

FORM 1 (6/92)

TRANSMITTAL OF FINANCIAL REPORTS AND
CERTIFICATION OF COMPLIANCE WITH OPERATING
REQUIREMENTS FOR
THE PERIOD ENDED: January 2005

In re:

CASE NO: 04-63851
Chapter 11
Judge: John Hoffman

Nippon Electric Glass Ohio, Inc.
Debtor

As debtor in possession, I affirm:

1. That I have reviewed the financial statements attached hereto, consisting of:

- X Operating Statement (Form 2)
- X Reimbursement of NEG MEX (Form 2a)
- X Balance Sheet (Form 3)
- X Aging of Insider Receivables (Form 3a)
- X Summary of Operations (Form 4)
- X Aging of Post-Petition Account Payable (Form 4a)
- X Monthly Cash Statement (Form 5)
- X Statement of Compensation (Form 6-1)
- X Statement of Compensation (Form 6-2)

and that they have been prepared in accordance with normal and customary accounting practices, and fairly and accurately reflect the debtor's financial activity for the period stated;

2. That the insurance as described in Section 4 of the Operating Instructions and Reporting Requirements For Chapter 11 Cases IS/IS NOT in effect; and, (if not, attach written explanation).

3. That all post petition taxes as described in Sections 1 and 14 of the Operating Instructions and Reporting Requirements For Chapter 11 Cases ARE/ARE NOT current. (if not, attach written explanation).

4. No professional fees (attorney, accountant, ect.) have been paid without specific court authorization. Explain on separate sheet, if not true.

I hereby certify, under penalty of perjury, that the information provided herein is true and correct to the best of my information and belief.

Dated: 2, 16, 2005 Akira Murakami
Debtor in Possession

Vice President
Title Phone

OPERATING STATEMENT (P&L)
(Accrual Basis)

Debtor: Nippon Electric Glass Ohio, Inc.Case No: 04-63851Month Ending: January 2005

	Current Month	Total Since Filing
Total Revenue/Sales	\$ 822,847.08	\$ 4,199,600.70
Cost of Sales	790,390.42	3,942,315.86
Gross Profit	<u>\$ 32,456.66</u>	<u>\$ 257,284.84</u>
<u>EXPENSES</u>		
Compensation of Officers	<u>\$ 10,178.00</u>	<u>\$ 136,928.78</u>
Employee Salaries		
Employee Benefits & Pensions		
Payroll Taxes	<u>1,487.77</u>	<u>1,487.77</u>
Other Taxes	<u>788.30</u>	<u>1,788.30</u>
Rent & Lease Expenses	<u>1,440.00</u>	<u>7,176.60</u>
Interest Expense		
Insurance	<u>92.36</u>	<u>415.62</u>
Transportation Expenses	<u>12,293.19</u>	<u>56,747.25</u>
Utilities (gas, electric, phone)		<u>235.53</u>
Depreciation	<u>131.89</u>	<u>618.62</u>
Travel & Entertainment	<u>175.56</u>	<u>2,863.66</u>
Repairs & Maintenance		
Advertising		
Miscellaneous Expenses	<u>235.69</u>	<u>1,131.28</u>
Other: <u>Reimbursement of NEG MEX</u>	<u>34,586.61</u>	<u>185,295.10</u>
Other: <u>Royalty</u>		<u>6,881.03</u>
TOTAL EXPENSES:	<u>\$ 61,409.37</u>	<u>\$ 401,569.54</u>
NET OPERATING PROFIT/(LOSS)	<u>\$ (28,952.71)</u>	<u>\$ (144,284.70)</u>
Add: Non-Operating Income:		
Interest Income	<u>-</u>	<u>4,986.30</u>
Other Income	<u>1,444.61</u>	<u>4,070.77</u>
Less: Non-Operating Expense:		
Professional Fees	<u>30,009.06</u>	<u>228,184.77</u>
Other	<u>10,734.72</u>	<u>380,290.93</u>
NET INCOME/(LOSS)	<u>\$ (68,251.88)</u>	<u>\$ (743,703.33)</u>

