

TO OUR SHAREHOLDERS

NIPPON SHEET GLASS Company, Limited

159TH FISCAL PERIOD REPORT

1 APRIL 2024 – 31 MARCH 2025

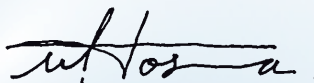
Securities Code: 5202

On behalf of the NSG Group, I would like to express my sincere gratitude for your continued support. I would like to present Group's financial results for the 159th fiscal period (FY2025) (from 1st April 2024 to 31st March 2025) as follows.

June 2025

Munehiro Hosonuma

Representative Executive Officer
President and CEO
Nippon Sheet Glass Company, Limited



During the fiscal year ended March 31, 2025 (FY2025), the profitability of our Architectural and Automotive glass businesses significantly fell due to the continued economic slowdown in Europe and rising labor and other costs associated with global inflation. To address such challenging business environment in Europe, we implemented restructuring measures and recorded the associated cost as an exceptional item.

As a result, for FY2025 on a full-year basis, the Group reported revenues of 840.4 billion yen, an increase of 0.9% year-on-year (FY2024: 832.5 billion yen) and an operating profit of 16.5 billion yen, a decrease of 54.0% year-on-year (FY2024: 35.9 billion yen). Also, the Group recorded a pre-tax loss of 8.5 billion yen (FY2024: profit of 17.6 billion yen), a net loss of 13.5 billion yen (FY2024: profit of 10.9 billion yen) and a loss attributable to owners of the parent of 13.8 billion yen (FY2024: profit of 10.6 billion yen), indicating a significant decline from the previous year. Although we lagged behind in achieving the financial targets (operating profit, ROS, free cash flow, interest bearing debt, and shareholders' equity ratio) set forth in the Medium Term Plan "2030 Vision: Shift the Phase," which commenced this fiscal year, we have driven our way forward by promoting various initiatives such as starting production of glass for solar panels in North America, as outlined later, in line with the strategic pillars of the 4 "D"s: **B**usiness **D**evelopment, **D**ecarbonization, **D**igital Transformation, and **D**iverse Talent.

In the fiscal year ending March 31, 2026 (FY2026), while we need to closely monitor developments in the U.S. tariff policies,

European market is expected to start recovering in the latter half of the year and beyond. In the Architectural glass business, demand for solar energy glass remains robust and production at the new facility in North America, which came on stream in January 2025, is expected to contribute to business improvement throughout the year. In the Automotive glass business, sales volume is expected to recover gradually supported by the demand for automobiles and we will also continue negotiations to increase selling prices. The Technical glass business is anticipated to remain highly profitable. We continue to strive to transform into a highly profitable company resilient to fluctuations in the business environment, reduce debt drastically with enhanced cash generation capabilities, and bolster the equity capital by pursuing the strategy focused on the 4 "D"s.

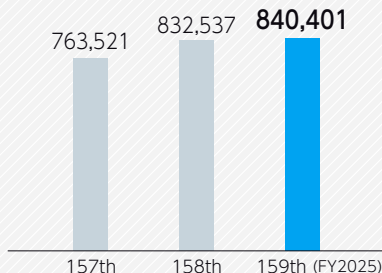
The Group's basic policy regarding the distribution of profit to shareholders is to declare stable dividends on common shares based on sustainable business results. Regrettably, however, the Group decided not to declare dividends on common shares for the fiscal year to 31st March 2025, taking into consideration its financial situations comprehensively. I am deeply sorry and sincerely apologize to our shareholders. The Group recognizes the importance of dividends to its shareholders and will concentrate its efforts to improve profitability and shore up its financial base with a view to the resumption of dividend payment as early as possible. I would like to ask your continued understanding and support.

