

NSG Group

FY2026/3 Quarter 1 Results

(from 1 April 2025 to 30 June 2025)

Nippon Sheet Glass Company, Limited
8 August 2025

Agenda

1. Financial Year ending 31 March 2026 Quarter 1 Results
2. Forecast for Financial Year ending March 2026
3. US Tariff Policy Impact on Business
4. Update of “2030 Vision: Shift the Phase” Financial Targets
5. Summary

1. Financial Year ending 31 March 2026 Quarter 1 Results

Consolidated Income Statement

OP increasing YoY due to better European Architectural glass business.

A good start to return to net profit. Continuously taking further actions to improve profits

(JPY bn)	Q1 (3 months)		
	FY2025/3	FY2026/3	Change
Revenue	216.4	210.2	(6.2)
Operating profit	4.8	6.9	2.1
ROS: Return on sales	2.2%	3.3%	+1.1pt
Exceptional items (net)	0.2	1.7	1.5
Operating profit after exceptional items	4.9	8.5	3.6
Finance expenses (net)	(6.0)	(6.8)	(0.8)
Share of JVs and associates' profits	1.1	1.3	0.2
Other gains/(losses) on equity method investments	-	(0.4)	(0.4)
Profit before taxation	0.0	2.7	2.7
Profit for the period	2.7	0.5	(2.2)
Net profit/(loss) *	2.4	(0.2)	(2.6)
EBITDA	17.5	19.8	2.3

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

Revenue & OP

Revenue decreased in all businesses, partly due to FX. OP increased reflecting an improvement mainly in European Architectural glass business

[Revenue and Operating Profit : vs PY]

(JPY bn)	Revenue	OP
Architectural	(1.0)	+ 3.3
Automotive	(3.8)	(0.2)
Technical Glass	(1.4)	(0.7)
Others	(0.1)	(0.3)
Group total	(6.2)	+ 2.1

Exceptional items (net)

Recording gains on the disposal of equity interest in Vietnam Float Glass Co., Ltd (Announced on 9 June 2025)

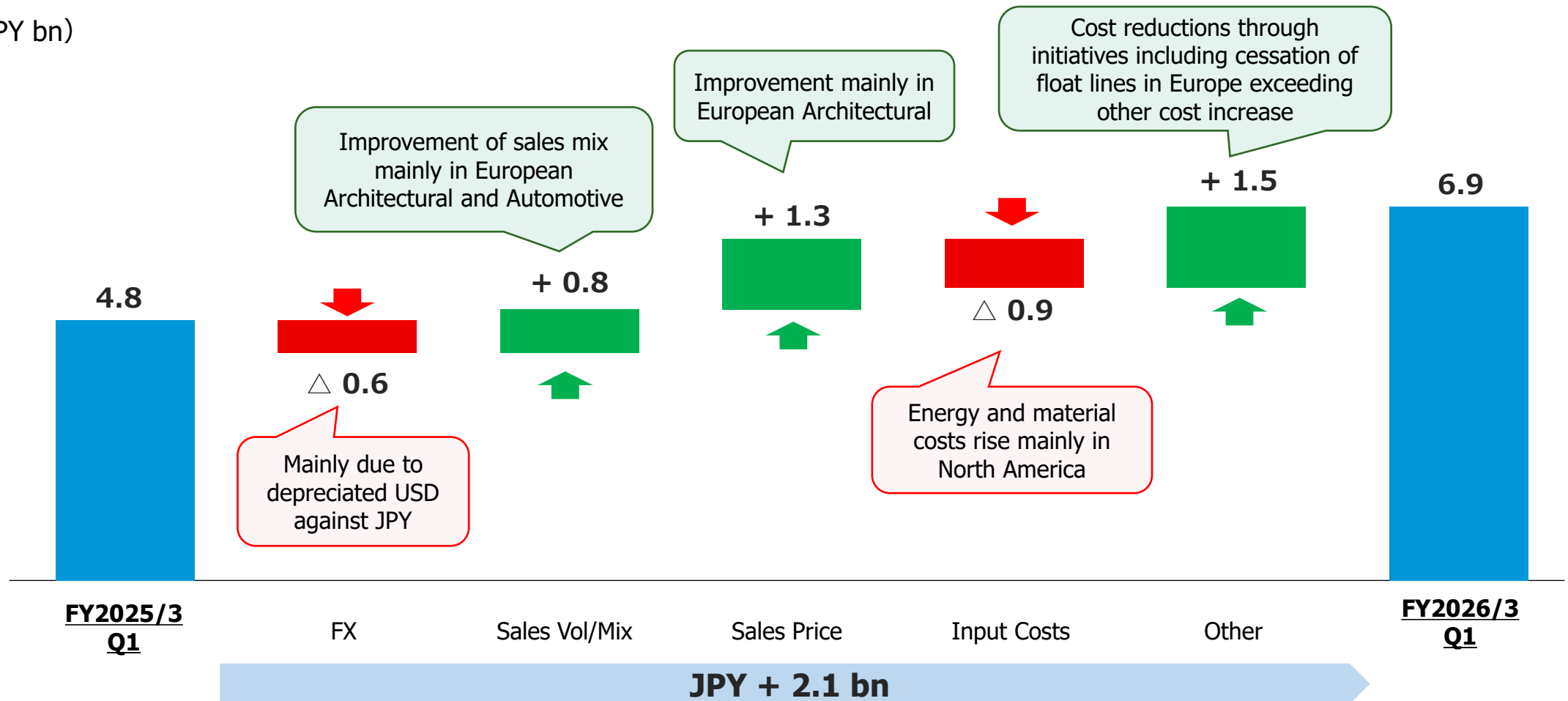
Other gains/(losses) on equity method investments

Elimination of gains on transactions with affiliates

Change Analysis – Operating profit (Quarter 1 only)

