Company Overview

AGC Inc.

Nov, 2026

Your Dreams, Our Challenge

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1. Corporate Information

Basic Information

Representative director
President & CEO
Yoshinori Hirai

Company name	:	**AGC Inc.**
TSE code	:	**5201**
Established	:	**September 8, 1907**
Representative director	:	**Yoshinori Hirai**
Paid-in capital	:	**¥90.9 billion***
Consolidated net sales	:	**¥2,058.8 billion***
Consolidated no. of employees	:	**52,896***
No. of consolidated subsidiaries	:	**175 companies** (Of which 140 are overseas)*

Shareholder notes

■ Fiscal close	:	**December 31**
■ Annual general shareholders' meeting	:	**March of each year**
■ Date of record		
Annual general shareholders' meeting	:	**December 31**
Year-end dividend	:	**December 31**
Interim dividend	:	**June 30**
■ Shareholder registry administrator	:	**Mitsubishi UFJ Trust and Banking Corporation**
■ Number of shares per unit	:	**100 shares**
■ Number of shares outstanding	:	**217,434,681 shares**

* As of end-December 2025

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Group Philosophy

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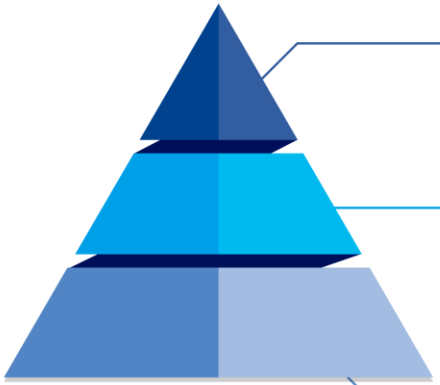
Aspiration at founding → **Inherited thoughts** → **Now**

I want to contribute to the development of society through domestic production of flat glass in Japan.

Founder Toshiya Iwasaki

Take on difficult challenges with determination

"Look Beyond"



Our Purpose

"AGC, an everyday essential part of our world"

We ***"Look Beyond"*** to make people's lives better around the world by delivering our unique materials and solutions.

Our Shared Values

- **Innovation & Operational Excellence**
- **Sustainability for a Blue Planet**
- **One Team with Diversity**
- **Integrity & Trust**

Our Spirit

"Never take the easy way out, but confront difficulties."

AGC's Origins：Glass and Chemicals Businesses

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Glass Business

1909
Succeeded in Japan's first Flat Glass Production

- In 1907, Toshiya Iwasaki founded Asahi Glass Co., Ltd. with the goal to produce flat glass locally in Japan.
- While many manufacturers failed to establish local production, Asahi Glass was able to build a flat glass plant in Amagasaki, Hyogo Prefecture.

Chemicals Business

1917
Launched Japan's First Soda Ash Production

- World War I made imports of chemical products increasingly difficult.
- The company independently developed a manufacturing process for soda ash, a key raw material for flat glass.

Commercial production began at the Makiyama Plant in Kitakyushu

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Evolution of AGC Group Products and Services

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- Embodying the spirit of our foundation, we have continued to provide materials and solutions that meet the needs of each era.

Construction boom (Japan)

World War I

Motorization/ Coming of the era of TV

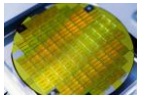
Increased awareness of the environment and health

Advances in biotechnology

Advances in digital and communications technology

Diversification of drug discovery modalities

Full-scale spread of IoT



Next-generation semiconductors and high-speed communications

1907 | **1910s** | **1950s** | **1970s** | **1990s** | **2000s** | **2010s** | **2020s**

Foundation of Asahi Glass
Flat glass business

Refractory bricks for glass melting furnace (ceramics business)

Soda ash for glass raw materials (chemicals business)

Automotive glass

Television picture tube

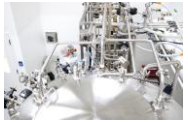
Ion exchange membrane for caustic soda production

Small molecule pharmaceuticals and agrochemicals intermediates

Alkali-free glass for LCD

Alternative CFCs that do not destroy the ozone layer

Filters for tone correction for digital cameras



Biopharmaceuticals CDMO

CMP slurry for semiconductor processes

Cover glass for car-mounted displays

Chemically strengthened glass for smartphone

Low GWP environmentally friendly solvent

EUV photomask blanks

Glass antenna that transforms windows into cellular base stations

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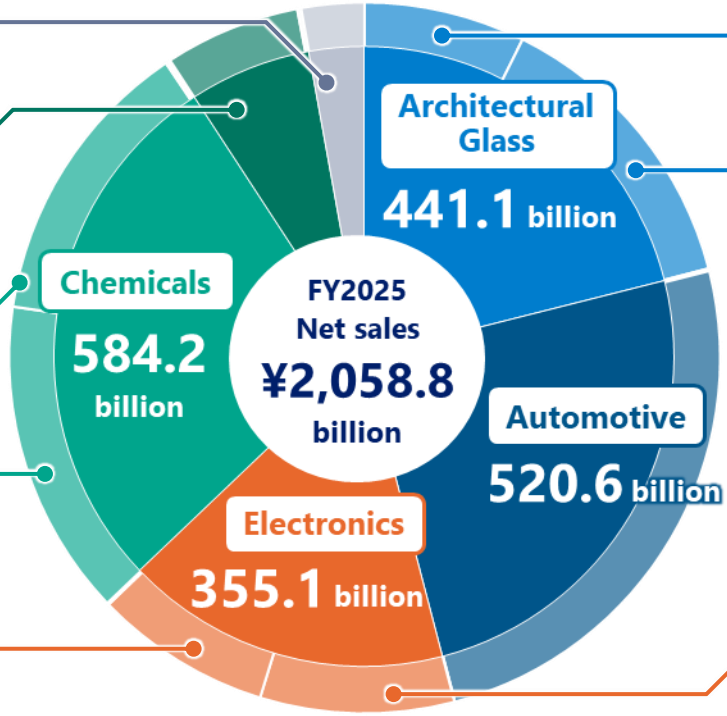
Business Segments



Ceramics & Others
59.9 billion

Life Science
133.1 billion

Essential Chemicals - SEA
277.5 billion

Integrated Chemicals
302.0 billion

Electronic Materials
168.5 billion

Asia
153.5 billion

Europe & Americas
285.3 billion

Display
184.7 billion

* As net sales by business are before the deduction of eliminations, the sum of net sales by business does not equal Companywide net sales.
Sales to external customers are used for subsegment sales

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Regional Segments

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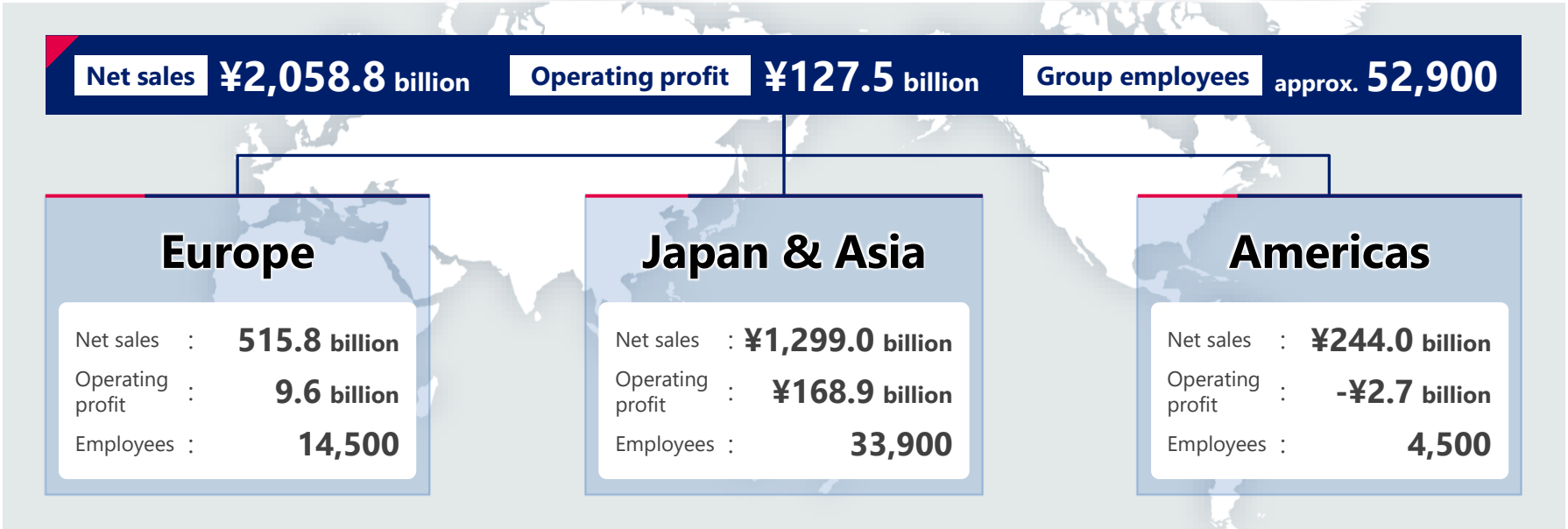
- Business spans over 30 countries and regions

(As of end-December 2025)



* Americas includes North, Central and South America.
* Because the figures for sales and profits by region are before eliminations and common regional expenses, the sum of sales and profits by region does not correspond to the total sales and profits of the Company.

Products with Top Market Share

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(As of January 2026)

	Architectural Glass	Automotive	Electronics	Chemicals	Life Science
Core Businesses	Float glass **Top share** * in Europe, Japan, etc	Automotive glass **Top share** * Worldwide	Display Glass substrates for TFT-LCD/OLED **No.2** Worldwide *	Essential Chemicals - SEA Caustic soda and PVC ◀ Mountain of salt used as a raw material **No.1** In Southeast Asia *	
Strategic Businesses		Mobility Car-mounted cover glass **Top share** * Worldwide	Electronics EUV lithography photomask blanks **No.2** Worldwide *	Performance Chemicals Fluorinated resins (Fluon® ETFE) **No.1** Worldwide *	CDMO services for Ex vivo gene therapy products **No.1** Worldwide *

*Based on fiscal 2026 estimates by AGC

Changes in Sales and Operating Profit Structure

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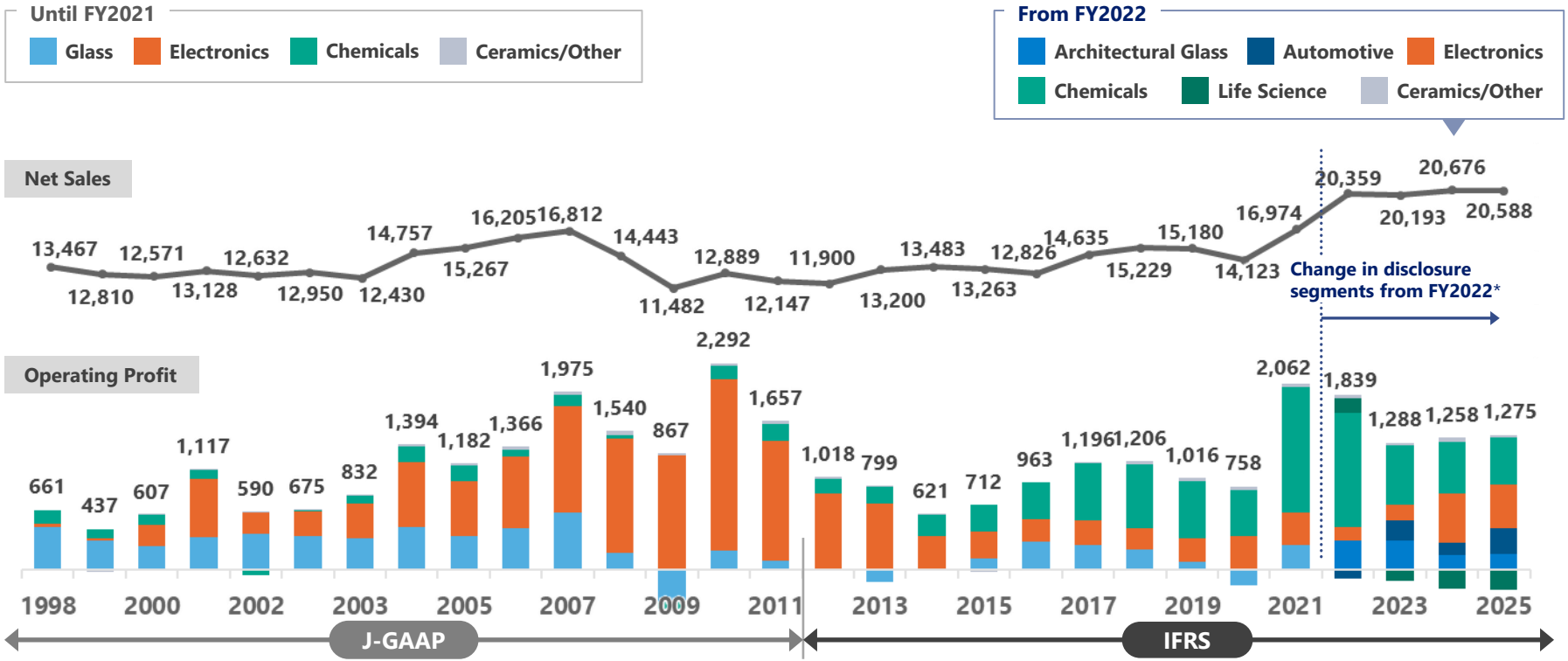
Net Sales and Operating Profit by Business Segment (100 million JPY)



* In accordance with the change in reporting segments from FY2023, the segments on the right are disclosed from FY2022 onward.

