

## Major Financial and Non-financial Data over 11 Years

Nippon Paint Holdings Co., Ltd. and Its Consolidated Subsidiaries

The Company has changed its fiscal year-end from March 31 to December 31 from the fiscal year ended December 31, 2016. Accordingly, the consolidation period for the fiscal year ended December 31, 2016 is the nine months starting on April 1, 2016 and ending on December 31, 2016.

The Company has adopted the International Financial Reporting Standards (IFRS) starting from the fiscal year ended December 31, 2018, the financial results figures with IFRS.

		JGAAP							
Financial indicators		2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2016/12	2017/12
<b>Fiscal year</b> (Million yen)									
Net sales		227,378	222,256	233,380	260,578	260,590	535,746	470,161	605,252
Gross profit		75,104	73,329	82,038	93,640	92,550	223,343	204,875	245,196
Operating income		15,975	16,323	25,860	33,387	33,751	71,352	72,489	74,957
Profit attributable to owners of parent		14,350	12,312	20,018	32,156	181,477	30,020	34,788	37,123
EBITDA*2		25,055	24,626	33,093	40,438	40,722	97,885	95,382	104,405
Capital expenditures		5,554	3,553	5,107	5,980	5,130	19,034	21,019	24,814
Depreciation and amortization		9,079	8,302	7,233	7,051	6,970	26,533	22,892	29,447
R&D expenses		7,032	6,573	6,018	5,915	5,987	15,177	12,037	14,814
<b>Cash flow</b> (Million yen)									
Cash flow from operating activities		20,345	22,483	31,848	26,920	34,419	63,101	77,916	79,265
Cash flow from investing activities		(8,487)	(3,713)	(6,918)	(7,173)	(86,966)	(5,308)	(42,697)	(100,680)
Cash flow from financing activities		(11,578)	(11,942)	(18,744)	(21,034)	85,298	(24,699)	(8,583)	(11,434)
Free cash flow		11,858	18,769	24,929	19,746	(52,547)	57,793	35,218	(21,414)
<b>Fiscal year end</b> (Million yen)									
Total assets		265,905	274,105	287,992	324,028	810,727	791,459	827,996	920,591
Total liabilities		129,295	128,723	115,967	116,312	220,804	223,710	242,238	291,182
Shareholders' equity		139,603	149,784	166,881	188,782	465,513	474,989	496,944	521,040
Total net assets		136,610	145,382	172,024	207,715	589,923	567,748	585,757	629,408
Net debt*3		21,133	4,898	(18,582)	(30,844)	(105,959)	(102,442)	(140,895)	(72,866)
<b>Per share information</b> (Yen)									
Earnings per share (EPS)*5		54.18	46.51	75.62	122.47	650.04	93.61	108.48	115.76
Book-value per share (BPS)		481.41	514.45	609.20	746.25	1,496.16	1,464.06	1,475.93	1,572.60
Annual dividends per share		8.00	9.00	14.00	20.00	22.00	35.00	40.00	42.00
<b>Financial indicators</b>									
Operating income margin (%)		7.0	7.3	11.1	12.8	13.0	13.3	15.4	12.4
EBITDA margin (%)		11.0	11.1	14.2	15.5	15.6	18.3	20.3	17.2
Return on equity (ROE) (%)		11.6	9.3	13.5	18.1	53.8	6.3	7.4	7.6
Return on assets (ROA) (%)		5.4	4.6	7.1	10.5	32.0	3.8	4.3	4.3
Return on invested capital (ROIC) (%)*6		8.3	6.9	11.3	15.2	9.5	10.3	11.7	11.5
D/E ratio (times)		0.39	0.30	0.16	0.09	0.06	0.09	0.10	0.14
Net D/E ratio (times)		0.17	0.04	(0.12)	(0.16)	(0.22)	(0.22)	(0.30)	(0.14)
Dividend payout ratio (%)*7		—	—	—	—	—	27.8	29.1	27.6
Total shareholder return (TSR) (%)		—	—	—	—	—	—	—	113.2
Price-earnings ratio (PER) (times)		10.3	13.5	12.4	12.8	6.8	26.7	29.4	30.8
Price book-value ratio (PBR) (times)*8		1.2	1.2	1.5	2.1	2.9	1.7	2.2	2.3
Net debt/EBITDA		0.8	0.2	(0.6)	(0.8)	(2.6)	(1.1)	(1.5)	(0.7)

Non-financial Data		2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2016/12	2017/12
<b>Governance</b>									
Number of Directors of the Board (persons)*9		8	8	8	10	8	6	7	7
Ratio of Independent Directors on the Board (%)*9		0.0	0.0	0.0	0.0	12.5	16.7	28.6	28.6
<b>Social</b>									
Number of employees (persons)		5,728	5,762	5,888	5,755	15,780	16,498	16,872	20,257
Ratio of overseas employees to all employees (%)		43.6	45.5	47.8	48.2	81.7	82.2	82.2	85.1
Ratio of female managers in Group companies (Japan Group) (%)*10		—	—	—	—	—	1.6	2.5	3.3
Number of fatalities as a result of work-related injury (Global) (cases)*11		—	—	—	—	—	0	0	1
<b>Environment</b>									
CO <sub>2</sub> emissions in Japan (Scope 1 + Scope 2) (t-CO <sub>2</sub> )*12		—	—	—	—	—	42,023	27,860	35,893
Ratio of water-based paints in the decorative paints business (Global) (%)*13		—	—	—	—	—	79.2	80.1	82.3

\*1 The earnings for FY2020 and thereafter have been adjusted retrospectively following the classification of the European automotive coatings business and the India business as discontinued operations after they were transferred to Wuthelam Group (announced on August 10, 2021) and a change in accounting policy regarding cloud computing agreements beginning with 4Q FY2021.

