

May 9, 2013  
 Corporate Name: Asahi Glass Co., Ltd.  
 (Code Number: 5201; TSE 1st section)  
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## Consolidated Financial Results for the Three Months ended March 31, 2013

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

### 1. Financial results for the Three months ended March 31, 2013 (January 1 through March 31, 2013)

#### (1) Consolidated operating results

|  | For the three months ended<br>March 31, 2013 |        | For the three months ended<br>March 31, 2012 |        |
|--|--|--------|--|--------|
|  | Millions of yen                              | %      | Millions of yen                              | %      |
| Net sales                                  | 306,372                                      | 7.4    | 285,376                                      | (7.5)  |
| Operating income                           | 15,768                                       | (34.8) | 24,182                                       | (55.3) |
| Ordinary income                            | 15,611                                       | (33.9) | 23,620                                       | (59.3) |
| Net income                                 | 7,630  | (57.0) | 17,749                                       | (53.8) |
| Net income per share - basic (yen)         | 6.60   |        | 15.36  |        |
| Net income per share - fully diluted (yen) | 6.33   |        | 14.22  |        |

Note: Percentage (%) figures show changes from the previous year's corresponding period.

Reference: Comprehensive income for - End of FY2013 first quarter; 74,474 million yen (-16.5%)  
 - End of FY2012 first quarter; 89,223 million yen (47.3%)

#### (2) Consolidated financial position

|                                    | FY2013 first quarter<br>(as of March 31, 2013) | FY2012<br>(as of December 31, 2012) |
|------------------------------------|--|-------------------------------------|
| Total assets (Millions of yen)     | 1,994,572                                      | 1,899,373                           |
| Total net assets (Millions of yen) | 1,055,003                                      | 996,949                             |
| Equity ratio (%)                   | 50.0   | 49.6                                |

Reference: Total Shareholder's Equity at -End of FY2013 first quarter: 998,152 million yen  
 -End of FY2012: 941,842 million yen

### 2. Dividends

(Unit: yen)

|                       | FY2012 | FY2013 | FY2013 (forecast) |
|-----------------------|--------|--------|-------------------|
| End of first quarter  | —      | —      | —                 |
| End of second quarter | 13.00  | —      | 13.00             |
| End of third quarter  | —      | —      | —                 |
| End of fiscal year    | 13.00  | —      | 13.00             |
| Total                 | 26.00  | —      | 26.00             |

Note: Revision of the forecast during this quarter: No

### 3. Forecast for FY2013 (January 1 through December 31, 2013)

|                            | First half      |        | Full year       |      |
|----------------------------|-----------------|--------|-----------------|------|
|                            | Millions of yen | %      | Millions of yen | %    |
| Net sales                  | 600,000         | 2.9    | 1,300,000       | 9.2  |
| Operating income           | 40,000          | (16.6) | 100,000         | 7.6  |
| Ordinary income            | 30,000          | (37.0) | 90,000          | 3.9  |
| Net income                 | 20,000          | (35.6) | 50,000          | 14.2 |
| Net income per share (yen) | 17.31           |        | 43.27           |      |

Note: Revision of the forecast for FY2013 consolidated operating results during this quarter: No

**\*Notes**

- (1) Changes in significant subsidiaries during the period: No
- (2) Adoption of special accounting methods for preparing quarterly consolidated financial statements: Yes  
(Note) For details, refer to "2.Summary Information (Notes)" in Attached Documents, beginning on page 5.
- (3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements
- i. Changes resulting from revisions to accounting standards: No
  - ii. Changes other than "i" above: No
  - iii. Changes in accounting estimates: No
  - iv. Retrospective restatements: No
- (4) Number of shares issued (common stock)
- i. Number of shares issued (including treasury stock) at the end of the period
    - FY2013 first quarter (as of March 31, 2013): 1,186,705,905
    - FY2012 (as of December 31, 2012): 1,186,705,905
  - ii. Number of treasury stock at the end of the period
    - FY2013 first quarter (as of March 31, 2013): 31,113,635
    - FY2012 (as of December 31, 2012): 31,123,685
  - iii. Average number of shares issued during the period
    - For the three months ended March 31, 2013: 1,155,591,149
    - For the three months ended March 31, 2012: 1,155,936,143

**\*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 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) Qualitative Information Regarding the Forecast for Consolidated 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) Qualitative Information Regarding Consolidated Operating Results**

#### **(i) Overview of consolidated business results for the three months ended March 31, 2013**

During the three months ended March 31, 2013, the global economic environment surrounding the Company and its consolidated subsidiaries (hereinafter collectively referred to as the “AGC Group” or simply as the “Group”) had been characterized by a continued gradual recovery, despite the impact of fiscal and financial problems in Europe and a slowdown in the expansion of exports and domestic demand in fast-growing countries.

