



Since 1907

For more than a century, the AGC Group has been pursuing its mission and meeting its responsibilities as a world-leading glass manufacturer

Glass is indispensable for our daily lives and the evolution and growth of industrialized societies. The Asahi Glass Company was established in 1907 for the purpose of producing flat glass domestically in Japan. Since the company successfully mass produced Japan's first flat glass in 1909, the AGC Group has built on its history spanning over 100 years and acquired the world's leading market shares for various products, including architectural glass, processed automotive glass, and glass substrates for liquid-crystal displays. Today, the Group continues to pursue its mission and responsibilities as a world-leading glass manufacturer, aiding society's progress and contributing to people's quality of life around the world by providing a stable supply of high-quality glass and chemical materials.

History of the AGC Group

- 1907** The Asahi Glass Company founded in Amagasaki, Hyogo Prefecture
- 1909** The first sheet glass successfully manufactured in Japan using a Belgian-type hand-blowing method



- 1917** First production of soda ash using the ammonium method at Kitakyushu Plant
- 1925** Shoko Glass Co., Ltd. established in China
- 1956** The Indo-Asahi Glass Co., Ltd. established in India
First production of automotive glass begun
Glass bulbs for television picture tubes manufactured



- 1963** Asahi Glass Thailand, Co. established in Thailand
- 1964** Production of caustic soda and chlorine using the electrolysis method begun
- 1965** Research center constructed in Yokohama, Japan
- 1966** Manufacture of sheet glass using the float method begun
- 1972** PT Asahimas Flat Glass Tbk established in Indonesia
- 1975** Production of "AsahiGuard™" fluorinated water and oil repellants begun
- 1981** Belgian glassmaker Glaverbel S.A. and Dutch company MaasGlas B.V. acquired



- 1985** AP Technoglass Co. established in the United States
- 1991** The Blue Planet Prize created to recognize contributions to the environment by individuals and groups
Production of glass substrates for thin-film-transistor liquid-crystal displays (TFT-LCD) begun
- 1992** U.S. glassmaker AFG Industries, Inc. acquired
- 1995** Production of automotive glass in China begun
- 1996** Commercial production of PD200, glass substrates for plasma display panels begun
- 2000** Asahi Glass Fine Techno Taiwan Co., Ltd. established
- 2002** The AGC Group Vision "Look Beyond" formulated
The Global In-house Company System introduced
Corporate governance reforms implemented
- 2006** AGC Glass Hungary Ltd. established
- 2007** Group brand unified as "AGC"
- 2010** Float glass plant operations in Russia begun
"UV Verre Premium™" glass for automotive door windows launched
- 2011** AGC Display Glass (Kunshan) Co., Ltd. established to produce TFT-LCD glass substrates in China
"Dragontrail™" specialty glass for chemical strengthening launched



- 2012** Brand licensing rights for the 2014 FIFA World Cup™ acquired
- 2013** Float glass plant operations in Brazil begun
- 2014** PVC Company of Vietnam acquired
Technical center for the chemicals business established in Shanghai, China
- 2015** "AGC plus" management policy implemented

Towards the Future

Going beyond the past 100 years, creating new value for the future

Every member of the AGC Group is striving to create new value for generations to come. With this aim, the AGC Group is looking to go past its fields of technical expertise built up over its history, extending beyond industrial boundaries, national borders, and its own organizational frameworks employed in the past.





BEYOND **TECHNOLOGICAL** BOUNDARIES



**Glass, chemicals and ceramics—
Creating new value by combining diverse technologies
accumulated and refined over many years**

The AGC Group possesses a wide spectrum of technologies accumulated over its history and carefully crafted by pioneering employees in the past. Based on material technologies and manufacturing technologies used to commercialize and mass produce those materials, the Group has developed superior products ahead of the times in each of its main technical fields of glass, chemicals, and ceramics, including architectural glass, automotive glass, display device glass and fluoropolymer resin.

The AGC Group has also established a production network capable of stably supplying its high-quality products, and has acquired strong market shares globally. The diverse technologies underpinning these products are a source of the Group's competitive advantages and key assets for ensuring a bright future ahead.

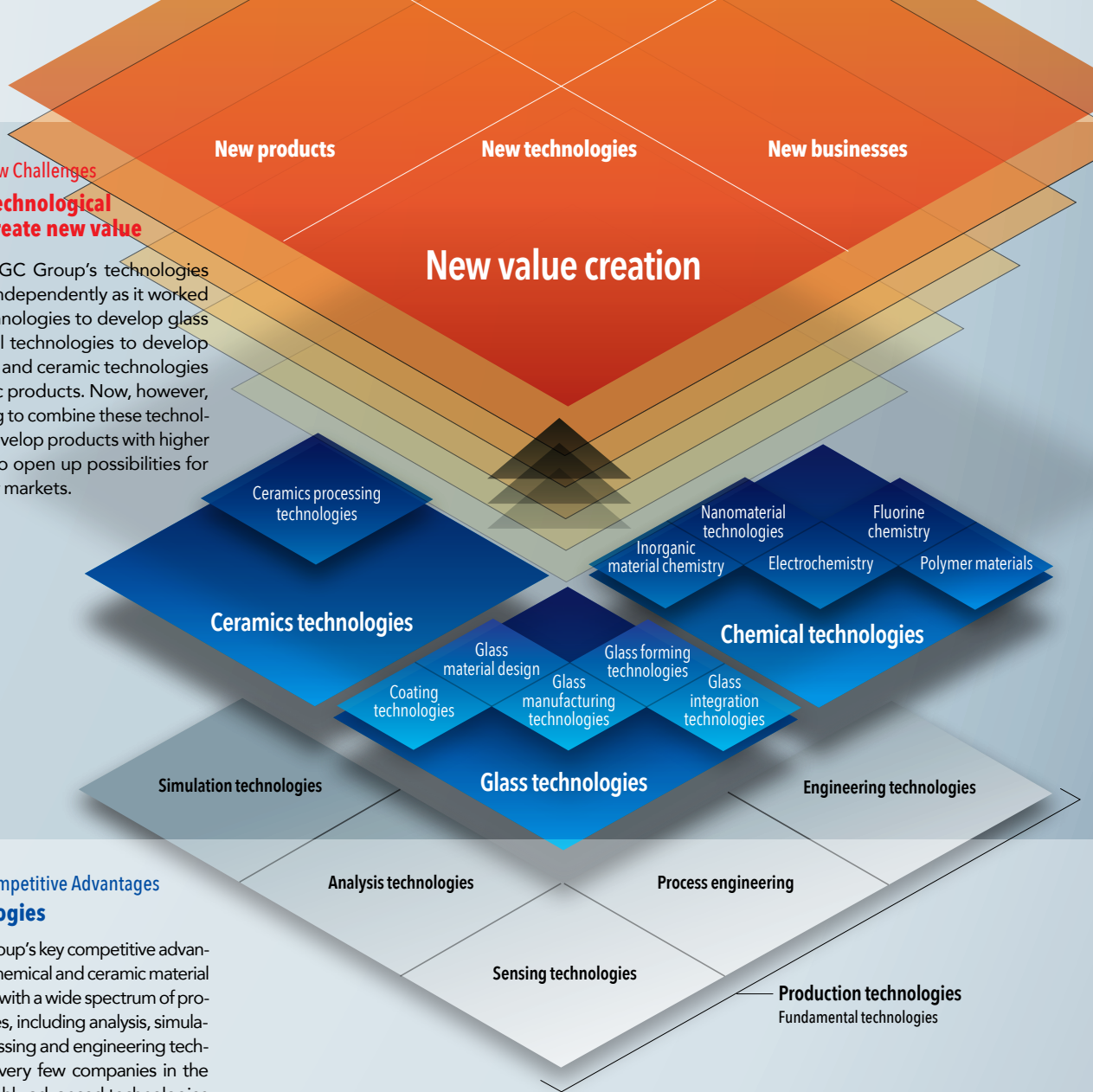
Aiming to create new value for a new era, the AGC Group is integrating and combining its diverse technologies. In this manner, the Group is searching for innovative new combinations of material and production technologies as it strives to create all-new value.

The AGC Group's New Challenges

Going beyond technological boundaries to create new value

In the past, the AGC Group's technologies tended to evolve independently as it worked to apply glass technologies to develop glass products, chemical technologies to develop chemical materials and ceramic technologies to develop ceramic products. Now, however, the Group is striving to combine these technologies in order to develop products with higher added value and to open up possibilities for the creation of new markets.

▶ p.39

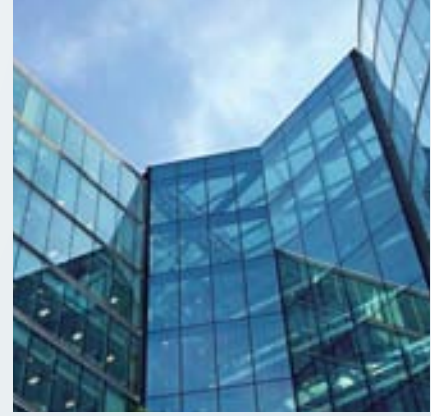


The AGC Group's Competitive Advantages

Diverse technologies

Among the AGC Group's key competitive advantages are its glass, chemical and ceramic material technologies, along with a wide spectrum of production technologies, including analysis, simulation, sensing, processing and engineering technologies. Because very few companies in the world have such highly advanced technologies specifically in the fields of glass, chemicals and ceramics, the AGC Group stands apart from other glass manufacturers.





BEYOND **INDUSTRIAL** BOUNDARIES

**Construction, automotive, electronics, ICT and life sciences—
Creating “smarter” communities and livelihoods
beyond industrial boundaries**

Through business activities in its four specialty areas of glass, electronics, chemicals and ceramics, the AGC Group is seeking to establish and deepen a diverse business network with customers from a wide range of industries, spanning from construction-related industries (e.g. civil engineering and the construction of buildings and residences) to transport machinery industries (e.g. automotive, aircraft and railway), as well as information- and electronics-related industries (e.g. displays and electronic devices), life science-related industries (e.g. pharmaceuticals and agrichemicals), and energy-related industries (e.g. solar power generation and fuel cells).

The AGC Group recognizes that its relationships with members from a broad range of industries are vital assets for its growth going forward.

In today's world, we need to create new value that goes beyond the boundaries of specific industries. One way to accomplish this is to make things “smarter.” Creating smart communities, smart mobility, smart household electronic devices and other items through collaboration between different types of industries will accelerate the creation of new value. The AGC Group will help realize smart communities by promoting such collaboration through the connections it has established in a broad range of industries.

Next-generation mobility

Next-generation communication

Security and safety

Heat management

Life sciences

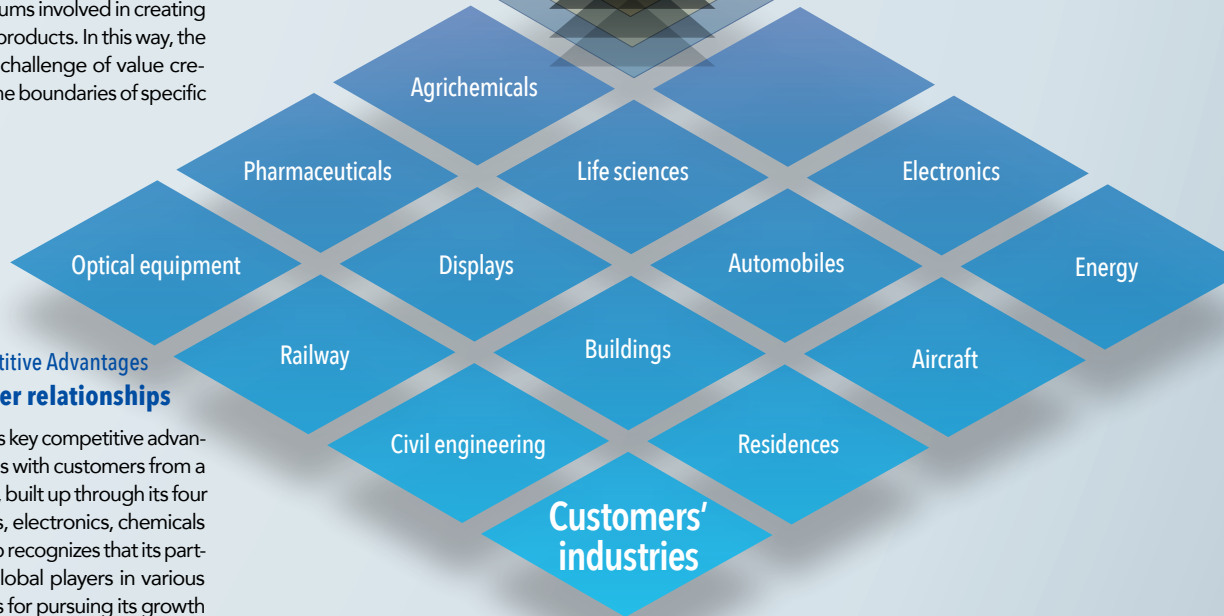
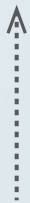
New energy and new green

Realizing smart communities

The AGC Group's New Challenges

Going beyond industrial boundaries to create new value

The worldwide trend to make things "smarter" is quickening the pace of collaboration between different industries. Accordingly, the AGC Group is exploring ways to expand the customer base of existing products into different industries, as exemplified by the technologies and products originally designed for specific customers. Also, the Group joins consortiums involved in creating smart communities and products. In this way, the Group is taking on the challenge of value creation by going beyond the boundaries of specific industries.



The AGC Group's Competitive Advantages

Diversity of customer relationships

Among the AGC Group's key competitive advantages are its relationships with customers from a wide range of industries, built up through its four main businesses of glass, electronics, chemicals and ceramics. The Group recognizes that its partnerships with leading global players in various industries are vital assets for pursuing its growth strategies going forward.





BEYOND NATIONAL BORDERS



**Expanding further while deepening regional ties—
Allowing the evolution of a truly global business by providing essential value
tailored to the needs of each country and region.**

The AGC Group's business has expanded globally according to the unique characteristics of its operations based in the three regions of Japan and Asia, Europe, and the Americas. For example, in its architectural glass and automotive glass businesses, the Group has established product development and production networks in each of these three regions to supply products to markets around the world, allowing it to expand its businesses in line with market demand.

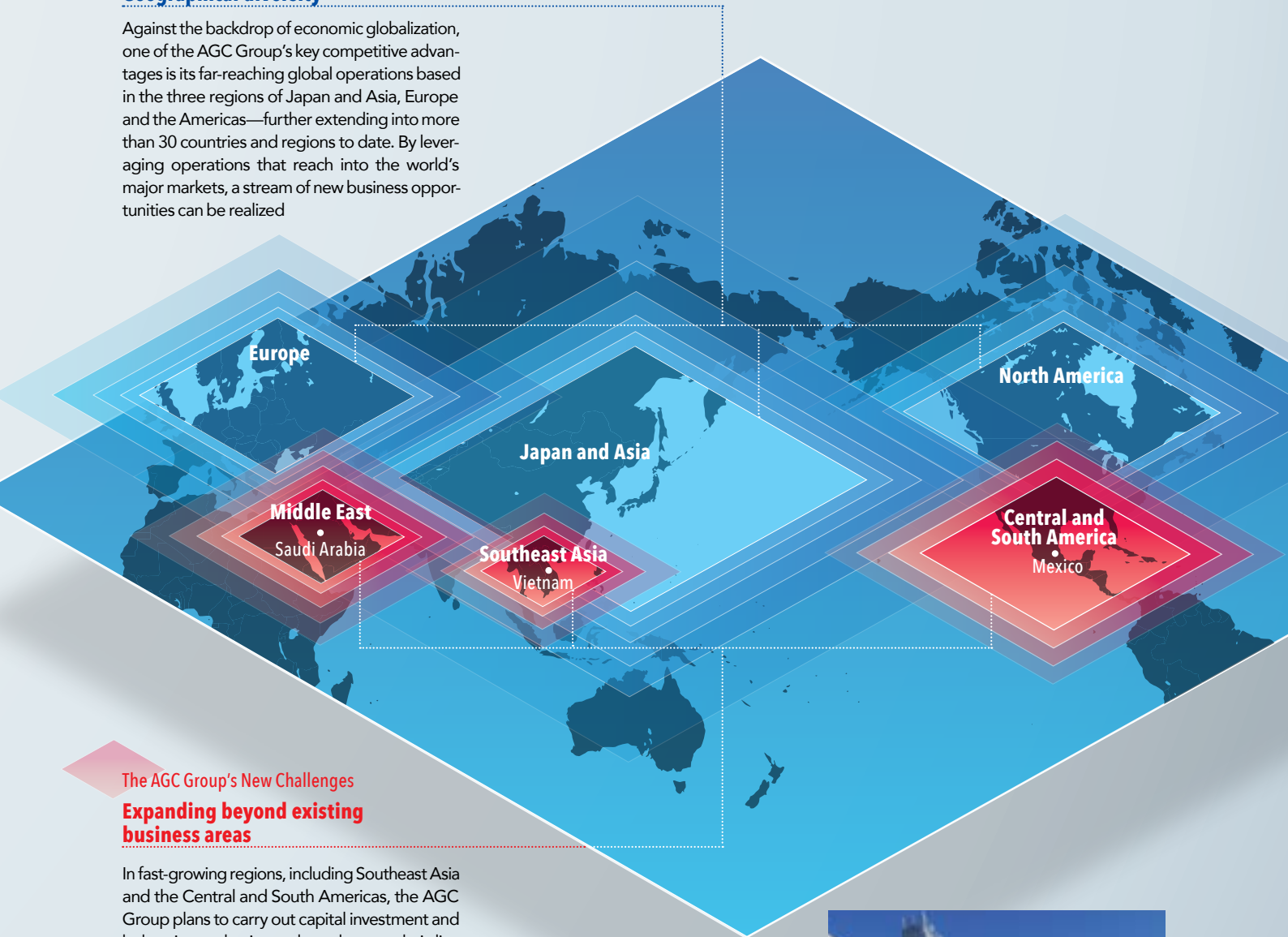
Likewise, in its electronics business, which is deeply rooted in customers' industries in East Asia, the Group has integrated its development, production and supply network in Japan, South Korea, China and Taiwan, and worked closely with customers to expand the business. In the chemicals business, which handles caustic soda, raw materials for vinyl chloride polymers, and other basic materials essential for the development of industry and upkeep of social infrastructure, the Group has strengthened its production and supply network in Southeast Asia, where infrastructure is being constructed at a brisk pace.

The AGC Group recognizes that these product development, production and supply networks, tailored to fit the unique characteristics of each of its businesses, are key assets for its growth in the future. With the goal of creating value for a new era, the AGC Group is working to expand operations even more deeply rooted in local communities while exploring opportunities for developing new businesses in the Middle East and other promising regions.

The AGC Group's Competitive Advantages

Geographical diversity

Against the backdrop of economic globalization, one of the AGC Group's key competitive advantages is its far-reaching global operations based in the three regions of Japan and Asia, Europe and the Americas—further extending into more than 30 countries and regions to date. By leveraging operations that reach into the world's major markets, a stream of new business opportunities can be realized



The AGC Group's New Challenges

Expanding beyond existing business areas

In fast-growing regions, including Southeast Asia and the Central and South Americas, the AGC Group plans to carry out capital investment and bolster its production and supply networks in line with growing demand, especially in its glass and chemicals businesses. The Group also intends to create business opportunities in regions where it has not conducted business before, such as the Middle East



“Look Beyond”

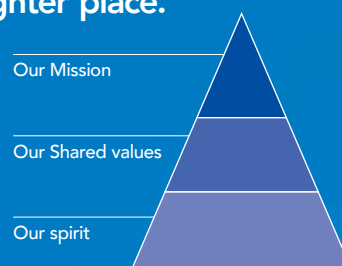
Our Mission—

We, the AGC Group, “Look Beyond” to make the world a brighter place.

