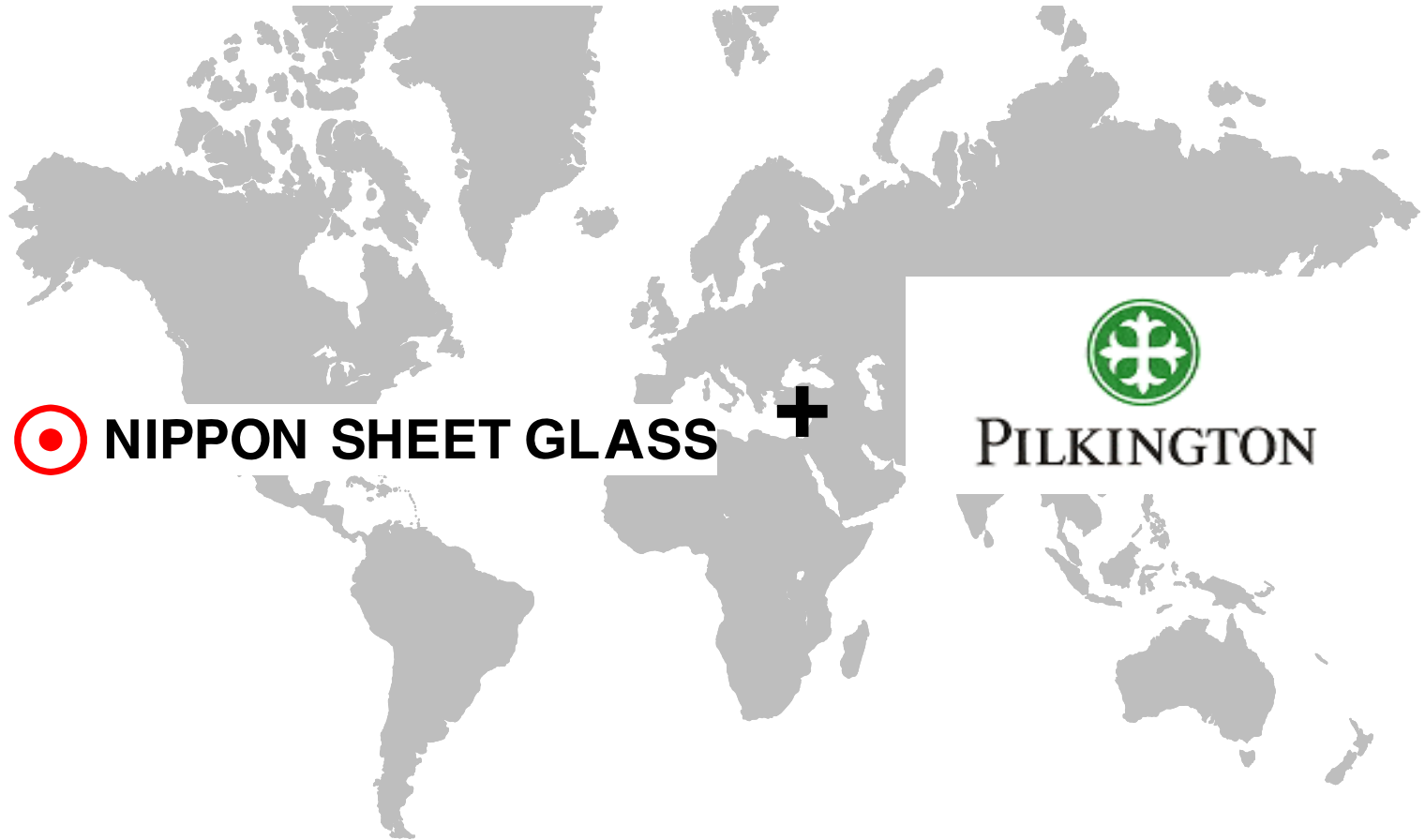


Nippon Sheet Glass Co., Ltd.

Strategy of Post-Transaction

July 6, 2006

Combination creates a leading global player in a growth industry



Global Flat Glass Market

Global Market

≅ 37 million tonnes (4.4 billion sq. m)

