

Financial Results for the Six Months ended June 30, 2022

The AGC logo is displayed in a white 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.

Aug 2, 2022

Your Dreams, Our Challenge

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■ Financial Results for 2Q FY2022 :

(YoY) [unit: 100 million JPY]

Net Sales **9,783** (+1,670)

Operating profit **1,153** (+201)

Profit for the period

Attributable to owners
of the parent **712** (+74)

- Both net sales and operating profit reached record highs for the first half of the year.

■ Outlook for FY2022 :

(vs. Feb 8 Forecast) (YoY) [unit: 100 million JPY]

Net Sales **20,500** (+2,500) (+3,526)

Operating profit **2,300** (+200) (+238)

- Despite the rising prices of fuels and raw materials, we upwardly revised the financial forecasts for the factors such as the steady growth of strategic businesses, the increases of products' selling prices, and the depreciation of the Japanese yen.
- Net sales will exceed 2 trillion yen for the first time in AGC's history. Both net sales and operating profit are expected to hit record highs.

1. Highlights of the Financial Results

Highlights of the Financial Results for 2Q FY2022

Your Dreams, Our Challenge

(100 million JPY)

		FY2021 1-2Q Total	FY2022 1-2Q Total	Change	Main factors in the change (+) Increasing factors (-)Decreasing factors
Net Sales		8,113	9,783	+ 1,670*	(+) Shipments of architectural glass, chlor-alkali products, fluorochemicals-related products, electronic materials and life science increased. (+) Sales price of chlor-alkali products and architectural glass increased. (+) Weaker yen.
Operating profit		952	1,153	+ 201	In addition to the above, (+) Manufacturing costs decreased as the utilization rate of fluorochemicals-related manufacturing facilities improved. (-) Increased in natural gas prices in Europe. (-) Depreciation expenses increased due to factors such as new facility launch for LCD glass substrate. (-) Manufacturing costs of display increased as affected by higher fuel & raw materials prices and foreign exchange fluctuation.
Profit before tax		971	1,176	+ 205	In addition to the above, (+) Gain on sale of subsidiaries (-) Business structure improvement costs was posted.
Profit for the period Attributable to owners of the parent		638	712	+ 74	
FOREX (Average)	JPY/USD	107.70	122.89		
	JPY/EUR	129.83	134.25		
Crude Oil (Dubai, Average)	USD/BBL	63.47	101.81		

* FOREX impact was +66.5 billion JPY, change in the scope of consolidation was ▲17.4 billion JPY

YoY Performance Comparison by Business Segment

(100 million JPY)

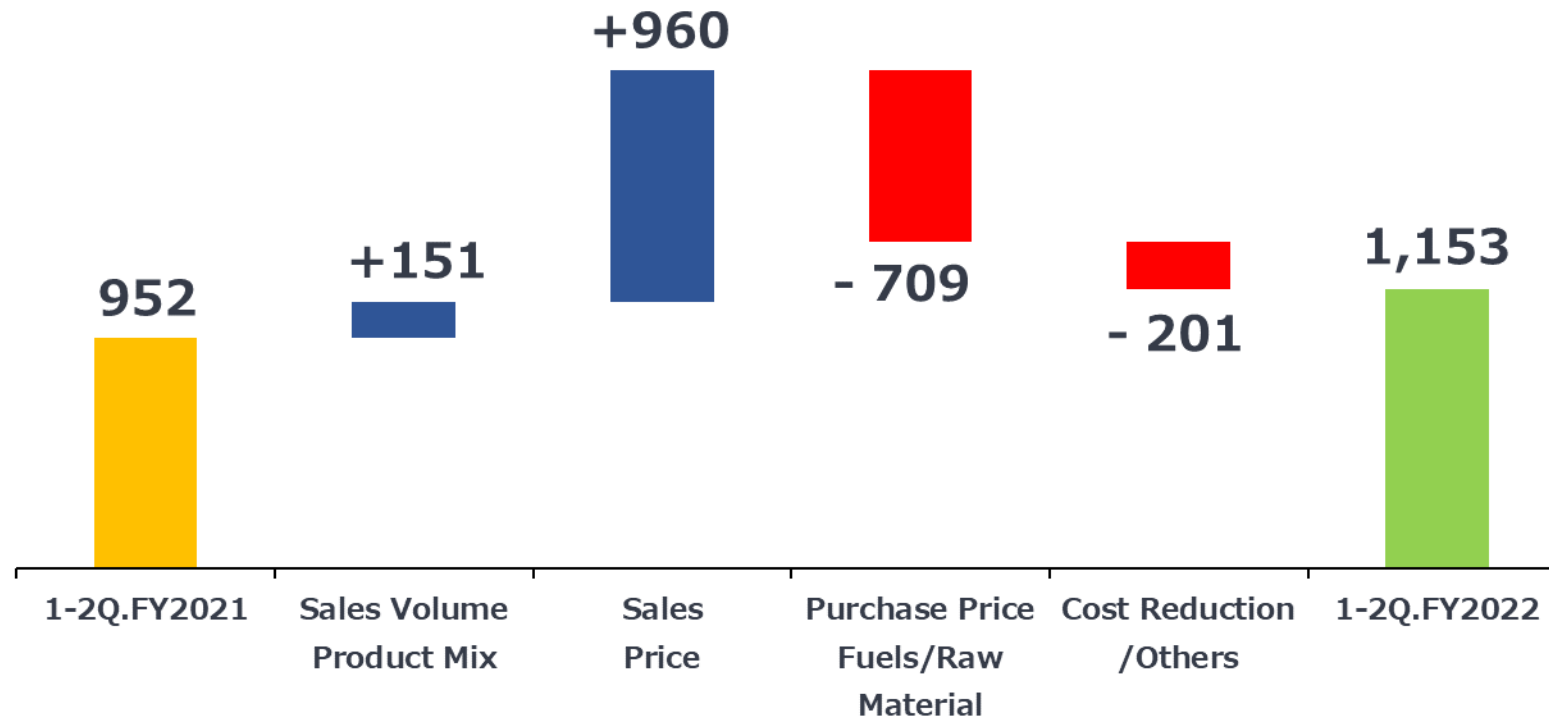
	FY2021		FY2022		Change	
	1-2Q Total		1-2Q Total		(b)-(a)	
	(a)		(b)			
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Glass *	3,717	201	4,149	114	+ 431	▲ 87
Electronics *	1,385	142	1,481	92	+ 96	▲ 50
Chemicals	2,881	595	4,011	926	+ 1,130	+ 331
Ceramics/Other	367	16	435	25	+ 67	+ 9
Elimination	▲ 238	▲ 2	▲ 293	▲ 3	▲ 55	▲ 2
Total	8,113	952	9,783	1,153	+ 1,670	+ 201

*Figures for FY2021.1-2Q have been retroactively adjusted due to the transfer of a portion of the automotive display cover glass business from electronics to glass business.

Variance analysis on OP (1-2Q.FY2022 vs. 1-2Q.FY2021) **AGC** Your Dreams, Our Challenge

201 (100 million JPY) up YoY

(100 million JPY)



Consolidated Statement of Financial Position

(100 million JPY)

	2021/12	2022/6	Change
Cash and cash equivalents	1,958	2,555	+ 597
Inventories	3,301	4,187	+ 886
Property, plant and equipment, Goodwill and Intangible assets	15,067	16,602	+ 1,535
Other assets	6,334	6,558	+ 224
Total assets	26,660	29,903	+ 3,242
Interest-bearing debt	6,032	6,603	+ 571
Other liabilities	5,815	6,130	+ 316
Liabilities	11,847	12,734	+ 887
Total equity attributable to owners of the parent	13,142	15,144	+ 2,002
Non-controlling interests	1,672	2,025	+ 353
Equity	14,814	17,169	+ 2,355
Total liabilities and equity	26,660	29,903	+ 3,242
D/E ratio	0.41	0.38	

Foreign exchange
fluctuation
+248.1billion yen

Consolidated Statement of Cash Flow

	(100 million JPY)	
	1-2Q Total	
	FY2021	FY2022
Profit before tax	971	1,176
Depreciation and amortization	796	902
Increase(decrease) in working capital	▲ 175	▲ 527
Others	97	▲ 321
Cash flows from operating activities	1,690	1,230
Cash flows from investing activities	▲ 925	▲ 667
Free cash flow	765	562
Changes in interest-bearing debt	▲ 515	182
Dividends paid	▲ 133	▲ 289
Others	▲ 53	▲ 130
Cash flows from financing activities	▲ 701	▲ 237
Effect of exchange rate changes on cash and cash equivalents	56	272
Net increase(decrease) in cash and cash equivalents	119	597

(100 million JPY)

1-2Q Total

FY2021 **FY2022**

	FY2021	FY2022
CAPEX *	1,033	1,051
Glass	252	189
Electronics	341	416
Chemicals	431	443
Ceramics/Other	12	6
Elimination	▲ 3	▲ 2
Depreciation *	796	902
Glass	275	278
Electronics	275	337
Chemicals	236	277
Ceramics/Other	10	10
Elimination	▲ 0	▲ 1
R&D	238	249

Main projects for CAPEX

- Repairment for Automotive glass furnace (Glass)
 - Repairment for display glass furnace (Electronics)
 - G11 investment in China (Electronics)
 - Production facility enhancement for semiconductor-related products (Electronics)
 - Capacity enhancement for Chlor-alkali in Southeast Asia (Chemicals)
 - Capacity enhancement for fluorochemicals-related (Chemicals)
 - Capacity enhancement for biopharmaceuticals (Chemicals)
- etc.

Main factors for increase in depreciation cost

- Production facility enhancement for electronic materials (Electronics)
 - G11 investment in China (Electronics)
- etc.

*Figures for FY2021.1-2Q have been retroactively adjusted due to the transfer of a portion of the automotive display cover glass business from electronics to glass business.

2. Business and Geographic Segments

(100 million JPY)

	1-2Q Total		Change
	FY2021	FY2022	
Net sales **	3,717	4,149	+ 431*
Architectural Glass	1,883	2,252	+ 370
Automotive Glass (Inter-segment)	1,822 12	1,891 5	+ 69
Operating profit **	201	114	▲ 87

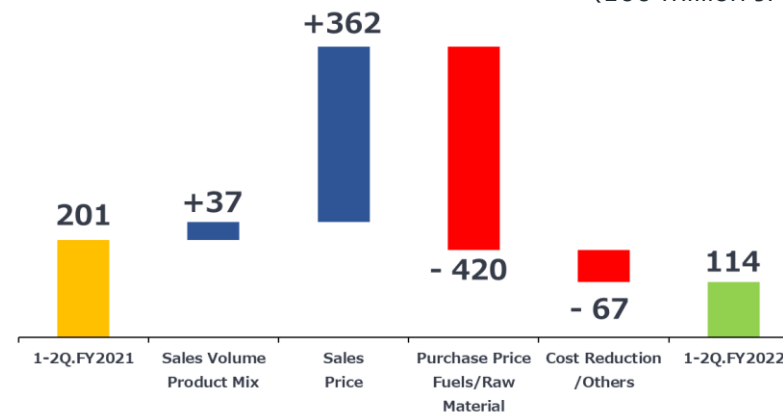
* FOREX impact: +29.6 billion yen,

Change in the Scope of Consolidation: ▲17.4 billion yen

** Figures for FY2021.1-2Q have been retroactively adjusted due to the transfer of a portion of the automotive display cover glass business from electronics to glass business.

