



159TH FISCAL PERIOD INTERIM TO OUR SHAREHOLDERS

1 APRIL 2024 – 30 SEPTEMBER 2024

NIPPON SHEET GLASS CO., LTD.

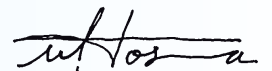
Newly built bus terminal in Lublin, Poland. Standing as a symbol of progress, modernity, and care for the environment, the building is equipped with photovoltaic panels developed with NSG TEC™ on the roof.

Message from the President and CEO

On behalf of the NSG Group, I would like to express my sincere gratitude for your continued support. I would like to present Group's financial results for the first half (from 1 April to 30 September 2024) of the 159th fiscal period (FY2025) as follows.

Munehiro Hosonuma

Representative Executive Officer
President and CEO
Nippon Sheet Glass Co., Ltd.



Summary of the First Half of FY2025 and Outlook for the Second Half

In the first half of FY2025, the Group benefitted from favorable factors such as the depreciation of the yen against key currencies and stable costs of raw materials, particularly natural gas in Europe. On the other hand, we were significantly impacted by the economic slowdown in Europe and the rising costs of labor and other expenses due to global inflation trends. Architectural glass business was particularly hard hit by this, with sales prices falling sharply in Europe and declining demand in other regions. On the other hand, demand for solar energy glass was robust and the new facility in Malaysia contributed positively to earnings. In Automotive glass business, although the Group successfully managed to pass on some of the increased labor and other costs, sales volume recovery lost momentum in many regions due to decreased vehicle production in Europe and disruptions at some customer production sites in Japan and North America. Technical glass business remained highly profitable thanks to demand recovery in many business areas.

Finance costs remain high though they have decreased year-on-year with market interest rates falling in Europe and showing signs of falling in the United States while on an upward trend in Japan. The Group's share of the post-tax profit of joint ventures and associates improved especially of a joint venture in Brazil. During the previous year, the Group also recorded one-off gains arising from the disposal of its joint venture business in Russia. Consequently, in the current interim term, the Group saw an increase in revenue but a decrease in profits year-on-year, with sales exceeding earnings forecasts but profits falling short. Sales revenue stood at 422.4 billion yen (420.2 billion yen in the same period of FY2024), operating profit at 10.2 billion yen (26.0 billion yen in the same period of FY2024), and loss attributable to owners of the parent at 3.9 billion yen (profit of 9.8 billion yen in the same period of FY2024).

As for the business environment in the second half of the year, the Group will continue to be under the influence of rising labor and other costs as well as the slow speed of the recovery in the European economy. As part of its response to this challenging business environment, Architectural glass business suspended production at one float furnace in Germany

in June and announced a plan to suspend production at another furnace in Germany in January next year. With these steps, we aim to reduce fixed costs through improved capacity utilization and raise selling prices with improved demand and supply conditions. In Automotive glass business, we expect a modest recovery in sales volume driven by potentially robust automotive demand and will continue to seek improvements in selling prices. Demand recovery is also expected to continue in Technical glass business. We will implement all possible measures to mitigate negative effects, including cost saving across the Group, and strive to improve profits.

Medium-Term Plan “2030 Vision: Shift the Phase”

In May this year, the Group announced its new Medium-Term Plan “2030 Vision: Shift the Phase” covering the period from FY2025/3 to FY2030/3. During this period, we make every effort “to shift our company's phase and become vital in advancing a sustainable society” focusing thoroughly on improving profitability, enhancing capabilities to generate cash and reinforcing financial base. To achieve this goal, we have introduced the following 4“D”s as our strategic pillars: Business “Development”, “Decarbonization”, “Digital” Transformation and “Diverse” Talent and will seek to deliver our financial targets of 64 billion yen in operating profit, ROS of 7%, Free Cash Flow of 27 billion yen, and an equity ratio of 15% by FY2027/3. Further, we aim to achieve ROS of at least 10% by FY2030/3.

