

## FY2016 ANNUAL RESULTS

(from 1 April 2015 to 31 March 2016)

- **Trading profit continues to improve, as improved Architectural results covered reduction in profitability in Display**
- **Exceptional losses reflect market conditions in Display and demand downturns in emerging markets**
- **Forecast FY2017 operating profit to improve by 12 billion yen, reflecting the exit from loss-making activities, profitability improvements in core businesses, and a reduction in amortization of intangible assets**
- **Comprehensive update of the Medium-term Plan (MTP) to be communicated alongside the FY2017 Q2 results**

### **Trading profit continues to improve, as improved Architectural results covered reduction in profitability in Display**

- Cumulative Group revenues of ¥ 629.2bn were similar to the previous year (FY2015: ¥ 626.7bn)
- Trading profit, before amortization and exceptional items, of ¥ 27.2bn (FY2015: ¥ 25.2bn)
- FY2016 Architectural revenue ¥ 262.6bn (FY2015: ¥ 252.9bn) and profits of ¥ 24.6bn (FY2015: ¥ 17.0bn)
- FY2016 Automotive revenue ¥ 316.3bn (FY2015: ¥ 314.0bn) and profits of ¥ 9.8bn (FY2015: ¥ 9.4bn)
- FY2016 Technical Glass revenue ¥ 49.5bn (FY2015: ¥ 58.7bn) and profits of ¥ 0.3bn (FY2015: ¥ 4.9bn)

### **Exceptional losses reflect market conditions in Display and demand downturns in emerging markets**

- Net exceptional losses of ¥ 35.1bn (FY2015: Net exceptional gains of ¥ 5.5bn)

### **Forecast FY2017 operating profit to improve by 12 billion yen, reflecting the exit from loss-making activities, profitability improvements in core businesses, and a reduction in amortization of intangible assets**

- The exit from the rolled glass business for crystalline silicone photovoltaic applications in China, and the temporary suspension of production of the thin flat glass line in Vietnam, represent the Group's initiative to eliminate obstacles to a further recovery in its performance
- Strengthening of profitability of core businesses from improved market conditions in Europe and operational improvements in Europe and North America
- Steady increase in ratio of value-added products including various functional products in the Architectural business
- Reduction in amortization arising from Pilkington acquisition

### **Comprehensive update of the Medium-term Plan (MTP) to be communicated alongside the FY2017 Q2 results**

## Consolidated Income Statement



(JPY bn)	<b>FY2016</b>	<b>FY2015</b>	<b>Change from FY2015</b>
<b>Revenue</b>	<b>629.2</b>	<b>626.7</b>	0%**
<b>Trading profit</b>	<b>27.2</b>	<b>25.2</b>	8%
Amortization*	(7.8)	(8.4)	
<b>Operating profit</b>	<b>19.4</b>	<b>16.8</b>	
Exceptional items	(35.1)	5.5	
Finance expenses (net)	(18.2)	(17.9)	
Share of JVs and associates	(3.5)	0.4	
<b>Profit/(loss) before taxation</b>	<b>(37.4)</b>	<b>4.8</b>	
<b>Profit/(loss) for the period</b>	<b>(47.5)</b>	<b>2.9</b>	
<b>Profit/(loss) attributable to owners of the parent</b>	<b>(49.8)</b>	<b>1.7</b>	
EBITDA	60.3	57.9	4%

\* Amortization arising from the acquisition of Pilkington plc only

\*\* 1.7% based on constant exchange rates

Trading profit showing steady improvement

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## FY2017 Forecast



(JPY bn)	<b>Forecast FY2017</b>	<b>Actuals FY2016</b>
<b>Revenue</b>	<b>620.0</b>	<b>629.2</b>
<b>Trading profit</b>	<b>34.0</b>	<b>27.2</b>
Amortization*	(3.0)	(7.8)
<b>Operating profit</b>	<b>31.0</b>	<b>19.4</b>
Exceptional items	1.0	(35.1)
Finance expenses (net)	(18.0)	(18.2)
Share of JVs and associates	1.0	(3.5)
<b>Profit/(loss) before taxation</b>	<b>15.0</b>	<b>(37.4)</b>
<b>Profit/(loss) for the period</b>	<b>7.0</b>	<b>(47.5)</b>
<b>Profit/(loss) attributable to owners of the parent</b>	<b>5.0</b>	<b>(49.8)</b>

\* Amortization arising from the acquisition of Pilkington plc only

Bottom line profit expected to be positive in FY2017

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