FY 2009 1st Quarter Consolidated Financial Results

11 August 2008

(English translation of the Japanese original)

Listed Company Name: Nippon Sheet Glass Co., Ltd.

Stock Exchange Listing: Tokyo, Osaka

Code Number 5202

(URL http://www.nsggroup.net)

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1. Consolidated business results for FY 2009 Quarter 1 (From 1 April 2008 to 30 June 2008)

(1) Consolidated business results

	Sales		Operating income		Ordinary income		Net income	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
FY 2009 Q1	221,518	-	10,069	-	6,884	-	27,803	-
FY 2008 Q1	217,804	244.9	12,149	851.3	8,006	-	46,915	94.5

	Net income per share - basic	Net income per share – diluted
FY 2009 Q1	¥ 41.61	¥ 39.11
FY 2008 Q1	¥ 70.19	¥ 65.98

(2) Changes in financial position

	Gross assets	Net assets	Equity ratio	Net assets per share
	¥ millions	¥ millions	%	¥
FY 2009 Q1	1,418,422	428,855	29.3	621.82
FY 2008 Full year	1,319,290	371,998	27.2	536.37

Note: Total Equity FY 2009 Q1 ¥ 415,525 million FY 2008 Full year ¥ 358,434 million

2. Dividends

	Dividends per share				
	Q1	Q2	Q3	Q4	Annual
FY 2008 (Actual)	-	¥ 3.00	-	¥ 3.00	¥ 6.00
FY 2009 (Actual)	-	-	-	-	-
FY 2009 (forecast)	-	¥ 3.00	-	¥ 3.00	¥ 6.00

Note: Changes in dividend forecast during the quarter --- None

3. Forecast for FY 2009 (From 1 April 2008 to 31 March 2009)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	¥
First half	440,000	-	17,500	-	11,000	-	23,000	-	34.42
Full year	880,000	1.7	31,000	(33.3)	18,000	(40.9)	27,500	(45.5)	41.15

Note: Revisions to consolidated business performance forecast during the quarter --- Yes

4. Other items

(1) Changes in status of principal subsidiaries --- Yes
Newly established: 1 subsidiary (Name of the subsidiary: NSG Building Products Co. Ltd.)

(2) Adoption of simplified accounting policies, procedures, and presentation --- Yes
Note: For details, please refer to page 6.

(3) Changes implemented to the accounting policies, practice and presentations related to the preparation of quarterly consolidated financial statements

- Changes due to revisions in accounting standards --- Yes
- Changes due to other reasons --- Yes

Note: For details, please refer to pages 6 and 7.

(4) Number of shares outstanding (common stock)

- Number of shares issued at the end of the period (including treasury stock):
  669,550,999 shares as of 30 June 2008 and 31 March 2008
- Number of shares held as treasury stock at the end of the period:
  1,307,265 shares as of 30 June 2008 and 1,290,932 shares as of 31 March 2008
- Average number of shares in issue during the period:
  668,254,140 shares for the quarter ended 30 June 2008 and 668,383,598 shares for the quarter ended 30 June 2007

Explanation for the appropriate usage of performance projections and other special items

1. 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 Japan, Europe, North and South America, Asia, etc.), product supply/demand shifts, fluctuations in currency exchange and interest rate as well as price changes in primary fuels and raw materials.

2. In the current financial year, the Company began applying the “Accounting Standard for Quarterly Financial Reporting” (Financial Accounting Standard No. 12, issued on 14 March 2007) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (Financial Accounting Standard Implementation Guidance No. 14, issued on 14 March 2007).

   The Company's quarterly consolidated financial statements have been prepared pursuant to the "Regulations Concerning Terminology, Forms, and Method for Preparing Quarterly Consolidated Financial Statements" (2007 Cabinet Ordinance No.64). The Company also applied the Supplementary Provision 7-1-5 under the "Amendment of Regulations Concerning Terminology, Forms, and Method of Financial Statements" (2008 Cabinet Ordinance No.50, issued on 7 August 2008).

