

August 2, 2021  
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 (Code Number: 5201; TSE 1st section)  
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## Consolidated Financial Results for the Six Months ended June 30, 2021 (IFRS basis)

(Fractions less than one million yen are rounded off.)

### 1. Financial Results for the Six months ended June 30, 2021 (January 1 through June 30, 2021)

#### (1) Consolidated operating results

(% represents the change from the same period in the previous fiscal year.)

	For the Six months ended June 30, 2021		For the Six months ended June 30, 2020	
	Millions of yen	%	Millions of yen	%
Net sales	811,332	24.0	654,545	(11.2)
Operating profit	95,208	362.6	20,579	(50.4)
Profit before tax	97,133	490.3	16,456	(61.3)
Profit for the period	78,913	495.0	13,262	(63.5)
Profit for the period attributable to owners of the parent	63,843	458.0	11,440	(64.6)
Total comprehensive income for the period	157,425	-	(53,440)	-
Basic earnings per share (yen)	288.33		51.70	
Diluted earnings per share (yen)	287.20		51.49	

#### (2) Consolidated financial position

	FY2021 second quarter (as of June 30, 2021)	FY2020 (as of December 31, 2020)
Total assets (millions of yen)	2,680,907	2,534,458
Total equity (millions of yen)	1,381,451	1,243,039
Equity attributable to owners of the parent (millions of yen)	1,238,082	1,115,142
Equity attributable to owners of the parent ratio (%)	46.2	44.0

### 2. Dividends

(Unit: yen)

	FY2020	FY2021	FY2021 (forecast)
End of first quarter	-	-	-----
End of second quarter	60.00	80.00	-----
End of third quarter	-	-----	-
End of fiscal year	60.00	-----	130.00
Total	120.00	-----	210.00

Note: Revision of the forecast during this quarter: Yes

Note 1: The fiscal year-end dividend per share for the year ending December 31, 2021 (forecast) consists of 80.00 yen for ordinary dividend and 50.00 yen for special dividend.

### 3. Forecast for FY2021 (January 1 through December 31, 2021)

(% represents the change from the same period in the previous fiscal year)

	Full year	
	Millions of yen	%
Net sales	1,670,000	18.2
Operating profit	180,000	137.5
Profit before tax	187,000	227.4
Profit for the period	145,000	252.2
Profit for the period attributable to owners of the parent	117,000	257.6
Basic earnings per share (yen)	528.41	

Note: Revision of the forecast for FY2021 consolidated operating results from the latest official forecast: Yes

#### \*Notes

(1) Changes in significant subsidiaries during the period: No

(2) Changes in Accounting Policies and Changes in Accounting Estimates

- i. Changes in accounting policies required by IFRS: Yes
- ii. Changes in accounting policies other than "i" above: No
- iii. Changes in accounting estimates: No

Note: For details, please refer to "1. Condensed Interim Consolidated Financial Statements (IFRS) (5) Notes to the Condensed Interim Consolidated Financial Statements, (Changes in Accounting Policies)" on page 11.

(3) Number of shares issued (common stock)

- i. Number of shares issued (including treasury stock) at the end of the period
  - FY2021 second quarter (as of June 30, 2021): 227,441,381
  - FY2020 (as of December 31, 2020): 227,441,381
- ii. Number of treasury stock at the end of the period
  - FY2021 second quarter (as of June 30, 2021): 5,596,424
  - FY2020 (as of December 31, 2020): 5,813,165
- iii. Average number of shares issued during the period
  - For the six months ended June 30, 2021: 221,421,047
  - For the six months ended June 30, 2020: 221,282,271

\*This interim consolidated financial statement is outside the scope of quarterly review procedures.

#### \*Appropriate Use of Forecast and Other Information and Other Matters

The above forecast is the assumptions of the Group's management on the basis of currently available information and, as such, contain risks and uncertainties. For this reason, investors are advised not to base investment decisions solely on these prospective results. Please note that actual results may materially differ from the projection due to such various factors as business and market environment the Group is active in, currency exchange rate fluctuations, and others.

