NSG

GROUP

NSG Group

FY2012 Annual Results

(from 1 April 2011 to 31 March 2012)

Nippon Sheet Glass Co., Ltd.
10 May 2012

Keiji Yoshikawa

Chief Executive Officer

Clemens Miller

Chief Operating Officer

Mark Lyons

Chief Financial Officer

FY2012 Annual Results
(from 1 April 2011 to 31 March 2012)

GROUP

Agenda

Introduction

Financial Results

FY2013 Outlook

Business Update

Restructuring Actions

Strategic Review

Summary

Key Points - April 2011 to March 2012

NSG GROUP

- Operating results in line with forecast
- New management team’s primary and immediate objective is profitability improvement
- Restructuring programs and efficiency enhancements will continue and accelerate
- Reduction in final dividend for FY2012 and removal of dividend for FY2013 reflects the current level of business performance
- FY2013 forecast reflects impact of initial restructuring actions.

Agenda

Introduction

Financial Results

Business Update

FY2013 Outlook

Restructuring Actions

Strategic Review

Summary

Consolidated Income Statement

NSG GROUP

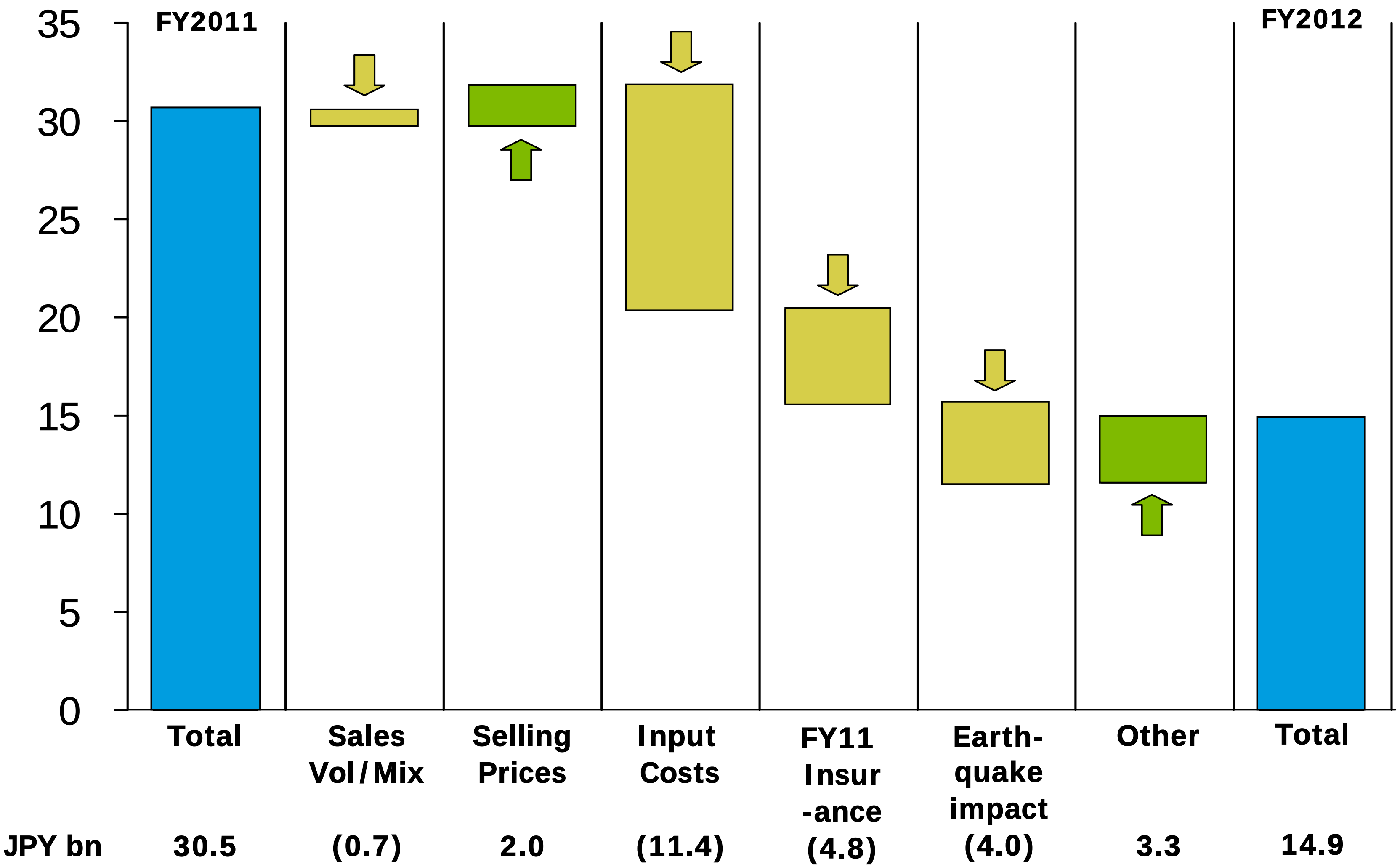
(JPY bn)	FY2012	FY2011	Change from FY2011
Revenue	**552.2**	**577.1**	**-4%****
Operating profit before amortization and exceptional items	**14.9**	**30.5**	
Amortization*	(7.2)	(7.6)	
Operating profit before exceptional items	**7.7**	**22.9**	
Exceptional items	**(3.3)**	**-**	
Operating profit	**4.4**	**22.9**	
Finance expenses (net)	(14.3)	(16.3)	
Share of JVs and associates	5.1	8.7	
Profit / (loss) before taxation	**(4.8)**	**15.3**	
Profit / (loss) for the period	**(1.7)**	**15.8**	
Profit / (loss) attributable to owners of the parent	**(2.8)**	**12.4**	
EBITDA	46.4	64.2	-28%

* Amortization arising from the acquisition of Pilkington plc only

** No change at constant exchange rates

Results in line with previous forecast

Operating Profit (before amortization)
Change Analysis



Increased input costs not recovered through selling prices

Consolidated Cash Flow Summary

NSG GROUP

	FY2012 (JPY bn)	FY2011 (JPY bn)
Profit for the period	(1.7)	15.8
Depreciation and amortization	38.7	41.4
Net change in working capital	(20.0)	1.1
Tax paid	(5.5)	(8.9)
Share of profit from joint ventures and associates	(5.1)	(8.7)
Movement in provisions and retirement benefit obligations	(17.4)	(14.7)
Others	1.1	(0.3)
Net cash provided by operating activities	(9.9)	25.7
Purchase of fixed assets	(27.9)	(29.9)
Divdends from joint ventures and associates	3.6	4.3
Others	(2.0)	0.5
Net cash used in investing activities	(26.3)	(25.1)
Cash flow before financing activites	(36.2)	0.6