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Unique Materials and Solutions

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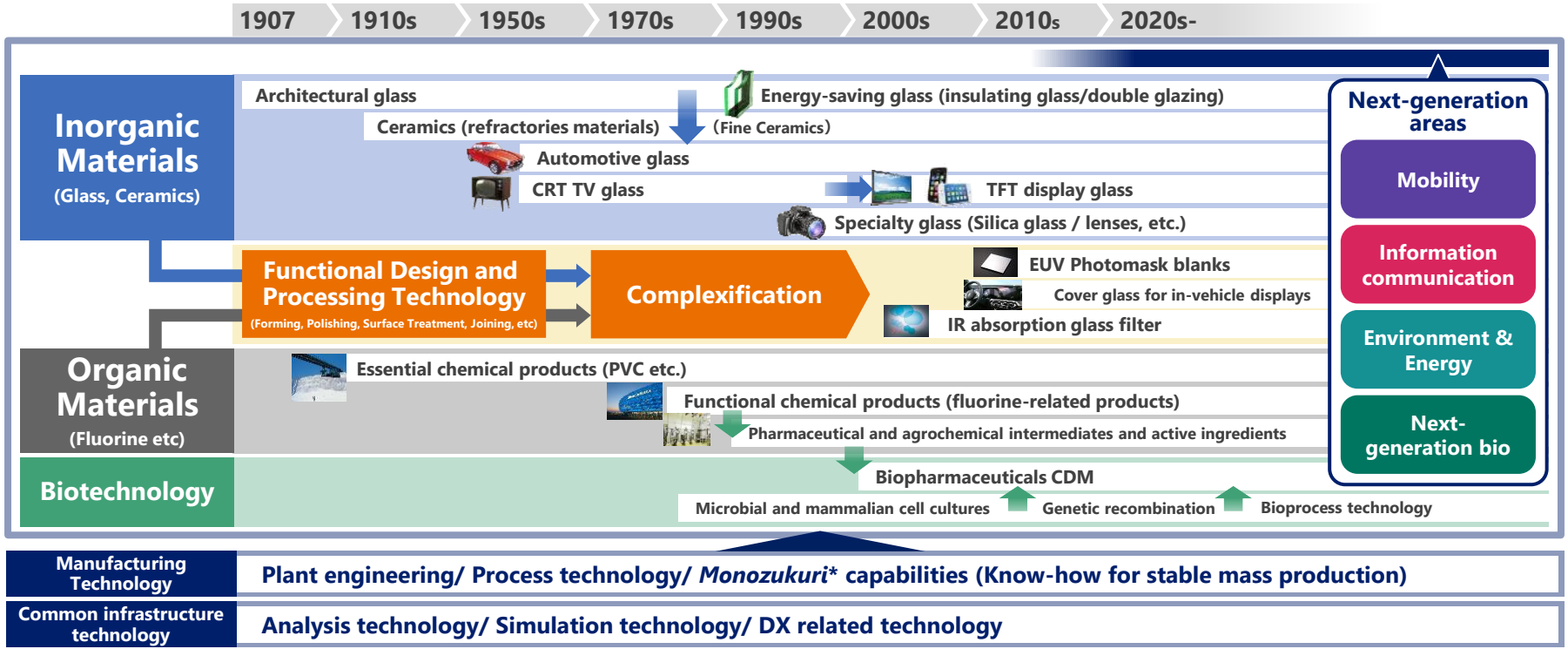
AGC's technological strengths

Material technologies with unique advantages (inorganic/organic), design and processing technologies enabling high functionality, black-boxed manufacturing technologies (glass processes, chemical processes, bioprocesses), and common infrastructure technologies.



Manufacturing Technology	Plant engineering/ Process technology/ *Monozukuri** capabilities (Know-how for stable mass production)
Common infrastructure technology	Analysis technology/ Simulation technology/ DX related technology

*Quality manufacturing

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AGC Group's Value Creation Spiral

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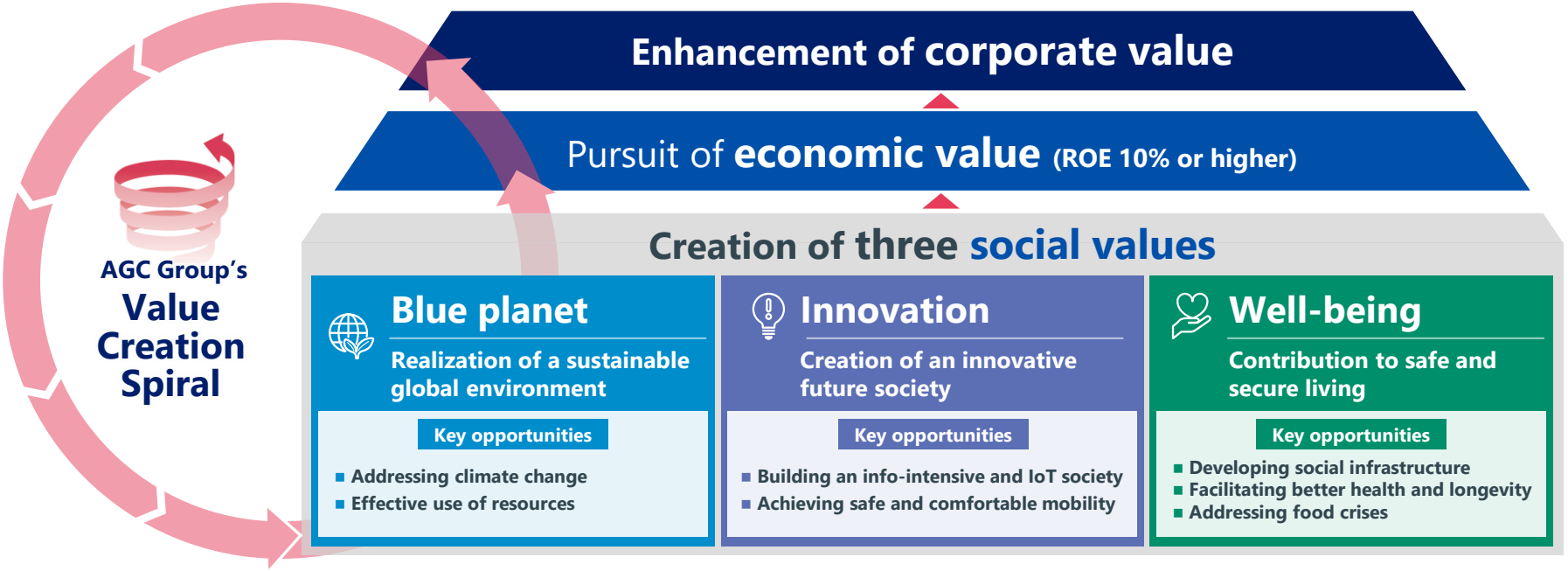
- The AGC Group will create economic value through the creation of social value to achieve a spiral of enhanced corporate value.



Social Value Provided by the AGC Group

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- We will expand our business by contributing to social and industrial development and create **three social values**.

Blue planet

Realization of a sustainable global environment

We contribute to the sustainability of the planet on which all life depends by reducing the environmental impact of our products from raw material procurement to use by customers.

Energy-saving glass
(Insulated glass / Double glazing)

Superheat insulating ceramics

Environment & Energy
(Hydrogen-related / Power storage materials)

Next-generation areas

Innovation

Creation of an innovative future society

We contribute to the creation of innovative future society by providing materials and solutions that support the world's most advanced technologies.

Specialty glass
(Silica glass / lenses, ezztc.)

Functional chemical products
(Fluorine-related products)

Mobility
(ADAS/5G)

Next-generation areas

Information communication
(Semiconductor, optical, and high-speed communication materials)

Next-generation areas

TFT display glass

Automotive glass

Ceramics
(Refractory materials)

Pharmaceutical and agrochemical intermediates and active ingredients

Caustic soda / PVC
(Industrial/Life infrastructure)

Architectural glass

Next-generation bio

Next-generation areas

Well-being

Contribution to safe and secure living

We contribute to safe, secure, comfortable, and healthy lives by providing products necessary for daily life, infrastructure, and healthcare in a more stable manner.

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2. Toward the Realization of Vision 2030

Business Portfolio Transformation

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Vision 2025 formulated in Feb. 2016

Defined “Core businesses” and “Strategic businesses” and promoted the ambidextrous way of business management

Vision 2030 formulated in Feb. 2021

Clarified the direction of the Group’s business portfolio transformation and declared on the acceleration of the initiative

Medium to Long-term Initiatives for Value Creation

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2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030

Corporate transformation Chapter 1

Defined “Core businesses” and “Strategic businesses” and promoted the ambidextrous way of business management

Corporate transformation Chapter 2

Clarified the direction of the Group’s business portfolio transformation and declared on the acceleration of the initiative

Vision 2030

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

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AGC Group's Ambidextrous Management

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Overall Strategy

Leveraging the core businesses and the strategic businesses as two wheels, we will shift to an optimal business portfolio and continuously create economic and social value.

Core Businesses

Establishing long-term, stable sources of earnings by increasing competitiveness of each business

- Architectural Glass
- Automotive (existing)
- Display
- Essential Chemicals
- Ceramics

Strategic Businesses

Create and expand highly profitable businesses that will become future pillars by using AGC's strengths in high-growth fields

Electronics

Mobility

Life Science

Performance Chemicals

3. Medium-term Management Plan
AGC plus-2026

- **Evolution of "ambidextrous strategy"**
- Deepening of Sustainability Management
- Promotion of value creation DX
- Strengthening of the management foundation

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AGC plus-2026 Strategy

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- To realize Vision 2030, we will accelerate corporate transformation and maximize corporate value.

Evolution of "ambidextrous strategy"	■ Accelerate business portfolio transformation by pursuing the use and development of differentiated materials and solutions ■ Continue to strengthen the earnings base and cash generation capabilities of core businesses ■ Revise the scope of strategic businesses, accelerate business growth, and explore next-generation area
Deepening of Sustainability Management	■ Accelerate integrated management, including financial KPIs, by redefining the social value that we provide and setting sustainability KPIs
Promotion of value creation DX	■ Strengthen competitiveness through digital × *monozukuri* capabilities ■ Streamline and strengthen the entire supply chain
Strengthening of the management foundation	■ Strengthen group governance ■ Promote human capital management ■ Further strengthen the alignment between business strategy and technology platform

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Direction of the Business Portfolio Transformation

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- 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.

Resilient to market fluctuations

High asset efficiency

High growth rate

High carbon efficiency

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FY2026 Financial Targets

(Feb. 2026 materials, with additional notes of changes made in Nov. 2026. No other update is made.)

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- ROE above 5% in 2026
- ROE above 8% as soon as possible from 2027 onward, exceeding cost of equity capital

Financial KPIs	2025 Actual Performance	2026 Targets as of Feb. 2026	Revised forecasts as of Nov. 2026
Operating Profit (100 million JPY)	1,275	1,500	1,200
Strategic Business Operating Profit (100 million JPY)	587	800	850
EBITDA*1 (100 million JPY)	3,073	3,330	3,150
ROE	4.7%	5% or above (forecast 5.2%)	Forecast 2.7%
D/E Ratio	0.5 or less		

Cost of Equity Capital*2	Approximately 7%	WACC*2	Approximately 5%

*1 EBITDA = Operating profit + Depreciation *2 2023-2025 average based on CAPM

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Current Business Performance

(Feb. 2026 materials, with additional notes of changes made in Nov. 2026. No other update is made.)

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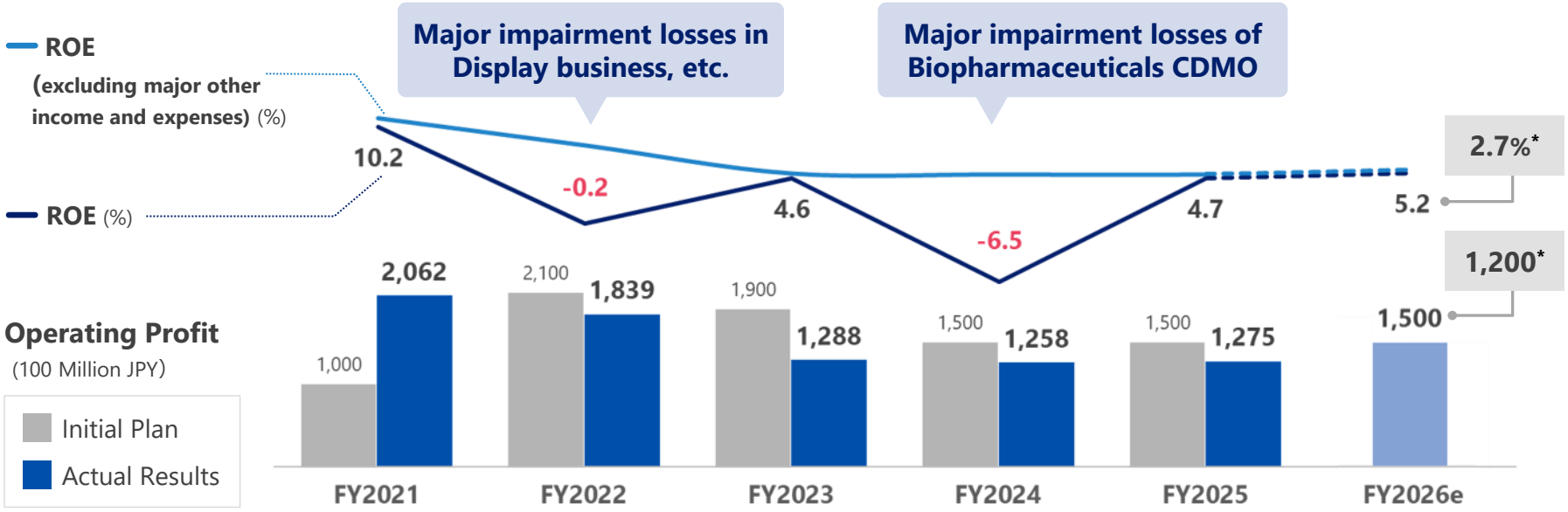
- Operating profit in 2025 increased YoY, although the same profit fell short of the initial plan for four consecutive years
- ROE continued to remain below 5% due to major impairment losses (Display business in 2022 and Biopharmaceuticals CDMO in 2024)



* Revised forecasts as of Nov. 2026

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Direction of the Business Portfolio Transformation

(Feb. 2026 materials, with additional notes of changes made in Nov. 2026. No other update is made.)