We will continuously:

- “Look Beyond” ... Anticipate and envision the future,
- “Look Beyond” ... Have perspectives beyond our own fields of expertise,
- “Look Beyond” ... Pursue innovations, not becoming complacent with the status quo.

We will continue to create value worldwide, demonstrating the vast potential of the Group’s entire organization.



Our Shared Values

Innovation & Operational Excellence

- We will seek innovations in technology, product and services beyond conventional concepts and frameworks.
- We will create value directed at our current and potential customer needs, accounting for changes in the business environment and, social and market evolution.
- We will continuously improve all aspects of our operations striving to achieve benchmark performance.

Diversity

- We will respect individual diversity of varied capabilities and personalities.
- We will respect cultural diversity of race, ethnicity, religion, language and nationality.
- We will respect different perspectives and opinions at all times.

Environment

- We will contribute to creation of a sustainable society in harmony with nature as a successful and responsible global citizen.
- We will strive to ensure and further improve occupational health and safety in our working environment.

Integrity

- We will build open and fair relationships with all of our stakeholders based on the highest ethical standards.
- We will comply with all applicable laws and regulations.
- We will fulfill our contractual and legal responsibilities to achieve customer satisfaction and trust.

Our Spirit

“Never take the easy way out, but confront difficulties.”

The founding spirit of Toshiya Iwasaki, who established Asahi Glass Company in September 1907.

AGC Report 2015
Table of Contents

| | |
|---|-----------|
| Introduction | 1 |
| Toward the Future | 2 |
| Beyond Technological Boundaries | 3 |
| Beyond Industrial Boundaries | 5 |
| Beyond National Borders | 7 |
| AGC Group Vision | 9 |
| Message from the President and CEO | 11 |
| Special Feature: Interview with the President and CEO The New Management Policy AGC plus | 13 |
| Financial and Non-Financial Highlights | 19 |
| Overview of the AGC Group | 21 |
| Glass | 23 |
| Electronics | 27 |
| Applied Glass Materials Business | 31 |
| Chemicals | 33 |
| Ceramics/Other | 37 |
| New Business Creation at the AGC Group | 39 |
| Corporate Governance | 45 |
| CSR Management | 48 |
| Risk Management | 49 |
| Compliance | 49 |
| Intellectual Property | 50 |
| Board of Directors, Corporate Auditors, and Executive Officers | 51 |

From the Editors

Published annually, the AGC Report covers the AGC Group's corporate stance and business activities. In this 2015 edition, the AGC Group has reported on the new management policy **AGC plus** and explained the Group's growth strategies in each of its businesses along with its new business development plans. For details of financial and non-financial results, the AGC Group invites readers to visit our website.



Takuya Shimamura

Representative Director,
President and Chief Executive Officer

- Apr. 1980 Joined Asahi Glass
- Jan. 2009 Executive Officer and GM of Planning & Coordination Office, Chemicals Company
- Jan. 2010 Executive Officer and Chemicals Company President
- Jan. 2013 Senior Executive Officer and Electronics Company President
- Jan. 2015 President & CEO
- Mar. 2015 Representative Director and President & CEO (Incumbent)

Based on its diversity, the AGC Group strives as a united team to create value that no other company can offer.

Ending December 31, 2015, fiscal 2015 is a critical year for the AGC Group, as it is facing a real test of its ability to end four consecutive years of declining operating profit. In this context, I was appointed as President and Chief Executive Officer on January 1, 2015, and given the responsibility of leading over 50,000 members of the AGC Group worldwide. Recognizing the importance of my new role, I renewed my determination to bring the Group back on the growth track by harnessing the skills of all of its members.

To achieve this, I intend to return to the basics of our business, work to enhance the Group's competitive advantages, and inspire its members to take on the challenge of creating value that no other company can offer.

The AGC Group has built up various competitive advantages through business activities spanning over a century,

The AGC Group's new management policy

AGC plus

The AGC Group adds a "plus" by:

- Providing safety, security and comfort or to society;
- Creating new value and functions for customers and business partners and building trust with them;
- Enhancing job satisfaction among employees; and
- Increasing the Groups' corporate value for investors.

including expertise and technologies in diverse fields such as glass, chemicals, and ceramics, and a global network covering a wide range of industries, from building materials and automobiles to electronics. Our employees all over the world, with their experience and profound understanding of these technologies and markets, are another source of the group's strengths.

By making the most of the benefits that come with this diversity, we are working to deliver solutions to a broad spectrum of industries involved in building materials, vehicles, displays, electronic devices, and social infrastructure. In this way, we are bringing innovations to society that only a glass and material manufacturer can offer. To realize this mission, the AGC Group is striving to create new value by acting on changing trends in society through the lens of the market, and seeking out new opportunities for helping customers and communities overcome challenges.

While promoting this approach, the AGC Group is now pursuing the objectives laid out in our new management policy **AGC plus**: to provide safety, security and comfort to society, create new value and functions for customers and business partners while building relations of trust, enhance job satisfaction among employees, and increase corporate value for investors. This policy reflects the Group's commitment to all of its stakeholders, and I will consider and take every step needed to realize the objectives of the policy. As we work toward these goals, I ask our stakeholders for their understanding and support.



Takuya Shimamura
Representative Director,
President and Chief Executive Officer

Interview with the President and CEO



Takuya Shimamura

Representative Director,
President and
Chief Executive Officer

The New Management Policy ***AGC plus:***

We will offer “plus” value to stakeholders while bringing the AGC Group back on the growth track.

Q1

Could you describe the AGC Group's performance in fiscal 2014?

A1

Despite our efforts to restructure businesses and improve the AGC Group's financial structure, results were disappointing as operating profit declined for the fourth consecutive year.

In fiscal 2014, we worked toward two goals under our medium-term management plan "Grow Beyond-2015": to bring our business back on an upward trend, and to strengthen and generate substantial results from the Group's growth foundations. Accordingly, we focused on business restructuring while trying to improve the Group's financial structure, including raising productivity group-wide, making projects more efficient, and enhancing the organization of human resources.

As a result of these efforts, as well as increased shipments of chemical products and glass products, especially automotive glass, and the depreciation of the yen, net sales in fiscal 2014 rose 28.3 billion yen, or 2.1%, year on year to 1,348.3 billion yen.

Operating profit, however, decreased 17.8 billion yen, or 22.2%, compared to the previous fiscal year, amounting to 62.1 billion yen, mainly owing to declining sales prices of LCD glass substrates. Consequently, operating profit decreased for the fourth consecutive year, from fiscal 2011 to fiscal 2014, which is a very disappointing result. Meanwhile, net income attributable to the owners of the parent company decreased about 0.2 billion yen, or 1.4%, to 15.9 billion yen.

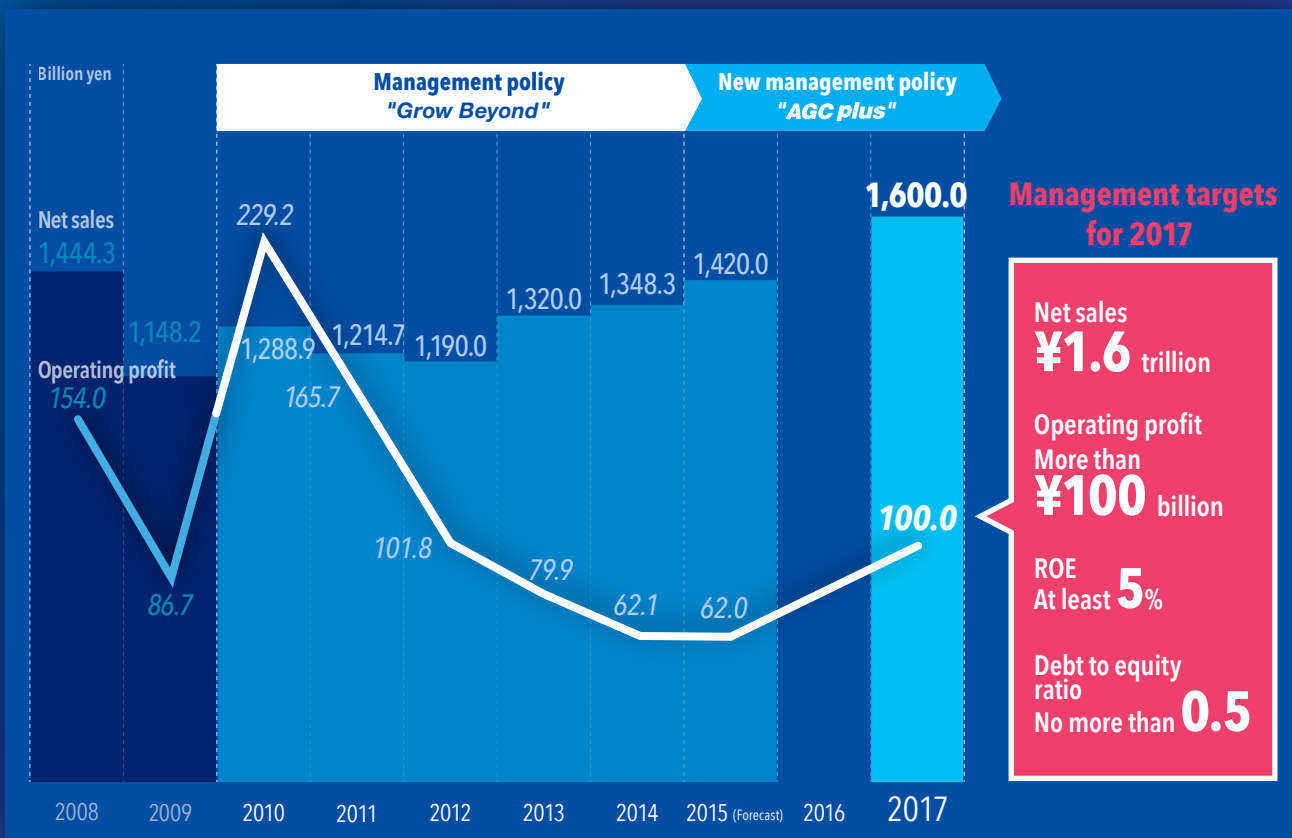
Q2

What was achieved under the medium-term management plan, "Grow Beyond-2015", and what is your outlook going forward?

A2

We carried out investments under "Grow Beyond-2015" that should lead to major financial results from fiscal 2016, bringing us back on the growth track.

We undertook investments aimed at building foundations for growth in such areas as fast-growing countries, new products, and our chemicals business, and expect these initiatives to bring about considerable growth in sales and profits from fiscal 2016.



Main Points of the New **AGC plus** Management Policy:



During the period of the previous medium-term management plan, **“Grow Beyond-2015”** we made important investments in fast-growing countries. The company constructed its third plant in China, which started operations in February 2015, boosting production capacity to meet robust demand from automobile manufacturers in the Chinese market. In the Group’s electronics business in China, we added a new production line at the Shenzhen Plant. Meanwhile, to strengthen operations in the growth market of Southeast Asia, we invested in a new float glass furnace facility in Indonesia in September 2014, and plan to commence mass production there from the third quarter of fiscal 2016 (see chart below).

We were also successful in developing product applications by investing in new products. These included UV Verre Premium™ tempered glass for automotive front door win-

dows, which significantly block ultraviolet and infrared rays, and Leoflex™ chemically strengthened specialty glass, a multi-purpose product that we promoted as a cover glass for photovoltaic panels. This year, we began supplying HFO-1234yf automotive refrigerant, an environmentally friendly product that has a global warming potential (GWP) of no more than 1/1,300 that of conventional refrigerants.

In the Group’s Chemicals operations, to keep up with growing demand in Southeast Asia, we increased production capacity of caustic soda in Indonesia in 2013 and acquired a polyvinyl chloride company in Vietnam, a new market for the AGC Group. Furthermore, we boosted production capacity of pharmaceutical and agrochemical intermediates and active ingredients, having carefully considered related trends such as the global aging of populations and growing demand for food supplies.

Under **“Grow Beyond-2015”**, we improved the Group’s marketing capabilities and reduced costs through various structural reforms, particularly in response to harsh market conditions surrounding the architectural glass business in Europe and the United States. In Europe, we reduced personnel and lowered production capacity by suspending glass production in Italy and Belgium, and in the U.S., we sold off an architectural glass fabrication subsidiary.

Owing to these measures, earnings in the glass business significantly improved in fiscal 2014 compared to the previous fiscal year, and we succeeded in making the business profitable. We also expect its performance to continue improving in fiscal 2015 as a result of structural reforms and other measures.

Bolstering the Group’s Business Network in Fast-Growing Countries

| Business segment | Country | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017– |
|------------------|--------------|------|---|---|---|---|---|---|--|
| Glass | Brazil | | | | | <ul style="list-style-type: none"> Started commercial production of float glass Started commercial production of auto glass | | | |
| | Mexico | | | | | | | <ul style="list-style-type: none"> Start commercial production of auto glass | |
| | China | | | | | | <ul style="list-style-type: none"> Started commercial production of auto glass | | |
| | Thailand | | | | | <ul style="list-style-type: none"> Started commercial production of thin float glass | | | |
| | Indonesia | | | | | | | <ul style="list-style-type: none"> Increased float production capacity | |
| | Saudi Arabia | | | | | | | | <ul style="list-style-type: none"> Start commercial production of coating glass |
| Electronics | China | | <ul style="list-style-type: none"> Started commercial production in Kunshan | <ul style="list-style-type: none"> Started commercial production in Shenzhen | | <ul style="list-style-type: none"> Completed production line increase in Shenzhen | | | |
| Chemicals | China | | | | | <ul style="list-style-type: none"> Opened a technical center in Shanghai | | | |
| | Indonesia | | | | <ul style="list-style-type: none"> Increased production capacity of caustic soda | | <ul style="list-style-type: none"> Double PVC production capacity | | |
| | Vietnam | | | | | <ul style="list-style-type: none"> Acquired Phu My Plastics & Chemicals Co., Ltd. | | | |
| Others | | | <ul style="list-style-type: none"> Established the chief representative position for China business in Beijing | | | <ul style="list-style-type: none"> Set up SE RHQ in Singapore | | | |

In the Group's LCD display glass business, after prices fell steeply over four consecutive years, they are projected to fall at a comparably more moderate rate in fiscal 2015. In this business, we intend to step up marketing efforts in China, a market that continues to grow, as well as boost productivity by converting to more efficient glass furnaces, and implement measures to reduce costs.

Taking all of these factors into account, we expect the decline in consolidated operating profit to end in fiscal 2015, and the AGC Group to get back on the growth track from fiscal 2016 onward.

Q3 Please tell us about the new management policy, *AGC plus*.

A3 *AGC plus* is intended to bring "plus" value to the AGC Group's stakeholders.

AGC plus was launched as our new management policy when I was appointed as AGC Group's CEO. We created the policy with the intention of being a group of companies that constantly offers more value to its stakeholders, namely the communities we operate in, our customers, business partners, employees, shareholders, and investors. That is the kind of enterprise we want the AGC Group to be.

To achieve this, we rallied the AGC Group's employees worldwide to move forward in the same direction, side by side, so the Group can take on challenges as a unified team, drawing on the strengths of its wide range of technologies and the expertise of its diverse human resources. At the same time, we renewed our commitment to ensuring fair and proper conduct, safety, and compliance as the basic principles of our business activities.

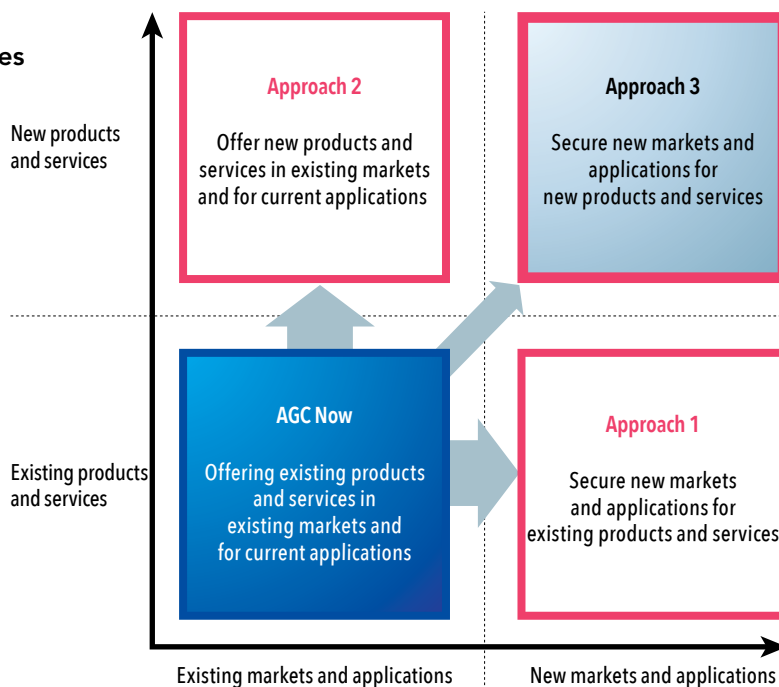
In accordance with this approach under *AGC plus*, we have determined two key strategies for increasing corporate value and generating new growth: we will leverage the Group's diverse resources with a stronger focus on markets to drive up sales, and enhance the Group's asset performance by strategically allocating operational resources.

Q4 How exactly does the AGC Group intend to increase sales and improve its asset performance?

A4 We intend to maximize earnings by making the most of the AGC Group's strengths and utilizing assets from outside the Group.

The AGC Group's strengths are its diverse products in three domains of materials—glass, chemicals, and ceramics—along with a wide range of related technologies, expertise, and facilities.

Approaches for Expanding of Sales



Main Points of the New **AGC plus** Management Policy:



ties. The Group also has a diverse customer base and sales channels that span globally in numerous industries, including building materials, automobiles, and electronics. Handling all of this are the Group's diverse human resources working in every region of the world. By making the most of these intellectual assets, production resources, and human resources while leveraging synergies between each of its businesses, the AGC Group can increase its net sales.

We have devised three main approaches for expanding sales (shown on the chart on page 16). The first is to secure new markets and applications for our existing products, technologies and services. To do this, we plan to proactively cultivate markets, particularly in fast-growing countries, by promoting product applications and marketing.

Our second approach is to offer new products, technologies and services in existing markets and for current applica-

tions, which we will do by effectively marketing our products. For example, in our automotive glass business, we will promote glass that helps conserve energy and improve comfort, and in our chemical products business, we will offer environmentally friendly refrigerants.

Our third approach is to secure new markets and applications for new products, technologies and services. We are giving more priority to the first two approaches I mentioned because our priority right now is to return to the growth track. At the same time, in order to grow over the medium and long terms, we are working to create new products and conduct R&D with a view to solve problems confronting customers and societies.

As we work to boost sales, we are also constantly aware of enhancing asset performance. Therefore, in an effort to maximize earnings, we are swiftly channeling operational resources into products and businesses that we deem as having potential for high earnings and growth from among the wide range of products and operations positioned in the AGC Group's business portfolio (see chart below).

Up until now, the Group has been able to manufacture and supply products by constructing its own production plants in regions where there was demand for those products. With a view to improve asset performance, however, we plan to move beyond this model of self-sufficient in-house production in the future, shifting toward jointly managed production with regional business partners, establishing joint ventures, and other similar measures. This plan will enable the AGC Group to more rapidly respond to market changes and boost its sales.

