FY 2010 3rd Quarter Consolidated Financial Results

4 February 2010

(English translation of the Japanese original)

Listed Company Name:	Nippon Sheet Glass Co., Ltd.	Stock Exchange Listing: Tokyo, Osaka	
Code Number	5202	(URL http://www.nsggroup.net)	
Representative:	Representative Executive Director, President and CEO	Name:	Katsuji Fujimoto
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Submission of quarterly report to MOF: 12 February 2010		Payment of dividends starts from:	N/A

1. Consolidated business results for FY 2010 Quarter 3 (From 1 April 2009 to 31 December 2009)

(1) Consolidated business results

	Sales		Operating income		Ordinary income		Net income	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
Q3 FY 2010	443,867	(24.3)	(16,649)	-	(25,755)	-	(32,066)	-
Q3 FY 2009	586,437	-	13,420	-	4,581	-	10,543	-

	Net income per share - basic	Net income per share - diluted
Q3 FY 2010	¥ (50.74)	¥ -
Q3 FY 2009	¥ 15.78	¥ 14.83

(2) Changes in financial position

	Gross assets	Net assets	Equity ratio	Total equity per share
	¥ millions	¥ millions	%	¥
FY 2010 Quarter 3	989,147	262,430	25.6	332.38
FY 2009 Full year	1,025,221	257,223	24.1	369.15

Note: Total Equity Q3 FY 2010 ¥ 252,762 million FY 2009 Full year ¥ 246,648 million

2. Dividends

	Dividends per share				
	Q1	Q2	Q3	Q4	Annual
FY 2009 (Actual)	-	¥ 3.00	-	¥ 3.00	¥ 6.00
FY 2010 (Actual)	-	¥ 3.00	-	-	-
FY 2010 (Forecast)	-	-	-	¥ 3.00	¥ 6.00

Note: There were no changes to forecast dividends per common share during the quarter.

The above table includes dividends per share for common stock only. The dividends anticipated to be paid on preferred shares are set out on page 3.

3. Forecast for FY 2010 (From 1 April 2009 to 31 March 2010)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	¥
Full year	590,000	(20.2)	(21,000)	-	(38,000)	-	(45,000)	-	(71.13)

Note: The forecast of operating income, ordinary income and net income has been revised as set out on page 7.

4. Other items

(1) Changes in status of principal subsidiaries --- No

(2) Adoption of simplified accounting policies, procedures, and presentation --- Yes
Note: For details, please refer to page 8.

(3) Changes implemented to the accounting policies, practice and presentations related to the preparation of quarterly consolidated financial statements
1) Changes due to revisions in accounting standards --- Yes
2) Changes due to other reasons --- No
Note: For details, please refer to page 8.

(4) Number of shares outstanding (common stock)
1) Number of shares issued at the end of the period, including shares held as treasury stock:
669,550,999 shares as of 31 December 2009 and 31 March 2009
2) Number of shares held as treasury stock at the end of the period:
1,435,072 shares as at 31 December 2009 and 1,398,921 shares as at 31 March 2009
3) Average number of shares in issue during the period, after deducting shares held as treasury stock:
668,129,553 shares for the period ending 31 December 2009 and 668,217,276 shares for the period ending 31 December 2008

Explanation for the appropriate usage of performance projections and other special items

1. The projections contained in this document are based on information currently available to the Group and certain assumptions considered reasonable. Hence, the actual results may differ. The major factors that may affect the results are the economic environment in major markets (such as Japan, Europe, North and South America, Asia, etc.), product supply/demand shifts, fluctuations in currency exchange and interest rates, as well as price changes in primary fuels and raw materials. Please refer to the section entitled “Prospects” on page 7 for qualitative information such as assumptions used for the projections.

2. Per share numbers set out in above business result and forecast sections are attributable only to common stock of the Company.

Dividends for preferred stock

As proposed and detailed in a press release dated 20 May 2009, following the quarter end, on 1 July 2009, the Company issued 3,000,000 preferred shares with an issue price of ¥ 10,000 per share. The table below shows the forecast dividend payable on such shares for the remainder of FY2010. The preferred stock is unlisted and carries an annual dividend rate of 9.25 percent with an additional 1.5 percent for the first year following issuance.

	Dividends per share				
	Q1	Q2	Q3	Q4	Annual
Type A Preferred Stock					
FY2010 (Actual)	-	¥381.00	-	-	-
FY2010 (Forecast)	-	-	-	¥461.00	¥842.00

Based on a dividend per share of ¥ 842, the forecast total dividend payable on preferred stock for FY2010 is ¥ 2,526 million.

