

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<br>March 31, 2021 |       | For the Three months ended<br>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<br>(as of March 31, 2021) | FY2020<br>(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<br>(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)**

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

(Unit: millions of yen)

|   | FY2020<br>(as of December 31, 2020) | FY2021 first quarter<br>(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<br>(as of December 31, 2020) | FY2021 first quarter<br>(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<br>ended March 31, 2020<br>(Jan. 1 through Mar. 31, 2020) | For the three months<br>ended March 31, 2021<br>(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<br>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<br>ended March 31, 2020<br>(Jan. 1 through Mar. 31, 2020) | For the three months<br>ended March 31, 2021<br>(Jan. 1 through Mar. 31, 2021) |
|--|--|--|
| Profit for the period  | 13,340   | 34,891   |
| Other comprehensive income   |  |  |
| Components of other comprehensive income that<br>will not be reclassified to profit or loss, net of tax      |  |  |
| Remeasurement of the net defined benefit liability<br>(asset)  | (15,426)   | 5,271  |
| Net gain (loss) on revaluation of financial assets<br>measured at FVTOCI <sup>(Note)</sup>                   | (20,699)   | 8,767  |
| Share of other comprehensive income of<br>associates and joint ventures accounted for using<br>equity method | 0  | 2  |
| Total  | (36,126)   | 14,041   |
| Components of other comprehensive income that<br>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<br>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<br>ended March 31, 2020<br>(Jan. 1 through Mar. 31, 2020) | For the three months<br>ended March 31, 2021<br>(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<br>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<br>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<br>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-<br>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<br>(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/<br>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)<br>(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/<br>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)<br>(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<br>ended March 31, 2020<br>(Jan. 1 through Mar. 31, 2020) | For the three months<br>ended March 31, 2021<br>(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<br>ended March 31, 2020<br>(Jan. 1 through Mar. 31, 2020) | For the three months<br>ended March 31, 2021<br>(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