

# Financial Results for FY2025

February 9, 2026

Nippon Electric Glass Co., Ltd.

## (Content)

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2. Business Forecasts and Dividend Forecasts of FY2026
3. Progress on Medium-term Business Plan EGP2028

# Financial Results for FY2025

# Summary of Financial Results



	(Billions of JPY)		
	FY2024	FY2025	Change
Net sales	299.2	311.4	4.1%
Operating profit	6.1	34.1	
Operating Margin	2.0%	11.0%	457.6%
Non-operating income	6.2	3.6	(42.7%)
Ordinary profit	12.4	37.7	203.9%
Extraordinary income	11.3	4.1	(63.1%)
Profit attributable to owners of parent	12.0	29.6	144.9%
Earnings per share (JPY)	¥141.67	¥382.33	169.9%
Dividends per share (JPY)	¥130	¥150	-

## Main factors in the change

### Operating profit

- (+) Sales price revision of displays business
- (+) Increase in sales of electronics business
- (+) Improved productivity
- (+) Decrease in depreciation and amortization (including the impact of impairment loss)
- (+) Lower logistics costs and raw material and fuel costs

### Non-operating income/loss

- (-) Decrease in foreign exchange gains: primarily related to the evaluation of receivables and payables associated with overseas subsidiaries' borrowings
  - FY2024: ¥4.5 billion
  - FY2025: ¥1.1 billion

### Extraordinary income/loss

- (+) In FY2024, impairment losses were recorded:
  - Displays (¥12.6 billion), Composites (¥11.1 billion)
- (-) Decrease in gain on sale of non-current assets (-¥20.5 billion)
- (-) Decrease in gain on sale of investment securities (-¥4.9 billion)
- (-) Recognition of business restructuring expenses (-¥3.9 billion)

# Outline by Business – Electronics & Information Technology

## Displays

- Display glass substrates: Steady demand continues throughout the year. Sales prices revised.
- Non-display (ultra-thin glass, etc.): Sales expansion → **Sales exceeded the previous year.**

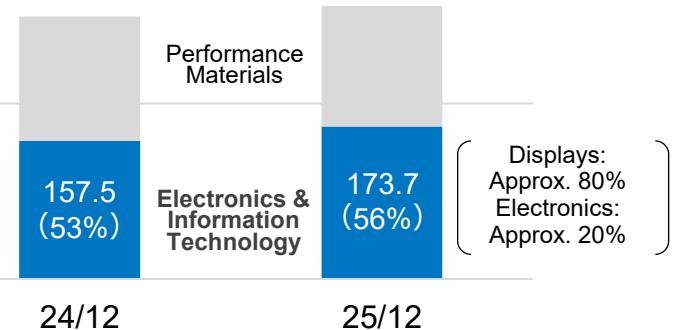
### ■ Yearly Sales Trend

(Billions of JPY)

400

200

0



## Electronics

- Demand remains strong, particularly for semiconductor and data center products.
- Demand for other products is also gradually recovering. → **Sales exceeded the previous year.**

### ■ Quarterly Sales Trend (FY2025)

(Billions of JPY)

50.0

25.0

0.0

1Q

2Q

3Q

4Q

40.6

43.0

43.5

46.5

# Outline by Business – Performance Materials

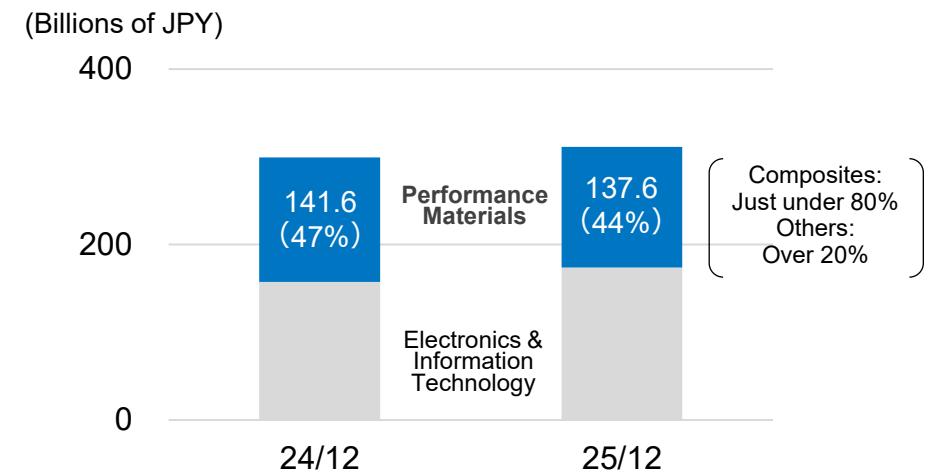
## Composites

- Sales remain sluggish amid persistent fierce competition.
- As part of business restructuring, the UK subsidiary ceased operations in June.
  - **Sales fell below the previous period**

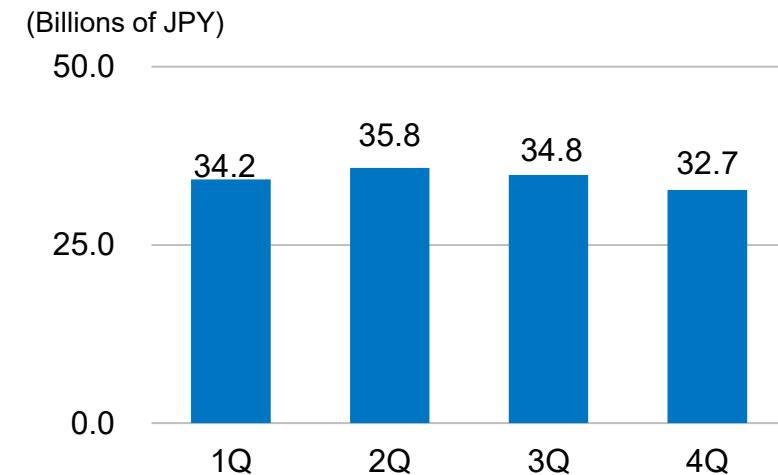
## Medical Care, Heat-Resistance, Buildings

- **Medical Care:** Glass tubing shipments remain at the same level as the previous period, but selling prices revisions are progressing. Demand for radiation shielding glass remains strong.
- **Heat-resistant:** Demand remains strong
- **Buildings:** Demand remains steady, particularly for fire-resistant glass
  - **Sales was on par with the previous period**

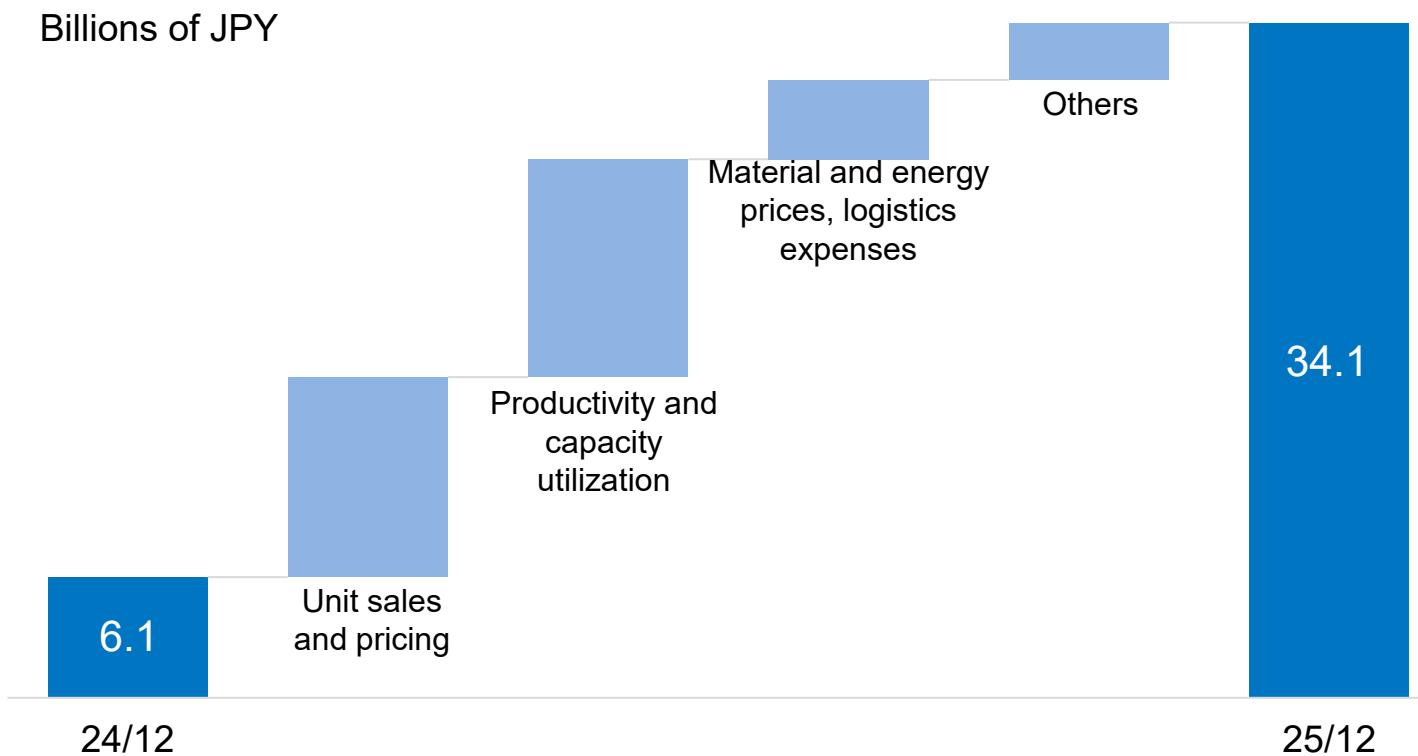
### ■ Yearly Sales Trend



### ■ Quarterly Sales Trend (FY2025)



# Analysis of Changes in Operating Profit (vs. FY2024)



## Main factors

- (+) Sales price revision of displays business
- (+) Increase in sales of electronics business
- (+) Improved productivity
- (+) Decrease in depreciation and amortization (including the impact of impairment loss)
- (+) Lower logistics costs and raw material and fuel costs

# Business Forecasts and Dividend Forecasts of FY2026

# Business Forecasts and Dividend Forecasts of FY2026



**FY2026**

	2Q (accum)	Full year	(Billions of JPY)	
			FY2025	For reference Change
Net sales	150.0	320.0	311.4	2.8%
Operating profit	11.0	33.0	34.1	(3.3%)
Operating margin	7.3%	10.3%	11.0%	-
Ordinary profit	11.0	33.0	37.7	(12.6%)
Profit attributable to owners of parent	8.0	23.0	29.6	(25.7%)
Dividend forecast (JPY/share)	80	160	150	-

## Economic outlook

The global economy is expected to continue facing uncertainty due to factors such as U.S. and China tariff policies and the situation in the Middle East.

