# NSG Group
# FY2024/3 Annual Results
(from 1 April 2023 to 31 March 2024)

Nippon Sheet Glass Company, Limited
10 May 2024

**Munehiro Hosonuma**

Representative Executive Officer and Chief Executive Officer

**Akihito Okochi**

Senior Executive Officer and Chief Financial Officer

# Agenda

1. Financial Year ended 31 March 2024 Annual Results
2. Forecast for Financial Year ending March 2025
3. Transformation Initiatives under Revival Plan 24
4. New MTP '2030 Vision: Shift the Phase'
5. Summary

# 1. Financial Year ended 31 March 2024 Annual Results

# Consolidated Income Statement

NSG GROUP

**Revenue and OP increase in full-year with continuous Automotive improvement.**
**Profits decrease in Q4 largely affected by economic slowdown in Europe**

| (JPY bn) | Q4 (3 months) | | | Full-year (12 months) | | | Full-year Forecast |
|---|---|---|---|---|---|---|---|
| | FY2023/3 | FY2024/3 | Change | FY2023/3 | FY2024/3 | Change | |
| **Revenue** | 197.3 | **219.8** | 22.5 | 763.5 | **832.5** | 69.0 | 840.0 |
| **Operating profit** | 10.7 | **3.8** | (6.9) | 34.8 | **35.9** | 1.0 | 42.0 |
| **ROS: Return on sales** | 5.4% | **1.7%** | (3.7) pt | 4.6% | **4.3%** | (0.3) pt | 5.0% |
| Exceptional items (net) | (1.2) | **(0.8)** | 0.4 | (45.2) | **0.1** | 45.2 | 0.0 |
| **Operating profit/(loss) after exceptional items** | 9.4 | **2.9** | (6.5) | (10.3) | **36.0** | 46.3 | 42.0 |
| Finance expenses (net) | (6.1) | **(7.8)** | (1.7) | (17.4) | **(28.2)** | (10.8) | 29.0 |
| Reversal of previous impairment of financial receivables owed by JVs and associates | - | **-** | - | - | **3.7** | 3.7 | 4.0 |
| Share of JVs and associates' profits | 2.0 | **1.4** | (0.6) | 7.3 | **5.1** | (2.2) | 5.0 |
| Other gains/(losses) on equity method investments | (0.4) | **(0.0)** | 0.4 | (1.5) | **1.0** | 2.5 | 1.0 |
| **Profit/(loss) before taxation** | 4.9 | **(3.5)** | (8.4) | (21.9) | **17.6** | 39.5 | 23.0 |
| **Profit/(loss) for the period** | 3.8 | **(3.2)** | (6.9) | (31.0) | **10.9** | 41.9 | 14.0 |
| **Net profit/(loss) *** | 3.4 | **(2.9)** | (6.3) | (33.8) | **10.6** | 44.4 | 13.0 |
| **EBITDA** | 20.7 | **16.8** | (3.9) | 75.0 | **81.8** | 6.8 | |

Automotive glass business with continuous sales volume and sales price improvement, compensating Architectural and Technical Glass business

【Revenue and Operating Profit : vs PY】

| (JPY bn) | Revenue | OP |
|---|---|---|
| Architectural | + 5.8 | (4.5) |
| Automotive | + 62.9 | + 7.3 |
| Technical Glass | + 1.2 | (1.6) |
| Others | (0.9) | (0.2) |
| **Group total** | **+ 69.0** | **+ 1.0** |

Recorded impairment of goodwill and intangible assets regarding European Automotive business in PY

Increased due to higher prevailing interest rates mainly in Europe and USA

Recorded gains on the reversal of previous impairments of balances and investments arising from the disposal of Russian JV business in Q1

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

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

From the left, you can see the results for the fourth quarter (Jan-Mar, 3 months), the full-year results (12 months).

For the fourth quarter revenue improved to 219.8 billion yen,
by 22.5 billion yen year on year, with significant improvements in Automotive glass business.
The Group's full-year (12 months) revenue continued to increase by 69.0 billion yen,
+9% to 832.5 billion yen following the previous year.

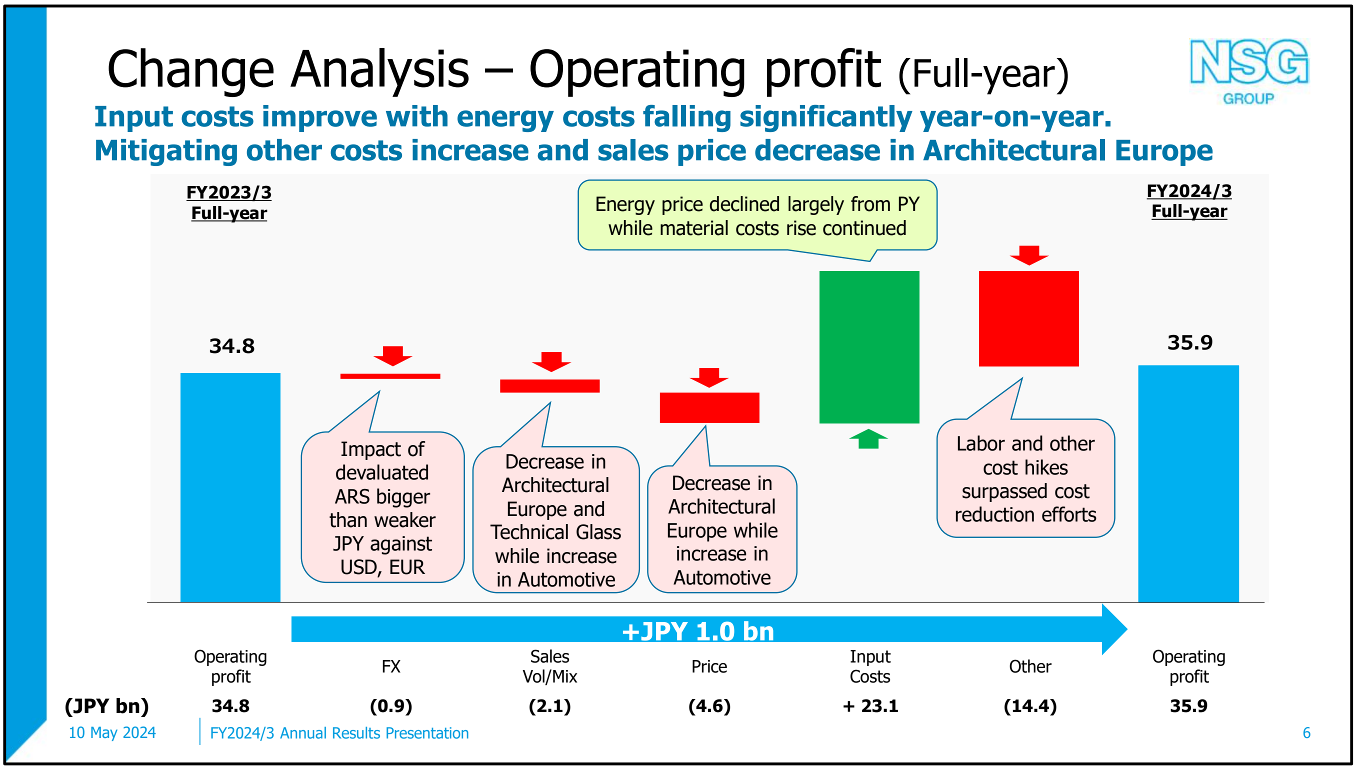
Operating profit for the fourth quarter was 3.8 billion yen
which decreased by 6.9 billion yen year on year.
It is mainly due to economic slowdown in Europe although benefitted from lower energy prices compared to the previous year.
For full-year, operating profit was 35.9 billion yen which increased by 1.0 billion yen,
+3% from the previous year.
Continuous sales volume and sales price improvement in Automotive glass business compensated Architectural and Technical Glass businesses.

Exceptional items were 0.1 billion yen.
It improved by 45.2 billion yen from the previous year
since in the previous year, impairment loss of goodwill and intangible assets of 48.8 billion yen were recorded regarding the European Automotive business.

