

NSG HOLDING (EUROPE) LIMITED

(Company Registration Number: 04267543)

REPORT AND ACCOUNTS

YEAR ENDED 31 MARCH 2013



NSG HOLDING (EUROPE) LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2013

The directors present their annual report and the audited accounts of the company for the year ended 31 March 2013

Results and Dividend

The loss for the year on ordinary activities before taxation amounted to £2,556,000 (2012 profit of £23,891,000), taxation thereon amounted to a credit of £168,000 (2012 charge £5,130,000), leaving a loss after taxation amounting to £2,388,000 (2012 profit of £18,761,000). The directors do not recommend payment of a dividend (2012 £nil). The loss for the financial year of £2,388,000 (2012 profit of £18,761,000) will be transferred to reserves.

Principal Activities

The principal activity of the company is to carry on the business of an investment holding company.

Review of Business and Future Developments

In April 2012, the ownership structure of the Company's Russian Joint Venture business was restructured, which has involved an issuance of ordinary shares to new investing shareholders. This has resulted in a dilution of the Company's shareholding but also an increased asset value of the Russian Joint venture business. As an integral part of this reorganisation, the company has written off its financial receivable of £21,848,485, due from its joint venture partner, that arose from a disposal of shares in its Russian Joint Venture.

Furthermore, the company has entered into an agreement with its joint venture partner to transfer part of its shareholding in the joint venture to the joint venture partner on repayment of an outstanding receivable owed to NSG Holding Europe, from Pilkington Glass LLC, a subsidiary of the joint venture. Consequently, the company has reflected this expected dilution in shareholding by impairing the investment by £31,716,000.

In September 2012, the company invested £250m in its subsidiary NSG UK Enterprises Limited funded by a loan from its parent Nippon Sheet Glass Co Limited.

In October 2012, the company invested £367m in its subsidiary NSG UK Finance Limited. This amount invested has been deposited back to the company by way of intercompany loan.

In March 2013, the company invested £75m in its subsidiary NSG UK Enterprises Limited which was funded by equity investment from its parent Nippon Sheet Glass Co.

In March 2013, the company invested £123m in its subsidiary NSG UK Finance (USD) Limited this has been deposited back to the company by way of intercompany loan amounting to USD185m.

The directors are satisfied with the performance of the business which will continue with its principal activity for the foreseeable future.

NSG HOLDING (EUROPE) LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2013

Directors

The following were directors of the company during the year

K Yoshikawa
M J Lyons
K Hiyoshi
C Miller
M Fallon (resigned 29 June 2012)
T Rae (appointed 29 June 2012)
P Wilkinson (appointed 29 June 2012)

Secretary

I M Smith

Taxation Status

The company was not a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year

Post Balance Sheet Events

There are no post balance sheet events which require adjustment or disclosure in the accounts

Financial Instruments, Risks and Uncertainties

The company does not trade. In addition the only assets and liabilities are with group undertakings. As a result, the directors do not consider there to be any significant risks or uncertainties to disclose. Also there is no trading performance that requires monitoring and therefore no key performance indicators to disclose.

Statement of Disclosure of Information to Auditors

Each director at the date of the approval of the financial statements has confirmed

- (a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) they have taken steps to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

NSG HOLDING (EUROPE) LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2013

Directors' Responsibilities Statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss for the company for that period. In preparing those financial statements, the directors are required to


- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

In accordance with part 13 of the Companies Act 2006, the company is no longer required to hold an Annual General Meeting. Ernst & Young shall be deemed to be re-appointed as auditors.

By order of the Board



M J Lyons
Director

August 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NSG HOLDING (EUROPE) LIMITED

We have audited the financial statements of NSG Holding (Europe) Limited for the year ended 31 March 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NSG HOLDING (EUROPE) LIMITED**

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Ernst + Young LLP

Andrea Harrison (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester

29 August 2013

NSG HOLDING (EUROPE) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2013

	Note	2013 £000	2012 £000
Operating profit /(loss) pre exceptional items	2	79,192	(11,940)
Exceptional cost- impairment of investment	8	(31,716)	-
Exceptional cost- loss on write off of financial receivable	3	(21,848)	-
Operating profit /(loss) from continuing operations		25,628	(11,940)
Investment income from shares in Group Undertakings	4	-	60,000
Net interest	5	(28,184)	(24,169)
(Loss) / profit on ordinary activities before taxation		(2,556)	23,891
Taxation on profit on ordinary activities	7	168	(5,130)
(Loss) / profit for the financial year		(2,388)	18,761

