



July 29, 2019

Nippon Electric Glass Co., Ltd.
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Notice Concerning a Difference between Consolidated Earnings Forecasts and Actual Results for First Half Fiscal 2019, and Revision of Consolidated Earnings Forecasts for Fiscal 2019

Nippon Electric Glass Co., Ltd. has announced a difference between its consolidated earnings forecasts and actual consolidated financial results for the first half of fiscal 2019, and revised the consolidated earnings forecasts for fiscal 2019 announced on February 5, 2019. Details are as follows:

1. Difference between the consolidated earnings forecasts and actual consolidated financial results for the first half of fiscal 2019 (From January 1, 2019 to June 30, 2019)

(Millions of yen, except Earnings per share)

	Net Sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Previous forecasts (A)	145,000	10,000	9,000	8,000	¥82.81
Actual results (B)	133,366	9,292	8,714	5,494	¥56.88
Change (B – A)	(11,634)	(708)	(286)	(2,506)	-
Percent change (%)	(8.0)	(7.1)	(3.2)	(31.3)	-
Results for the first half of fiscal 2018	154,529	14,039	11,580	8,083	¥81.26

2. Revision of the consolidated earnings forecasts for fiscal 2019 (From January 1, 2019 to December 31, 2019)

(Millions of yen, except Earnings per share)

	Net Sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Previous forecasts (A)	305,000	25,000	22,000	18,000	¥186.33
Revised forecasts (B)	270,000	18,000	16,000	8,000	¥82.80
Change (B – A)	(35,000)	(7,000)	(6,000)	(10,000)	-
Percent change (%)	(11.5)	(28.0)	(27.3)	(55.6)	-
Results for fiscal 2018	300,326	24,865	19,832	15,199	¥154.26

3. Reasons for the difference and the revisions

For the first half of fiscal 2019, the main reason was the weakness in shipments of glass fiber from the second half of the previous fiscal year, as well as the delay in achieving improvements in profitability at the US glass fiber business subsidiary. Furthermore, a power outage at our display business subsidiary in South Korea that damaged manufacturing facilities and temporarily suspended operations caused an accident-related loss, and when the tax effects that we had previously been projecting became unobtainable, this led to an increase in income tax-related expenses. As a result, net sales and profits fell short of the previous forecasts.

For the full fiscal year, because in the second half we believe that a full-scale recovery in the glass fiber market will take more time, and because we expect the occurrence of repair costs for the manufacturing facilities damaged by the power outage at the above-mentioned subsidiary in South Korea, and the income tax-related expenses mentioned above, we have made a revision to full-year earnings forecasts.

*The above forecasts are based on information available as of the date of announcement of this release, and the actual performance may differ going forward due to various factors.