April 17, 2019

Company name: Nippon Paint Holdings Co., Ltd.
Representative: Tetsushi Tado, President & CEO
(Securities Code: 4612, TSE 1st Section)
Contact: Yukiko Mochida, Manager of Investor Relations Office, Department of Corporate Communications, Corporate Planning & Development
(TEL. +81-6-6455-9140)

Notice regarding Acquisition of Shares (Acquisition of Ownership) of Australian Paint Manufacturer DuluxGroup Limited.

The Company hereby announces that, based on a resolution of the board of directors, it has decided today to acquire 100% of the outstanding shares of DuluxGroup Limited (hereinafter referred to as "Dulux") listed on the Australian Securities Exchange (hereinafter referred to as the "Share Acquisition"), which is a leading marketer and manufacturer of premium branded paint & coating and home improvement products mainly in Australia and New Zealand (hereinafter referred to as "ANZ"), and to commence the procedures for acquisition of ownership of Dulux.

The Company plans to acquire all shares held by all shareholders of Dulux for cash consideration by means of the procedure of a scheme of arrangement under the Corporations Act of Australia (hereinafter referred to as "SOA"), which is one of the methods of acquiring 100% of the shares of an Australian listed company. Today, the Company entered into a scheme implementation deed (hereinafter referred to as "SID") with Dulux that sets forth the content of the agreement regarding the Share Acquisition.

The implementation of the SOA requires the approval of a Dulux shareholders meeting (approval by at least 75% of the votes cast and a majority (by number) vote of the shareholders present and voting, in person or by proxy), the approval of the Supreme Court of Victoria (Australia), the Australian Foreign Investment Review Board and the Overseas Investment Office of New Zealand. Therefore, if these requirements are not met, the Company will not be able to acquire of the shares of Dulux through the SOA and the Share Acquisition may not be realized.

1. Reason for the Share Acquisition

Under the three-year medium-term management plan, which started in fiscal year 2018, the Company aims to become a leading company that continues to create new value by advocating the goal of "establishing an leading position in Asia and accelerating global growth." In addition, focusing on thorough reinforcement of existing segments, acceleration of expansion of existing portfolios, and improvement of profitability, and reinforcement of the "Global One Team" management, the Company has worked hard to implement these goals.

On the other hand, although the ANZ paints market is an attractive market that continues to grow steadily even in such developed countries, Dulux has the largest share of the ANZ paints market. Dulux is a leading company in ANZ with a wealth of iconic brands especially in the decorative paint segment and continues to expand its market

share ahead of the No. 2 ranking player. Therefore, it is expected that the Share Acquisition will further strengthen the business foundation of the Company, since the Share Acquisition enables the Company to secure a strong position in the decorative paint business, which has a great demand for paints in the world and high potential for growth, and to balance the Company's portfolio in both fast-growing regions and stable-growth expected regions, and will greatly contribute to the progress of the medium-term management plan of the Company.

The Company will be the acquisition entity for the Share Acquisition of Dulux shares. The Company expects to procure the funds for the Share Acquisition from borrowings from financial institutions. The Company is not planning to raise funds through the issuance of new shares.

2. Scheme and Schedule of the Share Acquisition

The Share Acquisition is carried out by SOA under the Corporations Act of Australia and the Company may acquire 100% of the shares of Dulux, including the shares held by shareholders who vote against or do not participate in a Dulux shareholders meeting with respect to the Share Acquisition Proposal, provided that the Share Acquisition is approved by the Dulux shareholders meeting (approval by at least 75% of the votes cast and a majority (by number) vote of the shareholders present and voting, in person or by proxy), the Supreme Court of Victoria (Australia), the Australian Foreign Investment Review Board and the Overseas Investment Office of New Zealand.

The indicative timetable hereafter is as follows:

Procedures	Scheduled date
First Court Hearing (First Court Date)	Mid to late June 2019 (estimated)
Despatch of the Scheme Booklet	Late June 2019 (estimated)
Shareholders Meeting (Scheme Meeting)	Late July 2019 (estimated)
Second Court Hearing (Second Court Date)	Early August 2019 (estimated)
SOA Effective Date (Effective Date)	Early August 2019 (estimated)
Shareholder Record Date (Record Date)	Early to mid-August 2019 (estimated)
SOA Execution Date (Implementation Date)	Mid-August 2019 (estimated)

(Note 1) Upon discussion among the relevant parties, the timetable above may change pursuant to discussions with the Australian Foreign Investment Review Board and the Overseas Investment Office of New Zealand, and the coordination of schedules with the Australian Court.