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2013

	Note	2013 £000	2012 £000
(Loss) / profit for the year	15	(2,388)	18,761
Other recognised gains			
Unrealised exchange gain on hedging activity	15	5,063	8,336
Total recognised profit		2,675	27,097

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 MARCH 2013

	Note	2013 £000	2012 £000
(Loss) / profit for the year attributable to shareholders	15	(2,388)	18,761
Other recognised gains	15	5,063	8,336
Premium on shares issued	14	75,307	-
Net increase in shareholders' funds for the year		77,982	27,097
Shareholders' funds at beginning of year		1,487,033	1,459,936
Shareholders' funds at end of year		1,565,015	1,487,033

NSG HOLDING (EUROPE) LIMITED
BALANCE SHEET AS AT 31 MARCH 2013

	Note	2013 £000	2012 £000
ASSETS EMPLOYED			
Fixed assets			
Investments	8	3,650,674	2,935,167
Current assets			
Debtors – amounts falling due within one year	9	83,410	12,003
Debtors – amounts falling due after more than one year	9	52,024	290,971
Cash at bank and at hand		9	305
		<u>135,443</u>	<u>303,279</u>
Current liabilities			
Creditors – amounts falling due within one year	10	(1,732,434)	(2,348)
Net current (liabilities)/assets		(1,596,991)	300,931
Total assets less current liabilities		<u>2,053,683</u>	<u>3,236,098</u>
FINANCED BY			
Creditors – amounts falling due after more than one year	11	488,668	1,749,065
Capital and reserves			
Share capital	13	1,431,010	1,431,010
Share premium	14	75,307	-
Revaluation reserve	15	27,894	22,831
Profit and loss account	15	30,804	33,192
Equity shareholders' funds		<u>1,565,015</u>	<u>1,487,033</u>
		<u>2,053,683</u>	<u>3,236,098</u>

The accounts on pages 6 to 17 were approved by the Board of Directors on 28 August 2013 and were signed on its behalf by



T Rae
Director

NSG HOLDING (EUROPE) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

1 Principal Accounting Policies

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards

A summary of the major accounting policies, which have been consistently applied, is set out below

Going Concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the Directors' Report on page 1

The company is expected to continue to retain adequate liquidity through the generation of positive cash flows on its own account, or through support from other Group subsidiaries for the foreseeable future. The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries

The directors, having assessed the responses of the directors of the company's parent Nippon Sheet Glass Co Limited to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the NSG Group to continue as a going concern or its ability to continue with the current banking arrangements

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Nippon Sheet Glass Co Limited, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

Dividends

Dividend income is recognised when the company's right to receive payment is established

Interest

Interest income and expense is accounted for on an accruals basis

Foreign Currencies

Foreign currency monetary assets and liabilities are translated into sterling at the rates of exchange ruling at the year end. Exchange differences are taken to the profit and loss account. Unrealised exchange differences on the translation of foreign currency borrowings, for which settlement is not planned or anticipated in the foreseeable future, and foreign currency hedges for overseas investments are taken to reserves

NSG HOLDING (EUROPE) LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2013

Group Financial Statements

The company has taken advantage in Section 401 of the Companies Act 2006 under which group financial statements need not be prepared where the company is itself a wholly owned subsidiary undertaking of another company and is included in non-EEA group accounts of a larger group

Subsidiary Undertakings, Joint Ventures and Associates

Subsidiary undertakings, joint ventures and associates are carried at their original historical cost less any impairment which is charged to the profit and loss account. Subsidiary undertakings designated as net investment hedges are revalued at the balance sheet date. Exchange gains and losses are taken to reserves and are offset by exchange gains and losses on financial instruments designated as hedging instruments.

Deferred Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between the company's taxable profits and its accounting profits arising from gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are regarded as recoverable and recognised in the financial statements when, on the basis of available evidence, it is more likely than not that there will be suitable taxable profits from which the future reversal of the timing differences can be deducted. The recoverability of tax losses is assessed by reference to the forecasts which have been prepared and approved by the Board. The deferred tax assets and liabilities are not discounted.

Cash Flow

In accordance with paragraph 5 (a) of FRS 1 (revised 1996), the company is not required to publish a cash flow statement.

