

Notice of the 95th Ordinary General Meeting of Shareholders

Dear Shareholders,

Please be advised that the 95th 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.

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

- 1. Date and Time:** Friday, June 27, 2014, 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 95th fiscal year (from April 1, 2013 to March 31, 2014)
2. Non-consolidated financial statements for the 95th fiscal year (from April 1, 2013 to March 31, 2014)

Proposals:

- Proposal 1:** Distribution of Surplus
Proposal 2: Partial Amendments of the Article 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

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 internet at the Company's website (<http://www.neg.co.jp/JP/ir/>).

Business Report for the 95th Fiscal Year

Period from April 1, 2013
to March 31, 2014

1. Status of Corporate Group

(1) Progress and results of operations

Overall trend

In the global economy, Europe's economy showed signs of heading toward recovery despite persistently severe employment conditions, while the U.S. economy continued to recover mainly on the back of improvements in personal consumption and the housing market. Furthermore, China continued to show moderate economic growth. The Japanese economy continued on a recovery track mainly on the back of improvements in personal consumption, the housing market and employment.

Consolidated results of operations for the fiscal year under review

	94th Fiscal Year (April 2012 to March 2013)	95th Fiscal Year (April 2013 to March 2014)	Increase or decrease
	Millions of yen	Millions of yen	%
Net sales	287,303	252,548	(12.1)
Operating income	24,967	16,170	(35.2)
Ordinary income	22,767	14,372	(36.9)
Net income	10,603	12,431	17.2

The NEG Group's results in many of the business fields, including glass fiber, cover glass for smartphones and tablet devices (specialty glass for chemical strengthening), and substrate glass for solar cells, were generally as anticipated both in terms of sales and profits; however, substrate glass for liquid crystal displays (LCDs), our core business, faced a difficult environment characterized by weaker demand and falling product prices, and our performance under the fiscal year under review fell below that of the previous fiscal year.

Profits were weakened by the slowdown in sales of substrate glass for LCDs, falling product prices and rising fuel prices caused by yen depreciation and a rise in electricity prices, along with depreciation and launch costs associated with Electric Glass (Korea) Co., Ltd. As a result, operating income and ordinary income were down on the previous fiscal year. Net income, on the other hand, was up from the previous fiscal year. This primarily reflected a reversal of provision for special repairs accompanying impairment loss on production facilities, and the recording of gain on sales of non-current assets associated with reorganization and reduction of assets carried out in consideration of market trends.

Sales by business category are as follows:

Category		94th Fiscal Year (April 2012 to March 2013)		95th Fiscal Year (April 2013 to March 2014)		Increase or decrease	
		Net sales	Breakdown	Net sales	Breakdown	Amount	Percentage
Glass Business	Glass for electronic and information devices	Millions of yen 226,240	% 78.7	Millions of yen 180,920	% 71.6	Millions of yen (45,320)	% (20.0)
	Glass for others	61,062	21.3	71,627	28.4	10,564	17.3
Total		287,303	100	100	100	(34,755)	(12.1)

Glass for electronic and information devices:

Sales of substrate glass for LCDs were weak reflecting a fall in prices and the impact of a slowdown in demand from the latter half of the second quarter (from July 1, 2013 to September 30, 2013). Sales of products related to plasma display panels (PDPs) such as substrate glass for PDPs declined owing to the withdrawal of a primary customer from the sector. In the area of cover glass for smartphones and tablet devices (specialty glass for chemical strengthening), full-blown sales of a new product started in the third quarter (from October 1, 2013 to December 31, 2013). Sales of glass for optical devices were firm on the back of increased communications infrastructure demand, although sales of cover glass for image sensors were affected by a slowdown in demand for digital cameras. Sales of substrate glass for solar cells grew steadily on the back of increased demand.

As a result, net sales of glass for electronic and information devices amounted to ¥180,920 million, a year-on-year decrease of 20.0%.

Glass for others:

In the area of glass fiber, for its core application in high-function plastics for auto parts and for reinforced cement, business was brisk throughout the year and sales grew. Sales of glass tubes for pharmaceutical and medical use expanded primarily overseas. Sales of radiation-shielding glass were firm on the back of increased demand, while there were moderate recoveries in sales of other types of glass for building materials and heat resistant glass in line with the improved economic environment.

As a result, the net sales of glass for others amounted to ¥71,627 million, a year-on-year increase of 17.3%.

(2) Capital investment

The NEG Group's capital investment amounted to ¥46,962 million in the fiscal year under review.

In the Glass for electronic and information devices sector, capital investment was made primarily for construction of production facilities at Electric Glass (Korea) Co., Ltd. In the Glass for others, capital investment was made mainly for enhancing production capacity.

(3) Fund procurement status

Funds required in the fiscal year under review were for capital investment and for working

capital, which the Company financed with its own funds and borrowings, etc.

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.

(4) Main Lenders (as of March 31, 2014)

Lender	Borrowing Amount
Sumitomo Mitsui Banking Corporation	¥12.6 billion
Sumitomo Mitsui Trust Bank, Limited	¥8.6 billion
The Shiga Bank, Ltd.	¥7.8 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 NEG Group has seen significant changes in its environment, including not only severe competition between companies worldwide but also demands for higher quality product and sophistication of technology. The NEG 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 to strive 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.

[Management target indicators]

The Company is committed to continuously reducing and curtailing interest-bearing debts by setting the future goal of strengthening its financial position through various measures and formulas to reduce and curtail interest-bearing debts to the level of 20% as a percentage of consolidated net sales.

[Medium and long term management strategies of the Company]

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

(Enhancement of the core business)

The Company will strive to reinforce technological capabilities, improve its productivity, and reorganize global production/supply systems according to market trends, positioning the field of glass for display devices as its core business. At the same time, with a strong focus on

developing and advancing new products and technologies in new business fields with high future growth potential, such as touch panel display market, in addition to the existing business fields, the Company will reinforce the field of glass for display devices by taking a flexible response to changing market conditions.

(Establishment of a well-balanced business structure)

The Company intends to expand businesses in fields of glass for non-display devices with the aim of establishing a well-balanced business structure in order to avoid excessive reliance on a single business field and achieve stable growth.