Building Products 33 m tonnes - Automotive 4m tonnes

Of which

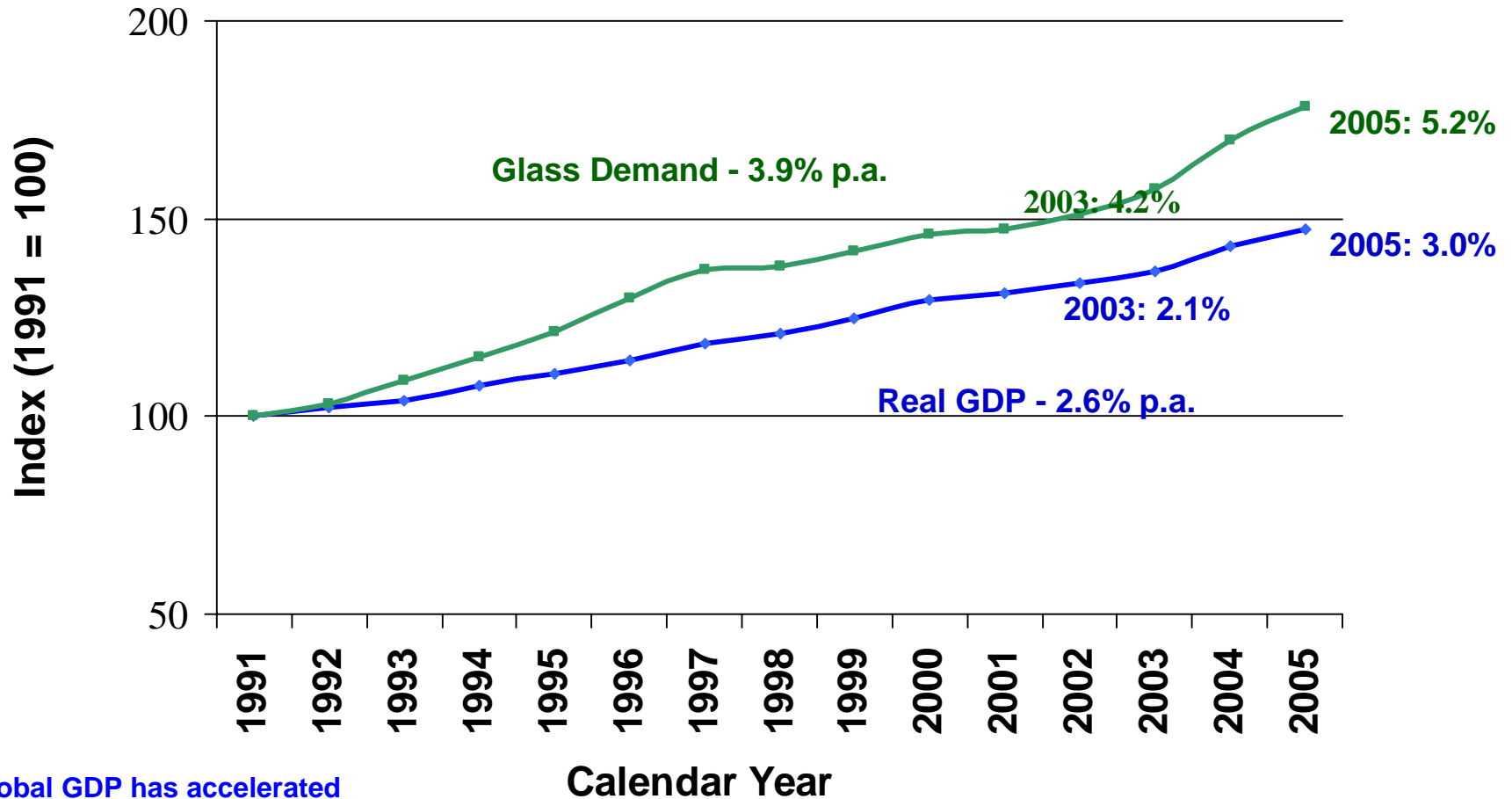
- 24 million = high quality float glass
- 3 million = sheet
- 2 million = rolled
- 8 million = lower quality float (mostly China)

Global Value

At primary manufacture level ≅ €15 billion

At processed level ≅ €50 billion

Flat Glass- A Growth Industry



[1]: Global GDP has accelerated

[2]: Glass demand has increased faster

[3]: China is driving global growth

Global Float/Sheet Demand Growth

Glass Growth Drivers

Buildings

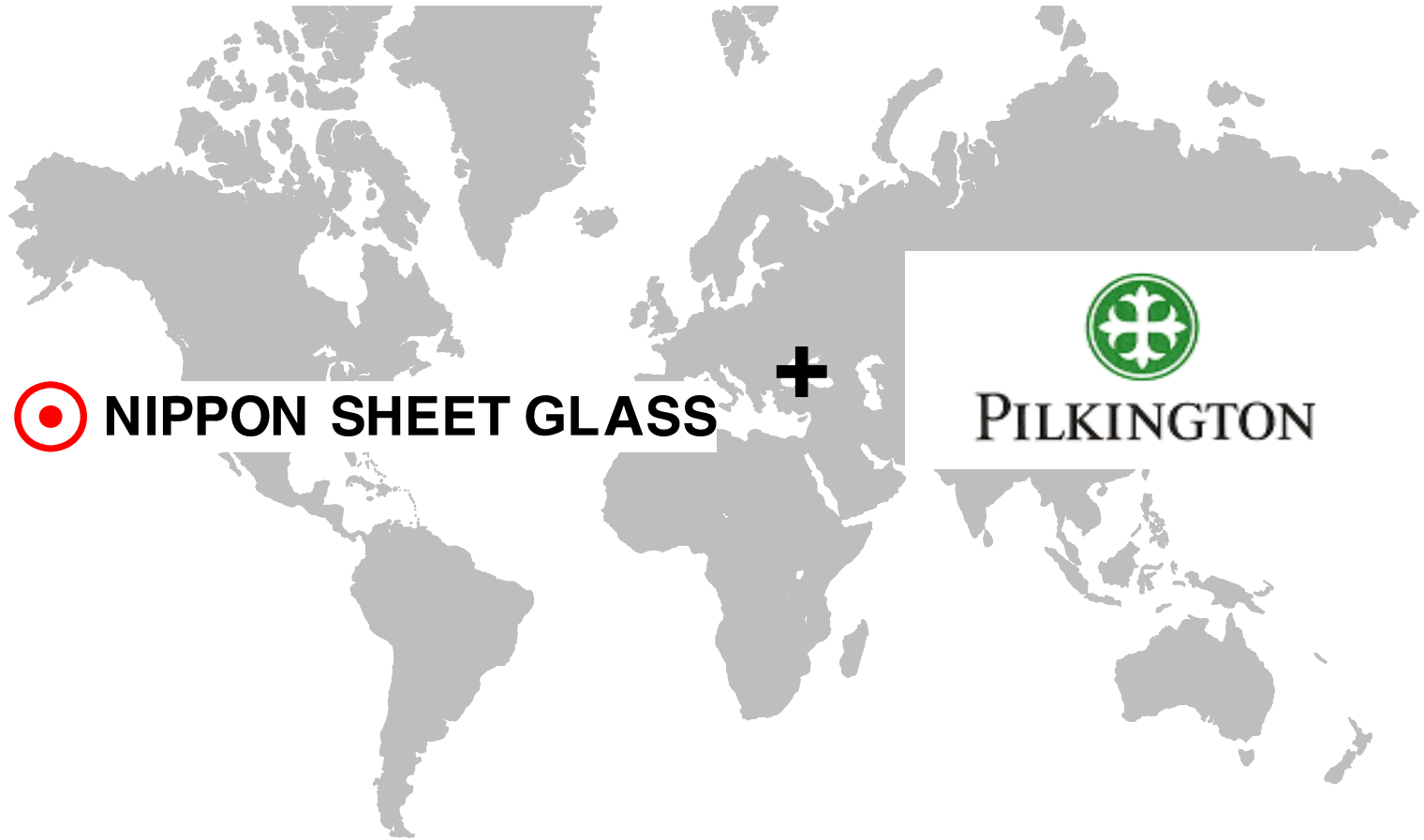
- Energy Saving (Heating)
- Energy Saving (Cooling)
- Safety
- Security
- Fire Protection
- Acoustic
- Self-Cleaning Glass

