

Translation

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MEMBERSHIP

July 26, 2010

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

Company name: **Nippon Electric Glass Co., Ltd.**
Listing: First Section of the Tokyo Stock Exchange
First Section of the Osaka Securities Exchange
Securities identification code: 5214
URL: <http://www.neg.co.jp/>
Representative: Masayuki Arioka, President and Representative Director
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Scheduled date to file quarterly report: August 13, 2010
Scheduled date to commence dividend payments: –
Supplementary material on quarterly financial results: No
Quarterly financial results presentation meeting: No

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

1. Consolidated performance for the first quarter of the year ending March 31, 2011 (From April 1, 2010 to June 30, 2010)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

For the three months ended	Net sales		Operating income		Ordinary income		Net income	
		%		%		%		%
June 30, 2010	106,222	69.7	40,996	296.4	40,668	404.1	24,722	-
June 30, 2009	62,605	(39.9)	10,342	(69.8)	8,068	(75.7)	832	(95.6)

For the three months ended	Net income per share	Diluted net income per share
	yen	yen
June 30, 2010	49.70	-
June 30, 2009	1.67	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of			%	yen
June 30, 2010	661,027	428,323	64.2	852.45
March 31, 2010	646,443	406,306	62.2	808.75

Reference: Equity

As of June 30, 2010: 424,065 million yen

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

2. Cash dividends

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

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

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
		%		%		%		%	yen
For the six months ending September 30, 2011	211,000 - 221,000	46.6 - 53.5	81,000 - 87,000	150.2 - 168.7	80,000 - 86,000	171.5 - 191.8	49,000 - 53,000	251.8 - 280.6	98.50 - 106.54
For the year ending March 31, 2011	-	-	-	-	-	-	-	-	-

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

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

4. Others

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

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

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

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

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

A. Changes due to revisions to accounting standards: Yes

B. Changes due to other reasons: None

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

(4) Number of issued shares (common stock)

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

As of June 30, 2010	497,616,234 shares
As of March 31, 2010	497,616,234 shares

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

As of June 30, 2010	152,133 shares
As of March 31, 2010	148,073 shares

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

For the three months ended June 30, 2010	497,465,914 shares
For the three months ended June 30, 2009	497,481,628 shares

* Indication regarding execution of quarterly review procedures

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

* Proper use of earnings forecasts, and other special directions

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

Attached Materials

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

(1) Qualitative information regarding consolidated operating results (Three months ended June 30, 2010)

A. Overview

Sales of glass for electronic and information devices increased steadily as a result of a recovery in demand in our customer industry. Sales of glass for others were also increased, mainly because of glass fiber sales that maintained a path of recovery despite the stagnant demand in housing and construction-related fields. As a result, the consolidated earnings result were improved significantly, compared to the first quarter of the previous fiscal year, which was under the severe economic environment.

B. Operating results

(Billions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010	Change (%)
Net sales	62.6	106.2	70
Operating income	10.3	40.9	296
Ordinary income	8.0	40.6	404
Net income	0.8	24.7	2,871

Note: Amounts less than 100 million yen are omitted.

(Sales by products)

Reporting segment	Category	Three months ended June 30, 2009		Three months ended June 30, 2010		Change	
		billions of yen	(%)	billions of yen	(%)	billions of yen	(%)
Glass Business	Glass for electronic and information devices	53.1	85	90.3	85	37.2	70
	Glass for others	9.4	15	15.9	15	6.5	69
Total		62.6	100	106.2	100	43.6	70

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

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

(Net sales)

Glass for electronic and information devices:

Sales of flat panel displays (FPDs) increased, and glass related to optical communication and cover glass for image sensors also maintained a path of recovery in sales.

Glass for others:

Sales of glass fiber for auto parts showed a steady recovery, however, sales of building materials and heat-resistant glass were low, due to stagnant demand in housing and construction both in Japan and overseas.

(Profits)

Profits increased year on year as a result of the sales increase of glass for FPDs along with increase in production and effects from productivity improvements and so on.

(2) Qualitative information regarding consolidated earnings forecasts

(Billions of yen)

	Six months ended September 30, 2009	Six months ending September 30, 2010	Change (%)
Net sales	143.9	211.0 – 221.0	47 – 54
Operating income	32.3	81.0 – 87.0	150 – 170
Ordinary income	29.4	80.0 – 86.0	170 – 190
Net income	13.9	49.0 – 53.0	250 – 280

Note: Amounts less than 100 million yen are omitted.

Sales of glass for electronic and information for the second quarter (July 1-September 30, 2010) is expected to be almost at the same level as in the first quarter, although there is an uncertainty over the course of the demand. We expect sales for glass fiber in the glass for others will continue to be stable, however, sales of housing and construction-related fields including glass for building materials is expected to remain slow. The Company will focus on the utilization to be adjusted depending on the trend of demand in each category, to maintain and enhance profitability by promoting productivity improvement as well as cost reduction.

The consolidated earnings results for the first six months, which consist of the earnings results for the first quarter and the forecasts above, is expected to exceed when compared year on year (The Company has released as of today “Notice Concerning Consolidated Earnings Forecasts for the First Six Months for the Year Ending March 31, 2011”, separately.).

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

(Concerning Disclosure of Earnings Forecasts)

To deliver earlier and more appropriate earnings information, in addition to disclosing earnings forecasts according to timely disclosure standards as stipulated by the stock exchanges, the Company will notify shareholders and investors of earnings forecasts according to the following schedule.

Disclosure schedule	Content of forecast	
	Earnings forecast for current reporting period (cumulative basis) (disclosure of numerical figures)	Outlook for next reporting period (three-month basis) (disclosure of range for net sales and operating income)
Late June	Three months	Second quarter
Late September	Six months	Third quarter
Late December	Nine months	Fourth quarter
Late March	Full year	First quarter

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