

# Financial Results for FY2022



**AGC Inc.**

February 8, 2023

Your Dreams, Our Challenge



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# Key points for today

## Financial Results for FY2022

(YoY)

Net Sales	2,035.9 bn JPY	(+338.5 bn JPY)
Operating profit	183.9 bn JPY	(▲22.2 bn JPY)
Profit for the period Attributable to owners of the parent	▲ 3.2 bn JPY	(▲127.0 bn JPY)

- Net sales reached a record high thanks to the business expansion of strategic businesses, higher product sales prices and the impact of foreign exchange rates.
- Operating profit decreased due to a significant drop in demand for Display and the impact of high raw materials and fuel prices.
- A net loss was recorded following a major impairment loss.

## Outlook for FY2023

(YoY)

Net Sales	2,150.0 bn JPY	(+114.1 bn JPY)
Operating profit	190.0 bn JPY	(+6.1 bn JPY)

- While the Chlor-alkali business is expected to see a decrease in profits YoY, both net sales and profits will increase thanks to growth in other core businesses, including Automotive glass, and Strategic businesses, and also a decrease in depreciation expense caused by the impairment loss.

# Financial Results for FY2022

# 1. Highlights of the Financial Results



# Highlights of the Financial Results for FY2022

\* FOREX impact was +168.2 billion JPY, change in the scope of consolidation was ▲19.8 billion JPY

(100 million JPY)

		FY2021 Full-year	FY2022 Full-year	Change	Main factors in the change (+) Increasing factors (-)Decreasing factors
Net Sales		16,974	20,359	+ 3,385*	(+) Shipments of Life science, Fluorochemicals-related products increased. (+) Sales prices of Architectural glass and Chlor-alkali products, Automotive glass increased. (+) Yen depreciation
Operating Profit		2,062	1,839	▲ 222	In addition to the above, (-) Increased in raw materials and fuel prices primarily in Europe (-) Significant decrease in demand for Display
Profit before tax		2,100	585	▲ 1,515	In addition to the above, (+) Gain on sales of land (+) Gain on sale of subsidiaries (-) Gain on sale of North American Architectural glass business recorded in the same period of the previous year (-) Impairment losses for Display business and Printed circuit board materials business, Russian business, Automotive glass business in Europe and was recorded.
Profit for the period Attributable to owners of the parent		1,238	▲ 32	▲ 1,270	
FOREX (Average)	1USD	JPY 109.80	JPY 131.43		
	1EUR	JPY 129.89	JPY 138.04		
Crude Oil (Dubai, Average)	USD/BBL	69.23	96.34		

# Breakdown of other expenses in FY2022

(100 million yen)






	FY2022	Remarks
Other income	272	
Other expenses	▲1,539	
Foreign exchange loss	▲40	
Losses on disposal of non-current assets	▲86	
Impairment losses	▲1,284	Display, PCB materials business, Architectural/Automotive glass business in Russia, Automotive glass business in Europe except for Russia)
Expenses for restructuring programs	▲96	Structural reform of the European glass business, etc.
Others	▲31	

(100 million yen)

	Amount	Causes of change in recoverability
Display	737	Sluggish TV and PC sales, cost increase due to yen depreciation and soaring raw material and fuel costs
PCB materials business	322	Decreased demand due to U.S.-China trade friction and the spread of Covid-19 infection in China
Architetur /Automotive glass business in Russia	Architetur: 99 Automotive: 37	Deterioration of the economic environment due to the prolonged situation in Russia and Ukraine
Automotive glass business in Europe (except for Russia)	67	Weak demand for automobiles triggered by the situation in Russia and Ukraine

# YoY Performance Comparison by Business Segment

(100 million JPY)

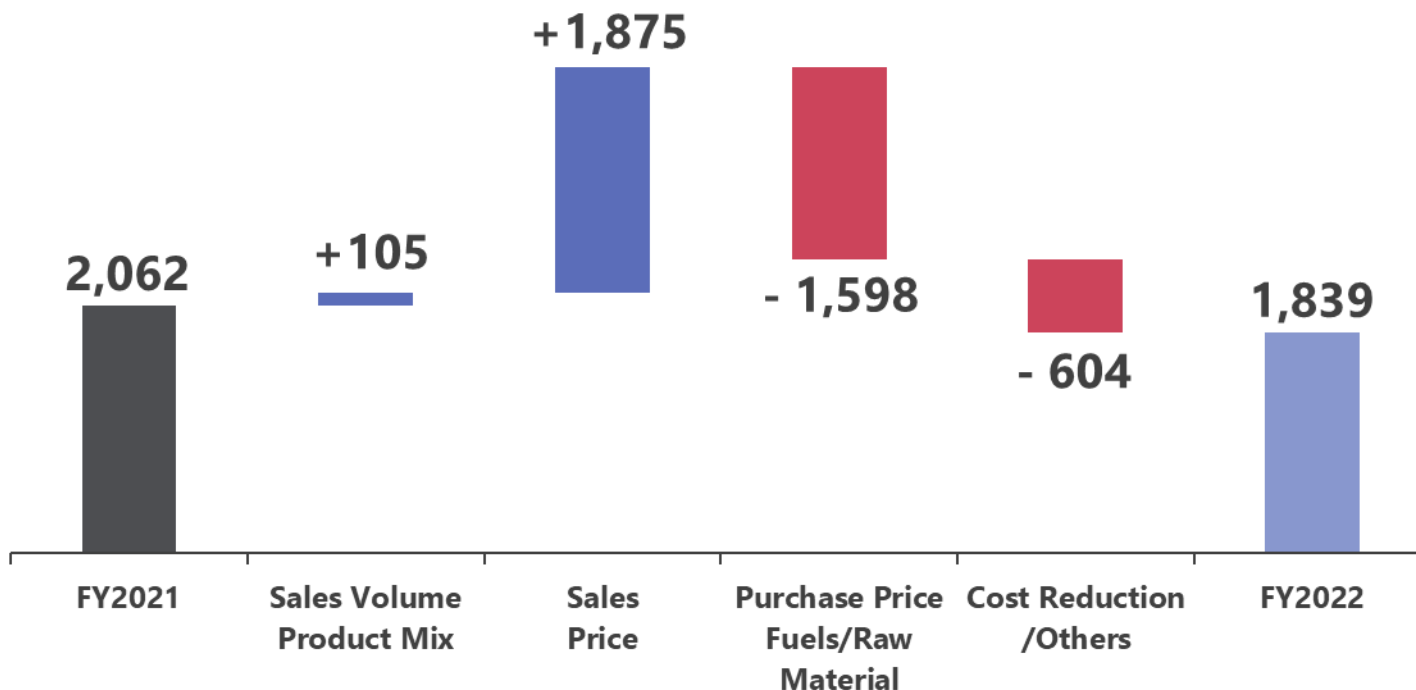
	FY2021 Full-year (a)		FY2022 Full-year (b)		Change (b)-(a)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
 <b>Glass</b>	7,343	273	<b>9,015</b>	<b>229</b>	+ 1,673	▲ 44
 <b>Electronics</b>	3,050	368	<b>3,072</b>	<b>147</b>	+ 22	▲ 221
 <b>Chemicals</b>	6,308	1,388	<b>7,952</b>	<b>1,429</b>	+ 1,644	+ 42
 <b>Ceramics/Other</b>	794	35	<b>866</b>	<b>37</b>	+ 72	+ 2
 <b>Elimination</b>	▲ 520	▲ 2	▲ <b>547</b>	▲ <b>3</b>	▲ 26	▲ 1
<b>Total</b>	16,974	2,062	<b>20,359</b>	<b>1,839</b>	+ 3,385	▲ 222



# Variance Analysis on (FY2022 vs. FY2021)

**22.2 bn JPY down from last year**

(100 million JPY)



# Consolidated Statement of Financial Position

	2021/12	2022/12	Change	(100 million JPY)
Cash and cash equivalents	1,958	<b>2,097</b>	+ 139	
Inventories	3,301	<b>4,365</b>	+ 1,064	
Property, plant and equipment, Goodwill and Intangible assets	15,067	<b>15,148</b>	+ 81	Foreign exchange fluctuation +101.8 billion yen Impairment loss impact ▲128.4 billion yen
Other assets	6,334	<b>6,530</b>	+ 196	
<b>Total assets</b>	26,660	<b>28,140</b>	+ 1,480	Foreign exchange fluctuation +175.2 billion yen
Interest-bearing debt	6,032	<b>6,502</b>	+ 470	
Other liabilities	5,815	<b>5,782</b>	▲ 33	
<b>Liabilities</b>	11,847	<b>12,284</b>	+ 438	
Total equity attributable to owners of the parent	13,142	<b>13,903</b>	+ 761	
Non-controlling interests	1,672	<b>1,953</b>	+ 281	
<b>Equity</b>	14,814	<b>15,856</b>	+ 1,042	Foreign exchange fluctuation +121.0 billion yen
<b>Total liabilities and equity</b>	26,660	<b>28,140</b>	+ 1,480	
<b>D/E ratio</b>	0.41	<b>0.41</b>		