Net finance expenses increased to 28.2 billion yen by 10.8 billion yen
from the previous year mainly due to prevailing interest rates rise in Europe and USA.

In the share of JVs and associates’ profits,
the 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.

As a result of these items, profit before taxation was 17.6 billion yen,
profit for the period was 10.9 billion yen and net profit was 10.6 billion yen for the full-year, which turned to the black with significant improvement from the previous year.




Slide 6 lays out change analysis of the year-on-year operating profit movement for the full-year. A comparison is made between the operating profit 34.8 billion yen in the previous year and 35.9 billion yen in this year, being a 1.0 billion yen year-on-year increase.

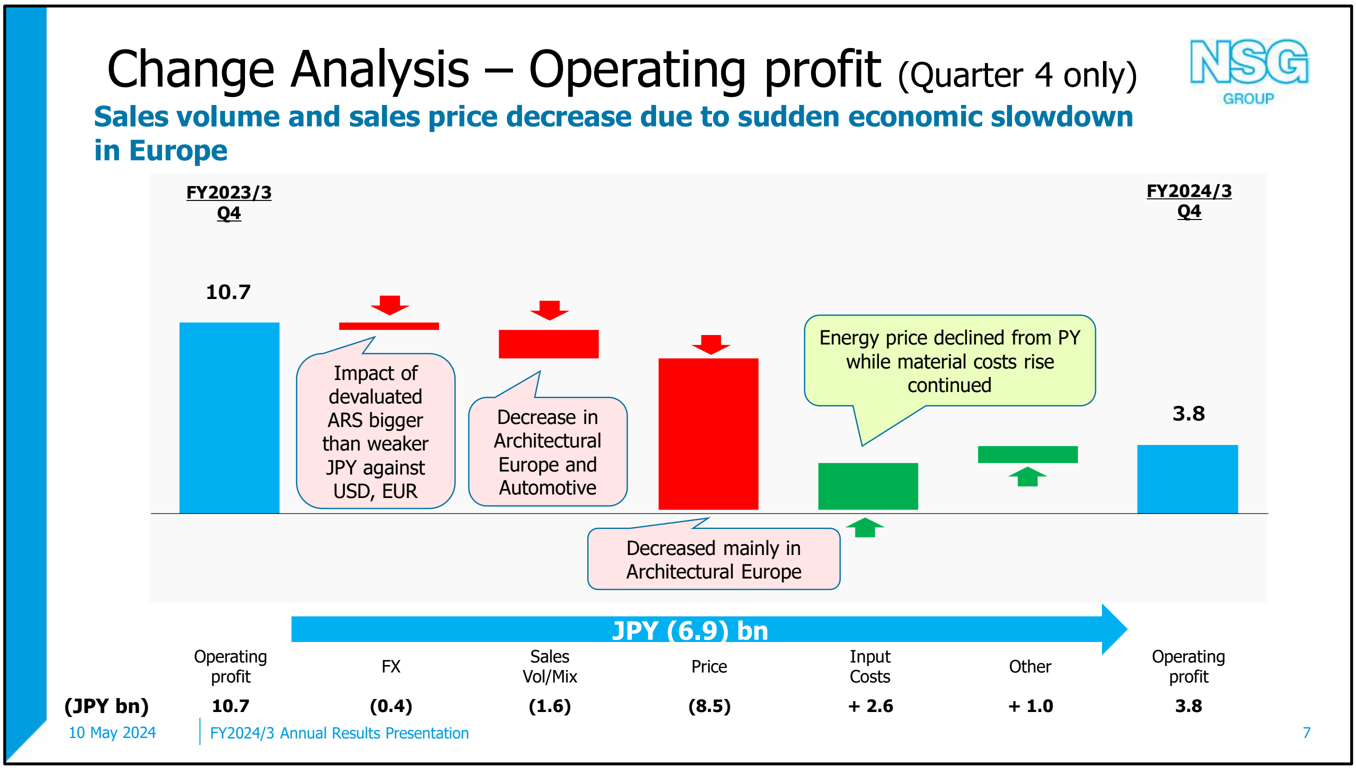
'Foreign exchange' was negative 0.9 billion yen, due to the negative impact of depreciation of Argentine Peso against the Yen which exceeded positive impact of appreciation of US Dollar and Euro against the Yen.

'Sales Volume/mix' decreased by 2.1 billion yen, reflecting sales volume decrease in Architectural and Technical Glass businesses while large increase in Automotive.

The negative 4.6 billion yen in 'Price' is due to the sales prices decrease mainly in Architectural in Europe partly reflecting the energy price decline despite the progress of price pass-through in Automotive.

The positive 'Input costs' of 23.1 billion yen was due to energy price mainly natural gas price in Europe which declined largely from the previous year, while material costs rise continued.

'Others' posted decrease of 14.4 billion yen. Other cost increase mainly related to labor reflecting worldwide inflation trend exceeded the benefits of the Group's cost transformation initiatives under the RP24.




Slide 7 lays out change analysis of the year-on-year operating profit movement from January to March 2024.
A comparison is made between the operating profit 10.7 billion yen in the previous year and 3.8 billion yen in this year, being a 6.9 billion yen year-on-year decrease.

'Foreign exchange' was negative 0.4 billion yen due to the negative impact of depreciation of Argentine Peso against the Yen which exceeded positive impact of appreciation of US Dollar and Euro against the Yen.

'Sales Volume/mix' decreased by 1.6 billion yen, reflecting decrease in Architectural and Automotive in Europe due to the impact of sudden economic slowdown there.

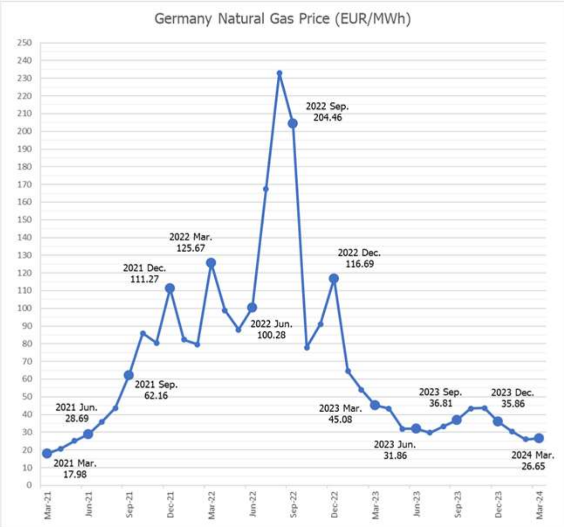
The negative 8.5 billion yen in 'Price' was due to decrease mainly in Architectural Europe reflecting declined energy price and slow economic activity.

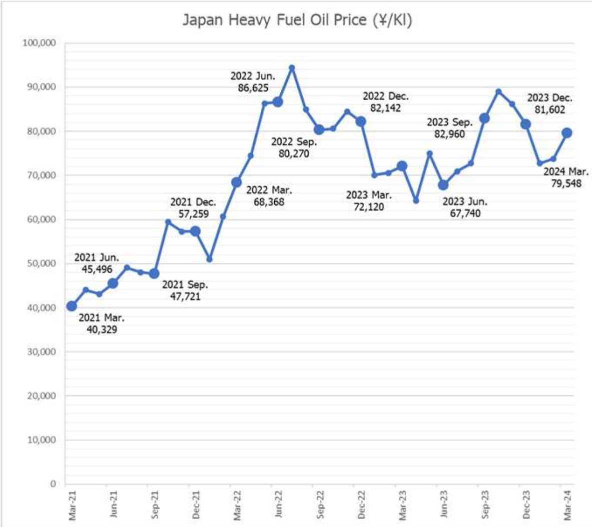
The positive 'Input costs' of 2.6 billion yen was due to energy price mainly natural gas price in Europe which declined from the previous year while material costs rise continued.

# Energy Price Movement

NSG GROUP

**German natural gas price: fell significantly from PY and stable during FY2024/3**
**Japanese heavy fuel oil price: stayed at a high level through FY2024/3**






Next slide 8 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 fell significantly from the previous year and moved stably during this year.
In Japan, the heavy fuel oil price stayed at a high level through the year.