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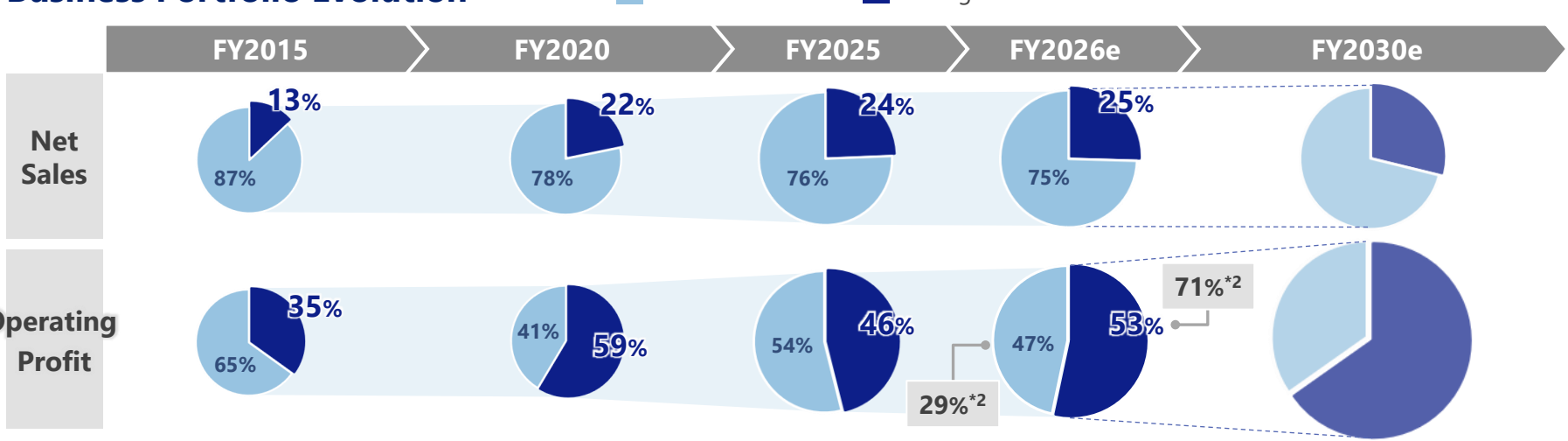
- Since 2016, we have been transforming our portfolio through the growth of Strategic Businesses.
  - **Life Science:** Focusing on stable production and contract order expansion in biopharmaceutical CDMO (Mammalian cell).
  - **Electronics and Performance Chemicals:** Semiconductor-related businesses are driving growth.
- Steadily strengthening our management foundation to support future growth and transformation.

Business Portfolio Evolution*



*The size of each circle represents the amount of Net sales and Operating Profit relative to FY2015 (=1). *2 Revised forecasts as of Nov. 2026

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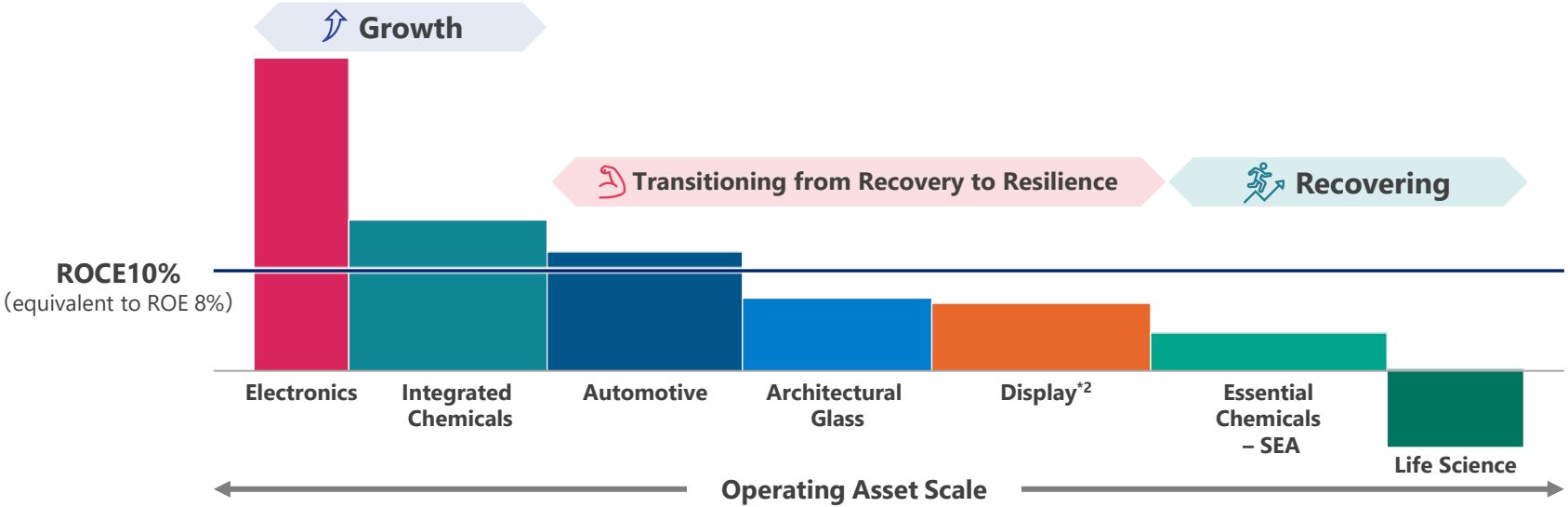
Status of ROCE by Business

- Electronics and Integrated Chemicals continues to grow.
- Automotive, Architectural Glass, and Display are moving from recovery phase to resilience phase.
- Essential Chemicals - SEA and Life Science continue efforts to recover.

FY2025 ROCE*1 and Size of Capital Employed by Business (Before common expense allocation)



*1 ROCE = FY 2025 operating profit / Capital employed at the year-end; operating profit for each business is before allocation of common expenses
*2 Excluding specialty glass for displays

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ROCE Improvement Measures

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- Targeting Group-wide ROCE of 10% (equivalent to ROE of 8%) through profit improvement and optimization of operating assets across all businesses

Measures to Improve Operating Profit

- Cost Reduction
  (Stable Operations and Productivity Improvements)
- Pricing Initiatives
- Enhancement of Value-Added Products

Optimization of Operating Assets

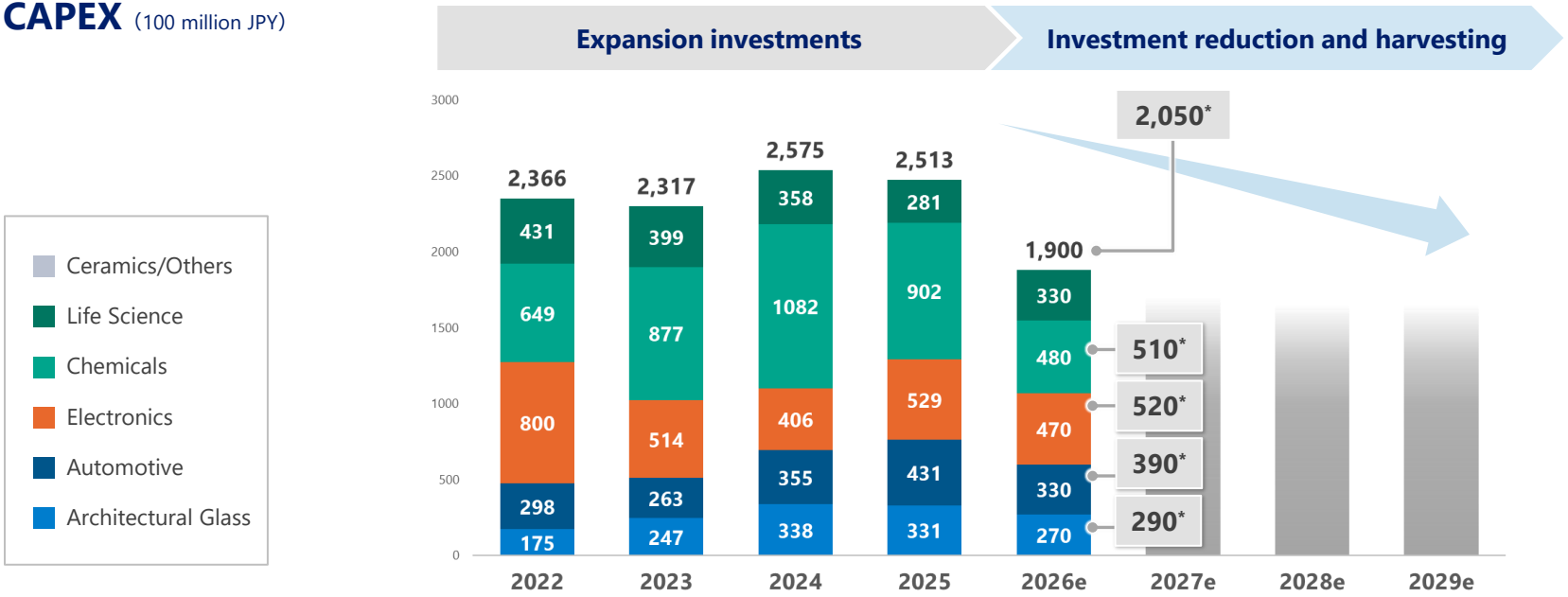
- Disciplined Capital Investment
- Inventory Reduction
- Business Divestitures and Withdrawals

Timely capacity expansion investments will be made in line with demand growth for advanced semiconductor-related products serving the AI and data center markets.

CAPEX (Feb. 2026 materials, with additional notes of changes made in Nov. 2026. No other update is made.)

- Large-scale capacity expansion investments completed by 2025
- New investments will be sharply reduced from 2026, and we will focus on recovering the investments made to date

CAPEX (100 million JPY)



* Revised forecasts as of Nov. 2026

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Shareholder Return Policy

- Stable dividend with a target DOE* of approx. 3%
- The dividend per share for 2026 will be maintained at the 2025 level.
- From 2027, we will consider reviewing our shareholder returns policy in line with business recovery.

Dividend Per Share (JPY)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026e
Share buyback (100 million JPY)	–	–	**500**	–	–	TBD
Consolidated total return ratio	38%	–	145%	–	64%	58%
Consolidated payout ratio	**38%**	–	**69%**	–	64%	58%
Dividend on equity ratio (DOE)	3.8%	3.4%	3.2%	**3.1%**	**3.0%**	**3.0%**
Shareholder return policy	**Maintain stable dividends** with a consolidated dividend payout ratio of **40%**, flexibly conduct share buyback			**Maintain stable dividends** with a target of DOE of approx. **3%, share buyback will be judged comprehensively**		

* Ratio of dividends attributable to owners of parent company

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3. Medium-term Management Plan
AGC plus-2026

- Evolution of "ambidextrous strategy"
- **Deepening of Sustainability Management**
- Promotion of value creation DX
- Strengthening of the management foundation

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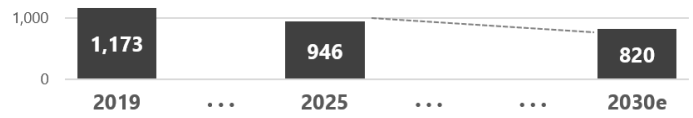
Sustainability KPIs

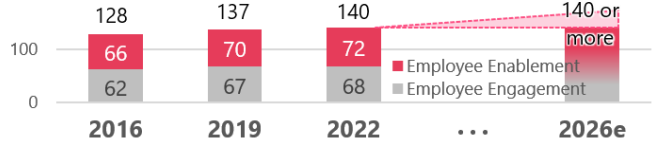
- GHG emissions reductions are progressing steadily

Sustainability KPIs

GHG (Scope 1 + 2) emissions [10,000 t-CO2]*1

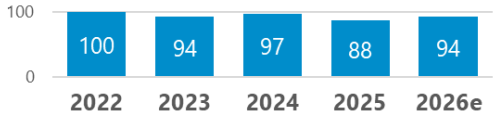


Employee engagement score*1

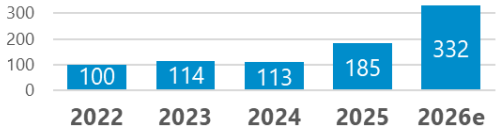


Blue planet

Shipment volume index for architectural products with avoided emissions benefits*2

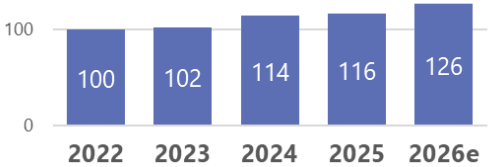


Index for GHG emissions reduction by low-GWP Chemical products*2



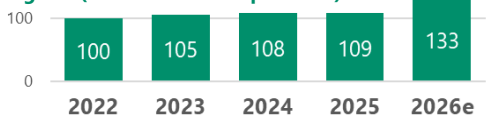
Innovation

Total sales index for products contributing to next-generation society (Electronics, Mobility, Performance Chemicals)*2

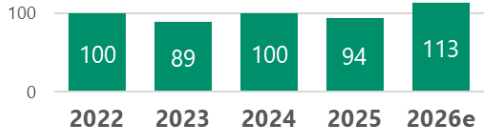


Well-being

Shipment volume index for products contributing to social infrastructure development in fast-growing regions (main chlor-alkali products)*2



Sales Index for Life Science*2



*1 Items reflected in executive remuneration. However, for GHG emissions, GHG emissions intensity per unit of net sales are used in the calculation of executive remuneration.

*2 Indexes: Figures converted from 2023 on using 2022 as a base of 100.

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Net Zero Carbon Target (FY2050)

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- Mid- to long-term GHG emissions reduction targets was set in 2021, making steady progress

FY2030 milestone

(from the 2019 figure)

Scope 1	GHG emissions (Scope 1+2 emissions)	30% reduction
Scope 2	GHG emissions per unit of sales (Scope 1+2emissions/sales)	50% reduction
Scope 3	GHG emissions (Total of Scope 3 emissions in categories 1, 10, 11, and 12)	30% reduction

*The electricity CO_2 emissions factor for 2030 is based on the figures set based on the Sustainable Development Scenarios (SDS) published by the IEA.

