NSG

GROUP

NSG Group
Financial Year ending 31 March 2022
Quarter 3 Results
(from 1 April 2021 to 31 December 2021)

Nippon Sheet Glass Company, Limited
Reiko Kusunose
Senior Executive Officer & CFO

3 February 2022

Agenda

1. Financial Year ending 31 March 2022 Quarter 3 Results
2. Forecast for Financial Year ending 31 March 2022
3. Update of Transformation Initiatives under Revival Plan 24 (RP24)
4. Summary

NSG GROUP

1. Financial Year ending 31 March 2022 Quarter 3 Results

Consolidated Income Statement

Architectural and Technical Glass offset unfavorable Automotive.
Profit remains surplus. Contribution of share of JVs and associates' profits

(JPY bn)	Q3 (3 months)			Cumulative (9 months)		
	2021/3	2022/3	Change	2021/3	2022/3	Change
Revenue	135.9	**152.3**	16.5	357.4	**443.0**	85.6
Operating profit	4.8	**1.8**	(3.0)	8.0	**14.5**	6.5
ROS: Return on sales (%)	3.5%	**1.2%**	(2.3) pt	2.2%	**3.3%**	+1.1pt
Exceptional items (COVID-19 related)	(1.2)	**-**	1.2	(14.0)	**-**	14.0
Operating profit/(loss) after COVID-19 related exceptional items	3.6	**1.8**	(1.8)	(6.0)	**14.5**	20.5
Exceptional items (Other)	1.0	**(0.2)**	(1.2)	0.2	**4.4**	4.2
Operating profit/(loss) after exceptional items	4.6	**1.7**	(2.9)	(5.8)	**18.9**	24.7
Finance expenses (net)	(2.1)	**(3.2)**	(1.1)	(7.5)	**(9.0)**	(1.5)
Share of JVs and associates' profits	1.0	**2.2**	1.2	0.8	**5.6**	4.7
Profit/(loss) before taxation	3.5	**0.7**	(2.8)	(12.5)	**15.4**	27.9
Profit/(loss) for the period	3.7	**1.0**	(2.7)	(13.5)	**10.5**	24.0
Net profit/(loss) *	3.4	**0.0**	(3.3)	(13.9)	**8.6**	22.6
EBITDA	13.5	**11.1**	(2.4)	32.3	**42.2**	9.9

Q3 revenue and operating profit reduced in Automotive. Cumulative profit reduction in Automotive was offset by Architectural and Technical Glass to continuous profit in the whole group

【Operating Profit : vs PY】

(JPY bn)	Q3	Cum.
Architectural	2.5	8.9
Automotive	(6.2)	(4.9)
Technical	0.1	3.3
Others	0.6	(0.8)
Grp. Total	**(3.0)**	**6.5**

Including gain on disposal of Battery Separator business

Strong JV results especially in Brazil

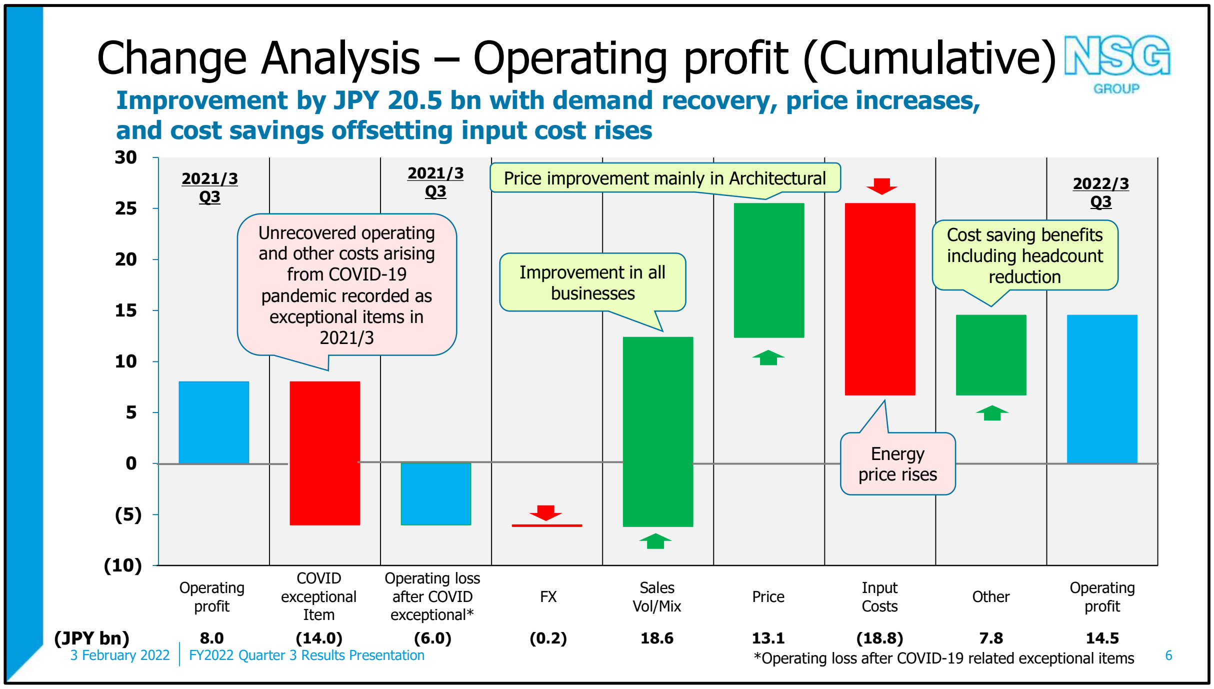
* Profit (loss) attributable to owners of the parent

The Group's consolidated income statement is shown on slide 5.
You can see the results for the third quarter in the left, and the cumulative results in the right.

For the third quarter, from October to December, as automotive manufacturers had to curtail their production affected by shortage of components like semiconductor,
the revenue and operating profit of Automotive business reduced year on year basis.
This has a large impact and led to operating profit 3.0 billion yen reduction of the whole Group, but profit remains surplus 1.8 billion yen owing to Architectural and Technical Glass business, whose environments have been improving. Regarding revenue, compared to the previous year, increased 16.5 billion yen, +12% to 152.3 billion yen.

The Group's cumulative revenue increased by 85.6 billion yen, +24% to 443.0 billion yen
And operating profit was 14.5 billion yen improved by 6.5 billion yen, +81% year on year,
with loss of Automotive covered by profit generated by Architectural and Technical Glass businesses.

Supported by exceptional items, which included a gain of 4.4 billion yen on disposal of the Battery Separator business recorded in the second quarter, cumulative operating profits after exceptional items were 18.9 billion yen. Including better JV performance, led by Cebrace in Brazil, the Group's cumulative profit for the period was 10.5 billion yen, and the net profit of 8.6 billion yen with significant improvement from the previous year.



Slide 6 lays out the analysis of the year-on-year operating profit movement.

The Group had recorded unrecovered operating and other costs arising from COVID-19 pandemic as exceptional items in the previous year, so therefore, a comparison of positive 20.5 billion yen is made between operating loss after COVID-19-related exceptional items of 6.0 billion yen last year and operating profit 14.5 billion yen this year.