Dividends

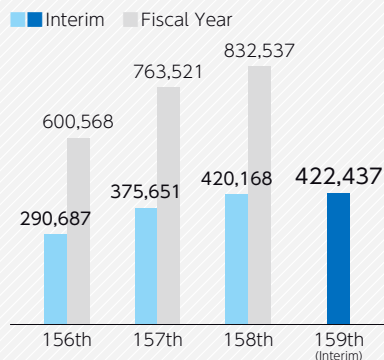
The Group's basic policy regarding the distribution of profit to shareholders is to declare stable dividends on common shares based on sustainable business results. Regrettably, however, the Group decided not to declare dividends on common shares for the current interim term, taking into consideration its business performance and financial situations comprehensively. I am deeply sorry and sincerely apologize to our shareholders. The Group recognizes the importance of dividends to its shareholders and will concentrate its efforts to improve profitability and shore up its financial base through the Medium-Term Plan.

I would like to ask your continued understanding and support.

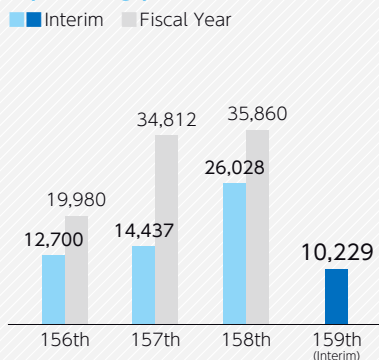
November 2024

Financial Performance Highlights

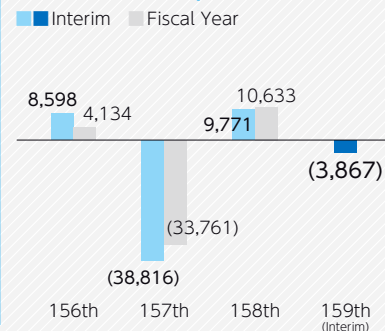
Revenue (Million yen)



Operating profit (Million yen)



Profit/(loss) attributable to owners of the parent (Million yen)



Notes: •The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS).
•Operating Profit in the above table is operating profit before exceptional items.

NSG at a Glance

Net revenue by business
1 APRIL 2024 – 30 SEPTEMBER 2024

Technical Glass

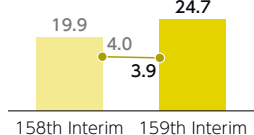
6%



- Major manufacturing sites located in Japan, China and Europe
- Number One/ Only One in niche markets

- Revenue increased due to demand improvement in many businesses including printer lenses and glass cord.
- Operating profit was maintained at the previous year's level despite being affected by rising costs.

■ Revenue ● Operating profit (Billion yen)



Automotive Glass

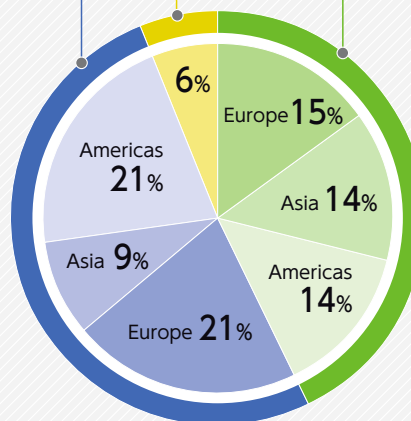
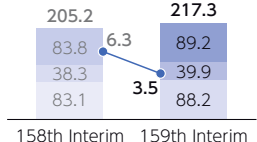
51%



- Major manufacturing sites located in 13 countries
- One of the largest global service providers for Automotive glass replacement distribution and wholesale

- Revenue increased due to further progress in price negotiations with customers and the impact of the weaker JPY, despite a slowdown in sales volume recovery.
- On the other hand, operating profit decreased due to increases in input costs that were not recovered.

■ Revenue ● Operating profit (Billion yen)



Architectural Glass

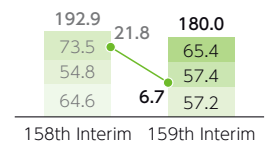
43%



- 27 float furnaces around the world
- Leading supplier of thin film solar energy glass

- Revenue and operating profit decreased due to reduced sales volumes and lower prices across most regions, especially in Europe.
- Robust demand continues for solar energy glass.

■ Revenue ● Operating profit (Billion yen)



Initiatives in the Medium-Term Plan “2030 Vision: Shift the Phase”

Under the Medium-Term Plan, which started in FY2025, the NSG Group is undertaking a series of initiatives to enhance profitability, reduce interest-bearing liabilities fundamentally by improving cash flow, and strengthen equity guided by the strategic pillars represented by 4“D”s. Below are some examples of “Business Development” and “Decarbonization” initiatives.

