4 February 2010

FY2010 CUMULATIVE QUARTER 3 RESULTS

(From 1 April 2009 to 31 December 2009)

- **Cumulative results for the first three quarters reflect challenging global market conditions**
- **Third-quarter, three-month, results demonstrate improvement, with positive Group profit before amortization**
- **Improving debt maturity profile**
- **Restructuring on schedule**
- **Full-year forecast slightly revised, with improved operating result**

Cumulative results for the first three quarters reflect challenging global market conditions

- Challenging conditions in all major Building Products and Automotive markets.
- Specialty Glass demand hit by strength of the yen and sluggish export markets.
- Steady year-on-year volume growth continuing in Solar Energy business.
- Cumulative Group revenues ¥ 444 billion (FY09: ¥ 586bn) and operating loss ¥ 3 billion (before amortization) (FY09: profit ¥ 30bn).
- Building Products revenues ¥ 189 billion and operating loss ¥ 4.4 billion (before amortization).
- Automotive revenues ¥ 196 billion and operating profit ¥ 5.5 billion (before amortization).
- Specialty Glass revenues ¥ 49 billion and operating profit ¥ 2.5 billion.
- Controlled cash management and cost reduction continue to mitigate impact of challenging market conditions.

Third-quarter, three-month, results demonstrate improvement, with positive Group profit before amortization

- European Building Products price levels holding up well.
- Government incentives continuing to provide significant, but temporary, stimulus to Automotive OE markets.
- Specialty Glass profitability reflecting market improvements.
- Continuing benefits from cost reduction programs helping all business line results.
- Third-quarter Group revenues ¥ 151 billion (Q2 FY10: ¥ 149bn) and operating profit ¥ 4.1 billion (before amortization) (Q2 FY10: operating loss ¥ 0.6bn).

Improving debt maturity profile

- ¥ 35 billion debt facilities signed 29 January 2010, with weighted average term to maturity of four years and a final maturity of five years, prepaying facilities maturing in February 2011.
- Cumulatively, the Group has now refinanced ¥ 112 billion of debt during the year.
- All FY2010 maturities have been refinanced and refinancing of the remaining FY2011 maturities is currently in progress.
- As at 31 December 2009, the Group had unused committed financial facilities of ¥ 22.5 billion maturing in February 2011 and ¥ 40 billion maturing in November 2013.

Restructuring on schedule

- Further 2,000 employees left the Group during the first three quarters, bringing the total to 6,500 out of the 6,700 planned reductions.
- Group restructuring program cost charged to the income statement of ¥ 6.6 billion for the first three quarters, in line with plan.

Full-year forecast slightly revised, with improved operating result

- Full-year operating profit before amortization forecast improved by ¥ 2 billion to a loss of ¥ 3 billion.
- No changes to revenue, non-operating items, or extraordinary items.
- Market conditions stabilized.
- Satisfactory third-quarter performance generates small improvement in full-year outlook.
- Seasonal factors expected to lead to break-even fourth-quarter operating profit before amortization.
- Cost reduction programs still expected to contribute ¥ 14 billion of savings for financial year.

Further cost reductions and improved operational performance, offset by seasonal factors, are expected to lead to a break even fourth-quarter profit before amortization.

Extract from NSG Group quarter three financial results presentation, 4th February 2010.

Consolidated Income Statement

(JPY bn)	Q3 FY10	Q3 FY09	Change from Q3 FY09
Revenue	**443.9**	**586.4**	**-24%***
Op.Income before amortization**	**(2.9)**	**29.6**	
Amortization**	(13.7)	(16.2)	
Operating Income	**(16.6)**	**13.4**	
Non-operating items	(9.1)	(8.8)	
Ordinary income	**(25.7)**	**4.6**	
Extraordinary items	(6.8)	25.8	
Pre-tax Income	**(32.5)**	**30.4**	
Net Income	**(32.1)**	**10.5**	
EBITDA	26.7	64.5	-59%

* -15% based on constant exchange rates

** Amortization arising from the acquisition of Pilkington plc only

Cumulative operating result sharply reduced, in line with economic downturn

Consolidated Income Statement Q3 FY10 v Q2 FY10

(JPY bn)	Q3 FY10	Q2 FY10	Change from Q2 FY10
Sales	**150.9**	**149.4**	**+ 1%**
Op.Income before amortization*	**4.1**	**(0.6)**	
Amortization*	(4.5)	(4.6)	
Operating Income	**(0.4)**	**(5.2)**	
Non-operating items	(0.6)	(3.7)	
Ordinary income	**(1.0)**	**(8.9)**	
Extraordinary items	(4.8)	(0.9)	
Pre-tax Income	**(5.8)**	**(9.8)**	
Net Income	**(5.9)**	**(10.5)**	
EBITDA	13.4	9.1	+ 47%

* Amortization arising from the acquisition of Pilkington plc only

Operating result demonstrates improvement