NSG

GROUP

NSG Group
FY2020 Annual Results
(from 1 April 2019 to 31 March 2020)

Nippon Sheet Glass Company, Limited
22 May 2020

Shigeki Mori

Chief Executive Officer

Kenichi Morooka

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Agenda

1. Overview
2. FY2020 Financial Results
3. FY2020 Business Update
4. Business Impact of COVID-19
5. FY2021 Outlook
6. Actions for the Future
7. Summary

Overview

FY2020 Results

- Results affected by foreign exchange movements and challenging trading conditions in core regions, as well as a significant impact of COVID-19 in Q4. Robust solar energy glass shipments
- Two float furnaces in Chiba and Malaysia suspended to improve profitability in Architectural Asia
- Losses increased due to additional exceptional costs including goodwill impairments
- Dividend distribution suspended

FY2021 Outlook

- Significantly affected by COVID-19 but demands expected to gradually recover from May
- No immediate concern for liquidity. Discussion for additional liquidity underway with banks
- Cash outflow minimized. Further improvement actions being developed
- Forecast for FY2021 to be announced as soon as the impact of COVID-19 is reasonably quantified

Medium-term management plan

- A new plan to be announced at an appropriate time with a view to the post-COVID-19 world
- Priory and urgency of recovering profitability of existing businesses and stable financial base. For a longer-term, transformation into a lighter-asset business

FY2020 Results Highlights

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Affected by foreign exchange movements and challenging trading conditions in core regions, as well as a significant impact of COVID-19 in Q4

Revenue	JPY 556.2 bn (9)%	Headwinds in the core markets, in addition to the translational impact of foreign exchange. Year-on-year decrease of 5% at constant exchange rates
Trading profit	JPY 23.0 bn (41)%	Increasingly challenging trading conditions and lower asset utilization in Architectural, especially in Europe; further volume reduction in Automotive Europe, exacerbated by COVID-19 impact in Q4. Robust solar energy glass shipments
Loss attributable to owners of the parent	JPY (18.9) bn	Increased loss due to lower trading and joint-venture profit, additional exceptional costs including goodwill and intangible assets impairments and COVID-19 impacts
Free cash flow	JPY (26.4) bn	While a significant outflow, positive excluding the strategic capital expenditure projects (JPY41.3 bn) as planned
Ordinary dividend		Dividend distribution suspended on ordinary shares for FY2020

Slide 6 is the highlights of FY2020 annual results.
The FY2020 annual results were affected by COVID-19 in the fourth quarter, in addition to the translational impact of the foreign exchange movements and challenging trading conditions in Europe and other core regions.
Revenues declined by nine percent year-on-year to 556.2 billion yen. Revenues would have fallen by five percent at constant exchange rates.
Trading profit declined by 41% to 23.0 billion yen. Architectural profits were affected by increasingly challenging conditions, mainly in Europe but also in other regions. In Automotive, profits were affected by continuing lower volumes in Europe and other core regions, which were exacerbated by COVID-19 impact in the fourth quarter. In the other hand, solar energy glass shipments were robust throughout the year.
Loss attributable to owners of the parent was 18.9 billion yen, which resulted from recognition of Exceptional costs including an impairment of goodwill and intangible assets, the planned closure of two float lines – one in Chiba, Japan and the other in Malaysia, and costs incurred from suspension of the Group’s facilities in relation to COVID-19.Free cash flow recorded an outflow of 26.4 billion yen due mainly to strategic investments. Underlying free cash flow, excluding strategic investments was positive, as originally expected.
Regrettably, the distribution of dividends on ordinary shares for FY2020 was decided to be suspended.

