

February 7, 2025

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(Code Number: 5201; TSE Prime Market)
(URL: <https://www.agc.com/>)

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Consolidated Financial Results for the Fiscal Year ended December 31, 2024 (IFRS basis)

(Figures are rounded down to the nearest million.)

1. Financial Results for FY2024 (January 1 through December 31, 2024)

(1) Consolidated operating results

(Percentage figures show year-on-year changes.)

	FY2024 (Jan. through Dec. 2024)		FY2023 (Jan. through Dec. 2023)	
	Millions of yen	%	Millions of yen	%
Net sales	2,067,603	2.4	2,019,254	(0.8)
Operating profit	125,835	(2.3)	128,779	(30.0)
Profit before tax	(50,050)	-	122,775	109.8
Profit for the year	(77,924)	-	82,484	266.5
Profit for the year attributable to owners of the parent	(94,042)	-	65,798	-
Total comprehensive income for the year	70,911	(61.0)	181,634	13.6
Basic earnings per share (yen)	(443.71)		304.73	
Diluted earnings per share (yen)	(443.71)		304.01	
Profit ratio to equity attributable to owners of the parent (%)	(6.5)		4.6	
Ratio of profit before tax to total assets (%)	(1.7)		4.3	
Ratio of operating profit to net sales (%)	6.1		6.4	

Reference: Share of profit of associates and joint ventures accounted for using equity method -FY2024; 2,461 million yen -FY2023; 1,981million yen

(2) Consolidated financial position

	FY2024 (as of December 31, 2024)	FY2023 (as of December 31, 2023)
Total assets (millions of yen)	2,889,665	2,932,991
Total equity (millions of yen)	1,671,697	1,654,338
Equity attributable to owners of the parent (millions of yen)	1,435,787	1,447,080
Equity attributable to owners of the parent ratio (%)	49.7	49.3
Equity attributable to owners of the parent per share (yen)	6,773.86	6,831.89

(3) Consolidated cash flows

	FY2024 (Jan. through Dec. 2024)	FY2023 (Jan. through Dec. 2023)
Cash flows from operating activities (millions of yen)	284,815	212,546
Cash flows from investing activities (millions of yen)	(195,583)	(179,790)
Cash flows from financing activities (millions of yen)	(131,949)	(108,021)
Cash and cash equivalents at the end of the year (millions of yen)	107,988	146,061

2. Dividends

	(Base date)	FY2023	FY2024	FY2025(forecast)
Dividend per share	End of first quarter (yen)	-	-	-
	End of second quarter (yen)	105.00	105.00	105.00
	End of third quarter (yen)	-	-	-
	End of fiscal year (yen)	105.00	105.00	105.00
	Total (yen)	210.00	210.00	210.00
Total dividend distribution (full fiscal year) (millions of yen)		44,945	44,577	
Payout ratio (consolidated) (%)		68.9	-	55.6
Ratio of dividend distribution to equity attributable to owners of the parent (consolidated) (%)		3.2	3.1	

3. Forecast for FY2025 (January 1 through December 31, 2025)

(Percentage figures show year-on-year changes.)

	First half		Full fiscal year	
	Millions of yen	%	Millions of yen	%
Net sales	1,050,000	3.4	2,150,000	4.0
Operating profit	65,000	14.7	150,000	19.2
Profit before tax	-	-	135,000	-
Profit for the year	-	-	98,000	-
Profit for the year attributable to owners of the parent	-	-	80,000	-
Basic earnings per share (yen)	-		377.43	

(Note) The forecast for the six months ending June 30, 2025 consists of net sales and operating profit only.

***Notes**

(1) Significant changes in the scope of consolidation 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: Yes

(Note) For details, please refer to "(6) Notes to the Consolidated Financial Statements, 2) Changes in Accounting Policies and 4) Changes in Accounting Estimates)" on page 18.

(3) Number of Shares Issued (ordinary stock)

i. Number of shares issued (including treasury stock) at the end of the period

-FY2024 (as of December 31, 2024): 217,434,681

-FY2023 (as of December 31, 2023): 217,434,681

ii. Number of treasury stock at the end of the period

-FY2024 (as of December 31, 2024): 5,156,771

-FY2023 (as of December 31, 2023): 5,256,180

iii. Average number of shares issued during the period

-FY2024 (Jan. through Dec. 2024): 211,945,390

-FY2023 (Jan. through Dec. 2023): 215,922,726

[Reference]

(1) Non-Consolidated Operating Results

(Percentage figures show year-on-year changes.)

	FY2024 (Jan. through Dec. 2024)		FY2023 (Jan. through Dec. 2023)	
	Millions of yen	%	Millions of yen	%
Net sales	653,726	(2.0)	667,000	5.6
Operating income	29,069	29.2	22,492	(32.6)
Ordinary income	94,265	(18.1)	115,124	10.9
Net income	(20,825)	-	112,906	141.8
Net income per share -basic (yen)	(98.26)		522.90	
Net income per share -fully diluted (yen)	-		521.66	

(2) Non-Consolidated Financial Position

	FY2024 (as of December 31, 2024)	FY2023 (as of December 31, 2023)
Total assets (millions of yen)	1,328,766	1,386,107
Total net assets (millions of yen)	680,762	753,793
Equity ratio (%)	51.2	54.3
Equity per share (yen)	3,207.79	3,553.98

Reference: Total Shareholders' Equity at -FY2024; 679,923million yen

-FY2023; 752,777million yen

*This consolidated financial statement is outside the scope of annual audit procedure.

*Appropriate Use of Forecast and Other Information and Other Matters

(Notes with regard to the forecast)

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. For matters concerning the above forecast, please see page 8.

(Supplementary Materials for the Financial Results)

Supplementary materials (Financial Results for FY2024) will be published on TD-net for viewing in Japan, and on our Website.

