
NSG
GROUP

# NSG Group
# FY2021 Annual Results
(from 1 April 2020 to 31 March 2021)

Nippon Sheet Glass Company, Limited

13 May 2021

# Shigeki Mori

Chief Executive Officer

# Reiko Kusunose

Chief Financial Officer

# Agenda

1. FY2021 Financial Results
2. Update of Key Initiatives
3. FY2022 Forecast
4. Summary

# Consolidated Income Statement

## Full-year revenue & OP exceeded forecast, although impacted by pandemic. Q4 revenue & OP improved YoY. Restructuring cost partially offset by asset sale gain

| (JPY bn) | Q4 (3 months) | | | Full-year (12 months) | | | FY2021 Full-year Forecast |
|---|---|---|---|---|---|---|---|
| | FY2020 | FY2021 | Change | FY2020 | FY2021 | Change | |
| **Revenue** | 130.4 | **141.8** | 11.4 | 556.2 | **499.2** | (57.0) | 490.0 |
| **Operating profit** | 3.2 | **5.1** | 1.9 | 21.2 | **13.1** | (8.1) | 12.0 |
| **ROS: Return on sales (%)** | 2.5% | **3.6%** | +1.1pt | 3.8% | **2.6%** | (1.2)pt | 2.4% |
| Exceptional items (COVID-19 related) | (2.2) | **(2.1)** | 0.1 | (2.2) | **(16.1)** | (13.9) | (14.0) |
| **Operating (loss)/profit after COVID-19 related exceptional items** | 1.0 | **3.0** | 2.0 | 19.0 | **(3.0)** | (22.0) | (2.0) |
| Exceptional items (Other) | (17.4) | **(5.5)** | 11.9 | (21.8) | **(5.3)** | 16.5 | — |
| **Operating loss after exceptional items** | (16.4) | **(2.5)** | 13.9 | (2.8) | **(8.3)** | (5.5) | — |
| Finance expenses (net) | (2.3) | **(3.5)** | (1.2) | (11.8) | **(11.0)** | 0.8 | — |
| Share of JVs and associates' profits | (0.1) | **1.3** | 1.4 | 1.1 | **2.1** | 1.0 | — |
| **Loss before taxation** | (18.8) | **(4.7)** | 14.1 | (13.5) | **(17.2)** | (3.7) | — |
| **Loss for the period** | (19.4) | **(2.8)** | 16.6 | (17.5) | **(16.3)** | 1.2 | — |
| **Net loss*** | (20.1) | **(3.0)** | 17.1 | (18.9) | **(16.9)** | 2.0 | — |
| **EBITDA** | 11.8 | **14.5** | 2.7 | 55.0 | **46.8** | (8.2) | — |

Better than forecast

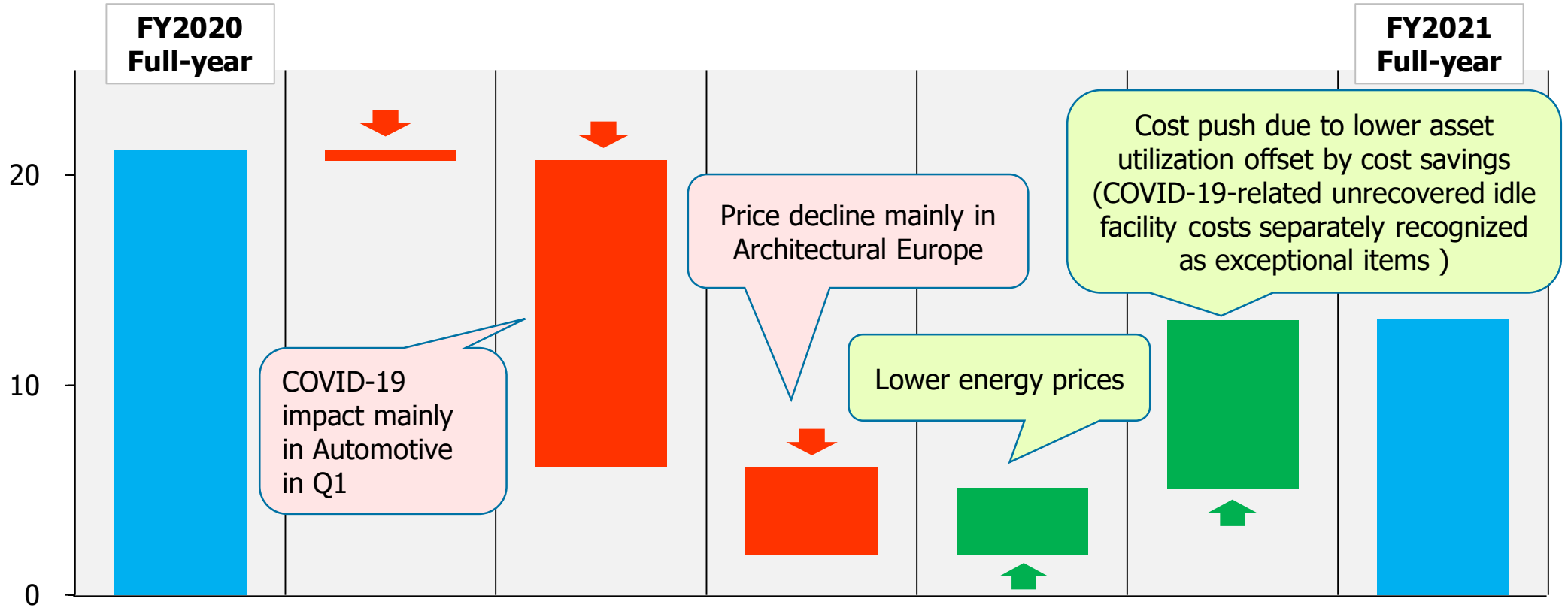
Improved YoY in Q4

Including 7 bn gain from sale of non-current assets and 10.7 bn restructuring costs

