5 August 2010

FY2011 CUMULATIVE QUARTER 1 RESULTS

(From 1 April 2010 to 30 June 2010)

- **Results reflect increased market stability, with further improvement in some areas**
- **Improving performance within joint ventures and associates**
- **Cost savings from restructuring showing through in results**
- **Revised forecast reflects improved market conditions**

Results reflect increased market stability, with further improvement in some areas

- Cumulative Group revenues ¥ 148bn (Q1 FY10: ¥ 144bn) and profit of ¥ 6.9bn (before amortization) (Q1 FY10: ¥ 6.4bn loss).
- Sales up 3% (9% at constant exchange rates).
- Building Products results reflect improving market conditions and cost savings.
- Revenue and profits in Automotive are ahead of last year due to robust original equipment demand and a resilient performance in automotive glass replacement.
- Strong growth in Specialty Glass profitability.
- Return to positive net income during the quarter.

Improving performance within joint ventures and associates

- Most of the Group's joint ventures and associates' profits have improved compared to the same period last year.
- Cebrace (50% owned JV in Brazil Building Products) benefiting from strong market conditions and profitability.
- Building Products coated line operations, a 50% owned float glass joint venture in China, profitable after starting up last year.

Cost savings from restructuring showing through in results

- Cost savings from the restructuring last year continue to be realized.
- Income statement also benefiting from slightly reduced input costs.
- Improved capacity utilization rates following increased demand.

Revised forecast reflects improved market conditions

- Half year forecast for operating income, ordinary income, and net income, revised to ¥ 9bn, ¥ 6bn, and ¥ 1bn respectively from ¥ 4bn, ¥ 1bn, and a net loss of ¥ 3bn respectively.
- Revised operating income forecast for the first half of the financial year primarily reflects stronger demand for the Group's products.
- Full year forecast for operating income, ordinary income, and net income, revised to ¥ 15bn, ¥ 10bn, and ¥ 1bn respectively from ¥ 10bn, ¥ 4bn, and a net loss of ¥ 4bn respectively.
- Revised forecast for the full year reflects the improvements in the forecast for the first half of the year together with an expectation of continued improvements in affiliated companies' profits, credited to non-operating items.
- The Group's expectations of operating income in the second half of the year remain unchanged.
- For both the half year and full year net sales remain unchanged due to the translation effect of a strong Japanese yen.

Extract from NSG Group FY2011 quarter 1 financial results presentation, 5th August 2010.

Consolidated Income Statement

(JPY bn)	Q1 FY11	Q1 FY10	Change from Q1 FY10
Sales	**148.0**	**143.6**	**3%****
Op.Income before amortization*	**6.9**	**(6.4)**	
Amortization*	(4.2)	(4.6)	
Operating income	**2.7**	**(11.0)**	
Non-operating items	(1.7)	(4.8)	
Ordinary income	**1.0**	**(15.8)**	
Extraordinary items	0.3	(1.1)	
Pre-tax income	**1.3**	**(16.9)**	
Net Income	**0.2**	**(15.7)**	
EBITDA	15.1	4.2	+ 260%

* Amortization arising from the acquisition of Pilkington plc only

** +9% based on constant exchange rates

Return to profitability