

August 1, 2016  
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## Consolidated Financial Results for the Six Months ended June 30, 2016 (IFRS basis)

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

### 1. Financial results for the six months ended June 30, 2016 (January 1 through June 30, 2016)

#### (1) Consolidated operating results

	For the six months ended June 30, 2016		For the six months ended June 30, 2015	
	Millions of yen	%	Millions of yen	%
Net sales	624,949	(5.1)	658,583	(0.1)
Operating profit	39,884	16.5	34,226	32.1
Profit before tax	36,782	(33.5)	55,330	207.0
Profit for the period	29,128	(17.7)	35,412	478.6
Profit for the period attributable to owners of the parent	27,030	(20.5)	33,981	821.0
Total comprehensive income for the period	(118,496)	—	73,836	—
Basic earnings per share (yen)	23.38		29.40	
Diluted earnings per share (yen)	23.29		29.28	

#### (2) Consolidated financial position

	FY2016 second quarter (as of June 30, 2016)	FY2015 (as of December 31, 2015)
Total assets (millions of yen)	1,814,468	1,991,262
Total equity(millions of yen)	1,034,090	1,163,767
Equity attributable to owners of the parent (millions of yen)	970,042	1,094,172
Equity attributable to owners of the parent ratio (%)	53.5	54.9

### 2. Dividends

(Unit: yen)

	FY2015	FY2016	FY2016 (forecast)
End of first quarter	—	—	—
End of second quarter	9.00	9.00	—
End of third quarter	—	—	—
End of fiscal year	9.00	—	9.00
Total	18.00	—	18.00

Note: Revision of the forecast during this quarter: No

### 3. Forecast for FY2016 (January 1 through December 31, 2016)

	Full year	
	Millions of yen	%
Net sales	1,280,000	(3.5)
Operating profit	84,000	18.0
Profit before tax	54,000	(36.1)
Profit for the year	36,000	(22.2)
Profit for the year attributable to owners of the parent	30,000	(30.1)
Basic earnings per share (yen)	25.95	

Note : Revision of the forecast for FY2016 consolidated operating results from the latest official forecast: No

**\*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: No
- ii. Changes in accounting policies other than "i" above: No
- iii. Changes in accounting estimates: No

Note: For details, please refer to "2. Summary Information (Notes) (2) Changes in Accounting Policies, Changes in Accounting Estimates and Retrospective Restatements" on page 5.

(3) Number of shares issued (common stock)

i.	Number of shares issued (including treasury stock) at the end of the period	
	-FY2016 second quarter (as of June 30, 2016):	1,186,705,905
	-FY2015 (as of December 31, 2015):	1,186,705,905
ii.	Number of treasury stock at the end of the period	
	-FY2016 second quarter (as of June 30, 2016):	30,383,546
	-FY2015 (as of December 31, 2015):	30,665,148
iii.	Average number of shares issued during the period	
	-For the six months ended June 30, 2016:	1,156,184,553
	-For the six months ended June 30, 2015:	1,155,882,391

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

The above forecast is based on information available to the Company at the time of publication of this document and contains assumptions concerning uncertainties which might affect the AGC Group's future financial results. It is not intended to be a guarantee of future events, and may differ from actual results for various reasons. For matters concerning the above forecast, please see "(3) Explanation of the Forecast for Operating Results" in "1. Qualitative Information Regarding Financial Statements" in Attached Documents on page 4.

\*Supplementary Materials for the Quarterly Financial Results

Supplementary materials are available on our website.

**(Attached Documents)**

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## **1. Qualitative Information Regarding Financial Statements**

### **(1) Explanation of Operating Results**

#### **(i) Overview of consolidated business results for the six months ended June 30, 2016**

During the six months ended June 30, 2016, the global economic environment surrounding the Company and its consolidated subsidiaries (hereinafter collectively referred to as the “AGC Group” or simply as the “Group”) remained on a gradual recovery track on the whole, albeit weak in some regions. In Japan, the economy showed a gradual upward trend thanks to factors such as economic measures taken by the government, but uncertainty is clouding the country’s economic outlook. The European economy continued its gradual recovery and the economy in the United States was picking up along with increased consumer spending and other factors. In China and other emerging countries, economic growth was slowing down.