Cash flow reflects reduced profitability

Key Performance Indicators

NSG GROUP

Key Performance Indicators	**31-Mar-12**	**31-Mar-11**
Net Debt (JPY bil)	351	313
Net Debt/EBITDA	7.6x	4.9x
Net Debt/Equity Ratio	2.0	1.4
	FY2012	**FY2011**
EBITDA Interest Cover	3.2x	3.9x
Operating Return* on Sales	2.7%	5.3%

*Before amortization arising from acquisition of Pilkington plc and exceptional items

Difficult trading conditions reflected in key performance indicators

FY2012 Annual Results
(from 1 April 2011 to 31 March 2012)

NSG GROUP

Agenda

FY2013 Income Statement Forecast
Full-year forecast

(JPY bn)	Forecast FY2013	Actuals FY2012
Revenue	**560**	**552**
Operating profit before amortization and exceptional items	**22**	**14.9**
Amortization*	(7)	(7.2)
Operating profit before exceptional items	**15**	**7.7**
Exceptional items	(19)	(3.3)
Operating (loss) / profit	**(4)**	**4.4**
Finance expenses (net)	(15)	(14.3)
Share of JVs and associates	5	5.1
Loss before taxation	**(14)**	**(4.8)**
Loss for the period	**(10)**	**(1.7)**
Loss attributable to owners of the parent	**(11)**	**(2.8)**

* Amortization arising from the acquisition of Pilkington plc only

Restructuring actions beginning to pay back

Dividend Policy

FY2012

- Final dividend is reduced to ¥1.5/share
- Total dividend payable for the year to 31 March 2012 is therefore ¥4.5/share

FY2013

- The Group expects to record a loss in the year to 31 March 2013
- It is therefore anticipated that no dividend will be paid with respect to this year

Dividend decision reflects current level of business performance

FY2013 Income Statement Forecast
Full-year forecast

- Market conditions expected to remain challenging
- Restructuring actions beginning to pay back through the year
  - JPY 5bn benefit expected in FY2013
- Results for the year include exceptional costs of JPY 19bn

Agenda

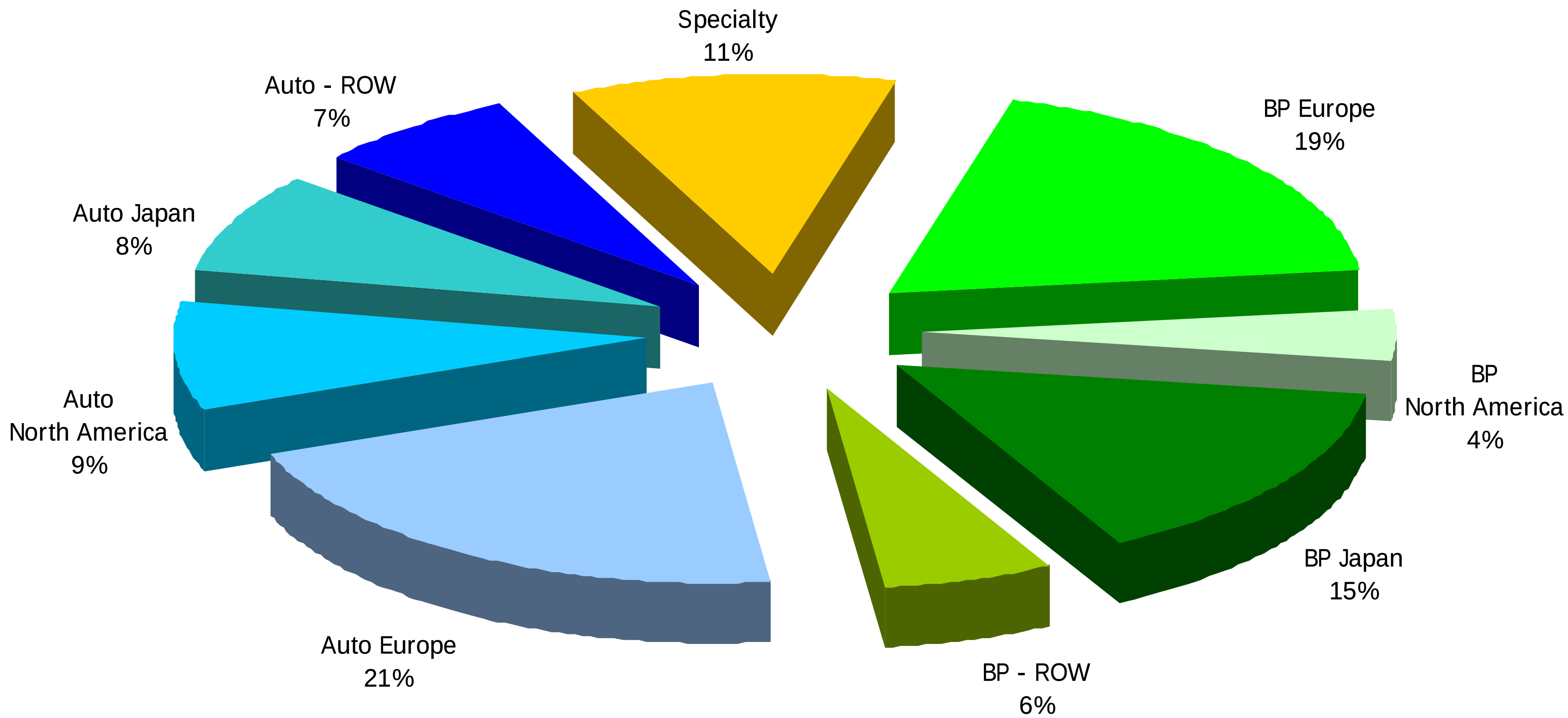
NSG Group Summary

- Ownership in 48 float lines worldwide
- Global Automotive OE customer base
- World-leading Automotive glazing Aftermarket supplier
- Strong position in technical glass applications including displays
- Principal manufacturing operations in 29 countries, with sales in c.130 countries