Business Portfolio—Strategic Objectives for Allocating Operational Resources

| | Growth businesses targeted for proactive investment | Businesses generating cash flows | Businesses needing structural improvements |
|--------------------|--|---|---|
| Glass | <ul style="list-style-type: none"> •Automotive glass Gain a stronger foothold in the Group's global top position | <ul style="list-style-type: none"> •Architectural glass (fast-growing countries) Proactively utilize resources outside the AGC Group | <ul style="list-style-type: none"> •Architectural glass (Developed countries) Continue improving the financial structure and implementing structural reforms |
| Electronics | <ul style="list-style-type: none"> •Electronic materials Channel operational resources into growth fields •Glass for chemical strengthening Offer products to a broader range of markets •Ultra-thin glass | <ul style="list-style-type: none"> •LCD glass Reduce costs and shift production capacity to China | — |
| Chemicals | <ul style="list-style-type: none"> •Chlor-alkali (Outside Japan) Secure a position in the high-growth Southeast Asia market •Fluorochemicals Capitalize on growing global demand for highly functional materials •Life science Focus on growing pharmaceutical and agrochemical markets | — | <ul style="list-style-type: none"> •Chlor-alkali (Japan) |

Q5 Please explain how your numerical targets will indicate that the Group has returned to the growth path. And could you tell us how management plans to achieve those targets?

A5 We will prepare for business risks and carry out additional initiatives whenever necessary.

Through the measures I have described above, we are aiming to achieve several important management targets by fiscal 2017: net sales of ¥1.6 trillion, operating profit of ¥100 billion, return on equity of at least 5%, and a debt to equity ratio of no more than 0.5.

There is the possibility, however, that business risks could materialize as a result of future trends in our operating environment. While preparing for such risks, we intend to swiftly carry out whatever additional initiatives are necessary to achieve the management targets above, including further business restructuring, more investment in growth areas, mergers and acquisitions, and business alliances.

Furthermore, between 2015 and 2017, we will aim to keep capital expenditures from exceeding 400 billion yen, which is the estimated amount of depreciation expenses during that period. In consideration of asset efficiency, we plan to channel capital expenditures into growth areas, with about 35% of the total earmarked for the Group's glass segment and electronics segment, respectively, and the remaining 30% for chemicals segment (see chart below).

Of course, we will work diligently to return profits to shareholders according to our basic policy of maintaining stable dividend payments. The company's dividend payout ratio is 30%, and we will continue to aim for that level after taking into consideration financial results, future investment plans, and other factors.

Q6 What do you believe is important for realizing a sustainable society?

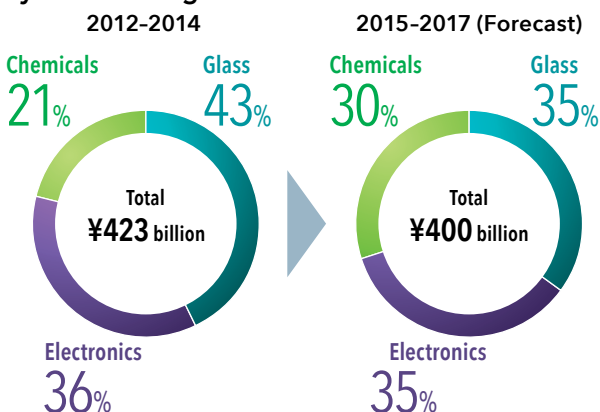
A6 We are focusing our efforts on creating new solutions that help make communities "smarter."

Over a history extending more than a century, the AGC Group has been producing products and technologies that are needed by society and that have helped solve problems confronting communities at various times. The Group has been manufacturing products that, although not easily noticeable, are indispensable and beneficial. Furthermore, while growing in tandem with the development of society, the AGC Group has been helping make communities more sustainable through its business activities.

Based on this corporate stance, we are working to help solve global environmental problems. Toward this end, we have set the goal of reducing the AGC Group's total annual CO₂ emissions by six times by 2020 through its energy-saving and energy-creating products, and have stepped up efforts to develop products that have less impact on the environment, such as energy-saving glass. We are developing glass and materials that have potential to not only solve environmental and energy-related problems, but also various other issues confronting our customers and communities. At the same time, we are focusing on creating new solutions for helping realize smart communities where people can live in comfort, security and safety (see pages 39 to 44 for more details).

Finally, we intend to channel the capabilities of the AGC Group into a wide array of initiatives intended to accomplish our management targets by fiscal 2017 and achieve continuous growth together with stakeholders.

Breakdown of Planned Capital Expenditures by Business Segment

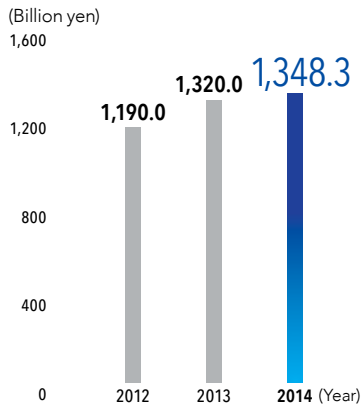


Financial and Non-Financial Highlights

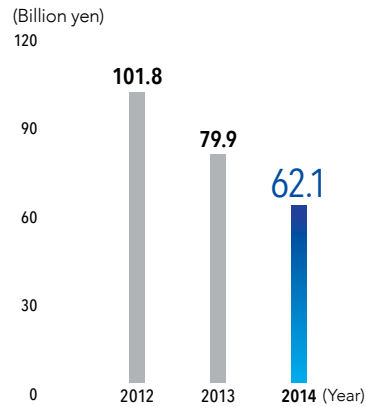
Organizations Covered in the Report: Asahi Glass Co., Ltd. and its consolidated subsidiaries
 Reporting Period: Consolidated fiscal year ending December 31
 All numeric data (except non-financial data) is based on International Financial Reporting Standards (IFRS)

Financial Data

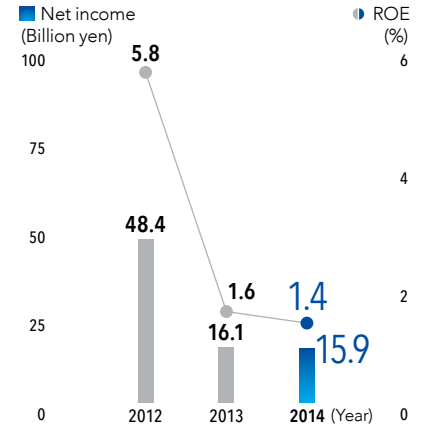
Net Sales



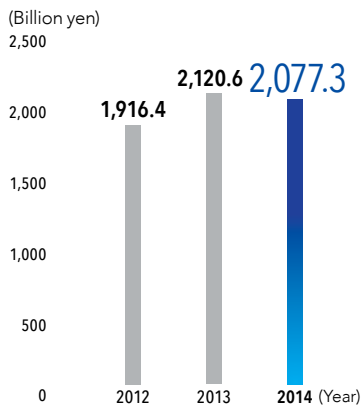
Operating Profit



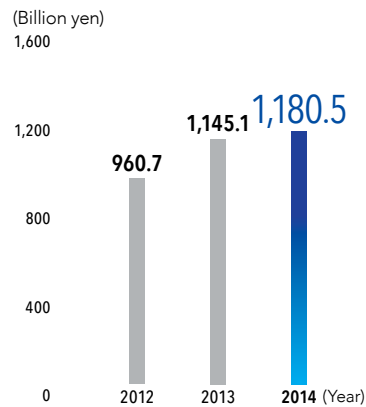
Net Income Attributable to Owners of the Parent / Return on Equity (ROE)



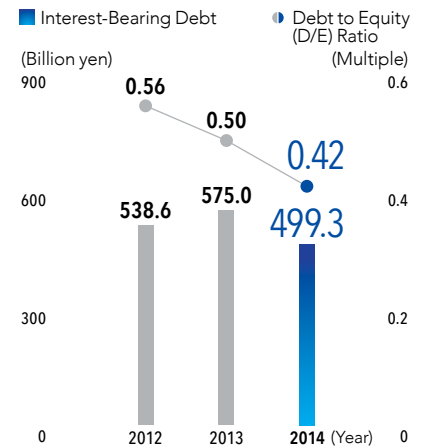
Assets



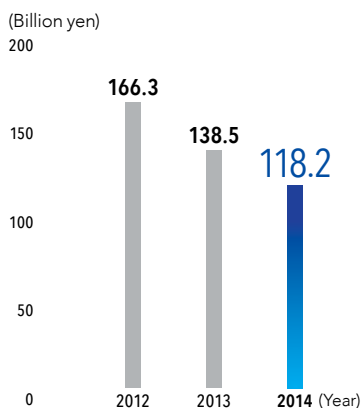
Capital



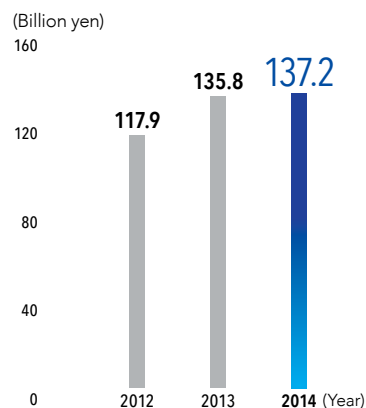
Interest-Bearing Debt / Debt to Equity (D/E) Ratio



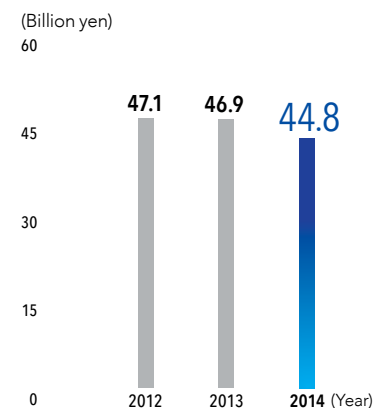
Capital Expenditures



Depreciation Costs



R&D Costs



(Note) Please refer to page 21 for financial data by segment, and to the Annual Securities Report (Japanese only) or Financial Review booklet (English only) for more detailed financial data.

Non-Financial Data

| | 2012 | 2013 | 2014 | Year-on-year change |
|---|--------|--------|--------|---------------------|
| Human resources and occupational safety data | | | | |
| Number of employees | 49,961 | 51,448 | 51,114 | -334 |
| Number of fatal accidents ¹ | 3 | 2 | 0 | -2 |
| Environment data | | | | |
| Total energy consumption (PJ) ² | 150 | 147 | 150 | 3 |
| Greenhouse gas emissions (1,000 tons-CO ₂) | 10,100 | 9,870 | 10,000 | 130 |
| Total waste generated (1,000 tons) | 650 | 664 | 675 | 11 |
| Total waste disposed (1,000 tons) | 25 | 22 | 23 | 1 |
| Total water intake (million m ³) ³ | 57 | 62 | 376 | — |

(Note) Please refer to the separate CSR Information Supplement and our CSR website for more detailed non-financial data.

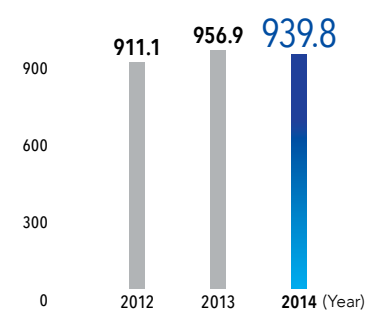
¹ Number of AGC Group employees ² 1 PJ (petajoule) = 10¹⁵J (joules)

³ 2012 and 2013 numbers are for AGC Group (Japan), whereas 2014 numbers are for AGC Group as a whole.

Data by Region

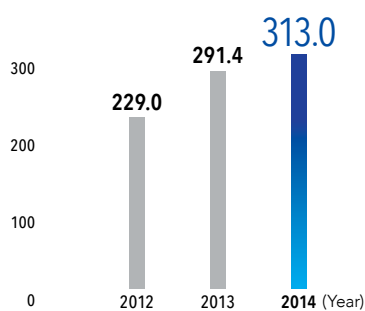
Net Sales (Japan/Asia)

(Billion yen)



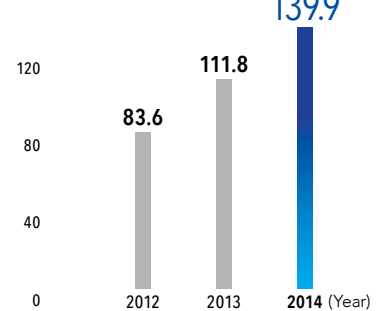
Net Sales (Europe)

(Billion yen)

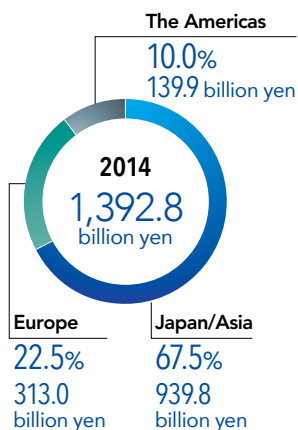


Net Sales (The Americas)

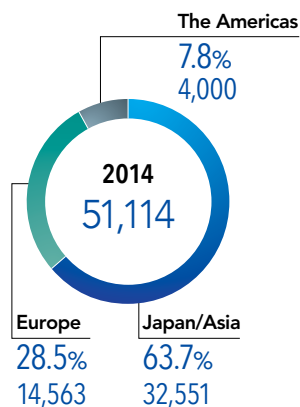
(Billion yen)



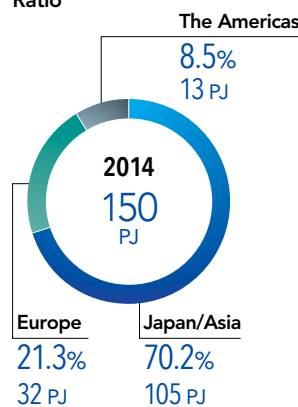
Sales Ratio⁴



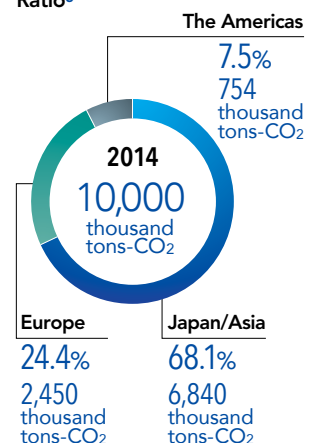
Employees Ratio



Total Energy Consumption Ratio



Greenhouse Gas Emissions Ratio⁵




⁴ Sales by region calculated before elimination ⁵ Due to rounding, the entire group value does not match the total sum for all regions.

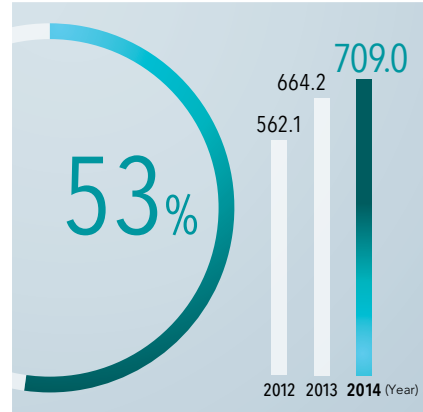
Outline by Business Segment

Operations Segment

Glass



Ratio¹



Main Products


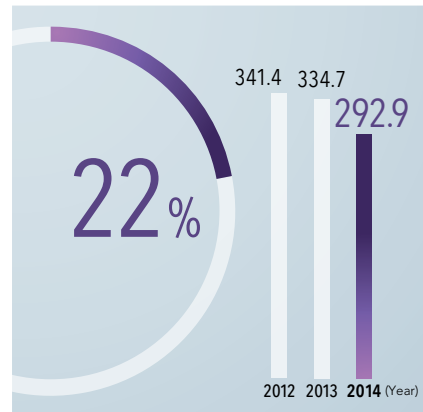
Flat glass

- Float glass
- Low-emissivity (Low-E) glass
- Double glazing glass for solar control/heat-insulation
- Safety glass
- Decorative glass
- Glass for solar power systems

Automotive glass

- Tempered automotive glass
- Laminated automotive glass

Electronics


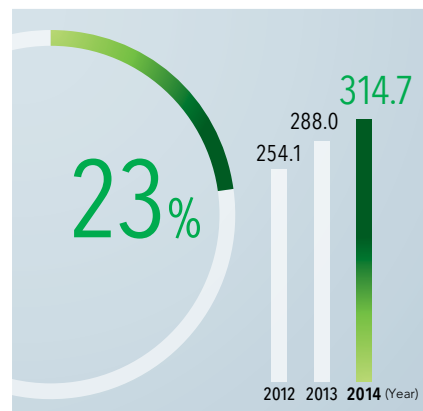
Display

- Glass substrates for TFT-LCDs
- Specialty glass for display applications
- Glass substrates for display devices
- Display-related materials

Electronics materials and parts

- Tone correction filters for digital cameras
 - CMP slurry
 - Synthetic quartz glass
 - Glass frit and paste
 - Glass molded lenses
- Etc.

Chemicals


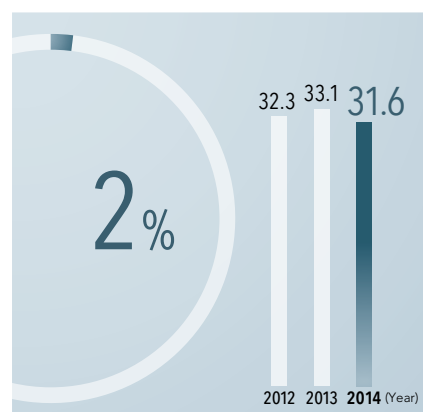
Chlor-alkali & urethane

- Raw materials for vinyl chloride monomer and polymer
- Caustic soda
- Urethane materials

Fluorine & specialty chemicals

- Fluoropolymers/films
 - Fluorinated water and oil repellents
 - Pharmaceutical and agrochemical intermediates and active ingredients
 - Iodine-related products
- Etc.

**Ceramics/
Other**

Ceramics

- Various refractory materials
- Fine ceramics
- Sputtering targets

Logistics/Engineering

¹ All numeric data is based on International Financial Reporting Standards (IFRS). The figures given for each business are sales to external customers.

Corporate Data As of the end of December 2014

| | | | |
|---------------------|---|-------------------------------------|--|
| Name | Asahi Glass Co., Ltd. (Global brand: AGC) | Outstanding stock | 1,186,705,905 shares |
| Head Office | 1-5-1, Marunouchi, Chiyoda-ku, Tokyo 100-8405 JAPAN | Employees | 51,114 (consolidated), 6,132 (non-consolidated) |
| Founded | September 8, 1907 | Consolidated Group companies | 194 (156 overseas) |
| Incorporated | June 1, 1950 | | |
| Capital | 90,873 million yen | | |

Outline by Regional Segments

| Regional Segment | Ratio ¹ /Sales ¹ and Operating Profit | Main Products |
|---|--|---|
| Europe  Employees 14,563 |  Percentage of sales by region 23% Sales 313 billion yen Operating profit -3.8 billion yen | <ul style="list-style-type: none"> • Architectural glass • Automotive glass • Chemicals |
| Japan/Asia  Employees 32,551 |  Percentage of sales by region 67% Sales 939.8 billion yen Operating profit 103.6 billion yen | <ul style="list-style-type: none"> • Architectural glass • Automotive glass • Display glass • Electronic materials • Chemicals • Ceramics |
| The Americas  Employees 4,000 |  Percentage of sales by region 10% Sales 133.9 billion yen Operating profit -4.9 billion yen | <ul style="list-style-type: none"> • Architectural glass • Automotive glass • Electronic materials • Chemicals |

¹ All numeric data is based on International Financial Reporting Standards (IFRS). The figures given for each business are sales to external customers.



Glass

We provide diverse products to meet regional needs around the world as a leading flat glass and automotive glass manufacturer.

