Annual Report 2003

For the year ended March 31, 2003

Nippon Electric Glass Co., Ltd.

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Glass is a unique material. It can be given a desired set of qualities by adjusting the composition of the starting materials, and then formed and processed into countless shapes. Over the half century since its inception, NEG has been striving to develop and refine technology for imparting specific properties to glass and for shaping and processing this unique material while vigorously responding to the needs of customers.

High-tech Glass is NEG's term for glass whose properties and shape are optimized for the intended application. It is advanced glass required by the world and the ongoing progress of technology. Used in display devices, information technology, medical and laboratory equipment, architecture and in the home, high-tech glass is playing an essential role in all walks of life and industry.

NEG will continue to focus on contributing to the development of society through the creation of high-tech glass, in harmony with the environment.

Consolidated Financial Highlights

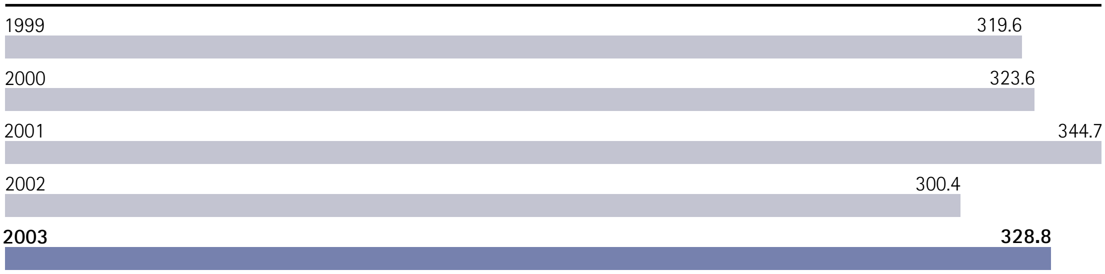
Nippon Electric Glass Co., Ltd.
and Consolidated Subsidiaries for
the Years Ended March 31,
1999, 2000, 2001,2002 and 2003

(Millions of yen and thousands of U.S. dollars except per share figures)

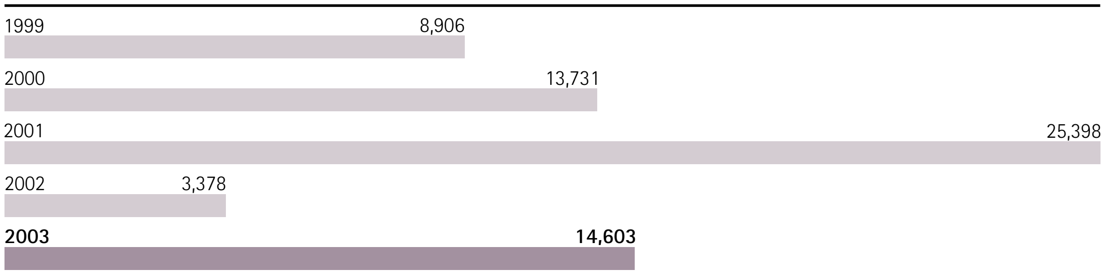
	1999	2000	2001	**2002**	**2003**		Percent change **2003/2002**
Net sales	¥319,638	¥323,590	¥344,677	¥300,395	¥328,803	$2,740,025	9.5%
Net income	8,906	13,731	25,398	3,378	14,603	121,692	332.3
Total assets	516,090	544,766	563,377	559,957	499,569	4,163,075	-10.8
Shareholders' equity	150,556	174,311	200,918	218,184	212,942	1,774,517	-2.4
Per share of common stock (yen and dollars)							
Net income	¥ 55.74	¥ 85.94	¥ 158.97	¥ 21.14	¥ 90.47	$ 0.75	328.0
Diluted net income	52.11	79.80	145.89	-	-	-	-
Shareholders' equity	942.33	1,091.02	1,257.54	1,365.69	1,333.28	11.11	-2.4
Equity ratio (%)	29.2	32.0	35.7	39.0	42.6		
Return on equity (%)	6.1	8.5	13.5	1.6	6.8		

Note: 1. The computations of net income per share and shareholders' equity per share are based on the average number of shares outstanding during each year and the number of shares outstanding at the end of each year, respectively.
2. Due to the redemption of convertible bonds on March 29, 2002, the computation of diluted net income per share was not calculated in 2002 and 2003.
3. U.S. dollar amounts have been translated from Japanese yen, solely for the convenience of the reader, using the prevailing exchange rate at March 31, 2003 of ¥120 to US$1.
4. At March 31, 2003, Nippon Electric Glass Co., Ltd. had 23 consolidated subsidiaries.

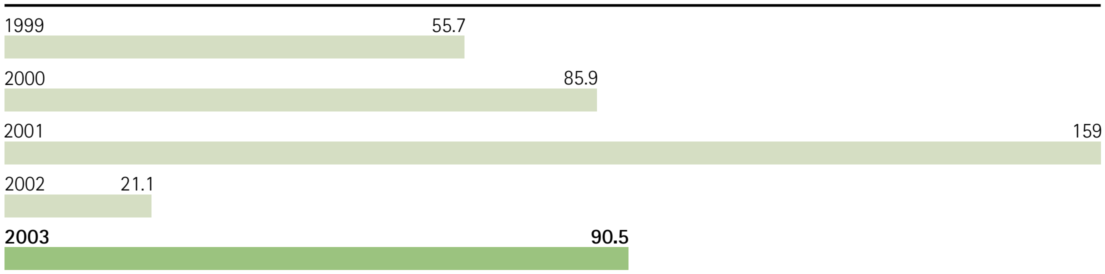
Net Sales (Billions of yen)



Net Income (Millions of yen)



Net Income Per Share (Yen)



Message from the Management

In fiscal 2003, which ended on March 31, 2003, the recovery of the global economy from the collapse of the IT bubble was sluggish overall, despite signs of recovery in some areas. The economy was also impacted in the latter half of the year by the deteriorating situation in Iraq and the SARS epidemic, and the Japanese economy came under still more intense deflationary pressure.

Under these conditions, we continued to focus on improving business efficiency, strengthening our business structure, and improving our technological capabilities and production and supply systems in the non-CRT information and communications sector, which we see as a future growth sector. We have also focused on improving productivity and cutting costs across the board, and rebuilding performance following the damage caused by the collapse of the IT bubble.

Outline of Results

Consolidated sales this year were ¥328,803 million ($2,740 million), up 9.5% from last year. As well as buoyant growth in sales of glass for LCDs and PDPs, and non-CRT glass in general, sales in other sectors, too, registered growth on the previous year.

On the earnings front, a recovery in capacity utilization in conjunction with growth in sales and the effects of productivity gains and cost cuts led net income to considerably recover by 332.3% on the previous year when performance was hit by the collapse of the IT bubble to ¥14,603 million ($122 million). Net income per share was ¥90.47 (75 cents), up ¥69.33 (58 cents) from last year.

Non-CRT Business Gets Going

As the CRT glass market has matured, we have sought to develop and strengthen our non-CRT information and communications business (glass for LCDs, PDPs, and optical and electronic devices). As a result, sales of non-CRT glass, which amounted to ¥28,150 million ($235 million) in fiscal 1999, expanded to ¥55,142 million ($460 million) this year, and their share of total sales likewise increased from just 8.8% to 16.8%. As a result of improvements in production technology, the LCD substrate glass business is now contributing to profits, and operations in this sector are steadily getting on track.

Financial Position Continues to Improve

Since fiscal 2000, we have set about improving and strengthening our financial position, a particular priority being the reduction of interest-bearing debt. As part of such moves, we launched our second three-year project to reduce interest-bearing debt this fiscal year. The fact that there was no large-scale investment in plant and equipment made it possible to implement the program ahead of schedule.

The result was that consolidated interest-bearing debt at the end of the fiscal year was down to ¥158,025 million ($1,317 million), lowering the company's index ratio of interest-bearing debt to sales to 48%. As a point of reference, our consolidated interest-bearing debt at the end of March 1999 when we embarked on this course, including that of our Chinese subsidiary Shijiazhuang Baoshi Electric Glass Co., Ltd. which was acquired during the following year, was approximately ¥295 billion ($2.5 billion), which gave an interest-bearing debt to sales ratio of 91%. At the same time, the reduction of inventory, narrowing down of capital expenditure to strategic sectors and shift to cost efficient investment strategies have brought total assets down to a little under ¥500 billion and raised the shareholders' equity ratio to 42%.

New Management Structure and Future Management Issues

At the meeting of the Board of Directors held after the ordinary general meeting of shareholders on June 27, 2003, the President, Tetsuji Mori, was nominated Vice Chairman and the Executive Vice President, Yuzo Izutsu, was nominated President, and the two assumed their respective new positions. The business environment is changing rapidly and dramatically, and the outlook will remain opaque for the time being due globally to factors such as the impact of the postwar situation in Iraq and SARS, and domestically to the disposal of non-performing loans and developments regarding measures to combat deflation. At the same time, economic globalization and the disappearance of borders between economies are proceeding apace, and global competition between enterprises is intensifying.

We are determined to adapt swiftly and precisely to these changes in the business environment and build a solid business structure and foundations under a new management structure to survive in the face of fierce international competition and deflationary conditions. This we will achieve by taking the following actions.


Nobutsune Kogo, Chairman of the Board (right), and Yuzo Izutsu, President

Stronger Corporate Foundation

We will continue to pursue efficiency improvements across the board by streamlining our corporate structure and operations, enhancing productivity and prioritizing investments, while emphasizing the importance of cash flow.

Our concrete goal for strengthening our financial position is to reduce interest-bearing debt, and steps will be taken to reduce it to a target of 20% of sales.

Globalization of Operations

As economic globalization proceeds, Japanese manufacturers are continuing to shift production offshore to China and elsewhere. In order to meet this change in the economic and market structure, we will seek to strengthen our technological capabilities and competitiveness, and develop our management on a global footing to serve the global marketplace through a network of group companies encompassing the major markets of the world.

Development of Future Core Business

The CRT glass business, hitherto our core business, is at a turning point from which it will go into gradual decline. We will therefore accelerate the development of our non-CRT information and communications business to turn it into a core business to drive future growth, focusing on the development of our LCD glass and PDP glass operations, which are now well underway.

In other sectors, action will be taken to maintain and improve profitability through improving productivity, and we will also step up our focus on boosting our strength in processing technologies (such as thin film processing technology) and developing high value-added products or functional materials.

Conserving the Environment

We have declared harmonization of our business activities with the environment to be one of our corporate principles, and we have worked to reduce the environmental impact based on the ISO14001 management system. We remain committed to further reducing the impact on the environment of both production processes and products, thus helping to prevent global warming and create a sustainable society.

On behalf of the Board of Directors, we conclude this report by thanking all our shareholders, customers, employees, and associates for their unwavering support. We look forward to your continued support for our future development.

N Kogo

Nobutsune Kogo *Chairman of the Board*

Y Izutsu

Yuzo Izutsu *President*

Review of Operations

Glass Business

Glass business sales rose 9.5% on a year-on-year basis to ¥326,968 million ($2,725 million), and accounted for 99.4% of consolidated total sales.

Information and Communications

Sales of glass products for information and communications equipment, such as display devices and optical and electronic devices, amounted to ¥268,169 million ($2,235 million), an increase of 10.6% from the preceding year, and accounted for 81.6% of consolidated total sales.

