Translation

Notice: This English version is a translation of the original disclosure in Japanese released on October 30, 2015 at 15:00 (GMT+9) and is only for reference purposes. In the case where any differences occur between the English version and the original Japanese version, the Japanese version will prevail.

Member of the Financial Accounting Standards Foundation

October 30, 2015

CONSOLIDATED FINANCIAL RESULTS for the Third Quarter of the Year Ending December 31, 2015 (Unaudited) <under Japanese GAAP>

Company name: **Nippon Electric Glass Co., Ltd.**
Listing: First Section of the Tokyo Stock Exchange
Securities identification code: 5214
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Scheduled date to file quarterly report: November 13, 2015
Scheduled date to commence dividend payments: -
Supplementary material on quarterly financial results: None
Quarterly financial results presentation meeting: None

(in millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance for the third quarter of the year ending December 31, 2015 (From January 1, 2015 to September 30, 2015)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
For the nine months ended		%		%		%		%
September 30, 2015	188,262	-	15,728	-	7,346	-	1,447	-
December 31, 2014	-	-	-	-	-	-	-	-

Note: Comprehensive income:
For the nine months ended September 30, 2015: (5,304) million yen [-%]
For the nine months ended December 31, 2014: -million yen [-%]

	Net income per share	Diluted net income per share
For the nine months ended	Yen	yen
September 30, 2015	2.91	-
December 31, 2014	-	-

Note: The Company has changed its fiscal year end (last date of its business year) from March 31 to December 31 effective from the year ending December 31, 2014. Accordingly, year-on-year changes and consolidated operating results (cumulative) for the third quarter of the year ended December 31, 2015 are not noted since consolidated financial statements for that quarter, the comparable period, were not prepared.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of			%
September 30, 2015	710,446	508,206	70.6
December 31, 2014	731,184	522,577	70.2

Reference: Equity:
As of September 30, 2015: 501,856 million yen
As of December 31, 2014: 513,633 million yen

2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	yen	yen	yen	yen	yen
For the year ended December 31, 2014	-	8.00	-	4.00	12.00
For the year ending December 31, 2015	-	8.00	-	——	——
For the year ending December 31, 2015 (Forecasts)	——	——	——	8.00	16.00

Note: 1. Revision of the forecasts most recently announced: None
2. As the previous fiscal year was a nine-month period, annual dividends were 12 yen per share (interim dividend of 8 yen and year-end dividend of 4 yen), adjusted from a 16 yen per share dividend paid in a twelve-month period.

3. Consolidated earnings forecasts for the year ending December 31, 2015 (From January 1, 2015 to December 31, 2015)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
		%		%		%		%	yen
For the year ending December 31, 2015	250,000 - 256,000	-	21,000 - 23,000	-	12,000 - 14,000	-	8,000 - 10,000	-	16.08 - 20.11

Note: 1. Revision of the forecasts most recently announced: Yes
2. As the corresponding period for comparison differs for this fiscal period and the previous fiscal period, the year-on-year change is not noted.

*** Notes**

(1) Changes in significant subsidiaries during the nine months under review (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Application of special accounting for preparing the quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

A. Changes in accounting policies due to revisions to accounting standards: None
B. Changes in accounting policies due to other reasons: None
C. Changes in accounting estimates: None
D. Restatement of prior period financial statements after error corrections: None

(4) Number of issued shares (common stock)

A. Total number of issued shares at the end of the period (including treasury stock)

As of September 30, 2015	497,616,234 shares
As of December 31, 2014	497,616,234 shares

B. Number of treasury shares at the end of the period

As of September 30, 2015	236,770 shares
As of December 31, 2014	228,870 shares

C. Average number of shares during the period (cumulative from the beginning of the fiscal year)

For the nine months ended September 30, 2015	497,383,484 shares
For the nine months ended December 31, 2014	- shares

* Indication regarding execution of quarterly review procedures

At the time of disclosure of this quarterly financial results report, the quarterly review procedures for the quarterly consolidated financial statements in accordance with the Financial Instruments and Exchange Act were incomplete.

* Proper use of earnings forecasts, and other special directions

The forward-looking statements, including earnings forecasts, contained in these materials are based on certain assumptions deemed to be reasonable by the Company and its subsidiaries ("the NEG Group") and include risks and contingencies. Actual business results may differ substantially due to a number of factors. For more details, please refer to the section of "(2) Information regarding consolidated earnings forecasts and other forward-looking statements in Qualitative Information Regarding Consolidated Results for the Nine Months" on page 5.