Europe

| | |
|-----------------------|--|
| Belgium | AGC Glass Europe S.A. AGC Glass Europe Sales S.A. AGC Automotive Europe S.A. AGC Automotive Belgium S.A. AGC Amenitech Co., Ltd. |
| Netherland | AGC Flat Glass Nederland B.V. |
| U.K. | AGC Glass UK Ltd. |
| Czech Republic | AGC Flat Glass Czech a.s., clen AGC Group AGC Automotive Czech a.s. |
| Russia | OJSC AGC Bor Glassworks AGC Flat Glass Klin LLC |
| France | AGC France SAS |
| Italy | AGC Flat Glass Italia S.r.l. AGC Automotive Italia S.r.l. |
| Spain | AGC Flat Glass Iberica S.A. |
| Germany | AGC Glass Germany GmbH Interpane Glas Industrie AG |
| Hungary | AGC Glass Hungary Ltd. |
| Poland | AGC Gdansk Sp. z o.o. |
| Turkey | AGC Otomotiv Adapazarı Üretim Sanayi Ve Ticaret Anonim Sirketi |

Japan

| |
|---|
| AGC Glass Products Co., Ltd. |
| AGC Glass Kenzai Co., Ltd. |
| AGC Okinawa Glass Kenzai Co., Ltd. |
| AGC Amenitech Co., Ltd. |
| Ryugasaki Glass Co., Ltd. |
| AGC Fabritech Co., Ltd. |
| AGC Automotive AMC Co., Ltd. |
| AGC Automotive Window Systems Co., Ltd. |
| Autoglass Co., Ltd. |

Asia

| | |
|--------------------|---|
| Thailand | AGC Flat Glass (Thailand) Public Co., Ltd. AGC Automotive (Thailand) Co., Ltd. |
| Indonesia | PT Asahimas Flat Glass Tbk. |
| Philippines | AGC Flat Glass Philippines Inc. AGC Automotive Philippines Inc. |
| China | AGC Flat Glass (Dalian) Co., Ltd. AGC Flat Glass (Suzhou) Co., Ltd. AGC Flat Glass Protech (Shenzhen) Co., Ltd. AGC Flat Glass (Hong Kong) Co., Ltd. AGC Automotive China Co., Ltd. AGC Automotive Foshan Co., Ltd. Beijing Kuayian Car Glass Sales & Service Co., Ltd. |

The Americas

| | |
|---------------|--|
| U.S.A. | AGC Flat Glass North America, Inc. AGC Soda Corporation AGC Automotive Americas Co. AGC Automotive Americas R&D, Inc. |
| Canada | AGC Flat Glass North America, Ltd. AGC Automotive Canada, Inc. |
| Mexico | AGC Automotive Mexico S. de R.L. de C.V. AGC Automotive Glass Mexico S.A. de C.V. |
| Brazil | AGC Glass Brazil, Inc. |

Business Outline

The AGC Group is engaged in the glass business with a focus on flat glass and automotive glass, and maintains a leading global share in both areas. Its flat glass product lineup consists of float flat glass, fabricated glass for architectural use, decorative glass, glass for solar power systems and other products tailored to the needs of each region. The Group is also committed to the development and sale of glass products that provide comfort and reduced environmental impact, such as products with heat insulation, shielding and other energy efficiency functions, and anti-condensation and anti-reflective properties.

In the automotive glass business, the AGC Group makes use of its global marketing networks and cutting-edge technologies to pursue values such as safety, design, comfort and environmental performance. It provides high value-added products, including UV cut glass, infrared cut glass and glass antennas.

Summary of Fiscal 2014

Shipments of architectural glass increased from the previous period in all regions. Although sales prices were down in Eastern Europe and remained at a lower level, the trend was positive on the whole. Also affected by the depreciation of the Japanese yen, the sales of architectural glass increased year on year. Shipments of automotive glass were affected by a decline in the number of auto production in some regions, but on the whole, the trend was positive, and shipments increased year on year. In addition, the weak yen helped to increase sales as compared to the previous period.

As a result, sales in the glass business in 2014 increased to 712.7 billion yen, up 45.5 billion yen (6.8%) from the previous period. In terms of operating profit, in addition to increased sales from architectural glass and automotive glass, structural reforms in the architectural glass business, including the optimization of production systems in Russia and Europe and the transfer of the North American fabricated glass business for commercial buildings, resulted in an improvement of 13.6 billion yen for a total of 600 million yen.



Low emissivity (Low-E) double glazing unit

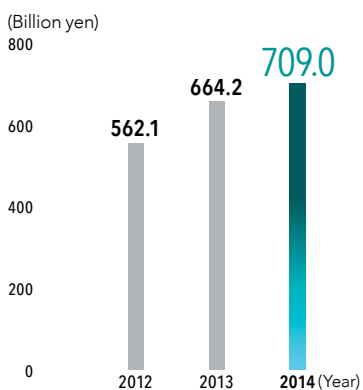


Vitro Color Glass™ and Lacobel™ for interior wall cladding



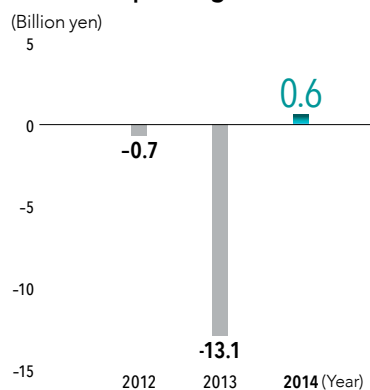
"UV Verre Premium™" series for automotive glass

Sales Trends¹



¹ Sales to external customers.

Trends in Operating Profit



Clearlight™
Low reflection glass that minimizes background reflections on glass

Glass Company President Message: Growth Strategy

We are working to improve our earning capacity by focusing on the optimization of our global production system and on adding greater value to products.

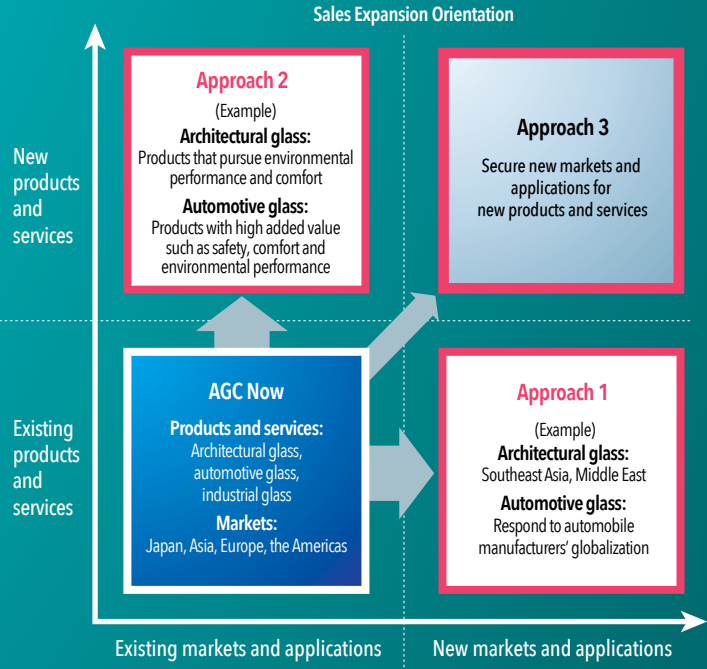
Business Goals

Architectural glass:
Provide products that correspond to needs in all countries and regions while improving profitability through better asset efficiency

Automotive glass:
Further reinforce our position as the global market leader



Yoshiaki Tamura
Glass Company President



Building Optimal Production Systems and Business Models Tailored to Regions and Expanding the Architectural Glass Business in Growth Markets

The functions and performance sought from architectural glass products differ by climate, structural considerations and lifestyle culture. Also, the structure of construction industries and materials supply chains also differs from country to country. To accommodate these differences, it is necessary to build optimal business models for each country and region around the world.

To improve future earnings capacity, we will set a focus on developing and expanding business in growth markets, including those in Southeast Asia and the Middle East. And while doing so, we will continue strength-building and structural reform initiatives. For example, instead of building production facilities all by ourselves, we will make use of joint ventures and build rational and effective production and sales frameworks adapted to local market characteristics. Specifically, we are planning to reinforce our float glass production in Indonesia, and also we are working to disseminate highly energy-efficient Low-E double glazing glass in Vietnam and Singapore. In addition, we have established a joint venture coating company with Saudi Arabia's Obeikan Co., and will begin business in the Middle East market.



Skyscraper district in Indonesia
(Concept photo)

Solidifying the World's No.1 Automotive Glass Market Position through Robust R&D Capability and Global R&D Development and Production Systems

In the automotive glass business, we strive to maintain and solidify our 30% share in the automotive glass industry—a leading market position globally. To this end, we are working to differentiate ourselves from other companies by enhancing our R&D capacity to develop high value-added products that support the evolution of cars and to strengthen product development and production systems on a global scale.

With regard to the development of high value-added products, we have released various high-performance products to the market. For example, UV Verre Premium Cool on™ cuts ultraviolet and infrared rays, making car interiors more comfortable and contributing to a reduced environmental load by offering greater air conditioner efficiency. Also, WONDERLITE™ is equipped with a light-control function in addition to UV and IR protection. In the future, we will continue to focus on the technological development of automotive glass with an eye to furthering the evolution of automobiles through environmental performance and the pursuit of safety and comfort.

In addition, in response to the globalization of auto manufacturers' product development and production systems, we have strengthened our R&D and production systems in Brazil, China and Mexico.

Through these initiatives, we are working toward an operating profit ratio of 5% or more for its glass business in fiscal 2017.

Approach 1
Existing
Products to
New Markets

Joint Venture Established in Saudi Arabia, Architectural Glass Business Initiated in the Middle East Market

In recent years, the architectural glass market in the Middle East has continued to grow at an annual rate of approximately 4%.

In July 2014, AGC Glass Europe (headquartered in Belgium, hereafter "AGEU"), came to a mutual agreement with the Saudi Arabian glass manufacturer Obeikan Glass Company (hereafter "Obeikan") for the establishment of a joint architectural glass coating business venture. A processing line for architectural glass coating is currently under construction inside the Obeikan plant, which is located in Saudi Arabia's Yanbu City, and production is scheduled to begin in early 2016.

While using the synergies generated by AGEU, which is highly skilled in coating technologies vital to the manufacture of high-performance glass, and Obeikan, which has the largest float facilities in the Middle East and an overwhelming presence in the local glass industry, the new company will increase its presence in the Middle East's architectural glass market and steadily respond to the area's vigorous demand.



Managers from both companies who attended the signing ceremony

Approach 2

New Products to
Existing Markets

AGC's WONDERLITE™ Selected for Use in Largest-ever Light Control Glass Roofs on European Luxury Cars

Panoramic glass roofs equipped with WONDERLITE™ technology change their color from transparent to dark blue just by pressing a button.

The light-control technology was developed by an R&D team in Japan, while a development team in Europe applied the technology in large-size glass roofs for luxury automobiles. WONDERLITE™ has been available as an option on luxury cars, on the European and North American markets since September 2014.

Covering an area three times larger than the conventional products, the large-sized light control glass roof affords a unique open-air feeling whatever the outside conditions, and dramatically increases comfort inside the car.

WONDERLITE™ has been applied with a special coating technology for solar control, which filters out sunburn-causing ultraviolet rays and warming infrared rays even in transparent

mode. Through effective integration of its light control and special coating technologies, the product provides drivers and passengers with an optimal driving environment and contributes directly to reducing the need for air-conditioning, thus lowering fuel consumption.



Light-control glass WONDERLITE™



Electronics

Leveraging unique manufacturing methods and production technology, we will continue to offer high value-added products and support the evolution of the display and electronics industries.

Asia

- Thailand** AGC Techno Glass (Thailand) Co., Ltd.
AGC Micro Glass (Thailand) Co., Ltd.
- Indonesia** PT IWAKI Glass Indonesia
PT Cahayatiara Mustika Scientific Indonesia
- Taiwan** AGC Display Glass Taiwan Co., Ltd.
AGC Electronics Taiwan Co., Ltd.
- China** AGC Glass Substrate (Hong Kong) Co., Ltd.
AGC Glass Substrate (Guangdong) Co., Ltd.
AGC Display Glass (Kunshan) Co., Ltd.
AGC Display Glass (Shenzhen) Co., Ltd.
- Korea** Hanwook Techno Glass Co., Ltd.
Asahi Glass Fine Techno Korea Co., Ltd.
Asahi PD Glass Korea Co., Ltd.
AGC Display Glass Ochang Co., Ltd.

Japan

- AGC Display Glass Yonezawa Co., Ltd.
- AGC Electronics Co., Ltd.
- AGC Techno Glass Co., Ltd.
- AGC Micro Glass Co., Ltd.
- AGC Polycarbonate Co., Ltd.
- Optical Coatings Japan Co., Ltd.

The Americas

- U.S.A.** AGC Electronics America, Inc.



Business Outline

In the electronics business, the AGC Group offers high value-added products that support the evolution of display devices and electronic equipment in the fields of display and electronic components.

In the display business, the AGC Group boasts a leading market share for TFT-LCD glass substrates. By leveraging the Group's unique manufacturing methods and advanced production techniques, the AGC Group strives to increase its global competitiveness with a focus on the research and development of materials for next-generation image display devices.

In the field of electronic components, the AGC Group contributes to the evolution of electronic devices with a lineup of synthetic silica glass, high purity silicon carbide and other semiconductor process components, tone correction filters for smartphones and digital cameras and glass substrates for hard discs.

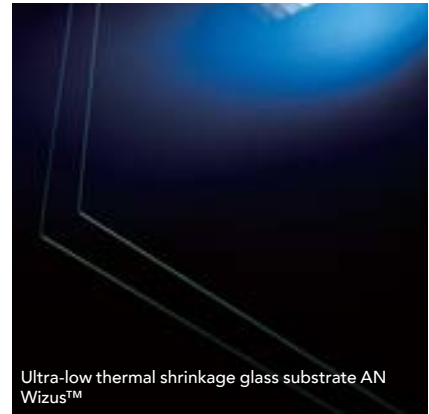
Summary of Fiscal 2014

While shipments of LCD glass substrates and specialty glass for display applications increased year on year, sales prices fell in comparison for the period. Plasma display panel-related products were affected due to production suspensions by major customers, resulting in a large reduction of shipments. Shipments of electronics components increased from the previous period, along with optoelectronics materials and semiconductor related products.

As a result, sales in the Electronics business for this period were 297.7 billion yen, down 48.3 billion yen (14.0%) from the previous period. Due to the decline in sales prices of glass substrates for liquid crystal displays and the decreased profitability of some overseas subsidiaries as a result of the weak yen, operating profits were 36.2 billion yen, down 37.9 billion yen (51.1%) from the previous period.



"Dragontrail™ X" specialty glass for chemical strengthening



Ultra-low thermal shrinkage glass substrate AN WIZUS™

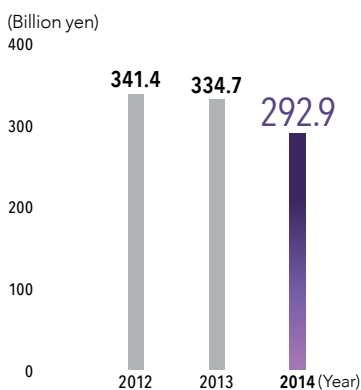


Tone correction filters for digital cameras



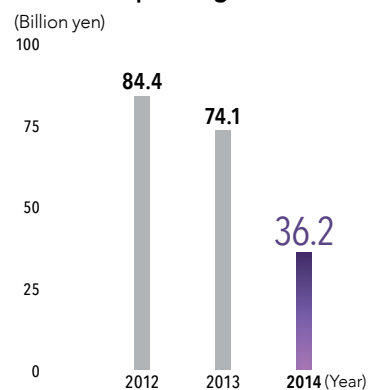
Ultra-thin flat glass SPOOL™

Sales Trends¹



¹ Sales to external customers.

Trends in Operating Profit



The Electronics Company President Message: Growth Strategy

Through the development and sales of high value-added products that make use of our technological predominance, we are working to expand business in growth markets and growth fields.

Business Goals

Display:

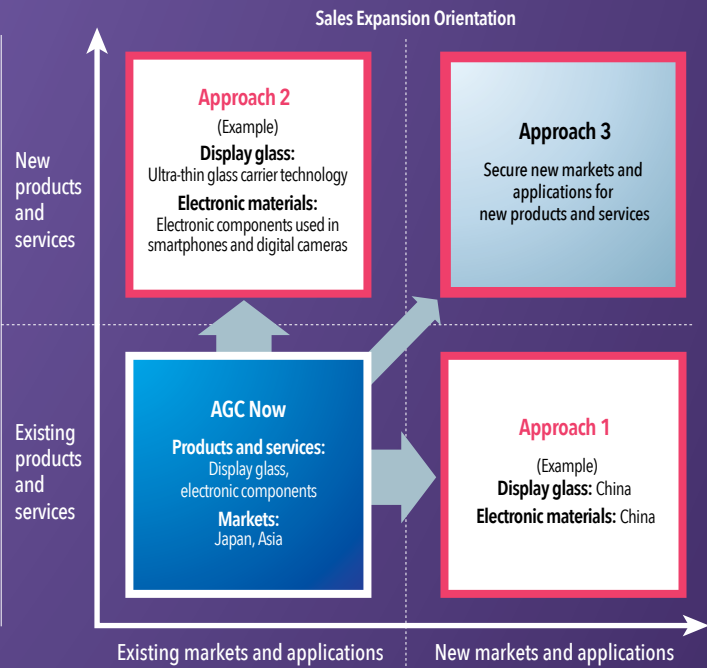
Promote cost reductions, secure earnings level

Electronic materials:

Concentrate management resources in growth fields



Yoshinori Kobayashi
Electronics Company President



Focusing on the Mobile Display Field and the Chinese Market while Improving Productivity and Reducing Costs

The global glass market for LCD panels for televisions has been driven by the vigorous demand of the Chinese market in recent years, and is showing growth that exceeds the growth of global GDP. The market for glass for panels used in mobile devices is also continuing to grow at a rate of approximately 20% per year.

Under these conditions, in the display business, we are focusing on the field of mobile device displays, a field which continues to show high growth, in addition to promoting cost reduction and improved profitability by converting to highly productive high-efficiency furnaces. Mobile devices and high-resolution 4K televisions require glass for higher definition LCD panels. The AGC Group has pursued float processes that can be used to efficiently produce high-quality glass substrates. We will leverage the Group's predominance in this field, focusing on the development and sales of ultra-low thermal contraction glass and other high value-added products. In addition, we aim to strengthen our presence in the ever-growing Chinese market by reinforcing local production and responding to increasing demand in the country.



Glass substrates for TFT-LCDs

Reinforcing Growth Territories including Tone Correction Filters for Digital Cameras and Semiconductor Process Components

In the electronic materials business, we aim to expand profits by concentrating management resources in fields in which future growth is anticipated, such as the tone correction filters and semiconductor process components used in digital cameras and smartphone cameras.

Given their short history compared to lenses and other optical components, tone correction filters in particular are a product with much room for technological development. We are working towards new innovation in this field while promoting cooperation and joint development with the electronics manufacturers that work on the final products.

Through these efforts, we aim to maintain an operating profit ratio of 10% or more for its electronics business in fiscal 2017.



A digital camera equipped with a tone correction filter (concept photo)

Approach 1
Existing
Products to
New Markets

Realizing an End-to-End Production System for TFT-LCD Glass Substrates in China

Demand for TFT-LCD panels is favorable and steady, centered on panels for use in TVs and mobile devices, and in the future, an annual market growth rate of over 5% is anticipated. In particular, the Chinese market is predicted to account for most of the increase in demand, and it was necessary to establish a system that consistently supplies large glass substrates domestically in China.

In response to increasing demand in China, the AGC Group is establishing product supply systems in the country. The Group first built processing bases for large glass substrates in Kunshan City, Jiangsu Province and Shenzhen City, Guangdong Province. Then, in order to reinforce stable supply systems to meet further growing demand in the market, the Group has decided to build a glass manufacturing furnace in Huizhou, Guangdong Province for the purpose of setting up an integrated production system in China.

