-	-	-	-	-	1.1
	Revenue	-	-	-	-	-	-	-	2.4	-	-	-	-	-	2.4
	Operating profit	-	0.0	-0.1	-	-	-	-0.1	0.3	-0.2	-0.5	-	-	-	-0.4
DGL (Europe)	Decorative	-	-	-	-	-	-	-	2.6	-	-	-	-	-	2.6
	Adjacencies business	-	-	-	-	-	-	-	0.4	-	-	-	-	2.4	2.8
	Revenue	-	-	-	-	-	-	-	3.0	-	-	-	-	2.4	5.4
	Operating profit	-	-	-	-	-	-	-	-0.1	-	-0.1	-0.6	-	-0.0	-0.8

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

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

4. Breakdown of Adjustments (FY2022 4Q vs. FY2023 4Q)

(Billion yen)		FY2022 4Q							FY2023 4Q						
		FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acqui- sitions	Total	FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acqui- sitions	Total
NIPSEA	Automotive	2.2	-	-	-	-	-	2.2	1.0	-	-	-	-	-	1.0
	Decorative	-1.6	-	-	-	-	-	-1.6	1.9	-	-	-	-	-	1.9
	Industrial	0.0	-	-	-	-	-	0.0	-0.8	-	-	-	-	-	-0.8
	Fine chemicals	-	-	-	-	-	-	-	0.2	-	-	-	-	-	0.2
	Others*2	0.0	-	-	-	-	-	0.0	0.3	-	-	-	-	-	0.3
	Adjacencies business	-	-	-	-	-	-	-	-3.3	-	-	-	-	-	-3.3
	Revenue	0.6	-	-	-	-	-	0.6	-0.7	-	-	-	-	-	-0.7
	Operating profit	-	0.6	-	-	-0.3	-	0.4	0.6	2.0	-	-	-	-	2.6

■ Breakdown of NIPSEA

NIPSEA China	Automotive	2.2	-	-	-	-	-	2.2	0.5	-	-	-	-	-	0.5
	Decorative	-1.6	-	-	-	-	-	-1.6	3.8	-	-	-	-	-	3.8
	Industrial	0.0	-	-	-	-	-	0.0	0.2	-	-	-	-	-	0.2
	Others*2	0.0	-	-	-	-	-	0.0	0.0	-	-	-	-	-	0.0
	Revenue	0.6	-	-	-	-	-	0.6	4.6	-	-	-	-	-	4.6
	Operating profit	-	0.6	-	-	-0.3	-	0.4	0.5	2.0	-	-	-	-	2.5
NIPSEA Except China	Revenue	-	-	-	-	-	-	-	-5.3	-	-	-	-	-	-5.3
	Operating profit	-	-	-	-	-	-	-	0.1	-	-	-	-	-	0.1
Americas	Automotive	-	-	-	-	-	-	-	0.7	-	-	-	-	-	0.7
	Decorative	-	-	-	-	-	-	-	0.7	-	-	-	-	-	0.7
	Fine chemicals	-	-	-	-	-	-	-	0.0	-	-	-	-	-	0.0
	Revenue	-	-	-	-	-	-	-	1.4	-	-	-	-	-	1.4
	Operating profit	-	0.0	-	-	-	-	0.0	0.1	-	-	-	-	-	0.1
Adjustments	Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Operating profit	-	-0.0	-	-	-	-	-0.0	0.0	-	-	-	-	-	0.0
Total	Revenue	0.6	-	-	-	-	-	0.6	6.2	-	-	-	-	2.4	8.6
	Operating profit	-	-1.6	-0.1	-	-0.3	-	-2.0	0.9	1.8	-0.6	-0.6	-	-0.0	1.5

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

*2 Includes auto refinish business, etc.

