NSG Group
FY2025/3 Quarter 3 Results
(from 1 April 2024 to 31 December 2024)

Nippon Sheet Glass Company, Limited
7 February 2025

Akihito Okochi

Senior Executive Officer, Chief Financial Officer

Agenda

1. Financial Year ending 31 March 2025 Quarter 3 Results
2. Forecast for Financial Year ending March 2025
3. Update of “2030 Vision : Shift the Phase” Financial Targets
4. Market Environment and Initiatives in Europe
5. Summary

1. Financial Year ending 31 March 2025 Quarter 3 Results

Consolidated Income Statement

NSG GROUP

Continuous impact by European economic slowdown on Architectural and Automotive.
OP decrease while revenue increase YoY partly helped by FX movement

(JPY bn)	Q3 (3 months)			Cumulative (9 months)		
	FY2024/3	FY2025/3	Change	FY2024/3	FY2025/3	Change
Revenue	192.5	**207.5**	15.0	612.7	**630.0**	17.3
Operating profit	6.1	**0.6**	(5.5)	32.1	**10.8**	(21.3)
ROS: Return on sales	3.2%	**0.3%**	(2.9) pt	5.2%	**1.7%**	(3.5) pt
Exceptional items (net)	0.6	**(2.5)**	(3.1)	0.9	**(2.5)**	(3.5)
Operating profit/ (loss) after exceptional items	6.7	**(1.9)**	(8.6)	33.0	**8.3**	(24.7)
Finance expenses (net)	(6.4)	**(5.6)**	0.7	(20.4)	**(18.2)**	2.2
Reversal of previous impairment of financial receivables owed by JVs and associates	-	**-**	-	3.7	**-**	(3.7)
Share of JVs and associates' profits	1.5	**1.2**	(0.3)	3.7	**3.7**	0.0
Other gains/(losses) on equity method investments	(0.1)	**-**	0.1	1.0	**-**	(1.0)
Profit/(loss) before taxation	1.7	**(6.4)**	(8.1)	21.1	**(6.2)**	(27.3)
Profit/(loss) for the period	3.6	**(5.9)**	(9.5)	14.1	**(9.3)**	(23.4)
Net profit/(loss) *	3.7	**(6.2)**	(9.9)	13.5	**(10.1)**	(23.6)
EBITDA	17.0	**13.0**	(4.0)	65.0	**48.1**	(16.9)

* Profit/(loss) attributable to owners of the parent

Revenue increase in Automotive and Technical Glass businesses partly helped by FX.
OP continuously affected by European economic slowdown in Architectural and Automotive glass businesses

【Revenue and Operating Profit : vs PY】

(JPY bn)	Revenue	OP
Architectural	(0.4)	(17.6)
Automotive	+ 13.1	(6.7)
Technical Glass	+ 6.5	+0.0
Others	(1.9)	+3.0
Group total	**+ 17.3**	**(21.3)**

Decrease YoY due to interest rate decline for GBP, EUR, and USD currencies

Recorded gains on the reversal of previous impairments of balances and investments arising from the disposal of Russian JV business in PY

The Group's consolidated income statement is shown on slide 5.

You can see the results for the third quarter (3 months) to the left,
and the cumulative results (9 months) to the right.

For the third quarter (3 months), revenue increased to 207.5 billion yen, by 15.0 billion yen year on year.
It increased in all businesses partly helped by depreciated Japanese Yen.
The Group's cumulative (9 months) revenue was 630.0 billion yen with increase in Automotive and Technical Glass businesses while decrease in Architectural glass business.

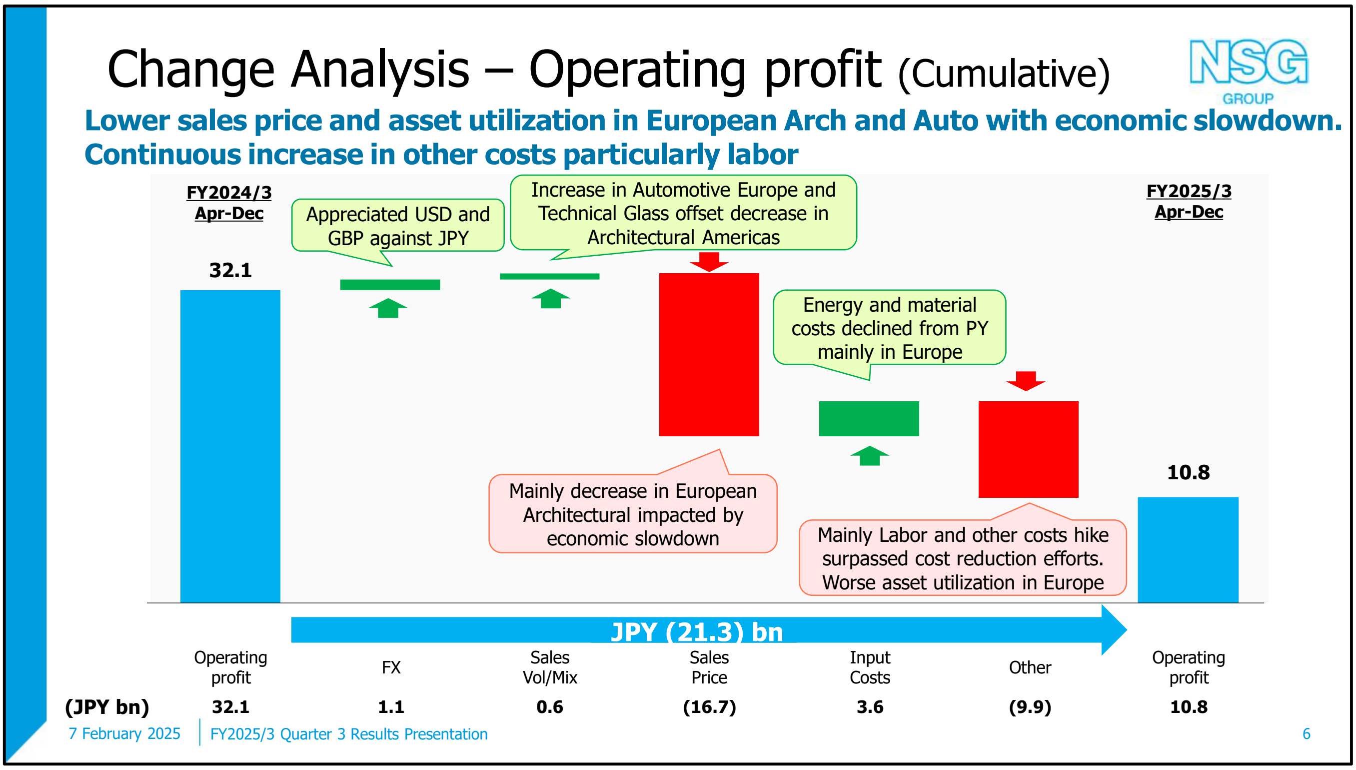
Operating profit for the third quarter (3 months) was 0.6 billion yen which decreased by 5.5 billion yen year on year.
Cumulative operating profit decreased by 21.3 billion yen to 10.8 billion yen.
This decline is owing to the significant impact of the European economic slowdown, mainly in Architectural and Automotive businesses and other costs rise in all businesses, mainly labor, reflecting the worldwide inflation trend.

Exceptional items were net charge of 2.5 billion yen.
This includes exceptional costs related to float line cessation at Gladbeck in Germany which was announced on 10th October 2024.

Net finance expenses improved to 18.2 billion yen from 20.4 billion yen in the previous year by 2.2 billion yen.
This is due to interest rate decline in Pound Sterling, Euro, and US Dollar compared to the previous year.

In the share of JVs and associates' profits, the Group recorded 3.7 billion yen this year which is similar to the previous year.
In the previous year, Group disposed Russian JV business in the first quarter.
Following this transaction, the reversal of previous impairment of financial receivables owed by JVs and associates of 3.7 billion yen was recorded and gains on the reversal of previous impairments of investments were recorded which resulted in other gains on equity method investments of 1.0 billion yen.

