



## **AGC Inc.**

Financial Results for FY2025 First Quarter

May 12, 2025

# Event Summary

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[Company Name]	AGC Inc.	
[Company ID]	5201-QCODE	
[Event Language]	JPN	
[Event Type]	Earnings Announcement	
[Event Name]	Financial Results for FY2025 First Quarter	
[Fiscal Period]	FY2025 Q1	
[Date]	May 12, 2025	
[Venue]	Webcast	
[Venue Size]		
[Participants]		
[Number of Speakers]	3	
	Shinji Miyaji	Representative Director, Senior Executive Vice President, CFO
	Kazumi Tamaki	Executive Officer, General Manager of Corporate Communications and Investor Relations Division
	Tomoyuki Shiokawa	Executive Officer, General Manager of Finance and Control Division

## Key Points

### Financial Results for 1Q FY2025

(100 million JPY)  
(YoY)

Net sales	4,996	(+8)
Operating profit	258	(+17)
Profit for the period attributable to owners of the parent	66	(+276)

■ Net sales increased thanks to the product mix improvement and pricing policies effect in Automotive, increase in shipments for Electronics and positive effects of foreign exchange rates, despite decline in sales prices for Architectural Glass, decrease in revenue due to transfer of the Russian business and decrease in shipments in Essential Chemicals due to facility maintenance

■ Operating profit increased due to realization of effects of profit improvement measures in addition to the above-mentioned factors, despite higher raw materials and fuel costs.

■ Profit for the period attributable to owners of the parent increased due to the disappearance of other expenses such as losses on sale of shares of subsidiaries and associates incurred in connection with the transfer of the Russian business booked in the same period of the previous year in addition to the above-mentioned factors

### Outlook for FY2025

(100 million JPY)  
(YoY)

Net sales	21,500	(+824)
Operating profit	1,500	(+242)

■ Net sales and operating profit will increase due to recovery in Life Science and Automotive. **(No change was made from the forecast announced in February 2025.)**

**Miyaji:** I am Miyaji, CFO.

First, please see page 3. These are the key points of today's explanation.

Q1 2025 results, net sales increased JPY0.8 billion to JPY499.6 billion due to the product mix improvement and pricing policies effect in Automotive, an increase in shipments for Electronics, and the impact of yen depreciation, despite a decline in sales prices of Architectural glass, a decrease in revenue due to the transfer of the Russian business, and a decrease in shipments in Essential Chemicals due to facility maintenance.

Operating profit increased JPY1.7 billion to JPY25.8 billion, despite higher raw materials and fuel costs, due to the aforementioned revenue increase factors and the effects of profit improvement measures.

Profit for the period attributable to owners of the parent increased by JPY27.6 billion to JPY6.6 billion due to the abovementioned increase in revenue and the disappearance of the loss on sale of shares of subsidiaries and associates incurred, in connection with the transfer of the Russian business, which was recorded as other expenses in the same period of the previous year.

There is no change in the full year forecast from that announced in February of this year.

# Highlights of the Financial Results for 1Q FY2024

(100 million JPY)

	FY2024 1Q	FY2025 1Q	Change	
<b>Net sales</b>	4,987	<b>4,996</b>	+ 8	* <div> <b>Main factors in the change</b>  <b>(+) Increasing factors (-) Decreasing factors</b>            (+) Product mix improvement and pricing policies effect in Automotive            (+) Increase in shipments of LCD glass substrates and Electronic Materials            (+) Yen depreciation            (-) Decline in sales prices and decrease in revenue due to transfer of the Russian business in Architectural Glass            (-) Decrease in shipments of Essential Chemicals due to facility maintenance         </div>
<b>Operating profit</b>	241	<b>258</b>	+ 17	In addition to the above, (+) Realization of effects of profit improvement measures (-) Increase in raw materials and fuel costs
<b>Profit before tax</b>	- 63	<b>170</b>	+ 233	In addition to the above, (+) Disappearance of other expenses such as losses on sale of shares of subsidiaries and associates incurred in connection with the transfer of the Russian business booked in the same period of the previous year (-) Recognition of foreign exchange losses
<b>Profit for the period Attributable to owners of the parent</b>	- 210	<b>66</b>	+ 276	
<b>FOREX (Average)</b>	<b>1USD</b>	JPY 148.61	<b>JPY 152.60</b>	
	<b>1EUR</b>	JPY 161.31	<b>JPY 160.50</b>	
<b>Crude oil (Dubai, Average)</b>	<b>USD/BBL</b>	81.29	<b>76.94</b>	

