NSG

GROUP

NSG Group
2023/3 Quarter 1 Results
(from 1 April 2022 to 30 June 2022)

Nippon Sheet Glass Company, Limited
Reiko Kusunose, Senior Executive Officer & CFO

5 August 2022

Agenda

1. Financial Year ending 31 March 2023 Quarter 1 Results
2. Forecast for Financial Year ending 31 March 2023
3. Update of Transformation Initiatives under Revival Plan 24 (RP24)
4. Summary

1. Financial Year ending 31 March 2023 Quarter 1 Results

Consolidated Income Statement

Continued strong Architectural and Technical Glass performance. Solid start with additional benefit from exceptional gains

(JPY bn)	Q1		
	2022/3	2023/3	Change
Revenue	147.7	**177.9**	30.2
Operating profit	7.2	**8.3**	1.1
ROS: Return on sales (%)	4.8%	**4.6%**	(0.2) pt
Exceptional items (net)	(0.2)	**2.3**	2.5
Operating profit after exceptional items	7.0	**10.6**	3.6
Finance expenses (net)	(2.9)	**(2.8)**	0.1
Share of JVs and associates' profits	1.5	**2.2**	0.8
Other gains/(losses) on equity method investments	-	**(1.2)**	(1.2)
Profit before taxation	5.5	**8.8**	3.3
Profit for the period	2.9	**3.3**	0.4
Net profit *	2.5	**2.4**	(0.2)
EBITDA	16.5	**18.0**	1.6

* Profit attributable to owners of the parent

Sales increased in all SBU partly supported by weaker JPY. (Without Battery Separator business disposed in Sep. 2021)
Strong performance of Architectural and Technical covered Automotive

【Sales and Operating Profit : vs PY】

(JPY bn)	Sales	Operating profit
Architectural	+21.1	+2.8
Automotive	+10.7	(2.0)
Technical	(1.4)	+0.4
Others	(0.1)	(0.1)
Grp. Total	**+30.2**	**+1.1**

Received settlement money following tornado damage in the USA in 2017

Immediate impairment of share of profits earned at JV in Russia

Taxation charges calculated based on the effective rate expected for the full-year

The Group's consolidated income statement is shown on slide 5.

You can see the actual results for the first quarter of the previous year to the left, and for this year to the right.

The Group's cumulative revenue increased by 30.2 billion yen, +20% to 177.9 billion yen, which mainly reflected the improvement in Architectural Glass business and weaker JPY. At constant exchange rates, cumulative revenues would have increased by 13%.

And operating profit was 8.3 billion yen improved by 1.1 billion yen, +15％ year on year, with loss of Automotive covered by profit generated by Architectural and Technical Glass businesses.

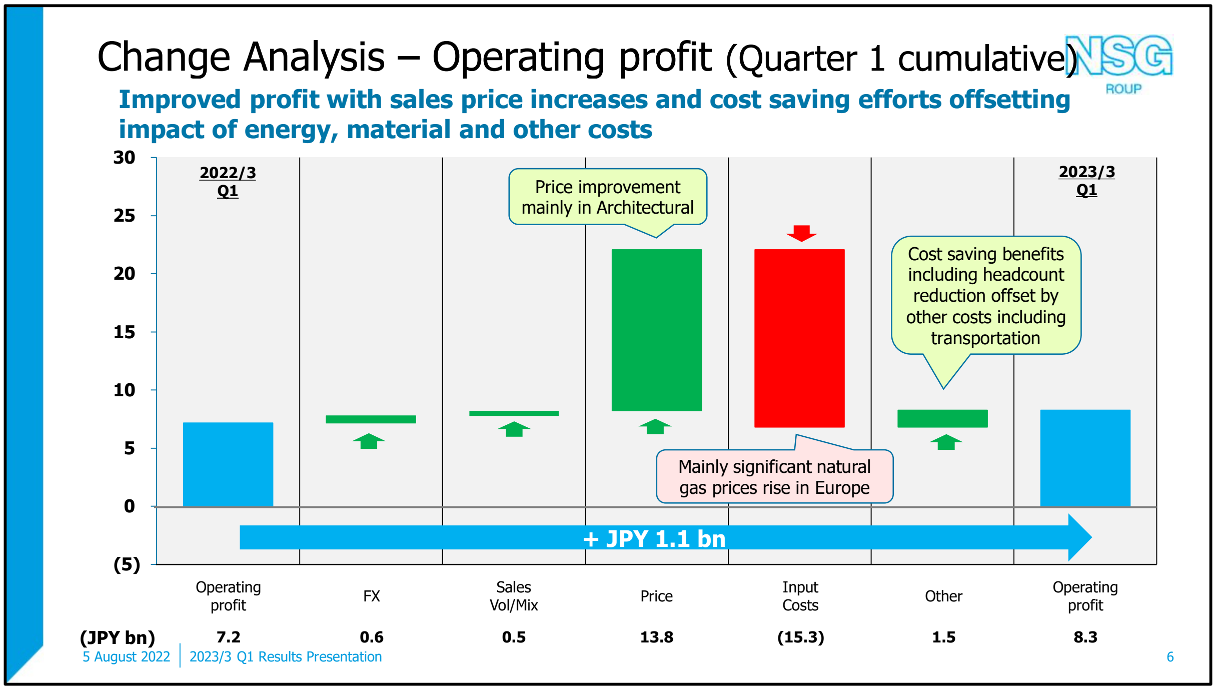
Net of exceptional items were gain of 2.3 billion yen, which included a gain on additional settlement of USD 20 million agreed with the Group's insurer and broker following damage to the Group's facility in Ottawa in the USA, as a consequence of a tornado in February 2017. As a result, cumulative operating profit after exceptional items were 10.6 billion yen.

In the share of JVs and associates' profits, the share of profits earned at the joint venture in Russia were once recorded, but immediately impaired, since part of the Group's equity investment was already impaired in the previous year.

Taxation charges were 5.5 billion yen, which was relatively high as a result of calculation based on the reasonably estimated effective rate for the full-year, and the profit for the period was 3.3 billion yen.

Net profit was 2.4 billion yen, which was almost the same level as the previous year. This is due to that the increase of operating profit and operating profit after exceptional items were offset by the increase of taxation and profit attributable to non-controlling interests.

However, the Group regards it as solid start under the current business environment with much uncertainty.



Slide 6 lays out change analysis of the year-on-year operating profit movement for the first quarter.