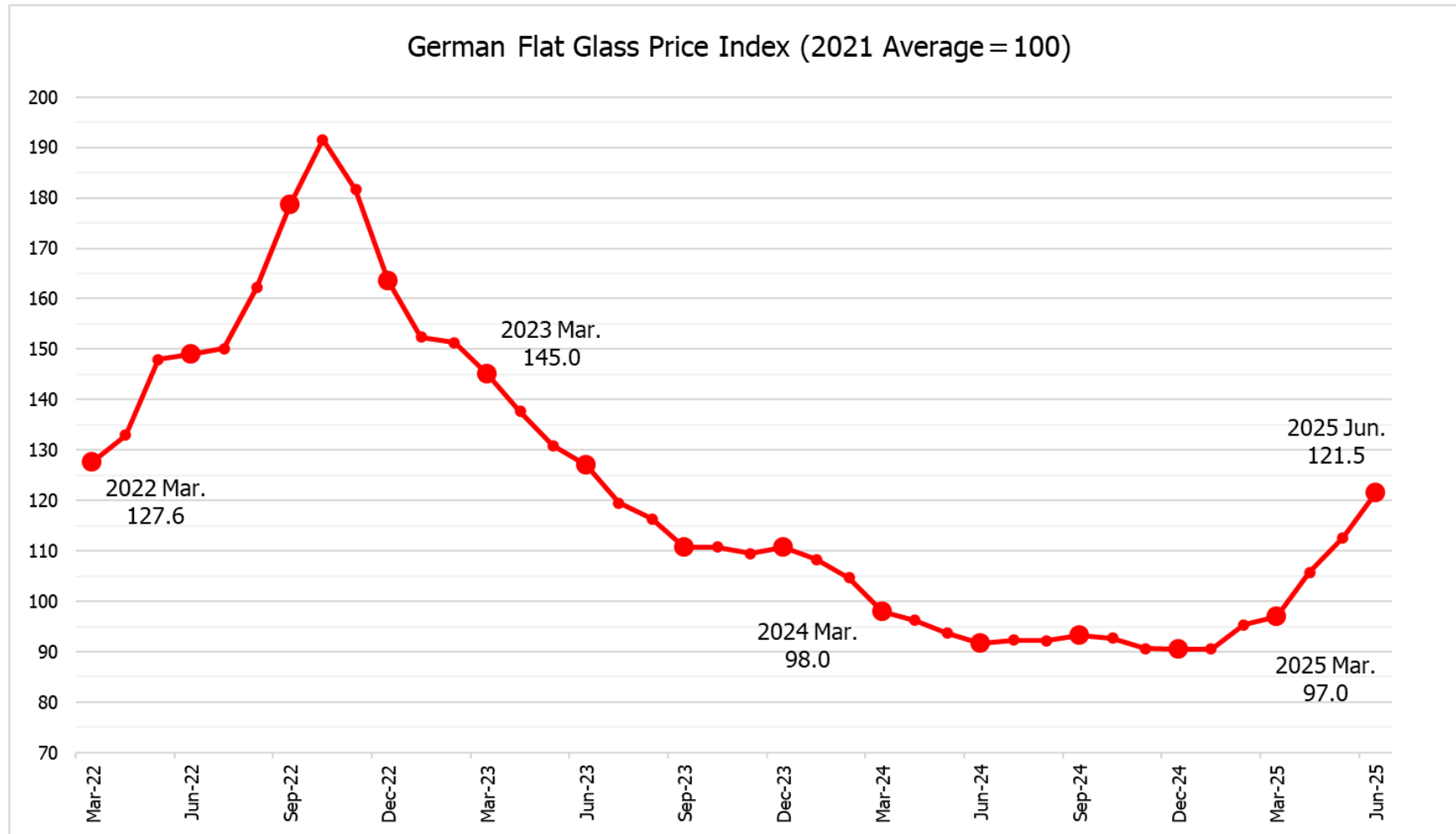
**Sales price and mix increase mainly in European Architectural glass business.
Contribution of cost reduction initiatives including float lines cessation**

(JPY bn)



