

FY 2026 3rd Quarter Consolidated Financial Results <IFRS> 6 February 2026

(English translation of the Japanese original)



Listed Company Name:	Nippon Sheet Glass Company, Limited	Stock Exchange Listing:	Tokyo
Code Number:	5202	(URL: https://www.nsg.com)	
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Quarterly result presentation papers:	Yes		
Quarterly result presentation meeting:	Yes	(Teleconference for institutional investors)	

1. Consolidated business results for FY 2026 3rd Quarter (From 1 April to 31 December 2025)

(1) Consolidated business results

	Revenue		Operating profit		Profit/(loss) before taxation		Profit/(loss) for the period		Profit/(loss) attributable to owners of the parent		Total comprehensive income	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
3Q FY 2026	640,565	1.7	18,511	71.3	825	—	(4,056)	—	(5,134)	—	5,919	—
3Q FY 2025	629,966	2.8	10,806	(66.3)	(6,202)	—	(9,303)	—	(10,079)	—	(15,502)	—

	Earnings per share - basic
3Q FY 2026	¥(67.55)
3Q FY 2025	¥(126.74)

Note: Operating profit in the above table is defined as being operating profit stated before exceptional items.

(2) Changes in financial position

	Total assets	Total equity	Total shareholders' equity	Total shareholders' equity ratio
	¥ millions	¥ millions	¥ millions	%
FY 2026 3rd Quarter	1,074,938	154,748	124,316	11.6
FY 2025 Full year	1,032,931	142,411	108,065	10.5

2. Dividends

	Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
FY 2025 (Actual)	—	¥ 0.00	—	¥ 0.00	¥ 0.00
FY 2026 (Actual)	—	¥ 0.00	—		
FY 2026 (Forecast)				¥ 0.00	¥ 0.00

Note:

- There have been no changes to the forecast dividends this quarter.
- The above table shows dividends on common shares. Please refer to "(Reference) Dividends for Class A Shares" for information regarding dividends on Class A shares, which are unlisted and have different rights from common shares.

3. Forecast for FY 2026 (From 1 April 2025 to 31 March 2026)

	Revenue		Operating profit		Loss before taxation		Loss for the period		Loss attributable to owners of the parent	Earnings per share - basic
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	¥
Full year	850,000	1.1	31,000	88.0	11,000	-	4,000	-	2,000	0.55

- Note:
- There have not been changes to the forecast results this quarter.
 - Forecast of basic earnings per share for FY2026 is calculated by dividing the profit attributable to owners of the parent after deducting preferred dividends for Class A shares (a rate of 6.5% per annum applied to the outstanding balance at 31 March 2026), by 91,128,277 shares which is the number of ordinary shares issued at 31 March 2025, reduced by the number of treasury stock and restricted shares (375,100 shares).
 - For details, please refer to the slides on FY2026 forecast in FY2026 3rd Quarter Results presentation.

4. Other items

- (1) Changes in status of principle subsidiaries --- No
- (2) Changes implemented to the accounting policies, practice and presentations related to the preparation of quarterly consolidated financial statements
 - (i) Changes due to revisions in accounting standards under IFRS --- No
 - (ii) Changes due to other reasons --- No
 - (iii) Changes in accounting estimates --- No
- (3) Numbers of shares outstanding (common stock)
 - (i) Number of shares issued at the end of the period, including shares held as treasury stock:
99,566,234 shares as of 31 December 2025 and 91,538,599 shares as at 31 March 2025
 - (ii) Number of shares held as treasury stock at the end of the period:
36,512 shares as at 31 December 2025 and 35,222 shares as at 31 March 2025
 - (iii) Average number of shares in issue during the period, after deducting shares held as treasury stock:
94,351,732 shares for the period ending 31 December 2025 and 91,113,997 shares for the period ending 31 December 2024

Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

Explanation for the appropriate usage of performance projections and other special items

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 include but are not limited to 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.

(For Reference) Dividends for Class A Shares

Dividends per share related to Class A Shares with different rights from those of common shares are as follows.

	Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Class A Shares					
FY2025 (Actual)	—	¥ 0.00	—	¥ 65,000.00	¥ 65,000.00
FY2026 (Actual)	—	¥ 0.00	—		
FY2026 (Forecast)				¥ 65,000.00	¥ 65,000.00

Note: The number of Class A Shares in issue is 25,308 shares as of 31 December 2025. The number of Class A Shares in issue is 27,084 Class A Shares at 30 September 2025, but the Company acquired and subsequently retired 1,776 Class A Shares during 3Q FY2026 due to the exercise of the right to request acquisition of the Class A Shares in exchange for Common Shares. Based on the number of Class A shares as of the end of 3Q, the forecast of dividends for Class A shares with dividend record dates in FY2026 is ¥1,645 million. In addition, between 1 January 2026 and 6 February 2026, there was a request for the acquisition of the Class A Shares in exchange for Common Shares, the Company acquired and retired 1,776 Class A shares.

[Attachments]

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1. Overview about business performance etc.

(1) Overview about business performance

(a) Background to Results

Market conditions were stable across most of the Group's markets during the third quarter. Prices were improved from previous year in European Architectural markets following capacity reductions made across the region, although volumes were lackluster. Activity also continued to be at a low level across other Architectural regional markets. Automotive markets were also challenging, with volumes being broadly flat across most regions, although volumes strengthened further in South America. Technical glass markets were varied, although the mix of products sold improved from earlier quarters.