The new company will be established in mid-2015, with operation scheduled to begin between the end of 2016 and the beginning of 2017.



The signing ceremony for the memorandum regarding investment with the Huizhou Zhongkai High-tech Industrial Development Zone

Approach 2

New Products to
Existing Markets

Release of AN Wizus™, Glass Substrate with the World's Lowest Level of Thermal Shrinkage—Contributing to Improved Quality and Manufacturing Productivity for High-Resolution LCD Panels

In recent years, the use of high-resolution panels in smartphones and tablets has been increasing. During the manufacturing process for high-resolution LCD panels, glass substrates expand and shrink when exposed to heat, and such expansion and shrinkage



A smartphone equipped with a high-resolution panel (concept photo)

affect the quality and manufacturing productivity of the panels. Accordingly, glass substrates used in high-resolution LCD panels need to have a low thermal shrinkage.

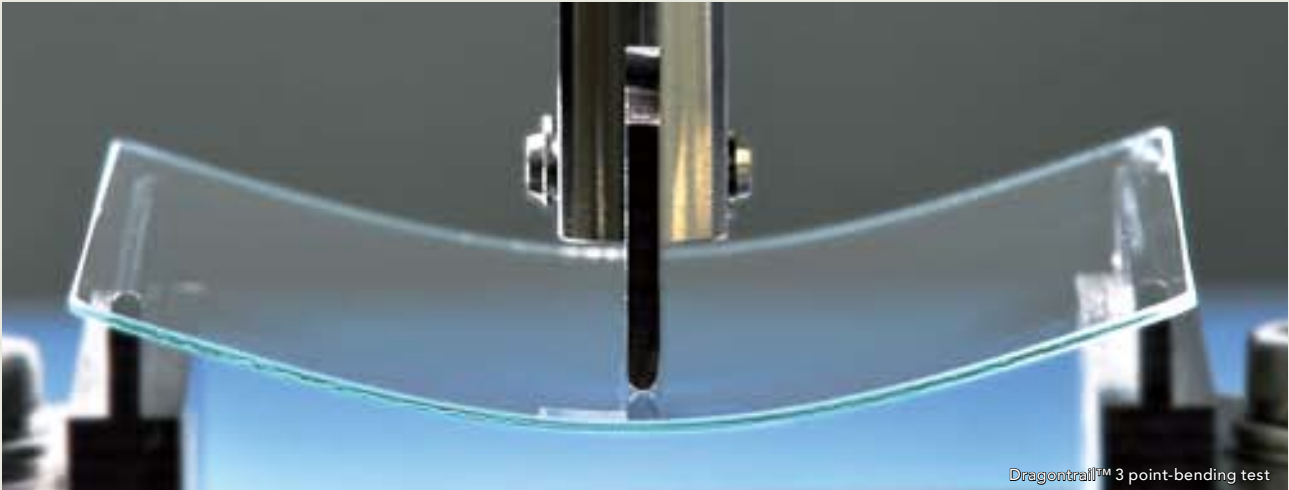
The AGC Group's glass manufacturing method, called the float process, has a long cooling period, and it can minimize thermal shrinkage of glass substrates. The Group has been offering high quality glass substrates for displays that have one of the lowest thermal shrinkages in the industry.

The newly developed AN Wizus™ has an improved glass composition, and the percentage of thermal shrinkage is only one fifth that of the conventional product (AN100). The AGC Group, with its float glass technology, successfully achieved the lowest thermal contraction in the world.

AN Wizus™ offers superior tensile strength and does not bend easily. This and other special characteristics contribute to the improvement of quality and productivity in high-resolution panels, such as an increase in panel contrast.

Using unique technologies to provide glass for Electronics and solar power systems

Applied Glass Materials General Division was established in January 2015. This new division is designed to integrate and grow the business that had been divided between the Glass Company and the Electronics Company, and to explore and launch new business from all the business domains of the AGC Group. With these initiatives, the AGC Group will open up the new possibilities of glass with a unique and diverse product lineup, including cover glass for electronic devices such as smartphones and tablet devices, and glass substrates for solar cells.



Major Products

Specialty Glass for Chemical Strengthening "Dragontrail™" series



Cover glass for smartphones and tablet devices

Leoflex™



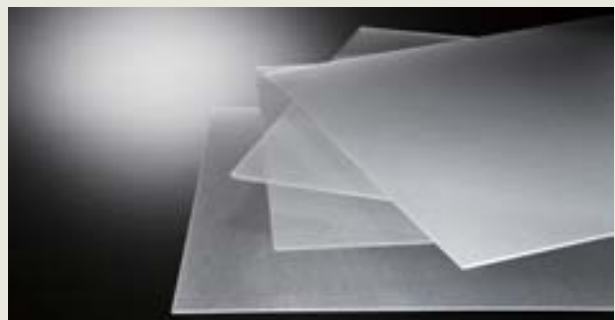
Chemically strengthened specialty glass, developed for versatile use in architecture, solar cells and more

Glass Substrates for Touch Panels



Touch panel glass substrates for smartphones and tablet devices

TCO Substrates for Photovoltaic Devices



TCO substrates for thin film photovoltaic devices. The unique surface texture disperses incoming light, trapping it inside a silicon layer

Versatile Development of Chemically Strengthened Specialty Glass

The AGC Group is proactively promoting the expansion of uses for the Dragontrail™ series and Leoflex™, proposing new possibilities for glass to customers.



Display Field

Dragontrail™ Used in a Wide Array of Touch Panels from Smartphones to Personal Computers

Renowned for its superior strength, scratch resistance, and stable supply, the Dragontrail™ series has been adopted by world-leading brands—as well as those in fast-growing countries—as cover glass in smartphones, tablet devices and notebooks.



Automotive Field

Realizing more Comfortable and Reliable Instrument Operability with Touch Panels

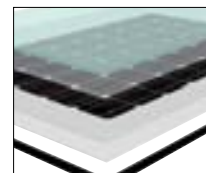
Instruments in vehicles are expected to increasingly feature touch panel operations in the future, and technologies are being developed to integrate the operations of various equipment such as car stereos and air conditioners. The high strength, scratch resistant, and anti-reflective Dragontrail™ is now being adopted as a cover glass for such console panels.



PV Power Generation Field

Easing Installation Requirements by Drastically Reducing Solar Panel Weight

By using Leoflex™ for the cover glass, the weight of solar panels can be reduced by half compared to previous models. This makes it possible for solar panels to be effectively utilized in spaces where installation is difficult due to weight restrictions.



Residential Field

Developing Lighter, More Compact Glass with Improved Energy-Saving Performance

Utilizing the characteristics of Leoflex™, the AGC Group is working to develop a lightweight, easy-to-handle, energy-efficient triple-glazed window with markedly enhanced insulation performance.



Railway Field

Making Train Travel more Pleasant with Energy-Efficient, Light-Modulating Windows

Leoflex™ light-control double-glazed units have been adopted for use as window panes in express trains, resulting in energy efficiency and a glass weight reduction of 20% or more as compared to conventional glass.



Chemicals

We offer a diverse variety of products, from basic chemicals to fluorine-based high-performance chemicals. Our products help create an affluent, safe and secure society and promote environmental conservation.

Europe

U.K. AGC Chemicals Europe, Ltd.

Japan

Ise Chemicals Corporation
 Keiyo Monomer Co., Ltd.
 AGC Si-Tech Co., Ltd.
 AGC Engineering Co., Ltd.
 AGC Seimi Chemical Co., Ltd.
 AGC Coat-Tech Co., Ltd.
 AGC Polymer Material Co., Ltd.
 AGC Green-Tech Co., Ltd.
 AGC Wakasa Chemicals Co., Ltd.
 AGC Matex Co., Ltd.
 AGC Filtech Co., Ltd.
 Hokkaido Soda Co., Ltd.
 Kashima Chemical Co., Ltd.

The Americas

U.S.A. AGC Chemicals Americas, Inc.
 Woodward Iodine Corporation

Asia

Thailand AGC Chemicals (Thailand) Co., Ltd.
 AGC Matex (Thailand) Co., Ltd.
Indonesia PT Asahimas Chemical
China AGC Chemicals Asia Pacific Pte. Ltd.
Vietnam Phu My Plastics and Chemicals Co., Ltd.



Business Outline

Under the principle of "Chemistry for a Blue Planet," the AGC Group's chemicals business keeps its environmental impact to a minimum by making complete use of the by-products created in chemical reactions, while continuing to provide a wide variety of products that are useful to society in areas ranging from basic chemicals to functional chemicals. The AGC Group is also working on the recovering and recycling of chlorofluorocarbons and other ozone-depleting substances and the development of environmentally friendly products.

In the field of chlor-alkali and urethane, the Group manufactures caustic soda, sodium bicarbonate and other highly versatile basic chemical products that are vital to daily life and various industries. Urethane-related products are used in thermal-insulating materials, car seats and other products that bring comfort to our lives.

In the field of fluorine/specialty chemicals, the AGC Group boasts the world's top-class technologies. The Group manufactures and supplies high-performance products with extremely high heat resistance, chemical resistance and weather resistance. In particular, the Group's fluorinated resins (Fluon® ETFE) enjoy a global top-class share.

The AGC Group also supplies a wide range of high-performance products in various global industries: fluorinated resins and fluorinated elastomers in the automotive and aircraft industries; fluoropolymer films and fluoropolymer resin for coating in the architecture field; and multifunctional materials for the electronics and display field.

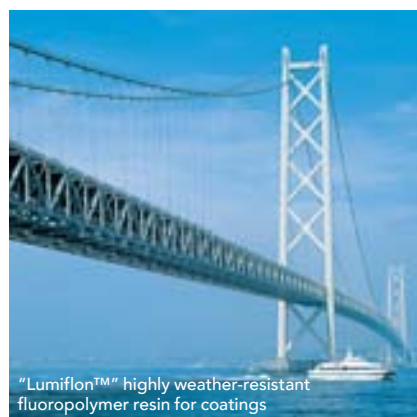
Summary of Fiscal 2014

Shipments of chlor-alkali and urethane products in the Japan and Asia region were strong, resulting in increased sales in comparison to the previous period. For fluorine and specialty products, shipments of fluorinated resins and of pharmaceutical and agrochemical intermediates and active ingredients were strong, leading to increased year-on-year sales.

As a result, sales in the Chemicals business for the current period were 317.2 billion yen, up 26.6 billion yen (9.1%) from the previous period, while operating profits were 24.1 billion yen, up 6.4 billion yen (35.8%) from the previous period.



"Fluon® ETFE FILM" Fluoropolymer film



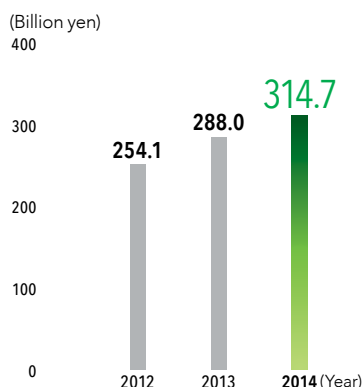
"Lumiflon™" highly weather-resistant fluoropolymer resin for coatings



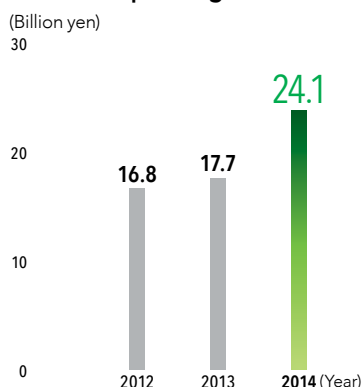
Tafuprost pharmaceutical and agrochemical intermediates and active ingredients

* A glaucoma and ocular hypertension therapeutic agent jointly developed with Santen Pharmaceutical Co., Ltd.

Sales Trends¹



Trends in Operating Profit



¹ Sales to external customers.



AsahiGuard™ E Series: Fluorinated water and oil repellents

The Chemicals Company President Message: Growth Strategy

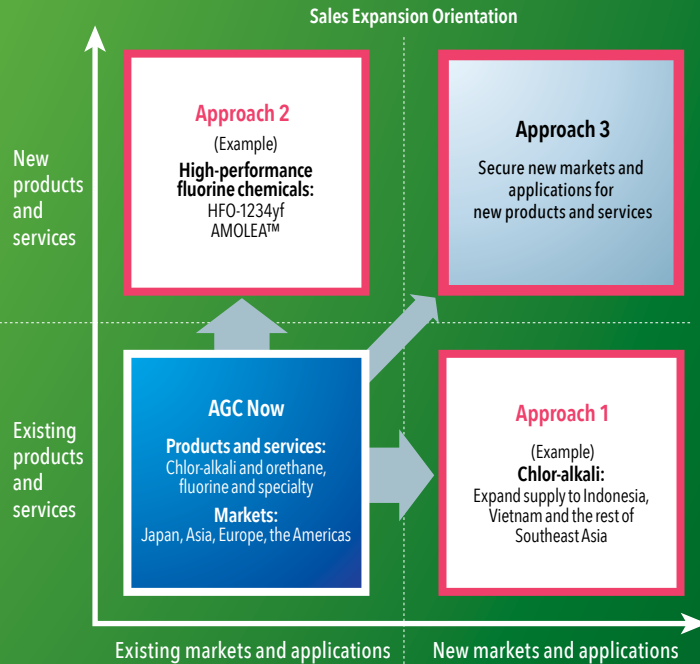
We will work to achieve solid growth while increasing our market predominance through proactive investment in growth fields and growth markets.

Business Goals

- Chlor-alkali and urethane:
Capture demand from the Southeast Asian market
- Fluorine and specialty:
Secure increased global demand



Masao Nemoto
Chemicals Company President



Reinforcing Local Production and Sales Systems in Response to Expanding Demand in the Southeast Asian Market

As Indonesia, Thailand and other ASEAN countries continue to grow, demand for chlor-alkali products is expected to continue expanding. The AGC Group began local production and sales of chlor-alkali in Thailand in 1964, and in Indonesia in 1986, and established its presence as the manufacturer with the top market share of caustic soda in Southeast Asia. In order to respond to the growing demand across the entire Southeast Asian market in recent years, we are enhancing the capacity of our electrolysis facility in Indonesia, and in 2014 we acquired a leading Vietnamese vinyl chloride resin manufacturer as a subsidiary. We will continue achieving steady growth by proactively investing in growth fields and growth markets.



Capacity enhancement scheduled at PT Asahimas Chemical in Indonesia

Exploring Markets for High-Performance Fluorine Chemicals by Strengthening Technical Support on a Global Scale

High-performance fluorine chemicals are highly weather resistant, long lasting and have many other excellent properties. Consequently, demand for such products is growing globally, particularly in the automotive, electronics and construction industries, and for use in agricultural greenhouses. Global demand is anticipated to grow further, including in environment-related fields.

In order to firmly connect this increasing demand to business growth, we are expanding our technical support functions in an effort to cultivate new applications for high-performance fluorine chemicals and promoting sales. In addition to opening a technical center in China in 2014, we are planning to set up technical centers in other countries and regions in 2015. Technical centers provide technical services, applied development and analytical work tailored to regions' needs in order to explore new markets in the region.

As a promising product field, we are focusing on the development of substitute refrigerants that have a lower environmental load and greatly contribute to preventing global warming and the destruction of the ozone layer.

Through these initiatives, we aim to achieve an operating profit ratio of 10% or more for its Chemicals business in fiscal 2017.



Newly constructed technical center in China

Approach 1
Existing
Products to
New Markets

Acquisition of Vietnamese Vinyl Chloride Company in Preparation for Expanding Chlor-Alkali Business in Southeast Asia

Vietnam is a market with great room for growth—over half of its population of approximately 90 million is under thirty—and it is anticipated to see continued stable economic growth at a rate of over 5% annually. The country has the third largest polyvinyl



The Phu My Plastics and Chemicals plant, the latest new production base after Thailand and Indonesia

chloride (PVC) market in Southeast Asia, after Indonesia and Thailand, and the demand for PVC that accompanies the country's economic development is expected to keep the annual growth of approximately 5%. In addition, increased demand for other chlor-alkali products, such as caustic soda and hydrochloric acid, is anticipated along with the expansion of the heavy chemical industry in Vietnam.

In order to develop business in this promising market, in 2014 the AGC Group acquired 78% of the stock of Phu My Plastics and Chemicals Company Ltd. (hereafter PMPC), a PVC manufacturer. PMPC has an over 30% share in the PVC resin market in the country, and the AGC Group's business development in Vietnam made a full-fledged start. By establishing a new production and sales base in Vietnam in addition to enhancing the production capacity in Indonesia, the AGC Group will work to expand its Southeast Asian chlor-alkali business even further.

Approach 2

New Products to
Existing Markets

HFO-1234yf and AMOLEA™: Low-Environmental Impact Refrigerants with Reduced Influence on Climate Change

Hydrofluorocarbons (HFC) are used as refrigerants in air conditioners and cars. However, since their global warming potential (GWP) is high, their use is being increasingly restricted in Japan, Europe, North America, and the rest of the world. The AGC Group is the world's first company to establish the production technology for the next-generation automotive refrigerant HFO-1234yf, one that has an extremely low environmental load with a GWP that's equal to or less than 1/1,300 the GWP of conventional products¹. In January 2014, the AGC Group announced that it would supply the product to the US company Honeywell. In addition, in March 2014, the Group developed AMOLEA™, a new refrigerant for air conditioners whose performance is the same as conventional products², but whose GWP has been lowered to approximately 1/6. Commercial production is expected to begin in 2016.

