

Financial Results for the Six Months ended June 30, 2024



AGC Inc.

Aug. 1, 2024

Your Dreams, Our Challenge



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Key Points① : Financial Results for 2Q FY2024 (cumulative)

Financial Results for 2Q FY2024 (cumulative)

(100 million JPY)
(YoY)

Net sales	10,152	(+299)
Operating profit	567	(-76)
Profit for the period attributable to owners of the parent	- 1,145	(-1,551)

Main reasons for the net loss for the period attributable to owners of the parent

(100 million JPY)

■ Losses on sale of shares of subsidiaries and associates incurred in connection with the transfer of the Russian business (Booked in 1Q)	-360
■ Impairment losses related to Biopharmaceuticals CDMO business (Booked in 2Q)	-1,183

- Net sales increased thanks to the positive effect of foreign exchange rates and increase in sales in Electronics, despite the decline in sales prices for Architectural Glass, Caustic soda and PVC in Chemicals and decline in sales of the Biopharmaceuticals CDMO business in Life Science.
- Operating profit decreased due to factors such as the above-mentioned lower sales prices and decline in sales of the Biopharmaceuticals CDMO business, despite lower raw materials and fuel costs.
- Profit for the period attributable to owners of the parent decreased significantly and turned into a loss due to the impact of other expenses incurred, including impairment losses related to Biopharmaceuticals CDMO business in Life Science and losses on sale of shares of subsidiaries and associates incurred in connection with the transfer of the Russian business.

Key Points② : Outlook for FY2024

Outlook for FY2024 (Revised)

		(vs. Feb. 7)	(100 million JPY) (YoY)
Net sales	21,000	-	(+807)
Operating profit	1,300	(-200)	(+12)
Profit for the period attributable to owners of the parent	- 950	(-1,480)	(-1,608)

Major Factors in the Revision of Outlook

- Revised operating profit downward as Life Science fell far short of expectations and could not be covered by other businesses.

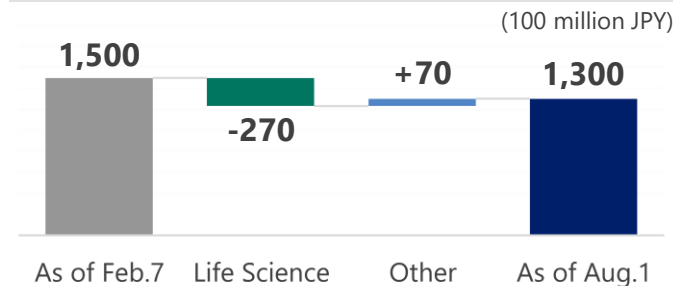
Dividend Forecast

■ No change

Interim dividend 105 JPY

Year-end dividend 105 JPY

Operating Profit Outlook for FY2024



Financial Results for the Six Months ended June 30, 2024

1. Highlights of the Financial Results



Highlights of the Financial Results for 2Q FY2024 (cumulative)

* FOREX impact was +723, change in the scope of consolidation was -110 (100 million JPY)

(100 million JPY)

		FY2023 1-2Q Total	FY2024 1-2Q Total	Change	Main factors in the change (+) Increasing factors (-)Decreasing factors
Net sales		9,853	10,152	+ 299*	(+) Yen depreciation (+) Increase in shipments of Electronic Materials and higher sales prices of LCD glass substrates (-) Decline in sales prices of Architectural Glass (-) Decline in sales prices of caustic soda and PVC (-) Decline in sales of Biopharmaceuticals CDMO
Operating profit		643	567	- 76	(+) Decline in raw materials and fuel costs (-) Decline in sales prices mentioned above (-) Decline in sales of Biopharmaceuticals CDMO
Profit before tax		660	- 924	- 1,584	In addition to the above, (+) Foreign exchange gain (-) Other expenses related to Life Science (biopharmaceuticals CDMO) (-) Other expenses related to transfer of Architectural Glass and Automotive Glass business in Russia
Profit for the period attributable to owners of the parent		406	- 1,145	- 1,551	
FOREX (Average)	1USD	JPY 134.85	JPY 152.25		
	1EUR	JPY 145.79	JPY 164.60		
Crude oil (Dubai, Average)	USD/BBL	79.05	83.27		

Other Income/Expenses Breakdown for 2Q FY2024







- Losses recorded not accompanying cash outflows

(100 million JPY)

	FY2024 1-2Q Total	Factors
Other income	152	
Other expenses	-1,624	
Impairment losses	-1,192	<u>Life Science Biopharmaceuticals CDMO business (-1,183)</u> - Goodwill -606 (Denmark, Italy and the U.S.) - Fixed and other intangible assets -577 (the U.S.)
Losses on sale of shares of subsidiaries and associates	-365	Business transfer of Russian subsidiaries (-360)
Losses on disposal of fixed assets	-17	
Expenses for restructuring programs	-13	
Others	-38	

YoY Performance Comparison by Business Segment

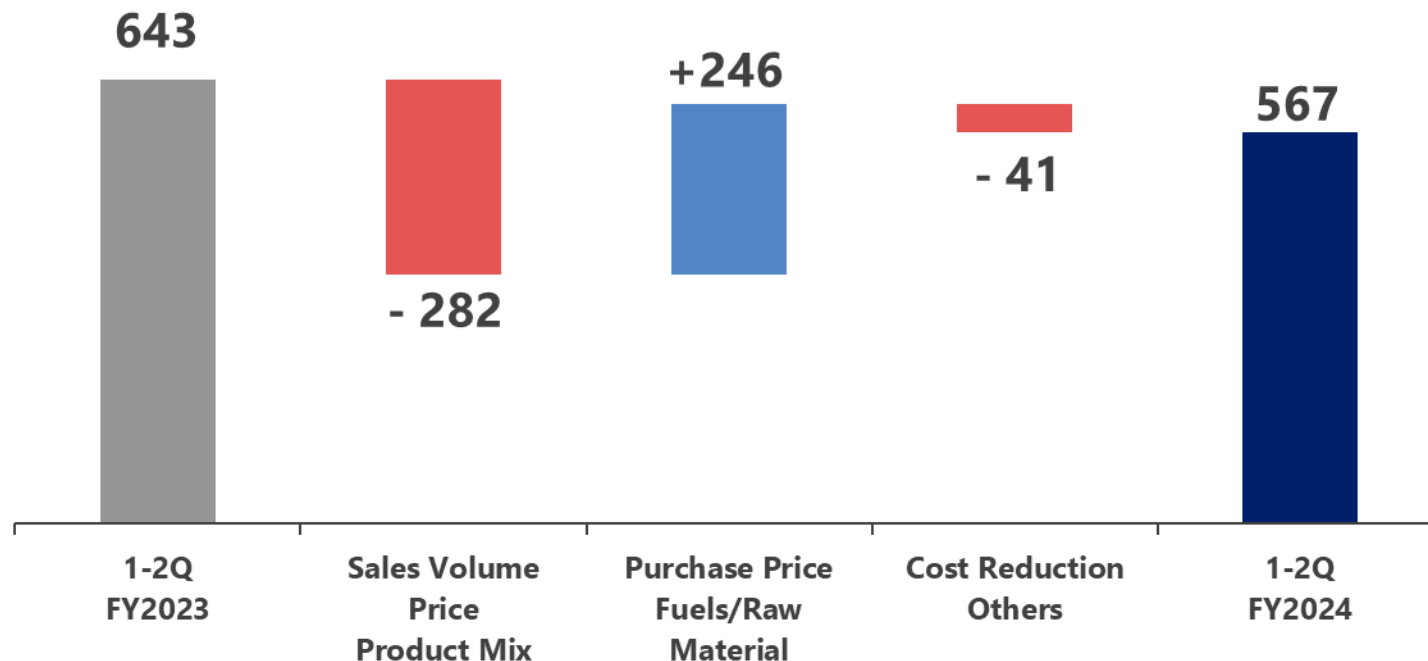
(100 million JPY)

	FY2023 1-2Q Total (a)		FY2024 1-2Q Total (b)		Change (b)-(a)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
 Architectural Glass	2,398	186	2,247	102	- 151	- 84
 Automotive	2,407	102	2,519	106	+ 112	+ 3
 Electronics	1,419	29	1,693	200	+ 274	+ 171
 Chemicals	2,828	309	2,904	277	+ 77	- 32
 Life Science	680	6	636	-141	- 44	- 147
 Ceramics/Other	394	14	424	24	+ 30	+ 10
Elimination	-273	-3	-271	0	+ 2	+ 3
Total	9,853	643	10,152	567	+ 299	- 76

Variance Analysis on OP (1-2Q FY2024 vs. 1-2Q FY2023)

-76 down from last year

(100 million JPY)



Consolidated Statement of Financial Position

	2023/12	2024/6	Change	(100 million JPY)
Cash and cash equivalents	1,461	1,089	- 372	
Inventories	4,541	4,731	+ 190	
Property, plant and equipment, Goodwill and Intangible assets	16,312	16,368	+ 57	Foreign exchange fluctuation +1,102 Effect of impairment loss -1,192
Other assets	7,017	7,387	+ 370	
Total assets	29,330	29,576	+ 246	Foreign exchange fluctuation +1,767
Interest-bearing debt	6,950	6,530	- 420	
Other liabilities	5,836	6,017	+ 180	
Liabilities	12,787	12,547	- 240	
Total equity attributable to owners of the parent	14,471	14,770	+ 299	
Non-controlling interests	2,073	2,259	+ 186	
Equity	16,543	17,029	+ 485	Foreign exchange fluctuation +1,112
Total liabilities and equity	29,330	29,576	+ 246	
D/E ratio	0.42	0.38		

Consolidated Statement of Cash Flow

(100 million JPY)

1-2Q Total	FY2023	FY2024
Profit before tax	660	-924
Depreciation and amortization	859	915
Increase(decrease) in working capital	-403	-145
Others	-221	1,575
Cash flows from operating activities	894	1,422
Cash flows from investing activities	-881	-782
Free cash flows	13	640
Changes in interest-bearing debt	222	-770
Dividends paid	-233	-223
Others	-525	-80
Cash flows from financing activities	-536	-1,072
Effect of exchange rate changes on cash and cash equivalents etc.	115	61
Net increase(decrease) in cash and cash equivalents	-409	-372

Effect of impairment loss

+1,192

Effect of loss on sale of subsidiaries and associates not accompanying cash outflow

+365

Cash inflow effect from sale of subsidiaries and associates

+221

CAPEX, Depreciation and R&D

(100 million JPY)

1-2Q Total	FY2023	FY2024
CAPEX	1,052	1,196
Architectural Glass	100	119
Automotive	116	132
Electronics	293	215
Chemicals	396	552
Life Science	139	160
Ceramics/Other	10	18
Elimination	- 1	- 0

1-2Q Total	FY2023	FY2024
Depreciation	859	915
Architectural Glass	119	127
Automotive	156	161
Electronics	258	266
Chemicals	248	265
Life Science	68	87
Ceramics/Other	10	9
Elimination	- 1	- 1

1-2Q Total	FY2023	FY2024
R&D	270	293

Main projects for CAPEX

- Capacity enhancement for Chlor-alkali in Southeast Asia (Chemicals)
- Capacity enhancement for Biopharmaceuticals CDMO and Small Molecule Pharmaceuticals and Agrochemicals CDMO (Life Science)
- Capacity enhancement for Electronic Materials (Electronics)
- Capacity enhancement for fluorochemical-related products (Chemicals)
- Repairment for Display glass furnace (Electronics) etc.