(Attached Documents)

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Qualitative Information and Financial Statements

1. Operating Results

(1) Analysis of Operating Results

Operating results for FY2024

The AGC Group formulated the long-term management strategy “Vision 2030” in February 2021. Under the strategy, the Group aims to enhance corporate value by transforming the business portfolio into an optimal one, with the “core business” as a long-term, stable revenue base and the “strategic business” as a high growth field. In February 2024, to ensure the realization of the long-term management strategy “Vision 2030,” the Group formulated a medium-term management plan **AGC plus-2026** covering 2024 to 2026 to follow the previous medium-term management plan **AGC plus-2023**. The key strategies under the plan are evolution of “ambidextrous strategy” to exploit core businesses and explore strategic businesses, acceleration of sustainability management and DX (digital transformation), and strengthening of the management foundations.

During the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024), the AGC Group decided to construct a new production facility in Japan for fluorinated ion-exchange membranes suitable for producing green hydrogen. At the same time, the Group is steadily shifting toward the optimal business portfolio, such as by completing the transfer of its architectural glass and automotive businesses in Russia.

During the fiscal year ended December 31, 2024, the global economy surrounding the AGC group showed signs of recovery, but the future remained uncertain due to factors including the stagnation of the Chinese economy, continued high interest rates in Europe and the United States, the energy situation in Europe, the situation in the Middle East, and the outcome of presidential and general elections in major countries.

As for strategic businesses, shipments of photomask blanks for EUV lithography and other products in the electronics business were strong. As for core businesses, in the display business, both shipments and sales prices for glass substrates for TFT-LCD increased. In the architectural glass business, sales prices fell in Europe, and there was also a decrease in revenue due to the transfer of the Russian business. Shipments of automotive glass by the Group decreased due to a decline in automobile production volume, particularly in Japan. Furthermore, in the essential chemicals business, sales prices of caustic soda and polyvinyl chloride resins declined.

As a result, net sales amounted to ¥2,067.6 billion, up ¥48.3 billion, or a 2.4% increase year on year. Operating profit decreased by ¥2.9 billion, or 2.3%, to ¥125.8 billion, due to the aforementioned factors causing a decline in sales and deterioration in cost efficiency in the Automotive and Life Science segments. Profit before tax decreased by ¥172.8 billion to a loss of ¥50.1 billion (profit before tax for the previous year was ¥122.8 billion). This decline reflects recording of other expenses including a loss on the sale of shares of subsidiaries and associates in line with the transfer of the Russian business and impairment losses in Life Science (biopharmaceutical CDMO). Profit for the year attributable to owners of the parent decreased by ¥159.8 billion to a loss of ¥94 billion (profit attributable to owners of the parent for the previous year was ¥65.8 billion).

Overview by reportable segment

(Unit: billions of yen)

	Net sales		Operating profit	
	FY2024	FY2023	FY2024	FY2023
Architectural Glass	438.0	476.3	16.4	32.8
Automotive	498.8	499.7	13.9	21.8
Electronics	364.5	313.2	54.5	18.4
Chemicals	593.6	574.1	56.8	64.8
Life Science	141.2	126.8	(21.2)	(12.4)
Ceramics/Other	79.1	83.4	5.1	3.3
Corporate or elimination	(47.7)	(54.2)	0.4	0.1
Total	2,067.6	2,019.3	125.8	128.8

Note: Figures are rounded to the nearest 100 million yen.

- Architectural Glass

In Europe & Americas, net sales decreased year on year due to a lower sales prices in Europe compounded by a decline in sales following the transfer of the Russian business, despite the positive impact of foreign exchange rates. In Asia, net sales remained at the same level as the previous fiscal year due to the positive impact of foreign exchange rates, despite decrease in shipments. As a result, net sales of Architectural Glass segment for the fiscal year were ¥438 billion, down ¥38.3 billion, or an 8.0% decrease, from the previous fiscal year. Operating profit decreased by ¥16.4 billion (50.0%), to ¥16.4 billion, due to the aforementioned factors, despite a decline in raw material and fuel prices.

- Automotive

Net sales remained at the same level as the previous fiscal year due to the positive impact of foreign exchange rates and other factors, despite a decrease in Group's shipments as the automobile production decreased mainly in Japan and Europe. As a result, net sales of the Automotive segment for the fiscal year were ¥498.8 billion, down ¥0.9 billion, or a 0.2% decrease, from the previous fiscal year. Operating profit decreased by ¥7.9 billion (36.1%) to ¥13.9 billion due to a deterioration in manufacturing costs, mainly due to production and shipping issues in the U.S.

- Electronics

Display net sales increased year on year thanks to an increase in shipments of glass substrates for TFT-LCD and revise pricing policy. Electronic Materials net sales increased year on year due to an increase in shipments of photomask blanks for EUV lithography and other semiconductor-related materials and higher shipments of optoelectronic materials as well as the impact of foreign exchange rates. As a result, net sales of the Electronics segment for the fiscal year were ¥364.5 billion, up ¥51.4 billion, or 16.4% increase, from the previous fiscal year. Operating profit increased by ¥36.1 billion (196.8%), to ¥54.5 billion.

- Chemicals

Essential Chemicals net sales were on par with the previous year owing to lower sales prices for caustic soda and PVC, despite the positive impact of foreign exchange rates. Performance Chemicals net sales rose year on year thanks to the impact of higher sales prices and foreign exchange rates. As a result, net sales of Chemicals segment for the fiscal year were ¥593.6 billion, up ¥19.5 billion, or a 3.4% increase, from the previous fiscal year. Operating profit decreased by ¥8.0 billion (12.4%) to ¥56.8 billion due to factors such as a decline in sales prices for Essential Chemicals and reduced operations due to production issues.