Variance Analysis on OP

(100 million JPY)



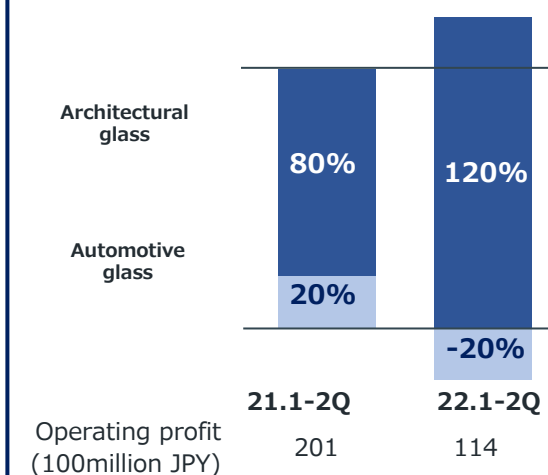
[Architectural glass]

- Shipments increased in all regions except South America.
- The rise in the sales prices in all regions, particularly in Europe, offset the decrease of income due to transfer of architectural glass business in North America.
- Natural gas prices increased in Europe.

[Automotive glass]

- Despite the shortage of components such as semiconductor, net sales increased thanks to the impact of the weaker yen.
- Manufacturing costs increased due to factors such as higher fuel and raw materials prices and lower utilization of manufacturing.

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



(100 million JPY)

	1-2Q Total		Change
	FY2021	FY2022	
Net sales **	1,385	1,481	+ 96*
Display	889	870	▲ 19
Electronic Materials (Inter-segment)	487	600	+ 113
9		11	
Operating profit **	142	92	▲ 50

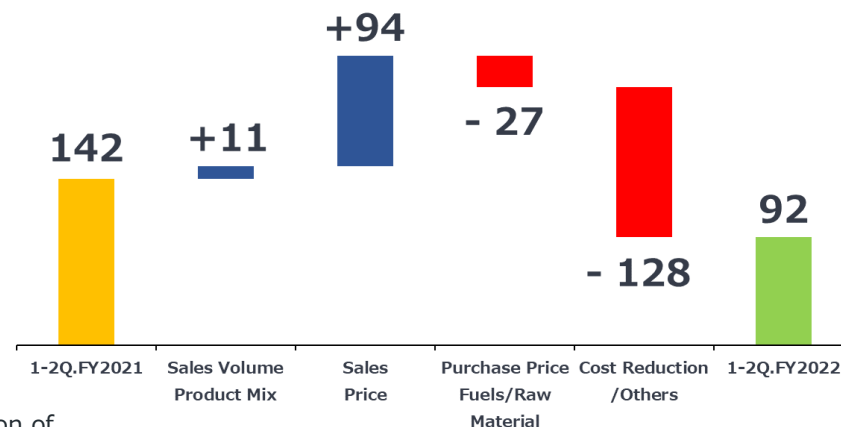
* FOREX impact: +5.5billion yen,

Change in the Scope of Consolidation: +0.9 billion yen

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Variance Analysis on OP

(100 million JPY)



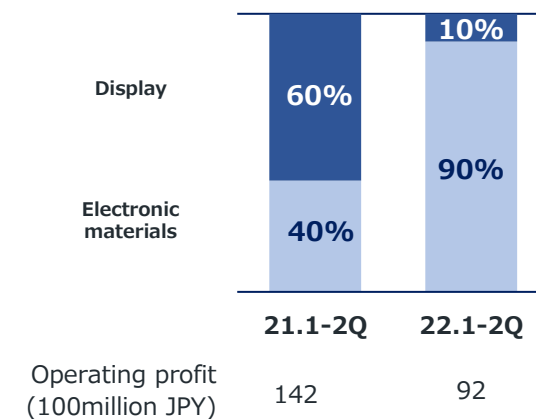
{ Display }

- Shipments of LCD glass substrates and specialty glass for display applications decreased.
- Depreciation expenses increased because of the new facility launch for LCD glass substrates.
- Manufacturing costs increased as affected by higher fuel & raw materials prices and foreign exchange fluctuations.

{ Electronic materials }

- Shipments of semiconductor-related products, optoelectronic materials and circuit board materials increased.

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

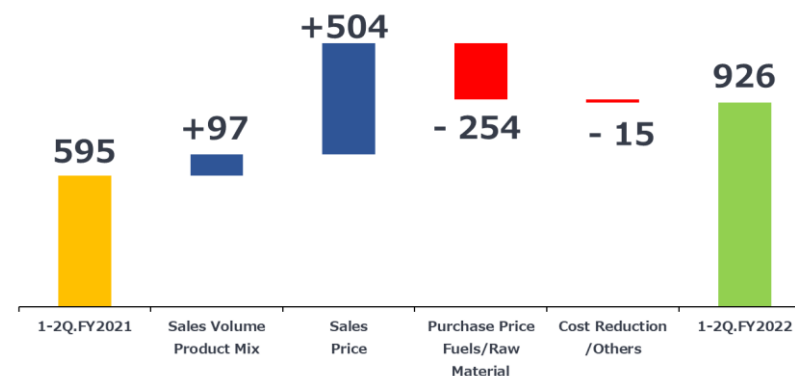


(100 million JPY)

	1-2Q Total		
	FY2021	FY2022	Change
Net sales	2,881	4,011	+ 1,130*
Chlor-alkali & Urethane	1,762	2,515	+ 753
Fluorochemicals & Specialty	568	749	+ 181
Life science	545	739	+ 194
(Inter-segment)	7	9	
Operating profit	595	926	+ 331

* FOREX impact: +30.5 billion yen,
Change in the Scope of Consolidation: ▲0.9 billion yen

Variance Analysis on OP
(100 million JPY)



[Chlor-alkali/urethane]

- Shipments of PVC, caustic soda and other products remained steady and sales prices of such products increased.

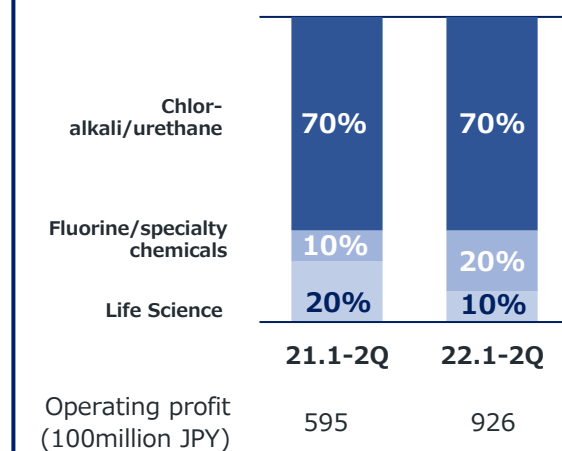
[Fluorine/specialty chemicals]

- Shipments of fluorochemical-related products, mainly for semiconductor applications, and other products increased significantly.

[Life science]

- The number of contracts of synthetic pharmaceuticals and agrochemicals CDMO increased.
- The number of contracts of biopharmaceuticals CDMO increased with the addition of anti-coronavirus applications.

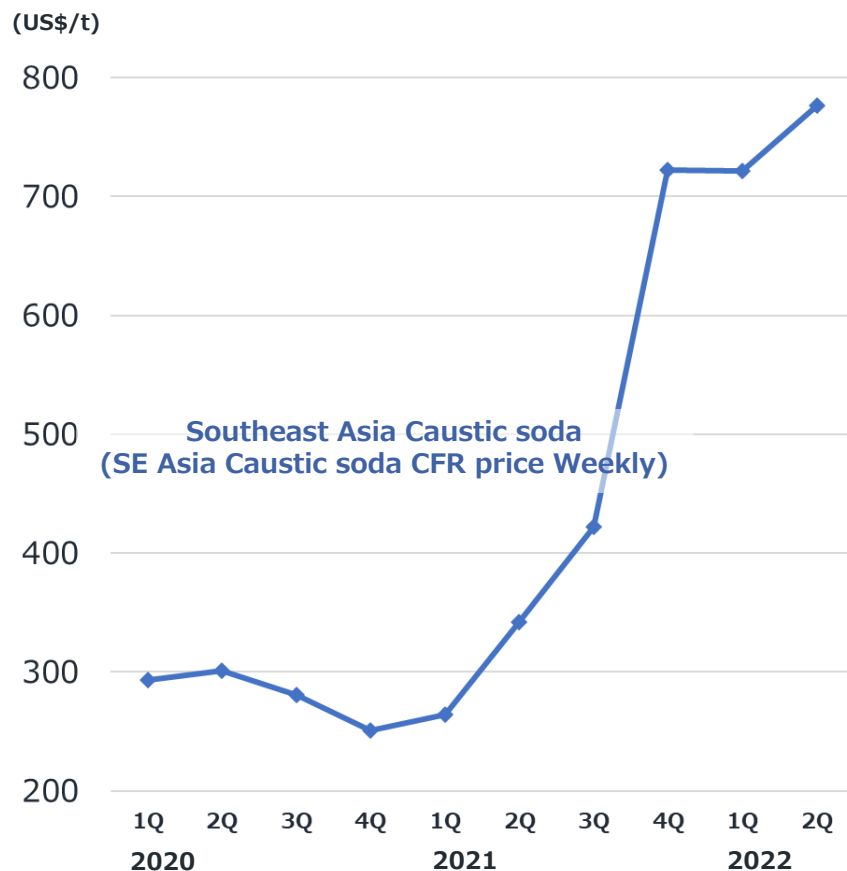
Ratio of sub-segment to the operating profit (before common expense allocation)



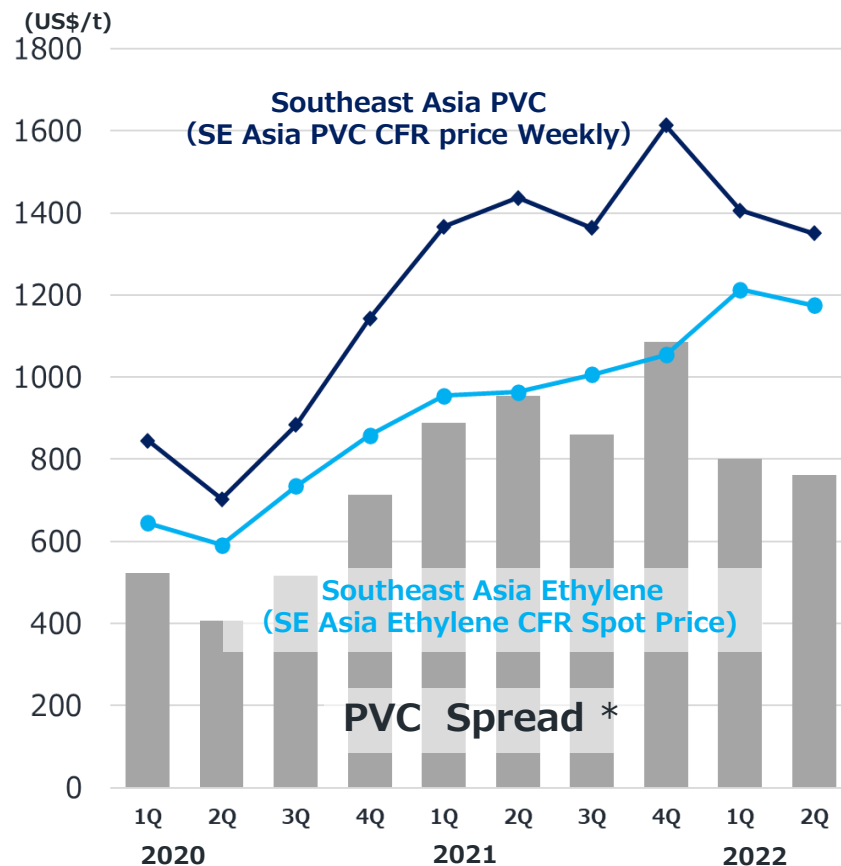
Reference: Market trend of Caustic soda and PVC in Southeast Asia