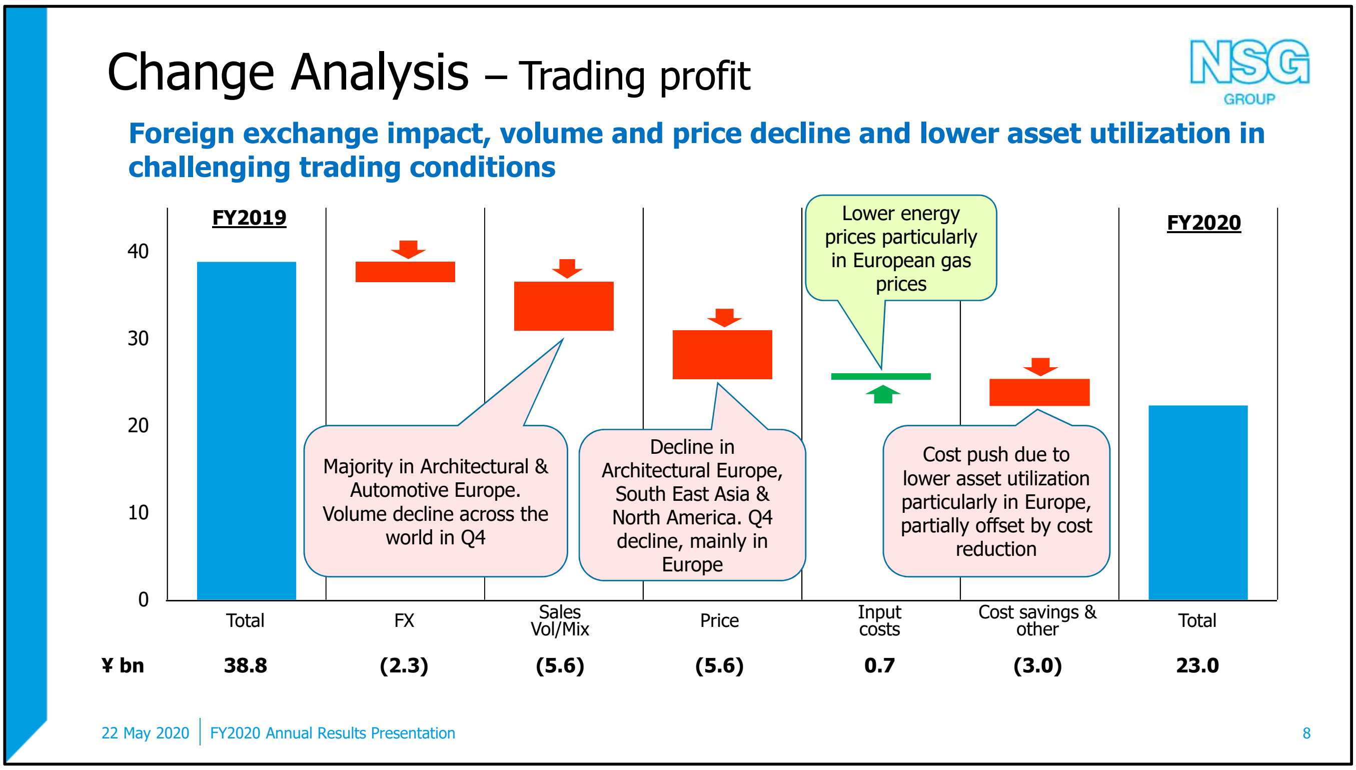
Consolidated Income Statement

Trading profits close to forecast but additional exceptional loss recorded

¥ bn	FY2019 Actual	FY2020 Forecast (Revised at Q3)	FY2020 Actual	Change (vs. PY)	Change (vs. Forecast)
Revenue	612.8	560.0	**556.2**	**(56.6)**	**(3.8)**
Trading profit	38.8	23.0	**23.0**	**(15.8)**	**0.0**
Amortization *	(1.9)	(2.0)	**(1.8)**	**0.1**	**0.2**
Operating profit	36.9	21.0	**21.2**	**(15.7)**	**0.2**
Exceptional items	(7.1)	(7.0)	**(24.0)**	**(16.9)**	**(17.0)**
Finance expenses (net)	(13.3)	(13.0)	**(11.8)**	**1.5**	**1.2**
Share of JVs and associates	6.2	2.0	**1.1**	**(5.1)**	**(0.9)**
Profit before taxation	22.7	3.0	**(13.5)**	**(36.2)**	**(16.5)**
Profit for the period	14.4	(2.0)	**(17.5)**	**(31.9)**	**(15.5)**
Profit attributable to owners of the parent	13.3	(3.0)	**(18.9)**	**(32.2)**	**(15.9)**
EBITDA	64.7	-	**55.0**	**(9.7)**	

*: Amortization arising from the acquisition of Pilkington plc only

Slide 6 is the Group's consolidated income statement.
Trading profit was close to the forecast, but loss attributable to owners of the parent increased to 18.9 billion yen from forecast of 3.0 billion yen, as result of the significant exceptional cost recorded in the fourth quarter. The exceptional loss for the full year was 24.0 billion yen.



Slide 8 lays out the analysis of the year-on-year trading profit movement.
Input costs shows a positive effect, but overall the profit decreased year-on-year as translational impact of the foreign exchange movements, reduced volumes, lower prices and lower capital utilization adversely impacted to trading profit.
FX is negative 2.3 billion yen, due to weakened Euro and South American currencies.
Volume/Mix were affected by reduced volumes in the core regions, including both Architectural and Automotive businesses in Europe. Volumes were also affected by the COVID-19 pandemic in the fourth quarter.
Price movements were negative in Architectural Europe, South East Asia and North America.
Input costs were affected by increases in logistics and raw materials costs, but were positive overall, as energy prices declined, particularly in Europe.
The negative 3.0 billion yen 'cost savings and other' column includes the impact of lower asset utilization, which has been partially offset by the Group's cost reduction efforts.

Exceptional items

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Additional exceptional costs of JPY19.4 bn recorded in Q4

JPY bn	FY2019	**FY2020**
Gain on disposal of subsidiaries and joint ventures	-	**1.3**
Gain on disposal of property, plant and equipment	-	**1.1**
Exchange gain on business closure	0.7	**-**
Impairment of goodwill and intangible assets	-	**(11.7)**
Restructuring costs, including employee termination payments	(4.4)	**(6.4)**
Net impairment of non-current assets	(0.8)	**(4.3)**
Suspension costs caused by Covid-19	-	**(2.2)**
Suspension of facilities	(1.0)	**(1.5)**
Retirement benefit obligations - past service cost	(1.4)	**-**
Other	(0.2)	**(0.3)**
	(7.1)	**(24.0)**

Automotive Europe and ROW goodwill and intangible assets impairments

Suspension furnaces: Chiba #1: JPY4 bn as in 31 March release & Malaysia #1: JPY0.3 bn