## Assumption

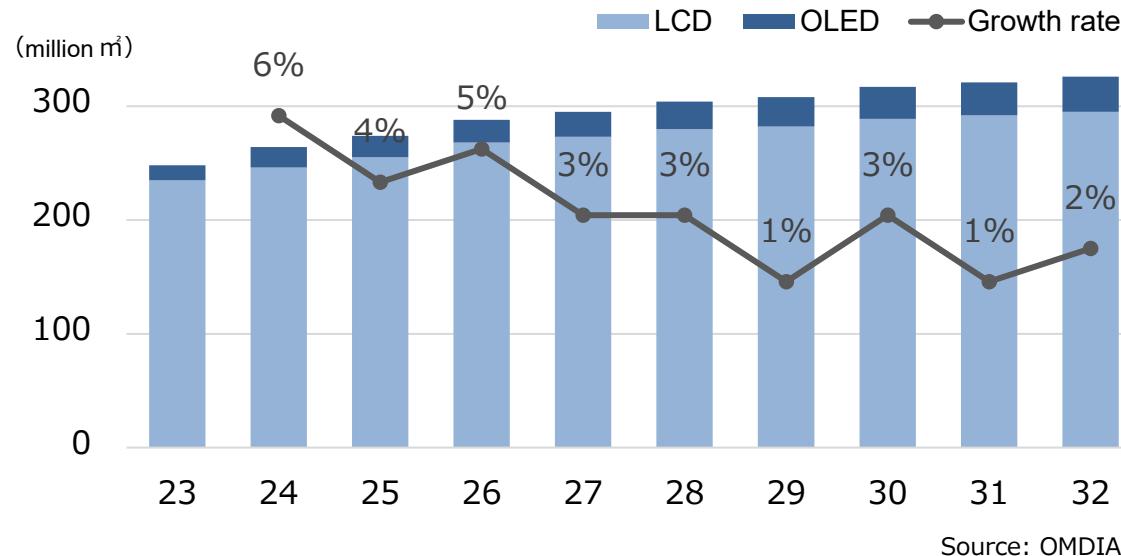
1 USD=150JPY

1 EUR=180JPY

## Outlook for FY2026

- Demand for display glass is expected to remain robust, matching market growth. Prices are projected to remain stable.
- Demand is also expected to grow for applications beyond displays. (Ultra-thin glass, etc.)
- Switching to all-electric melting furnaces and performing regular maintenance are expected to incur certain costs.

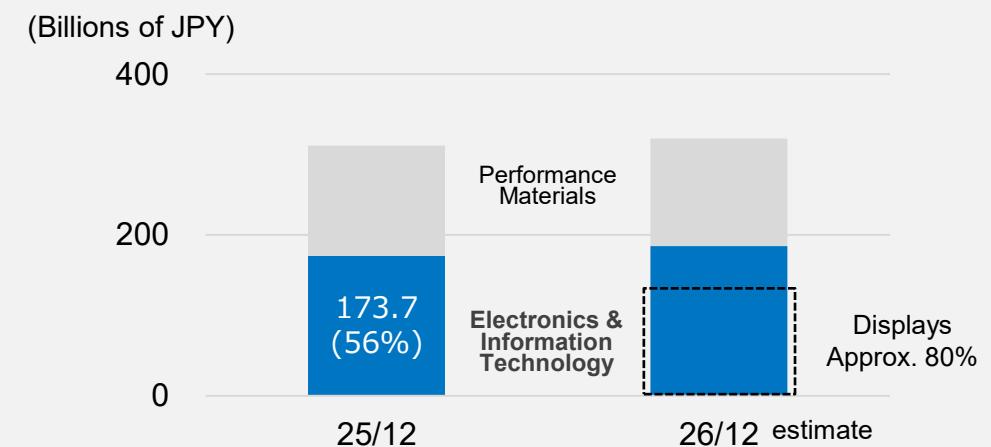
### ■ Projected Growth in Display Area for Final Products



## For the achievement of EGP2028

- Switch to all-electric melting furnaces
- Expand market share (mainly for G10.5 substrates)
- Expand production of high heat-resistant and low thermal compaction glass substrate
- Development of new products utilizing overflow technology
- Business development utilizing thin-film coating technology (Fluorine-free coating, etc.)

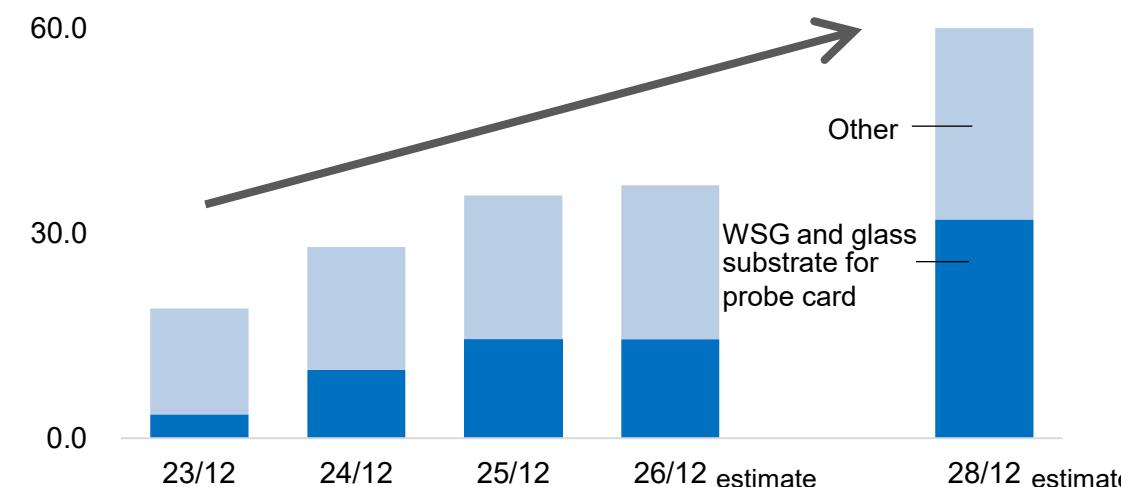
### Estimated sales



## Outlook for FY2026

- The market for Glass wafer for supporting semiconductors(WSG) is expected to continue growing despite an increasingly competitive environment.
  - Strengthen sales promotion and product development
- Sales growth in other products, mainly in the semiconductor and information and communications fields, such as glass substrate for probe card and products for data center, will boost overall sales.

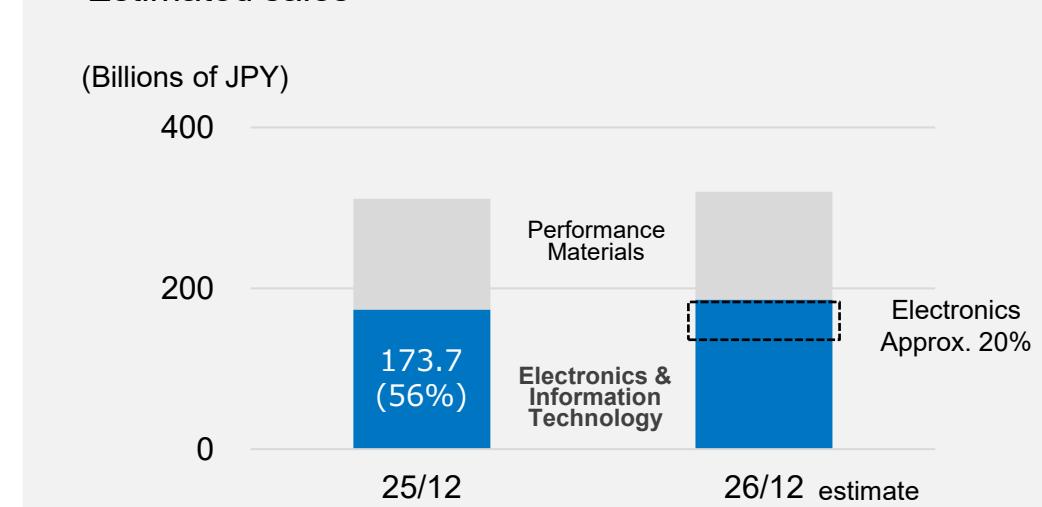
### ■ Historical net sales of electronics business (Billions of JPY)



## For the achievement of EGP2028

- Expand sales of semiconductor-related products (WSG, Glass substrate for probe card, etc.)
- Develop products in growth fields and commercialize (WSG for panel-type, Core substrates, etc.)
- Expansion of high value-added businesses including M&A

### Estimated sales (Billions of JPY)



## Outlook for FY2026

- The business environment for reinforcing resins used in automotive and home appliances remains severe.  
→ Continue efforts to improve profitability at each site

### (Initiatives at Each Site)

#### 【Japan】 Expanding sales of high value-added products

- Expanding sales of flat glass fiber
- Mass production and increase capacity of low dielectric glass fiber
- Development of low expansion glass fiber



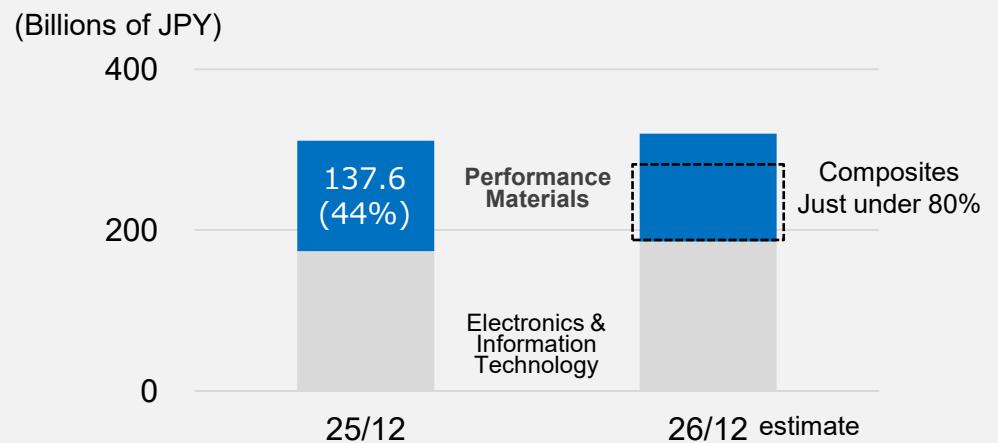
#### 【Malaysia】 Improvement of production efficiency

- Improvement of production efficiency and reduction of energy costs
- Improvement of spinning equipment to increase production per unit

## For the achievement of EGP2028

- Strengthen competitiveness by improving the efficiency at Malaysia and optimizing products at U.S.
- Promotion of electric melting technology
- Investment in and sales expansion of high value-added products (flat glass fiber, glass fiber for electronic materials, etc.)

