

Translation

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MEMBERSHIP
July 26, 2011

CONSOLIDATED FINANCIAL RESULTS for the First Quarter of the Year Ending March 31, 2012 (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
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TEL: +81-77-537-1700 (from overseas)

Scheduled date to file quarterly report: August 12, 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 first quarter of the year ending March 31, 2012 (From April 1, 2011 to June 30, 2011)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

For the three months ended	Net sales		Operating income		Ordinary income		Net income	
		%		%		%		%
June 30, 2011	95,715	(9.9)	28,003	(31.7)	27,515	(32.3)	13,688	(44.6)
June 30, 2010	106,222	69.7	40,996	296.4	40,668	404.1	24,722	-

Note: Comprehensive income:
For the three months ended June 30, 2011: 14,243 million yen [(43.2%)]
For the three months ended June 30, 2010: 25,077 million yen [—%]

For the three months ended	Net income per share	Diluted net income per share
	yen	yen
June 30, 2011	27.52	-
June 30, 2010	49.70	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of			%
June 30, 2011	702,101	479,111	67.5
March 31, 2011	692,622	468,037	66.9

Reference: Equity

As of June 30, 2011: 473,956 million yen

As of March 31, 2011: 463,709 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, 2011	-	6.00	-	7.00	13.00
For the year ending March 31, 2012	-	—	—	—	—
For the year ending March 31, 2012 (Forecasts)	—	7.00	-	7.00 - 8.00	14.00 - 15.00

Note: Revision of the forecasts most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2012 (From April 1, 2011 to March 31, 2012)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
		%		%		%		%	yen
For the six months ending September 30, 2011	185,000 - 195,000	(9.1) - (4.2)	49,500 - 54,500	(32.2) - (25.3)	47,500 - 52,500	(33.5) - (26.5)	26,500 - 29,500	(37.7) - (30.6)	53.27 - 59.30
For the year ending March 31, 2012	-	-	-	-	-	-	-	-	-

Note: Revision of the forecasts most recently announced: 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 First Three Months,” earnings forecasts for the six months ending September 30, 2011 are disclosed in the form of a range.

4. Others

- (1) **Changes in significant subsidiaries during the three months under review** (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) **Application of special accounting for preparing the quarterly consolidated financial statements:** Yes
- (3) **Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections**
- A. Changes in accounting policies due to revisions to accounting standards: None
 - B. Changes in accounting policies due to other reasons: None
 - C. Changes in accounting estimates: None
 - D. Restatement of prior period financial statements after error corrections: None

(4) **Number of issued shares (common stock)**

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

As of June 30, 2011	497,616,234 shares
As of March 31, 2011	497,616,234 shares

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

As of June 30, 2011	193,773 shares
As of March 31, 2011	166,179 shares

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

For the three months ended June 30, 2011	497,442,781 shares
For the three months ended June 30, 2010	497,465,914 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 First Three Months” in the attached materials on page 5.

Attached Materials

1. Qualitative Information Regarding Consolidated Results for the First Three Months

(1) Qualitative information regarding consolidated operating results (Three months ended June 30, 2011)

A. Overview

After experiencing a decrease in the previous quarter (January 1 to March 31, 2011), sales of glass for electronic and information devices turned to an increasing trend. However, due to lackluster demand for glass for flat panel displays (FPDs), a mainstay product, the recovery in sales was only gradual. Sales of glass for others increased on the back of strong demand for glass fiber mainly in overseas markets. As a result, although both sales and profit decreased compared to the same period of the previous fiscal year (April 1 to June 30, 2010), when demand was strong especially for glass for FPDs, performance for the three months ended June 30, 2011 was higher both in sales and profit compared to the previous quarter.

B. Operating results

(Billions of yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011	Change (%)
Net sales	106.2	95.7	(10)
Operating income	40.9	28.0	(32)
Ordinary income	40.6	27.5	(32)
Net income	24.7	13.6	(45)

Note: Amounts less than 100 million yen are omitted.

(Sales by products)

Reporting segment	Category	Three months ended June 30, 2010		Three months ended June 30, 2011		Change	
		billions of yen	(%)	billions of yen	(%)	billions of yen	(%)
Glass Business	Glass for electronic and information devices	90.3	85	77.5	81	(12.8)	(14)
	Glass for others	15.9	15	18.2	19	2.3	14
Total		106.2	100	95.7	100	(10.5)	(10)

Note: Amounts less than 100 million yen are omitted.

(Net sales)

Glass for electronic and information devices:

Sales of glass for FPDs were higher than those of the previous quarter although lower than those in the same period of the previous fiscal year, when demand for glass for FPDs was strong. While sales of glass related to optical products increased thanks to demand recovery in China and other emerging countries, sales of cover glass for image sensors decreased due to sluggish demand.

Glass for others:

Overseas sales of glass fiber, particularly those for use as automobile parts, remained strong. However, sales of glass for building materials and heat-resistant glass were flat due to the low level of demand from the housing and construction-related fields.

(Profits)

A revival in production of glass for FPDs and an improvement in the profitability of float glass related products and glass fiber contributed to a recovery in profits. As a result, although lower than the same period of the previous fiscal year, profits for this quarter was higher than the previous quarter.

(2) Qualitative information regarding consolidated earnings forecasts

(Billions of yen)

	Six months ended September 30, 2010	Six months ending September 30, 2011	Change (%)
Net sales	203.5	185.0 – 195.0	(9) – (4)
Operating income	72.9	49.5 – 54.5	(32) – (25)
Ordinary income	71.3	47.5 – 52.5	(33) – (26)
Net income	42.5	26.5 – 29.5	(38) – (31)

Note: Amounts less than 100 million yen are omitted.

In the second quarter (July 1 to September 30, 2011), for glass for electronic and information devices, we expect it will still be a while before a full demand recovery. In glass for others, while we expect a stable demand for glass fiber, we forecast a continued weak demand from the housing and construction-related fields.

The consolidated earnings results for the first six months, which consist of the earnings results for the first quarter and the forecasts above, is expected to be lower when compared year on year. 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 six months ending September 30, 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), earning results are expected to be close to the higher limit of the range; conversely, if the various factors deteriorate, then the earning 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.