3. Overview of subsidiaries (specified subsidiaries) to be transferred (as of September 30, 2018)

Dulux and its subsidiaries, DuluxGroup (New Zealand) Pty Ltd and Alesco Corporation Pty Ltd, are expected to fall under our specified subsidiaries after the Share Acquisition because the amount of their share capital exceeds 10% of the amount of the Company's share capital. In addition, Dulux has 41 subsidiaries (as of April 9, 2019).

(DuluxGroup Limited)

(1)	Name	DuluxGroup Limited	
(2)	Address	1956 Dandenong Road, Clayton 3168 Victoria, Australia	
(3)	Name and title of representative	Patrick Houlihan, CEO	
(4)	Description of business	Marketer and manufacturer of premium branded paint & coatings and home improvement products	
(5)	Share capital	AUD 289 million	
(6)	Date of incorporation	September 24, 2008	
(7)	Major Shareholders and their shareholding	HSBC Custody Nominees (Australia) Limited JP Morgan Nominees Australia Limited Citicorp Nominees Pty Limited	30.22% 20.10% 9.28%

	percentages	(As of October 26, 2018) The major shareholders above are all standing proxies.	
(8)	Relationship between the listed company and the said company	Capital relationship	There are no capital relationships to be stated.
		HR relationship	There are no personal relationships to be stated.
		Business relationship	There are no business relationships to be stated.

(9) Consolidated business results and financial condition of the Company in the past 3 years (International Accounting Standards)

Fiscal year	Fiscal Year Ended September 30, 2016	Fiscal Year Ended September 30, 2017	Fiscal Year Ended September 30, 2018
Total equity	AUD 354 million	AUD 407 million	AUD 440 million
Total assets	AUD 1,196 million	AUD 1,262 million	AUD 1,325 million
Sales revenue	AUD 1,716 million	AUD 1,784 million	AUD 1,844 million
Operating profit	AUD 201 million	AUD 214 million	AUD 223 million
Income before taxes	AUD 181 million	AUD 197 million	AUD 206 million
Income	AUD 129 million	AUD 140 million	AUD 149 million
Income attributable to owners of the parent company	AUD 130 million	AUD 143 million	AUD 151 million
Dividend per share	AUD 0.24	AUD 0.265	AUD 0.28

(Note1) Dulux is listed on the Australian Securities Exchange.

(Note2) Dulux owns the Dulux™ trademark in ANZ, Papua New Guinea, Fiji and Samoa and the Cabot's™ trademark in ANZ, Papua New Guinea and Fiji. Dulux, the target of the Share Acquisition, is not associated with, and has no connection to, the owners of and the products with the Dulux™ and Cabot's™ trademarks in any other countries.

(DuluxGroup (New Zealand) Pty Ltd)

(1)	Name	DuluxGroup (New Zealand) Pty Ltd	
(2)	Address	1956 Dandenong Road, Clayton 3168 Victoria, Australia	
(3)	Name and title of representative	Stuart Ronald Boxer	
(4)	Description of business	(1) Holding company for DuluxGroup (Australia) Pty Ltd which operates the Dulux, Selleys and Yates businesses in Australia; and (2) operates the Dulux, Selleys and Yates businesses in New Zealand via a New Zealand branch structure.	
(5)	Share capital	AUD $142,864,088	
(6)	Date of incorporation	September 24, 2008	
(7)	Major Shareholders and their shareholding percentages	DuluxGroup Limited	100%
(8)	Relationship between the listed company and the said company	Capital relationship	There are no capital relationships to be stated.
		HR relationship	There are no personal relationships to be stated.
		Business relationship	There are no business relationships to be stated.

(9) Consolidated business results and financial condition of the Company in the past 3 years

Fiscal year	Fiscal Year Ended September 30, 2016	Fiscal Year Ended September 30, 2017	Fiscal Year Ended September 30, 2018
Total equity	AUD 1,771 million	AUD 1,870 million	AUD 2,178 million
Total assets	AUD 1,908 million	AUD 1,997 million	AUD 2,244 million
Sales revenue	AUD 163 million	AUD 169 million	AUD 173 million
Operating profit	AUD 85 million	AUD 74 million	AUD 107 million
Income before taxes	AUD 76 million	AUD 65 million	AUD 98 million
Income	AUD 73 million	AUD 158 million	AUD 398 million
Dividend per share	AUD 0.55	AUD 0.38	AUD 0.63

(Note1) The information above is limited to those currently available to the Company.

