FY2024 4Q Financial Results Conference Call Presentation Summary
February 14, 2025

Good afternoon, everyone. I'm Yuichiro Wakatsuki, Co-President of Nippon Paint Holdings.

Thank you for joining us today as we discuss our fourth-quarter and full-year FY2024 financial results, along with our financial outlook for FY2025.

As is customary for our earnings calls in the second and fourth quarters, members of the press are also in attendance today.

Supplementary Information

Analysis of operating results

In this document, we present our operating 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 (subsidies, 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	
	FY2023				FY2024				FY2025	FY2023	FY2024
	3M	6M	9M	F/Y	3M	6M	9M	F/Y	Guidance	As of Dec. 31	As of Dec. 31
JPY/USD	133.4	136.5	139.6	141.2	149.9	154.1	151.6	152.2	152.2	141.8	158.2
JPY/RMB	19.4	19.6	19.7	19.9	20.8	21.3	21.1	21.1	21.1	19.9	21.7
JPY/AUD	91.2	91.6	92.7	93.6	97.8	101.2	100.5	100.1	100.1	96.9	98.5
JPY/EUR	144.0	147.9	151.2	153.2	162.2	166.1	164.6	164.4	164.4	157.1	164.9
JPY/TRY*	7.0	5.6	5.5	4.8	4.7	4.9	4.2	4.5	4.5	4.8	4.5
JPY/IDR	0.0089	0.0091	0.0092	0.0093	0.0095	0.0096	0.0095	0.0096	0.0096	0.0092	0.0098

*Closing rates are used following the application of hyperinflationary accounting

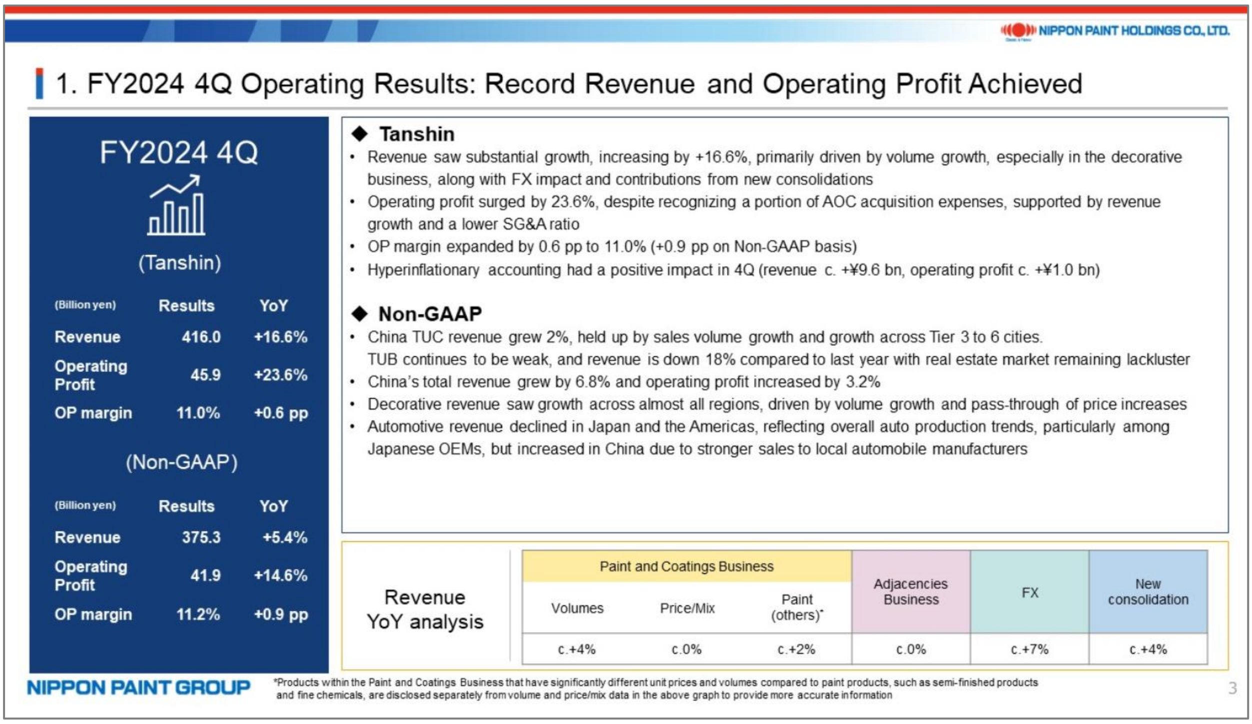
(For reference)
Estimates of FX sensitivity