Taxation charge of 3.1 billion yen is calculated based on the estimated effective tax rate for the full-year.
The Group was charged taxation despite the losses before taxation as the Group records tax charges in the countries where it is profitable, on the other hand, is not currently recording tax credits in the countries making losses.
As a consequence, the Group recorded a loss for the period of 9.3 billion yen and net loss of 10.1 billion yen.



Slide 6 lays out change analysis of the year-on-year operating profit movement from April to December 2024.
A comparison is made between the operating profit of 32.1 billion yen in the previous year and 10.8 billion yen in this year, being a 21.3 billion yen year-on-year decrease.

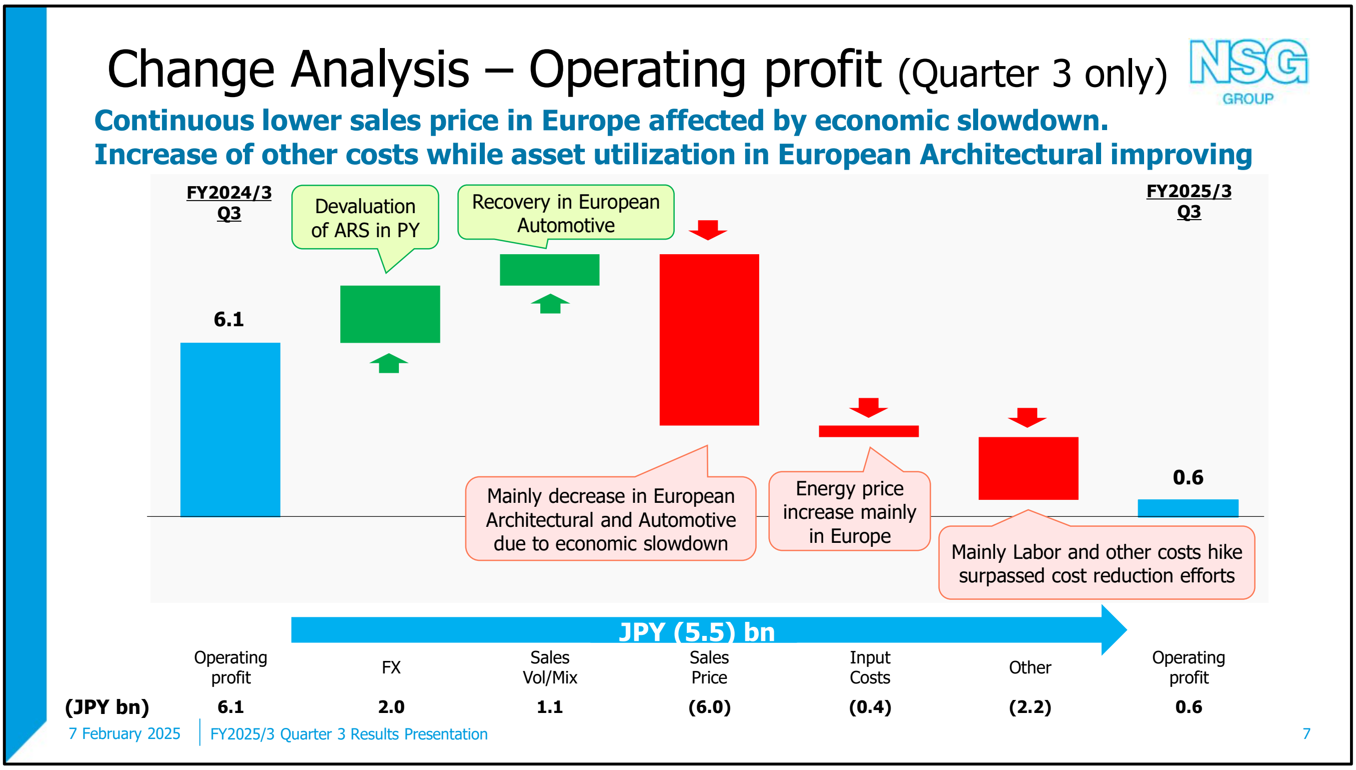
"Foreign Exchange" was positive 1.1 billion yen.
Positive impact of appreciated foreign currencies mainly US Dollar and Pound Sterling against the Yen exceeded the negative impact of depreciated Argentine Peso.

"Sales Volume/Mix" increased by 0.6 billion yen,
reflecting sales volume increase in Automotive Europe and Technical Glass businesses which is partly mitigated by decrease in Architectural Americas.

The negative 16.7 billion yen in "Price".
This is due to the sales prices decrease mainly in European Architectural reflecting continued excess glass manufacturing capacity in this region arising from the deteriorating economy.

The positive "Input Costs" of 3.6 billion yen was due to energy and material costs decrease mainly in Europe.

"Others" posted a decrease of 9.9 billion yen.
Other cost increases, mainly related to labor reflecting worldwide inflation trend exceeded the benefits of the Group's cost reduction efforts.
Also, asset utilization worsened in European Architectural and Automotive caused by the economic slowdown.



Slide 7 lays out change analysis of the year-on-year operating profit movement from October to December 2024.
A comparison is made between the operating profit 6.1 billion yen in the previous year and 0.6 billion yen in this year, being a 5.5 billion yen year-on-year decrease.

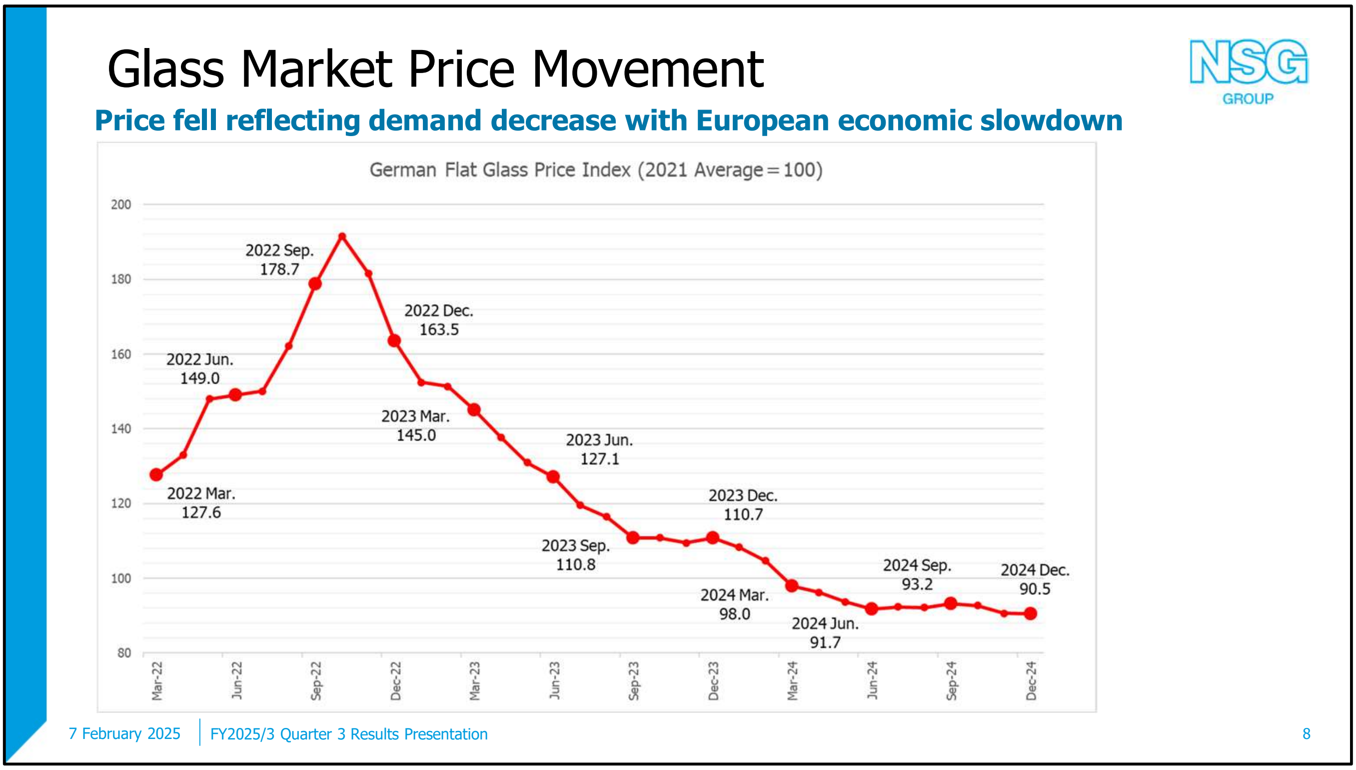
"Foreign Exchange" increased by 2.0 billion yen.
This is because the operating profit for the previous year was reduced due to the impact of the devaluation of Argentine Peso in the third quarter of the previous year.

