

August 8, 2024

FY2024 2Q Financial Results Presentation Material

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Supplementary Information

Analysis of operational results

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

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

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

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

FX rates used

P/L: average rate

F/P: closing rate

(For reference)
Estimates of FX sensitivity

	FY2023				FY2024				FY2024	FY2023	FY2024	Impact per 1 yen change (FY2023 full-year impact)		
	3M	6M	9M	F/Y	3M	6M	9M	F/Y	Guidance	As of Dec. 31	As of June. 30	Revenue	Operating profit	
JPY/USD	133.4	136.5	139.6	141.2	149.9	154.1	-	-	141.2	141.8	161.0	USD	c. ¥0.7 bn	c. ¥0.1 bn
JPY/RMB	19.4	19.6	19.7	19.9	20.8	21.3	-	-	19.9	19.9	22.1	RMB	c. ¥27.5 bn	c. ¥3.3 bn
JPY/AUD	91.2	91.6	92.7	93.6	97.8	101.2	-	-	93.6	96.9	106.9	AUD	c. ¥2.4 bn	c. ¥0.3 bn
JPY/EUR	144.0	147.9	151.2	153.2	162.2	166.1	-	-	153.2	157.1	172.3			
JPY/TRY*	7.0	5.6	5.5	4.8	4.7	4.9	-	-	4.8	4.8	4.9			
JPY/IDR	0.0089	0.0091	0.0092	0.0093	0.0095	0.0096	-	-	0.0093	0.0092	0.0098			

*Closing rates are used following the application of hyperinflationary accounting

Terminology

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

1. FY2024 2Q Operational Results –Revenue and Operating Profit Increase with Enhanced Margins (Non-GAAP)

FY2024 2Q



(Tanshin)

(Billion yen)	Results	YoY
Revenue	432.8	+19.3%
Operating Profit	51.8	+6.1%
OP margin	12.0%	-1.5 pp

(Non-GAAP)

(Billion yen)	Results	YoY
Revenue	382.0	+5.4%
Operating Profit	45.2	+7.5%
OP margin	11.8%	+0.2 pp

◆ Tanshin

- Revenue increased (+19.3%), driven by volume growth, particularly in decorative business, along with favorable FX impacts and new consolidations
- Continued to apply hyperinflationary accounting in Türkiye (2Q impact: revenue c. +¥3.8 bn, OP c. -¥0.7 bn)
- Operating profit increased (+6.1%), supported by higher revenue and an improved gross profit margin
- OP margin down 1.5 pp to 12.0% YoY (+0.2 pp on a Non-GAAP basis), resulting from the absence of one-off factors such as subsidies in China recorded last year
- Japan’s OP margin remained stable YoY (-0.1 pp both on a Tanshin and Non-GAAP basis), attributed to an improved RMCC ratio

◆ Non-GAAP

- China TUC revenue grew 5%, due to stronger sales volume, healthy growth across Tier 3 to 6 cities and the non-paint segment. TUB revenue remains weak, and is down 12% compared to last year with real estate market remaining subdued
- China’s total revenue grew by 5.6%, operating profit by 30.2%, and OP margin improved by +2.2 pp
- Decorative revenue experienced growth in all regions except for DGL (Europe), fueled by volume growth and pricing flow-through
- Automotive revenue declined in Japan and China but increased in the Americas, influenced by production trends among Japanese OEMs

Revenue YoY analysis

Paint and Coatings Business			Adjacencies Business	FX	New consolidation
Volumes	Price/Mix	Paint (others)*			
c.+2%	c.-1%	c.+3%	c.+1%	c.+11%	c.+3%

2. FY2024 Guidance (1)

◆ Overview of 1H

- Revenue performance varied across regions and business segments, e.g., NIPSEA China TUC slightly missed our expectations, while the automotive business in the Americas surpassed them. Overall, the consolidated revenue was almost in line with our expectations. On a Tanshin basis, revenue exceeded our expectations, aided by the yen's depreciation
- Operating profit also remained in line with our expectations, as there were no extraordinary factors like provisions in China that could have impacted results. On a Tanshin basis, operating profit outperformed our expectations, mirroring the revenue performance
- The overall OP margin roughly aligned with our expectations due to rigorous cost control measures, while the OP margin in Japan, NIPSEA China, and DGL (Pacific) surpassed them

◆ Outlook for 2H

- Due to the revision of the expected timeline for the buyback of two India businesses, NPI and BNPA, announced during the 1Q results presentation on May 15, the incorporation of earnings is now scheduled to begin in FY2025. The February guidance had assumed that the earnings incorporation would start in FY2024 2H
- We project that OP margins in NIPSEA China, NIPSEA Except China, and DuluxGroup will either be maintained or improved by continuing to control the RMCC ratio and SG&A expenses
- The raw material market is expected to remain relatively stable

◆ Outlook for FY2024

- Our February guidance for FY2024 has been maintained, although potential FX fluctuations require ongoing monitoring

2. FY2024 Guidance (2)

(Billion yen)		FY2023 Results (Tanshin basis)		FY2024 Guidance (In Local Currency)				
				Feb. Guidance		Latest forecast		
		Revenue	OP margin	YoY (Revenue)	YoY ^{*1} (OP margin)	YoY (Revenue)	YoY ^{*1} (OP margin)	YoY (OP margin) vs Feb. Guidance
Japan	Segment total	201.5	9.5%	+0~5%	→	▼ c. ±0%	→	Inline
	Automotive	42.1		c.-5%		▼ c. -10%		
	Decorative	48.5		+5~10%		▼ +0~5%		
	Industrial	39.7		c.+5%		▼ +0~5%		
NIPSEA China	Segment total	482.7	12.5%	+5~10%	→	+5~10%	→	Slightly above
	Decorative (TUC)	408.2 ^{*2}		c.+15%		▼ +10~15%		
	Decorative (TUB)			+0~5%		▼ c. -5%		
	Automotive		50.4		c.+5%		▼ +0~5%	
NIPSEA Except China	Segment total	288.8	17.4%	+10~15%	→	+10~15%	→	Slightly above
	Malaysia Grp. Singapore Grp. Thailand Grp.			+5~10%	→	+5~10%	→	Slightly above
	PT Nipsea (Indonesia)	60.9	32.9%	+5~10%	→	▼ +0~5%	→	Slightly below
	Betek Boya (Türkiye)	75.2	10.9%	c.+15%	→	▲ c. +30%	↘	Below
	Alina (Kazakhstan)	22.9 ^{*3}	20.2% ^{*3}	+5~10%	→	+5~10%	→	Slightly above

2. FY2024 Guidance (3)

(Billion yen)

		FY2023 Results		FY2024 Guidance (In Local Currency)					
		(Tanshin basis)		Feb. Guidance		Latest forecast			
		Revenue	OP margin	YoY (Revenue)	YoY* (OP margin)	YoY (Revenue)	YoY* (OP margin)	YoY (OP margin) vs Feb. Guidance	
DuluxGroup	Segment total	360.4	9.6%	c.+10%	→	▼ +5~10%	→	Slightly above	
	DGL (Pacific)	222.5	12.8%	c.+10%	→	▼ +5~10%	→	Slightly above	
	DGL (Europe)	137.9	4.4%	c.+10%	↗	▼ +5~10%	↗	Slightly below	
Americas	Segment total	109.2	6.5%	c.+5%	→	c.+5%	→	Slightly below	
	Automotive	40.9		+0~5%		+0~5%			
	Decorative	66.4		+5~10%		+5~10%			

3. Raw Material Market Conditions and Operational Impact

No major fluctuations are expected in the RMCC ratio, despite price variations across regions and raw materials

FY2024 2Q

- Spot prices for both crude oil and naphtha have risen by 5% since the end of March 2024. This increase is largely attributable to ongoing geopolitical tensions in the Middle East, expectations of growing crude oil demand due to anticipated U.S. policy rate cuts, and the influx of speculative capital driven by excess liquidity in the market
- In China, raw material prices have remained relatively stable, with some signs of softening in certain segments
- Chemical manufacturers in Japan have increasingly adopted a strategy of raising prices to safeguard their profit margins and offset rising costs. As a result, the upward trend in chemical prices has persisted
- In light of these conditions, our gross profit margin improved by 0.2 pp YoY (-0.6 pp QoQ)

◆Gross profit margin

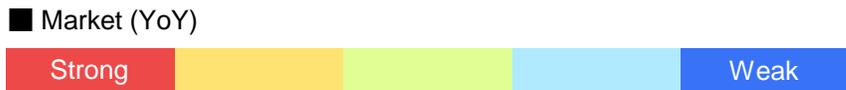
FY2022 1Q	FY2022 2Q	FY2022 3Q	FY2022 4Q	FY2022
37.6%	36.1%	37.0%	38.4%	37.2%
FY2023 1Q	FY2023 2Q	FY2023 3Q	FY2023 4Q	FY2023
39.3%	40.0%	39.7%	40.6%	39.9%
FY2024 1Q	FY2024 2Q	YoY	QoQ	
40.8%	40.2%	+0.2 pp	-0.6 pp	

FY2024 3Q and beyond

- By the end of July, crude oil prices had decreased by 4% compared to the end of June, while naphtha spot prices saw a more significant decline of 10.5% over the same period
- In China, raw material prices are expected to remain stable, influenced by weaker economic data and a drop in consumer confidence
- In Japan, the previous upward trend in naphtha prices has shifted, driven by the decline in crude oil prices and the appreciation of the yen. This situation will require ongoing monitoring
- Despite regional and raw material price fluctuations, we do not anticipate significant changes to the RMCC ratio for the Group as a whole