# Consolidated Balance Sheet

NSG GROUP

**Shareholders' equity ratio increased to 12.3% by 2.1pt.**
**Maintaining RP24 target of more than 10%**

| (JPY bn) | 31 March 2023 | 31 March 2024 | Change |
|---|---|---|---|
| **Total Assets** | **951.4** | **1,007.6** | **56.2** |
| Non-current assets | 615.1 | 686.3 | 71.2 |
| Current assets | 336.3 | 321.3 | (15.0) |
| **Total Liabilities** | **826.5** | **853.7** | **27.2** |
| Current liabilities | 384.4 | 369.9 | (14.5) |
| Non-current liabilities | 442.1 | 483.9 | 41.7 |
| **Total Equity** | **124.9** | **153.8** | **29.0** |
| Shareholders' equity | 97.0 | 124.3 | 27.2 |
| **Shareholders' Equity Ratio** | **10.2%** | **12.3%** | **+2.1pt** |
| **Net Debt** | **407.9** | **447.5** | **39.6** |

Mainly due to increase in property, plant and equipment reflecting increasing investments for strategic projects and foreign exchange movements

Mainly due to shift from short-term to longer-term financial liabilities

Shareholders' equity ratio above 12% reflecting net profit and foreign exchange movement

Mainly due to weaker JPY and decrease in derivative financial assets

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The Group's consolidated balance sheet is presented on slide 9.

As of the end of March 2024, total assets were 1,007.6 billion yen, which increased by 56.2 billion yen from the end of March 2023.

The Group's non-current assets increased by 71.2 billion yen from March mainly due to increase of tangible fixed assets reflecting increasing investments for strategic projects and depreciated JPY.

Current liabilities decreased by 14.5 billion yen and non-current liabilities increased by 41.7 billion yen, reflecting the refinancing of maturing indebtedness.

Shareholders' equity increased to 124.3 billion yen by 27.2 billion yen, mainly due to the recording of net profit and foreign exchange movements.

As a result, shareholders' equity ratio increased to 12.3% by 2.1 points which is securing above a financial target of RP24, more than 10% for the three consecutive years.

Net debt increased by 39.6 billion yen mainly due to weaker JPY and decrease in derivative financial assets accompanying with energy price fall.

# Consolidated Statement of Cash Flows

NSG GROUP

**Full-year free cash inflow of JPY 15.3 bn exceeding RP24 target of JPY 10.0 bn as a consequence of free cash inflow in Q4**

| (JPY bn) | Q4 (3 months) | | | Full-year (12 months) | | |
|---|---|---|---|---|---|---|
| | FY2023/3 | FY2024/3 | Change | FY2023/3 | FY2024/3 | Change |
| **Net cash flows from operating activities** | **40.2** | **39.6** | **(0.6)** | **48.5** | **58.8** | **10.3** |
| included above: Net change in working capital | 25.6 | 32.3 | 6.7 | (7.0) | 8.2 | 15.2 |
| **Net cash flows from investing activities** | **(4.9)** | **(11.9)** | **(7.0)** | **(34.6)** | **(43.5)** | **(8.9)** |
| included above: Purchase of property, plant and equipment | (9.3) | (15.2) | (5.9) | (37.7) | (54.9) | (17.2) |
| **Free cash flow** | **35.3** | **27.6** | **(7.6)** | **13.9** | **15.3** | **1.4** |
| **Net cash flows from financing activities** | **(20.7)** | **(35.2)** | **(14.4)** | **(7.9)** | **(48.1)** | **(40.2)** |
| **Increase/ (decrease) in cash and cash equivalents** | **14.5** | **(7.5)** | **(22.0)** | **6.0** | **(32.8)** | **(38.8)** |
| **Cash and cash equivalents at the end of the period** | | | | **68.5** | **44.3** | **(24.2)** |

Full-year working capital improvement with significant improvement in Q4

Mainly due to investment increase related to strategic projects and weaker JPY

Full-year free cash inflow achieving RP24 target of JPY 10.0 bn



Consolidated statement of cash flows in slide 10.

For the three months of the fourth quarter net cash flows from operating activities were inflow of 39.6 billion yen with significant working capital improvement.
As a results, working capital also improved for full-year and together with profits, they were inflow of 58.8 billion yen with 10.3 billion yen improvement from the previous year.

Full-year net cash outflows from investing activities increased to 43.5 billion yen by 8.9 billion yen from the previous year.
This mainly came from the increase in investments related to strategic projects including capital expenditures for solar energy glass in Malaysia and USA, and weaker JPY against major foreign currencies.

As a result, free cash flow was inflow of 27.6 billion yen for the fourth quarter and 15.3 billion yen for full-year exceeding RP24 target of 10.0 billion yen inflow for three consecutive years.

# Segmental Information

| (JPY bn) | FY2022/3 Full-year | | | FY2023/3 Full-year | | | FY2024/3 Full-year | | | Change | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Revenue | % | Operating profit | Revenue | % | Operating profit | Revenue | % | Operating profit | Revenue | Operating Profit |
| **Architectural** | **281.8** | **47%** | **28.1** | **365.9** | **48%** | **33.6** | **371.8** | **45%** | **29.1** | **5.8** | **(4.5)** |
| Europe | 116.0 | 19% | | 157.1 | 21% | | 141.5 | 17% | | (15.5) | |
| Asia | 86.2 | 14% | | 99.2 | 13% | | 109.6 | 13% | | 10.4 | |
| Americas | 79.5 | 13% | | 109.6 | 14% | | 120.6 | 14% | | 11.0 | |
| **Automotive** | **276.2** | **46%** | **(7.9)** | **354.7** | **46%** | **4.1** | **417.6** | **50%** | **11.3** | **62.9** | **7.3** |
| Europe | 116.7 | 19% | | 150.2 | 20% | | 174.7 | 21% | | 24.6 | |
| Asia | 60.4 | 10% | | 69.9 | 9% | | 78.3 | 9% | | 8.4 | |
| Americas | 99.2 | 17% | | 134.7 | 18% | | 164.5 | 20% | | 29.9 | |
| **Technical Glass** | **39.8** | **7%** | **9.9** | **38.8** | **5%** | **8.7** | **39.9** | **5%** | **7.1** | **1.2** | **(1.6)** |
| Europe | 7.9 | 1% | | 9.5 | 1% | | 10.6 | 1% | | 1.1 | |
| Asia | 30.6 | 5% | | 27.6 | 4% | | 27.5 | 3% | | (0.0) | |
| Americas | 1.3 | 0% | | 1.6 | 0% | | 1.8 | 0% | | 0.2 | |
| **Other** | **2.7** | **0%** | **(10.1)** | **4.1** | **1%** | **(11.5)** | **3.3** | **0%** | **(11.7)** | **(0.9)** | **(0.2)** |
| **Total** | **600.6** | **100%** | **20.0** | **763.5** | **100%** | **34.8** | **832.5** | **100%** | **35.9** | **69.0** | **1.0** |



Slide 11 lays out revenue and profit by the business segments of last three years.
Each SBU results will be explained from next slide.