Glass for CRTs

Sales of glass for CRTs rose 6.1% from the preceding year to ¥213,027 million ($1,775 million). While sales of standard CRTs for TV and PC monitors recovered only slightly from their slump in the previous year, increased sales of bulbs for projection TVs contributed to growth.

Although demand in Japan for CRT glass continues its downward trend, demand in China is rising. To meet this changing demand structure, a new subsidiary has been established in Fujian in order to move some domestic production capacity to China, and work has begun on construction of a plant there that is scheduled to enter operation at the beginning of 2004. Structural reform also continues at our U.S. subsidiary Techneglas as part of moves to adjust supply to better suit demand in the North American market.

Glass for Non-CRTs

Products in this growth sector, which has a central role to play in NEG's future development, consist of glass for flat panel displays and optical and electronic devices. Sales of glass for non-CRTs rose 32.5% on a year earlier to ¥55,142 million ($460 million), and accounted for 16.8% of consolidated total sales (up 2.9 percentage points from the previous year). Sales of substrate glass and backlight glass for LCDs and sheet glass and glass paste for PDPs rose in step with growth in the LCD and PDP markets. Regarding other types of glass for optical and electronic devices, although sales of glass for optical communications equipment remained lackluster, sales of cover glass for image sensors and powdered glass for ceramic circuit boards grew.

In order to meet the growth in demand for LCD substrate glass, construction of additional production capacity coming on stream this summer is underway, while a processing subsidiary was established in Korea this fiscal year to extend the supply structure serving the Korean market.

Other Products

Sales in this category rose 4.8% from the previous year to ¥58,799 million ($490 million).

Glass Fibers

Sales of glass fibers rose 11.7% on a year-on-year basis to ¥23,147 million ($193 million). Sales of E-fiber chopped-strands for engineering plastics grew in unison with strong growth in the end-use automobile and digital home electronics markets. Increased sales of this product in overseas markets also contributed to growth.

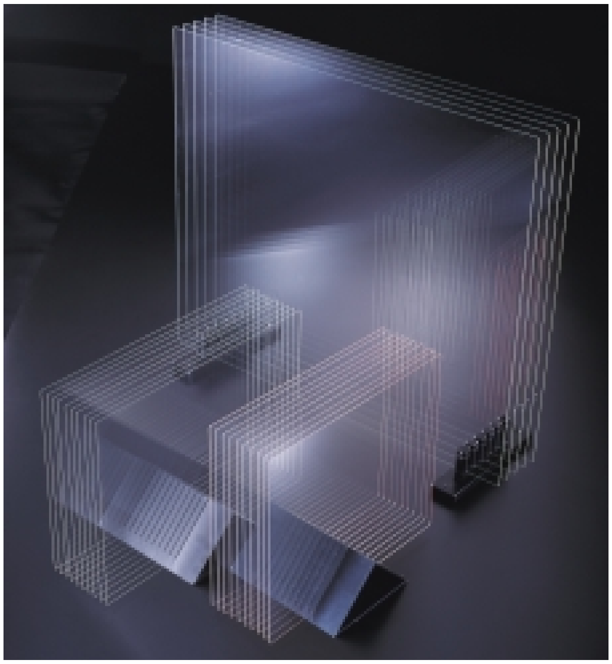
Building Materials, Heat-Resistant Glass, Glass Tubing and Others

Sales of products in this group rose 0.8% on a year-on-year basis to ¥35,652 million ($297 million). IH cooking heaters and glass-top gas ranges have begun to take off in Japan, and sales of the super heat-resistant glass-ceramic "Neoceram" rose driven largely by demand for its use in the top plates of such appliances. However, weak sales of heat-resistant glass for turntables in microwave ovens and glass for pharmaceutical use caused sales growth to be low overall.

Other Business

This comprises various services and retailing operations provided by subsidiaries for employees and customers outside the company. Sales in this sector during the fiscal year fell 3.7% from the previous year to ¥1,835 million ($15 million).

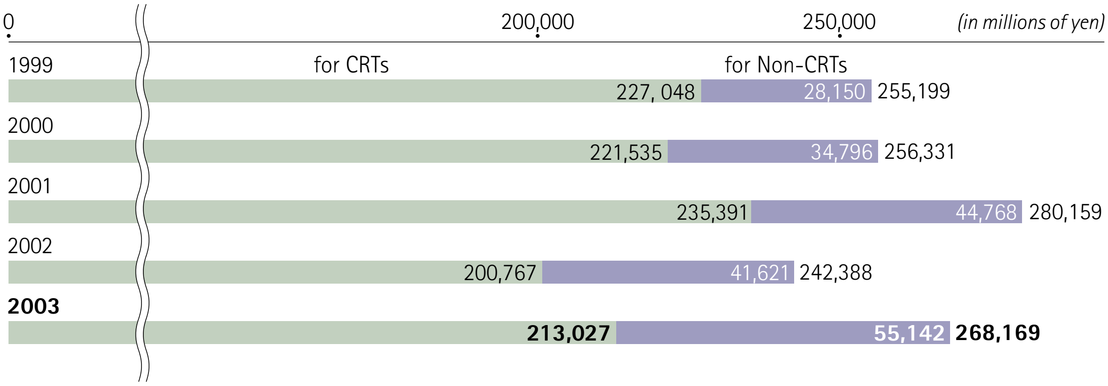
Main products



Glass substrate for LCDs

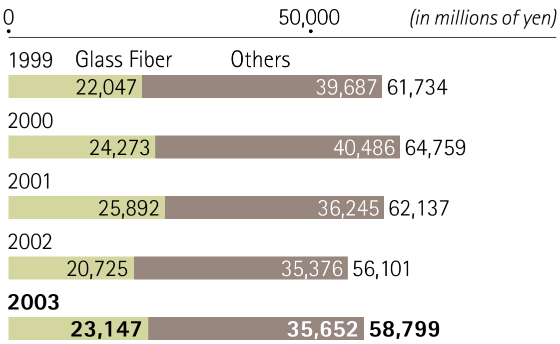
CRT glass bulbs for TVs, displays and projection TVs, CRT neck tubes

Information and Communications



Glass for LCDs (substrate glass, MLA glass for LCD projectors, glass tubes for backlight lamps)
Glass for PDPs (substrate glass, glass paste)
Glass for optical communications (capillaries, ferrules, micro ball lenses, lens-units, collimator-components)
CCD cover glass / Glass for laser-diodes / Powdered glass / Glass tubes for diodes and reed-switches

Other Products



Chopped strands for engineering-plastics

Chopped strands are used as reinforcement in automotive components

E-fiber for engineering-plastics, printed-circuit-boards and FRP / Alkali-resistant glass (ARG) for GRC and asbestos replacements

Building materials: Glass blocks, Glass-ceramics building materials "Neoparies" and "Neoclad", "Firelite" for fire doors, radiation-shielding glass "LX", recycled glass tiles "Crystal Clay"
Heat-resistant Glass: super heat-resistant glass-ceramics "Neoceram", heat-resistant glass "Neorex"
Glass Tubing: fluorescent-lamp bulbs, glass for ampules, vials and laboratory use
Glass for thermos flasks / Evacuated-type solar collector / Glassmaking machinery

Financial Review

Business Climate

In the 2003 fiscal year, the recovery in IT-related markets was lackluster, with capital investment in the optical communications sector, for example, remaining in the doldrums. The market for flat-panel displays such as LCDs and PDPs, however, exhibited strong growth, and demand in the digital equipment and automobile markets was also comparatively healthy.

Sales

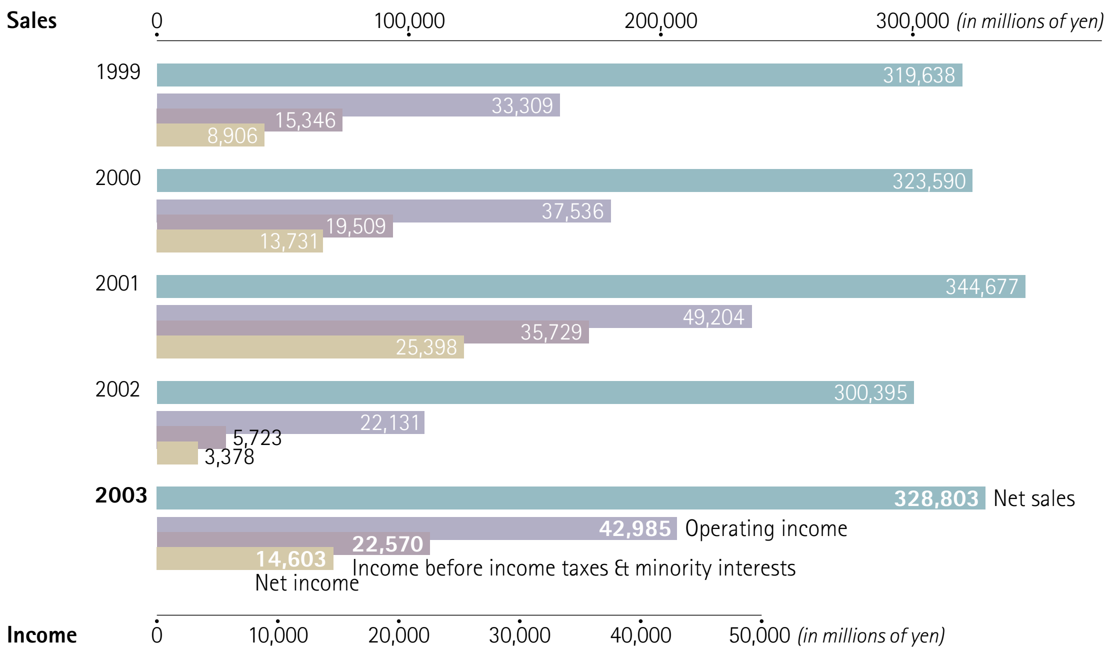
Consolidated sales grew 9.5% from the previous year to ¥328,803 million ($2,740 million).
In addition to strong growth in sales of glass for non-CRTs (principally for LCDs and PDPs), there were also increases in sales of glass bulb for projection TVs in the CRT sector, chopped strands for engineering plastics in the glass fibers sector, and super-heat resistant glass ceramic "Neoceram" in other products sector

Sales by business *(in millions of yen and millions of U.S. dollars)*

	1999	2000	2001	2002	**2003**		Percent change **2003/2002**	Percent of net sales **2003**
Glass Business:								
Information and Communications								
Glass for CRTs	¥227,048	¥221,535	¥235,391	¥200,767	**¥213,027**	**$1,775**	**+ 6.1%**	**64.8%**
Glass for Non-CRTs (Flat Panel Displays, Optical and Electronic Devices)	28,151	34,796	44,768	41,621	**55,142**	**460**	**+32.5**	**16.8**
	255,199	256,331	280,159	242,388	**268,169**	**2,235**	**+10.6**	**81.6**
Other products								
Glass fibers	22,047	24,273	25,892	20,725	**23,147**	**193**	**+11.7**	**7.0**
Building Materials, Heat-resistant Glass, Glass Tubing, Other	39,687	40,486	36,245	35,376	**35,652**	**297**	**+ 0.8**	**10.8**
	61,734	64,759	62,137	56,101	**58,799**	**490**	**+ 4.8**	**17.8**
	316,933	321,090	342,296	298,489	**326,968**	**2,725**	**+ 9.5**	**99.4**
Other business:	2,705	2,500	2,381	1,906	**1,835**	**15**	**– 3.7**	**0.6**
Total	¥319,638	¥323,590	¥344,677	¥300,395	**¥328,803**	**$2,740**	**+ 9.5%**	**100.0%**

Income

Operating income rose 94.2% from the previous year to ¥42,985 million ($358 million). The sales cost ratio registered a 4.4 percentage point down due to an increase in sales and recovery in the operating rate, improvements in productivity, and cuts in costs.



