

Financial Results for the Six Months ended June 30, 2021



AGC Inc.

August 2, 2021

Your Dreams, Our Challenge

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Financial Results for the six months ended June 30, 2021

■ Financial Results for 2Q FY2021 (YTD) :

		(vs. Apr 12 Forecast)	(YoY)
Net Sales	811.3 bn JPY	(+11.3 bn JPY)	(+156.8 bn JPY)
Operating profit	95.2 bn JPY	(+10.2 bn JPY)	(+74.6 bn JPY)

- Shipments and sales prices of architectural glass increased beyond the initial expectation.
- Sales prices of polyvinyl chloride (PVC) exceeded the forecast of April 12, 2021.

■ Outlook for FY2021 :

		(vs. Apr 12 Forecast)	(YoY)
Net Sales	1,670.0 bn JPY	(+20.0 bn JPY)	(+257.7 bn JPY)
Operating profit	180.0 bn JPY	(+20.0 bn JPY)	(+104.2 bn JPY)

- The forecast has been upwardly revised as the PVC market will remain stronger than the initial expectation.

■ Shareholder return

- Annual dividend was revised following the upward revision of the financial result forecast.
- Special dividend has been added as a return for the temporary earnings from the transfer of the architectural glass business in North America.

1. Highlights of the Financial Results

Highlights of the Financial Results for 2Q. FY2021

(100 million JPY)

	FY2020 1-2Q Total	FY2021 1-2Q Total	Change	Major factors in the change (+) Increasing factors (-)Decreasing factors
Net Sales	6,545	8,113	+ 1,568	(+) Shipments of automotive and architectural glass increased * (+) Shipments of life science and semiconductor products increased (+) Sales prices of PVC in Southeast Asia and architectural glass increased (+) Appreciation of Euro
Operating Profit	206	952	+ 746	In addition to the above, (+) Manufacturing costs decreased as the operating efficiency of glass manufacturing facilities improved (-) Depreciation expenses increased due to factors such as new facility launch for LCD glass substrate and semiconductor related products.
Profit before tax	165	971	+ 807	In addition to the above, (+) FOREX gain was posted.
Profit for the period Attributable to owners of the parent	114	638	+ 524	
FOREX (Average)				
JPY/USD	108.27	107.70		
JPY/EUR	119.30	129.83		
Crude Oil (Dubai, Average)				
USD/BBL	40.64	63.47		

* FOREX impact was +23.3 billion JPY, change in the scope of consolidation was +2.4 billion JPY

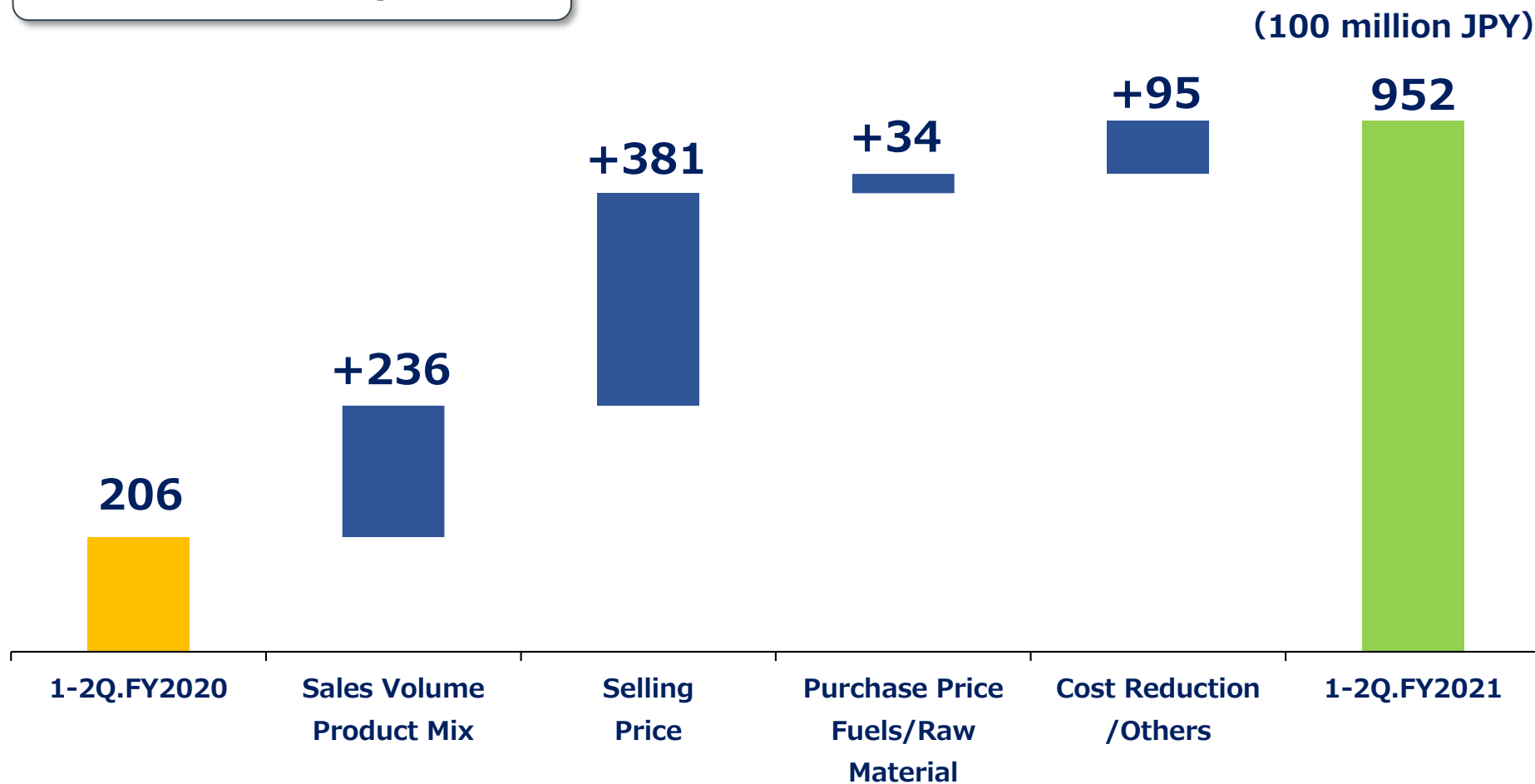
YoY Performance Comparison by Business Segment

(100 million JPY)

	FY2020		FY2021		Change	
	1-2Q Total		1-2Q Total		(b)-(a)	
	(a)		(b)			
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Glass	2,942	▲ 208	3,717	203	+ 775	+ 411
Electronics	1,386	174	1,415	140	+ 29	▲ 34
Chemicals	2,124	227	2,881	595	+ 757	+ 368
Ceramics/Other	382	14	367	16	▲ 15	+ 2
Elimination	▲ 289	▲ 1	▲ 268	▲ 2	+ 21	▲ 1
Total	6,545	206	8,113	952	+ 1,568	+ 746

Variance Analysis on OP (1-2Q.FY2021 vs. 1-2Q.FY2020)

74.6bn JPY up YOY



Consolidated Statement of Financial Position

(100 million JPY)

	2020/12	2021/6	Change
Cash and cash equivalents	2,361	2,481	+ 119
Inventories	2,748	3,003	+ 254
Property, plant and equipment, Goodwill and Intangible assets	14,376	14,967	+ 590
Other assets	5,859	6,359	+ 500
Total assets	25,345	26,809	+ 1,464
Interest-bearing debt	7,880	7,565	▲ 314
Other liabilities	5,035	5,429	+ 395
Liabilities	12,914	12,995	+ 80
Total equity attributable to owners of the parent	11,151	12,381	+ 1,229
Non-controlling interests	1,279	1,434	+ 155
Equity	12,430	13,815	+ 1,384
Total liabilities and equity	25,345	26,809	+ 1,464
D/E ratio	0.63	0.55	

Foreign exchange
fluctuation
+84.7 billion yen

Consolidated Statement of Cash Flow

(100 million JPY)

1-2Q Total

	FY2020	FY2021
Profit before tax	165	971
Depreciation and amortization	722	796
Increase(decrease) in working capital	37	▲ 175
Others	191	97
Cash flows from operating activities	1,115	1,690
Cash flows from investing activities	▲ 1,044	▲ 925
Free cash flow	70	765
Changes in interest-bearing debt	2,801	▲ 515
Dividends paid	▲ 133	▲ 133
Others	▲ 6	▲ 53
Cash flows from financing activities	2,663	▲ 701
Effect of exchange rate changes on cash and cash equivalents	▲ 45	56
Net increase(decrease) in cash and cash equivalents	2,688	119

(100 million JPY)

1-2Q Total

FY2020 **FY2021**

	FY2020	FY2021
CAPEX	1,116	1,033
Glass	282	251
Electronics	364	342
Chemicals	465	431
Ceramics/Other	6	12
Elimination	▲ 0	▲ 3
Depreciation	722	796
Glass	260	270
Electronics	238	280
Chemicals	214	236
Ceramics/Other	10	10
Elimination	▲ 0	▲ 0
R&D	219	238

Major projects for CAPEX

- G11 investment in China (Electronics)
- Production facility enhancement for semiconductor-related products (Electronics)
- Capacity enhancement for fluorochemicals (Chemicals)
- Capacity enhancement for PVC in Southeast Asia (Chemicals)
- Capacity enhancement for bio-pharmaceuticals (Chemicals)

Major factors for increase in depreciation cost

- Production facility enhancement for semiconductor-related products (Electronics)
- G11 investment in China (Electronics)

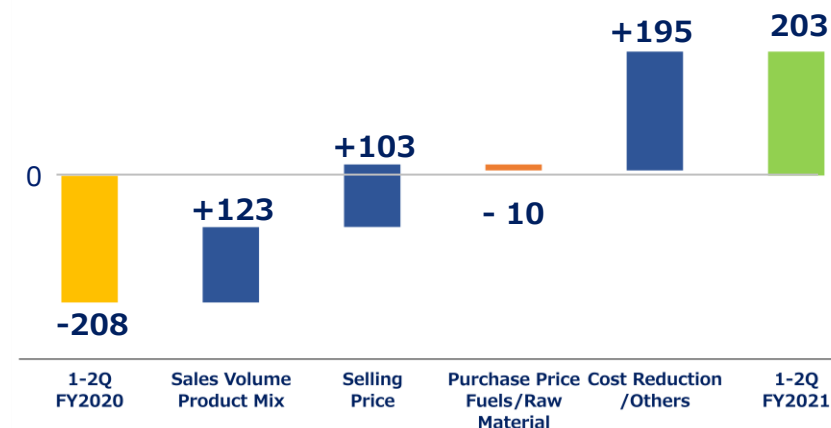
2. Business and Geographic Segments

(100 million JPY)

	1-2Q Total		Change
	FY2020	FY2021	
Net sales	2,942	3,717	+ 775*
Architectural Glass	1,507	1,883	+ 376
Automotive Glass (Inter-segment)	1,423 12	1,822 12	+ 399
Operating profit	▲ 208	203	+ 411

* FOREX impact: +14.5 billion yen,
Change in the Scope of Consolidation: +40 million yen

Variance Analysis on OP



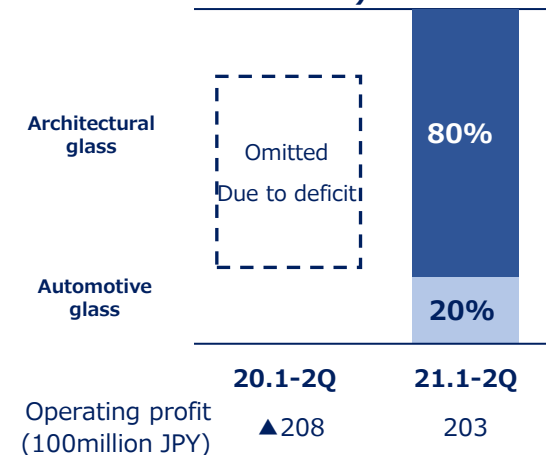
[Architectural glass]

- Shipments, mainly in Europe and Indonesia, increased significantly.
- Sales prices increased in Europe and South America.
- Manufacturing costs declined as the operating efficiency of the manufacturing facilities improved mainly in Europe.