- Life Science

Despite a decrease in revenue due to the disappearance of special demand for COVID-19-related products, net sales increased due to the positive impact of foreign exchange rates, one-off revenues associated with the settlement of contracted projects, and an increase in contracted projects. As a result, net sales of Life Science segment for the fiscal year were ¥141.2 billion, up ¥14.4 billion, or an 11.4% increase, from the previous fiscal year. Operating profit decreased by ¥8.8 billion, to a loss of ¥21.2 billion, owing to factors including upfront expenses associated with capacity expansion for the biopharmaceuticals CDMO.

The main products and services of each reportable segment are as follows.

Reportable segment	Main products and services
Architectural Glass	Architectural figured glass, Architectural processing glass (Insulating glass, Toughened glass, Laminated glass)
Automotive	Automotive glass, Cover glass for car-mounted displays
Electronics	Display Glass substrates for TFT-LCD/OLED, Specialty Glass for displays Electronic Materials Materials for semiconductor, Optical materials

Reportable segment	Main products and services
Chemicals	Essential Chemicals Caustic soda, Polyvinyl chloride, Urethane Performance Chemicals Fluorinated resins (Polymers, Gases, Solvents), Iodine-related products
Life Science	CDMO services for small molecule pharmaceuticals, agrochemicals, biopharmaceuticals Intermediates and Active Ingredients of synthetic pharmaceutical and agrochemical

In addition to the above products, the AGC Group also handles ceramics products, logistics/financial services, etc.

(2) Qualitative Information Regarding Consolidated Financial Position

Overview of financial conditions

(Unit: billions of yen)

	FY2024	FY2023	Change
Total assets	2,889.7	2,933.0	(43.3)
Total liabilities	1,218.0	1,278.7	(60.7)
Total equity	1,671.7	1,654.3	17.4

Note: Figures are rounded to the nearest 100 million yen.

- Total assets

Total assets as of the end of the fiscal year under review were ¥2,889.7 billion, down ¥43.3 billion from the end of the previous fiscal year. This was mainly due to decreases in goodwill, cash and cash equivalents and intangible assets while property, plant and equipment increased.

- Total liabilities

Total liabilities as of the end of the fiscal year under review were ¥1,218.0 billion, down ¥60.7 billion from the end of the previous fiscal year. This was mainly due to a decrease in interest-bearing debt.

- Total equity

Total equity as of the end of the fiscal year under review was ¥1,671.7 billion, up ¥17.4 billion from the end of the previous fiscal year. This was mainly due to increases in exchange differences on translation of foreign operations and non-controlling interests while retained earnings decreased.

Overview of cash flows

(Unit: billions of yen)

	FY2024	FY2023	Change
Cash flows from operating activities	284.8	212.5	72.3
Cash flows from investing activities	(195.6)	(179.8)	(15.8)
Cash flows from financing activities	(131.9)	(108.0)	(23.9)
Cash & cash equivalents as of end of period	108.0	146.1	(38.1)

Note: Figures are rounded to the nearest 100 million yen.

The free cash flow for the fiscal year under review, which is the sum of cash flows from operating activities and investing activities, was 89.2 billion yen (positive 32.8 billion yen in the previous year) mainly due to operating profit and proceeds from sale of other financial assets. On the other hand, there were repayment of interest-bearing debt and payment of dividends in cash flows from financing activities. Cash & cash equivalents as of the end of the period (net cash) decreased 38.1 billion yen or 26.1% from the end of the previous year to 108.0 billion yen.

- Cash flows from operating activities

Net cash from operating activities for the fiscal year under review was 284.8 billion yen, up 72.3 billion yen or 34.0% from the previous year.

- Cash flows from investing activities

Net cash used in investing activities for the fiscal year under review was 195.6 billion yen, up 15.8 billion yen or 8.8% from the previous year. This expenditure was mainly due to purchase of property, plant and equipment.

- Cash flows from financing activities

Net cash used in financing activities for the fiscal year under review was 131.9 billion yen, up 23.9 billion yen or 22.2% from the previous year. This expenditure was mainly due to repayment of interest-bearing debt and payment of dividends.

- Cash flow indices

	FY2023	FY2024
Equity attributable to owners of the parent ratio (%)	49.3	49.7
Equity attributable to owners of the parent ratio based on market value (%)	37.9	34.0
Number of years for debt redemption	3.3	2.3
Interest coverage ratio	12.0	16.9

(Notes) Equity attributable to owners of the parent ratio (%): Total equity attributable to owners of the parent / Total Assets

Equity attributable to owners of the parent ratio based on market value (%): Total market capitalization / Total Assets

Number of years for debt redemption: Interest-bearing debts/operating cash flows

Interest coverage ratio: Operating cash flows/interest payment

- All indices were computed using consolidated financial figures.
- Total market capitalization was computed based on the closing stock price at period-end multiplied by number of outstanding shares at period-end (after deducting treasury shares).
- Operating cash flows represent cash flows from operating activities on the consolidated statements of cash flows.
- Interest-bearing debts represent all debts on the consolidated financial position for which interest is paid. In addition, interest payment represents amount of interest paid on the consolidated statements of cash flows.

(3) Forecast for FY2025

Operating forecast for FY2025

(Unit: billions of yen)

	Net Sales	Operating profit	Profit before tax	Profit for the year	Profit for the year attributable to owners of the parent
FY 2025 (January 1 through December 31, 2025)	2,150.0	150.0	135.0	98.0	80.0
FY 2024 (January 1 through December 31, 2024)	2,067.6	125.8	(50.1)	(77.9)	(94.0)
Change (%)	4.0	19.2	-	-	-

Note: Figures are rounded to the nearest 100 million yen.