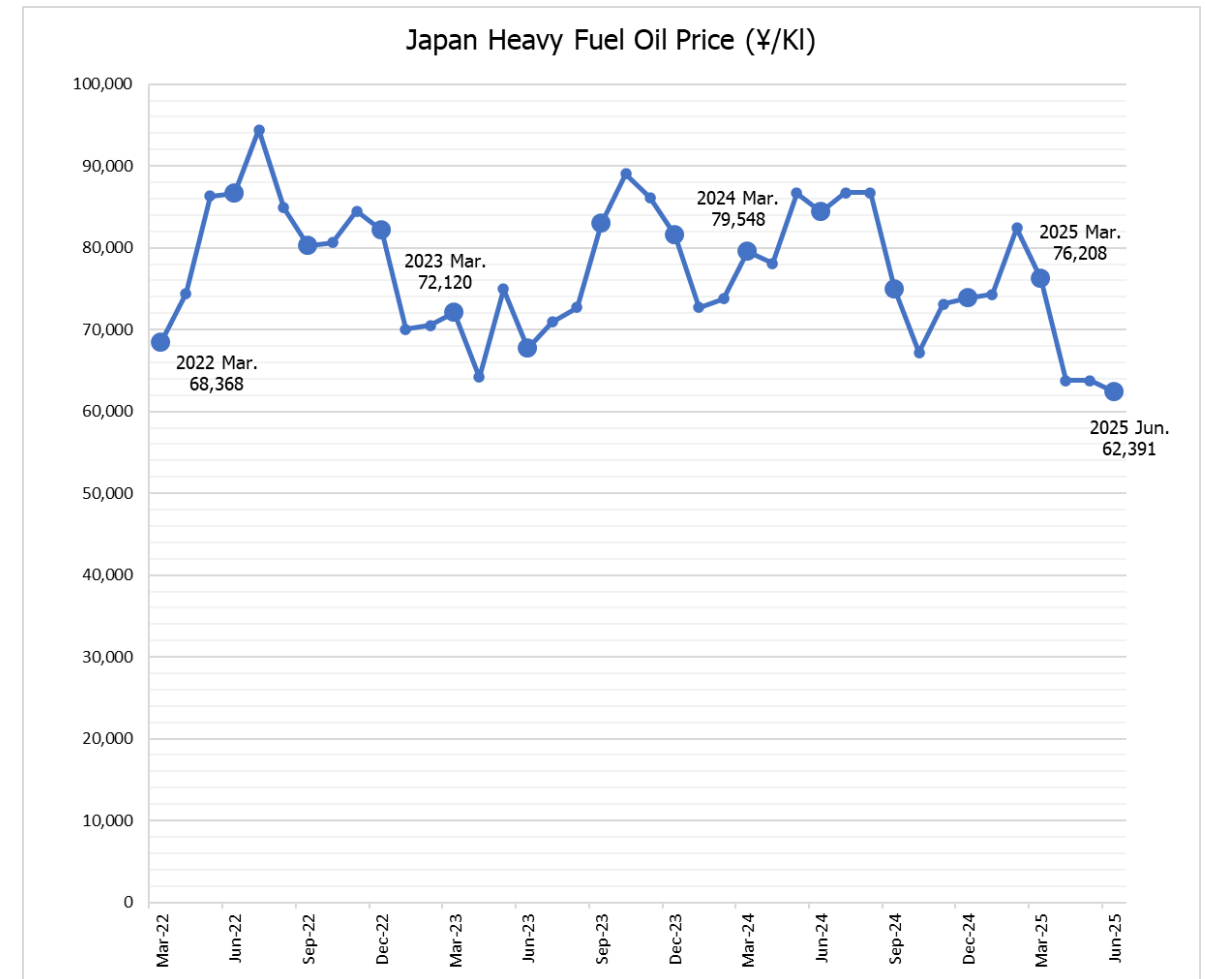
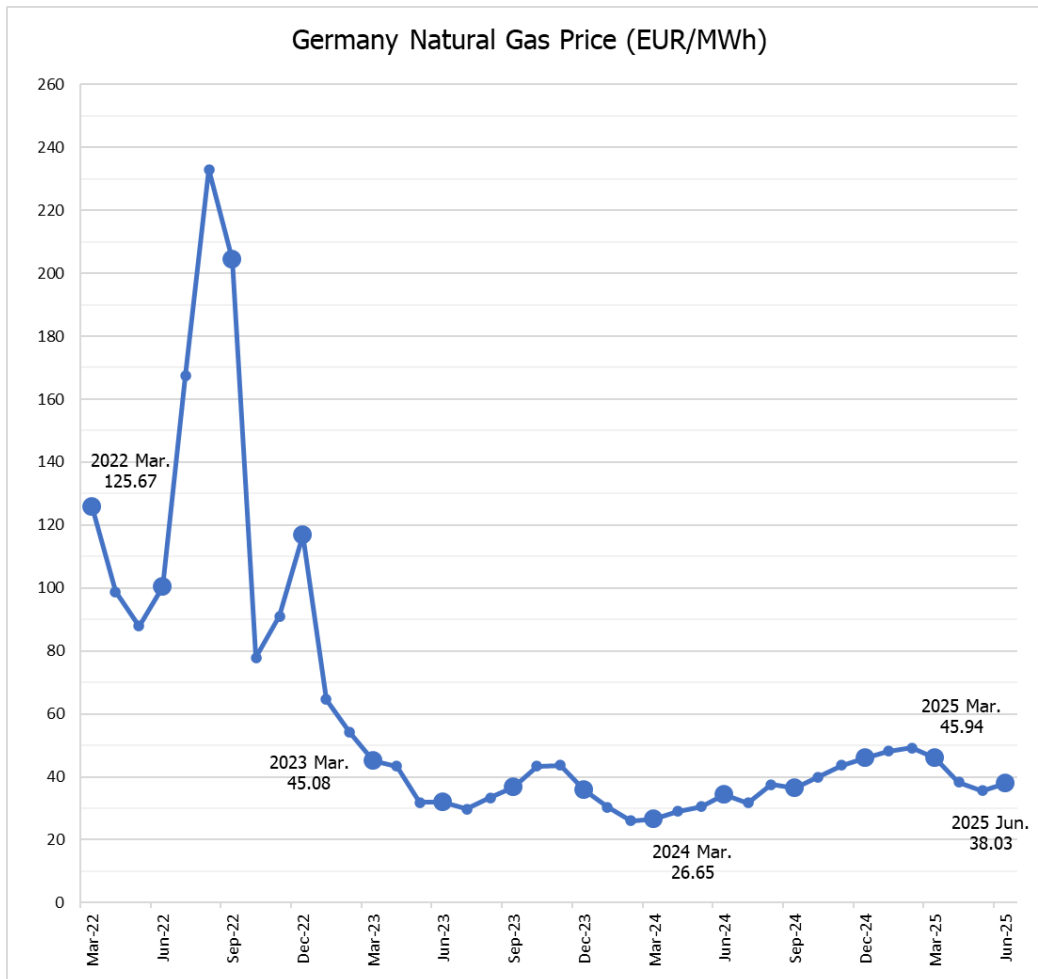
European Glass Market Price Movement

Continuous increase in glass market price reflecting improved supply and demand following the float lines cessation



Energy Price Movement

German natural gas price: moved stably within a small range movements.
Japanese heavy fuel oil price: still staying at a high level although falling in Q1



Consolidated Balance Sheet

**Shareholders' equity ratio decreasing to 9.9% by 0.5pt from the previous year end.
Debt slightly increasing due to seasonal working capital movement and FX**

(JPY bn)	31 March 2025	30 June 2025	Change
Total Assets	1,032.9	1,001.5	(31.5)
Non-current assets	709.8	703.5	(6.2)
Current assets	323.2	298.0	(25.2)
Total Liabilities	890.5	872.5	(18.0)
Current liabilities	409.4	390.8	(18.6)
Non-current liabilities	481.1	481.7	0.6
Total Equity	142.4	129.0	(13.4)
Shareholders' equity	108.1	99.6	(8.4)
Shareholders' equity ratio	10.5%	9.9%	(0.5)pt
Interest-bearing debt	524.8	532.5	7.7

