



TO OUR SHAREHOLDERS

NIPPON SHEET GLASS CO., LTD.
148TH FISCAL PERIOD INTERIM REPORT
1 APRIL 2013 - 30 SEPTEMBER 2013

'MAKING A DIFFERENCE TO OUR WORLD
THROUGH GLASS TECHNOLOGY'

Securities Code: 5202



MESSAGE FROM THE PRESIDENT AND CEO

On behalf of the NSG Group, I thank you for your continued support.

Conditions in the Group's major architectural and automotive glass markets were broadly as expected during the first two quarters of the year. Markets which showed signs of recovery during the previous year, have continued to improve during the current year. Activity levels in the Group's significant European markets continued to be depressed, although conditions now appear to have stabilized. Overall, technical glass markets were mixed, with improvements in some areas and reductions in others.

Management will continue to focus on returning the Group to profitability as quickly as possible.



Keiji Yoshikawa
Representative Executive Officer
President and CEO

Results in the Architectural business were significantly better than the previous year due mainly to the effects of the Group's restructuring program. Revenues improved due to the translational impact of the weaker Japanese yen.

In the Automotive business, revenues also improved from the previous year due mainly to the translational impact of the weaker Japanese yen. Markets remain challenging, particularly in Europe.

Revenues in the Technical Glass business were similar to the previous year. Profits fell slightly but remain at a satisfactory level.

The Group's operating profitability will increasingly benefit from the restructuring and operational improvements that have been undertaken across the regions and businesses, and we will further improve profitability by launching new value-added products.

The Group's dividend policy is to secure dividend payments based on sustainable business results. Consistent with the dividend forecast announced on 16 May 2013, the directors did not recommend an interim dividend for the period ended 30 September 2013. We

recognize the importance of dividends to our shareholders and anticipate resuming dividend payments when the financial performance of the Group allows.

With "Making a difference to our world through glass technology" as its vision, the Group has a clear commitment to sustainability. Through production of innovative high-performance glass and glazing solutions, we will contribute to improving living standards, people's safety and well-being, energy conservation and generation, while working safely and ethically in everything we do.

We look forward to your continuing understanding and support of our activities.

吉川 恵治

Keiji Yoshikawa
Representative Executive Officer
President and CEO
Nippon Sheet Glass Co., Ltd.

5 December 2013

CONSOLIDATED FINANCIAL HIGHLIGHTS

Income statement

	Millions of yen		
	Fiscal 2014 interim period	Fiscal 2013 interim period	Fiscal 2013
Revenue	302,162	260,678	521,346
Operating profit/(loss) before exceptional items	4,949	(1,032)	1,946
Loss before taxation	(10,059)	(18,680)	(31,096)
Loss for the period	(10,530)	(17,316)	(33,455)
Loss attributable to the owners of the parent	(11,054)	(17,695)	(34,324)
Earnings per share (yen)	(12.25)	(19.61)	(38.04)

Balance sheets

	Millions of yen	
	30 September 2013	31 March 2013
Non-current assets	615,887	591,360
Current assets	279,595	294,076
Total assets	895,482	885,436
Total liabilities	732,037	729,983
Total equity	163,445	155,453
Total liabilities and equity	895,482	885,436

Statement of cash flows

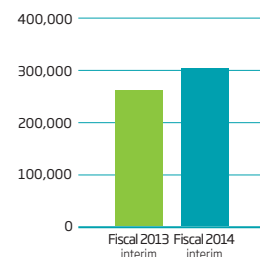
	Millions of yen	
	Fiscal 2014 interim period	Fiscal 2013 interim period
Net cash inflows/(outflows) from operating activities	1,770	(2,617)
Net cash outflows from investing activities	(5,008)	(14,914)
Cash flow before financing activities	(3,238)	(17,531)
Net cash (outflows)/inflows from financing activities	(12,878)	34,742
Cash and cash equivalents (net of bank overdrafts) at the end of the period	53,507	40,647

Net revenue by business



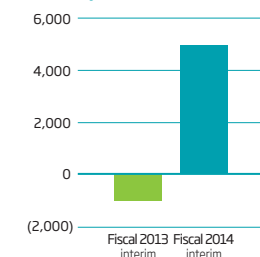
Revenue

Millions of yen



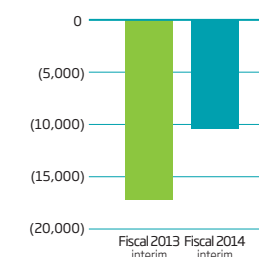
Operating profit/(loss) before exceptional items

Millions of yen



Loss for the period

Millions of yen



- Architectural Europe 16%
- Architectural Japan 12%
- Architectural North America 4%
- Architectural Rest of World 8%
- Automotive Europe 23%
- Automotive Japan 8%
- Automotive North America 12%
- Automotive Rest of World 7%
- Technical Glass 10%

Notes: All current and prior year results are presented under International Financial Reporting Standards (IFRS).