Leading position in global flat glass industry

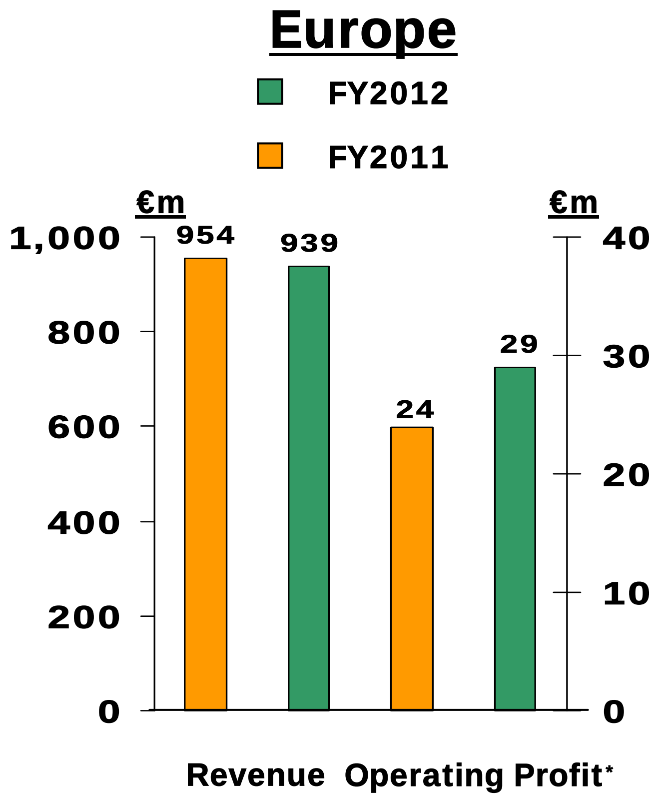
External Revenue – Group Businesses

¥ 552 billion

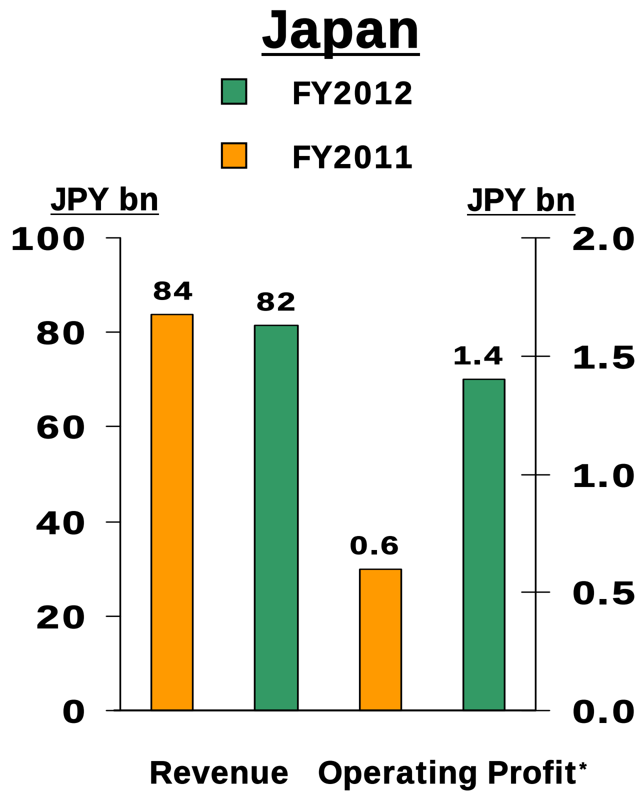


Cumulative FY2012

Building Products
FY2012 v FY2011



- Revenues down due to lower volumes
- Profits increased as favorable prices and cost savings offset increased input costs

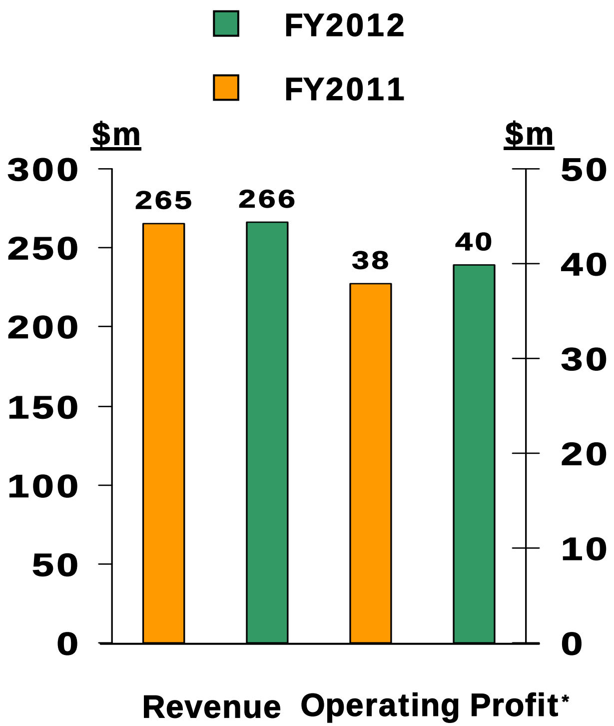


- Profits increased due to higher downstream volumes.
- Reduced solar dispatches impacting upstream revenues and profits

*: Operating profit before exceptional items

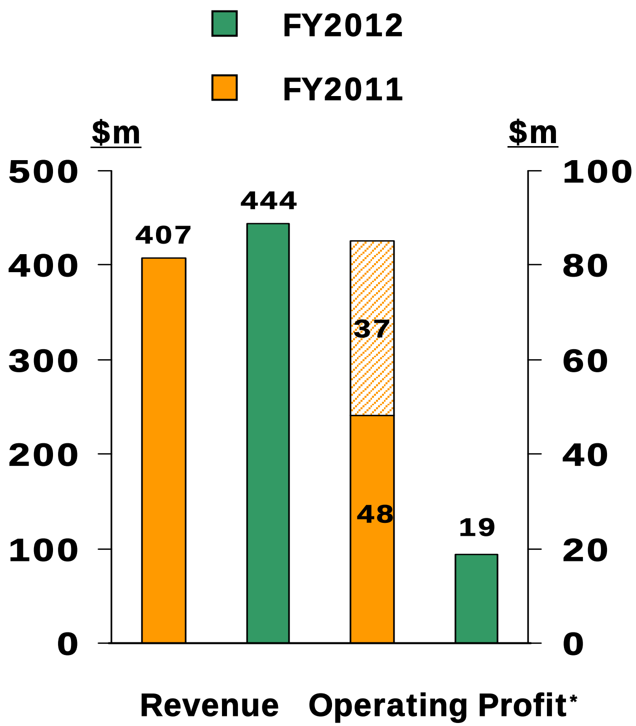
Building Products
FY2012 v FY2011

North America



- Revenues and profits similar to the previous year
- The domestic commodity products market remains weak