- Caustic soda prices remain high
- PVC prices are softening from the peak in the fourth quarter of last year. Market conditions remains at a historically high level, although the spread between PVC and ethylene is narrowing, due in part to higher ethylene prices

Caustic soda



PVC



Source : Bloomberg

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

Profit contribution of Strategic business

■ OP growing steadily

Main products & businesses

Sales of Strategic business

(100 million JPY)

Mobility

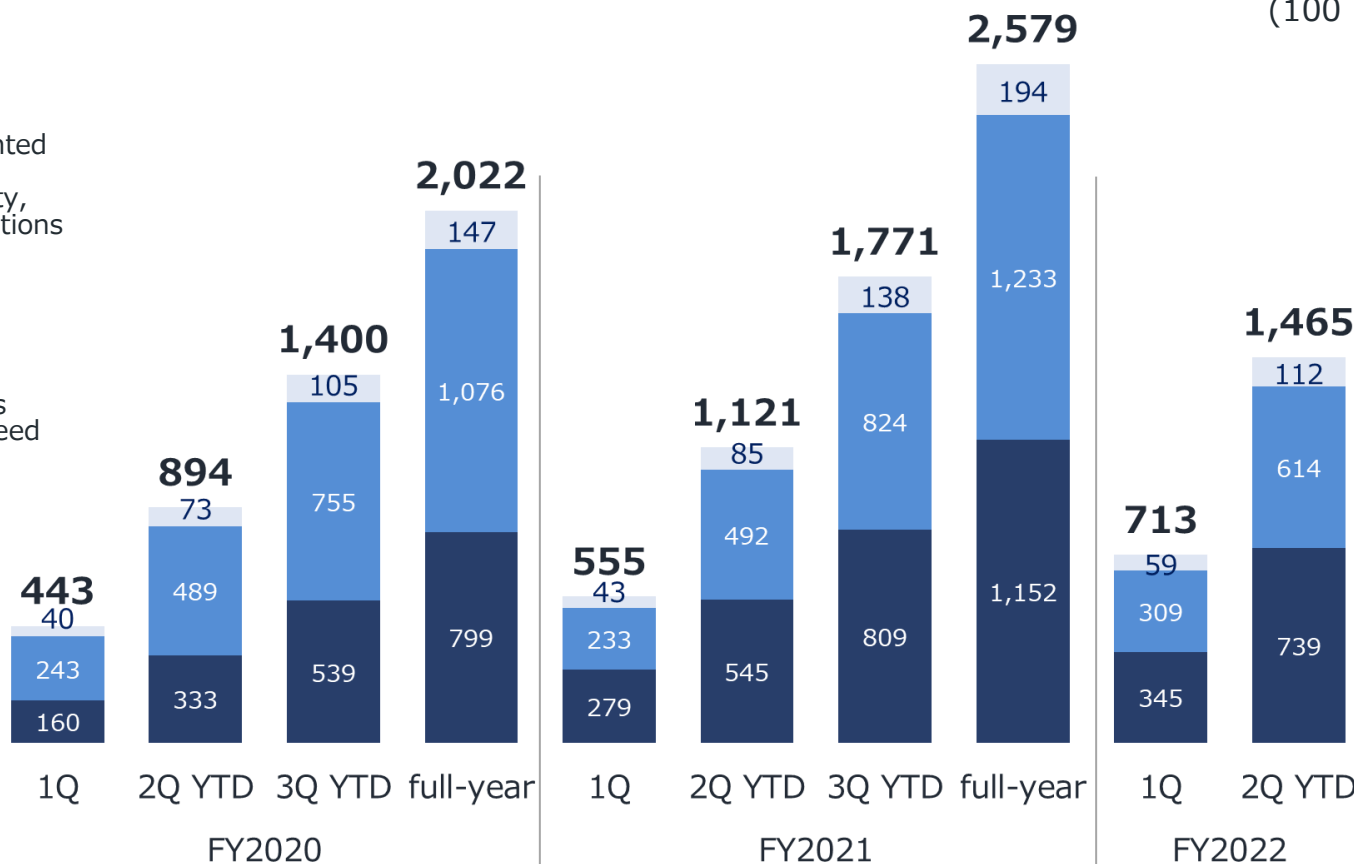
- Cover glass for car-mounted displays
- New materials for mobility, including 5G communications

Electronics

- Semiconductor-related products
- Optoelectronics materials
- Next-generation high-speed communication related products
- Fluorinated products for electronics

Life science

- Synthetic pharmaceutical and agrochemical CDMO
- Biopharmaceutical CDMO



OP (Strategic business)	93	177	296	444	113	196	346	538	141	276	(100 million JPY)

YoY Performance Comparison by Geographic Segment

	1-2Q Total		Change
	FY2021	FY2022	
Net sales	8,113	9,783	+ 1,670
Japan &Asia	5,257	6,347	+ 1,090
Americas	895	971	+ 76
Europe	1,961	2,465	+ 504
Operating profit	952	1,153	+ 201
Japan &Asia	837	1,137	+ 301
Americas	72	43	▲ 29
Europe	231	172	▲ 59
Cross-regional common expenses	▲ 187	▲ 199	▲ 12

(100 million JPY)

FOREX impact :
+66.5 billion JPY

Change in the scope of consolidation :
▲17.4 billion JPY

Outlook for FY2022

(100 million JPY)

	FY2021	FY2022e As of Feb 8, 2022	FY2022e As of Aug 2, 2022
Net sales	16,974	18,000	20,500
Operating profit	2,062	2,100	2,300
Profit before tax	2,100	1,970	2,170
Profit for the year attributable to owners of the parent	1,238	1,150	1,200
Dividend (JPY/share)	210	210	210
	(Ordinary 160)		
	(Special 50)		
Operating profit margin	12.1%	11.7%	11.2%
ROE	10.2%	8.8%	9.1%*
FOREX (Average)			
	JPY/USD	109.8	115.0
	JPY/EUR	129.9	129.0
Crude Oil (Dubai, Average)	USD/BBL	69.2	80.0
Ethylene (CFR SEA)	USD/MT	1,141	1,070
			1,165

* ROE of FY2022e is calculated using the figures of Profit for the year attributable to owners of the parent as of Dec 31, 2021.

Outlook breakdown by Segment (Net sales and Operating profit)

(100 million JPY)

	FY2021		FY2022e As of Aug 2		Change		FY2022e As of Feb 8		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*	7,343	273	8,700	300	+ 1,357	+ 27	7,650	360	+ 1,050	▲ 60
Electronics *	3,050	368	3,300	300	+ 250	▲ 68	3,450	420	▲ 150	▲ 120
Chemicals	6,308	1,388	8,100	1,670	+ 1,792	+ 282	6,600	1,300	+ 1,500	+ 370
Ceramics/Other	794	35	900	30	+ 106	▲ 5	800	20	+ 100	+ 10
Elimination	▲ 520	▲ 2	▲ 500	0	+ 20	+ 2	▲ 500	0	+ 0	+ 0
Total	16,974	2,062	20,500	2,300	+ 3,526	+ 238	18,000	2,100	+ 2,500	+ 200

*Figures for FY2021 have been retroactively adjusted due to the transfer of a portion of the automotive display cover glass business from electronics to the automotive glass business.

	2022 1H vs 2022 2H
Glass	<p>(Architectural glass)</p> <ul style="list-style-type: none"> Impacts of a fuel and raw materials price hike will be a concern. <p>(Automotive glass)</p> <ul style="list-style-type: none"> Global vehicle production will gradually recover from the component supply shortages including semiconductor. Impacts of a fuel and raw materials price hike will be a concern, but the effects of the revised pricing policy are expected to emerge.
Electronics	<p>(Display)</p> <ul style="list-style-type: none"> Concerns regarding LCD glass substrates include the impact of LCD panel production adjustments and high manufacturing costs associated with higher fuel & raw materials prices and yen depreciation. Shipments of specialty glass for display applications will increase as the impact of the lockdown in China eases. <p>(Electronic materials)</p> <ul style="list-style-type: none"> Despite temporary inventory adjustment takes place for some of the products, overall shipments of semiconductor-related products will increase. Shipments of optoelectronics materials will increase. There is a concern that the ongoing semiconductor shortages will impact circuit board materials.
Chemicals	<p>(Chlor-alkali/urethane)</p> <ul style="list-style-type: none"> Shipments will increase due to the capacity expansion of the PVC manufacturing facilities in Indonesia. Caustic soda prices will remain high, and the PVC market will remain at a high level, although the sharp rise in PVC prices will ease. <p>(Fluorine/specialty chemicals)</p> <ul style="list-style-type: none"> Shipments will increase following the strong demand for fluorine-related products mainly for semiconductor-related applications. <p>(Life science)</p> <ul style="list-style-type: none"> Shipments of biopharmaceuticals CDMO will increase because of the capacity increase.

(100 million JPY)
Full year

	FY2021	FY2022e
CAPEX*	2,165	2,800
Glass	509	500
Electronics	696	880
Chemicals	942	1,400
Ceramics/Other	22	20
Elimination	▲ 3	▲ 0
Depreciation*	1,668	1,800
Glass	546	540
Electronics	603	680
Chemicals	500	560
Ceramics/Other	20	20
Elimination	▲ 1	▲ 0
R&D	494	540

【Main projects for CAPEX】

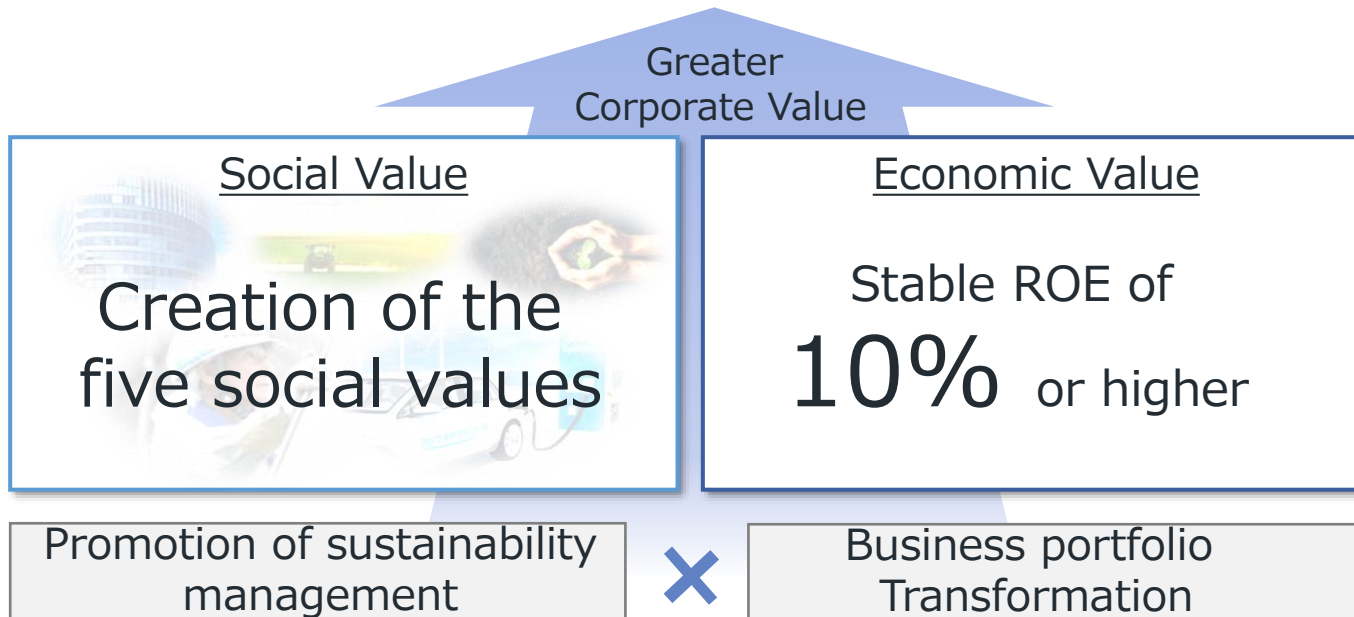
- Capacity enhancement of Electronic materials (Electronics)
 - Repairment for display glass furnace (Electronics)
 - Capacity enhancement for Chlor-alkali in Southeast Asia (Chemicals)
 - Capacity enhancement on fluorochemical (Chemicals)
 - Capacity enhancement of biopharmaceuticals (Chemicals)
- etc.

