

NSG
GROUP



NSG Group

FY2014 Quarter 1 Results

(from 1 April 2013 to 30 June 2013)

Nippon Sheet Glass Co., Ltd.
1 August 2013

Mark Lyons
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FY2014 Quarter 1 Results

(from 1 April 2013 to 30 June 2013)



Agenda

Key Points

Financial Results

Business Update

Summary

Key Points - April to June 2013



- Year on year profit improvement reflects operational cost savings
- Market conditions generally stable
- Restructuring activities progressing to plan
- Strategic focus remains on profit improvement

FY2014 Quarter 1 Results

(from 1 April 2013 to 30 June 2013)



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Consolidated Income Statement



<u>(JPY bn)</u>	<u>Q1</u> <u>FY2014</u>	<u>Q1</u> <u>FY2013</u>	<u>Change</u> <u>from Q1</u> <u>FY2013</u>
Revenue	150.7	131.2	15%**
Trading profit	4.1	0.6	
Amortization*	(2.1)	(1.7)	
Operating profit/(loss) before exceptional items	2.0	(1.1)	
Exceptional items	(2.4)	(7.4)	
Operating loss	(0.4)	(8.5)	
Finance expenses (net)	(5.0)	(3.6)	
Share of JVs and associates	0.0	(0.1)	
Loss before taxation	(5.4)	(12.2)	
Loss for the period	(6.9)	(11.0)	
Loss attributable to owners of the parent	(7.1)	(11.1)	
EBITDA	12.1	7.9	53%

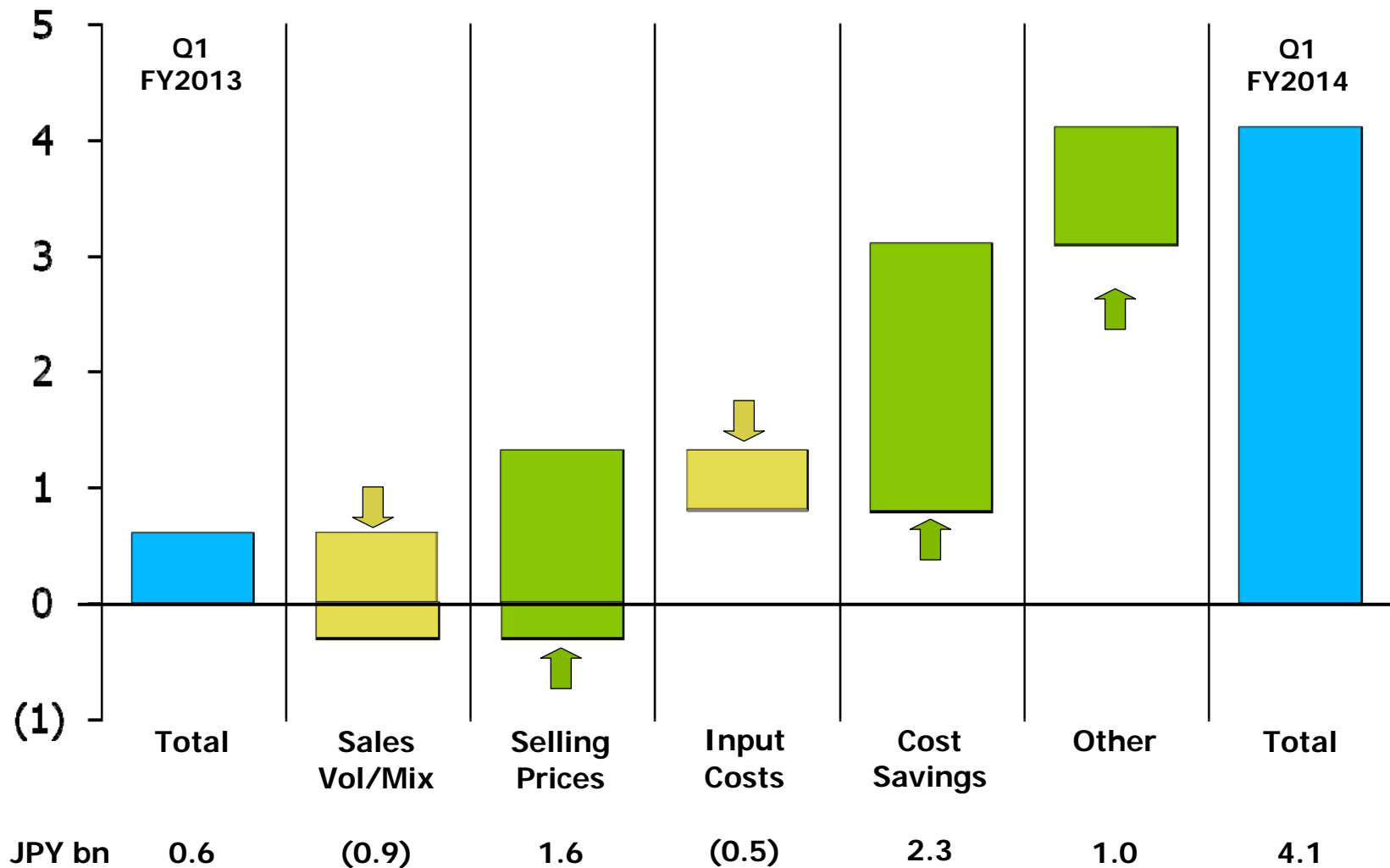
* Amortization arising from the acquisition of Pilkington plc only

