



FOR IMMEDIATE RELEASE

**AGC to Enter Vietnamese Market by Taking over PVC Company
— Aiming to accelerate chlor-alkali business in Southeast Asia —**

Tokyo, November 6, 2013—AGC (Asahi Glass Co., Ltd.; Head Office: Tokyo; President & CEO: Kazuhiko Ishimura) announces that it has reached an agreement with PETRONAS Chemicals Group Berhad under which AGC will acquire a 78% equity stake in a Vietnamese polyvinyl chloride (PVC) company, Phu My Plastics & Chemicals Co., Ltd. (PMPC).

By acquiring PMPC whose market share is over 30% in the growing PVC market in Vietnam, the AGC Group will move forward with full-fledged business development in the country. After the takeover, the Group's global PVC production capacity will more than double to 650,000 tons a year from the current level, coupled with the capacity expansion in Indonesia announced earlier.

Vietnam, a market with a large growth potential where the majority of its 90 million population is under age 30, is expected to continue a stable economic growth of 5% or more per annum. The PVC market in Vietnam is the third largest in Southeast Asia after Indonesia and Thailand, and is expected to grow 50% by 2020 thanks to an increase in demand driven by the country's economic development. Demand for caustic soda, hydrochloric acid and other chlor-alkali products is also projected to increase following the development of the heavy manufacturing industry in the country.

With its production bases in Indonesia and Thailand, the AGC Group is one of the largest suppliers of chlor-alkali products in Southeast Asia, operating integrated production facilities from caustic soda and chlorine to PVC. To meet strong demand in the region, the Group is going to significantly increase the production capacity of caustic soda and PVC in Indonesia by the end of 2015. Through acquisition of a new business base in the growing Vietnamese market following the investment in Indonesia, the AGC Group will aim to further expand its chlor-alkali business in Southeast Asia.

Under its mid-term management policy "*Grow Beyond-2015*", the AGC Group has set a strategic focus on business expansion in fast-growing regions. The Group will proactively push forward with its business in growing Southeast Asia.

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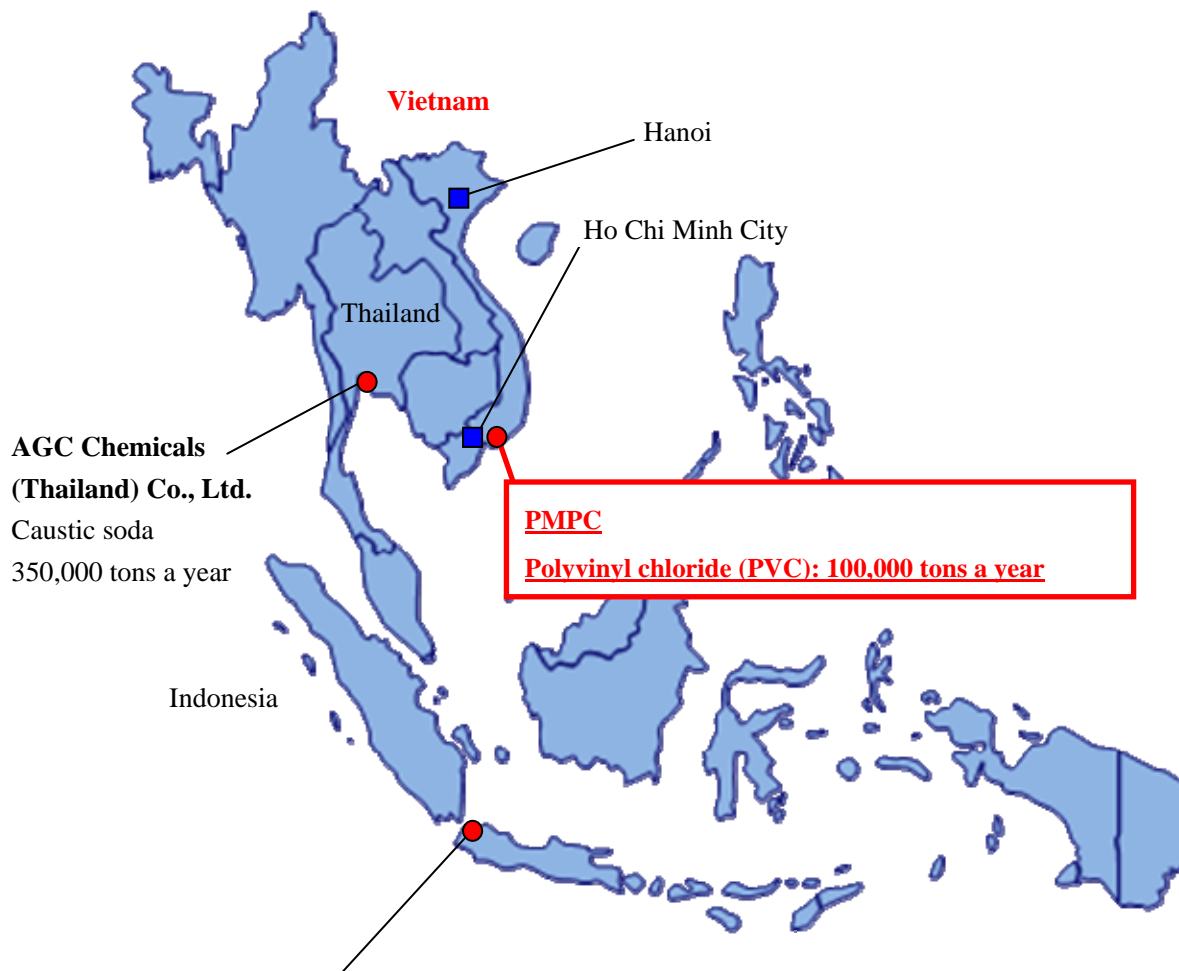
Reference**■ Profile of PMPC**

- (1) Company: Phu My Plastics & Chemicals Co., Ltd.
- (2) Location of head office plant: Ba Ria–Vung Tau Province, Vietnam
- (3) Capital: 35 million USD
- (4) Ownership ratio: (Present)
PETRONAS Chemicals Group Berhad 93%
Local partner (Vung Tau Shipyard Corporation 7%)
(After acquisition by AGC)
AGC 78%; Mitsubishi Corporation 15%;
Local partner (Vung Tau Shipyard Corporation 7%)
*Acquisition of equity by AGC: Scheduled in the second quarter (April – June) of 2014
- (5) Established: 1995
- (6) Business description: Production and sale of polyvinyl chloride (PVC)
- (7) Production capacity: PVC 100,000 tons a year

[A view of PMPC]



■ Overview of the AGC Group chlor-alkali business in Southeast Asia (after the acquisition of PMPC)



P.T. Asahimas Chemical (ASC)

Caustic soda: 500,000 tons a year (to be increased by 200,000 tons by the end of 2015)
 Vinyl chloride monomer (VCM): 400,000 tons a year (to be increased by 400,000 tons by the end of 2015)
 Polyvinyl chloride (PVC): 300,000 tons a year (to be increased by 250,000 tons by the end of 2015)

<u>*Production capacity after capacity expansion in Indonesia:</u>	
Caustic soda:	1,050,000 tons a year
VCM:	800,000 tons a year
PVC:	650,000 tons a year