

May 7, 2021  
 Corporate Name: AGC Inc.  
 (Code Number: 5201; TSE 1st section)  
 (URL: <https://www.agc.com>)  
 President & CEO: Yoshinori Hirai  
 Contact: Kazumi Tamaki, General Manager,  
 Corporate Communications & Investor Relations Division  
 (Tel: +81-3-3218-5603)

## Consolidated Financial Results for the Three Months ended March 31, 2021 (IFRS basis)

(Fractions less than one million yen are rounded off.)

### 1. Financial Results for the Three months ended March 31, 2021 (January 1 through March 31, 2021)

#### (1) Consolidated operating results

	For the Three months ended March 31, 2021		For the Three months ended March 31, 2020	
	Millions of yen	%	Millions of yen	%
Net sales	393,565	10.1	357,504	(1.1)
Operating profit	44,223	98.0	22,334	7.0
Profit before tax	44,152	176.9	15,943	(32.1)
Profit for the period	34,891	161.6	13,340	(25.9)
Profit for the period attributable to owners of the parent	28,804	112.8	13,534	(13.4)
Total comprehensive income for the period	98,613	-	(76,746)	-
Basic earnings per share (yen)	130.12		61.17	
Diluted earnings per share (yen)	129.61		60.91	

#### (2) Consolidated financial position

	FY2021 first quarter (as of March 31, 2021)	FY2020 (as of December 31, 2020)
Total assets (millions of yen)	2,656,138	2,534,458
Total equity (millions of yen)	1,326,548	1,243,039
Equity attributable to owners of the parent (millions of yen)	1,189,674	1,115,142
Equity attributable to owners of the parent ratio (%)	44.8	44.0

### 2. Dividends

(Unit: yen)

	FY2020	FY2021	FY2021 (forecast)
End of first quarter	-	-	-
End of second quarter	60.00	-----	70.00
End of third quarter	-	-----	-
End of fiscal year	60.00	-----	70.00
Total	120.00	-----	140.00

Note: Revision of the dividends forecast from the latest official forecast: No

### 3. Forecast for FY2021 (January 1 through December 31, 2021)

	First half		Full year	
	Millions of yen	%	Millions of yen	%
Net sales	800,000	22.2	1,650,000	16.8
Operating profit	85,000	313.0	160,000	111.1
Profit before tax	-	-	142,000	148.6
Profit for the year	-	-	105,000	155.1
Profit for the year attributable to owners of the parent	-	-	83,000	153.7
Basic earnings per share (yen)	-	-	375.02	-

Note: Revision of the forecast for FY2021 consolidated operating results from the latest official forecast: No  
The forecast for the six months ending June 30, 2021 consists of forecast net sales and operating profit only.

#### \*Notes

(1) Changes in significant subsidiaries during the period: No

(2) Changes in Accounting Policies and Changes in Accounting Estimates

- i. Changes in accounting policies required by IFRS: Yes
- ii. Changes in accounting policies other than "i" above: No
- iii. Changes in accounting estimates: No

Note: For details, please refer to "1. Condensed Interim Consolidated Financial Statements (IFRS) (5) Notes to the Condensed Interim Consolidated Financial Statements, (Changes in Accounting Policies)" on page 11.

(3) Number of shares issued (common stock)

- i. Number of shares issued (including treasury stock) at the end of the period
  - FY2021 first quarter (as of March 31, 2021): 227,441,381
  - FY2020 (as of December 31, 2020): 227,441,381
- ii. Number of treasury stock at the end of the period
  - FY2021 first quarter (as of March 31, 2021): 5,773,528
  - FY2020 (as of December 31, 2020): 5,813,165
- iii. Average number of shares issued during the period
  - For the three months ended March 31, 2021: 221,365,760
  - For the three months ended March 31, 2020: 221,269,659

\*This interim consolidated financial statement is outside the scope of quarterly review procedures.