Group-Wide Strategic Direction 4“D”s

Business Development

To strengthen new product and business development efforts

Decarbonization

As part of our contribution to societal decarbonization

Digital Transformation

Through high-value operations utilizing digital technologies to their full extent

Diverse Talent

In order to realize a truly diverse and inclusive team that brings about the phase shift we need

Please scan this QR code with your smartphone or refer to following URL for details of our Medium-Term Plan.
https://www.nsg.com/-/media/nsg/site-content/ir/ir-presentations/mtp2030presentation_e01.pdf



Business Development (To strengthen new product and business development efforts)

We are striving to enhance new products and businesses that contribute to solving societal challenges such as decarbonization. Taking pride in our history of creating world-first technologies and expertise, we will develop and provide high value-added products that meet changes in society and customer needs, which will also lead to improved profitability.

Examples of Strategic Products to be Strengthened through Business Development

Architectural Glass

- Products that contribute to the decarbonization of buildings
- Products that enhance the potential of solar technology



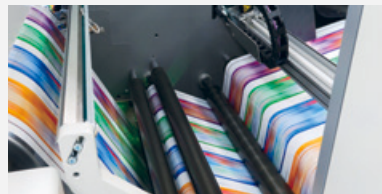
Automotive Glass

- Products that contribute to the advancement of automobiles



Technical Glass

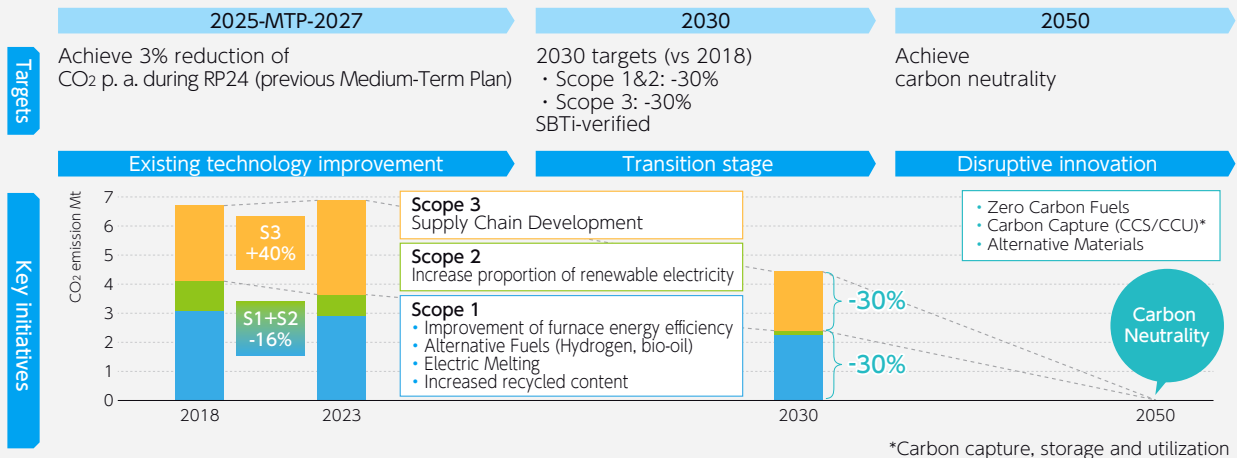
- Products that enable the development of high performance components
- Products contributing to environmental conservation such as reduction of microplastics



Decarbonization (As part of our contribution to societal decarbonization)

As an energy- and carbon-intensive manufacturing company, it is essential for the Group to tackle climate change, and we are dedicated to promoting “Decarbonization” across our entire supply chain. The Group is committed to achieving carbon neutrality by 2050 while aiming to reduce CO₂ emissions (Scope 1, Scope 2, and Scope 3) by 30% compared to 2018 levels by 2030. The implementation of this roadmap will lead to a reduction in CO₂ emissions and, in turn, to the continuous development of Sustainability and products and the expansion of opportunities related to our business.

Roadmap to Carbon Neutrality for 2050



Some examples of the latest initiatives are presented below. We will continue to advance our efforts in “Decarbonization” in the future.

