

GROUP



NSG Group FY2015 Quarter 1 Results

(from 1 April 2014 to 30 June 2014)

Nippon Sheet Glass Co., Ltd. 31 July 2014



Mark Lyons Chief Financial Officer Kenichi Morooka Executive Vice President

I ain Smith Group Financial Controller

FY2015 Quarter 1 Results (from 1 April 2014 to 30 June 2014)



Agenda

Key Points

Financial Results

Business Update

Key Points - April 2014 to June 2014



- Q1 results consistent with full-year forecast
- Profits continue to benefit from previous restructuring actions
- Market conditions stable
- Improving asset utilization, particularly in Europe

FY2015 Quarter 1 Results (from 1 April 2014 to 30 June 2014)



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Consolidated Income Statement



<u>(JPY bn)</u>	<u>Cum Q1</u> <u>FY2015</u>	<u>Cum Q1</u> FY2014	<u>Change</u> from Cum Q1 FY2014
Revenue	155.7	150.7	3%**
Trading profit	5.1	4.1	
Amortization*	(2.1)	(2.1)	_
Operating profit before exceptional items	3.0	2.0	_
Exceptional items	(1.6)	(2.4)	_
Operating profit/(loss)	1.4	(0.4)	_
Finance expenses (net)	(4.7)	(5.0)	_
Share of JVs and associates	(0.2)	0.0	_
Loss before taxation	(3.5)	(5.4)	_
Loss for the period	(4.7)	(6.9)	_
Loss attributable to owners of the parent	(5.0)	(7.1)	_
			=
EBITDA	13.3	12.1	10%

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* Amortization arising from the acquisition of Pilkington plc only

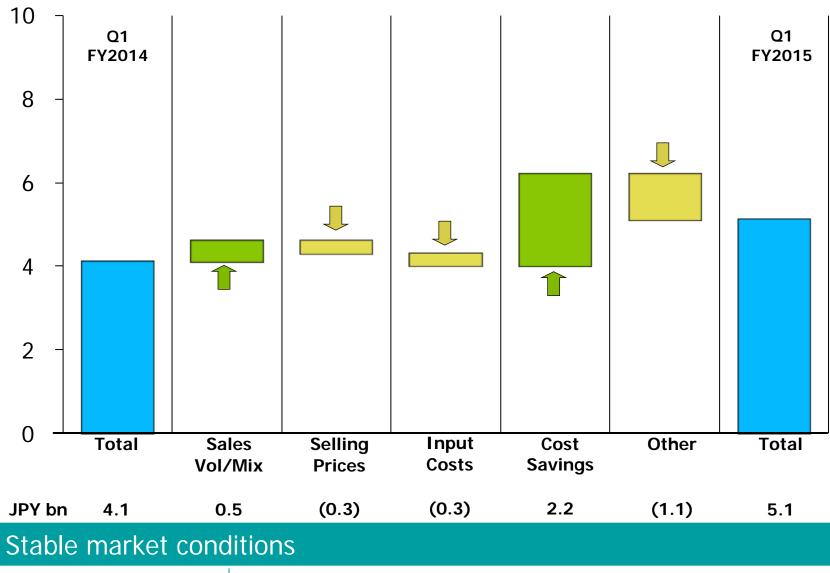
** +1% based on constant exchange rates

Further improvement in profitability

31 July 2014 FY2015 Quarter 1 Results

Change Analysis Trading profit





31 July 2014 FY2015 Quarter 1 Results

Consolidated Cash Flow Summary



(JPY bn)	Cum Q1 FY2015
Loss for the period	(4.7)
Depreciation and amortization	10.3
Net change in working capital	(7.3)
Tax paid	(1.4)
Others	(3.6)
Net cash outflow from operating activities	(6.7)
Purchase of property, plant and equipment	(7.6)
Others	0.3
Net cash outflow from investing activities	(7.3)
Cash flow before financing activites	(14.0)

