Amended: 20 June 2007 Amended items are underlined

FY2007 Annual Financial Results

31 May 2007

Listed Company Name: **Nippon Sheet Glass Co., Ltd.** Stock Exchange Listing: Tokyo, Osaka
Code Number **5202** (URL http://www.nsg.co.jp)

Representative: President, Representative Director Name: Katsuji Fujimoto
Inquiries to: General Manager Name: Kazumitsu Fujii
Corporate Communications Dept., TEL: 03-5443-9477

Date of General Shareholders Meeting: 28 June 2007
Submission of annual financial statements to MOF: 28 June 2007
Payment of dividends starts from: 29 June 2007

1. Consolidated business results for FY 2007 (From 1 April, 2006 to 31 March 2007)

(Note) Fractional amounts rounded down to nearest million yen
"%" indicate year-to-year increase (decrease)

(1) Business results (consolidated)

	Sales		Operating income		Income before extra-ordinary items		Net Income	
	million JPY	%	million JPY	%	million JPY	%	million JPY	%
FY 2007	681,547	156.3	23,822	182.6	8,001	(23.3)	12,095	55.8
FY 2006	265,888	0.3	8,429	(29.9)	10,425	(21.4)	7,764	2.3

	Net income per share	Diluted earnings per share	Net income over equity	Income before extra-ordinary items over total assets	Operating income over total sales
FY 2007	JPY 21.85	JPY 20.28	4.2%	0.8%	3.5%
FY 2006	JPY 17.52	JPY 15.71	3.5%	2.0%	3.2%

Note: Income (Loss) attributable to investments in affiliates
FY 2007 JPY 2,416 million FY 2006 JPY 4,018 million

(2) Changes in financial position (consolidated)

	Total assets	Net assets	Equity ratio	Net assets per share
FY 2007	JPY 1,408,983 mil	JPY 350,625 mil	23.9%	JPY 504.55
FY 2006	JPY 595,963 mil	JPY 238,284 mil	40.0%	JPY 537.89

Note: Equity FY 2007 JPY 337,241 million

(3) Consolidated statement of cash flow

	Net cash generated from operating activities	Net cash used in investing activities	Net cash generated from (used in) financing activities	Cash & cash equivalents at term-end
FY 2007	JPY 75,379 mil	JPY (297,644) mil	JPY 190,068 mil	JPY 159,762 mil
FY 2006	JPY 15,455 mil	JPY (12,149) mil	JPY 111,225 mil	JPY 179,158 mil

2. Dividends

	Dividend per share			Dividends paid	Dividend	Dividends over
	Half-year	Annual	Total	(Annual)	payout	net assets
FY 2006	JPY 3.0	JPY 3.0	JPY 6.0	JPY 2,658 mil	34.2%	1.2%
FY 2007	JPY 3.0	JPY 3.0	JPY 6.0	JPY 3,698 mil	27.5%	1.2%
FY 2008 (forecast)	JPY 3.0	JPY 3.0	JPY 6.0		26.7%	

3. Forecast for FY 2008 (From 1 April 2007 to 31 March 2008)

	Sales		Operating income		Income before extra-ordinary items		Net Income		Net income per share
	million JPY	%	million JPY	%	million JPY	%	million JPY	%	JPY
Half year	420,000	53.7	23,000	167.8	12,000	65.5	9,000	(55.6)	13.47
Annual	830,000	21.8	42,000	76.3	24,000	200.0	15,000	24.0	22.44

4. Others

(1) Establishment (Elimination) of major subsidiaries during the period which involves changes in scope of consolidation

Establishment	4 subsidiaries	Pilkington Group Ltd., NSG UK Enterprises Ltd., NSG Holding USA II Inc., NSG UK Enterprises III Unlimited
Elimination	1 subsidiary	NSG Holding USA Inc.

(2) Changes regarding accounting policies, practices, and presentation
(Items which are stated in “Basis for Preparation”)

a. Changes due to amendments in rulings and guidelines	Yes
b. Changes due to items other than above	Yes

(3) Volume of issued shares (Normal shares)

a. Issued shares as of year-end (inclusive of treasury shares)	FY2007	669,550,999	FY2006	443,946,452
b. Treasury shares as of year-end	FY2007	1,147,732	FY2006	950,832

(Supplemental information) Financial results of the parent company

1. Business results for FY 2007 (From 1 April, 2006 to 31 March 2007)

(Note) Fractional amounts rounded down to nearest million yen
"%" indicate year-to-year increase (decrease)