Income before income taxes and minority interests increased 294.4% from the previous year to ¥22,570 million ($188 million), and net income likewise rose 332.3% to ¥14,603 million ($122 million). This was due in large part to growth in operating income, despite an increase in other expenses arising from foreign exchange losses and losses from valuation of investment securities. As a consequence, net income per share rose ¥69.33 (58 cents) to ¥90.47 (75 cents).

Geographic Segment Information

Japan: Total sales rose 5.6% from the previous year to ¥228,292 million ($1,902 million). Sales of glass for non-CRTs increased, accompanied by solid growth in other sectors. Together with sales growth, a recovery in capacity utilization, productivity improvements, and cuts in costs contributed to a 119.6% increase on the previous year in operating income to ¥30,829 million ($257 million).

North America: The recovery in demand for CRT glass was weak, and total sales edged up only 1.0% from the previous year to ¥72,077 million ($601 million). Restructuring of U.S. subsidiary Techneglass brought operating loss down to ¥345 million ($3 million).

Asia: The recovery in the CRT glass market and growth in sales of glass fiber resulted in 12.0% growth on the previous year in total sales to ¥70,837 million ($590 million), while operating income rose 20.7% from the previous year to ¥9,332 million ($78 million).

Europe: There was solid growth in sales of CRT glass bulbs in the region, and total sales rose 7.2% from the previous year to ¥23,484 million ($196 million). However, periodical repairs to glass furnaces in the first half of the year under review caused operating income to decline 56.7% from the previous year to ¥1,256 million ($10 million).

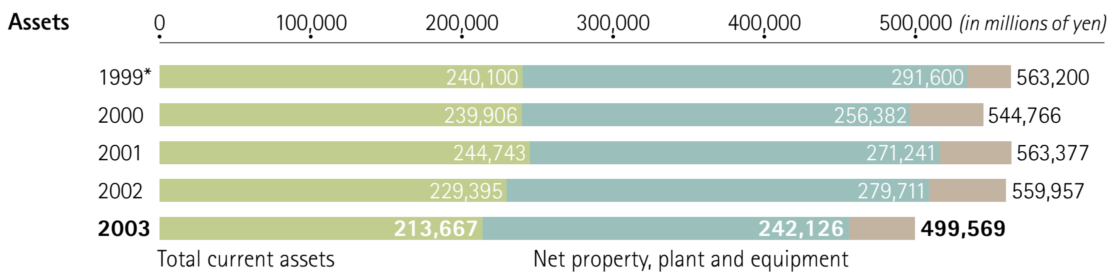
Dividends

The annual cash dividend per share of common stock for the year was ¥12 (10.0 cents), which included an interim dividend of ¥5.5 (4.6 cents) paid in December 2002. Reflecting our success in implementing our mid to long-term business improvement initiatives, such as measures to improve our financial position and develop the non-CRT business, the dividend per share of common stock was increased by ¥1 (0.8 cents) compared with the previous year.

Financial Position and Liquidity

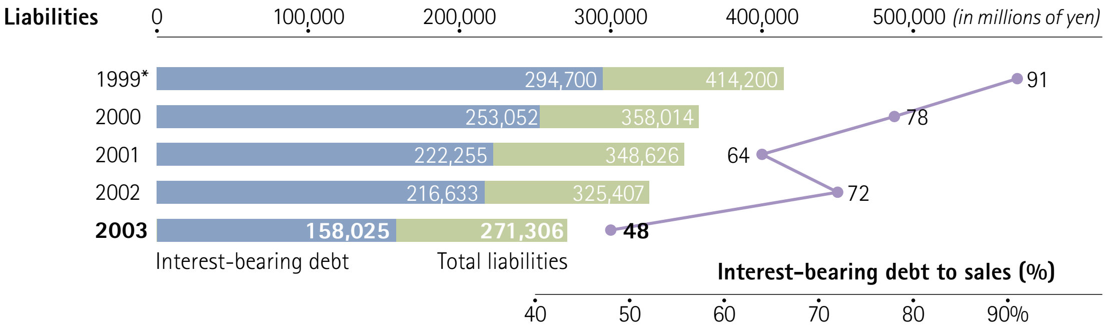
Assets, Liabilities and Shareholders' Equity

Our initiatives to strengthen our financial position, while mid to long term in nature, yielded considerable results in the fiscal year under review. Total assets at the end of the year were ¥499,569 million ($4,163 million), a decrease of ¥60,388 million ($503 million) from the same time last year. As well as reductions in inventories and in machinery and equipment with the disposal of idle machinery and facilities, there was also a decline in investment securities due to falling share prices.

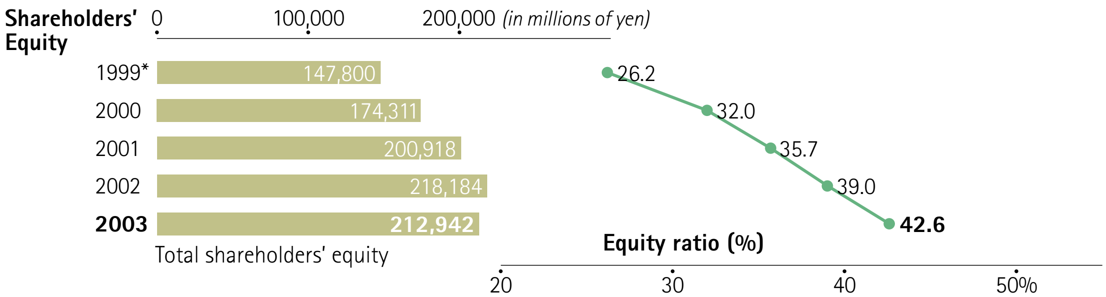


*Figures for FY1999 include Shijiazhuang Baoshi Electric Glass Co., Ltd.

Total liabilities amounted to ¥271,306 million ($2,261 million), a decrease of ¥54,101 million ($451 million) from the end of the previous year. This was the result of the implementation ahead of schedule of the second interest-bearing debt reduction project. The ratio of interest bearing debt to sales at the end of the year, which NEG uses as an indicator of the level of debt and which we aim to reduce to a final figure of 20%, was brought down to 48%, which is below our current target of 50%.



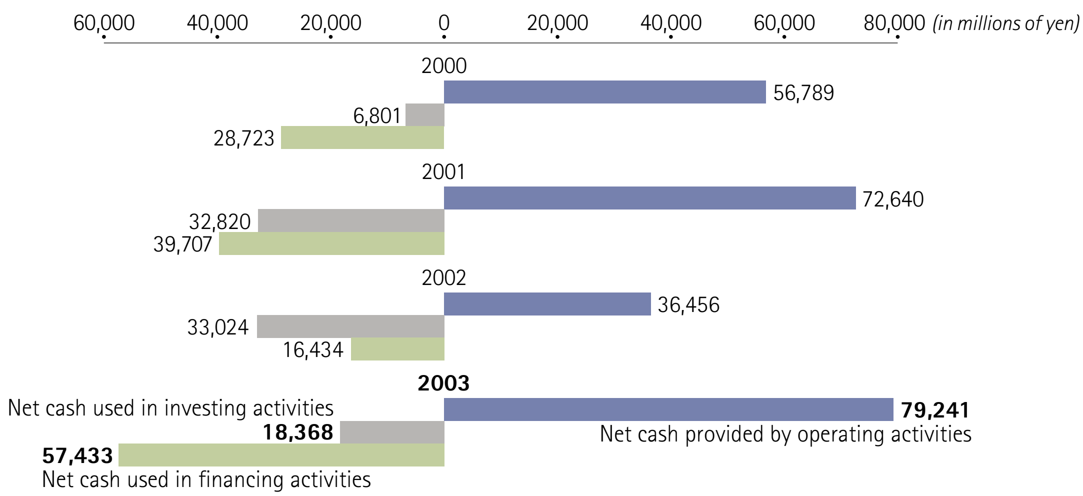
Total shareholders' equity was ¥212,942 million ($1,775 million). As a result of a decline in foreign currency translation adjustments and net unrealized holding gains on securities, total shareholders' equity declined ¥5,242 million ($44 million) compared with the end of the previous year. The equity ratio, however, rose to 42.6%.



*Figures for FY1999 include Shijiazhuang Baoshi Electrig Glass Co., Ltd.

Cash Flows

Net cash provided by operating activities was ¥79,241 million ($660 million). This was due chiefly to income before income taxes and minority interests, depreciation and amortization, and a decrease in inventories. As a result of an upturn in notes and accounts payable which declined sharply the previous year as well as a large reduction in inventories and the high level of profits earned, net cash provided by operating activities surged ¥42,785 million ($357 million) compared with the previous year.

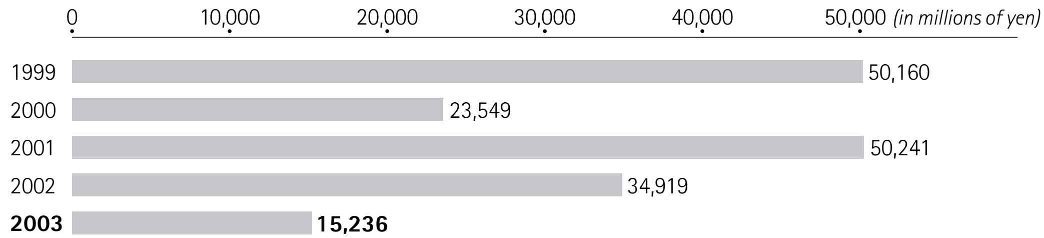


Net cash used in investing activities was ¥18,368 million ($153 million). This was used mainly for upgrading of facilities to improve productivity across all sectors, and to expand production capacity, principally in the non-CRT glass sector, and was ¥14,656 million ($122 million) less than the previous year due to the absence of any need for large-scale capital expenditures this year.

Net cash used in financing activities increased ¥40,999 million ($342 million) from the previous year to ¥57,433 million ($479 million). This was chiefly due to the implementation ahead of schedule of the second three-year interest-bearing debt reduction project begun this year, the redemption of ¥30,000 million ($250 million) worth of straight bonds, and continued repayment of short-term borrowing and long-term debt. As a result of the above, cash and cash equivalents at the end of the year increased by a net ¥3,453 million ($29 million) to ¥62,339 million ($519 million).

Capital Expenditures

The Company's capital expenditures include the periodic refurbishment of the glassmaking furnaces. Capital expenditures during the year came to ¥15,236 million ($127 million), a decrease of 56.4% from the previous year as there was no need for any large-scale capital expenditures. ¥10,943 million ($91 million) was invested in the information and communications sector, mainly to expand flat-panel display glass production facilities, repairing glassmaking furnaces, and move some CRT glass production capacity offshore to meet changes in the global demand structure. In other sectors, ¥4,293 million ($36 million) was invested, mainly in repairing glassmaking furnaces and renewing facilities to improve productivity.