* loss attributable to owners of the parent

# Change Analysis – Operating profit (Cumulative)

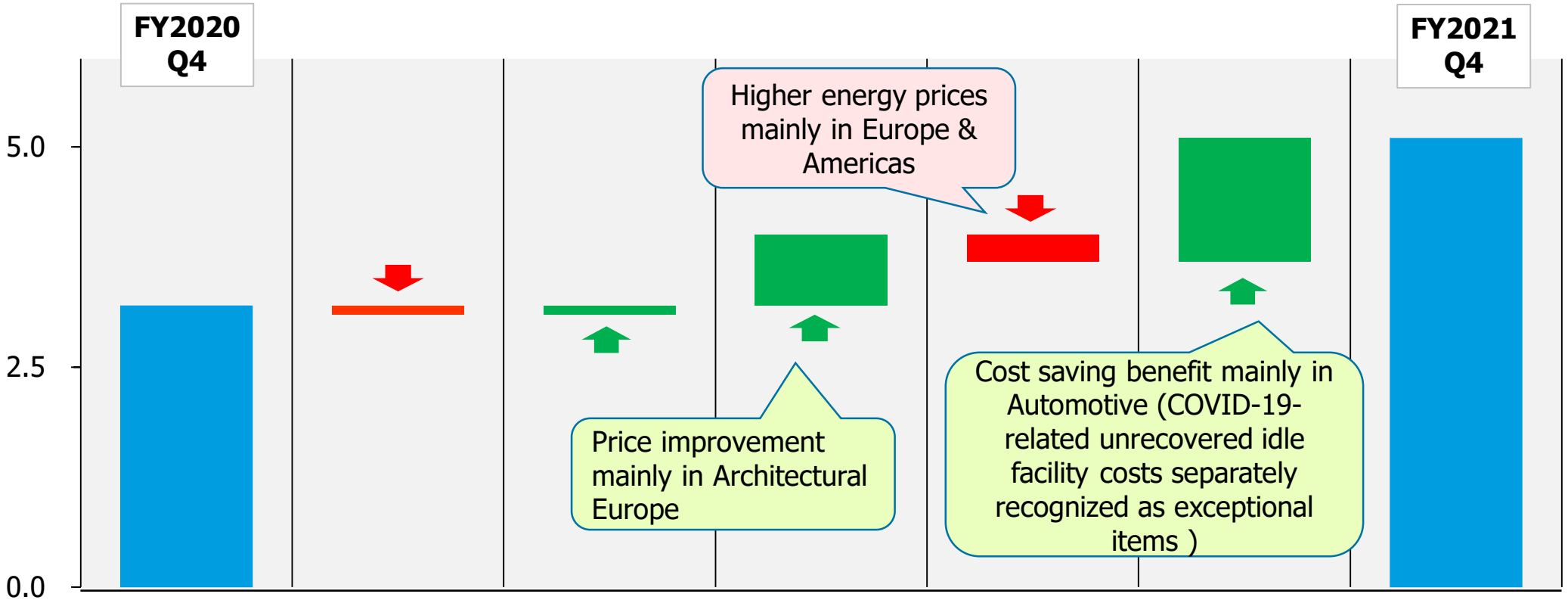
## Significant COVID-19-related fall in volumes, particularly during the first quarter




| (JPY bn) | Total | FX | Sales Vol/Mix | Price | Input Costs | Cost savings & other | Total |
|---|---|---|---|---|---|---|---|
| | **21.2** | **(0.5)** | **(14.6)** | **(4.2)** | **3.2** | **8.0** | **13.1** |

# Change Analysis – Operating profit (Quarter 4 only)

## With price improvements and further cost savings, profit improved YoY




| (JPY bn) | Total | FX | Sales Vol/Mix | Price | Input Costs | Cost savings & other | Total |
|---|---|---|---|---|---|---|---|
| | **3.2** | **(0.1)** | **0.1** | **0.8** | **(0.3)** | **1.4** | **5.1** |

# Exceptional items

## JPY10.7 bn restructuring cost recorded in Q4 partially offset by JPY7 bn gain on land sale

| (JPY bn) | FY2020 | FY2021 | |
|---|---|---|---|
| | Cumulative | Q4 | Cumulative |
| **COVID-19 related items** | **(2.2)** | **(2.1)** | **(16.1)** |
| Government support | — | 0.3 | 2.6 |
| Suspension and other costs | (2.2) | (2.4) | (18.7) |
| **Restructuring costs** | **(6.4)** | **(10.7)** | **(14.7)** |
| **Net impairment of non-current assets** | **(16.1)** | **(2.1)** | **(1.3)** |
| **Disposal of non-current assets** | **1.1** | **7.0** | **7.1** |
| **Gain on settlement of litigation matters** | **—** | **—** | **3.4** |
| **Gain on disposal of subsidiaries and joint ventures** | **1.3** | **—** | **0.7** |
| **Others** | **(1.7)** | **0.3** | **(0.5)** |
| **Exceptional items – net** | **(24.0)** | **(7.6)** | **(21.4)** |

Large part, (11.5) bn, was recorded in Q1

Cost transformation actions

Architectural and Automotive in South East Asia and Europe

Gain on sale of land

* The Group has 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.

# Consolidated Balance Sheet

## Total assets increased with exchange rate movements. Shareholders' equity ratio declined due to net loss

| (JPY bn) | 31 Mar 2020 | 31 Dec 2020 | 31 Mar 2021 | Change vs 31 Mar | Change vs 31 Dec |
|---|---|---|---|---|---|
| **Total Assets** | **765.2** | **778.0** | **825.0** | **59.8** | **47.0** |
| Non-current assets | 541.1 | 561.1 | 575.0 | 33.9 | 13.9 |
| Current assets | 224.1 | 216.9 | 250.0 | 25.9 | 33.1 |
| **Total Liabilities** | **677.0** | **701.4** | **745.2** | **68.2** | **43.8** |
| Current liabilities | 200.4 | 232.7 | 287.8 | 87.4 | 55.1 |
| Non-current liabilities | 476.6 | 468.7 | 457.4 | (19.2) | (11.3) |
| **Total Equity** | **88.2** | **76.6** | **79.8** | **(8.4)** | **3.2** |
| Shareholders' equity | 73.6 | 61.3 | 62.9 | (10.7) | 1.6 |
| **Shareholders' Equity Ratio** | **9.6%** | **7.9%** | **7.6%** | **(2.0) pt** | **(0.3) pt** |
| **Net Debt** | **390.2** | **426.7** | **411.8** | **21.6** | **(14.9)** |
| **Net Debt / EBITDA** | **7.1x** | **9.6x** | **8.8x** | | |
| **Net Debt / Equity Ratio** | **4.4x** | **5.6x** | **5.2x** | | |

