AGC

AGC Report 2011

The AGC Group, with Asahi Glass Co., Ltd. at its core, is a global solution provider for architectural, automotive and display glass, chemicals and other high-function materials and components.

Drawing on more than a century of technical innovation, the Group has developed world-class core technologies in fields including glass, chemicals and ceramics.

Under the **AGC** brand, approx. 50,000 group employees share the group vision ***"Look Beyond"*** and work together to create new value.

AGC Report 2011 Contents

AGC Group Vision
"Look Beyond"

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

As a global materials and components supplier, based on our core technologies in glass, fluorine chemistry and their related fields, we will continue to:

"Look Beyond"··· Anticipate and envision the future,

"Look Beyond"··· Have perspectives beyond our own fields of expertise and

"Look Beyond"··· Pursue innovations, not becoming complacent with the status quo.

By "Looking Beyond," we will continue to create value worldwide, demonstrating the vast potential of the Group's entire organization.

Our Shared Values

Our four Shared Values are to be adopted and followed by all members of the Group and are of the foremost importance in accomplishing Our Mission. These Shared Values, described below, will serve as the basis for every judgment we make and action we take collectively and individually.

Top Message

Under the Medium-Term Management Plan ***"Grow Beyond-2012"*** We will Steadily Build Foundations for Further Growth.

Kazuhiko Ishimura
President & CEO

K. Ishimura

In March 2011, a massive earthquake struck eastern Japan, causing unprecedented damage to the country, particularly in the Tohoku region. This devastating disaster also affected operations at some of our plants. At these plants, we manufacture not only architectural glass that is an essential element in our modern lifestyles but also products that directly contribute to the basic infrastructure of society, including sodium hypochlorite which is used for the disinfection of tap water, and sodium bicarbonate which is used in artificial dialysis.

As a company that manufactures a range of products indispensable in our lives, the AGC Group will proactively endeavor to support recovery efforts for areas affected by the disaster and help residents return to normal life.

Confronting the current difficulties head-on, we will continue to promote the measures set out in our medium-term plan ***"Grow Beyond-2012"*** and strive to build foundations for future growth.

Aiming to Implement the Aspirations for 2020 as an Enterprise that Contributes to a Sustainable Society

The AGC Group recognizes the necessity of building a sustainable society from a more comprehensive global viewpoint, and has clearly defined its aspirations for 2020 in order to contribute to the creation of such a society.

AGC's Aspirations for 2020

The AGC Group aspires to excel as a highly profitable and fast-growing global enterprise making contributions to a sustainable society by:

- Having strong and differentiated technologies
- Giving consideration to environmental friendliness not only of products but also for overall production processes and business activities
- Contributing to the development of fast-growing regions

Specifically, we are aiming to achieve total sales of at least 2 trillion yen and also to raise the sales share of "products for the fast-growing markets," "environmental products," and "new products" to 30% or higher by 2020.

Accelerating the Building of Foundations for Growth as a Truly Global Enterprise

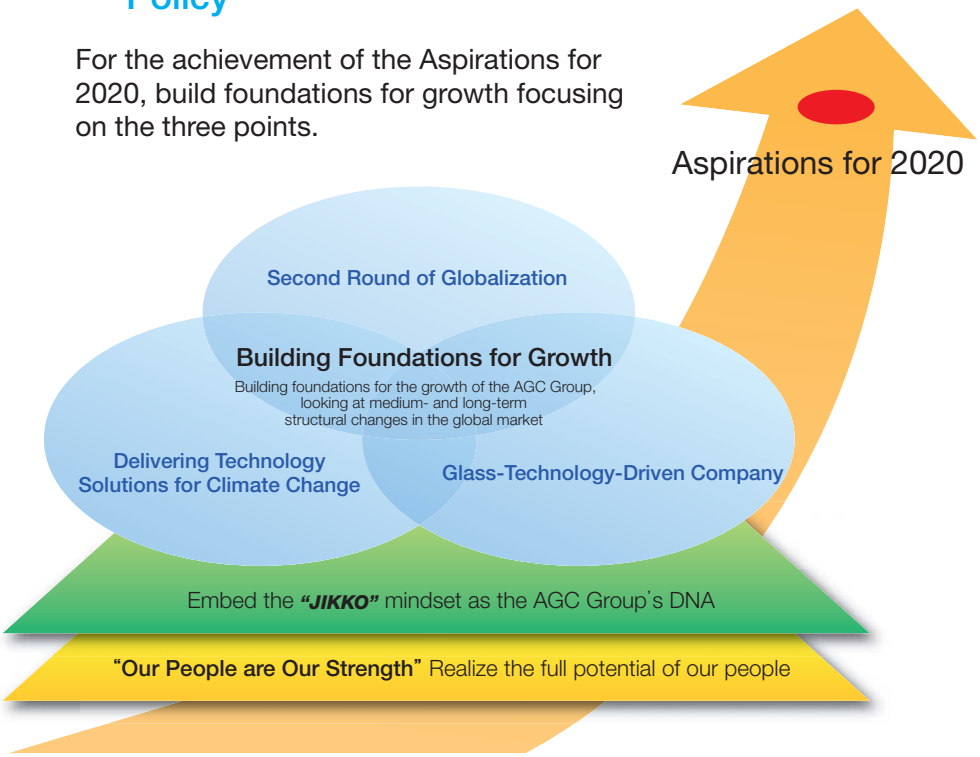
To achieve the Aspirations for 2020, the AGC Group will accelerate the building of foundations for growth focusing on the following three points.

①Delivering technology solutions for climate change
—We will give due consideration to the environment in all our business operations.

Climate change is a serious issue that could threaten the business continuity of the AGC Group, but we regard this as a great opportunity to contribute to society through our business. Recognizing

Management Policy *Grow Beyond*

For the achievement of the Aspirations for 2020, build foundations for growth focusing on the three points.



our responsibility as an energy-intensive glass manufacturer, we earnestly strive to reduce energy consumption in our manufacturing processes.

Moreover, we will deliver technology solutions for climate change by developing, manufacturing and globally promoting products, such as solar-related materials and components that contribute to higher generating efficiency, energy-saving architectural glass suitable for each region and high-performance automotive glass for eco-friendly vehicles, by taking advantage of our technological expertise in glass, chemicals and ceramics.

②Glass-technology-driven company

—Adding further value to our products through our strong and differentiated technologies.

We will further advance our glass technology and fuse our core technologies in glass, chemicals and ceramics to differentiate our business. We will thereby provide more value-added products, including those related to displays.

③Second round of globalization

—As a global company, we will also contribute to the growth of fast-growing regions.

We will enhance our business in developed regions including Japan, Europe and North America while continuing to expand operations in fast-growing regions where we have already established bases. For example, we started operation of one of the world's largest float glass lines in Russia in September 2010 and appointed a chief representative to represent the AGC Group in China at the beginning of 2011. We will also accelerate the launch of our business in countries and regions where we currently have no presence, such as Brazil.

In furthering our business in fast-growing regions, we aim to contribute to the growth of the regions through business. To this end, we are currently examining the possibility of leveraging global human resources in each region and building a business model that differs from those used in developed areas.

