

## Financial Year ending 31 March 2026 Quarter 2 Results

- **OP exceeding H1 forecast mainly due to better European Architectural glass business**
- **Full-year forecasts remaining unchanged due to uncertainties arising from US tariff policy. Taking any appropriate actions continuously across the Group**
- **Continuing to improve profitability and cash generation and stabilize financial status with promoting the Group's value-added initiatives through 4 "D"s under the Medium Term Plan "2030 Vision: Shift the Phase"**

### 1. Financial Year ending 31 March 2026 Quarter 2 Results

- Group Q2 revenue was JPY 210.6 bn (+4.5 bn, +2.2% YoY), and operating profit was JPY 5.1 bn (-0.4 bn, -6.3% YoY)
- The cumulative revenue decreased to JPY 420.8 bn (-1.7 bn, -0.4% YoY) while operating profit increased to JPY 12.0 bn (+1.8 bn, +17.3% YoY). While revenue decreased partly with FX movement, operating profit increased with significant improvement in European Architectural glass business from the previous year and were above the H1 forecast
- Exceptional items (net) were charge of JPY 0.6 bn (-0.5 bn YoY) including gains on transfer of the Group's equity interest in Vietnam Float Glass Co., Ltd., a subsidiary manufacturing architectural glass in Vietnam in Q1 and losses related to disposal of UK government bonds in Q2
- Finance expenses (net) increased to JPY 13.5 bn from JPY 12.6 bn by JPY 1.0 bn. Share of JVs and associates' profits was JPY 2.9 bn (+0.4 bn YoY) which improved from the previous year
- The taxation charge of JPY 3.8 bn (JPY 3.6 bn in PY) is calculated based on the effective tax rate expected for the full year. Accordingly, loss for the period was JPY 3.4 bn (+0.0 bn YoY) and net loss\* was JPY 4.2 bn (-0.4 bn YoY)
- Free cash flow improved to negative JPY 19.6 bn (+9.1 bn YoY), and positive JPY 6.9 bn (+3.8 bn YoY) during Q2, despite seasonal working capital movement.  
Shareholders' equity ratio decreased to 10.4% (-0.1pt vs PY end), similar to the previous year end.  
Interest-bearing debt increased to JPY 537.9 bn (+13.1 bn vs PY end)

### <Consolidated Income Statement>

(JPY bn)	Q2 (3 months)			Cumulative (6 months)			FY2026/3 H1 forecast
	FY2025/3	FY2026/3	Change	FY2025/3	FY2026/3	Change	
Revenue	206.0	<b>210.6</b>	4.5	422.4	<b>420.8</b>	(1.7)	420.0
Operating profit	5.5	<b>5.1</b>	(0.4)	10.2	<b>12.0</b>	1.8	10.0
ROS: Return on sales	2.7%	<b>2.4%</b>	(0.3) pt	2.4%	<b>2.9%</b>	+0.5pt	2.4%
Exceptional items (net)	(0.2)	<b>(2.2)</b>	(2.0)	(0.0)	<b>(0.6)</b>	(0.5)	1.0
Operating profit after exceptional items	5.3	<b>2.9</b>	(2.4)	10.2	<b>11.4</b>	1.2	11.0
Finance expenses (net)	(6.6)	<b>(6.8)</b>	(0.2)	(12.6)	<b>(13.5)</b>	(1.0)	(13.0)
Share of JVs and associates' profits	1.4	<b>1.6</b>	0.1	2.5	<b>2.9</b>	0.4	3.0
Other gains/(losses) on equity method investments	-	<b>(0.0)</b>	(0.0)	-	<b>(0.4)</b>	(0.4)	-
Profit/ (loss) before taxation	0.1	<b>(2.3)</b>	(2.4)	0.2	<b>0.4</b>	0.2	1.0
Profit/(loss) for the period	(6.1)	<b>(3.8)</b>	2.2	(3.4)	<b>(3.4)</b>	0.0	(2.0)
Net profit/(loss) *	(6.3)	<b>(4.1)</b>	2.2	(3.9)	<b>(4.2)</b>	(0.4)	(3.0)
EBITDA	17.5	<b>18.3</b>	0.7	35.0	<b>38.1</b>	3.1	
Free Cash Flow	3.0	<b>6.9</b>	3.8	(28.6)	<b>(19.6)</b>	9.1	

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

(JPY bn)	31 March 2025	30 September 2025	Change
<b>Total assets</b>	<b>1,032.9</b>	<b>1,019.9</b>	<b>(13.1)</b>
Shareholders' equity	108.1	106.1	(2.0)
<b>Shareholders' equity ratio</b>	<b>10.5%</b>	<b>10.4%</b>	<b>(0.1)pt</b>
<b>Interest-bearing debt</b>	<b>524.8</b>	<b>537.9</b>	<b>13.1</b>

### <Business Results>

Architectural Glass	Revenue decrease YoY due to FX movement while significant OP increase mainly due to better sales price and cost in Europe with production cessations. In other regions, sales volumes were at low level. Demand for solar energy glass decreasing in Asia due to customer's production adjustments arising from US tariff policy, while robust in US
Automotive Glass	Revenue increase, but similar OP to PY. Sales price improvement mainly in AGR although sales volume decrease. In Europe, better in sales mix with expansion of value-added products. In Japan, slow sales volumes and prices. In North America, temporarily unfavorable production efficiency for OE while sales price improvement for AGR. Production schedules adjustments on track in Europe
Technical Glass	Revenue and OP impacted by sales mix in some products. In fine glass, sales in some products are expected to be carried over to H2

