

Financial Results for the Nine Months ended September 30, 2023

The AGC logo is displayed in a white rectangular box on the right side of the slide. It consists of the letters 'AGC' in a bold, blue, sans-serif font. A small red square is positioned to the right of the letter 'G'.

AGC Inc.

Nov. 2, 2023

Your Dreams, Our Challenge



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Financial Results for 3Q FY2023

(YoY)

Net sales	1,483.8 bn JPY	(▲15.0 bn JPY)
Operating profit	95.5 bn JPY	(▲56.6 bn JPY)
Profit for the period Attributable to owners of the parent	57.5 bn JPY	(▲41.2 bn JPY)

- Net sales decreased due to the impact of the decline in sales prices for PVC and decrease in sales of Biopharmaceuticals CDMO, despite higher sales in Automotive glass and the impact of foreign exchange rates.
- Operating profit decreased due to the above-mentioned lower sales factors and deteriorating manufacturing costs, despite lower raw materials and fuel costs.

Outlook for FY2023

(YoY)

Net sales	2,050.0 bn JPY	(+14.1 bn JPY)
Operating profit	150.0 bn JPY	(▲33.9 bn JPY)

- No change was made from the forecast announced in August 2023.

1. Highlights of the Financial Results

Highlights of the Financial Results for 3Q FY2023 (cumulative)







* FOREX impact was +75.7 billion JPY, change in the scope of consolidation was ▲2.1 billion JPY

(100 million JPY)

		FY2022 1-3Q Total	FY2023 1-3Q Total	Change	Main factors in the change (+) Increasing factors (-)Decreasing factors
Net sales		14,989	14,838	▲ 150*	(+) Increase in sales prices of Automotive glass (+) Increase in shipments of Automotive glass (+) Yen depreciation (-) Decline in sales prices of PVC (-) Decrease in sales of Biopharmaceuticals CDMO and shipments of Fluorochemical-related products
Operating profit		1,521	955	▲ 566	In addition to the above, (+) Decrease in raw materials and fuel prices (-) Deterioration in manufacturing costs
Profit before tax		1,652	992	▲ 660	In addition to the above, (+) FOREX gain (-) Gain on sales of land recorded in the same period of the previous year
Profit for the period Attributable to owners of the parent		988	575	▲ 412	
FOREX (Average)	1USD	JPY 128.05	JPY 138.11		
	1EUR	JPY 135.95	JPY 149.62		
Crude oil (Dubai, Average)	USD/BBL	100.17	81.61		

YoY Performance Comparison by Business Segment

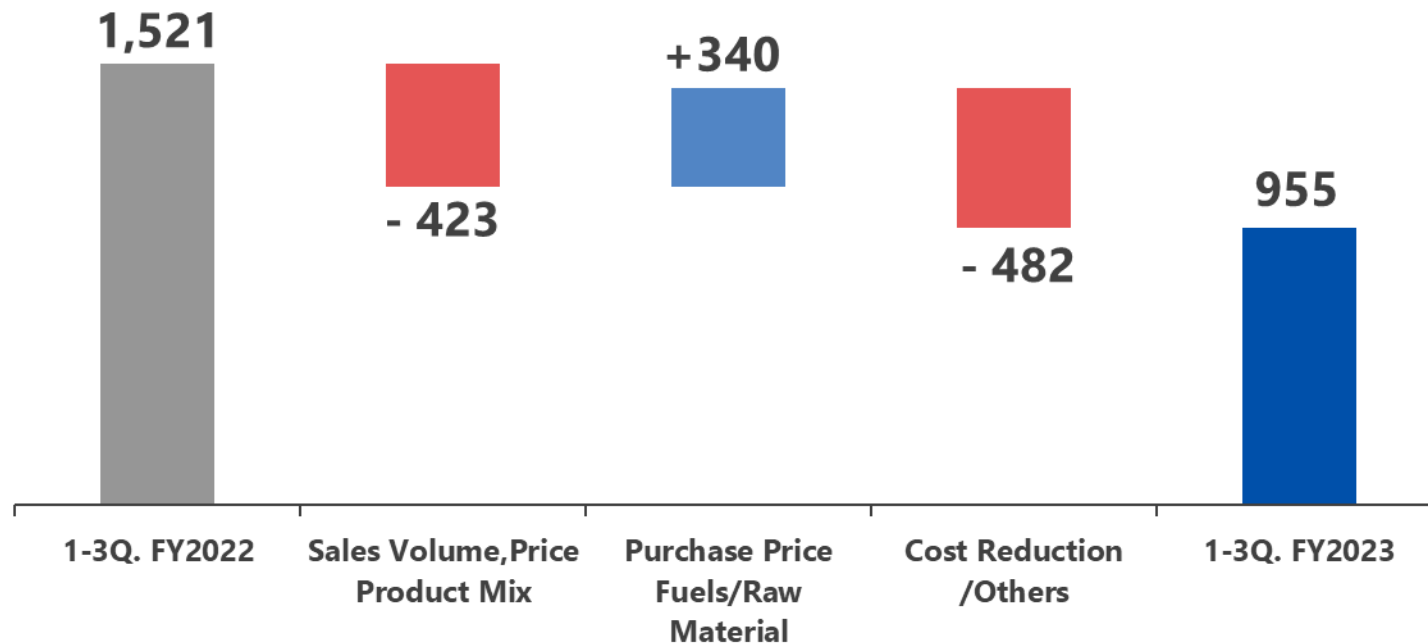
(100 million JPY)

	FY2022 1-3Q Total (a)		FY2023 1-3Q Total (b)		Change (b)-(a)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
	 Architectural Glass	3,503	291	3,547	269	+ 44
 Automotive	3,004	▲ 154	3,662	162	+ 658	+ 316
 Electronics	2,258	123	2,254	98	▲ 4	▲ 24
 Chemicals	4,978	1,074	4,255	479	▲ 722	▲ 595
 Life Science	1,066	155	918	▲ 77	▲ 148	▲ 232
 Ceramics/Other	648	34	601	26	▲ 47	▲ 8
Elimination	▲ 469	▲ 2	▲ 400	▲ 1	+ 69	+ 0
Total	14,989	1,521	14,838	955	▲ 150	▲ 566

Variance Analysis on OP (1-3Q.FY2023 vs. 1-3Q.FY2022)

56.6 bn JPY down from last year

(100 million JPY)



Consolidated Statement of Financial Position

	(100 million JPY)		
	2022/12	2023/9	Change
Cash and cash equivalents	2,097	1,639	▲ 459
Inventories	4,365	4,736	+ 371
Property, plant and equipment, Goodwill and Intangible assets	15,148	16,285	+ 1,137
Other assets	6,530	7,217	+ 687
Total assets	28,140	29,876	+ 1,736
Interest-bearing debt	6,502	7,330	+ 828
Other liabilities	5,782	5,789	+ 7
Liabilities	12,284	13,120	+ 835
Total equity attributable to owners of the parent	13,903	14,648	+ 745
Non-controlling interests	1,953	2,109	+ 156
Equity	15,856	16,757	+ 901
Total liabilities and equity	28,140	29,876	+ 1,736
D/E ratio	0.41	0.44	