Largely due to FX impact

Cash increase and FX impact

Increase in loan payables and FX impact

While increased in value from Q3, decline in equity ratio

# Consolidated Statement of Cash Flows

## Substantial positive free cash flow generated consecutively since Q2 with strict cash management. Q4 benefited from seasonal factors and disposal of assets

| (JPY bn) | Q4 (3 months) | | | Full-year (12 months) | | |
|---|---|---|---|---|---|---|
| | FY2020 | FY2021 | Change | FY2020 | FY2021 | Change |
| **Net cash flows from operating activities** | **35.0** | **16.4** | **(18.6)** | 30.5 | **21.1** | **(9.4)** |
| included above: Net change in working capital | 31.8 | 9.7 | (22.1) | 8.7 | 5.1 | (3.6) |
| **Net cash flows from investing activities** | **(12.2)** | **7.7** | **19.9** | **(56.9)** | **(25.6)** | **31.3** |
| included above: Purchase of property, plant and equipment | (15.9) | (8.7) | 7.2 | (60.9) | (39.2) | 21.7 |
| **Free cash flow** | **22.8** | **24.1** | **1.3** | **(26.4)** | **(4.5)** | **21.9** |
| **Net cash flows from financing activities** | **(23.0)** | **(14.8)** | **8.2** | **18.2** | **13.5** | **(4.7)** |
| **(Decrease)/increase in cash and cash equivalents** | **(0.2)** | **9.3** | **9.5** | **(8.2)** | **9.0** | **17.2** |
| **Cash and cash equivalents at the end of the period** | | | | **40.5** | **53.5** | **13.0** |

Improved working capital with continued strict management (FY20 benefited from sales drop in March due to COVID-19)

Positive with asset sale proceeds

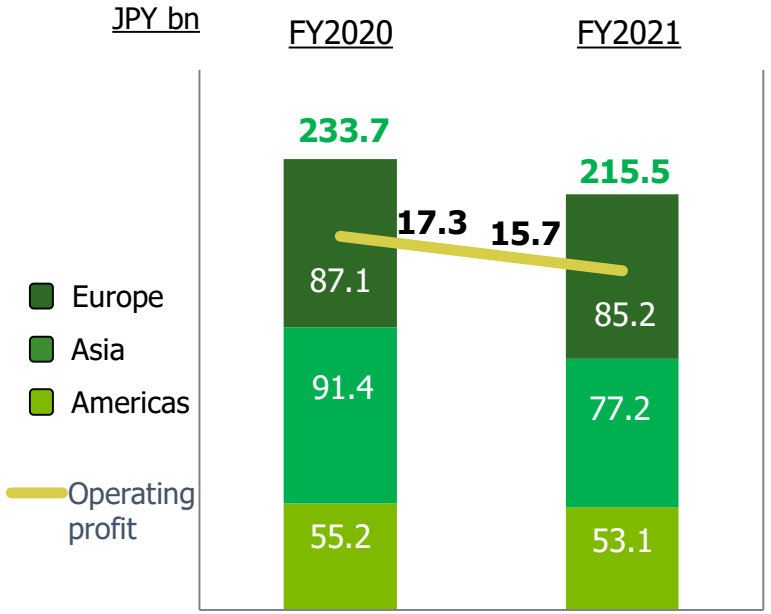
Positive free cash flow since Q2; significantly positive in Q4

# Segmental Information

| (JPY bn) | FY2020 Full-year | | | FY2021 Full-year | | | Change | |
|---|---|---|---|---|---|---|---|---|
| | Revenue | % | Operating profit | Revenue | % | Operating profit | Revenue | Operating profit |
| **Architectural** | **233.7** | **42%** | **17.3** | **215.5** | **44%** | **15.7** | **(18.2)** | **(1.6)** |
| Europe | 87.1 | 16% | | 85.2 | 17% | | (1.9) | |
| Asia | 91.4 | 16% | | 77.2 | 16% | | (14.2) | |
| Americas | 55.2 | 10% | | 53.1 | 11% | | (2.1) | |
| **Automotive** | **281.0** | **51%** | **6.1** | **245.2** | **49%** | **1.8** | **(35.8)** | **(4.3)** |
| Europe | 119.8 | 22% | | 103.6 | 21% | | (16.2) | |
| Asia | 67.1 | 12% | | 60.6 | 12% | | (6.5) | |
| Americas | 94.1 | 17% | | 81.0 | 16% | | (13.1) | |
| **Technical Glass** | **40.1** | **7%** | **7.1** | **36.8** | **7%** | **6.7** | **(3.3)** | **(0.4)** |
| Europe | 7.1 | 1% | | 6.4 | 1% | | (0.7) | |
| Asia | 31.7 | 6% | | 29.3 | 6% | | (2.4) | |
| Americas | 1.3 | 0% | | 1.1 | 0% | | (0.2) | |
| **Other** | **1.4** | **0%** | **(9.3)** | **1.7** | **0%** | **(11.1)** | **0.3** | **(1.8)** |
| **Total** | **556.2** | **100%** | **21.2** | **499.2** | **100%** | **13.1** | **(57.0)** | **(8.1)** |

# Architectural – FY2020 Q4 vs FY2021 Q4

**Profitability improvement since Q2 with demand recovery particularly in Europe and South America and supported by cost saving actions, while cumulatively revenue and profit declined YoY due to COVID-19 impact in Q1**




| (JPY bn) | Q4 (3 months) | | | Full-year (12 months) | | |
|---|---|---|---|---|---|---|
| | FY2020 | FY2021 | Change | FY2020 | FY2021 | Change |
| **Revenue** | **53.6** | **59.4** | **5.8** | **233.7** | **215.5** | **(18.2)** |
| Europe | 20.8 | 24.6 | 3.8 | 87.1 | 85.2 | (1.9) |
| Asia | 19.7 | 18.9 | (0.8) | 91.4 | 77.2 | (14.2) |
| Americas | 13.1 | 15.9 | 2.8 | 55.2 | 53.1 | (2.1) |
| **OP** | **3.3** | **4.2** | **0.9** | **17.3** | **15.7** | **(1.6)** |

**Europe (12M: Rev ▼, Profit ▼; 3M: Rev ▲, Profit ▲)**

- Further volume and price improvement in Q4 with demand recovery
- Profitability improvement as well with stable operational performance and cost saving