Current assets

Mainly decrease in cash and cash equivalents

Current liabilities

Mainly decrease in trade and other payables

Shareholders' equity ratio

Decrease to 9.9% by 0.5pt. Largely due to FX movements, partly offset by the inflationary uplift in Argentina

Interest-bearing debt

Increase due to seasonal working capital and FX movements

Consolidated Statement of Cash Flows

**FCF improving YoY with increased OP while negative due to seasonal WC movement.
Aiming continuously to decrease interest-bearing debt by improving free cash flow**

(JPY bn)	Q1 (3 months)		
	FY2025/3	FY2026/3	Change
Net cash flows from operating activities	(19.4)	(15.0)	4.4
included above: Net change in working capital	(29.2)	(26.9)	2.3
Net cash flows from investing activities	(12.3)	(11.5)	0.9
included above: Purchase of property, plant and equipment	(11.8)	(13.2)	(1.4)
Free cash flow	(31.7)	(26.4)	5.3
Net cash flows from financing activities	22.3	(1.4)	(23.7)
Increase/ (decrease) in cash and cash equivalents	(9.4)	(27.8)	(18.4)
Cash and cash equivalents at the end of the period	37.5	34.7	(2.8)

Net cash flows from operating activities

Improvement with an increase in OP.
Less seasonal increase of working capital than the previous year with successful management

Free cash flow

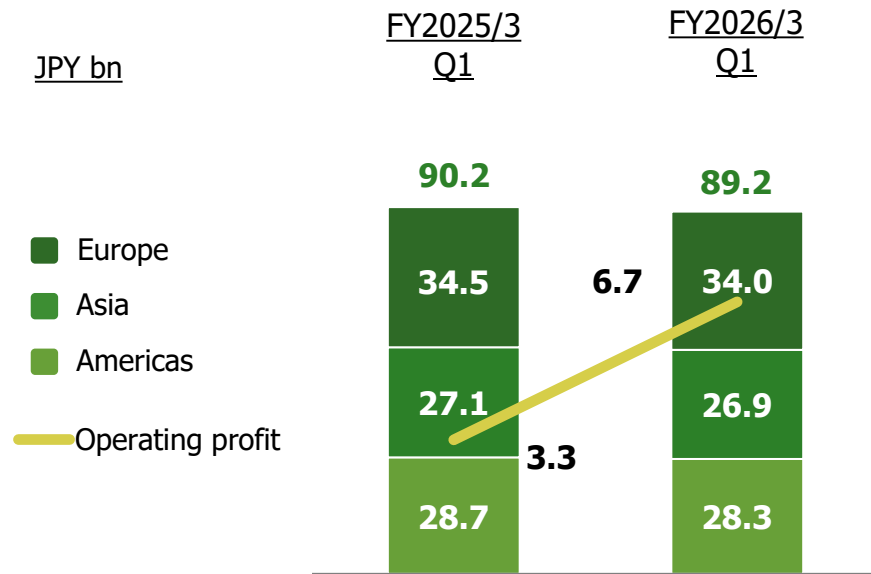
Improving from the previous year due to better net cash flows from operating activities

Segmental Information

(JPY bn)	FY2024/3 Q1			FY2025/3 Q1			FY2026/3 Q1			Change	
	Revenue	%	Operating profit	Revenue	%	Operating profit	Revenue	%	Operating profit	Revenue	Operating Profit
Architectural	95.8	46%	11.9	90.2	42%	3.3	89.2	42%	6.7	(1.0)	3.3
Europe	38.1	18%		34.5	16%		34.0	16%		(0.5)	
Asia	26.8	13%		27.1	13%		26.9	13%		(0.2)	
Americas	30.8	15%		28.7	13%		28.3	13%		(0.4)	
Automotive	100.9	49%	3.2	113.6	52%	2.5	109.8	52%	2.4	(3.8)	(0.2)
Europe	42.5	20%		47.6	22%		46.0	22%		(1.6)	
Asia	17.9	9%		19.6	9%		19.3	9%		(0.2)	
Americas	40.5	19%		46.4	21%		44.4	21%		(2.0)	
Technical Glass	10.0	5%	2.1	12.4	6%	2.0	11.0	5%	1.3	(1.4)	(0.7)
Europe	2.5	1%		2.8	1%		2.9	1%		0.1	
Asia	7.1	3%		9.1	4%		7.7	4%		(1.3)	
Americas	0.4	0%		0.5	0%		0.4	0%		(0.1)	
Other	1.3	1%	(2.7)	0.2	0%	(3.1)	0.1	0%	(3.4)	(0.1)	(0.3)
Total	208.0	100%	14.6	216.4	100%	4.8	210.2	100%	6.9	(6.2)	2.1

Architectural (Rev▼, Profit▲)

Significant OP increase with higher sales prices in Europe while sales decrease affected by FX. Solid demand for solar energy glass continuing



(JPY bn)	Q1 (3 months)		
	FY2025/3	FY2026/3	Change
Revenue	90.2	89.2	(1.0)
Europe	34.5	34.0	(0.5)
Asia	27.1	26.9	(0.2)
Americas	28.7	28.3	(0.4)
OP	3.3	6.7	3.3

Europe (Rev▼, Profit▲)

- Sales prices increase reflecting better supply and demand following float lines cessation in Germany (One ceased in June 2024, and another in January 2025)
- Sales mix improving
- Contribution to cost reduction by cessation of float lines

Asia (Rev▼, Profit▲)

- Sales volume/mix and prices decrease in Japan
- Continuous robust demand for solar energy glass
- Disposal of Vietnam Float Glass Co., Ltd

Americas (Rev▼, Profit▼)

