

NSG

GROUP



152nd Ordinary General Meeting of Shareholders

Nippon Sheet Glass Company, Limited

Requests



No Cameras
No Cell Phone
No Video

Thank you for your understanding and cooperation.

152nd Ordinary General Meeting of Shareholders

Nippon Sheet Glass Company, Limited

Audit Report

Matters to be noted

- 1. Business Report**
- 2. Consolidated Financial Statements**
- 3. Unconsolidated Financial Statements**

NSG Group Issues to be Addressed

Medium-term Plan (MTP) Phase 2 (FY2018-FY2020)

Phase 2 Measures

Growth Measures

- Drive VA No.1 Strategy
- Establish growth drivers
- Business culture innovation
- Enhance global management

Financial Measures

- Enhance equity
- Reduce net debt
- Issue Class A Shares

MTP Targets

- Financial sustainability
- Transform into
VA Glass Company

Financial Targets

Net debt / EBITDA: 3x

ROS > 8%

[Expectation after achieving MTP Targets]
(After redemption of Class A Shares)

- Equity Ratio: 20%
- ROE: 10%
- VA Sales Ratio: > 50%
- Trading Profit: JPY50-60 bn

ROS (Return on Sales): based on trading profit (profit before amortization of non-tangible assets)

Driving 4 Key Measures

Key Measures

1. Drive VA No.1 Strategy

- New APBL lines installed in Japan, the US and Europe.
(APBL: Advanced Press Bending for windshields)
- New plant for battery separators to be built in Indonesia by joint venture with Entek and Separindo.

Planned site for new facility
in Indonesia



2. Establish Growth Drivers

- Expediting new business development by managing promising R&D projects as **Star Projects**.

Driving 4 Key Measures

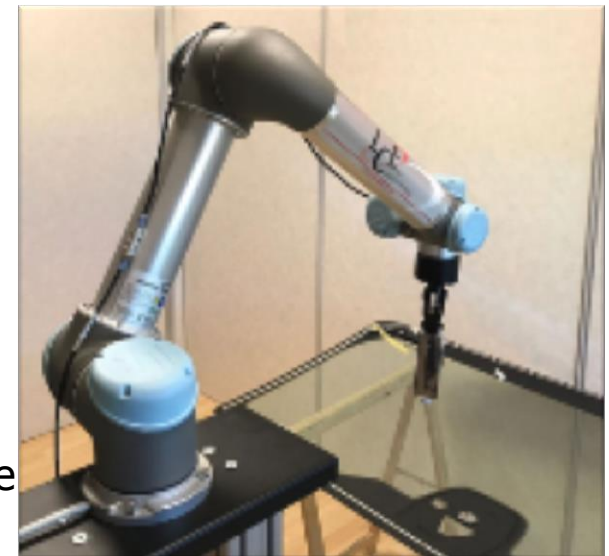
Key Measures

3. Business Culture Innovation

- Enhancing Manufacturing Excellence - Focus on productivity improvement in Automotive.
- More focus on Marketing - “Marketing Workshop”

4. Global Management Enhancement

- Developing Shared Service Center - located in Poland, Japan, China and Brazil providing services globally.
- Inclusion & Diversity

