

December 09, 2019

Corporate Name: AGC Inc.
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(Code Number: 5201; TSE 1st section)
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Notice regarding Conclusion of Memorandum of Understanding with Central Glass Co., Ltd. on Integration of Architectural Glass Business in Japan

AGC Inc. (hereinafter, the “Company”) concluded a memorandum of understanding on December 9, 2019 with Central Glass Co., Ltd. (hereinafter, “Central Glass”) concerning the integration of their architectural glass businesses in Japan (hereinafter, the “business integration”). Going forward, the Company will proceed with detailed consideration and discussion with the aim of completing the business integration at the end of December 2020. Details are described below.

1. Details of the Memorandum of Understanding

The Company and Central Glass agree to consider and discuss the business integration concerning their architectural glass businesses in Japan. The architectural glass business in the country is facing changes in the demand structure associated with declining new housing starts and dissemination of multi-layered glass, and the business environment has continued to be sluggish despite continued streamlining efforts and restructuring of the distribution system. A drastic reform for the entire industry is required as the falling birthrate and other factors are expected to further shrink the demand while manufacturers need to cover the maintenance cost for their aging facilities to ensure stable supply. Under such a business environment, the Company and Central Glass have determined that, through the integration of their businesses while enhancing and supplementing each other’s strength, their pursuit of further improving operational and capital efficiency, increasing profitability and strengthening the companies’ foundation will contribute to the growth of both companies. Going forward, the Company and Central Glass will discuss the concrete details of the business integration.

2. Company Overview of Central Glass

1. Corporate Name	Central Glass Co., Ltd.
2. Registered Head Office	5253 Okiube, Ube City, Yamaguchi
3. Title/Name of the Representative	Tadashi Shimizu Representative Director, President & CEO
4. Business activity	- Glass business - Chemical business
5. Paid-in Capital	18,168 million Japanese yen (as of March 31, 2019)
6. Established	October 10, 1936
7. Relationship between the listed company and the company concerned	No capital or personnel relationship.

3. Schedule

December 9, 2019 Approval at the meeting of the Board of Directors
 Conclusion of the memorandum of understanding on the business integration
End of December 2020 Completion of the business integration (schedule)

In the course of proceeding with the procedures and discussions concerning the business integration, the Company will conduct necessary filing and obtain permits and approval from the Japan Fair Trade Commission and other relevant authorities. The completion of such filing and obtaining approval is the prerequisite for the business integration of the Company and Central Glass.

4. Future Outlook

The Company will make announcement concerning the conclusion of the memorandum of understanding and outcome of the business integration as necessary. Financial impacts on the Company's business performance are not yet determined.