- In North America, continuous lackluster commercial markets
- In South America, sales volume increase mostly in Argentina
- Strong demand continuing for solar energy glass. Costs for start-up of a new facility, but almost in line with the plan

Automotive (Rev ▼, Profit ▼)

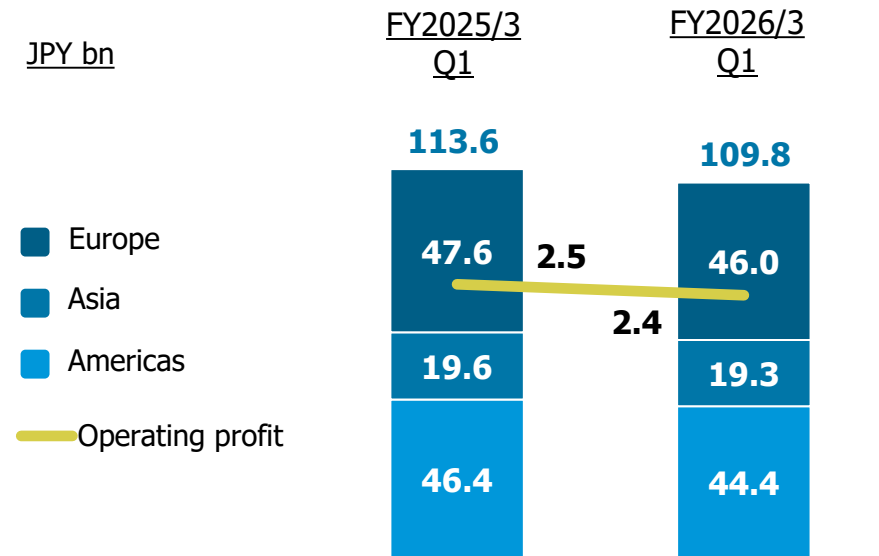
Revenue decrease YoY partly due to FX movement.

Similar OP to PY with unfavorable costs partly mitigated by improvement in AGR

Europe (Rev ▼, Profit ▼)

Asia (Rev ▼, Profit ▼)

Americas (Rev ▼, Profit ▲)

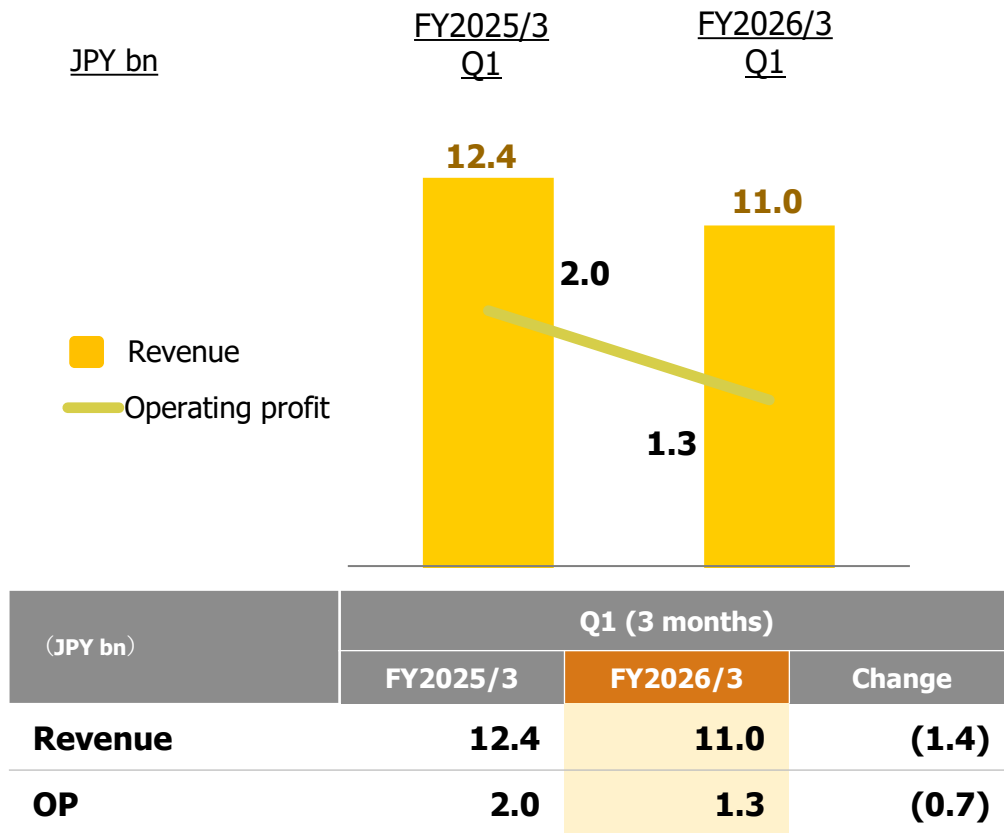


(JPY bn)	Q1 (3 months)		
	FY2025/3	FY2026/3	Change
Revenue	113.6	109.8	(3.8)
Europe	47.6	46.0	(1.6)
Asia	19.6	19.3	(0.2)
Americas	46.4	44.4	(2.0)
OP	2.5	2.4	(0.2)

- In Europe, Japan, and North America, slow sales volumes and prices in OE, partly mitigated by AGR with better sales volumes/mix and prices
- In South America, sales volume increase mainly in Brazil
- Production schedule adjustments in Europe, including Witten, Germany (Announced in January 2025) and San Salvo, Italy on track
- Progressing continuously with cost reduction efforts, expansion of VA products, and sales prices improvement

Technical Glass (Rev ▼, Profit ▼)

Revenue and OP decreasing due to impact by sales mix in some products



- In fine glass, sales mix being impacted by some products whose sales will be carried over to H2
- Decrease in demand for printer lenses
- In glass cord, continuous high demand in automotive replacement markets
- Demand for Metashine® increased for cosmetic applications

2. Forecast for Financial Year ending March 2026

Forecast for Financial Year ending March 2026

Forecasts remaining unchanged.