(1) Business results

	Sales		Operating income		Income before extra-ordinary items		Net Income	
	million JPY	%	million JPY	%	million JPY	%	million JPY	%
FY 2007	177,672	3.2	(1,521)	—	(2,513)	—	17,516	1,352.4
FY 2006	172,095	0.3	656	(85.3)	1,725	(53.2)	1,206	(28.3)

(2) Changes in financial position

	Total assets	Net assets	Equity ratio	Net assets per share
FY 2007	JPY 553,583 mil	JPY 305,899 mil	55.3%	JPY 457.62
FY 2006	JPY 513,775 mil	JPY 206,054 mil	40.1%	JPY 465.14

Note: Equity FY2007 JPY 305,872mil

Notice:
The projections contained in this document are based on information currently available to us and certain assumptions that we consider to be reasonable. Hence the actual results may differ. The major factors that may affect the results are the economic environment in major market (such as Japan, Europe, North and South America, Asia, etc.)., product supply/demand shifts, currency exchange fluctuations and the price change in main fuels and raw materials.

1. Business Performance and Financial Condition

(1) Review of overall performance at this period.

(Unit: JPY million)

	Net sales	Operating income	Income before extra-ordinary items	Net income
FY 07	681,547	23,822	8,001	12,095
FY 06	265,888	8,429	10,425	7,764
Change	156.3% up	182.6% up	23.3% down	55.8% up

The Japanese economy has enjoyed an underlying expansion tempered by concerns about such factors as the future impact of sharp rises in the prices of crude oil and other materials. In markets relevant to the Company, the domestic construction starts index was firm for both housing and non-housing construction, and domestic automobile production was also up year-on-year. At the same time, a surge in the price of heavy oil, a key fuel for flat glass manufacture, had a major impact on the Company's manufacturing costs.

In Europe, especially in Germany and other Central European countries, there was a steady recovery through the economy as a whole.

The North American economy shows a sign of slowing down, due to the decline in housing investment.

In the information and electronics sector, worldwide shipments of PCs, cellular phones and other IT equipment sustained high growth overall.

In the fiber glass sector, it is in a steady situation bolstered by the strong growth in the relevant market, such as Europe.

The Company has included the performance of Pilkington, acquired in June 2006, in the Company's consolidated income statements from the second quarter of this fiscal year.

Consequently, sales and operating income saw substantial year-on-year increases. Income before extra-ordinary items decreased year-on-year, due to the non-operating cost increase including the newly consolidated interest charge in Europe and decrease of income from investment under equity method.

With approximately ¥44.828 billion in extraordinary income from the sale of investment securities in the course of procuring funds for the acquisition of Pilkington and ¥104.79 billion in extraordinary losses from some of the costs accompanying this acquisition, net income for this period rose substantially to ¥120.95 billion.

Based on the fact that Pilkington received a Statement of Objections from the European Commission for alleged violations of competition rules in the European building products and automotive glass on 13th March 2007 and 20th April 2007, respectively, the Company decided to set a provision amounting to 320 million sterling pounds against the financial risk which may arise in future. By amortizing the goodwill resulting from this provision in 20 years, in addition to the existing ones, the increase in the annual amortization charge is approximately JPY 4 billion (JPY 3 billion for FY 2007, due to the consolidation only for three quarters.)

(2) Review by business line

With the integration of Pilkington as a consolidated subsidiary, the Company's business segment has been changed as follows.

(Unit:: JPY million)

	Net sales		Operating income	
	FY 07	FY 06	FY 07	FY 06
Building Products	320,357		16,479	
Automotive Products	268,229		13,039	
Others	92,960		(5,603)	
(Eliminations)			(93)	
Flat Glass (Former)	-	180,069	-	5,001
IT (Former)	-	42,375	-	1,423
Glass Fiber (Former)	-	31,911	-	3,901
Others (Former)	-	11,533	-	(1,893)
(Eliminations)				(3)
Total	681,547	265,888	23,822	8,429

① Building products business

The Company's traditional building materials business (architectural glass, sashes, etc.) has been combined with Pilkington's building products business in this segment from the second quarter. The approximate geographic sales split is 50 per cent: Europe, 30 per cent: Japan, 10 per cent: North America, 10 per cent: Rest of the world.

Building Products segment remained firm this year mainly driven by European market, in spite of relatively tough conditions in Japan and North America.

Building Products Europe has been helped this year by buoyant trading conditions. Demand has been strong and growth has strengthened in almost all regions, especially Germany, Italy, Poland and Scandinavian countries performed well.

In Japan, in spite of the increase in shipments of security glass and other high performance glass, the sales was flat because of the fierce competition in insulating glass. Higher costs for heavy oil and other raw materials and the production adjustment in an item of Building Products had a significant impact in the operating income.