Rest of World**

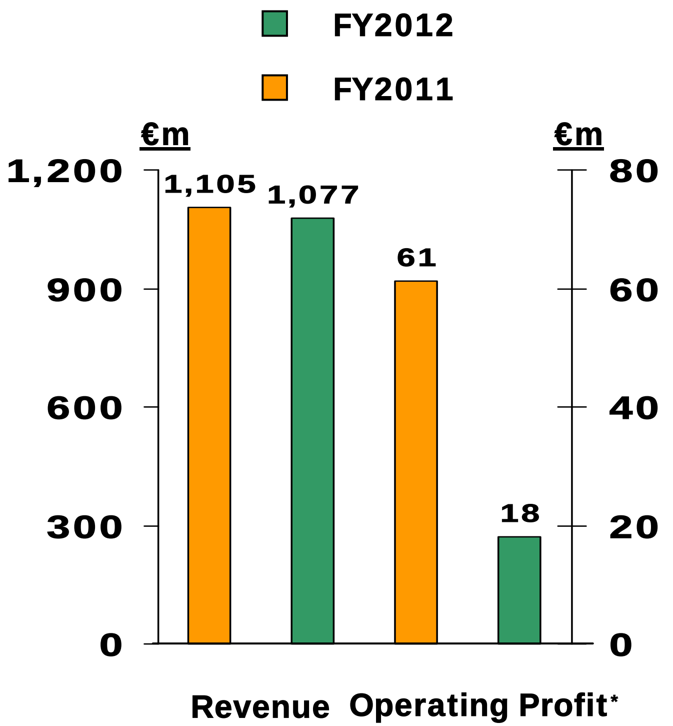


- Revenues robust in South America, with some volume growth
- Over capacity in China continues to affect results in South East Asia and China
- Impact of Chile insurance claim in FY2011 ($37m) shown separately

*: Operating profit before exceptional items
**: Rest of world includes Argentina, Chile, China, Malaysia and Vietnam

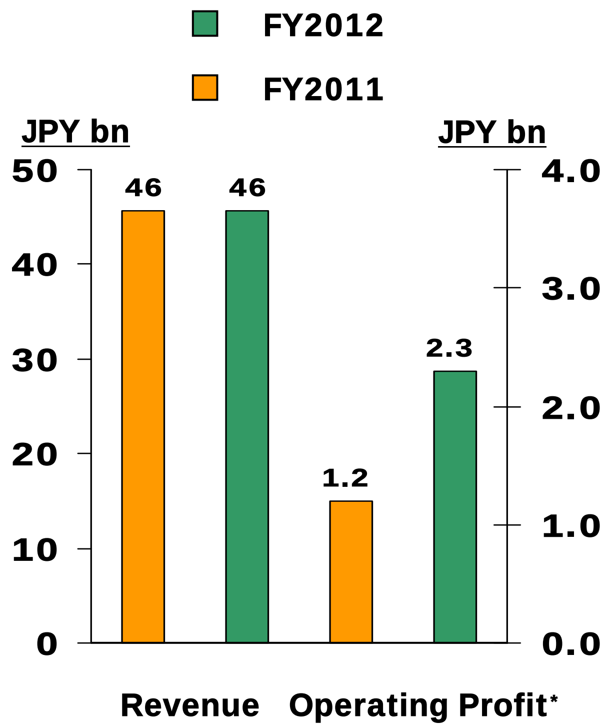
Automotive
FY2012 v FY2011

Europe



- Revenues similar to last year as vehicle exports offset weak domestic vehicle demand
- Profits impacted by demand volatility and increased input costs, not recoverable through pricing in the short term
- AGR business performing to expectations

Japan

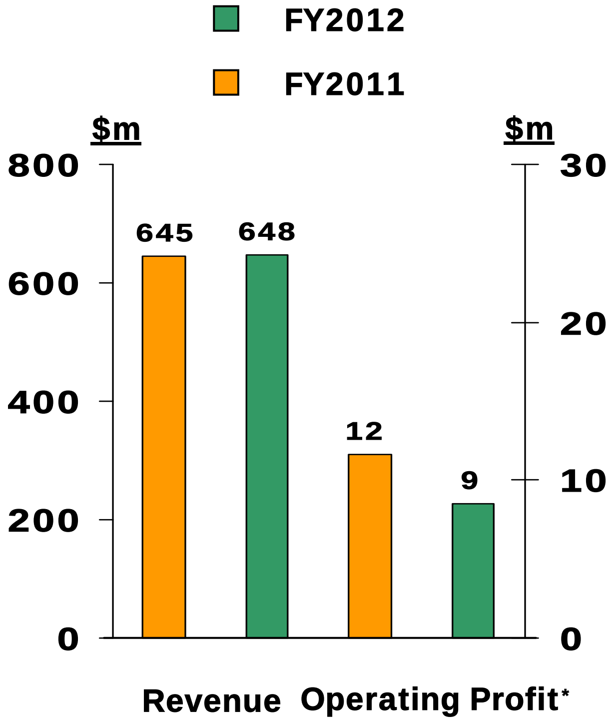


- Operations impacted significantly by earthquake and also floods in Thailand
- Sales above normal in Q4 as earlier lost production recovered
- Results improved as operations become higher loaded