#### \*Appropriate Use of Forecast and Other Information and Other Matters

The above forecast is the assumptions of the Group's management on the basis of currently available information and, as such, contain risks and uncertainties. For this reason, investors are advised not to base investment decisions solely on these prospective results. Please note that actual results may materially differ from the projection due to such various factors as business and market environment the Group is active in, currency exchange rate fluctuations, and others.

#### \*Supplementary Materials for the Quarterly Financial Results

Supplementary materials are available on our website.

**(Attached Documents)**

**INDEX**

1. Condensed Interim Consolidated Financial Statements (IFRS)	2
(1) Condensed Interim Consolidated Statements of Financial Position	2
(2) Condensed Interim Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income	4
(Condensed Interim Consolidated Statements of Profit or Loss)	4
(Condensed Interim Consolidated Statements of Comprehensive Income)	5
(3) Condensed Interim Consolidated Statements of Changes in Equity	6
(4) Condensed Interim Consolidated Statements of Cash Flows	10
(5) Notes to the Condensed Interim Consolidated Financial Statements	11
(Changes in Accounting Policies)	11
(Changes in Accounting Estimates)	11
(Segment Information)	12
(Notes to Other Income and Other Expenses)	14
(Notes on Significant Subsequent Events)	14

**1. Condensed Interim Consolidated Financial Statements (IFRS)****(1) Condensed Interim Consolidated Statements of Financial Position**

(Unit: millions of yen)

	FY2020 (as of December 31, 2020)	FY2021 first quarter (as of March 31, 2021)
Assets		
Current assets		
Cash and cash equivalents	236,124	269,414
Trade receivables	266,177	266,222
Inventories	274,835	286,501
Other receivables	62,468	59,452
Income tax receivables	5,169	5,491
Other current assets	16,186	18,278
<b>Total current assets</b>	<b>860,962</b>	<b>905,360</b>
Non-current assets		
Property, plant and equipment	1,246,885	1,297,894
Goodwill	118,063	121,799
Intangible assets	72,660	75,021
Investments accounted for using equity method	32,014	36,469
Other financial assets	130,919	138,596
Deferred tax assets	25,944	26,384
Other non-current assets	47,008	54,612
<b>Total non-current assets</b>	<b>1,673,495</b>	<b>1,750,778</b>
<b>Total assets</b>	<b>2,534,458</b>	<b>2,656,138</b>

(Unit: millions of yen)

	FY2020 (as of December 31, 2020)	FY2021 first quarter (as of March 31, 2021)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	151,874	155,539
Short-term interest-bearing debt	106,884	115,058
Long-term interest-bearing debt due within one year	87,163	94,696
Other payables	186,310	196,368
Income tax payables	12,426	14,095
Provisions	1,563	1,490
Other current liabilities	17,676	15,083
Total current liabilities	563,898	592,332
Non-current liabilities		
Long-term interest-bearing debt	593,912	594,945
Deferred tax liabilities	35,153	40,866
Post-employment benefit liabilities	64,736	67,186
Provisions	12,353	11,432
Other non-current liabilities	21,363	22,826
Total non-current liabilities	727,519	737,257
Total liabilities	1,291,418	1,329,590
Equity		
Share capital	90,873	90,873
Capital surplus	83,501	83,728
Retained earnings	818,701	836,792
Treasury shares	(28,170)	(27,541)
Other components of equity	150,236	205,821
Total equity attributable to owners of the parent	1,115,142	1,189,674
Non-controlling interests	127,897	136,873
Total equity	1,243,039	1,326,548
Total liabilities and equity	2,534,458	2,656,138

(2) Condensed Interim Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income

(Condensed Interim Consolidated Statements of Profit or Loss)

(Unit: millions of yen)