Capital expenditures

Consolidated Balance Sheets

Nippon Electric Glass Co., Ltd. and Consolidated Subsidiaries
March 31, 2002 and 2003

ASSETS

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2002	**2003**	**2003**
Current assets:			
Cash and time deposits (Note 7)	¥ 59,567	**¥ 62,386**	**$ 519,883**
Notes and accounts receivable, trade	78,447	**80,349**	**669,575**
Allowance for doubtful receivables	(565)	**(613)**	**(5,108)**
Inventories (Note 8)	77,548	**59,638**	**496,983**
Deferred income taxes (Note 11)	8,559	**6,643**	**55,358**
Other current assets	5,839	**5,264**	**43,867**
Total current assets	229,395	**213,667**	**1,780,558**
Property, plant and equipment (Note 9):			
Land	18,157	**17,296**	**144,133**
Buildings and structures	111,705	**104,905**	**874,208**
Machinery and equipment	507,489	**464,210**	**3,868,417**
Construction in progress	2,585	**8,703**	**72,525**
	639,936	**595,114**	**4,959,283**
Accumulated depreciation	(360,225)	**(352,988)**	**(2,941,566)**
Net property, plant and equipment	279,711	**242,126**	**2,017,717**
Investments and other assets:			
Investment securities (Notes 5 and 9)	28,699	**13,816**	**115,133**
Investment in affiliates (Note 5)	134	**3,473**	**28,942**
Goodwill	11,099	**10,287**	**85,725**
Deferred income taxes (Note 11)	3,891	**9,587**	**79,892**
Other assets (Note 9)	7,028	**6,613**	**55,108**
Total investments and other assets	50,851	**43,776**	**364,800**
Total assets	¥559,957	**¥499,569**	**$4,163,075**

The accompanying notes to consolidated financial statements are an integral part of these statements.

LIABILITIES AND SHAREHOLDERS' EQUITY

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2002	**2003**	**2003**
Current liabilities:			
Short-term borrowings, including current portion of long-term debt (Notes 9 and 10)	¥134,159	**¥ 90,716**	**$ 755,967**
Notes and accounts payable:			
Trade	35,022	**37,456**	**312,133**
Construction and other	9,285	**9,942**	**82,850**
Accrued expenses	15,674	**17,824**	**148,533**
Accrued income taxes	4,083	**7,751**	**64,592**
Other current liabilities	2,236	**2,237**	**18,641**
Total current liabilities	200,459	**165,926**	**1,382,716**
Long-term debt (Notes 9 and 10)	84,891	**69,007**	**575,058**
Severance and retirement benefits (Note 12)	9,003	**9,175**	**76,459**
Directors' retirement benefits	-	**525**	**4,375**
Reserve for special repairs	17,714	**17,114**	**142,617**
Deferred income taxes (Note 11)	9,543	**6,889**	**57,408**
Other non-current liabilities	3,797	**2,670**	**22,250**
Total liabilities	325,407	**271,306**	**2,260,883**
Minority interests	16,366	**15,321**	**127,675**
Contingent liabilities (Note 14)			
Shareholders' equity (Note 13):			
Common stock			
Authorized - 400,000,000 shares			
Issued - 159,772,078 shares	18,386	**18,386**	**153,217**
Additional paid-in capital	20,116	**20,116**	**167,633**
Retained earnings	158,368	**168,942**	**1,407,850**
Net unrealized holding gains on securities	9,721	**3,419**	**28,491**
Foreign currency translation adjustments	11,606	**2,276**	**18,967**
	218,197	**213,139**	**1,776,158**
Less: cost of treasury stock:			
158,039 shares in 2003, 11,862 shares in 2002	(13)	**(197)**	**(1,641)**
Total shareholders' equity	218,184	**212,942**	**1,774,517**
Total liabilities and shareholders' equity	¥559,957	**¥499,569**	**$4,163,075**

Consolidated Statements of Income

Nippon Electric Glass Co., Ltd. and Consolidated Subsidiaries
Years Ended March 31, 2001, 2002 and 2003

	Millions of yen			Thousands of U.S. dollars (Note 1)
	2001	2002	**2003**	**2003**
Net sales	¥344,677	¥300,395	**¥328,803**	**$2,740,025**
Cost of sales	250,929	237,237	**245,285**	**2,044,042**
Gross profit	93,748	63,158	**83,518**	**695,983**
Selling, general and administrative expenses	44,544	41,027	**40,533**	**337,775**
Operating income	49,204	22,131	**42,985**	**358,208**
Other income (expenses):				
Interest and dividend income	1,166	1,001	**683**	**5,692**
Interest expense	(8,519)	(6,742)	**(4,651)**	**(38,758)**
Restructuring charges (Note 4)	-	(6,620)	**(3,921)**	**(32,675)**
Loss from devaluation of inventories	(1,917)	(3,634)	**(1,056)**	**(8,800)**
Loss on disposal of property, plant and equipment including removal expenses	(3,231)	(1,661)	**(5,325)**	**(44,375)**
Write-down of investment securities	-	(330)	**(3,054)**	**(25,450)**
Loss on disposal of inventories	(1,985)	(285)	**(536)**	**(4,467)**
Reversal of reserve for special repairs (Note 4)	711	198	**2,458**	**20,483**
Foreign exchange gains (losses), net	1,864	1,834	**(3,043)**	**(25,358)**
Other, net	(1,564)	(169)	**(1,970)**	**(16,417)**
	(13,475)	(16,408)	**(20,415)**	**(170,125)**
Income before income taxes and minority interests	35,729	5,723	**22,570**	**188,083**
Provision for income taxes (Note 11)				
Current	12,635	5,417	**10,612**	**88,433**
Refunds	(635)	(518)	**(4,071)**	**(33,925)**
Deferred	(3,815)	(3,756)	**615**	**5,125**
	8,185	1,143	**7,156**	**59,633**
Minority interests	2,146	1,202	**811**	**6,758**
Net income	¥ 25,398	¥3,378	**¥ 14,603**	**$121,692**
	Yen			U.S. dollars (Note 1)
Per share of common stock:				
Net income	¥ 158.97	¥ 21.14	**¥ 90.47**	**$ 0.75**
Diluted net income	145.89	-	**–**	**–**
Cash dividends applicable to the year	11.00	11.00	**12.00**	**0.10**

The accompanying notes to consolidated financial statements are an integral part of these statements.

Consolidated Statements of Shareholders' Equity

Nippon Electric Glass Co., Ltd. and Consolidated Subsidiaries

Years Ended March 31, 2000, 2002 and 2003

	Thousands of shares	Millions of yen					
	Number of shares of common stock issued	Common stock	Additional paid-in capitale	Retained arnings	Net unrealized holding gains on securities	Foreign currency transaction adjustments	Treasury stock
Balance at March 31, 2000	159,772	¥ 18,385	¥ 20,115	¥ 135,813	¥ -	¥ -	¥ (2)
Net income	-	-	-	25,398	-	-	-
Decrease due to accounting standards in foreign countries	-	-	-	(1,478)	-	-	-
Adjustments from translation of foreign currency financial statements	-	-	-	-	-	(4,034)	-
Adoption of new accounting standard for financial instruments	-	-	-	-	8,790	-	-
Treasury stock	-	-	-	-	-	-	2
Cash dividends paid	-	-	-	(1,917)	-	-	-
Bonuses to directors	-	-	-	(154)	-	-	-
Balance at March 31, 2001	159,772	18,385	20,115	157,662	8,790	(4,034)	(0)
Net income	-	-	-	3,378	-	-	-
Decrease due to accounting standards in foreign countries	-	-	-	(679)	-	-	-
Net change during the year	-	-	-	-	931	15,640	-
Treasury stock	-	-	-	-	-	-	(13)
Cash dividends paid	-	-	-	(1,837)	-	-	-
Bonuses to directors	-	-	-	(156)	-	-	-
Conversion of convertible bonds	0	1	1	-	-	-	-
Balance at March 31, 2002	159,772	18,386	20,116	158,368	9,721	11,606	(13)
Net income	**-**	**-**	**-**	**14,603**	**-**	**-**	**-**
Decrease due to accounting standards in foreign countries	**-**	**-**	**-**	**(2,181)**	**-**	**-**	**-**
Net change during the year	**-**	**-**	**-**	**-**	**(6,302)**	**(9,330)**	**-**
Treasury stock	**-**	**-**	**-**	**-**	**-**	**-**	**(184)**
Cash dividends paid	**-**	**-**	**-**	**(1,756)**	**-**	**-**	**-**
Bonuses to directors	**-**	**-**	**-**	**(92)**	**-**	**-**	**-**
Balance at March 31, 2003	**159,772**	**¥ 18,386**	**¥ 20,116**	**¥ 168,942**	**¥ 3,419**	**¥ 2,276**	**¥ (197)**

	Thousands of U.S. dollars (Note 1)					
	Common stock	Additional paid-in capitale	Retained arnings	Net unrealized holding gains on securities	Foreign currency transaction adjustments	Treasury stock
Balance at March 31, 2002	$ 153,217	$ 167,633	$ 1,319,733	$ 81,008	$ 96,717	$ (108)
Net income	**-**	**-**	**121,692**	**-**	**-**	**-**
Decrease due to accounting standards in foreign countries	**-**	**-**	**(18,175)**	**-**	**-**	**-**
Net change during the year	**-**	**-**	**-**	**(52,517)**	**(77,750)**	**-**
Treasury stock	**-**	**-**	**-**	**-**	**-**	**(1,533)**
Cash dividends paid	**-**	**-**	**(14,633)**	**-**	**-**	**-**
Bonuses to directors	**-**	**-**	**(767)**	**-**	**-**	**-**
Balance at March 31, 2003	**$153,217**	**$167,633**	**$1,407,850**	**$28,491**	**$18,967**	**$(1,641)**

The accompanying notes to consolidated financial statements are an integral part of these statements.