Cumulative Group revenues of ¥ 640,565 million (3Q FY2025 ¥ 629,966 million), were higher than the previous year, with a decline in the Architectural and Technical Glass business being offset by an increase in the Automotive business. Operating profits increased to ¥ 18,511 million (3Q FY2025 ¥ 10,806 million), with the improvement arising mainly in the Architectural business in Europe. Exceptional items amounted to a net charge of ¥ 710 million (3Q FY2025: net charge of ¥ 2,522 million). Net financial expenses increased to ¥ 21,007 million (3Q FY2025 ¥ 18,192 million) and the Group's share of the post-tax profit of joint ventures and associates improved to ¥ 4,401 million (3Q FY2025: ¥ 3,706 million). The taxation charge of ¥ 4,881 million (3Q FY2025 ¥ 3,101 million) is calculated based on the effective rate expected for the full-year and also includes a one-off increase in tax provisions. The Group recorded a loss attributable to owners of the parent of ¥ 5,134 million (3Q FY2025 loss of ¥ 10,079 million).

(b) Review by Business Segment

The Group's business lines cover three core product sectors: Architectural, Automotive, and Technical Glass.

Architectural, representing 43 percent of cumulative revenues, includes the manufacture and sale of flat glass and various interior and exterior glazing products within the commercial and residential markets. It also includes glass for the Solar Energy sector.

Automotive, with 52 percent of cumulative revenues, supplies a wide range of automotive glazing for new vehicles and for replacement markets.

Technical Glass, representing 5 percent of cumulative revenues, comprises several discrete businesses, including the manufacture and sale of very thin glass used as cover glass for displays, lenses and light guides for printers, and glass fiber components for engine timing belts.

Other operations include corporate costs, consolidation adjustments, certain small businesses not included in the segments covered above and the amortization of other intangible assets related to the acquisition of Pilkington.

The table below shows a summary of cumulative results by business segment.

¥ millions	Revenue		Operating profit/(loss)	
	3rd Quarter FY 2026	3rd Quarter FY 2025	3rd Quarter FY 2026	3rd Quarter FY 2025
Architectural	272,748	274,144	18,907	8,643
Automotive	333,907	318,907	3,514	2,609
Technical Glass	32,961	36,173	4,741	5,704
Other Operations	949	742	(8,651)	(6,150)
Total	640,565	629,966	18,511	10,806

Architectural Business

The Architectural business recorded cumulative revenues of ¥ 272,748 million (3Q FY2025: ¥ 274,144 million) and an operating profit of ¥ 18,907 million (3Q FY2025: ¥ 8,643 million).

Architectural profits improved from the previous year due to increased prices, especially in Europe.

In Europe, representing 38 percent of the Group's architectural sales, revenues were above the previous year. Market prices increased, leading to an improvement in profitability. Costs savings continued to be realized following plant closures during the previous year.

In Asia, representing 29 percent of the Group's architectural sales, revenues and profits were below the previous year. Volumes declined as markets remain challenging across in Japan and demand for solar energy glass decreased due to customer production adjustments arising from US tariff policy. On 9 June 2025 the Group announced the disposal of its equity interest in Vietnam Float Glass Co., Ltd, a company manufacturing float glass for Architectural markets in Vietnam.

In the Americas, representing 33 percent of the Group's architectural sales, profits were below the previous year. In North America, commercial markets continued to be at a low level. Demand improved moderately in South America.

Automotive Business

The Automotive business recorded revenues of ¥ 333,907 million (3Q FY2025: ¥ 318,907 million) and an operating profit of ¥ 3,514 million (3Q FY2025: ¥ 2,609 million).

In Europe representing 42 percent of the Group's automotive sales, revenues and profitability improved from the previous year. Vehicle sales across Western Europe remain at a low level and were similar to the previous year.

In Asia, representing 18 percent of the Group's automotive sales, revenues and profits declined from the previous year. Volumes in Japan reflected an improvement in domestic markets offset by reduced volumes of glass for vehicles to be exported.

In the Americas, representing 40 percent of the Group's automotive sales, revenues and profits improved from the previous year. Sales volumes strengthened in South America, and profits further benefitted from improving prices in North American glass replacement markets.

Technical Glass Business

The Technical Glass business recorded revenues of ¥ 32,961 million (3Q FY2025: ¥ 36,173 million) and an operating profit of ¥ 4,741 million (3Q FY2025: ¥ 5,704 million).

Technical Glass revenues and profits fell from the previous year. Volumes in the Information Devices business were impacted by subdued demand for multifunction printers. In the Fine Glass business, results benefitted from an improving sales mix from the third quarter. Demand for glass cord in the Functional Products business continued to be positive.

Joint Ventures and Associates

The Group's share of the post-tax profit of joint ventures and associates improved to ¥ 4,401 million (3Q FY2025: ¥ 3,706 million) due to improved profitability at Cebrace, the Groups architectural joint venture in Brazil. Other gains/(losses) on equity method investments amounted to a charge of ¥ 370 million (3Q FY2025: ¥ nil) representing the elimination of gains on transactions with affiliates.