Nippon Electric Glass Ohio, Inc.
Reimbursement of NEG MEX

Form 2a

<u>Description</u>	<u>Amount</u>
Payroll	\$ 15,574.76
Electricity	2,582.12
Depreciation	877.30
Other Taxes	2,805.01
Fee	5,410.39
Surveillance Services	3,233.62
Insurance	360.21
Telephone	934.90
Logistic Fee	1,797.94
Others	1,010.35
Total	\$ 34,586.61

BALANCE SHEETDebtor: Nippon Electric Glass Ohio, Inc.Case No: 04-63851Month Ending: January 2005

ASSETS:	Current Month	Prior Month	At Filing
Cash:	<u>\$ 7,609,196.15</u>	<u>\$ 6,426,565.79</u>	<u>\$ 2,378,494.87</u>
Inventory:	<u>1,009,398.04</u>	<u>1,264,295.06</u>	<u>3,807,578.90</u>
Accounts Receivables:	<u>1,387,524.80</u>	<u>1,452,429.66</u>	<u>2,041,230.01</u>
Insider Receivables:	<u>2,108,624.95</u>	<u>2,620,635.82</u>	<u>2,217,746.11</u>
Land & Buildings:			
Furn., Fixtures & Equip:	<u>226,104.43</u>	<u>226,104.43</u>	<u>9,432,235.08</u>
Accumulated Depreciation:	<u>(224,072.97)</u>	<u>(223,941.08)</u>	<u>(4,926,766.22)</u>
Others: Investments in Subsidiary	<u>8,913,098.00</u>	<u>8,913,098.00</u>	<u>8,913,098.00</u>
Others: Prepaid Expenses	<u>241,897.93</u>	<u>266,939.35</u>	<u>451,184.30</u>
Others: Deferred Taxes	<u>127,500.00</u>	<u>127,500.00</u>	<u>127,500.00</u>
Others: Provisional fire claim (machinary & inventory)	<u>5,344,760.38</u>	<u>5,270,115.04</u>	<u>-</u>
TOTAL ASSETS:	<u>\$ 26,744,031.71</u>	<u>\$ 26,343,742.07</u>	<u>\$ 24,442,301.05</u>
 LIABILITIES:			
Postpetition Liabilities:			
Accounts Payable:	<u>\$ 2,908,704.39</u>	<u>\$ 2,440,162.87</u>	<u>N/A</u>
Wages & Salaries:	<u>_____</u>	<u>_____</u>	<u>_____</u>
Taxes Payable:	<u>_____</u>	<u>_____</u>	<u>_____</u>
Others:	<u>_____</u>	<u>_____</u>	<u>_____</u>
TOTAL Postpetition Liabilities:	<u>\$ 2,908,704.39</u>	<u>\$ 2,440,162.87</u>	<u>\$ -</u>
 Secured Liabilities:			
Subject to Postpetition Collateral of Financing Order All Other Secured Liab.	<u>_____</u>	<u>_____</u>	<u>_____</u>
TOTAL Secured Liabilities:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Prepetition Liabilities:			
Accounts Payable:	<u>\$ 13,018,834.13</u>	<u>\$ 13,018,834.13</u>	<u>\$ 12,882,104.53</u>
Taxes & Others Priority Liabs.	<u>_____</u>	<u>_____</u>	<u>_____</u>
Unsecured Liabilities:	<u>_____</u>	<u>_____</u>	<u>_____</u>
Other:	<u>_____</u>	<u>_____</u>	<u>_____</u>
TOTAL Prepetition Liabilities:	<u>\$ 13,018,834.13</u>	<u>\$ 13,018,834.13</u>	<u>\$ 12,882,104.53</u>
 Equity:			
Owner's Capital:	<u>\$ 9,000,000.00</u>	<u>\$ 9,000,000.00</u>	<u>\$ 9,000,000.00</u>
Retained Earnings-Prepetition	<u>2,560,196.52</u>	<u>2,560,196.52</u>	<u>2,560,196.52</u>
Retained Earnings-Postpetition	<u>(743,703.33)</u>	<u>(675,451.45)</u>	<u>N/A</u>
TOTAL Equity:	<u>\$ 10,816,493.19</u>	<u>\$ 10,884,745.07</u>	<u>\$ 11,560,196.52</u>
TOTAL LIABILITIES AND EQUITY:	<u>\$ 26,744,031.71</u>	<u>\$ 26,343,742.07</u>	<u>\$ 24,442,301.05</u>

