NSG Group
FY2024/3 Quarter 1 Results
(from 1 April 2023 to 30 June 2023)

Nippon Sheet Glass Company, Limited
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9 August 2023

Agenda

1. Financial Year ending 31 March 2024 Quarter 1 Results
2. Forecast for Financial Year ending March 2024
3. Update of Transformation Initiatives under Revival Plan 24 (RP24)
4. Summary

1. Financial Year ending 31 March 2024 Quarter 1 Results

Consolidated Income Statement

NSG GROUP

Robust start with increased revenue and profits.
Impairment reversals recorded following the disposal of Russia JV businesses

(JPY bn)	Q1 (3 months)		
	FY2023/3	FY2024/3	Change
Revenue	177.9	**208.0**	30.0
Operating profit	8.3	**14.6**	6.3
ROS: Return on sales	4.6%	**7.0%**	+2.4pt
Exceptional items (net)	2.3	**(0.8)**	(3.1)
Operating profit after exceptional items	10.6	**13.8**	3.2
Finance expenses (net)	(2.8)	**(6.4)**	(3.6)
Reversal of previous impairment of financial receivables owed by JVs and associates	-	**3.7**	3.7
Share of JVs and associates' profits	2.2	**1.0**	(1.3)
Other gains/(losses) on equity method investments	(1.2)	**1.1**	2.4
Profit before taxation	8.8	**13.3**	4.5
Profit for the period	3.3	**7.5**	4.3
Net profit *	2.4	**7.0**	4.6
EBITDA	18.0	**25.3**	7.3

Revenue increased in all SBUs with sales volumes and prices increase as a whole Group.
OP increased in Architectural and Automotive leading to the Group's ROS improvement to 7%

【Revenue and Operating Profit : vs PY】

(JPY bn)	Revenue	Operating profit
Architectural	+10.1	+3.0
Automotive	+19.3	+3.9
Technical	+0.0	(1.1)
Others	+0.5	+0.5
Group total	**+30.0**	**+6.3**

Finance expenses increased mainly due to interest rate rise

Recorded gains on the reversal of previous impairments of balances and investments arising from the disposal by the Group's JV of its Russian subsidiaries

* Profit attributable to owners of the parent

The Group's consolidated income statement is shown on slide 4.

You can see the results for the first quarter of the previous year in the left, and for this year in the right.

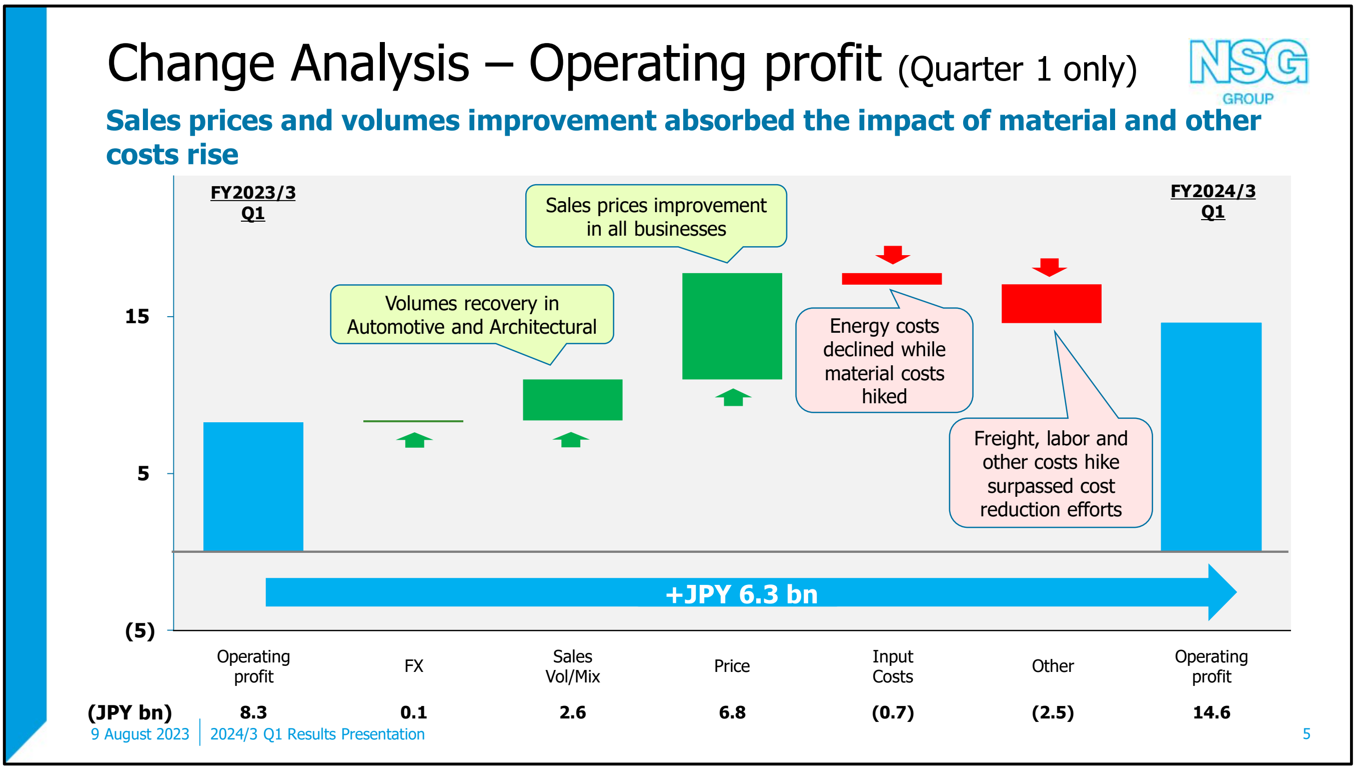
Revenue was improved to 208.0 billion yen, by 30.0 billion yen year on year, +17%, with improvements in all SBUs mainly in Automotive and Architectural glass businesses with sales volumes and prices increase as a whole Group.