(2) Overview about financial condition

Total assets at the end of December 2025 were ¥ 1,074,938 million, representing an increase of ¥ 42,007 million from the end of March 2025. Total equity was ¥ 154,748 million, representing an increase of ¥ 12,337 million from the March 2025 figure of ¥ 142,411 million. The increase in total equity was largely due to the revaluation of investments held at fair value, foreign exchange movements and the IAS29 inflationary uplift of asset values in Argentina.

Net financial indebtedness increased by ¥ 65,797 million from 31 March 2025 to ¥ 520,056 million at the period end. The increase in indebtedness arose largely from working capital movements and also foreign exchange movements. Foreign exchange movements generated an increase in net indebtedness of ¥ 22,540 million. Gross debt was ¥ 570,215 million at the period end.

Cash outflows from operating activities were ¥ 4,591 million. Cash outflows from investing activities were ¥ 27,616 million, including capital expenditure on property, plant, and equipment of ¥ 32,318 million. As a result, free cash flow was an outflow of ¥ 32,207 million (3Q FY2025 free cash outflow of ¥ 46,434 million).

(3) Prospects

The Group's forecast for the financial year FY2026 is shown on page 2 and is unchanged from that originally issued on 9 May 2025.

NSG Group has set out its new medium-term plan, "2030 Vision: Shift the Phase", for a six-year- period from FY2025 to FY2030 aiming to drive forward reforms aligned with transitioning to the next phase of its development and positioning the Group as a vital contributor to the development of a sustainable society.

The Group has established a set of key financial metrics as targets for the period to FY2027, representing an interim stage on its journey towards achieving its 2030 Medium-Term Plan.

Profitability (P/L)	Operating profit	¥ 64.0 billion
	Return on sales	7%
		
Cash Generation (C/F)	Free cash flow	¥ 27.0 billion
		
Stabilization of Financial Status (B/S)	Interest-Bearing Debt	¥ 442.0 billion
	Shareholders' equity ratio	15%

The Group aims to achieve its Medium-Term Plan targets through four strategic pillars:

- Business Development – to strengthen new products and business development efforts,
- Decarbonization – as part of the Group's 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 the Group needs.

2. Consolidated financial statements and their notes

(1) (a) Condensed quarterly consolidated income statement

¥ millions

	Note	Cumulative 3rd Quarter FY26 For the period 1 April 2025 to 31 December 2025	Cumulative 3rd Quarter FY25 For the period 1 April 2024 to 31 December 2024
Revenue	(5)-(c)	640,565	629,966
Cost of sales		(499,671)	(505,238)
Gross profit		140,894	124,728
Other income		1,841	1,333
Distribution costs		(55,218)	(50,797)
Administrative expenses		(64,215)	(60,706)
Other expenses		(4,791)	(3,752)
Operating profit	(5)-(c)	18,511	10,806
Exceptional items – gains	(5)-(d)	1,875	555
Exceptional items – losses	(5)-(d)	(2,585)	(3,077)
Operating profit after exceptional items		17,801	8,284
Finance income	(5)-(e)	3,290	3,062
Finance expenses	(5)-(e)	(24,297)	(21,254)
Share of post-tax profit of joint ventures and associates accounted for using the equity method		4,401	3,706
Other (losses) on equity method investments		(370)	—
Profit/(loss) before taxation		825	(6,202)
Taxation	(5)-(f)	(4,881)	(3,101)
(Loss) for the period		(4,056)	(9,303)
Profit attributable to non-controlling interests		1,078	776
(Loss) attributable to owners of the parent		(5,134)	(10,079)
		(4,056)	(9,303)
Earnings per share attributable to owners of the parent			
Basic	(5)-(g)	(67.55)	(126.74)
Diluted	(5)-(g)	(67.55)	(126.74)

(1) (b) Condensed quarterly consolidated statement of comprehensive income

¥ millions

	Cumulative 3rd Quarter FY26 For the period 1 April 2025 to 31 December 2025	Cumulative 3rd Quarter FY25 For the period 1 April 2024 to 31 December 2024
(Loss) for the period	(4,056)	(9,303)
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Re-measurement of retirement benefit obligations (net of taxation)	(1,690)	(408)
Revaluation of Assets held at Fair Value through Other Comprehensive Income – equity investments (net of taxation)	6,751	1,609
Sub total	5,061	1,201
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustments	3,927	(7,717)
Revaluation of Assets held at Fair Value through Other Comprehensive Income – other investments (net of taxation)	2,433	(376)
Cash flow hedges:		
— fair value gains (net of taxation)	(1,446)	693
Sub total	4,914	(7,400)
Total other comprehensive income for the period (net of taxation)	9,975	(6,199)
Total comprehensive income for the period	5,919	(15,502)
Attributable to non-controlling interests	(6,041)	(2,714)
Attributable to owners of the parent	11,960	(12,788)
	5,919	(15,502)

(2) Condensed quarterly consolidated balance sheet

¥ millions

	3rd Quarter as at 31 December 2025	FY 2025 as at 31 March 2025
ASSETS		
Non-current assets		
Goodwill	90,438	82,134
Intangible assets	53,988	48,066
Property, plant, and equipment	467,932	453,166
Investment property	108	134
Investments accounted for using the equity method	31,064	25,524
Retirement benefit asset	31,876	29,367
Contract assets	382	323
Trade and other receivables	6,846	6,571
Financial assets:		
— Assets held at Fair Value through Other Comprehensive Income	27,856	23,689
— Derivative financial instruments	2,183	3,393
Deferred tax assets	38,675	37,393
	751,348	709,760
Current assets		
Inventories	189,010	164,503
Contract assets	1,667	1,015
Trade and other receivables	82,660	86,367
Financial assets:		
— Derivative financial instruments	2,291	1,867
Cash and cash equivalents	45,685	65,311
	321,313	319,063
Assets held for sale	2,277	4,108
	323,590	323,171
Total assets	1,074,938	1,032,931