Taking any appropriate actions continuously across the Group to return to net profit

(JPY bn)	FY2025/3 Actual		FY2026/3 Forecast		Change	
	H1	Full-year	H1	Full-year	H1	Full-year
Revenue	422.4	840.4	420.0	850.0	(2.4)	9.6
Operating profit	10.2	16.5	10.0	31.0	(0.2)	14.5
Exceptional items (net)	(0.0)	(5.2)	1.0	1.0	1.0	6.2
Operating profit after exceptional items	10.2	11.2	11.0	32.0	0.8	20.8
Finance expenses (net)	(12.6)	(25.3)	(13.0)	(27.0)	(0.4)	(1.7)
Share of JVs and associates' profits	2.5	5.5	3.0	6.0	0.5	0.5
Profit/(loss) before taxation	0.2	(8.5)	1.0	11.0	0.8	19.5
Profit/(loss) for the period	(3.4)	(13.5)	(2.0)	4.0	1.4	17.5
Net profit/(loss) *	(3.9)	(13.8)	(3.0)	2.0	0.9	15.8

Assumptions for FY2026/3 Forecast

Group	<p>Returning to net profit reflecting market recovery in Europe during H2 with some uncertainty due to US tariff policy. Taking further actions to improve profits early including cost reductions across the Group</p> <ul style="list-style-type: none"> Assuming appreciated JPY for major foreign currencies, compared to FY2025/3 Increase of energy and material costs assumed with other costs increase including labor reflecting inflation Keep a close eye on US tariff policy Continue cost reduction, expansion of VA products and sales price increases
Architectural Glass	<p>European market gradually improving during H2. Eyes on US tariff policy for solar energy glass</p> <ul style="list-style-type: none"> Europe : expecting contribution of cost reduction and sales price increase arising from float lines cessation Asia : pay attention to architectural demand in Japan North America : possibility of decrease in demand due to uncertain economic outlook. Need close watch on economic trends including US tariff policy South America : absorb cost rise emerging from hyperinflation in Argentina by price pass-through Solar energy glass : continuous robust demand and contribution by a new facility in USA, while a close eye on US tariff policy needed
Automotive Glass	<p>Continuous price negotiations while impact of higher input costs remain.</p> <p>Potential impact by volume decrease of vehicle build for USA due to US tariff policy</p> <ul style="list-style-type: none"> Pay attention to demand of vehicle build for USA in relation to US tariff policy while potential relative improvement in US AGR market position following increased tariffs on competitors Benefit by cost reduction from production schedules adjustments in Europe Aiming for profitability improvement with cost reduction, expansion of VA products and price increases
Technical Glass	<p>Positive markets absorbing cost increase with sales volumes and prices improvement</p> <ul style="list-style-type: none"> Favorable demand continue for each business with sales mix improvement particularly in fine glass in H2

3. US Tariff Policy Impact on Business

US Tariff Policy Impact on Business

**Glass products basically being manufactured locally at the place of consumption.
Eyes on the policy and mitigating its impact with price pass-through, while uncertainty**

1. Impact on Revenue

(1) Architectural

- Potential decline in demand arising from investment restraint due to economic uncertainty in USA
- Solar energy glass possibly affected by customers production in light of tariff policy.
Chinese competitors being subject to higher tariff

(2) Automotive

- Original Equipment (OE)
Possibility to be affected by reduced demand for US bound vehicle production
- After Glass Replacement (AGR)
Possibility to see volume decline in response to increased prices of some products in Mexico.
Improvement in sales price with a contribution of the difference in tariff rates between Mexico and China

2. Impact on Cost

- Possibility of increase in input costs, but its impacts being mitigated with price pass-through

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

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

**Recovering trend from the PY largely impacted by the economic slowdown in Europe.
Continue to improve profitability and cash generation to stabilize financial status**

		FY2027/3 Targets	FY2030/3 Targets	FY2026/3 Q1 Actual
Profitability (P/L)	Operating profit	JPY 64.0 bn		JPY 6.9 bn: increase YoY with improvement in European Architectural glass business
	ROS	7%	10% or more	3.3% : increased by 1.1pt YoY
Cash Generation (C/F)	Free cash flow	JPY 27.0 bn		JPY (26.4) bn: negative free cash flow due to seasonal working capital movement
Stabilization of Financial Status (B/S)	Interest-bearing debt	JPY 442.0 bn		JPY 532.5 bn : increased by JPY 7.7 bn from the previous year end
	Shareholders' equity ratio	15%		9.9% : decreased by 0.5pt from the previous year end

5. Summary

Summary

1. Financial Year ending 31 March 2026 Quarter 1 Results

- OP increasing YoY due to better European Architectural glass business.
A good start to return to net profit
- Sales price and mix increase mainly in European Architectural glass business.
Contribution of cost reduction initiatives including float lines cessation
- Shareholders' equity ratio decreasing to 9.9% by 0.5pt from the previous year end.
Negative free cash flow due to seasonal working capital movement.
Interest-bearing debt increasing from the PY end

2. Forecast for Financial Year ending March 2026

- Forecast remaining unchanged.
Taking any appropriate actions continuously across the Group to return to net profit

3. US Tariff Policy Impact on Business

- Glass products basically being manufactured locally at the place of consumption.
Eyes on the policy and mitigating its impact with price pass-through, while uncertainty

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

- Recovering trend from the PY largely impacted by the economic slowdown in Europe.
Continue to improve profitability and cash generation to stabilize financial status