\* FOREX impact was +47,  
Change in the scope of consolidation was -51

See page 6.

Net sales and operating profit are as explained earlier.

Profit before tax was affected by other expenses, which included the impact of the transfer of the Russian business, as explained earlier, as well as the impact of foreign exchange losses.

## YoY Performance Comparison by Business Segment



(100 million JPY)

	FY2024 1Q (a)		FY2025 1Q (b)		Change (b) - (a)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Architectural Glass	1,103	42	<b>1,040</b>	<b>- 9</b>	- 62	- 51
Automotive	1,242	48	<b>1,287</b>	<b>77</b>	+ 46	+ 29
Electronics	825	72	<b>867</b>	<b>140</b>	+ 41	+ 68
Chemicals	1,436	136	<b>1,441</b>	<b>111</b>	+ 5	- 25
Life Science	325	- 63	<b>310</b>	<b>- 62</b>	- 15	+ 1
Ceramics/Other	199	6	<b>134</b>	<b>- 0</b>	- 65	- 6
Elimination	- 143	0	<b>- 84</b>	<b>1</b>	+ 59	+ 1
<b>Total</b>	<b>4,987</b>	<b>241</b>	<b>4,996</b>	<b>258</b>	<b>+ 8</b>	<b>+ 17</b>

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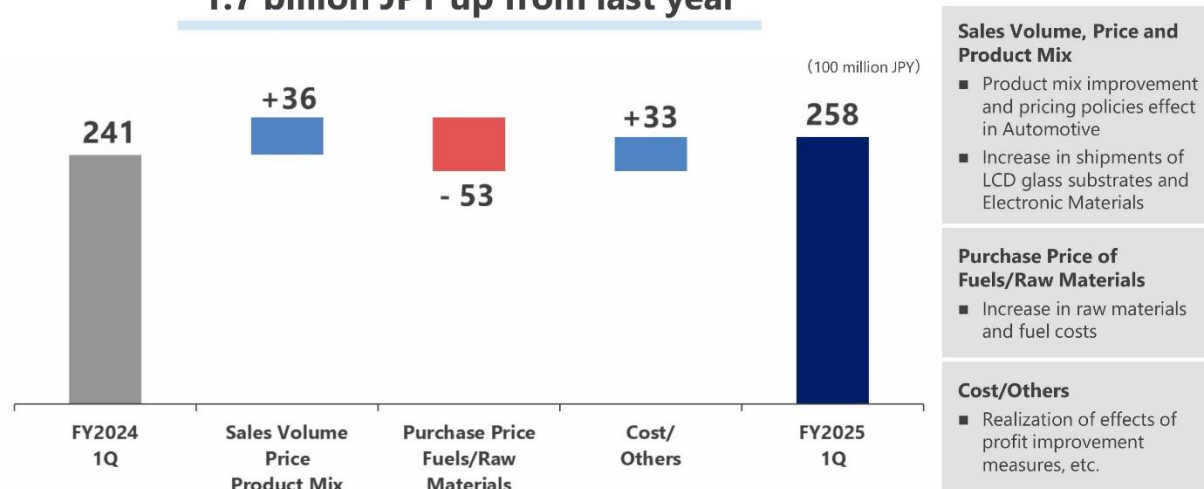
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See page 7, performance by segment.