In North America, domestic demand has become weakened amid deteriorated housing construction.
It was partially offset by increased demand in export.

In other regions, primarily in South America, business continues being steady overall benefiting from expanded demand in local market.

As a result, the building products business as a whole achieved sales of ¥320.357 billion and operating income of ¥16.479 billion.

②Automotive glass business

The Company's traditional automotive glass business has been combined with Pilkington's automotive glass business in this segment from the second quarter. The approximate geographic sales split is 50 per cent: Europe, 20 per cent: Japan, 20 per cent: North America, 10 per cent: Rest of the world.

Original Equipment (OE) volumes have remained relatively flat overall, with continued growth in most regions being offset by lower sales in North America due to the weaker market demand. North American Automotive Glass

Replacement (AGR) sales have remained flat but AGR sales in Europe have improved strongly.

In Europe, the market for light vehicle has increased by approximately 1.2 per cent, but, due to the success with new models, the Group sales volume continues to move ahead of the market trend. European AGR sales have increased strongly due to continuing improvement in our competitive position.

In Japan, the light vehicle build showed approximately 7 per cent growth year-on-year, the increase in OE sales helped good performance for most of the year.

In North America, where overall light vehicle build is expected to be around 6 per cent down on the last year, our sales to OE manufacturers have also been impacted by lower sales in American carmakers. Sales in AGR market have been affected by a competitive environment on prices and higher energy costs

With regard to other regions, in South America, light vehicle demand has risen by around 8 per cent. Increased sales volumes and continuing efficiency gains will improve results for the year. In China, the market continues to expand rapidly and our emphasis on further improving cost and operational efficiency of the business has improved profitability.

As a result, the automotive glass business as a whole had sales of ¥268.229 billion and operating income of ¥13.039 billion.

③ Other businesses

The Company's traditional businesses in the “information and electronics”, “glass fiber” and “other” sectors has been combined with Pilkington's “Other” segment in this segment from the second quarter.

In the “information and electronics” sector, steady shipments of optical lenses for multifunction printers and a recovery in the display product market lifted sales year-on-year.

In the “glass fiber” sector, the demand growth of glass cord for Europe was among factors generating a year-on-year rise in sales.

In this segment, engineering related sales has been newly added through the consolidation of Pilkington, but the central cost has been also increased.

All in all, other segment had sales of ¥92.960 billion and operating loss of ¥ 5,292 billion.

(3) Prospects for the full year and issues to be addressed

The global economy in general is expected to continue strong, although crude oil price trends and the economic slow-down in North America do give cause for concern. Future exchange rate fluctuations could also impact the Company's performance.

In the last fiscal year, the Company established footholds in emerging markets, such as an investment in joint venture companies in China and Asia. Also, with the awareness that its largest and most pressing issue will continue to be making maximum use of the advantages from the integration of Pilkington, the Company launched a new global business organization of the newly enlarged group in April 2007. Under this structure, flat glass operations of NSG and Pilkington have been combined into one integrated business unit and also Global Headquarters has been established with a view to generating greater synergistic benefits and ensure seamless management.

Prospects by segment

1. Building products business

In Europe, the key region for this business, supply and demand are expected to remain tight, with sales moving along satisfactorily. Though steady business is also anticipated in South America and other emerging areas, we should take appropriate actions in Japan and North America under the challenging circumstances in those regions.

Given these prospects, the Company is expanding into newly developing countries, where demand for glass is rapidly rising, even as it responds for the growing need for high-performance glass in developed countries.

2. Automotive glass business

OE shipment in Europe and Japan and AGR in Europe are expected to remain steady. Accordingly, the Company will aim to continue expanding sales of new and high value-added products, cutting costs, and increasing its presence in the globalizing automobile market.

3. Other businesses

With a favorable market environment expected, the Company will work in the information and electronics sector to augment sales of greater value-added glass substrate for small- and medium-sized liquid crystal displays and to actively develop its business in the growing multifunction printer market, at the same time pursuing its “number one, only one” strategy for special products in the glass fiber sector, accelerating new product development, and expanding its operations globally.

In the light of the foregoing business prospect, the Company projects its consolidated financial outlook as below.

(Unit: JPY billion)

	Consolidated
Net sales	830
Operating income	42
Income before extra-ordinary items	24
Net income	15

Notice:

The projections contained in this document are based on information currently available to us and certain assumptions that we consider to be reasonable. Hence the actual results may differ. The major factors that may affect the results are the economic environment in major market (such as Europe, Japan, North and South America, Asia, etc.), product supply/demand shifts, currency exchange fluctuations and the price change in main fuels and raw materials.