Following the adoption of the amended version of IAS19 (employee benefits), the Group has restated its comparative FY2013 financial results.

1 Super-jumbo Glazing for the Seven Stars

NSG Group supplied the glazing for the lounge and deluxe suite cars of the deluxe sleeper cruise train “Seven Stars in Kyushu”, which was launched on 15 October.

The super-jumbo size glass installed measuring 1,500mm x 2,300mm is the largest-ever insulating glass unit (IGU) for railway car windows in Japan. It offers the reduced level of condensation forming on the inside of the window without losing transparency at all, which enables passengers to enjoy the panoramic landscape of natural beauty in the Kyushu area through the super-jumbo window in the lounge car and rearmost deluxe suite. The inner layer between two panes of the IGU can also block ultraviolet (UV) light by more than 99 percent*, providing a higher level of comfort to passengers.

* Calculated by NSG Group



©Kyushu Railway Company.

2 Increased Capacity of Value-added Architectural and Automotive Glass

As demand for value-added glass has been growing both in architectural and automotive markets, the NSG Group has increased production capacity of the following products.

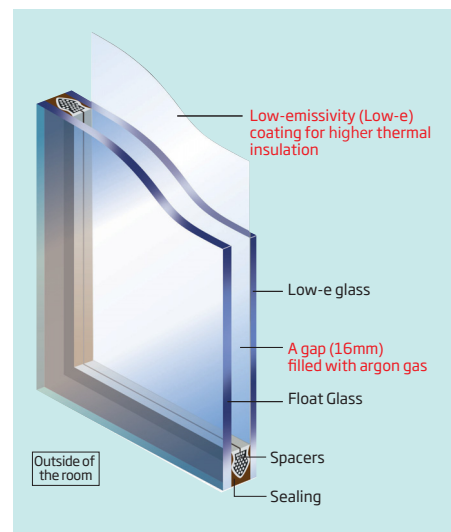
■ Architectural Glass: Argon-gas-filled double glazing units

The NSG Group has increased, by about 50 percent, production capacity of argon-gas-filled insulating glass units (IGUs). Lately double glazing IGUs have become increasingly common in residential buildings, especially newly built ones. Argon gas is an inert gas that has higher thermal insulation properties compared to air, thereby reducing heat transfer through windows. By using argon gas between the panes of double glazing, the IGUs can be more energy efficient, providing greater thermal insulation without compromising the level of natural daylight coming from outside. Home builders have been rapidly expanding the use of argon-gas-filled double glazing units to make them standard products in home construction.

■ Automotive Glass: UV-cut automotive glass

The NSG Group decided to double production capacity of Super UV cut automotive glass in Japan. The Super UV cut glass is able to block approximately 99 percent* of UV rays from entering the passenger cabin, which is achieved by applying a high-performance UV absorbing coating on the interior side of the tempered glass. This product, for front door windows, can protect passengers from being exposed to the sun and thus enhance driving comfort. In Japan the number of car models that use this product has been increasing.

* Calculated by the NSG Group based on ISO9050 standards



Argon-gas-filled IGUs.

Special Feature: Cutting-edge product from NSG Group

MICROGLAS® GLASFLAKE—fine, glass flakes made through NSG's proprietary technology

The NSG Group's specialized MICROGLAS® products are lightweight and of high-strength with excellent incombustibility, non-conductivity and chemical resistance. They are used in a wide variety of applications worldwide and we are in the enviable position of being the number one and only supplier of some of the products.