	Impact per 1 yen change (FY2024 full-year impact)	
	Revenue	Operating profit
USD	c. ¥0.8 bn	c. ¥0.0 bn
RMB	c. ¥28.9 bn	c. ¥3.2 bn
AUD	c. ¥4.0 bn	c. ¥0.4 bn

Terminology

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

Before reviewing our financial performance, I'd like to highlight that our FY2025 guidance is based on the same exchange rates used for our FY2024 results.



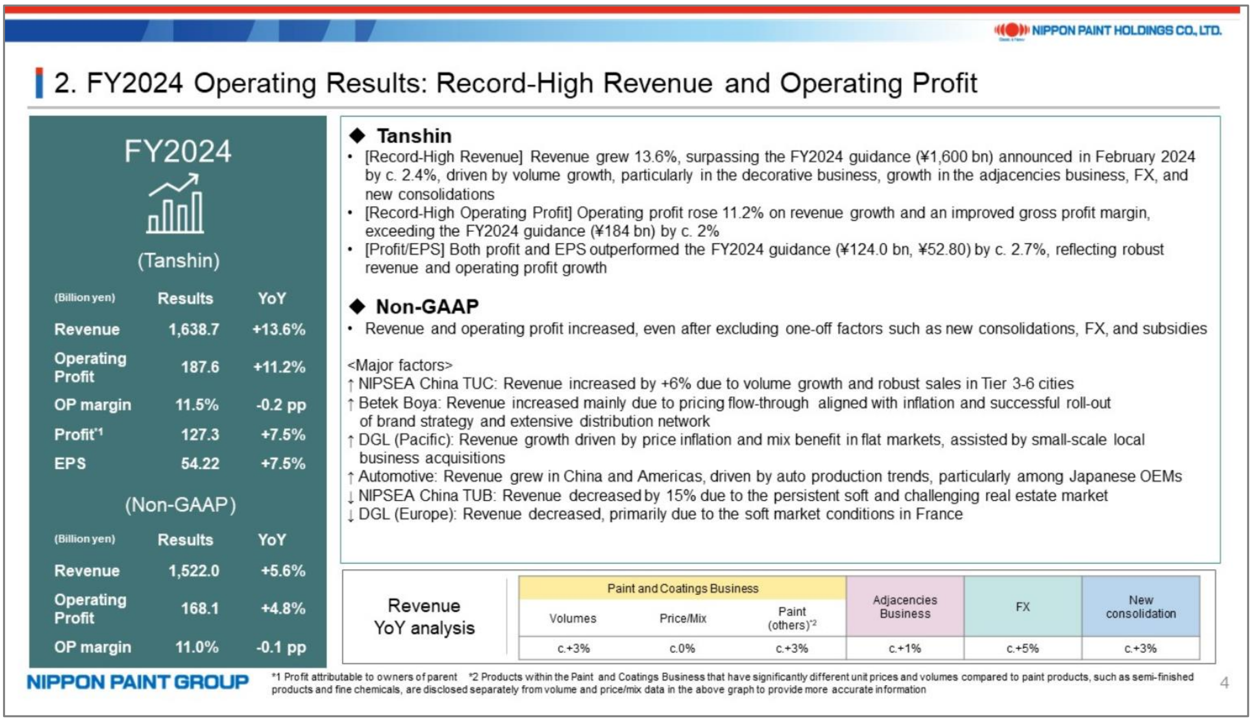
Now, let me begin by summarizing the key highlights of the fourth quarter of FY2024.

On a Tanshin basis, revenue increased by 16.6% year-on-year to 416.0 billion yen, while operating profit rose by 23.6% to 45.9 billion yen, setting new record highs for both revenue and operating profit in the fourth quarter. This strong performance was driven by the outstanding efforts of our teams across all regions in navigating the seasonally subdued demand typically seen toward the year-end. As shown in the lower section of the presentation, key factors contributing to revenue growth included higher paint sales volumes, contributions from our other paint business, favorable foreign exchange impacts, and new consolidations. Meanwhile, price and mix impacts remained flat overall compared to the same period last year.

