

NSG

GROUP

The 155th Ordinary General Meeting

Nippon Sheet Glass Company, Limited

Kindly be noticed;



Please wear a face mask at all times at the venue.

Please switch off your mobile phone or set it silent mode and refrain from talking on the phone.

Please refrain from using your camera, video camera and recorder at the venue.

We highly appreciated your understanding and cooperation.

The 155th Ordinary General Meeting

Nippon Sheet Glass Company, Limited

Audit Reports

Matters to be Noted

- 1. Business Report**
- 2. Consolidated Financial Statements**
- 3. Financial Statements**

Overview and Results of Business Activities

Overview and Results of Business Activities

The Group's core markets in FY21

- During the first quarter, they were affected by the dramatic decline in demand due to the COVID-19 pandemic.
- From June when travel restrictions were eased, demand started to improve quickly, and the recovery trend continued through to the end of the period.
- In the fourth quarter, vaccination programs and the gradual loosening of lockdown measures helped uplifting consumer confidence in some markets.
- Whilst in other markets where COVID-19 infections remained high or even increased, governments responded with the further imposition of social rather than industrial lockdowns, enabling the Group's facilities to continue operating.

Overview and Results of Business Activities

Architectural Markets

- Experienced robust activity from June, especially in Europe and South America.
- Demand for Solar Energy glass remained strong, largely unaffected by COVID-19 factors.

Automotive markets

- Continued to recover rapidly from the low levels experienced earlier in the year.
- From the third quarter exceeding the levels of the previous year, however, demand in most regions was curtailed by shortages of computer-chips and other components at the Group's customers.

Technical glass markets

- The impact of COVID-19 pandemic was relatively small.

Overview and Results of Business Activities

Consolidated Revenue	4,992.24 oku-yen	Down 10.2%
Consolidated Operating Profit^{*1}	130.67 oku-yen	Down 38.3%
Consolidated Profit Attributable to Owners of the Parent (Loss)	△ 169.30 oku-yen	(-)

*1 Operating profit in the above table is defined as being operating profit stated before exceptional items.

Note: The Group recorded a cumulative net charge with respect to exceptional items of ¥21,400 million, including the costs of COVID-19, restructuring costs, and a gain on disposal of non-current assets, arising from the sale of land in Japan.

Issues to be Addressed

Management Principle

“Our Vision”

Mission “Changing our surroundings, improving our world”



NSG Group's Medium-Term Vision

In order to fulfill its mission, NSG Group recently formulated a Medium-Term Vision

To become “A global glass supplier contributing to the world with high value-added glass products and services”

NSG Group's Medium-Term Vision



- “Three Areas of Contribution” to be focused

- ① **Safety & Comfort**

- To create people-friendly surroundings and a living space that is pleasant, safe and healthy

- ② **Eco Society**

- To create an eco-friendly world by various contributions such as a shift to renewable energy and lowering the usage of air-conditioning and heating

- ③ **Information and Telecommunication**

- To contribute to the development of Information and Telecommunication to make people's lives more convenient and to support the advancement of the society

- Our aspiration for the future state of the Group

- To never fail to take up challenges and follow through to deliver results
- To continue to provide employees with opportunities to grow and find joy in working

Initiatives and Targets in New Medium Term Plan “Revival Plan 24 (RP24)”

■ Period

- **During the critical period from FY2022 to FY2024**

■ Review of previous MTP (Medium Term Plan)

- **Started efforts to transform itself into a “VA glass company”**

※VA : VA stands for value-added

- **Cyclical nature of its business with a high fixed cost ratio has not been changed sufficiently**

■ Main Initiatives of RP24

- **This period should be regarded as the one for business transformation and Restoration of financial stability and Transformation into more profitable business portfolio should be executed.**

Business Environment

- In the float glass industry, commoditization of products and competition are intensifying with the entry of glass manufacturers from emerging markets.
- The reduction of greenhouse gas emissions from the glass production process has become one of our material management issues.
- Growing need for technical glass

Architectural Glass area

- Demand for energy-saving and -generating glass is expanding in line with the increasing use of natural energy
- Demand for products which contribute to maintaining health and hygiene is growing

Automotive Glass area

- Expectations are increasing for products that can respond to the “once-in-a-century” technical innovation in the automotive industry (CASE).

Lifestyles in the “post-Covid-19 world”

- Advancement of digital transformation
- Contribution in fields such as life science, IoT and cloud computing



RP24: Aim of business transformation and Key Initiatives

Aim of business transformation

Rebuild the base for regrowth in the medium to long term, through drastic business transformation

Key initiatives

Three Reforms

Cost structure reform

Cost reduction
Productivity improvement

Business structure reform

Expansion of value-added business
Development of new growth businesses
Emphasis on investment and asset efficiency

Corporate culture reform

Transform into a company group that never fails to take up challenges and follow through to deliver results

Two Key Initiatives

Restore a sustainable financial base

Business portfolio change

RP24 Financial target (FY2024)

Executing the “Three Reforms” and “Two Key Initiatives”, aiming to meet the following financial target

	Target FY2024
Operating profit Margin ^{*1}	8 %
Net profit/loss ^{*2}	> JPY 300 Oku cumulatively for 3 years
Equity ration	>10%
Free Cash Flow	>JPY 100 Oku