Under such a business environment, the AGC Group posted net sales of 624.9 billion yen for the period under review, down 33.6 billion yen or a 5.1% decrease from the corresponding period of the previous year, due to such reasons as the strong yen and lower sales in the display business. Operating profit increased by 5.7 billion yen or up 16.5 % year-on-year to 39.9 billion yen, owing to positive factors including a cost decrease mainly from the decline of raw materials and fuel prices, the price hike of architectural glass and the increased shipments of automotive glass. Profit before tax was 36.8 billion yen, down 18.5 billion yen or a 33.5% decrease on a year-on-year basis and Profit for the period attributable to owners of the parent was 27.0 billion yen, down 7.0 billion yen or a 20.5% decrease on a year-on-year basis. This result was mainly due to the impact of the income from revision of the defined benefit corporate pension plan posted during the six months ended June 30, 2015.

#### **(ii) Overview by reportable segment for the six months ended June 30, 2016**

##### **- Glass**

Shipments of architectural glass remained robust in Europe and North America and stayed at the same level as the same period of the previous year in Japan and other Asian countries. Sales decreased on a year-on-year basis, mainly affected by the strong yen, although selling prices increased in many regions.

In the automotive glass business, both shipments and sales increased from the same period of the previous year owing to increased auto production in Europe and North America. Consequently, AGC Group’s sales increased on a year-on-year basis.

As a result, net sales from the Glass Operations for the six months ended June 30, 2016 were 343.1 billion yen, up 1.3 billion yen or a 0.4% increase from the same period of the previous fiscal year. Operating profit was 15.8 billion yen, up 10.5 billion yen or a 199.3% increase mainly due to the increased selling prices of architectural glass products, the strong shipments of automotive glass, and the decline of raw materials and fuel prices.

##### **- Electronics**

Shipments of LCD glass substrates decreased from the same period of the previous fiscal year as affected by customers’ production adjustment. In addition, the selling prices of LCD glass substrates decreased year on year as well. Shipments of specialty glass for display applications decreased in the field of electric device applications on a year-on-year basis while the shipment volume for automotive use increased. Shipments of glass for solar power systems decreased. Regarding electronic materials, shipments of optoelectronics materials decreased on a year-on-year basis as affected by a slowdown of the smartphone market.

As a result, net sales from the Electronics Operations for the six months ended June 30, 2016 were 121.6 billion yen, down 25.1 billion yen or a 17.1% decrease, and operating profit was 9.6 billion yen, down 8.0 billion yen or a 45.3% decrease from the same period of the previous fiscal year.

##### **- Chemicals**

Sales of chlor-alkali products and urethane materials decreased from the same period of the previous fiscal year as affected by a decline in selling prices and the appreciation of the Japanese yen, although shipments in Southeast Asia increased. In the categories of fluorine products and specialty products, sales decreased year on year mainly because shipments of some products decreased and the Japanese yen remained strong.

As a result, net sales from the Chemicals Operations for the six months ended June 30, 2016 were 147.2 billion yen, down 10.2 billion yen or a 6.5% decrease from the same period of the previous fiscal year. Operating profit was 15.2 billion yen, up 2.5 billion yen or a 19.4% increase from the same period of the previous fiscal year, mainly due to the decline of raw materials and fuel prices.

The following table shows major products in each reportable segment.

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, etc.
Electronics	LCD 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, Lighting glass products, Laboratory glass, etc.
Chemicals	Raw materials for vinyl chloride polymer, Caustic soda, Urethane, Fluorinated resins, Water and oil repellents, Gases, Solvents, Pharmaceutical and agrochemical intermediates and active ingredients, Iodine-related products, etc.

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

## (2) Explanation of Financial Position

### - Total assets

Total assets as of the end of the second quarter under review were 1,814.5 billion yen, down 176.8 billion yen from the end of the previous fiscal year. Total assets decreased mainly because of a decrease in property, plant and equipment due to the appreciation of the yen compared to the end of the previous fiscal year, as well as a decrease in other financial assets resulting from a decline in listed stock prices.