Narratives

1. Business Performance and Financial Standing

(1) Background to Results

Conditions in the Group's major markets remain challenging, but continued to show a gradual improvement during the quarter. The Group's building products markets continued to suffer from low levels of commercial and residential demand. The Group's automotive markets demonstrated further gradual improvements, although concerns remain that demand may soften once government support programs are concluded. Specialty glass markets showed signs of further improvement.

In Europe, building products market conditions remained difficult, with flat glass volumes being approximately 20 percent below the first three quarters of the previous year. Although volumes remained at low levels, market price increases implemented earlier in the year held up relatively well, with prices during the quarter averaging about 10 percent below the prior year level. In automotive markets, cumulative light vehicle sales were below the previous year. Third quarter volumes held at similar levels to the first and second quarters of the year, and represent an improvement from the levels experienced in the last two quarters of the previous financial year, whilst still being significantly below those experienced before the onset of the global economic downturn. Government scrappage schemes provided further support to the stable level of demand. The European automotive replacement (AGR) market continued to prove relatively resilient to the low level of general economic activity. Demand for glass cord gradually improved during the quarter.

In Japan, market conditions continued to be difficult. New housing starts were approximately 30 percent below the level of the previous year and headline market prices remained significantly below last year's levels. Automotive markets continued to experience low levels of demand, although conditions improved slightly during the quarter. Demand for Specialty Glass products continued to improve from the previous low levels.

The North American economy continued to experience low levels of economic activity. In the building products market, housing starts remain below the level of previous years, while the commercial market is still depressed. Cumulative sales of new cars were aided by the US government's "cash for clunkers" program, although, following the conclusion of this program, third quarter sales declined from second quarter levels The AGR market proved challenging, with increasing pressure on both prices and volumes.

The emerging markets in which the Group operates continued to perform relatively well, compared to more developed markets.

(2) Review by Business Segment

The Group's business lines cover three core product sectors; Building Products, Automotive, and Specialty Glass.

Building Products, representing approximately 44 percent of Group sales, includes the manufacture and sale of flat glass and various interior and exterior glazing products within the building products market. It also includes glass for the Solar Energy sector.

Automotive, with approximately 45 percent of Group sales, supplies a wide range of automotive glazing for new vehicles and for replacement markets.

Specialty Glass, representing approximately 11 percent of Group sales, comprises a number of discrete businesses, including the manufacture and sale of very thin glass for small displays, lenses and light guides for printers, and glass fiber products, such as, battery separators and glass components for engine timing belts. The Group completed the sale of its air filters business in October 2009.

The table below shows a summary of cumulative results by business line.

JPY millions	Sales		Operating income	
	Cum Q3 FY10	**Cum Q3 FY09**	**Cum Q3 FY10**	**Cum Q3 FY09**
Building Products	188,888	270,614	(10,743)	12,147
Automotive	195,595	245,269	(1,849)	5,459
Specialty Glass	49,191	58,117	2,544	4,340
Other Operations & Eliminations	10,193	12,436	(6,600)	(8,528)
Total	443,867	586,437	(16,649)	13,420

The narrative below compares regionally, within each business line, the nine-month cumulative operating results to 31 December 2009 with the prior year period to 31 December 2008. From the third quarter of FY2009, the Group's businesses in almost all regions have experienced an unprecedented significant deterioration in trading conditions. Therefore, a brief comparison of the operating results for the second and third quarters of the current financial year has also been made at the end of each section.

Building Products Business

In the Building Products (BP) business, the cumulative result for the first three-quarters was significantly down on the same period of the previous year, due to lower volumes and reduced prices in difficult market conditions across all territories.

In Europe, representing 48 percent of the Group's BP sales, cumulative revenue was lower than in the first three quarters of the prior year, due to lower prices and volumes in difficult markets. Consequently, the profit performance was also lower. Price increases, implemented earlier in the year, have held relatively well. During the second quarter of the year, the Group disposed of its downstream business in Switzerland and the majority of its downstream business in France.

Cumulative revenues in Japan, representing 31 percent of BP sales, fell as the continued weakness of commercial and residential construction markets led to significantly reduced volumes. As in Europe, the BP business in Japan moved from cumulative profits to cumulative losses.

In North America, representing 9 percent of BP sales, cumulative revenues decreased compared to the prior year, due mainly to reduced prices. Profits fell, as cost savings and an improving product mix were offset by the lower prices, and costs arising from the insolvency of a significant customer.

In the rest of the world, revenues were also below the level of the previous year, with volumes falling in line with difficult market conditions. Year-on-year profits also declined, due to reduced volumes and prices.

