



4 November 2010

FY2011 CUMULATIVE QUARTER 2 RESULTS

(From 1 April 2010 to 30 September 2010)

- **Cumulative results reflect improved market conditions from the previous year's low levels**
- **Strengthening performance within joint ventures and associates**
- **Successful issuance of new ordinary shares in Quarter 2**
- **Strategic Management Plan announced for November, covering financial years FY12 to FY14**

Cumulative results reflect improved market conditions from the previous year's low levels

- Cumulative Group revenues ¥ 294bn (Cumulative Q2 FY10: ¥ 293bn) and profit of ¥ 18.5bn (before amortization) (Cumulative Q2 FY10: ¥ 7bn loss).
- Sales up 8% at constant exchange rates.
- Building Products results reflect improved pricing in most regions, cost savings and better product mix.
- Revenue and profits in Automotive ahead of last year due to robust demand.
- Strong growth in Specialty Glass profitability from the consumer electronics sector.
- One-off benefits in the quarter include ¥ 4.8bn of insurance proceeds from Chile and North America
- Quarter 2 markets stable, at levels similar to the first quarter
- Full-year financial forecast maintained.

Strengthening performance within joint ventures and associates

- Most of the Group's joint ventures and associates' profits have improved compared to the same period last year.
- Cebrace (50% owned JV in Brazil Building Products) benefiting from strong market conditions and profitability.
- Improved performance in the Group's joint ventures and associates in China.

Successful issuance of new ordinary shares in Quarter 2

- Launched on 24 August 2010.
- The result, ¥ 40.2bn capital raised with a domestic and global offering.
- ¥ 20.5bn to be applied to capital expenditure in the financial years FY11, FY12 and FY13.
- ¥ 4.5bn to be invested in a joint venture in China, expanding Low-E glass production capability.
- ¥ 10bn applied to partially redeem preferred shares on 1 October 2010.
- Remainder of the proceeds to be used for debt repayment.
- Equity issuance provides a firm financial foundation to support the Group's Strategic Management Plan.

Strategic Management Plan (SMP) announced for November, covering financial years FY12 to FY14

- SMP builds on progress made in phase one objectives from the previous Medium-term Plan.
- Emerging markets and environmental opportunities to be the key drivers of the Group's profitable growth.
- Exciting growth opportunities in a variety of areas across all three business lines.
- Significant improvement in financial performance and position to FY14.
- New Group vision and mission statement underpin the plan.

Board remains confident in the Group's long term prospects, maintaining the interim dividend.



Consolidated Income Statement

(JPY bn)	<u>Cum Q2</u> <u>FY11</u>	<u>Cum Q2</u> <u>FY10</u>	<u>Change</u> <u>from Cum</u> <u>Q2 FY10</u>
Revenue	293.7	293.0	0%**
Op.Income before amortization*	18.5	(7.0)	
Amortization*	(8.0)	(9.2)	
Operating income	10.5	(16.2)	
Non-operating items	(4.0)	(8.5)	
Ordinary income	6.5	(24.7)	
Extraordinary items	(0.7)	(2.0)	
Pre-tax income	5.8	(26.7)	
Net Income	0.0	(26.2)	
EBITDA	34.7	13.3	+ 161%

* Amortization arising from the acquisition of Pilkington plc only

** +8% based on constant exchange rates

Improved profitability