Net sales and operating profit were down in Architectural glass, both up in Automotive and Electronics. Net sales was up, but operating profit was down in Chemicals, and net sales was down, but operating profit was up in Life Science.

## Variance Analysis on OP (1Q FY2025 vs 1Q FY2024)

**1.7 billion JPY up from last year**



See page 8. I will now explain the factors behind the difference in operating profit compared with the same period of the previous fiscal year.

Difference in sales volume, price, and product mix was positive JPY3.6 billion. In addition to the improved product mix and the effects of pricing policies in automotive glass, shipments of LCD glass substrates and Electronic Materials increased.

Difference in purchase price of fuels and raw materials was negative JPY5.3 billion.

Cost and other differences were positive JPY3.3 billion. The effects of profit improvement measures have been realized.

As a result of the above, operating profit was JPY25.8 billion, an increase of JPY1.7 billion.

# Consolidated Statement of Financial Position



	2024/12/31	2025/3/31	(100 million JPY) Change	
Cash and cash equivalents	1,080	<b>947</b>	- 133	
Inventories	4,541	<b>4,430</b>	- 111	
Property, plant and equipment, Goodwill and Intangible assets	16,529	<b>16,057</b>	- 472	Foreign exchange fluctuation <b>-498</b>
Other assets	6,746	<b>6,407</b>	- 339	
<b>Total assets</b>	28,897	<b>27,841</b>	- 1,056	Foreign exchange fluctuation <b>-777</b>
Interest-bearing debt	6,497	<b>6,656</b>	+ 158	
Other liabilities	5,682	<b>5,321</b>	- 361	
<b>Liabilities</b>	12,180	<b>11,977</b>	- 203	
Total equity attributable to owners of the parent	14,358	<b>13,640</b>	- 718	
Non-controlling interests	2,359	<b>2,224</b>	- 135	Foreign exchange fluctuation <b>-612</b>
<b>Equity</b>	16,717	<b>15,864</b>	- 852	
<b>Total liabilities and equity</b>	28,897	<b>27,841</b>	- 1,056	
<b>D/E ratio</b>	0.39	<b>0.42</b>		

See page 9. This is the balance sheet.

Total assets amounted to JPY2,784.1 billion, down JPY105.6 billion from the end of last year. There was a JPY77.7 billion impact from exchange rate differences.

The D/E ratio was 0.42.

# Consolidated Statement of Cash Flow

	(100 million JPY)	
	FY2024 1Q	FY2025 1Q
Profit before tax	- 63	<b>170</b>
Depreciation and amortization	455	<b>443</b>
Increase(decrease) in working capital	- 103	<b>- 32</b>
Others	386	<b>- 130</b>
<b>Cash flows from operating activities</b>	<b>676</b>	<b>450</b>
<b>Cash flows from investing activities</b>	<b>- 227</b>	<b>- 516</b>
<b>Free cash flows</b>	<b>449</b>	<b>- 66</b>
Changes in interest-bearing debt	- 473	<b>213</b>
Dividends paid	- 223	<b>- 223</b>
Others	- 4	<b>- 16</b>
<b>Cash flows from financing activities</b>	<b>- 700</b>	<b>- 26</b>
Effect of exchange rate changes on cash and cash equivalents etc.	21	<b>- 41</b>
<b>Net increase(decrease) in cash and cash equivalents</b>	<b>- 230</b>	<b>- 133</b>

Effect of loss on sale of subsidiaries and associates not accompanying cash outflow

**+36.5 billion yen**

Cash inflow effect from sale of subsidiaries and associates

**+21.9 billion yen**

See page 10, statement of cash flow.

Operating cash flow for the period was JPY45.0 billion, investing cash flow was negative JPY51.6 billion, and as a result, free cash flow was negative JPY6.6 billion.