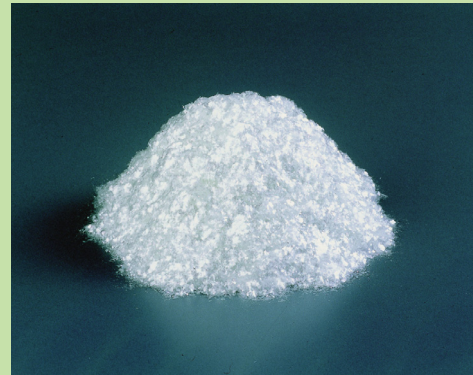
MICROGLAS® GLASFLAKE comes in scale-like glass flakes, each flake ranging from 10 to 4,000µm in size with a mean thickness of 2 to 5µm. This product is produced through our proprietary manufacturing method, making us the only Japanese company to manufacture and sell flake form glass. MICROGLAS® GLASFLAKE is available in "C" and "E" glass formulations.

C-glass flake contains an alkaline component and is thereby highly resistant to acid. Due to this characteristic, it is used in corrosion-resistant paint and linings such as those applied to offshore wind power generation facilities providing long-term protection against the harsh environmental conditions. C-glass flake is contributing to the growing renewable energy sector.

E-glass flake can prevent warpage or shrinkage and thereby provide improved dimensional stability for precision components molded from thermoplastic resin. It also contributes to miniaturization and weight reduction when substituted for metal components. We also succeeded in developing submicron type glass flake by applying our newly developed forming technology, expanding its use to fields with higher requirements for precision and thinness.

The Group also developed the world's first glittering pigment **MICROGLAS® METASHINE®** by using a technology to apply a surface treatment after the process of forming the glass flakes, the base material. MICROGLAS® METASHINE® produced with a metal or metal oxide coating laid onto the glass flakes provides an elegant metallic luster. It is widely used in a variety of fields including automotive coatings, cosmetics and industrial applications.

By leveraging the unique know-how we have accumulated as a glass manufacturer, the NSG Group has a fully integrated R&D and production system in place, extending from the production of glass substrates to pigments. By using this system, we succeeded in developing the world's first boron-free and low heavy metal "TA" glass formulations enabling us to significantly contribute to the protection of the environment.



MICROGLAS® GLASFLAKE expands its use to new fields.



MICROGLAS® METASHINE® provides an elegant metallic luster.

MANAGEMENT (as at 31 October 2013)

NSG Group adopted a Company with Committees structure with effect from 27 June 2008.

Directors

External Director, Chairman of the Board	Seiichi Asaka
External Director	George Olcott
External Director	Sumitaka Fujita
External Director	Hiroshi Komiya
Director	Keiji Yoshikawa
Director	Clemens Miller
Director	Mark Lyons
Director	Kenichi Morooka

Nomination Committee

George Olcott*
Sumitaka Fujita
Seiichi Asaka
Hiroshi Komiya
Keiji Yoshikawa
Kenichi Morooka

Audit Committee

Sumitaka Fujita*
George Olcott
Seiichi Asaka
Hiroshi Komiya

Compensation Committee

Hiroshi Komiya*
George Olcott
Sumitaka Fujita
Seiichi Asaka
Keiji Yoshikawa
Kenichi Morooka

* Chairman

Executive Officers

Representative Executive Officer, President and CEO	Keiji Yoshikawa
Representative Executive Officer, Executive Vice President and COO	Clemens Miller

Representative Executive Officer, Executive Vice President and CFO	Mark Lyons
Executive Officer, Executive Vice President	Kenichi Morooka

Corporate Officers

Senior Corporate Officer	Tony Fradgley
Senior Corporate Officer	Ichiro Fujiki
Senior Corporate Officer	Koichi Hiyoshi
Senior Corporate Officer	Minoru Imanishi
Senior Corporate Officer	Phil Millichap
Senior Corporate Officer	Shigeki Mori
Senior Corporate Officer	Tom Rae
Senior Corporate Officer	Phil Ramsey
Senior Corporate Officer	Jochen Settelmayer
Senior Corporate Officer	Milena Stanisci
Senior Corporate Officer	Phil Wilkinson

Corporate Officer	Kazumitsu Fujii
Corporate Officer	Kazuhiko Fujimaki
Corporate Officer	Keita Kakehashi
Corporate Officer	Masaya Kato
Corporate Officer	Hiroshi Kishimoto
Corporate Officer	Shiro Kobayashi
Corporate Officer	Koichi Maeda
Corporate Officer	Koji Maehara
Corporate Officer	Paul Ravenscroft
Corporate Officer	Iain Smith
Corporate Officer	Shinji Tsuchie