Automotive

- Complexity
 - Curvature
 - Surface Tolerance
- Solar Control
- Security
- Glazing System

Global Flat Glass Industry

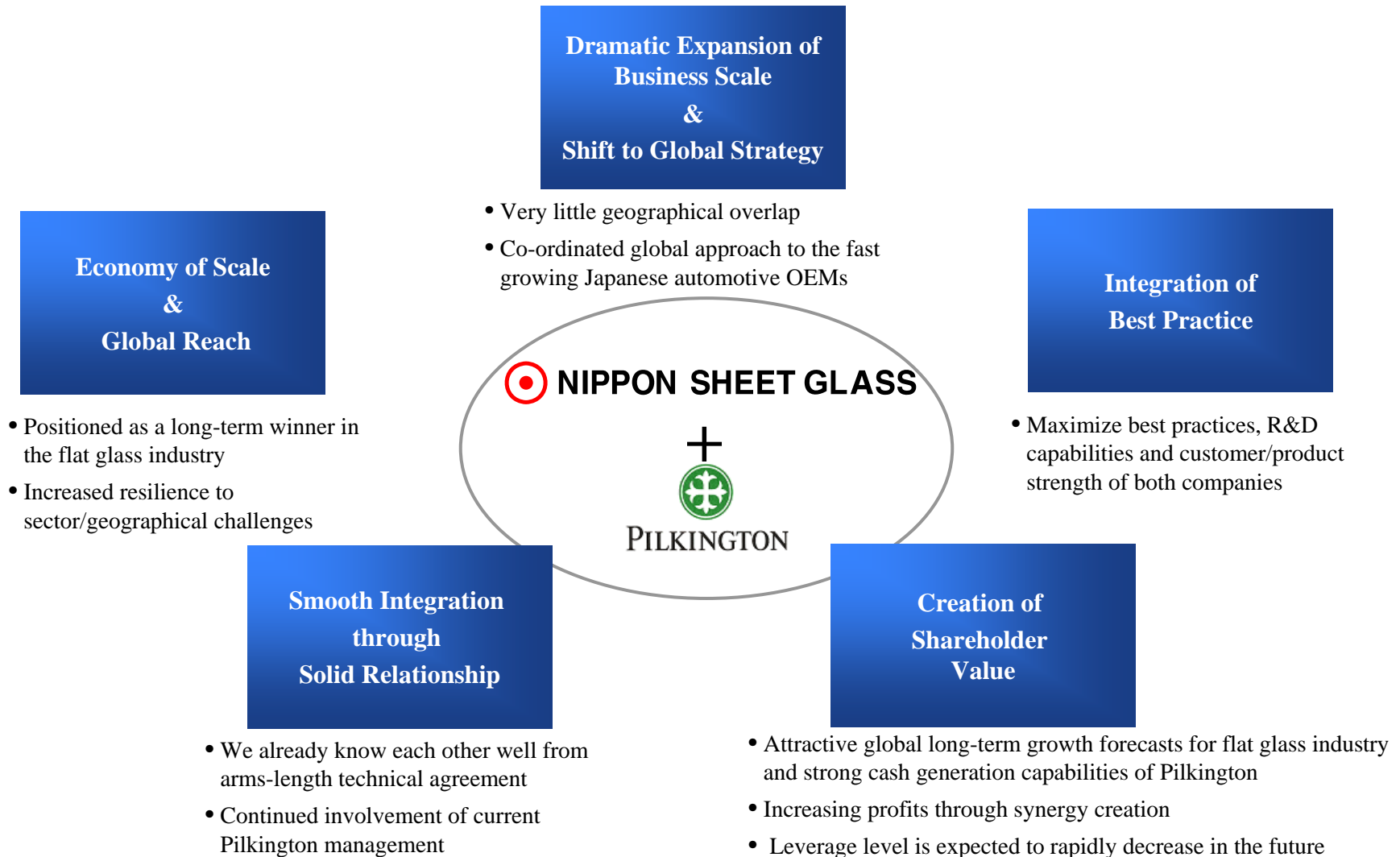
- Europe, China and North America together account for 75 per cent of global demand for glass.
- NSG+Pilkington, Asahi, Saint-Gobain, and Guardian, produce 61 per cent of the world's high quality float glass..
- NSG+Pilkington, Asahi and Saint-Gobain, together with their respective associates, supply 76 per cent of the world's Original Equipment (OE) glazing requirements.



NSG+Pilkington combined

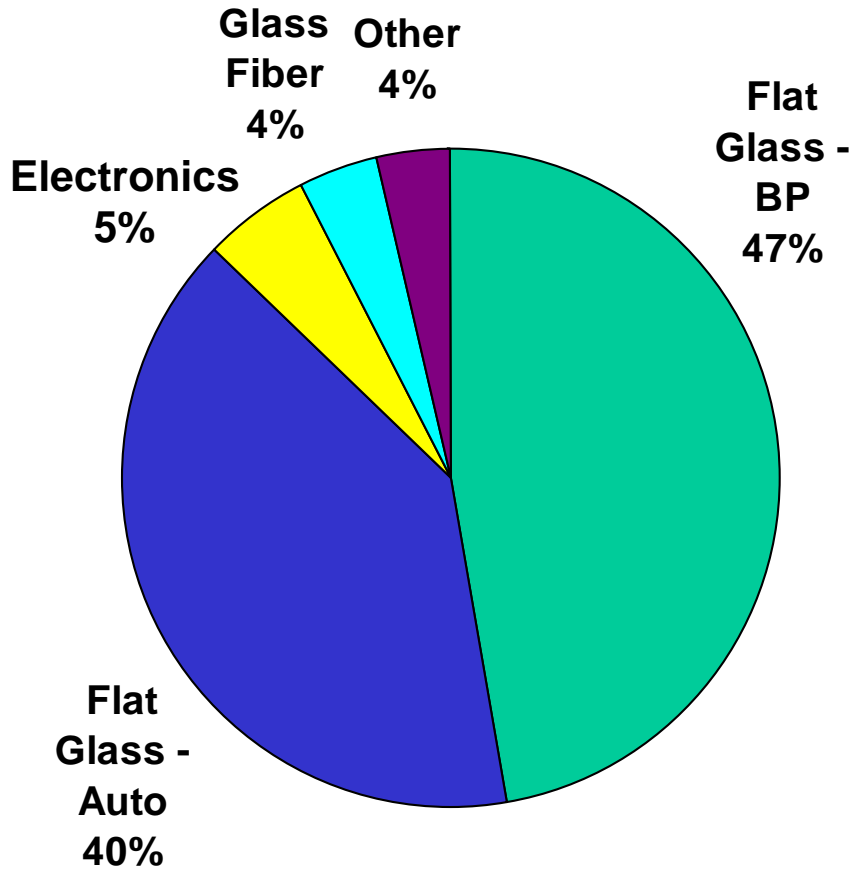
- A global glass leader – the pure play in Flat Glass
- Combined annual sales c. £4 billion
- Equal to Asahi Glass in scale, most profitable in Flat Glass
- Ownership/interests in 46 float lines
- 6.4 million tonnes annual output
- Widened Automotive customer base
- 36,000 employees worldwide
- Manufacturing operations in 26 countries
- Sales in 130+ countries