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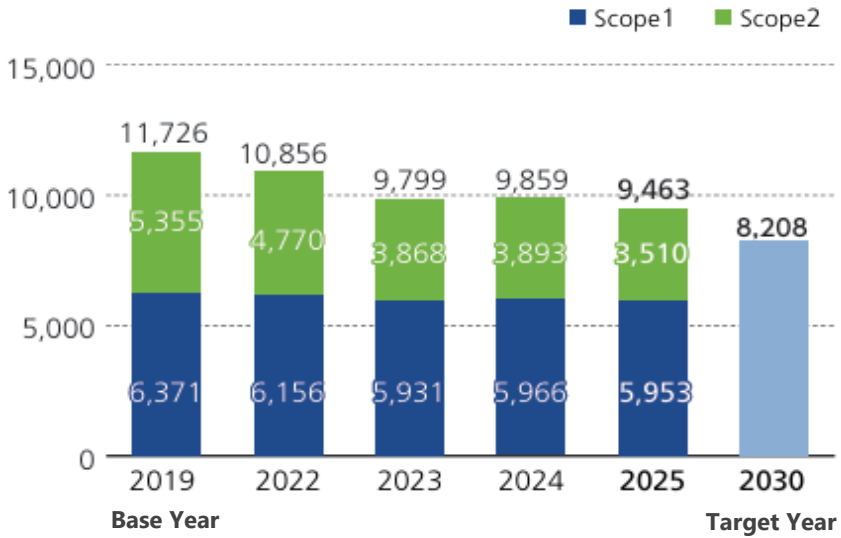
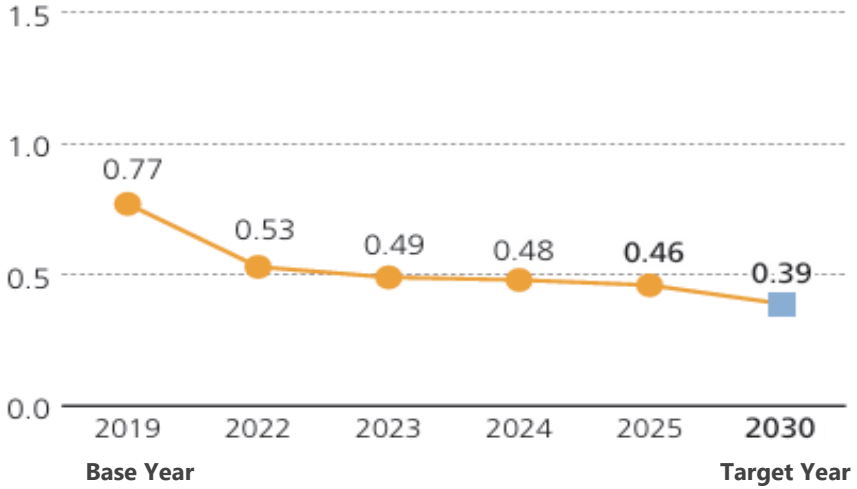
GHG Emissions Reduction（Scope1+2）

- Scope 1 and Scope 2 GHG emissions in 2025 decreased by 19% and 40%, respectively, compared to the base year of 2019.

Scope1+2 GHG Emissions (Market-based, 1,000 t-CO2)



Scope1+2 GHG Emissions per Unit of Sales (Market-based, 1,000 t-CO2)



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3. Medium-term Management Plan
AGC plus-2026

- Evolution of "ambidextrous strategy"
- Deepening of Sustainability Management
- **Promotion of value creation DX**
- Strengthening of the management foundation

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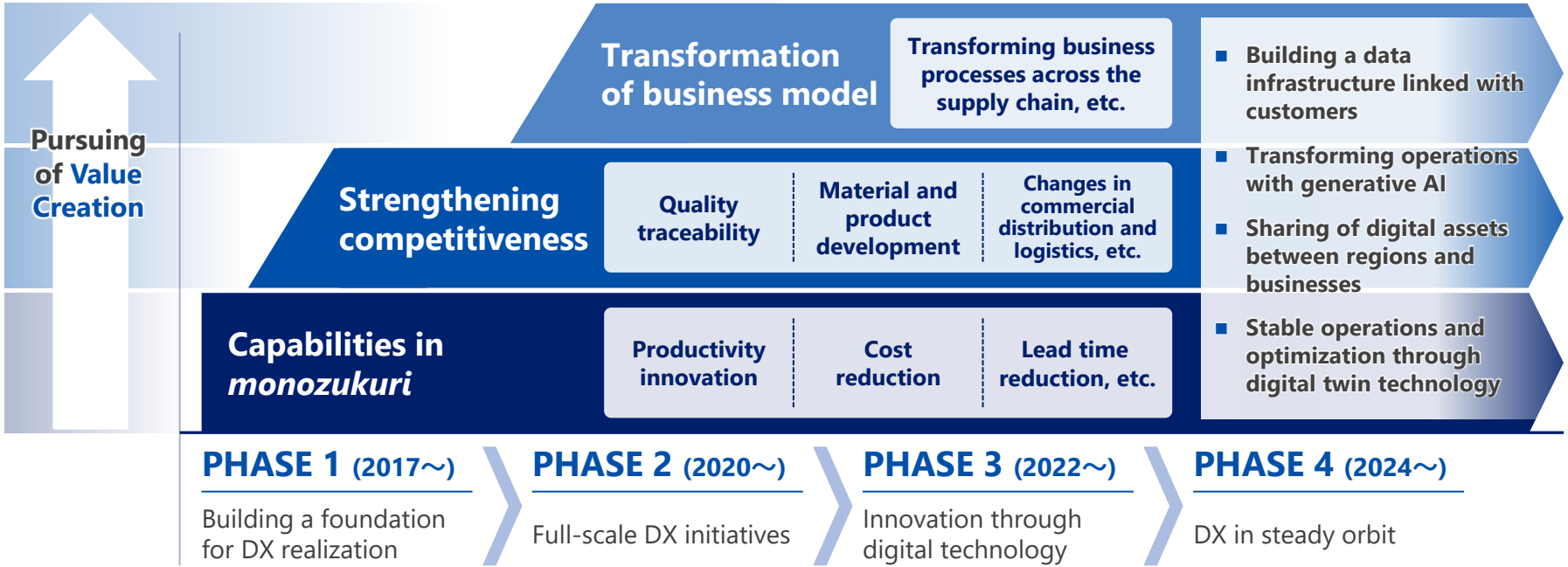
Pursuit of value creation DX

- We will enhance the competitiveness of each business by combining the digital technology developed since 2017 with AGC's capabilities in *monozukuri*.



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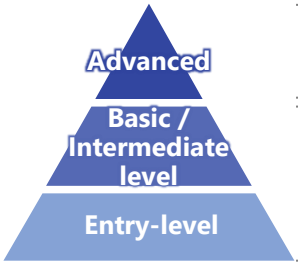
Promotion of Value Creation DX

Development of Data Driven Talents
(Data science, data engineering)



	2020	2025	2030 targets
Advanced	39 people	**119 People**	300 people
Basic / Intermediate level	1,735 people	**7,740 people**	10,000 people

* The targets include talents of data science and data engineering
* Global cumulative total

Business Process Efficiency
(Proprietary generative AI)

Add RAG (search expansion generation) function for global use

Work hours reduction by generative AI:
approx. 110,000 hours in 2024

approx. 470,000 hours in 2025 (cumulative of 580,000 hours)

Cumulative target of a million hours in 2026

Value Creation to Society
(Case of Architectural Glass)

The window-mounted camera "Miharumo" and image-recognition AI provide real-time weather information to local residents.

Value Creation to Customers
(Case of Logistics)

Achieve logistics efficiency and streamline customer inventory management through ISO container transport with measurable container capacity.

Selected as a DX brand
(6th time in 5 consecutive years)

- DX銘柄2022 Digital Transformation
- DX銘柄2023 Digital Transformation
- DX銘柄2024 Digital Transformation
- DX銘柄2025 Digital Transformation
- DX銘柄2026 Digital Transformation

3. Medium-term Management Plan
AGC plus-2026

- Evolution of "ambidextrous strategy"
- Deepening of Sustainability Management
- Promotion of value creation DX
- **Strengthening of the management foundation**

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Further Enhancement of Corporate Governance

AGC
Your Dreams, Our Challenge

- We will become a Company with an Audit & Supervisory Committee to further deepen corporate governance.

2002 **Corporate Governance Reform**
Under the framework of a Company with Audit & Supervisory Board, appointed two independent directors to separate "supervision" from "execution."

2003 Established a voluntary Nominating and Compensation committee

2005
- The number of independent directors was increased from two to three
- Increased the composition of the Nomination Committee and Compensation Committee to include a majority of independent directors or more

2011 Appointed an independent director as chairperson of the Board of Directors

2017 Appointed independent directors as chairperson of Nominating and Compensation Committee

Further deepen corporate governance
while maintaining the current high level of effectiveness

2026 **Transition to a Company with Audit and Supervisory Committee**

Strengthen the overseeing function of the Board of Directors to enhance corporate value

Board of Directors	Total of 10 members (Internal: 4, Independent: 6)
Audit & Supervisory Committee	Total of 4 members (Internal: 1, Independent: 3)
Nominating Committee	Total of 4 members (Internal: 1, Independent: 3)
Compensation Committee	Total of 4 members (Internal: 1, Independent: 3)

One audit committee member attends the nomination committee/compensation committee as an observer.

The Board of Directors, Audit and Supervisory Committee, Nomination Committee, and Compensation Committee are all chaired by independent directors.

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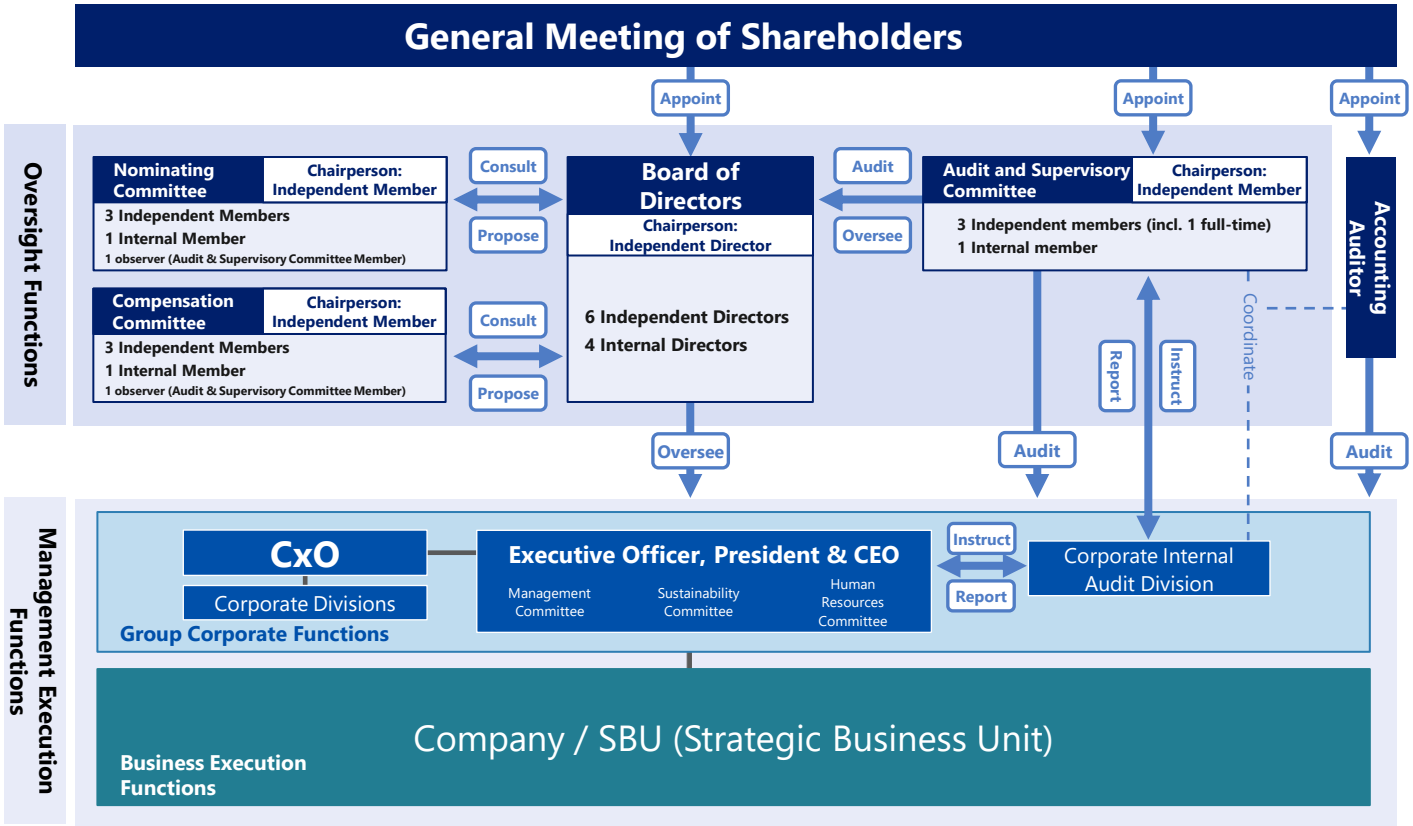
Corporate Governance Structure



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Role of Board of Directors after the Transition

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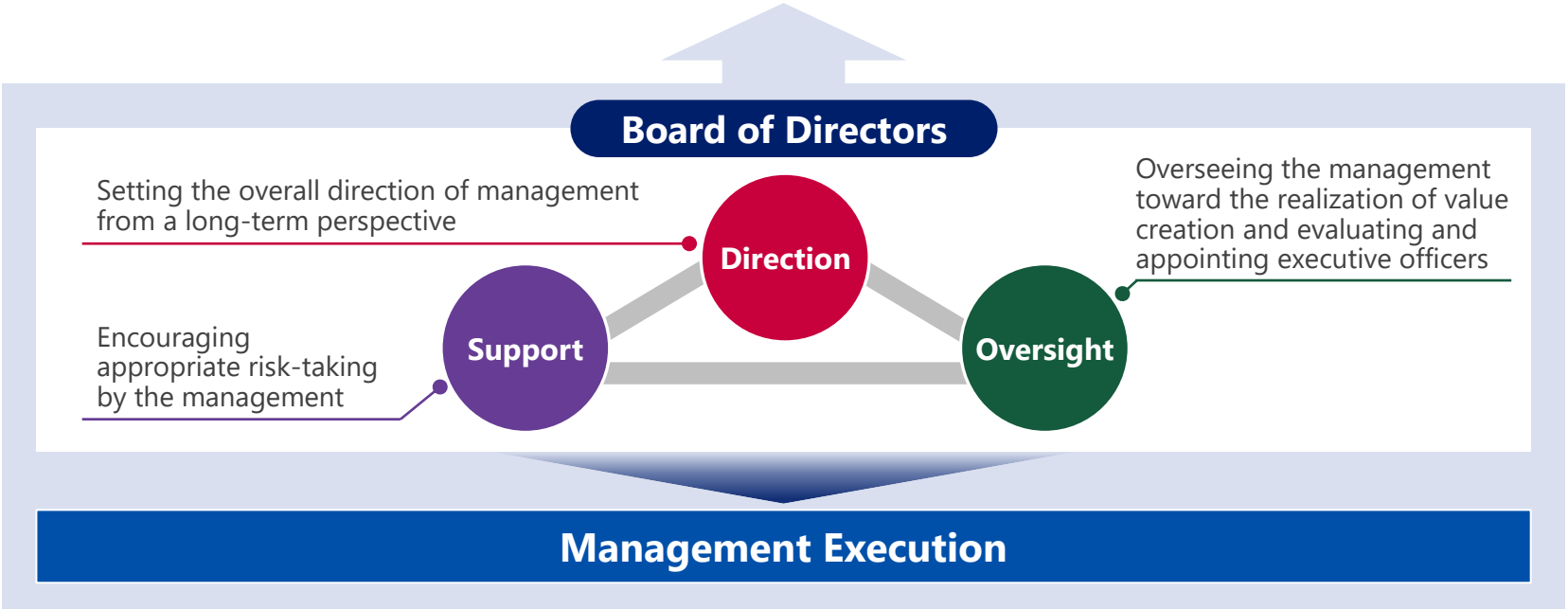
Your Dreams, Our Challenge