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Toward the Realization of Vision 2030

- Grow through well-balanced creation of social and economic value

By providing differentiated materials and solutions, AGC strives to help realize a sustainable society and become an excellent company that grows and evolves continuously.



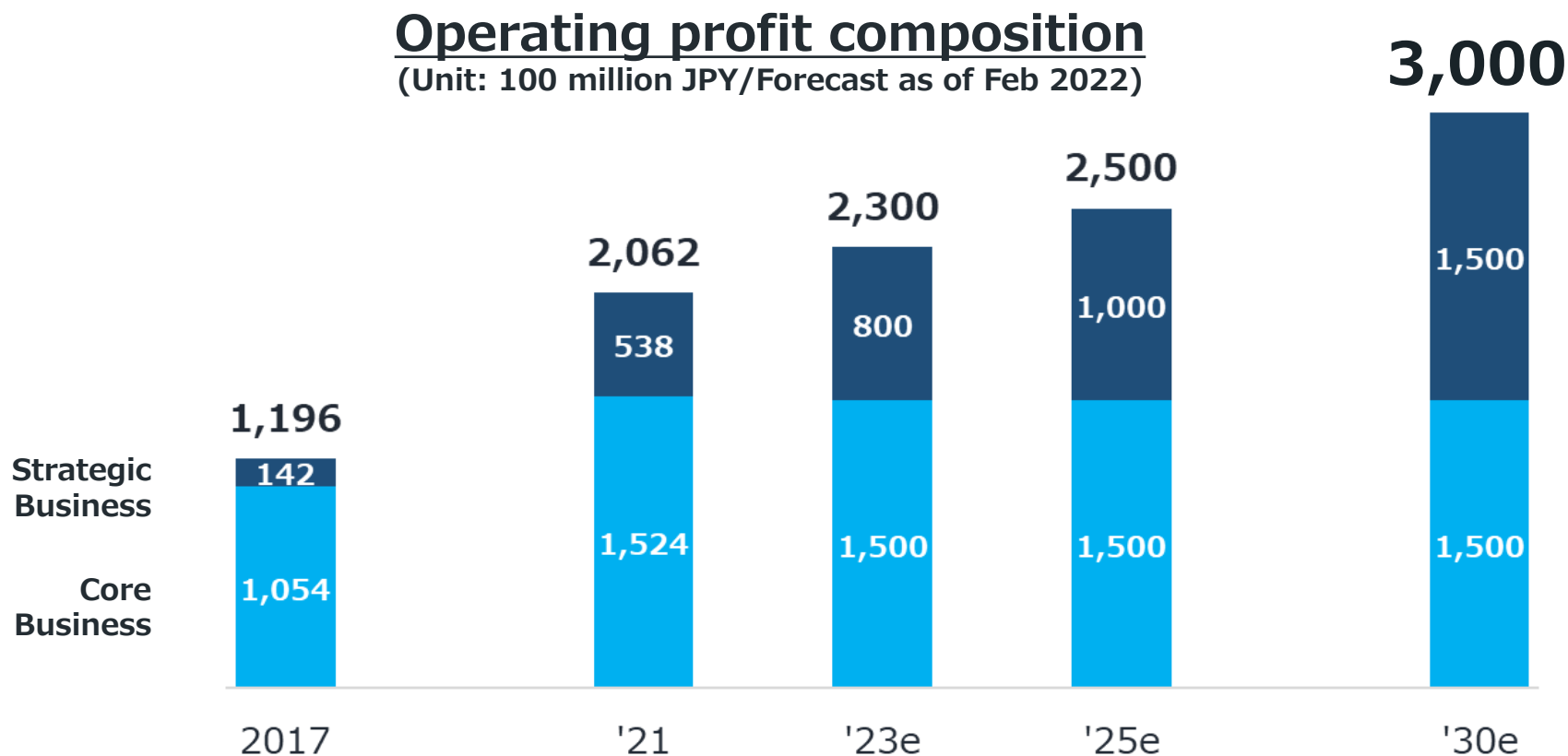
Direction of the Business Portfolio Transformation

- Through the practice of ambidextrous management, we aim to build a business portfolio that is resilient to market fluctuations and has high asset efficiency, growth potential, and carbon efficiency.



Business Portfolio Reform (To-be image)

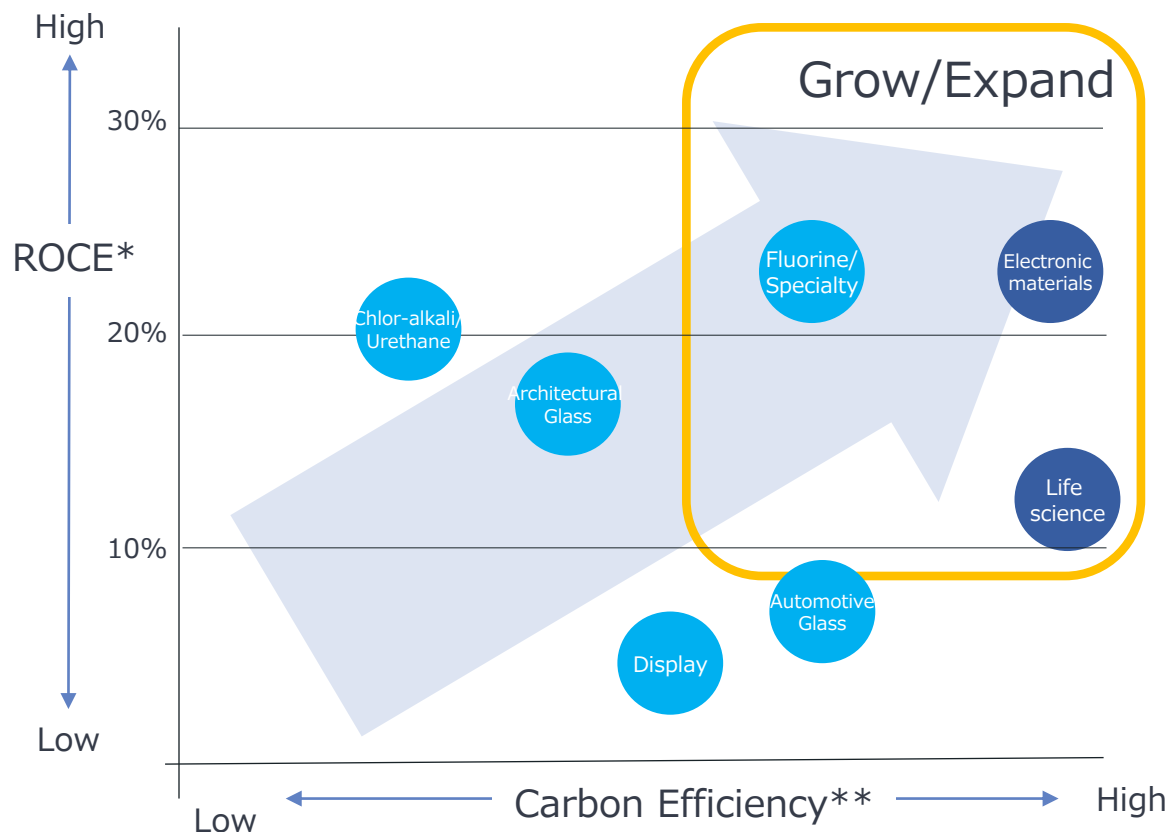
- Core businesses to become a long-term stable source of earnings
- Develop the strategic businesses so that they will account for more than half of the group's operating profit in 2030.



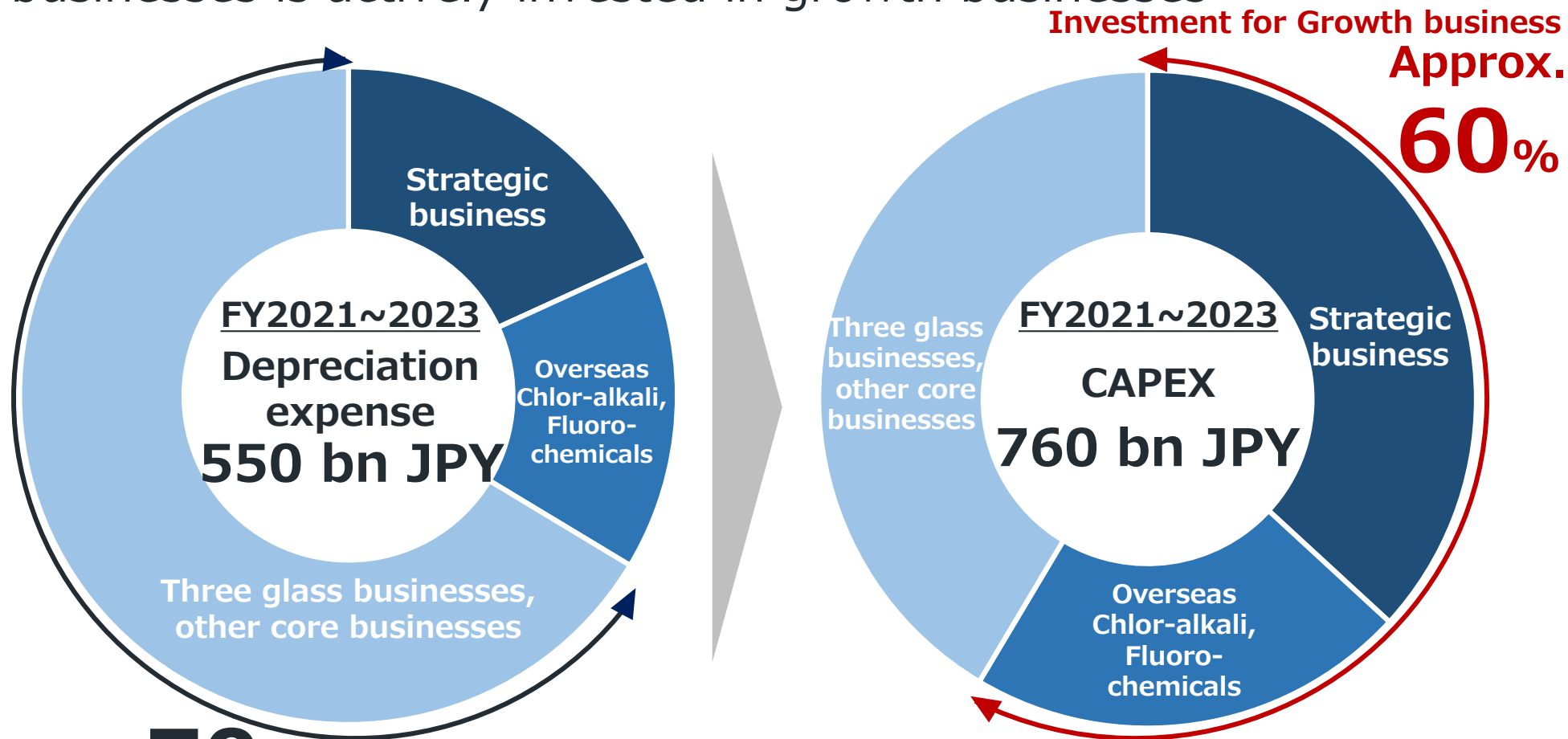
Carbon efficiency and Asset efficiency

- Expand the strategic businesses that have high carbon efficiency and asset efficiency, and at the same time increase the carbon efficiency and asset efficiency of other businesses