Bringing Our People and Organization Together under the Slogan of "Our People are Our Strength"

Our People are the driving force for the implementation of ***Grow Beyond*** measures and the achievement of the Aspirations for 2020. Recognizing this, we give growth opportunities to employees who have high motivation toward their own growth and are highly committed to their work. Growth will allow them to take on more difficult challenges, and this in turn will make them grow further.

The AGC Group has about 50,000 employees working in approximately 30 countries and regions, each of which follow different business and social customs. This diversity in our workforce confers a great advantage upon the Group. Each of our employees upholds the four values provided under the group vision ***"Look Beyond"*** and works to fulfill social responsibilities in their geographic areas. Supported by these employees, we will persistent in our efforts to become a globally trusted and respected corporate group that continues to grow by providing high added-value products and services.

Corporate Data

- Name · · · · · · · · · · · · · · · Asahi Glass Co., Ltd. (Global brand: AGC)
- Head Office · · · · · · · · · · · 1-12-1, Yurakucho, Chiyoda-ku, Tokyo 100-8405, Japan
  1-5-1, Marunouchi, Chiyoda-ku, Tokyo 100-8405, Japan (from August 16, 2011)
- Founded · · · · · · · · · · · · · September 8, 1907
- Incorporated · · · · · · · · · · June 1, 1950
- Capital · · · · · · · · · · · · · · 90,873 million yen
- Outstanding stock · · · · · · · · 1,186,705,905 shares
- Employees · · · · · · · · · · · · 50,399 (consolidated), 6,275 (non-consolidated)
- Consolidated Group companies 178 (141 overseas)

As of the end of December 2010

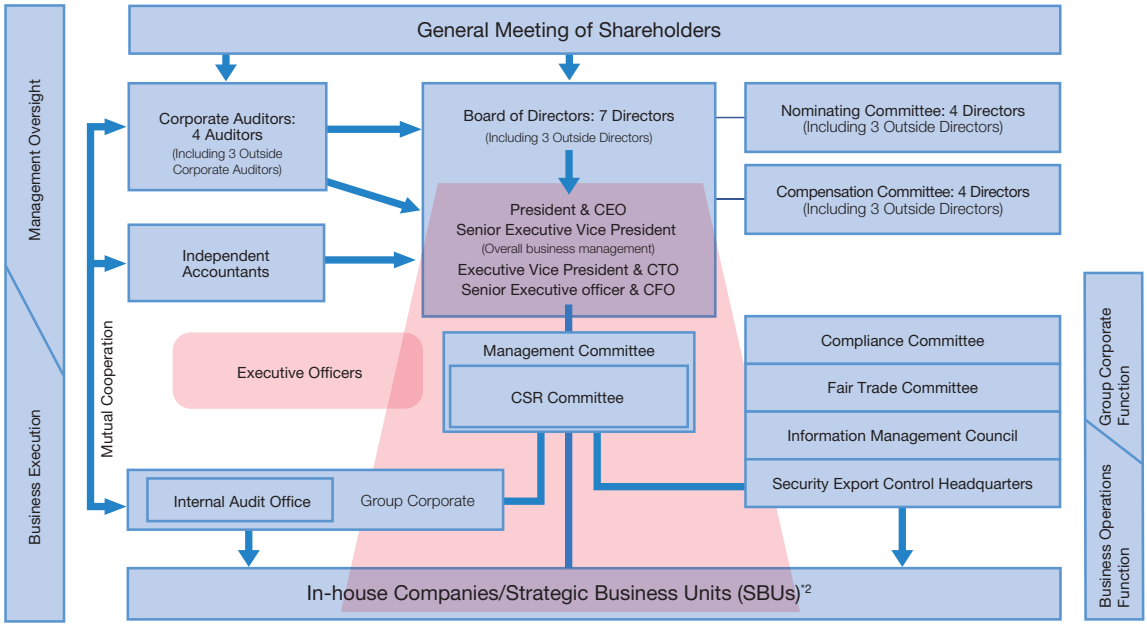
Organization Data

Corporate Governance

Approach to Corporate Governance

As stated in its basic policy on corporate governance, Asahi Glass clearly separates the function of "oversight" and "execution" of management, aiming to reinforce the management oversight function while ensuring quick decision-making in management execution. Under this policy, we have been implementing measures to further improve both our management system and internal control system in order to ensure highly transparent and efficient management.

AGC Group's Corporate Governance Structure (Outline)*1

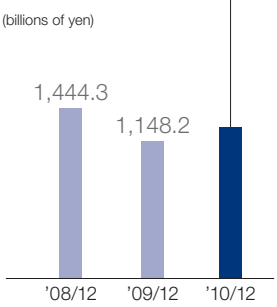


*1 As of March 30, 2011
*2 An In-house Company is defined as a business unit with net sales exceeding 200 billion yen which conducts its business globally. At present, there are three In-house Companies: Glass Company, Electronics Company, and Chemicals Company. Business units of smaller sizes are defined as Strategic Business Units (SBUs).

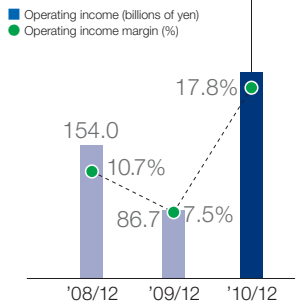
Consolidated Financial Highlights/ Business Segments

Consolidated Financial Highlights

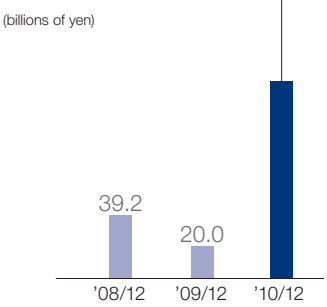
Net sales ¥1,288.9 billion



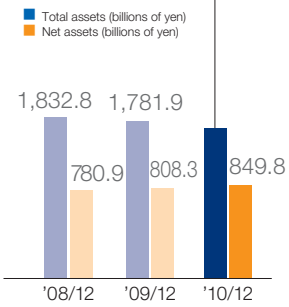
Operating Income ¥229.2 billion



Net income ¥123.2 billion (billions of yen)



Total assets ¥1,764 billion



Business Segments

Figures in brackets indicate actual results for the year ended December 2010.
*Share of sales is calculated based on sales to customers outside the Group.

AGC Group (Net sales: ¥1,288.9 billion)

Glass
Net sales: ¥570.9 billion;
Share of sales: 44%

Flat glass
Net sales: ¥311 billion

Automotive glass
Net sales: ¥247.8 billion

Other glass (Lighting glass products, industrial glass products, etc.)
Net sales: ¥12.1 billion

Electronics and displays
Net sales: ¥435.3 billion;
Share of sales: 34%

Displays
Net sales: ¥371.7 billion

Electronics materials
Net sales: ¥63.6 billion

Chemicals
Net sales: ¥260.1 billion;
Share of sales: 20%

Fluorochemicals & specialty chemicals
Net sales: ¥96 billion

Chlor-alkali & urethane
Net sales: ¥172.8 billion

Other (Ceramics products, etc.)
Net sales: ¥77.3 billion;
Share of sales: 2%

Glass Operations

Tsinghua University (Beijing, China) ©AGC Glass Europe

Glass Operations consists of businesses focused on architectural flat glass, automotive glass and solar glass, and maintains a leading share in these fields on a global basis. The architectural flat glass business is operated on a regional basis, with regions devising individual product line-ups matching the particular characteristics of their respective geographic regions.
The automotive glass business is characterized by global scale and operation, in line with the requirements of an automotive industry that operates on a global basis.