(3) Financial Condition

Reflecting Pilkington in our balance sheet from the first quarter FY07, combined assets expanded by JPY 813.020 billion from the end of FY 06 and by JPY 107.049 billion from the first quarter FY07 to JPY 1,408.983 billion at the end of FY07. The increase from the end of first quarter FY07 mainly comes from the increase of intangible fixed assets by adding goodwill and brand value, which is the result from revaluation of acquired Pilkington's balance sheet at fair value.

Interest-bearing liabilities at the end of FY07 is JPY 561.117 billion, a JPY 324.194 billion of increase from the end of FY06, but a JPY 107.521 billion decrease from the first quarter FY07. JPY 110 billion of No.1 unsecured convertible bond type bonds with stock acquisition rights were fully converted into stocks and booked as common stock and additional paid-in-capital.

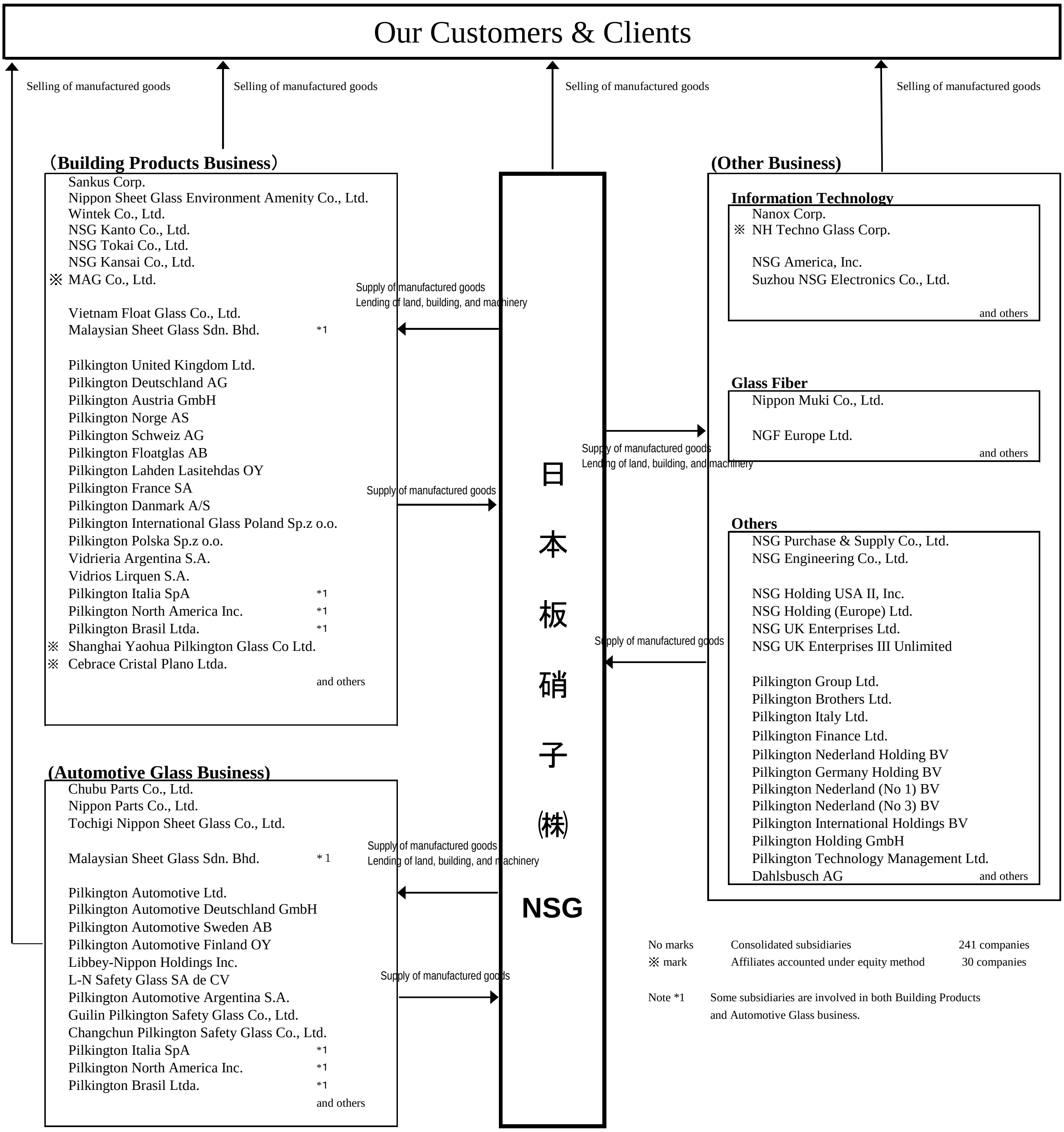
Regarding cash flows, cash flows from operating activities resulted in an increase in cash by JPY 75,379 million. Cash flows from investing activities resulted in a decrease in cash by JPY 297,644 million mainly due to expense for acquisition of Pilkington JPY 404,852 million, purchase of fixed assets JPY 49,355 million and gain on sales of investment in securities JPY 54,620 million. Free cash flow is a decrease in cash by JPY 222,264 million.