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

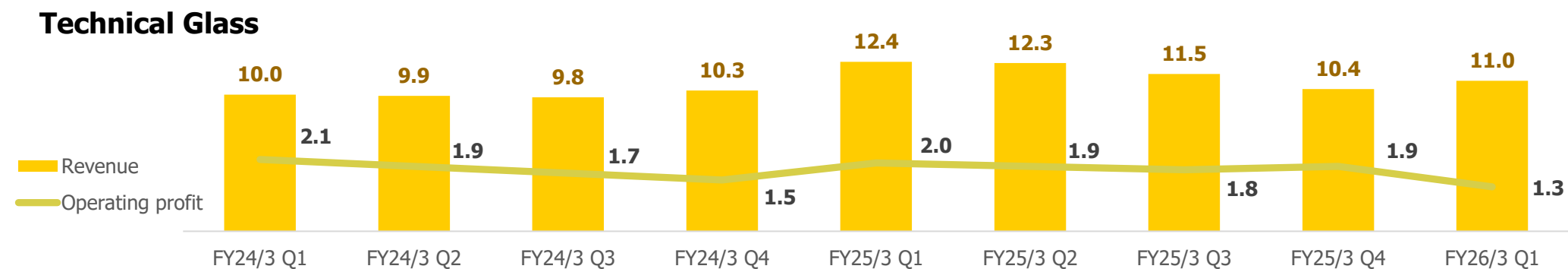
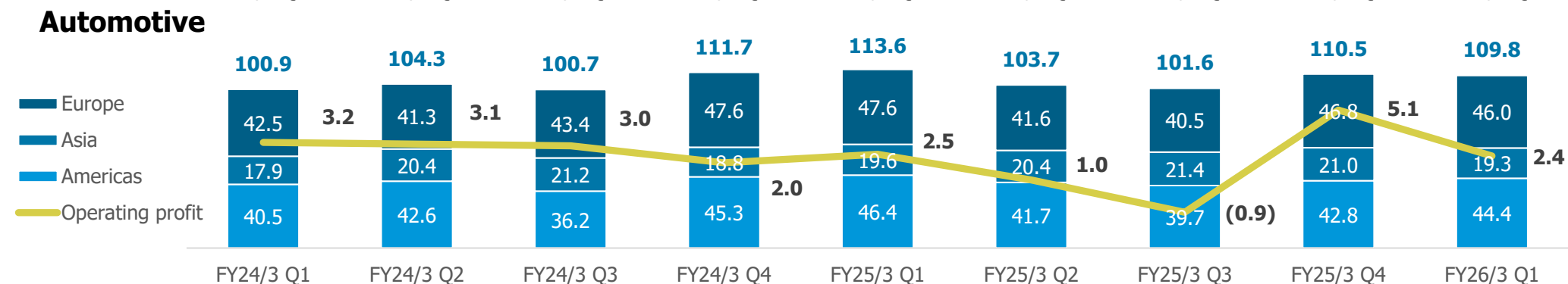
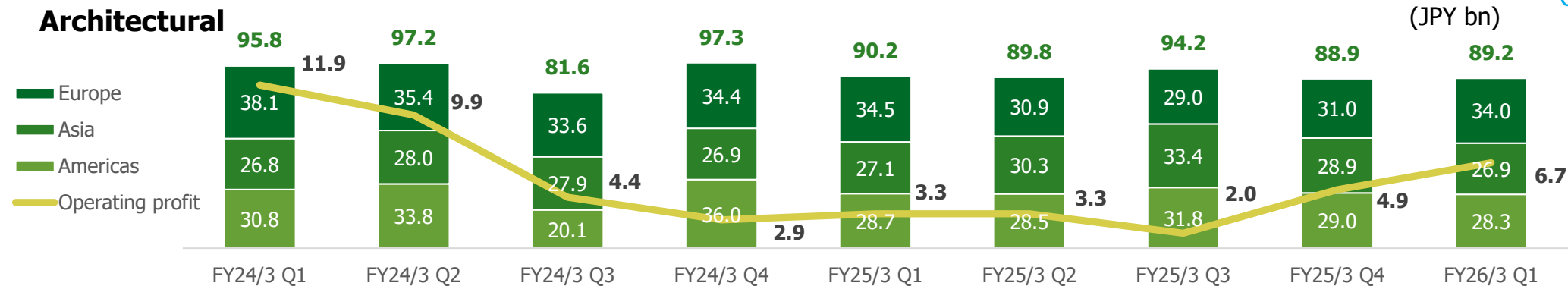
- Consolidated Income Statement – Quarterly Trend
- Revenue & Operating Profit – Quarterly Trend
- Segmental Information by Quarter
- Revenue & Operating Profit – by Region
- Exceptional Items
- Foreign Currency Exchange Rates and Sensitivity
- Depreciation & Amortization, Capital Expenditures, R&D Expenditures

Consolidated Income Statement – Quarterly Trend

(JPY bn)	FY2024/3				FY2025/3				FY2026/3
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue	208.0	212.2	192.5	219.8	216.4	206.0	207.5	210.4	210.2
Operating profit/(loss)	14.6	11.5	6.1	3.8	4.8	5.5	0.6	5.7	6.9
ROS: Return on sales	7.0%	5.4%	3.2%	1.7%	2.2%	2.7%	0.3%	2.7%	3.3%
Exceptional items (net)	(0.8)	1.1	0.6	(0.8)	0.2	(0.2)	(2.5)	(2.7)	1.7
Operating profit/(loss) after exceptional items	13.8	12.5	6.7	2.9	4.9	5.3	(1.9)	3.0	8.5
Finance expenses (net)	(6.4)	(7.7)	(6.4)	(7.8)	(6.0)	(6.6)	(5.6)	(7.1)	(6.8)
Reversal of previous impairment/ (impairment) of financial receivables owed by JVs and associates	3.7	-	-	-	-	-	-	-	-
Share of JVs and associates' profits	1.0	1.2	1.5	1.4	1.1	1.4	1.2	1.8	1.3
Other gains/(losses) on equity method investments	1.1	(0.0)	(0.1)	(0.0)	-	-	-	-	(0.4)
Profit/(loss) before taxation	13.3	6.1	1.7	(3.5)	0.0	0.1	(6.4)	(2.3)	2.7
Profit/(loss) for the period	7.5	3.0	3.6	(3.2)	2.7	(6.1)	(5.9)	(4.2)	0.5
Net profit/(loss) *	7.0	2.7	3.7	(2.9)	2.4	(6.3)	(6.2)	(3.8)	(0.2)
EBITDA	25.3	22.6	17.0	16.8	17.5	17.5	13.0	17.7	19.8