Production line closures etc related to COVID-19

Slide 9 lays out the details of Exceptional items.
Out of the exceptional losses of 24.0 billion yen recognized during the year, 19.6 billion yen were recognized during the fourth quarter. Three key items which were recognized during the fourth quarter is as below.
The first item is the impairment of goodwill and intangible assets. Following the impairment test in accordance with the IFRS guidelines, the Group recognized impairment losses in Automotive Europe and Automotive Rest of World cost generating units (CGUs).
The second item is the impairment of non-current assets. This includes an impairment loss of 4.0 billion yen, following the decision to suspend the Chiba No. 1 furnace in Chiba, Japan, which was announced on 31 March 2020. Another item under this category is the impairment loss of 0.3 billion yen recognized after the decision to suspend a furnace in Malaysia. These decisions to suspend the furnaces represents the Group's structural reformation initiatives to improve the profitability in Architectural Asia.
The third item is the suspension costs caused by COVID-19. These are fixed costs of facilities that have been temporarily idled as a direct consequence of the COVID-19 pandemic.

Consolidated Cash Flow Summary

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Positive free cash flow excluding the strategic capital expenditure as planned

JPY bn	FY2019	FY2020	Change
(Loss)/profit for the period	14.4	**(17.5)**	(31.9)
Taxation	8.4	**4.0**	(4.4)
Depreciation and amortization	27.9	**34.8**	6.9
Net impairment	1.9	**17.1**	15.2
Gain on sale of assets	(0.2)	**(2.5)**	(2.3)
Share of profit from JVs and associates	(6.2)	**(1.1)**	5.1
Tax paid	(5.4)	**(5.6)**	(0.2)
Others	(6.8)	**(7.4)**	(0.6)
Net operating cash flows before movement in working capital	34.0	**21.8**	(12.2)
Net change in working capital	(5.0)	**8.7**	13.7
Net cash flows from operating activities	29.0	**30.5**	1.5
Purchase of property, plant and equipment	(28.1)	**(60.9)**	(32.8)
Disposal proceeds	0.5	**3.9**	3.4
Others	(0.5)	**0.1**	0.6
Net cash flows from investing activities	(28.1)	**(56.9)**	(28.8)
Free cash flow	0.9	**(26.4)**	(27.3)
Free cash flow excluding Strategic Projects	*6.0*	***14.9***	*8.9*

22 May 2020 | FY2020 Annual Results Presentation 10

Slide 10 is the consolidated cash flow.
'Net operating cash flow before movement in working capital' is reduced by 12.2 billion yen, which is less than the reduction in profit, due to that reduction including an impairment loss which does not incur any cash outflow.
Working capital has improved by 13.7 million yen, due to reduced trade receivable balances. This led to 1.5 billion yen improvement from the previous year in 'net cash flows from operating activities'.
Negative 'Net cash flows from investing activities' reflects the expenditures due to the Group's strategic projects.
As a result, free cash outflow for the year was 26.4 billion. This would have been a cash inflow of 14.9 billion, if the 41.3 billion yen cash outflow incurred from the strategic projects is excluded.

Key Performance Indicators

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Net debt increase mainly due to IFRS16 and strategic investments
Equity decrease with foreign exchange movement, attributable loss and redemption of Class A Shares

	31 March 2019	**31 March 2020**
Net Debt (¥ bn)	317.7	**390.2** *1
Net Debt / EBITDA	4.9x	**7.1x**
Net Debt / Equity Ratio	2.4x	**4.4x**
Shareholders' Equity Ratio	16.2%	**9.6%**
	FY2019	**FY2020**
Operating Return*2 on Sales	6.3%	**4.1%**

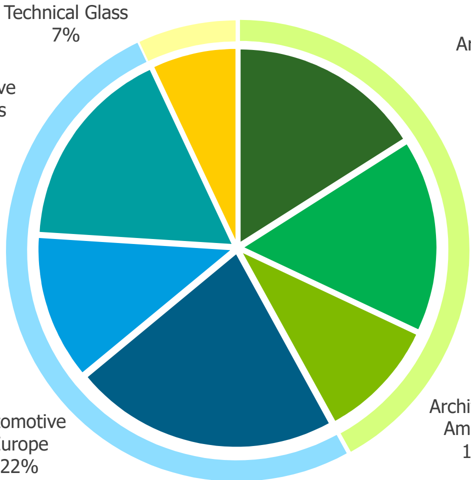
*1: Includes net debt arising from adoption of IFRS16 of JPY 28.3 billion
*2: Trading profit

Slide 11 lays out the Group's financial key performance indicators.
Net debt increased by 72.5 billion yen from 31 March 2019 to 390.2 billion yen, as a result of the adoption of IFRS16 'Leases' and capital expenditures on strategic projects.
The Net debt/EBITDA and Net debt/Equity ratios are affected by the increase in net debt.
Affected by the translational impact of foreign currency movements and the redemption of Class A shares, in addition to the loss attributable to the owners of the parent recorded for the year, the shareholders' equity ratio decreased from 16.2% at 31 March 2019 to 9.6%.
Operating return on sales was 4.1 %.