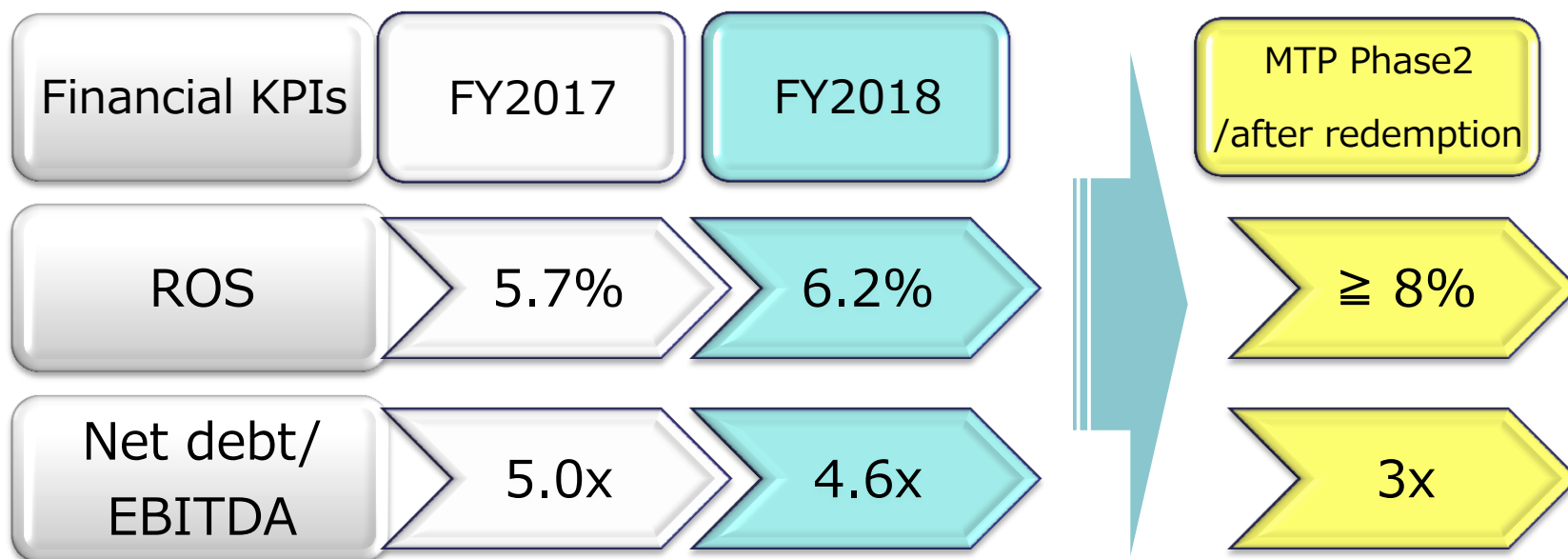


Robot used at automotive assembly line

Summary of FY2018

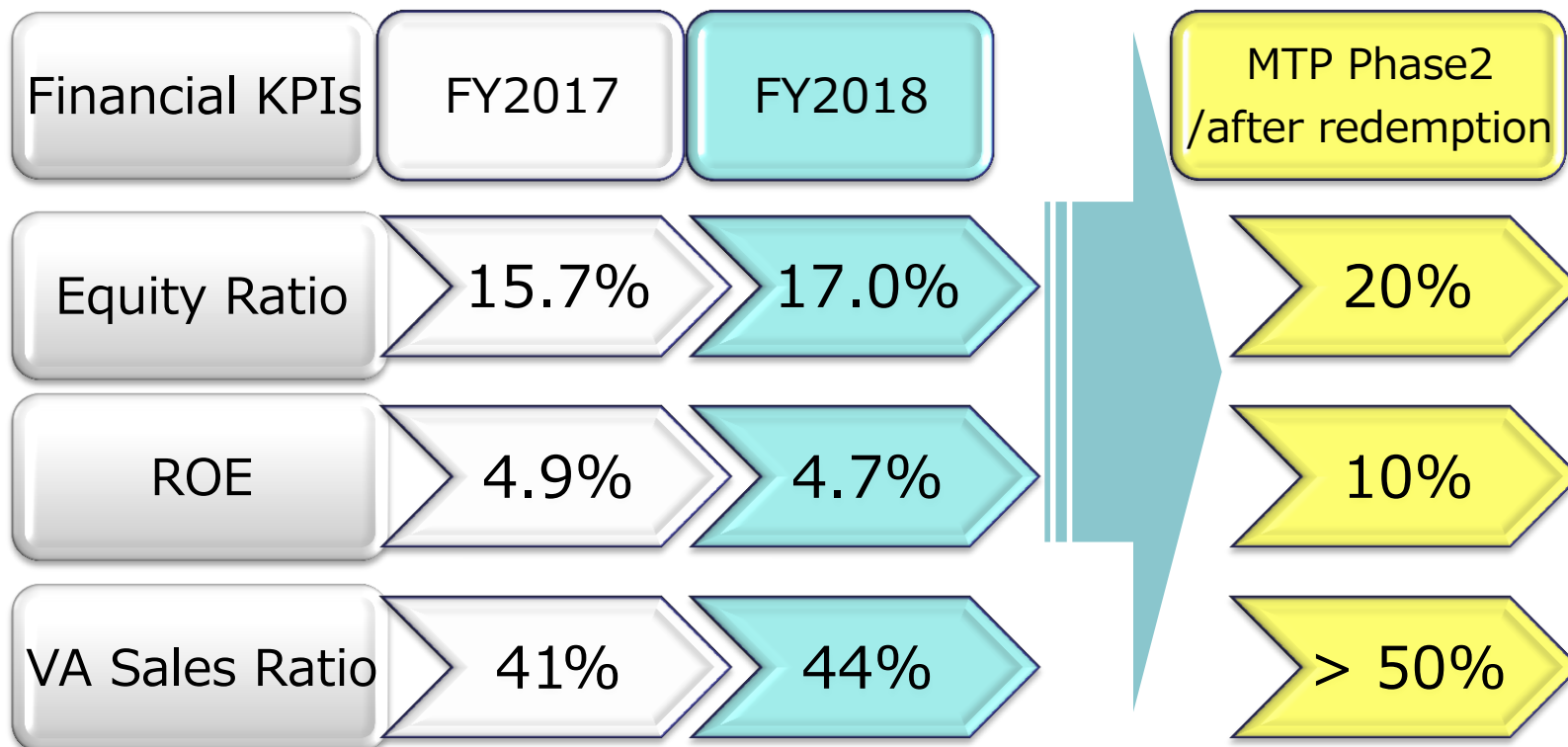
- Trading profit - achieved the forecasted trading profit as announced at the beginning of the term.
- Net Profit - improved from the previous year.
- Free Cash Flow - exceeding ten billion yen as targeted in the plan.

