NSG

GROUP

NSG Group
Overview and Results
to 31 March 2008

23 May 2008

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Stuart Chambers – Chief Operating Officer

Mike Powell – Group Finance Director

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NSG Group Year End Results

Agenda

- **Financial Results**
- **Business Update**
- **Synergies and EERP**
- **Strategy Update**
- **Outlook and Summary**

Key Points

- Full year shows sustained improvement in Group sales and profits
- Strong performance in Europe in both BP and Automotive
- Net debt reduction ahead of schedule
- Organizational integration and changes continue
- Preparations for Phase 2 underway
- Significant cost push in FY09 reducing margins short term.

NSG Group Year End Results

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- Business Update
- Synergies and EERP
- Strategy Update
- Outlook and Summary

Consolidated Income Statement

Consolidated Income Statement

(JPY bil)	FY08	FY07	FY07 (Proforma)	Change from FY07
Sales	865.6	681.5	829.9	27%
Op.Income before amortization*	**70.5**	**43.3**	**56.3**	**63%**
Amortization	(24.0)	(19.5)	(25.6)	23%
Operating Income	**46.5**	**23.8**	**30.7**	**95%**
Non-operating items	(16.1)	(15.8)		
Ordinary income	**30.4**	**8.0**		**280%**
Extraordinary items	31.9	30.1		
Pre-tax Income	**62.3**	**38.1**		**64%**
Net Income	**50.4**	**12.1**		**317%**
EBITDA	120.4	83.5		44%

*Before amortization arising from the acquisition of Pilkington plc

Strong improvement in sales and profits

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Intro/format

Columns 1 and 2 are the actual results with the FY08 performance in yellow. Column 3, which is headed FY07 pro forma, enables comparison of the business on a like for like basis.

Note that Pilkington was consolidated for 9 months in FY07, as compared to a full 12 months in FY08. Column 4 is the year on year change.

Also a reminder that we show operating income before the amortisation relating to the acquisition of Pilkington, to aid understanding of the underlying business

Numbers

1. Revenues at 865.6 bn Yen are up 27% year on year or 4% on a like for like basis with operating income before amortisation up 63% year on year or 25% on a like for like basis.
2. Ordinary income at 30.4 bn yen is up from 8bn yen the year before.
3. Net income of 50.4 bn yen is up from 12.1 bn yen from the prior year
4. In conclusion whichever metric is taken, these are a strong set of results and show good progress.

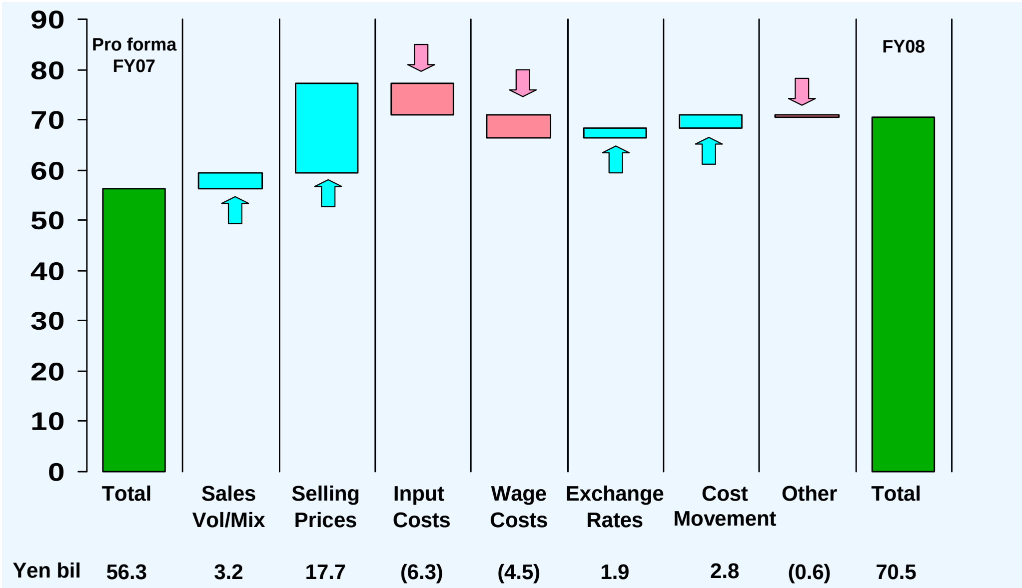
Taxation:

This year's taxation charge in the income statement is unusually low

This is due to two items. The first and biggest effect is the Australasian disposal, which attracted little taxation, due a rebasing of the tax asset base well above the accounting base in 2005. The second factor is that corporation taxes across the world have generally been reducing which reduces our net deferred tax liability and hence creates an income statement gain as at 31st March 08

In future years we would expect the tax charge for the income statement to trend to a normal weighted average tax rate for the countries in which we operate.

Operating Income Change Analysis



Underlying improvement in performance

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On the left hand side of the chart is the Proforma FY07 performance and on the right hand side the actual FY08 result.

1. Volume and mix increased, as did selling prices particularly through the first half of FY08 mainly in building products, leading to a strong year on year increase.
2. Input costs, which are mainly oil related, increased, particularly in quarter 4
3. Exchange in the year had a positive effect of nearly 2bn yen, due to the yen being weaker year on year against Euro and sterling for the majority of the financial year.
4. Cost movements are the gains we get from efficiency, offset by some restructuring.

Non-operating Items

	FY08 (JPY bil)	FY07 (JPY bil)
Interest & dividend income	9.7	6.5
Share of profits of joint ventures and associates	10.3	2.4
Other income	1.8	6.6
Interest expenses	(25.5)	(23.1)
Other expenses	(12.4)	(8.2)
	(16.1)	(15.8)

Strong performance by joint ventures and associates

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1. In non operating items we see a strong performance of our JV's and associates.
2. This is mainly due to improved performance in Cebrace, our Brazilian JV but also due to improved positions in NH Techno and underlying trading profitability in Russia.
3. Other expenses are a variety of items, the most significant being the unwinding of the discount created on recognition of the provision for EU statements of objections.
4. We would expect this item to be lower in future years

Extraordinary Items

	FY08 (JPY bil)	FY07 (JPY bil)
Gain from sale of securities	13.4	44.8
Gain from sale of discontinued operations	30.8	0.1
Gain on disposal of fixed assets	2.7	3.7
Acquisition expenses	-	(10.5)
Write-off / impairment of assets and investments	(6.0)	(9.6)
Provision for enhanced early retirement plan	(12.5)	0.0
Others	3.5	1.6
	31.9	30.1

Main impact from sale of Australasia business

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1. We have sold a number of marketable securities this year as we continue to drive the phase 1 objective of cash generation.
2. We disposed of Australasia in June 2007 which generated a large extraordinary gain as has been explained previously
3. The Enhanced Early Retirement Program, launched in February 2008 and the outcome of which we announced in early May 2008, has resulted in an exceptional charge of 12.5 bn yen this year.

Consolidated Balance Sheet

	FY08 (JPY bil)	FY07 (JPY bil)	Change (JPY bil)
Assets			
Cash and deposits	128	161	(33)
Notes and account receivables - trade	146	149	(3)
Inventories	119	113	6
Other current asset	29	43	(14)
Current assets	422	466	(44)
Tangible assets	375	397	(22)
Intangible assets	353	399	(46)
Investments in securities	100	127	(27)
Other fixed assets	69	20	49
Fixed Assets	897	943	(46)
Total assets	1,319	1,409	(90)

	FY08 (JPY bil)	FY07 (JPY bil)	Change (JPY bil)
Liabilities			
Notes and account payables - trade	99	98	1
Loans (including corporate bonds)	456	561	(105)
Other liabilities	392	399	(7)
Liabilities	947	1,058	(111)
Net assets	372	351	21
Common stock	96	96	0
Capital surplus	105	105	0
Retained earnings	152	106	46
Treasury stock	(1)	0	(1)
Shareholders equity	352	307	45
Valuation and translation adjustments	5	30	(25)
Minority interests in consolidated subsidiaries	13	13	0
Total liabilities and net assets	1,319	1,409	(90)

Balance sheet continues to strengthen

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This year we have expanded the balance sheet and the cash flow into a little more detail for this presentation to aid understanding.