#### \*Supplementary Material for the Quarterly Financial Results

Supplementary material(Financial Results for the Six Months ended June 30, FY2021) will be published on TD-net for viewing in Japan, and on our Website.

**(Attached Documents)**

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## 1. Condensed Interim Consolidated Financial Statements (IFRS)

### (1) Condensed Interim Consolidated Statements of Financial Position

(Unit: millions of yen)

	FY2020 (as of December 31, 2020)	FY2021 second quarter (as of June 30, 2021)
Assets		
Current assets		
Cash and cash equivalents	236,124	248,059
Trade receivables	266,177	269,208
Inventories	274,835	300,280
Other receivables	62,468	63,185
Income tax receivables	5,169	3,636
Other current assets	16,186	22,529
(Subtotal)	860,962	906,901
Assets held for sale	-	21,073
Total current assets	860,962	927,974
Non-current assets		
Property, plant and equipment	1,246,885	1,297,459
Goodwill	118,063	122,669
Intangible assets	72,660	76,524
Investments accounted for using equity method	32,014	38,242
Other financial assets	130,919	127,119
Deferred tax assets	25,944	26,297
Other non-current assets	47,008	64,619
Total non-current assets	1,673,495	1,752,932
Total assets	2,534,458	2,680,907

(Unit: millions of yen)

	FY2020 (as of December 31, 2020)	FY2021 second quarter (as of June 30, 2021)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	151,874	158,090
Short-term interest-bearing debt	106,884	59,966
Long-term interest-bearing debt due within one year	87,163	100,411
Other payables	186,310	206,155
Income tax payables	12,426	20,077
Provisions	1,563	1,516
Other current liabilities	17,676	16,377
(Subtotal)	563,898	562,595
Liabilities associated with assets held for sale	-	762
Total current liabilities	563,898	563,357
Non-current liabilities		
Long-term interest-bearing debt	593,912	596,138
Deferred tax liabilities	35,153	38,660
Post-employment benefit liabilities	64,736	65,399
Provisions	12,353	11,186
Other non-current liabilities	21,363	24,711
Total non-current liabilities	727,519	736,097
Total liabilities	1,291,418	1,299,455
Equity		
Share capital	90,873	90,873
Capital surplus	83,501	82,027
Retained earnings	818,701	875,533
Treasury shares	(28,170)	(27,293)
Other components of equity	150,236	216,941
Total equity attributable to owners of the parent	1,115,142	1,238,082
Non-controlling interests	127,897	143,369
Total equity	1,243,039	1,381,451
Total liabilities and equity	2,534,458	2,680,907

(2) Condensed Interim Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income

(Condensed Interim Consolidated Statements of Profit or Loss)

(Unit: millions of yen)

	For the six months ended June 30, 2020 (Jan. 1 through June. 30, 2020)	For the six months ended June 30, 2021 (Jan. 1 through June. 30, 2021)
Net sales	654,545	811,332
Cost of sales	(496,993)	(565,815)
Gross profit	157,551	245,517
Selling, general and administrative expenses	(137,390)	(151,771)
Share of profit (loss) of associates and joint ventures accounted for using equity method	418	1,462
Operating profit	20,579	95,208
Other income	1,347	9,199
Other expenses	(4,244)	(7,180)
Business profit	17,682	97,227
Finance income	3,357	3,276
Finance costs	(4,583)	(3,370)
Net finance costs	(1,226)	(94)
Profit before tax	16,456	97,133
Income tax expenses	(3,193)	(18,219)
Profit for the period	13,262	78,913
Attributable to:		
Owners of the parent	11,440	63,843
Non-controlling interests	1,821	15,070
Earnings per share		
Basic earnings per share (yen)	51.70	288.33
Diluted earnings per share (yen)	51.49	287.20