A comparison is made between the operating profit before exceptional items which were 7.2 billion yen of previous year and 8.3 billion yen of this year which generated 1.1 billion yen gain.

Positive 0.6 billion yen in 'FX' due to weaker Japanese yen would have increased the operating profit from the previous year.

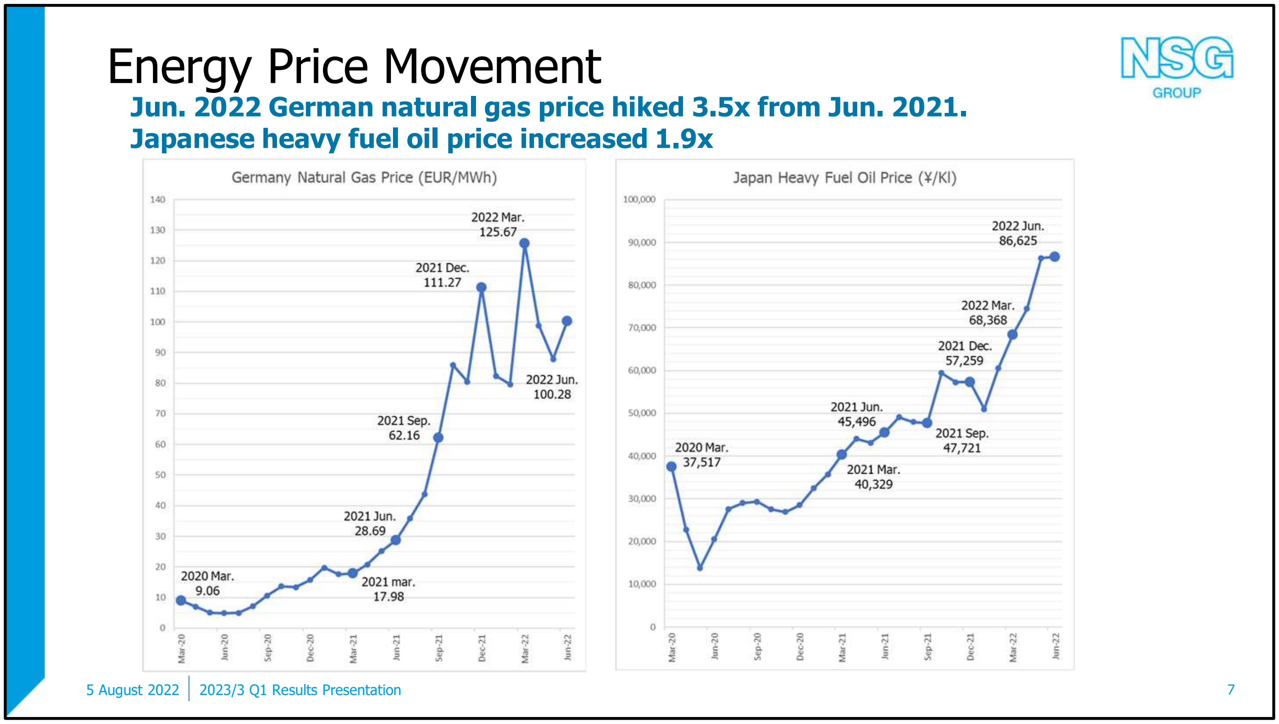
'Sales Volume/mix' improved by 0.5 billion yen,
mainly reflecting continued worldwide favourable demand in Architectural Glass business.

Positive 13.8 billion yen in 'Price' is due to the higher sales prices mainly in Architectural Europe with energy surcharge system accompanied with continuous good demand and supply balance.

Negative 'Input costs' by 15.3 billion yen was impacted by mainly higher energy prices, especially natural gas in Europe.

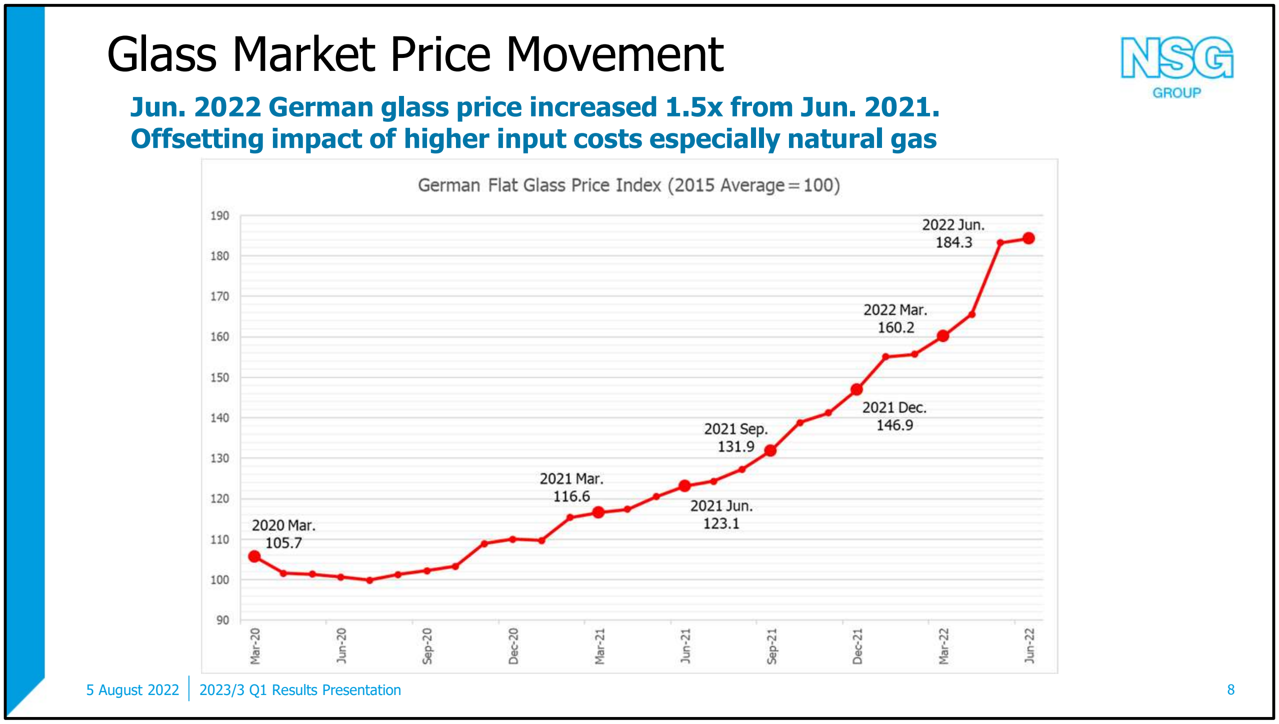
Positive 1.5 billion yen in 'Other' was affected by other costs including transportation, however, which were offset by cost saving benefits of the Group's cost transformation initiatives under the Revival Plan 24 (RP24).