We have a stronger balance sheet as at 31 March 08 with an increase in net assets and shareholder equity.

Points to make on this slide

The Australasian business was held last year as an “asset held for sale” and hence the business was shown was shown in other current assets, hence you will see its decrease"

1. Also, our deferred tax has been a net liability in the past and shown as a net number in the liabilities section. This year we have split this into a gross deferred tax asset and gross deferred tax liability and hence you will see an increase in both assets and liabilities
2. Net assets have been reduced by currency movements of 11bn yen.
3. The last point on this slide is the movement in valuation and translation adjustments which is due to two main items. Unrealised gain on securities is reduced significantly due to the shares disposed of and decreased value in those still held. Foreign exchange is the other factor whereby the value of non yen assets is lower, due to the strengthening yen as at balance sheet date.

Consolidated Cash Flow Summary

	FY08 (JPY bil)	FY07 (JPY bil)	Change (JPY bil)
Income before income taxes and minority interests	62	38	24
Depreciation, amortization and impairment	76	60	16
(Decrease)/increase in working capital	(4)	15	(19)
Others, including tax and interest paid	(85)	(38)	(47)
Net cash provided by operating activities	49	75	(26)
Purchase of fixed assets	(47)	(49)	2
Others, including acquisitions and disposals	76	(248)	324
Net cash provide by (used in) investing activities	29	(298)	327
Net (decrease)/increase in borrowings	(78)	194	(272)
Cash dividends paid	(4)	(3)	(1)
Others, net	(2)	(1)	(1)
Net cash provided by (used in) financing activities	(84)	190	(274)
Cash and cash equivalents at start of period	160	179	(19)
Decrease in cash and cash equivalents	(5)	(32)	27
Effect of exchange rate on cash and cash equivalents	(13)	13	(26)
Decrease due to change in scope of cash & cash equivalents on consolidation	(39)	-	(39)
Cash and cash equivalents at end of period	103	160	(57)

Strong underlying cash generation

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Net cash from operating activities is stronger due to a good underlying business performance

1. The “other” figure of minus 85 includes the backing out of the Australasian and securities profits which appear lower down the cash flow and also the BP EU fine payment of 22.5 bn Yen is included in here.
2. There is also a much larger flow of interest and taxation compared with the previous years. The extra taxation is due in part to the enlarged business, but also due to the taxation incurred on the large amount of securities sold in FY07

Cash flow from investing activities shows the capital spend at under depreciation and it is in the 76 bn yen, where we add back the proceeds of Australasia and marketable securities referred to earlier.

Net financing from financing activities shows the repayment of borrowings

1. The above three categories lead to a decrease in cash and cash equivalents of 5bn yen
2. The 38bn yen is simply a reclassification to include overdrafts as part of cash balances.

Key Performance Indicators

	FY08	FY07
Net Debt (JPY bil)	328	400
Net Debt / EBITDA	2.7x	-
Net Debt/Equity Ratio	0.88	1.14
EBITDA Interest Cover	6.9x	-
Operating Return on Sales*	8.1%	6.4%

* Before amortization arising from the acquisition of Pilkington plc

Good progress on debt reduction

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Key performance indicators are shown, all of which indicate a strengthening and, most important, continued progress in our phase 1 net debt reduction of 72 bn yen.

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NSG Group Summary

- A global glass leader – greatest focus on Flat Glass of all industry majors
- Ownership/interests in 51 float lines (6.4 million tonnes annual output)
- Global Automotive customer base
- Leading player in lenses for multi-function printers
- Strong position in Glass Fiber products worldwide
- 32,500 employees globally
- Principal manufacturing operations in 29 countries; Sales in 130+ countries

A global leader of scale in Flat Glass

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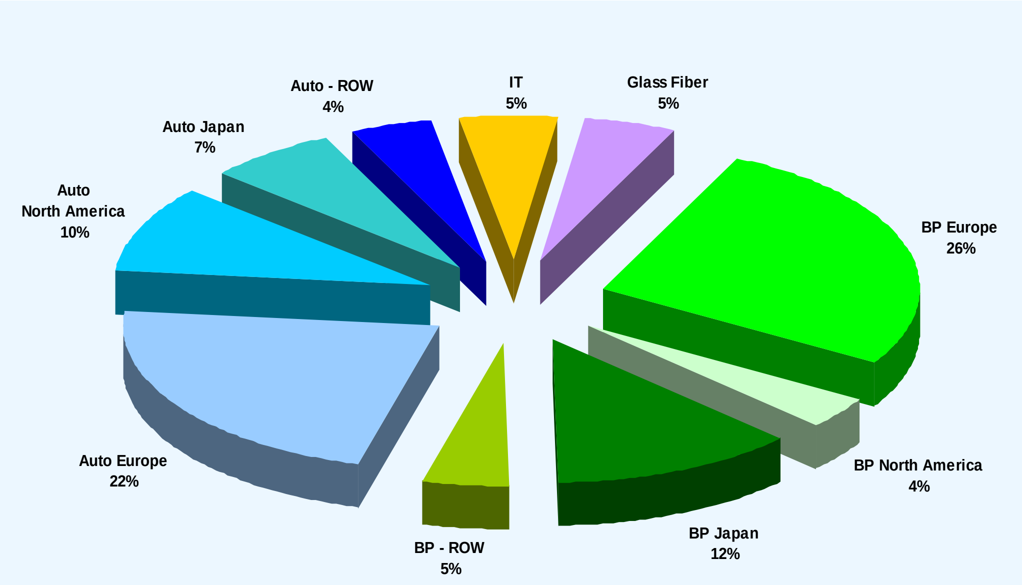
External Sales – Group Businesses