**Asia (12M: Rev ▼, Profit ▲; 3M: Rev ▼, Profit ▲)**

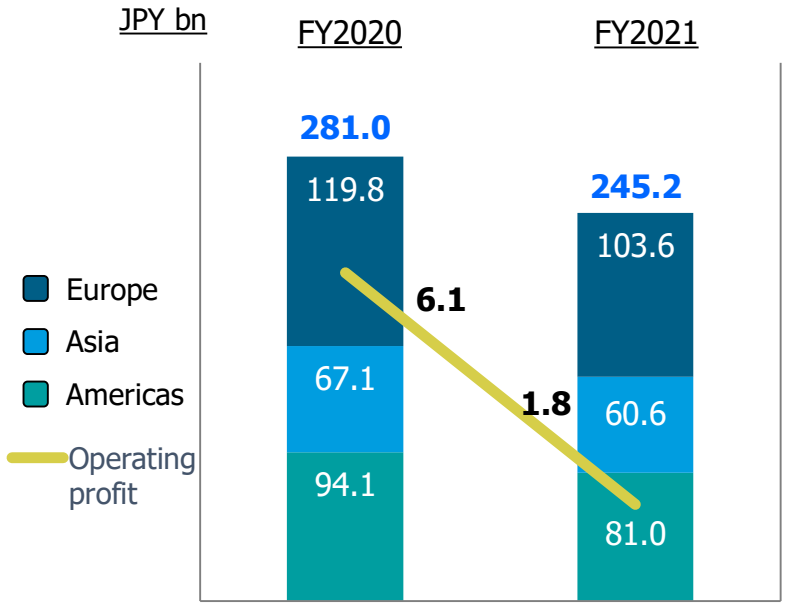
- Improved profit helped by lower fixed cost after the suspension of furnaces in Chiba and Malaysia as well as lower input cost and price recovery, despite revenue decline
- solar energy glass shipment largely unaffected by COVID-19

**Americas (12M: Rev ▼, Profit ▼; 3M: Rev ▲, Profit ▼)**

- Sluggish volumes for domestic commercial buildings, but solid shipments with stable solar energy glass volumes in North America; one off start-up cost incurred related to the new float line started in Q3 at Luckey, Ohio
- YoY revenue and profit improvement in South America reflecting strong demand

# Automotive – FY2020 Q4 vs FY2021 Q4

## Q4 results improved YoY with demand recovery since June, despite the impact of semiconductor shortages, while cumulatively lower YoY due to COVID-19




| (JPY bn) | Q4 (3 months) | | | Full-year (12 months) | | |
|---|---|---|---|---|---|---|
| | FY2020 | FY2021 | Change | FY2020 | FY2021 | Change |
| **Revenue** | **66.4** | **71.6** | **5.2** | **281.0** | **245.2** | **(35.8)** |
| Europe | 29.1 | 31.5 | 2.4 | 119.8 | 103.6 | (16.2) |
| Asia | 16.0 | 17.2 | 1.2 | 67.1 | 60.6 | (6.5) |
| Americas | 21.3 | 22.9 | 1.6 | 94.1 | 81.0 | (13.1) |
| **OP** | **0.8** | **2.9** | **2.1** | **6.1** | **1.8** | **(4.3)** |

**Europe (12M: Rev ▼, Profit ▼; 3M: Rev▲, Profit ▲)**

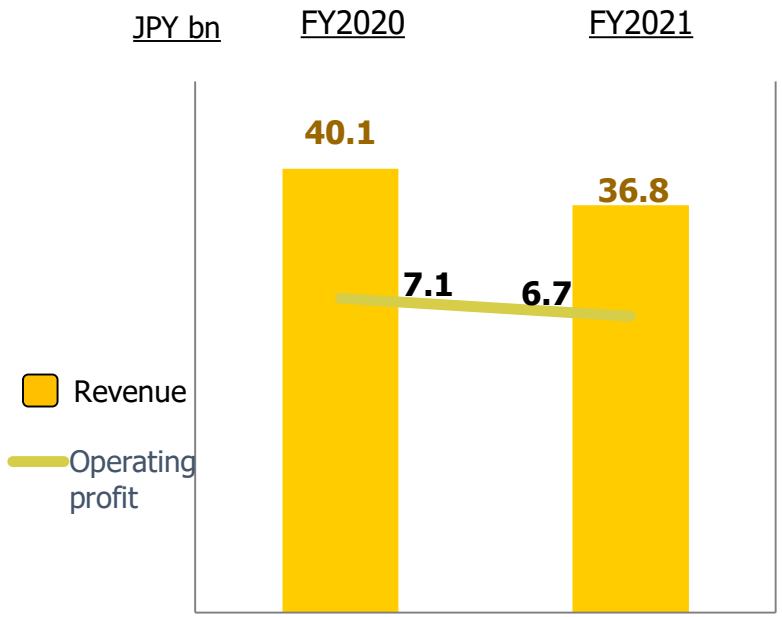
**Asia (12M: Rev ▼, Profit ▼; 3M: Rev▲, Profit ▲)**

**Americas (12M: Rev ▼, Profit ▲; 3M: Rev▲, Profit ▲)**

- Gradual recovery of OE volumes during the year as car production restarted
- Significant YoY increase in new car production in Q4, despite semiconductor shortages and continued lockdown in some countries, as vehicle manufacturers had shut down production almost completely at the end of the same quarter last year
- Evident revenue recovery in Europe, China and South America. Profitability improvement in all regions, with volume recovery and cost saving, supported also by productivity improvement mainly in North America and Japan

# Technical Glass – FY2020 Q4 vs FY2021 Q4

## Q4 results improved YoY, while cumulative revenues and profits impacted by COVID-19




| (JPY bn) | Q4 (3 months) | | | Full-year (12 months) | | |
|---|---|---|---|---|---|---|
| | FY2020 | FY2021 | Change | FY2020 | FY2021 | Change |
| **Revenue** | **9.9** | **10.2** | **0.3** | **40.1** | **36.8** | **(3.3)** |
| **OP** | **1.7** | **2.2** | **0.5** | **7.1** | **6.7** | **(0.4)** |

**Technical (12M: Rev▼, Profit▼; 3M: Rev▲, Profit▲)**

- Limited impact of COVID-19 on fine glass, volumes recovery later in the year
- Improved volumes of printer lenses due to work and school from home demand
- Demand for glass cord used in engine timing belts reflected conditions in the automotive sector, recovering during the second half of the year
- Continued stable results for battery separators