2. Business and Geographic Segments



Architectural Glass Segment

1-2Q Total	FY2023	FY2024	Change
Net sales	2,398	2,247	- 151*
Asia	759	739	- 20
Europe & Americas	1,633	1,496	- 137
(Inter-segment)	6	12	+ 6
Operating profit	186	102	- 84

* FOREX impact: +196,
Change in the Scope of Consolidation: -60
(100 million JPY)

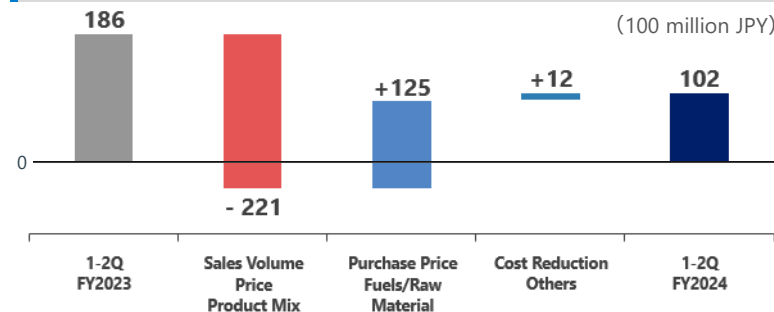
Asia

- Net sales decreased due to lower shipments.

Europe & Americas

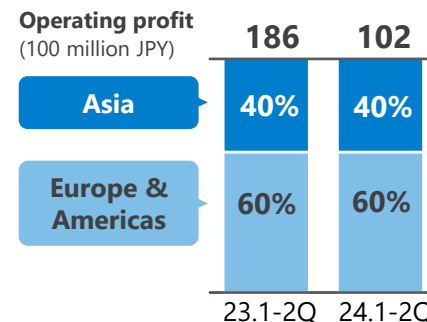
- Net sales decreased due to lower sales prices in Europe and the negative impact from the transfer of the Russian business, despite the positive effect of foreign exchange rates.

Variance Analysis on OP



Sub-segment ratio to the operating profit

(before common expense allocation)



1-2Q Total	FY2023	FY2024	Change
Net sales	2,407	2,519	+ 112*
Automotive	2,405	2,518	+ 113
(Inter-segment)	2	1	- 1
Operating profit	102	106	+ 3

* FOREX impact: +210,
Change in the Scope of Consolidation: -18

(100 million JPY)

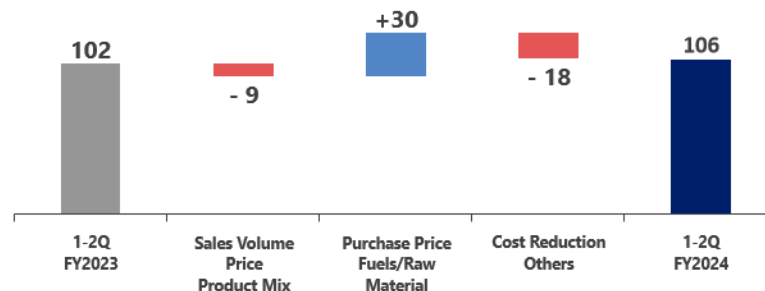


Automotive Glass

- The Group's shipments decreased as the automobile production decreased mainly in Japan.
- Net sales increased due to positive effect of foreign exchange rates and higher sales prices.

Variance Analysis on OP

(100 million JPY)



1-2Q Total	FY2023	FY2024	Change
Net sales	1,419	1,693	+ 274*
Display	783	901	+ 118
Electronic Materials	631	785	+ 154
(Inter-segment)	5	7	+ 1
Operating profit	29	200	+ 171

* FOREX impact: +61,
Change in the Scope of Consolidation: -25
(100 million JPY)

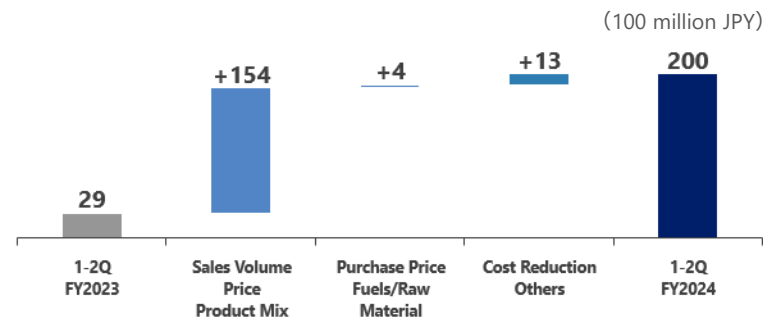
Display

- Net sales increased due to increase in shipments and higher sales prices of LCD glass substrates.

Electronic Materials

- Net sales increased due to higher shipments of semiconductor-related products such as EUV mask blanks and optoelectronic materials, as well as the positive effect of foreign exchange rates.

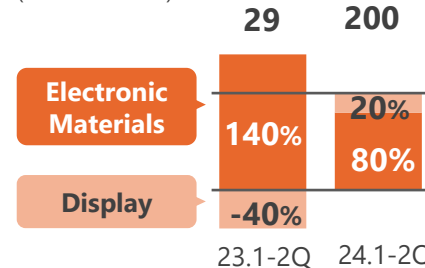
Variance Analysis on OP



Sub-segment ratio to the operating profit

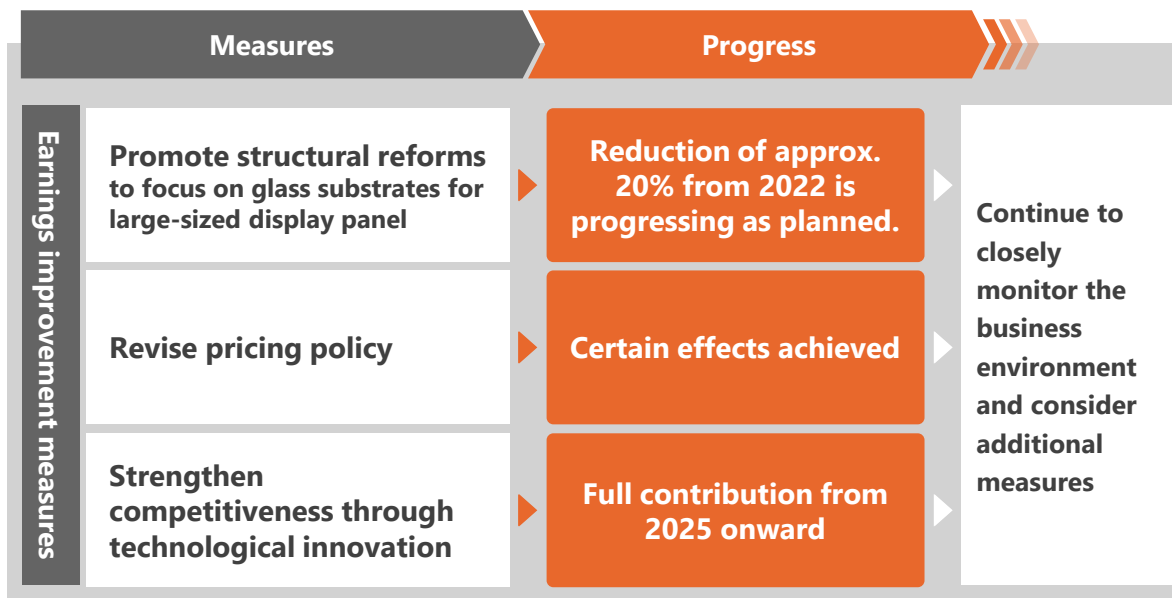
(before common expense allocation)

Operating profit
(100 million JPY)

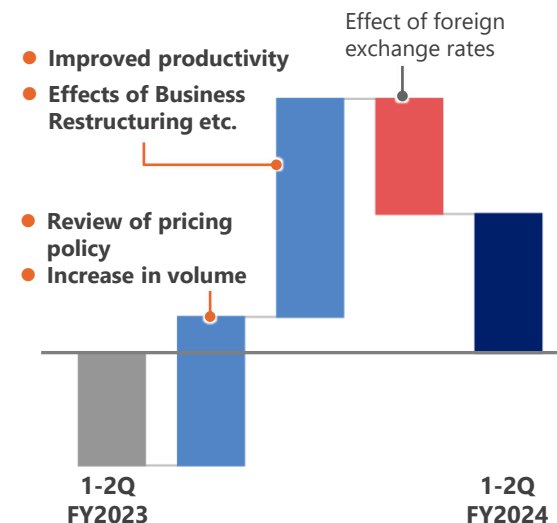


Progress of the Display Business Earnings Improvement

- Business structural reforms, pricing policy, and other measures progressed as planned.
- Profitability improved, partly due to improved productivity, offsetting the negative effect of foreign exchange rates.



Operating Profit Improvement Image



1-2Q Total	FY2023	FY2024	Change
Net sales	2,828	2,904	+ 77*
Essential Chemicals	2,008	2,012	+ 4
Performance Chemicals	798	874	+ 76
(Inter-segment)	22	19	- 3
Operating profit	309	277	- 32

* FOREX impact: +192,

Change in the Scope of Consolidation: No impact

(100 million JPY)



Essential Chemicals

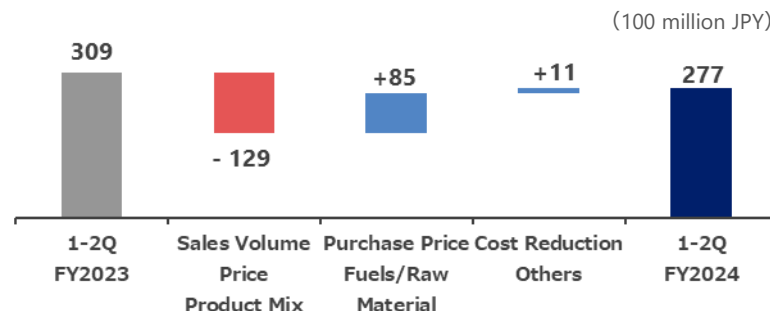
- Net sales remained flat due to lower sales prices of caustic soda and PVC, despite the positive effect of foreign exchange rates.



Performance Chemicals

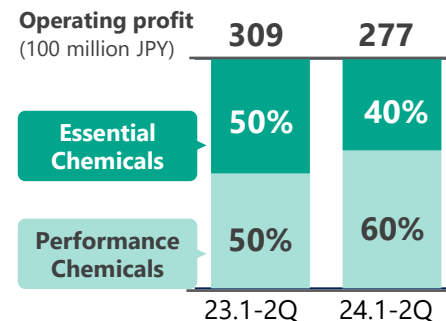
- Net sales increased due to positive effect of foreign exchange rates and the rise in sales prices.