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Building Products

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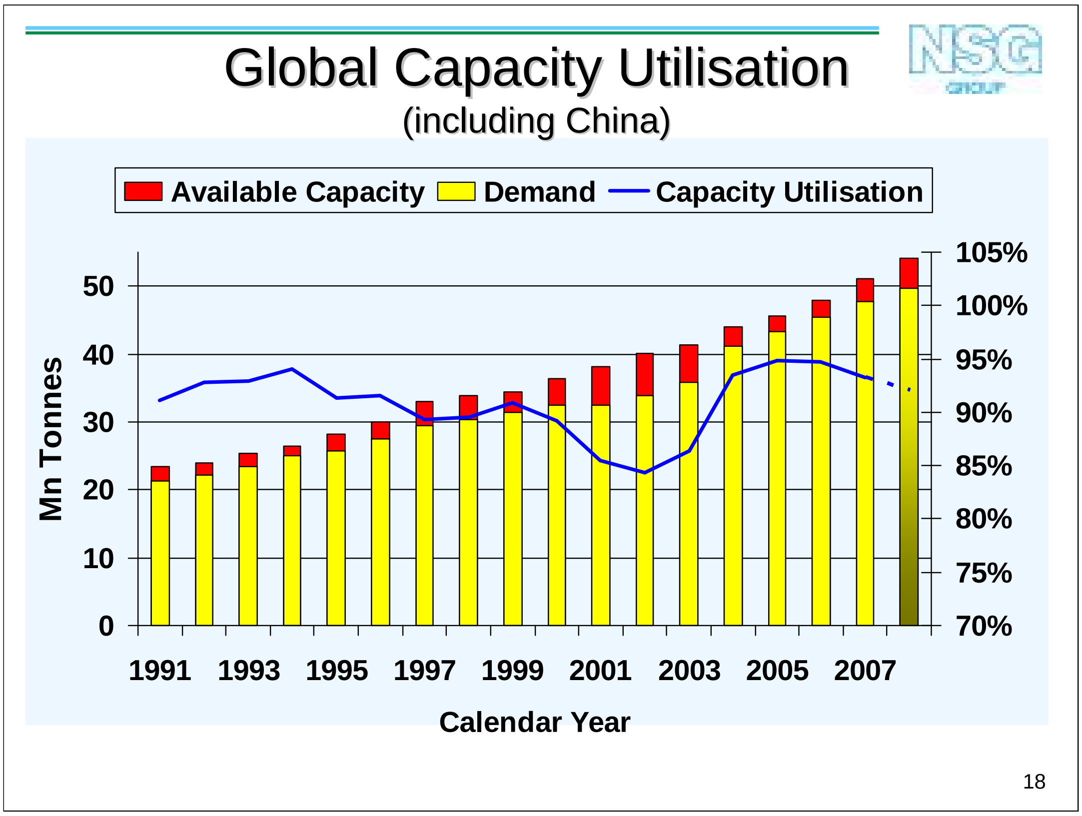
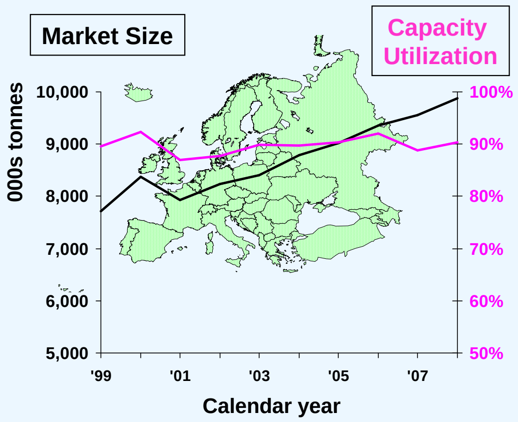
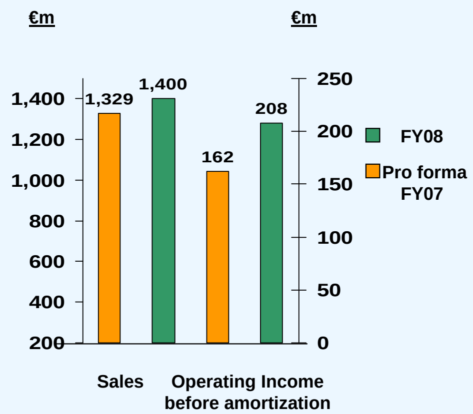


1. The yellow bars are the demand for glass in millions of tonnes. The top of the base shows the capacity, so the red section shows available spare capacity.
2. The blue line shows demand as a percentage of capacity.
3. So, the current position is quite healthy – utilisation of above 90% suggests a fairly firm market position.
4. But of course much depends on the particular situation within a given region.

BP Europe





- Continued steady market growth
- High level of capacity utilisation
- Profit improvements across all markets

Strong performance from the European business

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Standard format for these slides – general market situation in the region on the left and Group performance on the right.

BP Europe

Around 25% of Group sales

Market

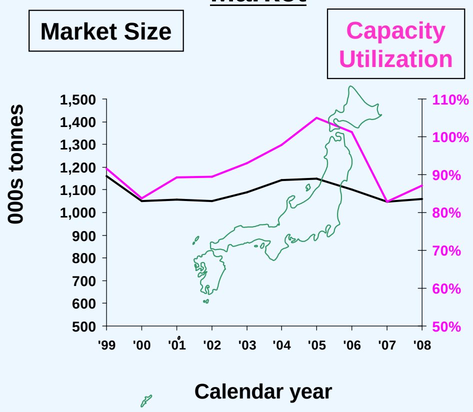
1. Continued steady market growth
2. High level of capacity utilisation

Business

1. Our BPE business doing very well.
2. Sales and profit improvement across all markets

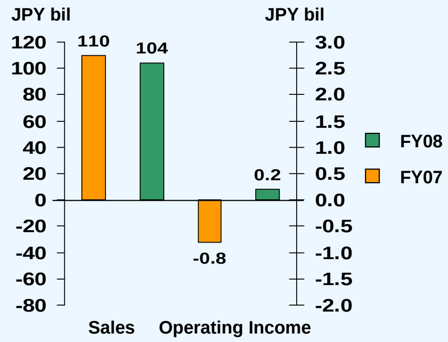
BP Japan

Market



- Challenging economic conditions
- Depressed levels of residential construction

Business



- Continued low operating margins

Margin improvement a priority

20

BP Japan

12% of Group sales

Market

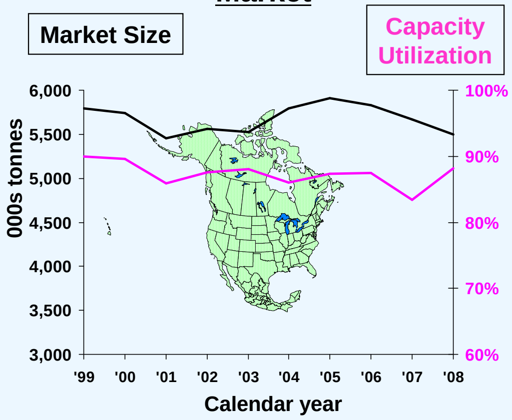
Market demand depressed, with delays in building permits due to new earthquake regulations. Some improvement expected in future.

Business

1. Our sales fell, but profitability established and margin improvement is the priority for this business.
2. We expect to make progress, but need more time.

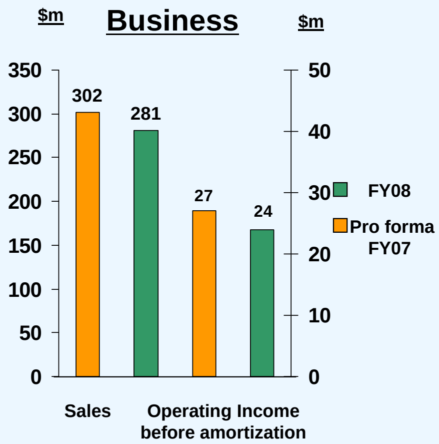
BP North America

Market



- Weak residential glass demand
- Residential producers switching some focus to commercial sector

Business



- Challenging market conditions impact financial results

Good performance in challenging market

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BP NA

4% of Group sales

Market

1. Our primary focus is in commercial, which is weak at the moment.
2. But also, we are finding the weak residential market is leading some residential producers to switch some focus to commercial sector, thereby increasing competition.

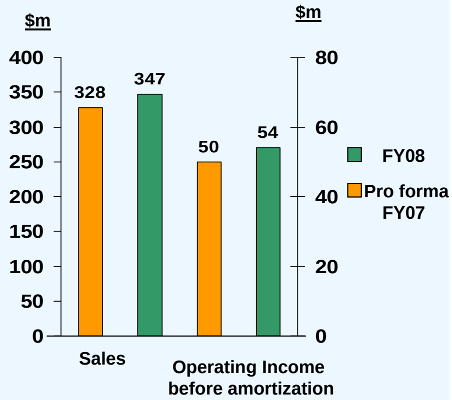
Business

We have managed to compensate somewhat by exporting value-added coated glass, but with the residential market down 20% our volumes are now roughly at 2006 levels.

BP Rest of the World

Market

Business



- **Steady growth in developing markets**
- **Profit improvement in line with market growth**

Continuing good performance in the Rest of the World

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BP Rest of World

5% of Group sales

For NSG Group, this means South America, Vietnam and Malaysia

Markets

Brazil and Argentina growing particularly strongly.

Business

Profit improvement in line with market growth.