Higher input costs could be completely offset by price improvement and cost saving efforts across the Group in the first quarter.



Next slide 7 shows the movements of energy prices.

The left chart shows the movement of natural gas price in Germany,
and the right shows the heavy fuel oil in Japan.
You can see the natural gas price hike in Germany
as well as heavy fuel oil price increase in Japan.
Especially in Germany, the average price of natural gas in July exceeded EUR 172 / MWh,
soaring prices continue.



Slide 8 shows the glass market price movement in Germany.

The glass price of June 2022 increased significantly from June 2021 by 1.5 times. This higher glass price has been offsetting the impact of input costs rise especially natural gas in Europe.

Consolidated Balance Sheet

NSG GROUP

Improvement in shareholders' equity ratio above 18% with positive factors including net profit generation

(JPY bn)	31 March 2022	30 June 2022	Change
Total Assets	**939.3**	**1,003.5**	**64.2**
Non-current assets	637.0	686.3	49.3
Current assets	302.2	317.2	15.0
Total Liabilities	**769.9**	**793.9**	**23.9**
Current liabilities	306.7	330.3	23.6
Non-current liabilities	463.2	463.6	0.4
Total Equity	**169.4**	**209.6**	**40.3**
Shareholders' equity	145.3	181.5	36.2
Shareholders' Equity Ratio	**15.5%**	**18.1%**	**+2.6pt**
Net Debt	**365.2**	**388.0**	**22.8**

Mainly increase in tangible fixed assets and value of financial derivative assets

Mainly increase in inventory

Mainly increase in loans

Recovered above 18% with net profit, positive revaluation of energy hedge derivatives, reduction in retirement benefit obligations and weaker JPY

Increase mainly free cash outflow and weaker JPY

The Group's consolidated balance sheet is presented on slide 9.

As of the end of June 2022, total assets were 1 trillion and 3.5 billion yen, partly due to the depreciation of the yen.
From the end of March 2022, it increased by 64.2 billion yen and exceeded 1 trillion yen.
The Group's non-current assets increased by 49.3 billion yen from March mainly due to increase of tangible fixed assets and financial derivative assets which reflected worldwide energy price hike.

Current assets increased by 15.0 billion yen from March mainly due to increase of inventory, especially in Architectural glass reflecting higher material and energy costs.

Current liabilities increased by 23.6 billion yen from March due to increase in loans.

Shareholders' equity improved further by 36.2 billion yen to 181.5 billion yen, reflecting net profit, positive revaluation of energy hedge derivatives, decrease of retirement benefit obligations and depreciated yen.

As a result, shareholders' equity ratio increased by 2.6 points from the previous year-end to 18.1%, which was still staying above a financial target of RP24, more than 10%.

Net Debt increased by 22.8 billion yen mainly reflecting free cash outflow and weaker JPY.

Consolidated Statement of Cash Flows

NSG GROUP

Negative free cash flow due to seasonal working capital movement.
Aiming to achieve positive free cash flow and RP24 target for the full-year, consistent with the previous year

(JPY bn)	Q1		
	2022/3	2023/3	Change
Net cash flows from operating activities	**(0.8)**	**(3.2)**	**(2.4)**
included above: Net change in working capital	(12.0)	(20.0)	(8.1)
Net cash flows from investing activities	**(8.8)**	**(9.7)**	**(0.8)**
included above: Purchase of property, plant and equipment	(8.3)	(9.1)	(0.8)
Free cash flow	**(9.6)**	**(12.9)**	**(3.3)**
Net cash flows from financing activities	**(3.2)**	**2.0**	**5.2**
(Decrease)/increase in cash and cash equivalents	**(12.7)**	**(10.8)**	**1.9**
Cash and cash equivalents at the end of the period	**41.6**	**52.0**	**10.4**

Seasonal working capital movement together with impact of foreign exchange movement

Almost same level with 2022/3

Negative free cash flow mainly due to working capital increase. Aiming at positive for full-year

Consolidated statement of cash flows is discussed in slide 10.

Net cash flows from operating activities for the first quarter were outflow of 3.2 billion yen, which was worse by 2.4 billion yen compared with the previous year
mainly due to increased working capital.
Working capital increase was due to seasonality and depreciated yen.

Net cash flows from investing activities were almost same as the previous year
with less level of purchase of property, plant, and equipment than expected
in the first quarter.

As a result, free cash flow was outflow of 12.9 billion yen for the first quarter.
As explained, it is mainly due to working capital movement,
and the Group continues to aim to achieve a financial target of RP24,
more than 10.0 billion yen inflow, as we implemented in the previous year.

Segmental Information

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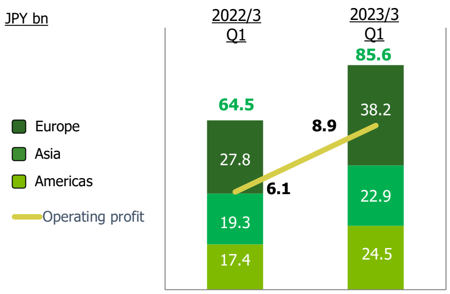
(JPY bn)	2021/3 Q1				2022/3 Q1			2023/3 Q1			Change	
	Revenue	%	Operating profit	Operating profit after COVID*	Revenue	%	Operating profit	Revenue	%	Operating profit	Revenue	Operating Profit
Architectural	**44.9**	**49%**	**2.7**	**(2.2)**	**64.5**	**44%**	**6.1**	**85.6**	**48%**	**8.9**	**21.1**	**2.8**
Europe	16.0	17%			27.8	19%		38.2	21%		10.4	
Asia	19.2	21%			19.3	13%		22.9	13%		3.6	
Americas	9.7	11%			17.4	12%		24.5	14%		7.1	
Automotive	**38.7**	**42%**	**(2.9)**	**(9.3)**	**70.9**	**48%**	**1.3**	**81.6**	**46%**	**(0.7)**	**10.7**	**(2.0)**
Europe	16.6	18%			31.2	21%		33.7	19%		2.5	
Asia	9.9	11%			15.1	10%		14.5	8%		(0.6)	
Americas	12.2	13%			24.6	17%		33.4	19%		8.8	
Technical Glass	**8.1**	**9%**	**1.4**	**1.2**	**11.4**	**8%**	**2.8**	**9.9**	**6%**	**3.2**	**(1.4)**	**0.4**
Europe	1.3	1%			2.1	1%		2.1	1%		0.0	
Asia	6.5	7%			9.0	6%		7.5	4%		(1.5)	
Americas	0.3	0%			0.3	0%		0.4	0%		0.0	
Other	**0.2**	**0%**	**(1.8)**	**(1.8)**	**0.9**	**1%**	**(3.1)**	**0.8**	**0%**	**(3.1)**	**(0.1)**	**(0.1)**
Total	**91.9**	**100%**	**(0.6)**	**(12.1)**	**147.7**	**100%**	**7.2**	**177.9**	**100%**	**8.3**	**30.2**	**1.1**