Variance Analysis on OP



Sub-segment ratio to the operating profit

(before common expense allocation)



1-2Q Total	FY2023	FY2024	Change
Net sales	680	636	- 44*
Life Science	667	616	- 51
(Inter-segment)	13	20	+ 6
Operating profit	6	-141	- 147

* FOREX impact: +57,
Change in the Scope of Consolidation: No impact

(100 million JPY)

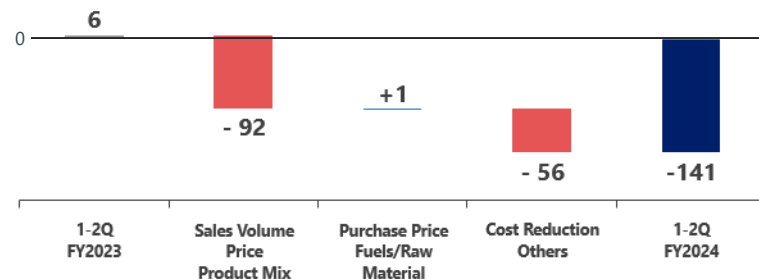


Life Science

- Net sales decreased due to the disappearance of Covid-related special demand, reduced capital inflows into biotech ventures, as well as the negative effect of inventory adjustments in the agrochemicals market.
- Upfront costs incurred associated with capacity expansion in the Biopharmaceuticals CDMO business.

Variance Analysis on OP

(100 million JPY)

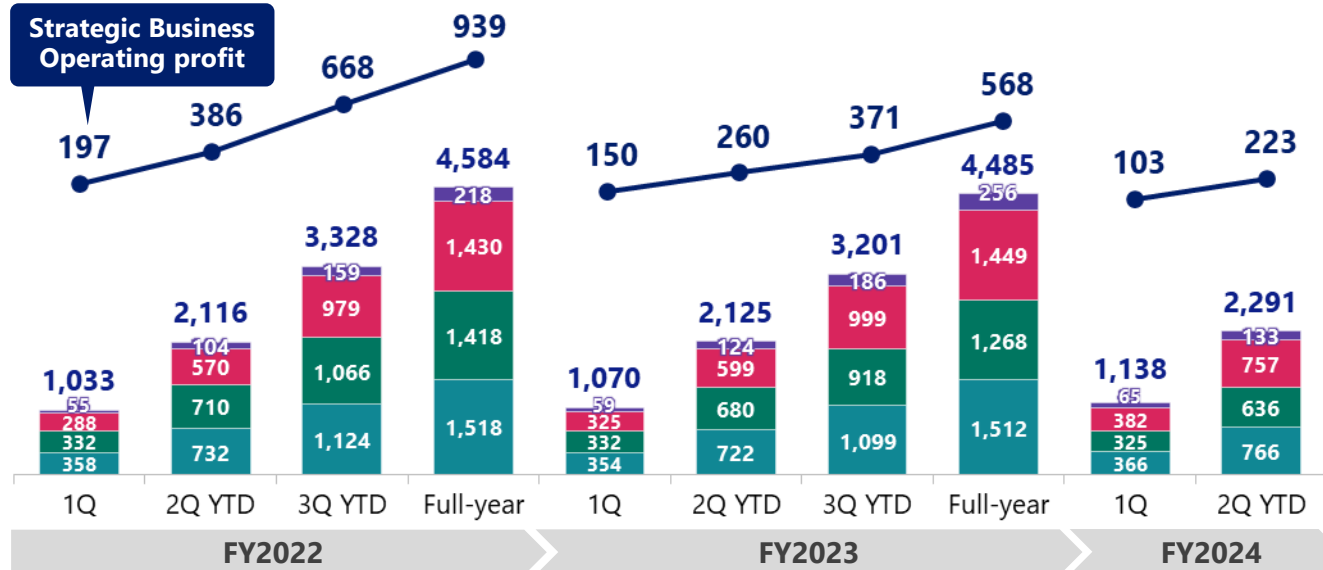


Profit contribution of Strategic Businesses

- Sales of semiconductor-related products in Electronics and Performance Chemicals were strong, but profits declined YoY due to deteriorating earnings in Biopharmaceuticals CDMO.

Sales of Strategic business

(100 million JPY)



Main products & businesses

Mobility

- Cover glass for car-mounted displays
- High value-added products for CASE

Electronics

- Semiconductor-related products
- Optoelectronic materials
- Next-generation high-speed communication materials

Life Science

- CDMO for synthetic pharmaceuticals and agrochemicals
- CDMO for biopharmaceuticals

Performance Chemicals

- High performance fluorine products for various industries

YoY Performance Comparison by Geographic Segment

(100 million JPY)

1-2Q Total	FY2023	FY2024	Change
Net sales	9,853	10,152	+ 299
Japan & Asia	6,055	6,268	+ 213
Americas	1,098	1,285	+ 187
Europe	2,700	2,598	- 102
Operating profit	643	567	- 76
Japan & Asia	631	795	+ 163
Americas	-4	-63	- 60
Europe	243	81	- 162
Cross-regional common expenses	-227	-245	- 18

FOREX impact

+723

Change in the scope of consolidation

-110

Outlook for FY2024

Outlook for FY2024

- Profit for the year attributable to owners of the parent is expected to decrease from the previous year and from the initial forecast due to the impact of significantly lower-than-expected performance and impairment losses in the Biopharmaceuticals CDMO business.







(100 million JPY)

		FY2023	FY2024e (As of Aug. 1)	FY2024e (As of Feb. 7)
Net sales		20,193	21,000	21,000
	(First half)	9,853	10,152	10,000
Operating profit		1,288	1,300	1,500
	(First half)	643	567	600
Profit before tax		1,228	- 420	1,050
Profit for the year attributable to owners of the parent		658	- 950	530
Dividend (JPY/share)		210	210	210
Operating profit margin		6.4%	6.2%	7.1%
ROE		4.6%	▲ 6.6%*	3.7%*
FOREX (Average)	1 USD	JPY 140.6	JPY 151.0	JPY 140.0
	1 EUR	JPY 152.0	JPY 163.0	JPY 160.0
Crude oil (Dubai, Average)	USD/BBL	82.1	85.0	85.0
Ethylene (CFR SEA)	USD/MT	889	980	980

* ROE of FY2024e is calculated using the figures of Total equity attributable to owners of the parent as of Dec. 31, 2023

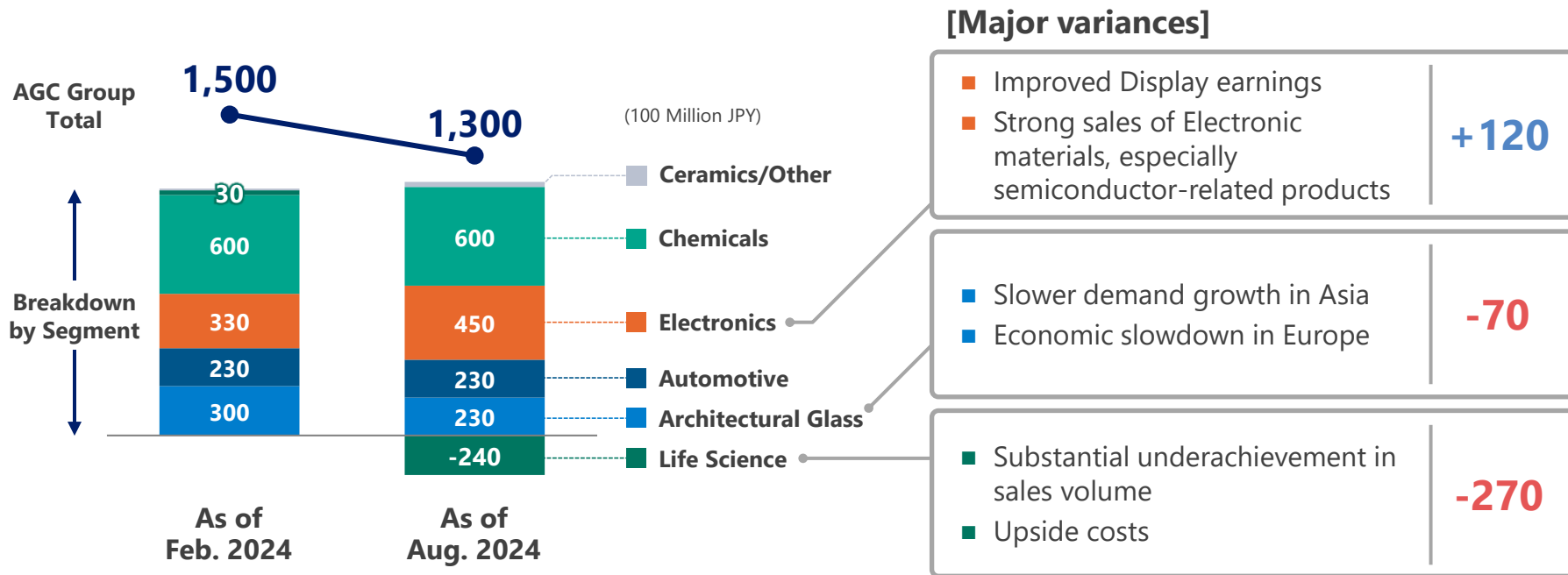
Outlook Breakdown by Segment (Net sales and Operating profit)

(100 million JPY)

	FY2023 (a)		FY2024e As of Aug. 1 (b)		Change (b)-(a)		FY2024e As of Feb. 7 (c)		Change (b)-(c)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
 Architectural Glass	4,763	328	4,600	230	- 163	- 98	4,600	300	+ 0	- 70
 Automotive	4,997	218	5,100	230	+ 103	+ 12	5,100	230	+ 0	+ 0
 Electronics	3,132	184	3,500	450	+ 368	+ 266	3,300	330	+ 200	+ 120
 Chemicals	5,741	648	6,200	600	+ 459	- 48	6,200	600	+ 0	+ 0
 Life Science	1,268	- 124	1,300	- 240	+ 32	- 116	1,400	30	- 100	- 270
 Ceramics/Other	834	33	900	30	+ 66	- 3	800	10	+ 100	+ 20
Elimination	- 542	1	- 600	0	- 58	- 1	- 400	0	- 200	+ 0
Total	20,193	1,288	21,000	1,300	+ 807	+ 12	21,000	1,500	+ 0	- 200

Breakdown of Revised Operating Profit Forecast by Segment

- Operating profit forecast was revised downward due to lower-than-expected results in Life Science and Architectural Glass, despite higher-than-expected results in Electronics.