NB These figures do not include results of Cebrace jv, which are shown in jv/associates section

Automotive

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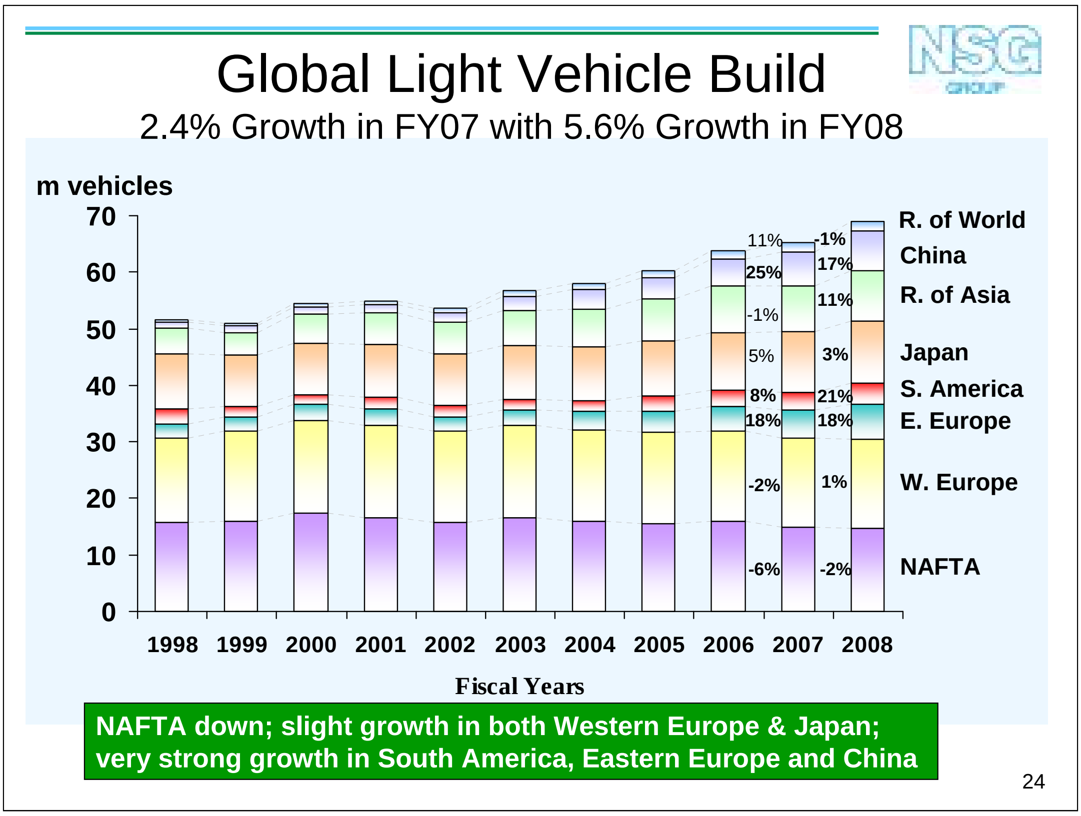
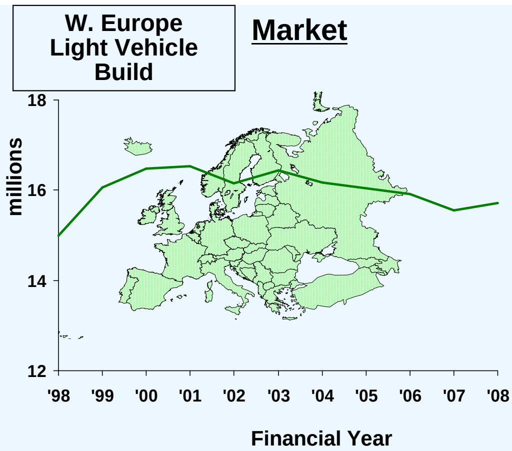


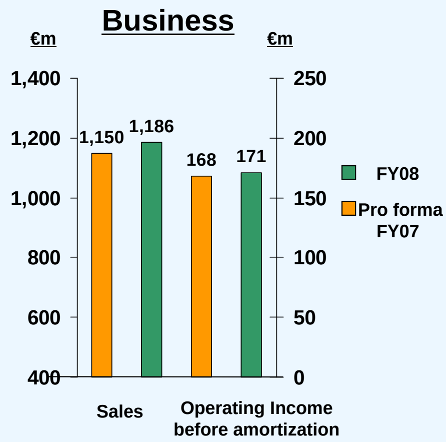
This chart shows Global light vehicle build.

1. Overall growth continues, up from 50 m vehicles in 1998 to 60.5 m in 2008 and with 5.6% growth in FY 08. Growth expected to continue

2. However, the key point is that almost all of this growth is coming from Eastern Europe, Asia and South America, with mature markets static or declining.

Automotive Europe





- Western Europe slightly up
- Further strong growth in Eastern Europe

- Solid OE and AGR performance, with improved volumes aided by efficiency improvements

Revenue and profits ahead of previous year

25

Automotive Europe

22% of Group sales

Market

Western Europe in overall decline but Eastern Europe growing strongly.

Business

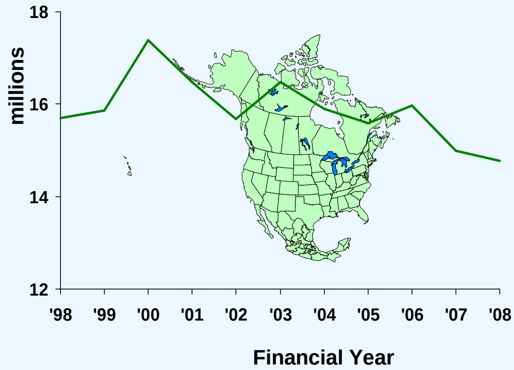
1. Good performance in both OE (where we have been successful with the models we supply) and AGR.

2. We have made further efficiencies with profitability good.

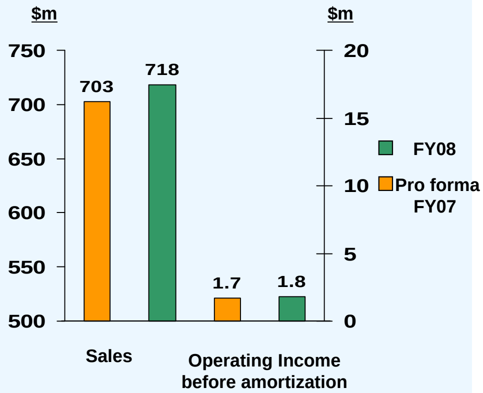
Automotive North America

Market

NAFTA Light Vehicle Build



Business



- **Further decline in light vehicle build**
- **Domestic manufacturers under-performing against foreign name plates**
- **OE performance flat**
- **AGR performance improving due to improved cost competitiveness**

OE performance flat with AGR improving

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Automotive North America

10% of Group sales

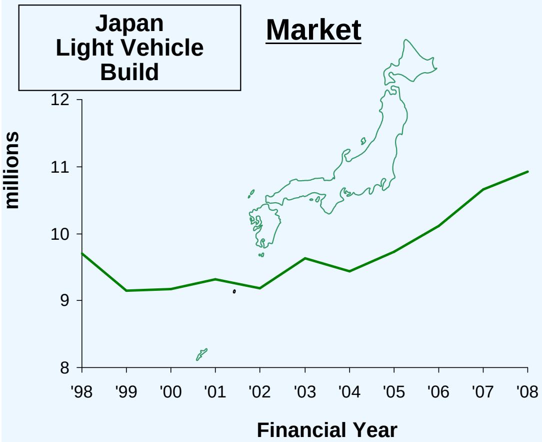
Market

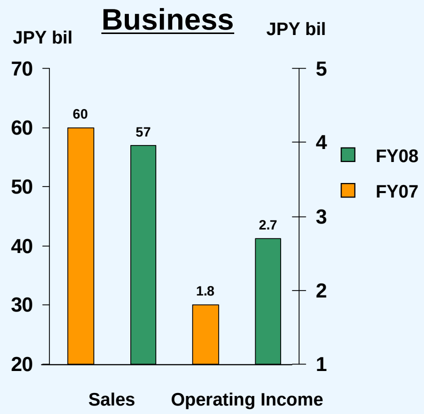
Further decline, with domestic manufacturers losing out to foreign name plates.