Consolidated Statements of Cash Flows

Nippon Electric Glass Co., Ltd. and Consolidated Subsidiaries
Years Ended March 31, 2001, 2002 and 2003

	Millions of yen			Thousands of U.S. dollars (Note 1)
	2001	2002	**2003**	**2003**
Cash flows from operating activities:				
Income before income taxes and minority interests	¥35,729	¥ 5,723	**¥22,570**	**$188,083**
Depreciation and amortization	35,932	37,079	**34,967**	**291,392**
Loss on disposal of property, plant and equipment	3,626	1,932	**7,116**	**59,300**
Loss from valuation of property, plant and equipment	-	-	**460**	**3,833**
Write-down of investment securities	-	330	**3,054**	**25,450**
Provision for (reversal of) reserve for special repairs	(201)	2,834	**(456)**	**(3,800)**
Interest and dividend income	(1,166)	(1,001)	**(683)**	**(5,692)**
Interest expense	8,519	6,742	**4,651**	**38,758**
Decrease (increase) in notes and accounts receivable	6,706	6,028	**(4,535)**	**(37,791)**
Decrease (increase) in inventories	(1,282)	3,023	**15,230**	**126,917**
Increase (decrease) in notes and accounts payable	2,893	(14,919)	**5,034**	**41,950**
Other	(3,120)	4,505	**599**	**4,992**
Sub-total	87,636	52,276	**88,007**	**733,392**
Interest and dividends received	994	824	**702**	**5,850**
Interest paid	(8,927)	(6,829)	**(5,144)**	**(42,866)**
Refund of income taxes	54	1,381	**2,695**	**22,458**
Payments for income taxes	(7,117)	(11,196)	**(7,019)**	**(58,492)**
Net cash provided by operating activities	72,640	36,456	**79,241**	**660,342**
Cash flows from investing activities:				
Decrease (increase) in time deposits, net	(463)	1,552	**621**	**5,175**
Purchases of marketable and investment securities	(311)	(169)	**(3,552)**	**(29,600)**
Proceeds from sale of marketable and investment securities	1,126	536	**1,485**	**12,375**
Purchases of property, plant and equipment	(32,970)	(35,545)	**(18,101)**	**(150,842)**
Proceeds from sales of property, plant and equipment	503	219	**1,208**	**10,067**
Increase (decrease) in loans receivable	50	(4)	**(143)**	**(1,192)**
Other	(755)	387	**114**	**950**
Net cash used in investing activities	(32,820)	(33,024)	**(18,368)**	**(153,067)**
Cash flows from financing activities:				
Increase (decrease) in short-term debt, net	(14,380)	4,043	**(5,806)**	**(48,383)**
Proceeds from long-term loans	11,363	15,000	**14,893**	**124,108**
Repayment of long-term loans	(34,853)	(22,938)	**(33,927)**	**(282,725)**
Proceeds from issue of unsecured bonds	-	20,000	**-**	**-**
Redemption of unsecured bonds	-	-	**(30,000)**	**(250,000)**
Redemption of unsecured convertible bonds	-	(29,996)	**-**	**-**
Proceeds from common stock issued to minority shareholders	82	5	**-**	**-**
Cash dividends paid	(1,919)	(1,836)	**(1,756)**	**(14,633)**
Other	-	(712)	**(837)**	**(6,975)**
Net cash used in financing activities	(39,707)	(16,434)	**(57,433)**	**(478,608)**
Effect of exchange rate changes on cash and cash equivalents	1,463	303	**13**	**108**
Net increase (decrease) in cash and cash equivalents	1,576	(12,699)	**3,453**	**28,775**
Cash and cash equivalents at beginning of year	70,009	71,585	**58,886**	**490,717**
Cash and cash equivalents at end of year (Note 7)	¥71,585	¥58,886	**¥62,339**	**$519,492**

The accompanying notes to consolidated financial statements are an integral part of these statements.

1. Basis of presenting consolidated financial statements

Nippon Electric Glass Co., Ltd. (the "Company") and its consolidated domestic subsidiaries maintain their official accounting records in Japanese yen and in accordance with the provisions set forth in the Japanese Commercial Code (the "Code") and accounting principles and practices generally accepted in Japan ("Japanese GAAP"). The accounts of consolidated foreign subsidiaries are based on their accounting records maintained in conformity with generally accepted accounting principles and practices prevailing in the respective countries of domicile. Certain accounting principles and practices generally accepted in Japan are different from International Accounting Standards and standards in other countries in certain respects as to application and disclosure requirements. Accordingly, the accompanying consolidated financial statements are intended for use by those who are informed about Japanese accounting principles and practices.

The accompanying consolidated financial statements have been restructured and translated into English (with some expanded descriptions and the inclusion of statements of shareholders' equity) from the consolidated financial statements of the Company prepared in accordance with Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Securities and Exchange Law. Some supplementary information included in the statutory Japanese language consolidated financial statements, but not required for fair presentation is not presented in the accompanying consolidated financial statements.

The translation of the Japanese yen amounts into U.S. dollars are included solely for the convenience of the readers outside Japan, using the prevailing exchange rate at March 31, 2003, which was ¥120 to US $1. The convenience translations should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at this or any other rate of exchange.

2. Significant accounting policies

(a) Consolidation policies

Under Japanese GAAP, companies are required to consolidated all significant investees over which they have power of control through a majority voting rights or existence of certain conditions evidencing control. The accompanying consolidated financial statements include the accounts of the Company and substantially all of its subsidiaries. All significant inter-company transactions and account balances are eliminated in consolidation. The excess of cost of investments in consolidated subsidiaries over the equity in net assets at the time of acquisition is amortized on a straight-line basis over five years.

Investments in other affiliated companies are stated at cost. Financial statements of foreign subsidiaries are prepared under local GAAP and are included based on their fiscal year ended of December 31.

(b) Translation of foreign currencies

The Company and its consolidated domestic subsidiaries adopted the revised accounting standard for foreign currency translation effective from April 1, 2000. Based on the revised accounting standard, receivables and payables denominated in foreign currencies are translated into Japanese yen at the current rates.

The financial statements of the Company's consolidated foreign subsidiaries are translated into Japanese yen at the current rates for assets and liabilities, and historical rates for shareholders' equity's accounts. Average rates for the years are used for translation of income and expenses. Foreign currency translation adjustments are recorded in shareholders'equity.

(c) Cash and cash equivalents

In preparing the consolidated statements of cash flows, cash on hand, deposits placed with banks on demand and short-term highly liquid investments with a maturity of three months or less when deposited or purchased are considered to be cash and cash equivalents.

(d) Investment securities

Effective from April 1, 2000, the Company and its consolidated domestic subsidiaries adopted the new accounting standard for financial instruments. In accordance with the new accounting standard, the Company and its consolidated domestic subsidiaries categorized their securities into the following two types based on their intent of holding.

a) debt securities held to maturity ("held-to-maturity debt securities")

b) other securities ("available-for-sale securities")

Held-to-maturity debt securities are stated at amortized cost. Available-for-sale securities with available fair market value are stated at fair market value. Unrealized gains and losses on these securities are reported, net of applicable income taxes, as a separate component of shareholders' equity. Realized gains and losses on sales of such securities are calculated using moving average cost.

(e) Allowance for doubtful receivables

Allowance for doubtful receivables is provided in an amount sufficient to cover possible losses on collection. Effective from April 1, 2000, the Company and its consolidated domestic subsidiaries adopted the new accounting standard. For normal receivables, it is estimated as uncollectable amounts based on the historical ratio of bad debt losses. For receivables from customers in financial difficulty, it is specifically estimated based on each doubtful receivables.

(f) Inventories

Finished goods are stated principally at the lower of cost or market value, cost being determined by the moving average method. Other inventories are stated principally at cost , which is determined on a first-in, first-out basis or by the moving average method.

(g) Property, plant and equipment

Property, plant and equipment are principally stated at cost. Depreciation of property, plant and equipment of the Company and its consolidated domestic subsidiaries is calculated by the declining-balance method at rates based on the estimated useful lives of the assets. Buildings acquired after March 31, 1998 are depreciated using the straight-line method, excluding building fixtures. Depreciation of property, plant and equipment of consolidated foreign subsidiaries is calculated principally by the straight-line method over the estimated useful lives of the assets.

The ranges of the estimated useful lives for machinery and equipment are generally 9 to 13 years.

(h) Goodwill

Prior to April 1, 2002, goodwill related to subsidiaries in the United States was principally being amortized by the straight-line method over 40 years. Effective from the year ended March 31, 2003, in accordance with the change in the United States, accounting for goodwill from business combinations changes from the amortization method to an impairment-only approach.

(i) Accounting for certain lease transactions

Finance leases that do not transfer titles to the lessees are accounted for principally in the same manner as operating leases in accordance with Japanese GAAP.

(j) Severance and retirement benefits

Effective April 1, 2000, the Company and its consolidated domestic subsidiaries adopted the new accounting standard. That requires the allowance for severance and retirement benefits and severance and retirement benefit expenses to be recorded based on actuarial calculations.

The Company and its consolidated domestic subsidiaries provided the allowance for severance and retirement benefits based on the projected benefit obligation and the estimated pension assets at the balance sheet date. The excess of the projected benefit obligation over the total of the fair value of pension assets as of April 1, 2000 and the allowance for severance and retirement benefits recorded as of April 1, 2000 (the "net transition obligation") was ¥15,998 million. The Company and its consolidated domestic subsidiaries recognize the net transition obligation as expenses in equal amounts over 15 years. Actuarial differences as of each year-end are recognized as expense using the straight-line method over 10 years (within the average of the estimated remaining service lives) starting from the following fiscal year.

On November 13, 2001, the Company dissolved the funded non-contributory pension plan. Consequently, the allowance of severance and retirement benefits were reversed into other income in the amount of ¥426 million. Also, the related net transition obligation and unrecognized actuarial differences decreased by ¥11,958 million and ¥8,281 million as of April 1, 2001, respectively.

(k) Directors' retirement benefits

Effective from March 31, 2003, the Company and its consolidated domestic subsidiaries record the amount that is required by the internal corporate policy at the end of the current fiscal year.

(l) Reserve for special repairs

Significant repair expenditure is expected for melting furnaces every 3 to 7 years. Such repairs are provided for in advance by charging the estimated cost against current operations.

(m) Income taxes

The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purpose.

(n) Research and development

Costs relating to research and development activities are charged to income as incurred and amounted to ¥6,004 million, ¥5,316 million and ¥2,195 million ($18,292 thousand) in 2001, 2002 and 2003, respectively.

(o) Net income per share

The computation of net income per share is based on the average number of shares of common stock outstanding during each year. Diluted net income per share of common stock is computed based on the assumption that all dilutive convertible bonds were converted into common stock at the current conversion price at the beginning of the year.

(p) Derivatives and hedge accounting

Effective from the year ended March 31, 2001, the new accounting standard for financial instruments requires the Company and its consolidated domestic subsidiaries to state derivative financial instruments at fair value and recognize changes in the fair value as gains or losses unless derivative financial instruments are used for hedging purposes. If derivative financial instruments are used as hedges and meet certain hedging conditions, the Company and its consolidated domestic subsidiaries defer recognition of gains or losses resulting from changes in fair value of derivative financial instruments until the related gains or losses on the hedged items are recognized.

However, in cases where forward foreign exchange contracts are used as hedges and meet certain hedging conditions, forward foreign exchange contracts and hedged items are accounted for in the following manner. If a forward foreign exchange contract is executed to hedge an existing foreign currency receivables and payables,

(a) the difference, if any, between the Japanese yen amount of the hedged foreign currency receivables or payables translated using the spot rate at the inception date of the contract and the book value of the receivables or payables is recognized in the income statement in the period which includes the inception date, and

(b) the discount or premium on the contract (that is, the difference between the Japanese yen amount of the contract translated using the contracted forward rate and that translated using the spot rate at the inception date of the contract) is recognized over the term of the contract.

Also, if interest rate swap contracts are used as hedges and meet certain hedging conditions, the net amount to be paid or received under the interest rate swap contract is added to or deducted from the interest on the assets or liabilities for which the swap contract was executed. Hedging instruments and hedged items used by the Company and its consolidated subsidiaries are as follows:

Hedging instruments:	Hedged item:
Forward foreign exchange contracts	Principally foreign currency receivables
Interest rate swap contracts	Interest on loans payable

The Company and its consolidated subsidiaries enter into forward foreign exchange contracts and interest rate swap agreements to manage risk exposure. The Company and its consolidated subsidiaries use derivative transactions solely for the purpose of managing risks, but not for speculation. As the counterparties are major financial institutions, the Company and its consolidated subsidiaries consider the credit risk to be minimum. The derivative transactions are entered into by each company in accordance with accounting policies and controlled by the accounting division.

(q) Reclassifications

Certain prior year amounts have been reclassified to conform to the 2003 presentation. These changes had no impact on previously reported results of operations or shareholders' equity.