[Automotive glass]

- Though affected by semiconductor shortage, shipments increased as vehicle production increased in all regions.
- Manufacturing costs declined as the operating efficiency of the manufacturing facilities improved mainly in Japan/Asia and Europe.

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



(100 million JPY)

Variance Analysis on OP

	1-2Q Total		Change
	FY2020	FY2021	
Net sales	1,386	1,415	+ 29*
Display	866	889	+ 23
Electronic Materials (Inter-segment)	485 34	487 39	+ 2
Operating profit	174	140	▲ 34



* FOREX impact: +1.3 billion yen,
Change in the Scope of Consolidation: No impact

〔Display〕

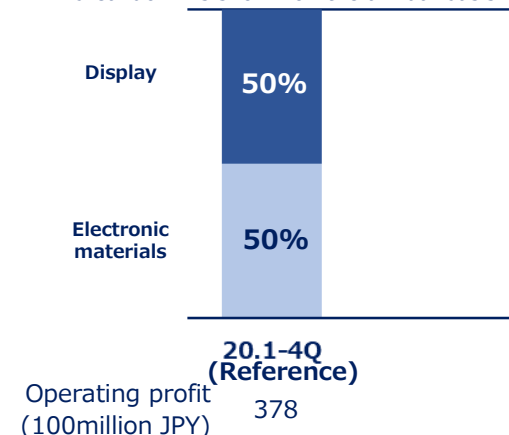
- Shipments of LCD glass substrates remained at the same level YoY, while those of specialty glass for display applications increased.
- Depreciation expenses increased because of the new facility launch for LCD glass substrate.
- Manufacturing costs increased as affected by foreign exchange fluctuation

〔Electronic materials〕

- Shipments of optoelectronic materials remained at the same level YoY.
- Shipments of semiconductor-related products such as EUV mask blanks and increased
- Shipments of circuit board material decreased due to US-China trade friction and other factors.
- Depreciation expenses increased because of the new facility launch for semiconductor-related products.

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

Due to significant seasonal fluctuation, the breakdown is shown on the annual basis.

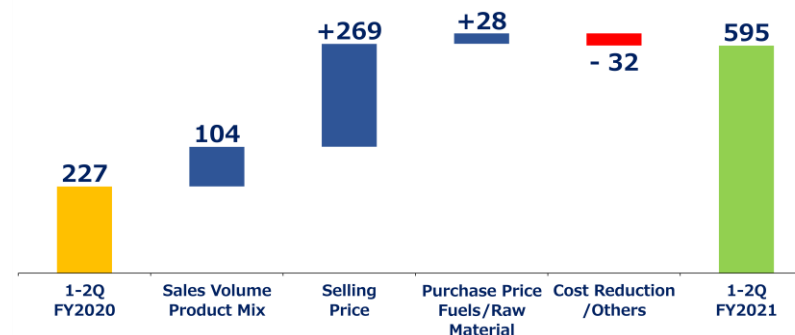


(100 million JPY)

	1-2Q Total		Change
	FY2020	FY2021	
Net sales	2,124	2,881	+ 757*
Chlor-alkali & Urethane	1,254	1,762	+ 508
Fluorochemicals & Specialty	529	568	+ 39
Life science	333	545	+ 212
(Inter-segment)	8	7	
Operating profit	227	595	+ 368

* FOREX impact: +7.1 billion yen,
Change in the Scope of Consolidation: +2.3 billion yen

Variance Analysis on OP



〔Chlor-alkali/urethane〕

- PVC selling price increased in Southeast Asia.

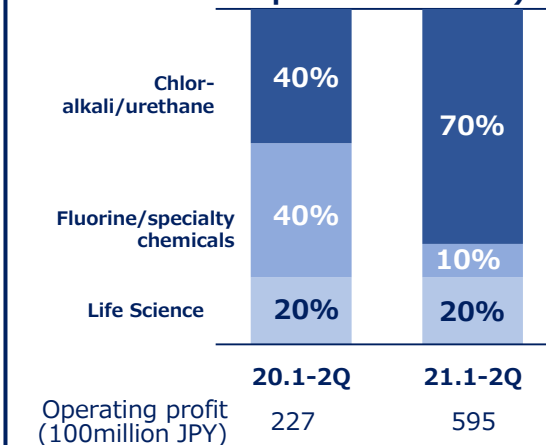
〔Fluorine/specialty chemicals〕

- Shipments of fluorochemical-related products continued recovering for automotive applications.
- Shipments of fluorochemical-related products for aircraft applications were sluggish.

〔Life science〕

- The number of contracts increased for synthetic pharmaceuticals and agrochemicals.
- The number of contracts for bio-pharmaceuticals increased for those relating to anti-coronavirus application, in addition to capacity enhancement through M&A and CAPEX.

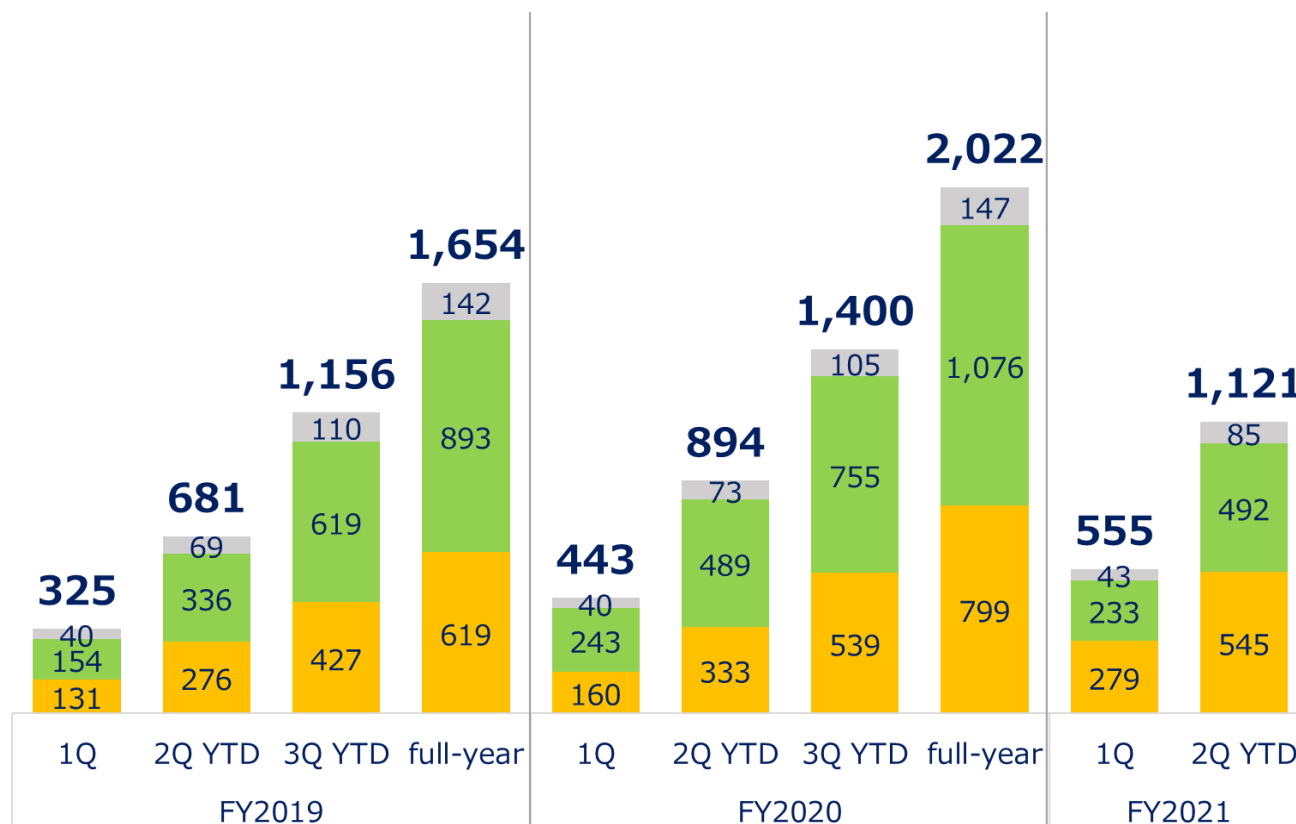
Ratio of sub-segment to the operating profit (before common expense allocation)



Steady performance shown mainly in Life science

100 million JPY

Sales of Strategic business



Major 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
- Bio CDMO

OP (strategic business)	53	104	222	331	93	177	296	444	113	196

(100m JPY)

YoY Performance Comparison by Geographic Segment

	1-2Q Total		Change
	FY2020	FY2021	
Net sales	6,545	8,113	+ 1,568
Japan & Asia	4,431	5,257	+ 827
Americas	682	895	+ 214
Europe	1,433	1,961	+ 528
Operating profit	206	952	+ 746
Japan & Asia	419	837	+ 418
Americas	▲ 17	72	+ 88
Europe	▲ 24	231	+ 256
Cross-regional common expenses	▲ 172	▲ 187	▲ 16

(100 million JPY)

FOREX impact:
+23.3 billion JPY

Change in the Scope
of Consolidation:
+2.4 billion JPY

Outlook for FY2021

- Significant increase is expected in net sales and profit thanks to recovery of businesses affected by the coronavirus pandemic & continued high PVC prices.

(100 million JPY)

	FY2020	FY2021e As of Apr 12, 2021	FY2021e As of Aug 2, 2021
Net sales	14,123	16,500	16,700
Operating profit	758	1,600	1,800
Profit before tax	571	1,420	1,870
Profit for the year attributable to owners of the parent	327	830	1,170
Dividend (JPY/share)	120	140	210
			(Ordinary 160) (Special 50)
Operating profit margin	5.4%	9.7%	10.8%
ROE	2.9%	7.4%	10.5%*
FOREX (Average)			
	JPY/USD	106.8	109.0
	JPY/EUR	121.8	129.4
Crude Oil (Dubai, Average)	USD/BBL	42.2	63.8
Ethylene (CFR SEA)	USD/MT	713	1,000
			69.2
			1,012

- Dividends increased following the upward revision of the forecast.
- Special dividend scheduled as a return for the temporary earnings from the transfer of the architectural glass business in North America.

Shareholder Return Policy

AGC will maintain stable dividends with a consolidated dividend payout ratio aiming for 40% while comprehensively examining the consolidated business performance and capital demand, etc. We will implement flexible share buybacks as a shareholder return measure worth improved capital efficiency.