External Revenue – Group Businesses

Diversified geographical coverage

¥ 556.2 billion

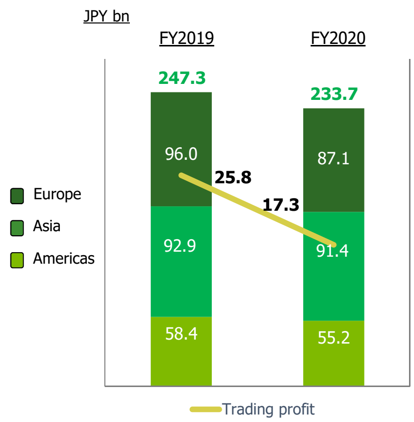


FY2020

38 percent of the Group's sales are in Europe, 35 percent in Asia including Japan and 27 percent in Americas.

Architectural – FY2019 vs FY2020

Affected by foreign exchange movements, challenging trading conditions and lower utilization. Robust solar energy glass shipments



Revenue: Mostly forex movement, exacerbated by challenging trading conditions from Q3

Profit: Majority of decline in Europe

Europe (Revenue ▼, Profit ▼)

- Revenues: affected by forex and price decline from Q3 due to increased glass supply; sharp volume decline at year end due to COVID-19
- Profit: continued decline due to lower sales and asset utilization

Asia (Revenue ▼, Profit ▼)

- Lower revenues & profit in challenging architectural glass markets due to excess capacity in South East Asia, while increased solar energy glass shipments
- Japan: solar energy glass production transferred to newly-started furnace in Vietnam

Americas (Revenue ▼, Profit ▼)

- Flat revenues & lower profit in North America with higher solar glass volumes offset by lower architectural prices due to increased glass supply
- Revenues affected by forex in South America

Revenues in the Architectural business decreased by 6 percent to 233.7 billion yen. This is due to the challenging trading conditions seen from the third quarter, in addition to the impact of weakened European and South American currencies. Profits decreased by 8.5 billion yen to 17.3 billion yen. Europe contributed to the majority of the reduction.

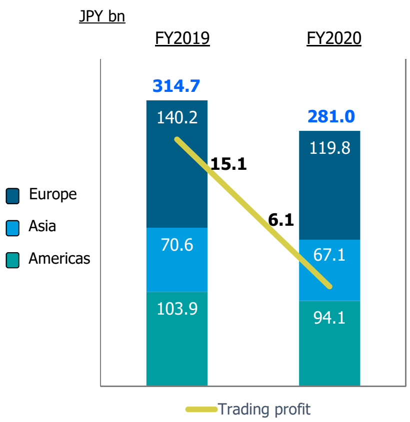
In Europe, revenues were lower than the previous year, as the prices were affected as a result of increased glass supply which became prominent from the third quarter. COVID-19 also contributed to the revenue reduction. Profits were further reduced in the fourth quarter due to lower capital utilization, in addition to the reduction in revenue.

In Asia, revenues and profits were affected by the challenging trading conditions brought by the excess capacity of conventional architectural glass. Solar energy glass volumes were robust. As disclosed on 31 March, production of solar energy glass ceased at Chiba and transferred to the newly-started furnace in Vietnam.

Solar energy glass volumes were also robust in North America, but prices for conventional architectural glass were affected by increased supply, and consequently, profits fell. South American revenues were affected by the translational impact of foreign currency movements.

Automotive – FY2019 vs FY2020

Affected by a decline in new car production, especially in Europe. A significant impact of COVID-19 in Q4



Revenue: affected by forex movements and volume reduction, mainly in Europe, followed by North America

Profit: reduced mostly in Europe, and in Japan from Q3

Europe (Revenue ▼, Profit ▼)

- Volumes significantly affected by overall market softness and COVID-19 related stoppages at customers' plants toward the end of the year

Asia (Revenue ▼, Profit ▼)

- In Japan, solid sale volumes in H1, followed by reduction after the consumption tax hike. Profit affected by increased raw glass costs and volume decline from Q3

Americas (Revenue ▼, Profit ▲)

- Improved profit with better manufacturing efficiency in North America despite volume decline due to COVID-19 impact
- Profitability in South America similar to the previous year

Revenues decreased by 11% to 281.0 billion yen and profits decreased by 9.0 billion yen to 6.1 billion yen, as the results were affected mainly by the reduction of new car production especially in Europe, in addition to the translational effects of foreign currency movements. COVID-19 related stoppages at customers' plants in the fourth quarter also affected the profitability.

In Europe, results were affected by reduction in volumes and the stoppages at customers' plants due to the COVID-19 pandemic towards the end of the year.

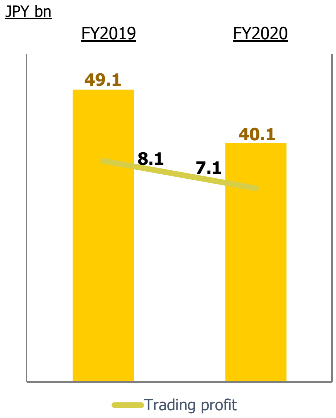
In Asia, both revenues and profits decreased. In Japan, volumes were robust during the first half of the year prior to the sales tax hike, but revenues decreased after the sales tax became effective. Profits were affected the increase of raw glass costs, in addition to the reduced sales volumes from the third quarter.

As also seen in the Group's Architectural businesses, the results of the Americas were also affected by the translational impact of foreign currency movements. Revenues decreased by 9% mainly due to devaluation of Argentinian Peso and Brazilian Real.