	For the three months ended March 31, 2020 (Jan. 1 through Mar. 31, 2020)	For the three months ended March 31, 2021 (Jan. 1 through Mar. 31, 2021)
Net sales	357,504	393,565
Cost of sales	(262,458)	(276,425)
Gross profit	95,046	117,139
Selling, general and administrative expenses	(72,897)	(73,597)
Share of profit (loss) of associates and joint ventures accounted for using equity method	185	682
Operating profit	22,334	44,223
Other income	454	5,028
Other expenses	(5,580)	(4,031)
Business profit	17,208	45,220
Finance income	1,200	923
Finance costs	(2,465)	(1,991)
Net finance costs	(1,264)	(1,068)
Profit before tax	15,943	44,152
Income tax expenses	(2,603)	(9,260)
Profit for the period	13,340	34,891
Attributable to:		
Owners of the parent	13,534	28,804
Non-controlling interests (loss)	(194)	6,087
Earnings per share		
Basic earnings per share (yen)	61.17	130.12
Diluted earnings per share (yen)	60.91	129.61

## (Condensed Interim Consolidated Statements of Comprehensive Income)

(Unit: millions of yen)

	For the three months ended March 31, 2020 (Jan. 1 through Mar. 31, 2020)	For the three months ended March 31, 2021 (Jan. 1 through Mar. 31, 2021)
Profit for the period	13,340	34,891
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax		
Remeasurement of the net defined benefit liability (asset)	(15,426)	5,271
Net gain (loss) on revaluation of financial assets measured at FVTOCI <sup>(Note)</sup>	(20,699)	8,767
Share of other comprehensive income of associates and joint ventures accounted for using equity method	0	2
Total	(36,126)	14,041
Components of other comprehensive income that may be reclassified to profit or loss, net of tax		
Net gain (loss) in fair value of cash flow hedges	(866)	382
Exchange differences on translation of foreign operations	(53,094)	49,297
Total	(53,960)	49,680
Other comprehensive income, net of tax	(90,086)	63,721
Total comprehensive income for the period	(76,746)	98,613
Attributable to:		
Owners of the parent	(70,734)	87,057
Non-controlling interests	(6,012)	11,555

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

(3) Condensed Interim Consolidated Statements of Changes in Equity  
For the three months ended March 31, 2020

(Unit: millions of yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurement of net defined benefit liability (asset)	Net gain (loss) on revaluation of financial assets measured at FVTOCI (Note)
Balance as of January 1, 2020	90,873	92,593	811,589	(28,468)	(31,445)	55,786
Changes in equity						
Comprehensive income						
Profit for the period	-	-	13,534	-	-	-
Other comprehensive income	-	-	-	-	(15,531)	(20,695)
Total comprehensive income for the period	-	-	13,534	-	(15,531)	(20,695)
Transactions with owners						
Dividends	-	-	(13,294)	-	-	-
Acquisition of treasury shares	-	-	-	(4)	-	-
Disposal of treasury shares	-	-	(65)	127	-	-
Transfer from other components of equity to retained earnings	-	-	501	-	-	(501)
Share-based payment transactions	-	(0)	-	-	-	-
Others (business combinations and others)	-	(5)	-	-	-	-
Total transactions with owners	-	(5)	(12,858)	122	-	(501)
Balance as of March 31, 2020	90,873	92,587	812,265	(28,346)	(46,976)	34,588

(Note) FVTOCI: Fair Value Through Other Comprehensive Income



For the three months ended March 31, 2020

(Unit: millions of yen)

	Equity attributable to owners of the parent			Total	Non-controlling interests	Total equity
	Other components of equity		Total			
	Net gain (loss) in fair value of cash flow hedges	Exchange differences on translation of foreign operations				
Balance as of January 1, 2020	(665)	166,833	190,510	1,157,097	125,538	1,282,636
Changes in equity						
Comprehensive income						
Profit for the period	-	-	-	13,534	(194)	13,340
Other comprehensive income	(782)	(47,258)	(84,268)	(84,268)	(5,817)	(90,086)
Total comprehensive income for the period	(782)	(47,258)	(84,268)	(70,734)	(6,012)	(76,746)
Transactions with owners						
Dividends	-	-	-	(13,294)	(1,694)	(14,988)
Acquisition of treasury shares	-	-	-	(4)	-	(4)
Disposal of treasury shares	-	-	-	61	-	61
Transfer from other components of equity to retained earnings	-	-	(501)	-	-	-
Share-based payment transactions	-	-	-	(0)	-	(0)
Others (business combinations and others)	-	-	-	(5)	3,539	3,533
Total transactions with owners	-	-	(501)	(13,243)	1,844	(11,398)
Balance as of March 31, 2020	(1,448)	119,575	105,739	1,073,120	121,371	1,194,491