Business fields of glass fiber, glass for optical and electronic devices, glass for solar cells and solar power generation, glass for medical applications and glass for heat resistance and building materials, in which the NEG Group is engaged, are those with stable future growth potential. In line with the policy to provide these markets with unique products capitalizing on excellent properties of glass, the Company will try its best to foster these businesses so as to not only expand each of them but also to generate earnings with certainty.

- Glass fiber

The Company will proactively improve its global production and supply systems with the aim of coping with the increasing demand for glass fiber for high-function plastics for auto parts along with growing automobile industry, accelerating energy saving in automobiles and expanding hybrid and other vehicle market. On that basis, the Company will promote developments in reply to various technological demands in the market. In addition, with regard to alkali-resistant glass (ARG) fiber used for the reinforcement of cement, the Company will positively address the demand for transportation infrastructure such as tunnel repair as well as for traditional market such as building external walls.

- Glass for optical and electronic devices

The demand of glass for electronic devices is expected to expand further in future along with the growth in relevant markets, such as consumer-electronic appliances, information technologies and automobiles. In addition, the demand of optical components is also likely to be consistent reflecting the expanding demand for communication infrastructure, such as mobile communication base stations, with the progress of highly information-based society. The Company will cope with these demands appropriately with the use of its combined technological and supply capabilities and thus expand the business.

- Glass for solar cells and solar power generation

The Company will try to increase sales in line with the market growth in compound

semiconductor solar cells. Looking ahead to the future business deployment, the Company will promote to develop a wide range of products of solar light utilization, including a new glass for next generation solar cells, such as dye-sensitized solar cells, as well as products for use in space solar power systems.

- Glass for medical applications

The Company will try to expand sales of high-quality glass tubes for pharmaceutical and medical use in response to growing medical needs in emerging countries arising from the economic growth. The Company will proactively keep up with manufacturing radiation-shielding glass along with the growth in demand for advanced medical facilities. In addition, the Company will also focus on new development of glass instruments for specimen testing and glass tube corresponding to advanced medical treatment with the aim of expanding the glass field for medical applications.

- Glass for heat resistance and building materials

In fire rated glass with high resistance to thermal shock and high transparency, the Company will add new models to expand its product portfolio, for example, glass coated with a special film for improving thermal resistance or adding low reflection function and glass with higher strength by lamination technology, so as to expand the sales.

(Development of products and promotion of businesses for the next generation)

Glass has unique characteristics and functions by nature, but it can also achieve new additional functions when it is crystallized, highly precisely processed, coated with thin film, mixed with resins, or combined with metals. Leveraging its wide range of fundamental technologies (materials and products design, process technology, and appraisal technology), the NEG Group will concentrate on creating innovative products that have never been seen before by conducting intensive research and development to achieve high functionalities through combination of the innate characteristics of glass and additional elements. By doing so, the NEG Group will proactively foster new businesses in the fields with high future growth potential in parallel with social development, such as next-generation display devices, energy, new-type lighting, medical treatment, and mobility.

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]

1) Steps toward improving performance

The Company will implement the steps as detailed below in order to reverse the declining trend in revenues and profits and get back on the growth path.

(Glass for display devices)

•Focusing on overseas production and improving profitability

With regard to substrate glass for LCDs, the production facilities under the second phase investment at Electric Glass (Korea) Co., Ltd. are scheduled to begin operations in the middle of 2014. By so doing, the NEG Group will work to further strengthen the relationship with customers in South Korea, the largest market of LCDs. In terms of production, the NEG Group will improve production per equipment unit and reduce costs capitalizing on local production in overseas in order to improve its profitability. In China where the demand is growing, we will expand sales through our two intermediate processing bases of Electric Glass (Shanghai) Co., Ltd. and Electric Glass (Guangzhou) Co., Ltd., which began operations this spring. In parallel with this approach, we will hurry to make Electric Glass (Xiamen) Co., Ltd. begin operations, which will be the first melting and forming site for LCDs in China. We will establish an integrated production and supply system ranging from melting through forming to processing at the end of 2015 with the aim of benefiting from market growth in China.

•Sales expansion of specialty glass for chemical strengthening

With regard to cover glass for smart phones and tablet devices (specialty glass for chemical strengthening), the Company launched a new brand under the name of “Dinorex” with the aim of improving its recognition while the shipment of new product has been increasing since the in the latter half of last year. We will aim to make the brand more appeal to end users and well accepted in touch panel market in order to facilitate sales expansion.

•Addressing high-definition displays

In order to deal with high-definition trends in the display market, we will promote to develop new products with characteristics of ultra-smooth surface, lower gravity sag and less thermal shrinkage.

(Glass for non-display devices field)

The Company recognizes it important to improve and expand glass for non-display devices field in order to avoid excessive dependence on glass for display devices field and to build up a balanced business portfolio structure.

Glass fiber business, which is the largest next to substrate glass for LCDs, is expected to

have stable and sustained growth and stability in the future. We will actively increase productivity to meet growing demand for high-function plastics for auto parts as well as for construction and civil engineering. Moreover, in anticipation of future growth in this business in conjunction with the market expansion, we will also plan to enhance production facilities and take other measures. We will aim to increase sales, capitalizing on expanding demand for glasses for optical and electronic device, solar cells and solar power generation, medical applications, heat resistance and building materials. Furthermore, we will focus on fostering new products and businesses, including “Lumiphous” (phosphor glass), “Invisible glass” (glass with an extremely low reflective coating), “Lamion” (glass resin laminate) and “ZERO” (glass with a coefficient of thermal expansion of zero), with the aim of expanding target domains in the overall glass for non-display devices field.

2) Enhancement of research and development

To secure sustainable growth, the Company recognizes it important to explore new businesses with growth potential and promote research and development from medium- and long-term perspective in addition to the existing business fields. Taking full advantage of P&P Technology Center Otsu and P&P Technology Center Takatsuki as research and development centers, the NEG Group will develop and provide highly-functional glass products on the market, especially in the fields with strong growing demand, such as ultra-precision display, touch panel, IT-related equipment, solar cells, new lighting and advanced medicine components.

