

Notice of the 91st Ordinary General Meeting of Shareholders

Dear Shareholders,

Please be advised that the 91st Ordinary General Meeting of Shareholders will be held as follows, and we would be grateful if you could attend the meeting.

If you are unable to attend the meeting in person, you are entitled to vote by mail or via the Internet, etc. In this case, we cordially request that you review the attached Reference Document for the Ordinary General Meeting of Shareholders and exercise your voting rights in accordance with the “Information on shareholders’ exercise of voting rights”.

Yours faithfully,
Tetsuji Mori, Chairman of the Board
Nippon Electric Glass Co., Ltd.
7-1, Seiran 2-chome, Otsu, Shiga, Japan

- 1. Date and Time:** Tuesday, June 29, 2010, from 10:00 a.m.
2. Venue: Conference Room at the Head Office of the Company
7-1, Seiran 2-chome, Otsu, Shiga, Japan

3. Meeting Agenda:

Reporting:

1. Business report, consolidated financial statements and results of audits of consolidated financial statements by Independent Auditors and the Board of Corporate Auditors for the 91st fiscal year (from April 1, 2009 to March 31, 2010)
2. Non-consolidated financial statements for the 91st fiscal year (from April 1, 2009 to March 31, 2010)

Proposals:

- Proposal 1:** Distribution of Surplus
Proposal 2: Partial Amendments of the Articles of Incorporation
Proposal 3: Election of Eight (8) Directors
Proposal 4: Election of One (1) Corporate Auditor
Proposal 5: Election of One (1) Substitute Corporate Auditor
Proposal 6: Payment of Bonuses to Directors
Proposal 7: Revision of Remunerations for Corporate Auditors

4. Handling the exercising of voting rights

- (1) If you exercise your voting rights twice through voting by mail and via the Internet, etc., we will deem the vote cast via the Internet, etc. to be the effective one.
- (2) If you exercise your voting rights more than once via the Internet, etc., we will deem the last vote cast to be the effective one.

* Any revisions in Reference Document for the Ordinary General Meeting of Shareholders, business report, non-consolidated financial statements and consolidated financial statements will be disclosed on the Company’s website (<http://www.neg.co.jp/JP/ir/>).

Business Report for the 91st Fiscal Year

Period from April 1, 2009
to March 31, 2010

1. Status of Corporate Group

(1) Progress and results of operations

Overall trend

Thanks to the positive effects from economic stimulus measures by governments around the world to counter the devastating post-Lehman Shock recession, in Asia, China's economy recovered mostly on domestic demand. Meanwhile, in America and Europe, the U.S. economy crept up slightly while Europe's bottomed out, however, conditions overall continue to be stringent.

In Japan, there was an increase in exports to Asia, in particular, while personal consumption showed a tendency of recovery. Nevertheless, capital investment and housing investment remained sluggish and corporate earnings and the employment situation continued to be severe. Against the backdrop of such circumstances, the Company and its consolidated subsidiaries ("the Group") saw a steady recovery in the sales of glass for flat panel displays (FPDs), as a result of a recovery in demand in our customer industry. In the other business sector, glass fiber and other products enjoyed a recovery in sales, however, overall increases were modest at best.

Consolidated results of operations for the fiscal year under review

	90th Fiscal Year (April 2008 to March 2009)	91st Fiscal Year (April 2009 to March 2010)	Increase or decrease
	Millions of yen	Millions of yen	%
Net sales	335,662	332,387	(1.0)
Operating income	76,416	98,426	28.8
Ordinary income	64,319	91,419	42.1
Net income	21,831	54,926	151.6

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As sales followed a course of recovery from the bottom level in the fourth quarter of the previous fiscal year (January 1 to March 31, 2009), net sales were roughly the same year on year.

Profits increased year on year as profitability improved every quarter as a result of the sales recovery of glass for FPDs along with an increase of utilization and effects from productivity improvements and so on. A loss on retirement of noncurrent assets arising from the reorganization of assets and a loss on liquidation of affiliates related to the dissolution of a subsidiary in China were recognized and recorded in extraordinary loss.

Sales by business category are as follows:

Category			90th Fiscal Year (April 2008 to March 2009)		91st Fiscal Year (April 2009 to March 2010)		Increase or decrease	
			Net sales	Breakdown	Net sales	Breakdown	Amount	Percentage
Glass Business	Information and Communications	Glass for Display Devices	Millions of yen 262,514	% 78.2	Millions of yen 272,051	% 81.9	Millions of yen 9,537	% 3.6
		Glass for Electronic Devices	11,649	3.5	11,726	3.5	77	0.7
		Subtotal	274,164	81.7	283,777	85.4	9,613	3.5
	Other Products	Glass Fiber	29,615	8.8	22,659	6.8	(6,956)	(23.5)
		Building Materials, Heat-Resistant Glass, Glass Tubing and Other Products	30,455	9.1	24,831	7.5	(5,624)	(18.5)
		Subtotal	60,070	17.9	47,491	14.3	(12,579)	(20.9)
	Total Glass Business		334,234	99.6	331,269	99.7	(2,965)	(0.9)
	Other		1,427	0.4	1,118	0.3	(309)	(21.7)
	Total		335,662	100	332,387	100	(3,275)	(1.0)

Information and Communications

Glass for display devices

While sales of glass for FPDs recovered, those of glass for CRTs declined with the shrinking of the market.

Glass for electronic devices

Sales of glass for electronic devices were back on a recovery track, centering on glass for optical communications-related devices and cover glass for image sensors.

As a result, sales in the Information and Communications sector amounted to ¥283,777 million, a year-on-year increase of 3.5%.

Other Products

Glass fiber

While sales of glass fiber decreased year-on-year, sales of the mainstay glass fiber used in auto parts rebounded steadily.

Building materials, heat-resistant glass, glass tubing and other products

Sales were down as a result of the slowdown in the housing construction demand both in Japan and overseas.

Consequently, sales in the Other Products sector amounted to ¥47,491 million, a year-on-year decrease of 20.9%.

(2) Capital investment

The Group's capital investment amounted to ¥93,079 million in the fiscal year under review.

In the Information and Communications sector, capital investment totaled ¥89,309 million, primarily for boosting production capacity for FPD glass.

In the Other Products sector, capital investment was ¥3,768 million, mainly for improving productivity and enhancing production capacity etc.

(3) Fund procurement status

Funds required in the fiscal year under review were the plant and equipment fund, bond retirement fund and working capital, which the Company financed with its own funds, issuance of bonds and borrowings, etc. Funds required by consolidated subsidiaries were obtained through loans within the Group, in line with the policy of reducing interest-bearing consolidated debt.

Aiming at efficient and flexible fund-raising, the Company has entered into a commitment line agreement for a total amount of ¥25 billion with financial institutions in Japan.

An outline of the above-mentioned bonds is listed in the table below.

Category	Total amount of issue	Interest rate (p.a.)	Date of issue	Redemption date
Fifth Series Unsecured Bond	¥10 billion	0.678%	December 10, 2009	December 10, 2014
Sixth Series Unsecured Bond	¥10 billion	0.996%	December 10, 2009	December 9, 2016

(4) Main creditors (as of March 31, 2010)

Creditor	Amount
Sumitomo Mitsui Banking Corporation	¥14.6 billion
The Sumitomo Trust and Banking Co., Ltd.	¥13.1 billion
Shiga Bank, Ltd.	¥9.5 billion

(5) Issues to be addressed

[Basic management policy]

Under the corporate philosophy of “contributing to the welfare and prosperity of society by means of creating high-technology glass in harmony with the environment”, the Company broadly develops and produces the various kinds of high-tech glass products that society and technological development demand and supplies the products to world markets.