# Consolidated Statement of Cash Flow

Full-year	FY2021	FY2022	(100 million JPY)
Profit before tax	2,100	585	
Depreciation and amortization	1,668	1,857	
Increase(decrease) in working capital	▲ 307	▲ 854	
Others	▲ 194	584	
<b>Cash flows from operating activities</b>	3,267	2,171	
<b>Cash flows from investing activities</b>	▲ 1,238	▲ 1,453	
<b>Free cash flow</b>	2,029	718	
Changes in interest-bearing debt	▲ 2,158	17	
Dividends paid	▲ 310	▲ 522	
Others	▲ 54	▲ 277	
<b>Cash flows from financing activities</b>	▲ 2,523	▲ 782	
Effect of exchange rate changes on cash and cash equivalents	90	203	
<b>Net increase(decrease) in cash and cash equivalents</b>	▲ 403	139	

# CAPEX, Depreciation and R&D

Full-year	FY2021	FY2022
<b>CAPEX</b>	2,165	<b>2,366</b>
Glass	509	<b>473</b>
Electronics	696	<b>800</b>
Chemicals	942	<b>1,080</b>
Ceramics/Other	22	<b>14</b>
Elimination	▲ 3	▲ 2
<b>Depreciation</b>	1,668	<b>1,857</b>
Glass	546	<b>565</b>
Electronics	603	<b>684</b>
Chemicals	500	<b>590</b>
Ceramics/Other	20	<b>19</b>
Elimination	▲ 1	▲ 1
<b>R&amp;D</b>	494	<b>523</b>

(100 million JPY)

## Main projects for CAPEX

- Repairment for Automotive glass furnace (Glass)
- Repairment for Display glass furnace (Electronics)
- G11 investment in China (Electronics)
- Production facility enhancement for Electronic materials (Electronics)
- Capacity enhancement for Chlor-alkali in Southeast Asia (Chemicals)
- Capacity enhancement for Fluorochemicals-related products (Chemicals)
- Capacity enhancement for Bio-pharmaceuticals (Chemicals)

etc.

## Main factors for increase in depreciation cost

- Production facility enhancement for Electronic materials (Electronics)
- G11 investment in China (Electronics)
- Capacity enhancement for Chlor-alkali in Southeast Asia (Chemicals)
- Capacity enhancement for Bio-pharmaceuticals (Chemicals)

etc.

## 2. Business and Geographic Segments

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	(100 million JPY)		
Full-year	FY2021	FY2022	Change
<b>Net sales</b>	7,343	<b>9,015</b>	+ 1,673*
Architectural Glass	3,811	<b>4,827</b>	+ 1,016
Automotive Glass	3,511	<b>4,176</b>	+ 665
(Inter-segment)	20	<b>12</b>	
<b>Operating profit</b>	273	<b>229</b>	▲ 44

\* FOREX impact: +79.3 billion yen, Change in the Scope of Consolidation: ▲13.2 billion yen



## Architectural Glass

- Higher sales prices in all regions, particularly in Europe, offset the impact of lower sales from the divestment of North American business.
- Impact of high natural gas prices in Europe absorbed by energy surcharges, however, affected by price hikes of other raw materials and fuels.

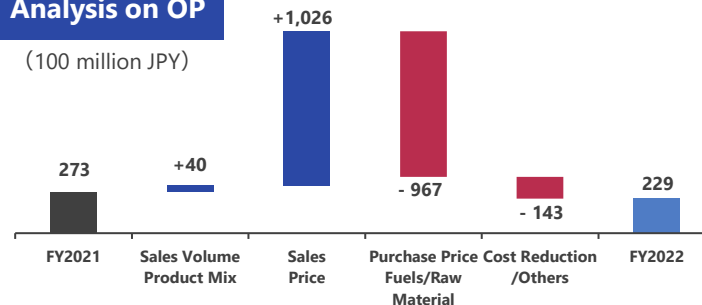


## Automotive Glass

- Shipments increased due to easing effects of component supply shortages, including semiconductors, but did not reach pre-covid disaster levels.
- Effects of price revisions were seen, mainly in Europe, but were affected by high raw material and fuel costs.

## Variance Analysis on OP

(100 million JPY)



## Ratio of sub-segment to the operating profit (before common expense allocation)

Operating profit  
(100million JPY)

273

229

Archi-  
tectural  
glass  
100%

Archi-  
tectural  
glass  
100%

21.1-4Q

22.1-4Q

# Electronics Segment

(100 million JPY)

Full-year	FY2021	FY2022	Change
<b>Net sales</b>	3,050	<b>3,072</b>	+ 22*
Display	1,821	<b>1,554</b>	▲ 267
Electronic Materials	1,210	<b>1,495</b>	+ 285
(Inter-segment)	19	<b>23</b>	
<b>Operating profit</b>	368	<b>147</b>	▲ 221

\* FOREX impact: +14.3 billion yen, Change in the Scope of Consolidation: ▲5.8 billion yen



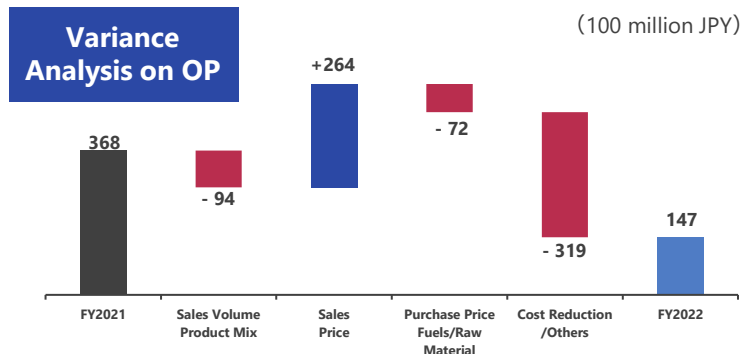
## Display

- Demand for LCD glass substrates declined more than expected from the second half of the period, resulting in a decrease in shipments.
- In LCD glass substrates business, depreciation expenses increased because of the new facility launch for LCD glass substrates, in addition to the increase in the manufacturing costs as affected by higher raw materials and fuel prices and the weaker yen.
- Shipments of specialty glass for display applications decreased.



## Electronic Materials

- Sales of optoelectronic materials and semiconductor-related products increased due to robust shipments and the impact of foreign exchange rates.

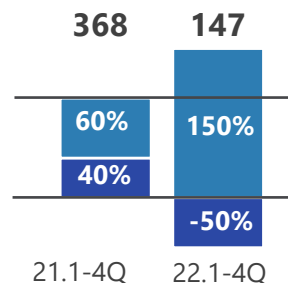


## Ratio of sub-segment to the operating profit (before common expense allocation)

Operating profit  
(100million JPY)

**Electronic Materials**

**Display**



# Chemicals Segment

(100 million JPY)

Full-year	FY2021	FY2022	Change
<b>Net sales</b>	6,308	<b>7,952</b>	+ 1,644*
Chlor-alkali & Urethane	3,904	<b>4,898</b>	+ 994
Fluorochemicals & Specialty	1,239	<b>1,561</b>	+ 322
Life science	1,152	<b>1,472</b>	+ 320
(Inter-segment)	13	<b>20</b>	
<b>Operating profit</b>	1,388	<b>1,429</b>	+ 42

\* FOREX impact: +72.3 billion yen, Change in the Scope of Consolidation: ▲0.9 billion yen



## Chlor-alkali/urethane

- Sales increased due to steady market conditions for caustic soda and other products, as well as the impact of the weaker yen.



## Fluorine/specialty chemicals

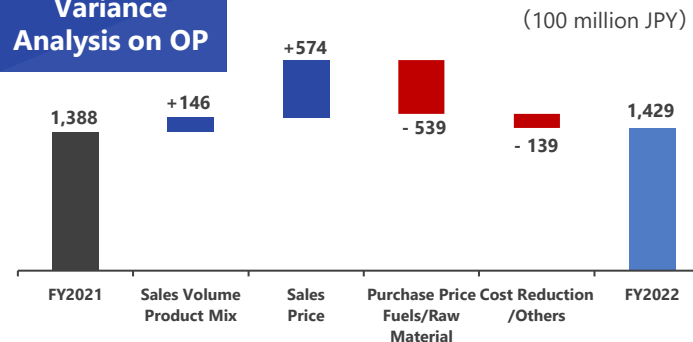
- Shipments of Fluorochemical-related products mainly for semiconductor applications increased significantly.



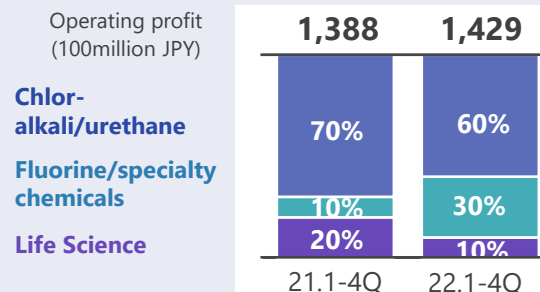
## Life Science

- The sales from CDMO contracts on the synthetic pharmaceutical and agrochemical business and the biopharmaceutical business increased.
- Increase in upfront costs due to capacity expansion