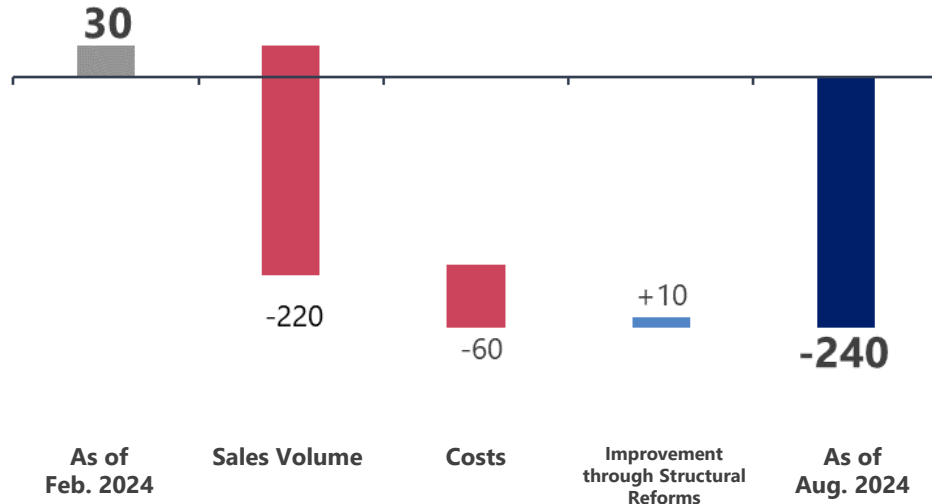


Supplement: Factors behind the Downward Revision of Life Science Business Outlook for FY2024

- Revised down the operating profit forecast for FY2024 due to a significant decrease in sales volume and unexpected increase in costs in the Biopharmaceuticals CDMO business from the initial forecast.

Life Science operating profit forecast for FY2024

(100 Million JPY)



- Sales volume significantly underachieved due to delays in contracted projects and sluggish orders for new projects, caused by the prolonged decrease in capital inflows to biotech ventures and delays in the construction of the capacity expansion at Denmark site.
- Costs increased due to revision of costs reduction targets with higher labor costs.
- Headcount reductions, mainly in the U.S., but the effect in FY2024 will be limited to about 1 billion JPY.

Outlook for 2H FY2024 by Business Segment (1)

Outlook for 2H FY2024 (vs 1H FY2024)



Architectural Glass

Asia

- In Japan and Asia regions, the Group's shipments are expected to be robust due to increasing demand for energy-saving glass in Japan, as well as recovering demand in Thailand and Indonesia.

Europe & Americas

- Although economic slowdown and transfer of the Russian business will have a negative impact, pricing policy implementation in Europe and South America and cost reduction initiatives will protect the profitability.



Automotive

- Automobile production and the Group's shipments are expected to decline in Europe and the U.S. due to seasonality, while showing improvement in Asia.
- Group shipments as a whole are expected to be flat from the first half of the year.



Electronics

Display

- Shipments of glass substrates for LCDs is expected to be on par with the first half of the year.
- Shipments of specialty glass for display will increase due to demand season of smartphone market.

Electronic Materials

- Shipments of semiconductor-related products such as EUV mask blanks will increase.
- Shipments of optoelectronic materials will be strong due to demand season of smartphone market.

Outlook for 2H FY2024 by Business Segment (2)

Outlook for 2H FY2024 (vs 1H FY2024)



Chemicals

Essential Chemicals

- Demand in Southeast Asia will remain strong, but market conditions will remain low due to the sluggish Chinese economy.

Performance Chemicals

- Shipment will increase due to higher demand for Fluorochemical-related products for semiconductors and transportation application.



Life Science

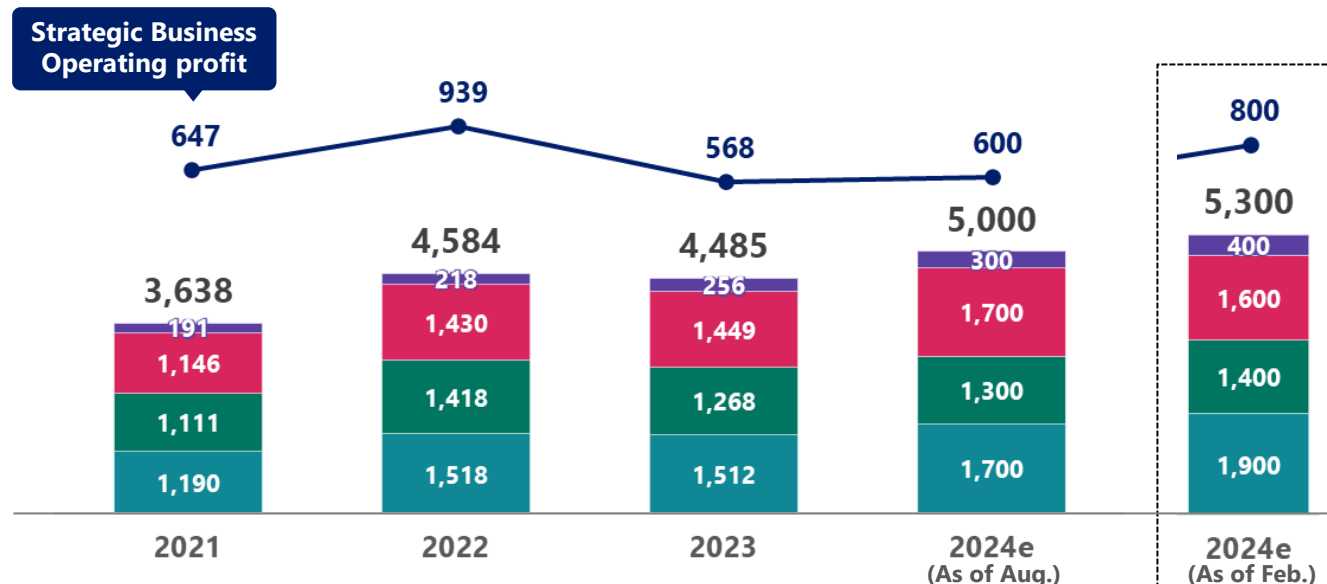
- Contract sales of small molecule pharmaceuticals and agrochemicals CDMO are expected to increase.
- As for the biopharmaceuticals CDMO, despite the continued impact of reduced capital inflow to biotech ventures, sales are expected to increase due to increased operation of the new line in the U.S., whose start-up had been delayed, and the commencement of operations of expanded facilities in Europe.

Outlook of Strategic Businesses

- Sales growth mainly in semiconductor-related products in Electronics and Performance Chemicals.
- Operating profit will increase only slightly YoY due to deteriorating profit/loss in Life Science.

Sales of Strategic business

(100 Million JPY)



Main products & businesses

Mobility

- Cover glass for car-mounted displays
- High value-added products for CASE

Electronics

- Semiconductor-related products
- Optoelectronic materials
- Next-generation high-speed communication materials

Life Science

- CDMO for synthetic pharmaceuticals and agrochemicals
- CDMO for biopharmaceuticals

Performance Chemicals

- High performance fluorine products for various industries

Outlook of CAPEX, Depreciation and R&D

(100 million JPY)

Full year	FY2023	FY2024e
CAPEX	2,317	2,500
Architectural Glass	247	350
Automotive	263	200
Electronics	514	400
Chemicals	877	1,160
Life Science	399	370
Ceramics/Other	18	20
Elimination	- 1	0

Full year	FY2023	FY2024e
Depreciation	1,753	1,850
Architectural Glass	244	250
Automotive	319	340
Electronics	532	550
Chemicals	501	530
Life Science	139	170
Ceramics/Other	21	10
Elimination	- 2	0

Full year	FY2023	FY2024e
R&D	573	600

Main projects for CAPEX

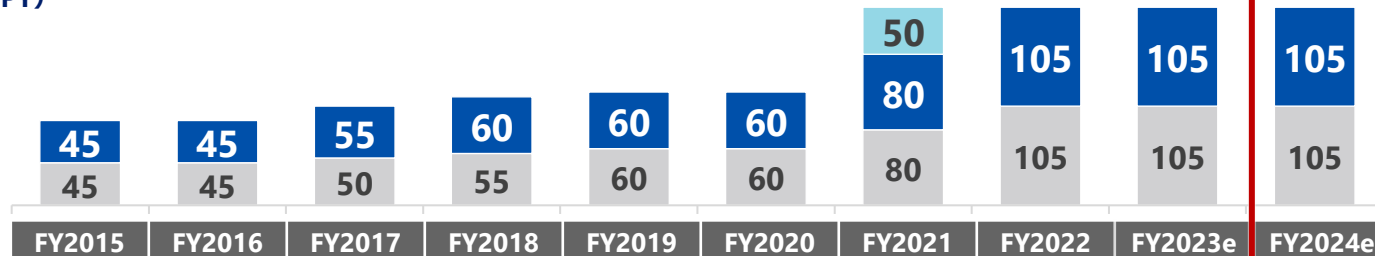
- Capacity enhancement for Chlor-alkali in Southeast Asia (Chemicals)
- Capacity enhancement for fluorochemical-related products (Chemicals)
- Capacity enhancement for Biopharmaceuticals CDMO (Life Science)
- Capacity enhancement for Electronic materials (Electronics) etc.

Shareholder Return Policy

- No change from the forecast announced in February 2024

Dividend per share (JPY)

- Special dividend
- Year-end dividend
- Interim dividend



	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023e	FY2024e
Share buyback (100 million JPY)	—	100	150	200	—	—	—	—	500	TBD
Consolidated total return ratio	48%	65%	56%	51%	60%	81%	38%	—	144%	—
Consolidated payout ratio	48%	44%	35%	29%	60%	81%	38%	—	69%	—
Dividend on equity ratio (DOE)	1.9%	1.9%	2.1%	2.2%	2.3%	2.3%	3.8%	3.4%	3.2%	3.1%

Shareholder return policy

Total return ratio of **50%** or higher, flexibly conduct share buyback

Maintain stable dividends with a consolidated dividend payout ratio of **40%**, flexibly conduct share buyback

Maintain stable dividends with a target of approx. **3%** dividend on equity ratio (DOE), share buyback will be judged comprehensively

Progress of the AGC Group Medium-term Management Plan *"AGC plus-2026"*



AGC Inc.