● Global market share (AGC estimates)

Flat glass No.1
Automotive glass (new vehicle market) No.1

Main Products

Flat glass

Float flat glass, figured glass, polished wired glass, low-emissivity (Low-E) glass, fabricated glass for architectural use (heat-insulating glass units, safety glass, fire-resistant glass, security glass, etc.), decorative glass, fabricated glass for industrial use, glass for solar power systems, etc.

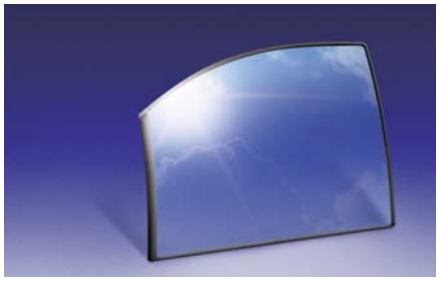
Automotive glass

Tempered automotive glass, laminated automotive glass, etc.

Low-E double-glazed glass featuring high insulation and heat-shielding properties

Photovoltaic cover glass “Solite™”

AGC studio opened in Kyobashi, Tokyo for hands-on exhibit of the glass products



“UV Verre Premium™” is tempered glass for automotive front door windows which filters out approx. 99%* of UV rays
* Measured by AGC based on ISO 9050 standards”

Color glass for interior surface wall

Electronics Operations

LCD (for illustrative purpose only)

Electronics Operations consists of businesses focused on “displays” and “electronic materials.” The display business enjoys a leading share of the global market in this area. The electronic materials business deals with fields, such as optoelectronics, storage, and “new energy”, which are expected to grow remarkably in the years ahead.

Main Products

Displays

Glass substrates for display devices, specialty glass for display applications, display-related materials, etc.

Electronic materials

Optical membranes, optoelectronics materials, synthetic quartz glass, glass frit and paste, materials for semiconductor manufacturing equipment, lighting glass products, etc.

● Global market share (AGC estimates)

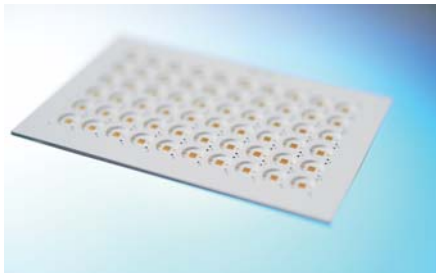
Glass substrates for TFTs	No.2
Glass substrates for PDPs	No.1

FONTEX™—a commercial plastic optical fiber enabling the world’s highest transmission speed

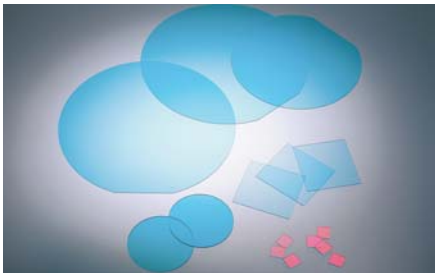
Glass substrates for TFTs

Dragontrail™ glass for chemical strengthening

Synthetic quartz glass



GCHP™ ceramic and glass substrate for insulation of light emitting diodes



Luminous efficiency correction (IR-absorbent) filters

Chemicals Operations and Others

Electroformed refractory for glass fusing furnaces

The Japan pavilion in the Expo 2010 Shanghai China

Chemicals Operations consists of businesses focused on “chlor-alkali & urethane” and “fluorochemicals & specialty chemicals” and it has a leading global share in fluoropolymers (ETFE) used for highly functional fluoropolymer films and other essential applications.

In addition to the three main businesses, the AGC group is also engaged in businesses including ceramics, logistics and engineering.

● Global market share (AGC estimates)

Fluoropolymers (ETFE) No.1

Main Products

Chlor-alkali & urethane

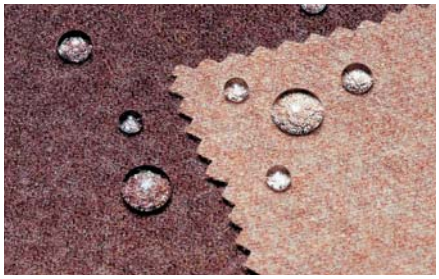
Raw materials for vinyl chloride polymer, caustic soda, urethane materials, gases, solvents, etc.

Fluorochemicals & specialty chemicals

Fluorinated resins, water and oil repellents, pharmaceutical and agrochemical intermediates, iodine-related products , battery materials, etc.

Ceramics products, etc.
Logistics services, financial services

CYTOP™ transparent fluoropolymers for pellicle coating in semiconductor applications

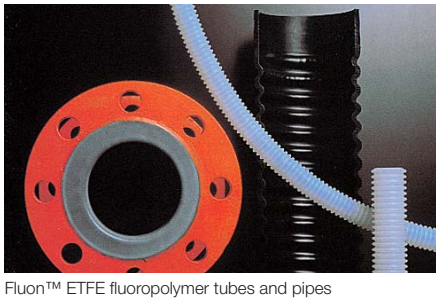


Asahi Guard™ fluorinated water and oil repellents for coating

The Akashi Kaikyo Bridge, treated with highly weather resistant Lumiflon™ fluoropolymer coating

Roiceram™-C fine ceramics (silicon carbide)

Flemion™ ion-exchange membranes



Fluon™ ETFE fluoropolymer tubes and pipes

Launching the strong and beautiful Dragontrail™ glass to meet growing demand for electronic devices worldwide

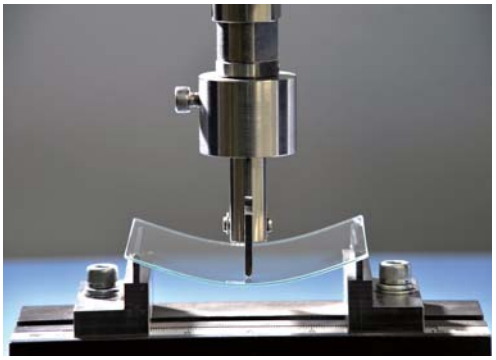
The AGC Group has developed and launched on the market Dragontrail™, a glass material that is highly receptive to chemical strengthening, for use as cover glass for screens on smartphones, tablet PCs, LCD televisions and other products. These electronic devices with touchscreen panels are growing in demand worldwide, and this trend is expected to drive the increased use of our new material as high-quality cover glass.

Dragontrail™ features unmatched strength compared with conventional glass, and superior scratch resistance that cannot be achieved with resin. In addition, it produces an outstanding quality surface with a distinct glassy luster.

We will start up a new facility at the Takasago Plant in the latter half of fiscal 2011, aiming to achieve sales of 30 billion yen or more in the global market in 2012.

The range of applications utilizing Dragontrail™ is expected to expand, for example, for use as cover glass for TV screens, a market expected to increase in coming years. We will also seek the possibility of extensive applications in the housing, automobile and solar markets in which we operate.