3) Reduction of interest-bearing debt and cash flow centric business management

As part of our effort to improve the NEG Group’s financial strength, we have been continuously working to reduce interest-bearing debt to the level of 20% as a percentage of consolidated net sales. Interest-bearing debt as of the end of the fiscal year under review decreased by ¥3.1 billion from the end of the previous fiscal year. On the other hand, the ratio of interest-bearing debt to consolidated net sales was 39.4%, an increase of 3.7 percentage points from the end of the previous fiscal year, due to a decrease in consolidated net sales simultaneously. The NEG Group will, however, continue working to manage and reduce interest-bearing debt, and at the same time we will also conduct a cash-flow centric business management with efficient management of funds.

(6) Changes in assets and profit/loss

(Yen)

Item	92nd Fiscal Year (April 2010 to March 2011)	93rd Fiscal Year (April 2011 to March 2012)	94th Fiscal Year (April 2012 to March 2013)	95th Fiscal Year (April 2013 to March 2014)
Net sales	390,195 million	338,214 million	287,303 million	252,548 million
Operating income	117,471 million	61,638 million	24,967 million	16,170 million
Ordinary income	114,299 million	56,855 million	22,767 million	14,372 million
Net income	68,608 million	19,408 million	10,603 million	12,431 million
Net income per share	137.92	39.02	21.32	24.99
Total assets	692,622 million	687,069 million	697,385 million	707,021 million
Net assets	468,037 million	475,736 million	495,294 million	510,807 million
Net assets per share	932.17	945.47	982.97	1,011.46

(7) Status of important subsidiaries (as of March 31, 2014)

Subsidiary name	Capital stock	Investment stake of the Company	Main business
Nippon Electric Glass (Malaysia) Sdn. Bhd.	M\$ 1,303 million	100%	Production and sale of glass for electronics and information devices, and glass for others
Paju Electric Glass Co., Ltd.	KRW 84,120 million	60%	Processing and sale of glass for the electronics and information devices
Electric Glass (Korea) Co., Ltd.	KRW 125,719 million	100%	Production and sale of glass for the electronics and information devices

Note 1. Electric Glass (Korea) Co., Ltd. increased its capital by KRW82,619 million during the fiscal year under review.

Note 2. The number of consolidated subsidiaries, including three important subsidiaries above, is now 22 as of the end of the fiscal year under review.

(8) Description of main businesses (as of March 31, 2014)

The NEG Group mainly produces and sells special glass products including glass for electronic and information devices, as well as glass making machinery.

Category	Main products
Glass for electronic and information devices	Glass for Flat Panel Displays (FPD) Glass for Liquid Crystal Displays (LCD) Glass for Plasma Display Panels (PDP) Glass for Cathode Ray Tubes (CRT) “Dinorex” Specialty Glass for Chemical Strengthening Glass for Optical Devices Capillary and Ferrule for Optical Communication Devices Lens for Optical Communication Devices “Micro Preform” Glass Materials for Aspherical Lenses Glass for Electronic Devices Functional Powdered Glass Sheet Glass for Image Sensors Glass Tube for Small Electronic Products “Lumiphous” Phosphor Glass Glass for Solar Cells
Glass for others	Glass Fiber Chopped Strands for Function Plastic Roving Glass for Reinforced Plastics Chopped-Strand Mats for Automobiles Alkali-Resistant Glass Fiber Glass for Building Materials Glass Blocks “Neoparies” Glass Ceramics Building Materials “FireLite” Fire Rated Glass “LX Premium” 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 Pharmaceutical, Medical and Laboratory Use Glass for Thermos Flasks Glass Making Machinery

(9) Main sales offices and factories (as of March 31, 2014)

1) The Company

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

2) Subsidiaries

Company name	Location
Nippon Electric Glass (Malaysia) Sdn. Bhd.	Selangor, Malaysia
Paju Electric Glass Co., Ltd.	Gyeonggi, Korea
Electric Glass (Korea) Co., Ltd.	Gyeonggi, Korea

(10) Status of employees (as of March 31, 2014)

Number of employees	Change from previous fiscal year
5,275	Increase of 111

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

Note 2: The number of employees of the Company is 1,774 (decrease of 61 compared with the previous fiscal year.)

2. Matters related to shares of the Company (As of March 31, 2014)**(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 220,670 shares of treasury stock.

(3) Number of shareholders 18,710**(4) Major shareholders (Top 10 shareholders)**

Name	Number of shares held (Thousands of shares)	Ratio of shareholding
NIPRO CORPORATION	84,687	17.0%
Japan Trustee Services Bank, Ltd. (Trust Account)	30,823	6.2%
The Master Trust Bank of Japan, Ltd. (Trust Account)	26,259	5.3%
SAJAP	11,633	2.3%
The Shiga Bank, Ltd.	8,089	1.6%
THE BANK OF NEW YORK 133524	7,053	1.4%
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	6,907	1.4%
Japan Trustee Services Bank, Ltd. (Trust Account No.4)	6,405	1.3%
TAM TWO	6,027	1.2%
BNP Paribas Securities (Japan) Limited	5,455	1.1%

Note 1: The ratio of shareholding is calculated by excluding treasury stock (220,670 shares).

Note 2: The Company received a copy of the Change Report (the Change Report pertaining to Report of Possession of Large Volume) dated January 9, 2013 sent by Sumitomo Mitsui Trust Bank, Limited to notice that Sumitomo Mitsui Trust Bank, Limited and other two companies held 27,157 thousand shares as of December 31, 2012, but the Company did not include them in the major shareholders above as the Company could not confirm the number of shares beneficially held by them as of the end of the fiscal year under review.

Note 3: The Company received a copy of the Change Report (the Change Report pertaining to Report of Possession of Large Volume) dated February 20, 2014 sent by GLG Partners LP to notice that GLG Partners LP held 31,400 thousand shares as of February 14, 2014, but the Company did not include it in the major shareholders above as the Company could not confirm the number of shares beneficially held by it as of the end of the fiscal year under review.

