Annual Report 2004

For the year ended March 31, 2004

Nippon Electric Glass Co., Ltd.

CONTENTS

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, 2000,
2001, 2002, 2003 and 2004

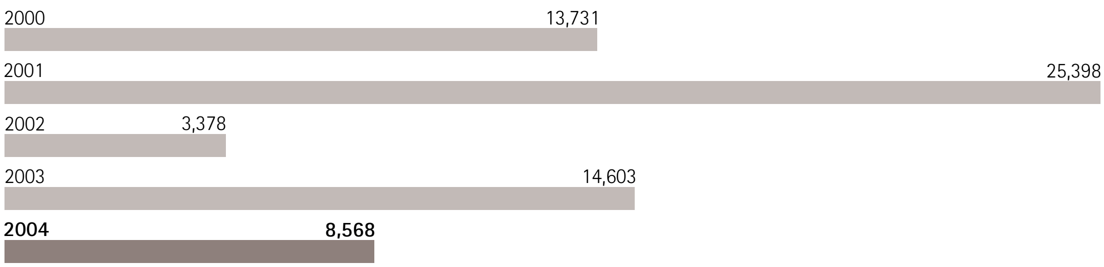
(Millions of yen and thousands of U.S. dollars except per share figures)

	2000	2001	2002	2003	**2004**		Percent change **2004/2003**
Net sales	¥323,590	¥344,677	¥300,395	¥328,803	**¥297,307**	**$2,804,783**	**–9.6%**
Net income	13,731	25,398	3,378	14,603	**8,568**	**80,830**	**–41.3**
Total assets	544,766	563,377	559,957	499,569	**514,691**	**4,855,576**	**3.0**
Shareholders' equity	174,311	200,918	218,184	212,942	**208,248**	**1,964,604**	**–2.2**
Per share of common stock (yen and dollars)							
Net income	¥85.94	¥158.97	¥21.14	¥90.47	**¥52.73**	**$0.50**	**–41.7**
Diluted net income	79.80	145.89	-	-	**–**	**–**	**–**
Shareholders' equity	1,091.02	1,257.54	1,365.69	1,333.28	**1,304.04**	**12.30**	**–2.2**
Equity ratio (%)	32.0	35.7	39.0	42.6	**40.5**		
Return on equity (%)	8.5	13.5	1.6	6.8	**4.1**		

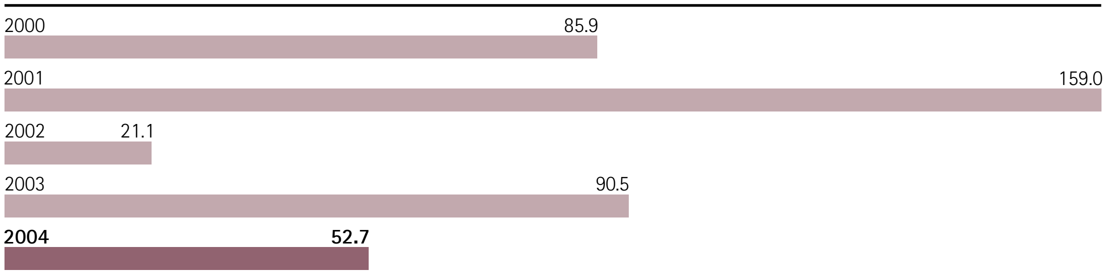
Note: 1. The computations of net income per share and shareholders' equity per share are based on the average number of shares outstanding during each year and the number of shares outstanding at the end of each year, respectively.
2. Due to the redemption of convertible bonds on March 29, 2002, the computation of diluted net income per share was not calculated in 2002,2003 and 2004.
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, 2004 of ¥106 to US$1.
4. At March 31, 2004, Nippon Electric Glass Co., Ltd. had 24 consolidated subsidiaries.

Net Sales (Billions of yen)

Net Income (Millions of yen)



Net Income Per Share (Yen)



Message from the Management

In fiscal 2004, which ended on March 31, 2004, the Japanese economy gradually gained upward momentum, owing to robust exports, expansion of the digital equipment market, recovery in the corporate sector, and capital expenditure increases. However, the business environment surrounding NEG has changed drastically as demand for CRT glass, our core product for many years, plunged in Japan and North America. At the same time, the flat-panel display (FPD) markets, including those for LCDs and PDPs, grew rapidly.

Under these circumstances, we have been striving to improve management efficiency and strengthen our management practice. We have continued to focus on improving our technical strength and enhancing our production and supply capabilities in the non-CRT information and communication-related segment—involving FPD-related products in particular—which we regard as a growth sector. We have also worked hard to improve productivity and cut costs in all sectors, to maintain our operating performance and establish a business base for the future.

Outline of Results

Consolidated net sales for the current fiscal year were ¥297,307 million ($2,805 million), a year-on-year decrease of 9.6%. The area of non-CRT glass (for LCDs and PDPs in particular) has grown favorably since we sought to develop and strengthen sales. However, sales of glass for CRTs fell sharply due to decreased demand during the first half of the period and a significant drop in prices caused by competition with FPDs.

In terms of profit and loss, net income decreased by 41.3% from a year ago to ¥8,568 million ($81 million), and net income per share dropped by ¥37.74 (36 cents) to ¥52.73 (50 cents). This has been a result of decreased profitability of the CRT glass business, worsening performance of Techneglas, Inc. (our U.S. subsidiary, which is in the same business), and goodwill impairment charges incurred thereby. Meanwhile, efforts to cut costs in all sectors and improve profitability of LCD glass substrates have yielded beneficial results.

Changing Our Business Structure

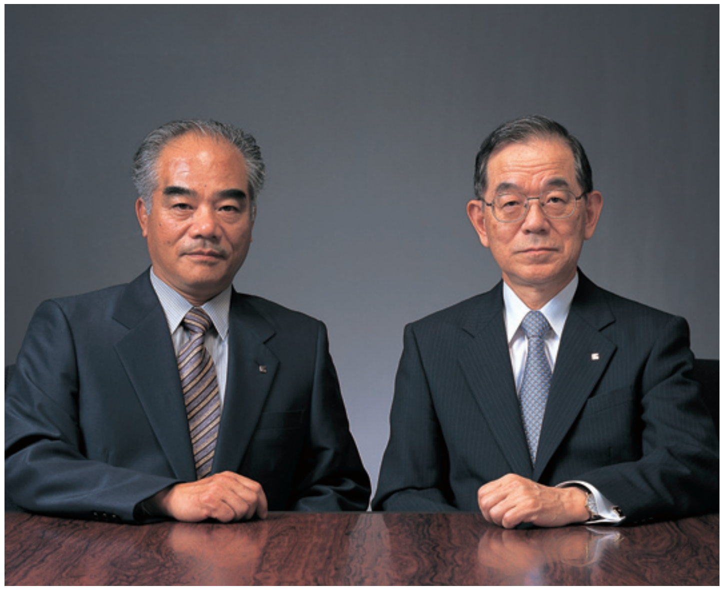
As the market shifts from CRTs to FPDs in the display device sector, the composition of our business is also changing significantly. The percentage of our total business accounted for by CRT glass, which exceeded 70% five years ago, fell sharply to 52% this year, while non-CRT glass, which used to account for less than 10%, increased to 28%. We downsized and transferred some of our production capacity for CRT glass in Japan and the United States to other locations in Asia, while enhancing the production capabilities for rapidly growing FPD glass operations.

In Japan, we halted the use of and removed CRT glass production equipment from the Shiga-Takatsuki plant, which was our production base for CRT glass. In its place, we installed and started up production lines for glass for LCDs and PDPs, so as to convert the plant to enable it to produce glass for FPDs. Some of the CRT glass production equipment removed from the plant was transferred to China, and in December 2003, Nippon Electric Glass (Fujian) Co., Ltd. commenced operations. Furthermore, we are now constructing a processing plant for LCD substrate glass in Taiwan, which is scheduled to start operations in July this year, following the launch of our activities in Korea in spring of 2003. This will allow us to establish facilities for supplying the LCD glass substrate markets in these locations.

Although this year was the second year of our second three-year interest-bearing debt reduction project, we postponed the project until the next fiscal year, in order to make these capital investments for the swift change of our business structure.

Future Prospects and Issues

Despite expectations of a sustainable business recovery in Japan and for continued economic robustness in the U.S. and China, uncertainties persist over the situation in Iraq and currency fluctuations. In the meantime, the business environment for NEG is undergoing rapid changes due to intensifying competition among global corporations and changes in the market structure of our core business, display devices. NEG will properly adjust to these changes and enhance our management strengths and business base by focusing on the following measures, in order to maintain and expand our activities in the years to come.


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

Stronger Corporate Foundation

NEG will continue management with emphasis on cash flow while improving overall business efficiency. To reduce our interest-bearing debt, which is one of our concrete financial strengthening measures, we will first pursue the second three-year project and then continue toward our goal of reducing interest-bearing debt to approximately 20% of sales.