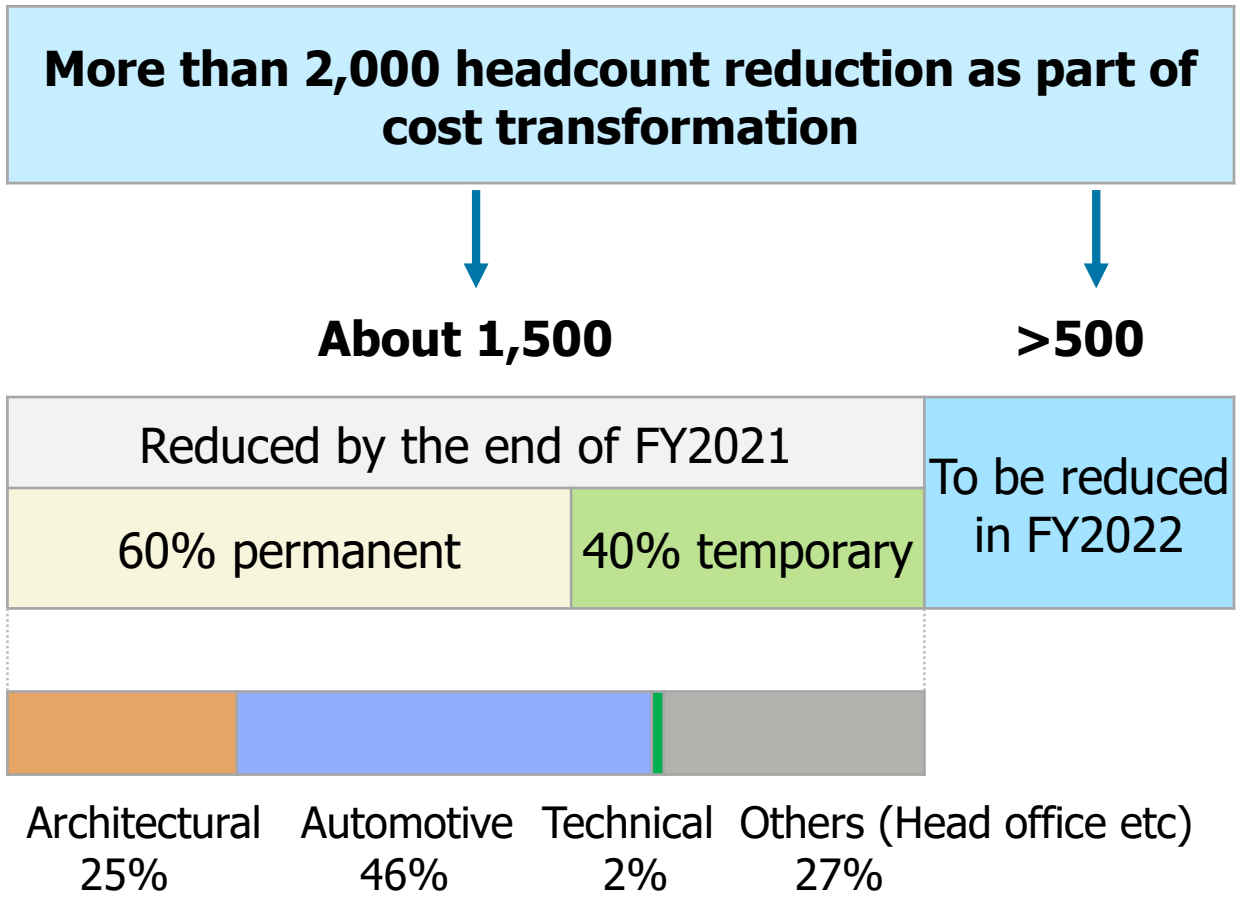
# Update of Key Initiatives

## In parallel with emergency measures for FY2021 profitability, actions taken to ensure meaningful net profit in FY2022

| | |
|---|---|
| **Urgent Cost Saving Project** | • Cumulatively the target of more than JPY20bn YoY saving achieved |
| **Stable Liquidity** | • Cash flow improved with continued strict management of capital expenditure and working capital<br>• Stable liquidity with JPY58.7 billion of cash and JPY74.9 billion unused commitment lines at the end of March |
| **Cost Transformation** | • Headcount Reduction: Actions identified and many in progress to reduce more than 2,000 employees globally as planned. More detail in Slide 16<br>• Production and procurement cost reduction: Projects and targets defined for each business and function based on group-wide thorough review |
| **Disposals** | • Disposals of tangible assets implemented, mitigating the costs and cash outflow associated with headcount reduction programs<br>• Disposal of Battery Separator business decided. More detail in Slide 17 |

# Update 1: Headcount Reduction

## More than 2,000 headcount reduction across the Group is underway as planned




Actions being taken globally, considering regional and business environment, aiming to achieve more than JPY10 billion fixed cost reduction during FY2022

**Progress during FY2021**

- Total expected costs associated with the headcount reduction has been provided during FY2021 (The full year costs was about JPY14.0 bn)
- Reductions have been and will be achieved through early retirement programs and redundancies across the Group

# Update 2: Disposal of Battery Separator Business

## Business portfolio review is in progress as part of transformation initiatives

| NSG Group<br>Battery Separator Business | | ENTEK |
|---|---|---|
| • Supplying separators for lead-acid batteries for decades<br>• Strong market position in Japan, with manufacturing facilities in Japan and China | Disposal of business and provision of support | • Global leader in battery separator, based in the USA<br>• Good relationship with NSG Group as the partner in a joint venture in Indonesia |

### Background

- For further development and enhancement of the value of Battery Separator business, the best option is to be integrated with and managed by ENTEK who has established business foundation and mutual trust with NSG Group

### Next step

- The business disposal is scheduled to be completed in August 2021*
- Exceptional gain of JPY4.6 bn is expected during the first half of FY2022

* It is subject to the acquisition of necessary clearances, approvals and/or permissions required under competition and other laws and regulations in the relevant jurisdictions including Japan.

Battery separators



PE separator



AGM

# FY2022 Forecast Assumptions

| | |
|---|---|
| **Group** | **Initiatives under Revival Plan 24 to be taken toward achieving its targets. Revenue and operating profit planned to increase for all businesses*** <br>• Anticipating overall stable demand and reflecting more than JPY10 bn cost saving benefit, significant improvement in profit is planned <br>• Uncertainty with COVID-19 and input cost increase remain concerned <br>• Gain on disposal of Battery Separator business included as exceptional gain |
| **Architectural** | **Stable demand assumed** <br>• Europe: price improvement assumed with better demand and supply balance <br>• Asia: market recovery, although remaining at low levels <br>• NA: market recovery with reopening of economy <br>SA: resumption of new float line construction due to tight demand and supply <br>• Solar energy glass: volume increase |
| **Automotive** | **Although affected by semiconductor shortage in H1, robust demand expected** <br>• Car production increase due to market recovery and car inventory replenishment <br>• Recovery also helped by new model introduction delayed to FY2022 in Europe |
| **Technical Glass** | **Overall improvement*** <br>• Products for automotive applications to recover along with car production <br>• Demand for printer lens to remain robust with working from home demand |