Part 1 Narratives

I. Business Performance and Financial Standing

1. Background to Results

Western European economies slowed further as rising inflation and tight availability of credit impacted negatively on consumer confidence. Building products prices remained relatively robust as the impact of increased fuel costs was partly absorbed into selling prices. Sales of new cars fell dramatically in Spain and Italy, but less so in the other Western European countries. The European Automotive replacement (AGR) market remains stable. Demand for glass cord in Europe continues to be reasonably stable.

In Japan, market conditions remain difficult mainly due to increases in energy prices and the global credit crunch. Building Products sales have continued to be adversely affected by building permit delays. Vehicle sales in Japan have been impacted by the continuing challenging economic conditions and an increase in vehicle purchase tax. In the information technology sector demand was generally weak reflecting reduced consumer confidence and market conditions in the glass fiber sector remained robust.

The North American economy remains challenging. The building products market continues to suffer from reduced construction activity and declining property prices. New car sales were weak due to economic concerns and higher fuel prices. The AGR market also declined.

Most of the emerging economies in which the Group operates continue to perform well.

2. Review by Business Segment

Building Products Business

In Europe, sales revenue was flat, with an improving product mix compensating for softening prices in certain markets. Higher energy related costs in turn led to a reduction in operating profit.

Sales in Japan reduced due to difficult market conditions. Housing starts were down 6.5% year-on-year, signaling the eleventh straight month of decline as a result of rising building material costs and regulatory changes. Profits were flat as the benefits of restructuring begin to be realized, offsetting the market decline. Further restructuring benefits are anticipated over the remainder of the year.

North America continued to experience a declining domestic housing market but, through higher exports and a better mix, achieved higher sales and profitability than the previous year.

In the rest of the world, profits were slightly reduced. In South America, profits remain at satisfactory levels as market conditions remained relatively robust and improving prices offset increasing energy related costs. Profits in South East Asia demonstrated a year-on-year improvement. The end of the quarter saw the start up of the latest float line in the NSG Group, in Vietnam.

The Building Products business worldwide achieved sales of ¥98,190 million and operating income of ¥5,281 million.

Automotive Business

In the European Original Equipment (OE) and Automotive Glass Replacement (AGR) sectors revenues and profits have been ahead of the previous year but there are signs that demand is starting to weaken.

In Japan, the sales from OE business have been stronger than previously expected and profits have increased as the benefits of the ongoing operational improvements continue to be realized.

In North America, AGR profits demonstrated a year-on-year improvement. OE profits were below the previous year's level due to a float tank re-build, reduced demand as a result of strikes in other suppliers to the OE manufacturers and a general market downturn.

In the rest of the world, revenues and profits were higher than last year as markets continue to grow.

The Automotive business recorded sales of ¥99,940 million and operating income of ¥7,195 million.

Specialty Glass Business

Demand for the Group's main information technology products declined as a result of weak consumer confidence across most markets. The strength of the yen against the US dollar negatively impacted exports from Japan. Total sales of glass fiber products were slightly higher year-on-year, principally reflecting continuing robust demand for glass cord in Europe.

The Specialty Glass business recorded overall sales of ¥18,999 million and an operating profit of ¥1,204 million.

Other Operations

This segment mainly covers corporate costs and engineering income, but also includes small businesses not included in the segments discussed above. Other operations experienced a slight increase in general expenses.

Consequently, this segment recorded sales of ¥4,387 million and an operating loss of ¥3,534 million.

Joint Ventures and Associated Companies

The Group's share of the results of its joint venture and associated companies is included within non-operating income in the income statement. The Group disposed of its shareholding in NH Techno Glass Co., Ltd. during the period, and consequently the results of this company from 1 April 2008 up to the date of disposal are excluded from the share of earnings of joint ventures and associates. On a like-for-like basis, the Group's share of post-tax profit of its joint ventures and associates has increased. Cebrace, the Group's joint venture company in Brazil, performed strongly during the period with significantly improved profits. In Russia, the Group's joint venture company, Pilkington Glass Russia LLC, also improved profitability.

II. Financial condition

Total assets at the end of June 2008 were ¥1,418,422 million, representing an increase of ¥99,132 million from the end of March 2008. Of this increase, approximately ¥64,000 million was due to exchange rate movements.