*: Operating profit before exceptional items

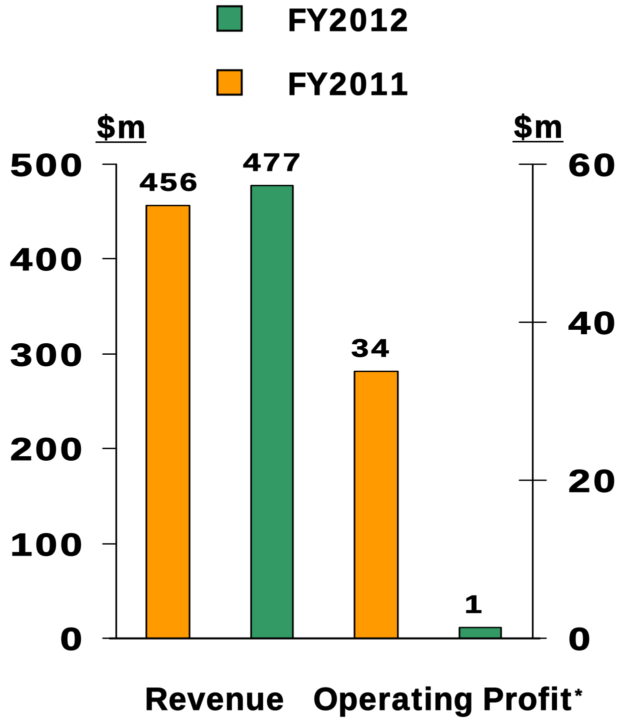
Automotive
FY2012 v FY2011

North America



- Profits fell due to demand volatility earlier in the year and increased input costs
- Demand improving and profits continue to recover
- AGR results were stable but some demand weakening experienced

Rest of World**

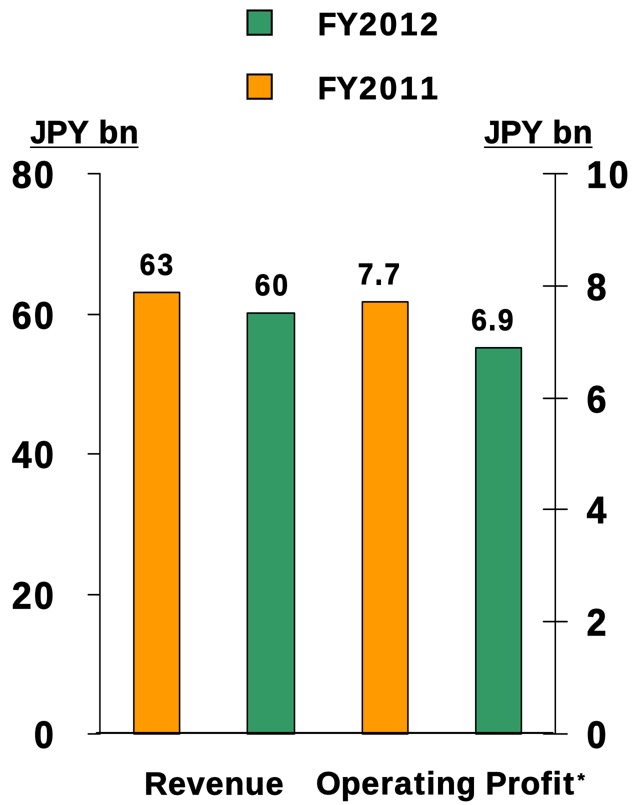


- Revenues improved on increased volumes in South America
- Profits impacted by start–up costs of new investments, increased input costs and demand volatility

*: Operating profit before exceptional items
**:Rest of world includes Brazil, Argentina, Malaysia and China

Specialty Glass
FY2012 v FY2011

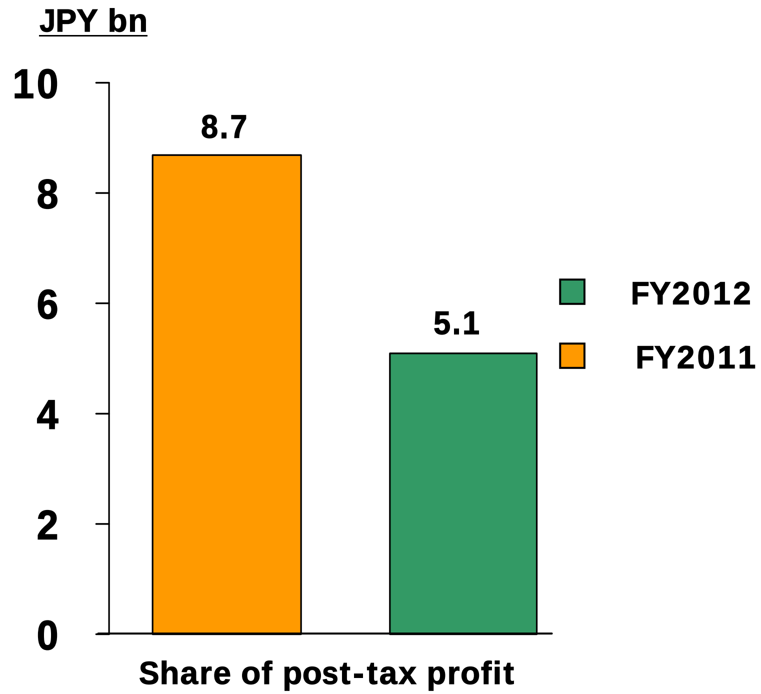
- Demand for UFF for mobile devices was robust but some impact from the strong yen
- Revenue for glass cord has weakened in line with the European automotive business
- The strong yen affected demand in the printer/scanner market



*: Operating profit before exceptional items

Joint Ventures and Associates

- Russian JV profitability improving
- Cebrace profits weakened
- Profits reduced in China



Reduced sales prices and weakened demand affecting results

Change of Business Line Titles

Current	As from 1 April 2012
Automotive Europe	Automotive Europe
Automotive Japan	Automotive Japan
Automotive North America	Automotive North America
Automotive Rest of World	Automotive Rest of World
Building Products Europe	Architectural Europe
Buildings Products Japan	Architectural Japan
Building Products North America	Architectural North America
Building Products Rest of World	Architectural Rest of World
Specialty Glass	Technical Glass

Changes in reporting segment titles from 1 April 2012

Agenda

Restructuring Actions
progress to date

Rationalization

- Capacity and output reductions to match customer requirements, including
  - Closure of UK6 float plant, Architectural downstream sites in Austria, Denmark and Norway
  - Closure of Automotive lines in Finland, Germany and Italy
  - Reduction in solar business activities in the U.S. and Germany
- Further solar energy capacity reductions under review

Headcount reduction

- Targeting a reduction of 10% of our global headcount
- 25% of this target headcount reduction achieved by 31 March 2012

Significant progress on restructuring since Feb 2012 announcement

Restructuring Actions
progress to date

Review of investment plans

- Investment plans carefully reviewed
- Tight control of capital expenditure remains a priority

Targeting further cash improvements

- Disposals of non-core assets
- Working capital initiatives

Focus on cash management

Restructuring Actions
Next steps

- Initiatives to reduce further costs and complexity of our organization being accelerated
- Program announced in February 2012 expected to be implemented within two years instead of three
- Targeting further cash improvements through disposals and working capital initiatives
- Urgently reviewing further capacity reductions and cost-saving initiatives beyond the February 2012 program
- We will update the market as soon as this review is completed