# Architectural (Cum. Rev▲, Profit▼ : Q4 Rev▲, Profit▼)

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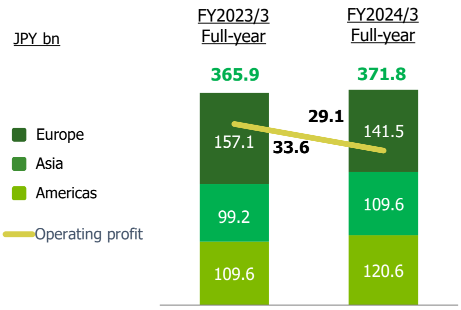
## OP decrease due to European economic slowdown while revenue increase




| (JPY bn) | Q4 (3 months) | | | Full-year (12 months) | | |
|---|---|---|---|---|---|---|
| | FY2023/3 | FY2024/3 | Change | FY2023/3 | FY2024/3 | Change |
| **Revenue** | **90.3** | **97.3** | **7.0** | **365.9** | **371.8** | **5.8** |
| Europe | 39.1 | 34.4 | (4.7) | 157.1 | 141.5 | (15.5) |
| Asia | 24.5 | 26.9 | 2.4 | 99.2 | 109.6 | 10.4 |
| Americas | 26.7 | 36.0 | 9.3 | 109.6 | 120.6 | 11.0 |
| **OP** | **7.4** | **2.9** | **(4.5)** | **33.6** | **29.1** | **(4.5)** |

**Europe (Cum. Rev▼, Profit▼ : Q4 Rev▼, Profit▼)**

- Sales volumes and prices decrease with economic slowdown
- Input costs decline mitigating the impact of deteriorating business environment

**Asia (Cum. Rev▲, Profit▲: Q4 Rev▲, Profit▼)**

- Further sales prices and volumes increase in Japan reflecting favorable demand-supply situation
- Markets remain depressed in other South-East Asian countries
- Continuous robust demand for solar energy glass. Start of solar production at the facility in Malaysia in December

**Americas (Cum. Rev▲, Profit▲: Q4 Rev▲, Profit▼)**

- Sales volume decline with challenging market conditions in North America
- In South America, new furnace in Argentina contributing to sales volume increase
- Continued strong demand for solar energy glass



Please move to slide 12 – from this slide the results of each business will be explained.

Architectural revenues for full-year increased from the previous year
due to impact of robust demand in Asia and Americas,
and also with foreign exchange while sales volume and price decrease in Europe.
However, operating profit decreased, affected by the economic slowdown in Europe in the fourth quarter and continuous increase of input and other costs.

In Europe, revenues and operating profit decreased from the previous year.
Although solid demand is expected in both new construction and renovation markets in the medium to long term, sales volumes and prices decreased as the economic slowdown continued.
In addition to these, material and other cost mainly labor caused by the inflation trend increased although they were partly mitigated by a significant year-on-year decline in energy prices.

In Asia, revenues and profits were better than the previous year for full-year, on the other hand, operating profit decreased while revenue increased from the previous year for the fourth quarter.
In Japan, further sales price and volume increases reflect improved demand and supply situation with the assistance of the implementation of governmental subsidy programs for insulated glass purchase.
On the other hand, in the other South-East Asian countries, markets remain depressed due to continuous intensifying competition.
Demand for glass for solar panels remains strong.
The Group's new solar facility in Malaysia started production and contributed to profit.

In the Americas, revenues and profits were ahead of the previous year for cumulative, on the other hand, profits were below the previous year while revenue increased for the fourth quarter.
In North America, sales volume decreased with challenging market conditions.
In South America, sales volumes increase with the second new furnace in Argentina which started production in the third quarter of the previous year also contributed to profit.

Solid demand for solar energy glass continued and installation of a new facility for solar energy glass at an existing float line in Rossford, Ohio, USA is progressing as planned.

# Automotive (Cum. Rev▲, Profit▲: Q4 Rev▲, Profit▼)

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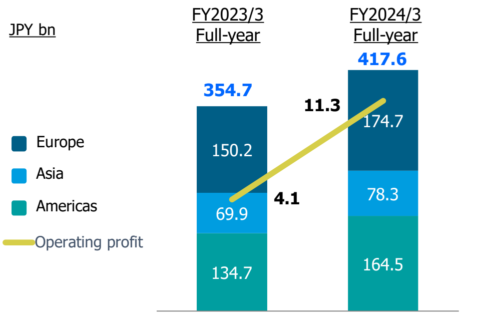
**Full-year revenue and OP increased significantly as a whole business due to improved sales volumes and prices. Q4 OP decrease in Europe and Asia with volume decrease**




| (JPY bn) | Q4 (3 months) | | | Full-year (12 months) | | |
|---|---|---|---|---|---|---|
| | FY2023/3 | FY2024/3 | Change | FY2023/3 | FY2024/3 | Change |
| **Revenue** | **96.3** | **111.7** | **15.4** | **354.7** | **417.6** | **62.9** |
| Europe | 42.6 | 47.6 | 5.0 | 150.2 | 174.7 | 24.6 |
| Asia | 20.5 | 18.8 | (1.7) | 69.9 | 78.3 | 8.4 |
| Americas | 33.2 | 45.3 | 12.1 | 134.7 | 164.5 | 29.9 |
| **OP** | **5.2** | **2.0** | **(3.1)** | **4.1** | **11.3** | **7.3** |

**Europe (Cum. Rev▲, Profit▼: Q4 Rev▲, Profit▼)**
**Asia (Cum. Rev▲, Profit▲: Q4 Rev▼, Profit▼)**
**Americas (Cum. Rev▲, Profit▲: Q4 Rev▲, Profit▲)**

- Higher sales volumes across most regions, with an easing of supply chain constraints at the Group's customers
- Sales prices improved reflecting further progress in concluding price agreements with vehicle manufacturers to offset high material and other costs
- Progressing continuously cost reduction efforts, expansion of VA products, and sales prices improvement



Slide 13, the results of the Automotive business.

Revenue and operating profit for the full-year increased significantly with profitability improvement.
However, in the fourth quarter, profits decreased while revenue increased.
This decrease is mainly caused by the impact of sales volume decrease in Europe where economy deteriorated and Asia where demand temporarily decreased.

Restriction of vehicle build due to component shortages was eased and sales volumes increased across most regions accordingly.

Also, sales prices improved by the negotiation with automotive manufacturers, with further progress being made during the quarter, to offset higher materials, labor and other costs.

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▼: Q4 Rev▲, Profit▼)

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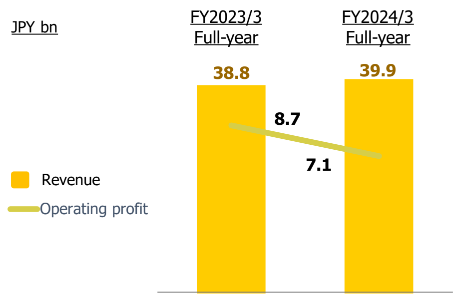
**OP decrease affected continuously by IT market slowdown, material and other cost rises, and worse sales mix while revenue increase with weaker JPY**




| (JPY bn) | Q4 (3 months) | | | Full-year (12 months) | | |
|---|---|---|---|---|---|---|
| | FY2023/3 | FY2024/3 | Change | FY2023/3 | FY2024/3 | Change |
| Revenue | 9.0 | 10.3 | 1.3 | 38.8 | 39.9 | 1.2 |
| OP | 1.5 | 1.5 | (0.0) | 8.7 | 7.1 | (1.6) |

- Fine glass sales affected by IT market slowdown and also worsened sales volumes/mix
- Demand for printer lenses decreased due to fewer opportunities of working from home and schooling from home
- Sales volumes in glass cord recovered, benefitting from improving conditions in automotive markets
- Demand for Metashine® increased for automotive markets and cosmetic applications



Slide 14 lays out the results of the Technical Glass business.

Profits slightly decreased from the previous year,
reflecting an IT market slowdown, material and other cost rises, and a worse sales mix,
while revenue slightly improved with the help of weaker JPY.

In Fine glass business, profitability worsened due to sales volume decrease,
being largely affected by IT market slowdown and worse sales mix.

Regarding the printer lenses business, demand declined
due to fewer opportunities of working from home and schooling from home.

Sales volume in glass cords recovered
benefitting from improving conditions of supply chain issue in automotive markets.

Revenue for Metashine® increased for automotive paint and cosmetic applications.