"Sales Volume/Mix" was positive 1.1 billion yen,
reflecting sales volume recovery in Automotive Europe.

The negative 6.0 billion yen in "Price" is due to the sales prices decrease
mainly in European Architectural and Automotive reflecting the economic slowdown.

The negative "Input Costs" of 0.4 billion yen was due to energy costs increase mainly in Europe.

"Others" posted a decrease of 2.2 billion yen.
Other cost increases mainly related to labor continued reflecting worldwide inflation trend, which exceeded the benefits of the Group's cost reduction efforts.
Worse asset utilization eased in Europe reflecting the production cessation of a German float line at Weiherhammer in June 2024.
Additionally, the Group ceased production of another float line at Gladbeck in Germany from January 2025 as announced on 10th October 2024.

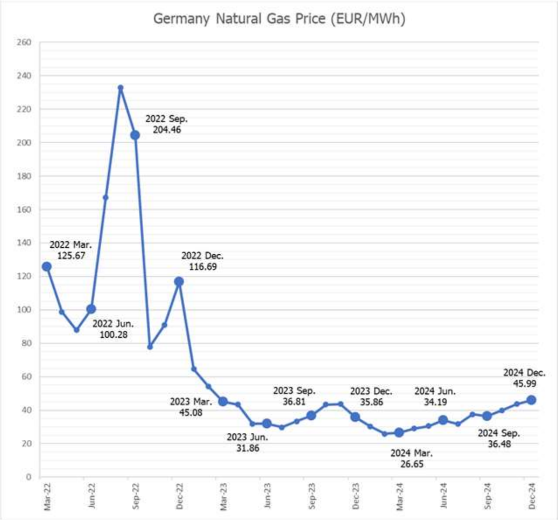


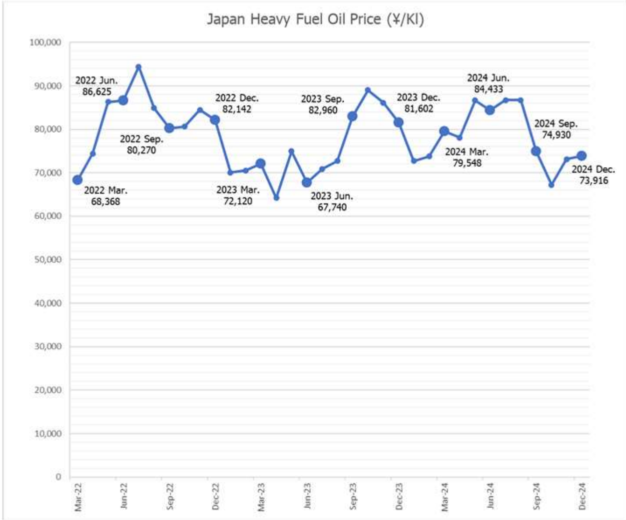
Slide 8 shows the movements of glass price in Germany.

It fell reflecting demand decrease with European economic slowdown.
Average sales prices have been broadly stable during the current year, but at levels typically about 20% below the previous year.

Energy Price Movement

German natural gas price : stable since the previous year while gradually increasing
Japanese heavy fuel oil price : stayed at a high level





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Next slide 9 shows the movements of energy prices.

The left chart shows the movement of the natural gas price in Germany,
and the right chart shows the heavy fuel oil price in Japan.

In Germany, the price of natural gas was stable since the previous year but is gradually increasing.
In Japan, the heavy fuel oil price stayed at a high level.

Consolidated Balance Sheet

NSG GROUP

Shareholders' equity ratio decrease to 11.7% by 0.7pt from the previous year end.
Debt increase due to negative FCF arising from OP decrease and WC increase

(JPY bn)	31 March 2024	31 December 2024	Change
Total Assets	**1,007.6**	**1,030.8**	**23.2**
Non-current assets	686.3	719.8	33.5
Current assets	321.3	311.0	(10.3)
Total Liabilities	**853.7**	**875.2**	**21.5**
Current liabilities	369.9	332.8	(37.1)
Non-current liabilities	483.9	542.4	58.6
Total Equity	**153.8**	**155.5**	**1.7**
Shareholders' equity	124.3	120.2	(4.1)
Shareholders' equity ratio	**12.3%**	**11.7%**	**(0.7)pt**
Interest-bearing debt	**506.5**	**565.4**	**58.9**

Mainly due to increase in property, plant, and equipment reflecting Argentina's inflationary uplift

Mainly due to decrease in trade and other payables

Mainly increase in interest-bearing debt

Shareholders' equity ratio decreased to 11.7% due to a net loss partly mitigated by Argentina's inflationary uplift of asset values

Mainly due to negative free cash flow with operating profit decrease and working capital increase

The Group's consolidated balance sheet is presented on slide 10.

As of the end of December 2024, total assets were 1,030.8 billion yen, which increased by 23.2 billion yen from the end of March 2024.

The Group's non-current assets increased by 33.5 billion yen from March mainly due to increase in property, plant, and equipment reflecting Argentina's inflationary uplift.

Current liabilities decreased by 37.1 billion yen mainly arising from decline in trade and other payables. Non-current liabilities increased by 58.6 billion yen mainly due to increase in interest-bearing debt.

Shareholders' equity decreased to 120.2 billion yen by 4.1 billion yen, mainly due to the recording of net loss which was partly mitigated by Argentina's inflationary uplift of asset values.

As a result, shareholders' equity ratio lessened to 11.7% by 0.7 points from the previous year end.

Interest-bearing debt increased by 58.9 billion yen to 565.4 billion yen.
This is mainly due to negative free cash flow with operating profit decrease and working capital increase.

Consolidated Statement of Cash Flows

NSG GROUP

FCF decreased YoY reflecting OP decrease and WC increase.
Aiming continuously to decrease interesting-bearing debt with improving FCF

(JPY bn)	Q3 (3 months)			Cumulative (9 months)		
	FY2024/3	FY2025/3	Change	FY2024/3	FY2025/3	Change
Net cash flows from operating activities	15.8	**(3.0)**	**(18.8)**	**19.2**	**(6.8)**	**(26.0)**
included above: Net change in working capital	7.2	(2.8)	(10.0)	(24.1)	(19.4)	4.7
Net cash flows from investing activities	**(9.6)**	**(14.8)**	**(5.2)**	**(31.6)**	**(39.6)**	**(8.1)**
included above: Purchase of property, plant and equipment	(11.9)	(14.3)	(2.4)	(39.7)	(37.8)	1.9
Free cash flow	**6.2**	**(17.8)**	**(24.0)**	**(12.4)**	**(46.4)**	**(34.1)**
Net cash flows from financing activities	**(13.0)**	**18.8**	**31.8**	**(12.9)**	**49.9**	**62.9**
Increase/ (decrease) in cash and cash equivalents	**(6.8)**	**1.0**	**7.8**	**(25.3)**	**3.5**	**28.8**
Cash and cash equivalents at the end of the period				**46.2**	**49.1**	**2.9**

Decreased due to operating profit decrease and working capital increase from the previous year

Similar to the previous year while increased in strategic projects

Decreased from the previous year

Consolidated statement of cash flows in slide 11.

