



May 10, 2019

To Whom It May Concern:

Company name: Kansai Paint Co., Ltd.
Representative: Kunishi Mori, President
(Code number: 4613, Tokyo Stock Exchange)
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Notice regarding the Discontinuation (Abolition) of the Policy on Large-Scale Purchases of the Company's Shares (Takeover Defense Measures)

Kansai Paint Co., Ltd. (the "Company") had previously continued the policy on large-scale purchases of the Company's shares by obtaining shareholder approval at the 153rd Ordinary General Meeting of Shareholders of the Company held on June 29, 2017 (the "Policy"), the effective period of which was set to expire as of the close of the 155th Ordinary General Meeting of Shareholders of the Company to be held in June 2019.

Whereas the effective period of the Policy will expire upon the close of the 155th Ordinary General Meeting of Shareholders of the Company to be held in June 2019, the Company decided at the meeting of the Board of Directors held today to discontinue the Policy as of the time of expiration of the effective period, and hereby notifies as described below.

DETAILS

Under its corporate philosophy, the Company group has established its mission statement, "We leverage superior technology to contribute to our Customers and Society, in a sustainable manner, with innovative Products and Services, through a competent workforce, built on a culture of Customer Focus, Integrity and Respect to our Stakeholders." The Company believes that increasing the satisfaction of its customers through the coatings business, which is the core business of the Company group (the "Group"), is the foundation and reason for the Group's existence, and that its commitment to contributing to society at large by enhancing its corporate value through the realization of customer satisfaction enables the Group to contribute to its stakeholders including the shareholders, business partners, employees and local community.

Based on the foregoing, the Company believes that any person who is in control of decisions concerning the financial and business objectives of the Company should be one who, based on an understanding of this basic philosophy, maintains a trust relationship with the various stakeholders, and continuously ensures and enhances the corporate value of the Company, and consequently, the common interests of its shareholders. On the contrary, any person who does not understand the aforesaid basic philosophy and harms the corporate value of the Company, and consequently, the common interests of its shareholders is not eligible to be a person who is in control of the decisions concerning the financial and business objectives of the Company.

Whereas based on this idea, the Company previously continued the Policy, and as the effective period of the Policy will expire soon, the Company has carefully examined the propriety of continuing the Policy based on, among others, the opinions of its shareholders, including domestic and overseas institutional investors, recent trends concerning takeover defense measures, changes in the business environments and circumstances surrounding the Company, and penetration of the Corporate Governance Code.

As a result, the Company concluded that it would contribute to the common interests of its shareholders to steadily promote its medium- to long-term growth strategy in pursuing further enhancement of its corporate value, rather than to put the continuation of the Policy on the agenda of the 155th Ordinary General Meeting of Shareholders of the Company to be held in June 2019, and decided to discontinue and to abolish the Policy upon expiration of its effective period.

After the abolition of the Policy, the Company will continue to endeavor to ensure and enhance the corporate value of the Company, and consequently, the common interests of its shareholders, and from this perspective, seek to request provision of information necessary and sufficient for its shareholders to make proper judgements on the propriety of large-scale purchases from parties that engage in or are about to engage in large-scale purchases of the Company's shares, as well as take appropriate measures as deemed necessary on each occasion, within the scope permissible under the Financial Instruments and Exchange Act, the Companies Act, and other relevant laws and regulations, including disclosure of the opinions, etc. of the Company's Board of Directors and efforts to ensure time and information necessary for examination by its shareholders.

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