* On like for like basis

# FY2022 Forecast

## Revenue and operating profit to improve YoY with solid demand recovery and cost saving. Aiming to achieve meaningful net profit, supported also by business disposal

| (JPY bn) | FY2021 Actual | | FY2022 Forecast | | Change | |
|---|---|---|---|---|---|---|
| | H1 | Full year | H1 | Full year | H1 | Full year |
| **Revenue** | 221.5 | 499.2 | **250.0** | **530.0** | 28.5 | 30.8 |
| **Operating profit** | 3.2 | 13.1 | **10.0** | **22.0** | 6.8 | 8.9 |
| **Operating profit (loss) after COVID-19 related exceptional items** | (9.6) | (3.0) | **10.0** | **22.0** | 19.6 | 25.0 |
| Exceptional items (Other) | (0.8) | (5.3) | **5.0** | **5.0** | 5.8 | 10.3 |
| **Operating profit (loss) after exceptional items** | (10.4) | (8.3) | **15.0** | **27.0** | 25.4 | 35.3 |
| Finance expenses (net) | (5.4) | (11.0) | **(7.0)** | **(14.0)** | (1.6) | (3.0) |
| Share of JVs and associates' profits | (0.2) | 2.1 | **1.0** | **2.0** | 1.2 | (0.1) |
| **Profit (loss) before taxation** | (16.0) | (17.2) | **9.0** | **15.0** | 25.0 | 32.2 |
| **Profit (loss) for the period** | (17.2) | (16.3) | **8.0** | **11.0** | 25.2 | 27.3 |
| **Net profit (loss)*** | (17.3) | (16.9) | **7.0** | **9.0** | 24.3 | 25.9 |

* Profit (loss) attributable to owners of the parent

# Summary

1. **FY2021 Full-year Results**
   - Full-year revenue and operating profit exceeded forecast published at Q3. Although results were impacted by demand decline due to COVID-19 in Q1, the following quarters recorded operating profits reflecting demand recovery and cost saving efforts
   - Q4 revenue and operating profit improved YoY, as the same period last year was affected by COVID-19. Restructuring cost were partially offset by asset sale gains
   - Total assets increased with exchange rate movements. Shareholders' equity ratio declined due to net loss
   - Positive free cash flow was generated in Q4 following Q2 and Q3
2. **Update of Key Initiatives**
   - Reform actions have been taken across the Group to ensure meaningful net profit in FY2022. Headcount reduction of more than 2,000 globally is progressing as planned with the total expected costs fully recorded during FY2021
   - Disposal of Battery Separator business was decided as part of the business portfolio review
3. **FY2022 Forecast**
   - Stable demand recovery is anticipated overall, although uncertainties such as continued COVID-19 impact and semiconductor shortages remain
   - Revenue and operating profit are planned to increase with solid demand recovery and cost saving, leading to meaningful net profit
   - As the first year of Revival Plan 24 (RP24), the Group will focus on business transformation, cost saving and cash generation, to ensure net profit and positive cash flow aiming to restore financial foundation

# 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

## FY2021 Q4 Results

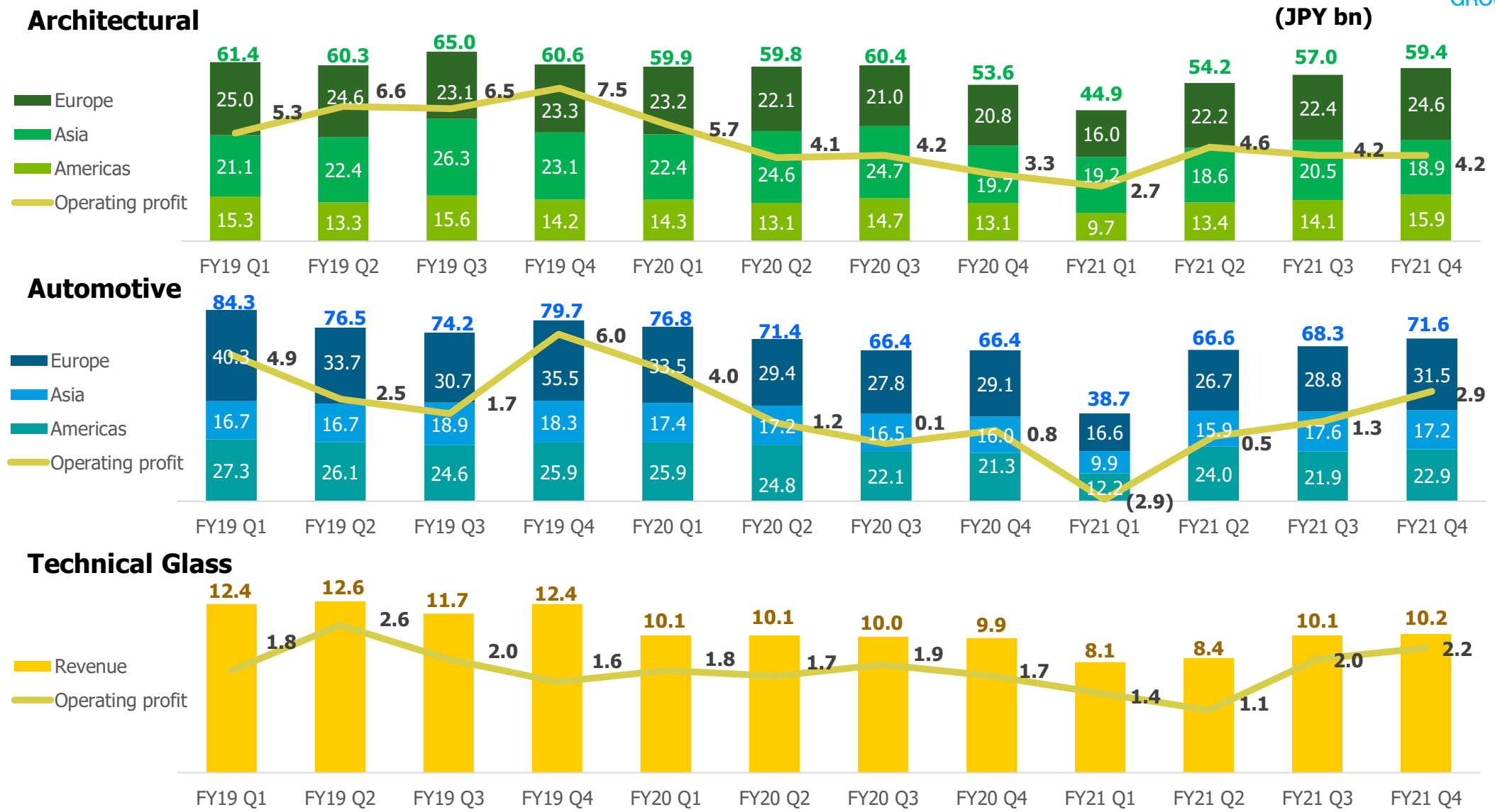
- Consolidated Income Statement – Quarterly Trend
- Revenue & Operating Profit – Quarterly Trend
- Segmental Information by Quarterly
- Revenue & Operating Profit – by Regions
- Foreign Currency Exchange Rates and FX Sensitivity
- Depreciation & Amortization, Capital Expenditures, R&D Expenditures
- News Releases (November 2020 to May 2021)