The Building Products business achieved cumulative sales of ¥188,888 million and an operating loss of ¥10,743 million.

Third quarter BP revenues for the three-month period to 31 December 2009 were similar to the second quarter to 30 September 2009, as markets were stable, but with generally weak demand. Selling prices in Europe held up well during the third quarter. Losses decreased with cost savings being realized across all regions.

Automotive Business

In the Automotive business, cumulative revenues were significantly below the level of the previous year. Profitability also declined, although the impact of lower volumes was partially offset by cost reductions.

Europe represents 50 percent of the Group's Automotive sales. In the European Original Equipment (OE) sector, cumulative revenues fell, due to reduced levels of demand, although government scrappage schemes provided a temporary demand stimulus. Cost savings continued to be realized. Results in the Automotive Glass Replacement (AGR) business were relatively robust, although both revenues and profits were below the levels of the previous year.

In Japan, representing 16 percent of the Group's Automotive sales, revenues were significantly below last year, due to reduced levels of demand. A cumulative loss was recorded as a result of the reduced volumes.

In North America, representing 21 percent of the Group's Automotive sales, cumulative sales were significantly below the first three quarters of the previous year, again due to reduced volumes. OE revenues and profits declined in the difficult market conditions. AGR profitability continued to be below prior year levels, due to both reduced demand and market prices.

In the rest of the world, cumulative revenues and profits were below the prior year level, although emerging market regions held up relatively well compared to more developed markets.

The Automotive business recorded sales of ¥195,595 million and an operating loss of ¥1,849 million.

Third-quarter Automotive revenues for the three-month period to 31 December 2009 were similar to the second quarter as markets were generally stable. The Automotive business recorded an operating profit in the quarter despite the relatively flat sales as cost savings continued to be realized.

Specialty Glass Business

Revenues and profits in Specialty Glass were below the prior year. The quarterly result however, represented a further improvement on the preceding quarter, with an increase in seasonal demand and an underlying improvement in market conditions. The strength of the Japanese yen continued to hit exports of components for printers and scanners.

The Specialty Glass business recorded sales of ¥49,191 million and an operating profit of ¥2,544 million.

Other Operations

This segment covers corporate costs and engineering income, but also includes small businesses not included in the segments covered above. Operating losses incurred in Other Operations were below the previous year due to engineering income recognized in the third quarter.

Consequently, this segment recorded sales of ¥10,193 million and an operating loss of ¥6,600 million.

Joint Ventures and Associates

The Group's share of the results of its joint ventures and associates is included within non-operating income in the income statement. The Group's share of joint ventures and associates profits was lower than in the previous year, due mainly to declining year-on-year profits at Cebrace, the Group's joint venture in Brazil. Elsewhere, most of the Groups' other joint ventures and associates continued to suffer from challenging market conditions and recorded reduced profits.

2. Financial condition

Total assets at the end of December 2009 were ¥989,147 million, representing a decrease of ¥36,074 million from the end of March 2009. The Group has adopted "Net Debt" (interest-bearing debt minus cash and cash equivalents) as a Key Performance Indicator for its financial performance. The table below shows the movement of "Net Debt" following the acquisition of Pilkington in June 2006.

		Net Debt
		JPY million
FY 2007 Quarter 1	30 June 2006	514,097
FY 2007 Full year	31 March 2007	400,203
FY 2008 Full year	31 March 2008	328,479
FY 2009 Full year	31 March 2009	331,343
FY 2010 Quarter 3	31 December 2009	314,955

Net financial indebtedness decreased by ¥ 16,388 million from 31 March 2009 to ¥ 314,955 million at the period end, mainly due to the proceeds from the issuance of preference shares of ¥30,000 million, offset by restructuring expenditure in line with the Group's previously announced programs. Currency movements generated an increase in net debt of approximately ¥7,090 million over the period. Gross debt was ¥414,349 million at the period end. During the year, the Group refinanced external debt of approximately ¥112,000 million. This includes ¥35,000 million of refinancing signed on 29 January 2010, with a weighted average maturity of four years and a final maturity of five years. The total proceeds of the most recent refinancing will be used to prepay existing borrowings maturing in February 2011. The Group's continuing debt management and refinancing program aims to replace the Group's maturing debt with new debt and increase the maturity profile of the Group's borrowings. The refinancing of all of the Group's maturities in financial year 2010 has been completed and refinancing of the remaining maturities in financial year 2011 is currently in progress. As at 31 December 2009, the Group had unused committed financial facilities of ¥ 22,500 million maturing in February 2011 and ¥ 40,000 million maturing in November 2013.