## Variance Analysis on OP



## Ratio of sub-segment to the operating profit (before common expense allocation)

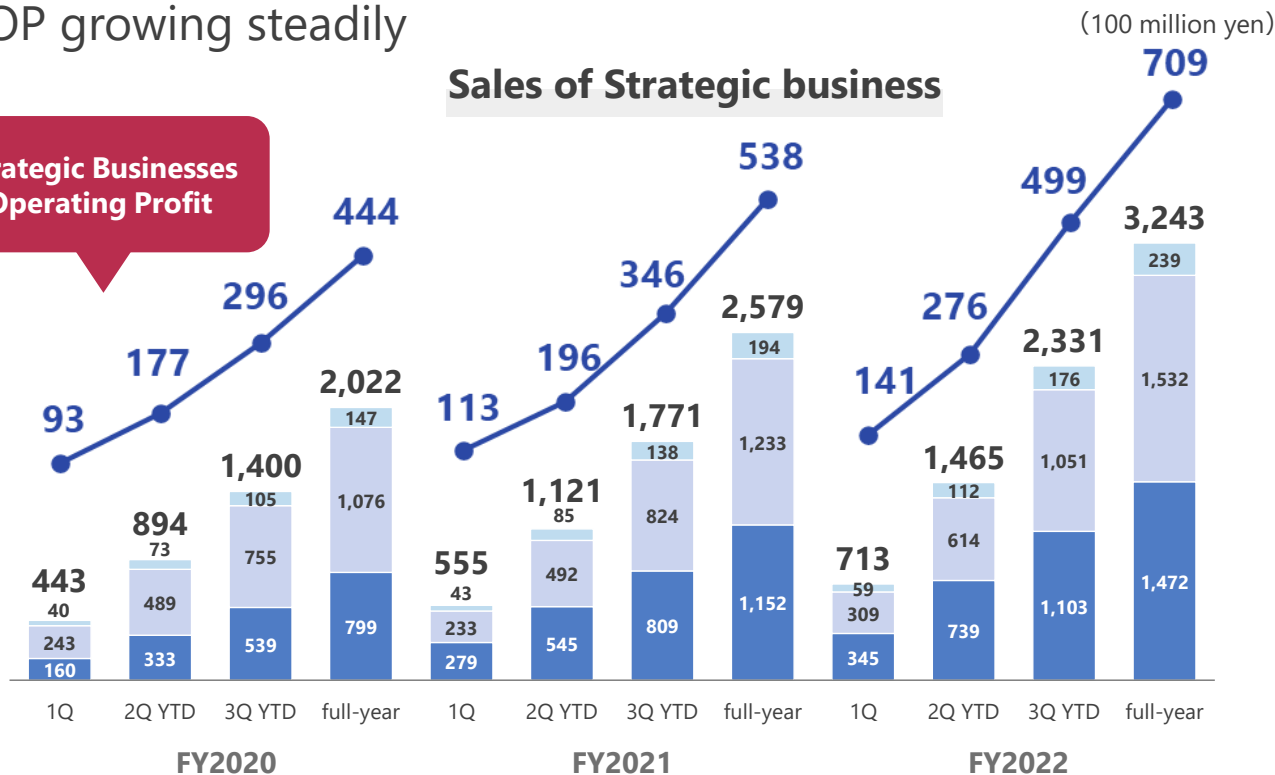




# Profit contribution of Strategic Business

## ■ OP growing steadily

### Strategic Businesses Operating Profit



### Main products & businesses

#### ■ Mobility

- Cover glass for car-mounted displays
- New materials for mobility, including 5G communications






#### ■ Electronics

- Semiconductor-related products
- Optoelectronics materials
- Next-generation high-speed communication related products
- Fluorinated products for electronics

#### ■ Life Science

- Synthetic pharmaceutical and agrochemical CDMO
- Biopharmaceutical CDMO

# ROCE & EBITDA by Segment

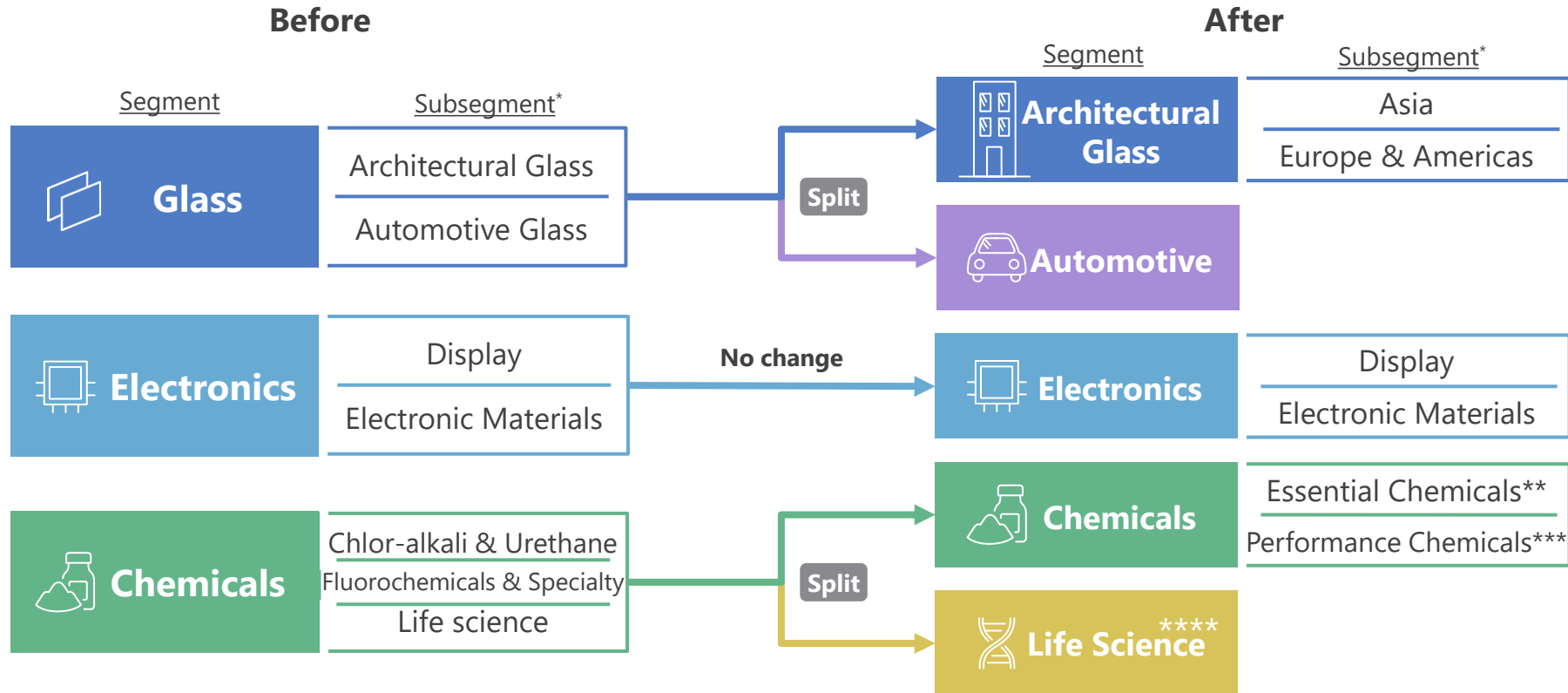
		Operating profit		EBITDA*		ROCE		Operating assets	
		2021	2022	2021	2022	2021	2022	2021	2022
	<b>Glass</b>	273	229	819	794	4.6%	3.6%	6,000	6,300
	(Reference) Architectural Glass	—	327	—	566	—	10.9%	—	3,000
	(Reference) Automotive	—	▲ 98	—	227	—	▲ 3.0%	—	3,300
	<b>Electronics</b>	368	147	971	830	5.9%	2.6%	6,250	5,650
	<b>Chemicals</b>	1,388	1,429	1,887	2,020	21.5%	18.1%	6,450	7,900
	(Reference) Chemicals	—	1,261	—	1,736	—	23.3%	—	5,400
	(Reference) Life Science	—	169	—	284	—	6.7%	—	2,500
	<b>Ceramics/Others</b>	35	37	55	56	14.0%	18.4%	250	200
	<b>Elimination</b>	▲ 2	▲ 3	▲ 3	▲ 4	—	—	—	—
<b>Total</b>		<b>2,062</b>	<b>1,839</b>	<b>3,729</b>	<b>3,696</b>	<b>10.9%</b>	<b>9.2%</b>	<b>18,950</b>	<b>20,050</b>

(100 million yen)

\* EBITDA=Operating profit +Depreciation

# Outlook for FY2023

# Change in segments



\* Breakdown of sales by product or market within each segment

\*\*Name change from Chlor-alkali & Urethane

\*\*\*Name changed from Fluorochemicals & Specialty

\*\*\*\*Fine Silica business previously included in Life Science moved to Performance Chemicals