Globalization of Operations

As economic globalization proceeds, the markets related to our products are undergoing global convergence and demand is shifting overseas. We will therefore strengthen our domestic technological capabilities and competitiveness and develop our management to serve the global marketplace.

Conversion of Business Structure

The CRT glass business, hitherto our core business, has passed its peak, and the FPD-related market is expanding rapidly. To manage such changes, we will 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. We will also focus on the development of high value added products and functional materials by strengthening our non-glass technologies (for example, combining non-glass materials, such as thin films, with glass).

Considerable demand is continued to be expected for CRT glasses on a global basis; however, demand in Japan and North America will continue to decline. Thus, in these two regions, we will persist in disposing of and downsizing production capacities, including shifting production facilities to Asia.

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 our environmental impact based on the ISO 14001 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 to create a recycling-oriented 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*

Yuzo Izutsu *President*

Review of Operations

Glass Business

Glass business sales decreased by 9.6% from the previous year to ¥295,543 million ($2,788 million), representing 99.4% of consolidated net sales.

Information and Communications

This sector is composed of products used for information and communication equipment including display devices, optical devices, and electronic devices. Sales in this category declined by 11.8% from a year ago to ¥236,593 million ($2,232 million), accounting for 79.6% of consolidated net sales.

CRT Glass

Sales of glass for CRTs plunged by 28.0% on a year-on-year basis to ¥153,357 million ($1,447 million). This decline is attributable to the shrinking markets in Japan and North America, sluggish demand during the first half of the year caused by color TV inventory adjustment and the impact of SARS, a sharp drop in prices due to an increasing disparity between supply and demand, and competition with FPD, as well as erosion of sale proceeds due to the yen appreciation. Consequently, the share of consolidated sales dropped by 13.2 points from the previous year, to 51.6%.

Demand for CRT glass shrank rapidly in Japan and North America and is becoming concentrated in China and other Asian nations. To keep abreast of such changes in market structure, we reduced production capacities in Japan and North America and transferred part of the equipment to our subsidiary established in China, which commenced operations in December 2003.

Non-CRT Glass

This current and future growth sector for NEG involves glass for flat panel displays and for optical and electronic devices. Sales of non-CRT glass showed a year-on-year increase of 50.9% to ¥83,236 million ($785 million), and the share of consolidated sales rose by 11.2 points from the previous fiscal year, to 28.0%.

Along with expansion of the LCD and PDP markets, the turnover of substrate glass and backlight glass for LCDs and sheet glass and glass pastes for PDPs grew significantly. Other types of glass for optical and electronic devices expreienced favorable sales. To meet the increasing demand for FPD glass, we eliminated the CRT glass production line at the Shiga-Takatsuki plant and expanded the production capability for FPD glass. For LCD substrate glass, in addition to the new production line that started operations in June 2003, we are constructing another line scheduled to begin in the summer of 2004.

Furthermore, in order to provide supply facilities in the Taiwanese market, a processing subsidiary was established there, and it will commence operations in July this year. For PDP flat glass, we constructed a large-scale second float facility in order to improve and expand our production capacity and productivity, and the facility began operating in April this year.

Other Products

In this category, sales rose by 0.3% from the previous year to ¥58,950 million ($556 million).

Glass Fibers

Sales of glass fibers rose by 0.6% year on year to ¥23,280 million ($220 million).
Shipment of E-fiber chopped-strands for engineering plastics increased along with the favorable performance of the automobile and digital equipment markets. However, price declines due to fiercer competition and value erosion of the dollar caused by yen appreciation kept growth in a narrow range.

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

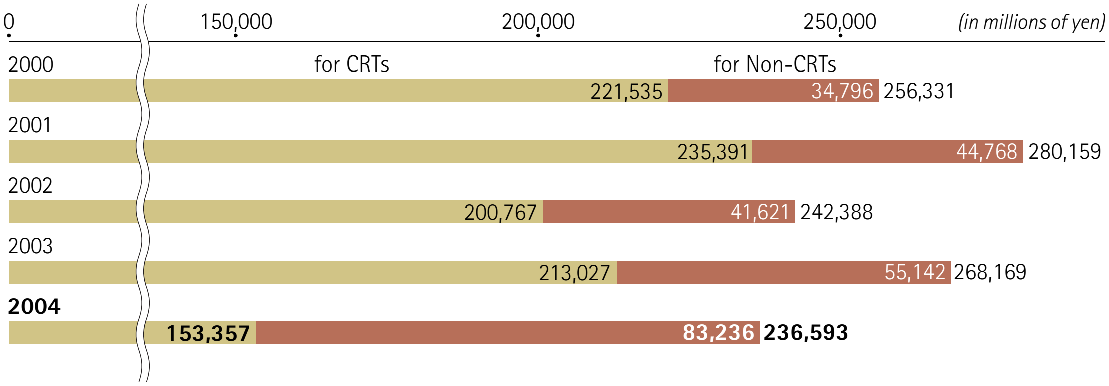
The sales of products in this group remained almost unchanged from the previous year at ¥35,670 million ($337 million). The sales of the super heat-resistant glass-ceramic “Neoceram,” used for IH cooking heaters and top plates of glass-top gas ranges, increased. At the same time, sales of building materials, glass for pharmaceutical use, and glass-making machines remained sluggish.

Other Business

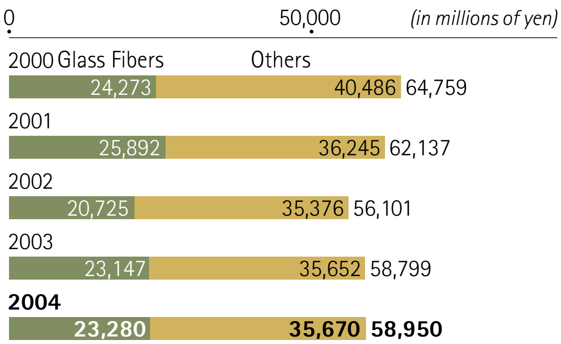
This comprises various service and retail business activities operated by our subsidiaries. During this fiscal year, the revenue from this sector dropped by 3.9% from a year ago to ¥1,764 million ($17 million).

A new process and supply facility of LCD substrate glass for Taiwanese market, Nippon Electric Glass Taiwan Co., Ltd.

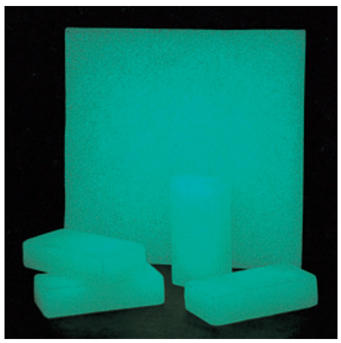
Information and Communications



Other Products



Top plates made of "Neoceram" for IH cooking heaters and gas ranges



Newly developed luminous glass, "Veluna"

Main products

CRT Glass

CRT glass for TVs, displays, and projection TVs

Non-CRT Glass

Glass for LCDs:
- substrates,
- tubes for back-light lamps

Glass for PDPs:
- substrates,
- glass paste

Glass for optical devices:
- parts for optical communications (capillaries, ferrules, micro ball lenses, lens units, collimator components),
- glass materials for aspheric lenses

Glass for electronic devices:
- cover glass for image sensors,
- powdered glass,
- tubes for diodes

Glass Fibers

E-fiber for engineering plastics, printed circuit boards and FRP

ARG (alkali-resistant glass) for GRC and asbestos replacements

Building materials and Others

Building materials:
- Glass blocks,
- glass-ceramics building materials "Neoparies" and "Neoclad",
- "Firelite" for fire doors,
- "LX" radiation-shielding glass

Heat-resistant glass:
- super heat-resistant glass-ceramic "Neoceram",
- heat-resistant glass "Neorex"

Glass tubing:
- fluorescent-lamp bulbs,
- glass for ampules, vials, and laboratory use

Other:
- glass for thermos flasks,
- evacuated-type solar collectors,
- glassmaking machinery

Financial Review

Business Climate

During the 2004 fiscal year, the Japanese economy gradually gained upward momentum and the markets related to flat-panel displays (FPD) and digital equipment expanded rapidly; however, the CRT glass market faced severe conditions due to a decline in demand and a plunge in prices during of the first half of the year.