## (Condensed Interim Consolidated Statements of Comprehensive Income)

(Unit: millions of yen)

	For the six months ended June 30, 2020 (Jan. 1 through June. 30, 2020)	For the six months ended June 30, 2021 (Jan. 1 through June. 30, 2021)
Profit for the period	13,262	78,913
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax		
Remeasurement of the net defined benefit liability (asset)	(11,719)	13,757
Net gain (loss) on revaluation of financial assets measured at FVTOCI <sup>(Note)</sup>	(13,590)	7,136
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(3)	13
Total	(25,313)	20,907
Components of other comprehensive income that may be reclassified to profit or loss, net of tax		
Net gain (loss) in fair value of cash flow hedges	(178)	2,290
Exchange differences on translation of foreign operations	(41,210)	55,318
Share of other comprehensive income of associates and joint ventures accounted for using equity method	-	(4)
Total	(41,389)	57,604
Other comprehensive income, net of tax	(66,702)	78,511
Total comprehensive income for the period	(53,440)	157,425
Attributable to:		
Owners of the parent	(52,130)	137,287
Non-controlling interests	(1,309)	20,138

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

(3) Condensed Interim Consolidated Statements of Changes in Equity  
For the six months ended June 30, 2020

(Unit: millions of yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurement of net defined benefit liability (asset)	Net gain (loss) on revaluation of financial assets measured at FVTOCI <sup>(Note)</sup>
Balance as of January 1, 2020	90,873	92,593	811,589	(28,468)	(31,445)	55,786
Changes in equity						
Comprehensive income						
Profit for the period	-	-	11,440	-	-	-
Other comprehensive income	-	-	-	-	(11,814)	(13,588)
Total comprehensive income for the period	-	-	11,440	-	(11,814)	(13,588)
Transactions with owners						
Dividends	-	-	(13,294)	-	-	-
Acquisition of treasury shares	-	-	-	(6)	-	-
Disposal of treasury shares	-	-	(104)	228	-	-
Transfer from other components of equity to retained earnings	-	-	498	-	-	(498)
Share-based payment transactions	-	(1)	-	-	-	-
Others (business combinations and others)	-	1,671	-	-	-	-
Total transactions with owners	-	1,669	(12,900)	221	-	(498)
Balance as of June 30, 2020	90,873	94,262	810,129	(28,246)	(43,259)	41,699

(Note) FVTOCI: Fair Value Through Other Comprehensive Income



For the six months ended June 30, 2020

(Unit: millions of yen)

	Equity attributable to owners of the parent			Total	Non-controlling interests	Total equity
	Other components of equity					
	Net gain (loss) in fair value of cash flow hedges	Exchange differences on translation of foreign operations	Total			
Balance as of January 1, 2020	(665)	166,833	190,510	1,157,097	125,538	1,282,636
Changes in equity						
Comprehensive income						
Profit for the period	-	-	-	11,440	1,821	13,262
Other comprehensive income	(202)	(37,964)	(63,570)	(63,570)	(3,131)	(66,702)
Total comprehensive income for the period	(202)	(37,964)	(63,570)	(52,130)	(1,309)	(53,440)
Transactions with owners						
Dividends	-	-	-	(13,294)	(4,089)	(17,383)
Acquisition of treasury shares	-	-	-	(6)	-	(6)
Disposal of treasury shares	-	-	-	123	-	123
Transfer from other components of equity to retained earnings	-	-	(498)	-	-	-
Share-based payment transactions	-	-	-	(1)	-	(1)
Others (business combinations and others)	-	-	-	1,671	3,539	5,210
Total transactions with owners	-	-	(498)	(11,507)	(550)	(12,058)
Balance as of June 30, 2020	(868)	128,869	126,440	1,093,459	123,678	1,217,137