3. Matters related to Directors and Corporate Auditors of the Company**(1) Names, etc. of Directors and Corporate Auditors (as of March 31, 2014)**

Name	Position in the Company	Assignment of work and significant concurrent positions
Yuzo Izutsu	Chairman of the Board (Representative Director)	
Masayuki Arioka	President (Representative Director)	CEO [In charge of Auditing]
Shigeru Yamamoto	Director	Executive Vice President [Supervising: Technology, Intellectual Property, Consumer Glass Business and Thin Film Business]
Koichi Inamasu	Director	Executive Vice President [Supervising: Corporate Strategy, Administration and Human Resources] [In charge of Accounting, Purchasing, Tokyo Branch Office and CRT Glass Business] Chairman, Board of Directors, Nippon Electric Glass (Malaysia) Sdn. Bhd.
Motoharu Matsumoto	Director	Executive Vice President [Supervising: Display Glass Business] Group General Manager, Display Glass Group
Masahiro Miyake	Director	Senior Vice President [In charge of Environmental Management, Furnace Design & Engineering, Engineering, Plant Engineering and Security Trade Control]
Masahiro Tomamoto*	Director	Senior Vice President [In charge of Display Glass Business (Production)] Deputy Group General Manager, Display Glass Group
Hirokazu Takeuchi*	Director	Senior Vice President [Supervising: Glass Fiber Business and Electronic Products Business] Group General Manager, Electronic Products Group Representative Director, Dong Yang Electronic Glass Co., Ltd.
Nobuhiro Miyamoto	Full-time Corporate Auditor	
Fujio Kishi	Full-time Corporate Auditor	
Kazuhiro Ito	Corporate Auditor	Certified Public Accountant, Certified Public Tax Accountant, Kazuhiro Ito CPA Office Professor, The Konan Graduate School of Accountancy Auditor, Sakai City Hospital Organization

TRANSLATION FOR REFERENCE ONLY

Name	Position in the Company	Assignment of work and significant concurrent positions
Mineya Hamaoka	Corporate Auditor	Attorney at Law, Seiwa Law Office Outside Corporate Auditor, Hanshin Electric Railway, Co., Ltd.

Note 1: Directors marked with asterisks (*) are Directors who were newly elected at the 94th Ordinary General Meeting of Shareholders held on June 27, 2013 and accordingly assumed their positions.

Note 2: Corporate Auditors Mr. Kazuhiro Ito and Mr. Mineya Hamaoka are Outside Corporate Auditors and Independent Auditors filed at Tokyo Stock Exchange Inc. pursuant to the provisions set forth by that company.

Note 3: Corporate Auditor Mr. Kazuhiro Ito is qualified as a certified public accountant as well as a certified public tax accountant and has deep insight into financial affairs and accounting.

Note 4: The Company has adopted Executive Officer System. "Supervising" and "In charge" in the "Assignment of work and significant concurrent positions" indicate work assignments of Executive Officers. As of March 31, 2014, there are 12 Executive Officers who are not Directors.

Note 5: The following is the names of directors who retired during the fiscal year under review and their positions at the retirement and retirement dates.

Name	Position at the retirement	Year, month and date of retirement
Masanori Yokota	Director	June 27, 2013 (expiration of the term of office)
Tamotsu Kitagawa	Director	June 27, 2013 (expiration of the term of office)

Note 6: As of June 21, 2013, Mr. Mineya Hamaoka retired from Outside Director, ASICS Corporation due to expiration of the term of office.

Note 7: Effective April 1, 2014, "Assignment of work and significant concurrent positions" of Directors Mr. Masahiro Miyake and Mt. Masahiro Tomamoto are changed as follows:

Name	Position in the Company	Assignment of work and significant concurrent positions
Masahiro Miyake	Director	Senior Vice President [In charge of Environmental Management and Security Trade Control]
Masahiro Tomamoto	Director	Senior Vice President [In charge of Furnace Design & Engineering, Engineering and Plant Engineering] Group General Manager, Corporate Engineering Group

Note 8: Effective April 22, 2014, "Assignment of work and significant concurrent positions" of Director Mr. Motoharu Matsumoto is changed as follows:

Name	Position in the Company	Assignment of work and significant concurrent positions
Motoharu Matsumoto	Director	Executive Vice President [Supervising: Display Glass Business] Group General Manager, Display Glass Group Chairman, Board of Directors, Electric Glass (Xiamen) Co., Ltd.

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

Category	Number	Total amount of remuneration
Director	10	¥317 million
Corporate Auditor (of which, Outside Corporate Auditor)	4 (2)	¥53 million (¥10 million)
Total	14	¥371 million

Note: The total amount of remunerations for Directors includes a bonus to Directors of ¥58 million, which is to be resolved at the 95th Ordinary General Meeting of Shareholders scheduled to be held on June 27, 2014.

(3) Matters related to Outside Corporate Auditors

1) Significant concurrent position of Outside Corporate Auditors for other entities and relationships between the Company and such other entities (as of March 31, 2014)

Category	Name	Significant concurrent positions
Corporate Auditor	Kazuhiro Ito	Certified Public Accountant, Certified Public Tax Accountant, Kazuhiro Ito CPA Office Professor, The Konan Graduate School of Accountancy Auditor, Sakai City Hospital Organization
Corporate Auditor	Mineya Hamaoka	Attorney at Law, Seiwa Law Office Outside Corporate Auditor, Hanshin Electric Railway, Co., Ltd.

Note: There is no special relationship between the Company and the entities for which Mr. Kazuhiro Ito and Mr. Mineya Hamaoka work as described in “Significant concurrent positions.”

2) Main activities during the fiscal year under review

Category	Name	Status of main activities
Corporate Auditor	Kazuhiro Ito	Mr. Kazuhiro Ito attended all of the Board of Directors Meetings and Corporate Auditors Meetings held during the fiscal year under review, and made inquiries and expressed opinions where appropriate, mainly from the expert viewpoint of a Certified Public Accountant and Certified Tax Accountant.
Corporate Auditor	Mineya Hamaoka	Mr. Mineya Hamaoka attended all of the Board of Directors Meetings and 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.