Key Performance Indicators



	<u>30-Jun-14</u>	<u>31-Mar-14</u>
Net Debt (JPY bn)	392	379
Net Debt/EBITDA	7.0x	7.0x
Net Debt/Equity Ratio	2.4	2.2
	<u>Q1 FY2015</u>	<u>Q1 FY2014</u>
EBITDA Interest Cover	3.4x	2.9x
Operating Return* on Sales * Trading profit	3.3%	2.7%

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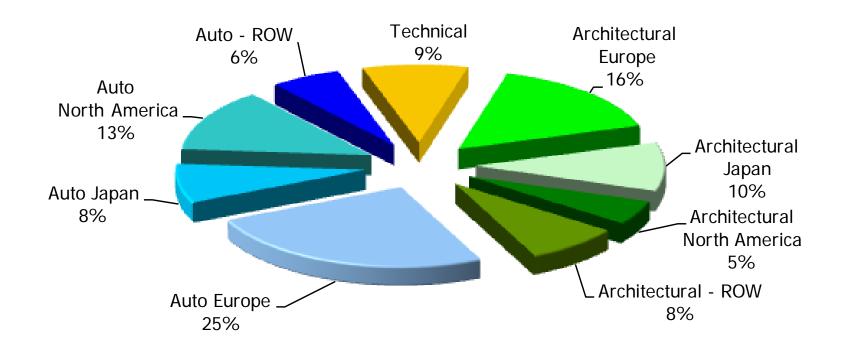
Financial Results

Business Update

External Revenue – Group Businesses



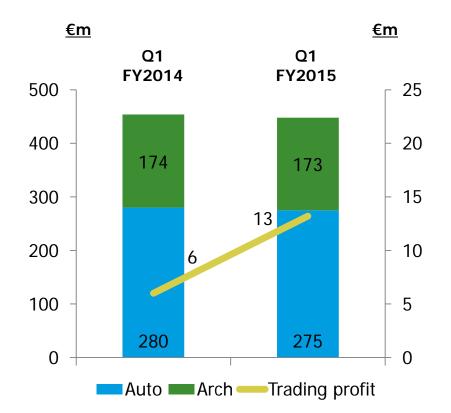
¥ 155.7 billion



Q1 FY2015

Europe Q1 FY2014 v Q1 FY2015





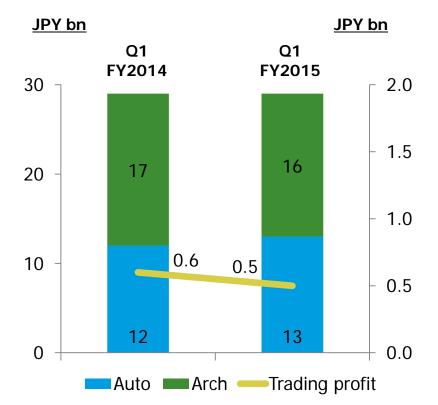
Architectural

- Stable market conditions
- Profitability improved with increasing capacity utilization

- Light vehicle sales approximately 5% higher than previous year
- Profits increased due to improved utilization and cost savings
- Lower AGR volumes following mild winter

Japan Q1 FY2014 v Q1 FY2015





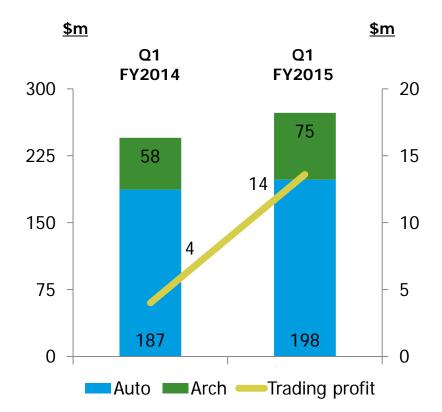
Architectural

- Volumes fell following consumption tax increase
- Prospects continue to be positive despite fall in housing starts during the quarter

- OE volumes stronger than the previous year
- Domestic demand robust despite consumption tax increase
- Profitability impacted by increased input costs