In North America, profitability improved with better manufacturing efficiency, despite the volumes being lower due to the impact of COVID-19 pandemic. Profitability in South America was similar to the previous year.

Technical Glass – FY2019 vs FY2020

Parts of business affected by difficult market conditions



Technical Glass (Revenue▼, Profit ▼)

- Improved fine glass profit with continued cost reduction efforts and better sales mix
- Decline in revenues and profit of printer lenses due to weaker market conditions
- Fall in demand for glass cord used in engine timing belts, reflecting conditions in the automotive sector generally, particularly toward the end of the year
- Stable battery separators results

Profitability in Fine Glass improved further, while printer lenses and glass cord businesses experienced headwinds in their respective markets. Revenues decreased by 9.0 billion yen to 40.1 billion yen and profits decreased by 1.0 billion yen to 7.1 billion yen.
Fine Glass's results benefitted from a lower cost base from continued cost reduction efforts, along with improvements in sales mix.
Results of printer lenses were affected by the softened demand in their markets.
Results of glass cord used in engine timing belts were also affected by the reduced automotive production volumes in Europe and China.
Battery separator results continued to be stable.

Business Impact of COVID-19

Thorough implementation of infection control measures; manufacturing adjusted to demand decline and local regulations; preparations for a swift restart

1. Actions taken with top priority on health and safety of people such as infection prevention measures at operational sites and encouraging working from home, following national and local government guidelines
2. Operations

Automotive	• Operations adjusted to vehicle production levels • Preparing for restart according to customers' restart (Europe: middle of May; North America: end of May; South America: June), taking safety measures • Japan and China are operating with reduced utilization
Architectural	• Float lines including those for automotive glass operating with reduced utilization Europe: some lines on hot hold and others operating with reduced utilization North America: operating with reduced utilization, excluding those for solar energy South America: to restart with reduced utilization in May except for one Japan & Asia: Operating with reduced utilization • Processing lines operating with reduced output
Technical glass	• Operating with reduced utilization especially for automotive applications
Group	• No major issue in supply of fuel and input materials

Slide 16 shows the business impact of COVID-19.
Since the onset of Covid-19 infection, the Group has been taking thorough actions to protect the health and safety of its people. It has encouraged working from home. Where it is not possible, it has implemented safe working conditions in compliance with the relevant national and local governments' guidelines. It has provided personal protection equipment, set guidelines for social distance and hygiene, and changed production processes and plant layouts.
The Group's business operations have been significantly affected by the lockdowns and other restrictions on daily life as well as the sharp decline in automotive glass demand.
In the Automotive Glass business, the Group adjusted its operations to the vehicle manufactures' production in each region. From the middle March through the end of April, almost all operations were closed or operating with significantly reduced output. As the economic activities are resuming gradually, the Group has started its lines or will do so soon, as shown in the table. In the Architectural Glass business, demand started to decline in late March because of country lockdowns and the absence of glass consumption for automotive applications. In response, many furnaces have been put on either hot hold, crushing (*) or reduced output. At the same time, there are furnaces which are still fully loaded such as the ones producing solar energy glass. The impact on the Technical Glass business was not significant so

far and the Group has not faced major challenges in procuring input materials.

(*) “Crushing” means breaking formed glass into pieces and feeding it back into the furnace as raw material.

Business Impact of COVID-19

The biggest gap will be in April revenues (-52% vs. PY), followed by anticipated gradual improvement with restart of operations in May

COVID-19 revenue impact estimation

	FY2020 Q4 (3 months) (vs latest forecast)	FY2021 Q1 (3months) estimate (vs. Prior Year)
Automotive	-10%	approx -50% to -60%
Architectural	-3%	approx -30% to -40%
Technical glass	Almost in line	-10% to -20%
Total	-7%	-40% to -50%

Slide 17 is a summary of the COVID-19 revenue impact.
As the city and entire country lockdowns only started in the second half of March, the revenue impact of COVID-19 in the fourth quarter was less than JPY10bn, most of which was in the Automotive Glass business.
April was the hardest-hit month with a 52 percent revenue decline year-on-year.
At this moment, it can be seen that demand recovering gradually with lockdowns being lifted and the vehicle manufacturers restarting operations around the globe.
The expected year-on-year revenue impact in the first quarter of FY2021 will be in the order of 40 to 50 percent. The second quarter and onwards are still far from certain but in general the Group expects the gradual recovery to continue. But the process can be slow and long.

FY2021 Outlook

No FY2021 forecast. Securing sufficient liquidity, minimizing cash outflow and developing additional improvement actions

Forecast of FY2021

- To be announced as soon as the impact of COVID-19 is reasonably stabilized and quantifiable

No immediate concern for liquidity

- JPY44 bn cash and JPY66 bn unused commitment lines at the end of March 2020
- Discussions underway with banks for additional liquidity

Cash outflow minimized. Developing additional improvement actions

- Suspension of all but most critical capital expenditure projects, including new capacity in Argentina
- Optimized adjustment of operations, saving input materials and maximizing layoffs, utilizing available government subsidies
- Thorough reduction of expenditure, including voluntary reduction of compensation for Directors and Executive Officers
- Planning and execution of non-core asset disposals and working capital reduction
- Lower fixed cost with the furnace suspensions in Asia; contribution of robust solar glass shipments
- Additional improvement actions being developed