Operating profit in this quarter was 14.6 billion yen which increased by 6.3 billion yen, +76% from the previous year,
reflecting improvements in Automotive and Architectural glass businesses.
While energy prices declined, material and other costs such as freight and labour hiked during the quarter due to inflation trend, but operating profits improved in Automotive and Architectural glass businesses where sales prices and sales volumes improved.
This led the Group's return on sales to improve to 7% by +2.4pt.

Net finance expenses increased to 6.4 billion yen by 3.6 billion yen from the previous year mainly due to interest rates rise.

In the share of JVs and associates' profits, reversal of previous impairment of financial receivables owed by JVs and associates of 3.7 billion yen was recorded due to the disposal by the Group's JV of its Russian subsidiaries.
Related to the disposal, gains on the reversal of previous impairments of investments were recorded which resulted in other gains on equity method investments of 1.1 billion yen.

As a result of these items, profit before taxation was 13.3 billion yen, profit for the period was 7.5 billion yen and net profit was 7.0 billion yen, which were a robust start of the financial year.



Slide 5 lays out change analysis of the year-on-year operating profit movement from April to June 2023.
A comparison is made between the operating profit 8.3 billion yen in the previous year and 14.6 billion yen for this year, being a 6.3 billion yen year-on-year increase.

'Foreign exchange' was positive 0.1 billion yen due to the depreciation of the yen would have increased the operating profit from the previous year.

'Sales Volume/mix' improved by 2.6 billion yen, mainly reflecting sales volume recovery in Automotive and Architectural glass businesses.

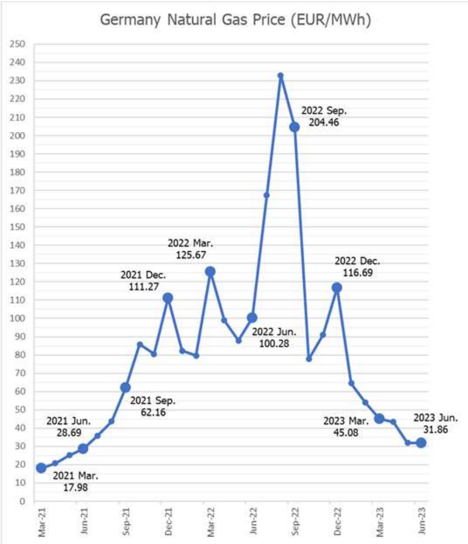
The positive 6.8 billion yen in 'Price' is due to the sales prices improvement in all businesses.

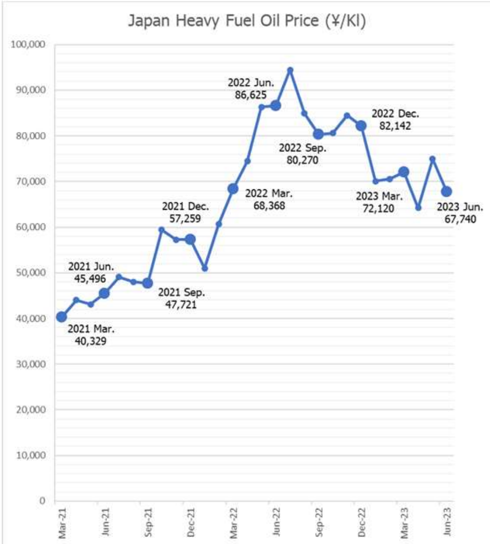
The negative 'Input costs' by 0.7 billion yen was affected by material costs hike which were partly mitigated by lower energy prices.

'Others' posted decrease of 2.5 billion yen.
Other costs increase mainly related to logistics and labour reflecting worldwide inflation trend exceeded the benefits of the Group's cost transformation initiatives under the RP24.

Energy Price Movement

German natural gas price: declined and remained stable
Japanese heavy fuel oil price: in declining trend, but still in a high price range





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Next slide 6 shows the movements of energy prices.

The left chart shows the movement of the natural gas price in Germany,
and the right chart shows the heavy fuel oil price in Japan.

In Germany, the price of natural gas declined during this quarter and remained stable.
In Japan, the heavy fuel oil price was in declining trend, however still staying in a high price range.

Glass Market Price Movement

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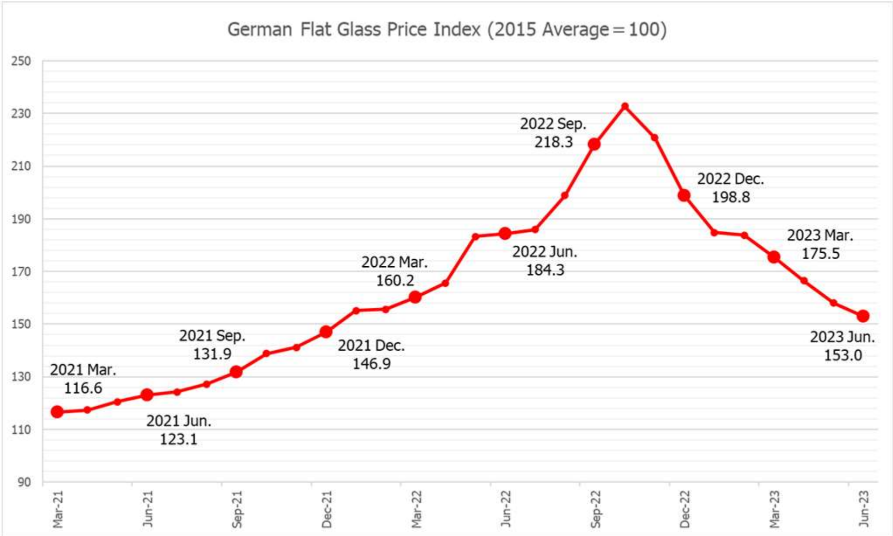
German glass price decreased reflecting lower natural gas prices while remaining at a level absorbing the impact of higher material and other costs



Slide 7 shows the glass market price movement in Germany.

