

Nippon Sheet Glass Co., Ltd.

Consolidated Financial Statements for 9 Months to December 2004

Consolidated Balance Sheets

(¥ million)

	Dec 31, 2004	Mar 31, 2004	Change	Dec 31, 2003
(ASSETS)				
Total current assets	174,616	165,785	8,831	164,518
Cash and deposits	63,010	55,968	7,041	42,066
Notes and accounts receivable: Trade	62,984	61,927	1,057	65,176
Inventories	38,939	36,184	2,755	40,759
Other current assets	9,682	11,705	(2,022)	16,516
Total fixed assets	260,817	276,378	(15,560)	288,120
Tangible fixed assets	115,800	126,271	(10,470)	137,248
Intangible fixed assets	4,030	3,999	31	5,218
Investments and other assets	140,985	146,107	(5,121)	145,653
Total assets	435,433	442,163	(6,729)	452,638
(LIABILITIES)				
Current liabilities	111,927	136,219	(24,291)	149,673
Notes and accounts payable: Trade	38,456	41,939	(3,483)	40,071
Short-term bank borrowings	39,699	53,301	(13,601)	68,536
Current portion of bonds	9,600	19,791	(10,191)	19,791
Other current liabilities	24,171	21,187	2,984	21,274
Long-term liabilities	116,353	99,483	16,870	97,714
Unsecured bonds	43,000	29,800	13,200	29,800
Long-term bank borrowings	35,212	31,211	4,001	30,757
Other long-term liabilities	38,141	38,472	(331)	37,156
Total liabilities	228,281	235,702	(7,421)	247,387
(MINORITY INTERESTS)				
Minority interests in consolidated subsidiaries	2,793	5,898	(3,104)	9,182
(SHAREHOLDERS' EQUITY)				
Common stock	41,060	41,060	-	41,060
Additional paid-in capital	50,373	50,371	1	50,371
Retained earnings	93,855	90,558	3,296	87,537
Unrealized holding gain on securities	27,400	28,751	(1,350)	25,900
Translation adjustments	(8,130)	(10,010)	1,879	(8,648)
Treasury stock, at cost	(200)	(170)	(29)	(153)
	204,358	200,562	3,796	196,068
Total liabilities, minority interests and shareholders' equity	435,433	442,163	(6,729)	452,638

Consolidated Statements of Operations

(¥ million)

	9 Months to Dec 2004	9 Months to Dec 2003	Change
Net sales	193,872	193,749	269,149
Cost of sales	140,609	145,338	200,973
Gross income	53,263	48,410	68,175
Selling, general and administrative expenses	43,787	42,783	58,150
Operating income	9,475	5,627	10,025
Non-operating income	6,117	4,118	6,472
Non-operating expenses	4,855	7,713	8,740
Income before extra-ordinary items	10,737	2,032	7,757
Extra-ordinary income	3,315	9,000	15,053
Extra-ordinary losses	4,590	6,386	13,249
Income before income taxes and minority interests	9,462	4,646	9,562
Income taxes :Current	2,925	2,527	3,998
Income taxes :Deferred	120	706	2,121
Minority interests in net income of consolidated subsidiaries	307	388	234
Net income	6,109	1,023	3,207

Consolidated Statements of Cash Flows

(¥ million)

	9 Months to Dec 2004	9 Months to Dec 2003	Change
Cash flows from operating activities:			
Income before income taxes and minority interests	9,462	4,646	9,562
Depreciation and amortization	9,276	11,350	14,875
Decrease (increase) in notes and accounts receivable	(3,140)	(2,508)	1,166
Decrease (increase) in inventories	(3,105)	(4,410)	(429)
(Decrease) increase in notes and accounts payable	(1,055)	3,001	2,096
Other, net	170	(4,224)	(7,409)
Subtotal	11,606	7,855	19,861
Interest and dividend income received	3,786	3,658	4,139
Interest paid	(1,492)	(2,309)	(3,144)
Income taxes paid	(4,008)	(2,101)	(3,252)
Net cash provided by operating activities	9,892	7,104	17,603
Cash flows from investing activities:			
Purchases of property, plant and equipment	(8,392)	(9,142)	(13,126)
Proceeds from sales of property, plant and equipment	4,502	1,193	3,703
Purchases of investments in securities	(953)	(355)	(5,531)
Proceeds from sales of investments in securities	4,654	9,474	25,046
Other, net	(489)	(2,854)	(451)
Net cash provided by (used in) investing activities	(678)	(1,685)	9,641
Cash flows from financing activities:			
Increase (decrease) in short-term borrowings	(4,095)	3,462	817
Issuance of long-term indebtedness	7,332	3,719	9,306
Repayment of long-term indebtedness	(5,007)	(15,038)	(24,610)
Issuance of bonds	23,000	20,000	20,000
Redemption of bonds	(19,791)	(19,900)	(20,566)
Cash dividends paid	(2,659)	(1,330)	(1,330)
Other, net	(53)	(229)	(240)
Net cash provided by (used in) financing activities	(1,276)	(9,315)	(16,623)
Effect of exchange rate changes on cash and cash equivalents	(924)	(1,138)	(1,045)
Net increase in cash and cash equivalents	7,012	(5,035)	9,575
Cash and cash equivalents at beginning of the year	55,356	45,781	45,781
Effect of change in scope of consolidation	117	-	-
Cash and cash equivalents at end of the quarter	62,251	40,746	55,356