The Group has seen significant changes in its environment, including not only severe competition between companies worldwide but also demands for higher quality and sophistication of technology. The Group’s basic management policy is to ensure the continuation and development of business in the future by establishing a solid management strength and base and while promptly and appropriately coping with the above-mentioned changes and striving to increase corporate value by meeting its social responsibilities as a company, setting compliance as well as environmental conservation, promotion of employment of people with disabilities and contribution to local communities as major themes.

[Medium and long term management strategies of the Company]

- 1) Enhancement of the core business, establishment of a well-balanced business structure, and promotion of businesses for the next generation

The Company will strive to develop technological capabilities, enhance production/supply capabilities, and improve profitability, positioning the field of glass for display devices represented by glass for FPDs as its core business.

At the same time, the Company will place importance on expanding businesses in fields of glass other than for display devices, such as glass for electronic devices, glass fiber, and heat-resistant glass with the aim of establishing a well-balanced business structure in order to avoid excessive reliance on a single business field and achieve stable corporate growth.

In addition, the Company will strive for active business development in next-generation display devices, energy, new-type lighting and other fields that are expected to grow, making full use of various technologies including not only those related to supersized or ultrathin sheet glass but also thin filming, crystallization, high-precision processing, and composition, based on a broad range of core technologies (such as material design, processing, and appraisal).

2) Improvement of management/financial strength

The Company will aim to have solid management/financial strength resistant to changes in business environment through pursuit of further efficiency in its overall management and cash flow centric management.

[Issues to be addressed]

(Expansion of production capacity and earnings improvement in the FPD glass field)

We expect demand for glass for FPDs to remain strong in the next fiscal year. We will smoothly start up the new facilities, which launched operations this spring, and raise their production capacity to the fullest. In addition, we will increase the supply capacity of existing facilities through improving productivity and increasing production yield to enhance our profitability while responding to the future expansion of demand.

(Cash flow centric business management)

The Company will ensure production output corresponds to the demand trends and focus on optimizing inventories and cutting expenses while conducting a cash-flow centric business management model.

(Reduction of interest-bearing debt)

During the fiscal year under review, the Company strived to reduce interest-bearing debts to decrease cash reserves, which it had increased to prepare for rapid changes in the business environment, to an ordinary level. As a result, the ratio of interest-bearing debt to net sales as of the end of the fiscal year under review decreased 8.7 percentage points to 30.0% from the end of the previous period. The Company will continue working to reduce interest-bearing debts.

(6) Changes in assets and profit/loss

(Yen)

Item	88th Fiscal Year (April 2006 to March 2007)	89th Fiscal Year (April 2007 to March 2008)	90th Fiscal Year (April 2008 to March 2009)	91st Fiscal Year (April 2009 to March 2010)
Net sales	336,410 million	368,267 million	335,662 million	332,387 million
Operating income	84,585 million	100,882 million	76,416 million	98,426 million
Ordinary income	81,425 million	96,942 million	64,319 million	91,419 million
Net income	40,358 million	50,668 million	21,831 million	54,926 million
Net income per share	126.55	105.29	43.89	110.41
Total assets	519,707 million	588,030 million	588,413 million	646,443 million
Net assets	276,555 million	347,785 million	352,744 million	406,306 million
Net assets per share	852.83	691.27	701.62	808.75

Note: The Company completed a 1.5-for-1 split of its common stock effective April 1, 2007.

(7) Important subsidiaries (as of March 31, 2010)

1) Status of important subsidiaries

Company name	Capital stock	Investment stake of the Company	Description of main business
Nippon Electric Glass (Malaysia) Sdn. Bhd.	M\$ 358 million	100%	Production and sale of glass fiber, glass for display devices, and heat-resistant glass
Nippon Electric Glass (Korea) Co., Ltd.	KRW 5,000 million	100%	Processing and sale of glass for display devices
Nippon Electric Glass Taiwan Co., Ltd.	TW\$ 210 million	100%	Processing and sale of glass for display devices
Paju Electric Glass Co., Ltd.	KRW 36,000 million	60.0%	Processing and sale of glass for display devices

Note 1: The Company passed a resolution to dissolve Nippon Electric Glass (Fujian) Co., Ltd. in June 2009. We excluded the company from the above table as it had been in the course of liquidation and ceased to be of importance from an accounting perspective.

Note 2: The total number of consolidated subsidiaries as of the end of the consolidated fiscal year under review is 22 including the above four important subsidiaries.

2) Status of important affiliates

NEC Corporation sold 64,828 thousand shares of the Company it had been holding in February 2010, and the voting rights of the all shareholders of the Company in effect held by NEC Corporation decreased to 11.3% from 24.4% including indirect ownership. Accordingly, the Company is no longer an affiliate of NEC Corporation.

(8) Description of main businesses (as of March 31, 2010)

The Group mainly produces and sells special glass products including glass for the information and communications industries, as well as glass making machinery.

Category		Main products
Information and Communications	Glass for Display Devices	Glass for Flat Panel Displays (FPD) Glass for Liquid Crystal Displays (LCD) Substrate Glass Tubes for Backlight Lamps Glass for Plasma Display Panels (PDP) Substrate Glass Glass Paste Glass for Cathode Ray Tubes (CRT)
	Glass for Electronic Devices	Glass for Optical Devices Capillary Ferrule Equipped with Optical Fiber Parts for Spherical Lenses “Micro Preform” Glass Materials for Aspherical Lenses Glass for Electronic Devices Powdered Glass Sheet Glass Glass Tube
Other Products	Glass Fiber	Chopped Strands for Function Plastic Yarns for Printed Circuit Boards Roving Glass for Reinforced Plastics Alkali-Resistant Glass Fiber
	Building Materials, Heat-Resistant Glass, Glass Tubing and Other Products	Glass for Building Materials Glass Blocks “Neoparies”, “Lapie” Glass Ceramics Building Materials “FireLite” Fire Rated Glass Radiation-Shielding Glass Glass for Interiors/Exteriors
		Heat-Resistant Glass “Neoceram” Super Heat-Resistant Glass Ceramic “Neorex” Heat-Resistant Glass
		Glass for Lighting Use Glass for Ampules, Vials, and Laboratory Use Glass for Thermos Flasks Glass Making Machinery

(9) Main sales offices and factories (as of March 31, 2010)

1) The Company

Name	Location
Head Office	Otsu, Shiga
Osaka Office & Sales Headquarters	Yodogawa-ku, Osaka
Tokyo Office & Sales Headquarters	Minato-ku, Tokyo
Otsu Factory	Otsu, Shiga
Fujisawa Factory	Fujisawa, Kanagawa
Shiga-Takatsuki Factory	Nagahama, Shiga
Notogawa Factory	Higashiomi, Shiga
Wakasa-Kaminaka Factory	Mikata-Kaminaka-gun, Fukui
Precision Glass Processing Center	Kusatsu, Shiga

2) Subsidiaries

Company name	Location
Nippon Electric Glass (Malaysia) Sdn. Bhd.	Selangor, Malaysia
Nippon Electric Glass (Korea) Co., Ltd.	Kyong-buk, Korea
Nippon Electric Glass Taiwan Co., Ltd.	Taichung County, Taiwan
Paju Electric Glass Co., Ltd.	Gyeonggi-do, Korea

(10) Status of employees (as of March 31, 2010)

Category		Number of employees (change from previous fiscal year)
Glass Business	Information and Communications	3,852 (Increase of 33)
	Other Products	1,039 (Increase of 10)
	Total Glass Business	4,891 (Increase of 43)
Other	—	26 (Decrease of 4)
Administration Departments		80 (Increase of 11)
Total		4,997 (Increase of 50)

Note 1: The number of employees represents the number of working employees.