4. Market & Business Environment

		Japan	NIPSEA China		DGL (Pacific)	DGL (Europe)	Americas
FY2024 2Q	Automotive	➡	⬇️		/	/	↻
	Decorative	➡	↻ TUC	↻ TUB			➡
FY2024 3Q (outlook)	Automotive		/		/	/	
	Decorative		TUC	TUB			
FY2024 (outlook)	Automotive		/		/	/	
	Decorative		TUC	TUB			



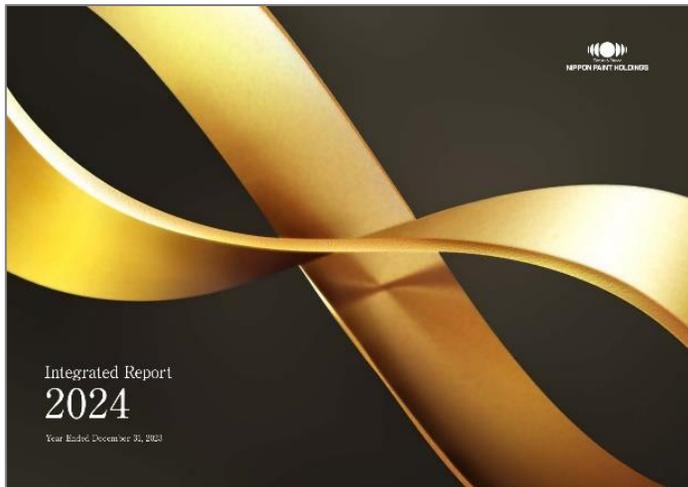
*Internal estimates

5. Summary of Operating Results in Major Segments

(Billion yen)		Tanshin		Non-GAAP		Overview
		FY2024 2Q	YoY	FY2024 2Q	YoY	
Japan	Revenue	50.8	+1.0%	50.2	-0.2%	Revenue remained flat, despite impacts of soft market conditions in the automotive, decorative, and industrial segments, largely due to the flow-through of price increases
	OP	5.3	+0.4%	5.2	-1.6%	Profit remained stable, with no significant changes observed in the gross profit margin and the SGA ratio
NIPSEA China	Revenue	150.4	+16.8%	135.6	+5.6%	Higher revenue driven by sales from Tier 3-6 cities and the non-paint segment, which offsets the lower TUB sales resulting from the subdued property market
	OP	18.0	+1.9%	15.7	+30.2%	Higher profit driven by higher revenue and reduced SG&A
NIPSEA Except China	Revenue	91.7	+38.5%	75.0	+13.4%	Higher revenue, benefitting from growth in Malaysia Group, Singapore Group, and Betek Boya, among others
	OP	14.3	+12.8%	11.8	-7.5%	Lower profit because of increased SG&A due to inflation at Betek Boya, despite the contribution from higher revenue
DGL (Pacific)	Revenue	62.1	+18.3%	54.6	+4.0%	Higher revenue despite soft markets mainly due to volume correction, after a slower Q1. Also benefitting from small-scale acquisitions of local businesses
	OP	7.5	-4.3%	6.7	+1.9%	Profit higher from revenue growth, partially offset by inflation of SG&A
DGL (Europe)	Revenue	43.2	+18.5%	36.0	-1.4%	Lower revenue from further market volume decline in France and mix impacts, partially offset by growth in southern and central Europe
	OP	3.9	+16.0%	3.4	+0.7%	Profit flat despite lower revenue and SG&A inflation, from GM% normalization
Americas	Revenue	34.6	+21.3%	30.5	+7.1%	Higher revenue driven by strong sales in automotive and decorative business
	OP	3.6	+34.9%	3.2	+19.0%	Higher profit achieved through higher revenue and an improved RMCC ratio in the automotive business, resulting from flow-through of price increases, despite increased investment* in Northern California in the decorative business

6. Major Topic

Release of Integrated Report 2024 on July 31



- Our Integrated Report 2024, meticulously crafted with carefully selected key information, tells the story of our commitment to maximizing EPS both in the short and long term by leveraging the strengths of our Asset Assembler model
- The Report highlights the critical importance and superiority of our human capital, which is fundamental to achieving MSV, offering insights from multiple perspectives
- The Report delves into topics of significant interest to capital markets, such as “Management Focused on Stock Price,” “Our Strategy for Maximizing PER,” and “Our Approach to ROIC.” These sections provide more detailed analysis than in previous Reports
- In the Governance Discussions, Chairman Goh, representing our majority shareholder Wuthelam Group, engages in a discussion with Lead Independent Director Nakamura on the theme “Toward Corporate Governance in Pursuit of MSV”
- An Integrated Report Briefing is scheduled for Thursday, September 5, from 15:00 to 16:00 (Japanese language only)



Supplemental Material

- 1. FY2024 2Q Results: Highlights ... P.12
- 2. FY2024 2Q Results: By Segment ... P.15
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1. FY2024 2Q Results: Highlights

1-1. Highlights (Consolidated)

(Billion yen)

	Results (Tanshin)			Results (Non-GAAP)			
	FY2023 2Q	FY2024 2Q	YoY (%)	FY2023 2Q	FY2024 2Q	YoY (Amount)	YoY (%)
Revenue	362.7	432.8	19.3%	362.4	382.0	19.6	5.4%
Operating profit	48.8	51.8	6.1%	42.0	45.2	3.2	7.5%
OP margin	13.5%	12.0%	-1.5pp	11.6%	11.8%	-	0.2pp
EBITDA	61.6	67.1	8.9%	-	-	-	-
EBITDA margin	17.0%	15.5%	-1.5pp	-	-	-	-
Profit before tax	48.5	50.6	4.3%	41.7	44.5	2.8	6.8%
Profit*	35.6	36.1	1.4%	30.0	32.2	2.2	7.5%

Key one-off factors

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

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

FY2023 2Q

Revenue -

Operating profit •NIPSEA China: Subsidies, etc. +¥5.6bn
•DGL (Pacific): Subsidies, etc. +¥1.3bn

FY2024 2Q

Revenue •NIPSEA Except China: New consolidation of Alina +¥7.5 bn
•DGL (Europe): New consolidation of NPT +¥2.8 bn

Operating profit •NIPSEA China: Subsidies, etc. +¥0.5bn
•NIPSEA Except China: New consolidation of Alina +¥1.5bn
•DGL (Europe): New consolidation of NPT
(including amortization of intangible assets from PPA) +¥0.1bn

Major reasons for changes

<Revenue>

- Decorative revenue increased across all regions except DGL (Europe), driven by volume growth and flow-through of price increases
- Automotive revenue decreased in Japan and China but increased in the Americas, influenced by production trends among Japanese OEMs

<Operating profit>

Higher operating profit, driven by higher overall revenue and an enhanced gross profit margin

1-2. Highlights (by Segment)

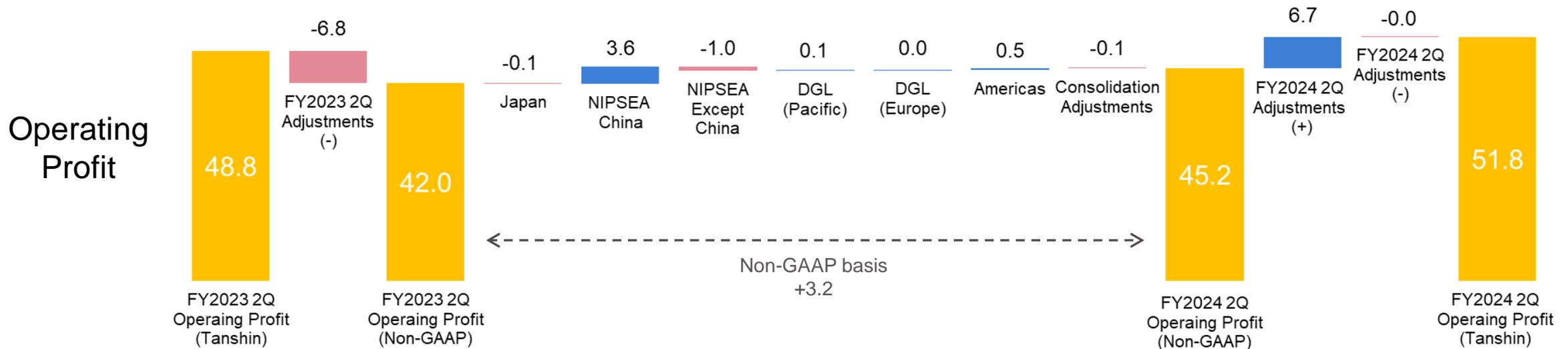
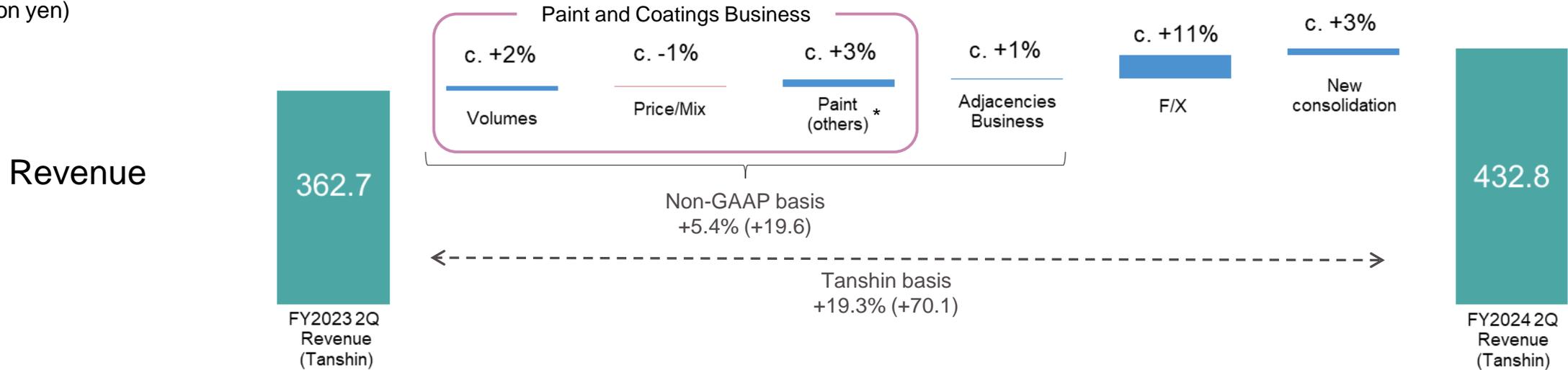
(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2023 2Q	FY2024 2Q	YoY (%)	FY2023 2Q	FY2024 2Q	YoY (Amount)	YoY (%)
Japan	Revenue	50.3	50.8	1.0%	50.3	50.2	-0.1	-0.2%
	Operating profit	5.3	5.3	0.4%	5.3	5.2	-0.1	-1.6%
NIPSEA	Revenue	194.9	242.0	24.2%	194.6	210.6	16.1	8.3%
	Operating profit	30.3	32.3	6.5%	24.8	27.5	2.7	10.9%
DuluxGroup	Revenue	89.0	105.4	18.4%	89.0	90.6	1.6	1.8%
	Operating profit	11.2	11.4	1.7%	9.9	10.1	0.1	1.5%
Americas	Revenue	28.5	34.6	21.3%	28.5	30.5	2.0	7.1%
	Operating profit	2.7	3.6	34.9%	2.7	3.2	0.5	19.0%
Adjustments	Revenue	-	-	-	-	-	-	-
	Operating profit	-0.7	-0.8	-	-0.7	-0.8	-0.1	-
Total	Revenue	362.7	432.8	19.3%	362.4	382.0	19.6	5.4%
	Operating profit	48.8	51.8	6.1%	42.0	45.2	3.2	7.5%