(Alesco Corporation Pty Ltd)

(1)	Name	Alesco Corporation Pty Ltd	
(2)	Address	1956 Dandenong Road, Clayton 3168 Victoria, Australia	
(3)	Name and title of representative	Filomena D'Angelo	
(4)	Description of business	Holding company for the operating companies in Australia and New Zealand (as applicable) for the Lincoln Sentry, B&D Group and Parchem businesses.	
(5)	Share capital	AUD $206,573,622	
(6)	Date of incorporation	October 27, 1911	
(7)	Major Shareholders and their shareholding percentages	DuluxGroup (Nominees) Pty Ltd	100%

(8)	Relationship between the listed company and the said company	Capital relationship	There are no capital relationships to be stated.
		HR relationship	There are no personal relationships to be stated.
		Business relationship	There are no business relationships to be stated.

(9) Consolidated business results and financial condition of the Company in the past 3 years

Fiscal year	Fiscal Year Ended September 30, 2016	Fiscal Year Ended September 30, 2017	Fiscal Year Ended September 30, 2018
Total equity	AUD 286 million	AUD 297 million	AUD 298 million
Total assets	AUD 353 million	AUD 352 million	AUD 352 million
Sales revenue	-	-	-
Operating profit	▲AUD 10 million	AUD 26 million	AUD 27 million
Income before taxes	▲AUD 12 million	AUD 24 million	AUD 25 million
Income	▲AUD 11 million	AUD 25 million	AUD 26 million
Dividend per share	-	AUD 0.15	AUD 0.26

(Note1) The information above is limited to those currently available to the Company.

4 . Outline of the counterparty to the Share Acquisition

As described in "2. Schemes and Schedules of the Share Acquisition" above, the Company intends to implement the Share Acquisition by using the SOA, which is a procedure under the Corporations Act of Australia, in light of the fact that Dulux is a company listed on the Australian Securities Exchange. In the event that the SOA is implemented as planned, all shares held by all shareholders of Dulux will be acquired.

5. Number of shares to be acquired, acquisition price, and shares held before and after the acquisition

(1)	Shares owned prior to the transaction	0 shares (Number of voting rights: 0 unit, Percentage of voting rights: 0%)
(2)	Shares acquired	389,250,252 shares (Number of voting rights: 389,250,252 units)
(3)	Acquisition price	Dulux ordinary shares JPY 300.5 billion (AUD 3,756 million) Advisory fees, etc. (estimated amount) Not determined
(4)	Shares owned after the transaction	389,250,252 shares (Number of voting rights: 389,250,252 units, Percentage of voting rights: 100%)

(Note 1) The acquisition price is the total amount expected to be paid by the Company in cash (AUD 9.65 per share of ordinary shares) out of the expected amount to be paid to Dulux shareholders as consideration for the SOA in the SID entered into today. Apart from such acquisition price to be paid by the Company to Dulux shareholders, Dulux is planning to pay AUD 0.15 per share as an interim dividend for the fiscal year ending September 30, 2019 by the Implementation Date; therefore, Dulux shareholders will be receiving AUD 9.80 in total as consideration for the SOA. In addition, Dulux is planning to pay special dividends up to AUD 0.26 per share by the Implementation Date, but if an interim dividend of more than AUD 0.15 per share or a special dividend is paid, such amount will be deducted from the acquisition price of AUD 9.65 payable by the Company to Dulux shareholders as consideration for the SOA

(Note 2) The acquisition price of Dulux ordinary shares is calculated by converting the amount of money in consideration of the Dulux ordinary shares into JPY 80/ AUD.

(Note 3) Advisory fees, etc. (estimated amount) will be announced as soon as they are found out.

6. Schedule

(1)	Date of resolution of the Board of Directors	April 16, 2019
(2)	Execution date	April 17, 2019
(3)	Acquisition date	Mid-August 2019 (estimated)

(Note 1) At the board of directors meeting held on April 16, 2019, it was resolved that the final decision with regard to the Share Acquisition and the execution of agreements related to the Share Acquisition will be left to the discretion of the President & CEO, Representative Director of the Board to the extent consistent with the resolution.

7. Future Outlook

The Company will promptly disclose the results of the Share Acquisition and the impact therewith of the acquisition of whole ownership of Dulux on the Company's business results and financial condition as soon as they become clear.

End