Related Parties

As the company is a subsidiary undertaking, where 100% of its voting rights are controlled within the Nippon Sheet Glass Co Limited (NSG) Group, it has taken advantage of the exemption permitted by FRS 8 not to disclose any transactions or balances with other wholly owned subsidiaries of the NSG Group.

NSG HOLDING (EUROPE) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

Financial Risk Management

The company's financial risk management objectives and policies, include the policy for hedging each major type of forecasted transaction for which hedge accounting is used. The company manages its exposure to price risk, credit risk, liquidity risk and cash flow risk.

Accounting for Derivative Financial Instruments and Hedging Activities

Net Investment Hedge

Hedges of net investments in foreign operations are accounted for as follows. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity, the gain or loss relating to the ineffective portion is recognised immediately in the Profit and Loss account. Gains and losses accumulated in equity are included in the Profit and Loss account when the foreign operation is disposed of.

Changes in Accounting Policies

The company has not adopted any new accounting standards during the year.

2 Statutory Information

	2013 £000	2012 £000
Operating profit / (loss) is after charging		
Exchange gain / (loss)	79,204	(11,931)
Auditors' remuneration – audit services	(11)	(9)

3 Exceptional Items

In April 2012, the ownership structure of the Company's Russian Joint Venture business was restructured, which has given rise to an issuance of ordinary shares to new investing shareholders. This has resulted in a dilution of the Company's shareholding but also an increased asset value of the Russian Joint venture business. As an integral part of this reorganisation, the company has written off its financial receivable of £21,848,485 that arose from a disposal of shares in its Russian Joint Venture.

The impairment of £31,716,000 relates to SP Glass Holdings LLC, the Russian joint venture. There is an agreement between the company and the joint venture partner whereby NSG Holding Europe will transfer 46,773 shares in the joint venture to the joint venture partner, on repayment of the outstanding loan from Pilkington Glass LLC, a subsidiary of the Russian joint venture, to NSG Holding Europe. As such the investment has been impaired to the share of net assets at the reduced ownership level of 6.14%. Legal ownership at the date of signing the accounts is 21.14%.

NSG HOLDING (EUROPE) LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2013

4 Investment Income

	2013	2012
	£000	£000
Dividends received from subsidiaries	-	60,000
	<hr/>	<hr/>

5 Net interest Payable and Similar Charges

	2013	2012
	£000	£000
Interest payable to Group undertakings	30,554	28,850
Less interest receivable from Group undertakings	(175)	(695)
Less external interest receivable	(2,195)	(2,513)
Less unwinding discount on loan	-	(1,473)
	<hr/> 28,184 <hr/>	<hr/> 24,169 <hr/>

6 Employee Pay and Numbers (including Executive Directors)

None of the directors received any emoluments from the company during the year (2012 £nil) The company did not employ anyone during the year All administrative duties are performed by employees of Pilkington Group Limited, a fellow subsidiary of Nippon Sheet Glass Co Limited

The emoluments of all the company's directors are paid by the parent or fellow subsidiary companies The emoluments of K Yoshikawa, K Hiyoshi are paid by Nippon Sheet Glass Co Limited The emoluments of M J Lyons, C Miller, M Fallon, P Wilkinson and T Rae are paid by Pilkington Group Limited, or its subsidiaries

Their services to this company are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to the parent or fellow subsidiary companies.

NSG HOLDING (EUROPE) LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2013

7 Taxation

	2013 £000	2012 £000
Current Tax		
Current year credit	-	854
Adjustment in respect of prior periods	168	-
	<u>168</u>	<u>854</u>
Deferred Taxation (Note 12)		
Current year credit	-	-
Adjustment in respect of prior periods	-	(5,984)
Change in deferred tax rate	-	-
	<u>-</u>	<u>(5,984)</u>
Total credit / (charge)	<u>168</u>	<u>(5,130)</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 24% (2012 26%) The differences are explained below

	2013 £000	2012 £000
(Loss) / profit on ordinary activities before tax	<u>(2,556)</u>	<u>23,891</u>
(Loss) / profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2012 26%)	(613)	6,212
Effect of		
Expenses not deductible for tax purposes	12,856	-
Income not taxed	-	(15,600)
Loss carried forward for which no deferred tax is recognised	-	8,534
Losses brought forward and set against current year profit on which no deferred tax recognised	(8,039)	-
Group relief for which no payment is made	(4,204)	-
Adjustment in respect of prior periods	(168)	-
Current tax credit for the year	<u>(168)</u>	<u>(854)</u>