Additional improvements planned beyond February 2012 program

Restructuring Actions
Summary

JPY bn	FY12	FY13	FY14	FY15	Total
Income statement charge	(3)	(19)	(6)	-	(28)
Cash cost		(13)	(12)	-	(25)
Benefit realized		5	15	20	

- Projected savings of JPY 5bn in FY2013 and recurring savings of JPY 20bn from end of FY2014

FY2012 Annual Results
(from 1 April 2011 to 31 March 2012)

Agenda

Strategic Review

- Global economic environment has changed significantly since the Strategic Management Plan (SMP) developed in 2010
- NSG Group particularly affected by
  - turmoil in the solar energy markets
  - concerns about Europe's economic future,
  - over-capacity in most of our core markets, particularly in China
- These forces have transformed our business environment, requiring us to review our strategic priorities
- Principal focus on restoring profitability
- We remain committed to our financial targets, but their attainment will be delayed by a year.

Profitability restoration main focus

Strategic Management Plan

NSG GROUP

All Strategic Management Plan financial targets still relevant

	FY11 ➔ FY14 ➔ FY15
SALES	5% CAGR*
OPERATING PROFIT (pre-amortization)	DOUBLE, AS A MINIMUM
EBITA MARGIN	5% ➔ >10%
EBITDA	50% INCREASE, AS A MINIMUM
NET DEBT/EBITDA	4.5x ➔ <3x
RETURN ON EQUITY	Nil ➔ LOW DOUBLE DIGIT %

*CAGR = Compound Annual Growth Rate

Targets still valid but time scaled revised

Future Strategic Direction

- Immediate requirement is to align company strategy to the new economic environment
- Restoration of profitability will take precedence over growth in the immediate future
- Value-added products remain an important part of our strategic mix, especially in Technical Glass
- We intend to focus on selected emerging markets, working with local partners
- We operate in a good industry with positive long-term prospects

In all our actions, we will not lose sight of our core Values and Principles, with Safety and Quality remaining top priorities.

Restoration of profitability taking immediate precedence over growth

FY2012 Annual Results
(from 1 April 2011 to 31 March 2012)

Agenda

Summary

- Operating results in line with forecast
- New management team's primary and immediate objective is profitability improvement
- Restructuring programs and efficiency enhancements will continue and accelerate
- Reduction in final dividend for FY2012 and removal of dividend for FY2013 reflects the current level of business performance
- FY2013 forecast reflects impact of initial restructuring actions

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

Revenue by Business
FY2012

(JPY bn)	Japan	Europe	North America	Rest of World	Total
Building Products	81.4	102.0	21.0	35.0	239.4
Automotive	45.6	117.0	51.1	37.5	251.2
Specialty	33.7	6.4	0.9	19.2	60.2
Others	1.2	0.2	0.0	0.0	1.4
Total	161.9	225.6	73.0	91.7	552.2

Operating Profit before Amortization*
FY2012

(JPY bn)	Japan	Europe	North America	Rest of World	Total	Ratio on Sales
Building Products	1.4	3.1	3.1	1.5	9.1	4%
Automotive	2.3	2.0	0.7	0.1	5.1	2%
Specialty	5.7	0.6	0.1	0.5	6.9	11%
Others	(3.4)	(2.6)	(0.2)	0.0	(6.2)	
Total	6.0	3.1	3.7	2.1	14.9	3%
Ratio on Sales	4%	1%	5%	2%	3%	

*: Operating profit before amortization and exceptional items

Operating Profit after Amortization*

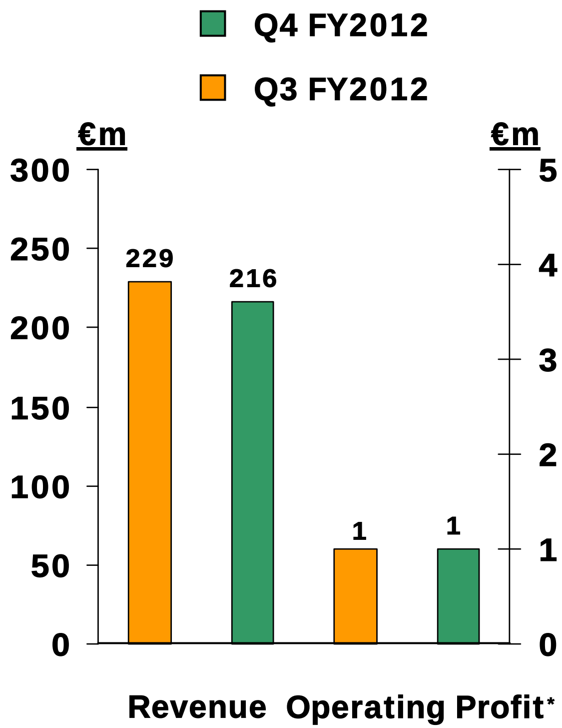
FY2012

(JPY bn)	Japan	Europe	North America	Rest of World	Total	Ratio on Sales
Building Products	1.4	3.1	3.1	1.5	9.1	4%
Automotive	2.3	2.0	0.7	0.1	5.1	2%
Specialty	5.7	0.6	0.1	0.5	6.9	11%
Others	(3.4)	(7.3)	(1.5)	(1.2)	(13.4)	
Total	6.0	(1.6)	2.4	0.9	7.7	1%
Ratio on Sales	4%	-1%	3%	1%	1%	