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 an Outside Corporate Auditor bears 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 person execute his or her duties as an Outside Corporate Auditors of the Company unknowingly and without gross negligence.

4. Status of Independent Auditor**(1) Name of Independent Auditor**

KPMG AZSA LLC

(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	¥63 million
Total amount of money and other property benefits that shall be paid by the Company and its subsidiaries	¥64 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: The Company commissioned the Independent Auditor to prepare a report regarding application for reduction or exemption of the amount of charge imposed under the Feed-in Tariff Scheme for Renewable Energy in addition to service as provided in Article 2, Paragraph 1 of the Certified Public Accountants Act and paid fees for the services accordingly.

Note 3: Three important subsidiaries of the Company listed in “(7) Status of important subsidiaries” in “1. Status of Corporate Group” are audited by accounting firms other than the said Independent Auditor of the Company.

(3) 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 at a shareholders' meeting of the Company 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 NEG Group, and the committee shall implement the following: 1) planning of revision of “Corporate Philosophy”, “The NEG Group Code of Conduct” and “Principles of Activities,” and planning, preparing and implementing various measures to disseminate them throughout the NEG 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 the document management rules and other rules set by the Company.

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

The Company assesses risks periodically, identifies any management risks and takes necessary measures to mitigate or eliminate them.

Risks of businesses of the Company which it recognizes as important (such as compliance,

finance, environment, disaster, security trade control, 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 Committee 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 group system approach in order to clarify management targets and efficiently operate businesses, and will set an annual budget (business plan) by business group and on a company-wide basis at the Board of Directors Meeting. In addition, the Company shall manage business achievements on a monthly basis and discuss and examine important management issues from various perspectives at the Board of Directors Meeting, Management Committee and meetings of business groups.

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

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

The Company has established and is ensuring compliance with the “The Group Code of Conduct” and the “Principle of Activities”, which are the standards for judgment and behavior of Directors and employees of the NEG Group, and also operates the Internal Reporting System.

Furthermore, to ensure the appropriateness of the NEG Group’s financial reporting, the Company and its Group companies have established and are operating the necessary organizational systems and the Internal Auditing Department (the Auditing Division) evaluates 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 groups 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.

Note: Monetary amounts and numbers of shares in this business report are rounded down, whereas percentages and per-share data are rounded to the nearest unit.

Consolidated Balance Sheet

(As of March 31, 2014)

(Millions of yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
<u>Current assets</u>	247,502	<u>Current liabilities</u>	86,969
Cash and deposits	134,149	Notes and accounts payable - trade	28,143
Notes and accounts receivable - trade	44,317	Short-term loans payable	15,185
Merchandise and finished goods	35,807	Current portion of bonds	10,000
Work in process	2,373	Income taxes payable	1,898
Raw materials and supplies	19,139	Other provision	65
Deferred tax assets	3,894	Other	31,676
Other	7,890	<u>Non-current liabilities</u>	109,243
Allowance for doubtful accounts	(68)	Bonds payable	30,000
<u>Non-current assets</u>	459,519	Long-term loans payable	41,306
<u>Property, plant and equipment</u>	393,750	Provision for special repairs	35,937
Buildings and structures	67,032	Other provision	72
Machinery, equipment and vehicles	286,487	Other	1,927
Land	13,042	<u>Total Liabilities</u>	196,213
Construction in progress	25,287	(Net Assets)	
Other	1,900	<u>Shareholders' equity</u>	489,124
<u>Intangible assets</u>	2,659	Capital stock	32,155
<u>Investments and other assets</u>	63,109	Capital surplus	34,351
Investment securities	42,209	Retained earnings	422,893
Deferred tax assets	18,847	Treasury shares	(276)
Other	2,100	<u>Accumulated other comprehensive income</u>	13,969
Allowance for doubtful accounts	(48)	Valuation difference on available-for-sale securities	13,670
		Deferred gains or losses on hedges	84
		Foreign currency translation adjustment	214
		<u>Minority interests</u>	7,714
		<u>Total Net Assets</u>	510,807
<u>Total Assets</u>	707,021	<u>Total Liabilities and Net Assets</u>	707,021

Note: Amounts less than ¥1 million are rounded down.

TRANSLATION FOR REFERENCE ONLY

Consolidated Statement of Income
(From April 1, 2013 to March 31, 2014)

(Millions of yen)

Item	Amount	
Net sales	252,548	
Cost of sales	208,065	
Gross profit	44,482	
Selling, general and administrative expenses	28,311	
Operating income	16,170	
Non-operating income		
Interest and dividend income	1,446	
Foreign exchange gains	1,780	
Other	1,247	4,474
Non-operating expenses		
Interest expenses	649	
Loss on retirement of non-current assets	1,437	
Depreciation of inactive non-current assets	3,035	
Other	1,151	6,272
Ordinary income	14,372	
Extraordinary income		
Reversal of provision for special repairs	4,696	
Gain on sales of non-current assets	3,756	
Other	80	8,533
Extraordinary losses		
Loss on retirement of non-current assets	541	
Impairment loss	3,356	
Other	38	3,937
Income before income taxes and minority interests	18,968	
Income taxes - current	5,434	
Income taxes - deferred	(274)	5,160
Income before minority interests	13,808	
Minority interests in income	1,376	
Net income	12,431	

Note: Amounts less than ¥1 million are rounded down.

Consolidated Statement of Changes in Net Assets
(From April 1, 2013 to March 31, 2014)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	32,155	34,351	418,419	(270)	484,657
Changes of items during period					
Dividends of surplus			(7,958)		(7,958)
Net income			12,431		12,431
Purchase of treasury shares				(6)	(6)
Disposal of treasury shares		(0)		0	0
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(0)	4,473	(6)	4,466
Balance at end of current period	32,155	34,351	422,893	(276)	489,124

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	10,852	(67)	(6,506)	4,279	6,358	495,294
Changes of items during period						
Dividends of surplus						(7,958)
Net income						12,431
Purchase of treasury shares						(6)
Disposal of treasury shares						0
Net changes of items other than shareholders' equity	2,817	151	6,721	9,690	1,355	11,046
Total changes of items during period	2,817	151	6,721	9,690	1,355	15,513
Balance at end of current period	13,670	84	214	13,969	7,714	510,807

Note: Amounts less than ¥1 million are rounded down.