Aug. 1, 2024

Your Dreams, Our Challenge

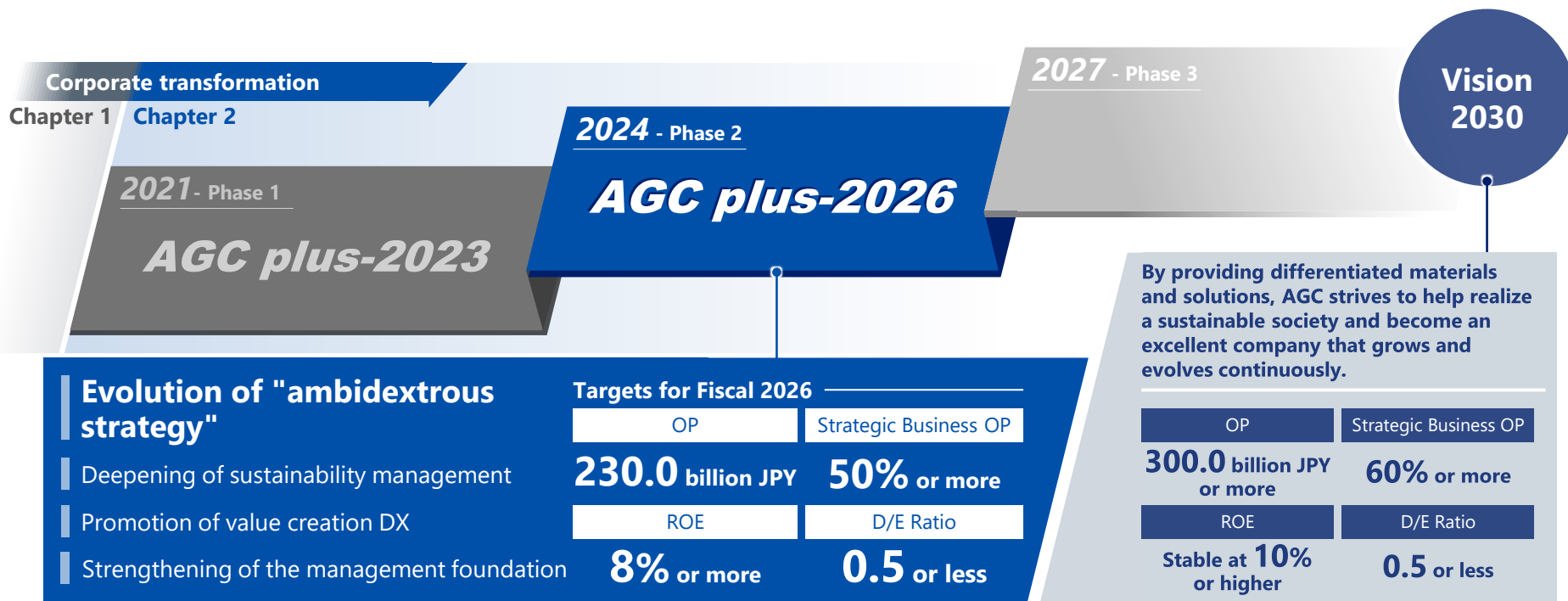
1. Initiatives for AGC Group Value Creation

Medium to Long-term Initiatives for Value Creation



Steps toward Realization of Vision 2030

- Under **AGC plus-2026**, we will accelerate corporate transformation (CX) and maximize corporate value to realize Vision 2030.



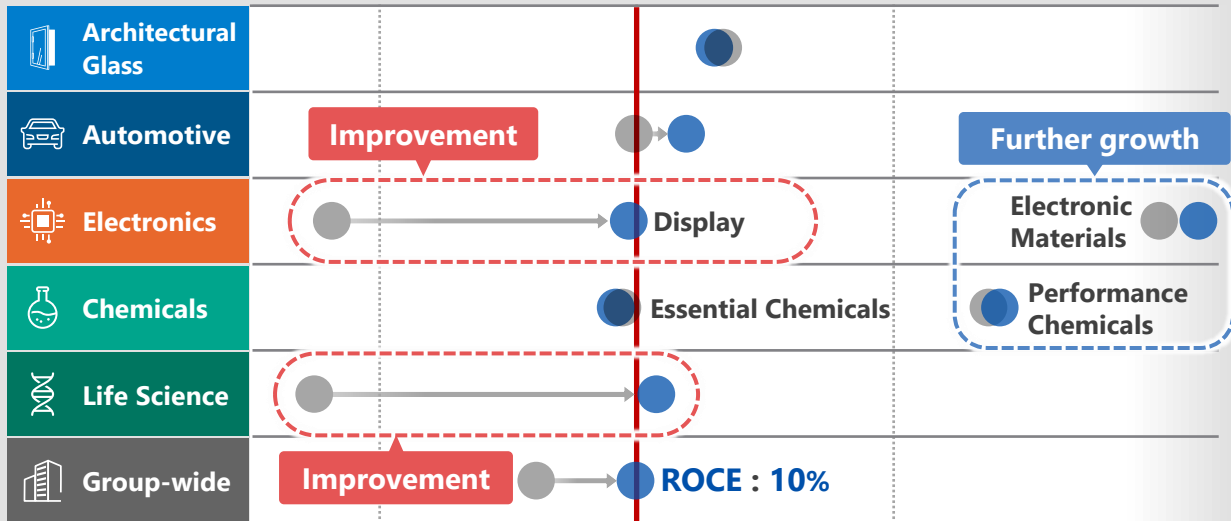
AGC plus-2026 : Progress on “Ambidextrous Strategy”

Announced February 2024

ROCE

● FY2023 Actual vs ● FY2026 Projection*

-5% 0% **10%** (Group-wide target) 20%









ROCE : (OP forecast of the year) ÷ (Operating asset forecast at the year-end), Group-wide OP is after allocation of common expenses; OP for each business is before allocation of common expenses

Current Situation

- Electronic Materials and Performance Chemicals, which are categorized as Growth and Strategic businesses, performed well.
- Other businesses progressed roughly as planned, including improved profitability in the Display business.
- **The biggest challenge is to bring Life Science business back on a growth trajectory.**

Current Status of Major Issues

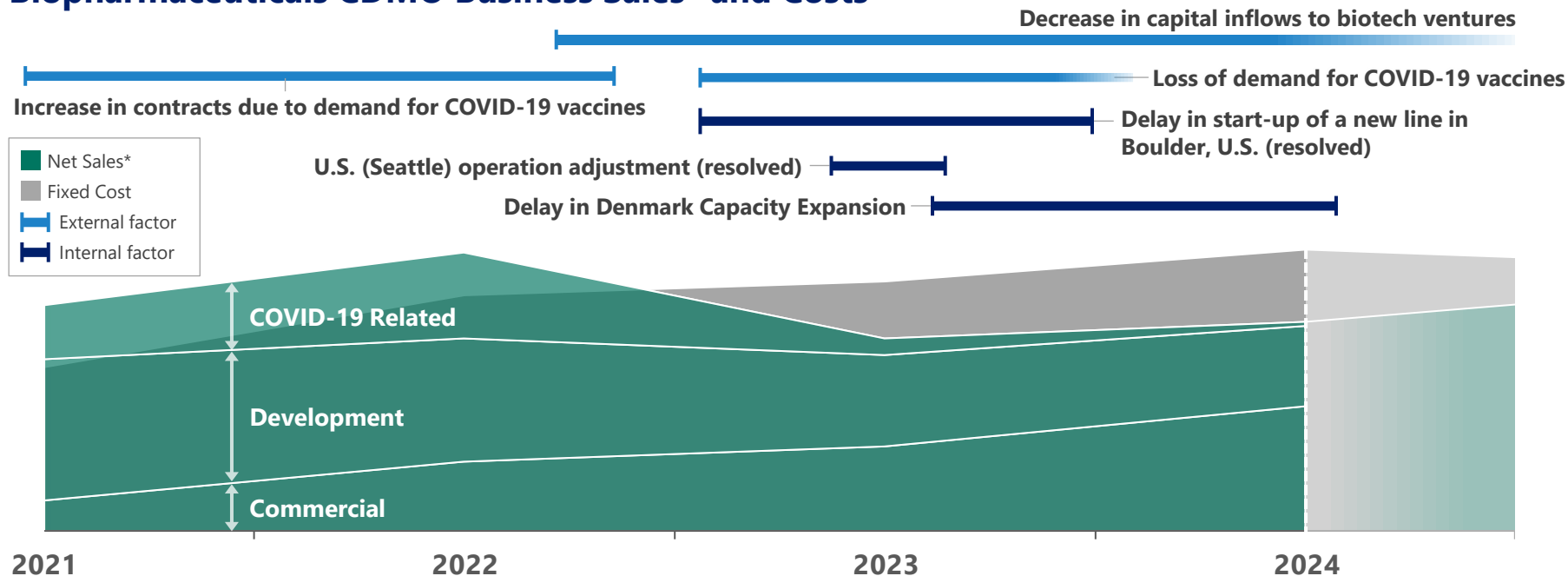
- Steady progress in improvement of Display business earnings, but **Life Science business fell far short of expectations.**

Business		Current conditions	
	Display	<div><div>2023</div></div> <div>▶</div> <div><div>Latest</div></div>	Progress in pricing policy, structural reforms, and productivity improvements
	Life Science	<div><div>2023</div></div> <div>▶</div> <div><div>Latest</div></div>	Biopharmaceuticals CDMO underperformed. Although the start-up of new production lines in the U.S. is progressing, <u>profitability deteriorated</u> due to sluggish growth of contracts and increased costs from the capacity expansion of Denmark site.

Factors behind the Deterioration in the Performance of Biopharmaceuticals CDMO business

- Fixed costs increased due to capacity expansion, while earnings deteriorated due to lack of sales growth.

Biopharmaceuticals CDMO Business Sales* and Costs

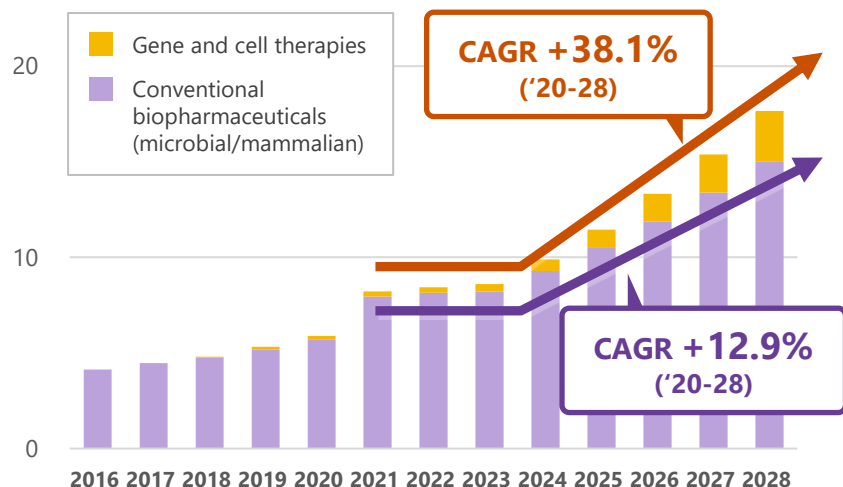


Biopharmaceuticals CDMO Market Outlook

- Slow recovery in the Biopharmaceuticals CDMO market, but there is no change in the long-term trend of market expansion.
- As for gene and cell therapies, the market start up has been significantly slow.