### Estimated sales



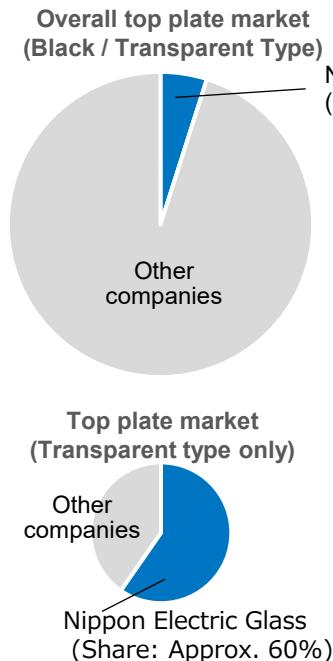
## Outlook for FY2026

**Stable demand expected for medical care, heat-resistant, and buildings business.**

(Topics)

Sales of StellaShine™ Mono, heat-resistant glass for top plates

The market for black plates is about 10 times that for transparent plates.  
→ Enter and expand sales in the large black plate market



<StellaShine™ Mono features>

- Full-color LED and LCD display functions
- High cost performance

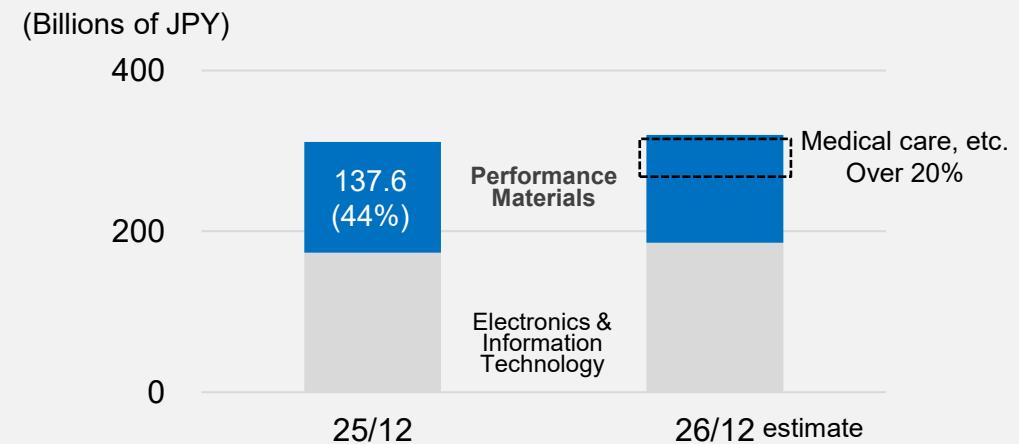
## For the achievement of EGP2028

**Medical care:** Establish high-quality and high-efficiency processes using all-electric melting technology, expand sales and develop new customers in overseas markets

**Heat-resistance:** Expand sales of high-value-added products that utilize our unique printing technology

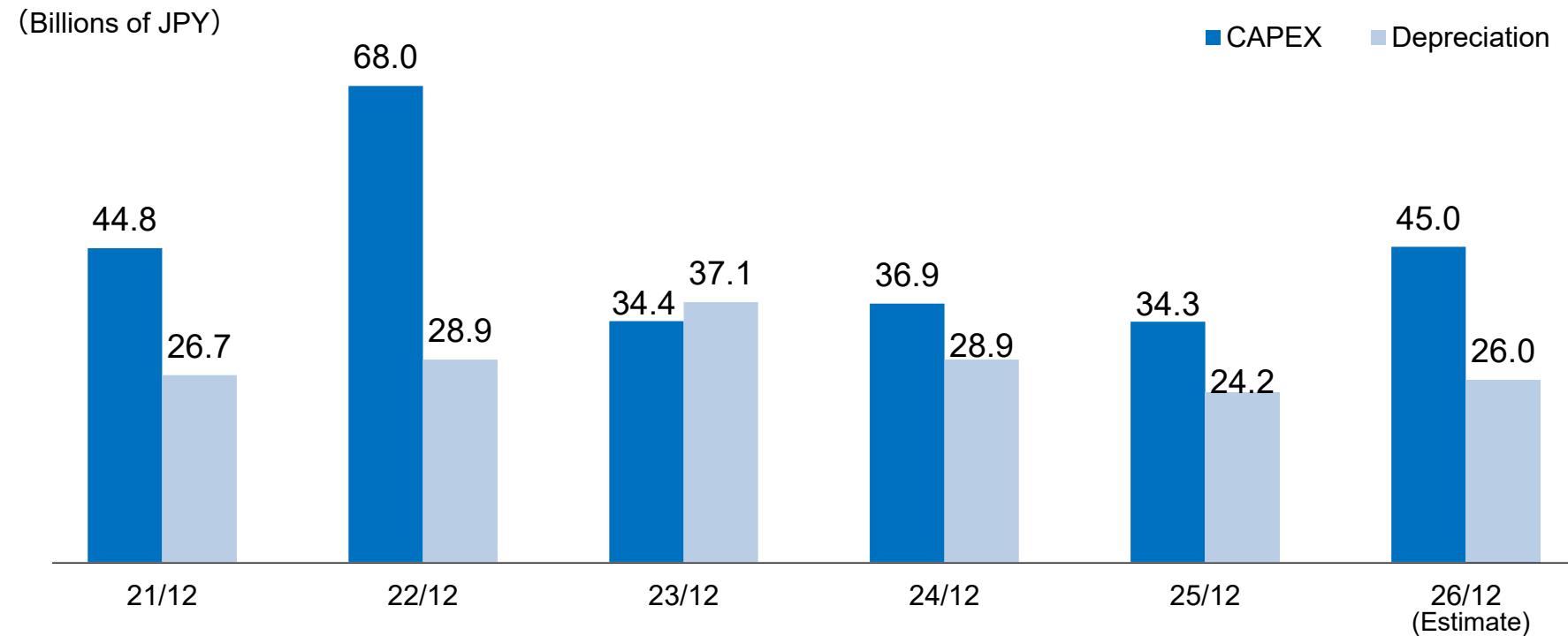
**Buildings:** Sales expansion of fire-rated glass FireLite™ and radiation shielding glass

### Estimated sales



# CAPEX and Depreciation

CAPEX	<ul style="list-style-type: none"><li>Planned approx. ¥45 billion in FY2026</li><li>Display... Advancement of all-electric melting technology, capacity expansion and productivity improvement, etc.</li><li>Composites... Investment in low dielectric glass fiber D2 fiber, etc.</li><li>In addition to the above, process development, automation implementation, periodic maintenance, etc.</li></ul>
Depreciation	<ul style="list-style-type: none"><li>Planned approx. ¥26 billion in FY2026</li></ul>

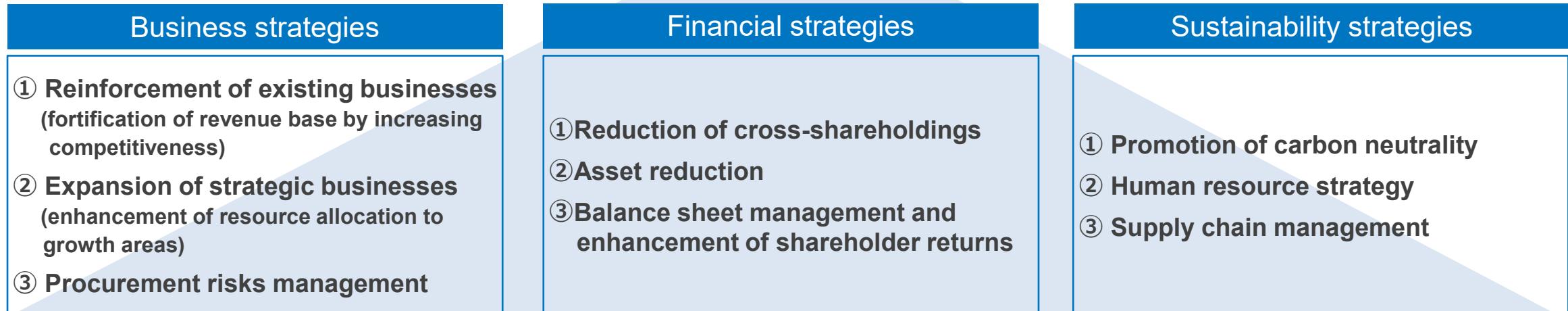


# Progress on Medium-term Business Plan EGP2028

# “STRONG GROWTH”

Fortifying the revenue base of existing businesses and  
aggressively allocating resources to growth areas

FY2028 Targets	Net sales	Operating profit	Operating margin	ROE	Equity level
400 billion yen	50 billion yen	12.5%	8%	Approx. 400 billion yen	



# Efforts to Increase Corporate Value and PBR

We will work on EGP2028 initiatives to increase corporate value and PBR.