** -1% based on constant exchange rates

Market conditions generally stable

Change Analysis

Trading profit



Year on year profit improvement reflects operational cost savings

Consolidated Cash Flow Summary



(JPY bn)	Q1 FY2014
Loss for the period	(6.9)
Depreciation and amortization	10.2
Net change in working capital	(4.9)
Tax paid	(0.8)
Others	(4.1)
Net cash outflow from operating activities	(6.5)
Purchase of property, plant and equipment	(4.1)
Others	2.0
Net cash outflow from investing activities	(2.1)
Cash flow before financing activities	(8.6)

Key Performance Indicators



	<u>30-Jun-13</u>	<u>31-Mar-13</u>
Net Debt (JPY bn)	378	361
Net Debt/EBITDA	9.1x	9.6x
Net Debt/Equity Ratio	2.3	2.3
	<u>Q1 FY2014</u>	<u>Q1 FY2013</u>
EBITDA Interest Cover	2.9x	2.9x
Operating Return* on Sales	2.7%	0.5%

* Trading profit

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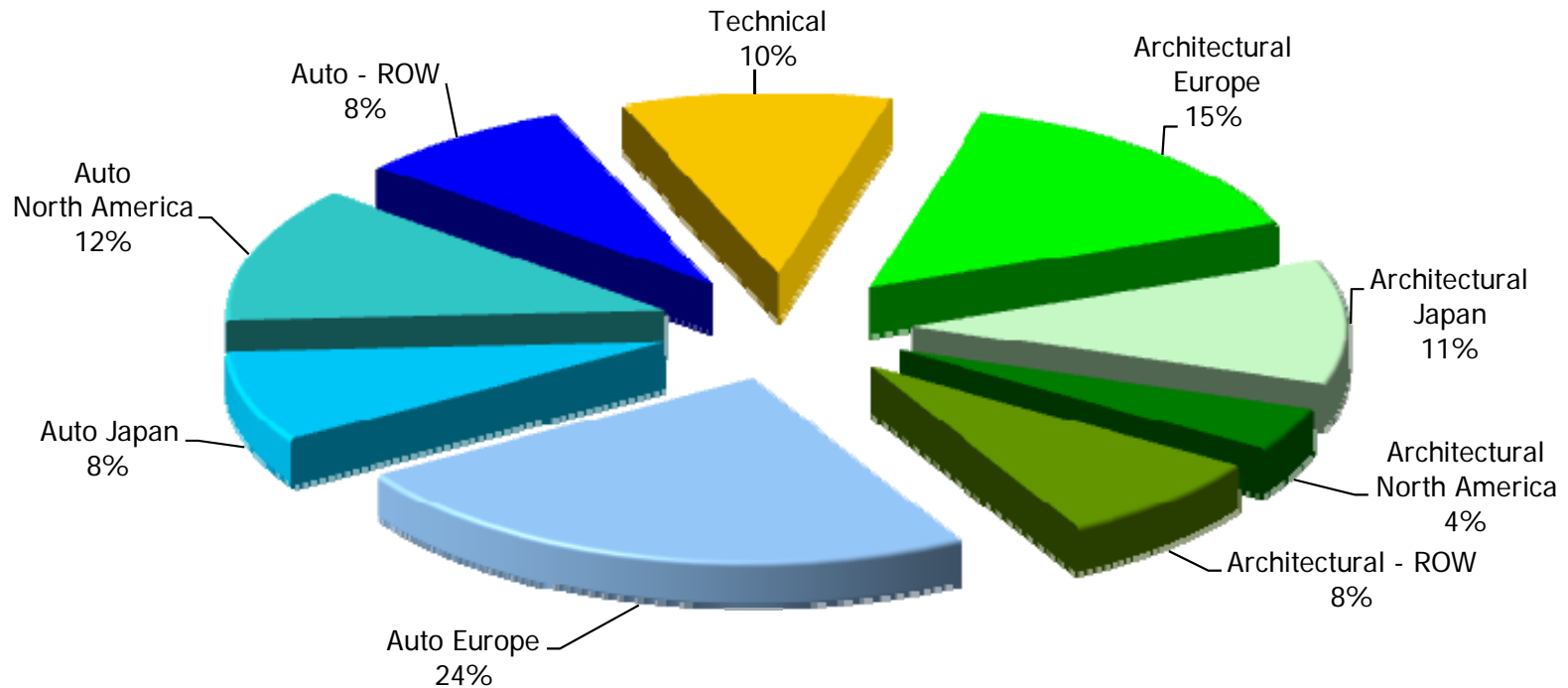
Business Update