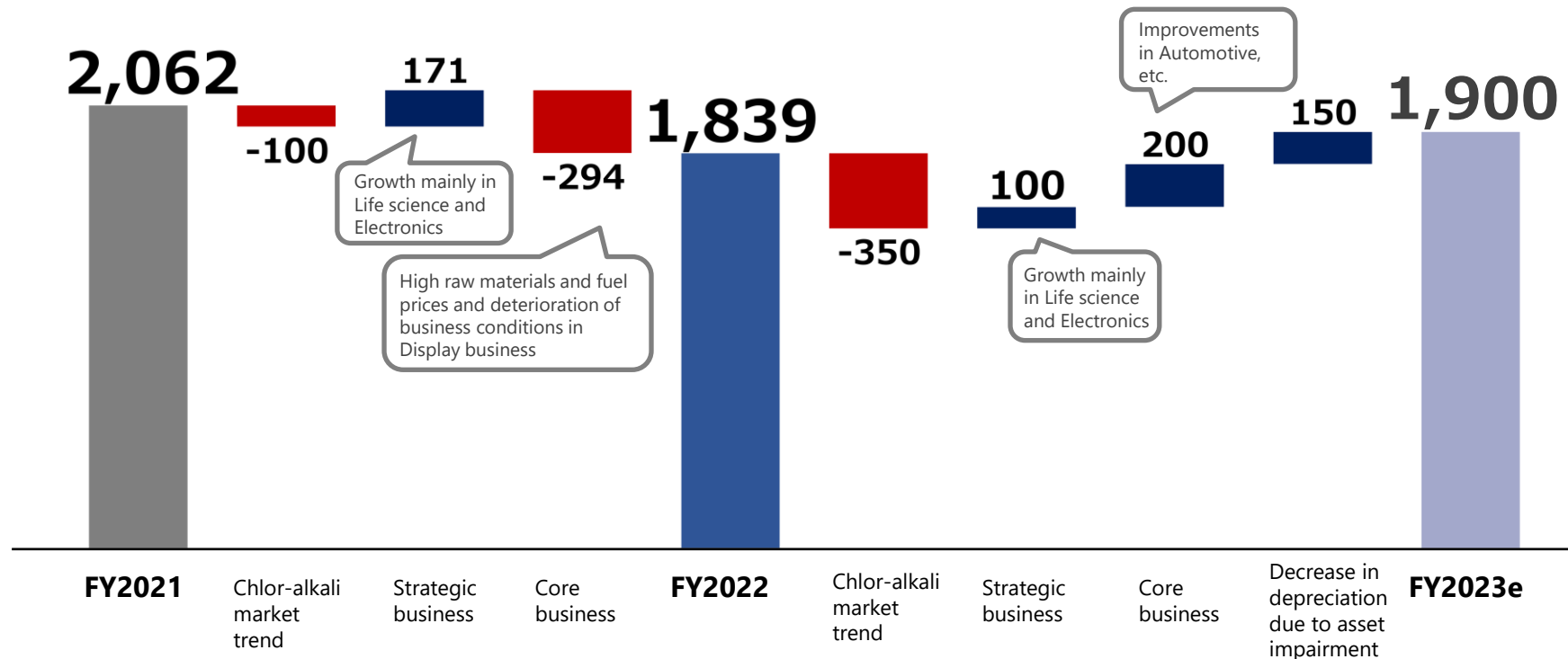
- While the Essential chemicals business is expected to see a decrease in profits YoY, both net sales and profits will increase thanks to growth in other core businesses, including Automotive, and Strategic businesses, and also a decrease in depreciation expense caused by the impairment loss.

		FY2022	FY2023e	(100 million JPY)
<b>Net sales</b>		20,359	<b>21,500</b>	
	(First half)	9,783	10,300	
<b>Operating profit</b>		1,839	<b>1,900</b>	
	(First half)	1,153	750	
<b>Profit before tax</b>		585	<b>1,470</b>	
<b>Profit for the year attributable to owners of the parent</b>		▲ 32	<b>870</b>	
<b>Dividend (JPY/share)</b>		210	<b>210</b>	
<b>Operating profit margin</b>		9.0%	8.8%	
<b>ROE</b>		-	6.3% *	
<b>FOREX (Average)</b>	<b>1 USD</b>	JPY 131.4	JPY 125.0	
	<b>1 EUR</b>	JPY 138.0	JPY 135.0	
<b>Crude oil (Dubai, Average)</b>	<b>USD/BBL</b>	96.3	85.0	
<b>Ethylene (CFR SEA)</b>	<b>USD/MT</b>	1,054	1,000	

\* ROE of FY2023e is calculated using the figures of Profit for the year attributable to owners of the parent as of Dec 31, 2022

# 2023 Operating Income Forecast








FY2021~2023 Operating Profit Trends (100 million JPY)



\*Operating profit trends for 2022-23 are estimated in units of 5 billion yen, so totals do not match.

# Outlook breakdown by Segment (Net sales and Operating profit)

(100 million JPY)

	FY2022 (a)		FY2023e (b)		Change (b)-(a)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
 Architectural Glass	4,837	327	<b>5,000</b>	<b>360</b>	+ 163	+ 33
 Automotive	4,178	▲ 98	<b>4,700</b>	<b>80</b>	+ 522	+ 178
 Electronics	3,072	147	<b>3,400</b>	<b>380</b>	+ 328	+ 233
 Chemicals	6,604	1,261	<b>6,500</b>	<b>850</b>	▲ 104	▲ 411
 Life Science	1,418	169	<b>1,600</b>	<b>210</b>	+ 182	+ 41
 Ceramics/Other	866	37	<b>800</b>	<b>20</b>	▲ 66	▲ 17
 Elimination	▲ 616	▲ 3	<b>▲ 500</b>	<b>0</b>	+ 116	+ 3
<b>Total</b>	20,359	1,839	<b>21,500</b>	<b>1,900</b>	+ 1,141	+ 61

# Outlook by Business Segment (1)

## Outlook for FY2023



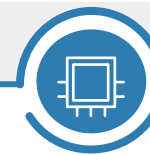
### Architectural Glass

- Despite concerns about inflation and economic slowdown in Europe, replacement demand for high heat-insulating glass for energy savings will support shipments.
- In Japan and Asia, shipments are expected to be robust for the factors such as growing demand for high heat-insulating and shielding glass.



### Automotive

- The Company's shipments are expected to increase as a result of a gradual recovery in automobile production due to the easing of the effects of component supply shortages, particularly in semiconductors.
- The pricing policy review, which has been underway for some time, are expected to take effect further.



### Electronics

#### Display

- Profitability of LCD glass substrates will improve due to the promotion of structural reform measures as well as a recovery in demand for LCD panels and a decrease in the depreciation.
- Shipments of specialty glass for display will increase as orders from major customers grow.

#### Electronic Materials

- Optoelectronics materials are leveling off due to the slowdown in the smartphone market, but semiconductor-related products, mainly photomask blanks for EUV lithography, will remain robust.
- Shipments of circuit board materials will increase due to the demand growth of the communication infrastructure and the in-vehicle market.



## Outlook for FY2023



### Chemicals

#### Essential Chemicals

- Market conditions are expected to recover moderately after bottoming out at the end of last year, but will remain below the previous year's level for the year.

#### Performance Chemicals

- Shipments will increase following the strong demand for fluorine-related products mainly for semiconductor-related applications and transportation machinery.



### Life Science

- CDMO contracts will increase for both synthetic pharmaceuticals and agrochemicals and biopharmaceuticals.
- Expenses are expected to be incurred upfront due to capacity expansion.

# CAPEX, Depreciation and R&D

Full year	FY2022	FY2023e
<b>CAPEX</b>	2,366	<b>3,000</b>
Architectural Glass	175	<b>250</b>
Automotive	298	<b>270</b>
Electronics	800	<b>930</b>
Chemicals	649	<b>950</b>
Life Science	431	<b>580</b>
Ceramics/Other	14	<b>20</b>
Elimination	▲ 2	<b>0</b>
<b>Depreciation</b>	1,857	<b>1,880</b>
Architectural Glass	239	<b>240</b>
Automotive	325	<b>330</b>
Electronics	684	<b>620</b>
Chemicals	475	<b>520</b>
Life Science	115	<b>150</b>
Chemicals	19	<b>20</b>
Elimination	▲ 1	<b>0</b>
<b>R&amp;D</b>	523	<b>580</b>

(100 million yen)

## Main projects for CAPEX

- G11 investment in China (Electronics)
- Capacity enhancement of Electronic materials (Electronics)
- Capacity enhancement for Chlor-alkali in Southeast Asia (Chemicals)
- Capacity enhancement of Bio-pharmaceuticals (Life Science)

