

1st Quarter results of Financial Year ending 31 March 2023

- **Continued profit with strong Architectural and Technical Glass performance.**
Impact of higher energy, materials, and other costs offset by sales price increases and cost saving efforts.
Solid start with additional benefit from exceptional gains
- **H1 forecast revised upward reflecting relatively strong performance in Q1, and full-year sales forecast also improved, reflecting higher architectural sales prices and a weakening yen.**
Profits forecast for full-year unchanged considering uncertain business environment in H2 anticipated with continuous input cost increases reflecting higher energy costs and worldwide inflation trend, and potential recessionary conditions caused by rising interest rates.
Focusing on profitability improvement through continuous cost reduction efforts, expansion of VA products and sales price increases across the whole Group
- **Transformation initiatives progressing under Revival Plan 24 (RP24).**
In "Business structure reform", decision to install online coating capacity to existing float furnace in Malaysia to produce solar energy glass (Aiming at starting operation from 2024/3).
As "Restoration of financial stability", shareholder's equity ratio recovered above 18%

1. 1st Quarter results of Financial Year ending 31 March 2023

- Group revenue of JPY 177.9 billion (+30.2 bn, +20.5% YoY), and operating profit of JPY 8.3 billion (+1.1 bn, +15.4% YoY), operating loss in Automotive covered by increased profits in Architectural and Technical
- Net exceptional gains of JPY 2.3 billion reflecting settlement of tornado damage in the USA in 2017 and solid start with net profit* of JPY 2.4 billion
- Further recovery in shareholder's equity ratio above 18% (+2.6 pt vs PY end)

< Consolidated Income Statement >

| (JPY bn) | Q1 | | |
|---|--------|---------------|----------|
| | 2022/3 | 2023/3 | Change |
| Revenue | 147.7 | 177.9 | 30.2 |
| Operating profit | 7.2 | 8.3 | 1.1 |
| ROS: Return on sales (%) | 4.8% | 4.6% | (0.2) pt |
| Exceptional items (net) | (0.2) | 2.3 | 2.5 |
| Operating profit after exceptional items | 7.0 | 10.6 | 3.6 |
| Finance expenses (net) | (2.9) | (2.8) | 0.1 |
| Share of JVs and associates' profits | 1.5 | 2.2 | 0.8 |
| Other gains/(losses) on equity method investments | - | (1.2) | (1.2) |
| Profit before taxation | 5.5 | 8.8 | 3.3 |
| Profit for the period | 2.9 | 3.3 | 0.4 |
| Net profit * | 2.5 | 2.4 | (0.2) |
| EBITDA | 16.5 | 18.0 | 1.6 |
| Free Cash Flow | (9.6) | (12.9) | (3.3) |

*Profit attributable to owners of the parent

| (JPY bn) | 31 March 2022 | 30 June 2022 | Change |
|-----------------------------------|---------------|----------------|---------------|
| Total Assets | 939.3 | 1,003.5 | 64.2 |
| Shareholders' equity | 145.3 | 181.5 | 36.2 |
| Shareholders' Equity Ratio | 15.5% | 18.1% | +2.6pt |

<Business Results>

| | |
|---------------------|--|
| Architectural Glass | Continued favorable demand in all regions particularly in Europe. Significant profit increase with price improvement and cost saving efforts offsetting input cost rises particularly energy. Continued robust demand for solar energy glass |
| Automotive Glass | Revenue increased in Q1 partly due to foreign exchange movement, while operating loss recorded with constrained vehicle build due to the shortage of semiconductor and other parts, and also higher input costs, despite cost saving efforts. Further progress of sales price increase negotiation with customers to be realized from Q2 |
| Technical Glass | Improved revenue and profit, with stable demand and cost reduction efforts (like-for-like basis without battery separator business disposed in September 2021). Overall profitability improving further |

| (JPY bn) | Q1 | | |
|-------------------------------|--------------|--------------|-------------|
| | 2022/3 | 2023/3 | Change |
| Revenue | | | |
| Architectural Glass | 64.5 | 85.6 | 21.1 |
| Automotive Glass | 70.9 | 81.6 | 10.7 |
| Technical Glass | 11.4 | 9.9 | (1.4) |
| Other | 0.9 | 0.8 | (0.1) |
| Total Revenue | 147.7 | 177.9 | 30.2 |
| Operating profit | | | |
| Architectural Glass | 6.1 | 8.9 | 2.8 |
| Automotive Glass | 1.3 | (0.7) | (2.0) |
| Technical Glass | 2.8 | 3.2 | 0.4 |
| Other | (3.1) | (3.1) | (0.1) |
| Total Operating profit | 7.2 | 8.3 | 1.1 |

2. Forecast for Financial Year ending 31 March 2023

- H1 forecast and full-year sales forecast revised upward reflecting relatively strong performance in Q1 mainly in Architectural
- Full-year profits forecast unchanged, despite weaker JPY assumed, considering an uncertain business environment in H2, such as soaring energy prices, rising input costs reflecting global inflation trends, and the risk of recession because of interest rates hike
- Focusing on profitability improvement through continuous cost reduction, expansion of VA products and price increase across the whole Group

<Forecast for Financial Year ending 31 March 2023>

| (JPY bn) | 2023/3 H1 forecast (Previous) | 2023/3 H1 forecast (Revised) | 2023/3 Full-year fcst (Previous) | 2023/3 Full-year fcst (Revised) | 2022/3 Full-year Actual |
|---|-------------------------------------|------------------------------------|--|---------------------------------------|-------------------------------|
| Revenue | 320.0 | 360.0 | 650.0 | 690.0 | 600.6 |
| Operating profit | 7.0 | 11.0 | 18.0 | 18.0 | 20.0 |
| Exceptional items | 2.0 | 2.0 | 2.0 | 2.0 | 3.6 |
| Operating profit after exceptional items | 9.0 | 13.0 | 20.0 | 20.0 | 23.6 |
| Finance expenses (net) | (7.0) | (6.0) | (13.0) | (13.0) | (12.5) |
| Impairment of financial receivables owed by joint ventures and associates | - | - | - | - | (3.4) |
| Share of JVs and associates' profits | } 2.0 | } 2.0 | } 4.0 | } 4.0 | 7.5 |
| Other gains/(losses) on equity method investments | | | | | (3.4) |
| Profit before taxation | 4.0 | 9.0 | 11.0 | 11.0 | 11.9 |
| Profit for the period | 2.0 | 4.0 | 5.0 | 5.0 | 6.8 |
| Net profit * | 2.0 | 3.0 | 4.0 | 4.0 | 4.1 |

*Profit attributable to owners of the parent

For enquiries:

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