

31 January 2019

## FY2019 3RD QUARTER RESULTS

(1 April 2018 to 31 December 2018)

- **Year-on-year revenue growth reflecting stable market conditions except for rapid slowdown in European Automotive markets during Q3, trading profit remaining flat**
- **Significant year-on-year improvement in net profit with net finance expenses reduction and improvement in share of profits of JVs & associates**
- **Full-year revenue and trading profit forecast revised to reflect latest conditions, while net profit forecast remain unchanged. Both trading and net profit to continue to improve year-on-year**
- **Actions to continue to drive VA shift, efficiency improvement and cost reduction being taken, aiming for the sixth year of trading profit growth**

### **Year-on-year revenue growth reflecting stable market conditions except for rapid slowdown in European Automotive markets during Q3, trading profit remaining flat**

- Group revenues of ¥ 459.5bn increased from the previous year (FY18 Q3: ¥ 445.3bn\*)
- Trading profit remained flat at ¥ 27.2bn (FY18 Q3: ¥ 27.5bn\*), despite the impact of slowdown in European Automotive markets, increased energy-related costs and a deterioration in the value of South American currencies

	Revenue		Operating Profit	
	FY19 Q3	FY18 Q3*	FY19 Q3	FY18 Q3*
Architectural Glass	<b>¥ 186.7bn</b>	¥ 179.6bn	<b>¥ 18.4bn</b>	¥ 20.5bn
Automotive Glass	<b>¥ 235.0bn</b>	¥ 228.3bn	<b>¥ 9.1bn</b>	¥ 7.6bn
Technical Glass	<b>¥ 36.7bn</b>	¥ 36.7bn	<b>¥ 6.4bn</b>	¥ 4.9bn

### **Significant year-on-year improvement in net profit with net finance expenses reduction and improvement in share of profits of JVs & associates**

- Profit attributable to owners of the parent improved by ¥ 12.2bn from the previous year to ¥ 10.5bn (FY18 Q3: loss of ¥ (1.7)bn\*) due to reduced finance costs, an improvement in share of profits of JVs & associates and the non-recurrence of a one-off tax charge arising in the previous year

### **Full-year revenue and trading profit forecast revised to reflect latest conditions, while net profit forecast remain unchanged. Both trading and net profit to continue to improve year on year**

- Profit attributable to owners of the parent forecast for FY2019 of ¥ 14.0bn unchanged
- Year-end trading profit forecast revised to ¥ 39.0bn, reflecting the latest conditions, while continue to improve year-on-year (FY2018: JPY 37.7 billion)
- Actions to continue to drive VA shift, efficiency improvement and cost reduction being taken, aiming for the sixth year of trading profit growth

\*: Restated due to adoption of IFRS15 "Revenue from Contracts with Customers"

Excerpt from NSG Group FY2019 3rd Quarter financial results presentation, 31 January 2019

### Consolidated Income Statement NSG GROUP

(JPY bn)	FY2018 <sup>*1</sup> 3rd Quarter	FY2019 3rd Quarter
Revenue	445.3	459.5
<b>Trading profit</b>	<b>27.5</b>	<b>27.2</b>
Amortization <sup>*2</sup>	(1.5)	(1.5)
<b>Operating profit</b>	<b>26.0</b>	<b>25.7</b>
Exceptional items	(2.5)	(3.3)
Finance expenses (net)	(11.2)	(10.2)
Share of JVs and associates	1.7	4.9
<b>Profit before taxation</b>	<b>14.0</b>	<b>17.1</b>
<b>Profit/(loss) for the period</b>	<b>(0.4)</b>	<b>11.4</b>
<b>Profit/(loss) attributable to owners of the parent</b>	<b>(1.7)</b>	<b>10.5</b>
EBITDA	46.8	46.7

\*1: Restated due to adoption of IFRS15 "Revenue from contracts with customers"  
\*2: Amortization arising from the acquisition of Pilkington plc only

**Significant year-on-year improvement in net profit**

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### Revision of FY2019 Annual Forecast NSG GROUP

(JPY bn)	FY2018 Full year <sup>*1</sup>	FY2019 Full year forecast (Previous)	FY2019 Full year forecast (Latest)	Change
Revenue	598.9	630.0	620.0	(10.0)
<b>Trading profit</b>	<b>37.7</b>	<b>43.0</b>	<b>39.0</b>	<b>(4.0)</b>
Amortization <sup>*2</sup>	(2.0)	(2.0)	(2.0)	
<b>Operating profit</b>	<b>35.7</b>	<b>41.0</b>	<b>37.0</b>	<b>(4.0)</b>
Exceptional items	(1.3)	(7.0)	(6.0)	1.0
Finance expenses (net)	(14.6)	(13.0)	(13.0)	
Share of JVs and associates	2.4	3.0	6.0	3.0
<b>Profit before taxation</b>	<b>22.2</b>	<b>24.0</b>	<b>24.0</b>	
<b>Profit for the period</b>	<b>7.9</b>	<b>16.0</b>	<b>16.0</b>	
<b>Profit attributable to owners of the parent</b>	<b>6.2</b>	<b>14.0</b>	<b>14.0</b>	

Revised to reflect latest market conditions

No change to net profit

\*1: Restated due to adoption of IFRS15 "Revenue from contracts with customers"  
\*2: Amortization arising from the acquisition of Pilkington plc only

**Revised trading profit forecast reflect recent headwinds in the marketplace. Original forecast of net profit maintained**

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