NSG GROUP

10 August 2009

FY2010 QUARTER 1 RESULTS

(From 1 April 2009 to 30 June 2009)

SUMMARY OF KEY POINTS

- **Results reflect stabilized global market conditions**
- **Restructuring on schedule**
- **Controlled cash management reducing impact from operating performance**
- **Debt maturity profile improved with recent funding secured**
- **On track for full year forecast announced in May**

Results reflect stabilized global market conditions

- Automotive OE market showing improving trend, due to government incentive schemes and manufacturers restocking.
- Robust performance in Automotive AGR with results consistent with prior year.
- Quarterly loss recorded by Building Products reflects challenging conditions.
- Solar Energy business continuing with steady volume growth year-on-year.
- Specialty glass demand increasing as underlying market fundamentals improve.
- Benefits from cost reduction programs helping all business line results
- Group revenues ¥ 144 billion (Q4 FY09:153bn) and operating loss (before amortization) ¥ 6.4 billion (Q4 FY09: 7.1bn).
- Building Products revenues ¥ 62 billion and operating loss (before amortization) ¥ 2.9 billion.
- Automotive revenues ¥ 63 billion and operating profit (before amortization) ¥ 0.4 billion.
- Specialty Glass revenues ¥ 15 billion with a break even profit result.

Restructuring on schedule

- Additional closures in the first quarter, with further 1,100 employees leaving the Group bringing the total to 5,600 of 6,700 planned reductions.
- Restructuring amount charged to the income statement of ¥ 5.4 billion for the quarter, in line with plan.

Controlled cash management reducing impact from operating performance

- Further marketable securities sold during the quarter, realizing over ¥ 7 billion in proceeds.
- Capital expenditure rates at below 60 percent of depreciation.
- Restructuring expenditure, seasonal working capital movement, and taxation payments generated increases in financial debt during the quarter.

Debt maturity profile improved with recent funding secured

- Preference share issue of ¥ 30 billion completed after Q1 end.
- Group debt maturity profile improved after Q1 end with ¥ 47.5 billion of funds being secured with an average 220 basis point margin with average life of 4.4 years.

On track for full year forecast announced in May

- Market demand for all business lines expected to increase.
- Building Products price increases implemented in June should contribute further revenue and profitability.
- Business conditions expected to remain stable or improve steadily in line with global economy.
- Solar Energy business still key area for expansion with NSG Group well placed to retain its leading position within the thin film market.
- Cost reduction programs expected to contribute ¥ 14 billion of savings for financial year.

The Group's cost-saving programs and recovery in market conditions are expected to improve second half-year results and re-establish profit growth from FY2011.