North America Q1 FY2014 v Q1 FY2015





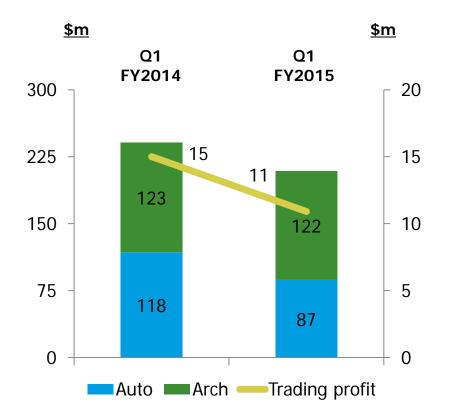
Architectural

- Revenues and profits improved from the previous year
- Volumes increased, improved domestic demand and Solar Energy dispatches
- Domestic price levels above the previous year

- OE market volumes ahead of Q1 FY14
- Strong AGR demand following harsh winter weather conditions

Rest of World Q1 FY2014 v Q1 FY2015





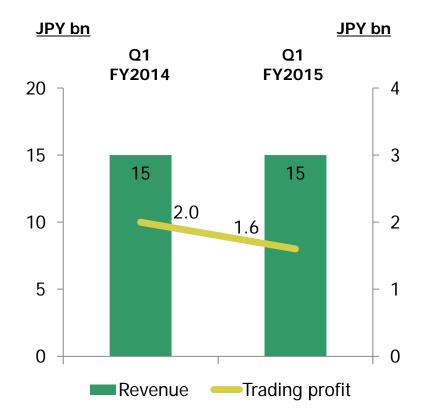
Architectural

- South East Asia markets strong with improving domestic demand and increased Solar Energy
- dispatches
 - Weak market conditions in South America

- Market conditions difficult with reduced number of working days in Brazil
- Challenging economic environment in Argentina

Technical Glass Q1 FY2014 v Q1 FY2015





Technical Glass

- Improving demand in office printer market
- Glass cord volumes similar to Q1 FY14
- Volume reductions in thin glass due disposal of LCD component business in previous year
- The Group's new UFF line in Vietnam started up on 10 June

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- Q1 results consistent with full-year forecast
- Profits continue to benefit from previous restructuring actions
- Market conditions stable
- Improving asset utilization, particularly in Europe
- FY2015 forecast remains unchanged

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 markets (such as Europe, Japan, the U.S. and Asia), product supply/demand shifts, and currency exchange fluctuations.

Nippon Sheet Glass Co., Ltd.



Appendices

31 July 2014 FY2015 Quarter 1 Results

Revenue by Business Q1 FY2015



			North	Rest of	
(JPY bn)	Japan	Europe	America	World	Total
Architectural	15.8	24.2	7.6	12.5	60.1
Automotive	13.0	38.4	20.3	8.9	80.6
Technical Glass	7.8	2.1	0.3	4.5	14.7
Others	0.3	0.0	0.0	0.0	0.3
Total	36.9	64.7	28.2	25.9	155.7

Trading profit Q1 FY2015



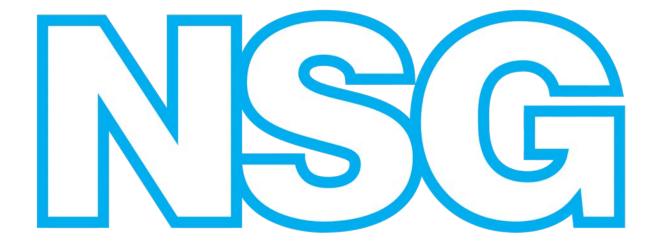
(JPY bn)	Archtectural	Automotive	Technical Glass	Other	Total
Trading profit	1.9	3.0	1.6	(1.4)	5.1

			North	Rest of	
(JPY bn)	Japan	Europe	America	World	Total
Trading profit	1.1	1.5	1.2	1.3	5.1

Assumptions



	Q1 FY2014	Q1 FY2015	FY2015 Forecast
Average rates used:			
JPY/GBP	152	172	170
JPY/EUR	129	140	140
JPY/USD	99	102	100
Closing rates used:			
JPY/GBP	151	173	
JPY/EUR	129	138	
JPY/USD	99	102	



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