Dragontrail™ subjected to strength test
three-point bend test on 1.1 mm-thick glass plate



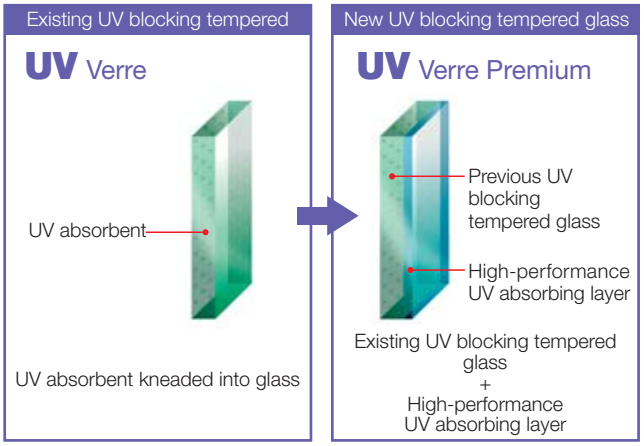
UV Verre Premium™—the world's first*1 approx. 99%*2 UV blocking tempered glass for automotive front door windows

The AGC Group started sales of UV Verre Premium™ in December 2010. UV Verre Premium™ is the world's first tempered glass for automotive front door windows which successfully filters out approximately 99% of UV rays. We conducted a face-to-face survey of drivers in Japan, with a particular focus on female drivers, and found out that with regards to automotive glass/windows the respondents are most concerned about UV rays. Our existing UV blocking tempered glass for front door windows filters out approximately 90% of UV rays. With the newly developed UV Verre Premium™, we have succeeded for the first time in the world in filtering out approximately 99% of the sun's UV rays by forming a high-performance UV absorbing layer on the surface of the conventional glass. This UV blocking glass has been developed primarily to cater to women drivers, and the planning and promotion was led by our female staff.

*1 As of December 2010; survey conducted by AGC
*2 Measured by AGC based on ISO 9050 standards"

UV Verre Premium™—tempered glass for automotive front door windows—blocks approx. 99% of UV rays

Structure of UV blocking tempered glass for automotive front door windows (conceptual illustration)



Taking part in large-scale solar power generation project / Participating in international trade shows

In Europe, large-scale projects have been launched for the installation of solar thermal power generation facilities, and the AGC Group extensively provides products related to solar power generation.

The Desertec Industrial Initiative (Dii) Project, mainly operated by German companies, is a typical example. This project was launched in 2009 for the purpose of installing large solar thermal power and wind power generation systems in vast desert areas in the MENA region (Middle East and North Africa). The AGC Group takes part in this project, and contributes to this grand initiative by making the most of the technologies in glass, chemicals and ceramics that it has cultivated over time.

In addition to R&D activities on solar-related products, the Group also participates in international trade shows in an effort to promote the widespread use of solar power generation. In fiscal 2010, we participated in the 2010 International Photovoltaic Power Generation Expo (Tokyo), SNEC 4th (2010) International Photovoltaic Power Generation Conference & Exhibition (Shanghai), INTERSOLAR 2010 (Munich) and Solar Power International 2010 (Los Angeles).

AGC's glass, chemicals and electronics technologies play a major role in the Dii project

AGC's exhibition booth at Solar Power International 2010

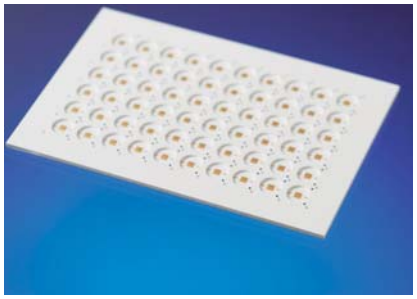
Launching sales of GCHP™ —a glass-ceramics substrate for high-power LEDs

In July 2010, the AGC Group started sales of a new glass-ceramics substrate that enables LED lighting with high-brightness and high-durability.

LED applications have so far been limited primarily to products with extremely low power output, such as liquid crystal display televisions and home interior lighting. In future, however, the demand trend is expected to shift toward high-output LED applications that require high-brightness, such as 3D televisions, automotive headlights and other automotive lighting, and outdoor lighting and illumination. In addition to high-brightness, high-durability is also a prerequisite for high-output LED applications as heat generation becomes greater as the power output increases.

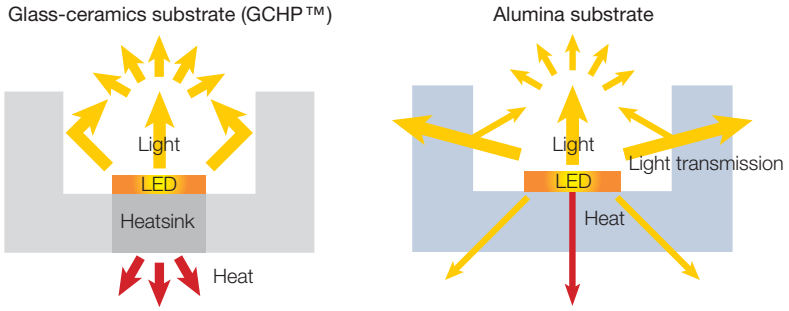
Conventional resin substrates are susceptible to high temperatures and are not considered suitable for high-output LEDs. In contrast, alumina substrates are heat-resistant, but the reflectivity deteriorates over time as the silver reflective film, which is used for enhancing high-brightness, becomes sulfurated over a prolonged period. In addition, due to the poor moldabiliy, alumina substrates are considered to have only limited usage.

AGC's new substrate created through the integration of our glass technology and ceramics technology enables both high-brightness and high-durability for high-output LEDs, and has excellent moldability into compact shapes.



GCHP™—a glass-ceramics substrate for high-power LED lighting

LED package cross section | Comparison of mechanism between glass-ceramics substrate and alumina substrate



The glass-ceramics substrate (left) has higher light reflectivity than the alumina substrate (right). The former also has higher heat dissipation, supported by the incorporated silver heatsink. It is technically difficult to calcine alumina with silver incorporated due to high temperature required for alumina calcination.

Setting up a production base for TFT-LCD glass substrates in China

In March 2011, the AGC Group set up a new production base in Jiangsu, China to manufacture thin-film transistor liquid crystal display (TFT-LCD) glass substrates. Facilities will be installed for processing up to 8th generation glass substrates, and volume production is scheduled to start in Autumn 2011.

Demand for TFT-LCD panels for both TVs and PCs remains strong, and is expected to continue to grow at a rate of 10 to 20% per year. In the TFT-LCD panel manufacturing sector, large-sized mother glass is becoming the mainstream material, and glass manufacturers are required to ensure a stable supply of large sized glass substrates to meet demand.

AGC has been handling orders from China by shipping from its existing production bases in Japan, Korea and Taiwan. In China, an increasing number of TFT-LCD panel manufacturers are planning to produce large sized panels, and consequently demand for large sized glass substrates is expected to grow substantially. In response to this trend, AGC has set up a new facility to process large sized glass substrates in China as a means of establishing a production system that will allow the Group to flexibly respond to growth in the Chinese market in coordination with its existing operations in Asia.

