Translation

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Member of the Financial Accounting Standards Foundation

July 31, 2026

CONSOLIDATED FINANCIAL RESULTS for the Six Months Ended June 30, 2026 (Unaudited) <under Japanese GAAP>

Company name: **Nippon Electric Glass Co., Ltd.**
Listing: Prime Market of the Tokyo Stock Exchange
Securities identification code: 5214
URL: https://www.neg.co.jp/
Representative: Akira Kishimoto, President and Representative Director
Inquiries: Mamoru Morii, Director and Senior Vice President
TEL: +81-77-537-1700 (from overseas)

Scheduled date to file semi-annual securities report: August 13, 2026
Scheduled date to commence dividend payments: August 31, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the six months ended June 30, 2026(From January 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended		%		%		%		%
June 30, 2026	156,406	1.7	11,373	(31.8)	16,290	14.7	6,414	(36.4)
June 30, 2025	153,788	(0.6)	16,668	479.6	14,201	38.2	10,093	(66.6)

Note: Comprehensive income:
For the six months ended June 30, 2026: 20,124 million yen [-%]
For the six months ended June 30, 2025: (6,419) million yen [-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	yen
June 30, 2026	86.34	-
June 30, 2025	127.51	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of			%
June 30, 2026	674,490	499,959	73.6
December 31, 2025	701,413	496,181	70.2

Reference: Equity:
As of June 30, 2026: 496,366 million yen
As of December 31, 2025: 492,371 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended December 31, 2025	-	70.00	-	80.00	150.00
Fiscal year ending December 31, 2026	-	80.00	―	―	―
Fiscal year ending December 31, 2026 (Forecast)	―	―	-	80.00	160.00

Note: Revision to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the year ending December 31, 2026 (From January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
		%		%		%		%	yen
Fiscal year ending December 31, 2026	300,000	(3.7)	20,000	(41.4)	25,000	(33.8)	15,000	(49.4)	201.90

Note: 1. Revision to the forecasts most recently announced: Yes
2. For the revision to consolidated earnings forecasts, please refer to “Notice Concerning Recording of an Extraordinary Loss, Difference Between Forecasts and 1H Results, and Revision of Forecasts for FY 2026” which was announced today (July 31, 2026).
3. The Company has been repurchasing its own shares in accordance with a resolution passed by the Board of Directors at a meeting held on February 6, 2026. “Earnings per share” in the consolidated earnings forecasts takes into account the impact of share repurchases up to June 30, 2026.

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

Note: For more details, please refer to the section of "(4) Notes to semi-annual consolidated financial statements (Notes to accounting treatment specific to the preparation of semi-annual consolidated financial statements) in 2. Semi-annual consolidated financial statements and notes" on page 12.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	89,523,246 shares
As of December 31, 2025	89,523,246 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	15,839,576 shares
As of December 31, 2025	14,294,939 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended June 30, 2026	74,292,740 shares
Six months ended June 30, 2025	79,164,516 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on certain assumptions deemed to be reasonable by the Company and its subsidiaries ("the Company Group") and include risks and contingencies. Actual business results may differ substantially due to a number of factors. For more details, please refer to the section of "(2) Information regarding consolidated earnings forecasts and other forward-looking statements in 1. Qualitative information regarding consolidated results for the six months" on page 6.

(Attached Documents)

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1.Qualitative information regarding consolidated results for the six months

(1) Information regarding operating results (Six months ended June 30, 2026)

A. Overview

During the six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026), although developments in the Middle East situation remained a cause for concern, their impact on the business operations and financial performance of the Group was minimal.

Under these circumstances, net sales increased year on year (January 1, 2026 to June 30, 2026), reflecting continued strong demand in the displays business. Operating profit decreased year on year due to an increase in expenses in the displays business, etc. Ordinary profit increased year on year due to the recording of foreign exchange gains, etc. Profit attributable to owners of parent decreased year on year due to the recording of business restructuring expenses, etc.

B. Operating results

(Billions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026	Change (%)
Net sales	153.7	156.4	2
Operating profit	16.6	11.3	(32)
Ordinary profit	14.2	16.2	15
Profit attributable to owners of parent	10.0	6.4	(36)

Note: Amounts less than 100 million yen are omitted.

(Sales by products)

Reporting segment	Segment	Six months ended June 30, 2025		Six months ended June 30, 2026		Change	
		billions of yen	(%)	billions of yen	(%)	billions of yen	(%)
Glass Business	Electronics and Information Technology	83.6	54	88.7	57	5.0	6
	Performance Materials	70.1	46	67.6	43	(2.4)	(3)
Total		153.7	100	156.4	100	2.6	2

Note: Amounts less than 100 million yen are omitted.

Electronics and Information Technology:

In the displays business, net sales increased year on year due to continued strong demand. In the electronics business, although demand remained strong mainly for data center-related products, sales of products for semiconductors decreased, and net sales were on par with the same period of the previous fiscal year.