2. FY2024 2Q Results: By Segment

2-1. Revenue and Operating Profit Analysis

(Billion yen)



2-2. Japan

(Billion yen)

	Results (Tanshin)			Results (Non-GAAP)			
	FY2023	FY2024	YoY	FY2023	FY2024	YoY	YoY
	2Q	2Q	(%)	2Q	2Q	(Amount)	(%)
Revenue							
Automotive coatings	10.0	9.2	-8.0%	10.0	9.2	-0.8	-8.0%
Decorative paints	12.7	13.0	2.3%	12.7	13.0	0.3	2.3%
Industrial coatings	9.8	10.0	1.7%	9.8	10.0	0.2	1.7%
Fine chemicals	2.2	2.3	5.0%	2.2	2.3	0.1	5.0%
Others ^{*1}	15.6	16.4	4.6%	15.6	15.8	0.1	0.8%
Total	50.3	50.8	1.0%	50.3	50.2	-0.1	-0.2%
Operating profit	5.3	5.3	0.4%	5.3	5.2	-0.1	-1.6%
OP margin	10.6%	10.5%	-0.1pp	10.6%	10.4%	-	-0.1pp

Key one-off factors

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

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

FY2023 2Q

-

FY2024 2Q

-

Major reasons for changes

<Revenue>

- Automotive: Lower revenue due to a decrease in auto production (-5%^{*2} YoY)
- Decorative: Higher revenue, driven by effective measures to boost sales volumes, which successfully counteracted the negative impacts of consumer spending restraint and a shift in demand towards lower-priced products due to inflation
- Industrial: Revenue remained stable, as the impact of price increases offset the challenges posed by weak market conditions

<Operating profit>

Profit remained stable, with no significant changes observed in the gross profit margin and the SGA ratio

2-3. NIPSEA China

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)			
		FY2023 2Q	FY2024 2Q	YoY (%)	FY2023 2Q	FY2024 2Q	YoY (Amount)	YoY (%)
Revenue	Automotive coatings	12.8	14.0	9.3%	12.8	12.6	-0.2	-1.2%
	Decorative paints	109.5	128.3	17.2%	109.3	115.7	6.4	5.9%
	Industrial coatings	5.8	7.6	30.7%	5.8	6.9	1.1	18.4%
	Others* ¹	0.6	0.4	-18.6%	0.6	0.4	-0.1	-26.5%
	Total	128.7	150.4	16.8%	128.4	135.6	7.2	5.6%
Operating profit		17.6	18.0	1.9%	12.1	15.7	3.6	30.2%
OP margin		13.7%	12.0%	-1.7pp	9.4%	11.6%	-	2.2pp

Key one-off factors

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

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

FY2023 2Q

▶ Operating profit
Subsidies, etc. +¥5.6 bn

*FY2023 2Q figures include provisions in NIPSEA China totaling c. ¥2.7 bn, or c. 2% of its revenue; these provisions are also included in Non-GAAP figures

FY2024 2Q

▶ Operating profit
Subsidies, etc. +¥0.5 bn

Major reasons for changes

<Revenue>

- Automotive: Lower revenue, despite the higher overall automobile production (+8%*² YoY), affected by the lower Japanese OEM car production
- Decorative: TUC revenue increased by 5%, supported by stronger sales volume, healthy growth across Tier 3 to 6 cities and the non-paint segment.
Revenue for TUB segment is down 12% with real estate market conditions still very subdued and consumer confidence declining
- Industrial: Higher revenue due to stronger contribution from General Industrial Use coating performance

<Operating profit>

Higher profit driven by higher revenue and reduced SG&A

2-4. NIPSEA Except China*1

(Billion yen)

Figures are adjusted for hyperinflationary accounting

	Results (Tanshin)			Results (Non-GAAP)			
	FY2023 2Q	FY2024 2Q	YoY (%)	FY2023 2Q	FY2024 2Q	YoY (Amount)	YoY (%)
Revenue	66.2	91.7	38.5%	66.2	75.0	8.9	13.4%
Operating profit	12.7	14.3	12.8%	12.7	11.8	-1.0	-7.5%
OP margin	19.2%	15.6%	-3.6pp	19.2%	15.7%	-	-3.5pp

Key one-off factors

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

FY2023 2Q

-

FY2024 2Q

- ▶ Revenue
New consolidation of Alina +¥7.5 bn
- ▶ Operating profit
New consolidation of Alina +¥1.5 bn

Major reasons for changes

<Revenue>

- Malaysia Grp.: Higher revenue due to growth across all countries in Malaysia, Thailand (Decorative), Philippines, Pakistan, Bangladesh, Vital and CMI
- Singapore Grp.: Overall revenue is up due to the stronger performance in Singapore, Vietnam and Myanmar against a weaker Sri Lanka performance
- Thailand Grp.: Revenue is flattish due to a drop in automobile production (-15%*2 YoY) despite the Auto Refinish business performing better
- PT Nipsea (Indonesia)/Betek Boya (Türkiye): Please see the next page for detailed analysis

<Operating profit>

Lower profit because of increased SG&A due to inflation at Betek Boya, despite the contribution from higher revenue

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

(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2023	FY2024	YoY	FY2023	FY2024	YoY	YoY
		2Q	2Q	(%)	2Q	2Q	(Amount)	(%)
PT Nipsea (Indonesia)	Revenue	13.8	14.5	5.0%	13.8	13.9	0.1	0.9%
	Operating profit	4.3	5.0	14.7%	4.3	4.7	0.4	9.5%
	OP margin	31.3%	34.2%	2.9pp	31.3%	33.9%	-	2.7pp
	OP margin*	31.8%	34.7%	2.9pp	31.8%	34.5%	-	2.7pp

Figures are adjusted for hyperinflationary accounting

		Results(Tanshin)			Results(Non-GAAP)			
		FY2023	FY2024	YoY	FY2023	FY2024	YoY	YoY
		2Q	2Q	(%)	2Q	2Q	(Amount)	(%)
Betek Boya (Türkiye)	Revenue	16.5	26.8	62.3%	16.5	22.5	6.0	36.2%
	Operating profit	3.8	3.2	-16.3%	3.8	2.8	-1.0	-25.4%
	OP margin	22.8%	11.8%	-11.0pp	22.8%	12.5%	-	-10.3pp

Impact of hyperinflationary accounting (Billion yen)

FY2023	1Q	2Q	3Q	4Q	F/Y
Revenue	c.+0.2	c.-5.2	c.+8.0	c.-1.8	c.+1.2
Operating profit	c.-1.4	c.-1.5	c.-1.4	c.-1.1	c.-5.2
FY2024	1Q	2Q	3Q	4Q	F/Y
Revenue	c.+0.1	c.+3.8	-	-	-
Operating profit	c.-1.8	c.-0.7	-	-	-

Major reasons for changes

<Revenue>

- PT Nipsea (Indonesia): Flat revenue despite the expansion of distribution network, due to the slower economic growth
- Betek Boya (Türkiye): Higher revenue due to selling price increases in part due to inflation and the successful roll-out of brand strategy implementation

<Operating profit>

- PT Nipsea (Indonesia): Higher profit as a result of the improved RMCC, despite higher advertising and commission expenses
- Betek Boya (Türkiye): Lower profit, despite higher revenue, due to higher SG&A driven by inflation

2-6. DGL (Pacific)

(Billion yen)		Results (Tanshin)			Results (Non-GAAP) ^{*1}			
		FY2023 2Q	FY2024 2Q	YoY (%)	FY2023 2Q	FY2024 2Q	YoY (Amount)	YoY (%)
Revenue	Decorative paints	26.5	32.6	23.1%	27.5	28.7	1.2	4.4%
	Industrial coatings	2.4	2.8	17.9%	2.4	2.5	0.1	3.9%
	Adjacencies business	23.6	26.7	13.0%	22.6	23.4	0.8	3.6%
	Total	52.5	62.1	18.3%	52.5	54.6	2.1	4.0%
Operating profit		7.8	7.5	-4.3%	6.6	6.7	0.1	1.9%
OP margin		14.9%	12.1%	-2.9pp	12.5%	12.2%	-	-0.3pp
OP margin ^{*2}		15.7%	12.8%	-2.9pp	13.3%	13.0%	-	-0.3pp

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.