NSG HOLDING (EUROPE) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2013

8 Investments – Subsidiary and Joint Venture Undertakings

	Subsidiary Undertakings £000	Joint Venture Undertakings £000	Total Investments £000
Cost			
At 1 April 2012	2,801,463	55,764	2,857,227
Additions	815,563	-	815,563
At 31 March 2013	3,617,026	55,764	3,672,790
Adjustment to carrying value			
At 1 April 2012	90,986	(13,046)	77,940
Revaluation of investments	(68,340)	-	(68,340)
Impairment of SP Glass Holding LLC	-	(31,716)	(31,716)
At 31 March 2013	22,646	(44,762)	(22,116)
Net book value at 31 March 2013	3,639,672	11,002	3,650,674
Net book value at 31 March 2012	2,892,449	42,718	2,935,167

Subsidiary undertakings designated as net investment hedges are revalued at the balance sheet date. Exchange gains and losses are taken to reserves.

On 21 September 2012, the company subscribed for 1 ordinary share of £1 in NSG UK Enterprises Limited at a premium of GBP 46,847,346.

On 24 September 2012, the company subscribed for 1 ordinary share of £1 in NSG UK Enterprise Limited at a premium of GBP 100,071,557.

On 28 September 2012, the company subscribed for 1 ordinary share of £1 in NSG UK Enterprises Limited at a premium of GBP 103,081,095.

On 22 October 2012, the company subscribed for 1 ordinary share of £1 in NSG UK Finance Limited at a premium of GBP 367,373,248.

On 5 March 2013, the company subscribed for 100,000 ordinary shares of £0.00001 each for value £1 in Pilkington Aintree** by way of stock transfer from Pilkington United Kingdom Limited.

On 8 March 2013, the company subscribed for 100,000 ordinary shares of £0.00001 each in NSG UK Finance (USD) Limited** for value £122,882,763 (equal to USD185,000,000) by way of Rights Issue. The investment in NSG UK Finance (USD) Limited is designated as a net investment hedge.

NSG HOLDING (EUROPE) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

On 26 March 2013, the company subscribed for 1 ordinary share of £1 in NSG UK Enterprises Limited at a premium of £27,673,042

On 28 March 2013, the company subscribed for 1 ordinary share of £1 in NSG UK Enterprises Limited at a premium of £47,634,181

The impairment in the year is in SP Glass Holdings LLC. There is an agreement between the company and the joint venture partner whereby NSG Holding Europe will transfer 46,773 shares in the joint venture to the joint venture partner, on repayment of the outstanding loan from Pilkington Glass LLC to NSG Holding Europe. As such the investment has been impaired to the share of net assets at the reduced ownership level of 6.14%. Legal ownership at the date of signing the accounts is 21.14%.

Details of subsidiary undertakings are as follows

<u>Name of Company</u>	<u>% Equity held</u>	<u>Principal Activity</u>
NSG UK Finance	100	Holding company
NSG UK Finance (USD) Limited**	100	Holding company
Pilkington Automotive Belgium N V	100*	Purchase and sale of glass related products
NSG UK Enterprises Limited	100	Holding company
NSG UK Enterprises III Unlimited	51.1	Holding company

All companies operate and are registered in the United Kingdom except Pilkington Automotive Belgium N V registered in Belgium

*Pilkington Automotive Belgium is owned 89.3% directly by NSG Holding Europe with the other 10.7% owned indirectly via subsidiary companies

** On 5 March 2013, Pilkington Aintree Limited changed its name to NSG Finance (USD) Limited. On 8 March 2013, the company name was changed to NSG UK Finance (USD) Limited

NSG HOLDING (EUROPE) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

9 Debtors

	2013 £000	2012 £000
Amounts falling due within one year		
Amounts owed by Group undertakings	58,675	12,003
Trade debtors	20,965	-
Other debtors	3,770	-
	<u>83,410</u>	<u>12,003</u>
Amounts falling due after more than one year		
Amounts owed by Group undertakings	-	226,823
Deferred consideration on sale of Pilkington Glass LLC (Russia)	-	21,849
Other debtors	52,024	42,299
	<u>52,024</u>	<u>290,971</u>

Amounts owed by Group undertakings include forward currency contracts which carry interest at rates of Libor plus a margin of between 1 and 5%. In 2012 amounts owed by group undertakings also include £854,000 in respect of tax losses surrendered by the company, to other UK Group companies.