Business

1. In spite of decline we have sustained sales and profitability, but still too low.
2. Progress in AGR due to improved cost competitiveness.

Automotive Japan





- Continued improvement in light vehicle build, with export demand offsetting a difficult domestic market

- Reduced revenues but profitability improving
- Profit up due to efficiency gains and cost reductions

Reduced revenues but good profit growth

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Automotive Japan

Market

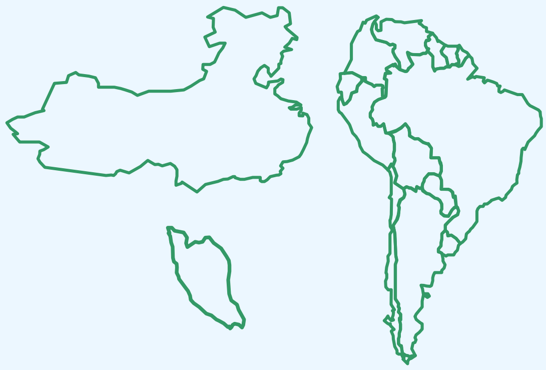
Continued improvement in light vehicle build, with export demand offsetting a difficult domestic market

Business

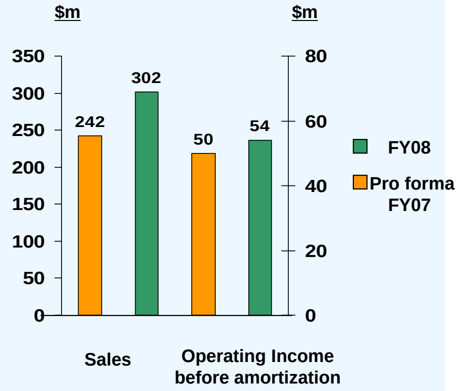
1. Reduced revenues, but profitability improving
2. Profit up due to efficiency gains and cost reductions

Automotive Rest of the World

Market



Business



- **Strong growth, particularly in South America and China**
- **Profit improvements based on strong demand and continuing efficiency improvements**

Continuing strong performance

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Automotive Rest of World

For the Group, this means South America, China and Malaysia

Market

Strong growth, particularly in South America and China

Business Performance

1. Profit improvements based on strong demand and continuing efficiency improvements
2. Our businesses in South America making particularly good progress

Specialty Glass

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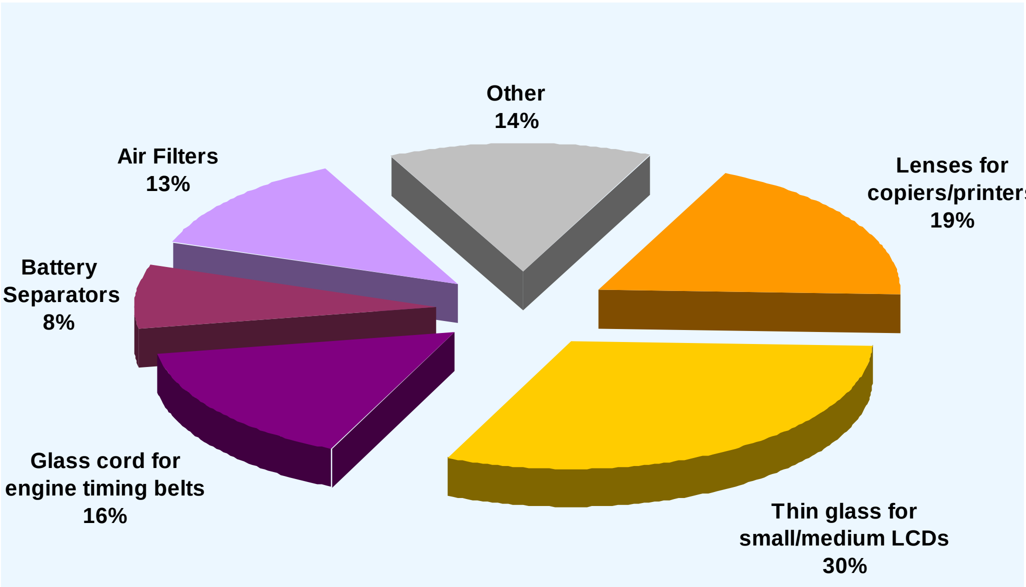
Specialty Glass



30

Specialty Glass

1. Our two main businesses within Specialty Glass are IT and Glass Fiber, accounting for 5% each of Group sales.
2. Within this, there are actually five niche sectors, together accounting for 85% of Specialty Glass sales.
3. The ‘Other’ segment includes flake, Metashine, lenses for telecommunications and glass cord for use in applications other than engine timing belts.

Specialty Glass
IT Business - Lenses

Market Drivers - Lenses

- **Market for multifunction printers, main application for SELFOC® Lens Array (SLA), shows steady growth in the medium term.**

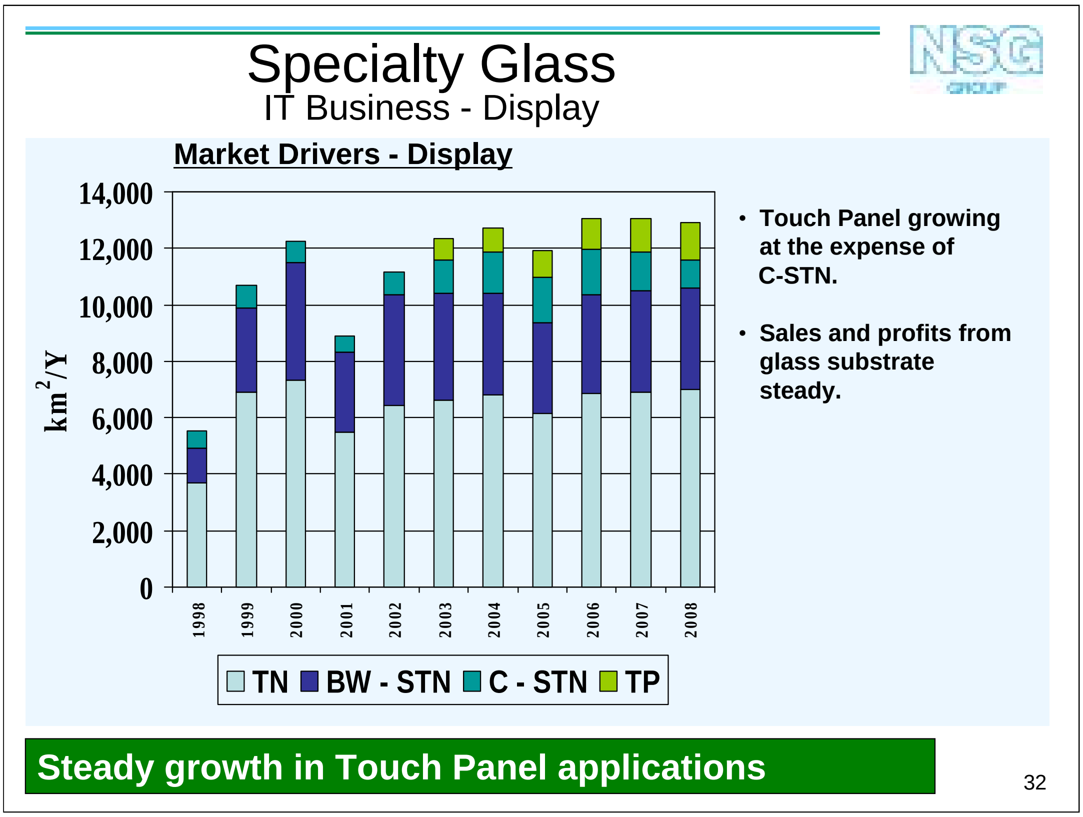
Demand for SELFOC® Lens Array expanding

31

Market for lenses

1. Market for multifunction printers, which is the main application for the Group's SELFOC® Lens Array (SLA), shows steady growth in the medium term.