(2) Condensed quarterly consolidated balance sheet continued

¥ millions

	3rd Quarter as at 31 December 2025	FY 2025 as at 31 March 2025
LIABILITIES AND EQUITY		
Current liabilities		
Financial liabilities:		
— Borrowings	242,686	177,012
— Derivative financial instruments	1,562	787
Trade and other payables	168,089	190,193
Contract liabilities	22,904	20,561
Provisions	15,973	19,155
Deferred income	387	447
	451,601	408,155
Liabilities related to assets held for sale	—	1,283
	451,601	409,438
Non-current liabilities		
Financial liabilities:		
— Borrowings	324,792	345,713
— Derivative financial instruments	1,175	1,318
Trade and other payables	5,982	4,604
Contract liabilities	39,227	40,074
Deferred tax liabilities	22,336	21,589
Retirement benefit obligations	48,118	44,974
Provisions	22,790	18,890
Deferred income	4,169	3,920
	468,589	481,082
Total liabilities	920,190	890,520
Equity		
Capital and reserves attributable to the Company's equity shareholders		
Share capital	116,913	116,892
Capital surplus	155,865	155,853
Retained earnings	(62,845)	(60,280)
Retained earnings (Translation adjustment at the IFRS transition date)	(68,048)	(68,048)
Other reserves	(17,569)	(36,352)
Total shareholders' equity	124,316	108,065
Non-controlling interests	30,432	34,346
Total equity	154,748	142,411
Total liabilities and equity	1,074,938	1,032,931

(3) Condensed quarterly consolidated statement of changes in equity

¥ millions

3rd Quarter FY 2026	Called up share capital	Capital surplus	Retained earnings	Retained earnings (Translation on adjustment at the IFRS translation date)	Other reserves	Total share holders' equity	Non-controlling interests	Total equity
At 1 April 2025	116,892	155,853	(60,280)	(68,048)	(36,352)	108,065	34,346	142,411
Total Comprehensive Income	—	—	(6,824)	—	18,784	11,960	(6,041)	5,919
Hyperinflation adjustment	—	—	6,209	—	—	6,209	4,917	11,126
Dividends paid	—	—	(1,950)	—	—	(1,950)	(1,943)	(3,893)
Share-based compensation with restricted shares	21	12	—	—	—	33	—	33
Purchase of treasury stock	—	—	—	—	(1)	(1)	—	(1)
Changes due to loss of control of subsidiaries	—	—	—	—	—	—	(847)	(847)
At 31 December 2025	116,913	155,865	(62,845)	(68,048)	(17,569)	124,316	30,432	154,748

¥ millions

3rd Quarter FY 2025	Called up share capital	Capital surplus	Retained earnings	Retained earnings (Translation on adjustment at the IFRS translation date)	Other reserves	Total share holders' equity	Non-controlling interests	Total equity
At 1 April 2024	116,853	155,840	(56,882)	(68,048)	(23,488)	124,275	29,563	153,838
Total Comprehensive Income	—	—	(10,487)	—	(2,301)	(12,788)	(2,714)	(15,502)
Hyperinflation adjustment	—	—	10,605	—	—	10,605	9,206	19,811
Dividends paid	—	—	(1,950)	—	—	(1,950)	(457)	(2,407)
Share-based compensation with restricted shares	24	13	—	—	—	37	—	37
Stock options	13	13	—	—	(26)	—	—	—
Purchase of treasury stock	—	—	—	—	(1)	(1)	—	(1)
Equity transaction with non-controlling interests	—	(27)	—	—	—	(27)	(203)	(230)
At 31 December 2024	116,890	155,839	(58,714)	(68,048)	(25,816)	120,151	35,395	155,546

(4) Condensed quarterly consolidated statement of cash flow

¥ millions

	Note	3rd Quarter For the period 1 April to 31 December 2025	3rd Quarter For the period 1 April to 31 December 2024
Cash flows from operating activities			
Cash flows generated from operations	(5)-(j)	18,704	16,359
Interest paid		(21,605)	(18,184)
Interest received		2,326	2,390
Tax paid		(4,016)	(7,378)
Net cash (out)flows from operating activities		(4,591)	(6,813)
Cash flows from investing activities			
Dividends received from joint ventures and associates		1,184	343
Proceeds on disposal of joint ventures and associates		—	134
Proceeds on disposal of subsidiaries and businesses(net of cash disposed)		1,535	—
Purchases of property, plant and equipment		(32,318)	(37,799)
Proceeds on disposal of property, plant and equipment		815	1,206
Purchases of intangible assets		(3,153)	(3,513)
Proceeds on disposal of intangible assets		9	1
Purchase of assets held at FVOCI		(16)	(14)
Proceeds on disposal of assets held at FVOCI		4,785	201
Loans advanced to joint ventures, associates and third parties		(458)	(190)
Loans repaid from joint ventures, associates and third parties		1	10
Net cash (out)flows from investing activities		(27,616)	(39,621)
Cash flows from financing activities			
Dividends paid to owners of the parent		(1,950)	(1,950)
Dividends paid to non-controlling interests		(901)	(423)
Repayment of borrowings		(51,067)	(63,329)
Proceeds from borrowings		63,650	115,882
Increase in treasury stock		(1)	(1)
Capital contribution for non-controlling interests		—	(230)
Other items		1	—
Net cash inflows from financing activities		9,732	49,949
Decrease in cash and cash equivalents (net of bank overdrafts)		(22,475)	3,515
Cash and cash equivalents (net of bank overdrafts) at beginning of period	(5)-(k)	62,978	44,278
Effect of foreign exchange rate changes		983	(1,137)
Hyperinflation adjustment	(5)-(l)	1,873	2,398
Cash and cash equivalents (net of bank overdrafts) at end of period	(5)-(k)	43,359	49,054