FY2023 2Q

▶ Operating profit
 Subsidies, etc. +¥1.3 bn, M&A related expenses -¥0.1bn

FY2024 2Q

▶ Operating profit
 Subsidies, etc. -¥0.1 bn, M&A related expenses -¥0.0bn

Major reasons for changes

<Revenue>

- Decorative: Higher revenue despite soft markets mainly due to volume correction, after a slower Q1
- Adjacencies business: Higher revenue from small-scale acquisitions of local businesses, with organic growth impacted by soft markets

<Operating profit>

Profit higher from revenue growth, partially offset by inflation of SG&A

2-7. DGL (Europe)

(Billion yen)		Results (Tanshin)			Results (Non-GAAP) ^{*1}			
		FY2023 2Q	FY2024 2Q	YoY (%)	FY2023 2Q	FY2024 2Q	YoY (Amount)	YoY (%)
Revenue	Decorative paints	30.8	35.3	14.4%	31.8	31.4	-0.4	-1.3%
	Adjacencies business	5.6	8.0	41.1%	4.7	4.6	-0.1	-2.5%
	Total	36.5	43.2	18.5%	36.5	36.0	-0.5	-1.4%
Operating profit		3.4	3.9	16.0%	3.4	3.4	0.0	0.7%
OP margin		9.2%	9.0%	-0.2pp	9.2%	9.4%	-	0.2pp
OP margin ^{*2}		10.5%	10.4%	-0.1pp	10.5%	10.8%	-	0.2pp

Key one-off factors

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

FY2023 2Q

-

FY2024 2Q

- ▶ Revenue
New consolidation of NPT +¥2.8bn
- ▶ Operating profit
New consolidation of NPT
(including amortization of intangible assets from PPA) +¥0.1bn

Major reasons for changes

<Revenue>

- Decorative: Lower revenue from further market volume decline in France and sales mix, partially offset by growth in southern and central Europe
- Adjacencies business: Weaker ETICS demand and non-paint sales aligned to lower paint volumes

<Operating profit>

Profit flat despite lower revenue and SG&A inflation, from GM% normalization

2-8. Americas

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)			
		FY2023 2Q	FY2024 2Q	YoY (%)	FY2023 2Q	FY2024 2Q	YoY (Amount)	YoY (%)
Revenue	Automotive coatings	9.9	12.2	23.1%	9.9	10.7	0.8	8.6%
	Decorative paints	18.2	21.8	19.8%	18.2	19.3	1.1	5.8%
	Fine chemicals	0.4	0.6	43.7%	0.4	0.6	0.1	26.8%
	Total	28.5	34.6	21.3%	28.5	30.5	2.0	7.1%
Operating profit		2.7	3.6	34.9%	2.7	3.2	0.5	19.0%
OP margin		9.5%	10.5%	1.1pp	9.5%	10.5%	-	1.1pp

Key one-off factors

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

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

FY2023 2Q

-

FY2024 2Q

-

Major reasons for changes

<Revenue>

- Automotive: Higher revenue, driven by strong production levels at Japanese automakers and flow-through of price increases, despite the overall automobile production in the Americas remaining relatively flat (+1%*¹ YoY)
- Decorative: Higher revenue due to a price increase implemented in FY2024 and strong YoY sales growth in the Northern California market

<Operating profit>

Higher profit achieved through higher revenue and an improved RMCC ratio in the automotive business, resulting from flow-through of price increases, despite increased investment*² in Northern California in the decorative business

2-9. Quarterly Financial Performance Trends in Major Segments

(For reference) Basic seasonal factors *Market-based

High demand ←————→ Low demand

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

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

(Billion yen)	FY2023 1Q		FY2024 1Q		FY2023 2Q		FY2024 2Q		Major reasons for changes (vs. FY2024 1Q)
	Revenue	OP	Revenue	OP	Revenue	OP	Revenue	OP	
Japan	47.0	2.6	46.4	3.7	50.3	5.3	50.8	5.3	Higher profit due to seasonal factors
NIPSEA China	108.5	14.2	130.3	17.2	128.7	17.6	150.4	18.0	Higher profit, mainly due to seasonal factors (Chinese New Year in 1Q)
NIPSEA Except China	69.5	10.3	86.0	14.3	66.2	12.7	91.7	14.3	Profit flat despite higher revenue due to increased RMCC
PT Nipsea (Indonesia)	16.3	5.5	16.6	6.1	13.8	4.3	14.5	5.0	Lower profit due to seasonal factors
Betek Boya (Türkiye)	16.9	0.2	22.8	2.7	16.5	3.8	26.8	3.2	Higher profit due to seasonal factors
DGL (Pacific)	50.7	6.3	57.3	6.6	52.5	7.8	62.1	7.5	Higher profit, mainly from higher revenue, with Q1 softer than normal
DGL (Europe)	31.1	1.0	35.9	0.6	36.5	3.4	43.2	3.9	Higher profit, mainly due to seasonally higher sales volumes (i.e. Q1 is European winter)
Americas	23.4	0.7	28.5	1.2	28.5	2.7	34.6	3.6	Higher profit due to seasonality for decorative paints

3. FY2024 1H Results

3-1. Highlights (Consolidated)

(Billion yen)	Results (Tanshin)			Results (Non-GAAP)			
	FY2023 1H	FY2024 1H	YoY (%)	FY2023 1H	FY2024 1H	YoY (Amount)	YoY (%)
Revenue	692.9	817.1	17.9%	692.5	747.0	54.6	7.9%
Operating profit	83.7	94.5	12.8%	76.3	84.9	8.6	11.3%
OP margin	12.1%	11.6%	-0.5pp	11.0%	11.4%	-	0.3pp
EBITDA	108.6	124.1	14.3%	-	-	-	-
EBITDA margin	15.7%	15.2%	-0.5pp	-	-	-	-
Profit before tax	82.0	91.9	12.2%	74.6	82.1	7.5	10.1%
Profit*	60.9	66.3	8.9%	54.9	59.0	4.1	7.5%

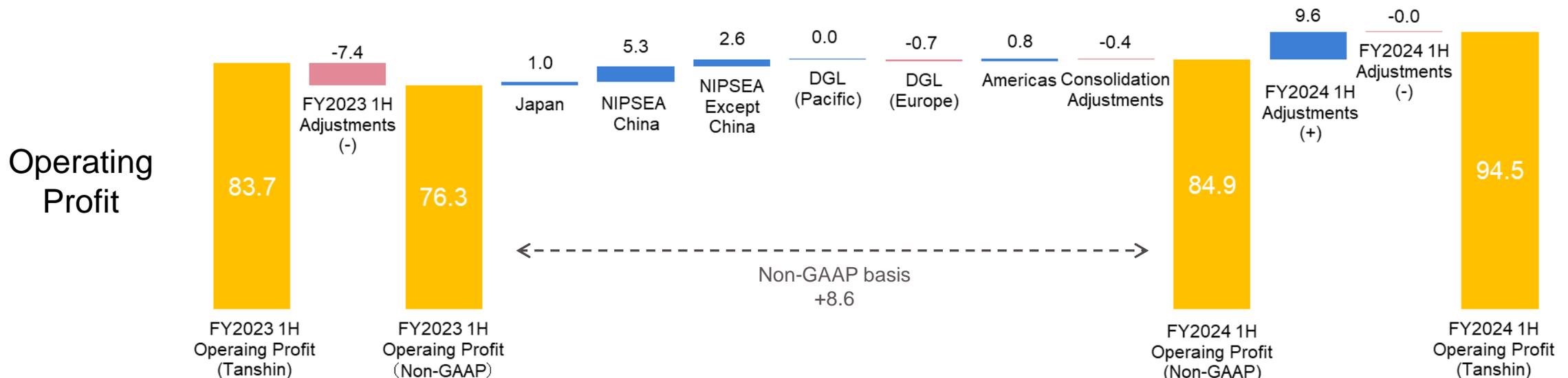
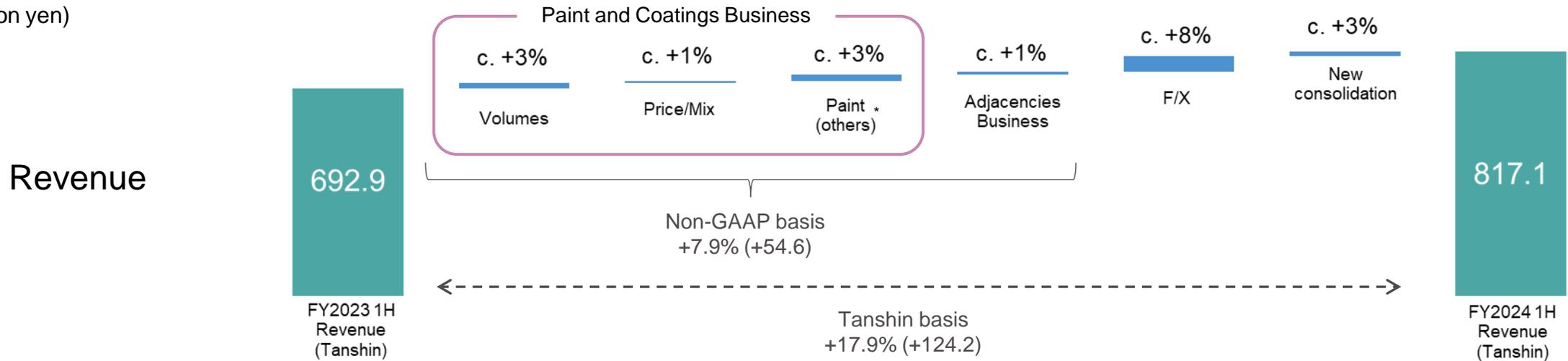
3-2. Highlights (by Segment)