¹ As compared to the automotive refrigerant HFC-134a

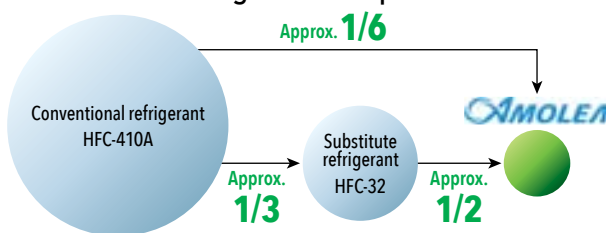
² As compared to HFC-410A

Automotive refrigerants: Comparison³

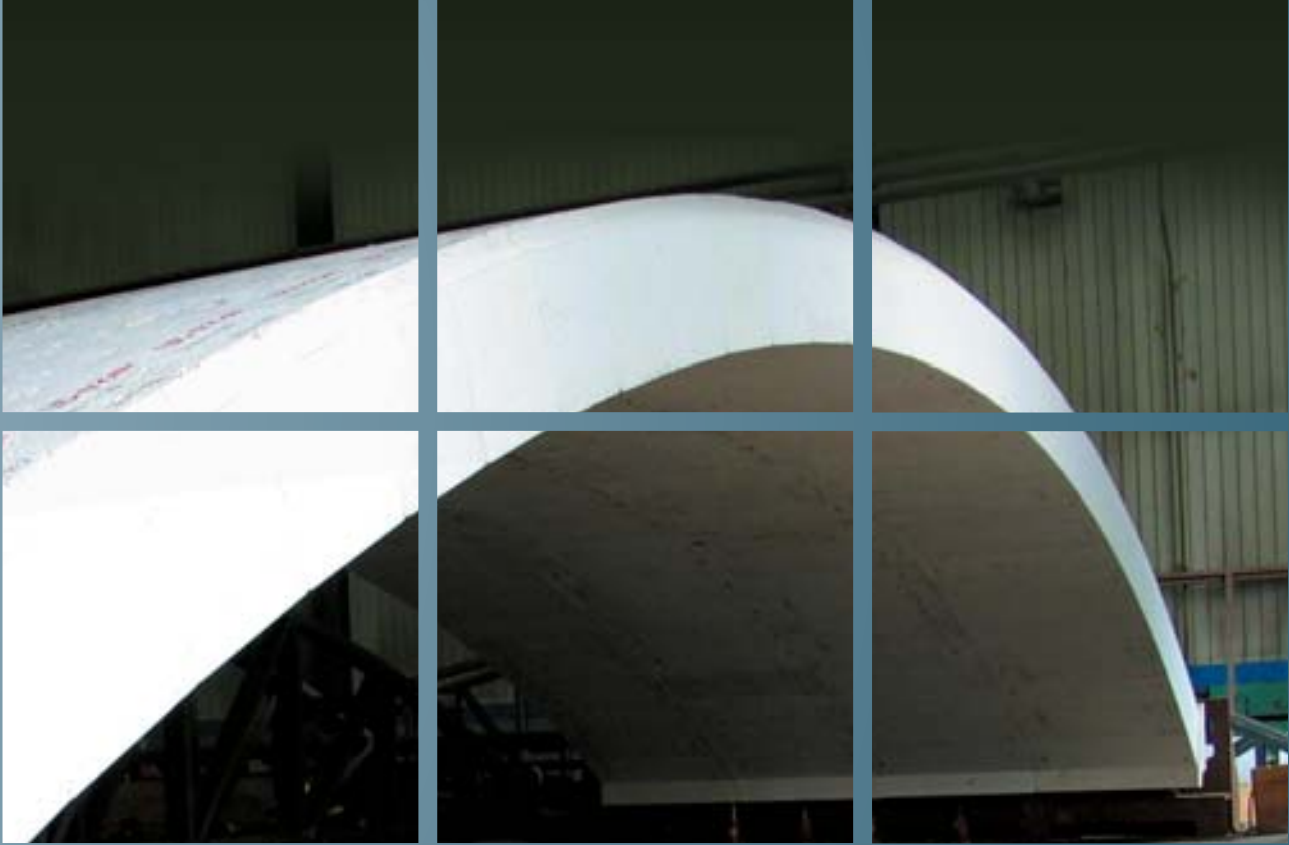


³ When the GWP of HFC-134a is 1

Air Conditioner Refrigerants: Comparison⁴



⁴ When the GWP of HFC-410A is 1



Ceramics/Other

Utilizing ceramics technologies cultivated over many years, we offer a variety of products and solutions that contribute to innovation in glass production processes and environmental conservation.

Ceramics

Japan

AGC Ceramics Co., Ltd.
AGC Plibrico Co., Ltd.

Asia

Singapore AGC Ceramics Singapore Pte. Ltd.
China Zibo Asahi Glass Alumina Materials Co., Ltd.
AGC Ceramics (Yixing) Co., Ltd.
AGC Plibrico (Dailian) Industries Co., Ltd.

Other

Japan

AGC Research Institute, Inc.
AGC Insurance Management Co., Ltd.
AGC Finance Co., Ltd.
AGC Logistics Co., Ltd.
AGC Technology Solutions Co., Ltd.
Tokai Kogyo Co., Ltd.

Asia

Thailand AGC Technology Solutions (Thailand) Co., Ltd.
Singapore AGC Asia Pacific Pte., Ltd.
AGC Singapore Services Pte. Ltd.
China AGC (China) Holdings Co., Ltd.
AGC Shanghai Co., Ltd.
AGC Technology Solutions (Kunshan) Co., LTD.

Europe

Belgium AGC Europe S.A.

The Americas

U.S.A. AGC America, Inc.
AGC Capital, Inc.

Business Outline

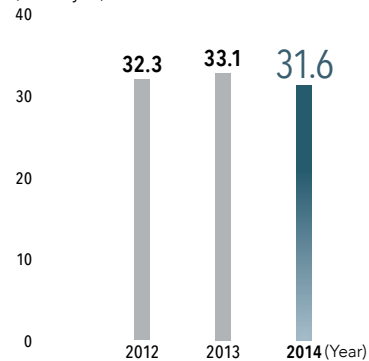
The Ceramics business began in 1916 with the production of high temperature resistant bricks for glass furnaces. At present, AGC Ceramics Co. Ltd. has adopted the visions "Glass Ceramics Innovation" and "Green Ceramics Innovation" and is working to create new innovations in the fields of Glass Engineering and Environmental Energy.

In the field of Glass Engineering, AGC Ceramics provides high-durability, high-performance fused cast bricks that prolong the life of glass furnaces and contribute to energy efficiency and CO₂ reduction in glass production processes, and solutions that make use of these bricks.

In the field of Environmental Energy, in addition to bonded refractory bricks (both burned and unburned) used at domestic and foreign cement plants, the company provides castable refractories that contribute to making industrial furnaces more energy efficient and reducing their environmental load. In addition, AGC Ceramics is focusing on the development of products and technologies that are easy on the environment, such as high-temperature fine ceramic fans and sputtering targets for energy-saving glass.

Sales Trends¹

(Billion yen)



¹ Total amount for ceramics/other; sales to external customers.

For the Environment



Tough Coore™ Ceramic Pigment for Heat Shielding Pavement Surfaces Alleviates Heat Island Phenomenon

Until now, the method used to counter the heat island phenomenon was to cover the entire surface of the road with a heat-shielding coat, thereby reducing accumulated ground-level heat. However, the harsh conditions created by cars wear away the heat-shielding material. Under these conditions, Tough Coore™'s extraordinary hardness offers superior anti-abrasive performance with heat-shielding pavement surfaces.

In addition, the anti-skid color aggregate Tough Bahn™ has been widely used for purposes of traffic safety and facilitating smoother traffic flow, and in recent years, the use of the product as a road surface material for bicycle lanes is also increasing.

Middle two lanes: Tough Coore™ is used for heat shielding of road-surface as a heat island effect countermeasure
Left lane: Tough Bahn™ is an anti-skid surface coat for clear demarcation of bus lanes



A diverse lineup of castable refractories

Castable Refractories for Industrial Furnaces: Free Design, Flexible Construction

Castable refractories are used in all types of industrial furnaces, including incinerators and aluminum smelting furnaces. Because construction methods can be chosen depending on the object being constructed, complicated shapes and thin-walled objects are also possible. AGC Ceramics supports the operation of industrial furnaces with a product group that features a wide variety of special features, such as abrasion resistance, corrosion resistance and high heat insulation.



THERMOTECT™

High Thermal Insulating Ceramic Refractory THERMOTECT™

THERMOTECT™ is a ceramics furnace material offering high thermal insulation and resistance. Developed with our proprietary raw material technologies, it is usable at high temperature ranges up to 1,600°C. It also shows long-term insulation performance under high temperatures, realizing cost-reduction due to energy efficiency.

In addition, as it includes no materials of environmental concern, it contributes to the improvement and safety of on-site work environments.

We aim to create new businesses that open up the future of the AGC Group.



For the AGC Group to achieve growth over the medium and long terms, it must continue to create new value that brings benefits to society as a materials manufacturer. In this regard, Yoshinori Hirai, Senior Executive Officer and GM of Technology General Division, explained how enhancing technologies can open up new possibilities, and discussed his approach to developing new businesses that will drive the AGC Group forward in the future.

Yoshinori Hirai
Senior Executive Officer and GM of Technology General Division

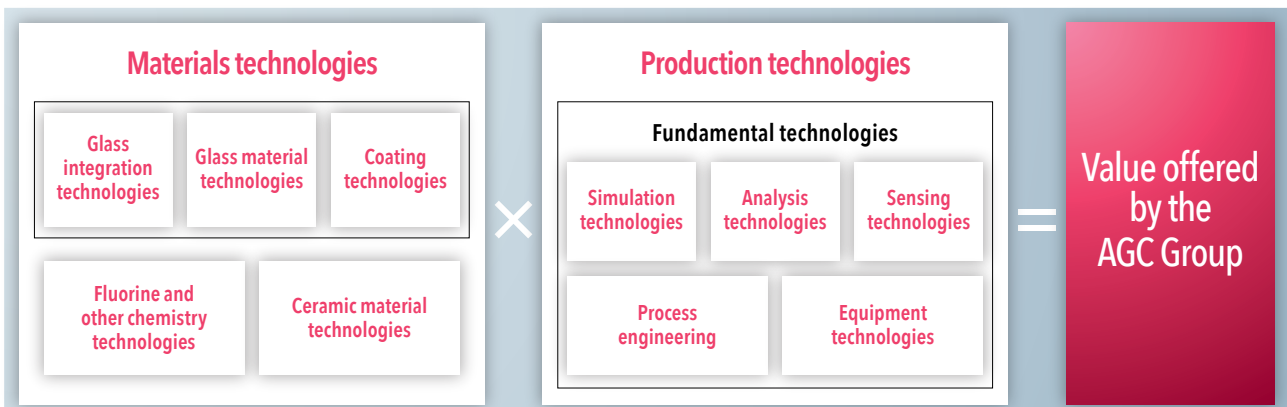
Leveraging Materials and Production Technologies to Offer Business Solutions

The AGC Group conducts R&D with a short-, medium- or long-term outlook. For short- and medium-term R&D, we aim to bolster the competitiveness of our existing businesses. As an example of this, we have overhauled production processes and upgraded process technologies. These technical innovations enabled us to reduce costs and have already led to major results, especially in our display business.

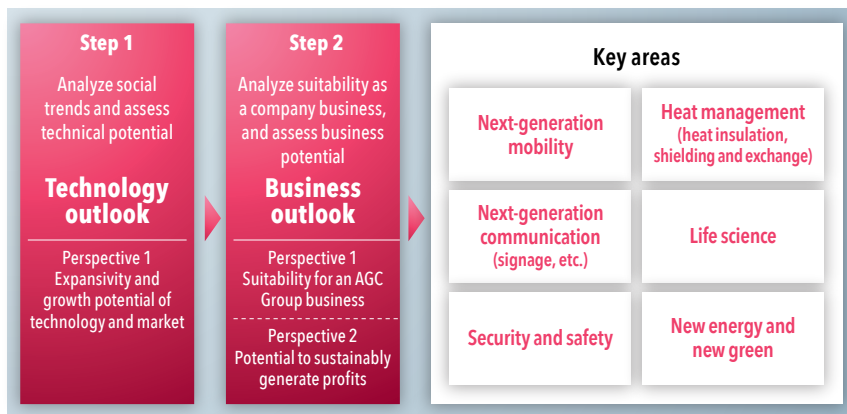
Another important approach is product and technology development that aims at 1) securing new markets for our existing products, and 2) offering new products in existing markets—as described in our new management policy **AGC plus**. An example of the first approach is Dragontrail. We have been marketing this specialty glass for chemical strengthening mainly in the display-related market, and we are now expanding its use in new markets, like the automotive market. As an example of our second approach, we are promoting the UV Verre Premium series to the automotive market as new high-value-added products.

What is common to both of these approaches is that they are based on solutions-oriented businesses based on the competitive advantages of the AGC Group's technologies. The AGC's Group's technological expertise extends into various fields:

The AGC Group's Core Technologies



materials technologies in the fields of glass, chemicals, electronics, and ceramics, and production technologies including simulation, analysis, and equipment technologies. By interconnecting these technologies, we create a wide range of expert capabilities from which we offer customers optimum solutions for their needs. This is the AGC Group's approach to short- and medium-term R&D.



Setting Long-term R&D Projects by Analyzing Technological and Business Trends

For long-term research and development, the AGC Group examines social and technological trends projected over the next 10 to 20 years and formulates a technology roadmap called Technology Outlook, an analysis of what kinds of products and technologies will be in high demand in the future. To respond to such demand, we create a business roadmap—called Business Outlook—after taking into consideration the suitability of new businesses for the AGC Group, and whether they would be able to sustainably generate profits. Through this process of research and analysis, we have set smart community related markets as an important topic for our R&D projects to pursue, and we are proactively pursuing technological and business development covering the short, medium and long terms in six areas: next-generation mobility, heat management, next-generation communication, life sciences, security and safety, and new energy and new green (see pages 43 to 44 for more details).

The AGC Group's R&D is underpinned by an approach that connects product development with the market. Needs are constantly changing in the marketplace today, so unless we constantly take a market-oriented outlook to development, we will not be able to create the businesses and products that our customers want.

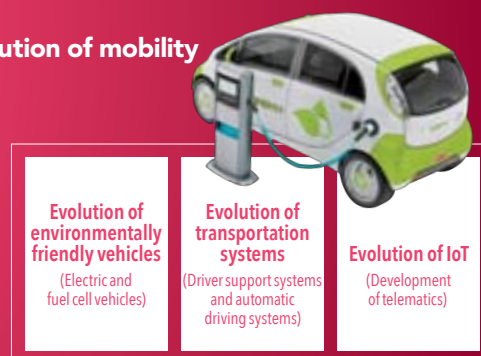
The AGC Group's Business Development Process: Following the Technology Outlook and Business Outlook

To develop our businesses, we place importance on a technology roadmap that considers global trends related to energy, natural resources and population from a long-term perspective, and a business roadmap based on analyses of the suitability of businesses for the AGC Group and the feasibility of commercialization.

Social Value The Evolution of Next-Generation Mobility

Pursuing R&D while analyzing needs arising from the evolution of mobility

Various AGC Group products are used in vehicles, including glass antennae and glass that blocks ultraviolet and infrared rays. In the future, vehicles and public transportation infrastructure are expected to undergo three drastic changes: progress in environmentally friendly vehicles, particularly electric and fuel cell vehicles; advancements in transportation systems, such as automatic driving systems; and the trend toward a so-called Internet of Things. The AGC Group is assessing and analyzing the needs being generated by this evolution of next-generation mobility, and carrying out meticulous research and development on products and technologies that can help create smart communities in which people can lead fulfilling lives in comfort and safety.





A worksite carrying out GTNET activities in the Silicon Valley, U.S.A.

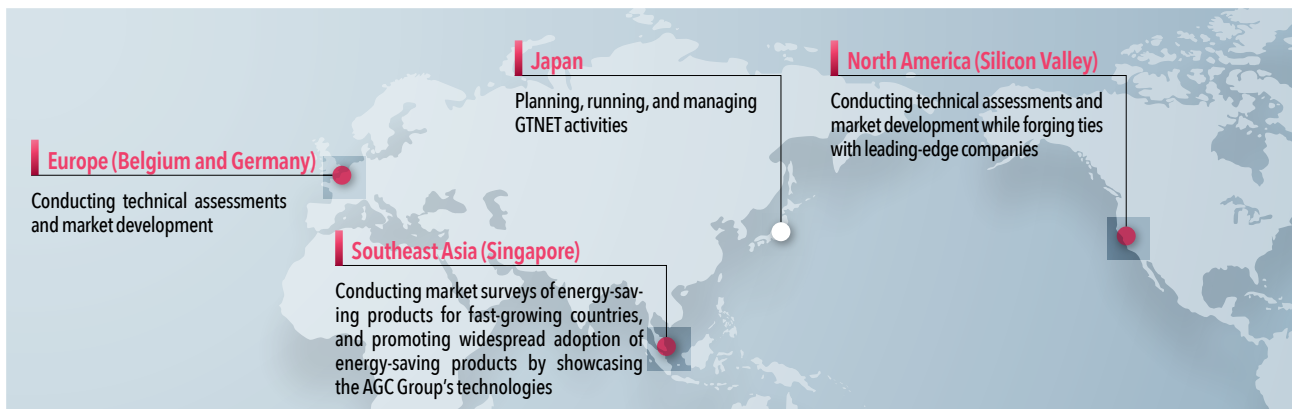
Taking Advantage of Open Innovation to Renew Technologies and Create New Markets

The AGC Group is actively promoting open innovation as a means of conducting R&D. By working together with a wide spectrum of experts from outside the Group, we are gaining access to a more substantial range of technologies. Through such efforts, we work to accelerate technical innovations and possibilities for new market creation, and shorten product development lead times.

In our short- and medium-term development projects, we are pursuing joint development and business partnerships that enable us to mutually complement technologies, products and services. On the other hand, our long-term projects cover a wide array of technologies related to smart communities and social infrastructure. We are collaborating with companies and research institutions through the participation in national projects and other collaborative initiatives. In Japan, the AGC Group has already participated in 10 national projects overseen by the Ministry of Education, Culture, Sports, Science and Technology and the Ministry of Economy, Trade and Industry. Outside Japan, we are working to step up our open innovation activities through activities such as information collection via local venture funds and investing in influential venture companies in the U.S.

In addition, the Group is also carrying out its own Global Technology Networking (GTNET) activities in order to monitor trends in cutting-edge markets and to stay abreast of the latest technical information. The network activities cover three regions worldwide— Southeast Asia, Europe, and North America—with respective worksites in Singapore, Belgium and Germany, and the Silicon Valley, which is home to many leading electronics and IT firms as well as R&D centers of automakers. In this capacity, we have been working to conduct research and make proposals regarding technological trends and environmental and safety regulations locally. In Singapore, for instance, we are participating in a green building consortium organized by the Singapore Economic Development Board, through which we are using energy-saving glass and other products to help realize environmentally friendly buildings in collaboration with the government and other companies.

Global Technology Networking (GTNET)



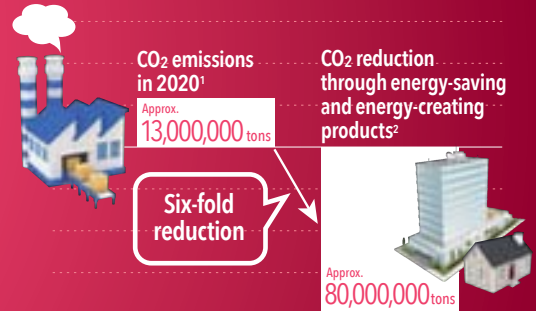
Social Value Tackling Problems Associated with Energy and Climate Change

Reducing CO₂ emissions through energy-saving and energy-creating products

People around the world are taking greater interest in clean energy and environmental problems, especially climate change. In this context, the AGC Group is working to reduce its CO₂ emissions through environmental products, and created an environmental slogan to reflect these efforts in 2014. To help solve the environmental problems faced by societies, the Group is providing all kinds of energy-saving and energy-creating products, including Low-E double glazing glass, glass for solar power panels, low-environmental-load refrigerants, and road surface heat-shielding materials designed to alleviate the heat island effect.

1 The AGC Group's estimated annual CO₂ emissions in 2020

2 The amount of CO₂ reduction if the energy-saving and energy-creating products manufactured in 2020 are used to the end of their useful lives.



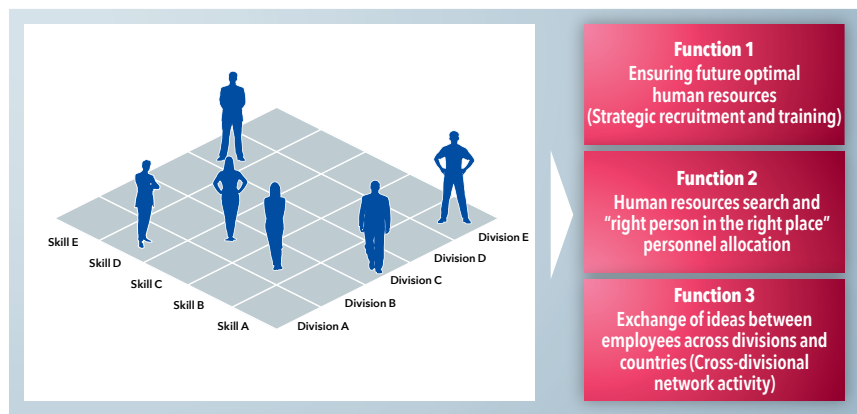
Creating a Work Environment that Encourages Innovation and Promotes Cross-Divisional and International Exchanges

The main force driving the AGC Group's R&D activities is the skills and capabilities of its expert personnel. To make the most of our human assets, we are using the Skill Map database of individual employees. The specialized capabilities of AGC Group employees are recorded in the database, allowing management to see what skills have been acquired by employees in specific divisions and companies of the Group so they can effectively appoint personnel and facilitate communication.