and others

# Appendix

## Impact on OP

### Exchange rate



**500 million yen\*loss**  
if yen appreciated by 1%

\*Impact when all  
currencies fluctuate at the  
same proportion against  
JPY

### Dubai crude oil



**420 million yen\* loss**  
if increased by 1 dollar  
per barrel

\*excluding impact of oil  
hedging

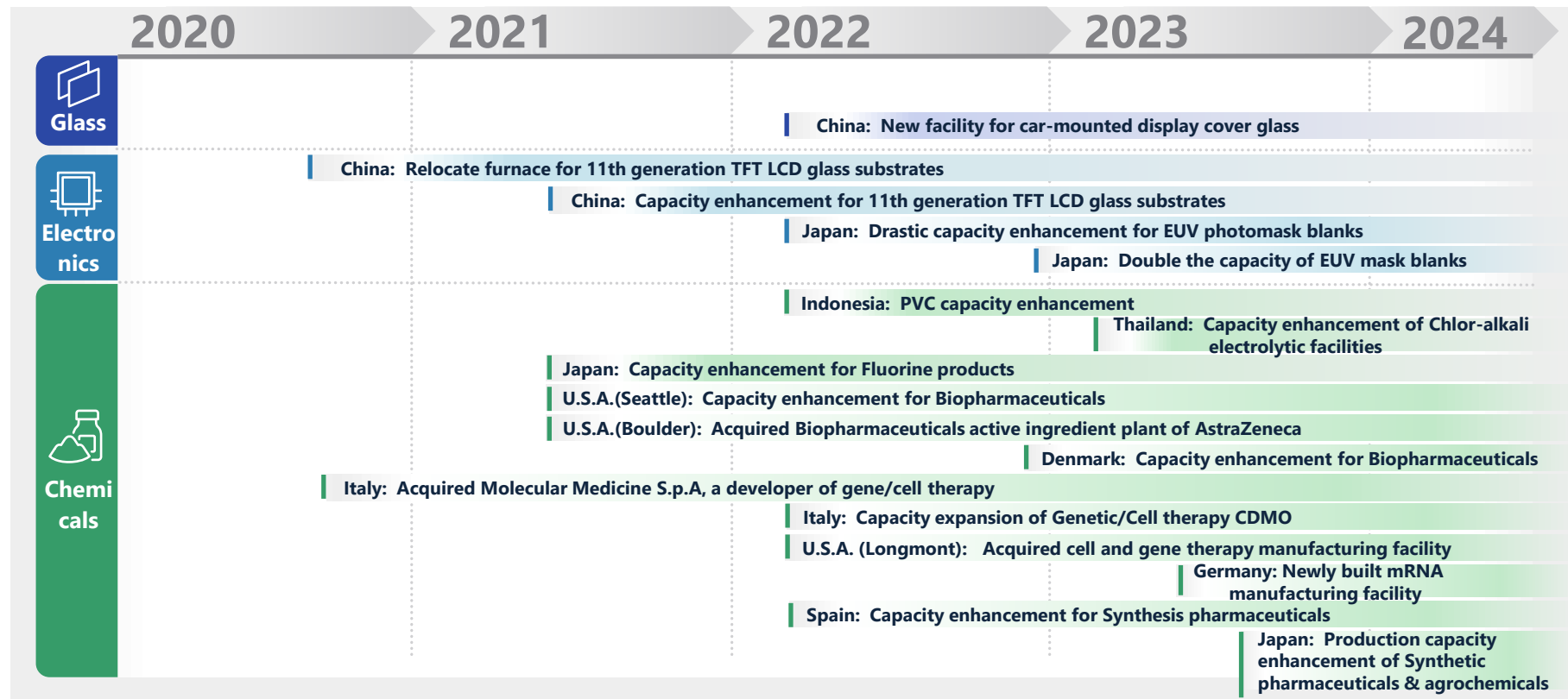
### Chemicals market



- 1 Caustic soda**  
\$1M loss if the international  
market down by \$1
- 2 PVC spread**  
\$1.2M loss\* if decreased  
by \$1

\*PVC spread:  
PVC market - (ethylene  
market×0.5)

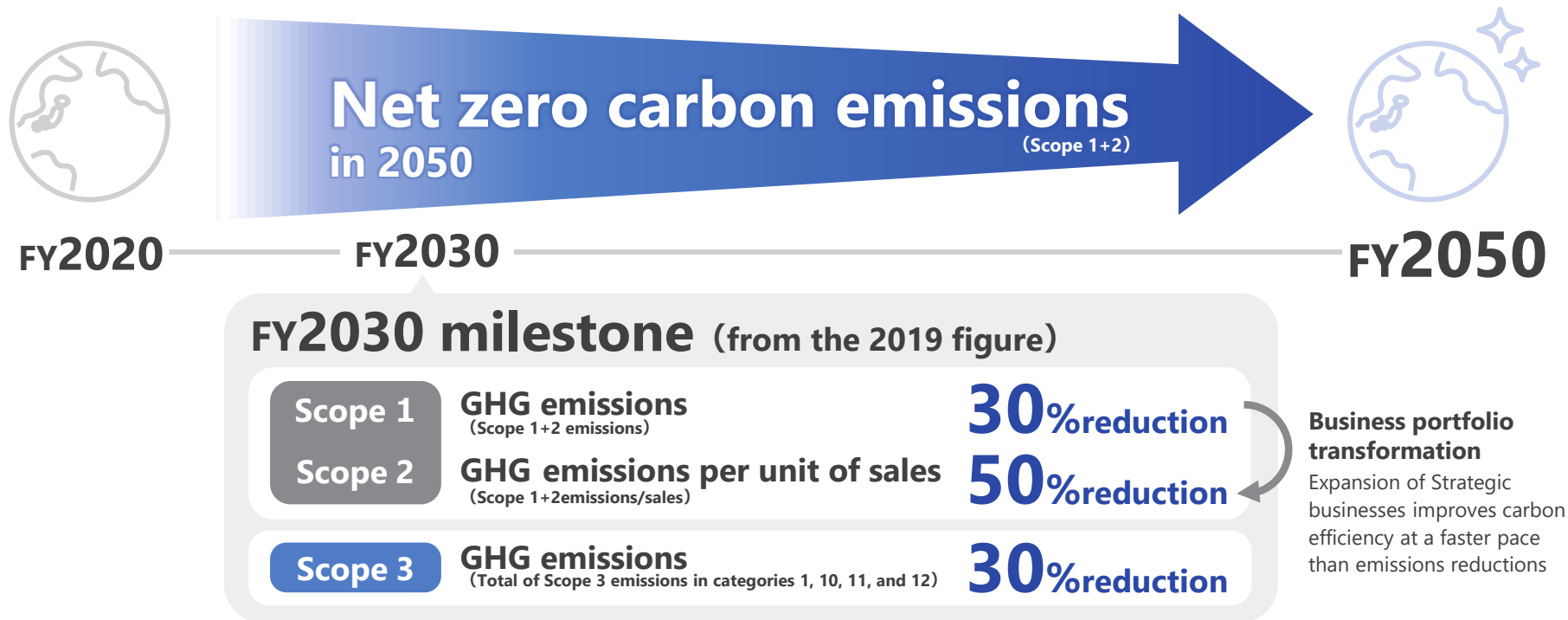
# AGC plus-2023 Main investments



※Listed those announced in new releases

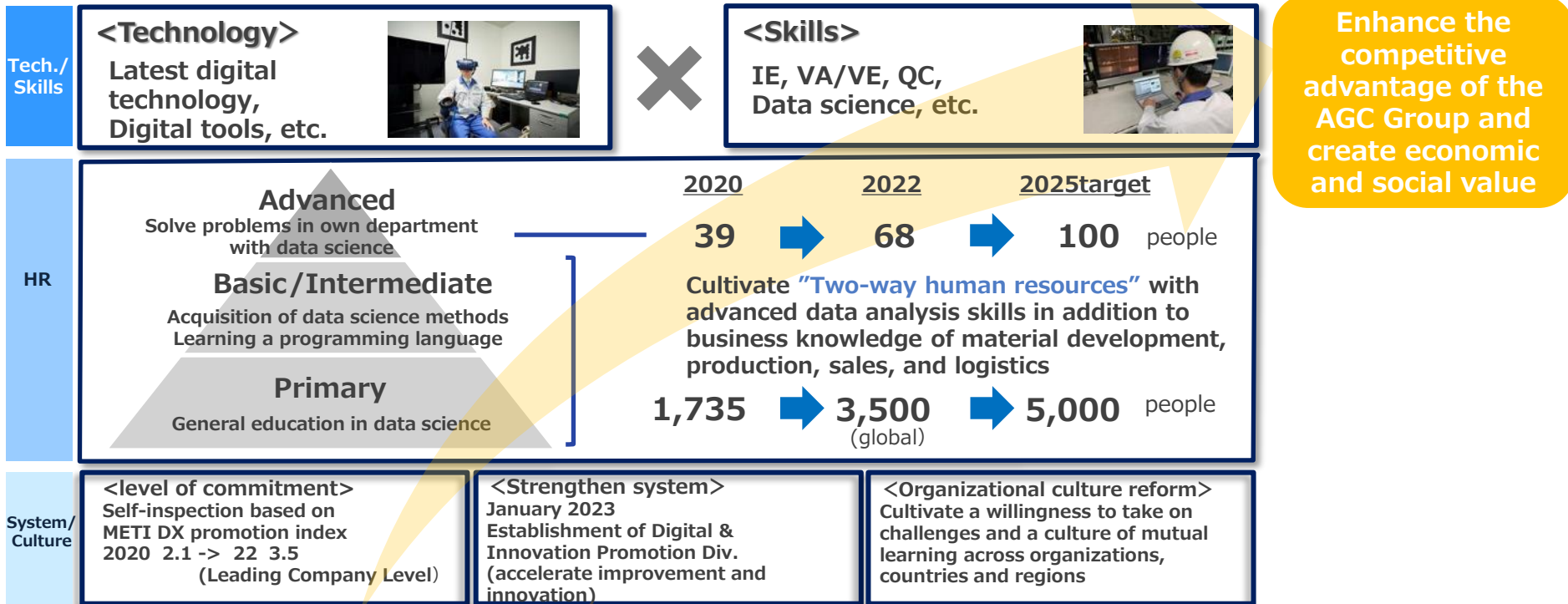
# Net Zero Carbon Target (FY2050)

Establish medium- and long-term GHG reduction targets in 2021 and steadily promote.








# Strengthen competitiveness by accelerating DX

As a lever for Corporate Transformation Chapter 2, in addition to streamlining (improving) individual processes, DX measures will evolve into efforts (innovation) to connect the supply chain and provide value to customers and society.



# Grow by creating both social value and economic value

- We will achieve through the portfolio transformation and the pursuit of sustainability management.