3. Accounting change

(a) Accounting standard for treasury stock and reversal of statutory reserves

Effective April 1, 2002, the Company and its consolidated domestic subsidiaries adopted the new accounting standard for treasury stock and reversal of statutory reserves (Accounting Standards Board Statement No. 1, "Accounting Standard for Treasury Stock and Reversal of Statutory Reserves", issued by the Accounting Standards Board of Japan on February 21, 2002). The effect of the adoption of the new accounting standard on net income was immaterial.

(b) Net income per share

Effective April 1, 2002, the Company adopted the new accounting standard for earnings per share and related guidance (Accounting Standards Board Statement No. 2, "Accounting Standard for Earnings Per Share" and Financial Standard Implementation Guidance No. 4, "Implementation Guidance for Accounting Standard for Earnings Per Share", issued by the Accounting Standards Board of Japan on September 25, 2002). The effect of the adoption of the new standard on earning per share was immaterial.

(c) Method of accounting for inventories

Effective from the year ended March 31, 2003, Techneglas Inc., a consolidated subsidiary in the United States, changed its method of accounting for inventories from the last-in, first-out method to the first-in, first-out method. This change was made to present the operating result more fairly under the current market condition and fall in prices. As a result of this change, operating income decreased by ¥719 million ($5,992 thousand) and income before income taxes and minority interests decreased by ¥1,482 million ($12,350 thousand).

(d) Property, plant and equipment

Effective April 1, 2000, a consolidated subsidiary in Malaysia, Nippon Electric Glass (Malaysia) Sdn.Bhd. changed the depreciation method for property, plant and equipment from the straight-line method to the declining-balance method. This change was made to improve the financial position by early recovery of the invested capital in light of the increasing capital investment in Nippon Electric Glass (Malaysia) Sdn.Bhd.

(e) Directors' retirement benefits

Through the year ended March 31, 2002, the Company and its consolidated domestic subsidiaries accounted for directors' and corporate auditors' retirement benefits on the cash basis. Effective from the year ended March 31, 2003, the Company and its consolidated domestic subsidiaries changed its method of accounting for directors' and corporate auditors' retirement benefits from the cash basis to the accrual basis.

Under the new accounting policy, the Company and its consolidated domestic subsidiaries record the amount required by the related policy at the end of the fiscal year. The management believes that this change improve the timing of cost recognition and interperiod allocation over the period of service. The portion of the benefits accrued for the current fiscal year, amounted to ¥45 million ($375 thousand), is included in selling, general and administrative expenses. The rest of the reserve for the prior periods, amounted to ¥720 million ($6,000 thousand), is included in other expenses in the current fiscal year.

The effects of this change for the year ended March 31, 2003 were to increase operating income ¥195 million ($1,625 thousand) and to decrease income before income taxes and minority interests by ¥525 million ($4,375 thousand).

4. Supplementary information

(a) Reserve for special repairs and shortening the useful lives of melting furnaces

The Company's consolidated subsidiary in Malaysia, Nippon Electric Glass (Malaysia) Sdn.Bhd. ceased to carry the reserve for special repairs and reversed the balance as of March 31, 2002 to other income, the amount of ¥2,101 million ($17,508 thousand) in accordance with the change of Malaysian accounting standards. Nippon Electric Glass (Malaysia) Sdn.Bhd. also changed the estimated useful lives of melting furnaces.

The effects for the year ended March 31, 2003, was to decrease reserve for special repairs by ¥679 million ($5,658 thousand) and increase depreciation expense by ¥538 million ($4,483 thousand). As a result, operating income increased by ¥137 million ($1,142 thousand) and income before income taxes and minority interests by ¥2,239 million ($18,658 thousand) for the year ended March 31, 2003.

(b) Restructuring charges

Techneglas Inc., a consolidated subsidiary in the United States, recognized losses on business restructuring of ¥6,620 million and ¥3,921 million ($32,675 thousand) in 2002 and 2003. The losses principally consist of reduction of products and reallocation of production facilities, etc.

5. Market values of securities

(a) At March 31, 2002 and 2003, acquisition costs, book values and fair values of securities with available market values were as follows:

	Millions of yen		
2002:	Book value	Fair value	Difference
Held-to-maturity debt securities:			
Securities with available market values exceeding book values	¥ 362	¥ 363	¥ 1
Other securities	25	25	(0)
	¥ 387	¥ 388	¥ 1

	Millions of yen		
2003:	Book value	Fair value	Difference
Held-to-maturity debt securities:			
Securities with available market values exceeding book values	**¥ 76**	**¥ 76**	**¥ 0**

	Thousands of U.S. dollars		
2003:	Book value	Fair value	Difference
Held-to-maturity debt securities:			
Securities with available market values exceeding book values	**$ 633**	**$ 633**	**$ 0**

	Millions of yen		
2002:	Acquisition cost	Book value	Difference
Available-for-sale securities:			
Securities with book values (market values) exceeding acquisition costs			
Equity securities	¥ 8,590	¥ 26,351	¥17,761
Other securities			
Equity securities	3,152	2,151	(1,001)
	¥ 11,742	¥ 28,502	¥16,760

	Millions of yen		
2003:	Acquisition cost	Book value	Difference
Available-for-sale securities:			
Securities with book values (market values) exceeding acquisition costs			
Equity securities	**¥ 3,246**	**¥ 9,337**	**¥6,091**
Other securities			
Equity securities	**4,378**	**4,182**	**(196)**
	¥ 7,624	**¥13,519**	**¥5,895**

	Thousands of U.S. dollars		
2003:	Acquisition cost	Book value	Difference
Available-for-sale securities:			
Securities with book values (market values) exceeding acquisition costs			
Equity securities	**$27,050**	**$ 77,808**	**$50,758**
Other securities			
Equity securities	**36,483**	**34,850**	**(1,633)**
	$63,533	**$112,658**	**$49,125**

(b) At March 31, 2002 and 2003, book values of securities with no available market values were as follows:

	Millions of yen
2002:	Book value
Available-for-sale securities:	
Equity securities issued by non-consolidated affiliates	¥ 134
Non-listed equity securities	122
	¥ 256

	Millions of yen	Thousands of U.S. dollars
2003:	Book value	Book value
Available-for-sale securities:		
Equity securities issued by non-consolidated affiliates	**¥ 3,473**	**$ 28,942**
Non-listed equity securities, other	**297**	**2,475**
	¥ 3,770	**$ 31,417**

(c) At March 31, 2002 and 2003, the maturities of available-for-sale securities with maturities and held-to-maturity debt securities were as follows:

	Millions of yen	
2002:	Within one year	Over one year but within five years
Held-to-maturity debt securities:		
Government bonds	¥ 26	¥ -
Corporate bonds	40	-
Other bonds	246	75
	¥ 312	¥ 75

	Millions of yen	
2003:	Within one year	Over one year but within five years
Held-to-maturity debt securities:		
Other bonds	**¥ 76**	**¥ 0**

	Thousands of U.S. dollars	
2003:	Within one year	Over one year but within five years
Held-to-maturity debt securities:		
Other bonds	**$ 633**	**$ 4**

(d) Sales of available-for-sale securities for the year ended March 31, 2003 were as follows:

	Millions of yen	Thousands of U.S. dollars
	2003	**2003**
Total sales amounts	**¥1,161**	**$ 9,675**
Gains on sales	**463**	**3,858**
Losses on sales	**380**	**3,167**

Sales of available-for-sale securities for the year ended March 31 2002 was not material.

6. Derivatives

All current derivative transactions are considered to be as hedging instruments and, accordingly, hedge accounting has been applied.

7. Cash and cash equivalents

Cash and cash equivalents at March 31, 2002 and 2003 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Cash and time deposits in the balance sheets	¥59,567	**¥62,386**	**$519,883**
Time deposits due over three months	(681)	**(47)**	**(391)**
Cash and cash equivalents in the statements of cash flows	¥58,886	**¥62,339**	**$519,492**

8. Inventories

Inventories at March 31, 2002 and 2003 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Finished and purchased goods	¥36,518	**¥26,377**	**$219,808**
Semi-finished goods and work in process	21,715	**17,748**	**147,900**
Raw materials	19,315	**15,513**	**129,275**
	¥77,548	**¥59,638**	**$496,983**

9. Pledged assets

At March 31, 2002 and 2003, the following assets were pledged as collateral for mainly short-term borrowings amounting to ¥2,899 million ($24,158 thousand).

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Property, plant and equipment, net of accumulated depreciation	¥ 19,128	**¥18,936**	**$157,800**
Investment securities	58	**–**	**–**
Other assets (Leasehold)	992	**844**	**7,033**
	¥ 20,178	**¥19,780**	**$164,833**

10. Short-term borrowings and long-term debt

Short-term borrowings, including the current portion of long-term debt and capital lease obligations, at March 31, 2002 and 2003 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Short-term bank loans	¥ 78,623	**¥72,066**	**$600,550**
Current portion of long -term loans	24,868	**17,885**	**149,042**
Current portion of unsecured bonds	30,000	**–**	**–**
Current portion of capital lease obligations	668	**765**	**6,375**
	¥134,159	**¥90,716**	**$755,967**

Long-term debt, including capital lease obligations, at March 31, 2002 and 2003 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Loans, principally from banks and insurance companies			
due from 2004 through 2008: average rate 2.1% per annum	¥ 68,010	**¥45,959**	**$382,991**
3.05% unsecured bonds, due 2003	30,000	**–**	**–**
1.97% unsecured bonds, due 2006	20,000	**20,000**	**166,667**
1.27% unsecured bonds, due 2008	20,000	**20,000**	**166,667**
Capital lease obligations due from 2004 through 2005:			
average rate 7.9% per annum	2,417	**1,697**	**14,141**
	140,427	**87,656**	**730,466**
Less-current portion included in short-term borrowings	(55,536)	**(18,649)**	**(155,408)**
	¥ 84,891	**¥69,007**	**$575,058**

The aggregate annual maturities of long-term debt at March 31, 2003 were as follows:

Years ending March 31	Millions of yen	Thousands of U.S. dollars
2004	**¥18,649**	**$155,408**
2005	**11,126**	**92,717**
2006	**27,567**	**229,725**
2007	**7,401**	**61,675**
2008 and thereafter	**22,913**	**190,941**
	¥87,656	**$730,466**

11. Income taxes

The Company is subject to a number of taxes based on income, which, in the aggregate, indicate statutory income tax rates in Japan of approximately 42% for the years ended March 31, 2002 and 2003.

The major differences between the statutory income tax rate in Japan and the effective income tax rate of the Company and its consolidated subsidiaries for financial statement purposes for the years ended March 31, 2002 and 2003 were as follows:

	2002	**2003**
Statutory income tax rate in Japan	42.0%	**42.0%**
Effect of elimination of dividend income	23.5	**0.5**
Decrease on deferred tax assets due to tax rate change	-	**1.3**
Difference in tax rates for consolidated foreign subsidiaries	(26.5)	**(7.8)**
Effect of tax exemption of consolidated foreign subsidiaries	(17.2)	**(6.0)**
Other	(1.8)	**1.7**
Effective income tax rate	20.0%	**31.7%**

The aggregate statutory income tax rate will be reduced for the years commencing on April 1, 2004 or later due to the revised local tax law.

At March 31, 2003, the Company applied the reduced aggregate statutory income tax rate of 40.7% for calculating deferred tax assets and liabilities that are expected to be recovered or settled in the years commencing on April 1, 2004 or later. As a result, deferred taxes assets decreased by ¥289 million ($2,408 thousand) and the provision for deferred income taxes increased by the same amount compared with what would be reported using the rate of 42.0%.