Although glass prices have declined during the first quarter following the fall in natural gas prices due to energy surcharge system, it moved at a price level which can absorb the impact of increased materials and other costs.

Consolidated Balance Sheet

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Shareholders' equity ratio increased to 12.4% by 2.2pt.
Maintaining above 10% of RP24 target

(JPY bn)	31 March 2023	30 June 2023	Change
Total Assets	**951.4**	**1,000.0**	**48.6**
Non-current assets	615.1	661.2	46.2
Current assets	336.3	338.8	2.5
Total Liabilities	**826.5**	**844.3**	**17.8**
Current liabilities	384.4	360.4	(24.0)
Non-current liabilities	442.1	483.9	41.8
Total Equity	**124.9**	**155.7**	**30.8**
Shareholders' equity	97.0	124.5	27.4
Shareholders' Equity Ratio	**10.2%**	**12.4%**	**+2.2pt**
Net Debt	**407.9**	**463.1**	**55.2**

Mainly due to increase in property, plant and equipment reflecting foreign exchange movements

Mainly due to decrease in trade and other payables

Mainly due to increase in long term loans

Increase reflecting depreciated JPY and net profit recognition. Shareholders' equity ratio above 12%

Increase in loans mainly due to free cash outflow with working capital increase and weaker JPY

The Group's consolidated balance sheet is presented on slide 8.

As of the end of June 2023, total assets were 1 trillion yen, which increased by 48.6 billion yen from the end of March 2023.

The Group's non-current assets increased by 46.2 billion yen from March mainly due to increase of tangible fixed assets reflecting depreciated JPY.

Current liabilities decreased by 24.0 billion yen, due to seasonal decrease in trade and other payables.
Non-current liabilities increased by 41.8 billion yen from March, due to increase in loans.

Shareholders' equity was increased to 124.5 billion yen by 27.4 billion yen, mainly due to the impact of foreign exchange movements and the net profit during the first quarter.

As a result, shareholders' equity ratio was increased to 12.4% by 2.2pt which is securing above a financial target of RP24, more than 10%.

Net Debt increased by 55.2 billion yen mainly with increase in loans reflecting free cash outflow arising from working capital increase and weaker JPY.

Consolidated Statement of Cash Flows

Free cash outflow reflecting the seasonal increase of working capital.
Aiming to achieve RP24 target of free cash inflow above JPY 10 bn in full-year

(JPY bn)	Q1 (3 months)		
	FY2023/3	FY2024/3	Change
Net cash flows from operating activities	**(3.2)**	**(17.5)**	**(14.3)**
included above: Net change in working capital	(20.0)	(38.4)	(18.4)
Net cash flows from investing activities	**(9.7)**	**(14.1)**	**(4.4)**
included above: Purchase of property, plant and equipment	(9.1)	(13.8)	(4.7)
Free cash flow	**(12.9)**	**(31.6)**	**(18.7)**
Net cash flows from financing activities	**2.0**	**5.1**	**3.1**
Increase/ (decrease) in cash and cash equivalents	**(10.8)**	**(26.5)**	**(15.6)**
Cash and cash equivalents at the end of the period	**52.0**	**46.2**	**(5.8)**

Due to seasonal working capital increase, while profit improvement helped underlying cash flows

Mainly due to investment increase related to strategic projects and weaker JPY

Free cash outflow mainly due to working capital increase, aiming to achieve RP24 target above JPY 10 bn in full-year

Consolidated statement of cash flows in slide 9.

Net cash flows from operating activities were outflow of 17.5 billion yen.
This is because working capital increased by 38.4 billion yen due to seasonality, despite increase in net profit.

Net cash outflows from investing activities increased to 14.1 billion yen by 4.4 billion yen.
This came from the increase in investments related to strategic projects including capital expenditures for solar panel glass in Malaysia and weaker JPY.

As a result, free cash flow was outflow of 31.6 billion yen.
This is due to seasonal working capital increase as explained before.
The Group continues to aim at achieving RP24 financial target of more than 10.0 billion yen following the previous year.

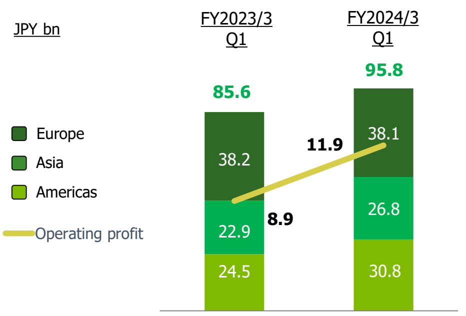
Segmental Information

(JPY bn)	FY2022/3 Q1			FY2023/3 Q1			FY2024/3 Q1			Change	
	Revenue	%	Operating profit	Revenue	%	Operating profit	Revenue	%	Operating profit	Revenue	Operating Profit
Architectural	**64.5**	**44%**	**6.1**	**85.6**	**48%**	**8.9**	**95.8**	**46%**	**11.9**	**10.1**	**3.0**
Europe	27.8	19%		38.2	21%		38.1	18%		(0.1)	
Asia	19.3	13%		22.9	13%		26.8	13%		3.9	
Americas	17.4	12%		24.5	14%		30.8	15%		6.4	
Automotive	**70.9**	**48%**	**1.3**	**81.6**	**46%**	**(0.7)**	**100.9**	**49%**	**3.2**	**19.3**	**3.9**
Europe	31.2	21%		33.7	19%		42.5	20%		8.8	
Asia	15.1	10%		14.5	8%		17.9	9%		3.4	
Americas	24.6	17%		33.4	19%		40.5	19%		7.1	
Technical Glass	**11.4**	**8%**	**2.8**	**9.9**	**6%**	**3.2**	**10.0**	**5%**	**2.1**	**0.0**	**(1.1)**
Europe	2.1	1%		2.1	1%		2.5	1%		0.4	
Asia	9.0	6%		7.5	4%		7.1	3%		(0.4)	
Americas	0.3	0%		0.4	0%		0.4	0%		0.0	
Other	**0.9**	**1%**	**(3.1)**	**0.8**	**0%**	**(3.1)**	**1.3**	**1%**	**(2.7)**	**0.5**	**0.5**
Total	**147.7**	**100%**	**7.2**	**177.9**	**100%**	**8.3**	**208.0**	**100%**	**14.6**	**30.0**	**6.3**

Slide 10 lays out revenue and profit by the business segments in the first quarter of last three years.
Each SBU results will be explained from next slide.