Slide 18 shows the outlook of FY2021.
The Group has not published its FY2021 forecast yet, as the impact of the COVID-19 pandemic on its businesses is far from certain, but it will do so as soon as it forms a reasonable and view on the impact. The Group has no immediate concern for liquidity and it is discussing with banks for additional liquidity. In the challenging business condition, the top priority for the Group is minimizing cash outflow. Specifically, it decided to suspend all but most critical capital expenditure projects. New capacity in Argentina is also suspended.
The Group has been adjusting its capacity to optimize the utilization in each region, saving input material usage and laying off employees. In April, the most impacted month so far, a significant number of Group employees were affected. Government subsidies such as employment adjustment subsidies in each country have been utilized.
The Group is thoroughly reducing expenditure, including the Directors' and Executive Officers' voluntary reduction in compensation. In addition, non-core asset disposals and working capital reduction continue to be considered and implemented. At the same time, lower fixed cost with the furnace suspensions in Chiba and Malaysia and robust solar glass shipments are expected to improve profits and cash flow. However, it is clear that more actions will be necessary to mitigate the impact of COVID-19 pandemic and additional measures are under development.

Actions for the Future

1. Priority and urgency on recovery of business profitability and financial stability
   - Speedy improvement of profitability with cost structure reform and acceleration of VA shift
   - Reinforcement of growing and new businesses to contribute to profitability
   - Reduction in overhead costs, capital expenditure control and disposals of non-core businesses and assets in order to lower interest-bearing debt
   - With the above measures, aiming to restore businesses to generate sustainable profit and cash flow
2. For a longer-term, structural transformation into a lighter-asset and less cyclical business
   - With a view to the post COVID-19 world, aiming to shift the business fields by redefining businesses to develop further or defocus – more value to what is related to maintaining life such as health, hygiene and environment (solar energy glass, energy-saving glass, anti-bacterial or anti-virus glass and mobile PCR, glass used for teleworking, cameras, sensors and telecommunications)
   - Lighter-asset cost structure, market-oriented product development and sales & marketing
   - Lean and agile organization utilizing ICT
3. New medium-term management plan to be announced after the impact of COVID-19 is reasonably quantified and incorporating the above policies

Slide 19 shows a longer-term perspective.
The Group’s immediate priority is to take necessary actions to deal with the issues caused by the COVID-19 pandemic. However, it does not change its underlying priority and urgency for recovering the declined equity and financial stability. It required the Group to fundamentally improve the profitability of its existing businesses, minimize cash outflow and reduce interest-bearing debt. It aims to restore the business structure which can generate sustainable profit and cash flow in the coming few years. A flat glass business is capital intensive and has a high fixed cost ratio, resulting in its vulnerability to volume fluctuations. Despite its drive to shift to VA (value-added), the Group is not free from its cyclical nature, with prices affected by demand fluctuations.
In a medium term, the Group has to transform its business structure into a lighter-asset and less cyclical one.
It is expected that people’s lives and economic environments will change drastically in the post COVID-19 world and the needs related to health, hygiene, and the environment will increase further.
There are opportunities for the Group’s products to take advantage with their strengths. However, the precondition for those opportunities would be that the Group has lighter assets, market-oriented product development and sales and marketing, as well as a leaner and agile organization, utilizing information and

communication technologies.
The Group would have started a new medium-term management plan from April. However, it has decided to announce it after the impact of COVID-19 is reasonably quantified and incorporating the above-mentioned policies.

Summary

FY2020 Results

- Results affected by foreign exchange movements and challenging trading conditions in core regions, as well as a significant impact of COVID-19 in Q4. Robust solar energy glass shipments
- Two float furnaces in Chiba and Malaysia suspended to improve profitability in Architectural Asia
- Losses increased due to additional exceptional costs including goodwill impairments
- Dividend distribution suspended

FY2021 Outlook

- Significantly affected by COVID-19 but demands expected to gradually recover from May
- No immediate concern for liquidity. Discussion for additional liquidity underway with banks
- Cash outflow minimized. Further improvement actions being developed
- Forecast for FY2021 to be announced as soon as the impact of COVID-19 is reasonably quantified

Medium-term management plan

- A new plan to be announced at an appropriate time with a view to the post-COVID-19 world
- Priory and urgency of recovering profitability of existing businesses and stable financial base. For a longer-term, transformation into a lighter-asset business

FY2020 profits were affected by challenging trading conditions, a significant impact of COVID-19 and the recognition of exceptional costs.
Considering this situation, the Group decided to suspend the ordinary dividend distribution.
While the significant impact of COVID-19 on business at the start of FY2021, demands are expected to start recovering gradually from May. The immediate focus is to secure liquidity and minimize cash outflow, developing additional improvement actions at the same time.
The Group considers the recovery of financial stability the urgent priority and intends to improve the profitability of existing businesses fundamentally.
In the medium term, it will develop a lean and agile organization as soon as possible to capture business opportunities for our products to have strengths in the post COVID-19 world.