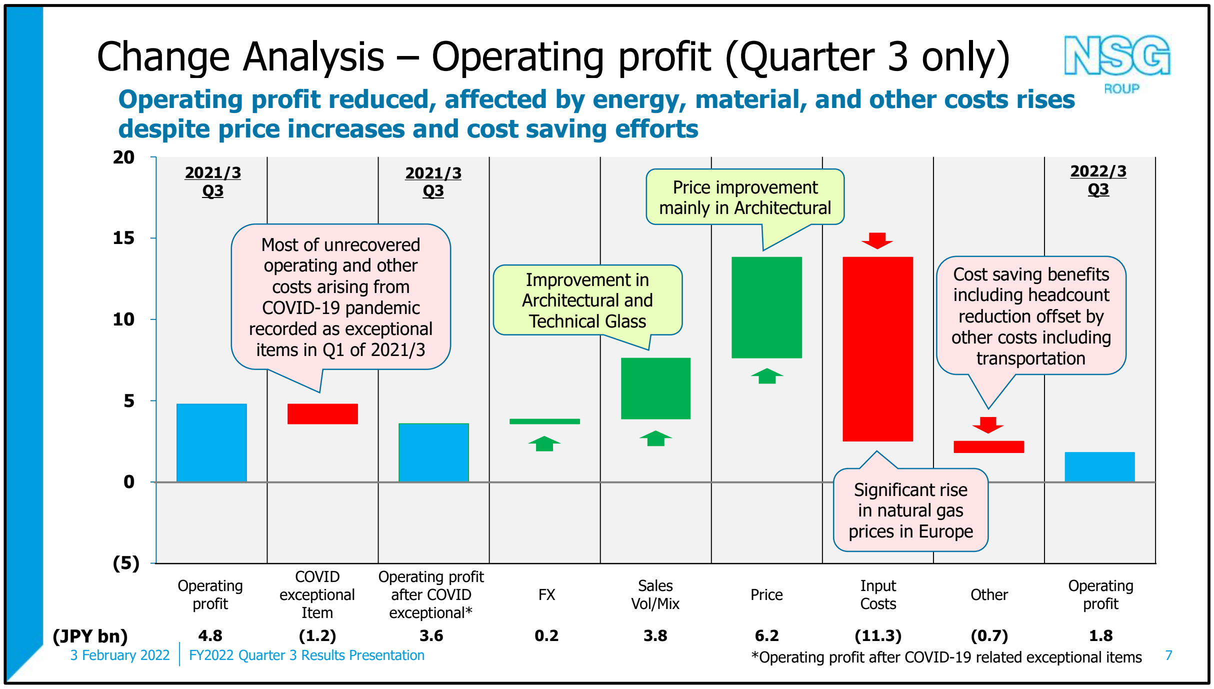
Negative 0.2 billion yen in 'FX' is because weaker Japanese yen would have increased the operating loss recorded last year.

Sales Volume/mix' improved by 18.6 billion yen, reflecting revenue recovery in all businesses from the previous year, when the Group had been severely hit by the COVID-19 pandemic.

Positive 13.1 billion yen in 'Price' is due to the higher sales prices mainly in Architectural Europe with good demand and supply balance.

Negative 'Input costs' by 18.8 billion yen was impacted mainly by higher energy prices, especially natural gas.

Positive 7.8 billion yen in 'Other' represents the results of the Group's cost transformation initiatives under the Revival Plan (RP24).



Slide 7 lays out change analysis of the year-on-year operating profit movement for October to December 2021.

The group recorded 3.6 billion yen operating profit after COVID-19 related exceptional items, since most of unrecovered operating and other costs arising from COVID-19 pandemic were recorded as exceptional items in the first quarter of the previous year. Therefore, a comparison of negative 1.8 billion yen is made from 3.6 billion yen of previous year to 1.8 billion yen of this year.

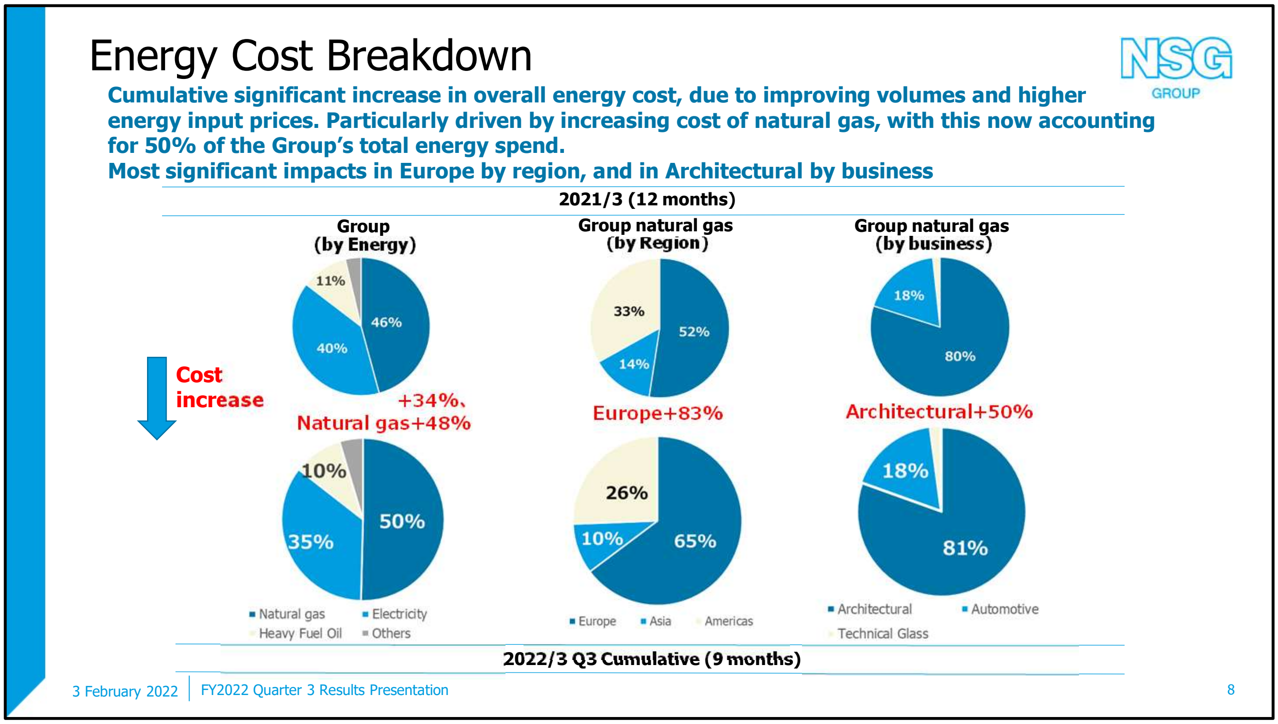
Positive 0.2 billion yen in 'FX' is because weaker Japanese yen would have increased the operating profit of the previous year.

'Sales Volume/mix' improved by 3.8 billion yen, reflecting revenue recovery in Architectural and Technical Glass with continuous business environments improvement.

Positive 6.2 billion yen in 'Price' is due to the higher sales prices mainly in Architectural Europe with continuous good demand and supply balance.

Negative 'Input costs' by 11.3 billion yen was impacted by mainly higher energy prices, especially natural gas in Europe.

Negative 0.7 billion yen in 'Other' is because the results of the Group's cost transformation initiatives under the Revival Plan (RP24) were offset by higher other cost including transportation.