Performance Materials:

In the composites business, net sales decreased year on year due to the termination of business activities at a U.K. subsidiary in the previous fiscal year, etc. Net sales in the medical care, heat-resistance and buildings businesses were on par with the same period of the previous fiscal year.

(Profit/loss)

Operating profit decreased year on year due to an increase in expenses related to the conversion to all-electric melting facilities and periodic repairs in the displays business, as well as expenses related to the start-up of glass manufacturing facilities at Nippon Electric Glass (Malaysia) Sdn. Bhd. in the medical care business, etc. Ordinary profit increased year on year because, although operating profit declined, the Company recorded foreign exchange gains, etc., arising from the revaluation of receivables and payables related to borrowings of overseas subsidiaries. Profit attributable to owners of parent decreased year on year due to the recording of business restructuring expenses, etc., as an extraordinary loss in connection with the termination of production activities at the Shelby plant and the transfer of the Lexington plant, both of which are owned by Electric Glass Fiber America, LLC, a U.S. consolidated subsidiary (sub-subsidiary) of the Company associated with structural reforms in the composites business announced on July 6, 2026.

(2) Information regarding consolidated earnings forecasts and other forward-looking statements (Consolidated earnings forecasts for the year ending December 31, 2026)

(Billions of yen)

	Year ending December 31, 2026 (From January 1, 2026 to December 31 ,2026)		Change (B−A)	Percent change (%)
	Previous forecasts (A)	Revised forecasts (B)		
Net sales	320.0	300.0	(20.0)	(6)
Operating profit	33.0	20.0	(13.0)	(39)
Ordinary profit	33.0	25.0	(8.0)	(24)
Profit attributable to owners of parent	23.0	15.0	(8.0)	(35)

Note: Amounts less than 100 million yen are omitted.

The global economy continues to face an uncertain outlook due to factors including the slowdown in the Chinese economy, renewed tensions in the Middle East, etc.

In such a situation, in terms of sales, in the "Electronics and Information Technology" area, demand in the displays business is expected to decline slightly from the third quarter of the consolidated fiscal year onward. In the electronics business, sales are expected to expand, mainly for products for semiconductors and data center-related products. In the "Performance Materials" area, net sales in the composites business are expected to decline significantly due to business restructuring at a U.S. subsidiary. Meanwhile, for low-dielectric glass fiber for electronic materials, we will continue to steadily proceed with the startup of manufacturing facilities. In the medical care, heat-resistance and buildings businesses, we expect stable demand to continue and will work to expand sales of new products.

In terms of profit/loss, prices of raw materials etc. are expected to soar due to the impact of the situation in the Middle East and the depreciation of the yen, while expenses related to periodic repairs are expected to increase in the displays business. In addition, expenses related to the termination of production activities at a U.S. subsidiary associated with structural reforms in the composite business are expected to be incurred. We will continue efforts in each business, including product price revisions and productivity improvements, to mitigate the impact of rising costs.

In light of the financial results for the six months ended June 30, 2026 and the above outlook, the Group has revised its full-year consolidated earnings forecast announced on February 6, 2026 as shown in the above table.

The earnings forecasts contained in this document are based on certain assumptions deemed reasonable by the Group and involve risks and uncertainties. Please note that actual results may differ significantly from the forecasts due to various important factors. Factors that may affect actual results include, but are not limited to, economic conditions in global markets, trade and other regulations, sharp fluctuations in product supply and demand in major markets, large fluctuations in market prices in capital markets, financial conditions such as large fluctuations in exchange rates and interest rates, rapid technological changes, and epidemics.

2. Semi-annual consolidated financial statements and notes

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	120,706	100,664
Notes and accounts receivable - trade, and contract assets	61,853	60,074
Electronically recorded monetary claims - operating	1,029	911
Merchandise and finished goods	50,327	45,943
Work in process	1,285	1,148
Raw materials and supplies	39,495	40,590
Other	9,275	9,336
Allowance for doubtful accounts	(191)	(174)
Total current assets	283,783	258,494
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	61,243	59,274
Machinery, equipment and vehicles, net	262,394	270,529
Other, net	37,017	31,674
Total property, plant and equipment	360,655	361,478
Intangible assets	4,121	878
Investments and other assets		
Other	60,782	62,375
Allowance for doubtful accounts	(7,928)	(8,736)
Total investments and other assets	52,853	53,638
Total non-current assets	417,630	415,995
Total assets	701,413	674,490