# CAPEX, Depreciation and R&D

(100 million JPY)

	FY2024 1Q	FY2025 1Q
<b>CAPEX</b>	544	<b>496</b>
Architectural Glass	50	<b>78</b>
Automotive	53	<b>71</b>
Electronics	125	<b>85</b>
Chemicals	231	<b>199</b>
Life Science	76	<b>55</b>
Ceramics/Other	10	<b>9</b>
Elimination	- 0	<b>- 0</b>

	FY2024 1Q	FY2025 1Q
<b>Depreciation</b>	455	<b>443</b>
Architectural Glass	61	<b>63</b>
Automotive	84	<b>79</b>
Electronics	130	<b>124</b>
Chemicals	131	<b>136</b>
Life Science	45	<b>37</b>
Ceramics/Other	5	<b>4</b>
Elimination	- 0	<b>- 0</b>

	FY2024 1Q	FY2025 1Q
<b>R&amp;D</b>	144	<b>141</b>

## FY2025 Main projects for CAPEX

- Capacity enhancement for Electronic Materials (Electronics)
- Capacity enhancement for chlor-alkali in Southeast Asia (Chemicals)
- Capacity enhancement for fluorine-related products (Chemicals)
- Capacity enhancement for Biopharmaceuticals CDMO (Life Science)

etc.

See page 11. These are capital expenditures, depreciation, and R&D expenses.

Capital expenditures totaled JPY49.6 billion, depreciation, JPY44.3 billion, and R&D expenses, JPY14.1 billion.

Major capital investment projects are as described.

# Architectural Glass Segment

	FY2024 1Q	FY2025 1Q	Change
<b>Net sales</b>	1,103	<b>1,040</b>	- 62*
Asia	352	<b>346</b>	- 7
Europe & Americas	746	<b>685</b>	- 61
(Inter-segment)	5	<b>10</b>	+ 5
<b>Operating profit</b>	42	<b>- 9</b>	- 51

\* FOREX impact: -11,  
Change in the Scope of Consolidation: -44  
(100 million JPY)



## Asia

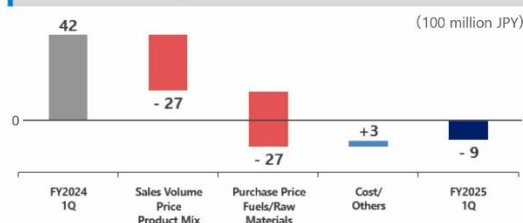
- Net sales decreased slightly due to sluggish shipments in some regions.



## Europe & Americas

- Net sales decreased due to lower sales prices in Europe and negative impact from the transfer of the Russian business.

### Variance Analysis on OP



### Sub-segment ratio to the operating profit (before common expense allocation)



We then move on to a segment-by-segment explanation. See page 13.

First, in Architectural glass, net sales were JPY104.0 billion and operating loss was JPY0.9 billion.

In Asia, sales declined slightly to JPY34.6 billion due to sluggish shipments in some regions. In Europe & Americas, sales declined JPY6.1 billion to JPY68.5 billion due to lower sales prices in Europe and negative impact from the transfer of the Russian business in February last year.

Operating profit decreased by JPY5.1 billion due to the aforementioned lower revenue factors, as well as higher raw materials and fuel costs. The sub-segment ratio to the operating profit was Asia, 3, to Europe & Americas, negative 2.

# Automotive Segment

	FY2024 1Q	FY2025 1Q	Change
<b>Net sales</b>	1,242	<b>1,287</b>	+ 46*
Automotive	1,240	<b>1,287</b>	+ 47
(Inter-segment)	1	<b>1</b>	- 1
<b>Operating profit</b>	48	<b>77</b>	+ 29

\* FOREX impact: +11,  
Change in the Scope of Consolidation: -10

(100 million JPY)

## Variance Analysis on OP



## Automotive

- Shipments increased in Japan despite a decrease in Europe and North America.
- Net sales increased thanks to product mix improvement and pricing policies effect in addition to the above-mentioned factors.