Note 2: The number of employees of the Company is 1,866 (decrease of 52 compared with the previous fiscal year.)

2. Matters related to shares of the Company (As of March 31, 2010)**(1) Total number of shares authorized to be issued:** 1,200,000,000 shares**(2) Total number of shares issued:** 497,616,234 shares

Note: Total number of shares issued includes 148,073 shares of treasury stock.

(3) Number of shareholders 14,039**(4) Major shareholders (Top 10 shareholders)**

Name	Number of shares held (Thousands of shares)	Ratio of shareholding
Japan Trustee Services Bank, Ltd. (Sumitomo Trust & Banking Sai-Shintaku (“Re-Trust”)/NEC Corporation Employee Pension Trust Account)	55,780	11.2%
Japan Trustee Services Bank, Ltd. (Trust account)	34,678	7.0%
The Master Trust Bank of Japan, Ltd. (Trust account)	25,341	5.1%
JP MORGAN CHASE BANK 380055	22,231	4.5%
NIPRO CORPORATION	17,824	3.6%
CHASE MANHATTAN BANK GTS CLIENTS ACCOUNT ESCROW	9,913	2.0%
STATE STREET BANK AND TRUST COMPANY	9,460	1.9%
THE CHASE MANHATTAN BANK, N.A. LONDON SECS LENDING OMNIBUS ACCOUNT	9,224	1.9%
Shiga Bank, Ltd.	8,089	1.6%
Nippon Life Insurance Company	7,312	1.5%

Note 1: The ratio of shareholding is calculated by excluding treasury stock (148,073 shares).

Note 2: The shares (55,780 thousand shares) held by Japan Trustee Services Bank, Ltd. (Sumitomo Trust & Banking Sai-Shintaku (“Re-Trust”) / NEC Corporation Employee Pension Trust Account) are the Company’s shares held by NEC Corporation and contributed to the Employee Pension Trust Account. The authority to give instructions on the exercise of voting rights for these shares is held by NEC Corporation.

NEC Corporation holds 56,244 thousand shares of the Company including the above-mentioned contributions to the Employee Pension Trust Account and indirectly-held shares, and is a major shareholder of the Company with the ratio of shareholding of 11.3%.

3. Matters related to Directors and Corporate Auditors of the Company**(1) Names, etc. of Directors and Corporate Auditors (as of March 31, 2010)**

Name	Position in the Company	Assignment of work and significant concurrent positions
Tetsuji Mori	Chairman of the Board (Representative Director)	
Yuzo Izutsu	Vice Chairman (Representative Director)	
Masayuki Arioka	President (Representative Director)	CEO [In charge of Auditing]
Hiroshi Kato	Director	Executive Vice President [Supervising: Electronic Products Business, Environmental Management] [In charge of Thin Films Business] Group General Manager, Electronic Products Group Representative Director, Dong Yang Electronic Glass Co., Ltd.
Katsumi Inada	Director	Executive Vice President [Supervising: Consumer Glass Business, Glass Fiber Business and Building Materials Business] Group General Manager, Glass Fiber Products Group
Masami Atsuji	Director	Executive Vice President [Supervising: Accounting] [In charge of Administrative and Purchasing]
Shigeru Yamamoto	Director	Senior Vice President [Supervising: Patent] [In charge of Technical, Advanced Materials & Technology, Research & Development and New Products,] President, Nippon Electric Glass Technical Information Center Co., Ltd.
Koichi Inamasu	Director	Senior Vice President [Supervising: CRT Glass Business, PDP Glass Plate Business] Group General Manager, CRT Glass Group Group General Manager, PDP Glass Plate Group Chairman, Nippon Electric Glass (Malaysia) Sdn. Bhd.
Shuji Ito	Director	Senior Vice President [In charge of Environmental Management, Furnace Design & Engineering, Engineering and Plant Engineering]

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Name	Position in the Company	Assignment of work and significant concurrent positions
Masanori Yokota	Director	Senior Vice President [Supervising: LCD Glass Business] Group General Manager, LCD Glass Business
Hitoshi Yasuda	Full-time Corporate Auditor	
Nobuhiro Miyamoto	Full-time Corporate Auditor	
Takuro Takeuchi	Corporate Auditor	Attorney at Law, Takeuchi Law Office
Fujio Okada	Corporate Auditor	Associate Senior Vice President, NEC Corporation

Note 1: Corporate Auditors Mr. Takuro Takeuchi and Mr. Fujio Okada are Outside Corporate Auditors.

Note 2: Corporate Auditor Mr. Takuro Takeuchi is an Independent Corporate Auditor notified pursuant to the provisions of the Financial Instruments Exchange.

Note 3: The Company has adopted Executive Officer System. "Supervising" and "In charge" in the Brief Personal Profile in the "Assignment of work and significant concurrent positions" indicate work assignments of Executive Officers. As of March 31, 2010, there are 12 Executive Officers who are not Directors.

Note 4: Effective April 1, 2010, "Assignment of work and significant concurrent positions" of Directors Mr. Hiroshi Kato, Mr. Shuji Ito and Corporate Auditor Mr. Fujio Okada are changed as follows:

Name	Position in the Company	Assignment of work and significant concurrent positions
Hiroshi Kato	Director	Executive Vice President [Supervising: Electronic Products Business and Thin Films Business] Representative Director, Dong Yang Electronic Glass Co., Ltd.
Shuji Ito	Director	Executive Vice President [In charge of Environmental Management, Furnace Design & Engineering, Engineering and Plant Engineering]
Fujio Okada	Corporate Auditor	Senior Vice President, NEC Corporation

(2) The amount of remuneration for Directors and Corporate Auditors

Category	Number	Total amount of remuneration
Director	10	¥453 million
Corporate Auditor (of which, Outside Corporate Auditor)	4 (2)	¥54 million (¥9 million)
Total	14	¥507 million

Note: The total amount of remuneration for Directors includes a bonus to Directors of ¥148 million, which is to be resolved at the 91st Ordinary General Meeting of Shareholders scheduled to be held on June 29, 2010.

(3) Matters related to Outside Corporate Auditors

1) Concurrent position of Outside Corporate Auditors for other companies (as of March 31, 2010)

Category	Name	Significant concurrent positions
Corporate Auditor	Takuro Takeuchi	Attorney at Law, Takeuchi Law Office
Corporate Auditor	Fujio Okada	Associate Senior Vice President, NEC Corporation

Note 1: There is no special relationship between the Company and Takeuchi Law Office.

Note 2: Corporate Auditor Mr. Fujio Okada assumed the post of Senior Vice President of NEC Corporation effective April 1, 2010.

Note 3: NEC Corporation is a major shareholder of the Company. NEC Corporation sells computer and communication devices and provides maintenance and communication service, etc. to the Company.