Direction of the AGC Group's business portfolio



- Cash generated from the three Glass businesses* and other core businesses is actively invested in growth businesses



Approx. **70%**

Depreciation of the three glass businesses and other core businesses

*Architectural glass, Automotive glass, Display

Progress toward the Realization of Vision 2030

- **Active investment in growth businesses**
 - Life science
 - Chlor-alkali in Southeast Asia
- **Progress of improving automotive glass business profitability**
- **Progress of sustainability management**

Active investment in growth businesses : Business characteristics of the life sciences business (pharmaceutical CDMO)

- Establish business relationships based on trust in a multi-product market
- Securely capture the high growth of the pharmaceutical CDMO market

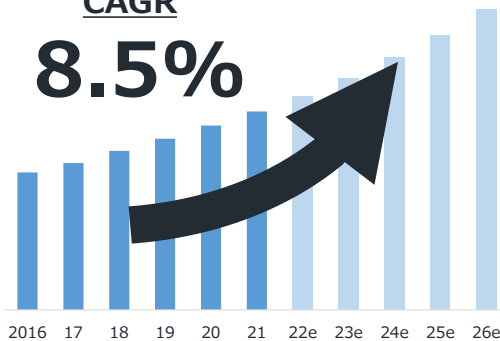
Market

Active pharmaceutical ingredients CDMO market size trend

FY2020-FY2026

CAGR

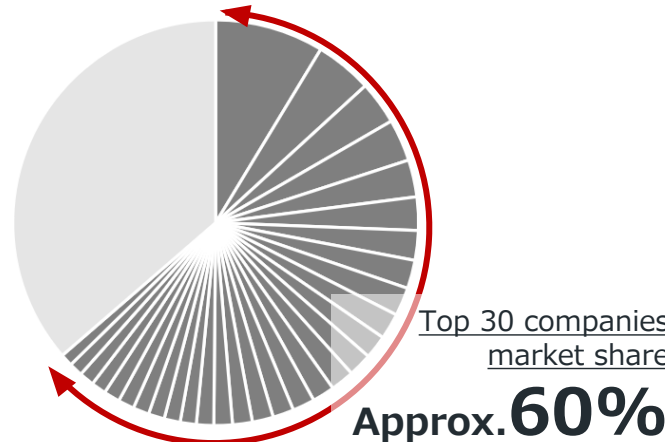
8.5%



- The CDMO market is steadily expanding in response to the pharmaceutical industry's move towards outsourcing.

Industrial structure

Share of commercial active pharmaceutical ingredients contracts (number of products)*



- The CDMO market is highly fragmented because of highly fragmented customer base. Unlike the semiconductor industry, the CDMO industry is not converged into a small number of companies.
- Commercial pharmaceutical contracts generally last for 10 years or more

Company

Strength of AGC

- Pioneer of single-use bag technology that is ideal for small quantities and high-mix production. Also has the capacity for production on a large scale using large SUS vessels.
- The company provides integrated services from early development to commercial operations under a high-level cGMP production system in Japan, the US and Europe.
- Extensive inspection experience based on advanced quality and technological development capabilities.

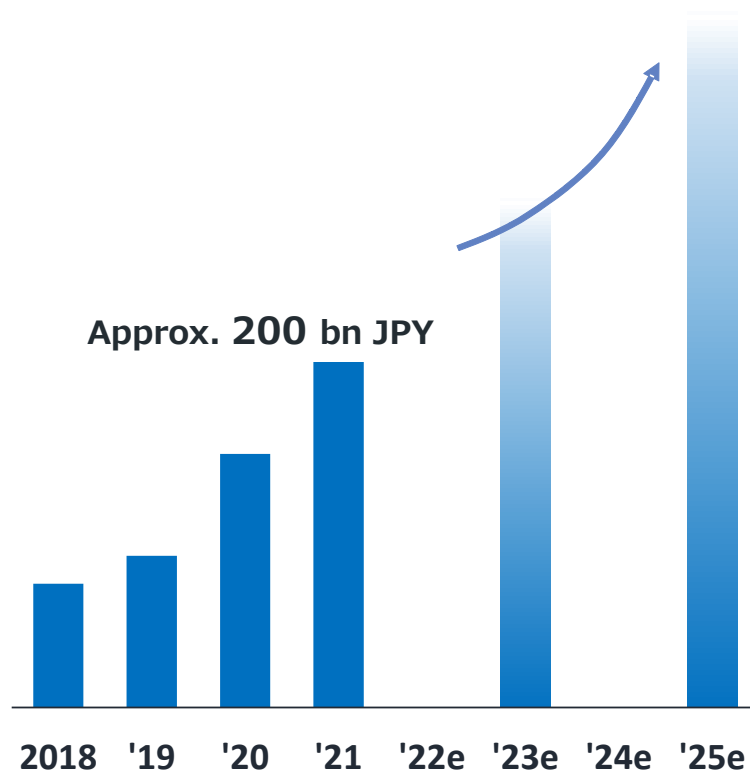


Active investment in growth businesses : Further expansion of the life sciences business

- Decided to invest a cumulative total of approx. 200 billion yen by 2021, aiming to achieve sales of 200 billion yen in 2024, one year ahead of schedule.
- Investing a total of more than 200 billion yen from 2022 to 2025 to further expand the business.

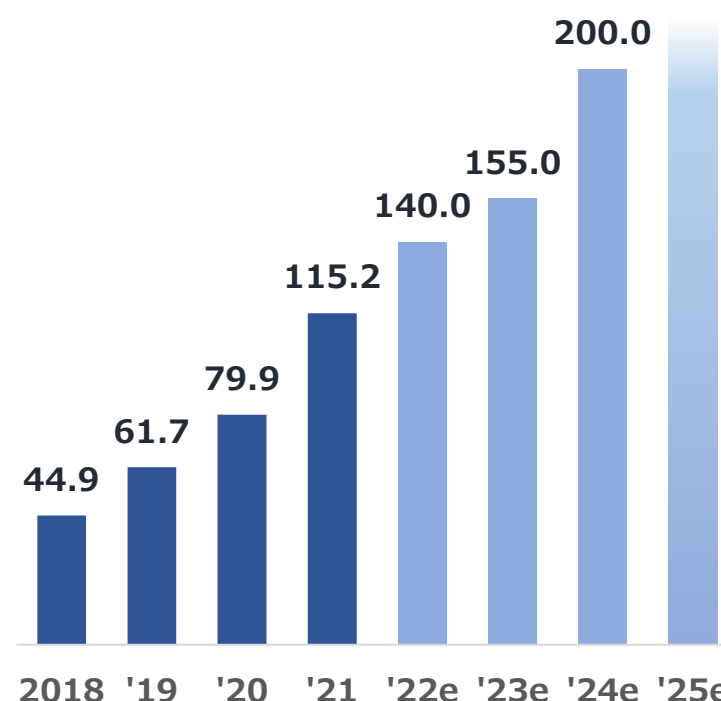
Cumulative investment in life sciences *

More than 400 bn JPY



Life sciences sales trend

(unit : bn JPY)



* Life sciences total investment decisions from FY2016 to FY2021

Active investment in growth businesses : Changes in the Chlor-alkali market structure in Southeast Asia

- Despite certain market fluctuations, the Chlor-alkali market structure in Southeast Asia has changed significantly with the limited inflows of PVC from China and the United States.

China

- Overcapacity with Carbide method facilities

Before

- Production increased when the market prices exceeded costs and some exported to Southeast Asia.

After

- Due to environmental issues, the capacity for exports has decreased.

Southeast Asia

- Strong infrastructure demand ensures stable an annual 4% growth

Before

- The market prices do not exceed a certain level as imports from China and other countries increased when the market prices are favorable.

After

- With reduced inflow from outside, the market prices will stay at a high level.
- AGC has overwhelming shares (over 50%) for caustic soda and PVC.
- No large capacity expansion in the region except for AGC.

United States

- Highly efficient production by utilizing low electricity cost

Before

- Although limited, inflow occurs when the market prices exceeded import cost.

After

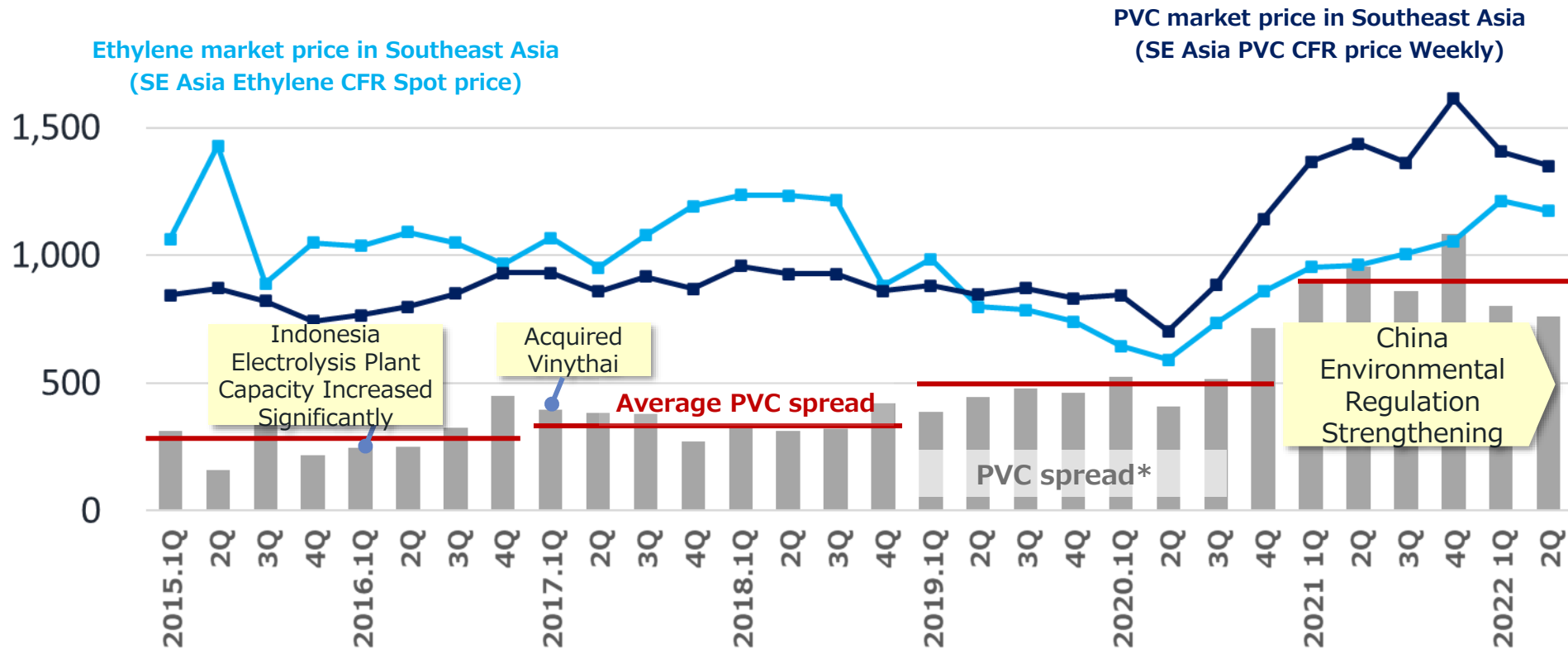
- With strong domestic demand, not much export to Southeast Asia.
- Excess capacity is allocated to Europe which is losing cost competitiveness

**AGC has established a solid, highly profitable
Chlor-alkali business in Southeast Asia.**

Active investment in growth businesses : Improvement of profit level of Chlor-alkali business in Southeast Asia

- Significant capacity expansion in Indonesia and acquisition of Vinythai in Thailand to increase market presence
- Although the PVC spread is expected to soften moderately after peaking in 4Q2021, it is expected to remain high and not return to previous levels due to changes in the market structure caused by tighter environmental regulations in China, etc.