Cash outflows from operating activities were ¥9,477 million. Cash inflows from investing activities were ¥4,204 million, including proceeds from the sale of securities of ¥7,659 million and the purchase of tangible fixed assets of ¥11,131 million. As a result, total cash outflows before financing were ¥5,273 million.

3. Prospects

The cumulative result for the first three quarters is, as expected, significantly down on the same period in the previous year, when market conditions were considerably more favorable. The current quarter has however, seen improved operating results across each of the Group's business lines as further cost savings have been realized, and some of the Group's markets have continued to recover gradually.

The full-year forecast of sales, operating income, ordinary income and net income is set out on page 2. The forecast for operating income, ordinary income, and net income, represents a further improvement from the forecast issued with the second quarter results announced on 12 November 2009. This new revised forecast reflects the improved current profitability, whilst anticipating seasonally challenging market conditions in the final quarter of the current financial year. The Group does not anticipate further dramatic improvements in market conditions in the near-term, and Automotive markets in particular are likely to experience some softening of demand following the conclusion of government vehicle purchase incentive schemes.

The Group's previously announced restructuring programs continued to progress in line with expectations. As a direct result of these programs, approximately 2,000 employees left the Group during the first three quarters taking the total reduction in employees to 6,500. The Group remains confident that it will achieve its target reductions of 6,700 by March

2010.

The Group's forecasts and projections, taking into account a prudent and conservative view of changes in trading performance, show that the Group is able to continue to operate within existing financial facilities. The Group will enter into renewal negotiations with its providers of finance before such facilities mature. In discussions with its bankers on future borrowing requirements, no matters have been drawn to the Group's attention to suggest that renewal would not be forthcoming on acceptable terms.

After making enquiries, the directors have reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Group continues to apply the going concern basis in preparing these financial statements.

4. Others (Changes in accounting policies, etc.)

(1) Changes in status of principal subsidiaries

During the third quarter of this financial year, there was no change in status of principal subsidiaries "*Tokutei-Kogaisha*", as defined in the "Ordinance for Corporate Disclosures".

(2) Adoption of simplified accounting policies, procedures, and presentations

1. Simplified accounting treatments

1) Estimations of the amount of bad debt included in the balance of normal receivables

The Company and its consolidated subsidiaries calculate the amount of provision for bad debt relating to normal receivables, using the rate of default that had been computed in the previous year.

2) Calculations for the ending balance of inventories

The Company and consolidated subsidiaries calculate the closing balance of inventories based on the amounts recorded in the relevant inventory and accounting systems at 31 December 2009. Inventory counts conducted at 30 September 2009, the results of which are included within the opening inventory balance of the current accounting period, are not generally repeated at quarter-end dates.

3) Income tax, deferred tax assets and liabilities

In determining the recoverability of deferred tax assets, the Company and its consolidated subsidiaries utilize the information obtained from future business forecasts and tax planning methods which have been used in the previous year.

2. Special accounting treatments adopted for the preparation of quarterly consolidated financial statements

1) Calculations of income tax expenses

The Company and its consolidated subsidiaries calculate income tax expenses for the third quarter, based on the effective annual tax rates that have been practically evaluated.

The sum of current and deferred income taxes for the period is presented in the income statement.

(3) Changes implemented to the accounting policies, practice and presentations related to the preparation of quarterly consolidated financial statements

1) Changes in standards to record construction revenue and cost of construction work

From the first quarter of this financial year, "Accounting Standard for Construction Contracts" (Accounting Standards Board of Japan Statement No.15, issued on 27 December 2007) and the "Guideline to Apply the Accounting Standards on Construction Contracts" (Guideline to Apply the Accounting Standards Board of Japan Statement No.18, issued on 27 December 2008) have been applied. As a result, for the construction contracts launched from the first quarter, the percentage of completion basis method, with cost proportion method to estimate the progress of construction, is applied for the construction works with assured progress as of the end of this third quarter, and the completed work basis method is applied for other construction works. The application of this accounting standard did not have a material impact on the Group's financial results or balance sheet for the period.