(5) Notes to the condensed quarterly consolidated financial statements

(a) Notes regarding going concern

There were no issues or events arising during the period, which negatively affect the ability of the Group to continue as a going concern.

(b) Accounting policies, critical accounting estimates and assumptions

The principal accounting policies applied to the consolidated financial statements for the period to 31 December 2025 are the same as the ones applied to the consolidated financial statements for the year ended 31 March 2025.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will not usually be equal to the eventual actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

In each case, unexpected changes in estimates and assumptions could cause a material change in balance sheet assets and liabilities, particularly in the areas noted below.

When assessing the recoverability of certain balance sheet assets such as goodwill and other intangible assets arising on consolidation, the Group compares the value-in-use of the Group's identified Cash Generating Units (CGUs) with the accounting value of assets within each CGU. The value-in-use for this purpose is considered to be the capitalized current value of the future cash flows of each CGU as calculated by discounting the projected future operating cash flows of each cash-generating unit, using an appropriate discount rate. The choice of discount rate is therefore a key determinant in assessing the value-in-use, and is calculated based on prevailing conditions in bond and equity markets. In certain circumstances the Group may consider that the fair value less cost to sell approach will provide a more reliable methodology for assessing the value of a CGU. This could be the case even where the Group has no current intention of disposing of that CGU. This approach may be considered more reliable in the event that prevailing discount rates do not reasonably represent the specific risk factors related to a CGU.

Sales volumes are a key input into expectations of future trading conditions and, consequently, cash flows. Sales prices and input costs are also important factors. Many of the Group's markets are sensitive to general levels of consumer confidence and economic activity, which have been negatively affected by political uncertainty and sustained levels of raised interest rates in many regions.

During the remainder of FY2026 the Group expects interest rates to reduce further in some territories which may benefit consumer sentiment. The Group notes the impact of raised tariffs imposed by the U.S. government. Tariff rates could be further changed, either in response to trade agreements or retaliatory measures announced by other countries. The Group intends to mitigate this impact by passing on any increased costs to its customers where possible. In addition, the Group may benefit from an improved relative cost-base in circumstances where competitors have a greater exposure to the raised tariffs. Increased tariffs may lead to higher prices of new vehicles in

the U.S, and therefore negatively affect the Group's production volumes in North America. Exports of vehicles to the U.S. from Japan and Europe may also reduce, leading to lower volumes for the Group across those regions.

The recoverability of long-term investments in joint ventures, including loans receivable, is based on the current and expected future trading environment. The expected future trading environment is assessed using reasonable estimates of possible future trading conditions. Where relevant, the Group will also consider the existence of legal restrictions that may prevent the payment of dividends or interest, or repayment of debt by the joint venture when assessing the recoverability of such investments. In addition, the Group would also consider any projected corporate restructurings or other similar transactions that the joint venture may enter, but only in circumstances where the Group considers there is a satisfactory level of confidence that such a transaction will be completed.

(c) Segmental information

The Group is organized on a worldwide basis into the following principal primary operating segments.

The Architectural segment engages in the manufacturing and sale of flat glass and various interior and exterior glazing products within commercial and residential markets. It also includes glass for the solar energy sector.

The Automotive segment supplies a wide range of automotive glazing for new vehicles and for replacement markets.

The Technical Glass segment comprises a number of discrete businesses, including the manufacture and sale of very thin glass used as cover glass for displays, lenses and light guides for printers, and glass fiber components for engine timing belts.

The Other segment covers corporate costs, certain small businesses not included in the segments covered above, and consolidation adjustments including amortization and impairment costs recorded with respect to goodwill and intangible assets related to the acquisition of Pilkington plc.

External revenue is disaggregated into three categories; Europe, Asia which includes Japan, and Americas which comprises of North and South Americas.

The Group's revenues comprise sales of glass recognized at a point in time and sales of services recognized over time.

The amortization arising from the acquisition of Pilkington plc was ¥ 118 million in FY2025 Q3 (FY2025 Q3: ¥ 121 million).