2. But prices are under pressure and declined in the year



Market

Touch Panel growing at the expense of C-STN.

Sales and profits from glass substrate used in touch panels steady.

There is an increasing trend towards touch panels in mobile phones, personal music players etc

Key

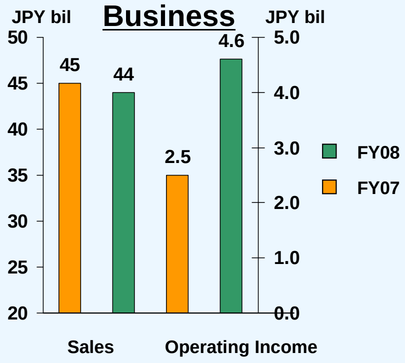
TN= Twisted Nematic liquid crystal displays
BW – STN = Black/white Super Twisted Nematic
C-STN= Color Super Twisted Nematic
TP= Touch panel

Specialty Glass - IT Business

Market

- **Glass substrate market for small and medium-sized LCD and touch panels remains steady**
- **Demand for multi-functional printers shows steady growth**

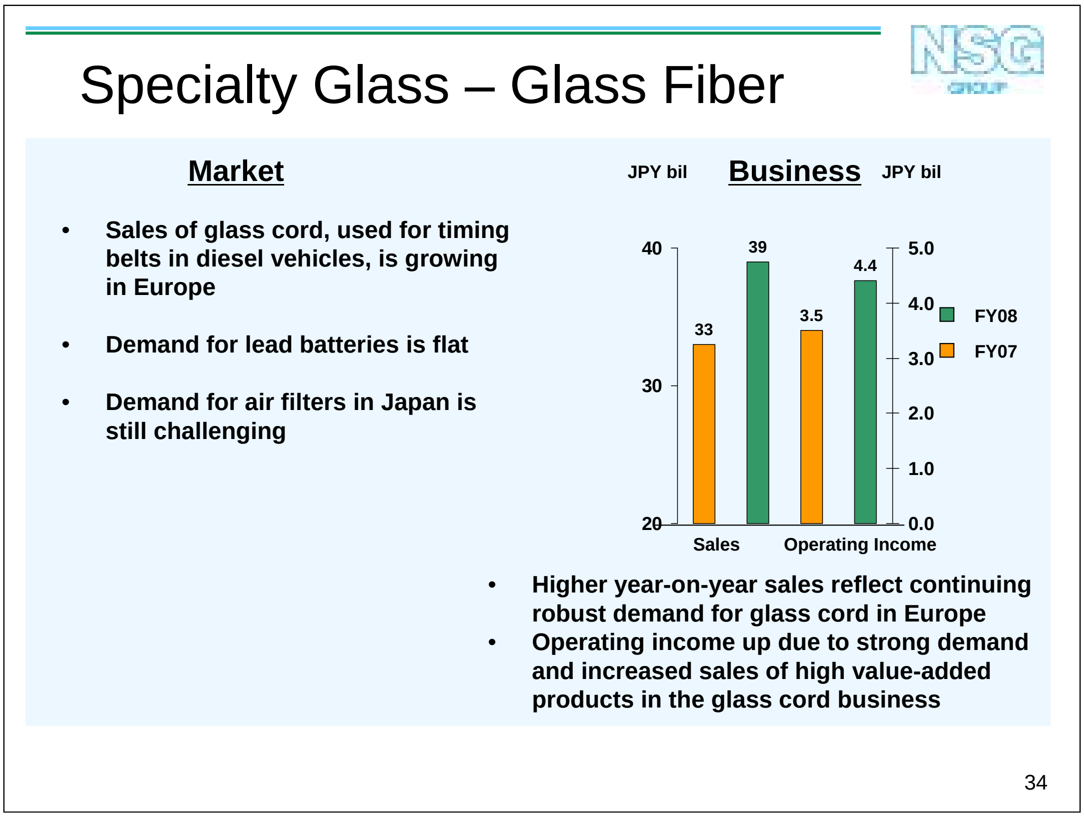
Business



- **Market shares in lenses and thin float steady**
- **Profit improvement through cost reduction and increase of high value added product sales in the display business**

33

1. Although sales declined (due to price reductions) in lenses and printer markets, we have managed to improve our profitability strongly.
2. A good performance.



This covers all of the GF business on one slide

Market

1. Sales of glass cord, used for timing belts in diesel vehicles (for which our products are particularly suited), is growing in Europe

2. Demand for lead batteries is flat (we make glass separators)

3. Demand for air filters in Japan is still challenging (due to reduced demand in semiconductor manufacturing sector)

Business Performance

1. Higher year-on-year sales reflect continuing robust demand for glass cord in Europe
2. Operating income up, due to strong demand and increased sales of high value-added products in the glass cord business.

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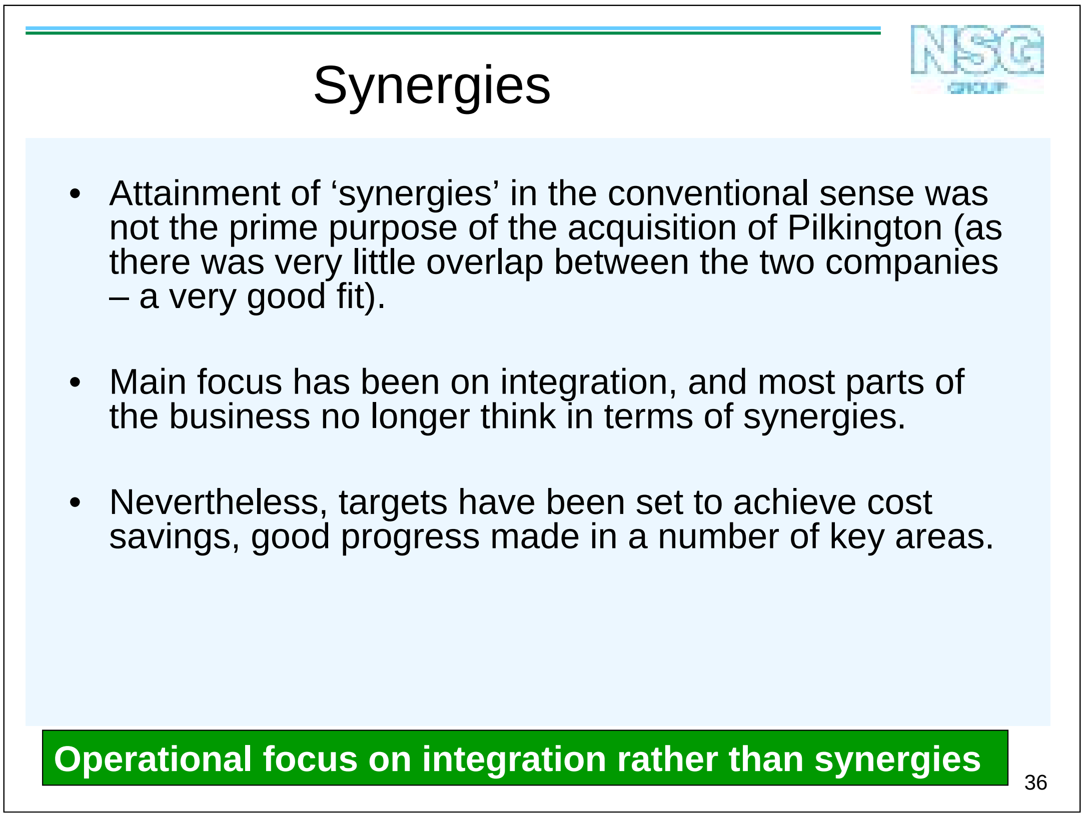

1. The attainment of 'synergies' in the conventional sense was not the prime purpose of the acquisition of Pilkington (as there was very little overlap between the two companies – a very good fit).