5. Consolidated Financial Statements

(1) Quarterly consolidated balance sheet

(¥ millions)

	Quarter 3 FY 10 As of 31 December 2009	FY 09 (Abbreviated) As of 31 March 2009
Assets		
Current assets		
Cash and deposits	99,394	94,979
Notes and accounts receivable – trade	101,701	94,291
Merchandise and finished goods	63,459	69,335
Work in process	10,800	10,352
Raw materials and supplies	32,698	34,139
Other current assets	23,547	25,950
Allowance for doubtful accounts	(5,396)	(3,815)
Total: Current assets	**326,203**	**325,231**
Non-current assets		
Property, plant and equipment		
Buildings and structures	143,682	147,014
Accumulated depreciation	(78,323)	(79,334)
Buildings and structures, net	65,359	67,679
Machinery, equipment and vehicles	364,183	366,197
Accumulated depreciation	(197,191)	(188,927)
Machinery, equipment and vehicles, net	166,991	177,270
Tools, furniture and fixtures	44,768	41,603
Accumulated depreciation	(28,152)	(25,200)
Tools, furniture and fixtures, net	16,617	16,403
Land	41,031	46,483
Leased assets	8,433	8,089
Accumulated depreciation	(3,706)	(3,136)
Leased assets, net	4,727	4,953
Construction in progress	1,666	4,690
Total: Property, plant and equipment	296,391	317,478
Intangible assets		
Goodwill	131,211	132,882
Other intangible assets	121,800	127,283
Total: intangible assets	253,011	260,165
Investments and other assets		
Joint ventures, associates and other investments	57,408	55,935
Others	57,946	67,745
Allowance for doubtful accounts	(1,812)	(1,334)
Total: Investments and other assets	113,542	122,347
Total: Non-current assets	**662,944**	**699,989**
Total: Assets	**989,147**	**1,025,221**

(1) Quarterly consolidated balance sheets (continued)

(¥ millions)

	Quarter 3 FY 10 As of 31 December 2009	FY 09 (Abbreviated) As of 31 March 2009
Liabilities		
Current liabilities		
Notes and accounts payable – trade	61,226	61,902
Short-term loans payable	28,290	84,784
Current portion of bonds	10,000	-
Lease obligations	2,236	3,038
Income taxes payable	7,308	19,369
Provisions	15,245	24,403
Other current liabilities	67,161	75,820
Total: Current liabilities	**191,466**	**269,315**
Non-current liabilities		
Bonds payable	50,000	60,000
Long-term loans payable	320,368	273,557
Lease obligations	3,455	4,943
Provision for retirement benefits	64,242	62,808
Provision for rebuilding furnaces	10,459	10,159
Other provisions	7,919	6,714
Other non-current liabilities	78,808	80,502
Total: Non-current liabilities	**535,251**	**498,683**
Total: Liabilities	**726,717**	**767,998**
Net assets		
Shareholders' equity		
Capital stock	96,147	96,147
Capital surplus	135,287	105,287
Retained earnings	80,935	118,159
Treasury stock	(594)	(585)
Total: Shareholders' equity	**311,775**	**319,009**
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	830	2,339
Deferred gains or losses on hedges	(4,494)	(10,756)
Foreign currency translation adjustment	(55,349)	(63,944)
Total: Valuation and translation adjustments	**(59,013)**	**(72,361)**
Subscription rights to shares	696	493
Minority interests	8,972	10,082
Total: Net assets	**262,430**	**257,223**
Total: Liabilities and net assets	**989,147**	**1,025,221**

(2) Consolidated income statement

(¥ millions)

	Cumulative Quarter 3 FY 09 For the period 1 April 2008 to 31 December 2008	Cumulative Quarter 3 FY 10 For the period 1 April 2009 to 31 December 2009
Net sales	**586,437**	**443,867**
Cost of sales	418,484	332,079
Gross profit	**167,953**	**111,788**
Selling, general and administrative expenses	154,533	128,437
Operating income / (loss)	**13,420**	**(16,649)**
Non-operating income		
Interest income	4,214	1,483
Dividends income	1,032	457
Equity in earnings of affiliates	3,836	1,126
Other non-operating income	1,843	1,642
Total: Non-operating income	10,927	4,707
Non-operating expenses		
Interest expenses	15,957	11,679
Other non-operating expenses	3,808	2,134
Total: Non-operating expenses	19,765	13,813
Ordinary income / (loss)	**4,581**	**(25,755)**
Extraordinary income		
Gain on sales of fixed assets	820	986
Gain on sales of investment securities	7,719	4,141
Gain on sales of investments in affiliates	30,028	279
Other extraordinary income	517	1,414
Total: Extraordinary income	39,086	6,821
Extraordinary loss		
Loss on retirement of non current assets	-	399
Loss on sales of non current assets	-	126
Impairment loss	1,240	5,210
Loss on sales of investments in affiliates	-	1,429
Restructuring expenditure	2,093	3,392
Loss arising on notification of EU car glass fine	8,438	-
Other extraordinary losses	1,520	3,023
Total: Extraordinary losses	13,293	13,580
Income / (loss) before income taxes and minority interests	**30,374**	**(32,514)**
Income taxes	17,726	(1,384)
Minority interests	2,104	936
Net income / (loss)	**10,543**	**(32,066)**