Financial Performance Highlights

Revenue

840,401

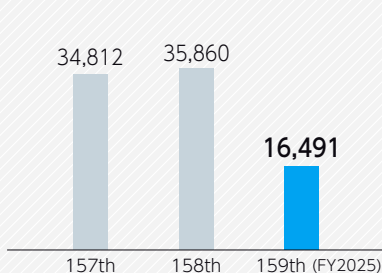
(Million yen)



Operating profit

16,491

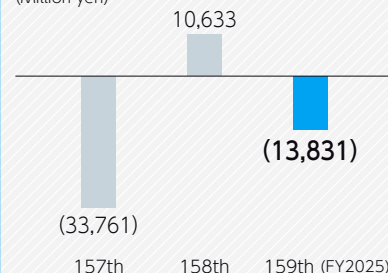
(Million yen)



Profit/(loss) attributable to owners of the parent

(13,831)

(Million yen)



Notes: •The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS).
•Operating Profit in the above table is operating profit before exceptional items.

NSG at a Glance

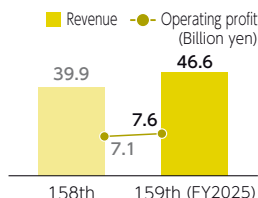
From 1st April 2024 to 31st March 2025

Technical Glass

6%



- Major manufacturing sites located in Japan, China and Europe
- Number One/ Only One in niche markets
- Strong demand continued for Printer Lens, Glass Cord, and Metashine®. Fine Glass also saw an improvement in volume.
- Both revenue and operating profit increased despite cost increases.

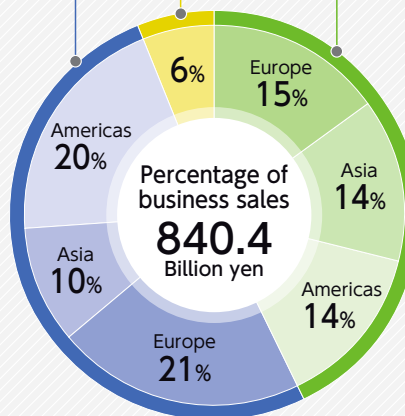
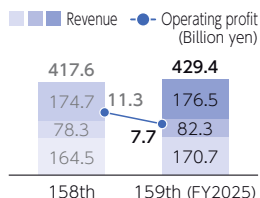


Automotive Glass

51%



- Major manufacturing sites located in 13 countries
- One of the largest global service providers for Automotive glass replacement distribution and wholesale
- Revenue increased partly supported by a weaker Japanese yen, despite lower vehicle production in Europe and production disruptions at some customers in Asia and North America.
- Operating profit decreased as the economic slowdown in Europe more than offset the benefits of progress in sales price negotiations.

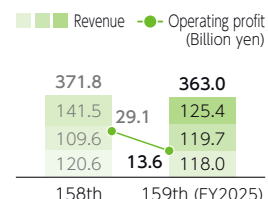


Architectural Glass

43%



- 27 float furnaces around the world
- Leading supplier of thin film solar energy glass
- Revenue and operating profit decreased due to lower sales volumes and prices, especially in Europe driven by the economic slowdown in the region.
- Demand for solar energy glass remained robust. A new production line began operations in the U.S.



Medium-Term Plan “2030 Vision:Shift the Phase”

Under the Medium-Term Plan “2030 Vision:Shift the Phase”, which started in FY2025, the NSG Group is striving to reduce debt drastically and strengthen equity capital by improving profitability and reinforcing our cash generation capabilities with a strategic focus on the 4 “D”s.

GOAL

To shift our company's phase and become vital in advancing a sustainable society

Commitment

- We commit to creating value that realizes a sustainable society for all stakeholders and with stakeholders.
- We commit to developing and providing glass and its related technologies and services that play a crucial role in our customers' solutions.
- We commit to deeply understanding our customers' potential needs and delivering solutions that are suitable for them by leveraging both tangible and intangible assets.
- We commit to continuing our investment in our people, taking pride in a global, diverse team passionate about glass and brimming with talent.