On a Non-GAAP basis, which excludes FX impact, new consolidations, and other one-off factors, revenue grew by 5.4%, while operating profit increased by 14.6%. In NIPSEA China's decorative paints business, TUC revenue rose by 2%, whereas TUB revenue declined by 18%. However, overall operating profit for NIPSEA China increased, driven by revenue growth and improvements in the SG&A expense ratio.

In the automotive segment, revenue declined in Japan and the Americas due to reduced automobile production by Japanese OEMs. In contrast, automotive revenue in China increased, supported by stronger sales to local automobile manufacturers.

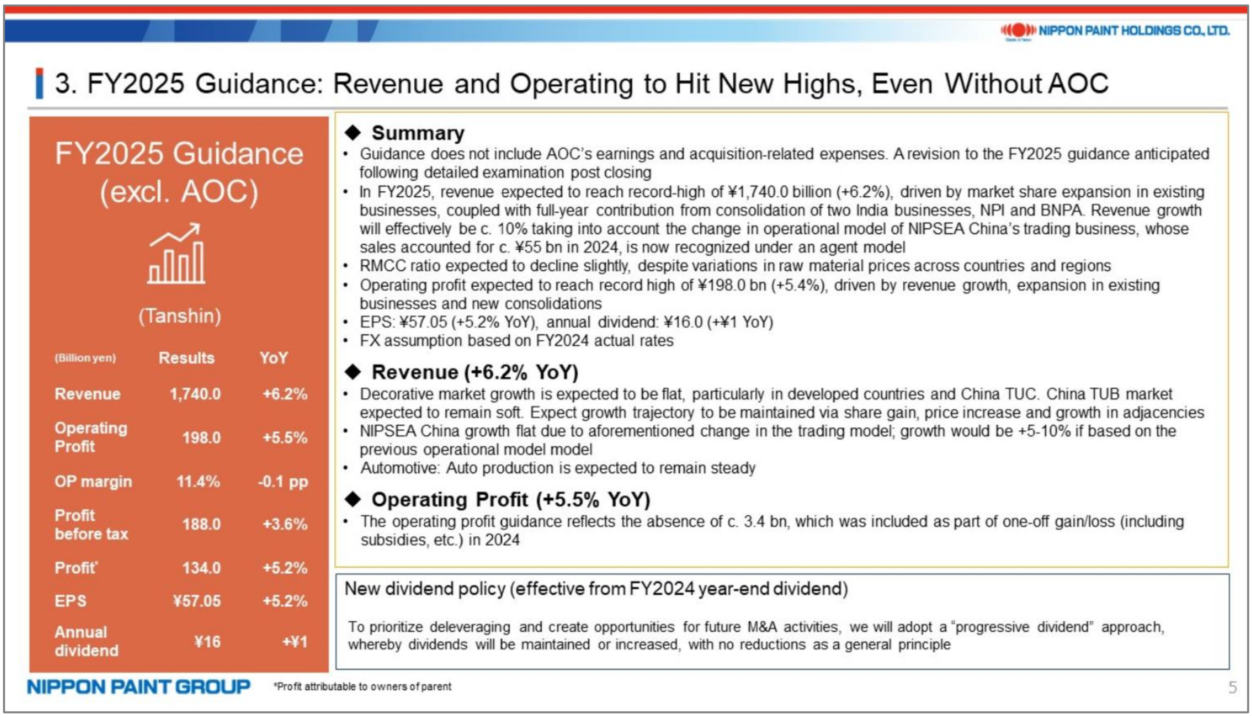
Additionally, the operating profit margin improved year-on-year, increasing by 0.6 percentage points on a Tanshin basis and 0.9 percentage points on a Non-GAAP basis.



Turning to our full-year 2024 performance, both revenue and operating profit reached new record highs. These results not only exceeded the FY2024 guidance announced last February but also surpassed the projections we shared during our earnings call last November.

On a Tanshin basis, revenue grew by 13.6%, while operating profit increased by 11.2%. On a Non-GAAP basis, which excludes FX impact, new consolidations, and other one-off factors, revenue rose by 5.6%, and operating profit grew by 4.8%. These strong results were achieved thanks to the outstanding efforts of our teams across all regions, despite operating in a highly challenging environment.