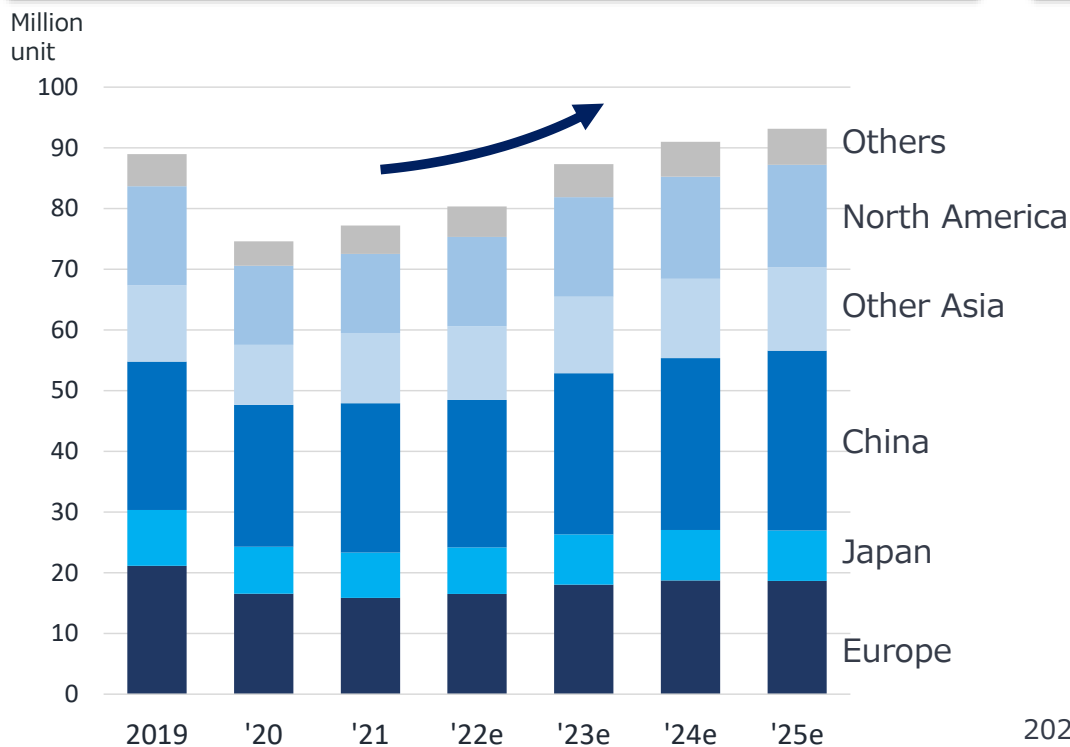
PVC market



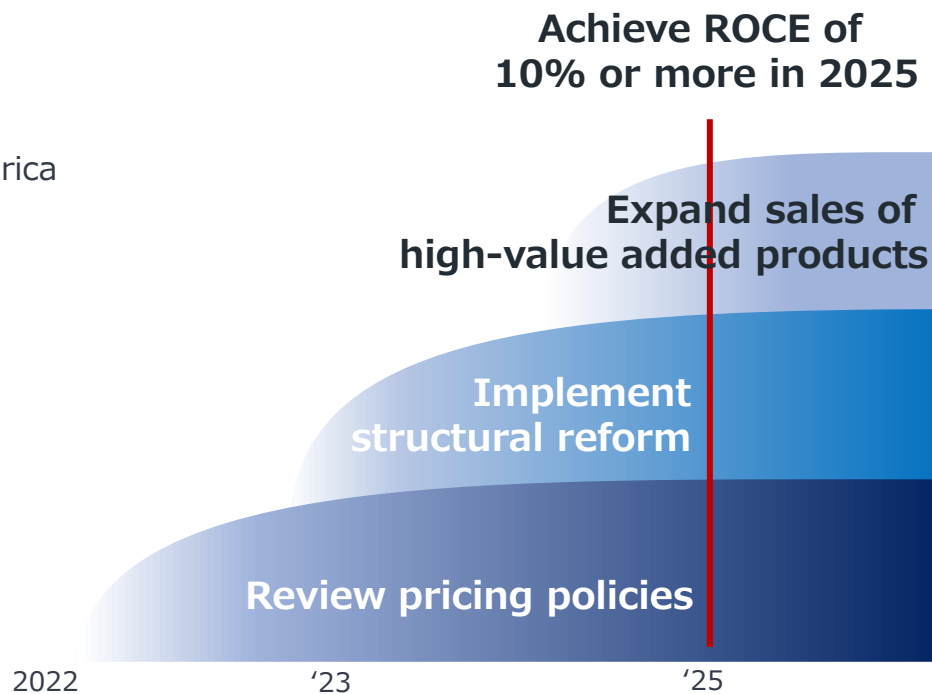
Progress of improving automotive glass business profitability

- Market recovery trend from the second half of 2022, recover to 2019 level in 2024.
- Steady progress in reviewing pricing policy (effect will mainly emerge in and after 2H 2022)
- Build resilience to the business environment with structural reforms and high-value added products.

Automotive Production (by region)*



Profit improvement in automotive glass business



*Source : based on IHS data

Progress of sustainability management : Set target of Scope 3

- Set net carbon zero target by 2050 in **AGC-plus 2023**
- A new Scope 3 reduction target has been set as a milestone for 2030, in addition to the Scope 1 and 2 targets.
- Aim for a 30% reduction (compared to 2019) by 2030 by focusing on promoting the AMOLEA series of next-generation refrigerants, which have an extremely low global warming potential, and strengthening supplier engagement activities.

FY2020 FY2030 FY2050

Net zero carbon emissions
in 2050 (Scope 1+2)



Scope 1, Scope 2

2030 milestone (from the 2019 figure)

- GHG emissions **30%** reduction (Scope 1+2 emission)
- GHG emissions per unit of sales **50%** reduction (Scope 1+2emission/sales)

Scope 3 New

2030 milestone (from the 2019 figure)

- GHG emissions **30%** reduction (Total of Scope 3 emissions in categories 1, 10, 11, and 12)

Today's summary

- 2022 forecast revised upwards, growth accelerating towards 2025.
- Life Sciences is expected to achieve sales of 200 billion yen in 2024.

Main products & businesses

Mobility

- Cover glass for car-mounted displays
- New materials for mobility, including 5G communications

Electronics

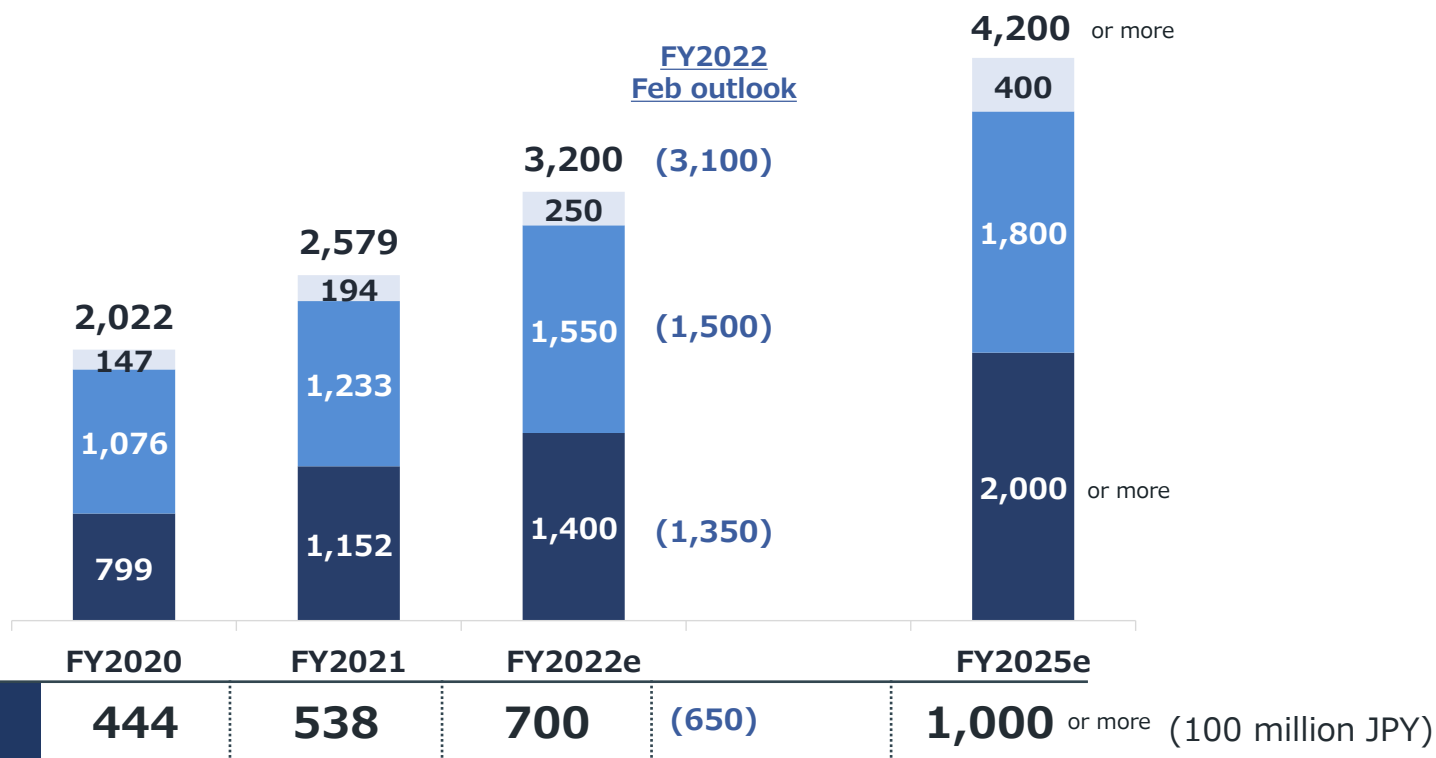
- Semiconductor-related products
- Optoelectronics materials
- Next-generation high-speed communication related products
- Fluorinated products for electronics

Life science

- Synthetic pharmaceutical and agrochemical CDMO
- Biopharmaceutical CDMO

Sales of Strategic business

(100 million JPY)



