NSG GROUP

14 May 2010

FY2010 FULL YEAR RESULTS

(From 1 April 2009 to 31 March 2010)

- **Full-year result better than previous forecast**
- **Fourth-quarter results reflect stabilized markets and restructuring actions**
- **New President and CEO appointed**
- **Major restructuring program completed. Cost savings delivered**
- **Significant improvement in debt maturity profile achieved**
- **Continued profit improvement forecast for FY2011**

Full-year result better than previous forecast

- Controlled cash management and cost reduction continue to mitigate impact of challenging market conditions.
- Automotive business holding up well despite expiry of some government scrappage incentive programs.
- Specialty Glass results buoyant, with consumer demand improving.
- Challenging conditions in Building Products markets continue.
- Cumulative Group revenues ¥ 588bn (FY09: ¥ 739bn) and profit of ¥ 0.9bn (before amortization) (FY09: ¥ 22.5bn).
- Automotive revenues ¥ 265bn and operating profit ¥ 9.9bn (before amortization).
- Specialty Glass revenues ¥ 66bn and operating profit ¥ 3.6bn.
- Building Products revenues ¥ 244bn and operating loss ¥ 1.3bn (before amortization).

Fourth-quarter results reflect stabilized markets and restructuring actions

- Demand in Automotive OE markets generally holding up and AGR remains resilient.
- Specialty Glass profitability reflecting strengthening market conditions.
- Delivery of cost savings in Building Products underpin profitability despite lower seasonal demand.
- Continuing benefits from cost reduction programs helping all business line results.
- Fourth-quarter Group revenues ¥ 145bn and operating profit ¥ 3.8bn (before amortization).

New President and CEO appointed

- Craig Naylor has joined the Group as CEO Designate. He will take over as President and CEO on 29 June from Katsuji Fujimoto, who becomes non-executive chairman of NSG Group.
- Brings international business and manufacturing experience.
- During his international career he has worked in China, Switzerland, Japan and the United States, in positions in engineering, production management, manufacturing, product development, sales and marketing and global business management.

Major restructuring program completed. Cost savings delivered

- Cost savings of ¥ 16bn realized during FY2010.
- Restructuring program completed as planned with 2,200 employees having left the Group during FY2010, bringing the total to 6,700 reductions.
- Group restructuring program cost charged to the income statement of ¥ 6.6bn during FY2010, in line with plan.

Significant improvement in debt maturity profile achieved

- Cumulatively, the Group refinanced ¥ 164bn of debt during the year.
- During the quarter, ¥ 52bn of new debt facilities maturing in September 2013 were signed 24 March 2010.
- All FY2011 maturities have been refinanced.

Continued profit improvement forecast for FY2011

- Forecast full-year operating profit before amortization ¥ 28bn on revenues of ¥ 600bn.
- Cost reduction programs expected to contribute ¥ 19bn of savings for financial year.
- All three business lines will improve profitability and record positive post-amortization operating income.
- Key objective for FY2011 is to continue improving manufacturing and quality performance while realizing benefits from restructuring programs.

Board remains confident in the Group's long term prospects, maintaining the full-year dividend.

Extract from NSG Group FY2010 financial results presentation, 14th May 2010.

Consolidated Income Statement

(JPY bn)	FY2010	FY2009	Change from FY2009
Revenue	**588.4**	**739.4**	**-20%****
Op.Income before amortization*	**0.9**	**22.5**	
Amortization*	(18.1)	(20.6)	
Operating Income	**(17.2)**	**1.9**	
Non-operating items	(11.4)	(14.2)	
Ordinary income	**(28.6)**	**(12.3)**	
Extraordinary items	(13.8)	(1.2)	
Pre-tax Income	**(42.4)**	**(13.5)**	
Net Income	**(41.3)**	**(28.4)**	
EBITDA	41.0	68.2	-40%

* Amortization arising from the acquisition of Pilkington plc only

** -14% based on constant exchange rates

Reduced sales and profits in line with market conditions

Consolidated Income Statement Q4 FY10 v Q4 FY09

(JPY bn)	Q4 FY10	Q4 FY09	Change from Q4 FY09
Sales	**144.5**	**129.9****	**+ 11%**
Op.Income before amortization*	**3.8**	**(7.1)**	
Amortization*	(4.4)	(4.4)	
Operating Income	**(0.6)**	**(11.5)**	
Non-operating items	(2.3)	(5.4)	
Ordinary income	**(2.9)**	**(16.9)**	
Extraordinary items	(7.0)	(27.0)	
Pre-tax Income	**(9.9)**	**(43.9)**	
Net Income	**(9.2)**	**(38.9)**	
EBITDA	14.3	3.7	+ 286%

* Amortization arising from the acquisition of Pilkington plc only

**Q4 FY09 excludes revenue adjustment for standardizing the FY2009 statutory year end

Operating result demonstrates improvement in profitability