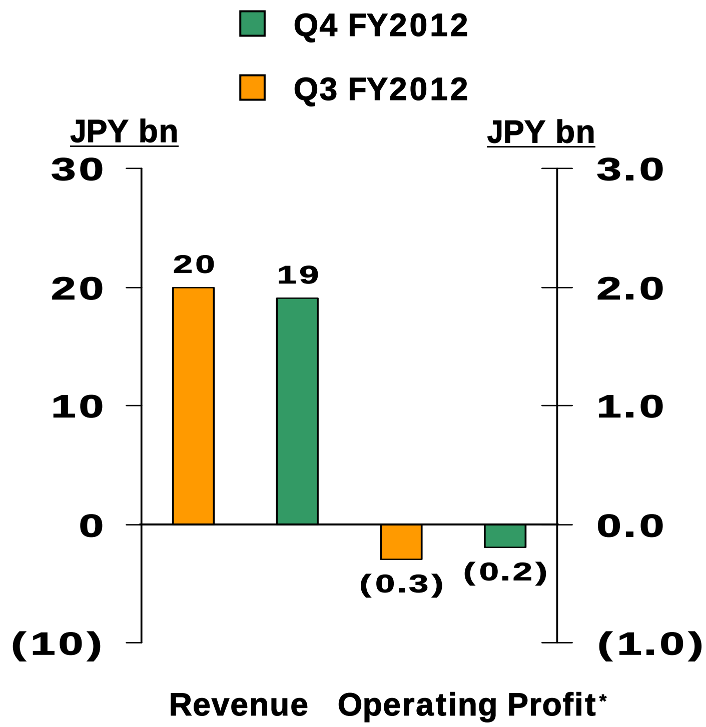
*: Operating profit after amortization but before exceptional items

Building Products
Q4 FY2012 v Q3 FY2012

Europe



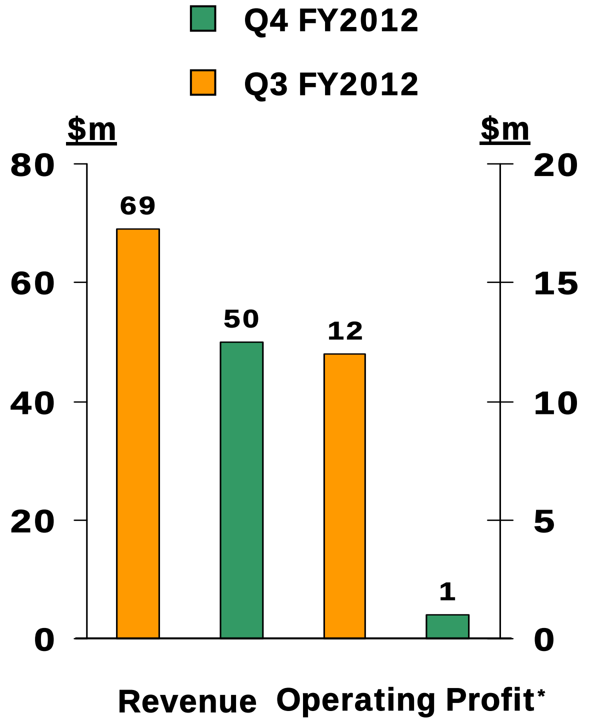
Japan



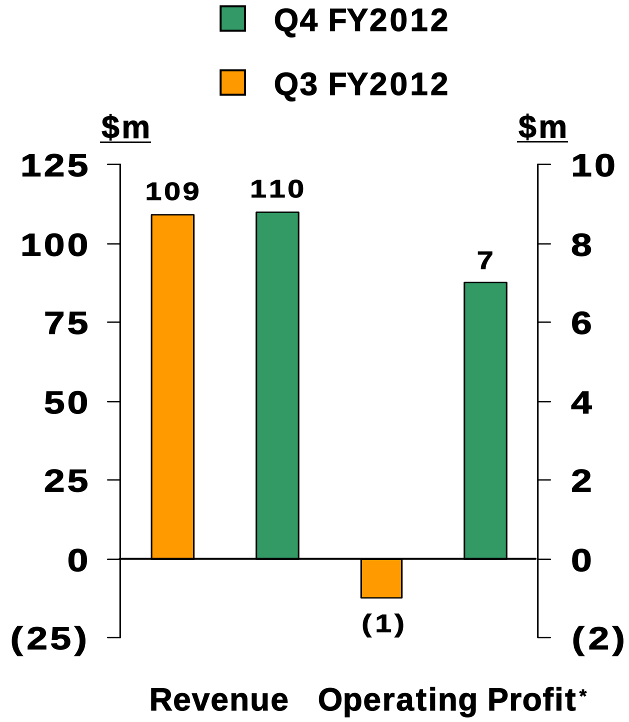
*: Operating profit before exceptional items