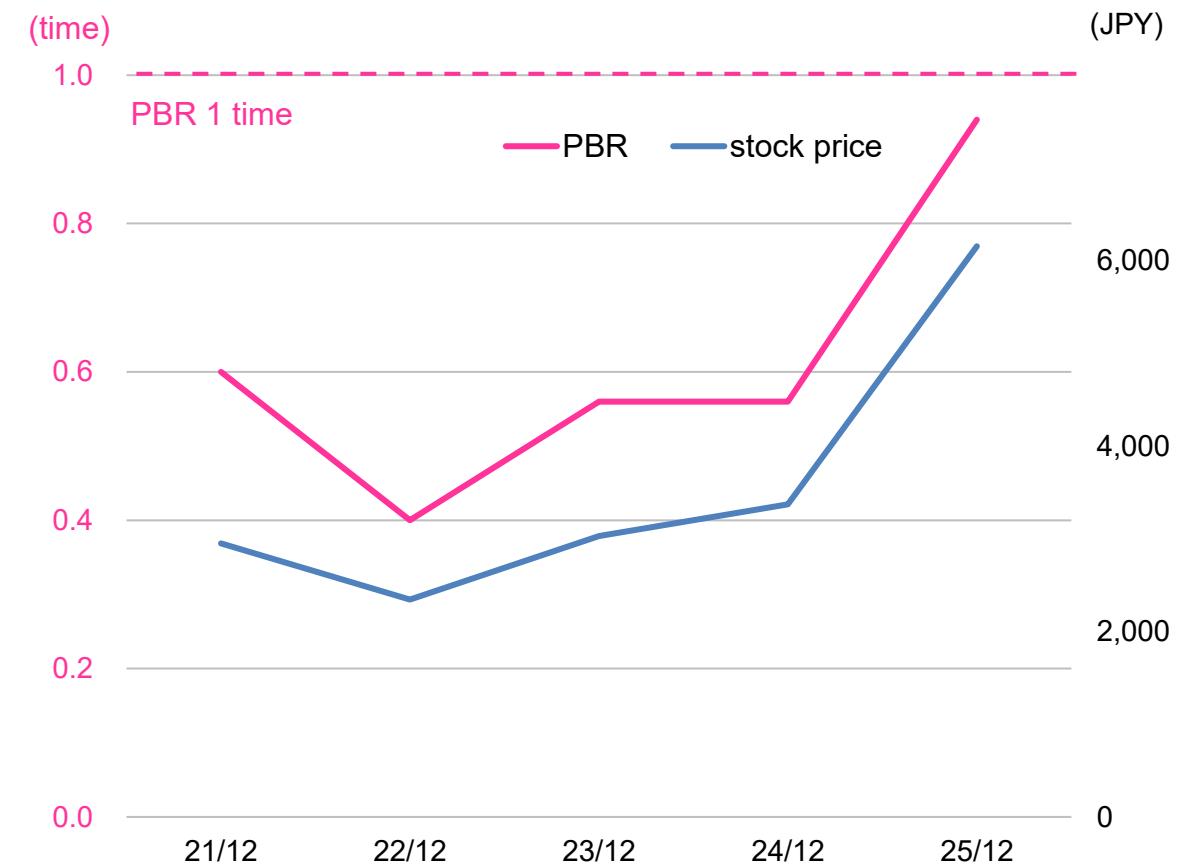
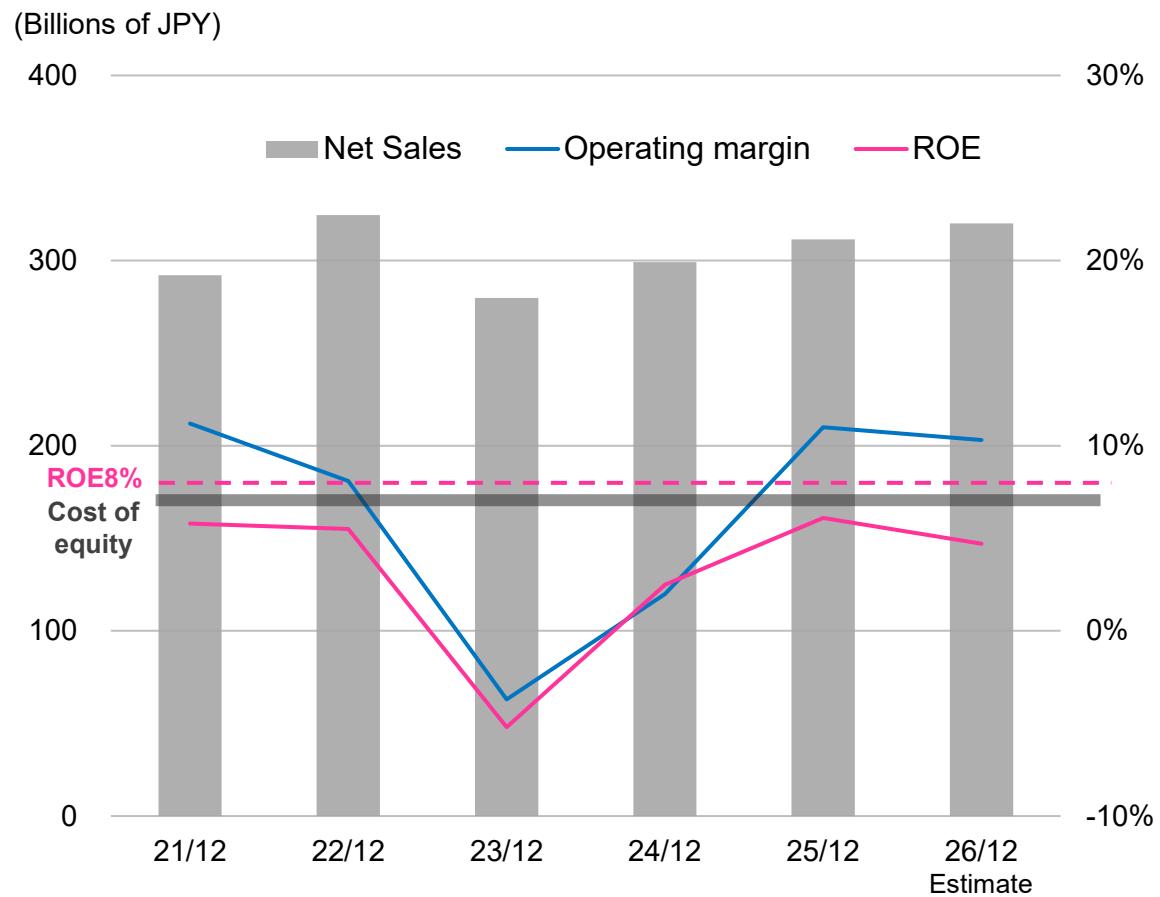
$$\text{PBR} = \text{ROE} \times \text{PER}$$

ROE	Expand profits	Strengthening existing businesses, expanding strategic businesses, and managing procurement risks --- Improving the profitability of the displays business, expanding semiconductor-related products, etc.
	Improve asset efficiency	Reduce cross-shareholdings and noncore assets resulting from business reforms, etc. --- Shareholding ratio: 7.3% (relative to consolidated net assets), Structural reforms in the displays/composites business, etc.
	Enhance balance sheet management and shareholder returns	Balance sheet management considering financial stability and capital efficiency, and enhanced shareholder returns --- Share repurchases (planned total of ¥100 billion), continuous dividend growth (target DOE of 3%)
PER	Sustainability initiatives	Promoting carbon neutral, personnel strategies and supply chain management --- Restructuring into the Sustainability Committee, corporate value enhancement measures aligned with materiality, etc.
	Strengthen corporate governance	Strengthening the management foundation to drive business strategies and sustainability strategies --- Increase in female outside directors (29%), increase in the proportion of outside directors (over half), etc.
	Enhance information disclosure and reinforce investor relations	Deepening mutual understanding through expanding disclosure and increasing communication --- Corporate Communication Division established, enhancing engagement (SR meetings, conference participation), expanding press releases, etc.

\*DOE (dividend on equity ratio): Total dividends ÷ Shareholders' equity

# Current Market Evaluation / Capital Return

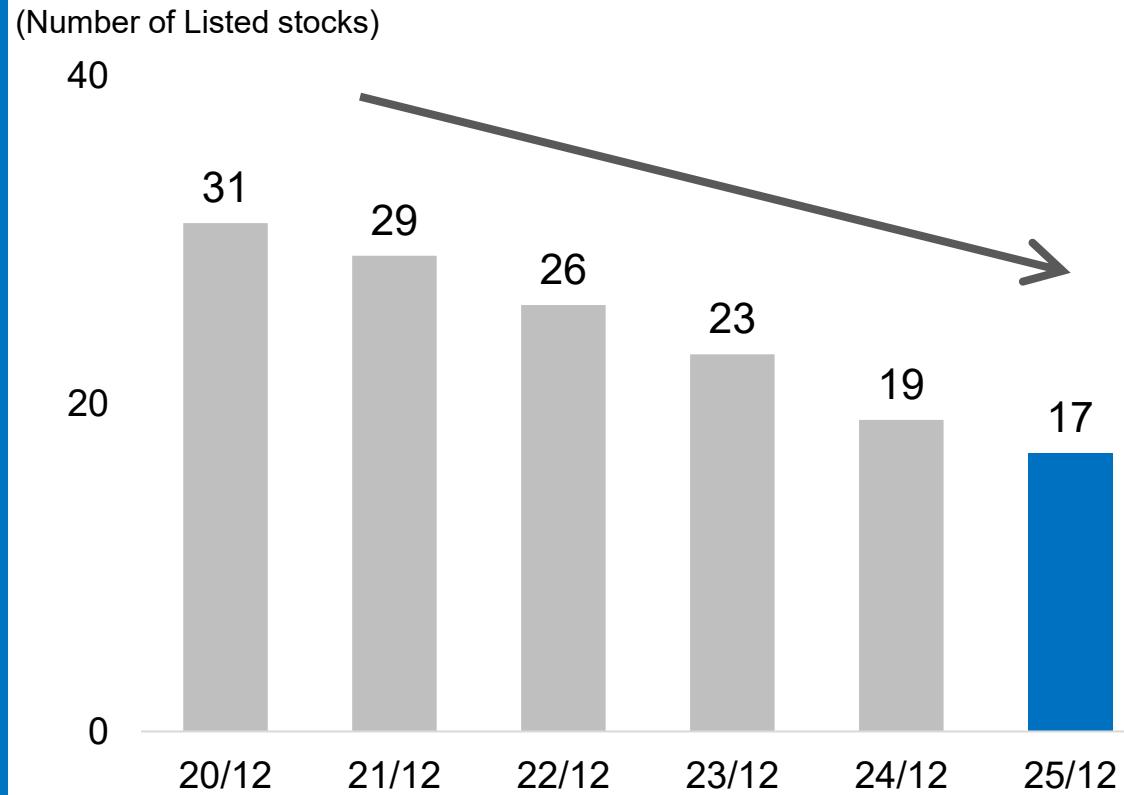
**EGP2028 initiatives aim to increase ROE by 8% and PBR.**



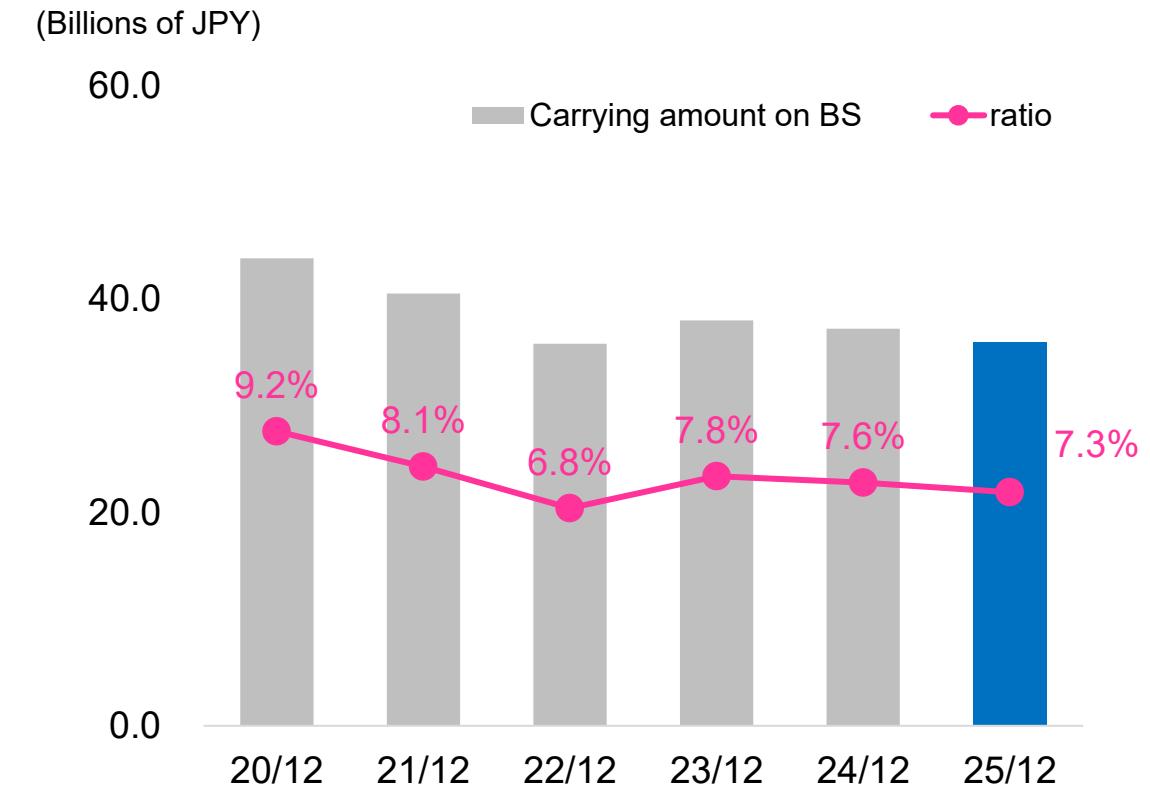
# Financial Strategy: Reduction of Cross-shareholdings

- Verify appropriateness of holding the shares from the perspective of increasing corporate value
- All shares of two stocks and some of one stock sold in FY2025