Significant components of the Company's and its consolidated subsidiaries' deferred tax assets and liabilities as of March 31, 2002 and 2003 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Deferred tax assets:			
Unrealized gain on property, plant and equipment	¥ 4,493	**¥ 3,975**	**$ 33,125**
Excess reserve for special repairs	2,809	**3,622**	**30,183**
Tax losses carried forward by consolidated foreign subsidiaries	5,478	**2,768**	**23,067**
Excess severance benefits	2,297	**2,722**	**22,683**
Loss on devaluation of inventories	3,011	**1,931**	**16,092**
Excess accrued bonuses	980	**1,454**	**12,117**
Alternative minimum tax	939	**1,309**	**10,908**
Other	4,891	**6,619**	**55,158**
Subtotal deferred tax assets	24,898	**24,400**	**203,333**
Less : Valuation allowance	-	**–**	**–**
Total net deferred tax assets	24,898	**24,400**	**203,333**
Deferred tax liabilities:			
Excess tax depreciation of consolidated foreign subsidiaries	(14,921)	**(12,583)**	**(104,858)**
Net unrealized holding gains on securities	(7,039)	**(2,476)**	**(20,633)**
Other	(31)	**–**	**–**
Deferred tax liabilities	(21,991)	**(15,059)**	**(125,491)**
Net deferred tax assets	¥ 2,907	**¥ 9,341**	**$ 77,842**

12. Severance and retirement benefits

The Company provides two types of severance and retirement benefit plans; funded non-contributory pension plans and unfunded lump-sum payment plans. One type of funded non-contributory pension plan was dissolved on November 13, 2001.

Certain consolidated subsidiaries provide funded non-contributory pension plans and unfunded lump-sum payment plans. The Company and certain consolidated subsidiaries provide defined contribution pension plans.

Liabilities for severance and retirement benefits at March 31, 2002 and 2003 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Projected benefit obligation	¥35,366	**¥36,676**	**$305,633**
Pension assets	(18,700)	**(16,393)**	**(136,608)**
Unrecognized benefit obligation	16,666	**20,283**	**169,025**
Unrecognized transition obligation	(2,413)	**(2,228)**	**(18,566)**
Unrecognized actuarial differences	(6,572)	**(9,632)**	**(80,267)**
Net liabilities for severance and retirement benefits	7,681	**8,423**	**70,192**
Prepaid benefit cost	1,322	**752**	**6,267**
Liabilities for severance and retirement benefits	¥ 9,003	**¥ 9,175**	**$ 76,459**

Severance and retirement benefit expenses for the years ended March 31, 2002 and 2003 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Service costs	¥ 1,660	**¥ 1,628**	**$ 13,567**
Interest cost	962	**841**	**7,008**
Expected return on pension assets	(782)	**(182)**	**(1,517)**
Amortization of transition obligation	185	**186**	**1,550**
Amortization of actuarial differences	357	**692**	**5,767**
Defined contribution pension plan	276	**466**	**3,883**
Total severance and retirement benefit expenses	¥ 2,658	**¥ 3,631**	**$ 30,258**

The above calculations are based on the following:

	2002	**2003**
Discount rate	2.5%	**2.0%**
Expected return on pension assets	4.0	**1.0**
Amortization period for actuarial differences	10 years	**10 years**
Amortization period for net transition obligation	15	**15**

A consolidated foreign subsidiary in the United States has a defined benefit plan and maintains its accounts and records in accordance with accounting principles and practices generally accepted in United States. Projected benefit obligation and severance and retirement benefit expenses for this plan for the years ended March 31, 2002 and 2003 were ¥15,895 million and ¥15,998 million ($133,317 thousand) and ¥2,556 million and ¥620 million ($5,167 thousand), respectively.

13. Shareholders' equity

Prior to October 1, 2001, in accordance with the Code certain issuances of common stock, including conversions of convertible bonds, are required to be credited to the common stock account to the extent of the greater of par value or 50% of the proceeds and the remaining amount to the additional paid-in capital account as determined by the Board of Directors.

Effective October 1, 2001, the Code abolished par value of shares and requires that at least 50% of the proceeds from issuance of common stock is credited to the common stock and the remaining amount is accounted for as additional paid-in capital. The maximum amount that the Company can distribute as dividends is calculated based on the unconsolidated financial statements of the Company in accordance with the Code.

Effective October 1, 2001, the Code requires that the amount equivalent to at least 10% of cash dividends and other cash appropriations must be set aside as a legal reserve until the total amounts of the legal reserve and additional paid-in capital equals to 25% of common stock. As of March 31, 2002, the total amounts of the legal reserve and the additional paid-in capital already exceeded 25% of the common stock and additional provision is not required. If the Company reversed the excess, they would be available for distribution by the resolution of the shareholders' meeting. Legal reserve is included in retained earnings.

Appropriations of retained earnings

On June 27, 2003, the Company's shareholders authorized the following appropriations of retained earnings at the Annual General Meeting of shareholders:

	Millions of yen	Thousands of U.S. dollars
Cash dividends, ¥6.50 per share	**¥1,037**	**$8,642**
Bonuses to directors	**94**	**783**

In addition to the cash dividends described above, the Company paid interim cash dividends of ¥878 million ($7,317 thousand, ¥5.50 per share) on December 5, 2002.

14. Contingent liabilities

Contingent liabilities at March 31, 2002 and 2003 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Notes discounted	¥ 784	**¥1,754**	**$14,616**
Notes endorsed	37	**770**	**6,417**
Guarantee of employees' housing loans	3,113	**2,984**	**24,867**
Guarantee of affiliated company's bank loans (by letter of comfort)	-	**1,298**	**10,817**
	¥3,934	**¥6,806**	**$56,717**

15. Lease information

(a) At March 31, 2002 and 2003, the equivalent amounts of acquisition cost, accumulated depreciation and net book value of leased properties under finance leases accounted for in the same manner as operating leases were as follows:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Acquisition cost of machinery and equipment	¥3,225	**¥1,218**	**$10,150**
Accumulated depreciation of machinery and equipment	2,634	**710**	**5,917**
Net book value	591	**¥ 508**	**$ 4,233**

(b) Future minimum lease payments excluding interest under finance leases at March 31, 2002 and 2003 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Current	¥ 433	**¥ 192**	**$ 1,600**
Non-current	238	**327**	**2,725**
	¥ 671	**¥ 519**	**$ 4,325**

(c) Lease payments, assumed depreciation charges and assumed interest for the years ended March 31, 2002 and 2003 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Lease payments	¥ 709	**¥ 498**	**$ 4,150**
Assumed depreciation charges	565	**395**	**3,292**
Assumed interest	84	**34**	**283**

Assumed depreciation charges are calculated by the straight-line method over the lease term assuming no residual value.

(d) Future minimum lease payments under operating leases at March 31, 2002 and 2003 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2002	**2003**	**2003**
Current	¥ 44	**¥ 329**	**$ 2,742**
Non-current	77	**108**	**900**
	¥ 121	**¥ 437**	**$ 3,642**

16. Segment information

Information by segment for the years ended March 31, 2001, 2002 and 2003 was as follows.

(a) Information by business segment

The Company and its consolidated subsidiaries principally operate in the glass business in Japan and foreign countries.
As other business activities are immaterial, business segment information is not disclosed.

(b) Information by geographic area

	Millions of yen						
2001:	Japan	America	Asia	Europe	Total	Elimination and corporate	Consolidated Total
Net sales							
External	¥ 196,045	¥ 75,185	¥ 54,225	¥ 19,222	¥ 344,677	¥ -	¥344,677
Inter-segment	56,404	2,063	8,874	1,872	69,213	(69,213)	-
Total sales	252,449	77,248	63,099	21,094	413,890	(69,213)	344,677
Operating expenses	224,397	77,844	45,326	15,829	363,396	(67,923)	295,473
Operating income (loss)	¥ 28,052	¥ (596)	¥ 17,773	¥ 5,265	¥ 50,494	¥ (1,290)	¥ 49,204
Identifiable assets	¥ 288,781	¥ 100,270	¥ 110,582	¥ 36,768	¥ 536,401	¥ 26,976	¥563,377

	Millions of yen						
2002:	Japan	America	Asia	Europe	Total	Elimination and corporate	Consolidated Total
Net sales							
External	¥ 160,733	¥ 70,522	¥ 47,599	¥ 21,541	¥ 300,395	¥ -	¥ 300,395
Inter-segment	55,392	806	15,663	359	72,220	(72,220)	-
Total sales	216,125	71,328	63,262	21,900	372,615	72,220)	300,395
Operating expenses	202,083	75,038	55,532	19,002	351,655	(73,391)	278,264
Operating income (loss)	¥ 14,042	¥ (3,710)	¥ 7,730	¥ 2,898	¥ 20,960	¥ 1,171	¥ 22,131
Identifiable assets	¥ 280,503	¥ 105,460	¥ 123,204	¥ 40,068	¥ 549,235	¥ 10,722	¥ 559,957

	Millions of yen						
2003:	Japan	America	Asia	Europe	Total	Elimination and corporate	Consolidated Total
Net sales							
External	**¥ 182,884**	**¥ 71,282**	**¥ 51,238**	**¥ 23,399**	**¥ 328,803**	**¥ –**	**¥ 328,803**
Inter-segment	**45,408**	**795**	**19,599**	**85**	**65,887**	**(65,887)**	**–**
Total sales	**228,292**	**72,077**	**70,837**	**23,484**	**394,690**	**(65,887)**	**328,803**
Operating expenses	**197,463**	**72,422**	**61,505**	**22,228**	**353,618**	**(67,800)**	**285,818**
Operating income (loss)	**¥ 30,829**	**¥ (345)**	**¥ 9,332**	**¥ 1,256**	**¥ 41,072**	**¥ 1,913**	**¥ 42,985**
Identifiable assets	**¥ 270,255**	**¥ 85,244**	**¥106,491**	**¥ 33,467**	**¥ 495,457**	**¥ 4,112**	**¥ 499,569**

	Thousands of U.S. dollars						
2003:	Japan	America	Asia	Europe	Total	Elimination and corporate	Consolidated Total
Net sales							
External	**$1,524,033**	**$ 594,017**	**$426,983**	**$194,992**	**$2,740,025**	**$ –**	**$2,740,025**
Inter-segment	**378,400**	**6,625**	**163,325**	**708**	**549,058**	**(549,058)**	**–**
Total sales	**1,902,433**	**600,642**	**590,308**	**195,700**	**3,289,083**	**(549,058)**	**2,740,025**
Operating expenses	**1,645,525**	**603,517**	**512,542**	**185,233**	**2,946,817**	**(565,000)**	**2,381,817**
Operating income (loss)	**$ 256,908**	**$ (2,875)**	**$ 77,766**	**$ 10,467**	**$ 342,266**	**$15,942**	**$ 358,208**
Identifiable assets	**$2,252,125**	**$ 710,366**	**$887,425**	**$278,892**	**$4,128,808**	**$34,267**	**$4,163,075**

As described in Notes 3(e), the Company and its consolidated domestic subsidiaries changed the method of accounting for directors' and corporate auditors' retirement benefits from the cash basis to the accrual basis. As a result, operating expenses decreased and operating income for Japan increased ¥195 million ($1,625 thousand).