For the three months of the third quarter, net cash flows from operating activities decreased by 18.8 billion yen from the previous year to negative 3.0 billion yen.
Cumulatively, they were outflows of 6.8 billion yen being 26.0 billion yen decrease from the previous year.

Cumulative net cash outflows from investing activities increased to 39.6 billion yen by 8.1 billion yen from the previous year.
Purchase of property, plant and equipment was similar to the previous year, with successful ordinary investments controlling while increasing strategic projects.

As a result, free cash flow was outflow of 17.8 billion yen for the third quarter and outflow of 46.4 billion yen cumulatively.

We will continue to improve free cash flow and reduce interest-bearing debt with operating profit increase and working capital decrease.

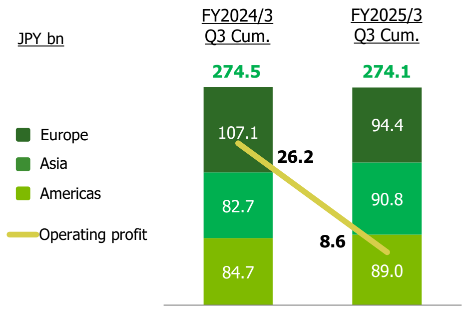
Segmental Information

(JPY bn)	FY2023/3 Q3 Cum.			FY2024/3 Q3 Cum.			FY2025/3 Q3 Cum.			Change	
	Revenue	%	Operating profit	Revenue	%	Operating profit	Revenue	%	Operating profit	Revenue	Operating Profit
Architectural	**275.7**	**49%**	**26.2**	**274.5**	**45%**	**26.2**	**274.1**	**44%**	**8.6**	**(0.4)**	**(17.6)**
Europe	118.0	21%		107.1	17%		94.4	15%		(12.8)	
Asia	74.8	13%		82.7	13%		90.8	14%		8.1	
Americas	83.0	15%		84.7	14%		89.0	14%		4.3	
Automotive	**258.4**	**46%**	**(1.1)**	**305.9**	**50%**	**9.3**	**318.9**	**51%**	**2.6**	**13.1**	**(6.7)**
Europe	107.6	19%		127.2	21%		129.7	21%		2.5	
Asia	49.4	9%		59.5	10%		61.3	10%		1.8	
Americas	101.5	18%		119.2	19%		127.9	20%		8.7	
Technical Glass	**29.8**	**5%**	**7.2**	**29.6**	**5%**	**5.7**	**36.2**	**6%**	**5.7**	**6.5**	**0.0**
Europe	6.8	1%		7.6	1%		7.4	1%		(0.2)	
Asia	21.8	4%		20.7	3%		27.5	4%		6.8	
Americas	1.2	0%		1.4	0%		1.2	0%		(0.1)	
Other	**2.3**	**0%**	**(8.2)**	**2.7**	**0%**	**(9.1)**	**0.7**	**0%**	**(6.2)**	**(1.9)**	**3.0**
Total	**566.2**	**100%**	**24.2**	**612.7**	**100%**	**32.1**	**630.0**	**100%**	**10.8**	**17.3**	**(21.3)**

Slide 12 lays out revenue and profit by the business segments of last three years.
The results of each business will be explained from next slide.

Architectural (Cum. Rev▼, Profit▼ : Q3 Rev▲, Profit▼)

Sales and OP decrease YoY with lower sales volumes and prices particularly in Europe. Robust demand for solar continuing. Capacity increase in USA progressing on track



(JPY bn)	Q3 (3 months)			Cumulative (9 months)		
	FY2024/3	FY2025/3	Change	FY2024/3	FY2025/3	Change
Revenue	**81.6**	**94.2**	**12.6**	**274.5**	**274.1**	**(0.4)**
Europe	33.6	29.0	(4.7)	107.1	94.4	(12.8)
Asia	27.9	33.4	5.5	82.7	90.8	8.1
Americas	20.1	31.8	11.8	84.7	89.0	4.3
OP	**4.4**	**2.0**	**(2.4)**	**26.2**	**8.6**	**(17.6)**

Europe (Cum. Rev▼, Profit▼ : Q3 Rev▼, Profit▼)
- Sales prices decrease significantly with economic slowdown
- Input costs decline mitigating the impact of deteriorating business environment
- Fixed cost reduction by cessation of float lines in Germany (One ceased in June 2024, and another in January 2025)

Asia (Cum. Rev▲, Profit▲ : Q3 Rev▲, Profit▲)
- Stable sales prices while sales volumes decrease in Japan
- Continuous robust demand for solar energy glass

Americas (Cum. Rev▲, Profit▼ : Q3 Rev▲, Profit▲)
- In North America, sales price and volumes decrease with continuous lackluster commercial markets
- In South America, positive sales price while sales volume decrease with less demand
- Strong demand continuing for solar energy glass. Warm up of a new facility in USA in January

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Please move to slide 13 – from this slide the results of each business will be explained.

Architectural revenues increased partly helped by foreign exchange movement while operating profit decreased for the third quarter.
Its cumulative revenues and profit decreased year-on-year since sales volume and price declined and other costs including labor increased, especially in Europe.
On the other hand, robust demand for solar energy glass is continuing and capacity increase in USA is in good progress.

In Europe, revenues and operating profit reduced from the previous year.
Although solid demand is expected in both new construction and renovation markets in the medium to long term, sales prices decreased as the economic slowdown continued.
The impact on lower asset utilization arising from deteriorating business environment was partly mitigated by input cost decline such as raw material and energy costs.
Under such an unfavorable business environment, the Group has ceased the production of one float line at Weiherhammer, Germany from June 2024 and ceased another float line additionally at Gladbeck, Germany from January 2025.
By these, cost reduction through enhancement of asset utilization and sales price improvement with recovery of demand-supply situation in European Architectural market are expected.

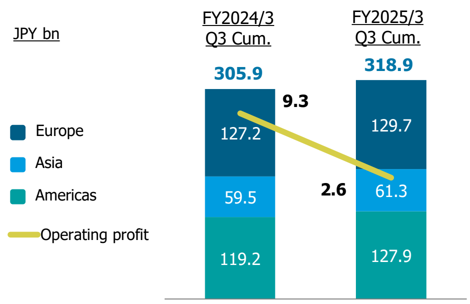
In Asia, both revenues and operating profit showed better results.
In Japan, sales prices were stable, although sales volume decreased.
Demand for glass for solar panels remains strong.

In the Americas, revenues and operating profit increased from the previous year for the third quarter.
Cumulatively, revenue increased while profit declined.
In North America, sales price and volume decreased with continuous lackluster commercial market conditions.

In South America, sales volumes decreased reflecting demand decrease in Argentina.
Solid demand for solar energy glass continued.
An installation of a new facility for solar energy glass at an existing float line in Rossford, Ohio, USA was successfully completed with a warm up in January.
The new facility is scheduled to start production during the fourth quarter.

Automotive (Cum. Rev▲, Profit▼ : Q3 Rev▲, Profit▼)

Revenue increase partly helped by weaker JPY while slower sales volume recovery.
OP decrease reflecting labor and other costs rise and lower asset utilization



(JPY bn)	Q3 (3 months)			Cumulative (9 months)		
	FY2024/3	FY2025/3	Change	FY2024/3	FY2025/3	Change
Revenue	**100.7**	**101.6**	**0.9**	**305.9**	**318.9**	**13.1**
Europe	43.4	40.5	(2.9)	127.2	129.7	2.5
Asia	21.2	21.4	0.2	59.5	61.3	1.8
Americas	36.2	39.7	3.6	119.2	127.9	8.7
OP	**3.0**	**(0.9)**	**(3.9)**	**9.3**	**2.6**	**(6.7)**

Europe (Cum. Rev▲, Profit▼: Q3 Rev▼, Profit▼)
Asia (Cum. Rev▲, Profit▲: Q3 Rev▲, Profit▲)
Americas (Cum. Rev▲, Profit▼: Q3 Rev▲, Profit▼)

- Slower sales volumes recovery affected by vehicle build decline in Europe and disruption to production activity at some customers in Asia and North America
- Further progress in price improvement to offset high material and other costs except for Europe.
  OP decreased mainly due to labor and other costs hike despite the sales price increase
- In North America, temporarily unfavorable production efficiency improving further while continuing
- Decision to adjust production schedules at Witten, Germany
- Progressing continuously cost reduction efforts, expansion of VA products, and sales prices improvement

Slide 14, the results of the Automotive business will be discussed.