Summary

External Revenue – Group Businesses



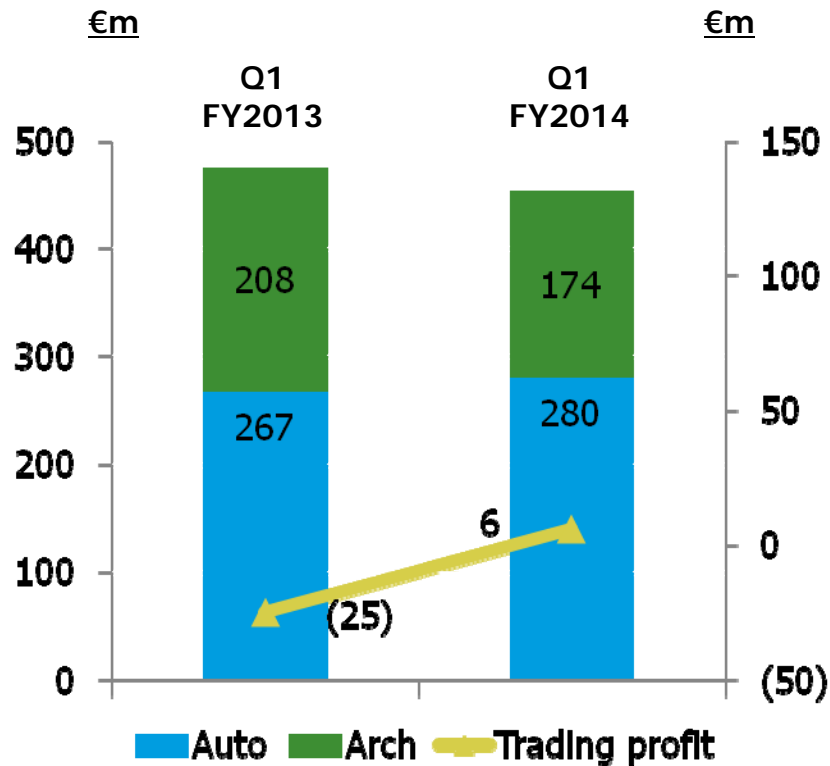
¥ 150.7 billion



Q1 FY2014

Europe

Q1 FY2014 v Q1 FY2013



Architectural

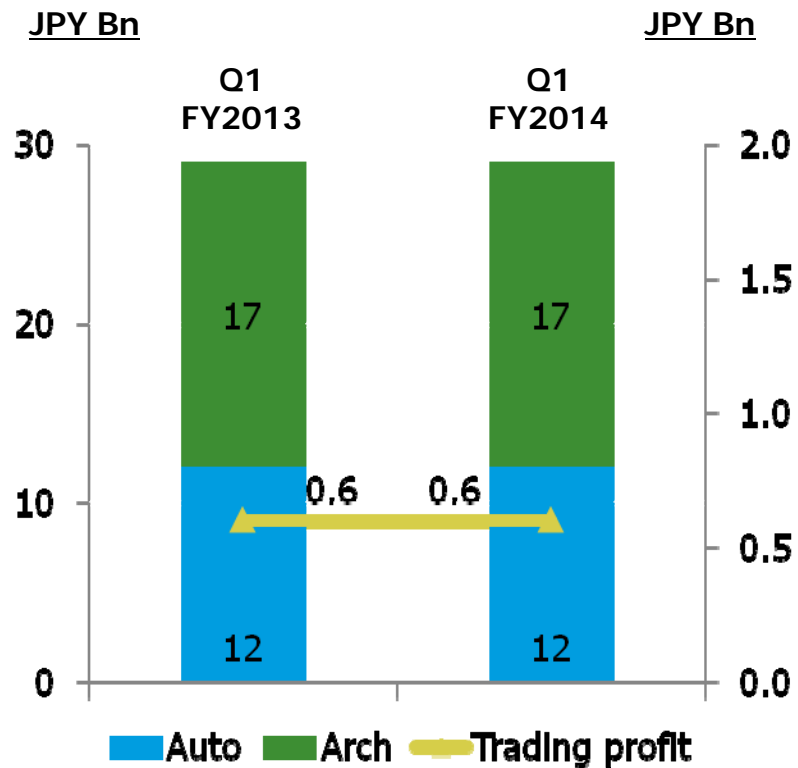
- Significant volume decline
- Pricing stable during Q1
- Restructuring actions benefiting profits

Automotive

- Some improvement in OE volumes
- Strong AGR demand
- Profits improving due to restructuring actions