Non-consolidated Balance Sheet

(As of March 31, 2014)

(Millions of yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
<u>Current assets</u>	187,418	<u>Current liabilities</u>	80,522
Cash and deposits	94,241	Accounts payable - trade	34,318
Notes receivable - trade	2,242	Short-term loans payable	14,100
Accounts receivable - trade	44,170	Current portion of bonds	10,000
Merchandise and finished goods	17,954	Accounts payable - other	6,901
Work in process	5,823	Accrued expenses	6,132
Raw materials and supplies	14,139	Income tax payable	915
Deferred tax assets	3,277	Other provision	59
Other	5,598	Other	8,095
Allowance for doubtful accounts	(28)	<u>Non-current liabilities</u>	107,453
<u>Non-current assets</u>	444,594	Bonds payable	30,000
<u>Property, plant and equipment</u>	275,936	Long-term loans payable	40,800
Buildings and structures	46,594	Provision for special repairs	35,937
Machinery and equipment	215,699	Other provision	114
Vehicles, tools, furniture and fixtures	1,148	Other	602
Land	8,074	Total Liabilities	187,975
Leased assets	103	(Net Assets)	
Construction in progress	4,315	<u>Shareholders' equity</u>	430,282
<u>Intangible assets</u>	1,931	Capital stock	32,155
<u>Investments and other assets</u>	166,726	Capital surplus	34,351
Investment securities	40,525	Legal capital surplus	33,885
Shares of subsidiaries and associates	82,451	Other capital surplus	465
Investments in capital of subsidiaries and associates	5,557	Retained earnings	364,051
Long-term loans receivable	23,156	Legal retained earnings	2,988
Deferred tax assets	13,818	Other retained earnings	361,063
Other	1,231	Reserve for special depreciation	1,139
Allowance for doubtful accounts	(13)	General reserve	205,770
		Retained earnings brought forward	154,154
		Treasury shares	(276)
		<u>Valuation and translation adjustments</u>	13,754
		Valuation difference on available-for-sale securities	13,670
		Deferred gains or losses on hedges	84
		Total Net Assets	444,037
Total Assets	632,013	Total Liabilities and Net Assets	632,013

Note: Amounts less than ¥1 million are rounded down.

Non-consolidated Statement of Income

(From April 1, 2013 to March 31, 2014)

(Millions of yen)

Item	Amount	
Net sales		182,775
Cost of sales		164,100
Gross profit		18,675
Selling, general and administrative expenses		18,561
Operating income		114
Non-operating income		
Interest and dividend income	3,258	
Technical support fee	2,973	
Other	1,786	8,018
Non-operating expenses		
Interest expenses	592	
Loss on retirement of non-current assets	1,348	
Depreciation of inactive non-current assets	2,702	
Other	672	5,315
Ordinary income		2,817
Extraordinary income		
Reversal of provision for special repairs	4,696	
Gain on sales of non-current assets	5,416	10,113
Extraordinary loss		
Loss on retirement of non-current assets	437	
Impairment loss	3,354	
Other	76	3,868
Income before income taxes		9,062
Income taxes - current	3,993	
Income taxes - deferred	(942)	3,051
Net income		6,010

Note: Amounts less than ¥1 million are rounded down.

Non-consolidated Statement of Changes in Net Assets

(From April 1, 2013 to March 31, 2014)

(Millions of yen)

	Shareholders' equity										
	Capital stock	Capital surplus			Retained earnings					Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other Retained earnings			Total retained earnings		
						Reserve for special depreciation	General reserve	Retained earnings brought forward			
Balance at beginning of current period	32,155	33,885	465	34,351	2,988	1,571	205,770	155,670	365,999	(270)	432,236
Changes of items during period											
Reversal of reserve for special depreciation						(431)		431	-		-
Dividends of surplus								(7,958)	(7,958)		(7,958)
Net income								6,010	6,010		6,010
Purchase of treasury shares										(6)	(6)
Disposal of treasury shares			(0)	(0)						0	0
Net changes of items other than shareholders' equity											
Total changes of items during period	-	-	(0)	(0)	-	(431)	-	(1,515)	(1,947)	(6)	(1,954)
Balance at end of current period	32,155	33,885	465	34,351	2,988	1,139	205,770	154,154	364,051	(276)	430,282

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current period	10,852	(67)	10,785	443,022
Changes of items during period				
Reversal of reserve for special depreciation				-
Dividends of surplus				(7,958)
Net income				6,010
Purchase of treasury shares				(6)
Disposal of treasury shares				0
Net changes of items other than shareholders' equity	2,817	151	2,969	2,969
Total changes of items during period	2,817	151	2,969	1,014
Balance at end of current period	13,670	84	13,754	444,037

Note: Amounts less than ¥1 million are rounded down.

(Reference)**Consolidated Statement of Cash Flows (Summary)**

(From April 1, 2013 to March 31, 2014)

(Millions of yen)

Item	Amount
Net cash provided by (used in) operating activities	46,699
Income before income taxes and minority interests	18,968
Depreciation	35,890
Decrease in notes and accounts receivable - trade	2,550
Increase in inventories	(1,670)
Decrease in notes and accounts payable - trade	(8,987)
Income taxes paid	(5,036)
Other, net	4,984
Net cash provided by (used in) investing activities	(33,842)
Purchases of non-current assets	(45,349)
Proceeds from sales of non-current assets	15,027
Other, net	(3,520)
Net cash provided by (used in) financing activities	(11,189)
Net decrease in long- and short-term loans payable	(3,132)
Cash dividends paid	(7,957)
Other, net	(99)
Effect of exchange rate changes on cash and cash equivalents	479
Net increase in cash and cash equivalents	2,147
Cash and cash equivalents at beginning of period	121,740
Cash and cash equivalents at end of period	123,887

Note: Amounts less than ¥1 million are rounded down.