For the six months ended June 30, 2021

(Unit: millions of yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurement of net defined benefit liability (asset)	Net gain (loss) on revaluation of financial assets measured at FVTOCI <sup>(Note)</sup>
Balance as of January 1, 2021	90,873	83,501	818,701	(28,170)	(31,203)	51,397
Changes in equity						
Comprehensive income						
Profit for the period	-	-	63,843	-	-	-
Other comprehensive income	-	-	-	-	13,515	7,149
Total comprehensive income for the period	-	-	63,843	-	13,515	7,149
Transactions with owners						
Dividends	-	-	(13,297)	-	-	-
Acquisition of treasury shares	-	-	-	(573)	-	-
Disposal of treasury shares	-	-	(451)	1,450	-	-
Changes in ownership interests in subsidiaries that do not result in loss of control	-	1,242	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	6,738	-	-	(6,738)
Share-based payment transactions	-	(648)	-	-	-	-
Others (business combinations and others)	-	(2,068)	-	-	-	-
Total transactions with owners	-	(1,474)	(7,011)	877	-	(6,738)
Balance as of June 30, 2021	90,873	82,027	875,533	(27,293)	(17,687)	51,808

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

For the six months ended June 30, 2021

(Unit: millions of yen)

	Equity attributable to owners of the parent			Total	Non-controlling interests	Total equity
	Other components of equity					
	Net gain (loss) in fair value of cash flow hedges	Exchange differences on translation of foreign operations	Total			
Balance as of January 1, 2021	439	129,602	150,236	1,115,142	127,897	1,243,039
Changes in equity						
Comprehensive income						
Profit for the period	-	-	-	63,843	15,070	78,913
Other comprehensive income	2,244	50,533	73,443	73,443	5,067	78,511
Total comprehensive income for the period	2,244	50,533	73,443	137,287	20,138	157,425
Transactions with owners						
Dividends	-	-	-	(13,297)	(3,653)	(16,951)
Acquisition of treasury shares	-	-	-	(573)	-	(573)
Disposal of treasury shares	-	-	-	998	-	998
Changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	1,242	(1,012)	230
Transfer from other components of equity to retained earnings	-	-	(6,738)	-	-	-
Share-based payment transactions	-	-	-	(648)	-	(648)
Others (business combinations and others)	-	-	-	(2,068)	-	(2,068)
Total transactions with owners	-	-	(6,738)	(14,347)	(4,666)	(19,013)
Balance as of June 30, 2021	2,683	180,136	216,941	1,238,082	143,369	1,381,451

## (4) Condensed Interim Consolidated Statements of Cash Flows

(Unit: millions of yen)

	For the six months ended June 30, 2020 (Jan. 1 through June. 30, 2020)	For the six months ended June 30, 2021 (Jan. 1 through June. 30, 2021)
Cash flows from operating activities		
Profit before tax	16,456	97,133
Depreciation and amortization	72,199	79,601
Impairment losses	30	436
Interest and dividend income	(3,277)	(2,991)
Interest expenses	4,156	3,216
Share of profit (loss) of associates and joint ventures accounted for using equity method	(418)	(1,462)
Loss (gain) on sale or disposal of non-current assets	1,289	3,639
Decrease (increase) in trade receivables	42,694	4,170
Decrease (increase) in inventories	(8,708)	(22,306)
Increase (decrease) in trade payables	(30,330)	656
Others	27,403	23,825
Subtotal	121,495	185,920
Interest and dividends received	3,638	3,279
Interest paid	(4,283)	(3,366)
Income taxes paid	(9,396)	(16,853)
Net cash from operating activities	111,453	168,979
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(85,056)	(98,197)
Proceeds from sale of property, plant and equipment	2,036	608
Purchase of other financial assets	(22,367)	(24,824)
Proceeds from sale and redemption of other financial assets	2,269	28,680
Purchase of subsidiaries or other businesses	(1,031)	-
Proceeds from sale of subsidiaries or other businesses	-	1,537
Others	(284)	(310)
Net cash used in investing activities	(104,434)	(92,505)
Cash flows from financing activities		
Changes in short-term interest-bearing debt	179,686	(50,235)
Proceeds from borrowing or issuing long-term interest-bearing debt	161,904	32,683
Repayment or redemption of long-term interest-bearing debt	(61,489)	(33,956)
Payments for acquisition of subsidiary's interest from non- controlling interests	-	(1,271)
Proceeds from non-controlling interests	3,540	-
Acquisition of treasury shares	(6)	(573)
Dividends paid	(13,294)	(13,297)
Dividends paid to non-controlling interests	(4,089)	(3,653)
Others	4	161
Net cash used in financing activities	266,256	(70,143)
Effect of exchange rate changes on cash and cash equivalents	(4,465)	5,604
Net increase (decrease) in cash and cash equivalents	268,809	11,934
Cash and cash equivalents at the beginning of the period	113,784	236,124
Cash and cash equivalents at the end of the period	382,594	248,059