		(yen)	Interim	Year-end	Special	Year-total	Consolidated payout ratio
FY2020			60	60	-	120	81%
FY2021e	Initial (Feb)		60	60	-	120	-
	Apr 12		70	70	-	140	-
	Aug 2		80 (Actual)	80	50	210	40%

Outlook of Net sales/Operating profit by segment

(100 million JPY)

	FY2020 full-year		FY2021 1-2Q total		FY2021e 3-4Q total		FY2021 full-year forecast		Change (b)- (a)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Glass	6,510	▲ 166	3,717	203	3,683	147	7,400	350	▲ 35	▲ 56
Electronics	2,894	378	1,415	140	1,785	190	3,200	330	+ 370	+ 50
Chemicals	4,512	505	2,881	595	2,919	505	5,800	1,100	+ 37	▲ 90
Ceramics/Other	811	42	367	16	433	4	800	20	+ 65	▲ 12
Elimination	▲ 603	▲ 1	▲ 268	▲ 2	▲ 232	2	▲ 500	0	+ 36	+ 4
Total	14,123	758	8,113	952	8,587	848	16,700	1,800	+ 473	▲ 104

2H Outlook by Business Segment

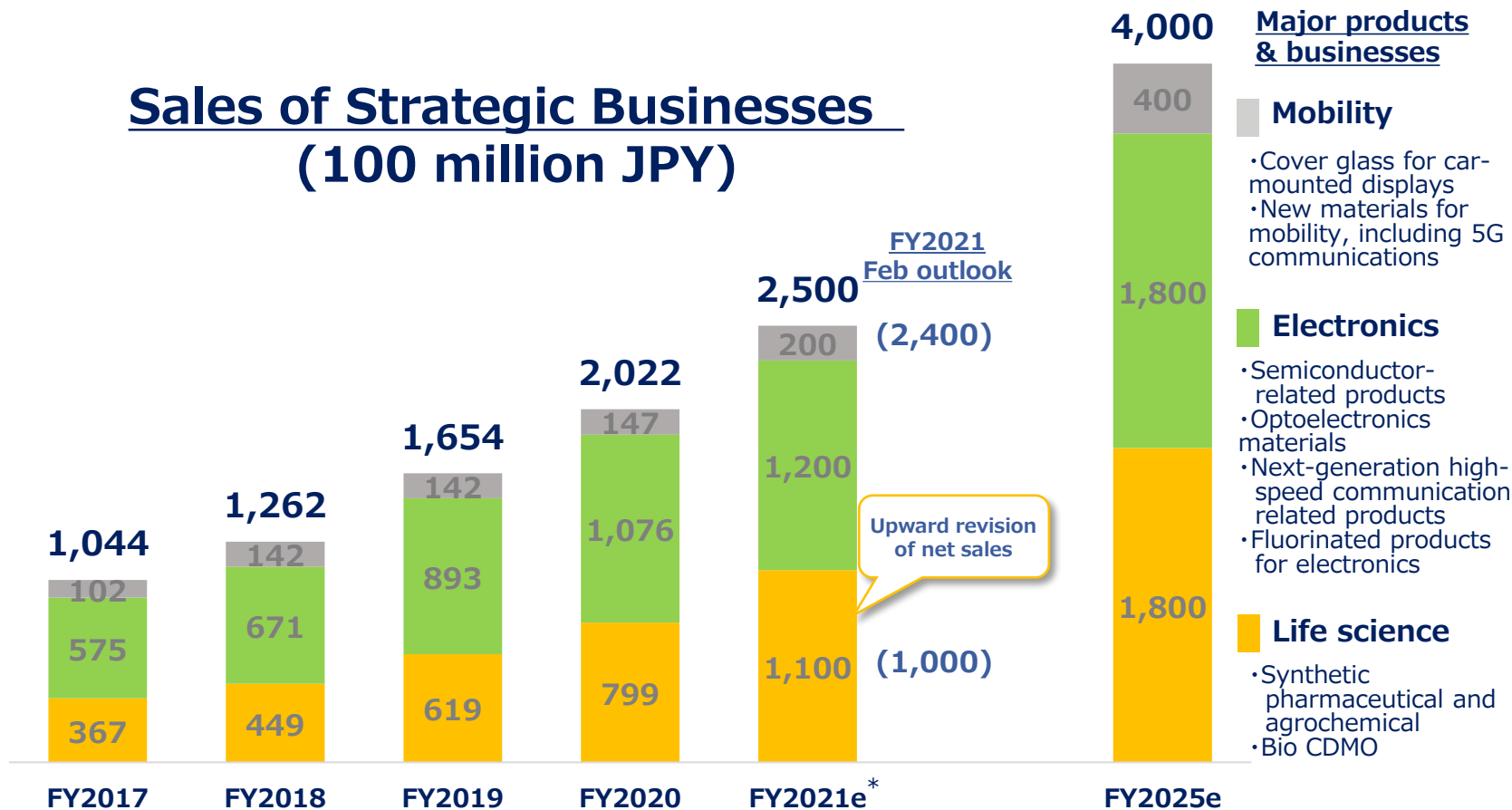
2021 1H vs 2021 2H

Glass	<p>(Architectural glass)</p> <ul style="list-style-type: none">• Net sales will drop due to a seasonal shipment decrease in Europe and the transfer of the business in North America. <p>(Automotive glass)</p> <ul style="list-style-type: none">• Global vehicle production might be affected by semiconductor shortage.
Electronics	<p>(Display)</p> <ul style="list-style-type: none">• Shipments of LCD glass substrates will remain strong in 2H.• Specialty glass for display applications will remain strong in 2H following the recovery of the smartphone market.• Depreciation expense will increase due to the launch of new facility for LCD glass substrates. <p>(Electronic materials)</p> <ul style="list-style-type: none">• Shipments of semiconductor related materials and optoelectronics materials will increase in 2H.• Depreciation expense will increase due to the launch of new facility for semiconductor-related products.
Chemicals	<p>(Chlor-alkali/urethane)</p> <ul style="list-style-type: none">• Though softening, the PVC market will remain high. <p>(Fluorine/specialty chemicals)</p> <ul style="list-style-type: none">• Demand for automotive applications will pick up gradually while shipments for aircraft applications remains sluggish. <p>(Life science)</p> <ul style="list-style-type: none">• Business will remain strong by capturing demand with capacity enhancement through M&A and CAPEX, also due to contracts relating to anti-coronavirus vaccines.

Accelerating the Growth of Strategic Businesses

- No change from the announcement in May 2021
- Expected to make a steady growth

Sales of Strategic Businesses (100 million JPY)



Strategic business
Operating profit

142

244

331

444

550

(500)

1,000

(100 million JPY)

CAPEX, Depreciation and R&D

(100 million JPY)

Full year

	FY2020	FY2021e
CAPEX	2,413	2,200*
Glass	641	480
Electronics	807	730
Chemicals	952	970
Ceramics/Other	15	20
Elimination	▲ 2	0
Depreciation	1,437	1,600
Glass	510	500
Electronics	479	600
Chemicals	430	480
Ceramics/Other	19	20
Elimination	▲ 1	0
R&D	464	550

Major projects for CAPEX

- G11 investment in China (Electronics)
- Production facility enhancement for semiconductor-related products (Electronics)
- Acquire a Gene therapy medicine plant (Chemicals)
- Capacity enhancement for fluorochemicals (Chemicals)
- Capacity enhancement for PVC in Southeast Asia (Chemicals)
- Capacity enhancement for bio-pharmaceuticals (Chemicals)

* Changed from the initial forecast of 200 billion yen (Initially, the Electronics Segment was 68 billion yen and the Chemicals Segment was 82 billion yen).

Progress of the AGC Group Medium-term Management Plan ***“AGC plus-2023”***

■ AGC will accelerate the following strategies toward Vision 2030.

Pursuing ambidextrous management

- We will accelerate the growth in the strategic business area, and at the same time explore new business areas including those related to energy.
- In the core business, we will conduct a structural reform in the architectural glass and automotive glass businesses that need improvements in profitability and asset efficiency.
- For other businesses in the core business area, we will strengthen their profit foundation and cash generation.

Promotion of sustainability management

- Propelling materials innovation to help solve social issues
- Aiming for net-zero carbon in 2050
- Strengthening human resources and group-wide governance



Gaining competitiveness by accelerating digital transformation

- Taking a transformation of the business model itself into consideration, leverage digital technologies to improve the process from product development to sales activities
- Use digital technologies to provide value to customers and society and gain competitiveness

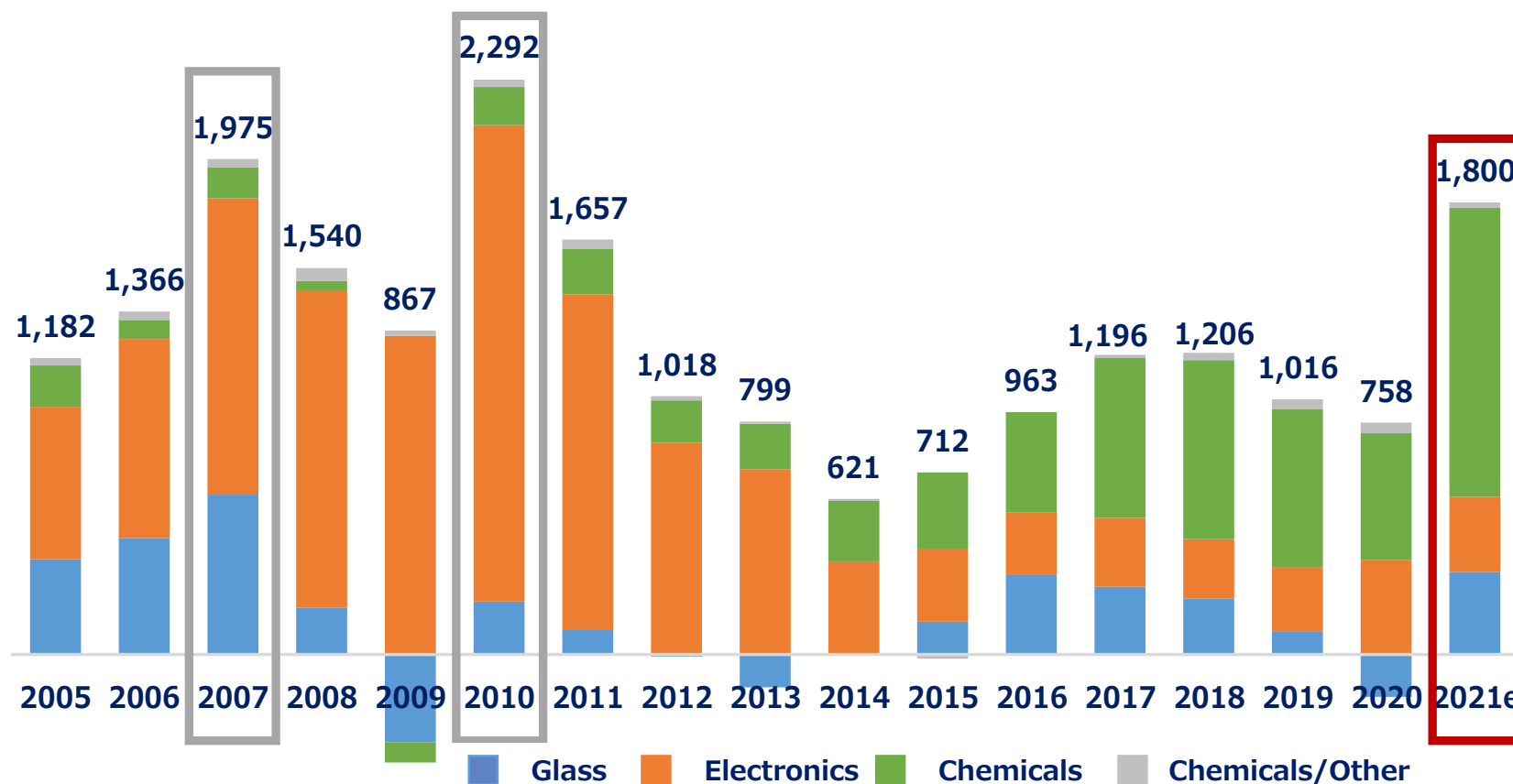
- Expect to achieve the OP, ROE and D/E target at the first year

	FY2020 Actual	FY2023 Target	FY2021 Outlook
OP	75.8 billion yen	160.0 Billion yen	180.0 billion yen
ROE	2.9 %	8 %	10 %
Strategic Business OP	44.4 billion yen	70.0 billion yen	55.0 billion yen
D/E	0.63	0.5 or less	0.5 or less

