

QA during the Presentation of Financial Results for the First Three Months of FY2013

**【Overall company】**

Q1. What is the impact of foreign exchange rate fluctuation?

A1. The impact of foreign exchange rate fluctuation is not big, since AGC's businesses are basically produced locally for local consumption.

Q2. Why does the company expect operating profit improvement from the first half to the second half in its forecast?

A2. We expect volume increases in all businesses from 2Q, which will likely to result in further cost reductions.

Q3. Inventory increased compared with the end of 2012. Why was it?

A3. In addition to the impact of foreign exchange, inventory increased in all segments.

**【Glass】**

Q1. Can you elaborate on the status of the architectural glass business in Europe?

A1. As 1Q was low demand season, both shipments and prices remained weak. Profitability is expected to improve in and after 2Q, due to the increase in demand by seasonality and the subsequent recovery of price levels.

**【Electronics】**

Q1. What are the trends for prices and shipment volumes of LCD glass substrates on a quarter on quarter basis?

A1. Volumes were down slightly. The price decline of LCD glass substrates has contracted.

Q2. How were the shipments of Dragontrail, glass for chemical strengthening, in 1Q?

A2. Sales of Dragontrail reached to a level of 20 billion yen per annum in 4Q of FY2012, and they continued to grow steadily in 1Q.