Nippon Electric Glass Ohio, Inc.
Aging of Insider Receivables

Form 3a

Owed from:	Amount:	1-30 days	31-60 days	Over 60 days	
Techneglas Inc.	\$ 1,585,841.52			\$ 1,585,841.52	
Nippon Electric Glass Co., Ltd.	17,896.83			17,896.83	
Nippon Electric Glass Mexico, SA de CV	500,000.00			500,000.00	
Nippon Electric Glass (Malaysia) Sdn. Bhd.	4,886.60			4,886.60	
Total		\$ 2,108,624.95	\$ -	\$ -	\$ 2,108,624.95

SUMMARY OF OPERATIONS

Period Ended: January 2005Debtor: Nippon Electric Glass Ohio, Inc.Case No: 04-63851**Schedule of Postpetition Taxes Payable**

	Beginning Balance	Accrued/ Withheld	Payments/ Deposits	Ending Balance
Income Taxes Withheld				
Federal:		\$ 2,253.86	\$ 2,253.86	
State:		\$ 698.38	\$ 698.38	
Local:				
FICA Withheld:		\$ 885.71	\$ 885.71	
Employers FICA:		\$ 885.71	\$ 885.71	
Unemployment Tax:				
Federal:		92.62	92.62	
State:		509.43	509.43	
Sales, Use & Excise Tax:				
Property Taxes:				
Other: (State Disability Insurance)		125.05	125.05	
TOTALS:		\$ 5,450.76	\$ 5,450.76	

**AGING OF ACCOUNTS RECEIVABLE
AND POST-PETITION ACCOUNTS PAYABLE**

Age in Days	0-30	30-60	Over 60
Post Petition Accounts Payable	<u>585,569.79</u>	<u>759,849.93</u>	<u>\$ 1,563,284.67</u>
Accounts Receivable	<u>827,885.08</u>	<u>2,251.00</u>	<u>2,666,013.67</u>

For all post-petition accounts payable over 30 days old, please attach a sheet listing each such account, to whom the account is owed, the date the account was opened, and the reason for non-payment of the account.

Describe events or factors occurring during this reporting period materially affecting operations and formulation of a Plan of Reorganization.

Nippon Electric Glass Ohio, Inc.
Aging of Post-Petition Account Payable

Form 4a

Owed to:	Date opened:	Amount:	Reason for non-payment:
Nippon Electric Glass Mexico, SA de CV	11/30/04	5,783.13	Adjustment Dec-04 (annual closing)
Nippon Electric Glass Co., Ltd.	12/31/04	754,066.80	90 days payment term: deadline 03/31/05
Nippon Electric Glass Co., Ltd.	11/30/04	992,656.93	90 days payment term: deadline 02/28/05
Nippon Electric Glass (Malaysia) Sdn. Bhd.	09/30/04	(1,274.50)	90 days payment term: deadline 12/31/04
Nippon Electric Glass Co., Ltd.	10/31/04	36,288.00	90 days payment term: deadline 01/31/05
Nippon Electric Glass (Malaysia) Sdn. Bhd.	11/30/04	430,090.56	90 days payment term: deadline 02/28/05
Nippon Electric Glass UK	11/30/04	105,523.68	90 days payment term: deadline 02/28/05

Total **\$ 2,323,134.60**

MONTHLY CASH STATEMENT

Debtor: Nippon Electric Glass Ohio, Inc.