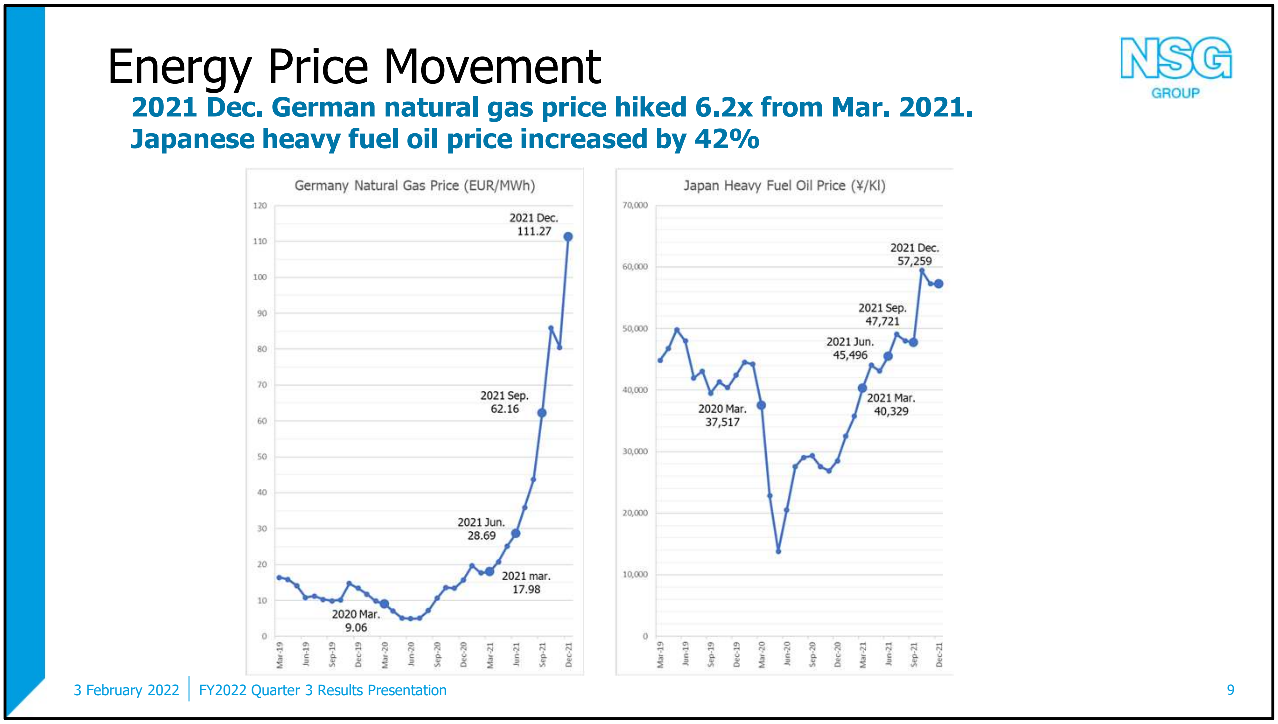
From slide 8 to 10, explain the background where higher energy price had significant impact on the Group's operating profit.

The left side pie charts show the breakdown of the energy spend by sources in the whole Group.
The upper was energy spend in 2021/3 (12 months), and the bottom was the one in the third quarter of 2022/3 cumulative (9 months).
2022/3 Q3 cumulative group energy cost increased by 34% and natural gas cost by 48%, compared with 2021/3 due to production volume increase reflecting recovery from COVID-19 and higher energy price.
Therefore, the natural gas ratio in energy cost increased from 46% to 50% especially.

The pie chart in the middle show the breakdown of natural gas cost by region. Most of them are spent in Europe, which increased by 83%.

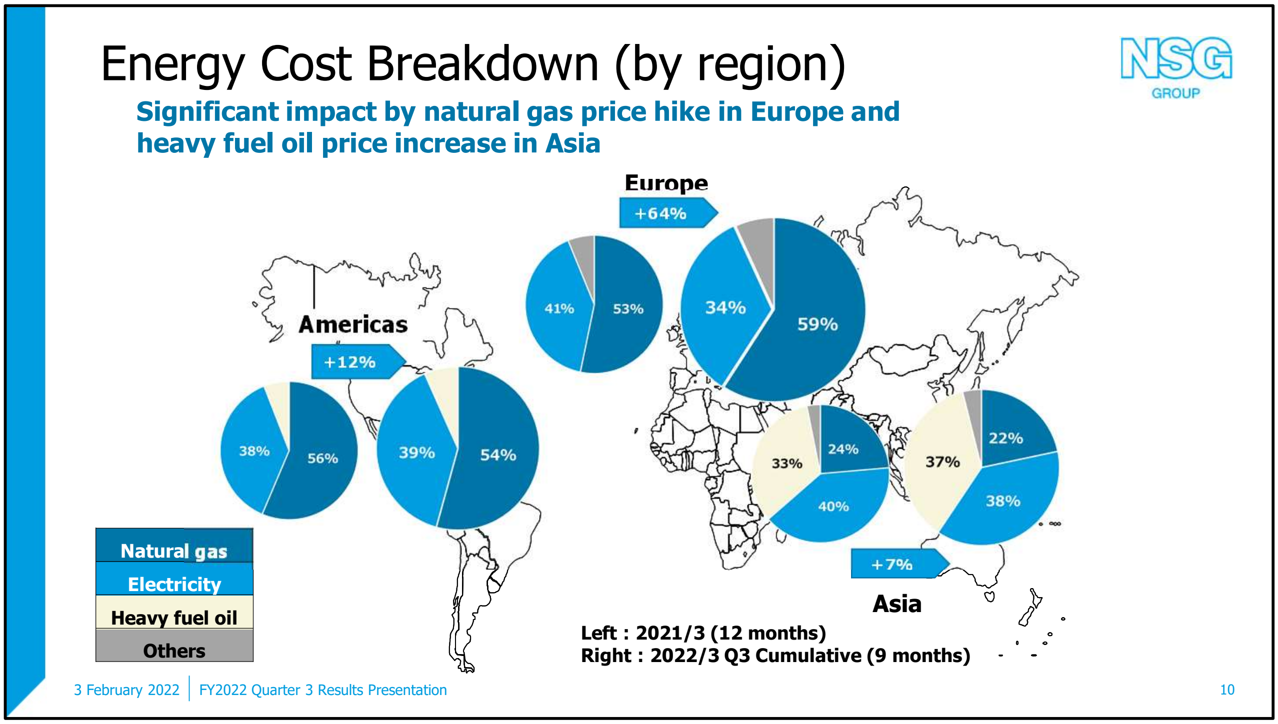
The right side pie chart show the breakdown of natural gas cost by business.
Architectural business is approximately 80%, which spend increased by 50%.

Impacts by energy price increase are huge in Europe, particularly in Architectural.



Next slide 9 shows the movements of energy prices.

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



Slide 10 shows the breakdown of the energy cost by region and energy source.

2021/3 is in the left and the third quarter cumulative of 2022/3 is in the right for each region.

Energy cost increased by 64%, and the ratio of natural gas in Europe by 6% with the hike of its price which was explained in the previous slide.
Also, heavy fuel oil increased by 4% with its increase in Japan.
They had huge impacts.