Foreign exchange fluctuation
+ 107.2 billion yen

Foreign exchange fluctuation
+ 178.9 billion yen

Foreign exchange fluctuation
+ 105.8 billion yen

Consolidated Statement of Cash Flow

(100 million JPY)

1-3Q Total	FY2022	FY2023
Profit before tax	1,652	992
Depreciation and amortization	1,375	1,309
Increase(decrease) in working capital	▲ 852	▲ 521
Others	▲ 595	▲ 319
Cash flows from operating activities	1,580	1,462
Cash flows from investing activities	▲ 791	▲ 1,293
Free cash flow	789	169
Changes in interest-bearing debt	224	421
Dividends paid	▲ 522	▲ 460
Others	▲ 98	▲ 715
Cash flows from financing activities	▲ 395	▲ 753
Effect of exchange rate changes on cash and cash equivalents	289	126
Net increase(decrease) in cash and cash equivalents	682	▲ 459

Share repurchases
▲ **50 billion yen**

CAPEX, Depreciation and R&D

1-3Q Total	FY2022	FY2023
CAPEX	1,502	1,542
Architectural Glass	111	160
Automotive	184	165
Electronics	553	385
Chemicals	440	579
Life Science	205	234
Ceramics/Other	10	20
Elimination	▲ 2	▲ 1

	FY2022	FY2023
Depreciation	1,375	1,309
Architectural Glass	186	182
Automotive	234	236
Electronics	513	395
Chemicals	347	376
Life Science	83	106
Ceramics/Other	14	16
Elimination	▲ 1	▲ 1

(100 million JPY)

	FY2022	FY2023
R&D	382	414

Main projects for CAPEX

- G11 investment in China (Electronics)
- Repairment for Display glass furnace (Electronics)
- Capacity enhancement of Electronic materials (Electronics)
- Capacity enhancement for Chlor-alkali in Southeast Asia (Chemicals)
- Capacity enhancement for Fluorochemical-related products (Chemicals)
- Capacity enhancement for Biopharmaceuticals CDMO and Small Molecule Pharmaceuticals and Agrochemicals CDMO (Life Science) etc.

2. Business and Geographic Segments

1-3Q Total	FY2022	FY2023	Change
Net sales	3,503	3,547	+ 44*
Asia	1,064	1,160	+ 96
Europe & Americas	2,433	2,378	▲ 55
(Inter-segment)	6	10	+ 3
Operating profit	291	269	▲ 22

* FOREX impact: +24.5 billion yen, Change in the Scope of Consolidation: +0.7 billion yen (100 million JPY)

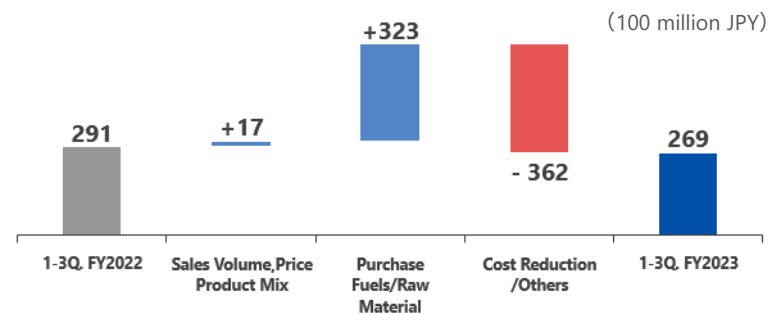
Asia

- Despite shipments declined in all regions except Japan, net sales increased thanks to the rise in sales prices.

Europe & Americas

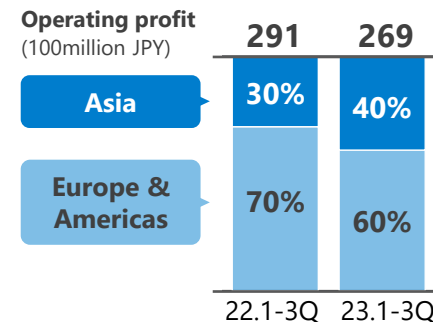
- Shipments declined in Europe, which was affected by the economic slowdown, and net sales decreased due to the decline in sales prices.
- Despite natural gas prices declined, manufacturing costs deteriorated.

Variance Analysis on OP



Ratio of sub-segment to the operating profit

(before common expense allocation)



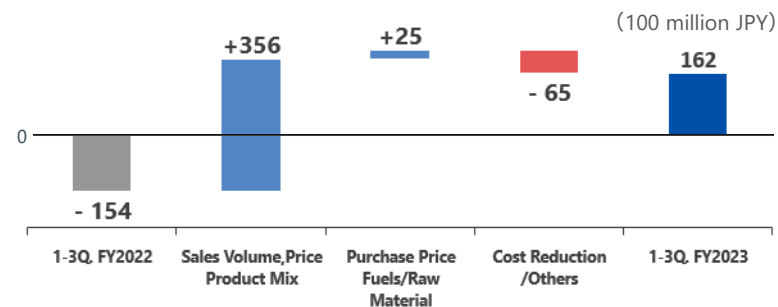
1-3Q Total	FY2022	FY2023	Change
Net sales	3,004	3,662	+ 658*
Automotive	3,002	3,659	+ 657
(Inter-segment)	1	3	+ 2
Operating profit	▲ 154	162	+ 316

* FOREX impact: +19.2 billion yen,
Change in the Scope of Consolidation: No impact
(100 million JPY)

Automotive Glass

- The group's shipments increased as the automobile production increased.
- Net sales and operating profit increased thanks to the rise in sales prices, improvement of product mix and foreign exchange effects.

Variance Analysis on OP



1-3Q Total	FY2022	FY2023	Change
Net sales	2,258	2,254	▲ 4*
Display	1,216	1,201	▲ 16
Electronic Materials	1,025	1,045	+ 20
(Inter-segment)	17	8	▲ 8
Operating profit	123	98	▲ 24

* FOREX impact: +5.5 billion yen, Change in the Scope of Consolidation: ▲2.6 billion yen (100 million JPY)



Display

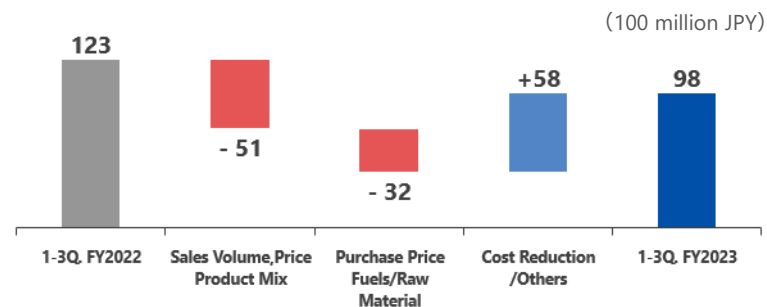
- Although an increase in shipments of LCD glass substrates, net sales decreased due to change in scope of consolidation, etc.
- Raw materials and fuel costs increased.