## 2. Forecast for Financial Year ending March 2025

# Forecast for Financial Year ending March 2025

NSG GROUP

**Revenue and OP increase while profits below PBT decrease due to one-offs in PY.**
**Continue to focus on improving performance and financial stability under new MTP**

| (JPY bn) | FY2024/3 Actual | | FY2025/3 Forecast | | Change | |
|---|---|---|---|---|---|---|
| | H1 | Full-year | H1 | Full-year | H1 | Full-year |
| **Revenue** | **420.2** | **832.5** | **410.0** | **840.0** | **(10.2)** | **7.5** |
| **Operating profit** | **26.0** | **35.9** | **16.0** | **37.0** | **(10.0)** | **1.1** |
| Exceptional items (net) | 0.3 | 0.1 | - | - | (0.3) | (0.1) |
| **Operating profit after exceptional items** | **26.3** | **36.0** | **16.0** | **37.0** | **(10.3)** | **1.0** |
| Finance expenses (net) | (14.0) | (28.2) | (14.0) | (29.0) | 0.0 | (0.8) |
| Reversal of previous impairment of financial receivables owed by JVs and associates | 3.7 | 3.7 | - | - | (3.7) | (3.7) |
| Share of JVs and associates' profits | 2.2 | 5.1 | 2.5 | 5.0 | 0.3 | (0.1) |
| Other gains on equity method investments | 1.1 | 1.0 | - | - | (1.1) | (1.0) |
| **Profit before taxation** | **19.3** | **17.6** | **4.5** | **13.0** | **(14.8)** | **(4.6)** |
| **Profit for the period** | **10.5** | **10.9** | **2.0** | **6.0** | **(8.5)** | **(4.9)** |
| **Net profit*** | **9.8** | **10.6** | **1.0** | **4.0** | **(8.8)** | **(6.6)** |

*Profit attributable to owners of the parent



The following slides are regarding the forecast for financial year ending March 2025.
Slide 16 shows the forecast for FY2025/3.

From the left, actual results of FY2024/3,
the forecast of FY2025/3 in the middle and the variances to the right.

The Group forecasts revenues of 840.0 billion yen and operating profit of 37.0 billion yen for FY2025/3 both above the previous year.
On the other hand, profit before taxation of 13.0 billion yen, profit for the period of 6.0 billion yen and net profit of 4.0 billion yen will decrease as the Group does not expect a repeat of the FY2024/3 one-off credits arising related to disposal of Russian Joint Venture.
The Group continue to focus on improving the performance and financial stability under a new medium term plan.

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

## Assumptions for FY2025/3 Forecast

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| | |
|---|---|
| **Group** | **Revenue and OP increase while profits below PBT decrease due to one-offs in PY. Continue to focus on improving performance and financial stability under new MTP**<br>• Appreciated JPY assumed, compared to FY2024/3 for major foreign currencies<br>• Continuous material costs and other costs to rise with worldwide inflation trend, while stable energy costs assumed<br>• Continue cost reduction, expansion of VA products and sales price increases while economic slowdown in Europe continue for the time being |
| **Architectural Glass** | **Economic slowdown in Europe to continue for the time being while continuous favorable demand-supply situation in JP, SA and Solar expected**<br>• Europe : affected by input cost rise and sales volume and price decrease arising from economic slowdown<br>• Asia : volumes and prices to improve in Japan. Challenging market condition to remain in other SE Asian countries<br>• North America : sales volumes to decrease with continuous softening demand<br>• South America : favorable demand-supply situation continues<br>• Solar energy glass : robust demand to continue and full-year contribution from a new facility in Malaysia |
| **Automotive Glass** | **Sales volume improvement expected while impact of higher input costs continue**<br>• Car inventory replenishment expected to lead to continued strong vehicle demand in all regions<br>• Sales volumes recovery to continue supported by easing supply chain constraints although modestly<br>• Price negotiations to continue with all customers to recover input cost increases<br>• Aiming for further profitability improvement with cost reduction efforts, expansion of VA products and price increases |
| **Technical Glass** | **Continuous cost increase and some demand weakness caused by IT market slowdown**<br>• Market conditions in fine glass to remain challenging, with cost reduction efforts continuing to mitigate impact<br>• Further weakening of demand for printer lenses impacting sales volumes<br>• Demand for glass cord to gradually recover, driven by an easing of supply chain issues previously impacting customers |

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Slide 17 shows the assumptions for the forecast.

Regarding the assumption for the whole Group,
depreciation of JPY against major foreign currencies are expected to continue.
Materials and other costs including labor costs are forecasted to increase
reflecting the worldwide inflation trend although energy costs are assumed to be stable.
On top of that, economic slowdown in Europe will continue for the time being.
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 input cost increase.
Regarding Asia, in Japan, sales volumes increases and prices improvements which reflects
increasing costs are expected to continue under the favorable demand-supply situation.
In South-East Asian countries, the competitive situation should be monitored continuously.
In North America, sales volumes are assumed to decrease with softening demand.
In South America, we expect a favorable supply-demand situation.
In solar energy glass, continued strong demand is assumed and the facility in Malaysia
which started operation from December will contribute to revenue and profit for full-year.

In Automotive business;
Sales volume increase is expected to continue since vehicle demand and car inventory replenishment in all regions are anticipated although the improvement is expected to be modest, while impact of input cost rise continue.
The Group plans to continue negotiating sales price improvement with customers.
We aim to enhance profitability further with continuous cost reduction efforts, expansion of value-added products and sales price increases.

In Technical Glass business;
Assumed to be impacted by input costs rise and demand weakness caused by IT market slowdown, but will still be able to maintain the relatively high operating profit margin.

Under a new medium term plan, which will be explained in the latter part, we will continue to focus on enhancing profitability and achieving the forecasts through cost reduction efforts, expansion of value-added products and price increase across the whole Group
to mitigate the impacts of potential risk factors.

# 3. Transformation Initiatives under Revival Plan 24

# Transformation Initiatives under Revival Plan 24

NSG GROUP

**Initiatives for three years to create business structure for sustainable growth contributed to restoration of financial stability**

**Three Reforms**

- **Cost structure reform**
  - Consolidation/Closure of sites/production lines mainly in Automotive business in Europe and Americas (Reduction of approx. 2,340 headcounts since FY2020/3 end and of JPY 18.0 bn labor costs)
  - Realized sales price improvements in all businesses (Approx. JPY 80.0 bn)
- **Business structure reform**
  - The 2nd new float furnace in Argentina contributing to profit
  - Investments for high-growth business (glass for solar energy)
    - Converted the existing float line for solar energy glass in Malaysia
    - Installing a new facility for solar energy glass at the existing float line in Rossford, Ohio, USA (Start of production during CY2025 January-March)
- **Corporate culture reform**
  - Develop 'Inclusion & Diversity (I&D)' into 'Diversity, Equity & Inclusion (DEI)'
  - Creating 'Leadership behavior charter' in response to 'Your Voice' survey
  - To promote cultural reform from leaders with '4 Fs' (Flat organization, Frank Communication, Fast decision making, and Fun at workplace)

10 May 2024 | FY2024/3 Annual Results Presentation RP24: https://www.nsg.com/-/media/nsg/site-content/ir/ir-presentations/mtprp24presentation2021_e02.pdf 19

Slide 19 and 20 explains the main progress of transformation initiatives taken for three years under the Revival Plan 24 (RP24).

The Group continued and promoted initiatives of RP24 for three years from FY2022/3 to FY2024/3.

In RP24, the Group set 'Three reforms' and 'Two key initiatives' to realize business structure for sustainable growth.

In 'Cost structure reform', the Group consolidated or close the sites and lines mainly in Automotive business in Europe and Americas to reduce costs.
At the same time, price improvements were realized in all businesses to establish a business structure absorbing costs and generating profits.

In 'Business structure reform', the Group is expanding value-added businesses and developing new businesses for sustainable growth.
A new float furnace in Argentina started production from the third quarter of the previous year and has been contributing to profit.
In addition, the Group has been investing for solar energy glass as high-growth business.
The conversion of the existing float line for solar energy glass in Malaysia completed and started production from December 2023.
In USA, the installation of a new facility to convert the existing float line to produce solar energy glass at Rossford, Ohio, USA is in progress.
Planning to start production during January to March 2025.

To promote the ‘Corporate culture reform,’ we enhanced ‘Inclusion & Diversity (I&D)’ into ‘Diversity, Equity & Inclusion’ to develop individual employees’ career paths and engagement.
The top management team created the ‘Leadership Behavior Charter’ in response to global employee survey ‘Your Voice’ results in order to promote corporate culture reform by leaders themselves.
Furthermore, the Group promotes corporate culture reform by prevailing four Fs in the Group which are Flat organization, Frank communication, Fast decision making, and Fun at the workplace.