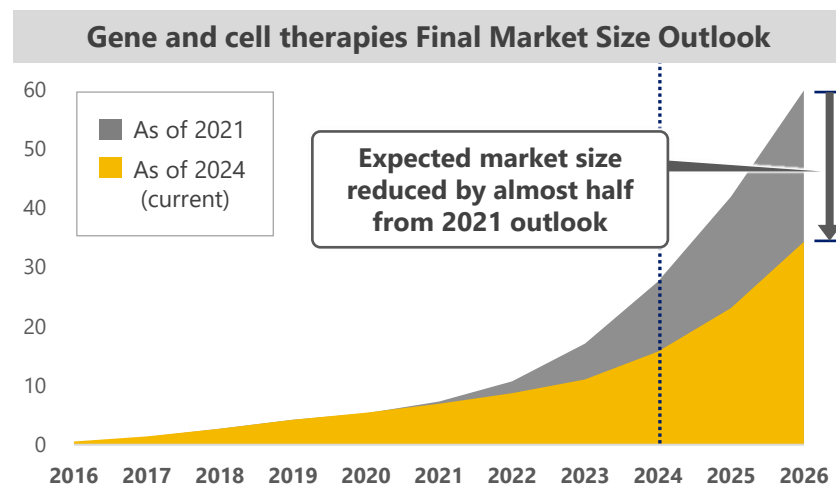
Biopharmaceuticals CDMO Market Size*

(Billion USD)



Changes in Gene and Cell Therapies Market Outlook*

(Billion USD)



Measures to Improve Profitability

- Implement drastic measures to increase sales and reduce costs in the Biopharmaceuticals CDMO business.
- Maximize the utilization of the industry's second-largest SUB* capacity.

Fixed cost reduction through structural reforms, etc.

- Headcount reduction mainly in the U.S.
- Optimization of production capacity

Operational improvements

- Stabilization of U.S. operations (already implemented)
- Start operation of expanded capacity in Denmark
- Utilization of AGC Group's resources for development, engineering, etc.

Strengthen management and sales organization structure

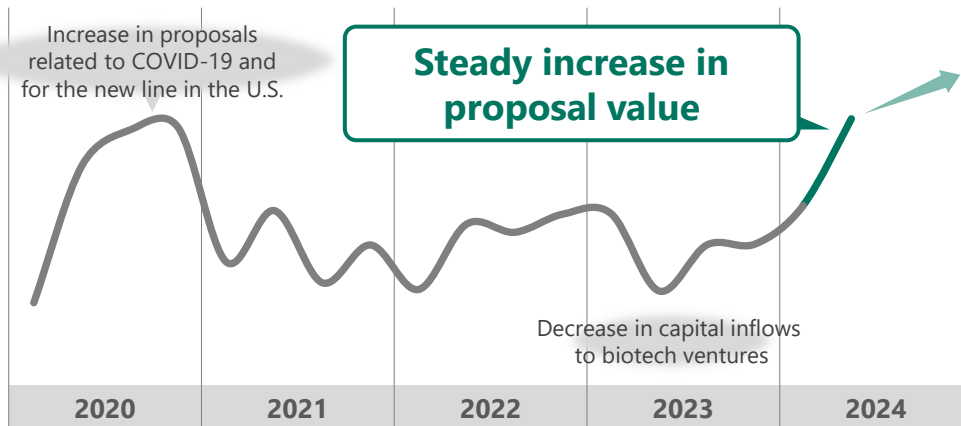
- Reinforcement of the organization through change of managements
- Market intelligence enhancement
- Improve competitiveness by adding aseptic filling services (already implemented)

Medium- to Long-Term Outlook for Life Science Business

- Proposal value to customers, a leading indicator of future sales, is on the rise, showing signs of recovery.
- We will bring the Biopharmaceuticals CDMO business to a steadily profitable structure by 2026, aiming to achieve an operating profit level of over 30 billion JPY in the Life Science business **early during the next medium-term management plan period**.

Proposal to Customers (value)* Trend

* A leading indicator of sales. Sales will be recorded after a certain period of time (usually 1-2 years) after signature of contracts.



Recovery is expected to bottom out in the second half of 2023 and the first half of 2024

Return to profitability during the current medium-term management plan period

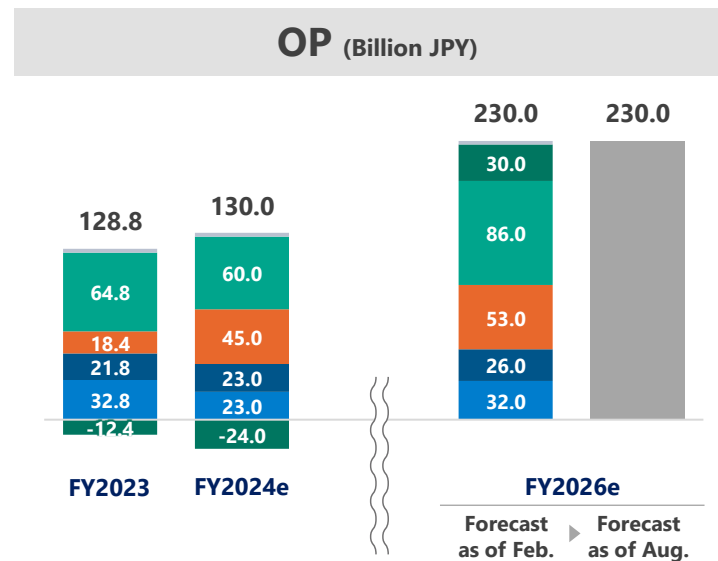
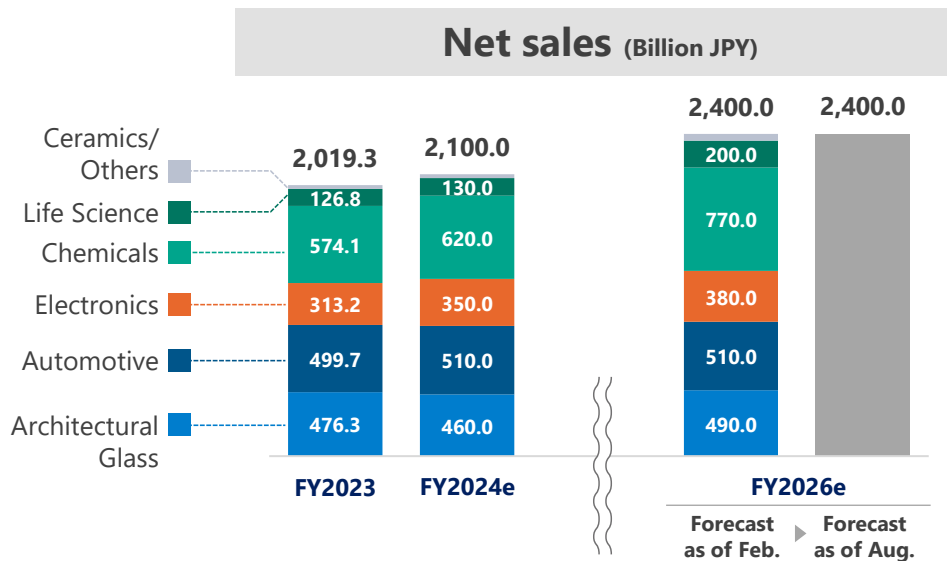
Achieve operating profit of 30 billion JPY early in the next medium-term management plan period

2. Outlook for the Current Medium-Term Management Plan



Performance Image by Segment

- Company-wide operating profit target for the final year of the current medium-term management plan (**AGC plus-2026**) remains unchanged.
- Life Science business fell far short of the initial plan, but aim to achieve the target by making it up with Electronics, etc.



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

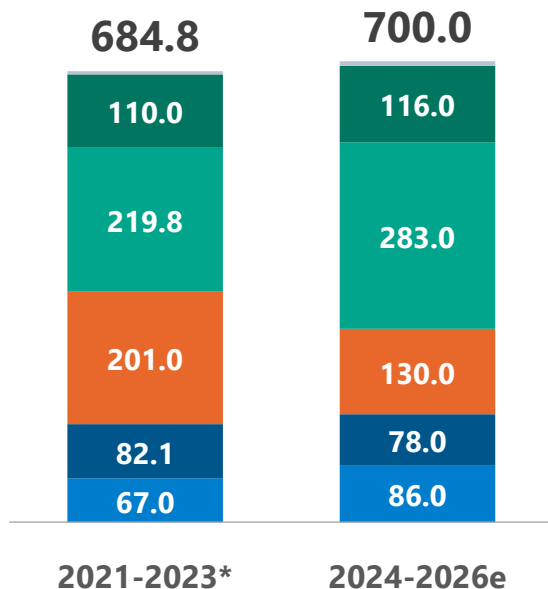
Your Dreams, Our Challenge

The background of the slide features a silhouette of two people climbing a steep, rocky mountain. One person is higher up the rock face, pulling a rope that the second person is using to ascend. The scene is set against a dramatic sky with a gradient from dark blue at the top to a bright orange and yellow glow near the horizon, suggesting a sunset or sunrise. The overall mood is one of challenge, perseverance, and achievement.

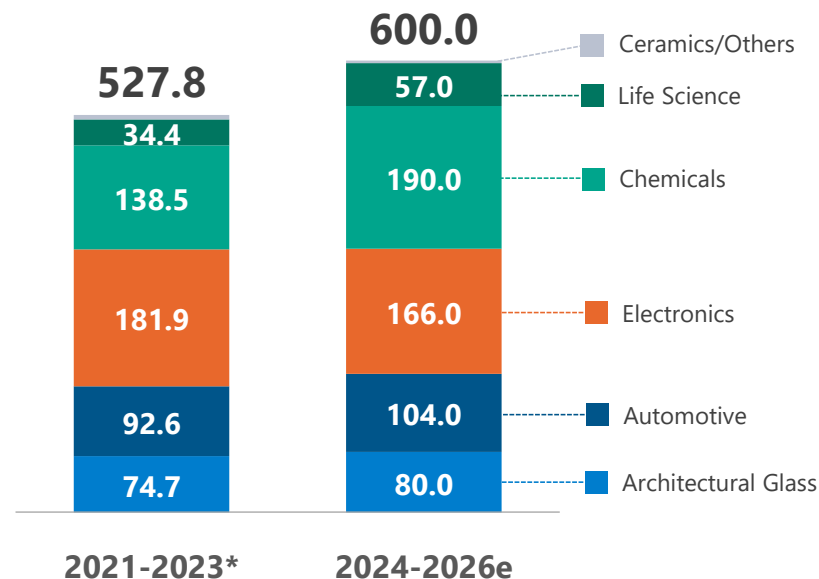
Appendix

AGC *plus-2026* CAPEX and Depreciation & Amortization

CAPEX (Billion JPY)



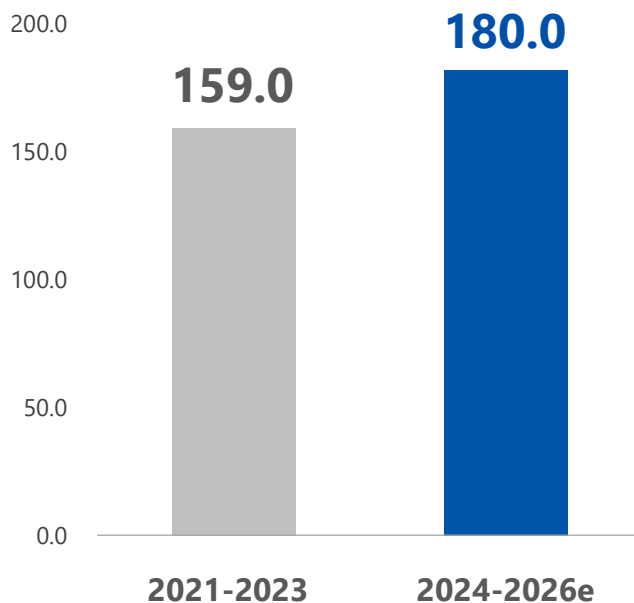
Depreciation & Amortization (Billion JPY)