(3)Consolidated statement of cash-flow

(¥ millions)

	Cumulative Quarter 3 FY 09 For the period 1 April 2008 to 31 December 2008	Cumulative Quarter 3 FY 10 For the period 1 April 2009 to 31 December 2009
Net cash provided by operating activities		
Income / (loss) before income taxes and minority interests	30,374	(32,514)
Adjustments for:		
Depreciation and amortization	44,324	37,807
Impairment Loss	1,240	5,210
Amortization of goodwill	6,740	5,684
Increase in allowance for doubtful accounts	312	1,848
(Decrease) / increase in provision for retirement benefits	(15,824)	1,983
Increase in provision for furnace repairs	294	301
Increase in EU car glass provision	19,818	-
Net loss / (gain) on sales and disposals of fixed assets	156	(461)
Net gain on sales and valuation of investment securities	(7,640)	(4,141)
Net (gain) / loss on sales of investments in affiliates	(30,028)	1,150
Interest and dividends income	(5,247)	(1,939)
Interest expenses	15,957	11,679
Equity in earnings of affiliates	(3,836)	(1,126)
Decrease / (increase) in notes and accounts receivable – trade	25,218	(12,057)
(Increase) / decrease in inventories	(15,486)	6,910
(Decrease) / increase in notes and accounts payable – trade	(26,340)	803
Other, net	(5,044)	(3,318)
Subtotal	**34,987**	**17,817**
Interest and dividends income received	11,021	3,641
Interest expenses paid	(19,199)	(17,439)
Income taxes paid	(8,858)	(13,496)
Net cash provided by / (used in) operating activities	**17,951**	**(9,477)**
Net cash provided by investment activities		
Purchase of property, plant and equipment	(34,229)	(11,131)
Proceeds from sales of property, plant and equipment	2,146	1,573
Purchase of intangible assets	(296)	(496)
Purchase of investment securities	(663)	(16)
Proceeds from sales of investment securities	9,647	7,659
Purchase of investments in subsidiaries and affiliates	(2,606)	(1,452)
Proceeds from sales of stocks of subsidiaries and affiliates	42,655	9,077
Increase in short-term loans receivable	(6,938)	(3,496)
Payments of long-term loans receivable	(61)	(5,437)
Collection of long-term loans receivable	-	7,469
Other, net	94	454
Net cash provided by investment activities	**9,746**	**4,204**

(3) Consolidated statement of cash-flow (continued)

(¥ millions)

	Cumulative Quarter 3 FY 09 For the period 1 April 2008 to 31 December 2008	Cumulative Quarter 3 FY 10 For the period 1 April 2009 to 31 December 2009
Net cash used in financing activities		
Net (decrease) / increase in short-term loans payable	(30,936)	3,415
Proceeds from long-term loans payable	1,285	109,276
Repayment of long-term loans payable	(43,207)	(120,204)
Proceeds from issuance of bonds	24,847	-
Redemption of bonds	(10,000)	-
Proceeds from issuance of stocks	-	30,000
Cash dividends paid	(4,026)	(5,125)
Cash dividends paid to minority shareholders	(2,386)	(870)
Repayments of finance lease obligations	(2,840)	(2,335)
Other, net	(43)	(1,273)
Net cash (used in) / provided by financing activities	**(67,308)**	**12,883**
Effect of exchange rate change on cash and cash equivalents	**(14,444)**	**2,322**
Net (decrease) / increase in cash and cash equivalents	**(54,055)**	**9,932**
Cash and cash equivalents at beginning of period	**103,293**	**75,598**
Increase in cash and cash equivalents resulting from change of scope of consolidation	**2,181**	**-**
Cash and cash equivalents at end of period	**51,420**	**85,529**

(4) Notes regarding going concern

There were no issues or events arising during the quarter, which negatively affect the ability of the Group to continue as a going concern.

(5) Segmental information

By Business Line

Quarter 3 FY 09 (For the period 1 April 2008 to 31 December 2008) *(¥ millions)*

	Building products	Automotive	Specialty glass	Other	Total	Eliminations	Consolidated
Sales							
(1) External sales	270,614	245,269	58,117	12,436	586,437	-	586,437
(2) Inter-segment sales	1,754	3,063	742	3,874	9,435	(9,435)	-
Gross sales	272,368	248,333	58,859	16,311	595,872	(9,435)	586,437
Operating income	12,147	5,459	4,340	(8,590)	13,357	62	13,420

Quarter 3 FY 10 (For the period 1 April 2009 to 31 December 2009) *(¥ millions)*

	Building products	Automotive	Specialty glass	Other	Total	Eliminations	Consolidated
Sales							
(1) External sales	188,888	195,595	49,191	10,193	443,867	-	443,867
(2) Inter-segment sales	8,313	2,149	1,116	3,175	14,753	(14,753)	-
Gross sales	197,201	197,744	50,307	13,368	458,620	(14,753)	443,867
Operating income	(10,743)	(1,849)	2,544	(6,600)	(16,649)	0	(16,649)

Notes:

1. Method of segmentation

Segments are defined by the categorization by the Groups' standard business line structure, described further on page 4.

