

The 17th Medium-term Management Plan

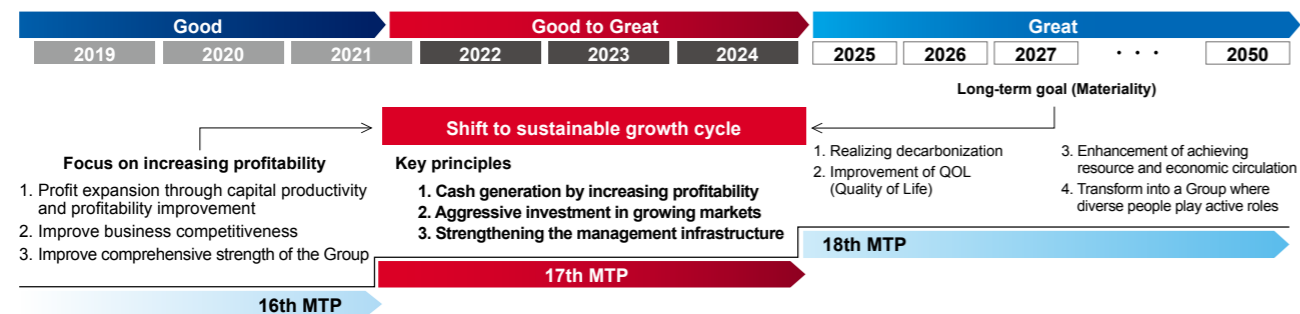
Positioning of the 17th Medium-term Management Plan (17th MTP)

The 17th MTP, which kicked off in April 2022, is positioned as a turning point for Kansai Paint in creating a cycle of sustainable growth.

At the same time, the plan corresponds to the first three years of starting concrete activities to address Materiality issues, which is crucial to our efforts to boost corporate value.

It literally represents a management strategy to transform from a Good to a Great Company.

The 17th MTP sets forth the key principles of cash generation by increasing profitability, aggressive investment in growing markets, and strengthening the management infrastructure, clearly laying out the Group's direction.



17th MTP Targets and Strategy

Targets

We have set targets for the final year of the 17th MTP, including net sales of 500 billion yen, an EBITDA margin of 17%, and adjusted ROE of 13%.

Each metric represents all-time highs, and we plan to expand all business segments in size and profitability.

Note: Although we announced the sale of our African business on June 1, 2022, we have not changed the Group-wide targets of the Medium-term Management Plan.

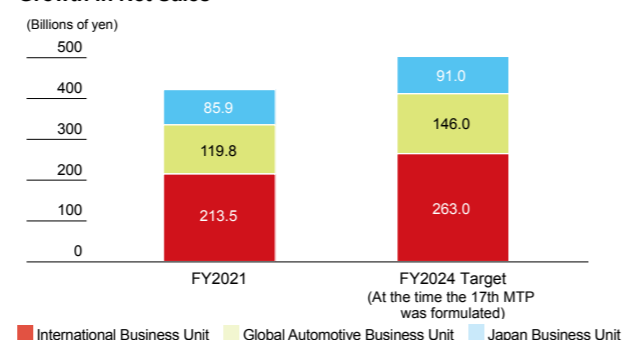
Net Sales:	¥500 billion
	FY2021 Actual: ¥419.2 billion
EBITDA Margin:	17% (¥85 billion)
	FY2021 Actual: 12.8% (¥53.7 billion)
ROE (Adjusted):	13%
	FY2021 Actual: 10.0%

Basic Strategy

Under the 17th MTP, while promoting structural reforms in Japan and increasing profitability, we will expand overseas businesses by reinforcing our strengths, mainly in Europe and India, and pursuing M&A of small and medium-sized enterprises with the aim of having them complement each other mutually, driving the Group's growth.

We will also continue to strengthen our global headquarters functions, manage domestic and overseas risks, and strengthen the centrifugal force of business expansion while firmly maintaining cooperation.

Growth in Net Sales

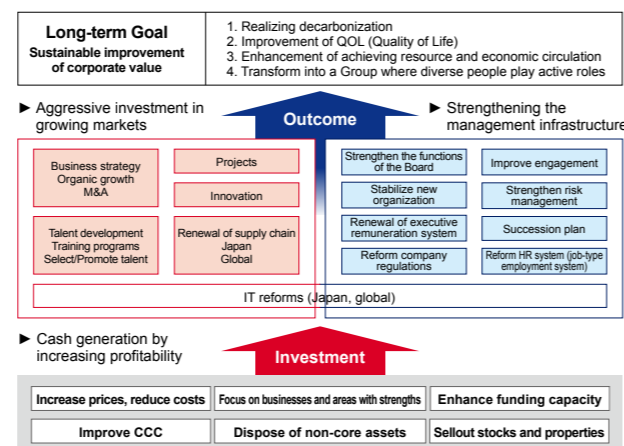


Primary Measures

We are now implementing concrete measures based on three key principles.