The Group has adopted "Net Debt" (interest bearing debt minus cash and cash equivalents) as a Key Performance Indicator for its financial performance. The chart below shows the movement of "Net Debt" following the acquisition of Pilkington in June 2006.

		Net Debt
		JPY million
FY 2007 Q1	30 June 2006	514,097
FY 2007 Full year	31 March 2007	400,203
FY 2008 Full year	31 March 2008	328,479
FY 2009 Q1	30 June 2008	320,730

Net financial indebtedness decreased by ¥7,749 million from 31 March 2008 to ¥320,730 million at the period end, mainly due to the proceeds from the sale of the NH Techno Glass Co., Ltd. Included in net debt at 30 June 2008 are financial lease creditors of ¥10,223 million. This represents a change in definition during the current financial year. In addition net debt includes ¥5,056 million arising on the consolidation of VGI, following completion of construction of the new float line in Vietnam. Excluding these changes, net debt decreased by ¥23,028 million during the period. Currency movements generated an increase in net debt of approximately ¥12,700 million over the period. Gross debt was ¥487,248 million at the period end.

Cash outflows from operations were ¥2,707 million, which was mainly due to an increase in working capital following the year-end. Cash inflows from investment activities were ¥38,453 million, due mainly to the proceeds from the sale of NH Techno Glass Co., Ltd.

III. Prospects

Full-year sales and operating income forecasts have been maintained.

The forecast of net income for the full-year, and the split of operating income, ordinary income and net income between the first half and second half has been amended as set out on page 1. The improvement to net income as forecast for the full-year relates to a revision of the Group's anticipated extraordinary items and taxation charges.

IV. Others (Changes in accounting policies, etc.)

Changes in status of principal subsidiaries

During this first quarter, NSG Building Products Co. Ltd. (NSG BP) was established after a merger of three consolidated subsidiaries. NSG BP became one of the Company's *Tokutei Kogaisha*, as defined in the Ordinance for Corporate Disclosures.

Adoption of simplified accounting policies, procedures, and presentations

1. Simplified accounting treatments

(1) Estimations for the amount of bad debt included in the balance of normal receivables

The Company and consolidated subsidiaries calculate the amount of provision for bad debt relating to normal receivables, using the rate of default which had been computed in the previous year.

(2) Calculations for the closing balance of inventories

The Company and consolidated subsidiaries calculate the closing balance of inventories based on the amounts recorded in the relevant inventory and accounting systems at 30 June 2008. Inventory counts conducted at 31 March 2008, the results of which are included within the opening inventory balance of the current accounting period, are not generally repeated at quarter end dates.

(3) Income tax, deferred tax assets and liabilities

In determining the recoverability of deferred tax assets, the Company and consolidated subsidiaries utilize the information obtained from future business forecasts and tax planning methods which have been used in the previous year.

Some consolidated subsidiaries calculate the amount of income tax for the quarter by using the tax rate which was calculated in the previous fiscal year, net of movements in deferred tax assets and liabilities.

2. Special accounting treatments adopted for the preparation of quarterly consolidated financial statements

(1) Calculations of income tax expenses

The Company and overseas subsidiaries calculate income tax expenses for the first quarter, based on the effective annual tax rates which have been practically evaluated.

The sum of current and deferred income taxes for the period are presented in the income statement.

Changes implemented to the accounting policies, practice and presentations related to the preparation of quarterly consolidated financial statements

1. Adoption of accounting standard for quarterly financial reporting

In the current financial year, the Company began applying the "Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard No. 12, issued on 14 March 2007) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard Implementation Guidance No. 14, issued on 14 March 2007). The quarterly financial statements were also prepared in accordance with the "Regulations on Quarterly Consolidated Financial Statements".

The Company's quarterly consolidated financial statements have been prepared pursuant to the "Regulations Concerning Terminology, Forms, and Method for Preparing Quarterly Consolidated Financial Statements" (2007 Cabinet Ordinance No.64). The Company also applied the Supplementary Provision 7-1-5 under the "Amendment of Regulations Concerning Terminology, Forms, and Method of Financial Statements" (2008 Cabinet Ordinance No.50, issued on 7 August 2008).