Cash flows from financing activities resulted in an increase in cash by JPY 190,068 million, mainly due to added long-term borrowings for acquisition of JPY 196,619 million.
After consideration of the effect of exchange rate changes, cash and cash equivalents at the end of March 2007 resulted in JPY 159,762 million, with a decrease of JPY 19,398 million from the end of FY 06.

	March-2004	Mar-2005	March-2006	March-2007
Shareholders' equity to total assets (%)	45.4	48.1	40.0	22.7
Shareholders' equity to total assets based on actual values (%)	41.3	47.2	48.8	29.8
Debt redemption years (years)	7.6	7.2	15.3	7.5
Interest coverage ratio (times)	5.6	8.3	9.0	3.9

In view of the circumstances, the Company will disburse a year-end dividend of 3 yen per share, which will result in an annual dividend of 6 yen par share due to the interim dividend of 3 yen paid for the first half of the fiscal year.

２. Parent Company, Subsidiaries, and Affiliates



No marks Consolidated subsidiaries 241 companies
※ mark Affiliates accounted under equity method 30 companies

Note *1 Some subsidiaries are involved in both Building Products and Automotive Glass business.

3. Our Management Policy and Long-Term Mission and Strategy

The fundamental principles of the Company's basic management policy are ensuring open and fair business dealings, adhering to corporate ethical standards, and contributing to the resolution of global environmental issues, all aimed at establishing a company with a spirit of innovation and a global presence and improving Group company value for all stakeholders.

The Company completed procedures for acquiring the UK company Pilkington in June 2006, and assimilation of Pilkington as a wholly-owned subsidiary has brought about major changes not only in the Company's business structure but also in the Company's operating environment and issues to be addressed.

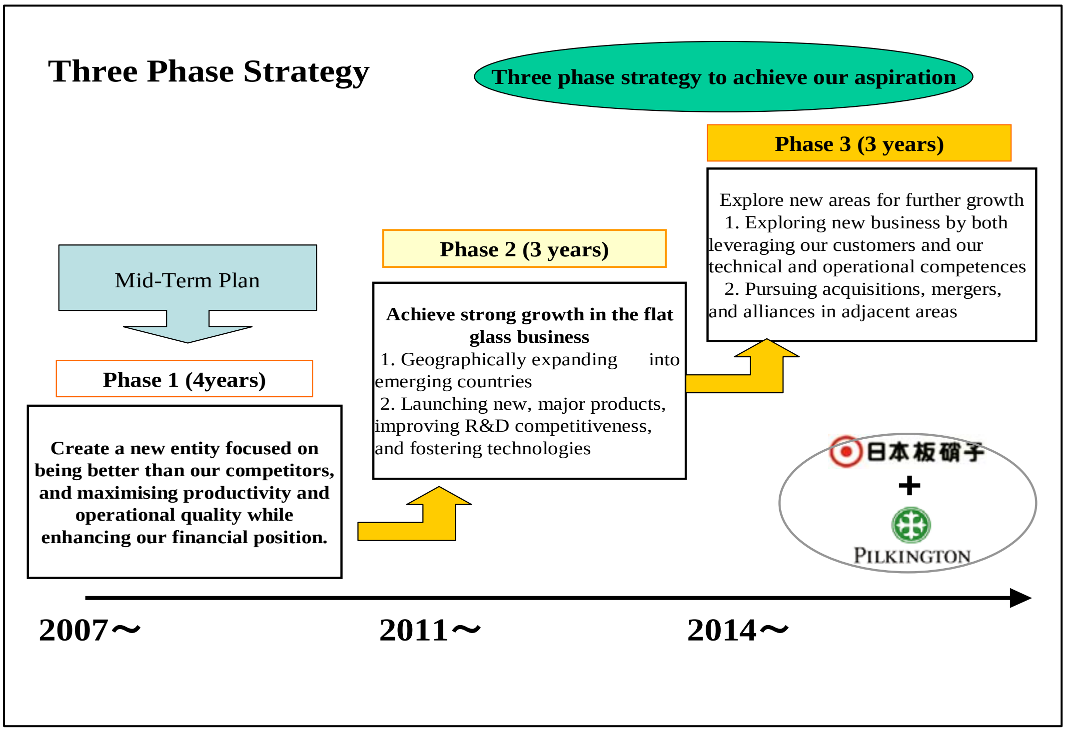
Given a managerial environment characterized by growing global competition, rapidly changing business circumstances, and expanding social responsibilities for companies, the new Nippon Sheet Glass Group will seek to make the concept "People are the most important assent of our company." a value shared worldwide and to become the world's number one flat glass company, with very strong positions in terms of size and financial performance.