Reference Document for the Ordinary General Meeting of Shareholders

Proposal 1: Distribution of Surplus

While ensuring adequate retained earnings to provide for reinforcement of the Company's financial standing and future business development, the Company decides on the amount of dividend payment based on a basic policy of maintaining a long-term and stable return of profits to shareholders that is not significantly affected by fluctuations in earnings, but it also takes the financial situation etc. into consideration.

Regarding the funds from retained earnings, the Company aims to fulfill the expectations of shareholders through boosting its corporate value by appropriating retained earnings funds for future research and development and future business expansion.

Under this policy, the Company has continuously increased the dividend amount while addressing matters such as enhancement of the glass for display field and expansion of the glass for non-display field, as well as reducing interest-bearing debt.

For year-end dividends for the fiscal year under review, we will pay ¥8 per share. As a result, the annual dividend will be ¥16 per share, including the interim dividend of ¥8.

- (1) Type of dividend assets:
Cash
- (2) Matters related to allocation of dividend assets to shareholders and the total amount thereof:
¥8 per share of common stock of the Company; a total amount of ¥3,979,164,512
- (3) Effective date of distribution of surplus:
June 30, 2014

Proposal 2: Partial Amendments of the Articles of Incorporation

1. Reasons for the proposal

The Company's business year is from April 1 of each year to March 31 of the following year. However, in order to improve the efficiency of business management and operations, including budgeting and performance management, and disclose corporate information in a timely and appropriate manner, the Company desires to standardize the business year with overseas consolidated subsidiaries with the aim of facilitating the expansion of the Company's group-wide global operations in the future. Therefore, the Company will make necessary amendments to Article 13, 15, 35 and 37 of the existing Articles of Incorporation to change its business year to a period from January 1 to December 31 of each year. In conjunction with the change in business year, since the 96th fiscal year will be a nine-month period from April 1, 2014 to December 31, 2014, the Company will establish supplementary provisions as transitional measures.

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
<p>Chapter III. General Meeting of Shareholders</p> <p>(Record Date for Ordinary General Meeting of Shareholders)</p> <p>Article 13. The record date for the voting rights of the Shareholders at Ordinary General Meeting shall be <u>March</u> 31 of each year.</p> <p>Article 14. (Omitted)</p> <p>(Convocation)</p> <p>Article 15. 1. The Ordinary General Meeting of Shareholders of the Company shall be convened in <u>June</u> each year, and an Extraordinary General Meeting of Shareholders may be convened from time to time, whenever necessary. 2. Unless otherwise provided for in laws or regulations, the Chairman of the Board shall convene the General Meeting of Shareholders in accordance with a resolution of the Board of Directors, or if there is a vacancy for the position of Chairman of the Board, or the Chairman of the Board is unable to act, the Vice-Chairman of the Board shall convene the General Meeting of Shareholders. If there is a vacancy for the position of Vice-Chairman of the Board, or the Vice-Chairman of the Board is unable to act, the President shall convene the General Meeting of Shareholders. If the President is unable to act, another Representative Director shall convene the General Meeting of Shareholders.</p> <p>Article 16. (Omitted)</p> <p>Through Article 34. (Omitted)</p> <p>Chapter VI. Accounting</p> <p>(Business Year)</p> <p>Article 35. The business year of the Company shall be one (1) year term commencing on <u>April 1 of each year</u> and ending on <u>March 31 of the following year.</u></p> <p>Article 36. (Omitted)</p>	<p>Chapter III. General Meeting of Shareholders</p> <p>(Record Date for Ordinary General Meeting of Shareholders)</p> <p>Article 13. The record date for the voting rights of the Shareholders at Ordinary General Meeting shall be <u>December</u> 31 of each year.</p> <p>Article 14. (Unchanged)</p> <p>(Convocation)</p> <p>Article 15. 1. The Ordinary General Meeting of Shareholders of the Company shall be convened in <u>March</u> each year, and an Extraordinary General Meeting of Shareholders may be convened from time to time, whenever necessary. 2. (Unchanged)</p> <p>Article 16. (Unchanged)</p> <p>Through Article 34. (Unchanged)</p> <p>Chapter VI. Accounting</p> <p>(Business Year)</p> <p>Article 35. The business year of the Company shall be one (1) year term commencing on <u>January 1</u> and ending on <u>December 31 of each year.</u></p> <p>Article 36. (Unchanged)</p>

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Existing Articles of Incorporation	Proposed Amendment
<p>(Interim Dividends) Article 37. The Company may, by a resolution of the Board of Directors, make payment of interim dividends and the record date for such dividends shall be <u>September</u> 30 of each year.</p> <p>Article 38. (Omitted) (Newly established)</p>	<p>(Interim Dividends) Article 37. The Company may, by a resolution of the Board of Directors, make payment of interim dividends and the record date for such dividends shall be <u>June</u> 30 of each year.</p> <p>Article 38. (Unchanged)</p> <p><u>Supplementary Provisions</u> <u>(Period of 96th Fiscal Year)</u> <u>Article 1. Notwithstanding the provision of Article 35, the 96th fiscal year commencing from April 1, 2014 shall be a nine-month period until December 31, 2014.</u></p> <p><u>(Record Date of Interim Dividends for 96th Fiscal Year)</u> <u>Article 2. Notwithstanding the provision of Article 37, the record date of interim dividends for the 96th fiscal year shall be September 30, 2014.</u></p> <p><u>(Expiration of Supplementary Provisions)</u> <u>Article 3. The preceding two articles and this article shall be deleted after the end of the 96th fiscal year.</u></p>

Proposal 3: Election of Eight (8) Directors

The terms of office for all eight (8) Directors will expire as of the close of this Ordinary General Meeting of Shareholders. Therefore, we propose the election of eight (8) Directors.