Statement for the period:

Case No: 04-63851

From: January 1st, 2005

To: January 31st, 2005

Cash Activity Analysis (Cash Basis Only):

	<u>General Acct.</u>	<u>Payroll Acct.</u>	<u>Tax Acct.</u>	<u>Cash Coll. Acct.</u>
A. Beginning Balance:	<u>\$ 6,426,565.79</u>	_____	_____	_____
B. Receipts, Attach separate schedule:	<u>1,420,553.00</u>	_____	_____	_____
C. Balance Available (A + B):	<u>\$ 7,847,118.79</u>	_____	_____	_____
D. Less Disbursements Attach separate schedule	<u>237,922.64</u>	_____	_____	_____
E. ENDING BALANCE (C-D).	<u>\$ 7,609,196.15</u>	_____	_____	_____

(PLEASE ATTACH COPIES OF MOST RECENT RECONCILED BANK STATEMENTS FROM EACH ACCOUNT)

General Account:

1. Depository Name & Add. KeyBank, 127 Public Square, Cleveland, OH 44114-1306
2. Account Number 3596-8100-8058

General Account:

1. Depository Name & Add. _____
2. Account Number _____

Tax Account:

1. Depository Name & Add. _____
2. Account Number _____

Other monies on hand (specify type and location) (i.e., CD's, petty cash, ect.):
None

Date: _____

Debtor in Possession

Nippon Electric Glass Ohio, Inc.
Accounts Activity from 01/01/2005 to 01/31/2005
Currency: USD

Form 5 B

KeyBank 3596-8100-8058

01/03/2005 Income	Sony Electronics Inc.	55,872.00
01/05/2005 Income	Nippon Electric Glass Mexico, SA de CV	505,431.51
01/10/2005 Income	Orion Engineering	193,711.70
01/13/2005 Income	Samsung	368,447.04
01/18/2005 Income	Orion Engineering	199,231.20
01/20/2005 Income	NEG Trading	7,009.57
01/24/2005 Income	Sony Electronics Inc.	75,528.00
01/24/2005 Income	Nippon Electric Glass Co., Ltd.	15,321.98

Total: \$ 1,420,553.00

Nippon Electric Glass Ohio, Inc.
Accounts Activity from 01/01/2005 to 01/31/2005
Currency: USD

Form 5 D

KeyBank 3596-8100-8058

01/04/2005 Expenses	Akira Murakami	239.20
01/11/2005 Expenses	Hitachi Transport System (America)	4,639.86
01/11/2005 Expenses	Nippon Electric Glass Mexico, SA de CV	119,785.72
01/11/2005 Expenses	Galaz, Yamazaki, Ruiz Urquiza, SC	650.80
01/11/2005 Expenses	Taxpapa.com, Inc.	1,170.20
01/11/2005 Expenses	Deloitte Tax LLP	8,942.00
01/11/2005 Expenses	Transportes Juan Carlos de Mexicali	490.00
01/20/2005 Expenses	Yangming Marine Transport	1,645.00
01/20/2005 Expenses	U.S. Trustee	5,000.00
01/20/2005 Expenses	Delaware Secretary of State	137.50
01/24/2005 Expenses	Hitachi Transport System (America)	7,000.00
01/24/2005 Expenses	Industrial Link Inc.	74,645.34
01/25/2005 Expenses	Palm Garden	720.00
01/25/2005 Expenses	Palm Garden	720.00
01/28/2005 Expenses	ADP processing charges payroll	224.18
01/31/2005 Expenses	Galaz, Yamazaki, Ruiz Urquiza, SC	60.00
01/31/2005 Expenses	Akira Murakami	187.07
01/31/2005 Expenses	ADP payroll service	6,215.00
01/31/2005 Expenses	ADP payroll service	5,450.77

Total: \$ 237,922.64

FORM 6 (6/92)

MONTHLY STATEMENT OF COMPENSATION

Month Ending: January 2005

The following information is to be provided for each share holder, officer, director, manager, insider, or owner that is employed by the debtor in possession. Attach additional pages if necessary.