Changes in cross-shareholdings reduction



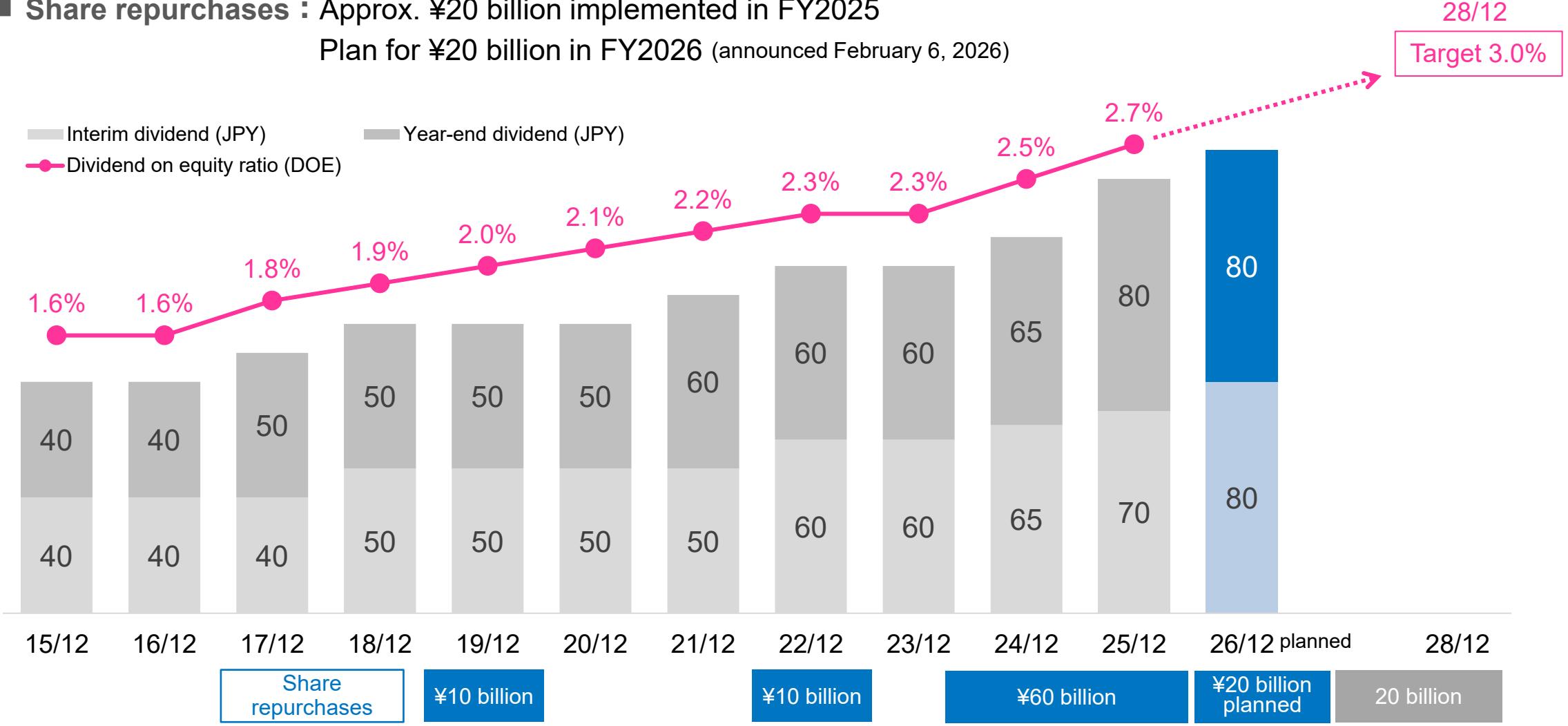
Cross-shareholdings as a percentage of consolidated net assets



# Shareholder Returns

- **Dividend** : No reduction for over 20 years with continuous increases → FY2026: ¥160 per share planned
- **Share repurchases** : Approx. ¥20 billion implemented in FY2025

Plan for ¥20 billion in FY2026 (announced February 6, 2026)



# Business Strategy: Expanding Applications for Ultra-Thin Glass

Actively developing new products utilizing overflow technology cultivated in the display field

- **Display (cover glass)**



Examples of Adoption: Xiaomi MIX Flip 2

- **Energy**

Ultra-thin cover glass for satellite solar panels



Ultra-thin glass for perovskite solar cells (under development)



Dinorex UTG®



Leverage our successful track record in the semiconductor field to strengthen development of next-generation semiconductor-related products

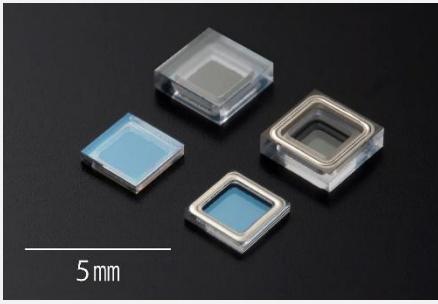
## ■ Semiconductor materials

### Glass materials for LTCC

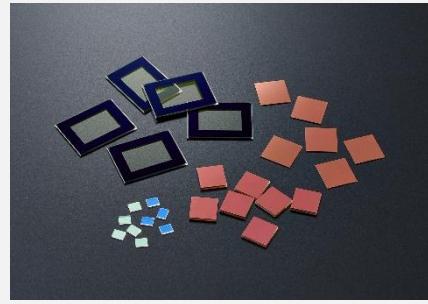
Materials with a low dielectric loss tangent suitable for components and devices in high-speed communications.



## ■ Packaging materials/Cover glass



Lid with sealing material for optical device packages

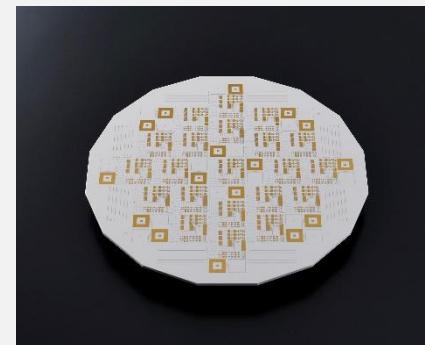


Cover glass for automotive image sensors

## ■ Manufacturing process materials

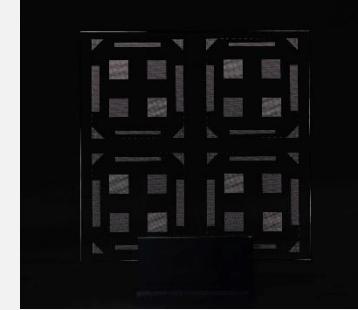


Glass wafer for supporting semiconductors

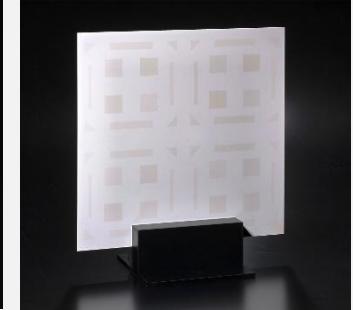


Glass substrate for probe card

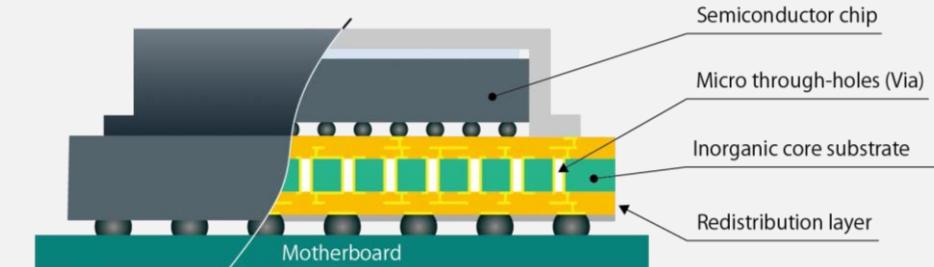
## ■ Inorganic core substrates



Glass core substrates



GC Core™

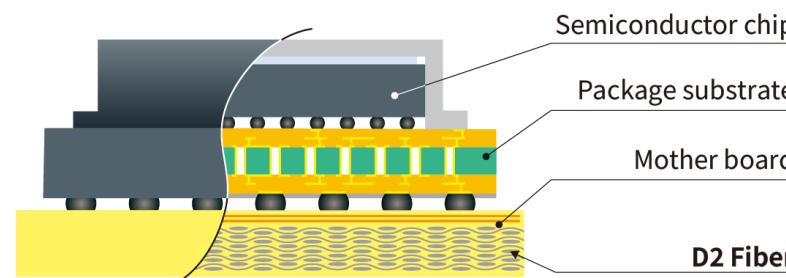


# New Semiconductor-related Products

- “D2 Fiber,” Low Dielectric Glass Fiber

(Released Dec. 2025)

Developed and launched sales of essential materials for cutting-edge semiconductors supporting high-speed, high-capacity communications in AI servers and data centers (mass production scheduled to begin in Q4 2026)



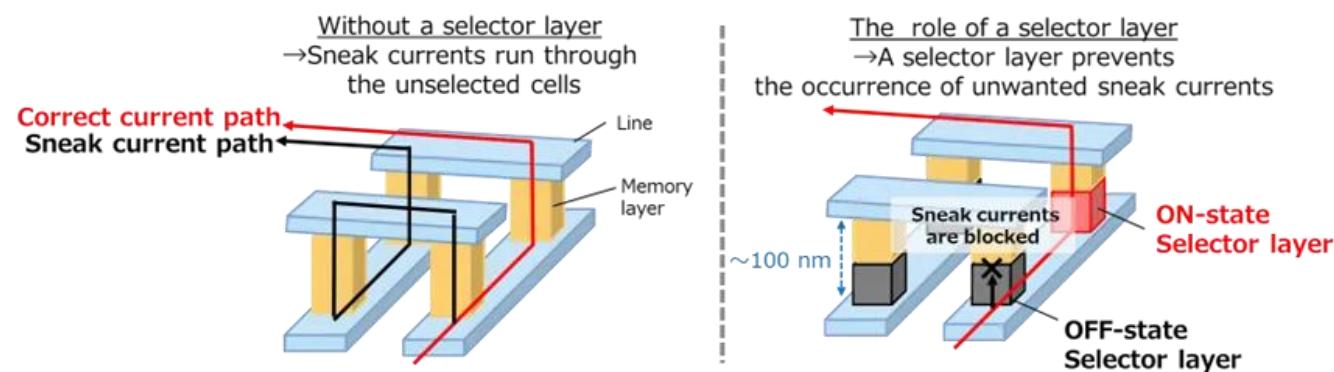
- Glass thin film for Next-Generation Memories

(Released Sep. 2025)