Electronic Materials

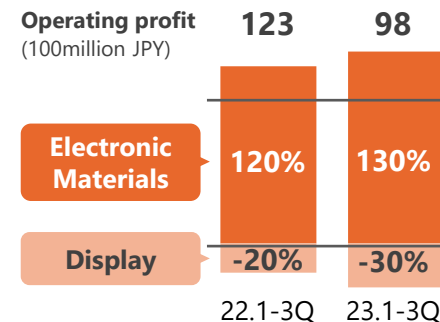
- Despite a decrease in shipments of optoelectronic materials, net sales increased thanks to robust shipments of semiconductor-related products such as EUV mask blanks, as well as the impact of foreign exchange rates.

Variance Analysis on OP

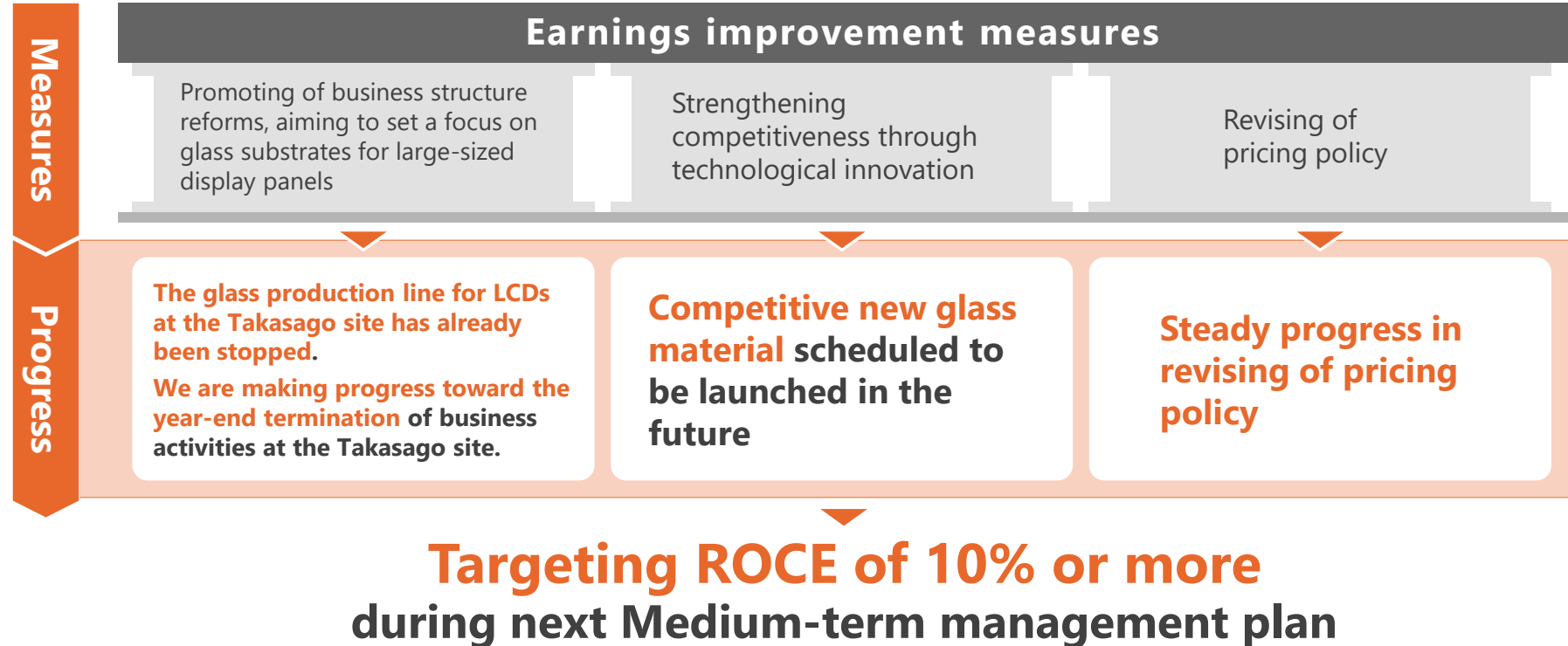


Ratio of sub-segment to the operating profit

(before common expense allocation)



- Steady progress in each of the profit improvement measures



1-3Q Total	FY2022	FY2023	Change
Net sales	4,978	4,255	▲ 722*
Essential Chemicals	3,714	3,010	▲ 704
Performance Chemicals	1,223	1,212	▲ 11
(Inter-segment)	40	33	▲ 7
Operating profit	1,074	479	▲ 595

* FOREX impact: +20.5 billion yen, Change in the Scope of Consolidation: No impact (100 million JPY)

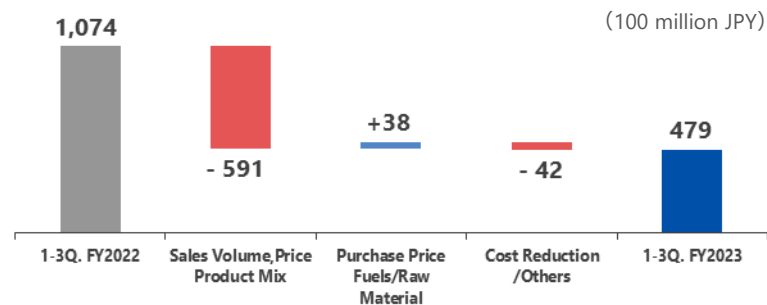
Essential Chemicals

- Sales prices of PVC and other products declined.

Performance Chemicals

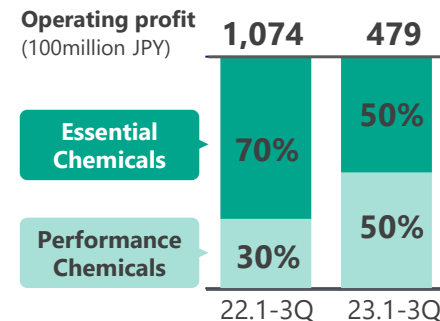
- Net sales remained at the same level as the previous year due to the rise in sales prices and foreign exchange effects, despite a decrease in shipments of Fluorochemical-related products.