Although the rate of global economic growth in 2025 is expected to remain stable overall, the economic environments surrounding the AGC Group, including Europe and China, are expected to remain generally severe. We need to keep a close eye on the impacts of factors such as the stagnation of the Chinese real estate market, the energy situation in Europe, the situation in the Middle East, and future policy trends in the United States.

In such an environment, the outlook for each business is as follows.

- Architectural Glass

In the category of Architectural Glass, economic slowdown in Europe continues to have a negative impact. In Asia, the shipments are expected to be robust, underpinned by demand for highly heat shielding/insulating glass.

- Automotive

Automobile production is expected to be robust in Asia but decrease in Europe and the U.S. The Group's shipments overall are expected to be at the same level as the previous year. In addition to resolving production and shipping issues in the U.S., profitability is expected to improve due to progress of ongoing earnings improvement measures.

- Electronics

Within the display business, revenue from glass substrates for TFT-LCD are expected to improve thanks to the promotion of revenue improvement measures as well as robust demand. In the category of electronic materials, shipments of semiconductor-related materials such as photomask blanks for EUV lithography are expected to increase. Shipments of optoelectronics materials are expected to decline slightly.

- Chemicals

Shipments of Essential Chemicals are expected to increase as expanded facilities begin operation. Shipments of Performance Chemicals are expected to increase due to increased demand for fluorine-related products for semiconductors and transportation equipment.

- Life Science

Within Life Science, net sales in the small molecule pharmaceuticals and agrochemicals CDMO are expected to remain at the same level as the previous fiscal year. In the biopharmaceuticals CDMO, net sales are expected to increase due to an increase in contract projects, despite the impact of the disappearance of one-off revenues associated with the settlement of contracted projects. In addition, profits are expected to improve due to an increase in contract projects and the effects of structural reform measures in the biopharmaceuticals CDMO.

Taking into account the above factors, net sales of the AGC Group for the fiscal year ending December 31, 2025 are forecasted to be ¥2,150.0 billion, up ¥82.4 billion, or a 4.0% increase from the previous fiscal year, and operating profit is forecasted to be ¥150.0 billion, up ¥24.2 billion, or a 19.2% increase from the previous fiscal year. Profit before tax will be ¥135.0 billion, up 185.1 billion from the previous fiscal year, and profit for the year attributable to owners of the parent is estimated to be ¥80.0 billion, up 174.0 billion from the previous fiscal year. The average exchange rates assumed for the fiscal year ending December 31, 2025 are ¥150 to the U.S. dollar and ¥160 to the Euro.

Forecast of financial conditions for FY2025

Of the funds provided by operating activities, profit before tax is expected to increase by ¥185.1 billion year on year to ¥135.0 billion, and depreciation expenses are expected to increase by ¥5.7 billion year on year to ¥187.0 billion.

Of the funds used in investing activities, capital investments are planned to decrease by ¥17.5 billion from the previous fiscal year to ¥240 billion.

In terms of financial activities, the AGC Group plan to pay dividends based on the Group's dividend policy, as well as repay interest-bearing liabilities and take out loans.

(4) Allocation and Distribution of Profits and Dividends

With the goal of providing stable shareholder returns, the AGC Group has adopted the DOE (dividend on equity) ratio as an indicator of shareholder returns, which is less affected by single-year business results. While maintaining financial soundness, we will prioritize the use of cash generated from business activities for capital investment in strategic businesses and other areas necessary for future growth, M&A, R&D, etc., and in terms of returns to shareholders, we will maintain stable dividends with a target dividend on DOE of around 3%, taking into consideration factors such as the consolidated business performance for the current fiscal year and future capital needs. Regarding purchase of treasury shares, we will make a comprehensive decision taking into account comparisons with other investment projects, equity efficiency and financial position.

Based on this policy, we paid a dividend of ¥105 per share at the end of the second quarter (interim dividend) for the current fiscal year, and plan to pay a final dividend of ¥105 per share, as previously forecast.

Regarding the next fiscal year (ending December 2025), taking into consideration the the AGC Group's financial forecasts, etc., we plan to pay an interim dividend of ¥105 per share and a final dividend of ¥105 per share.

[Important notes with regard to the forecast]

The above prospective results reflect the judgment of the Group's management on the basis of currently available information and, as such, contain risks and uncertainties. For this reason, investors are recommended 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.

2. Basic Policy for adopting Accounting Standards

The AGC Group adopted International Financial Reporting Standards (IFRS) for its consolidated financial statements, starting with the annual financial statements for the fiscal year ending December 31, 2013, with the aim of increasing international comparability of financial information, offering greater convenience for domestic or foreign investors and enhancing the efficiency of the Group's management.

3. Consolidated Financial Statements (IFRS)

(1) Consolidated Statements of Financial Position

(Unit: millions of yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	146,061	107,988
Trade receivables	338,850	332,442
Inventories	454,056	454,143
Other receivables	60,530	58,221
Income tax receivables	18,098	16,556
Other current assets	24,280	25,103
(Subtotal)	1,041,878	994,455
Assets held for sale	-	6,815
Total current assets	1,041,878	1,001,270
Non-current assets		
Property, plant and equipment	1,457,950	1,550,862
Goodwill	101,130	49,774
Intangible assets	72,093	52,291
Investments accounted for using equity method	27,633	30,521
Other financial assets	83,269	68,798
Deferred tax assets	39,677	39,019
Other non-current assets	109,357	97,127
Total non-current assets	1,891,112	1,888,395
Total assets	2,932,991	2,889,665

(Unit: millions of yen)

