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Company	Nippon Sheet Glass Co., Ltd.
Code	5202
Address of Headquarters	5-27, Mita 3-Chome, Minato-Ku, Tokyo, Japan
Representative Executive Officer	Shigeki Mori
For inquiries	Sachiyo Nishie Head of Investor Relations
Telephone	+81-3-5443-0100

Introduction of Restricted Share Compensation

Nippon Sheet Glass Co., Ltd. (the "Company") resolved at a meeting of the Compensation Committee to adopt a plan to allot restricted shares to certain Directors and Executive Officers (the "Plan") in place of the existing compensation based on stock options.

1. Purpose

The Plan to be introduced is a compensation plan under which restricted shares are allotted to certain qualified Directors and Executive Officers of the Company (the "Eligible Persons"). The aim of the Plan is to align further the benefits and risks of share price fluctuations between the Eligible Persons and the shareholders, to incentivize longer-term management, and to provide the Eligible Persons with greater incentive than in the past to contribute to the improvement of the Company's share price and enhancement of its enterprise value.

Following the introduction of the Plan, the existing compensation based on stock options will cease to be granted, and the subscription rights to shares will no longer be issued to the relevant Directors and Executive Officers in the future.

The amount represented by the number of restricted shares to be allotted to the Eligible Persons will be lower than the amount represented by the number of the existing compensation based on stock options granted.

2. Overview of the Plan

Pursuant to the resolution of the Compensation Committee, the Company will grant to the Eligible Persons monetary compensation claims. The Eligible Persons will receive an allotment of restricted shares by making an in-kind contribution of all such claims.

The paid-in amount of the restricted shares will be the amount determined by the Board of Directors based on the closing price of the Company's ordinary share on the Tokyo Stock Exchange on the business day immediately preceding the day of the resolution of the Board of Directors regarding the issuance of such shares (or the closing price on the transaction day immediately prior thereto if no transaction is made on such business day) and to the extent not considered particularly favorable to the Eligible Persons who subscribe to such shares.

The monetary compensation claims will be granted on the condition that the Eligible Persons agree to such in-kind contribution and have entered into restricted shares allotment agreements. Such agreements will also prohibit the Eligible Persons from transferring, offering as collateral, or making any other disposition of the restricted shares for a specified period.

In the event an Eligible Person who received the allotment of restricted shares retires from any of the positions of Director or Executive Officer of the Company between the date of the commencement of the transfer restriction period and the date of the first subsequent Ordinary General Meeting of Shareholders of the Company, the Company will acquire at no cost all the restricted shares allotted except where there is a reason which the Board of Directors deems to be justifiable.

Other specific details regarding the allocation of restricted shares such as the amount of monetary claims to be granted to each Eligible Person will be decided by the Compensation Committee.