2. Products included in business segments

Building products:	Glass (float, laminated, coated etc) for building materials, and solar energy glass
Automotive:	Processed glass related to automotive and transportation applications
Specialty glass:	Micro optics, fine glass, industrial glass, LCD, specialized glass fiber products
Other:	Engineering and general corporate expenses

3. Effects due to changes in method of accounting

Third quarter of FY 09 (For the period of 1 April 2008 to 31 December 2008)

<u>Accounting standard for the valuation of inventories</u>

From the first quarter of the financial year, the Company and consolidated subsidiaries have applied the "Accounting Standards for Valuation of Inventories" (Accounting Standard No.9, issued on 5 July 2006).

Due to the application of this new standard, operating income for the "Building products" business decreased by ¥ 24 million and "Specialty glass" business decreased by ¥ 32 million, compared to the previous application.

<u>Depreciation method for tangible fixed assets</u>

From the first quarter of the financial year, the Company and consolidated subsidiaries have changed the depreciation method for tangible fixed assets to the straight-line method from the declining balance method.

Due to the change of depreciation method, operating income for the "Building products" business increased by ¥ 342 million, "Automotive" business increased by ¥ 600 million, "Specialty glass" business increased by ¥ 535 million, and "Others" increased by ¥ 52 million, compared to the previous application.

<u>Depreciation method for tangible fixed assets</u>

From the first quarter of the financial year, the Company has changed the estimated useful life of machinery and equipment to be within the range of 3 to 9 years, which was previously 3 to 15 years.

Due to the change of depreciation method, operating income for the “Building products” business decreased by ¥ 125 million, “Automotive” business decreased by ¥ 33 million, and “Specialty glass” business decreased by ¥ 137 million, compared to the previous application.

Accounting standard for lease transactions

From the first quarter of the financial year, the Company has applied the “Accounting Standard for Lease Transactions” (Accounting Standard No.13, issued on 17 June 1993 by the Business Accounting Council, amended on 30 March 2007) and the “Guidance on Accounting Standards for Lease Transactions” (Guidance No.16, issued on 18 January 1994 by the Accounting Standards Committee of the Japanese Institute of Certified Public Accountants, amended 30 March 2007). The impact to the operating income of Company's businesses is minimal.

Third quarter of FY 10 (For the period of 1 April 2009 to 31 December 2009)

Changes in standards to record construction revenue and cost of construction work

From the first quarter of this financial year, “Accounting Standard for Construction Contracts” (Accounting Standards Board of Japan Statement No.15, issued on 27 December 2007) and the “Guideline to Apply the Accounting Standards on Construction Contracts” (Guideline to Apply the Accounting Standards Board of Japan Statement No.18, issued on 27 December 2008) have been applied. As a result, for the construction contracts launched from the first quarter, the percentage of completion basis method, with cost proportion method to estimate the progress of construction, is applied for the construction works with assured progress as of the end of this third quarter, and the completed work basis method is applied for other construction works. The application of this accounting standard did not have a material impact on the Group's financial results or balance sheet for the period.

By Geography

Quarter 3 FY 09 (For the period 1 April 2008 to 31 December 2008) *(¥ millions)*

	Japan	Europe	North America	Other	Total	Eliminations	Consolidated
Sales							
(1) External sales	149,713	288,291	77,326	71,106	586,437	-	586,437
(2) Inter-segment sales	17,688	165,764	20,174	18,608	222,236	(222,236)	-
Gross sales	167,402	454,055	97,501	89,715	808,674	(222,236)	586,437
Operating income	2,101	8,582	(3,769)	6,363	13,277	142	13,420

Quarter 3 FY 10 (For the period 1 April 2009 to 31 December 2009) *(¥ millions)*

	Japan	Europe	North America	Other	Total	Eliminations	Consolidated
Sales							
(1) External sales	125,175	197,609	58,513	62,570	443,867	-	443,867
(2) Inter-segment sales	84,724	120,805	13,772	18,409	237,710	(237,710)	-
Gross sales	209,899	318,414	72,285	80,979	681,577	(237,710)	443,867
Operating income	(4,405)	(11,566)	(6,092)	5,415	(16,649)	0	(16,649)

Notes:

1. Method of segmentation

Segments are defined by the geographical relevance of countries and regions in which the businesses operate. Sales represent sales by origin of the Group company generating the sale.