Sales

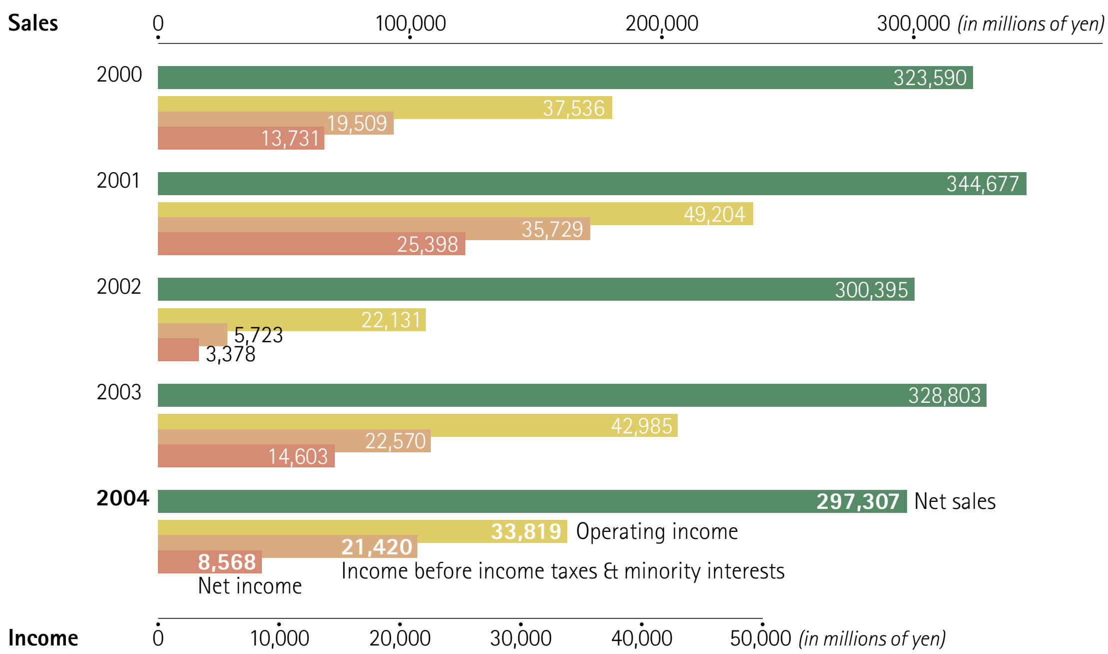
Consolidated sales in fiscal 2004 decreased by 9.6% to ¥297,307 million ($2,805 million). Along with the growth of the FPD-related market, the sales of non-CRT glass products (glass for LCDs and PDPs in particular) increased favorably; however, the sales of glass for CRTs decreased considerably due to shrinking of the Japanese and North American markets, a decline in demand, and a significant drop in prices during the first half of the year. The sales of other products increased only slightly.

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

	2000	2001	2002	2003	2004		Percent change 2004/2003	Percent of net sales 2004
Glass Business:								
Information and Communications								
Glass for CRTs	¥221,535	¥235,391	¥200,767	¥213,027	**¥153,357**	**$1,447**	**–28.0%**	**51.6%**
Glass for Non-CRTs	34,796	44,768	41,621	55,142	**83,236**	**785**	**50.9**	**28.0**
	256,331	280,159	242,388	268,169	**236,593**	**2,232**	**–11.8**	**79.6**
Other Products								
Glass Fibers	24,273	25,892	20,725	23,147	**23,280**	**220**	**0.6**	**7.8**
Building Materials, Heat-resistant Glass, Glass Tubing, Other	40,486	36,245	35,376	35,652	**35,670**	**337**	**0.1**	**12.0**
	64,759	62,137	56,101	58,799	**58,950**	**556**	**0.3**	**19.8**
	321,090	342,296	298,489	326,968	**295,543**	**2,788**	**– 9.6**	**99.4**
Other Business:	2,500	2,381	1,906	1,835	**1,764**	**17**	**– 3.9**	**0.6**
Total	¥323,590	¥344,677	¥300,395	¥328,803	**¥297,307**	**$2,805**	**– 9.6%**	**100.0%**

Income

Operating income decreased by 21.3% from the previous fiscal year to ¥33,819 million ($319 million) despite the results of efforts of each department to improve productivity and reduce



costs, as well as the improved profitability of glass substrates for LCDs. In addition to the worsening business conditions of Techneglas, Inc. (our U.S. subsidiary in the CRT glass business), the profitability of other CRT glass business activities deteriorated significantly, resulting in 1.2-point drop in the of sales/cost ratio.

Most of the decrease in operating income was compensated for by an improvement in terms of other expenses, and thus income before income taxes and minority interests decreased 5.1% from the previous year to ¥21,420 million ($202 million).

Net income decreased by 41.3% from a year ago to ¥8,568 million ($81 million) due to an increase in tax burden caused by tax legislation that does not count goodwill impairment as a loss. As a result, net income per share decreased by ¥37.74 (36 cents) to ¥52.73 (50 cents).

Geographic Segment Information

Japan: Total sales decreased by 2.1% from the previous fiscal year to ¥223,611 million ($2,110 million). While the sales of non-CRT glass increased, those of CRT glass decreased considerably. On the contrary, operating income increased by 18.1% from a year ago to ¥36,423 million ($344 million), thanks to enhanced productivity, reduced costs, and improved profitability of glass substrates for LCDs.

North America: Because of the shrinking North American CRT glass market and declining demand due to color TV inventory adjustment during the first half of the year, along with the price drop and value erosion of the dollar due to a stronger yen, total sales decreased drastically year-on-year by 39.7% to ¥43,482 million ($410 million). The operating losses expanded to ¥11,347 million ($107 million), resulting from declining sales and lower pricing as well as one-time expenses for inventory asset disposal as a part of downsizing at Techneglas, Inc.

Asia: The global demand for CRT glass products is being increasingly concentrated in this region. However, affected by the decline in product prices, total sales decreased by 0.6% from the previous fiscal year to ¥70,396 million ($664 million). Operating income, hit by the price drop as well, decreased by 24.2% year-on-year to ¥7,070 million ($67 million).

Europe: Due to factors such as declines in CRT glass prices, total sales dropped by 17.3% to ¥19,430 million ($183 million) from the previous fiscal year. Operating income decreased by 31.5% year-on-year to ¥860 million ($8 million), impacted by both factors such as declines in CRT glass princes and a temporary production adjustment.

Dividends

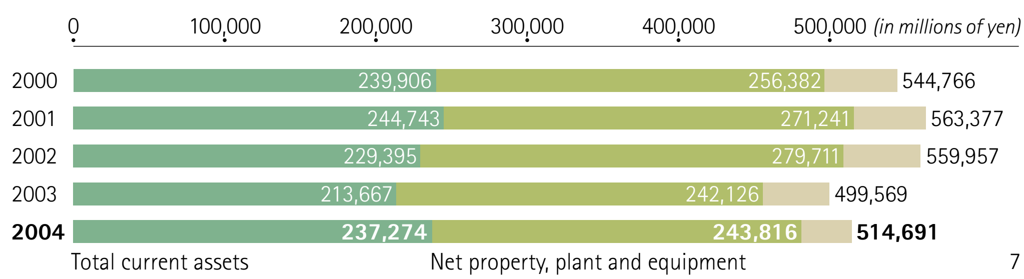
In the 2004 fiscal year, the cash dividend per share remained unchanged from the previous fiscal year's ¥12 (11.3 cents). This figure includes the interim dividend of ¥6 (5.7 cents) paid in December 2003.

Financial Standing and Liquidity

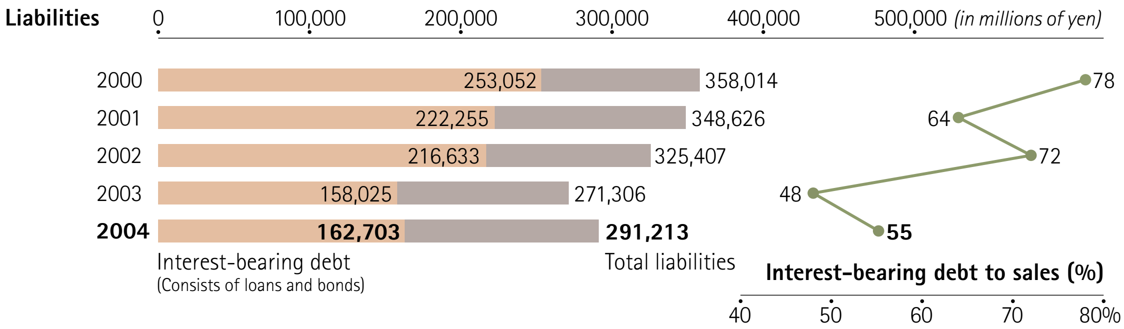
Assets, Liabilities, and Shareholders' Equity

Total assets as of the end of this fiscal year stood at ¥514,691 million ($4,856 million), representing an increase of ¥15,122 million ($143 million) from the end of the previous fiscal year. Cash and time deposits increased primarily because of funds raised by the issuance of straight bonds to cover high-level capital expenditures in the current and the next fiscal year. Investments and other assets decreased due to impairment of goodwill relating to the CRT business of Techneglas, Inc.