STOCK INFORMATION

Number of shares/shareholders (as at 30 September 2013)

Authorized shares	1,775,000,000
Issued shares	903,550,999
Number of shareholders	81,973

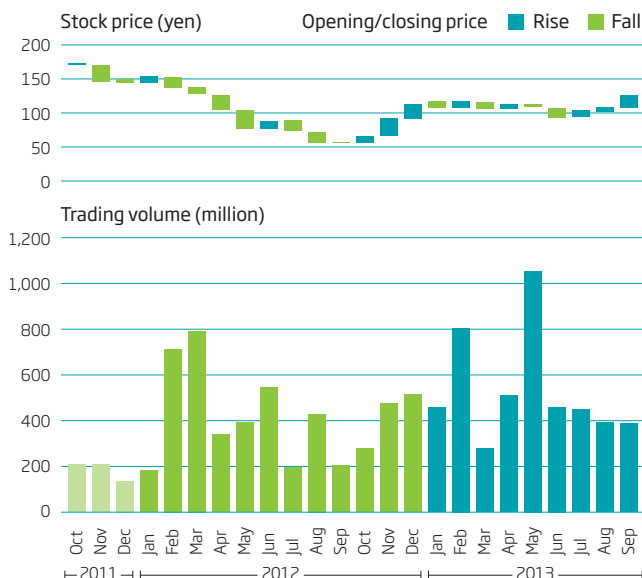
Major shareholders (as at 30 September 2013)

	Number of Shares	Percentage of Shares
The Master Trust Bank of Japan, Ltd. (Trust Account)	27,878,000	3.09
Japan Trustee Services Bank, Ltd. (Trust Account)	22,903,000	2.53
Credit Suisse Securities (Europe) Limited PB Omnibus Client Account	17,336,040	1.92
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	14,203,000	1.57
CBNY DFA Intl Small Cap Value Portfolio	12,492,408	1.38
State Street Client Omnibus Account OM44	11,077,600	1.23
Toyota Motor Corporation	9,610,650	1.06
Sumitomo Life Insurance Company	9,148,000	1.01
Raiffeisen Bank International AG Client A/C	8,651,239	0.96
Goldman Sachs International	8,502,783	0.94

Distribution of NSG Group Shareholders (as at 30 September 2013)



Stock prices and trading volume



SHAREHOLDER INFORMATION

Fiscal period	1 April to 31 March of the following year
Ordinary General Meeting of Shareholders	Held annually in June
Record dates	Ordinary General Meeting of Shareholders: 31 March Dividend: 30 September and 31 March
Transfer agent	Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan
Operating office	Stock Transfer Agency Department, Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan
Public notice	www.nsg.com
Independent auditors	Ernst & Young ShinNihon LLC

If you need to record any changes in your address, personal details or any other relevant matter, please contact the securities company administrating your shareholder account. If you do not use a securities company, please notify our transfer agent as shown below.

Notice to shareholders holding odd-lot shares

If you hold an odd-lot of shares (1 to 999 shares), which is less than a trading unit of shares (1,000 shares), you could:

1. sell these shares to the Company, or
2. purchase odd-lot shares from the Company to supplement your holding to the extent necessary to constitute a trading unit.

Please contact the securities company administrating your shareholder account for its specific procedures. If you do not use a securities company, please contact our transfer agent as shown below.

Mail address Stock Transfer Agency Department,
Sumitomo Mitsui Trust Bank, Limited
8-4, Izumi 2-chome, Suginami-ku,
Tokyo 168-0063, Japan

Telephone number ☎ 0120-782-031 (toll free in Japan)

CORPORATE DATA (as at 30 September 2013)

Company name	Nippon Sheet Glass Co., Ltd.
Head office	Sumitomo Fudosan Mita Twin Building West Wing, 5-27, Mita 3-chome, Minato-ku, Tokyo 108-6321 Japan Tel: +81-3-5443-9500
Established	22 November 1918
Number of permanent employees	27,013 (consolidated)
Paid-in capital	¥116,449 million
Stock listing	Tokyo (Code: 5202)
Contact	www.nsg.com/en/contact-us

Website

Further information about the Group including its financial results and latest IR information is available at www.nsg.com