2) Main activities during the fiscal year under review

Category	Name	Status of main activities
Corporate Auditor	Takuro Takeuchi	Mr. Takuro Takeuchi attended all 13 Board of Directors Meetings and all 13 Board of Corporate Auditors Meetings held during the fiscal year under review, and made inquiries and expressed opinions where appropriate, mainly from the expert viewpoint of an Attorney at Law.
Corporate Auditor	Fujio Okada	Mr. Fujio Okada attended 11 of the 13 Board of Directors Meetings and 12 of the 13 Board of Corporate Auditors Meeting held during the fiscal year under review, and made inquiries and expressed opinions where appropriate, mainly from the viewpoint of an expert in corporate legal affairs.

3) Outline of the liability limitation agreement

The Company has concluded a liability limitation agreement with each of the Outside Corporate Auditors. This agreement specifies that, in compliance with Article 427, Paragraph 1 of the Corporation Law, when Outside Corporate Auditors bear liability for damage against the Company as stipulated in Article 423, Paragraph 1 of the Corporation Law, the relevant liability for damages shall be limited to the minimum liability for damages as stipulated in Article 425, Paragraph 1 of the Corporation Law, provided that said persons execute their

duties as Outside Corporate Auditors of the Company unintentionally and without gross negligence.

4. Status of Independent Auditor

(1) Name of Independent Auditor

KPMG AZSA & Co.

(2) Amount of remuneration for Independent Auditor in the fiscal year under review

	Amount paid
Amount of remuneration for auditing service stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Law	¥68 million
Total amount of money and other property benefits that must be paid by the Company and its subsidiaries	¥69 million

Note 1: In the auditing contract between the Company and the Independent Auditor, the amount of remuneration for auditing in compliance with the Corporation Law, the amount of remuneration regarding the audit of the English version of the consolidated financial statements and the amount of remuneration for auditing in compliance with the Financial Instruments and Exchange Act have not been separated distinctly, nor can they be separated in essence. Accordingly, the above amount indicates the total of these amounts.

Note 2: Four important subsidiaries of the Company listed in “(7) Important subsidiaries” in “1. Status of Corporate Group” are audited by Independent Auditors other than the said Independent Auditor of the Company.

(3) Details of non-audit operations

The Company pays compensation to the Independent Auditor for preparing comfort letters related to the issuance of straight bonds, in addition to paying remuneration for auditing service stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Law as stated above.

(4) Policy on decision to dismiss or not reappoint Independent Auditor

In cases where an Independent Auditor is considered to fall under any section of Article 340, Paragraph 1 of the Corporation Law, the Board of Corporate Auditors may dismiss said Independent Auditor upon unanimous consent of the Corporate Auditors.

In cases in which it is considered difficult for an Independent Auditor to execute its duties appropriately, as well as for reasons of the Company, the Board of Directors may propose the agenda concerning dismissal or non-reappointment of the Independent Auditor with approval of, or by demand of, the Board of Corporate Auditors.

5. Systems to ensure execution of duties by Directors complying with laws and regulations and the Articles of Incorporation and other systems to ensure the appropriateness of operations of stock companies

(1) Systems to ensure that the execution of duties by Directors and employees shall comply with laws and regulations and the Articles of Incorporation

The Company has established the Compliance Committee as a specialized body that continuously ensures compliance with laws and regulations as well as corporate ethics within the Group, and the committee shall implement the following: 1) planning of revision of “Corporate Philosophy”, “The Group Code of Conduct” and “Principles of Activities,” and planning, preparing and implementing various measures to disseminate them throughout the Group companies; 2) collecting and analyzing information about compliance including movement of social conditions, relevant laws and regulations at home and abroad, and providing training; and 3) operating an Internal Reporting System (Liaison Offices: Compliance Committee and a law firm). The details of these implemented actions shall be regularly reported to the Board of Directors and the Corporate Auditors.

The Internal Auditing Department (the Auditing Division) shall implement internal auditing of each division and Group companies from an independent position based on internal auditing regulations and the auditing plan, and shall report the status of implementation to the President as necessary.

(2) Systems for storage and management of information related to execution of duties by Directors

Documents concerning execution of duties by Directors (approval documents and other decision-making documents, minutes of meetings, etc.) shall be kept and managed appropriately in compliance with laws and regulations as well as rules and guidelines set by the Company.

(3) Regulations and other systems concerning loss and risk management

Risks of businesses of the Company which it recognizes as important (such as compliance, finance, environment, disaster, control of trade, information management, quality, safety and health) shall be overseen by the responsible departments or by specialized committees through means such as establishing regulations and guidelines, providing training and preparing manuals as the need arises. As for risks that have newly arisen, the CEO will promptly determine the personnel responsible for them and implement countermeasures.

Issues of particular importance to management shall be discussed at and reported to the Management Conference and the Board of Directors Meeting.

(4) Systems to ensure efficient execution of duties by Directors

The Company has introduced the Executive Officer System and business division system approach in order to clarify management targets and efficiently operate businesses, and will set an annual budget (business plan) by business division and on a company-wide basis at the Board of Directors Meeting. In addition, the Company shall manage earnings on a monthly basis and discuss and examine important management issues from various perspectives at the Board of Directors Meeting, Management Conference and meetings of business divisions.

In order to make sure that necessary information is conveyed to interested parties on a timely basis, information technology such as electronic approval systems is utilized.

(5) Systems to ensure the appropriateness of operations of the Group comprising the Company and its subsidiaries

The Company shall establish and ensure compliance with the “The Group Code of Conduct” and the “Principle of Activities”, which will be the standards for judgment and behavior of Directors and employees of the Group, and will also operate the Internal Reporting System.

Furthermore, to ensure the appropriateness of the Group’s financial reporting, the Company and its Group companies shall improve and operate the necessary organizational systems and the Internal Auditing Department (the Auditing Division) shall evaluate the validity of such systems.

Besides the above actions, the Company shall keep track of and solve management issues of subsidiaries as deemed appropriate, by means such as dispatching Directors to subsidiaries and having the administration departments of the Head Office or relevant business divisions exchange information regularly with subsidiaries. The top management of the Company and subsidiaries shall hold meetings to improve management efficiency as the need arises.

(6) Matters related to employees assigned to assist Corporate Auditors in their duties and independence of such employees from Directors in the event Corporate Auditors’ request such employees

Employees who belong to the Administrative Division shall assist the duties of Corporate Auditors as the need arises. In the meantime, opinions of Corporate Auditors concerning transfer, etc. of such employees shall be respected.

(7) Systems for Directors and Employees to report to Corporate Auditors, and other systems concerning reporting to Corporate Auditors

Directors and employees shall report without delay before or after the fact on matters that would have an important influence on the Company and the Group. In addition, responsible personnel shall report the status of operation of the Internal Reporting System and the status of implementation of internal auditing as deemed appropriate.

Directors and employees shall report promptly when requested by the Board of Corporate Auditors.

(8) Other systems to ensure that auditing by Corporate Auditors will be performed effectively.

The Corporate Auditors shall exchange opinions with the Representative Director, Independent Auditor and the Auditing Division as deemed appropriate.

6. Basic policy on control of publicly-traded companies

(1) Overview of the basic policy on the nature of entities that control decisions on financial and business policies of the Company

Considering that the shares of the Company, being a publicly-traded company, are traded freely in the market, the Company believes that the nature of entities that control the Company should ultimately be left to the decision of its shareholders. Having said that, we think that it is important for our shareholders in making a decision on whether or not to accept a large-scale purchase of the Company's shares (hereinafter, referred to as the Large-Scale Purchase of the Company's Shares) to be provided sufficient information from the entities that are attempting to execute such Large-Scale Purchase of the Company's Shares (hereinafter, referred to as Large-Scale Purchasers), and for the Board of Directors to make an assessment and review of such information and to provide the result and its opinion to our shareholders.