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

- Consolidated Income Statement – 4th Quarter (3 months)
- Revenue & Trading Profit – by Business & Regions
- Revenue & Trading Profit – Quarterly Trend
- Consolidated Balance Sheet
- Foreign exchange rates
- Depreciation & Amortization, CAPEX, R&D Expenses
- News Releases (November 2019 to April 2020)

Consolidated Income Statement – 4th Quarter (3 months)

¥ bn	FY2019 Actual	FY2020 Forecast (Revised at Q3)	FY2020 Actual	Change (vs. PY)	Change (vs. Forecast)
Revenue	153.4	134.2	**130.4**	**(23.0)**	**(3.8)**
Trading profit	11.6	3.6	**3.6**	**(8.0)**	**0.0**
Amortization *	(0.4)	(0.6)	**(0.4)**	**0.0**	**0.2**
Operating profit	11.2	3.0	**3.2**	**(8.0)**	**0.2**
Exceptional items	(3.8)	(2.6)	**(19.6)**	**(15.8)**	**(17.0)**
Finance expenses (net)	(3.1)	(3.5)	**(2.3)**	**0.8**	**1.2**
Share of JVs and associates	1.3	0.8	**(0.1)**	**(1.4)**	**(0.9)**
Profit before taxation	5.6	(2.3)	**(18.8)**	**(24.4)**	**(16.5)**
Profit for the period	3.0	(3.9)	**(19.4)**	**(22.4)**	**(15.5)**
Profit attributable to owners of the parent	2.8	(4.2)	**(20.1)**	**(22.9)**	**(15.9)**
EBITDA	18.0	-	**11.8**	**(6.2)**	**-**

*: Amortization arising from the acquisition of Pilkington plc only

Revenue – by Business & Regions

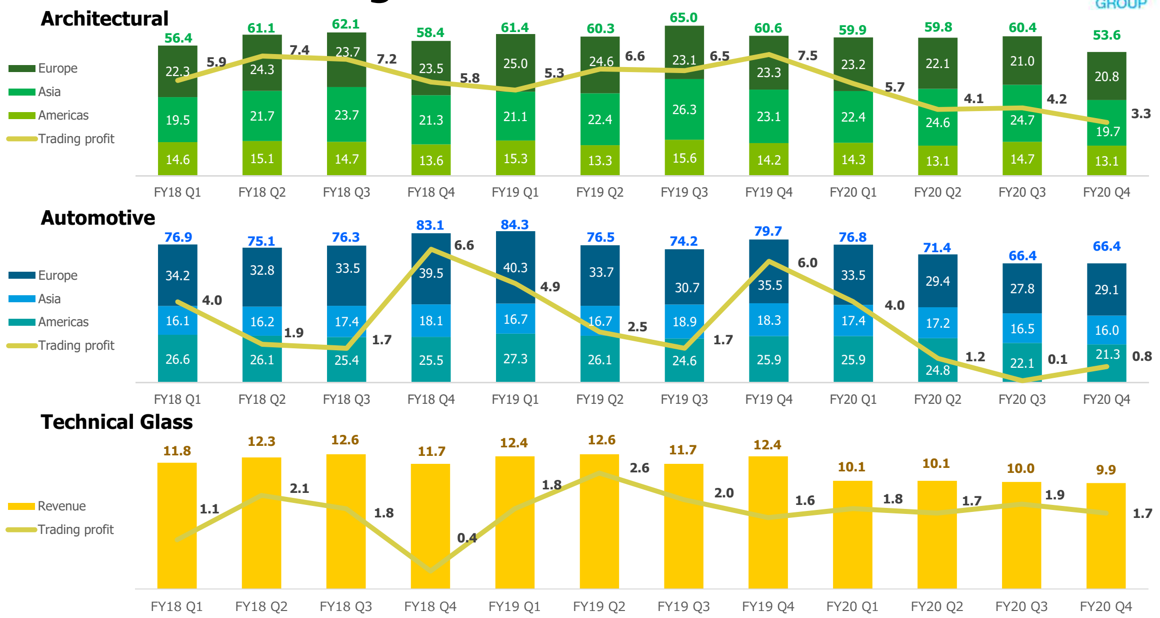
JPY bn	4th Quarter (Jan - Mar: 3 months) FY2019	FY2020	Change	Full-year (Cumulative: 12 months) FY2019	FY2020	Change
Architectural	**60.6**	**53.6**	**(7.0)**	**247.3**	**233.7**	**(13.6)**
Europe	23.3	20.8	(2.5)	96.0	87.1	(8.9)
Asia	23.1	19.7	(3.4)	92.9	91.4	(1.5)
Americas	14.2	13.1	(1.1)	58.4	55.2	(3.2)
Automotive	**79.7**	**66.4**	**(13.3)**	**314.7**	**281.0**	**(33.7)**
Europe	35.5	29.1	(6.4)	140.2	119.8	(20.4)
Asia	18.3	16.0	(2.3)	70.6	67.1	(3.5)
Americas	25.9	21.3	(4.6)	103.9	94.1	(9.8)
Technical Glass	**12.4**	**9.9**	**(2.5)**	**49.1**	**40.1**	**(9.0)**
Europe	2.3	2.0	(0.3)	8.1	7.1	(1.0)
Asia	9.7	7.7	(2.0)	39.5	31.7	(7.8)
Americas	0.4	0.2	(0.2)	1.5	1.3	(0.2)
Other	**0.7**	**0.5**	**(0.2)**	**1.7**	**1.4**	**(0.3)**
Total	**153.4**	**130.4**	**(23.0)**	**612.8**	**556.2**	**(56.6)**