- Redefined the role of the Board of Directors to drive the realization of further value creation

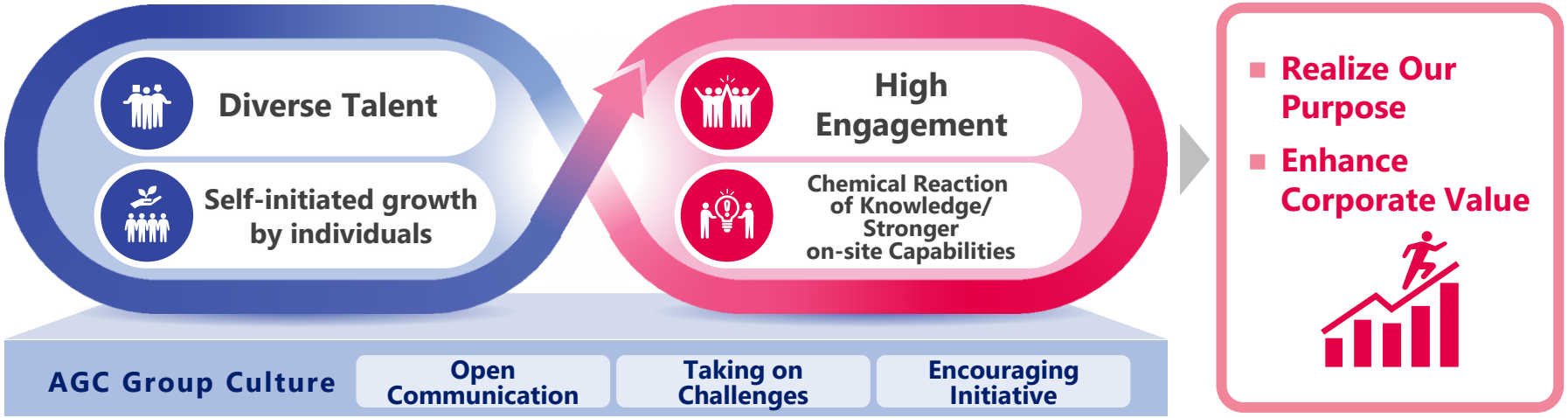
Realizing value creation based on AGC's competitive advantages



Promoting Human Capital Management

AGC People: Driving our Growth!

- Our corporate culture places importance on open communication, taking on challenges, and encouraging initiative. We will unlock the unique strengths and abilities of each individual and encourage continuous learning and professional development.
- A highly engaged organization with constantly improving individuals will enhance corporate value by utilizing external and internal collaboration to promote chemical reaction of knowledge and stronger on-site capabilities.



4. Business Environment

Current Status of Architectural Glass

AGC
Your Dreams, Our Challenge

- We are implementing business strategies that match the characteristics of each regional market including profit improvement measures

Market Trend and Strategy

Europe & Americas

Market Trend

Europe	Demand remains weak. Actions in capacity management are supporting appropriate market prices
Americas	Demand remains stable supported by economic growth

Strategy

Europe	■ **Pricing policy responsive to supply–demand balance** ■ **Promote high-value-added products (coatings and vacuum insulating glass etc.)** ■ **Continue cost control**
Americas	■ **Promote high-value-added products (laminated glass etc.)**

Asia

Market Trend

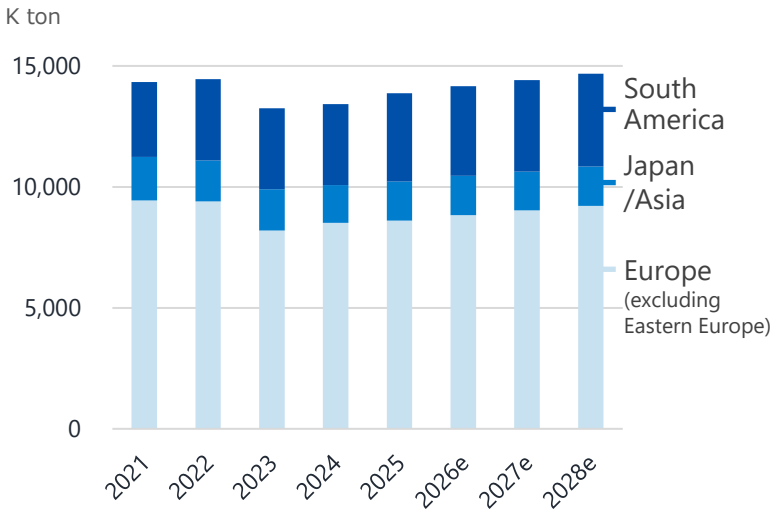
Japan	Renovation demand underpins shipments
Southeast Asia	While demand is gradually increasing, the competition is intensifying

Strategy

Japan	■ **Pricing policy** ■ **Promote high-value-added products (highly heat shielding/insulating glass)** ■ **Promote glass recycling**
Southeast Asia	■ **Continue business structure reforms (strengthening sales & distribution channels and promote high-value-added products etc.)**

Architectural Glass Business Environment

Architectural Glass Demand Outlook*1



Examples of High Value-added Products

Warm-edge highly insulated double glazing

Vacuum insulated Glass

BIPV module*2

*1 : AGC's estimate (only regions where AGC operates) *2 : PV glass to be installed at Singapore Institute of Technology

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Current Status of Automotive

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- Achieved ROCE of 10% in 2025. By continuing the three initiatives to improve earnings, we aim to reach ROCE of 15% within the next few years

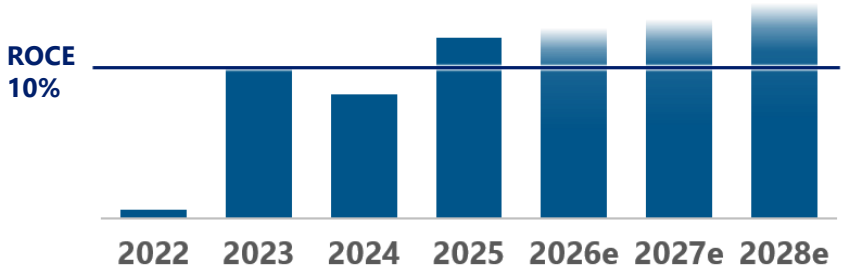
Market Trend

- Global automobile demand is expected to grow modestly through 2030, driven by increase of hybrid vehicles and AI-driven progress toward SDV*1
- While EV market growth has been slower than initially expected, it is projected to accelerate going forward

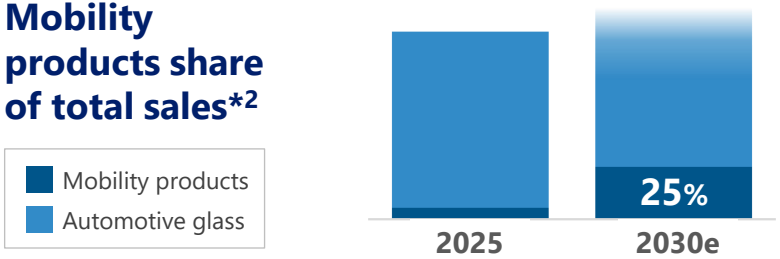
Strategy

1. **Pricing policy**
   Continued pursuit of appropriate price levels aligned with products and services value
2. **Structural reform**
   Thorough productivity improvement, including introduction of high-efficiency equipment
3. **Higher functionality and high added value**
   Increase ratio of high value-added products in line with CASE expansion, etc.

ROCE Trend (before common expense allocation)



Mobility products share of total sales*2



*1 SDV : Software Defined Vehicle *2 Mobility products : Car mounted Display Glass, sensor, antennas, products with added functions and values such as Low-E, light control etc

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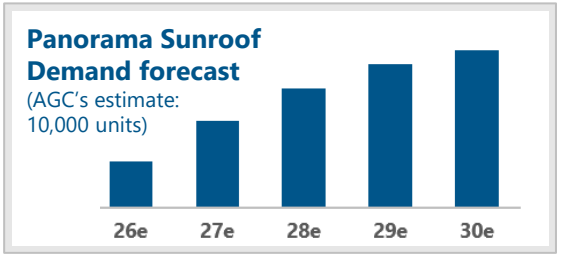
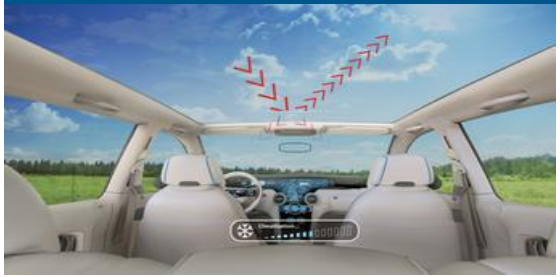
Major Mobility Products (1)

- With the expansion of EVs, demand for **sunroofs utilizing heat-insulating and light control glass and sound-insulation glass** is expected to grow in addition to existing high-value-added products*.
- Demand for sunroofs is expected to grow, particularly in Europe and China



Low-emissivity glass



Apply special metal coating to glass to block solar radiation heat in summer and keep heat in winter. Also contribute to extending the travel distance of EV and reducing CO_2 emissions.

Light control glass

Insert a special film between two sheets of glass to control transmission of light so that the optimal amount of light falls into the car.

Sound insulation glass

Insert a special sound insulation membrane between two sheets of glass to reduce noise from outside vehicles. Realize a comfortable in-vehicle environment without increasing the weight (thickness) of glass.

* Products with added functions and value such as IR cut and HUD

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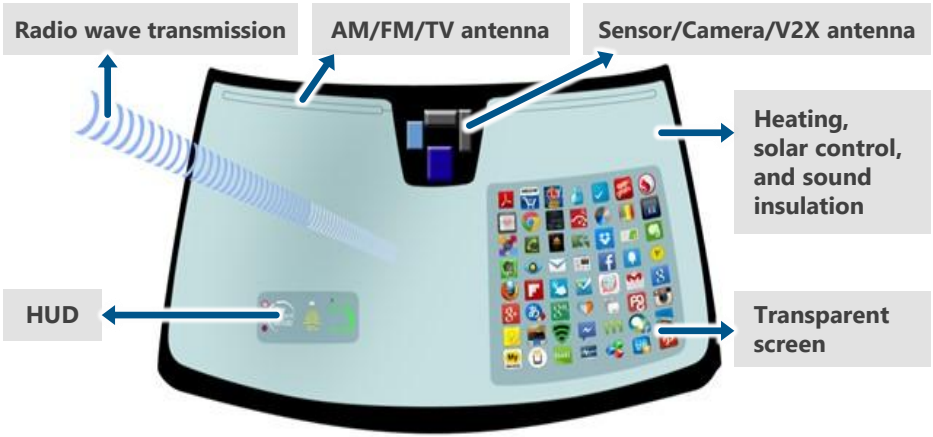
Major Mobility Products (2)

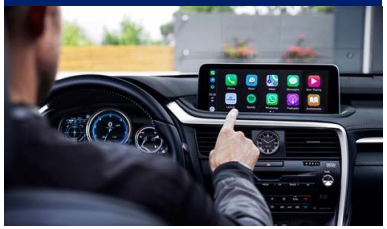
- Focusing on market changes through CASE to **ensure that business opportunities are seized**
- **Cover glass for car-mounted displays** are used in over 100 models, mainly for European luxury cars

Providing not only materials but also solutions through the conversion of glass into displays and the addition of communication functionality

Automotive glass



Cover glass for car-mounted display



World's top share thanks to adoption for LEXUS RX released in 2019, etc

Glass antenna for next-generation automobiles

Succeeded in 5G communication with **glass-integrated 5G antenna**, jointly with NTT DoCoMo and Ericsson

Current Status of Display

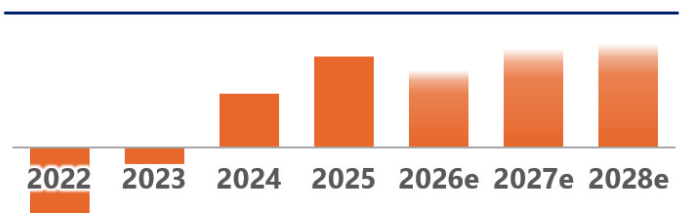
AGC
Your Dreams, Our Challenge

- Aiming for ROCE of 10% in 2027, we will steadily implement earnings improvement measures

Market Trend

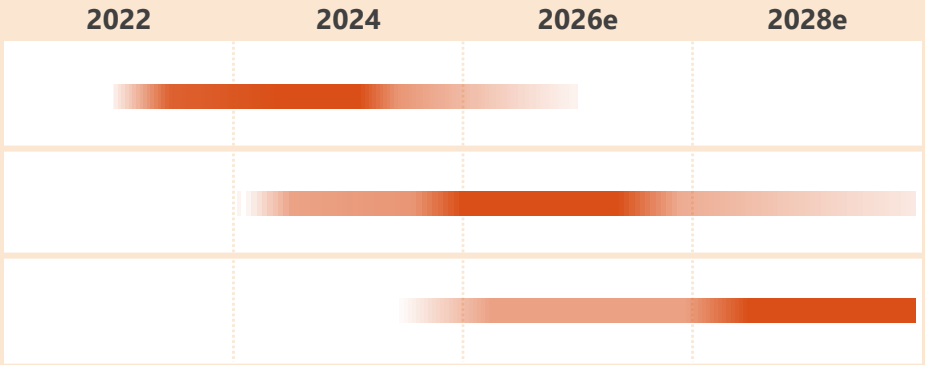
- Total glass demand is expected to increase modestly through 2030 due to larger TV screen sizes
- Demand for large glass panels is also increasing

ROCE Trend (before common expense allocation)



