

2 November 2017

FY2018 QUARTER 2 RESULTS

(1 April to 30 September 2017)

- **Good start for the first year of Medium-term Plan (MTP) Phase 2, with results in line with forecast**
- **European businesses benefitting from robust market conditions**
- **Technical Glass showing solid profitability improvement**
- **Continued delivery of operational improvements**
- **Capturing business opportunities in advancing car technologies and making progress in VA investments**
- **FY2018 forecast unchanged**

Good start for the first year of Medium-term Plan (MTP) Phase 2, with results in line with forecast

- Cumulative Group revenues of ¥ 297.0bn increased from the previous year (Q2 FY2017: ¥ 289.8bn)
- Trading profit, before amortization and exceptional items of ¥ 18.7bn, continues to show improvement, supported by the robust European markets, solid profitability in Technical Glass and further improvements in operational performance (Q2 FY2017: ¥ 15.7bn)

	Revenue		Trading Profit	
	FY18 Q2	FY17 Q2	FY18 Q2	FY17 Q2
Architectural Glass	¥ 119.3bn	¥ 118.4bn	¥ 13.3bn	¥ 13.4bn
Automotive Glass	¥ 153.1bn	¥ 147.9bn	¥ 5.9bn	¥ 5.3bn
Technical Glass	¥ 24.1bn	¥ 23.3bn	¥ 3.3bn	¥ 0.5bn

European businesses benefitting from robust market conditions

- Architectural markets continue to be positive leading to a robust pricing environment

Technical Glass showing solid profitability improvement

- Profitability in all business segments showed improvement from the previous year
- Positive contribution from the disposal of non-current assets

Continued delivery of operational improvements

- Operational improvements leading to improved results

Capturing business opportunities in advancing car technologies and making progress in VA investments

- New APBL (Advanced Press Bending for Laminated glass) lines starting in Japan, Europe and the US
- Awarded the world's first windshield with AR (augmented reality) HUD (head-up display)
- Strategic alliance in battery separator business

Excerpt from NSG Group FY2018 Quarter 2 financial results presentation,
2 November 2017

Consolidated Income Statement				
	<u>FY2017</u>	<u>FY2018</u>	<u>FY2018</u>	
	<u>Q2</u>	<u>Q2</u>	<u>Forecast</u>	
(JPY bn)				
Revenue	289.8	297.0	600.0	
Trading profit	15.7	18.7	38.0	
Amortization *	(2.2)	(1.0)	(2.0)	
Operating profit	13.5	17.7	36.0	
Exceptional items	6.4	(1.8)	(6.0)	
Finance expenses (net)	(9.3)	(7.6)	(15.0)	
Share of JVs and associates	0.3	1.0	2.0	
Profit before taxation	10.9	9.3	17.0	
Profit for the period	5.1	5.7	10.0	
Profit attributable to owners of the parent	4.2	4.9	8.0	
EBITDA	30.0	33.0		

* Amortization arising from the acquisition of Pilkington plc only

Results in line with forecast

2 November 2017 | FY2018 Quarter 2 Results

For enquiries:

- Investor Relations: 03-5443-0100
- Corporate Communications: 03-5443-9477