Strategic and significant acquisition to enhance core competence



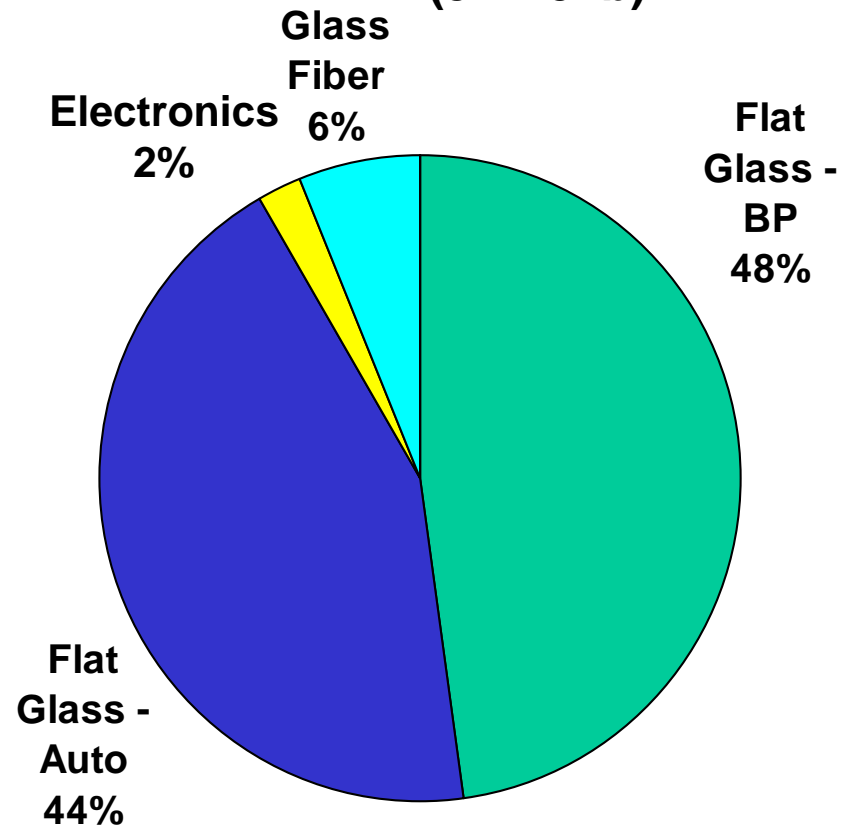
Combined Entity Dominated by Flat Glass

Sales 2005/06 (JPY 796b)