Strategy

Earnings Improvement Measures



1. **Structural Reform**
   Productivity improvement by focus on large-sized display panel glass substrates
2. **Pricing Policy**
   Continued pursuit of appropriate price level
3. **Strengthen Competitiveness through Technological Innovation**
   Commercializing competitive new products

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Display Business Environment

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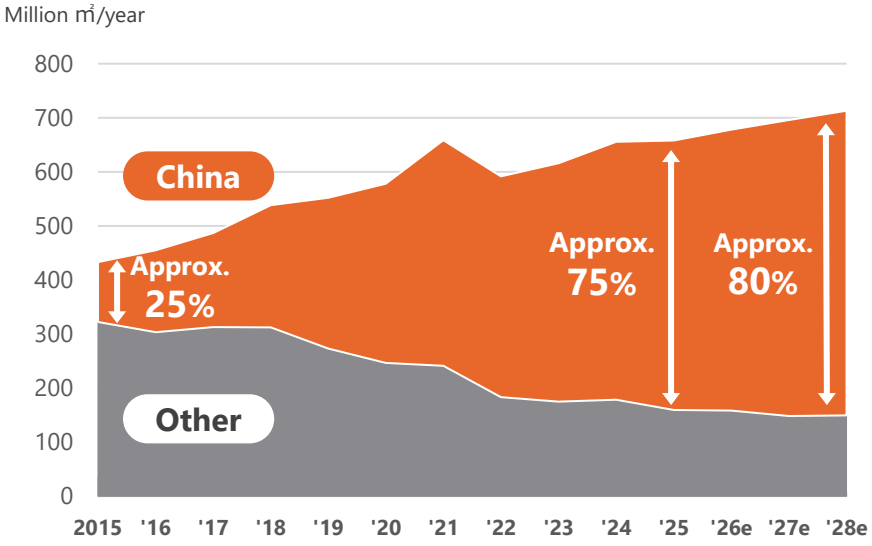
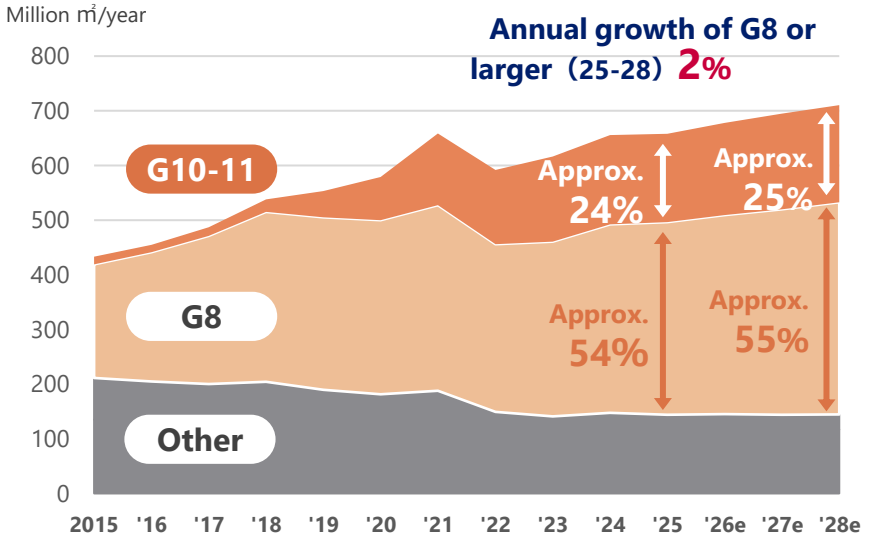
- Demand in China will continue to expand further
- Demand for G8 and G11 will increase due to the increase in screen size

Demand for LCD Glass （by region）



Demand for LCD Glass （by generation）



Source: AGC's estimate

G8: 55 inches x 6 sheets, G10: 60 inches x 8 sheets, G11: 65 inches x 8 sheets or 75 inches x 6 sheets

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Current Status of Electronics

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- Optoelectronics is currently in the transition period toward further advanced functionality aiming for renewed growth by added-value enhancement
- Growth of semiconductor-related materials is expected to continue. Focusing on R&D of cutting-edge areas and sales expansion for EUV mask blanks

Market Trends and Strategies

Optoelectronics

Market Trend

- Moderate growth for smartphone market
- Trend toward larger and higher-resolution sensors continues

Strategy

- **Promoting further advanced functionality**
- **Continue products for car-mounted camera and AR/MR glass applications**

Semiconductor-related Materials

Market Trend

- Semiconductor market is driven by expansion in cutting-edge applications such as AI and data centers
- Technological advancements in back-end processes is driving the growth in related markets.

Strategy

- **Focus on sales expansion and R&D in cutting-edge areas**
- **Capturing growing demand for back-end processes by technological development**

Technological Development of EUV Mask Blanks

Developing next-generation products that can improve throughput and resolution of lithography systems for each semiconductor device generation and lithography system model

Device Generation	Lithography System	Development Status of AGC
Logic 7~2nm DRAM D1Z~D1D	Low NA (NA0.33)	Completed
Logic 1.4~0.7nm DRAM D0X～	High NA (NA0.55)	Under development
Logic<0.7nm	Hyper NA (NA>0.7)	Under development

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Electronics Business Environment

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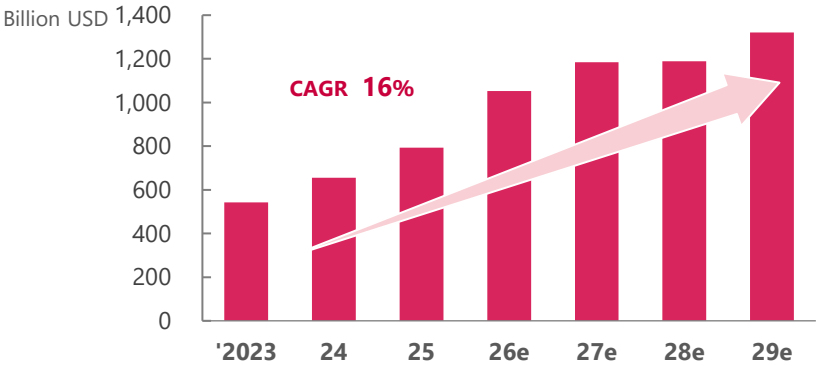
Semiconductor Market

- The semiconductor market grew significantly in 2025, up 20% year-on-year, driven by AI and data centers
- Major advanced semiconductor manufacturers continue high levels of investment, and the market is expected to remain robust in the medium term

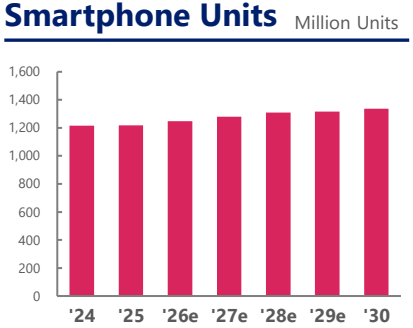
Growth drivers toward 2030

- Expansion of AI-related technologies



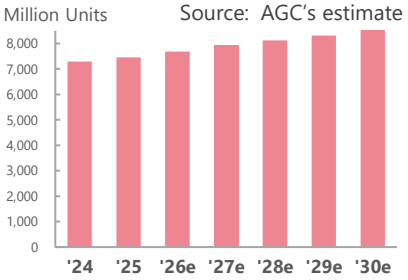
Smartphone market

- The smartphone market will follow a stable growth trend from 2024 onward



Number of Image Sensors for Cameras

- In the medium to long term, the total number of cameras installed in smartphones will increase due to smartphone market growth and the rising number of cameras per device



Electronics Products

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Semiconductor-related Materials

EUV mask blanks

High-quality photomask blanks for cutting-edge lithography

CMP slurry

One of the top manufacturers in the ceria slurry market

Synthetic quartz lens materials

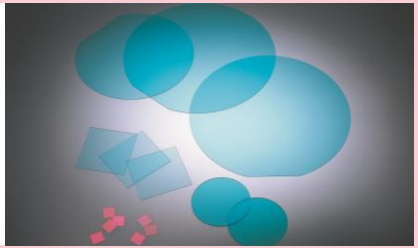
Copper clad laminates

SiC thermal treatment jigs

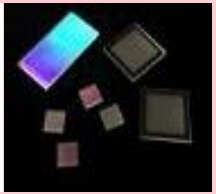
Optoelectronic Materials

IR-cut filter

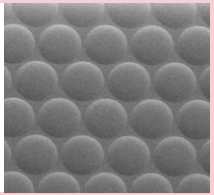
Industry leader in high-performance IR absorbing glass filters



DOE (diffractive optical element) Diffusers



Micro Lens Array



High refractive glass

Aspherical glass mold lenses

Electronics Semiconductor-Related Investments

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- Timely capacity expansion investments are made to meet growing demand for materials used in advanced semiconductors for AI and data centers.

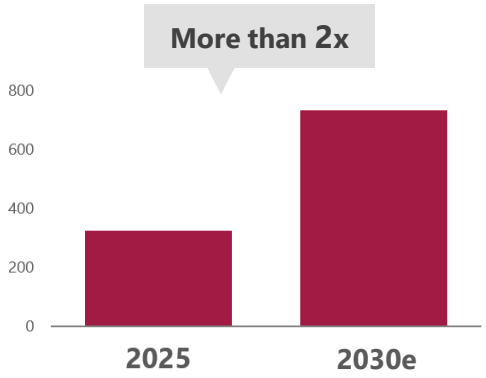
EUV Mask Blanks

CMP Slurry

Lens materials for lithography equipment

20–50% Capacity Expansion to be made
Mass Production to Begin in 2028

Shipments of EUV lithography equipment*1 (units)



Ceria slurry market*2 (million USD)

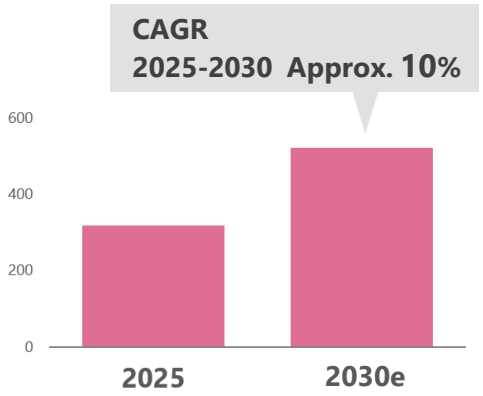
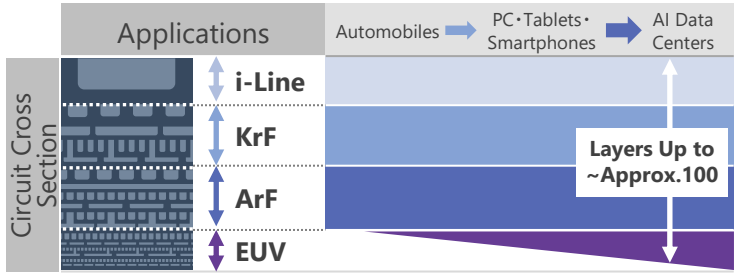


Illustration of a semiconductor device cross section

Different lithography technologies are used to form circuit patterns with different line widths, even in advanced semiconductors.



*1 Source: estimated based on ASML materials and data from research companies; cumulative.

*2 Estimated by AGC based on data from research company materials.

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Current Status of Integrated Chemicals

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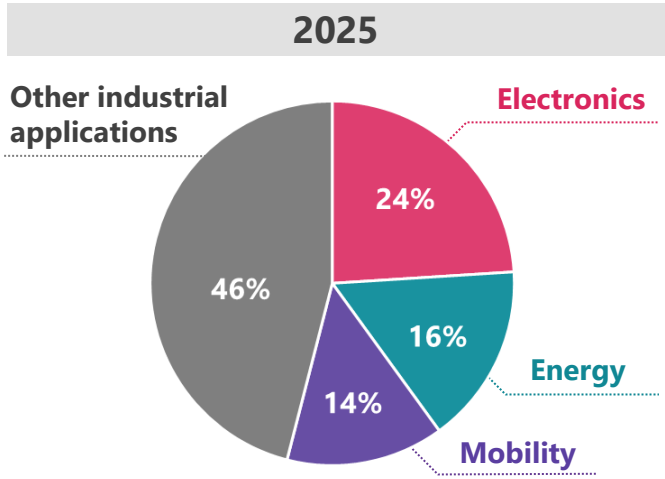
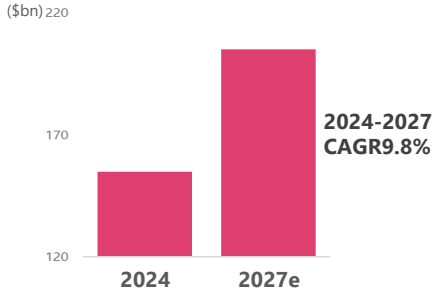
- We strive to optimize the whole chemical chain with Performance Chemicals*1 as the pillar
- As for Performance Chemicals, we will focus on the three high profitable product categories: electronics, energy and mobility

Sales Breakdown of Performance Chemicals by Application (approximate value)



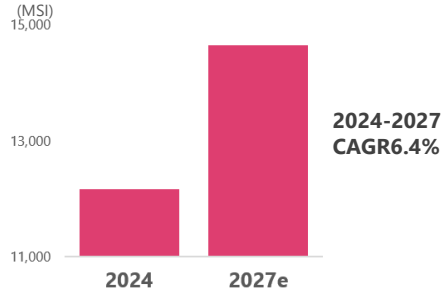
Outlook of Electronics Market and Corresponding Products

Semiconductor Manufacturing Equipment Investment*2



AGC Products	Fluoropolymer and rubber for ducts, piping components, and sealing materials in semiconductor manufacturing equipment

Demand for Silicon Wafer*2



AGC Products	Fluoropolymers, gases, refrigerants, and films for semiconductor process materials; silica and fluoropolymers for packaging materials

*1 The same scope as Performance Chemicals as a strategic business *2 Our estimates based on market data

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Integrated Chemicals Major Products

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Chlor-alkali/Urethane

Caustic soda

Main applications: Chemical textiles, paper/pulp

Mountain of salt used as raw material

Sodium bicarbonate

Main applications: Pharmaceuticals, bath salts, baking powder

Polyols

Main applications: Urethane foam, elastomers, adhesives

Modified silicone

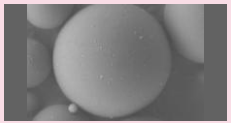
Main applications: Sealants, adhesives

Performance Chemicals

Electronics

Fluorinated resin/film

Fine silica



Energy

Fluorinated resin/film

Fluoropolymers for on-site coating

Fluorinated electrolyte polymer for fuel cells

Mobility

Fluorinated resin/film

Fluoropolymers for on-site coating

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Product lineup by semiconductor manufacturing process

- We provide diverse products for semiconductor manufacturing, achieving a high market share.
- Going forward, we will also focus on packaging materials, a growth area.

