

FY2016 QUARTER 1 RESULTS

(from 1 April 2015 to 30 June 2015)

- **Trading profit remains at same level as previous year, cost base continues to improve, year-on-year reduction of exceptional costs**
- **Performance in North America and South East Asia remains strong**
- **Difficult market conditions in South America and challenging competitive environment in Display business**
- **Improved performance in Japan**
- **Gradually improving outlook for Europe**
- **Full-year forecast for FY16 unchanged**

Trading profit remains at same level as previous year, cost base continues to improve, year-on-year reduction of exceptional costs

- Cumulative Group revenues of ¥ 162.1bn were 4% above the previous year (Q1 FY15: ¥ 155.7bn)
- Trading profit, before amortization and exceptional items, of ¥ 5.2bn (Q1 FY15: ¥ 5.1bn)
- Q1 FY16 Architectural revenue ¥ 64.7bn (Q1 FY15: ¥ 60.1bn) and profits of ¥ 3.3bn (Q1 FY15: ¥ 1.9bn)
- Q1 FY16 Automotive revenue ¥ 83.1bn (Q1 FY15: ¥ 80.6bn) and profits of ¥ 2.6bn (Q1 FY15: ¥ 3.0bn)
- Q1 FY16 Technical Glass revenue ¥ 14.2bn (Q1 FY15: ¥ 14.7bn) and profits of ¥ 0.2bn (Q1 FY15: ¥ 1.6bn)
- Q1 FY16 exceptional costs ¥ 0.6bn (Q1 FY15: ¥ 1.6bn)

Performance in North America and South East Asia remains strong

- Revenues and profits improved as North American architectural markets continue to show growth
- South East Asia benefitting from robust Solar Energy glass dispatches

Difficult market conditions in South America and challenging competitive environment in Display business

- In South America, Automotive businesses continue to be impacted by weak market conditions, lower Architectural profits due to float repair in Argentina
- Strong competition in the market of thin glass for displays

Improved performance in Japan

- Architectural markets benefitting from eco-point program incentives
- Reduced light-vehicle sales but NSG Automotive volumes maintained

Gradually improving outlook for Europe

- Signs of improving market outlook can be seen in Architectural
- Light-vehicle sales indicate automotive market recovery in Western Europe

Consolidated Income Statement



(JPY bn)	<u>Cum Q1 FY2016</u>	<u>Cum Q1 FY2015</u>	<u>Change from Cum Q1 FY2015</u>
Revenue	162.1	155.7	4%**
Trading profit	5.2	5.1	2%
Amortization*	(2.1)	(2.1)	
Operating profit	3.1	3.0	
Exceptional items	(0.6)	(1.6)	
Finance expenses (net)	(4.2)	(4.5)	
Share of JVs and associates	(0.1)	(0.2)	
Loss before taxation	(1.8)	(3.3)	
Loss for the period	(0.5)	(4.4)	
Loss attributable to owners of the parent	(1.4)	(4.7)	
EBITDA	13.7	13.3	

* Amortization arising from the acquisition of Pilkington plc only

** 1% based on constant exchange rates

Profit reflects mixed market conditions

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