(JPY bn)	FY2025/3		FY2026/3		Change	
	Q2 (3 months)	Cumulative	Q2 (3 months)	Cumulative	Q2 (3 months)	Cumulative
<b>Revenue</b>						
Architectural Glass	89.8	180.0	88.4	177.7	(1.3)	(2.3)
Automotive Glass	103.7	217.3	111.4	221.2	7.7	3.9
Technical Glass	12.3	24.7	10.6	21.6	(1.8)	(3.1)
Other	0.2	0.4	0.2	0.3	(0.1)	(0.2)
<b>Total Revenue</b>	<b>206.0</b>	<b>422.4</b>	<b>210.6</b>	<b>420.8</b>	<b>4.5</b>	<b>(1.7)</b>
<b>Operating profit</b>						
Architectural Glass	3.3	6.7	5.2	11.8	1.8	5.2
Automotive Glass	1.0	3.5	1.1	3.5	0.2	0.0
Technical Glass	1.9	3.9	1.1	2.3	(0.8)	(1.6)
Other	(0.7)	(3.8)	(2.2)	(5.7)	(1.5)	(1.8)
<b>Total Operating profit</b>	<b>5.5</b>	<b>10.2</b>	<b>5.1</b>	<b>12.0</b>	<b>(0.4)</b>	<b>1.8</b>

## 2. Forecast for Financial Year ending 31 March 2026

- Full-year forecast remaining unchanged. Expecting uncertainty due to impact of US tariff policy while modest European market improvement in H2
- Assuming appreciated JPY for major foreign currencies, compared to FY2025/3
- Increase of energy and material costs assumed with other costs rise including labor reflecting inflation
- Taking further actions across the Group to improve profits early including cost reductions

### <Forecast for Financial Year ending 31 March 2026>


(JPY bn)	FY2026/3 H1 Fcst	FY2026/3 H1 Act	FY2026/3 Full-year Fcst (No change)	FY2025/3 Full-year Act (Reference)
<b>Revenue</b>	<b>420.0</b>	<b>420.8</b>	<b>850.0</b>	<b>840.4</b>
<b>Operating profit</b>	<b>10.0</b>	<b>12.0</b>	<b>31.0</b>	<b>16.5</b>
Exceptional items (net)	1.0	(0.6)	1.0	(5.2)
<b>Operating profit after exceptional items</b>	<b>11.0</b>	<b>11.4</b>	<b>32.0</b>	<b>11.2</b>
Finance expenses (net)	(13.0)	(13.5)	(27.0)	(25.3)
Share of JVs and associates' profits	3.0	2.5	6.0	5.5
<b>Profit/(loss) before taxation</b>	<b>1.0</b>	<b>0.4</b>	<b>11.0</b>	<b>(8.5)</b>
<b>Profit/(loss) for the period</b>	<b>(2.0)</b>	<b>(3.4)</b>	<b>4.0</b>	<b>(13.5)</b>
<b>Net profit/(loss) *</b>	<b>(3.0)</b>	<b>(4.2)</b>	<b>2.0</b>	<b>(13.8)</b>

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

### 3. US Tariff Policy Impact on Business

## US Tariff Policy Impact on Business

**Glass products basically being manufactured locally at the place of consumption.**  
**Both positive and negative impacts only in some businesses and regions.**  
**Eyes on the policy and mitigating its impact with price pass-through, while uncertainty**



**1. Impact on Revenue**

(1) Architectural glass business

- Decline in demand arising from investment restraint due to economic uncertainty in USA
- Solar energy glass in Asia affected by customer's production adjustment in response to tariff policy, while solid demand in US as Chinese competitors are subject to higher tariff

(2) Automotive glass business

- Original Equipment (OE)  
Affected by reduced demand for US bound vehicle production
- After Glass Replacement (AGR)  
Improvement in sales price benefitting from the difference in tariff rates against competitive products from China


**2. Impact on Cost**

- Impacts of higher input costs particularly in North America being mitigated with price pass-through

### 4. Update of "2030 Vision: Shift the Phase"

## 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 H1 Actual
Profitability (P/L)	Operating profit	JPY 64.0 bn		JPY 12.0 bn: increase YoY with improvement in European Architectural glass business
	ROS	7%	10% or more	2.9% : increased by 0.4pt YoY
Cash Generation (C/F)	Free cash flow	JPY 27.0 bn		JPY (19.6) 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 537.9 bn : increased by JPY 13.1 bn from the previous year end
	Shareholders' equity ratio	15%		10.4% : decreased by 0.1pt from the previous year end, improved by 0.5pt from Q1

## Update of "2030 Vision: Shift the Phase" - 4 "D"s

**Commitments to MTP and its 4 "D"s being unchanged despite the market downturn.**  
**Promoting expansion of high value-added business to reduce market dependence**



**1. Business Development**

- Investment in Japan to enhance coating capacity for Low-E glass (Announced on Jun 16)
- Investing in the Future: Advanced glass coating line in Poland (Announced on Sep 2)
- Commencing capital investment in APBL (Advanced Press Bending Laminated) equipment at an automotive facility in North America

⇒ Accelerating expansion of high-value added products

**2. Decarbonization**

- New solar array in Ottawa, USA (Announced on May 30)
- Opens new glass production line in St Helens, UK. Started producing two lines with one furnace (Announced on Jul 11)


⇒ Contributing to CO<sub>2</sub> emission reduction

**3. Digital Transformation**

- Expands deployment of Voxel's AI powered safety platform across global manufacturing sites (Announced on Oct 16)

**4. Diverse Talent**

- Conducting Your Voice employee engagement survey to enhance the work environment and competitiveness



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