In Europe, the economy continued to decelerate due to continued high unemployment rates and declining consumer spending which were triggered by the fiscal crisis in some European countries. In Asia, economic conditions were generally favorable backed by its exports and consumer spending. In Japan, the economy gradually picked up, driven by the recovery of exports and robust consumer spending. In the United States, the economy gradually recovered thanks to continued improvement in housing starts, though they remained at low levels, and stable consumer spending.

Under such a business environment, the AGC Group’s shipments of electronics-related products increased; however, the Group was also affected by a price decline in products and price increases in fuels and raw materials. As a result, the Group posted net sales of 306.4 billion yen, a 21.0 billion yen or 7.4% increase from the corresponding period of the previous year. Operating income decreased by 8.4 billion yen or 34.8 % year-on-year to 15.8 billion yen, and ordinary income decreased by 8.0 billion yen or 33.9 % to 15.6 billion yen. Net income was 7.6 billion yen, a 10.1 billion yen or 57.0 % decrease on a year-on-year basis.

#### **(ii) Overview by reportable segment for the three months ended March 31, 2013**

##### **- Glass**

In the flat glass business, shipments of architectural glass in Japan and Asia remained strong and shipments in North America have been on a moderate recovery track, while shipments in Europe continued to be sluggish, particularly in Western Europe. Shipments of glass for solar power systems decreased from the same period of the previous fiscal year as the tough competitive environment continued. Under such circumstances, sales from the flat glass business, which consists of architectural glass and glass for solar power systems, increased from the same period of the previous fiscal year mainly due to the impact of the weak yen, although the business environment continued to be harsh.

In the automotive glass business, the AGC Group’s shipments in Japan and Europe decreased from the same period of the previous fiscal year, reflecting a year-to-year decrease in auto production in these regions. Meanwhile, shipments remained favorable in Asia and North America, leading to an increase in sales on a year-on-year basis partly thanks to the weak yen.

As a result, net sales from the Glass Operations for the three months ended March 31, 2013 were 153.4 billion yen, up 14.1 billion yen or a 10.1% increase from the same period of the previous fiscal year. Operating income decreased by 7.0 billion yen year on year to a loss of 6.2 billion yen.

##### **- Electronics**

Shipments of glass substrates for display devices and specialty glass for display applications increased from the same period of the previous fiscal year.

With regard to electronic materials, shipments of semiconductor-related products and optoelectronics materials declined from the same period of the previous fiscal year.

As a result, net sales from the Electronics Operations for the three months ended March 31, 2013 were 84.9 billion yen, up 6.9 billion yen or a 8.8% increase from the same period of the previous fiscal year, and operating income was 19.3 billion yen, up 1.4 billion yen or a 7.7% increase from the same period of the previous fiscal year.

##### **- Chemicals**

Sales from chlor-alkali products and urethane materials increased from the same period of the previous fiscal year, supported by strong shipments in Asia. In the category of fluorine products and specialty products, shipments of pharmaceutical and agrochemical intermediates and active ingredients remained buoyant. However, shipments of certain products in the category decreased due to such effect as the economic slowdown in Europe. As a result, sales in the category of fluorine products and specialty products decreased from the same period of the previous fiscal year.

As a result, net sales from the Chemicals Operations for the three months ended March 31, 2013 were 66.7 billion

yen, up 3.9 billion yen or a 6.1% increase from the same period of the previous fiscal year, and operating income was 3.4 billion yen, down 1.9 billion yen or a 35.3% decrease from the same period of the previous fiscal year.

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, Fabricated glass for architectural use(Heat Insulating/shielding glass, Safety glass, Fire-resistant glass, Security glass, etc.), Automotive tempered glass, Automotive laminated glass, Glass for solar power system, Fabricated glass for industrial use, Decorative glass, etc. |
| Electronics        | Glass substrate for display devices, Specialty glass for display applications, Display related materials, Optical membranes, Optoelectronics materials, Synthetic quartz glass, Glass frit and paste, Materials for semiconductor manufacturing equipment, Lighting glass products, etc.  |
| Chemicals          | Raw materials for vinyl chloride polymer, Caustic soda, Urethane, Gases, Solvents, Fluorinated resins, Water and oil repellents, Pharmaceutical and agrochemical intermediates and active ingredients, Iodine-related products, Battery materials, etc.   |

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

## (2) Qualitative Information Regarding Consolidated Financial Position

### - Total assets

Total assets were 1,994.6 billion yen as of the end of the first quarter under review, up 95.2 billion yen from the end of the previous fiscal year. This rise is mainly due to an increase in tangible fixed assets stemming from the weakening of the yen and an increase in investments in securities resulting from a rise in listed stock prices.