Revenue increased whilst operating profit decreased year on year.
Although sales volume recovery were slower than expected, revenue increased partly helped by falling value of Japanese Yen.
The decrease in operating profit is mainly caused by labor and other costs rise and lower asset utilization particularly in Europe.

The recovery pace of sales volumes got slower than expected due to vehicle build decrease in Europe and disruption to production activity at some customers in Asia and North America.

Sales prices improvement through the negotiation with customers continued except for Europe, with further progress being made to offset higher energy, material, labor and other costs.
This resulted in a profit increase in Asia, on the other hand, profit decreased in Europe and Americas where labor and other costs hike not fully absorbed.

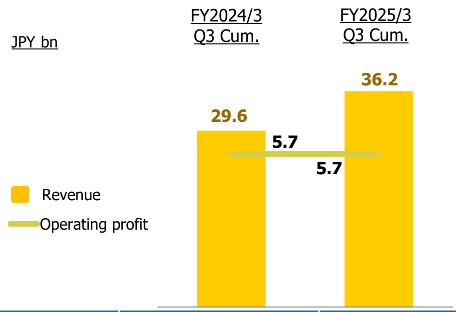
We have been working to rectify unfavorable production efficiencies which were seen at some sites in North America through the year, with the outlook being increasingly positive from the fourth quarter.

The Group decided to adjust the production schedules at Witten site, Germany, considering weak market conditions in Europe as announced on 24th January 2025.
By this initiative, we aim to improve profitability with optimizing productivity and efficiency.

We still see a recovery of the European market over the medium to long term with gradual improvement, therefore, we will focus on further profitability improvement with continuous cost reduction efforts, expansion of value-added products and sales prices improvement.

Technical Glass (Cum. Rev▲, Profit▲ : Q3 Rev▲, Profit▲)

Revenue increase due to continuous demand recovery in many businesses.
OP similar to the previous year due to other cost rises



(JPY bn)	Q3 (3 months)			Cumulative (9 months)		
	FY2024/3	FY2025/3	Change	FY2024/3	FY2025/3	Change
Revenue	9.8	11.5	1.7	29.6	36.2	6.5
OP	1.7	1.8	0.1	5.7	5.7	0.0

- Improving volumes and price levels for some products in fine glass
- Positive demand for printer lenses
- Sales volumes in glass cord recovered, benefitting from high demand in automotive glass replacement markets
- Demand for Metashine® increased for cosmetic applications

Slide 15 lays out the results of the Technical Glass business.

Revenue increased from the previous year due to improving demand in many businesses.
Operating profit was similar to the previous year due to other cost rises.

In Fine glass business, volumes and price levels improved for some products with demand recovery.

Regarding the printer lenses business, sales volume recovered with positive demand reflecting production volume increase at printer manufacturers.

Sales volume in glass cords for engine timing belts recovered benefitting from high demand in replacement markets.

Revenue for Metashine® increased for cosmetic applications.

2. Forecast for Financial Year ending March 2025

Forecast for Financial Year ending March 2025

Forecast revised downward reflecting European economic slowdown and recording of exceptional costs. Taking any appropriate actions to improve profits throughout the Group

(JPY bn)	FY2025/3 Full-year Fcst (Previous)	FY2025/3 Full-year Fcst (Revised)	Change	FY2024/3 Full-year Act (Reference)
Revenue	**850.0**	**850.0**	**-**	**832.5**
Operating profit	**26.0**	**16.0**	**(10.0)**	**35.9**
Exceptional items (net)	2.0	(7.0)	(9.0)	0.1
Operating profit after exceptional items	**28.0**	**9.0**	**(19.0)**	**36.0**
Finance expenses (net)	(27.0)	(25.0)	2.0	(28.2)
Reversal of previous impairment of financial receivables owed by JVs and associates	-	-	-	3.7
Share of JVs and associates' profits	5.0	5.0	-	5.1
Other gains on equity method investments	-	-	-	1.0
Profit/(loss) before taxation	**6.0**	**(11.0)**	**(17.0)**	**17.6**
Profit/(loss) for the period	**1.0**	**(16.0)**	**(17.0)**	**10.9**
Net profit/(loss) *	**0.0**	**(17.0)**	**(17.0)**	**10.6**

*Profit/(loss) attributable to owners of the parent

The following slides are regarding the forecast for financial year ending March 2025.
Slide 17 shows the forecast for FY2025/3.

From the left, the previous full-year forecast, revised full-year forecast, the variances and the actuals of FY2024/3 to the right.

The Group has revised downward its forecasts of operating profit, profit before taxation, profit for the period, and net profit for the full-year.
This revision is due to performance below the Group's previous expectations which was largely affected by economic slowdown and assumption that the impact of the economic slowdown in Europe will improve only gradually during the remainder of the year.
The revised forecast also reflects the exceptional costs accompanying the decision to adjust automotive glass production schedules at a site in Germany as announced on 24 January, which is in addition to the cessation of the production at two architectural glass float lines in Germany as already announced.

Adding to these initiatives, the Group announced today that the executive officers will voluntarily decline part of their salary to accelerate business recovery, considering that the current global economic situation has severely impacted our businesses.

The Group will take any appropriate actions to return to black in FY2026/3 such as the initiatives among Europe, voluntary salary reduction for executive officers, and further cost reductions such as eliminating unnecessary increase in headcounts, travel expenses, and wage inflation.

The assumptions for this forecast will be discussed in the next slide.

Assumptions for FY2025/3 Forecast

Group	**Forecast revised downward reflecting European economic slowdown and recording of exceptional costs. Taking any appropriate actions to improve profits early including cost reductions throughout the Group** • Assuming depreciated JPY for major foreign currencies, compared to FY2024/3 • Stable energy and material costs assumed while other costs increase including labor reflecting inflation • Continue cost reduction, expansion of VA products and sales price increases
Architectural Glass	**The economic slowdown in Europe is expected to continue, with the Group mitigating this by ceasing production at two float lines. Favorable solar business expected to continue** • Europe : affected by sales volume and price decrease arising from economic slowdown and cost increase • Asia : stable sales prices in Japan • North America : sales volumes to decrease with continuous softening domestic demand. Need close watch on economic trends in USA • South America : continuous softening demand in Argentina • Solar energy glass : robust demand to continue. Start of production at a new facility in USA
Automotive Glass	**Initiatives against weak demand arising from lower vehicle production volume in Europe. Continuing price negotiations while impact of higher input costs including labor** • Sales volumes recovering modestly with vehicle demand, but with slower pace • Price negotiations to continue with all customers to recover cost increases • Aiming for profitability improvement with cost reduction, expansion of VA products and price increases
Technical Glass	**Markets positive with recovery absorbing cost increase with sales volumes and prices improvement** • IT market recovery in fine glass • Demand recovery for printer lenses reflecting production volume increase at printer manufactures • Sales volume in glass cord increasing for automotive glass replacement markets

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Slide 18 shows the assumptions for the forecast.

The Group revised its forecast of profits downward reflecting economic slowdown in Europe and recording of exceptional costs as explained in the former slide.

Regarding the assumption for the whole Group, we expect of depreciated JPY against major foreign currencies compared to FY2024/3.
Other costs including labor costs are forecasted to increase reflecting the worldwide inflation trend although energy and material costs are assumed to be stable.
The Group continues to pursue business improvement with promoting cost reduction efforts, expansion of Value Added products and price increase.