		2022(Actual)	2023	2025	2030	2050	
Economic value	Operating profit	183.9billion yen	190.0billion yen	250.0billion yen	300.0billion yen or more		
	Strategic Business OP	70.9billion yen	80.0billion yen	120.0billion yen	160.0billion yen or more		
	EBITDA*	369.6billion yen	378.0billion yen	480.0billion yen			
	ROE	-	6.3%	Stable ROE of 10% or higher			
	D/E	0.41	0.5 or less				
Social Value	GHG emissions				GHG emissions 30% reduction**	GHG emissions per unit of sale 50% reduction	Aiming for Net zero carbon (Scope1 + 2)
	Nonfinancial capital	Enhancing the group governance, Human resources, R&D					
	<div><div><div><div>■ Realization of safe and healthy lifestyles</div><div></div></div><div><div>■ Realization of safe and comfortable urban infrastructure</div><div></div></div><div><div>■ Realization of a sustainable global environment</div><div></div></div><div><div>■ Creation of fair and safe workplaces</div><div></div></div><div><div>■ Maintenance of a healthy and secure society</div><div></div></div></div></div>						

\* EBITDA=Operating profit +Depreciation

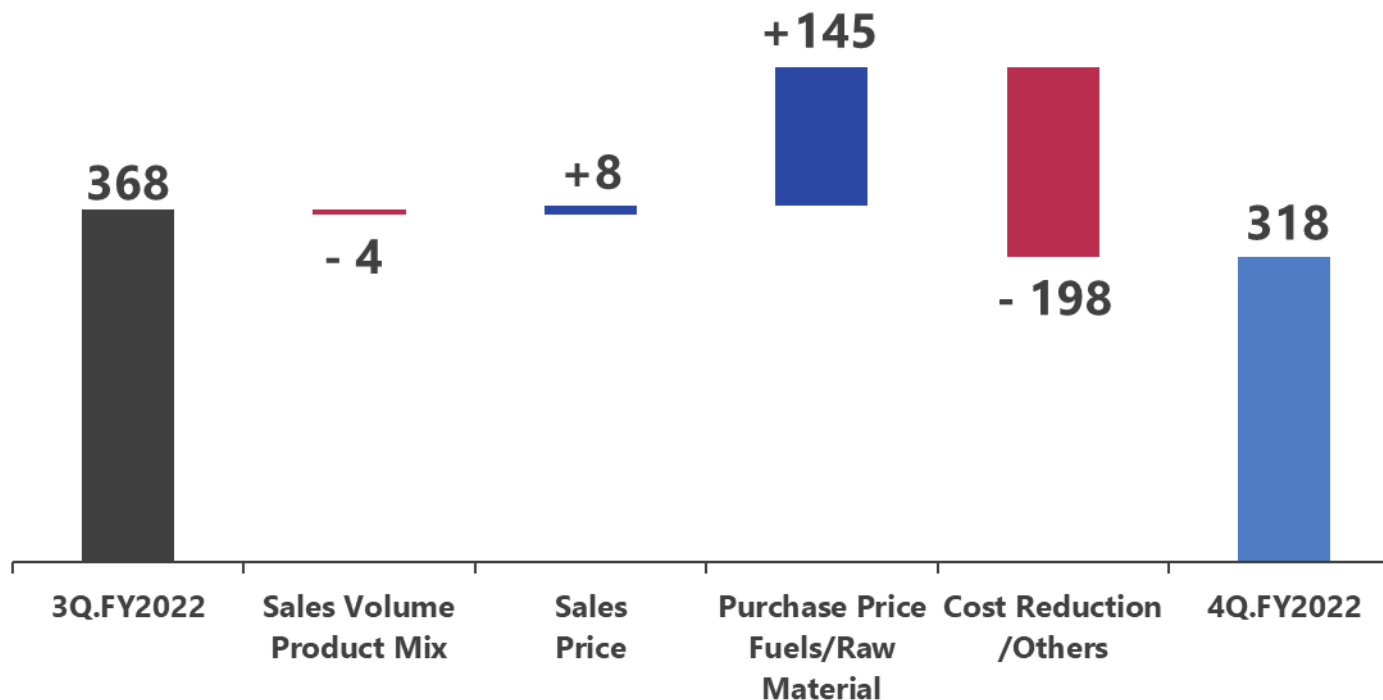
\*\*Reduction targets in Scope 1+2 emissions and Scope 3 emissions (Categories 1, 10, 11, and 12)



# Variance Analysis on OP(4Q.FY2022 vs. 3Q.FY2022)

**4.9 bn JPY down from last quarter**

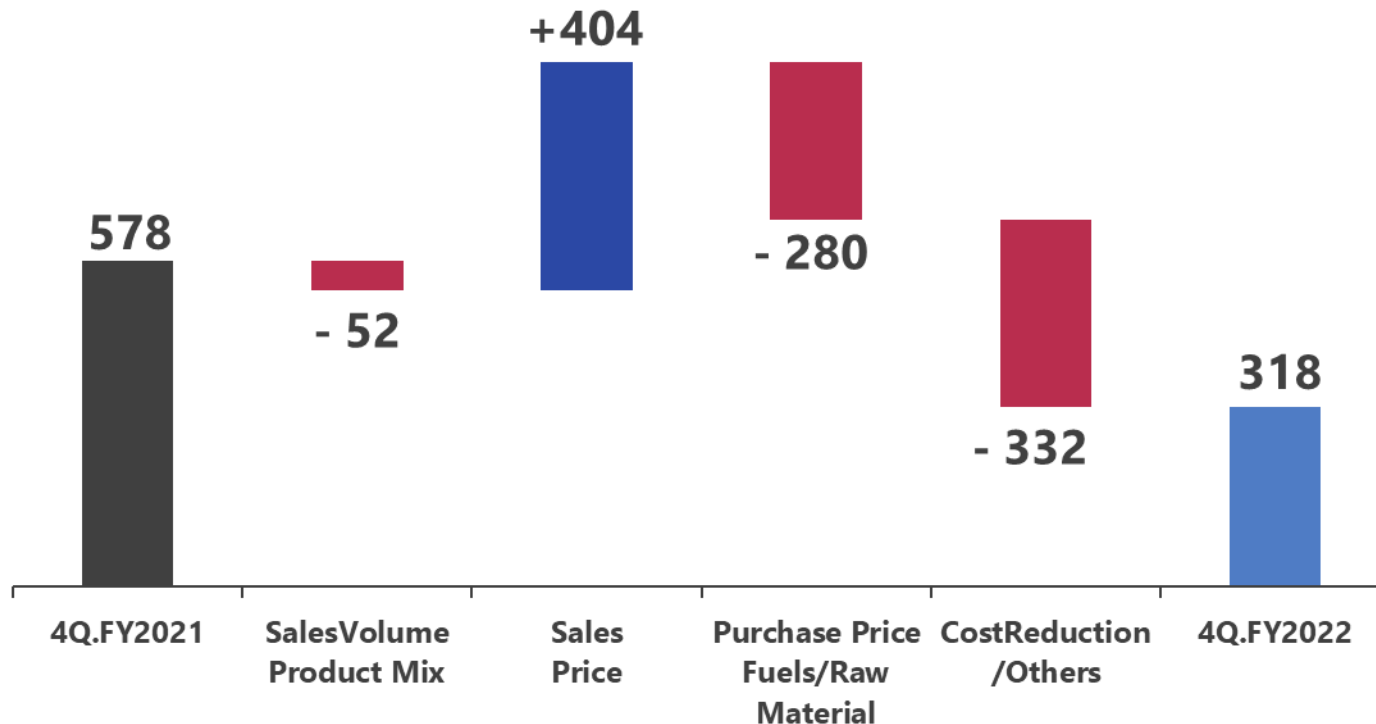
(100 million JPY)



# Variance Analysis on OP(4Q.FY2022 vs. 4Q.FY2021)

**26.0 bn JPY down from last year**

(100 million JPY)



# YoY Performance Comparison by Geographic Segment

Full-year | FY2021 | FY2022 | Change (100 million JPY)






<b>Net sales</b>	16,974	<b>20,359</b>	<b>+ 3,385</b>
Japan &Asia	11,244	<b>13,027</b>	<b>+ 1,783</b>
Americas	1,750	<b>2,078</b>	<b>+ 327</b>
Europe	3,980	<b>5,254</b>	<b>+ 1,274</b>
<b>Operating profit</b>	2,062	<b>1,839</b>	<b>▲ 222</b>
Japan &Asia	1,986	<b>1,871</b>	<b>▲ 115</b>
Americas	100	<b>72</b>	<b>▲ 28</b>
Europe	375	<b>314</b>	<b>▲ 62</b>
Cross-regional common expenses	▲ 399	<b>▲ 417</b>	<b>▲ 18</b>

FOREX impact :  
**+168.2 bn JPY**

Change in the scope of consolidation :  
**▲19.8 bn JPY**






# YoY Performance Comparison by Geographic Segment

(100 million JPY)

		Japan& Asia	Americas	Europe	Inter-segment	Total
 <b>Glass</b>	<b>4 Q .FY2022</b>	<b>986</b>	<b>322</b>	<b>1,196</b>	<b>4</b>	<b>2,508</b>
	4 Q .FY2021	829	220	845	3	1,896
<b>Architectural Glass</b>	<b>4 Q .FY2022</b>	<b>405</b>	<b>99</b>	<b>826</b>	<b>-</b>	<b>1,330</b>
	4 Q .FY2021	347	61	604	-	1,011
<b>Automotive Glass</b>	<b>4 Q .FY2022</b>	<b>581</b>	<b>222</b>	<b>370</b>	<b>-</b>	<b>1,174</b>
	4 Q .FY2021	482	159	241	-	881
 <b>Electronics</b>	<b>4 Q .FY2022</b>	<b>725</b>	<b>81</b>	<b>2</b>	<b>6</b>	<b>814</b>
	4 Q .FY2021	774	84	4	5	868
 <b>Chemicals</b>	<b>4 Q .FY2022</b>	<b>1,539</b>	<b>152</b>	<b>264</b>	<b>5</b>	<b>1,961</b>
	4 Q .FY2021	1,436	130	231	3	1,800
 <b>Ceramics/Other</b>	<b>4 Q .FY2022</b>	<b>103</b>	<b>-</b>	<b>-</b>	<b>115</b>	<b>218</b>
	4 Q .FY2021	86	-	-	146	233
 <b>Elimination</b>	<b>4 Q .FY2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>▲ 131</b>	<b>▲ 131</b>
	4 Q .FY2021	-	-	-	▲ 158	▲ 158
<b>Total Net Sales</b>	<b>4 Q .FY2022</b>	<b>3,354</b>	<b>555</b>	<b>1,462</b>	<b>-</b>	<b>5,370</b>
	4 Q .FY2021	3,126	434	1,079	-	4,639