As described in Notes 3(c), the Company's American consolidated subsidiary, Techneglas changed the method of accounting for inventories from the last-in, first-out method to the first-in, first-out method. As a result, operating expenses increased and operating income for America decreased ¥719 million ($5,992 thousand).

As descried in Notes 4(a), The Company's Malaysian consolidated subsidiary, Nippon Electric Glass (Malaysia) Sdn. Bhd. ceased reserve for special repairs and changed the useful lives of melting furnaces. As a result, operating expenses decreased and operating income for Asia increased ¥137 million ($1,142 thousand).

(c) Overseas sales information

	Millions of yen				
2001:	America	Asia	Europe	Other areas	Total
Overseas sales	¥ 75,514	¥ 120,541	¥ 27,104	¥ 210	¥ 223,369
Consolidated sales					344,677
Percentage of overseas sales	21.9%	35.0%	7.9%	0.0%	64.8%

	Millions of yen				
2002:	America	Asia	Europe	Other areas	Total
Overseas sales	¥ 71,547	¥ 112,127	¥ 32,345	¥ 452	¥ 216,471
Consolidated sales					300,395
Percentage of overseas sales	23.8%	37.3%	10.8%	0.2%	72.1%

	Millions of yen				
2003:	America	Asia	Europe	Other areas	Total
Overseas sales	**¥ 72,266**	**¥ 122,699**	**¥ 35,748**	**¥ 565**	**¥ 231,278**
Consolidated sales					**328,803**
Percentage of overseas sales	**22.0%**	**37.3%**	**10.9%**	**0.1%**	**70.3%**

	Thousands of U.S. dollars				
2003:	America	Asia	Europe	Other areas	Total
Overseas sales	**$602,217**	**$1,022,492**	**$297,900**	**$4,708**	**$1,927,317**
Consolidated sales					**2,740,025**

Overseas sales were comprised of the Company's and its consolidated subsidiaries' sales to the countries other than Japan.

Independent Auditors' Report

To the Shareholders and Board of Directors of Nippon Electric Glass Co., Ltd.:

We have audited the accompanying consolidated balance sheets of Nippon Electric Glass Co., Ltd. and subsidiaries as of March 31, 2003 and 2002, and the related consolidated statements of income, shareholders' equity and cash flows for each of the three years in the period ended March 31, 2003, expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Nippon Electric Glass Co., Ltd. and subsidiaries as of March 31, 2003 and 2002, and the consolidated results of their operations and their cash flows for each of the three years in the period ended March 31, 2003, in conformity with accounting principles generally accepted in Japan as described in Note 1 to the consolidated financial statements.

Without qualifying our opinion, we draw attention to the following.

(1) As discussed in Note 2 to the consolidated financial statements, Nippon Electric Glass Co., Ltd. and its consolidated domestic subsidiaries prospectively adopted new Japanese accounting standards for financial instruments and employees` retirement benefits and the revised Japanese accounting standards for foreign currency translation in the year ended March 31, 2001. Also, as discussed in Note 3 to the consolidated financial statements, Nippon Electric Glass (Malaysia) Sdn. Bhd., changed the method of accounting for depreciation of property, plant and equipment for the year ended March 31, 2001.

(2) As discussed in Note 3 to the consolidated financial statements, effective from the year ended March 31, 2003, Nippon Electric Glass Co., Ltd. and its consolidated domestic subsidiaries changed the method of accounting for directors' retirement benefits.

(3) As discussed in Note 3 to the consolidated financial statements, effective from the year ended March 31, 2003, Techneglas Inc., a consolidated subsidiary in the United States changed the method of accounting for inventories.

The consolidated financial statements as of and for the year ended March 31, 2003 have been translated into United States dollars solely for the convenience of the reader. We have recomputed the translation and, in our opinion, the consolidated financial statements expressed in Japanese yen have been translated into United States dollars on the basis set forth in Note 1 to the consolidated financial statements.

Asahi & Co.

Osaka, Japan
June 27, 2003

Consolidated Five-year Summary

(Millions of yen and thousands of U.S. dollars except per share figures)

	1999	2000	2001	2002	**2003**	
For the year ended March 31						
Net sales	¥319,638	¥323,590	¥344,677	¥300,395	**¥328,803**	**$2,740,025**
Net income	8,906	13,731	25,398	3,378	**14,603**	**121,692**
Depreciation and amortization	33,661	32,241	35,932	37,079	**34,967**	**291,392**
Capital expenditures	50,160	23,549	50,241	34,919	**15,236**	**126,967**
Per share of common stock (yen and dollars)						
Net income	¥ 55.74	¥ 85.94	¥ 158.97	¥ 21.14	**¥ 90.47**	**$ 0.75**
Diluted net income	52.11	79.80	145.89	-	**–**	**–**
Cash dividends	10.00	12.00	11.00	11.00	**12.00**	**0.10**
Shareholders' equity	942.33	1,091.02	1,257.54	1,365.69	**1,333.28**	**11.11**
At year-end						
Total assets	¥516,090	¥544,766	¥563,377	¥559,957	**¥499,569**	**$4,163,075**
Current assets	223,575	239,906	244,743	229,395	**213,667**	**1,780,558**
Net property, plant and equipment	260,419	256,382	271,241	279,711	**242,126**	**2,017,717**
Current liabilities	173,679	175,472	210,609	200,459	**165,926**	**1,382,716**
Long-term debt	156,035	146,397	100,466	84,891	**69,007**	**575,058**
Shareholders' equity	150,556	174,311	200,918	218,184	**212,942**	**1,774,517**
Cash flows						
Net cash provided by operating activities	¥ -	¥ 56,789	¥ 72,640	¥ 36,456	**¥ 79,241**	**$ 660,342**
Net cash used in investing activities	-	(6,801)	(32,820)	(33,024)	**(18,368)**	**(153,067)**
Net cash used in financing activities	-	(28,723)	(39,707)	(16,434)	**(57,433)**	**(478,608)**
Cash and cash equivalents at end of year	-	70,009	71,585	58,886	**62,339**	**519,492**
Number of shares outstanding (in thousands)						
Average	159,770	159,770	159,769	159,768	**159,702**	
Year-end	159,770	159,770	159,771	159,760	**159,614**	

Note: 1. The computations of net income per share and shareholders' equity per share are based on the average number of shares outstanding during each year and the number of shares outstanding at the end of each year, respectively.
2. Due to the redemption of convertible bonds on March 29, 2002, the computation of diluted net income per share was not calculated in 2002 and 2003.
3. U.S. dollar amounts have been translated from Japanese yen, solely for the convenience of the reader, using the prevailing exchange rate at March 31, 2003 of ¥120 to US$1.
4. Number of shares outstanding is net of treasury stock.

Directors and Corporate Auditors

Directors

Chairman of the Board
Nobutsune Kogo

Vice Chairman
Tetsuji Mori

President
Yuzo Izutsu

Director
Shigezo Fujii
Akio Ikeda
Terutaka Uraki
Hiroshi Kato
Katsumi Inada
Masayuki Arioka
Masami Atsuji

Corporate Auditors

Toshio Hayashi
Hitoshi Yasuda
Tomoyuki Kato
Associate Senior Vice President (Finance), NEC Corporation

Takuro Takeuchi
Attorney at Law

Officers

President
Yuzo Izutsu

Executive Vice President
Shigezo Fujii
Akio Ikeda
Terutaka Uraki

Senior Vice President
Hiroshi Kato
Katsumi Inada

Vice President
Masayuki Arioka
Masami Atsuji
Masatsune Yoshida
Nobuhiro Iijima
Kenichi Takayama
Junji Fujikawa
Takashi Omori
Shuji Ito
Masahiro Miyake
Tamotsu Kitagawa
Takao Akune
Koichi Inamasu
Shigeru Yamamoto
Norimitsu Shano

Corporate Data

Head Office
7-1, Seiran 2-chome, Otsu,
Shiga 520-8639, Japan
Phone: (81) 77-537-1700
Fax: (81) 77-534-4967

Osaka Office & Sales Headquarters
1-14, Miyahara 4-chome, Yodogawa-ku,
Osaka 532-0003, Japan
Phone: (81) 6-6399-2711
Fax: (81) 6-6399-2731

Tokyo Office & Sales Headquarters
4-28, Mita 1-chome, Minato-ku,
Tokyo 108-0073, Japan
Phone: (81) 3-3456-3511
Fax: (81) 3-3456-3553

Factories in Japan
Otsu, Fujisawa, Shiga-Takatsuki,
Notogawa, Wakasa-Kaminaka

Transfer Agent for Common Stock
The Sumitomo Trust and Banking
Company, Limited
5-33, Kitahama 4-chome, Chuo-ku,
Osaka 541-0041, Japan

Stock Exchange Listings
The common stock is listed on the
Tokyo and Osaka
Stock Exchanges in Japan

Major Overseas Subsidiaries and Affiliated Companies

Nippon Electric Glass America, Inc.
650 East Devon, Suite 110, Itasca, Illinois 60143, U.S.A.
Phone: (1) 630-285-8500
Fax: (1) 630-285-8510

Nippon Electric Glass (Malaysia) Sdn. Bhd.
Lot 1-7, Lion Industrial Park, Persiaran Jubli Perak,
P.O. Box 7216, 40706 Shah Alam, Selangor, Malaysia
Phone: (60) 3-5191-0855
Fax: (60) 3-5191-0881

Techneglas, Inc.
707 E. Jenkins Avenue, Columbus, Ohio 43207, U.S.A.
Phone: (1) 614-445-4700
Fax: (1) 614-445-4702

Nippon Electric Glass (UK) Limited
Glass Avenue, Ocean Park, Cardiff. CF24 5EN, U.K.
Phone: (44) 29-20498747
Fax: (44) 29-20490487

P. T. Nippon Electric Glass Indonesia
Jl. Jababeka IV block V. 10-33, V.44-63,
Cikarang Industrial Estate, Lemahabang, Bekasi 17530,
West Java, Indonesia
Phone: (62) 21-893-6007
Fax: (62) 21-893-6009

Nippon Electric Glass Ohio, Inc.
707E. Jenkins Avenue, Columbus, Ohio 43207, U.S.A.

Nippon Electric Glass Mexico, S.A. de C.V.
Calzada Robledo Industrial #338, Col.,
Colorado Dos, Deleg., Cerro Prieto
Mexicali, Baja California, Mexico C.P. 21384
Phone: (52) 686-56-35136
Fax: (52) 686-56-34998

Shijiazhuang Baoshi Electric Glass Co., Ltd.*
No.9, Huanghe Boulevard, Shijiazhuang, Hebei, China
Phone: (86) 311-505-4587
Fax: (86) 311-507-6974

Nippon Electric Glass (Fuzhou) Co., Ltd.
I Xingye Rd., Kuaian Extended Area,
Fuzhou Economic Technology Development Zone,
Fuzhou, Fujian, China   Post Code 350015
Phone: (86) 591-397-5981
Fax: (86) 591-397-5987

Nippon Electric Glass (Korea) Co., Ltd.
145, Kongdan-dong, Gumi, Kyong-buk, Korea
Phone: (82) 54-462-7200
Fax: (82) 54-462-7201

Nippon Electric Glass (Fujian) Co., Ltd.
No.29 Mawei Technology Development Zone,
Fuzhou, Fujian, China   Post Code 350015

*Affiliated company