

QA during the Presentation on the Financial Results for FY2014
and the new management plan "AGC plus"

【Overall company】

Q1. Can you elaborate on the impacts of foreign exchange fluctuations?

A1. Foreign exchange fluctuations of 1 yen to the dollar will affect operating profit by 400 million yen. Yen depreciation brings negative impact on operating profit. Our trial calculation is based on the assumption that other currencies fluctuate against yen according to the fluctuation of the dollar. The extent of the impact of foreign exchange fluctuations includes all factors resulting from foreign exchange fluctuations, including sensitivity to foreign exchange rates of imports and exports and the translation adjustments of the consolidation of overseas subsidiaries, etc.

Q2. The dividend substantially exceeded the target dividend payout ratio of 30%. We would like to know your dividend payment policy.

A2. We are considering dividends on the basis of long-term business performance. We are aiming to achieve an operating profit of more than 100 billion yen in 2017, and we believe the dividend payout ratio will become more appropriate then.

【Glass】

Q1. Can you elaborate on the forecast of the glass business for FY2015?

A1. Overall, shipments of architectural glass are expected to increase although there are concerns that the shipments in Eastern Europe might continue to be sluggish. Earnings from the architectural glass business are likely to improve thanks to restructuring measures in Europe and North America.

【Electronics】

Q1. What are the trends in the prices and shipments of LCD glass substrates on a quarter on quarter basis?

A1. In 4Q, the shipment volume stayed almost flat from 3Q. The price decline in LCD glass substrates became moderates.

【Chemicals】

Q1. Can you elaborate on the profit increase in the Chemicals business in 4Q?

A1. The increase in profit in 4Q was attributable to an increase in shipments of the chlor-alkali products and the fluorine-related products including life sciences business. Also, the price decline of raw materials and fuels was also a factor.