*Operating profit after COVID-19 related exceptional items

Slide 11 lays out Q1 revenue and profit by the business segments for last three years.
I will explain each SBU results from next slide.

Architectual (Rev▲, Profit▲)

Continued favourable demand in all regions. Significant profit increase with price improvement offsetting input cost rises particularly energy



(JPY bn)		Q1		
		2022/3	2023/3	Change
Revenue		**64.5**	**85.6**	**21.1**
	Europe	27.8	38.2	10.4
	Asia	19.3	22.9	3.6
	Americas	17.4	24.5	7.1
OP		**6.1**	**8.9**	**2.8**

Europe (Rev▲, Profit▲)

- Strong demand continuing
- Continued higher input and logistics costs particularly natural gas offset by sales price improvement

Asia (Rev▲, Profit▲)

- Favourable demand continuing including Japan, with good progress in price improvement
- Robust demand for solar energy glass

Americas (Rev▲, Profit▲)

- Increased sales volume and price reflecting strong demand, although shipments constrained due to shortages of transportation capacity in North America
- Continued strong demand of solar energy glass
- Strong demand continuing in South America

Please move to slide 12 – from this slide the results of each business will be discussed.

Architectural revenues have been improving significantly from the previous year with strong demand, and price improvement in all regions.
Operating profit also improved significantly, as energy price increases were offset by sales price increase reflecting strong demand and supply balance, and cost saving efforts.

Revenues and profits in Europe were better compared to the previous year.
Strong demand is continuing not only in new construction but also renovation markets.
Spike of higher input costs and logistic costs were offset by higher sales price including energy surcharge system, and cost saving efforts.

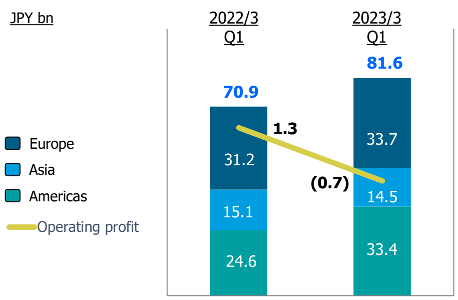
In Asia, revenues and profits showed better results than previous year.
Volume and price improvement progressed in Japan and positive performance continued in other countries reflecting economic recovery.
Also, robust demand for solar energy glass continued.

In Americas, revenues and profits were better than the previous year.
In North America, sales volume increased reflecting strong demand, while shipments constrained to some extent by shortages of transportation capacity.
Sales prices also increased reflecting energy surcharge system.
Strong demand of solar energy glass continued.

In South America, strong demand is continuing.

Automotive (Rev▲, Profit▼)

Revenue increased in Q1 partly due to foreign exchange movement, while continuously affected by constrained vehicle build due to component parts shortage



(JPY bn)	Q1		
	2022/3	2023/3	Change
Revenue	**70.9**	**81.6**	**10.7**
Europe	31.2	33.7	2.5
Asia	15.1	14.5	(0.6)
Americas	24.6	33.4	8.8
OP	**1.3**	**(0.7)**	**(2.0)**

Europe (Rev▲, Profit▼)
Asia (Rev▼, Profit▼)
Americas (Rev▲, Profit▲)

- Continuous constrained vehicle build due to shortage of component parts such as semiconductors. Sales volume in Asia including Japan severely affected by lockdowns in China
- Sales price increase negotiation with vehicle manufacturers in progress in all regions
- Worse profitability in Europe and Asia due to input cost rises despite continuous cost reduction efforts

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Slide 13 discusses the results of the Group's Automotive business.

In Automotive business, revenue increased from the previous year as a whole, partly due to foreign exchange movement, although the car manufacturers continued to face restricted production caused by a shortage of semiconductor and other components .

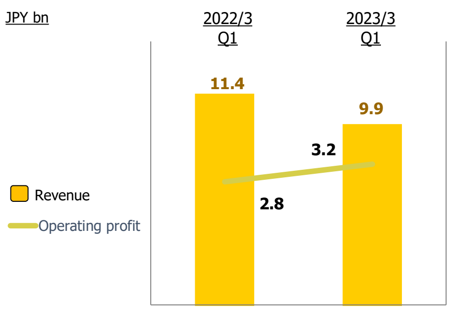
Sales volume reduced in Europe and Asia, particularly in Japan where lockdowns in China severely affected component supplies to vehicle manufacturers.

On the other hand, negotiations with vehicle manufacturers to improve sales price has been in progress in all regions, and some realization will be seen from the second quarter.

On top of insufficient sales volume, negative impact of higher energy and material costs, which offset continued cost saving benefits led to operating loss.
Especially in Europe and Asia, profitability reduced.

Technical Glass (Rev▲, Profit▲)

Improved revenue and profit, with stable demand and cost reduction efforts (like-for-like basis without battery separator business disposed in September 2021)



(JPY bn)	Q1		
	2022/3	2023/3	Change
Revenue	**11.4**	**9.9**	**(1.4)**
OP	**2.8**	**3.2**	**0.4**

Technical Glass

- Further improvement in fine glass based on continued cost reduction efforts and better sales mix
- Demand for printer lenses continued to be supported by work from home and school from home demand
- Stable demand for glass cord particularly in replacement market.
  Demand for Metashine® fell slightly with difficult conditions in automotive markets

Slide 14 lays out the results of the Technical Glass business.

