

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

【Overall company】

Q1. What is the reason for the downward revision to your full year earnings forecast?

A1. The main reason is that the business performance of the architectural glass business in Europe and the display business will likely go below the forecast.

With regard to the architectural glass business in Europe, both shipments and price levels are below the initial projections as the business environment has become tougher than expected. In the display business, costs at overseas subsidiaries are increasing beyond our initial expectations.

Q2. What is your projection on extraordinary gains/losses for the current fiscal year?

A2. We expect to record an extraordinary loss of 30 billion yen for the full fiscal year, which includes restructuring costs for reducing personnel and impairment losses.

【Glass】

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

A1. Both shipments and prices improved in 2Q as compared to 1Q, thanks to the increase in demand due to seasonality factors, but the improvement was not as strong as initially expected.

Since the demand increase due to seasonality factors is expected to continue in 3Q, we anticipate an increase in shipment volumes and recovery in the price levels.

【Electronics】

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

A1. In 2Q, shipment volumes increased by a high single-digit percentage as compared to 1Q. The price decline of LCD glass substrates was almost on the same level as that in 1Q.

Q2. In which markets were strong?

A2. Shipments were robust for Chinese and Taiwanese customers.

Q3. How were the shipments of Dragontrail, glass for chemical strengthening, in 2Q?

A3. The number of models using Dragontrail is increasing steadily. In 2Q, however, the shipment volume decreased from 1Q as the market itself was in a low demand season, and shipment volumes of certain products and models were at the bottom of the cycle.