(c) Segmental information continued

The segmental results for the third quarter to 31 December 2025 were as follows:

¥ millions

3rd Quarter FY 2026 For the period 1 April 2025 to 31 December 2025	Architectural	Automotive	Technical Glass	Other Operations	Total
Total revenue	297,026	334,094	33,878	1,628	666,626
Inter-segmental revenue	(24,278)	(187)	(917)	(679)	(26,061)
External revenue	272,748	333,907	32,961	949	640,565
<i>Disaggregation of external revenue by geographical regions:</i>					
<i>Europe</i>	103,403	139,045	8,156	509	251,113
<i>Asia</i>	78,063	60,699	23,713	440	162,915
<i>Americas</i>	91,282	134,163	1,092	—	226,537
Operating profit/(loss)	18,907	3,514	4,741	(8,651)	18,511
Exceptional items – gains	1,845	—	30	—	1,875
Exceptional items – losses	(233)	(146)	(6)	(2,200)	(2,585)
Operating profit after exceptional items					17,801
Finance costs – net					(21,007)
Share of post-tax profit from joint ventures and associates					4,401
Other (losses) on equity method investments					(370)
Profit before taxation					825
Taxation					(4,881)
(Loss) for the period from continuing operations					(4,056)

(c) Segmental information continued

The segmental results for the third quarter to 31 December 2024 were as follows:

¥ millions

3rd Quarter FY 2025 For the period 1 April 2024 to 31 December 2024	Architectural	Automotive	Technical Glass	Other Operations	Total
Total revenue	297,529	319,048	37,356	1,701	655,634
Inter-segmental revenue	(23,385)	(141)	(1,183)	(959)	(25,668)
External revenue	274,144	318,907	36,173	742	629,966
<i>Disaggregation of external revenue by geographical regions:</i>					
<i>Europe</i>	94,390	129,702	7,438	175	231,705
<i>Asia</i>	90,784	61,319	27,491	567	180,161
<i>Americas</i>	88,970	127,886	1,244	—	218,100
Operating profit/(loss)	8,643	2,609	5,704	(6,150)	10,806
Exceptional items – gains	543	—	—	12	555
Exceptional items – losses	(1,879)	(1,028)	—	(170)	(3,077)
Operating profit after exceptional items					8,284
Finance costs – net					(18,192)
Share of post-tax profit from joint ventures and associates					3,706
(Loss) before taxation					(6,202)
Taxation					(3,101)
(Loss) for the period from continuing operations					(9,303)

The segmental assets at 31 December 2025 and capital expenditure for the period ended 31 December 2025 were as follows:

	¥ millions				
	Architectural	Automotive	Technical Glass	Other Operations	Total
Net trading assets	304,346	212,059	35,958	19,295	571,658
Capital expenditure (including intangibles)	12,220	11,009	1,712	377	25,318

The segmental assets at 31 December 2024 and capital expenditure for the period ended 31 December 2024 were as follows:

	¥ millions				
	Architectural	Automotive	Technical Glass	Other Operations	Total
Net trading assets	280,832	206,745	34,221	2,086	523,884
Capital expenditure (including intangibles)	25,874	11,615	989	419	38,897

Net trading assets consist of property, plant and equipment, investment property, intangible assets excluding those arising from a business combination, inventories, trade and other receivables and trade and other payables, contract assets and liabilities.

Capital expenditure comprises additions to property, plant, and equipment (owned) and intangible assets.

(d) Exceptional items

¥ millions

	Cumulative 3rd Quarter FY 2026 For the period 1 April to 31 December 2025	Cumulative 3rd Quarter FY 2025 For the period 1 April to 31 December 2024
Exceptional items – gains:		
Gain on disposal of subsidiaries and businesses (a)	1,770	—
Reversal of impairment of non-current assets (b)	105	13
Gain on disposal of non-current assets (c)	—	304
Reversal of surplus provisions (d)	—	226
Settlement of litigation matters (e)	—	12
	1,875	555
Exceptional items – losses:		
Recycling of loss on disposal of assets held at Fair Value through Other Comprehensive Income (f)	(2,200)	—
Restructuring costs, including employee termination payments (g)	(304)	(2,865)
Settlement of litigation matters (e)	(81)	(72)
Impairment of non-current assets (h)	—	(68)
Write down of inventories (i)	—	(50)
Others	—	(22)
	(2,585)	(3,077)
	(710)	(2,522)

(a) The gain on disposal of subsidiaries and businesses primarily relates to the transfer of the Group's equity interest in Vietnam Float Glass Co., Ltd as announced on 9 June 2025. The gain includes the recycling to the income statement of foreign exchange translation differences that had previously been recorded within other comprehensive income. In addition, a minor element of this category relates to the variable element of the sale price of business disposals recorded as exceptional gains in previous years.

(b) In both the current and previous year, the reversal of impairment of non-current assets relates to property, plant & equipment in the Architectural business in Japan.

(c) The previous-year gain on disposal of non-current assets related mainly to property, plant & equipment in the Architectural business in Europe.

(d) The previous-year reversal of surplus provisions related to a restructuring project in the Architectural business in Japan.

- (e) The previous-year gain on settlement of litigation matters related to compensation received as a consequence of a matter in Japan, previously recorded within exceptional items (losses).

In both the current and previous years, the settlement of litigation matters within exceptional items (losses), relates to legal claims arising as a result of transactions that were previously recorded as exceptional items.

- (f) The recycling of losses on disposal of assets held at Fair Value through Other Comprehensive Income relates to losses on disposal of U.K. government bonds. The loss of fair value based on market price movements had previously been recognized through Other Comprehensive Income, and is recycled to the income statement on external disposal.
- (g) Restructuring costs principally include the cost of compensating redundant employees for the termination of their contracts of employment. The previous-year costs related mainly to the Architectural business in Europe, following the Group's decision to cease production at one of its two float glass lines at Gladbeck, Germany as from January 2025.
- (h) The previous-year impairment of non-current assets related mainly to property, plant & equipment in the Architectural business in Europe.
- (i) The write-down of inventories in the previous years arose outside of the normal course of business. This cost was associated with restructuring projects within the Automotive business in Europe.

