

Translation

Notice: This English version is a translation of the original Japanese document and is only for reference purposes. In the case where any differences occur between the English version and the original Japanese version, the Japanese version will prevail.

Member of the Financial Accounting Standards Foundation



MEMBERSHIP

January 27, 2011

CONSOLIDATED FINANCIAL RESULTS for the Third Quarter of the Year Ending March 31, 2011 (Unaudited) <under Japanese GAAP>

Company name: **Nippon Electric Glass Co., Ltd.**
Listing: First Section of the Tokyo Stock Exchange
First Section of the Osaka Securities Exchange
Securities identification code: 5214
URL: <http://www.neg.co.jp/>
Representative: Masayuki Arioka, President and Representative Director
Inquiries: Masami Atsuji, Director and Executive Vice President
TEL: +81-77-537-1700 (from overseas)

Scheduled date to file quarterly report: February 14, 2011
Scheduled date to commence dividend payments: -
Supplementary material on quarterly financial results: None
Quarterly financial results presentation meeting: None

(in millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance for the third quarter of the year ending March 31, 2011 (From April 1, 2010 to December 31, 2010)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

For the nine months ended	Net sales		Operating income		Ordinary income		Net income	
		%		%		%		%
December 31, 2010	299,881	27.6	98,597	57.5	96,374	68.6	58,414	65.7
December 31, 2009	235,050	(14.9)	62,587	(17.6)	57,177	(19.0)	35,259	(11.7)

For the nine months ended	Net income per share	Diluted net income per share
	yen	yen
December 31, 2010	117.43	-
December 31, 2009	70.88	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of			%	yen
December 31, 2010	696,614	458,383	65.1	912.30
March 31, 2010	646,443	406,306	62.2	808.75

Reference: Equity

As of December 31, 2010: 453,827 million yen

As of March 31, 2010: 402,327 million yen

2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	yen	yen	yen	yen	yen
For the year ended March 31, 2010	-	5.00	-	6.00	11.00
For the year ending March 31, 2011	-	6.00	-	—	—
For the year ending March 31, 2011 (Forecasts)	—	—	—	6.00 - 7.00	12.00 - 13.00

Note: Revision of the forecasts in the third quarter of the year ending March 31, 2011: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2011 (From April 1, 2010 to March 31, 2011)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
		%		%		%		%	yen
For the year ending March 31, 2011	395,000 - 405,000	18.8 - 21.8	120,000 - 126,000	21.9 - 28.0	117,000 - 123,000	28.0 - 34.5	68,000 - 74,000	23.8 - 34.7	136.69 - 148.75

Note: Revision of the forecasts in the third quarter of the year ending March 31, 2011: Yes

As detailed in the attached materials on page 5, in the section of “(2) Qualitative information regarding consolidated earnings forecasts of 1. Qualitative Information Regarding Consolidated Results for the Nine Months,” earnings forecasts are disclosed in the form of a range.

4. Others

(1) Changes in significant subsidiaries during the current quarter: None

Note: Changes in specified subsidiaries resulting in the change in scope of consolidation during the current quarter

(2) Application of simplified accounting and special accounting: Yes

Note: Application of simplified accounting and special accounting for preparing the quarterly consolidated financial statements

(3) Changes in accounting policies, procedures, and methods of presentation

A. Changes due to revisions to accounting standards: Yes

B. Changes due to other reasons: None

Note: Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements

(4) Number of issued shares (common stock)

A. Total number of issued shares at the end of the period (including treasury stock)

As of December 31, 2010	497,616,234 shares
As of March 31, 2010	497,616,234 shares

B. Number of treasury shares at the end of the period

As of December 31, 2010	162,811 shares
As of March 31, 2010	148,073 shares

C. Average number of shares during the period (cumulative from the beginning of the fiscal year)

For the nine months ended December 31, 2010	497,461,559 shares
For the nine months ended December 31, 2009	497,477,403 shares

* Indication regarding execution of quarterly review procedures

At the time of disclosure of this quarterly financial results report, the quarterly review procedures in accordance with the Financial Instruments and Exchange Act were incomplete.

* Proper use of earnings forecasts, and other special directions

The forward-looking statements, including earnings forecasts, contained in these materials are based on certain assumptions deemed to be reasonable by the Company and include risks and contingencies. Actual business results may differ substantially due to a number of factors. For more details, please refer to the section of “(2) Qualitative information regarding consolidated earnings forecasts of 1. Qualitative Information Regarding Consolidated Results for the Nine Months” in the attached materials on page 5.

Attached Materials

1. Qualitative Information Regarding Consolidated Results for the Nine Months

(1) Qualitative information regarding consolidated operating results (Nine months ended December 31, 2010)

A. Overview

In the first quarter (April 1 to June 30, 2010), strong sales and earnings were maintained against a backdrop of increased demand for glass for electronic and information devices. Sales of glass for flat panel displays (FPDs), a mainstay product, slowed down about halfway through the second quarter (July 1 to September 30, 2010) due to the effect of production adjustments carried out by customers. In the third quarter (October 1 to December 31, 2010), sales of glass for FPDs rebounded favorably reflecting a recovery in demand. Overall sales were slightly lower compared with the second quarter, and earnings were also less than the second quarter due to the cost increase from facility repairs and other factors. Performance for the nine months, however, was higher than the same period of the previous fiscal year as shown in the table below.