	As of December 31, 2023	As of December 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	206,566	201,803
Short-term interest-bearing debt	121,637	129,940
Long-term interest-bearing debt due within one year	127,810	109,921
Other payables	216,240	214,523
Income tax payables	14,051	21,376
Provisions	1,997	1,361
Other current liabilities	28,994	21,183
(Subtotal)	717,298	700,110
Liabilities associated with assets held for sale	-	8,661
Total current liabilities	717,298	708,771
Non-current liabilities		
Long-term interest-bearing debt	445,561	409,876
Deferred tax liabilities	37,869	22,865
Post-employment benefit liabilities	50,026	51,370
Provisions	10,973	12,883
Other non-current liabilities	16,922	12,199
Total non-current liabilities	561,354	509,196
Total liabilities	1,278,652	1,217,967
Equity		
Share capital	90,873	90,873
Capital surplus	97,056	95,781
Retained earnings	872,547	744,766
Treasury shares	(27,338)	(26,767)
Other components of equity	413,941	531,134
Total equity attributable to owners of the parent	1,447,080	1,435,787
Non-controlling interests	207,258	235,909
Total equity	1,654,338	1,671,697
Total liabilities and equity	2,932,991	2,889,665

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

(Unit: millions of yen)

	FY2023 (Jan. 1 through Dec. 31, 2023)	FY2024 (Jan. 1 through Dec. 31, 2024)
Net sales	2,019,254	2,067,603
Cost of sales	(1,537,897)	(1,568,552)
Gross profit	481,356	499,050
Selling, general and administrative expenses	(354,559)	(375,676)
Share of profit (loss) of associates and joint ventures accounted for using equity method	1,981	2,461
Operating profit	128,779	125,835
Other income	19,535	17,233
Other expenses	(20,036)	(187,747)
Business profit (loss)	128,277	(44,678)
Finance income	13,735	11,986
Finance costs	(19,237)	(17,358)
Net finance income (costs)	(5,502)	(5,372)
Profit (loss) before tax	122,775	(50,050)
Income tax expenses	(40,291)	(27,873)
Profit (loss) for the year	82,484	(77,924)
Attributable to:		
Owners of the parent	65,798	(94,042)
Non-controlling interests	16,685	16,118
Earnings per share		
Basic earnings (loss) per share (yen)	304.73	(443.71)
Diluted earnings (loss) per share (yen)	304.01	(443.71)

(Consolidated Statements of Comprehensive Income)

(Unit: millions of yen)

	FY2023 (Jan. 1 through Dec. 31, 2023)	FY2024 (Jan. 1 through Dec. 31, 2024)
Profit (loss) for the year	82,484	(77,924)
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax		
Remeasurements of defined benefit plans	19,979	(5,682)
Net change in revaluation of financial assets measured at FVTOCI ^(Note)	9,809	4,430
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(6)	(8)
Total	29,783	(1,259)
Components of other comprehensive income that will be reclassified to profit or loss, net of tax		
Cash flow hedges	(8,366)	5,518
Exchange differences on translation of foreign operations	77,733	144,577
Total	69,366	150,095
Other comprehensive income, net of tax	99,150	148,836
Total comprehensive income for the year	181,634	70,911
Attributable to:		
Owners of the parent	152,463	34,199
Non-controlling interests	29,170	36,711

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

(3) Consolidated Statements of Changes in Equity
FY2023 (Jan. 1 through Dec. 31, 2023)

(Unit: millions of yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurements of defined benefit plans	Net change in revaluation of financial assets measured at FVTOCI ^(Note)
Balance as of January 1, 2023	90,873	97,094	889,827	(26,586)	9,405	27,294
Changes in equity						
Comprehensive income						
Profit for the year	-	-	65,798	-	-	-
Other comprehensive income	-	-	-	-	20,331	9,792
Total comprehensive income for the year	-	-	65,798	-	20,331	9,792
Transactions with owners						
Dividends	-	-	(45,982)	-	-	-
Acquisition of treasury shares	-	-	-	(50,021)	-	-
Disposal of treasury shares	-	-	(257)	661	-	-
Cancellation of treasury shares	-	-	(48,608)	48,608	-	-
Changes in ownership interests in subsidiaries that do not result in loss of control	-	(108)	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	11,769	-	-	(11,769)
Share-based payment transactions	-	82	-	-	-	-
Others (business combinations and others)	-	(12)	-	-	-	-
Total transactions with owners	-	(37)	(83,078)	(752)	-	(11,769)
Balance as of December 31, 2023	90,873	97,056	872,547	(27,338)	29,737	25,317

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

FY2023 (Jan. 1 through Dec. 31, 2023)

(Unit: millions of yen)

	Equity attributable to owners of the parent			Total	Non-controlling interests	Total equity
	Other components of equity		Total			
	Cash flow hedges	Exchange differences on translation of foreign operations				
Balance as of January 1, 2023	2,321	300,024	339,046	1,390,254	195,335	1,585,590
Changes in equity						
Comprehensive income						
Profit for the year	-	-	-	65,798	16,685	82,484
Other comprehensive income	(8,489)	65,029	86,664	86,664	12,485	99,150
Total comprehensive income for the year	(8,489)	65,029	86,664	152,463	29,170	181,634
Transactions with owners						
Dividends	-	-	-	(45,982)	(16,097)	(62,080)
Acquisition of treasury shares	-	-	-	(50,021)	-	(50,021)
Disposal of treasury shares	-	-	-	404	-	404
Cancellation of treasury shares	-	-	-	-	-	-
Changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	(108)	(1,150)	(1,258)
Transfer from other components of equity to retained earnings	-	-	(11,769)	-	-	-
Share-based payment transactions	-	-	-	82	-	82
Others (business combinations and others)	-	-	-	(12)	-	(12)
Total transactions with owners	-	-	(11,769)	(95,638)	(17,248)	(112,886)
Balance as of December 31, 2023	(6,167)	365,053	413,941	1,447,080	207,258	1,654,338

FY2024 (Jan. 1 through Dec. 31, 2024)