	FY2024	Group-Wide Strategic Direction - 4 “D”s	FY2027	
		Business Development		
		To strengthen new product and business development efforts		
		Decarbonization		
		As part of our contribution to societal decarbonization		
		Digital Transformation		
		Through high-value operations utilizing digital technologies to their full extent		
		Diverse Talent		
		In order to realize a truly diverse and inclusive team that brings about the phase shift we need		
Operating Profit	35.9 billion yen		64.0 billion yen	FY2030 ROS 10% or more
ROS	4.3%		7%	
Free cash flow	15.3 billion yen		27.0 billion yen	
Interest-Bearing Debt	506.5 billion yen		442.0 billion yen	
Shareholders' equity ratio	12.3%		15%	

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

While we have been significantly affected by the economic slowdown in Europe, our businesses - excluding the Architectural and Automotive glass operations in the region - have progressed in line with the Plan. We remain focused on improving profitability and strengthening our cash generation capabilities to reinforce our financial foundation.

		FY2027/3 Targets	FY2030/3 Targets	FY2025/3 Full-year Actual
Profitability (P/L)	Operating profit	JPY 64.0 bn		JPY 16.5 bn : mainly impacted by economic slowdown in Europe. On track except European Arch and Auto
	ROS	7%	10% or more	2.0% : increased by 0.3pt from Q3
Cash Generation (C/F)	Free cash flow	JPY 27.0 bn		JPY 10.0 bn : positive free cash flow due to working capital improvement while OP decrease
Stabilization of Financial Status (B/S)	Interest-bearing debt	JPY 442.0 bn		JPY 528.4 bn : increased by JPY 18.4 bn from the previous year end
	Shareholders' equity ratio	15%		10.5% : decreased by 1.9pt from the previous year end

Update of “2030 Vision: Shift the Phase” - 4 “D”s

Despite the ongoing challenging business environment, particularly in Europe, our commitment to the Medium-Term Plan including 4 “D”s is unchanged and we continue to promote our strategy while flexibly securing resources.

	Update
Business Development	<ul style="list-style-type: none"> Started solar energy glass production at Rossford, Ohio which is converted from existing float line Development of less commoditized products (downstream) in European Architectural in progress Established the steering committee across the Group to cultivate future perovskite market
Decarbonization	<ul style="list-style-type: none"> Contribution to GHG emission reduction and financial improvement through expansion of solar energy glass production
Digital Transformation	<ul style="list-style-type: none"> ERP system harmonization pilot delivered in a region
Diverse Talent	<ul style="list-style-type: none"> The female manager ratio improved to 18.0% in FY2025/3 from 16.8% in FY2024/3 HR system business case, readiness and system requirements prepared

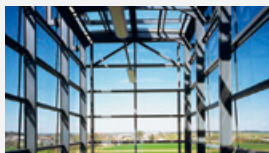
Examples of Strategic Products to be Strengthened through Business Development

Architectural Glass

- Solar Panel

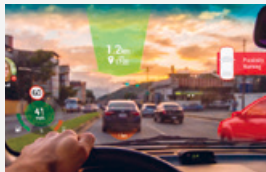


- Low E (On-line/Off-line/Laminated)
- Triple Glass Units
- Coated IGU



Automotive Glass

- HUD/AR HUD windshields (WS)



- Heated windshields (WS)
- Large Area Fixed with Low e Roof Light (RL)
- Variable Transmission RL
- Higher functional RL



Technical Glass

- AOI (Automated Optical Inspection)
- FINEFLAKE/DURA FLAKE
- Filler
- MAGNAVI®



- Base makeup powder products (MARVINA®/GLACIA DROPS™)



TOPICS

TOPIC 1

Meeting the growing global demand for solar panels (USA)

NSG Group is enhancing the production capacity of TCO (Transparent Conductive Oxide) glass for solar panels in various countries to meet the growing demand from First Solar in the US, one of the world's largest thin-film solar cell manufacturers and our long-standing strategic partner.