For the three months ended March 31, 2021

(Unit: millions of yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurement of net defined benefit liability (asset)	Net gain (loss) on revaluation of financial assets measured at FVTOCI (Note)
Balance as of January 1, 2021	90,873	83,501	818,701	(28,170)	(31,203)	51,397
Changes in equity						
Comprehensive income						
Profit for the period	-	-	28,804	-	-	-
Other comprehensive income	-	-	-	-	5,315	8,766
Total comprehensive income for the period	-	-	28,804	-	5,315	8,766
Transactions with owners						
Dividends	-	-	(13,297)	-	-	-
Acquisition of treasury shares	-	-	-	(3)	-	-
Disposal of treasury shares	-	-	(84)	632	-	-
Changes in ownership interests in subsidiaries that do not result in loss of control	-	880	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	2,668	-	-	(2,668)
Share-based payment transactions	-	(424)	-	-	-	-
Others (business combinations and others)	-	(229)	-	-	-	-
Total transactions with owners	-	227	(10,714)	629	-	(2,668)
Balance as of March 31, 2021	90,873	83,728	836,792	(27,541)	(25,887)	57,495

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

For the three months ended March 31, 2021

(Unit: millions of yen)

	Equity attributable to owners of the parent			Total	Non-controlling interests	Total equity
	Other components of equity		Total			
	Net gain (loss) in fair value of cash flow hedges	Exchange differences on translation of foreign operations				
Balance as of January 1, 2021	439	129,602	150,236	1,115,142	127,897	1,243,039
Changes in equity						
Comprehensive income						
Profit for the period	-	-	-	28,804	6,087	34,891
Other comprehensive income	406	43,764	58,253	58,253	5,468	63,721
Total comprehensive income for the period	406	43,764	58,253	87,057	11,555	98,613
Transactions with owners						
Dividends	-	-	-	(13,297)	(2,022)	(15,320)
Acquisition of treasury shares	-	-	-	(3)	-	(3)
Disposal of treasury shares	-	-	-	548	-	548
Changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	880	(556)	324
Transfer from other components of equity to retained earnings	-	-	(2,668)	-	-	-
Share-based payment transactions	-	-	-	(424)	-	(424)
Others (business combinations and others)	-	-	-	(229)	-	(229)
Total transactions with owners	-	-	(2,668)	(12,525)	(2,579)	(15,104)
Balance as of March 31, 2021	846	173,366	205,821	1,189,674	136,873	1,326,548

## (4) Condensed Interim Consolidated Statements of Cash Flows

(Unit: millions of yen)

