



TO OUR SHAREHOLDERS

NIPPON SHEET GLASS CO., LTD.
150TH FISCAL PERIOD INTERIM REPORT
1 APRIL 2015 - 30 SEPTEMBER 2015

'MAKING A DIFFERENCE TO OUR WORLD
THROUGH GLASS TECHNOLOGY'

Securities Code: 5202

MESSAGE FROM THE PRESIDENT AND CEO

On behalf of the NSG Group, I thank you for continued support. I am pleased to present the interim report for the period ended 30 September 2015.

During the first two quarters of the financial year, market conditions continued to be mix. The cumulative operating profit is lower than previously anticipated due mainly to difficult market conditions in the Group's display glass division, within the Technical Glass business.

The directors, regrettably, did not recommend an interim dividend for the year to end 31 March 2016. We deeply apologize to our shareholders for this.

We will further accelerate ongoing actions including expansion of the ratio of value-added products as planned in our Medium-term Plan.

We look forward to your continuing understanding and support of our activities.

3 December 2015



Shigeki Mori
Representative Executive Officer
President and CEO
Nippon Sheet Glass Co., Ltd.

森 重樹

CEO Interview

Q Please can you explain the performance in the first half-year of FY2016?

As our Group's results in the first two quarters of the financial year, the Group recorded revenues of ¥321,735 million, 4% above the previous year, and operating profits of ¥6,088 million, similar to the previous year.

Operating results in the Architectural business were better than the previous year due mainly to reduced input prices and further improvements in market conditions in North America. Revenues increased with the improvement in North American markets and the translational impact of the weakened Japanese yen.

In the Automotive business, revenues were slightly better than the previous year, due partly to the translational impact of a weaker Japanese yen. In Europe, representing 44 percent of the Group's Automotive sales, total local currency revenues and profits were both slightly improved from the previous year.

Revenues and profits in the Technical Glass business were below the previous year due to a challenging competitive environment in Display business, exacerbated by production issues at the Group's facilities. Volumes of glass cord used in engine timing belts were similar to the previous year. Demand for components used in multi-function printers improved from the previous year.

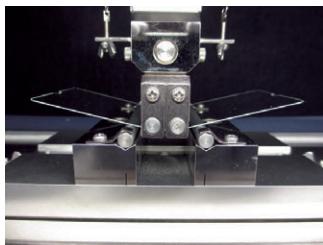
* For more information on consolidated financial highlights, please see page 3 of this report.

Q Please can you comment on the prospects for FY2016?

The Group anticipates a gradual improvement in market conditions during the remainder of FY2016 in its main businesses, except for the display glass business, which is expected to remain challenging. Taking account of the above factor, the Group expects to record revenues of ¥650 billion and operating profits of ¥19 billion as forecast for FY2016.

In Europe, Architectural markets are likely to be broadly flat. Automotive markets should benefit from a continuation of the positive vehicle sales recently experienced, although will still be significantly below pre-recession levels. Architectural markets in Japan are likely to register a modest improvement. Automotive markets in Japan are expected to be generally flat. Volumes in North America are expected to be robust, although automotive volumes in South America will continue to suffer from a challenging economic environment. Market conditions in South East Asia are likely to improve further, and demand for Solar Energy glass should continue to improve. Technical glass markets are expected to be mixed.

The Group will continue to focus on maximization of capacity utilization and growing VA (value added) products ratio for earnings recovery.



 glanova

glanova™, new composition thin glass for chemical strengthening, has higher toughness and are used as cover glass for smart phones or tablets.

Q Eight months having passed since you were appointed as President and CEO, please can you state again how the Group will take actions to improve the performance of the Group?

In May 2014, the Group has announced its Long-term Strategic Vision, which is to transform the NSG Group into a VA Glass Company. 'VA' comes from 'Value-added'. We are concentrating our resources on development of VA products and expansion of their sales under this vision.

For example, in Architectural, the Group sells the VA products having our unique technologies for various uses in North America or other countries according to each different demand in each different region. In Automotive, we are commercializing our VA Products such as Super UV CUT or glass for head-up display. In Technical Glass, though the Group's display glass business was affected by difficult market conditions, we renew our efforts such as launch of new brand, 'glanova™', our thin glass product, to be used as cover glass, demands of which are expected to increase. The Group continues to develop VA products fitting into each region. Although some regions have shown mixed results, where the performance is weak we will take additional improvement measures, while we will step up our efforts to seek higher profitability for those with strong performance.

Although the directors, regrettably, did not recommend a dividend for the period ended 30 September 2015, we concentrate our efforts through these activities to improve our profitability toward resumption of dividend as early as possible. We appreciate your understanding.

* For more information on VA products, please see page 4 of this report.