Performance Trend: Operating profit

- Expected to achieve the third highest OP in FY2021

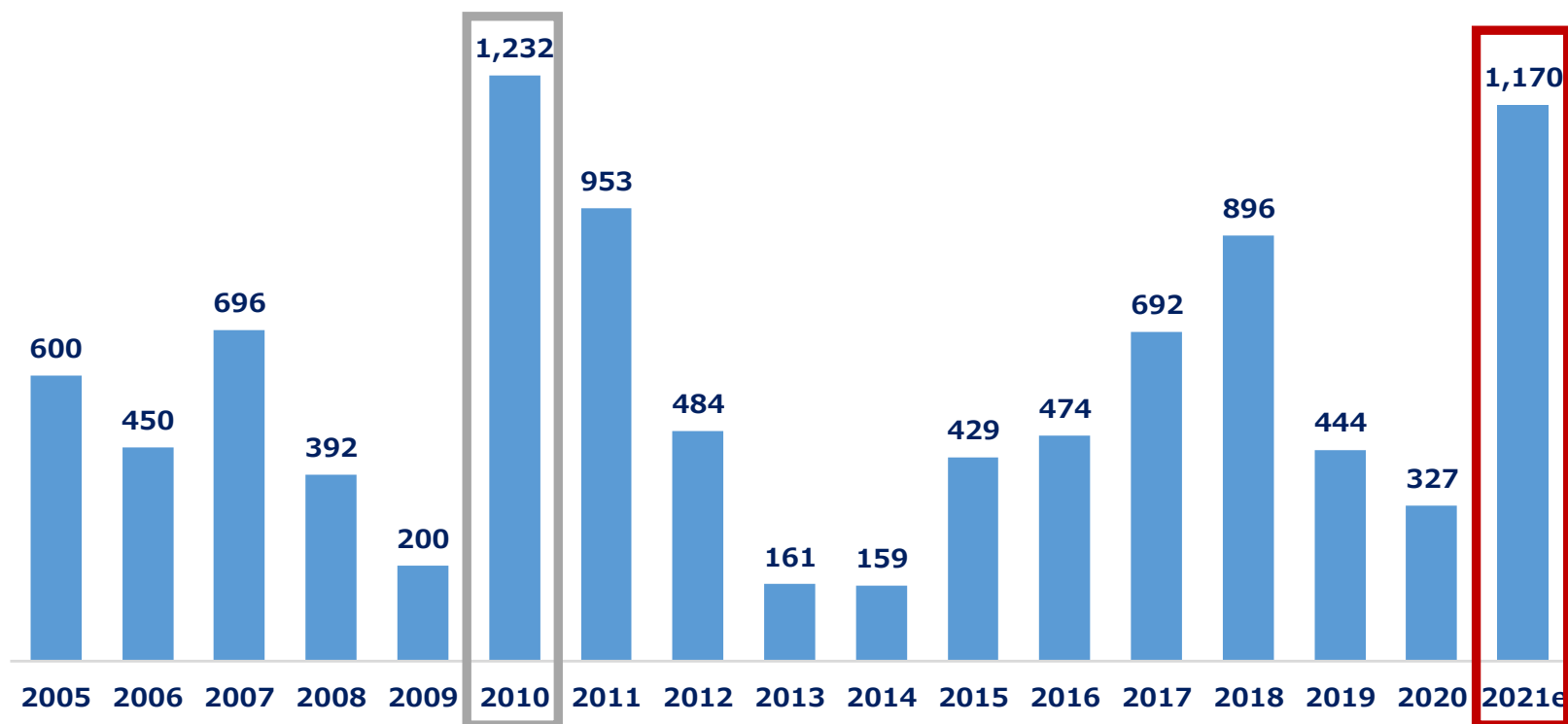
Operating Profit by Business Segment (100 million JPY)



Performance Trend: Profit for the period attributable to owners of the parent

- Expected to achieve the second highest profit for the period attributable to owners of the parent

Profit for the period attributable to owners of the parent (100 million JPY)



- Expected to achieve the record high in the year-total dividend per share

Dividend per share* (JPY)

■ Interim ■ Year-end ■ Special



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021e
Consolidated Payout ratio	29%	42%	34%	72%	93%	25%	32%	62%	129%	131%	48%	44%	35%	29%	60%	81%	40%

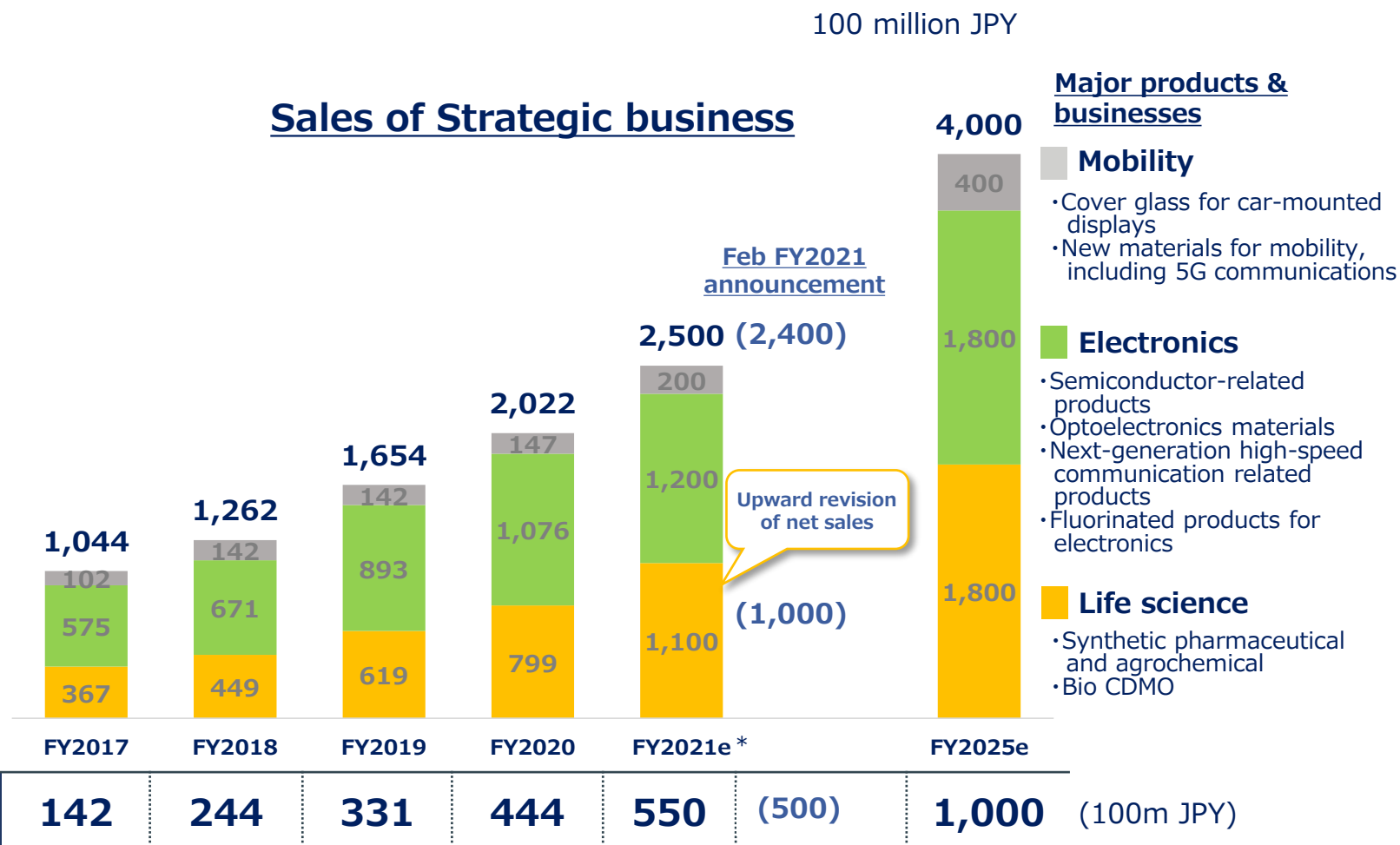
Share buyback

Share buyback (100 million JPY)	—	—	—	66	—	—	82	—	—	—	—	100	150	200	—	—	—
Consolidated total return ratio	29%	42%	34%	88%	93%	25%	40%	62%	129%	131%	48%	65%	56%	51%	60%	81%	40%

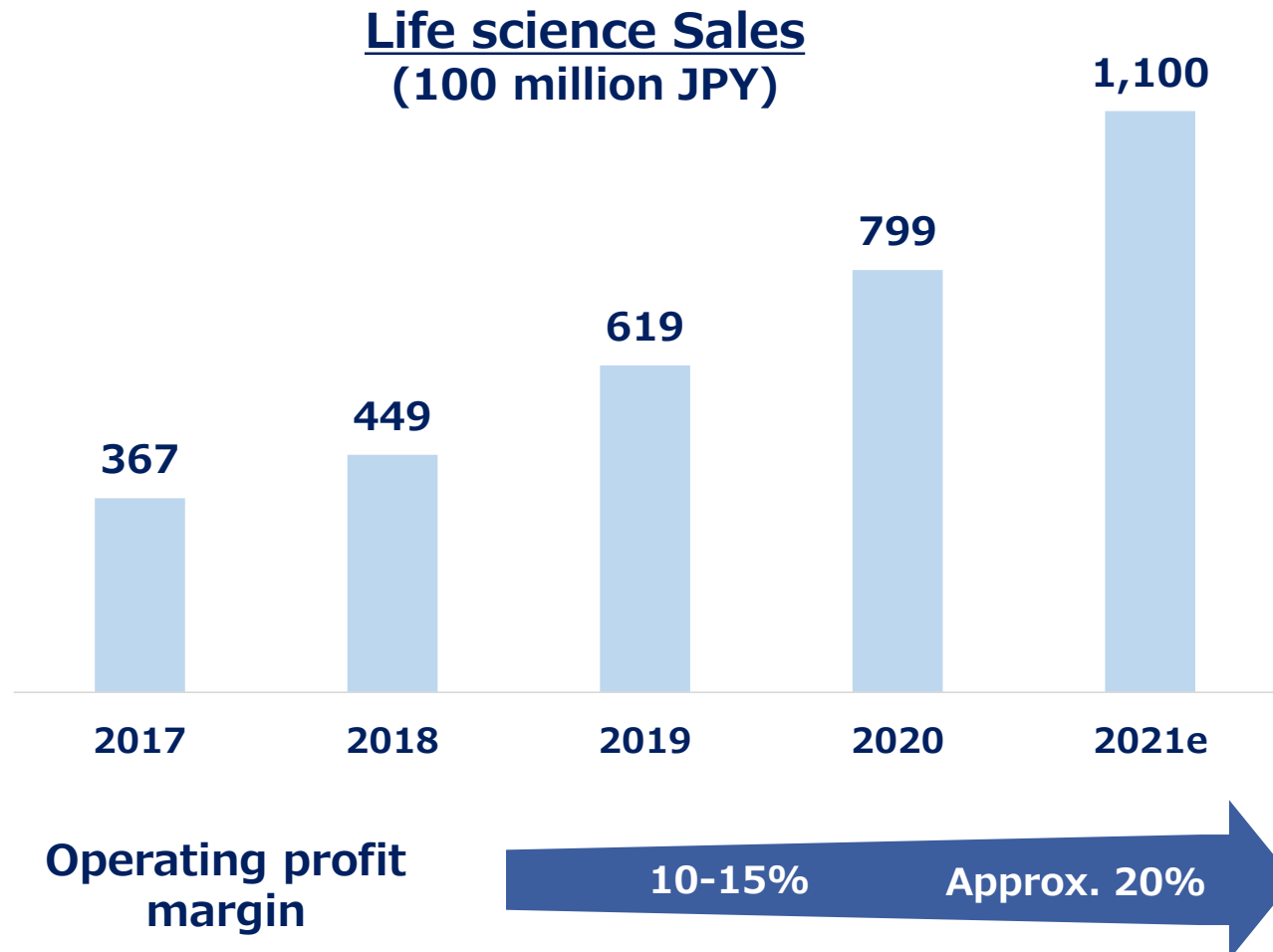
*The Company consolidated its common shares at a ratio of 5 shares to 1 share on July 1, 2017. Accordingly, per-share data is calculated on the assumption that the consolidation of shares was conducted at the beginning of 2007.