	For the three months ended March 31, 2020 (Jan. 1 through Mar. 31, 2020)	For the three months ended March 31, 2021 (Jan. 1 through Mar. 31, 2021)
Cash flows from operating activities		
Profit before tax	15,943	44,152
Depreciation and amortization	36,618	38,633
Impairment losses	8	-
Interest and dividend income	(1,175)	(745)
Interest expenses	2,221	1,704
Share of profit (loss) of associates and joint ventures accounted for using equity method	(185)	(682)
Loss (gain) on sale or disposal of non-current assets	546	2,050
Decrease (increase) in trade receivables	19,967	6,998
Decrease (increase) in inventories	(8,325)	(4,659)
Increase (decrease) in trade payables	(12,775)	(1,329)
Others	19,090	16,336
Subtotal	71,935	102,460
Interest and dividends received	1,285	745
Interest paid	(2,332)	(1,750)
Income taxes paid	(6,533)	(10,185)
Net cash from operating activities	64,355	91,270
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(36,697)	(49,844)
Proceeds from sale of property, plant and equipment	962	179
Purchase of other financial assets	(14,154)	(14,445)
Proceeds from sale and redemption of other financial assets	1,447	17,553
Purchase of subsidiaries or other businesses	(681)	-
Others	(266)	(663)
Net cash used in investing activities	(49,389)	(47,220)
Cash flows from financing activities		
Changes in short-term interest-bearing debt	89,172	5,307
Proceeds from borrowing or issuing long-term interest-bearing debt	11,057	18,160
Repayment or redemption of long-term interest-bearing debt	(47,974)	(23,070)
Payments for acquisition of subsidiary's interest from non- controlling interests	-	(890)
Proceeds from non-controlling interests	3,540	-
Acquisition of treasury shares	(4)	(3)
Dividends paid	(13,294)	(13,297)
Dividends paid to non-controlling interests	(1,694)	(2,022)
Others	3	29
Net cash used in financing activities	40,806	(15,786)
Effect of exchange rate changes on cash and cash equivalents	(6,193)	5,026
Net increase (decrease) in cash and cash equivalents	49,578	33,289
Cash and cash equivalents at the beginning of the period	113,784	236,124
Cash and cash equivalents at the end of the period	163,363	269,414

(5) Notes to the Condensed Interim Consolidated Financial Statements

(Changes in Accounting Policies)

The significant accounting policies adopted for the Group's Condensed Interim Consolidated Financial Statements are the same as those for the Consolidated Financial Statements for the fiscal year ended December 31, 2020, with the exception of the items described below.

The following are the accounting standards applied by the Group from fiscal year 2021, in compliance with each transitional provision. The effect of the application of the following standards on the Group's Condensed Interim Consolidated Financial Statements is immaterial.

IFRS	Title	Summaries of new IFRS and amendments
IFRS 16 (amended in May 2020)	Leases	Covid-19-Related Rent Concessions

"Operating profit" in the Group's Condensed Interim Consolidated Statements of Profit or Loss is an indicator that facilitates continuous comparisons and evaluations of the Group's business performance. Main items of "other income" and "other expenses" are foreign exchange gains and losses, gains on sale of non-current assets, losses on disposal of non-current assets, impairment losses and expenses for restructuring programs. "Business profit" includes all income and expenses before finance income, finance costs and income tax expenses.

The Group calculated income tax expenses for the three months ended March 31, 2021, based on the estimated average annual effective tax rate.

(Changes in Accounting Estimates)

In preparing the Group's Condensed Interim Consolidated Financial Statements, judgments, estimates and assumptions are made that affect the reported amounts of assets, liabilities, income and expenses. Therefore accounting estimates could differ from actual results.

Estimates and assumptions that have a significant effect on the amounts recognized in the Group's condensed interim consolidated financial statements are in principle the same as the preceding fiscal year.

Estimates and their assumptions are reviewed continuously. The effect of reviewing estimates and assumptions are recognized in the period in which those estimates and assumptions were reviewed and in future periods.

With regard to the impact of the spread of COVID-19, the Group had made accounting estimates and judgments related to impairment of property, plant and equipment, impairment of goodwill and intangible assets, the recoverability of deferred tax assets, and related items. Those accounting estimates and judgments were made based on the assumption that the Group's performance will gradually recover, despite some differences depending on the business or region.

(Segment Information)

The Group's reportable segments are components of the Group for which discrete financial information is available, and whose operating results are reviewed regularly by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess performance.

The Group had four in-house companies by product and service: Building & Industrial Glass, Automotive, Electronics and Chemicals. Each in-house company operates worldwide, formulating comprehensive domestic and overseas strategies for its products and services.

Building & Industrial Glass and Automotive share the same float glass manufacturing facilities (glass melting furnace) etc., which are the largest assets and situated the highest upstream in the supply chain. The two in-house companies share assets and liabilities, and ratio of utilization is influenced by fluctuations of demand and supply. Considering these situations, it is difficult to divide financial statements for the two in-house companies. Therefore, the Group prepares the financial statements of Building & Industrial Glass and Automotive as the Glass segment. In addition, decisions on assigning management resources are closely tied to the results of each business and inseparable from their performance evaluation. Therefore, with the participation of presidents of both in-house companies, the Group has established a "Glass Segment Council," which primarily functions to maintain synergies and maximize overall production in the Glass segment, and collaborates to maximize profits for the Group. Based on these circumstances, the Group reports the Glass segment as one.

