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AGC to Revise FY2013 Consolidated Operating Results and Dividend Forecasts

Asahi Glass Co., Ltd. (“the Company”) announces that, based on the Group’s recent business performance, the Company reached the decision at the meeting of the Board of Directors held today to revise its consolidated operating results and dividend forecasts for the fiscal year ending December 31, 2013, which were announced on February 7, 2013.

1. Revision to the consolidated operating results forecast

(1) Revised FY2013 consolidated operating results forecast

[January 1 through December 31, 2013]

(Unit: Millions of yen; %)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (Yen)
Previous forecast of FY 2013 announced on February 7, 2013	1,300,000	100,000	90,000	50,000	43.26
Revised forecast of FY2013 (B)	1,350,000	70,000	65,000	10,000	8.65
Change (B – A)	50,000	(30,000)	(25,000)	(40,000)	
Change (%) (B – A)/A	3.8	(30.0)	(27.8)	(80.0)	
Actual results for FY2012	1,189,956	92,945	86,621	43,790	37.88

(2) Reasons for revision

The business environment in the entire European region including Eastern Europe has become much more difficult than the Company’s assumption made at the beginning of the year, and the demand and prices for architectural glass in the region are expected to be far below the initial projection. With regard to glass substrates for display devices, the continuing depreciation of the yen is expected to further push up the production costs at overseas subsidiaries.

To turn around its business performance from next year onwards, the Company is going to implement structural reform in the architectural glass business in Europe and other businesses, which will result in additional extraordinary losses.

As a result, the forecast of the AGC Group’s operating results for the fiscal year ending December 31, 2013 is expected to go below the forecast announced on February 7, 2013.

2. Revision to the dividend forecast

(1) Dividend Forecast

	Dividend per share (yen)		
	Interim	Year-End	Year-total
Previous forecast (Announced on February 7, 2013)	13.00	13.00	26.00
Revised forecast	—	5.00	18.00
Actual payment for FY2013	13.00		
Actual payment for FY2012 (ending December 31, 2012)	13.00	13.00	26.00

(2) Reasons for revision

The Company has maintained stable dividend payment with the target payout ratio of around 30%. For the fiscal year ending December 31, 2013, however, the Company will lower its year-total dividend forecast to 18 yen per share, by cutting the year-end dividend payment by 8 yen per share, as a sharp decline in earnings is inevitable. (The year-end dividend payment will be determined at the 89th ordinary shareholders' meeting of the Company which is scheduled to be held late March 2014.)

The Company is taking these revisions seriously, and the Company's executive officers have decided to voluntarily return part of their remuneration. The Company will also take various measures to quickly turn around its business performance, including structural reform in the architectural glass business in Europe and cost reduction with a focus on general and administrative expenses, etc. In addition, the Company will accelerate ongoing initiatives, including business expansion in fast-growing countries and sales promotion of new products and value-added products, to ensure prompt business recovery.