# YoY Performance Comparison by Geographic Segment

(100 million JPY)

		Japan& Asia	Americas	Europe	Inter-segment	Total
 <b>Glass</b>	<b>FY2022</b>	<b>3,601</b>	<b>1,170</b>	<b>4,233</b>	<b>12</b>	<b>9,015</b>
	FY2021	3,132	1,046	3,144	20	7,343
<b>Architectural Glass</b>	<b>FY2022</b>	<b>1,469</b>	<b>327</b>	<b>3,031</b>	<b>-</b>	<b>4,827</b>
	FY2021	1,202	439	2,170	-	3,811
<b>Automotive Glass</b>	<b>FY2022</b>	<b>2,132</b>	<b>843</b>	<b>1,202</b>	<b>-</b>	<b>4,176</b>
	FY2021	1,930	607	975	-	3,511
 <b>Electronics</b>	<b>FY2022</b>	<b>2,771</b>	<b>267</b>	<b>11</b>	<b>23</b>	<b>3,072</b>
	FY2021	2,743	275	12	19	3,050
 <b>Chemicals</b>	<b>FY2022</b>	<b>6,281</b>	<b>640</b>	<b>1,010</b>	<b>20</b>	<b>7,952</b>
	FY2021	5,043	429	823	13	6,308
 <b>Ceramics/Other</b>	<b>FY2022</b>	<b>374</b>	<b>-</b>	<b>-</b>	<b>492</b>	<b>866</b>
	FY2021	326	-	-	468	794
 <b>Elimination</b>	<b>FY2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>▲ 547</b>	<b>▲ 547</b>
	FY2021	-	-	-	▲ 520	▲ 520
<b>Total Net Sales</b>	<b>FY2022</b>	<b>13,027</b>	<b>2,078</b>	<b>5,254</b>	<b>-</b>	<b>20,359</b>
	FY2021	11,244	1,750	3,980	-	16,974

# Business Performance

Glass	4Q.20	1Q.21	2Q.21	3Q.21	4Q.21	1Q.22	2Q.22	3Q.22	4Q.22	(100 million JPY)
<b>Net Sales</b>	<b>1,851</b>	<b>1,806</b>	<b>1,912</b>	<b>1,729</b>	<b>1,896</b>	<b>1,976</b>	<b>2,172</b>	<b>2,358</b>	<b>2,508</b>	
Architectural Glass	901	891	991	916	1,011	1,038	1,214	1,244	1,330	
Automotive Glass	943	908	915	808	881	935	956	1,111	1,174	
(Inter Segment)	7	7	6	5	3	3	2	2	4	
<b>Operating profit</b>	<b>53</b>	<b>95</b>	<b>106</b>	<b>51</b>	<b>21</b>	<b>40</b>	<b>74</b>	<b>23</b>	<b>92</b>	
Electronics	4Q.20	1Q.21	2Q.21	3Q.21	4Q.21	1Q.22	2Q.22	3Q.22	4Q.22	
<b>Net Sales</b>	<b>792</b>	<b>695</b>	<b>690</b>	<b>797</b>	<b>868</b>	<b>760</b>	<b>722</b>	<b>777</b>	<b>814</b>	
Display	458	461	429	474	457	450	420	346	338	
Electronic Materials	316	230	257	318	405	304	296	425	470	
(Inter Segment)	19	4	5	5	5	5	6	6	6	
<b>Operating profit</b>	<b>106</b>	<b>87</b>	<b>55</b>	<b>103</b>	<b>123</b>	<b>80</b>	<b>12</b>	<b>31</b>	<b>24</b>	
Chemicals	4Q.20	1Q.21	2Q.21	3Q.21	4Q.21	1Q.22	2Q.22	3Q.22	4Q.22	
<b>Net Sales</b>	<b>1,296</b>	<b>1,373</b>	<b>1,508</b>	<b>1,626</b>	<b>1,800</b>	<b>1,922</b>	<b>2,090</b>	<b>1,980</b>	<b>1,961</b>	
Chlor-alkali & Urethane	755	822	940	1,030	1,112	1,217	1,298	1,199	1,184	
Fluorochemicals & Specialty	278	269	299	329	343	356	393	410	403	
Life science	260	279	265	265	343	345	393	365	369	
(Inter Segment)	3	3	4	3	3	4	5	6	5	
<b>Operating profit</b>	<b>180</b>	<b>255</b>	<b>340</b>	<b>365</b>	<b>427</b>	<b>452</b>	<b>474</b>	<b>303</b>	<b>201</b>	

## Trend of shipment and price

				2021				2022			
				1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
YoY comparision											
Glass	Architectural (AGC)	Japan & Asia	shipment	+10%	+low 10% range	-mid single-digit	flat	+10%	+low 10% range	+mid single-digit	-high single-digit
			price	-mid single-digit	+low single-digit	+10%	+low 10% range	+high 10% range	+high 10% range	+mid 20% range	20%
		Europe	shipment	+low single-digit	+low 30% range	+high single-digit	+high 20% range	+mid 10% range	-low single-digit	-mid 10% range	-mid 20% range
			price	+high single-digit	+high 30% range	+high 30% range	+high 30% range	+mid 40% range	+low 60% range	+high 70% range	+low 50% range
	Automobile production*1	Japan	volume	-4%	+55%	-23%	-17%	-13%	-14%	+25%	+7%
		North America	volume	-4%	+132%	-26%	-14%	-2%	+12%	+23%	+8%
		Europe & Russia	volume	+1%	+84%	-32%	-23%	-18%	-4%	+22%	+2%
Electronic	Display panel demand*2	Global	area	+17%	+10%	-3%	+4%	+22%	+6%	-12%	-5%

\*1 Source : IHS Markit data as of December 15, 2022.

\*2 Source : Omdia-Display Long-Term Demand Forecast Tracker – 3Q22 Pivot

Results are not an endorsement of AGC Inc. Any reliance on these results is at the third-party's own risk.

		IFRS				
		18/12	19/12	20/12	21/12	22/12
Net sales	Million JPY	1,522,904	1,518,039	1,412,306	1,697,383	2,035,874
Operating profit	Million JPY	120,555	101,624	75,780	206,168	183,942
OP margin	%	7.9	6.7	5.4	12.1	9.0
Attributable to owners of the parent	Million JPY	89,593	44,434	32,715	123,840	△ 3,152
Return on equity (ROE) * <sup>1</sup>	%	7.7	3.9	2.9	10.2	△ 0.2
Return on assets (ROA) * <sup>2</sup>	%	5.4	4.4	3.1	7.9	6.7
Equity ratio	%	51	50	44	49	49
D/E (Interest-bearing debts ÷ Net assets)	times	0.43	0.47	0.63	0.41	0.41
CF from Operating Activities/Interest-bearing debt	times	0.35	0.32	0.29	0.54	0.33
Earnings per share(EPS) * <sup>3</sup>	JPY	399.51	200.85	147.84	559.11	△ 14.22
Cash dividends per share	JPY	115	120	120	210	210
EBITDA * <sup>4</sup>	Million JPY	259,425	231,857	208,459	383,226	253,209
Exchange rates (average)	JPY/USD	110.43	109.05	106.82	109.80	131.43
	JPY/EUR	130.42	122.07	121.81	129.89	138.04

\*1 Profit for the year attributable to owners of the parent/Total equity attributable to owners of the parent(average)

\*2 Operating profit/Total assets(average)



\*3 Earnings per share is adjusted to reflect the 5 into 1 share consolidation implemented on July 2017.

\*4 EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) = Profit before taxes + Depreciation + Interest expenses

**For other financial indicators, please see here.**  [https://www.agc.com/ir/pdf/data\\_all.pdf](https://www.agc.com/ir/pdf/data_all.pdf)



# Major Press Release in FY2022

 Date	 Summary
January 25	AGC to Double Production Capability for EUVL Mask Blanks
April 6	AGC to Expand Synthetic Pharmaceutical Production Base in Spain
May 6	AGC to Expand Capacity of Chlor-Alkali Business in Thailand
May 10	AGC Decides to Transfer All Shares of Solvay Soda Ash Joint Venture and Solvay Soda Ash Extension Joint Venture
May 13	AGC Develops New Composition of AMOLEA™ 1123, a Next-Generation Refrigerant with Low Global Warming Potential
May 18	AGC Biologics Expands Cell and Gene Therapy CDMO Capacity at its U.S. site
June 10	AGC Sets Reduction Target for Scope 3 GHG Emissions
July 26	AGC Glass Europe Announces New Low-carbon Glass Range
October 3	AGC Begins Full-scale Study to Expand its Bio-CDMO Capability in Japan
October 11	AGC Obtains Its First Environmental Product Declaration for Architectural Glass Products in Asia Pacific Region
October 17	AGC Group's Asahimas Chemical Signs Agreement to Purchase Renewable Energy Power Certificates
November 2	AGC to Establish the Life Science Company
December 13	AGC recognized with the highest rating of "A-List" for "Climate Change" by CDP
December 23	Notice regarding Transfer of AGC Flat Glass (Dalian) Inc.
January 12	AGC Receives Certification from SBTi for its "WB2°C" GHG Reduction Target

# Social Value to be created by AGC

- AGC creates the following five social values through its business activities.