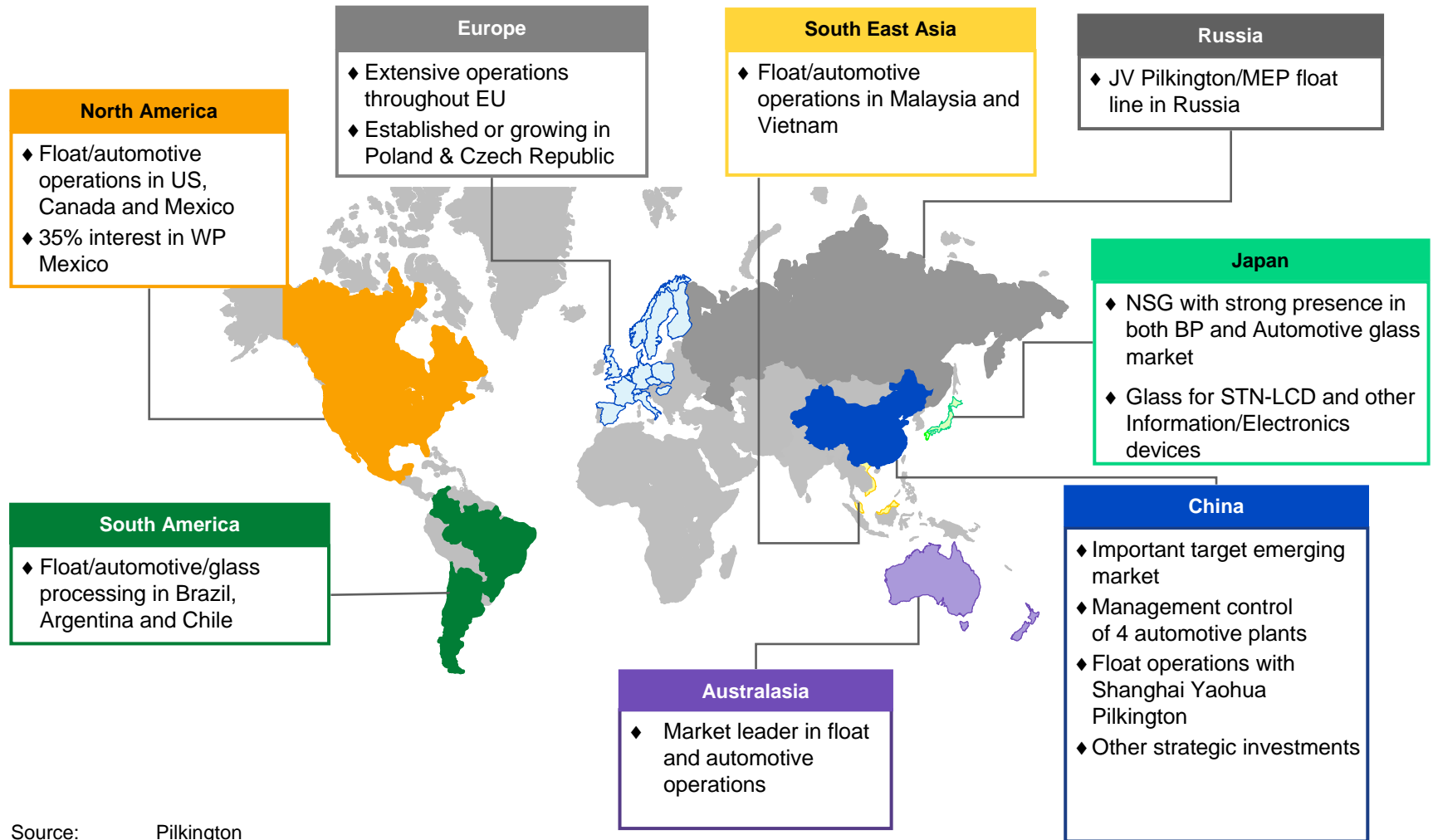
87 % of Sales

Operating Profit 2005/06 (JPY 54b)



92 % of profits

Global Manufacturing Footprint

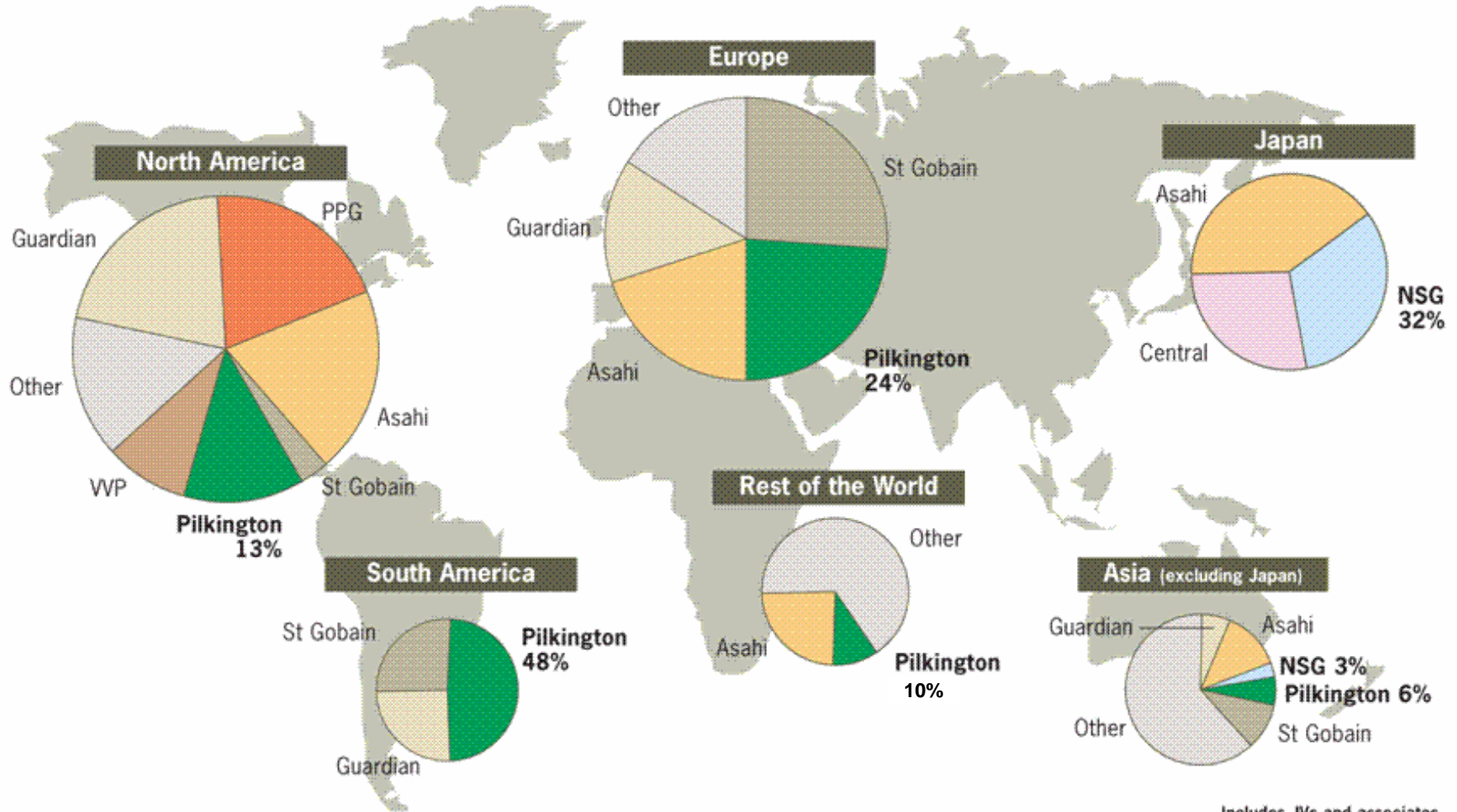


Source: Pilkington

Note:

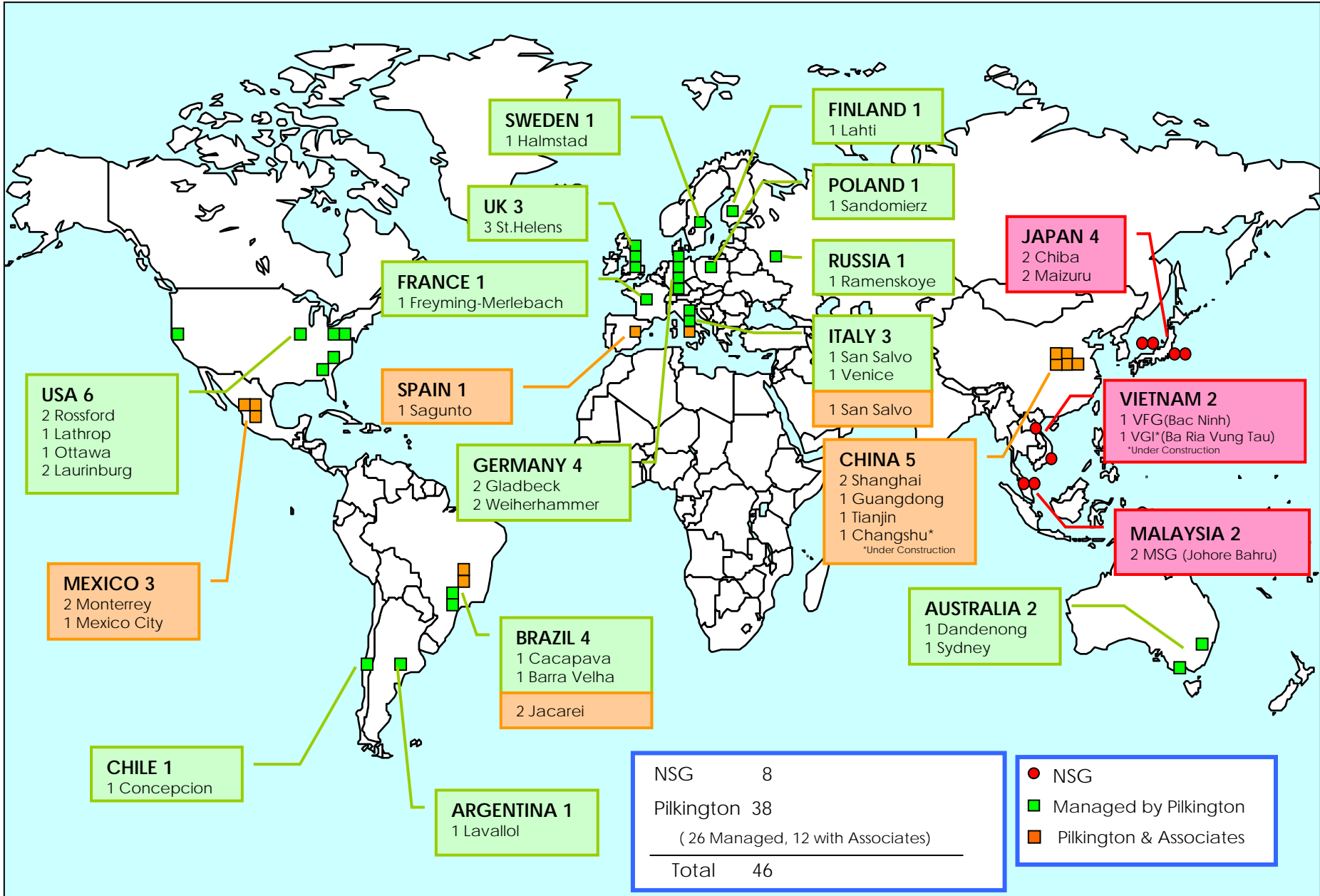
1 Including manufacturing facilities of Pilkington's associates and strategic partners

Strong Shares in Float worldwide



Includes JVs and associates.
Excludes Chinese technology float lines.