Variance Analysis on OP



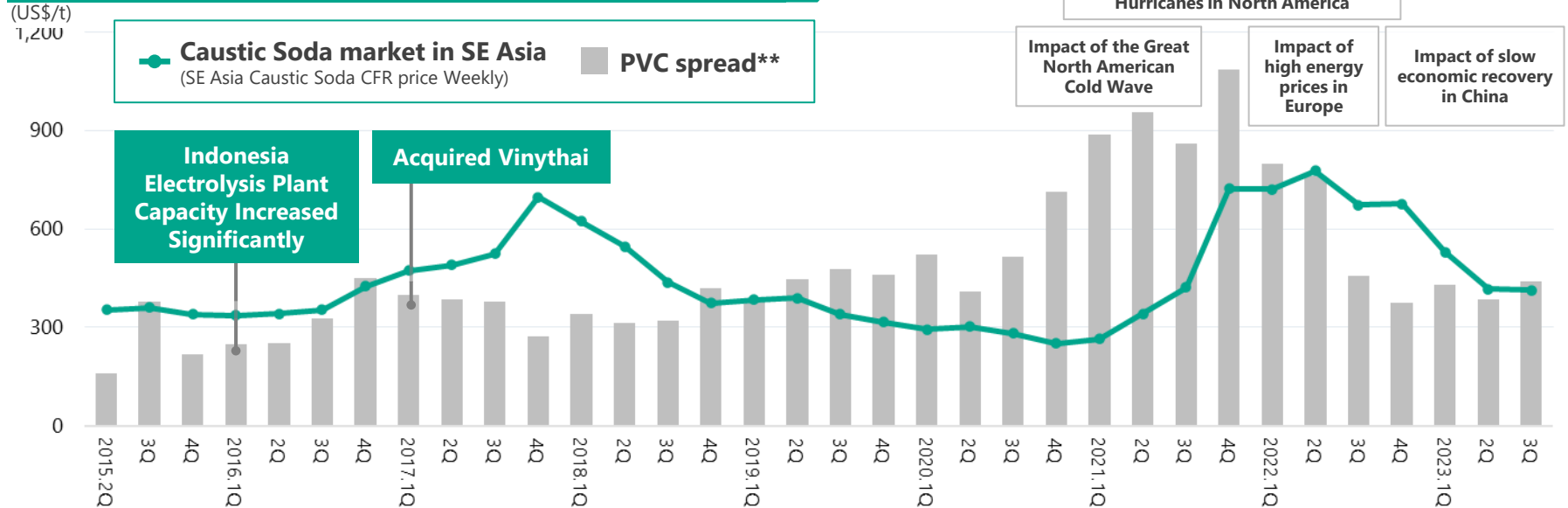
Ratio of sub-segment to the operating profit

(before common expense allocation)



- PVC market prices remained sluggish due to slow economic recovery in China

Chlor-alkali market in Southeast Asia*

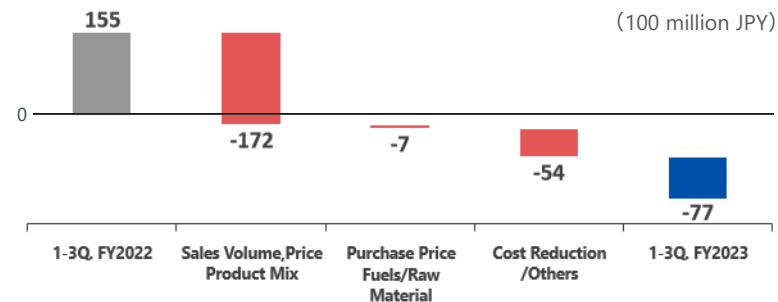


1-3Q Total	FY2022	FY2023	Change
Net sales	1,066	918	▲ 148*
Life Science	1,039	902	▲ 137
(Inter-segment)	27	16	▲ 11
Operating profit	155	▲ 77	▲ 232

* FOREX impact: +5.8 billion yen,
Change in the Scope of Consolidation: No impact

(100 million JPY)

Variance Analysis on OP



Life Science

- Net sales decreased due to the disappearance of Covid-related special demand, reduced inflows of funds into biotech ventures, as well as the delay in launching new lines and review of production schedule, etc. of Biopharmaceuticals CDMO in the U.S.
- Upfront costs incurred associated with capacity expansion in the biopharmaceutical field.

- Negative impact of reduced inflows of funds into biotech ventures have exceeded expectation.
- **Although there is a slightly delay in launching plan** for new lines in the U.S., **the lines expect to normalize by the end of the year.**

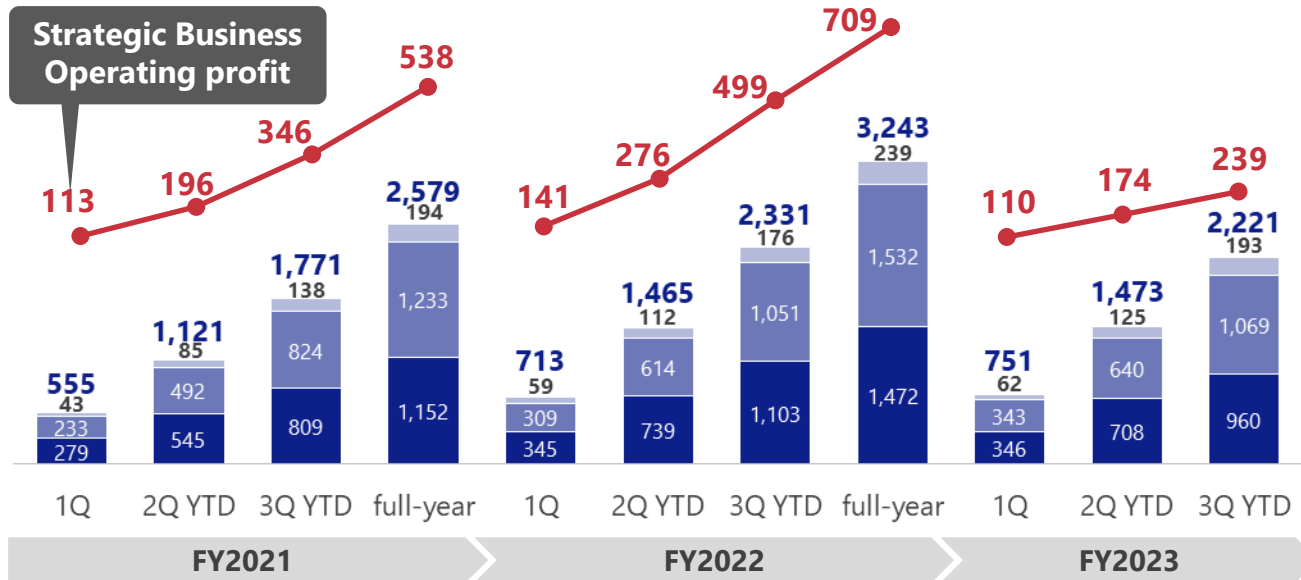
Issues	Current Situation	Outlook
<p>Business situation</p> <p>Temporary leveling off due to repercussions of Covid-related special demand and reduced inflows of funds into biotech ventures.</p>	<p>Negative impact of reduced inflows of funds into biotech ventures have exceeded expectation</p>	<p>Gradual market recovery in 2024 onward</p>
<p>Launch of new line in the U.S.</p> <p>Delay in launching new lines at Boulder plant in the U.S.</p>	<p>Drastic measures being implemented and progressing toward commercial operations</p>	<p>Although there is a slightly delay in launching plan, the lines expect to normalize by the end of the year and contribute to earnings in 2024</p>

Profit contribution of Strategic Businesses

- Biopharmaceutical CDMO especially in the U.S. have been sluggish this fiscal year.
- Electronics also sluggish due to adjustments in the semiconductor and smartphone markets.

Sales of Strategic business

(100 million yen)



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

- Small Molecule Pharmaceuticals and Agrochemicals CDMO
- Biopharmaceutical CDMO
- Other life science products

YoY Performance Comparison by Geographic Segment

(100 million JPY)

1-3Q Total	FY2022	FY2023	Change
Net sales	14,989	14,838	▲ 150
Japan &Asia	9,673	9,321	▲ 352
Americas	1,523	1,623	+ 100
Europe	3,792	3,893	+ 101
Operating profit	1,521	955	▲ 566
Japan &Asia	1,533	1,077	▲ 456
Americas	66	▲ 53	▲ 119
Europe	222	273	+ 51
Cross-regional common expenses	▲ 301	▲ 342	▲ 41

FOREX impact :

+75.7 bn JPY

Change in the scope of consolidation :

▲2.1 bn JPY

Outlook for FY2023







- No change was made from the forecast announced in August 2023.