Consolidated Balance Sheet

Improvement in shareholders' equity ratio above 11% with positive factors including net profit generation

(JPY bn)	31 March 2021	31 December 2021	Change
Total Assets	**825.0**	**858.8**	**33.9**
Non-current assets	575.0	597.3	22.4
Current assets	250.0	261.5	11.5
Total Liabilities	**745.2**	**740.7**	**(4.5)**
Current liabilities	287.8	300.6	12.8
Non-current liabilities	457.4	440.1	(17.3)
Total Equity	**79.8**	**118.1**	**38.4**
Shareholders' equity	62.9	97.2	34.3
Shareholders' Equity Ratio	**7.6%**	**11.3%**	**+3.7pt**
Net Debt	**411.7**	**407.6**	**(4.2)**

Mainly increase in value of investments accounted for using the equity method and financial derivative assets

Mainly increase of inventory and financial derivative assets

Shift of loans in long term to short term.
Decrease in payables

Recovered above 11% with net profit, positive revaluation of energy hedge derivatives, and weaker JPY

Decreased with mainly increase in value of financial derivative assets

3 February 2022 | FY2022 Quarter 3 Results Presentation 11

The Group's consolidated balance sheet is presented on slide 11.

The Group's non-current assets increased by 22.4 billion yen from the previous year-end mainly due to increase of investments accounted for using the equity method and financial derivative assets which reflected worldwide energy price increase.

Current assets increased by 11.5 billion yen from the previous year-end mainly due to increase of inventory especially in Automotive and financial derivative assets.

Current liabilities increased by 12.8 billion yen from the previous year-end due to shift from long-term loans to short-term, partly offset by decrease of payables.

Shareholders' equity increased by 34.3 billion yen to 97.2 billion yen, reflecting net profit, positive revaluation of energy hedge derivatives and weaker JPY.

As a result, shareholders' equity ratio increased by 3.7 points from the previous year-end to 11.3%.

Net Debt decreased by 4.2 billion yen mainly due to increase of derivative financial assets.

Consolidated Statement of Cash Flows

NSG GROUP

Large improvement to inflow in cumulative free cash flows from 2021/3 with recovering profits, strict cash management, and business disposal income.
Good progress for the positive in full-year

(JPY bn)	Q3 (3 months)			Cumulative (9 months)		
	2021/3	2022/3	Change	2021/3	2022/3	Change
Net cash flows from operating activities	**12.5**	**6.7**	**(5.8)**	**4.7**	**21.1**	**16.4**
included above: Net change in working capital	2.0	0.0	(2.0)	(4.6)	(8.7)	(4.1)
Net cash flows from investing activities	**(6.9)**	**(4.2)**	**2.6**	**(33.3)**	**(20.1)**	**13.2**
included above: Purchase of property, plant and equipment	(7.8)	(5.7)	2.1	(30.5)	(26.0)	4.5
Free cash flow	**5.6**	**2.4**	**(3.2)**	**(28.6)**	**1.1**	**29.6**
Net cash flows from financing activities	**(2.6)**	**(0.1)**	**2.6**	**28.3**	**(12.0)**	**(40.2)**
(Decrease)/increase in cash and cash equivalents	**3.0**	**2.3**	**(0.6)**	**(0.3)**	**(10.9)**	**(10.6)**
Cash and cash equivalents at the end of the period				**41.3**	**44.6**	**3.2**

Significant year-on-year improvement with increased profit and strict cash management

Inventory increased in Automotive

Proceeds from Battery Separator business disposal (JPY 6.2 bn)

Significant improvement from 2021/3 to cumulative cash inflow

Consolidated statement of cash flows is discussed in slide 12.

Net cash flows from operating activities for the third quarter were inflow of 6.7 billion yen, although it became worse by 5.8 billion yen compared with the previous year mainly due to profit reduction and working capital movement.
However, they were improved by 16.4 billion yen from the previous year to 21.1billion yen inflow cumulatively due to improved profit and strict cash management.

Working capital increased by 8.7 billion yen cumulatively due to inventory increase mainly in Automotive.

Net cash flows from investing activities improved by 13.2 billion yen from the previous year where proceeds from the Battery Separator business disposal in the second quarter contributed.

As a result, free cash flow was inflow of 2.4 billion yen for the third quarter.
Cumulative free cash flow was also inflow of 1.1 billion yen which improved significantly by 29.6 billion yen from the previous year with the good progress for the positive cash flows target in full year.

Segmental Information

NSG GROUP

(JPY bn)	2020/3 Q3 Cum.			2021/3 Q3 Cum.				2022/3 Q3 Cum.			Change	
	Revenue	%	Operating profit	Revenue	%	Operating profit	Operating profit after COVID*	Revenue	%	Operating profit	Revenue	Operating Profit
Architectural	**180.1**	**43%**	**14.0**	**156.1**	**44%**	**11.5**	**5.8**	**206.9**	**47%**	**20.4**	**50.8**	**8.9**
Europe	66.3	16%		60.6	17%			84.2	19%		23.6	
Asia	71.7	17%		58.3	16%			64.7	15%		6.4	
Americas	42.1	10%		37.2	10%			57.9	13%		20.8	
Automotive	**214.6**	**50%**	**5.3**	**173.6**	**49%**	**(1.1)**	**(9.4)**	**203.3**	**46%**	**(5.9)**	**29.7**	**(4.9)**
Europe	90.7	21%		72.1	20%			86.4	20%		14.3	
Asia	51.1	12%		43.4	12%			44.4	10%		1.0	
Americas	72.8	17%		58.1	16%			72.5	16%		14.4	
Technical Glass	**30.2**	**7%**	**5.4**	**26.6**	**7%**	**4.5**	**4.3**	**30.8**	**7%**	**7.8**	**4.2**	**3.3**
Europe	5.1	1%		4.6	1%			5.9	1%		1.3	
Asia	24.0	6%		21.2	6%			24.0	5%		2.7	
Americas	1.1	0%		0.8	0%			0.9	0%		0.1	
Other	**0.9**	**0%**	**(6.7)**	**1.1**	**0%**	**(6.9)**	**(6.7)**	**2.0**	**0%**	**(7.7)**	**1.0**	**(0.8)**
Total	**425.8**	**100%**	**18.0**	**357.4**	**100%**	**8.0**	**(6.0)**	**443.0**	**100%**	**14.5**	**85.6**	**6.5**

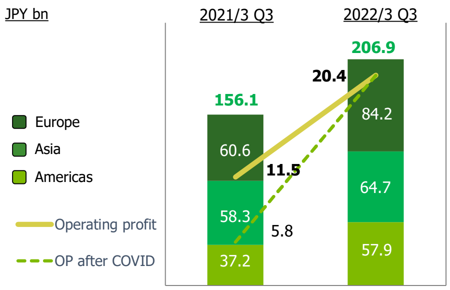
*Operating profit/(loss) after COVID-19 related exceptional items

Slide 13 lays out the cumulative revenue and profit by the business segments.