See page 14.

Next, in Automotive segment, net sales were JPY128.7 billion and operating profit was JPY7.7 billion.

Shipments decreased in Europe and North America, but increased in Japan. In addition to the aforementioned, improved product mix and the effects of pricing policies resulted in a JPY4.6 billion increase in net sales.

Operating profit increased by JPY2.9 billion as a result of these factors.

# Electronics Segment

	FY2024 1Q	FY2025 1Q	Change
<b>Net sales</b>	825	<b>867</b>	+ 41*
Display	428	<b>458</b>	+ 30
Electronic Materials	394	<b>405</b>	+ 10
(Inter-segment)	3	<b>4</b>	+ 1
<b>Operating profit</b>	72	<b>140</b>	+ 68

\* FOREX impact: +9,  
Change in the Scope of Consolidation: No impact

(100 million JPY)



## Display

- Net sales increased due to increase in shipments of LCD glass substrates.



## Electronic Materials

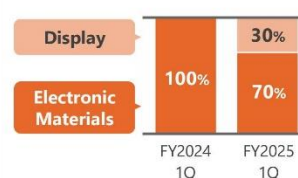
- Net sales increased due to robust shipments of semiconductor-related materials such as EUV mask blanks as well as the positive effect of foreign exchange rates.

## Variance Analysis on OP



## Sub-segment ratio to the operating profit

(before common expense allocation)



See page 15.

In Electronics, net sales were JPY86.7 billion and operating profit was JPY14.0 billion.

Net sales of Display increased JPY3.0 billion to JPY45.8 billion due to an increase in shipments of LCD glass substrates. Net sales of Electronic Materials increased by JPY1.0 billion to JPY40.5 billion due to an increase in shipments of semiconductor-related materials, such as photomask blanks for EUV lithography, as well as the impact of yen depreciation.

As a result, operating profit increased by JPY6.8 billion. Cost improvement due to increased shipments of LCD glass substrates also made a significant contribution. Sub-segment ratio to the operating profit was approximately 70% for Electronic Materials and 30% for Display.

# Chemicals Segment

	FY2024 1Q	FY2025 1Q	Change
<b>Net sales</b>	1,436	1,441	+ 5*
Essential Chemicals	1,005	979	- 26
Performance Chemicals	421	451	+ 30
(Inter-segment)	10	12	+ 1
<b>Operating profit</b>	136	111	- 25

\* FOREX impact: +37,  
Change in the Scope of Consolidation: No impact

(100 million JPY)

## Variance Analysis on OP



### Essential Chemicals

- Net sales slightly decreased due to decrease in shipments caused by facility maintenance despite positive effect of foreign exchange rates.

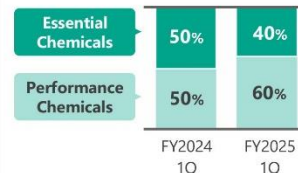


### Performance Chemicals

- Net sales increased due to higher sales prices and positive effect of foreign exchange rates.

## Sub-segment ratio to the operating profit

(before common expense allocation)



See page 16.

In Chemicals segment, net sales were JPY144.1 billion and operating profit was JPY11.1 billion.

Sales of Essential Chemicals decreased by JPY2.6 billion to JPY97.9 billion due to a decrease in shipments caused by facility maintenance and other reasons, despite the positive effect of the weaker yen. Performance Chemicals sales increased JPY3 billion to JPY45.1 billion due to higher sales prices and the weaker yen.

Operating profit decreased by JPY2.5 billion, mainly due to worsened manufacturing costs caused by large-scale periodic repairs at a manufacturing site. Sub-segment ratio to the operating profit was approximately 40% for Essential Chemicals and 60% for Performance Chemicals.