Considering the factors affecting each business:
In Architectural business;
In Europe, it will be affected by sales volume and price decrease
reflecting economic slowdown, and other costs increase mainly labor.
We will continue cost reduction initiatives including cessation of float lines.
Regarding Asia, in Japan, stable sales price is expected.
In North America, sales volumes are assumed to decrease with softening domestic demand.
We need to watch economic trends in USA.
In South America, demand is expected to soften slightly in Argentina.
In Solar energy glass, continuous strong demand is assumed.
A new facility in Rossford, Ohio is scheduled to start production during the fourth quarter.

In Automotive business;
The Group expects that sales volume will recover modestly with vehicle demand, but with slower pace.
In response to current weak demand arising from lower vehicle production volume in Europe, we plan to implement initiatives including optimizing productivity.

We continue negotiating sales price improvement with customers to mitigate expected increase in other costs including labor.
We aim to enhance profitability further with continuous cost reduction efforts, expansion of value-added products and sales price increases.

In Technical Glass business;
We expect generally positive market with recovery.
The Group will absorb cost increase with sales volumes and prices improvement.

As we explained in the former slides, we will focus on achieving the forecasts by taking any appropriate actions to improve profits early including cost reduction efforts throughout the Group.

3. Update of “2030 Vision : Shift the Phase” Financial Targets

Update of "2030 Vision : Shift the Phase" Financial Targets

NSG GROUP

Significantly affected by economic slowdown in Europe.
Continue to improve profitability and cash generation to stabilize financial status

		FY2027/3 Targets	FY2030/3 Targets	FY2025/3 Q3 Cum. (9 months) Actual
Profitability (P/L)	Operating profit	JPY 64.0 bn		JPY 10.8 bn : mainly due to impact by economic slowdown in Europe
	ROS	7%	10% or more	1.7% : decreased by 0.7pt from Q2
Cash Generation (C/F)	Free cash flow	JPY 27.0 bn		JPY (46.4) bn : negative free cash flow due to operating profit decrease and working capital increase
Stabilization of Financial Status (B/S)	Interest-bearing debt	JPY 442.0 bn		JPY 565.4 bn : increased due to negative free cash flow
	Shareholders' equity ratio	15%		11.7% : decreased by 0.7pt from the previous year end

2030 Vision : Shift the Phase
https://www.nsg.com/-/media/nsg/site-content/ir/ir-presentations/mtp2030presentation_e02.pdf

Slide 20 explains the progress in financial targets of "2030 Vision : Shift the Phase".

The Group set out a medium-term plan "2030 Vision : Shift the phase", for a six-year period from FY2025/3 to FY2030/3.
During this period, the Group will focus on enhancing profitability and increase cash generation to improve financial status.
We established a set of five key financial metrics as targets for FY2027/3 regarding profitability (P/L), cash generation (C/F) and stabilization of financial status (B/S).

Operating profit was 10.8 billion yen affected mainly by the deteriorating economy in Europe.
Return on sales was 1.7%, reduced by 0.7 points from 2.4% of the previous quarter.

Regarding free cash flow, it was negative 46.4 billion yen with operating profit decrease and working capital increase.

Interest-bearing debt increased to 565.4 billion yen from 506.5 billion yen at the previous year end by 58.9 billion yen.
This is mainly arising from negative free cash flow.
Shareholders' equity ratio decreased by 0.7 points from the previous year end to 11.7% with a recording of net loss.

The Group will continue to focus on reducing interest-bearing debt and improvement of shareholders' equity ratio by improving profitability and strengthening cash generation.

4. Market Environment and Initiatives in Europe

Market Environment and Initiatives in Europe

More demand for VA products expected in medium to long term in Architectural and Automotive. Developing the business to be less dependent on commodity products by cost reduction and expansion of VA products

1. **European Market Environment**
   - Demand decrease affected largely by economic slowdown with inflation and prolonged high interest rates
   - Gradual economic recovery expected in line with the start of interest rate decrease
   - Increase of renovation demand expected in medium to long term for energy efficiency in Architectural
   - Markets recovering over the medium to long term with gradual improvement of vehicle production in Automotive
2. **Initiatives for less commodity products under "Business Development" in "2030 Vision : Shift the Phase"**
   - Supply reduction at upstream (sheet glass production) and development of less commoditized products at downstream (glass processing) in Architectural
   - Thorough profitability improvement with further optimization of footprint including adjustment of production schedules and operational improvement in Automotive

As explained previously, the economic slowdown affected significantly to European Architectural and Automotive glass businesses in the cumulative performance and the full-year forecast.

With regard to this, slide 22 discusses European market environment and initiatives in Europe.

When we look at market environment, it is true that the Group is facing significant sales price decrease due to demand decrease which arise from economic slowdown after FY2024/3 H2 with inflation and prolonged high interest rates.
However, gradual economic recovery is expected with stable inflation rate and interest rate cut after the beginning of FY2025/3.
In Architectural glass business, for medium to long term, increase of renovation demand is expected to improve energy efficiency to decrease GHG emissions by controlling room temperature with window glass.
In the Automotive glass business, markets will recover over the medium to long term with gradual improvement of vehicle production.

To address sever market environment we are facing so far and expanding demand expected in medium to long term, the Group will develop the business to be less dependent on commodity products under "Business Development" in "2030 Vision : Shift the Phase".
In Architectural glass business, the Group will reduce production volume at upstream and develop less commoditized products at downstream.

In Automotive glass business, we will improve profitability thoroughly with further optimization of footprint and operational cost reductions including adjustment of production schedules at Witten, Germany which was announced on 24th January 2025.

Details will be discussed in the next slide.

Market Environment and Initiatives in Europe

NSG GROUP

3. Main initiatives

(1) Supply reduction at upstream in Architectural and cost reduction in Automotive

Business	Country	Summary	Announcement Date	Schedule	Cost reduction benefit (approx. JPY bn.)		
					Annual	FY2025/3	FY2026/3
Archi-tectural	UK	Consolidation of production of rolled glass and float glass onto one furnace	21 April 2023	April 2025	0.4	-	0.3
	Germany	Early closure of a float line at Weiherhammer	19 March 2024	June 2024	2.0	1.5	2.0
	Germany	Cessation of a float line at Gladbeck	10 October 2024	January 2025	3.0	0.5	3.0
Auto-motive	Germany	Adjustment of production schedules at Witten	24 January 2025	June - August 2025	1.1	-	0.5

(2) Progress of development of less commoditized products at downstream in Architectural

Summary	Country	Schedule	Progress
Insulated glass unit, triple glazing unit	Mainly Poland	Ongoing	Progress on track for 5% YoY growth
Glass utilizing advanced coating technology including Low-E	UK, Poland	Ongoing	Progress on track for 4% YoY growth
Jumbo laminated glass	Germany	December 2025	Progress on track

In the slide 23, details of cost reductions and development of being less dependent on commoditized products will be explained.

Regarding cost reduction, the Group already announced three initiatives for Architectural and one for Automotive glass business.
The first one for Architectural is production consolidation of rolled glass and float glass onto one furnace.
As we describes in the news release published on 21st April 2023, this aims to improve productivity and reduce costs together with reduce carbon emissions by integrate two furnaces into one.
The consolidated line is scheduled to run from April 2025 and expecting approximately 0.4-billion-yen cost reduction annuary, with which we anticipate to benefit approximately 0.3 billion yen for FY2026/3.

The second and the third initiatives are related to float line cessations in Germany.
These decisions were made by reviewing the current weak demand and supply situation in European architectural glass market.
We aim to reduce fix costs and increase sales price by improving demand and supply situation through optimizing our supply volumes.
The second is about early closure of one float line at Weiherhammer, Germany from June 2024, as announced on 19th March 2024.
This is expected to result in annual cost savings of approximately 2.0 billion yen, and the same benefit is expected for FY2026/3.
The third item is production cessation from January 2025 at another float line at Gladbeck in Germany, as disclosed on 10th October 2024.
We expect approximately 3.0 billion yen of cost savings for both annuary and FY2026/3.