Revenue and profit are improved from the previous year, reflecting continuous stable demand and cost reduction efforts. (This is like-for-like basis without battery separators business disposed in last September.)

Fine glass business improved further based on continued cost reduction efforts and better sales mix.

Printer lenses sales volume is supported continuously by work from home and school from home demand.

Glass cord had stable demand in replacement market. Demand for Metashine® fell slightly for automotive markets due to vehicle production constraints.

However, overall profitability has been improving further.

2. Forecast for Financial Year ending 31 March 2023

Assumptions for 2023/3 Forecast

Group	**H1 forecast and full-year sales forecast revised upward reflecting relatively strong performance in Q1 mainly in Architectural** • Depreciation of JPY continuing • Assume continuous input cost increases, with higher energy costs and worldwide inflation trend • Uncertain business environment in H2 anticipated with potential recessionary conditions caused by rising interest rates • Focusing on profitability improvement through continuous cost reduction, expansion of VA products and price increase across the whole Group
Architectural Glass	**Favourable demand and supply situation expected, while impact of higher energy cost assumed especially in Europe and potential recession concern in the USA** • Europe : sales prices improving with tighter demand and supply balance while uncertainty of energy supply, input cost hike continuing • Asia : volume and price improving in Japan. Cold repair in Vietnam has started • NA : favourable domestic market expected though recession concerned due to interest rates hike SA : continued tight demand and supply environment. Contribution of new float furnace in Argentina SOP from Q2 • Solar energy glass : continued robust demand. New installation of online coating capacity in Malaysia
Automotive Glass	**Affected by component shortage and higher input costs, despite strong vehicle demand** • Anticipating continued strong vehicle demand and car inventory replenishment • Further progress of sales price increase negotiation with customers to be realized from Q2 • Continued component shortages to be resolved gradually although a little behind original forecast • Aiming for operating profit with cost reduction efforts, expansion of VA products and price increase offsetting higher energy and material costs
Technical Glass	**Continuous overall stable business environment** • Continued cost reduction efforts and better sales mix contributing to fine glass • Demand for printer lens to be supported by working from home demand • Stable demand mainly in replacement market for glass cord

The following slides discuss the full-year forecast for financial year ending March 2023.
Slide 16 shows the assumptions used for the forecast.

The Group has revised its forecast upward for the first half of the year and the revenue of the full year, reflecting weaker JPY and the relatively strong financial performance that the Group has recorded during the first quarter, particularly in Architectural business.
However, profits forecast for full-year is remained with the 2023/3 forecast originally disclosed on 12 May.
This is because we have incorporated an uncertain business environment in H2, such as soaring energy prices, rising input costs reflecting global inflation trends, and the risk of recession due to the effects of rising interest rates.
The Group will continue to focusing on profitability improvement through cost reduction, expansion of value-added products and price increase across the whole Group to mitigate the impacts of these potential risk factors.

When we discuss by each business,
In Architectural business;
In Europe, anxiety about energy supply centered on natural gas and rising raw material costs are expected to continue.
While preparing countermeasures, we expect price increases to reflect a favorable supply and demand environment.
In Asia, price are expected to recover due to the price increase disclosed on July 15th in addition to volume increase in Japan, although the cold repair in Vietnam which has started may affect profitability to some extent.

In North America, continuous strong demand is expected,
though recession concern owing to rapid rise in interest rates.
In South America, the tight supply and demand environment will continue,
and the operation of the new float line in Argentina will start in the second quarter,
Which is expected to contribute from H2.
In solar energy glass, continued strong demand is assumed.
As disclosed today, a float line at the Johor Bahru factory of Malaysian Sheet Glass,
A member of the Group, plans to install online coating capacity,
And start production of TCO glass for solar panel during the fourth quarter of 2024/3,
in response to the capacity increase in Asia by First Solar Inc.

In Automotive business;
Impact of car components shortage is anticipated to continue for a while,
And impact of higher energy and material cost is also assumed to continue,
Although the strong demand for vehicle is still existing.
However, negotiations with the vehicle manufacturers to increase sales price is progressing,
whose realization will be seen more from Q2,
and car production constraints due to component shortage is assumed to be resolved gradually.
The Group aims for operating profit with continuous cost reduction efforts,
expansion of value-added products and sales price increase.

In Technical Glass business; stable business environments are assumed to continue.

Forecast for Financial Year ending 31 March 2023

H1 forecast and full-year revenue forecast revised upward reflecting relatively strong financial performance in Q1

(JPY bn)	2023/3 H1 forecast (Previous)	2023/3 H1 forecast (Revised)	2023/3 Full-year fcst (Previous)	2023/3 Full-year fcst (Revised)	2022/3 Full-year Actual
Revenue	320.0	**360.0**	650.0	**690.0**	600.6
Operating profit	7.0	**11.0**	18.0	**18.0**	20.0
Exceptional items	2.0	**2.0**	2.0	**2.0**	3.6
Operating profit after exceptional items	9.0	**13.0**	20.0	**20.0**	23.6
Finance expenses (net)	(7.0)	**(6.0)**	(13.0)	**(13.0)**	(12.5)
Impairment of financial receivables owed by joint ventures and associates	-	**-**	-	**-**	(3.4)
Share of JVs and associates' profits	2.0	**2.0**	4.0	**4.0**	7.5
Other gains/(losses) on equity method investments					(3.4)
Profit before taxation	4.0	**9.0**	11.0	**11.0**	11.9
Profit for the period	2.0	**4.0**	5.0	**5.0**	6.8
Net profit *	2.0	**3.0**	4.0	**4.0**	4.1

*Profit attributable to owners of the parent

Slide 17 shows the forecast for 2023/3 based on the assumptions.

You can see the forecast for the first half of 2023/3 to the left,
and the forecast for the full-year to the right.
As explained in the previous slide, the Group has revised its forecast upward
for the first half of the year and revenue for the full-year,
but profits forecast for the full-year is unchanged.

Together with the initiatives according to RP24,
the group will continue to focus on profitability improvement
through cost reduction effort, expansion of value-added products
and price increase across the whole Group
to mitigate the impacts of potential risk factors and achieve full-year forecast.

