



FOR IMMEDIATE RELEASE

AGC and Obeikan Glass plan to team up to produce and market solar control glass in the Middle East

July 1, 2014. AGC (Asahi Glass Co., Ltd.; Head Office: Tokyo; President & CEO: Kazuhiko Ishimura) announces that its consolidated subsidiary AGC Glass Europe (AGEU) has signed a letter of intent with Obeikan Glass Company (Head Office: Saudi Arabia; Chairman: Fahad Obeikan), a Saudi Arabian glass manufacturer, to establish a solar control glass coating joint venture. The processing line for temperable solar control glass coating will be built in Yanbu, Saudi Arabia, where Obeikan Glass already operates the largest float glass plant in the Gulf region. Operations are scheduled to start in early 2016. Obeikan Glass is owned by Saudi conglomerates Obeikan Investment Group and Saudi Advanced Industries Company.

In recent years, the architectural glass market in the Middle East has grown at an annual rate of about 4%. In particular, demand is increasing for solar control glass that can block sunlight and significantly improve the energy-saving performance of buildings and its growth rate is estimated to exceed the market growth rate. As a result, demand for high-performance architectural glass is projected to rise continuously in the region. *“Having a float glass plant with a glass coating plant downstream from it on the same site will help us to keep tight control of quality, to optimize the production and logistics costs, and to achieve higher margins”* explains Abdallah Obeikan, CEO of Obeikan Investment Group (see profile).

AGEU, which has strengths in the coating technologies that are indispensable for high-performance glass, and Obeikan Glass, which has strengths in the glass business in the region, are expected to generate synergies that can be applied to the high-performance architectural glass business in the Middle East. According to Jean-François Heris, CEO of AGEU, *“This joint venture not only assists in the selective roll-out of our own technology, already enriched through our recent alliance with the German company Interpane, it also helps to extend the distribution of our range of coated products developed through advanced research”*.

The AGC Group positions its Second Round of Globalization initiative for business expansion in emerging markets as a key pillar of its growth strategy. The Group will



continue to establish and strengthen foundations for growth in emerging markets by steadily capturing increasing demand, and contribute to the development of emerging regions through the provision of high-value-added products.

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(Reference)

AGC Group

The AGC Group, with Tokyo-based Asahi Glass Co., Ltd. at its core, is a world-leading supplier of flat, automotive and display glass, chemicals and other high-tech materials and components. Drawing on more than a century of technical innovation, the AGC Group has developed world-class expertise in fields including glass, chemistry and ceramics technologies. The group employs some 50,000 people worldwide and generates annual sales of approximately 13 billion USD through business in about 30 countries. For more information, please visit www.agc-group.com.

AGC Glass Europe, a European leader in flat glass

Based in Louvain-la-Neuve (Belgium), AGC Glass Europe produces, processes and markets flat glass for the construction industry (external glazing and interior decoration), car manufacture and solar power applications. It is the European branch of AGC, the world's leading producer of flat glass. It has over 100 sites throughout Europe, from Spain to Russia, and employs around 14,500 employees.

More information on www.agc-glass.eu (corporate site), www.yourglass.com (glass for the construction industry) and www.agc-automotive.com (for the automotive industry).

Obeikan Glass Company

Obeikan Glass Company is a float glass manufacturer based in Saudi Arabia. It commenced its operations in February 2011. Obeikan Glass Company operates the largest manufacturing facility of its kind in the Middle East region with a capacity of 800 tons per day. Located in Yanbu Industrial City, close to Jeddah port, the plant produces clear float glass of international quality standards, which is exported to more than 30 countries worldwide in Asia, Africa, America, Australia and Europe.

Obeikan Glass Company is owned by the industrial conglomerate Obeikan Investment Group (www.obeikan.com.sa) and the investment company Saudi Advanced Industries Company (www.saic.com.sa).