(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2023 1H	FY2024 1H	YoY (%)	FY2023 1H	FY2024 1H	YoY (Amount)	YoY (%)
Japan	Revenue	97.3	97.3	-0.0%	97.3	96.3	-1.0	-1.0%
	Operating profit	8.0	9.0	13.8%	7.9	8.9	1.0	12.3%
NIPSEA	Revenue	372.9	458.3	22.9%	372.4	421.2	48.8	13.1%
	Operating profit	54.9	63.7	16.1%	49.1	56.9	7.9	16.0%
DuluxGroup	Revenue	170.7	198.5	16.3%	170.7	173.6	2.9	1.7%
	Operating profit	18.5	18.6	0.5%	17.2	16.5	-0.7	-4.0%
Americas	Revenue	52.0	63.1	21.4%	52.0	55.8	3.8	7.4%
	Operating profit	3.4	4.8	40.4%	3.4	4.3	0.8	23.6%
Adjustments	Revenue	-	-	-	-	-	-	-
	Operating profit	-1.0	-1.7	-	-1.3	-1.7	-0.4	-
Total	Revenue	692.9	817.1	17.9%	692.5	747.0	54.6	7.9%
	Operating profit	83.7	94.5	12.8%	76.3	84.9	8.6	11.3%

3-3. Revenue and Operating Profit Analysis

(Billion yen)



3-4. Japan & NIPSEA China

Japan

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)			
		FY2023 1H	FY2024 1H	YoY (%)	FY2023 1H	FY2024 1H	YoY (Amount)	YoY (%)
Revenue	Automotive coatings	20.4	18.5	-9.5%	20.4	18.5	-1.9	-9.5%
	Decorative paints	23.8	23.7	-0.5%	23.8	23.7	-0.1	-0.5%
	Industrial coatings	19.1	19.3	0.7%	19.1	19.3	0.1	0.7%
	Fine chemicals	4.2	4.4	4.8%	4.2	4.4	0.2	4.8%
	Others ^{*1}	29.8	31.4	5.6%	29.8	30.5	0.7	2.4%
	Total	97.3	97.3	-0.0%	97.3	96.3	-1.0	-1.0%
Operating profit		8.0	9.0	13.8%	7.9	8.9	1.0	12.3%
OP margin		8.2%	9.3%	1.1pp	8.1%	9.2%	-	1.1pp

NIPSEA China

		Results (Tanshin)			Results (Non-GAAP)			
		FY2023 1H	FY2024 1H	YoY (%)	FY2023 1H	FY2024 1H	YoY (Amount)	YoY (%)
Revenue	Automotive coatings	22.4	26.1	16.3%	22.4	23.9	1.5	6.8%
	Decorative paints	202.7	240.6	18.7%	202.3	220.5	18.2	9.0%
	Industrial coatings	11.0	13.0	18.2%	11.0	11.9	0.9	8.5%
	Others ^{*2}	1.0	0.9	-16.3%	1.0	0.8	-0.2	-23.2%
	Total	237.2	280.6	18.3%	236.7	257.1	20.4	8.6%
Operating profit		31.9	35.1	10.3%	26.0	31.3	5.3	20.2%
OP margin		13.4%	12.5%	-0.9pp	11.0%	12.2%	-	1.2pp

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)			
	FY2023	FY2024	YoY	FY2023	FY2024	YoY	YoY
	1H	1H	(%)	1H	1H	(Amount)	(%)
Revenue	135.7	177.6	30.9%	135.7	164.1	28.4	20.9%
Operating profit	23.0	28.6	24.2%	23.0	25.6	2.6	11.3%
OP margin	17.0%	16.1%	-0.9pp	17.0%	15.6%	-	-1.4pp

PT Nipsea (Indonesia)

	Results (Tanshin)			Results (Non-GAAP)			
	FY2023	FY2024	YoY	FY2023	FY2024	YoY	YoY
	1H	1H	(%)	1H	1H	(Amount)	(%)
Revenue	30.1	31.1	3.3%	30.1	29.5	-0.6	-2.1%
Operating profit	9.8	11.1	12.6%	9.8	10.4	0.6	6.1%
OP margin	32.7%	35.7%	3.0pp	32.7%	35.5%	-	2.8pp
OP margin ^{*2}	33.2%	36.1%	3.0pp	33.2%	35.9%	-	2.8pp

Betek Boya^{*1} (Türkiye)

	Results (Tanshin)			Results (Non-GAAP)			
	FY2023	FY2024	YoY	FY2023	FY2024	YoY	YoY
	1H	1H	(%)	1H	1H	(Amount)	(%)
Revenue	33.5	49.6	48.3%	33.5	56.4	22.9	68.6%
Operating profit	4.0	5.8	45.7%	4.0	6.4	2.4	59.2%
OP margin	12.0%	11.8%	-0.2pp	12.0%	11.3%	-	-0.7pp

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

DGL (Pacific)

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)			
		FY2023 1H	FY2024 1H	YoY (%)	FY2023 1H	FY2024 1H	YoY (Amount)	YoY (%)
Revenue	Decorative paints	53.3	62.7	17.7%	55.2	56.7	1.5	2.7%
	Industrial coatings	4.4	5.3	19.6%	4.4	4.8	0.4	8.2%
	Adjacencies business	45.5	51.4	13.0%	43.6	46.5	3.0	6.8%
	Total	103.2	119.4	15.7%	103.2	108.0	4.8	4.6%
Operating profit		14.1	14.1	-0.2%	12.9	12.9	0.0	0.1%
OP margin		13.7%	11.8%	-1.9pp	12.5%	11.9%	-	-0.5pp
OP margin*		14.5%	12.6%	-1.9pp	13.3%	12.7%	-	-0.6pp

DGL (Europe)

(Billion yen)		Results (Tanshin)			Results (Non-GAAP)			
		FY2023 1H	FY2024 1H	YoY (%)	FY2023 1H	FY2024 1H	YoY (Amount)	YoY (%)
Revenue	Decorative paints	57.2	64.1	12.0%	58.8	57.1	-1.8	-3.0%
	Adjacencies business	10.3	15.0	45.3%	8.7	8.6	-0.1	-1.1%
	Total	67.5	79.1	17.1%	67.5	65.7	-1.9	-2.8%
Operating profit		4.3	4.5	2.7%	4.3	3.7	-0.7	-15.9%
OP margin		6.4%	5.6%	-0.8pp	6.4%	5.6%	-	-0.9pp
OP margin*		7.8%	7.1%	-0.7pp	7.8%	7.0%	-	-0.8pp

3-7. Americas

Americas

(Billion yen)

		Results (Tanshin)			Results (Non-GAAP)			
		FY2023	FY2024	YoY	FY2023	FY2024	YoY	YoY
		1H	1H	(%)	1H	1H	(Amount)	(%)
Revenue	Automotive coatings	19.1	23.9	25.3%	19.1	21.1	2.0	10.5%
	Decorative paints	32.1	37.9	18.3%	32.1	33.6	1.6	4.9%
	Fine chemicals	0.8	1.2	50.4%	0.8	1.1	0.3	33.3%
	Total	52.0	63.1	21.4%	52.0	55.8	3.8	7.4%
Operating profit		3.4	4.8	40.4%	3.4	4.3	0.8	23.6%
OP margin		6.6%	7.7%	1.0pp	6.6%	7.6%	-	1.0pp

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. Please be advised that Nippon Paint Holdings Co., Ltd. and information providers shall not be responsible for any damage suffered by any person relying on any information of statements contained herein.

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FY2024 2Q Financial Results Presentation Material Reference Data

August 8, 2024

Nippon Paint Holdings Co., Ltd.