NSG Group Plans Pioneering Hydrogen Plant in UK

From 2025, the Group is planning to begin construction of a green hydrogen production plant at its UK Green Gate facility and expand production of low-carbon glass utilizing hydrogen generated at the plant from 2027. The new hydrogen plant would provide the furnace of the site with up to seven tonnes of zero-emission hydrogen each day. This would enable the company to eliminate 15,000 tonnes of carbon from its direct emissions each year.



NSG Group is dedicated to providing materials with higher recycled content to OEMs

In recent years, the automotive industry has increasingly emphasised recycling and striving towards a circular economy to address environmental challenges. To meet these requirements, the NSG Group is dedicated to providing materials with higher recycled content to OEMs. We have already validated some materials which we use to encapsulate our glasses such as rear quarters and backlites, and we are currently in the process of validating finishers for windscreens. These materials have a recycled content of more than 50% in mass and are expected to reduce the carbon footprint of the components by potentially as much as 20%.



S(Left): Standard Material
G(Right): Green Material



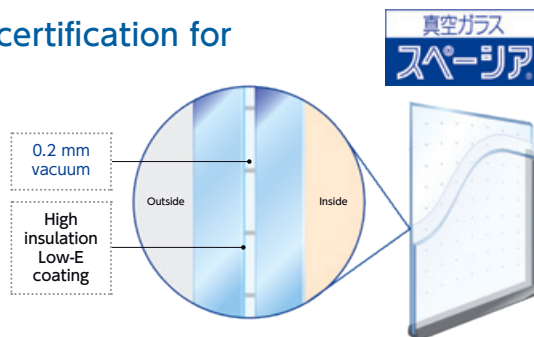
*Versus standard virgin material (Supplier source)

1 NSG's Pilkington Spacia™ obtained JIS certification for vacuum glass for the first time in Japan

In June of this year, Pilkington Spacia™ became the first vacuum glass in Japan to obtain JIS (Japanese Industrial Standards) certification. Pilkington Spacia™ features a vacuum space between two panes of glass, providing superior thermal insulation compared to conventional double glazing. Since its launch in 1997 as the world's first commercially viable vacuum glazing, Pilkington Spacia™ has been highly acclaimed both in Japan and abroad as a pioneering product. With its JIS certification, it is expected to become even more widely used, significantly contributing to energy conservation and carbon neutrality. For more information about Pilkington Spacia™, scan this QR code to access our website.

<https://shinku-glass.jp/>

※QR Code is a registered trademark of DENSO WAVE INC.



Vacuum technology realized for the first time in the world by NSG.

The vacuum space between two panes of glass prevents "conduction" and "convection" of heat, while the Low-E coating suppresses heat "radiation".

2 Joint study begins on commercialization of environmentally friendly high-performance recycled fibers

NSG Group, Electric Power Development Co., Ltd., and Nippon Fiber Corporation are launching a joint study to commercialize an environmentally friendly, high-performance recycled fiber (BASHFIBER®). BASHFIBER® is a continuous long fiber produced from coal ash generated in various industries and other materials. It holds significant potential in a variety of fields such as construction, civil engineering, and automotive industry as a recyclable fiber reinforcement material. By utilizing a by-product of coal combustion as a substitute for natural resources, BASHFIBER® contributes to reducing CO2 emissions. This initiative has been selected as a support project by the New Energy and Industrial Technology Development Organization (NEDO), a national research and development agency, as an innovative technology aimed at addressing economic and social issues.

【BASHFIBER® product family】



3 NSG Group's website won a 2024 Gomez ESG Commendation Award

The Gomez ESG Website Ranking 2024 evaluates ESG websites of listed companies from the perspective of a wide range of stakeholders. This year, 169 companies were selected for their excellent website. As ESG investment has become more prevalent worldwide in recent years, the attention to ESG information is increasing more than ever. We will continue to actively disseminate ESG information.



4

Featured on Nikkei CNBC “Top Executive Interview”

CEO Munehiro Hosonuma was featured on the “Top Executive Interview” segment of “Morning Express” on Nikkei CNBC, a TV channel dedicated to market and economic information. The show invites top executives from listed companies and organizations currently gaining significant attention to provide an in-depth look at their growth strategies and competitive environments. In the interview aired on August 5th 2024, Mr. Hosonuma explained the Group’s businesses and management strategy. We encourage you to watch the interview by scanning the QR code below.