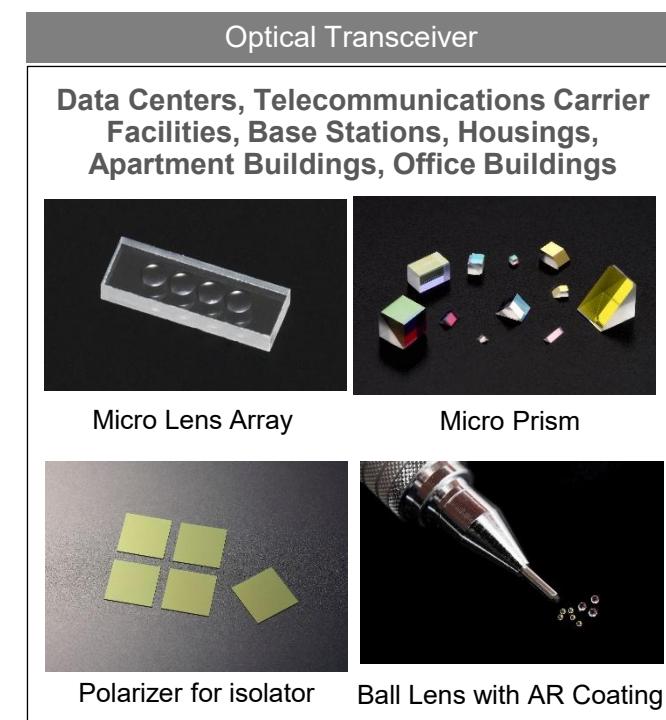
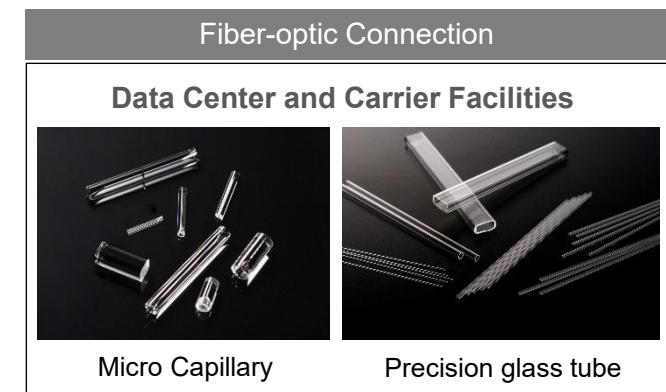
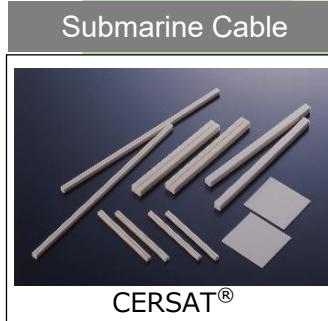
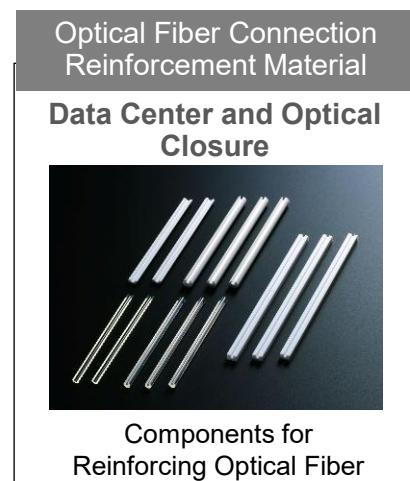
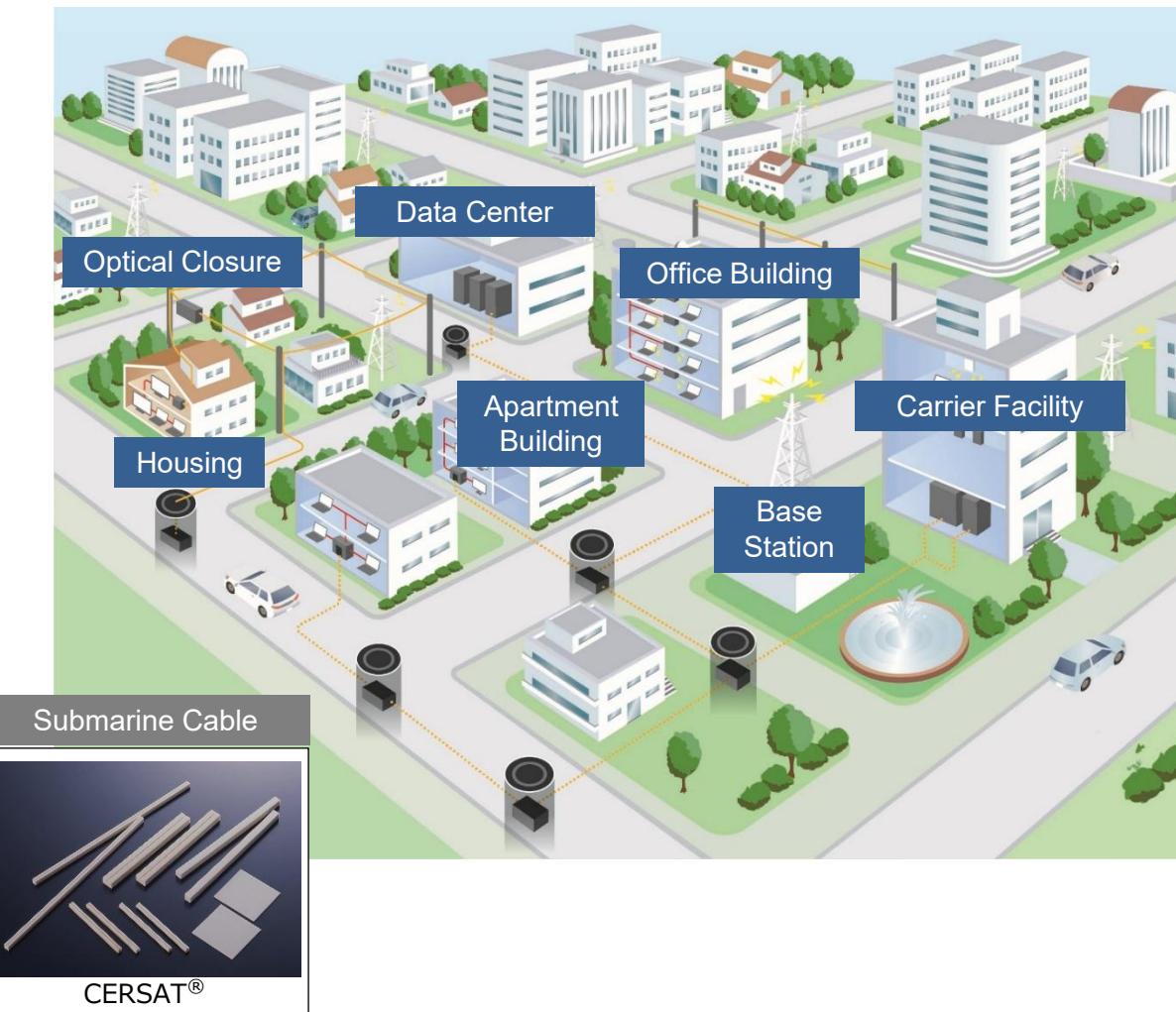
Developed a suitable glass material for the switch element layer, which plays a crucial role in preventing current from flowing through incorrect paths and activating only the necessary cells (jointly developed with Tohoku University Graduate School of Engineering)

## [Key Features]

Excellent selectivity	Exhibits a large ON/OFF current ratio, effectively blocking the leakage current
Low power consumption	Achieves switching at low voltages
Safety and environmental friendliness	Eliminating arsenic(As) previously contained in conventional materials



# Optical Electronics Products Supporting the Information Society



Applying coating technologies cultivated in the display and electronic device fields, we have developed fluorine-free water- and oil-repellent coating.



Water-repellent and oil-repellent coating



No water-repellent or oil-repellent coating

Since its successful development in 2024, inquiries have been received from the semiconductor, medical, electronics, and automotive sectors. Mass production and sales have begun in partial sectors.

#### 【Key Features】

- Superior water and oil repellency
- High visible light transmittance
- High heat resistance

#### 【Primary intended uses】

Semiconductor	Corrosion prevention for manufacturing equipment
Medical	Improved sliding properties* of medical instruments, stain resistance of surgical gowns, etc.
Electronics	Moisture protection for electronic boards and components
Automotive	Water repellency and stain resistance for exterior and interior surfaces
Solar cell	Cover glass anti-soiling, etc.



\*Smoothness. Low friction and resistance to surface damage.

Leveraging Accumulated Intellectual Property in Glass Manufacturing ~ Advancing Carbon Neutrality in the Glass Industry ~ Aiming for annual sales of 5 billion yen by FY2028

Advantages
<ul style="list-style-type: none"><li>Advanced technical capabilities and know-how in low-carbon glass melting technology</li><li>Extensive process expertise covering the melting and manufacturing of diverse glass materials</li><li>All-in-one melting technology solutions from design to control systems</li></ul>

Opportunities
<ul style="list-style-type: none"><li>Numerous glass manufacturers (a large-scale industry with a broad supply chain)</li><li>Growing demand for new technology adoption driven by the accelerating trend toward decarbonization</li></ul>



## [Solutions]

<b>Oxy-fuel Combustion Technology: NOFC™</b>
<b>Electric Melting Technology: NEMT™</b>
<b>Combustion Control System: NFCS™</b>

High-efficiency combustion technology using only the oxygen required for combustion

High-efficiency melting technology through direct electrical heating of molten glass

Providing optimal melting conditions and control systems for various glass materials



## (Topics)

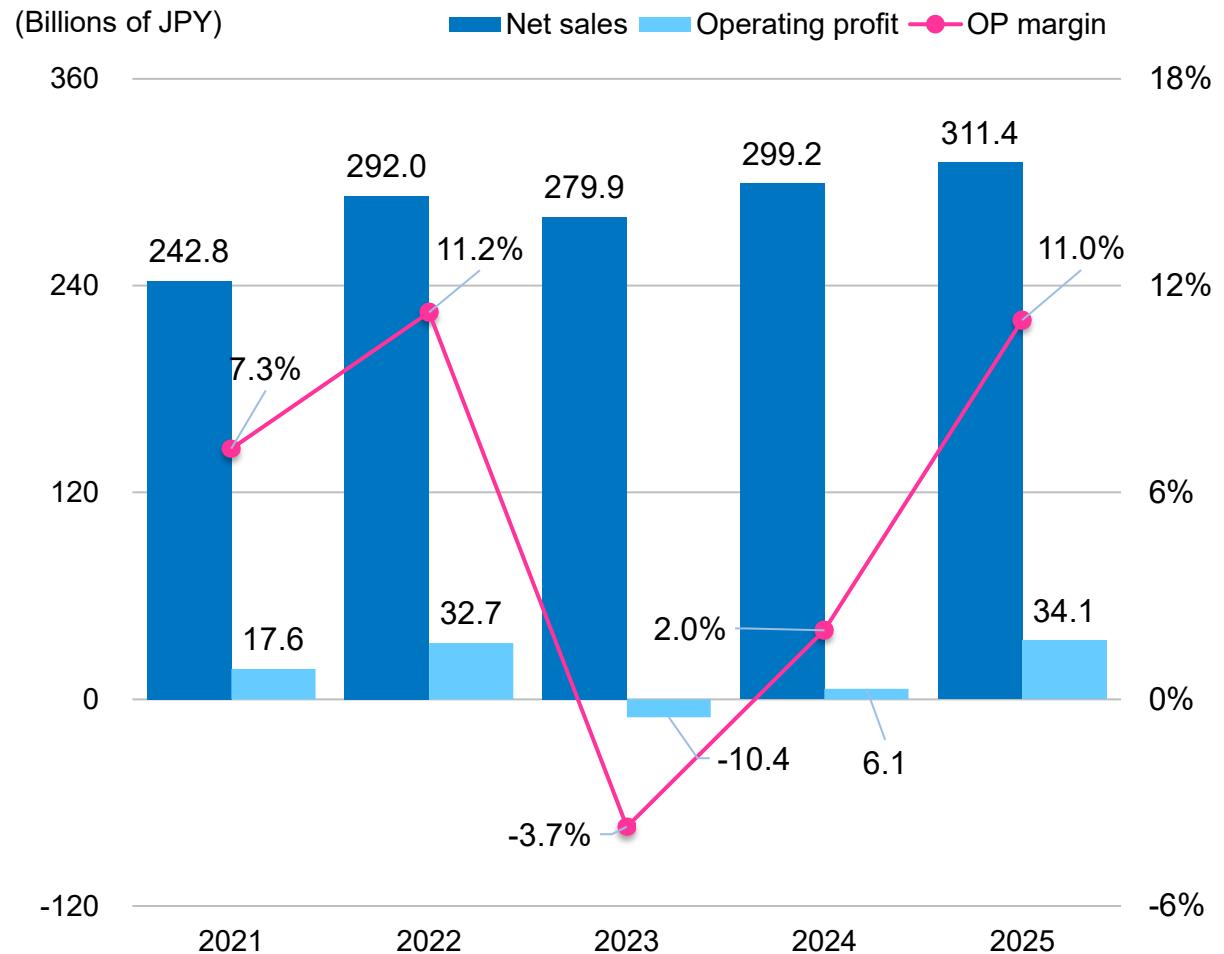
### GLASSPRO INDIA 2025

In India, amid growing awareness of decarbonization and environmental impact reduction, the introduction of cutting-edge technologies into the semiconductor and electronics sectors—key national industries—is rapidly advancing. We are actively promoting these technologies in overseas markets, including India.

