

November 29, 2018

Nippon Paint Holdings Co., Ltd.

Corporate Communications (+81-6-6455-9140)

Acquire Majority Stakes of Mega Coatings in China

November 29 2018, Nippon Paint Holdings Co., Ltd. (President & CEO, Tetsushi Tado, hereinafter "NPHD") is glad to announce that Nippon Paint China (hereinafter "NP China"), joint venture of Nipsea Pte., Ltd. and NPHD, has agreed to acquire 70% stake in Shanghai Mega Coatings Co., Ltd. and Mega Coatings (Nantong) Co., Ltd. (collectively known as "Mega"). Procedures to acquire shares are expected to be completed in early 2019.

With this acquisition, NP China will enter full-scale into the Container and Wind Power Infrastructure segments, both of which have strong growth potential in China's industrial coatings market. Mega is a leading supplier with strong brand name in the Container and Wind Power Infrastructure segments, notably in water borne paints. With its wide range of proven coatings in both solvent and water borne technologies, NP China will further broaden its product offerings as well as increase its sales and presence in the Chinese industrial coatings market, and consequently, NPHD Group aims to improve sustainable corporate values. It will have a minor impact on the consolidated results of NPHD.



Signing Ceremony with NPC and Mega, November, 2018

[Profile of “Mega”]

Company name: Shanghai Mega Coatings Co., Ltd.
Mega Coatings (Nantong) Co., Ltd.

Year established: 2002

Headquarters: Shanghai

Plant locations: Shanghai and Jiangsu Province, China

R&D center: Shanghai, China

Business activities: Manufacture & sale of Container and Wind Power paints & coatings

Sales: RMB 830 million (CY2018 estimate)

Shareholder: One Faith Industrial Limited (100%)

[Profile of Nippon Paint China]

Company name: Nippon Paint (China) Co., Ltd.

Year established: 1992

Headquarters: Shanghai, China

Representative: Mr. Eric Chung, President

Business activities: Manufacture and sale of various types of paints & coatings

Shareholders: NPHD (51%), Nipsea Pte., Ltd. (49%)