# Life Science Segment

	FY2024 1Q	FY2025 1Q	Change
<b>Net sales</b>	325	<b>310</b>	- 15*
Life Science	309	<b>300</b>	- 10
(Inter-segment)	16	<b>10</b>	- 5
<b>Operating profit</b>	-63	<b>-62</b>	+ 1

\* FOREX impact: -0.3,  
Change in the Scope of Consolidation: No impact

(100 million JPY)

## Variance Analysis on OP



## Life Science

- Although there was an increase in shipments due to the start of operation of the expanded facility for Biopharmaceuticals CDMO, net sales decreased due to the disappearance of one-off revenues associated with the settlement of contracted projects which was booked in the previous year.
- Although the effects of structural reform measures etc. of Biopharmaceuticals CDMO have been realized, the improved loss was partly offset by a new production issue at Boulder site (the U.S.) and other factors.

See page 17.

Finally, in Life Science, net sales were JPY31.0 billion and operating loss was JPY6.2 billion.

Net sales decreased by JPY1.5 billion due to the disappearance of one-off revenues associated with the settlement of contracted projects, which were booked in the previous year, despite an increase in shipments due to the start of operation of an expanded facility.

Operating profit benefited from fixed cost reduction measures in the Biopharmaceuticals CDMO, but this was offset by the new production issue at the Boulder site of the Biopharmaceuticals CDMO in the US.

# Strategic Businesses' Contribution

- Net sales and operating profit increased YoY driven by strong shipments of Performance Chemicals, Electronics, and Mobility.

Net Sales of Strategic businesses

(100 million JPY)



## Main products & businesses

### Mobility

- Cover glass for car-mounted displays
- High value-added products for CASE

### Electronics

- Semiconductor-related products
- Optoelectronic materials
- Next-generation high-speed communication materials

### Performance Chemicals

- High performance fluorine products for various industries

### Life Science

- Small molecule pharmaceuticals and agrochemicals CDMO
- Biopharmaceuticals CDMO

See page 18. This is the performance of the strategic businesses.

Overall sales of the strategic business increased by JPY3.6 billion YoY to JPY117.4 billion. Operating profit increased JPY0.6 billion to JPY10.9 billion.

Sales and profit increased due to strong shipments of Performance Chemicals, Electronics, and Mobility.

# Outlook for FY2025

- No change from the outlook announced in February 2025

		(100 million JPY)	
		FY2024	FY2025e
Net sales		20,676	<b>21,500</b>
	(First half)	10,152	10,500
Operating profit		1,258	<b>1,500</b>
	(First half)	567	650
Profit before tax		- 501	<b>1,350</b>
Profit for the year attributable to owners of the parent		- 940	<b>800</b>
Dividend (JPY/share)		210	<b>210</b>
Operating profit margin		6.1%	7.0%
ROE *		- 6.5%	5.6%
FOREX (Average)	1 USD	JPY 151.6	JPY 150.0
	1 EUR	JPY 164.0	JPY 160.0
Crude oil (Dubai, Average)	USD/BBL	79.6	80.0

\* ROE of FY2025e is calculated using the figures of Total equity attributable to owners of the parent as of Dec. 31, 2024

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See page 20. This is the outlook for full year results.

The earnings and dividend forecasts announced at the beginning of the fiscal year remain unchanged.



## Outlook Breakdown by Segment (Net Sales and Operating Profit)

- No change at this point. While the impact of the U.S. tariffs is unclear at this point, there is a risk of the impact becoming apparent in the second half, mainly in Automotive and Electronics.
- There are concerns of a decline in overall demand due to the deteriorating economic environment.

