



February 5, 2024

Nippon Electric Glass Co., Ltd.  
 Akira Kishimoto, President  
 Securities identification code: 5214  
 Prime Market of the Tokyo Stock Exchange  
 Contact: Mamoru Morii, Director and Senior Vice President  
 Phone: +81-77-537-1700

**Notice Concerning Posting of an Extraordinary Loss,  
 and the Difference Between Forecasts and Results for FY2023**

Due mainly to the posting of an extraordinary loss in the fourth quarter of the year ending December 2023, a difference has arisen between the consolidated earnings forecasts for fiscal 2023 released on July 31, 2023 and the results released today. Details are as follows:

**1. Posting of an extraordinary loss**

In the medical care business and the composites business(\*), profitability decreased as capacity utilization rates and sales fell due to weak demand amid rising raw material and fuel prices and logistics expenses. As a result, there have been indications of impairment on non-current assets pertaining to these businesses. After evaluating the recoverability of these non-current assets, we have recognized an impairment loss of approximately 5.7 billion yen on property, plant and equipment of our Malaysian subsidiary in the medical business and an impairment loss of approximately 1.6 billion yen on property, plant and equipment of our UK subsidiary in the composites.

In addition, we have recognized an impairment loss of approximately 4.0 billion yen on idle assets in Japan that are not expected to be used going forward.

As a result, we have recognized an impairment loss of 12.5 billion yen in total, including the amount recognized through the end of the third quarter of the fiscal year ended December 31, 2023, as an extraordinary loss.

\* “Glass fiber business” has been renamed “composites business”

**2. Difference between consolidated earnings forecasts and actual consolidated financial results for FY2023  
 (From January 1, 2023 to December 31, 2023)**

(Millions of yen, except Earnings per share)

|                             | Net Sales | Operating profit | Ordinary Profit | Profit attributable to owners of parent | Earnings per share |
|-----------------------------|-----------|------------------|-----------------|---|--------------------|
| Previous forecasts (A)      | 290,000   | (5,000)          | (5,000)         | (20,000)                                | ¥(214.93)          |
| Actual results (B)          | 279,974   | (10,420)         | (9,480)         | (26,188)                                | ¥(282.90)          |
| Change (B – A)              | (10,026)  | (5,420)          | (4,480)         | (6,188)                                 | -                  |
| Percent change (%)          | (3.5)     | (108.4)          | (89.6)          | (30.9)                                  | -                  |
| Results for the fiscal 2022 | 324,634   | 26,184           | 34,058          | 28,167                                  | ¥302.76            |

**(Reasons)**

Net sales fell short of the previous forecast as product demand in the displays business was affected by production adjustments by our customers. Operating profit was below the previous forecast as product demand and price pass-throughs in the displays were below expectations, and we recognized valuation losses on certain raw materials due to sharp price declines. Ordinary profit was below the previous forecast due to the expansion of operating loss. Profit attributable to owners of parent was below the previous forecast due to recognition of the extraordinary loss mentioned in Article 1, in addition to the other factors mentioned above.