Trading Profit – by Business & Regions

JPY bn	4th Quarter (Jan-Mar: 3 months) FY2019	FY2020	Change	Full-year (Cumulative: 12 months) FY2019	FY2020	Change
Architectural	7.5	3.3	(4.2)	25.8	17.3	(8.5)
Automotive	6.0	0.8	(5.2)	15.1	6.1	(9.0)
Technical Glass	1.6	1.7	0.1	8.1	7.1	(1.0)
Other	(3.5)	(2.2)	1.3	(10.2)	(7.5)	2.7
Total	**11.6**	**3.6**	**(8.0)**	**38.8**	**23.0**	**(15.8)**
Europe	6.1	1.9	(4.2)	18.6	8.5	(10.1)
Asia	5.4	2.1	(3.3)	19.8	13.1	(6.7)
Americas	3.6	1.8	(1.8)	10.6	8.9	(1.7)
Other	(3.5)	(2.2)	1.3	(10.2)	(7.5)	2.7
Total	**11.6**	**3.6**	**(8.0)**	**38.8**	**23.0**	**(15.8)**

Revenue & Trading Profit – Quarterly Trend

(JPY bn)



Consolidated Balance Sheet

JPY bn	31 March 2019	31 March 2020	Change
Assets	**761.9**	**765.2**	**3.3**
Non-current assets	**516.3**	**541.1**	**24.8**
Goodwill & intangible assets	161.1	138.6	(22.5)
Property, plant and equipment	241.5	294.5	53.0
Other	113.7	108.0	(5.7)
Current assets	**245.6**	**224.1**	**(21.5)**
Cash & cash equivalents	52.4	43.6	(8.8)
Other	193.2	180.5	(12.7)
Liabilities	**629.4**	**677.0**	**47.6**
Current liabilities	**193.0**	**200.4**	**7.4**
Financial liabilities	42.2	58.7	16.5
Other	150.8	141.7	(9.1)
Non-current liabilities	**436.4**	**476.6**	**40.2**
Financial liabilities	329.3	376.3	47.0
Other	107.1	100.3	(6.8)
Equity	**132.5**	**88.2**	**(44.3)**
Shareholders' equity	123.8	73.6	(50.2)
Non-controlling interests	8.7	14.6	5.9
Total liabilities and equity	**761.9**	**765.2**	**3.3**

Foreign exchange rates

NSG GROUP

Average rates used

	FY2018				FY2019				FY2020			
	Q1	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**
GBP	142	144	146	147	149	147	146	146	141	137	138	**138**
EUR	122	126	128	130	131	130	129	129	124	121	121	**121**
USD	111	112	111	111	110	111	111	111	109	109	109	**109**
BRR	34.6	35.0	34.8	34.4	30.4	29.3	29.3	29.4	28.0	27.6	27.2	**26.4**
ARS	7.06	6.74	6.65	6.30	4.70	-	-	-	-	-	-	**-**

Closing rates used

	FY2018				FY2019				FY2020			
	Q1	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**
GBP	146	151	152	150	145	148	141	144	137	133	144	**133**
EUR	128	132	136	132	128	132	127	124	123	118	122	**119**
USD	112	113	113	106	111	113	111	111	108	108	109	**108**
BRR	34.0	35.4	33.9	32.1	28.6	28.2	28.5	28.3	28.3	26.0	27.1	**20.8**
ARS	6.81	6.42	6.03	5.30	3.94	2.84	2.93	2.53	2.53	1.88	1.82	**1.68**

FX Sensitivity

Increase (decrease) if the value of the yen increases by 1% (all other things being equal):

(JPY bn)	FY2019	**FY2020**
Equity	(3.3)	**(3.1)**
Profit/(loss) for the period	(0.2)	**0.1**

Depreciation & Amortization, CAPEX, R&D Expenditures

(JPY bn)	FY2019	**FY2020**
Depreciation and amortization	27.9	**34.8**
Capital expenditures (including intangibles)		
Ordinary	27.1	**25.7**
Strategic projects and other	5.1	**41.3**
Total	32.2	**67.0**
R&D expenditures		
Architectural	2.6	**2.7**
Automotive	3.0	**2.6**
Technical Glass	0.8	**0.9**
Other	3.0	**2.8**
Total	9.4	**9.0**

News Releases — November 2019 to April 2020

24 Dec 2019	"Platinum Kurumin" certification (certification by the Ministry of Health, Labor and Welfare in Japan to a company provides exceptional support for child care
6 Jan 2020	Declaration of the "Healthy Management Company"
30 Jan 2020	NSG's solar glass float furnace in Vietnam starts operation
5 Feb 2020	NSG Optiwhite® adorns entrance of new Artizon Museum in Tokyo
25 Feb 2020	Switchable light control glass UMU selected for Japan's mass-production cars
27 Feb 2020	NSG to test the world's first use of hydrogen fuel for glass making
28 Feb 2020	Kintetsu railway adopted NSG glass for the first carriage of new limited express trains "Hinotori" (Phoenix)
31 Mar 2020	Recognition of Exceptional Costs and Revision to Forecast of Dividend on Ordinary Shares for FY2020
30 Apr 2020	Voluntary Reduction of Compensation for Director and Executive Officers
30 Apr 2020	Changes to FY20 Results Disclosure Date & Record Date for Shareholders' Meeting & Covid-19 Impact

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