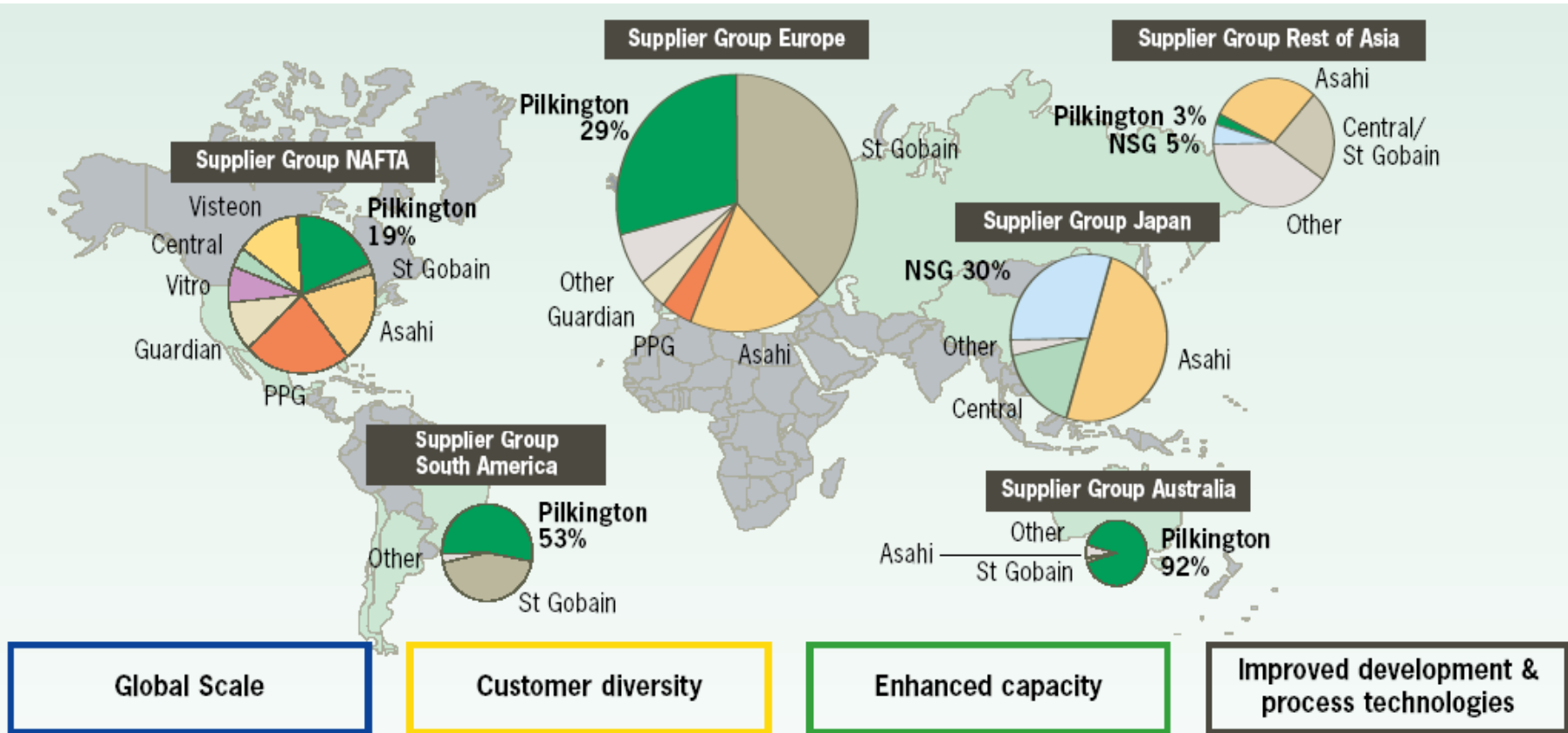
NSG & Pilkington Float-line



Strategic rationale & initiatives: Building products

- Substantially enhanced geographic spread to mitigate industry cycles and generate more stable earning and cash flow.
- Enhanced presence in a number of emerging markets (e.g, China, South East Asia, South America, Russia) positions the combined group well to take advantage of high growth opportunities
- Cross application of respective know-how vis-à-vis downstream strategies
 - Japanese strong demand for value-added products
 - European manufacturing processing technologies
 - Cross-selling of respective fire protection glass products
- Access to Western European market where NSG can benefit from advanced glass solutions

Increased Scope and Strength in Automotive



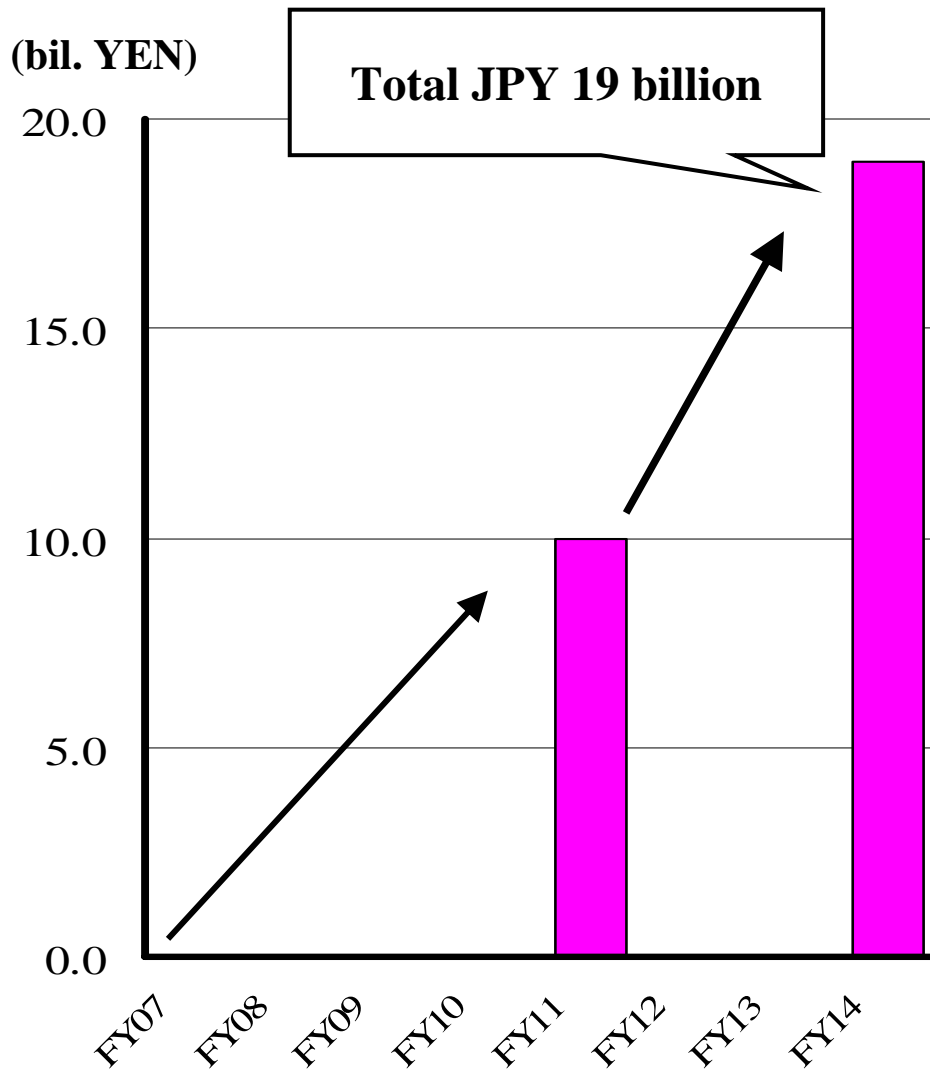
- Single customer interface
- Consistent quality in global parts supply
- Competitive pricing

NSG/PILKINGTON
Global Number 1
Automotive Glazing

Gains through the acquisition

- **Benefits of scale in Float and Automotive**
 - **The pure play in Flat Glass**
- **Combined expertise & resources of two glass technology leaders**
 - **Manufacturing, R&D**
- **Global infrastructure**
 - **Plants, R&D centers, sales & distribution channels**
 - **Global network in service**
- **Strong presence in almost all the major markets around the world**
 - **Europe, North & South America, Japan, Asia-pacific, China, Russia**
 - **Well balanced customer base**
- **Automotive OE global supplier**
 - **Leading global supplier, supplying every major OEM**
- **Excellent people with knowledge & skill to run the global operations**

The synergies that we create:



Cost improvements

- Global procurement
- Bench marking/Best Practice
- Optimum production sharing
- Remove organizational overlap

