

FY2016 QUARTER 3 RESULTS

(from 1 April 2015 to 31 December 2015)

- **Trading profit improving from previous quarters**
- **Challenging competitive environment in Display business**
- **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**
- **Update of FY16 forecast of profit before taxation, loss for the period, and loss attributable to shareholders**

Trading profit improving from previous quarters

- Cumulative Group revenues of ¥ 479.6bn were 3% above the previous year (Q3 FY15: ¥ 466.6bn)
- Trading profit, before amortization and exceptional items, of ¥ 16.6bn (Q3 FY15: ¥ 16.7bn)
- Q3 FY16 Architectural revenue ¥ 201.4bn (Q3 FY15: ¥ 189.8bn) and profits of ¥ 16.7bn (Q3 FY15: ¥ 10.1bn)
- Q3 FY16 Automotive revenue ¥ 239.7bn (Q3 FY15: ¥ 232.0bn) and profits of ¥ 5.0bn (Q3 FY15: ¥ 5.0bn)
- Q3 FY16 Technical Glass revenue ¥ 37.8bn (Q3 FY15: ¥ 43.9bn) and profits of ¥ 0.3bn (Q3 FY15: ¥ 4.1bn)

Challenging competitive environment in Display business

- Revenues and profits fell due to challenging competitive environment

Indications of improving outlook in Europe

- Clear signs of architectural market improvement in some regions
- Growth in Western Europe automotive markets

Improved performance in Japan

- Improved performance in Architectural
- 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
- Significant reductions in light vehicles sales

Update of FY16 forecast of profit before taxation, loss for the period, and loss attributable to shareholders

- Trading profit forecast as announced at Q2
- Difficult market conditions being experienced by Chinese joint ventures and associates
- Increased tax charges in some regions

Consolidated Income Statement



(JPY bn)	<u>Cum Q3</u> <u>FY2016</u>	<u>Cum Q3</u> <u>FY2015</u>
Revenue	479.6	466.6
Trading profit	16.6	16.7
Amortization*	(6.0)	(6.3)
Operating profit	10.6	10.4
Exceptional items	(3.2)	10.7
Finance expenses (net)	(13.7)	(13.4)
Share of JVs and associates	(1.0)	(0.4)
Profit/(loss) before taxation	(7.3)	7.3
Profit/(loss) for the period	(12.3)	5.4
Profit/(loss) attributable to owners of the parent	(14.1)	4.7
EBITDA	41.9	41.2

* Amortization arising from the acquisition of Pilkington plc only

29 January 2016 | FY2016 Quarter 3 Results

Revised FY16 Forecast



(JPY bn)	<u>Original</u> <u>Forecast</u>	<u>Previous</u> <u>Forecast</u>	<u>New</u> <u>Forecast</u>
Revenue	655	650	650
Operating profit	24	19	19
Profit before taxation	8	-	1
Profit/(loss) for the period	4	-	(6)
Profit/(loss) attributable to owners of the parent	2	-	(8)

29 January 2016 | FY2016 Quarter 3 Results