The Company would also like to expand its business scope even further over the long term, extending its reach beyond architectural and automotive flat glass and sharpening its edge in the information and electronics and glass fiber sectors and in the Company's market and technological assets.

To achieve this business objective, the Company will be implementing a ten-year strategy from FY2008 to FY2017 in three stages.

Last year, the Company has drafted a four-year medium-term plan starting from April 2007 as the first stage. This plan is designed to consolidate the Group's strength and expand its performance by continuing efforts to restore financial soundness, placing emphasis on improving productivity and quality, and endeavoring to distinguish itself from its competitors.

On 1st April 2007, NSG launched a new global business organization of the newly enlarged group. Under this structure, flat glass operation of NSG and Pilkington is combined into one integrated business unit and also Global Headquarters has been established with a view to maximize the integration benefit and smooth the launch of the combined organisation.



４．Consolidated financial statements

(1) Balance sheet

(in million JPY)

	FY 2006 Year-End as of 06/3/31	FY 2007 Year-End as of 07/3/31	Change
Current assets	**288,732**	**465,836**	**177,104**
Cash and deposits	180,670	160,914	(19,756)
Notes and account receivables - trade	59,072	148,584	89,512
Inventories	37,749	113,259	75,510
Deferred tax assets	1,863	3,095	1,232
Other current assets	10,145	44,371	34,225
Provision for bad debts	(768)	(4,388)	(3,620)
Fixed assets	**307,231**	**943,146**	**635,915**
Tangible assets	119,396	396,586	277,189
Buildings and structures	38,378	83,844	45,466
Machinery and vehicles	44,566	222,165	177,599
Tools and fixtures	4,456	25,985	21,529
Land	23,030	57,213	34,183
Construction in progress	8,965	7,376	(1,588)
Intangible assets	6,989	399,498	392,509
Goodwill	-	204,883	204,883
Other intangible assets	6,989	194,614	187,625
Investments and other assets	180,845	147,062	(33,782)
Investments in securities	174,006	126,855	(47,151)
Long-term loans receivables	939	11,093	10,154
Long-term prepaid expenses	1,168	1,298	129
Deferred tax assets	834	1,150	316
Other assets	4,270	7,591	3,321
Provision for bad debts	(374)	(927)	(553)
Total : Assets	**595,963**	**1,408,983**	**813,020**

(in million JPY)

	FY 2006 Year-End as of 06/3/31	FY 2007 Year-End as of 07/3/31	Change
Current liabilities	**111,002**	**437,589**	**326,586**
Notes and accounts payable - trade	37,357	98,291	60,934
Short-term bank borrowings	46,703	107,316	60,613
Notes and accounts payable - construction	5,399	17,580	12,180
Accrued income tax	3,418	41,510	38,091
Accrued consumption tax	257	347	89
Accrued expenses	7,528	41,037	33,509
Customers' deposits	4,037	4,128	91
Provision for bonuses to employees	2,484	2,481	(3)
Provision for bonuses to directors	67	64	(3)
Provision for future finance risk arising from alleged violation of EU Commission competition regulations	-	78,118	78,118
Deferred tax liabilities	1,206	3,062	1,856
Other current liabilities	2,541	43,650	41,108
Fixed liabilities	**243,361**	**620,768**	**377,407**
Bonds	153,000	43,000	(110,000)
Long-term bank borrowings	37,220	410,800	373,580
Provision for retirement benefits to employees	12,022	86,034	74,012
Provision for retirement benefits to directors	1,187	1,563	376
Provision for rebuilding of furnaces	9,684	9,237	(446)
Consolidation goodwill	707	-	(707)
Deferred tax liabilities	28,075	49,869	21,794
Other fixed liabilities	1,464	20,261	18,797
Minority interests in consolidated subsidiaries	**3,315**	**-**	**-**
Shareholders' equity	**238,284**	**-**	**-**
Common stock	41,060	-	-
Capital surplus	50,374	-	-
Retained earnings	95,791	-	-
Unrealized holding gains on securities	50,338	-	-
Translation adjustments	1,054	-	-
Treasury stock - at cost	(335)	-	-
Total: Liabilities, minority interests and shareholders equity	**595,963**	**-**	**-**