Japan

Q1 FY2014 v Q1 FY2013



Architectural

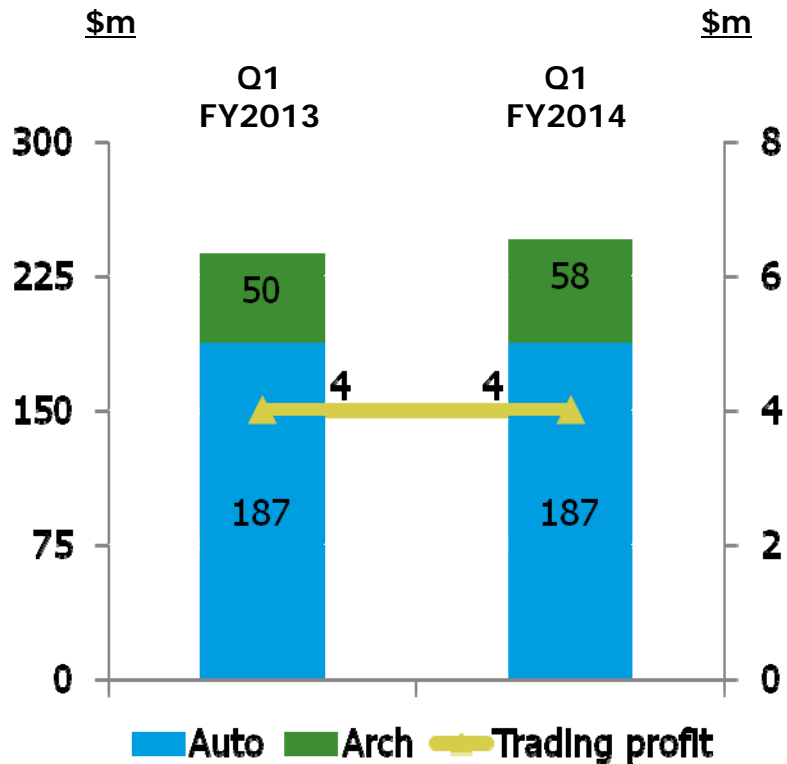
- Domestic market improving, expected to benefit profits going forward
- Low asset utilization levels impacting profitability

Automotive

- Weakened yen benefiting vehicle exports
- Profits improved due to cost reductions during the quarter

North America

Q1 FY2014 v Q1 FY2013



Architectural

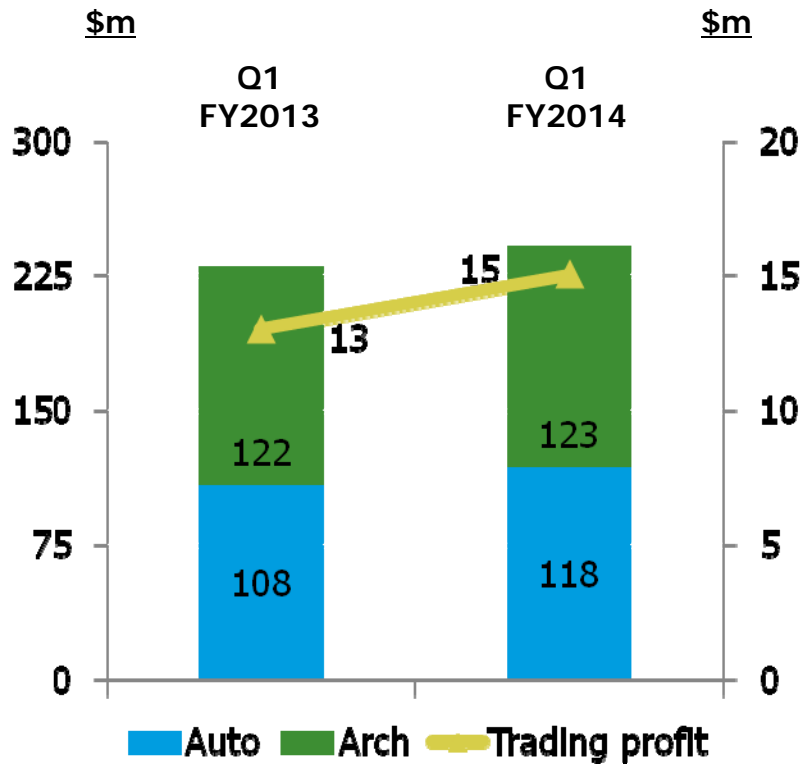
- Improvements in domestic demand
- Stable price levels

Automotive

- OE market continues to recover
- Profitability remains at a low level
- AGR performance similar to previous year