2. Adoption of accounting standard for valuation of inventories

Due to the mandatory application of "Accounting Standards for Valuation of Inventories" (Accounting Standard No.9, issued on 5 July 2006), inventories of the Company and its domestic consolidated subsidiaries are principally stated at cost determined by the moving-average method (with provision for reducing the balance in case net realizable value decreases). Inventories of the Company and its domestic subsidiaries were previously stated at cost determined by the moving-average method.

Operating income, ordinary income and net income before tax have decreased by ¥154 million due to this change.

3. Changes in the depreciation method of fixed assets

From this first quarter, the Company and domestic consolidated subsidiaries have changed the depreciation method for tangible fixed assets to the straight-line method from the declining balance method.

The Company has been preparing to implement a uniform set of accounting policies, which is essential for the establishment of a global management system, after the acquisition of Pilkington in June 2006.

Prior to the change of the depreciation method, the majority of the tangible fixed assets owned by the Company and its subsidiaries were already depreciated using the straight-line method. The directors believe that the straight-line method of depreciation best reflects the pattern of usage of the tangible fixed assets, given that glass manufacturing facilities are generally operated in stable economic conditions during their useful life.

Due to this change, operating income increased by ¥461 million, ordinary income and net income before taxation increased by ¥493 million.

(Additional information)

From the beginning of this quarter, the estimated useful life of machinery and equipment owned by the Company has been changed from the previous 3 to 15 years to 3 to 9 years. This change has been made following the Company's review of expected useful lives of machinery and equipment in the light of the recent amendment of the Corporate Tax Code of Japan.

Due to this change, operating income decreased by ¥78 million, ordinary income and net income before taxation decreased by ¥79 million.

4. Application of accounting standard for leased assets

From the beginning of this quarter, the Company and its domestic consolidated subsidiaries have applied the "Accounting Standard for Lease Transactions" (Accounting Standard No.13, issued on 17 June 1993 by the Business Accounting Council, amended on 30 March 2007) and the "Guidance on Accounting Standards for Lease Transactions" (Guidance No.16, issued on 18 January 1994 by the Accounting Standards Committee of the Japanese Institute of Certified Public Accountants, amended 30 March 2007), and finance lease transactions in which ownership are not transferred, previously accounted for as operating leases, are now being accounted for based on purchase transactions which are recognized as lease assets on the balance sheet.

Leased assets, in which operating lease accounting had been previously applied, will be depreciated by the straight-line method to residual amount of zero. The effect of this application on the income statement is minimal.

Part 2 Consolidated Financial Statements

1. Quarterly consolidated balance sheet

(¥ millions)

	First Quarter FY 09 As of 30 June 2008	FY 08 (Abbreviated) As of 31 March 2008
Assets		
Current assets		
Cash and deposits	166,517	127,928
Notes and accounts receivable – trade	151,463	145,560
Merchandise and finished goods	74,736	68,772
Work in process	16,144	14,653
Raw materials and supplies	39,345	36,062
Other current assets	38,191	33,788
Allowance for doubtful accounts	(5,035)	(4,830)
Total: Current assets	481,364	421,935
Non-current assets		
Property, plant and equipment		
Buildings and structures	162,423	157,260
Accumulated depreciation	(78,108)	(76,559)
Buildings and structures, net	84,315	80,700
Machinery, equipment and vehicles	412,877	389,523
Accumulated depreciation	(180,555)	(172,112)
Machinery, equipment and vehicles, net	232,321	217,410
Tools, furniture and fixtures	45,133	42,190
Accumulated depreciation	(24,779)	(22,279)
Tools, furniture and fixtures, net	20,354	19,910
Land	56,315	54,041
Lease assets	8,756	-
Accumulated depreciation	(1,963)	-
Lease assets, net	6,793	-
Construction in progress	4,274	3,410
Total: Property, plant and equipment	404,374	375,474
Intangible assets		
Goodwill	194,274	181,167
Other intangible assets	177,270	171,506
Total: intangible assets	371,545	352,674
Investments and other assets		
Investment securities	78,432	99,867
Others	83,706	70,325
Allowance for doubtful accounts	(1,001)	(987)
Total: Investments and other assets	161,137	169,205
Total: Non-current assets	937,057	897,354
Total: Assets	**1,418,422**	**1,319,290**