(in million JPY)

	FY 2006 Year-End as of 06/3/31	FY 2007 Year-End as of 07/3/31	Change
Net Assets	**-**	**350,625**	**-**
I. Shareholders' Equity	**-**	**306,900**	**-**
Common stock	-	96,147	-
Capital surplus	-	105,289	-
Retained earnings	-	105,914	-
Treasury stocks - at cost	-	(450)	-
II. Valuation & translation adjustments	**-**	**30,340**	**-**
Unrealized holding gain on securities	-	25,881	-
Net unrealized holding loss on derivative instruments	-	(3,048)	-
Foreign currency translation adjustments	-	7,507	-
III. Stock Options	**-**	**26**	**-**
IV. Minority interests in consolidated subsidiaries	**-**	**13,357**	**-**
Total: Liabilities and net assets	**-**	**1,408,983**	**-**

(2) Income statement

(in million JPY)

	FY 2006 Annual	FY 2007 Annual	Change
Net sales	**265,888**	**681,547**	**415,658**
Cost of sales	196,948	478,700	281,752
Gross Income	68,940	202,846	133,906
Selling, general and administrative expenses	60,510	179,024	118,513
Operating income	**8,429**	**23,822**	**15,393**
Non-operating income	8,212	15,476	7,263
Interest and dividend income	2,270	6,446	4,175
Equity in earnings of affiliates	4,018	2,416	(1,602)
Other income	1,923	6,613	4,689
Non-operating expense	6,217	31,297	25,080
Interest expense	1,607	23,060	21,452
Other expense	4,609	8,237	3,627
Income before extra-ordinary items	**10,425**	**8,001**	**(2,423)**
Extra-ordinary income	**6,644**	**51,555**	**44,910**
Gain on sales of property, plant and equipment	1,096	3,696	2,600
Gain on sales of investments in securities	5,548	44,828	39,280
Gain on sales of investments in subsidiaries & affiliates	-	46	46
Gain due to adjustment of repair reserve	-	1,064	1,064
Gain on sale of business	-	406	406
Profit in discontinuing operations	-	1,513	1,513
Extra-ordinary loss	**5,534**	**21,498**	**15,964**
Loss on disposal of property, plant and equipment	1,322	7,296	5,974
Loss on impairment of fixed assets	702	683	(19)
Loss on revaluation of investment in securities	121	292	170
Loss on revaluation of investments in subsidiaries & affiliates	-	135	135
Loss on sale of investments in subsidiaries & affiliates	-	1,141	1,141
Expenses for acquisition of Pilkington	1,243	10,479	9,236
Loss due to withdrawal from operations	-	1,373	1,373
Loss due to transfer of Head Office etc.	-	95	95
Loss on disposal of inventories	1,358	-	(1,358)
Loss on provision for asbestos related charges	785	-	(785)
Income before income taxes and minority interests	**11,535**	**38,057**	**26,522**
Income tax: Current	4,015	28,068	24,053
Income tax: Deferred	(580)	(5,063)	(4,483)
Minority interests in net income of consolidated subsidiaries	335	2,957	2,622
Net income	**7,764**	**12,095**	**4,330**

(3) Statement of cash-flow

(JPY million)

	FY 2006 Annual	FY 2007 Annual
Cash flows from operating activities:		
Income before income taxes and minority interests	11,535	38,057
Depreciation and amortization	12,961	51,350
Amortization of goodwill	-	8,316
Loss on impairment of fixed assets	702	683
(Decrease) Increase in provision for bad debts	169	983
(Decrease) Increase in provision for employees' bonuses	(5)	(78)
(Decrease) increase in accrued retirement benefits	(2,093)	(5,925)
Gain on sales of investments in securities	(5,548)	(44,828)
Interest and dividend income	(2,270)	(6,446)
Interest expense	1,607	30,682
Decrease (increase) in notes and accounts receivable	3,529	6,206
Decrease (increase) in inventories	(2,081)	2,822
(Decrease) increase in notes and accounts payable	(3,680)	4,822
Other, net	(64)	6,014
Sub Total	14,760	92,661
Interest and dividend income received	5,541	9,925
Interest paid	(1,720)	(19,277)
Income taxes paid	(3,126)	(7,930)
Net cash provided by operating activities	15,455	75,379
Cash flows from investing activities:		
Purchase of property, plant and equipment	(18,590)	(49,355)
Proceeds from sales of property, plant and equipment	2,295	12,822
Purchase of investments in securities	(3,027)	(321,723)
Proceeds from sales of investments in securities	7,565	54,620
Proceeds from sales of investments in subsidiaries and affiliates	-	7,958
Other, net	(392)	(1,966)
Net cash provided by (used in) investing activities	(12,149)	(297,644)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	5,420	(2,474)
Issuance of long-term indebtedness	13,529	293,672
Repayment of long-term indebtedness	(5,317)	(97,052)
Issuance of bonds	110,000	-
Redemption of bonds	(9,600)	-
Cash dividends paid	(2,658)	(3,029)
Other, net	(148)	(1,046)
Net cash provided by (used in) financing activities	111,225	190,068
Effect of foreign exchange rate on cash and cash equivalents	1,029	12,797
Net decrease (increase) in cash and cash equivalents	115,560	(19,368)
Cash and cash equivalents at beginning of the year	63,512	179,158
Effect of change in scope of consolidation	85	1
Cash and cash equivalents at the end of the year	179,158	159,762