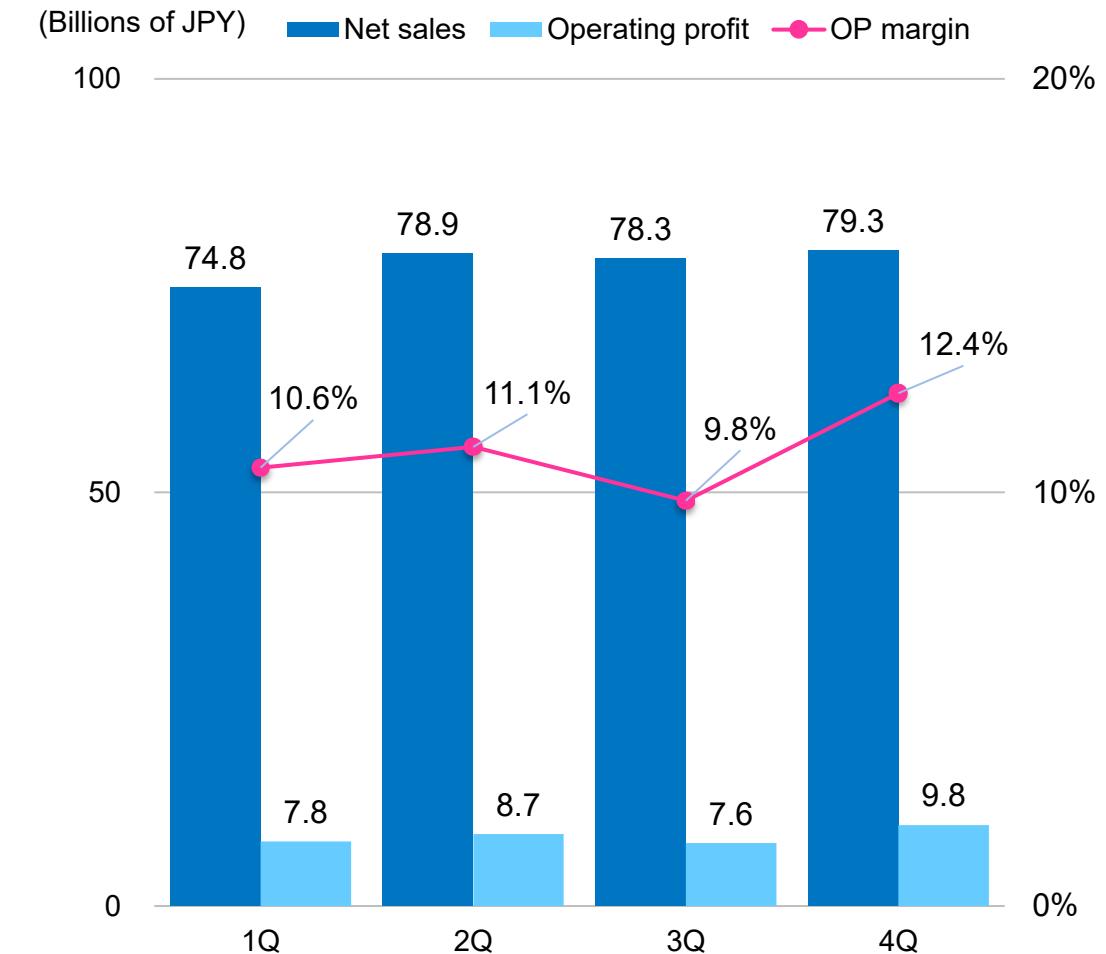
# Reference Material

# Annual / Quarterly Trend

## ■ Annual trend



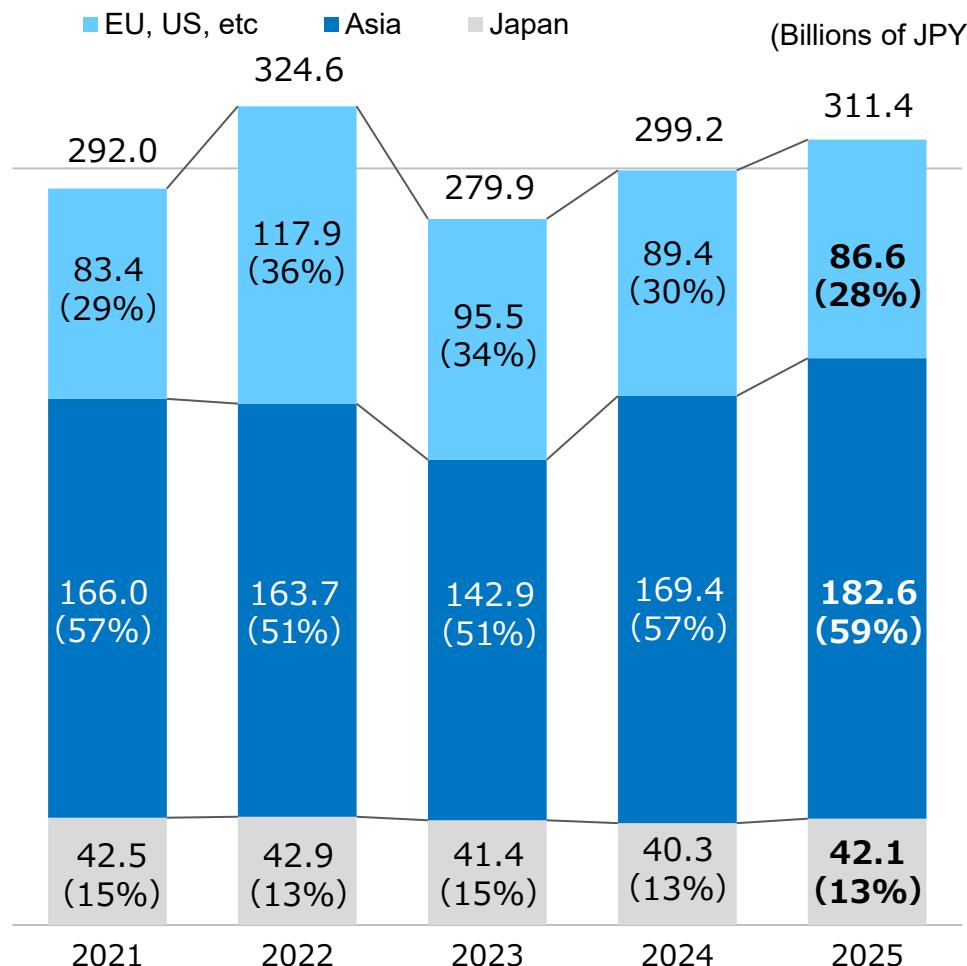
## ■ Quarterly trend for FY2025



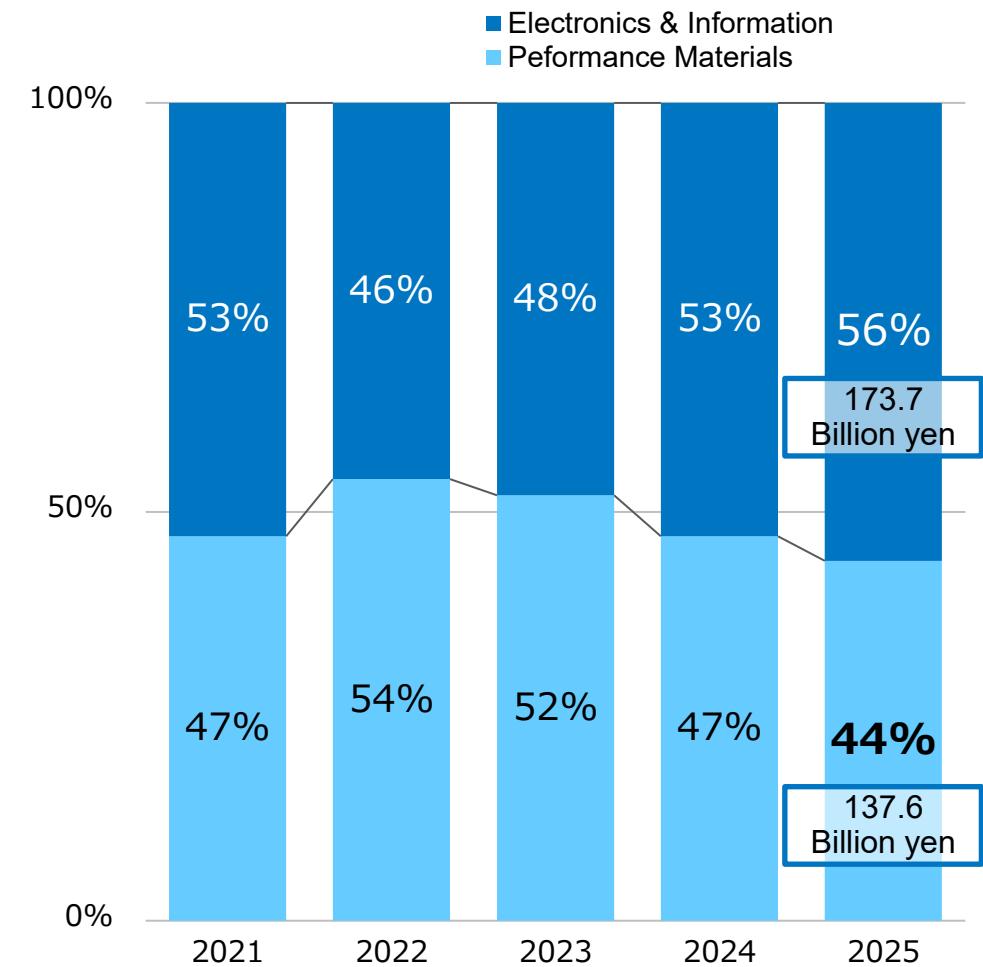
# Trend of Sales by Region / Business

NEG

## ■ Trend of sales by region



## ■ Trend of sales by business



# Consolidated Balance Sheet



	2024/12	2025/12	Change	(Billions of JPY)	2024/12	2025/12	Change	
Current assets	285.4	283.7	(1.7)		Total liabilities	207.6	205.2	(2.3)
Cash and deposits	123.9	120.7	(3.2)		Notes and accounts payable – trade	39.4	38.9	(0.4)
Notes and accounts receivable - trade, and contract assets	58.7	61.8	3.1		Interest-bearing debt	113.2	99.3	(11.8)
Merchandise and finished goods	51.6	50.3	(1.2)		Income taxes payable	6.3	8.1	1.7
Raw materials and supplies	42.5	39.4	(3.1)		Provision for special repairs	6.2	10.4	4.1
Other	8.5	11.3	2.8		Other	42.2	48.2	4.0
Non-current assets	409.6	417.6	7.9		Total net assets	487.5	496.1	8.6
Property, plant and equipment	353.8	360.6	6.8		Shareholders' equity	417.4	416.4	(0.9)
Intangible assets	4.3	4.1	(0.2)		Accumulated other comprehensive income	66.5	75.9	9.3
Investments and other assets	51.4	52.8	1.3		Non-controlling interests	3.5	3.8	0.2
<b>Total assets</b>	<b>695.1</b>	<b>701.4</b>	<b>6.2</b>		<b>Total liabilities and net assets</b>	<b>695.1</b>	<b>701.4</b>	<b>6.2</b>

