



February 8, 2023

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Notice Regarding Posting of Impairment Losses and Differences between Forecast and Actual Consolidated Financial Results for Fiscal Year Ended December 31, 2022

AGC Inc. (the "Company") hereby announces that it has posted the following impairment losses in the consolidated accounts for the fourth quarter of fiscal year ended December 31, 2022 (October 1 to December 31, 2022). The Impairment losses are recorded as "Other Expenses" in the Consolidated Statements of Profit or Loss. The Company also announces the differences between the consolidated forecast for the fiscal year ended December 31, 2022, announced on November 2, 2022, and the actual results for the same period announced today.

1. Recognition of impairment losses

As a result of the review of the future recoverability of the display business, printed circuit board materials business, architectural and automotive glass business in Russia, and automotive glass business in Europe, the Company has decided to record impairment losses of 126.2 billion yen as follows.

Business	Reason for change in recoverability	Amount of impairment loss
Display	Sluggish TV and PC sales, cost increase due to yen depreciation and soaring raw material and fuel costs	73.7 billion yen
Printed circuit board materials	Decreased demand due to U.S.-China trade friction and the spread of Covid-19 infection in China	32.2 billion yen
Architectural and automotive glass in Russia	Deterioration of the economic environment due to the prolonged situation in Russia and Ukraine	Architectural Glass : 9.9 billion yen Automotive glass : 3.7 billion yen
Automotive glass business in Europe (excluding Russia)	Weak demand for automobiles triggered by the situation in Russia and Ukraine	6.7 billion yen

2. Differences between consolidated financial forecast and actual results for the fiscal year ended December 31, 2022

(Unit: Millions of yen; %)

	Net sales	Operating profit	Profit before tax	Profit for the period	Profit for the period attributable to owners of the parent	Basic earnings per share (Yen)
Previous forecast announced on November 2, 2022	2,050,000	190,000	177,000	128,000	92,000	415.08
Actual results (B)	2,035,874	183,942	58,512	22,505	△3,152	△14.22
Change (B – A)	△14,125	△6,057	△118,487	△105,494	△95,152	—
Change (%) (B – A)/A	△0.7	△3.2	△66.9	△82.4	—	—
(Reference) Actual results for FY2021	1,697,383	206,168	210,045	159,062	123,840	559.11

3. Reasons for differences between the forecast and actual results

As described in " 1. Recognition of impairment losses", Profit before tax, Profit for the period, and Profit for the period attributable to owners of the parent were lower than the forecast announced on November 2, 2022, mainly due to the recording of the impairment losses in "Other Expenses".