3. Update of Transformation Initiatives under Revival Plan 24 (RP24)

Transformation Initiatives under Revival Plan 24

Continued RP24 initiatives underway for business to grow sustainably.
Shareholder's equity ratio improved further

Three Reforms

- **Business structure reform**
  - Installation of online coating capacity to existing float furnace in Malaysia to produce solar energy glass (Aiming at starting operation from 2024/3)
  - New float furnace construction in Argentina progressing for scheduled start of production in Q2
  - New sales of "METASHINE® Aurora Series", glittering pigment in response to environment friendly development

Two Key Initiatives

- **Restoration of financial stability (2023/3 Q1 actual)**
  - Recovery in shareholder's equity ratio above 18%
  - JPY 52.4 bn of cash and JPY 38.3 bn unused commitment lines at the end of June 2022

- **Transformation into more profitable business portfolio**
  - Integration of the Group's Automotive Glass business in China with a major Chinese automotive glass manufacturer

RP24: https://www.nsg.com/-/media/nsg/site-content/ir/ir-presentations/mtprp24presentation2021_e02.pdf

Please move to slide 19.
It shows the main progress of transformation initiatives taken under the Revival Plan 24 (RP24) starting from the financial year ended March 2022.

Although there are headwinds such as recession instability, restrictions on automobile production, and soaring prices of raw materials, we will continue and promote initiatives in the second year of the midterm management plan RP24. 'Three reforms' and 'Two key initiatives' are committed in RP24, aiming for the business to grow sustainability.

In 'Business structure reform' in 'Three reforms', the Group is expanding value-added businesses and developing new businesses for sustainable growth.
While solar energy glass has been already contributing to the Group's profit and environment, as explained, a float line at the Johor Bahru factory of Malaysian Sheet Glass, a member of the Group, plans to install online coating capacity, and start production of TCO glass for solar panel during the fourth quarter of 2024/3, in response to the capacity increase in Asia by First Solar Inc.
New float furnace construction in Argentina has been progressing and will start production in Q2.
In addition to these, "METASHINE® Aurora Series" has started to be sold for sales expansion as glittering pigment for partial make-up cosmetics in response to environment friendly development prevailed in cosmetic market.

In 'Two key initiatives', 'Restoration of financial stability' is progressed as shareholder's equity ratio improved further above 18% with the contribution of 'Cost structure reform' and 'Business structure reform' and the Group's energy cost hedging program results.

For 'Transformation into more profitable business portfolio', the Group has decided the direction to integrate the Group's Automotive business in China with a major Chinese automotive glass manufacturer.

4. Summary

Summary

1. **Financial Year ending 31 March 2023 Quarter 1 Results**
   - Continued profit with strong Architectural and Technical Glass performance
   - Impacted by higher energy, materials and other costs, offset by price improvements and cost reduction efforts
   - Solid start benefitting from exceptional gains
   - Further improvement in Shareholder's equity ratio with positive factors including net profit generation
2. **Forecast for Financial Year ending 31 March 2023**
   - H1 forecast and full-year revenue forecast revised upward reflecting relatively strong financial performance in Q1 and weaker JPY
   - Continuous impact of input cost increases anticipated, with higher energy costs and worldwide inflation trend
   - Full-year profits forecast unchanged considering H2 business environment uncertainty. The Group is paying close attention to outlook for the business environment
   - Focusing on profitability improvement through continuous cost reduction, expansion of VA products and price increase across the whole Group
3. **Update of Transformation Initiatives under Revival Plan 24**
   - Business structure reform: Decision to install online coating capacity to existing float furnace in Malaysia to produce solar energy glass
   - Restoration of financial stability : Further improvement in shareholder's equity ratio
   - Transformation into more profitable business portfolio : Decision to integrate the Group's Automotive Glass business in China with a major Chinese automotive glass manufacturer

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 and competitive environment in major markets, product supply and demand shifts, currency exchange and interest rate fluctuations, changes in supply of raw materials and fuel and changes and laws and regulations, but not limited.

Nippon Sheet Glass Company, Limited

Appendices

Financial Year ending 31 March 2023 Quarter 1 Results

- Consolidated Income Statement – Quarterly Trend
- Revenue & Operating Profit – Quarterly Trend
- Segmental Information by Quarter
- Exceptional items
- Revenue & Operating Profit – by Region
- Foreign Currency Exchange Rates and Sensitivity
- Depreciation & Amortization, Capital Expenditures, R&D Expenditures
- Energy Cost Breakdown

Consolidated Income Statement – Quarterly Trend

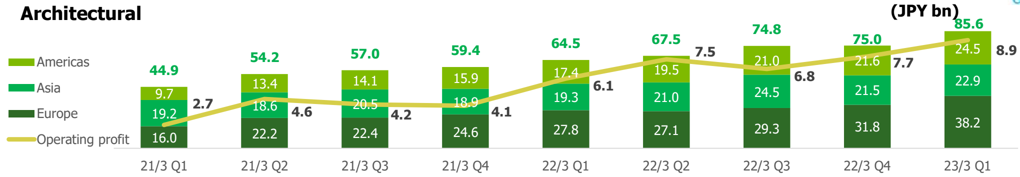
(JPY bn)	2021/3				2022/3				2023/03
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue	**91.9**	**129.7**	**135.8**	**141.9**	**147.7**	**143.0**	**152.3**	**157.6**	**177.9**
Operating profit/(loss)	**(0.6)**	**3.8**	**4.8**	**5.0**	**7.2**	**5.5**	**1.8**	**5.5**	**8.3**
Operating profit margin (%)	–	**2.9%**	**3.5%**	**3.6%**	**4.8%**	**3.9%**	**1.2%**	**3.5%**	**4.6%**
Exceptional items (COVID-19 related)	(11.5)	(1.3)	(1.2)	(2.1)	-	-	-	-	-
Operating profit/(loss) after COVID-19 related exceptional items	**(12.1)**	**2.5**	**3.6**	**3.0**	**7.2**	**5.5**	**1.8**	**5.5**	**8.3**
Exceptional items (Other)	(0.1)	(0.8)	1.0	(6.1)	(0.2)	4.7	(0.2)	(0.7)	2.3
Operating profit/(loss) after exceptional items	**(12.2)**	**1.7**	**4.6**	**(3.1)**	**7.0**	**10.2**	**1.7**	**4.8**	**10.6**
Finance expenses (net)	(2.4)	(3.0)	(2.1)	(3.5)	(2.9)	(2.9)	(3.2)	(3.4)	(2.8)
Impairment of financial receivables owed by joint ventures and associates	-	-	-	-	-	-	-	(3.4)	-
Share of JVs and associates' profits	(0.4)	0.2	1.0	1.3	1.5	1.9	2.2	1.9	2.2
Other gains/(losses) on equity method investments	-	-	-	0.6	-	-	-	(3.4)	(1.2)
Profit/(loss) before taxation	**(14.9)**	**(1.1)**	**3.5**	**(4.7)**	**5.5**	**9.2**	**0.7**	**(3.6)**	**8.8**
Profit/(loss) for the period	**(16.5)**	**(0.7)**	**3.7**	**(2.8)**	**2.9**	**6.7**	**1.0**	**(3.8)**	**3.3**
Net profit/(loss) *	**(16.4)**	**(0.9)**	**3.4**	**(3.0)**	**2.5**	**6.1**	**0.0**	**(4.5)**	**2.4**
EBITDA	**6.1**	**12.7**	**13.5**	**14.5**	**16.5**	**14.6**	**11.1**	**14.4**	**18.0**