### - Total liabilities

Total liabilities were 939.6 billion yen as of the end of the first quarter under review, up 37.1 billion yen from the end of the previous fiscal year. This rise is chiefly attributable to an increase in interest-bearing liabilities partly due to the weakening of the yen.

### - Total net assets

Total net assets were 1,055.0 billion yen as of the end of the first quarter under review, up 58.1 billion yen from the end of the previous fiscal year. This rise is primarily due to a rise in foreign currency translation adjustments on the weakened yen and an increase in unrealized gains on securities, net of tax due to a higher value of listed stock.

### (3) Qualitative Information Regarding the Forecast for Consolidated Operating Results

(Unit: billions of yen)

|   | Net Sales | Operating income | Ordinary income | Net income |
|---|-----------|------------------|-----------------|------------|
| Forecast for FY2013<br>announced on February 7, 2013 (A)                | 1,300.0   | 100.0            | 90.0            | 50.0       |
| Actual results for FY 2012 (B)<br>(January 1 through December 31, 2012) | 1,190.0   | 92.9             | 86.6            | 43.8       |
| (A - B) / B (%)   | 9.2       | 7.6              | 3.9             | 14.2       |

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

The global economy as a whole is expected to maintain moderate growth in 2013.

In such an environment, the AGC Group expects shipments of architectural glass to be strong in Japan and Asia, while shipments in North America will likely show a moderate recovery. Although there is concern that shipments in Europe will be weak, reflecting the economic stagnancy, the supply and demand balance is expected to improve, leading to a recovery of price levels in and after the second quarter.

Shipments of glass substrates for display devices are expected to be strong for the full year, although the pace of growth may slow down. Shipments of specialty glass for display applications are expected to grow through the expansion of the scope of their applications. In the category of electronic materials, shipments of semiconductor-related products are expected to make a gradual recovery. Shipments of optoelectronics materials are likely to be favorable for the full year, although short-term demand may fluctuate.

With regard to chemical-related products, shipments of chlor-alkali products are expected to continue to expand in Asia, while shipments of fluorinated resins and water and oil repellents will likely recover.

Rising energy prices may possibly impact AGC group's overall profit and loss to a certain extent.

Taking into account the above factors, net sales of the AGC Group for the fiscal year ending December 31, 2013 are estimated to be 1,300.0 billion yen, a year-on-year increase of 110.0 billion yen or 9.2%, operating income to be 100.0 billion yen, up 7.1 billion yen or a 7.6% increase from a year earlier, and ordinary income to be 90.0 billion yen, up 3.4 billion yen or a 3.9% increase from the previous year. Net income is estimated to be 50.0 billion yen, up 6.2 billion yen or a 14.2% increase from the previous year.

Average exchange rates assumed for the fiscal year ending December 31, 2013 are 90 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) Adoption of Special Accounting Methods for Preparing Quarterly Consolidated Financial Statements**

(Calculation of tax expense)

Tax expense is computed by multiplying the quarterly net income before income taxes and minority interests by a reasonably estimated effective tax rate, after applying tax effect accounting against net income before income taxes and minority interests for the fiscal year including the first quarter under review.

However, in case the use of such effective tax rate makes the computation of tax expense significantly unreasonable, then tax expense is calculated by multiplying the quarterly net income before income taxes and minority interests by the statutory effective tax rate after adjustment of the quarterly net income before income taxes and minority interests with significant differences other than temporary differences.

