

Financial Year ending 31 March 2022 Quarter 1 Results

- Significant revenue recovery in Q1 from the previous year which had been severely impacted by COVID-19. Turning positive at both operating and net profit levels
- First half and full-year forecast revised upward based on stronger Q1 performance, while no revision to second half forecast, assuming uncertainties in the business environment such as higher energy prices
- Transformation initiatives progressing with great urgency under Revival Plan 24, the medium-term management plan from 2022/3 to 2024/3
- Full operation of new solar energy glass furnace in the USA and resumption of new float line construction in Argentina to drive future growth

1. Financial Year ending 31 March 2022 Quarter 1 Results

- Group revenues of JPY 147.7 billion (+55.8 bn, +60.7% YoY) with significant improvement, particularly in Automotive, from the previous year which had been severely impacted by COVID-19
- Operating profit of JPY 7.2 billion (+7.8 bn YoY), and net profit of JPY 2.5 billion (+18.9 bn YoY), both turning positive with the support of the Group's transformation initiatives. Q1 results better than originally assumed
- Shareholders' equity ratio, improving to 9.0% (+1.4pt from March end) with positive factors including net profit. Aiming at positive free cash flow for full year, with strict cash management

<Consolidated Income Statement>

(JPY bn)	Q1		
	2021/3	2022/3	Change
Revenue	91.9	147.7	55.8
Operating profit (loss)	(0.6)	7.2	7.8
Operating profit margin (%)	–	4.9%	
Exceptional items (COVID-19 related)	(11.5)	0.0	11.5
Operating profit/(loss) after COVID-19 related exceptional items	(12.1)	7.2	19.3
Exceptional items (Other)	0.0	(0.2)	(0.2)
Operating profit/(loss) after exceptional items	(12.1)	7.0	19.1
Finance expenses (net)	(2.4)	(3.0)	(0.6)
Share of JVs and associates' profit/(loss)	(0.4)	1.5	1.9
Profit/(loss) before taxation	(14.9)	5.5	20.4
Profit/(loss) for the period	(16.5)	2.9	19.4
Net profit/(loss) *	(16.4)	2.5	18.9
EBITDA	6.1	16.5	10.4
Free cash flow	(46.7)	(9.6)	37.1

* Profit (loss) attributable to owners of the parent

(JPY bn)	31-Mar	30-Jun	Change
	2021	2021	
Total Assets	825.0	831.3	6.3
Shareholders' equity	62.9	74.9	12.0
Shareholders' Equity Ratio	7.6%	9.0%	+1.4pt

<Business Results>

Architectural Glass	Significant revenue recovery in Europe and Americas, resulting in substantially improved operating profit exceeding 2020/3, despite being impacted by energy price increase. Improved sales prices with buoyant demand in Europe. Continued robust demand for solar energy glass
Automotive Glass	Considerable improvement from the previous year, which had been severely impacted by COVID-19, despite negative impact of curtailed levels of vehicle build due to shortage of component parts. Particularly stronger recovery in Europe and North America, where widespread lockdowns had been imposed in April and May in 2020
Technical Glass	Improved revenue and profit, reflecting generally favorable market conditions, recovering from COVID-19 impact in 2021/3 and exceeding 2020/3 levels. Continued volume improvement of printer lenses by work from home and school from home demand Strong demand for glass cord particularly in China

(JPY bn)	2020/3 Q1		2021/3 Q1			2022/3 Q1		Change	
	Revenue	Operating profit	Revenue	Operating profit	OP aft. COVID*	Revenue	Operating profit	Revenue	Operating profit
Architectural	59.9	5.7	44.9	2.7	(2.2)	64.5	6.1	19.6	3.4
Automotive	76.8	4.0	38.7	(2.9)	(9.3)	70.9	1.3	32.2	4.2
Technical Glass	10.1	1.8	8.1	1.4	1.2	11.4	2.8	3.3	1.4
Other	0.3	(2.7)	0.2	(1.8)	(1.8)	0.9	(3.0)	0.7	(1.2)
Total	147.1	8.8	91.9	(0.6)	(12.1)	147.7	7.2	55.8	7.8

* Operating profit/(loss) after COVID-19 related exceptional items

2. Forecast for Financial Year ending 31 March 2022

- First half and full-year forecast revised upward based on stronger Q1 performance
- Anticipating significant input cost push due to higher energy and other prices
- No revision to second half forecast, assuming uncertainties in the business environment
- Outlook of year-on-year improvement in revenue and profit remaining unchanged, bolstered by transformation initiatives

<Forecast for Financial Year ending 31 March 2022>

(JPY bn)	2022/3 H1 Fct (Previous)	2022/3 H1 Fct (Latest)	2022/3 H2 Fct (No change)	2022/3 Full year Fct (Previous)	2022/3 Full year Fct (Latest)	2021/3 Full year Act
Revenue	250.0	280.0	280.0	530.0	560.0	499.2
Operating profit	10.0	12.0	12.0	22.0	24.0	13.1
Operating profit after COVID-19 related exceptional items	10.0	12.0	12.0	22.0	24.0	(3.0)
Exceptional items (Other)	5.0	5.0	0.0	5.0	5.0	(5.3)
Operating profit after exceptional items	15.0	17.0	12.0	27.0	29.0	(8.3)
Finance expenses (net)	(7.0)	(6.0)	(7.0)	(14.0)	(13.0)	(11.0)
Share of JVs and associates' profits	1.0	2.0	1.0	2.0	3.0	2.1
Profit before taxation	9.0	13.0	6.0	15.0	19.0	(17.2)
Profit for the period	8.0	9.0	3.0	11.0	12.0	(16.3)
Net profit *	7.0	8.0	2.0	9.0	10.0	(16.9)