1. Quarterly consolidated balance sheets (continued)

(¥ millions)

	First Quarter FY 09 As of 30 June 2008	FY 08 (Abbreviated) As of 31 March 2008
Liabilities		
Current liabilities		
Notes and accounts payable – trade	92,492	98,955
Short-term loans payable	95,062	92,956
Bonds payable	10,000	10,000
Lease obligations	3,253	-
Income taxes payable	29,661	16,732
Provision arising from alleged violation of Competition Law of the European Union	53,023	49,992
Other provisions	16,090	22,508
Other current liabilities	103,397	98,630
Total: Current liabilities	**402,981**	**389,775**
Non-current liabilities		
Bonds payable	53,000	33,000
Long-term loans payable	318,962	320,452
Lease obligations	6,970	-
Provision for retirement benefits	76,974	75,026
Other provisions	17,888	17,447
Other non-current liabilities	112,789	111,589
Total: Non-current liabilities	**586,585**	**557,516**
Total: Liabilities	**989,566**	**947,291**
Net assets		
Shareholders' equity		
Capital stock	96,147	96,147
Capital surplus	105,292	105,292
Retained earnings	176,784	152,097
Treasury stock	(549)	(541)
Total: Shareholders' equity	**377,673**	**352,995**
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	6,456	9,194
Deferred gains or losses on hedges	7,696	(127)
Foreign currency translation adjustment	23,698	(3,626)
Total: Valuation and translation adjustments	**37,851**	**5,439**
Subscription rights to shares	263	253
Minority interests	13,065	13,310
Total: Net assets	**428,855**	**371,998**
Total: Liabilities and net assets	**1,418,422**	**1,319,290**

2. Consolidated income statement

(¥ millions)

	First Quarter FY 09 For the period of 1 April 2008 to 30 June 2008
Net sales	**221,518**
Cost of sales	153,361
Gross profit	**68,156**
Selling, general and administrative expenses	58,087
Operating income	**10,069**
Non-operating income	
Interest income	1,577
Dividends income	373
Equity in earnings of affiliates	1,874
Other non-operating income	478
Total: Non-operating income	4,303
Non-operating expenses	
Interest expenses	5,363
Other non-operating expenses	2,124
Total: Non-operating expenses	7,488
Ordinary income	**6,884**
Extraordinary income	
Gain on sales of fixed assets	496
Gain on sales of investment securities	7,422
Gain on sales of investments in affiliates	29,646
Other extraordinary income	517
Total: Extraordinary income	38,083
Extraordinary loss	
Loss on disposal of fixed assets	86
Loss on sales of fixed assets	5
Other extraordinary losses	8
Total: Extraordinary losses	101
Income before income taxes and minority interests	**44,867**
Income taxes	16,169
Minority interests	894
Net income	**27,803**

3. Consolidated statement of cash-flow

(¥ millions)

	First Quarter FY 09 For the period of 1 April 2008 to 30 June 2008
Net cash used in operating activities	
Income before income taxes and minority interests	44,867
Adjustments for:	
Depreciation and amortization	15,589
Amortization of goodwill	2,474
Increase in allowance for doubtful accounts	83
Decrease in provision for retirement benefits	(9,982)
Increase in provision for furnace repairs	93
Net gain on sales and disposals of fixed assets	(425)
Net gain on sales and valuation of investment securities	(7,422)
Net gain on sales of investments in affiliates	(29,646)
Interest and dividends income	(1,950)
Interest expenses	5,363
Equity in earnings of affiliates	(1,874)
Increase in notes and accounts receivable – trade	(643)
Increase in inventories	(5,905)
Decrease in notes and accounts payable – trade	(14,769)
Other, net	10,883
Subtotal	**6,735**
Interest and dividends income received	3,977
Interest expenses paid	(9,667)
Income taxes paid	(3,752)
Net cash used in operating activities	**(2,707)**
Net cash provided by investment activities	
Purchase of property, plant and equipment	(11,544)
Proceeds from sales of property, plant and equipment	988
Purchase of intangible assets	(109)
Purchase of investment securities	(3)
Proceeds from sales of investment securities	51,057
Purchase of investments in subsidiaries and affiliates	(1,166)
Increase in short-term loans receivable	(1,147)
Payments of long-term loans receivable	(19)
Other, net	398
Net cash provided by investment activities	**38,453**