(100 million JPY)

	FY2024 (a)		FY2025e		Change (b)-(a)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
 Architectural Glass	4,380	164	<b>4,400</b>	<b>160</b>	+ 20	- 4
 Automotive	4,988	139	<b>5,000</b>	<b>220</b>	+ 12	+ 81
 Electronics	3,645	545	<b>3,700</b>	<b>580</b>	+ 55	+ 35
 Chemicals	5,936	568	<b>6,500</b>	<b>600</b>	+ 564	+ 32
 Life Science	1,412	- 212	<b>1,500</b>	<b>- 100</b>	+ 88	+ 112
 Ceramics/Other	791	51	<b>700</b>	<b>40</b>	- 91	- 11
Elimination	- 477	4	<b>- 300</b>	<b>0</b>	+ 177	- 4
<b>Total</b>	<b>20,676</b>	<b>1,258</b>	<b>21,500</b>	<b>1,500</b>	<b>+ 824</b>	<b>+ 242</b>

See page 21.

The impact of the tariff policy in the US is still uncertain, and we have not changed our forecasts by segment since the announcement at the beginning of the fiscal year. However, there is a possibility that H2 may be affected, especially in the automotive and electronics-related sectors.

There is also, of course, the concern that a more deteriorating economic environment will reduce demand for businesses in general.

# Outlook by Business Segment (1)

## Outlook for FY2025 (vs FY2024)



### Architectural Glass

#### Asia

- Shipments are expected to be robust, underpinned by demand for highly heat shielding/insulating glass.

#### Europe & Americas

- Continued robust performance in South America
- Although the pricing policies effect will begin in the second quarter, weak economy continues to have a negative impact in Europe.



### Automotive

- Automobile production is expected to be robust in Asia but decrease in Europe and North America. The Company's shipments overall are expected to decrease.
- Profitability is expected to improve due to ongoing earnings improvement measures.
- In North America in particular, improvement measures including pricing policies and structural reforms will be accelerated together with production and shipping issues being resolved.



### Electronics

#### Display

- Profitability of LCD glass substrates is expected to improve with solid demand on top of progress of earnings improvement measures.

#### Electronic Materials

- Shipments of the semiconductor-related materials are steady overall, but uncertain for some products.
- Shipments of optoelectronic materials will slightly decrease.

See page 22. This is the business outlook for each business segment.

First, in Architectural Glass, in Asia, although some regions were sluggish in Q1, for the full year, our shipments are expected to increase compared to the previous year, supported by demand for highly heat-shielding/insulating glass. South America is expected to remain strong. In Europe, the effects of the pricing policies will begin to emerge from Q2, and we expect the situation to improve, but the economic slump is expected to continue throughout the year.

In Automotive, we expect automobile production to remain steady in Asia, but to decline in Europe and North America, and our shipments are also expected to decrease. Profitability is expected to improve due to ongoing earnings improvement measures. Particularly, in North America, in addition to resolving production and shipping issues, we are accelerating our efforts, including the review of our pricing policies and business structure.

In Electronics, profitability of LCD glass substrates is expected to improve, with solid demand on top of progress of earnings improvement measures. In the Electronic Materials, shipments of some semiconductor-related materials are somewhat uncertain, but are expected to be firm overall. We also believe that shipments of optoelectronic materials may decrease slightly.

## Outlook by Business Segment (2)

### Outlook for FY2025 (vs FY2024)



#### Chemicals

##### Essential Chemicals

- Shipments are expected to increase driven by a gradual start-up of the expanded facility in Thailand.

##### Performance Chemicals

- Shipment will increase due to higher demand for fluorine-related products for semiconductors and transportation application.



#### Life Science

- Sales of Small molecule pharmaceuticals and agrochemicals CDMO are expected to increase.
- Loss of the Biopharmaceuticals CDMO will improve from the second quarter and onwards driven by increase in sales in addition to positive effects of structural reform measures.
- Boulder site (U.S.) has been struggling with commercial production. Currently focusing human resources on reinforcement of quality control and facility optimization.

See page 23.

In Chemicals, shipments of Essential Chemicals are expected to increase due to the start of operation of the expanded facility in Thailand. Shipments of Performance Chemicals are expected to increase due to higher demand for fluorine-related products for semiconductors and transportation applications.