Name: <u>KATSUO TAKEDA</u>	Capacity:	<u> </u>	Principal
		<u>X</u>	Officer
		<u>X</u>	Director
		<u> </u>	Insider

Detailed Description of Duties: General supervision of the business of the company

Current Compensation Paid:	Weekly	or	Monthly
	<u> </u>		<u>\$ 5,453.41</u>

Current Benefits Received:	Weekly	or	Monthly
Healty Insurance	<u> </u>		<u> </u>
Life Insurance	<u> </u>		<u> </u>
Retirement	<u> </u>		<u> </u>
Company Vehicle	<u> </u>		<u> </u>
Entertainment	<u> </u>		<u> </u>
Travel	<u> </u>		<u> </u>
Other Benefits: Housing Allowance	<u> </u>		<u>720.00</u>

CURRENT TOTAL:	Weekly	or	Monthly
	<u> </u>		<u>\$ 6,173.41</u>

Dated: 2.16.2005

Akira Murakami
Principal, Officer, Director, Insider

359681008058



9
B 0968 00009 R EM B1
NIPPON ELECTRIC GLASS OHIO INC
PO BOX 220
EL CENTRO CA 92244-0220

Questions or comments?
Call 1-800-821-2829

KeyNotes

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NIPPON ELECTRIC GLASS OHIO INC

Beginning balance 12-31-04	\$6,344,831.59
9 Additions	+ 1,507,977.32
16 Subtractions	-233,145.57
Ending balance 1-31-05	\$7,619,663.34

Additions

Deposits	Date	Serial #	Source	
	1-5		Customer Deposit	\$87,424.32
	1-6	363	Fedwire Deposit	505,431.51
	1-10	8488	Fedwire Deposit	193,711.70
	1-11		Customer Deposit	55,872.00
	1-13	6850	Fedwire Deposit	368,447.04

359681008058

Additions
(con't)

<i>Deposits</i>	<i>Date</i>	<i>Serial #</i>	<i>Source</i>	
	1-18	10181	Fedwire Deposit	199,231.20 ✓
	1-20	797	Fedwire Deposit	7,009.57 ✓
	1-21	346	International Wire Deposit	15,321.98 ✓
	1-31		Customer Deposit	75,528.00 ✓
			Total additions	\$1,507,977.32

Subtractions

Checks

* check missing from sequence

1507	1-14	\$1,000.00 ✓	1513	1-18	650.80 ✓	* 1519	1-28	137.50 ✓
* 1510	1-5	700.00 ✓	1514	1-28	1,170.20 ✓	Total checks paid		\$15,184.70 ✓
1511	1-5	700.00 ✓	1515	1-18	8,942.00 ✓			
1512	1-12	239.20 ✓	* 1517	1-28	1,645.00 ✓			

<i>Withdrawals</i>	<i>Date</i>	<i>Serial #</i>	<i>Location</i>	
	1-11	5502	Fedwire Withdrawal	\$4,639.86 ✓
	1-11	5486	Fedwire Withdrawal	119,785.72 ✓
	1-24	8684	Fedwire Withdrawal	7,000.00 ✓
	1-24	8666	Fedwire Withdrawal	74,645.34 ✓
	1-25		Adp TX/Fincl Svcadp - Tax 03UP4 012603A01	5,450.77 ✓
	1-25		Adp TX/Fincl Svcadp - Tax 340000749347UP4	6,215.00 ✓
	1-28		Adp Payroll Feesadp - Fees	224.18 ✓
			Total subtractions	\$233,145.57