Accelerating the Growth of Strategic Businesses

- Centering on Life science, strategic businesses are expanding at the speed beyond the initial expectation.



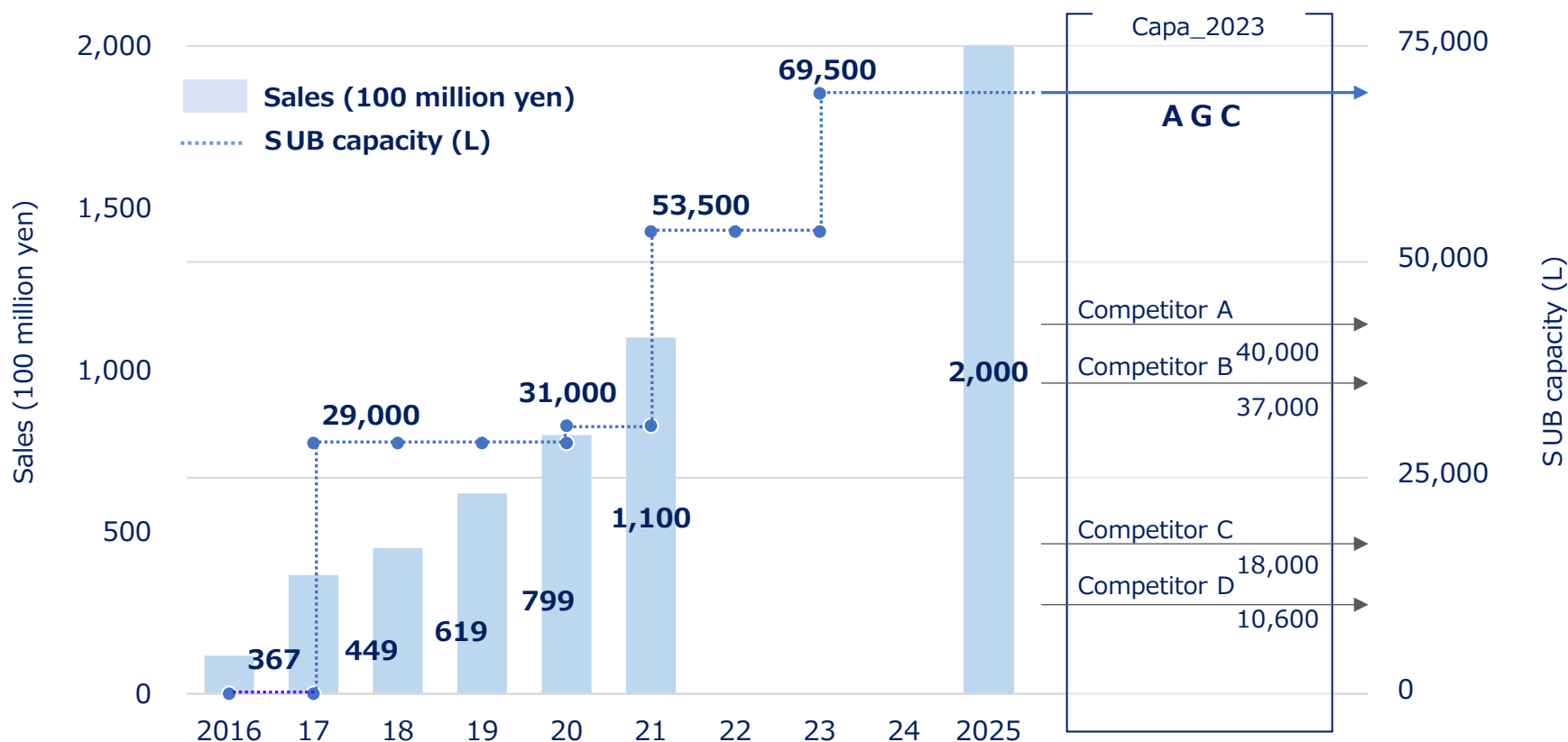
■ Steady growth and increase of OP margin



Top position: SUB in Bio-pharmaceutical CDMO

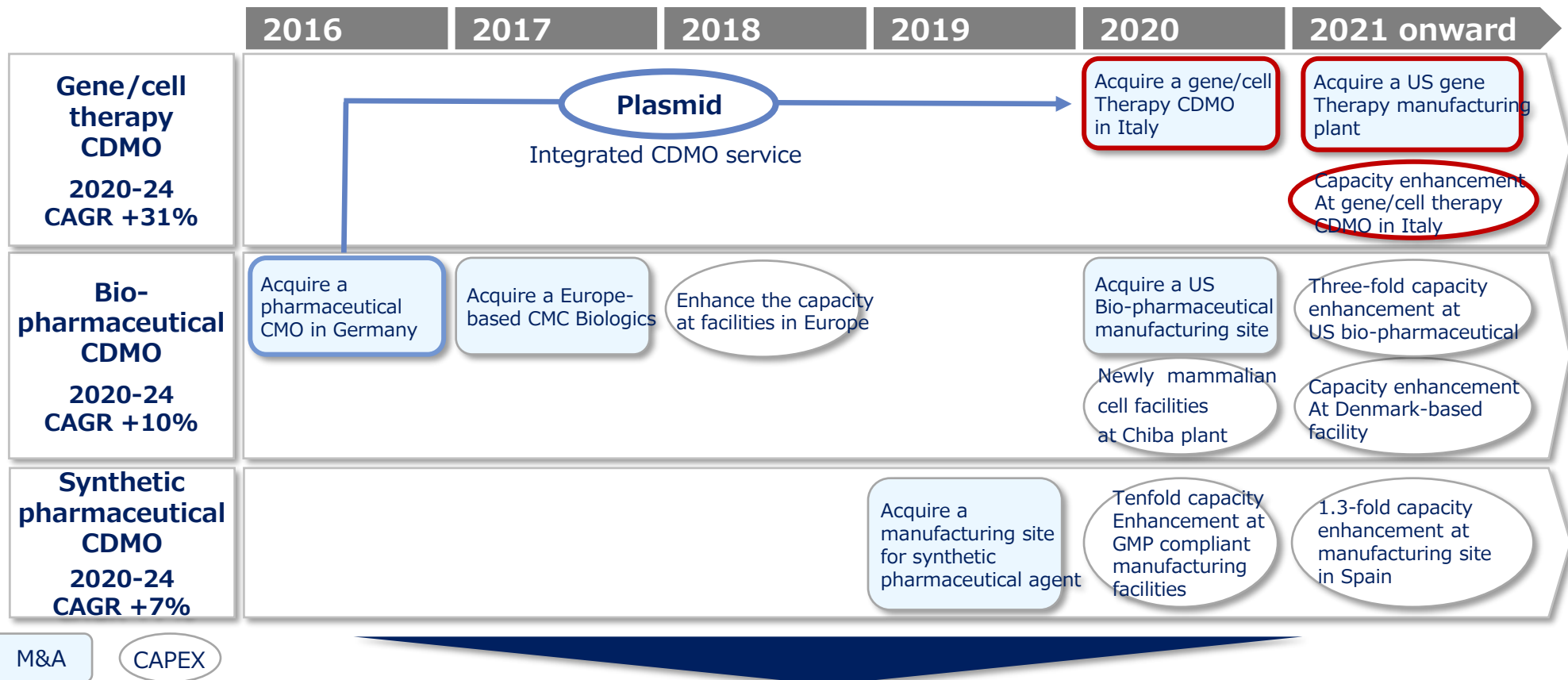
- Top-position* in rare diseases and orphan drugs by leveraging the competitiveness in SUB**
- Business grows based on active capacity expansion.

Life science Sales and SUB capacity



Active Investment Expands the Foundation of Life science Business

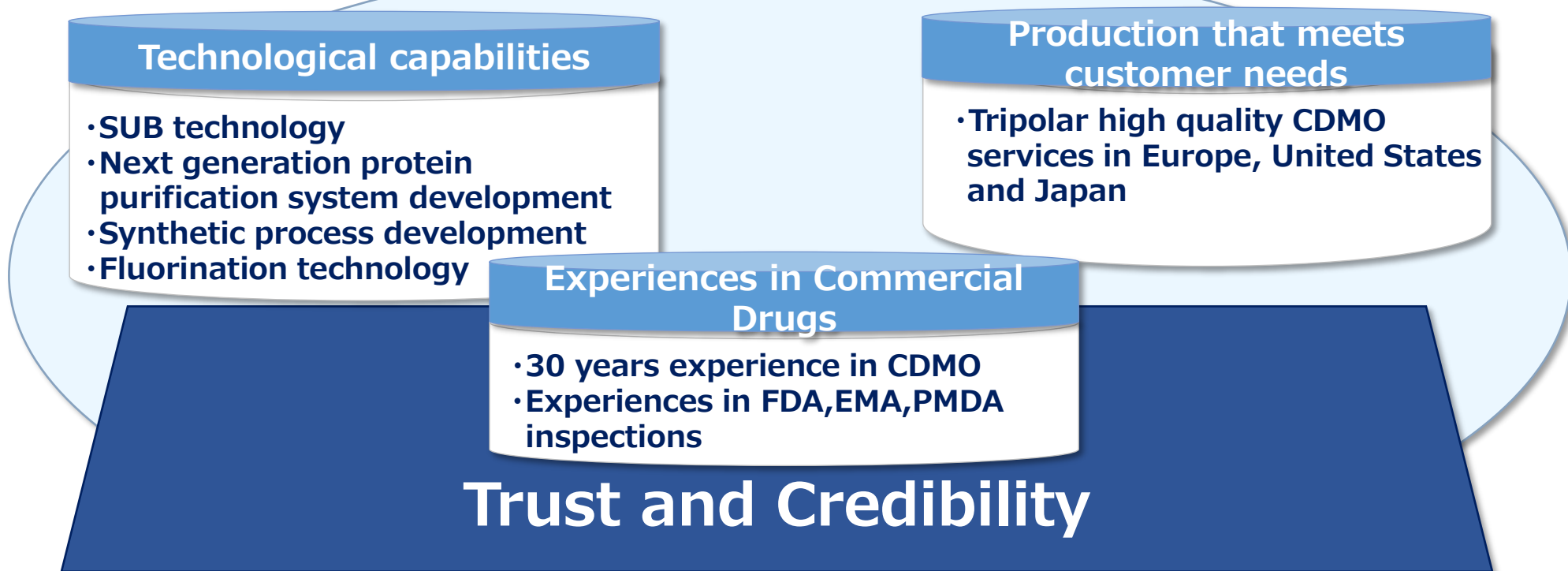
- Approx. 200bn JPY* investments have been made to expand the business foundation from synthetic pharmaceuticals & agrochemicals to bio-pharmaceuticals and gene/cell therapy CDMO.



AGC will continue capacity enhancement (including M&A) for further business expansion.

- By leveraging the strength of the AGC Group and active business expansion, AGC sets the sales target in 2025 to 200 billion JPY, up from 180 billion JPY.