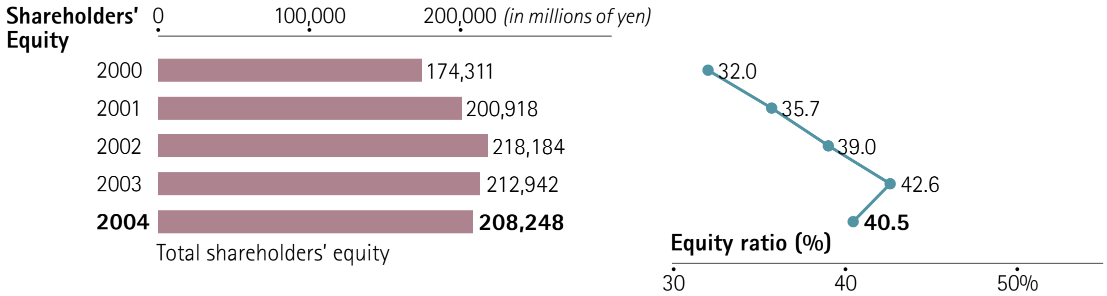
Assets



Total liabilities increased by ¥19,907 million ($188 million) from the end of the previous fiscal year to ¥291,213 million ($2,747 million). To attain stronger financial positioning, NEG is working at decreasing its interest-bearing liabilities as a medium- to long-term task. This year was the middle year of the second three-year interest-bearing debt reduction project, but we temporarily postponed the plan to respond to expansion in the FPD-related market and have made capital investments in a timely manner on a preferential basis. With the capital investment stated above, notes and accounts payable accumulated. To cover the funds required for such capacity investment, ¥20,000 million of straight bonds were issued, and long-term debt increased accordingly. In addition, the percentage of interest-bearing debt to sales fell back to 55%, representing a setback for our second three-year interest-bearing debt reduction project.

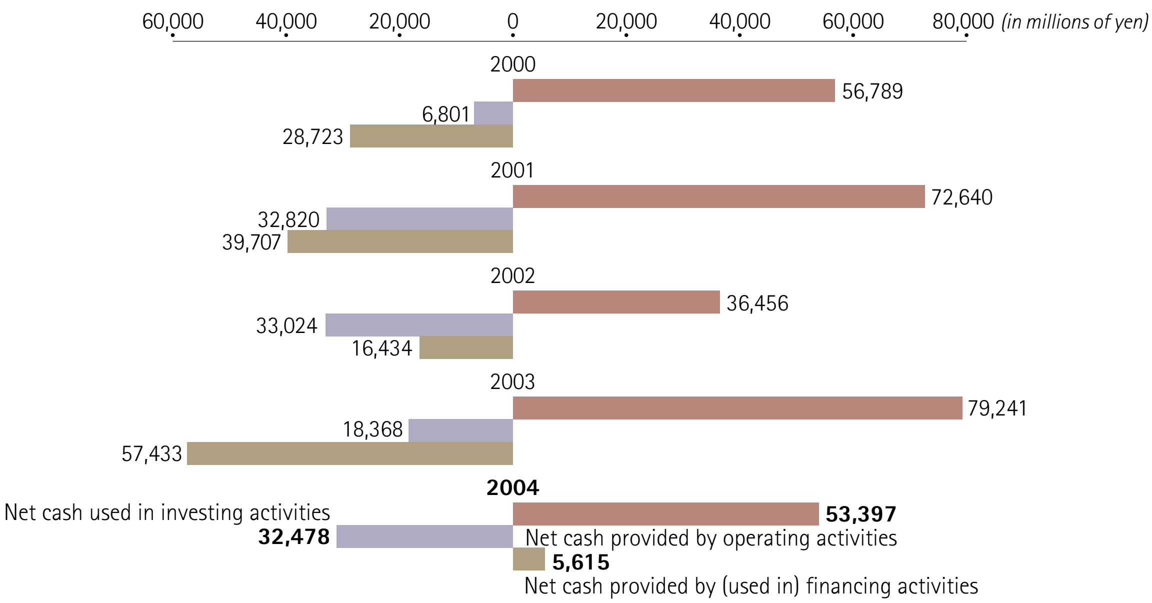


Total shareholders' equity decreased by ¥4,694 million ($44 million) to ¥208,248 million ($1,965 million). This decrease was mainly due to foreign currency translation adjustment, which turned negative. This resulted in a reduction of the equity ratio to 40.5%.



Cash Flows

Net cash provided by operating activities was ¥53,397 million ($504 million). This was due chiefly to income before income taxes and minority interests, an increase in notes and accounts payable, and non-fund items such as depreciation and amortization and goodwill impairment charges.



Due to the significant decrease in the diminution of inventories and other factors, net cash provided by operating activities decreased by ¥25,844 million ($244 million) on a year-on-year basis.

Net cash used in investing activities rose by ¥14,110 million ($133 million) to ¥32,478 million ($306 million) from the previous fiscal year. ¥6,506 million ($61 million) proceeded from the sale of securities while spending ¥39,214 million ($370 million) to purchase property, plant and equipment focusing on strengthening production capacity for FPD glass products.

Net cash provided by financing activities was ¥5,615 million ($53 million) after the issuance of ¥20,000 million ($187 million) of straight bonds to cover capital investment and other costs for the current and the next fiscal year. At the same time, we proceeded with repayment of long- and short-term borrowings with a view to striking a balance between direct and indirect finance in line with the interest-bearing debt reduction project. During the previous fiscal year, we spent ¥57,433 million ($542 million) in line with this project. However, for this fiscal year, the project was postponed in order to respond to rapid expansion of the FPD-related markets and to make investments to increase production capacities in a timely manner.

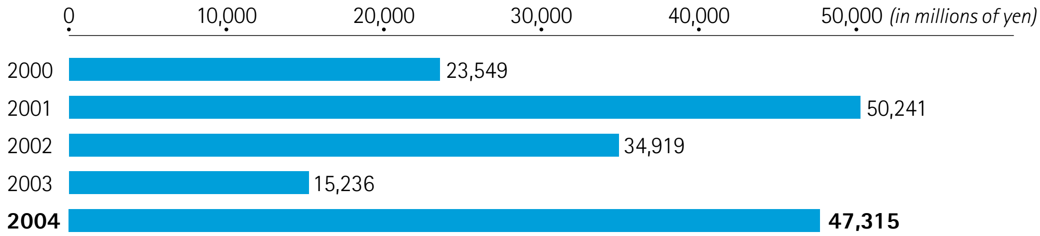
Consequently, cash and cash equivalents at end of the year stood at ¥89,291 million ($842 million)—a net increase of ¥26,952 million ($254 million).

Capital Expenditures

NEG's capital expenditures include the periodic refurbishment of the glassmaking furnaces. During the current fiscal year, the capital expenditures were tripled to ¥47,315 million ($446 million) from a year ago, as we made large-scale capital investments in response to expansion of the flat-panel display glass markets and changes in the CRT glass market structure.

¥43,458 million ($410million) was invested in the information and communication sector to enhance flat-panel display glass production facilities and move some CRT glass production capacity offshore to meet changes in the global CRT market structure.

In other sectors, ¥3,854 million ($36 million) was invested focusing on improving productivity and upgrading facilities in order to increase productivity for heat-resistant glass.



Capital expenditures

Consolidated Balance Sheets

Nippon Electric Glass Co., Ltd. and Consolidated Subsidiaries
March 31, 2003 and 2004

ASSETS

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2003	**2004**	**2004**
Current assets:			
Cash and time deposits (Notes 7 and 9)	¥ 62,386	**¥ 89,392**	**$ 843,321**
Notes and accounts receivable, trade	80,349	**82,752**	**780,679**
Allowance for doubtful receivables	(613)	**(726)**	**(6,849)**
Inventories (Note 8)	59,638	**52,653**	**496,726**
Deferred income taxes (Note 11)	6,643	**8,313**	**78,425**
Other current assets	5,264	**4,890**	**46,132**
Total current assets	213,667	**237,274**	**2,238,434**
Property, plant and equipment (Note 9):			
Land	17,296	**16,873**	**159,179**
Buildings and structures	104,905	**103,528**	**976,679**
Machinery and equipment	464,210	**460,862**	**4,347,755**
Construction in progress	8,703	**13,610**	**128,396**
	595,114	**594,873**	**5,612,009**
Accumulated depreciation	(352,988)	**(351,057)**	**(3,311,858)**
Net property, plant and equipment	242,126	**243,816**	**2,300,151**
Investments and other assets:			
Investment securities (Note 5)	13,816	**13,653**	**128,802**
Investment in affiliates	3,473	**3,473**	**32,764**
Goodwill	10,287	**653**	**6,161**
Deferred income taxes (Note 11)	9,587	**9,054**	**85,415**
Other assets (Note 9)	6,613	**6,768**	**63,849**
Total investments and other assets	43,776	**33,601**	**316,991**
Total assets	¥499,569	**¥514,691**	**$4,855,576**