# Transformation Initiatives under Revival Plan 24

NSG GROUP

**Initiatives for three years to create business structure for sustainable growth contributed to restoration of financial stability**

**Two Key Initiatives**

- **Restoration of financial stability**
  - ROS : 4.3% being below the RP24 target but improvement from start of RP24 period
  - Net profit : Loss of JPY 19.0 bn cumulatively, failed to achieve the target due to impairments
  - Shareholders' equity ratio : 12.3%, exceeding the target of 10% for 3 consecutive years
  - FCF : JPY15.3 bn inflow, achieved the target of JPY 10.0 bn during RP24

| | (Ref) FY2021/3 Actual | FY2022/3 Actual | FY2023/3 Actual | FY2024/3 Actual | FY2024/3 Target |
|---|---|---|---|---|---|
| Operating profit margin*1 | 2.6% | 3.3% | 4.6% | 4.3% | 8% |
| Net profit/ (loss)*2 | JPY (16.9) bn | JPY 4.1 bn | JPY (33.8) bn | JPY 10.6 bn | > JPY 30.0 bn cumulatively for 3 years |
| Shareholders' equity ratio | 7.6% | 15.5% | 10.2% | 12.3% | > 10% |
| Free cash flow | JPY (4.5) bn | JPY 22.3 bn | JPY 13.9 bn | JPY 15.3 bn | > JPY 10.0 bn |

*1 Operating profit before exceptional items *2 Profit/(loss) attributable to owners of the parent

- **Transformation into more profitable business portfolio**
  - Disposal of Battery Separator business
  - Restructure of Automotive business in China
  - Withdrawal from Russian market by disposal of JV


RP24: https://www.nsg.com/-/media/nsg/site-content/ir/ir-presentations/mtprp24presentation2021_e02.pdf


Slide 20 explains the main progress of 'Two key initiatives'.

To promote the 'Restoration of financial stability', we had RP24 financial target for an operating profit margin of 8%, net profit of over 30.0 billion yen for 3 years cumulatively, shareholders' equity ratio above 10% and free cash flow over 10.0 billion yen.

Return on sales was 4.3% for FY2024/3 which is below the RP24 target but improved from the 2.6% of FY2021/3 before start of RP24 period.
Regarding net profit, the Group recorded 19.0 billion yen loss cumulatively for three years which was below the target of more than 30.0 billion yen cumulatively for three years due to impairment losses related to JV in Russia and goodwill and intangible assets.
Without these impairments,
the cumulative net profit for the three years would have been 31.8 billion yen.
Shareholders' equity ratio recovered to 12.3% by 2.1 points from the previous year-end which is above the target figure for three consecutive years.
Free cash flow was an inflow of 15.3 billion yen
and achieved the target above 10.0 billion yen in full-year for the whole RP24 period.

Regarding 'Transformation into more profitable business portfolio',
the Group disposed Battery Separator business during FY2022/3,
and in FY2023/3, integrated Automotive glass business in China
with a major Chinese automotive glass manufacturer.
In addition, the Group withdrew from the Russian market by disposing Russian JV in FY2024/3.

Although there were some profit-related targets which were not achieved,
the Group took various measures during RP24 and could establish a better structure
securing profits despite the challenging business environment.

# 4. New MTP '2030 Vision: Shift the Phase'

# New MTP '2030 Vision: Shift the Phase'

NSG GROUP

**Shift our company's phase and become vital in advancing a sustainable society.**
**Details to be disclosed on 13 May 2024**

**Revival Plan 24 (RP24)**
**~FY2024/3**

Margins still in low level
although steady profitable improvement

| | RP24 Targets | FY2024/3 Actual | Achieve-ments |
|---|---|---|---|
| Operating profit margin | 8% | 4.3% | × |
| Net profit | More than JPY 30.0 bn cumulatively for 3 years | Loss of JPY (19.0) bn cumulatively for 3 years | × |
| Shareholders' equity ratio | More than 10% | 12.3% | ○ |
| Free cash flow | More than JPY 10.0 bn | JPY 15.3 bn | ○ |

**2030 Vision : Shift the Phase**
**FY2025/3~**

Enhance profitability, reduce debt by improving cash flows, and enhance equity with strategies based on 4Ds

**4Ds**

- Business **D**evelopment
- **D**ecarbonization
- **D**igital Transformation
- **D**iverse Talent

Profitability (P/L) → Cash Generating (C/F) → Stabilization of Financial Status (B/S)



Slide 22 is about a new medium-term plan, '2030 Vision: Shift the Phase'.

Under RP24, which was implemented from FY2022/3 to FY2024/3, the Group achieved a steady improvement in profitability.
However, profitability are still at a low level,
as the financial targets for operating profit margin and net profit were not achieved.

Considering these results, the Group aims for enhancing profitability further,
reducing the debt by cash flows improvement and enhancing equity
with strategies based on four keywords beginning with the letter 'D'
which are Business Development, Decarbonization, Digital Transformation,
and Diverse Talent in '2030 Vision: Shift the Phase'.

Details of the plan will be disclosed on 13 May 2024.

# 5. Summary

## Summary

1. **Financial Year ended 31 March 2024 Annual Results**
   - Full-year revenue and OP increase while Q4 OP decrease largely affected by economic slowdown in Europe
   - Impact of sales prices decrease, and other costs rise mitigated by significant falls of energy prices
   - Profitability improvement in Automotive with sales volumes increase and progress of price pass-throughs
   - Shareholders' equity ratio 12.3% and free cash flow JPY 15.3 bn, achieving RP24 financial targets
2. **Forecast for Financial Year ending March 2025**
   - Revenue and OP to increase although economic slowdown in Europe assumed to continue
   - Continuous material and other costs to rise with worldwide inflation trend while stable energy costs assumed
   - Continue to focus on improving performance and financial stability under new MTP with cost reduction, expansion of VA products, and sales price improvement
3. **Update of Transformation Initiatives under Revival Plan 24**
   - Initiatives for three years to create business structure for sustainable growth contributed to restoration of financial stability
   - Shareholders' equity ratio 12.3% and free cash flow JPY 15.3 bn for FY2024/3, exceeding financial target of RP24 for three consecutive years
4. **New MTP '2030 Vision: Shift the Phase'**
   - Details to be disclosed on 13 May 2024, aiming to transform into a highly profitable business, reduce debt by improving cash flows, and enhance equity with strategies based on 4Ds