3. Consolidated statement of cash-flow (continued)

(¥ millions)

	First Quarter FY 09 For the period of 1 April 2008 to 30 June 2008
Net cash used in financing activities	
Net decrease in short-term loans payable	(5,097)
Proceeds from long-term loans payable	442
Repayment of long-term loans payable	(21,970)
Proceeds from issuance of bonds	20,000
Cash dividends paid	(2,010)
Cash dividends paid to minority shareholders	(824)
Repayments of finance lease obligations	(427)
Other, net	(7)
Net cash used in financing activities	**(9,894)**
Effect of exchange rate change on cash and cash equivalents	**4,595**
Net increase in cash and cash equivalents	**30,446**
Cash and cash equivalents at beginning of period	**103,293**
Increase in cash and cash equivalents resulting from change of scope of consolidation	**1,604**
Cash and cash equivalents at end of period	**135,343**

Note:
In the current financial year, the Company began applying the "Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard No. 12, issued on 14 March 2007) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard Implementation Guidance No. 14, issued on 14 March 2007). The quarterly financial statements were also prepared in accordance with the "Regulations on Quarterly Consolidated Financial Statements".

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4. Notes concerning conditions of "going concern"

Not applicable

5. Segmental information

By Business Line

First quarter of FY 09 (For the period of 1 April 2008 to 30 June 2008)

(¥ millions)

	Building products	Automotive	Specialty glass	Other	Total	Eliminations	Consolidated
Sales							
(1) External sales	98,190	99,940	18,999	4,387	221,518	-	221,518
(2) Inter-segment sales	564	959	277	1,217	3,018	(3,018)	-
Net sales	98,755	100,899	19,276	5,604	224,536	(3,018)	221,518
Operating income	5,281	7,195	1,204	(3,534)	10,146	(77)	10,069

Notes:

1. Method of segmentation

Segmentations are defined by the categorization of parent company's external sales.

2. Products included in business segments

Building products: Glass (float, laminated etc), building materials, and others

Automotive: Processed glass related to automotive and transportation applications

Specialty glass: Micro optics, fine glass, industrial glass, LCD, specialized glass fiber products

Other: Engineering and general corporate expenses

By Geography

First quarter of FY 09 (For the period of 1 April 2008 to 30 June 2008)

(¥ millions)

	Japan	Europe	North America	Other	Total	Eliminations	Consolidated
Sales							
(1) External sales	50,339	117,296	28,406	25,475	221,518	-	221,518
(2) Inter-segment sales	5,827	72,542	7,391	6,441	92,203	(92,203)	-
Net sales	56,166	189,839	35,798	31,917	313,721	(92,203)	221,518
Operating income	260	7,879	(933)	2,620	9,827	241	10,069

Notes:

1. Method of segmentation

Segmentations are defined by the geographical relevance of countries and regions in which the businesses operate.

2. Countries and regions included in the geographical segments

Europe: United Kingdom, Germany, Italy and others

North America: United States of America, Canada

Other: South America, China, Malaysia and others

Overseas sales

First quarter of FY 09 (For the period of 1 April 2008 to 30 June 2008)

(¥ millions)

	Europe	North America	Asia	Other	Total
a. Overseas sales	113,579	26,901	17,039	18,238	175,758
b. Consolidated sales					221,518
c. Overseas sales as a percentage of consolidated net sales	51.3%	12.1%	7.7%	8.2%	79.3%

Notes:

1. Overseas sales consist of export sales of the Company and domestic consolidated subsidiaries, and sales (other than exports to Japan) of the overseas consolidated subsidiaries.

2. Method of segmentation

Segmentations are defined by the geographical relevance of countries and regions in which the businesses operate.