### **(3) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatements**

Not applicable.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Unit: millions of yen)

|                                     | FY2012<br>(as of December 31, 2012) | FY2013 first quarter<br>(as of March 31, 2013) |
|-------------------------------------|-------------------------------------|--|
| Current Assets                      | 651,248                             | 675,929  |
| Cash on hand and in banks           | 100,461                             | 119,472  |
| Trade notes and accounts receivable | 249,572                             | 253,463  |
| Marketable securities               | 20,300                              | 13,300   |
| Finished products                   | 92,919                              | 96,293   |
| Work in process                     | 41,586                              | 46,772   |
| Raw materials and supplies          | 73,841                              | 79,980   |
| Other current assets                | 77,740                              | 71,969   |
| Allowance for bad debts             | (5,173)                             | (5,322)  |
| Fixed Assets                        | 1,248,124                           | 1,318,643                                      |
| Tangible Fixed Assets               | 957,661                             | 1,003,024                                      |
| Buildings and structures            | 262,873                             | 270,807  |
| Machinery and equipment             | 510,689                             | 523,679  |
| Tools, fixtures and others          | 24,534                              | 25,310   |
| Land                                | 78,231                              | 81,261   |
| Construction in progress            | 81,332                              | 101,966  |
| Intangible Fixed Assets             | 51,909                              | 52,554   |
| Investments and Other Assets        | 238,553                             | 263,064  |
| Investments in securities           | 195,897                             | 227,313  |
| Other investments                   | 46,013                              | 39,194   |
| Allowance for bad debts             | (3,357)                             | (3,442)  |
| Total Assets                        | 1,899,373                           | 1,994,572                                      |



**(1) Consolidated Balance Sheets (continued)**

(Unit: millions of yen)

|  | FY2012<br>(as of December 31, 2012) | FY2013 first quarter<br>(as of March 31, 2013) |
|--|-------------------------------------|--|
| <b>Current Liabilities</b>                             | 372,816                             | 433,448  |
| Trade notes and accounts payable                       | 118,893                             | 122,150  |
| Short-term bank loans                                  | 69,141                              | 83,272   |
| Commercial paper                                       | 11,862                              | 12,175   |
| Current maturities of bonds                            | 20,000                              | 62,414   |
| Income taxes payable                                   | 15,325                              | 17,172   |
| Other reserves   | 13,419                              | 19,834   |
| Other current liabilities                              | 124,173                             | 116,427  |
| <b>Non-current Liabilities</b>                         | 529,607                             | 506,120  |
| Bonds issued   | 92,294                              | 50,000   |
| Bonds with subscription right to shares                | 50,000                              | 50,000   |
| Long-term bank loans                                   | 289,683                             | 299,552  |
| Accrued retirement benefits for employees              | 59,681                              | 64,668   |
| Other reserves   | 9,076                               | 9,616  |
| Other non-current liabilities                          | 28,870                              | 32,283   |
| <b>Total Liabilities</b>                               | 902,423                             | 939,568  |
| <b>Shareholders' Equity</b>                            | 984,023                             | 976,649  |
| Common stock   | 90,873                              | 90,873   |
| Additional paid-in capital                             | 96,961                              | 96,966   |
| Retained earnings                                      | 826,265                             | 818,873  |
| Treasury stock   | (30,076)                            | (30,064)                                       |
| <b>Total Accumulated Other Comprehensive Income</b>    | (42,181)                            | 21,503   |
| Unrealized gains on securities, net of tax             | 48,615                              | 68,127   |
| Deferred gains or losses on hedges, net of tax         | 174                                 | 231  |
| Foreign currency translation adjustments               | (90,971)                            | (46,855)                                       |
| <b>Share Subscription Rights</b>                       | 1,862                               | 1,949  |
| <b>Minority Interests in Consolidated Subsidiaries</b> | 53,243                              | 54,902   |
| <b>Total Net Assets</b>                                | 996,949                             | 1,055,003                                      |
| <b>Total Liabilities and Net Assets</b>                | 1,899,373                           | 1,994,572                                      |

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**  
**(Consolidated Statements of Income)**

(Unit: millions of yen)

|   | For the three months<br>ended March 31, 2012<br>(Jan.1 through Mar.31, 2012) | For the three months<br>ended March 31, 2013<br>(Jan.1 through Mar.31, 2013) |
|---|--|--|
| Net Sales   | 285,376  | 306,372  |
| Cost of Sales   | 204,380  | 230,975  |
| Gross profit  | 80,996   | 75,396   |
| Selling, General and Administrative Expenses                  | 56,814   | 59,628   |
| Operating Income  | 24,182   | 15,768   |
| Other Income  | 1,663  | 2,152  |
| Interest income   | 292  | 456  |
| Dividend income   | 159  | 274  |
| Exchange gain, net  | —  | 875  |
| Equity in gains of unconsolidated subsidiaries and affiliates | 674  | 100  |
| Others  | 536  | 445  |
| Other Expenses  | 2,225  | 2,309  |
| Interest expenses   | 1,498  | 1,584  |
| Exchange loss, net  | 38   | —  |
| Others  | 688  | 725  |
| Ordinary Income   | 23,620   | 15,611   |
| Extraordinary Gains   | 10,444   | 736  |
| Gain on sale of properties                                    | 318  | 138  |
| Gain on sale of investments in securities                     | —  | 459  |
| Insurance income  | 9,641  | —  |
| Others  | 483  | 138  |
| Extraordinary Losses  | 9,428  | 2,878  |
| Loss on disposal of properties                                | 1,926  | 392  |
| Impairment loss on long-lived assets                          | 1,213  | —  |
| Expenses for restructuring programs                           | 4,102  | 2,075  |
| Others  | 2,185  | 411  |
| Income before income taxes and minority interests             | 24,636   | 13,468   |
| Income Taxes  | 5,574  | 5,589  |
| Income before minority interests                              | 19,061   | 7,879  |
| Minority Interests in Earnings of Consolidated Subsidiaries   | 1,311  | 248  |
| Net Income  | 17,749   | 7,630  |