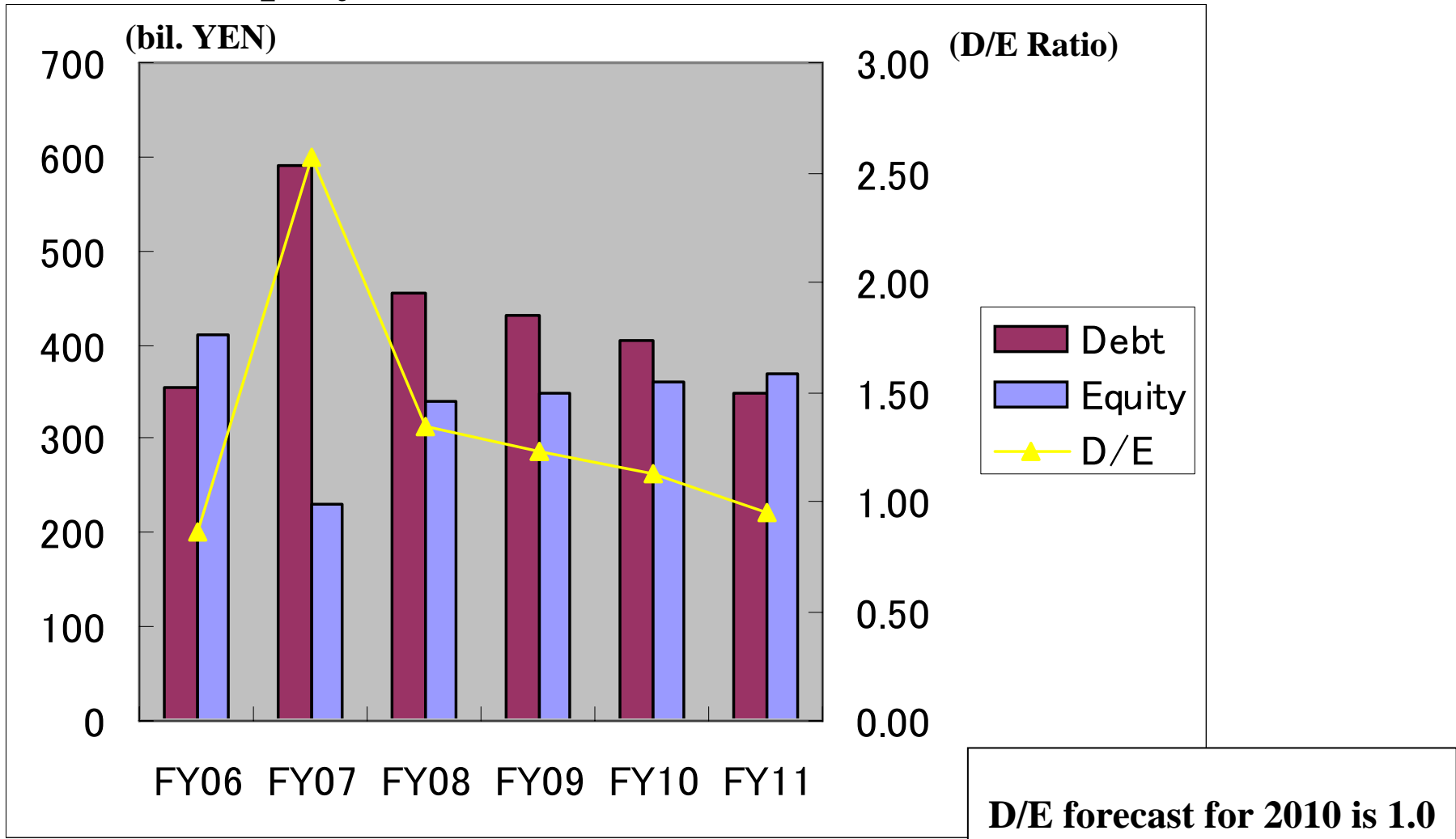
Technology

- Process Innovation
- Product Innovation
- R&D Focus

Growth / Profitability

- OE Global Strategy
- Profitability Improvement
- New Products
- Cross-selling

Debt and equity ratio



As expected, NSG ratings stay within the range of investment-grade.

R&I (as of June 16, 2006) BBB+ → BBB

Moody's (as of June 16, 2006) Baa2 → Baa3

Long-term Vision

Execute growth strategies through 3 phase

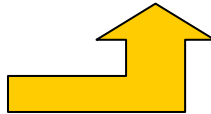
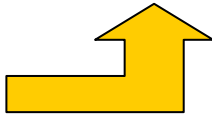
Phase 1 <4 years>
 Create a new entity focused on differentiating ourselves from competitors, and maximizing productivity and operational quality while re-establishing our financial foundations

Phase 2 <3 years>
 Achieve aggressive growth in the flat glass business

- Geographically expanding into emerging countries
- Launching new major products, improving R&D competitiveness, and foster technologies

Phase 3 <3 years>
 Explore new areas for further growth

- Exploring new businesses by both leveraging our customers and our technical and operational competencies
- Pursuing acquisitions, mergers, and alliances in adjacent areas



2007~

2011~

2014~

~2016

New NSG Board

Board Director



Yozo Izuhara
Chairman & CEO
Representative Director



Tomoaki Abe
Vice Chairman
Representative Director



Katsuji Fujimoto
President
Representative Director



Masakuni Nitta
Senior Managing Officer



Toshikazu Kondo
Managing Officer



Kazuyuki Izumi
Managing Officer



Stuart Chambers



Noritaka Kurauchi
Non Executive



Kozo Okumura
Non Executive

Corporate Auditors



Kiyohiko Ichinohe
Standing Auditor



Togo Tanaka
Standing Auditor



Isao Uchigasaki



Shoichi Ooi



Kowashi Watanabe

External Auditor

New Pilkington Board



**New board of Pilkington has
three non-executive directors from NSG and
three executive directors from Pilkington.**

Summary

- NSG with Pilkington a clear world leader of scale within a growth industry
- The pure play in Flat Glass
- Excellent geographical fit – very little overlap
- Ownership/interests in 46 float lines worldwide
- Increased scope and strength in Automotive
- Good cultural fit – 20 year relationship in R&D
- Early integration progressing well

Notice

The forecast contained in this presentation is based on the currently available information and certain prerequisites that are deemed reasonable. Actual results are subject to change. Key variation factors are; economic environment of major markets (e.g. Japan, Europe, U.S. and Asia), changes in supply/demand of product and currency exchange fluctuations.

Nippon Sheet Glass Co., Ltd.