*Profit (loss) attributable to owners of the parent

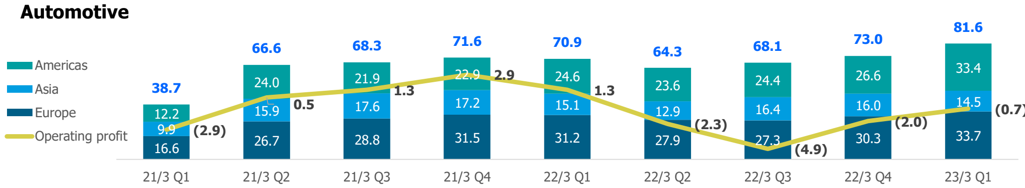
Revenue & Operating Profit – Quarterly Trend

(JPY bn)

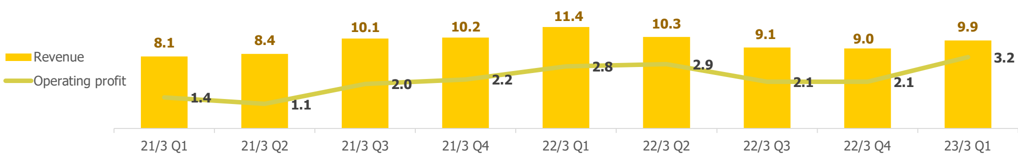
Architectural



Automotive



Technical Glass



Segmental Information by Quarter

(JPY bn)	2021/3					2022/3					2023/3
	Q1	Q2	Q3	Q4	Cum.	Q1	Q2	Q3	Q4	Cum.	Q1
Revenue: Architectural	**44.9**	**54.2**	**57.0**	**59.4**	**215.5**	**64.5**	**67.5**	**74.8**	**75.0**	**281.8**	**85.6**
Europe	16.0	22.2	22.4	24.5	85.2	27.8	27.1	29.3	31.8	116.0	38.2
Asia	19.2	18.6	20.5	18.9	77.2	19.3	21.0	24.5	21.5	86.2	22.9
Americas	9.7	13.4	14.1	16.0	53.1	17.4	19.4	21.0	21.6	79.5	24.5
Operating profit	**2.7**	**4.6**	**4.3**	**4.1**	**15.7**	**6.1**	**7.5**	**6.8**	**7.7**	**28.1**	**8.9**
OP after COVID*	**(2.2)**	**4.1**	**3.8**	**3.4**	**9.1**	**-**	**-**	**-**	**-**	**-**	**-**
Revenue: Automotive	**38.7**	**66.7**	**68.2**	**71.6**	**245.2**	**70.9**	**64.3**	**68.1**	**73.0**	**276.2**	**81.6**
Europe	16.6	26.7	28.8	31.5	103.6	31.2	27.9	27.3	30.3	116.7	33.7
Asia	9.9	15.9	17.6	17.3	60.6	15.1	12.9	16.4	16.0	60.4	14.5
Americas	12.2	24.1	21.9	22.9	81.0	24.6	23.6	24.4	26.6	99.2	33.4
Operating profit	**(2.9)**	**0.5**	**1.3**	**2.9**	**1.8**	**1.3**	**(2.3)**	**(4.9)**	**(2.0)**	**(7.9)**	**(0.7)**
OP after COVID*	**(9.3)**	**(0.6)**	**0.4**	**1.7**	**(7.8)**	**-**	**-**	**-**	**-**	**-**	**-**
Revenue: Technical	**8.1**	**8.4**	**10.1**	**10.2**	**36.8**	**11.4**	**10.3**	**9.1**	**9.0**	**39.8**	**9.9**
Europe	1.3	1.4	1.8	1.9	6.4	2.1	1.8	2.0	2.0	7.9	2.1
Asia	6.5	6.7	8.0	8.1	29.3	9.0	8.2	6.8	6.6	30.6	7.5
Americas	0.3	0.3	0.3	0.3	1.1	0.3	0.3	0.3	0.4	1.3	0.4
Operating profit	**1.4**	**1.1**	**2.0**	**2.2**	**6.7**	**2.8**	**2.9**	**2.1**	**2.1**	**9.9**	**3.2**
OP after COVID*	**1.2**	**1.0**	**2.1**	**2.2**	**6.5**	**-**	**-**	**-**	**-**	**-**	**-**
Revenue: Other	**0.2**	**0.4**	**0.5**	**0.6**	**1.7**	**0.9**	**0.8**	**0.3**	**0.7**	**2.7**	**0.8**
Operating profit	**(1.8)**	**(2.3)**	**(2.8)**	**(4.2)**	**(11.1)**	**(3.1)**	**(2.5)**	**(2.2)**	**(2.4)**	**(10.1)**	**(3.1)**
OP after COVID*	**(1.8)**	**(2.0)**	**(2.7)**	**(4.3)**	**(10.8)**	**-**	**-**	**-**	**-**	**-**	**-**
Revenue: Total	**91.9**	**129.7**	**135.8**	**141.9**	**499.2**	**147.7**	**143.0**	**152.3**	**157.6**	**600.6**	**177.9**
Operating profit	**(0.6)**	**3.8**	**4.8**	**5.0**	**13.1**	**7.2**	**5.5**	**1.8**	**5.5**	**20.0**	**8.3**
OP after COVID*	**(12.1)**	**2.5**	**3.6**	**3.0**	**(3.0)**	**-**	**-**	**-**	**-**	**-**	**-**