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	38,974	34,744
Short-term borrowings	23,732	15,686
Current portion of bonds payable	10,000	—
Income taxes payable	8,146	4,090
Other provisions	74	105
Other	36,866	31,640
Total current liabilities	117,793	86,267
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term borrowings	53,662	52,819
Provision for special repairs	10,417	12,448
Other provisions	3	—
Retirement benefit liability	1,787	1,882
Other	11,567	11,112
Total non-current liabilities	87,437	88,263
Total liabilities	205,231	174,531
Net assets		
Shareholders' equity		
Share capital	32,155	32,155
Capital surplus	33,901	33,907
Retained earnings	398,474	398,870
Treasury shares	(48,068)	(58,039)
Total shareholders' equity	416,463	406,894
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	17,865	19,644
Deferred gains or losses on hedges	20	33
Foreign currency translation adjustment	58,022	69,794
Total accumulated other comprehensive income	75,908	89,472
Non-controlling interests	3,810	3,592
Total net assets	496,181	499,959
Total liabilities and net assets	701,413	674,490

(2) Semi-annual consolidated statement of income (cumulative) and semi-annual consolidated statement of comprehensive income (cumulative)

Consolidated statement of income (cumulative)

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Net sales	153,788	156,406
Cost of sales	114,813	120,676
Gross profit	38,975	35,730
Selling, general and administrative expenses	22,306	24,356
Operating profit	16,668	11,373
Non-operating income		
Interest income	397	345
Dividend income	628	951
Foreign exchange gains	—	3,069
Other	2,294	1,984
Total non-operating income	3,320	6,351
Non-operating expenses		
Interest expenses	642	646
Depreciation of inactive non-current assets	196	294
Foreign exchange losses	4,176	—
Other	771	494
Total non-operating expenses	5,787	1,434
Ordinary profit	14,201	16,290
Extraordinary income		
Gain on sale of investment securities	4,205	4,933
Gain on sale of non-current assets	2,424	1,878
Other	62	2,221
Total extraordinary income	6,692	9,032
Extraordinary losses		
Business restructuring expenses	2,977	12,968
Loss on related accident	1,401	—
Other	582	1,205
Total extraordinary losses	4,961	14,173
Profit before income taxes	15,932	11,149
Income taxes	5,594	4,588
Profit	10,338	6,561
Profit attributable to non-controlling interests	244	146
Profit attributable to owners of parent	10,093	6,414

Consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Profit	10,338	6,561
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,571)	1,779
Deferred gains or losses on hedges	(1)	12
Foreign currency translation adjustment	(12,868)	11,469
Share of other comprehensive income of entities accounted for using equity method	(316)	302
Total other comprehensive income	(16,757)	13,563
Comprehensive income	(6,419)	20,124
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(6,663)	19,978
Comprehensive income attributable to non-controlling interests	244	146

(3) Semi-annual consolidated statement of cash flows (cumulative)

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	15,932	11,149
Depreciation	11,366	13,538
Impairment losses	1,475	11,498
Loss (gain) on sale of investment securities	(4,205)	(4,933)
Loss (gain) on sale of non-current assets	(2,459)	(1,857)
Increase (decrease) in provision for special repairs	1,032	2,031
Foreign exchange losses (gains)	2,954	(900)
Decrease (increase) in accounts receivable - trade, and contract assets	(6,497)	4,736
Decrease (increase) in inventories	4,576	4,983
Increase (decrease) in trade payables	(1,409)	(8,356)
Income taxes paid	(6,942)	(8,309)
Other, net	2,836	548
Net cash provided by (used in) operating activities	18,661	24,127
Cash flows from investing activities		
Proceeds from sale of investment securities	6,854	7,095
Purchase of non-current assets	(10,989)	(18,554)
Proceeds from sale of non-current assets	6,320	2,428
Other, net	(898)	(574)
Net cash provided by (used in) investing activities	1,286	(9,605)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,257	(8,184)
Proceeds from long-term borrowings	10,000	—
Repayments of long-term borrowings	(21,603)	(917)
Redemption of bonds	—	(10,000)
Purchase of treasury shares	(12,408)	(10,002)
Dividends paid	(5,245)	(6,016)
Dividends paid to non-controlling interests	(171)	(363)
Other, net	(564)	(597)
Net cash provided by (used in) financing activities	(28,735)	(36,081)
Effect of exchange rate change on cash and cash equivalents	(2,954)	1,501
Net increase (decrease) in cash and cash equivalents	(11,741)	(20,057)
Cash and cash equivalents at beginning of period	123,582	120,313
Cash and cash equivalents at end of period	111,841	100,255

(4) Notes to semi-annual consolidated financial statements

(Notes on matters related to going concern assumption)
Not applicable

(Notes on significant changes in the amount of shareholders' equity)
Not applicable

(Notes to accounting treatment specific to the preparation of semi-annual consolidated financial statements)

(Calculation of Tax Expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year, including the current semi-annual consolidated accounting period, and multiplying semi-annual profit before income taxes by the estimated effective tax rate. However, if the calculation of tax expenses using such estimated effective tax rate would significantly lack rationality, tax expenses are calculated using the statutory tax rate.