We believe that the nature of entities that control decisions on financial and business policies of the Company should be those entities which adequately understand the Company's management philosophy, characteristics of its businesses, various sources of corporate value and relationship with its stakeholders, and secure and enhance the common interest of the shareholders and corporate value of the Company in the medium and long terms.

(2) Overview of specific efforts

1) Special efforts that contribute to effective utilization of assets of the Company, formation of appropriate corporate group and achievement of other basic policies

The Company is engaged in the business of manufacturing and selling special glass and high technology glass. A large portion of the Company's sales depends on transactions with specific customers, and we must place emphasis on close business relationships with these customers in proceeding with management in order to continuously improve our corporate value.

By taking full advantage of the expertise, technology and know-how related to special glass and high-tech glass which it has accumulated over half a century, strong relationships with business partners and a good labor-management relationship, the Company is investing management resources intensively in growth fields, increasing profitability, building a well-balanced business structure and promoting proactive R&D activities. This is in an effort to secure and enhance the common interest of the shareholders and corporate value.

2) Measures to prevent decisions on the financial and business policies of the Company from being controlled by entities deemed inadequate in view of basic policy

When the Large-Scale Purchase is being executed to increase the ratio of voting rights of holders of its stocks or such like (hereinafter, referred to as the Special Shareholders Group) to 20% or above, or resulting in the ratio of voting rights of the Special Shareholders Group going to 20% or above, the Company will introduce the Large-Scale Purchase Rules to ensure sufficient provision of information and time required for making a decision for the shareholders and has established the Response Policy for the cases where the Large-Scale Purchase Rules are observed or not observed.

The Board of Directors of the Company shall require Large-Scale Purchasers to provide adequate information and set a certain period for assessment and review by the Board of Directors of the Company after receiving the pertinent information. When the Large-Scale

Purchase Rules are not observed by Large-Scale Purchasers or when the Board of Directors of the Company judges the Large-Scale Purchase to significantly damage the common interest of the shareholders and corporate value of the Company and the Special Committee, which is comprised of outside experts, makes a recommendation to permit implementation of countermeasures such as allocating stock acquisition rights, free of charge, such countermeasures may be put into action by the resolution of the Board of Directors (General Meeting of Shareholders may be convened by the decision of the Board of Directors of the Company in order to confirm the intention of the shareholders.) The Large-Scale Purchase shall be commenced only after the assessment and review period or the closing of General Meeting of Shareholders. Meanwhile, the relevant information will be disclosed when deemed appropriate.

(3) The decision of the Board of Directors of the Company and the reason thereof concerning the appropriateness of measures as described above in (2) are in line with the basic policy and will not impair the common interest of shareholders and therefore the corporate value of the Company, nor will they be implemented for the purpose of maintaining the positions of directors of the Company

- The measures satisfy three principles set forth in the “Guidelines for Defense against Acquisition for Securing or Improvement of Corporate Value and Common Interest of Shareholders” announced on May 27, 2005 by the Ministry of Economy, Trade and Industry and the Ministry of Justice and take into consideration the “Takeover Defense Measures in Light of Recent Environmental Changes” issued on June 30, 2008 by the Corporate Value Study Group.
- The measures are introduced to secure and improve the common interest of the shareholders, by securing the information and time necessary for the shareholders to determine whether or not the relevant Large-Scale Purchase is appropriate and by enabling negotiations for the benefit of the shareholders.
- The Ordinary General Meeting of Shareholders of the Company held in 2009 has approved continuous introduction of the Response Policy with the effective period set at the closing of the Ordinary General Meeting of Shareholders of the Company to be held in 2012, and the Response Policy can be abolished at the General Meeting of Shareholders of the Company.
- The Special Committee has been established to ensure appropriate implementation and fairness of the Large-Scale Purchase Rules with importance placed on its decisions, and a system for ensuring elimination of arbitrary implementation of the Response Policy has been established.

The above-mentioned basic policy on control of publicly-traded companies is an overview. For details of the Response Policy, please refer to the “Continuation of the Response Policy (Countermeasures against acquisition) regarding Large-Scale Purchase of the Company’s Shares” (disclosure documents dated April 27, 2009) on the Company’s website (<http://www.neg.co.jp/>).

Note: Figures and the number of shares in this business report are rounded down to the nearest unit.

Consolidated Balance Sheet

(As of March 31, 2010)

(Millions of yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
<u>Current assets</u>	228,625	<u>Current liabilities</u>	153,873
Cash and cash equivalents	98,081	Notes and accounts payable-trade	37,945
Notes and accounts receivable-trade	80,037	Short-term loans payable	39,546
Merchandise and finished goods	21,126	Accrued income taxes	34,134
Work in process	1,827	Other reserves	199
Raw materials and supplies	13,981	Others	42,047
Deferred tax assets	10,510	<u>Non-current liabilities</u>	86,262
Others	3,705	Bonds	20,000
Allowance for doubtful accounts	(644)	Long-term loans payable	37,280
<u>Fixed assets</u>	417,818	Reserve for special repairs	26,887
<u>Tangible fixed assets</u>	385,169	Other reserves	1,839
Buildings and structures	56,359	Others	255
Machinery, equipment and vehicles	285,506	<u>Total Liabilities</u>	240,136
Land	14,090	(Net Assets)	
Construction in progress	26,542	<u>Shareholders' equity</u>	406,314
Others	2,670	Common stock	32,155
<u>Intangible fixed assets</u>	715	Capital surplus	34,357
<u>Investments and other assets</u>	31,933	Retained earnings	340,013
Investment securities	17,937	Treasury stock	(212)
Deferred tax assets	12,889	<u>Valuation and translation adjustments</u>	(3,987)
Others	1,395	Net unrealized gain on other securities	3,897
Allowance for doubtful accounts	(288)	Deferred gains or losses on hedges	(45)
		Foreign currency translation adjustments	(7,839)
		<u>Minority interests</u>	3,979
		<u>Total Net Assets</u>	406,306
<u>Total Assets</u>	646,443	<u>Total Liabilities and Net Assets</u>	646,443

Note: Amounts less than ¥1 million are omitted.

Consolidated Statement of Income

(From April 1, 2009 to March 31, 2010)

(Millions of yen)

Item	Amount	
Net sales		332,387
Cost of sales		213,357
Gross profit		119,029
Selling, general and administrative expenses		20,603
Operating income		98,426
Non-operating income		
Interest and dividend income	1,350	
Others	759	2,109
Non-operating expenses		
Interest expenses	1,570	
Loss on disposal of property, plant and equipment	2,012	
Depreciation of inactive property, plant and equipment	2,737	
Loss on spoiled work	1,048	
Others	1,747	9,116
Ordinary income		91,419
Extraordinary income		
Gain on prior period adjustment	142	
Gain on sales of fixed assets	251	
Others	9	403
Extraordinary loss		
Loss on disposal of property, plant and equipment	2,741	
Impairment loss	949	
Loss on liquidation of affiliates	1,367	
Others	227	5,285
Income before income taxes		86,536
Income taxes-current	40,867	
Income taxes-deferred	(9,525)	31,342
Minority interests		268
Net income		54,926

Note: Amounts less than ¥1 million are omitted.