# Consolidated Statement of Cash Flows



	FY2024	FY2025	Change	(Billions of JPY)
Cash flows from operating activities	52.2	52.0	(0.1)	
Profit before income taxes	23.7	41.9	18.1	
Depreciation	28.9	24.2	(4.7)	
Other, net	(0.5)	(14.1)	(13.6)	
<b>Cash flows from investing activities</b>	<b>42.6</b>	<b>(10.3)</b>	<b>(52.9)</b>	
Proceeds from sale of investment securities	10.7	6.8	(3.8)	
Purchase of non-current assets	(17.1)	(28.9)	(11.8)	
Proceeds from sale of non-current assets	49.0	12.7	(36.2)	
Other, net	(0.0)	(1.0)	(1.0)	
<b>Cash flows from financing activities</b>	<b>(48.8)</b>	<b>(45.2)</b>	<b>3.5</b>	
Purchase of treasury shares	(28.1)	(20.0)	8.1	
Dividends paid	(10.9)	(10.6)	0.3	
Other, net	(9.7)	(14.6)	(4.8)	
Effect of exchange rate change on cash and cash equivalents	2.5	0.3	(2.1)	
Net increase (decrease) in cash and cash equivalents	48.4	(3.2)	(51.7)	
<b>Cash and cash equivalents at end of period</b>	<b>123.5</b>	<b>120.3</b>	<b>(3.2)</b>	

# Consolidated Financial Data



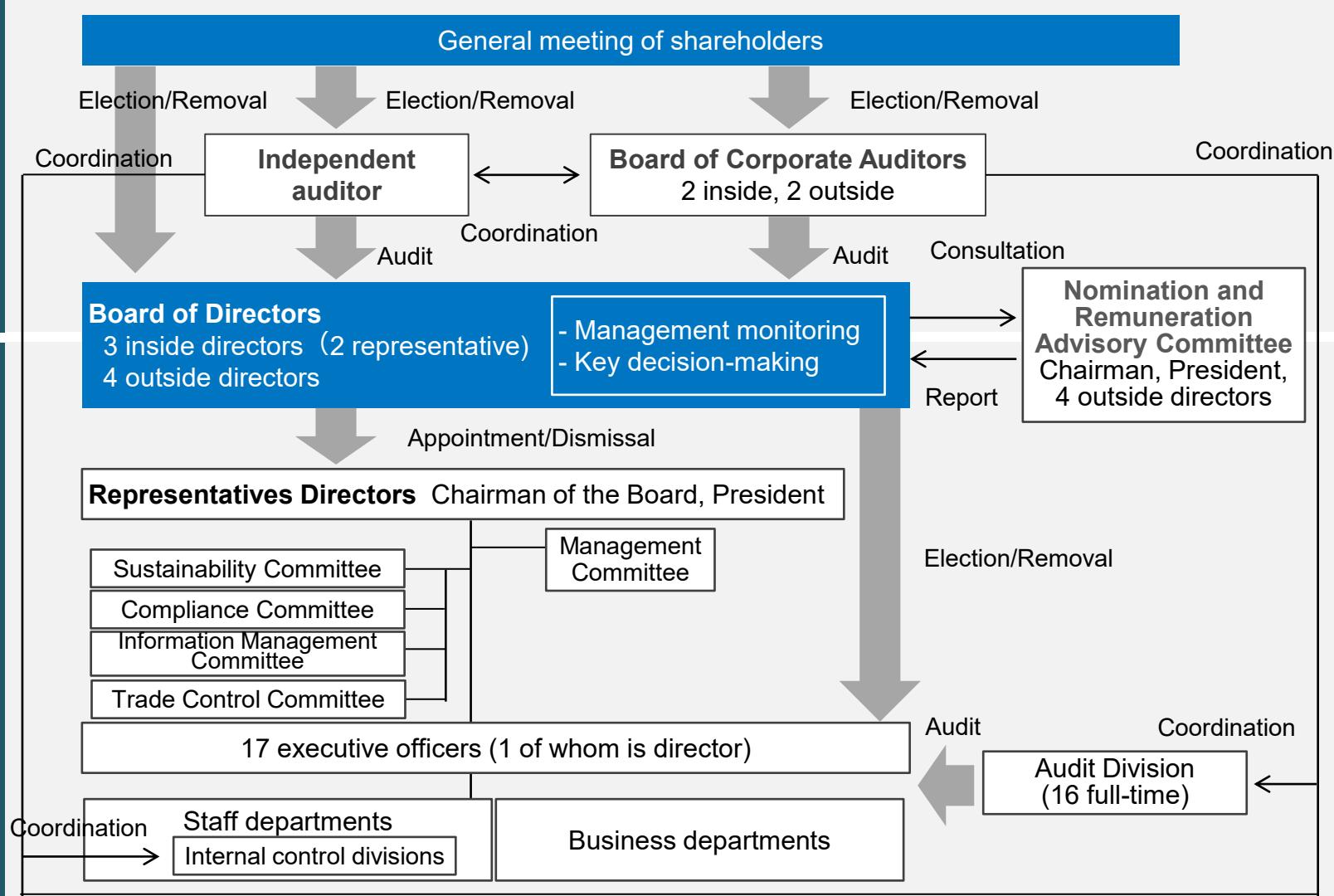
(Billions of JPY unless otherwise specified)

	FY2021	FY2022	FY2023	FY2024	FY2025
Net sales	292.0	324.6	279.9	299.2	311.4
Operating profit	32.7	26.1	(10.4)	6.1	34.1
Operating margin	11.2%	8.1%	△3.7%	2.0%	11.0%
Profit (loss) attributable to owners of the parent	27.9	28.1	(26.1)	12.0	29.6
Depreciation and amortization	26.7	28.9	37.1	28.9	24.2
Capital expenditures	44.8	68.0	34.4	36.9	34.3
Research and development	6.5	7.2	8.0	7.8	8.8
Total assets	698.1	747.9	703.9	695.1	701.4
Interest-bearing debt	96.8	105.5	120.3	113.2	99.3
Shareholders' equity	475.6	492.7	444.4	417.4	416.4
Cash flows from operating activities	69.8	31.5	(1.3)	52.2	52.0
Cash flows from investing activities	(31.7)	(57.1)	(20.7)	42.6	(10.3)
Free cash flow	38.1	(25.5)	(22.1)	94.8	41.6
Equity ratio	70.9%	70.1%	69.2%	69.6%	70.2%
ROE	5.8%	5.5%	△5.2%	2.5%	6.1%

# Corporate Governance Structure

Management monitoring

Execution of duties



Changes in Governance Reforms	
2001	Executive officer system introduced. Start of reduction in the number of directors
2003	Term of office for directors shortened to one year
2012	Takeover defense measures abolished
2016	Start of evaluation of Board of Directors effectiveness
2019	Strengthening of medium/long term incentives for directors. Increase the ratio of outside directors (1/3 of the Board of Directors)
2020	Nomination and Remuneration Advisory Committee established
2023	Non-Japanese executive officer appointed. Corporate advisor system abolished. CSR Committee established
2024	Increase the number of female outside directors (29%)
2025	Reduction in the number of directors. Increase the ratio of outside directors (majority of the Board of Directors)
2026	Change to Sustainability Committee. Review of materiality

As of January 1, 2026

# Corporate Information

Main Business	
Electronics & Information Technology	
Displays	Glass for LCDs
	Glass for OLED Displays
	“G-Leaf™” Ultra-thin Glass
	“Dinorex UTG™” Ultra-thin Glass for Chemical Strengthening
	UV Shielding Ultra-thin Glass
Electronics	Glass for Semiconductor Process
	LTCC Products
	Functional Powder Glass
	Sheet Glass for Image Sensors
	Glass Tube for Small Electronic Products
	Glass for Optoelectronics
Performance Materials	
Composites	Chopped Strands for Function Plastic Reinforcement
	Wet Chopped Strands for Building Materials
	Roving for Plastics Reinforcement
	“WizARG™” Alkali-Resistant Glass Fiber for Cement Reinforcement
	Low Dielectric Glass Fiber for Electronic
Medical Care	Glass Tubing for Pharmaceutical and Medical Use
	“LX premium” Radiation-Shielding Glass
Heat-Resistance	“Neoceram” Super Heat-Resistant Glass-Ceramics
	“StellaShine®” Super Heat-Resistant Glass-Ceramics for Cooking Appliance Top Plates
Buildings	“FireLite®” Fire-Rated Glass
	Glass Blocks
	“Neopariés®” Glass-Ceramic Building Materials
Others	Glass for Lighting Use
	Glass Engineering

Corporate Information	
Name:	Nippon Electric Glass Co., Ltd.
Head Office:	7-1, Seiran 2-chome, Otsu, Shiga 520-8639, Japan
Founded:	Dec 1, 1949
Representative	Motoharu Matsumoto, Chairman of the Board Akira Kishimoto, President
Capital:	32.1 billion JPY
Employees:	5,220 (Group total as of Dec. 31, 2025)
Business:	Production and sales of special glass products, and manufacture and sales of glass making machinery
Plants:	Otsu, Shiga-Takatsuki, Notogawa, Precision Glass Center
Sales Office:	Osaka and Tokyo
Consolidated Companies	9 in Japan 14 overseas (Malaysia, Korea, China, Taiwan, Europe, US)

## Note regarding earnings forecasts

- ◆ The forward-looking statements, including earnings forecasts, contained in these materials are based on certain assumptions deemed to be reasonable by the Company at the present moment and include risks and contingencies.
- ◆ Actual business results may differ substantially from the earnings forecasts due to a number of factors.

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**Nippon Electric Glass**