For example, when undertaking a new project, project managers can assemble optimal teams by quickly and accurately determining which employees have the necessary skills, and which countries and divisions they work in. In addition, by identifying employees with common skills existing outside of a company or department, it is possible to build a cross-divisional network beyond departmental and national borders.

Skill Map data are also used to organize cross-divisional international networks of employees with the same skills, allowing opportunities for information sharing among employees who would not otherwise be able to come into contact because they work in different divisions and group companies. Members of cross-divisional networks can apply their mutual skills and know-how to tackle whatever issues arise, helping them find solutions and even ideas for new technologies. The use of these networks has also prompted network members with different skills from R&D, sales, and other departments to collaborate in refining proposals for new products.

The source of innovation is diversity. That is to say, innovations are generated by an environment in which diverse personalities and values meet head on. With this in mind, we are promoting diverse workplaces through cross-divisional employee exchanges and collaboration as it continues to encourage the creation of new innovations.



- Function 1**
Ensuring future optimal human resources
(Strategic recruitment and training)
- Function 2**
Human resources search and "right person in the right place" personnel allocation
- Function 3**
Exchange of ideas between employees across divisions and countries (Cross-divisional network activity)

Skill Map: A Unique Personnel Database

The AGC Group's Skill Map is a tool for registering the AGC Group employees according to their specialized skills. The database is used for organizing project teams, appointing personnel, and setting up cross-divisional and international exchanges between employees.

In Focus

The Potential of Smart Communities

**Society is ever changing and evolving.
In order to provide needed solutions and
to achieve further growth,
the AGC Group is developing new business areas.**



Naoki Sugimoto

GM of Business Development Office

The AGC Group is focusing on cultivating the “smart community”-related market as a new business area in which it can leverage its technologies, human resources and other management resources to the utmost.

Smart communities are communities in which people and people, people and things, and people and information are connected and communicate quickly and easily, allowing people to live with abundance, safety and security. Working towards the realization of this type of community, the AGC Group will provide solutions based on diverse materials in six fields (see page 44).

These six fields are not clearly separated; they overlap and merge with one another. When providing solutions in these fields, there are limits to working with one material or limited technology, and it is necessary to combine diverse materials and technologies to create new innovations.

The AGC Group is unique. It is the only corporation in the world that is simultaneously developing glass, chemicals and ceramics businesses. The core glass, chemical and ceramic

technologies that we have cultivated in these business areas are all on the cutting edge globally, and at the same time, I am convinced that, if combined, they will be able to create innovative materials found nowhere in the world.

In order to realize this, it is vital for us to create a system in which we can exercise our comprehensive strengths as “All AGC” by removing the barriers between organizations and allowing people and technologies move freely between them. In 2011, the Business Development Office was established to act as the flagbearer for this initiative. Human resources with varied knowledge and experience have come together from the R&D, Sales and Marketing divisions and are working to create a wide range of new technologies and products.

In the future, within the AGC Group, we will continue to contribute to the resolution of social issues by constantly thinking and proposing solutions from the customer’s perspective as we assess the shape of the society which is to come and the needs it will have.



Smart community-related markets

Social changes and trends

The AGC Group's approach

Next-Generation Mobility

- Fusion of cars and ICT
- Exhaust gas and fuel efficiency regulations of cars

▶ Provide glass and other materials for transportation methods such as railways and cars with automated driving and collision prevention functions, and for surrounding fields

Heat Management

- Changes to energy efficiency and other energy policies in every country
- Trends of tightened chemical substance and exhaust gas regulations

▶ Use heat-control technology cultivated by the AGC Group at super-high temperatures such as 1,700°C to below freezing to provide materials to housing and other industrial fields
Provide coolant with a low environmental impact

Next-Generation Communication

- The evolution of displays and communication technology
- Rapid increase in data and the evolution of storage technology
- New markets from urbanization and developing middle income groups

▶ Provide digital signage and sensing technology that can make communication smoother and more effective through glass interfaces

Life Science

- Rising interest in medical treatment as society ages
- Breakthroughs in life science-related technology
- Expanding demand in fast-growing countries

▶ Provide pharmaceutical and agrochemical intermediates and devices for disease prevention and diagnostics, enabling people to live healthier lives

Security and Safety

- Increasing devastation of natural disasters triggered by climate change
- Rapid increase in data and evolution of storage technology
- Evolution of IoT

▶ Provide security systems that merge glass and sensing technology in order to contribute to the realization of a safe, secure society

New Energy and New Green

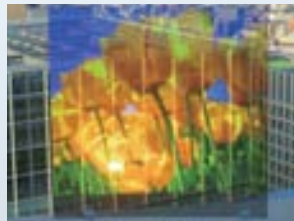
- Changes to each country's energy policies, including energy efficiency
- Power (transportation)-related new technologies and ICT
- Development of renewable energy policies

▶ Provide materials geared towards solar power stabilization, hydrogen energy societies, and fuel-cell vehicles, which are beginning to be made practical



Life Science

Pharmaceutical and agrochemical intermediate and active ingredient Tafluprost



Next-Generation Communication

Glascene™ is a glass screen that allows images to be projected onto transparent glass



Next-Generation Communication

infoverre™ achieves clear and bright images by attaching a liquid crystal display directly onto a glass surface



New Energy and New Green

Lightjoule™ is an ultra-lightweight solar panel that is helping to spread adoption of solar power generation facilities





Approach to Corporate Governance

As its basic policy on corporate governance, Asahi Glass clearly separates its management oversight and management execution functions, and conducts management on a group-wide basis, beyond the conventional framework of parent-company and subsidiaries. Moreover, the company makes efforts to enhance its management oversight function and ensure speedy decision-making when executing management.

Framework for Management Oversight

Board of Directors

Improving the Objectivity and Transparency of the Board of Directors by Incorporating Opinions from Outside Directors

The Board of Directors of Asahi Glass comprises seven directors, each appointed to a one-year term, and includes three outside directors, including one woman¹. The Board is responsible for approving the AGC Group's basic policies and monitoring the execution of its management.

Asahi Glass began employing outside directors in 2002 in an effort to enhance the management oversight function. The appointment of outside directors is carried out in accordance with

requirements under the Companies Act of Japan as well as Asahi Glass' own selection criteria designed to ensure director independence (see page 46 for details). The three outside directors also fulfill the criteria for Independent Directors set forth by the securities listing regulations and enforcement rules for the securities listing regulations.

Outside directors are expected to offer proposals in the Board of Directors concerning general management from an independent standpoint, based on their extensive experience in global corporate management and knowledge of corporate governance related issues.

¹ As of March 27, 2015

Board of Directors Meetings in Fiscal 2014

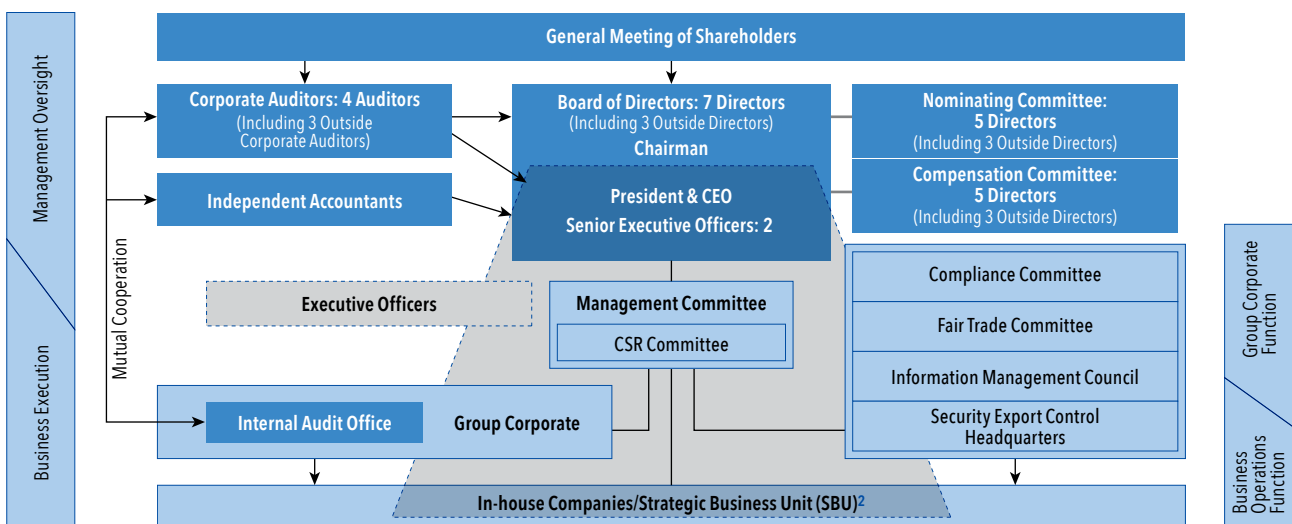
- Meetings held: 13
- Attendance rate of each outside director in meetings: 99%

Board of Corporate Auditors

Enhancing the Effectiveness of Audits with Accounting Auditors and the Internal Audit Organization while Auditing the Performance of Directors

Asahi Glass employs corporate auditors who audit the performance of directors by attending important meetings, including

Overview of Corporate Governance Structure (as of March 27, 2015)



² An In-house Company is defined as a business unit with net sales exceeding 200 billion yen which conducts its business globally. At present, there are three In-house Companies: the Glass Company, the Electronics Company and the Chemicals Company. Business units smaller than this are defined as Strategic Business Units (SBUs).



meeting of the Board of Directors and the Management Committee, and by holding regular meetings with representative directors. The corporate auditors also enhance the effectiveness of auditing by exchanging views and obtaining information concerning audit results and other matters in cooperation with accounting auditors and the Internal Audit Office. As of March 27, 2015, Asahi Glass employed four corporate auditors in total, of which three were outside auditors. All three fulfill the requirements of the Companies Act, as well as standards for independence set forth by our company (see list at right). The outside auditors also fulfill the criteria for Independent Auditors set forth by securities listing regulations and the enforcement rules for the securities listing regulations.

Board of Auditors Meetings in Fiscal 2014

- Meetings held: 13
- Attendance rate of members of the Board of Auditors: 100%

Framework for Enhancing the Management Oversight Function

Early Establishment of Nominating and Compensation Committees in 2003

Asahi Glass established its Nominating and Compensation Committees in 2003 as voluntary advisory committees of the Board of Directors.

Committee Activities in Fiscal 2014

| Committee and members | Duties | Number of meetings held |
|--|---|-------------------------|
| Nominating Committee: 4 Directors (of which 3 are outside directors) | Deliberate on candidates for director and executive officer positions, and make recommendations to the Board of Directors | 6 times |
| Compensation Committee: 4 Directors (of which 3 are outside directors) | Deliberate on the compensation system for directors and executive officers, directors' compensation limits and bonuses to be reported to the general shareholders meeting, and the amount of compensation for executive officer | 5 times |

Standards for Independence of Outside Officers

Asahi Glass has set the following standards to ensure the independence of outside directors and outside corporate auditors.

Standards for Independence of Outside Officers (Summary)

- An outside officer shall not be a business executing person from a company competing in the same industries as the AGC Group or a company that has conducted a major transaction with the AGC Group, or a major shareholder of Asahi Glass.
- An outside officer will not have received a significant sum of money (in the past three years) from the AGC Group besides compensation designated for their respective position.
- An outside officer shall not have been an employee of an auditing firm that has conducted audits on the AGC Group in the past three years.
- The absence of serious conflicts of interest between the Company and an outside officer, or any matter between the Company and an outside officer that may damage his or her independence.

Support System for Outside Officers

Assistance Provided to Outside Directors and Outside Corporate Auditors to Help Them more Effectively Perform Their Respective Supervision and Auditing Duties

To help enable outside directors to effectively oversee operations, the Office of the President, which serves as the Secretariat of the Board of Directors, provides them with relevant information and documents prior to Board of Directors meetings, as well as comprehensive explanations of issues to be debated by the Board in advance when necessary.

Similarly, the Secretariat of the Board of Corporate Auditors assists outside corporate auditors by holding Board of Corporate Auditors meetings, attending important meetings, and helping them coordinate meetings with representative directors and accounting auditors.

Framework for Management Execution

Executive Officers Ensure Speedy and Transparent Business Execution, while the Adoption of an In-House Company System Facilitates Flexible Operational Management

At Asahi Glass, the management execution function is the responsibility of executive officers below the president & CEO. As an advisory committee to the president & CEO, Asahi Glass establishes the Management Committees and discusses business management monitoring and decisions regarding management execution. A system of In-house Companies (quasi-subidiaries within the Group) has been introduced and a global consolidated management system is adopted with regard to business execution. Much of the responsibility and authority for business execution has been delegated to the In-house Companies and the Strategic Business Unit.



Compensation System

Basic Philosophy on Compensation System

Establishing an Objective and Highly Transparent Compensation System

In its Compensation Principles, Asahi Glass sets out its basic stances and philosophies on overall compensation for officers as follows.

- The compensation system shall be one that enables the Company to attract, secure and reward diverse and talented personnel, in order to establish and expand the Company's edge over its peers.
- The compensation system shall be one that promotes continued improvement of corporate value, and in this way allows shareholders and management to share gains
- The compensation system shall be one that gives motivations to achieve performance goals relating to management strategies for the AGC Group's continuous development.
- The decision-making process of determining compensation shall be objective and highly transparent

Composition of Compensation

Directors Receive Fixed and Performance-Linked Compensation while Outside Directors Receive Fixed Compensation

Under the company's compensation system, directors who also serve as executive officers receive a fixed monthly salary, performance-linked bonuses, and stock-based compensation stock options, while directors who do not serve as executive officers receive a fixed monthly salary and stock-based compensation stock options. Meanwhile, outside directors and corporate auditors receive a monthly salary.

The amount of the Bonuses, which is aimed at motivating recipients to achieve their single-fiscal-year business results goals,

Composition of Compensation for Directors and Corporate Auditors

| | Type of compensation | | Eligible persons |
|--------------------|---------------------------------|---------------------------------------|--|
| Directors | Fixed compensation | Monthly compensation | All directors |
| | Performance-linked compensation | Performance-linked bonuses | Directors who also serve as executive officers |
| | | Stock compensation-type stock options | Directors excluding outside directors |
| Corporate auditors | Fixed compensation | Monthly compensation | All corporate auditors |

varies depending on consolidated business results for a single fiscal year. The stock-based compensation stock options are intended to allow recipients to share benefits and risks associated with stock price fluctuations with our shareholders, and enhance their motivation and morale so as to raise business results and corporate value on a medium to long term basis.

Compensation Determination Method

Ensuring the Objectivity and Transparency of the Company's Compensation Decision-Making Process

The Compensation Committee deliberates on matters such as the compensation system and level for directors and executive officers based on the Compensation Principles, makes proposals regarding them to the Board of Directors, and verifies the results of compensation payments in order to increase the objectivity and transparency of the compensation determination process.

Compensation to Directors and Corporate Auditors in Fiscal 2014

| | Number of recipients ¹ | Total payment (millions of yen) ¹ |
|---------------------------------|-----------------------------------|--|
| All directors | 9 | 394 |
| Outside directors only | 4 | 48 |
| All corporate auditors | 5 | 93 |
| Outside corporate auditors only | 4 | 57 |

¹ Figures include compensation for two directors (including one outside director) and one outside corporate auditor who stepped down at the time of the 89th General Meeting of Shareholders held on March 28, 2014.

Internal Control

Maintaining, Applying, and Assessing Internal Control over Financial Reporting

In response to the enactment of the Companies Act of Japan, Asahi Glass established a basic policy for internal control in May 2006, with the aim of confirming that its business execution systems, including the compliance system, were functioning appropriately. Furthermore, Asahi Glass adopted an internal control reporting system in compliance with Japan's Financial Instruments and Exchange Act, and on that basis, created the AGC Group Internal Control over Financial Reporting Implementation Regulations and established an internal control system for its financial reporting.

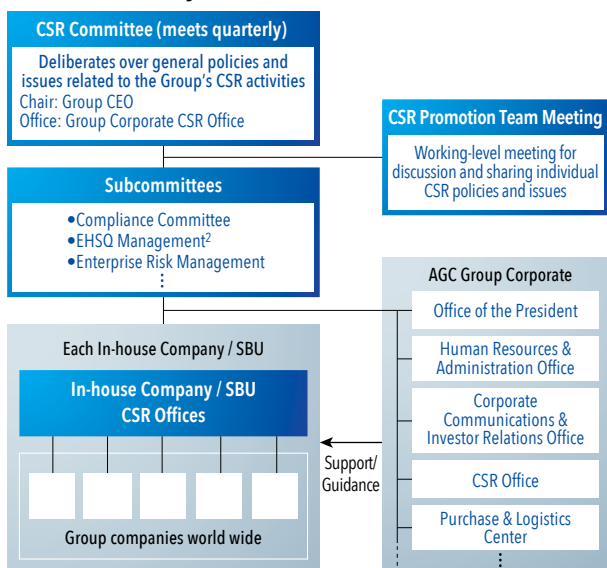


CSR Management

In order to fulfill its corporate mission to “Look beyond to make the world a brighter place” as outlined in the Group Vision “**Look Beyond**”, the AGC Group endeavors to both foster trust and meet the expectations of the community and contribute to the creation of a sustainable society by adopting behaviors based on our four shared values, namely innovation and operational excellence, diversity, the environment, and integrity. Further, the Group utilizes the ISO 26000, an international standard on social responsibility as a guideline for its global CSR activities in order to more concretely demonstrate values-based conduct and establish the AGC Group Charter of Corporate Behavior (refer to the Asahi Glass website for more details).

In 2011, the AGC Group began to develop the CSR monitoring framework based on ISO 26000 to assess the Group’s CSR activities from the perspective of stakeholders and strengthen measures and policies that benefit the community (refer to the AGC Group’s CSR website for more details). Within the matrix of CSR issues established in this framework, targets and results regarding material issues for which frameworks are to be developed and commitments made to society are reported to stakeholders through the AGC Report and other channels, including the AGC Group’s CSR website.

CSR Promotion System



² Environment, occupational Health & Safety and Quality.

CSR Promotion System

Facilitating Discussions on Group-Wide CSR Policies and Issues

The AGC Group established the CSR Committee in 2005 as an in-house organization dedicated to promoting CSR. On the CSR Committee, the AGC Group CEO presides as the committee chair, while the board of directors, corporate auditors and the head of each organization deliberate over general policies and issues related to the Group’s CSR activities on a quarterly basis. Moreover, the CSR Promotion Team, which consists of CSR executives from each business division, as well as the Human Resources, Purchases and Audit departments, discuss and share responsibility for each policy and issue prior to CSR Committee meetings. In addition, specialized CSR Organizations (CSR Offices of each In-house Company) established in each business division share information globally regarding policies that have been discussed and shared by the CSR Committee and CSR Promotion Team, and work to promote each policy.

Promoting Social Responsibility across the Supply Chain

The AGC Group works to solve various social issues including challenges related to human rights, labor practices, and the environment across the entire supply chain, including efforts with suppliers. It emphasizes the importance of corporate social responsibility in its AGC Group Purchasing Policy, which it revised in 2009, and encourages its suppliers to follow the policy and cooperate in its enforcement.

In 2014, the AGC Group formally requested 248 of its main suppliers, including those outside Japan, to cooperate in raising awareness of the AGC Group Purchasing Policy at their worksites. It has also been conducting surveys of suppliers to determine their status of implementing CSR activities. The Group conducted a survey of its major business partners among Group companies in Europe and North America in 2014, following a similar survey carried out in Japan in the previous year. In the future, the Group plans to extend the survey to its Group companies in Asia other than Japan, and put in place a mechanism to check the results of these surveys.