Architectural (Cum. Rev▲, Profit▲ : Q3 Rev▲, Profit▲)

NSG GROUP

Significantly improved revenue continued in all regions reflecting strong demand. Solid profit exceeding 2020/3, with prices increase and cost saving efforts offsetting higher energy prices



(JPY bn)		Cum. (9 months) 2020/3	Q3 (3 months) 2021/3	2022/3	Change	Cumulative (9 months) 2021/3	2022/3	Change
Revenue		**180.1**	**57.0**	**74.8**	**17.8**	**156.1**	**206.9**	**50.8**
	Europe	66.3	22.4	29.3	6.9	60.6	84.2	23.6
	Asia	71.7	20.5	24.5	4.0	58.3	64.7	6.4
	Americas	42.1	14.1	21.0	6.9	37.2	57.9	20.8
OP		**14.0**	**4.2**	**6.8**	**2.5**	**11.5**	**20.4**	**8.9**
OP after COVID*		**14.0**	**3.9**	**6.8**	**2.9**	**5.8**	**20.4**	**14.6**

Europe (Cum. Rev▲, Profit▲: Q3 Rev▲, Profit▼)

- Improved sales volume and prices with demand above capacity
- Less profitability in Q3 with higher energy, raw materials, and logistics costs, exceeding price improvement, strong operational performance and cost saving efforts

Asia (Cum. Rev▲, Profit▲: Q3 Rev▲, Profit▲)

- Sales volume and price recovering in Japan. Good performance maintained in other countries
- Robust demand for solar energy glass

Americas (Cum. Rev▲, Profit▲: Q3 Rev▲, Profit▲)

- Sales volume increased, although shipments constrained due to cold repair and shortages of transportation capacity in North America.
- Continued strong sales of solar energy glass
- Higher shipment volumes reflecting strong demand in South America

*Operating profit/(loss) after COVID-19 related exceptional items

Please move to slide 14 – from this slide the results of each businesses will be discussed.

Architectural revenues have been improving significantly from the previous year in all regions with strong demand, particularly in Europe.
Operating profit also improved significantly, as energy price increases were mitigated by sales price increase reflecting strong demand and supply balance, and cost saving efforts.
Revenue and operating profit exceeded the same period of March 2020 before COVID-19 pandemic.

Revenues and profits in Europe were higher compared to the previous year.
Sales volume and prices increased with the strong demand above capacity.
Although they were partially mitigated by price improvement, strong operational performance, and cost saving efforts, higher energy, raw materials, and logistics costs led to less profitability and profit reduction in the third quarter.

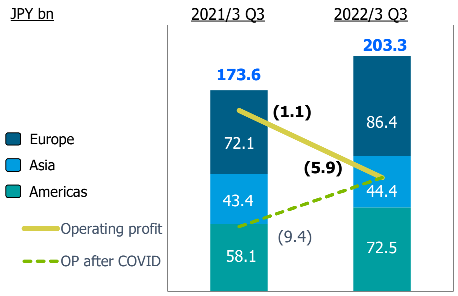
In Asia, revenues and profits showed higher results than previous year.
Volume and price recovery are seen in Japan and positive performance continued in other countries during the third quarter.
Also, robust demand for solar energy glass continued.

In Americas, revenues and profits were higher than the previous year.
In North America, sales volume increased, while shipments constrained to some extent by low inventory levels due to cold repair and shortages of transportation capacity.
Strong sales of solar energy glass continue.
In South America, strong demand is continuing.

Automotive (Cum. Rev▲, Profit ▼: Q3 Rev▼, Profit ▼)

NSG GROUP

Q3 Revenue decreased, affected by constrained vehicle build due to component parts shortage. Q3 profit reduced with the negative impact of higher energy and material cost, despite cost saving efforts. Leading to cumulative profit reduction.



Europe (Cum. Rev▲, Profit ▼: Q3 Rev▼, Profit▼)

Asia (Cum. Rev▲, Profit ▲: Q3 Rev▼, Profit▼)

Americas (Cum. Rev▲, Profit ▲: Q3 Rev▲, Profit▼)

- Q3 sales volume reduced in Europe and Asia including Japan, impacted by constrained vehicle build due to shortage of component parts such as semiconductors
- Q3 profit reduced as a whole, impacted by higher energy and material cost, despite cost saving efforts

(JPY bn)	Cum. (9 months)	Q3 (3 months)			Cumulative (9 months)		
	2020/3	2021/3	2022/3	Change	2021/3	2022/3	Change
Revenue	**214.6**	**68.3**	**68.1**	**(0.2)**	**173.6**	**203.3**	**29.7**
Europe	90.7	28.8	27.3	(1.5)	72.1	86.4	14.3
Asia	51.1	17.6	16.4	(1.2)	43.4	44.4	1.0
Americas	72.8	21.9	24.4	2.5	58.1	72.5	14.4
OP	**5.3**	**1.3**	**(4.9)**	**(6.2)**	**(1.1)**	**(5.9)**	**(4.9)**
OP after COVID*	**5.3**	**0.5**	**(4.9)**	**(5.4)**	**(9.4)**	**(5.9)**	**3.5**

*Operating profit/(loss) after COVID-19 related exceptional items

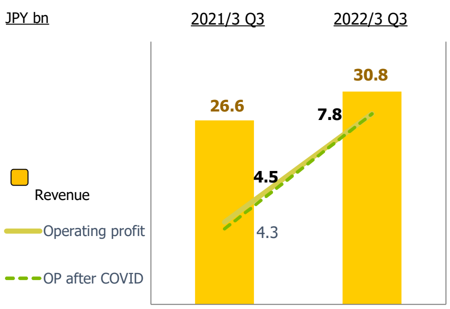
Slide 15 discusses the results of the Group's Automotive business.

In Automotive business, revenue decreased for the third quarter due to volume reduction with the car manufacturers facing restricted production caused by a shortage of semiconductor and other components particularly in Asia including Japan, and Europe.

A loss was generated by the negative impact of higher energy and material costs, despite cost saving efforts.

Technical Glass (Cum. Rev▲, Profit▲: Q3 Rev▲, Profit▲)

Improved revenue and profit, with continuous generally favorable market conditions, recovering from COVID-19 impact in 2021/3
(like-for-like basis without battery separators disposed in September)



(JPY bn)	Cum. (9 months)	Q3 (3 months)			Cumulative (9 months)		
	2020/3	2021/3	2022/3	Change	2021/3	2022/3	Change
Revenue	30.2	10.1	9.1	(1.0)	26.6	30.8	4.2
OP	5.4	2.0	2.1	0.1	4.5	7.8	3.3
OP after COVID*	5.4	2.1	2.1	0.0	4.3	7.8	3.5

Technical Glass

- Further improvement in fine glass based on continued cost reduction efforts and better sales mix
- Continued volume improvement of printer lenses by work from home and school from home demand
- Strong demand for glass cord particularly in China. Signs of recovery in Metashine® demand for cosmetic applications

*Operating profit/(loss) after COVID-19 related exceptional items

Slide 16 lays out the results of the Technical Glass business.

Revenue and profit are improved, by reflecting continuous generally favorable market conditions from the previous year which impacted by COVID-19.
This is like-for-like basis without battery separators disposed in September.

Fine glass business improved further based on continued cost reduction efforts and better sales mix.

Printer lenses sales volume improved continuously by work from home and school from home demand.

Glass cord had strong demand in China.

2. Forecast for Financial Year ending 31 March 2022

Assumptions for 2022/3 revised Forecast

Group	**Revenue in full-year forecast revised upward reflecting Q3 results.** **Operating profit downward due to restricted vehicle build, and higher energy and material costs.** **No revision of profit for the period and net profit, representing progress with the key initiative "Restoration of financial stability" in RP24** • Continuous large input cost push due to higher energy and other prices anticipated • Continued business environment uncertainties especially in Automotive • Strong share of JVs and associates' profits
Architectural	**Continued favorable demand and supply situation, while impacted by higher energy cost assumed especially in Europe** • Europe : price improvement reflecting tighter demand and supply balance continues, but less profitability affected by higher natural gas prices • Asia : volume and price improving in Japan and robust results continues • NA : sustained recovery in domestic market with reopening of economy SA : continued tight demand and supply • Solar energy glass: volume increase assumed
Automotive	**Affected by component shortage and higher input costs, despite strong vehicle demand** • Anticipating continued strong vehicle demand and car inventory replenishment, still uncertain as to when component shortages should be resolved • Aiming for profitability improvement with additional cost reduction
Technical Glass	**Overall business environment continues to improve** • Continued cost reduction efforts and better sales mix contribute in fine glass • Demand for printer lens to remain robust with working from home demand

The following slides discuss the full-year forecast for financial year ending March 2022.
Slide 18 shows the assumptions used for the forecast.