Consolidated Statement of Changes in Shareholders' Equity

(From April 1, 2009 to March 31, 2010)

(Millions of yen)

Item	Amount
Shareholders' equity	
Common stock	
Beginning balance	32,155
Change during the current fiscal year	
Total change during the current fiscal year	-
Ending balance	32,155
Capital surplus	
Beginning balance	34,358
Change during the current fiscal year	
Disposition of treasury stock	(0)
Total change during the current fiscal year	(0)
Ending balance	34,357
Retained earnings	
Beginning balance	290,061
Change during the current fiscal year	
Dividends from surplus	(4,974)
Net income	54,926
Total change during the current fiscal year	49,951
Ending balance	340,013
Treasury stock	
Beginning balance	(196)
Change during the current fiscal year	
Acquisition of treasury stock	(17)
Disposition of treasury stock	2
Total change during the current fiscal year	(15)
Ending balance	(212)
Total shareholders' equity	
Beginning balance	356,378
Change during the current fiscal year	
Dividends from surplus	(4,974)
Net income	54,926
Acquisition of treasury stock	(17)
Disposition of treasury stock	1
Total change during the current fiscal year	49,935
Ending balance	406,314

Note: Amounts less than ¥1 million are omitted

Item	Amount
Valuation and translation adjustments	
Net unrealized gain on other securities	
Beginning balance	1,410
Change during the current fiscal year	
Net change of items other than shareholders' equity during the current fiscal year	2,486
Total change during the current fiscal year	2,486
Ending balance	3,897
Deferred gains or losses on hedges	
Beginning balance	10
Change during the current fiscal year	
Net change of items other than shareholders' equity during the current fiscal year	(56)
Total change during the current fiscal year	(56)
Ending balance	(45)
Foreign currency translation adjustments	
Beginning balance	(8,757)
Change during the current fiscal year	
Net change of items other than shareholders' equity during the current fiscal year	917
Total change during the current fiscal year	917
Ending balance	(7,839)
Total valuation and translation adjustments	
Beginning balance	(7,335)
Change during the current fiscal year	
Net change of items other than shareholders' equity during the current fiscal year	3,348
Total change during the current fiscal year	3,348
Ending balance	(3,987)
Minority interests	
Beginning balance	3,700
Change during the current fiscal year	
Net change of items other than shareholders' equity during the current fiscal year	278
Total change during the current fiscal year	278
Ending balance	3,979
Total net assets	
Beginning balance	352,744
Change during the current fiscal year	
Dividends from surplus	(4,974)
Net income	54,926
Acquisition of treasury stock	(17)
Disposition of treasury stock	1
Net change of items other than shareholders' equity during the current fiscal year	3,627
Total change during the current fiscal year	53,562
Ending balance	406,306

Non-consolidated Balance Sheet

(As of March 31, 2010)

(Millions of yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
<u>Current assets</u>	200,580	<u>Current liabilities</u>	150,877
Cash and cash equivalents	60,600	Accounts payable-trade	41,196
Notes receivable-trade	1,792	Short-term loans payable	31,600
Accounts receivable-trade	99,860	Current portion of long-term loans payable	6,677
Merchandise and finished goods	14,383	Accounts payable-other	24,594
Work in process	1,815	Accrued expenses	7,905
Raw materials and supplies	10,472	Accrued income taxes	31,600
Deferred tax assets	7,054	Other reserves	174
Others	4,678	Others	7,129
Allowance for doubtful accounts	(77)	<u>Non-current liabilities</u>	79,510
<u>Fixed assets</u>	398,057	Bonds	20,000
<u>Tangible fixed assets</u>	337,585	Long-term loans payable	32,088
Buildings and structures	47,013	Reserve for special repairs	26,887
Machinery and equipment	256,118	Other reserves	385
Vehicles and equipment	2,111	Others	149
Land	8,923	Total Liabilities	230,388
Lease assets	91	(Net Assets)	
Construction in progress	23,326	<u>Shareholders' equity</u>	364,396
<u>Intangible fixed assets</u>	558	Common stock	32,155
Right of using facilities	294	Capital surplus	34,357
Others	264	Capital reserve	33,885
<u>Investments and other assets</u>	59,912	Other capital surplus	471
Investment securities	16,249	Retained earnings	298,095
Stocks of affiliates	22,255	Legal reserve	2,988
Investments in capital of affiliates	3,060	Other retained earnings	295,107
Long-term loans	6,607	General reserve	205,770
Deferred tax assets	10,873	Retained earnings brought forward	89,337
Others	881	Treasury stock	(212)
Allowance for doubtful accounts	(16)	<u>Valuation and translation adjustments</u>	3,852
		Net unrealized gain on other securities	3,897
		Deferred gains or losses on hedges	(45)
		Total Net Assets	368,249
Total Assets	598,637	Total Liabilities and Net Assets	598,637

Note: Amounts less than ¥1 million are omitted.

Non-consolidated Statement of Income

(From April 1, 2009 to March 31, 2010)

(Millions of yen)

Item	Amount	
Net sales		302,130
Cost of sales		191,024
Gross profit		111,106
Selling, general and administrative expenses		14,767
Operating income		96,339
Non-operating income		
Interest and dividend income	3,307	
Technical support fee	1,551	
Others	1,644	6,503
Non-operating expenses		
Interest expenses	1,246	
Loss on disposal of property, plant and equipment	1,878	
Depreciation of inactive property, plant and equipment	2,053	
Loss on spoiled work	1,048	
Others	1,145	7,372
Ordinary income		95,470
Extraordinary income		
Gain on prior period adjustment	142	
Gain on sales of fixed assets	65	
Other	9	218
Extraordinary loss		
Loss on disposal of property, plant and equipment	2,741	
Impairment loss	949	
Loss from valuation of investment in capital of affiliates	1,127	
Others	227	5,046
Income before income taxes		90,642
Income taxes-current	37,998	
Income taxes-deferred	(6,607)	31,391
Net income		59,250

Note: Amounts less than ¥1 million are omitted.

Non-consolidated Statement of Changes in Shareholders' Equity

(From April 1, 2009 to March 31, 2010)

(Millions of yen)

Item	Amount
Shareholders' equity	
Common stock	
Beginning balance	32,155
Change during the current fiscal year	
Total change during the current fiscal year	-
Ending balance	32,155
Capital surplus	
Capital Reserve	
Beginning balance	33,885
Change during the current fiscal year	
Total change during the current fiscal year	-
Ending balance	33,885
Other Capital surplus	
Beginning balance	472
Change during the current fiscal year	
Disposition of treasury stock	(0)
Total change during the current fiscal year	(0)
Ending balance	471
Total capital surplus	
Beginning balance	34,358
Change during the current fiscal year	
Disposition of treasury stock	(0)
Total change during the current fiscal year	(0)
Ending balance	34,357
Retained earnings	
Legal reserve	
Beginning balance	2,988
Change during the current fiscal year	
Total change during the current fiscal year	-
Ending balance	2,988
Other Retained earnings	
General reserve	
Beginning balance	205,770
Change during the current fiscal year	
Total change during the current fiscal year	-
Ending balance	205,770
Retained earnings	
Beginning balance	35,061
Change during the current fiscal year	
Dividends from surplus	(4,974)
Net income	59,250
Total change during the current fiscal year	54,276
Ending balance	89,337
Total retained earnings	
Beginning balance	243,819
Change during the current fiscal year	
Dividends from surplus	(4,974)
Net income	59,250
Total change during the current fiscal year	54,276
Ending balance	298,095