Our consolidated operating profit, both on a Tanshin and Non-GAAP basis, continued to be affected by hyperinflationary accounting in Türkiye. This adjustment reduced our FY2024 operating profit by approximately 3.2 billion yen. Despite this impact, we successfully maintained a double-digit operating profit margin even after accounting for hyperinflationary adjustments.



Now, let's turn to our FY2025 guidance.

First, I'd like to provide an update on the acquisition of AOC, which was announced last October. As noted on page 11 of the presentation, the fulfillment of closing conditions is progressing smoothly and could be completed as early as the end of February. However, due to the uncertainty surrounding the timing of regulatory approvals, our current guidance does not include AOC's earnings or acquisition-related expenses.

Once the acquisition is finalized, we will make an official announcement and update our FY2025 guidance following a detailed post-closing review.

Regarding revenue, assuming exchange rates remain at FY2024 levels, we project consolidated revenue to grow by approximately 6% to a record high of 1,740 billion yen. This growth will be driven by expansion in our existing businesses through proactive market share initiatives, the strengthening of our adjacencies business, and the full-year contribution from our two newly consolidated India businesses, which were added in FY2024 but contributed only two months of earnings during the fiscal year.

NIPSEA China's decorative business also includes a trading segment outside of the TUC and TUB categories. Previously, both purchase and sales amounts were recorded for this segment. However, starting this year, due to a change in the trading business's operational model, we will only recognize the net amount. Considering the approximately 55.0 billion yen reported from this segment in FY2024, our effective consolidated revenue growth will be closer to 10%. On page 6 of the presentation, we have indicated that total revenue for NIPSEA China in FY2025 is expected to remain flat. However, on a like-for-like (Apple-to-Apple) basis, we anticipate 5–10% revenue growth for NIPSEA China in FY2025.

Operating profit is expected to increase by 5.5% to 198.0 billion yen. The FY2024 operating profit included approximately 4.1 billion yen in net one-off gains, comprising subsidies, AOC acquisition-related expenses, and other non-recurring items. The FY2025 guidance accounts for the absence of around 3.4 billion yen from these one-off gains/losses in FY2024. Adjusting for this, the underlying operating profit growth for FY2025 would effectively be 7.5%. The operating profit margin is projected to remain largely stable year-on-year, and EPS is forecasted at 57.05 yen.

When we announced the acquisition of AOC last October, we briefly mentioned our approach to dividends. The Board of Directors has now officially decided to adopt a progressive dividend policy as our fundamental approach. Given the expected significant increase in EPS following the AOC acquisition, our priority will be deleveraging and preparing for future M&A opportunities that can further enhance EPS, rather than strictly adhering to the conventional 30% dividend payout ratio.

For FY2025, we are forecasting an annual dividend of 16 yen, an increase of 1 yen from the previous year. As a general principle, this dividend forecast will remain unchanged even if we revise our FY2025 guidance after completing the AOC acquisition.

NIPPON PAINT HOLDINGS CO., LTD.

4. Assumptions for FY2025 Forecast (1)

(Billion yen)

		Revenue		OP margin		Overview
		FY2024 results (Tanshin/bn yen)	FY2025 forecast (In LCY)	FY2024 results (Tanshin/%)	FY2025 forecast (In LCY)*1	
Japan	Segment total	203.1	+5~10%	9.6%	→	
	Automotive	39.2	+0~5%			Expecting revenue growth driven by earnings improvement initiatives, despite flat auto production forecasts
	Decorative	48.4	c. +10%			Expecting revenue growth to exceed the market growth, driven by customer expansion, strengthening sales through DX, and the development and increased sales of high-performance and differentiated products
	Industrial	39.5	c. +10%			Expecting revenue growth through market share expansion, driven by differentiated products and new market development
NIPSEA China	Segment total	545.2	c. ±0%	11.1%	↗	*The flat revenue forecast for the entire NIPSEA China segment compared to last year can be attributed to the change in the operational model of NIPSEA China's trading business to an agent model. For comparison purposes, if based on previous method, FY2025 growth would have been approximately +5-10%
	Decorative (TUC)	459.7*2	c. +10%			Expanding and consolidating channels and customers' network, aiming for higher volume growth and increasing share especially in the Tier 3 to 6 cities
	Decorative (TUB)		c. +5%			Enhancing our share in the repainting segment and diversifying contributions from infrastructure, affordable housing, and government related projects
	Automotive	56.6	c. +10%			Growing automotive parts business and our business in EV (electric vehicle) key components, as well as strengthening relationship with strategic key accounts

NIPPON PAINT GROUP *1 ↑ : ≧ +2%、↗ : +1%~2%、→ : -1%~+1%、↘ : -1%~-2%、↓ : ≦ -2% *2 Including "Other" 6

NIPPON PAINT HOLDINGS CO., LTD.