Semiconductor-related Products

Electronics Performance Chemicals

Wafer manufacturing to front-end process (circuit formation) → **Back-end process (packaging) and beyond**

Wafer manufacturing → Oxidation and Thin Film → Resist coating → Lithography → Etching and Ion implantation → Polishing and electrodes → Wafer inspection → Dicing → Bonding → Molding → Final inspection

Semiconductor process products

- EUV mask blanks
- CMP slurry
- Carrier glass for packaging
- Raw material for pellicle
- Gas materials for etching and cleaning
- Post-CMP Cleaner (Under development)
- Release film
- Anti-reflection coating material
- Thermal medium (Under development)

Packaging Materials

- TGV*1 (Under development)
- CCL
- Optical waveguide (Under development)
- RCC*2 (Under development)
- Silica for sealing materials
- Build-up film (Under development)
- Low dielectric under fill
- Low dielectric fluoropolymer resin

Semiconductor manufacturing equipment products

- SiC fixtures
- Lens materials for lithography equipment
- Lens materials for lithography equipment
- Fluoropolymer and fluoroelastomer for semiconductor manufacturing equipment components
  - Tube
  - Valve
  - Seal Ring
  - Wafer Carrier
  - Fittings and nuts
  - Filter

*1 TGV: Through Glass Vias *2 RCC: Resin Coated Copper

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Expansion of Semiconductor Packaging Technologies and Solutions

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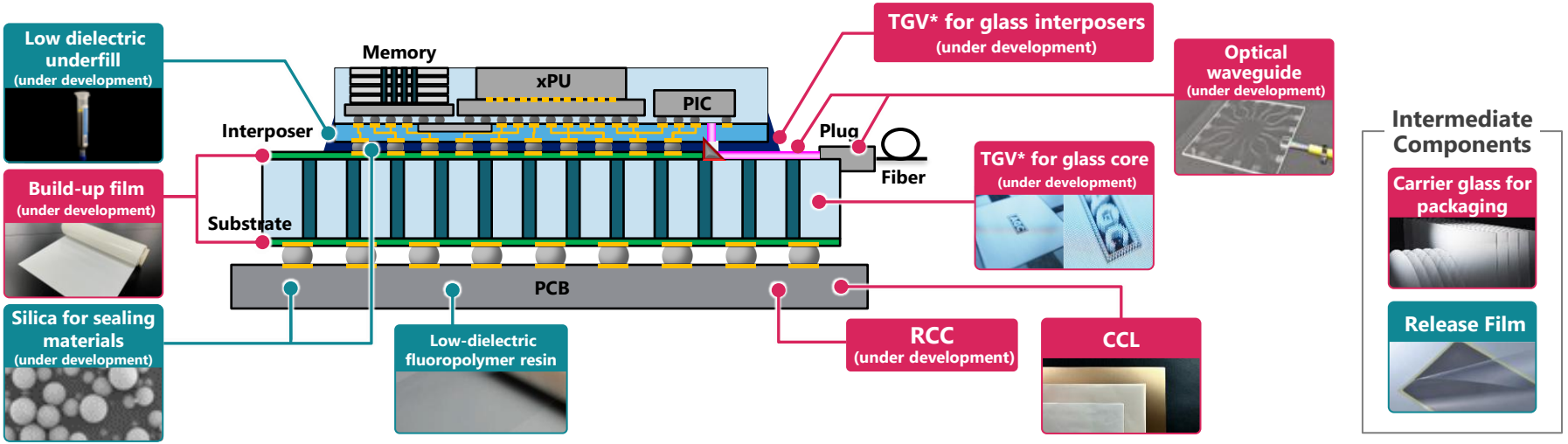
- Leveraging inorganic and organic material technologies, functional design and processing, manufacturing, and common basic technologies to contribute to the evolution of semiconductor packaging

AGC's Technologies	Materials Technology		Complexification		
	Inorganic Materials (Glass/Ceramics)	Organic Materials (Fluoropolymer, etc.)	Functional Design & Processing Technology (Forming, Polishing, Surface Treatment, Joining, etc.)	Manufacturing Technology	Common Basic Technology

Solutions for Semiconductor Packaging

Electronics Performance Chemicals



*TGV: Through Glass Vias

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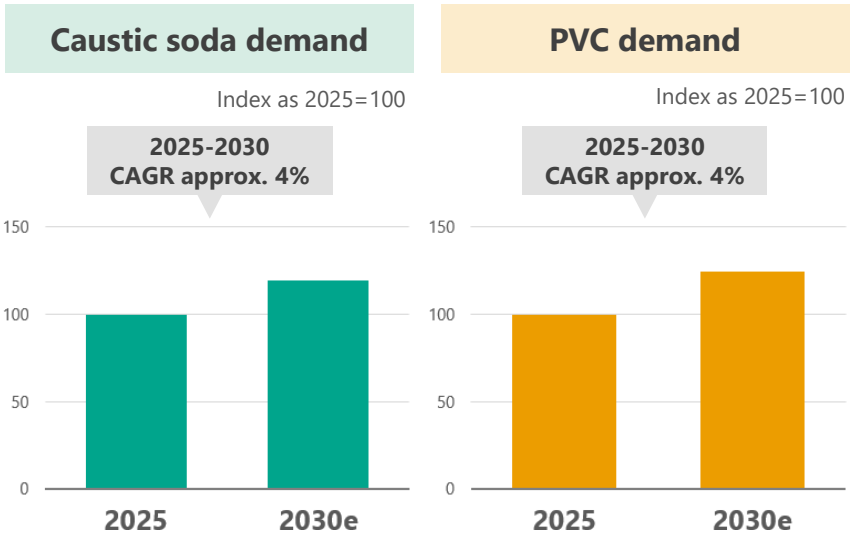
Essential Chemicals - SEA

- Stable long-term earnings base supported by strong Southeast Asian demand
- Improving profitability by leveraging stable supply capabilities and a strong logistics network

Caustic Soda and PVC Demand in Southeast Asia*



Strategy

Capitalize on the renewed recognition of the value of stable supply amid supply chain disruptions caused by geopolitical instability in the Middle East

- Capture growing demand in Southeast Asia
  - Increase regional sales to reduce sales costs and expand margins
  - Improve profitability by leveraging proximity to customers and a regional sales and logistics network
- Secure competitive raw materials
  - Ensure a stable regional ethylene supply and diverse procurement sources including US products

*AGC estimate based on market data

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Products of Essential Chemicals -SEA

- Chlor-alkali products including caustic soda, polyvinyl chloride (PVC), and epichlorohydrin hold the top market share in the growing Southeast Asian market

Main Products

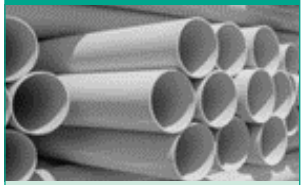
Caustic soda

Mountain of salt used as raw material

No.1 in Southeast Asia*

Main applications:
Chemical
textiles, paper/pulp

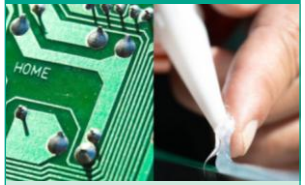
PVC



No.1 in Southeast Asia*

Main applications:
Water pipes,
electrical wires

Epichlorohydrin



No.1 in Southeast Asia*

Main applications:
Adhesives, coatings,
electronic materials

Production Capacity

Caustic soda production capacity increased by approximately 15%, while PVC capacity expanded by approximately 30% in 2025.

Products	Production Capacity (Unit: 10,000 ton)
Caustic Soda	164
VCM	170
PVC	160

* Our estimate as of January 2026 (based on production capacity)

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Life Science Sales and Operating Profit Transition

(Feb. 2026 materials, with additional notes of changes made in Nov. 2026. No other update is made.)

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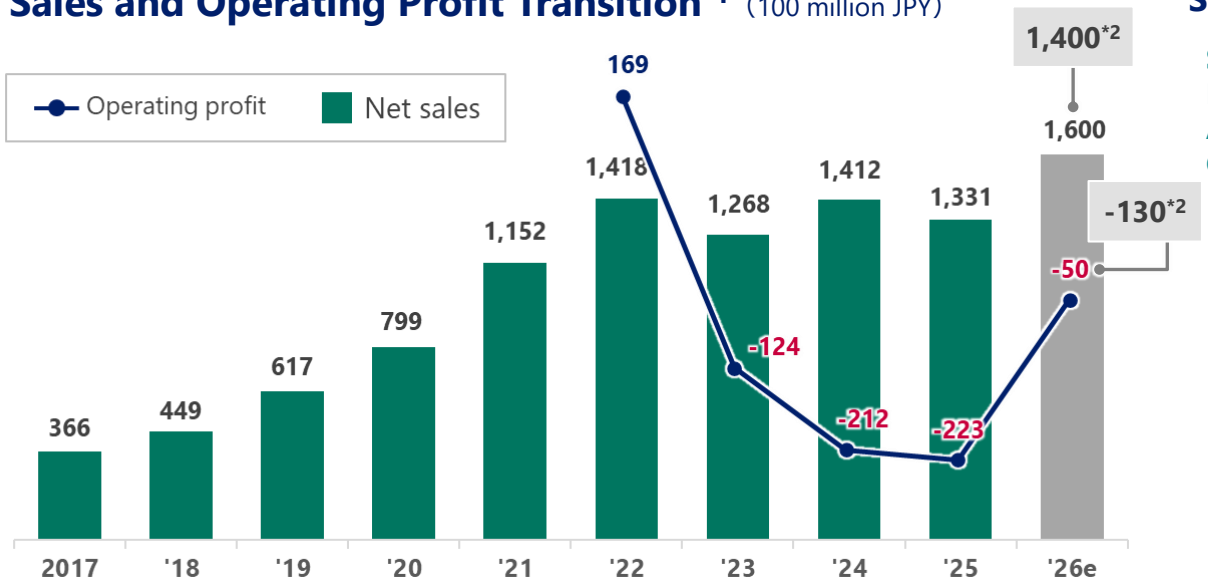
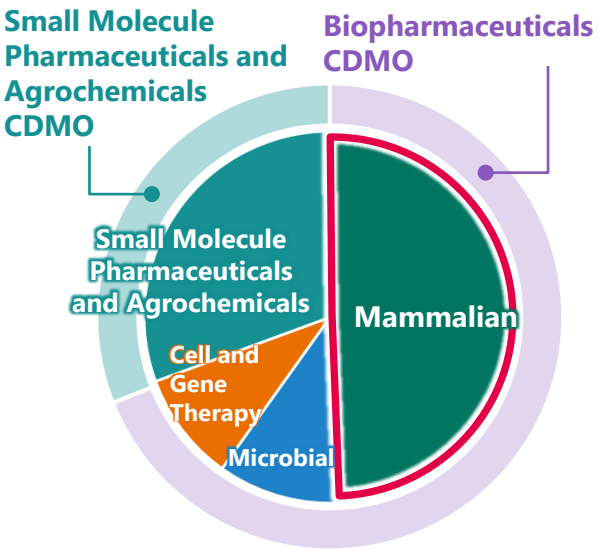
- Sales grew significantly through M&As since 2016. Profitability declined after 2023 with change in market environment such as COVID related demand decline, as well as internal factors such as delay in start up of new facilities.

Sales and Operating Profit Transition*1 (100 million JPY)



Sales Breakdown by Modality (FY2025)



*1 Only sales is disclosed as a sub-segment within the Chemicals segment before 2021.
Life Science as a stand-alone segment is disclosed after 2022 (2022 figures are for reference only).

*2 Revised forecasts as of Nov. 2026

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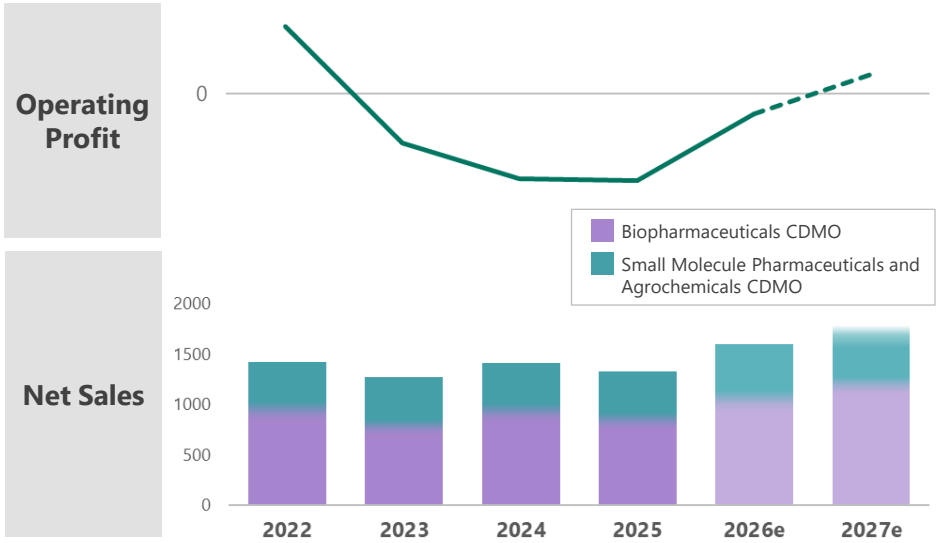
Initiatives of Life Science and Future Outlook

- Currently strengthening various initiatives in order to expand contracts intake of mammalian
- Life Science is expected to turn profitable in 2027 or later

Initiatives for Mammalian

Cost Reduction	■ Closure of US Colorado sites and headcount reduction completed ■ Divestiture process ongoing
Production stabilization	Leveraging production technology of the AGC group and utilization of digital technology and AI
Contracts Intake Expansion	Sales and marketing enhancement

Sales and Operating Profit Outlook (100 million JPY)