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

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

1. Trends in Consolidated Financial Results and Key Financial Data

<Consolidated earnings>

(Billion yen)	FY2021 ^{*1}					FY2022 ^{*2}					FY2023					FY2024	
	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q
Revenue	222.7	259.1	254.5	262.0	998.3	285.1	337.0	357.9	329.1	1,309.0	330.2	362.7	393.0	356.7	1,442.6	384.3	432.8
Operating profit	24.7	24.3	17.1	21.5	87.6	21.9	20.2	39.7	30.1	111.9	34.9	48.8	47.9	37.1	168.7	42.7	51.8
OP margin	11.1%	9.4%	6.7%	8.2%	8.8%	7.7%	6.0%	11.1%	9.1%	8.5%	10.6%	13.5%	12.2%	10.4%	11.7%	11.1%	12.0%
Profit ^{*3}	16.4	17.5	14.8	17.9	66.6	13.2	13.7	27.7	24.7	79.4	25.3	35.6	32.5	25.0	118.5	30.3	36.1

<Per share information, Major indicators>

	FY2021 ^{*1}					FY2022 ^{*2}					FY2023					FY2024	
	As of Mar. 31	As of June 30	As of Sep. 30		As of Dec. 31	As of Mar. 31	As of June 30	As of Sep. 30		As of Dec. 31	As of Mar. 31	As of June 30	As of Sep. 30		As of Dec. 31	As of Mar. 31	As of June 30
EPS (yen)	7.62	14.82	21.78		29.41	5.63	11.49	23.29		33.82	10.79	25.93	39.79		50.45	12.89	28.25
Dividends per share (yen) ^{*4}	-	5.00	-		5.00	-	5.00	-		6.00	-	6.00	-		8.00	-	7.00
Equity attributable to owners of parent to total assets (%)	48.2	47.9	48.1		49.1	45.3	46.4	47.0		47.0	48.2	50.1	50.3		50.1	49.8	51.7
Net debt (billion yen) ^{*5}	440.0	441.8	437.7		429.3	631.7	643.3	609.1		574.4	598.6	549.1	536.5		484.4	554.7	572.7

<Capital Expenditure, Depreciation, R&D Expenses>

(Billion yen)		FY2021 ^{*1}					FY2022 ^{*2}					FY2023					FY2024	
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q
Capital expenditure	Property, plant and equipment	8.8	10.5	12.4	13.8	45.5	11.4	11.3	13.0	10.6	46.2	7.8	11.4	8.1	20.1	47.4	20.2	22.1
	Intangible assets	0.9	0.9	0.2	2.6	4.7	1.2	0.3	1.1	0.9	3.6	1.4	0.2	0.2	0.7	2.5	0.3	0.5
	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	20.5	22.6
Depreciation	Property, plant and equipment	6.7	6.8	6.8	7.1	27.4	8.2	8.5	9.8	9.9	36.4	9.3	9.9	11.3	10.7	41.2	11.5	12.2
	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	2.8	3.0
	Total	8.4	8.6	8.4	8.8	34.1	10.7	11.1	12.6	12.6	47.1	12.0	12.7	13.7	13.8	52.3	14.4	15.3
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	7.8	8.6

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

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

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

*3 Profit attributable to owners of parent

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

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

2. Revenue & Operating Profit Transition by Segment

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

(Billion yen)		FY2021 ^{*1}					FY2022 ^{*2}					FY2023					FY2024	
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q
Japan	Automotive	10.2	8.5	7.6	8.9	35.3	8.7	7.4	9.1	10.0	35.1	10.4	10.0	10.5	11.2	42.1	9.3	9.2
	Decorative	9.9	11.9	11.4	12.1	45.4	10.4	12.8	11.9	12.7	47.8	11.1	12.7	12.0	12.7	48.5	10.7	13.0
	Industrial	9.0	9.6	9.6	10.0	38.1	9.1	10.2	10.2	10.5	40.0	9.3	9.8	10.1	10.5	39.7	9.2	10.0
	Fine chemicals	2.3	2.4	2.0	1.8	8.4	2.0	2.3	2.3	2.1	8.6	2.0	2.2	2.4	2.3	8.9	2.1	2.3
	Others ^{*3}	11.2	11.5	11.7	12.3	46.8	11.7	13.0	13.7	16.0	54.5	14.1	15.6	14.6	17.8	62.2	15.1	16.4
	Revenue	42.6	43.9	42.3	45.1	174.0	41.8	45.7	47.2	51.3	186.1	47.0	50.3	49.7	54.5	201.5	46.4	50.8
	Operating profit	4.3	2.8	1.2	1.3	9.5	0.3	2.2	1.8	1.0	5.3	2.6	5.3	4.5	6.7	19.2	3.7	5.3
OP margin	10.0%	6.4%	2.8%	2.9%	5.5%	0.7%	4.9%	3.8%	1.9%	2.8%	5.6%	10.6%	9.1%	12.2%	9.5%	8.0%	10.5%	
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	58.9	67.9
	Industrial	1.6	1.9	1.9	2.0	7.4	1.9	2.3	2.5	2.4	9.1	2.0	2.4	2.6	2.6	9.6	2.4	2.8
	Adjacencies business	18.4	19.2	19.7	21.2	78.4	21.8	25.1	30.6	28.3	105.8	26.6	29.2	35.1	33.6	124.5	31.8	34.6
	Revenue	41.5	42.7	43.6	48.5	176.2	68.0	79.1	84.5	83.3	314.9	81.7	89.0	95.5	94.2	360.4	93.1	105.4
	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	7.2	11.4
	OP margin	13.8%	12.4%	11.7%	6.0%	10.8%	7.8%	11.0%	10.9%	7.7%	9.4%	8.9%	12.6%	10.3%	6.7%	9.6%	7.7%	10.8%
One-time factor ^{*4}	-	-	-0.4	-0.4	-0.8	-2.0	-0.3	0.7	-0.1	-1.7	-0.0	1.3	-0.2	-1.5	-0.4	-0.0	-0.1	

■Breakdown of DuluxGroup^{*5}

DGL (Pacific)	Decorative	21.5	21.6	22.0	25.3	90.4	23.6	24.5	27.3	29.1	104.6	26.7	26.5	29.1	31.1	113.4	30.0	32.6
	Industrial	1.6	1.9	1.9	2.0	7.4	1.9	2.3	2.5	2.4	9.1	2.0	2.4	2.6	2.6	9.6	2.4	2.8
	Adjacencies business	18.4	19.2	19.7	21.2	78.4	19.1	21.5	25.2	24.1	89.9	21.9	23.6	27.5	26.5	99.5	24.8	26.7
	Revenue	41.5	42.7	43.6	48.5	176.2	44.7	48.3	55.0	55.6	203.6	50.7	52.5	59.2	60.2	222.5	57.3	62.1
	Operating profit	5.7	5.3	5.1	2.9	19.0	5.6	6.0	7.8	6.7	26.1	6.3	7.8	7.3	7.1	28.5	6.6	7.5
	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%	11.6%	12.1%
One-time factor ^{*4}	-	-	-0.4	-0.4	-0.8	-0.9	-0.2	1.0	-0.1	-0.2	-0.0	1.3	-0.2	-0.7	0.4	-0.0	-0.1	
DGL (Europe)	Decorative	Not disclosed					20.7	27.1	24.1	23.5	95.3	26.4	30.8	28.8	26.9	112.9	28.9	35.3
	Adjacencies business						2.7	3.6	5.4	4.2	15.9	4.7	5.6	7.6	7.1	25.0	7.0	8.0
	Revenue						23.4	30.7	29.5	27.7	111.3	31.1	36.5	36.3	34.0	137.9	35.9	43.2
	Operating profit						-0.3	2.7	1.5	-0.3	3.6	1.0	3.4	2.6	-0.8	6.1	0.6	3.9
	OP margin						-1.3%	8.8%	5.0%	-1.1%	3.2%	3.2%	9.2%	7.1%	-2.4%	4.4%	1.6%	9.0%
One-time factor ^{*4}	Not disclosed					-1.1	-0.1	-0.3	-	-1.6	-	-0.0	-0.0	-0.8	-0.8	-	0.0	

*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, ③Finalization of PPA for PT Nipsea (Indonesia business), and ④Change in reportable segment from FY2022 1Q. Following ② and ④ above, the earnings for FY2021 3Q have been adjusted retrospectively. The earnings for FY2021 4Q and full year FY2021 have been adjusted retrospectively following ④ above

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

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

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

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

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

2. Revenue & Operating Profit Transition by Segment

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

(Billion yen)		FY2021 ^{*1}					FY2022 ^{*2}					FY2023					FY2024	
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q
NIPSEA ^{*5}	Automotive	18.6	18.4	16.0	21.0	74.1	21.2	20.3	24.5	30.5	96.5	21.8	24.0	25.5	28.0	99.3	23.7	25.9
	Decorative	85.5	112.2	114.4	107.4	419.5	111.8	140.2	149.7	112.3	514.0	132.3	146.4	162.5	127.2	568.4	164.5	183.4
	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	10.1	12.7
	Fine chemicals	1.6	1.7	1.6	1.9	6.8	2.1	2.0	2.2	2.4	8.7	2.1	2.3	2.6	2.5	9.5	2.5	2.7
	Others ^{*3}	2.6	2.8	2.6	3.4	11.5	2.9	3.5	3.7	3.8	13.8	3.7	5.1	4.9	5.1	18.8	6.4	6.6
	Adjacencies business	3.6	6.3	4.8	5.8	20.5	6.3	8.9	8.0	6.0	29.2	8.4	6.9	12.3	7.0	34.6	9.0	10.7
	Revenue	120.8	151.8	149.3	149.6	571.6	153.6	186.5	198.9	169.6	708.5	178.0	194.9	219.0	179.7	771.5	216.3	242.0
	Operating profit	19.5	17.7	12.1	19.6	68.8	16.5	5.9	27.7	22.6	72.7	24.6	30.3	32.2	23.3	110.4	31.4	32.3
OP margin	16.1%	11.6%	8.1%	13.1%	12.0%	10.7%	3.2%	13.9%	13.3%	10.3%	13.8%	15.6%	14.7%	13.0%	14.3%	14.5%	13.3%	
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	0.5	0.5	