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)
	2003	**2004**	**2004**
Current liabilities:			
Short-term borrowings, including current portion of long-term debt (Notes 9 and 10)	¥ 90,716	**¥ 79,396**	**$ 749,019**
Notes and accounts payable (Note 9):			
Trade	37,456	**39,802**	**375,491**
Construction and other	9,942	**21,671**	**204,443**
Accrued expenses	17,824	**18,120**	**170,943**
Accrued income taxes	7,751	**12,316**	**116,189**
Other current liabilities	2,237	**1,894**	**17,868**
Total current liabilities	165,926	**173,199**	**1,633,953**
Long-term debt (Note 10)	69,007	**84,176**	**794,113**
Severance and retirement benefits (Note 12)	9,175	**9,184**	**86,642**
Directors' retirement benefits	525	**486**	**4,585**
Reserve for special repairs	17,114	**16,644**	**157,019**
Deferred income taxes (Note 11)	6,889	**5,769**	**54,424**
Other non-current liabilities	2,670	**1,755**	**16,557**
Total liabilities	271,306	**291,213**	**2,747,293**
Minority interests	15,321	**15,230**	**143,679**
Contingent liabilities (Note 14)			
Shareholders' equity (Note 13):			
Common stock			
Authorized - 400,000,000 shares			
Issued - 159,772,078 shares	18,386	**18,386**	**173,453**
Capital surplus	20,116	**20,117**	**189,783**
Retained earnings	168,942	**172,691**	**1,629,160**
Net unrealized holding gains on securities	3,419	**4,316**	**40,717**
Foreign currency translation adjustments	2,276	**(6,999)**	**(66,028)**
	213,139	**208,511**	**1,967,085**
Less: cost of treasury stock: 195,031 shares in 2004, 158,039 shares in 2003,	(197)	**(263)**	**(2,481)**
Total shareholders' equity	212,942	**208,248**	**1,964,604**
Total liabilities and shareholders' equity	¥499,569	**¥514,691**	**$4,855,576**

Consolidated Statements of Income

Nippon Electric Glass Co., Ltd. and Consolidated Subsidiaries
Years Ended March 31, 2002, 2003 and 2004

	Millions of yen			Thousands of U.S. dollars (Note 1)
	2002	2003	**2004**	**2004**
Net sales	¥300,395	¥328,803	**¥297,307**	**$2,804,783**
Cost of sales	237,237	245,285	**225,403**	**2,126,443**
Gross profit	63,158	83,518	**71,904**	**678,340**
Selling, general and administrative expenses	41,027	40,533	**38,085**	**359,293**
Operating income	22,131	42,985	**33,819**	**319,047**
Other income (expenses):				
Interest and dividend income	1,001	683	**463**	**4,368**
Interest expense	(6,742)	(4,651)	**(2,625)**	**(24,764)**
Restructuring charges (Note 4)	(6,620)	(3,921)	**–**	**–**
Special retirement benefits	-	-	**(1,479)**	**(13,953)**
Loss from devaluation of inventories	(3,634)	(1,056)	**(747)**	**(7,047)**
Loss on disposal of property, plant and equipment including removal expenses	(1,661)	(5,325)	**(4,726)**	**(44,585)**
Gain on sales of investment securities	-	463	**5,156**	**48,642**
Loss from valuation of investment securities	(330)	(3,054)	**(55)**	**(519)**
Loss on disposal of inventories	(285)	(536)	**(70)**	**(661)**
Goodwill impairment charges (Note 4)	-	-	**(9,214)**	**(86,925)**
Reversal of reserve for special repairs (Note 4)	198	2,458	**2,765**	**26,085**
Foreign exchange gains (losses), net	1,834	(3,043)	**(2,325)**	**(21,934)**
Other, net	(169)	(2,433)	**458**	**4,321**
	(16,408)	(20,415)	**(12,399)**	**(116,972)**
Income before income taxes and minority interests	5,723	22,570	**21,420**	**202,075**
Provision for income taxes (Note 11)				
Current	5,417	10,612	**17,320**	**163,396**
Refunds	(518)	(4,071)	**(215)**	**(2,028)**
Deferred	(3,756)	615	**(4,992)**	**(47,094)**
	1,143	7,156	**12,113**	**114,274**
Minority interests	1,202	811	**739**	**6,971**
Net income	¥3,378	¥14,603	**¥8,568**	**$ 80,830**
	Yen			U.S. dollars (Note 1)
Amount per share of common stock:				
Net income	¥21.14	¥ 90.47	**¥52.73**	**$ 0.50**
Diluted net income	-	-	**–**	**–**
Cash dividends applicable to the year	11.00	12.00	**12.00**	**0.11**

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, 2002, 2003 and 2004

	Thousands of shares	Millions of yen					
	Number of shares of common stock issued	Common stock	Capital surplus	Retained arnings	Net unrealized holding gains on securities	Foreign currency transaction adjustments	Treasury stock
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 and corporate auditors	-	-	-	(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 and corporate auditors	-	-	-	(92)	-	-	-
Balance at March 31, 2003	159,772	18,386	20,116	168,942	3,419	2,276	(197)
Net income	**–**	**–**	**–**	**8,568**	**–**	**–**	**–**
Decrease due to accounting standards in foreign countries, net	**–**	**–**	**–**	**(2,695)**	**–**	**–**	**–**
Gain on treasury stock	**–**	**–**	**1**	**–**	**–**	**–**	**–**
Net change during the year	**–**	**–**	**–**	**–**	**897**	**(9,275)**	**–**
Treasury stock	**–**	**–**	**–**	**–**	**–**	**–**	**(66)**
Cash dividends paid	**–**	**–**	**–**	**(1,995)**	**–**	**–**	**–**
Bonuses to directors and corporate auditors	**–**	**–**	**–**	**(129)**	**–**	**–**	**–**
Balance at March 31, 2004	**159,772**	**¥ 18,386**	**¥ 20,117**	**¥ 172,691**	**¥ 4,316**	**¥ (6,999)**	**¥ (263)**

	Thousands of U.S. dollars (Note 1)					
	Common stock	Capital surplus	Retained arnings	Net unrealized holding gains on securities	Foreign currency transaction adjustments	Treasury stock
Balance at March 31, 2003	$ 173,453	$ 189,774	$ 1,593,792	$ 32,255	$ 21,472	$ (1,858)
Net income	**–**	**–**	**80,830**	**–**	**–**	**–**
Decrease due to accounting standards in foreign countries, net	**–**	**–**	**(25,424)**	**–**	**–**	**–**
Gain on treasury stock	**–**	**9**	**–**	**–**	**–**	**–**
Net change during the year	**–**	**–**	**–**	**8,462**	**(87,500)**	**–**
Treasury stock	**–**	**–**	**–**	**–**	**–**	**(623)**
Cash dividends paid	**–**	**–**	**(18,821)**	**–**	**–**	**–**
Bonuses to directors and corporate auditors	**–**	**–**	**(1,217)**	**–**	**–**	**–**
Balance at March 31, 2004	**$173,453**	**$189,783**	**$1,629,160**	**$40,717**	**$(66,028)**	**$(2,481)**