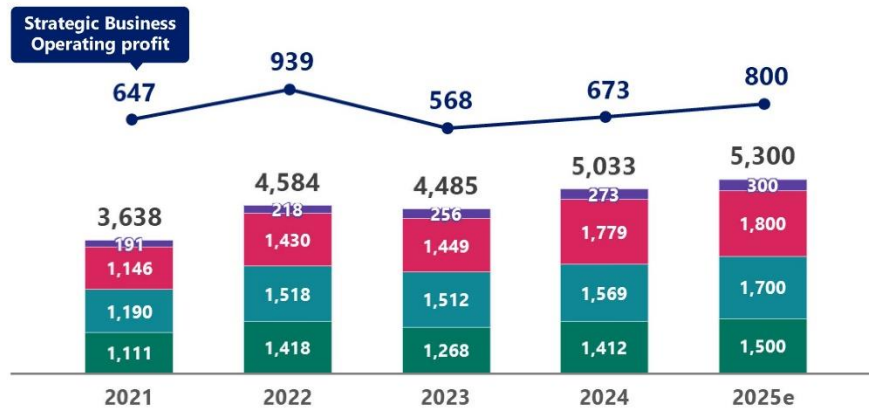
Next, in Life Science, sales of Small-molecule Pharmaceuticals and Agrochemicals CDMO are expected to increase. In the Biopharmaceuticals CDMO, we expect to see an improvement in profitability due to the effects of structural reform measures and an increase in sales from Q2 onward. The annual order volume has already been secured as planned. The Boulder site in the US continues to struggle with commercial production, and we are currently concentrating human resources to strengthen quality control and optimize facilities.

# Outlook of Strategic Businesses

- No change from the outlook announced in February 2025.

## Sales of Strategic Businesses

(100 Million JPY)



### Main products & businesses

#### Mobility

- Cover glass for car-mounted displays
- High value-added products for CASE

#### Electronics

- Semiconductor-related products
- Optoelectronic materials
- Next-generation high-speed communication materials

#### Performance Chemicals

- High performance fluorine products for various industries

#### Life Science

- Small molecule pharmaceuticals and agrochemicals CDMO
- Biopharmaceuticals CDMO

See page 24. There is no change in the initial forecast for strategic businesses.

# Outlook of CAPEX, Depreciation and R&D

- No change from the outlook announced in February 2025.

	FY2024	FY2025e
<b>CAPEX</b>	2,575	<b>2,400</b>
Architectural Glass	338	<b>350</b>
Automotive	355	<b>330</b>
Electronics	406	<b>560</b>
Chemicals	1,082	<b>800</b>
Life Science	358	<b>330</b>
Ceramics/Other	37	<b>30</b>
Elimination	- 0	<b>0</b>

	FY2024	FY2025e
<b>Depreciation</b>	1,813	<b>1,870</b>
Architectural Glass	249	<b>260</b>
Automotive	324	<b>330</b>
Electronics	532	<b>540</b>
Chemicals	535	<b>570</b>
Life Science	157	<b>150</b>
Ceramics/Other	18	<b>20</b>
Elimination	- 2	<b>0</b>

(100 million JPY)

	FY2024	FY2025e
<b>R&amp;D</b>	618	<b>620</b>

## FY2025 Main projects for CAPEX

- Repairment for architectural glass furnace (Architectural Glass)
- Repairment for display glass furnace (Electronics)
- Capacity enhancement for Electronic Materials (Electronics)
- Capacity enhancement for chlor-alkali products in Southeast Asia (Chemicals)
- Capacity enhancement for fluorine-related products (Chemicals)
- Capacity enhancement for Biopharmaceuticals CDMO and Small molecule pharmaceuticals and agrochemicals CDMO (Life Science)

See page 25. The initial forecasts for capital expenditures, depreciation, and R&D expenses remain unchanged.

This concludes my explanation. Thank you very much.

[END]