【Financial Targets】



Progress of MTP Phase2

KPIs have been improving as planned for establishing financial sustainability.



Return of profits to our shareholders

Distribution of dividends for FY2018 - JPY20 per a common share

- We will continue to make it the basic policy to declare the dividends in a stable manner on the basis of our sustainable business performance.
- After all Class A Shares have been redeemed and cancelled, while we maintain this basic policy in all respects, we will continue to make all-out effort to declare dividends with introduction of consolidated dividend payout ratio of 30 percent as a guide.

FY2019 Forecast

- Stable global markets
- Mild increase of energy prices
- Continuous cost saving efforts
- Reduction of financial costs, improvement of JV companies' profits



- **Profitability Enhancement**
- **Top-line Increase**
- **New Business Development and Creation of Customer Value**

Core Business

Profitability Enhancement

- Continuous review of underperforming businesses
- Acceleration of profit improvement with VA shift
- Continuous cost reduction with productivity improvement
- Work style reform to improve efficiency

Growth Business

Top-line Increase

- New investment in solar glass capacity expansion
 - A long-term coated glass supply agreement with First Solar
- New application development of online-coated glass in Automotive and Display businesses
- Commercialization of new Technical glass products

New Business

New Business Development and Creation of Customer Value

- Establishing new organization, Business Innovation Center

Issues to be Addressed

- Transformation of our business structure into the one capable of generating stable profit in even amidst uncertain unstable economic landscape.
- To establish a robust profit base for sustainable growth.



- **Execution of 4 key measures steadfastly.**
- **Transformation from a commodity and mass volume type to a high-value type.**
- **Achieving financial sustainability as early as possible.**

ESG Drive for Increasing Corporate Value

- **Environment (E)** - energy saving and creation, reduction of CO2 emission and industrial waste.
- **Social (S)** - Inclusion and Diversity initiative, Compliance with the Group Code of Ethics and the Supplier Code of Conduct.
- **Governance (G)** - effective Governance system with transparency and objectivity ensured.



Pages 14 – 41 of convocation notice

- Other items in “Matters Relating to the Current Status of the Company’s Corporate Group”
- “Matters Related to the Company’s Shares”
- “Policy on Return of Our Profits to Shareholders”
- “Matters Related to the Company’s Stock Acquisition Rights, etc.”
- “Matters Related to Directors and Executive Officers of the Company”
- “Accounting Auditor”
- “Status of Corporate Governance”

100th anniversary



We look forward to your continuing understanding and support to the Group.

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Matters to be resolved

Proposal : Election of Eight Directors

Pages 4 to 12 of the Convening Notice

Proposal: Election of Eight Directors

Günter Zorn
(External director)

Toshikuni Yamazaki
(External director)

Shigeki Mori

Yasuyuki Kimoto
(External director)

Clemens Miller

Masatoshi Matsuzaki
(External director)

Kenichi Morooka

Yuji Takei
(External director)

Question-and-Answer Session

When making questions,
you are kindly requested to state your name
and the ID number on your entry card.

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