Excerpt from the AGC Group Purchasing Policy

Items suppliers are requested to cooperate on when promoting CSR in the supply chain:

1. Concentrate to supply products and services with good quality, considering Safety & Environment and Compliance to Laws & Regulations of each country.
2. Secure and proper managing of Proprietary information and Intellectual property.
3. Not to be engaged to forced labor or child labor and never tolerate infringements of human rights.
4. Make efforts to environment preservation and ensuring safety and security.
5. Maintain adequate level of occupational health and safety.



Risk Management

In accordance with its Corporate Policy over Internal Control, the AGC Group has established the AGC Group Enterprise Risk Management Basic Policies. Under these policies, the Group defines risks that could interfere with achieving its management objectives, and works to continuously enhance and improve the ability of its management to prevent risks from occurring and to respond to any risk that becomes manifest.

Examples of risks managed by the AGC Group:

- Natural disasters such as earthquakes
- Procurement of resources
- Overseas business development
- Infectious diseases including pandemic influenza
- Environmental regulations
- Market conditions with regard to product demand
- Occupational accidents
- Product liability

Business Continuity Management (BCM) Structure

Formulating BCP Development Guidelines and Promoting Solid Group-Wide Countermeasures

The AGC Group has formulated business continuity plans (BCP) in preparation for large-scale accidents or disasters. It has issued the AGC Group Business Continuity Plan (BCP) Development Guidelines for divisions and business sites to use when formulating BCPs, and efforts are progressing based on the business continuity management (BCM) processes for continuously maintaining and improving BCPs.

At Asahi Glass's headquarters, the company implements annual desktop simulation drills in which top management and the managers of each division participate. Executive managers up to the Group CEO participate in an effort to spread information and raise the effectiveness of the BCPs.



BCP training at Asahi Glass headquarters in October 2014

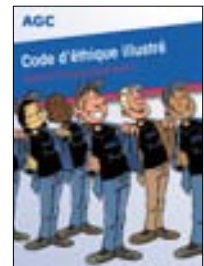
Compliance

Raising Awareness of Compliance

Conducting Compliance Training in Each Region

Issued in 12 types covering 18 languages, the AGC Group Code of Conduct contains guidelines that all employees are required to follow in their work. The Group has also introduced a system in which employees periodically submit a personal certification to follow the AGC Group Code of Conduct. The purpose of the system is to give employees regular opportunities to renew their awareness of compliance and recognize its significance in the workplace and in their own work. In 2014, the certification was submitted by about 40,000 designated employees, equivalent to around 80% of all Group employees. In Asia including Japan and in North America, excluding new Group companies, the subject coverage rate was 100%.

As a means to raise awareness of its Code of Conduct globally, the AGC Group is stepping up its compliance training programs for employees around the world. The Group continually implements compliance-related online training (e-learning) in Japan, Europe and North America. The Group also proactively promotes training activities intended to reinforce compliance in each country and region, including classroom training as well as the production of training materials that include illustrations and quizzes, compliance pocket-sized cards, video materials for training and educational posters.



Globally Establishing Help Lines

Committed to Promoting Awareness and Protecting Callers

The AGC Group has established several varieties of help line to serve as points of contact regarding compliance. As a general rule, help lines are set up at each company, while additional, common help lines are established in Europe, North America, China, Japan, South Korea and Thailand.

To encourage employees to use the help lines, the Group protects the anonymity of consultants and strictly forbids any act of retaliation against anyone who makes a report in good faith. When consultants offer their real names, efforts are made to facilitate effective two-way communication and provide feedback on the status and results of handling reported issues.

In addition, the Group is making efforts to promote awareness of its help lines so that its members do not hesitate to use them if necessary.



Compliance with Antitrust Laws

Ensuring Fair Transactions with Thorough Compliance of Guidelines, Training and Audits

In addition to the Group Code of Conduct, the AGC Group has formulated and implemented global guidelines for compliance with antitrust laws. Under the guidelines, the legitimacy of having a meeting with a competitor company must be thoroughly vetted first. As a means to minimize the necessity of such meetings, employees must gain approval to participate from a supervisor in advance, and then submit meeting minutes and a report to the supervisor after the meeting. The Group is also carrying out various other measures, such as providing training on compliance with antitrust laws in each region and organization, and conducting audits on the status of compliance with relevant guidelines.



Classroom antitrust law training in China

Preventative Measures for Corruption and Graft

Reinforcing Training Regarding Preventative Measures for Corruption and Graft

The AGC Group Code of Conduct stipulates that the AGC Group will maintain sound relationships with government agencies and other responsible organizations, and the Group works to comply with each country and region's laws and regulations regarding anti-corruption.

In addition, as the prevention of bribery and other corrupt practices is being reinforced worldwide, the AGC Group is proactively promoting employee education. In 2014, training related to anti-corruption was implemented for compliance managers and management from Thailand, Indonesia, the Philippines, Taiwan and South Korea. In China, the regional headquarters, AGC China, reinforced its anti-corruption training initiatives.

The anti-corruption frameworks at each site are globally audited as priority internal audit items.

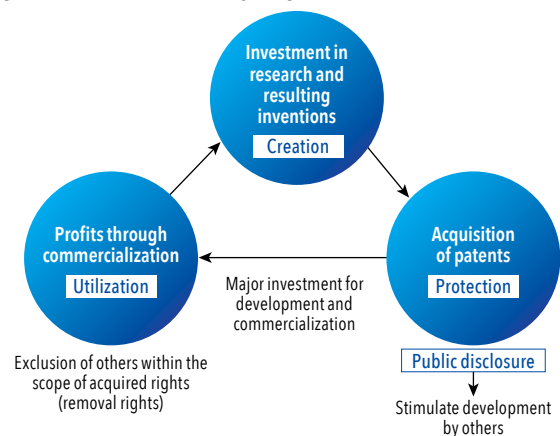
WEB Please visit the Asahi Glass website for more detailed information about risk management, compliance, and intellectual property.

Intellectual Property

The AGC Group regards intellectual property rights, such as patents, utility model rights, trademarks, design rights and copyrights as important intangible assets. In addition to creating intellectual property as a vital business strategy resource, the Group works to protect and increase it, and promotes the preemptive use of intellectual property in order to heighten its competitive advantage.

For example, the Group globally files applications for inventions created at development sites in each country and works to acquire rights adapted to its business activities. Since the procedures for the protection of intellectual property differ by country, rights acquisition is conducted in cooperation with local patent attorney offices and Group companies.

Cycle of Intellectual Property Creation



Topics

Selected as One of the World's 100 Most Innovative Companies and Organizations for Two Years Running

For the second year in a row, Asahi Glass was recognized as one of the world's 100 most innovative companies and organizations with a 2014 Top 100 Global Innovators Award, sponsored by Thomson Reuters. Thomson Reuters analyzes world trends in intellectual property and patents and selects companies and universities that are at the center of technological innovation to receive the award, which is in its fourth year.



Evaluation criteria are organized into four categories: patent success rate, internationalization, influence, and volume. As with last year, in light of the balance of its patent acquisition in the four major markets of China, Europe, Japan and America, Asahi Glass was given a particularly high evaluation for its internationalization, which led to its selection for the award.

Board of Directors, Corporate Auditors and Executive Officers

(As of 27 March, 2015)



Board of Directors



Kazuhiko Ishimura
Representative Director &
Chairman

Apr. 1979 Joined Asahi Glass
Jan. 2006 Executive Officer
Jan. 2007 Senior Executive Officer and GM of
Electronics & Energy General Div.
Mar. 2008 Director and President & COO
Jan. 2010 Director and President & CEO
Jan. 2015 Representative Director & Chairman
(Incumbent)



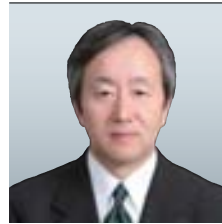
Takuya Shimamura
Representative Director
and President & CEO

Apr. 1980 Joined Asahi Glass
Jan. 2009 Executive Officer and GM of
Planning & Coordination Office,
Chemicals Company
Jan. 2010 Executive Officer and Chemicals
Company President
Jan. 2013 Senior Executive Officer and
Electronics Company President
Jan. 2015 President & CEO
Mar. 2015 Representative Director and
President & CEO (Incumbent)



Yoshinori Hirai
Director

Apr. 1987 Joined Asahi Glass
Jan. 2012 Executive Officer and GM of
Business Development Office
Jan. 2014 Senior Executive Officer and GM of
Technology General Division
Mar. 2014 Director and Senior Executive
Officer and GM of Technology
General Division (Incumbent)



Shinji Miyaji
Director

Aug. 1990 Joined Asahi Glass
Jan. 2010 Executive Officer and Group Leader
of Corporate Planning Group, Office
of the President
Nov. 2012 Executive Officer (Senior Vice
President of AGC Flat Glass North
America)
Feb. 2013 Executive Officer and Regional
President of North America, Glass
Company
Oct. 2013 Executive Officer and GM of
Strategy Office, Glass Company
Jan. 2014 Executive Officer and GM of
Electronics General Division,
Electronics Company
Jan. 2015 Senior Executive Officer and GM of
Office of the President
Mar. 2015 Director and Senior Executive
Officer of Office of the President
(Incumbent)



Masahiro Sakane
Director (Outside)

Apr. 1963 Joined Komatsu Ltd.
Jun. 1989 Director of Komatsu
Jun. 2001 President of Komatsu
Jun. 2007 Chairman of Komatsu
Mar. 2011 Director of Asahi Glass (Incumbent)
Jun. 2013 Councilor to Komatsu Ltd.
(Incumbent)

[Significant concurrent positions]
Councilor to Komatsu Ltd.
Outside Director of Tokyo Electron Ltd.
Outside Director of Nomura Holdings, Inc.
Outside Director of Nomura Securities Co., Ltd.
Outside Director of Takeda Pharmaceutical
Co., Ltd.



Hiroshi Kimura
Director (Outside)

Apr. 1976 Joined Japan Tobacco and Salt
Public Corporation (currently Japan
Tobacco Inc.)
Jun. 1999 Director of Japan Tobacco Inc.
Jun. 2001 Retired as Director of Japan
Tobacco Inc.
Jun. 2005 Director of Japan Tobacco Inc.
Jun. 2006 President and CEO of Japan
Tobacco Inc.
Jun. 2012 Chairman of Japan Tobacco Inc.
Mar. 2013 Director of Asahi Glass (Incumbent)
Jun. 2014 Special Advisor to Japan Tobacco
Inc. (Incumbent)

[Significant concurrent positions]
Special Advisor to Japan Tobacco Inc.



Masako Egawa
Director (Outside)

Apr. 1980 Joined Citibank, N.A., Tokyo Branch
Sep. 1986 Joined Salomon Brothers Inc., New
York Head Office
Jun. 1988 Joined Salomon Brothers Asia Ltd,
Tokyo Branch
Dec. 1993 Joined S.G. Warburg & Co., Ltd.
Tokyo Branch
Nov. 2001 Executive Director of the Harvard
Business School Japan Research
Center
Apr. 2009 Director of the University of Tokyo
Mar. 2014 Director of Asahi Glass (Incumbent)
Mar. 2015 Retired as Director of the University
of Tokyo



Corporate Auditors



Shukichi Umemoto
Corporate Auditor

Apr. 1973 Joined Asahi Glass
 Mar. 2005 Executive Officer and GM of Finance Center
 Jan. 2007 Senior Executive Officer and GM of Financial Planning Office
 Mar. 2008 Senior Executive Officer and GM of Financial Planning Office
 Mar. 2013 Corporate Auditor (Incumbent)



Yasushi Marumori
Corporate Auditor
(Outside)

Apr. 1981 Joined Mitsubishi Bank (Currently the Bank of Tokyo-Mitsubishi UFJ, Ltd.)
 Apr. 2008 Executive Officer of the Bank of Tokyo-Mitsubishi UFJ, Ltd.
 May 2011 Senior Executive Officer of the Bank of Tokyo-Mitsubishi UFJ, Ltd.
 Jun. 2012 Executive Vice President of Mitsubishi UFJ Research and Consulting Co., Ltd.
 Jun. 2012 Retired from the previous position
 Dec. 2014 Director of Mitsubishi UFJ Research and Consulting Co., Ltd.
 Mar. 2015 Retired from the previous position
 Mar. 2015 Asahi Glass Corporate Auditor (Incumbent)

[Significant concurrent positions]
 Outside Corporate Auditor at the Nanto Bank, Ltd.



Toru Hara
Corporate Auditor
(Outside)

Apr. 1977 Joined Bank of Japan
 May 2004 Head of Information System Services Department of Bank of Japan
 Apr. 2007 Head of Internal Auditors' Affairs Office of Bank of Japan
 Jun. 2009 Retired from Bank of Japan
 Jun. 2009 Corporate Auditor of the Bank of Yokohama, Ltd.
 Jun. 2013 Retired from the previous position
 Jul. 2013 Adviser of Transportation Security Services of NIPPON EXPRESS CO., LTD (Incumbent)
 Mar. 2014 Asahi Glass Corporate Auditor (Incumbent)



Hiroshi Kawamura
Corporate Auditor
(Outside)

Apr. 1977 Tokyo District Public Prosecutors Office, Public Prosecutor
 Jul. 2008 Supreme Public Prosecutors Office Trial Manager
 Jan. 2009 Chiba District Public Prosecutors Office, Chief Public Prosecutor
 Apr. 2010 Yokohama District Public Prosecutors Office, Chief Public Prosecutor
 Jan. 2012 Sapporo High Public Prosecutors Office, Superintending Prosecutor
 Jan. 2014 Nagoya High Public Prosecutors Office, Superintending Prosecutor
 Jan. 2015 Retired from the above office
 Mar. 2015 Asahi Glass Corporate Auditor (Incumbent)

Executive Officers

President & CEO
Takuya Shimamura
 CEO
 (Leader of AGC Group Improvement Activities)

Executive Vice President
Yoshiaki Tamura
 President of Glass Company

Senior Executive Officers
Marehisa Ishiko
 GM of Automotive General Division, Glass Company

Jean-François Heris
 GM of Building & Industrial General Division, Glass Company; President & CEO of AGC Glass Europe

Yasumasa Nakao
 GM of Technology General Division, Glass Company

Yoshinori Hirai
 Overall Business Management(Technology and Business Development); GM of Technology General Division; Oversight of Electronics Company and Applied Glass Materials General Division
 Deputy Leader of AGC Group Improvement Activities

Tetsuo Tatsuno
 GM of Finance & Control Office

Shinji Miyaji
 Overall Business Management(Finance); GM of Office of the President
 Deputy Leader of AGC Group Improvement Activities

Yoshinori Kobayashi
 President of Electronics Company

Masao Nemoto
 President of Chemicals Company

Executive Officers
Tadayuki Oi
 GM of Strategy & Planning Office, Glass Company

Shinichi Kawakami
 GM of Human Resources & Administration Office

Tokio Matsuo
 GM of CSR Office

Akinobu Shimao
 President of AGC Ceramics Co., Ltd.

Tomoya Takigawa
 GM of Production Technology Center, Technology General Division

Takashi Shimbo
 Chief Representative of AGC Group for China

Kimikazu Ichikawa
 Chief Representative of AGC Group for Southeast Asia

Kazuyoshi Watanabe
 GM of Display Glass General Div., Electronics Company

Kihachiro Okamoto
 Deputy GM of Automotive General Division, Glass Company

Shigekuni Inoue
 GM of Applied Glass Materials General Division

Hiroyuki Watanabe
 GM of Research Center, Technology General Division

Takayasu Ide
 GM of Technology Management General Div., Chemicals Company

Seigo Washinoue
 Deputy GM of Display Glass General Div., ; GM of Marketing & Sales Management Div., Display Glass General Div., Electronics Company

Kazuaki Koga
 GM of Essential Chemicals General Div., Chemicals Company

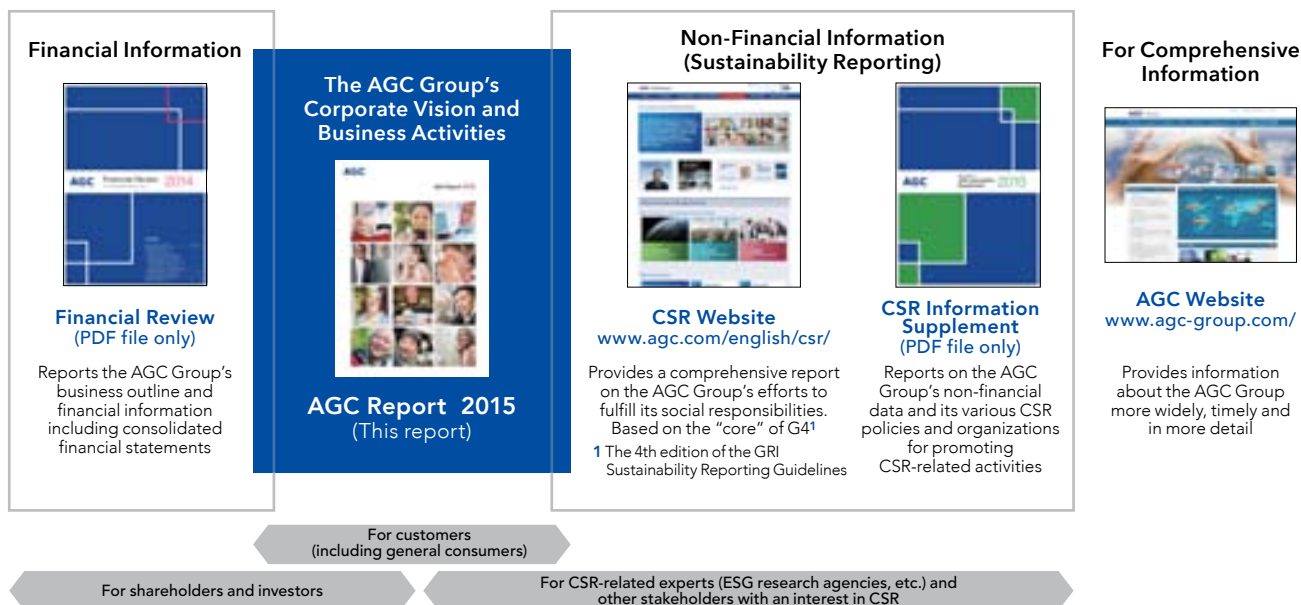
Kenzo Moriyama
 Group Leader of Corporate Planning Group, Office of the President

Takashizu Minato
 GM of Performance Chemicals General Div., Chemicals Company

Masahiro Takeda
 Deputy GM of Building & Industrial General Div., Glass Company; GM of Japan/Asia Pacific Div., Building & Industrial General Div., Glass Company

(Abbreviation)*GM*: General Manager

Main Communication Tools Used to Reach Each of Our Stakeholders



Scope

- Reporting Period: Fiscal 2014 (Jan.–Dec. 2014)
Some information includes content from both fiscal 2013 and 2015
- Organizations Covered in the Report: Asahi Glass and its 194 consolidated subsidiaries (Group companies in and outside Japan)

- Primary Notation and Report Targets Used in the Report

The AGC Group

Same as "Organizations Covered in the Report" mentioned at left.

The AGC Group (Japan)

Group companies in Japan including Asahi Glass Co., Ltd.

Asahi Glass/the Company

Asahi Glass Co. Ltd. (on an unconsolidated basis)

Related Information **WEB** Articles with this mark have related information on the AGC website (www.agc-group.com/).

Date of Publication

May 2015 (Last date of publication: May 2014)

Regarding Future Assumption, Forecasts and Plans

Future perspectives described in this report are based on the latest information available to the AGC Group at the time of editing this report. Nevertheless, please note that results and consequences may vary with fluctuations in the business environment.

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