# 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
- Glass Market Price Movement
- News releases

# Consolidated Income Statement – Quarterly Trend

NSG GROUP

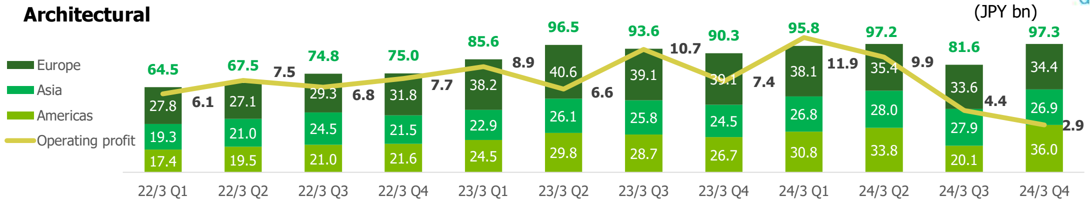
| (JPY bn) | FY2022/3 | | | | FY2023/3 | | | | FY2024/3 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| **Revenue** | **147.7** | **143.0** | **152.3** | **157.6** | **177.9** | **197.7** | **190.6** | **197.3** | **208.0** | **212.2** | **192.5** | **219.8** |
| **Operating profit/(loss)** | **7.2** | **5.5** | **1.8** | **5.5** | **8.3** | **6.2** | **9.7** | **10.7** | **14.6** | **11.5** | **6.1** | **3.8** |
| **Operating profit margin** | **4.8%** | **3.9%** | **1.2%** | **3.5%** | **4.6%** | **3.1%** | **5.1%** | **5.4%** | **7.0%** | **5.4%** | **3.2%** | **1.7%** |
| Exceptional items (net) | (0.2) | 4.7 | (0.2) | (0.7) | 2.3 | (47.3) | 1.0 | (1.2) | (0.8) | 1.1 | 0.6 | (0.8) |
| **Operating profit/(loss) after exceptional items** | **7.0** | **10.2** | **1.7** | **4.8** | **10.6** | **(41.1)** | **10.7** | **9.4** | **13.8** | **12.5** | **6.7** | **2.9** |
| Finance expenses (net) | (2.9) | (2.9) | (3.2) | (3.4) | (2.8) | (3.7) | (4.8) | (6.1) | (6.4) | (7.7) | (6.4) | (7.8) |
| Reversal of previous impairment/ (impairment) of financial receivables owed by JVs and associates | - | - | - | (3.4) | - | - | - | - | 3.7 | - | - | - |
| Share of JVs and associates' profits | 1.5 | 1.9 | 2.2 | 1.9 | 2.2 | 1.0 | 2.1 | 2.0 | 1.0 | 1.2 | 1.5 | 1.4 |
| Other gains/(losses) on equity method investments | - | - | - | (3.4) | (1.2) | 0.5 | (0.4) | (0.4) | 1.1 | (0.0) | (0.1) | (0.0) |
| **Profit/(loss) before taxation** | **5.5** | **9.2** | **0.7** | **(3.6)** | **8.8** | **(43.4)** | **7.7** | **4.9** | **13.3** | **6.1** | **1.7** | **(3.5)** |
| **Profit/(loss) for the period** | **2.9** | **6.7** | **1.0** | **(3.8)** | **3.3** | **(40.3)** | **2.2** | **3.8** | **7.5** | **3.0** | **3.6** | **(3.2)** |
| **Net profit/(loss) *** | **2.5** | **6.1** | **0.0** | **(4.5)** | **2.4** | **(41.2)** | **1.7** | **3.4** | **7.0** | **2.7** | **3.7** | **(2.9)** |
| **EBITDA** | **16.5** | **14.6** | **11.1** | **14.4** | **18.0** | **16.1** | **20.2** | **20.7** | **25.3** | **22.6** | **17.0** | **16.8** |

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

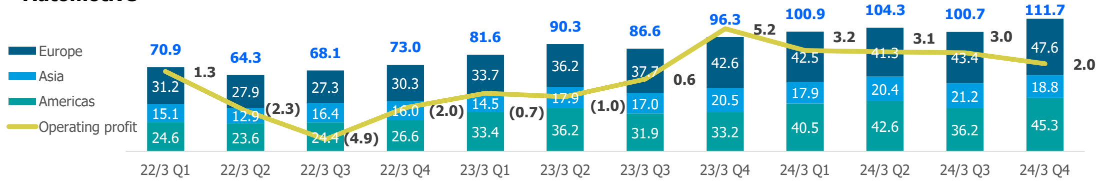
# Revenue & Operating Profit – Quarterly Trend

(JPY bn)

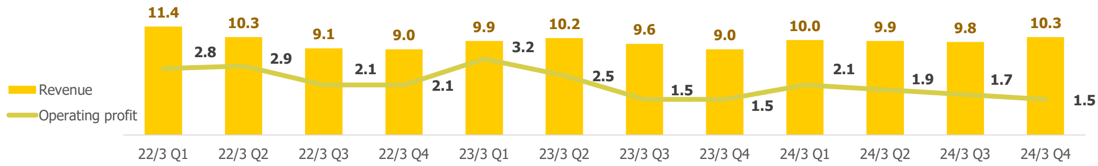
**Architectural**




**Automotive**




**Technical Glass**



# Segmental Information by Quarter

| (JPY bn) | FY2022/3 | | | | | FY2023/3 | | | | | FY2024/3 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Full-year | Q1 | Q2 | Q3 | Q4 | Full-year | Q1 | Q2 | Q3 | Q4 | Full-year |
| **Revenue: Architectural** | **64.5** | **67.5** | **74.8** | **75.0** | **281.8** | **85.6** | **96.5** | **93.6** | **90.3** | **365.9** | **95.8** | **97.2** | **81.6** | **97.3** | **371.8** |
| Europe | 27.8 | 27.1 | 29.3 | 31.8 | 116.0 | 38.2 | 40.6 | 39.1 | 39.1 | 157.1 | 38.1 | 35.4 | 33.6 | 34.4 | 141.5 |
| Asia | 19.3 | 21.0 | 24.5 | 21.5 | 86.2 | 22.9 | 26.1 | 25.8 | 24.5 | 99.2 | 26.8 | 28.0 | 27.9 | 26.9 | 109.6 |
| Americas | 17.4 | 19.4 | 21.0 | 21.6 | 79.5 | 24.5 | 29.8 | 28.7 | 26.7 | 109.6 | 30.8 | 33.8 | 20.1 | 36.0 | 120.6 |
| **Operating profit** | **6.1** | **7.5** | **6.8** | **7.7** | **28.1** | **8.9** | **6.6** | **10.7** | **7.4** | **33.6** | **11.9** | **9.9** | **4.4** | **2.9** | **29.1** |
| **Revenue: Automotive** | **70.9** | **64.3** | **68.1** | **73.0** | **276.2** | **81.6** | **90.3** | **86.6** | **96.3** | **354.7** | **100.9** | **104.3** | **100.7** | **111.7** | **417.6** |
| Europe | 31.2 | 27.9 | 27.3 | 30.3 | 116.7 | 33.7 | 36.2 | 37.7 | 42.6 | 150.2 | 42.5 | 41.3 | 43.4 | 47.6 | 174.7 |
| Asia | 15.1 | 12.9 | 16.4 | 16.0 | 60.4 | 14.5 | 17.9 | 17.0 | 20.5 | 69.9 | 17.9 | 20.4 | 21.2 | 18.8 | 78.3 |
| Americas | 24.6 | 23.6 | 24.4 | 26.6 | 99.2 | 33.4 | 36.2 | 31.9 | 33.2 | 134.7 | 40.5 | 42.6 | 36.2 | 45.3 | 164.5 |
| **Operating profit** | **1.3** | **(2.3)** | **(4.9)** | **(2.0)** | **(7.9)** | **(0.7)** | **(1.0)** | **0.6** | **5.2** | **4.1** | **3.2** | **3.1** | **3.0** | **2.0** | **11.3** |
| **Revenue: Technical** | **11.4** | **10.3** | **9.1** | **9.0** | **39.8** | **9.9** | **10.2** | **9.6** | **9.0** | **38.8** | **10.0** | **9.9** | **9.8** | **10.3** | **39.9** |
| Europe | 2.1 | 1.8 | 2.0 | 2.0 | 7.9 | 2.1 | 2.5 | 2.2 | 2.7 | 9.5 | 2.5 | 2.6 | 2.6 | 3.0 | 10.6 |
| Asia | 9.0 | 8.2 | 6.8 | 6.6 | 30.6 | 7.5 | 7.3 | 7.0 | 5.8 | 27.6 | 7.1 | 6.9 | 6.7 | 6.9 | 27.5 |
| Americas | 0.3 | 0.3 | 0.3 | 0.4 | 1.3 | 0.4 | 0.5 | 0.4 | 0.4 | 1.6 | 0.4 | 0.5 | 0.5 | 0.4 | 1.8 |
| **Operating profit** | **2.8** | **2.9** | **2.1** | **2.1** | **9.9** | **3.2** | **2.5** | **1.5** | **1.5** | **8.7** | **2.1** | **1.9** | **1.7** | **1.5** | **7.1** |
| **Revenue: Other** | **0.9** | **0.8** | **0.3** | **0.7** | **2.7** | **0.8** | **0.7** | **0.9** | **1.8** | **4.1** | **1.3** | **0.8** | **0.5** | **0.6** | **3.3** |
| **Operating profit** | **(3.1)** | **(2.5)** | **(2.2)** | **(2.4)** | **(10.1)** | **(3.1)** | **(1.9)** | **(3.1)** | **(3.4)** | **(11.5)** | **(2.7)** | **(3.4)** | **(3.0)** | **(2.6)** | **(11.7)** |
| **Revenue: Total** | **147.7** | **143.0** | **152.3** | **157.6** | **600.6** | **177.9** | **197.7** | **190.6** | **197.3** | **763.5** | **208.0** | **212.2** | **192.5** | **219.8** | **832.5** |
| **Operating profit** | **7.2** | **5.5** | **1.8** | **5.5** | **20.0** | **8.3** | **6.2** | **9.7** | **10.7** | **34.8** | **14.6** | **11.5** | **6.1** | **3.8** | **35.9** |