2. Our main focus has been on integration, and most parts of the business no longer think in terms of synergies.

3. Nevertheless, we promised to update the market and can report that targets have been set to achieve cost savings and that good progress has been made in a number of key areas.

Areas for Synergies

– Procurement

– Benchmarking / Best Practice

– Process Innovation

– Optimum Production Sharing

– Organizational Overlap

– Product Innovation

– New Products

– R&D Focus

Key areas for potential savings identified

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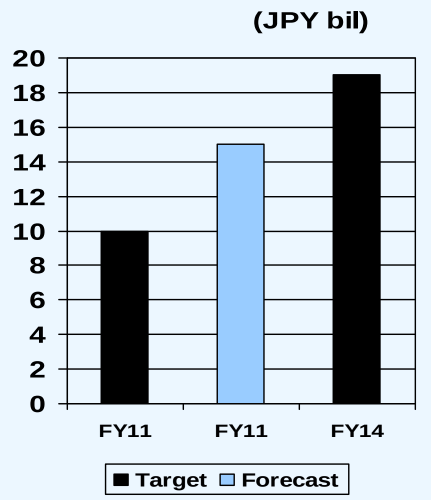
These are the areas on which we have been concentrating and in which we have programmes operating.

Projected Synergies



- Good progress made so far. On target to exceed FY11 target

Good progress towards targets

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1. We are able to report that good progress has been made towards the targets we set, of:

   10 bn yen per annum by 2011

   19 bn yen per annum by 2014

2. So we are confident that we will achieve 15 bn yen in 2011.
3. We do not propose to update the market on synergies as such on a regular basis, as our main focus is now on integration, but we will look back in FY10/11 to assess progress.

Enhanced Early Retirement Programme in Japan

1. It is imperative that we are profitable and cash generative in Japan. We have improvement plan in place and one important part of that is to enable our businesses to reduce their overheads and costs in their businesses.
2. To facilitate this we launched the EERP in Japan. It is voluntary.
3. Around 220 of the c.830 eligible managers applied.
4. Result is 3 bn yen saving per annum.
5. Being voluntary means that it is not possible to predict how many will leave from particular departments.
6. So the result of that is that if more apply in one department we have to reorganise and retrain people.
7. That is a big job and we are in the middle of that.
8. Making good progress – but it will take 9 to 12 months to resolve.

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Long-term Vision

Execute growth strategies through 3 phases

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
Improve competitiveness, launch major new products, improve R&D 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～ 2017

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Phase 1 (2007-2011)

Objective	Priorities
Create a new entity focused on differentiating ourselves from competitors and maximizing productivity and operational quality while re-establishing our financial foundations	**1. Create one integrated global business designed for maximum effectiveness and exploit synergies** **2. Reduce net debt down to target levels** **3. Prepare for Phase 2**

Clear priorities for the next three years

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Reminder of our Phase 1 priorities, of which debt reduction is the main one.

1. Good progress on integration.
2. Further progress on debt reduction – ahead of schedule
3. Preparations for phase 2 underway.

Phase 1 Priorities:

Create Integrated Global Business

Evolving organizational development

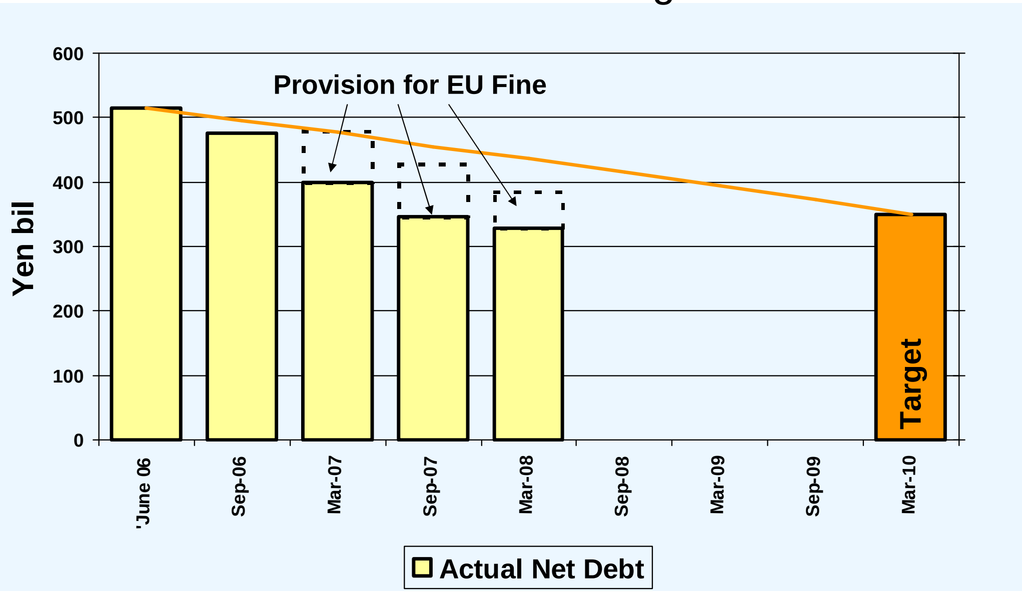
- New NSG Group Chairman and President/CEO appointments announced (subject to AGM)
- New Board appointments reflect international spread of the Group
- Move to ‘Company with Committees’ in line with best Corporate Governance practice, improving transparency and protecting shareholder interests.

Senior management and Board changes

1. Organisationally, we have announced new senior management and new board appointments.
2. We are moving to ‘Company with Committees’ (Nomination, Remuneration and Audit committees replacing former ‘Corporate Auditor’ system.
3. Best practice in Corporate Governance, acknowledging the rights of shareholders.

Phase 1 Priorities

Net Debt Position and Target



Continuing good progress on debt reduction

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If we look at the current level – we are close to JPY 330bn and if we add the potential EU fine from Automotive (worst case) then we are still on track.

So good progress, with a 20% debt reduction in the year.

Preparing for Phase 2 – not a new chart.

A number of initiatives are being taken around the world that help to prepare us in various ways for growth in phase 2.

Phase 1 Priorities
Preparation for Phase 2

- Several sectors already identified as having strong potential as we prepare for Phase 2
- Two of these, namely glass for solar cells and coated glass in China, will underpin delivery of our FY11 targets.

Potential growth areas under study

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But, more importantly, we have identified several sectors that have strong potential for our accelerated growth in phase 2.

1. We are not going into any detail on these at the moment as we are still in phase 1, but we should be able to give more details at the interims in November.

2. But we can say that two of these, namely glass for solar cells and coated glass in China will certainly underpin delivery of our FY11 targets

NSG Group Year End Results

Agenda

- Financial Results
- Business Update
- Synergies and EERP
- Strategy Update
- **Outlook and Summary**

Outlook

- Europe - coming off peak, but still relatively strong trading conditions
- North America – market challenging in both BP and Automotive
- Japan – building market sluggish, Automotive build for export holding up
- Rest of the World – expect continuing strong performance, especially in South America
- Relentless cost push affecting energy and raw material prices is key challenge for FY09.

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Outlook

1. In terms of FY09, Europe is coming off its peak but trading conditions still remain reasonably strong. Pricing in Europe has settled out at something like 7 or 8 percent below the peaks of the middle of 2007, but prices stable at that
2. North America is very challenging in both BP and Automotive
3. And in Japan the building market remains sluggish, with Automotive build holding up to supply export rather than domestic markets.
4. In the rest of the world we expect continuing strong growth, particularly in South America
5. And finally, the relentless cost push is our biggest challenge for this year.