"The Second Round of Globalization" is one of the major focus points of AGC's management policy ***Grow Beyond***. We look to strengthen and expand our businesses and presence in the fast-growing countries.

Fluon™ ETFE Film used to cover exterior walls of a Uniqlo store

The Uniqlo Shinsaibashi Store building, which was opened in October 2010, has a unique appearance, which looks like a snow-white quilted down jacket. To create this eye-catching exterior, sheets of ETFE film are bonded together to cover the huge walls. In the evening, LED lighting installed behind the film light up the liveliest downtown area in Osaka in multi-colored illumination.

The AGC Group's high-function fluoropolymer Fluon™ ETFE Film (marketed under the "AFLEX™" brand in Japan) is used in this wall structure, which is made of 79 pairs (a total of 158) of film sheets, each measuring 2.7meters square with the thickness of 0.25mm.

Fluon™ ETFE Film is superb in terms of light-weight, durability, transparency, design flexibility, among others. The film has been adopted in a number of world-famous construction projects, mainly overseas, including a soccer stadium in Munich and the Japan Pavilion (Zi Can Dao) at EXPO 2010 Shanghai, prior to the recent application in this major apparel store exterior, which marks the first time Fluon™ has been used for the similar purpose in Japan.

UNIQLO
Shinsaibashi Store

THERMOTECT™ Ceramic Furnace Material Helping Reduce Glass Furnace Energy

Industrial furnaces used for glass and steel production need to provide high thermal resistance while maintaining high insulation performance for long periods of time, as such features will increase energy efficiency and extend the product life cycle. The THERMOTECT™ ceramic furnace material made by AGC Ceramics Co., Ltd. has heat resistance as high as 1600°C, the maximum resistance set for furnace materials.

The heat insulation performance of this product is maintained even if used at a very high temperature for long periods. Conventional thermal insulating bricks and fiber-added insulating materials tend to crack due to damaged joints or contracted fibers causing heat leakage within several years, but THERMOTECT™, a granular product which is mixed with water and then shaped into a furnace brick, can resist thermal contraction and maintain high insulation performance for long periods of time. The lighter furnace material also contributes to reduce weight of applied furnace.

THERMOTECT™ Ceramic Furnace Material

Starting up one of the world's largest glass production facilities in Russia

In 2010, the AGC Group started operation of a glass production facility, one of the largest such facilities in the world, at its Klin plant, located approximately 80 km northwest of Moscow.

The facility is intended to serve the fast-growing construction market in Russia, and can produce glass of between 4 and 12 mm in thickness. The plant can also manufacture high-value-added products, since processing facilities for highly insulating glass units, laminated glass and decorative glass are installed within the premises With multiple technological innovations for efficient production of high quality products incorporated, the new facility has successfully reduced energy consumption during production, compared with conventional glass-melting furnaces. The AGC Group will continue to seek opportunities to enter fast growing markets and expand its production capacity in these regions.

One of the world's largest glass production facilities, which came on line at the Klin plant in Russia

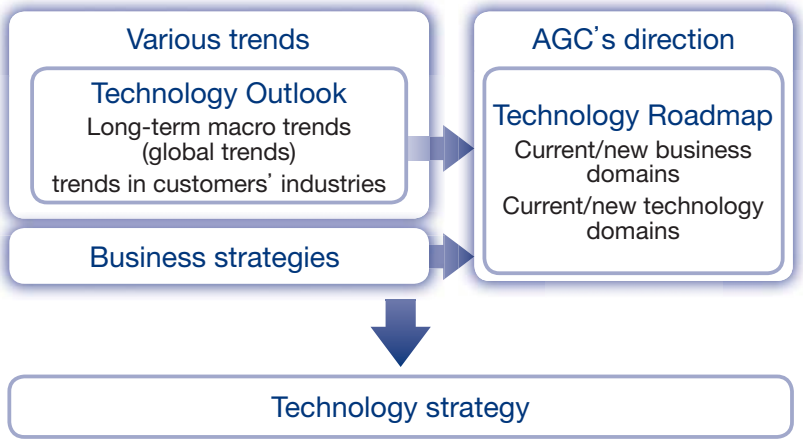
Research & Development

Research & Development Creates the Future of the AGC Group

Since its foundation, the AGC Group has developed its core technologies centered on the areas of glass, chemicals and ceramics.
The AGC Group examines various trends with a long-term vision, sets the direction of our technology strategy, and strives to build the foundations for growth set forth in ***Grow Beyond*** through the sophistication, combination and application of our core technologies.

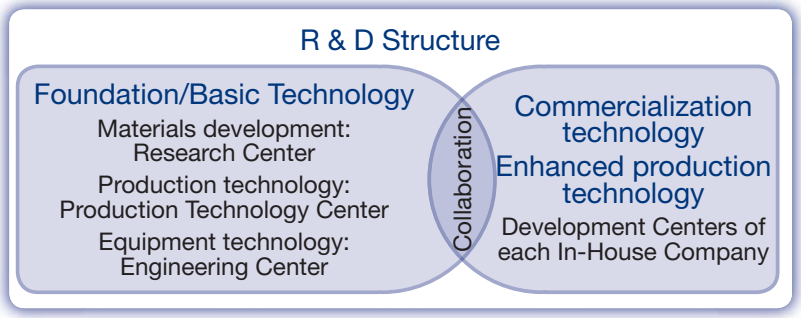
Technology Outlook and Technology Roadmap, which define the direction of technology strategies

In addition to mid- to long-term business strategies, the AGC Group formulates a Technology Roadmap based on our Technology Outlook that looks at various trends with a long-term vision in areas such as energy, resources and population, and thereby sets the direction of our global technology strategy.



Carrying out seamless operations ranging from basic research to product development

In R&D, the Research Center handles basic, long-term, innovative, and inter-business themes, while the Production Technology Center and Engineering Center undertake the development of innovative production technologies and equipment technologies. The Development Centers of each In-House Company enhance production technologies and undertake product development in close contact with customers.



Building foundations for growth through the sophistication, combination and application of our core technologies

The AGC Group positions "glass materials and glass production technologies," "coating technologies," "optics and electronics technologies," "ceramics material technologies" and "fluorine chemistry technologies," as well as "fundamental common technologies" that support the above, as its current core technologies.

Through sophistication, combination and application of our core technologies, we will work to develop technology to build foundations for growth set forth in our ***Grow Beyond*** management policy.

Core technologies of the AGC Group and foundations for growth set forth in ***Grow Beyond***

	Core technologies					
	Glass materials and glass production technologies	Coating technologies	Optics and electronics technologies	Ceramics materials technologies	Fluorine and other chemistry technologies	Fundamental common technologies
	Glass materials design Glass manufacturing Glass forming and processing	Dry coating Wet coating Patterning	Liquid crystal materials Photolithography Assembly Optical design	Refractory lining Fine ceramics	Fluorine chemistry Electrochemistry Inorganic materials Nanomaterials	Equipment Sensing Evaluation and analysis Simulation
①Group-wide promotion of solar business	◎	◎	○	○	◎	○
②Glass-technology-driven company	◎	○	○	◎	○	◎
③Measures against climate change	◎	◎	○	◎	○	○

① Group-wide promotion of solar business

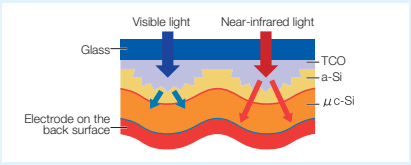
Improving the efficiency of solar power generation

Glass substrates with TCO film for thin-film silicon photovoltaic module

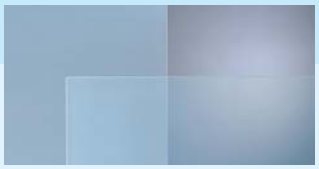
This film scatters light on its concave-convex surface and absorbs more light into the photovoltaic layer for higher power generation efficiency.