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, 2002, 2003 and 2004

	Millions of yen			Thousands of U.S. dollars (Note 1)
	2002	2003	**2004**	**2004**
Cash flows from operating activities:				
Income before income taxes and minority interests	¥ 5,723	¥22,570	**¥21,420**	**$202,075**
Depreciation and amortization	37,079	34,967	**31,177**	**294,123**
Loss on disposal of property, plant and equipment	1,932	7,116	**3,672**	**34,642**
Goodwill impairment charges	-	-	**9,214**	**86,925**
Loss from valuation of property, plant and equipment	-	460	**-**	**-**
Loss from valuation of investment securities	330	3,054	**55**	**519**
Gain on sales of investment securities	-	(463)	**(5,156)**	**(48,642)**
Provision for (reversal of) reserve for special repairs	2,834	(456)	**(413)**	**(3,896)**
Interest and dividend income	(1,001)	(683)	**(463)**	**(4,368)**
Interest expense	6,742	4,651	**2,625**	**24,764**
Decrease (increase) in notes and accounts receivable	6,028	(4,535)	**(5,857)**	**(55,255)**
Decrease in inventories	3,023	15,230	**4,378**	**41,302**
Increase (decrease) in notes and accounts payable	(14,919)	5,034	**7,975**	**75,236**
Other	4,505	1,062	**(2,383)**	**(22,481)**
Sub-total	52,276	88,007	**66,244**	**624,944**
Interest and dividends received	824	702	**661**	**6,236**
Interest paid	(6,829)	(5,144)	**(2,653)**	**(25,028)**
Refund of income taxes	1,381	2,695	**1,816**	**17,132**
Payment for income taxes	(11,196)	(7,019)	**(12,671)**	**(119,538)**
Net cash provided by operating activities	36,456	79,241	**53,397**	**503,746**
Cash flows from investing activities:				
Decrease (increase) in time deposits, net	1,552	621	**(51)**	**(481)**
Purchases of marketable and investment securities	(169)	(3,552)	**(4)**	**(38)**
Proceeds from sale of marketable and investment securities	536	1,485	**6,506**	**61,377**
Purchases of property, plant and equipment	(35,545)	(18,101)	**(39,214)**	**(369,943)**
Proceeds from sales of property, plant and equipment	219	1,208	**164**	**1,547**
(Increase) in loans receivable, net	(4)	(143)	**(422)**	**(3,981)**
Other	387	114	**543**	**5,123**
Net cash used in investing activities	(33,024)	(18,368)	**(32,478)**	**(306,396)**
Cash flows from financing activities:				
Increase (decrease) in short-term debt, net	4,043	(5,806)	**(3,751)**	**(35,387)**
Proceeds from long-term loans	15,000	14,893	**7,653**	**72,198**
Repayment of long-term loans	(22,938)	(33,927)	**(17,207)**	**(162,330)**
Proceeds from issue of unsecured bonds	20,000	-	**20,000**	**188,679**
Redemption of unsecured bonds	-	(30,000)	**-**	**-**
Redemption of unsecured convertible bonds	(29,996)	-	**-**	**-**
Proceeds from common stock issued to minority shareholders	5	-	**1,301**	**12,274**
Cash dividends paid	(1,836)	(1,756)	**(1,995)**	**(18,821)**
Other	(712)	(837)	**(386)**	**(3,642)**
Net cash provided by (used in) financing activities	(16,434)	(57,433)	**5,615**	**52,971**
Effect of exchange rate changes on cash and cash equivalents	303	13	**418**	**3,943**
Net increase (decrease) in cash and cash equivalents	(12,699)	3,453	**26,952**	**254,264**
Cash and cash equivalents at beginning of year	71,585	58,886	**62,339**	**588,104**
Cash and cash equivalents at end of year (Note 7)	¥58,886	¥62,339	**¥89,291**	**$842,368**

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 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 prevailing in the respective countries of domicile. Certain accounting principles generally accepted in Japan are different from International Accounting Standards and standards in other countries in certain respects as to application and disclosure requirements.

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, 2004, which was ¥106 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 of 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 intercompany transactions and account balances are eliminated in consolidation.

The excess of cost of the 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 information for foreign subsidiaries is based on their fiscal year ended of December 31.

(b) Translation of foreign currencies

All short-term and long-term monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates at the balance sheet date.

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 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) Marketable and investment securities

The Company and its consolidated domestic subsidiaries determine the intent of holding each security and classify into two types:
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 values 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.
Cost of sales is 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. For regular receivables, it consist of estimated uncollectable amounts based on the historical ratio of bad debt losses. For receivables from customers in financial difficulty, it consists of the estimated uncollectable amounts with respect to specific doubtful recievables.

(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 estimated useful lives of 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. Commencing in the year ended March 31, 2003, in accordance with the change in accounting standards in the United States, accounting for goodwill from business combinations changed from the amortization method to an impairment-only approach.

(i) Accounting for certain lease transactions

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

(j) Severance and retirement benefits

The Company and its consolidated domestic subsidiaries provide the liability 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 and the liabilities for severance and retirement benefits recorded (the "net transition obligation") was ¥2,785 million. The Company and its consolidated domestic subsidiaries recognize this net transition obligation as expenses in equal amounts over 15 years.

Actuarial differences as of each year-end are recognized as expenses using the straight-line method over 10 years (within the average of the estimated remaining service lives) starting from the following fiscal year.

(k) Directors' retirement benefits

Effective from March 31, 2003, the Company and its consolidated domestic subsidiaries record the amount of 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

Tax effects of temporary differences between the financial statements basis and the tax basis of assets and liabilities are recognized as deffered tax assets and liabilities. The provision for income taxes is computed based on the pretax income included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences.

(n) Research and development

Costs relating to research and development activities are charged to income as incurred and amounted to ¥5,316 million, ¥2,195 million and ¥2,160 million ($20,377 thousand) in 2002, 2003 and 2004, respectively.

(o) Net income per share

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

(p) Derivatives and hedge accounting

The Company and its consolidated domestic subsidiaries state derivative financial instruments at fair value and to 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.

Foreign exchange forward contracts employed to hedge an existing foreign currency receivable and payable are measured at fair value and the related unlealized gains and losses are recognized in income.

If currency swap contracts are executed to hedge a future transaction denominated in a foreign currency, the future transaction will be recorded using the contracted currency, and no gains or losses on the currency swap contract is recognized.

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
Currency swap contracts	Principally long-term loan and short-term debt
Interest rate swap contracts	Interest on loans payable

The Company and its consolidated subsidiaries enter into forward foreign exchange contracts, currency swap 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, and not for speculation.
The counterparties are major financial institutions, therefore, the Company and its consolidated subsidiaries consider the credit risk to be minimal.

The derivative transactions are entered into by each company in accordance with accounting policies and controlled by the accounting division.

(q) The accounting standard for impairment of fixed assets

In the year ended March 31, 2004, the Company did not adopt early the new accounting standard for impairment of fixed assets ("Opinion Concerning Establishment of Accounting Standard for Impairment of Fixed Assets" issued by the Business Accounting Deliberation Council on August 9, 2002) and the implementation guidance for the accounting standard for impairment of fixed assets (the Financial Accounting Standard Implementation Guidance No. 6 issued by the Accounting Standards Board of Japan on October 31, 2003). The new accounting standard is required to be adopted in periods beginning on or after April 1, 2005, but the standard does not prohibit earlier adoption.

(r) Reclassifications

Certain prior year amounts have been reclassified to conform to the 2004 presentation. These changes had no impact on previously reported results of operations or shareholders' equity.

3. Accounting changes

(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 on net income of the adoption of the new accounting standard was not material.

(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 Standards 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 on earning per share of the adoption of the new standard was immaterial.

(c) Method of accounting for inventories
Commencing in 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 results more accurately in consideration of the recent fall in prices.
As a result of this change, operating income decreased by ¥719 million and income before taxes and minority interests decreased by ¥1,482 million .

(d) 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. Commencing in 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 accrual method, the Company and its consolidated domestic subsidiaries record the amount that is required by the internal corporate policy at the end of the fiscal year. The Company and its consolidated domestic subsidiaries believe that this change provides a better matching of costs and revenues over the period of service. The portion of the accrual relating to the year of change, amounting to ¥45 million, is included in selling, general and administrative expenses and the portion relating to the prior periods, amounting to ¥720 million, is included in other expenses in the year ended March 31, 2003.

The effects of this change for the year ended March 31, 2003 were to increase operating income by ¥195 million and to decrease income before income taxes and minority interests by ¥525 million .

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 recording the reserve for special repairs and reversed the balance as of March 31, 2002 to other income, in the amount of ¥2,101 milion . This change was in accordance with the change of Malaysian accounting standards. Nippon Electric Glass (Malaysia) Sdn.Bhd. also changed the useful lives of melting furnaces.

The effects for the year ended March 31, 2003, was to decrease reserve for special repairs by ¥679 million and increase depreciation expense by ¥538 million.

As a result, operating income increased by ¥137 million and income before income taxes and minority interests increased by ¥2,239 million for the year ended March 31, 2003.

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

(c) Goodwill impairment charges
Techneglas Inc., a consolidated foreign subsidiary in the United States, recorded losses of goodwill impairment of ¥9,214 million ($86,925 thousand) in 2004.

5. Market value information of securities

(a) At March 31, 2003, acquisition costs, book values and fair values of securities with available market values were as follows and at March 31, 2004, there is no applicable matter.

	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

	Millions of yen		
2003:	Acquisition cost	Book value	Difference
Available-for-sale securities:			
Securities with book 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

	Millions of yen		
2004:	Acquisition cost	Book value	Difference
Available-for-sale securities:			
Securities with book values exceeding acquisition costs			
Equity securities	**¥ 6,333**	**¥ 13,575**	**¥ 7,242**

	Thousands of U.S. dollars		
2004:	Acquisition cost	Book value	Difference
Available-for-sale securities:			
Securities with book values exceeding acquisition costs			
Equity securities	**$59,745**	**$128,066**	**$68,321**

(b) At March 31, 2003 and 2004, book values of securities with no available market values were as follows:

	Millions of yen
2003:	Book value
Available-for-sale securities:	
Equity securities issued by non-consolidated affiliates	¥ 3,473
Non-listed equity securities, other	297
	¥ 3,770

	Millions of yen	Thousands of U.S. dollars
2004:	Book value	Book value
Available-for-sale securities:		
Equity securities issued by non-consolidated affiliates	**¥3,473**	**$32,764**
Non-listed equity securities, other	**78**	**736**
	¥3,551	**$33,500**

(c) At March 31, 2003, the maturities of held-to-maturity debt securities were as follows
and at March 31, 2004, there is no applicable matter.

