



April 27, 2020

To Whom It May Concern,

Company name: Kansai Paint Co., Ltd.
Representative: MORI Kunishi, Representative
Director of the Board, President
(Code number: 4613, Tokyo Stock Exchange)
Contact: TAKAHARA Shigeki, Managing Executive Officer,
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Announcement regarding Extraordinary Losses due to Impairment loss on stock of consolidated subsidiary and Immediate Amortization of Goodwill

Kansai Paint Co., Ltd. (the "Company") hereby announces that it anticipates to record extraordinary losses because of the impairment loss on stock of a consolidated subsidiary held by the Company (in the non-consolidated closing) and the immediate amortization of goodwill (in the consolidated closing).

1. Impairment loss on stock of consolidated subsidiary (in the non-consolidated closing)

The Company anticipates to record 22,909 million yen of an extraordinary loss in its non-consolidated closing as a loss on valuation of shares of subsidiaries and affiliates, resulting from an impairment loss on shares of Kansai Plascon Africa Ltd., due to a significant decline in the substantial value of its shares.

2. Immediate amortization of goodwill (in the consolidated closing)

Accompanying the impairment loss in the non-consolidated closing noted in the previous item, in the consolidated closing, the Company anticipates to record 1,129 million yen of an extraordinary loss on the immediate amortization of goodwill related to this company.

3. Impact on the consolidated results for the fiscal year ended March 2020

The impairment loss on stock of consolidated subsidiary has no effect on the Company's consolidated business results since Kansai Plascon Africa Ltd. is a consolidated subsidiary of the Company and the loss will be eliminated in the consolidation process.

In the future, we will promptly announce when it becomes necessary to revise consolidated Financial Forecast and the matters to be announced become known.