Trade debtors includes an amount £20,964,711 relating to amounts owed by various automotive and architectural customers. On 26 March 2013, the company, entered into a receivables purchase arrangement with Pilkington United Kingdom Limited and Pilkington Automotive Limited, subsidiary undertakings of NSG UK Enterprises Limited. Under this agreement, the company purchased amounts receivable from third parties. The company has not charged interest to Pilkington United Kingdom Limited or Pilkington Automotive Limited in respect of these arrangements.

Other debtors include loans and associated interest receivable from joint ventures of the NSG Group and other loans receivable with interest up to 5.89%. These include £36,085,000 (2012: £33,463,000) receivable from Pilkington Glass LLC, and £9,524,000 (2012: £8,836,000) in respect of loans and associated interest receivable from Jiangsu Pilkington SYP Glass Co Ltd.

10 Creditors – Amounts Falling Due Within One Year

	2013 £000	2012 £000
Accruals	-	532
Other creditors	-	9
Amounts owed to Group undertakings	1,732,434	1,807
	<u>1,732,434</u>	<u>2,348</u>

Amounts owed to Group undertakings falling due within one year include forward currency contracts, and unsecured loans of various maturities up to 31 March 2014. Sterling loans carry interest at Base rate plus 1% and currency loans carry interest at rates of Libor plus a margin of between 0.5% and 2%.

NSG HOLDING (EUROPE) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

11 Creditors – Amounts Falling Due After More Than One Year

	2013 £000	2012 £000
Amounts owed to Group undertakings	488,668	1,749,065

Amounts owed to Group undertakings falling due after more than one year are unsecured loans with various maturities up to 22 October 2017. Loans carry interest at either base rate plus a margin of 1% or Libor plus a margin of between 0.11% and 2%.

12 Deferred Taxation

	2013 £000	2012 £000
At 1 April	-	5,984
Amounts credited to the profit and loss account	-	(5,984)
At 31 March	-	-

13 Share Capital

	2013 £000	2012 £000
Allotted and called up and fully paid share capital		
1,431,010,159 ordinary shares (2012 1,431,010,157 ordinary shares) of £1 each	1,431,010	1,431,010

On 26 March 2013, the company issued 1 share of £1 with a premium of £27,673,042

On 28 March 2013, the company issued 1 share of £1 with a premium of £47,634,181

NSG HOLDING (EUROPE) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

14 Share Premium Account

	£000
At 1 April 2012	-
Arising on share issues	75,307
At 31 March 2013	75,307

15 Reserves

	Revaluation reserve £000	Profit and loss account £000
At 1 April 2012	22,831	33,192
Loss for the year	-	(2,388)
Net reserve movement on revaluation of net investment	5,063	-
At 31 March 2013	27,894	30,804

During the year net exchange loss on investments of £4,095,209 (2012 £262,772) exchange loss) were taken to the revaluation reserve. These were made up of £77,498,399 exchange losses (2012: £11,835,086 exchange loss) on investments and £73,403,190 exchange gains (2012 £11,572,314 exchange gain) on loans.

16 Commitments and Contingent Liabilities

There is an agreement between the company and the joint venture partner whereby NSG Holding (Europe) Limited will transfer 46,773 of its shares in the joint venture to the joint venture partner, on repayment of the outstanding loan from Pilkington Glass LLC to NSG Holding Europe. The impact of this has already been recognised in these accounts by way of an impairment in the carrying value of the investment (see note 8).

17 Post Balance Sheet Events

There are no post balance sheet events which require adjustment or disclosure in the accounts.

18 Ultimate Parent Undertaking

The immediate parent company is Nippon Sheet Glass Co Limited, a company registered in Japan. This company has not prepared consolidated accounts as the parent company Nippon Sheet Glass Co Limited has prepared consolidated accounts for the year to 31 March 2012, a copy of which can be obtained from the Company Secretary, Nippon Sheet Glass Co Limited, Sumitomo Fudosan Mita Twin Building, West Wing 5-27, Mita 3-Chome, Minato-ku, Tokyo, 108-6321, Japan.