### - Total liabilities

Total liabilities as of the end of the second quarter under review were 780.4 billion yen, down 47.1 billion yen from the end of the previous fiscal year. This decrease was mainly due to a decrease in interest-bearing debt which includes the impact of the appreciating yen compared to the end of the previous fiscal year.

### - Total equity

Total equity as of the end of the second quarter under review was 1,034.1 billion yen, down 129.7 billion yen from the end of the previous fiscal year. This decrease was primarily due to a decrease in other components of equity resulting from appreciation of the yen compared to the end of the previous fiscal year and due to lower value of listed stock.

### (3) Explanation of the Forecast for Operating Results

(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
Forecast for FY2016 (A)	1,280.0	84.0	54.0	36.0	30.0
Actual results for FY 2015 (B) (January 1 through December 31, 2015)	1,326.3	71.2	84.5	46.3	42.9
(A - B) / B (%)	(3.5)	18.0	(36.1)	(22.2)	(30.1)

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

In 2016, the world economy is expected to maintain moderate growth on the whole, but there is growing uncertainty over its future outlook.

Under such a business environment, the shipments of architectural glass are expected to remain favorable in regions such as Europe, North America and Japan. In the automotive glass business, shipments are projected to remain stable despite a possible slowdown of automobile demand in some emerging countries.

Shipments of LCD glass substrates are likely to increase from the previous year. The price decline of LCD glass substrates is expected to diminish. Shipments of specialty glass for display applications are expected to remain at the same level as the previous year, although the outlook of the smartphone market for electric device applications is not clear. On the other hand, the shipments for automotive applications are likely to expand. In the category of electronics materials, shipments of optoelectronics materials decreased during the first half of the fiscal year, but will recover from the second half of the year. Shipments of semiconductor-related products are likely to be strong.

Regarding chemical-related products, shipments of chlor-alkali products are expected to significantly increase thanks to the start of the production at new manufacturing facilities in Indonesia. Shipments of fluorine products are likely to remain favorable.

Taking into account the above factors, net sales of the AGC Group for the fiscal year ending December 31, 2016 are forecasted to be 1,280.0 billion yen, down 46.3 billion yen or a 3.5% decrease from a year earlier, and operating profit is forecasted to be 84.0 billion yen, up 12.8 billion yen or a 18.0% increase year on year. Affected by the impact of the income from revision of the defined benefit plan posted in the previous year, profit before tax will be 54.0 billion yen, down 30.5 billion yen or a 36.1% decrease from the previous year and profit for the year attributable to owners of the parent is estimated to be 30.0 billion yen, down 12.9 billion yen or a 30.1% decrease from the previous year. The Company revised the Group's full year consolidated financial forecast on July 14, 2016. Average exchange rates assumed for the fiscal year ending December 31, 2016 are 108 yen to the U.S. dollar and 120 yen to the Euro.

*[Important notes with regard to the forecast]*

*The above prospective results reflect 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.*

## **2. Summary Information (Notes)**

(1) Changes in Significant Subsidiaries during the Period

Not applicable.

(2) Changes in Accounting Policies, Changes in Accounting Estimates and Retrospective Restatements

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, 2015.

"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 six months ended June 30, 2016, based on the estimated average annual effective tax rate.

### 3. Condensed Interim Consolidated Financial Statements (IFRS)

#### (1) Condensed Interim Consolidated Statements of Financial Position

(Unit: millions of yen)

	FY2015 (as of December 31, 2015)	FY2016 second quarter (as of June 30, 2016)
Assets		
Current assets		
Cash and cash equivalents	104,831	125,770
Trade receivables	241,294	215,758
Inventories	235,374	220,785
Other receivables	36,733	29,376
Income tax receivables	6,448	5,137
Other current assets	12,863	14,685
Total current assets	637,546	611,514
Non-current assets		
Property, plant and equipment	982,296	893,105
Goodwill	34,231	31,781
Intangible assets	27,456	24,257
Investments accounted for using equity method	38,850	36,901
Other financial assets	232,877	180,008
Deferred tax assets	30,108	28,891
Other non-current assets	7,896	8,007
Total non-current assets	1,353,716	1,202,954
Total assets	1,991,262	1,814,468