(5) Notes to the Condensed Interim Consolidated Financial Statements

(Changes in Accounting Policies)

The significant accounting policies adopted for the Group's Condensed Interim Consolidated Financial Statements are the same as those for the Consolidated Financial Statements for the fiscal year ended December 31, 2020, with the exception of the items described below.

The following are the accounting standards applied by the Group from fiscal year 2021, in compliance with each transitional provision. The effect of the application of the following standards on the Group's Condensed Interim Consolidated Financial Statements is immaterial.

IFRS	Title	Summaries of new IFRS and amendments
IFRS 16 (amended in May 2020)	Lease	Covid-19-Related Rent Concessions

"Operating profit" in the Group's Condensed Interim Consolidated Statements of Profit or Loss is an indicator that facilitates continuous comparisons and evaluations of the Group's business performance. Main items of "other income" and "other expenses" are foreign exchange gains and losses, gains on sale of non-current assets, losses on disposal of non-current assets, impairment losses and expenses for restructuring programs. "Business profit" includes all income and expenses before finance income, finance costs and income tax expenses.

The Group calculated income tax expenses for the six months ended June 30, 2021, based on the estimated average annual effective tax rate.

(Changes in Accounting Estimates)

In preparing the Group's Condensed Interim Consolidated Financial Statements, judgments, estimates and assumptions are made that affect the reported amounts of assets, liabilities, income and expenses. Therefore accounting estimates could differ from actual results.

Estimates and assumptions that have a significant effect on the amounts recognized in the Group's condensed interim consolidated financial statements are in principle the same as the preceding fiscal year.

Estimates and their assumptions are reviewed continuously. The effect of reviewing estimates and assumptions are recognized in the period in which those estimates and assumptions were reviewed and in future periods.

With regard to the impact of the spread of COVID-19, the Group had made accounting estimates and judgements related to impairment of property, plant and equipment, impairment of goodwill and intangible assets, the recoverability of deferred tax assets, and related items. Those accounting estimates and judgements were made based on the assumption that the Group's performance will gradually recover, despite some businesses have still been in the unfavorable situation from February 2020.

(Segment Information)

The Group's reportable segments are components of the Group for which discrete financial information is available, and whose operating results are reviewed regularly by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess performance.

The Group had four in-house companies by product and service: Building & Industrial Glass, Automotive, Electronics and Chemicals. Each in-house company operates worldwide, formulating comprehensive domestic and overseas strategies for its products and services.

Building & Industrial Glass and Automotive share the same float glass manufacturing facilities (glass melting furnace) etc., which are the largest assets and situated the highest upstream in the supply chain. The two in-house companies share assets and liabilities, and ratio of utilization is influenced by fluctuations of demand and supply. Considering these situations, it is difficult to divide financial statements for the two in-house companies. Therefore, the Group prepares the financial statements of Building & Industrial Glass and Automotive as the Glass segment. In addition, decisions on assigning management resources are closely tied to the results of each business and inseparable from their performance evaluation. Therefore, with the participation of presidents of both in-house companies, the Group has established a "Glass Segment Council," which primarily functions to maintain synergies and maximize overall production in the Glass segment, and collaborates to maximize profits for the Group. Based on these circumstances, the Group reports the Glass segment as one.