5. Breakdown of Adjustments (FY2022 vs. FY2023)

		FY2022							FY2023						
(Billion yen)		FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acqui- sitions	Total	FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acqui- sitions	Total
Japan	Automotive	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Decorative	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Industrial	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Fine chemicals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Others*2	-	-	-	-	-	-	-	0.8	-	-	-	-	-	0.8
	Revenue	-	-	-	-	-	-	-	0.8	-	-	-	-	-	0.8
	Operating profit	-	-2.7	-	-	-	-	-2.7	0.1	0.0	-	-	-	-	0.1
DuluxGroup	Decorative	-	-	-	-	-	-	-	12.6	-	-	-	-	6.0	18.6
	Industrial	-	-	-	-	-	-	-	0.3	-	-	-	-	-	0.3
	Adjacencies business	-	-	-	-	-	-	-	4.2	-	-	-	-	7.1	11.3
	Revenue	-	-	-	-	-	-	-	17.1	-	-	-	-	13.1	30.2
	Operating profit	-	0.9	-1.1	-	-	-1.6	-1.7	1.2	0.9	-0.7	-0.6	-	1.0	1.9
■ Breakdown of DuluxGroup															
DGL (Pacific)	Decorative	-	-	-	-	-	-	-	3.0	-	-	-	-	-	3.0
	Industrial	-	-	-	-	-	-	-	0.3	-	-	-	-	-	0.3
	Adjacencies business	-	-	-	-	-	-	-	2.6	-	-	-	-	-	2.6
	Revenue	-	-	-	-	-	-	-	5.8	-	-	-	-	-	5.8
	Operating profit	-	0.9	-1.1	-	-	-	-0.2	0.7	0.9	-0.5	-	-	-	1.2
DGL (Europe)	Decorative	-	-	-	-	-	-	-	9.7	-	-	-	-	6.0	15.7
	Adjacencies business	-	-	-	-	-	-	-	1.6	-	-	-	-	7.1	8.7
	Revenue	-	-	-	-	-	-	-	11.3	-	-	-	-	13.1	24.4
	Operating profit	-	-	-	-	-	-1.6	-1.6	0.5	-	-0.2	-0.6	-	1.0	0.7

*1 Subsidy, etc. includes subsidy income, insurance income, gain on sale of non-current assets, registration and license tax associated with the establishment of NPCPS, and settlement income

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

5. Breakdown of Adjustments (FY2022 vs. FY2023)

(Billion yen)		FY2022							FY2023						
		FX	Subsidy, etc.* ¹	M&A related expenses	Impairment loss	Credit loss provision	New acqui- sitions	Total	FX	Subsidy, etc.* ¹	M&A related expenses	Impairment loss	Credit loss provision	New acqui- sitions	Total
NIPSEA	Automotive	0.7	-	-	-	-	-	0.7	3.0	-	-	-	-	-	3.0
	Decorative	0.2	-	-	-	-	-	0.2	-3.3	-	-	-	-	-	-3.3
	Industrial	0.1	-	-	-	-	-	0.1	-2.8	-	-	-	-	-	-2.8
	Fine chemicals	-	-	-	-	-	-	-	0.6	-	-	-	-	-	0.6
	Others* ²	0.0	-	-	-	-	-	0.0	1.1	-	-	-	-	-	1.1
	Adjacencies business	-	-	-	-	-	-	-	-12.9	-	-	-	-	-	-12.9
	Revenue	1.0	-	-	-	-	-	1.0	-14.4	-	-	-	-	-	-14.4
	Operating profit	-	4.8	-	-	-11.8	-	-7.0	-0.2	8.5	-	-	-	-	8.3

■ Breakdown of NIPSEA

NIPSEA China	Automotive	0.7	-	-	-	-	-	0.7	1.1	-	-	-	-	-	1.1
	Decorative	0.2	-	-	-	-	-	0.2	8.7	-	-	-	-	-	8.7
	Industrial	0.1	-	-	-	-	-	0.1	0.5	-	-	-	-	-	0.5
	Others* ²	0.0	-	-	-	-	-	0.0	0.0	-	-	-	-	-	0.0
	Revenue	1.0	-	-	-	-	-	1.0	10.3	-	-	-	-	-	10.3
	Operating profit	-	4.8	-	-	-11.8	-	-7.0	1.2	8.5	-	-	-	-	9.7
NIPSEA Except China	Revenue	-	-	-	-	-	-	-	-24.7	-	-	-	-	-	-24.7
	Operating profit	-	-	-	-	-	-	-	-1.4	-	-	-	-	-	-1.4
Americas	Automotive	-	-	-	-	-	-	-	3.3	-	-	-	-	-	3.3
	Decorative	-	-	-	-	-	-	-	4.3	-	-	-	-	-	4.3
	Fine chemicals	-	-	-	-	-	-	-	0.1	-	-	-	-	-	0.1
	Revenue	-	-	-	-	-	-	-	7.7	-	-	-	-	-	7.7
	Operating profit	-	1.8	-	-	-	-	1.8	0.5	-	-	-	-	-	0.5
Adjustments	Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Operating profit	-	-0.0	-	-	-	-	-0.0	-0.0	0.3	-	-	-	-	0.3
Total	Revenue	1.0	-	-	-	-	-	1.0	11.1	-	-	-	-	13.1	24.3
	Operating profit	-	4.8	-1.1	-	-11.8	-1.6	-9.7	1.6	9.8	-0.7	-0.6	-	1.0	11.1

*1 Subsidy, etc. includes subsidy income, insurance income, gain on sale of non-current assets, registration and license tax associated with the establishment of NPCCS, and settlement income

*2 Includes auto refinish business, etc.