Architectural (Rev▲, Profit▲)

Revenue increased with strong demand although sales volumes decreased in Europe. OP increased with sales prices and volumes improvement offsetting material and other costs rise



(JPY bn)	Q1 (3 months) FY2023/3	FY2024/3	Change
Revenue	**85.6**	**95.8**	**10.1**
Europe	38.2	38.1	(0.1)
Asia	22.9	26.8	3.9
Americas	24.5	30.8	6.4
OP	**8.9**	**11.9**	**3.0**

Europe (Rev▼, Profit▼)
- Sales volumes declined reflecting economic slowdown
- Sales prices improvement partly mitigating the impact of volume decrease

Asia (Rev▲, Profit▲)
- Sales prices and volumes increased further in Japan reflecting favourable demand-supply situation
- Sales prices decreased due to competition in other countries
- Continuous robust demand for solar energy glass

Americas (Rev▲, Profit▲)
- Sales prices improved reflecting firm market in North America
- Continued strong demand for solar energy glass
- Strong demand continuing in South America, with a new furnace in Argentina contributing to sales volumes increase

Please move to slide 11 – from this slide the results of each business will be explained.

Architectural revenues improved from the previous year with strong demand and price improvement. Operating profit increased with sales prices and volumes increase which offset the impact of materials, freight, labour costs rise.

In Europe, revenues and operating profits decreased from the previous year. Although solid demand is expected in both new construction and renovation markets in the medium to long term, demand softened as economic slowdown reflecting expansion of inflation and interest rates rise. While Energy prices fell and moved stable, other costs mainly freight and labour hiked. Operating profit also reduced due to these impacts, although partly mitigated by sales prices improvement.

In Asia, revenues and profits showed better results than the previous year. In Japan, further sales price pass-throughs progressed reflecting improved demand and supply situation with the boost by the implementation of governmental subsidy programs for insulated glass purchase. But in other countries, sales prices declined due to continuous intensifying competition. Demand of glass for solar panels remains strong.

In the Americas, revenues and profits were better than the previous year.
In North America, sales prices improved with strong domestic demand reflecting firm market environment.
Solid demand for solar energy glass continued.
In South America, strong demand is continuing.
Sales volume increase by the second new float furnace in Argentina which started production from the third quarter of the previous year also contributed to profit.

Automotive (Rev▲, Profit▲)

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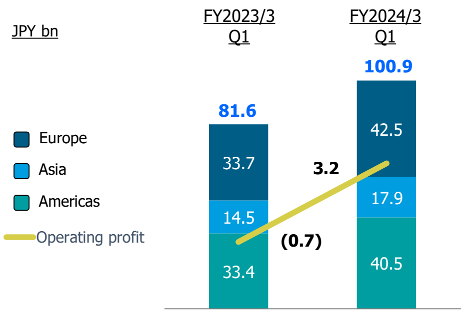
Revenue and OP increased in all regions due to sales volumes increase reflecting ease of constrained vehicle build and sales prices improvement



(JPY bn)	Q1 (3 months)		
	FY2023/3	FY2024/3	Change
Revenue	**81.6**	**100.9**	**19.3**
Europe	33.7	42.5	8.8
Asia	14.5	17.9	3.4
Americas	33.4	40.5	7.1
OP	**(0.7)**	**3.2**	**3.9**

Europe (Rev▲, Profit▲)
Asia (Rev▲, Profit▲)
Americas (Rev▲, Profit▲)

- Higher sales volumes across most regions, with an ease of supply chain constraints caused by component shortages at the Group's customers
- Sales prices improved reflecting further progress in concluding price improvement agreements with vehicle manufacturers to offset high input costs
- Progressing continuously cost reduction efforts, expansion of VA products, and sales prices improvement

Slide 12, the results of the Automotive business.

Revenue and operating profit improved from the previous year.

Restriction of vehicle build due to component shortages was eased and sales volumes increased across most regions accordingly.

Also, sales prices improved by the negotiation with automotive manufacturers progressed further in this quarter to offset higher materials, labour, freight and other costs.

We will focus on further profitability improvement with continuous cost reduction efforts, expansion of value-added products and sales prices improvement.

Technical Glass (Rev▲, Profit▼)

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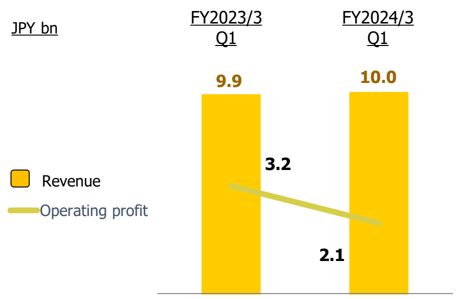
Revenue flat, though OP decreased due to input costs and other costs rise together with a worse sales mix



(JPY bn)	Q1 (3 months)		
	FY2023/3	FY2024/3	Change
Revenue	9.9	10.0	0.0
OP	3.2	2.1	(1.1)

- Fine glass sales affected by IT market slowdown and also worsened product mix
- Demand for printer lenses declined due to fewer opportunities of work from home and school from home
- Sales volumes for glass cord recovered, benefitting from improving conditions in automotive markets
- Demand for Metashine® increased for automotive markets and cosmetic applications

Slide 13 lays out the results of the Technical Glass business.

Revenue was similar to the previous year, but profitability worsened due to higher input costs and other costs increase together with worse sales mix.

In Fine glass business, profitability worsened due to sales volume decrease largely affected by IT market slowdown and worse sales mix.

Regarding the printer lenses business, demand declined due to less opportunities of work from home and school from home.