(Unit: millions of yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurements of defined benefit plans	Net change in revaluation of financial assets measured at FVTOCI ^(Note)
Balance as of January 1, 2024	90,873	97,056	872,547	(27,338)	29,737	25,317
Changes in equity						
Comprehensive income						
Profit(loss) for the year	-	-	(94,042)	-	-	-
Other comprehensive income	-	-	-	-	(5,815)	4,418
Total comprehensive income for the year	-	-	(94,042)	-	(5,815)	4,418
Transactions with owners						
Dividends	-	-	(44,567)	-	-	-
Acquisition of treasury shares	-	-	-	(1,263)	-	-
Disposal of treasury shares	-	-	(220)	1,833	-	-
Changes in ownership interests in subsidiaries that do not result in loss of control	-	5	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	11,048	-	-	(11,048)
Share-based payment transactions	-	(1,269)	-	-	-	-
Others (business combinations and others)	-	(10)	-	-	-	-
Total transactions with owners	-	(1,275)	(33,739)	570	-	(11,048)
Balance as of December 31, 2024	90,873	95,781	744,766	(26,767)	23,921	18,687

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

FY2024 (Jan. 1 through Dec. 31, 2024)

(Unit: millions of yen)

	Equity attributable to owners of the parent			Total	Non- controlling interests	Total equity
	Other components of equity		Total			
	Cash flow hedges	Exchange differences on translation of foreign operations				
Balance as of January 1, 2024	(6,167)	365,053	413,941	1,447,080	207,258	1,654,338
Changes in equity						
Comprehensive income						
Profit(loss) for the year	-	-	-	(94,042)	16,118	(77,924)
Other comprehensive income	5,670	123,969	128,242	128,242	20,593	148,836
Total comprehensive income for the year	5,670	123,969	128,242	34,199	36,711	70,911
Transactions with owners						
Dividends	-	-	-	(44,567)	(8,035)	(52,602)
Acquisition of treasury shares	-	-	-	(1,263)	-	(1,263)
Disposal of treasury shares	-	-	-	1,612	-	1,612
Changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	5	(25)	(19)
Transfer from other components of equity to retained earnings	-	-	(11,048)	-	-	-
Share-based payment transactions	-	-	-	(1,269)	-	(1,269)
Others (business combinations and others)	-	-	-	(10)	-	(10)
Total transactions with owners	-	-	(11,048)	(45,492)	(8,060)	(53,552)
Balance as of December 31, 2024	(497)	489,023	531,134	1,435,787	235,909	1,671,697

(4) Consolidated Statements of Cash Flows

(Unit: millions of yen)

	FY2023 (Jan. 1 through Dec. 31, 2023)	FY2024 (Jan. 1 through Dec. 31, 2024)
Cash flows from operating activities		
Profit (loss) before tax	122,775	(50,050)
Depreciation and amortization	175,346	181,273
Impairment losses	605	124,774
Interest and dividend income	(13,728)	(11,473)
Interest expenses	17,842	16,619
Share of profit (loss) of associates and joint ventures accounted for using equity method	(1,981)	(2,461)
Loss (gain) on sale or disposal of fixed assets	4,153	4,273
Decrease (increase) in trade receivables	(8,708)	13,850
Decrease (increase) in inventories	(88)	7,939
Increase (decrease) in trade payables	(19,154)	(12,368)
Others	9,594	49,777
Subtotal	286,656	322,153
Interest and dividends received	14,192	13,732
Interest paid	(17,726)	(16,893)
Income taxes refund (paid)	(70,575)	(34,177)
Cash flows from operating activities	212,546	284,815
Cash flows from investing activities		
Purchase of property, plant and equipment, and intangible assets	(213,531)	(242,359)
Proceeds from sale of property, plant and equipment	3,265	4,141
Purchase of other financial assets	(2,264)	(636)
Proceeds from sale and redemption of other financial assets	35,026	24,663
Purchase of subsidiaries and associates or other businesses	-	(887)
Proceeds from sale of subsidiaries and associates or other businesses	1,786	22,121
Others	(4,073)	(2,627)
Cash flows from investing activities	(179,790)	(195,583)
Cash flows from financing activities		
Changes in short-term interest-bearing debt	47,307	3,495
Proceeds from borrowing or issuing long-term interest-bearing debt	99,636	95,645
Repayment or redemption of long-term interest-bearing debt	(137,645)	(178,152)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(5,136)	(12)
Proceeds from non-controlling interests	518	526
Acquisition of treasury shares	(50,021)	(1,262)
Dividends paid	(45,982)	(44,567)
Dividends paid to non-controlling interests	(16,904)	(8,477)
Others	208	855
Cash flows from financing activities	(108,021)	(131,949)
Effect of exchange rate changes on cash and cash equivalents	11,610	5,350
Net changes in cash and cash equivalents resulting from transfer to assets held for sale	-	(707)
Net increase (decrease) in cash and cash equivalents	(63,654)	(38,073)
Cash and cash equivalents at the beginning of the year	209,716	146,061
Cash and cash equivalents at the end of the year	146,061	107,988

(5) Notes regarding assumption of a going concern

Not applicable

(6) Notes to the Consolidated Financial Statements

1) Basis of Preparation

The Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), based on the stipulations of Article 312 of the Ordinance on Consolidated Financial Statements. The Group's consolidated financial statements satisfy all of the requirements for a "Specified Company" prescribed by Article 1-2 of the Ordinance on Consolidated Financial Statements.

2) Changes in Accounting Policies

The material accounting policies adopted for the Group's Consolidated Financial Statements are the same as those for the Consolidated Financial Statements for the fiscal year ended December 31, 2023, with the exception of the items described below.

The following are the accounting standards applied by the Group from fiscal year 2024. The effect of the application of the following standards on the Group's Consolidated Financial Statements is immaterial.