Lastly, the Group adjusts production schedules at Witten, Germany to optimize productivity as disclosed on 24 January 2025.
This adjustment is scheduled to be implemented from June to August 2025.
Expected cost reduction benefit is approximately 1.1 billion yen for a full-year and approximately 0.5 billion yen for FY2026/3.

The Group will take any appropriate actions as “One Team” to return to black in FY2026/3 by improving profits early through cost reductions throughout the Group including other indirect functions.
We will eliminate unnecessary increase in headcounts, travel expenses, and wage inflation.

For development of being less dependent on commoditized products, the Group currently implementing numerous initiatives at downstream in response to expanding demand for medium to long term.
We will update the progresses of the three initiatives explained in the second quarter.
The first is about insulated and triple glazing unit.
The Group expects increase of renovation demand to improve energy efficiency by controlling room temperature with window glass in Europe where they are highly conscious of environment.
To capture the demand, investment mainly in Poland is progressing on schedule aiming for 5% year-on-year growth.

Second initiative is investment for expansion of advanced coatings utilization.
We are increasing product capacity for coating glass including Low-E glass in UK and Poland which is progressing on track.
We are targeting an annual supply expansion of 4%.

The third is related to jumbo laminated glass production in Germany.
It is progressing well with schedule to start production in December 2025.

The Group aims to improve profitability in Europe, where the business environment is currently challenging, and achieve the targets of medium-term plan by implementing cost reduction initiatives and development of being less dependent on commoditized products over the medium to long term.

5. Summary

Summary

1. **Financial Year ending 31 March 2025 Quarter 3 Results**
   - Continuous impact by European economic slowdown on Architectural and Automotive glass businesses.
     OP decrease while revenue increase YoY partly helped by FX movement
   - Lower sales price and asset utilization in European Architectural and Automotive.
     Continuous increase in other costs particularly labor
   - Shareholders' equity ratio decrease to 11.7% by 0.7pt from the previous year end.
     Interest-bearing debt increase due to negative FCF arising from OP decrease and WC increase
2. **Forecast for Financial Year ending March 2025**
   - Profits forecast revised downward reflecting European economic slowdown and recording of exceptional costs
   - Implementation of initiatives such as production cessation at two float lines in Germany in Architectural, decision to adjust Automotive production schedules at Witten, Germany, and voluntary salary reduction for executive officers
   - Taking any appropriate actions to improve profits early including cost reductions throughout the Group to achieve full-year forecast and return to black in FY2026/3
3. **Update of "2030 Vision : Shift the Phase" Financial Targets**
   - Largely affected by economic slowdown in Europe.
     Continue to improve profitability and cash generation to stabilize financial status
4. **Market Environment and Initiatives in Europe**
   - More demand for VA products expected in medium to long term in Architectural and Automotive.
     Developing the business to be less dependent on commodity products by cost reduction and expansion of VA products

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 and competitive environment in major markets, product supply and demand shifts, currency exchange and interest rate fluctuations, changes in supply of raw materials and fuel and changes and laws and regulations, but not limited.

Nippon Sheet Glass Company, Limited

Appendices

- Consolidated Income Statement – Quarterly Trend
- Revenue & Operating Profit – Quarterly Trend
- Segmental Information by Quarter
- Revenue & Operating Profit – by Region
- Exceptional Items
- Foreign Currency Exchange Rates and Sensitivity
- Depreciation & Amortization, Capital Expenditures, R&D Expenditures

Consolidated Income Statement – Quarterly Trend

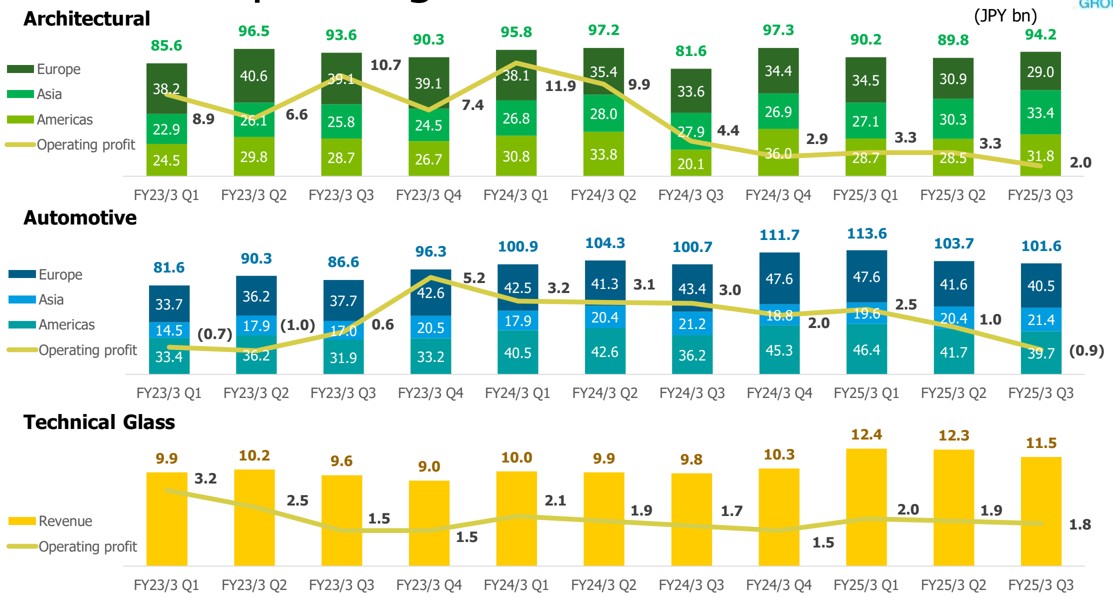
NSG GROUP

(JPY bn)	FY2023/3				FY2024/3				FY2025/3		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Revenue	**177.9**	**197.7**	**190.6**	**197.3**	**208.0**	**212.2**	**192.5**	**219.8**	**216.4**	**206.0**	**207.5**
Operating profit	**8.3**	**6.2**	**9.7**	**10.7**	**14.6**	**11.5**	**6.1**	**3.8**	**4.8**	**5.5**	**0.6**
Operating profit margin	**4.6%**	**3.1%**	**5.1%**	**5.4%**	**7.0%**	**5.4%**	**3.2%**	**1.7%**	**2.2%**	**2.7%**	**0.3%**
Exceptional items (net)	2.3	(47.3)	1.0	(1.2)	(0.8)	1.1	0.6	(0.8)	0.2	(0.2)	(2.5)
Operating profit/(loss) after exceptional items	**10.6**	**(41.1)**	**10.7**	**9.4**	**13.8**	**12.5**	**6.7**	**2.9**	**4.9**	**5.3**	**(1.9)**
Finance expenses (net)	(2.8)	(3.7)	(4.8)	(6.1)	(6.4)	(7.7)	(6.4)	(7.8)	(6.0)	(6.6)	(5.6)
Reversal of previous impairment/ (impairment) of financial receivables owed by JVs and associates	-	-	-	-	3.7	-	-	-	-	-	-
Share of JVs and associates' profits	2.2	1.0	2.1	2.0	1.0	1.2	1.5	1.4	1.1	1.4	1.2
Other gains/(losses) on equity method investments	(1.2)	0.5	(0.4)	(0.4)	1.1	(0.0)	(0.1)	(0.0)	-	-	-
Profit/(loss) before taxation	**8.8**	**(43.4)**	**7.7**	**4.9**	**13.3**	**6.1**	**1.7**	**(3.5)**	**0.0**	**0.1**	**(6.4)**
Profit/(loss) for the period	**3.3**	**(40.3)**	**2.2**	**3.8**	**7.5**	**3.0**	**3.6**	**(3.2)**	**2.7**	**(6.1)**	**(5.9)**
Net profit/(loss) *	**2.4**	**(41.2)**	**1.7**	**3.4**	**7.0**	**2.7**	**3.7**	**(2.9)**	**2.4**	**(6.3)**	**(6.2)**
EBITDA	**18.0**	**16.1**	**20.2**	**20.7**	**25.3**	**22.6**	**17.0**	**16.8**	**17.5**	**17.5**	**13.0**