CONSOLIDATED FINANCIAL HIGHLIGHTS

Income statement

	Millions of yen		
	Fiscal 2016 interim period	Fiscal 2015 interim period	Fiscal 2015
Revenue	321,735	309,477	626,713
Operating profit	6,088	6,093	16,848
Profit/(loss) before taxation	(4,667)	10,862	4,807
Profit/(loss) for the period	(1,603)	8,285	2,893
Profit/(loss) attributable to the owners of the parent	(2,738)	7,884	1,668
Earnings per share (yen)	(3.03)	8.73	1.85

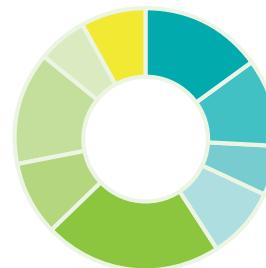
Balance sheet

	Millions of yen	
	30 September 2015	31 March 2015
Non-current assets	646,374	652,964
Current assets	260,992	267,142
Total assets	907,366	920,106
Total liabilities	723,935	734,098
Total equity	183,431	186,008
Total liabilities and equity	907,366	920,106

Statement of cash flows

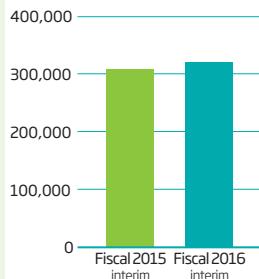
	Millions of yen	
	Fiscal 2016 interim period	Fiscal 2015 interim period
Net cash outflows from operating activities	(3,039)	(910)
Net cash outflows from investing activities	(17,523)	(11,031)
Cash flow before financing activities	(20,562)	(11,941)
Net cash inflows from financing activities	5,323	9,954
Cash and cash equivalents (net of bank overdrafts) at the end of the period	47,004	51,473

Net revenue by business



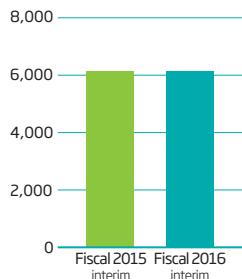
Revenue

Millions of yen



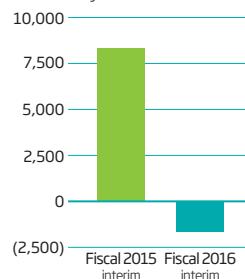
Operating profit

Millions of yen



Profit/(loss) for the period

Millions of yen



Architectural Europe	15%
Architectural Japan	11%
Architectural North America	6%
Architectural Rest of World	9%
Automotive Europe	22%
Automotive Japan	9%
Automotive North America	14%
Automotive Rest of World	6%
Technical Glass	8%

Note: The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS). Operating profit above is defined from FY2016 as being operating profit stated before exceptional items.

Special Feature: NSG Group's value-added (VA) products

VA Products in Architectural North America

NSG Group aims to transform into 'VA Glass Company' and is focusing on expansion of VA products ratio under our Long-term Strategic Vision and Medium-term Plan. We are pleased to introduce to you some of the VA products in Architectural North America, which has the highest VA products ratio within the Group.

1. VA products based on our unique online CVD coating technology

NSG TEC™ : Glass with a pyrolytic on-line electric conductive coating. NSG TEC™ is used for applications requiring electrical conductivity, including glass substrate for thin film photovoltaic modules, large-size touch panel display for advertising (digital signage), and thermal glass for commercial refrigeration.

OptiView™ : Glass with an anti-reflective coating. OptiView™ reduces visible light reflectance, and thus is used for art display cases and screen for digital signage.

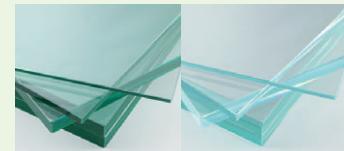
MirroView™ : Glass with a high reflective mirror coating. MirroView™ looks like a normal mirror when the screen is 'off.' When the screen is 'on,' the image shows through the mirror for a clear view of the screen beneath. This product is used for hotels and shopping malls where advertising displays, TVs and mirrors are most commonly used.

2. Extra clear glass attracting world's attention

Optiwhite™ : This is a low iron extra clear float glass. It is practically colorless and the green cast inherent to other glasses is not present. As this product allows highest transparency for true color representation, it is used for glass display cabinets showing the color of products inside as it is, and for buildings whose design is of paramount importance.



MirroView™ looks like a normal mirror when the screen is 'off'(left). When the screen is 'on,' the image shows through the mirror for a clear view of the screen beneath (right).