■ Breakdown of NIPSEA

NIPSEA China	Automotive	9.3	9.8	8.6	10.7	38.4	11.0	10.0	11.9	17.3	50.1	9.6	12.8	13.1	14.9	50.4	12.1	14.0
	Decorative	57.3	85.0	92.1	78.1	312.4	79.3	104.9	111.9	78.1	374.2	93.2	109.5	116.6	88.8	408.2	112.3	128.3
	Industrial	5.7	7.1	6.4	6.5	25.7	5.4	6.2	6.3	6.3	24.1	5.2	5.8	5.7	5.5	22.2	5.4	7.6
	Others ^{*3}	0.6	0.7	0.5	0.7	2.6	0.6	0.5	0.6	0.6	2.4	0.5	0.6	0.5	0.5	2.0	0.4	0.4
	Revenue	72.9	102.5	107.6	96.0	379.1	96.3	121.6	130.7	102.2	450.7	108.5	128.7	135.8	109.7	482.7	130.3	150.4
	Operating profit	9.4	10.0	7.2	9.2	35.9	8.0	-1.8	19.0	9.7	34.9	14.2	17.6	18.5	9.8	60.2	17.2	18.0
OP margin	12.8%	9.8%	6.7%	9.6%	9.5%	8.3%	-1.4%	14.6%	9.5%	7.8%	13.1%	13.7%	13.6%	8.9%	12.5%	13.2%	12.0%	
One-time factor ^{*4}	0.2	0.4	-2.5	1.3	-0.6	0.4	-11.0	3.3	0.4	-7.0	0.3	5.6	0.6	2.0	8.5	0.5	0.5	
NIPSEA Except China ^{*5}	Revenue	47.9	49.3	41.7	53.6	192.5	57.3	64.8	68.2	67.4	257.8	69.5	66.2	83.1	70.0	288.8	86.0	91.7
	Operating profit	10.1	7.6	4.9	10.3	33.0	8.5	7.6	8.7	12.9	37.8	10.3	12.7	13.7	13.5	50.2	14.3	14.3
	OP margin	21.1%	15.5%	11.7%	19.3%	17.1%	14.9%	11.8%	12.8%	19.1%	14.6%	14.9%	19.2%	16.5%	19.3%	17.4%	16.6%	15.6%
	One-time factor ^{*4}	-1.4	-	-	-	-1.4	-	-	-	-	-	-	-	-	-	-	-	-
Americas	Automotive	6.2	6.1	5.5	5.5	23.3	7.0	7.6	9.1	8.6	32.3	9.2	9.9	10.5	11.4	40.9	11.8	12.2
	Decorative	11.2	14.3	13.4	12.9	51.8	14.3	17.8	17.8	15.8	65.7	13.8	18.2	17.9	16.5	66.4	16.1	21.8
	Fine chemicals	0.3	0.3	0.2	0.4	1.3	0.4	0.3	0.4	0.5	1.5	0.4	0.4	0.4	0.5	1.8	0.6	0.6
	Revenue	17.7	20.7	19.2	18.8	76.4	21.6	25.7	27.3	24.9	99.5	23.4	28.5	28.8	28.4	109.2	28.5	34.6
	Operating profit	0.9	1.8	1.2	-0.3	3.6	0.9	4.2	2.2	0.8	8.1	0.7	2.7	2.1	1.6	7.1	1.2	3.6
	OP margin	5.2%	8.8%	6.2%	-1.8%	4.7%	4.0%	16.3%	8.0%	3.3%	8.1%	3.2%	9.5%	7.2%	5.7%	6.5%	4.2%	10.5%
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	-0.9	-0.8
	One-time factor ^{*4}	-2.6	-1.0	-	-0.2	-3.9	-	-	-	-0.0	-0.0	0.3	-	-	-	0.3	-	-
Total	Revenue	222.7	259.1	254.5	262.0	998.3	285.1	337.0	357.9	329.1	1,309.0	330.2	362.7	393.0	356.7	1,442.6	384.3	432.8
	Operating profit	24.7	24.3	17.1	21.5	87.6	21.9	20.2	39.7	30.1	111.9	34.9	48.8	47.9	37.1	168.7	42.7	51.8
	OP margin	11.1%	9.4%	6.7%	8.2%	8.8%	7.7%	6.0%	11.1%	9.1%	8.5%	10.6%	13.5%	12.2%	10.4%	11.7%	11.1%	12.0%
	One-time factor ^{*4}	-3.7	-0.7	-3.0	0.6	-6.8	-2.2	-9.7	4.2	-2.0	-9.7	0.6	6.8	0.4	0.5	8.4	0.5	0.4

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

*5 Applied hyperinflation accounting for Turkish subsidiaries beginning with FY2022 2Q. Figures from FY2022 onwards reflect the application of hyperinflationary accounting

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

(Billion yen)		FY2021 ^{*1}					FY2022 ^{*1}					FY2023 ^{*1}					FY2024 ^{*1}	
		1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q	3Q	4Q	F/Y	1Q	2Q
DuluxGroup	Revenue	41.5	42.7	43.6	48.5	176.2	68.0	79.1	84.5	83.3	314.9	81.7	89.0	95.5	94.2	360.4	93.1	105.4
	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	7.2	11.4
	OP margin	13.8%	12.4%	11.7%	6.0%	10.8%	7.8%	11.0%	10.9%	7.7%	9.4%	8.9%	12.6%	10.3%	6.7%	9.6%	7.7%	10.8%

■ Breakdown of DuluxGroup^{*2}

DGL (Pacific)	Revenue	41.5	42.7	43.6	48.5	176.2	44.7	48.3	55.0	55.6	203.6	50.7	52.5	59.2	60.2	222.5	57.3	62.1
	Operating profit	5.7	5.3	5.1	2.9	19.0	5.6	6.0	7.8	6.7	26.1	6.3	7.8	7.3	7.1	28.5	6.6	7.5
	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%	11.6%	12.1%
DGL (Europe)	Revenue	Not disclosed					23.4	30.7	29.5	27.7	111.3	31.1	36.5	36.3	34.0	137.9	35.9	43.2
	Operating profit	Not disclosed					-0.3	2.7	1.5	-0.3	3.6	1.0	3.4	2.6	-0.8	6.1	0.6	3.9
	OP margin	Not disclosed					-1.3%	8.8%	5.0%	-1.1%	3.2%	3.2%	9.2%	7.1%	-2.4%	4.4%	1.6%	9.0%
Betek Boya (Türkiye) ^{*3}	Revenue	11.4	13.7	11.7	12.3	49.2	13.6	20.0	20.1	16.8	70.5	16.9	16.5	29.5	12.2	75.2	22.8	26.8
	Operating profit	1.5	1.5	1.5	2.9	7.5	0.9	1.3	1.1	2.8	6.1	0.2	3.8	3.2	0.9	8.2	2.7	3.2
	OP margin	13.1%	11.0%	13.2%	23.7%	15.2%	6.4%	6.6%	5.5%	16.8%	8.7%	1.4%	22.8%	11.0%	7.5%	10.9%	11.8%	11.8%
PT Nipsea (Indonesia)	Revenue	9.9	9.7	8.1	11.7	39.5	13.1	11.9	13.6	13.7	52.3	16.3	13.8	14.7	16.1	60.9	16.6	14.5
	Operating profit	2.5	3.2	2.0	4.1	11.8	4.2	3.2	3.9	5.4	16.7	5.5	4.3	4.7	5.5	20.0	6.1	5.0
	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%	37.0%	34.2%
Alina (Kazakhstan)	Revenue	Before consolidation										4.7	7.5					
	Operating profit	Before consolidation										0.6	1.5					
	OP margin	Before consolidation										12.0%	20.1%					

Exchange rate (average rate)		1Q	2Q	3Q	F/Y	1Q	2Q	3Q	F/Y	1Q	2Q	3Q	F/Y	1Q	2Q
		JPY/USD	107.1	108.5	109.1	110.4	117.8	124.5	129.5	132.1	133.4	136.5	139.6	141.2	149.9
JPY/RMB	16.5	16.8	16.9	17.1	18.6	19.1	19.5	19.5	19.4	19.6	19.7	19.9	20.8	21.3	
JPY/AUD	82.6	83.4	82.4	82.7	85.2	88.9	90.7	91.2	91.2	91.6	92.7	93.6	97.8	101.2	
JPY/EUR	-	-	-	-	131.6	135.2	136.6	138.5	144.0	147.9	151.2	153.2	162.2	166.1	
JPY/TRY ^{*4}	14.0	13.5	13.3	12.5	8.4	8.3	7.8	7.1	7.0	5.6	5.5	4.8	4.7	4.9	
JPY/IDR	0.0075	0.0076	0.0076	0.0077	0.0082	0.0086	0.0088	0.0088	0.0089	0.0091	0.0092	0.0093	0.0095	0.0096	

*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.