*Profit/(loss) attributable to owners of the parent

Revenue & Operating Profit – Quarterly Trend

(JPY bn)



Segmental Information by Quarter

NSG GROUP

(JPY bn)	FY2023/3					FY2024/3					FY2025/3			
	Q1	Q2	Q3	Q4	Cum.	Q1	Q2	Q3	Q4	Cum.	Q1	Q2	Q3	Cum.
Revenue: Architectural	**85.6**	**96.5**	**93.6**	**90.3**	**365.9**	**95.8**	**97.2**	**81.6**	**97.3**	**371.8**	**90.2**	**89.8**	**94.2**	**274.1**
Europe	38.2	40.6	39.1	39.1	157.1	38.1	35.4	33.6	34.4	141.5	34.5	30.9	29.0	94.4
Asia	22.9	26.1	25.8	24.5	99.2	26.8	28.0	27.9	26.9	109.6	27.1	30.3	33.4	90.8
Americas	24.5	29.8	28.7	26.7	109.6	30.8	33.8	20.1	36.0	120.6	28.7	28.5	31.8	89.0
Operating profit	**8.9**	**6.6**	**10.7**	**7.4**	**33.6**	**11.9**	**9.9**	**4.4**	**2.9**	**29.1**	**3.3**	**3.3**	**2.0**	**8.6**
Revenue: Automotive	**81.6**	**90.3**	**86.6**	**96.3**	**354.7**	**100.9**	**104.3**	**100.7**	**111.7**	**417.6**	**113.6**	**103.7**	**101.6**	**318.9**
Europe	33.7	36.2	37.7	42.6	150.2	42.5	41.3	43.4	47.6	174.7	47.6	41.6	40.5	129.7
Asia	14.5	17.9	17.0	20.5	69.9	17.9	20.4	21.2	18.8	78.3	19.6	20.4	21.4	61.3
Americas	33.4	36.2	31.9	33.2	134.7	40.5	42.6	36.2	45.3	164.5	46.4	41.7	39.7	127.9
Operating profit	**(0.7)**	**(1.0)**	**0.6**	**5.2**	**4.1**	**3.2**	**3.1**	**3.0**	**2.0**	**11.3**	**2.5**	**1.0**	**(0.9)**	**2.6**
Revenue: Technical	**9.9**	**10.2**	**9.6**	**9.0**	**38.8**	**10.0**	**9.9**	**9.8**	**10.3**	**39.9**	**12.4**	**12.3**	**11.5**	**36.2**
Europe	2.1	2.5	2.2	2.7	9.5	2.5	2.6	2.6	3.0	10.6	2.8	2.3	2.3	7.4
Asia	7.5	7.3	7.0	5.8	27.6	7.1	6.9	6.7	6.9	27.5	9.1	9.5	8.9	27.5
Americas	0.4	0.5	0.4	0.4	1.6	0.4	0.5	0.5	0.4	1.8	0.5	0.5	0.3	1.2
Operating profit	**3.2**	**2.5**	**1.5**	**1.5**	**8.7**	**2.1**	**1.9**	**1.7**	**1.5**	**7.1**	**2.0**	**1.9**	**1.8**	**5.7**
Revenue: Other	**0.8**	**0.7**	**0.9**	**1.8**	**4.1**	**1.3**	**0.8**	**0.5**	**0.6**	**3.3**	**0.2**	**0.2**	**0.3**	**0.7**
Operating profit	**(3.1)**	**(1.9)**	**(3.1)**	**(3.4)**	**(11.5)**	**(2.7)**	**(3.4)**	**(3.0)**	**(2.6)**	**(11.7)**	**(3.1)**	**(0.7)**	**(2.3)**	**(6.2)**
Revenue: Total	**177.9**	**197.7**	**190.6**	**197.3**	**763.5**	**208.0**	**212.2**	**192.5**	**219.8**	**832.5**	**216.4**	**206.0**	**207.5**	**630.0**
Operating profit	**8.3**	**6.2**	**9.7**	**10.7**	**34.8**	**14.6**	**11.5**	**6.1**	**3.8**	**35.9**	**4.8**	**5.5**	**0.6**	**10.8**

Revenue & Operating Profit – by Region

(JPY bn)	FY2024/3 Q3 Cum.			FY2025/3 Q3 Cum.			Change	
	Revenue	%	Operating profit/(loss)	Revenue	%	Operating profit/(loss)	Revenue	Operating profit/(loss)
Europe	**241.9**	**39%**	**3.9**	**231.5**	**37%**	**(18.9)**	**(10.4)**	**(22.8)**
Asia	**162.9**	**27%**	**23.1**	**179.6**	**29%**	**27.1**	**16.7**	**4.0**
Americas	**205.3**	**34%**	**14.2**	**218.1**	**35%**	**8.8**	**12.8**	**(5.4)**
Other *	2.7	0%	(9.1)	0.7	0%	(6.2)	(1.9)	3.0
Total	**612.7**	**100%**	**32.1**	**630.0**	**100%**	**10.8**	**17.3**	**(21.3)**

* Revenue and Operating loss of Other Operation are not split by geographical regions.

Exceptional Items

(JPY bn)	FY2024/3 Q3 Cum.	FY2025/3 Q3 Cum.
Gains on disposal of non-current assets	-	0.3
Reversal of surplus provisions	-	0.2
Reversal of impairment of non-current assets	0.2	0.0
Settlement of litigation matters - net	0.9	(0.1)
Write down of inventories	(0.2)	(0.1)
Impairment of non-current assets	(0.6)	(0.1)
Restructuring costs, including employee termination payments	(0.3)	(2.9)
Gain on disposal of subsidiaries and businesses	1.0	-
Others	(0.0)	(0.0)
Exceptional items - net	**0.9**	**(2.5)**

Foreign Currency Exchange Rates and Sensitivity

Average rates used

	FY2023/3				FY2024/3				FY2025/3		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
GBP	163	163	164	163	172	177	179	182	197	195	195
EUR	138	139	140	141	150	153	154	157	168	165	164
USD	129	134	137	135	138	140	143	144	156	152	152
BRL	26.4	26.4	26.5	26.3	27.7	28.6	29.0	29.4	29.9	28.3	27.5
ARS	Closing rates are applied – hyperinflation										

FY2025/3
Forecast
195
164
152
27.5

Closing rates used

	FY2023/3				FY2024/3				FY2025/3		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
GBP	165	161	160	165	183	182	181	191	204	191	196
EUR	142	141	140	145	158	157	157	163	173	159	162
USD	136	145	132	133	145	148	143	152	162	143	157
BRL	26.2	26.7	25.7	26.2	29.8	29.5	29.2	30.4	29.3	26.2	25.3
ARS	1.09	0.98	0.76	0.64	0.57	0.42	0.18	0.18	0.18	0.15	0.15

Sensitivity
Increase (decrease) if the value of the yen depreciates by 1% - all other things being equal

	FY2024/3
Equity	JPY 3.8 bn
Profit for the period	Improve by JPY 0.1 bn

Depreciation & Amortization, Capital Expenditures, R&D Expenditures

NSG GROUP

(JPY bn)	FY2024/3 Q3 Cum.	FY2025/3 Q3 Cum.	FY2025/3 Full-year Forecast
Depreciation & Amortization	**32.9**	**37.3**	**49.0**
Capital expenditures	**38.5**	**38.9**	**63.0**
Ordinary	24.8	19.9	33.0
Strategic projects	13.7	19.0	30.0
R&D expenditures	**7.4**	**7.9**	**11.4**
Architectural	2.4	2.9	
Automotive	2.3	2.4	
Technical Glass	0.6	0.7	
Other	2.1	1.9	

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