AGC Group's Strength



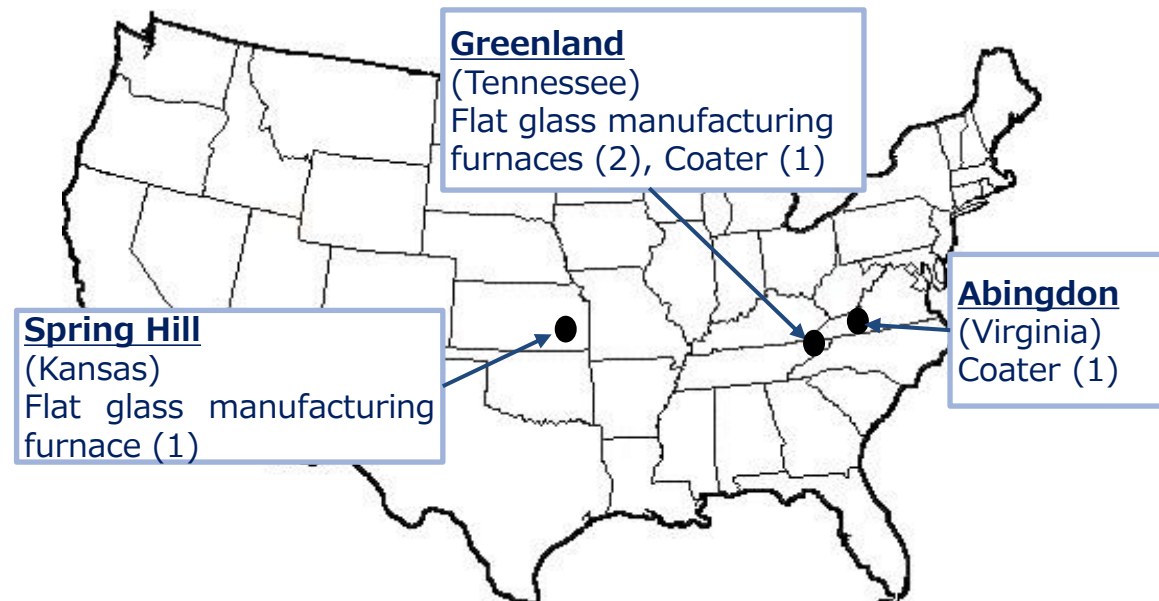
Appendix

- In light of the long-term/strategic portfolio management, AGC has transferred its architectural glass business in North America to Cardinal Glass Industries.

Overview

Transferred to	Cardinal Glass Industries
Amount	USD 450 million
Schedule	Completed soon
Financial Impact (FY2021)	<p>Sales: ▲ Approx. 20 billion yen</p> <p>OP: ▲ Approx. 2 billion yen</p> <p>Other income: + Approx. 25 billion yen</p>

Location and Facilities



Strength of chlor-alkali business in Southeast Asia

1

Strength of market structure

- Against the background of the high economic growth rate in Southeast Asia, the PVC demand in the region grows at 5%* per year.
- The market where rising raw material (ethylene) prices can be reflected in vinyl chloride resin prices
- There is no plan to enhance large-scale electrolysis facility by other companies, because it requires the selling of both caustic soda and chlorine that are produced in the electrolysis process.

2

Overwhelming market position & robust customer base

- In the region, AGC has over 50% share for both caustic soda and PVC.
- AGC has built solid sales and distribution networks as it started the business in Thailand in the 1960s and Indonesia in the 1980s.
- AGC has achieved customer trust by leveraging the highest production capacity in the region and ensuring a stable supply based on its advanced production technologies.

3

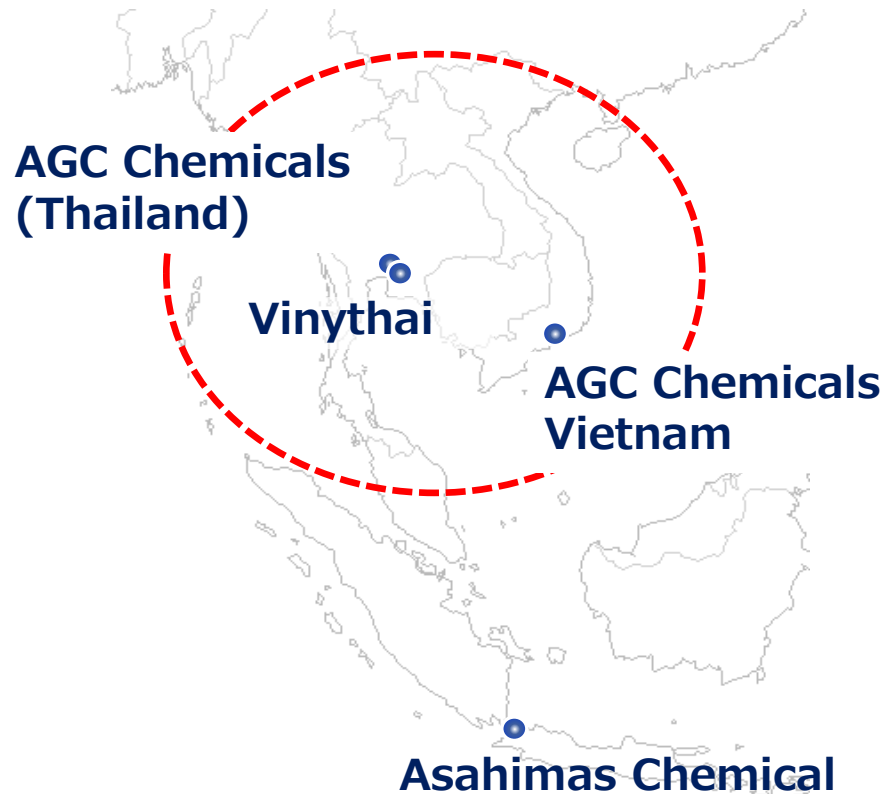
Competitiveness in the region

- Stable production is ensured as AGC has established the operation technologies accumulated through the integrated production from the electrolysis to PVC.
- Optimal production in the region can be achieved using the production bases in Indonesia, Thailand and Vietnam.
- Enhanced partnership with PTTGC, a leading ethylene manufacturer.

High profitability and growth over the medium to long-term can be maintained.

- Further strengthen the market position of AGC's chlor-alkali business in Southeast Asia through realignment/integration of the manufacturing sites in Indochina.
- Leverage such a strong market presence to capture the market growth.

Realignment/integration of the region

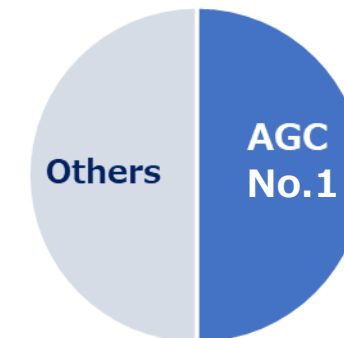


Capacity-based market share*

Caustic Soda



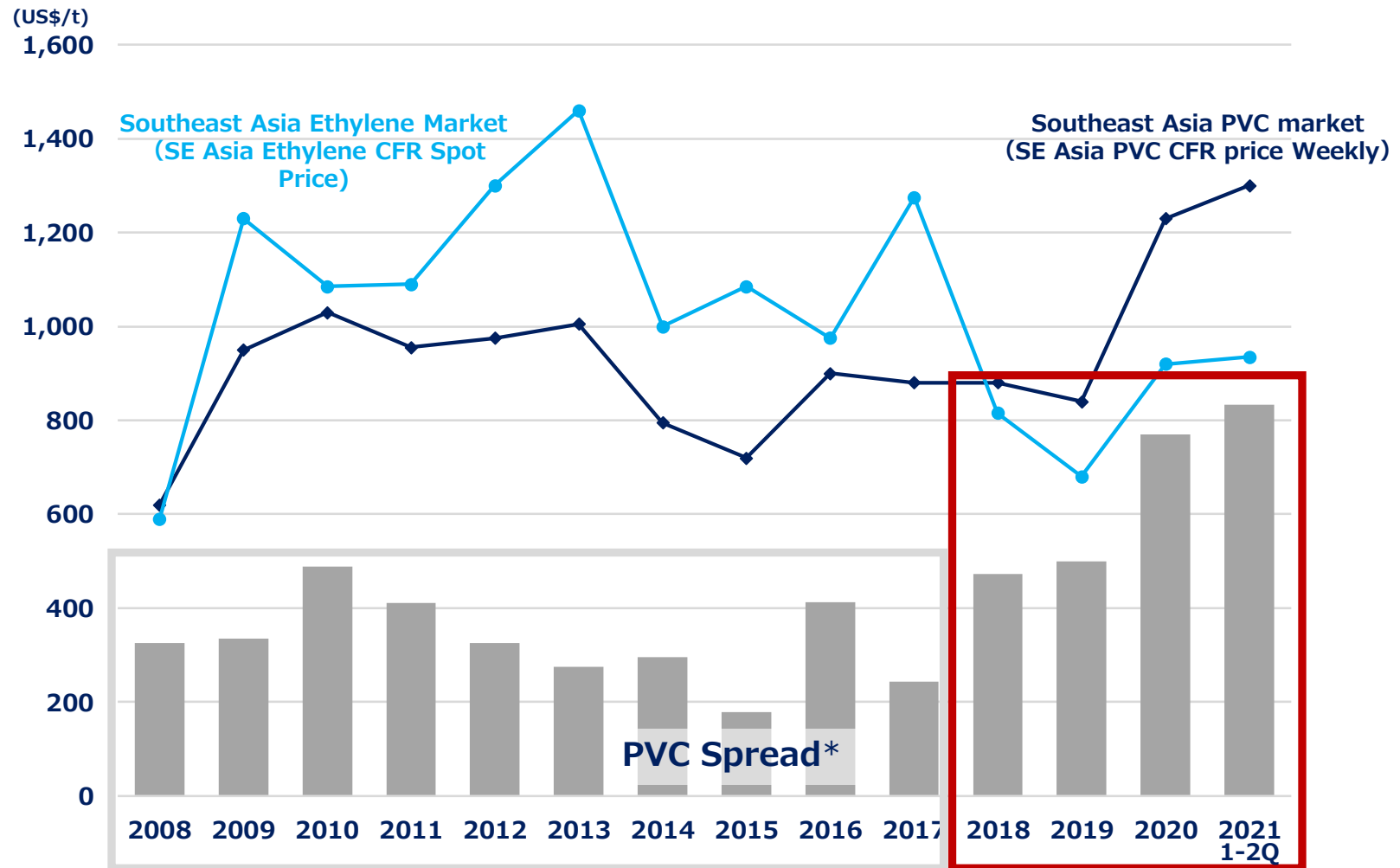
PVC



* Production capacity based share: Caustic Soda doesn't include and PVC includes Australia/NZ.

(Reference) Southeast Asia PVC Market

■ Expanding since 2018, PVC spread keeps at a high level.