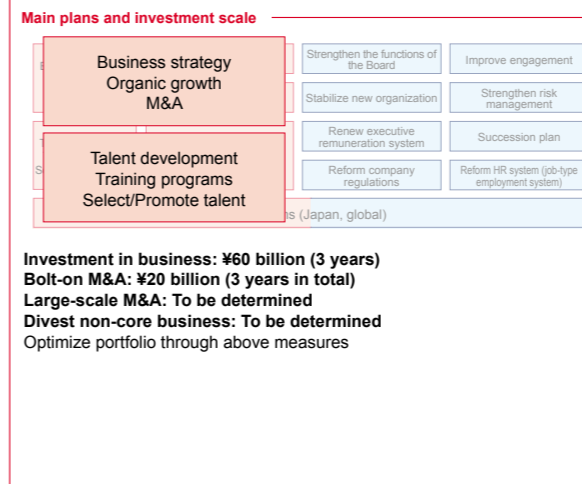
We will allocate the funds obtained by increasing profitability to strengthening our management infrastructure and investing in growing markets. Starting with the paint business, including M&A, as a growth field, we will promote talent development and renewal of the supply chain to achieve both economic value and environmental value. With regard to strengthening of the management infrastructure, we will promote investments in corporate functions and human resources, including strengthening the functions of the Board of Directors, revising the executive remuneration system, revamping the human resource system, and increasing engagement.

To maximize the effects of these investments and help them take hold, we will invest continuously in IT to strengthen our management capabilities.



Aggressive investment in growing markets Strengthening the management infrastructure

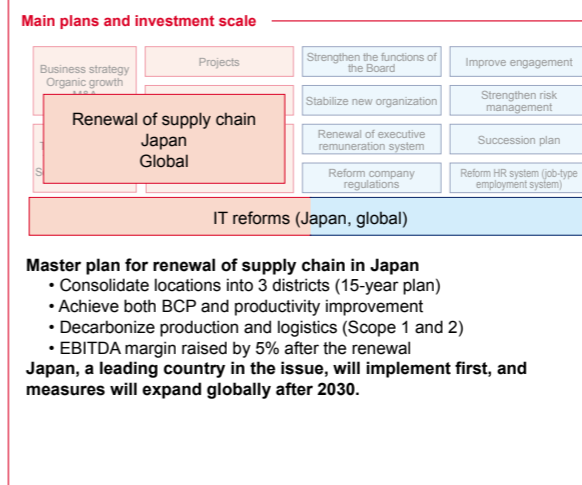
(1) Business strategy (see pages 34-45)



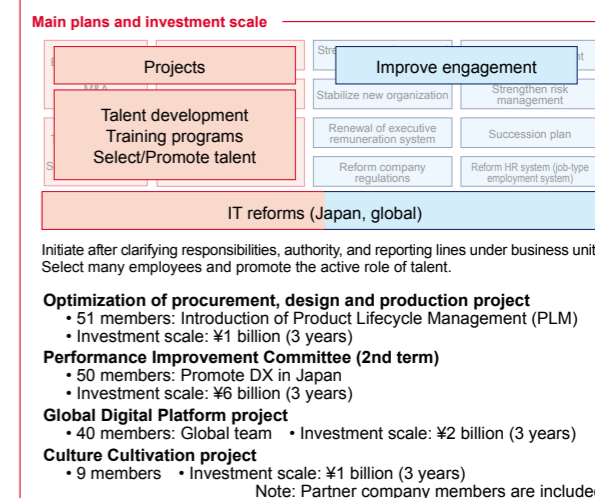
(2) IT reforms (see pages 52-55)



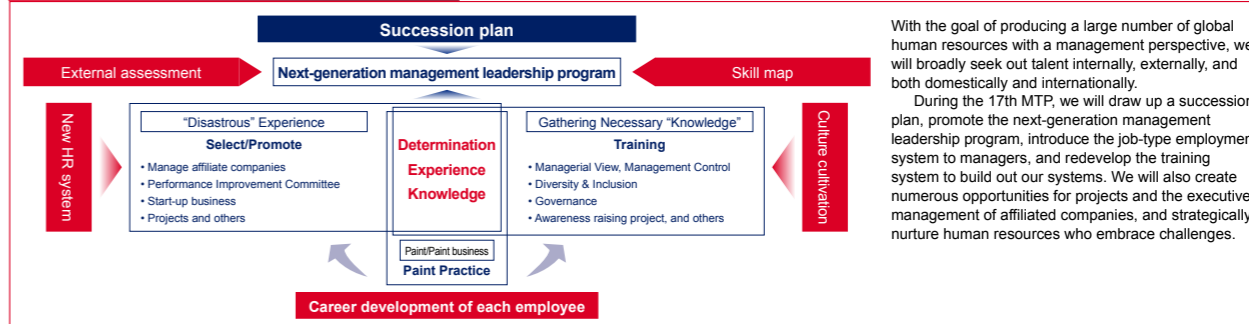
(3) Renewal of supply chain (see pages 46-47)



(4) Projects (see pages 72-75)



(5) Human resources strategy (see pages 69-71)



(6) Governance (see pages 76-81)