In January 2025, our Rossford factory in Ohio, USA started operating a new facility converted from an existing float line. Our solar glass, featuring high film durability and cost-competitiveness enabled by our unique online coating technology, is contributing to the global expansion of the solar market.



TOPIC 2

Group's unique next-generation technologies exhibited at domestic and international trade fairs

Technical Glass SBU recently exhibited at the 39th NEPCON JAPAN, Asia's leading exhibition for electronics R&D, manufacturing and packaging technology, held at Tokyo Big Sight in January 2025, and at the Vision China (Shanghai) 2025, China's largest machine vision exhibition, held in Shanghai in March 2025.

At the former, we exhibited high-performance optical elements that contribute to the development of next generation semiconductors, while at the latter, we exhibited the SELFOC® lens series, which is adopted for a broad range of applications, including automated inspection and optical communication. In both exhibitions, we showcased a number of unique products that contribute to solving a variety of social issues and won a good reputation.



TOPIC 3

Development of METASHINE ECO™ ~CO₂ emissions reduced by up to 30%~

We have developed METASHINE ECO™. While the METASHINE® series is our proprietary glittering pigment widely used in industrial and cosmetic applications, this new product maintains its original properties while successfully utilizing glass scraps of different compositions, which were previously considered difficult to recycle, as raw materials. We aim to launch this product in 2026 as a solution to reduce both waste glass and CO₂ emissions by up to 30% compared to our conventional product.



* METASHINE® is an inorganic effects pigment made by coating the surface of raw glass flakes with metal oxide.

TOPIC 4

NSG Group Received Climate Change A- Rating from CDP once again

NSG Group received CDP* Climate Change A-leadership rating for two consecutive years. This recognizes the Group's continuous and proactive climate change actions and commitment to transparency.

* CDP is an international non-governmental organisation (NGO) that encourages companies and municipalities to disclose information on climate change actions and assesses their activities.



Shareholder Information

Fiscal Period	1 April to 31 March of the following year
Ordinary General Meeting of Shareholders	Held annually in June
Record Dates	Ordinary General Meeting of Shareholders: 31 March Dividends: 30 September and 31 March
Transfer Agent	Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan
(Mail Address)	Stock Transfer Agency Department, Sumitomo Mitsui Trust Bank, Limited 8-4, Izumi 2-chome, Suginami-ku, Tokyo 168-0063, Japan
(Telephone Number)	0120-782-031 (toll free in Japan)

▶ For notification of any change in your record such as your address or for any inquiry

<Shareholders having an account with a securities company>

Please contact the securities company where you hold the account.

<Shareholders not having an account with a securities company (having a special account)>

Please contact our transfer agent as shown above.

We contribute to the realization of a sustainable society through our sustainability efforts.



FTSE Blossom
Japan Index



Universal design fonts that are easy to understand and easy to read are used.

Corporate Data (as at 31 March 2025)

Company Name	Nippon Sheet Glass Company, Limited
Head Office	Sumitomo Fudosan Tokyo Mita South Tower, 5-27, Mita 3-chome, Minato-ku, Tokyo 108-6321 Japan
Established	22 November 1918
Number of Permanent Employees (consolidated)	25,406
Paid-in Capital	JPY 116,892 million
Accounting Auditor	Ernst & Young ShinNihon LLC
Stock Listing	Tokyo Prime market (Code: 5202)
Contact	https://www.nsg.com/en/contact-us

▶ Notice to shareholders holding odd-lot shares

If you hold an odd-lot of shares (1 to 99 shares), which is less than a trading unit of shares (100 shares), you can require the Company to:

1. purchase these shares or
2. sell such exact number of the shares as would constitute one trading unit when added together with your shareholding.

For details on the procedures, please contact either the securities company or our transfer agent as indicated on the left.

Our Website and Social media

Our website provides a variety of information for investors, including financial results and latest news. Please access our website.

<https://www.nsg.com/en>



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Official SNS character of NSG Group
NSG Badger (Japanese name: N-Guma-Kun)