Note: Amounts less than ¥1 million are omitted

Item	Amount
Treasury stock	
Beginning balance	(196)
Change during the current fiscal year	
Acquisition of treasury stock	(17)
Disposition of treasury stock	2
Total change during the current fiscal year	(15)
Ending balance	(212)
Total shareholders' equity	
Beginning balance	310,137
Change during the current fiscal year	
Dividends from surplus	(4,974)
Net income	59,250
Acquisition of treasury stock	(17)
Disposition of treasury stock	1
Total change during the current fiscal year	54,259
Ending balance	364,396
Valuation and translation adjustments	
Net unrealized gain on other securities	
Beginning balance	1,410
Change during the current fiscal year	
Net change of items other than shareholders' equity during the current fiscal year	2,486
Total change during the current fiscal year	2,486
Ending balance	3,897
Deferred gains or losses on hedges	
Beginning balance	10
Change during the current fiscal year	
Net change of items other than shareholders' equity during the current fiscal year	(56)
Total change during the current fiscal year	(56)
Ending balance	(45)
Total valuation and translation adjustments	
Beginning balance	1,421
Change during the current fiscal year	
Net change of items other than shareholders' equity during the current fiscal year	2,430
Total change during the current fiscal year	2,430
Ending balance	3,852
Total net assets	
Beginning balance	311,558
Change during the current fiscal year	
Dividends from surplus	(4,974)
Net income	59,250
Acquisition of treasury stock	(17)
Disposition of treasury stock	1
Net change of items other than shareholders' equity during the current fiscal year	2,430
Total change during the current fiscal year	56,690
Ending balance	368,249

(Reference)**1. Consolidated cash flows (From April 1, 2009 to March 31, 2010)**

(Millions of yen)

Item	Amount
Net cash from operating activities	118,720
Net cash from investing activities	(86,847)
Net cash from financing activities	(35,134)
Effect of exchange rate changes on cash and cash equivalents	305
Cash and cash equivalents at beginning of fiscal year	94,623
Cash and cash equivalents at end of fiscal year	91,667

2. Segment information**Information by geographic area (From April 1, 2009 to March 31, 2010)**

(Millions of yen)

	Japan	Asia	Other areas	Total	Elimination and corporate	Consolidated total
I. Net sales and operating income (loss)						
Net sales						
(1) External	122,307	207,721	2,358	332,387	-	332,387
(2) Inter-segment	184,815	16,927	36	201,779	(201,779)	-
Total sales	307,122	224,648	2,395	534,166	(201,779)	332,387
Operating expenses	208,145	219,594	2,360	430,100	(196,138)	233,961
Operating income	98,977	5,054	34	104,066	(5,640)	98,426
II. Identifiable assets	537,030	140,111	1,260	678,402	31,958	646,443

3. Overseas sales information (From April 1, 2009 to March 31, 2010)

(Millions of yen)

	Asia	Other areas	Total
Overseas sales	221,882	11,450	233,333
Consolidated sales			332,387
Percentage of overseas sales	66.8%	3.4%	70.2%

Note: Amounts less than ¥1 million are omitted.

Reference Document for the Ordinary General Meeting of Shareholders

Proposal 1: Distribution of Surplus

The Company determines its dividend amounts according to its policy of (1) returning profits to its shareholders over the long-term and in a stable manner without letting the dividends be largely affected by fluctuations in the Company's performance, as well as (2) reserving profits internally to strengthen its corporate structure and to prepare for future business developments, while also taking the financial situation and other factors into consideration.

The Company has been striving to increase the dividend amount continuously while making efforts to strengthen its financial position by reducing interest-bearing debt, shifting the focus of business structure from glass for CRTs to glass for FPDs, and boosting production capacity to respond to greater demand for glass for FPDs.

For year-end dividends for the fiscal year under review, we will pay ¥6 per share as described below in comprehensive view of factors such as the earnings for the fiscal year under review and the use of internal retained fund. As a result, the annual dividend will be ¥11 per share, an increase of ¥1 from the previous fiscal year, including the interim dividend of ¥5.

An internal retained fund will be provided for research and development with an eye toward future and future business expansion primarily in glass for FPDs operations, etc., and we will endeavor to respond to expectations of shareholders by improving corporate value.

- (1) Type of dividend assets: Cash
- (2) Matters related to allocation of dividend assets to shareholders and the total amount thereof:
¥6 per share of common stock of the Company; a total amount of ¥2,984,808,966
- (3) Effective date of distribution of surplus: June 30, 2010

Proposal 2: Partial Amendments of the Articles of Incorporation

1. Reasons for the proposal

We intend to make necessary amendments to Article 5 of the existing Articles of Incorporation (Method of Public Notice) as we will introduce a system of electronic public announcement with the aim of increasing the number of people who can view the public announcements.

2. Details of amendments

We propose to amend part of the existing Articles of Incorporation as follows:

(The underlined portions show the parts to be amended.)

Existing Articles of Incorporation	Proposed Amendment
(Method of Public Notice) Article 5. Public notices of the Company shall be <u>inserted in the Nihon Keizai Shimbun.</u>	(Method of Public Notice) Article 5. Public notices of the Company shall be <u>made via electronic means; provided, however, that we will publish public announcements in the Nihon Keizai Shimbun when we cannot use electronic means for unavoidable reasons such as accidents.</u>

Proposal 3: Election of Eight (8) Directors

The terms of office for all ten (10) Directors will expire as of the close of this Ordinary General Meeting of Shareholders. Therefore, we would like you to approve appointment of eight (8) Directors.

The candidates for Director are as follows:

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of the Company shares held
1	Yuzo Izutsu (December 12, 1944)	Apr. 1967: Joined Nippon Electric Glass June 1996: Director (Incumbent) June 2000: Managing Director June 2002: Executive Vice President June 2003: President CEO June 2009: Vice Chairman (Incumbent)	64,500
2	Masayuki Arioka (September 28, 1948)	Apr. 1978: Joined Nippon Electric Glass June 1999: Director (Incumbent) June 2002: Vice President June 2004: Senior Vice President Apr. 2008: Executive Vice President June 2009: President (Incumbent) CEO (Incumbent) [Assignment of work for executive officers] In charge of Auditing	31,000
3	Katsumi Inada (June 17, 1948)	Apr. 1971: Joined Nippon Electric Glass Nov. 1995: General Manager, Electronic Products Division, Production June 1998: Director (Incumbent) June 2002: Vice President June 2003: Senior Vice President June 2005: Group General Manager, Glass Fiber Products Group (Incumbent) Apr. 2006: Executive Vice President (Incumbent) [Assignment of work for executive officers] Supervising: Consumer Glass Business, Glass Fiber Business and Building Materials Business	33,500

TRANSLATION FOR REFERENCE ONLY

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of the Company shares held
4	Masami Atsuji (January 3, 1948)	Apr. 1971: Joined Nippon Electric Glass June 1997: General Manager, Accounting Division June 2000: Director (Incumbent) June 2002: Vice President June 2004: Senior Vice President Apr. 2008: Executive Vice President (Incumbent) [Assignment of work for executive officers] Supervising: Accounting In charge of Administrative and Purchasing	46,000
5	Shuji Ito (December 18, 1948)	Apr. 1971: Joined Nippon Electric Glass May 1999: General Manager, Furnace Design and Engineering Division June 2001: Vice President June 2007: Director (Incumbent) Senior Vice President Apr. 2010: Executive Vice President (Incumbent) [Assignment of work for executive officers] In charge of Environmental Management, Furnace Design & Engineering, Engineering and Plant Engineering	18,000
6	Shigeru Yamamoto (December 19, 1953)	Apr. 1978: Joined Nippon Electric Glass Oct. 1997: General Manager, Technical Division June 2002: Vice President June 2005: Director (Incumbent) Senior Vice President (Incumbent) Apr. 2008: General Manager, New Product Department (Incumbent) [Assignment of work for executive officers] Supervising: Patent In charge of Technical, Advanced Materials & Technology, Research & Development and New Product [Significant concurrent positions] President, Nippon Electric Glass Technical Information Center Co., Ltd.	11,000