**Realization of safe and comfortable urban infrastructure**



Low-E glass for building



UV cut glass for vehicles



Polyvinyl Chloride Resin

**Realization of safe and healthy lifestyles**



Pharmaceuticals(intermediate/active ingredients)



Agrochemicals (intermediate/active ingredients)



ETFE film for agricultural green-houses

**Maintenance of a healthy and secure society**



Relationship with local communities



Consideration for local environment



Human rights in supply chains

**Creation of fair and safe workplaces**



Workplace safety



Diversity



Employee engagement

**Realization of a sustainable global environment**

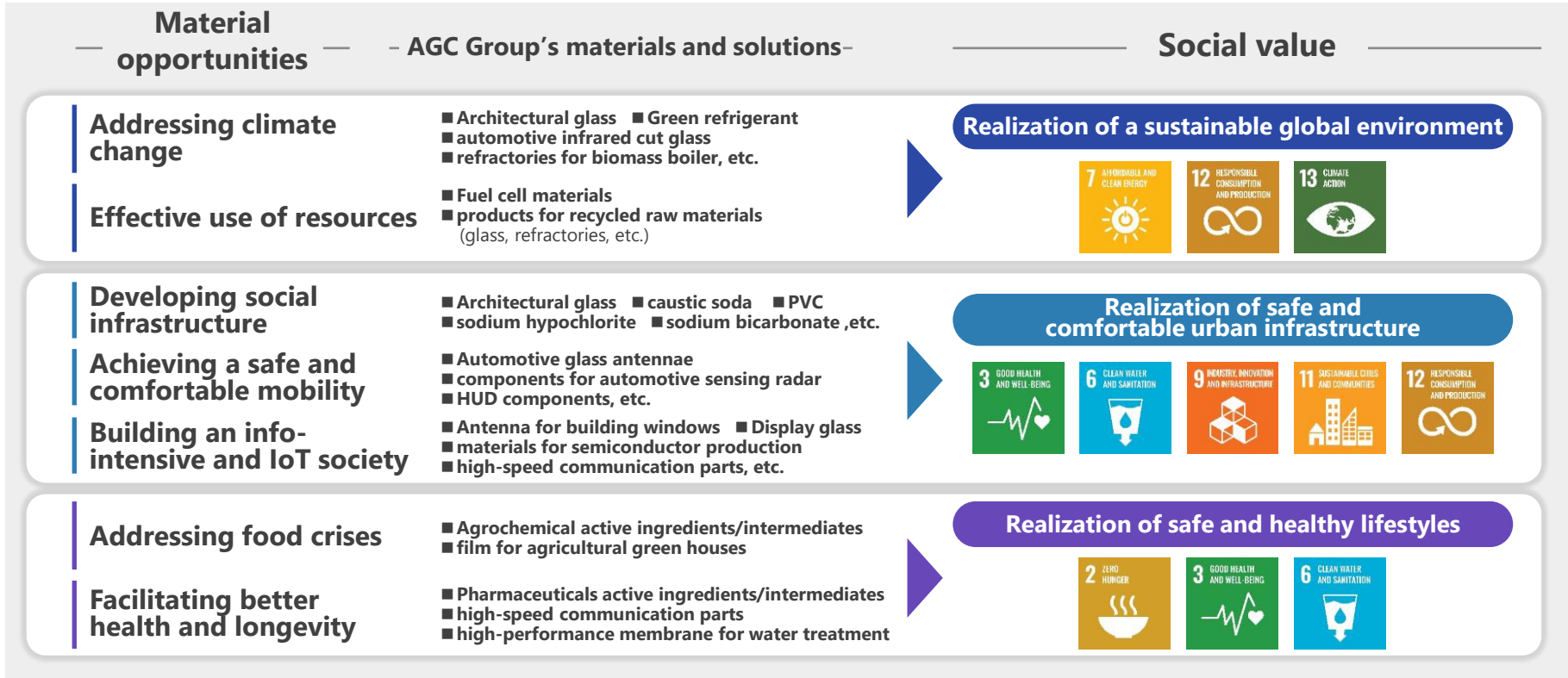


Response to climate change



Effective use of resources

# Sustainability : Products and technologies to create social value



# Sustainability : Create social value through healthy corporate activities

## — Material risks — - AGC Group corporate activities—

### Addressing climate change

- Continuous energy-saving
- development of production technology / facilities to reduce GHG emissions, etc.

### Effective use of resources

- Use of recycled raw materials/materials, Reduction of land, etc.

### Creating a socially and environmental-conscious supply chain

- Supplier selection based on respect for human rights / environmental protection

### Ensuring fair and equal employment and workplace safety

- Reduce water usage
- protect biodiversity
- prevent environment accidents
- supporter-making, etc.

### Considering relationships with local communities and the environment

- Increase employee engagement
- prevention of serious disaster / accidents requiring a leave, etc.

## Social value

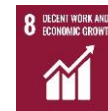
### Realization of a sustainable global environment



### Contributing to the maintenance of a healthy and secure society



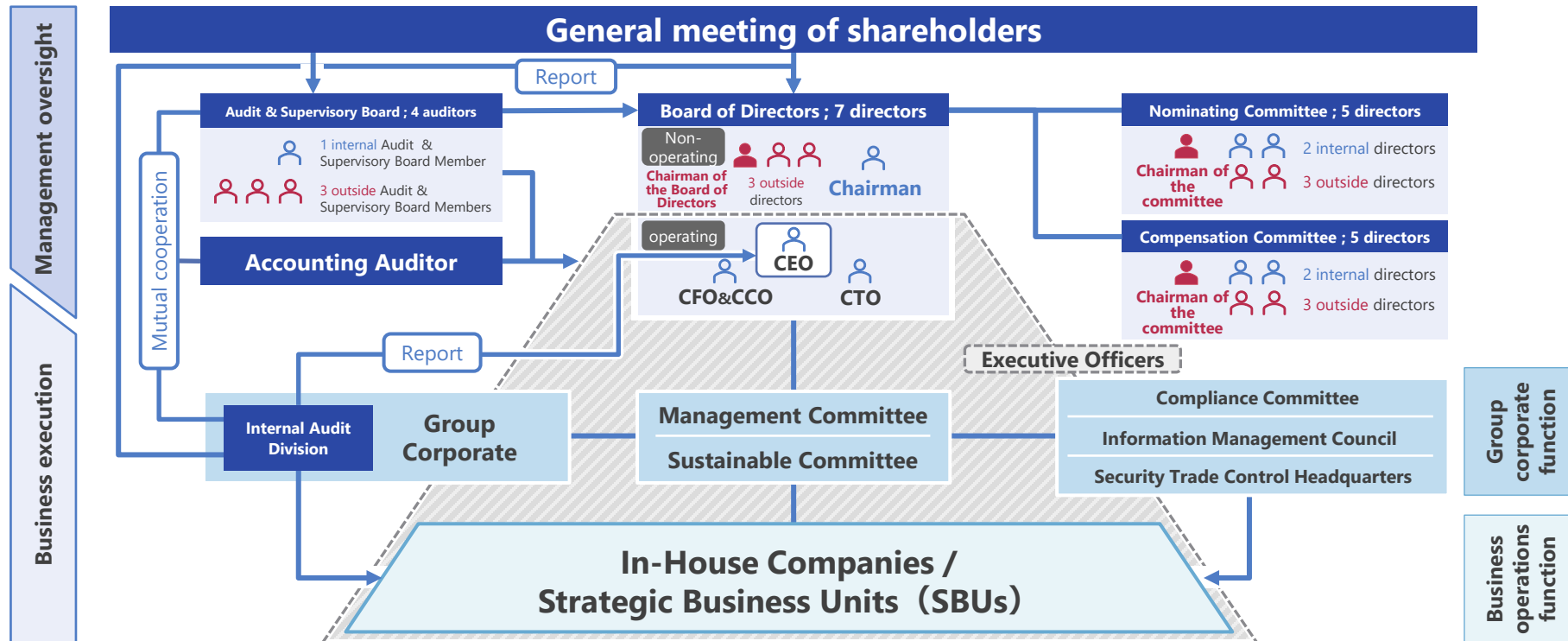
### Contributing to the creation of fair and safe workplaces



# AGC's Corporate Governance Structure

 : Internal directors or internal Audit & Supervisory Board Member

 : Outside directors or outside Audit & Supervisory Board Members who satisfy Company's "Standards for independence of outside officers"





**FTSE4Good Index Series**



**FTSE Blossom Japan Index**



**CDP Climate Change A**



**4 stars awarded in the 5th Nikkei "Smart Work Management" survey**



**Nadeshiko Brand**

as a company that excels in promoting the advancement of women in 2021



**"White 500" Company**

in recognition of initiatives to promote strategic health management for its employees



**EcoVadis Supplier Evaluations**

PLATINUM rated for the Kashima plant and AGC Pharma Chemicals Europe  
Highly rated in several other domestic and international locations

**Derwent Top 100 Global Innovator 2022**



**DX Brand 2022**

in recognition of digital transformation efforts

# END

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Your Dreams, Our Challenge