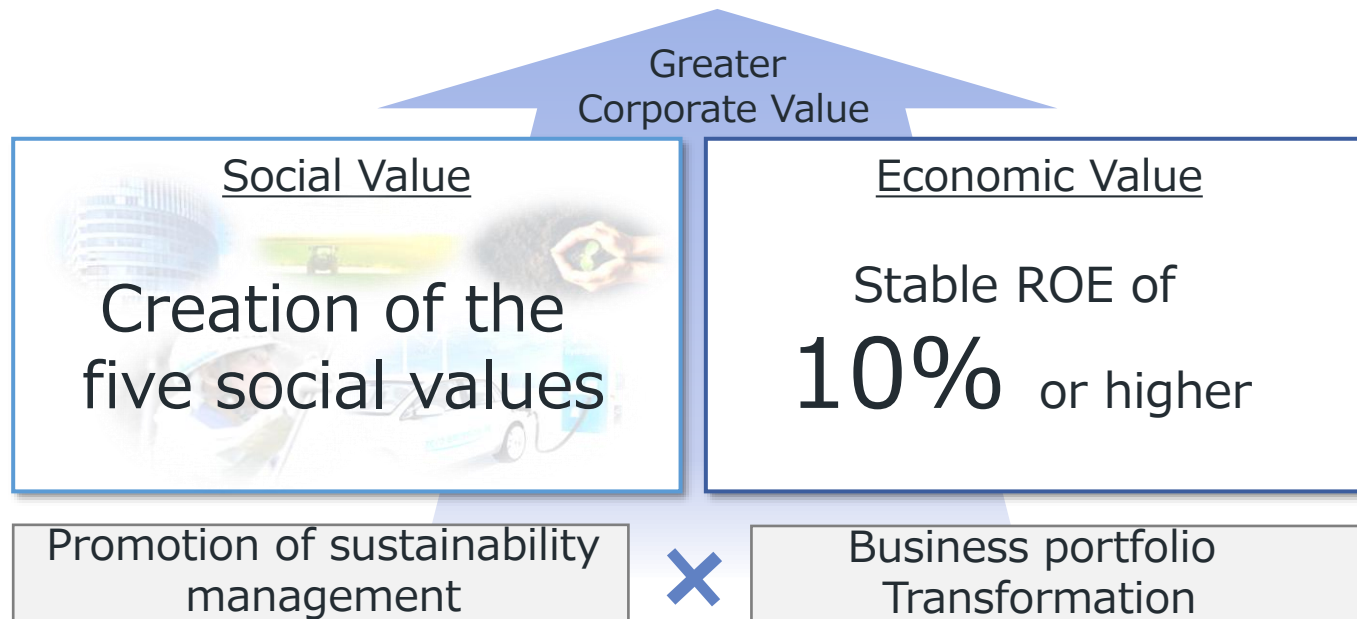
2023 OP target expected to be achieved one year ahead of schedule

- The 2023 OP target of the medium-term management plan is expected to be achieved one year ahead of schedule.

	FY2021 Actual	FY2022 Forecast	FY2023 Target (Feb 2022)
OP	206.2 billion yen	230 billion yen	230 billion yen
ROE	10 %	9.1%	10 %
Strategic Business OP	53.8 billion yen	70 billion yen	80 billion yen
D/E	0.41	0.5 or less	0.5 or less

Growth through simultaneous realization of social and economic value

By providing differentiated materials and solutions, AGC strives to help realize a sustainable society and become an excellent company that grows and evolves continuously.



AGC Group's Brand Statement

Never take the easy way out, but confront difficulties
Trust is the best way to inspire people
Strive to develop technologies that will change the world
A sense of mission leads us to advance

For more than a century, AGC has been guided by these founding spirits. Our unique materials, solutions and reliable partnerships have facilitated leading innovations across diverse industries and markets.

Today, by working with others to combine knowledge and advanced technology, we help make ever greater achievements possible, and bring bolder ideas to life

Your Dreams, Our Challenge



Appendix

ROCE & EBITDA by Segment (as of the end of FY2021)

(100 million JPY)

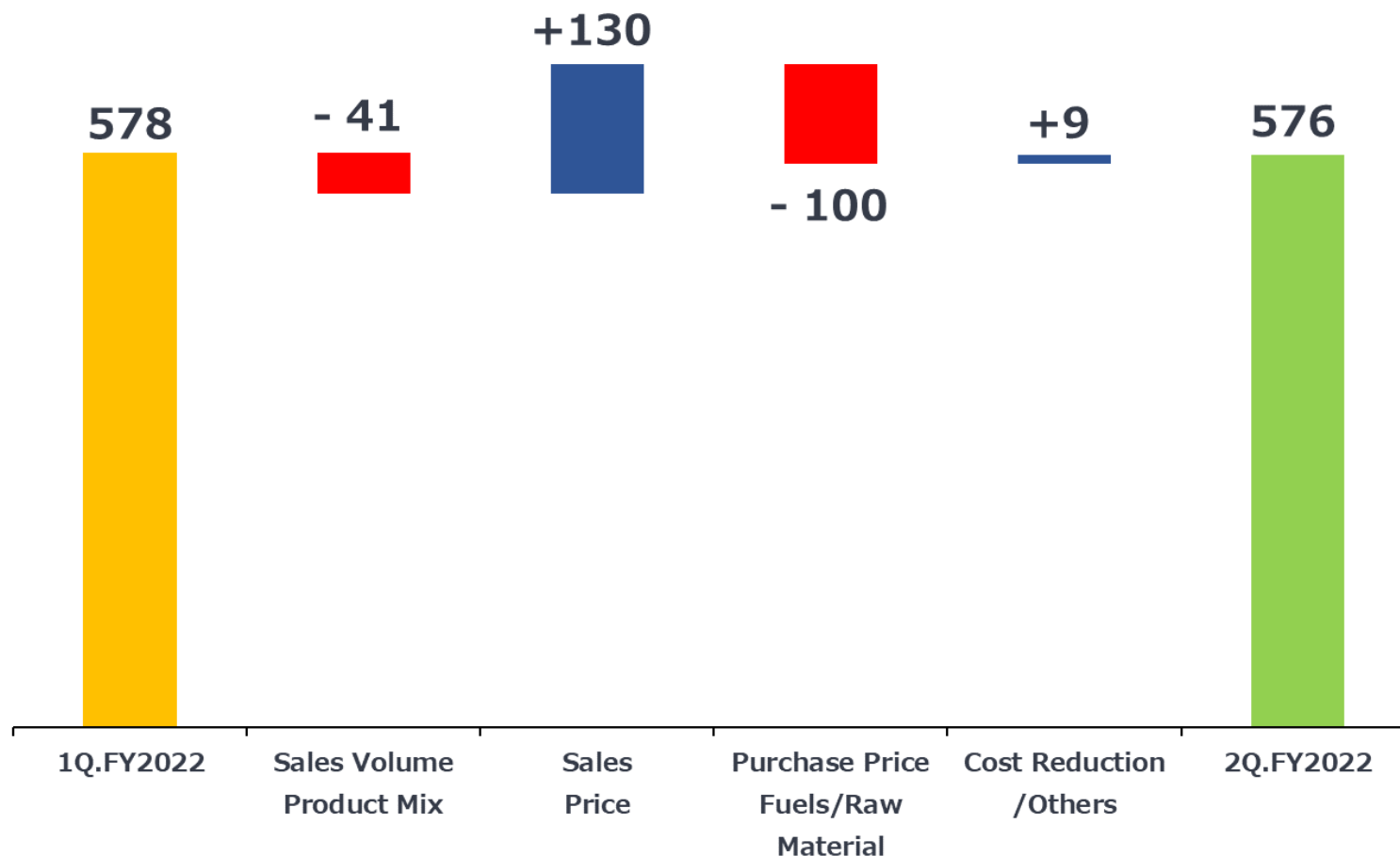
	Operating profit		EBITDA*		ROCE		Operating assets	
	2020	2021	2020	2021	2020	2021	2020	2021
Glass	▲166	277	344	815	-	4.6%	6,400	6,000
Electronics	378	364	857	976	6.3%	5.8%	6,000	6,250
Chemicals	505	1,388	935	1,887	8.9%	21.5%	5,700	6,450
Ceramics/Others	42	35	62	55	14.1%	14.0%	300	250
Elimination	▲1	▲2	▲2	▲3	-	-	-	-
Total	758	2,062	2,195	3,729	4.1%	10.9%	18,400	18,950

Risk factors	Impact on OP	Supplementary info
Exchange rate	<u>700 million yen*loss</u> if yen appreciated by 1%	*Impact when all currencies fluctuate at the same proportion against JPY
Dubai crude oil	<u>260 million yen* loss</u> if increased by 1 dollar per barrel	*excluding impact of oil hedging
Chemicals market	1) Caustic soda: \$ <u>1 M loss</u> if the international market down by \$ 1 2) PVC spread: \$ <u>1.2M loss*</u> if decreased by \$ 1	*PVC spread: PVC market - (ethylene market×0.5)

Variance Analysis on OP (2Q.FY2022 vs. 1Q.FY2022)

2(100 million JPY) down from last quarter

(100 million JPY)



YoY Performance Comparison by Geographic Segment

Your Dreams, Our Challenge

(100 million JPY)

		Japan & Asia	Americas	Europe	Inter- segment	Total	
Glass	Architectural glass	2 Q .FY2022	361	80	773	-	1,214
		2 Q .FY2021	288	155	548	-	991
	Automotive glass	2 Q .FY2022	472	201	283	-	956
		2 Q .FY2021	490	157	268	-	915
		2 Q .FY2022	833	280	1,057	2	2,172
		2 Q .FY2021	778	313	816	6	1,912
Electronics	2 Q .FY2022	651	62	3	6	722	
	2 Q .FY2021	620	63	3	5	690	
Chemicals	2 Q .FY2022	1,651	172	261	5	2,090	
	2 Q .FY2021	1,208	94	203	4	1,508	
Ceramics/Other	2 Q .FY2022	86	-	-	150	236	
	2 Q .FY2021	82	-	-	109	191	
Elimination	2 Q .FY2022	-	-	-	▲ 163	▲ 163	
	2 Q .FY2021	-	-	-	▲ 124	▲ 124	
Total Net Sales	2 Q .FY2022	3,221	515	1,321	-	5,057	
	2 Q .FY2021	2,687	469	1,021	-	4,178	

YoY Performance Comparison by Geographic Segment

(100 million JPY)

		Japan & Asia	Americas	Europe	Inter- segment	Total	
Glass	Architectural glass	1-2 Q .FY2022	681	143	1,429	-	2,252
		1-2 Q .FY2021	567	281	1,036	-	1,883
	Automotive glass	1-2 Q .FY2022	982	383	526	-	1,891
		1-2 Q .FY2021	1,003	298	521	-	1,822
		1-2 Q .FY2022	1,663	526	1,955	5	4,149
		1-2 Q .FY2021	1,570	579	1,557	12	3,717
Electronics		1-2 Q .FY2022	1,332	133	6	11	1,481
	1-2 Q .FY2021	1,255	116	5	9	1,385	
Chemicals		1-2 Q .FY2022	3,186	313	504	9	4,011
	1-2 Q .FY2021	2,276	200	399	7	2,881	
Ceramics/Other		1-2 Q .FY2022	167	-	-	268	435
	1-2 Q .FY2021	157	-	-	210	367	
Elimination		1-2 Q .FY2022	-	-	-	▲ 293	▲ 293
	1-2 Q .FY2021	-	-	-	▲ 238	▲ 238	
Total Net Sales		1-2 Q .FY2022	6,347	971	2,465	-	9,783
	1-2 Q .FY2021	5,257	895	1,961	-	8,113	