(Unit: millions of yen)

	FY2015 (as of December 31, 2015)	FY2016 second quarter (as of June 30, 2016)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	126,956	114,187
Short-term interest-bearing debt	34,989	35,964
Long-term interest-bearing debt due within one year	61,709	57,293
Other payables	98,678	112,354
Income tax payables	4,737	5,852
Provisions	1,887	1,802
Other current liabilities	17,198	16,068
Total current liabilities	346,157	343,522
Non-current liabilities		
Long-term interest-bearing debt	372,034	340,835
Deferred tax liabilities	32,666	5,647
Post-employment benefit liabilities	58,057	74,429
Provisions	12,821	11,099
Other non-current liabilities	5,758	4,841
Total non-current liabilities	481,338	436,854
Total liabilities	827,495	780,377
Equity		
Share capital	90,873	90,873
Capital surplus	100,802	100,705
Retained earnings	663,874	680,607
Treasury shares	(29,576)	(29,300)
Other components of equity	268,198	127,157
Total equity attributable to owners of the parent	1,094,172	970,042
Non-controlling interests	69,594	64,048
Total equity	1,163,767	1,034,090
Total liabilities and equity	1,991,262	1,814,468

(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 six months ended June 30, 2015 (Jan. 1 through June. 30, 2015)	For the six months ended June 30, 2016 (Jan. 1 through June. 30, 2016)
Net sales	658,583	624,949
Cost of sales	(493,395)	(461,363)
Gross profit	165,188	163,585
Selling, general and administrative expenses	(132,410)	(124,223)
Share of profit (loss) of associates and joint ventures accounted for using equity method	1,447	522
Operating profit	34,226	39,884
Other income	37,144	2,183
Other expenses	(16,035)	(4,548)
Business profit	55,335	37,519
Finance income	3,315	3,097
Finance costs	(3,321)	(3,834)
Net finance costs	(5)	(737)
Profit before tax	55,330	36,782
Income tax expenses	(19,918)	(7,653)
Profit for the period	35,412	29,128
Attributable to:		
Owners of the parent	33,981	27,030
Non-controlling interests	1,430	2,098
Earnings per share		
Basic earnings per share (yen)	29.40	23.38
Diluted earnings per share (yen)	29.28	23.29

## (Condensed Interim Consolidated Statements of Comprehensive Income)

(Unit: millions of yen)

	For the six months ended June 30, 2015 (Jan. 1 through June. 30, 2015)	For the six months ended June 30, 2016 (Jan. 1 through June. 30, 2016)
Profit for the period	35,412	29,128
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)	9,855	(12,905)
Net gain (loss) on revaluation of financial assets measured at FVTOCI <sup>(Note)</sup>	21,374	(33,268)
Share of other comprehensive income of associates and joint ventures accounted for using equity method	20	32
Total	31,250	(46,141)
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	381	1,439
Exchange differences on translation of foreign operations	6,767	(102,944)
Share of other comprehensive income of associates and joint ventures accounted for using equity method	24	20
Total	7,173	(101,483)
Other comprehensive income, net of tax	38,424	(147,625)
Total comprehensive income for the period	73,836	(118,496)
Attributable to:		
Owners of the parent	72,773	(113,782)
Non-controlling interests	1,062	(4,713)

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

(3) Condensed Interim Consolidated Statements of Changes in Equity  
For the six months ended June 30, 2015

(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, 2015	90,873	100,670	641,866	(29,784)	(40,859)	86,402
Changes in equity						
Comprehensive income						
Profit for the period	-	-	33,981	-	-	-
Other comprehensive income	-	-	-	-	9,676	21,358
Total comprehensive income for the period	-	-	33,981	-	9,676	21,358
Transactions with owners						
Dividends	-	-	(10,402)	-	-	-
Increase through treasury shares transactions	-	-	-	(28)	-	-
Decrease through treasury shares transactions	-	(0)	(65)	180	-	-
Transfer from other components of equity to retained earnings	-	-	1	-	-	(1)
Share-based payment transactions	-	(96)	-	-	-	-
Others (business combinations and others)	-	-	-	-	-	-
Total transactions with owners	-	(97)	(10,466)	151	-	(1)
Balance as of June 30, 2015	90,873	100,573	665,381	(29,633)	(31,183)	107,759