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

(d) Sales of available-for-sale securities sold for the years ended March 31 2003 and 2004 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Total sales amounts	¥ 1,161	**¥ 6,430**	**$ 60,660**
Gains on sales	463	**5,156**	**48,642**
Losses on sales	380	**5**	**47**

6. Derivatives

All current derivative transactions are accounted as hedging instruments and, accordingly, have been applied hedging accounting.

7. Cash and cash equivalents

Cash and cash equivalents at March 31, 2003 and 2004 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Cash and time deposits in the balance sheets	¥62,386	**¥89,392**	**$843,321**
Time deposits due over three months	(47)	**(101)**	**(953)**
Cash and cash equivalents in the statements of cash flows	¥62,339	**¥89,291**	**$842,368**

8. Inventories

Inventories at March 31, 2003 and 2004 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Finished and purchased goods	¥26,377	**¥22,020**	**$207,736**
Semi-finished goods and work in process	17,748	**17,207**	**162,330**
Raw materials	15,513	**13,426**	**126,660**
	¥59,638	**¥52,653**	**$496,726**

9. Pledged assets

At March 31, 2003 and 2004, assets pledged as collateral were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Cash and time deposites	¥ -	**¥ 351**	**$ 3,311**
Property, plant and equipment, net of accumulated depreciation	18,936	**1,713**	**16,160**
Other assets (leasehold)	844	**-**	**-**
	¥19,780	**¥ 2,064**	**$ 19,471**

At March 31, 2003 and 2004, debt secured by collateral were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Short-term borrowings	¥ 2,899	**¥ -**	**$ -**
Trade notes payables, other	-	**1,878**	**17,717**
	¥ 2,899	**¥ 1,878**	**$ 17,717**

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, 2003 and 2004 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Short-term bank loans	¥72,066	**¥67,953**	**$641,066**
Current portion of long -term loans	17,885	**10,586**	**99,868**
Current portion of capital lease obligations	765	**857**	**8,085**
	¥90,716	**¥79,396**	**$749,019**

Long-term debt, including capital lease obligations, at March 31, 2003 and 2004 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Loans, principally from banks and insurance companies due from 2005 through 2009: average rate 2.0% per annum	¥45,959	**¥34,750**	**$327,831**
1.97% unsecured bonds, due 2006	20,000	**20,000**	**188,679**
1.27% unsecured bonds, due 2008	20,000	**20,000**	**188,679**
0.99% unsecured bonds, due 2010	-	**20,000**	**188,679**
Capital lease obligations due from 2005 through 2006: average rate 8.0% per annum	1,697	**869**	**8,198**
	87,656	**95,619**	**902,066**
Less-current portion included in short-term borrowings	(18,649)	**(11,443)**	**(107,953)**
	¥69,007	**¥84,176**	**$794,113**

The aggregate annual maturities of long-term debt at March 31, 2004 were as follows:

Years ending March 31	Millions of yen	Thousands of U.S. dollars
2005	**¥11,443**	**$107,953**
2006	**29,475**	**278,066**
2007	**9,593**	**90,500**
2008	**24,108**	**227,434**
2009	**1,000**	**9,434**
2010 and thereafter	**20,000**	**188,679**
	¥95,619	**$902,066**

11. Income taxes

The Company is subject to a number of taxes based on income, which, in the aggregate, indicate statutory rates in Japan of approximately 42% for the years ended March 31, 2003 and 2004.

The significant differences between the statutory tax rate in Japan and the effective tax rate of the Company and its consolidated subsidiaries for financial statement purposes for the years ended March 31, 2003 and 2004 were as follows:

	2003	**2004**
Statutory tax rate in Japan	42.0%	**42.0%**
Expense not deductible for tax purposes mainly goodwill impairment	0.4	**15.9**
Valuation allowance	-	**6.2**
Decrease of deferred tax assets due to tax rate change	1.3	**0.7**
Effect of elimination of dividend income	0.5	**0.4**
Effect of tax exemption of consolidated foreign subsidiaries	(6.0)	**(2.5)**
Difference in tax rates for consolidated foreign subsidiaries	(7.8)	**(5.9)**
Other	1.3	**(0.3)**
Effective tax rate	31.7%	**56.5%**

The aggregate statutory income tax rate will be reduced for the years commencing on April 1, 2004 and 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 and later. As a result, deferred taxes assets decreased by ¥289 million and deferred income taxes increased by the same amount compared with what would have been reported using the rate of 42.0%.

At March 31, 2004, the Company applied the reduced aggregate statutory income tax rate of 40.4% for calculating deferred tax assets and liabilities. As a result, deferred taxes assets decreased by ¥143 million ($1,349 thousand) and deferred income taxes increased by the same amount compared with what would have been reported using the rate of 40.7%.

Significant components of the Company's and its consolidated subsidiaries' deferred tax assets and liabilities as of March 31, 2003 and 2004 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Deferred tax assets:			
Unrealized gain on property, plant and equipment	¥ 3,975	**¥ 2,849**	**$ 26,877**
Excess reserve for special repairs	3,622	**4,036**	**38,075**
Tax losses carried forward by consolidated foreign subsidiaries	2,768	**5,463**	**51,538**
Excess severance benefits	2,722	**3,321**	**31,330**
Loss on devaluation of inventories	1,931	**2,542**	**23,981**
Excess accrued bonuses	1,454	**1,550**	**14,623**
Alternative minimum tax	1,309	**1,169**	**11,028**
Accrued business tax	657	**1,043**	**9,840**
Other	5,962	**7,039**	**66,406**
Subtotal deferred tax assets	24,400	**29,012**	**273,698**
Less : Valuation allowance	-	**(1,225)**	**(11,556)**
Total net deferred tax assets	24,400	**27,787**	**262,142**
Deferred tax liabilities:			
Excess tax depreciation of consolidated foreign subsidiaries	(12,583)	**(13,263)**	**(125,123)**
Net unrealized holding gains on securities	(2,476)	**(2,926)**	**(27,603)**
Total deferred tax liabilities	(15,059)	**(16,189)**	**(152,726)**
Net deferred tax assets	¥ 9,341	**¥ 11,598**	**$ 109,416**

12. Severance and retirement benefits

The Company provides two types of post-employment benefit plans, funded non-contributory pension plans and unfunded lump-sum payment plans. Certain consolidated subsidiaries provide funded non-contributory pension plans and unfunded lump-sum payment plans.
Certain consolidated overseas subsidiaries provide defined contribution pension plans.

Liabilities for severance and retirement benefits at March 31, 2003 and 2004 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Projected benefit obligation	¥36,676	**¥37,094**	**$349,943**
Pension assets	(16,393)	**(18,657)**	**(176,009)**
Unrecognized benefit obligation	20,283	**18,437**	**173,934**
Unrecognized transition obligation	(2,228)	**(2,042)**	**(19,264)**
Unrecognized actuarial differences	(9,632)	**(7,211)**	**(68,028)**
Net liabilities for severance and retirement benefits	8,423	**9,184**	**86,642**
Prepaid benefit cost	752	**–**	**–**
Liabilities for severance and retirement benefits	¥9,175	**¥ 9,184**	**$ 86,642**

Severance and retirement benefit expenses for the years ended March 31, 2003 and 2004 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Service costs	¥ 1,628	**¥ 1,627**	**$ 15,349**
Interest cost	841	**708**	**6,679**
Expected return on pension assets	(182)	**(164)**	**(1,547)**
Amortization of transition obligation	186	**185**	**1,745**
Amortization of actuarial differences	692	**1,068**	**10,075**
Subtotal severance and retirement benefit expenses	3,165	**3,424**	**32,301**
Defined contribution pension plan	466	**412**	**3,887**
Total severance and retirement benefit expenses	¥ 3,631	**¥ 3,836**	**$ 36,188**

Above calculations are based on the following:

	2003	**2004**
Discount rate	2.0%	**2.0%**
Expected return on pension assets	1.0	**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 the United States. Projected benefit obligation and severance and retirement benefit expenses for years ended March 31, 2003 and 2004 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Projected benefit obligation	¥15,998	**¥15,384**	**$145,132**
Severance and retirement benefit expenses	620	**1,822**	**17,189**

13. Shareholders' equity

The Code abolished par value of shares and requires that at least 50% of the proceeds from the issuance of common stock be credited to 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.

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. The total amounts of the legal reserve and additional paid-in capital already exceed 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.

(a) Appropriations of retained earnings
On June 29, 2004, 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 ¥6.00 per share	**¥ 957**	**$ 9,028**
Bonuses to directors	**96**	**906**

In addition to the cash dividends described above, the Company paid interim cash dividends of ¥958 million ($9,038 thousand, ¥6.00 per share) on December 5, 2003.