Building Products
Q4 FY2012 v Q3 FY2012

North America



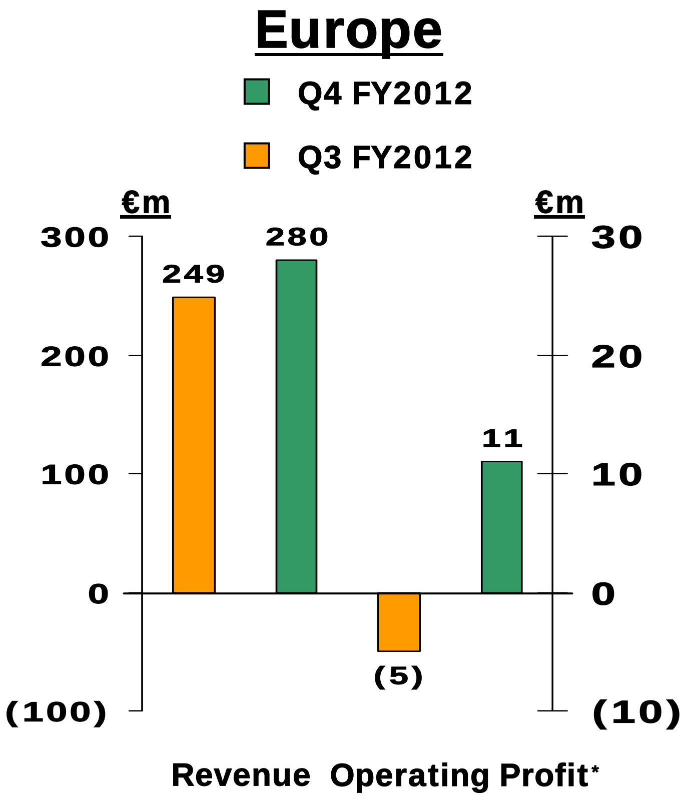
Rest of World**

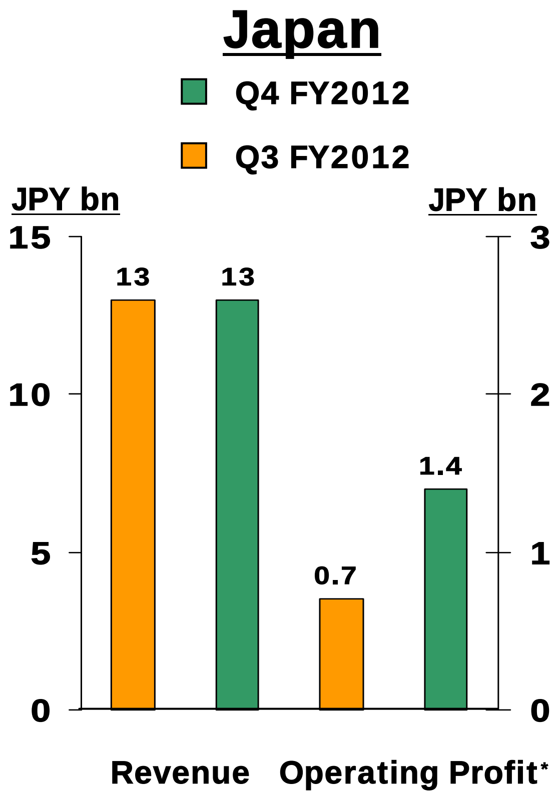


*: Operating profit before exceptional items

**: Rest of world includes Argentina, Chile, China, Malaysia and Vietnam

Automotive
Q4 FY2012 v Q3 FY2012

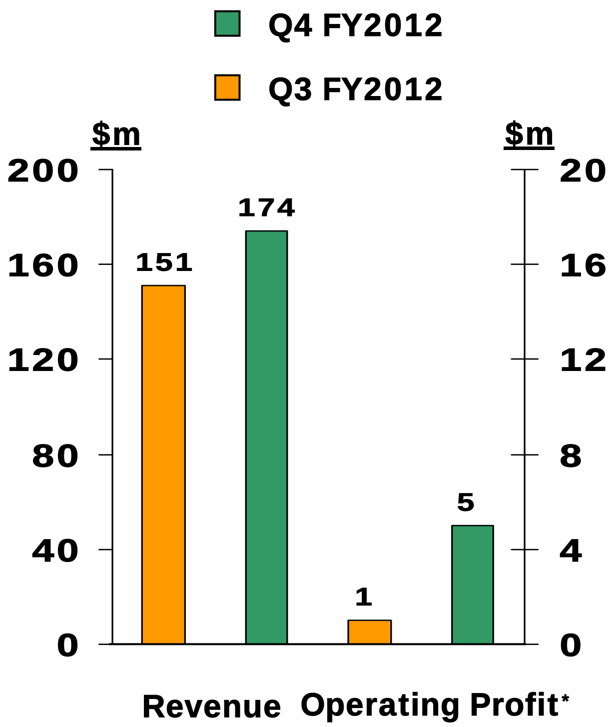




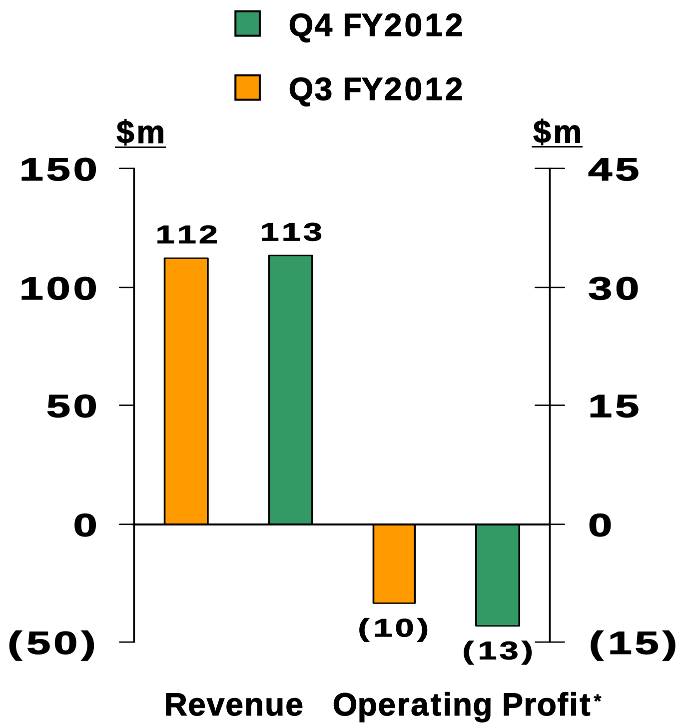
*: Operating profit before exceptional items

Automotive
Q4 FY2012 v Q3 FY2012

North America

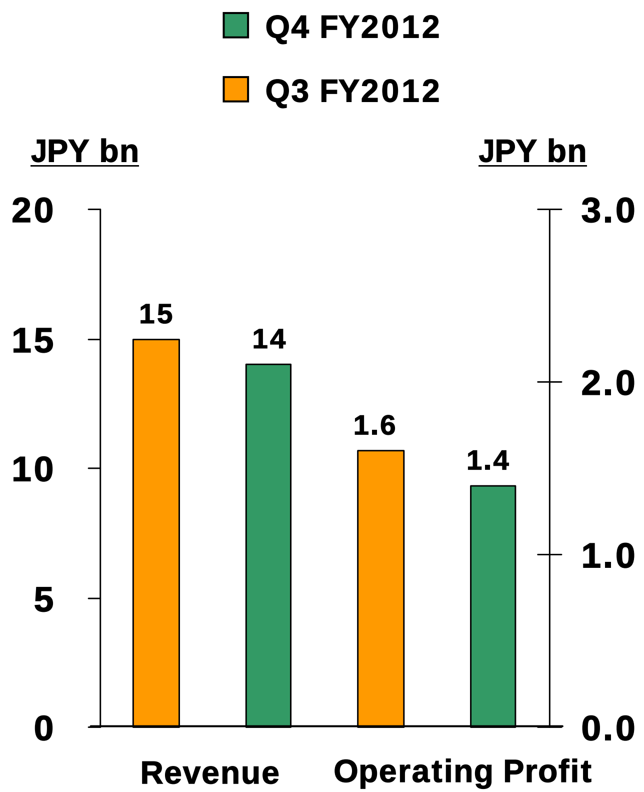


Rest of World**



*: Operating profit before exceptional items
**:Rest of world includes Brazil, Argentina, Malaysia and China

Specialty Glass
Q4 FY2012 v Q3 FY2012



Assumptions

	FY2011	FY2012	FY2013 Forecast
Average rates used:			
JPY/GBP	133	126	130
JPY/EUR	113	109	105
JPY/USD	85	79	80
Closing rates used:			
JPY/GBP	134	131	
JPY/EUR	118	109	
JPY/USD	83	82	

NSG

GROUP