3. Countries and regions included in the geographical segments

Europe:	United Kingdom, Germany, Italy and others
North America:	United States of America, Canada
Asia:	China, Malaysia, Philippines and others
Other:	South America and others

6. Material changes in the shareholders' equity

Not applicable

[Attachments]

Consolidated financial statements of Q1 FY 2008

1. Quarterly consolidated income statement (abbreviated)

(¥ millions)

	First Quarter FY 08 For the period of 1 April 2007 to 30 June 2007
Net sales	**217,804**
Cost of sales	149,675
Gross profit	**68,129**
Selling, general and administrative expenses	55,980
Operating income	**12,149**
Non-operating income	5,108
Non-operating expenses	9,250
Ordinary income	**8,006**
Extraordinary income	49,714
Extraordinary loss	79
Income before income taxes and minority interests	**57,641**
Income taxes – current	7,904
Income taxes – deferred	1,890
Minority interests	931
Net income	**46,915**

2. Quarterly consolidated statement of cash-flow (abbreviated)

(¥ millions)

	First Quarter FY 08 For the period of 1 April 2007 to 30 June 2007
Net cash used in operating activities	
Income before income taxes and minority interests	57,641
Adjustments for:	
Depreciation and amortization	15,761
Increase in notes and accounts receivable – trade	(2,017)
Increase in inventories	(3,418)
Decrease in notes and accounts payable – trade	(10,170)
Other, net	(41,718)
Subtotal	**16,077**
Interest and dividends income received	4,074
Interest expenses paid	(12,786)
Income taxes paid	(23,337)
Net cash used in operating activities	**(15,971)**
Net cash provided by investment activities	
Purchase of property, plant and equipment	(12,195)
Proceeds from sales of property, plant and equipment	1,633
Purchase of investment in securities	(3,579)
Proceeds from sales of investment securities	87,950
Other, net	1,970
Net cash provided by investment activities	**75,779**
Net cash used in financing activities	
Net decrease in short-term loans payable	(5,068)
Proceeds from long-term loans payable	9,464
Repayment of long-term loans payable	(8,054)
Cash dividends paid	(2,005)
Other, net	(1,287)
Net cash used in financing activities	**(6,951)**
Effect of exchange rate change on cash and cash equivalents	**10,162**
Net increase in cash and cash equivalents	**63,019**
Cash and cash equivalents at beginning of period	**159,762**
Cash and cash equivalents at end of period	**222,781**

3. Segmental information

By Business Line

First quarter of FY 08 (For the period of 1 April 2007 to 30 June 2007)

(¥ millions)

	Building products	Automotive	Specialty glass	Other	Total	Eliminations	Consolidated
Sales							
(1) External sales	100,861	95,130	19,324	2,488	217,804	-	217,804
(2) Inter-segment sales	799	922	314	1,073	3,109	(3,109)	-
Net sales	101,660	96,053	19,638	3,561	220,913	(3,109)	217,804
Operating income	6,756	6,857	1,934	(3,395)	12,152	(2)	12,149

Notes:

1. Method of segmentation

Segmentations are defined by the categorization of parent company's external sales.

2. Products included in business segments

Building products: Glass (float, laminated etc), building materials, and others

Automotive: Processed glass related to automotive and transportation applications

Specialty glass: Micro optics, fine glass, industrial glass, LCD, specialized glass fiber products

Other: Engineering and general corporate expenses

By Geography

First quarter of FY 08 (For the period of 1 April 2007 to 30 June 2007)

(¥ millions)

	Japan	Europe	North America	Other	Total	Eliminations	Consolidated
Sales							
(1) External sales	51,055	113,065	30,945	22,738	217,804	-	217,804
(2) Inter-segment sales	6,154	67,453	5,488	5,558	84,655	(84,655)	-
Net sales	57,209	180,519	36,433	28,296	302,459	(84,655)	217,804
Operating income	811	8,527	(37)	2,834	12,136	12	12,149

Notes:

1. Method of segmentation

Segmentations are defined by the geographical relevance of countries and regions in which the businesses operate.

2. Countries and regions included in the geographical segments

Europe: United Kingdom, Germany, Italy and others

North America: United States of America, Canada

Other: South America, China, Malaysia and others