Glass mirrors for solar thermal generation

We provide high transmittance glass and highly reflective mirrors that maximize the energy reflectance of solar concentrators for solar thermal power generation system.



Mechanism of thin-film silicon photovoltaic module



Glass substrate with TCO film for photovoltaic modules

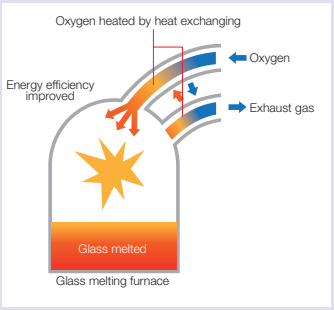
Glass mirrors for solar thermal generation

② Glass-technology-driven company

Improving the energy efficiency of the glass production process

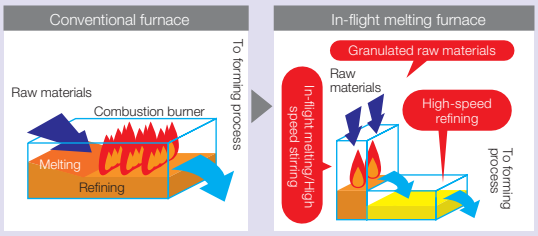
Total Oxygen Combustion Method

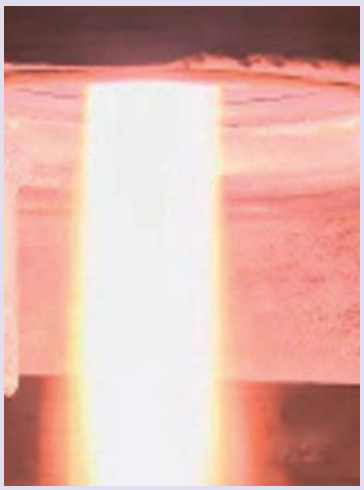
By sending only oxygen to a glass melting furnace, it will reduce nitrogen oxide emissions and improve energy efficiency.



In-flight melting technology

Granulated raw material mixtures are injected into a furnace and instantaneously melted by a combustion flame or plasma. This technology will enable halving CO_2 emissions and energy consumption during the production process.



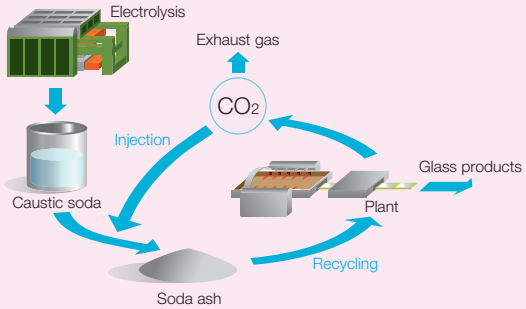


Plasma in an in-flight melting furnace

③ Measures against climate change

CO_2 recycling in the glass production process

Creating soda ash (a material used mainly for glass products) from CO_2 in the production process



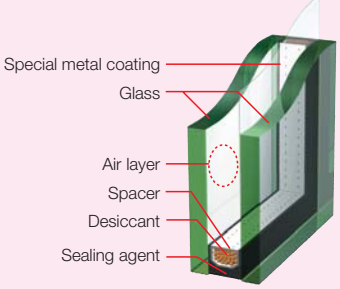
Environmentally friendly products

Architectural glass
improves air conditioning efficiency

Automotive glass
improves fuel efficiency, responds to Eco-Cars

Chemicals recycling
collection and decomposition of greenhouse gasses

Structure of the Sunbalance™ eco-glass

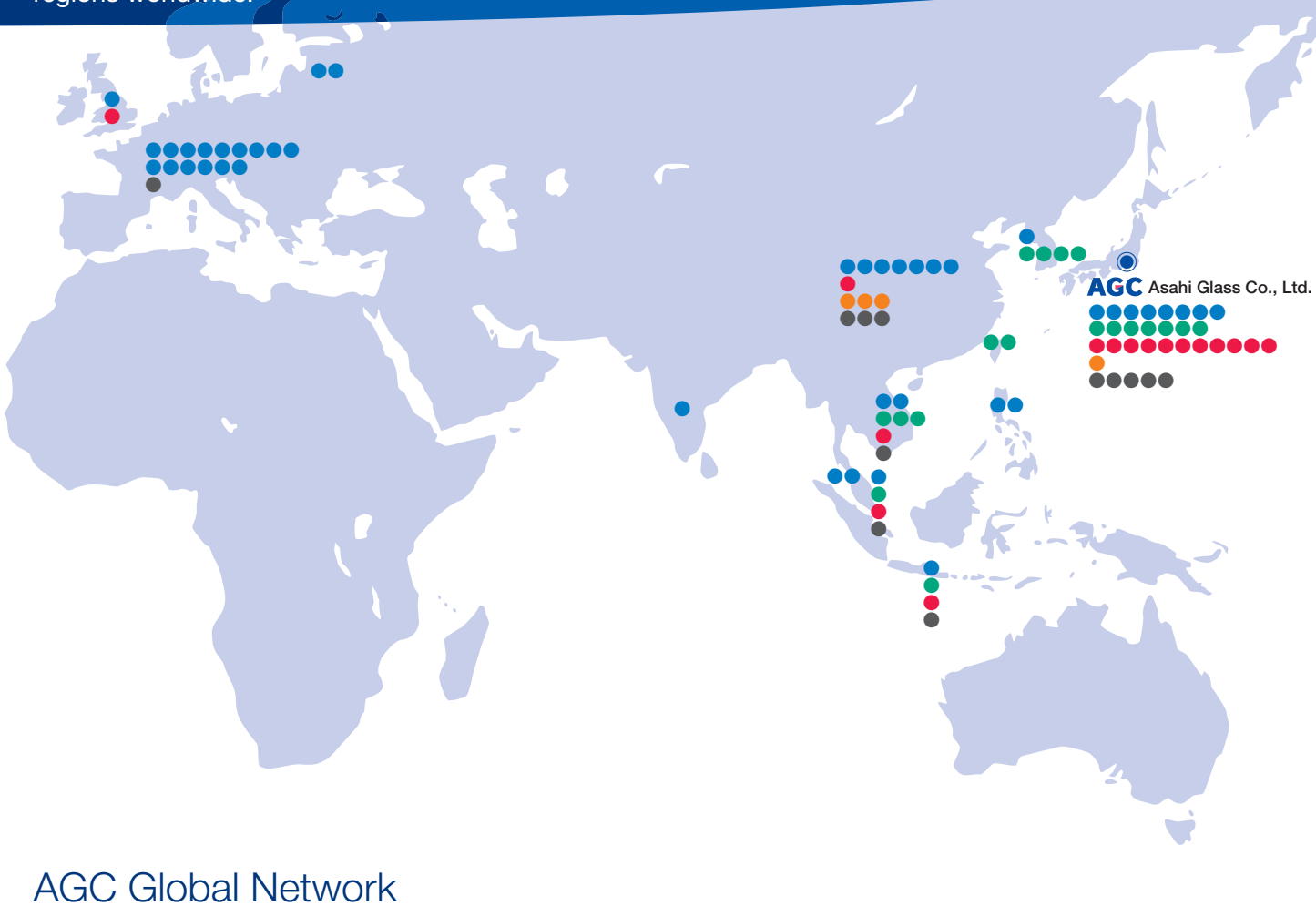


Special metal-coated glass selectively transmits or reflects light and heat, thereby maintaining a comfortable indoor environment, cool in summer and warm in winter.