(100 million JPY)

Glass	2Q.20	3Q.20	4Q.20	1Q.21	2Q.21	3Q.21	4Q.21	1Q.22	2Q.22
Net Sales	1,249	1,717	1,851	1,806	1,912	1,729	1,896	1,976	2,172
Architectural Glass	706	840	901	891	991	916	1,011	1,038	1,214
Automotive Glass	534	869	943	908	915	808	881	935	956
(Inter Segment)	8	7	7	7	6	5	3	3	2
Operating profit	▲ 182	▲ 12	53	95	106	51	21	40	74

Electronics	2Q.20	3Q.20	4Q.20	1Q.21	2Q.21	3Q.21	4Q.21	1Q.22	2Q.22
Net Sales	693	715	792	695	690	797	868	760	722
Display	433	448	458	461	429	474	457	450	420
Electronic Materials	247	257	316	230	257	318	405	304	296
(Inter Segment)	13	10	19	4	5	5	5	5	6
Operating profit	85	99	106	87	55	103	123	80	12

Chemicals	2Q.20	3Q.20	4Q.20	1Q.21	2Q.21	3Q.21	4Q.21	1Q.22	2Q.22
Net Sales	983	1,091	1,296	1,373	1,508	1,626	1,800	1,922	2,090
Chlor-alkali & Urethane	559	632	755	822	940	1030	1112	1217	1298
Fluorochemicals & Specialty	247	250	278	269	299	329	343	356	393
Life science	173	207	260	279	265	265	343	345	393
(Inter Segment)	5	3	3	3	4	3	3	4	5
Operating profit	75	98	180	255	340	365	427	452	474

Trend of shipment and price

				2021				2022		
				1Q	2Q	3Q	4Q	1Q	2Q	
YoY comparision										
Glass	Architectural (AGC)	Japan & Asia	shipment		+10%	+low 10% range	-mid single-digit	flat	+10%	+low 10% range
			price		-mid single-digit	+low single-digit	+10%	+low 10% range	+high 10% range	+high 10% range
		Europe	shipment		+low single-digit	+low 30% range	+high single-digit	+high 20% range	+mid 10% range	-low single-digit
			price		+high single-digit	+high 30% range	+high 30% range	+high 30% range	+high 40% range	+high 60% range
	Automobile production* ¹	Japan	volume		-4%	+55%	-23%	-17%	-13%	-12%
		North America	volume		-4%	+132%	-26%	-14%	-1%	+12%
Europe & Russia		volume		+1%	+84%	-32%	-23%	-18%	-4%	
Electronics	Display panel demand* ²	Global	area		+17%	+10%	-3%	+4%	+4%	-5%
Spot market price										
Chemicals	Chlor-alkali (Southeast Asia)	Caustic soda * ³	price	USD/MT	264	342	422	722	722	777
		PVC* ³	price	USD/MT	1,367	1,437	1,363	1,613	1,407	1,350
		Ethylene* ³	price	USD/MT	955	963	1,007	1,055	1,213	1,175

*¹ Source : IHS Markit data as of July 1, 2022.

*² Source : Omdia-Display Long-Term Demand Forecast Tracker – 1Q22 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

		IFRS				
		17/12	18/12	19/12	20/12	21/12
Net sales	Million JPY	1,463,532	1,522,904	1,518,039	1,412,306	1,697,383
Operating profit	Million JPY	119,646	120,555	101,624	75,780	206,168
OP margin	%	8.2	7.9	6.7	5.4	12.1
Attributable to owners of the parent	Million JPY	69,225	89,593	44,434	32,715	123,840
Return on equity (ROE) *1	%	6.1	7.7	3.9	2.9	10.2
Return on assets (ROA) *2	%	5.7	5.4	4.4	3.1	7.9
Equity ratio	%	53	51	50	44	49
D/E (Interest-bearing debts ÷ Net assets)	times	0.38	0.43	0.47	0.63	0.41
CF from Operating Activities/Interest-bearing debt	times	0.42	0.35	0.32	0.29	0.54
Earnings per share(EPS) *3	JPY	302.12	399.51	200.85	147.84	559.11
Cash dividends per share	JPY	105	115	120	120	210
EBITDA *4	Million JPY	249,880	259,425	231,857	208,459	383,226
Exchange rates (average)	JPY/USD	112.19	110.43	109.05	106.82	109.80
	JPY/EUR	126.66	130.42	122.07	121.81	129.89

*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.

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.

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.

Addressing food crises

Agrochemical active ingredients/intermediates, film for agricultural green houses

Realization of safe and healthy lifestyles



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

Social value

Related SDGs

Addressing climate change

Continuous energy-saving, development of production technology/facilities to reduce GHG emissions, etc.

Realization of a sustainable global environment



Effective use of resources

Use of recycled raw materials/materials, Reduction of land, etc.

Contributing to the maintenance of a healthy and secure society



Creating a socially and environmental-conscious supply chain

Supplier selection based on respect for human rights/environmental protection

Contributing to the creation of fair and safe workplaces



Ensuring fair and equal employment and workplace safety

Reduce water usage, protect biodiversity, prevent environment accidents, supporter-making, etc.

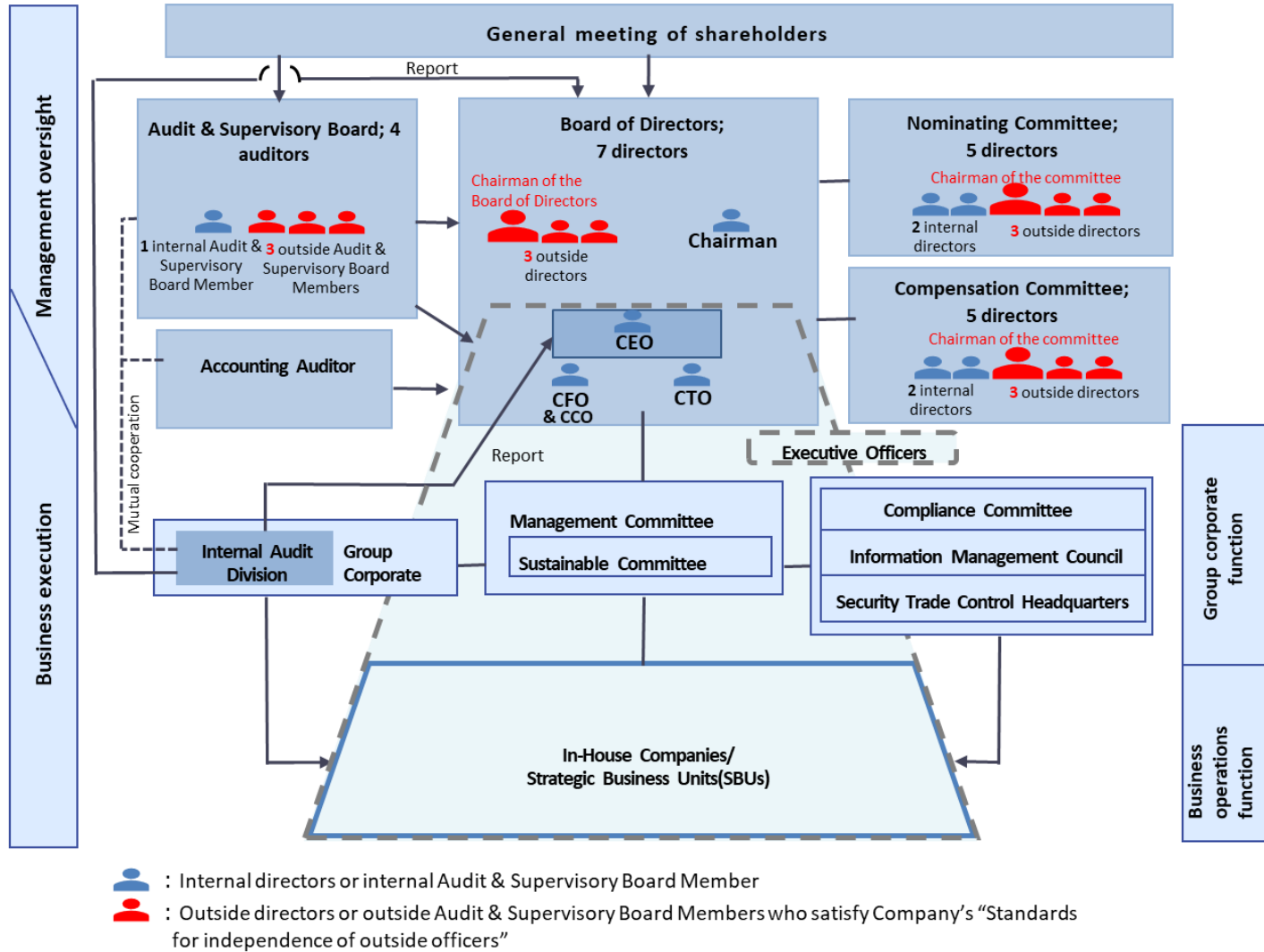
Considering relationships with local communities and the environment

Increase employee engagement, prevention of serious disaster/ accidents requiring a leave, etc.

Major Press Release in FY2022

Date	Summary
January 13	Ammonia Combustion Technology Development Project including AGC Selected as NEDO-Commissioned Project
January 25	AGC to Double Production Capability for EUVL Mask Blanks
February 8	Progress of the Medium-term Management Plan AGC plus-2023 and Initiatives to Realize the Long-term Management Strategy Vision 2030
February 8	Notice Regarding Posting of Impairment Losses
February 21	AGC Increases Investment in Next-generation Power Semiconductor Material Developer Novel Crystal Technology
March 9	Selected as a “White 500” company for three years in a row.
March 11	AGC Develops Glass Antenna for All Frequencies in the 5G Sub6 band in Japan
April 6	AGC to Expand Synthetic Pharmaceutical Production Base in Spain
May 6	AGC to Expand Capacity of Chlor-Alkali Business in Thailand
May 10	AGC to Take Profitability Improvement Measures for its Automotive Glass Business
May 10	AGC Decides to Transfer All Shares of Solvay Soda Ash Joint Venture and Solvay Soda Ash Extension Joint Venture
May 13	AGC Develops New Composition of AMOLEA™ 1123, a Next-Generation Refrigerant with Low Global Warming Potential
May 18	AGC Biologics Expands Cell and Gene Therapy CDMO Capacity at its U.S. site
May 23	AGC Joins the “30 by 30 Alliance for Biodiversity” in Japan
June 10	AGC Sets Reduction Target for Scope 3 GHG Emissions
July 6	AGC to Revise Pricing for Architectural Glass Products in Japan
July 26	AGC Glass Europe Announces New Low-carbon Glass Range

AGC's Corporate Governance Structure



FTSE4Good Index Series



FTSE Blossom Japan Index



CDP Climate Change A-



4 stars awarded in the 5th Nikkei "Smart Work Management" survey



Nadeshiko Brand
as a company that excels in promoting the advancement of women in 2021



"White 500" Company
in recognition of initiatives to promote strategic health management for its employees



EcoVadis Supplier Evaluations
PLATINUM rated for the Kashima plant and AGC Pharma Chemicals Europe
Highly rated in several other domestic and international locations



Derwent Top 100 Global Innovator 2022

DX Brand 2022
in recognition of digital transformation efforts





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END

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