B. Operating results

(Billions of yen)

	Nine months ended December 31, 2009	Nine months ended December 31, 2010	Change (%)
Net sales	235.0	299.8	28
Operating income	62.5	98.5	58
Ordinary income	57.1	96.3	69
Net income	35.2	58.4	66

Note: Amounts less than 100 million yen are omitted.

(Sales by products)

Reporting segment	Category	Nine months ended December 31, 2009		Nine months ended December 31, 2010		Change	
		billions of yen	(%)	billions of yen	(%)	billions of yen	(%)
Glass Business	Glass for electronic and information devices	200.4	85	253.3	84	52.9	26
	Glass for others	34.5	15	46.5	16	12.0	35
Total		235.0	100	299.8	100	64.8	28

Notes: 1. Amounts less than 100 million yen are omitted.

2. The Company reviewed product categories for disclosure, in conformity with the "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, March 21, 2008) and the "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Guidance No.20, March 21, 2008), which became effective in the first three months ended June 30, 2010. As a result of this review, changes were made into the categories including the integration of "Glass Business" and "Other" to a single category of "Glass Business," "Glass for display devices" and "Glass for electronic devices" to "Glass for electronic and information devices," and "Glass fiber," "Building materials, heat-resistant glass, glass tubing and other products" and "Other" to "Glass for others." These new categories were also applied to the results for the nine months of the previous fiscal year.

(Net sales)

Glass for electronic and information devices:

Sales of glass for FPDs increased steadily in the first quarter. Although sales slowed down about halfway through the second quarter, a recovery was seen in the third quarter. Sales of glass related to optical products and cover glass for image sensors were strong in the first quarter, however, in the latter half of the second quarter, sales started to decrease due to the effect of production adjustments carried out by customers.

Glass for others:

Sales of glass fiber for auto parts, a mainstay product, remained strong through the first quarter to the end of the second quarter. However, in the third quarter, they decreased reflecting a weakened domestic demand. Sales of glass for building materials and heat-resistant glass were at low levels.

(Profits)

In the first quarter, the increase in sales and production of glass for FPDs and other factors contributed to profits. In the second quarter, profits were constrained due to such factors as the fall in sales, as well as the lower capacity utilization from the execution of facility repairs taking advantage of the market adjustment period, and the increase in expenses related to such repairs and depreciation costs. In the third quarter, levels of profits were lower than the second quarter, due to the implementation of facility maintenance and the continuation of a series of facility repair in order to meet the changes in the future market, including the capacity to produce thinner glass substrates. Profits for the nine months increased compared to those of the same period of the previous fiscal year, which was in the middle of the post-Lehman shock recovery period.

(2) Qualitative information regarding consolidated earnings forecasts

(Billions of yen)

	Fiscal year ended March 31, 2010	Fiscal year ending March 31, 2011	Change (%)
Net sales	332.3	395.0 – 405.0	19 – 22
Operating income	98.4	120.0 – 126.0	22 – 28
Ordinary income	91.4	117.0 – 123.0	28 – 35
Net income	54.9	68.0 – 74.0	24 – 35

Note: Amounts less than 100 million yen are omitted.

In the fourth quarter (January 1 to March 31, 2011), for glass for electronic and information devices, we expect similar levels of demand to that of the third quarter. In glass for others, while we expect a gradual recovery in the demand for glass fiber, we forecast a continued weak demand from the housing and construction-related fields for such products as glass for building materials and heat-resistant glass.

The consolidated earnings results for the fiscal year ending March 31, 2011 are expected to exceed the results of the previous fiscal year as shown in the above table.

Because conditions both in Japan and overseas surrounding the Company have been changing dramatically and at an extremely fast pace, it is difficult to accurately forecast future earnings. For this reason, the Company discloses consolidated earnings forecasts for the fiscal year ending March 31, 2011, in the form of a range. If the various factors turn out more favorable than the Company expected (plan at the beginning of the fiscal year), earnings results are expected to be close to the higher limit of the range; conversely, if the various factors deteriorate, then the earnings results are expected to be close to the lower limit of the range.

(Concerning Disclosure of Earnings Forecasts)

In addition to the disclosure of information according to the standards for timely disclosure stipulated by the stock exchanges, the Company provides earnings forecast information as described in the table below, aiming to deliver earlier and more appropriate earnings information to investors.

Disclosure schedule	Earnings forecast for current reporting period (cumulative basis) (disclosure of numerical figures)
Late June	Three months
Late September	Six months
Late December	Nine months
Late March	Full year

Note: The outlook for the next reporting period (three-month basis) will be disclosed with the quarterly financial results report, which is disclosed at the time the quarterly earnings results are announced.

The forward-looking statements, including earnings forecasts, contained in these materials are based on certain assumptions deemed to be reasonable by the Company and include risks and contingencies. Actual business results may differ substantially due to a number of factors. Factors that may impact actual business results include the economic conditions of global markets, various rules and regulations such as those concerning trade, significant fluctuation of supply and demand of products in principal markets as well as the financial situation showing extensive changes in prices on capital markets and extensive changes in exchange rates between the yen and other major currencies such as the U.S. dollar and the Euro, interest rates and rapid technological advancement. Factors not mentioned here also could have a significant impact on business results.