# Revenue & Operating Profit – by Region

| (JPY bn) | FY2023/3 Full-year | | | FY2024/3 Full-year | | | Change | |
|---|---|---|---|---|---|---|---|---|
| | Revenue | % | Operating profit/(loss) | Revenue | % | Operating profit/(loss) | Revenue | Operating profit/(loss) |
| **Europe** | **316.8** | **41%** | **10.2** | **326.9** | **39%** | **1.8** | **10.1** | **(8.4)** |
| **Asia** | **196.7** | **26%** | **22.9** | **215.5** | **26%** | **28.0** | **18.8** | **5.1** |
| **Americas** | **245.9** | **32%** | **13.3** | **287.0** | **34%** | **17.8** | **41.0** | **4.5** |
| Other * | 4.1 | 1% | (11.5) | 3.3 | 0% | (11.7) | (0.9) | (0.2) |
| **Total** | **763.5** | **100%** | **34.8** | **832.5** | **100%** | **35.9** | **69.0** | **1.0** |

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

# Exceptional Items

| (JPY bn) | FY2023/3 Full-year | FY2024/3 Full-year |
|---|---|---|
| Gain on disposal of subsidiaries | 1.5 | 1.0 |
| Settlement of litigation matters - net | 2.8 | 0.9 |
| Reversal of previous impairments | 0.1 | 0.2 |
| Write down of inventories | - | (0.2) |
| Restructuring costs, including employee termination payments | 1.4 | (0.9) |
| Impairment of non-current assets | (2.6) | (0.7) |
| Gains on disposal of non-current assets | 0.7 | - |
| Impairment of goodwill & intangible assets | (48.8) | - |
| Others | (0.2) | (0.1) |
| **Exceptional items - net** | **(45.2)** | **0.1** |

# Foreign Currency Exchange Rates and Sensitivity

Average rates used

| | FY2022/3 | | | | FY2023/3 | | | | FY2024/3 | | | | FY2025/3 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Forecast |
| **GBP** | 153 | 152 | 153 | 153 | 163 | 163 | 164 | 163 | 172 | 177 | 179 | 182 | 171 |
| **EUR** | 132 | 131 | 131 | 130 | 138 | 139 | 140 | 141 | 150 | 153 | 154 | 157 | 150 |
| **USD** | 109 | 109 | 112 | 112 | 129 | 134 | 137 | 135 | 138 | 140 | 143 | 144 | 140 |
| **BRR** | 20.6 | 20.8 | 20.7 | 21.0 | 26.4 | 26.4 | 26.5 | 26.3 | 27.7 | 28.6 | 29.0 | 29.4 | 28.9 |
| **ARS** | Closing rates are applied – hyperinflation | | | | | | | | | | | | |

Closing rates used

| | FY2022/3 | | | | FY2023/3 | | | | FY2024/3 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| **GBP** | 153 | 150 | 156 | 160 | 165 | 161 | 160 | 165 | 183 | 182 | 181 | 191 |
| **EUR** | 132 | 129 | 131 | 136 | 142 | 141 | 140 | 145 | 158 | 157 | 157 | 163 |
| **USD** | 111 | 112 | 116 | 122 | 136 | 145 | 132 | 133 | 145 | 148 | 143 | 152 |
| **BRR** | 22.3 | 20.6 | 20.4 | 25.5 | 26.2 | 26.7 | 25.7 | 26.2 | 29.8 | 29.5 | 29.2 | 30.4 |
| **ARS** | 1.16 | 1.13 | 1.12 | 1.10 | 1.09 | 0.98 | 0.76 | 0.64 | 0.57 | 0.42 | 0.18 | 0.18 |

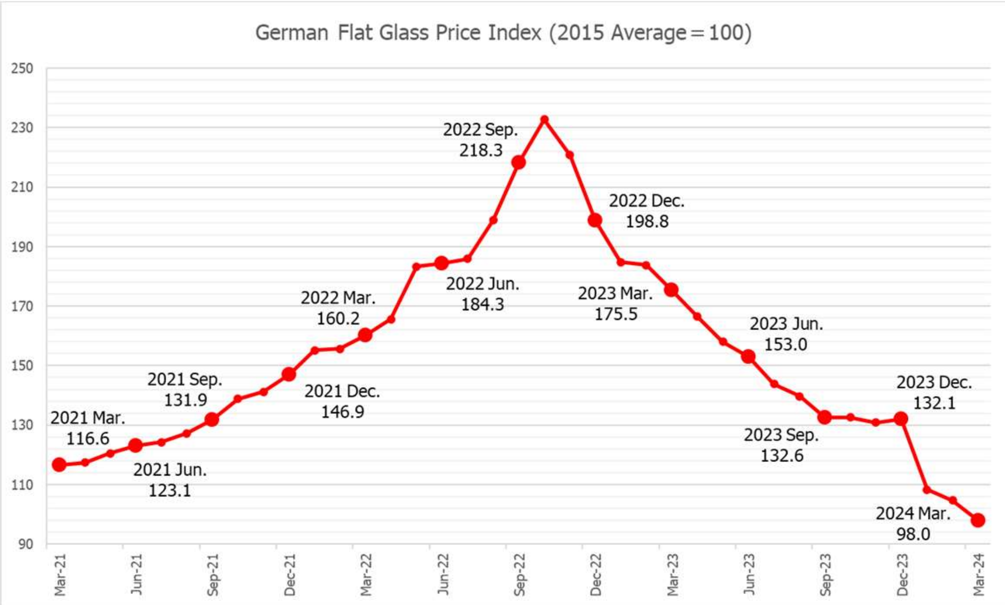
**Sensitivity**
Increase (decrease) if the value of the yen depreciates by 1% - all other things being equal

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

# Depreciation & Amortization, Capital Expenditures, R&D Expenditures

| (JPY bn) | FY2023/3 Full-year | FY2024/3 Full-year | FY2024/3 Full-year Forecast |
|---|---|---|---|
| **Depreciation & Amortization** | **40.2** | **45.9** | **49.0** |
| | | | |
| **Capital expenditures** | **40.9** | **58.2** | **63.0** |
| Ordinary | 36.5 | 41.4 | 33.0 |
| Strategic projects | 4.4 | 16.8 | 30.0 |
| | | | |
| **R&D expenditures** | **9.1** | **9.9** | **11.4** |
| Architectural | 2.8 | 3.4 | |
| Automotive | 2.7 | 3.1 | |
| Technical Glass | 1.0 | 0.8 | |
| Other | 2.6 | 2.6 | |

# Glass Market Price Movement



# News Releases – November 2023 to May 2024

(https://www.nsg.com/en/media)

| | |
|---|---|
| 16-Nov-23 | Realizing Glass Cord for Hazardous Substance-Free Development of Resorcinol Formaldehyde (RF)-Free Adhesive for Rubber Reinforcing Materials |
| 30-Nov-23 | New Solar Glass Production Line in U.S. |
| 15-Dec-23 | NSG Group Website Wins IR Awards |
| 27-Feb-24 | NSG Group's CDP rating improved to Climate Change A- |
| 1-Mar-24 | Successful Start to Europe's First Carbon Capture Trial in Flat Glass Industry |
| 15-Mar-24 | NSG Group wins "Rookie of the Year" at NIKKEI Integrated Report Award 2023 |
| 18-Mar-24 | Exhibit at OFC 2024 |
| 26-Mar-24 | NSG Group Recognized as CDP Supplier Engagement Leader for Three Consecutive Years |
| 28-Mar-24 | NSG Group Sign a PPA for Solar Power in Maizuru Plant, Japan |
| 24-Apr-24 | Exhibiting at Suppliers' Day 2024, the Largest Cosmetic Ingredients Trade Show in North America |

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