4. Assumptions for FY2025 Forecast (2)

(Billion yen)

		Revenue		OP margin		Overview
		FY2024 results (Tanshin/bn yen)	FY2025 forecast (In LCY)	FY2024 results (Tanshin/%)	FY2025 forecast (In LCY)*1	
NIPSEA Except China	Segment total	369.2	+5~10%	17.2%	↘	
	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)	65.0	+5~10%	34.9%	→	Pursuing business growth through wider distribution and better utilization of CCM machines, increasing product penetration with best-in-class products, expanding distribution points across Indonesia, offering new product lines, to complete total coating solutions ranging from tools and accessories to SAF
	Betek Boya (Türkiye)	95.0	+5~10%	13.2%	↓	Accelerating adjacencies business expansion, including in tools and accessories and reinforcing the brand image and portfolio to maintain premium positioning among customers
	NPI•BNPA (India)	(For reference) 45.5*2	+5~10%	(For reference) 4.2%*2	→	Maintaining strong focus on brand building initiatives and expanding channel networks to penetrate all tier towns in current focused states. Growing existing OEM businesses while strengthening our focus on the EV market
	Alina (Kazakhstan)	25.8	+5~10%	13.2%	→	Expanding growth in the paint and coatings business segment by supplying brands with wide ranging price points in line with and leveraging on Betek Boya's strategy
DuluxGroup	Segment total	398.5	c. +5%	10.1%	→	
	DGL (Pacific)	248.8	c. +5%	13.3%	→	Revenue growth of mid-single digits, supported by price growth and share gains, despite flat markets
	DGL (Europe)	149.8	c. +5%	4.9%	→	Revenue growth driven by price growth and share gains, despite flat markets
Americas	Segment total	122.7	c. +5%	6.3%	→	
	Automotive	45.5	+0~5%			Deliver growth that outpaces the increase in auto production through new business acquisition, while increasing business profit by reducing raw material and other variable costs
	Decorative	75.0	+5~10%			Higher revenue due to an improving housing market and a full-year benefit of 17 new stores opened in Northern California

NIPPON PAINT GROUP *1 ↑ : ≧ +2%、↗ : +1%~+2%、→ : -1%~+1%、↘ : -1%~-2%、↓ : ≦ -2% *2 1INR= JPY1.79; Pro-forma (unaudited) 7