Continue to Nurture Life Science Business as Strategic Business

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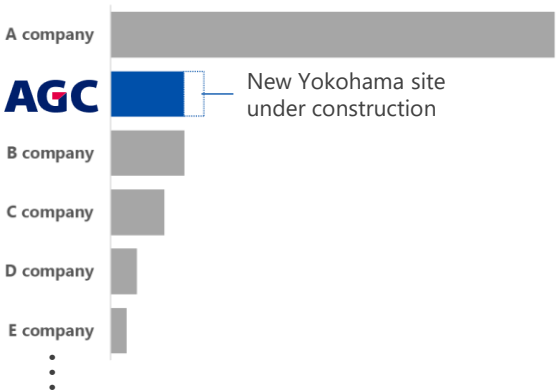
- Nurture Life Science segment which includes Biopharmaceuticals CDMO as a strategic business that will become one of the pillars of our future growth
- Leveraging our accumulated strengths, we will return the business back to a growth trajectory at the earliest

AGC's Strengths

- AGC is a pioneer of SUB technology. Current capacity ranks 2nd largest globally
- Production sites are balanced in Europe, US and Japan, showing a tailwind despite growing geopolitical risk
- Abundant track record of inspections in three regions

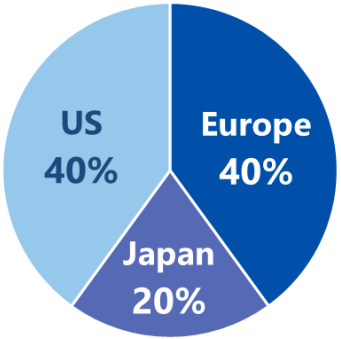
SUB Market Players

Antibody (mammalian cells): Production capacity of major competitors*1



AGC's Production Capacity by Regions*2

Total ratio of 500-5,000L SUB bioreactors



Inspection Track Record

	FDA U.S. Food and Drug Administration	EMA European Medicines Agency	PMDA Pharmaceuticals and Medical Devices Agency
Seattle	●	●	●
Copenhagen	●	●	●
Heidelberg	●	●	●
Milan	●	●	
Chiba			●

*1 As of June 2025 *2 After the start of operations of new Yokohama site

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Life Science Global Operations

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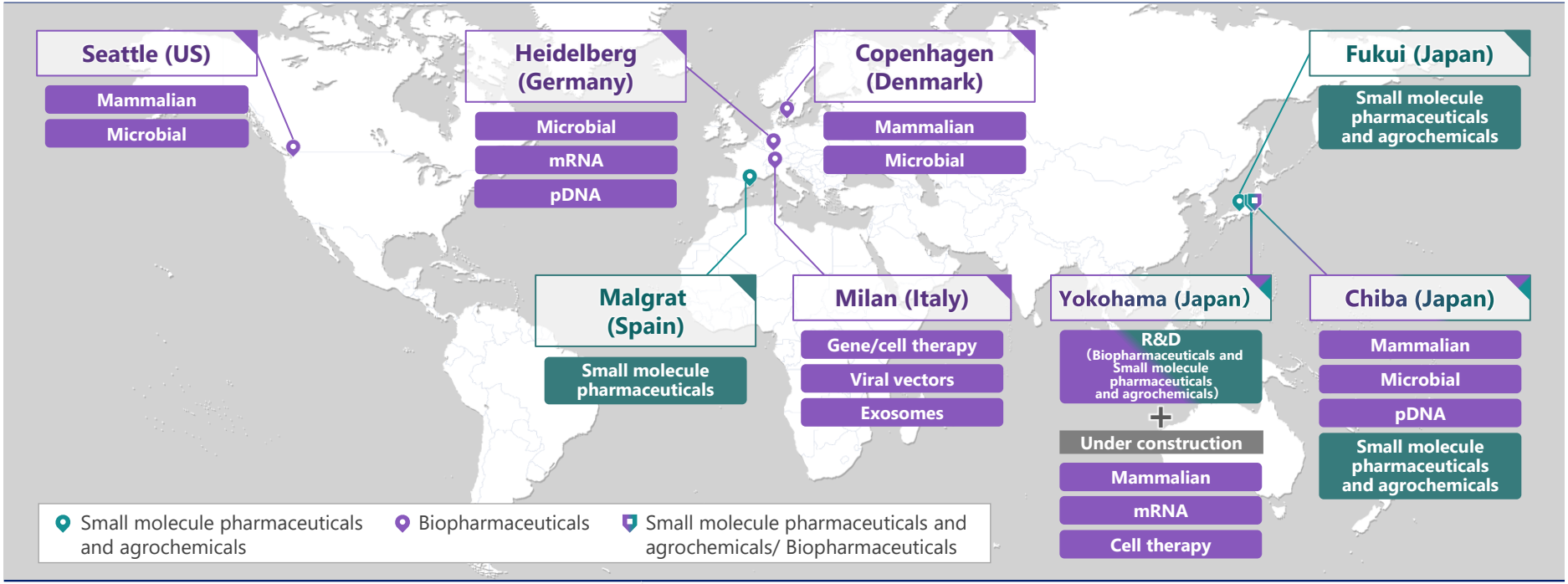
- We have established a highly integrated **cGMP system** in Japan, the U.S., and Europe, and provide the same **high standard of development and manufacturing services** in a **wide range of fields** from any of these regions.



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Appendix

Financial Index

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		IFRS				
		21/12	22/12	23/12	24/12	25/12
Net sales	Million JPY	1,697,383	2,035,874	2,019,254	2,067,603	2,058,832
Operating profit	Million JPY	206,168	183,942	128,779	125,835	127,465
OP margin	%	12.1	9.0	6.4	6.1	6.2
Profit for the year attributable to owners of the parent	Million JPY	123,840	▲ 3,152	65,798	▲ 94,042	69,162
Return on equity (ROE) *1	%	10.2	▲ 0.2	4.6	▲ 6.5	4.7
Return on assets (ROA) *2	%	7.9	6.7	4.5	4.3	4.4
Equity ratio	%	49	49	49	50	50
D/E (Interest-bearing debts/Net assets)	Times	0.41	0.41	0.42	0.39	0.37
Interest-bearing debt/EBITDA*3	Times	1.6	1.8	2.3	2.1	2.1
CF from Operating Activities/Interest-bearing debt	Times	0.54	0.33	0.31	0.44	0.43
Earnings per share (EPS)	JPY	559.11	▲ 14.22	304.73	▲ 443.71	326.20
Cash dividends per share	JPY/year	210	210	210	210	210
Dividend on equity (DOE)	%	3.8	3.4	3.2	3.1	3.0
Exchange rates (average)	JPY/USD	109.80	131.43	140.56	151.58	149.71
	JPY/EUR	129.89	138.04	152.00	163.95	169.00

*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) = Operating profit + Depreciation

For other financial indicators, please see here. https://www.agc.com/ir/pdf/data_all.pdf

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PFAS and Regulations

- Of the PFAS (umbrella term for approximately 12,000 types of fluorine compounds), four substances are listed as Persistent Organic Pollutants under the Stockholm Convention. AGC does not manufacture or use any of these listed substances.
- To fulfill its corporate social responsibility, AGC Group is working to minimize environmental impacts resulting from its business activities and contribute to resolving global environmental issues through its products, based on scientific evidence.

AGC's Main Products

Fluoropolymers

The fluorochemical industry has assessed fluoropolymers and data*1 demonstrate their low hazard, low environmental or human health impact

Ion-exchange membranes

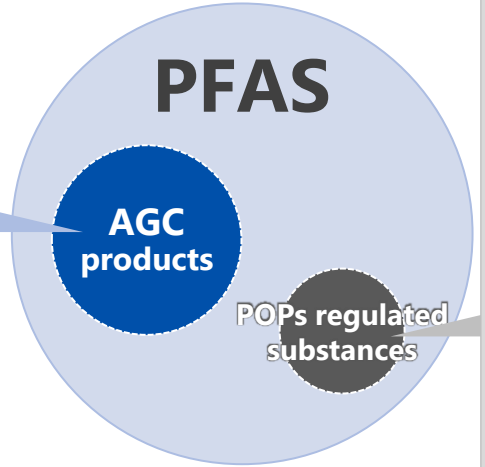
Fluorinated resins

Pharmaceutical and agrochemical API and intermediates

Safety has been assessed or monitored in accordance with applicable laws related to pharmaceuticals or agrochemicals in each country or region

Pharmaceuticals

Agrochemicals



AGC's Involvement with Listed Substances

PFOS	AGC has never manufactured, sold and use PFOS
PFHxS	AGC has never manufactured, sold and use PFHxS
PFOA	AGC discontinued manufacturing, selling and use of PFOA ahead of regulation
LC-PFCA*2	AGC discontinued manufacturing, selling and use of LC-PFCAs ahead of regulation

*1 Source: A critical review of the application of polymer of low concern regulatory criteria to fluoropolymers II: Fluoroplastics and fluoroelastomers

*2 LC-PFCA Long-Chain PerfluoroCarboxylic Acid, those with 9 to 21 Carbon atom.

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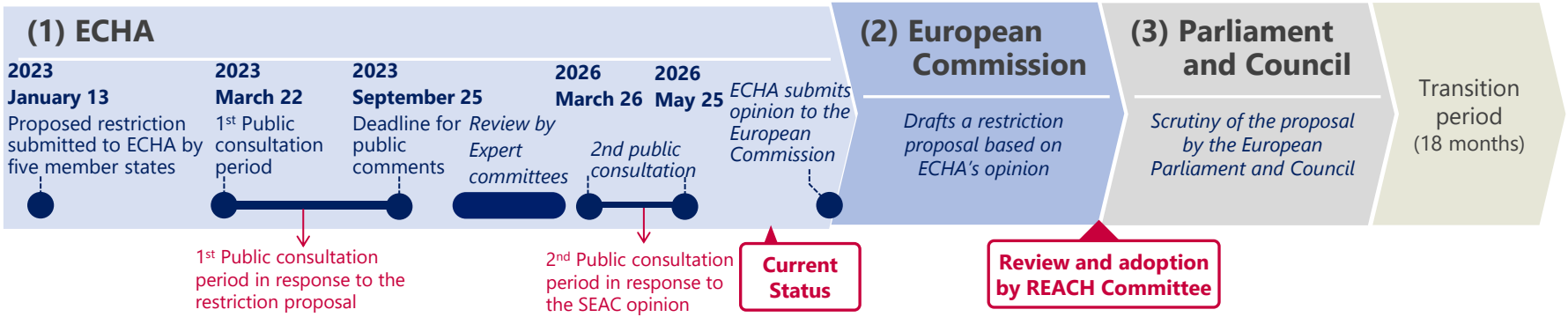
Regulatory Trends in Europe

- ECHA's expert committees are currently reviewing the restriction proposal. The second public consultation on the SEAC[*1] opinion ended in May 2026.
- Despite being conducted over a shorter period than the first public consultation, the second public consultation received a similar number of comments, indicating continued strong interest in the proposed regulation.
- ECHA is currently preparing its final opinion, taking into account the comments received, and is expected to submit the opinion to the European Commission by the end of 2026.

Review process of the proposal of the universal PFAS regulation in Europe

(1) After two rounds of public consultations by ECHA, the expert committees submits their final opinion
(2) The European Commission prepares a draft regulation referring to the final opinion submitted, and the REACH Committee, consisting of Member States, deliberates on and adopts the draft.
(3) The adopted legislation enters into force after being scrutinized by the European Parliament and Council



*1 SEAC： Socio-Economic Analysis Committee

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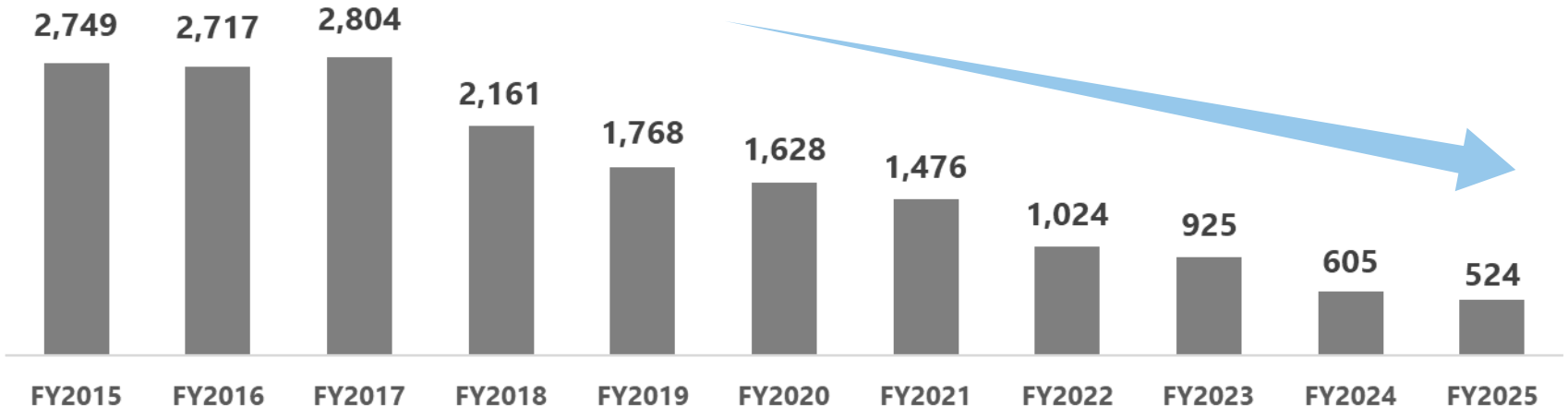
Reduction of Company Shares for Strategic Investment

- We are reducing our company shares for strategic investment (including deemed holdings of equity securities) in accordance with our policy of not holding such shares in principle.
- As of the end of 2025, company shares for strategic investment totaled 58 issues worth 52.4 billion JPY (including an issue of deemed holdings of equity securities of 33.5 billion JPY)
- Reductions are continuing in 2026. We will work to further reduce them in the future.

Trends in the Balance of Company Shares for Strategic Investment* (100 million JPY)



*Year-end balance including deemed holdings of equity securities

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External Evaluation

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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 エフィシェント 指数	**S&P/JPX Carbon Efficient Index**
CDP Discloser 2024	**CDP "Climate Change" "B" rating in "Climate Change" and "Water Security" in 2024**
SCIENCE BASED TARGETS	**SBTi "WB2°C" GHG Reduction Target**
NIKKEI Smart Work ★★★★ 2025	**4 stars awarded in the Nikkei "Smart Work Management" survey**
ecovadis	**Highly rated by EcoVadis in Sustainability Evaluations**
2025 Sompo Sustainability Index	**SOMPO Sustainability Index**
DX銘柄2026 Digital Transformation	**DX Brand 2026** in recognition of digital transformation efforts

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

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END

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