The candidates for Directors 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)	<p>Apr. 1967: Joined Nippon Electric Glass</p> <p>June 1996: Director (Incumbent)</p> <p>June 2000: Senior Director</p> <p>June 2002: Executive Vice President</p> <p>June 2003: President CEO</p> <p>June 2009: Vice Chairman</p> <p>June 2010: Chairman (Incumbent)</p>	82,500

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No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of the Company shares held
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	50,000
3	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 Apr. 2012: Executive Vice President (Incumbent) [Assignment of work for executive officers] Supervising: Technology, Intellectual Property, Consumer Glass Business and Thin Film Business	25,000
4	Koichi Inamasu (January 30, 1952)	Apr. 1974: Joined Nippon Electric Glass June 1998: General Manager, Personnel Division June 2002: Vice President June 2006: Director (Incumbent) Senior Vice President Apr. 2012: Executive Vice President (Incumbent) [Assignment of work for executive officers] Supervising: Corporate Strategy, Administration and Human Resources In charge of Accounting, Purchasing, Tokyo Branch Office and CRT Glass Business [Concurrent significant positions] Chairman, Board of Directors, Nippon Electric Glass (Malaysia) Sdn. Bhd.	40,000

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No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of the Company shares held
5	Motoharu Matsumoto (May 30, 1957)	<p>Apr. 1982: Joined Nippon Electric Glass Feb. 2005: General Manager, Accounting Division Apr. 2007: Vice President June 2011: Director (Incumbent) Senior Vice President Apr. 2013: Executive Vice President (Incumbent) Oct. 2013: Group General Manager, Display Glass Group (Incumbent)</p> <p>[Assignment of work for executive officers] Supervising: Display Glass Business [Concurrent significant positions] Chairman, Board of Directors, Electric Glass (Xiamen) Co., Ltd.</p>	12,000
6	Masahiro Tomamoto (July 19, 1955)	<p>Apr. 1978: Joined Nippon Electric Glass Apr. 2009: Vice President General Manager, LCD Glass Division, Production, LCD Glass Group June 2013: Director (Incumbent) Senior Vice President (Incumbent) Apr. 2014: Group General Manager, Corporate Engineering Group (Incumbent)</p> <p>[Assignment of work for executive officers] In charge of Furnace Design & Engineering, Engineering and Plant Engineering</p>	9,000
7	Hirokazu Takeuchi (June 7, 1959)	<p>Apr. 1982: Joined Nippon Electric Glass Apr. 2010: Vice President Group General Manager, Electronic Products Group (Incumbent) June 2013: Director (Incumbent) Senior Vice President (Incumbent)</p> <p>[Assignment of work for executive officers] Supervising: Glass Fiber Business and Electronic Products Business [Current Significant Position] Representative Director, Dong Yang Electronic Glass Co., Ltd.</p>	11,000
8	Akihisa Saeki (December 23, 1956) (New candidate)	<p>Apr. 1982: Joined Nippon Electric Glass Apr. 2012: Vice President (Incumbent) General Manager, LCD Glass Division, Production, LCD Glass Group Oct. 2013: General Manager, Display Glass Division, Production, Display Glass Group (Incumbent)</p> <p>[Assignment of work for executive officers] In charge of Display Glass Business (Display Glass Production)</p>	4,000

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- Notes: 1. All candidates have no conflicts of interest with the Company.
 2. The Company has adopted the Executive Officer System. “Supervising” and “In charge of” in the “Brief personal profile, position, responsibilities and significant concurrent positions” indicate work assignments of executive officers.

Proposal 4: Election of One (1) Corporate Auditor

The terms of office for Corporate Auditor Mr. Kazuhiro Ito 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
Kazuya Ishii (August 27, 1957) (New candidate)	Oct. 1993: Joined Seiryō Audit Corporation Mar. 1997: Registered as Certified Public Accountant July 2003: Partner of Seiryō Audit Corporation Aug. 2008: Partner & Chairman of Seiryō Audit Corporation (Incumbent) [Current Significant Position] Partner & Chairman of Seiryō Audit Corporation	None

- Notes: 1. The abovementioned candidate has no conflicts of interest with the Company.
 2. Matters related to the candidate for Outside Corporate Auditor are as follows:
 (1) Mr. Kazuya Ishii is a candidate for Outside Corporate Auditor.
 (2) Reason for selecting the candidate as the candidate for Outside Corporate Auditor:
 Mr. Kazuya Ishii 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. Ishii 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:
 Mr. Kazuya Ishii has no experience of involvement in corporate management in a way. However, since Mr. Kazuya Ishii 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. Kazuya Ishii 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.
 3. Mr. Kazuya Ishii is the candidate for the Independent Auditor pursuant to the provisions of Tokyo Stock Exchange Inc.

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 the election of one (1) substitute Corporate

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Auditor in advance.

The Board of Corporate Auditors has already approved this proposal.

The candidate for substitute Corporate Auditor is as follows:

Name (Date of birth)	Brief personal profile, position and significant concurrent positions	Number of the Company shares held
Keijiro Kimura (April 14, 1961)	Apr. 1987: Registered as an Attorney at Law Joined Showa Law Office Jan. 1994: Registered at New York State Bar Association May 1998: Established Kyoei Law Office Apr. 2013: Partner of Kyoei Law Office (Incumbent) [Concurrent significant positions] Partner of Kyoei Law Office Professor, Kwansei Gakuin University Law School Outside Corporate Director, NAGAOKA INTERNATIONAL CORPORATION	None

Notes: 1. The abovementioned candidate has no conflicts of interest with the Company.

2. Matters related to the candidate for substitute Outside Corporate Auditor are as follows:

(1) Mr. Keijiro Kimura is candidate for substitute Outside Corporate Auditor.

(2) Reason for selecting the candidate as the candidate for substitute Outside Corporate Auditor:

Mr. Keijiro Kimura has expertise and extensive experience as an Attorney at Law. The Company proposes that Mr. Kimura be elected as the substitute Corporate Auditor in the hope that he will reflect such expertise 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:

Mr. Keijiro Kimura has no experience of involvement in corporate management in a way other than as an outside director or corporate auditor. However, since Mr. Kimura 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. Keijiro Kimura 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 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.

3. Mr. Keijiro Kimura fulfills the requirements for the Independent Auditor pursuant to the provisions of Tokyo Stock Exchange Inc.

Proposal 6: Payment of Bonuses to Directors

The Company proposes that it shall pay Directors' bonuses totaling ¥58.94 million to eight (8) Directors as of the end of the fiscal year under review in consideration of earnings, etc. during the fiscal year under review.