**(Consolidated Statements of Comprehensive Income)**

(Unit: millions of yen)

|  | For the three months<br>ended March 31, 2012<br>(Jan.1 through Mar.31, 2012) | For the three months<br>ended March 31, 2013<br>(Jan.1 through Mar.31, 2013) |
|--|--|--|
| Income before minority interests   | 19,061   | 7,879  |
| Other Comprehensive Income   |  |  |
| Unrealized gains on securities, net of tax   | 19,491   | 19,520   |
| Deferred gains or losses on hedges, net of tax   | 738  | 56   |
| Foreign currency translation adjustments   | 49,455   | 45,686   |
| Share of other comprehensive income of associates accounted<br>for using equity method | 476  | 1,332  |
| Total Other Comprehensive Income   | 70,162   | 66,595   |
| Comprehensive Income   | 89,223   | 74,474   |
| Comprehensive income attributable to owners of the parent                              | 86,362   | 71,315   |
| Comprehensive income attributable to minority interests                                | 2,861  | 3,159  |

### (3) Segment Information

Information on net sales, profits or losses by reportable segment

For the three months ended March 31, 2012 (January 1 through March 31, 2012)

(Unit: millions of yen)

|                                      | Reportable segments |             |           | Ceramics/<br>Other | Total   | Adjustments | Amount<br>reported on<br>statement of<br>income |
|--------------------------------------|---------------------|-------------|-----------|--------------------|---------|-------------|---|
|                                      | Glass               | Electronics | Chemicals |                    |         |             |   |
| Sales                                |                     |             |           |                    |         |             |   |
| (1)Sales to customers                | 138,760             | 77,804      | 62,039    | 6,771              | 285,376 | —           | 285,376   |
| (2)Inter-segment sales/transfers     | 481                 | 238         | 759       | 18,233             | 19,713  | (19,713)    | —   |
| Total sales                          | 139,242             | 78,043      | 62,799    | 25,005             | 305,090 | (19,713)    | 285,376   |
| Segment income<br>(Operating income) | 760                 | 17,956      | 5,300     | 276                | 24,293  | (111)       | 24,182  |

(Note)

1. “Ceramics/Other”, renewed from “Other”, consists of business segments that are not included in the reportable segments.
2. Adjustments of segment income of -111 million yen include adjustments of inventories related to inter-segment transactions.

For the three months ended March 31, 2013 (January 1 through March 31, 2013)

(Unit: millions of yen)

|   | Reportable segments |             |           | Ceramics/<br>Other | Total   | Adjustments | Amount<br>reported on<br>statement of<br>income |
|---|---------------------|-------------|-----------|--------------------|---------|-------------|---|
|   | Glass               | Electronics | Chemicals |                    |         |             |   |
| Sales                                       |                     |             |           |                    |         |             |   |
| (1)Sales to customers                       | 152,184             | 81,891      | 65,892    | 6,404              | 306,372 | —           | 306,372   |
| (2)Inter-segment sales/transfers            | 1,173               | 3,034       | 760       | 8,911              | 13,881  | (13,881)    | —   |
| Total sales                                 | 153,357             | 84,925      | 66,653    | 15,316             | 320,253 | (13,881)    | 306,372   |
| Segment income (loss)<br>(Operating income) | (6,240)             | 19,330      | 3,431     | (267)              | 16,254  | (486)       | 15,768  |

(Note)

1. “Ceramics/Other”, renewed from “Other”, consists of business segments that are not included in the reportable segments.
2. Adjustments of segment income of -486 million yen include adjustments of inventories related to inter-segment transactions.