(100 million JPY)

		FY2022	FY2023e
Net sales		20,359	20,500
	(First half)	9,783	9,853
Operating profit		1,839	1,500
	(First half)	1,153	643
Profit before tax		585	1,070
Profit for the year attributable to owners of the parent		▲ 32	590
Dividend (JPY/share)		210	210
Operating profit margin		9.0%	7.3%
ROE		-	4.2%*
FOREX (Average)	1 USD	JPY 131.4	JPY 135.0
	1 EUR	JPY 138.0	JPY 150.0
Crude oil (Dubai, Average)	USD/BBL	96.3	81.0
Ethylene (CFR SEA)	USD/MT	1,054	870

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	4,800	360	▲ 37	+ 33
 Automotive	4,178	▲ 98	4,700	170	+ 522	+ 268
 Electronics	3,072	147	3,300	250	+ 228	+ 103
 Chemicals	6,604	1,261	6,000	710	▲ 604	▲ 551
 Life Science	1,418	169	1,350	▲ 10	▲ 68	▲ 179
 Ceramics/Other	866	37	850	20	▲ 16	▲ 17
Elimination	▲ 616	▲ 3	▲ 500	0	+ 116	+ 3
Total	20,359	1,839	20,500	1,500	+ 141	▲ 339

Outlook for FY2023 4Q (vs 2023 3Q)



Architectural Glass

Asia

- Shipments are expected to be robust for the factors such as growing demand for high heat-insulating and shielding glass, but demand related to government subsidy programs in Japan is expected to slow down.

Europe & Americas

- Despite concerns about economic slowdown due to inflation in Europe, replacement demand for high heat-insulating glass for energy savings will support shipments.



Automotive

- Along with the recovery of production due to the normalization of the supply chain and the effects of the pricing policy that has been pursued for some time will contribute, the business in some regions are expected to be affected by seasonal decline in shipments.



Electronics

Display

- Despite the contribution of price policy effects, shipments of LCD glass substrates will decrease due to production adjustments by LCD panel manufacturers.
- Shipments of specialty glass for display will increase as orders from major customers grow.

Electronic Materials

- Shipments of optoelectronics materials will increase due to demand season, despite the slowdown in the smartphone market.
- Shipments of semiconductor-related products will increase mainly photomask blanks for EUV.

Outlook for FY2023 4Q (vs 2023 3Q)



Chemicals

Essential Chemicals

- Market prices will remain sluggish due to slow economic recovery in China.

Performance Chemicals

- Demand for fluorine-related products for semiconductor-related applications has bottomed out and shipments will increase.
- Demand for products for transportation machinery applications will return to a recovery trend.



Life Science

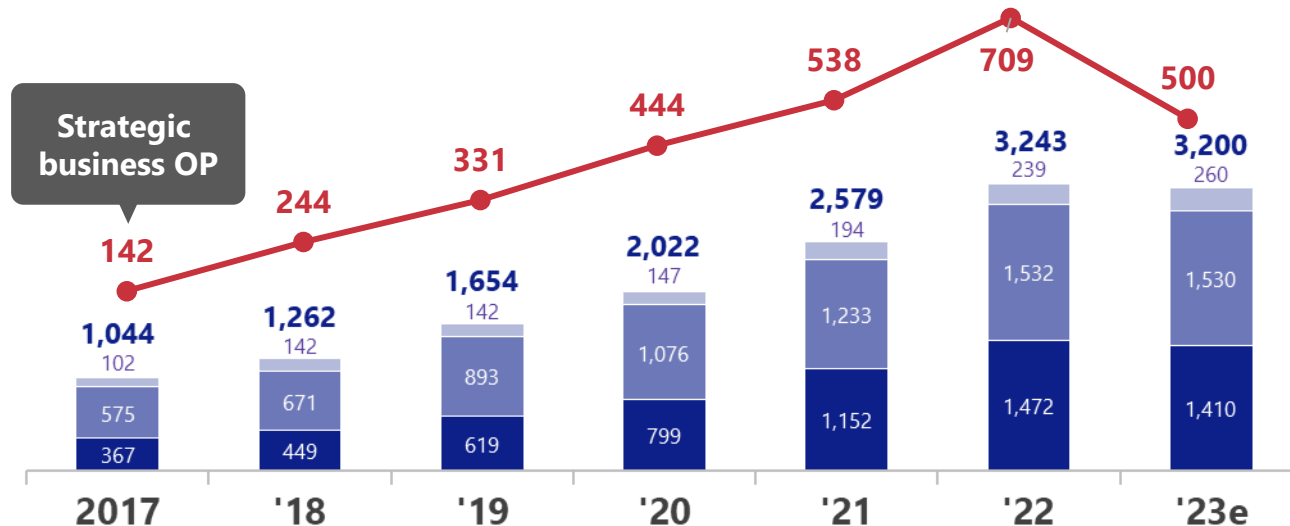
- Although sales of Small Molecule Pharmaceuticals and Agrochemicals CDMO will remain strong, in Biopharmaceuticals CDMO, the impact of the disappearance of Covid-related special demand and reduced inflows of funds into biotech ventures will continue.
- Although there is a slightly delay than expected in launching plan for new lines of Biopharmaceuticals CDMO in the U.S., the lines will be expected to normalize by the end of the year.

Outlook of Strategic businesses

- Sales growth is expected to be sluggish and profit is expected to decline in 2023.
- The businesses will return to growth trajectory after 2024 along with a recovery in biopharmaceutical CDMO and expansion of semiconductor-related products such as EUV mask blanks.

Strategic business net sales

(100 million JPY)



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

- Small Molecule Pharmaceuticals and Agrochemicals CDMO
- Biopharmaceutical CDMO
- Other life science products

CAPEX, Depreciation and R&D

(100 million JPY)

Full year	FY2022	FY2023e
CAPEX	2,366	2,400 *
Architectural Glass	175	210
Automotive	298	250
Electronics	800	650
Chemicals	649	900
Life Science	431	370
Ceramics/Other	14	20
Elimination	▲ 2	0

	FY2022	FY2023e
Depreciation	1,857	1,780 * **
Architectural Glass	239	240
Automotive	325	330
Electronics	684	540
Chemicals	475	510
Life Science	115	140
Chemicals	19	20
Elimination	▲ 1	0

	FY2022	FY2023e
R&D	523	580

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 Biopharmaceuticals CDMO (Life Science) etc.