IFRS	Title	Summaries of new IFRS and amendments
IFRS 16 (amended in September 2022)	Leases	Leases Liability in a Sale and Leaseback
IAS 1 (amended in July 2020)	Presentation of Financial Statements	Classification of Liabilities as Current or Non-current
IAS 1 (amended in October 2022)	Presentation of Financial Statements	Non-current Liabilities with Covenants
IAS 7 (amended in May 2023)	Statement of Cash Flows	Supplier Finance Arrangements
IFRS 7 (amended in May 2023)	Financial Instruments: Disclosures	Supplier Finance Arrangements

3) Material Accounting Policies

"Operating profit" in the Group's consolidated statements of profit or loss is an indicator that facilitates like-on-like comparisons and evaluation of the Group's business performance on a continuous basis. Main items of "other income" and "other expenses" are foreign exchange gain and loss, gains on sale of fixed assets, losses on disposal of fixed assets, impairment loss and expenses for restructuring programs. "Business profit" includes all income and expenses before finance income, finance costs and income tax expenses.

4) Changes in Accounting Estimates

Change in significant accounting estimates in consolidated financial statements for the fiscal year 2024 is as follow

(Impairment losses)

In the fiscal year 2024, for AGC Biologics, Inc., which engages in contract development and manufacturing of biopharmaceutical active ingredients and gene and cell therapeutics and is included in the Life Science segment, operating profit has deteriorated mainly due to a delayed recovery in demand in the market for biopharmaceutical active ingredients and gene and cell therapeutics from a decrease in capital inflows to biotech ventures. Other indications of impairment have also been confirmed for the cash-generating unit to which the related property, plant and equipment, intangible assets, and goodwill belong (including associated liabilities) owing to a significant decrease in future order and facility utilization prospects. As a result of conducting an impairment test, the recoverable amount calculated based on the value in use, which is based on the five-year business plan of AGC Biologics, Inc., was less than the carrying amount of the cash-generating unit. Consequently, the Company recognized an impairment loss of 70,410 million yen (including 12,756 million yen for goodwill and 57,654 million yen for property, plant and equipment and intangible assets). The discount rate (pre-tax) used to determine the outcome of the impairment test was 16%. In addition, in the fiscal year 2024, for AGC Biologics, A/S, which engages in contract development and manufacturing of biopharmaceutical active ingredients and is included in the Life Science segment, operating profit has deteriorated owing primarily to a delayed recovery in demand in the market for biopharmaceutical active ingredients from a decrease in capital

inflows to biotech startups as well as delays in the launch of new lines and increased operating costs, and such increased operating costs are expected to continue in the future. There are indications of impairment for the cash-generating unit to which the related property, plant and equipment, intangible assets, and goodwill belong (including associated liabilities). As a result of conducting an impairment test, an impairment loss of 28,904 million yen was recognized for goodwill because the recoverable amount calculated based on the value in use, which is based on the five-year business plan of AGC Biologics, A/S, was less than the carrying amount of the cash-generating unit. The discount rate (pre-tax) used to determine the outcome of the impairment test was 15%.

Furthermore, in the fiscal year 2024, for AGC Biologics, S. p. A., which engages in contract development and manufacturing of gene and cell therapeutics and is included in the Life Science segment, operating profit has deteriorated mainly due to a delayed recovery in demand in the market for gene and cell therapeutics. Other indications of impairment have also been confirmed for the cash-generating unit to which the related property, plant and equipment, intangible assets, and goodwill belong (including associated liabilities) owing to a decrease in future order prospects. As a result of conducting an impairment test, an impairment loss of 18,980 million yen was recognized for goodwill because the recoverable amount calculated based on the value in use, which is based on the five-year business plan of AGC Biologics, S. p. A., was less than the carrying amount of the cash-generating unit. The discount rate (pre-tax) used to determine the outcome of the impairment test was 20%.

5) 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 has six in-house companies by product and service: Architectural Glass Europe & Americas, Architectural Glass Asia Pacific, Automotive, Electronics, Chemicals, and Life Science. Each in-house company operates worldwide, formulating comprehensive domestic and overseas strategies for its products and services.

In addition, the Architectural Glass Europe & Americas and Architectural Glass Asia Pacific companies are considered to share economic characteristics, because they are united in their efforts to share information on technological development and production related to float and architectural processing, to create social value of GHG reduction and product contribution to climate change issues, and to take a common commitment for long-term profitability indicators and others, and they have similarities in products and sales markets.

Thus, the Group has five reportable segments: Architectural Glass, Automotive, Electronics, Chemicals and Life Science.

The main products and services of each reportable segment are as follows.

Reportable segment	Main products and services
Architectural Glass	Architectural figured glass, Architectural processing glass (Insulating glass, Toughened glass, Laminated glass)
Automotive	Automotive glass, Cover glass for car-mounted displays
Electronics	Display Glass substrates for TFT-LCD/OLED, Specialty Glass for displays Electronic Materials Materials for semiconductor, Optical materials
Chemicals	Essential Chemicals Caustic soda, Polyvinyl chloride, Urethane Performance Chemicals Fluorinated resins (Polymers, Gases, Solvents), Iodine-related products
Life Science	CDMO services for small molecule pharmaceuticals, agrochemicals, biopharmaceuticals Intermediates and Active Ingredients of synthetic pharmaceutical and agrochemical

FY2023 (Jan.1 through Dec.31, 2023)

(Unit: millions of yen)

	Reportable segments					Ceramics/ Others	Total	Adjustments	Amount reported on consolidated financial statements
	Architectural Glass	Automotive	Electronics	Chemicals	Life Science				
Sales to external customers	474,646	499,392	311,964	569,652	123,933	39,665	2,019,254	-	2,019,254
Inter-segment sales	1,648	316	1,204	4,466	2,882	43,713	54,231	(54,231)	-
Total sales	476,295	499,708	313,168	574,119	126,815	83,378	2,073,486	(54,231)	2,019,254
Segment profit (loss) (Operating profit)	32,763	21,786	18,352	64,769	(12,378)	3,346	128,640	138	128,779
Profit (loss) for the year	-	-	-	-	-	-	-	-	82,484
Other items									
Depreciation and amortization	24,423	31,875	53,182	50,072	13,852	2,115	175,523	(176)	175,346
Impairment losses (Non-financial assets)	-	1,895	6,780	34	-	-	8,709	-	8,709
Capital expenditures	24,701	26,250	51,438	87,720	39,870	1,829	231,811	(95)	231,715
Investments accounted for using equity method	14,375	5,941	1,421	4,466	-	1,428	27,633	-	27,633

The amounts of inter-segment sales are primarily based on market prices and manufacturing cost.

