

Review of Our Previous Medium-Term Plans

For more information on the corporate actions implemented under our previous medium-term plans, please refer to the “Development of Business Model and Evolution of Growth Strategy” section on our website.

2009–2014

Survival Challenge Program I & II
(Released in May 2009)

Reform cost structure in Japan

Basic strategy

- ▶ Reform the cost structure/expand sales and profit of existing businesses/create new markets
- ▶ Reinforce sustainable growth and the profitable business structure in Asia/reinforce the earnings base in North America

Outcomes

- ▶ Significantly improved profitability and achieved targets through rigorous cost saving primarily in Japan

Challenges

- ▶ Drastically reduced costs including spending on long-term investment as part of emergency measures to respond to the global financial crisis, which is the cause of the current aging facilities and workforce
- ▶ Growth in China and other Asian countries achieved through the Asian JVs, which were consolidated in 2014

2015–2017

Survival Challenge Program III
(Released in May 2015)

Capture demand in the high-growth Asian markets

Basic strategy

- ▶ Establish a foundation to achieve a “dominant” position in China, our most critical market
- ▶ Significantly transform our business structure to Asia-driven business expansion, thereby increasing the proportion of decorative paints characterized by high growth potential and profitability

Outcomes

- ▶ Restructured the Japanese businesses and Implemented company splits based on lines of business, and transitioned to a holding company structure
- ▶ Achieved significant earnings growth through consolidation of the Asian JVs

Challenges

- ▶ Underachieved the plan due to the yen’s appreciation, as well as a rise in raw materials caused by environmental regulations in China
- ▶ Profit capture through full integration of the Asian JVs

2018–2020

N-20
(Released in May 2018)

Establish a solid regional and business portfolio

Basic strategy

- ▶ Strengthen the businesses in existing segments
- ▶ Accelerate expansion of our portfolio
- ▶ Improve earnings capacity
- ▶ Enhance the structure of “Global One Team”

Outcomes

Steadily reinforced the organizational base for sustained growth

- ▶ Expanded business in Oceania and Türkiye through M&A (DuluxGroup and Betek Boya)
- ▶ The full integration of the Asian JVs and the Indonesia business announced

Challenges

Improvement of sustainability and profitability over the medium to long term

- ▶ Operating profit margin reached 13.8% in 2018, but fell below the target in 2019 due to impairment losses and in 2020 due to the pandemic and other factors
- ▶ Achieve sales growth and profitability improvement that outpace competitors in the growing paint market
- ▶ Create business opportunities through ESG initiatives and work on net zero GHG emissions
- ▶ Utilize DX (Digital Transformation) and recruit competent talents to respond to aging facilities and workforce in Japan

2021–2023

Medium-Term Plan (FY2021–2023)
(Released in March 2021)

Relentlessly pursuing growth based on Asset Assembler model

Targets and results

Strategy by Asset

- ▶ Further reinforcing our global growth foundation while proactively addressing new challenges

Finance Strategy

- ▶ Leveraging our robust cash flow generation capability, we aim to reinforce our financial base and secure funds for growth initiatives, such as M&A and business investments

M&A Strategy

- ▶ Leveraging the paint market’s growth potential and the stability of cash generation, actively considering the inclusion of new partner companies

Sustainability Strategy

- ▶ Expanding business opportunities through ESG initiatives towards sustainable growth

Targets and results		2023 guidance (Released in March 2021)	2023 results
Revenue	Original guidance		¥1,400.0 bn
	Year-end results	¥1,100.0 bn	¥1,442.6 bn
	Overachievement rate		+3%
Operating profit	Original guidance		¥140.0 bn
	Year-end results	¥140.0 bn	¥168.7 bn
	Overachievement rate		+21%
EPS	Original guidance		¥41.73
	Year-end results	¥45.00	¥50.45
	Overachievement rate		+21%

Outcomes

Succeeded in sustainable EPS compounding as Asset Assembler

- ▶ Achieved both organic and inorganic growth through our Asset Assembler model
- ▶ Despite drastic changes in the business environment beyond our original assumptions, we maintained profitability through agile responses. With a business model and earnings capacity that are mostly unaffected by market conditions for each asset, we largely met our original guidance over the three-year period
- ▶ Acquiring high-quality assets with a low PER allows for EPS accretion from Year 1

Challenges

Enhancing expectations from capital markets while improving profitability of Japan Group

- ▶ In pursuit of maximizing PER, we strive to elevate capital market expectations regarding sustainable EPS accretion
- ▶ While the groundwork for improving the profitability of Japan Group is taking shape, a foundation for profitability improvement of Japan Group is being established, we are only halfway to reaching the levels achieved in 2017–2018