Revenue in full-year forecast has been revised upward reflecting the third quarter results with strong demand mainly in Architectural this time.
On the other hand, operating profit has been revised downward.
This is because it is anticipated that energy and material cost will remain high and business environment uncertainties especially in Automotive will continue.
However, there is no revision of profit for the period and net profit due to strong share of JVs and associates' profits, to represent progress with the key initiative of "Restoration of financial stability" in RP24.

When we discuss by each business,
In Architectural business;
Further price improvement is assumed to continue by reflecting tighter demand and supply balance, while profitability will be less since energy costs, particularly natural gas will remain high in Europe.
In Asia, volume and price are improving in Japan and strong performance will continue.
In North America, recovery in domestic market continues with reopening of economy, and in South America, tight demand and supply will continue.
In solar energy glass, volume increase is assumed with continued strong demand.

In Automotive business;
Impact by car components shortage and higher energy and material cost is anticipated to continue for a while, despite strong vehicle consumer demands in all regions.

The Group is continuing additional cost saving project to improve profitability.

In Technical Glass business;
Favorable business environments are assumed to continue.

Forecast for Financial Year ending 31 March 2022

NSG GROUP

Revenue revised upward. Operating profit downward due to restricted vehicle build and higher input costs. No revision of profit for the period and net profit with support by strong share of JVs and associates' profit, representing progress with the key initiative "Restoration of financial stability" in RP24

(JPY bn)	2022/3 Q3 Cum. Act	2022/3 Full year Fcst (Previous)	2022/3 Full year Fcst (Revised)	2021/3 Full year Act
Revenue	**443.0**	**560.0**	**590.0**	499.2
Operating profit	**14.5**	**24.0**	**20.0**	13.1
Operating profit after COVID-19 related exceptional items	**14.5**	**24.0**	**20.0**	(3.0)
Exceptional items (Other)	**4.4**	**5.0**	**4.0**	(5.3)
Operating profit after exceptional items	**18.9**	**29.0**	**24.0**	(8.3)
Finance expenses (net)	**(9.0)**	**(13.0)**	**(13.0)**	(11.0)
Share of JVs and associates' profits	**5.6**	**3.0**	**7.0**	2.1
Profit before taxation	**15.4**	**19.0**	**18.0**	(17.2)
Profit for the period	**10.5**	**12.0**	**12.0**	(16.3)
Net profit *	**8.6**	**10.0**	**10.0**	(16.9)

*Profit attributable to owners of the parent

Slide 19 shows the forecast for 2022/3 based on the assumptions.

From left, there are the third quarter cumulative actual results, the previous full-year forecast, and revised full-year forecast.

As explained in the previous slide, full-year forecast has been revised this time, based on the third quarter cumulative results and the assumption hereafter.

Revenue in full-year forecast has been revised upward by 30.0 billion yen to 590.0 billion yen, and operating profit downward by 4.0 billion yen to 20.0 billion yen.
However, there is no revision of profit for the period and net profit due to strong share of JVs and associates' profits, to represent progress with the key initiative of "Restoration of financial stability" in RP24

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

Transformation Initiatives under Revival Plan 24

Initiatives underway for business to grow sustainably according to RP24.
Transition to TSE new market segmentation "Prime Market" decided

Three Reforms	**Cost structure reform** • Headcount : Consolidation/Closure of sites/production lines mainly in Automotive business in Europe and Americas. Approximately 800 reductions in 2022/3 (JPY 9.5 bn cost reduction vs 2020/3), resulting in over 2,300 since 2020/3 end (JPY 13.0 bn reduction at 2022/3 end vs 2020/3) (Severance cost provided in 2021/3) • Non headcount : Direct costs savings of JPY 3.5 bn so far and JPY 4.3 bn in 2022/3 via Kaikaku and Kakushin activities • JPY 3.2 bn cost reduction in the additional initiatives in Automotive business
	Business structure reform • Contribution to profit and CO2 emission reduction by solar energy glass furnace in the USA and Vietnam • New float furnace construction in Argentina progressing for full operation in early 2023/3 • Introduction of renewable electricity generated by a wind farm in Poland to reduce CO2 emission 
	Corporate culture reform • Progressing "Inclusion & Diversity (I&D)" activities globally by setting goals to improve manager gender diversity for each business, region, and function
Two Key Initiatives	**Restoration of financial stability (2022/3 Q3 actual)** • Continued net profit significantly improved by JPY 2 bn year-on-year. Shareholder's equity ratio also improved above 11% • JPY 53.6 bn of cash and JPY 80.5 bn unused commitment lines at the end of Dec. 2021
	Transformation into more profitable business portfolio • New development of "MAGNAVI®", glass fiber with high elasticity and high strength aiming for a new solution in composite material market like FRP (Fiber Reinforced Plastics) for decarbonized society  

Please move to Slide 21.

It shows the main progress of transformation initiatives taken under the Revival Plan 24 (RP24) starting from this financial year ending March 2022.

'Three reforms' and 'Two key initiatives' are committed in RP24, aiming for the business to grow sustainability.

As for 'Cost structure reform', strict cost reduction and production efficiency improvement including headcount reduction are planned and implemented as 'Cost structure reform'.

Closures or integrations of the sites or production lines for headcount reduction have been carried out mainly in Automotive business in Europe and Americas.
Approximately 800 headcounts have left in the third quarter cumulatively with the cost reduction of 9.5 billion yen compared with March 2020, resulting in over 2,300 headcount leaves since March 2020 end with estimated 13.0 billion yen of cost reduction at the end of March 2022.
The provision for redundancy has already been recorded at the end of March 2021.
In addition to that, other direct cost reductions are ongoing as "kaikaku and kakushin" activities and saved 3.5 billion yen so far and will save 4.3 by March.
3.2 billion yen costs have been reduced so far in the additional cost saving projects which started in the second quarter.

In 'Business structure reform', the Group is expanding value-added businesses and developing new businesses.
Solar energy glass furnace in the USA and Vietnam have been contributing to profit and CO2 emission as well.
New float furnace construction in Argentina have been progressing, aiming for full operation in early

financial year ending March 2023.
As in the news release on 14th January, the Group introduced renewable electricity generated by a wind farm with the fixed price which started from this January in Poland. This reduces exposure to the volatile wholesale electricity prices currently seen and CO2 emission.

For 'Corporate culture reform', the Group is progressing 'Inclusion & Diversity (I&D)' activities globally by setting goals to improve manager gender diversity for each business, region, and function.

In 'Two key initiatives', 'Restoration of financial stability' is progressed as the net profit improved significantly by 22.6 billion year-on-year with the contribution of 'Cost structure reform' and 'Business structure reform', together with the Group's energy cost hedging program resulting in shareholder's equity ratio improvement above 11%.