\*2 EBITDA: Operating profit + depreciation and amortization + impairment loss + gain on negative goodwill

\*3 Net debt: Interest-bearing debt (bonds and borrowings (current/non-current) + other financial liabilities (current/non-current) - liquidity on hand (cash and cash equivalents + other financial assets (current))

\*4 A five-for-one stock split of shares of common stock of the Company was conducted with March 31, 2021 as the record date and April 1, 2021 as the effective date.

\*5 Profit attributable to owners of the parent per share and shareholders' equity per share are calculated by subtracting the number of treasury stock from the total number of issued shares.

\*6 ROIC (JGAAP): Operating profit after tax / (net debt + total net assets)

ROIC (IFRS): Operating profit after tax / (net debt + total equity)

\*7 Dividend payout ratio for FY2017 is JGAAP-based figures calculated after adjusting for amortization of goodwill.

\*8 PER: Share price / book-value per share (BPS)

\*9 Number of the Directors who assumed office after the conclusion of the Ordinary General Meeting of Shareholders held during the current fiscal year. The FY2021 figure is the number of the Directors in office on or after April 28, 2021.

\*10 Including Nippon Paint Holdings (NPHD)

\*11 Number of fatalities as a result of work-related injury in FY2021 includes accidents involving contractors

\*12 The survey coverage through FY2017 is six companies: NPHD, NPTU, NPAC, NPIU, NPSU, and NPMC. The survey coverage from FY2018 is seven companies: NPHD, NPTU, NPAC, NPIU, NPSU, NPMC, and NPMJ.

\*13 Calculated as water-based paint shipments divided by total paint shipments in units of 10,000 tons. Data for four companies: NPTU and NIPSEA (beginning in FY2016), and DuluxGroup (beginning in FY2019)

Message from Management
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<b>Financial and Corporate Information</b>

For more information, see "Progress of the Medium-Term Plan (FY2021-2023) on page 51.

		IFRS			
		2018/12	2019/12	2020/12	2021/12
<b>Fiscal year</b> (Million yen)					
Revenue		627,670	692,009	772,560	998,276
Gross profit		242,164	275,649	321,224	378,323
Operating profit		86,542	78,060	87,594	87,615
Profit attributable to owners of parent		45,351	36,717	43,921	67,569
EBITDA*2		104,965	115,145	117,312	117,311
Capital expenditures		22,453	35,263	36,767	49,513
Depreciation and amortization		18,390	25,769	29,446	33,889
R&D expenses		16,997	17,416	17,462	24,251
<b>Cash flow</b> (Million yen)					
Cash flow from operating activities		61,533	92,076	87,633	67,428
Cash flow from investing activities		(37,439)	(352,769)	(35,440)	(102,355)
Cash flow from financing activities		6,228	254,018	60,869	(62,309)
Free cash flow		24,093	(260,693)	52,192	(34,927)
<b>Fiscal year end</b> (Million yen)					
Total assets		953,988	1,478,646	1,614,580	1,955,083
Total liabilities		306,370	790,667	915,578	986,388
Total equity attributable to owners of parent		520,047	552,922	567,594	959,518
Total equity		647,618	687,979	699,002	968,694
Net debt*3		(89,335)	310,890	309,162	429,287
<b>Per share information</b> (Yen)*4					
Basic earnings per share (EPS)*5		141.41	114.48	27.38	29.41
Book-value per share (BPS)		1,621.54	1,723.75	353.80	408.61
Annual dividends per share		45.00	45.00	45.00	10.00
<b>Financial indicators</b>					
Operating profit margin (%)		13.8	11.3	11.3	8.8
EBITDA margin (%)		16.7	16.6	15.2	12.1
Return on equity (ROE) (%)		8.8	6.8	7.8	8.8
Return on assets (ROA) (%)		4.8	3.0	2.8	3.8
Return on invested capital (ROIC) (%)*6		11.5	7.1	6.8	5.7
D/E ratio (times)		0.19	0.90	1.07	0.63
Net D/E ratio (times)		(0.17)	0.56	0.54	0.45
Dividend payout ratio (%)*7		31.8	39.3	32.9	34.0
Total shareholder return (TSR) (%)		120.8	181.2	361.3	204.0
Price-earnings ratio (PER) (times)		26.6	49.3	82.8	42.6
Price book-value ratio (PBR) (times)*8		2.3	3.3	6.4	3.1
Net debt/EBITDA		(0.9)	2.7	2.6	3.6

Non-financial Data		2018/12	2019/12	2020/12	2021/12
<b>Governance</b>					
Number of Directors of the Board (persons)*9		10	11	9	8
Ratio of Independent Directors on the Board (%)*9		50.0	45.5	66.7	75.0
<b>Social</b>					
Number of employees (persons)		20,402	25,970	27,318	30,247
Ratio of overseas employees to all employees (%)		84.2	87.0	87.2	89.1
Ratio of female managers in Group companies (Japan Group) (%)*10		4.1	4.3	4.9	6.1
Number of fatalities as a result of work-related injury (Global) (cases)*11		0	0	0	3
<b>Environment</b>					
CO <sub>2</sub> emissions in Japan (Scope 1 + Scope 2) (t-CO <sub>2</sub> )*12		36,430	45,714	42,374	42,971
Ratio of water-based paints in the decorative paints business (Global) (%)*13		83.8	86.7	87.5	89.9