14. Contingent liabilities

Contingent liabilities at March 31, 2003 and 2004 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Notes discounted	¥ 1,754	**¥ 1,433**	**$ 13,519**
Notes endorsed	770	**631**	**5,953**
Guarantee of employees' housing loans	2,984	**2,480**	**23,396**
Guarantee of affiliated company's bank loans (by letter of comfort)	1,298	**773**	**7,292**
	¥ 6,806	**¥ 5,317**	**$ 50,160**

15. Lease information

(a) At March 31, 2003 and 2004, 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
	2003	**2004**	**2004**
Acquisition cost of machinery and equipment	¥1,218	**¥765**	**$7,217**
Accumulated depreciation of machinery and equipment	710	**408**	**3,849**
Net book value	¥ 508	**¥357**	**$3,368**

(b) Future minimum lease payments excluding interest under finance leases at March 31, 2003 and 2004 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Current	¥ 192	**¥142**	**$1,340**
Non-current	327	**224**	**2,113**
	¥ 519	**¥366**	**$3,453**

(c) Lease payments, assumed depreciation and assumed interest for the years ended March 31, 2003 and 2004 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Lease payments	¥ 498	**¥211**	**$1,991**
Assumed depreciation	395	**198**	**1,868**
Assumed interest	34	**11**	**104**

Assumed depreciation is 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, 2003 and 2004 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2003	**2004**	**2004**
Current	¥ 329	**¥ 99**	**$ 934**
Non-current	108	**60**	**566**
	¥ 437	**¥ 59**	**$1,500**

16. Segment information

Information by segment for the years ended March 31, 2002, 2003 and 2004 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						
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

As described in Note 3(d), the Company and its consolidated domestic subsidiaries changed the method of accounting for directors' and corporate auditors' retirement benefits from the cash basis to an accrual basis. As a result, for the year ended March 31, 2003, operating expenses decreased and operating income for Japan increased ¥195 million.
As described in Note 3(c), the Company's American 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, for the year ended March 31, 2003, operating expenses increased and operating income for America decreased ¥719 million.
As described in Note 4(a), The Company's Malaysian subsidiary, Nippon Electric Glass (Malaysia) Sdn. Bhd. ceased recording the reserve for special repairs and changed the useful lives of melting furnaces. As a result, for the year ended March 31, 2002, operating expenses decreased and operating income for Asia increased ¥137 million.

2004:	Millions of yen Japan	America	Asia	Europe	Total	Elimination and corporate	Consolidated Total
Net sales							
External	**¥174,456**	**¥42,690**	**¥ 61,905**	**¥18,256**	**¥297,307**	**¥ –**	**¥297,307**
Inter-segment	**49,155**	**792**	**8,491**	**1,174**	**59,612**	**(59,612)**	**–**
Total sales	**223,611**	**43,482**	**70,396**	**19,430**	**356,919**	**(59,612)**	**297,307**
Operating expenses	**187,188**	**54,829**	**63,326**	**18,570**	**323,913**	**(60,425)**	**263,488**
Operating income (loss)	**¥ 36,423**	**¥(11,347)**	**¥ 7,070**	**¥ 860**	**¥ 33,006**	**¥ 813**	**¥ 33,819**
Identifiable assets	**¥305,838**	**¥62,357**	**¥118,201**	**¥29,818**	**¥516,214**	**¥(1,523)**	**¥514,691**

2004:	Thousands of U.S. dollars Japan	America	Asia	Europe	Total	Elimination and corporate	Consolidated Total
Net sales							
External	**$1,645,811**	**$ 402,736**	**$ 584,010**	**$172,226**	**$2,804,783**	**$ –**	**$2,804,783**
Inter-segment	**463,726**	**7,472**	**80,104**	**11,075**	**562,377**	**(562,377)**	**–**
Total sales	**2,109,537**	**410,208**	**664,114**	**183,301**	**3,367,160**	**(562,377)**	**2,804,783**
Operating expenses	**1,765,924**	**517,255**	**597,415**	**175,189**	**3,055,783**	**(570,047)**	**2,485,736**
Operating income (loss)	**$ 343,613**	**$ (107,047)**	**$ 66,699**	**$ 8,112**	**$ 311,377**	**$ 7,670**	**$ 319,047**
Identifiable assets	**$2,885,264**	**$ 588,273**	**$1,115,104**	**$281,302**	**$4,869,943**	**$(14,367)**	**$4,855,576**

(c) Overseas sales information

2002:	Millions of yen 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%

2003:	Millions of yen 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%

2004:	Millions of yen America	Asia	Europe	Other areas	Total
Overseas sales	**¥ 43,702**	**¥ 124,462**	**¥ 29,642**	**¥ 1,075**	**¥ 198,881**
Consolidated sales					**297,307**
Percentage of overseas sales	**14.7%**	**41.9%**	**10.0%**	**0.4%**	**66.9%**

2004:	Thousands of U.S. dollars America	Asia	Europe	Other areas	Total
Overseas sales	**$ 412,283**	**$1,174,170**	**$ 279,642**	**$ 10,142**	**$1,876,237**
Consolidated sales					**2,804,783**

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

Independent Auditors' Report

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

We have audited the accompanying consolidated balance sheets of Nippon Electric Glass Co., Ltd. and consolidated subsidiaries as of March 31, 2003 and 2004, and the related consolidated statements of income, shareholders' equity and cash flows for each of the three years in the period ended March 31, 2004, expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to independently 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, 2004 and 2003, and the consolidated results of their operations and their cash flows for each of the three years in the period ended March 31, 2004, in conformity with accounting principles generally accepted in Japan.

Without qualifying our opinion, we draw attention to the following.
(1) 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.
(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.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2004 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

KPMG AZSA & Co.

Osaka, Japan
June 29, 2004

Consolidated Five-year Summary

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

	2000	2001	2002	2003	**2004**	
For the year ended March 31						
Net sales	¥323,590	¥344,677	¥300,395	¥328,803	**¥297,307**	**$2,804,783**
Net income	13,731	25,398	3,378	14,603	**8,568**	**80,830**
Depreciation and amortization	32,241	35,932	37,079	34,967	**31,177**	**294,123**
Capital expenditures	23,549	50,241	34,919	15,236	**47,315**	**446,368**
Per share of common stock (yen and dollars)						
Net income	¥ 85.94	¥ 158.97	¥ 21.14	¥ 90.47	**¥ 52.73**	**$ 0.50**
Diluted net income	79.80	145.89	-	-	**–**	**–**
Cash dividends	12.00	11.00	11.00	12.00	**12.00**	**0.11**
Shareholders' equity	1,091.02	1,257.54	1,365.69	1,333.28	**1,304.04**	**12.30**
At year-end						
Total assets	¥544,766	¥563,377	¥559,957	¥499,569	**¥514,691**	**$4,855,576**
Current assets	239,906	244,743	229,395	213,667	**237,274**	**2,238,434**
Net property, plant and equipment	256,382	271,241	279,711	242,126	**243,816**	**2,300,151**
Current liabilities	175,472	210,609	200,459	165,926	**173,199**	**1,633,953**
Long-term debt	146,397	100,466	84,891	69,007	**84,176**	**794,113**
Shareholders' equity	174,311	200,918	218,184	212,942	**208,248**	**1,964,604**
Cash flows						
Net cash provided by operating activities	¥ 56,789	¥ 72,640	¥ 36,456	¥ 79,241	**¥ 53,397**	**$503,746**
Net cash used in investing activities	(6,801)	(32,820)	(33,024)	(18,368)	**(32,478)**	**(306,396)**
Net cash provided by (used in) financing activities	(28,723)	(39,707)	(16,434)	(57,433)	**5,615**	**52,971**
Cash and cash equivalents at end of year	70,009	71,585	58,886	62,339	**89,291**	**842,368**
Number of shares outstanding (in thousands)						
Average	159,770	159,769	159,768	159,702	**159,597**	
Year-end	159,770	159,771	159,760	159,614	**159,577**	

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, 2003 and 2004.
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, 2004 of ¥106 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
Akio Ikeda
Terutaka Uraki
Hiroshi Kato
Katsumi Inada
Masayuki Arioka
Masami Atsuji

Corporate Auditors

Toshio Hayashi
Hitoshi Yasuda

Takuro Takeuchi
Attorney at Law

Takao Ono
Vice President
General Manager
Corporate Finance & IR Division
NEC Corporation

Officers

President
Yuzo Izutsu

Executive Vice President
Akio Ikeda
Terutaka Uraki

Senior Vice President
Hiroshi Kato
Katsumi Inada
Masayuki Arioka
Masami Atsuji

Vice President
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
Phone: (86) 591-397-5511 Fax: (86) 591-397-7080

Nippon Electric Glass Taiwan Co., Ltd.
No. 6, Wei 6th Road, Chungkang Export Processing Zone,
Wuchi Township, Taichung County 435, Taiwan
Phone:(886)4-2657-0099 Fax:(886)4-2657-6202

*Affiliated company

Nippon Electric Glass Co., Ltd.

7-1, Seiran 2-chome, Otsu, Shiga 520-8639, Japan

Printed in Japan