

August 2, 2021

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## Notice regarding Revision to Full Year Consolidated Financial Forecasts, Dividend Forecasts and Interim Dividends from Surplus for Fiscal Year Ending December 31, 2021

In the light of recent business performance, AGC Inc. (“the Company”) has revised its full year consolidated financial forecasts and dividend forecasts for the fiscal year ending December 31, 2021, which were announced on April 12, 2021. In addition, the Company resolved the distribution of interim dividends from surplus at the Board of Directors meeting held on August 2, 2021.

### 1. Revision to the consolidated financial results forecast

#### (1) Revision to the FY2021 consolidated financial results forecast

[January 1 through December 31, 2021]

(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 April 12, 2021 (A)	1,650,000	160,000	142,000	105,000	83,000	375.02
Revised forecast (B)	1,670,000	180,000	187,000	145,000	117,000	528.41
Change (B – A)	20,000	20,000	45,000	40,000	34,000	153.39
Change (%) (B – A)/A	1.2	12.5	31.7	38.1	41.0	40.9
(Reference) Actual results for FY2020	1,412,306	75,780	57,121	41,164	32,715	147.84

#### (2) Reasons for the Revision of Consolidated Earnings Forecasts

The AGC Group’s net sales, operating profit, profit before tax, profit for the period and profit for the period attributable to owners of the parent for the full year ending December 31, 2021 are expected to exceed the forecast which was announced on April 12, 2021. This exceed is due to factors such as the sales prices of polyvinyl chloride (PVC) in Southeast Asia are expected to be higher than the initial forecast in the Chemicals segment, and the Company expects to record a gain of approximately 25.0 billion yen from the transfer of its architectural glass business in North America, which was announced on June 15, 2012.

## 2. Revision to the dividend forecasts

### (1) Revision to dividend forecasts for the FY2021

	Dividend per share (yen)		
	Interim	Year-End	Year-total
Previous forecast (Announced on April 12, 2021)	70.00	70.00	140.00
Revised forecast	—	130.00 (Ordinary dividend 80.00) (Special dividend 50.00)	210.00 (Ordinary dividend 160.00) (Special dividend 50.00)
Actual payment for FY2021	80.00	—	—
Actual payment for FY2020	60.00	60.00	120.00

### (2) Reason for revision of dividend forecasts

With regards to the return of profit to shareholders, the Company will maintain stable dividends with a target consolidated dividend payout ratio of 40% while comprehensively considering such factors as consolidated business performance in the fiscal year under review and future demand for funds.

As stated in "1. Revision to the consolidated financial results forecast", there was an upward revision to the consolidated forecasts for the fiscal year ending December 2021, the Company has decided to upwardly revise the interim ordinary dividend and year-end ordinary dividend forecasts to 80 yen per share. As for the year-end dividend forecast, the Company has decided to add a special dividend of 50 yen per share as a return for the temporary earnings from the transfer of the architectural glass business in North America, bringing the total dividend to 130 yen per share. As a result, the annual dividend forecast is 210 yen per share, with a consolidated dividend payout ratio of 39.8%.

The year-end dividend will be formally determined by a resolution of the general meeting of shareholders to be held in March 2022.

## 3. Interim dividends from surplus

At the Board of Directors meeting held on August 2, 2021, the Company decided to distribute interim dividends from surplus with a record date of June 30, 2021 as follows.

	Interim dividend for FY2021	Forecast as of April 12, 2021	Interim dividend for FY2020
Record date	June 30, 2021	June 30, 2021	June 30, 2020
Dividends per share	80.00 yen	70.00 yen	60.00 yen
Total dividends	17,747 million yen	-	13,296 million yen
Effective date	September 8, 2021	-	September 8, 2020
Source of dividends	Retained earnings	-	Retained earnings