Float glass

Optiwhite™



NEWS

Commencement of production of extra clear glass 'Optiwhite™' in Japan

As well as in North America where Optiwhite™ is one of the most popular products, demand for Optiwhite™ in Japan has been increasing. The Group commenced to produce the said products in Japan due to expected further increase in domestic demands, although previously it used to sell such products imported from its overseas manufacturing factory.

NSG's Optiwhite™ is used for 'Granroof' facility, which is located near Tokyo station's Yaesu exit.

CORPORATE DATA (as at 30 September 2015)

Company name	Nippon Sheet Glass Co., Ltd.	Established	22 November 1918
Head office	Sumitomo Fudosan Mita Twin Building West Wing, 5-27, Mita 3-chome, Minato-ku, Tokyo 108-6321 Japan Tel: +81-3-5443-9500	Number of permanent employees	27,468 (consolidated)
		Paid-in capital	¥116,449 million
		Stock listing	Tokyo (Code: 5202)
		Contact	www.nsg.com/en/contact-us

MANAGEMENT (as at 30 September 2015)

NSG Group adopts a Company with Three Committees structure.

Directors

External Director, Chairman of the Board	Seiichi Asaka	■ Nomination Committee	■ Audit Committee	■ Compensation Committee
External Director	Hiroshi Komiya	■ Nomination Committee (Chairman)	■ Audit Committee	■ Compensation Committee
External Director	Günter Zorn	■ Nomination Committee	■ Audit Committee	■ Compensation Committee (Chairman)
External Director	Toshikuni Yamazaki	■ Nomination Committee	■ Audit Committee (Chairman)	■ Compensation Committee
Director	Shigeki Mori	■ Nomination Committee		■ Compensation Committee
Director	Clemens Miller			
Director	Mark Lyons			
Director	Kenichi Morooka	■ Nomination Committee		■ Compensation Committee

Executive Officers

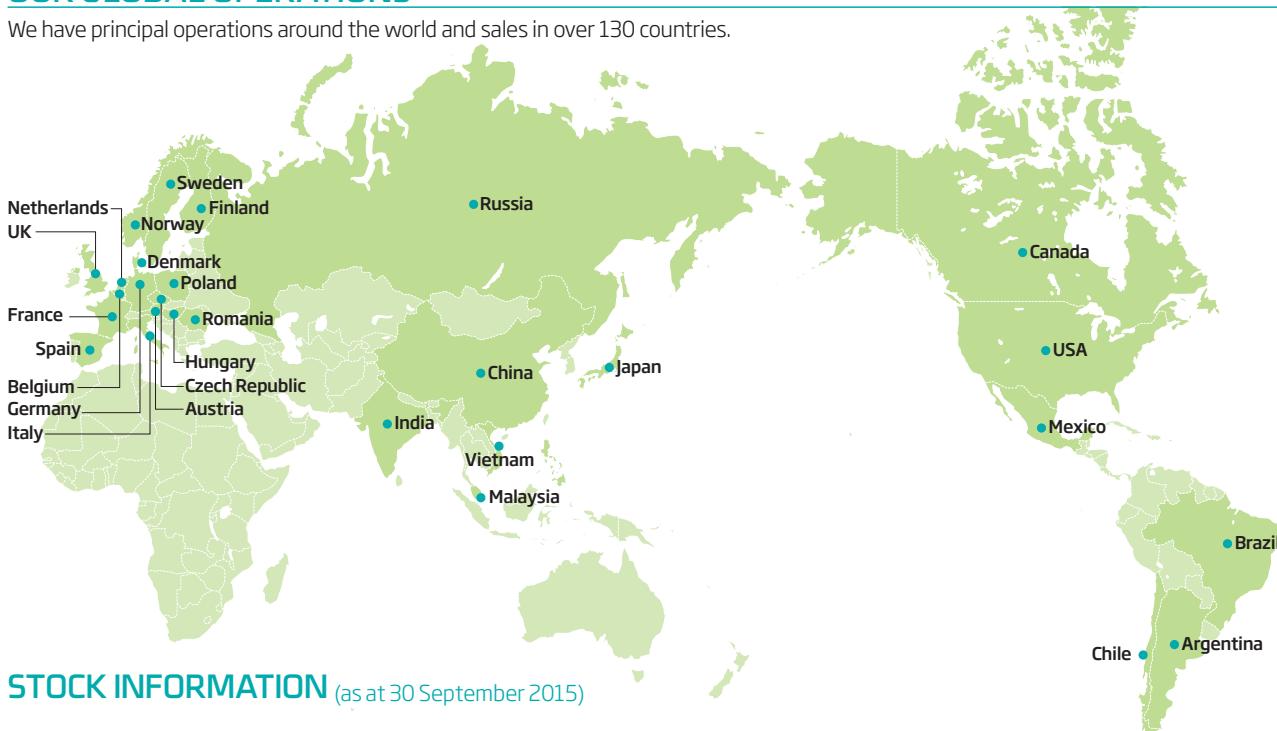
Representative Executive Officer, President and CEO	Shigeki Mori	Representative Executive Officer, Executive Vice President and CFO	Mark Lyons
Representative Executive Officer, Executive Vice President and COO	Clemens Miller	Executive Officer, Executive Vice President	Kenichi Morooka