Qualitative Information Regarding Consolidated Results for the Nine Months

(1) Information regarding operating results (Nine months ended September 30, 2015)

A. Overview

The global economy continued to recover on the back of solid personal consumption in Europe and the US, as well as other factors. However, there were growing signs of a slowdown in the Chinese economy. The Japanese economy continued to sustain a modest recovery, as indicated by improvements in corporate earnings and employment conditions amid solid personal consumption. In this environment, in the nine months ended September 30, 2015 (January 1 to September 30, 2015), decline in prices for the mainstay substrate glass for liquid crystal displays (LCDs) narrowed and shipments remained stable. Sales of glass fiber and glass for optical devices were generally firm. As a result, sales recovered after bottoming out in the first quarter (January 1 to March 31, 2015). On the profit/loss side, improved productivity and cost-cutting boosted operating income. At the same time, ordinary income and net income were pushed down by foreign exchange losses and the reversal of deferred tax assets following tax system revisions, as well as the cost of dismantling facilities and buildings following the closure of the Fujisawa Plant.

B. Operating results

(Billions of yen)

	Nine months ended September 30, 2015		Change (B) – (A)	Change (%)
	Previous forecast (A) (July 30, 2015)	Results (B)		
Net sales	186.0 - 192.0	188.2	(3.7) - 2.2	(2) - 1
Operating income	13.0 - 15.0	15.7	0.7 - 2.7	5 - 21
Ordinary income	9.0 - 11.0	7.3	(3.6) - (1.6)	(33) - (18)
Net income	3.0 - 5.0	1.4	(3.5) - (1.5)	(71) - (52)
Net income per share (yen)	6.03 - 10.05	2.91	-	-

Note: Amounts less than 100 million yen are omitted.

(Sales by products)

Reporting segment	Category	Nine months ended September 30, 2015	
		billions of yen	(%)
Glass Business	Glass for electronic and information devices	125.6	67
	Glass for others	62.6	33
Total		188.2	100

Note: Amounts less than 100 million yen are omitted.

(Net sales)

Glass for electronic and information devices:

On the back of firm demand, the decline in prices for substrate glass for LCDs narrowed, and shipments remained stable. Shipments of cover glass for mobile devices (specialty glass for chemical strengthening) increased as the result of an expansion in models adopted, leading to a recovery in sales. In glass for electronic devices, sales of cover glass for image sensors were steady, although they were affected by seasonal fluctuations in sales. Sales of glass for optical devices remained strong due to growing demand for communications infrastructure. Sales of substrate glass

for solar cells were generally firm.

Glass for others:
Sales of glass fiber were solid, primarily for its applications in high-function plastics for auto parts. In the area of building materials, heat resistant glass and others, sales of glass for building materials have been weak since the second quarter, but sales of heat resistant glass and glass tubing for pharmaceutical and medical use were generally firm, primarily overseas.

(Profit/loss)
Improved productivity, cost-cutting, lower energy costs and other factors offset the impact of lower prices for substrate glass for LCDs and depreciation costs, enabling the Company to secure operating income surpassing forecasts. However, ordinary income was pulled down by foreign exchange losses related to foreign currency-denominated loans taken out by the Malaysian subsidiary, while net income was pushed down by the reversal of deferred tax assets following fiscal 2015 revisions to the tax system (lowering of income and other tax rates) and the cost of removing facilities and buildings following the closure of the Fujisawa Plant.

(2) Information regarding consolidated earnings forecasts and other forward-looking statements (Consolidated earnings forecasts for the year ending December 31, 2015)

(Billions of yen)

	Year ending December 31, 2015
Net sales	250.0 - 256.0
Operating income	21.0 - 23.0
Ordinary income	12.0 - 14.0
Net income	8.0 - 10.0

Note: Amounts less than 100 million yen are omitted.

The outlook for the global economy is uncertain, given China’s economic trends and US monetary policy. However, despite anxiety over the impact of overseas economies, we expect the Japanese economy to continue making a modest recovery as the employment and income environment continues to improve.
Given these conditions, in glass for electronic and information devices, we expect shipments of substrate glass for LCDs to be generally unchanged in the fourth quarter (October 1 to December 31, 2015). Demand for glass for optical devices and electronic devices should be solid overall, despite anticipated seasonal fluctuations. In glass for others, we expect demand for glass fiber, glass for building materials, heat resistant glass and glass tubing for pharmaceutical and medical use to remain stable.
On the profit/loss side, we expect product prices, higher depreciation costs and facility repairs to affect profits, but initiatives to improve productivity and cut costs, among others, should ensure stable income.
In light of these forecasts, and taking into account changes in the market environment and progress in our earnings, the Group has revised our previous consolidated earnings forecasts for the year ending December 31, 2015 released on July 30, 2015, as shown in the table above.

The forward-looking statements, including earnings forecasts, contained in these materials are based on certain assumptions deemed to be reasonable by the NEG Group and include risks and contingencies. Actual business results may differ substantially due to a number of factors. Factors that may impact actual business results include the economic conditions of global markets, various rules and regulations such as those concerning trade, significant fluctuation of supply and demand of products in principal markets as well as the financial situation showing extensive changes in prices on capital markets, exchange rates between the yen and other major currencies such as the U.S. dollar and the Euro, and interest rates, in addition to rapid technological advancement. Factors not mentioned here also could have a significant impact on business results.

Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of December 31, 2014	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	149,742	132,324
Notes and accounts receivable - trade	48,026	49,156
Merchandise and finished goods	33,603	39,520
Work in process	1,620	1,294
Raw materials and supplies	20,837	22,028
Other	10,240	8,823
Allowance for doubtful accounts	(71)	(75)
Total current assets	264,001	253,072
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	75,252	71,128
Machinery, equipment and vehicles, net	286,979	268,144
Other, net	35,041	45,652
Total property, plant and equipment	397,273	384,925
Intangible assets	2,948	3,549
Investments and other assets		
Other	67,025	68,966
Allowance for doubtful accounts	(62)	(67)
Total investments and other assets	66,962	68,898
Total non-current assets	467,183	457,374
Total assets	731,184	710,446
Liabilities		
Current liabilities		
Notes and accounts payable - trade	32,180	27,607
Short-term loans payable	15,340	28,135
Income taxes payable	1,301	1,736
Other provision	49	988
Other	33,827	29,469
Total current liabilities	82,700	87,938
Non-current liabilities		
Bonds payable	50,000	50,000
Long-term loans payable	40,800	27,500
Provision for special repairs	32,854	34,536
Other provision	62	278
Net defined benefit liability	1,217	1,202
Other	971	784
Total non-current liabilities	125,906	114,301
Total liabilities	208,607	202,240

(Millions of yen)

	As of December 31, 2014	As of September 30, 2015
Net assets		
Shareholders' equity		
Capital stock	32,155	32,155
Capital surplus	34,350	34,350
Retained earnings	423,763	419,241
Treasury shares	(280)	(284)
Total shareholders' equity	489,989	485,463
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	17,882	20,733
Deferred gains or losses on hedges	(763)	(189)
Foreign currency translation adjustment	6,525	(4,150)
Total accumulated other comprehensive income	23,644	16,393
Minority interests	8,943	6,349
Total net assets	522,577	508,206
Total liabilities and net assets	731,184	710,446

(2) Quarterly consolidated statement of income (cumulative) and quarterly consolidated statement of comprehensive income (cumulative)

Quarterly consolidated statement of income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2015
Net sales	188,262
Cost of sales	149,761
Gross profit	38,500
Selling, general and administrative expenses	22,772
Operating income	15,728
Non-operating income	
Interest income	289
Dividend income	655
Other	682
Total non-operating income	1,627
Non-operating expenses	
Interest expenses	791
Foreign exchange losses	6,551
Other	2,665
Total non-operating expenses	10,008
Ordinary income	7,346
Extraordinary income	
Reversal of provision for special repairs	376
Gain on sales of investment securities	720
Total extraordinary income	1,097
Extraordinary losses	
Loss on retirement of non-current assets	464
Loss on closing of plants	1,255
Other	368
Total extraordinary losses	2,087
Income before income taxes and minority interests	6,356
Income taxes	4,432
Income before minority interests	1,923
Minority interests in income	476
Net income	1,447

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2015
Income before minority interests	1,923
Other comprehensive income	
Valuation difference on available-for-sale securities	2,851
Deferred gains or losses on hedges	573
Foreign currency translation adjustment	(10,652)
Total other comprehensive income	(7,227)
Comprehensive income	(5,304)
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	(5,803)
Comprehensive income attributable to minority interests	499

(3) Reference: Summarized quarterly consolidated statement of cash flows (cumulative)

(Millions of yen)

	Nine months ended September 30, 2015
Cash flows from operating activities	
Income before income taxes and minority interests	6,356
Depreciation	27,650
Increase (decrease) in provision for special repairs	1,681
Foreign exchange losses (gains)	6,357
Decrease (increase) in notes and accounts receivable - trade	(3,864)
Decrease (increase) in inventories	(7,729)
Increase (decrease) in notes and accounts payable - trade	(4,509)
Income taxes paid	(2,730)
Other, net	5,564
Net cash provided by (used in) operating activities	28,776
Cash flows from investing activities	
Purchase of non-current assets	(36,159)
Other, net	10,048
Net cash provided by (used in) investing activities	(26,111)
Cash flows from financing activities	
Cash dividends paid	(5,969)
Cash dividends paid to minority shareholders	(2,565)
Other, net	(504)
Net cash provided by (used in) financing activities	(9,039)
Effect of exchange rate change on cash and cash equivalents	(1,100)
Net increase (decrease) in cash and cash equivalents	(7,474)
Cash and cash equivalents at beginning of period	129,823
Cash and cash equivalents at end of period	122,348