For 'Transformation into more profitable business portfolio', "MAGNAVI®" , glass fiber with high elasticity and high strength has been developed newly to offer a new solution in composite material market like FRP for decarbonized society.
Its press released was published yesterday.

Regarding transition to TSE new market segmentation from April 2022, transition to "Prime Market" has been decided.

4. Summary

Summary

NSG GROUP

1. **Financial Year ending 31 March 2022 Quarter 3 Results**
   - Impacted by constrained vehicle production and higher energy and material cost, but mitigated with sales price increase and cost saving efforts
   - Architectural and Technical Glass businesses offset unfavorable Automotive. Continued profit
   - Share of JVs and associates' profits contributed
   - Shareholders' equity ratio and cash flows improving further with positive factors including net profit
2. **Forecast for Financial Year ending 31 March 2022**
   - Revenue revised upward, but operating profit downward.
     No revision of profit for the period and net profit due to strong share of JVs and associates' profits
   - Architectural : continuous tighter demand and supply situation, but impacted by higher energy cost mainly in Europe
   - Automotive : Affected by continued component shortage and higher input costs
3. **Update of Transformation Initiatives under Revival Plan 24**
   - Cost structure reform: Headcount and cost reduction initiatives progressing
   - Business structure reform: New float line construction in Argentina aiming for full operation in early 2023/3
     Introduction of renewable electricity generated by a wind farm in Poland
   - Transformation into more profitable business portfolio: New development of "MAGNAVI®" with high elasticity and high strength
   - Transition from the 1st section to the Prime Market of TSE has been decided

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 2022 Q3 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

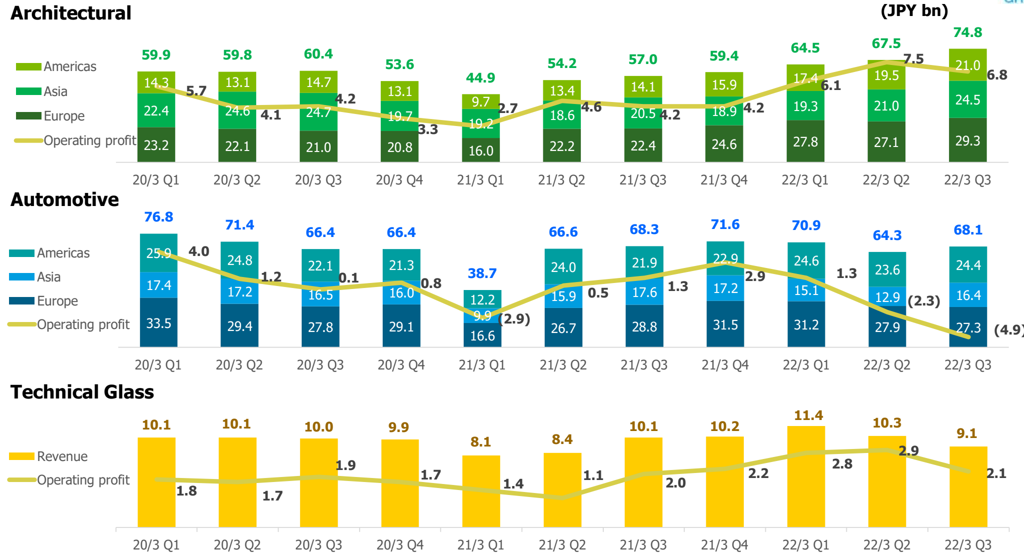
Consolidated Income Statement – Quarterly Trend

(JPY bn)	2020/3				2021/3				2022/3		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Revenue	**147.1**	**141.5**	**137.2**	**130.4**	**91.9**	**129.6**	**135.9**	**141.8**	**147.7**	**143.0**	**152.3**
Operating profit/(loss)	**8.8**	**6.1**	**3.1**	**3.2**	**(0.6)**	**3.8**	**4.8**	**5.1**	**7.2**	**5.5**	**1.8**
Operating profit margin (%)	**6.0%**	**4.3%**	**2.3%**	**2.5%**	**–**	**2.9%**	**3.5%**	**3.6%**	**4.9%**	**3.9%**	**1.2%**
Exceptional items (COVID-19 related)	–	–	–	(2.2)	(11.5)	(1.3)	(1.2)	(2.1)	–	–	–
Operating profit/(loss) after COVID-19 related exceptional items	**8.8**	**6.1**	**3.1**	**1.0**	**(12.1)**	**2.5**	**3.6**	**3.0**	**7.2**	**5.5**	**1.8**
Exceptional items (Other)	(0.6)	(1.6)	(2.2)	(17.4)	0.0	(0.8)	1.0	(5.5)	(0.2)	4.7	(0.2)
Operating profit/(loss) after exceptional items	**8.2**	**4.5**	**0.9**	**(16.4)**	**(12.1)**	**1.7**	**4.6**	**(2.5)**	**7.0**	**10.2**	**1.7**
Finance expenses (net)	(3.5)	(2.8)	(3.2)	(2.3)	(2.4)	(3.0)	(2.1)	(3.5)	(2.9)	(2.9)	(3.2)
Share of JVs and associates' profits	0.5	0.3	0.4	(0.1)	(0.4)	0.2	1.0	1.3	1.4	1.9	2.2
Profit/(loss) before taxation	**5.2**	**2.0**	**(1.9)**	**(18.8)**	**(14.9)**	**(1.1)**	**3.5**	**(4.7)**	**5.5**	**9.2**	**0.7**
Profit/(loss) for the period	**3.1**	**(0.7)**	**(0.5)**	**(19.4)**	**(16.5)**	**(0.7)**	**3.7**	**(2.8)**	**2.8**	**6.7**	**1.0**
Net profit/(loss) *	**2.9**	**(1.0)**	**(0.7)**	**(20.1)**	**(16.4)**	**(0.9)**	**3.4**	**(3.0)**	**2.5**	**6.1**	**0.0**
EBITDA	**17.5**	**14.2**	**11.5**	**11.8**	**6.1**	**12.7**	**13.5**	**14.5**	**16.5**	**14.6**	**11.1**

*Profit (loss) attributable to owners of the parent

Revenue & Operating Profit – Quarterly Trend

(JPY bn)



