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Notice regarding Termination of Discussions with Central Glass Co., Ltd. on Integration of Architectural Glass Business in Japan

AGC Inc. (hereinafter, the “Company”) hereby announces that the Company reached the decision at the meeting of the Board of Directors held today to terminate the discussions with Central Glass Co., Ltd. on the integration of their architectural glass businesses in Japan. The Company and Central Glass Co., Ltd. have concluded a memorandum of understanding and had discussions on this issue as announced in the press releases of December 9, 2019, titled “Notice regarding Conclusion of Memorandum of Understanding with Central Glass Co., Ltd. on Integration of Architectural Glass Business in Japan” and of October 29, 2020, titled “Notice regarding the Completion Schedule on Integration of Architectural Glass Business in Japan with Central Glass Co., Ltd.”.

1. Reason

With the aim of increasing the management and capital efficiency, improving the profitability and enhancing the business foundation of the sluggish architectural glass business in Japan, the Company concluded a memorandum of understanding with Central Glass Co., Ltd. on December 9, 2019, regarding the integration of their architectural glass businesses, and had undergone detailed studies and discussions toward the completion of the business integration at the end of December 2020.

Due to Covid-19 and other factors causing a delay in the negotiations, on October 29, 2020, the Company announced the rescheduling of the business integration with the target completion period set in the fourth quarter of 2021 (from October 1 until December 31, 2021).

As a result of the discussions, however, the Company has decided to terminate the discussions with Central Glass Co., Ltd. as they have different views on the conditions of the business integration and have concluded that it will be impossible to reach an agreement.

2. Future action

The Company will continue to strive for profitability improvement and enhancement of the business foundation of the architectural glass business in Japan by taking measures such as expanding and exploring high value-added product markets and building a manufacturing structure corresponding to the demand.

3. Impact on the Company’s business performance

The above-mentioned termination of discussions will have no impact on the Company’s business performance.