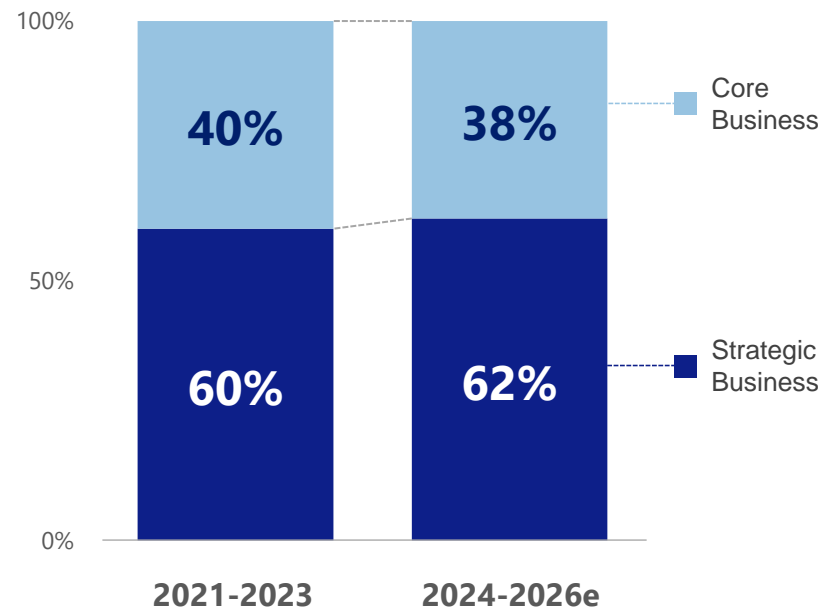
* Breakdowns of each segment in 2021 are shown as calculated for reference only.

AGC *plus-2026* R&D Expenses

R&D expenses (Billion JPY)









R&D expense ratio (%)



ROCE & EBITDA by Segment

(100 million JPY)

	Operating profit		EBITDA*		ROCE		Operating assets	
	2022	2023	2022	2023	2022	2023	2022	2023
 Architectural Glass	327	328	566	572	10.9%	10.6%	3,000	3,100
 Automotive	- 98	218	227	537	- 3.0%	6.4%	3,300	3,400
 Electronics	147	184	830	715	2.6%	3.1%	5,650	6,000
 Chemicals	1,261	648	1,736	1,148	23.3%	10.4%	5,400	6,200
 Life Science	169	- 124	284	15	6.7%	- 4.3%	2,500	2,900
 Ceramics/Others	37	33	56	55	18.4%	16.7%	200	200
Elimination	- 3	1	- 4	0	—	—	—	—
Total	1,839	1,288	3,696	3,041	9.2%	5.9%	20,050	21,800

Impact on Operating Profit



Exchange rate

600 million JPY* gain
if yen depreciated by 1%

*Impact when all currencies fluctuate at the same proportion against JPY



Crude oil

280 million JPY* loss
if increased by 1 dollar
per barrel

*excluding impact of oil hedging



Chemicals market

1 Caustic soda

\$1 million gain if the
International market risen by \$1

2 PVC spread

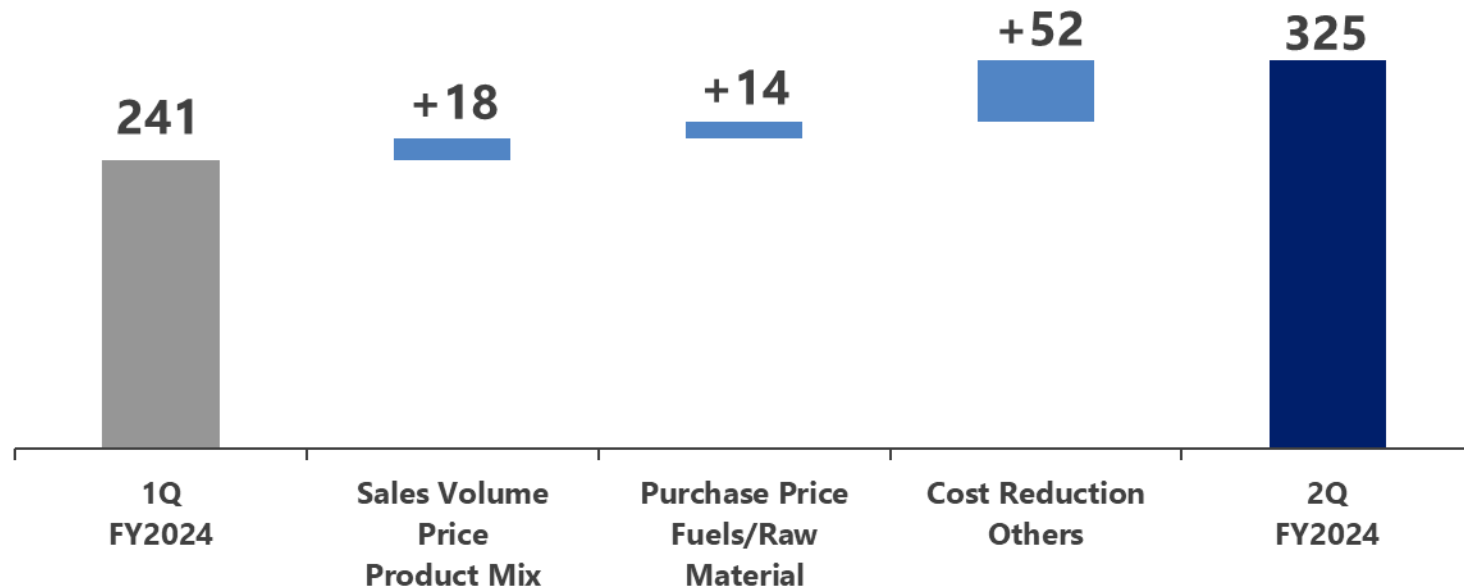
\$1.2 million gain* if
increased by \$1

*PVC spread: PVC market – (ethylene market × 0.5)

Variance Analysis on OP (2Q FY2024 vs. 1Q FY2024)







84 up from last quarter

(100 million JPY)









YoY Performance Comparison by Geographic Segment

(100 million JPY)

		Japan& Asia	Americas	Europe	Inter-segment	Total
 Architectural Glass	2Q FY2024	386	76	675	8	1,144
	2Q FY2023	386	73	728	5	1,192
 Automotive	2Q FY2024	609	297	372	- 1	1,277
	2Q FY2023	604	252	365	1	1,223
 Electronics	2Q FY2024	734	128	2	4	868
	2Q FY2023	642	71	3	2	717
 Chemicals	2Q FY2024	1,312	84	64	8	1,468
	2Q FY2023	1,261	83	62	13	1,418
 Life Science	2Q FY2024	65	69	173	4	311
	2Q FY2023	79	90	177	2	348
 Ceramics/Other	2Q FY2024	116	-	4	105	224
	2Q FY2023	85	-	-	110	195
Elimination	2Q FY2024	-	-	-	-128	-128
	2Q FY2023	-	-	-	-132	-132
Total Net Sales	2Q FY2024	3,222	654	1,289	-	5,165
	2Q FY2023	3,057	568	1,336	-	4,961

YoY Performance Comparison by Geographic Segment

(100 million JPY)

		Japan& Asia	Americas	Europe	Inter-segment	Total
 Architectural Glass	1-2Q FY2024	739	143	1,353	12	2,247
	1-2Q FY2023	759	146	1,487	6	2,398
 Automotive	1-2Q FY2024	1,191	577	749	1	2,519
	1-2Q FY2023	1,206	475	723	2	2,407
 Electronics	1-2Q FY2024	1,430	252	4	7	1,693
	1-2Q FY2023	1,259	148	7	5	1,419
 Chemicals	1-2Q FY2024	2,581	166	139	19	2,904
	1-2Q FY2023	2,504	166	136	22	2,828
 Life Science	1-2Q FY2024	122	147	347	20	636
	1-2Q FY2023	158	162	348	13	680
 Ceramics/Other	1-2Q FY2024	205	-	6	213	424
	1-2Q FY2023	170	-	-	224	394
Elimination	1-2Q FY2024	-	-	-	-271	-271
	1-2Q FY2023	-	-	-	-273	-273
Total Net Sales	1-2Q FY2024	6,268	1,285	2,598	-	10,152
	1-2Q FY2023	6,055	1,098	2,700	-	9,853

Business Performance (1)

(100 million JPY)

Architectural Glass	1Q FY2023	2Q FY2023	3Q FY2023	4Q FY2023	1Q FY2024	2Q FY2024
Net sales	1,205	1,192	1,150	1,216	1,103	1,144
Asia	373	386	401	424	352	386
Europe & Americas	831	802	745	785	746	750
(Inter Segment)	1	5	4	7	5	8
Operating profit	93	93	83	59	42	60
Automotive	1Q FY2023	2Q FY2023	3Q FY2023	4Q FY2023	1Q FY2024	2Q FY2024
Net sales	1,184	1,223	1,255	1,335	1,242	1,277
Automotive	1,183	1,221	1,255	1,335	1,240	1,278
(Inter Segment)	1	1	1	0	1	-1
Operating profit	48	54	59	56	48	58
Electronics	1Q FY2023	2Q FY2023	3Q FY2023	4Q FY2023	1Q FY2024	2Q FY2024
Net sales	702	717	835	878	825	868
Display	358	425	418	406	428	473
Electronic Materials	341	290	414	468	394	391
(Inter Segment)	4	2	3	4	3	4
Operating profit	19	11	69	85	72	128

Business Performance (2)

(100 million JPY)

Chemicals	1Q FY2023	2Q FY2023	3Q FY2023	4Q FY2023	1Q FY2024	2Q FY2024
Net sales	1,410	1,418	1,428	1,486	1,436	1,468
Essential Chemicals	1,009	999	1,002	1,018	1,005	1,006
Performance Chemicals	391	407	414	457	421	453
(Inter Segment)	9	13	12	11	10	8
Operating profit	172	137	170	169	136	140
Life Science	1Q FY2023	2Q FY2023	3Q FY2023	4Q FY2023	1Q FY2024	2Q FY2024
Net sales	332	348	238	350	325	311
Life Science	321	346	235	337	309	307
(Inter Segment)	11	2	3	13	16	4
Operating profit	6	-1	-83	-46	-63	-79

Trend of shipment and price				2023				2024	
				1Q	2Q	3Q	4Q	1Q	2Q
YoY comparision									
Glass	Architectural (AGC)	Japan & Asia	shipment	-high single-digit	-10%	-low single-digit	+mid single-digit	-mid 10% range	+high single-digit
			price	+high 20% range	+low 30% range	+high 20% range	+mid 20% range	+mid single-digit	-mid single-digit
		Europe* ³	shipment	-mid 10% range	-mid 10% range	-low single-digit	-mid single-digit	flat	+high single-digit
			price	+high 20% range	-low 10% range	-low 40% range	-40%	-mid 30% range	-30%
	Automobile production* ¹	Japan	volume	+13%	+27%	+13%	+12%	-13%	-5%
		North America	volume	+10%	+15%	+8%	+6%	+2%	+1%
		Europe* ³	volume	+25%	+16%	+5%	+6%	-3%	-5%
Electronics	Display panel demand* ²	Global	area	-14%	+5%	+11%	-4%	+10%	+3%

*¹ Source : S&P global data as of July 8, 2024.