Glass cords had recovering demand benefitting from improving conditions of supply chain issue in automotive markets.

Revenue for Metashine® increased for automotive paint and cosmetic applications.

2. Forecast for Financial Year ending March 2024

Assumptions for FY2024/3 Forecast

Group	**H1 and full-year forecasts revised upward reflecting relatively strong Q1 performance.** **Continue to promote 'Restoration of Financial Stability' in the final year of RP24** • Weaker JPY than initial expectation • Recording of one-off non-operating gain due to disposal of JV business in Russia • Stable energy costs assumed, while continuous material costs and other costs increase, with worldwide inflation trend • Uncertain business environment anticipated with potential recession caused by rising interest rates • Increase in finance expenses
Architectural Glass	**Favorable demand & supply situation expected, while potential recession concern mainly in Europe and USA** • Europe : continuous price pass-through with input costs hike whilst stable energy prices. Sales volumes decrease assumed • Asia : volumes and prices improving further in Japan. Monitor competitive situation in other countries • NA : favourable domestic market expected though recession concerns due to interest rates hike • SA : continued tight demand and supply environment. Full-year contribution from new float furnace in Argentina • Solar energy glass : continued robust demand. Expansion in progress in Malaysia and under consideration in USA
Automotive Glass	**Sales volume improvement expected while impact of higher input costs continue** • Continued strong vehicle demand and car inventory replenishment in all regions anticipated • Gradual sales volumes recovery reflecting an ease of constrained vehicle build • Continuing negotiations with customers for sales prices improvement • Aiming at further profitability improvement with cost reduction efforts, expansion of VA products and price increase
Technical Glass	**Worse profitability due to costs increase and some demand weakness caused by IT market slowdown** • Continued cost reduction efforts while affected by market slowdown in fine glass • Sales volumes decrease for printer lenses due to demand decrease • Demand for glass cord gradually recovering in accordance with an ease of supply chain issues at customers

The following slides are regarding the forecast for financial year ending March 2024.
Slide 15 shows the assumptions for the forecast.

The Group has revised its first half and full-year forecasts upward.
This reflected mainly the favourable performance of Architectural and Automotive glass businesses exceeding previous forecasts, recorded one-off non-operating gain due to disposal of JV in Russia and weaker JPY expected than initial assumptions.
However, materials and other costs including freight and labour costs are forecasted to increase, reflecting worldwide inflation trend while energy price assumed to be stable.
We still predict uncertain business environment with potential recession and increase in finance expenses caused by rising interest rates mainly in Europe and United States.
The Group will continue to focus on profitability enhancement through cost reduction, expansion of value-added products and price improvements across the whole Group to mitigate these potential risk factors.

Considering the factors affecting each business:
In Architectural business;
In Europe, high material costs are assumed while stable energy price movement.
We will mitigate their impacts with price pass-throughs,
but sales volumes are assumed to decrease.

In Japan, incremental sales volumes and prices improvements are expected to continue under the favourable demand-supply situation,
while the competitive situation should be monitored in other Asian countries.
In North America,
solid demand is expected in the domestic market with strong economic activity,
but there are concerns about an economic recession due to interest rate hikes.
In South America, the tight supply and demand environment will continue,
and full-year contribution by a new furnace in Argentina is expected.
In solar energy glass, continued strong demand is assumed.
Installation of a new capacity to an existing float line in Malaysia is progressing well
to produce solar energy glass from the third quarter of FY2024/3,
and expansion is being considered in United States.

In Automotive business;
Strong market demand is expected to continue since strong vehicle demand
and car inventory replenishment in all regions are anticipated.
The Group plans to continue negotiating sales price improvement with customers.
We aim to enhance profitability further with continuous cost reduction efforts,
expansion of value-added products and sales prices increase.

In Technical Glass business;
Assumed to be impacted by input costs rise and demand weakness
caused by IT market slowdown.
Profitability is forecasted to be worse due to material and other costs increase
such as freight and labour, despite the continuous price pass-through efforts
to absorb their impacts.

Forecast for Financial Year ending March 2024

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Upward revision of H1 and full-year forecasts reflecting relatively solid Q1 results and recognition of impairment reversal related to Russian JV disposal

(JPY bn)	FY2024/3 Forecast (Previous)		FY2024/3 Forecast (Revised)		Change		FY2023/3 Full-year Act (Reference)
	H1	Full-year	H1	Full-year	H1	Full-year	
Revenue	**370.0**	**760.0**	**420.0**	**840.0**	**50.0**	**80.0**	**763.5**
Operating profit	**14.0**	**30.0**	**19.0**	**35.0**	**5.0**	**5.0**	**34.8**
Exceptional items (net)	1.0	1.0	0.0	0.0	(1.0)	(1.0)	(45.2)
Operating profit/(loss) after exceptional items	**15.0**	**31.0**	**19.0**	**35.0**	**4.0**	**4.0**	**(10.3)**
Finance expenses (net)	(11.0)	(22.0)	(13.0)	(26.0)	(2.0)	(4.0)	(17.4)
Reversal of previous impairment of financial receivables owed by JVs and associates	-	-	4.0	4.0	4.0	4.0	-
Share of JVs and associates' profits	3.0	7.0	2.0	6.0	0.0	0.0	7.3
Other gains/(losses) on equity method investments			1.0	1.0			(1.5)
Profit/(loss) before taxation	**7.0**	**16.0**	**13.0**	**20.0**	**6.0**	**4.0**	**(21.9)**
Profit/(loss) for the period	**4.0**	**9.0**	**9.0**	**13.0**	**5.0**	**4.0**	**(31.0)**
Net profit/(loss) *	**3.0**	**7.0**	**8.0**	**11.0**	**5.0**	**4.0**	**(33.8)**

*Profit/(loss) attributable to owners of the parent

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Slide 16 shows the forecast for FY2024/3 based on the assumptions just described.

From the left, the previous forecast for the first half and full year of FY2024/3,
the revised forecast for the first half and full year of FY2024/3 in the middle,
the variances and the actuals of FY2023/3 to the right.