* Profit (loss) attributable to owners of the parent

3. Update of Transformation Initiatives under Revival Plan 24

- Cost structure reform: Cost reduction initiatives progressing with great urgency
- Business structure reform: Full operation of new solar energy glass furnace in the USA and resumption of new float line construction in Argentina
- Transformation into more profitable business portfolio: Transfer of Battery Separator business progressing toward the planned completion in September

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Reference: Consolidated Income Statement – Quarterly Trend

(JPY bn)	2020/3				2021/3				2022/3
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue	147.1	141.5	137.2	130.4	91.9	129.6	135.9	141.8	147.7
Operating profit/(loss)	8.8	6.1	3.1	3.2	(0.6)	3.8	4.8	5.1	7.2
Operating profit margin (%)	6.0%	4.3%	2.3%	2.5%	–	2.9%	3.5%	3.6%	4.9%
Exceptional items (COVID-19 related)	–	–	–	(2.2)	(11.5)	(1.3)	(1.2)	(2.1)	–
Operating profit/(loss) after COVID-19 related exceptional items	8.8	6.1	3.1	1.0	(12.1)	2.5	3.6	3.0	7.2
Exceptional items (Other)	(0.6)	(1.6)	(2.2)	(17.4)	0.0	(0.8)	1.0	(5.5)	(0.2)
Operating profit/(loss) after exceptional items	8.2	4.5	0.9	(16.4)	(12.1)	1.7	4.6	(2.5)	7.0
Finance expenses (net)	(3.5)	(2.8)	(3.2)	(2.3)	(2.4)	(3.0)	(2.1)	(3.5)	(3.0)
Share of JVs and associates' profits	0.5	0.3	0.4	(0.1)	(0.4)	0.2	1.0	1.3	1.5
Profit/(loss) before taxation	5.2	2.0	(1.9)	(18.8)	(14.9)	(1.1)	3.5	(4.7)	5.5
Profit/(loss) for the period	3.1	(0.7)	(0.5)	(19.4)	(16.5)	(0.7)	3.7	(2.8)	2.9
Net profit/(loss) *	2.9	(1.0)	(0.7)	(20.1)	(16.4)	(0.9)	3.4	(3.0)	2.5
EBITDA	17.5	14.2	11.5	11.8	6.1	12.7	13.5	14.5	16.5

* Profit (loss) attributable to owners of the parent

Reference: Segmental Information

(JPY bn)	20/3					21/3					22/3
	Q1	Q2	Q3	Q4	Cumulative	Q1	Q2	Q3	Q4	Cumulative	Q1
Revenue: Architectural	59.9	59.8	60.4	53.6	233.7	44.9	54.2	57.0	59.4	215.5	64.5
Europe	23.2	22.1	21.0	20.8	87.1	16.0	22.2	22.4	24.6	85.2	27.8
Asia	22.4	24.6	24.7	19.7	91.4	19.2	18.6	20.5	18.9	77.2	19.3
Americas	14.3	13.1	14.7	13.1	55.2	9.7	13.4	14.1	15.9	53.1	17.4
Operating profit	5.7	4.1	4.2	3.3	17.3	2.7	4.6	4.2	4.2	15.7	6.1
OP after COVID*	-	-	-	2.7	16.7	(2.2)	4.1	3.8	3.4	9.1	-
Revenue: Automotive	76.8	71.4	66.4	66.4	281.0	38.7	66.6	68.3	71.6	245.2	70.9
Europe	33.5	29.4	27.8	29.1	119.8	16.6	26.7	28.8	31.5	103.6	31.2
Asia	17.4	17.2	16.5	16.0	67.1	9.9	15.9	17.6	17.2	60.6	15.1
Americas	25.9	24.8	22.1	21.3	94.1	12.2	24.0	21.9	22.9	81.0	24.6
Operating profit	4.0	1.2	0.1	0.8	6.1	(2.9)	0.5	1.3	2.9	1.8	1.3
OP after COVID*	-	-	-	(0.6)	4.7	(9.3)	(0.6)	0.4	1.7	(7.8)	-
Revenue: Technical	10.1	10.1	10.0	9.9	40.1	8.1	8.4	10.1	10.2	36.8	11.4
Europe	1.7	1.8	1.6	2.0	7.1	1.3	1.4	1.9	1.8	6.4	2.1
Asia	8.0	7.9	8.1	7.7	31.7	6.5	6.8	7.9	8.1	29.3	9.0
Americas	0.4	0.4	0.3	0.2	1.3	0.3	0.2	0.3	0.3	1.1	0.3
Operating profit	1.8	1.7	1.9	1.7	7.1	1.4	1.1	2.0	2.2	6.7	2.8
OP after COVID*	-	-	-	1.6	7.0	1.2	1.0	2.1	2.2	6.5	-
Revenue: Other	0.3	0.2	0.4	0.5	1.4	0.2	0.4	0.5	0.6	1.7	0.9
Operating profit	(2.7)	(0.9)	(3.1)	(2.6)	(9.3)	(1.8)	(2.4)	(2.7)	(4.2)	(11.1)	(3.0)
OP after COVID*	-	-	-	(2.7)	(9.4)	(1.8)	(2.0)	(2.7)	(4.3)	(10.8)	-
Revenue: Total	147.1	141.5	137.2	130.4	556.2	91.9	129.6	135.9	141.8	499.2	147.7
Operating profit	8.8	6.1	3.1	3.2	21.2	(0.6)	3.8	4.8	5.1	13.1	7.2
OP after COVID*	-	-	-	1.0	19.0	(12.1)	2.5	3.6	3.0	(3.0)	-

*Operating profit/(loss) after COVID-19 related exceptional items