(Left: Mr. Masaki Morita, Nihon Keizai Shimbun Newspaper anchor, Right: CEO Munehiro Hosonuma)

<https://www.youtube.com/watch?v=SRL7LU8Gmwg>

Cover photos



A brand-new extensive bus terminal opened this year in Poland’s southeastern city of Lublin. The roof of the building is covered with photovoltaic panels spanning approximately 6,500 sqm. These photovoltaic panels, developed with NSG TEC™ transparent electrically conductive glass, generate a constant supply of power. Recognized for its numerous innovative ecological solutions, the project won an accolade in Poland’s Green Building Awards in the category “Best Environmental Project”.

Management (as at 30 September 2024)

NSG adopts a Company with Three Committees structure.

Board of Directors

Independent External Director Chairperson of the Board	Hiroshi Ishino Chairperson of Nomination Committee
Independent External Director	Jörg Raupach Sumiya Nomination Committee Audit Committee Chairperson of Compensation Committee
Independent External Director	Kunihito Minakawa Nomination Committee Chairperson of Audit Committee Compensation Committee
Independent External Director	Shinji Asatsuma Nomination Committee Audit Committee Compensation Committee
Independent External Director	Eriko Sakurai Nomination Committee Compensation Committee
Director	Munehiro Hosonuma Nomination Committee Compensation Committee

Executive Officers

Representative Executive Officer, President and CEO	Munehiro Hosonuma
Executive Officer Chairperson of the Company	Shigeki Mori
Senior Executive Officer	Leopoldo Garces Castiella
Senior Executive Officer	Koichi Hiyoshi
Senior Executive Officer	Hisashi Okamoto
Senior Executive Officer	Akihito Okochi
Senior Executive Officer	Rob Purcell
Executive Officer	Mike Greenall
Executive Officer	Denise Haylor
Executive Officer	Masaki Kambayashi
Executive Officer	Michael Kiefer
Executive Officer	Shiro Kobayashi
Executive Officer	Yohei Nakatsuji
Executive Officer	Iain Smith

Shareholder Information

Fiscal Period	1 April to 31 March of the following year
Ordinary General Meeting of Shareholders	Held annually in June
Record Dates	Ordinary General Meeting of Shareholders: 31 March Dividends: 30 September and 31 March
Transfer Agent	Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan
(Mail Address)	Stock Transfer Agency Department, Sumitomo Mitsui Trust Bank, Limited 8-4, Izumi 2-chome, Suginami-ku, Tokyo 168-0063, Japan
(Telephone Number)	0120-782-031 (toll free in Japan)

▶ For notification of any change in your record such as your address or for any inquiry,

<Shareholders having an account with a securities company>
Please contact the securities company where you hold the account.

<Shareholders not having an account with a securities company (having a special account)>
Please contact our transfer agent as shown above.

We contribute to the realization of a sustainable society through our sustainability efforts.



Universal design fonts that are easy to understand and easy to read are used.

Corporate Data (as at 30 September 2024)

Company Name	Nippon Sheet Glass Co., Ltd.
Head Office	Sumitomo Fudosan Tokyo Mita South Tower, 5-27, Mita 3-chome, Minato-ku, Tokyo 108-6321 Japan
Established	22 November 1918
Number of Permanent Employees (consolidated)	25,673
Paid-in Capital	JPY 116,890 million
Accounting Auditor	Ernst & Young ShinNihon LLC
Stock Listing	Tokyo Prime market (Code: 5202)
Contact	https://www.nsg.com/en/contact-us

▶ Notice to shareholders holding odd-lot shares

If you hold an odd-lot of shares (1 to 99 shares), which is less than a trading unit of shares (100 shares), you can require the Company to:

1. purchase these shares or
2. sell such exact number of the shares as would constitute one trading unit when added together with your shareholding.

For details on the procedures, please contact either the securities company or our transfer agent as indicated on the left.

Our Website and Social media

Our website provides a variety of information for investors, including financial results and latest news. Please access our website.

<https://www.nsg.com/en>



Facebook



X (Formerly Twitter)



Follow me!

Official SNS character of NSG Group
NSG Badger (Japanese name: N-Guma-Kun)