(e) Finance income and expenses

¥ millions

	Cumulative 3rd Quarter For the period 1 April to 31 December 2025	Cumulative 3rd Quarter For the period 1 April to 31 December 2024
Finance income		
Interest income	2,107	2,209
Foreign exchange transaction gains	1,183	725
Gain on net monetary position	—	128
	3,290	3,062
Finance expenses		
Interest expense:		
— bank and other borrowings	(20,567)	(19,401)
Dividend on non-equity preference shares due to minority shareholders	(258)	(247)
Foreign exchange transaction losses	(67)	(260)
Other interest and similar charges	(2,958)	(1,238)
	(23,850)	(21,146)
Unwinding discounts on provisions	(282)	(261)
Retirement benefit obligations		
— net finance charge	211	153
Loss on net monetary position	(376)	—
	(24,297)	(21,254)
	(21,007)	(18,192)

(f) Taxation

The cumulative tax charge on the profit before taxation, excluding the Group's share of the net results of joint ventures and associates, is a rate of (136.5) percent for the third quarter to 31 December 2025 (3Q FY2025 - a rate of (31.3) percent). The tax charge is based on the effective rate expected for the full-year and also includes a one-off increase in tax provisions.

(g) Earnings per share

(i) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the parent, after deducting dividends paid to holders of Class A shares, by the weighted average number of ordinary shares in issue during the year. The dividends related to Class A shares are calculated by the dividend rate defined in the terms and conditions of the shares. The weighted average number of ordinary shares excludes ordinary shares purchased by the company and held as treasury shares, and restricted shares which have not been satisfied the conditions to lift the restriction.

	Cumulative Quarter ended 31 December 2025	Cumulative Quarter ended 31 December 2024
	¥ millions	¥ millions
(Loss) attributable to owners of the parent	(5,134)	(10,079)
Adjustment for;		
— Dividends on Class A shares	(1,239)	(1,469)
(Loss) used to determine basic earnings per share	(6,373)	(11,548)
	Thousands	Thousands
Weighted average number to ordinary shares in issue	94,351	91,113
	¥	¥
Basic earnings per share	(67.55)	(126.74)

(ii) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares, following the exercise of share options and exercise of put options, attached to Class A shares, for which the consideration is common shares. Also Restricted shares for share-based payment plan are treated as dilutive potential ordinary shares if certain conditions are met. As for share options, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is deducted from the number of shares that would have been issued assuming the exercise of the share options. Regarding restricted shares for share-based payment plan, during period from the start date of the transfer restriction period to the date of the first Ordinary General Meeting of Shareholders of the Company, if the fair value (determined as the average annual market share price of the Company's shares) exceeds the issue price, equivalent of the delivered service as consideration for compensation are treated as dilutive potential ordinary shares. As for Class A shares, a calculation is performed to determine the number of shares that would have been issued, assuming a conversion to common shares that is most advantageous for holders of the class shares. Conversion of Class A shares to common shares is reflected in the diluted earnings per share, using the factor applied to the case where the put options are exercised from 1 July 2022 onward, if the conversion has dilutive effect.

	Cumulative Quarter ended 31 December 2025	Cumulative Quarter ended 31 December 2024
	¥ millions	¥ millions
(Loss) attributable to owners of the parent	(5,134)	(10,079)
Adjustment for;		
— Dividends on Class A shares	(1,239)	(1,469)
(Loss) used to determine diluted earnings per share	(6,373)	(11,548)
	Thousands	Thousands
Weighted average number to ordinary shares in issue	94,351	91,113
Adjustment for:		
— Share options	—	—
— Class A shares	—	—
— Restricted shares	—	—
Weighted average number of ordinary shares for diluted earnings per share	94,351	91,113
	¥	¥
Diluted earnings per share	(67.55)	(126.74)

Diluted earnings per share for the current and prior period do not include stock options, restricted shares, and Class A shares due to the anti-dilutive effect caused by the loss during the period.

(h) Dividends**(i) Dividends on ordinary shares**

	Quarter ended 31 December 2025	Quarter ended 31 December 2024
Declared and paid during the period:		
Final dividend for the previous year		
Dividend total (¥ millions)	—	—
Dividend per share (¥)	—	—

(ii) Dividends on Class A shares

	Quarter ended 31 December 2025	Quarter ended 31 December 2024
Declared and paid during the period:		
Final dividend for the previous year		
Dividend total (¥ millions)	1,950	1,950
Dividend per share (¥)	65,000	65,000

(i) Exchange rates

The principal exchange rates used for the translation of foreign currencies were as follows:

	Quarter ended 31 December 2025		Year ended 31 March 2025		Quarter ended 31 December 2024	
	Average	Closing	Average	Closing	Average	Closing
GBP	199	211	194	193	195	196
US dollar	149	156	152	148	152	157
Euro	172	183	163	161	164	162
Argentine peso	—	0.11	—	0.14	—	0.15