Thus, the Group has three reportable segments: Glass, Electronics, and Chemicals.

The main products of each reportable segment are as follows.

Reportable segment	Main products
Glass	Float flat glass, Figured glass, Polished wired glass, Low-E glass, Decorative glass, Fabricated glass for architectural use (Heat Insulating/shielding glass, Disaster-resistant/Security glass, Fire-resistant glass, etc.), Automotive glass, Cover glass for car-mounted displays, etc.
Electronics	LCD glass substrates, OLED glass substrates, Specialty glass for display applications, Display related materials, Glass for solar power system, Fabricated glass for industrial use, Semiconductor process materials, Optoelectronics materials, Printed circuit board materials, Lighting glass products, Laboratory use ware, etc.
Chemicals	Polyvinyl chloride, Vinyl chloride monomer, Caustic soda, Urethane, Fluorinated resins, Water and oil repellents, Gases, Solvents, Pharmaceutical and agrochemical intermediates and active ingredients, Iodine-related products, etc.

For the three months ended March 31, 2020 (January 1 through March 31, 2020)

(Unit: millions of yen)

	Reportable segments			Ceramics/ Other	Total	Adjustments	Amount reported on condensed interim consolidated statements of profit or loss
	Glass	Electronics	Chemicals				
Sales to external customers	169,010	67,080	113,799	7,613	357,504	-	357,504
Inter-segment sales or transfers	330	2,161	364	12,108	14,965	(14,965)	-
Total sales	169,341	69,242	114,164	19,721	372,470	(14,965)	357,504
Segment profit (loss) (Operating profit)	(2,580)	8,869	15,120	911	22,322	12	22,334
Profit for the period	-	-	-	-	-	-	13,340

The amounts of inter-segment sales or transfers are primarily based on market prices and manufacturing cost.  
“Ceramics/Other” mainly handles ceramics products, logistics and financial services.

For the three months ended March 31, 2021 (January 1 through March 31, 2021)

(Unit: millions of yen)

	Reportable segments			Ceramics/ Other	Total	Adjustments	Amount reported on condensed interim consolidated statements of profit or loss
	Glass	Electronics	Chemicals				
Sales to external customers	179,904	69,108	137,002	7,549	393,565	-	393,565
Inter-segment sales or transfers	659	1,851	307	10,075	12,894	(12,894)	-
Total sales	180,564	70,960	137,309	17,624	406,459	(12,894)	393,565
Segment profit (loss) (Operating profit)	9,664	8,577	25,478	394	44,114	108	44,223
Profit for the period	-	-	-	-	-	-	34,891

The amounts of inter-segment sales or transfers are primarily based on market prices and manufacturing cost.  
“Ceramics/Other” mainly handles ceramics products, logistics and financial services.

(Notes to Other Income and Other Expenses)

**Other Income**

(Unit: millions of yen)

	For the three months ended March 31, 2020 (Jan. 1 through Mar. 31, 2020)	For the three months ended March 31, 2021 (Jan. 1 through Mar. 31, 2021)
Foreign exchange gain	-	2,970
Gains on sale of non-current assets	-	91
Others	454	1,966
Total	454	5,028

**Other Expenses**

(Unit: millions of yen)

	For the three months ended March 31, 2020 (Jan. 1 through Mar. 31, 2020)	For the three months ended March 31, 2021 (Jan. 1 through Mar. 31, 2021)
Foreign exchange loss	(3,427)	-
Losses on disposal of non-current assets	(509)	(2,142)
Expenses for restructuring programs	(243)	(1,194)
Others	(1,399)	(694)
Total	(5,580)	(4,031)

(Notes on Significant Subsequent Events)

No items to report