(4) Movement of net assets
For the period of April 1, 2006 to March 31, 2007

(in million JPY)

	Shareholders' Equity					Valuation & translation adjustment						
	Common stock	Capital surplus	Retained earnings	Treasury stocks	Total	Unrealized holding gain on securities	Hedging reserve	Foreign exchange transaction reserve	Total	Stock option	Minority interest	Total
Balance: as of March 31, 2006	41,060	50,374	95,791	(335)	186,891	50,338	–	1,054	51,393	–	3,315	241,599
Changes during the term:												
Conversion of MSBC to shares	55,086	54,913			110,000							110,000
Dividends paid (*)			(1,328)		(1,328)							(1,328)
Dividends paid			(1,693)		(1,693)							(1,693)
Net income			12,095		12,095							12,095
Purchase of treasury stock				(119)	(119)							(119)
Disposal of treasury stock		1		4	4							4
Increase (decrease) in retained earnings due to consolidation of new subsidiaries			29		29							29
Increase (decrease) in retained earnings due to consolidation of new subsidiaries			36		36							36
Difference in retained earnings due to application of Practical Issues Task Force No.18			983		983							983
Changes in unrealized holding gain, hedge, etc.						(24,457)	(3,048)	6,453	(21,052)	26	10,041	(10,983)
Total	55,086	54,915	10,123	(115)	120,009	(24,457)	(3,048)	6,453	(21,052)	26	10,041	109,025
Balance: as of March 31, 2007	96,147	105,289	105,914	(450)	306,900	25,881	(3,048)	7,507	30,340	26	13,357	350,625

Notes:

(*) Authorized by the resolution at General Shareholders' Meeting held in June 2006

(5) Segmental information
For the period of April 1, 2006 to March 31, 2007

[Per business line]

(in million JPY)

	Building Products	Automotive Glass	Others	Total	Eliminations	Consolidated
Sales and operating income						
Sales						
(1) Sales to customers	320,357	268,229	92,960	681,547	—	681,547
(2) Intersegmental sales	1,496	1,678	3,243	6,418	(6,418)	—
Total sales	321,854	269,907	96,204	687,966	(6,418)	681,547
Operating expenses	305,374	256,868	101,808	664,050	(6,325)	657,725
Operating income	16,479	13,039	(5,603)	23,915	(93)	23,822
Total Assets	496,591	513,354	782,041	1,791,987	(383,003)	1,408,983
Depreciation & Amortization	24,224	25,784	9,997	60,005	(339)	59,666
Capital Expenditures	18,891	20,878	12,779	52,549	(94)	52,454

[Per Geography]

(in million JPY)

	Japan	Europe	North America	Others	Total	Eliminations	Consolidated
Sales and operating income							
Sales							
(1) Sales to customers	226,061	294,194	87,559	73,732	681,547	—	681,547
(2) Intersegmental sales	23,793	172,592	11,681	19,101	227,168	(227,168)	—
Total sales	249,854	466,786	99,240	92,834	908,715	(222,168)	681,547
Operating expenses	249,445	451,111	98,359	85,984	884,900	(227,175)	657,725
Operating income	409	15,675	881	6,850	23,815	7	23,822
Assets	595,717	762,097	187,369	172,698	1,717,883	(308,899)	1,408,983

[Overseas sales]

(in million JPY)

	Europe	North America	Asia	Others	Total
Overseas Sales	289,535	85,027	49,782	38,331	462,675
Consolidated Sales					681,547
Overseas Sales per Consolidated Sales	42.5	12.5	7.3	5.6	67.9