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

ROCE & EBITDA by Segment (as of the end of FY2020)

(100 million yen)

	Operating profit	EBITDA	ROCE※	Operating asset
Glass	▲ 166	344	-	6,400
Electronics	378	857	6.3%	6,000
Chemicals	505	935	8.9%	5,700
Ceramics/Other	42	62	14.1%	300
Elimination	▲1	▲2	-	-
Total	758	2,195	4.1%	18,400

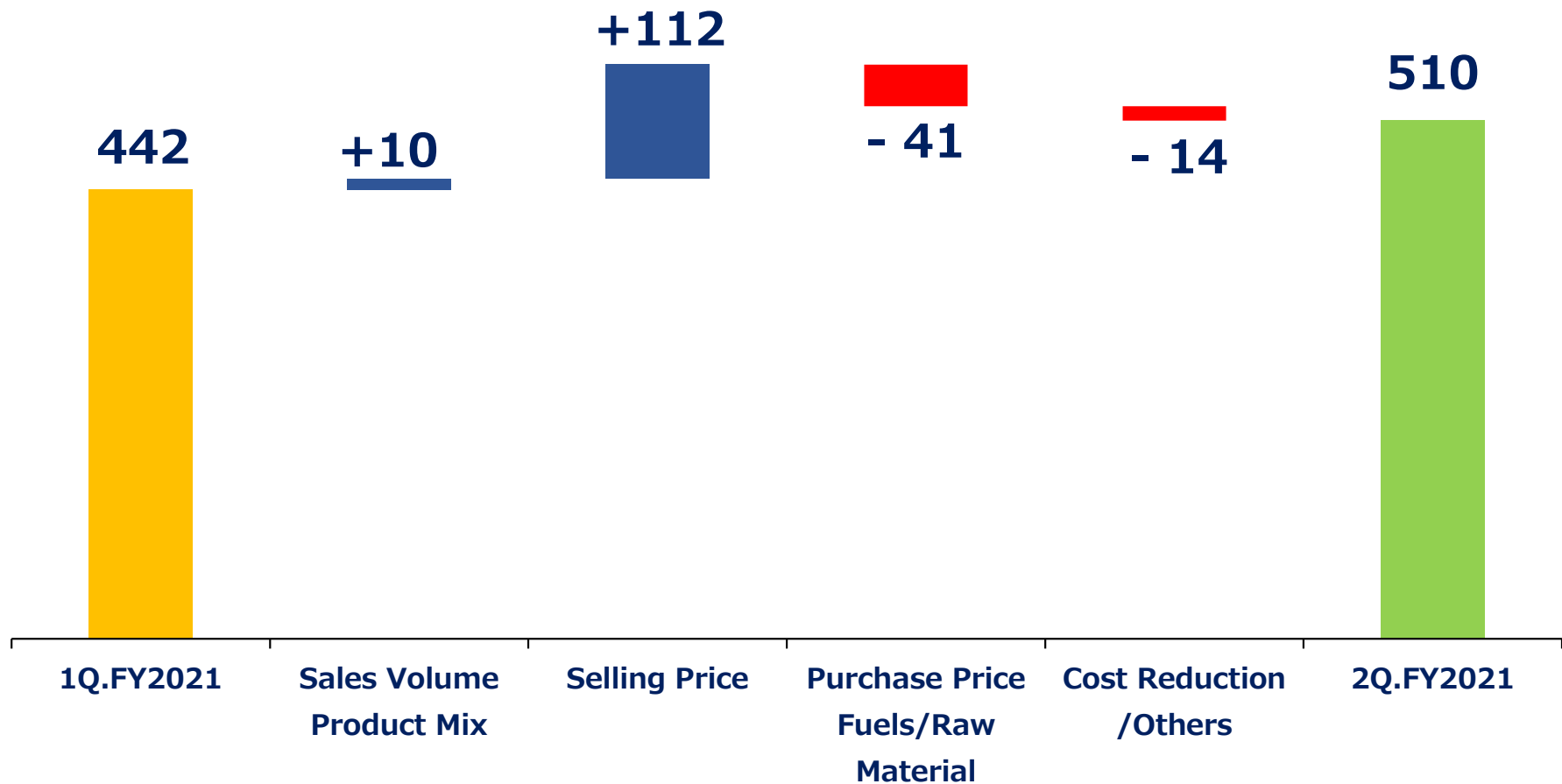
※ROCE is calculated based on the operating assets at the end of FY2020.

Risk factors	Impact on OP	Supplementary info
Exchange rate	<p><u>200 million yen*loss</u> if yen appreciated by 1%</p>	<p>*Impact when all currencies fluctuate at the same proportion against JPY</p>
Dubai crude oil	<p><u>300 million yen * loss</u> if increased by 1 dollar per barrel</p>	<p>*excluding impact of oil hedging</p>
Chemicals market	<p>1) Caustic soda: \$ <u>1 M loss</u> if the international market down by \$ 1</p> <p>2) PVC spread: \$ <u>1.2M loss</u>* if decreased by \$ 1</p>	<p>*PVC spread: PVC market - (ethylene market×0.5)</p>

Variance Analysis on OP (2Q.FY2021 vs. 1Q.FY2021)

6.8 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	
Glass	Flat glass	2 Q .FY2021	288	155	548	-	991
		2 Q .FY2020	253	97	355	-	706
	Automotive glass	2 Q .FY2021	490	157	268	-	915
		2 Q .FY2020	331	68	136	-	534
		2 Q .FY2021	778	313	816	6	1,912
		2 Q .FY2020	584	165	491	8	1,249
Electronics	2 Q .FY2021	620	63	3	20	705	
	2 Q .FY2020	620	57	3	13	693	
Chemicals	2 Q .FY2021	1,208	94	203	4	1,508	
	2 Q .FY2020	780	70	129	5	983	
Ceramics/Other	2 Q .FY2021	82	-	-	109	191	
	2 Q .FY2020	71	-	-	113	185	
Elimination	2 Q .FY2021	-	-	-	▲ 139	▲ 139	
	2 Q .FY2020	-	-	-	▲ 139	▲ 139	
Total Net Sales	2 Q .FY2021	2,687	469	1,021	-	4,178	
	2 Q .FY2020	2,055	292	623	-	2,970	

YoY Performance Comparison by Geographic Segment

(100 million JPY)

		Japan & Asia	Americas	Europe	Inter- segment	Total	
Glass	Flat glass	1-2 Q .FY2021	567	281	1,036	-	1,883
		1-2 Q .FY2020	544	196	767	-	1,507
	Automotive glass	1-2 Q .FY2021	1,003	298	521	-	1,822
		1-2 Q .FY2020	796	228	400	-	1,423
		1-2 Q .FY2021	1,570	579	1,557	12	3,717
		1-2 Q .FY2020	1,340	424	1,167	12	2,942
Electronics	1-2 Q .FY2021	1,255	116	5	39	1,415	
	1-2 Q .FY2020	1,240	105	6	34	1,386	
Chemicals	1-2 Q .FY2021	2,276	200	399	7	2,881	
	1-2 Q .FY2020	1,703	152	261	8	2,124	
Ceramics/Other	1-2 Q .FY2021	157	-	-	210	367	
	1-2 Q .FY2020	148	-	-	234	382	
Elimination	1-2 Q .FY2021	-	-	-	▲ 268	▲ 268	
	1-2 Q .FY2020	-	-	-	▲ 289	▲ 289	
Total Net Sales	1-2 Q .FY2021	5,257	895	1,961	-	8,113	
	1-2 Q .FY2020	4,431	682	1,433	-	6,545	

Outlook of Full-Year Net sales/Operating profit

(100 million JPY)

	FY2020		FY2021e As of Aug 2		Change		FY2021e As of Apr 12		Change	
	(a)		(b)		(b)-(a)		(c)		(b)-(c)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Glass	6,510	▲ 166	7,400	350	+ 890	+ 516	7,400	330	+ 0	+ 20
Electronics	2,894	378	3,200	330	+ 306	▲ 48	3,200	300	+ 0	+ 30
Chemicals	4,512	505	5,800	1,100	+ 1,288	+ 595	5,600	950	+ 200	+ 150
Ceramics/Other	811	42	800	20	▲ 11	▲ 22	800	20	+ 0	+ 0
Elimination	▲ 603	▲ 1	▲ 500	0	+ 103	+ 1	▲ 500	0	+ 0	+ 0
Total	14,123	758	16,700	1,800	+ 2,577	+ 1,042	16,500	1,600	+ 200	+ 200

(100 million JPY)

Glass	2Q.19	3Q.19	4Q.19	1Q.20	2Q.20	3Q.20	4Q.20	1Q.21	2Q.21
Net Sales	1,890	1,840	1,837	1,693	1,249	1,717	1,851	1,806	1,912
Architectural Glass	890	875	905	801	706	840	901	891	991
Automotive Glass	996	963	923	889	534	869	943	908	915
(Inter Segment)	5	3	9	3	8	7	7	7	6
Operating profit	39	23	▲ 4	▲ 26	▲ 182	▲ 12	53	97	106

Electronics	2Q.19	3Q.19	4Q.19	1Q.20	2Q.20	3Q.20	4Q.20	1Q.21	1Q.21
Net Sales	652	761	760	692	693	715	792	710	705
Display	441	449	460	433	433	448	458	461	429
Electronic Materials	185	283	276	238	247	257	316	230	257
(Inter Segment)	26	28	24	22	13	10	19	19	20
Operating profit	35	109	87	89	85	99	106	86	54

Chemicals	2Q.19	3Q.19	4Q.19	1Q.20	2Q.20	3Q.20	4Q.20	1Q.21	1Q.21
Net Sales	1,158	1,197	1,275	1,142	983	1,091	1,296	1,373	1,508
Chlor-alkali & Urethane	710	745	768	695	559	632	755	822	940
Fluorochemicals & Specialty	299	302	311	283	247	250	278	269	299
Life science	146	147	193	160	173	207	260	279	265
(Inter Segment)	4	4	3	4	5	3	3	3	4
Operating profit	118	177	191	151	75	98	180	255	340

Trend of shipment and price

				2020				2021		
				1Q	2Q	3Q	4Q	1Q	2Q	
YoY comparision										
Glass	Architectural (AGC)	Japan & Asia	shipment	-low single-digit	-high single-digit	+mid single-digit	+low single-digit	+10%	+low 10% range	
			price (Japan)	+low single-digit	+mid single-digit	+low single-digit	+low single-digit	flat	flat	
		North America	shipment	-high single-digit	-low 20% range	+low single-digit	+low 10% range	+mid 10% range	+mid 30% range	
			price	-high single-digit	-mid single-digit	-mid single-digit	-mid single-digit	+low single-digit	+low 10% range	
	Europe	shipment	flat	-low 20% range	+low single-digit	-mid single-digit	+low single-digit	+high 20% range		
		price	-low 10% range	-mid 20% range	-high 10% range	-low single-digit	+high single-digit	+high 30% range		
	Automobile production* ¹	Japan	volume	-7%	-48%	-12%	+4%	-5%	+52%	
		North America	volume	-11%	-68%	+0%	+0%	-5%	+138%	
		Europe & Russia	volume	-17%	-60%	-7%	+1%	+1%	+98%	
Electronics	Display panel demand* ²	Global	area	+0%	+5%	+12%	+7%	+17%	+12%	
Spot market price										
Chemicals	Chlor-alkali (Southeast Asia)	Caustic soda * ³	price	USD/MT	290	290	275	266	306	346
		PVC* ³	price	USD/MT	805	790	970	1,230	1,580	1,320
		Ethylene * ³	price	USD/MT	500	800	805	920	985	860

*¹ Source : IHS Markit data as of June 16, 2021.

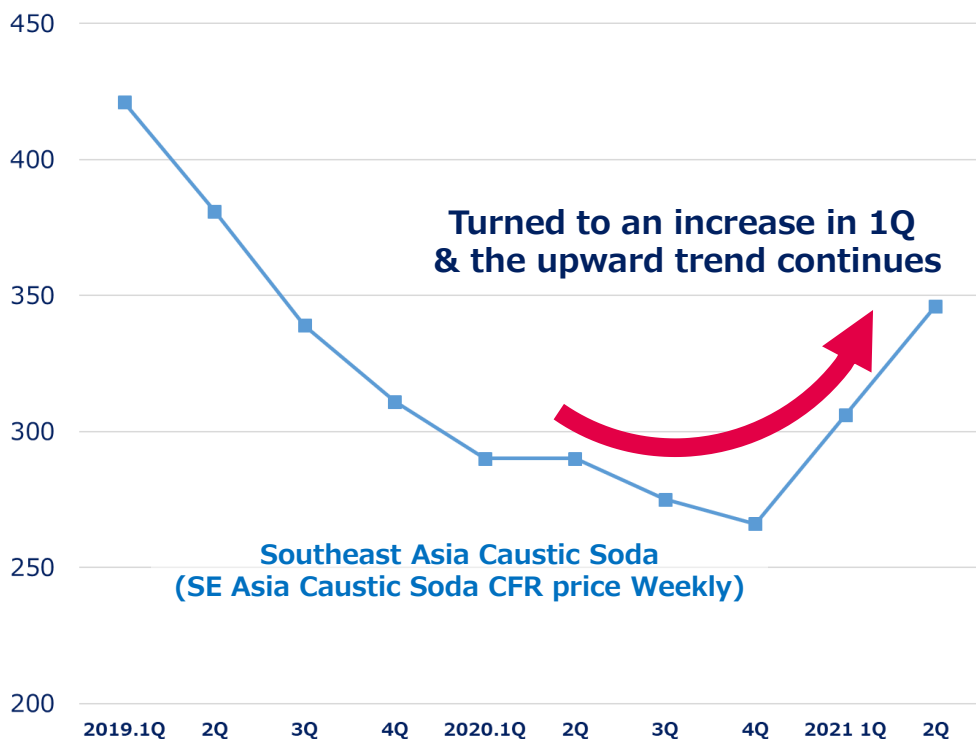
*² Source : Omdia-Display Long-Term Demand Forecast Tracker – 1Q21 Pivot
Results are not an endorsement of AGC Inc. Any reliance on these results is at the third-party's own risk.