*Changed from the forecast of 300 billion yen as of February 8, 2023 (Before change: Building Glass 25 billion yen, Automotive 27 billion yen, Electronics 93 billion yen, Chemicals 95 billion yen, Chemicals 95 billion yen, Life Science 58 billion yen)

**Changed from the February 8, 2023 forecast of 188.0 billion yen (Before change: Building Glass 24 billion yen, Automotive 33 billion yen, Electronics 62.0 billion yen, Chemicals 52.0 billion yen, Chemicals 52.0 billion yen, Life Science 15.0 billion yen)

Appendix

ROCE & EBITDA by Segment

(100 million yen)

	Operating profit		EBITDA*		ROCE		Operating assets	
	2021	2022	2021	2022	2021	2022	2021	2022
 Glass	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
 Electronics	368	147	971	830	5.9%	2.6%	6,250	5,650
 Chemicals	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
 Ceramics/Others	35	37	55	56	14.0%	18.4%	250	200
Elimination	▲ 2	▲ 3	▲ 3	▲ 4	—	—	—	—
Total	2,062	1,839	3,729	3,696	10.9%	9.2%	18,950	20,050

* EBITDA=Operating profit +Depreciation

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



Crude oil

310 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

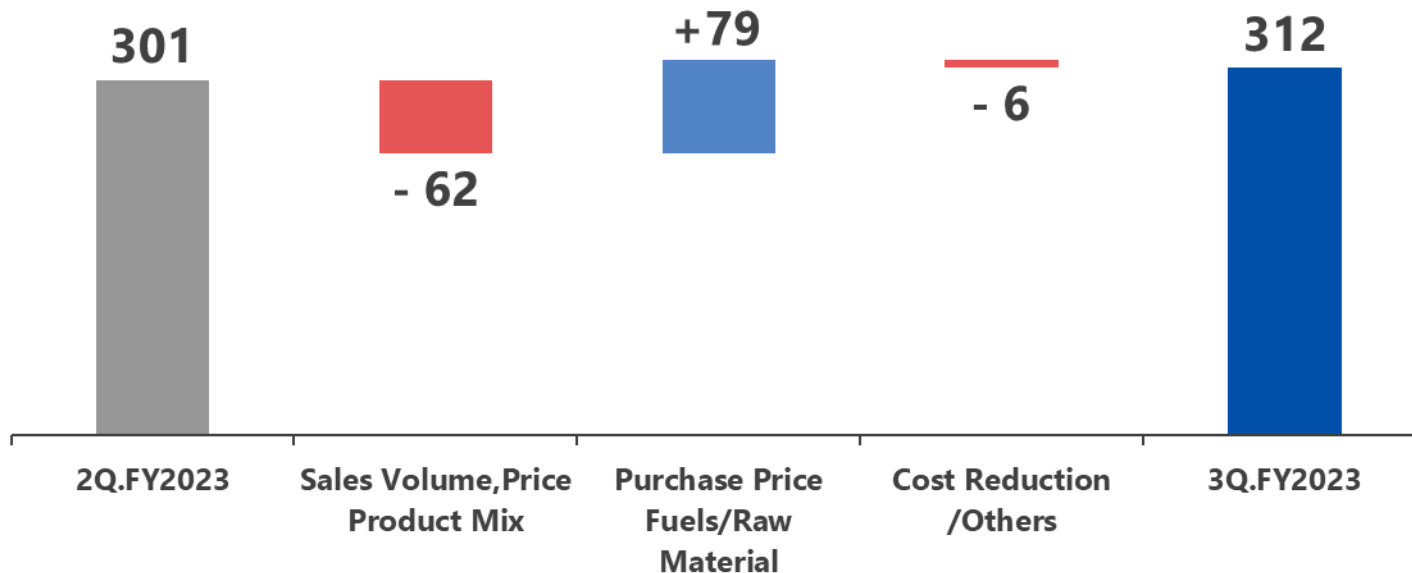
\$1.2M loss* if decreased by \$1

*PVC spread: PVC market – (ethylene market×0.5)

Variance Analysis on OP(3Q.FY2023 vs. 2Q.FY2023)







1.1 bn JPY up from last quarter

(100 million JPY)









YoY Performance Comparison by Geographic Segment

(100 million JPY)

		Japan& Asia	Americas	Europe	Inter-segment	Total
 Architectural Glass	3 Q .FY2023	401	78	667	4	1,150
	3 Q .FY2022	384	84	776	2	1,247
 Automotive	3 Q .FY2023	661	264	330	1	1,255
	3 Q .FY2022	568	238	305	0	1,112
 Electronics	3 Q .FY2023	746	84	2	3	835
	3 Q .FY2022	714	54	3	6	777
 Chemicals	3 Q .FY2023	1,278	80	57	12	1,428
	3 Q .FY2022	1,489	76	62	15	1,641
 Life Science	3 Q .FY2023	79	19	137	3	238
	3 Q .FY2022	67	100	181	9	356
 Ceramics/Other	3 Q .FY2023	101	-	-	106	207
	3 Q .FY2022	104	-	-	109	213
Elimination	3 Q .FY2023	-	-	-	▲ 127	▲ 127
	3 Q .FY2022	-	-	-	▲ 140	▲ 140
Total Net Sales	3 Q .FY2023	3,266	525	1,193	-	4,985
	3 Q .FY2022	3,326	552	1,328	-	5,205

YoY Performance Comparison by Geographic Segment

(100 million JPY)

		Japan& Asia	Americas	Europe	Inter-segment	Total
 Architectural Glass	1-3Q.FY2023	1,160	224	2,154	10	3,547
	1-3Q.FY2022	1,064	227	2,205	6	3,503
 Automotive	1-3Q.FY2023	1,867	739	1,054	3	3,662
	1-3Q.FY2022	1,550	621	832	1	3,004
 Electronics	1-3Q.FY2023	2,005	233	8	8	2,254
	1-3Q.FY2022	2,046	187	9	17	2,258
 Chemicals	1-3Q.FY2023	3,782	247	193	33	4,255
	1-3Q.FY2022	4,516	227	194	40	4,978
 Life Science	1-3Q.FY2023	236	181	485	16	918
	1-3Q.FY2022	225	261	553	27	1,066
 Ceramics/Other	1-3Q.FY2023	271	-	-	330	601
	1-3Q.FY2022	271	-	-	377	648
Elimination	1-3Q.FY2023	-	-	-	▲ 400	▲ 400
	1-3Q.FY2022	-	-	-	▲ 469	▲ 469
Total Net Sales	1-3Q.FY2023	9,321	1,623	3,893	-	14,838
	1-3Q.FY2022	9,673	1,523	3,792	-	14,989

Business Performance (1)

Architectural Glass	1Q.22	2Q.22	3Q.22	4Q.22	1Q.23	2Q.23	3Q.23	(100 million JPY)
Net Sales	1,040	1,216	1,247	1,334	1,205	1,192	1,150	
Asia	319	361	384	405	373	386	401	
Europe & Americas	719	853	861	925	831	802	745	
(Inter Segment)	2	2	2	4	1	5	4	
Operating profit	73	132	86	36	93	93	83	
Automotive	1Q.22	2Q.22	3Q.22	4Q.22	1Q.23	2Q.23	3Q.23	
Net Sales	936	956	1,112	1,174	1,184	1,223	1,255	
Automotive	935	956	1,111	1,174	1,183	1,221	1,255	
(Inter Segment)	1	0	0	1	1	1	1	
Operating profit	▲ 33	▲ 58	▲ 63	56	48	54	59	
Electronics	1Q.22	2Q.22	3Q.22	4Q.22	1Q.23	2Q.23	3Q.23	
Net Sales	760	722	777	814	702	717	835	
Display	450	420	346	338	358	425	418	
Electronic Materials	304	296	425	470	341	290	414	
(Inter Segment)	5	6	6	6	4	2	3	
Operating profit	80	12	31	24	19	11	69	