# Consolidated Income Statement – Quarterly Trend

| (JPY bn) | FY2020 | | | | FY2021 | | | |
|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| **Revenue** | 147.1 | 141.5 | 137.2 | 130.4 | 91.9 | 129.6 | 135.9 | **141.8** |
| **Operating profit (loss)** | 8.8 | 6.1 | 3.1 | 3.2 | (0.6) | 3.8 | 4.8 | **5.1** |
| **ROS: Return on sales (%)** | 6.0% | 4.3% | 2.3% | 2.5% | — | 2.9% | 3.5% | **3.6%** |
| 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** |
| Exceptional items (Other) | (0.6) | (1.6) | (2.2) | (17.4) | — | (0.8) | 1.0 | **(5.5)** |
| **Operating profit (loss) after exceptional items** | 8.2 | 4.5 | 0.9 | (16.4) | (12.1) | 1.7 | 4.6 | **(2.5)** |
| Finance expenses (net) | (3.5) | (2.8) | (3.2) | (2.3) | (2.4) | (3.0) | (2.1) | **(3.5)** |
| Share of JVs and associates' profits (losses) | 0.5 | 0.3 | 0.4 | (0.1) | (0.4) | 0.2 | 1.0 | **1.3** |
| **Profit (loss) before taxation** | 5.2 | 2.0 | (1.9) | (18.8) | (14.9) | (1.1) | 3.5 | **(4.7)** |
| **Profit (loss) for the period** | 3.1 | (0.7) | (0.5) | (19.4) | (16.5) | (0.7) | 3.7 | **(2.8)** |
| **Net profit (loss) *** | 2.9 | (1.0) | (0.7) | (20.1) | (16.4) | (0.9) | 3.4 | **(3.0)** |
| **EBITDA** | 17.5 | 14.2 | 11.5 | 11.8 | 6.1 | 12.7 | 13.5 | **14.5** |

* Profit (loss) attributable to owners of the parent

# Revenue & Operating Profit – Quarterly Trend



# Segmental Information

| (JPY bn) | FY2020 | | | | | FY2021 | | | | | Change | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Cumulative | Q1 | Q2 | Q3 | Q4 | Cumulative | Q1 | Q2 | Q3 | Q4 | Cumulative |
| **Revenue: Architectural** | **59.9** | **59.8** | **60.4** | **53.6** | **233.7** | **44.9** | **54.2** | **57.0** | **59.4** | **215.5** | **(15.0)** | **(5.6)** | **(3.4)** | **5.8** | **(18.2)** |
| Europe | 23.2 | 22.1 | 21.0 | 20.8 | 87.1 | 16.0 | 22.2 | 22.4 | 24.6 | 85.2 | (7.2) | 0.1 | 1.4 | 3.8 | (1.9) |
| Asia | 22.4 | 24.6 | 24.7 | 19.7 | 91.4 | 19.2 | 18.6 | 20.5 | 18.9 | 77.2 | (3.2) | (6.0) | (4.2) | (0.8) | (14.2) |
| Americas | 14.3 | 13.1 | 14.7 | 13.1 | 55.2 | 9.7 | 13.4 | 14.1 | 15.9 | 53.1 | (4.6) | 0.3 | (0.6) | 2.8 | (2.1) |
| **Operating profit** | **5.7** | **4.1** | **4.2** | **3.3** | **17.3** | **2.7** | **4.6** | **4.2** | **4.2** | **15.7** | **(3.0)** | **0.5** | **0.0** | **0.9** | **(1.6)** |
| **Revenue: Automotive** | **76.8** | **71.4** | **66.4** | **66.4** | **281.0** | **38.7** | **66.6** | **68.3** | **71.6** | **245.2** | **(38.1)** | **(4.8)** | **1.9** | **5.2** | **(35.8)** |
| Europe | 33.5 | 29.4 | 27.8 | 29.1 | 119.8 | 16.6 | 26.7 | 28.8 | 31.5 | 103.6 | (16.9) | (2.7) | 1.0 | 2.4 | (16.2) |
| Asia | 17.4 | 17.2 | 16.5 | 16.0 | 67.1 | 9.9 | 15.9 | 17.6 | 17.2 | 60.6 | (7.5) | (1.3) | 1.1 | 1.2 | (6.5) |
| Americas | 25.9 | 24.8 | 22.1 | 21.3 | 94.1 | 12.2 | 24.0 | 21.9 | 22.9 | 81.0 | (13.7) | (0.8) | (0.2) | 1.6 | (13.1) |
| **Operating profit** | **4.0** | **1.2** | **0.1** | **0.8** | **6.1** | **(2.9)** | **0.5** | **1.3** | **2.9** | **1.8** | **(6.9)** | **(0.7)** | **1.2** | **2.1** | **(4.3)** |
| **Revenue: Technical** | **10.1** | **10.1** | **10.0** | **9.9** | **40.1** | **8.1** | **8.4** | **10.1** | **10.2** | **36.8** | **(2.0)** | **(1.7)** | **0.1** | **0.3** | **(3.3)** |
| Europe | 1.7 | 1.8 | 1.6 | 2.0 | 7.1 | 1.3 | 1.4 | 1.9 | 1.8 | 6.4 | (0.4) | (0.4) | 0.3 | (0.2) | (0.7) |
| Asia | 8.0 | 7.9 | 8.1 | 7.7 | 31.7 | 6.5 | 6.8 | 7.9 | 8.1 | 29.3 | (1.5) | (1.1) | (0.2) | 0.4 | (2.4) |
| Americas | 0.4 | 0.4 | 0.3 | 0.2 | 1.3 | 0.3 | 0.2 | 0.3 | 0.3 | 1.1 | (0.1) | (0.2) | 0.0 | 0.1 | (0.2) |
| **Operating profit** | **1.8** | **1.7** | **1.9** | **1.7** | **7.1** | **1.4** | **1.1** | **2.0** | **2.2** | **6.7** | **(0.4)** | **(0.6)** | **0.1** | **0.5** | **(0.4)** |
| **Revenue: Other** | **0.3** | **0.2** | **0.4** | **0.5** | **1.4** | **0.2** | **0.4** | **0.5** | **0.6** | **1.7** | **(0.1)** | **0.2** | **0.1** | **0.1** | **(0.3)** |
| **Operating profit** | **(2.7)** | **(0.9)** | **(3.1)** | **(2.6)** | **(9.3)** | **(1.8)** | **(2.4)** | **(2.7)** | **(4.2)** | **(11.1)** | **0.9** | **(1.5)** | **0.4** | **(1.6)** | **(1.8)** |
| **Revenue: Total** | **147.1** | **141.5** | **137.2** | **130.4** | **556.2** | **91.9** | **129.6** | **135.9** | **141.8** | **499.2** | **(55.2)** | **(11.9)** | **(1.3)** | **11.4** | **(57.0)** |
| **Operating profit** | **8.8** | **6.1** | **3.1** | **3.2** | **21.2** | **(0.6)** | **3.8** | **4.8** | **5.1** | **13.1** | **(9.4)** | **(2.3)** | **1.7** | **1.9** | **(8.1)** |