*³ Source : Bloomberg

(Reference) Caustic Soda & PVC markets in Southeast Asia

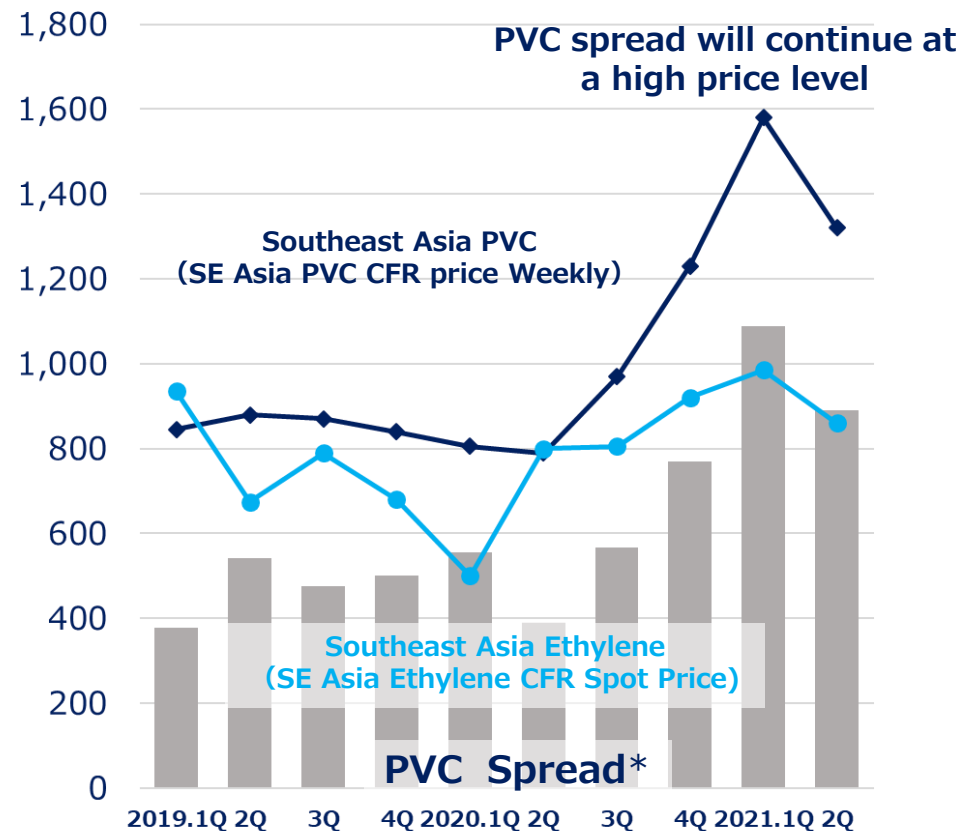
Caustic Soda

(US\$/t)



PVC

(US\$/t)



Source: Bloomberg quarterly report

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

		IFRS				
		16/12	17/12	18/12	19/12	20/12
Net sales	Million JPY	1,282,570	1,463,532	1,522,904	1,518,039	1,412,306
Operating profit	Million JPY	96,292	119,646	120,555	101,624	75,780
OP margin	%	7.5	8.2	7.9	6.7	5.4
Attributable to owners of the parent	Million JPY	47,438	69,225	89,593	44,434	32,715
Return on equity (ROE) *1	%	4.3%	6.1%	7.7%	3.9%	2.9
Return on assets (ROA) *2	%	4.8%	5.7%	5.4%	4.4%	3.1
Equity ratio	%	55%	53%	51%	50%	44
D/E (Interest-bearing debts • Net assets)	times	0.37	0.38	0.43	0.47	0.63
CF from Operating Activities/Interest-bearing debt	times	0.47	0.42	0.35	0.32	0.29
Earnings per share(EPS) *3	JPY	205.14	302.12	399.51	200.85	147.84
Cash dividends per share	JPY	90	105	115	120	120
EBITDA *4	Million JPY	195,767	249,880	259,425	231,857	208,459
Exchange rates (average)	JPY/USD	108.84	112.19	110.43	109.05	106.82
	JPY/EUR	120.33	126.66	130.42	122.07	121.81

*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

Sustainability: Products and technologies to create social value

Material opportunities

AGC Group's materials and solutions

Social value

Related SDGs

Addressing climate change

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

Contributing to the realization of a sustainable global environment



Effective use of resources

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

Developing social infrastructure

Architectural glass, caustic soda, sodium hypochlorite, sodium bicarbonate, PVC, etc.

Contributing to the realization of safe and comfortable urban infrastructure



Achieving a safe and comfortable mobility

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

Building an info-intensive and IoT society

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

Contributing to the realization of safe and healthy lifestyles



Addressing food crises

Agrochemical active ingredients/intermediates, film for agricultural green houses

Facilitating better health and longevity

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

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

Related SDGs

Contributing to the realization of a sustainable global environment



Contributing to the realization of a healthy and secure society

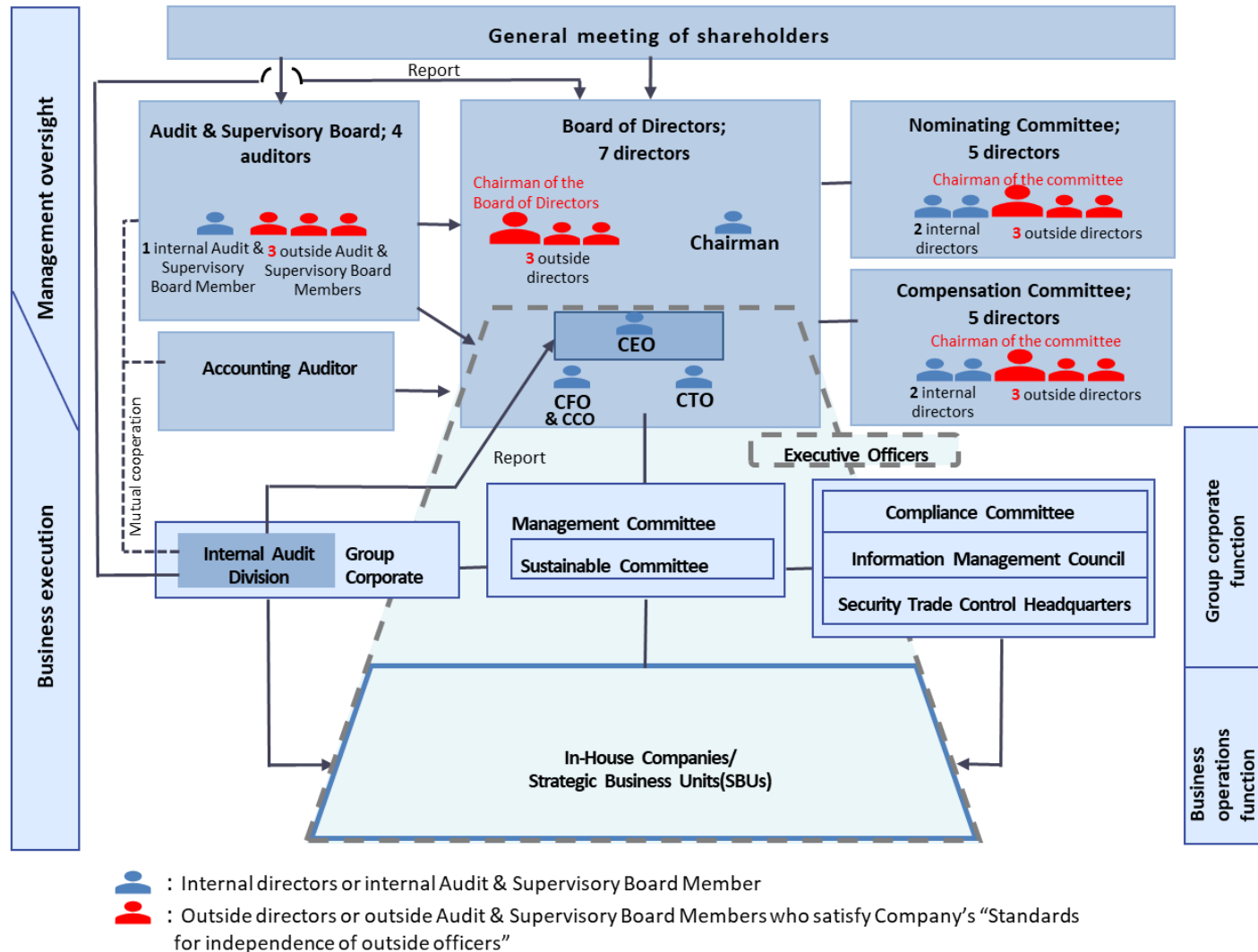


Contributing to the realization of fair and safe workplaces



AGC's Corporate Governance Structure

< Effective as of March 30, 2021 >



FTSE4Good Index Series



FTSE4Good

FTSE Blossom Japan Index



FTSE Blossom
Japan

Nadeshiko Brand

as a company that excels in promoting the advancement of women



NIKKEI Smart Work Awards 2021 Special Jury Prize



“White 500” Company

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



EcoVadis Supplier Evaluations

PLATINUM rated for the Kashima plant

GOLD rated for the Chiba plant and AGC Pharma Chemicals



Derwent Top 100 Global Innovator 2021

Noteworthy DX Company for 2021

in recognition of digital transformation efforts

Major Press Release in FY2021

Date	Summary
January 14	Notice regarding Termination of Discussions with Central Glass Co., Ltd. on Integration of Architectural Glass Business in Japan
January 26	DOCOMO and AGC Use Metasurface Lens to Enhance Radio Signal Reception Indoors
February 3	NTT DOCOMO to Establish a 5G Consortium in Thailand with Leading Partners
February 5	AGC Formulates New Management Policy, Long-term Strategy, and Medium-term Management Plan
February 16	AGC Chiba Plant Introduces Private LTE Network in Preparation for Introducing 5G Network
March 3	AGC Biologics to Expand Gene and Cell Therapy CDMO Capacity at its Milan Site
March 19	AGC to Integrate and Reorganize the 3 Chlor-Alkali Companies in Thailand and CLMV Markets
April 12	AGC to Implement Organizational Reform of its Architectural Glass Business
April 26	AGC Develops "Smart Inventory System" for Automated Management of Raw Materials
May 25	Alteryx Data Analysis Platform to be Deployed to AGC's Chemical Plants
June 8	AGC Biologics' Heidelberg Facility to Further Supply Plasmid DNA for COVID-19 Vaccine
June 15	Notice regarding Transfer of Architectural Glass Business in North America
July 2	AGC Biologics Enters Agreement to Acquire Facility in Longmont, Colorado, U.S.
July 15	AGC to Revise Pricing for Architectural Glass Products in Japan



Your Dreams, Our Challenge

END

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