Rest of World

Q1 FY2014 v Q1 FY2013



Architectural

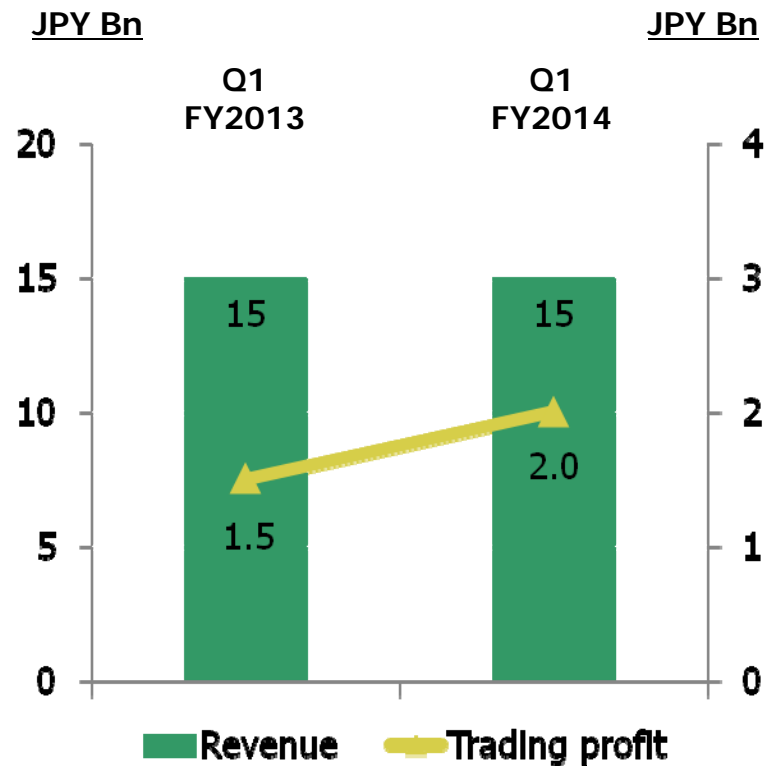
- Improving market conditions in South America and South East Asia

Automotive

- Demand growth in OE markets

Technical

Q1 FY2014 v Q1 FY2013



Technical

- Thin glass for displays and smart phones remains robust, but other applications have softened
- Improving glass cord demand
- Demand in the office printer market improved
- Operational cost savings reflected in improved profitability

Joint Ventures and Associates

Q1 FY2014 v Q1 FY2013



(JPY bn)	<u>Q1</u> <u>FY2013</u>	<u>Q1</u> <u>FY2014</u>
Share of post-tax profits	(0.1)	0.0

Joint Ventures and Associates

- Cebrace profits improved due to increased levels of demand
- Comparative period includes the Group's share of FMC Wyoming
- Initial start-up costs at the Group's associate in Colombia

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- Year on year profit improvement reflects operational cost savings
- Market conditions generally stable
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- Strategic focus remains on profit improvement
- FY2014 forecast maintained

Notice



The projections contained in this document are based on information currently available to us and certain assumptions that we consider to be reasonable. Hence the actual results may differ. The major factors that may affect the results are the economic environment in major markets (such as Europe, Japan, the U.S. and Asia), product supply/demand shifts, and currency exchange fluctuations.

Nippon Sheet Glass Co., Ltd.



Appendices

Revenue by Business

Q1 FY2014



(JPY bn)	Japan	Europe	North America	Rest of World	Total
Architectural	17.4	22.4	5.7	12.1	57.6
Automotive	11.5	36.0	18.5	11.7	77.7
Technical	7.9	2.0	0.3	5.0	15.2
Others	0.2	0.0	0.0	0.0	0.2
Total	37.0	60.4	24.5	28.8	150.7

Trading profit

Q1 FY2014



(JPY bn)	Archtectural	Automotive	Technical Glass	Other	Total
Trading Profit	0.3	2.9	2.0	(1.1)	4.1

(JPY bn)	Japan	Europe	North America	Rest of World	Total
Trading Profit	1.0	1.0	0.3	1.8	4.1

Assumptions



	Q1 FY2013	Q1 FY2014	FY2014 Forecast
Average rates used:			
JPY/GBP	127	152	150
JPY/EUR	103	129	130
JPY/USD	80	99	100
Closing rates used:			
JPY/GBP	125	151	
JPY/EUR	101	129	
JPY/USD	80	99	

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