As explained in the previous slide,
the forecast for the first half and full-year of FY2024/3 were revised upward respectively.
Operating profit forecast for the first half is 19.0 billion yen and for the full year is 35.0 billion yen reflecting Q1 performance and weaker JPY.
Finance expenses are expected to increase in line with interest rates rise
with 13.0 billion yen in the first half and 26.0 billion yen for the full year.

In the final year of RP24, we will continue to focus on enhancing profitability
and achieving the forecasts through cost reduction efforts,
expansion of value-added products and price increase across the whole Group
to mitigate the impacts of potential risk factors.

3. Update of Transformation Initiatives under Revival Plan 24 (RP24)

Transformation Initiatives under Revival Plan 24

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Continued RP24 initiatives to create business structure for sustainable growth

Three Reforms

- **Cost structure reform**
  - Continued focus on cost savings underpinning improvement in margin
- **Business structure reform**
  - 2nd new float furnace in Argentina contributing to profit
  - Good progress of construction to install online coating capacity for solar energy glass to an existing float furnace in Malaysia (Planning start of production from FY2024/3 Q3)
  - New capacity expansion for solar energy glass under consideration in USA
  - Investment in Sustainable Glassmaking in UK; producing rolled glass and float glass from one furnace
- **Corporate culture reform**
  - New CEO from April 1st accelerating the promotion of the reform with a philosophy of '4F' (Flat organization, Frank communication, Fast decision making, and Fun at workplace), taking the top-down initiative in embodying 'Leadership behavior Charter'

Greengate site (UK) where rolled glass and float glass capacities being integrated

New CEO explaining '4F' at a town hall meeting

RP24: https://www.nsg.com/-/media/nsg/site-content/ir/ir-presentations/mtprp24presentation2021_e02.pdf

Slide 18 and 19 explains the main progress of transformation initiatives taken under the Revival Plan 24 (RP24).

We are continuing and promoting initiatives in the last year of the mid-term management plan RP24.
In RP24, the Group set 'Three reforms' and 'two key initiatives' to realize business structure for sustainable growth.

In 'Cost structure reform' of 'Three reforms', the Group continues to focus on cost savings underpinning improvement in margin such as promoting 'Kaikaku & Kaizen' activities.

In 'Business structure reform', the Group is expanding value-added businesses and developing new businesses for sustainable growth.
A new float furnace in Argentina successfully started production from the third quarter of the previous year and has been contributing to profit.
As solar energy glass has been already contributing to the Group's profit and environment, we are in the good progress in construction of a new online coating facility at existing float line in Malaysia, in response to the capacity increase in Asia by First Solar Inc., aiming to start production in the third quarter of FY2024/3.
In addition, we are considering expansion for solar energy glass in Unites States in accordance with First Solar's capacity expansion there.

Also, the Group decided to invest for the integration of rolled glass facility and float glass facility in the UK to produce both rolled and float glass at the same furnace.
This project will not only save costs, but save 15,000 tonnes of carbon emissions each year.
The Group aims to contribute to Eco Society as a global glass supplier contributing to the world with high value-added glass products and services.

In 'Corporate culture reform', new CEO from April 1st is accelerating the promotion of the reform by mentioning a philosophy of '4F' at work which is Flat organization, Frank communication, Fast decision making and Fun at work place in various occasions such as town hall meetings.
CEO himself is embodying the "Leadership Behaivour Charter" created in the previous year, which consists of a declaration of actions to be demonstrated by senior leaders.

Transformation Initiatives under Revival Plan 24

Continue to promote 'Restoration of Financial Stability' in the final year of RP24

Two Key Initiatives

- **Restoration of financial stability**
  - Return on sales: recovered to 7% with cost reduction effort, expansion of VA sales and sales price improvements despite material costs hike
  - Net profit: JPY 70 bn due to solid Q1 results including recognition of impairment reversal by disposal of JV
  - Shareholders' equity ratio: improved to 12.4% by 2.2pt from the previous year which is above the target of 10%
  - FCF: inflow without seasonal working capital movement, aiming to achieve RP24 target above JPY 10 bn in full-year
- **Transformation into more profitable business portfolio**
  - Completion of Russian JV disposal

RP24: https://www.nsg.com/-/media/nsg/site-content/ir/ir-presentations/mtprp24presentation2021_e02.pdf

In this slide 'Two key initiatives' will be discussed.

To promote the 'Restoration of financial stability,' we have RP24 financial target for an operating profit margin of 8%, net profit of over 30.0 billion yen for 3 years cumulatively, shareholders' equity ratio above 10% and free cash flow over 10.0 billion yen.

Return on sales improved to 7%, which increased by +2.4pt compared to the previous year with offsetting the impact of materials and other costs increase by cost reduction, expansion of value-added products and sales prices improvement.
Regarding net profit, the Group recorded 70.0 billion yen in this first quarter due to the solid performance including the benefit of the gains from impairment reversal recognition related to the disposal of Russian JV.
Shareholders' equity ratio recovered to 12.4% by 2.2pt from the previous year end which is above the target figure.
Free cash flow was inflow without seasonal working capital increase.
The Group aims to achieve the target above 10.0 billion yen in full-year.

For 'Transformation into more profitable business portfolio', the Group's joint venture disposed its Russian subsidiaries.