AGC's Low-E glass is used in various locations worldwide (Photo: Padova, Italy)
©AGC Glass Europe

AGC Group around the World

As a global solutions provider that supplies products and materials in areas ranging from glass and electronics to chemicals and ceramics, the AGC Group is engaged in business in Japan, Asia, Europe and North America with the support of approximately 50,000 employees in roughly 30 countries and regions worldwide.



AGC Global Network

AGC Asahi Glass Co., Ltd.

Japan

- AGC Glass Products Co., Ltd.
- AGC Glass Kenzai Co., Ltd.
- AGC Okinawa Glass Kenzai Co., Ltd.
- AGC Amenitech Co., Ltd.
- AGC Fabritech Co., Ltd.
- AGC Automotive AMC Co., Ltd.
- AGC Automotive ACC Co., Ltd.
- AGC Automotive Takahashi Co., Ltd.
- 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
- IWAKI Houseware Co., Ltd.
- 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
- AGC Ceramics Co., Ltd.
- AGC Research Institute Co., Ltd.
- AGC Insurance Management Co., Ltd.
- AGC Finance Co., Ltd.
- AGC Logistics Co., Ltd.
- AGC Technology Solutions Co., Ltd.

Asia

Thailand
- AGC Flat Glass (Thailand) Public Co., Ltd.
- AGC Automotive (Thailand) Co., Ltd.
- AGC Electronics (Thailand) Co., Ltd.
- AGC Techno Glass (Thailand) Co., Ltd.
- AGC Micro Glass (Thailand) Co., Ltd.
- AGC Chemicals (Thailand) Co., Ltd.
- AGC Technology Solutions (Thailand) Co., Ltd.

Indonesia
- P.T. Asahimas Flat Glass, Tbk
- P.T. IWAKI Glass Indonesia
- P.T. Asahimas Chemical
- AGC Technology Solutions (Indonesia) Co., Ltd.

Singapore
- AGC Flat Glass Asia Pacific Pte. Ltd.
- AGC Electronics Singapore Pte. Ltd.
- AGC Chemicals Asia Pacific Pte. Ltd.
- AGC Singapore Services Pte. Ltd.

Malaysia
- AGC Flat Glass (Malaysia) Sdn. Bhd.
- MCIS Safety Glass Sdn. Bhd.

The Philippines
- AGC Flat Glass Philippines, Inc.
- AGC Automotive Philippines, Inc.

Taiwan
- AGC Display Glass Taiwan Co., Ltd.
- AGC Electronics Taiwan Co., Ltd.

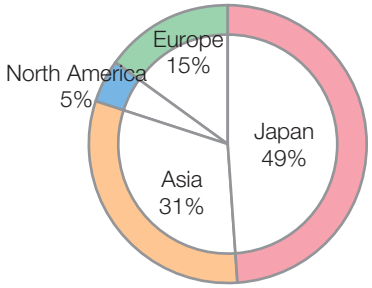
India
- Asahi India Glass Co., Ltd.

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.
- AGC Display Glass (Kunshan) Co., Ltd.
- AGC Chemicals Trading (Shanghai) Co., Ltd.
- Zibo Asahi Glass Alumina Materials Co., Ltd.
- Zibo GT Industrial Ceramics Co., Ltd.
- Plibrico (Dalian) Industries Co., Ltd.
- AGC (China) Holdings Co., Ltd.
- AGC Shanghai Co., Ltd.
- AGC Technology Solutions (Kunshan) Co., LTD.

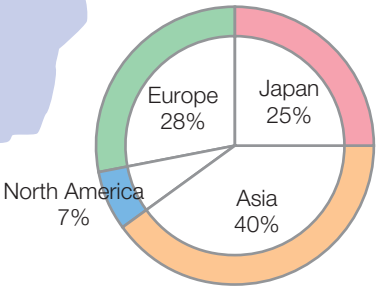
Korea
- Korea Autoglass Corporation
- Hanwook Techno Glass Co., Ltd.
- Asahi Glass Fine Techno Korea Co., Ltd.
- Asahi PD Glass Korea Co., Ltd.
- AGC Display Glass Ochang Co., Ltd.

● Glass ● Electronics
● Chemicals ● Ceramics ● Others

Sales by region (consolidated)



Percentage of employees by region (consolidated)



*Year ended December 2010
*Percentage of sales by region is before elimination.

North America

The United States
- AGC Flat Glass North America, Inc.
- AGC Soda Corporation
- AGC Automotive Americas Co.
- AGC Automotive Americas R&D, Inc.
- AGC Electronics America
- AGC Chemicals Americas, Inc.
- Woodward Iodine Corporation
- AGC America, Inc.
- AGC Capital, Inc.

Canada
- AGC Flat Glass North America Ltd.
- AGC Automotive Canada, Inc.

Mexico
- AGC Automotive Glass Mexico, S.A. de C.V.

Europe

Belgium
- AGC Glass Europe
- AGC Glass Europe Sales
- AGC Automotive Europe
- AGC Automotive Belgium
- AGC Europe

The Netherlands
- AGC Flat Glass Netherlands B.V.

The United Kingdom
- AGC Glass UK Ltd.
- AGC Chemicals Europe, 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

Italy
- AGC Flat Glass Italia S.r.l
- AGC Automotive Italia S.r.l

Spain
- AGC Flat Glass Iberica S.A.

Germany
- AGC Automotive Germany Gmbh

Hungary
- AGC Automotive Hungary Ltd.

Poland
- AGC Gdansk Sp. z o.o.

Turkey
- AGC Otomotiv Adapazari Üretim, Sanayi Ve Ticaret Anonim Sirketi

As of end of March 2011, including equity method affiliates, etc., not using the "AGC" brand name.

Board of Directors, Corporate Auditors and Executive Officers

Board of Directors

Kazuhiko Ishimura
Representative Director
President & CEO

Yuji Nishimi
Representative Director
Senior Executive Vice President

Katsuhisa Kato
Representative Director
Executive Vice President & CTO

Takashi Fujino
Director
Senior Executive Officer & CFO

Kunihiro Matsuo
Director (Outside)
[Attorney At Law, Kunihiro Matsuo Law Office]

Hajime Sawabe
Director (Outside)
[Representative Director Chairman, TDK Corporation]

Masahiro Sakane
Director (Outside)
[Chairman of the Board, Komatsu Ltd.]