Segmental Information by Quarter

(JPY bn)	2020/3					2021/3					2022/3			
	Q1	Q2	Q3	Q4	Cum.	Q1	Q2	Q3	Q4	Cum.	Q1	Q2	Q3	Cum.
Revenue: Architectural	**59.9**	**59.8**	**60.4**	**53.6**	**233.7**	**44.9**	**54.2**	**57.0**	**59.4**	**215.5**	**64.5**	**67.5**	**74.8**	**206.9**
Europe	23.2	22.1	21.0	20.8	87.1	16.0	22.2	22.4	24.6	85.2	27.8	27.1	29.3	84.2
Asia	22.4	24.6	24.7	19.7	91.4	19.2	18.6	20.5	18.9	77.2	19.3	21.0	24.5	64.7
Americas	14.3	13.1	14.7	13.1	55.2	9.7	13.4	14.1	15.9	53.1	17.4	19.4	21.0	57.9
Operating profit	**5.7**	**4.1**	**4.2**	**3.3**	**17.3**	**2.7**	**4.6**	**4.2**	**4.2**	**15.7**	**6.1**	**7.5**	**6.8**	**20.4**
OP after COVID*	**-**	**-**	**-**	**2.7**	**16.7**	**(2.2)**	**4.1**	**3.8**	**3.4**	**9.1**	-	-	-	-
Revenue: Automotive	**76.8**	**71.4**	**66.4**	**66.4**	**281.0**	**38.7**	**66.6**	**68.3**	**71.6**	**245.2**	**70.9**	**64.3**	**68.1**	**203.3**
Europe	33.5	29.4	27.8	29.1	119.8	16.6	26.7	28.8	31.5	103.6	31.2	27.9	27.3	86.4
Asia	17.4	17.2	16.5	16.0	67.1	9.9	15.9	17.6	17.2	60.6	15.1	12.9	16.4	44.4
Americas	25.9	24.8	22.1	21.3	94.1	12.2	24.0	21.9	22.9	81.0	24.6	23.6	24.4	72.5
Operating profit	**4.0**	**1.2**	**0.1**	**0.8**	**6.1**	**(2.9)**	**0.5**	**1.3**	**2.9**	**1.8**	**1.3**	**(2.3)**	**(4.9)**	**(5.9)**
OP after COVID*	**-**	**-**	**-**	**(0.6)**	**4.7**	**(9.3)**	**(0.6)**	**0.4**	**1.7**	**(7.8)**	**-**	**-**	**-**	**-**
Revenue: Technical	**10.1**	**10.1**	**10.0**	**9.9**	**40.1**	**8.1**	**8.4**	**10.1**	**10.2**	**36.8**	**11.4**	**10.3**	**9.1**	**30.8**
Europe	1.7	1.8	1.6	2.0	7.1	1.3	1.4	1.9	1.8	6.4	2.1	1.8	2.0	5.9
Asia	8.0	7.9	8.1	7.7	31.7	6.5	6.8	7.9	8.1	29.3	9.0	8.2	6.8	24.0
Americas	0.4	0.4	0.3	0.2	1.3	0.3	0.2	0.3	0.3	1.1	0.3	0.3	0.3	0.9
Operating profit	**1.8**	**1.7**	**1.9**	**1.7**	**7.1**	**1.4**	**1.1**	**2.0**	**2.2**	**6.7**	**2.8**	**2.9**	**2.1**	**7.8**
OP after COVID*	**-**	**-**	**-**	**1.6**	**7.0**	**1.2**	**1.0**	**2.1**	**2.2**	**6.5**	**-**	**-**	**-**	**-**
Revenue: Other	**0.3**	**0.2**	**0.4**	**0.5**	**1.4**	**0.2**	**0.4**	**0.5**	**0.6**	**1.7**	**0.9**	**0.8**	**0.3**	**2.0**
Operating profit	**(2.7)**	**(0.9)**	**(3.1)**	**(2.6)**	**(9.3)**	**(1.8)**	**(2.4)**	**(2.7)**	**(4.2)**	**(11.1)**	**(3.1)**	**(2.5)**	**(2.2)**	**(7.7)**
OP after COVID*	**-**	**-**	**-**	**(2.7)**	**(9.4)**	**(1.8)**	**(2.0)**	**(2.7)**	**(4.3)**	**(10.8)**	-	-	-	-
Revenue: Total	**147.1**	**141.5**	**137.2**	**130.4**	**556.2**	**91.9**	**129.6**	**135.9**	**141.8**	**499.2**	**147.7**	**143.0**	**152.3**	**443.0**
Operating profit	**8.8**	**6.1**	**3.1**	**3.2**	**21.2**	**(0.6)**	**3.8**	**4.8**	**5.1**	**13.1**	**7.2**	**5.5**	**1.8**	**14.5**
OP after COVID*	**-**	**-**	**-**	**1.0**	**19.0**	**(12.1)**	**2.5**	**3.6**	**3.0**	**(3.0)**	-	-	-	-

*Operating profit/(loss) after COVID-19 related exceptional items

Revenue & Operating Profit – by Region

(JPY bn)	2021/3 Q3 Cum.			2022/3 Q3 Cum.			Change	
	Revenue	%	Operating profit/(loss)	Revenue	%	Operating profit/(loss)	Revenue	Operating profit/(loss)
Europe	**137.3**	**38%**	**2.4**	**176.5**	**40%**	**(1.5)**	**39.2**	**(3.9)**
Asia	**122.9**	**34%**	**8.3**	**133.1**	**30%**	**15.7**	**10.2**	**7.4**
Americas	**96.1**	**27%**	**4.2**	**131.4**	**30%**	**8.0**	**35.3**	**3.8**
Other *	1.1	0%	(6.9)	2.0	0%	(7.7)	1.0	(0.8)
Total	**357.4**	**100%**	**8.0**	**443.0**	**100%**	**14.5**	**85.6**	**6.5**

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

Exceptional Items

(JPY bn)	2021/3 Q3 Cumulative	2022/3 Q3 Cumulative
COVID-19 related items *	(14.0)	-
Government support	2.3	-
Suspension and other costs	(16.3)	-
Restructuring costs	(4.0)	(0.1)
Gain on disposal of business	-	4.4
Settlement of litigation matters	3.4	-
Gain on disposal of subsidiaries and joint ventures	0.7	-
COVID-19 related items government support	-	0.4
Others	0.1	(0.3)
Exceptional items – net	(13.8)	4.4

* In 2021/3 the Group recorded the direct costs and also unrecovered operating costs arising from the COVID-19 pandemic as exceptional items, together with any related income from governments. Such costs include payments to employees not engaged in productive activities due to the COVID-19 pandemic, costs of maintaining idle facilities, and direct costs such as the deep cleaning of facilities to promote a safe operating environment.

Foreign Currency Exchange Rates and Sensitivity

NSG GROUP

Average rates used

	2020/3				2021/3				2022/3		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
GBP	141	137	138	138	133	135	136	139	153	152	153
EUR	124	121	121	121	118	121	123	124	132	131	131
USD	109	109	109	109	107	106	106	106	109	109	112
BRR	28.0	27.6	27.2	26.4	19.9	19.8	19.7	19.7	20.6	20.8	20.7
ARS	4.70	Closing rates are applied – hyperinflation									

Closing rates used

	2020/3				2021/3				2022/3		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
GBP	137	133	144	133	132	135	141	152	153	150	156
EUR	123	118	122	119	121	124	127	130	132	129	131
USD	108	108	109	108	107	105	103	111	111	112	116
BRR	28.3	26.0	27.1	20.8	19.9	18.7	19.8	19.1	22.3	20.6	20.4
ARS	2.53	1.88	1.82	1.68	1.53	1.38	1.22	1.20	1.16	1.13	1.12

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

	2021/3
Equity	JPY (3.1) billion
Loss for the period	Improve by JPY 0.1 billion

Depreciation & Amortization, Capital Expenditures, R&D Expenditures

NSG GROUP

(JPY bn)	2021/3 Q3 Cumulative	2022/3 Q3 Cumulative	2022/3 Full-year Forecast
Depreciation & Amortization	**26.3**	**27.7**	**35.0**
Capital expenditures	**25.6**	**15.3**	**29.0**
Ordinary	9.7	13.4	
Strategic projects and other	15.9	1.9	
R&D expenditures	**6.6**	**6.1**	**9.0**
Architectural	1.8	1.8	
Automotive	1.8	1.8	
Technical Glass	0.7	0.7	
Other	2.3	1.8	

NSG

GROUP