

**Key Questions and Answers at FY2026/3 Third Quarter Results Announcement**

- Q: The expected operating profit for Q4 is JPY 12.5 bn, based on the full-year forecast of JPY 31.0 bn and Q3 cumulative results of JPY 18.5 bn, which is much higher than Q3 actual of JPY 6.5 bn. What business environment does the Group expect for each business segment?
- A: We basically expect no large change in the business environment.
- Architectural glass business:  
Q4 usually sees stronger demand than Q3 particularly in Europe due to seasonality. Further improvement in Asian solar energy glass is expected in Q4, following better results in Q3 with the increase of shipments to customer's US sites while Q2 was significantly affected by production adjustments at customer's Asian sites responding to US tariff policy.
- Automotive glass business:  
The impact of temporarily unfavorable production efficiency in North America will be gradually reduced.
- Technical Glass business:  
Sales mix improvement is expected to continue in Q4 as planned following Q3.
- Q: What is the background for not revising the full-year forecast while describing that the Group is in a challenging environment in the results presentation slide?
- A: It is because we believe that there is possibility to achieve the full-year forecast at this point while Q3 results are weaker than our plan and facing tough business outlook. We promote further initiatives including cost reduction across the Group. Also, the Group is reviewing taxation assets, and it may benefit Q4 tax charge.
- Q: What factors led to the decrease in operating profit from JPY 1.1 bn in Q2 to JPY 0.0 bn in Q3 in Automotive glass business?
- A: This is mainly due to the impact of unfavorable production efficiency in North American OE business. The situation is improving with implementing measures, including review of operations, and will recover after Q3 as bottom.  
In Europe, we were affected by a production disruption at customer caused by a cyberattack, however, the issue has already been resolved.  
From these, the Group anticipates an increase in operating profit for Q4 compared to Q3.
- Q: Please share your outlook for FY2027/3. Are there upside factors for the upcoming fiscal year while it is challenging to achieve full-year forecasts for FY2026/3?
- A: We anticipate that the European economy, which is currently experiencing a slower recovery than expected, will gradually improve during FY2027/3. In Architectural glass business, in Japan and Europe, new coating facilities will start production and contribute to performance through sales mix improvements. In Automotive glass business, contributions of new models in Europe and North America are expected. Furthermore, cost reductions from restructuring in Europe are expected to contribute through the full year.