*1 Operating profit after amortization

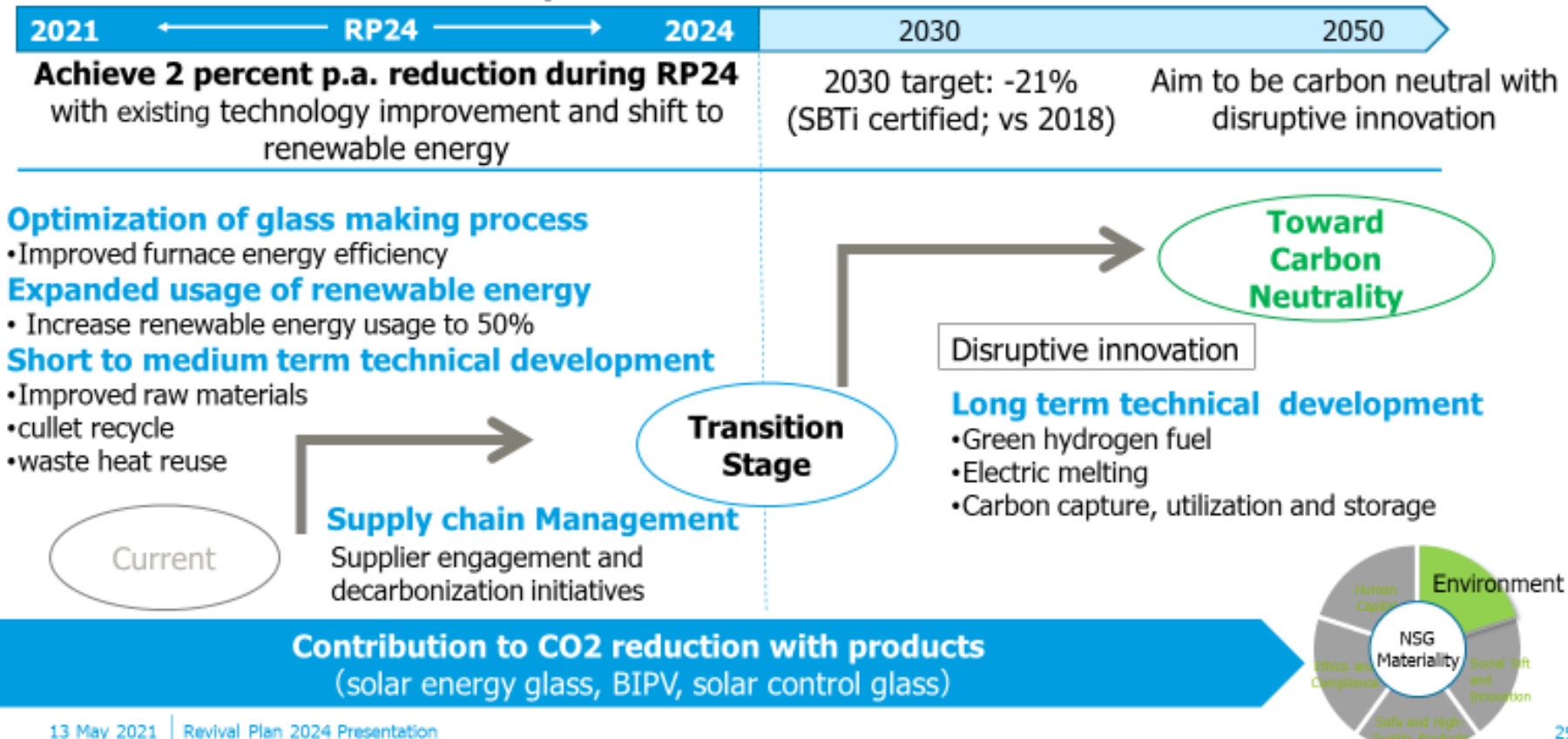
*2 Profit attributable to owners of the parent



The Group aims to restore equity ratio to more than 10 percent quickly by steadily generating net profit and free cash flow every term

Approach to Sustainability

Milestone to carbon neutrality



Business Report (Others) Page 15 to Page 47

- **Other Operations and Eliminations**
- **Matters Related to the Shares**
- **Policy on Return of Our Profits to Shareholders**
- **Matters Related to the Stock Acquisition Rights, etc.**
- **Matters Related to Directors and Executive Officers**
- **Accounting Auditor**
- **Status of Corporate Governance**

**#155 Consolidated Financial Statements
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#155 Financial Statements Page 52 to Page 54

The 155th Ordinary General Meeting

Nippon Sheet Glass Company, Limited

Matters to be Resolved

Proposal: Election of Six Directors

From page 5 to page 12 in Notice of Convening the 155th Ordinary General Meeting of Shareholders

Matters to be Resolved

Proposal: Election of Six directors

Yasuyuki Kimoto

(External Director)

Hiroshi Ishino

(External Director)

Shigeki Mori

Kunihito Minakawa

(External Director)

Jörg Raupach Sumiya

(External Director)

Yoshihiro Kuroi

(External Director)

Q&A Session

Question received in advance

- **Why don't you distribute 'Live' of the status of the General Meeting of Shareholders**

If any questions,

- **Wearing a mask**
- **With registered number and name**

Please let us know your question.

After your question, please have your seat again.

Matters to be Resolved

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