

Company	Nippon Sheet Glass Co., Ltd.
Code	5202
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## **Sale of Non-current Assets and Recognition of Exceptional Gains**

Nippon Sheet Glass Co., Ltd. (NSG) and its consolidated subsidiary, Malaysian Sheet Glass Sdn. Bhd. (MSG), announce that they have decided a sale and lease back of their respective non-current assets as set out below.

### 1. Sale of Non-current Assets by NSG

#### (1) Reason for transaction

For the purpose of the NSG Group's balance sheet enhancement, NSG has decided to execute sale and lease back contracts of certain non-current assets as below. NSG will continue to use the said assets.

#### (2) Outline of the transaction

Asset and Address	Sale amount (JPY billion)	Book Value (JPY billion)	Gain from the sale (JPY billion)	Current Situation
Land (Kyoto City, Kyoto Prefecture)	3.3	0.2	2.9	In use as an automotive glass processing plant

\*The gain is an estimated amount after deducting incidental costs for the sale.

\*The figures are current assumptions, which have not yet been audited.

#### (3) Buyer

(a)	Company Name	Sumitomo Mitsui Finance and Leasing Company, Limited
(b)	Address	3-2, Marunouchi 1-chome, Chiyoda-ku Tokyo, Japan
(c)	Representatives	President : Yoshinori Kawamura
(d)	Business	1. Leasing and progressive payment 2. Loans 3. Others 4. Services related to each business
(e)	Paid-in Capital	150 Oku yen

(f)	Establishment	February 1963	
(g)	Net Assets	7,146 Oku yen (consolidated, as of the end of March 2015)	
(h)	Total Assets	46,010 Oku yen (consolidated, as of the end of March 2015)	
(i)	Shareholders	Sumitomo Mitsui Financial Group, Inc. : 60% Sumitomo Corporation : 40%	
(j)	Relationship/Ties	Capital Ties	No
		Personal Relationship	No
		Business	Certain lease contracts
		Appropriate status to the related parties	No

(4) Transaction schedule

(a)	Decision Date	13 May 2016
(b)	Contract Date	30 June 2016 (Planned)
(c)	Delivery Date	30 June 2016 (Planned)

(5) Recognition of exceptional gain

The NSG Group is expected to recognize a gain of 2.9 billion yen as gain on disposal of non-current assets in exceptional items in the consolidated results for the first quarter of the financial year to 31 March 2017.

(6) Financial Impact

The impact of this sale on the NSG Group's year-end forecast for FY17 (the financial year ending on 31 March 2017) is included in the forecast announced today.

2. Sale of Non-current Assets by MSG

(1) Company profile

Company Name	Malaysian Sheet Glass Sdn. Bhd.
Address	21KM 47000 Sungai Buloh, Selangor Darul Ehsan, Malaysia
Representatives	Ding Chin Siew
Business	Architectural glass and Automotive glass
Paid-in Capital	81,151,200 MYR

(2) Reason for transaction

For the purpose of the NSG Group's balance sheet enhancement, MSG has resolved to execute sale and lease back contracts of certain non-current assets as below. MSG will continue to use the said assets.

(3) Outline of the transaction

Asset and Address	Sale amount (JPY billion)	Book Value (JPY billion)	Gain from the sale (JPY billion)	Current Situation
Land, Buildings (Sungai Buloh, Malaysia)	6.0	0.4	5.2	In use as an automotive glass processing plant

\*The gain is an estimated amount after deducting incidental costs for the sale.

\*The figures are current assumptions, which have not yet been audited.

(4) Buyer

(a)	Company Name	Fuyo General (Blue) Sdn. Bhd.		
(b)	Address	Suite 2.7, Level 2, Block C, Plaza Damansara, 45, Jalan Medan Setia 1, Bukit Damansara, 50490, Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia		
(c)	Representatives	Managing Director : Katsuyuki Takei		
(d)	Business	Leasing, renting, sale and purchase of current and non current assets and other businesses associated with the foregoing		
(e)	Paid-in Capital	10 million yen		
(f)	Establishment	January, 2016		
(g)	Net Assets	10 million yen		
(h)	Total Assets	10 million yen		
(i)	Shareholders	Fuyo General Lease (HK) Limited 100%		
(j)	Relationship/Ties	Capital Ties	No	
		Personal Relationship	No	
		Business	No	
		Appropriate status to the related parties	No	

(5) Transaction schedule

(a)	Decision Date	13 May 2016
(b)	Contract Date	Beginning of June 2016 (Planned)
(c)	Delivery Date	From end of June <Phase I> to August 2016 <Phase II> (Planned)

(6) Recognition of exceptional gain

The NSG Group is expected to recognize a gain of 5.2 billion yen as gain on disposal of non-current assets in exceptional items in the consolidated results for the first half of the financial year to 31 March 2017. Most part of the gain is to be recognized in the first quarter.

(7) Financial Impact

The impact of this sale on the NSG Group's year-end forecast for FY17 (the financial year ending on 31 March 2017) is included in the forecast announced today.