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

For the six months ended June 30, 2015

(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, 2015	(734)	264,693	309,501	1,113,126	67,364	1,180,490
Changes in equity						
Comprehensive income						
Profit for the period	-	-	-	33,981	1,430	35,412
Other comprehensive income	405	7,351	38,792	38,792	(367)	38,424
Total comprehensive income for the period	405	7,351	38,792	72,773	1,062	73,836
Transactions with owners						
Dividends	-	-	-	(10,402)	(652)	(11,055)
Increase through treasury shares transactions	-	-	-	(28)	-	(28)
Decrease through treasury shares transactions	-	-	-	114	-	114
Transfer from other components of equity to retained earnings	-	-	(1)	-	-	-
Share-based payment transactions	-	-	-	(96)	-	(96)
Others (business combinations and others)	-	-	-	-	1,184	1,184
Total transactions with owners	-	-	(1)	(10,413)	532	(9,881)
Balance as of June 30, 2015	(328)	272,044	348,292	1,175,486	68,959	1,244,445

For the six months ended June 30, 2016

(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, 2016	90,873	100,802	663,874	(29,576)	(35,003)	91,408
Changes in equity						
Comprehensive income						
Profit for the period	-	-	27,030	-	-	-
Other comprehensive income	-	-	-	-	(12,935)	(33,251)
Total comprehensive income for the period	-	-	27,030	-	(12,935)	(33,251)
Transactions with owners						
Dividends	-	-	(10,404)	-	-	-
Increase through treasury shares transactions	-	-	-	(6)	-	-
Decrease through treasury shares transactions	-	-	(120)	282	-	-
Changes in ownership interests in subsidiaries that do not result in loss of control	-	16	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	226	-	-	(226)
Share-based payment transactions	-	(113)	-	-	-	-
Others (business combinations and others)	-	-	-	-	-	-
Total transactions with owners	-	(96)	(10,298)	275	-	(226)
Balance as of June 30, 2016	90,873	100,705	680,607	(29,300)	(47,938)	57,929

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

For the six months ended June 30, 2016

(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, 2016	(2,563)	214,357	268,198	1,094,172	69,594	1,163,767
Changes in equity						
Comprehensive income						
Profit for the period	-	-	-	27,030	2,098	29,128
Other comprehensive income	1,460	(96,087)	(140,813)	(140,813)	(6,811)	(147,625)
Total comprehensive income for the period	1,460	(96,087)	(140,813)	(113,782)	(4,713)	(118,496)
Transactions with owners						
Dividends	-	-	-	(10,404)	(412)	(10,816)
Increase through treasury shares transactions	-	-	-	(6)	-	(6)
Decrease through treasury shares transactions	-	-	-	161	-	161
Changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	16	(419)	(402)
Transfer from other components of equity to retained earnings	-	-	(226)	-	-	-
Share-based payment transactions	-	-	-	(113)	-	(113)
Others (business combinations and others)	-	-	-	-	(1)	(1)
Total transactions with owners	-	-	(226)	(10,346)	(832)	(11,179)
Balance as of June 30, 2016	(1,103)	118,269	127,157	970,042	64,048	1,034,090

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

(Unit: millions of yen)