*Operating profit after COVID-19 related exceptional items

Exceptional Items

(JPY bn)	2022/3	2023/3
	Q1	Q1
Restructuring costs	(0.1)	(0.0)
Net impairment	-	(0.2)
Settlement of litigation matters	-	2.6
Others	(0.1)	(0.0)
Exceptional items – net	(0.2)	2.3

Revenue & Operating Profit – by Region

(JPY bn)	2022/3 Q1			2023/3 Q1			Change	
	Revenue	%	Operating profit/(loss)	Revenue	%	Operating profit/ (loss)	Revenue	Operating profit/(loss)
Europe	**61.0**	**41%**	**2.4**	**74.0**	**42%**	**2.4**	**12.9**	**0.0**
Asia	**43.3**	**29%**	**5.1**	**44.9**	**25%**	**5.0**	**1.5**	**(0.1)**
Americas	**42.4**	**29%**	**2.7**	**58.2**	**33%**	**4.0**	**15.9**	**1.3**
Other *	0.9	1%	(3.1)	0.8	0%	(3.1)	(0.1)	(0.1)
Total	**147.7**	**100%**	**7.2**	**177.9**	**100%**	**8.3**	**30.2**	**1.1**

* Revenue and Operating loss of Other Operation are not split by geographical regions.

Foreign Currency Exchange Rates and Sensitivity

Average rates used

	2021/3				2022/3				2022/3
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
GBP	133	135	136	139	153	152	153	153	163
EUR	118	121	123	124	132	131	131	130	138
USD	107	106	106	106	109	109	112	112	129
BRR	19.9	19.8	19.7	19.7	20.6	20.8	20.7	21.0	26.4
ARS	Closing rates are applied – hyperinflation								

Closing rates used

	2021/3				2022/3				2022/3
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
GBP	132	135	141	152	153	150	156	160	165
EUR	121	124	127	130	132	129	131	136	142
USD	107	105	103	111	111	112	116	122	136
BRR	19.9	18.7	19.8	19.1	22.3	20.6	20.4	25.5	26.2
ARS	1.53	1.38	1.22	1.20	1.16	1.13	1.12	1.10	1.09

Sensitivity
Increase (decrease) if the value of the yen depreciates by 1% - all other things being equal

	2022/3
Equity	JPY 4.0 billion
Profit for the period	Improve by JPY 0.1 billion

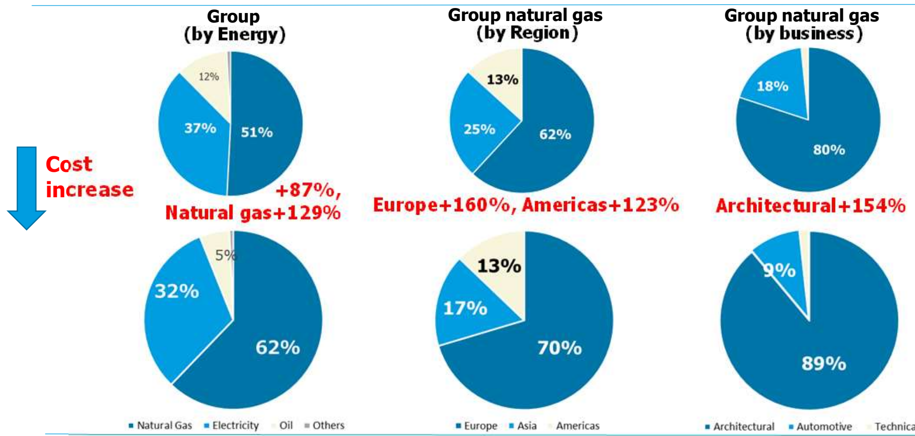
Depreciation & Amortization, Capital Expenditures, R&D Expenditures

(JPY bn)	2022/3 Q1	2023/3 Q1	2023/3 Full-year Forecast
Depreciation & Amortization	**9.3**	**9.8**	**39.0**
Capital expenditures	**4.2**	**6.2**	**40.0**
Ordinary	3.8	5.4	
Strategic projects and other	0.4	0.8	
R&D expenditures	**2.0**	**2.2**	**9.5**
Architectural	0.6	0.7	
Automotive	0.6	0.6	
Technical Glass	0.2	0.2	
Other	0.6	0.7	

Energy Cost Breakdown (2022/3→2023/3)

Energy costs +87%* YoY for the Group, +129% for natural gas.
Natural gas prices remaining high, now accounting for 62% of the Group's total energy spend.
Significant impacts in Europe and Americas by region, and in Architectural by business

2022/3 (Q1)

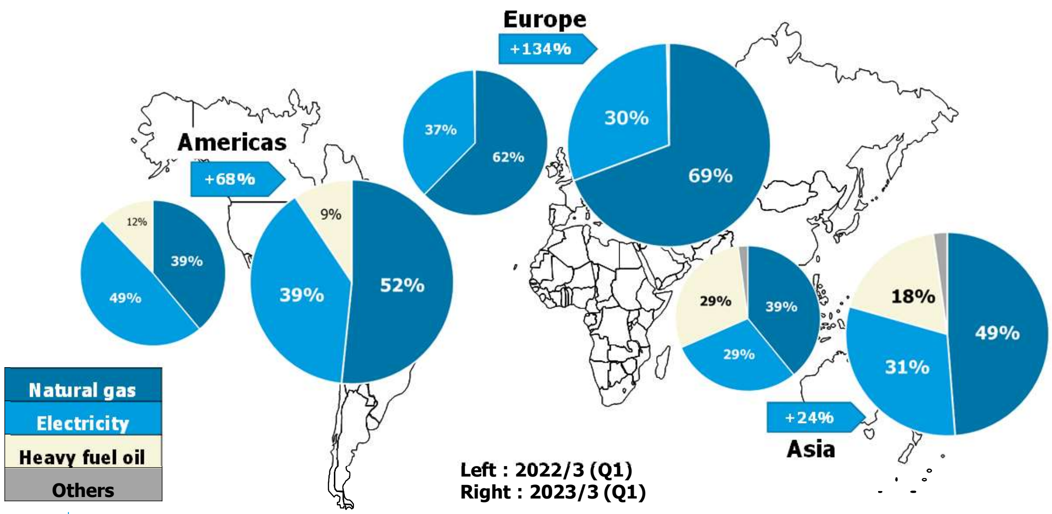


2023/3 (Q1)

* +70% without impact of weaker JPY

Energy Cost Breakdown (by region)

Significant impact to worldwide energy costs by natural gas price hike, especially in Europe and Americas



NSG

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