# Revenue & Operating Profit – by Regions

| (JPY bn) | FY2020 Full-year | | | FY2021 Full-year | | | Change | |
|---|---|---|---|---|---|---|---|---|
| | Revenue | % | Operating profit | Revenue | % | Operating profit | Revenue | Operating profit |
| **Europe** | **214.0** | **39%** | **8.5** | **195.2** | **39%** | **5.3** | **(18.8)** | **(3.2)** |
| **Asia** | **190.2** | **34%** | **13.1** | **167.1** | **34%** | **12.8** | **(23.1)** | **(0.3)** |
| **Americas** | **150.6** | **27%** | **8.9** | **135.2** | **27%** | **6.1** | **(15.4)** | **(2.8)** |
| Other * | 1.4 | 0% | (9.3) | 1.7 | 0% | (11.1) | 0.3 | (1.8) |
| **Total** | **556.2** | **100%** | **21.2** | **499.2** | **100%** | **13.1** | **(57.0)** | **(8.1)** |

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

# Foreign Currency Exchange Rates

## Average rates used

| | FY2019 | | | | FY2020 | | | | FY2021 | | | | FY2022 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Forecast |
| **GBP** | 149 | 147 | 146 | 146 | 141 | 137 | 138 | 138 | 133 | 135 | 136 | **139** | 135 |
| **EUR** | 131 | 130 | 129 | 129 | 124 | 121 | 121 | 121 | 118 | 121 | 123 | **124** | 122 |
| **USD** | 110 | 111 | 111 | 111 | 109 | 109 | 109 | 109 | 107 | 106 | 106 | **106** | 105 |
| **BRR** | 30.4 | 29.3 | 29.3 | 29.4 | 28 | 27.6 | 27.2 | 26.4 | 19.9 | 19.8 | 19.7 | **19.7** | 19.7 |
| **ARS** | 4.7 | Closing rates are applied – hyperinflation | | | | | | | | | | | |

## Closing rates used

| | FY2019 | | | | FY2020 | | | | FY2021 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| **GBP** | 145 | 148 | 141 | 144 | 137 | 133 | 144 | 133 | 132 | 135 | 141 | **152** |
| **EUR** | 128 | 132 | 127 | 124 | 123 | 118 | 122 | 119 | 121 | 124 | 127 | **130** |
| **USD** | 111 | 113 | 111 | 111 | 108 | 108 | 109 | 108 | 107 | 105 | 103 | **111** |
| **BRR** | 28.6 | 28.2 | 28.5 | 28.3 | 28.3 | 26.0 | 27.1 | 20.8 | 19.9 | 18.7 | 19.8 | **19.1** |
| **ARS** | 3.94 | 2.84 | 2.93 | 2.53 | 2.53 | 1.88 | 1.82 | 1.68 | 1.53 | 1.38 | 1.22 | **1.20** |

**FX Sensitivity**

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

| | FY2020 | FY2021 |
|---|---|---|
| Equity | JPY (3.1) billion | JPY (3.1) billion |
| Loss for the period | Improve by JPY 0.1 billion | Improve by JPY 0.1 billion |

# Depreciation & Amortization, Capital Expenditures, R&D Expenditures

| (JPY bn) | FY2020 | FY2021 | FY2022 Full-year Forecast |
|---|---|---|---|
| **Depreciation & Amortization** | **34.8** | **35.8** | **35.0** |
| | | | |
| **Capital expenditures** | **67.0** | **43.3** | **29.0** |
| Ordinary | 25.7 | 19.0 | |
| Strategic projects and other | 41.3 | 24.3 | |
| | | | |
| **R&D expenditures** | **9.0** | **8.3** | **9.0** |
| Architectural | 2.7 | 2.3 | |
| Automotive | 2.6 | 2.3 | |
| Technical Glass | 0.9 | 0.9 | |
| Other | 2.8 | 2.8 | |

# News Releases — November 2020 to May 2021

| | |
|---|---|
| 12-Nov-20 | NSG's solar glass float furnace in the U.S. starts operation |
| 29-Dec-20 | Voluntary retirement program in Japan as part of Business Transformation Initiative |
| 13-Jan-21 | NSG Group's CDP rating improved to Climate Change A- |
| 15-Jan-21 | Donation of antiviral glass, VirusClean™, to Toshima-ku (Tokyo) |
| 4-Feb-21 | Recognition of exceptional gain and cost and revision of forecast for full year FY2021 |
| 19-Feb-21 | Antiviral glass, VirusClean™, certified for SIAA |
| 5-Mar-21 | Donation of laminated architectural glass, Lamipane Shelter™, to Sumida-ku (Tokyo) |
| 17-Mar-21 | Development of sol-gel antibacterial and antiviral coating for glass |
| 30-Mar-21 | Outcome of voluntary retirement program in Japan |
| 30-Mar-21 | Sale of non-current assets and recognition of exceptional gains |
| 15-Apr-21 | The first fireproof glass in Japan acquiring JIS certification for heat-resistance |
| 6-May-21 | Whistleblowing Compliance Management System (WCMS) Certification |
| 10-May-21 | Transfer of Battery Separator Business |


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