	For the six months ended June 30, 2015 (Jan. 1 through June. 30, 2015)	For the six months ended June 30, 2016 (Jan. 1 through June. 30, 2016)
Cash flows from operating activities		
Profit before tax	55,330	36,782
Depreciation and amortization	69,227	61,837
Interest and dividend income	(3,187)	(3,065)
Interest expenses	3,279	3,068
Share of profit (loss) of associates and joint ventures accounted for using equity method	(1,447)	(522)
Loss (gain) on sale or disposal of non-current assets	1,311	236
Decrease (increase) in trade receivables	21,458	7,394
Decrease (increase) in inventories	(13,412)	(4,072)
Increase (decrease) in trade payables	(5,074)	(214)
Others	(25,618)	9,670
Subtotal	101,866	111,114
Interest and dividends received	3,494	2,948
Interest paid	(2,961)	(3,862)
Income taxes paid	(10,736)	(10,471)
Net cash from operating activities	91,662	99,728
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(57,510)	(56,612)
Proceeds from sale of property, plant and equipment	5,397	2,707
Purchase of other financial assets	(793)	(2,851)
Proceeds from sale and redemption of other financial assets	883	3,209
Others	(345)	(168)
Net cash used in investing activities	(52,368)	(53,715)
Cash flows from financing activities		
Changes in short-term interest-bearing debt	(20,006)	7,566
Proceeds from borrowing or issuing long-term interest-bearing debt	17,093	10,370
Repayment or redemption of long-term interest-bearing debt	(2,465)	(27,233)
Payment from purchase of shares in subsidiaries from non- controlling interests	-	(402)
Acquisition of treasury shares	(28)	(6)
Dividends paid	(10,402)	(10,404)
Others	(5)	(867)
Net cash used in financing activities	(15,815)	(20,977)
Effect of exchange rate changes on cash and cash equivalents	1,243	(4,097)
Net increase (decrease) in cash and cash equivalents	24,722	20,938
Cash and cash equivalents at the beginning of the period	69,655	104,831
Cash and cash equivalents at the end of the period	94,377	125,770

(5) Notes to the Condensed Interim Consolidated Financial Statements

(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 three in-house companies by product and service: Glass, Electronics, and Chemicals. Each in-house company operates worldwide, formulating comprehensive domestic and overseas strategies for its products and services.

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, etc.
Electronics	LCD 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, Lighting glass products, Laboratory glass, etc.
Chemicals	Raw materials for vinyl chloride polymer, Caustic soda, Urethane, Fluorinated resins, Water and oil repellents, Gases, Solvents, Pharmaceutical and agrochemical intermediates and active ingredients, Iodine-related products, etc.

For the six months ended June 30, 2015 (January 1 through June 30, 2015)

(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	341,282	146,170	155,886	15,243	658,583	-	658,583
Inter-segment sales or transfers	477	564	1,515	17,235	19,792	(19,792)	-
Total sales	341,760	146,734	157,401	32,479	678,376	(19,792)	658,583
Segment profit (loss) (Operating profit)	5,283	17,615	12,735	(1,437)	34,196	29	34,226
Profit for the period	-	-	-	-	-	-	35,412

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 six months ended June 30, 2016 (January 1 through June 30, 2016)

(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	342,597	121,004	146,738	14,608	624,949	-	624,949
Inter-segment sales or transfers	474	604	470	20,305	21,855	(21,855)	-
Total sales	343,072	121,608	147,209	34,914	646,804	(21,855)	624,949
Segment profit (loss) (Operating profit)	15,811	9,644	15,210	(651)	40,015	(131)	39,884
Profit for the period	-	-	-	-	-	-	29,128

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 six months ended June 30 2015 (Jan. 1 through June. 30, 2015)	For the six months ended June 30, 2016 (Jan. 1 through June. 30, 2016)
Foreign exchange gain	-	523
Gains on sale of non-current assets	128	798
Income from revision of the defined benefit plan	36,071	-
Others	945	861
Total	37,144	2,183

As of April 21, 2015, the Company revised its defined benefit corporate pension plan. As a result, the Company recognized "Income from revision of the defined benefit plan" in the second quarter of the previous year.

**Other Expenses**

(Unit: millions of yen)

	For the six months ended June 30, 2015 (Jan. 1 through June. 30, 2015)	For the six months ended June 30, 2016 (Jan. 1 through June. 30, 2016)
Foreign exchange loss	(3,159)	-
Losses on disposal of non-current assets	(1,440)	(1,035)
Expenses for restructuring programs	(10,065)	(472)
Others	(1,370)	(3,040)
Total	(16,035)	(4,548)