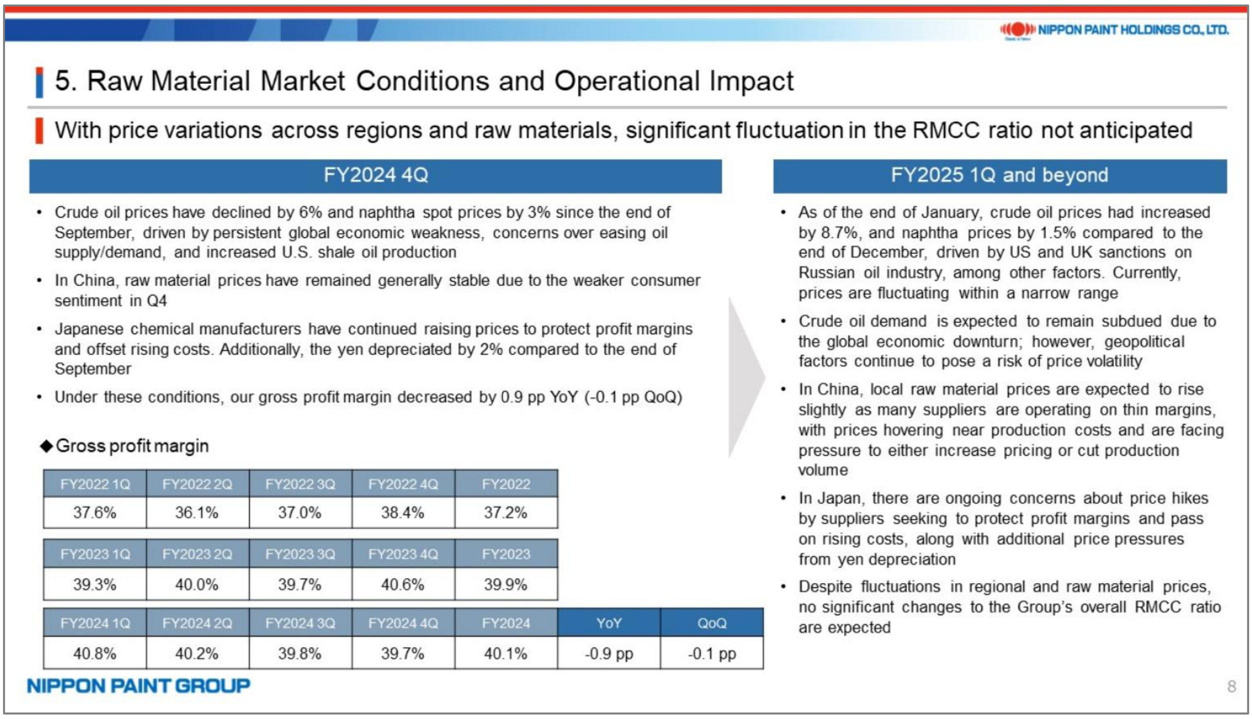
Pages 6 and 7 provide an overview of the key assumptions underlying our FY2025 guidance for major segments. While we will cover the details during the Q&A session, I'd like to briefly highlight each segment.

1. Japan Segment: We remain focused on improving margins. However, in FY2025, we expect margins to remain flat due to expenses related to the renewal of our ERP system and costs associated with the completion of the new Research Institute at our Shinagawa Office. That said, our medium- to long-term margin target of 15% remains unchanged.

2. NIPSEA China: Given the expectation that the challenging macroeconomic environment will continue, we will maintain our growth strategies with a strong focus on the TUC segment. For the TUB segment, which faced headwinds in FY2024, we will prioritize diversifying revenue streams by expanding our presence in infrastructure, public housing, and government-related projects, aiming for both growth and profitability improvements. To reiterate, we are forecasting overall NIPSEA China revenue growth of 5–10% on a like-for-like (Apple-to-Apple) basis.

3. NIPSEA Except China – India Update:
   In FY2024, our India businesses contributed two months of earnings—November and December. For FY2025, we expect a full-year earnings contribution. Since the buyback announcement in 2022, the decorative paints market has seen more new entrants than we initially anticipated, putting pressure on our market share in the two key states where we operate. However, we have made significant progress in strengthening our position in the industrial and automotive segments. For the overall India business, we are forecasting full-year revenue growth of 5–10%, with margins expected to remain flat compared to the previous fiscal year.

4. DuluxGroup: We are forecasting approximately 5% revenue growth in both the Pacific and Europe segments, driven by price increases and market share expansion amid largely flat market growth. In France, a key market for Cromology, market conditions have remained stagnant for two consecutive years. However, we remain optimistic about a potential market recovery in the near term.



The overall raw material market remains relatively stable; however, as anticipated, several factors could lead to fluctuations. Our base scenario assumes that market conditions will remain flat or see a slight decline.

NIPPON PAINT HOLDINGS CO., LTD.

8. Major Topics (1)

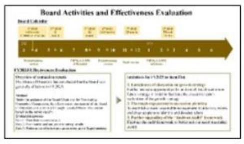
Updates on the closing of AOC acquisition

- Closing conditions are being fulfilled smoothly and could be satisfied as early as end of February
- Expected 2025 EPS contribution from AOC remains unchanged at +15-17 yen on an annualized basis

IR DAY 2024 (held on December 2, 2024)

- Hosted our inaugural "IR Day," specifically designed for institutional investors
- The event featured "Brand Strategy by DuluxGroup," "Brand Strategy by NIPSEA Group," "NIPSEA Group Business Strategy," and "Corporate Governance"
- Marked the first in-depth presentation of our brand strategies, with DuluxGroup and NIPSEA Group showcasing the foundations of their strong brand power and the strategies driving their sustained growth



NIPPON PAINT GROUP 11

I will skip pages 9 and 10 of the presentation and proceed directly to the topics covered on pages 11 and 12.