DuluxGroup was included in our consolidated earnings from September 2019, Betek Boya from July 2019, PT Nipsea from January 2021,

Cromology from January 2022, JUB from June 2022, NPT from July 2023 and Alina from January 2024

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

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

*3 Retrospective adjustment has been made to figures beginning with FY2021 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. Figures from FY2022 onwards reflect the application of hyperinflationary accounting

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

4. Breakdown of Adjustments (FY2023 2Q vs. FY2024 2Q)

(Billion yen)		FY2023 2Q							FY2024 2Q						
		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}	-	-	-	-	-	-	-	0.6	-	-	-	-	-	0.6
	Revenue	-	-	-	-	-	-	-	0.6	-	-	-	-	-	0.6
Operating profit	-	-	-	-	-	-	-	0.1	-	-	-	-	-	0.1	
DuluxGroup	Decorative	-1.9	-	-	-	-	-	-1.9	7.9	-	-	-	-	-	7.9
	Industrial	-	-	-	-	-	-	-	0.3	-	-	-	-	-	0.3
	Adjacencies business	1.9	-	-	-	-	-	1.9	3.8	-	-	-	2.8	-	6.6
	Revenue	-	-	-	-	-	-	-	12.0	-	-	-	-	2.8	14.8
	Operating profit	-	1.3	-0.1	-	-	-	1.3	1.3	-0.1	-0.0	-	-	0.1	1.3
■ Breakdown of DuluxGroup															
DGL (Pacific)	Decorative	-1.0	-	-	-	-	-	-1.0	3.9	-	-	-	-	-	3.9
	Industrial	-	-	-	-	-	-	-	0.3	-	-	-	-	-	0.3
	Adjacencies business	1.0	-	-	-	-	-	1.0	3.2	-	-	-	-	-	3.2
	Revenue	-	-	-	-	-	-	-	7.5	-	-	-	-	-	7.5
	Operating profit	-	1.3	-0.1	-	-	-	1.3	0.9	-0.1	-0.0	-	-	-	0.8
DGL (Europe)	Decorative	-0.9	-	-	-	-	-	-0.9	3.9	-	-	-	-	-	3.9
	Adjacencies business	0.9	-	-	-	-	-	0.9	0.6	-	-	-	2.8	-	3.4
	Revenue	-	-	-	-	-	-	-	4.5	-	-	-	-	2.8	7.3
	Operating profit	-	-	-0.0	-	-	-	-0.0	0.4	-	-	-	-	0.1	0.5

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

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

4. Breakdown of Adjustments (FY2023 2Q vs. FY2024 2Q)

(Billion yen)		FY2023 2Q						FY2024 2Q							
		FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acquisitions	Total	FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acquisitions	Total
NIPSEA	Automotive	0.0	-	-	-	-	-	0.0	2.6	-	-	-	-	-	2.6
	Decorative	0.2	-	-	-	-	-	0.2	17.8	-	-	-	-	7.5	25.3
	Industrial	0.0	-	-	-	-	-	0.0	1.3	-	-	-	-	-	1.3
	Fine chemicals	-	-	-	-	-	-	-	0.2	-	-	-	-	-	0.2
	Others*2	0.0	-	-	-	-	-	0.0	0.5	-	-	-	-	-	0.5
	Adjacencies business	-	-	-	-	-	-	-	1.6	-	-	-	-	-	1.6
	Revenue	0.3	-	-	-	-	-	0.3	23.9	-	-	-	-	7.5	31.4
Operating profit	-	5.6	-	-	-	-	5.6	2.8	0.5	-	-	-	1.5	4.8	

■ Breakdown of NIPSEA

NIPSEA China	Automotive	0.0	-	-	-	-	-	0.0	1.4	-	-	-	-	-	1.4
	Decorative	0.2	-	-	-	-	-	0.2	12.6	-	-	-	-	-	12.6
	Industrial	0.0	-	-	-	-	-	0.0	0.7	-	-	-	-	-	0.7
	Others*2	0.0	-	-	-	-	-	0.0	0.0	-	-	-	-	-	0.0
	Revenue	0.3	-	-	-	-	-	0.3	14.8	-	-	-	-	-	14.8
	Operating profit	-	5.6	-	-	-	-	5.6	1.7	0.5	-	-	-	-	2.2
NIPSEA Except China	Revenue	-	-	-	-	-	-	-	9.1	-	-	-	-	7.5	16.6
	Operating profit	-	-	-	-	-	-	-	1.1	-	-	-	-	1.5	2.6
Americas	Automotive	-	-	-	-	-	-	-	1.4	-	-	-	-	-	1.4
	Decorative	-	-	-	-	-	-	-	2.5	-	-	-	-	-	2.5
	Fine chemicals	-	-	-	-	-	-	-	0.1	-	-	-	-	-	0.1
	Revenue	-	-	-	-	-	-	-	4.0	-	-	-	-	-	4.0
Operating profit	-	-	-	-	-	-	-	0.4	-	-	-	-	-	0.4	
Adjustments	Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Operating profit	-	-	-	-	-	-	-	-0.0	-	-	-	-	-	-0.0
Total	Revenue	0.3	-	-	-	-	-	0.3	40.5	-	-	-	-	10.3	50.8
	Operating profit	-	6.9	-0.1	-	-	-	6.8	4.7	0.4	-0.0	-	-	1.6	6.7

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

*2 Includes auto refinish business, etc.

5. Breakdown of Adjustments (FY2023 1H vs. FY2024 1H)

(Billion yen)		FY2023 1H							FY2024 1H						
		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}	-	-	-	-	-	-	-	1.0	-	-	-	-	-	1.0
	Revenue	-	-	-	-	-	-	-	1.0	-	-	-	-	-	-
Operating profit	-	0.0	-	-	-	-	0.0	0.2	-	-	-	-	-	-	0.2
DuluxGroup	Decorative	-3.6	-	-	-	-	-	-3.6	13.0	-	-	-	-	-	13.0
	Industrial	-	-	-	-	-	-	-	0.5	-	-	-	-	-	0.5
	Adjacencies business	3.6	-	-	-	-	-	3.6	6.0	-	-	-	-	5.3	11.3
	Revenue	-	-	-	-	-	-	-	19.5	-	-	-	-	5.3	24.8
	Operating profit	-	1.3	-0.1	-	-	-	1.3	1.8	-0.1	-0.0	-	-	0.3	2.0
■ Breakdown of DuluxGroup															
DGL (Pacific)	Decorative	-2.0	-	-	-	-	-	-2.0	6.0	-	-	-	-	-	6.0
	Industrial	-	-	-	-	-	-	-	0.5	-	-	-	-	-	0.5
	Adjacencies business	2.0	-	-	-	-	-	2.0	4.9	-	-	-	-	-	4.9
	Revenue	-	-	-	-	-	-	-	11.4	-	-	-	-	-	11.4
	Operating profit	-	1.3	-0.1	-	-	-	1.3	1.3	-0.1	-0.0	-	-	-	1.2
DGL (Europe)	Decorative	-1.6	-	-	-	-	-	-1.6	7.1	-	-	-	-	-	7.1
	Adjacencies business	1.6	-	-	-	-	-	1.6	1.1	-	-	-	-	5.3	6.4
	Revenue	-	-	-	-	-	-	-	8.1	-	-	-	-	5.3	13.4
	Operating profit	-	-	-0.0	-	-	-	-0.0	0.5	-	-	-	-	0.3	0.8

*1 Subsidy, etc. includes subsidy income, insurance income, gain on sale of non-current assets, and settlement income

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

5. Breakdown of Adjustments (FY2023 1H vs. FY2024 1H)

(Billion yen)		FY2023 1H						FY2024 1H							
		FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acquisitions	Total	FX	Subsidy, etc.*1	M&A related expenses	Impairment loss	Credit loss provision	New acquisitions	Total
NIPSEA	Automotive	0.0	-	-	-	-	-	0.0	3.8	-	-	-	-	-	3.8
	Decorative	0.4	-	-	-	-	-	0.4	20.7	-	-	-	-	12.2	32.9
	Industrial	0.0	-	-	-	-	-	0.0	0.9	-	-	-	-	-	0.9
	Fine chemicals	-	-	-	-	-	-	-	0.4	-	-	-	-	-	0.4
	Others ^{*2}	0.0	-	-	-	-	-	0.0	0.9	-	-	-	-	-	0.9
	Adjacencies business	-	-	-	-	-	-	-	-1.9	-	-	-	-	-	-1.9
	Revenue	0.5	-	-	-	-	-	0.5	24.9	-	-	-	-	12.2	37.1
Operating profit	-	5.8	-	-	-	-	5.8	3.7	1.0	-	-	-	2.1	6.8	

■ Breakdown of NIPSEA

NIPSEA China	Automotive	0.0	-	-	-	-	-	0.0	2.2	-	-	-	-	-	2.2
	Decorative	0.4	-	-	-	-	-	0.4	20.1	-	-	-	-	-	20.1
	Industrial	0.0	-	-	-	-	-	0.0	1.1	-	-	-	-	-	1.1
	Others ^{*2}	0.0	-	-	-	-	-	0.0	0.1	-	-	-	-	-	0.1
	Revenue	0.5	-	-	-	-	-	0.5	23.5	-	-	-	-	-	23.5
Operating profit	-	5.8	-	-	-	-	5.8	2.8	1.0	-	-	-	-	3.8	
NIPSEA Except China	Revenue	-	-	-	-	-	-	-	1.4	-	-	-	-	12.2	13.6
	Operating profit	-	-	-	-	-	-	-	0.9	-	-	-	-	2.1	3.0
Americas	Automotive	-	-	-	-	-	-	-	2.8	-	-	-	-	-	2.8
	Decorative	-	-	-	-	-	-	-	4.3	-	-	-	-	-	4.3
	Fine chemicals	-	-	-	-	-	-	-	0.1	-	-	-	-	-	0.1
	Revenue	-	-	-	-	-	-	-	7.3	-	-	-	-	-	7.3
Operating profit	-	-	-	-	-	-	-	0.6	-	-	-	-	-	0.6	
Adjustments	Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Operating profit	-	0.3	-	-	-	-	0.3	-0.0	-	-	-	-	-	-0.0
Total	Revenue	0.5	-	-	-	-	-	0.5	52.6	-	-	-	-	17.5	70.1
	Operating profit	-	7.5	-0.1	-	-	-	7.4	6.3	0.9	-0.0	-	-	2.4	9.6

*1 Subsidy, etc. includes subsidy income, insurance income, gain on sale of non-current assets, and settlement income

*2 Includes auto refinish business, etc.