(j) Cash flows generated from operations

¥ millions

	3rd Quarter for the period 1 April 2025 to 31 December 2025	3rd Quarter for the period 1 April 2024 to 31 December 2024
(Loss) for the period from continuing operations	(4,056)	(9,303)
Adjustments for:		
Taxation	4,881	3,101
Depreciation	37,525	35,415
Amortization	2,162	1,844
Impairment	208	276
Reversal of impairments	(157)	(29)
(Gains) on sale of property, plant, and equipment	(747)	(901)
(Gains)/losses on sale of subsidiaries and joint ventures	(1,778)	9
losses on sale of UK government bond (assets held at FVOCI)	2,200	—
Grants and deferred income	(303)	(28)
Finance income	(3,290)	(3,062)
Finance expenses	24,297	21,254
Share of (profit) from joint ventures and associates	(4,401)	(3,706)
Other losses on equity method investments	370	—
Other items	1,101	(1,384)
Operating cash flows before movement in provisions and working capital	58,012	43,486
Decrease in provisions and retirement benefit obligations	(5,493)	(7,685)
Changes in working capital:		
— inventories	(13,120)	(2,884)
— trade and other receivables	5,797	8,406
— trade and other payables	(21,713)	(23,928)
— contract balances	(4,779)	(1,036)
Net change in working capital	(33,815)	(19,442)
Cash flows generated from operations	18,704	16,359

(k) Cash and cash equivalents

¥ millions

	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents	65,311	51,183
Bank overdrafts	(2,333)	(6,905)
	62,978	44,278

¥ millions

	As at 31 December 2025	As at 31 December 2024
Cash and cash equivalents	45,685	51,360
Bank overdrafts	(2,326)	(2,306)
	43,359	49,054

(l) Hyperinflationary accounting adjustments

As from the second quarter of FY 2019, the wholesale price index in Argentina indicated that cumulative 3-year inflation had exceeded 100 percent. Consequently, the Group has concluded that its subsidiaries in Argentina, each of which has the Argentine Peso as a functional currency, are currently operating in a hyperinflationary environment. The Group has therefore applied accounting adjustments to the underlying financial results and position of its subsidiaries in Argentina as required by IAS 29 'Financial Reporting in Hyperinflationary Economies'.

As required by IAS 29, the Group's consolidated financial statements will include the results and financial position of its Argentinian subsidiaries, restated in terms of the measuring unit current at the period end date.

For the restatement of results and financial positions of its Argentinian subsidiaries, the Group will apply the conversion coefficient derived from the Internal Wholesales Price Index (IPIM) published by Instituto Nacional de Estadística y Censos de la República Argentina (INDEC). IPIM and corresponding conversion coefficients from June 2006 are presented below.

Balance sheet date	Internal Wholesales Price Index (IPIM) (30 June 2006 = 100)	Conversion coefficient
30 June 2006	100.0	476.655
31 March 2007	103.9	458.922
31 March 2008	120.2	396.522
31 March 2009	128.7	370.350
31 March 2010	146.5	325.372
31 March 2011	165.5	288.025
31 March 2012	186.7	255.272
31 March 2013	211.1	225.756
31 March 2014	265.6	179.482
31 March 2015	305.7	155.898
31 March 2016	390.6	122.024
31 March 2017	467.2	102.018
31 March 2018	596.1	79.967
31 March 2019	970.9	49.093
31 March 2020	1,440.8	33.083
31 March 2021	2,046.4	23.292
31 March 2022	3,162.1	15.074
31 March 2023	6,402.2	7.445
31 March 2024	25,671.9	1.857
31 March 2025	39,196.0	1.216
30 April 2025	40,768.1	1.169
31 May 2025	41,380.1	1.152
30 June 2025	42,050.0	1.134
31 July 2025	42,849.6	1.112
31 August 2025	43,653.4	1.092
30 September 2025	44,559.6	1.070
31 October 2025	45,603.2	1.045
30 November 2025	46,730.9	1.020
31 December 2025	47,665.5	1.000

The Group's subsidiaries in Argentina will restate their non-monetary items held at historical cost, namely property, plant, and equipment, by applying the conversion coefficient based on when the items were initially recognized. Monetary items and non-monetary items held at current cost will not be restated, as they are expressed in terms of the measuring unit current at the period end date. The effect of inflation on the net monetary position of the Group's Argentinian subsidiaries is presented in the finance expenses section of the income statement.

The Argentinian subsidiaries' income statement and cash flow statement will also be restated, applying the conversion coefficient for the current financial year as shown in the above table.

For the purpose of consolidation, the results and financial position of the Group's Argentinian subsidiaries are translated using the closing exchange rates at the period end date. Comparative financial statements are not restated based on IAS 21 'The Effects of Changes in Foreign Exchange Rates' para 42(b).

(m) Significant subsequent events

Following the balance sheet date, the Group suspended production at its architectural glass manufacturing facility in Concepcion, Chile, due to the proximity of wildfires to the factory. The Group is assessing the potential to restart the line and is evaluating the cost of this business interruption. The Group is providing support to its employees affected by the fires in the region.

(n) Other

(Financial reporting framework)

The consolidated financial statements of the Group have been prepared in accordance with Article 5, Paragraph 2 of the Tokyo Stock Exchange, Inc's Standards for the Preparation of Quarterly Financial Statements (the Standards), applying the provisions for reduced disclosures as set forth in Article 5, Paragraph 5 of the Standards, accordingly certain disclosures and notes required by IAS 34 are not given.