Business Performance (2)

Chemicals	1Q.22	2Q.22	3Q.22	4Q.22	1Q.23	2Q.23	3Q.23	(100 million JPY)
Net Sales	1,617	1,720	1,641	1,626	1,410	1,418	1,428	
Essential Chemicals	1,217	1,298	1,199	1,184	1,009	999	1,002	
Performance Chemicals	385	410	427	429	391	407	414	
(Inter Segment)	14	12	15	13	9	13	12	
Operating profit	406	418	250	187	172	137	170	
Life Science	1Q.22	2Q.22	3Q.22	4Q.22	1Q.23	2Q.23	3Q.23	
Net Sales	332	378	356	352	332	348	238	
Life Science	316	376	347	342	321	346	235	
(Inter Segment)	17	2	9	9	11	2	3	
Operating profit	46	57	53	14	6	▲ 1	▲ 83	

Trend of shipment and price

				2022				2023		
				1Q	2Q	3Q	4Q	1Q	2Q	3Q
YoY comparison										
Glass	Architectural (AGC)	Japan & Asia	shipment	+ 10%	+low 10% range	+mid single-digit	-high single-digit	-high single-digit	-10%	-low single-digit
			price	+high 10% range	+high 10% range	+mid 20% range	20%	+high 20% range	+low 30% range	+mid 20% range
		Europe	shipment	+low 10% range	-low single-digit	-low 10% range	-high 10% range	-high 10% range	-low 10% range	-low single-digit
			price	+mid 40% range	+low 60% range	+high 70% range	+low 50% range	+high 10% range	-mid 10% range	-high 30% range
	Automobile production*1	Japan	volume	-14%	-15%	+24%	+9%	+13%	+28%	+11%
		North America	volume	-2%	+11%	+23%	+8%	+10%	+15%	+5%
Europe & Russia		volume	-17%	-4%	+22%	+7%	+18%	+12%	+8%	
Electronics	Display panel demand*2	Global	area	+4%	-4%	-9%	-7%	-15%	+4%	+13%
Spot market price										
Chemicals	Chlor-alkali (Southeast Asia)	Caustic soda*3	price USD/MT	722	777	673	677	530	417	413
		PVC*3	price USD/MT	1,407	1,350	933	823	893	817	863
		Ethylene*3	price USD/MT	1,213	1,175	952	895	928	862	848

*1 Source : S&P global data as of October 3, 2023.

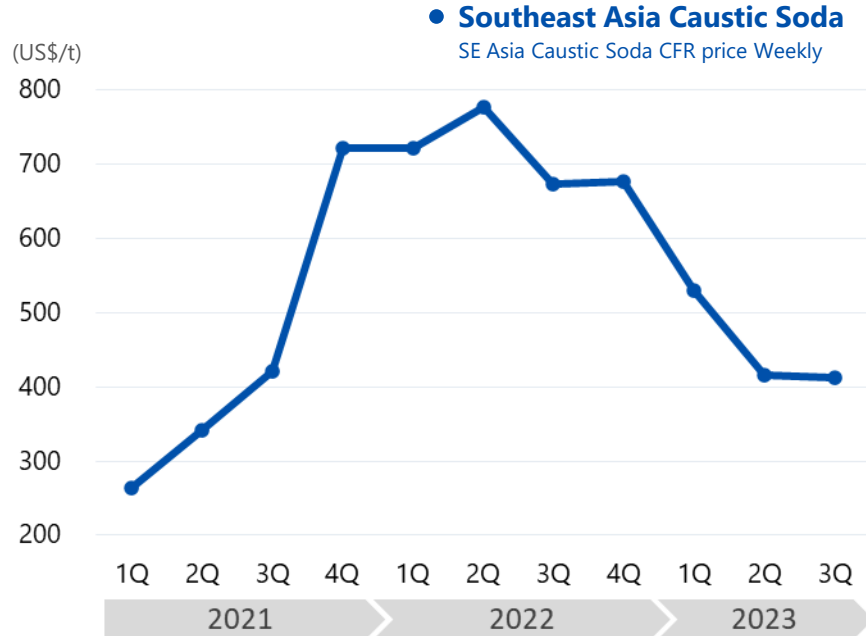
*2 Source : Omdia-Display Long-Term Demand Forecast Tracker – 2Q23 Pivot

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

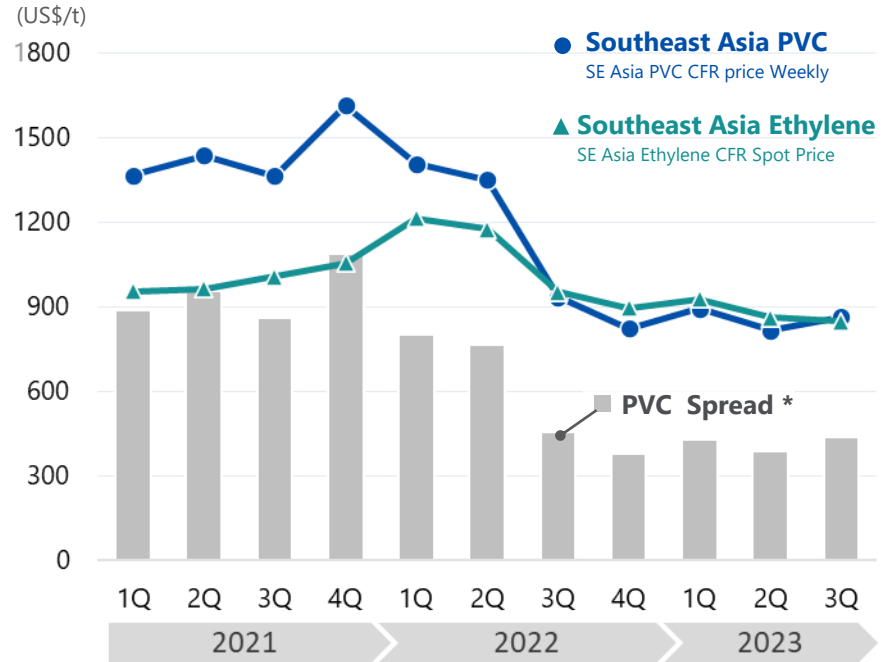
*3 Source : Bloomberg

Reference: Market trend of Caustic Soda and PVC in Southeast Asia

Caustic Soda



PVC



*PVC-ethylene spread calculation: PVC spot market price - (ethylene market price X 0.5)

		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) *1	%	7.7	3.9	2.9	10.2	△ 0.2
Return on assets (ROA) *2	%	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) *3	JPY	399.51	200.85	147.84	559.11	△ 14.22
Cash dividends per share	JPY	115	120	120	210	210
EBITDA *4	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

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

Economic value to be created by AGC Group

- Continuously grow/evolve to achieve **stable ROE of 10% or higher**
- In 2030, **the strategic businesses account for more than half of the group's operating profit.**

		2022(actual)	2023	2025	2030	2050
Economic value	Operating profit	183.9billion yen	150.0billion yen	250.0billion yen	300.0billion yen or more	
	Strategic Business OP	70.9billion yen	50.0billion yen	120.0billion yen	160.0billion yen or more	
	EBITDA*	369.6billion yen	328.0billion yen	480.0billion yen		
	ROE	-	4.2%	Stable ROE of 10% or higher		
	D/E	0.41	0.5 or less			

Sustainability : Products and technologies to create social value

Material opportunities

AGC Group's materials and solutions

Social value

Addressing climate change

Architectural glass automotive infrared cut glass
Green refrigerant refractories for biomass boiler etc.