Income Statement Outlook

(JPY bil)	FY09	FY08	Change on FY08
Sales	**880.0**	**865.6**	2%
Op.Income before amortization*	54.0	70.5	-23%
Amortization	(23.0)	(24.0)	
Operating Income	**31.0**	**46.5**	-33%
Non-operating items	(13.0)	(16.1)	
Ordinary income	**18.0**	**30.4**	-41%
Net Income	**20.0**	**50.4**	-60%

*Before amortization arising from the acquisition of Pilkington plc

Cost push impacts FY09 profitability

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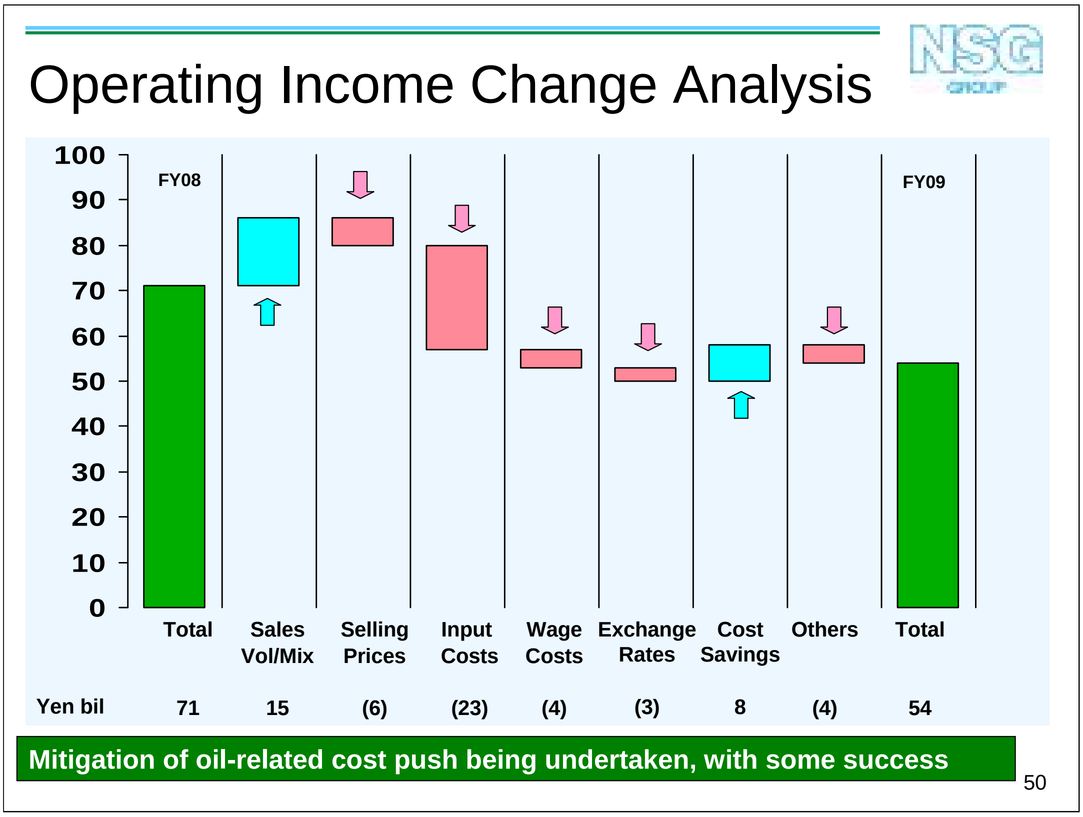
So what does this mean for the income statement?

1. This is our forecast, from which you can see that operating income before amortisation is expected to decline 23% this year over last year, which is largely down to energy and related cost increases.
2. The US$ price of oil is now double what it was 12 months ago, and as the hedges that we have unwind we'll be exposed to the full impact of this increase.
3. Of course, over 2 to 3 years we can take further steps to mitigate these very strong cost pushes.
4. But such a large increase happening so quickly cannot be absorbed within a 12-month period.
5. Therefore, understandably, our margins decline in the short term.



This slide gives an insight into our assessment of how that 23 % decline is arrived at. How do we go from 71 to 54 in terms of this year?

In summary

1. Positive initiatives of sales volume and mix more profitable products give a healthy contribution of 15 billion yen,
2. Taking together further cost savings of 8 and the traditional areas of wage and cost inflation, some exchange issues and selling price decline would have led to a 7 % increase in Operating Profit.
3. But, unfortunately, sitting in the middle is the figure of 23 billion yen of cost push.
4. This is a result of the cost push that started last year, which we were somewhat protected from because of hedges. But those are unwinding and we are now exposed to the full effect.
5. And that is what will impact our results for this year.

FY10 and FY11

- Glass for Photovoltaics will provide profit growth from this year
- Further efficiency improvements and cost reduction will be needed
- Still on track to achieve medium-term plan targets in FY11

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Looking further out.

1. As already indicated, we have started to exploit growth opportunities.
2. These will begin to deliver strong benefits before the start of phase 2
3. And these, together with our established track record in cost reduction, lead us to be confident about meeting our Medium Term Plan sales and profit targets for FY11.

Summary

- Good results in FY08, with Europe improving strongly.
- Good progress on strategic objectives, with debt reduced further
- Continuing strong global cost push depressing margins in FY09
- Dramatic cost push cannot be compensated short term
- Strong underlying business performance and continuing global Flat Glass industry growth provide confidence for FY10 and FY11.

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Summarising everything

1. Very strong set of results last year.
2. We are very pleased with those and would take opportunity to thank employees for a great job over the past year
3. Many markets have been challenging but nevertheless on a like for like basis performance has been strong.
4. Debt down more than 20%
5. Cost push – cannot be compensated short term, but
6. We remain confident about our FY 11 sales and profits targets.

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 environment in major markets (such as Europe, Japan, the U.S. and Asia), product supply/demand shifts, and currency exchange fluctuations.

Nippon Sheet Glass Co., Ltd.

Appendices

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Sales by Business – FY08

(JPY bil)	Japan	Europe	North America	Rest of World	Total
	Flat Glass				
BP	104.1	226.6	32.1	39.6	402.5
Auto	56.5	191.9	82.0	34.4	364.8
	Specialty Glass				
IT	21.2	0.0	1.2	21.9	44.3
Glass Fiber	28.4	10.9	0.0	0.0	39.3
Group Operations and Technology	3.9	10.8	0.0	0.0	14.7
Total	214.1	440.2	115.3	95.9	865.6

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Operating Income before Amortization

(JPY bil)	Japan	Europe	North America	Rest of World	Total	Ratio on Sales
	Flat Glass					
BP	0.2	33.7	2.7	6.2	42.8	10.6%
Auto	2.7	27.6	0.2	6.1	36.6	10.0%
	Specialty Glass					
IT	3.3	0.0	(0.1)	1.4	4.6	10.4%
Glass Fiber	3.6	0.8	0.0	0.0	4.4	11.2%
Group Operations and Technology	(7.7)	(10.2)	0.0	0.0	(17.9)	
Total	2.1	51.9	2.8	13.7	70.5	8.1%
Ratio on Sales	1.0%	11.8%	2.4%	14.3%	8.1%	

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Operating Income after Amortization

(JPY bil)	Japan	Europe	North America	Rest of World	Total	Ratio on Sales
	Flat Glass					
BP	0.2	25.1	1.2	4.9	31.4	7.8%
Auto	2.7	19.6	(2.2)	3.9	24.0	6.6%
	Specialty Glass					
IT	3.3	0.0	(0.1)	1.4	4.6	10.4%
Glass Fibre	3.6	0.8	0.0	0.0	4.4	11.2%
Group Operations and Technology Management	(7.7)	(10.2)	0.0	0.0	(17.9)	
Total	2.1	35.3	(1.1)	10.2	46.5	5.4%
Ratio on Sales	1.0%	8.0%	-1.0%	10.6%	5.4%	

NSG

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