4. Summary

Summary

1. **Financial Year ending 31 March 2024 Quarter 1 Results**
   - Robust start with revenue and profits increase. Recorded impairment reversal related to a disposal of Russian JV
   - Higher materials and other costs offset by sales price and volume improvements
   - Continuous strong performance in Architectural, sales volumes recovery and further price pass-through in Automotive leading to OP improvement
   - The Group's Return on Sales improved to 7%, shareholders' equity ratio 12.4% above RP24 target of 10%
2. **Forecast for Financial Year ending March 2024**
   - Upward revision of H1 and full-year forecasts reflecting relatively solid Q1 results and recognition of impairment reversal related to Russian JV disposal
   - Continuous impact of input and other costs increase with worldwide inflation trend while stable energy prices expected
   - Uncertain business environment anticipated with potential recession caused by rising interest rates
   - Increase in finance expenses
3. **Update of Transformation Initiatives under Revival Plan 24**
   - Business structure reform : Good progress of construction to install online coating capacity for solar energy glass to an existing float furnace in Malaysia.
     2nd new float furnace in Argentina contributing to profit
   - Restoration of financial stability :ROS to 7% and Shareholders' equity ratio above 12% reflecting favorable Q1 result.
     Continue to promote 'Restoration of Financial Stability' in the final year of RP24
   - Transformation into more profitable business portfolio : Completion of Russian JV disposal

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

Financial Year ending 31 March 2024 Quarter 1 Results

- Consolidated Income Statement – Quarterly Trend
- Revenue & Operating Profit – Quarterly Trend
- Segmental Information by Quarter
- Revenue & Operating Profit – by Region
- Exceptional Items
- Foreign Currency Exchange Rates and Sensitivity
- Depreciation & Amortization, Capital Expenditures, R&D Expenditures

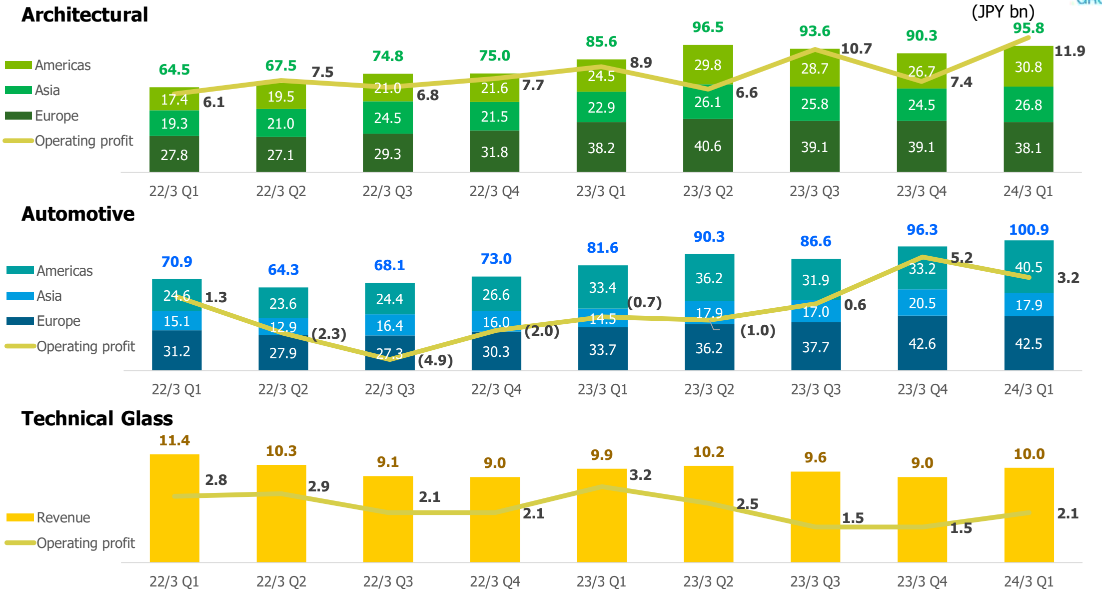
Consolidated Income Statement – Quarterly Trend

(JPY bn)	FY2022/3				FY2023/3				FY2024/3
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue	**147.7**	**143.0**	**152.3**	**157.6**	**177.9**	**197.7**	**190.6**	**197.3**	**208.0**
Operating profit/(loss)	**7.2**	**5.5**	**1.8**	**5.5**	**8.3**	**6.2**	**9.7**	**10.7**	**14.6**
ROS: Return on sales	**4.8%**	**3.9%**	**1.2%**	**3.5%**	**4.6%**	**3.1%**	**5.1%**	**5.4%**	**7.0%**
Exceptional items (net)	(0.2)	4.7	(0.2)	(0.7)	2.3	(47.3)	1.0	(1.2)	(0.8)
Operating profit/(loss) after exceptional items	**7.0**	**10.2**	**1.7**	**4.8**	**10.6**	**(41.1)**	**10.7**	**9.4**	**13.8**
Finance expenses (net)	(2.9)	(2.9)	(3.2)	(3.4)	(2.8)	(3.7)	(4.8)	(6.1)	(6.4)
Reversal of previous impairment/ (impairment) of financial receivables owed by JVs and associates	-	-	-	(3.4)	-	-	-	-	3.7
Share of JVs and associates' profits	1.5	1.9	2.2	1.9	2.2	1.0	2.1	2.0	1.0
Other gains/(losses) on equity method investments	-	-	-	(3.4)	(1.2)	0.5	(0.4)	(0.4)	1.1
Profit/(loss) before taxation	**5.5**	**9.2**	**0.7**	**(3.6)**	**8.8**	**(43.4)**	**7.7**	**4.9**	**13.3**
Profit/(loss) for the period	**2.9**	**6.7**	**1.0**	**(3.8)**	**3.3**	**(40.3)**	**2.2**	**3.8**	**7.5**
Net profit/(loss) *	**2.5**	**6.1**	**0.0**	**(4.5)**	**2.4**	**(41.2)**	**1.7**	**3.4**	**7.0**
EBITDA	**16.5**	**14.6**	**11.1**	**14.4**	**18.0**	**16.1**	**20.2**	**20.7**	**25.3**

*Profit/(loss) attributable to owners of the parent

Revenue & Operating Profit – Quarterly Trend

(JPY bn)