Effective use of resources

Fuel cell materials products for recycled raw materials (glass, refractories, etc.)

Realization of a sustainable global environment



Developing social infrastructure

Architectural glass caustic soda PVC
sodium hypochlorite sodium bicarbonate etc.

Achieving a safe and comfortable mobility

Automotive glass antennae HUD components
components for automotive sensing radar etc.

Building an info-intensive and IoT society

Antenna for building windows Display glass
materials for semiconductor production high-speed communication parts etc.

Realization of safe and comfortable urban infrastructure



Addressing food crises

Agrochemical active ingredients/intermediates
film for agricultural green houses etc.

Facilitating better health and longevity

Pharmaceuticals active ingredients/intermediates high-speed communication parts
high-performance membrane for water treatment etc.

Realization of safe and healthy lifestyles



Sustainability : Create social value through healthy corporate activities

AGC Group

Material risks

corporate activities

Social value

Addressing climate change

development of production technology / facilities to reduce GHG emissions,

Continuous energy-saving 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 etc.

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.

Realization of a sustainable global environment






Contributing to the maintenance of a healthy and secure society

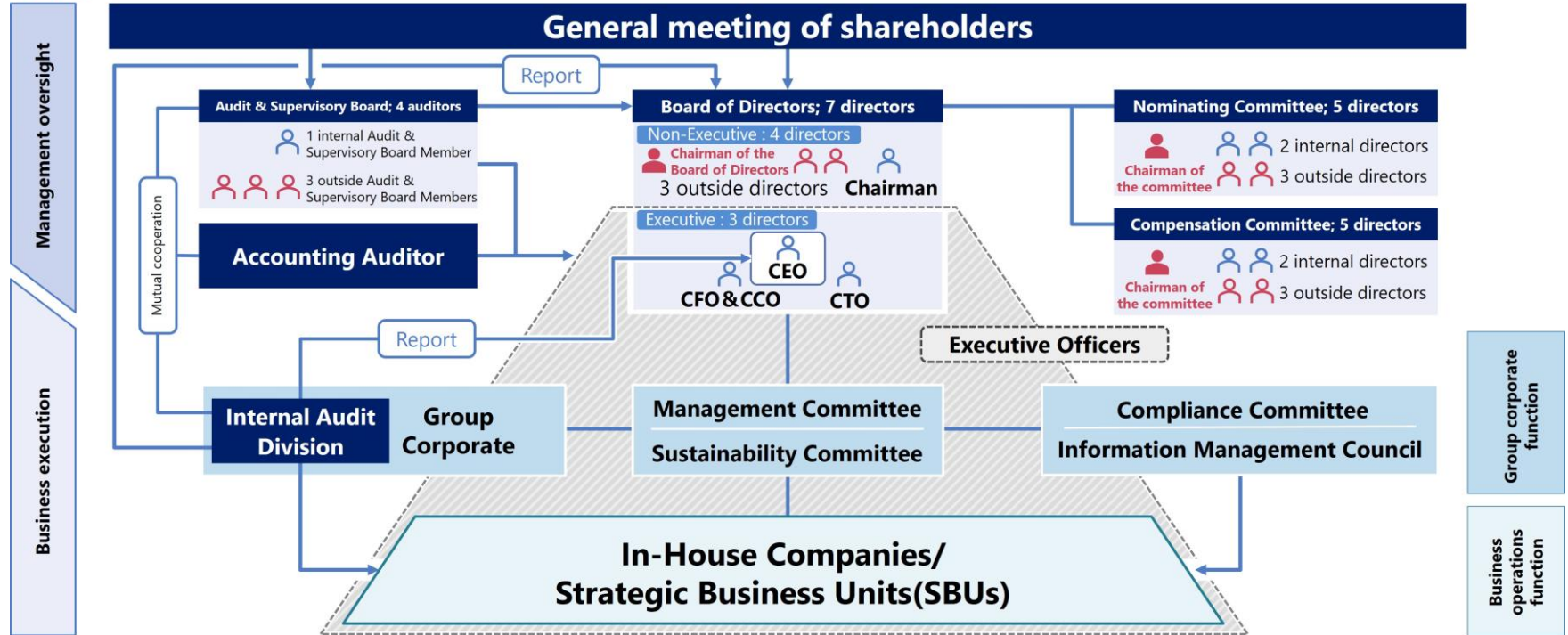


Contributing to the creation of fair and safe workplaces




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"



	<p>FTSE4Good Index Series</p>
	<p>FTSE Blossom Japan Index</p>
	<p>CDP Climate Change A CDP Supplier Engagement Leader</p>
	<p>SBTi "WB2°C" GHG Reduction Target</p>
	<p>4 stars awarded in the 6th Nikkei "Smart Work Management" survey</p>

	<p>"White 500" Company in recognition of initiatives to promote strategic health management for its employees</p>
	<p>EcoVadis Supplier Evaluations PLATINUM rated for the Kashima plant and AGC Pharma Chemicals Europe Highly rated in several other domestic and international locations</p>
	<p>Clarivate Top 100 Global Innovator 2023</p>
	<p>DX Brand 2023 in recognition of digital transformation efforts</p>

Major Press Release in FY2023

 Date	 Summary
January 12	AGC to Receive Certification from SBTi for its “WB2°C” GHG Reduction Target
February 6	AGC and Saint-Gobain Partner for the Decarbonization of Flat Glass Manufacturing
February 8	AGC Has Started Considering Transfer of its Business in Russia
February 8	Notice Concerning Change in Reportable Segments
February 8	Announcement regarding Share Repurchases
March 16	AGC Recognized as a “Supplier Engagement Leader” Company with the Highest Rating in the “Supplier Engagement Rating ” by CDP
March 23	AGC to Expand Production Capacity for Fluorochemical Products
April 27	AGC to Boost Production Capacity of EUVL Photomask Blanks
May 12	AGC Decides to discontinue production of LCD glass substrate products at Kansai Plant (Takasago Factory) in Japan
June 19	AGC Builds and Launches “ChatAGC,” an In-House Conversational AI Tool
June 27	World's First Demonstration Test of Glass Production Using Ammonia as Fuel in Actual Production Furnace
August 31	Start of Study on Production and Sales of the World’s First Circular Carbon Methanol Made from CO2 Generated from Glass Production
September 6	AGC Successfully Develops Proprietary Electrolyte Production Technology for All-Solid-State Batteries
September 25	Announcement regarding the Status of Share Repurchases and the Completion of the Share Repurchase Program

END

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The logo for AGC, consisting of the letters 'AGC' in a bold, blue, sans-serif font. A small red square is positioned to the right of the letter 'G'.

Your Dreams, Our Challenge