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

Revenue & Operating Profit – Quarterly Trend



Segmental Information by Quarter

(JPY bn)	FY2024/3					FY2025/3					FY2026/3
	Q1	Q2	Q3	Q4	Cum.	Q1	Q2	Q3	Q4	Cum.	Q1
Revenue: Architectural	95.8	97.2	81.6	97.3	371.8	90.2	89.8	94.2	88.9	363.0	89.2
Europe	38.1	35.4	33.6	34.4	141.5	34.5	30.9	29.0	31.0	125.4	34.0
Asia	26.8	28.0	27.9	26.9	109.6	27.1	30.3	33.4	28.9	119.7	26.9
Americas	30.8	33.8	20.1	36.0	120.6	28.7	28.5	31.8	29.0	118.0	28.3
Operating profit	11.9	9.9	4.4	2.9	29.1	3.3	3.3	2.0	4.9	13.6	6.7
Revenue: Automotive	100.9	104.3	100.7	111.7	417.6	113.6	103.7	101.6	110.5	429.4	109.8
Europe	42.5	41.3	43.4	47.6	174.7	47.6	41.6	40.5	46.8	176.5	46.0
Asia	17.9	20.4	21.2	18.8	78.3	19.6	20.4	21.4	21.0	82.3	19.3
Americas	40.5	42.6	36.2	45.3	164.5	46.4	41.7	39.7	42.8	170.7	44.4
Operating profit	3.2	3.1	3.0	2.0	11.3	2.5	1.0	(0.9)	5.1	7.7	2.4
Revenue: Technical	10.0	9.9	9.8	10.3	39.9	12.4	12.3	11.5	10.4	46.6	11.0
Europe	2.5	2.6	2.6	3.0	10.6	2.8	2.3	2.3	2.8	10.2	2.9
Asia	7.1	6.9	6.7	6.9	27.5	9.1	9.5	8.9	7.2	34.7	7.7
Americas	0.4	0.5	0.5	0.4	1.8	0.5	0.5	0.3	0.4	1.7	0.4
Operating profit	2.1	1.9	1.7	1.5	7.1	2.0	1.9	1.8	1.9	7.6	1.3
Revenue: Other	1.3	0.8	0.5	0.6	3.3	0.2	0.2	0.3	0.6	1.3	0.1
Operating profit	(2.7)	(3.4)	(3.0)	(2.6)	(11.7)	(3.1)	(0.7)	(2.3)	(6.2)	(12.3)	(3.4)
Revenue: Total	208.0	212.2	192.5	219.8	832.5	216.4	206.0	207.5	210.4	840.4	210.2
Operating profit	14.6	11.5	6.1	3.8	35.9	4.8	5.5	0.6	5.7	16.5	6.9

Revenue & Operating Profit – by Region

(JPY bn)	FY2025/3 Q1			FY2026/3 Q1			Change	
	Revenue	%	Operating profit/(loss)	Revenue	%	Operating profit/(loss)	Revenue	Operating profit/(loss)
Europe	84.9	39%	(5.2)	83.0	39%	(0.3)	(1.9)	4.9
Asia	55.7	26%	7.4	54.0	26%	6.4	(1.7)	(1.1)
Americas	75.6	35%	5.6	73.1	35%	4.2	(2.5)	(1.3)
Other *	0.2	0%	(3.1)	0.1	0%	(3.4)	(0.1)	(0.3)
Total	216.4	100%	4.8	210.2	100%	6.9	(6.2)	2.1

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

Exceptional Items

(JPY bn)	FY2025/3 Q1	FY2026/3 Q1
Gain on disposal of subsidiaries and businesses	-	1.8
Settlement of litigation matters	(0.0)	(0.0)
Restructuring costs, including employee termination payments	(0.0)	(0.1)
Gain on disposal of non-current assets	0.3	-
Reversal of impairment of non-current assets	0.0	-
Impairment of non-current assets	(0.1)	-
Exceptional items - net	0.2	1.7

Foreign Currency Exchange Rates and Sensitivity

Average rates used

	FY2024/3				FY2025/3				FY2026/3
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
GBP	172	177	179	182	197	195	195	194	193
EUR	150	153	154	157	168	165	164	163	164
USD	138	140	143	144	156	152	152	152	145
BRL	27.7	28.6	29.0	29.4	29.9	28.3	27.5	27.1	25.5

ARS

Closing rates are applied – hyperinflation

FY2026/3
Forecast
191
159
143
26.5

Closing rates used

	FY2024/3				FY2025/3				FY2026/3
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
GBP	183	182	181	191	204	191	196	193	197
EUR	158	157	157	163	173	159	162	161	168
USD	145	148	143	152	162	143	157	148	144
BRL	29.8	29.5	29.2	30.4	29.3	26.2	25.3	25.9	26.2
ARS	0.57	0.42	0.18	0.18	0.18	0.15	0.15	0.14	0.12

Sensitivity

The amount of impact if the value of the yen changed by 1% - all other things being equal

	FY2025/3
Equity	JPY 3.7 bn
Profit for the period	JPY 0.1 bn

Depreciation & Amortization, Capital Expenditures, R&D Expenditures

(JPY bn)	FY2025/3 Q1	FY2026/3 Q1	FY2026/3 Full-year (Forecast)
Depreciation & Amortization	12.7	12.9	52.0
Capital expenditures	8.0	7.9	44.0
Ordinary	5.0	6.4	26.0
Strategic projects	3.0	1.5	18.0
R&D expenditures	2.6	2.6	11.5
Architectural	0.9	0.9	4.0
Automotive	0.8	0.8	3.4
Technical Glass	0.2	0.2	1.1
Other	0.7	0.7	2.9

NSG

GROUP