2. Countries and regions included in the geographical segments

Europe: United Kingdom, Germany, Italy and others

North America: United States of America, Canada

Other: Brazil, Argentina, China, Malaysia and others

3. Effect due to changes in method of accounting

Third quarter of FY 09 (For the period of 1 April 2008 to 31 December 2008)

Accounting standard for the valuation of inventories

From the first quarter of the financial year, the Company and consolidated subsidiaries have applied the "Accounting Standards for Valuation of Inventories" (Accounting Standard No.9, issued on 5 July 2006) .

Due to the application of this new standard, operating income for "Japan" decreased by ¥ 57 million compared to the previous application.

Depreciation method for the tangible fixed assets

From the first quarter of the financial year, the Company and consolidated subsidiaries have changed the depreciation method for tangible fixed assets to the straight-line method from the declining balance method.

Due to the change of depreciation method, operating income for "Japan" business increased by ¥ 1,531 million compared to the previous application.

Depreciation method for the tangible fixed assets

From the first quarter of the financial year, the Company has changed the estimated useful life of machinery and equipment to be within the range of 3 to 9 years, which was previously 3 to 15 years.

Due to the change of depreciation method, operating income for "Japan" decreased by ¥ 296 million compared to the previous application.

Accounting standard for lease transactions

From the first quarter of the financial year, the Company has applied the "Accounting Standard for Lease Transactions" (Accounting Standard No.13, issued on 17 June 1993 by the Business Accounting Council, amended on 30 March 2007) and the "Guidance on Accounting Standards for Lease Transactions" (Guidance No.16, issued on 18 January 1994 by the Accounting Standards Committee of the Japanese Institute of Certified Public Accountants, amended 30 March 2007).

Impact to the operating income of Company's businesses is minimal.

Third quarter of FY 10 (For the period of 1 April 2009 to 31 December 2009)

Changes in standards to record construction revenue and cost of construction work

From the first quarter of this financial year, "Accounting Standard for Construction Contracts" (Accounting Standards Board of Japan Statement No.15, issued on 27 December 2007) and the "Guideline to Apply the Accounting Standards on Construction Contracts" (Guideline to Apply the Accounting Standards Board of Japan Statement No.18, issued on 27 December 2008) have been applied. As a result, for the construction contracts launched from the first quarter, the percentage of completion basis method, with cost proportion method to estimate the progress of construction, is applied for the construction works with assured progress as of the end of this third quarter, and the completed work basis method is applied for other construction works. The application of this accounting standard did not have a material impact on the Group's financial results or balance sheet for the period.

Overseas sales

Quarter 3 FY 09 (For the period 1 April 2008 to 31 December 2008) *(¥ millions)*

	Europe	North America	Asia	Other	Total
a. Overseas sales	277,198	75,267	48,983	50,101	451,550
b. Consolidated sales					586,437
c. Overseas sales as a percentage of consolidated net sales	47.3%	12.8%	8.4%	8.5%	77.0%

Quarter 3 FY 10 (For the period 1 April 2009 to 31 December 2009) *(¥ millions)*

	Europe	North America	Asia	Other	Total
a. Overseas sales	188,157	54,934	52,089	39,358	334,538
b. Consolidated sales					443,867
c. Overseas sales as a percentage of consolidated net sales	42.4%	12.4%	11.7%	8.9%	75.4%

Notes:

1. Overseas sales consist of export sales of the Company and domestic consolidated subsidiaries, and sales (other than exports to Japan) of the overseas consolidated subsidiaries.

2. Method of segmentation

Segments are defined by the geographical relevance of countries and regions in which the businesses operate. Sales represent sales by destination, being the location of the Groups' customers, except those customers located in Japan.

3. Countries and regions included in the geographical segments

Europe: United Kingdom, Germany, Italy and others
North America: United States of America, Canada
Asia: China, Malaysia, Philippines and others
Other: Brazil, Argentina and others

(6) Material changes in shareholders' equity

Effective on 1 July 2009, Type A preferred shares were issued through a third-party allotment, by which both capital stock and capital reserve increased by ¥15,000 million, respectively. However, there was no change in amounts of share capital and capital surplus during the quarter, as a reduction of share capital and capital reserve was processed, on the same day as effective date of issuance of the preferred stock, by the equivalent amount of the increase in share capital and capital surplus attributable to the transfer of the proceeds from issuance of the preferred shares.