Segmental Information by Quarter

(JPY bn)	FY2022/3					FY2023/3					FY2024/3
	Q1	Q2	Q3	Q4	Cum.	Q1	Q2	Q3	Q4	Cum.	Q1
Revenue: Architectural	**64.5**	**67.5**	**74.8**	**75.0**	**281.8**	**85.6**	**96.5**	**93.6**	**90.3**	**365.9**	**95.8**
Europe	27.8	27.1	29.3	31.8	116.0	38.2	40.6	39.1	39.1	157.1	38.1
Asia	19.3	21.0	24.5	21.5	86.2	22.9	26.1	25.8	24.5	99.2	26.8
Americas	17.4	19.4	21.0	21.6	79.5	24.5	29.8	28.7	26.7	109.6	30.8
Operating profit	**6.1**	**7.5**	**6.8**	**7.7**	**28.1**	**8.9**	**6.6**	**10.7**	**7.4**	**33.6**	**11.9**
Revenue: Automotive	**70.9**	**64.3**	**68.1**	**73.0**	**276.2**	**81.6**	**90.3**	**86.6**	**96.3**	**354.7**	**100.9**
Europe	31.2	27.9	27.3	30.3	116.7	33.7	36.2	37.7	42.6	150.2	42.5
Asia	15.1	12.9	16.4	16.0	60.4	14.5	17.9	17.0	20.5	69.9	17.9
Americas	24.6	23.6	24.4	26.6	99.2	33.4	36.2	31.9	33.2	134.7	40.5
Operating profit	**1.3**	**(2.3)**	**(4.9)**	**(2.0)**	**(7.9)**	**(0.7)**	**(1.0)**	**0.6**	**5.2**	**4.1**	**3.2**
Revenue: Technical	**11.4**	**10.3**	**9.1**	**9.0**	**39.8**	**9.9**	**10.2**	**9.6**	**9.0**	**38.8**	**10.0**
Europe	2.1	1.8	2.0	2.0	7.9	2.1	2.5	2.2	2.7	9.5	2.5
Asia	9.0	8.2	6.8	6.6	30.6	7.5	7.3	7.0	5.8	27.6	7.1
Americas	0.3	0.3	0.3	0.4	1.3	0.4	0.5	0.4	0.4	1.6	0.4
Operating profit	**2.8**	**2.9**	**2.1**	**2.1**	**9.9**	**3.2**	**2.5**	**1.5**	**1.5**	**8.7**	**2.1**
Revenue: Other	**0.9**	**0.8**	**0.3**	**0.7**	**2.7**	**0.8**	**0.7**	**0.9**	**1.8**	**4.1**	**1.3**
Operating profit	**(3.1)**	**(2.5)**	**(2.2)**	**(2.4)**	**(10.1)**	**(3.1)**	**(1.9)**	**(3.1)**	**(3.4)**	**(11.5)**	**(2.7)**
Revenue: Total	**147.7**	**143.0**	**152.3**	**157.6**	**600.6**	**177.9**	**197.7**	**190.6**	**197.3**	**763.5**	**208.0**
Operating profit	**7.2**	**5.5**	**1.8**	**5.5**	**20.0**	**8.3**	**6.2**	**9.7**	**10.7**	**34.8**	**14.6**

Revenue & Operating Profit – by Region

(JPY bn)	FY2023/3 Q1			FY2024/3 Q1			Change	
	Revenue	%	Operating profit/(loss)	Revenue	%	Operating profit	Revenue	Operating profit/(loss)
Europe	**74.0**	**42%**	**2.4**	**83.1**	**40%**	**2.5**	**9.1**	**0.1**
Asia	**44.9**	**25%**	**5.0**	**51.8**	**25%**	**8.2**	**6.9**	**3.1**
Americas	**58.2**	**33%**	**4.0**	**71.8**	**35%**	**6.6**	**13.5**	**2.7**
Other *	0.8	0%	(3.1)	1.3	1%	(2.7)	0.5	0.5
Total	**177.9**	**100%**	**8.3**	**208.0**	**100%**	**14.6**	**30.0**	**6.3**

* Revenue and Operating loss of Other Operation are not split by geographical regions.

Exceptional Items

(JPY bn)	FY2023/3 Q1	FY2024/3 Q1
Impairment of non-current assets	(0.2)	(0.5)
Write down of inventories	-	(0.2)
Settlement of litigation matters - net	2.6	(0.0)
Restructuring costs, including employee termination payments	(0.0)	(0.0)
Others	(0.0)	0.0
Exceptional items - net	2.3	(0.8)

Foreign Currency Exchange Rates and Sensitivity

Average rates used

	FY2022/3				FY2023/3				FY2024/3
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
GBP	153	152	153	153	163	163	164	163	172
EUR	132	131	131	130	138	139	140	141	150
USD	109	109	112	112	129	134	137	135	138
BRR	20.6	20.8	20.7	21.0	26.4	26.4	26.5	26.3	27.7
ARS	Closing rates are applied – hyperinflation								

FY2024/3
Original Forecast
160
134
134
24.8

Closing rates used

	FY2022/3				FY2023/3				FY2024/3
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
GBP	153	150	156	160	165	161	160	165	183
EUR	132	129	131	136	142	141	140	145	158
USD	111	112	116	122	136	145	132	133	145
BRR	22.3	20.6	20.4	25.5	26.2	26.7	25.7	26.2	29.8
ARS	1.16	1.13	1.12	1.10	1.09	0.98	0.76	0.64	0.57

Sensitivity
Increase (decrease) if the value of the yen appreciates by 1% - all other things being equal

	FY2023/3
Equity	JPY (3.0) billion
Loss for the period	Improve by JPY 0.4 billion

Depreciation & Amortization, Capital Expenditures, R&D Expenditures

(JPY bn)	FY2023/3 Q1	FY2024/3 Q1	FY2024/3 Full-year Forecast
Depreciation & Amortization	**9.8**	**10.8**	**44.0**
Capital expenditures	**6.2**	**11.0**	**47.7**
Ordinary	5.4	8.0	
Strategic projects	0.8	3.0	
R&D expenditures	**2.2**	**2.2**	**10.0**
Architectural	0.7	0.8	
Automotive	0.6	0.7	
Technical Glass	0.2	0.2	
Other	0.7	0.5	

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