Corporate Information

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Corporate Information

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(as of December 31, 2024)

Corporate profile

Trade name	Nippon Paint Holdings Co., Ltd.
Head Office	Tokyo Head Office 5th Floor, Shinagawa Season Terrace, 1-2-70 Konan, Minato-ku, Tokyo, Japan
	Osaka Head Office 2-1-2 Oyodo Kita, Kita-ku, Osaka-shi, Osaka, Japan
Founded	March 14, 1881
Capital	671,432 million yen
Number of employees	38,562 (consolidated)
Fiscal year	January 1 to December 31

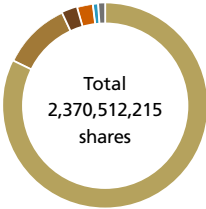
Stock information

Stock listing	Tokyo Stock Exchange (Prime Market)
Sector	Chemicals
Securities code	4612
Trading unit	100 shares
Total number of authorized shares	5,000,000,000
Total number of issued shares	2,370,512,215
Number of shareholders	17,935

Distribution by type of shareholders

(shareholding ratio)

Foreign investors	82.47%
Financial institutions	10.60%
Individual and other investors	2.73%
Other Japanese corporations	2.49%
Financial instruments business operators	0.79%
Treasury stock	0.92%



* Shareholding ratios are rounded to two decimal places

For more information, please refer to the “Stock Information” section on our website.

Major shareholders

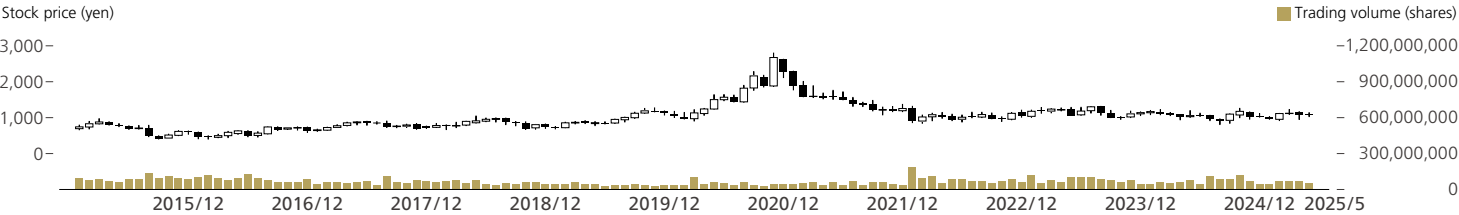
Name	Number of shares	Shareholding ratio (%)
Nipsea International Limited	1,293,030,000	55.05
The Master Trust Bank of Japan, Ltd. (Trust Account)	131,644,700	5.60
Fraser (HK) Limited	85,000,000	3.61
UBS AGLB SEG AC UNTRADABLE SHARES	84,899,400	3.61
BNYM AS AGT/CLTS NON TREATY JASDEC	65,248,885	2.77
Nippon Life Insurance Company	45,625,565	1.94
Custody Bank of Japan, Ltd. (Trust Account)	41,468,000	1.76
HSBC - FUND SERVICES CLIENTS A/C 500	24,277,900	1.03
GOLDMAN SACHS INTERNATIONAL	23,904,503	1.01
GOVERNMENT OF NORWAY	23,380,089	0.99

* 1 The shareholding ratio is calculated exclusive of treasury stock (21,760,407 shares)

* 2 Director Goh Hup Jin serves as the Director of Nipsea International Limited and holds 90.91% of the company's voting rights

* 3 Fraser (HK) Limited is a subsidiary of W (BVI) Holdings Limited, a company in which Mr. Goh Hup Jin, a Director of NPHD, holds a majority of voting rights in his own account, and is therefore considered a related party of NPHD

Stock price information



Stock price and volume chart

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Stock price at December 31 (yen)	592	637	713	752	1,128	2,266	1,254	1,039	1,140	1,023.5
Year-to-date high (yen)	972	745	904	1,046	1,270	2,796	2,292	1,314	1,313	1,258.5
Year-to-date low (yen)	407	402	619	668	687	906	1,078	843	953	807.8
Annual trading volume (shares)	1,094,497,000	1,066,649,000	774,400,000	701,485,000	493,972,000	604,362,500	601,920,600	1,040,218,600	979,697,000	870,911,200

* NPHD implemented a 5-for-1 stock split on April 1, 2021. The stock price and trading volume are calculated on the assumption that this stock split had been carried out in January 2015

Ratings information

Institution	Rating	Rating Outlook
R&I Rating	A	Stable

For trends in ratings, please refer to the “Bonds and Ratings” section on our website.