Ceramics/Others mainly handles ceramics products, logistics and financial services.

Moreover, the above amounts of impairment losses (non-financial assets) include the amounts of impairment losses recorded as expenses for restructuring programs.

FY2024 (Jan.1 through Dec.31, 2024)

(Unit: millions of yen)

	Reportable segments					Ceramics/ Others	Total	Adjustments	Amount reported on consolidated financial statements
	Architectural Glass	Automotive	Electronics	Chemicals	Life Science				
Sales to external customers	435,575	498,568	362,752	589,727	137,326	43,652	2,067,603	-	2,067,603
Inter-segment sales	2,412	225	1,793	3,888	3,891	35,478	47,689	(47,689)	-
Total sales	437,987	498,794	364,545	593,615	141,218	79,131	2,115,293	(47,689)	2,067,603
Segment profit (loss) (Operating profit)	16,367	13,917	54,473	56,764	(21,158)	5,118	125,484	350	125,835
Profit (loss) for the year	-	-	-	-	-	-	-	-	(77,924)
Other items									
Depreciation and amortization	24,933	32,441	53,151	53,453	15,674	1,790	181,445	(171)	181,273
Impairment losses (Non-financial assets)	0	-	6,389	90	118,495	-	124,975	-	124,975
Capital expenditures	33,809	35,472	40,561	108,197	35,768	3,692	257,502	(43)	257,458
Investments accounted for using equity method	16,645	6,391	1,203	4,862	-	1,418	30,521	-	30,521

The amounts of inter-segment sales are primarily based on market prices and manufacturing cost.

Ceramics/Others mainly handles ceramics products, logistics and financial services.

Moreover, the above amounts of impairment losses (non-financial assets) include the amounts of impairment losses recorded as expenses for restructuring programs.

6) Notes to Consolidated Statements of Profit or Loss

Other Income

(Unit: millions of yen)

	FY2023 (Jan. 1 through Dec. 31, 2023)	FY2024 (Jan. 1 through Dec. 31, 2024)
Foreign exchange gain	8,583	10,393
Gains on sale of fixed assets	563	2,261
Gains on sale of shares of subsidiaries and associates	3,333	—
Others	7,054	4,579
Total	19,535	17,233

Other Expenses

(Unit: millions of yen)

	FY2023 (Jan. 1 through Dec. 31, 2023)	FY2024 (Jan. 1 through Dec. 31, 2024)
Losses on disposal of fixed assets	(4,717)	(6,534)
Impairment losses	(605)	(124,774)
Expenses for restructuring programs	(11,490)	(10,620)
Losses on sale of shares of subsidiaries and associates	—	(36,482)
Others	(3,224)	(9,336)
Total	(20,036)	(187,747)

The main contents of impairment losses during the year ended December 31, 2024 are described in 4) Changes in Accounting Estimates.

The total amount of impairment losses included in expenses for restructuring programs was 8,104 million yen during the year ended December 31, 2023 and 201 million yen during the year ended December 31, 2024. Expenses for restructuring programs during the year ended December 31, 2023 includes 7,890 million yen incurred in relation to the termination of the production of LCD glass substrate products at Kansai Plant (Takasago Factory) in Japan.

Losses on sale of shares of subsidiaries and associates during the year ended December 31, 2024 includes a loss of 35,999 million yen from the transfer of Russian operations. The loss is mainly due to the reclassification adjustments on exchange differences on translation of foreign operations.

7) Earnings Per Share

Basic earnings per share

Basic earnings per share and the basis for calculating basic earnings per share are as follows:

	FY2023 (Jan. 1 through Dec. 31, 2023)	FY2024 (Jan. 1 through Dec. 31, 2024)
Profit (loss) for the year attributable to owners of the parent (millions of yen)	65,798	(94,042)
Weighted average number of ordinary shares outstanding (thousands of shares)	215,922	211,945
Basic earnings (loss) per share (yen)	304.73	(443.71)

Diluted earnings per share

Diluted earnings per share and the basis for calculating diluted earnings per share are as follows:

	FY2023 (Jan. 1 through Dec. 31, 2023)	FY2024 (Jan. 1 through Dec. 31, 2024)
Profit (loss) for the year attributable to owners of the parent (millions of yen)	65,798	(94,042)
Adjustments to profit or loss used to calculate diluted earnings per share (millions of yen)	-	-
Profit (loss) used to calculate diluted earnings per share (millions of yen)	65,798	(94,042)

Weighted average number of ordinary shares outstanding (thousands of shares)	215,922	211,945
Effects of dilutive potential ordinary shares		
Stock options based on subscription rights (thousands of shares)	516	-
Diluted weighted average number of ordinary shares outstanding (thousands of shares)	216,439	211,945

Diluted earnings (loss) per share (yen)	304.01	(443.71)
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In the fiscal year ended December 31, 2024, the exercise of stock options using the stock acquisition rights method reduced net loss per share, and as a result, potential ordinary shares have no dilution effect.

8) Notes on Significant Subsequent Events

No items to report