*² Source : Omdia-Display Long-Term Demand Forecast Tracker – 4Q23 Pivot

Results are not an endorsement of AGC Inc. Any reliance on these results is at the third-party's own risk.

*³ Excluding Eastern Europe

		IFRS				
		19/12	20/12	21/12	22/12	23/12
Net sales	Million JPY	1,518,039	1,412,306	1,697,383	2,035,874	2,019,254
Operating profit	Million JPY	101,624	75,780	206,168	183,942	128,779
OP margin	%	6.7	5.4	12.1	9.0	6.4
Profit for the year attributable to owners of the parent	Million JPY	44,434	32,715	123,840	-3,152	65,798
Return on equity (ROE) ^{*1}	%	3.9	2.9	10.2	-0.2	4.6
Return on assets (ROA) ^{*2}	%	4.4	3.1	7.9	6.7	4.5
Equity ratio	%	50	44	49	49	49
D/E (Interest-bearing debts ÷ Net assets)	times	0.47	0.63	0.41	0.41	0.42
CF from Operating Activities/Interest-bearing debt	times	0.32	0.29	0.54	0.33	0.31
Earnings per share(EPS)	JPY	200.85	147.84	559.11	-14.22	304.73
Cash dividends per share	JPY	120	120	210	210	210
EBITDA ^{*3}	Million JPY	231,857	208,459	383,226	253,209	315,965
Exchange rates (average)	JPY/USD	109.05	106.82	109.80	131.43	140.56
	JPY/EUR	122.07	121.81	129.89	138.04	152.00

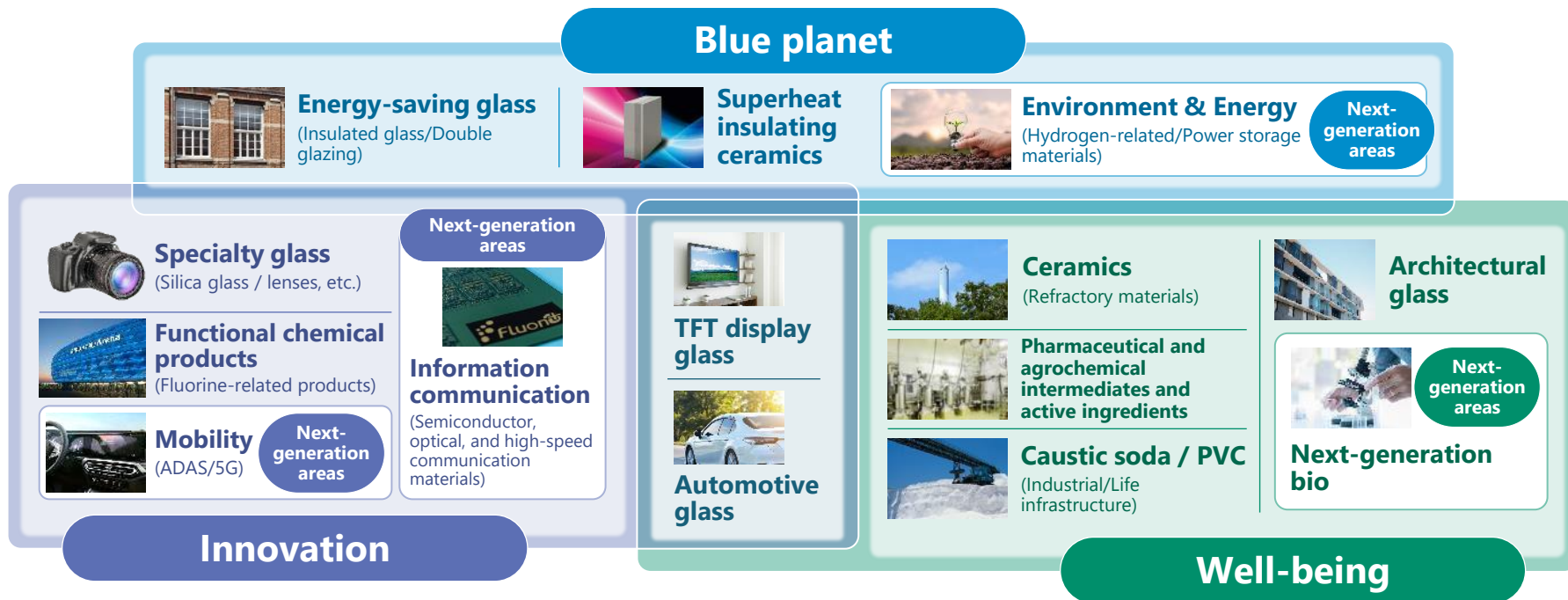
*1 Profit for the year attributable to owners of the parent/Total equity attributable to owners of the parent(average) *2 Operating profit/Total assets(average)

*3 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

Social Value Provided by the AGC Group

- AGC has created social values by expanding its business that contributes to the development of society and industry.



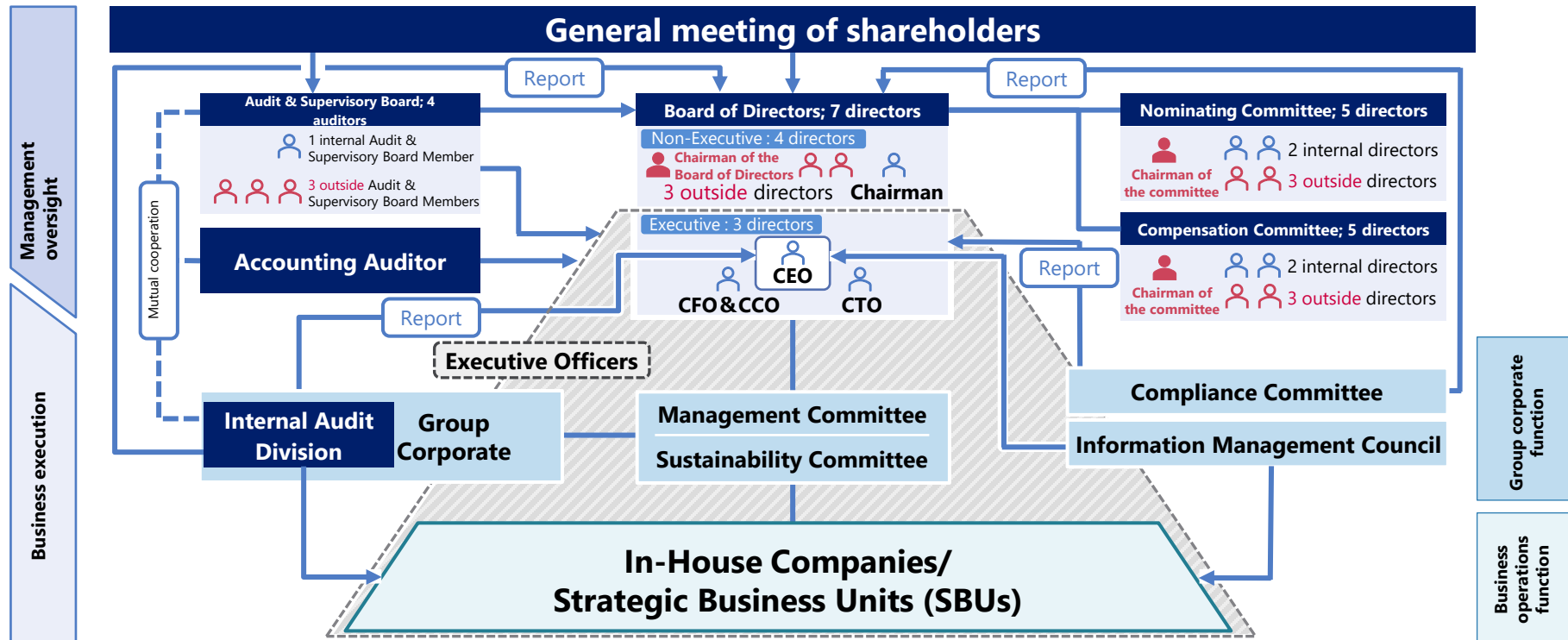
AGC Group's Corporate Governance Structure (Outline figure)








: Internal directors or internal Audit & Supervisory Board Member








: Outside directors or outside Audit & Supervisory Board Members who satisfy Company's "Standards for independence of outside officers"



External evaluations

 FTSE4Good	FTSE4Good Index Series
 FTSE Blossom Japan Index	FTSE Blossom Japan Index
 FTSE Blossom Japan Sector Relative Index	FTSE Blossom Japan Sector Relative Index
 S&P/JPX カーボン エフィシエント 指数	S&P/JPX Carbon Efficient Index
 CDP DISCLOSURE 2023	CDP Climate Change Report 2023 "A-"

 SCIENCE BASED TARGETS <small>DRIVING AMBITIOUS CORPORATE CLIMATE ACTION</small>	SBTi "WB2°C" GHG Reduction Target
 NIKKEI Smart Work ★★★★ 2024	4 stars awarded in the 7th Nikkei "Smart Work Management" survey
 SILVER 2023 ecovadis Sustainability Rating GOLD 2023 ecovadis Sustainability Rating	Highly rated by EcoVadis in Sustainability Evaluations
 Top 100 Global Innovator 2023 Clarivate	Clarivate Top 100 Global Innovator 2023
 DX銘柄2024 Digital Transformation	DX Brand 2024 in recognition of digital transformation efforts

Major Press Releases in FY2024

 Date	 Summary
January 30	AGC to Build New Facility in Kitakyushu City for FORBLUE™ S-SERIES, Fluorinated Ion-Exchange Membrane Suitable for Green Hydrogen Production
February 7	Notice Regarding the Revision of Calculation Method for Stock Compensation to Directors, etc. of the Company
February 7	Announcement Regarding Change in Shareholder Return Policy
February 8	AGC Formulates New Medium-term Management Plan AGC plus-2026
February 22	Position and Policy Regarding Reduction in the Trading Unit of the Company's Shares
February 28	Completed transfer of Russian operations
March 25	AGC Achieves Additional Success in Demonstration Test of Solar Panel Cover Glass Recycling
April 5	AGC Obtains Its First Environmental Product Declaration for Architectural Glass Products in Japan
May 7	Notice Concerning Termination of Production Activities at AGC Techno Glass (Thailand) Co., Ltd.

END

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