



29 October 2015

FY2016 QUARTER 2 RESULTS

(from 1 April 2015 to 30 September 2015)

- **Trading profit remains at same level as previous year**
- **Indications of improving outlook in Europe**
- **Improved performance in Japan**
- **Performance in North America and South East Asia remains strong**
- **Difficult market conditions persist in South America**
- **FY16 revenue and operating profit forecast revised to reflect challenging market conditions in Display glass business**

Trading profit remains at same level as previous year

- Cumulative Group revenues of ¥ 321.7bn were 4% above the previous year (Q2 FY15: ¥ 309.5bn)
- Trading profit, before amortization and exceptional items, of ¥ 10.1bn (Q2 FY15: ¥ 10.3bn)
- Q2 FY16 Architectural revenue ¥ 133.1bn (Q2 FY15: ¥ 123.9bn) and profits of ¥ 9.1bn (Q2 FY15: ¥ 5.8bn)
- Q2 FY16 Automotive revenue ¥ 162.4bn (Q2 FY15: ¥ 155.7bn) and profits of ¥ 4.2bn (Q2 FY15: ¥ 3.9bn)
- Q2 FY16 Technical Glass revenue ¥ 25.8bn (Q2 FY15: ¥ 29.2bn) and profits of ¥ 0.2bn (Q2 FY15: ¥ 2.4bn)

Indications of improving outlook in Europe

- Signs of architectural market improvement in some regions
- Gradual recovery in Western Europe automotive markets

Improved performance in Japan

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

Performance in North America and South East Asia remains strong

- Architectural markets in North America continue to show growth
- Architectural businesses in South East Asia enjoyed robust demand

Difficult market conditions persist in South America

- Lower Architectural profits in Argentina due to cold repair
- Sluggish conditions persist in automotive markets

FY16 revenue and operating profit forecast revised to reflect challenging market conditions in Display glass business

- Challenging market conditions expected to persist in Display glass business
- Other businesses performing as expected

Consolidated Income Statement



(JPY bn)	<u>Cum O2 FY2016</u>	<u>Cum O2 FY2015</u>
Revenue	321.7	309.5
Trading profit	10.1	10.3
Amortization*	(4.0)	(4.2)
Operating profit	6.1	6.1
Exceptional items	(1.5)	13.2
Finance expenses (net)	(8.8)	(8.8)
Share of JVs and associates	(0.5)	0.4
Profit/(loss) before taxation	(4.7)	10.9
Profit/(loss) for the period	(1.6)	8.3
Profit/(loss) attributable to owners of the parent	(2.7)	7.9
EBITDA	27.1	26.3

* Amortization arising from the acquisition of Pilkington plc only

Profit reflects mixed market conditions

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Revised Forecast



(JPY bn)	<u>Original Forecast FY2016</u>	<u>New Forecast FY2016</u>	<u>Movement</u>
Revenue	655	650	(5)
Operating profit	24	19	(5)

- Challenging market conditions expected to persist in display glass business
- Other businesses performing as expected

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