Executive Officers

● President & CEO

Kazuhiko Ishimura
CEO; GM of Group Strategy Office

● Senior Executive Vice Presidents

Yuji Nishimi
Overall business management (AGC Group improvement activities, electronics business and business development);
Deputy GM of Group Strategy Office

Akio Endo
President of Glass Company

● Executive Vice President

Katsuhisa Kato
CTO; Deputy GM of Group Strategy Office

● Senior Executive Officers

Kei Yonamoto
Vice President, Automotive, Glass Company

Shukichi Umemoto
GM of Finance & Control Office

Yasutoshi Hirata
GM of Human Resources & Administration Office

Nozomu Taguchi
GM of Electronic Glass General Div., Electronics Company

Marehisa Ishiko
Regional President of North America, Glass Company

Yoshiaki Tamura
President of Electronics Company; GM of Display General Div., Electronics Company

Jean-François Heris
Regional President of Europe, Glass Company;
President & CEO of AGC Glass Europe

Takashi Fujino
CFO; GM of Office of President;
Deputy GM of Group Strategy Office

Masayuki Kamiya
Chief Representative of AGC Group for China

● Executive Officers

Tadayuki Oi
GM of Production Technology Center

Yasumasa Nakao
Vice President, Technology, Glass Company

Shinichi Kawakami
Deputy GM of Group Strategy Office

Takuya Shimamura
President of Chemicals Company

Tetsuo Tatsuno
Vice President, Planning and Coordination, Glass Company

Eisuke Yanagisawa
GM of Legal

Hiroshi Akagi
GM of Business Management General Div., Chemicals Company

Tokio Matsuo
GM of CSR Office

Akinobu Shimao
President of AGC Ceramics Co., Ltd.

Tomoya Takigawa
GM of Research Center

Takashi Shimbo
GM of Purchase & Logistics Center

Shinji Miyaji
Group Leader of Corporate Planning Group, Office of President;
Deputy GM of Group Strategy Office

Kimikazu Ichikawa
Regional President of Japan/Asia Pacific, Glass Company

Yoshinori Kobayashi
GM of Electronics General Div., Electronics Company

Kazuyoshi Watanabe
GM of Production Management Div., Display General Div., Electronics Company

Corporate Auditors

Takashi Terashima
Izumi Tamai (Outside)
Shigeru Hikuma (Outside)
Kenji Haga (Outside)

As of March 30, 2011

Milestones 1907 - 2011

History of AGC Group

New medium-term management plan *"Grow Beyond-2012"* started. 2010

Management policy ***Grow Beyond*** introduced. 2008

AGC Group brand unified as "AGC." Asahi Glass Company's 100th anniversary celebrated 2007

"JIKKO" management policy introduced. 2004

Glaverbel made into a wholly owned subsidiary. 2002

AGC Group Vision ***"Look Beyond"*** formulated. Global In-House Company System introduced.

U.S. glassmaker AFG Industries, Inc. acquired. 1992

The "Blue Planet Prize" to honor those who help solve environmental problems created by the Asahi Glass Foundation. 1991

Belgian glassmaker Glaverbel S.A. acquired. 1981

Manufacture of automotive glass begun. 1956

The Indo-Asahi Glass Co., Ltd. established in India.

Asahi Glass entered the Cathode Ray Tube (CRT) glass bulb business. 1954

Caustic soda production using lime process begun. 1933

Shoko Glass Co., Ltd. established in China. 1925

Production of refractories begun at the Amagasaki Plant. 1916

Asahi Glass Company founded in Amagasaki, Hyogo Pref. 1907

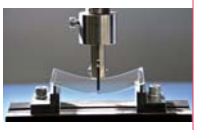
2002–Toward Global Management

1950–2001 Era of Growth and Expansion

1907–1949 The Early Years

Products & Technologies of AGC Group

2011 Dragontrail™ glass for chemical strengthening launched. UV Verre Premium™ UV blocking tempered glass for automotive front door windows introduced.



2010 Sales of FONTEX®, a commercial plastic optical fiber enabling the world's highest transmission speed, launched.

2006 Fluon® highly functional ETFE fluoropolymer film selected for the main stadium and the venue for aquatics events at the Summer Games in Beijing.

2004 Fluon® highly functional ETFE fluoropolymer film utilized at the Munich stadium, the venue for the opening match of the football (soccer) world competition in Germany.

1999 Mass production of "PD200" glass substrate for plasma display panels (PDPs) begun.

1998 Mass production of a new alkali-free glass for TFT LCDs begun.

1990 "CYTOP™" transparent fluoropolymer developed.

1980 AZEC System of caustic soda manufacturing using ion-exchange membrane developed.

1975 Production of "Asahi Guard™" fluorinated water and oil repellents and "Aflon COP" fluorinated resins begun.

Ion-exchange membrane method for manufacturing caustic soda developed.

1966 Production of float glass begun.

1961 Asahi Glass diversified into organic chemicals, propylene oxide and propylene glycol production started.

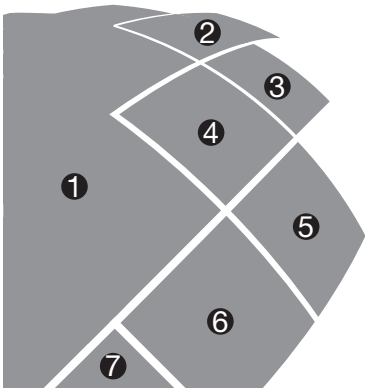
1954 Production of double-glazing units begun.

1938 Production of tempered glass and laminated glass begun.

1928 Production of ordinary sheet glass using the Fourcault process begun.

1917 First production of soda ash using the ammonium method in Japan.

1909 Production of Belgian-type hand-blown sheet glass, the first sheet glass successfully manufactured in Japan, begun.



❶ MyZeil shopping mall, Frankfurt, Germany / ©AGC Glass Europe

❷ Glass-ceramics substrate for LED lighting (GCHP™)

❸ Ceramic sputtering targets

❹ Dragontrail™

❺ UV Verre Premium™

❻ Solar panels
*For illustrative purpose only

❼ Fluon® ETFE Film

Communication Tools

The AGC Group promotes communication with stakeholders through various tools.

General corporate activities "AGC Report" (This report)

Company brochure introducing the AGC Group's vision as well as business highlights.

CSR activities "CSR Report"

Introduces the AGC Group's social responsibilities.

Financial information "Financial Review"

Reports the AGC Group's business outline and financial information including aconsolidated financial statement.

Comprehensive information Website

Offers a broad introduction of the AGC Group through timely information disclosure.
This website offers access to the websites of major group companies.

AGC Group Website
http://www.agc-group.com/en/

AGC CSR Website
http://www.agc.com/english/csr/

AGC Investor Relations Website
http://www.agc.com/english/ir/

*Soy ink is used for this Report

VOC FREE T&K

ASAHI GLASS CO., LTD.
URL: http://www.agc-group.com

Issued June 2011

森の町内会 間伐に参与する紙 www.mori-cho.org

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"Morino Chonai-Kai" (Forest Neighborhood Association) — Supporting sound forest management.

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