As mentioned earlier, the closing conditions for AOC's acquisition are progressing smoothly and could be met as early as the end of February. We continue to engage with AOC's management on various matters, including monthly performance updates and the FY2025 budget. At this stage, there is no change to our previously announced expectation of an "EPS contribution of 15–17 yen on an annualized basis," as stated during the acquisition announcement in October 2024. However, a detailed review will be required post-closing, particularly to account for seasonal performance fluctuations and the impact of purchase price allocation (PPA). Once these pre-acquisition assumptions are refined with post-closing adjustments, we aim to revise our earnings forecast at the earliest possible opportunity.

On December 2, 2024, we hosted our inaugural "IR DAY." As part of our ongoing efforts to bridge the perception gap in the capital markets, DuluxGroup's CEO and NIPSEA Group's Brand Director provided fresh insights into our strategies and approach to the brand business in decorative paints, building on our previously outlined vision. The event was very well received by investors. For those who have not yet had the opportunity to review the materials, I encourage you to visit our IR website, where the scripts and presentations are available.

NIPPON PAINT HOLDINGS CO., LTD.

8. Major Topics (2)

Strong recognition from leading Japanese IR/Sustainability website evaluation agencies (announced on January 22, 2025)

- Maintained high ratings for our IR and sustainability websites in FY2024 from three major evaluation agencies specializing in listed companies
- Committed to continuous enhancement of both websites to strengthen long-term, trust-based relationships with our stakeholders

Name of Evaluation Organization	Award Received in FY2024
Daiwa Investor Relations Co., Ltd. 2024 Internet IR Award	Grand Prize (2nd place among 4,098 companies) Sustainability category: Grand Prize (4th place)
Nikko Investor Relations Co., Ltd. All Japanese Listed Companies' Website Ranking 2024	Overall ranking: AAA grade By-Sector ranking (Chemical): AAA grade
BroadBand Security, Inc. Gomez IR Site Ranking 2024 Gomez ESG Site Ranking 2024	IR Category: Gold Prize (4th place overall) ESG category: Excellent Company

Maintained inclusion in all six ESG indices adopted by GPIF (announced on January 22, 2025)

- Continued to be included in all six ESG indices for Japanese equities used by the Government Pension Investment Fund (GPIF)
- Committed to advancing comprehensive sustainability initiatives, fulfilling our obligations to stakeholders and striving for Maximization of Shareholder Value (MSV)

ESG indices adopted by GPIF	FTSE Blossom Japan Index, FTSE Blossom Japan Sector Relative Index, MSCI Japan ESG Select Leaders Index, MSCI Japan Empowering Women Index (WIN), S&P/JPX Carbon Efficient Index, Morningstar Japan ex-REIT Gender Diversity Tilt Index

*In addition to the above, NPHD has been continuously selected as a constituent of FTSE4Good index series, a major ESG index

NIPPON PAINT GROUP

12

Now, let me move on to the key topics announced in January 2025.

First, we received high recognition from three leading IR and sustainability website evaluation agencies. Second, following our inclusion in 2024, we have once again been selected as a constituent of all six ESG indices adopted by GPIF.

To reiterate, Maximization of Shareholder Value (MSV)—our sole mission—is the pursuit of maximizing shareholder value after fulfilling our obligations to stakeholders, including legal, social, and ethical responsibilities. We consider ESG and sustainability to be integral to these stakeholder commitments, and we are honored that our efforts in these areas have been highly recognized by external evaluation agencies.

Reflecting on 2024, we delivered strong financial results despite a highly challenging environment, reaffirming the strength of Nippon Paint Group as an assembly of exceptional partner companies. While it is unfortunate that we were unable to provide FY2025 guidance inclusive of AOC, we view 2025 as a pivotal year—the starting point where we can fully demonstrate the power of our Asset Assembler model. This approach harnesses both the sustainable growth of our existing businesses and M&A activities that drive EPS accretion from the first year. We appreciate your continued support and look forward to advancing even further together.

Lastly, I am pleased to announce that we will be hosting an update briefing on the Medium-Term Strategy announced in April 2024. The briefing is scheduled for Thursday, April 3, from 16:00 to 17:30 JST, and we warmly invite everyone to participate.

Thank you for your time and attention.