Corporate Officers

Senior Corporate Officer	Tony Fradgley	Corporate Officer	Kazumitsu Fujii
Senior Corporate Officer	Ichiro Fujiki	Corporate Officer	Keita Kakehashi
Senior Corporate Officer	Kazuhiko Fujimaki	Corporate Officer	Masaya Kato
Senior Corporate Officer	Koichi Hiyoshi	Corporate Officer	Shiro Kobayashi
Senior Corporate Officer	Minoru Imanishi	Corporate Officer	Paul Ravenscroft
Senior Corporate Officer	Hiroshi Kishimoto	Corporate Officer	Iain Smith
Senior Corporate Officer	Phil Ramsey	Corporate Officer	Shinji Tsuchie
Senior Corporate Officer	Jochen Settelmayer	Corporate Officer	Yasuyuki Watanabe
Senior Corporate Officer	Milena Stanisci		
Senior Corporate Officer	Phil Wilkinson		

OUR GLOBAL OPERATIONS

We have principal operations around the world and sales in over 130 countries.



STOCK INFORMATION (as at 30 September 2015)

Number of shares/shareholders

Authorized shares	1,775,000,000
Issued shares	903,550,999
Number of shareholders	74,493

Distribution of NSG Group Shareholders



Major shareholders

	Number of shares	Percentage of shares
The Master Trust Bank of Japan, Ltd. (Trust Account)	34,573,000	3.82
Japan Trustee Services Bank, Ltd (Trust Account)	33,471,000	3.70
CBNY DFA Intl Small Cap Value Portfolio	20,531,000	2.27
Mellon Bank, N.A. As Agent For Its Client Mellon Omnibus US Pension	14,125,617	1.56
State Street Bank and Trust Company	11,579,703	1.28
Japan Trustee Services Bank, Ltd (Trust Account 2)	10,328,000	1.14
Japan Trustee Services Bank, Ltd (Trust Account 5)	10,315,000	1.14
Japan Trustee Services Bank, Ltd (Trust Account 6)	10,294,000	1.13
Japan Trustee Services Bank, Ltd (Trust Account 1)	10,292,000	1.13
Japan Trustee Services Bank, Ltd (Trust Account 3)	10,178,000	1.12

SHAREHOLDER INFORMATION

Fiscal period	1 April to 31 March of the following year
Ordinary General Meeting of Shareholders	Held annually in June
Record dates	Ordinary General Meeting of Shareholders: 31 March Dividend: 30 September and 31 March
Transfer agent	Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan
Operating office	Stock Transfer Agency Department, Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan
Public notice	www.nsg.com
Independent auditors	Ernst & Young ShinNihon LLC

If you need to record any changes in your address, personal details or any other relevant matter, please contact the securities company administrating your shareholder account. If you do not use a securities company, please notify our Transfer Agent as shown below.

Notice to shareholders holding odd-lot shares

If you hold an odd-lot of shares (1 to 999 shares), which is less than a trading unit of shares (1,000 shares), you could:

1. sell these shares to the Company, or
2. purchase odd-lot shares from the Company to supplement your holding to the extent necessary to constitute a trading unit.

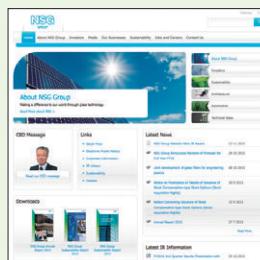
Please contact the securities company administrating your shareholder account for its specific procedures.

If you do not use a securities company, please contact our transfer agent as shown below.

Mail address Stock Transfer Agency Department,
Sumitomo Mitsui Trust Bank, Limited
8-4, Izumi 2-chome, Suginami-ku,
Tokyo 168-0063, Japan

Telephone Number ☎ 0120-782-031 (toll free in Japan)

Website



Further information about the Group including its financial results and latest IR information is available at www.nsg.com

IR Calendar (current plan)

2016			
Jan.	29(Fri.) 3 rd Quarter Financial Results.	Jul.	1 st Quarter Financial Results
Feb.		Aug.	
Mar.		Sep.	
Apr.		Oct.	2 nd Quarter Financial Results
May	Annual Results	Nov.	
Jun.	Shareholders' General Meeting, To Our Shareholders Business Report	Dec.	To Our Shareholders Business Report