TRANSLATION FOR REFERENCE ONLY

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of the Company shares held
7	Koichi Inamasu (January 30, 1952)	Apr. 1974: Joined Nippon Electric Glass June 1998: General Manager, Personnel Division June 2002: Vice President Apr. 2006: Group General Manager, CRT Glass Group (Incumbent) June 2006: Director (Incumbent) Senior Vice President (Incumbent) Apr. 2009: Group General Manager, PDP Glass Plate Group (Incumbent) [Assignment of work for executive officers] Supervising: CRT Glass Business, PDP Glass Plate Business [Concurrent significant positions] Chairman, Board of Directors, Nippon Electric Glass (Malaysia) Sdn. Bhd.	20,500
8	Masanori Yokota (June 13, 1950)	Apr. 1976: Joined Nippon Electric Glass June 2005: General Manager, LCD Glass Division, Production Apr 2006: Vice President Apr. 2009: Group General Manager, LCD Glass Group (Incumbent) June 2009: Director (Incumbent) Senior Vice President (Incumbent) [Assignment of work for executive officers] Supervising: LCD Glass Business	1,000

- Notes: 1. The abovementioned candidates have no conflicts of interest with the Company.
 2. The Company has adopted the Executive Officer System. “Supervising” and “in charge” in the “Brief personal profile, position, responsibilities and significant concurrent positions” indicate work assignments of executive officers.
 3. Number of Company shares held indicates the number of shares held as of March 31, 2010.

Proposal 4: Election of One (1) Corporate Auditor

The terms of office for Corporate Auditor Mr. Fujio Okada will expire as of the close of this Ordinary General Meeting of Shareholders. Therefore, we would like you to approve appointment of one (1) Corporate Auditor.

The Board of Corporate Auditors has already approved this proposal.

The candidate for Corporate Auditor is as follows:

Name (Date of birth)	Brief personal profile, position and significant concurrent positions	Number of the Company shares held
Kazuhiro Ito (August 15, 1947)	Mar. 1978: Registered as certified public accountant July 1991: Partner of Aoyama Audit Corporation July 2000: Partner of Chuo Aoyama Audit Corporation Aug. 2007: Established private office as certified public accountant (Incumbent) Apr. 2008: Professor of Konan Graduate School of Accountancy (Incumbent) Apr. 2009: Auditor of Nara Medical University (Incumbent)	-

- Notes: 1. The abovementioned candidate has no conflicts of interest with the Company.
 2. Number of Company shares held indicates the number of shares held as of March 31, 2010.
 3. Matters related to the candidate for Outside Corporate Auditor are as follows:
 (1) Mr. Kazuhiro Ito is a candidate for Outside Corporate Auditor.
 (2) Reason for selecting the candidate as the candidate for Outside Corporate Auditor.
 Mr. Kazuhiro Ito is fully conversant with finance and accounting as a certified public accountant and has a high level of insight and wide-ranging experience. The Company proposes that Mr. Ito be approved as Outside Corporate Auditor in the hope that he will employ such insight and experience when auditing the Company.
 (3) Reason why the Company determined that the above candidate can execute his duties as Outside Corporate Auditor appropriately
 Since Mr. Kazuhiro Ito is fully conversant with finance and accounting as a certified public accountant and has a high level of insight and wide-ranging experience, the Company judges that he can execute his duties as Outside Corporate Auditor appropriately.
 (4) Outline of limited liability agreement
 Provided that Mr. Kazuhiro Ito assumes the office of Outside Corporate Auditor of the Company, it shall conclude an agreement with him concerning liability for damages as specified in Article 423, Paragraph 1 of the Corporation Law. This contract shall state that his relevant liabilities for damages shall be limited to the minimum liability amounts as stipulated in Article 425, Paragraph 1 of the Corporation Law.
 4. Mr. Kazuhiro Ito is the candidate for the Independent Corporate Auditor pursuant to the provisions of the Financial Instruments Exchange.

Proposal 5: Election of One (1) Substitute Corporate Auditor

To prepare for the case in which the Company does not have the number of Corporate Auditors stipulated in laws and regulations, we propose that it shall elect one (1) substitute Corporate Auditor in advance.

The Board of Corporate Auditors has already approved this proposal.

The candidates for substitute Corporate Auditor are as follows:

Name (Date of birth)	Brief personal profile, position and significant concurrent positions	Number of the Company shares held
Yasuhiro Uozumi (November 30, 1966)	Apr. 1993: Registered as an Attorney at Law Joined Oh-Ebashi LPC & Partners Aug. 2002: Partner of Oh-Ebashi LPC & Partners (Incumbent)	-

- Notes:
1. The abovementioned candidate has no conflicts of interest with the Company.
 2. Number of Company shares held indicates the number of shares held as of March 31, 2010.
 3. Matters related to the candidate for substitute Outside Corporate Auditors are as follows:
 - (1) Mr. Yasuhiro Uozumi is candidate for substitute Outside Corporate Auditors.
 - (2) Reason for selecting the candidate as the candidate for substitute Outside Corporate Auditor:
Mr. Yasuhiro Uozumi has expertise and extensive experience as an Attorney at Law. The Company proposes that Mr. Uozumi be approved as the substitute Corporate Auditor in the hope that he will reflect such expertise and experience when auditing the Company.
 - (3) Reason that the Company determined that the above candidate can execute their duties as Outside Corporate Auditors appropriately:
Since Mr. Yasuhiro Uozumi has expertise and extensive experience as an Attorney at Law, the Company judges that he can execute his duties as Outside Corporate Auditor appropriately.
 - (4) Outline of limited liability agreement:
Provided that Mr. Yasuhiro Uozumi assumes the office of Outside Corporate Auditor of the Company, it shall conclude an agreement with the relevant person concerning liability for damages as specified in Article 423, Paragraph 1 of the Corporation Law that the their relevant liabilities for damages shall be limited to the minimum liability amounts as stipulated in Article 425, Paragraph 1 of the Corporation Law.
 4. Mr. Yasuhiro Uozumi fulfills the requirements for the Independent Corporate Auditor pursuant to the provisions of the Financial Instruments Exchange.

Proposal 6: Payment of Bonuses to Directors

The Company proposes that it shall pay Directors' bonuses totaling ¥148,910 thousand to ten (10) Directors as of the end of the fiscal year under review in consideration of earnings, etc. during the fiscal year under review.

Proposal 7: Revision of Remunerations for Corporate Auditors

The current remunerations for Corporate Auditors are as approved to be no higher than ¥5 million per month at the 71st Ordinary General Meeting of Shareholders held on June 28, 1990 and has remained as such to date. However, we propose that the Company revise remunerations for Corporate Auditors to be no higher than ¥6 million per month with considerations given to various factors such as changes in economic circumstances and in the composition of Corporate Auditors thereafter.

The number of Corporate Auditors of the Company is currently four (of which two are Outside Corporate Auditors), and it will remain unchanged even if the Proposal 4 is approved in its original form.