Thus, the Group has three reportable segments: Glass, Electronics, and Chemicals.

The main products of each reportable segment are as follows.

Reportable segment	Main products
Glass	Float flat glass, Figured glass, Polished wired glass, Low-E glass, Decorative glass, Fabricated glass for architectural use (Heat Insulating/shielding glass, Disaster-resistant/Security glass, Fire-resistant glass, etc.), Automotive glass, Cover glass for car-mounted displays, etc.
Electronics	LCD glass substrates, OLED glass substrates, Specialty glass for display applications, Display related materials, Glass for solar power system, Fabricated glass for industrial use, Semiconductor process materials, Optoelectronics materials, Printed circuit board materials, Lighting glass products, Laboratory use ware, etc.
Chemicals	Polyvinyl chloride, Vinyl chloride monomer, Caustic soda, Urethane, Fluorinated resins, Water and oil repellents, Gases, Solvents, Pharmaceutical and agrochemical intermediates and active ingredients, Iodine-related products, etc.

For the six months ended June 30, 2020 (January 1 through June 30, 2020)

(Unit: millions of yen)

	Reportable segments			Ceramics/ Other	Total	Adjustments	Amount reported on condensed interim consolidated statements of profit or loss
	Glass	Electronics	Chemicals				
Sales to external customers	293,039	135,136	211,613	14,755	654,545	-	654,545
Inter-segment sales or transfers	1,173	3,441	817	23,448	28,880	(28,880)	-
Total sales	294,212	138,577	212,431	38,204	683,425	(28,880)	654,545
Segment profit (loss) (Operating profit)	(20,752)	17,356	22,656	1,383	20,644	(65)	20,579
Profit for the period	-	-	-	-	-	-	13,262

The amounts of inter-segment sales or transfers are primarily based on market prices and manufacturing cost. “Ceramics/Other” mainly handles ceramics products, logistics and financial services.

For the six months ended June 30, 2021 (January 1 through June 30, 2021)

(Unit: millions of yen)

	Reportable segments			Ceramics/ Other	Total	Adjustments	Amount reported on condensed interim consolidated statements of profit or loss
	Glass	Electronics	Chemicals				
Sales to external customers	370,507	137,635	287,439	15,749	811,332	-	811,332
Inter-segment sales or transfers	1,232	3,865	689	20,994	26,781	(26,781)	-
Total sales	371,740	141,500	288,129	36,743	838,113	(26,781)	811,332
Segment profit (loss) (Operating profit)	20,302	14,001	59,497	1,593	95,395	(186)	95,208
Profit for the period	-	-	-	-	-	-	78,913

The amounts of inter-segment sales or transfers are primarily based on market prices and manufacturing cost. “Ceramics/Other” mainly handles ceramics products, logistics and financial services.

(Notes to Other Income and Other Expenses)

**Other Income**

(Unit: millions of yen)

	For the six months ended June 30, 2020 (Jan. 1 through June. 30, 2020)	For the six months ended June 30 2021 (Jan. 1 through June. 30, 2021)
Foreign exchange gain	-	4,965
Gains on sale of non-current assets	257	163
Gains on sale of shares of subsidiaries	-	1,431
Others	1,089	2,638
Total	1,347	9,199

**Other Expenses**

(Unit: millions of yen)

	For the six months ended June 30, 2020 (Jan. 1 through June. 30, 2020)	For the six months ended June 30 2021 (Jan. 1 through June. 30, 2021)
Foreign exchange loss	(251)	-
Losses on disposal of non-current assets	(1,547)	(3,803)
Impairment losses	-	(436)
Expenses for restructuring programs	(765)	(1,857)
Others	(1,680)	(1,082)
Total	(4,244)	(7,180)

(Notes on Significant Subsequent Events)

No items to report