

May 18, 2020

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Notice regarding Revision to First Half and Full Year Consolidated Financial Forecasts and Dividend Forecast for Fiscal Year Ending December 31, 2020

AGC Inc. (“the Company”) announces that, based on the AGC Group’s recent business performance due to the worldwide spread of the novel coronavirus disease (COVID-19), the Company reached the decision at the meeting of the Board of Directors held today to revise its consolidated financial forecasts and dividend forecast for the fiscal year ending December 31, 2020, which were announced on February 5, 2020.

1. Revision to the consolidated financial results forecast

(1) Revision to the first half consolidated financial results forecast

[January 1 through June 30, 2020]

(Unit: Millions of yen; %)

	Net sales	Operating profit	Profit before tax	Profit for the period	Profit for the period attributable to owners of the parent	Basic earnings per share (Yen)
Previous forecast announced on February 5, 2020 (A)	750,000	50,000	-	-	-	-
Revised forecast (B)	650,000	25,000	-	-	-	-
Change (B – A)	△100,000	△25,000	-	-	-	-
Change (%) (B – A)/A	△13.3	△50.0	-	-	-	-
Actual results for First Half of FY2019	737,489	41,487	-	-	-	-

(2) Revision to the FY2020 consolidated financial results forecast

[January 1 through December 31, 2020]

(Unit: Millions of yen; %)

	Net sales	Operating profit	Profit before tax	Profit for the period	Profit for the period attributable to owners of the parent	Basic earnings per share (Yen)
Previous forecast announced on February 5, 2020 (A)	1,550,000	120,000	107,000	80,000	69,000	311.85
Revised forecast (B)	-	-	-	-	-	-
Change (B – A)	-	-	-	-	-	-
Change (%) (B – A)/A	-	-	-	-	-	-
(Reference) Actual results for FY2019	1,518,039	101,624	76,213	55,515	44,434	200.85

2. Revision to the dividend forecast

	Dividend per share (yen)		
	Interim	Year-End	Year-total
Previous forecast (Announced on February 5, 2020)	65.00	65.00	130.00
Revised forecast	-	-	-
Actual payment for FY2020	-	-	-
Actual payment for FY2020 (ending December 31, 2020)	60.00	60.00	120.00

3. Reasons for the revisions

Due to the global spread of COVID-19, the AGC Group has been impacted by lower demand and customer production adjustments in several of its businesses, resulting in lower shipments. In particular, the Glass segment is expected to see a significant decline in sales and profit in the second quarter of the year due to the impact of the Automotive business in China in the first quarter and the full-scale adjustment of operations in Architectural glass and Automotive glass businesses from mid-March. In addition, shipments of certain products in the Electronics and Chemicals segments are also expected to be affected, and therefore, the Company has revised its consolidated financial forecast for the first half of the fiscal year ending June 30, 2020, which was announced on February 5, 2020, as shown above.

The outlook on the COVID-19 outbreak is still grim, and future demand trends remain uncertain. Under these circumstances, there are many undetermined factors that may affect the Group's performance at this time, and it is difficult to make a reasonable calculation of financial forecasts. Therefore, the Group has temporarily withdrawn its full-year consolidated financial and dividend forecasts and will disclose them again when reasonable forecasts become available.

The consolidated financial forecast for the first half of the fiscal year ending June 30, 2020 has been calculated based on the information currently available to the AGC Group, based on the assumption that economic activity will continue to be suppressed in many countries and regions due to the impact of the spread of COVID-19, and on the basis of the aforementioned impact on business activities. In addition, in revising the consolidated financial forecast for the first half of the fiscal year ending June 30, 2020, the average exchange rates assumed for the fiscal year ending December 31, 2020 have also been revised from 110.0 Japanese Yen to 107.0 Japanese Yen to the U.S. dollar and from 120.0 Japanese Yen to 117.6 Japanese Yen to the Euro.